



AMERICAN ASSOCIATION OF COMMUNITY COLLEGES
ASSOCIATION OF COMMUNITY COLLEGE TRUSTEES



December 17, 2008

President-Elect Barack Obama
Education Transition Team
451 6th Street, NW
Washington, DC 20001

Dear President-Elect Obama:

On behalf of the nation's 1,200 community colleges and their CEOs and trustees, the American Association of Community Colleges and the Association of Community College Trustees ask you to review and consider our views on some of the most important and pressing issues facing our members. Community colleges enroll more than 11 million students each fall, with 6.7 million of these in credit courses and another 5 million taking noncredit classes. Nearly one half of all U.S. undergraduates are enrolled in community colleges, which also serve the highest percentages of first-generation, low-income and minority students of any sector of higher education. The community college is truly an American success story. First created in your home state of Illinois in 1901, community colleges have grown into the largest sector of postsecondary education.

At a time when our nation is seeking solutions to its economic problems, community colleges educate and train students of all ages and backgrounds to reach their potential and can help our country renew its economic strength. Greater strategic investments in federal student aid and institutional support programs can reap huge benefits for our country. Studies show that investing in community colleges yields a return of \$3 for every \$1 spent.

We have provided three key economic recovery proposals totaling approximately \$13 billion that we believe will help the economy in the short-term, while also laying the groundwork for long-term economic growth and stability. In a second, separate document are proposals on a variety of broad issues on which we seek to gain your awareness and support. Our colleges stand ready to work with your administration to help the country recover from its current economic crisis and to pave the way for sustained prosperity and greater economic equality.

Sincerely,

A handwritten signature in black ink that reads 'George R. Boggs'.

George R. Boggs
AACC President and CEO

A handwritten signature in black ink that reads 'J. Noah Brown'.

J. Noah Brown
ACCT President and CEO

Community College Stimulus Proposals

As the Administration and Congress consider proposals to stimulate the economy and lay the groundwork for long-term economic growth, we urge recognition of the essential role played by community colleges. Community colleges must be at the forefront of any national effort to boost the nation's prosperity. In return for federal support, community colleges pledge to work in concert with national, state, and regional economic goals, and to be held accountable for their results.

Maintaining College Access and Affordability

The most important federal student financial aid program is the Pell Grant program. There are 5 million Pell Grant recipients each year, and more than 2 million of them attend community colleges. Earlier this year, the Department of Education announced a cumulative Pell Grant shortfall of \$5.9 billion. The shortfall is partially due to expanded Pell eligibility, but also because of a significant increase in both the number and financial need of Pell applicants. This fall, our campuses have seen sharp enrollment increases, which historically have occurred in difficult economic times. We expect this trend to continue. Many of these new students are "non-traditional," which community colleges enroll in disproportionate numbers.

Recently, Congress provided \$2.5 billion in the FY 2009 continuing resolution to cover a portion of the Pell Grant shortfall. We urge you to provide an additional \$3.0 billion to retire the entire current estimated shortfall (due to revised Department estimates). Doing so will pave the way for future increases in the maximum grant and thereby help the neediest students achieve the goal of a postsecondary education.

In addition, we seek a \$700 increase in the FY 2009 Pell Grant maximum. This increase will help tens of thousands needy students who hope to come to our campuses due to the economic downturn better finance their educations, and hopefully also enable them to avoid debt. Ensuring that lower-income students are able to acquire the skills needed in the rapidly changing economy will help both business and the workforce weather the economic storm through increased productivity and competitiveness.

Enhancing Community College Infrastructure

Community college attendance continues to grow, and the crisis in many state budgets has placed an extraordinary strain on our colleges, with many absorbing mid-year cuts. One consequence of this budget situation is that many colleges are foregoing infrastructure upgrades, retrofitting and other capital expenditures in order to meet more pressing student needs. Many community colleges facilities are over 50 years old, and therefore lack the space or technology needed to train the burgeoning numbers of students for jobs in high-demand and high-growth industries.

Collectively there is an estimated, and staggering, \$100 billion of unmet need for community college infrastructure and related capital costs. To begin addressing this accumulated need, we request federal funding of \$5 billion. The benefits of federal support, especially at this time in American history, are enormous. In the short term, federal funding to support two-year community and technical college capital will temporarily invigorate local construction businesses, which would serve or possibly save job-starved communities experiencing little or no growth. In the long term, this funding will prepare community colleges to produce workers in the key industries of the future, such as alternative energy technologies and health care, for which our colleges prepare more than half of all new workers. Given the immense backlog of projects on our campuses, facilities funds can be obligated and then spent in short order.

Recent analysis by the Economic Modeling Specialists, Inc. (EMSI) indicates that a \$5 billion investment in commercial and institutional building construction would generate a total impact of 96,503 jobs associated with \$5.1 billion in earnings. EMSI has generated hundreds of surveys with specialized economic and labor data related to regional economies with a focus on post-secondary institutions.

In most places, the local community college is the center of postsecondary education, job training and economic vitality. Unfortunately, community colleges simply are not in a position to keep up with increased growth demands and maintain their infrastructures solely with tuition and other state and local funding.

Preparing for High Paying and High Demand Jobs

The nation's unemployment rate is rapidly rising, yet across the country many employers are unable to find workers with the skills required for available jobs. Effective and well-targeted workforce training programs remain essential to building the nation's economy. One of the most successful federal workforce development programs is the Department of Labor's Community-Based Job Training Grant (CBJTG) program. This program provides grants to community colleges to build capacity to train workers and to develop worker skills required in high growth/high demand industries. We request \$1.5 billion to help build upon the gains of the CBJTG program and to help community colleges fund programs to train the workers in such key areas as advanced technology, energy and health care.

This assistance, like that provided through our facilities proposal, will be especially helpful to our colleges given the substantial budget reductions they are currently absorbing, and will no doubt suffer next year. This assistance is properly viewed as assistance to state and local governments, since almost 60% of all community college revenues come from these sources.

Signed on behalf of:

American Association of Community Colleges
Association of Community College Trustees

Arizona Community College Presidents' Council
Arkansas Association of Two-Year Colleges
California Community Colleges
Colorado Community College System
Community and Technical College System of West Virginia
Community College League of California
Community College of Southern Nevada
Connecticut Board of Trustees of Community and Technical Colleges
Community College System of New Hampshire
Delaware Technical and Community College
Florida Community College System
Illinois Community College Board
Illinois Community College Trustees Association
Iowa Association of Community College Trustees
Kansas Association of Community College Trustees
Kentucky Community and Technical College System
Louisiana Community and Technical College System
Maryland Association of Community Colleges
Maryland Higher Education Commission
Massachusetts Community Colleges
Michigan Community College Association
Minnesota State Colleges and Universities
Montana University System -- Two-Year Colleges
New Jersey Council of County Colleges
New Mexico Association of Community Colleges
North Carolina Association of Community College Trustees
North Carolina Community College System
Ohio Association of Community Colleges
Oklahoma Association of Community Colleges
Oregon Community College Association
Oregon Department of Community Colleges and Workforce
Pennsylvania Commission for Community Colleges
Pennsylvania Department of Education – Office of Access
South Carolina Technical College System
State University of New York
Texas Association of Community Colleges
Utah System of Higher Education
Washington State Board for Community and Technical College
Washington State's Trustees Association
Virginia Community College System
Wisconsin Technical College District Boards Association
Wisconsin Technical College System
Wyoming Community College Commission