

MT. SAC

# **Education, Jobs, and the Economy**

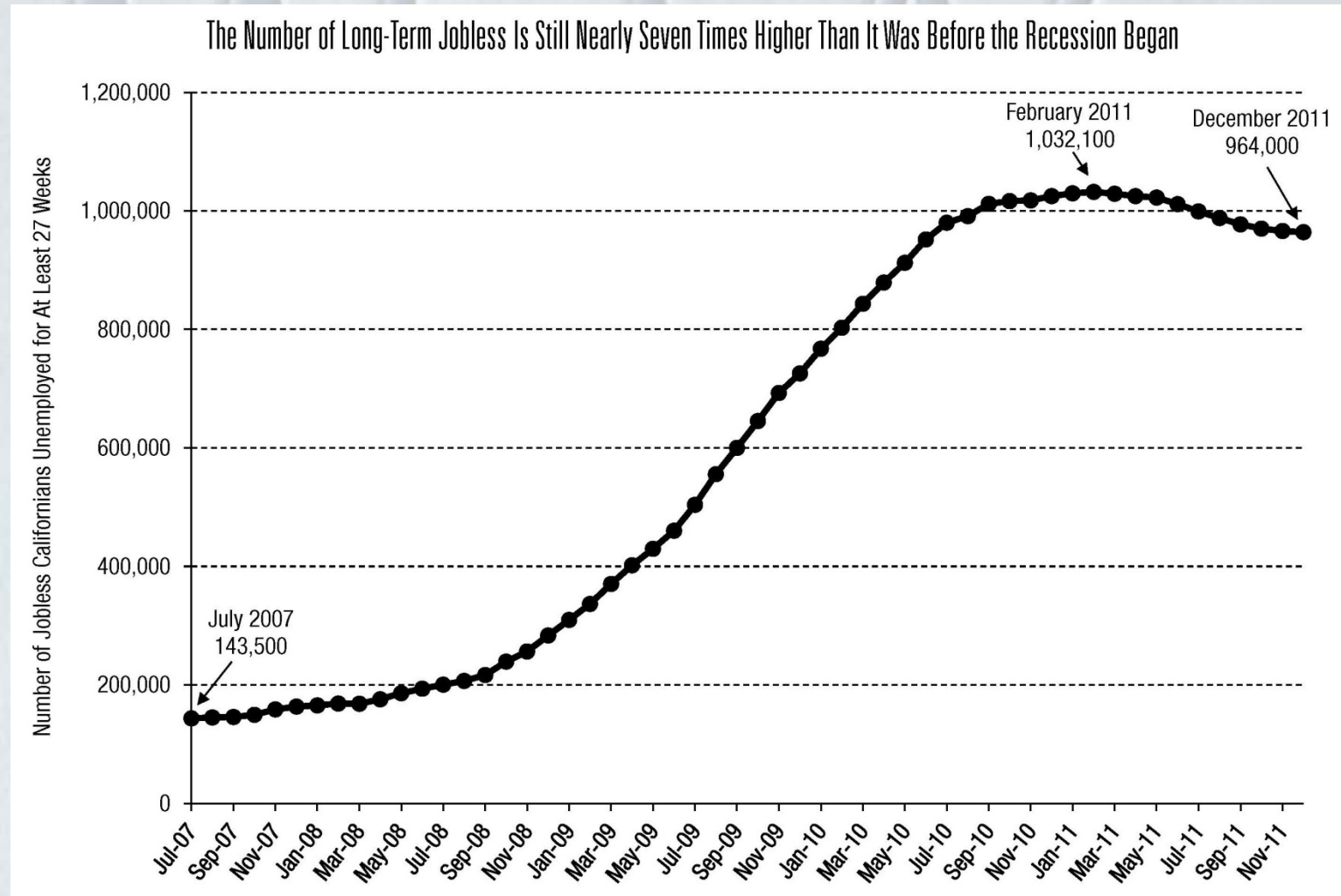
**Bill Scroggins**

**March 6, 2012**

# Overview

- **Unemployment Picture**
- **Mt. SAC's Role in Jobs**
- **Education Matters: Not just for employment**
- **State Investment in Education is Declining**
- **Effect of State Cuts on Mt. SAC**
- **What You Can Do**

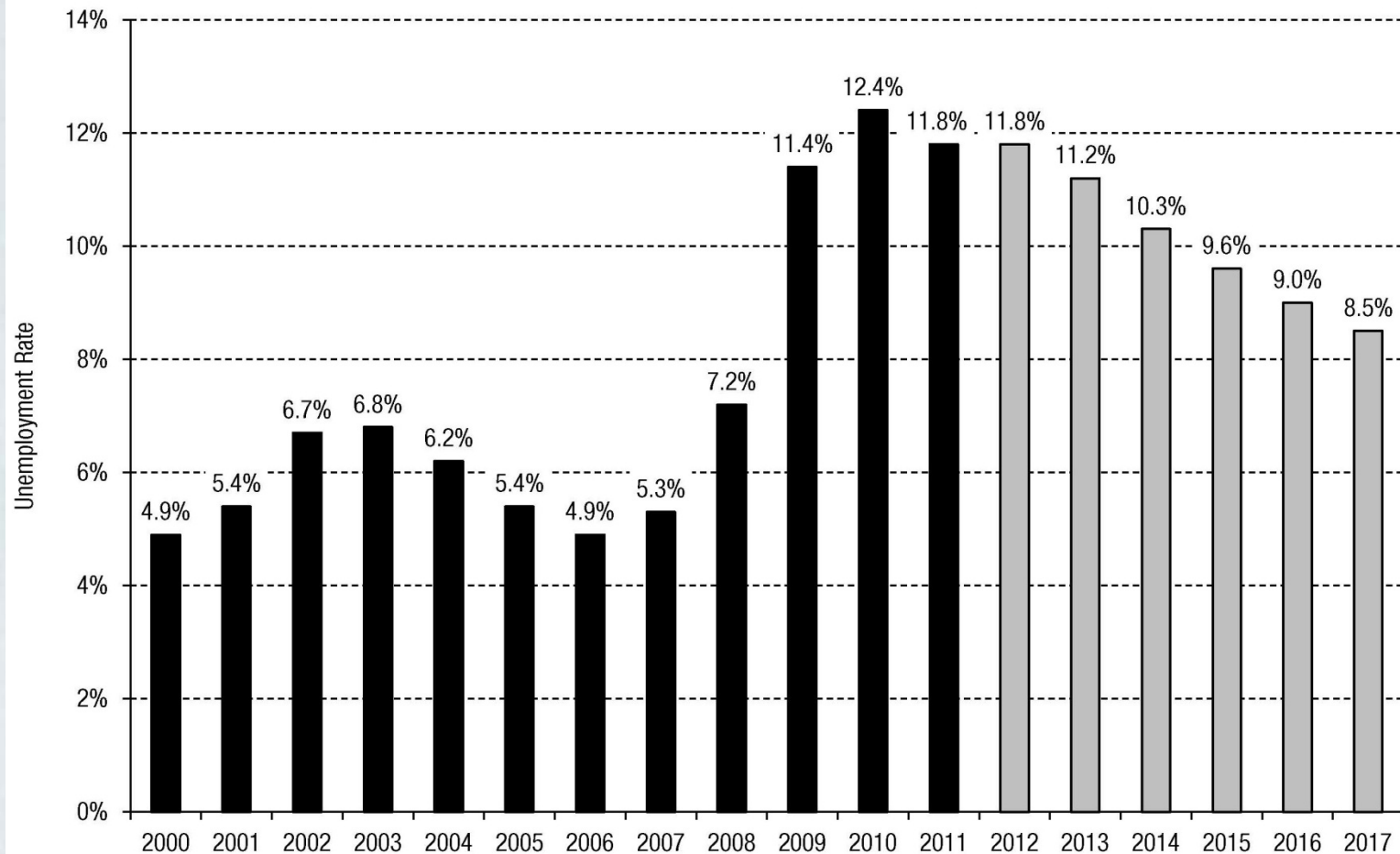
# Unemployment: Better but Not Much



Source: [Measuring Up, The California Budget Project, February, 2012](#)

# Unemployment: Outlook Dim

California's Annual Jobless Rate Is Projected To Remain Above 10 Percent Through 2014



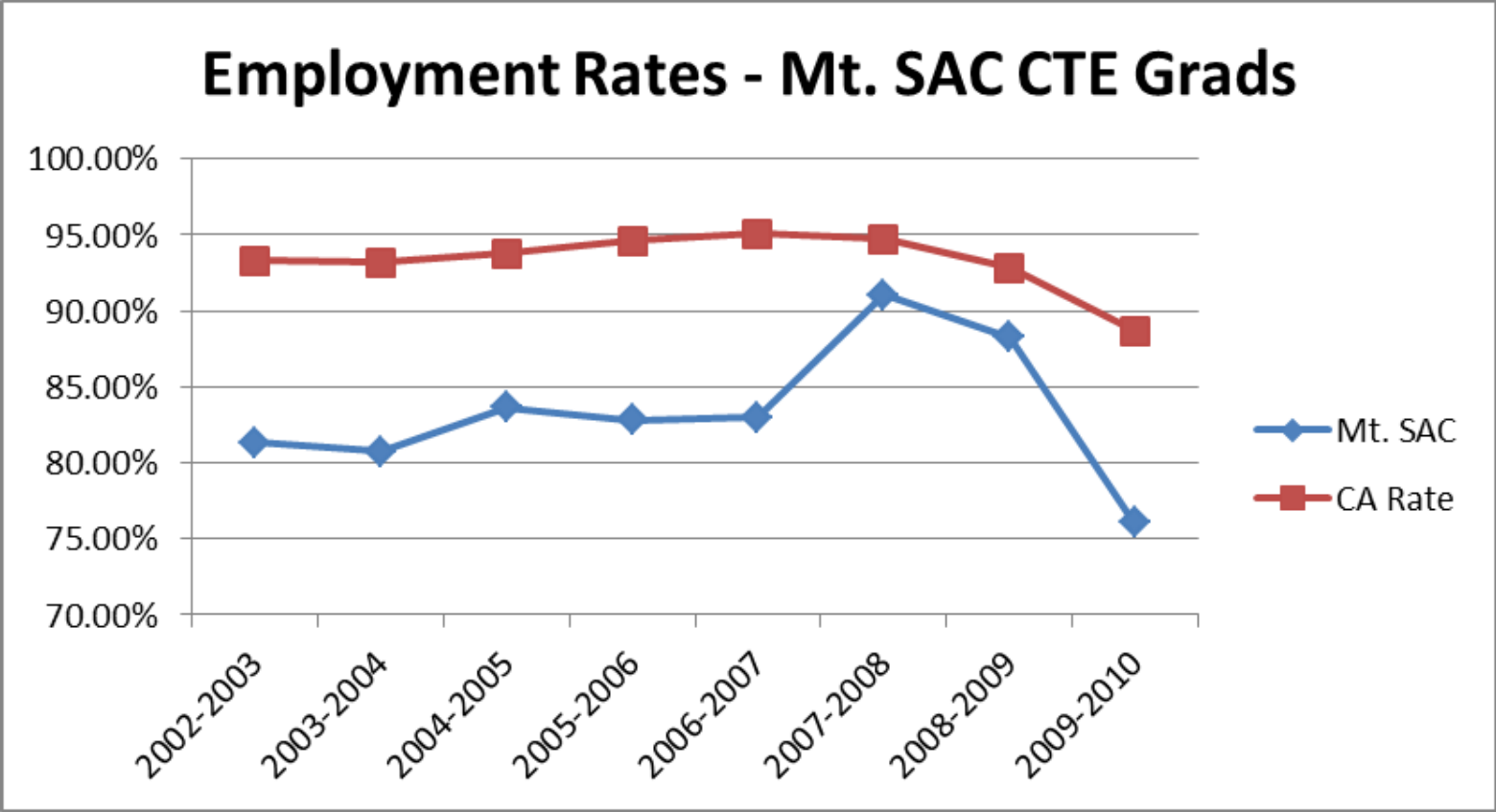
Source: [Measuring Up, The California Budget Project, February, 2012](#)

# Huge Need for Education & Training

- Nearly 25% of adults in California are **functionally illiterate**.
- More than 5.3 million adults in California **have yet to earn a high school diploma** or pass the General Educational Development (GED) exam.
- 27% of Californians between the ages of 18 and 44 are **unprepared for postsecondary education** for “middle-skill” jobs which represent the largest share of jobs in California, now and in the future.

*[Serving Students, Serving California: Updating the California Community Colleges to Meet Evolving Demands](#), Little Hoover Commission, February 2012*

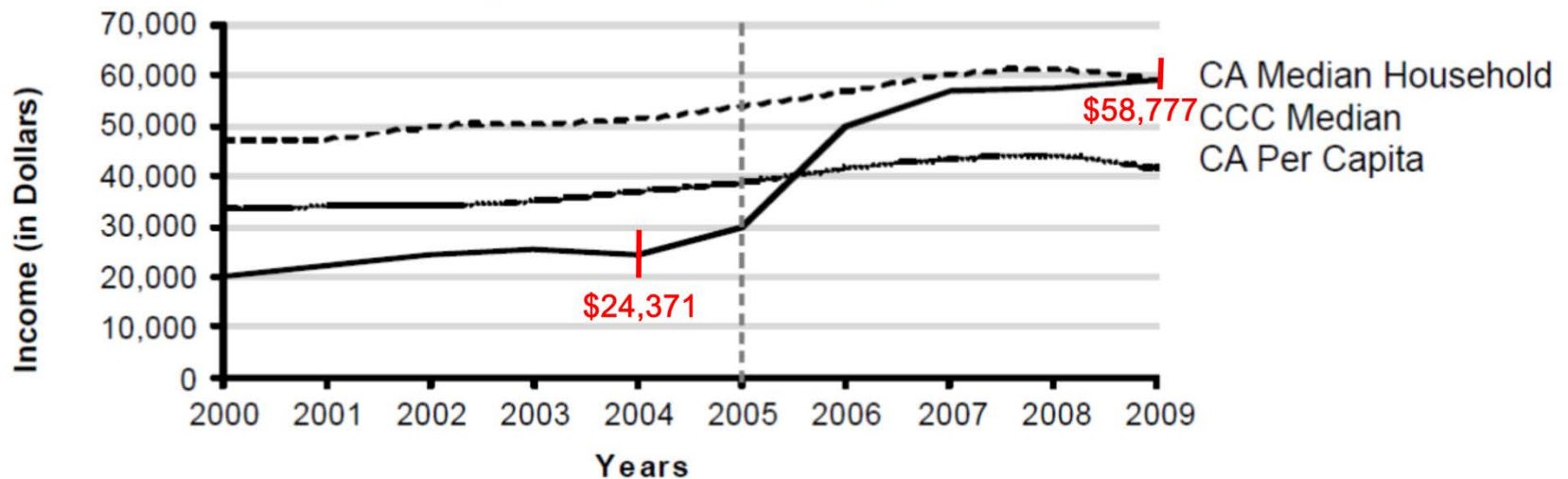
# Education Leads to Employment



Source: [Spring 2008 Perkins IV Data, California Community College Chancellor's Office](#)

# Education Leads to Good Paying Jobs

Wages for Students Attaining Award in 2005-2006



# Community Colleges React to the Job Market

## Annual Number of Vocational Awards-All CCCs

Program Title	Total Credit Awards		
	2008-09	2009-10	2010-11
Accounting	2,553	2,669	3,027
Administration of Justice	6,191	5,542	5,412
Business Administration	2,703	3,180	3,500
Child Development	7,142	5,990	6,222
Computer Infrastructure and Support	561	677	716
Digital Media	558	614	719
Environmental Control Technology	479	533	620
Health Information Technology	175	297	363
Nursing	8,519	8,388	8,077
Water Technology	225	275	335

**Due to lower job demand, Mt. SAC reduced Nursing admits from 80 to 60 per term.**



# **Mt. SAC Excels in Vocational Education**

- **Histology lab tech: pass rate on national certification exam is 94.8%**
- **EMT and Paramedic: 100% pass rate, 100% are hired within 30 days of graduation**
- **Psychiatric Technician: 92% retention - entry level salaries of \$57,000**
- **Airframe Mechanic: 100% employed upon graduation**
- **Radiologic Technology: 96% pass rate on state certification exam**

# Mt. SAC Excels in Transfer

- Transfers to UCs increased **25%** from 318 in 2009-10 to 396 in 2010-11, 8th in the state.
- Transfers to CSU increased **78%** from 759 in 2009-10 to 1350 in 2010-11, 5th in the state.
- Combined CSU/UC transfers increased **62%** from 1077 in 2009-10 to 1746 in 2010-11
- Mt. SAC is now **6th in the state** in transfers.

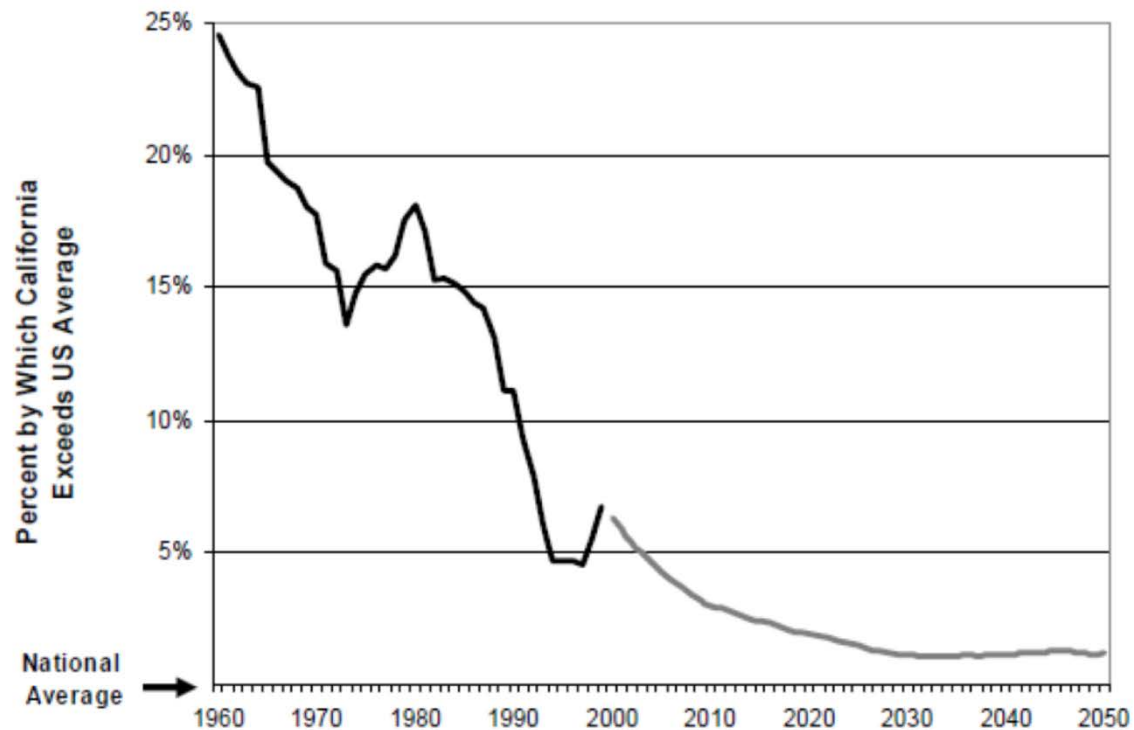
# Mt. SAC Excels on State Scorecard

## Mt. SAC excels in 6-year success rates

Indicator	State	Mt SAC
Degree, Certificate or Transfer	53.6%	51.9%
Completed 30 or More Units	73.5%	*76.1%
Fall to Fall Persistence	71.1%	*76.5%
Vocational Course Completion	76.8%	*78.0%
ESL Course Improvement	54.6%	*60.9%
Basic Skills Course Improvement	58.5%	*67.2%

# Californians Declining Income Compared to Other States

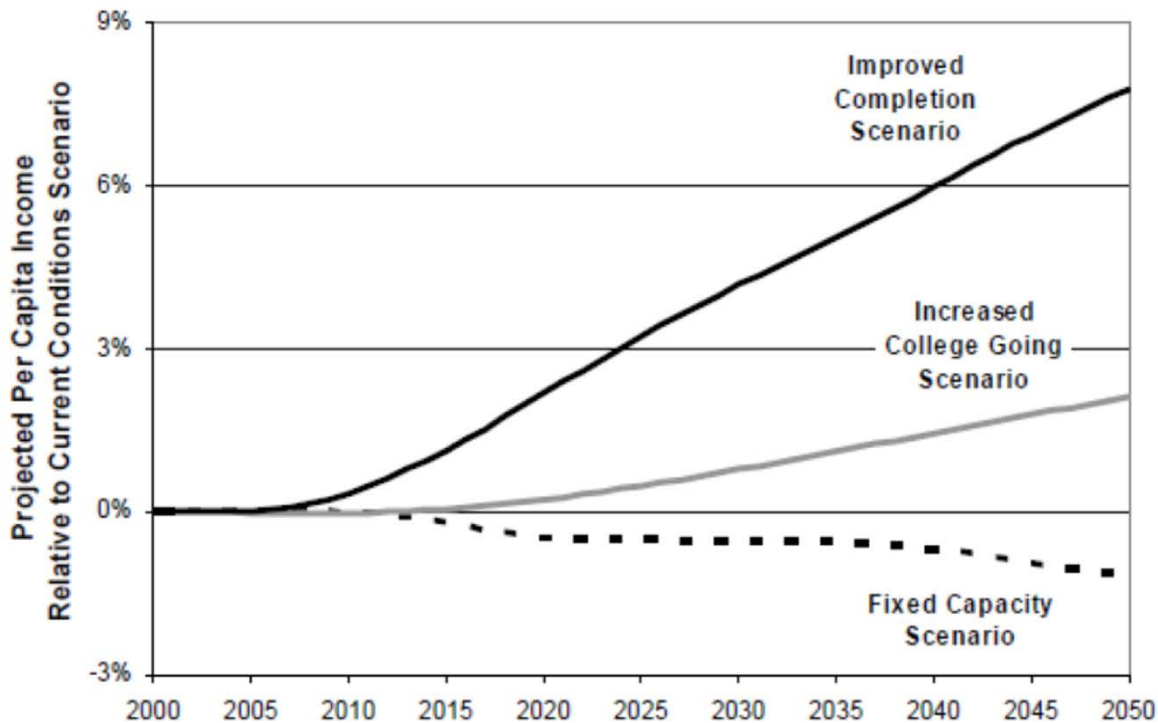
Figure 1.1—California's Per Capita Personal Income Compared to the United States —1960-1999 (actual) and 2000-2050 (projected)



Source: Data from 1960-1999 from U.S. Bureau of Economic Analysis  
Data from 2000-2050 based on projections

# Per Capita Income Will Increase As Our Educational Level Increases

Figure 1.2—California Per Capita Income for Three Alternative Scenarios Relative to the “Current Conditions” Scenario



- Improve the % of students who graduate from college.
- Improve the % who go to college.
- Status Quo leads to declining personal income.

*Return on Investment: Educational Choices and Demographic Change in California's Future*, Henry Brady, et al, University of California, Berkeley, November 30, 2005

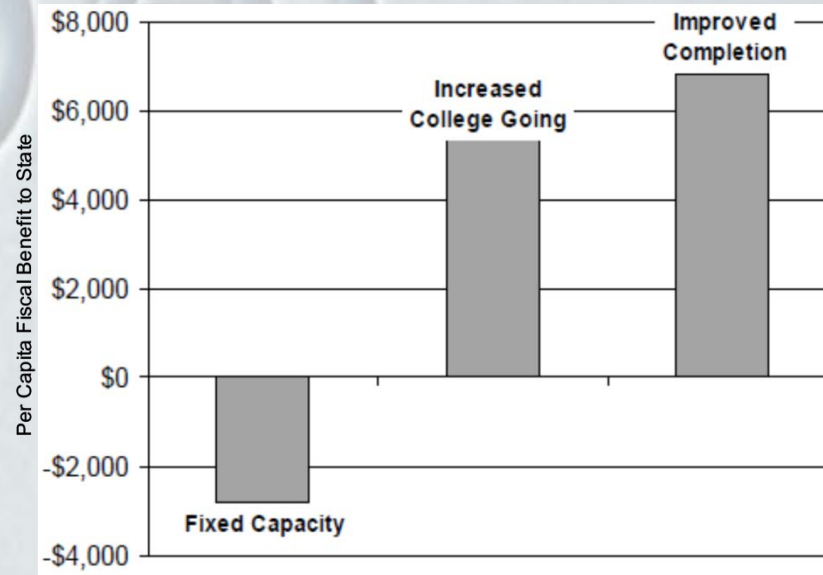
# Education Matters

- A B.A. holder will spend **23% more time employed** than a high school graduate.
- Earning a B.A. **doubles income** relative to a high school diploma.
- 22% of those with less than a HS degree live in poverty; 10% with a HS degree are in poverty; **<5% with a BA or more are in poverty.**
- The **incarceration rate is 85% lower for B.A. holders and half with some college.**

# Education Matters

## What can we gain by investing in Higher Education?

- **Lower cost to the state for support services**
- **More taxes collected from productive citizens**
- **Return on investment:**



**Today: \$3 for every \$1 invested**

**Increased Completion: \$4 to \$5 per \$1 invested**

# But California is Falling Behind

- **% >25 Who Are HS Grads:**

Year	1970	2004
CA	63%	81%
US	55%	85%
$\Delta$	+8%	-4%

- **% >25 With BA:**

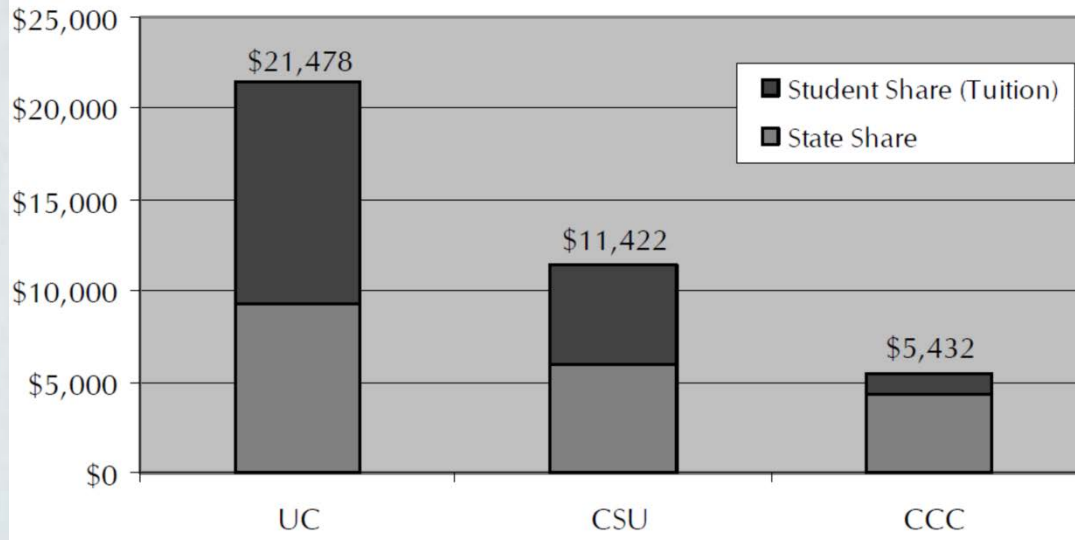
Year	1990	2000	2010
CA	23.4%	26.6%	29.9%
US	20.3%	24.4%	27.9%
$\Delta$	+3.1%	+2.2%	+2.0%

Source: United States Census: 1990, 2000, 2010



# Reality: **LESS INVESTMENT** in Higher Ed

*Who Pays? Average Cost Per Full-Time Equivalent Undergraduate Student, 2011-12*

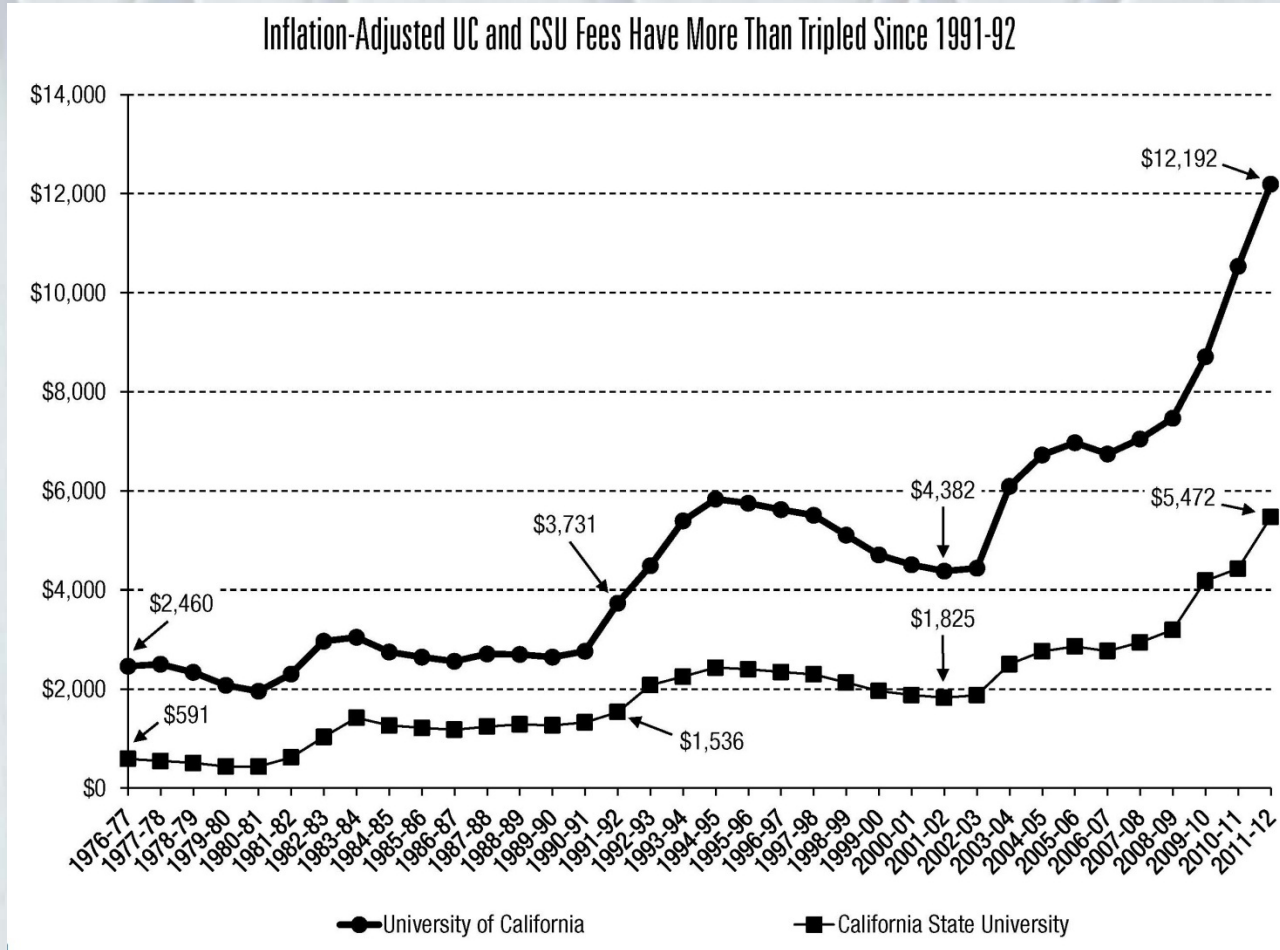


**Decrease in State support,  
2007-08 to 2010-11:**

UC	CSU	CCC
<b>-30%</b>	<b>-33%</b>	<b>-23%</b>

[“The 2012-13 Budget: Analysis of the Governor’s Higher Education Proposal,”  
Legislative Analyst’s Office, February 8, 2012](#)

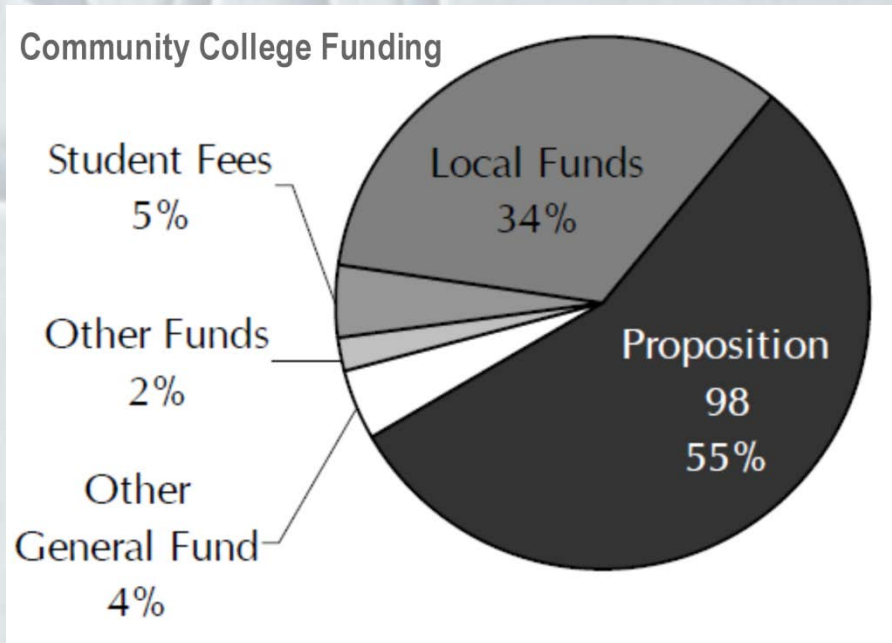
# UC and CSU Fees Have Skyrocketed



Source: [Measuring Up, The California Budget Project, February, 2012](#)

# CCCs Do Not Keep Fees

- Unlike UC and CSU, community colleges do not keep student fees.
- The increase in fees from \$36 to \$46 per unit will reduce the state contribution to community college funding.
- The current sources of our funding are shown in the chart to the right.



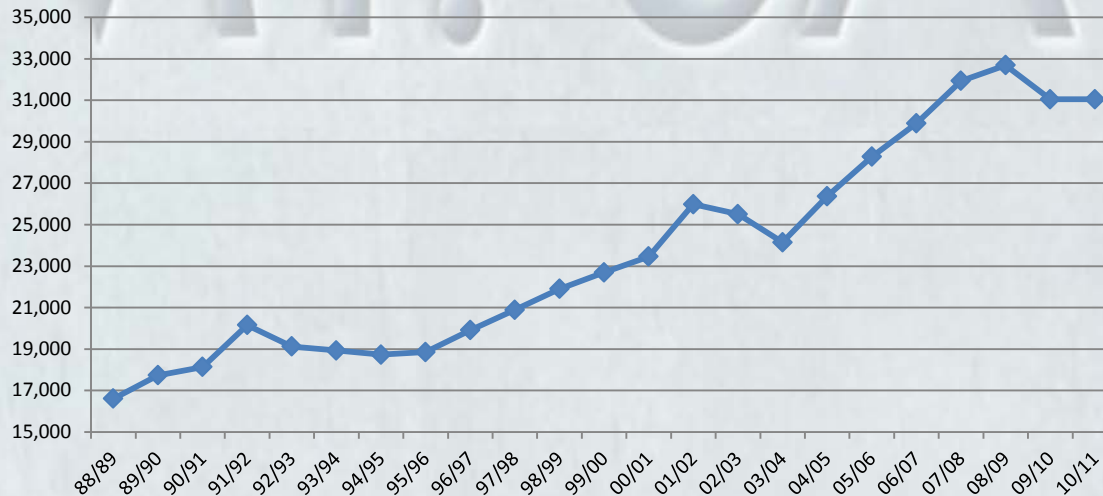
# **State Cuts Have Hit Mt. SAC Hard**

- **8% cut in 2009-10**
- **6.2% initial cut in 2011-12**
- **2% mid-year “trigger” cut in December**  
**(State failed to grow revenue by \$4 billion)**
- **3.5% mid-year “surprise” cut in February**  
**(Shortfall in property tax & student fee collection)**
- **6.6% for 2012-13 if Governor’s tax fails**

# Slowing Mt. SAC's Growth

**Steady growth has doubled FTES from 88/89 to 08/09**

Actual Annual FTES



**The last two years have been flat, and 2011/12 is also predicted to be flat.  
Note: the state cut funded enrollment 3.2% in 09/10 and 6.2% in 11/12.  
These are the only years in HISTORY that the state cut funding for students.**

# State Cuts to Enrollment, 2011-12

2010-11 Funded	2011-12 Funded	Class Cuts	2011-12 Unfunded
30,087	28,218	(1,609)	1,376

- **Last year, Mt. SAC was funded for 30,087 students but actually served 6% more students than this.**
- **The 6.2% state cut lowered the funded students to 28,218.**
- **We cut 4% of our class offering which eliminated 1,609 students.**
- **So for this year, 2011-12, we will still serve 1,376 students more than the state will fund...about 3% over cap.**
- **We will cut another 6.6% if November tax fails.**

# Huge Demand Exceeds Mt. SAC's Capacity

- Unemployment means more are coming to us for upgraded job training opportunities **but we can't meet the demand.**
- **Course fill rate is 100%** for all but advanced classes.
- Classes in most demand are **full after 2 or 3 days** of registration.
- Many faculty are **turning away 10 – 15 students** from every class.
- Students can **wait 2-3 years** to get the required classes they need.

# **Decreased funding also means:**

- **Elimination of funding for instructional equipment**
- **Severely restricted funding for tutoring lab support**
- **Severely restricted funding for educational counseling**
- **Restricted ability to support learning communities**
- **Restricted funding to meet federal mandates for support of disabled students**
- **Restricted support for most vulnerable students**



# What YOU Can Do

- **SERVE**
  - Vocational Program Advisory Committees
- **PARTNER**
  - Internship and Apprenticeship Programs
  - Small Business Development Center
- **GIVE**
  - Scholarships
  - Equipment
  - Tax Deductible Gifts and Bequests to Foundation
  - Join Mt. SAC President's Circle
- **Advocate**
  - For More Funding for Education in California

**For more information or to get involved:**

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**Follow Mt. SAC & Higher Ed issues:**

**[www.mtsac.edu/presidentsboardreport](http://www.mtsac.edu/presidentsboardreport)**