

President's Report to the State Board of Community Colleges
Dr. R. Scott Ralls
Friday, March 20, 2009

Our community colleges are creating success through hope, opportunity and jobs from Murphy to Manteo – or as we say from Tri-County to College of the Albemarle. How do they do that? The basic formula for community college success is access plus opportunity, and today, we can report that access to North Carolina Community Colleges is greater than ever before.

One way that is evident is in the number of new students flooding through our doors – a record 15,000 new full-time equivalent students just this year. This is the equivalent of growing the size of our largest community college – Central Piedmont – or the University of North Carolina at Charlotte in just one year.

A second increase in access is the financial opportunity to attend a North Carolina community college. During the past year, we have increased the amount of funding that may be awarded from the NC Community College Grant program by \$2 million to meet the needs of our growing student body. Your actions today made it more feasible for many students to attend community colleges at a time when the road to our economic recovery runs through the North Carolina Community College System.

By approving the recommendation to increase the financial aid floor by \$600 to \$4200, you have ensured that our neediest students have the assistance they require to meet their educational goals. You have also expanded the NC Community College Grant program to help more independent students. This expansion provides crucial support to non-traditional students, who frequently do not qualify for other financial aid programs. These proposals are consistent with Governor Perdue's College Promise, an initiative to provide accessible, debt-free higher education.

Here's why her focus in this area and your action at this meeting are important.

First, community colleges are the higher education access point for more low-income students than any other segment of higher education in our state. As the Gates Foundation and others

have noted, “doubling the numbers” of low-income students attending college is a long-term economic imperative.

In today’s economic climate, the number of workers outnumber the available jobs. But as the significant baby-boom cohort continues to move through the workforce and down the road to retirement, we will find ourselves with jobs that will outnumber the people we have to perform them. It is our demographic destiny caused by the aging of our population.

In 1945, the year before the first Baby Boomer was born, each retiree in America was supported by 42 workers. Prior to the current recession, it was estimated that most baby boomers would be fully retired in twenty years. Now admittedly, retirement plans have changed a lot in the past year, but when the boomers are fully retired, it is predicted that each retiree will be supported by two workers. Given that, we need everyone to be skilled and employed.

But today, income is still a major barrier to education beyond high school for too many students. Only 19% of 26-year-olds from low-income families have a post-secondary credential compared to 45% of 26-year-olds from all other families. Given current completion statistics, it can be expected that only 90,000 of the approximately 800,000 eighth-graders from the lowest socioeconomic level in the United States will earn a college degree by 2014, eight years after their expected high school graduation.

That is not good enough, and that is why the financial policy you approved today is so important.

But as important as access is, it is only one part of the success equation. Right now, we need to worry as much about the opportunities we provide to our students, as we do about the access we strive to maintain. Given our current resources, the students flooding through our doors today may not be accessing the appropriate opportunities to make them successful in tomorrow’s globally competitive environment.

Perhaps the starkest example relates to the technology and equipment resources we utilize to educate and train our students now and into the future. When we entered the last recession in 2001 our colleges had 37% more total equipment funds than they have this year, despite the

fact that we're now handling 40% more students. That is why Governor Perdue's recommendation of \$5 million additional dollars for our equipment and technology is an important recognition and first step in helping us address this enormous problem.

At our current funding levels, our colleges cannot replace their present stock of equipment and technology once every decade, even if they could do so at the original acquisition price. I have told the story many times of my experience as a college president when in an attempt to keep pace with the current machining needs of my former county's two largest employers, our college made the decision to purchase a refurbished 5-axis mill. I have been told by one industry expert that such equipment is common at vocational centers in China, but at the time I had to commit 40% of my entire equipment budget for that one item.

In short, many of our students who have come to us through increased access are receiving training and education on out-dated and often obsolete equipment. This raises questions not only about the quality of opportunities we're able to offer our students, but also questions about their future employability and the level of skills needed by their future employers.

A well-educated, work-ready workforce is critical to our state economic recovery. We're increasing student access; now, we must continue to improve student opportunities. That's why our Creating Success priorities -- those established by the entire community college family -- are so critical. Creating success requires both access **and** opportunity.