

Community College of  
Allegheny County  
[www.ccac.edu](http://www.ccac.edu)

October 5, 2021

Community College of  
Beaver County  
[www.ccbc.edu](http://www.ccbc.edu)

The Honorable Greg Thall  
Secretary  
Pennsylvania Office of the Budget  
238 Main Capitol  
Harrisburg, PA 17101

The Honorable Noe Ortega  
Secretary  
Pennsylvania Department of Education  
333 Market Street, 10<sup>th</sup> FL  
Harrisburg, PA 17126-0333

Bucks County  
Community College  
[www.bucks.edu](http://www.bucks.edu)

Dear Secretary Thall and Secretary Ortega,

Butler County  
Community College  
[www.bc3.edu](http://www.bc3.edu)

Enclosed please find the FY 2022-23 budget request submitted on behalf of Pennsylvania's community colleges. The request recommends the following initiatives, which are described in greater detail in the attachments:

Delaware County  
Community College  
[www.dccc.edu](http://www.dccc.edu)

- ✦ A request to increase the Community College Operating Appropriation to \$262.1 million,
- ✦ A request to transfer \$57.078 million to the Community College Capital Fund,
- ✦ A request to establish and fund a statewide Dual Enrollment program,
- ✦ A request to provide additional funds for community colleges to expand and scale workforce development programs, and
- ✦ A Community College Modernization and Mandate Waiver Initiative.

Erie County Community  
College of PA  
[www.ec3pa.org](http://www.ec3pa.org)

HACC, Central Pennsylvania's  
Community College  
[www.hacc.edu](http://www.hacc.edu)

As the largest provider of public undergraduate and workforce development programming in the Commonwealth of Pennsylvania, community colleges are eager to help Pennsylvania reach its education and workforce development goals. Support of the enclosed request is essential for community colleges to remain financially viable institutions that will serve as engines of economic prosperity for Pennsylvanians and the foundation of a thriving economy in the Commonwealth.

Lehigh Carbon  
Community College  
[www.lccc.edu](http://www.lccc.edu)

Luzerne County  
Community College  
[www.luzerne.edu](http://www.luzerne.edu)

Please contact my office if you have questions or need any additional information regarding this request. We look forward to working collaboratively with the Wolf Administration to continue to serve Pennsylvania's students, employers, and communities.

Montgomery County  
Community College  
[www.mc3.edu](http://www.mc3.edu)

Northampton  
Community College  
[www.northampton.edu](http://www.northampton.edu)

Thank you for your consideration.

Pennsylvania Highlands  
Community College  
[www.pennhighlands.edu](http://www.pennhighlands.edu)

Sincerely,



Elizabeth A. Bolden  
President/CEO

Community College  
of Philadelphia  
[www.ccp.edu](http://www.ccp.edu)

Attachments

Reading Area  
Community College  
[www.racc.edu](http://www.racc.edu)

cc: Ms. Elena Cross

Ms. Allison Jones

Mr. Eric Hagarty

Mr. Robert Ghormoz

Dr. Tanya Garcia

Ms. Hannah Barrick

The Honorable Pat Browne

The Honorable Vincent Hughes

The Honorable Stan Saylor

The Honorable Matt Bradford

The Honorable Scott Martin

The Honorable Lindsey Williams

The Honorable Curt Sonney

The Honorable Mark Longietti

Westmoreland County  
Community College  
[www.westmoreland.edu](http://www.westmoreland.edu)

## Community College Operating Appropriation

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### Background

Pennsylvania's community colleges are the primary providers of education and workforce training in the Commonwealth. Each year, hundreds of thousands of credit and non-credit students enroll in a Pennsylvania community college – preparing to transfer to four-year institutions, participating in programs that prepare them to enter the workforce, or enhancing skills to advance within their existing careers. Community colleges also partner with more than 1,800 employers across Pennsylvania to provide customized training for local, in-demand and family-sustaining careers.

At Pennsylvania's community colleges, processes are regularly examined to ensure they are operating efficiently and effectively, consistently verifying that each college is a responsible steward of public resources. Community colleges have managed expenses by reducing costs, reallocating resources, and creating efficiencies across all aspects of operations.

However, state and local financial support has failed to keep pace with the needs of community colleges, causing them to reevaluate, and in some cases reduce, program offerings. Disinvestment at the state and local level has also caused tuition increases at Pennsylvania's community colleges and, in some regions, threatens the affordability of a community college education.

Pennsylvania is at a crossroads. It must either invest in its public community colleges and embrace this affordable, postsecondary option or deal with the real and significant impact of disinvestment, including:

-  Closure,
-  Retrenchment,
-  Layoffs,
-  Economic disruption at the local level, and the
-  Loss of the most impactful sector of higher education in the Commonwealth.

In setting its priorities for the 2022-23 fiscal year, the Commonwealth will decide whether it will continue to exacerbate the inequitable access to higher education that has persisted for decades; or whether it is willing to make the investments needed to ensure that all Pennsylvanians have access to quality, affordable and accessible higher education and workforce development training programs that will drive the state's economic growth.

The role Pennsylvania's community colleges play in the Commonwealth's education and workforce development strategies has never been more important. As the Commonwealth seeks to rebuild its economy, it will need the flexible, affordable education and training programs offered by community colleges to ensure that Pennsylvanians can gain the skills to enter or advance in the workforce and support the economy.

### Status

For FY 2021-22 the line item for Pennsylvania's community colleges was increased to \$245.2 million, but the entire amount of the increase (\$1.385 million) was dedicated to the newly established Erie County Community College of Pennsylvania (EC3ofPA). The pre-existing 14 community colleges have been funded at the same level for three consecutive years. Level funding for these 14 pre-existing colleges falls short of what is needed to allow the colleges to recover from historically inadequate funding levels and respond to ongoing fixed cost increases, including pension and benefit cost increases.

## Community College Operating Appropriation

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### Request

The Pennsylvania Commission for Community Colleges requests the Community Colleges Operating Line Item Appropriation distributed to the 14 community colleges be increased by at least 7.5 percent or \$18.3 million, bringing the total appropriation to \$262.1 million for FY 2022-23. This increase would adjust the 2015-16 operating appropriation consistent with the HEPI National, reflecting the HEPI National preliminary forecast through FY2021 and an additional conservative 2% inflation through FY 2022. The Commission recommends that these funds be separate from, and in addition to, any operating funds allocated to the EC3ofPA.

The appropriation history for the Community Colleges Line Item is below:

<u>Fiscal Year</u>	<u>Operating Appropriation</u>
2015-16	\$226,450,000
2016-17	\$232,111,000
2017-18	\$232,111,000
2018-19	\$239,074,000
2019-20	\$243,855,000
2020-21	\$243,855,000
2021-22	\$245,240,000*
<b>2022-23</b>	<b>\$263,500,000 Recommended*</b>

\* Full amount inclusive of increase allocated to EC3ofPA

### Benefits

These funds will allow the colleges to maintain instructional quality and provide appropriate support services to students to ensure their postsecondary success. The funding will also allow Pennsylvania to make progress toward its postsecondary attainment goal of 60 percent of Pennsylvanians aged 25-64 with a postsecondary degree or credential by 2025, with a particular focus on closing attainment gaps for historically underrepresented populations – populations which community colleges educate at higher rates than any other higher education sector.

### Method of Change & Proposed Timetable

The Commission proposes that funds be included in the FY 2022-23 budget.

## Community College Capital Fund

### Background

Pennsylvania's community colleges receive financial support for instructional and infrastructure improvements through the Transfer to the Community College Capital Fund Appropriation. These state funds provide for one-half of the cost of approved capital projects. For FY 2021-22, the Transfer to the Community College Capital Fund was \$52.078 million. Of that amount, the Pennsylvania Department of Education (PDE) reserved \$3.209 million for the Erie County Community College of Pennsylvania.

### Status

The Transfer to Community College Capital Fund Appropriation has traditionally supported new instructional and infrastructure improvement projects – such as leases, capital projects or necessary technology upgrades – at Pennsylvania's community colleges. However, in August 2021, PDE notified the 14 pre-existing community colleges that there would be no new money to support any new projects at the colleges in FY 2021-22. This follows limited funding in FY 2020-21 where only five colleges received new funding.

Without an increase in funding, it is possible that there will again be no money to support new projects in FY 2022-23. If that is the case, it will ensure that five of the Commonwealth's community colleges will not have received any increase in capital funding for three years. In fact, one of Pennsylvania's largest community colleges has not received additional funds for new capital efforts since FY 2017-18. With community college campuses aging across the Commonwealth, increased funding is not only necessary to maintain the Commonwealth's current investment in community college infrastructure on the most basic level, but also to provide the facilities and equipment necessary to ensure students are offered high-quality instruction in high priority occupations at an affordable rate in the years to come.

### Request

For FY 2022-23, the Pennsylvania Commission for Community Colleges requests that the appropriation be increased by 10 percent or \$5 million, to a total \$57.078 million, to provide funds to support one priority project at each Pennsylvania community college. Lack of funding delays vital capital projects related to matters of student/employee safety such as college-wide HVAC upgrades in the wake of the COVID-19 pandemic, roof replacements and campus security and access control systems. In addition, projects in waiting include modernization of aging IT infrastructures and even a request to help ensure a college's basic stability with the acquisition of their sole campus location which is currently only leased.

The Commission recommends that these funds be separate, and in addition to, any capital funds designated for the Erie County Community College of Pennsylvania.

### Benefits

Capital improvements and the funds that support them are critical if the colleges are to continue to meet the Commonwealth's education and workforce training needs. Projects completed with these funds will increase economic activity at the local level and will provide the colleges with the resources to modernize their facilities as part of their ongoing efforts to meet education and workforce needs of the Commonwealth.

### Method of Change and Proposed Timetable

The Commission proposes that funds be included in the FY 2022-23 budget.

## Dual Enrollment/Early College

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### Background

Dual enrollment, sometimes referred to as concurrent enrollment or early college, are programs in which secondary students enroll in postsecondary coursework and receive both college and high school credit. It is used by high school students to explore college options and earn college credit prior to high school graduation. Increasingly popular among eligible high school juniors and seniors, dual enrollment has the potential to decrease the cost of higher education and reduce student debt.

Dual enrollment is a proven policy associated with a range of positive outcomes, including:

- ✦ Reduced time-to-degree,
- ✦ Quicker entrance into the workforce,
- ✦ Increased high school graduation rates,
- ✦ Increased postsecondary attainment rates (even after controlling for student, family, schooling achievements, and school context factors),
- ✦ Reduced cost-to-degree, and
- ✦ Lower student debt.

According to the [Education Commission of the States](#), “students who dually enroll are more likely than their non-dually enrolling peers to finish high school, matriculate in a postsecondary institution and experience greater postsecondary success.”<sup>1</sup> Similar positive outcomes have been documented by the [League for Innovation in the Community College](#) and the [Community College Research Center](#), among [others](#).<sup>2,3,4</sup>

Massachusetts recently assessed their [early college program](#) and found the program was helping narrow education equity gaps and increase college completion rates among students of color, first-generation college students and those from low-income backgrounds.<sup>5</sup>

As the uncertainty caused by COVID-19 continues, dual enrollment offers a way to ensure high school students continue to access high-quality instruction through their local districts. Pennsylvania should be doing everything it can to ensure its students have access to high quality, college-level coursework that will propel them to postsecondary success, particularly given the current uncertainties associated with national standardized tests.

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<sup>1</sup> Education Commission of the States (2018) *Rethinking Dual Enrollment to Reach More Students*. [https://www.ecs.org/wp-content/uploads/Rethinking\\_Dual\\_Enrollment\\_to\\_Reach\\_More\\_Students.pdf](https://www.ecs.org/wp-content/uploads/Rethinking_Dual_Enrollment_to_Reach_More_Students.pdf)

<sup>2</sup> League for Innovation in the Community College (2005) *Dual Enrollment: A New Major Trend*. <https://www.league.org/project-resource/ccti-alert-report-21-dual-enrollment>

<sup>3</sup> Community College Research Center (2017) *What Happens to Students Who Take Community College “Dual Enrollment” Courses in High School?* <https://ccrc.tc.columbia.edu/media/k2/attachments/what-happens-community-college-dual-enrollment-students.pdf>

<sup>4</sup> Inside Higher Ed (2020) *Strong Returns for Early-College High Schools*. <https://www.insidehighered.com/quicktakes/2020/02/19/strong-returns-early-college-high-schools>

<sup>5</sup> MassINC (2019) *Investing in Early College: Our Most Promising Pathway*. <https://2gaiae1lifzt2tsfgr2vil6c-wpengine.netdna-ssl.com/wp-content/uploads/2019/06/Investing-in-Early-College-Report.pdf>

## Dual Enrollment/Early College

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### Status

Pennsylvania is one of only two states that does not offer a statewide dual enrollment program.<sup>1</sup>

The Pennsylvania Department of Education previously administered a grant program to support dual enrollment opportunities for students (Article XVI-B of the Public School Code, 24 P.S. §§ 1601-B-1615-B). This program awarded grants to school districts and area vocational technical schools to fund dual enrollment opportunities. The appropriation that supported the grant program for dual enrollment was eliminated in FY 2011-12. As a result, there have been significant changes in dual enrollment programs statewide. A variety of structures and funding mechanisms were implemented, such as:

- ✦ Shifting costs to students and their families,
- ✦ Reduced tuition by the colleges to preserve this important opportunity to students, and, unfortunately, in some cases,
- ✦ Discontinuing dual enrollment programs entirely.

Pennsylvania's community colleges have been enthusiastic partners with secondary education in offering dual enrollment opportunities for students. Student enrollment in dual enrollment courses at Pennsylvania's community colleges steadily increased for several years, but growth has stalled with the lack of state support. During the 2019-20 academic year, 19,950 high school students were enrolled in Pennsylvania community college courses. This represents a 58 percent increase since 2009-10, brought about by the increased focus and commitment of Pennsylvania's community colleges to ensure that Pennsylvania secondary school students have the opportunity to experience the benefits of dual enrollment. However, in order for all Pennsylvania secondary school students to have access to dual enrollment, the Commonwealth needs to implement a statewide program.

### Change Requested

The Pennsylvania Commission for Community Colleges and its member institutions recommend the Commonwealth launch a statewide dual enrollment component as part of its strategy to increase postsecondary attainment rates and reduce the cost of postsecondary education throughout the Commonwealth – two outcomes dual enrollment has been proven to support.

There are many models that could be implemented, including providing funds to cover the costs of tuition and fees – which is the largest expense associated with dual enrollment programs – for students who are enrolled in approved dual enrollment opportunities at Pennsylvania's community colleges through new funding or redirection of existing funds.

Focusing on community colleges as the preferred provider in this program will ensure that funding is used in the most efficient manner possible and guarantees the most access for students. For the 2021-22 academic year, the annual average tuition at Pennsylvania's community colleges totaled \$4,270. That amount is significantly less than the average tuition and fees at Pennsylvania State System of Higher Education universities and many of the private colleges and universities in Pennsylvania. Using the most cost-effective provider of public postsecondary education in the Commonwealth to provide the coursework will maximize the number of students who are able to take advantage of the program.

## **Dual Enrollment/Early College**

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### **Benefits of Change**

Dual Enrollment and early college has demonstrated its effectiveness as a high school graduation strategy, postsecondary attainment strategy, higher education affordability strategy, and student debt reduction strategy. Statewide implementation of dual enrollment will yield significant benefits for the Commonwealth, its students, and its employers, and help the Commonwealth meet its postsecondary attainment goal.

### **Method of Change & Proposed Timetable**

The Commission recommends that expanded access to dual enrollment opportunities be implemented immediately, and no later than the 2022-23 academic year.



## Preparing the Commonwealth's Workforce

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### Background

Pennsylvania needs high-quality, accessible and affordable education and workforce training programs that ensure its workforce remains competitive. Across the nation and here in the Commonwealth, careers increasingly require training beyond high school. In fact, many now require some college or an associate degree.<sup>1</sup> In addition, economic projections suggest the United States will need nearly one million more STEM professionals over the next decade to meet workforce needs in STEM fields.<sup>2</sup>

To meet these rapidly changing needs, Pennsylvania is working towards its own postsecondary attainment goal of 60 percent of the population aged 25-64 holding a postsecondary degree or industry-recognized credential by 2025, with a particular focus on closing attainment gaps for historically underrepresented populations.<sup>3</sup>

### Status

Estimates suggest that Pennsylvania must produce an additional 820,000 postsecondary credentials to meet its attainment goal, with most of the growth needed in associate degree or certificate completion – two areas in which community colleges excel. In addition, the Commonwealth will need to re-engage the more than 1.4 million individuals in Pennsylvania with some college, but no degree in order to meet the attainment goals. These individuals, also known as near-completers, enrolled in and completed some postsecondary coursework, but did not finish their program or degree. Research indicates that near-completers often face degree-completion barriers like cost, incompatible schedule, or a change in life circumstances – all barriers which community colleges are well-positioned to address.

Information provided by the Pennsylvania Department of Education in various forums throughout 2020 and 2021 note that Pennsylvania is not on target to meet its postsecondary attainment goals; therefore, it is imperative that the Commonwealth seek a new direction to ensure Pennsylvania businesses have the world-class workforce needed to compete at a global level and reduce the number of Pennsylvanians who are out of work, unemployable, or under-employed.

Community colleges are the largest and most affordable sector of public postsecondary education in Pennsylvania and are uniquely positioned and eager to help the Commonwealth address these needs.

### Request

The Commonwealth should establish a \$10 million grant program for Pennsylvania's community colleges to expand existing, and develop new, programs aligned with local and state workforce needs. These flexible grants would provide funds to the colleges for a variety of necessities including recruitment, equipment, and staff costs, among other expenses. Eligible activities would include high-quality education, training, and other services that prepare students to be successful in future

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<sup>1</sup> Anthony P. Carnevale (2020) Ignore the Hype. College Is Worth It. *Inside Higher Ed*.

<https://www.insidehighered.com/views/2020/02/13/why-one-should-ignore-reports-and-commentary-question-value-college-degree-opinion>

<sup>2</sup> Stephanie Horan (2021) Fastest-Growing STEM Jobs in the U.S. – 2021 Edition. *Smart Asset*. <https://smartasset.com/checking-account/fastest-growing-stem-jobs-in-the-us-2021>




<sup>3</sup> Karen Molchanow. State Board of Education (2018) *Approval of Pennsylvania's Postsecondary Attainment Goal*. Harrisburg, PA: Author.



## Preparing the Commonwealth's Workforce

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postsecondary education or career opportunities including, but not limited to:

-  Associate degree, diploma, or certificate programs;
-  Pre-Apprenticeship and Apprenticeship programs to expand these opportunities to more students and non-traditional populations; and
-  Collaborations with high school counselors to ensure students have successful transitions to postsecondary education.

### Benefits

By providing a \$10 million grant to support workforce development at community colleges, Pennsylvania can increase its postsecondary education attainment rate, expand the Commonwealth's economic competitiveness, and realize the many societal benefits of increased postsecondary completion. Research shows that Pennsylvanians with a postsecondary credential will realize a long list of benefits including increased economic earning power, increased opportunities for career advancement, more stable employment, and employment in jobs that provide health insurance and retirement benefits. In their personal lives, they will be more likely to report they are in good health, more likely to vote, volunteer, donate to charitable causes, and their children are more likely to continue their education past the high school level.<sup>4</sup>

Community colleges already have a strong record of leveraging funds to spur economic development and increase workforce credential attainment. For example, the Pennsylvania Advanced Training and Hiring program (PATH) was developed from a \$10 million grant from the U.S. Department of Labor awarded to three community colleges – Lehigh Carbon Community College, Northampton Community College and Luzerne County Community College. Working with five workforce development boards and hundreds of employers, PATH impacted 1.7 million Pennsylvanians across 13 counties, with more than 91 percent of completers employed within three months of completion.

The success of the PATH program is not unique. Throughout the Commonwealth, Pennsylvanians are completing community college workforce development programs and securing employment as welders, technicians, and utility workers, in addition to dozens of other high-demand occupations. The success of PATH and other community college programs can be expanded and upscaled across Pennsylvania if the state is willing to invest the funds necessary to remove financial barriers to these programs, particularly for low-income, first-generation, and under-represented students.

### Method of Change and Proposed Timetable

The program should be legislatively authorized and funded in the FY 2022-23 budget.

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<sup>4</sup> Philip Trostel, *It's Not Just the Money: The Benefits of College Education to Individuals and to Society* (Indianapolis, Indiana: Lumina Foundation, 2015.)

## Community College Modernization and Mandate Waiver Initiative

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### Background

Pennsylvania's community colleges are the primary provider of education and workforce training in the Commonwealth. For nearly six decades, community colleges have provided high-quality, affordable workforce training and postsecondary education in the Commonwealth. However, the Community College Act and related statutes and regulations governing community colleges have not been recently updated.

### Status

As part of their review of operations, the colleges have identified several areas of operation that are costly and burdensome. The colleges are requesting policy, regulatory and statutory relief for the items noted below in order to modernize and operate more effectively and efficiently.

### Request

-  **Provide sovereign and official immunity for community colleges.** Sovereign and official immunity – such as that provided to the Pennsylvania State System of Higher Education in Act 50 of 2020 – should naturally be extended to Pennsylvania's community colleges. This immunity is even more important as the colleges strive to provide all visitors to their campuses with a high-quality educational experience in a safe environment. Even when the colleges follow all the guidance from federal, state, and local authorities, it is not possible to guarantee that individuals will not be exposed to, or contract COVID-19. The colleges must have enhanced protections from frivolous or opportunistic lawsuits alleging exposure to the virus.
-  **Eliminate the requirement for colleges to submit the tuition compliance calculations and related worksheets pursuant to Title 22, Section 35.29(d).** The calculation and the accompanying worksheets are no longer relevant, as reductions in state and/or local operating support results in a greater reliance on tuition revenue. Therefore, holding the colleges accountable for tuition compliance in an environment where state and local sponsors do not maintain their statutory commitment is inequitable. The elimination of this calculation would reduce the administrative and financial burden at the colleges and reduce expenses, as the colleges' independent auditors would no longer charge for time spent calculating and/or verifying calculations. The Commission recommends eliminating this section in its entirety.
-  **Exempt community colleges from the Separations Act (71 P.S. §1618) or increase the project dollar threshold.** The Separations Act, enacted in 1913, requires construction projects over a certain threshold to solicit three separate bids and award multiple contracts. This requirement does not reflect changes in the construction industry that have occurred since its enactment more than 100 years ago and does not provide flexibility for colleges to determine the most appropriate method to bid and complete projects. The requirements of the Separations Act hinder efficient construction at the colleges and effective use of public dollars. The Commission recommends exempting community colleges from the provisions of the Separations Act or raising the threshold for projects requiring three bids to \$50,000.
-  **Amend the Public School Code, Article XIX-A to provide for community colleges to award baccalaureate degrees.** Allowing community colleges to confer baccalaureate degrees, particularly in applied areas such as health care and technology, will help Pennsylvania meet the needs of employers and provide an affordable pathway to a baccalaureate degree for students who do not have the resources or ability to attend a traditional four-year university. The community college baccalaureate degree is also a demonstrated strategy to address racial inequalities

## Community College Modernization and Mandate Waiver Initiative

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in higher education,<sup>1,2</sup> and can increase access, particularly for Black students.<sup>3</sup> The experience of the 23 states that have given their community colleges bachelor's degree granting authority, including Ohio, West Virginia, and Delaware prove that it is an effective education attainment and workforce development strategy.<sup>4</sup>

### Benefits

These changes will allow the colleges to operate more effectively and efficiently and save taxpayer dollars.

### Method of Change and Proposed Timetable

The Commission recommends that these changes be implemented as soon as possible.

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<sup>1</sup> Diverse Education (2020) *Can Bachelor's Degree Programs at Community Colleges Increase Access? A New Report Says Yes.* <https://diverseeducation.com/article/179311/>

<sup>2</sup> University of Washington (2020) *Scaling Community College Baccalaureate Degrees: The Equity Imperative.* <https://www.washington.edu/ccri/research/new-baccalaureates/ccb-two-pager/>

<sup>3</sup> Medium (2020) *White Flight to the Bachelor's Degree.* <https://medium.com/georgetown-cew/white-flight-to-the-ba-e604ee4e3967>

<sup>4</sup> Inside Higher Ed (2019) *Who Owns the Bachelor's Degree?* <https://www.insidehighered.com/views/2019/04/12/community-college-four-year-degrees-are-smart-policy-not-mission-creep-opinion>