



# FOOTHILL-DE ANZA

## COMMUNITY COLLEGE DISTRICT

SPRING 2006

OPPORTUNITY • EXCELLENCE • INNOVATION

### DID YOU KNOW...?

- Foothill-De Anza consistently ranks among the top community college districts statewide in student transfer to four-year colleges and universities and in preparing students for the workforce.
- More Silicon Valley healthcare professionals—including nurses, paramedics and medical lab technicians—are trained at Foothill and De Anza than anywhere else.
- Due to an inequitable state funding formula that has been in place for decades, Foothill-De Anza is underfunded relative to other community college districts statewide. Districts are funded at widely varying rates per full-time student, ranging from a low of about \$3,500 to a high of more than \$8,100. Foothill-De Anza receives only \$4,026 per full-time student through state funding and local property taxes. The district continues to support legislative solutions to the issue of equalization.
- Foothill-De Anza serves primarily the communities of Cupertino, Los Altos, Los Altos Hills, Mountain View, Palo Alto, Sunnyvale, and portions of San Jose, Santa Clara and Saratoga.

### DEAR COMMUNITY MEMBER,

#### Opportunity. Excellence. Innovation.

During its almost 50-year history, the Foothill-De Anza Community College District has prided itself on these attributes in educating the students who come to us for workforce training and the academic preparation necessary for transfer to four-year institutions. Since the founding of the district in 1957, more than one million students have attended Foothill and De Anza, and each year, more than one million community members come to our campuses for study, cultural opportunities and events. Most likely, one of these people has been you, a member of your family, a friend or a neighbor.

We deeply appreciate our community members and your support, demonstrated in many different ways. We appreciate that you attend classes at our colleges, send your children here, go to events at our theaters and participate in the numerous community events we host. In this issue of our district newsletter, we'd like to tell you about the value of your investment in Foothill-De Anza and how it's returned to you and our community.

Return on investment has been very much on my mind, as Foothill-De Anza recently commissioned an independent study on the economic impact of

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*“Foothill-De Anza’s findings of a triple return on educational investment were replicated in a similar study conducted statewide”*

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our district. Our study, summarized inside this newsletter, clearly demonstrates our district's economic benefits to Silicon Valley: that Foothill-De Anza directly and indirectly accounts for \$800 million of earnings in the local economy, that each dollar spent by the district generates \$1.88 through indirect spending and increased alumni earning potential, that each dollar invested by local taxpayers generates more than \$3 in local



Foothill College students join Chancellor Martha J. Kanter to celebrate the Cisco Networking Academy at Foothill College.

economic impact. It's compelling to note, too, that Foothill-De Anza's findings of a triple return on educational investment were replicated in a similar study conducted statewide by the Campaign for College Opportunity.

I'm very proud of Foothill-De Anza's significant economic effects on Silicon Valley. I know that you, like me, also think in terms of individual students: our sons and daughters, our friends, our colleagues who attend Foothill and De Anza for workforce training and skills upgrading. The students we educate are foremost in my mind as I come to work each day: students I know personally—like Kristina, Manuel and Regina, just to name a few—and the many others whose lives are profoundly changed because of the excellence and opportunity provided by Foothill-De Anza. Thank you for caring about the education of our students here in Silicon Valley.

Best wishes,

Martha J. Kanter, Chancellor



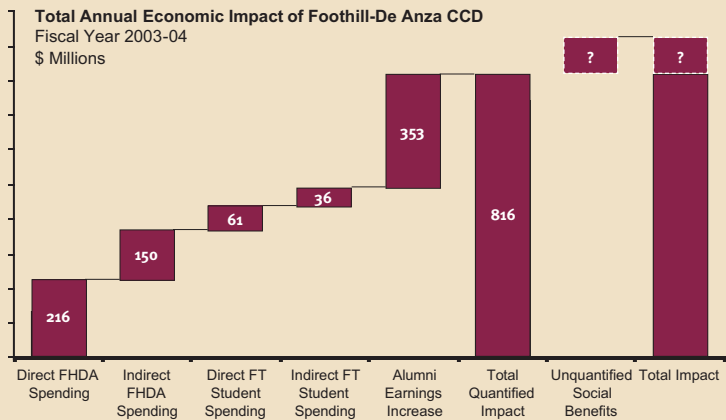
A RETURN ON YOUR INVESTMENT IN Foothill-De ANZA—MORE THAN THREE TIMES OVER

Excerpted from *The Economic Impact of the Foothill-De Anza Community College District and its Students* by Kevin Stange, doctoral student, Department of Economics, University of California, Berkeley. The report is available at [www.fhda.edu/economic\\_impact\\_report](http://www.fhda.edu/economic_impact_report) or by calling 650.949.6100.

SUMMARY

The Foothill-De Anza Community College District plays a vital educational, social, cultural and economic role in Silicon Valley. Each year, Foothill and De Anza colleges educate more than 60,000 students, employ more than 3,000 faculty and staff and provide countless community members with world-class lectures, performances and a host of other social and cultural events. The direct and indirect economic impact of Foothill-De Anza and its students is one incidental benefit of the district’s primary purpose: to educate and enrich the lives of local residents. This report quantifies just a few of the many ways in which the district and its students influence the local and regional economy and examines the effects of financial support to the district provided by local taxpayers.

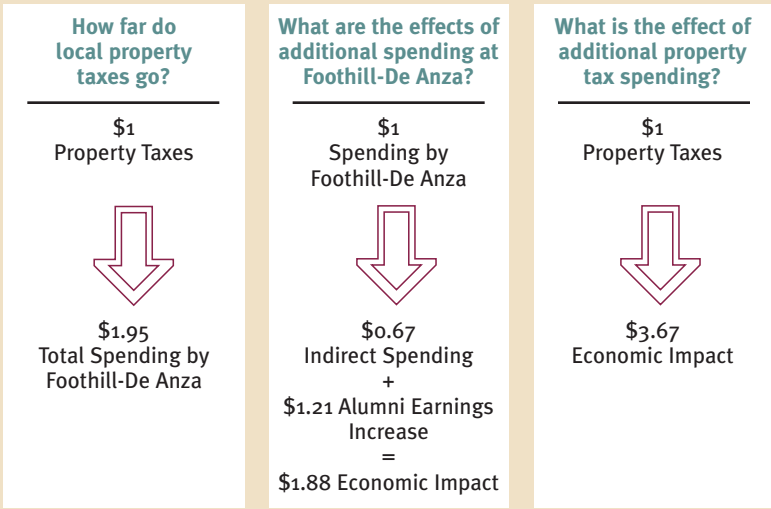
FIGURE 1—SUMMARY OF Foothill-De ANZA ECONOMIC IMPACT



▲ *Figure 1 summarizes the main finding of the analysis: Foothill-De Anza directly and indirectly accounts for more than \$800 million of earnings in the local economy, a conservative estimate. For example, the direct and indirect spending by part-time students is excluded because their spending behavior is much less influenced by the presence of the district than that of full-time students; nevertheless, a degree of influence exists.*

*Spending by the district and its full-time students injects approximately \$277 million annually into the local economy. As this spending circulates throughout the rest of the economy, it generates an additional \$186 million of indirect and induced spending. Further, educating students has a profound impact on the local economy. Approximately \$353 million in annual earnings of local Foothill-De Anza alumni can be attributed to the colleges’ investment in their productivity.*

FIGURE 2—EFFECT OF PROPERTY TAX INVESTMENT IN Foothill-De ANZA



SOURCE: Estimated by author. See text and appendix for details.

FOOTHILL-DE ANZA FIGURES

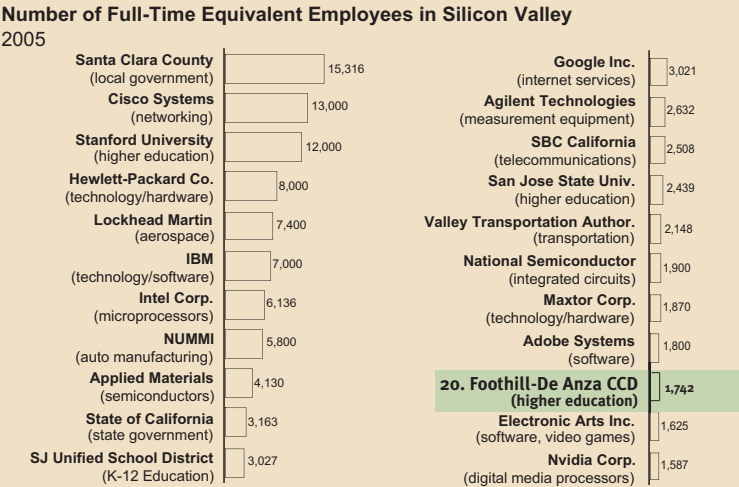
\$800 million	The amount of direct and indirect spending in the local economy by Foothill-De Anza and its students
\$3.67	The local economic impact of each \$1 of local property tax invested in Foothill-De Anza
\$1.88	Amount each dollar spent by the district generates in the local economy
1	Foothill-De Anza’s bond rating ranking among community colleges statewide
Aa1 and AA	Foothill-De Anza’s bond ratings from Moody’s and Standard and Poor’s, respectively
46%	The reduction in the district’s electricity purchases due to energy efficiency initiatives including solar power panels
\$800,000	The amount the district now saves annually on energy
20	Foothill-De Anza’s ranking, in number of employees, among Silicon Valley’s largest employers
60,000	Total students who attend Foothill-De Anza each year
41	Percentage of all community college students in Silicon Valley who attend Foothill-De Anza
90	Percentage of students at Foothill-De Anza who complete the courses in which they enroll
2	Ranking of Foothill College dental hygiene students on the nationwide exam
14,172	Number of course sections offered in 2005 at Foothill and De Anza colleges combined
95%	Passing rate of De Anza College nursing students taking recent national board exams
\$6,839	Annual additional earnings for workers with an associate’s degree compared to those with only a high school diploma
45 <sup>th</sup>	California’s ranking in per-student community college funding

◀ *Figure 2 summarizes the effects of each dollar of property tax invested in Foothill-De Anza by local taxpayers, which accounts for just over 50 percent of the district’s funding (with state, federal and other local sources comprising the remainder). Each dollar raised from local property taxes is associated with almost \$2 in total spending by the district. Each dollar spent by the district, in turn, generates an economic impact of \$1.85 through indirect spending and increased alumni earning potential. These matching, indirect spending and alumni earnings effects confirm that the Foothill-De Anza Community College District is an attractive investment for local tax dollars. All told, each dollar of property tax generates \$3.67 in local economic impact.*

FOOTHILL-DE ANZA IS A MAJOR EMPLOYER

The Foothill-De Anza Community College District also has a direct impact on the local economy in its role as one of the largest employers in Silicon Valley. Presently, the district employs more than 3,000 full- and part-time faculty, staff, administrators and students. The great majority of district employees reside in the areas immediately surrounding the Foothill and De Anza campuses. This fact is important because the extent to which district spending on salaries and benefits reverberates throughout the regional economy depends largely on where employees who receive this salary spend it. With 1,742 full-time equivalent employees in 2005, the district is Silicon Valley’s 20<sup>th</sup> largest employer, comparable to software publishers Adobe Systems and Electronic Arts. Stanford and San Jose State, both large universities with extensive graduate programs, are the only other higher education institutions in Silicon Valley with a greater impact on the local labor market.

FIGURE 3—FOOTHILL-DE ANZA AS A MAJOR SILICON VALLEY EMPLOYER



NOTE: Silicon Valley Includes Santa Clara County and parts of Santa Cruz, Alameda, and San Mateo counties. SOURCE: Silicon Valley/San Jose Business Journal, *Book of Lists 2005*

▲ *Figure 3 compares Foothill-De Anza to other major Silicon Valley public- and private-sector employers.*

FOOTHILL-DE ANZA BOND RATINGS HIGHEST AMONG COMMUNITY COLLEGES STATEWIDE

The Foothill-De Anza Community College District has once again received exceptional bond ratings from the premier rating agencies: Aa1 from Moody’s, the highest rating for any community college statewide, with Foothill-De Anza the single recipient, and AA from Standard & Poor’s, the highest ranking given by the company to California’s community colleges and shared by Foothill-De Anza with only four other districts.

The creditworthiness ratings were given in conjunction with the district’s recent sale of its final series of general obligation bonds. During the refinancing of certificates of participation (COPs) in 2003, the district received similarly outstanding bond ratings.

In its report, Moody’s cited the district’s continuing strong financial performance and strong management, noting its approach to enrollment management and the number of students served, particularly given the broad array of community college options available to local students. S&P remarked on the district’s strong financial operations, reserve funds and low debt burden. Both agencies also noted the economic strength of the local community.



## FOOTHILL-DE ANZA FACTS

### YOU CAN NOW CONTRIBUTE ONLINE TO EXCELLENCE, OPPORTUNITY AND INNOVATION AT FOOTHILL-DE ANZA

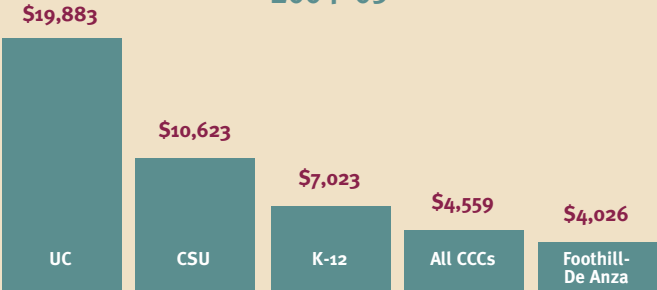
State and local funding (see chart to right) is not enough for Foothill-De Anza to meet the needs of students. The Foothill-De Anza Foundation plays a key role in helping to advance excellence, opportunity and innovation at the colleges.

You can help support students through your tax-deductible contribution, which you can now make online. Our Web site uses a secure server so you can donate online with confidence. You can donate to:

- **Chancellor's Circle**—donations to be used where they're most needed to educate our students
  - **Legacy Circle**—giving through wills and estate plans
  - **Gift Annuity**—an opportunity to increase your investment returns while giving
  - **Programs of your choice** at either Foothill or De Anza colleges
- For more information, call **650.949.6230** or visit **www.foundation.fhda.edu**.



### REVENUES PER FULL-TIME EQUIVALENT STUDENT 2004-05



Sources: CCLC Pocket Profile 2006 and Foothill-De Anza Office of Business Services

### SPRING QUARTER REGISTRATION DATES

<b>Foothill College</b>	<b>www.foothill.edu</b>
Continuing Students	March 13–April 9
New and Former Students	March 20–April 9
<b>De Anza College</b>	<b>www.deanza.edu</b>
Continuing Students	March 10–17
New and Former Students	March 20–April 9

### CLASSES START APRIL 10

To register by phone: **650.917.0509** or **408.777.9394**

#### Foothill-De Anza Community College District Board of Trustees

Betsy Bechtel, *President*; Hal Plotkin, *Vice President*; Laura Casas Frier; Paul Fong; Bruce Swenson; Bridget Howe, *Foothill Student Trustee*; Maryam Noor, *De Anza Student Trustee*

Martha J. Kanter, Ed.D., *Chancellor*;  
Bernadine Chuck Fong, Ph.D., *Foothill College President*;  
Brian Murphy, Ph.D., *De Anza College President*

#### Non-Discrimination Statement

The Foothill-De Anza Community College District will not discriminate against any person in the provision of any program or service based on race, color, national or ethnic origin, age, gender, religion, sexual orientation, marital status, physical disability or mental disability.



**FOOTHILL-DE ANZA**  
Community College District

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