

ASSEMBLY COMMITTEE ON HIGHER EDUCATION
THE HONORABLE CAROL LIU, CHAIR
APRIL 5, 2005, 1:30 P.M.
STATE CAPITOL, ROOM 437

ASSEMBLY BUDGET SUBCOMMITTEE NO. 2, EDUCATION FINANCE
THE HONORABLE MERVYN DYMALLY, CHAIR
APRIL 6, 2005, 4:00 P.M.
STATE CAPITOL, ROOM 126

EQUALIZATION, ACCESS AND OPPORTUNITY FOR ALL CALIFORNIANS

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Thank you for the opportunity to once again offer my testimony about community college funding, today specifically in regard to equalization funding. We are thankful to have you address the need to equalize funding for all of California's community colleges so that millions of students can rightly have access to higher education through our doors.

Equalization is a three-year plan supported by the California Community Colleges system and approved by the Legislature to eliminate disparities that have existed for decades. The first phase was funded in 2004. There was a clear expectation that the Governor and Legislature would continue funding over the three-year period to achieve the long-sought-after goal of equality within the community college system. In only the second year of the funding cycle, the Governor did not recommend additional funding for equalization in the January budget, as you know.

Like almost two-thirds of the community college districts in our state, Foothill-De Anza is below the state average in per student funding, receiving \$10 million less than comparable districts in California. The first phase of equalization, an infusion of \$80 million systemwide—\$3.3 million for Foothill-De Anza—provided a significant step toward our goal of full equalization, which directly affects the access and success of students. This still leaves our district almost \$7 million short of full funding for equalization.

As Chancellor of the Foothill-De Anza Community College District, I would like to describe for you just some of the consequences lack of equalization has on the 40,000 students we serve each quarter. First, there is enormous pressure to reduce and eliminate classes in English and math that are expensive to offer because of their low class sizes in order to balance our budget. These are the "gateway" classes students need in order to be successful in the rest of our curriculum. Recent internal research studies, which we would be pleased to provide to you, confirm the importance of these gateway classes for student retention and success. In addition, there is equal and enormous pressure to reduce high-cost vocational programs and many of the student services critical to student success. The same recent studies at Foothill-De Anza confirms how vital these services are, but once again, as an underfunded district, we cannot provide them to the extent we need to in order to ensure our students have the tools they need to succeed.

The lack of equalization funding serves to compound the severe hardships all community college districts have endured for the past three years. During this time, Foothill-De Anza reduced 100 staff and administrative positions, or 10% of our full-time workforce; the cost of medical benefits for our faculty and staff has almost doubled, and our HMO has told us to expect a \$1 million increase in benefits for 2005-06; the Governor's proposed shift of STRS contributions to districts would cost Foothill-De Anza almost \$1 million; and this year alone, we had to absorb \$1 million to cover the state's property tax shortfall from last year. Meanwhile, student fees have increased 136%.

In regard to access and equity, it is important to note that more than 70% of students from ethnic groups underrepresented in California higher education enter through the doors of a community college. I co-chaired a group of 20 community college districts that educate more than 50% of the community college students. Our sole focus was to achieve equalization funding in order to provide quality education to the new majority of students, who are members of the fastest-growing ethnic groups in the state.

While equalization funding would bring underfunded districts to 90% of the state average, this is still far below the national average. In fact, as a system, California Community Colleges ranks 46th of the 50 states in per-student funding. This is truly no way to finance a state system of higher education, much less the largest system of higher education in the world.

However, without the substantial relief that we know will not come until the state resolves its budget crisis, equalization funding is critical to our survival as the entrée to higher education for most Californians. For us, equalization is, first and foremost, an issue of access to quality instruction.

Today, I am affirming the strong support of the Foothill-De Anza Community College District, along with that of the California Community Colleges Board of Governors and the California Community College Trustees Board of Directors, for funding the second phase of \$80 million in equalization for community college districts. I urge you to support equalization funding in committee today. Thank you.