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3 KEY CHALLENGES FACING NC'S COMMUNITY COLLEGES AND HOW TO MEET THEM

by Mebane Rash Whitman

About 850,000 students will walk through the open doors of North Carolina's community colleges this year – four times more than for the UNC system. The community colleges educate students, train workers, and in the process help transform our state's economy. But their capacity to do so is not a given. To keep their doors wide open in the 21st century, community colleges must deal with three key challenges: rapid enrollment growth, low faculty salaries, and flawed funding formulas.

■ **Challenge #1: Rapid Enrollment Growth** – Over the last decade, the system's full-time equivalent (FTE) enrollment grew by 54 percent. Between 2001-02 and 2005-06 alone, enrollment grew by 20,000 students, adding about as many students as are at UNC-Charlotte. While this growth testifies to the power of the system's open door policy, it also exacerbates many of the system's serious personnel and financial concerns.

To Meet the Challenge: State funding for community colleges is allocated according to the prior year's enrollment. So, when enrollment rises quickly, the system is obligated to serve students for whom no state dollars are available. The N.C. Center for Public Policy Research recommends that funding formulas be changed so that community colleges are able to receive funding for all the students they actually serve in a given year. House Bill 2129, introduced by a bipartisan group of legislators, would address this by creating an enrollment growth reserve to help community colleges with high growth in enrollment.

■ **Challenge #2: Low Faculty Salaries** – The average full-time community college faculty member earns about \$41,000, ranking North Carolina 46th in the nation. The average public school teacher makes about \$46,000, ranking the state 27th. The average full-time faculty member at the 16 public universities is paid about \$81,000, ranking us 13th in the nation. The Governor's proposed 2008 budget calls for more than \$300 million to raise salaries of public school teachers to the national average, but he requests only a 1.5 percent increase for community college faculty.

To Meet the Challenge: The General Assembly should adopt a policy of moving community college faculty salaries to the national average. House Bill 2130 takes a giant step in that direction and should be included in this year's state budget. Community college faculty pay must improve, or the state's response to the transformation of our economy will be as below average as the pay.

■ **Challenge #3: Flawed Funding Formulas** – The community college funding model has significant flaws. First, it does not account for differences in program costs. Second, it does not include resources to start or expand new programs. Third, it addresses equipment needs very poorly – already forcing the elimination of 98 programs with expensive equipment needs.

To Meet the Challenge: To help community colleges be more nimble in responding to work force shortages, the Center recommends that the state provide differentiated funding for higher-cost, high-demand programs leading to high-paying jobs. For example, certain high-demand fields like health science cost \$1,520 more than other degree programs per student. Senate Bill 1719 and House Bill 2146 would take a good step in this direction by providing weighted funding for high-demand allied health programs. And, the General Assembly needs to respond by passing Senate Bill 1711 and House Bill 2551, which would boost funding for community college equipment. We cannot train tomorrow's work force on yesterday's equipment.

Before becoming President of the N.C. Community College System on May 1, Scott Ralls was President of Craven Community College in New Bern. There, he learned that his students were learning something even more important than the job training the colleges give them. "We gave our students access. We gave them opportunity. But what they earned was dignity," Ralls says. "You could see it on their faces. You could see it in their stature. That is something that you can't put numbers around, but it is absolutely fundamental to who we are as community colleges." He's got the right idea, but he needs the legislature's help to meet three key challenges facing our community colleges in this 2008 legislative session.

Mebane Rash Whitman is attorney and editor of North Carolina Insight, the journal of the N.C. Center for Public Policy Research. The Center is an independent, nonpartisan nonprofit created in 1977 to evaluate state government programs and to study important policy issues facing North Carolina.