

Transcription for

THE KEY WITH INSIDE HIGHER ED

EP. 7: CALIFORNIA'S COMMUNITY COLLEGES AND LESSONS LEARNED IN THE LAST RECESSION

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THE KEY INSIDE HIGHER ED

EP. 7: CALIFORNIA'S COMMUNITY COLLEGES AND LESSONS LEARNED IN THE LAST RECESSION

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NARRATOR: This episode is sponsored by the ECMC Foundation, which supports building a postsecondary education system that works for all learners through its grant making focus areas of College Success and Career Readiness.

PAUL FAIN: Hello, welcome to The Key with IHE. I'm Paul Fain, a news editor at Inside Higher Ed and the host of this podcast. For this episode, we're looking at how community colleges are preparing for the fall amid budget cuts and unprecedented uncertainty. I spoke with Eloy Oakley, chancellor of the California Community College System, the nation's largest. We spoke on May 5th, which is a long time ago these days. Since then, Oakley and his system have sued the Education Department over its interpretation of the CARES Act and the decision to exclude undocumented and other students from emergency aid. The system also last week received news of a proposed \$740,000,000 budget cut. Oakley talked with me about how the two-year colleges were gearing up for the fall and drawing on lessons from last recession.

ELOY OAKLEY: We've gotten used to not expecting a bailout of our system. Unlike some of our brothers and sisters in the for-profit world, we don't get bailouts for the community colleges.

PAUL FAIN: I also spoke with Karen Stout, president and CEO of Achieving the Dream, and the former president of Montgomery County Community College in Pennsylvania. Stout described the scenario

planning by community colleges around the country. She also explained how community colleges for years have been building their online and hybrid learning capacity, as well as more flexible options for adult learners.

We've got a lot to cover in this one, so let's get right into it.

I'm speaking with Chancellor Eloy Oakley of the California Community College System. Chancellor Oakley, thank you so much for your time.

ELOY OAKLEY: Absolutely, it's great to be with you, Paul.

PAUL FAIN: So we're also speaking on May 5th and it looks like you have the Zoom background to reflect this day. I appreciate it...

ELOY OAKLEY: Right, the appropriate Cinco de Mayo background. Happy Cinco de Mayo!

PAUL FAIN: Absolutely. Our folks can't see it, but they're here with us in spirit. So, obviously, a ton of uncertainty that you're dealing with and planning around right now. Can you give us the elevator version of the California Community Colleges budget planning at this moment in time?

ELOY OAKLEY: The one thing I'll begin with is just stating the obvious for our community college colleagues across the nation. It's, while we are in this crisis, we recognize that our colleges seem to be in the middle of every crisis, whether it be a natural disasters in cities and states, whether it be economic downturns, unemployment, so we've been here before in many ways, not perhaps all at one time across the nation, which is really the unique challenge about this point in time.

But for the California Community Colleges, one, I'm just amazingly proud at how our system has responded. I mean, every time we turn on the news, we see the value of community colleges displayed in the first responders, nurses, all the people that are literally saving our lives every single day. Those are community college students we see--frontline workers, you know, whether working for delivering food from Amazon or in grocery stores, or in fields, those frontline workers are our students. They are

community college students.

So we're very proud of the way our colleges have responded, but we also recognize that not only are we living in the current crisis and making all the transitions that need to happen, making sure that we invest heavily in ensuring that our students continue to make progress toward their educational goals--but now we recognize that the carpet's been pulled from under the economy. That impacts directly our community colleges in California and across the nation. And so we're preparing scenarios for some significant budget reductions over the next year or two. Hopefully, this is a short-term budget setback, but we are preparing several scenarios that include not only budget reductions but the continuation of life under this physical distancing environment for the next academic year for sure, and perhaps beyond. We're actively working through that as we speak.

PAUL FAIN: How much of a factor at this point in planning is possible federal aid for the states and local communities?

ELOY OAKLEY: So I know I speak for all of our community colleges across the nation, we've gotten used to not expecting a bailout of our system. I mean, unlike some of our brothers and sisters in the for-profit world, we don't get bailouts for the community colleges. We are asked to continue to push forward. Certainly, those colleges that have been significantly disrupted and have had to invest considerably whether through FEMA aid or any other aid that could be available, we will take it. Certainly, the recent stimulus will help support many of our colleges who had to transition to online. We'll take it.

But that is really a drop in the bucket of the costs that we've had to incur and the costs that we will incur going forward, so we will be working within our own system and within our state legislature to find ways that we can provide relief, if not directly through monetary compensation, then through additional flexibility, so that we can use the resources that we have as flexible as possible.

PAUL FAIN: It was 12 years ago that California took a really big hit from the recession. I, obviously, was covering the pain that community colleges and their students felt. Upwards of a half million students weren't able to get slots, if I remember correctly. You were at Long Beach City College at the time. You know, in the intervening years, it seems like the state's been pretty generous with the two-year system, and also pretty careful in preparing for an inevitable next downturn. Can you talk a little bit about where that positioning has you right now to ride out this pretty epic storm?

ELOY OAKLEY: We were very fortunate that, coming out of the recession, the state of California invested significantly in public higher education, and particularly the community colleges. So we've been digging out of a very large hole for the last several years. And we're fortunate that the Brown Administration and now Governor Newsom's Administration has been very good about ensuring that we keep what we call the rainy day fund full here in California, which is a fund that was set aside specifically to help us in the next downturn. And that next downturn is here. So that we are much better positioned for a couple of years of economic downturn. Beyond that, it will get much tighter. Nonetheless, we do expect that we'll have significant budget constraints, if not budget cuts, in the coming year. But they are much less onerous than they would have been, were in the last recession, so we're for fortunate to be in a much better position.

As well as, you know, our colleges have tried to have as good of ending balances as possible, going into this crisis. They were very good about ensuring that we protect our colleges as much as possible. So I think we're in a much better position to weather this out. Having said that, this has been a significant hit to the economy and we expect to still feel a good amount of pain.

PAUL FAIN: You know, I know there's a lot of discussion right now about what sort of enrollment community colleges can expect in the fall. You know, there's that counter-cyclical recession bump that often happens. Then there's questions about the online modality and how that'll affect adult students' willingness to continue their educations or start it. Hard to do at this point, and you are representing, you know, an absolutely massive system, more than two million students, 112 or so campuses. Am I right on that?

ELOY OAKLEY: We're 115 now.

PAUL FAIN: 115, close, close... So looking at the fall, I mean, what are folks thinking they might see in terms, if you're expecting to be mostly online or if not fully...

ELOY OAKLEY: Right. You know, it's very hard to predict anything with precision right now in this environment, but we can sort of lean on the past and think about what's going on in the present. Every time we have a hit to the California workforce, anytime we have a recession, we know that there are a lot of displaced individuals in the workforce, and they rely on the California community colleges, as well as the colleges across the nation, to get an opportunity to upscale themselves. Because we do serve that top 100 percent of students, we are accessible to all those displaced workers. And we have a myriad of career education and short-term training opportunities to help those displaced workers get back into

the workforce. So we will see an uptick of those students come fall, because, you know, in California, we've had well over three million applications for unemployment in the last month. And that number keeps growing. It's a huge number.

Some of these jobs are not coming back anytime soon. If you think about the airline industry, entertainment industry, the theme park industry, I don't see that happening anytime soon. So we will expect to see an uptick in those types of students.

The unique thing about this crisis that I think will impact our enrollments is you have a lot of high school seniors who were thinking about going off to a public or private university somewhere far away from home. And they're now having to think about two things. One is, do I want to be far away from home right now in a residential dorm, not knowing what's going to happen in this crisis? And two, if my investment is significant in the university of my choice, do I want to make that heavy investment right now, not knowing what I'm going to get in return for that investment over the next year? And so I think we'll see a lot of those students looking to pick up courses at community colleges to continue to move forward, but to not make that commitment just yet to go off to a four-year university.

PAUL FAIN: Do you anticipate, and forgive me for asking some speculative questions, but that's world we're in right now...

ELOY OAKLEY: Yes it is...

PAUL FAIN: Do you anticipate substantial shifts in program offerings to meet those short-term demands for different jobs on the backend of this?

ELOY OAKLEY: Yes. Yes and no... The good thing is--well, maybe it's not such a good thing--is that our memories are still clear about the last recession. It seems like only yesterday we were crawling out the recession. And in that recession, we saw huge demand for career education programs, huge demand for upscaling opportunities, because that recession wiped out a lot of jobs.

We're seeing the same thing happening this year, so we've tried to learn from the last recession. We have a lot more flexibility in terms of our ability to offer short-term training. We created a brand-new college, Calbright College, to deal with quick upscaling opportunities for the most disadvantaged

workers. And now we are looking at introducing a competency-based education for all of our colleges. We're working on that as we speak.

So we think we're in a much better place today to offer that kind of training and support. We're regionalized now through our strong workforce initiative. We've got a lot of capacity in regions that we can quickly respond. So while I think we're not in a perfect spot, we're in a much better spot to be able to respond to the demands of displaced workers today than we were 10, 12 years ago.

PAUL FAIN: We'll be keeping an eye on that CBE rollout.

ELOY OAKLEY: Yes.

PAUL FAIN: Thanks for the heads-up on that. Yeah, you know, just one last question, change of gears here... You've been outspoken about the Ed Department's guidance on the emergency aid. What would you like to see at this point for them to do differently?

ELOY OAKLEY: You know, one, if we're really thinking and wanting to be intentional about helping our communities recover, get through and recover from COVID-19, we really need to support every student in the community college. I don't just mean ensuring that we take care of the undocumented students, because certainly California, in many of our communities, we have a lot of undocumented students, and they're an important part of our economy, whether you agree with it or not.

But the interpretation of the CARES Act funding also leaves out a lot of other students that are not just undocumented students. These are students who may be coming to our colleges for non-credit programs and the students who may be part-time. These are students who, for whatever reason, did not apply for Title 4 financial aid, so we have a huge mix of students in community colleges. And so what I'd like to say to the Secretary and to the Department and the Administration is we really need to leverage the community colleges to reach they have in communities that matter and ensure that funding is going to the colleges to support every student, not just a select few students based on the formula that was adopted or the interpretation of the formula that was adopted.

PAUL FAIN: Well, I want to thank you for your time. I know it's in high demand right now. I always appreciate speaking with you. Thanks so much.

ELOY OAKLEY: Great to be here, Paul.

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I'm speaking with Karen Stout from Achieving the Dream. Thanks so much for talking with me, Karen.

KAREN STOUT: Well, thank you, Paul. It's great to be here.

PAUL FAIN: There are a lot of, an insane amount of variables right now that college leaders in all sectors, but the community college one for sure, are having to wrestle with while they decide right now what to do in terms of budgets and fall semesters. You, at Achieving the Dream, are talking with folks in the field a lot more than I am. What are you hearing? I mean, how are folks being decisive when they have so little clear, so little clarity about all the variables they're factoring in?

KAREN STOUT: Well, I think decisiveness looks like scenario planning. So I think that we, I think as a sector, community colleges are well positioned to move from what has been emergency remote learning into a more decisive path about how to support student learning needs going forward.

There are so many variables for community colleges, but many of them are local variables. And so you see the responses of community colleges arranging based primarily on what they're seeing locally. You know, where are they located? Rural, urban? Are they in a hot spot or not? Of course, a current hot spot or not? Or could potentially be in a hot spot? How well has learning gone for the students in this spring semester and what are the learner continuity requirements going forward?

I see a number of my community college presidential colleagues, they have really good data about what's happening on the ground with their students. And they're using that data to try to inform the best paths for moving forward.

The decision can be more of a range for a community college. So many of our ATV colleges have moved away from traditional 14-week semester into 8-week continuous modular kind of delivery modes, which gives them a lot a flexibility, so they can start online if they want, and then flip to face-to-face in the next 8-week segment. And many have been deep into hybrid learning for, you know, as much as a decade. Community colleges, and a lot of people don't know this, have been, I think, on the forefront of bringing online learning into their modalities. We were required to, because our students could not always get to classes in the traditional way. Adult learners for example, working parents, etc., so many community college learners already were building schedules that included face-to-face and online learning. What's interesting is that some of those online learners were, taking classes online using the library as their place for learning. So we're well positioned, I think, to respond in what probably appears to be a more decisive way, at least right now.

PAUL FAIN: Yeah, you know, it's a great point. I know that community colleges have done a lot of experimentation with trying to be more flexible in meeting students where they are, but I think the average person who studies our industry thinks adult students, the more vulnerable student populations, are the least likely to prefer or really thrive in an online environment. So you're really kind of balancing both pieces here. But do you feel like, you know, the fall, there's a lot of wild cards here, but on the whole this sector has done enough experimentation that they can do a pretty good job of serving their students, if they are primarily online?

KAREN STOUT: I think so. You know, it may look like community colleges... I know many presidents are looking at different programs and different courses. So some courses you can, are easier to put online. Other courses that have lab components or simulation components may be a little bit different. Some programs might be better to be delivered online, or at least there's a capacity to deliver it online. So they're weighing all of those things.

But also a really important point is, even if all of the instruction starts online, the colleges are open. And in this COVID experiment, many of our community colleges have been able to deliver really important universal remote support services for students, for things that they need outside of the classroom, that I know my colleagues want to continue through COVID and post COVID, and that one of the silver linings, I think, we're learning.

In addition, you may see some community colleges deliver instruction online and have a lot of their face-to-face parts of their campus open, using social distancing, and, you know, good safety practices. So you could see libraries come back online and open. They're important, not just libraries, but they're

safety nets for community college students. So that that blending of having a physical space with appropriate social distancing with online can support, you know, students, and even our most vulnerable students, in stronger ways.

PAUL FAIN: Every day counts these day. And the context we're in, I'm speaking to you on May 14th, for listeners here. Who knows what's going to happen in the five or so days before we run this? Right now at least, we've seen, as you've mentioned, kind of decisive action from several big community college districts, Dallas Community College District in particular, the Tulsa Community College as well, but several others, talking about their fall plans.

And, you know, one thing that really struck me, maybe some elite institutions, highly selective colleges with billion dollar endowments would have the capacity to do some of the social distancing. You know, Stanford, I know, is talking about holding classes in tents. I felt like, Joe May, the Dallas Community College District chancellor's statement said, look, we have really clearly, we can't do that. You know, we're, you know, 160,000 students, he said. To do this, it's just not going to be practical for our sector. Do you feel like that's going to be a common sentiment we're going to be hearing going forward as some four-years really I guess serious move toward opening up in the fall?

KAREN STOUT: You know, that's a tough one to predict on May the 14th. I think community colleges also have a little bit more flexibility in that we don't have residential experiences, for the most part. Some American community colleges do, so I think that's an important thing to acknowledge. So the complexity without the residential environment is a little bit easier to plan for. In addition to that, I think the pricing structure of community colleges and the value opposition, it's different for a four-year private, highly selective, high-priced university.

PAUL FAIN: I should know this, but were you leading Montgomery County during the last recession?

KAREN STOUT: Yes, I was.

PAUL FAIN: I thought you were. I mean, as you look at your peer... You know, I spoke with Chancellor Eloy Oakley for this episode and he talked about some the lessons they learned in California, very painful lessons last time around, that were helping them at least respond with some experience here. Do you feel like that's a common theme among community college presidents, that for those and their peers, you know, they've been through some of this before?

KAREN STOUT: Yeah, I think that we've learned some lessons from the Great Recession. We had such an influx of enrollment as a community college sector, you know, as a result of the Great Recession. And I think in some cases, we did a really good job with adult learners and some reskilling and upskilling. But I also know we missed some important opportunities for being stronger in support of those learners.

So, you know, I see my colleagues reflecting on the lessons of the Great Recession, and thinking about how those may play out. We'll see colleges be much better at responding more rapidly with new programs that match up to labor market demands. I think we fell short a little bit in the Great Recession. We did work, but I think we know there was more to do.

I think we are much more agile with our course scheduling as a result of the Great Recession. I think we know more about how to use data to inform what to offer and when to offer it, and what learners need what in what formats, based on what we learned from the Great Recession. And I think we put in a number of technology platforms to help manage that in 2008, 2009, 2010 that are going to serve us well moving forward. You know, one of the big lessons from the TAACCCT Grant program from back then was not so much about the programs that were developed but that those dollars helped community colleges build capacity. But this... In so many ways, I think this is different. I mean, we don't understand the nature of the unemployment situation the way we did then. We don't...

PAUL FAIN: The magnitude is...

KAREN STOUT: The magnitude, exactly... And the magnitude is different. We don't understand how COVID could displace learner continuity. So we don't know... Our high school students right now really thinking about a gap year and to what extent does the community college become a gap year... And then what does that mean... Maybe there's an enrollment upswing, but then there could be a sharp downswing. We don't know fully where all of our students are from this current... When I talk about our community college students who may have been lost in this move in the last couple of months. I think our colleges are just collecting that data and they're trying to put summer programs in place for learner continuity. So those students may be lost. And so it's hard to predict. It's hard for me to say, hey, it's a recession, so community college enrollment's going to go up.

PAUL FAIN: Yeah, you know, I've seen such a range of speculation there. You know, I think generally people think it's going to be hard fall for everyone, but, as you say, counter-cyclically, community college

enrollment tends to boom. And also, we've never had, you know most four-years being closed possibly as well, where, you know, you might see the student saying, hey, I'm going to the local community college where they might not have.

KAREN STOUT: We may see a little bit of bump from that. I worry about our readiness to support adult learners. You know, community colleges over the last decade since the last recession, we served a lot of adult learners in the aftermath of the Great Recession and then we saw the cliff. We saw adult learners not coming to community colleges. And we need to be ready as a sector with the right programs at the right time and right format with type of labor market gain at the end of it in order to be an attractive option. And unless we have all of that lined up, I don't think we'll see an enrollment boom from adult learners. You know, like, we may see it with some community colleges, but I'm not sure that we're going to see that same kind of boom. Most of my colleagues are planning, and are already seeing, you know, they're looking at their summer numbers and they're looking at fall. Most are reporting [UNCLEAR]...

PAUL FAIN: Yeah.

KAREN STOUT: And that could also be the students are waiting, learners are waiting to the very last minute to decide what they're going to do with their fall.

PAUL FAIN: I know a lot of people were concerned about the new numbers from NCAN and FAFSA renewals being down, particularly among low income students, and a lot of concerns about where the low-income students in particular will be.

KAREN STOUT: I'll tell you in all of this planning, our community colleges were really, when you think of who started to close and LAN, not close, but go to remote learning and LAN, the community colleges held on as long as they could before they fully went to remote learning, and still kept parts of their campuses, to the degree that they could, open. We are really concerned about the students who are most vulnerable and all the work that, you know, many of Achieving the Dream schools have done with improving student success rates and cutting equity gaps. COVID has just exposed the vulnerability and inequities, and vulnerability of not just students but our faculty as well. Reacting and building capacity to support all of that and to not fall back is going to be a challenge.

PAUL FAIN: So we'll be watching, and as always, we'll be calling you and looking for your thoughts, so let's keep in touch in coming weeks and months.

KAREN STOUT: Well, thanks, Paul, I really appreciate it, and thanks for showcasing the great work of America's community colleges.

PAUL FAIN: Thanks, Karen. Take care.

KAREN STOUT: Thank you. Thanks.

PAUL FAIN: That's it for this episode of The Key. Thanks for listening. Next time we're going to go back to California for an interview with Tim White, chancellor of the California State University System. We'll discuss his decision for those campuses to remain online in the fall. Catch you then.

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