

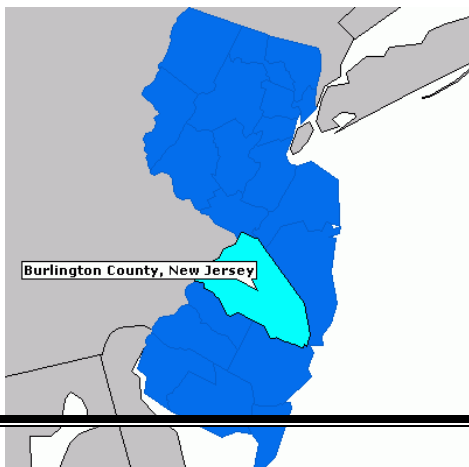
Community College Funding – A Very Public



Collision

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Community colleges are public entities they are dependent upon securing their funding in a variety of ways using divergent sources. Much like their private college cousins who depend on the stability of tuition revenue, the community college is equally dependent upon the stability of their varied resources for day-to-day operations. Put simply, the community college needs its funding sources much like plants need the sun – for its very survival. If we are to appreciate how community colleges manage their revenues, then we must examine and understand the history, cultures and norms of the states in which they are located.ⁱ



Essential to that contextual understanding is the fact that Burlington County is the largest county in New Jersey covering 827 square miles. According to the Population Estimates Program,

Population Division of the US Bureau of the Census, the estimated population of Burlington County is 450,743 as of 2005. The land extends from the Delaware River and the Great Bay on the Atlantic Ocean. The total area is 529,351 acres including 5,191 acres of water. Due to its sheer size, forty political subdivisions exist within the county, consisting of three cities, six boroughs, and 31 townships. The county seat is located in Mount Holly.ⁱⁱ The median income for a household in the county was \$72,466, and the median income for a family was \$85,117 as of a 2007 estimateⁱⁱⁱ.

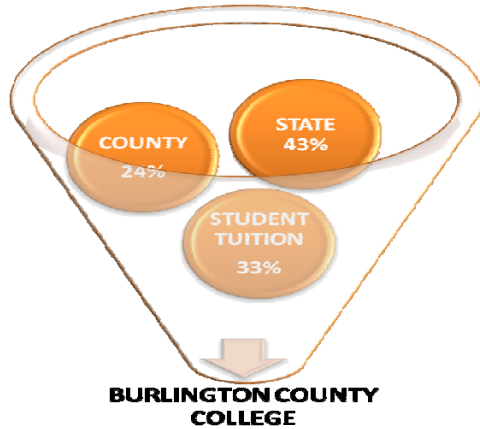
It is against this backdrop that Burlington County College was founded in 1966 by the citizens of Burlington County and the Board of Chosen Freeholders. The belief that learning is a lifelong activity and that every person should have the opportunity to pursue all of the education from which he/she can benefit, the College opened its doors in

1969 in temporary facilities. Building on the philosophical foundation of lifelong learning, the mission of

Mission Statement

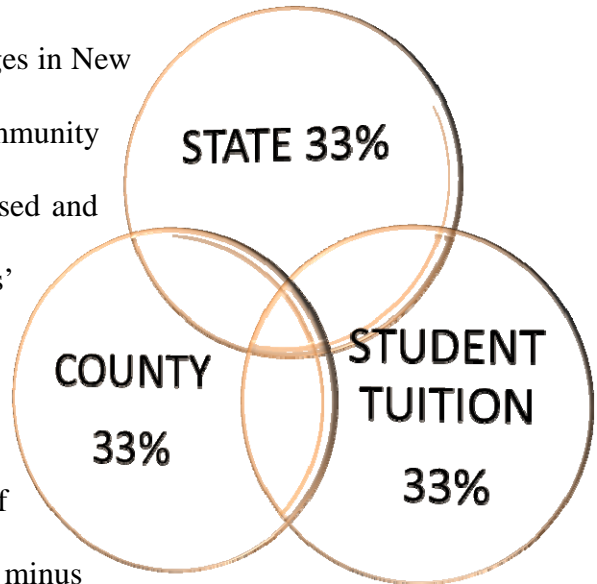
Burlington County College, a comprehensive community college, provides all individuals access to affordable and quality education.

Burlington County College, identifies the College as a *comprehensive* community college, and its purpose “...to provide all individuals access to affordable and quality education” builds on the statutory funding model first promulgated in New Jersey in 1967 (§ 18A:64A-22) which states, “...*the board of trustees of a county college may, based upon the itemized statement fixed and determined pursuant to N.J.S. 18A:64A-17-22, apply to the State Treasurer and receive State support:...For operational costs to the extent of 43% but not to exceed 50% of the educational and general costs of the county college...*”^{iv} The intersection of institutional mission and statutory regulation steered Burlington County College on a path of determined access and affordability.



Despite the statutory parameter that extends permissible state funding to 43% for the operational activities of the New Jersey County College system, the funding reality never approached the allowable maximum. In fact even in the earliest years of BCC, the model with which most state legislators became familiar was the non-formalized “gentlemen’s agreement” of one-third [state], one-third [county] and one-third [student tuition]. However, in the case of Burlington County College, even that model eluded the day-to-day operational reality.

Burlington, like its eighteen sister colleges in New Jersey, and for that matter the other 1,195 community colleges in the United States^v, has both witnessed and experienced a declining percentage of states’ budget dollars being spent on higher education over a twenty year period. A trend made even more ominous in the current decline of economic vitality. In fact, the net price (tuition minus



grant aid) of the cost of a college education over the past decade has increased more for students attending public institutions than private institutions.^{vi}

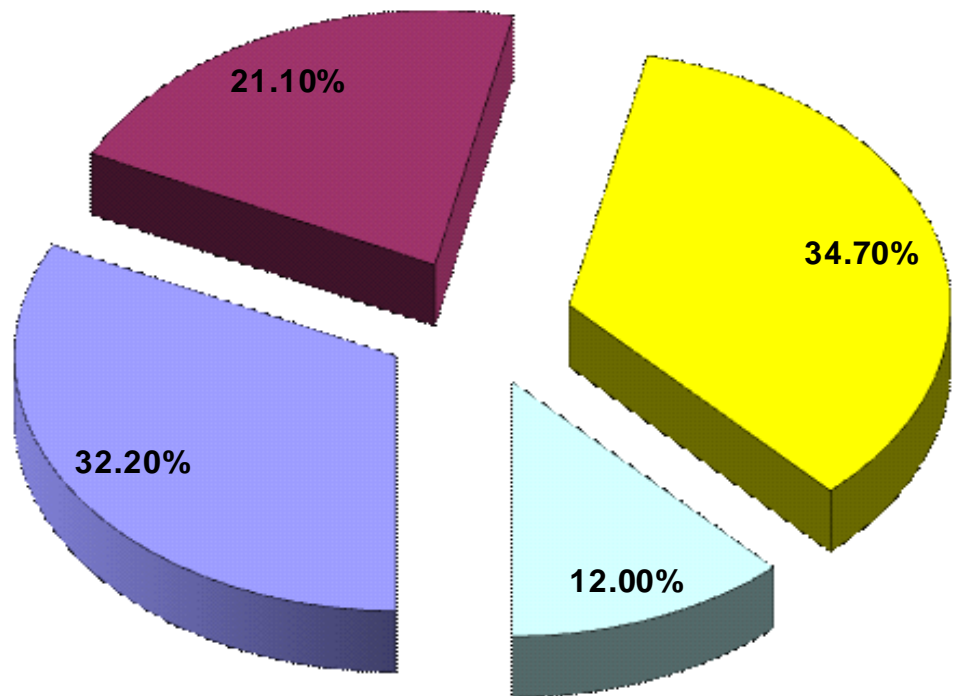
The collision between constrained public funding and the need to increase postsecondary access and degree attainment is by now well known by every prospective student, professor, administrator and college president in America. In fact, when this reality is juxtaposed against President Barack Obama’s challenge issued in February 2009 that “...By 2020, America will once again have the highest proportion of college graduates in the world.” the dilemma becomes clear. The problem stems from structural pressure on state budgets, growing dependency on tuition revenues, and institutional cost structures that require unsustainable funding increases. It is the postsecondary funding gap that has been growing in most states for some time, and is reaching critical proportions with the recent economic collapse of 2008-2009. The economic situation will push higher education in understandable but predictable directions—tuition increases, cutbacks in enrollments where possible, and rollbacks in programs designed to reduce attainment gaps and increase degree production. The National Center for Public Policy and Higher Education has stated the problem facing higher education with unusual clarity. “While states and institutions are facing difficult times, this crisis cannot be construed as a reason to abridge historic commitments to affordability, access, and investment in instructional improvements needed to meet future needs for educational attainment.”^{vii}

The mission of BCC as stated earlier is: “*Burlington County College, a comprehensive community college, provides all individuals access to affordable and quality education.*” BCC thus finds itself at the very intersection of forces that the

National Center for Public Policy warned against. When examining the changing complexion of revenue sources that BCC's operational expenses, it is clear in the figures to follow that BCC has become more and more reliant on student tuition as its primary funding source.

Figure # 1 (below) illustrates the funding footprint available in 1998-99 to BCC. At that time state funding amounted to 21.10 %, county funding at 32.20 % and tuition occupied just 34.70% very close to the informal agreement model discussed earlier.

Figure1



Going forward to the current academic year, Figure #2 reveals how much from both the statutory model and the informal agreement model state and county funding has strayed. Currently, student tuition now accounts for 54.30% of BCC's funding sources, county support has been reduced by nearly 50%, and state funding similarly reduced by 4%. That data is dramatically demonstrated in Figure #3.

Figure 2

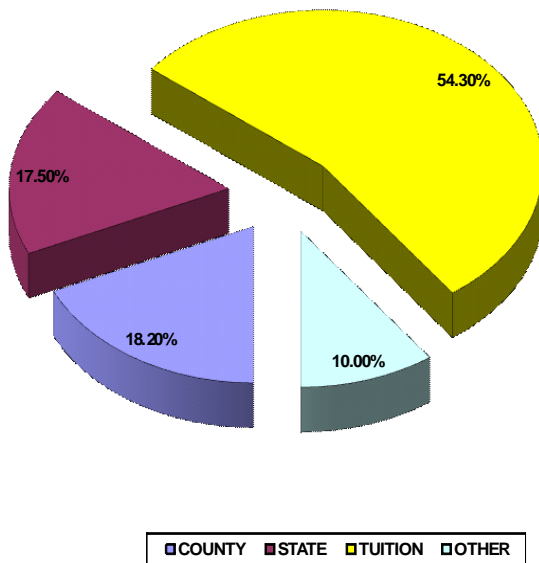
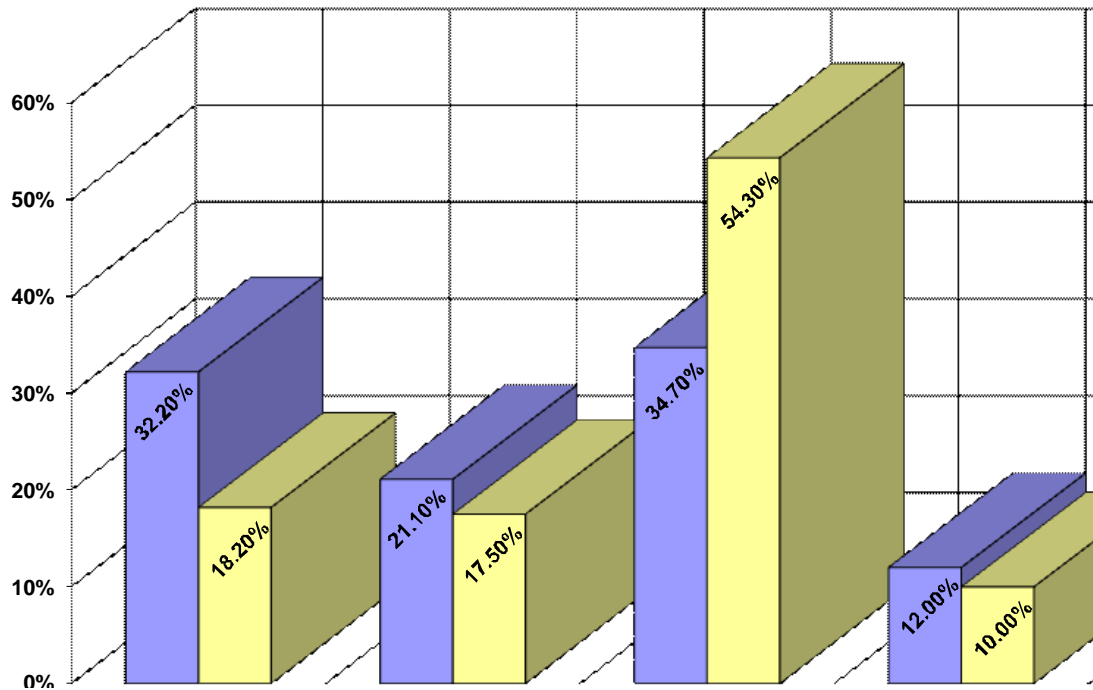


Figure 3 BCC FUNDING TEN YEAR COMPARISON



In addition to the financial retrenchment of state and county support for the funding of the operational budget, a similar cutback has occurred with the funding of capital needs and equipment creating the “perfect storm” of increased demand and diminished resources; the absolute collision between constrained public funding and the societal need to

“...By 2020, America will once again have the highest proportion of college graduates in the world.”
*Barack Obama, President of the United States
February 2009*

increase postsecondary access and degree attainment. Access must first mean developing the capacity to serve. Without capacity, low tuition is meaningless and access an illusion. Without capacity everyone loses: employers who need skilled workers, students who need higher-paying jobs, and even the government that needs greater tax revenues from higher-wage earners.^{viii}

What's a Community College to Do?



By now it seems apparent that community colleges in general will have to develop more innovative ways to deal with this very public dilemma of increased demand versus diminished resources. Some of the more creative things that community colleges can do are:

1. **More entrepreneurial activities** (customized training, business and science incubation, etc.) While private colleges and universities may be able to continue to increase tuition and fees, the nation's community colleges will be caught in a very difficult financial bind, since so many of our students come from families with incomes below the Federal HHS definition of poverty. In addition, these students, who are frequently new to higher education, will need more direction and assistance than traditional students. In my own institution, for example, 29.33% of my independent student financial aid applicant pool meets the HHS poverty guideline, while 8.54% of my dependent student financial aid applicant pool meets the similar HHS benchmark. These students will be the first in their families to attend college, often without family encouragement or support; they will be single mothers; and they will be people working at full-time jobs. All of this means that our community colleges must be more focused and more aggressively entrepreneurial in seeking new sources of revenue, if we are to keep our doors open. If institutions are not more creative in generating constituent and financial support, we will face a

future with more students and less money, resulting in an overall decline of services and instruction^{ix}.

2. **Creative, flexible, and motivated employees** can mean the difference between our success or failure. They must be entrepreneurial in developing new curricula and working with external partners. They must know their communities as well as their disciplines. They must embrace new technologies and think of themselves as lifelong learners. They must be willing to break out of old department patterns and politics. If we can hire, train, and retain stellar employees, we can deal with diminishing resources and other pressing issues. Personnel costs account for at least 75 percent of most community-college budgets, and the people we hire decide what to do with the remaining dollars. ^xWe should take great care to make every personnel decision count.
3. **Community colleges are poised to do innovative things.** The possibilities are limitless. Disciplinary expertise could be applied across traditional subject boundaries. Although faculty members would have to learn how they fit into other disciplines, the college would not have to pay for duplication of efforts if the teaching were reciprocal. For example, a philosophy professor could present issues of death and dying to nursing students, a nursing instructor could teach police-academy recruits about the treatment of stress, and a police instructor could present the practical problems of rights to a philosophy class. Students and faculty members would gain wider perspectives, and professional differences would become an institutional asset.^{xi}
4. **Fundraising and Endowments** Over the last decade, almost every one of the 1,100 community colleges in America has had to become a fund raiser. The money is

supplementing operating budgets, but community colleges are also beginning to build endowments. While the amounts raised are much smaller than those given to four-year colleges and universities, community colleges are surprising even themselves with their success.^{xii} Other colleges' fund-raising success stories abound. The Maricopa County Community College District in the Phoenix area has raised more than \$10-million in cash and equipment from local corporations. In March, Young Harris College got what is believed to be the largest single gift ever to a two-year college: \$63.5-million from an heiress to a Coca-Cola Company fortune. And community colleges are beginning to compete successfully with larger institutions for foundation gifts. For example, three two-year colleges in Washington -- Seattle Community, Bellevue Community, and Olympic Colleges -- were among the first nine institutions to get gifts from the William H. Gates Foundation, which is financed by the founder of Microsoft and his wife, Melinda.^{xiii} "Private fund raising was not a big push when I went into my first presidency in 1989," says Deborah M. DiCroce, president of Tidewater Community College, in Virginia. "Ten years later, diversifying the funding streams was one of the first goals we set when we did our strategic planning." For Ms. DiCroce, that has also meant courting local business leaders and the Chamber of Commerce, and seeking outside grants to pay for some of the new facilities needed to accommodate new students. Ten years ago, Tidewater was getting about \$1-million in grant support. Today, that figure is close to \$15-million. ^{xiv}

5. **Proportional tuition** – eradicating the tuition credit hour model regardless of the major area of study pursued and introduce proportional tuition charges to cover more expensive programmatic operations such as nursing, dental hygiene and the engineering technologies. The latter three programs are no doubt loss leaders in every community college across the United States, yet the skill sets that their graduates acquire are priceless to our society as a whole. Perhaps it is time to

examine “tuition burden shared by all” approach, and give serious consideration to the proportional tuition model.

6. **Greater reliance on innovative partnerships** such as cost sharing with hospitals for nursing training, utility companies for sustainability energy certification and training, etc. Lack of partnership opportunities could also mean the closing of some high cost programs.
7. **Reduction of operating expenses through alternative energy sources.** The challenge for community colleges is to position themselves at the forefront of that movement. In an age of tight budgets, when building new space is tough, colleges will increasingly look at getting more out of the space they already have. Robert G. Boes, a campus planner at the Massachusetts Institute of Technology, and Ann K. Newman, an architect at Shepley Bulfinch Richardson & Abbott, said colleges should look for gains in space efficiency in offices and laboratories, which typically take up a third of space on campus, rather than in classrooms, which make up only 5 percent of campus space.^{xv} Additionally, we have to rid ourselves of the skittishness we sometimes have for trying “new things” especially when it comes to experimental technology. Colleges need to embrace Leadership in Energy and Environmental Design (LEED) certification at higher and higher levels. Getting a basic or silver certification in the LEED program is fine, but going forward campus construction will have to aspire to even greater energy savings in the future.
8. **Building generating plants and selling energy to the local utility market** may be a perfect example of an academic enterprise residing in an entrepreneurial environment. Can community colleges forge an energy enterprise that results in recycled profits being added to the operating costs of the institution? This is the

very type of question that innovative and flexible faculties and administrations should tackle.

9. **Developing a 3 year baccalaureate program** - with more Americans pursuing both baccalaureate and advanced degrees, it makes practical pedagogical sense to examine ways to lessen the undergraduate portion of their postsecondary education. Many high school faculty members and administrators consider the senior year in high school as something of a waste. Most if not all of that year's curriculum could be devoted to acquiring advanced college-ready skills in science, writing, and mathematics for example. Such a radical departure from the norm would position the community college to begin to offer the baccalaureate degree on-site at a substantial cost savings to the student. A movement in this direction would also add to the community college's revenue without significantly increasing the demands on the infrastructure of the college.

10. **Structure all public higher education so that the first two years of college are undertaken at community colleges.** Such a bold model would save our state approximately \$300 million dollars annually. Those funds could then be redistributed to the community colleges and the senior institutions would then be free to concentrate on the final two years of baccalaureate education along with their graduate programs.

CONCLUSION

As higher education continues to evolve, the new culture will demand innovation and flexibility from the institutions that serve the nation's learners be they traditional age

or adult or lifelong. Increasingly, more students after high school than ever before have adopted a "cafeteria" approach to their education, taking classes at multiple institutions before obtaining a diploma, transferring after one semester of community college to a senior institution, stopping in and stopping out of college (both two and four year schools), etc. Moreover, the growing numbers of adult learners aren't necessarily seeking degrees at all. Many simply want to improve their careers by acquiring a new skill set that employers are increasingly demanding. In this consumer-driven environment, students increasingly care little about the some of the minutiae that occupies academicians; instead they are more concerned, as we should, about the outcomes.

ⁱ Community College Review, Winter, 2004 by Carol Piper Kenton, John H. Schuh, Mary E. Huba, Mack C. Shelley, II

ⁱⁱ <http://www.co.burlington.nj.us/info/index.htm>

ⁱⁱⁱ http://factfinder.census.gov/servlet/ACSSAFFacts?_event=Search&geo_id=05000US55089&_geoContext=01000US%7C04000US55%7C05000US55089&_street=&_county=burlington+county&_cityTown=burlington+county&_state=04000US34&_zip=&_lang=en&_sse=on&ActiveGeoDiv=geoSelect&_useEV=&pctxt=fph&pgsl=050&_submenuId=factsheet_1&ds_name=ACS_2007_3YR_SAFF&_ci_nbr=null&qr_name=null®=null%3Anull&_keyword=&_industry=

^{iv} 1. N.J. Laws ch. 12, in the context of N.J. Stat. Ann. § 18A:64A-22, authorizing the state to offer capital support for **county college** projects was violative of N.J. Const. art. VIII, § II, para. 3; the state **funding** support of the college projects would likely affect taxation and there had been no vote of the people. *Holster v. Board of Trustees*, 114 N.J. Super. 228, 275 A.2d 762, 1971 N.J. Super. LEXIS 612 (Law Div. 1971), reversed by 59 N.J. 60, 279 A.2d 798, 1971 N.J. LEXIS 160 (1971)

^v <http://www2.aacc.nche.edu/research/index.htm>

^{vi} http://www.nea.org/assets/docs/HE/HE_NEA_Resources1_al09p29.pdf

^{vii} http://www.highereducation.org/reports/ARRA/ARRA_Statement.pdf

^{viii} The Biggest Challenge for Community Colleges: 6 Views <http://chronicle.com/article/The-Biggest-Challenge-for-C/28226/>

^{ix} Community Colleges at a Crossroads JAMILAH EVELYN <http://chronicle.com/article/Community-Colleges-at-a-Cro/16147/> Community Colleges at a Crossroads JAMILAH EVELYN <http://chronicle.com/article/Community-Colleges-at-a-Cro/16147/>

^x *Community College Review*, Winter, 2004 by [Carol Piper Kenton](#), [John H. Schuh](#), [Mary E. Huba](#), [Mack C. Shelley, II](#)

^{xi} The Biggest Challenge for Community Colleges: 6 Views <http://chronicle.com/article/The-Biggest-Challenge-for-C/28226/>

^{xii} The Biggest Challenge for Community Colleges: 6 Views <http://chronicle.com/article/The-Biggest-Challenge-for-C/28226/>

^{xiii} <http://chronicle.com/article/For-Community-Colleges-Fun/7045/>

^{xiv} Community Colleges at a Crossroads JAMILAH EVELYN <http://chronicle.com/article/Community-Colleges-at-a-Cro/16147/> Community Colleges at a Crossroads JAMILAH EVELYN <http://chronicle.com/article/Community-Colleges-at-a-Cro/16147/>

^{xv} Campus Planners Discuss Challenges in Attaining Sustainability
By Scott Carlson <http://chronicle.com/article/Campus-Planners-Discuss-How/1009/>

Dr. Robert C. Messina, Jr.

Biography

Dr. Robert C. Messina, Jr., has served with distinction as President of Burlington County College since January 1987. He is an experienced educator, researcher, college administrator, and contributor to local, state, and national affairs.

Dr. Messina was born and educated in New York City. He received his Bachelor of Science degree in Chemistry from the City College of New York, his Master of Arts degree in Chemistry from Hunter College, and his Doctorate in Analytical Chemistry from Fordham University.

Dr. Messina did research in environmental and heavy metal contamination at the Nassau County Medical Examiners Office in New York. He started his career at Nassau Community College as an instructor in the Physical Sciences and Engineering department. Dr. Messina also taught graduate courses at the State University of New York at Binghamton, and was involved in instruction in developmental learning and remedial education at The State University of New York at Farmingdale. Additionally, Dr. Messina was a Carnegie Fellow at the Woodrow Wilson School of International Studies and Public Affairs at Princeton University, where he studied problems in environmental planning and urban development. He then served as vice president for academic affairs at Broome Community College in Binghamton, New York.

Since becoming president of Burlington County College, Dr. Messina has raised the College's profile in the local community, across the State of New Jersey, and on the national level. He has obtained the necessary funding to upgrade the College's facilities, as well as the construction of a second campus in Mount Laurel, New Jersey. Additionally, under Dr. Messina's leadership, the college has been actively involved with distance education, providing courses for individuals who want or need an alternative to classroom based instruction. BCC's offerings span the disciplines from Art to Music and from Biology to Physical Science. The college now offers approximately 90 class sections via e-learning with 50 fully on-line and the rest video based. Currently, Dr. Messina has committed the college to offer all e-learning courses fully on-line using the Blackboard Learning System Campus Edition 6 platform. This state-of-the-art course management system allows us to deliver dynamic college level instruction over the Internet. Moreover, BCC is the lead institution in the multi-state Consortium of Distance Learning (CODE) and also acts as the host college for the group. BCC is also an active member of the New Jersey Virtual Community College Consortium (NJVCCC).