

Higher Education and the Workforce: Issues for Reauthorization of the Higher Education Act

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Dr. Charles Bohlen

Laramie County Community College

President

Testimony

Bio for Charles H. (Chuck) Bohlen

Dr. Bohlen has been president of Laramie County Community College since July of 1992. He is passionate about helping people become a part of the American Dream through education and skill development, and believes that America's Community Colleges are the key social organizations to help people develop skills that will provide them livable incomes. He feels that the formula to keep our kids in Wyoming is a partnership between K-graduate education and economic development. Therefore, he is a member of the board of Cheyenne LEADS, the economic development corporation for the Greater Cheyenne Area and has served as its chair. He also served many years on the Wyoming Workforce Development Council. He is immediate past president of the Cheyenne Noon Rotary Club. He has a doctorate in Ecology and has been a high school and college teacher and has held community college administrative positions in Missouri, New York and Ohio. Dr. Bohlen grew up in rural Idaho and enjoys the western culture of Wyoming. He and his wife, Kay, have three children and one wonderful grandchild. Dr. Bohlen enjoys spending time with his grandson, Miles, backpacking, reading to children at elementary schools, restoring a historic sheep wagon and relaxing at the family cabin in the Snowy Range that he and his family restored.

During Dr. Bohlen's tenure at Laramie County Community College the college has reversed a severe enrollment decline by aggressively following three strategies. The first strategy is to become a regional college that provides quality academic and life experiences for recent high school graduates. The second is to be a flexible and adaptable college for the busy working adult for whom a traditional semester-long learning experience is not an option. The third strategy is to be a flexible provider of custom-designed workforce training for business, industry, and government in Southeast Wyoming. The college prides itself on being a technological leader and has multimedia classrooms that are among the best in the nation.

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Testimony of

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Cheyenne, Wyoming

Before the

Senate Health, Education, Labor, & Pensions Committee

On the Higher Education Act and the Nation's Workforce

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United States Senate

Statement of the American Association of Community Colleges on the Higher Education Act and the Nation's Workforce

Good morning. My name is Dr. Charles Bohlen and I am President of Laramie County Community College (LCCC) in Cheyenne, Wyoming. I am pleased to be with you to offer this testimony on behalf of my college as well as the American Association of Community Colleges (AACC) on the Higher Education Act (HEA) and its relation to providing the nation with a skilled workforce. AACC represents 1,173 public and private, associate degree-granting, regionally accredited institutions, and serves as the national voice for community colleges.

Community colleges enroll 44 percent of all U.S. undergraduates (measured in terms of head count) and 45 percent of first-time freshmen. Almost two-thirds, 63 percent, are enrolled on a part-time basis of fewer than 12 credit hours. The average age of our students is 29 years. Community colleges enroll 46 percent of all African-American undergraduate students, 55 percent of all Hispanic students, and 46 percent of Asian/Pacific Islander students in higher education. Thus, we pride ourselves on being the "Ellis Island" of higher education.

To a large degree, the growth that is commonly referred to as the community college movement occurred in large part because of the HEA. In the fall of 2003, community colleges had credit enrollments of about 6.3 million students, and another 5 million non-credit students. These numbers have surged over the last few years, and the growth shows no signs of abating. This jump in enrollments is due in part to the fact that community

colleges are usually the first choice for workers challenged by a soft economy. Most of our colleges report that the recent spike in enrollments, which has placed them under enormous pressure, has been due to both the baby boom echo of traditional college-aged students, as well as older individuals who are under-employed or are recently unemployed. Indeed, the largest category of growth last year (2002-03) in eligible applicants for the Pell Grant program was for independent students with children - a staggering 13.6 percent increase.

Wyoming is a very rural state that is served by seven community colleges and one public university. The colleges operate outreach centers in any community with 500 people or more. To reach students in isolated areas and those whose time demands do not allow them to receive their education through on-campus instruction, the colleges provide online instruction. To meet the needs of their local communities, Wyoming's community colleges offer short-term workforce training, and certificates and associate degrees in vocational/technical areas. Likewise, Wyoming community colleges serve as major gateways to the University of Wyoming by offering the first two years of baccalaureate studies. The community colleges and the university are highly collaborative, resulting in Wyoming being one of the first states where all higher education institutions use the same course descriptions and course numbers for freshmen and sophomore transfer courses.

Wyoming's and the nation's community colleges are a confluence where Federal funds provided through the HEA, WIA, and other programs merge with state and local support to provide education and training programs to prepare America's workforce. Futurist Ed Barlow predicts that America's community colleges will become the finishing schools for gold collar positions. In other words, a growing number of bachelor's and higher degree holders will attend community colleges after completing their baccalaureate degrees, to obtain technical skills needed in the emerging knowledge-based industries. Our community colleges are committed to access and have as a primary mission assisting the disenfranchised and un-empowered to acquire the necessary skills to procure jobs that provide livable incomes. In Wyoming and the rest of the United States, community colleges are the primary providers of a technically skilled workforce.

The training conducted by Laramie County Community College for Lowe's Company Inc. is a case study of the confluence of Federal and State roles in serving a business and a community. In 2001, the Lowe's Company Inc., home improvement retailer, chose Cheyenne as a site for a distribution warehouse to serve over 100 of its stores. Quickly Laramie County Community College convened the local economic development organization, Cheyenne LEADS, the Wyoming Business Council, the Wyoming Department of Workforce Services, and the Wyoming Community College Commission to develop a cooperative approach with Lowe's to provide pre-employment training. The Business Council assisted the college in procuring the license to use the Georgia Department of Technical and Adult Education's Quick Start Certified Warehousing and Distribution Specialist training program.

Even though Lowe's had never partnered with a community or technical college for pre-

employment training, they were so impressed with the college's quick response and the quality of the Certified Warehousing and Distribution Specialist curriculum, that they agreed to interview all graduates of the 150 hour training program and to pay a higher salary for employees with the warehousing certification. Two hundred seventeen graduated from the program, with 185 employed at Lowe's or other distribution centers in the Cheyenne Area. Lowe's management said the following about their experience with their start up in Cheyenne,

Training and experience are two of the largest concerns of any company. The Certified Warehousing and Distribution Training not only provides core skills, but a general understanding of the industry and environment. Those qualifications in a workforce are invaluable to industries moving into a new market and this is one of the greatest commitments to the community, industry, and its citizens that I have ever seen.

At Laramie County Community College, Federal funds, largely provided through the HEA, WIA, and Carl D. Perkins Vocational and Technical Education Act, allow the college to provide access to higher education, to provide support services for those who typically could not be academically successful, and to provide state-of-the-art equipment for students in vocational/technical studies.

How Congress Can Help College Students Achieve Their Aspirations

As Congress gets set to reauthorize the HEA, it deserves thanks for having done so much to make college possible for those who otherwise would not have had the chance to improve their lives through higher education. The college continuation rate for recent high school graduates has risen from 47 percent in 1973 (just as the central student aid programs of the HEA were being implemented) to 62 percent in 2001. The genius of creating a student-focused system in which aid is delivered to the individual, for use at the college of his or her choosing, has repeatedly proven itself. But this investment is one that not only accrues to the individual; our economy would be incalculably weaker if not for the increased education and training fostered by the Title IV programs.

Student aid works. AACC strongly supports the current programs and basic structure of the HEA, and does not believe that the Act is flawed in any fundamental way. Rather, reauthorization provides an opportunity to make a system that is working well function even better. Our colleges view themselves as having a pact with the federal government. Community colleges strive to keep tuition as low as possible, but for those who cannot meet the cost of education, the need-based programs in Title IV of the HEA are there to fill the gap. And there is a consensus that the HEA has proven extremely efficient and effective in providing financing to students and families who need resources to attend college.

Federal student aid represents close to 70 percent of all the student aid made available across the country (most of the rest consists of institutional grants from private colleges). American higher education would be radically different without this aid. Furthermore, the

student financial aid programs are well targeted those who need financial assistance the most are generally those who receive it. More than 90 percent of all Pell Grant funds are awarded to students with family incomes of less than \$40,000.

Unfortunately, the job of promoting equal access to post-secondary education is not yet complete. Access to college remains highly stratified by income. Over the last 25 years, a rising tide has lifted the college participation rates of students across the income spectrum fairly equally, with the largest gains occurring in the second lowest income quartile. This is a remarkable achievement. Unfortunately, over that same period the persistence gap between less affluent and more affluent students has widened. And, despite the gains in overall college access, the gaps in college participation across the various income bands have remained fairly consistent. We believe these gaps can be eliminated, but it will take a far greater financial commitment than that which has been made so far by Congress.

Community colleges are particularly dependent on the Pell Grant program. This disproportionate reliance stems from that fact that community college students tend to be less affluent than students in other sectors, and our low tuition help mitigate the need for borrowing. In the current award year, the Department of Education estimates that 1.9 million community college students will receive a Pell Grant, compared to a total fall enrollment of about 6.3 million.

Community Colleges and the Workforce

A first principle of community colleges is to provide their local communities with skilled workers. A correlate goal is to provide individuals with the means to attain economic independence. In the last 25 years, the percentage of workers with an associate degree, certificate, or some college has more than doubled from 12 percent to 27 percent of the workforce. According to the Department of Labor, occupations requiring a postsecondary vocational award or an academic degree, which accounted for 29 percent of all jobs in 2000, will account for 42 percent of total job growth from 2000 to 2010. The array of occupational programs offered by community colleges is truly mind-boggling, and permeates every sector of the economy. Our colleges pride themselves on their entrepreneurial nature, and their ability to add, or terminate, programs in response to market demand.

In all of the fields in which high-profile labor shortages exist, such as teaching, nursing, information technology, and first responders, community colleges are on the front lines, offering programs designed to address these pressing needs. For example, 48 percent of all applicants taking the national registered nurse examination to become licensed professional registered nurses were graduates of associate degree programs, and these graduates pass that examination at the same rate as those who have attended four-year colleges. Sixty-five percent of new health care workers get their training at community colleges. Community colleges also train and credential 85 percent of the nation's first responders; police, firefighters, and emergency medical technicians.

Of late, much attention has been focused on the disappearance of millions of jobs in this country. This job loss is naturally of great concern to policymakers. However, it should not obscure the fact that our nation still has a desperate shortage of skilled workers; just ask some of our most prominent business leaders. Under any plausible scenario, the current shortage of skilled workers will increase in the years to come, as the economy continues to grow and the baby boom generation retires. Shortages in management and technical support fields will be particularly pressing. In January of 2003, the unemployment rate of those without a high school diploma was 8.8 percent; those with a high school diploma had a 4.9 percent unemployment rate, but those with a bachelor's degree or higher had only a 2.9 percent unemployment rate. These rates reflect economic reality and pose a daunting challenge for policymakers.

States consciously use community colleges in their economic development strategy, through programs that are designed in part to attract and keep businesses. A recent survey by the Education Commission of the States showed that at least 21 states provide special funding to community colleges to train workers for high-demand occupations. Thirty-two states provide funding to support customized training for employers.

Community colleges do not receive adequate recognition for their role in educating the nation's teachers. It is estimated that at least 25 percent, perhaps as much as 50 percent of the graduates of bachelors' degree programs in teacher training began their post-secondary education at community colleges. Community colleges provide this initial teacher preparation, but are also heavily engaged in professional development for K-12 teachers; post-baccalaureate certification for undergraduate majors in non-teaching fields; encouraging high school students to enter the teaching field, and training the paraprofessionals whose skills must be enhanced as a result of the No Child Left Behind law. Consequently, AACC is proposing that a small new program in the HEA be created to help community colleges further their activity in this critical area. We seek a national competitive grant program of \$25 million. We are happy to provide the Committee with further details on this proposal.

The Role of the HEA in Workforce Preparation

Although it is not commonly thought of as such, the HEA is a powerful tool for workforce preparation. In fact, it is the federal government's largest workforce training program. Roughly half of the almost two million community college students who receive Pell Grants are enrolled in occupational education programs, and the overwhelming majority of proprietary school recipients are enrolled in programs designed to prepare them for specific jobs. Also, most of the millions of American students who are enrolled in general education programs correctly assume that their studies will ultimately lead to greater earnings. Surveys indicate that the primary reason people attend college is because they believe it will help increase their employment opportunities. As the Committee is well aware, the spread in earnings between those who have just a high school diploma and those who have attained college degrees continues to grow. College has become an essential component of a middle-income lifestyle. Given

the essential and irreplaceable role that Congress plays in making college available to less affluent individuals, it has an awesome responsibility to maintain a vital portfolio of student aid programs.

As the Committee is aware, the student aid programs give individuals the choice to attend the institution that suits them best, and, given this, the HEA cannot be directly structured to meet workforce goals. However, given the intensely competitive nature of the nation's postsecondary education system, we firmly believe that the HEA's system of providing individuals with the option to receive the education and training that suits them best ultimately serves the nation's economy well.

Protecting the Federal Investment in Community Colleges

The HEA also plays selected roles in helping institutions offer high quality workforce and other programs. Much to the distress of community colleges across the country, the leadership of the House Committee on Education and the Workforce is currently supporting legislation that would undermine key sources of support for community colleges. We expect that the HELP Committee will be asked to support this same "single definition" of institution of higher education, which would make for-profit institutions eligible for programs such as Title III-A, Strengthening Institutions, Hispanic Serving Institutions, International Education, etc. In addition, scores of non-HEA programs whose eligibility is keyed to HEA definitions would suddenly be opened to proprietary schools, including the Carl D. Perkins Vocational and Technical Education Act, National Science Foundation programs, and many others. Community colleges strongly oppose this change and ask the Committee to reject such a change. However, we continue to support giving students the option of using student aid funds at the institution of their choice. And student aid comprises more than 95 percent of all HEA spending.

The single definition will substantially reduce funding for nonprofit colleges, many of whom are struggling financially. This is particularly so for the Hispanic Serving-Institutions (HSI) program, where grant funds are relatively accessible once an institution qualifies as an HSI. According to Department of Education data, the single definition would allow 107 for-profit institutions to become eligible for the program. Currently, 243 colleges participate. The effect on Title III-A, the Strengthening Institutions program, would be equally dramatic for community colleges, many small, struggling four-year colleges, and other financially constrained institutions.

Using a single definition would greatly expand the pool of eligible candidates for HEA institutional grants and many other grants. This does not create parity between institutions, as has been asserted, because the institutions to which these funds would be awarded are not the same. For-profit institutions are necessarily concerned with delivering profits to their shareholders or owners. Non-profits are, by definition, dedicated to serving the public interest. We commend the entrepreneurial nature of profit-making institutions. However, granting for-profit colleges access to non-Title IV programs will simply increase corporate earnings. It is one thing to give a student the

choice of attending a for-profit institution, and quite another to channel federal funds directly to support for-profit businesses and thus reduce the funds needed by our institutions that, by charter, provide access for our nation's neediest people. We note that the average community college tuition is \$1,905. The average tuition at a two-year degree-granting proprietary school is more than five times that, at \$10,500.

Eliminating the "50 Percent Rule" But Maintaining an ED Role in Distance Education Safeguards

Distance education is tremendous and exciting development in American higher education. According to the NCES, More than three million students attending colleges and universities are now taking distance education courses. Distance education is especially important in rural states such as Wyoming. Consequently, AACC supports repeal of the so-called 50 percent rule, and most other differential treatment of on-campus and distance education. However, AACC believes that the rule must be replaced with an additional limited safeguard against program abuse.

The 50 percent rule was included in the 1992 HEA amendments to address the fraudulent activities of many correspondence schools. These schools had high default rates and a disproportionate record of fraud and abuse of student aid funds. In general, the 50 percent rule denies Title IV eligibility to schools that offer more than 50 percent of their courses by correspondence, or have 50 percent of their students enrolled in such courses.

Despite the widespread impression that the 50 percent rule has outlived its relevance, it generally has not prevented the expansion of distance education at schools that also offer classroom programs. This is because telecommunications courses (primarily those offered by television, audio, or computer) are not considered correspondence courses for degree programs if the number of telecommunications and correspondence courses do not equal at least 50 percent of the courses offered by the institution. Some of the colleges that are deeply involved in distance education and are pursuing a 100 percent distance education program have been included in the Department of Education's Distance Education Demonstration Project, created in the 1998 HEA amendments.

The Internet has made the delivery of post-secondary education more flexible and available. It reaches rural areas and offers new opportunities for working adults. Students can read school advertisements, enroll and take courses, and even apply for financial aid without leaving home. This is a boon for students unable to study on campus due to geographic location or conflicting responsibilities. It also means that the unscrupulous can easily reach millions of new students with little more than a pop-up advertisement. Any benefits from distance education could be overshadowed if prudent steps are not taken to prevent fraudulent providers from exploiting students and the federal government.

Consequently, we think that ED's Distance Education Demonstration Program should serve as the model for a permanent program to allow individual schools to receive waivers of the 50 percent rule. This approach recognizes the importance of and increasing

interest in distance education, but protects students and student aid programs from being taken advantage of by easily accessed and highly advertised programs that do not provide quality education.

Finally, we firmly support the role of accreditation in assuring quality education. But if institutions that offer most or all of its programs by distance gain eligibility for federal student aid programs, the need for additional oversight extends beyond accreditation. Ensuring program integrity is clearly a responsibility of the federal government, on behalf of American taxpayers. Opening distance education with no limitations, or without additional oversight by the Department of Education, is an invitation for increased fraud and increased loan defaults. We hope that the Committee will look favorably upon our modest proposal to provide an additional safeguard in this rapidly evolving area.

Putting Real Faces on the Value of the Higher Education Act

Desiree

Desiree came to Laramie County Community College's TRIO program in fall 2002. She was a divorced mother of four young children. She received no support from her ex-husband. She was surviving on public assistance, food stamps, Section VIII housing, and financial aid that did not cover her full need. She was enrolled full-time in the LCCC Radiography program. Her cumulative credit hours earned were 105, nine credits over the limit allowed by federal financial aid guidelines to complete a two-year degree. Her GPA was 3.163, not bad for a full-time student and mother enrolled in a very demanding academic program.

But Desiree was struggling. Worries about finances, grades, children, and the continual jumping through hoops for her public assistance dollars were taking a toll. She sought assistance from TRIO for more effective study skill strategies, motivation, career exploration, budgeting, and financial aid/scholarship assistance.

During monthly appointments with her TRIO advisor, Desiree developed effective study strategies which gave her more quality time with her children. Without funds to pay for extra day care she brought her children with her to TRIO sponsored academic workshop so she would not miss out on valuable information that ultimately helped her succeed in her educational goals. Through TRIO Desiree learned to carefully budget her limited financial aid dollars, cutting her living expenses to the bare bones. She learned to make wise decisions regarding school loans, and she was successful with scholarship applications. Despite the scholarships, PELL grant, and loans, Desiree still had a \$1,000 unmet financial need to attend LCCC. LCCC's TRIO granted her a federal TRIO grant aid award of \$500 in February 2003.

External motivation was soon replaced with self-motivation as Desiree grew confident in her abilities to be a good student, a good mother, and a good financial planner. She continued to work with TRIO to develop a resume, plan job search strategies, and

develop effective interviewing skills. Desiree could see the light at the end of the tunnel. Graduation was within her grasp, and the promise a well-paying position was in the near future.

Desiree's drive to succeed despite her challenges, and her willingness to work regularly with her TRIO Advisor, helped her achieve her educational goal. She graduated in August 2003, passed her National Board Exam for Radiography, and took a radiography technician job in Nebraska. Desiree reports that she is doing fine, loves her work, and is proud to support her children without public assistance.

Pamela

In August, 2002, Pamela, a 31 year old single mother of three young children, ages 6, 4, and 3, came to LCCC seeking financial and emotional assistance to become a Certified Nursing Assistant. She had been referred by the Safe House Sexual Assault Center for battered women in Cheyenne, Wyoming, to the Transitional Services Program at LCCC. She came through the doors broken, terrified, wounded and still had black and blue bruising around her eyes and cheek. Pamela bravely entered our doors and asked for help. She and her children were living at the safe house and her husband of 7 years was incarcerated for domestic violence. Pamela didn't know how long he would be in jail and she knew that time was of the essence. It was time for her to gain her independence and find a way to support her family. She saw education as the pathway to that independence.

From the time she was a small child growing up in Alaska she dreamed of becoming a nurse. Instead she married a man from Wyoming, moved here and they began their own family business. Pamela's primary job was stay-at-home mother. Sadly, over the years, she became a victim of her husband's rage and frequent beatings. Although she never stopped dreaming of becoming a nurse, her life now was a matter of survival for Pamela and her children. Through a series of events and the support of family and friends, Pamela was able to report her abuse and receive the help she so desperately needed.

Through the help of Cheyenne Housing Authority, Pamela and her children moved out of the shelter and moved into a mobile home. Because it was too late to apply for financial aid, the Transitional Services Program, funded in part through Carl D. Perkins Vocational and Technical Act, 1998, paid her tuition, and bought her books, CNA uniform, stethoscope, CPR certification, and provided mileage reimbursement for her to attend classes at LCCC.

By the end of fall semester 2002, Pamela successfully completed her CNA classes and the Transitional Services Program paid for her to take her state nursing board examination. She passed the exam and found gainful employment at a local nursing home caring for the elderly. Pamela reports that she is the happiest she has been in her adult life. She loves her work, she is financially independent, and her family is continuing to heal from the wounds of domestic violence. Pamela is continuing to take classes at LCCC. Her ultimate goal is to become a Registered Nurse - a childhood dream come true!

Thank you for your consideration of these views. I would be pleased to answer any questions that you might have.