

COMMONWEALTH OF PENNSYLVANIA  
HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE HEARING

STATE CAPITOL  
MAIN BUILDING  
ROOM 140  
HARRISBURG, PENNSYLVANIA

THURSDAY, FEBRUARY 20, 2014  
2:05 P.M.

PRESENTATION FROM  
PENNSYLVANIA COMMISSION ON COMMUNITY COLLEGES

BEFORE:

HONORABLE WILLIAM F. ADOLPH, JR., MAJORITY CHAIRMAN  
HONORABLE KAREN BOBACK  
HONORABLE JIM CHRISTIANA  
HONORABLE GARY DAY  
HONORABLE BRIAN ELLIS  
HONORABLE GLEN GRELL  
HONORABLE ADAM HARRIS  
HONORABLE TOM KILLION  
HONORABLE DAVID R. MILLARD  
HONORABLE MARK T. MUSTIO  
HONORABLE DONNA OBERLANDER  
HONORABLE BERNIE T. O'NEILL  
HONORABLE MICHAEL PEIFER  
HONORABLE SCOTT A. PETRI  
HONORABLE JEFFREY P. PYLE  
HONORABLE CURTIS G. SONNEY

---

JEAN DAVIS REPORTING  
285 EAST MANSION ROAD • HERSHEY, PA 17033  
Phone (717)503-6568

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

**BEFORE (cont.'d):**

**HONORABLE JOSEPH F. MARKOSEK, MINORITY CHAIRMAN**  
**HONORABLE BRENDAN BOYLE**  
**HONORABLE MATTHEW D. BRADFORD**  
**HONORABLE MICHELLE F. BROWNLEE**  
**HONORABLE MIKE CARROLL**  
**HONORABLE H. SCOTT CONKLIN**  
**HONORABLE MADELEINE DEAN**  
**HONORABLE DEBERAH KULA**  
**HONORABLE JOHN P. SABATINA**  
**HONORABLE STEVEN SANTARSIERO**  
**HONORABLE JAKE WHEATLEY**

**ALSO IN ATTENDANCE:**

**DAVID DONLEY, REPUBLICAN EXECUTIVE DIRECTOR**  
**DAN CLARK, REPUBLICAN CHIEF COUNSEL**  
**MIRIAM FOX, DEMOCRATIC EXECUTIVE DIRECTOR**  
**HONORABLE WILL TALLMAN**

**JEAN M. DAVIS, REPORTER**  
**NOTARY PUBLIC**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

I N D E X

TESTIFIER

<u>NAME</u>	<u>PAGE</u>
ELIZABETH BOLDEN, PRESIDENT/CEO, PENNSYLVANIA COMMISSION FOR COMMUNITY COLLEGES	5
DR. NICHOLAS NEUPAUER, CHAIRMAN, PENNSYLVANIA COMMISSION FOR COMMUNITY COLLEGES	8
DR. KAREN STOUT, PRESIDENT, MONTGOMERY COUNTY COMMUNITY COLLEGE	10

1 P R O C E E D I N G S

2 \* \* \*

3 MAJORITY CHAIRMAN ADOLPH: Good afternoon,  
4 everyone.

5 I'd like to reconvene the House Appropriations  
6 Committee Budget Hearing.

7 Today we're going to hear from the Pennsylvania  
8 Commission on Community Colleges. Elizabeth Bolden, the  
9 President and CEO, good afternoon, Elizabeth.

10 MS. BOLDEN: Thank you.

11 MAJORITY CHAIRMAN ADOLPH: And with her is  
12 Dr. Karen Stout, President, Montgomery County Community  
13 College.

14 DR. STOUT: Hello.

15 MAJORITY CHAIRMAN ADOLPH: And also no stranger  
16 to this budget hearing is Dr. Nick Neupauer, Chairman of  
17 the Board of the Pennsylvania Commission on Community  
18 Colleges and from Butler County.

19 DR. NEUPAUER: Yes, sir.

20 MAJORITY CHAIRMAN ADOLPH: I would like to give a  
21 little shout out to the people back home.

22 DR. NEUPAUER: Thank you.

23 MAJORITY CHAIRMAN ADOLPH: Elizabeth, nice to  
24 have you.

25 MS. BOLDEN: Thank you.

1 MAJORITY CHAIRMAN ADOLPH: And if you have an  
2 opening statement, we can start there and then we'll get  
3 right in to questions.

4 MS. BOLDEN: Great. Thank you, Mr. Chairman.

5 Good afternoon, Mr. Chairman and members of the  
6 Committee. Thank you for the opportunity to come before  
7 you today to discuss the Fiscal Year '14-'15 appropriation  
8 for community colleges. The colleges are grateful for the  
9 continued support of both Chairmen and members of the  
10 Appropriations Committee. We appreciate your interest in  
11 and commitment to the role of community colleges in the  
12 Commonwealth's Education and Workforce Development systems.

13 The programs and services offered by  
14 Pennsylvania's community colleges enroll more than 365,000  
15 students from all of Pennsylvania's 67 counties. The  
16 colleges play a vital role for the students and employers  
17 they serve and contribute to the Commonwealth's economic  
18 vitality and global competitiveness.

19 Our written testimony, which has already been  
20 provided to you, outlines the many contributions of our  
21 colleges, from offering an affordable, accessible option  
22 for students to begin or return to postsecondary study to  
23 dual-enrollment programs for high school students who want  
24 to get a head start on their college coursework to  
25 workforce training programs to support the Commonwealth's

1 emerging industries.

2 Pennsylvania's community colleges are constantly  
3 evolving to meet the needs of the students and communities  
4 we serve. The colleges are concerned, however, that the  
5 programs and services they offer may be limited without  
6 additional support from the State. The proposed '14-'15  
7 year budget is the fourth year of consecutive flat funding  
8 following a 10 percent cut five years ago. Another year of  
9 flat funding may result in tuition increases, program cuts,  
10 delays in program expansion, or some combination thereof,  
11 none of which is in the best interest of Pennsylvania  
12 students or its economic competitiveness.

13 For the upcoming fiscal year, the colleges have  
14 requested a \$12 million increase in the community college  
15 operating appropriation. This increase will allow the  
16 colleges to make needed investments to ensure program  
17 quality and alignment with current workforce needs as well  
18 as minimize tuition increases. Without an increase in the  
19 appropriation, the colleges will be limited in their  
20 ability to invest in programs that are essential to  
21 Pennsylvania's economic growth, including programs in  
22 health care and the natural gas industry.

23 In addition, the colleges request State support  
24 for capital improvements. Currently the colleges receive  
25 capital support through the Community College Capital Fund

1 line item. However, the need for capital improvement  
2 exceeds the available funds. A recent study documented  
3 that the colleges' infrastructure is rapidly aging and in  
4 need of more than 726 million in improvement. Capital  
5 support for the colleges is essential to their ability to  
6 respond to the needs of the employers and the students they  
7 serve and we urge you to consider an increase in that line  
8 item.

9 In addition, the colleges support Representative  
10 Petri's House Bill 1418 which would increase the funds  
11 available for capital projects and establish a new  
12 revolving loan program. House Bill 1418 would not only  
13 help to alleviate the backlog of capital projects but would  
14 also establish a more stable and efficient process by which  
15 the colleges could plan for capital improvements.

16 Thank you for the opportunity to appear before  
17 you today. We believe in an investment in community  
18 college operating and capital needs will yield significant  
19 benefits for the students and communities we serve and  
20 contribute to the Commonwealth's long-term fiscal health  
21 and economic competitiveness.

22 We look forward to working with the Chairmen and  
23 the members of the Committee to identify appropriate  
24 funding levels to achieve those goals.

25 At this time, I'd like to invite Dr. Neupauer and

1 Dr. Stout to offer their perspectives. At the conclusion  
2 of their remarks, we'd be happy to respond to your  
3 questions.

4 Dr. Neupauer.

5 DR. NEUPAUER: Thank you, President.

6 MS. BOLDEN: Sure.

7 DR. NEUPAUER: And thanks to the Chairmen and  
8 members of the Committee. At Butler County Community  
9 College, we enroll more than 20,000 students annually. I  
10 am proud to say that we were the first community college in  
11 the western side of the State. We're actually preparing to  
12 celebrate our 50th anniversary.

13 We're a veterans friendly campus servicing over  
14 200 veterans. And just recently in the fall semester, we  
15 began a veterans' lounge for these wonderful students.  
16 They're very much like myself, coming from steel workers,  
17 coal miners, and farmers. We service more first-generation  
18 college students than any other college in the State.  
19 About 38 percent of our students are the first from their  
20 families to go to college.

21 As a result of past capital funding, Butler  
22 County Community College has emerged as a regional  
23 institution of higher education. We've received financial  
24 assistance from the Commonwealth to allow us to expand into  
25 four different sites. As an example, our Lawrence Crossing



1 site in Union Township, Lawrence County, provides nearly a  
2 dozen programs of study, including Pre-Nursing, Allied  
3 Health, and Business Education, to more than 800 students.

4 However, at BC3 we continue to have unmet needs,  
5 particularly on the capital side. As an example, our Beck  
6 Library requires a complete renovation to take full  
7 advantage of modern technology and transform into a  
8 library -- learning commons, I should say, of the 21st  
9 Century.

10 Another unmet need is the delivery of continuing  
11 education programs. Our current facilities do not provide  
12 enough infrastructure to satisfy many local and regional  
13 requests for such services. Butler's portion of the  
14 Commonwealth's unmet community college capital need alone  
15 is \$25 million. An increase to the capital appropriation  
16 will provide resources to allow Butler to begin these and  
17 other projects that are critical to our continued success.

18 An increase to the community college operating  
19 appropriation will also enable Butler to continue to offer  
20 programs that meet our local community. Any increase in  
21 State appropriations will help us to contain tuition  
22 increases, purchase academic equipment such as lab  
23 supplies, educational technology, and continue to offer  
24 customer-tailored programs such as those associated with  
25 disaster response and emergency preparedness.

1           As an example, when Pennsylvania committed to  
2 becoming only the fifth state in the United States to  
3 implement a helicopter-based water rescue team, they turned  
4 to Butler for assistance with training. Our Public Safety  
5 Training Center allowed the rescuers to simulate a wide  
6 variety of scenarios. This is just one of many examples in  
7 which Pennsylvania's community colleges respond to the  
8 needs of the various organizations in our local  
9 communities.

10           I know that all of my colleagues have similar  
11 stories that they could share. Because of the diverse  
12 nature of the missions that we undertake, Pennsylvania's 14  
13 community colleges are uniquely positioned to quickly  
14 provide solutions to the emerging needs of our communities.  
15 Failure to sufficiently invest in this capacity will  
16 absolutely have consequences for all Pennsylvanians.

17           Thank you for taking the time to hear our  
18 concerns about Pennsylvania's community colleges. At this  
19 time, I'm pleased to turn it over to President Stout.

20           DR. STOUT: Good afternoon. I'm proud to be in  
21 front of you today to talk about Montgomery County  
22 Community College especially but the Commonwealth's 14  
23 community colleges.

24           Montgomery County Community College, like several  
25 other community colleges in the Commonwealth, including

1 Butler, is celebrating its 50th anniversary. Fifty years  
2 ago a group of visionary state and local leaders from  
3 across the Commonwealth passed the Community College Act  
4 and with it, a commitment to invest in the hopes and dreams  
5 and aspirations of hundreds of thousands of Pennsylvanians  
6 to access affordable, high-quality, transfer education and  
7 workforce training programs that could lead them into the  
8 middle class and thus build the quality of life and civic  
9 development and economic competitiveness of Pennsylvania.

10 And over these 50 years, at Montgomery County  
11 Community College alone, 400,000 county residents have  
12 benefited from access to our programs. And the ripple  
13 effect of those attending on our community is  
14 multi-generational.

15 I'm here today asking you to continue that  
16 investment in Pennsylvania's community colleges and, in  
17 fact, to build on that investment. Community colleges, as  
18 I know you know, have an amazing range of work capacity.  
19 We are agile. We are responsive. We are resilient. And  
20 we have a high return on investment. And it is this return  
21 on investment that I want to focus on a bit.

22 In a report released on Monday by the American  
23 Association of Community Colleges, examining the national  
24 economic impact of community colleges, community colleges  
25 are described as beekeepers. The report says, while their

1 principal aim is to provide education and raise people's  
2 incomes, in the process, an array of benefits are created.  
3 Students, health and lifestyles are improved. And society  
4 indirectly benefits, just as orchard owners indirectly  
5 benefit from beekeepers. The report articulates the  
6 national return to taxpayers as six to one, six dollars  
7 returned to the economy for every public dollar invested in  
8 the community college.

9 In 2013, Montgomery County Community College  
10 commissioned a similar report to look at the local economic  
11 impact of our college. Taxpayers in Montgomery County see  
12 a 7.2 percent return on their investment, higher than the  
13 national average. Every dollar of State and local tax  
14 money invested in the college yields a cumulative \$21.60 in  
15 benefits that accrue to all Pennsylvania residents in terms  
16 of added taxable income and avoided social costs.

17 Our graduates earn \$15,900 more per year than  
18 those with only a high school diploma, resulting in a 16.3  
19 percent return on the time and money they invest with us.  
20 And when combined with the increased productivity of  
21 businesses that employ our graduates, an estimated \$80.5  
22 million in taxable income is added to the Pennsylvania  
23 economy on an annual basis.

24 I've said this before in testimony in front of  
25 you: When we look at the data, 95 percent of our graduates

1 are employed in the Commonwealth of Pennsylvania. We are  
2 part of the Commonwealth's brain-gain, not brain-drain. I  
3 ask the House to reconsider reinvesting in the economic  
4 power of the 14 community colleges in the Commonwealth.

5 As you know, we've experienced four years of flat  
6 funding following a 10 percent cut five years ago. As a  
7 result, Montgomery County Community College receives less  
8 in operating dollars than we did eight years ago. We have  
9 managed operating efficiencies and cuts. And basically we  
10 are at the point where there's not a whole lot more to cut.  
11 We've eliminated academic programs. And this year, as  
12 we're building our '14-'15 budget, we are eliminating 41  
13 positions. At the same time we've responsibly raised  
14 tuition and fees. And we know that even a modest tuition  
15 increase is difficult for our students to manage.

16 Essentially the lack of public investment in  
17 community colleges is threatening our mission, the very  
18 mission that the Commonwealth proudly established and  
19 advanced 50 years ago. It has stifled the ability of the  
20 colleges to respond to important business and industry  
21 needs. Montgomery is poised and ready to launch new  
22 programs in health sciences, programs where there are  
23 workforce shortages in our community, areas like cloud  
24 computing, occupational therapy assistant, physical therapy  
25 assistant, medical coder, bio-manufacturing technician. We

1 don't have the resources to launch these new programs.

2 In conclusion, I have with me today three  
3 students whose lifelong career goals, dreams, and  
4 aspirations rest on their ability to complete a degree at  
5 the college without extraordinary debt. They represent the  
6 diversity of our students. They are the faces of your  
7 investment. Octavia Baya is a first-generation college  
8 student funding her own education, a reverse transfer  
9 student from another university who is working hard to  
10 graduate and then transfer without debt.

11 Tyler Tucker aspires to be an Appellate Court  
12 Judge. And she proudly boasts of attending Montgomery  
13 because it is affordable and because she can balance work  
14 and school and also not move into debt. And Elizabeth  
15 Wadel comes from a single-parent household where money was  
16 always tight. She is at Montgomery because, in her own  
17 words, when living paycheck to paycheck, education tends to  
18 go on the back burner. By attending Montgomery County  
19 Community College, she can put her education on the front  
20 burner.

21 Students like Octavia, Tyler, and Elizabeth build  
22 on the economic and civic capacity of our community one  
23 dream fulfilled at a time. And your investment makes a big  
24 difference, not just for them but for their families and  
25 for taxpayers.

1 Thank you for your time and consideration.

2 MAJORITY CHAIRMAN ADOLPH: Thank you very much.

3 I guess I'll lead off with a couple questions.

4 President Bolden, could you break down for this Committee

5 how a typical community college student's tuition is paid?

6 How is the cost of educating one student? How much per

7 student does the State contribute? How much does the local

8 school district contribute? And how much does the student

9 contribute?

10 MS. BOLDEN: Well, thank you for the question. I

11 will try and answer all parts of that with help from my

12 colleagues here at the table.

13 MAJORITY CHAIRMAN ADOLPH: Sure.

14 MS. BOLDEN: First, I would just like to say,

15 there is not a typical community college student across

16 Pennsylvania. Our student population is more diverse than

17 the State's population itself. That being said, you are

18 correct that the funding for a community college student

19 comes from a combination of local sponsorship, the State,

20 and the student itself.

21 The average tuition and fees for a full-time

22 student in Pennsylvania is \$3,242. That is significantly

23 more affordable than the next affordable public option at a

24 four-year institution. Unfortunately, over time local

25 sponsorship has varied. So depending on the community

1 college -- and my colleagues can answer that question --  
2 the sponsorship from the local sponsor varies from 2  
3 percent to 17 percent to something in between.

4 MAJORITY CHAIRMAN ADOLPH: Okay.

5 MS. BOLDEN: So at this time maybe Nick can talk  
6 about his specific example in Butler.

7 MAJORITY CHAIRMAN ADOLPH: Sure.

8 DR. NEUPAUER: Thank you.

9 And we are county sponsored and very much  
10 appreciative of our sponsorship within Butler County. But  
11 as President Bolden mentioned, it is across the board for  
12 the different institutions, whether school district  
13 sponsored, county sponsored, or even city sponsored. In  
14 Butler's case, we get about 28 percent of our funding, 27  
15 of our funding from the State, about 13 percent from the  
16 county. And the remainder would need to be coming from  
17 student tuition.

18 However, I will stress that we are very much in  
19 tune with tuition increases. So how do you fill that gap?  
20 Frankly, we filled that gap with enrollment increases but  
21 also more importantly just tightening our belts. And we're  
22 at a point -- we're frankly at a tipping point, where we've  
23 tightened our belts enough where there's no more  
24 tightening.

25 And whenever positions become available, we'll



1 take a look and maybe bring a 12-month position down to a  
2 9-month position. We've held off on some faculty  
3 positions. Now we're starting to go forward with those  
4 hires. It's very difficult.

5 And while I'm very proud of the accomplishments  
6 and how well we've done with the strategy, I think that the  
7 communities that we serve are really missing because if  
8 there would be a greater investment into the community  
9 colleges, in Butler in our case, we could go forward with  
10 an initiative such as a business incubator that would be  
11 able to help our own population grow their own businesses  
12 and tie it to an academic and accredited program.

13 We could go a step further with our Marcellus  
14 training, which currently we have a simulated site on our  
15 main campus. We would like to expand that. We would like  
16 to buy more welding equipment also. And, of course, our  
17 emergency training. So we're funded in a variety of ways.  
18 However, I think the one constant is that we could  
19 certainly do more with increased funding.

20 DR. STOUT: At Montgomery we have 23 percent of  
21 our budget comes from the State, 18 percent from our local  
22 sponsor, and the remainder coming from students at 59  
23 percent. I do think that a big point here is  
24 affordability. And while the number that Elizabeth quoted  
25 is relatively modest compared to other sectors of higher

1 education, I worry about the students that we shut out who  
2 can't afford that amount of tuition. Pennsylvania as a  
3 state has a very high community college tuition, in fact,  
4 among the top in the country. And I worry about access for  
5 the students who are unable to pay that level of tuition.  
6 Last fall we deregistered for nonpayment 2,500 students who  
7 came through our process, took placement testing, applied  
8 for admission, sat down with an academic advisor, built a  
9 schedule, and then could not pay their bill.

10 Now about half of them ended up coming back  
11 because we were able to reach out to them with financial  
12 aid, Federal Pell Grants if they qualified, PHEAA Grants if  
13 they qualified. And I want to thank you for changing the  
14 date for PHEAA for those students because that opened up  
15 access for hundreds of Montgomery County Community College  
16 students. So thank you for that.

17 MAJORITY CHAIRMAN ADOLPH: You're welcome.

18 DR. STOUT: And the more we can do around  
19 financial aid in the State, the better for our students.

20 MAJORITY CHAIRMAN ADOLPH: Sure.

21 DR. STOUT: But I worry about what we think are  
22 about 500 of the students that will never come back into  
23 the pipeline. Where are they? They won't get the job  
24 skill training that they need to be a productive citizen  
25 and build their way into the middle class.

1 MAJORITY CHAIRMAN ADOLPH: Okay. Thank you.

2 The Doctor referred to extending the date to  
3 apply for a community college about a year and a half ago,  
4 I guess it was. And that's been probably over a decade,  
5 asking that could we move the deadline to apply for a PHEAA  
6 grant. I believe it's April 1st to August 1st.

7 DR. STOUT: Yes.

8 MAJORITY CHAIRMAN ADOLPH: Because I'm going to  
9 say the word, typically, you know, the average, or whatever  
10 you want to say, student that would go to a community  
11 college sometimes does not make their decision to go to a  
12 community college until a little later than someone who has  
13 their eyes on an Ivy League school or something and they've  
14 been gearing up for that since Day 1.

15 DR. STOUT: Yes.

16 MAJORITY CHAIRMAN ADOLPH: So we certainly get  
17 it. It costs PHEAA about \$5 million. So it definitely  
18 helped. You were right. I'm sure it's helping those  
19 students.

20 One question, Elizabeth.

21 MS. BOLDEN: Sure.

22 MAJORITY CHAIRMAN ADOLPH: It looks like, you  
23 know, whether it's Butler or whether it's Montgomery, the  
24 students pay about 41 percent of the cost. The State pays  
25 a little bit more. Sometimes the counties pay a little bit

1 more. The school districts pay a little bit more. It  
2 varies. But on an average, I guess the students are paying  
3 about 40 percent. And then off of that the PHEAA Grant  
4 comes; is that correct? The student can use the PHEAA  
5 Grant to pay towards that 40 percent, correct?

6 MS. BOLDEN: Yes. But at Montgomery it's 60  
7 percent coming from students, not 40. It's the opposite of  
8 that.

9 MAJORITY CHAIRMAN ADOLPH: Okay. That's correct.  
10 That's absolutely correct.

11 MS. BOLDEN: And students then can use the PHEAA.

12 MAJORITY CHAIRMAN ADOLPH: At 40 percent is what  
13 the county and the State pays. I had it opposite. You are  
14 absolutely correct.

15 The general appropriation that goes to all the  
16 community colleges, how is that divvied up?

17 MS. BOLDEN: For the past three years, it's been  
18 divvied up by a hold harmless provision. So it's not a  
19 meaningful distribution related to any formula component.  
20 The schools get what they received the prior fiscal year.

21 MAJORITY CHAIRMAN ADOLPH: All right. Help me  
22 with that, Madam President. Who's responsible for that  
23 hold harmless and that? Is that the Department of  
24 Education? Is that your Commission? Is it the  
25 Legislature? Who says who gets what?

1           Say, for example, you have a growing community  
2 college like out there in Butler and say you have a  
3 shrinking community college someplace else in Pennsylvania.  
4 Does that community college that is losing enrollments  
5 still get the same amount because of that hold harmless?

6           MS. BOLDEN: Yes, it is. And that language is  
7 contained in the School Code.

8           MAJORITY CHAIRMAN ADOLPH: Okay.

9           MS. BOLDEN: And it has been repeated for the  
10 past three fiscal years.

11          MAJORITY CHAIRMAN ADOLPH: Okay.

12          DR. STOUT: When the budgeting appropriation  
13 process changed to what was an allocation process, the  
14 original appropriation was based on the size of the  
15 college. And that hasn't changed. I guess it was 2005,  
16 that base budget, so basically the monies have been  
17 allocated essentially based on size from 2005.

18          MAJORITY CHAIRMAN ADOLPH: Okay. So if you lost  
19 enrollment from 2005, you're still getting the same State  
20 money?

21          MS. BOLDEN: I would say that there are no  
22 community colleges in the Commonwealth since 2005 that have  
23 a net loss in enrollment.

24          MAJORITY CHAIRMAN ADOLPH: Good point. We see  
25 this in K-12. I know Delaware County, where I reside --

1 the campus is in my backyard almost -- you know, we're up  
2 over 25,000 kids in Delaware County.

3 MS. BOLDEN: Exactly.

4 MAJORITY CHAIRMAN ADOLPH: Okay. Thank you so  
5 much.

6 Chairman Markosek.

7 MINORITY CHAIRMAN MARKOSEK: Thank you,  
8 Mr. Chairman.

9 Good afternoon. I just really want to follow up  
10 a little bit on the same line as Chairman Adolph was  
11 talking about. Three years ago you were cut, took a fairly  
12 sizable cut. Since that time -- and correct me if I'm  
13 wrong -- you've been pretty much kept at that level,  
14 including this current budget ask, which is essentially the  
15 same that you were given last year. And I think we all  
16 know when you get flat funding, it's really a cut because  
17 of the inflation.

18 When you talked about 60 percent of the cost of  
19 attending a community college being borne by the student --  
20 and we know that it's a three-legged stool with a third  
21 coming from the State or a portion coming from the State, a  
22 portion coming from the local sponsor, and then the rest  
23 coming from the student -- three years ago when we had the  
24 big cut, would you know off the top of your head -- and  
25 this is general; I'm sure it varies from area to area --

1 what were the percentages then? Was it 60 percent then for  
2 the student share? Before the cut, I should say. When you  
3 got more State aid, was the student share less?

4 And my other question is, in those three years,  
5 what has happened to the local contribution in most cases,  
6 in a general sense? Has it pretty much stayed the same?  
7 Has it gone down? Has it gone up to meet the State cut or  
8 the State has been cut and the locals have either been cut  
9 or kept the same and now the students are picking up more  
10 and more of the cost?

11 MS. BOLDEN: Well, I can speak generally to that.  
12 So in answer to your first question, I can get you the  
13 historical data. I don't know how much the State portion  
14 was at the cut. But currently on average it's now 18  
15 percent, is the State's share. Following that cut, it  
16 varied what local sponsors were able to do to help support  
17 their community colleges, of course, facing their own  
18 financial difficulties.

19 So in some cases we saw them try to increase  
20 their support and in other cases they were not able to  
21 increase their support. And we can try and get that data  
22 for you.

23 Do you want to talk, Dr. Neupauer, about what  
24 happened in Butler?

25 DR. NEUPAUER: Yes. And to your point, very good

1 question. At Butler we had a two-year tuition freeze  
2 whenever we were receiving more money from the  
3 Commonwealth. As a matter of fact, we were receiving above  
4 the one-third from the Commonwealth at one time in my  
5 presidency since '07. So we are now down to the 27 percent  
6 that I cited earlier.

7 As for our county, our county has for the most  
8 part remained level, level funding from a dollar amount  
9 but, of course, as our operating budget increases, it's  
10 less of a percentage.

11 DR. STOUT: At Montgomery, I've been president  
12 there since 2001. I guess in June I'll be the most senior  
13 member of the 14 community college presidents. It's hard  
14 to believe. But when I started in 2001, the student share  
15 of our budget was 38 percent. Now it's 60 percent. So you  
16 see a drastic, dramatic shift.

17 And unfortunately, at the same time as the State  
18 cut or shortly after the State cut, we had a significant  
19 cut from our local sponsor two fiscal years ago, in fact, a  
20 30 percent cut in our operating allocation, which has  
21 really hurt the college's ability to move forward, the  
22 State cut coupled with the local cut.

23 MINORITY CHAIRMAN MARKOSEK: Okay. And just  
24 really one other question. And this is on the subject of  
25 student debt. I know it's an Associate's degree we're



1 talking about, not a four-year degree, but is there any  
2 kind of figures that you can share with us relative to what  
3 the student debt is of students as they leave the community  
4 college system?

5 DR. NEUPAUER: I know a national figure. And, of  
6 course, this will be of no surprise. The national figure  
7 is at \$30,000. Our financial aid would certainly have that  
8 number for Butler. But piggybacking with what you've  
9 stated there -- and it speaks to Dr. Stout's point -- we're  
10 very adaptable and are all about collaboration.

11 So at Butler, as an example, we're bringing the  
12 senior institution partners, including PASSHE institutions,  
13 to our campuses and offering our students the Associate's  
14 degree and then sliding right in junior standing to the  
15 senior institution for the baccalaureate degree.

16 I can give you real numbers there. That  
17 approach, with several programs that we look to expand,  
18 saves students on average anywhere between, on the low end,  
19 \$30,000 and, on a high end, \$70,000. Of course, the  
20 \$30,000 with the State institutions; the sixty, seventy  
21 thousand with the private institutions.

22 MINORITY CHAIRMAN MARKOSEK: Well, the 30 though  
23 would that -- that's a four-year debt on a four-year degree  
24 or debt on a two-year degree?

25 DR. NEUPAUER: That is on a four-year degree.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

MINORITY CHAIRMAN MARKOSEK: Okay.

DR. STOUT: We had -- our graduates last year had an average debt of \$13,000.

MINORITY CHAIRMAN MARKOSEK: From two years, after their two years?

DR. STOUT: That was the average debt of a Montgomery County Community College graduate last year.

MINORITY CHAIRMAN MARKOSEK: Okay. I would appreciate if you would send any additional information you could supply the Committee with relative to that. Just an aside to the young lady that has the inspiration to be a Judge, look around the room. You are not alone.

MAJORITY CHAIRMAN ADOLPH: Thank you, Chairman.

At this time, I'd like to acknowledge the presence of Representative Tallman and Representative Mark Gillen.

Representative Boback has the next question.

REP. BOBACK: Thank you, Mr. Chairman.

Dr. Stout, you had said that 95 percent of our grads are employed in the Commonwealth. That is very impressive. What kind of jobs? Is this with an Associate's degree? Is it semi-professional? professional? Do you have any data on that?

DR. STOUT: It's a combination. I can get you the data.

1 REP. BOBACK: Okay.

2 DR. STOUT: Many of them went on and got  
3 baccalaureate degrees and are employed with a  
4 baccalaureate. Many have Associate degrees and are  
5 employed as nurses or bio-technicians.

6 REP. BOBACK: Okay.

7 DR. STOUT: And some are -- actually 30 percent  
8 of our incoming students already have a baccalaureate  
9 degree or an advanced degree.

10 REP. BOBACK: Okay.

11 DR. STOUT: And they're coming to us for some  
12 type of postbaccalaureate certificate program. Many of  
13 them are information technology professionals and they're  
14 keeping their skills updated, so they need new industry  
15 certifications. So it's a combination of all of the above.

16 REP. BOBACK: Again, very impressive.

17 So, President Bolden, do you do any data tracking  
18 for all of the community colleges throughout the  
19 Commonwealth, like the percentage of all graduates? Like,  
20 what percentage gets hired with good-paying jobs?

21 MS. BOLDEN: We do some data collection. And if  
22 there are data points that you would like us to collect, we  
23 can do that.

24 REP. BOBACK: I would love to see that. I would  
25 love to see that data.

1 MS. BOLDEN: Sure. We can get that.

2 REP. BOBACK: And that leads into this question.  
3 What efforts are you making as a community college in  
4 response to different businesses, different industries?  
5 Now, you mentioned Marcellus Shale. And we mentioned  
6 technology. So you have nursing tech and so on.

7 MS. BOLDEN: Right.

8 REP. BOBACK: But what are you doing, like  
9 drawing the businesses in to design? It sounds like you're  
10 designing curriculum around certain businesses. Am I  
11 correct?

12 MS. BOLDEN: Yes. That happens at all of our  
13 colleges.

14 REP. BOBACK: Okay.

15 DR. STOUT: I'll give an example of an initiative  
16 we have in Montgomery County called our Perk Up Initiative.  
17 And we work with a whole consortium of mid-sized light  
18 manufacturing industries. And we sit regularly with the  
19 CEOs of the manufacturing community. And we're trying to  
20 figure out how to fill their workplace gaps.

21 REP. BOBACK: Okay.

22 DR. STOUT: And they range. The competencies  
23 that they require range. They're all over the board.

24 REP. BOBACK: Okay.

25 DR. STOUT: We're also working with the local

1 school districts in that area to try to pull more high  
2 school students into an advanced manufacturing pipeline.

3 REP. BOBACK: I see.

4 DR. STOUT: So they have a pipeline of workers  
5 that we can develop curriculum to train.

6 REP. BOBACK: Okay.

7 DR. STOUT: They also have incumbent worker  
8 training needs.

9 REP. BOBACK: All right.

10 DR. STOUT: So at Montgomery we're trying to meet  
11 all of those needs at the same time.

12 REP. BOBACK: Okay.

13 DR. STOUT: And they really can't independently  
14 do that kind of job training work. They need to come  
15 together as a consortium of manufacturers.

16 REP. BOBACK: Okay.

17 DR. STOUT: That's happening all over the  
18 Commonwealth, community college by community college.

19 REP. BOBACK: Well, you're doing something right  
20 with 95 percent getting good-paying jobs.

21 DR. STOUT: Thank you.

22 REP. BOBACK: And truly as a parent, I mean, that  
23 message should be out there somewhere: Community colleges  
24 in Pennsylvania, we get jobs, and show a percentage.

25 DR. STOUT: Right.

1           REP. BOBACK: To me, that's such a draw that we  
2 just don't hear. And I'm an educator by profession. So  
3 that's something I feel you need to get out.

4           DR. STOUT: Sure.

5           REP. BOBACK: And the last question for our  
6 audience, the dual enrollment that you referred to,  
7 President, could you explain where the funding comes for  
8 dual enrollment?

9           MS. BOLDEN: Well, there used to be a line item  
10 to support dual enrollment. That line item has since been  
11 eliminated.

12          REP. BOBACK: Okay.

13          MS. BOLDEN: So right now it relies on local  
14 partnerships.

15          REP. BOBACK: Okay.

16          MS. BOLDEN: So if a school district elects to  
17 partner and pay the tuition for their students' dual  
18 enrollment programs, the school district pays. And in some  
19 cases, the students have to pay themselves.

20          REP. BOBACK: And if the district pays, then that  
21 comes out of the money that they get through the school  
22 property taxes and reimbursements from the State, etc.?

23          MS. BOLDEN: I would assume so, yes.

24          REP. BOBACK: Thank you very much.

25          MS. BOLDEN: You're welcome.

1 REP. BOBACK: Thank you for your testimony.

2 DR. STOUT: Thank you.

3 MS. BOLDEN: Sure.

4 REP. BOBACK: Thank you, Mr. Chairman.

5 MAJORITY CHAIRMAN ADOLPH: Thank you,  
6 Representative.

7 Representative Carroll.

8 REP. CARROLL: Thank you, Mr. Chairman.

9 Thank you for being here this afternoon. I  
10 wanted to shift gears a little bit if I could. To give you  
11 some context, I represent an area in Northeastern  
12 Pennsylvania that has many students that attend both  
13 Luzerne and Northampton Community Colleges, who do an  
14 exceptionally wonderful job.

15 MS. BOLDEN: Thank you.

16 REP. CARROLL: Like all of the community  
17 colleges, their funding mechanism relies on State funding  
18 and a local sponsor and the student tuition. And with  
19 Luzerne and Northampton, we have the two distinct local  
20 sponsor models.

21 Concurrent with that, now we have a discussion in  
22 this building relative to the creation of a new community  
23 college in Northwestern Pennsylvania that will have, as I  
24 read the bill, a distinctly different local funding  
25 obligation, which I could summarize as being zero. And so

1 I'm wondering what the response you can expect from your  
2 local sponsors will be if a new community college has no  
3 local sponsor?

4 MS. BOLDEN: Well, thank you for the question.

5 REP. CARROLL: Sure.

6 MS. BOLDEN: I think that we all agree that we  
7 can expand our services, that there are areas in the  
8 Commonwealth that need additional programs and services.

9 REP. CARROLL: Sure.

10 MS. BOLDEN: And I think that our position would  
11 be that if those are not going to be established with any  
12 existing statutory framework that we need to consider  
13 utilizing the existing resources of Pennsylvania's  
14 postsecondary education system to deliver those services.

15 REP. CARROLL: Okay.

16 MS. BOLDEN: To your question about what will  
17 happen to the local sponsors of the existing colleges, I  
18 think that remains to be seen what will happen. They are  
19 facing their own financial challenges. And if they  
20 perceive that they are no longer required to support their  
21 local community college because there's a new model that  
22 allows the State to provide all of that funding, I think we  
23 are not sure what the impact will be on existing colleges.  
24 And that's a risk to that proposal.

25 REP. CARROLL: Considering Butler is closer than



1 Montgomery County to this new proposed community college,  
2 do you care to offer any insight as to what you think your  
3 local sponsor might do?

4 DR. NEUPAUER: It's definitely a concern. We  
5 have adopted a regional philosophy since '07 with locations  
6 in Cranberry Township, Butler County, New Castle, Lawrence  
7 County, Sharon area, and actually a location in Brockway  
8 right now.

9 REP. CARROLL: Okay.

10 DR. NEUPAUER: We've established great  
11 partnerships. Our local sponsors are very much on board  
12 with the approach that we have taken.

13 REP. CARROLL: Okay.

14 DR. NEUPAUER: It would absolutely be a concern  
15 to me if there would be a new model out there.

16 REP. CARROLL: Okay.

17 DR. NEUPAUER: We're all about community  
18 colleges. That includes the creation of a 15th, 16th  
19 community college.

20 REP. CARROLL: Okay.

21 DR. NEUPAUER: But we very much respect and  
22 obviously pay attention to that Community College Act. And  
23 that Community College Act does clearly talk about State,  
24 local, and then tuition.

25 REP. CARROLL: If you don't mind me asking, is

1 the local sponsor the County of Butler in your case?

2 DR. NEUPAUER: Yes, sir.

3 REP. CARROLL: All right. And to be clear, I  
4 mean, I don't oppose the creation of a community college in  
5 Northwestern Pennsylvania or any other county that wanted  
6 to engage in the exercise. It's the funding mechanism  
7 that's being contemplated here that is problematic for me.  
8 It just seems unfair that we're going to have two separate  
9 funding mechanisms relative to community college funding,  
10 one that applies to fourteen and one that applies to one.

11 And as somebody who represents, you know,  
12 families that send their students to Luzerne and  
13 Northampton, that just seems unfair on its face.

14 Dr. Stout, I don't know if you have anything you  
15 want to add to that.

16 DR. STOUT: I would only say that I agree with my  
17 colleagues. We want to increase access for every  
18 Pennsylvanian to a community college. There are 14  
19 community colleges that are ready, willing, and able to  
20 work collaboratively to meet the learning needs in the  
21 entire State within the context of the current Community  
22 College Act. And I do think the unintended consequences of  
23 moving forward with a different funding model could  
24 definitely threaten local sponsorship across the  
25 Commonwealth to the existing 14 community colleges.

1           REP. CARROLL: I couldn't agree more. I mean, if  
2 I were a county commissioner in Luzerne or Butler County  
3 and Luzerne employs the same model as Butler, it would seem  
4 to me that we would say, wait a minute. We would like to  
5 have the same treatment as this new community college. So  
6 I'll stop there on that subject.

7           Could I just take one more minute,  
8 Mr. Chairman?

9           MAJORITY CHAIRMAN ADOLPH: Sure.

10          REP. CARROLL: You folks are in the unusual  
11 position. Most folks who come and testify are cabinet  
12 secretaries and offer an opinion that's consistent with the  
13 requested money in the budget. Your position is slightly  
14 different insofar as the Governor's proposal is different  
15 than what you're asking for.

16          How could I best have you summarize for me what  
17 the Commonwealth and what our citizenry will get for the  
18 additional \$12 million or so that you're asking for in your  
19 operating? What will the Commonwealth and what will our  
20 citizens get for that \$12 million above what the Governor  
21 has proposed?

22          MS. BOLDEN: Well, I think what you would get is  
23 a community college system that's able to realize its full  
24 potential as a provider of academic and workforce  
25 programming. The conversations could stop being, what else

1 can we cut? And they would shift to, what else can we do  
2 to ensure that the Commonwealth has a community college  
3 system on par with others states, that we're a national  
4 leader, and that we can partner with the Commonwealth to  
5 work to bring business and industry to Pennsylvania?  
6 because they would be assured that there is a system in  
7 place that can train the workers to grow, to sustain and  
8 grow their businesses. That's what we could get for that  
9 investment.

10 If we don't continue to have investment, we do  
11 risk the continued conversation of, what else can we cut?  
12 What programs can we cut? From last year to this year, the  
13 community colleges have had to eliminate 100 programs.  
14 Perhaps some of them needed to be eliminated. But the more  
15 important part of that statement is they weren't able to  
16 start any new programs. And that's what I would be  
17 concerned about if we didn't get an increase in funding.

18 REP. CARROLL: Okay. And it seems to me  
19 concurrent with that answer is that we will have an  
20 increasing reliance on the tuition and on the local share  
21 which falls me back to the prior line of questioning which  
22 makes this really complicated. So to the extent that we  
23 are going to engage in a discussion relative to a new  
24 community college, on a minimal level of fairness, we at  
25 least ought to contemplate a restoration of what

1 constitutes a 50 percent restoration of what was cut a few  
2 years back.

3 Thank you very much to the three of you.

4 MS. BOLDEN: Thank you.

5 DR. STOUT: Thank you.

6 DR. NEUPAUER: Thank you.

7 REP. CARROLL: Thank you, Mr. Chairman.

8 MAJORITY CHAIRMAN ADOLPH: Thank you,  
9 Representative.

10 Representative Gordon Denlinger.

11 REP. DENLINGER: Thank you, Mr. Chairman.

12 Welcome, all. And, students, good to have you  
13 join us as well. A quick question that I think is  
14 significant in our State actually relative to my home  
15 school district and that's the demographic shift that we're  
16 seeing where we are an aging state to some degree. In my  
17 home school district, we have a growing population but a  
18 decreasing enrollment in our local schools, public schools,  
19 because we're having folks come in for the favorable tax  
20 treatment for seniors from other states, other regions of  
21 Pennsylvania.

22 And my question to you is this: How do you  
23 manage that reality going out 10, 15, 20 years into the  
24 future? If Pennsylvania is a graying state, there will be  
25 less folks at the front end of the process coming in to

1 enroll in our community colleges. And we're talking, I  
2 guess, about another school. How do you manage that going  
3 out into the future?

4 DR. NEUPAUER: I can take that from Butler's  
5 perspective. We've been very proactive in diversifying our  
6 risk solely relying on graduating high school seniors  
7 coming to BC3 in this case. While we're certainly very  
8 proud and have received many accolades for our academic  
9 programs, we've also emphasized workforce programs.  
10 Basically students who can get experience in Marcellus  
11 training, as an example, go out, excellent job  
12 opportunities, floor hand, welding, etc.

13 And then utilize that real-world experience and  
14 those hours and work into a ladder program into a credit  
15 certificate and Associate's Degree. One example.

16 Another example is that the dual enrollment, even  
17 though that funding has disappeared, we're very proactive  
18 in reaching out to the school districts and getting the  
19 students with an early start possibility. And that program  
20 alone in Butler is several hundred students. So we can't  
21 sit back and rest and look at these declining numbers. We  
22 have to be proactive. That's not only the case in Butler  
23 but across the State.

24 DR. STOUT: And I'd answer that by saying we're  
25 working hard at Montgomery to build really strong workforce

1 development programs in health science areas so that we  
2 have a citizenry ready and prepared to take care of an  
3 aging citizenry. So there's an opportunity there from a  
4 workforce development perspective.

5 And in addition to that, I wear another hat in  
6 the county. I'm chairing the Mont Co 2040 Planning  
7 Initiative. And we're talking a lot in Montgomery County  
8 about how to bring millennials into the county, looking at  
9 the demographics and trying to be proactive with strategies  
10 that would include the community college and partnership  
11 with others, the business community and others, to try to  
12 figure out ways to attract millennials to live and work in  
13 Montgomery County.

14 REP. DENLINGER: Excellent. President Bolden, as  
15 far as statewide, you have the total picture. What  
16 challenges do you see?

17 MS. BOLDEN: Well, certainly there is a challenge  
18 in all postsecondary education. Our declining enrollments  
19 here mirror a national trend. Last fall the Census Bureau  
20 just announced that there was an overall decline of 500,000  
21 students entering postsecondary study.

22 And I think the good news for community colleges  
23 is that they are nimble and flexible institutions that are  
24 able to adapt to those changes relatively quickly to the  
25 needs of the local communities.

1 REP. DENLINGER: Very good.

2 Thank you.

3 DR. STOUT: Sure.

4 REP. DENLINGER: Thank you, Mr. Chairman.

5 MAJORITY CHAIRMAN ADOLPH: Thank you,  
6 Representative.

7 Representative Santarsiero.

8 REP. SANTARSIERO: Thank you, Mr. Chairman.

9 Welcome. I represent the Yardley/Newtown area of  
10 Bucks County. And the main campus of Bucks County  
11 Community College is in my district. So I have a long  
12 personal experience with what a great job our community  
13 colleges do and what an important service they perform and  
14 important place they inhabit in our higher education  
15 system.

16 We often talk in the Legislature, and in  
17 particular in this Committee, when we talk about higher  
18 education, we talk about accessibility. And accessibility  
19 means a lot of different things. But among others, it  
20 means not graduating with a crushing debt. And as I sat  
21 here a few moments ago and I heard the number -- I think it  
22 was President Stout who might have said it -- that after  
23 two years, these students are graduating with a debt of an  
24 average of \$13,000, I was stunned. That number is far too  
25 high for graduates of a community college . It really



1 does, I think, have a chilling effect ultimately on  
2 prospective students when they're considering enrolling and  
3 therefore can really be an impediment to access to higher  
4 education. And that's a serious, serious problem, in my  
5 view.

6 I'm curious, given that number before all these  
7 deep cuts were made both in the local and State level, what  
8 was that number on average? Do you know that?

9 DR. STOUT: I don't know that.

10 REP. SANTARSIERO: Okay.

11 DR. STOUT: One of the things is that the cost of  
12 education is much more than just the tuition when you  
13 calculate a student's financial need and how much loan debt  
14 they can go into. So our students, for example, have  
15 transportation costs, child care costs, textbook costs. So  
16 that \$3,200 in tuition becomes maybe six or seven thousand  
17 dollars, which they can borrow up to.

18 And I think one of the things we're doing at  
19 Montgomery -- and I know we're doing it across the  
20 Commonwealth -- is we're being much more intentional in  
21 helping students with financial planning on the front end  
22 when they come in and trying to guide them into pathways  
23 and programs where they can look at their investment and  
24 then their run on investment based on what career path they  
25 are going for.

1 REP. SANTARSIERO: Right.

2 DR. STOUT: And also working as hard as we can if  
3 they want to go into baccalaureate programs that they don't  
4 lose credit. And you've been -- the Legislature has been  
5 great in helping us to make sure that community college  
6 credits are transferable.

7 REP. SANTARSIERO: Okay.

8 DR. STOUT: That also adds to their debt load.  
9 So there's been some streamlining in the last couple of  
10 years.

11 REP. SANTARSIERO: Okay.

12 DR. STOUT: And I think we could probably get  
13 that information. But it's a national challenge. And  
14 what's interesting is that sometimes I think people think  
15 community colleges don't have -- the students don't  
16 graduate with debt because we're such a value.

17 REP. SANTARSIERO: Right.

18 DR. STOUT: But I think it's all relative. Our  
19 Pell Grant student recipients last year, the students that  
20 got full Pell Grants, their average family income was  
21 \$15,000. So these are students who really are struggling.

22 REP. SANTARSIERO: Right.

23 DR. STOUT: And they have no other way other than  
24 to take out a loan to be able to get through college.

25 REP. SANTARSIERO: And I think that further puts

1 that debt number in such stark relief when you consider it  
2 under those circumstances.

3 DR. STOUT: Yes.

4 REP. SANTARSIERO: You know, I would say to my  
5 colleagues and frankly policymakers across the State who  
6 have any impact on this that, you know, I look at these  
7 students behind you and just like the young lady who was in  
8 front of us this morning from the State System, they are  
9 worth it. They are worth the investment. If we truly want  
10 to see a brighter future for all Pennsylvanians and we want  
11 to make our economy stronger and our society generally  
12 stronger, we have to make the investment. They are worth  
13 it.

14 Thank you.

15 DR. STOUT: I agree.

16 REP. SANTARSIERO: Thank you, Mr. Chairman.

17 MAJORITY CHAIRMAN ADOLPH: Thank you,  
18 Representative.

19 Representative Seth Grove.

20 REP. GROVE: Thank you, Mr. Chairman.

21 Great to see you. I come from York County.  
22 Obviously, we have Harrisburg Area Community College York  
23 who has been growing leaps and bounds. It's just amazing  
24 to see the growth of our college, which is kind of a  
25 reverse of our demographic trend of less students. Even

1 here in Pennsylvania, we have less students who are  
2 graduating.

3 What's the trend? Obviously, I know York. But  
4 what's your trend across Pennsylvania and in community  
5 colleges? Is it students graduating? Is it adults coming  
6 back into the system? What is that growth trend you've  
7 seen in community colleges?

8 DR. NEUPAUER: This was touched on earlier.  
9 Growth trend at Butler County Community College is what has  
10 been referenced earlier as a reverse transfer student.

11 REP. GROVE: Okay.

12 DR. NEUPAUER: A reverse transfer student -- and  
13 glad to say that our daughter is a second-semester freshman  
14 at Butler. And a number of her friends went away to  
15 private institutions, Penn State University, other  
16 universities in state and out of state, and then end up  
17 finding themselves coming back home. In the class in which  
18 I teach, an Introduction to PR class, taught it last night,  
19 of 17 students, about half of those students are reverse  
20 transfer students who want to experience the college  
21 experience, if you will, find out it is not for them, and  
22 then make their way back to Butler. So in Butler's case,  
23 that's actually been a growing number and a growing  
24 population of students.

25 DR. STOUT: The same at Montgomery. We have a

1 growing 18- to 22-year-old market. And our adult  
2 population is declining slightly. I think part of that is  
3 because we -- it was opposite of that about four years ago,  
4 right at the tip of the great recession that we had a lot  
5 of adult students coming to get job retraining or were  
6 upgrading.

7 REP. GROVE: Okay.

8 DR. STOUT: Those students now are either  
9 employed hopefully. They're not on our campus. So we have  
10 less adult students at this point and more 18- to  
11 22-year-old students. And Octavia is one of those reverse  
12 transfer students that Dr. Neupauer referred to.

13 REP. GROVE: Is that trend across community  
14 colleges? I know you're speaking for your two. Did you  
15 have data on that or could you provide that?

16 MS. BOLDEN: We can look into that.

17 REP. GROVE: Okay. Thank you.

18 MS. BOLDEN: Sure.

19 REP. GROVE: Thank you, Mr. Chairman.

20 MAJORITY CHAIRMAN ADOLPH: Thank you,  
21 Representative.

22 Representative Matt Bradford.

23 REP. BRADFORD: Thank you, Chairman Adolph.

24 I'm actually from the Montgomery County area. I  
25 know everyone is very proud of our community college. But

1 I would be remiss if I didn't thank Dr. Stout and the great  
2 job you guys do in Blue Bell. I must say it's been  
3 eye-opening to see the tremendous campus and the tremendous  
4 job that you guys do.

5 DR. STOUT: Thank you.

6 REP. BRADFORD: And just seeing some of the  
7 stories and putting kind of the numbers to those stories.  
8 You mentioned the debt load looks about \$13,000 for two  
9 years. And you said the tuition is at about \$3,240 right  
10 now, I think, state average. What is it at Mont Co?

11 DR. STOUT: At Montgomery with tuition and fees  
12 it's about \$3,800.

13 REP. BRADFORD: Okay. What would that look like,  
14 that tuition number, if -- you know, what would that look  
15 like if all three parts of the funding were where they  
16 should and need to be?

17 DR. STOUT: I'm trying to calculate that off the  
18 top of my head. At one point, I did know that. I think  
19 this was several years ago when we were looking at the  
20 rebalancing --

21 REP. BRADFORD: It's less.

22 DR. STOUT: It's less. It's about \$2,800. And  
23 it's more in line with what the average tuition across the  
24 country is for a community college student.

25 REP. BRADFORD: I guess one of the things -- and

1 we've talked about it in different contexts. But the idea  
2 of income and quality and trying to get people to work  
3 their way into the middle class and with kind of the  
4 marginal students that you're saying who are able to get  
5 into community college and really in terms of work skills  
6 and be able to work their way up, it defies reason that  
7 we're not trying to make that step more likely, more  
8 possible, and really to do something about the cuts that  
9 have been done at all levels and doing the things we need  
10 to do to raise the revenues to get you the funds you  
11 desperately need.

12           When we talk about \$13,000 in debt for a  
13 community college, I mean that's just an obscene amount of  
14 money. And then we would hope that that same person may,  
15 you know, go on to seek additional education. It just  
16 seems to be such a barrier to doing what we're supposed to  
17 be doing.

18           I hope over the next couple months we start  
19 having a real conversation about doing what we need to do  
20 to revisit the cuts that have been made over the last  
21 couple of years to raise the revenues that need to be  
22 raised and to do something for our community colleges.

23           Thank you, Mr. Chairman.

24           MAJORITY CHAIRMAN ADOLPH: Thank you.

25           Representative Grell.

1 REP. GRELL: Thank you, Mr. Chairman.

2 And thanks for your testimony. I'm trying to  
3 connect two dots here when we are talking about tuition and  
4 debt. I think I heard earlier that the tuition plus the  
5 transportation costs and the other costs come up to 6,000  
6 or so to go to a community college for a year.

7 DR. STOUT: And actually by Federal guidelines,  
8 the cost of attendance at Montgomery County Community  
9 College is about \$12,500 when you add in tuition, books,  
10 transportation, food, living expenses. So community  
11 college students get all of that for the Federal allowance.  
12 Then they apply for Federal financial aid. Pell Grant  
13 might come off of that. A PHEAA Grant might come off of  
14 that. And then depending on their status, they could  
15 borrow the remainder. That's basically how that happens.

16 REP. GRELL: Okay. I'm hearing two different  
17 things. I thought I was hearing that the cost to a student  
18 to go to the community college is \$6,000 or so when you  
19 throw all those other things in.

20 DR. STOUT: It's more like the \$12,000. For  
21 Montgomery, it's the \$12,500. That's the Federal  
22 definition of the cost to attend Montgomery County  
23 Community College.

24 REP. GRELL: Yes. That's what I'm getting at.  
25 What I'm trying to get at -- and I'll cut through the fog.



1 I'm trying to figure out how a student accrues \$13,000  
2 worth of debt in two years if what I thought I heard was  
3 that it costs the student about \$6,000 a year to go. I  
4 mean, I essentially hope I'm not hearing that the average  
5 student at a community college is borrowing 100 percent of  
6 the cost of their education.

7 DR. STOUT: They are borrowing beyond the cost of  
8 their education.

9 REP. GRELL: Wow.

10 DR. STOUT: They need to pay for child care.  
11 They need to pay for their books.

12 REP. GRELL: I thought that was in the number  
13 that President Bolden gave us as far as the things that you  
14 add on to tuition. If you're looking at the true cost to a  
15 student -- well, that's why I'm trying to connect these  
16 dots. Something can't be right there.

17 DR. STOUT: There's the tuition piece, \$3,250 on  
18 average.

19 REP. GRELL: Yes.

20 DR. STOUT: And then at Montgomery, the cost to  
21 attend for one year for a full-time student as federally  
22 defined is about \$12,500. I don't know what Butler is.  
23 It's probably \$9,000.

24 MAJORITY CHAIRMAN ADOLPH: Doctor, can you  
25 explain what the Federal Government is defining? I mean,

1 is that a real number? Is anybody paying that?

2 DR. STOUT: They are when you add up. If you  
3 look at a student and you look at an independent student  
4 and you look at what they have to do to go to college full  
5 time, they have to live somewhere. They have to pay for  
6 transportation.

7 MAJORITY CHAIRMAN ADOLPH: Well, I mean, I know a  
8 lot of community college kids. And I'm sorry.

9 And I'm sorry, Representative.

10 REP. GRELL: No. I'm trying to get an answer.

11 MAJORITY CHAIRMAN ADOLPH: And, you know, the  
12 community college is in Delaware County. I was always  
13 under the impression that that was a huge commuter school.  
14 So they're living somewhere.

15 DR. STOUT: Right.

16 MAJORITY CHAIRMAN ADOLPH: A lot of them are  
17 living with their parents.

18 DR. STOUT: Right.

19 MAJORITY CHAIRMAN ADOLPH: Okay.

20 DR. STOUT: If they are a dependant student,  
21 they're living with their parents and they're probably not  
22 taking out as much in a loan.

23 MAJORITY CHAIRMAN ADOLPH: Yes.

24 DR. STOUT: The average age of our graduate is  
25 28. A graduate from Montgomery County Community College is

1 28.

2 MAJORITY CHAIRMAN ADOLPH: Okay. I guess my  
3 question -- and I don't want to -- I feel the same way as  
4 Representative Grell. I mean, we're trying to put together  
5 some real numbers here. And you got to live someplace.  
6 And I find it very hard -- and some cases are. I mean, I  
7 went to school in Tennessee. So I had a housing cost. If  
8 I went to Villanova, I wouldn't have a housing cost because  
9 I would have stayed at home.

10 DR. STOUT: Yes.

11 MAJORITY CHAIRMAN ADOLPH: So you have to live  
12 someplace. And I always thought that community colleges, a  
13 lot of them were commuters. So that housing cost is being  
14 calculated in this federally defined figure exists any way.  
15 It's not because of college. You have to live someplace.

16 That's all I have to say.

17 MS. BOLDEN: Correct. I think if I could just  
18 summarize your question and then we'll get you the data.  
19 So you're trying to understand why students, when the  
20 tuition is so low, they're graduating with \$13,000 worth of  
21 debt?

22 REP. GRELL: In a two-year program. Correct.

23 MS. BOLDEN: And I think that speaks to what  
24 Dr. Stout was talking about, that it's just not the  
25 tuition. For students who are able to borrow the money,

1 Federal guidelines allow them to borrow money for not just  
2 tuition but for the total cost of attending college. So  
3 we'll get that data for you and present it to you. But  
4 that's in shorthand how it happens.

5 DR. STOUT: I don't know if it would be  
6 appropriate but at least one of my students could speak to  
7 the personal experience of it.

8 MAJORITY CHAIRMAN ADOLPH: Look, there's probably  
9 someone that goes to Montgomery County Community College or  
10 Delaware County Community College or Butler Community  
11 College that has a housing cost as a result of going to  
12 school, but to be borrowing the figure that the average  
13 borrower is getting, you know, I really need to sit down  
14 with you after this meeting and talk about that. I think  
15 it seems to be very bad borrowing habits if you have  
16 borrowing based upon whether you're going to work or  
17 whether you're going to school, you're still living there.

18 Listen, I'm all for the funding, whether it's at  
19 the county level, which I understand yours was cut this  
20 year as well from Montgomery County, okay, so you know, I'm  
21 trying to find real numbers. This federally defined law  
22 that you can borrow on bothers me.

23 DR. STOUT: And we can share that and walk you  
24 through that. I mean, Federal policy, there's a lot of  
25 debate with the reauthorization of the Higher Education Act

1 in Washington about what should count in the cost of  
2 education and how you would calculate those borrowing  
3 limits. But those are not our calculations. Those are the  
4 calculations that are used for Federal financial aid.

5 REP. GRELL: Yes. I would like to share that  
6 information. Thank you.

7 DR. STOUT: Sure.

8 REP. GRELL: Thank you, Mr. Chairman.

9 MAJORITY CHAIRMAN ADOLPH: Great hearing. Thank  
10 you so much. Listen, there's not a member on this  
11 Appropriations Committee that does not support funding of  
12 community colleges. And you do an outstanding job. We  
13 just need to work a little closer so we get some real  
14 figures. We're fighting a battle up here regarding student  
15 debt. I really want to get a handle on this.

16 DR. STOUT: Sure.

17 MAJORITY CHAIRMAN ADOLPH: And if our students  
18 are borrowing on money that's really not an expense, I want  
19 to look into that. In addition to receiving some financial  
20 aid, they should also be receiving some financial guidance.  
21 We really want to help these students.

22 Thank you so much.

23 DR. STOUT: Thank you, Mr. Chairman.

24 DR. NEUPAUER: Thank you.

25 MS. BOLDEN: Thank you.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

MAJORITY CHAIRMAN ADOLPH: The next hearing will  
be with Thaddeus Stevens. And that will be in five  
minutes.

Thank you.

(The hearing concluded at 3:05 p.m.)

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

I hereby certify that the proceedings and evidence are contained fully and accurately in the notes taken by me on the within proceedings and that this is a correct transcript of the same.

\_\_\_\_\_  
Jean M. Davis  
Notary Public

I hereby certify that the proceedings and evidence are contained fully and accurately in the notes taken by me on the within proceedings and that this is a correct transcript of the same.

\_\_\_\_\_  
Jean M. Davis  
Notary Public