

THE BROOKINGS INSTITUTION

TRANSFORMING AMERICA'S COMMUNITY COLLEGES:
A FEDERAL POLICY PROPOSAL TO EXPAND OPPORTUNITY
AND PROMOTE ECONOMIC PROSPERITY

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P R O C E E D I N G S

MR. BERUBE: My name is Alan Berube, I'm a Senior Fellow here at Brookings and the Research Director for one of our programs, the Metropolitan Policy Program. So allow me to welcome you to the latest in a series of events that are part of a multi-year initiative we have at the Metro Program entitled the Blueprint for American Prosperity.

And since the Blueprint's inception about 18 months ago, its goal has been to identify specific federal policy opportunities that strengthen what we regard to be the core assets of our economy, assets that can generate more productive, more inclusive, and more sustainable economic growth in the long run.

Of course, 18 months ago, that seems like probably five or ten years ago to a lot of people in this room, some maybe even more than that. But for purposes of today's event, one notable recent development is that, in his address to Joint Session of Congress in February, the President publicly called on all Americans to gain at least a year of post-secondary education, and he committed the federal government to helping the United States regain international leadership and higher educational attainment. And the release of the detailed budget today by the President I think reflects the Administration's view on what Washington should do to help the nation realize that goal, and I think that's the subject that we'll turn back to throughout the program today.

For us at Brookings, it was a welcome development, because to us it emphasizes the role of human capital in building a stronger economy in society, which is really a key focus of ours in this Blueprint Initiative.

And more specifically, we believe that focusing those investments in our metropolitan areas maximizes the return on human capital investments by building deep and diverse pools of skilled workers that can respond to changing labor market conditions, and can build competitive regional advantages that propel our national economy, advantages like information technology in the Silicon Valley, aerospace in

Phoenix, medical devices in the Twin Cities, accounting and consulting in Chicago, pharmaceuticals in Greater Philadelphia.

And, in fact, it is community colleges that really are the most metropolitan of our higher educational institutions. They draw their students from across their regions, and, in fact, help satisfy the metropolitan labor market needs into which they graduate many of their students. So today's event will ask, and maybe even provide some answers to a few questions that I think are central to any coherent national higher education strategy for our metropolitan areas, and, in turn, the nation.

First, what is the potential of community colleges to contribute to broader based national economic prosperity? And secondly, what barriers do community colleges face to helping their students achieve success, especially given present economic circumstances? Third, how and how well are community colleges positioned resource-wise to meet ambitious educational goals? And fourth, what's the proper role of our national government in contributing to community college success, and how, in fact, should it assume that role?

The doors behind you will be locked until we reach consensus on the answers to all of these questions. Undoubtedly, there will be wide differences of opinion and perspective on all of these, but I

can't imagine a more timely conversation and a better group of people to help us steer it. So after our main presenter speaks, I'm going to return to the stage to moderate discussion among what is really a terrific group of panelists, and I'll save their brief intros for that time. But for the next 20 minutes or so, you're going to have the pleasure of hearing from the lead author of a paper we're releasing today, the title of which is "Transforming America's Community Colleges: A Federal Policy Proposal to Expand Opportunity and Promote Economic Prosperity."

The author, Sara Goldrick-Rab, is an Assistant Professor in Educational Policy Studies in Sociology at the University of Wisconsin-Madison, where she's also an affiliate of the Wisconsin Center for the Advancement of Post-Secondary Education, the Institute for Research on Poverty, the La Follette School of Public Affairs, probably seven or eight other things I'm leaving out.

She's conducted a tremendous amount of great research on community colleges. And with what little time she has left in a day, she's also a prolific blogger at eduoptimist.blogspot.com, I recommend it to everybody. So thank you very much for coming, thank you, Sara, and the podium is yours.

DR. GOLDRICK-RAB: Okay. Well, thank you, Alan. I want to really thank you for being very patient with both me and my co-authors

as we worked through what I think is a fairly ambitious agenda that I'm going to share with you here today. I want to acknowledge my colleague, Doug Harris, also from the University of Wisconsin-Madison who's with us, and my co-authors, Chris Mazzeo and Greg Kienzl, who unfortunately could not be with us here today.

As many of you know, nearly every child in America will say that they want to go to college. And many public officials and private citizens echo those same desires for them, recognizing the incredible importance of raising national economic educational attainment for achieving broad based economic growth and strengthening the middle class.

But in some ways right now the federal government is not helping make those ambitions come true. Instead, we argue, they are dramatically under investing in our country's community colleges, putting some of those major goals at risk.

So today we're calling for a transformative agenda to sufficiently resource community colleges, help them reach their potential for serving as the most accessible and affordable route to post-secondary education. Our proposals calls for increasing financial support for the colleges, instituting a broad performance measurement system focusing on student success, stimulating new and effective practices, and using

data to make sure that outcomes are achieved. We believe that with federal leadership at this key time in the nation's history, such an agenda has never been more important to our collective wellbeing.

The link between national educational attainment and national wellbeing arguably has never been clearer. We all know that economic success in the U.S. has long relied on the skill and ingenuity of our workers, and we know that over the last two centuries, we created an advantage over other countries by helping our citizens attain formal education, generating an able work force and technological advancement, yet, we've shed this advantage. Higher education, long considered a ladder to economic and social success, today reinforces inequalities between rich and poor America.

As Alan mentioned, Barack Obama recently echoed the calls of numerous influential state and national organizations when he declared a new national goal. By 2020, America will once again have the highest proportion of college graduates in the world. In doing so, he called for a renewed focus on the potential of higher education to help the nation reclaim a more broad based prosperity. Not since the creation of the GI Bill has any president put such a public emphasis on helping more citizens not only access, but succeed in higher education. In fact, many high demand, well paying jobs require a college credential, though not

necessarily a four year degree. According to BLS projections, two-thirds of all new jobs created in the next decade will require at least some college experience, but 19 of the 30 occupations with the largest project job growth over the next decade do not require a four year degree.

Instead, as this chart illustrates, many of the middle skill, fast growing occupations, those you see in orange here, such as being a veterinary tech, require a two year associate degree. The two occupations with the largest expected job growth, those on the left side of the chart you see in gold, are personal and home care aids and home health aids.

Given these economic realities, it's no wonder that so many want to attend college, and yet, at the same time, while the proportion of U.S. high school graduates going on to college, the blue line, has risen significantly in recent decades, in fact, as the orange line illustrates, the share of folks who have entered college – who are entering college students who actually finish four year degrees has not grown nearly as much. We think that community colleges can help to meet the demand for more degree holders. Today there are over 1,000 community colleges in the United States, serving 11 and a half million students. That's roughly half of the overall undergraduate population in the nation. They're widely

recognized as accessible and affordable, and most families can locate one within easy driving distance of their homes.

Moreover, we think that these schools serve a really essential function in a country where a number of poor and minority students actually leave high school unsuccessful at having attained a diploma, and even more without having developed strong writing, reading, and math skills.

In 2004, 67 percent of Latino and 47 percent of African-American students attending college in this country were enrolled in a community college. For many of these students, a community college is their only option for higher education. In other words, they make a choice to attend community college rather than no college at all.

Confronted with high tuition costs, a weak economy, an increased competition for admission for four year colleges, students today are more likely than ever to attend community college. Annually, their enrollment is increasing at over twice the rate of that of four year colleges. Between 2000/2001 and 2005/2006 alone, total enrollment of community colleges grew by 2.3 million students. And yet despite their admitted popularity, today's community colleges do not enjoy the high rates of success that we might hope for them, and they face some major challenges to improving.

After three years, close to 50 percent of first time community college students leave post-secondary education without attaining a credential or transferring to a four year college.

Slightly more than one-third of community college students who began college in 1995, national studies show, completed a credential of any kind within six years of starting college.

And we've identified several limitations of existing federal policy that we believe contribute to the underperformance of community colleges. For example, right now the federal government plays an extremely limited role in directly supporting the work of community colleges. While the federal government provides \$2 billion a year in appropriations, grants, and contracts, public four year institutions receive about ten times as much. The current funding approach leaves community colleges to rely very heavily on their states and localities for nearly 60 percent of their revenues. But, as you know, public higher education faces fierce competition for very limited state resources.

In total, federal funds, including financial aid to community college students, amount to only 15 percent of community college revenue. And admittedly, while the federal government does make a significant investment in community colleges in other important ways, including funding for job training, getting students to a 13th or 14th year of

college and a meaningful credential will require investments in areas other than job training.

Boosting federal support for community colleges would reduce their heavy reliance on states and localities, and more appropriately balance support between two and four year colleges. Right now in the current economy, exploding college enrollments and rapidly shrinking state budgets during the economic downturn threaten to exacerbate the resource gap and place further downward pressure on student achievement. As this chart indicates, a recent survey of 120 community college presidents indicates enormous up ticks in enrollment just in the last year, those are the white bars, while at the same time, institutional budgets, the orange bars, have declined. Quite bluntly, community colleges are being asked to do much, much more right now with much, much less. If we continue this way, the future isn't promising.

We need community colleges to lead the way, and yet four year colleges receive three times as much per full-time equivalent student in federal support, as do community colleges, and, as this chart shows, the gaps have widened over time.

Let's be blunt, for too long this country has put elite four year colleges and universities on a pedestal, focusing the hopes and ambitions of students and their families on them, but those institutions only reach a

small portion of the populous, whereas community colleges touch much larger numbers of students, as well as many more people in their towns and regions.

When we find two to one funding disparities in K-12 education, we file lawsuits. Here, the disparities are three to one, and yet they tend to go unnoticed. Of course, how funding is delivered to community colleges may also matter greatly in gearing those institutions and their students towards better outcomes. So right now community colleges tend to be funding based on enrollment, rewarding them for getting students in the door, but not for making sure that those students succeed.

As valuable as the federal proposed access and completion fund may be, it alone will not help community colleges build the infrastructure and core operating capacity needed to significantly improve student outcomes. And quite honestly, it will be difficult for community colleges to successfully demonstrate positive impacts, which the fund requires, with new practices if they're implemented under disadvantageous conditions.

So today we call for a new federal approach. First, given the Administration's stated ambitions, the overarching goal of national higher education policy should be to effectively education students seeking

vocationally or academically oriented training and education at the post-secondary level.

While colleges need to focus on the needs of their students, it is important that they also have clearly defined goals along these lines with incentives to match. Establishing goals and measuring progress are vital steps for improving attainment levels in the public two year sector. But we believe that new resources are needed to help financially strapped institutions deliver on these goals. Moreover, the federal government currently lacks the requisite skin in the game to demand more out of this sector. Only a substantial direct investment can initiate the changes required.

We think that success should be appropriately measured by progress, meaning growth and learning that takes into account where a student begins their college experience. Of course, this requires a comprehensive approach, one that is consistent with what we recognize as the many multiple missions of community colleges.

For example, some colleges will serve older workers better, helping them get a certificate in a new field. Other colleges will seek to increase the rate of associate's degree completion among younger students. Judged against a broad array of factors, both kinds of

institutions could be deemed successful under this system as long as they also continue to maintain open admissions practices.

To be clear, greater budgetary transparency and clearly articulated student outcomes can help increase attainment, however, these steps are not intended to introduce a no child left behind approach. Instead, reporting results in this way should shine much needed light on what our community colleges are achieving and help avoid misguided sanctions or perverse incentives.

On the heels of the President's call for universal higher education, now is the time to commit the necessary resources. The federal government should double its current level of direct support for community colleges to account for 12 percent of their budgets.

As current direct federal spending is \$2 billion, this would imply spending another \$2 billion. This is a needed, yet modest commitment, especially in light of the fact that the federal government spends \$60 billion per year on K-12 education and over \$20 billion per year on public four year universities.

Community colleges could do so many things with these resources, directing them to several key areas of need, including, but not limited to campus infrastructure, technology, and faculty hiring and retention. A phased deployment of the performance measurement system

would help put institutions on a level playing field. What we're proposing is, in the program's first year, all new funds would be based on enrollment. Then in year two, half of the new funds would be based on enrollment, with the other half distributed based on colleges performance. And over time, funding would shift to a 25 percent enrollment, 75 percent performance allocation.

Of course, a new federal resources for performance program wouldn't succeed if it simply led to meaningless increases in credentialing. Setting expectations for sub-baccalaureate outcomes and equipping community colleges with the resources needed to achieve those outcomes should stimulate a revitalized focus, as well, on student learning.

We, therefore, call on the Department of Education to devote half of the \$2.5 billion federal access and completion incentive fund on efforts to innovate the two year sector. This sector has too little information right now about how to effectively improve student outcomes. The problem can and must be remedied by connecting practitioners with well trained researchers who share a common goal of helping community colleges succeed.

Finally, the federal government should support the improvement of student level data systems to track community college performance. This is the only way to operationalize real accountability

and track progress and improvement. Currently, most states do not have the ability to track individual outcomes through the education system and into the labor force, but more will now have the opportunity thanks to the federal stimulus package. Those efforts should be continued, for without the ability to evaluate outcomes based on hard data, student and institutional progress can't be measured.

Right now the country embraces a very narrow view of community colleges potential, providing very little financial support and restricting their ability to serve as a gateway to opportunity. But narrow public image ignores the widespread benefits of college access that these institutions provide, benefits that increasingly accrue to the entire nation.

College educated adults are more likely to live longer, happier, more economically secure lives and continue to pay their taxes, not only to their local government center states, but also to Washington. Accordingly, Washington should actively participate in the transformation of community colleges.

It's now time to put community colleges, long on the sidelines, in public support and policy debates first. Ensuring that American workers are trained to compete in the global market place, are economically secure and can fulfill the responsibilities of citizens requires expanding and improving experiences with post-secondary education. By

better supporting the most affordable and accessible colleges found within all of our communities, and asking more of them in exchange, we can put our nation and our families back on the path to economic prosperity.

I thank you all for coming this afternoon and joining us in this discussion. And at this point, I will take clarifying questions and then join the panel in a more broad discussion. Questions.

MR. SOARES: Hi Sara.

DR. GOLDRICK-RAB: Hi, Louis.

MR. SOARES: Louis Soares with the Center for American Progress. First of all, thank you, it's really informative and instructive. One question I have is, when we think about hitting those goals, the innovations in teaching and learning and things will certainly be required to meet, you know, the profile of the learners that we're going to see. What I wonder is if what we won't see after this kind of investment in community colleges is kind of a rationalizing of what their core competence actually is, because the likelihood that they can do all of those things would – any amount of investment just doesn't make any sense, no one can be good at all of those things. And so I'm just curious if, through the paper and writing it, if you have any vision of what community colleges might look like as we invest this.

DR. GOLDRICK-RAB: Well, I think, you know, one of the issues is that they've been asked to be everything to everybody, right, and that's already going on. So in some sense, this wouldn't represent a change. They're already being asked to do everything, and that is, arguably, part of the problem.

I don't think under this system we imagine that every college would succeed at meeting all of those goals, right. As I said, I think that some colleges would achieve would obtain that performance money by achieving in certain areas and not others.

Now, we have stayed away from laying out too many specifics about exactly what metrics we would want to use, because there are a lot of really good people doing a lot of good work in thinking about that, and so we would encourage, you know, the federal government to be involved in convening the appropriate people to have that discussion. But it should be perfectly possible for colleges to achieve at a few areas and not have to do absolutely everything. The Brookings folks are coming around with the mic, so let's give them a chance.

MS. ORCHOWSKI: Thank you; I'm Peggy Orchowski with Hispanic Outlook on higher education. I went to a three-day conference from the Ed Trust a couple of months ago, and their whole thing was on getting – actually making a college preparatory attitude in every high

school. But they were absolutely specific this was a four year college. They want every kid in America to dream of a four year, to feel that they can go to a four year college.

And when I brought up two year colleges, I'm from California, two year colleges are a huge part of our educational system, even for the freshman and sophomore year, or, as you said, certificates for returning students, I mean they – I almost got racist comments that how dare I think that kids could only go to community college. There seems to be a snob factor, and, you know, I'm just going to put it out there, and what do you do about that?

DR. GOLDRICK-RAB: Well, thank you for putting it out there, because I think we actually take that on in the paper, you're making my point. I think the snob factor is there, I think there is a – they'll tell you that you're lowering expectations for kids, right, if you want them to plan, be planful about actually preparing for community college, that community college is something that you default to when you don't prepare, right, or when you don't do enough, or when your family can't do enough.

Think about the population that you're interested in. In the state of Texas, the Latino population is concentrated in a geographic region that doesn't have any four year colleges in it. Is it any wonder that

they tend to go to two year colleges? They want to stay near home, and it's geographically impossible.

Now, is the policy implication there let's go build lots of four year colleges located near them, or perhaps is it, let's give those colleges near them what they need, you know, so that these folks can succeed and still manage to stay near home and their communities, which is arguably quite important.

So I think that one of the things that we're hoping for here, and I think – I have to say, the Administration has already led the way in this regard. It's not as if community college folks aren't well represented right now. And, you know, we're very pleased to have one member of the Administration I know who understands this, you know, the importance of this, and the fact that it's going to have to start from the top with a message that we're not going to get anywhere if we continue basically putting them down. Now I've got a lot more questions.

MS. GRIER: Good afternoon. Eva Grier from Montgomery College here in Maryland. And I want to thank you very much for, you know, focusing in on community colleges, and especially looking at the mission, because the mission has – is shifting, and depending on the region of the community college, it could become comprehensive, it could be entrepreneurial, dual.

But what I wanted to say is that when you're looking at community colleges, did you take a look at the fact that many of us are still being defined based on graduation rates when, for some of the community colleges, a lot of the success is in the transfer process.

So the goal of the student is not necessarily to earn a degree or a certificate at the community college, but to earn enough credits to be able to transfer to a four year institution.

DR. GOLDRICK-RAB: Absolutely; and transfer would be considered under this, you know, under what we're proposing a very successful outcome. I mean I agree with you, many folks don't even realize you can transfer to a four year school without first obtaining the associates degree, that it's not absolutely necessary. So I would say that that could be among the many positive outcomes that we would be interested in, sure, absolutely.

We're not trying to quell the heterogeneity, right, the rich heterogeneity among these schools, that is not at all the plan or the hope.

MR. MOLTZ: Yes, thanks, David Moltz from Inside Higher Ed. It's good to meet you finally. I'm wondering, is what you do with the large number of students who need remediation as when they enter a community college. I'm assuming a lot of this federal money would have to be directed toward remedial or developmental programs. Doesn't that

sort of duck the point of this money, as most of it would probably go towards getting students to be college ready instead of actually going to the college curriculum? So how do you sort of define funds here so that it wouldn't just be funding development programs?

DR. GOLDRICK-RAB: Right; well, I mean I think, you know, thank you for bringing up the remediation issue, I mean it's a large one, and there are several parts of this proposal that address it. Number one, you know, it is one of those areas where we simply don't yet know enough about how to do it well. We don't yet know enough about what resources are required to do it well. We know what we spend on remediation. We don't know what it costs to actually do it, to get students to transition from remedial course work into credit bearing course work.

I would argue for the inclusion of a metric that measured the transition rate of students out of remedial education as a successful outcome. I think that's a very important function of the schools. But I think it would depend on the community college as to whether they wanted to focus their funds that way. So thank you for the question. The woman in the back towards the – yeah.

SPEAKER: Hi; my question is about the role that community colleges can play in some of the newer initiatives and partnerships with schools and school districts, one being like early college. And as you just

mentioned, you know, there is a lot of money being spent on remediation and not necessarily understanding the outcome. So what could be the role between community colleges and schools to better prepare students so that once they enter, they're much more likely to be successful?

DR. GOLDRICK-RAB: I think that's a great question. And one of the ways in which a college could, for example, choose to try to improve their rates of success is through those kinds of partnerships. You know, if you're being strategic about it, you can understand that investments made on that side are much more likely to pay off, you know, big time in the long run.

I think right now community colleges are certainly involved in those partnerships, and they're asked to be, and they're going to do it, but they struggle to do it sort of on top of everything else that they're being asked to do.

So I would hope to see some colleges taking that up as something they wanted to do. Although, again, I would like to see more research and more evidence that, you know, those sorts of models are successful. I think there's some indication that they may be, but it would be nice to know a little more. The gentleman here. Thank you.

MR. FINNERAN: Kevin Finneran with the National Academy of Sciences. When you look at the missions that colleges have, I wonder

how you compare them to some of the other competitors, and I think particularly the for profit colleges which are providing a service that many people think is valuable and willing to pay for, and then you have community colleges that are doing things like providing basically hobby training for adults, no interest in a degree, no interest in stimulating the economy, they just want to do that.

You also have colleges that are essentially training institutions for large local industry or industry based part of it. Do we need to differentiate these in terms of where we look for funding and how much we charge people to go? Because in some cases, there are clear economic benefits to the community or to the individual, in some cases not. It doesn't make sense to talk about a single federal funding program when we have such divergent missions and divergent institutions.

DR. GOLDRICK-RAB: Well, I think – I want to respond three different ways to that. So the first one, so the yoga classes and the knitting, et cetera, one of the reasons that colleges engage in this right now is that they have to, right, this is a way to make some money, and, you know, they get money from their local communities and they're sort of obligated to offer these things. So I just want to say that in some ways, some of their activities are tied to their need for resources and that that is

not always explicit, right. What we know is, we get a catalog in the mail and there's art courses, okay, so that's one.

The competition or the presence of the – for the private sector; arguably, there is research that indicates they do quite well. I don't think the federal government needs to do much there. Are there things that the public two year sector might learn from the private? Sure, there are lots of interesting models.

Doug and I are studying call centers. Call centers are something that private schools use, and it's quite possible that community colleges perhaps should use them, as well.

I don't think that this is a proposal to make only a single funding stream that only embraces one kind of outcome from the community college. I can't imagine that the Work Force Investment Act would discontinue involving community colleges in it as a result of this, and that would not at all be the intention. So I think, in fact, that you would still – if anything, we want to broaden the range of kinds of support that, in fact, recognize the number of different things that community colleges do versus right now what we have is that they are basically funded to do one thing on behalf of the federal government and that's job training. I can take one more question, okay, yes.

MR. SHUCKMAN: Hi Sara, I'm Greg Shuckman from Northern Virginia Community College. Thank you very much.

DR. GOLDRICK-RAB: I grew up in the shadows of Northern Virginia Community College.

MR. SHUCKMAN: A lot of people around here did. A couple questions or clarifications for you. You talked about the number of new community colleges being 149th and 74, does that take into account existing colleges that added new campuses, such as NOVA? That's question one.

Question two is, you talked about the discrepancy between what federal funding for community colleges is versus university, but as we know, universities get a lot of funding for R&D, which, by and large, community colleges can't perform because they don't have the facilities for that. So could you net out the R&D funding and then show what the discrepancy is between community colleges and four year colleges?

DR. GOLDRICK-RAB: On that one we did, so those numbers are from the Delta Cost Project, Jane Wellman's data. On the first question, the question – it's interesting probably for the audience to know, when you're trying to look at the number of community colleges that exist and the growth in the number of community colleges, one challenge is, how do you count them. Everybody counts them differently.

So the federal government has a way of counting them, and then there are community college researchers who recognize that those ways of counting them often, for example, in the state of Wisconsin, where I'm coming here from, the branch campuses of the UW system are counted as one, but there are 13 of them.

So this is a tough one. And we went with the best numbers that we could. We suspect that Roque is probably only slightly greater. The main point is relative to enrollment, so the number of new campuses relative to the incredible booms in enrollment that have occurred. But thank you for the question. All right, Alan.

MR. BERUBE: Okay, great. Thank you very much, Sara. So I'm going to invite the panelists up to the stage now, we're going to do our little mic thing, and then I think engage in a really lively discussion that's going to build on a lot of the questions and the points that were made during Sara's presentation and the last few minutes of Q and A.

And I had some notes that told me who everybody was. Has anybody seen those? Yeah, your name might be mentioned. Okay.

(Pause)

MR. BERUBE: Okay. So I'm really pleased to have what I think is a terrific line-up up here to discuss the issues that Sara raised and the issues that were raised during the brief Q and A that she did. We

have representatives from I think a lot of levels of this system that are meaningful for the discussion that we're having here today.

We have a representative from the federal level, one from the state level, one from the community college level, and then one from the philanthropic sector. So I think you'll get lots of different, perhaps competing opinions on many of these issues, but I think it'll make for a really well rounded discussion and exchange. So I'm going to go down the line here to my right and just do brief intros for people and then turn it over for a little bit of moderated discussion and Q and A.

So Tom Dawson to my immediate right is a Senior Program Officer at the Bill and Melinda Gates Foundation. He's involved in a wide range of their education grant making areas, particularly around the post-secondary success initiative at Gates.

And he brings with him to Gates many years of experience, actually here in Washington at the U.S. Department of Education, where most notably he was the Deputy Assistant Secretary for Post-Secondary Education and managing 40 different grant programs, so I'm sure being at Gates feels a little bit familiar to you, having done what you did at Ed, and prior to that was an education research on education reform at the Pacific Research Institute in San Francisco.

To Tom's right is Doctor Gail Mellow; she is the President of LaGuardia Community College in Long Island City, Queens. LaGuardia is a two year institution, serves about 50,000 students from 163 different countries speaking 119 different native languages, thus earning at the moniker, the world's community college and a really cool logo that has lots of flags and the big apple. Doctor Mellow has been President at LaGuardia since 2000. The college has won numerous awards during that time. And Doctor Mellow herself is a nationally recognized expert on the history, development, and future of the American community college. And that was exemplified in her authorship book published last year entitled *Minding the Dream: The Process and Practice of the American Community College*.

To Doctor Mellow's right is Sara, you know her. To Sara's right is Stanley Jones. Stanley, I think he may indicated in the program as former, but I've just learned he is currently still, for the next few weeks it seems, Commissioner for Higher Education for the state of Indiana.

Stanley has a long career in educational policy in the state of Indiana, from being a member of the Indiana House of Representatives for I believe eight terms; is that right?

MR. JONES: Yes.

MR. BERUBE: Perhaps more; served as a Senior Policy Advisor on education issues to Governor Evan Bayh in Indiana, and then I believe for 12 or 13 years, served as the Commissioner of Higher Education for the state, and most notably in that capacity, led the development of IB Tech, which is Indiana's state-wide community college system, and a very highly regarded one at that, so we're pleased to have Stanley here with us today.

And finally, to Stanley's right is Cecilia Rouse, and Cecilia is a member of the White House Council of Economic Advisors, she's on leave from Princeton University, where she is the Theodore A. Wells '29 Professor of Economic and Public Affairs.

She's a Senior Editor of the *Future of Children*, which is jointly done with the Brookings Institution, so she'll be back here next week, if you don't get enough of Cecilia today, you can come see her next week at an event we're doing, also, the *Journal of Labor Economics*. And her research focuses on labor economics and the economics of education.

She's done research throughout the K-12 and higher ed spectrum. And I dare say there's no economist today in America who knows as much about community colleges as she does, so we're incredibly – but we're really pleased that she was able to join us here today. So I'm going to start with President Mellow here, because she's got a few visuals, and we

want to keep the visual thing going. But as a community college president, as president of one of the nation's largest and most diverse community colleges, I wonder if you could speak a bit about, you know, how this looks from the ground up, especially in the current sort of economic and fiscal environment, and, you know, trying to resource your institution appropriately to fulfill the wide range of goals that you're trying to achieve, many of which were alluded to here today. You know, how are you finding the present situation, and what do you think of Sara's proposal as a possible way forward?

DR. MELLOW: Well, I want to thank you, it's a joy to be here, and it's fabulous to both read and to listen to the research that Sara has done. And I think I just want to take a few minutes to sort of amplify it, because I'm so pumped up by listening to this, and I just want to say yes, and do you really realize how big this is.

So I just have – I mean I just have a few slides I wanted to run through, I think you have them. But part of it is, if we fix K-12 tomorrow, 88 million of the 150 million people who are currently in the work force have barriers to education, and I have some of that data. I mean so the work that needs to be done will only be done at a community college and it's enormous. The second, and this is the scary one for me, is that when you look at the relationship between associate degree

attainment in the 30 biggest economies in the world, the U.S. ranks tenth. And we're the only one where people – I used to be able to say people my age, but now I'm 56, and it's to 54, and so it's like really depressing, I've to say a little younger than me, and more educated than people coming up. So, again, it's sort of like we're going in the wrong direction.

The other thing I just wanted to amplify is the real challenge that community colleges face. Sara used in her document about 11 million students in community colleges. About five million of those are in non-credit work, and while it might seem like that's yoga and water color, most of it is work force development and it's the essential fundamental way in which we're going to keep a competitive work force.

We don't even measure that. There is no – on that, there is no ability to even pinpoint who those students are that are a success. So when we talk about metrics of success, there's a lot we have to do. The other thing I want you to remember is where our students start. Now, this is just – and this is imputed data, the kind of data Sara would never use, right. But it is – it shows – it presumes that we could guess, that we could impute what our students SAT scores would be as they fail one, two, or three of our entrance examinations. They're, you know, ACT compass kind of things. And I compared them not with Princeton, where Cecilia is, but rather with the urban students at the City University of New York. And

you can see how far behind our students start in terms of academic preparation.

So I want to keep – have you think about that when you look at this next piece, which is that in the City University of New York, there's a rising junior exam. Everybody has to take an examination if they're going to be a junior. And the community college students that happen to have LaGuardia there, my dear college, succeed at exactly the same rate as those students who are selected to come in, who have those different SAT scores. That's the power of the community college, to really move students who have not gotten it to getting it.

And the next one is a bragging right, and probably nobody – probably a lot of community college students or campuses can do this, and that's the passage on the national certification exam for nurses. You know, community college students do better than four year college students, and that's not an uncommon result, so I just thought you should see that. Total bragging rights, that's all that is.

But the last thing is to just amplify what's happening, because we don't have the kind of investments that Sara talked about. So the first is to show you eight semesters of students who come in for four of our allied health programs, LPN, Licensed Practical Nurse, the one year

certificate, nursing, which leads to an RN, OTA, Occupational Therapy Assistant, and PTA, Physical Therapy Assistant.

And when I say students would qualify to come in, they don't just like say I want to come, they come in and they take their math, they take their English, they take their biochem, they're ready. These are the number of students I had to turn away over four years.

And the next slide shows you the loss of income. If I could have educated those folks, they would have brought in \$11 million annually in wages. So I just wanted to add that, because it shows some dimensionality to the kinds of activities that Sara was talking about. It is extraordinarily hard to serve this diverse group of students, but I think the issue is, community colleges, as Sara said, have been doing it. And when you look at ten to one federal funding, when you look at public expenditures of money being three to one at community colleges, I think you have some sense of what the return on investment could be, if we thought that poor students and students of color were really worth investing in in the United States.

MR. BERUBE: And so just to put a finer point on these last couple of charts, I mean the students that you were not able to enroll, lack of space, lack of faculty, they just weren't bringing in the requisite

resources with them by virtue of financial aid and other state or local level resources?

DR. MELLOW: No, it's really lack of faculty. Remember that community colleges have many fewer full-time faculty than four year campuses and lack of space. And one of the things I'm excited about is, we're using stimulus money to build two new bio labs. My bio labs start at 6:00 in the morning, they go through 11:00 at night, and they're open on Saturdays and Sundays, that's how much we use them.

MR. BERUBE: You have a long work week, don't you?

DR. MELLOW: Right, yeah. I have the head of my – my Vice President for Academic Affairs here, he has whips and chains, he keeps faculty going. That's not true, Peter.

MR. BERUBE: Well, thank you very much for that I think really instructive local perspective. So let's go to the other end of the spectrum now, if we could. Could I ask Cecilia to – based on the budget proposal, the proposal that was announced in February, and then what's in the detailed budget today, one item of particular interest to this panel, to this crowd I think is the proposed access and completion incentive fund. Sara alluded to it in her presentation.

And she contended that it may be necessary to, I don't want to use the term carve out, but to be very deliberate about using those

resources to investigate practices that increase success in the public two year sector. And so I think the question I would want to put to you is, is it necessary, is it advisable for the federal government to take a strong stand at where the two year sector comes out in that fund, how in working with states, which, you know, may or may not see the two year sector as the way to necessarily advance those goals, how can or should the federal government position community colleges with respect to that fund?

DR. ROUSE: So that's a really good question. As you might imagine, well, maybe you'd have to know more about me, but this is a fund that is very near and dear to my heart. And, you know, quite honestly, I think that, at least from my perspective, and in the conversations I've been involved in, maybe there's some people who have been involved in these conversations, as well, I think there's certainly a lot of interest and understanding that community colleges have to be part of this conversation.

So with this money, you know, especially as this money is going towards our 2020 goal on college completion, community colleges have to be a major focus. At the same time, I think we're still struggling with whether the carve out is the right way to do this.

So what we have proposed is a focus on low income students, which was already going to direct disproportionate numbers –

funding to community colleges, but honestly, we're still struggling with that because I think we all believe that they certainly need to be at the table, but it does tie the hands of states in a way that may come back to be somewhat counterproductive. So, you know, I'd be interested in hearing what others have to say about that, because our policy on this is still evolving.

MR. BERUBE: That seems really, you know, from the President that addressed the Joint Session of Congress, it was unmistakable that he said not everybody – I mean he talked about a 13th and a 14th year of education, right, he didn't say everybody needs a four year degree. So I wonder if you all thought about the role of the bully pulpit, the role of other federal officials in sort of sending the message about what role the two year sector needs to play in advancing toward that 2020 goal.

DR. ROUSE: I think that's absolutely right, that there's a lot of interest on the sub-baccalaureate degrees and the importance of them. I think they're not well understood, quite frankly, I think that in the research community, they're not well understood, I think our data systems don't help that, with the CPS asking about some college, which could be almost anything.

And so I – that's one of the – that's one of my own pet peeves as a researcher. And I think we can do better, and I think we need to do better. I think the bully pulpit is certainly an appropriate place, and I think we're also having conversations, and, you know, your paper is a really welcome addition to the conversation about what is the appropriate federal role. Community colleges are state and local institutions. It's kind of like K - 12, where, yes, there's a lot of federal investment, that investment is very particularly targeted. No Child Left Beyond took it to a level that we have never seen it before in terms of the tail wagging the dog. But it's, you know, people – we value the local flavor of our elementary and secondary schools, and community colleges have that flavor, as well.

And so I think that, you know, what is the appropriate role for the federal government in promoting and encouraging community colleges in particular I think is a bit of a challenge and is actually part of the conversations that we are having right now, because we would like to support the sector and do so, but nonetheless, does not tie the hands of states, because every state is different.

MR. BERUBE: Right.

DR. ROUSE: And community colleges are more important in some states than in others.

MR. BERUBE: Well, then let's talk about one state then. Can we talk about Indiana for a couple of minutes, and if you would, sort of offer me your perspectives sort of looking vertically and then looking sort of horizontally. As a State Commissioner for Higher Education generally, right, you weren't focused only on the two year sector, you know, how in that state was the, you know, how did you make advances in the two year sector, how do you see other states positioned to do that or not vis-à-vis the four year sector, and how are those, you know, what's the interplay look like between those two, especially given the current budget climate?

And then if time allows, comment a little bit about how you would see the possibility of a strengthened federal role and federal resources flowing into the two year sector that may or may not skirt the state entirely in the way that Sara is talking about.

MR. JONES: Well, I guess, to begin with, when this issue was brought up, you know, about the question of two year versus four year, either or, and I don't actually think it's that at all. When we started our community college initiative in Indiana, there was a lot of concern in the four year sector that essentially students would be taken from the four year sector and put in the two year sector. And, in fact, I said at the time that this is not about rearranging students, it's about providing services to

people that have never had them before. And, in fact, that turned out to be true in Indiana. Almost all of our growth over the last eight years have wholly been within the community college. It has doubled. There's not a single four year campus that's lost a single student.

And so the point is, and I think the President's point is, we're not talking about two year versus four year, we're talking about providing more services to more people, enlarging the pool.

Now, having said that, and being a big cheerleader of two year colleges, I think the two year colleges and four year colleges need to hear the other part of the President's message, which was, it is about access, but it's also about completion.

This country, probably since World War II with the GI Bill, has done a remarkable job on access, and you could start to argue that we're winning the access war, it's not over. But the freshman class across the country looks a lot more like this country than it did 20 years ago or 40 years ago. But if you look at the graduating class, two year or four year institution, in the spring, it does not look like this country, it is still remarkably white, remarkably upper class. And we are not winning the battle in between. And that's really, I think, what this is about. And I don't think the two year colleges need to be held to a different standard than the four year colleges. We have a huge number of four year colleges that are

not succeeding at graduating their students. And it's fair to say that this money, and whether it's the two and half billion and the access and completion grant or the two billion that's being proposed, I think ought to be all about leveraging success and completion.

And there's lots of different ways to do that. I think as Sara pointed out, it needs to be metric driven, results driven. Community colleges need better metrics. It's fair to say that we only don't just produce degrees, but then it's also fair to say, well, then what you do produce, we need to measure in value, and we haven't done that, and so I would argue that that's what we need to do.

I guess in closing, it's interesting, I do think that community colleges are kind of the Rodney Dangerfield of higher education, and yet at the same time, it really is America's college, it better represents 45 percent of the students who better represent the potential of this country if we're going to move forward. We know how to educate affluent white Americans. We need to better educate black, Hispanic, and poor Americans. And that's what community colleges have that promise. And I hope the President's initiative can help us live up to that promise.

MR. BERUBE: Could I just – I've got to follow up on the completion point and the resources point. You know, do you think – if the federal government turned around tomorrow and gave, you know, \$50

million to the state of Indiana to increase completion rates at IB Tech, you know, would Indiana and IB Tech know how to do that, or is there a lot more work you think needs to be done, you know, that's really – seems to be the point of this access and completion incentive fund, which is experimentation, evaluation, learn what works, and then go do more of that?

Or do you think if IB Tech knew, okay, our goals are to increase, you know, completion of certificates and degrees, to increase transfer from remediation to mainstream, that given more resources, they would know how to do that tomorrow?

MR. JONES: I think every president, when they get up in the morning, if they knew how to get more graduates, they would do it. I think they don't know how, and I think LaGuardia may know how, El Paso Community College may know how.

MR. BERUBE: We'll do a follow-up with Gail on that.

MR. JONES: But I mean they're shining examples across this country of success stories, remarkable success stories. What we failed to do, both in K-12 and in higher education, is to replicate successful initiatives anywhere else, and especially in terms of large scale systems or state systems.

And so we certainly can learn from best practices, but we may need some large scale innovation, some large scale experiments that we can measure on a state-wide basis, on a system-wide basis, because we are not getting the scale.

And the President's goal and aluminous goal and Gates goal, we're not going to get there by everybody doing things a little bit better. You know, by improving our remediation to the first class by five percent, and the first class retention by five percent, it isn't going to happen. We need some pretty dramatic experiments.

MR. BERUBE: Great; well, that's I think a terrific segue to the –

MR. DAWSON: Stan stole my line.

MR. BERUBE: I mean if you would, Tom, talk a little bit about how – I mean I think your goal is by 2025, doubling the number of low income use by the age of 26 or in a post-secondary degree, so some correspondence with the President's goal. You know, from what you've seen so far, is this, you know, is this a goal – I mean I hear from Stan transformative innovation, I mean thinking, you know, thinking out – we're talking about a 15 to 20 year time line here, where do you see the role of, you know, experimentation versus replication versus resources, and how do you, you know, how does the Foundation think about, you know, how

each of those are deployed and what the role of the philanthropic sector is in advancing any or all of those?

MR. DAWSON: Sure; so on the resource question, on higher education overall, we spend north of \$300 billion a year. So I think from a perspective of, do we spend enough money, you can always spend more money, but we already spend a lot of money on higher education. We spend more on K-12, we spend more on health care, but we already spend a tremendous amount of money on higher education. The problem is, we don't necessarily spend those resources well. Whether with respect to completion, whether with respect to allocating resources to the types of schools that train and educate large numbers of low income and needy students. So I think part of our mission is to experiment.

And, frankly, we probably will need in the short run perhaps more resources, and I'm sure we will get more resources from the feds and states around experimenting with what works on completion and persistence, because I would agree, from the data that we've looked at, we don't have good information on those things.

So I think part of that also includes, and I was glad to see in the paper, there was a strong emphasis on improving the quality of data and performance management systems, because part of the reason why we don't know, and we talked about this earlier is, we have really poor,

crummy data systems, so trying to – so trying to implement data systems that track, I shouldn't say track, that cover all students in that report and provide information on all students, whether part-time, whether they transferred from one school to another, there's a lot we can do in the short run around experimentation. I think long term the Foundation's goals are trying to demonstrate with our partners and show how that existing bulk of resources, which is a lot of money, could be better spent and provide stronger incentives for completion and attainment in order to meet our goals, the President's goals, goals of other foundations.

MR. BERUBE: Yeah; and just as a follow up to that, you know, I think the federal government offering to take, or proposing to take at this point a much larger role in seeding the sort of experimentation learning that Gates and other foundations have been forerunners in, you know, could you talk a little bit about whether that repositions what Gates might do, more towards these questions about, you know, these big questions about say resources, or you know, how resources are deployed, and away from the direct experimentation, or does it make you more of a partner with those federal and state efforts around learning?

MR. DAWSON: I think we were thrilled. In terms of our policy work at the Foundation, we're very much focused on working with states, working with the feds around our common agenda. So while we're

precluded from lobbying, we were very intrigued by the inclusion of that provision in the budget. I think, in terms of what we do best, and I shouldn't speak for all foundations, but certainly Gates, and I know some of the foundations that we work with, we tend to do more around evaluation, tend to do more around initial experimentation. I know that the opportunity to evaluate what states or the feds are already paying for, and part because they can just pay for a lot more of it than we can.

Even a place like the Gates Foundation, you know, our overall annual payout is dwarfed, it's about, in terms of the Pell Grant allocation, I think it's like a third of what the annual Pell Grant allocation is, so it's – we're dwarfed, you know, in terms of what we spend versus what the feds and states spend.

So if we can partner in such a way as to evaluate, spend money on areas that the feds and the states don't, but certainly with respect to evaluating existing experiments that somebody else sets up, we already do that. So this is an ideal role for us to play, I think.

MR. BERUBE: We heard a lot of – there was a lot of discussion both in Sara's presentation and in the initial Q and A that she took around the multiple missions of community colleges, and I wonder if I just might turn back to you again, Gail. Let's, again, say the federal government came to you either through this access and completion

incentive fund or the sort of thing that Sara is talking about and said, you know, we want you to enhance your – we want you to enhance your performance on student success. You know, which of the missions do you think deserve greatest emphasis, and which part of the student pipeline would you select for application and sort of new methods and new resources that you think would ultimately add up to student success, and back to the data question, do you have the data to really judge that?

DR. MELLOW: Right; well, one of the things I would say is that, you know, like I'm messianic about community colleges, so I have to apologize. But there's no part of that mission that I would give up. And part of it is, I think there's a lot of give it up, because then we'd look more like four year colleges.

And so part of it is, there's something really American and distinctive about what's going on here. We have the potential to really – we were talking about create this enormous powerful engine. So one is that it is a pipeline, and so I don't, you know, you cut that pipeline, you're going to lose on some other end. Having said that, I do think that this issue around basic skills is the heart and soul of who we are. And you can see that as GED completion to credit classes, you can see that as, you know, in New York City, 85 percent of my students have high school degrees, don't have high school level skills, you know. And again, we fix

that tomorrow, there's still millions of adults. So we do have to work all of those things. But I think the pieces that – when you really look at the data, that for the last 30 years, we've been open access, we've been trying to do developmental studies, and we have not significantly moved the delta of who gets through.

And so I think some of the things that Gates has funded, I think the U.S. Department of Education can and hopefully will do more, we need to innovate that, because there is not a silver bullet out there that we simply need to scale up.

I think what we have to understand is that in a post-modern world, and given the extraordinary diversity of students that we have, there are lots of good answers, so it's going to be about adaptation, it's not going to be about adoption of a single standard. So I think the other piece that's exciting, when you come to a place like LaGuardia that is so international, is that these students have things to give us, as well, and I think what we'll learn if we really experiment is not only how to change education and community colleges so that we – my goal is to get 80 percent of my students through basic skills. Right now it's 48 percent in math and 52 percent in English, so that's the scale I think.

But the other thing is, remember, for the colleges who select the students, they're only getting 60 percent through. So I think the kind of innovation that can happen here can really feed itself up and through.

MR. BERUBE: So can I then turn to you, Cecilia? Gail emphasized basic skills as the sort of best indicator or the best measure that you would seek to improve to deliver, you know, on what you regard to be the most important mission of your college; is that -- either you wear your federal government hat or your researcher hat, whichever one you like, but, you know, where in terms of the federal role, are there some things among the list of possible outcome measures that Sara had on her slide that you think deserve greater emphasis than others, again, with an eye toward, you know, some definition of student success and degree and certificate completion?

DR. ROUSE: So, first of all, the Office of White House Ethics or something would tell you that I can't separate my researcher role and my White House role.

MR. BERUBE: But you could comment on what you've learned from the -- you can comment on what you've learned from the research, right?

DR. ROUSE: Absolutely.

MR. BERUBE: Yeah.

DR. ROUSE: You know, so this issue, first of all, about the multiple missions of community college, I struggle with that one, as well, because I think it does make it difficult, sort of like in the health arena, when there's so many different ways to evaluate, you know, what are the outcomes we're looking for, did you survive, did you survive and you don't have pain, anyway, there are lots of different outcomes that we're looking for.

And community colleges, I completely agree with you, narrow the focus, you take away their uniqueness. And also, what makes you as the higher education system very unique is a community college system. That said, I think that the issue of developmental education is just – it's just been – that – it's like the big elephant in the room, and I think, you know, as much as I can't separate out, I think as a researcher, you know, perhaps I'm going to defer, I think that speaks to our K - 12 agenda, so that students are arriving in college better prepared for college, but that said, we will always have students that arrive at college who are not prepared.

And I think, you know, one of the things that I hope for the access and completion fund on the research end is that we take developmental education and we really push hard at understanding innovative ways to develop and deliver, to develop new curricula, to

deliver developmental education, so that it is more effective and more efficient.

I think it's one of – one of the things we've been thinking about is the increasing costs of higher education, and the huge inefficiencies that we have in essentially doing the same thing twice or more than twice is a problem for us as a nation, and I think that that's just a problem.

The other thing that I would add, though, and maybe this is just from my 10,000 feet up, is, I actually think that the one common thing across many of these different populations is developmental ed, as well. I think when you look at adults who are coming back to school, a lot of them have developmental education needs. And so actually that's part of the reason why I think that one space, and I, you know, for better, for worse, I'm going to put, yes, in that category, as well, I think it really – if we do better there, we will help our community colleges and four year colleges by a long shot.

MR. BERUBE: Could I ask Stan or Tom just to comment on that generally, whether you think a strong focus on developmental ed is the best application of energy and resources, whether there are other issues that rise to the surface for you, as well?

MR. JONES: Well, you know, first of all, I think that that's just a broad area. And, for example, a number of community colleges, including Indiana, they have four levels of math. The first level of math is decimal, fraction, conversions, that's fifth grade, sixth grade work. That's not pre-college work, that's basic math literacy.

And I think we'd all be more honest if we bifurcate some of this and say this is adult literacy, math literacy, reading, writing literacy, because I think you're holding yourself to the wrong standard to say they're going to get a college degree in a reasonable amount of time. So I think that's an important problem. I think that also comes back to this metric problem, is how do you measure? If the only measurement is the degree, then you haven't given yourself any credit for moving people higher on a literacy scale. But at the same time, I don't think we want to fool ourselves to think very many of those are going to graduate.

The other part of this, and I'll be interested, I've seen, again, we have pockets of where this has worked across the country, but there have been experiments where people have said, you know, in California, where they haven't taken the placement test, enrolled these students in non-remedial classes, and they have done as well as students who took the remedial class first, which raises the question of how effective was the

remedial class to begin with, and, you know, are you better off providing support in regular classes rather than remedial classes.

But I think that, there again, as I said before, making remediation developmental education classes a little bit better isn't going to do it. We need some dramatic change in the way we do this; it's not working. Taking some of the math and putting it back in the technical areas where we first had it is another example. But the last thing I want to say on remediation, and it's interesting you pointed this out, and I don't know if this holds up across the country, but in Indiana, we broke down to say the new starts in the community college who graduated in the spring and started in the fall, 60 percent of them were in remedial classes. So these weren't adults coming back.

Now, 60 percent of the adults coming back also needed remediation. But it's not just people coming back, it's kids right out of high school. And interestingly, at our open admission colleges, 30 percent of kids in the spring started need remedial classes, and that was actually higher than adults coming back, because the adults coming back seemed to self-select as to whether they came back or not and what they needed. And so – and the courses they are taking are high school courses. You know, it's almost – we could do dual credit backwards.

MR. BERUBE: Tom, do you have anything to add? I mean I know you guys are spending some of your time and energy and resources on figuring out innovation and remediation.

MR. DAWSON: Sure, yeah. We – on remediation, a lot of the activities that Stan and others mentioned, we are, in part, paying for. We're very interested both in terms of development education on the community college campus, but for the reasons identified before, clearly, and this also correlates well with our K - 12 work at the Foundation, clearly, if the student is prepared to go, that's the best form of developmental education, period.

I should mention a couple of other sort of initial bets that we're making, because I think we would agree that there is no magic potion. So developmental education is one; we're also doing a lot of work around specifically incentives for both students and for schools and institutions themselves.

So some of our student incentive work is around how you deliver student aid. So, you know, rather than providing funds up front, providing funds staggered in such a way as to incentivize students to complete, and to persist, and to see, to evaluate if that has a meaningful effect on persistence and completion rates, looking at the same types of strategies for schools and institutions, as well.

Stan has a great line about how we tend to fund schools based on the number of students they have in the door on the 12th day or the tenth day or the 15th day of the term; why not weigh, or at least, in part, also weigh how many students are there at the end of the term, as well? So we are – we definitely adopt the approach that there is no magic potion to this, and we're looking at a number of different strategies, researching, evaluating, and then hopefully, you know, as I said earlier, we can get the feds and the states who spend massively more resources on these programs to start allocating those funds in the ways that data suggest makes a meaningful impact and improvement around complete rates.

MR. BERUBE: That's great; let me just ask one last sort of open question to the panel, anybody who wants to respond should, and then Sara I think should take a minute to respond to anything she might have heard that tickled her fancy, which is, you know, one of the big points of Sara's paper, and she said in her presentation was that, you know, the focus on innovation and learning and replication and adaptation, you know, could be meaningful, but could falter if it's undertaken in an environment of stagnant or declining resources.

And, you know, some of the problems that Gail alluded to in terms of the faculty, you know, just not being able to marshal what's necessary, to take advantage of innovation and learning. So do any of you worry

about that or have thoughts as to, again, how the federal government could act or how the federal government could get states and other levels of government or even the private and philanthropic sectors to act to address those resource constraints generally?

DR. GOLDRICK-RAB: Sure.

MR. BERUBE: Yeah; you want –

DR. GOLDRICK-RAB: When you talk about the federal role, I think there's a lot of ways to think about that. I mean one is, when you look at ten times the amount being spent on about half the number of people, one would ask, Sara, you were so modest at two billion, so, you know, is that really where it should be if we're really going to do a federal investment.

And the other way is to look at some of the embedded policies in the federal government that really disadvantage community colleges. The first faculty start doing stem cell research. My overhead is, you know, between 40 and 60 percent. I could actually buy a boiler, I could, you know, get a new biology lab.

So why is it that all the work that mostly community colleges do with education and work force training has a 13 or 14 percent overhead if we're lucky? So part of it is looking at that. Why are certain federal agencies not giving any money to community colleges? Agriculture, for

example, does not fund any activities at community colleges, so why is that? So you really need to look at what are the embedded activities in the federal government and how to really change the mindset that really has, as Sara talked about, really privileged the already privileged.

SPEAKER: I think there's a broader trend line going on here at Brookings, I would encourage you to take this up, too, and that is, over a long period of time, states have invested, percentage-wise, fewer dollars in higher education at all levels, and part of it is because they have increased responsibility in other areas.

But there's no question that they have not invested in the public – they're listening to the public, who's saying increasingly that higher education is a private good, not a public good. And I think we lost this broader sense the GI Bill brought us, and hopefully President Obama is reinvigorating the sense that education of anybody is a public good, and the more broadly and deeply we educate people, and so I think that's the bigger message that states and the federal government need to hear.

MR. BERUBE: Anybody else, Sara?

DR. GOLDRICK-RAB: I'll take that and run with that.

MR. BERUBE: Yeah, okay.

DR. GOLDRICK-RAB: I mean I think both of you just really hit it on the head. I mean I think that we have a set of assumptions, even

underlying some of the comments here today, you know, there's a set of assumptions about, okay, well, you know, we need students to do more, we need students to work harder so maybe we can, you know, fund them differently and they can work a little harder.

You know, we really value the rights of states to make decisions about their different sectors, right, and we value their right to decide how the two year sector is valued versus the four year sector, et cetera.

And I'm not trying to set up a dichotomy necessarily, but there is a dichotomy, and there already is a sort of war going on, and I'm in a state where I can witness this all the time. You start talking about a \$2.5 billion college completion fund, and the wealthier and more advantaged institutions are already angling for it, you know. I mean they're better positioned to make their case, they have the voice, they know how to lobby, they do all those things, and moreover, you know, they're thinking about I can meet these metrics, you know, I can achieve more easily, and state looks at them and says, you know, if I give money to UW-Madison, well, they can probably show that bump we need, and you know, and we'll be able to do it. Now, if we invest in, you know, in the two year tech sector, well, we don't know, you know, we have kind of low expectations for them, et cetera, and maybe that's just a risky investment.

So part of it is, I think I am arguing that because we have these things so engrained, you know, and this has been going on for such a long time, it, you know, goes back to when we referred to them as junior colleges, right, that changing that I think is going to require taking a harder stand than we've taken.

And on the student side of things, I imagine students do need some incentives. But at the same time, just take a trip to some of the nation's community colleges, and I'm sure yours is lovely, and you know, I've been to NOVA, go to Chicago and walk onto the campus of Malcolm X Community College or Olive-Harvey Community College, places I respect a lot. But I don't care how much financial aid you have when you go there, these places are demoralizing. The buildings themselves are demoralizing. These things are crumbling, they don't have enough light bulbs, okay, the classrooms are crowded, you're educating adults in trailers, these are overgrown high schools, if that.

So, you know, I don't think you can move the dial that much if sort of the environment in which you're asking for change to happen is going to be that environment, and I just think we have to bear some responsibility, sort of in partnership with students and families, because, you know, I don't think we can turn back the tide, unfortunately, on what

you're describing of asking students and families to pay a little more tuition, and it is happening.

But the problem is that when we go towards asking them to pay more, we give ourselves an excuse for doing less, and we do less, and we do less, and we do less. So I don't know how we can meet these really ambitious goals, you know, that Gates has and that the President has, and that, of course, I have, as well, I don't know how we can meet those goals if we don't take this as a two-sided partnership, which is what education is.

MR. BERUBE: An uplifting note I think on which to turn back to the audience for a little bit more give and take. It's about 3:30 now, I think we'll go for about 15 or 20 minutes and then get everybody out of here on time. So right there, you're standing right next to one. If you'd just identify yourself and your organization.

SPEAKER: Ann – I'm at Mathematica. I'm a little bit surprised how little we've touched on the question of articulation with K-12, just given how important it obviously is. I recognize it's a bit beyond the scope of this particular paper, but I wonder if some of the panelists could point to sort of their favorite articulation issue for the whole spectrum, or their favorite policy lever that we should be talking about, just to get a sense of what you're thinking there.

DR. MELLOW: My favorite one is that the – in the City of New York, students are required to pass – actually, in the state of New York, to pass what's called a Regents examination that has zero relationship to the entrance requirements to go into a community college.

MR. BERUBE: A favorite in one sense, I think. Tom, and then Cecilia.

MR. DAWSON: On that same note, you know, on the K-12 side of our foundation, we've spent a lot of time on improving the quality of standards in K - 12 schools and assessments tied to those standards, you know, and states have done a lot of work around high school exit exams, for example. To the same point Gail just mentioned, in California, where I'm from originally, the high school exit exam in California is set respectively in math and reading, and I always forget which one is which, but one is at the eighth grade level and one is at the tenth grade level, and you wonder why students come to college unprepared, it's really not that – that's a pretty striking fact there, I think.

California has, I'm sure a lot of you around the room know, has a program called the Early Assessment Program, where they deliberately try to get students in say the eleventh grade year to test them that basically augment the assessment that's used in the eleventh grade year to see how well prepared that child is or that student is to actually go

in and start at a Cal State campus, at what sort of their expectations are. And then if the student isn't prepared, then they provide services and try to get the student up to speed before the student ever sets foot on a campus. And that's kind of common sense that – I mean especially that high school exit exam question, it's just – I mean it's a glaring thing, it's not particularly complicated.

MR. BERUBE: That's good, so now we have one positive example I think on articulation policy. Cecilia, did you want to talk again?

DR. ROUSE: I was actually going to say exactly the same thing, which is that we have these high school standards which just don't match up to the college standards, and why can't that be. But I would like to go one step further, which is to say I think that we also need to do a better job of articulating between two year and four year colleges, as well, that, you know, for a lot of students, this decision to start a two year college versus a four year college doesn't actually effect the ultimate educational attainment.

But for other students, they get, you know, they're confused as to which classes transfer, or you know, they find out it's closed – so they don't transfer, the information is just not there, and I think we can do a better job on that, as well.

MR. BERUBE: And is this – I mean this lack of sensible articulation, I mean is this an issue of states not understanding it? There's politics behind this, right, I mean this is –

SPEAKER: There's a lot of politics.

MR. DAWSON: Yeah, I mean even getting the eighth grade and tenth grade level in California set as part of that high school – and that was a fight.

MR. BERUBE: It was a huge fight.

MR. DAWSON: A huge fight, and so a lot of it is politics.

MR. BERUBE: Yeah; I mean you're a politician, Stan, yes? I'm not blaming you for this one, but --

MR. JONES: But I guess I want to point – there's this difference between alignment and achievement. And, for example, the group achieve has done a great amount of work on standards, a lot of states have adopted high academic standards that faculty have participated in helping develop, and yet you could say are aligned, but yet on the eight state pilot algebra II test, only 20 – the students only got 25 percent of the questions correct, tens of thousands of students, and our own studies, using ACCUPLACER for high school juniors, and as Tom said, in California, they have the same results, we only have 20 to 30

percent of the students that are actually achieving at the level. And so it's alignment, but it's also achievement.

MR. BERUBE: What you do on the back, I know that, great. The next question, somebody who hasn't asked a question yet. There's one back behind you there, Adrianna, and then we'll come back up front.

MS. GALT: Thanks; I'm Barbara Galt with the Institute for Women's Policy Research. And we're doing some investigation with funding from the Gates Foundation to look into promising practices that support single mother success in community college programs, and one thing that we're finding is that in virtually no community college that we know of is the supply of child care sufficient to support low income single mothers.

And there is the federal campus program which does provide funding to both two year and four year institutions for child care resources, and that – the funding for that program has decreased in recent years and is no where close to being adequate. So that's one program I would suggest adding to the recommendations. And I think, in terms of innovation, that's one area that has a great deal of need in terms of figuring out what the need is, how to meet that demand, and how to integrate with the rest of the early childhood system to allow those single moms to succeed. And, you know, from that perspective, I just wonder

what role an incentive plays in a single mom's life who is trying to balance all of that, like is that – what's the theory of change of how that would work for her? So I'll stop there.

MR. BERUBE: Yeah, that's a great question. I know the research suggests a couple of things about this, so please –

SPEAKER: So I think some of the incentive that was suggested is that, you know, if you're working – if you get certain grades or if you're doing – if you're attending school and you get certain grades, then you get a certain amount of financial aid.

And I think the idea is, one, especially when the incentives involve more financial aid, and especially I think some of the design elements are financial aid that you can use for more purposes, that you actually allow – you give some money for the single mom to be able to either work a little less or to buy some child care to allow them to focus on their studies a little bit more, and you provide a bigger incentive for them to try to do that. That includes the financial incentive to be able to – to be able to do so. So I think that's the theory of change –

MR. BERUBE: So let's go right here again and then –

MR. FINNERAN: Hi; Kevin Finneran from the National Academy of Sciences again. You've all emphasized the uniqueness of the U.S. community college program. The Director of Education Statistics

for the OECD was here recently and presenting data on all the OECD countries, and I asked him, I said, you don't have any information about community colleges here, and he said, well, we don't know what to make of them, the rest of the world doesn't know what to make of them, so we assume that they're meaningless, that people, they just have no value, and I said, well, that's stupid.

But we also exist in a global labor market, and if he thinks that there are a lot of other people in OECD countries who think that, so I wonder how – to what extent the uniqueness is a problem.

The other side of that is, because of resource constraints, you know, lack of faculty and so on, there is also a demand for increasing productivity in education, using information technology and other sources. If community colleges are unique, they also have the freedom, perhaps the opportunity to do something very different, I wonder what is happening in community colleges in this way. I mean in some ways, making a lack of resources, which we should also try to increase, still a virtue to spur you to do – increase productivity in education in some ways.

MR. BERUBE: I think, Kevin, you maybe called out the one down side to the elimination of the attaché to the OECD – the budget today.

SPEAKER: Well, that's what I would say. I mean when I wrote about international community colleges in my book, there are many, in fact, there probably is – they're community college like structures, so I'm really quite confused that someone from the OECD did not understand that, and I would be happy to talk with them about what's in Spain, what's in France, what's in the UK, what's in Romania.

I mean there's like – there's a lot of – they're not exactly the same, but there really is a sort of burgeoning two year sector that really looks at middle skills, and is part of the baronial process, like maybe they didn't understand what the baronial process is, because it's certainly in there, so I just don't quite understand that comment.

MR. JONES: I'd like to – the second part of productivity, there used to be a time that you couldn't even have – use the word productivity in meeting with higher education. But your illustration of technology, I mean only in higher education does technology make things more expensive than without it. And in many public colleges, they charge a technology fee to support the technology. And many distance education programs do cost more to deliver than not.

And so there is a huge advantage. Now, I'm a huge believe in the public sector, but we could look not very far to the private sector, in places like the University of Phoenix, and see how effective they've been

on using technology and borrow some of those practices. But I think there's a huge opportunity there that we've just not taken advantage of.

MR. DAWSON: The other thing on technology that I would just mention, you know, in addition to some of the models that the for profits use with technology, obviously, Mr. Gates and the Gates Foundation is not a conventional user of education, nor was he in his past, so we're interested in how you might use technology to accelerate the time to brief the students and why, on sort of a broad level, we base sort of the time to get an associates degree or the time to get an academic certificate or a baccalaureate degree on the number of semesters you accumulate or credit hours you accumulate.

If you can demonstrate that you have competency in a subject, that you have work experience that you bring to bear, and you need a credential, why is it that we make your life more difficult to sit in a chair for a certain amount of time? So that may be a little too strong.

But we are interested and have a couple of grants, specifically around exploring competency based education. It can be misused certainly, but technology holds great promise for rewarding students for demonstrating what they know, not necessarily sort of how long they're in a chair or more on the input side of the equation, but to

focus technology on really getting at the output, and, you know, what a student is able to demonstrate that they know.

MR. BERUBE: I think right behind you, there are a couple of questions there.

SPEAKER: Thank you; I have a couple hats; one of them is as an adjunct instructor. I teach Friday nights from 6:00 to 10:00, a writing class, and I see multiple barriers to not just developmental, but all of the achievement, and some of them, when I think about what they are, I'm not sure they're addressed.

Sara alluded to students and their families, but some of the issues, including technology, I have a student who has no access to internet, so she can't email me her papers. And I'm, you know, I teach an hour away from here.

The support you get outside of school, outside of the institution, your first time folks, they don't know what's required, the effort that's required to achieve, they don't have family that understands that they're going to be taken away from time to family and work to achieve, and how does this federal policy ideas, what kinds of policy ideas can address the community piece of achievement of community college students?

MR. BERUBE: Could you –

SPEAKER: Oh, I'm sorry.

MR. BERUBE: -- and there was a question right next to you, too, let's maybe aggregate a couple here.

SPEAKER: I'm Melissa – I'm at UDC, and these students who come in don't really know – they need counseling, they need guidance, and they need a lot of individual support to understand the dynamics of being a college student. Four year colleges cannot really provide that much to them. They work. I teach an 8:00 a.m. freshman orientation class because my students at 9:00 go to the post office where they work, the fire department where they work, and so this is – and foreign students, they need supplementary activities built into a community college to get them to be “a student” and survive under the pressures of home, work, single parents, and so on, it has to be built into our policies.

And also, just one comment, it's not bad being adjunct and older, we don't have very ambitious goals, we're there for the students, so, Sara, don't write us off.

DR. GOLDRICK-RAB: I'm definitely not writing you off. I'm thrilled that you guys are here. I want to say something, though, about what you're saying about the resources that they have and don't have. I mean we definitely know this. Doug and I are doing a study in the state of Wisconsin, and I can tell you that one in five of our Pell Grant recipients

attending two year colleges does not have a computer at home. And it matters in so many different ways, including trying to get in touch with them, right. I think that that speaks, in part, to one issue that we did sort of set aside in the proposal itself, which has to do with financial aid, right. And there are other proposals out there that address this issue of financial aid for community college students.

When you try to look at the amount of federal aid going to community colleges, you have to – one of the struggles that we encountered was separating out the money that goes to community colleges directly and money that travels indirectly through students, and that's the vast majority, in fact, of the money that goes to community colleges.

At the same time, these students are disproportionately, you know, part-time and even less than half-time students who can't get enough money to go. So those are a very important thing. I want to say I agree with you completely about the need for advising, the need to structure advising into it, and it requires money.

MR. BERUBE: So let's do maybe three more questions, we'll aggregate them, and then we'll allow the panelists to respond. So let's go Louis and a couple up here.

SPEAKER: Sure; I think this question is mostly for Cece, but I'm not sure. So we know from, you know, what we know about innovation in the private sector that it's very messy, right, so you know, only a tiny percentage of the money that gets invested there actually turns into a product that makes a lot of money. And what I'm wondering about is, we throw the word innovation out a lot, but how does the public sector wrestle with the fact that, if you actually want a fund innovation, you're going to break a lot of eggs before you make an omelet, and you know, it's a different way of looking at the risk with public dollars, and I don't know if we have an answer to it yet, but I figured I'd ask the question.

MR. BERUBE: It's a great question, so we'll let Cecilia stew over that while we take just a couple more here. Let's go – we'll go back to Inside Higher Ed and then NoVA again.

MR. MOLTZ: Yes, David Moltz, Inside Higher Ed again. I'm hoping to sort of gauge some differences of opinion here. I'm curious what the panelists think about community colleges offering bachelor's degrees, and especially in the applied sciences. There's currently a tussle going on in the state of Illinois with this, and, of course, about a dozen other states offer it. There are a lot of fights about whether or not state dollars should be used for this. A lot of four years, you know, consider it sort of mission – and, you know, stay off my turf. I'm sort of wondering

whether there would be a similar fight for federal dollars. I'm curious actually what all five of you think about that.

MR. BERUBE: We'll take one more right here, please.

SPEAKER: Thank you; I actually have a few hats. There's the NOVA board hat, but there's also – I'm a university administrator, and a member of the Education Commission of the States, so I'm looking at this from a lot of different levels.

Cecilia, you said something that really struck me about the white elephant, and that being remediation. And I was thinking about, when you build a house, and it's done, and you get that punch list, right, and the punch list is all the things that didn't get done right when they built the house and they come back and they fix it. We have an opportunity with the elementary and secondary education act reauthorization coming up next year to maybe address those punch list issues with the students that are coming through the system, because it is an enormous cost that the states are absorbing. It's a ding to the community colleges because we don't get those students through, as Stanley pointed out.

A lot of those students aren't going to receive the degree or certificate to come in, and yet, the expectation by the people that fund us is that they are, that every student that enrolls, that takes their first credit class at a community college, or in the case of developmental education,

even non-credit, but they still count, they're still a person that enrolls, that they're going to receive some sort of an output, a degree or a certificate.

And so whether or not we move the needle a little bit on that literacy scale doesn't matter, it doesn't count. So if we're going to go back to the products that we're receiving, that punch list that I'm talking about, shouldn't we then go back and through VSEA perhaps, make sure that we fix the issue of students not requiring – certainly no remediation I think is unrealistic, but certainly not as much as we're seeing now.

MR. BERUBE: So we've got this question about the – I think the crosswalk again and what the colleges are asked to do given their inputs, what should their, you know, what are reasonable outputs to expect, innovation, and the difficulty of stimulating innovation from the public sector side, and then mission – and four year degrees, and the two year sector and what you all make of that. So open to the floor now.

DR. ROUSE: So should I – why don't I just start with –

MR. BERUBE: Just start –

DR. ROUSE: So I interpreted your question actually as being, there's risk in spurring innovation, there's going to be a lot of things that don't work, and I think that's exactly right, and at least my hope with the access and completion fund is that we learn, I'm trying to go with the egg analogy and maybe that's a mistake, because I'm hitting the end here,

but that while we have broken a lot of eggs, that we learn which ones looked fruitful and which ones did not.

I think that's very ambitious. As an economist, you know, I believe in very – and one who does research in this area, I believe in very rigorous evaluation. I think it's teasing out what was the effectiveness of a policy change from the other characteristics of students is very, very difficult. And I don't know that you can expect that, you know, of the, you know, even if we've collected the data, and I think part of this is no question – there's no question that part of this is developing the data system from the community college level all through the system, but those data alone aren't going to actually suffice to do real evaluation of the kind that we would we'd have.

But nonetheless, I think they'll tell us more than we know now. So I think the hope is that actually, by putting the research emphasis on this and having that research spin, that at the end of five years, where we've – innovation, we can separate out the eggs that –

DR. GOLDRICK-RAB: The omelet maybe.

DR. ROUSE: Exactly, we can make an omelet, there you go.

MR. BERUBE: Do you want to comment on this same one, Stan?

MR. JONES: Yeah; I'm going to try to give one answer to three questions if I can pull it off.

MR. BERUBE: Productivity –

MR. JONES: I first saw the statistic in 1988, and it's stuck with me ever since, and that is that if you were born into a family in the lowest income quartile, you had a seven percent chance of getting a four year college degree. If you were born in the upper income quartile, you had a 77 percent chance of getting a four year college degree. And that was in 1988, after the country had already spent billions of dollars.

Fast forward 20 years later, that lowest quartile has moved to 12 percent, and the highest quartile is about 72 to 75 percent. We still have this huge gap. And we can raise the question, and some have written papers on this, as to whether education is the great equalizer, or is it simply keep the economic system in place the way it is.

And so to your question about innovation or trying bachelor's degrees or what we hold ourselves accountable for, who would have ever believed that the general public would have accepted the stimulus program that we're currently doing, and that's because they know things are so terribly wrong that they're willing to accept dramatic change in order to fix it. And if people knew how dramatically we were not succeeding at educating young people, poor people, blacks and Hispanics, they would

accept broader, deeper, and bolder plans for innovation and change at every level.

MR. BERUBE: Other comments in response to any one of the three questions? Anybody want to talk about this bachelor's degree that was in the *Times* the other day?

DR. GOLDRICK-RAB: The bachelor's – I think the bachelor's degree at two year colleges is something some folks are trying. I think you're looking for a huge fight. Do I think it's a fight worth having? Probably. The whole notion that it would be framed as a mission – implies the problem, okay.

I don't know even what to say about that. I mean the notion that, you know, there are states where there's no four year college near somebody, and yet the two year college near them might offer some form of a bachelor's degree and that's somehow a problem, we need to take that on. But, you know, the ones that are doing – I mean you're talking about a fairly localized phenomenon right now, so --

DR. ROUSE: And I totally disagree with that.

DR. GOLDRICK-RAB: Okay.

DR. ROUSE: I absolutely disagree with that. I think what makes community colleges who they are is a sense of – open admission I think is – that's not what a four year college is about, it's not about open

admission. I mean we are in the 21st century, give – I mean what online bachelor's degree can't you complete? I mean it's just – it's crazy. And given the numbers that I show, given the numbers that you talk about, given this enormous gap that Stan just talked about, for us to do anything other than get a hell of a lot better by getting a hell of a lot more money and full-time faculty for what we do I just think is crazy.

So I absolutely stand on the other side of that. You know, and good arm wrestling with several of my sister and fellow presidents that are out the country.

MR. BERUBE: Okay. A little intrigue here, that's good. Tom, do you want to have the last word on any of the questions there? I mean innovation is what you guys are sort of about.

MR. DAWSON: Yeah; I mean definitely, and this – I know Louis is working on over at Cap, too, and I don't have a good answer for you on it, but you're right, the government doesn't typically do well with innovation, and it's something – especially taking risks where they may fail, there's not a lot of reward in the public sector for doing that, and so it's a big, you know, it's a big problem. And that's one of, you know, with the access and completion fund and with, you know, experimentation, we at the Foundation are very fond of that in terms of experimentation. And so

perhaps the Foundation in its philanthropic world can take on some of these risks that initially states or the feds may be adverse to doing so.

With respect to your question around two and four year, I – the Foundation I think is more clearly interested in improving completion rates across institutions, be they a two year or four year institutions. I don't necessarily think we would take a position one way or the other, but our primary interest in terms of our grant making is improving completion rates in two and four years, and so that's where we're going to focus.

MR. BERUBE: I mean the other thing that the federal government is not great at doing is ending things that don't work all that well, right, and so that's something to keep in mind, as well. But I'm good at ending things on time, so I want you to join me in thanking a great panel for their contributions. And thank you to all of you, of course.

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