Stimulus: What’s It Really About?

Every week a new announcement seems to come from Washington that involves more support for community colleges. There’s the Stimulus Package, the Community College Initiative, a new program with the Department of Education, plus lots of talk about workforce training, and, of course, money to fund everything! Are these developments too good to be true?

Oakton’s Stimulus Workgroup has been meeting since March to filter the information—and funding—that’s coming from Washington and determine what will work for Oakton. In concert with the Office of Grants and Alternative Funding, the Stimulus Workgroup developed this newsletter to keep the Oakton community informed.

This bi-weekly newsletter will provide information about what is really happening with the Stimulus and other funding, what the College is doing to keep abreast of the information, and what programs might be developed that rely on outside funding. In keeping with the College’s green efforts, the Stimulus Newsletter will be posted on the Office of Grants’ Web site.

Oakton-Harper Consortium with Workforce Board

With the primary focus of the President’s Stimulus Package on jobs, much of the early American Recovery and Reinvestment Act (ARRA) funding has filtered through the Department of Labor to the local Workforce Boards. These boards, or “L-WIBs,” help adults, youths, and dislocated workers find jobs or improve their job skills. The Boards also partner with employers to train incumbent workers in needed skills.

The Workforce Board of Northern Cook County serves Oakton and Harper Community College districts. The two colleges formed the North Cook County Regional Consortium to work jointly with the L-WIB to serve residents, rather than compete for contracts. The consortium also enables the Workforce Board to reach a broader clientele, and avoid duplicating programs.

Initially, the L-WIB projected spending $1.15 million in ARRA funds for community college class-size training, but as additional regulations are put in place, figures change. The initial amount was reduced to $363,763, but the Board has requested an additional $370,000 for the program using a different pool of funding. L-WIB also is considering enhancing the delivery of programs with additional funds for assessment and case management services.

The Consortium recently submitted a proposal that encompasses incumbent worker training, class-size training, bridge programming, small business development, green initiatives and special events, and workshops. The L-WIB hopes to have contract agreements by early August, with classes offered through this program beginning in mid-September.
President Obama recently announced his “American Graduation Initiative,” a plan to help an additional five million Americans earn college degrees or certificates in the next ten years. The core of this initiative, a $12 billion, decade-long plan to enhance community colleges, represents a 60 percent increase in direct federal spending to community colleges.

“Not since the GI Bill and President Truman’s efforts that doubled the number of community colleges and increased their enrollments seven-fold has the U.S. so recognized the important role of community colleges,” the Obama administration says.

Four programs comprise the Initiative:

**Community College Challenge Fund:** Provides $9 billion over ten years in competitive grants to community colleges and states to build partnerships, expand course offerings, improve remedial and adult education, innovate and expand proven reforms, and provide support services. Funds also can be used for high school dual enrollment programs, improved articulation with four-year institutions, and increased access to services such as tutoring and childcare.

**Fund for Community College Facilities:** A new $2.5 billion fund to catalyze $10 billion in community college facility investments. These funds can be used to pay interest on bonds or other debt, seed capital campaigns, or create state revolving loan funds.

**Online Skills Laboratory:** $500 million to develop state-of-the-art, online curriculum that could supplement course work at all community colleges. This “seed” money brings together experts to develop the best possible curriculum and make it freely available to students and others who want to use it, modify it, and share it. Departments of Defense, Education, and Labor will collaborate to explore ways to award academic credit based upon achievement rather than class hours, and rigorously evaluate the results.

**College Access and Completion Fund:** Supports efforts to increase graduation rates and close achievement gaps, including those at community colleges. (Proposed in the FY2010 budget, with a request of $2.5 billion over five years, this program is not part of the $12 billion request.)

Congress will have to approve this Initiative, and funding amounts are likely to change during what could be “extended legislative jostling.” A House committee has recommended a $9.5 billion, 10-year plan.

The Initiative would be funded with proposed changes in the federal student loan program, estimated to save $87 billion over the next decade.