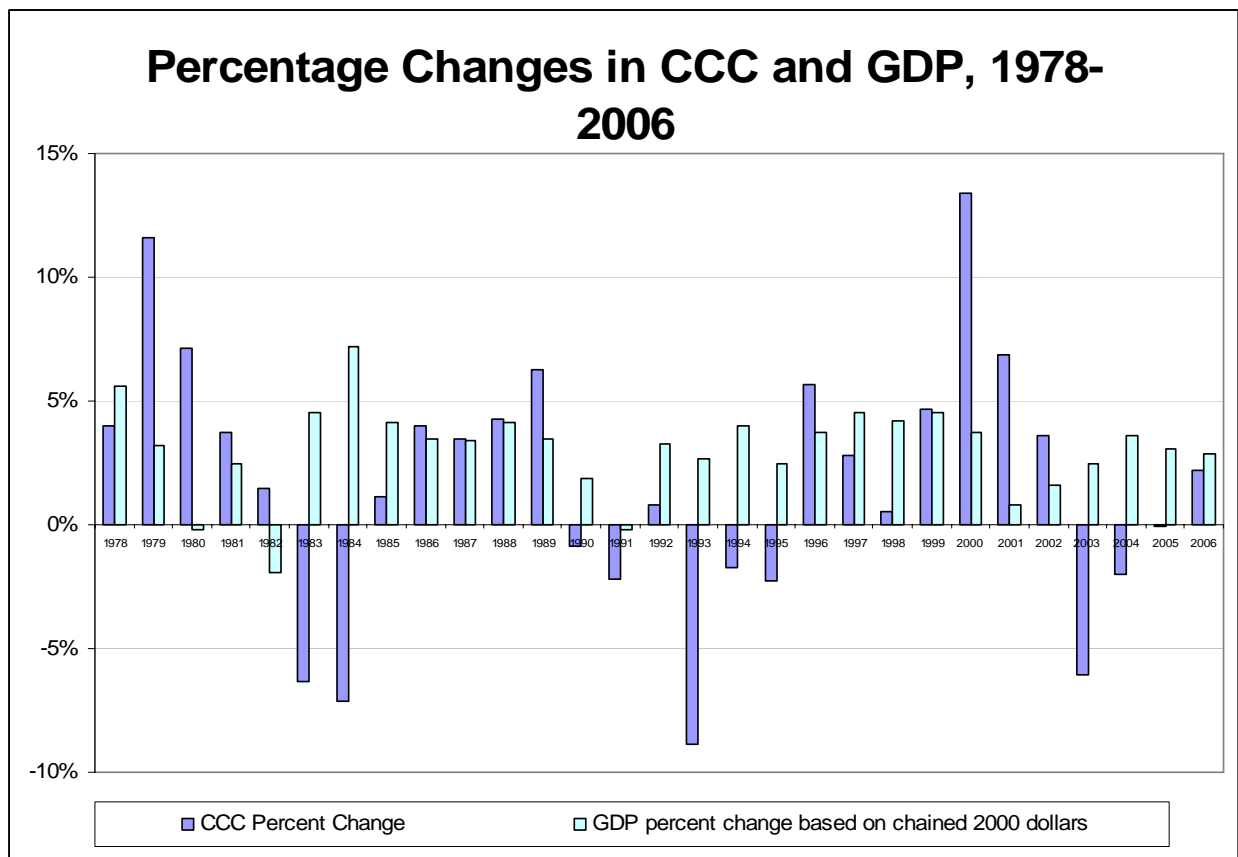
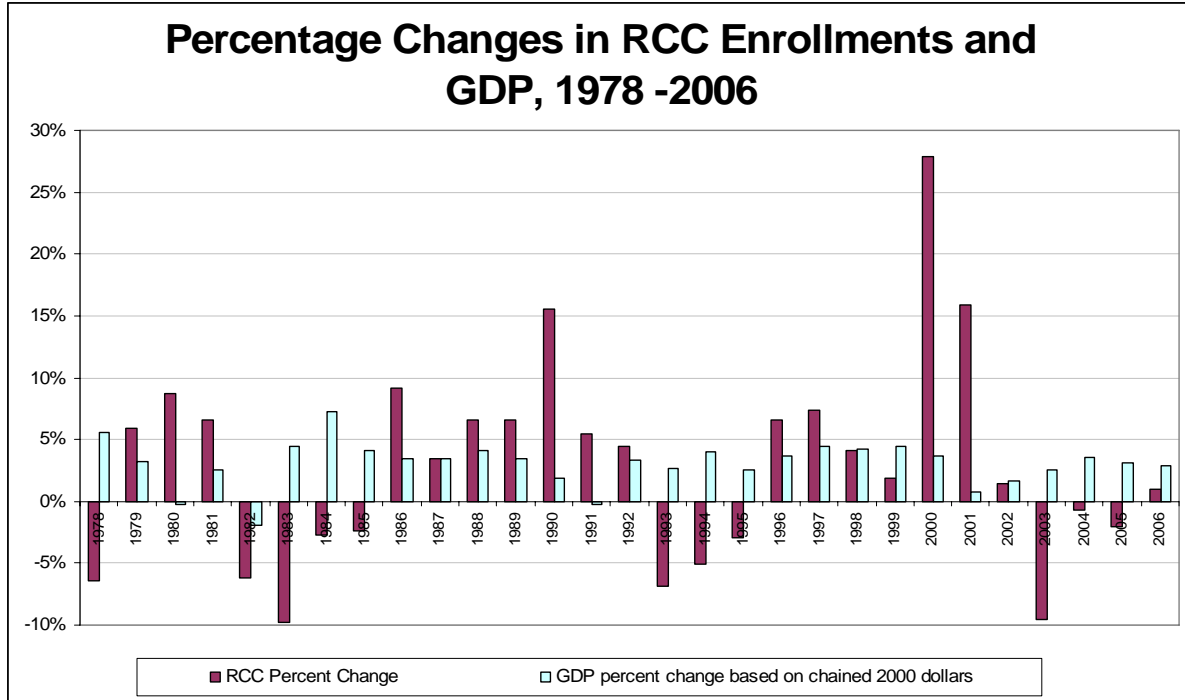


Economic Indicators and Community College Enrollment Prepared by Kristina Kauffman and David Torres

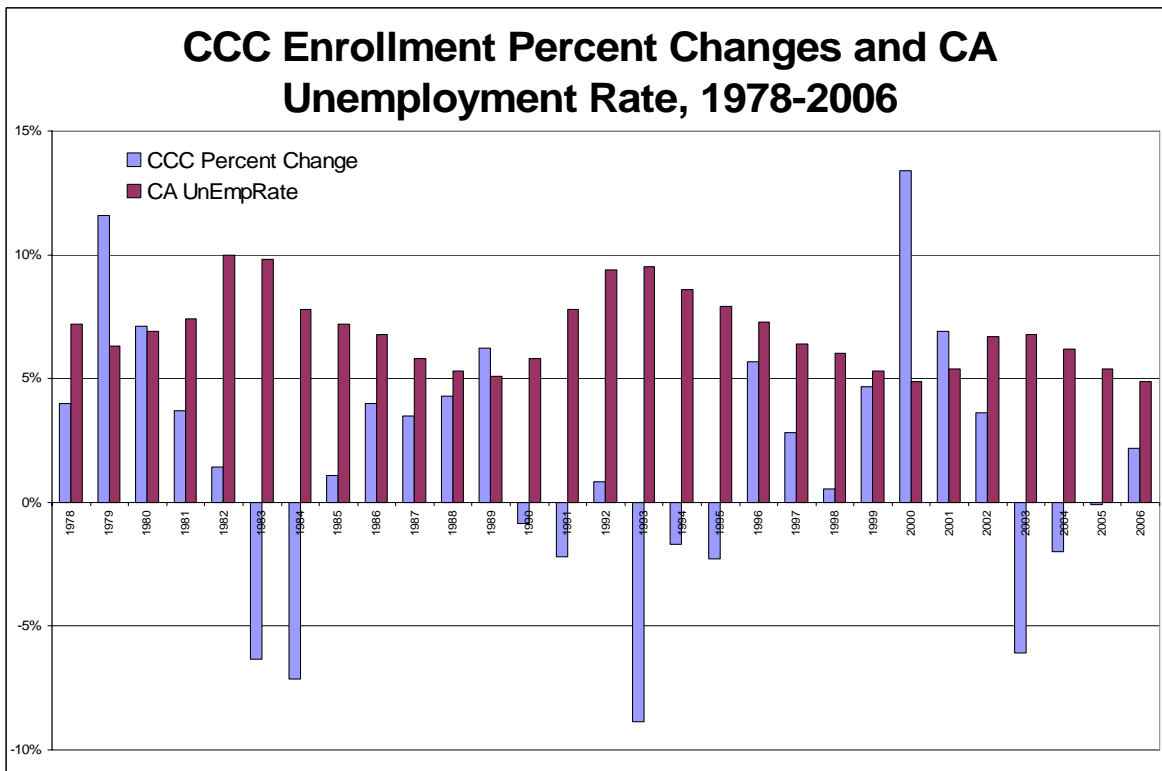
A body of research exists that demonstrates the relationship between the economy and community college enrollments. Conventional wisdom asserts that when the economy experiences downturns, people re-enroll in community colleges (presumably to gather new workplace skills, or to enhance existing skills). The present preliminary analysis examines the relationship between changes in the selected economic indicators (gross domestic product, or GDP, and unemployment rates) and community college enrollments (statewide and at RCC). If this relationship can be accurately predicted then there may be implications for future RCC enrollments.

The first two charts show the interactions of changes in the GDP and California community college student enrollments. In some years, there is support for the conventional wisdom (1983-84), but this is not present in all cases. The first chart shows enrollment changes for the statewide California community colleges, and the second chart shows changes for RCC only.

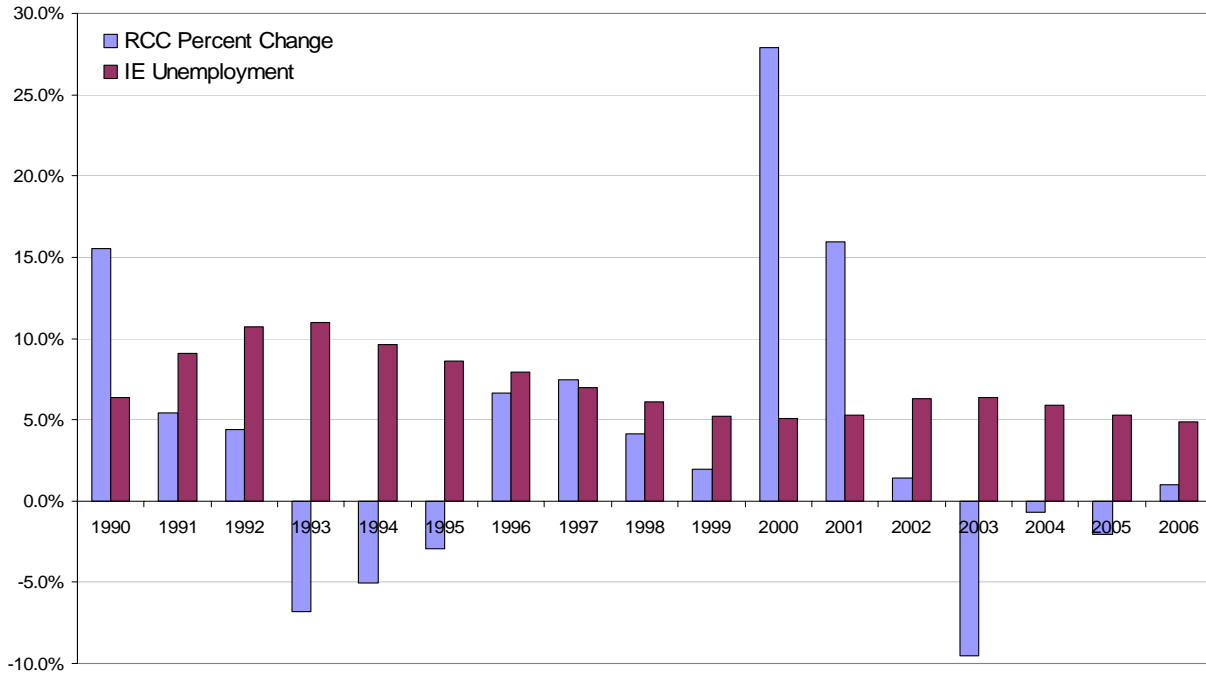




Examining a different economic indicator, unemployment rate, yields similar inconsistent findings. The tables below show the relationship between unemployment rate and California community college enrollments and RCC enrollments.



RCC Enrollment Percent Changes and IE Unemployment Rate, 1990-2006



These preliminary data indicate that the conventional wisdom of economic downturns leading to enrollment growth is not always supported. Further research needs to examine possible other factors contributing to enrollment changes.

Sources: Chancellor's Office Data Mart; Bureau of Economic Analysis, U.S. Department of Commerce; Bureau of Labor Statistics, U.S. Department of Labor.