

COVID-19, Unemployment, and Forecasting Enrollment at Compton College



April 2020

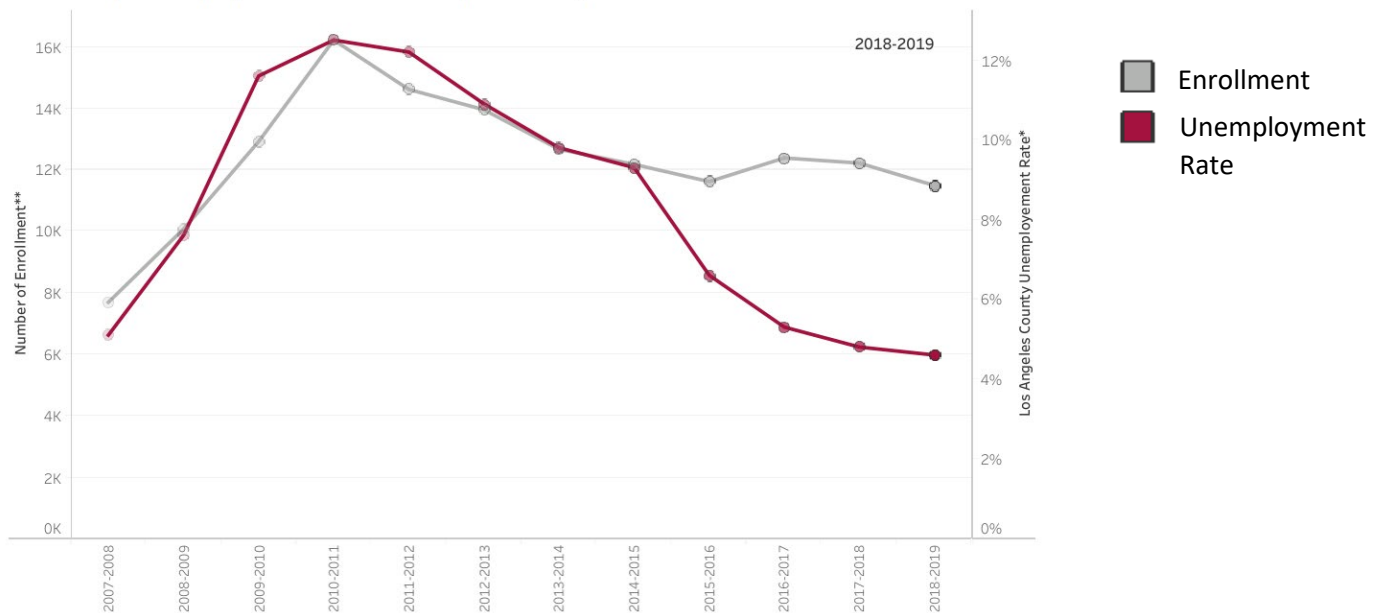
Compton College is responding to the new reality under the COVID-19 pandemic. The College has transitioned its classes online during the spring 2020 term, and college leadership is currently planning for the summer and fall 2020 terms. Through this unprecedented time, Compton College recognizes the jump in unemployment spurred by COVID-19, the anticipated recession, and efforts of the Federal Government through the CARES Act will likely have implications for Compton College in the months to come.

This report outlines the relationship between high unemployment and local college enrollment, provides a timeline for anticipated benefits under the CARES Act for residents, and suggested ways that Compton College may plan to best support more residents to reach their goals during this difficult time.

Enrollment's Relationship to the Economy

Compton College, like other community colleges, tends to experience higher enrollment when unemployment rates are high. From the last financial crisis that began in December 2007, we see that enrollment peaked with over 16,203 unique students in 2010-2011. In more recent years, with markedly low unemployment in Los Angeles (around 4.4%), Compton College enrollment decreased with the most recent count of 11,473 students in 2018-2019.

LA County Unemployment Rate vs Compton College Enrollment Trend



More detail may be found at

<https://public.tableau.com/profile/mahmut.gundogdu#!/vizhome/LACountyUnemploymentRatevsComptonCollegeEnrollmentTrend/LAUEvsCCET>

The Office of Institutional Effectiveness is continuing to expand upon these data, by looking at the relationship between persistence and the unemployment rate, as well as the experience of specific student groups by ethnicity, gender, and age.

The unemployment rate has increased dramatically over the last three weeks. The *Los Angeles Times* estimated that more than 925,000 Californians applied for unemployment benefits in early April.¹ The Governor reported, “In the last four weeks, California has processed about 2.3 million unemployment insurance claims, which is more than the total number of claims filed in 2019.”² Unemployment in Los Angeles County increased 2.1% from February to March 2020, with 96,600 more people filing for unemployment than the month before, and totaling 320,500 people filing for unemployment in the County, see the table below. When considering this increase in the context of the last economic downturn in December 2007, it took four months to reach this level of unemployment in the County.

When we look at the breakdown of the unemployment rate by city, we also see that Compton, Lynwood, and Paramount all outpace the County, see the table below.

March 2020 Unemployment Rates for Compton College Service Area Cities

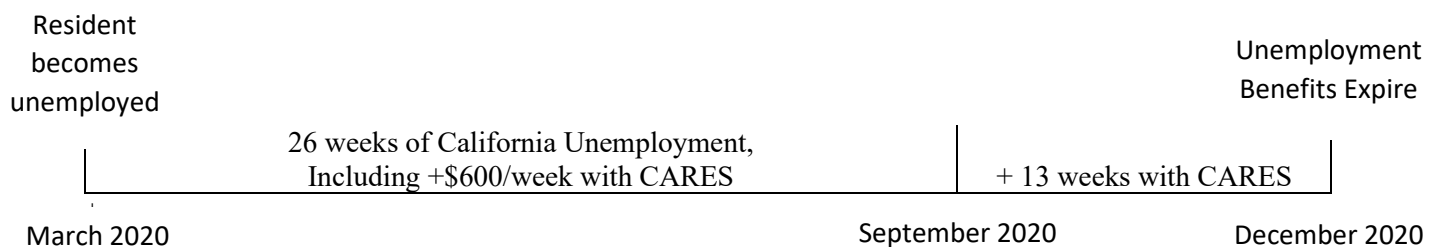
	Labor Force	Employment	Unemployed Count	Unemployment Rate
Los Angeles County	5,004,400	4,683,900	320,500	6.4%
Compton city	38,700	35,400	3,300	8.6%
Lynwood city	28,000	26,000	2,000	7.3%
Paramount city	24,300	22,500	1,800	7.3%

This spike in unemployment from February to March 2020 will produce an increase in enrollment at Compton College, and in the next section we consider variables about when to expect the increase.

The CARES Act and the Unemployment Benefits Timeline

Several factors will influence when Compton College will expect to see increased enrollment. Federal support through the CARES Act provides additional unemployment support beginning February 2, 2020 through December 26, 2020³. This support includes an additional \$600 per week of benefits through 7/31/20, and an additional 13 weeks of benefits overall.⁴ Therefore, the benefits for the surge of unemployed in our county experienced in late March or April will expire in December 2020, see the estimated timeline below.

Estimated Timeline



¹ <https://www.latimes.com/business/story/2020-04-09/coronavirus-weekly-jobs-report>

² <https://www.gov.ca.gov/2020/04/09/governor-newsom-announces-additional-unemployment-benefits-for-workers-impacted-by-covid-19-as-unemployment-claims-reach-record-levels/>

Unemployment Insurance Program Letter No. 16-20 from John Pallasch to State Workforce Agencies, April 5, 2020

⁴ https://www.edd.ca.gov/About_EDD/pdf/news-20-09.pdf

Compton College has a hold harmless status until 2023-2024, with a funding level of 5,980 FTES. This funding level provides us with the time needed to fully transition from our partnership from El Camino Community College District. However, it also uniquely positions Compton College to be ready to serve more students compared to our neighboring colleges that may face deficits produced by the Student-Centered Funding Formula. That being said, it is important to consider that Compton College will be subject to a deficit factor required because of reduced state revenue in an economic downturn.

Nonetheless, Compton College should expect to see increases in enrollment in early 2021 after unemployment benefits expire for the thousands of area residents who have recently lost their jobs. We must plan for increased enrollment with potential decreased revenue in the years to come.

Planning for Increased Enrollment

There are several ways to prepare for increased interest and enrollment at Compton College including building our curriculum, marketing to the newly unemployed, creating and fortifying business partnerships, and expanding the basic need resources for students.

Curriculum and Marketing

Compton College is currently building Program Maps for our existing programs of study. The increase of students makes this work even more essential, as students need to enroll and complete a program of study to make themselves employable as quickly as possible. Program Maps are scheduled to be completed in summer 2020.

In addition, this is the time for the Academic Affairs Division to support faculty to create new programs of study that are in high demand to increase competitiveness and employability. Faculty, deans, and Compton College administration may consider Labor Market data to identify new areas of study and build curriculum with support from local business partnerships.

It also will be important for Compton College to market its programs of study to the community, with special emphasis on programs that can get students back to work quickly or programs of study that lead to living wage employment.

Business Partnerships

Business partnerships are important to inform curriculum development, and to provide internship or employment opportunities for our students. Compton College has identified this as a Compton College Goal for 2020-2021, and the current economic conditions underscore the importance of these relationships.

Basic Needs

Compton College has expanded its support of student basic needs over the last month. We have provided a computer loan program to over 250 students, we are working on a partnership to provide free Wi-Fi to students, we have created partnerships for free meal options and food delivery services, and we are developing emergency grants for our students.

Basic needs will continue to increase as our student population increases. Compton College must continue to garner resources and services to support our students so that they can meet their educational and career goals.
