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INSTITUTE FOR HIGHER EDUCATION LEADERSHIP & POLICY

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Testimony to the Assembly Committee on Higher Education

Suggestions for Addressing California's Higher Education Challenges
March 1, 2005

Introduction

Last week I presented data showing that California suffers from some poor performance – particularly in the success or completion rates of our students – so many of whom gain access to our colleges and universities but never earn certificates or degrees. I argued that the state has not given adequate attention, under the Master Plan, to addressing higher education from a statewide perspective, instead focusing mostly on the missions and performance of each segment individually. As a result, we tend to overlook those areas where students “fall through the cracks” and we fail to identify the ways in which our colleges and universities, *collectively*, could better meet the state's needs for an educated citizenry and workforce.

The following three examples demonstrate how a focus on the segments, individually, can obscure some very real problems:

1. Good graduation rates but not enough educated Californians

It is quite possible for all of our institutions to have good graduation rates for those students who are eligible and admitted yet not be educating enough Californians to sustain a healthy economy and society.

2. Good outcomes for transfer students at UC/CSU but narrowing transfer pathways

UC and CSU may report equal success rates for transfer students as for “native” students, and CCC can report growing numbers of “transfer-prepared” students, but limited space and funding at UC and CSU can cause eligible transfer students to be denied access to campuses and programs of their choice.

3. Successful teacher training programs but severe teacher shortages

Teacher education programs at UC and CSU could do a good job of training students to become qualified to teach, but the state could still have (as it does) severe teacher shortages in urban schools and math and science fields.

Today I will offer some suggestions about how policymakers can better focus on state educational needs and outcomes for higher education. I will suggest a three-part framework and then specify several specific policy issues that should be addressed within that framework in order to improve statewide educational performance.

Suggested Framework for Statewide Higher Education

A statewide approach to higher education planning and performance should have three components:

1. *A Strategic Plan* that lays out clear state goals and suggests steps by which these goals can be accomplished;
2. *A Financing Plan* that addresses the costs of accomplishing the state's goals and how those costs will be shared between taxpayers and students; and
3. *An Accountability Plan* that monitors progress in accomplishing state goals.

Below are my suggestions for some key features of each of these components:

Strategic Plan

- ◆ A few broad goals to convey what the state expects from its higher education enterprise to provide for the educational needs of its people and economy;
- ◆ A companion set of policy issues to be addressed in the short-term, along with the means for addressing them and the appropriate role of each segment.

Later, I offer specific suggestions for policy issues that should be included in the plan.

Financing Plan

- ◆ Consensus about costs and how they should vary with mission;
- ◆ Estimates of total costs to accomplish the goals of the strategic plan;
- ◆ A plan for meeting the costs that addresses:
 - (1) The incentives created for institutions and students;
 - (2) Fee policy for cost-sharing between taxpayers and students/families;
 - (3) Financial aid to ensure affordability; and
 - (4) Expectations for efficiency in higher education to reduce overall costs
 - (a) at the institutional level (cost per student)
 - (b) across the entire system (units needed to complete goals; attrition).

Our Institute is currently developing a framework for projecting total costs of higher education over the next ten years and for analyzing how General Funds, fees (with allowances for student aid), and efficiencies might collectively meet these costs.

Accountability Plan

- ◆ Focus on statewide outcomes consistent with strategic plan;
- ◆ Clear purpose to improve statewide educational outcomes;
- ◆ Limited to data that are useful to state policy and budget development;
- ◆ Capacity to track individual student progress across institutions and segments;
- ◆ Sets clear expectations for segment accountability, as monitored by governing boards, to be linked to state strategic plan.

SB 1331, vetoed by the Governor, reflects these principles, and is a good starting point.

Some Specific Issues for Inclusion in Strategic Plan

Although there would need to be a process, inclusive of all stakeholders, to develop the strategic plan goals and issues, the following are my suggestions for some policy issues that should be addressed in such a plan. I have organized them into three categories, on the assumption that the strategic plan would contain a broad goal covering each of these areas:

Access and Enrollment

- ▶ Increase participation rates of Latinos and African Americans

For the traditional college-age population, 2002 college participation rates in public higher education in California were 35% for Whites, 28% for Blacks, and 20% for Latinos. Unless we close the gap in college participation, aggregate state participation levels will decline as the demographics of the state change over the next decade. It will not be enough to fund enrollment growth, defined as providing places for those who will be eligible and seek admission at today's rates. We will need to step up efforts to increase eligibility and participation from among these populations.

- ▶ Develop enrollment plan for graduate education

Today's competitive global economy demands that we take a careful look at the needs of the state for persons with advanced degrees. With the overriding emphasis on undergraduate access, we have not given commensurate attention to planning for appropriate levels of graduate enrollment in the two four-year segments.

- ▶ Provide for capacity to accommodate enrollment

While each segment has capital outlay plans that project facility needs to accommodate projected enrollment, there is no statewide plan for accommodating enrollment growth. Such a plan should (a) match capacity to where the people are, (b) consider shared arrangements such as the offering, by CSU and UC, of upper division course work at CCC campuses to maximize access, and (c) address if and how distance education will reduce the need for built capacity.

Student Success and Completion

- ▶ Fix the transfer process for students

Transfer policies in California are worse than almost every state. Simply said, they are not student-centered and they can cause students to take many more units than they need en route to transfer, or discourage students from transferring altogether. The CSU has worked hard recently to simplify transfer for high-demand majors. Even these reforms, however, leave us well short of a statewide, consistent, transparent transfer system. Under the Master Plan, California designed its postsecondary system to rely

heavily on community colleges for lower division education. About 70 percent of students begin in the community colleges, compared to 40 percent nationally. Therefore, transfer is more important here than in other states, yet it is less efficient. Without significant improvement, California will fall further behind in BA production, and Latino and African American populations (who are heavily represented in community colleges) will become even more disproportionately *underrepresented* among degree holders. We cannot afford the inefficiencies of present policies.

► Track program completion in community colleges

Most states have accepted that degree, certificate, and program completion are reasonable indicators of student success in community colleges. In California there is a strong culture of resistance to the concept of completion in community colleges. The argument holds that students enroll in community colleges for a variety of reasons other than to complete a course of study. While this may be true for some, it is not true for the majority. There is no chance of designing better and more responsive education systems if we can't analyze student progress towards their goals. The otherwise exceptional data system for the community colleges does not allow the computation of completion rates because the colleges do not categorize students according to whether they seek transfer, an AA, a particular vocational certificate, or just basic skills improvement. We can't have productive discussions about how well our colleges are meeting workforce needs without this information.

► Invest in student support services to enhance success

Closely related to the above issue is the fact that California seriously under-invests in student support. This is an unfortunate consequence of the zealous focus on access. Particularly in the community colleges, where so many students are first-generation college students who have little knowledge about college, the multiple pathways available to them are a source of great confusion. They need all the help the state can provide to identify an appropriate goal and an efficient route toward its achievement. If students were well-advised about their full range of choices, and well-supported in their pursuit of these choices, perhaps there would be less resistance to having students identify why they are enrolled, and accounting for success accordingly.

► Link K-12 proficiency with college-level assessment and placement

Much work is occurring nationally to improve the linkages between high school and college to improve college readiness and reduce the need for remediation. The Early Assessment Program (EAP) negotiated by the CSU and the K-12 sector is a national model for improving college readiness and reducing remediation. However, with 70 percent of first-time freshmen in the state enrolled in the community colleges, the greatest advantages lie with the adoption of a similar reform by the CCC. Currently, each of the 72 community college districts is allowed to use its own system of assessing college readiness. Not all students are assessed prior to enrolling in a community college and placement at the course level indicated by the assessment is not

mandatory. Unless the CCC adopts statewide, consistent, and mandatory assessment and placement, and coordinates such policies with K-12, the state will continue to support large amounts of remediation and see huge inefficiencies as students enroll in courses for which they are not prepared.

Economic Development

- ▶ Increase degree and certificate production in high-need areas

Higher education is increasingly critical to the economic health of states. Many states have developed plans for improving the contributions of their colleges and universities to economic development. A key component of this is to work with the employment sector to identify areas of high need, and develop incentives for addressing those needs. These would include teachers, which are in very short supply in urban areas, nurses, and other graduate fields that are deemed vital for economic competitiveness, such as bio-technology.

- ▶ Enhance the status of the community college vocational mission

Key among the multiple missions of the community colleges is vocational education – increasingly referred to as career and technical education. These programs are critical to state workforce development yet nearly all of the focus at the state policy level is on the transfer function. In fact, “success” is usually defined, at least implicitly, if not explicitly, as transfer to a four-year institution. This perception needs to be changed. There are numerous high growth, high wage sectors in the California economy that require sub-baccalaureate degrees or certificates. Vocational education needs to become a focus of statewide planning, accompanied by appropriate policies targeted for that mission, instead of being a “stepchild” within the community college sector.

Wanted: Leadership

States that are making progress in laying out a true statewide agenda for higher education have established the leadership capacity to keep key stakeholders engaged in common policy discussions. For a variety of reasons, including the tendency to deal with segmental instead of statewide concerns, California has not had that kind of leadership for a long time. We welcome the leadership from Assemblywoman Liu and the members of the Assembly Higher Education Committee. But without leadership from the Executive Branch, and without restored capacity at CPEC, or some coordinating entity, it is unlikely that the state can implement, let alone sustain, a framework to support statewide planning and policy change to improve educational outcomes for Californians.