

Testimony to Senate Education Committee
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I would like to address three topics this morning:

1. The importance of this effort;
2. What is meant by “accountability” in this context and how that differs from traditional understandings of accountability;
3. What lessons we learned from our efforts with the previous accountability legislation in 2003-04 that have relevance for this legislation.

Why this is so important

You have just heard from two prominent national experts on higher education policy. The decibel level of these kinds of warnings is increasing, and for good reason: the US higher education system is no longer the envy of the world. More seriously for us, California – which we all like to think of as #1 in most or all things – is at the bottom of the pack in some critical indicators of performance, including:

- the percent of high school graduates who go directly onto college;
- the numbers of degrees and certificates awarded in relation to numbers of student enrolled; and
- as an indicator that things could get worse before they get better, the proficiency levels of 8th graders in all subjects.

California’s per capita income is declining and is projected to fall below the national average in a few years and the average education level of the state workforce will decline unless we make quick changes and start reversing the trends.

Many other states are tracking performance and taking action: setting what’s called a “public agenda” for higher education along with goals for improvement, and instituting major policy reforms. But CA has set no such goals and has laid out no overall direction – no public agenda.

As our institute has pointed out repeatedly in our reports, California does not take a statewide approach to policy planning for higher education. Instead, we take a segment by segment approach that does not address many of the important questions relating to the troublesome trends I just mentioned. For example, separate consideration of the annual budgets and priorities of the UC, CSU, and the community colleges does not tell us whether the state as a whole is on track to produce enough college educated individuals to meet workforce needs and compete in the global information economy. Nor does it make us aware of the growing numbers of adults who lack high school diplomas let alone college

degrees. Or whether we have enough teachers in low performing school districts or enough nurses and doctors in rural areas.

What is Accountability in this context?

The failure to address these questions brings me to my next point: how are we using the term “accountability?” Accountability can operate at many levels and serve many audiences. For example:

- Colleges can provide information to consumers to help them choose the colleges for their kids. That is *not* what this is about, although it’s a good thing and we should make sure our institutions to do it;
- Governing boards can hold the low-performing colleges in their systems accountable for raising their performance to match other colleges in the system – another good thing but not what this is principally about.

This is about California’s policy leaders and educational leaders *collectively* holding themselves accountable to the people of California to produce the educational outcomes that will best serve the state. This is an effort that requires *cooperation and trust*.

Unfortunately, many assume that accountability has to involve punishers and the punished; enforcers and reluctant compliers. They assume that an accountability system has to compare and rank institutions (even ones that are not comparable because of different missions). And, most unfortunately, they assume that accountability is only accomplished when someone pays a price – preferably after lots of squirming and sweating.

That is not what this is about. I believe that several years ago, in our work on the earlier legislation, we showed that it was possible to achieve the kind of trust and cooperation needed for this kind of effort to work. Unfortunately we did not convince the new Governor and the effort was vetoed.

Brief Highlight of SB 1331 Lessons

Let me turn briefly to a review of the work on SB 1331 several years ago. The effort began with our Institute preparing a major research report for the legislature that summarized national trends in higher education accountability. We concluded that coming late onto the scene was an advantage for California because we could learn from the mistakes of other states. Those mistakes included:

- (1) approaching accountability in such an adversarial way that most efforts were thwarted by political resistance;
- (2) failing to separate consumer-oriented accountability from accountability for meeting state goals;
- (3) a passion for comparing the performance of individual institutions instead of a focus on whether all institutions, together, were meeting the needs of the state and its people; and

- (4) collecting far too much data with no overall context for what the data tell anyone.

Most of these plans had become “data dumps” that were data rich and information poor. These systems were simply not providing state policymakers with the kinds of useful information they needed to make the changes in public policy that are their right and responsibility.

So we began with a set of principles – and I will only mention those that were most important in moving the effort along:

- (1) We began with the stipulation that a state-level accountability framework must be designed around state goals (a public agenda);
- (2) The performance information generated should be limited to what will help policymakers make decisions about what policy changes may be needed to meet state goals;
- (3) The system should provide a framework to guide the three governing boards in discharging their responsibility for accountability at the institution level. But the state reporting system would focus on broad indicators of state performance – not comparisons of individual colleges and universities;
- (4) We should be driven by the questions we need to answer, not the data that are already available. If there are important questions we need to answer for which data are not available, we should commit to producing this information; and
- (5) Information produced by the reporting system would be used to guide policy and budgets within existing deliberative processes. We would not construct any auto-pilot formulas that would convert outcomes data into budget allocations. Using performance data to guide budgets and improve performance requires judgment and deliberation – not formulas.

With these principles on the table, we enjoyed tremendous cooperation from top leaders in each of the segments, as well as lots of hard work to develop the framework and specific performance indicators. I expect that they would support this renewed effort if they could be assured that we would again commit to these important principles.

I must conclude by saying that it is not only disappointing that we are no further along than we were nearly three years ago in adopting higher education accountability in California, but it is also very worrisome, in view of the dire forecasts for the state if present trends continue. I applaud Senator Scott and his staff for their commitment to this effort.