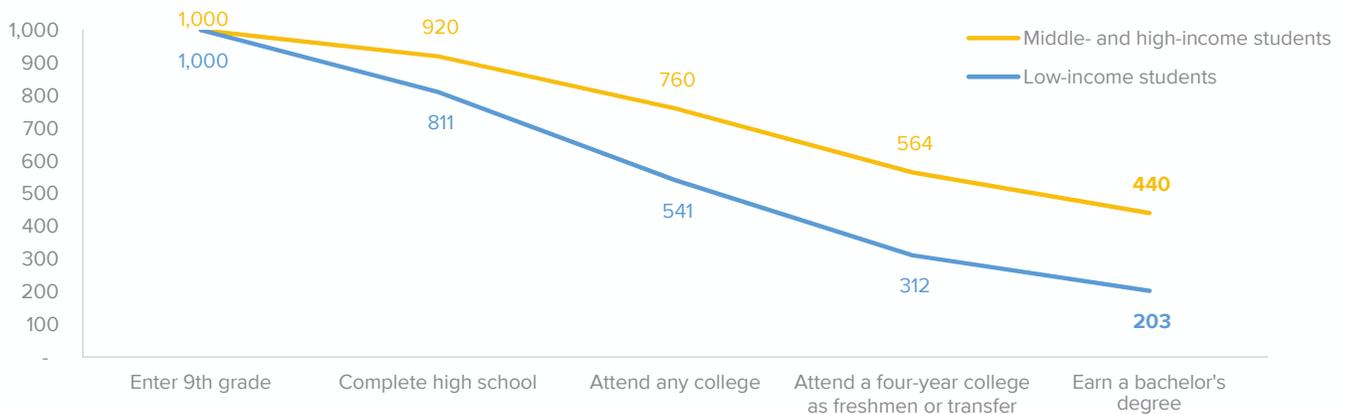


Education

California has begun moving toward a “cradle to career” approach that connects early childhood, K–12, and higher education more closely. But COVID-19 has disrupted learning, funding, and progress toward improving student outcomes and has exacerbated racial and economic equity gaps.

- ▶ A majority of the 6 million students educated in California’s public schools are “high need”—low-income, English Learner (EL), homeless, or foster youth. More than half come from low-income households and 19% are English Learners, compared to 8% nationwide.
 - ▶ Over the past decade, California has adopted several reforms aimed at improving K–12 outcomes and narrowing equity gaps—including a new school funding formula, new statewide standards in math, English, and science, and a revamped assessment system. In addition, the state released a new master plan for early education and child care in 2020. COVID-19 has disrupted many of these reforms.
 - ▶ California ranks 4th nationwide in the share of recent high school graduates who enroll in community colleges and 41st in the share who start at four-year schools.
- But most California students do not stay on the pathway to obtain a bachelor’s degree.
- ▶ California’s higher education system is the largest—and one of the most diverse—in the nation. Eight in ten college students attend the three public segments—the California Community Colleges (CCCs), the California State University (CSU), and the University of California (UC).
 - ▶ In each of the state’s largest racial/ethnic groups, average earnings for full-time, year-round workers are about twice as high for college graduates as for high school graduates. But the “college wage premium” varies by family income and race/ethnicity.
 - ▶ California is one of only a handful of states without a comprehensive, longitudinal data system that links student progress from K–12 through college and into the workforce. The governor and the legislature have taken steps toward creating such a system.

MOST CALIFORNIA 9TH GRADERS WILL NOT OBTAIN A BACHELOR’S DEGREE



SOURCE: Author calculations based on current rates of transition per CDE, CCCCCO, UCOP, CSU, and IPEDS data.

NOTE: Chart shows how many out of 1,000 9th graders will reach key milestones, based on current completion rates. See H. Johnson and M. Cuellar Mejia, *Higher Education and Economic Opportunity in California*, Technical Appendix A (PPIC, 2020).

California has made progress on some student outcomes

The state is investing in early childhood education. The state released its Master Plan for Early Learning and Care in 2020 to reshape early childhood education and dramatically expand public preschool. Universal preschool, which enrolls children from all socio-economic backgrounds, would do more to improve outcomes for low-income children than income-targeted programs.

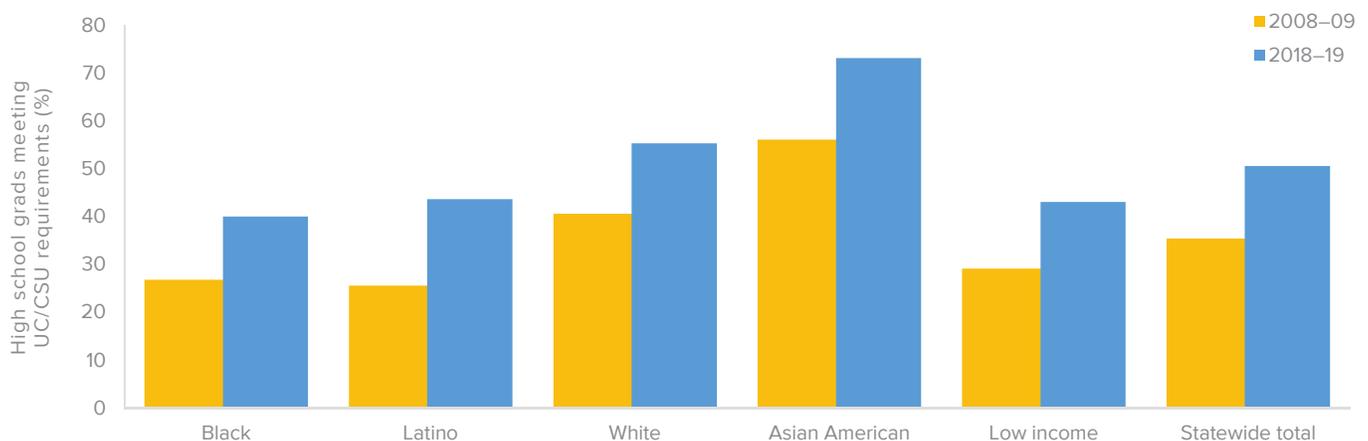
Prior to the COVID-19 disruption, K–12 test scores had been improving. The shares of students meeting proficiency standards rose 5 to 10 percentage points (depending on the grade) between 2015—when new tests were rolled out—and 2019. However, proficiency rates in math have been lower for African American (21%), Latino (28%), low-income (27%), EL (13%), and disabled (13%) students. The persistence of equity gaps has prompted many to call for greater transparency—in particular, better information on school-level spending.

More high school graduates than ever are eligible for UC and CSU. The proportion of high school graduates completing a college preparatory curriculum (known as the A–G requirement) has grown. A state study found that about 14% of the 2015 graduating class are eligible for UC, and about 41% are eligible for CSU. These shares are higher than the 12.5% and 33% eligibility levels recommended by the state’s Master Plan for Higher Education.

Most college students are now enrolling successfully in college-level courses. The community colleges have implemented major reforms to remediation assessment, placement, and coursework. CSU discontinued remediation as of 2018, enrolling all entering students in college-level courses and providing support for underprepared students.

On-time graduation rates have been improving at UC and CSU. On-time graduation rates are increasing at both UC and CSU, and CSU has seen notable increases in six-year graduation rates. Rates in both systems have continued to improve even during the pandemic.

COLLEGE PREPARATION AMONG HIGH SCHOOL GRADUATES HAS IMPROVED, BUT EQUITY GAPS REMAIN



SOURCE: Author calculations based on California Department of Education data.

NOTES: Figure shows the shares completing all A–G courses with grades of C or better. Some of the increase may be due to changes in CDE definitions. The 2018–19 data is based on following a cohort of 9th graders for four years, while the 2008–09 data is based on a single year (grade 12 to graduation). In 2016–17, when both measures were available, the share meeting UC and CSU requirements was 3 percentage points higher under the newer approach. Low-income includes students eligible for free and reduced-price lunch or whose parents did not graduate from high school.

COVID-19 has intensified the state’s education challenges

California’s digital divide continues to impede learning. The state has invested in a patchwork of efforts to address disparities and mitigate learning loss during the pandemic. These investments have improved student access to digital devices at home, but internet access remains a challenge for many families. Forty percent of low-income children lacked reliable internet or devices in fall 2020, and 13% of college students do not have broadband at home.

COVID-19 has underlined opportunity gaps in the K–20 pipeline. African Americans, Latinos, low-income students, English Learners, and students with disabilities are less likely to be proficient in English, math, and science, complete the A–G requirement, graduate from high school on time, and enroll in postsecondary institutions.

The COVID-19 fallout isn’t just about academics. Learning loss is likely to affect students throughout their lifetimes, negatively impacting their college, career, and income prospects. Material hardship is widespread. Nationwide, schools served 43% fewer meals than during

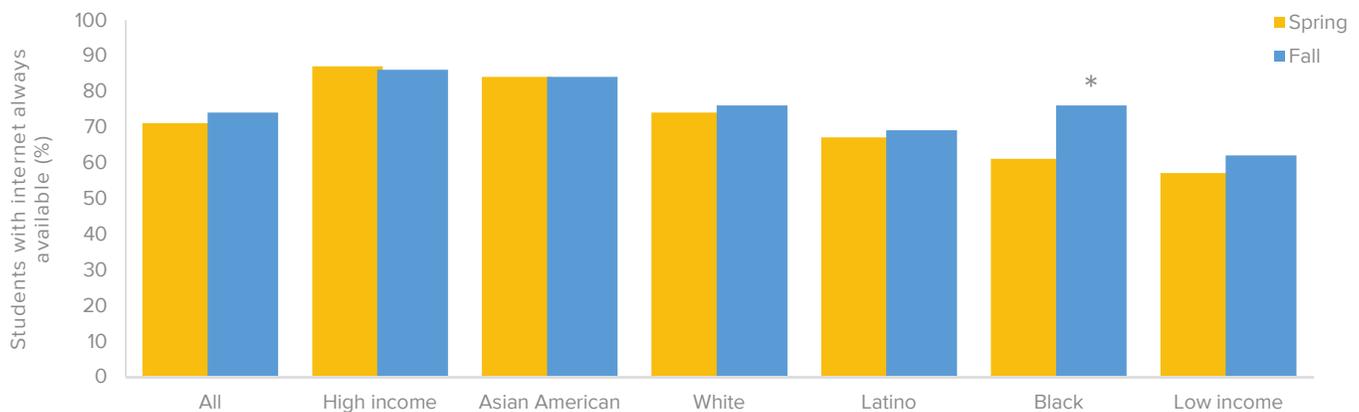
the 2018–19 school year. In California, nearly 40% of Black families reported not having sufficient food and a third of low-income families missed rent or mortgage payments last spring. Many students and their families are also struggling with mental health and social and emotional well-being.

Many public K–12 facilities are in poor condition. Nearly 40% of students attend schools that do not meet the minimum facility standards and 15% attend schools with extreme deficiency such as water damage, power failures, and structural damage. Districts with lower capital spending and smaller tax bases report higher levels of deficiencies. COVID-19 brought additional challenges, as many schools do not have sufficient building space, adequate ventilation systems, and cleaning supplies.

The COVID-19 crisis adds uncertainty to K–12 budgets. COVID-19 has halted recent growth in state funding that brought spending per pupil up to roughly the national average in 2017–18. The 2020–21 state budget avoided cuts to K–12 education, and better-than-expected revenues may prevent fiscal distress over the next year. However, future revenues are highly uncertain. The state also projects declines in public K–12 enrollment—a key determinant of funding—in most counties over the coming decade. COVID-19 may exacerbate enrollment declines, if parents shift to private or home schooling, especially at the earlier grade levels.

UC and CSU face budget challenges. To make up for state funding cuts during the Great Recession, the systems increased tuition and increased out-of-state enrollment. But the COVID-19 downturn requires different strategies, given travel restrictions, health concerns, and a cap on nonresident enrollment at UC. Moreover, the cost of online learning resources and training coupled with a drop in revenues from auxiliary enterprises such as housing and food services increased budget challenges.

CALIFORNIA'S DIGITAL DIVIDE CONTINUES TO IMPEDE STUDENT LEARNING



SOURCE: Census Household Pulse Survey, 2020.

NOTES: Asterisked estimate is statistically distinguishable at or below 5%. Sample includes 102,514 Californians surveyed April 23–June 2 (spring) and August 19–September 28 (fall). Children in surveyed households attend public or private schools in California. Households with missing/non-reported responses are excluded from analyses. Household income is based on 2019 income: low income < \$50,000; high income > \$100,000. Race/ethnicity is based on the household member who completed the Pulse survey.

Connecting California's education systems will improve outcomes and opportunities

As California recovers from the COVID-19 crisis, state leaders should embrace and invest in the interdependence of educational systems, from pre-K through higher education.

Create a statewide education data system. Stakeholders are working on a statewide education data system, which would make it much easier to assess student progress from one system to the next. Connecting existing databases across preschool programs, schools, colleges, employment, and social services, and making the data accessible, could help policymakers coordinate, assess, and improve early childhood, K–12, and higher education programs. In addition, it will allow the state to set and pursue educational and workforce goals.

Expand quality preschool and early childhood education. The long-awaited Master Plan for Early Learning and Care was released in December 2020, positioning California to capitalize on any new federal initiatives to improve early education. The plan aims to increase access to programs such as paid family leave and state-funded preschool; it also includes a reformed funding system to improve the educator workforce and enhanced data-driven decision-making. Improving educational outcomes for young children—especially those who are low-income, English Learners, and students with disabilities—will narrow opportunity gaps throughout the education system.

Improve college pathways for underrepresented students. K–12 schools should improve college readiness among underrepresented students, including African Americans, Latinos, low-income students, English Learners, and students with disabilities. High schools could leverage dual enrollment programs to expand student access to rigorous courses. Coordination between the K–12 system and public universities should begin before students reach high school. Many of UC’s SAPEP (Student Academic Preparation and Educational Partnerships) programs show promise, but they serve relatively few students in the face of massive need.

Increase community college transfers. California relies on its community colleges more than most states, but most community college students who express interest in transfer never enroll at a four-year college. Systemwide transfer agreements between community colleges and the state’s four-year institutions can remove barriers. Developing and tracking progress toward statewide goals for transfer will help the state focus on this important pathway to a four-year degree, which can be especially valuable for lower-income and underrepresented students.

Close the digital divide. The pandemic has driven home the importance of equitable access to internet and devices—and not just for students. Last August, the governor issued an executive order directing state agencies to accelerate efforts to connect all K–12 students with high-speed internet, and many have called for a state-level “broadband for all” plan. The economic recovery plan developed by the incoming Biden administration prioritized universal broadband and infrastructure modernization. Coordination between the federal and state governments will be critical.

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Higher education sources: California Community Colleges Chancellor’s Office; California Department of Education; California State University Office of Analytics; Integrated Postsecondary Data System; US Department of Education College Scorecard; University of California Office of the President Information Center.

K–12 sources: California Department of Education; California Department of Finance; Census Household Pulse Survey; National Center for Education Statistics.



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