

Higher Education in California: New Goals for the Master Plan

Hans Johnson



California Faces a Skills Gap

If current trends continue:

- California's economy will demand more highly educated workers
 - By 2025, 41% of jobs will require a bachelor's degree
- Population will not supply enough college graduates to meet projected needs
 - By 2025, 35% of California adults will have a bachelor's degree
- Shortfall of **1 million** college graduates



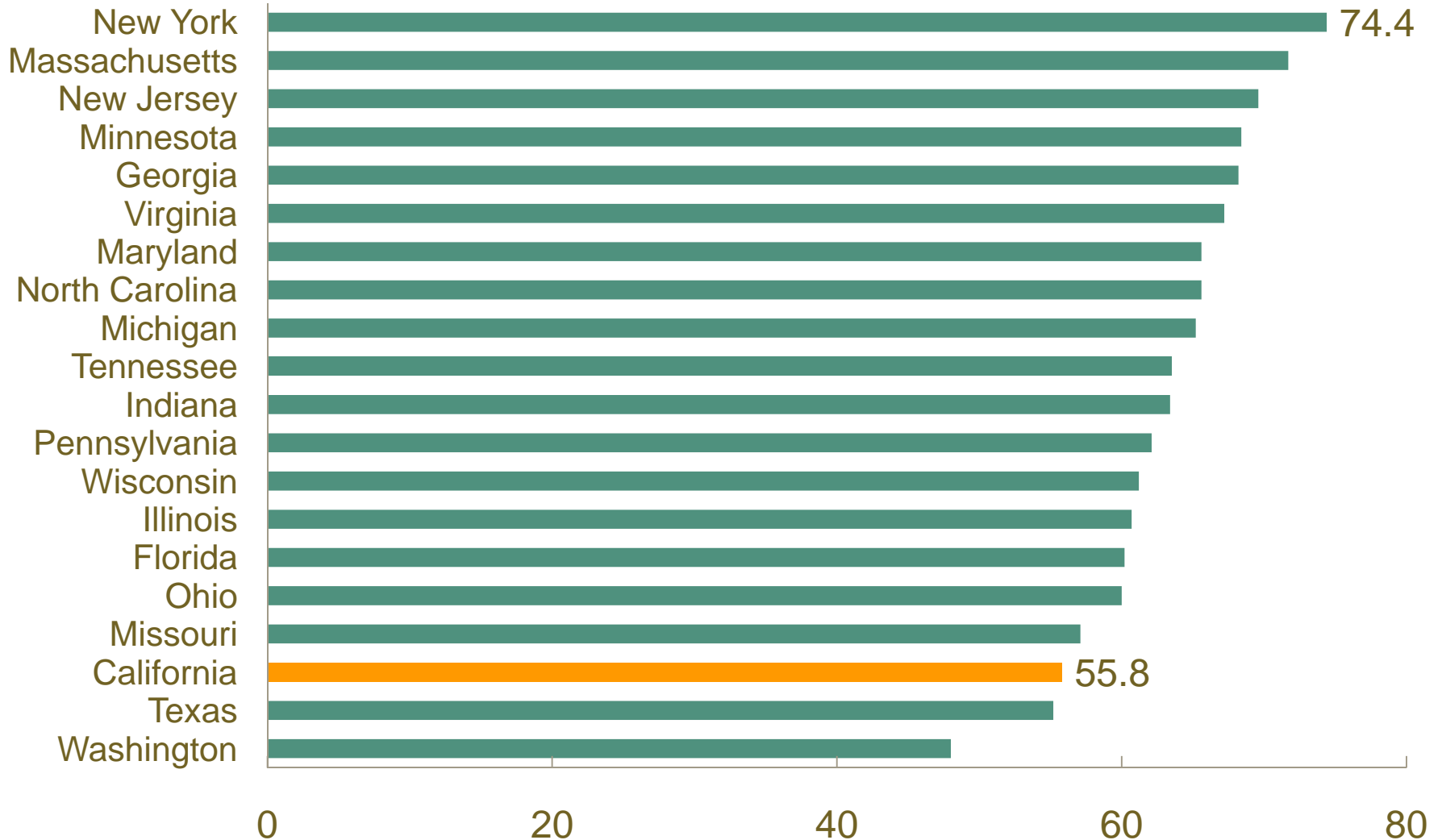
Why Study the Master Plan?

- Master Plan governs the state's public higher education systems
- Public systems account for three of every four bachelor's degrees awarded
- The Master Plan needs updating



California Lags in College Enrollment of High School Graduates

Percent of high school graduates enrolling in college, 2006



Multiple Pathways to Increasing the Number of College Graduates

- Increase **eligibility** for CSU and UC
- Increase **transfer** from community colleges to four-year colleges and universities
- Increase **completion** rates at CSU and UC

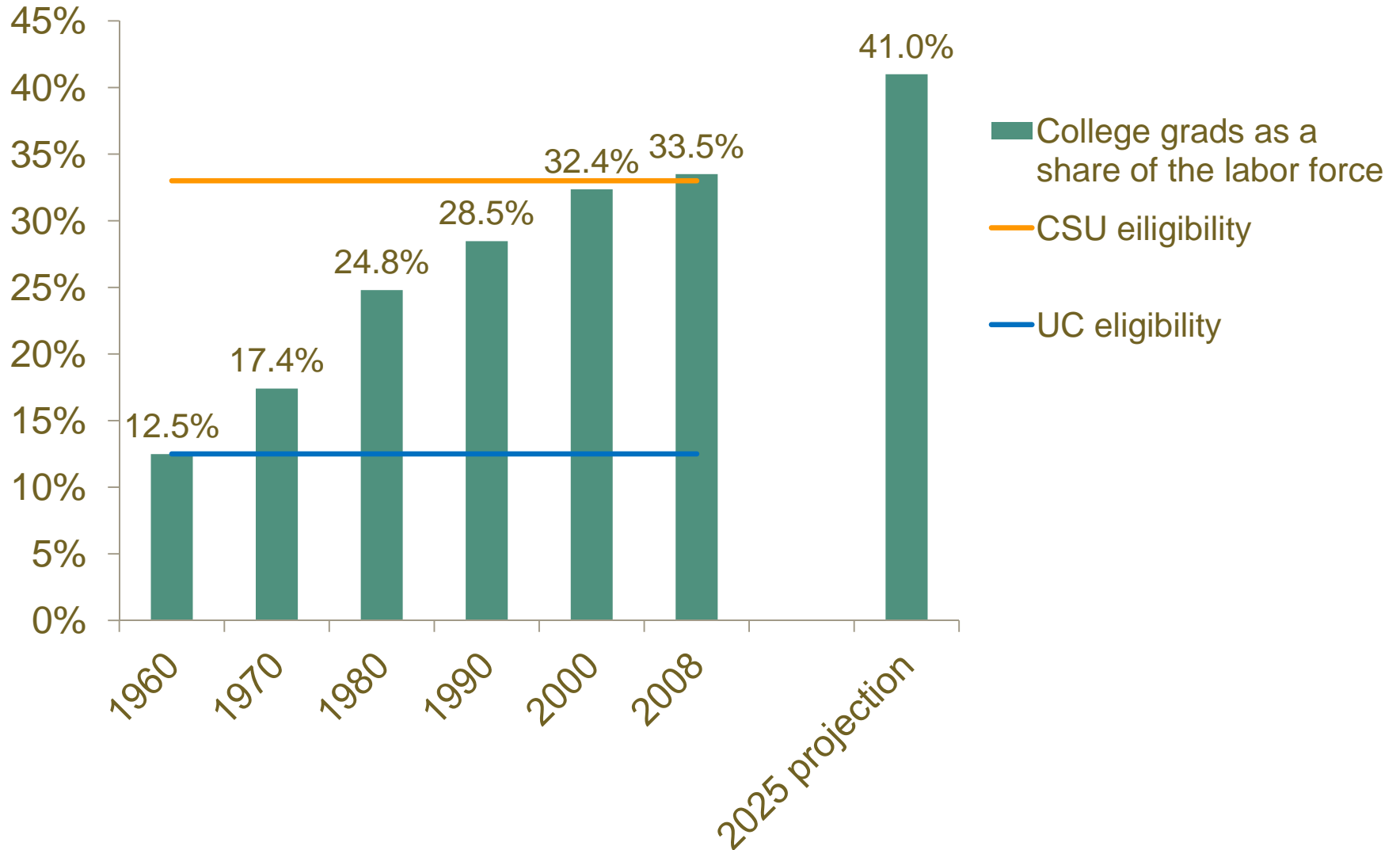


Outline

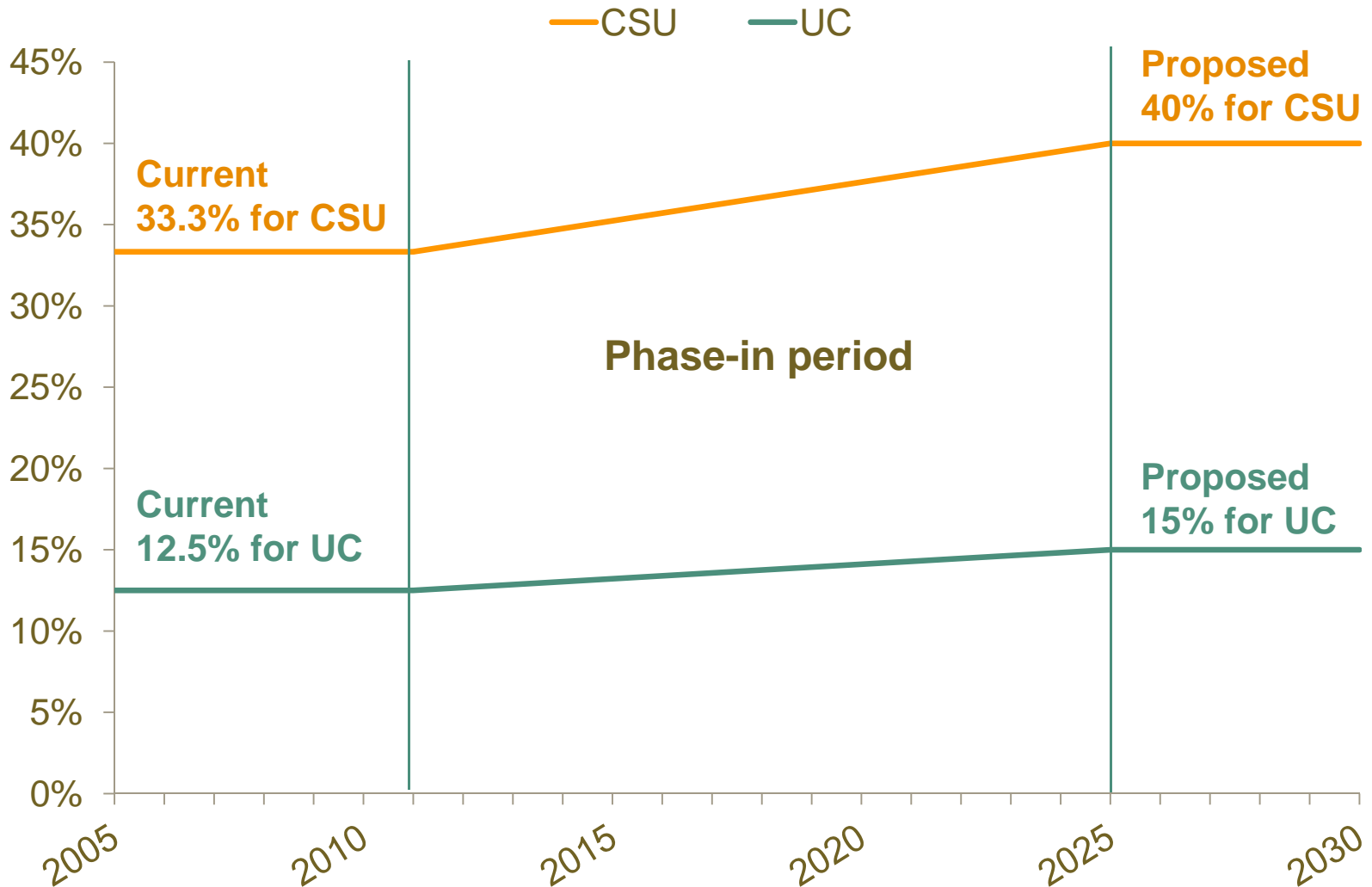
- Eligibility, transfer, and completion
- Funding
- Recommendations



Eligibility Levels Have Not Changed in 50 Years, But Economy Has



California Should Set New Eligibility Goals



New Eligibility Levels Would Diversify the Student Population

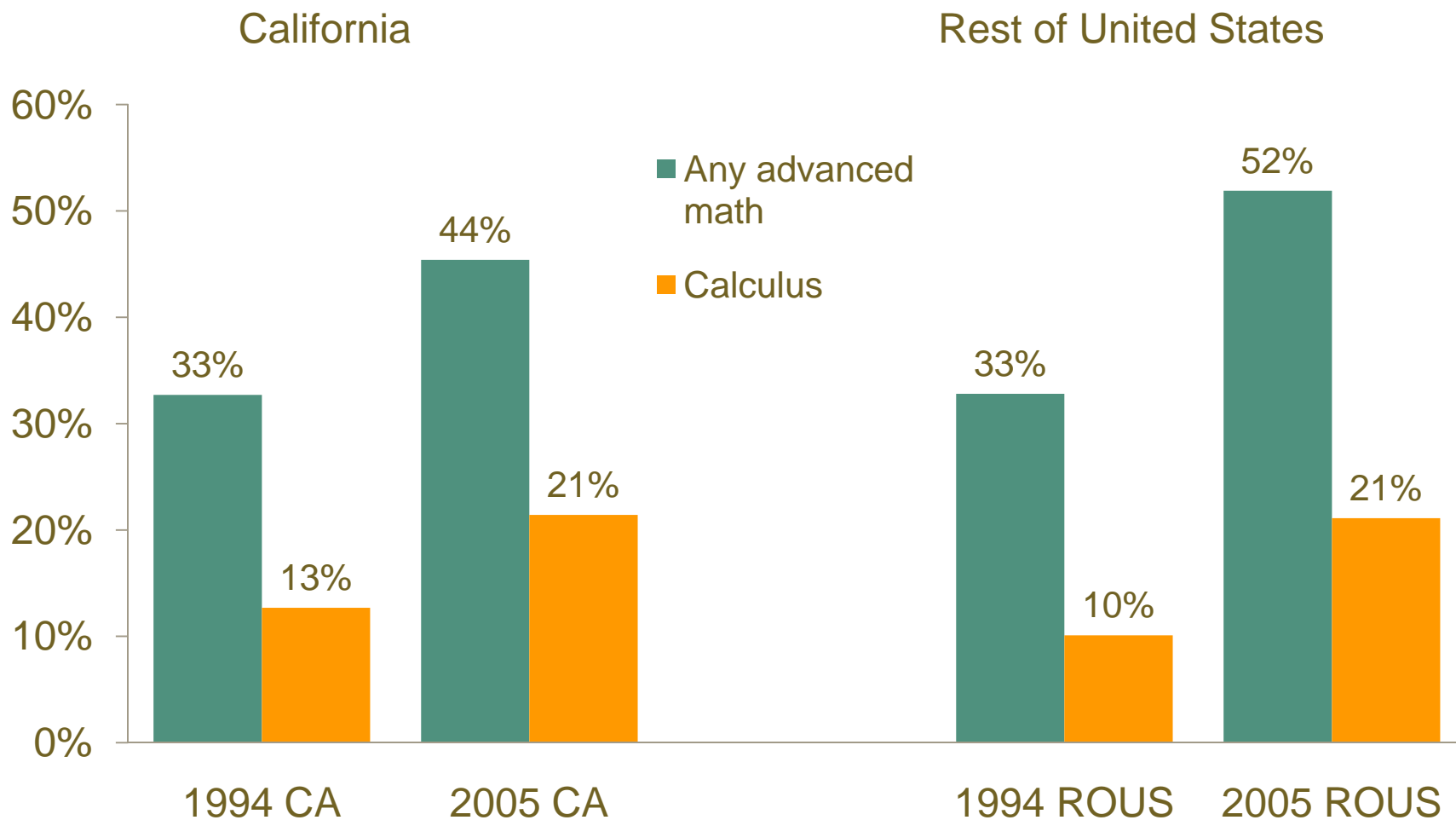
Academic Ranking of California High School Graduates by Ethnicity, 2005

Student rank	% White	% African American	% Latino	% Asian	% American Indian	% Other
Top 10%	58.7	2.2	13.9	22.5	0.0	2.7
10th–20th percentile	55.3	4.2	15.8	21.3	0.7	2.7
20th–30th percentile	48.6	5.6	25.5	17.6	0.5	2.3
30th–40th percentile	47.5	7.0	27.0	16.1	0.3	2.2
40th–50th percentile	41.7	11.8	34.2	10.7	0.7	0.9
50th–60th percentile	40.2	12.9	34.0	11.5	0.5	1.0
60th–70th percentile	39.8	10.8	33.3	13.9	1.4	0.7
70th–80th percentile	37.1	9.8	42.5	9.5	0.4	0.7
80th–90th percentile	32.6	12.5	46.3	7.8	0.4	0.5
Bottom 10%	24.0	15.2	54.8	4.3	0.9	0.8



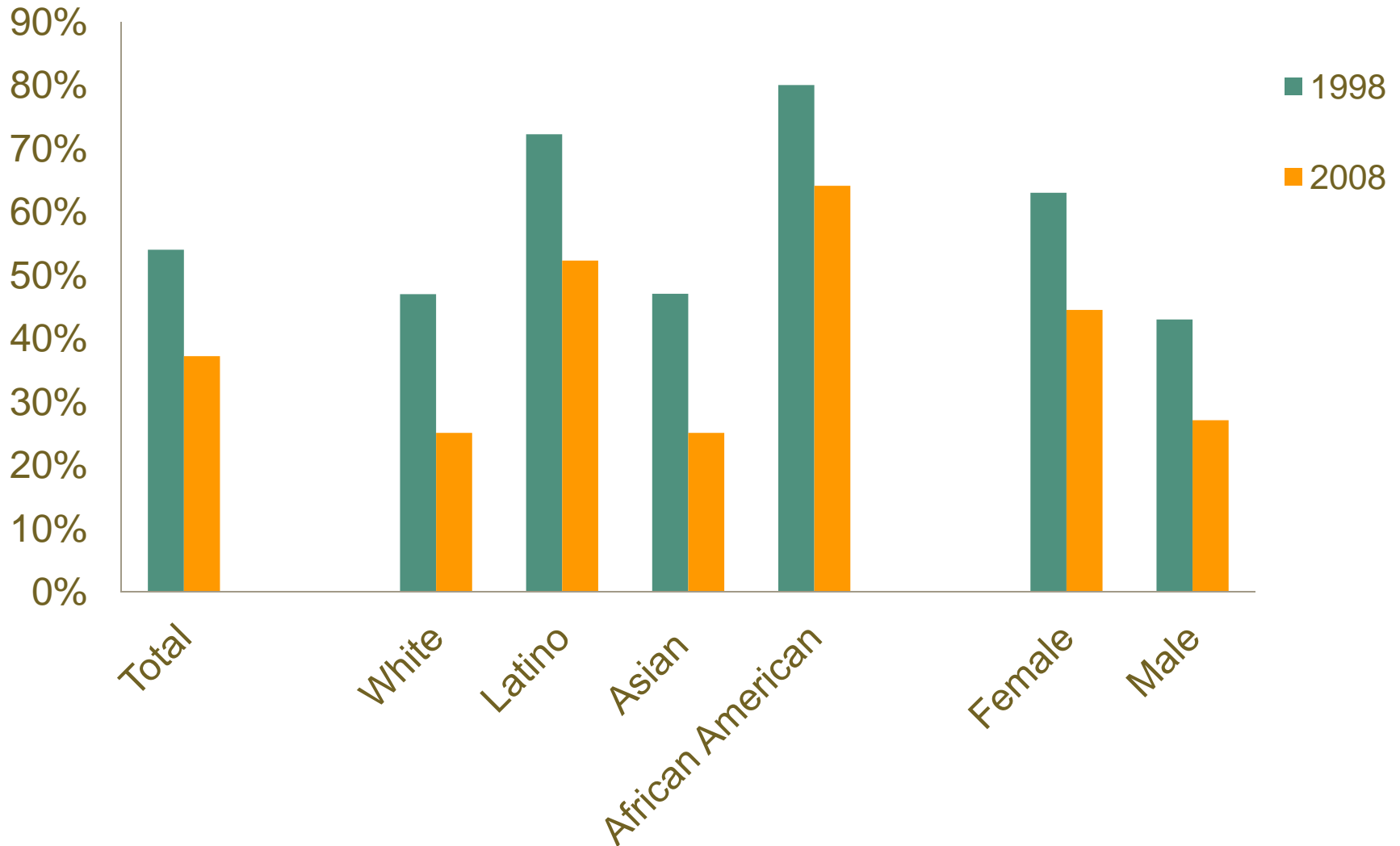
College Readiness an Issue, But High School Grads Are Improving...

Percent of high school graduates taking advanced math courses



...And Fewer College Students Require Remediation

Percent of CSU freshmen requiring remediation in math



Outline

- Eligibility, transfer, and completion
- Funding
- Recommendations



Transfer Is Underutilized

- Potential is enormous
 - Community colleges enroll 70% of all undergraduates in California
 - Less costly to state and student
 - Increased diversity
- But...
 - Community colleges have several missions
 - Vast majority of community college students do not transfer
 - Diversity not currently reflected in transfer population



Transfer Goals Need to Be Changed

- No explicit transfer requirements in Master Plan
 - Target ratio of upper to lower division students is 60:40
 - Indirectly encourages transfer
- A better target: the share of CSU and UC grads who are transfer students
- By 2025, new goals for transfer students:
 - 60% of graduates at CSU
 - 40% at UC



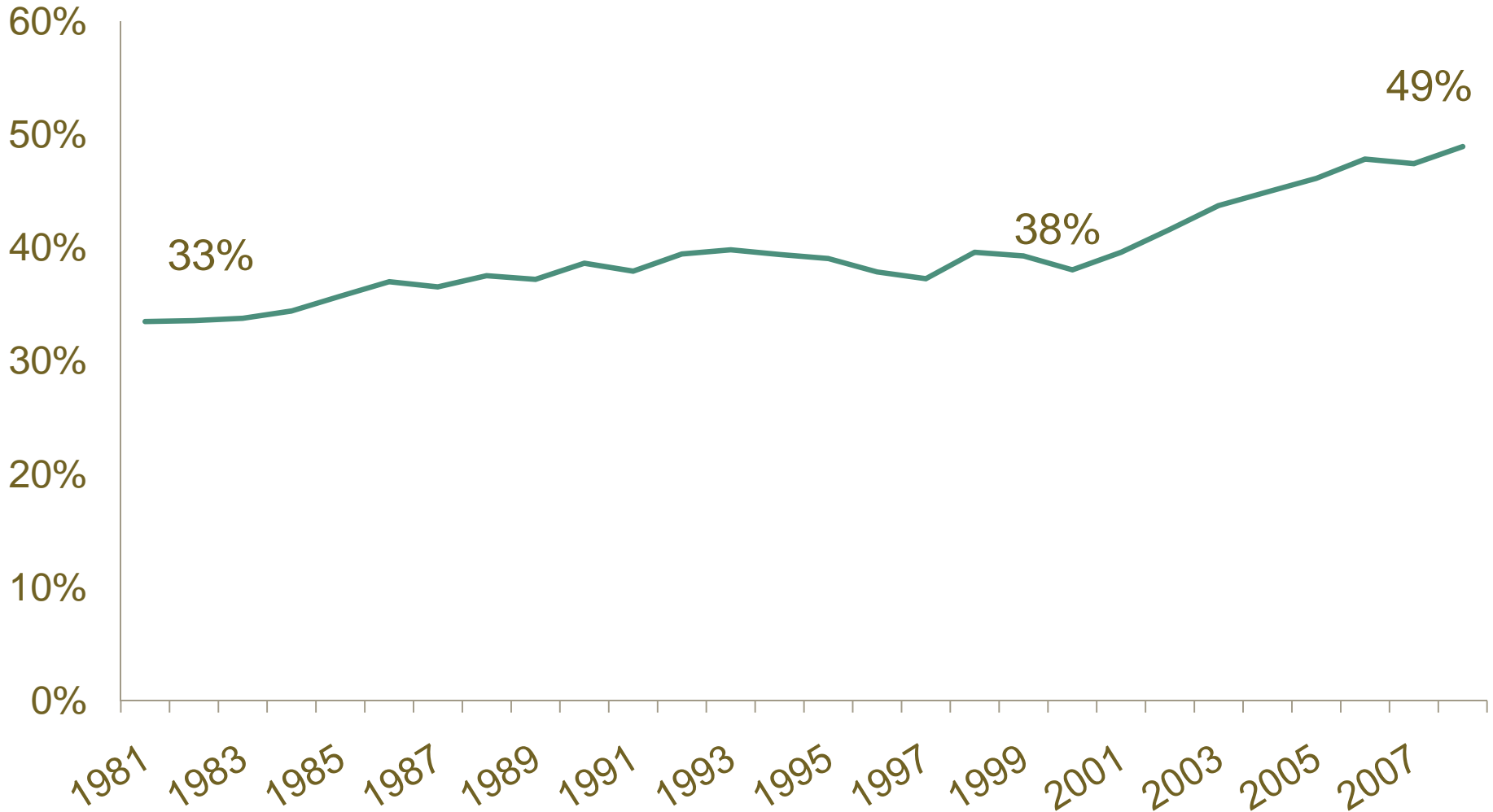
Outline

- Eligibility, transfer, and completion
- Funding
- Recommendations



CSU Completion Rates Have Risen

Six-year completion rates



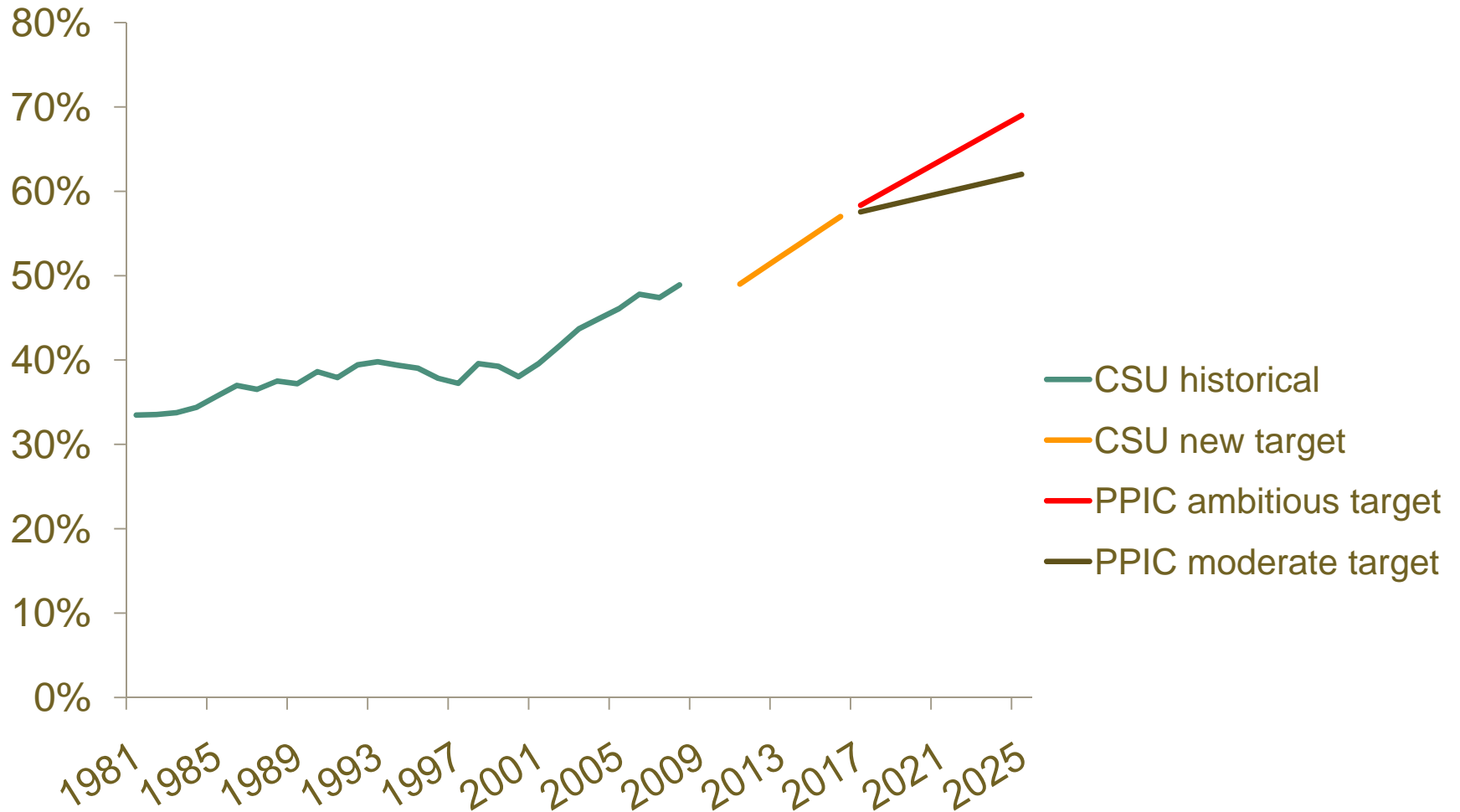
But More Progress Is Needed

- Completion rate goals should become part of the Master Plan
- New completion rate target should be
 - 69% at CSU by 2025
- New CSU graduation initiative goals are in line with this target



PPIC and CSU Agree on New Targets

Six-year completion rates



Outline

- Eligibility, transfer, and completion
- Funding
- Recommendations



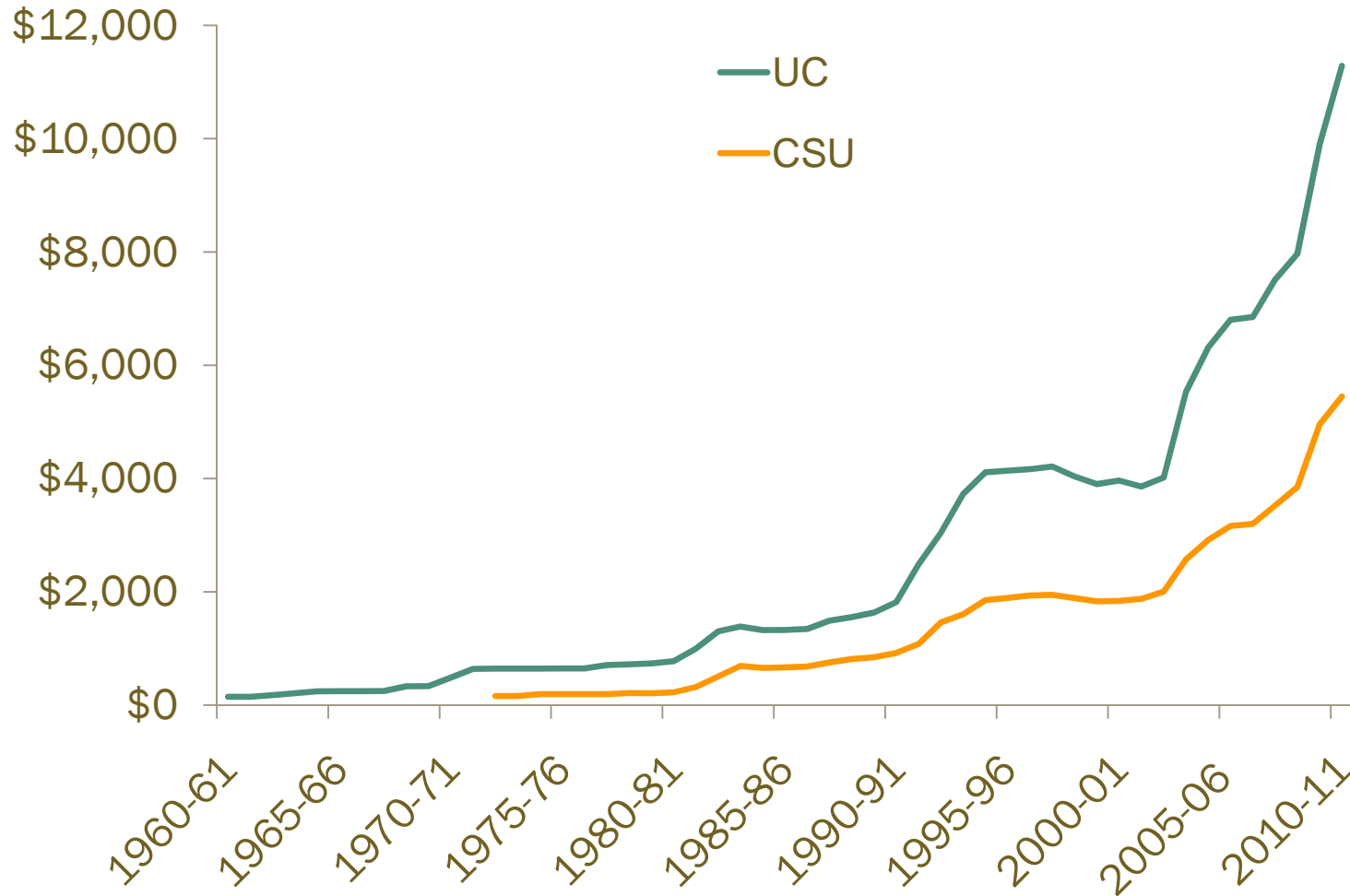
Funding Challenges

- Higher education more vulnerable to state cuts than other services
- Recent cuts most severe for UC and CSU
- PPIC proposed changes would cost \$1.6 billion once fully implemented in 2025



Increased Fees Have Made Up for Reduced State Support

Student fees, 1960-2010



Outline

- Eligibility, transfer, and completion
- Funding
- Recommendations



Higher Education Garnering Much Attention

- LAO, IHELP, and CPEC reports
- Joint Committee on the Master Plan
- UC Commission on the Future
- CSU graduation initiative
- Community College League's Commission on the Future



PPIC Recommendations

- The state should
 - Set clear goals and measure progress toward those goals
 - Continue to develop a robust longitudinal student database
 - Provide funding consistent with its goals
- New goals should include increases in
 - Eligibility
 - Transfer
 - Completion rates



Higher Education in California: New Goals for the Master Plan

Hans Johnson



Notes on the use of these slides

These slides were created to accompany a presentation. They do not include full documentation of sources, data samples, methods, and interpretations. To avoid misinterpretations, please contact:

Hans Johnson: 415-291-4460, johnson@ppic.org

Thank you for your interest in this work.

April 2010