

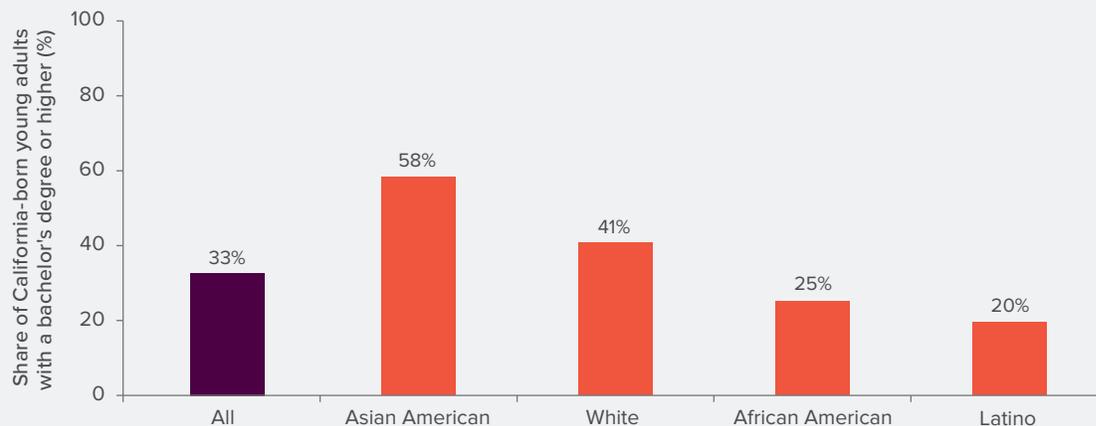
California needs more historically underrepresented students to graduate from college

A solid majority of California’s future college-age population will come from demographic groups that have been historically underrepresented in higher education—including Latinos, African Americans, and those who are low income or the first in their families to go to college. PPIC research has shown that this demographic shift could make it more difficult for the state to meet future workforce needs.

Underrepresented students are less likely to complete college—for example, among young adults who were born in California, 58 percent of Asian Americans and 41 percent of whites have at least a bachelor’s degree, compared to 25 percent of African Americans and 20 percent of Latinos. Significant barriers with respect to college readiness, access to college, and college completion continue to lower underrepresented students’ odds of obtaining college degrees relative to their wealthier, well-represented peers. At the same time, large shares across underrepresented groups say that a college degree is very important, according to a PPIC 2018 Statewide Survey—particularly Latinos (69%) and low-income Californians (63%).

Every educational sector, from K–12 schools to public and private universities, has an important role to play in narrowing equity gaps and ensuring that more historically underrepresented students have opportunities to achieve upward economic mobility through higher education. The state and its educational institutions have invested heavily in a wide range of policies and programs that aim to help students make it into and through college. However, further action is needed to reduce persistent gaps.

YOUNG ADULTS FROM UNDERREPRESENTED GROUPS ARE LESS LIKELY TO HAVE A BACHELOR’S DEGREE



SOURCE: Authors’ calculations based on 2017 American Community Survey data.
 NOTE: Restricted to adults age 25–34 born in California and living anywhere in the United States.

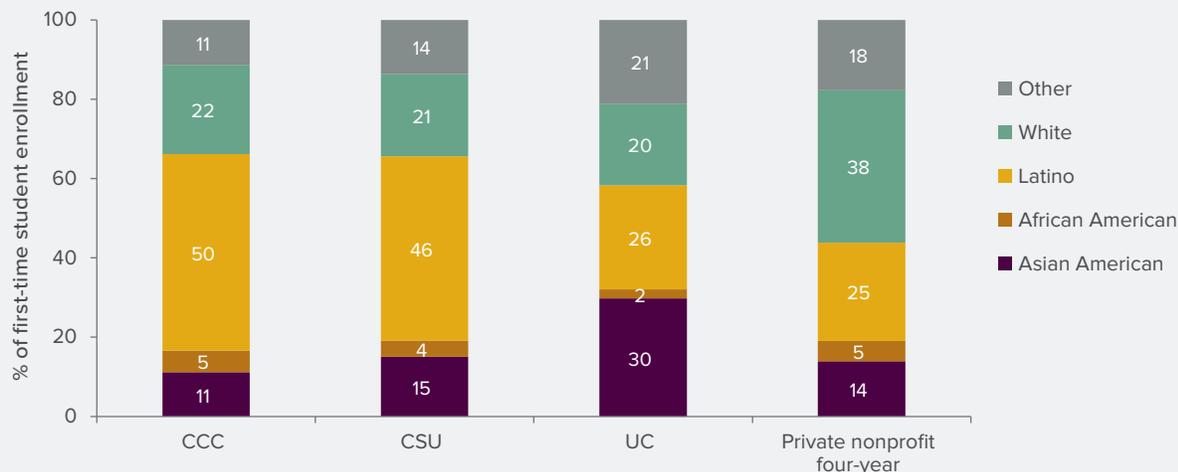
Access to college remains uneven

Financial aid makes college possible for many low-income students. However, there are large differences in the enrollment of underrepresented students across institutions.

- **Community colleges and state universities are important access points.**
 First-time students at the California Community Colleges (CCC) and the California State University (CSU) reflect the racial/ethnic diversity of California’s high school graduates; Latinos are the largest racial/ethnic student group in both sectors (50% and 46%, respectively). And large shares of students at both sectors (54%) are in the first

generation of their families to go to college. In contrast, Asian Americans (30% of first-time freshmen) are overrepresented at the University of California (UC), and whites (38% of first-time freshmen) are overrepresented at private nonprofit colleges. Notably, the shares of low-income and first-generation students at CSU and UC have increased substantially over the past decade.

COMMUNITY COLLEGE AND CSU STUDENTS REFLECT CALIFORNIA'S RACIAL/ETHNIC DIVERSITY



SOURCE: Integrated Postsecondary Education System (IPEDS).

NOTES: College enrollment is final release fall 2017 first-time degree/certificate-seeking undergraduates. "Other" includes Pacific Islanders, American Indians, Alaskan Natives, students who mark two or more races or do not reveal their race, and students who are not US citizens or nationals. Response rates: 100 CCC campuses, 23 for CSU, 9 for UC, and 49 for private nonprofit four-years.

- Grant aid makes college possible for many low-income Californians.**
 Tuition at public institutions for students from low-income—and many middle-income—families can be covered by a combination of federal, state, and institutional grants. Community college tuition for low-income residents is fully covered by fee waivers from the state's board of governors. However, many low-income students and their families struggle to cover other expenses, such as housing, health care, and child care. Legislation was introduced in 2019 (SB 291) to provide financial aid to community college students that addresses their total costs.
- State policy changes have facilitated college access for undocumented Californians.**
 More than 200,000 immigrants in California have benefitted from the federal Deferred Action for Childhood Arrivals (DACA) policy, according to a PPIC report. DACA and California's Dream Act offer undocumented students in-state tuition, state financial aid, work permits, driver's licenses, and other support. Amid uncertainty about federal immigration policies and enforcement, California's public higher education systems have advocated for the continuation of DACA and rolled out additional supports and services.

Despite progress, completion gaps persist

Graduation rates are slowly increasing among underrepresented students, but these rates are still relatively low. Whether students first enroll in a four-year or a two-year school makes a difference in their outcomes.

- The share of bachelor's degrees awarded to Latino and African American students is growing.**
 The proportion of bachelor's degrees awarded to Latinos and African Americans by public universities increased between 2010 and 2018—from 27 percent to 41 percent at CSU and from 18 percent to 25 percent at UC. This improvement coincided with increased spending on student services—suggesting that additional support could further narrow attainment gaps. Still, there are gaps between enrollment and completion—especially at CSU, where Latinos and African Americans represented about half of first-time freshmen but obtained only 41 percent of degrees in 2017–18.
- Graduation rates for underrepresented students vary across higher education sectors.**
 Graduation rates for underrepresented students are lowest at community colleges and private for-profit institutions.

For example, among degree- and/or transfer-seeking students, only 37 percent of African Americans and 42 percent of Latinos transfer or obtain a community college credential within six years. In recent years, graduation rates at CSU have improved for all groups, but gaps persist (11 points for low-income students, 23 points for African Americans). Graduation rates are higher at UC and many private nonprofit colleges—which have selective admission processes and relatively high levels of student support. Still, there are equity gaps both at UC (6 points for low-income students and 10 points for African Americans) and at private nonprofits (9 points and 13 points, respectively).

- **Community colleges could improve pathways to bachelor’s degrees.**

Students who begin college at two-year institutions are much less likely to earn bachelor’s degrees than those who start at four-year universities. One major barrier is that not all community college credits are transferable; many students spend time and money “re-earning” credits after they have transferred to a four-year school. Improving pathways is especially important because many students who do transfer are successful: in 2017–18, transfer students obtained 43 percent of the bachelor’s degrees awarded by CSU and 29 percent of those awarded by UC. The Associate Degree for Transfer is a step in the right direction—it guarantees that students with 60 community college credits can transfer to any CSU campus; they need to earn 60 CSU credits in order to receive a bachelor’s degree.

Limited college prep resources are a major barrier

Underrepresented students often go to K–12 schools with limited college preparatory curricula. These students are therefore more likely to be declared unprepared for college-level course work.

- **Underrepresented students have made gains in college prep, but gaps persist.**

The proportion of public high school graduates completing college preparatory coursework required by UC and CSU (known as the a–g requirement) increased from 34 percent in 2007–08 to 47 percent in 2016–17. Latinos made especially large gains (from 22% to 39%), and the white–Latino performance gap has narrowed from 17 to 13 percentage points. The share increased from 23 percent to 35 percent among African Americans, but the white–African American gap remains unchanged. The share of socioeconomically disadvantaged students completing the a–g requirement increased from 28 percent to 39 percent.

- **Lower-income students often go to K–12 schools with limited college-prep curricula.**

Underrepresented students are more likely to attend schools with weak college-preparatory resources, such as advising, mentoring, and test preparation. Federal, state, and local initiatives can fill an important gap by informing students and their families about college preparation, enrollment, and success. Outreach efforts should begin in middle school so that these students have the opportunity to become prepared for college.

- **Reforms are lowering college remediation barriers.**

In the past, the vast majority of first-time community college students and about a third of entering CSU students were deemed not college ready in math and/or English—and underrepresented groups have long been over-represented in remedial, or developmental, education. Lengthy developmental sequences delayed student progress toward degrees or transfer. Recent reforms at CSU and community colleges eliminated placement tests and required colleges to use high school records as the primary factor in assessing college readiness; these reforms are significantly reducing remediation rates among underrepresented students.

Looking ahead

If current educational and economic trends continue, California will face a shortage of skilled workers—and economic inequality will continue to rise. But the state can take steps to increase access to and graduation from college among historically underrepresented groups.

Improve college preparation. So-called “promise programs” that inform middle school students and their parents about college entrance requirements and financial aid opportunities can help improve college readiness. High school counselors must provide accurate information and student schedules need to allow for the completion of college preparatory requirements. Requiring high school students to opt out of college preparatory courses rather than opting in has had encouraging results.

Monitor the impact of recent reforms. Recent reforms and initiatives aim to increase transfer rates from community college to four-year colleges, increase graduation rates, and improve economic outcomes. These efforts, including remediation reform (fully implemented in fall 2019 at CCC and fall 2018 at CSU) and several initiatives (the Associate Degree for Transfer, Guided Pathways, and the California Community Colleges' Vision for Success) are all steps in the right direction. Ensuring the effective implementation of these and other changes—including any course corrections that may be needed—will require rigorous monitoring and evaluation.

Address the total cost of college. In addition to covering the rising cost of tuition and fees, financial aid—from federal, state, and institutional sources—should aim to cover the full cost of attendance so that low-income students can graduate and gain access to fulfilling, well-paying jobs and careers without the burden of long-term debt. Current legislative proposals to address the total cost of college for community college students as well as initiatives to address student hunger and housing insecurity could help low-income students focus more fully on academic achievement.

CONTACT A PPIC EXPERT



Olga Rodriguez
rodriguez@ppic.org



Marisol Cuellar Mejia
cuellar@ppic.org



Hans Johnson
johnson@ppic.org

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Public Policy Institute of California
500 Washington Street, Suite 600
San Francisco, CA 94111
T 415.291.4400 F 415.291.4401
PPIC.ORG/HIGHER-EDUCATION

PPIC Sacramento Center
Senator Office Building
1121 L Street, Suite 801
Sacramento, CA 95814
T 916.440.1120 F 916.440.1121