

**CALIFORNIA HIGHER EDUCATION,
THE MASTER PLAN, AND THE
EROSION OF COLLEGE OPPORTUNITY**

By Patrick M. Callan

February 2009



The National Center for Public Policy and Higher Education

Patrick M. Callan is president of the National Center for Public Policy and Higher Education.

This occasional paper was prepared as a chapter for a forthcoming book on higher education in the western states to be published under the auspices of the Western Interstate Commission on Higher Education (WICHE).

National Center Report #09-1

© 2009 by The National Center for Public Policy and Higher Education

Contents

Introduction.....	1
The Struggle for Policy-Driven Growth.....	2
Growth: Students, Campuses and Dollars	7
Altered State Realities: Constrained Public Finance and Political Volatility; Demographic Shifts; and the Public Schools.....	12
Conclusion	20
Endnotes.....	24
About the National Center for Public Policy and Higher Education.....	27

Introduction

California higher education was one of America's great public policy and educational success stories in the second half of the 20th Century. The post–World War II era introduced several decades of robust population expansion, and California led the nation—and indeed the world—as it achieved almost phenomenal growth of college opportunity. Sharp increases in student enrollments and campuses were paralleled by the rising quality and reputation of the state's public and private colleges and universities, of its advanced research, and of higher education's support of a vibrant state economy.

California's private colleges and universities have made vital contributions to the state throughout its history and they continue to do so. The principal story of the postwar era, however, derives from the growth of the nation's largest array of public colleges and universities of all kinds—research universities, regional state colleges and universities, and community colleges. This expansion reflected national trends at the time, but California was unique in its commitment to access and in the influence and continuity of a core public policy framework that was articulated in the 1960 California *Master Plan for Higher Education*.¹ The Master Plan's early successes in expanding college access created momentum that was sustained for decades. Yet despite the remarkable durability of this venerable framework, the Master Plan's relevance and utility have become problematic as California confronts the impact of educational, economic, and demographic change.

Two convergent themes are central to the modern history of California higher education: the public policy framework that enabled and supported broad college opportunity for most of the post–World War II era; and the expansion of access through a massive and diverse array of colleges and universities. In the following pages, I will describe these themes and then turn to three changing conditions facing higher education that have emerged over the past three decades:

1. Unstable, constrained public finance combined with political volatility;
2. Demographic shifts; and
3. A decline in the effectiveness of public schooling.

A concluding section draws these themes and conditions together while presenting several challenges confronting California in the first decade of this century.

The Struggle for Policy-Driven Growth

In virtually all states, veterans benefiting from the G.I. Bill after World War II created public pressure to expand the enrollment capacity of colleges and universities.² This pressure intensified in California in the late 1950s as population growth accelerated, and the first “tidal wave” of Baby Boomers approached college age. In 1960, the state responded by creating a 15-year Master Plan for Higher Education. That plan, the values and policies it reflected, and the growth that it envisioned are the context for the questions and challenges that confront California higher education almost 50 years later.

During the three decades after World War II, California did not differ from most other large states in seeking to plan and support enrollment growth of higher education. In fact, these issues became the dominant public policy themes for higher education in this era. California distinguished itself, however, through its path-breaking commitment to higher education opportunity, through the size and scale of its higher education systems, and through its development of the Master Plan, the state’s comprehensive policy framework to expand capacity and manage growth.

Whether California higher education would expand was never at issue during this period. What was perceived as problematic, however, was the extent to which conflicts among local, institutional, and political interests would impede realization of an overarching policy goal: universal educational opportunity through planned and coordinated growth. Efforts to address these conflicts trace back at least to the Depression era. In 1932, a legislatively commissioned study conducted by the Carnegie Foundation for the Advancement of Teaching found that problems of policy and organization in higher education had resulted in overlapping functions, waste, and inefficiency; lack of unified policy; and inequitable distribution of state funds. In addition, the study found:

There is a lack of articulation among the various units of the educational system. This has resulted in vigorous controversies over admission requirements, transfer regulations, and curricula. These controversies are aggravated by regional rivalries and local ambitions.³

The problems identified by the Carnegie report persisted despite the Legislature’s creation of an advisory and ineffectual State Council for Educational Planning and Coordination. In 1945, a joint committee called the Liaison Committee was formed by the state Board of Education (which at that time had statewide jurisdiction over the junior

colleges and state colleges) and by the University of California (the University). The Liaison Committee was a voluntary effort to manage campus growth and program expansion and to deter legislatively imposed coordination. The principal policy vehicles of the Liaison Committee were *ad hoc* studies commissioned by it and the Legislature, studies that addressed such issues as: the degree-granting authority of junior colleges, state colleges, and the University; admissions standards; the needs and locations for new campuses; and the necessity and requisites of a state scholarship program.⁴

In the absence of an overarching policy framework, the Legislature could implement, ignore, or even augment the smorgasbord of recommendations presented by these studies—and it did all of these. For example, at the urging principally of the Santa Barbara Chamber of Commerce and despite initial opposition by the University, the state college at Santa Barbara was transferred to the University in 1943. (In 1946, a state ballot proposition prohibiting such transfers in the future was enacted.) New state college campuses were authorized in 1946 at Los Angeles and Sacramento, in 1948 at Long Beach, and in the late 1950s at Fullerton, Hayward, Northridge, and Stanislaus County. The University of California added medical and engineering schools at its Los Angeles campus and colleges of letters and sciences at its Davis and Riverside campuses. In 1955, the Legislature established the first state scholarship program.

By the late 1950s, the lack of what the Carnegie report had termed “unified policy” had created a planning vacuum in which initiatives and aspirations for growth and change were scattered widely across communities and institutions, and ultimately were controlled by the Legislature and the governor. The “problems of policy and organization” found in the 1932 report had not only persisted but had been exacerbated by the G.I. Bill, the increase in birth rates after World War II, and in-migration. In the 1957 legislative session, the scramble for new campuses intensified: bills authorizing 17 new state colleges were considered and 4 were approved; none of the 4 had been on the list of priorities recommended in the Liaison Committee’s 1957 planning report. Several were placed in sparsely populated areas represented by powerful state legislators.

Academics and politicians alike recognized that reform was needed to bring order to the chaos and uncertainty. Clark Kerr, who had assumed the presidency of the University of California in 1957, took the initiative. In 1959, Assemblywoman Dorothy Donohue, at his encouragement, introduced a resolution calling on the Liaison Committee to prepare a master plan for higher education and to present it to the Legislature at the beginning of the 1960 session. It also called for a two-year moratorium on legislation affecting higher education. The resolution was adopted by both the Assembly and the Senate.

The major concerns of the educational leaders who initiated and then wrote the Master Plan were immediate ones. In his memoir of this period, Clark Kerr reflected that:

The plan looked to us who participated in its development more like a desperate attempt to prepare for a tidal wave of students, to escape state legislative domination, and to contain escalating warfare among its separate segments. . . . And the preparation, the escape and the containment in each case was barely on time and barely succeeded. The Master Plan was a product of stark necessity, of political calculations, and of pragmatic transactions.⁵

Eight months after the adoption of the resolution, a proposed Master Plan was presented to the Legislature, and its major provisions were enacted into statute. It became the state policy structure that resolved the immediate challenges to higher education. Reaffirmed many times, the Master Plan remained in place long after the emergency described by Kerr had passed. Each sector of California higher education gained immediate benefits:

- The junior colleges (subsequently designated “community colleges”) gained acceptance as an integral part of higher education, and were given the largest mandate for expansion.
- The state colleges, which ultimately became the California State University (the State University), were removed from the public school system and were given degree-granting authority through the master’s level as well as an independent governing board.
- The organization of the University of California was not affected, but its monopoly on state-funded, advanced graduate and professional programs and research was confirmed.
- The Legislature was relieved of the increasingly controversial political pressures for new campuses by delegating initial approval of these decisions to a new coordinating council.

Rarely do all parties to a negotiated plan achieve not only their own individual goals, but, in so doing, benefit the overarching public interest—as reflected in this case in greater college opportunity and controlled institutional competition. The Master Plan framers were able to accomplish this feat because they advanced institutional aspirations in the context of a common policy goal: the commitment that every California high school graduate who was able to benefit from college could attend a college or university. California became the first state or, indeed, governmental entity to establish this principle of universal access as public policy.⁶ It was this principle that made the Master Plan a major innovation in social as well as educational policy. Its specific provisions

established an organizational and policy framework for meeting the state's commitment to access and for balancing what Kerr later characterized as the egalitarian and meritocratic imperatives.⁷

The organizational provisions of the Master Plan were straightforward. College opportunity would be provided by grouping public colleges into three statewide "systems" organized according to their missions, each with designated enrollment pools. The junior colleges would offer instruction up to the 14th grade level and would include courses for transfer to baccalaureate-granting institutions as well as vocational and technical programs. These colleges would be open to all Californians who were capable of benefiting from attendance. The state colleges, now the California State University, would offer undergraduate education and graduate programs through the master's degree and could participate in joint doctoral degree programs with the University of California. Students were to be admitted from the top third of high school graduates. The University was to draw its students from the top eighth of California high school graduates. Within public higher education, the University was to have sole authority to offer doctoral degrees (except for joint doctoral programs offered with the state colleges), as well as professional degrees in medicine, law, dentistry, and veterinary medicine. The University was also designated the state's primary agency for state-supported academic research. Selective admissions at the state colleges and the University restricted the growth of four-year institutions, and this meant that most students would enroll, at least initially, in junior colleges. Californians who enrolled in junior colleges for academic or financial reasons could qualify for transfer to a state college or University campus after two years, and all qualified students were to be accepted. These provisions for transfer, along with the promise of college access to all who could benefit from it, connected and balanced the egalitarian and meritocratic dimensions of the plan.

The Master Plan recommended and the Legislature established a governing board for state colleges, separating those institutions from the State Board of Education. To replace the Liaison Committee, a state board to coordinate higher education was created by statute. This new board was made up of representatives of the public systems of higher education and the private nonprofit colleges and universities. The Legislature expressed in statute its intention to establish new campuses only upon recommendation from this board. The state scholarship program for eligible undergraduates in public and private institutions was expanded. This program served the dual function of providing students with the option of attending private colleges and universities and enabling the private institutions to absorb a portion of the projected enrollment growth. Public higher education was to be low-priced, and California residents were not to be charged tuition, reflecting the state's commitment to access.

The Master Plan pioneered the concept of universal access to education and training beyond high school. It was also unique in establishing mission differentiation as the basis of organization and governance for all of the state's public colleges and universities, including the explicit delineation of eligibility criteria for admission to each of the three public systems. The plan sought to recognize, balance, and institutionalize the values of competitive excellence and egalitarianism, selectivity and open admissions, and growth and efficiency. Costs were controlled through constraints on the mission and enrollment of each of the three public sectors and through concentration of growth in the community colleges. In short, the plan constituted the policy and organizational framework for both the expansion of college opportunity and for the University's high national and international ranking.

Since the Master Plan's adoption in 1960, formal revisions to its framework have included: the creation of a statewide Board of Governors for community colleges in 1967; the transformation of the statewide coordinating board into the California Postsecondary Education Commission (CPEC) in 1973; the imposition of student charges (still not called "tuition") in all three public sectors; and the legislative authorization for the State University to offer its own doctoral degree, the Ed.D., in 2005.

Growth: Students, Campuses and Dollars

After World War II, California’s dramatic growth and the state’s response to its population increases provided the context and the impetus for higher education policy. In the early 1960s, California became the nation’s most populous state with 17.5 million residents and by 2000 that number had nearly doubled. Expansion of higher education in California was inevitable because of the pressure of its rapidly growing population compounded by public demand for college access. As in other states, public demand for higher education rose to political saliency as local communities pressed their legislators for action. California responded to this pressure by increasing college enrollment at a rate that exceeded the state’s rapid population growth (see table 1).

Table 1

Growth of Population and Public Higher Education Enrollment

Year	<i>California Population (thousands)</i>	<i>Population Growth</i>	<i>Total Growth in Public Higher Education Enrollment*</i>
1960	15,727	49%**	67%**
1970	20,038	27%	300%
1980	23,780	19%	36%
1990	29,828	25%	12%
2000	34,099	14%	16%
2005	36,154	6%	14%

* Enrollment data are for fall full-time-equivalent students.

** Increases are for decade ending in 1960.

Note: Population and enrollment growth figures are for the previous decade, except for 2005 figures, which are compared with 2000.

Sources: Population data: U.S. Census Bureau, *Statistical Abstract*, “Bicentennial Edition: Historical Statistics of the United States, Colonial Times to 1970,” and *Statistical Abstract* annual editions, http://www.census.gov/compendia/statab/past_years.html (accessed April 10, 2008); and data for 1970 to 2005 from California Department of Finance, Demographic Research Unit, *Race/Ethnic Population with Age and Sex Detail* (1970–1989, 1980–1999, and 2000–2005 editions), <http://www.dof.ca.gov/html/demograp/data/DRUdatafiles.php> (accessed March 28, 2008). Enrollment data: 1960 data from California Higher Education Policy Center, *Financing the California Master Plan: A Data Base of Public Finance for Higher Education in California 1958/59 to 1996/97* (San Jose, CA: 1997); and data for 1970 to 2005 from California Postsecondary Education Commission (CPEC), *Fiscal Profiles 2006*, Report 06-13 (Sacramento: 2006).

In purely quantitative terms, the transformations of higher education in the last half-century have been staggering, even after considering population growth. Total enrollment of undergraduate and graduate students in public and private nonprofit higher education increased from about 163,000 in 1950 to 250,000 in 1960, and to 1.8 million in 2005 (see table 2).⁸ Public higher education accounted for most of this enrollment growth:

- Community colleges absorbed the greatest share of growth, from about 56,000 students enrolled in 1948 to 98,000 in 1960, to over 1.1 million in 2005.
- Enrollment in the State University grew from just under 23,000 in 1948 to 61,000 in 1960 and to more than 324,000 in 2005.
- The University enrolled about 43,000 students in 1948, some 44,000 in 1960, and over 201,000 in 2005.
- Private colleges and universities accounted for approximately 41,000 students in 1950, 47,000 in 1960, and 202,000 in 2005. Even with this substantial growth, however, the independent institutions' share of all California college enrollments dropped from about 25% in 1950 to about 11% in 2005.

Table 2

Enrollment in California Higher Education, 1948 to 2005

Year	CCC	CSU	UC	Independent*	Total
1948	55,933	22,787	43,469	N/A	N/A
1950	56,624	25,369	39,492	41,036	162,521
1960	97,858	61,330	43,748	47,000	249,936
1970	526,584	186,749	98,508	N/A	N/A
1980	752,278	232,935	122,761	133,313	1,241,287
1990**	818,755	272,637	152,863	145,375	1,389,630
2000	999,652	279,403	165,900	173,341	1,618,296
2005	1,121,681	324,120	201,403	202,035	1,849,239

* "Independent" includes only those institutions that are members of the Association of Independent Colleges and Universities.

** Data for independent institutions are for 1991 rather than 1990.

Note: Enrollment data are for fall full-time-equivalent students.

N/A = Data are not available.

Sources: Data for 1948 and 1950 from California Department of Education, *A Master Plan for Higher Education in California: 1960–1975* (Sacramento: 1960); CCC, CSU and UC data for 1960 from California Higher Education Policy Center, *Financing the California Master Plan: A Data Base of Public Finance for Higher Education in California 1958/59 to 1996/97*, (San Jose, CA: June 1997); data for independent institutions for 1960 from the Association of Independent California Colleges and Universities, *1960 Guidebook*; and data for UC, CSU, and CCC from 1970 to 2005 and for independent institutions for 1980, 1991, 2000, and 2005 from CPEC, *Fiscal Profiles 2006*, Report 06-13 (Sacramento: 2006).

Public and private four-year baccalaureate-granting institutions enrolled two-thirds of California’s college students in 1950 and 39% in 2005. In terms of numbers of students served, the community colleges became the predominant sector of California higher education, enrolling substantially more students than the other sectors combined. This distribution followed from public policy decisions concerning access, institutional mission, capacity, and student eligibility in the 1960 Master Plan.

The framers of the Master Plan encouraged access by prohibiting tuition for California residents at any public campus, but this provision, which eroded as the institutions increasingly levied “fees,” was finally abandoned. Even though tuition remains relatively modest at the community colleges and the State University, college attendance is expensive in California because of the state’s high cost of living.⁹

The initial state scholarship program was created in the mid-1950s primarily to enable academically high-achieving students to attend in-state private colleges and universities. As the public institutions raised tuition and fees, the original program was modified and grew into a constellation of Cal Grant programs. In 2006, these grants were awarded to about 277,000 students at a cost of over one billion dollars (see table 3). In addition, each of the public systems of higher education administers its own financial aid programs. In the University and the State University, set-asides from student fees are the principal source of support for these programs.

Table 3

Cal Grant Awards, 2006

<i>Institution</i>	<i>Total Number of Awards</i>	<i>Total Award Amount (in millions)*</i>
UC	49,655	\$308
CSU	67,952	\$216
CCC	114,163	\$162
Independent	27,239	\$249
Private Career Colleges/Other	17,624	\$166
Total	276,633	\$1,100

* Total award amounts represent total value of awards offered, not reconciled payments. The total does not match sum of column due to rounding.

Source: California Student Aid Commission, *Preliminary Grant Statistics Report 2006*, provided by the commission through email communication.

Increases in college participation in California were made possible by massive increases in capacity as existing campuses were expanded and new campuses were built (see table 4). The number of California Community College campuses, where the largest

growth was concentrated, increased from 43 in 1945, to 64 in 1960, and to 108 in 2005; the State University added 14 campuses from 1945 to 2005, for a total of 23; and the University had ten campuses by 2005. Including all three systems, the number of public college and university campuses totaled 141 in 2005.

Table 4

Number of Campuses by Sector, 1945 to 2005

Year	CCC	CSU	UC	Independent*
1945	43	9	2	69
1950	55	12	2	74
1960	64	16	6	78
1970	92	20	9	100
1980	105	20	9	115
1990	106	21	9	120
2000	107	22	9	126
2005	108	23	10	N/A

* "Independent" includes only those nonpublic colleges and universities accredited by the Western Association of Schools and Colleges (WASC).

N/A = Data are not available.

Sources: California Postsecondary Education Commission, *California Colleges Mailing List*, <http://www.cpec.ca.gov/OnLineData/AddressOptions.asp> (accessed March 10, 2008); and UC History Digital Archives, http://sunsite.berkeley.edu/uchistory/general_history/overview/maintimeline.html (accessed March 11, 2008).

The 15 years from 1945 through 1960 reflect the uncoordinated building of new campuses that led to the enactment of the Master Plan. In the 1960s and 1970s, growth followed the Master Plan's guidelines: New community colleges brought higher education within commuting distance of students; and for the four-year systems, new campuses recommended in the plan were built. As described in the next section, however, institutional and community pressures in the 1990s began to replace planning based on demographics and projected regional needs, as decision-making about the placement of new campuses reverted to the politicized approach that had dominated the decades prior to the Master Plan.

The spectacular growth of California higher education cannot be explained simply by population increases or market forces. Rather, the growth of colleges and universities in the state is directly attributable to public policies and state financial support of those policies over more than half a century. The operating revenues from state and local sources for public higher education from 1960 through 2005 are summarized in table 5.

Table 5

State and Local Operating Support for Public Higher Education, 1960 to 2005 (in millions)

Year	CCC	CSU	UC	Total
1960	\$ 58	\$ 55	\$ 99	\$ 169
1970	\$ 366	\$ 285	\$ 330	\$ 741
1980	\$ 1,276	\$ 814	\$ 902	\$ 2,749
1990	\$ 2,489	\$ 1,632	\$ 2,077	\$ 5,498
2000	\$ 3,986	\$ 2,175	\$ 2,716	\$ 7,293
2005	\$ 4,806	\$ 2,476	\$ 2,699	\$ 8,225

Inflation-Adjusted State and Local Operating Support for Public Higher Education, 1960 to 2005 (in millions)

Year	CCC	CSU	UC	Total
1960	\$ 384	\$ 363	\$ 653	\$ 1,115
1970	\$ 1,843	\$ 1,435	\$ 1,661	\$ 3,730
1980	\$ 3,025	\$ 1,929	\$ 2,138	\$ 6,513
1990	\$ 3,719	\$ 2,439	\$ 3,104	\$ 8,217
2000	\$ 4,520	\$ 2,467	\$ 3,080	\$ 8,271
2005	\$ 4,806	\$ 2,476	\$ 2,699	\$ 8,225

Notes: CCC data are for State General Fund and Local Property Taxes. CSU and UC data are for State General Fund. Inflation adjustments are based on U.S. Bureau of Labor Statistics, and are in 2005 dollars.

Sources: Data for 1960 to 1990 from California Higher Education Policy Center, *Financing the California Master Plan: A Data Base of Public Finance for Higher Education in California 1958/59 to 1996/97* (San Jose, CA: 1997); and data for 2000 and 2005 from California Department of Finance, *Governor's Proposed Budget* (Sacramento: 2002 and 2007 editions).

Altered State Realities: Constrained Public Finance and Political Volatility; Demographic Shifts; and the Public Schools

The Master Plan for Higher Education was developed to meet the challenges that California faced in the second half of the 20th Century. In the 21st Century, California and its colleges and universities must adapt to new economic, political, demographic, and educational changes that have reshaped the state and its public sector. This section identifies and explores these altered state realities.

UNSTABLE, CONSTRAINED PUBLIC FINANCE COMBINED WITH POLITICAL VOLATILITY

The 1960 Master Plan was the product of the optimism of the post-World War II era, an era characterized by massive expansion of public services to meet the needs of a growing population. In addition to its support of higher education, California made and implemented major commitments to public schools, highways, parks, and extensive water and irrigation projects. This expansion took off in the mid-1940s and early 1950s under the gubernatorial administrations of Earl Warren and Goodwin Knight, peaked during the administration of Edmund G. Brown from 1958 to 1966, and was sustained under his successor, Ronald Reagan.

In 1978, however, the California electorate brought an abrupt end to the era of public sector expansiveness by overwhelmingly adopting Proposition 13, an initiative that reduced property taxes by about 60% and severely constrained future tax increases. In addition to inaugurating an era of reduced public spending, Proposition 13 ushered in an era of “government by plebiscite,” in which the initiative, sparsely used prior to 1978, was increasingly commandeered to “legislate” on a broad spectrum of issues. Such issues included but were not limited to: minimum spending on public schools (1988), legislative term limits (1990), mandated prison terms (1994), affirmative action (1996), and Native American casinos (1998). One effect of the extensive use of initiatives has been directly or indirectly to mandate specific expenditures, even as Proposition 13 and other tax-cutting measures constrained revenue growth. The consequence has been a reduction of the discretionary funds available for appropriation—that is, funds that support higher education and other expenditures that are not legal mandates or entitlements.¹⁰

Higher education has not escaped the harsh realities of the diminished public sector in the 30 years since 1978. Another effect of Proposition 13 has been the state's increasing dependence on income, capital gains, and sales taxes—the revenue streams most sensitive to economic conditions. As a result, during periods of recession and state revenue shortfall, higher education has faced harsh fiscal restraints. On the other hand, the economic dynamism of California has also enabled several years of generous state support when the economy has been flourishing. It was fortuitous that Proposition 13 and the reversal of public sector fortunes did not begin until after the Baby Boomer college enrollments had peaked and after most of the new campuses and campus expansions envisioned by the 1960 Master Plan were completed or well underway.

The most significant, and apparently permanent, departure from the Master Plan has been the abrogation of its foundational public policy commitment to college opportunity—that is, its commitment to make higher education available for every Californian who can benefit from college. This historic obligation undergirded the differentiated missions and admissions policies of the three public sectors. There has never been a formal retraction or revision of the commitment, and it continues to enjoy the rhetorical support of most political and higher education leaders. But it is a promise that the state honors only in the best of economic times, and subtly sacrifices in years of budget problems. Between 1960 and 1980, the Master Plan commitment to access was California's most fundamental public policy. But since the 1980s, this commitment has eroded steadily, often without public discussion or deliberation.

Recessions bring state financial stringency and in California they have brought severe restrictions in college access, principally at the broad-access institutions—the community colleges and the State University:

- Community college enrollments were reduced by more than 250,000 students in the recession of the early 1980s.
- In the recession of the early 1990s, enrollments decreased by over 170,000 in the community colleges and 50,000 in the State University.
- The recession early in the current decade brought enrollment reductions of nearly 150,000 in the community colleges.¹¹

What is particularly noteworthy in the context of the Master Plan's commitment to college opportunity is that the broad-access institutions—the State University and the community colleges—have been the locus of enrollment reductions. In each recession, the community colleges have responded to state budget cuts with reductions in faculty, courses, and class sections, and tuition has been increased.

The broad-access institutions of California higher education, particularly the community colleges, enroll most of the low-income, first-generation, and Latino college students. Many of these students work and support families, attend part-time, and depend on evening and weekend classes. Scheduling changes and the elimination or reduction of part-time faculty, courses, and class sections reduce capacity, and this reduced capacity, along with tuition increases, results in lower enrollments. This subtle form of rationing of higher education opportunity has occurred without formal changes in policy or state priorities. Despite the Master Plan's commitment to access, the suppression of enrollments at the broad-access institutions for over three decades is *de facto* state policy in difficult budgetary times.

An analysis of the impact of the 2004–2005 community college budget reductions and enrollment losses by the Institute for Higher Education Leadership and Policy observed that:

The greatest impact has been felt by the less well-prepared students who are not as savvy to deadlines, fees, financial aid, and ways to navigate the system. . . . Many of the colleges we studied primarily serve first-generation students who have limited understanding of the educational system. Students who are somewhat uncertain about attending in the first place or about their ability to succeed are those most likely to be discouraged by the reduced access to classes and services, according to campus officials. Some respondents were very concerned that this will shut down the pipeline to the diverse clientele that the community colleges aim to serve.¹²

After enrollments in broad-access institutions are reduced, the enrollments do not recover immediately when economic conditions and state appropriations improve, instructional capacity is restored, or even when tuition is frozen and financial aid is increased. These experiences from the 1990s are illustrative:

- The State University experienced budget cuts and raised tuition substantially in 1991, 1992, and 1993. Student fees increased by 103% during this period. Enrollments decreased each year from 1992 and 1995 and did not recover to the 1990 level until 2001, even though state funding was fully restored (and more) by 1997 and a multi-year tuition freeze was instituted.
- At the community colleges, state and local funding was cut in 1993 and 1994 and was restored to its pre-recession level in 1996. But enrollments were depressed for the remainder of the decade; they reached and surpassed the 1991 level in 2000.¹³

It is reasonable to conclude that the college aspirations of students or potential students may have been dampened when they were confronted with precipitous fee increases or

denied access to college courses or services such as counseling and child care.

The state's failure to plan for predictable enrollment growth has been at least as problematic as its response to financial downturns. By the early 1990s, it was widely expected that the numbers of high school graduates in California would increase substantially during the first decade of the 21st Century. Projections in 1995, based on the continuation of established trends, set the impact on college enrollments at an additional 450,000 students by 2005.¹⁴ In the late 1950s, it had been these types of projections that had evoked the planning and policy response embodied in the Master Plan. In contrast to the foresight of that era's leaders, however, California did not develop a state plan to accommodate its growing numbers of high school graduates. Political pressure for such a plan was lacking, the influential Legislative Analyst's Office argued for an incremental rather than a comprehensive approach, and no higher education leader stepped forward to press the case for planning, as Clark Kerr had done in 1959. In 1994, Kerr, by then in his eighties, urged that the state adopt a comprehensive approach, arguing that "the course of facing-the-future-all-at-once" in 1960 had helped California create the best system of higher education in the nation in terms of both access and quality.¹⁵

Compounding the failure to plan, state and higher education leaders regressed, in effect, to the practices of the 1950s that the Master Plan was designed to remedy. In the 1990s, each sector, with the support of communities, local boosters, and their legislators, put forward its own aspirations for new campuses. Policy leaders gave in to local and regional political pressures and ignored demographics in the placement of new institutions. New campuses were established by the University at Merced and by the State University at Monterey, both in sparsely populated locations and far from the areas where projected growth of high school graduates was concentrated. For the first time since the enactment of the Master Plan, pork-barrel politics dominated decision-making processes for campus placement. California's capacity for comprehensive higher education planning was nonexistent and the vacuum created by the absence of a statewide plan helped open the door for the politicized approach to increasing higher education capacity.

It is impossible to ascertain precisely the importance of the Master Plan in the successful expansion of California higher education in the 1960s and 1970s. Assuredly, a robust economy, along with dedicated state and higher education leaders, contributed to the success. By the same token, it is impossible to pinpoint the effect of the lack of statewide planning on recent history. However, by 2006 the community colleges—the point of college access for most Californians—enrolled 120,000 fewer students than had been projected in the mid-1990s.¹⁶ In addition, smaller proportions of high school graduates were enrolling in college, and the likelihood that a California high school student would enroll in college by age 19 was 35%, compared to 53% in the leading states on this measure.¹⁷

DEMOGRAPHIC SHIFTS

The rate of growth and the sheer size of California’s population is only half of the demographic story. The other half is the transformation of an overwhelmingly white populace—over 90% at the time of the Master Plan’s adoption—to a “majority minority” state in which no population group constitutes a majority (see table 6). By 2000, about 47% of Californians were white; 33% were Hispanic; 11% were Asian/Pacific Islander; and 7% were black. In contrast to the first 25 years after World War II when the state’s growth was fueled primarily by westward in-migration of Americans from other states, the immigrants of the past four decades have been overwhelmingly Asian/Pacific Islander and Hispanic. More than one in four of the 34 million Californians in 2000 were foreign born.

Table 6

California Population by Ethnic Group, 1960 to 2004

<i>Year</i>	<i>White</i>	<i>Hispanic</i>	<i>Asian/Pacific Islander</i>	<i>Black</i>	<i>American Indian</i>	<i>Total Population</i>
1960	14,465,000	N/A	N/A	884,000	N/A	15,727,000
1970	15,480,723	2,423,085	671,077	1,379,563	83,838	20,038,286
1980	15,949,865	4,615,231	1,257,019	1,793,663	164,290	23,780,068
1990	17,023,502	7,760,598	2,748,810	2,106,060	189,503	29,828,473
2000	16,098,880	11,085,437	3,872,800	2,220,712	184,754	34,098,744
2004	16,287,111	12,707,737	4,374,758	2,193,043	213,316	36,505,743

Percent of Total Population, 1960 to 2004

<i>Year</i>	<i>White</i>	<i>Hispanic</i>	<i>Asian/Pacific Islander</i>	<i>Black</i>	<i>American Indian</i>	<i>Total Population</i>
1960	92%	N/A	N/A	6%	N/A	100%
1970	77%	12%	3%	7%	0.4%	100%
1980	67%	19%	5%	8%	0.7%	100%
1990	57%	26%	9%	7%	0.6%	100%
2000	47%	33%	11%	7%	0.5%	100%
2004	45%	35%	12%	6%	0.6%	100%

N/A = Data are not available.

Notes: The total for 1960 includes those who selected “other” and totals for 2000 and 2004 include individuals who selected multiple races. The Hispanic category for 1970 to 1990 equals a sum of Hispanic white, Hispanic Asian/Pacific Islander, Hispanic black, and Hispanic American Indian. Ethnic categories are identified as per source materials.

Sources: Data for 1960 from U.S. Bureau of the Census, *Statistical Abstract*, “Bicentennial Edition: Historical Statistics of the United States, Colonial Times to 1970,”

http://www.census.gov/compendia/statab/past_years.html (accessed April 10, 2008); and data for 1970 to 2004 from California Department of Finance, Demographic Research Unit, *Race/Ethnic Population with Age and Sex Detail* (1970–1989, 1980–1999, and 2000–2004 editions),

<http://www.dof.ca.gov/html/demograp/Data/DRUdatafiles.php> (accessed March 28, 2008).

Not surprisingly, these demographic shifts are more pronounced in the state’s young population (see table 7). Whites accounted for 40% of California’s high school graduating class of 2005, followed closely by Hispanics/Latinos at 37%, with Asians, Filipinos, and Pacific Islanders at 14%, and African Americans accounting for 8%. Public school enrollment reflects the depth and permanence of this profound transformation.

Table 7

Distribution of California Public School Enrollment and Graduates by Ethnicity, 2005

Year	White (not Hispanic)	Hispanic or Latino	Asian/Filipino/ Pacific Islander	African American	American Indian/ Alaska Native
Kindergarten	28%	51%	10%	7%	0.7%
Grade 1	28%	51%	10%	7%	0.8%
Grade 2	28%	51%	11%	7%	0.8%
Grade 3	29%	50%	11%	8%	0.8%
Grade 4	30%	49%	11%	8%	0.8%
Grade 5	30%	49%	11%	8%	0.8%
Grade 6	31%	48%	11%	8%	0.8%
Grade 7	32%	46%	11%	8%	0.8%
Grade 8	33%	45%	11%	8%	0.8%
Grade 9	33%	45%	11%	9%	0.9%
Grade 10	35%	42%	12%	9%	0.9%
Grade 11	36%	40%	13%	8%	0.9%
Grade 12	38%	38%	13%	8%	0.9%
TOTAL	31%	47%	11%	8%	0.8%
High School Graduates	40%	37%	14%	8%	0.8%

Notes: The rows of percentages do not add to 100 because individuals who selected multiple ethnic groups or none at all are not reflected. Students who are not associated with a specific grade are also not included. Ethnic categories are identified as per source materials.

Sources: K–12 data from California Department of Education, DataQuest, *Enrollment by Gender, Grade and Ethnic Designation*, <http://dq.cde.ca.gov/dataquest/> (accessed March 24, 2008) and fax communication from the California Department of Education on March 25, 2008. Data for graduates from California Department of Education, *Ed-Data, Accountability (API, AYP/High Schools), 2004–05*, www.ed-data.k12.ca.us (accessed March 25, 2008).

In short, California’s higher education pipeline in the early 21st Century bears little resemblance to the homogeneous, preponderantly white Baby Boomer generation of the 1960s and 1970s. Many of the “new Californians”—Chinese and Japanese Americans in particular—enroll in California’s most selective colleges and universities (see table 8). Many others, however, are hampered by barriers of poverty, language, weak public schools, and poor high school completion rates, and the adverse impacts of these barriers

are reflected in tables 7 and 8. The low high school graduation rates and college enrollment rates of Latinos, even as they approach majority status in the public schools, illustrate that impact.

Table 8

Distribution of Higher Education Enrollment by Ethnicity, 2005

	<i>White</i>	<i>Latino</i>	<i>Asian/ Pacific Islander</i>	<i>Filipino</i>	<i>Black</i>	<i>Native American</i>	<i>Other</i>	<i>NonRes Alien</i>	<i>No Response</i>
UC	37%	12%	29%	4%	3%	0.6%	2%	5%	7%
CSU	37%	22%	13%	4%	6%	0.7%	3%	4%	10%
CCC	37%	28%	12%	4%	8%	0.9%	2%	1%	8%
Independent	49%	13%	13%	0%	6%	0.7%	0%	7%	11%

Notes: "Independent" includes only those nonpublic colleges and universities accredited by WASC. "NonRes Alien" stands for nonresident aliens. Ethnic categories are identified as per source materials.

Source: CPEC, *Quick Data, Data by Ethnicity*, <http://www.cpec.ca.gov/OnLineData/Characteristics.asp> (accessed April 2, 2008).

PUBLIC SCHOOLS

The effectiveness of California’s public schools was not an issue for the framers of the Master Plan. The limited indicators available in 1960 offered no reason for fundamental concerns about the health of public education. For example, the state’s public schools, though not without their critics, consistently ranked high among the leading ten states and above the national average in expenditures per pupil; and its school teachers ranked among the best educated in the nation. At the time, it was reasonable to assume that graduates of California high schools would be able to benefit from the college opportunities that implementation of the Master Plan would create, and its architects made that assumption.

In 1978, the burden of Proposition 13 fell particularly heavily on public schools. Combined with legislative implementation of a court-mandated equalization of district funding, the passage of Proposition 13 set school finance into a downward spiral, one that was marked with only brief spurts of recovery in peak state revenue years. In 2006, California’s spending per pupil was \$167 below the national average and well below that of major industrial states (\$4,478 below New York, \$4,067 below Massachusetts, \$2,181 below Pennsylvania, and \$842 below Michigan). California ranked next to last among states in class size, and 50th in the ratio of guidance counselors and librarians to students. These declines occurred at the same time that the schools needed more resources to

address increasing ethnic and language diversity and the poverty that afflicted almost one in five of California's children.¹⁸

Beginning in the 1990s, the National Assessment of Educational Progress has assessed the performance of fourth and eighth grade students in math, reading, and science by state. In 2005, 22% of California's eighth graders scored at levels of proficient or above in math, compared with 38% in the best-performing states; low-income California eighth graders scored very poorly in reading (21% were proficient compared to 38% in leading states); and in science, 18% were proficient compared with 41% in leading states. In science, the percentage of eighth graders scoring at or above the proficient level had decreased over the previous nine years, at one of the steepest rates in the nation. The poor performance of eighth graders suggests that they are not well prepared for challenging high school coursework in these basic disciplines. One consequence for higher education is that only 25% of high school graduates are academically prepared for college-level work.¹⁹ In 2007, the University reported that more than 28% of its entering freshman, drawn from California's highest-achieving high school graduates, did not perform at the required level as measured by its analytic writing placement exam. Fifty-six percent of regularly admitted freshmen in the State University needed remediation in either English or mathematics, and 27% required remediation in both reading and math. Although statewide standards for college readiness or placement examinations are lacking, a survey by the community colleges indicates that approximately half of community college students require basic skills instruction.²⁰

Conclusion

The 1960 Master Plan and the expansion of California higher education were not without flaws or critics. By real-world standards, however, they served Californians well in an era of rapid population growth.

First, the Master Plan was cost-effective in managing growth—including a 300% enrollment increase in the first decade after its passage. The Master Plan enabled the state to meet its commitments to college opportunity by efficient distribution of campuses and programs. Campuses were situated in population centers, and decisions as to where to locate new campuses were removed from the pork-barrel politics of earlier eras.

By resolving the issues of institutional mission and program allocation and by encouraging each sector, as the Master Plan legislation articulated, “to strive for excellence in its sphere,” California developed a diverse array of colleges and universities to meet the needs of a growing population that had a broad range of abilities, motivations, and educational aspirations. By sparing the Legislature and public the battles over turf that dominated the higher education landscape in other states, the Master Plan contributed to public confidence, which in turn brought state financial support to higher education. The affirmation of the University of California’s franchise in doctoral education and state-supported research positioned the University to maintain and enhance its standing among leading research universities.

The Master Plan and California’s higher education system quickly achieved almost iconic status in California, but California now faces a very different set of challenges than in 1960. The performance of California education has declined substantially, and core provisions of the Master Plan have succumbed to political and budgetary pressures. Although citizens’ commissions and special legislative committees in every decade since the 1960s have consistently reaffirmed the core provisions of the Master Plan, the letter and spirit of these provisions have been set aside when expedient. Reducing opportunity at the community colleges, and, at times, at the State University, has become a standard state response to financial difficulty. In contrast to the first decade of the Master Plan when enrollments exceeded expectations, the community colleges now enroll considerably fewer students than were projected by conservative forecasts less than a decade ago.

Despite these enrollment shortfalls, the community colleges have grown exponentially as their roles in serving local labor markets—and most Californians who aspire to a baccalaureate degree—have solidified. The community colleges enroll the overwhelming majority of college students in California. Relatively few students, however, actually benefit from the transfer opportunities within public higher education that were central to the Master Plan—less than 70,000 transferred in 2007 (13,923 to the University and 54,379 to the State University).²¹ One consequence is that California consistently ranks in the bottom third among states in baccalaureate degree production.²² In short, the egalitarian provisions of the Master Plan commitment—access and transfer—are in serious disrepair.

The diminished college opportunity that exists today in California casts a shadow on the state's economic future. A 2007 report from the Public Policy Institute of California warned that the state's workforce would likely fall far short of the level of education and skills needed in the future. The report's authors estimated that 39% of the jobs in the state's increasingly knowledge-based economy would require college degrees by 2020, but only 33% of working-age adults were projected to have acquired them by that time. The report warned that it is unlikely that the gap would be filled by immigration of college-educated and trained workers because of California's high costs of living, particularly housing. The authors recommended higher rates of college participation and graduation among Californians.²³ A separate analysis projected a decline in the educational attainment of California's adult population and in personal income by 2020, "unless the state can increase the number of Hispanics/Latinos going to college and getting degrees."²⁴

As the indicators of a growing educational deficit accumulate, the state's financial condition offers little prospect of sustained infusions of new public dollars. Sporadic increases in state appropriations when the economy is growing rapidly can be generous, as in the "dot com" boom of the late 1990s and again as the state economy recovered from the recession of the early 2000s. However, the state budget faces a chronic structural deficit and, in years of weak state budgets, cuts to higher education are likely to continue to be severe.²⁵

The adaptability of California higher education and the Master Plan to a radically transformed demographic, fiscal, and educational environment is limited. California has little capacity to set and adjust priorities *across* its higher education systems and programs in response to changing circumstances, particularly at a time when the state has reneged on its basic commitments to college opportunity. Evidence can be found in the continued and costly expansion of the University of California, particularly the new and poorly justified research university at Merced and the plans for new medical and law schools.

A great strength of the Master Plan was its delineation of distinctive missions and governance of each sector, which proved to be effective in meeting the challenges of the 1960s and 1970s. As the systems grew and matured, however, the organizing principle has come to look more like “each train on its own track” or each higher education sector in its own “silo.” The same structure that has reinforced differentiated missions may also impede needed collaboration and effective distribution of resources across the higher education systems—for example, the need to work collaboratively with public schools to strengthen college preparation; the need to assure adequate funding for the community colleges, which are the first-line responders in adjusting to changing demographics, population growth, and the weakness of public schools; the need to improve transfer and graduation rates; and the need to expand access and capacity collaboratively through electronic technology.²⁶

After the Master Plan resolved the urgent planning issues of the early 1960s, additional measures for assuring statewide planning and coordination were perceived as unnecessary and the mechanisms for these functions have always been weak. The ensuing vacuum in effective statewide policy and planning has contributed to the failure to set statewide priorities. There is a major gulf between the most urgent educational needs of California and the operating and capital priorities of educational and political leaders. This vacuum is partially responsible for the politicization of new campus locations and program allocations. In contrast to the expansion of the 1960s and 1970s, these decisions are not aligned with the educational needs of the state.

When initiatives are launched to address statewide educational needs, they are almost invariably confined to a single sector, which limits their impact even when they are effective. This has been the case with the impressive series of educational improvements initiated over the last decade by the State University under the leadership of Chancellor Charles Reed. These initiatives have included outreach to public schools to raise college aspirations, improve college readiness, and strengthen California’s K–12 teaching force.²⁷

For at least the past three decades, California’s governors and legislators have been reluctant to assert statewide priorities, particularly when confronted with fiscal problems. This deference of state leaders to each of the higher education systems has meant that overall public priorities, such as access, affordability, and the transfer function, have often been inadequately protected in hard economic times and overlooked in good ones.

Unless the erosion of the egalitarian provisions of the Master Plan are reversed, pressures on the organizational arrangements designed in 1960 are likely to mount. Californians may eventually be confronted with issues that have been “off the table” for

the last half-century. If California's colleges and universities as configured by the Master Plan fail to deliver to the current and coming generations opportunities that are comparable to those provided for past generations, public pressure could demand fundamental changes in the structure and governance of higher education, which, after all, are *means* and not *ends*. Options that state and educational leaders have been reluctant to consider in the past may be revisited—for example, regional governance of higher education—in order to find better ways to use scarce state dollars to address California's most pressing challenges.

The consequences of the reduction of college opportunity are manifested in the declining educational attainment of the young adult population. California's older population (ages 65 years and above) ranks eighth in the nation in the percentage that has attended some college or obtained an associate degree, and fifth in the percentage with a baccalaureate degree. In contrast, younger Californians (ages 25 to 35 years) are 41st in the proportion with some college or an associate degree, and 22nd in the percentage with a bachelor's degree.²⁸ There is also evidence of a growing public awareness of the erosion of college access and its consequences. In 2007, the Public Policy Institute of California found that: almost two-thirds of Californians believe that college is necessary for success in the workplace; large majorities believe that getting a college education has become more difficult and is out of reach for many who are motivated and qualified; and 68% believe the state will need more college-educated workers in the future.²⁹

The bold policy blueprint developed for California in the mid-20th Century has become increasingly out of alignment with the state's educational, economic, and demographic realities of this century. Despite rising public concern, governmental and higher education leaders have shown little motivation or capacity to develop a new framework or master plan better suited to the state's current needs and aspirations. It is ironic that the state that first put forth the principle of universal college access has reneged on that principle at a time of major demographic and economic transitions. For the foreseeable future, some California colleges and universities will continue to rank highly in national research ratings and other measures of reputational quality and prestige. However, these accomplishment will be small consolation if they exist as islands in a state otherwise characterized by diminishing educational opportunity, declining levels of educational attainment, and reduced standards of living.

Endnotes

- ¹ California State Department of Education, *A Master Plan for Higher Education in California, 1960–1975* (Sacramento: 1960).
- ² Officially titled the Servicemen’s Readjustment Act of 1944, the G.I. Bill offered college or vocational education for returning World War II veterans.
- ³ Carnegie Foundation for the Advancement of Teaching, *State Higher Education in California* (Sacramento: California State Printing Office, June 24, 1932).
- ⁴ John Aubrey Douglas, *The California Idea and American Higher Education* (Palo Alto: Stanford University Press, 2000), pp. 170–197.
- ⁵ Clark Kerr, *The Gold and the Blue, Volume 1, Academic Triumphs: A Personal Memoir of the University of California, 1949–1967* (Berkeley: UC Press, 2001).
- ⁶ Clive Condren, *Preparing for the Twenty-First Century, A Report on Higher Education in California Requested by the Organisation for Economic Cooperation and Development, Report 88-1* (Sacramento: California Postsecondary Education Commission, 1988); and Sheldon Rothblatt, *Education’s Abiding Moral Dilemma* (Symposium Books: 2007), p. 261.
- ⁷ Clark Kerr, “The California Master Plan of 1960 for Higher Education: An *Ex Ante* View,” in *The OECD, the Master Plan and the California Dream, A Berkeley Conversation*, ed. Sheldon Rothblatt (Berkeley: Center for Studies in Higher Education, UC Berkeley: 1992), pp. 55–57.
- ⁸ The paucity of historical data precluded the inclusion of the private for-profit sector, which plays an increasingly important role in California and elsewhere.
- ⁹ William Zumetta and Deborah Frankle, *California Community Colleges: Making Them Stronger and More Affordable* (San Jose, CA: National Center for Public Policy and Higher Education, 2007).
- ¹⁰ Peter Schrag, *Paradise Lost, California’s Experience, America’s Future* (Berkeley: UC Press: 1999); and Peter Schrag, *California, America’s High Stakes Experiment* (Berkeley: UC Press: 2006).
- ¹¹ California Higher Education Policy Center, *Financing the California Master Plan: A Data Base of Public Finance for Higher Education in California 1958/59 to 1996/97* (San Jose, CA: 1997); California Department of Finance, *Governor’s Proposed Budget* (Sacramento: 1999 through 2007 editions); and California Postsecondary Education Commission, *Fiscal Profiles, 2006*, Commission Report 06-13 (Sacramento: 2006).

¹² Nancy Shulock, “The Impact of Recent Budget Reductions and Enrollment Pressures on Access and Quality,” in *Ensuring Access with Quality to California’s Community Colleges*, eds. Gerald C. Hayward, Dennis P. Jones, Aims C. McGuinness, Jr., and Arlene Timar (San Jose, CA: National Center for Public Policy and Higher Education, 2004).

¹³ California Higher Education Policy Center, *Financing the California Master Plan: A Data Base of Public Finance for Higher Education in California 1958/59 to 1996/97* (San Jose, CA: 1997); California Department of Finance, *Governor’s Proposed Budget* (Sacramento: 1999 through 2007 editions); and California Postsecondary Education Commission, *Fiscal Profiles, 2006*, Commission Report 06-13 (Sacramento: 2006).

¹⁴ David W. Breneman, Leobardo F. Estrada, and Gerald C. Hayward, *Tidal Wave II, An Evaluation of Enrollment Projections for California Higher Education* (San Jose, CA: California Higher Education Policy Center, 1995).

¹⁵ Clark Kerr, *Preserving the Master Plan* (San Jose, CA: California Higher Education Policy Center, 1994).

¹⁶ See David W. Breneman, Leobardo F. Estrada, and Gerald C. Hayward, *Title Wave II: An Evaluation of Enrollment Projections for California Higher Education* (San Jose, CA: California Higher Education Policy Center, 1995) for the mid-1990s projections, which were conservative. Community college enrollment for 2006 was more than 206,000 below projections of a 2000 study by the California Postsecondary Education Commission.

¹⁷ National Center for Public Policy and Higher Education, *Measuring Up 2006: The State and National Report Card on Higher Education, California* (San Jose, CA: 2006), pp. 3–6.

¹⁸ National Education Association, “Rankings & Estimates, Rankings of the States 2006 and Estimates of School Statistics 2007,” NEA Research, December 2007, <http://www.nea.org/edstats/images/07rankings.pdf> (accessed May 2, 2008); EdSource, *Staff-Per-Pupil Ratios in California 2005-06*, http://www.edsource.org/sch_schman_ratio2005-06.cfm (accessed May 21, 2008).

¹⁹ Department of Education, California NAEP results, <http://www.cde.ca.gov/ta/tg/nr/caresults.asp> (accessed March 20, 2008); National Center for Public Policy and Higher Education, *Measuring Up 2006: The State and National Report Card on Higher Education, California* (San Jose, CA: 2006); and Governor’s Committee on Educational Excellence, *Students First, Renewing Hope for California’s Future* (Sacramento: 2007).

²⁰ Basic Skills Committee, Academic Senate for California Community Colleges, *Issues in Basic Skills Assessment and Placement in the California Community Colleges, 2003–2004* (adopted fall 2004), p. 9, <http://www.asccc.org/Publications/Papers/Downloads/PDFs/BasicSkillsIssuesAssessment.pdf> (accessed April 30, 2008); California State University Analytic Studies, *Proficiency Reports of Students Entering the CSU System*, http://www.asd.calstate.edu/performance/combo/2007/Combo_Prof_Sys_fall2007.htm (accessed April 30, 2008); Office of the President, University of California, *Analytical Writing Placement*

Exam Data, https://uasother.ucop.edu/cgi-bin/awpe/county_detail.pl?countyid=001&year=2007&sort=sch (accessed April 28, 2008); and Richard S. Brown and David N. Neimi, *Investigating the Alignment of High School and Community College Tests in California* (San Jose, CA: National Center for Public Policy and Higher Education, 2007).

²¹ California Postsecondary Education Commission, “Custom Data Reports,” <http://www.cpec.ca.gov/OnLineData/SelectFinalOptions.asp> (accessed May 5, 2008).

²² National Center for Higher Education Management Systems, Information Center, <http://www.higheredinfo.org/dbrowser/index.php?submeasure=85&year=2005&level=nation&mcode=data&state=0> (accessed May 5, 2008).

²³ Hans P. Johnson and Deborah Reed, “Can California Import Enough College Graduates to Meet Workforce Needs?” in *California Counts* 8, no. 4 (San Francisco: Public Policy Institute of California, May 2007).

²⁴ “Projected Drop in Income for California Most Severe in U.S.,” *Policy Alert Supplement* (San Jose, CA: National Center for Public Policy and Higher Education, 2006).

²⁵ Dennis Jones, “State Shortfalls Projected to Continue Despite Economic Gains,” *Policy Alert* (San Jose, CA: National Center for Public Policy and Higher Education, 2006). Mario Martinez and Thad Nodine, “California: Financing Higher Education Amid Policy Drift,” in Patrick M. Callan and Joni E. Finney, *Public and Private Financing of Higher Education* (American Council on Education/Oryx Press, 1997).

²⁶ Issues and problems of collaboration are described in National Center for Public Policy and Higher Education, *A Promise Worth Keeping, A Special Roundtable Examines the Challenge of Renewing California’s Historic Commitment to Access and Quality* (San Jose, CA: 1997); Kathy Reeves Bracco and Patrick M. Callan, *Competition and Collaboration in California Higher Education* (San Jose, CA: National Center for Public Policy and Higher Education, 2002); William H. Pickens, “The California Experience: The Segmented Approach,” in *The Multicampus System, Perspectives on Practice and Prospects*, ed. Gerald Gaither (Stylus: 1999); and Richard C. Richardson, Jr., Kathy Reeves Bracco, Patrick M. Callan, and Joni E. Finney, *Designing State Higher Education Systems for a New Century* (American Council on Education/Oryx Press, 1999).

²⁷ Charles B. Reed, “The Future Cannot Wait,” *Change* 39 (November/December 2006), pp. 28–34.

²⁸ U.S. Census Bureau, *2007 American Community Survey*, Table C15001: Sex by age by educational attainment for the population 18 years and over, American FactFinder Downloadable Tables, www.factfinder.census.gov (accessed December 17, 2008).

²⁹ Public Policy Institute of California, *Californians and Higher Education* (San Francisco: 2007).

THE NATIONAL CENTER FOR PUBLIC POLICY AND HIGHER EDUCATION

The National Center for Public Policy and Higher Education promotes public policies that enhance Americans' opportunities to pursue and achieve high-quality education and training beyond high school. As an independent, nonprofit, nonpartisan organization, the National Center prepares action-oriented analyses of pressing policy issues facing the states and the nation regarding opportunity and achievement in higher education—including two- and four-year, public and private, for-profit and nonprofit institutions. The National Center communicates performance results and key findings to the public, to civic, business, and higher education leaders, and to state and federal leaders who are in positions to improve higher education policy.

Established in 1998, the National Center is not affiliated with any institution of higher education, with any political party, or with any government agency.

152 North Third Street, Suite 705, San Jose, California 95112

Telephone: 408-271-2699 • FAX: 408-271-2697

www.highereducation.org

NATIONAL CENTER PUBLICATIONS

The National Center publishes:

- Reports and analyses commissioned by the National Center,
- Reports and analyses written by National Center staff,
- National Center Policy Reports that are approved by the National Center's Board of Directors, and
- *National CrossTalk*, a quarterly publication.

The following National Center publications—as well as a host of other information and links—are available at www.highereducation.org. Single copies of most of these reports are also available from the National Center. Please FAX requests to 408-271-2697 and ask for the report by publication number.

California Higher Education, the Master Plan, and the Erosion of College Opportunity (February 2009, #09-1). This occasional paper describes the development of the 1960 Master Plan for Higher Education and the current statewide challenges that make the plan ineffective today in preventing the erosion of college opportunity.

Measuring Up 2008: The National Report Card on Higher Education. *Measuring Up 2008* consists of a national report card for higher education (November 2008, #08-4) and 50 state report

cards (#08-3). The purpose of *Measuring Up* is to provide the public and policymakers with information to assess and improve postsecondary education in each state. *Measuring Up 2008* finds that despite modest improvements nationally, large disparities in higher education performance persist, and the nation's global competitiveness is eroding. Visit www.highereducation.org to download *Measuring Up 2008* or to make your own comparisons of state performance in higher education.

Technical Guide for Measuring Up 2008: Documenting Methodology, Indicators, and Data Sources (November 2008, #08-5).

The Iron Triangle: College Presidents Talk About Costs, Access, and Quality (October 2008, #08-2). This report by Public Agenda explores how college and university presidents view higher education today. Researchers surveyed the presidents on topics including cost, access, and quality, and found a disconnect between the presidents' perspectives on higher education and that of the general public.

Partnerships for Public Purposes: Engaging Higher Education in Societal Challenges of the 21st Century (April 2008, #08-1). This report summarizes the discussion from an invitational roundtable that engaged 15 leaders in higher education. The essay finds that colleges and universities have become preoccupied with advancing their prestige instead of achieving publicly defined purposes, and calls for the restoration of a greater sense of public purpose to learning in ways that directly meet the country's educational needs for the 21st Century.

Good Policy, Good Practice: Improving Outcomes and Productivity in Higher Education: A Guide for Policymakers, by Patrick M. Callan, Peter T. Ewell, Joni E. Finney, and Dennis P. Jones (November 2007, #07-4). This report describes a wide range of successful strategies that states can draw from to increase the educational attainment of their residents while holding down higher education costs. The report also identifies five policy levers that state leaders can use to achieve their overall goals for higher education and, more specifically, to implement the strategies for increasing educational attainment levels.

Investigating the Alignment of High School and Community College Assessments in California, by Richard S. Brown and David N. Niemi (May 2007, #07-3). This study, in examining the math and English expectations for high school students entering California's community colleges, reveals the degree of alignment between what students master in high school versus what is expected for college-level work.

Squeeze Play: How Parents and the Public Look at Higher Education Today, by John Immerwahr and Jean Johnson (May 2007, #07-4). This report by Public Agenda explores how the American public views higher education. Funding for the research was provided by Lumina Foundation for Education as part of its Making Opportunity Affordable initiative.

"Informed Self-Placement" at American River College: A Case Study, by Jonathan E. Felder, Joni E. Finney, and Michael W. Kirst (May 2007, #07-2). This case study of American River College in Sacramento, California, examines replacing the traditional mathematics class placement test with "informed self-placement."

California Community Colleges: Making Them Stronger and More Affordable, by William Zumeta and Deborah Frankle (March 2007, #07-1). This report examines the effectiveness of

statewide policies in assisting the California Community Colleges in meeting their mandate for affordability, and makes recommendations in light of today's public needs.

Measuring Up Internationally: Developing Skills and Knowledge for the Global Knowledge Economy, by Alan Wagner (September 2006, #06-7). In comparing the performance of the United States in higher education with that of advanced, market-economy countries across the globe, this report finds that the United States' leadership position has eroded.

Measuring Up 2006: The National Report Card on Higher Education (September 2006). *Measuring Up 2006* consists of a national report card for higher education (report #06-5) and 50 state report cards (#06-4). The purpose of *Measuring Up 2006* is to provide the public and policymakers with information to assess and improve postsecondary education in each state. For the first time, this edition offers international comparisons with states and the nation as a whole. Visit www.highereducation.org to download *Measuring Up 2006* or to make your own comparisons of state performance in higher education.

Technical Guide for Measuring Up 2006: Documenting Methodology, Indicators, and Data Sources (2006, #06-6).

Checks and Balances at Work: The Restructuring of Virginia's Public Higher Education System, by Lara K. Couturier (June 2006, #06-3). This case study of Virginia's 2005 Restructured Higher Education Financial and Administrative Operations Act examines the restructured relationship between the commonwealth and its public colleges and universities. The act gives more autonomy to the public colleges but checks it with new accountability targeted directly to the needs of the state.

American Higher Education: How Does It Measure Up for the 21st Century? by James B. Hunt Jr. and Thomas J. Tierney with a foreword by Garrey Carruthers (May 2006, #06-2). These essays by former Governor James B. Hunt Jr. and business leader Thomas J. Tierney lay out in succinct fashion the requirements of both our nation and our states for new and higher levels of performance from America's colleges and universities.

Claiming Common Ground: State Policymaking for Improving College Readiness and Success, by Patrick M. Callan, Joni E. Finney, Michael W. Kirst, Michael D. Usdan, and Andrea Venezia (March 2006, #06-1). To improve college readiness and success, states can develop policies that better connect their K-12 and postsecondary education systems. However, state action in each of the following policy areas is needed to create college-readiness reform: alignment of coursework and assessments; state finance; statewide data systems; and accountability.

Measuring Up on College-Level Learning, by Margaret A. Miller and Peter T. Ewell (October 2005, #05-8). In this report, the National Forum on College-Level Learning proposes a model for evaluating and comparing college-level learning on a state-by-state basis, including assessing educational capital. As well as releasing the results for five participating states, the authors also explore the implications of their findings in terms of performance gaps by race/ethnicity and educating future teachers.

The Governance Divide: A Report on a Four-State Study on Improving College Readiness and Success, by Andrea Venezia, Patrick M. Callan, Joni E. Finney, Michael W. Kirst, and Michael D. Usdan (September 2005, #05-3). This report, supported by case studies in Florida, Georgia,

New York, and Oregon, identifies and examines policy options available to states that are interested in creating sustained K–16 reform.

The Governance Divide: The Case Study for Florida, by Andrea Venezia and Joni E. Finney (2006, #05-4).

The Governance Divide: The Case Study for Georgia, by Andrea Venezia, Patrick M. Callan, Michael W. Kirst, and Michael D. Usdan (2006, #05-5).

The Governance Divide: The Case Study for New York, by Andrea Venezia, Michael W. Kirst, and Michael D. Usdan (2006, #05-6).

The Governance Divide: The Case Study for Oregon, by Andrea Venezia and Michael W. Kirst (2006, #05-7).

Borrowers Who Drop Out: A Neglected Aspect of the College Student Loan Trend, by Lawrence Gladieux and Laura Perna (May 2005, #05-2). This report examines the experiences of students who borrow to finance their educations, but do not complete their postsecondary programs. Using the latest comprehensive data, this report compares borrowers who drop out with other groups of students, and provides recommendations on policies and programs that would better prepare, support, and guide students—especially low-income students—in completing their degrees.

Case Study of Utah Higher Education, by Kathy Reeves Bracco and Mario Martinez (April 2005, #05-1). This report examines state policies and performance in the areas of enrollment and affordability. Compared with other states, Utah has been able to maintain a system of higher education that is more affordable for students, while enrollments have almost doubled over the past 20 years.

Measuring Up 2004: The National Report Card on Higher Education (September 2004). *Measuring Up 2004* consists of a national report card for higher education (report #04-5) and 50 state report cards (#04-4). The purpose of *Measuring Up 2004* is to provide the public and policymakers with information to assess and improve postsecondary education in each state. For the first time, this edition provides information about each state's improvement over the past decade. Visit www.highereducation.org to download *Measuring Up 2004* or to make your own comparisons of state performance in higher education.

Technical Guide Documenting Methodology, Indicators, and Data Sources for Measuring Up 2004 (November 2004, #04-6).

Ensuring Access with Quality to California's Community Colleges, by Gerald C. Hayward, Dennis P. Jones, Aims C. McGuinness, Jr., and Allene Timar, with a postscript by Nancy Shulock (May 2004, #04-3). This report finds that enrollment growth pressures, fee increases, and recent budget cuts in the California Community Colleges are having significant detrimental effects on student access and program quality. The report also provides recommendations for creating improvements that build from the state policy context and from existing promising practices within the community colleges.

Public Attitudes on Higher Education: A Trend Analysis, 1993 to 2003, by John Immerwahr (February 2004, #04-2). This public opinion survey, prepared by Public Agenda for the National

Center, reveals that public attitudes about the importance of higher education have remained stable during the recent economic downturn. The survey also finds that there are some growing public concerns about the costs of higher education, especially for those groups most affected, including parents of high school students, African-Americans, and Hispanics.

Responding to the Crisis in College Opportunity (January 2004, #04-1). This policy statement, developed by education policy experts at Lansdowne, Virginia, proposes short-term emergency measures and long-term priorities for governors and legislators to consider for funding higher education during the current lean budget years. *Responding to the Crisis* suggests that in 2004, the highest priority for state higher education budgets should be to protect college access and affordability for students and families.

With Diploma in Hand: Hispanic High School Seniors Talk About Their Future, by John Immerwahr (June 2003, #03-2). This report by Public Agenda explores some of the primary obstacles that many Hispanic students face in seeking higher education—barriers that suggest opportunities for creative public policy to improve college attendance and completion rates among Hispanics.

Purposes, Policies, Performance: Higher Education and the Fulfillment of a State's Public Agenda (February 2003, #03-1). This essay is drawn from discussions of higher education leaders and policy officials at a roundtable convened in June 2002 at New Jersey City University on the relationship between public purposes, policies, and performance of American higher education.

Measuring Up 2002: The State-by-State Report Card for Higher Education (October 2002, #02-7). This report card, which updates the inaugural edition released in 2000, grades each state on its performance in five key areas of higher education. *Measuring Up 2002* also evaluates each state's progress in relation to its own results from 2000.

Technical Guide Documenting Methodology, Indicators, and Data Sources for Measuring Up 2002 (October 2002, #02-8).

State Policy and Community College-Baccalaureate Transfer, by Jane V. Wellman (July 2002, #02-6). This report recommends state policies to energize and improve higher education performance regarding transfers from community colleges to four-year institutions.

Fund for the Improvement of Postsecondary Education: The Early Years (June 2002, #02-5). The Fund for the Improvement of Postsecondary Education (FIPSE) attained remarkable success in funding innovative and enduring projects during its early years. This report, prepared by FIPSE's early program officers, describes how those results were achieved.

Losing Ground: A National Status Report on the Affordability of American Higher Education (May 2002, #02-3). This national status report documents the declining affordability of higher education for American families, and highlights public policies that support affordable higher education. It provides state-by-state summaries as well as national findings.

The Affordability of Higher Education: A Review of Recent Survey Research, by John Immerwahr (May 2002, #02-4). This review of recent surveys by Public Agenda confirms that Americans feel that rising college costs threaten to make higher education inaccessible for many people.

Coping with Recession: Public Policy, Economic Downturns, and Higher Education, by Patrick M. Callan (February 2002, #02-2). This report outlines the major policy considerations that states and institutions of higher education face during economic downturns.

Competition and Collaboration in California Higher Education, by Kathy Reeves Bracco and Patrick M. Callan (January 2002, #02-1). This report argues that the structure of California's state higher education system limits the system's capacity for collaboration.

Measuring Up 2000: The State-by-State Report Card for Higher Education (November 2000, #00-3). This first-of-its-kind report card grades each state on its performance in higher education. The report card also provides comprehensive profiles of each state and brief states-at-a-glance comparisons.

Beneath the Surface: A Statistical Analysis of the Major Variables Associated with State Grades in Measuring Up 2000, by Alisa F. Cunningham and Jane V. Wellman (November 2001, #01-4). Using statistical analysis, this report explores the "drivers" that predict overall performance in *Measuring Up 2000*.

Supplementary Analysis for Measuring Up 2000: An Exploratory Report, by Mario Martinez (November 2001, #01-3). This supplement explores the relationships within and among the performance categories in *Measuring Up 2000*.

Some Next Steps for States: A Follow-up to Measuring Up 2000, by Dennis Jones and Karen Paulson (June 2001, #01-2). This report suggests a range of actions that states can take to bridge the gap between state performance identified in *Measuring Up 2000* and the formulation of effective policy to improve performance in higher education.

A Review of Tests Performed on the Data in Measuring Up 2000, by Peter Ewell (June 2001, #01-1). This review describes the statistical testing performed on the data in *Measuring Up 2000* by the National Center for Higher Education Management Systems.

Recent State Policy Initiatives in Education: A Supplement to Measuring Up 2000, by Aims C. McGuinness, Jr. (December 2000, #00-6). This supplement highlights education initiatives that states have adopted since 1997–1998.

Assessing Student Learning Outcomes: A Supplement to Measuring Up 2000, by Peter Ewell and Paula Ries (December 2000, #00-5). This report is a national survey of state efforts to assess student-learning outcomes in higher education.

Technical Guide Documenting Methodology, Indicators, and Data Sources for Measuring Up 2000 (November 2000, #00-4).

A State-by-State Report Card on Higher Education: Prospectus (March 2000, #00-1). This document summarizes the goals of the National Center's report-card project.

Great Expectations: How the Public and Parents—White, African-American, and Hispanic—View Higher Education, by John Immerwahr with Tony Foleno (May 2000, #00-2). This report by Public Agenda finds that Americans overwhelmingly see higher education as essential for success. Survey results are also available for the following states:

Great Expectations: How Pennsylvanians View Higher Education (May 2000, #00-2b).
Great Expectations: How Floridians View Higher Education (August 2000, #00-2c).
Great Expectations: How Coloradans View Higher Education (August 2000, #00-2d).
Great Expectations: How Californians View Higher Education (August 2000, #00-2e).
Great Expectations: How New Yorkers View Higher Education (October 2000, #00-2f).
Great Expectations: How Illinois Residents View Higher Education (October 2000, #00-2h).

State Spending for Higher Education in the Next Decade: The Battle to Sustain Current Support, by Harold A. Hovey (July 1999, #99-3). This fiscal forecast of state and local spending patterns finds that the vast majority of states will face significant fiscal deficits over the next eight years, which will in turn lead to increased scrutiny of higher education in almost all states, and to curtailed spending for public higher education in many states.

South Dakota: Developing Policy-Driven Change in Higher Education, by Mario Martinez (June 1999, #99-2). This report describes the processes for change in higher education that government, business, and higher education leaders are creating and implementing in South Dakota.

Taking Responsibility: Leaders' Expectations of Higher Education, by John Immerwahr (January 1999, #99-1). This paper reports the views of those most involved with decision-making about higher education, based on focus groups and a survey conducted by Public Agenda.

The Challenges and Opportunities Facing Higher Education: An Agenda for Policy Research, by Dennis Jones, Peter Ewell, and Aims McGuinness, Jr. (December 1998, #98-8). This report argues that due to substantial changes in the landscape of postsecondary education, new state-level policy frameworks must be developed and implemented.

Higher Education Governance: Balancing Institutional and Market Influences, by Richard C. Richardson, Jr., Kathy Reeves Bracco, Patrick M. Callan, and Joni E. Finney (November 1998, #98-7). This publication describes the structural relationships that affect institutional effectiveness in higher education, and argues that state policy should strive for a balance between institutional and market forces.

Federal Tuition Tax Credits and State Higher Education Policy: A Guide for State Policy Makers, by Kristin D. Conklin (December 1998, #98-6). This report examines the implications of the federal income tax provisions for students and their families, and makes recommendations for state higher education policy.

The Challenges Facing California Higher Education: A Memorandum to the Next Governor of California, by David W. Breneman (September 1998, #98-5). This memorandum argues that California should develop a new Master Plan for Higher Education.

Tidal Wave II Revisited: A Review of Earlier Enrollment Projections for California Higher Education, by Gerald C. Hayward, David W. Breneman, and Leobardo F. Estrada (September 1998, #98-4). This review finds that earlier forecasts of a surge in higher education enrollments were accurate.

Organizing for Learning: The View from the Governor's Office, by James B. Hunt Jr., chair of the National Center for Public Policy and Higher Education, and former governor of North

Carolina (June 1998, #98-3). This publication is an address to the American Association for Higher Education concerning opportunity in higher education.

The Price of Admission: The Growing Importance of Higher Education, by John Immerwahr (Spring 1998, #98-2). This report is a national survey of Americans' views on higher education, conducted and reported by Public Agenda.

Concept Paper: A National Center to Address Higher Education Policy, by Patrick M. Callan (March 1998, #98-1). This concept paper describes the purposes of the National Center for Public Policy and Higher Education.

www.highereducation.org