

California Competes

Higher Education for a Strong Economy

**Joint Oversight Hearing
Assembly Higher Education Committee and Budget
Subcommittee No. 2 on Education Finance**

**Closing California's Degree Gap
Wednesday, March 2, 2016**

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Mind the Gap

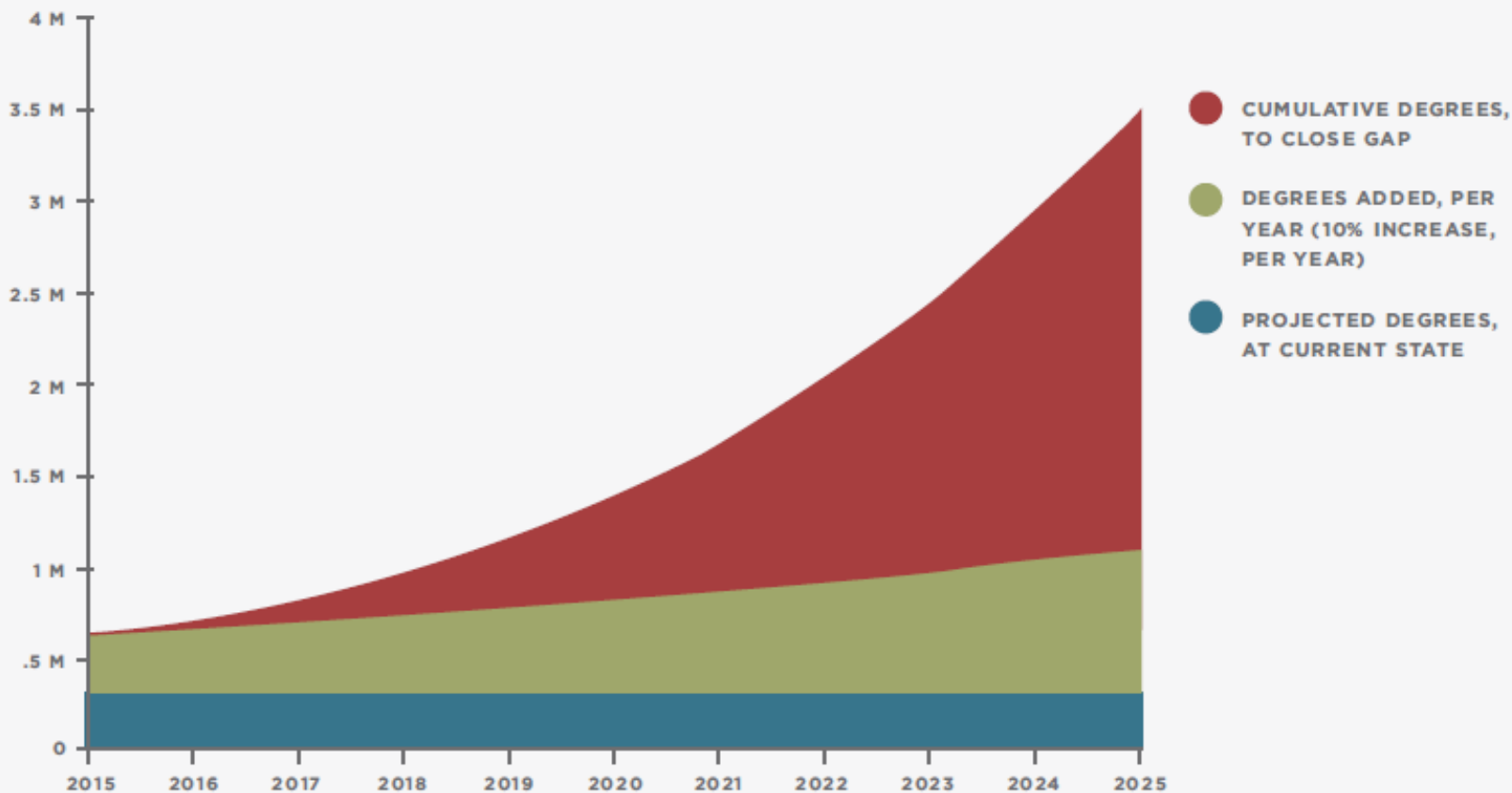
- Our research shows that California is slated to produce 9.5 million degrees and credentials by 2025.
- Our goal is for 55% of Californians to have a credential by 2025, which would equal 11.9 million people with credentials.
- Therefore, if all trends continue, California will face a degree attainment gap of 2.4 million by 2025.



The Degree Gap

FIGURE 1

The Degree Gap: Projected, Needed & Cumulative



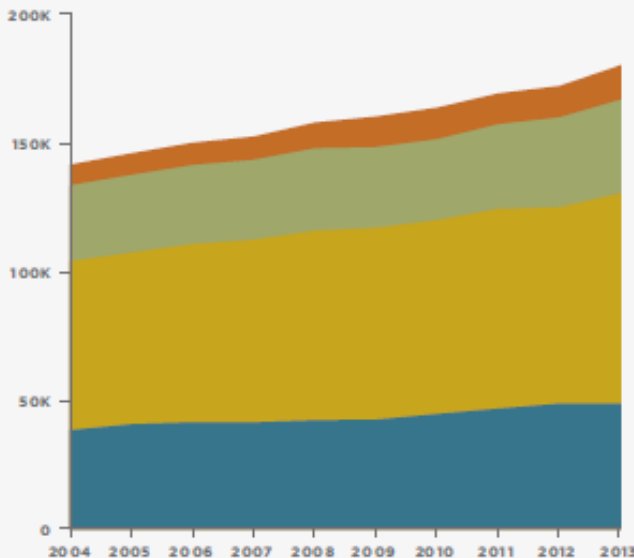
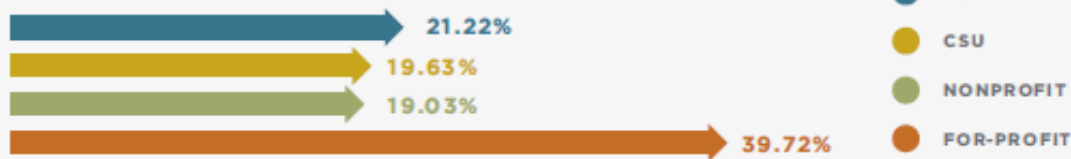
Two numbers, one alarming trend...

- Our analysis differs from PPIC's in a few ways:
 - Goal is based on a normative belief that more than half (55%) of the people in our state should have a postsecondary credential
 - Our analysis projects a greater role for those with sub-baccalaureate credentials (associate's degrees and one-and two-year certificates).
- Despite our numbers being different, they both still point to the same *alarming* trend.
- The postsecondary degree gap becomes even more alarming when you look at the trends beneath the number

Treading water at 4-year institutions, increase in 2-year institutions

Producers of Bachelor's Degrees Over a Decade

RATE OF GROWTH BY SEGMENT (2004 - 2013)



	UC	CSU	NON PROFIT	FOR-PROFIT
2004	38,558	65,743	29,455	8,117
2005	40,851	66,768	30,185	8,469
2006	41,639	69,361	30,631	8,751
2007	41,587	71,074	31,040	9,094
2008	42,416	73,762	31,990	10,071
2009	42,664	74,643	31,343	11,949
2010	44,856	75,419	31,435	12,350
2011	46,935	77,731	32,892	12,045
2012	48,899	76,427	34,889	12,281
2013	48,946	81,803	36,378	13,465

Inequity in the Gap

- The degree gap disproportionately impacts Black and Latino students.

2013 Completion Rates	UC	CSU
Blacks	3%	4%
Latinos	17%	27%

- Black and Latino representation is much higher at the two-year institutions
 - At the community colleges Blacks represent 5% of sub-baccalaureate credential recipients and Latinos make up 34%
 - At the for-profits Blacks make up 10% of recipients and Latinos make up 41%

Inequity in the Gap

- Course of Study:
 - Among baccalaureates, Blacks are least likely to major in engineering, a degree with multiple career pathways that generally leads to high salaries. Similarly, Latinos are least likely to major in computer sciences than any other group.
 - Within sub-baccalaureate degrees, Blacks and Latinos are more likely to major in protective services, especially at for-profits, where programs are expensive and the returns are questionable. There also is evidence that the supply of degrees exceeded the demand.

Why we care...

- Long term economic growth for California can not be accomplished without shared prosperity – the state needs to figure out how to reduce achievement gaps and improve success for Blacks, Latinos, and other underrepresented groups at all three segments
- Having an attainment goal sets the framework for how we should be thinking about higher education. It establishes expectations and reinforces the state's commitment to equity and higher education

Policies with an Equity Lens

1. Develop a system for reaching out to **adult learners**.

- Create a coordinated mechanism to identify adults interested in completing a degree or credential or upgrading their skills
- Provide incentives and supports for degree completion

2. Pilot test **three-year** bachelor's degrees.

- Provide funds to help CSU and UC design and develop 3-year degree programs

3. Create a **statewide** higher education coordinating entity.

- Project state needs for an educated workforce
- Identify degree and achievement gaps and develop cost-effective strategies to help close the gaps
- Collect and disseminate comparable data

4. Promote **full-time** enrollment.

- Incentivize full-time enrollment, particularly at community colleges and CSUs (i.e. Glazer, SB1450)

QUESTIONS?

www.californiacompetes.org/degree-gap

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California Competes
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