

Date of Hearing: June 24, 2014

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Das Williams, Chair

SB 1425 (Block) – As Amended: May 27, 2014

SENATE VOTE: 37-0

SUBJECT: Community colleges: retroactive awarding of degrees.

SUMMARY: Requires that the California Community Colleges (CCC) Chancellor develop or identify a commercially available utility to conduct systemwide automatic degree audits and requires all 112 CCC to award degrees and certificates, as specified, retroactively to students who have been identified, as specified, as eligible to receive a degree or certificate. Specifically, this bill:

- 1) Requires the CCC Board of Governors (BOG) to require all community colleges to award degrees retroactively, as specified.
- 2) Requires that prior to the beginning of the spring term of the academic year (AY), and commencing with the 2015-16 AY for the first 28 campuses, each community college district shall perform a one-time inquiry as the automatic degree audit, as specified, is put in place at each campus in order to identify students who have completed the semester or quarter units required to receive a degree or certificate, or who have completed the California State University (CSU) or the Intersegmental General Education Transfer Curriculum (IGETC) transfer requirements in up to 12 of the highest demand majors, as determined by each community college district, during the previous two AYs.
- 3) Requires that a CCC campus shall notify students eligible to receive a degree or certificate that they are eligible to receive the degree or certificate; and, specifies that said students shall have a choice to opt out or to receive the degree or certificate.
- 4) Requires the CCC Chancellor shall identify a commercially available utility to conduct systemwide automatic degree audits, as specified, and procure that utility. Specifies that once the utility is procured, the CCC Office of the Chancellor (CCCCO) shall oversee the implementation of this measure in accordance with the following timetable:
 - a) At least 28 CCC campuses shall have the automatic degree audit system in place by December 31, 2015;
 - b) At least 56 CCC campuses shall have the automatic degree audit system in place by December 31, 2016; and,
 - c) All 112 CCC campuses shall have the automatic degree audit system in place by December 31, 2017.
- 5) Specifies that the automatic degree audit system procured by the CCC Chancellor, shall satisfy all of the following conditions:

- a) Comply with all pertinent privacy and security considerations and requirements;
 - b) Be centrally purchased by the CCCCCO in order to reduce costs through a bulk procurement process;
 - c) Be managed by each community college district for use among the campuses within each respective district;
 - d) Enable CCC counselors, advisors, and other student services staff to monitor student progress toward completing a degree or certificate program, or achieving the minimum requirements for CSU or IGETC transfer; and,
 - e) Be accessible to CCC personnel and students through an Internet Web portal that provides a degree progress profile, generated for each student upon request, that includes all information regarding credits earned that is available in the college's data.
- 6) Requires the Legislative Analyst's Office (LAO) to submit a report to the Governor and the Legislature on the progress and implementation of the retroactive degree awarding and online degree audit system on or before December 31, 2017, and on or before December 31 every three years thereafter.
- 7) Specifies that the metrics to be determined and reported by the LAO shall include, but not necessarily be limited to all of the following:
- a) The number and percentage of community college students who were identified, and were awarded associate degrees or certificates, or who were determined to have completed the CSU or IGETC transfer requirements because of the degree audit system;
 - b) The estimated economic benefits for the college and the labor market of the degree audit system; and,
 - c) Other relevant indicators of student success resulting from having a degree audit system in place.
- 8) Specifies that this measure shall not be operative until the BOG certifies that sufficient funds have been received from state, federal, or private sources to implement the online degree audit system; and, requires the BOG to prominently post this certification promptly on its Internet Website.
- 9) Makes several legislative declaration and findings, including, but not limited to the following:
- a) California is falling behind in producing the necessary postsecondary education to ensure our state's prosperity and opportunities; b) The CCC system is the state's largest workforce provider, offering associate degrees and short-term job training certificates in more than 175 different fields; c) In California, less than one-fifth of the community colleges have online degree audit systems that can be used to inform their students about their progress, leaving the remainder of the state's 112 community colleges without a mechanism to identify already earned degrees; d) Earning a degree or certificate from a

CCC, on average, nearly doubles an individual's earnings within three years; and, e) The Legislature will establish a central auditing system at the CCC that enables individual community colleges to audit student records, identify the students who are eligible for a certificate or degree, and notify these students of their ability to receive a degree or certificate based on all prior work they completed.

EXISTING LAW establishes the mission and function of the CCC as offering academic and vocational instruction at the lower division level and authorizes the community colleges to grant the associate in arts and the associate in science degree (Education Code § 66010.4).

FISCAL EFFECT: According to the Senate Appropriations Committee, the following cost factors are associated with this measure:

- 1) Degree audits (commercial utility): Approximately \$12 million from the General Fund (GF) to purchase a commercial utility that meets this bill's requirements, for each of the approximately 90 campuses that do not currently have one;
- 2) Mandate: Degree audits (workload) – Setting up the degree audit software, maintaining the system, and updating the data, and conducting annual degree audits for the community college districts that do not have a system, will likely require two dedicated classified employees at each community college district. Annual costs could total \$10 million from the GF across those districts, once the program is fully implemented. Costs will vary at the approximately 65 community college districts for which an existing system will need to be maintained, the data updated, and degree audits conducted each year (but would not need to be set up). Even if those districts required only employ one classified staff person each, annual costs will exceed \$2 million from the GF;
- 3) Mandate: Retroactive degrees – Potentially substantial reimbursable state mandate, likely in the low millions of dollars, to require each CCC to conduct retroactive degree audits for each student enrolled in the past two years;
- 4) Mandate: Notifications – Potentially substantial reimbursable mandate, likely hundreds of thousands of dollars, to establish notification procedures and to notify students of their degree status once the audit is completed each year; and,
- 5) Report: Potentially significant costs to the CCCCCO to complete the required implementation report.

COMMENTS: Background. According to the Institute for Higher Education Policy's (IHEP) examination of the U.S. Department of Education datasets, approximately 15% of traditional-age students in any cohort had completed more than 60 units yet held no degree and were no longer enrolled anywhere; if applied to the 2.4 million students currently enrolled at the CCC, this statistic represents hundreds of thousands of students who may have completed their degrees or are very close to doing so.

Need for the bill. According to the author, while the Seymour-Campbell Student Success Act of 2012 requires community colleges to provide orientation, advising and educational planning tools to all students, current law does not require the institution to monitor and notify students of their progress toward their defined educational goals.

The author contends that California's community colleges play a vital role in meeting our current and future workforce needs; however, according to the CCC Student Success Scorecard, fewer than half of CCC students earn a degree, certificate, or transfer to a four-year postsecondary institution after six years. The author states, "SB 1425 will help more students cross the finish line and enter California's workforce with increased opportunity by making a degree tracking system available that will keep current and future students on track to successfully reach their college goals. The bill will also require community colleges to award degrees to former students who have earned a degree or certificate."

Project Win-Win. Project Win-Win is a national initiative undertaken in partnership by IHEP and the State Higher Education Executive Officers and funded principally by Lumina Foundation for Education that has proven in nine states and over 60 institutions of higher education, that degree tracking and retroactive degree awarding are higher effective approaches to improving student success. These institutions identify former students whose records qualify them for an associate's degree, and the institutions award the degrees retroactively. The institutions also identify students who were near completion of an associate's degree and seek to bring them back to complete the degree.

According to IHEP, as of August 2011, 24 institutions had identified over 44,000 students in the initial "universe of interest" and 15 institutions had completed degree audits on 12,000 students (with 2,800 deemed eligible for associate's awards, and 6,200 potential completers). The initiative projects these numbers nationally and estimates a potential 15% to 16% increase in the number of associate's degrees awarded. It is unclear how many of these students were actually awarded or completed degrees.

Degree audit programs. According to a research memo prepared for the CCCCCO by WestEd in January 2012, a survey of the California Association of Community College Registrars and Admissions Officers found that 21 of the 112 CCC had degree audit systems in place, with seven more planning implementation within the year. It was noted that the initial process for establishing the audit system is labor intensive and requires annual updating to address changes in curriculum.

CCCCCO concerns. According to the CCCCCO, they have just begun work on the Education Planning Initiative (EPI), which will help provide colleges with integrated tools for education planning and degree audit in order to support students. The CCCCCO notes that the EPI is in its beginning stages.

According to the CCCCCO, the EPI was given \$6 million in the 2013-2014 budget. The Request for Applications went out in October 2013 and in December 2014 the project was awarded to Butte Glen Community College District Technology Center to coordinate. The EPI Steering Committee has been assembled and is meeting. A list of 10-12 colleges who wish to participate in the pilot is being finalized. The next step is the Request for Information, which is basically a request for information from vendors to see what is technologically possible and/or available. The next implementation phase of the EPI will entail the CCCCCO sending out Request for Proposals – to note this phase will not begin to be developed until sometime in July.

The CCCCCO has a goal that by June 2016 the 10-12 pilot colleges have a system of education planning and degree audit that can begin to communicate across campuses in order to provide a model for the entire system to eventually use.

It is unclear as to the length of time it will take before the EPI is fully online and being implemented in all 112 colleges of the system.

Committee considerations. The CCCCCO (as noted in the "CCCCCO concerns" section of this analysis) has indicated that it is currently implementing the EPI that appears to have similar goals as brought forth in this bill. Committee staff notes that the Community College League of California and several community college districts have expressed concerns regarding the feasibility of implementing this measure and the cost pressures the districts will face should the measure be chaptered.

The CCCCCO and the community college districts are in the process of implementing the Seymour-Campbell Student Success Act of 2012. If potential funds for the necessary software for degree audits and the likes in order to confer degrees to former CCC students take away from potential dollars that could be otherwise used for student success related activities for current CCC students, the Committee may wish to consider what the cost benefit of this measure entails.

To address some of the fiscal concerns, the author may wish to consider amending this bill to become a pilot program - aligned with the current work of the CCCCCO's EPI.

Previous legislation. AB 868 (V. Manuel Pérez) of 2010, which the author cancelled the hearing in the Senate Education Committee, would have required every community college district to develop and implement an online degree audit system.

REGISTERED SUPPORT / OPPOSITION:

Support

Access College Foundation
Alliance College-Ready Public Schools
ALL Management Corporation
Al Wooten Jr. Heritage Center
Boys & Girls Clubs of the Los Angeles Harbor
Bresee Youth Center
Bright Prospect
California Communities United Institute
California Competes
Campaign for College Opportunity
Center for Student Opportunity
Centro Binacional para el Desarrollo Indígena Oaxaqueño
Children Youth and Family Collaborative
College Match
College Summit
Community Partners
Constitutional Rights Foundation
Department of Sociology - California State University, Fresno
Determined To Succeed
Fulfillment Fund
Girls Incorporated of Orange County

GLOW Foundation
Gradguru
Heart of Los Angeles
Hispanic Association of Colleges and Universities
i.am College Track
InnerCity Struggle
Institute for Higher Education Policy
Japanese Community Youth Council
Kid City Hope Place
LA Coalition of Essential Schools
Los Angeles Area Chamber of Commerce
Los Angeles Education Partnership
Los Angeles United Methodist Urban Foundation
Los Angeles Urban League
Latino Coalition for a Healthy California
Mar Vista Family Center
META Foundation
Mexican American Legal Defense and Educational Fund
North Bay Leadership Council
One Voice
Parent Institute for Quality Education
Project GRAD Los Angeles
San Diego Regional Chamber of Commerce
South Central Scholars
Southern California College Access Network
Students Making a Change
Study Smart Tutors
The Institute for College Access & Success
Transformative Action Institute
United Friends of the Children
USC Pullias Center for Higher Education
Young Invincibles
Youth Alliance

Opposition

None on file.

Analysis Prepared by: Jeanice Warden / HIGHER ED. / (916) 319-3960