Key Issues Facing California
Higher Education

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Overview

• Caveat: can only cover some key points - apologies in advance for omitting important aspects
• The segment leaders will speak to specific initiatives that address many of these issues
• Issues are organized under two broad themes
  1. Jobs/economy
  2. Efficiency (better outcomes for our investments)
1. Jobs and the California Economy

• We must reject the false dichotomy of higher education versus career education
• Each segment has a unique role in powering the California economy – in helping prepare Californians for meaningful and productive careers
- **UC**
  - Key role: *research and advanced graduate study*
  - Key challenge: how much to invest in research? Danger of overlooking role of research amid “completion agenda”

- **CSU**
  - Key role: chief producers of *bachelor’s degrees* among California’s diverse populations
  - Key challenge: balance between “high need” degrees (STEM, teacher education, business) and degrees that lack immediate connection to a career

- **CCC**
  - Key roles: transfer and “*career technical education.*” CTE getting much needed attention as data document the strong value of some one- and two-year credentials in today’s economy.
  - Key challenge: supporting high cost/high need programs as system moves to give priority to industry sectors, by region
Fundamental Prerequisite to Fueling Economy Through Higher Education

• Access and Affordability
  – Key challenges:
    • *Capacity* – getting in versus getting courses
      – Who gets shut out?
    • *Cost* – Governor is committed to ending cycle of using tuition to backfill economic downturns
      – Who gets priced out?
    • *Equity* – continue strong commitment to protecting access among growing diverse populations
      – But access to success?
2. Efficiency – Better Outcomes for Investments

- Huge needs in California will be met only by finding ways to get better outcomes for any level of investment.
- Governor has been clear that current outcomes and cost structures are unsustainable.
- LAO has largely agreed with that diagnosis.
Increasing Efficiency – Has Different Implications in Each Segment

- **UC**  Key challenge: *reduce the cost of delivery*
  - Technology (but cost impact unknown)
  - Changes to organizational roles in teaching and research
  - Reductions in non-instructional cost centers

- **CSU**  Key challenge: *get student through more quickly*
  - Stronger K-16 connections to improve college readiness (common core assessments could help)
  - Streamline programs and program requirements
  - Optimize scheduling

- **CCC**  Key challenge: *increase completion rates*
  - Stronger K-14 connections to improve college and career readiness
  - Improve developmental education
  - More structured program pathways
  - More proactive support for students (education planning, orientation)
Cross-cutting Efficiency Issues

• Transfer
  – An especially critical function in California
  – SB 1440 transfer degrees – potentially a huge step toward efficiency
  – Next challenge – extend concept to UC

• College and Career Readiness
  – Well-prepared students do well in all three segments
  – This is not “a K-12 issue” – it’s on everyone’s agenda

• Most Important Outcome is Learning
  – How to measure?
  – How to protect quality while improving completion and reducing cost?
Cross-cutting Efficiency Issues – cont.

• Financial incentives – to invest in desired outcomes
  – Incentives for students to engage in successful behaviors
    • Priority registration at CCC if attend orientation and have educational plan
    • CCC fee waiver made contingent upon academic progress
    • CSU considering disincentives to “excess” credits
    • Surcharge for excess units at all three segments (phased in)
  – Incentives for institutions to improve outcomes – the next frontier?
    • Governor suggested base funding for all segments contingent upon improved outcomes
    • Governor proposed shift of CCC enrollment funding to courses completed
    • LAO recommended broader approach: fund colleges and universities for “enrollment and achievement” – not just enrollment
Leadership, Planning, Coordination

• Void with end of Commission for Postsecondary Education (CPEC)
• Must consider collective and interrelated efforts to meet state needs
  – Increase education levels
  – Close performance gaps
  – Keep workforce and economy competitive
  – Promote healthy society
• Need to develop a “public agenda” – with goals and a plan
  – Progress in each sector in data, scorecards, accountability – understanding student progress and obstacle points
  – Need an overall framework around it and entity to coordinate, including a cross-segment data system to monitor progress
  – Segments can work together fruitfully, and they are – but leading states in targeting postsecondary investments to public purposes have better coordination