

DOCUMENT RESUME

ED 312 952

HE 023 009

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 TITLE Prospects for Accommodating Growth in Postsecondary Education to 2005. Report of the Executive Director to the California Postsecondary Education Commission, January 23, 1989. Commission Report 89-6.
 INSTITUTION California State Postsecondary Education Commission, Sacramento.
 PUB DATE 23 Jan 89
 NOTE 19p.
 AVAILABLE FROM California Postsecondary Education Commission, Third Floor, 1020 Twelfth St., Sacramento, CA 95814-3985.
 PUB TYPE Viewpoints (120)
 EDRS PRICE MF01/PC01 Plus Postage.
 DESCRIPTORS Demography; Educational Change; *Educational Demand; Educational Policy; *Educational Supply; Elementary Secondary Education; *Enrollment Influences; Financial Support; *Long Range Planning; *Postsecondary Education; State Legislation; *Statewide Planning; Trend Analysis
 IDENTIFIERS *California

ABSTRACT

A report by the executive director of the California Postsecondary Education Commission addresses the state's capacity to accommodate demand for postsecondary enrollment through the beginning of the 21st century. The major population trends likely to occur in California during that period are outlined. The planning process now being coordinated between the Commission and the educational segments in the state are described, and the operational assumptions guiding this planning process are summarized. A profile of likely aggregate enrollment demand for elementary/secondary and postsecondary education is provided, and the funding needed to meet the demand is discussed. The effects of the state's current constitutional limitations on appropriation on the funding are also considered. Finally, some of the major planning issues the state should be prepared to address in the near future are briefly examined. Contains 7 references. (MSE)

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PROSPECTS FOR ACCOMMODATING GROWTH IN POSTSECONDARY EDUCATION TO 2005

EXECUTIVE DIRECTOR'S
REPORT, JANUARY 1989

CALIFORNIA POSTSECONDARY EDUCATION COMMISSION



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Summary

This report by Kenneth B. O'Brien -- the executive director of the California Postsecondary Education Commission -- addresses the subject of California's capacity to accommodate demand for postsecondary enrollment through the beginning of the twenty-first century.

Part One on pages 1-2 briefly outlines the major population trends likely to occur in California over the next 20 years, since postsecondary enrollments are inevitably determined, to some degree or another, by these trends.

Part Two on pages 2-3 describes the planning process now being coordinated between the California Postsecondary Education Commission and the educational segments in the State and summarizes the operative assumptions about educational policy that are guiding this planning process.

Part Three on pages 3-4 gives a profile of aggregate enrollment demand for elementary and postsecondary education that is likely to occur through the year 2005.

Part Four on pages 4-7 discusses the funding needed to meet this demand and how this needed funding is affected by the State's current constitutional limits on appropriation.

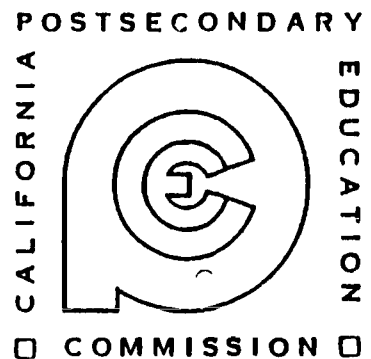
Finally, Part Five on pages 7-9 briefly summarizes several of the major planning issues that the State should be prepared to address in the near future.

The Commission discussed this report at its meeting on January 23, 1989. Additional copies of the report may be obtained from the Library of the Commission at (916) 322-8031. Questions about the substance of the report may be directed to Mr. O'Brien at (916) 322-7986.

PROSPECTS FOR ACCOMMODATING GROWTH IN POSTSECONDARY EDUCATION TO 2005

*Report of the Executive Director to the
California Postsecondary Education
Commission, January 23, 1989*

CALIFORNIA POSTSECONDARY EDUCATION COMMISSION
Third Floor • 1020 Twelfth Street • Sacramento, California 95814-3985





**COMMISSION REPORT 89-6
PUBLISHED JANUARY 1989**

THIS is one in a series of reports by the executive director of the California Postsecondary Education Commission on important issues affecting California postsecondary education. These reports are brought to the Commission for discussion rather than action, and they represent the interpretation of the executive director rather than the formal position of the Commission as expressed in its adopted resolutions and reports containing policy recommendations.

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Contents

1. Major Population Trends in California Through 2005	1
2. Current Statewide Planning Efforts	2
3. Current Enrollment Estimates Through 2005	3
4. Funding Requirements for Growth	4
The Gann Limit	6
The Universities' Vulnerability to Revenue Shortfalls	7
Proposition 98 and Its Effect on Revenue	7
5. Additional Planning Priorities	8
References	10

Displays

1. Projected Enrollment Growth in Public Education, 1988 - 2005, Indexed to 1988 Levels 5
2. Projected Enrollment Growth in Public Education, 1988 - 2005 5
3. Projected Enrollment and State Population Growth to 2005, Indexed to 1988 Levels 7
4. State General Fund Expenditure, 1987-88 8
5. Effect of Proposition 98, Given Various Levels of State Revenue Growth 9

Prospects for Accommodating Growth in Postsecondary Education to 2005

THIS report addresses California's capacity to accommodate demand for postsecondary enrollment through the beginning of the twenty-first century.

It is organized as follows:

- Part One briefly outlines the major population trends likely to occur in California over the next 20 years, since postsecondary enrollments are inevitably determined, to some degree or another, by these trends.
- Part Two describes the planning process now being coordinated between the California Postsecondary Education Commission and the educational segments in the State and summarizes the operative assumptions about educational policy that are guiding this planning process.
- Part Three gives a profile of aggregate enrollment demand for elementary and postsecondary education that is likely to occur through the year 2005.
- Part Four discusses the funding needed to meet this demand and how this needed funding is affected by the State's current constitutional limits on appropriation.
- Finally, Part Five briefly summarizes several of the major planning issues that the State should be prepared to address in the near future.

1. Major population trends in California through 2005

The watchwords for California's changing population are *diversity* and *growth*. The State is continuing its already well-documented march toward becoming the first mainland state with a majority minority population by the year 2003. Already, Black, Hispanic, and Asian/Pacific children comprise the majority of the State's school students from kindergarten through eighth grade. In 17 counties from Sacramento south, between 20 and

50 percent of the children now speak a language other than English at home. The State is on the threshold of a time when no ethnic subgroup will constitute more than 50 percent of the population -- quite literally, a time when there will no longer be any "majority" or "minority" groups. It is an exciting prospect, and one that will challenge politicians and policy-makers alike to find new terms because the old ones are simply not going to work anymore.

Long-range planning in California today involves much more than simply anticipating additional numbers of students; it involves planning for a dramatically more diverse and, in many ways, entirely new student clientele. Planning efforts will need to take into account these ethnic changes as well as the recognition that in the nation as a whole over two-fifths of college students are enrolled part time, over one-third live off campus, more than one-third are 25 or older, and by the year 2000 the number of college students aged 25 and older may well exceed the number who are 24 or younger.

In terms of total population over the next 20 years, California will continue to grow at a remarkable pace -- more than twice the national rate, to be specific. No other state in the nation will have these challenges and opportunities. Between now and 2005, California's population will grow by almost 25 percent -- representing almost 7 million additional people. This means growth of more than 1,000 people per day in the foreseeable future. This growth will continue beyond 2005, of course; in fact, it appears that in the 40 years between 1980 and 2020, California will grow by roughly as many people as it did during the 40 years between 1940 and 1980. It is a phenomenal level of growth. Perhaps those who can remember what California was like in 1940 can best understand what this volume of change represents in practical and human terms.

While planners may have minor disagreements over the amount and type of enrollment growth implied by these changes in California's population, there is no disagreement over the bottom line. In

the twenty-first century, more rather than fewer Californians will require advanced educational opportunities. From the population numbers alone, that is a near demographic certainty. Whether this State, which for the past ten years has been constraining, rather than supporting, growth can embrace these opportunities with the leadership and resources that it needs will be a test of its economic, educational, and political leadership.

2. Current statewide planning efforts

In 1987, the California Postsecondary Education Commission began the first part of a planning process that will conclude in 1990 with recommendations to the Governor and Legislature on how the State should prepare to accommodate educational growth to the year 2005. This effort aims to frame a truly intersegmental plan for California's educational needs. The Commission will work closely with the segments as they develop these plans. Their plans will then be added up to form a statewide picture. At that time, critical issues about how growth should be managed within and among the segments will be evaluated and addressed, including issues such as these:

1. The best mix of traditional campus facilities and nontraditional resources to meet demands for access and quality;
2. Costs to the State of constructing new space for each segment, compared with the costs of renovating or expanding existing facilities;
3. Space and utilization standards for these facilities;
4. Year-round operation and other options such as off-campus centers that may serve as alternatives to building new campus facilities or institutions; and
5. Priorities for constructing new campuses or centers by geographic region of the State.

The Commission sees its coordinative planning role as being to significantly influence rather than to control or dictate segmental plans. A major goal of its planning process is to seek some reasonably uniform capacity for planning among the segments so that they develop and put forward their individual

plans in a timely fashion and within a statewide context. This goal is important not because of some bureaucratic need for sameness but because of the Commission's view that planning is how the segments as a whole and the individual campuses within them will prepare to articulate their need for the resources necessary to function in the future. A good planning process is also a means for taking stock, and it is how people in the institutions come together to discuss common concerns about where they are going individually and institutionally.

The Commission's interest in the planning process itself also reflects its goal to ensure that the process is as balanced, efficient, and as non-bureaucratic as possible, and that the individual requests for new campuses or other facilities that ultimately go forward to the Governor and the Legislature reflect genuine need in an intersegmental context and not simply expediency. It is not expected that the Commission will conclude this planning process with a blueprint of where new campuses or other facilities should be located for each segment. These kinds of blueprints have a history of being ignored, particularly if they are developed in isolation from segmental plans.

A critical component of the planning process has been reaching agreement among the segments on the key educational policy variables that will influence total educational demand. For planning purposes, the Commission has assumed that the fundamental policy underpinnings of the State's educational infrastructure, such as those enunciated in the 1960 Master Plan, will remain unchanged. This assumption reflects the consensus among key State policy makers that has developed over the last five years of reviewing the Master Plan. The policy assumptions that are most germane for planning purposes are:

1. Differentiation of function between the three public segments will continue.
2. The California Community Colleges will continue to be accessible to all students able to benefit from instruction in them; existing enrollment limitations on demand for instruction, particularly for various forms of adult education, will be removed; and the primary mission of the colleges will be vocational education and preparation for university transfer.

3. The California State University will continue to be accessible to the top one-third of high school graduates; it will set its admission requirements so that the top one-third are eligible to attend; and its primary purpose will continue to be undergraduate instruction and the education of new teachers.
4. The University of California will continue to be accessible to the top 12½ percent of high school graduates; it will set undergraduate admissions requirements so that the top one-eighth are eligible to attend; and the primary missions of the University will continue to be undergraduate, graduate, and professional instruction, research, and public service.
5. In order to meet the State's policy goals of increasing the diversity of the undergraduate population, both the University of California and the State University will continue to make selective use of special admissions options for students otherwise ineligible to attend.

Although substantial consensus has developed about these policy assumptions in the past several years, the Commission recognizes that they will continue to be at the center of debate about the future. This will be increasingly the case as the issue of finding resources to pay for maintaining these policies in the future becomes more important. As Part Four of this paper describes, reasonable estimates suggest that in the future resources will be severely constrained, and the State will be faced with the choice of decreasing access to the educational system, lowering quality, or finding new resources in order to maintain both access and quality. Thus, although these policy assumptions are fundamental to the planning process, one component of the process will be to ask what would happen under alternative sets of assumptions, to see what the effect of different policies would be. For instance, the Commission will include projections of how student flow among the segments would change if the State were to alter its historic policy of assuring qualified undergraduates of admission to public universities, in order to determine any significant educational or cost implications of such a policy change.

3. Current enrollment estimates through 2005

The crucial benchmarks for the planning process are the long-range enrollment estimates being used by the segments and the Commission. These projections are the best ones that exist and have been found to be methodologically compatible and sound. In spite of this, they are certainly not prophecy and -- as has often been the case in the past -- may well turn out to be somewhat off-target. The consequences of error in these kinds of estimations are not severe, however, so long as there are no irreversibly bad policy consequences from wrong estimates. In the case of these estimates, even if they are in error by as much as 25 percent, their policy conclusion is the same: The State needs to prepare for growth. While every effort can and will be made to refine these estimates based on experience, the State cannot wait for perennially better information but instead should move forward with planning for growth now.

With regard to total demand through the early 1990s, the State will likely have excess demand for some parts of public postsecondary education. That means that either qualified students will be turned away from the campus or program of choice or there will be overcrowding if they are admitted. At the current time, for instance, more applicants seek admission to many campuses of the University and the State University than can be accommodated. For these two systems, current projections suggest that demand will soften slightly in the early 1990s because the size of the 18- to 24-year old cohort will stabilize. If these projections are realized, system-wide space will catch up with demand during that period, although some campuses will undoubtedly continue to receive more applications than they can accept.

For the California Community Colleges, the current excess demand for many parts of the system is expected to continue unabated through the 1990s and beyond. This demand has come from the State's policy to contain enrollment growth in the colleges by not allowing it to be funded beyond the rate of growth in the general adult population. In many districts, this growth "cap" has provided only limited capacity to offer instruction to all students. In addition, there has been a statewide cap on growth for all aspects of adult education. This cap

has severely restricted the segment's ability to support demand for English as a Second Language and basic skills classes.

Enrollments for all of public postsecondary education will probably grow through 2005 by approximately 36 percent, with the California Community Colleges and the University of California growing by 31 percent and 44 percent, respectively, and with the State University growing by 54 percent (Display 1, page 5). Within these totals, the State University projects that its undergraduate population will grow at a substantially faster rate than its graduate enrollment (66 percent to 7 percent), while the opposite is true for the University, which projects that its undergraduate enrollment will grow by 34 percent while its graduate enrollment will increase by 80 percent (Display 2).

It should be noted that the State University's long-range enrollment projections are new preliminary estimates generated in the very early stages of its own long-range planning process. The substantial increases in these projections, as compared to previous Demographic Research Unit and State University estimates, can be attributed to the fact that they incorporate optimistic assumptions on progress in providing access to historically underrepresented students. Specifically, the State University's projections assume that by 2005 the participation rates for Black and Hispanic students will equal those of their white counterparts. These projections were prepared by the Office of the Chancellor and precede a request to the campuses to outline the extent to which they can individually accommodate growth through the year 2005. As a result of the preliminary and ongoing nature of the State University's planning process, it is likely that these enrollment projections will undergo revision over time, as a result of refinements in the projection model and discussions with the campuses. So long as policy makers have a clear understanding of where demographic influences stop and where policy objectives begin, this projection approach is entirely consistent with the notion that the segments' planning figures should reflect more than just trend data but also the effects of achieving institutional goals to which the State and the segments are committed.

Further, the University's graduate student estimates are not, and never have been, demographically generated. Rather, they flow from a variety of

policy considerations, such as the need to replenish faculty ranks and the future labor force needs of the State.

With respect to growth in the K-12 system, the numbers are just as dramatic. Between 1988 and 2005, that system will probably add more than 1.4 million new students, representing growth of 33 percent. Compared to projected State population growth of 24 percent, it is clear that quality improvement will not be the only issue on the reform agenda for the schools, but that accommodation of substantially higher enrollment will also be a major factor driving their resource needs.

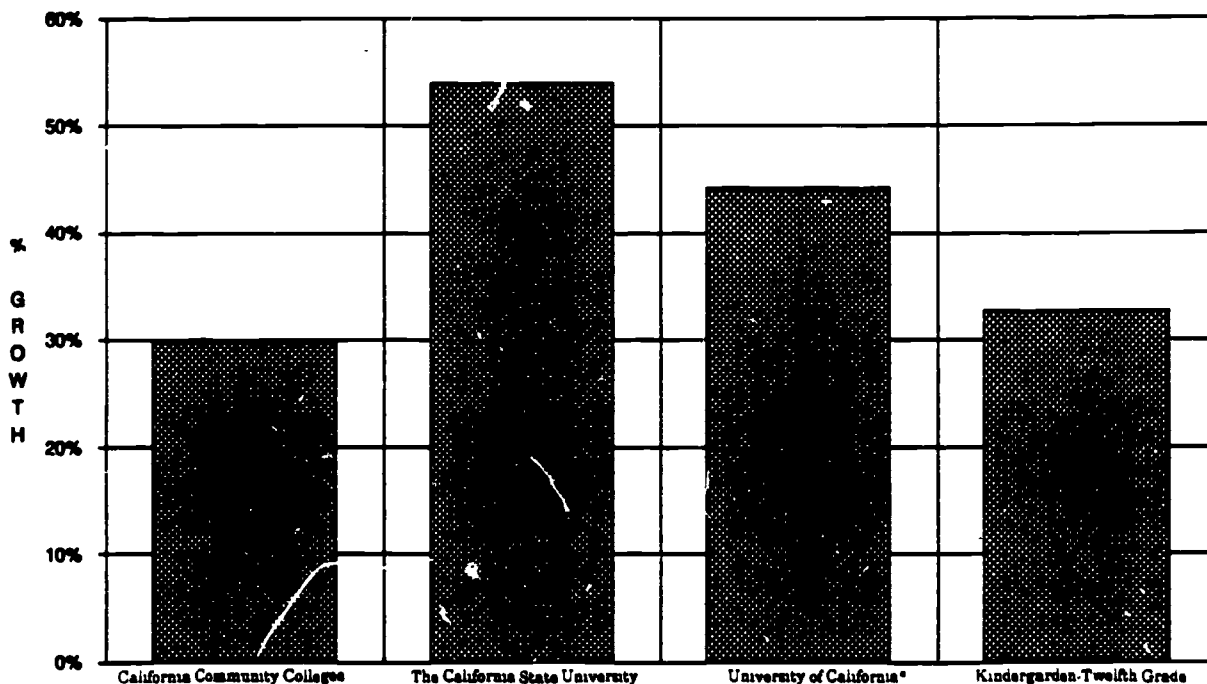
Enrollment growth in education will not stop in 2005, although that is the last year in the Commission's current planning period. By any measure, the general trend is for substantial enrollment growth over the next 20 years and beyond.

The only remaining question is how California can accommodate this growth within current resource constraints, while maintaining its historic commitments to quality, access, and choice.

4. Funding requirements for growth

One historic aspect of California's commitment to postsecondary education has been the availability of resources needed to support both quality and access. With some exceptions, largely in the community colleges, the State has paid for enrollment growth with new resources. Thus, one can use predictions of enrollment growth as a reasonable proxy for predictions of the budgetary requirements that the State will need to support postsecondary education in the future. As discussed above, enrollments throughout public postsecondary education are expected to grow between 1990 and 2005 at an annual rate averaging approximately 1.8 percent per year, with the four-year segments averaging around 2.5 percent. Simply to fund enrollment growth, then, will require about 1.8 percent more per year in operating funds. Real operating costs above and beyond inflation or growth such as merit salary increases have historically increased at an average of 1.5 percent a year. Any new funding for program improvements or to overcome existing funding deficiencies would be in addition to these costs.

DISPLAY 1 *Projected Enrollment Growth in Public Education, 1988 - 2005, Indexed to 1988 Levels*



*U.C. Projections Exclude Health Science Enrollments.

Sources: Projections for the California Community Colleges and K-12 from the Demographic Research Unit, State Department of Finance. University of California projections from the University, and California State University Projections from CSU.

DISPLAY 2 *Projected Enrollment Growth in Public Education, 1988 - 2005*

	1988	2005	Percentage Growth
California Community Colleges Total	1,321,007	1,714,000	30%
California State University Undergraduates	280,800	465,500	66
California State University Graduate and Postbaccalaureate	70,900	75,800	7
California State University Total	351,700	541,300	54
University of California Undergraduates	116,219	158,425	34
University of California Graduate and Professional	25,851	46,431	60
University of California Total	142,070	204,856	44*
K-12 Total	4,509,504	5,979,000	33

*U.C. Projections Exclude Health Science Enrollments.

Sources: Projections for the California Community Colleges and K-12 from the Demographic Research Unit, State Department of Finance. University of California projections from the University, and California State University Projections from CSU.

The capacity of the State of California to provide these funds will depend on both revenue availability and the State's spending limit. There is reason for concern on both fronts, made even more acute by the passage of Proposition 98 in the last election. While it is not clear exactly how Proposition 98 will be implemented, it is obvious that this proposition will not solve the Gann appropriations problems for the two university systems and may make these systems even more vulnerable to budget cuts if revenues fail to grow at adequate levels.

This budgetary problem has several dimensions that as a practical political matter cannot be separated, but that may be examined separately for analytic purposes. They are (1) the Gann Limit; (2) the vulnerability of the two university segments to revenue shortfalls even without Proposition 98; and (3) Proposition 98. The remainder of this section discusses each of these problems in turn.

The Gann Limit

The Gann Appropriations Limitation remains intact for the two University segments despite Proposition 98, which lifted it only for K-14 spending. Under this limit, the controlling factor dictating how much budgets can grow is overall State population growth and inflation. If inflation is assumed to have the same effect on both revenues and expenditures -- and this is a fair assumption for planning purposes -- then looking at the differences between overall State population growth and enrollment or caseload growth in a particular budget gives a good indication of the size of a potential Gann problem. If enrollment or caseload for a particular budget is growing faster than the general population, then funding for that growth will have to be found from some other portion of the budget. Display 3 on the opposite page shows how enrollment projections for all parts of public education compare with projected overall population growth. This does not present a problem so long as other parts of the budget are growing at a rate lower than general population growth. Unfortunately, the age groups within the population that most depend on State funding are tending to grow at a slightly faster rate than the overall population. For instance, the major State entitlement programs of Aid to Families with Dependent Children (AFDC) and Supplemental Security Income/State Supplemental Program (SSI/SSP) serve

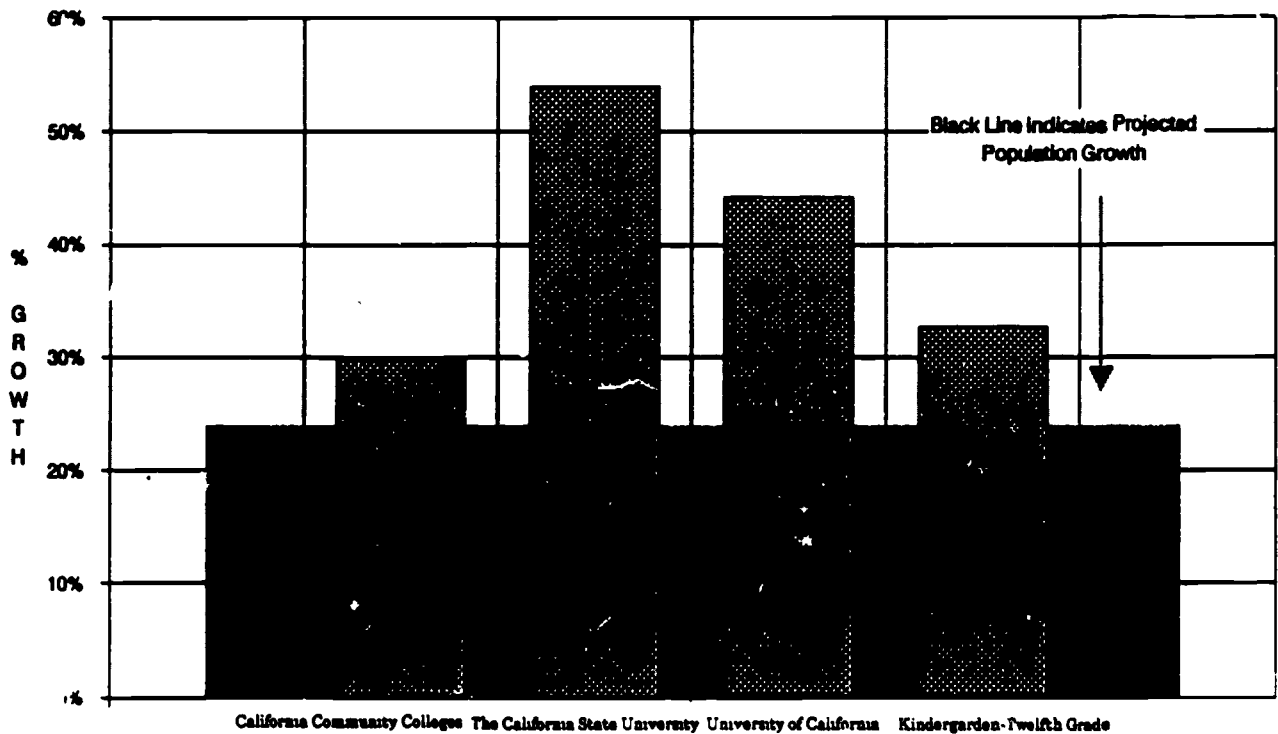
families with young children and older citizens -- two groups whose numbers are growing faster than the 20- to 50-year-old categories.

The Commission on State Finance has statutory responsibility for estimating how the appropriations limitation will work as well as for general fund revenue and expenditure forecasting. Its current forecast extends only through 1997-98. According to those estimates, State revenues are expected to grow at an annual adjusted rate of roughly 2.4 percent without inflation, whereas the appropriations limit will grow by only 1.3 percent per year using adjusted estimates.* Thus by this estimate, any budget that grows more than roughly 1.3 percent per year without inflation will either have trouble being funded or will squeeze funding for other budget categories for funds.

As noted earlier, the budgetary needs for postsecondary education over this period just to fund enrollment growth and operating costs, can reasonably be expected to be around 3.3 percent per year. The question naturally arises as to whether other parts of the budget will be growing at a lower rate so as to allow these funds to be reallocated to postsecondary education. The answer is no. Based on a survey of the growth requirements for all parts of the budget, the Commission on State Finance finds that to fund workload increases as required by current law will require growth of 2.1 percent per year. While it can be expected that all efforts will be made to contain costs and find efficiencies, these persistent and sizable gaps between expected needs and the State's ability to pay for them are not likely to be closed. This problem will be especially difficult in the human, medical, and other social services categories, where State funding tends to be matched with federal funds and the State's capacity to make unilateral reductions in spending is therefore limited.

* State Commission on Finance forecasts are driven by special population estimates prepared by the Department of Finance. Since that Commission used different population projections than those utilized to generate the enrollment estimates displayed in this report, substantial comparability problems exist. To correct for this problem, it was necessary to adjust that Commission's revenue and expenditure forecasts to make them consistent with the regular population projections published by the Department of Finance in its Report 88 P-4 of February 1988.

DISPLAY 3 *Projected Enrollment and State Population Growth to 2005, Indexed to 1988 Levels*



Source: California Postsecondary Education Commission.

The universities' vulnerability to revenue shortfalls

There is good reason to believe that California's economy is strong enough to sustain continued growth over the next two decades. In spite of this, recent experience and good sense both indicate that some downturns may occur. When revenues fail to grow consistently, budgets for the two universities and student aid are particularly vulnerable, because they are not funded in a statutory formula but instead depend on the State budget for funding levels (Display 4, page 8). For example, the historic entitlement of eligible students to attend a public university is a right guaranteed in policy rather than protected statutorily through funding formulas. Funding for the University and State University thus differs fundamentally from funding for community colleges, K-12 apportionments, AFDC, SSI/SSP or Medi-Cal benefits -- all of which are funded as entitlements, which means that the legal right to funding continues even without a State budget. For the two university systems and the Student Aid Commission, as well as for general State

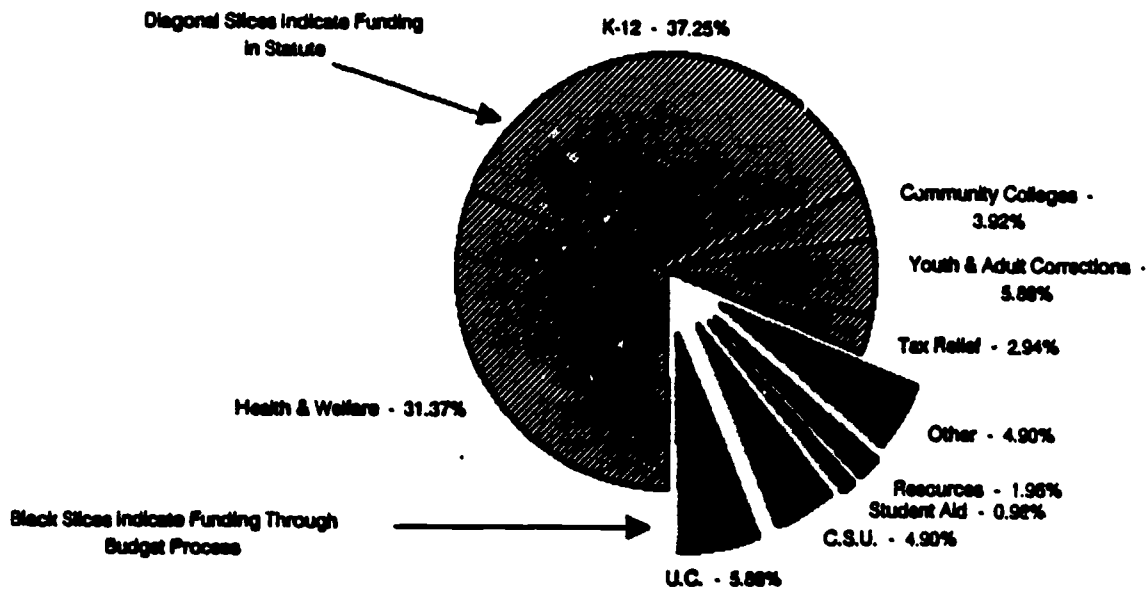
government and the Department of Corrections, there is no right to money without a budget.

What this means as a practical matter is that if revenue shortfalls occur, it is technically as well as politically easier to turn off the funding faucet on the two universities than for most other parts of the budget. It is technically possible to cut benefit levels or school funding levels, but separate legislation is required to do so, whereas university budgets can be cut through executive action and even without the permission of the Legislature. For the Department of Corrections, some minor savings can be found by reducing staffing, but criminal penalties would have to be reduced for there to be any real savings. The political unwillingness to do so, coupled with the reality that such a reduction would take some time to have any budgetary effect, makes this an unlikely eventuality

Proposition 98 and its effect on revenue

Proposition 98 is likely to have its most dramatic effect on future funding for California's two public

DISPLAY 4 State General Fund Expenditure, 1987-88



Source: Legislative Analyst's Analysis of the 1988-89 State Budget.

universities in the area of revenue availability. Its major provisions are to (1) guarantee funding for K-14 education at a level not less than that in the 1987-88 budget and (2) require any "surplus" revenues not eligible for spending under the Gann Limit to be spent on K-14 education. The enrollment forecasts for K-14 presented in Part Three of this paper suggest that the programmatic needs for this level of funding are legitimate: the money will be needed. Indeed, it has long been a priority for the Commission and other parts of the postsecondary education community that the budgetary needs of both the community colleges and the schools be met.

Although the problem of the Gann Limit and the vulnerability of the university budgets to revenue availability is not a Proposition 98 phenomenon, the proposition creates new and potentially dire problems for the two university segments in the event of revenue downturns. As noted above, before Proposition 98, the two university segments were already particularly vulnerable to these downturns. Under Proposition 98, if revenues fail to grow by at least the amount needed to fully fund the K-14 minimum guaranteed spending levels, the

two universities will be subject to still further reductions. Display 5 at the right shows different scenarios of how Proposition 98 will work under different levels of revenue growth.

5. Additional planning priorities

As the Commission moves forward with its long-range planning process, it will be pursuing several additional concerns and priorities. The first is its concern that care be taken to avoid the error of planning myopia -- the blind assumption that the last five years of experience is a concrete predictor of the next 20. The very enrollment patterns we now see are unexpected and were not predicted 10 years ago. For example, enrollment demand for the University of California has recently increased vis-a-vis the California Community Colleges and California's independent colleges and universities. We cannot assume that such current demand patterns among the segments will continue. In fact, through implementation of the reforms in AB 1725, which include a reinvigorated transfer function as well as increasing Cal Grant funding for student financial

DISPLAY 5 Effect of Proposition 98, Given Various Levels of State Revenue Growth

<u>State Revenue Growth</u>	<u>Gann Limit</u>	<u>K-14 Appropriations Increase</u>	<u>Remaining State Budget</u>
10%	7%	11.00%	7.00%
9	7	11.00	7.00
8	7	9.50	7.00
7	7	7.00	7.00
6	7	7.00	5.30
5	7	7.00	3.70
4	7	7.00	2.00
3	7	7.00	0.30
2	7	7.00	-1.30
1	7	7.00	-3.00

Source: University of California.

aid, some of this demand should shift back from the University to the community colleges and the independent sector.

Another issue that will affect enrollments is the attention paid to and resources applied to minority youth. If progress is not made in getting underrepresented students through secondary schools, they will obviously not be ready for postsecondary education. Thus their school drop-out and retention rates and their eligibility and admission rates for postsecondary education will substantially affect the accuracy of enrollment projections. It is known, for example, that current college-going rates of Black and Hispanic youth are abysmally low, and if they do not increase, total projected enrollment could drop considerably, since the number of these students loom so large in the K-12 population. However, even if the drop-out rates remain at their current high level, the need will still exist to expand the State's colleges and universities to accommodate some enrollment growth. Moreover, the long-run economic strength of California requires that a larger proportion of Hispanic, Black, Asian, and American Indian youth remain in school and graduate from college in the next several decades than currently is the case. If resources for student

financial aid, support services, outreach programs, and the like are made available in substantial quantity to accomplish this goal, college-going rates may skyrocket well beyond current predictions.

What role might California's independent institutions play in accommodating this projected growth? By maximizing choice in the independent sector through increases in the Cal Grant maximum award for these students, these institutions can accommodate some, but by no means all of the anticipated enrollment pressure. The Commission seeks to integrate the independent sector fully in its planning and it believes that the sector can be involved actively through the auspices of the Association of Independent California Colleges and Universities (AICCU). Currently, independent institutions serve a smaller proportion of California high school graduates than they did 10 years ago, and this decline is largely attributable to a decline in the purchasing power of State-funded student aid. The AICCU estimates that those institutions which directly compete with the University of California could return to their historic enrollment levels by accommodating an additional 11,000 students between now and 2005 within their existing physical plant capacity. If these institutions choose to expand their capacity -- and many of them might not choose to do so -- then enrollments could increase beyond that amount. While these figures are preliminary and are subject to verification in the planning process, if they stand up, they will mean that the State can absorb roughly 9 percent of the growth expected in the four-year sector through expanded growth of the independent sector within its existing physical plant capacity. In a State with significant no-growth pressures in many of the communities where universities are located, this option for expanding enrollments is an attractive one.

The most important planning concern of all, however, is that of resource availability. The people of the State of California led the nation ten years ago into an era of limiting public spending. The State once again has the opportunity to set the tone for the rest of the country as it faces the growth demands of its population now and in the future. More can and should be done to make better use of existing resources. The Commission can play a role in helping the State support an agenda of better use

of existing funds. It can also help the Governor and the Legislature identify existing operations that are duplicative or inefficient and where reductions can be made. It will also debate whether the State's historic policies with respect to postsecondary education should be modified to accommodate the problem of limited resources and growing demand. For instance, the State will need to determine if it can afford to maintain its historic policies of low tuition and fees as a means of assuring access to eligible students. This is not a new agenda for this Commission; it is the one that it has been following for the last ten years. Yet, the limit to which resources can be creatively stretched has effectively been reached now that the State has reached the Gann Limit. For better or worse, California has now crossed the threshold of deciding whether it wants to meet the future with less in the way of opportunity, quality, diversity, and capacity than it has in the past.

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CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

THE California Postsecondary Education Commission is a citizen board established in 1974 by the Legislature and Governor to coordinate the efforts of California's colleges and universities and to provide independent, non-partisan policy analysis and recommendations to the Governor and Legislature.

Members of the Commission

The Commission consists of 15 members. Nine represent the general public, with three each appointed for six-year terms by the Governor, the Senate Rules Committee, and the Speaker of the Assembly. The other six represent the major segments of postsecondary education in California.

As of April 1989, the Commissioners representing the general public are:

Mim Andelson, Los Angeles;
C. Thomas Dean, Long Beach;
Henry Der, San Francisco;
Seymour M. Farber, M.D., San Francisco;
Helen Z. Hansen, Long Beach;
Lowell J. Paige, El Macero; *Vice Chair*;
Cruz Reynoso, Los Angeles;
Sharon N. Skog, Palo Alto; *Chair*; and
Stephen P. Teale, M.D., Modesto.

Representatives of the segments are:

Yori Wada, San Francisco; appointed by the Regents of the University of California;

Claudia H. Hampton, Los Angeles; appointed by the Trustees of the California State University;

John F. Parkhurst, Folsom; appointed by the Board of Governors of the California Community Colleges;

Harry Wugalter, Thousand Oaks; appointed by the Council for Private Postsecondary Educational Institutions;

Francis Laufenberg, Orange; appointed by the California State Board of Education; and

James B. Jamieson, San Luis Obispo; appointed by the Governor from nominees proposed by California's independent colleges and universities.

Functions of the Commission

The Commission is charged by the Legislature and Governor to "assure the effective utilization of public postsecondary education resources, thereby eliminating waste and unnecessary duplication, and to promote diversity, innovation, and responsiveness to student and societal needs."

To this end, the Commission conducts independent reviews of matters affecting the 2,600 institutions of postsecondary education in California, including community colleges, four-year colleges, universities, and professional and occupational schools.

As an advisory planning and coordinating body, the Commission does not administer or govern any institutions, nor does it approve, authorize, or accredit any of them. Instead, it cooperates with other State agencies and non-governmental groups that perform these functions, while operating as an independent board with its own staff and its own specific duties of evaluation, coordination, and planning.

Operation of the Commission

The Commission holds regular meetings throughout the year at which it debates and takes action on staff studies and takes positions on proposed legislation affecting education beyond the high school in California. By law, the Commission's meetings are open to the public. Requests to speak at a meeting may be made by writing the Commission in advance or by submitting a request prior to the start of the meeting.

The Commission's day-to-day work is carried out by its staff in Sacramento, under the guidance of its executive director, Kenneth B. O'Brien, who is appointed by the Commission.

The Commission publishes and distributes without charge some 40 to 50 reports each year on major issues confronting California postsecondary education. Recent reports are listed on the back cover.

Further information about the Commission, its meetings, its staff, and its publications may be obtained from the Commission offices at 1020 Twelfth Street, Third Floor, Sacramento, CA 98514-3985. telephone (916) 445-7933.

PROSPECTS FOR ACCOMMODATING GROWTH IN POSTSECONDARY EDUCATION TO 2005

California Postsecondary Education Commission Report 89-6

ONE of a series of reports published by the Commission as part of its planning and coordinating responsibilities. Additional copies may be obtained without charge from the Publications Office, California Postsecondary Education Commission, Third Floor, 1020 Twelfth Street, Sacramento, California 95814-3985.

Recent reports of the Commission include:

- 88-43** Education Needs of California Firms for Trade in Pacific Rim Markets: A Staff Report to the California Postsecondary Education Commission (December 1988)
- 88-44** Progress on the Development of a Policy for Revenue Collected by the California State University Through Concurrent Enrollment: A Report to the Legislature in Response to Supplemental Language to the 1988-89 Budget Act (December 1988)
- 88-45** Prepaid College Tuition and Savings Bond Programs: A Staff Report to the California Postsecondary Education Commission (December 1988)
- 89-1** Legislative Priorities for the Commission, 1989: A Report of the California Postsecondary Education Commission (January 1989)
- 89-2** The Twentieth Campus: An Analysis of the California State University's Proposal to Establish a Full-Service Campus in the City of San Marcos in Northern San Diego County (January 1989)
- 89-3** Toward Educational Equity: Progress in Implementing the Goals of Assembly Concurrent Resolution 83 of 1984: A Report to the Legislature in Response to Assembly Bill 101 (Chapter 574, Statutes of 1987) (January 1989)
- 89-4** The Effectiveness of the Mathematics, Engineering, Science Achievement (MESA) Program's Administrative and Policy-Making Processes: A Report to the Legislature in Response to Assembly Bill 610 (1985) (January 1989)
- 89-5** Comments on the Community Colleges' Study of Students with Learning Disabilities: A Report to the Legislature in Response to Supplemental Report Language to the 1988 State Budget Act (January 1989)
- 89-6** Prospects for Accommodating Growth in Postsecondary Education to 2005: Report of the Executive Director to the California Postsecondary Education Commission, January 23, 1989 (January 1989)
- 89-7** State Budget Priorities of the Commission, 1989: A Report of the California Postsecondary Education Commission (March 1989)
- 89-8** Status Report on Human Corps Activities, 1989: The Second in a Series of Five Annual Reports to the Legislature in Response to Assembly Bill 1820 (Chapter 1245, Statutes of 1987) (March 1989)
- 89-9** A Further Review of the California State University's Contra Costa Center (March 1989)
- 89-10** Out of the Shadows -- The IRCA/SIAG Opportunity: A Needs Assessment of Educational Services for Eligible Legalized Aliens in California Under the State Legalization Impact Assistance Grant Program of the Immigration Reform and Control Act of 1986, submitted to the California Postsecondary Education Commission, February 23, 1989, by California Tomorrow (March 1989)
- 89-11** Faculty Salaries in California's Public Universities, 1989-90: A Report to the Legislature and Governor in Response to Senate Concurrent Resolution No. 51 (1965) (March 1989)
- 89-12** Teacher Preparation Programs Offered by California's Public Universities: A Report to the Legislature in Response to Supplemental Language in the 1988 State Budget Act (March 1989)
- 89-13** The State's Reliance on Non-Governmental Accreditation: A Report to the Legislature in Response to Assembly Concurrent Resolution 78 (Resolution Chapter 22, 1988) (March 1989)
- 89-14** Analysis of the 1989-90 Governor's Budget: A Staff Report to the California Postsecondary Education Commission (March 1989)
- 89-15** Planning Our Future: A Staff Background Paper on Long-Range Enrollment and Facilities Planning in California Postsecondary Education (April 1989)
- 89-16** Standardized Tests Used for Higher Education Admission and Placement in California During 1988: The Fourth in a Series of Annual Reports Published in Accordance with Senate Bill 1758 (Chapter 1505, Statutes of 1984) (April 1989)
- 89-17** Protecting the Integrity of California Degrees: The Role of California's Private Postsecondary Education Act of 1977 in Educational Quality Control (April 1989)