

## **Assessing California's Vision for Higher Education: The Master Plan at 50**

All: The Legislative Analyst's Office (LAO) has just issued a short report on California's Master Plan for Higher Education of 1960 and its aftermath. The report is quite general and does not get into specifics of the budget. It also does not address the LAO's own controversial position taken previously that the state is not responsible for funding UC's pension and that the responsibility belongs to the regents.

The new report is at:

[http://www.lao.ca.gov/2009/edu/master\\_plan\\_intro/master\\_plan\\_intro\\_111209.pdf](http://www.lao.ca.gov/2009/edu/master_plan_intro/master_plan_intro_111209.pdf)

Some excerpts:

In recent years, a number of developments have clouded the state's focus in higher education. For example, state policy has drifted away from some key elements of the Master Plan—such as the call for a robust coordinating body and the exclusive assignment of independent doctoral programs to the University of California. The periodic amendments to the Donahoe Act have been adopted piecemeal, addressing specific issues largely in isolation of broader higher education themes.

(T)he state has no formal policy to guide the setting of student fees at the public colleges and universities. As a result, fee levels have been unpredictable and volatile, with little alignment to the cost of instruction or to students' ability to pay. Similarly, the state lacks a policy for funding enrollment growth at the public universities. For the past several years, the state budget has not specified any particular enrollment level at the universities, instead allowing the universities' governing boards to decide for themselves how much enrollment to support with their funding. Moreover, there is not even consensus among state policymakers as to what it does or should cost to educate a university student.

(D)emographic changes have altered the types of higher education challenges the state faces. At the time of the Master Plan's adoption, the state sought to contend with an anticipated "tidal wave" of students seeking access to higher education. Today, the state is facing projected shortages of college graduates and is seeking ways to increase college enrollment. At the same time, incoming students are less prepared for college, resulting in college completion rates far lower than they were 50 years ago.

Over the past decade, higher education policy discussions have been dominated by the issue of student "access." The Legislature may want to consider whether the focus on access has come at the expense of other critical goals, including student learning and degree completion.

About 10 percent of the state General Fund is devoted to higher education. In general, this funding is not tied to specific goals, learning outcomes, or even level of instruction, but rather is based almost exclusively on student contact hours. Moreover, state policy pro-

vides little guidance on how education costs should be split between students and the state, nor how various financial aid programs should work together to ensure affordability. The Legislature may wish to examine the effect of funding mechanisms on higher education outcomes.