**The Assault on Higher Education in California**

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**California Master Plan**

Section 66011 of the California Education Code states the official educational policy of California: *"(a) It is hereby declared to be the policy of the Legislature that all resident applicants to California institutions of public higher education, who are determined by law, or by admission standards established by the respective governing boards, should be admitted to either (1) a district of the California Community Colleges, in accordance with Section 76000, (2) the California State University, or (3) the University of California. "*

The Master Plan for Higher Education became law in 1960. In that year, California took a historic step toward guaranteeing to every adult in California the right to a college education.

An original component of the Master Plan was a low cost to student policy. For years moderate fees had been levied at the University of California (UC) and the California State University (CSU). A community college education was free for all adults who could benefit from instruction.

Community college fees were first introduced in 1984 and the community colleges lost approximately 250,000 students statewide. Urban districts with significant minority enrollment lost in excess of 20% of their enrollment. The Los Angeles Community College District and the Peralta Community College District (Oakland) have still not returned to their pre-1984 student levels.

The policy for UC and CSU is *"to keep fees as low as possible"* and *"any necessary increases in mandatory systemwide student fees at the California State University, the University of California, or the Hastings College of Law shall be gradual, moderate, predictable, and equitably borne by all students in each segment"* (Education Code Section 66150). Despite this section of the Education Code, recent increases in fees have not been either gradual, moderate, or predictable.

For 1993-94, the UC Regents have proposed a fee increase of 35 % ($995) over 1992-93. The legislature proposes a 22% ($630) increase. The Trustees of the CSU have proposed a fee increase of 37% ($480) over 1992-93. The legislature proposes a 10% ($132) increase. The legislature has passed a fee increase of 50% over 1992-93 for community college students.

**Funding**

Funding for the three systems has never been equal. This is partially due to the higher cost for graduate studies and partially due to the political reality that institutions that serve wealthier people are generally treated better. Governmental and student fee revenue available to support the general instructional mission for the three segments was (per Full-time Equivalent Student (FTES)):

UC CSU CCC

1992-93 $11,023 $7,337 $3,072

*Source: CPEC Report Draft April 18, 1993*

Because of the larger number of part-time students served by the community colleges, the amount spent per student is even more weighted toward UC and CSU. Funding by FTES rather than student enrollment leaves community colleges with even less money to spend on each student for such individual student services as counseling and financial aid assistance.

**Student Income Levels**

As might be expected or predicted, just as funding has not been equal for the three systems, income distribution has not been consistent across the systems. The average income of students and their families at the University of California is higher than that of the those attending the California State University or the community colleges.

In a March 1986 paper entitled *Beyond the Master Plan* then Assembly Higher Education Subcommittee chair Tom Hayden reported that *"The educational Pyramid roughly parallels the social and class distinctions of California itself, with over 60 percent of UC students being upper income and only 10-15 percent lower income. The largest block of CSU students traditionally are middle-income (42.5% in 1978), though more upper-income students have been enrolling. Nearly 70% of community college students were low (37.6%) to middle-income in 1981."*

Based on the Student Expenses and Resources Survey (SEARS) conducted by the California Student Aid commission, the California Postsecondary Education Commission (CPEC) reported in February of 1993 on the fmancial resources of California undergraduate students.

CPEC defines low-income students as those that are financially independent of their parents with incomes less than $12,000 and those that are financially dependent on their parents with annual parent incomes under $24,000. Using this definition of low-income, CPEC found that low-income students represent 33 percent of community college students, 35 percent of State University undergraduates, and 25 percent of University of California undergraduates.

CPEC defined upper-income level students as financially dependent students from families earning $84,000 or more and financially independent students earning $48,000 or more. Using this definition of upper-income students, CPEC found that 16 percent of community college students, 14 percent of CSU, and 24 percent of UC students fall into this category.

**The Reality of Open Access**

The large majority of students in higher education in California attend the California Community Colleges.

Three-quarters of community college students attend college part-time. 30 percent of CSU students attend college part-time. Less than 10 percent of UC students attend college part-time. In fact, UC makes it very difficult for a student to attend as a part-time student. This policy keeps UC out of reach for many low and moderate income students.

The greater number of part-time students in community colleges has an effect when comparing the cost per student for each system. As a consequence most discussions of relative funding revolve around the number of full time equivalent student served.

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| --- | --- | --- | --- |
| **Funded** Full Time Equivalent Students  Actual Actual | | | Estimated |
|  | 1990-91 | 1991-92 | 1992-93 |
| CC | 841,075 | 862,269 | 878,582 |
| CSU | 278,502 | 270,729 | 257,000 |
| UC | 155,796 | 156,371 | 153,407 |

Source: *Analysis of the 1993-94 Budget Bill, Legislative Analyst's Office, Feb. 24, 1993* The total FTES **(funded and unfunded)** for community colleges:

1991-92 1992-93 1992-93

FTES 953,000 921,000 1,050,000\*

\*The Community College Chancellor's Office has projected, based on past enrollments and fiscal conditions, that the community colleges would have expected to enroll 1,050,000 FTES if not for increased fees and course cutbacks. **This is equal to 129,000 students cut out of the community colleges due to underfunding and increased fees -** an amount almost equal to the entire enrollment at the University of California.

Note: In two years, the community colleges have cut more than 10,000 classes. *Source: Chancellor's Office March 1993*

Community colleges in California serve approximately 1.5 million students each year. Currently California Community Colleges **turn away more than 100,000 students** each year who are unable to get classes. Hundreds of thousands of other students are forced to extend their time in college because they cannot get all the classes that they need at the time that they need them. The situation is similar at the California State University and the University of California.

The California Community Colleges are educating hundreds of thousands of students for whom they are receiving no compensation from the state. **In 1990 the colleges had 50,472** **unfunded full-time equivalent students (FTES).** The unfunded FTES is equivalent to one-third of the entire University of California student enrollment being unfunded by the state.

**Fees and Funding Impact on the California Community Colleges**

The dream of access to higher education is fading for many moderate to low income Californians. Rapid increases in fees at the University of California and the California State University are driving many students out of the university. Increased fees at the California Community Colleges are also causing many to give up on any hope of attending.

In 1980, the California Community Colleges **enrolled 93 out of *every* 1,000** California adults. In 1990 the total **had dropped to 80 out of every 1,000** California adults. This drop was a result of increased fees for students combined with insufficient funding from the state to meet the increase in adult population.

The Community College Chancellor's Office has reported that the increase in fees for bachelor degree holders implemented in Spring of 1993 has reduced the number of BA holders in the community colleges by from **50 to 60%.** Many of these students were attending the community colleges to upgrade their employment skills. Others were seeking to enter new professions. The total drop from spring 1992 to spring 1993 was 8%.

**Enrollment - 8% drop from Spring 1992 to Spring 1993**

1990-91 1991-92 Change 1992-93 Change

Fall 1,508,000 1,519,000 .7% 1 ,504,000 -1.0%

Spring 1,513,000 1,491,000 -1.0% 1,372,000 -8.0%

**High Fees = Low Access**

In 1989-90, California Community Colleges served 1 out of every 14.7 adults in California. The average in the nation was 1 out of every 54.5. **Low fee states served more students per adult population than high fee states.** Some availability of financial assistance to offset the high fees for low income students did not change the resulting levels of access.

* The eight least expensive fee states served an average of one out of 28.9 adults
* The next nine most expensive fee states served an average of one out of 39.7 adults
* The next eight most expensive fee states served an average of one in 43.0 adults
* The nine most expensive fees states served an average of one in 64.3 adults.
* The states with the most access are:
* California one out of 14.7 adults

Wyoming one out of 17.9 adults

Arizona one out of 17.9 adults

Illinois one out of 24.2 adults

Washington one out of 25.3 adults

Oregon one out of 28.3 adults

Michigan one out of 30.3 adults

New Mexico one out of 30.7 adults

Kansas one out of 30.9 adults

*Source: The Chronicle of Higher Education: Almanac, vol. 39, #1, August 26, 1992*

**Financial Aid**

Although 62% of California Community College credit students are eligible for financial aid, only 19% apply for aid. 16% of California Community College credit students actually receive financial aid. All financial aid currently available for community colleges is being used. Not only was there not enough financial aid available for all those that needed it, most students who were eligible for aid did not apply for it. The path for most students when faced with higher fees is to work more and take fewer units in order to afford to go to college.

Total Credit Eligible Credit Applied Received

Students Students for Aid Aid

1,121,758 689,715 215,495 180,822

*Source: Student Expenses and Resources Survey (SEARS)*

In 1992-93, according to the California Student Aid Commission, only 22.8 percent of needy, eligible Cal Grant applicants received grant aid from the Student Aid Commission.

Higher education is becoming less and less financially possible for low and moderate income students.

**Funding**

The legislature has just passed a budget which reduces the allocation to the University of California by $85 million and the allocation to the California State University by $18 million from 1992-93 levels.

The governor originally wanted to cut $305 million from the California Community Colleges budget. The legislature passed a budget which raised revenues by increasing fees by 50%. It is estimated that the fees will bring in about $65 million in net revenue after subtracting out the financial aid added. The estimate of $65 million is considered high and does not take into account any loss of students due to the increased level of fees. The budget also gave community colleges a $178 million loan to be repaid when times are better. The $178 million loan does not count as part of the community college base for future year budgeting.

The governor and the legislature also made drastic cuts in social programs such as AFDC, SSI/SSP, and Medi-Cal. The cuts at the county and city levels have been described in the press.

The governor and the legislature did not propose any elimination of tax loopholes that unfairly advantage the large corporations and the wealthy. They continue to advocate taxing the poor (in this case the students of California) in order to provide for programs that benefit the entire population of the state. The governor did try to eliminate the renters tax credit - one of the few tax breaks for middle and low income Californians. Lenny Goldberg of the California Tax Reform Association noted that *"Going after the renters tax while allowing millionaires to deduct taxes on vacation homes, mansions, and yachts shows where the governor's sympathies and priorities lie."*

**The Fight Ahead**

In the next few years we will see if the fight for access to higher education is finally lost. There appears to be a general agreement on the part of the legislature, the governor, and many educational leaders that we can never again meet all of the higher education needs of our state.

If we do not stand up today and fight against this conventional wisdom, then we may be fighting for years to hold on to what access to higher education we currently enjoy - with no hope of expansion to the realization of a full and open system of higher education.

**The Voucher Initiative**

The most ominous cloud on the horizon facing public education is the "Parent Choice Initiative" to be voted on in November. The passage of this initiative will destroy public K-12 education in California. It will also reduce funding for community college by approximately $850 per public school student who moves to a private school. If 250,000 current public schools students can find places in voucher schools, the community colleges would lose $212 million in revenue - an approximate 10% cut in funding. This does not include the loss of Proposition 98 funding lost for each private school student who is enrolled currently in a private school that agrees to become a voucher school.

**Premises to Base the Fight On**

* A mind is a terrible thing to waste.
* The California economy cannot be competitive in the world without a large pool of highly educated people.
* Lifelong learning is beneficial to the health of the individual and to the health of the society at large.
* California cannot compete with the rest of the world on the basis of cheap labor.
* An educated population is an essential element in a functioning democracy.
* Fees are a user tax which weighs most heavily on those least able to pay.
* It is in the state interest to spread the cost of education broadly across the state's population. This is the path of a civilized nation.
* A tax system that does not unfairly favor the rich **can** provide the needed funds to serve the social needs of our state - including the need for universally available education from pre-school to graduate school.

**Join the Fight to Save Education in California**June 27, 1993

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