

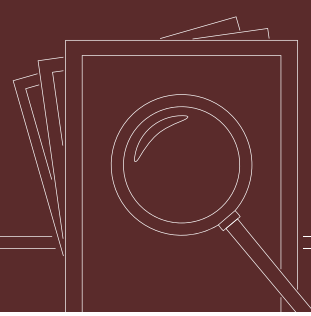


## **Moving Past the Master Plan**

Report on the California Master Plan for  
Higher Education

October 2017

**California Competes**  
Higher Education for a Strong Economy



# Moving Past the Master Plan

## Overview

The 1960 Master Plan for Higher Education in California is widely considered a model for higher education planning. The Master Plan clearly articulated the roles of the three public segments for higher education – the University of California, the California State University, and the California Community Colleges – to ensure broad access and efficiency in the face of a looming enrollment boom. The articulation of the tripartite system was important, practically speaking, in solidifying a transfer pathway from the community colleges to the four-year institutions. However, it was also symbolically significant in asserting the state’s deep commitment to providing higher education opportunities to its residents.

When the Master Plan was first created and for some time afterward, California was among the top states in terms of rates of high school graduation, transfer from community colleges to four-year institutions, and Bachelor’s degrees awarded. In the decades since, the state’s preeminence in higher education has languished; today, it ranks 31<sup>st</sup> with regard to high school graduation rates and 28<sup>th</sup> with regard to the percentage of adults with a two- or four-year degree.<sup>1</sup> California is underproducing postsecondary degrees and, according to an analysis by California Competes, the state will be short 2.4 million Bachelor’s degrees and sub-baccalaureate credentials by 2025.

Many have responded to California’s decline in higher education excellence by calling for the reexamination and passage of a new Master Plan. Beginning in 1972 and as recently as 2013, legislative committees, government agencies and commissions have conducted research and made recommendations for how the Master Plan should be restructured in response to current needs that “could not have been foreseen” by the originators of the 1960 plan.<sup>2</sup> Yet none of these new plans have been wholly adopted. Reviewing the Master Plan is a herculean effort, typically requiring the creation of a commission, research and analyses, issuing recommendations, and navigating statutory changes through the legislature to secure the Governor’s signature. Even though no new

plan has been successfully adopted since 1960, rewriting the plan remains a persistent call to action. In 2017, Assembly Member Marc Berman initiated a new set of hearings on the Master Plan. This current convening has the potential to assist a relatively new legislature in becoming familiar with the broad set of issues posed by the drift from the 1960 document. Rather than rewrite the Master Plan, California’s higher education system would benefit more from the enactment of pragmatic and specific policies to address the key issues contained within the plan.

This policy brief begins by discussing the origins and history of the Master Plan, contextualizing why the plan was written and what it achieved. It then highlights various themes and priorities of the Master Plan that are still relevant today – access and equity, affordability, accountability for academic quality, and preparedness and the K-12 public education system – areas in which important improvements could be made.

## The Making of the Master Plan

Researcher John Aubrey Douglass notes that, contrary to popular opinion, the 1960 Master Plan did not invent California’s three-part system.<sup>3</sup> Far from a biblical event, the plan provided a formal articulation of an already robust, albeit more disorganized, three-tier system consisting of the University of California (UC), California State University (CSU, then known as the state colleges), and the California Community Colleges (CCC, then known as the junior colleges). This three-tier system began in the Progressive Era (1900 to 1920) with the premise that education beyond high school was a right for citizens and not a privilege. The state’s postsecondary system flourished over the next fifty years and by 1960, 45 percent of the state’s high school graduates went on to a higher education institution, compared to just 25 percent nationally. Around the same time, however, the system showed signs of stress: the state experienced budget deficits that resulted in less discretionary funding for higher education, there was a severe lack of coordination in proposals for building new campuses across the state, the roles of

the UC, CSU, and CCC began to blur, and enrollment was predicted to increase drastically over the coming decade. As a result, Governor Edmund G. (Pat) Brown directed legislators and the higher education system leaders to develop a plan that would delineate the roles of the segments and provide for enrollment expansion.

The entire process – beginning with the makeup of the team that would write the plan and ending with statutory approval by the legislature – was hindered by discord between UC and CSU, and vocal opposition from some legislators. Despite these difficulties, numerous compromises made the Master Plan a reality. To the displeasure of the leaders of CSU, the segment was restricted from awarding doctoral degrees, thereby preserving the role of UC as the premier research institution. However, CSU was granted increased autonomy when oversight was transferred from the Department of Education to the newly created Board of Trustees. The Master Plan authors also agreed to increase enrollment and control expenses by first expanding the community colleges, which cost less to build and operate, and then setting target acceptance rates of high school graduates for CSU and UC at 33.3 percent and 12.5 percent, respectively. Eventually these admissions targets were left out of the final bill, along with the recommendation that the institutions be tuition free, but these targets became an expectation of the postsecondary system overall. Thus, the Master Plan for Higher Education is not actually one document but a set of agreements, not all of which are codified. The bill that passed the legislature, the “Donahoe Higher Education Act,” outlines the functions of the segments, while many other general agreements that were never signed into law, like the non-tuition policy and admissions acceptance rates for UC and CSU, became standard expectations for the higher education system.

## Reviews

In all there have been 8 legislative requests for a review of the Master Plan, as well as several reviews initiated by groups outside of the legislature (see: *At a Glance: Master Plan Reviews*). The first began in 1972 to assess the health of the plan. As reviews took place over subsequent years, the rhetoric turned increasingly dire. Each review underscores the evolving status of and challenges to California’s higher education system as it has struggled to keep pace with demand and ensure adequate quality. They also highlight several enduring challenges to maintaining a world class higher education system, including access and equity, efficiency and affordability, quality and accountability, and preparedness and the K-12 public education system.

## At a Glance: Master Plan Reviews

- 1972** The California Master Plan For Higher Education In The Seventies And Beyond – 1972 (Coordinating Council for Higher Education Request, 1967)
- 1973** Report of the Joint Committee on the Master Plan for Higher Education – 1973 (Legislative Request, 1970)
- 1986** The Challenge of Change: A Reassessment of the California Community Colleges (Legislative Request, 1984)
- 1987** The Master Plan Renewed: Unity, Equity, Quality, and Efficiency in California Postsecondary Education (Legislative Request, 1984)
- 1989** California faces... California’s Future: Education for Citizenship in a Multicultural Democracy – 1989 (Legislative Request, 1984)
- 1993** Master Plan in Focus, Draft Report 1993 (Legislative Request, unknown)
- 1999** Toward A State of Learning, California Higher Education for the Twenty-First Century – 1999 (California Citizens Commission on Higher Education, 1997)
- 2002** The California Master Plan For Education – Final Report (Legislative Request, 1999)
- 2010** Appreciating Our Past, Ensuring Our Future (Legislative Request, 2009)
- 2013** A New Plan for A New Economy: Reimagining Higher Education (Little Hoover Commission, 2012)
- 2017** Select Committee on the Master Plan for Higher Education (in progress)

*Note: There have been multiple sources for reviews, including some that were requested by the legislature but were written partially or wholly by outside parties.*

## Access and Equity

Today, one way to measure access is by understanding how well schools are reaching out to and serving underrepresented populations. The 1960 definition of access, though, was driven by economic mobility. By making public institutions free and the community colleges open to all, the architects of the Master Plan believed that they were designing a system that was fair. Despite the U.S. Supreme Court’s 1954 *Brown v. Board of Education* decision, which declared unconstitutional the racial segregation of schools, there was little consideration of the role of race and inequity at K-12 schools and at community colleges, partially due to the fact that the

state was more homogeneous at the time.<sup>4</sup> By 1973, however, changing demographics and the effects of the civil rights movement led to an expansion of the meaning of access to higher education to include discussions of race and gender, with the goal of approximating, by 1980, “the general ethnic, sexual and economic composition of the recent California high school graduates.”<sup>5</sup>

## Affordability

Affordability and efficiency are two of the hallmark principles of the 1960 Master Plan, and the community college system was at the fulcrum of making these principles work. “Open access” at the community colleges with more restricted access at the four-year institutions was a cost-savings measure that made the plan more appealing to a Governor and Legislature that were hesitant to increase the burden on taxpayers. Nonetheless, by 1970 the state had introduced student fees and soon after it became apparent that fiscal demands for operating funds and facilities would become severe before 1980. As a result, those who conducted the 1972 review of the Master Plan made the recommendation that the state “should clarify public policy by legislation or constitutional amendment concerning student tuition and other charges in California public higher education.”<sup>6</sup> Despite this recommendation, students fees continued to rise, especially during times of economic crisis when state funding for higher education was reduced.

By the 1980s, the transfer pathway from the community colleges to the four-year institutions began to atrophy. This coincided with the 1978 passage of Proposition 13 (a measure that decreased property taxes which reduced local public budgets), which forced community colleges to reduce course offerings and advising due to lack of funding.<sup>7</sup> In 1991 two bills were enacted (AB 617 and SB 121) that sought to make transfer “a central institutional priority” and required the segments to focus on the mechanics of improving the transfer process.<sup>8</sup> Despite the ongoing reliance on transfer as a means to manage cost, one fact remains: the Master Plan never provided an answer to the question of the long-term financing of California’s higher education system.

## Accountability for Academic Quality

While the need for quality in higher education is discussed in the 1960 Master Plan, the indicators of academic quality have been a moving target. The original Master Plan sought to preserve quality at the UC and CSU through their selective admissions processes.<sup>9</sup> The 1973 review questioned the

assumption that the quality of an educational institution is correlated solely with the achievements of the students admitted. Other criteria of quality were suggested, such as focusing on the quality of faculty. A couple of decades later, it was argued that California’s measurement of quality is too focused on inputs like faculty-student ratios, library volumes, and “perceived prestige” and not enough on student outcomes.

Credible quality reviews require a third party with the capacity to assess outcomes and coordinate and develop policies. The authors of the 1973 review asserted that the Coordinating Council for Higher Education (later renamed the California Postsecondary Education Commission or CPEC before it was defunded in 2011), which the Master Plan authorized, should have been charged with quality assurance responsibilities and developing other measures for ensuring institutional accountability. However, the writers of the Master Plan were also the leaders of the segments and were reluctant to relinquish authority to a third party. As a result, despite being charged with crucial responsibilities like making decisions on segmental functions, enrollment expansion, and a coordinated budget for the three segments, the Council lacked sufficient authority to carry these responsibilities out. The 1960 attempt to establish a “sensitive and delicate balance between segmental autonomy and statewide coordination,” resulted in the inability of the Coordinating Council to do its job.<sup>10</sup> The observation that California’s coordinating entity did not have enough capacity or authority to hold institutions accountable is amongst the most cited problems with the Master Plan and every single review sought to increase the entity’s authority.<sup>11</sup>

## Preparedness and the K-12 System

A crucial unforeseen change influencing the efficacy of California’s higher education system resulted from shifts in the K-12 public school system. Historically, policy and governance questions within K-12 public schools were considered to have no bearing on issues related to higher education. However, rapid demographic shifts throughout the 1960s added capacity constraints to a K-12 system already hindered by school financing policies that contributed to significant inequities. Combined with diminishing resources, particularly after the passage of Proposition 13, public schools were challenged to meet the needs of California students, especially in low-income communities where uneven school quality was a persistent problem.

FIGURE 1

## California Competes' Assessment of The Master Plan Then and Now: Achievements and Challenges

ISSUE	1960 MASTER PLAN GOALS	CURRENT ACHIEVEMENTS	ONGOING CHALLENGES
Access and Equity	<ul style="list-style-type: none"> <li>• Open access at CCC</li> <li>• Top 33.3 percent of high school students guaranteed admission to CSU</li> <li>• Top 12.5 percent of California high school students guaranteed admission to UC</li> <li>• Strong transfer process from CCC to four-year</li> </ul>	<ul style="list-style-type: none"> <li>• High access rates at CSU and community colleges, for all races/ethnicities</li> <li>• Low-income student access rates to UC compares well to other high-ranking research universities</li> </ul>	<ul style="list-style-type: none"> <li>• Low completion rates at CSU and CCC</li> <li>• Black and Latino students remain underrepresented at UC</li> </ul>
Affordability	<ul style="list-style-type: none"> <li>• No tuition or fees at any public college</li> <li>• Robust and efficacious transfer process from CCC to four-year colleges</li> </ul>	<ul style="list-style-type: none"> <li>• College fees are low relative to other states</li> <li>• State financial aid program is robust and targeted for those with the greatest need</li> </ul>	<ul style="list-style-type: none"> <li>• Increasing tuition fees at CSU (\$5,472) and UC (\$13,500)</li> <li>• Financial aid does not account for the rising total cost of attendance (e.g. housing, food, transportation costs)</li> <li>• Low community college fees do not offset steep growth in cost of living in California</li> </ul>
Accountability for Academic Quality	<ul style="list-style-type: none"> <li>• Quality measured by achievements of the students admitted</li> <li>• Statewide coordinating entity to ensure quality, develop plans for growth, and advise segments</li> </ul>	<ul style="list-style-type: none"> <li>• Measure success by student learning outcomes (i.e. what one learns)</li> <li>• Legislature consistently calls for creation of new statewide coordinating entity for higher education</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of consensus on appropriate outcomes or how to measure them</li> <li>• No statewide coordinating entity</li> </ul>
Preparedness and K-12	<ul style="list-style-type: none"> <li>• Not applicable. Connecting to K-12 was first mentioned in 1972 review as a focus critical for ensuring a pipeline of students prepared for college-level courses</li> </ul>	<ul style="list-style-type: none"> <li>• Emergence of promise programs, which rely on deep connection between K-12 and postsecondary to prepare students for college</li> <li>• Increased efforts at regional data sharing (e.g. Cal Pass)</li> </ul>	<ul style="list-style-type: none"> <li>• Persistent achievement gaps by race, ethnicity and socioeconomic status</li> <li>• Systems need better alignment to prepare students for college-level math and English</li> <li>• High levels of remediation for college students, particularly at CSU and CCC</li> </ul>

Anticipating that problems in the K-12 system would eventually carry over to issues of preparation for higher education, the segments began to take a more proactive role in K-12 education. Higher education leaders recommended improvements to the K-12 system, including better instruction through the training of teachers, researching improved methods of teaching and learning, and encouraging college faculty to participate and engage with the K-12 public schools.<sup>12</sup> By the 1990s and 2000s, the stubbornly high rates of remediation for students entering college forced policymakers to

acknowledge that the K-12 system and higher education were not silos but rather inextricably linked.

### Where are We Now?

Many of the central tenets presented in the original Master Plan for Higher Education have evolved over time but remain applicable to California's overall system of higher education system. Figure 1 presents the state's successes and challenges across the key issues. The chart demonstrates that

from California Competes' perspective, the state has made progress on many of these themes. However, success has been uneven across the segments and the lack of a higher education coordinating entity makes more sustained, even progress a challenge.

## Final Thoughts

The conditions that allowed for the adoption of the 1960 Master Plan for Higher Education were many: segmental autonomy was being threatened by Governor Pat Brown (who suggested placing all of the segments under one centralized governing board), the state colleges were growing rapidly and encroaching on UC's educational territory, a drastic enrollment boom was anticipated, and political leadership was strong. The plan was as much a political maneuver to preserve the peace as it was based on ideals of access and affordability, among others.

Today's situation is much different. Our economy changes more rapidly, the student population has a wider variety of needs, and financial resources are scarce. California faces a 2.4 million degree gap by 2025, if current trends continue. The state needs the dexterity to respond to these changes as they occur, rather than undertaking a comprehensive planning pro-

cess that looks decades into an increasingly unpredictable future. This requires immediate action on specific and pragmatic policies, rather than an attempt to completely rewrite the Master Plan. California lawmakers can best serve the public interest by pursuing a public agenda for higher education that adheres to the themes highlighted in the Master Plan: access and equity, affordability, accountability for academic quality, and preparedness and the K-12 public education system. Policymakers ought to use these as markers to guarantee higher education can provide broad access and ensure academic success, so that the principles of the Master Plan and the ideals California has for higher education are preserved.

- 
- 1 California Competes' analysis using U.S. Department of Education cohort graduation data.
  - 2 Commission for the Review of the Master Plan for Higher Education, "The Master Plan Renewed: Unity, Equity, Quality, and Efficiency in California Postsecondary Education" (California Legislature, 1987), 2.
  - 3 John Aubrey Douglass, "From Chaos to Order and Back? A Revisionist Reflection on the California Master Plan for Higher Education @50 and Thoughts About Its Future" (University of California, Berkeley 2010).
  - 4 Douglass, *The California Idea*, 297.
  - 5 Joint Committee on the Master Plan for Higher Education, "Report of the Joint Committee," 38.
  - 6 Coordinating Council for Higher Education, "The California Master Plan," 86.
  - 7 Commission for the Review of the Master Plan for Higher Education, "The Master Plan Renewed," 13.
  - 8 University of California, Berkeley, "The History and Future of the California Master Plan for Higher Education, Statutory Laws and Amendments," Accessed on February 11, 2016.[http://www.lib.berkeley.edu/uchistory/archives\\_exhibits/masterplan/law3.html](http://www.lib.berkeley.edu/uchistory/archives_exhibits/masterplan/law3.html)
  - 9 Joint Committee on the Master Plan for Higher Education, "Report of the Joint Committee," 34
  - 10 Joint Committee on the Master Plan for Higher Education, "Report of the Joint Committee," 22.
  - 11 Note: CPEC's funding was vetoed out of the budget by Governor Jerry Brown in 2011 which effectively closed the commission.
  - 12 Commission for the Review of the Master Plan for Higher Education, "The Master Plan Renewed," 5.