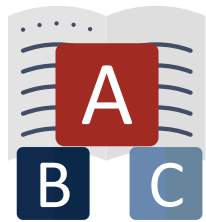


California's Education System

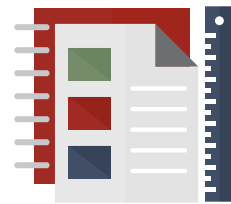
A 2019 GUIDE



Early Education



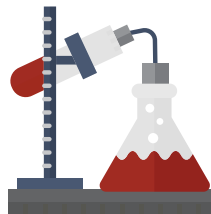
K-12 Education



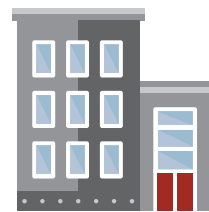
Adult Precollegiate
Education



Undergraduate
Education



Graduate Education



Education Facilities

Legislative Analyst's Office

Table of Contents

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Chapter 1 Early Education	2
Chapter 2 K-12 Education	8
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Chapter 4 Undergraduate Education	28
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Chapter 6 Education Facilities	60

Introduction

California has a vast and complex education system. It is filled with an array of educational entities—from preschool centers to high schools and law schools. The missions of these entities range from helping kindergarteners learn to read to providing adults instruction in English as a second language to supporting students as they train for their career aspirations. Funding for education is intricate too, with some costs covered by local, state, and federal governments and other costs supported by students and their families. Given California’s education system has so many facets, even those who have been immersed in it for years can at times feel daunted trying to understand it and keep apprised of all that is changing within it. For state policy makers who need to be familiar with this system and who make important decisions that shape and reshape it, this report is designed for you. It is intended to help you learn as much as possible about the system as quickly as possible.

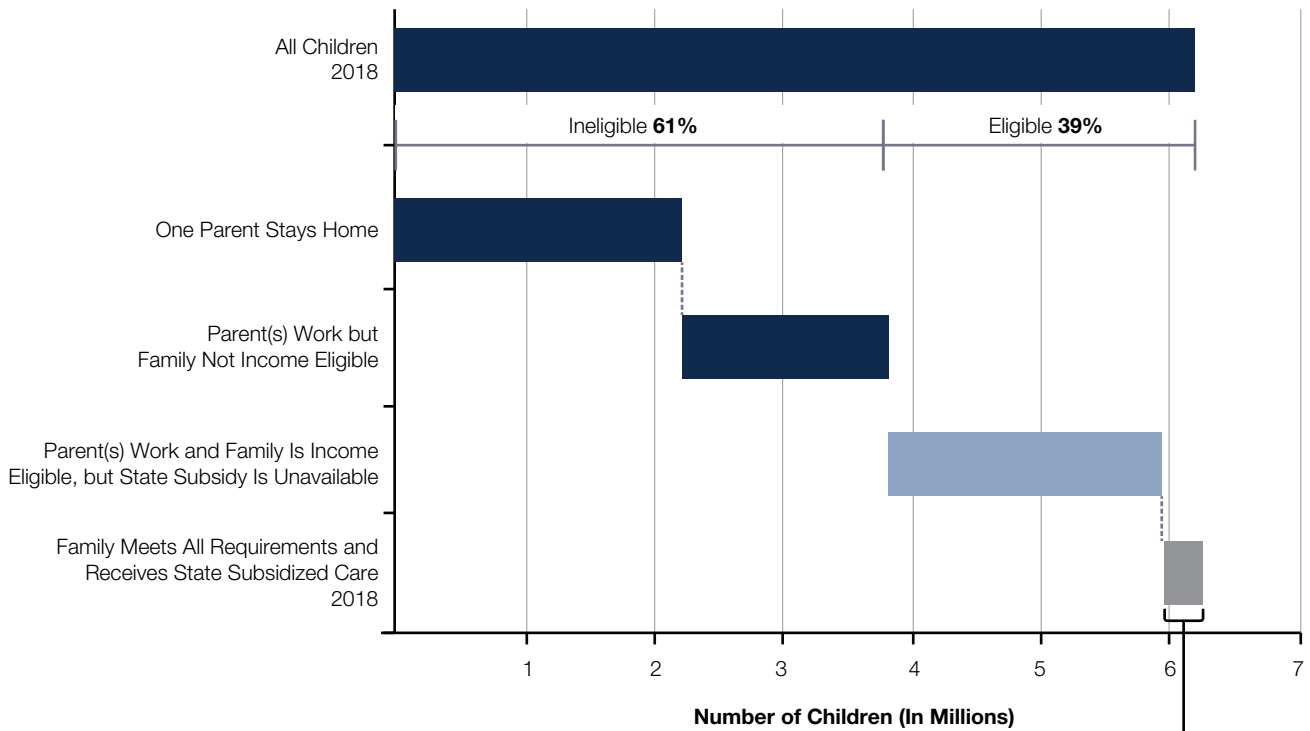
The report covers every major area of California’s education system, with chapters on early education, K-12 education, adult precollegiate education, undergraduate education, graduate education, and education facilities. Throughout the report, we rely almost entirely upon state and federal government data sources and cite the most readily available data. Within each chapter, we tend to focus on the students who are served, the state programs designed to serve them, the funds supporting those programs, how program funding is spent, and what is known about outcomes in that area. As you journey through the report, you will be exposed to information on everything from student diversity and achievement gaps, to student aid and borrowing, to faculty salaries and rising pension costs, to the requirements for becoming a teacher or doctor in California. We hope the report is a helpful reference guide for you.

CHAPTER 1
EARLY EDUCATION



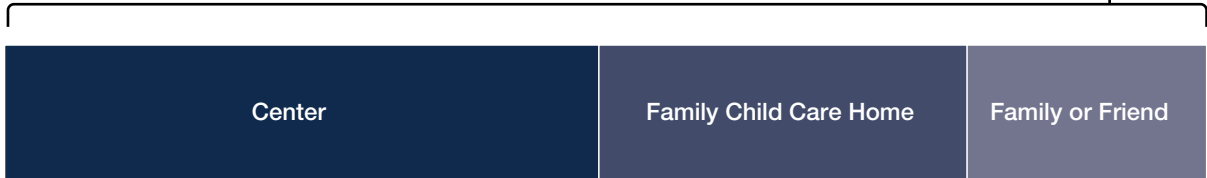
State Provides Subsidized Care to a Small Portion of Eligible Children

2016 Unless Otherwise Specified



Half of Subsidized Children Receive Care in a Center

Excludes Transitional Kindergarten and Part-Day State Preschool, 2016-17 for Most Programs



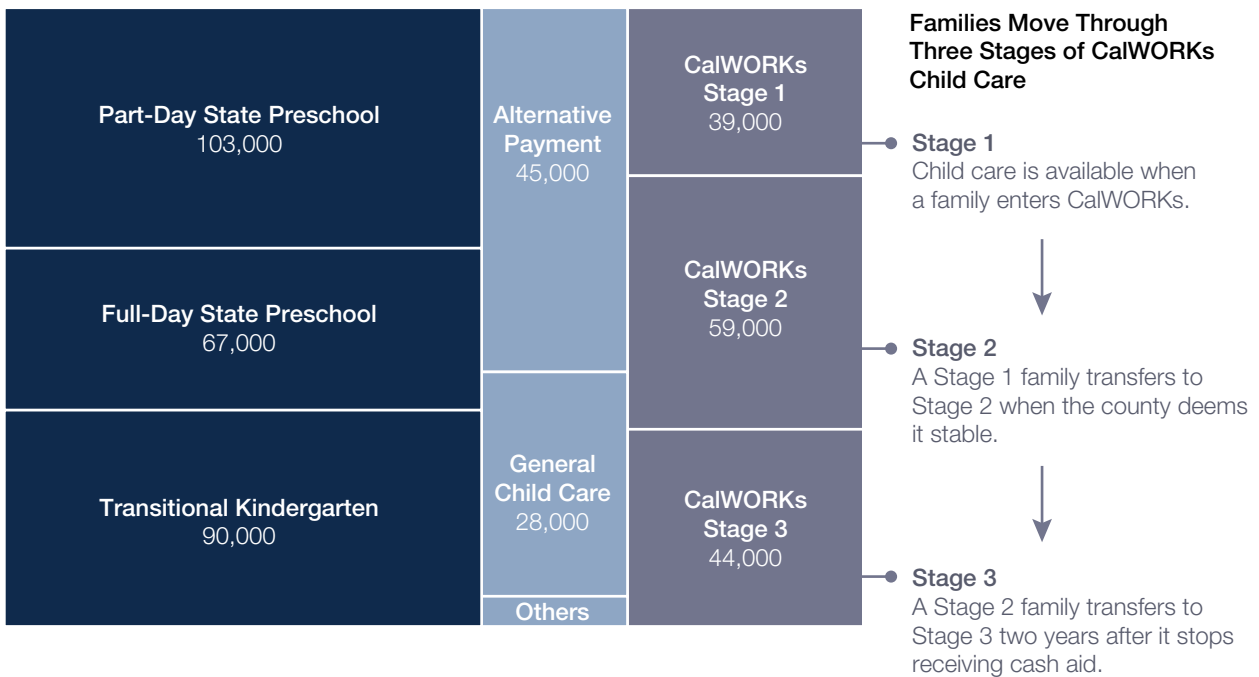
Nearly Half of Children Receiving Subsidized Care Are School Age

Excludes Transitional Kindergarten and Part-Day State Preschool, 2016-17 for Most Programs



California Subsidizes Many Child Care/Early Education Programs

Number of Slots by Program, 478,000 Total Slots, 2018-19



Each Program Has Specific Eligibility Requirements

For most subsidized child care programs, parents must be low income and working or in school. Currently, a family is eligible to enter the subsidized child care system if its income is at or below 70 percent of the state median income (SMI). In 2018-19, this equated to \$54,027 for a family of three. Starting July 1, 2019, the entering income cap is set to increase to 85 percent of the SMI—equating to a roughly \$10,000 increase in the cap.

Program

Key Eligibility Requirements

CalWORKs Child Care

- Family is low income.
- Parent(s) work or are in school.
- Child is under age 13.
- Slots are available for all eligible children.

Alternative Payment and General Child Care

- Family is low income.
- Parent(s) work or are in school.
- Child is under age 13.
- Slots are limited based on annual budget appropriation.

State Preschool

- Family is low income.
- Child is age 3 or 4.
- If parent(s) work or are in school, child is eligible for full-day program.
- Slots are limited based on annual budget appropriation.

Transitional Kindergarten

- Child is age 4 with a birthday between September 2 and December 2.
- Slots are available for all eligible children.
- Program has no income or work requirement.

Standards Vary by Program

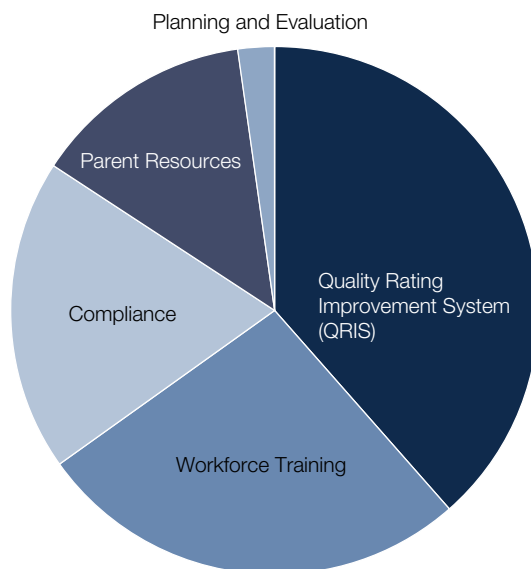
Current Standards for Licensed Centers, Infant Care

Standard	CalWORKs Child Care and Alternative Payment	General Child Care and State Preschool
Health and Safety	Certain health and safety standards, such as cleaning equipment must be stored in a location inaccessible to children.	
Staffing Qualifications	Child Development Associate Credential or 12 units in early childhood education/child development.	Child Development Teacher Permit (24 units in early childhood education/child development plus 16 general education units).
Staffing Ratios	1:12 teacher-to-child ratio and 1:4 adult-to-child ratio.	1:18 teacher-to-child ratio and 1:3 adult-to-child ratio.
Developmental Activities	None (but some providers offer such activities).	Certain developmentally appropriate activities, such as using toys that develop fine motor skills.
Oversight	Unannounced visits by Community Care Licensing (a division of the Department of Social Services) every three years or more frequently under special circumstances.	Same, but also onsite reviews by California Department of Education every three years (or as resources allow) and annual self-assessments.

Standards are somewhat different for different settings and age groups. For example, staff at a family child care home need 15 hours of health and safety training instead of a credential or permit. All child care staff, including license-exempt providers, must pass a criminal background check. License-exempt providers do not need to meet any of the requirements listed above. These providers are limited to serving children from only one family at a time.

Every Year, State Funds Efforts to Improve Program Quality

Federal law requires states to spend a certain amount each year on improving the quality of child care and preschool programs. In 2018-19, California spent \$190 million on its improvement efforts. As the pie chart shows, about 40 percent of expenditures were for supporting QRIS, which rates participating child care and preschool programs and helps them achieve and maintain high ratings.

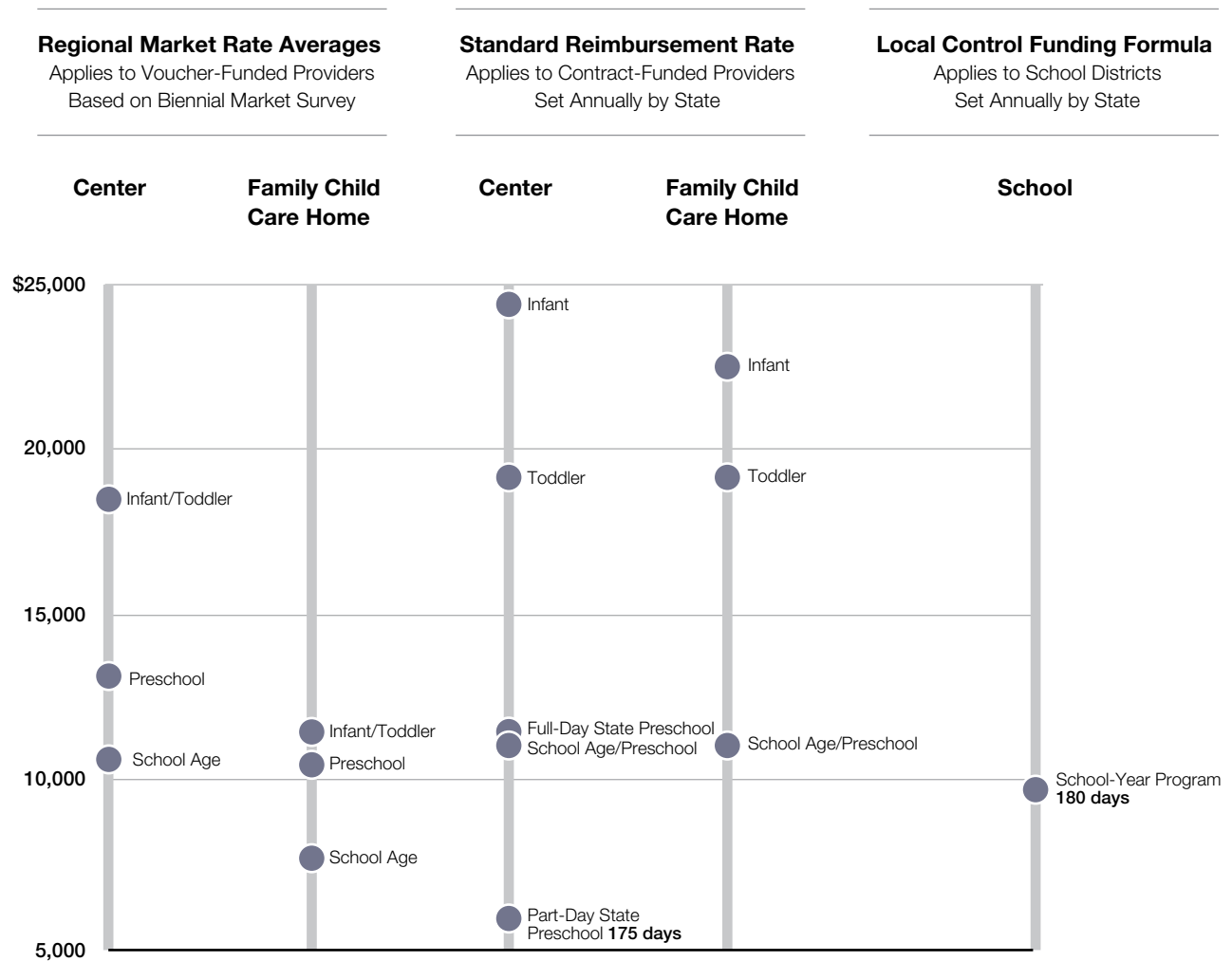


State Funds Programs in Different Ways

CalWORKs Child Care and Alternative Payment	General Child Care and State Preschool	Transitional Kindergarten
<p>Vouchers</p> <ul style="list-style-type: none"> State gives a family a voucher. Families may send their children to voucher-based centers or family child care homes or have family or friends provide care. State relies on regional agencies to verify attendance and pay providers. 	<p>Direct Contract</p> <ul style="list-style-type: none"> State contracts with a provider to serve a set number of children. Families may send their children to direct-contract based centers or family child care homes. State reimburses provider for filled slots. 	<p>Local Control Funding Formula</p> <ul style="list-style-type: none"> Families may send their children to a nearby public school. School district reports attendance. State funds the school district for each enrolled child.

Per-Child Subsidies Vary by Program, Setting, and Age

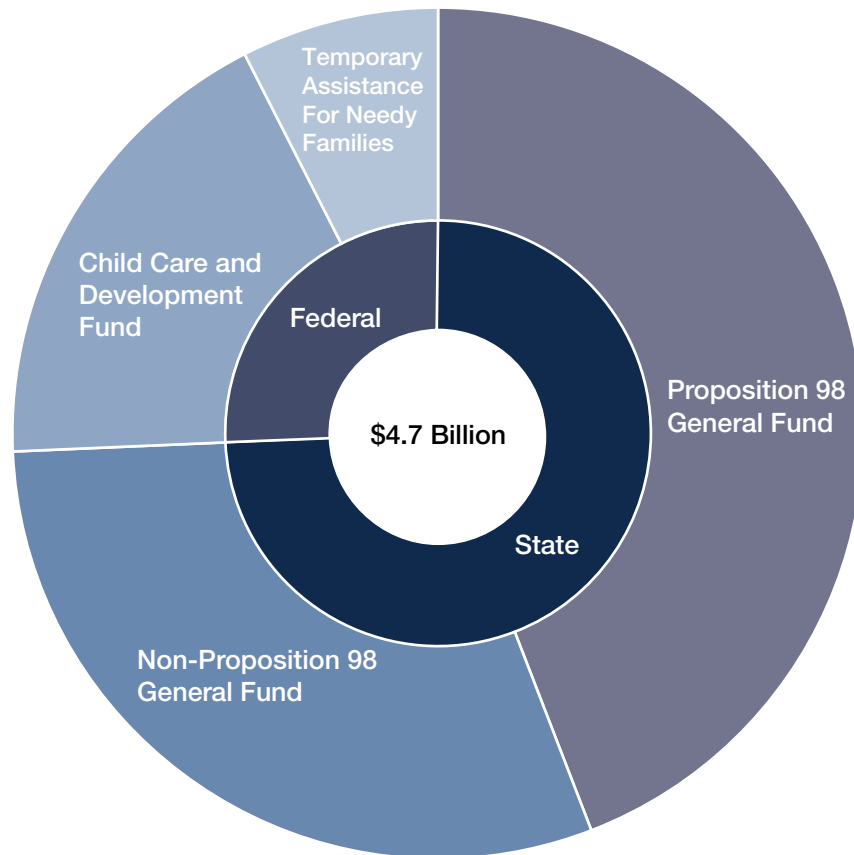
Annual Full-Time Rates Unless Otherwise Noted, 2018-19



Full-time rates reflect a minimum 6.5 hour day for 250 days per year.

Mix of Funds Support Child Care/Early Education Programs in California

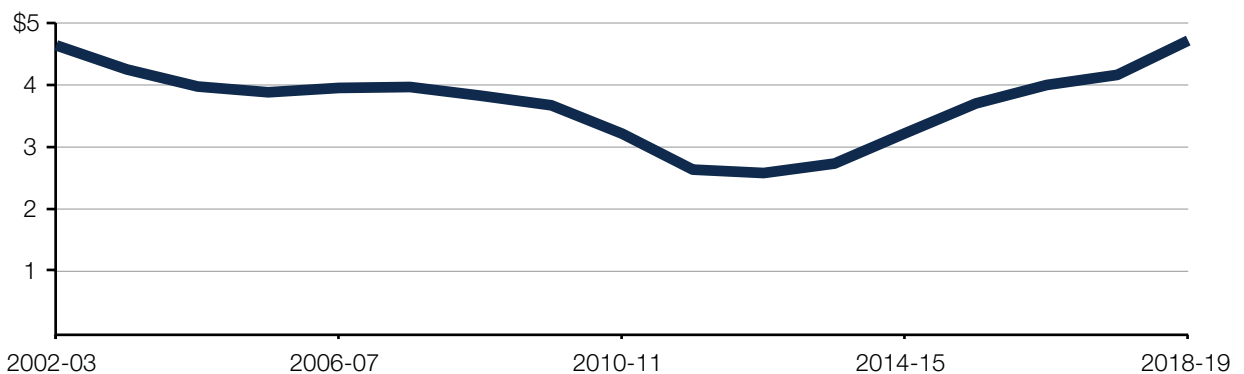
2018-19



The share of state funding has increased over the past 10 years—growing from 65 percent in 2008-09 to 74 percent today. The increase is attributable to the state creating the Transitional Kindergarten program and expanding its State Preschool program.

Funding for Child Care/Early Education Is at All-Time High

Total State and Federal Funding, 2018-19 Dollars (In Billions)



CHAPTER 2
K-12 EDUCATION

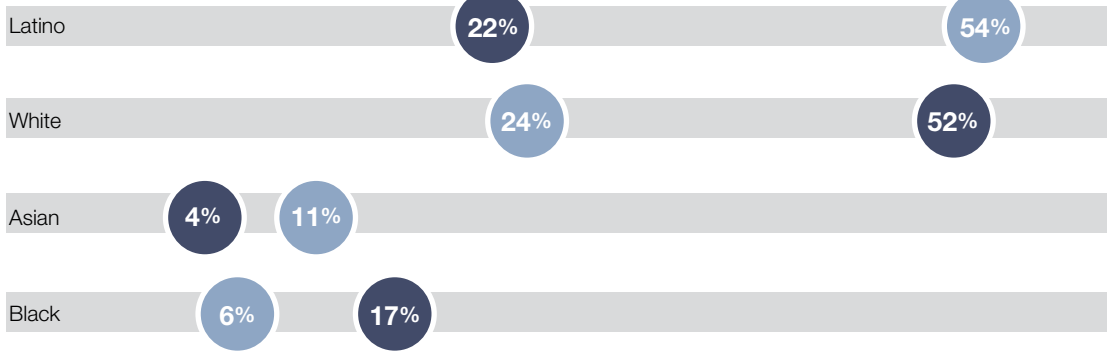


California's K-12 Student Population Differs From Nation

Fall 2015 Data, Unless Otherwise Noted



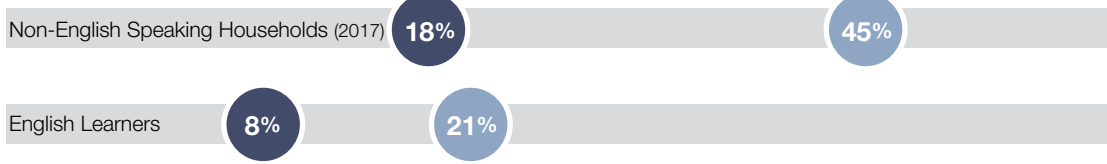
Race/Ethnicity



Income



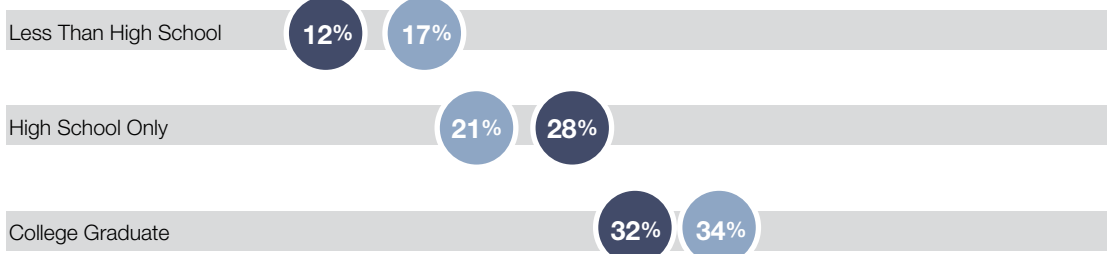
Language



Disability

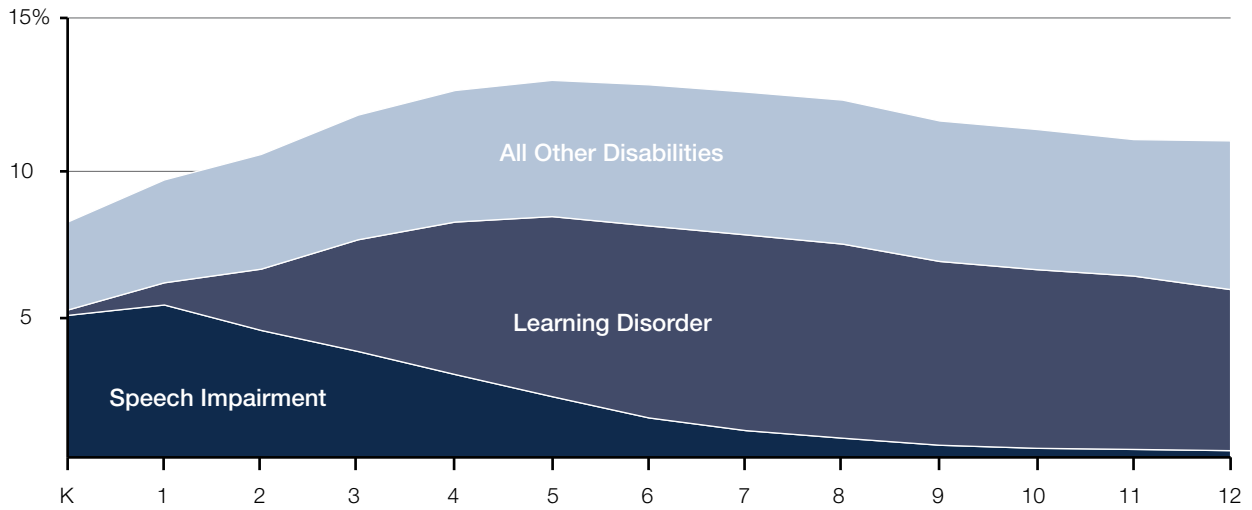


Parental Education (2017)



Disabilities Affect About One in Ten K-12 Students

Share of Enrollment by Disability Type and Grade, 2017-18



Students With Disabilities Receive Individualized Education Programs

Illustrative Goals and Actions

Age: **6**

Disability: **Speech Impairment**

Goal: **Clearly Articulate Words**

Action: **Weekly Speech Therapy**

Age: **12**

Disability: **Dyslexia**

Goal: **Read at Grade Level**

Action: **Weekly Work With Specialist**

Age: **18**

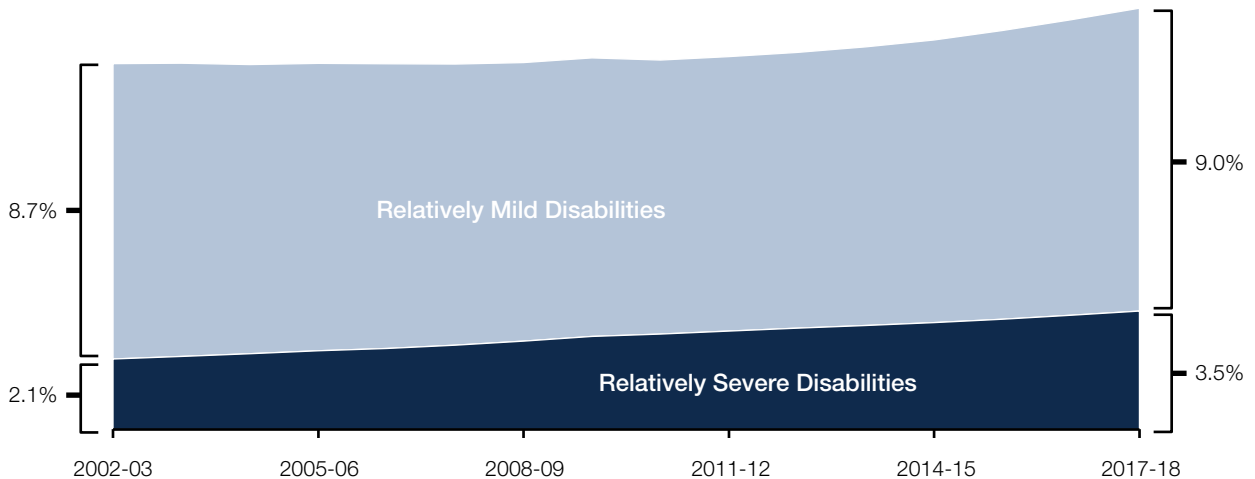
Disability: **Autism**

Goal: **Develop Job Skills**

Action: **Subsidized Part-Time Work**

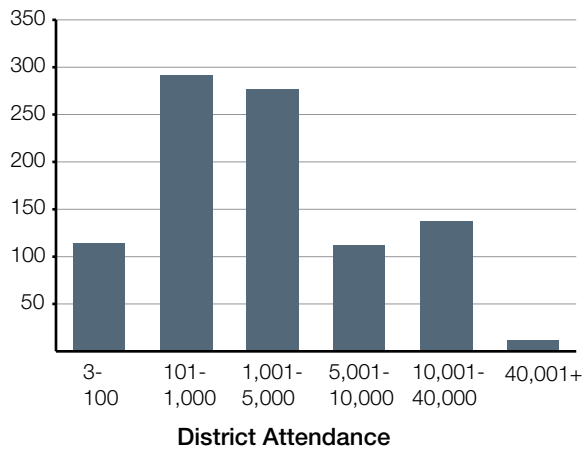
Growing Share of Students Has Relatively Severe Disabilities

Share of Overall K-12 Student Enrollment

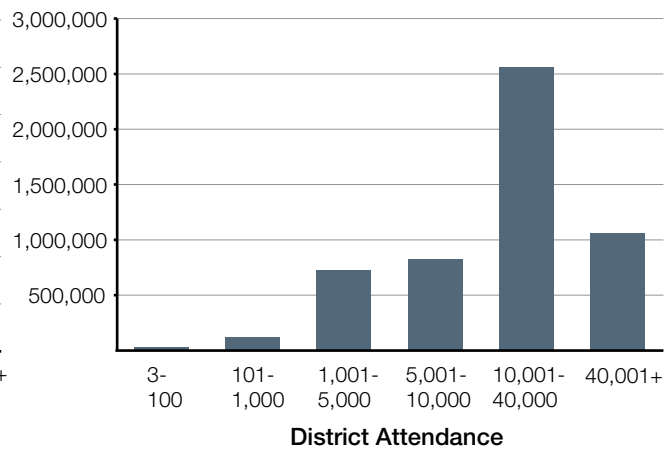


Although Many Districts Are Small, Most K-12 Students Attend Large Districts

Number of Districts by Size, 2017-18



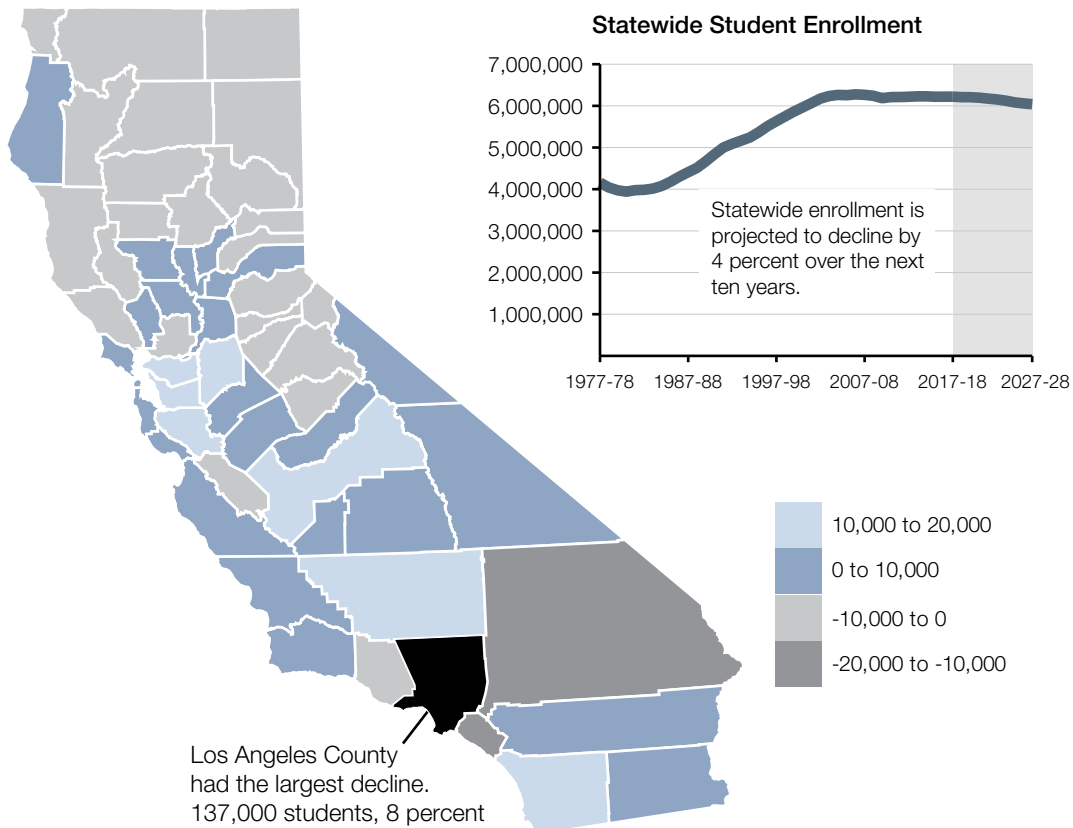
Student Attendance by District Size, 2017-18



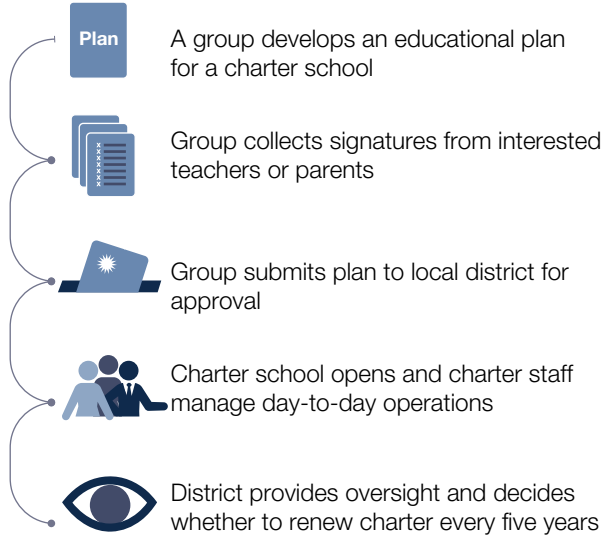
California has 944 school districts, averaging 5,600 students each. The largest district is Los Angeles Unified with more than 400,000 students.

K-12 Enrollment Trends Vary Greatly Across State

Enrollment Change, 2008-09 to 2017-18

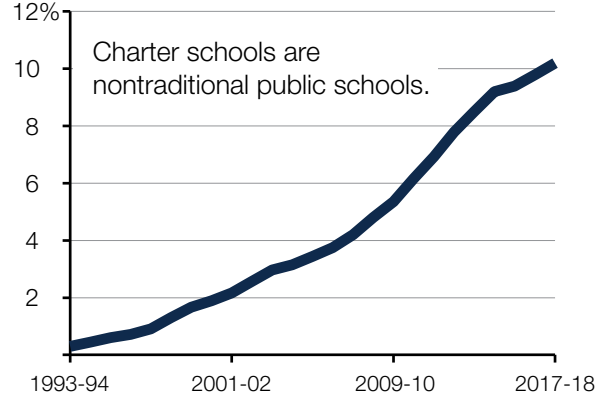


Charter Schools Follow Statutory Process for Opening and Operating



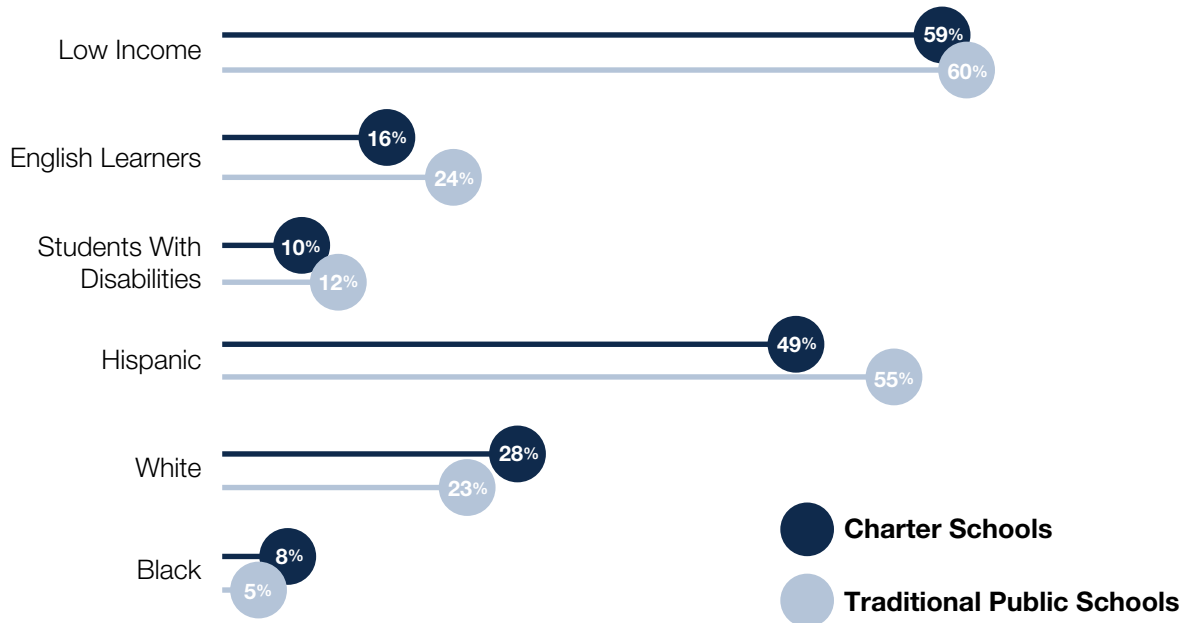
Charter School Enrollment Has Been on Steady Climb Upward

Charter Schools as Share of Overall Enrollment



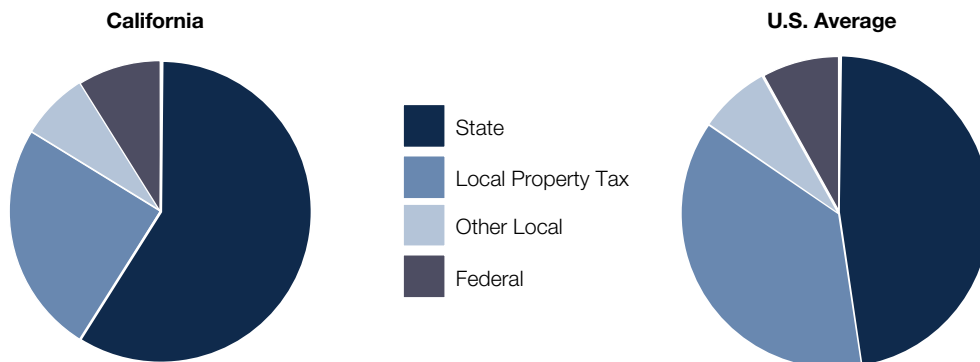
On Average, Charter Schools Serve Students Similar to Other Public Schools

Share of Overall Enrollment, 2017-18



California Schools Rely Heavily on State Funding

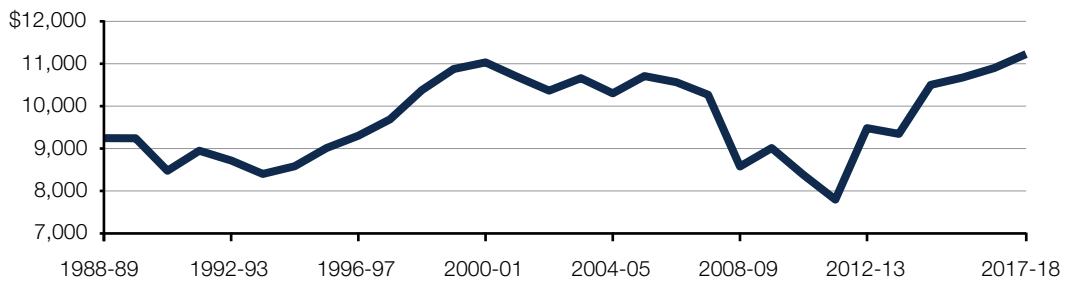
Total Operational and Capital Funding by Source, 2015-16



Unlike most other states, the California Constitution limits local property tax rates.

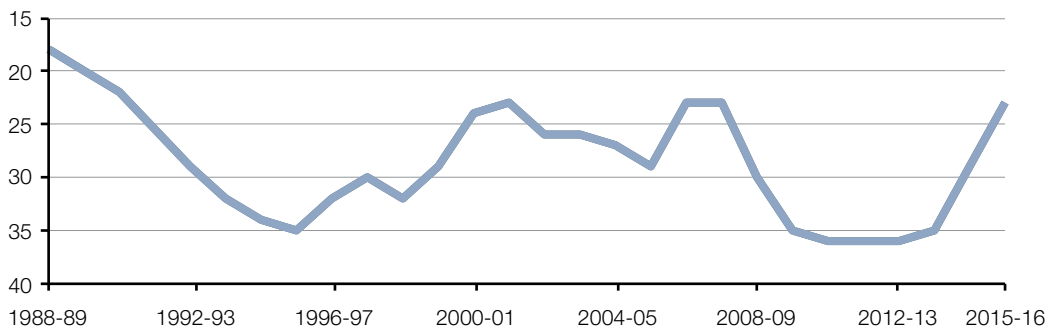
School Funding Is at an All-Time High

State and Local Operational Funding Per K-12 Student, 2017-18 Dollars



California School Spending Ranks in the Middle of States

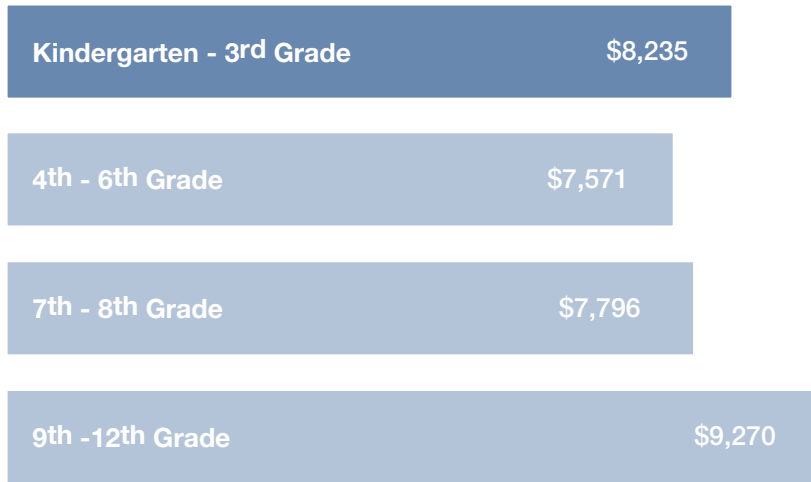
Rank Among the 50 States and Washington D.C.



School spending in California is more sensitive to recessions and recovers than other states.

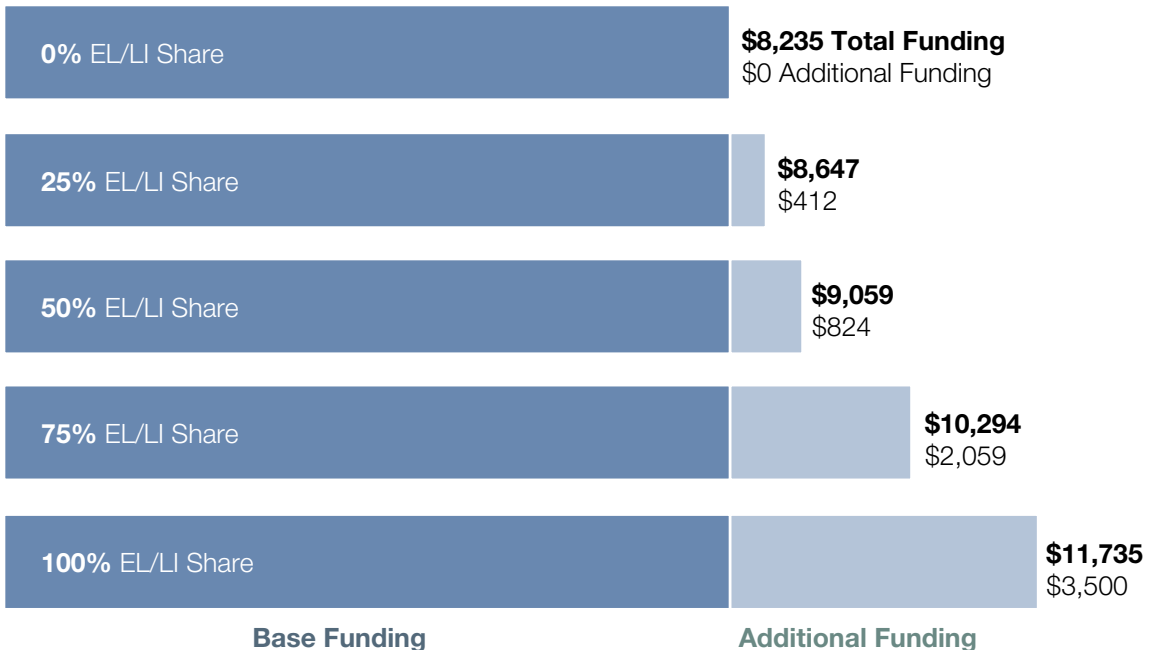
State Provides Schools Equal Base Funding Per Student

Base Local Control Funding Formula (LCFF) Rates by Grade Span, 2018-19



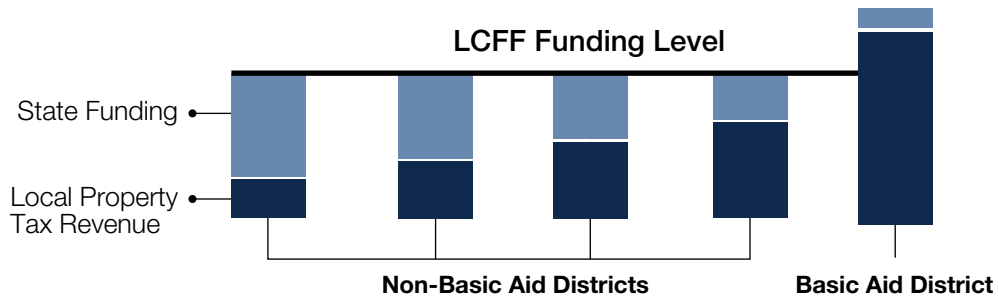
State Provides Additional Funding for English Learners and Low-Income (EL/LI) Students

LCFF Rates Per Student for Grades K-3 Based on District EL/LI Share, 2018-19



“Basic Aid” Districts Receive More Funding Per Student

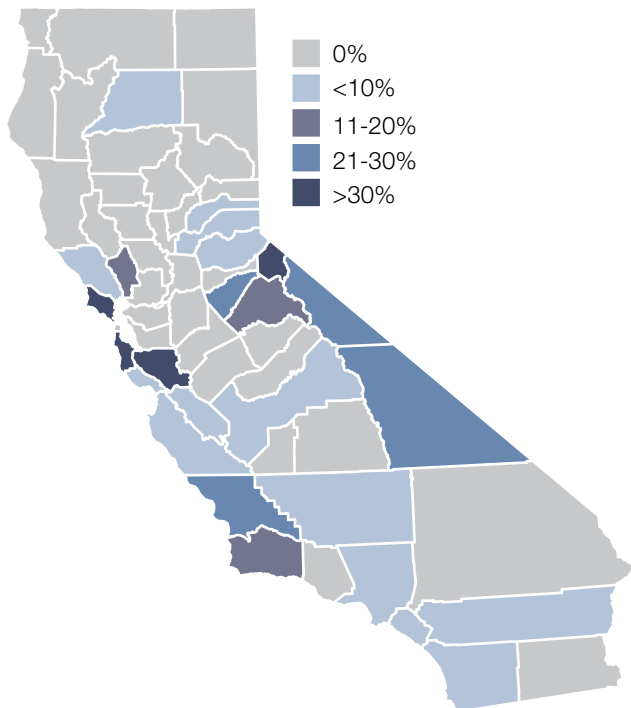
Most districts receive a combination of state and local funding at a level determined by the Local Control Funding Formula (LCFF).



Basic aid districts receive local property tax revenues above the LCFF funding level. Under the California Constitution, they still receive \$120 per student in basic aid state funding.

Basic Aid Districts Concentrated in Certain Areas of the State

Share of Students Attending Basic Aid Districts, 2017-18



Basic Aid Districts by the Numbers

11% of all **districts**.

4% of all **students**.

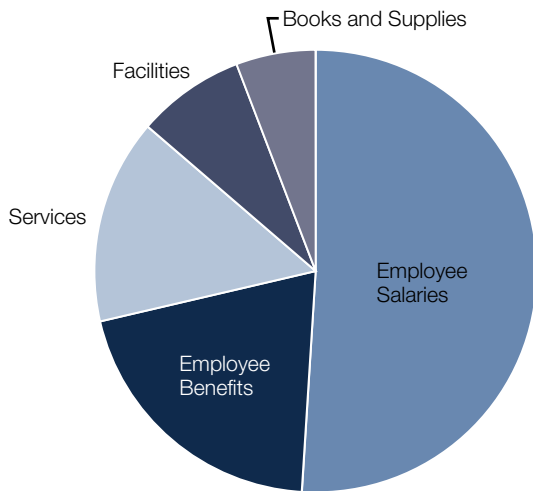
30% **more revenue** (\$3,600) per student than other districts on average.

60% of students in basic aid districts attend **Bay Area** schools.

50% **are very small** (serve fewer than 500 students each).

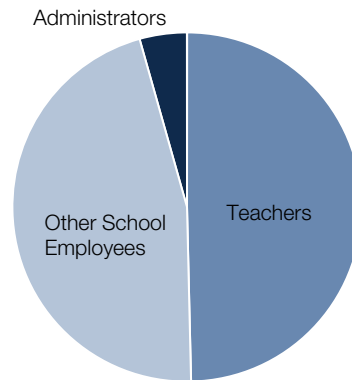
Staff Compensation Is Largest School Expenditure

\$85 Billion Total Expenditures, 2016-17



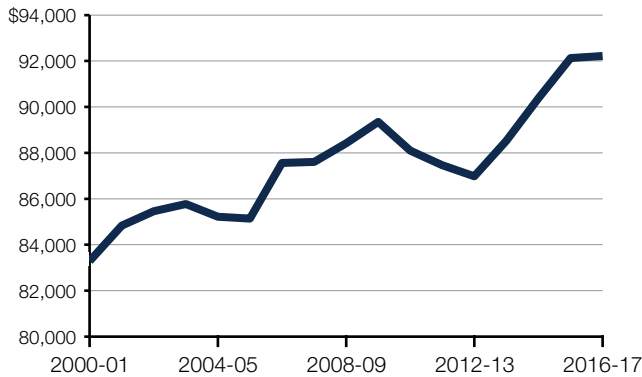
Teachers Comprise About Half of School Staff

600,000 Total Employees, 2016-17



Teacher Compensation Is on the Rise

Salary and Health Benefits, 2016-17 Dollars



Statewide Staffing Ratios

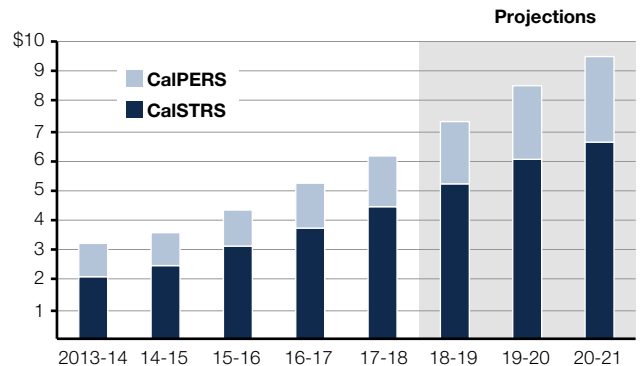
- 1 Teacher : **21** Students
- 1 Administrator : **231** Students
- 1 Other School Employee : **22** Students

- ✓ In inflation-adjusted terms, average statewide teacher compensation was \$8,900 (11 percent) higher in 2016-17 than 2000-01.
- ✓ Increases in health benefit expenditures accounted for about two-thirds of compensation growth over the period, whereas salary increases accounted for about one-third. (These figures exclude pension-related increases.)

- ✓ The California State Teachers' Retirement System (CalSTRS) administers pensions for teachers, administrators, and other employees with a state credential. The California Public Employees' Retirement System (CalPERS) covers all other types of school employees.
- ✓ CalSTRS is in the midst of implementing a state plan that raises district contribution rates through 2020-21. The plan is designed to address CalSTRS unfunded liabilities over the next few decades. The governing board of CalPERS also is increasing district rates.
- ✓ Total district pension costs are expected to reach \$9.5 billion by 2020-21, an increase of \$6.3 billion over the 2013-14 level.

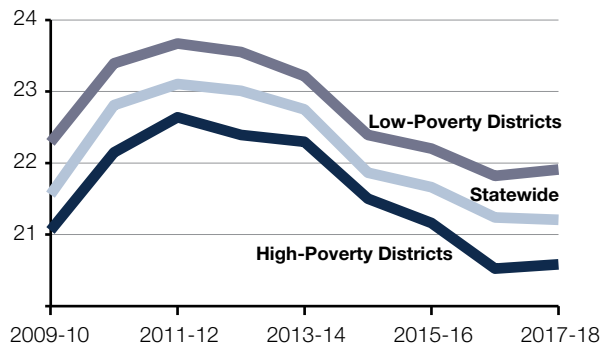
District Pension Costs Are Growing Notably

School District Contributions (In Billions)



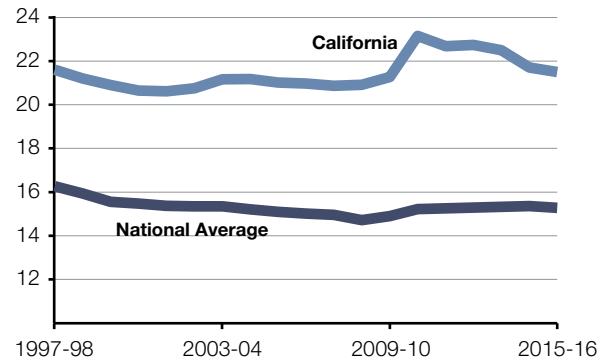
Student-to-Teacher Ratio Has Been Declining

Number of Students Per Teacher



California's Ratio Is Consistently Higher Than National Average

Number of Students Per Teacher

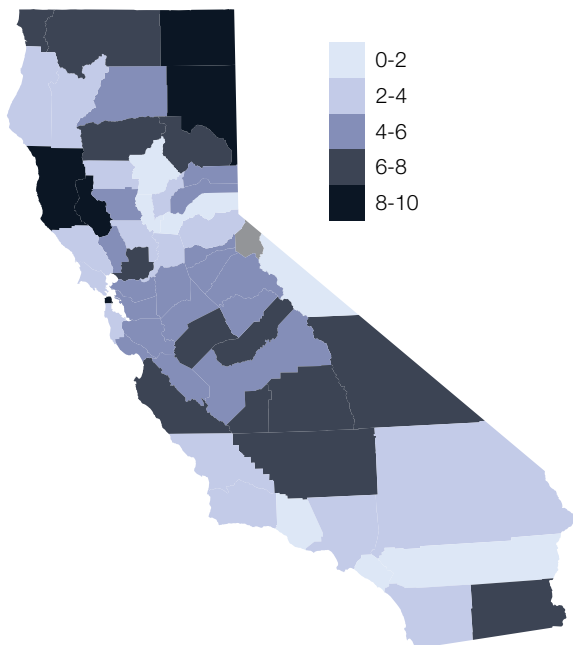


Certain Regions, Districts, and Subject Areas Tend to Have More Difficulty Recruiting Teachers

- Permits and waivers allow districts to hire or assign teachers who are not fully credentialed in an applicable subject area. They provide one indicator of unmet demand for credentialed teachers.
- Permits and waivers are typically valid only for one year. In 2016-17, the California Commission on Teacher Credentialing issued around 8,000 permits and waivers.
- As the charts below show, certain parts of the state, high-poverty districts, and the special education subject area tend to have higher rates of teachers working on permits or waivers.

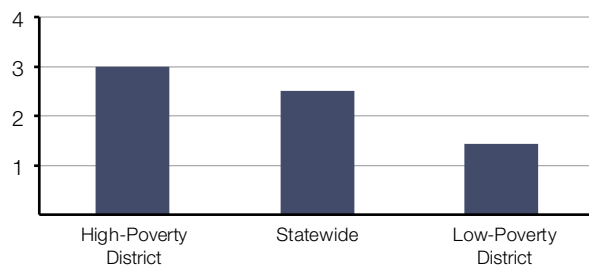
Waivers and Permits by County

Average Per 100 Teachers, 2016-17



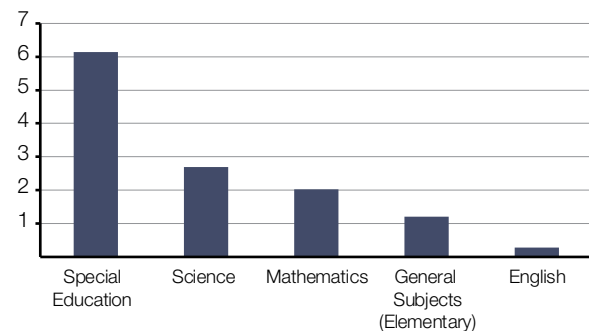
Waivers and Permits by District Poverty Level

Average Per 100 Teachers, 2016-17



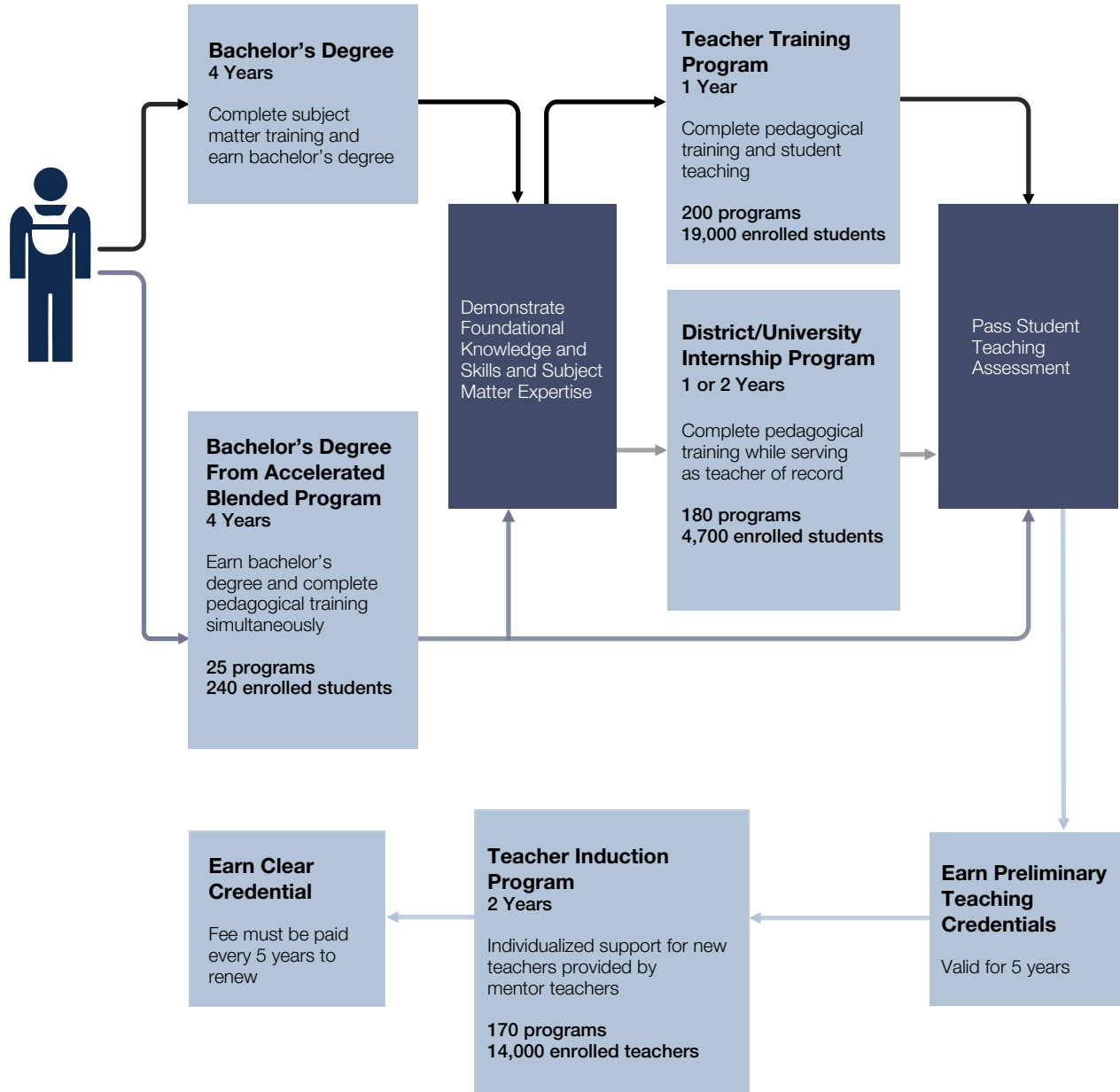
Waivers and Permits by Subject Area

Average Per 100 Teachers, 2016-17



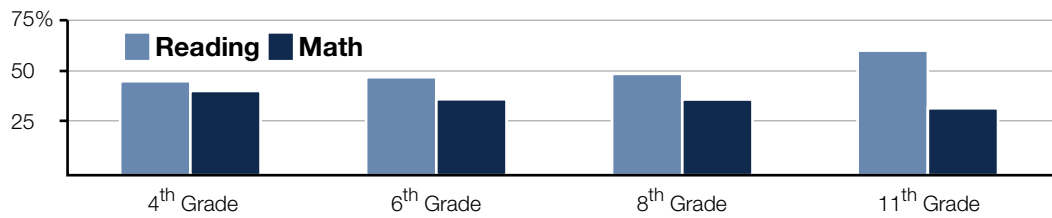
Most California Teachers Prepared Via a Five-Year Pathway

2016-17



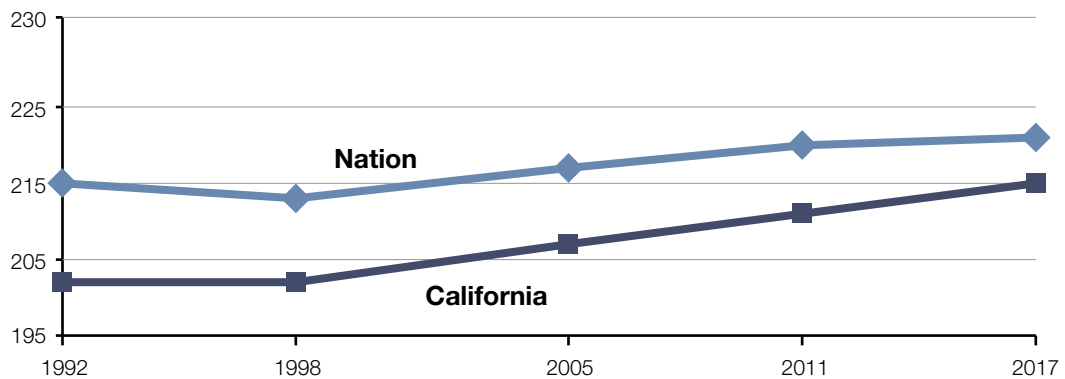
Fewer Than Half of K-12 Students Meet State Standards

Percentage Meeting Standards, Spring 2018



California Students Score Below National Average

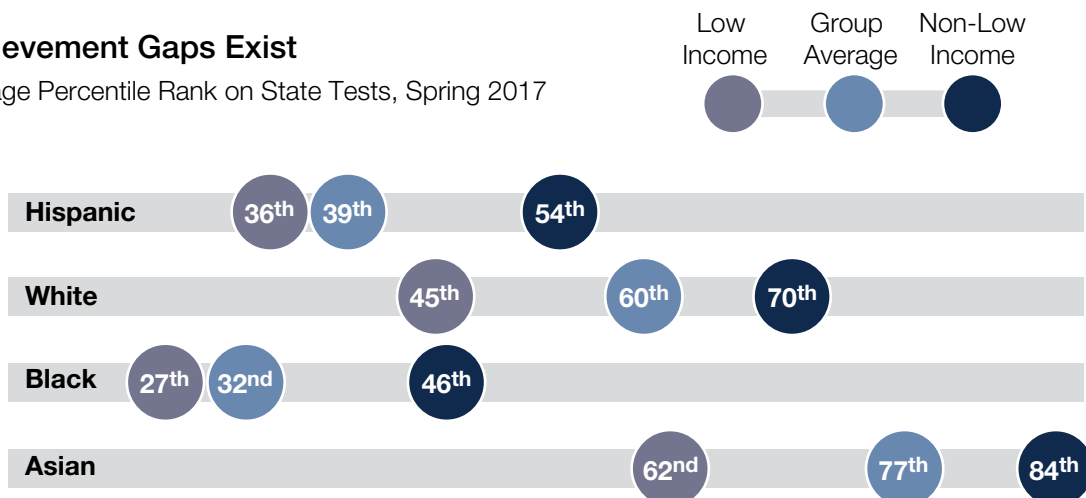
Average Score on National Assessment of 4th Grade Reading



In 2017, states' average 4th grade reading score ranged from a high of 236 to a low of 207. Scores follow a similar pattern for other grade levels and subjects.

Achievement Gaps Exist

Average Percentile Rank on State Tests, Spring 2017



State Measures District Performance in Four Key Areas

Area	State Measure
Student Achievement	Test Scores
Student Engagement	Chronic Absenteeism Graduation Rate
School Climate	Suspension Rate
Postsecondary Transitions	College and Career Indicator

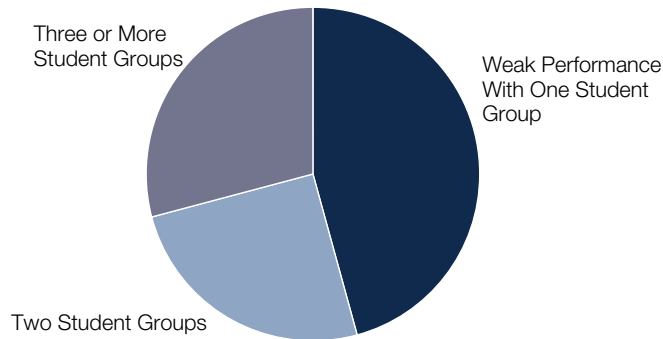
In fall 2018, the state identified 374 districts as having poor performance for at least one student group in two or more areas. (This count includes 31 county offices of education.)

Performance Measured for 13 Student Groups

- English Learners
- Socioeconomically Disadvantaged
- Foster Youth
- Homeless Youth
- Students With Disabilities
- American Indian
- Asian
- African American
- Filipino
- Hispanic
- Pacific Islander
- Two or More Races
- White

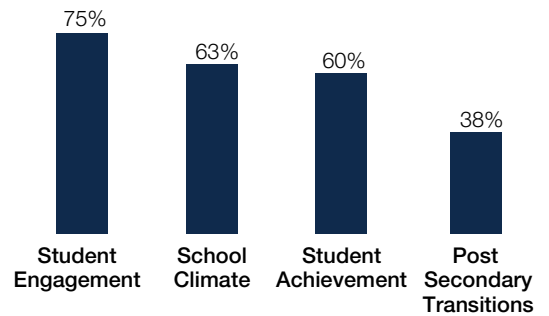
Almost Half of Identified Districts Have Poor Performance With Only One Student Group

Share of Identified Districts



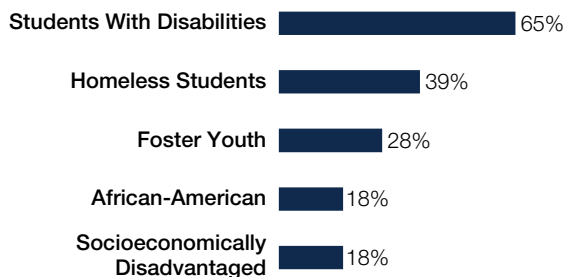
Student Engagement Most Common Performance Problem

Share of Identified Student Groups by Performance Problem



Students With Disabilities Most Common Group With Poor District Performance

Share of Identified Districts by Student Group With Performance Problem



Districts identified with a performance problem may find a team of experts to help them improve, work with their county office of education to find such a team, or seek support directly from their county office of education.

State Has Process for Overseeing School Districts' Budgets

Ongoing Monitoring

County offices of education (COEs) review the fiscal health of all their school districts at least two times per year. Based upon these reviews, each district receives one of the following ratings:



Positive: The district will meet its obligations for the current and upcoming two years.



Qualified: The district may be unable to meet its obligations for the current or upcoming two years.



Negative: The district will be unable to meet its obligations for the current or upcoming year without corrective action.

Technical Assistance and Intervention

If a district receives a qualified or negative rating, its COE undertakes at least one first-level intervention. Second-level interventions follow if the district's budget does not improve.

Typical First-Level Interventions:



- Require district to provide additional information or updated projections.
- Assign the district a fiscal expert.
- Require district to develop its own plan for improving its fiscal health.



Typical Second-Level Interventions:

- Directly assist the district in developing a plan for improving its fiscal health.
- Impose revisions to district's budget.
- Veto actions of district's governing board.

Emergency Loan Process

If a district's budget deteriorates to the point that it will run out of cash:



Legislature Authorizes Emergency Loan. The Legislature authorizes a direct appropriation to the district from the state General Fund.



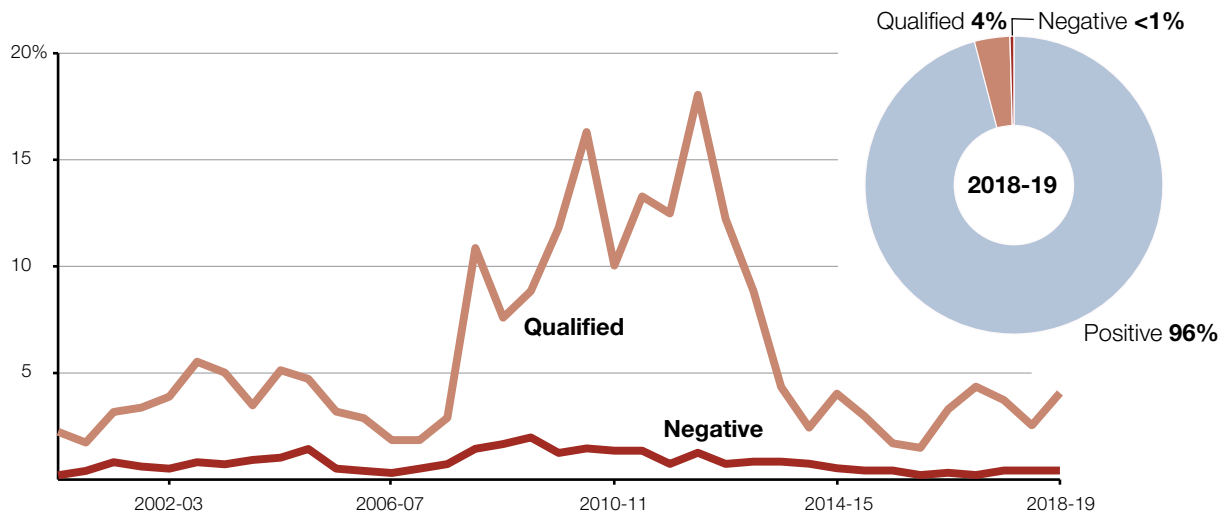
District Loses Local Control. The district's superintendent is fired and its local governing board loses all authority. An external administrator assumes control of the district and implements a fiscal recovery plan.



A Trustee Remains Until Loan Is Repaid. The district's governing board gradually regains authority from the administrator as it improves its management and fiscal condition. After the administrator departs, a trustee is appointed with the ongoing power to veto local board actions.

School Districts in Fiscal Distress at Historically Low Levels

Share of School Districts by Fiscal Status



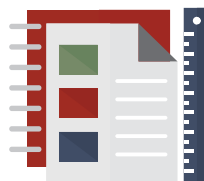
During the 12 years prior to 1991, 26 districts requested emergency loans spurring the state to create the current fiscal oversight process.

Since 1991, Only Nine School Districts Have Requested Emergency Loans

School District	Year of Legislation	Current Oversight	Loan Amount	Loan Pay Off
Inglewood Unified	2012	Administrator	\$29 million	2033
South Monterey County Joint Union High	2009	Trustee	\$13 million	2028
Vallejo City Unified	2004	Trustee	\$60 million	2024
Oakland Unified	2003	Trustee	\$100 million	2023
West Fresno Elementary	2003	—	\$1.3 million	2010
Emery Unified	2001	—	\$1.3 million	2011
Compton Unified	1993	—	\$20 million	2001
Coachella Valley Unified	1992	—	\$7.3 million	2001
West Contra Costa Unified	1991	—	\$29 million	2012

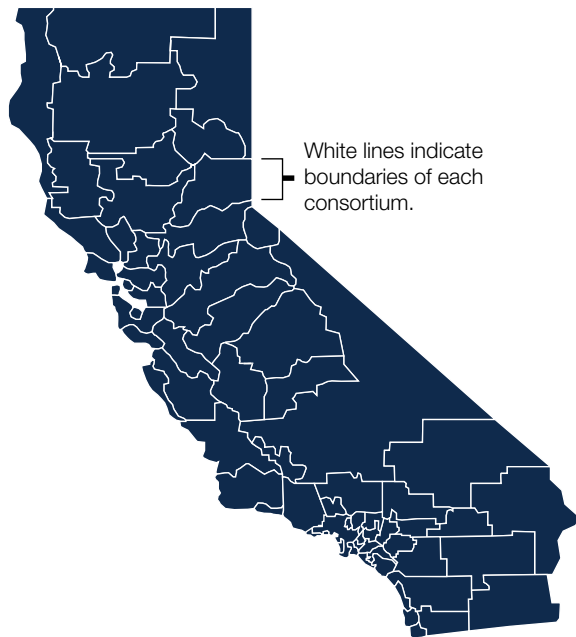
The top four districts have active loans. Their loan pay-off dates reflect the life of their loans. Most districts with retired loans paid off their loans early.

CHAPTER 3
**ADULT PRECOLLEGIATE
EDUCATION**



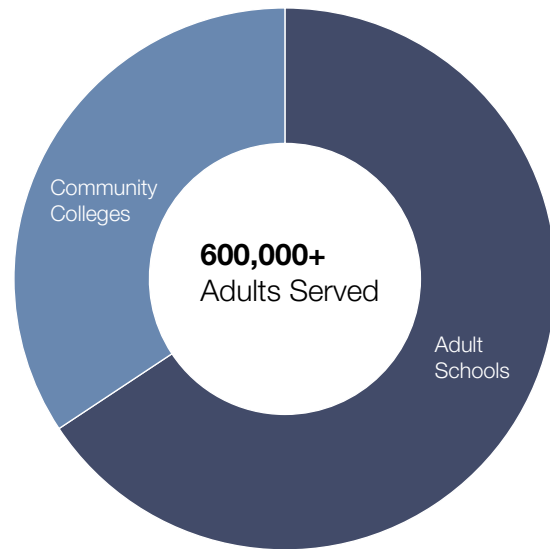
California Uses Regional Consortia to Plan Adult Education Offerings

In 2013-14, the state restructured its adult education program to improve regional coordination. Under the restructuring, 71 adult education consortia were created. A typical consortium includes 1 community college district and about 5 adult schools (operated by school districts). Each consortium develops a regional adult education plan every three years and updates it annually.



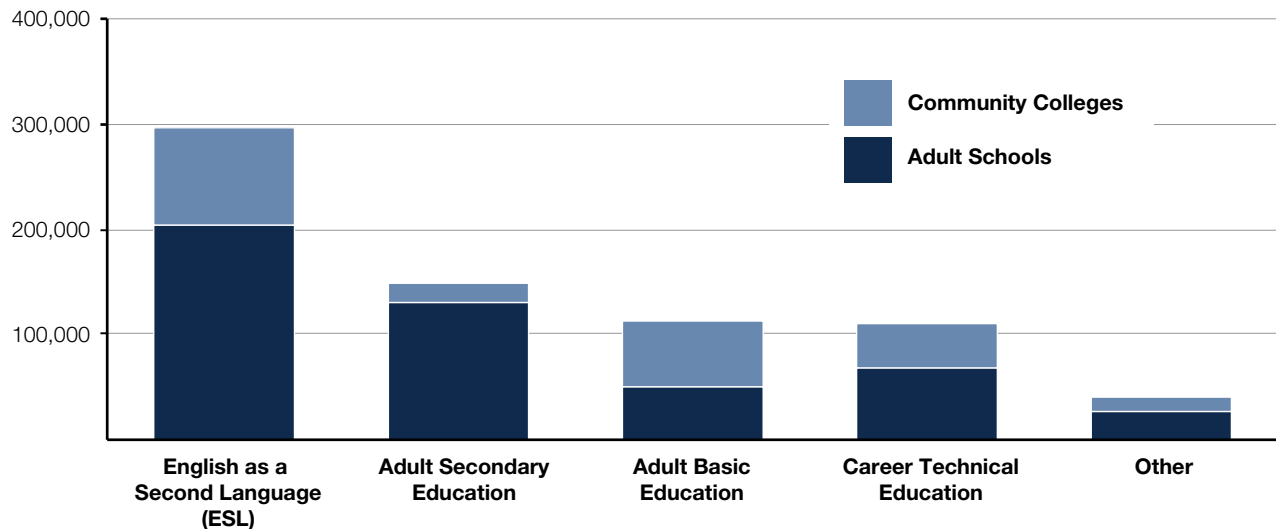
Adult Schools Have Notably Higher Adult Education Enrollment

Share of Headcount by Provider Type, 2016-17



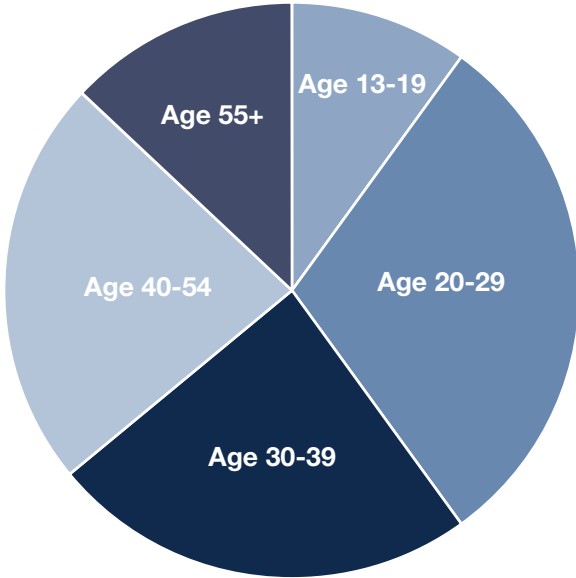
ESL Is Largest Adult Education Instructional Area

Headcount by Instructional Area, 2016-17

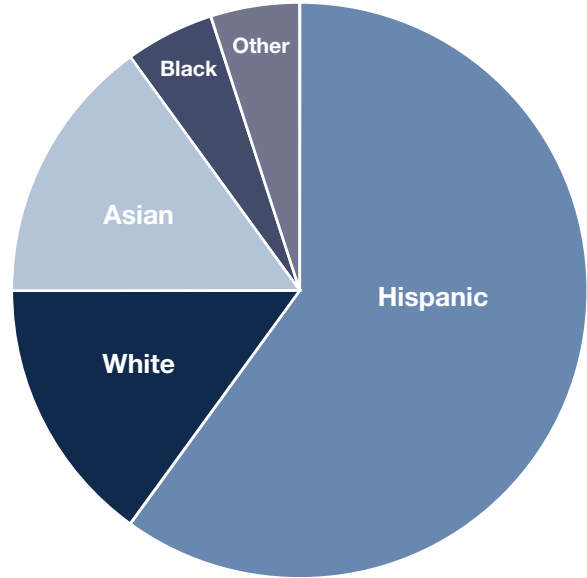


Adult Education Serves Broad Spectrum of Students

Students by Age Group, 2016-17

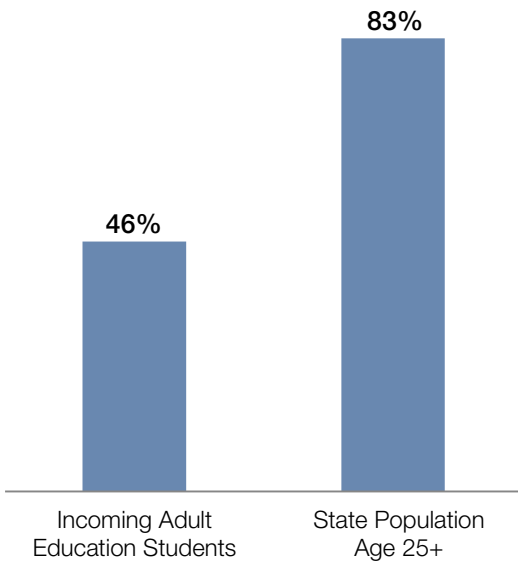


Students by Ethnicity, 2016-17

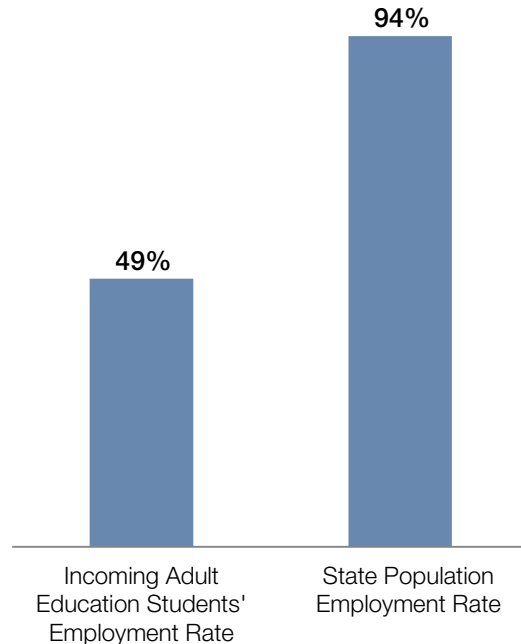


Compared to State Population, Adult Education Students Are Less Likely to...

Have High School Diploma, 2016-17



Be Employed, 2016-17

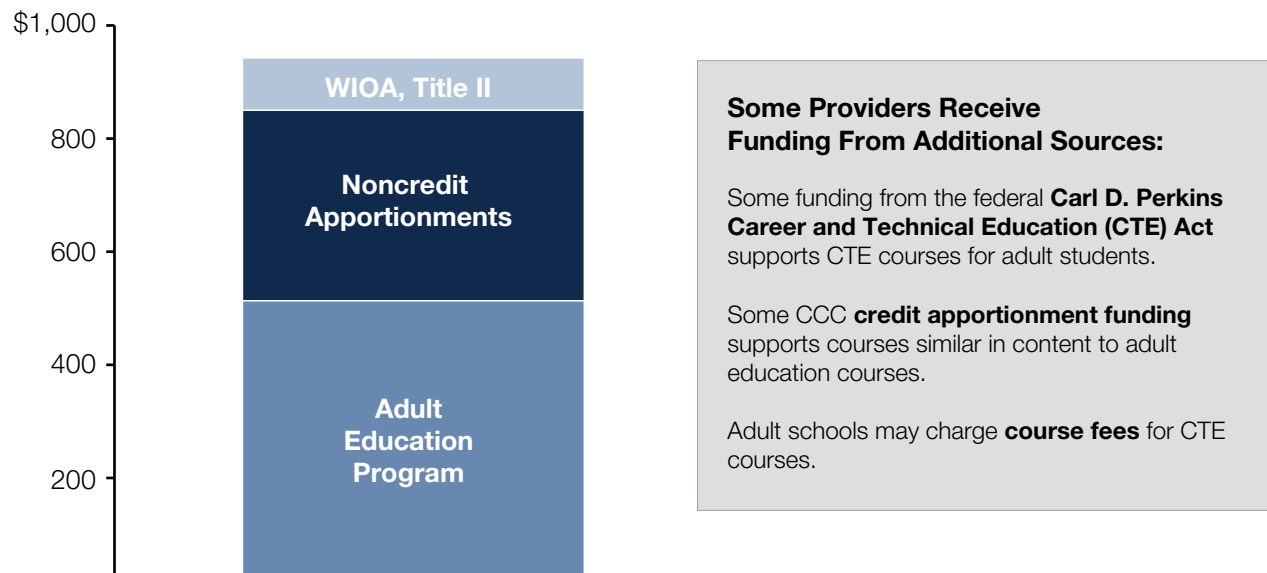


Several Major Funding Sources Support Adult Education

Fund Source	Eligible Providers		
	Adult Schools	Community Colleges	
Adult Education Program Allocated by formula to regional consortia to support full array of adult education programs.	State	✓	✓
Noncredit Apportionments Allocated by formula to community college districts to support full array of adult education programs.	State		✓
Workforce Innovation and Opportunity Act (WIOA), Title II Allocated competitively to adult education providers based on various factors, including student learning gains. Supports English as a Second Language, adult secondary education, and adult basic education.	Federal	✓	✓

State Is Primary Source of Adult Education Funding

Major Funding Sources, 2017-18 (In Millions)



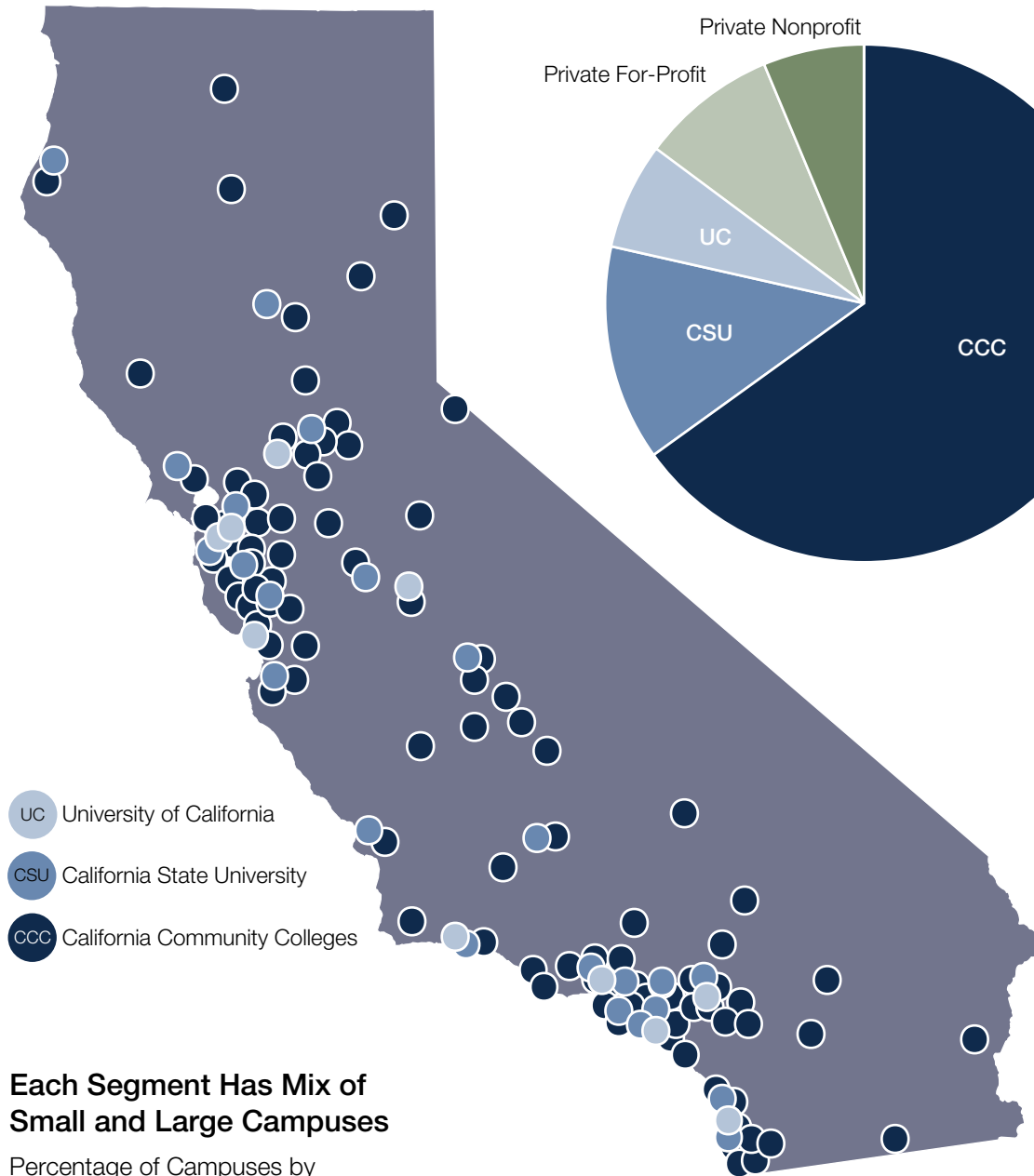
Since the state restructured its adult education program in 2013-14, it has had no comprehensive data on program outcomes. The limited data that is available is insufficient to draw meaningful conclusions. State agencies report that data improvement efforts are underway.

CHAPTER 4
**UNDERGRADUATE
EDUCATION**



California Has an Extensive Higher Education System

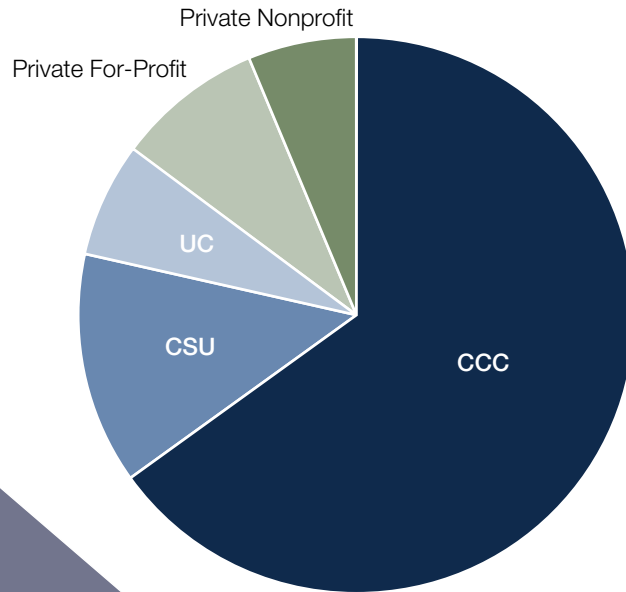
Campuses by Segment, 2017-18



- UC University of California
- CSU California State University
- CCC California Community Colleges

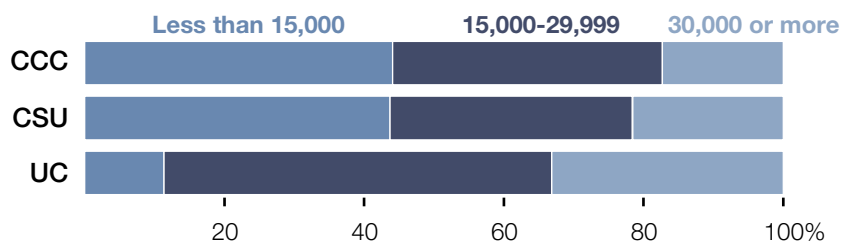
CCC Enrolls Nearly Two-Thirds of All Undergraduates

Share of Undergraduate Headcount, 2016-17



Each Segment Has Mix of Small and Large Campuses

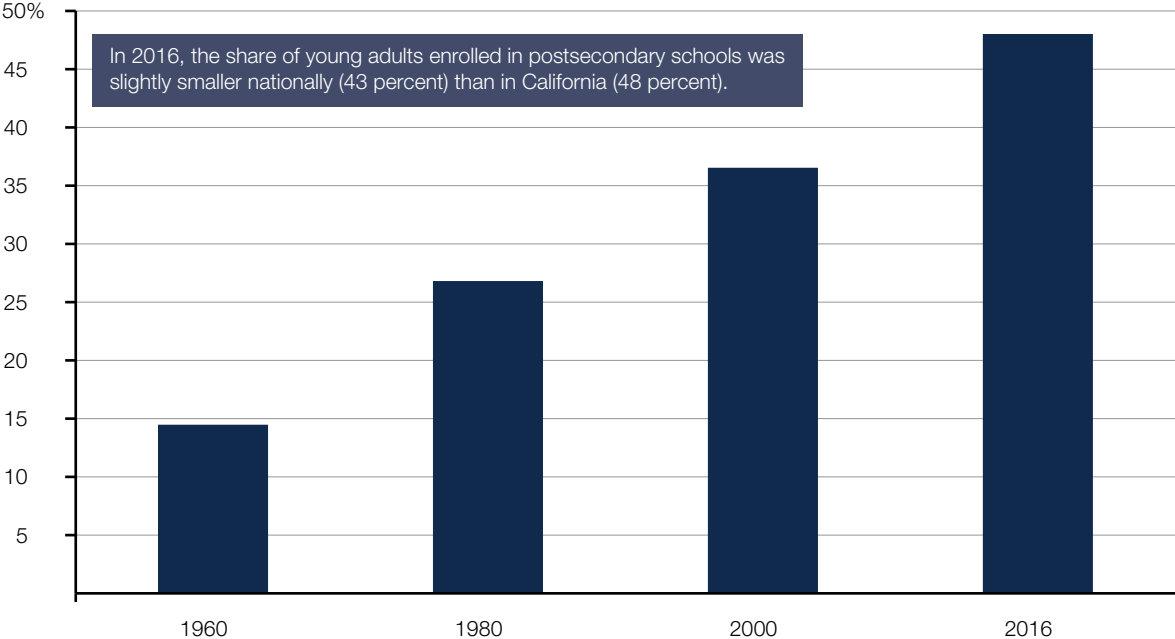
Percentage of Campuses by Undergraduate Headcount, 2016-17



UC undergraduates take an average of 29 units per year, compared to 24 units at CSU and 13 units at CCC. (A student taking 30 units per year could graduate in four years at UC and CSU and two years at CCC.)

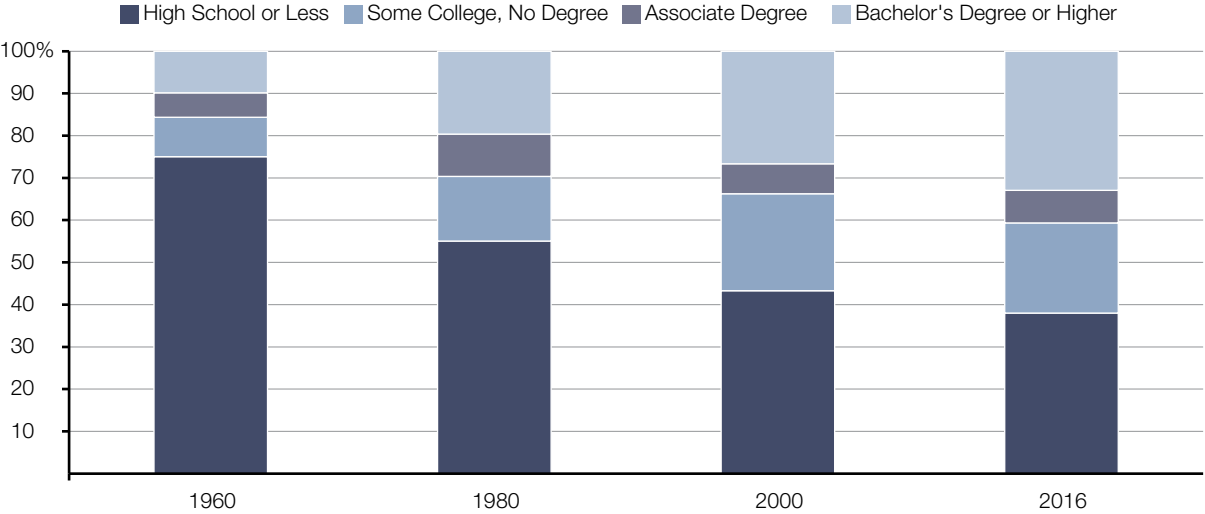
Share of Young Adults in California Attending College Has Been Increasing

Percent of Individuals Age 18-24 Enrolled in Degree-Granting Postsecondary Schools



Educational Attainment Also Has Been Increasing in California

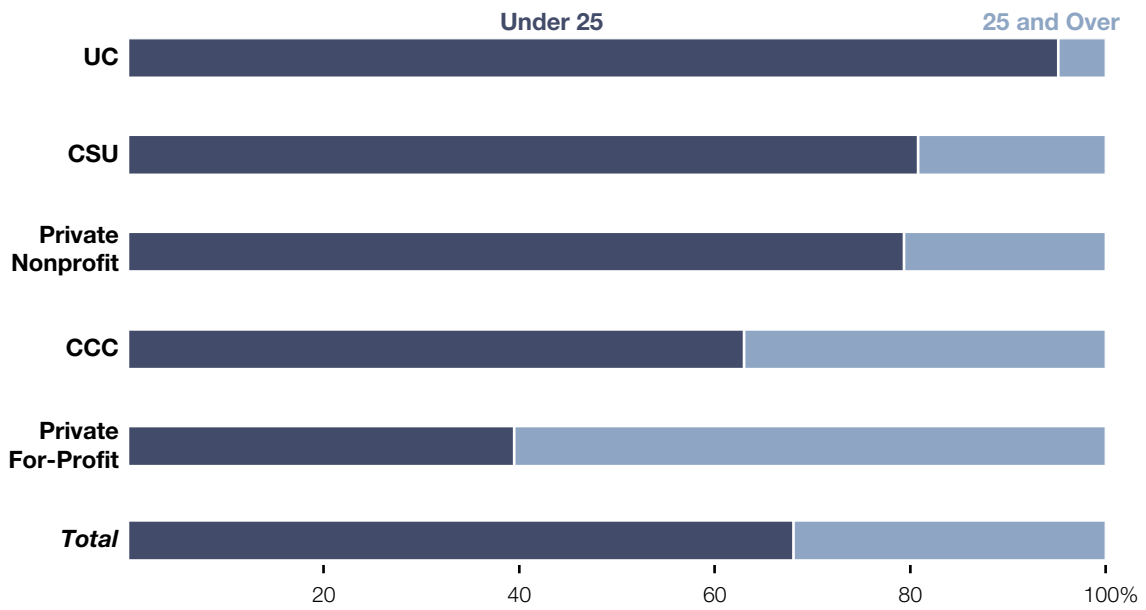
Educational Attainment of Individuals Age 25 Years or Older



In 2016, a slightly larger share of adults had a high school diploma or less nationally (40 percent) than in California (38 percent), and a slightly smaller share had a bachelor's or degree or higher nationally (31 percent) than in California (33 percent).

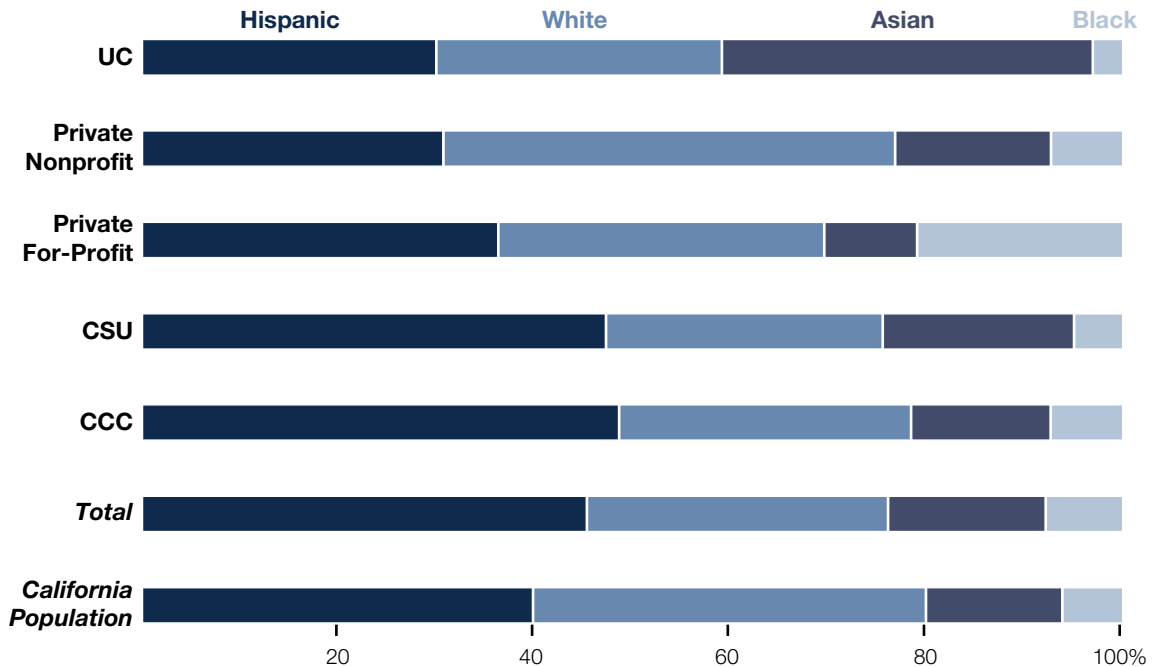
Almost One-Third of Undergraduates Are Age 25 and Older

Undergraduate Headcount, Fall 2015



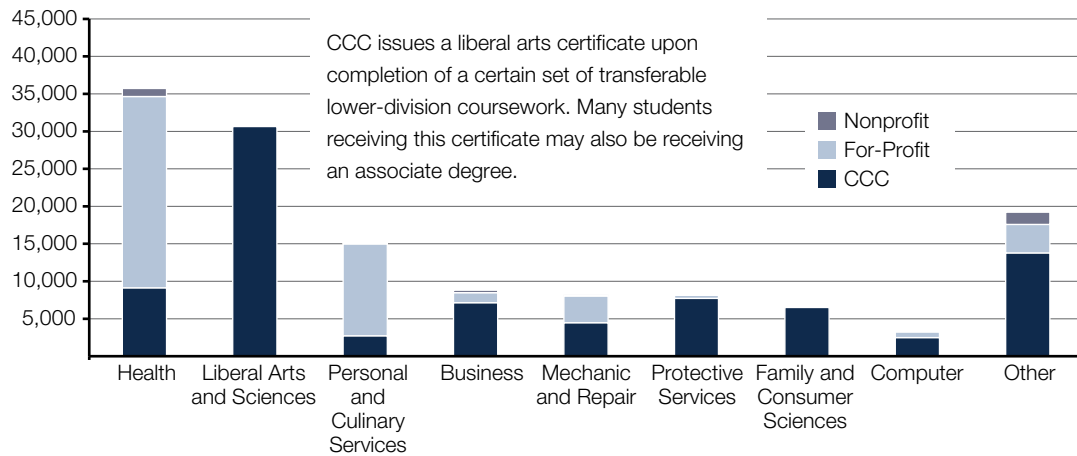
The Racial/Ethnic Composition of the Undergraduate Student Body Varies by Segment

Undergraduate Headcount, Four Largest Groups, 2016-17



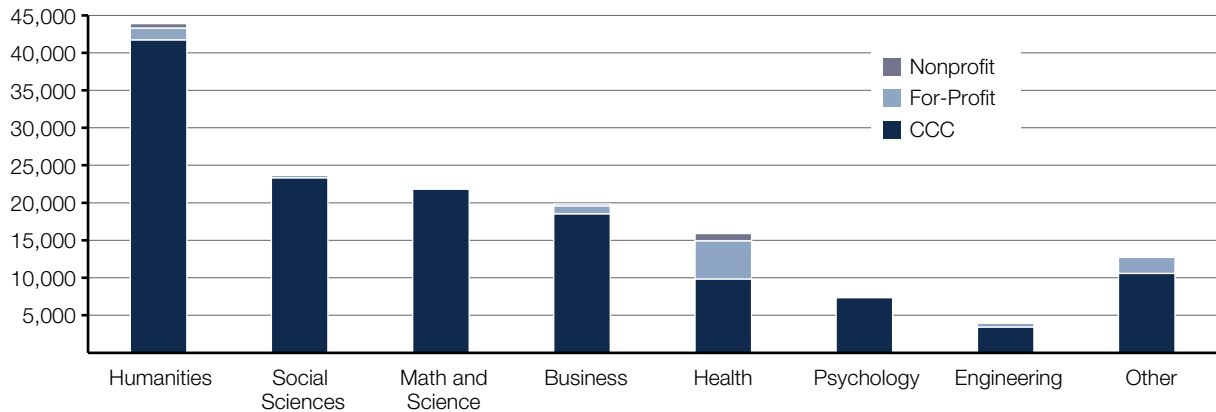
Health and Liberal Arts Are Most Common Fields for Certificates

Certificates by Field, 2016-17



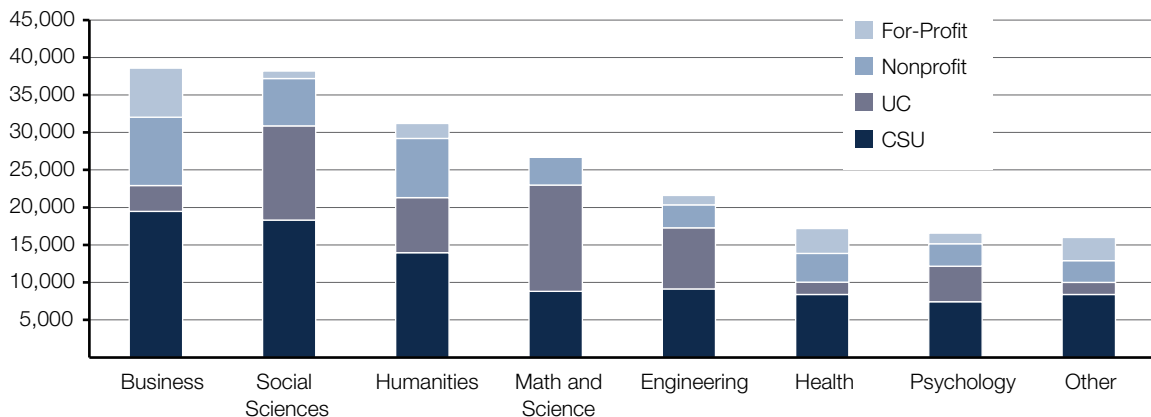
Humanities Is Most Common Field for Associate Degrees

Associate Degrees by Field, 2016-17

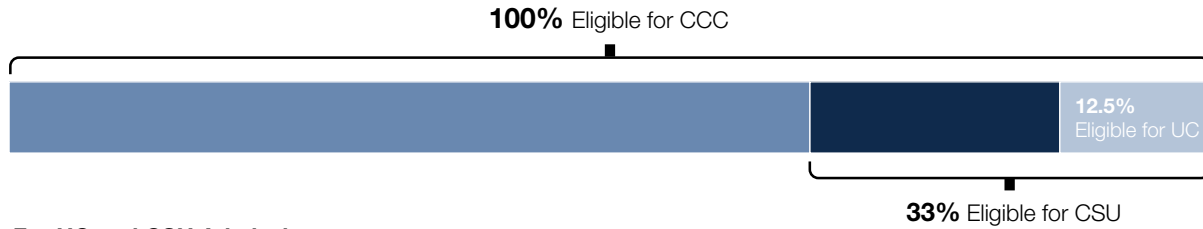


Business and Social Sciences Are Most Common Fields for Bachelor's Degree

Bachelor's Degree by Field, 2016-17



California's Freshman Eligibility Policy for High School Graduates Has Three Tiers

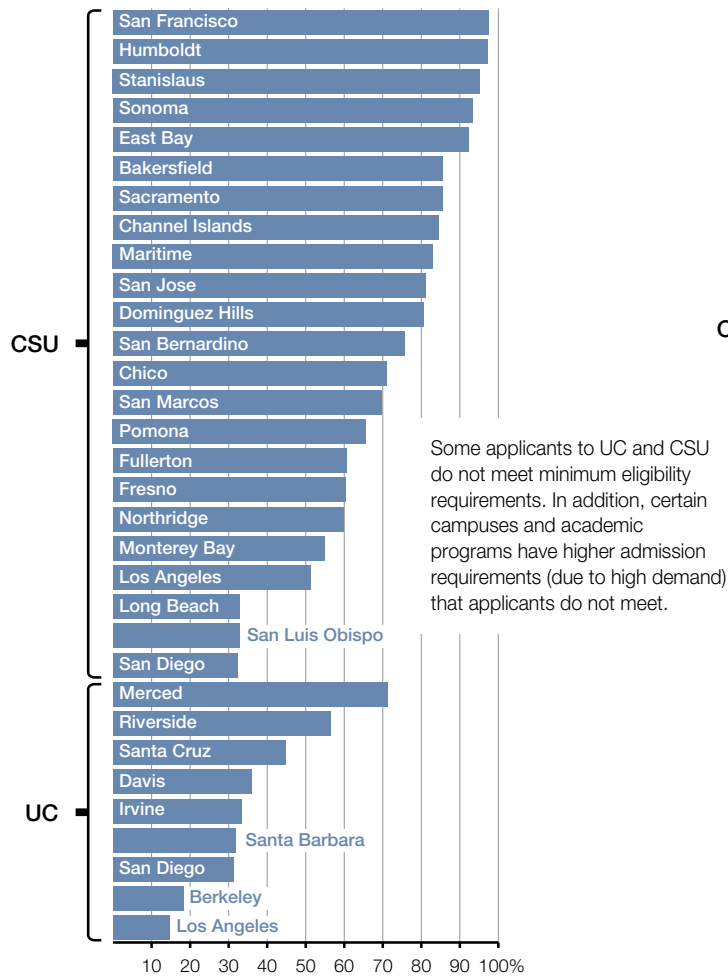


For UC and CSU Admissions:

- High school students must complete college preparatory coursework (known as "A through G") with a minimum grade point average (GPA) of 3.0 and 2.0, respectively.
- UC also requires all applicants to take the SAT or ACT.
- CSU requires only those applicants with a GPA below 3.0 to take the SAT or ACT.
- The lower the GPA, the higher the test score needed.

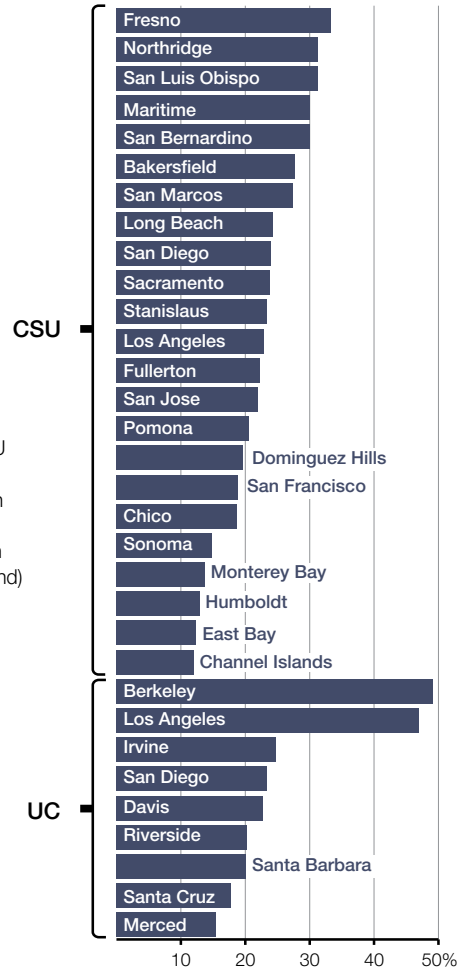
Freshman Acceptance Rates Vary Notably Across Campuses

California Applicants, Fall 2017



Freshman Enrollment Rates Also Vary Notably Across Campuses

California Admits, Fall 2017



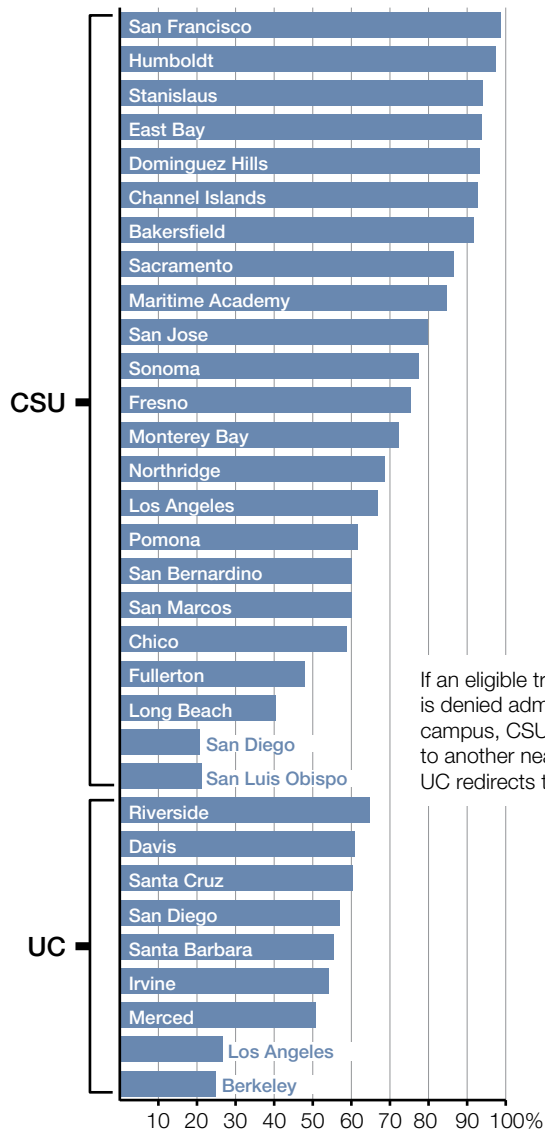
Community College Students Must Meet Several Requirements to Be Eligible for Transfer to UC or CSU

Transfer Requirements:

	CSU	UC
Complete 60 semester units of transferable coursework	X	X
Within the 60 units, complete specified number of core courses	10 Courses	7 Courses
Achieve minimum GPA in transferable coursework	2.0	2.4

Transfer Acceptance Rates Vary Across Campuses

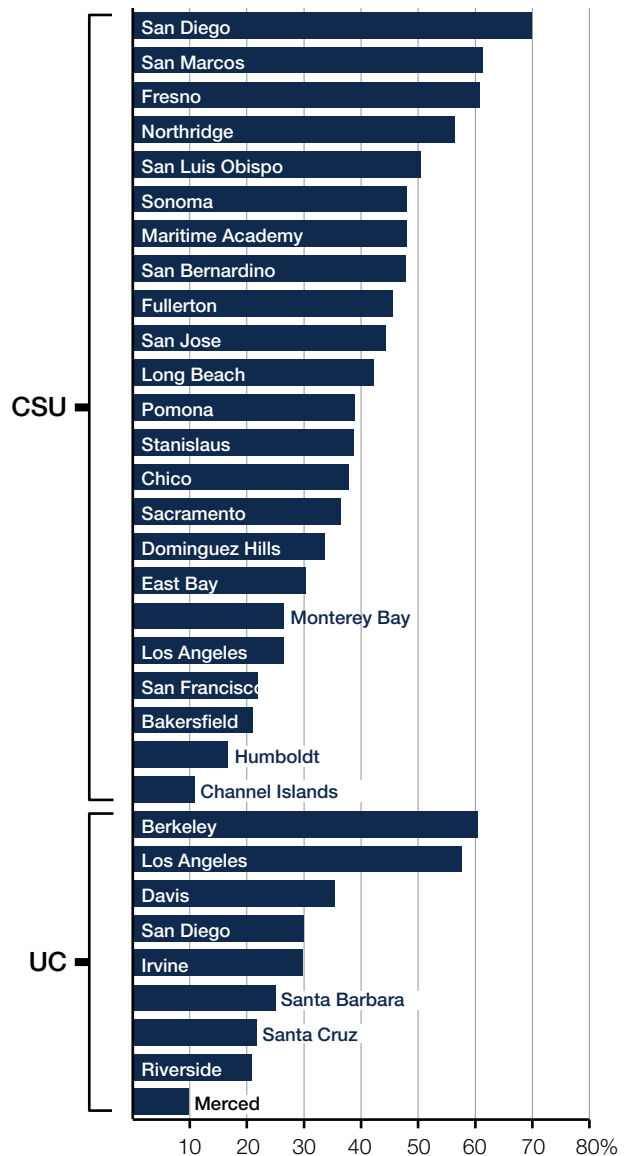
California Applicants, Fall 2017



If an eligible transfer applicant is denied admission to a first-choice campus, CSU automatically redirects to another nearby campus with space. UC redirects to Merced or Riverside.

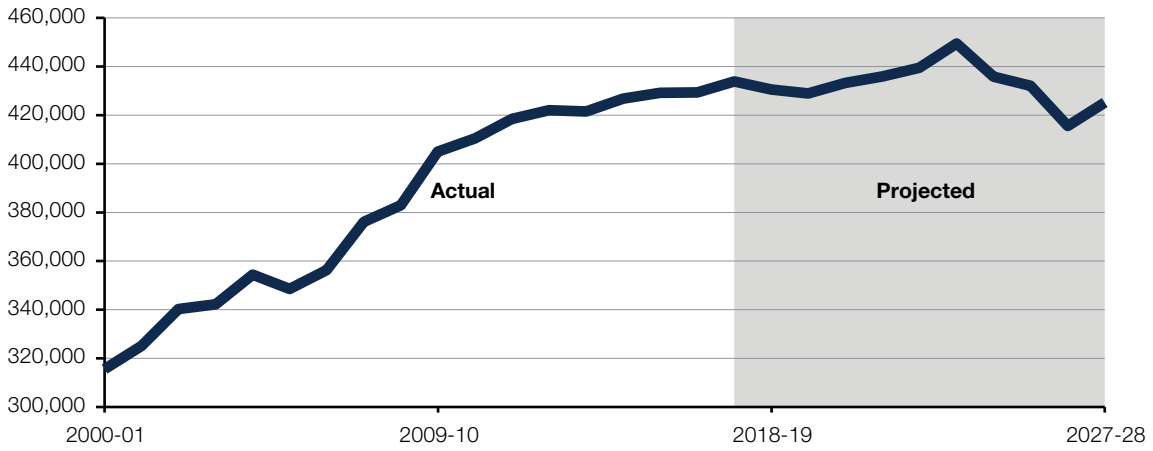
Transfer Enrollment Rates Also Vary Across Campuses

California Admits, Fall 2017



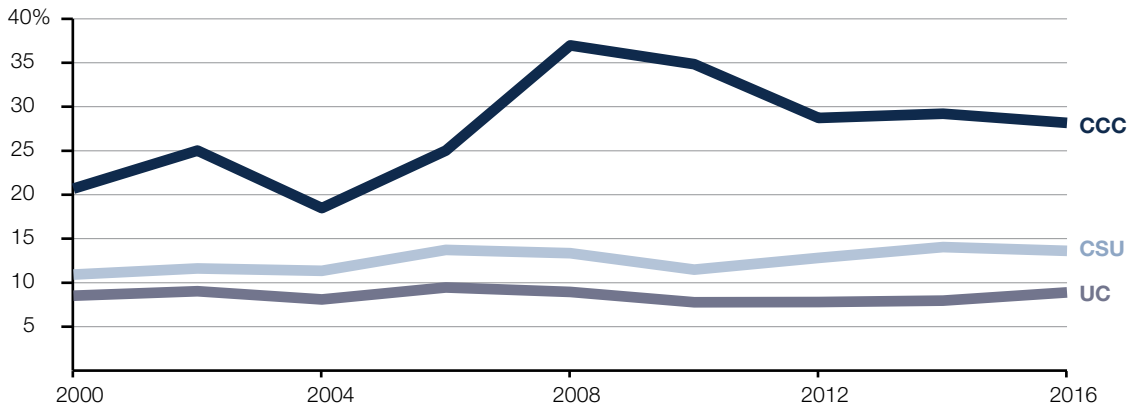
Number of High School Graduates Expected to Peak Soon and Then Begin Dropping

Public High School Graduates, Projections From the Department of Finance, 2018 Series



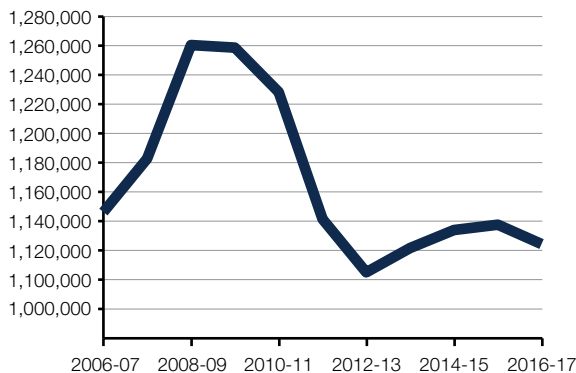
Participation Fluctuating at CCC, Growing at CSU, Steady at UC

Percent of California High School Graduates Enrolling at Each Segment



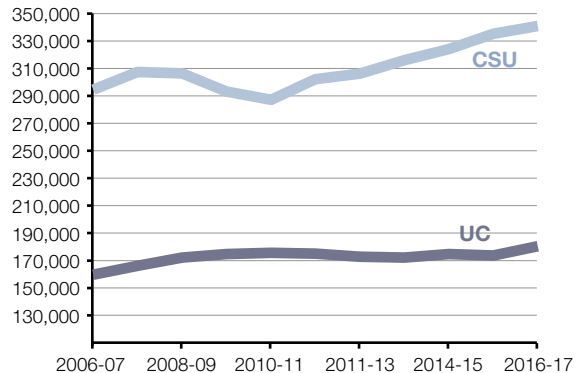
CCC Enrollment Below Peak Levels

Resident Full-Time Equivalent Students



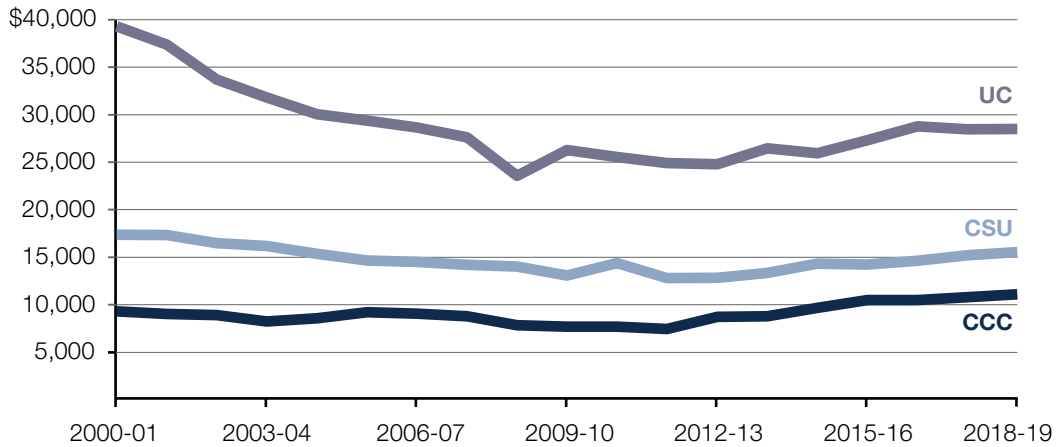
University Enrollment at Peak Levels

Resident Full-Time Equivalent Students



Amount of Core Funding Varies Notably by Segment

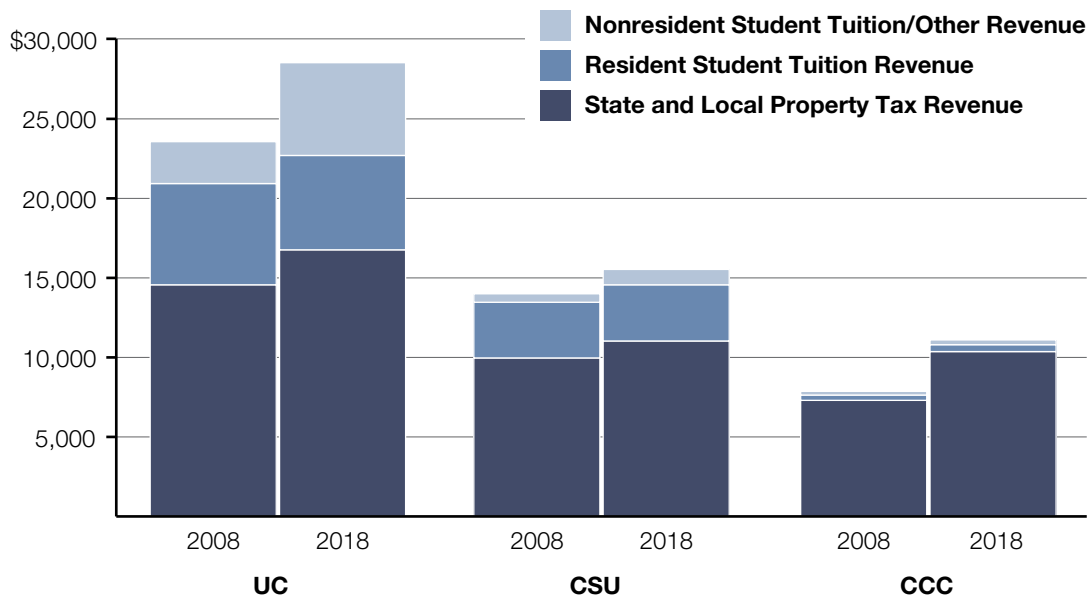
Per Full-Time Equivalent Student, 2018-19 Dollars



At UC and CSU, core funds consist primarily of state General Fund and student tuition revenue. At CCC, core funds also include local property tax revenue.

State Is Largest Source of Higher Education Funding

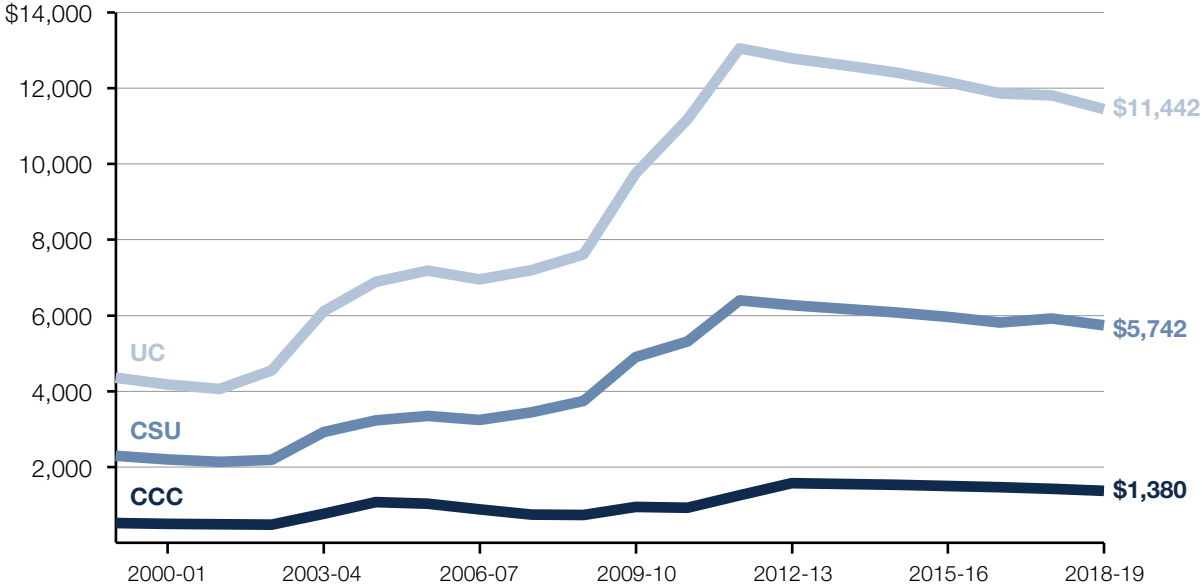
Breakdown of Core Funding Per Full-Time Equivalent Student, 2018-19 Dollars



At UC, "other" includes a portion of overhead on federal research grants and patent royalty income.

Tuition Is Notably Higher Today Than 20 Years Ago

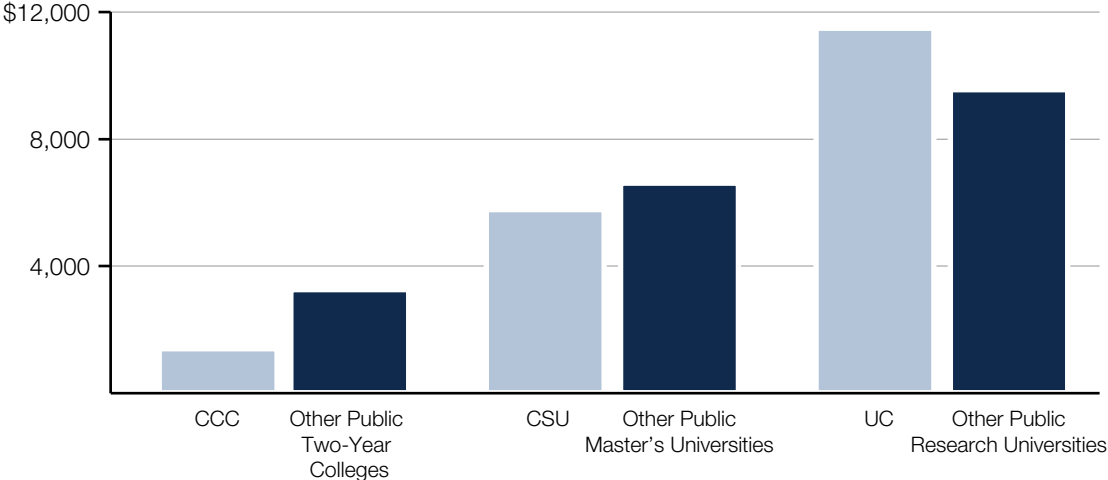
Resident Tuition Charge, 2018-19 Dollars



Students without financial need pay the rates shown. Across the three segments, about half of undergraduates receive gift aid that covers the full tuition charge.

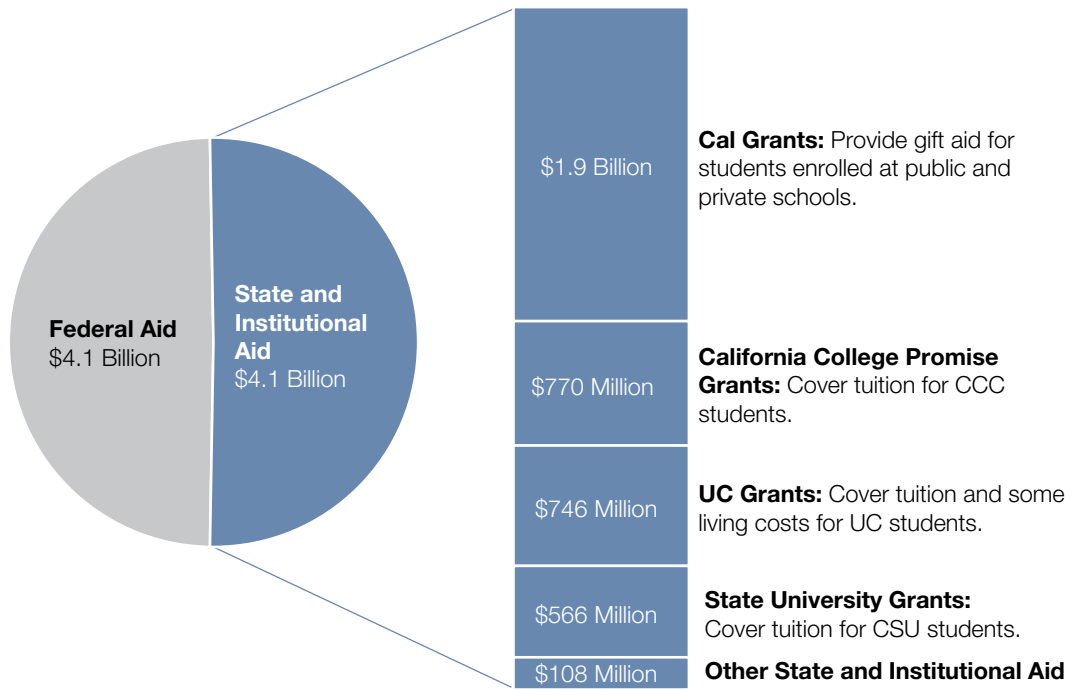
Tuition Still Is Relatively Low at CCC and CSU, Higher at UC

Resident Tuition Charge, 2017-18



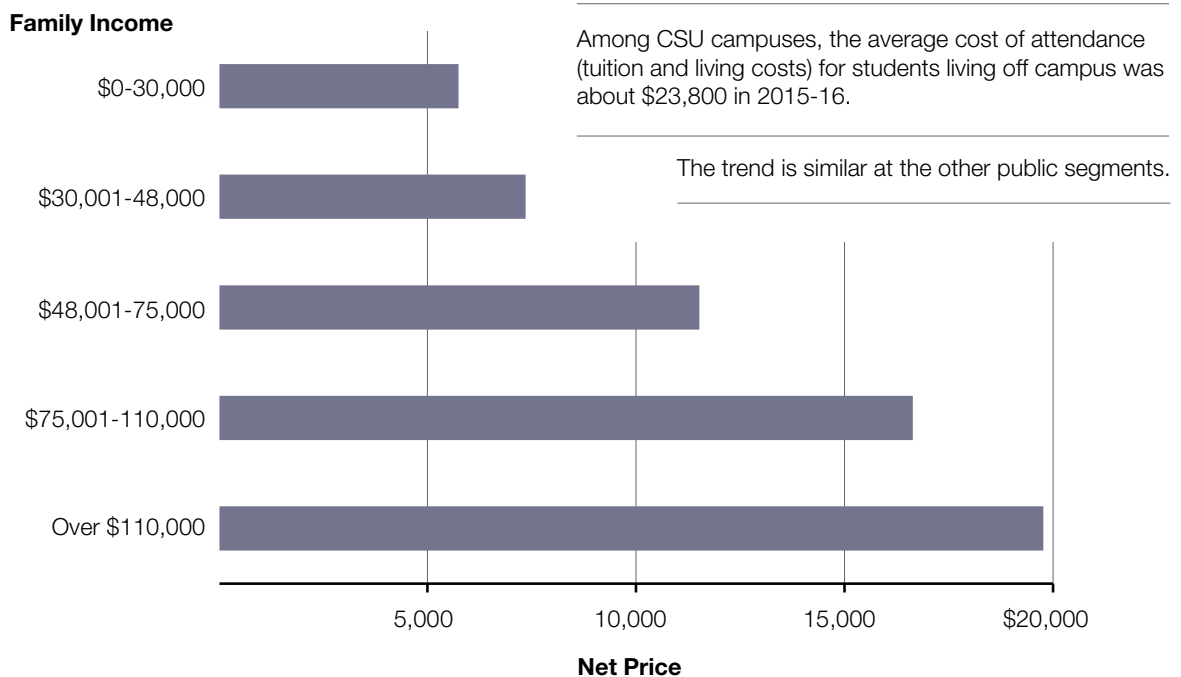
California Students Receive Over \$8 Billion in Aid Annually

Need-Based Gift Aid for Undergraduates, 2016-17



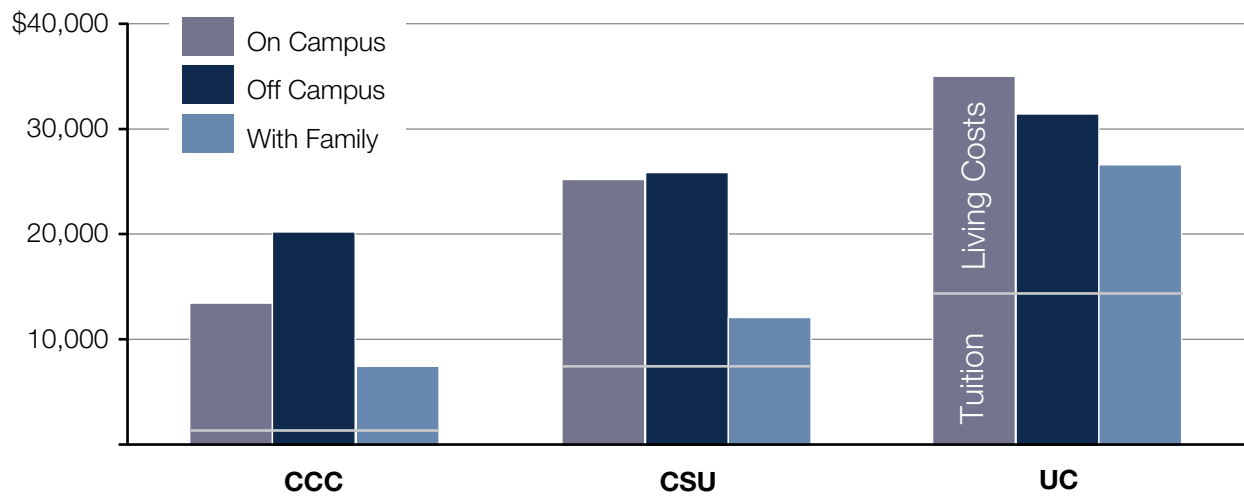
Net College Costs Are Lowest for Lowest-Income Students

Cost of Attendance Less Gift Aid, Average Across CSU Campuses, 2015-16



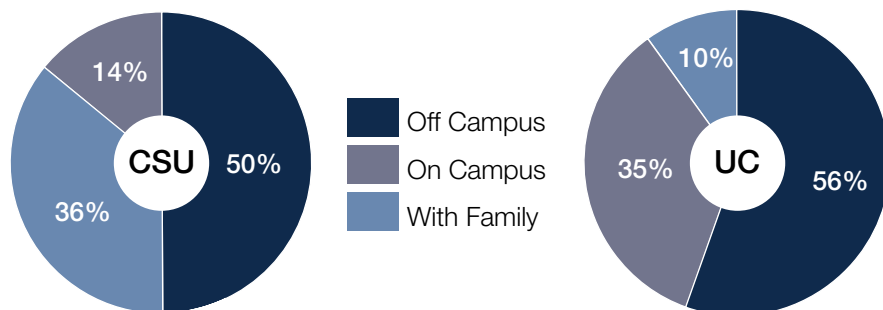
For Most Students, Living Costs Are More Than Half of Overall Costs

Cost of Attendance by Living Arrangement, Average Across Campuses, 2017-18



A Majority of Students Live Off Campus

Undergraduates by Living Arrangement, 2017-18



CCC does not collect comparable data for their students. Most CCC students live off campus or with family. Few CCC campuses have on-campus housing.

Living Costs Do Not Vary Notably Across the Segments

Estimates for Students Living Off Campus as Reported by the Segments, 2017-18

	San Diego City College	San Diego State University	University of California, San Diego
Room and Board	\$13,293	\$12,761	\$12,652
Books and Supplies	\$1,854	\$1,854	\$1,198
Transportation	\$1,233	\$1,919	\$1,059
Other	\$3,006	\$1,450	\$3,462
Totals	\$19,386	\$17,984	\$18,371

About Three-Quarters of Community College Funding Is Unrestricted

Proposition 98 Funding, 2018-19, \$9.2 Billion

Unrestricted The split between unrestricted and restricted funding has remained about the same over the last ten years.	Workforce Development Programs
	Student Support Programs
	Other

State Recently Changed How Unrestricted Funding Is Allocated

Enrollment
 Virtually all unrestricted funding was allocated based upon enrollment.

Previous Formula

Enrollment
 About 60 percent of funding will be based upon enrollment at full implementation (expected 2020-21).

Low-Income Student Counts

Student Outcomes

New Formula Created in 2018-19

About **20 percent** is based on the number of students who receive a federal Pell Grant or need-based fee waiver.

About **20 percent** will be based on performance at full implementation.

Subset of Outcome Measures

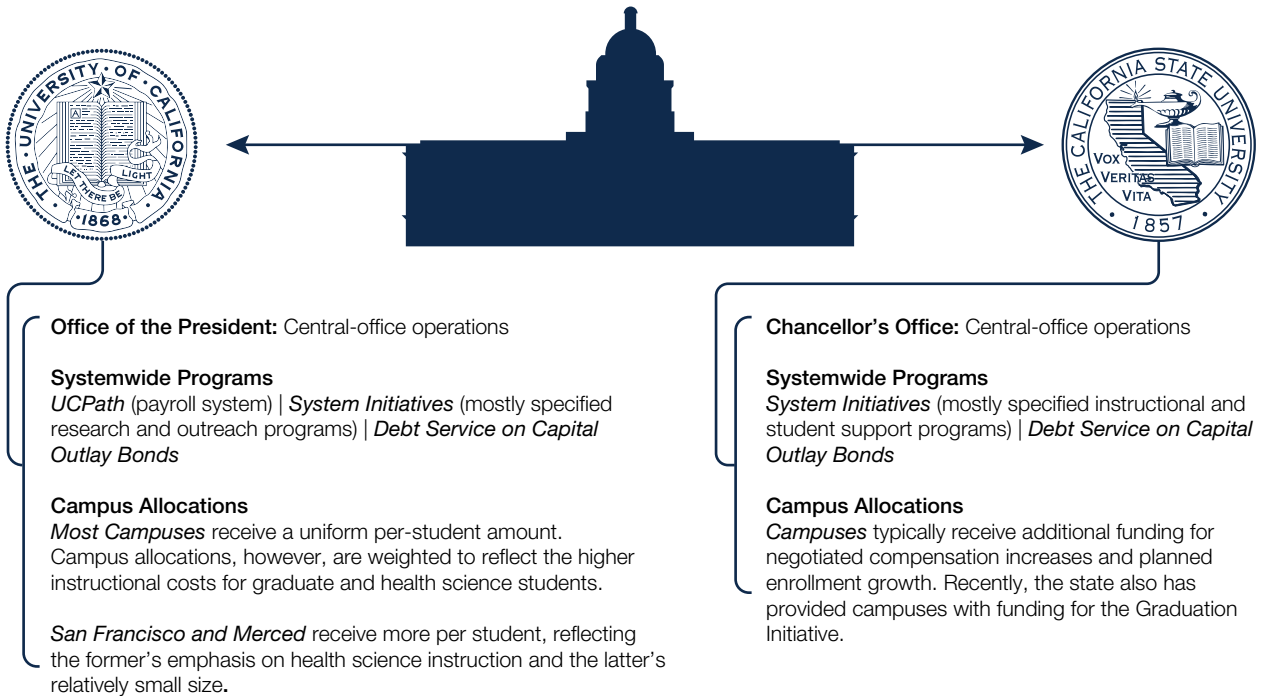
2020-21, Awards by Student Type

Outcome Measure	All Students	Additional Funding for Each:	
		Pell Grant Recipient	Need-Based Fee Waiver Recipient
Associate degree	\$2,640	\$1,000	\$666
Transfer-level math and English completed within first academic year	\$1,760	\$666	\$444
9 or more career technical education units completed	\$880	\$333	\$222

State Has No Consistent Approach to Budgeting for the Universities

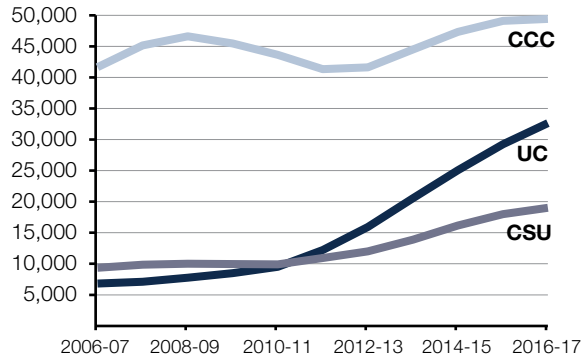
Budgetary Action	Example of Years Action Taken
<p>Base Increase</p> <p>Provided state-funded base increase on the condition that segments did not raise student tuition.</p> <p>Provided state-funded base increase while also allowing segments to raise student tuition.</p> <p>Did not provide state-funded base increase but allowed segments to raise student tuition.</p>	<p>2013-14 through 2016-17</p> <p>2017-18</p> <p>2008-09</p>
<p>Enrollment Growth</p> <p>Did not provide enrollment growth funds or set an enrollment growth target.</p> <p>Set an enrollment target and provided enrollment growth funds.</p> <p>Set an enrollment growth target but required segment to use base increase to cover associated cost.</p> <p>Set an enrollment target but required existing funds be redirected to cover associated cost.</p>	<p>2008-09, 2009-10, 2013-14</p> <p>2017-18</p> <p>2016-17 (CSU only)</p> <p>2018-19 (UC only)</p>
<p>Other</p> <p>Provided funding for specific programs or initiatives.</p> <p>Reduced or eliminated funding for specific programs or initiatives.</p> <p>Allowed segments to repurpose former categorical funding as they wished.</p>	<p>2015-16, 2018-19</p> <p>2009-10 (UC only)</p> <p>2012-13</p>

Universities Decide How to Allocate State Funds



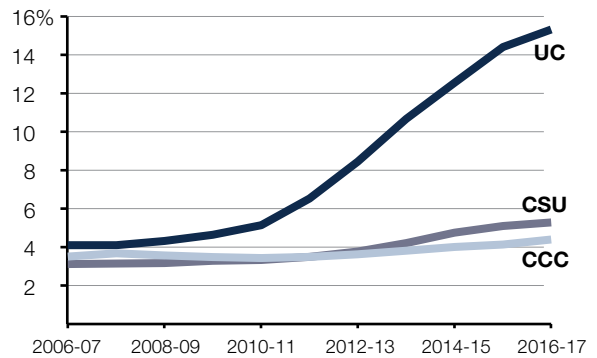
Nonresident Enrollment Has Been Increasing at All Segments

Full-Time Equivalent (FTE) Undergraduate Students



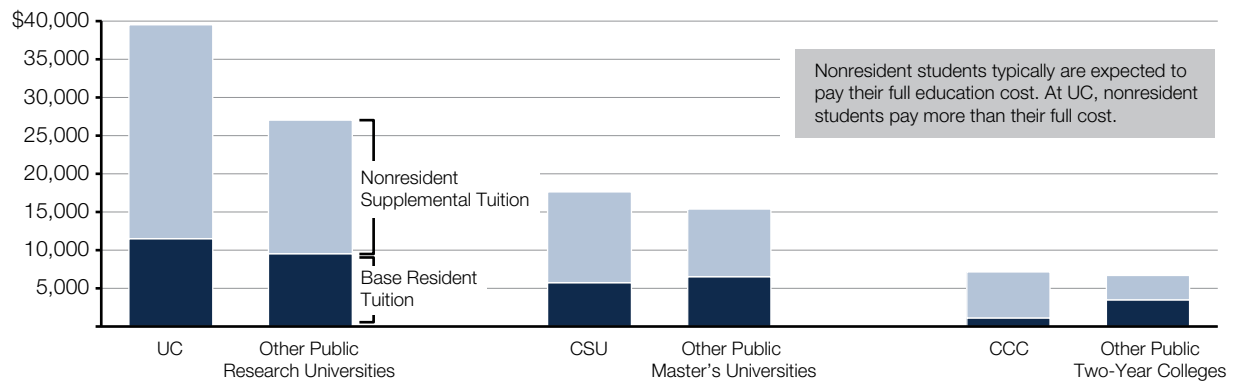
Nonresident Students Comprise Increasingly Large Share of UC Enrollment

Nonresident Share of Undergraduate FTE Enrollment



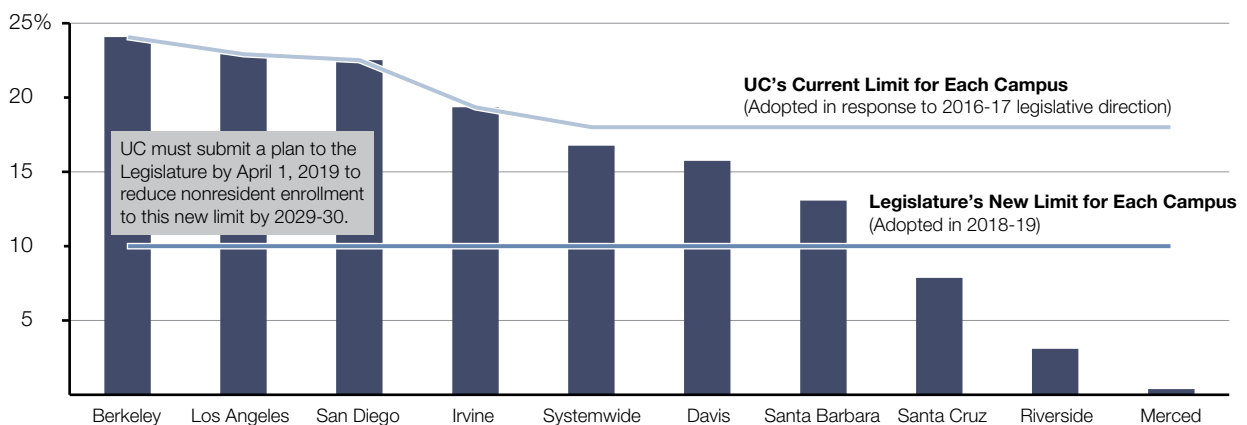
Including Supplemental Charges, Nonresidents Pay Higher Tuition Compared to Other States

Nonresident Tuition Charges, 2017-18



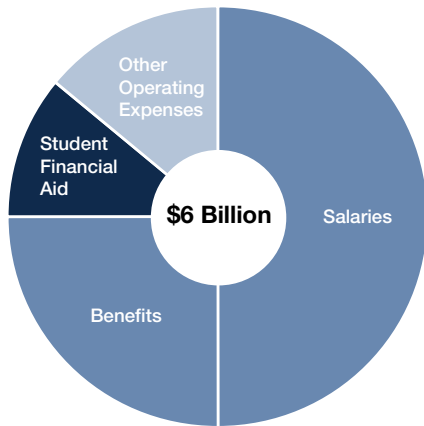
Legislature Expects UC to Limit Nonresident Enrollment

Nonresident Share of Undergraduate FTE Enrollment at Each UC Campus, 2017-18



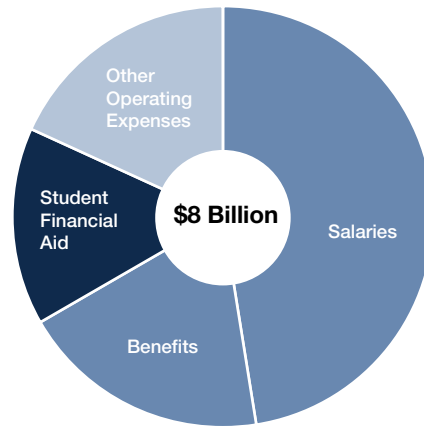
Compensation Makes Up Large Share of Core Spending at CSU

Core Spending, 2016-17



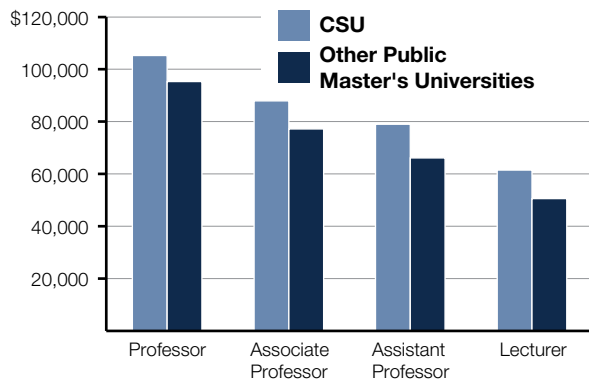
Compared With CSU, UC Spends More on Student Aid

Core Spending, 2016-17



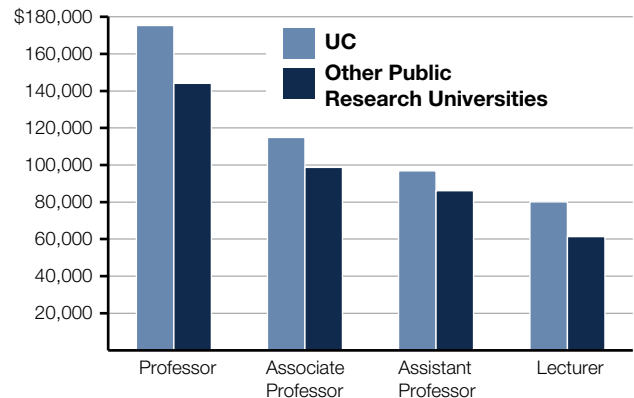
CSU Faculty Salaries Are Higher Than Peer Institutions

Average Annual Salary, 2016-17



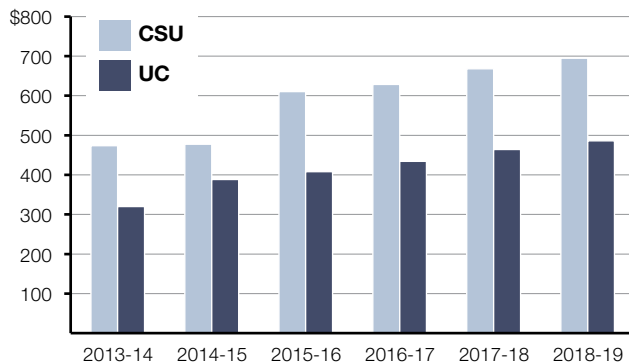
UC Faculty Salaries Are Higher Than Peer Institutions Too

Average Annual Salary, 2016-17



Pension Costs Continue to Increase

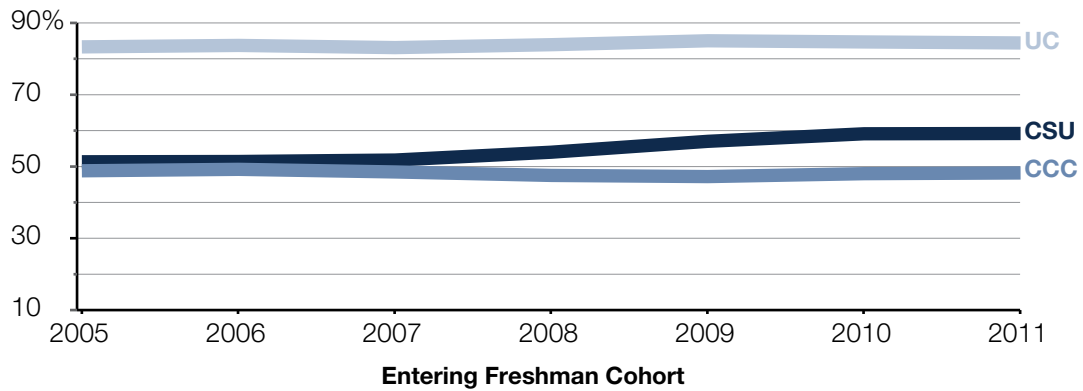
(In Millions)



Pension costs are among the most quickly growing costs the universities and other public agencies face.

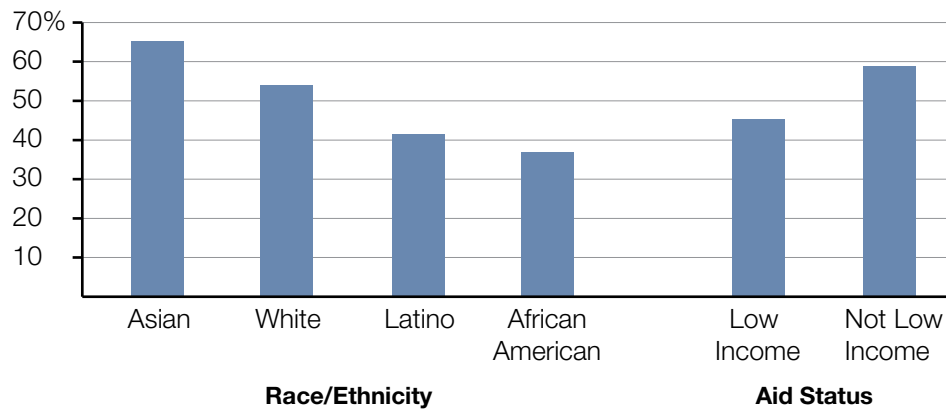
CSU Has Seen Greater Improvement in Graduation Rates Than UC and CCC

Six-Year Rates



Achievement Gaps Exist

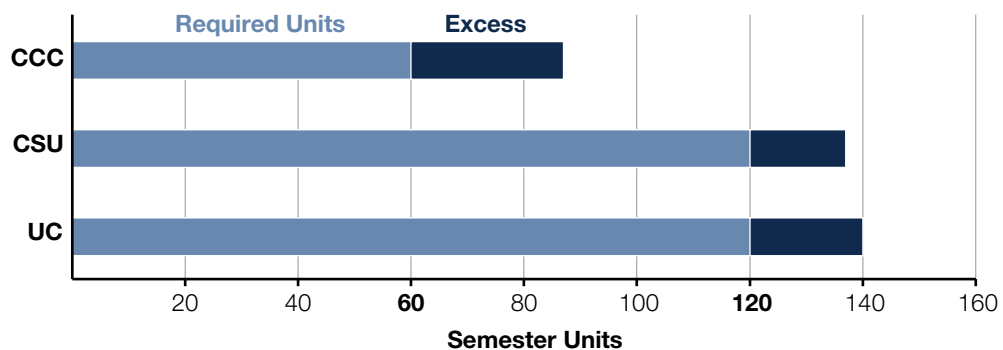
CCC Six-Year Graduation Rates, 2011 Freshman Cohort



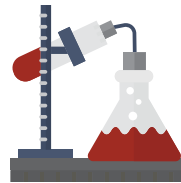
Though UC and CSU graduation rates are higher than CCC, achievement gaps generally follow a similar pattern at all three segments.

Graduates Accrue More Units Than Degrees Typically Require

Freshman Entrants, 2016-17 Graduating Class

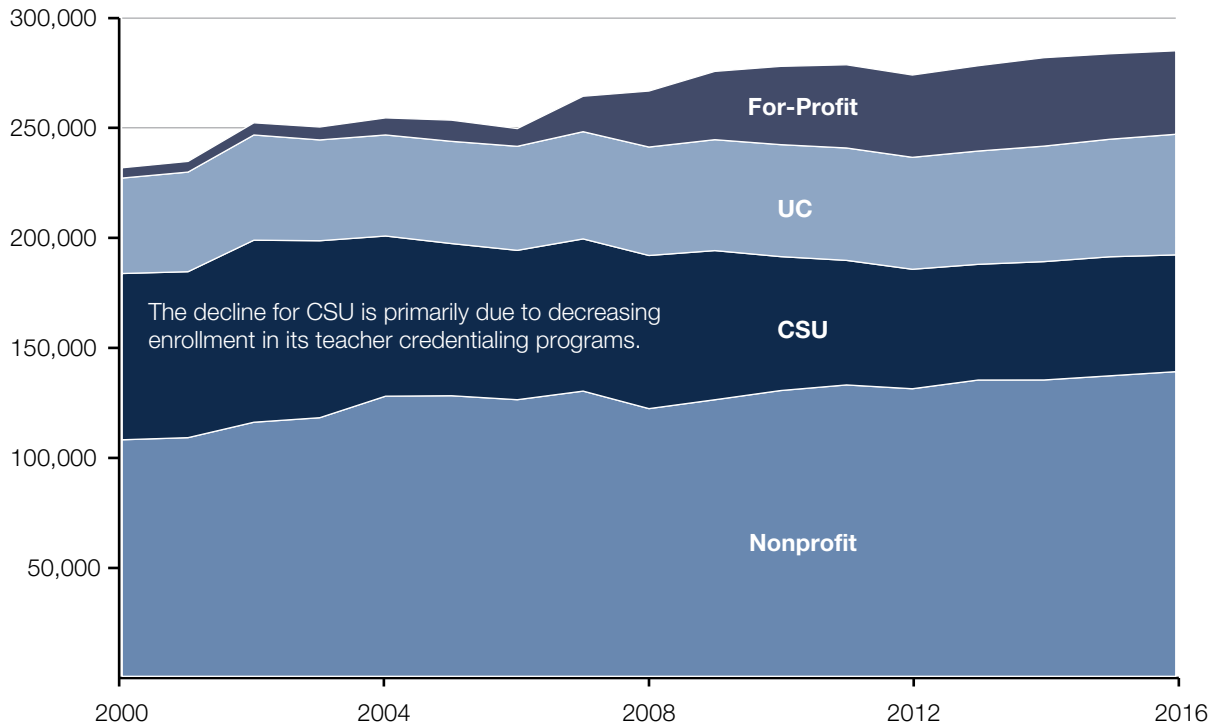


CHAPTER 5
GRADUATE EDUCATION



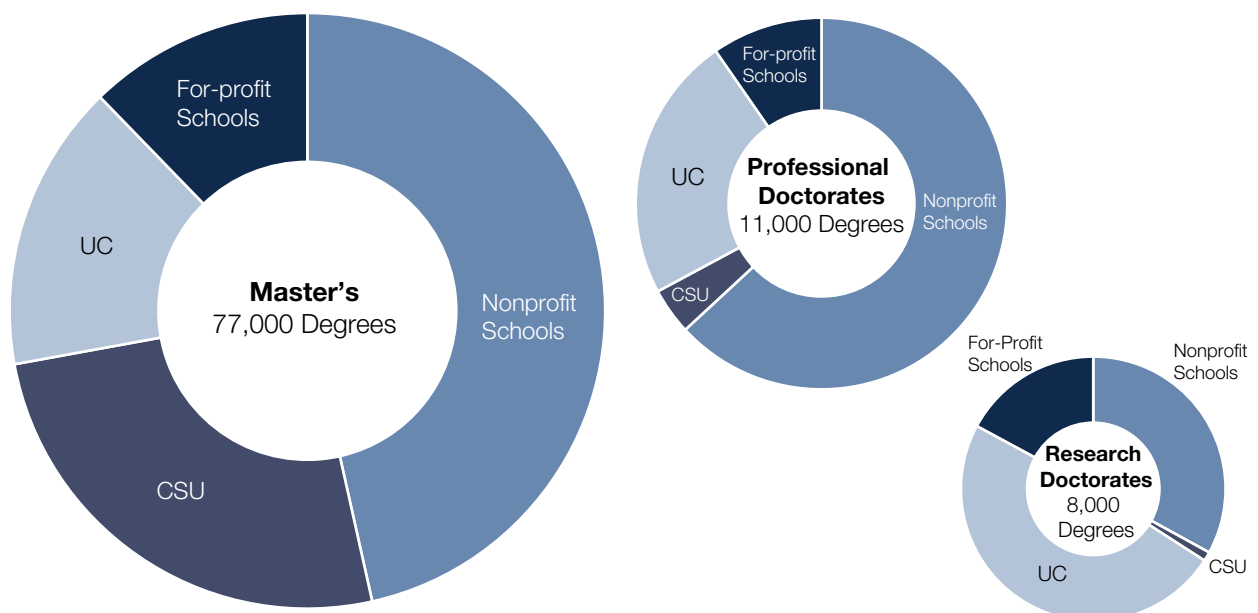
Nonprofit Sector Consistently Enrolls the Most Graduate Students

Fall Headcount by Sector



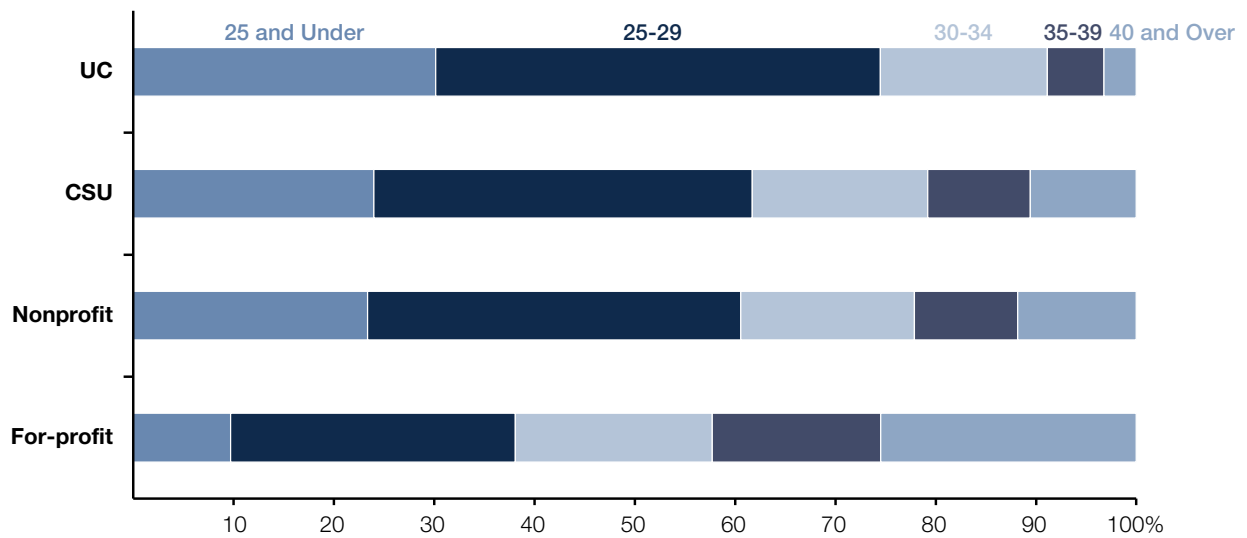
About Four Master's Degrees Are Earned for Every One Doctorate Earned

Degrees Produced in California by Sector, 2016-17



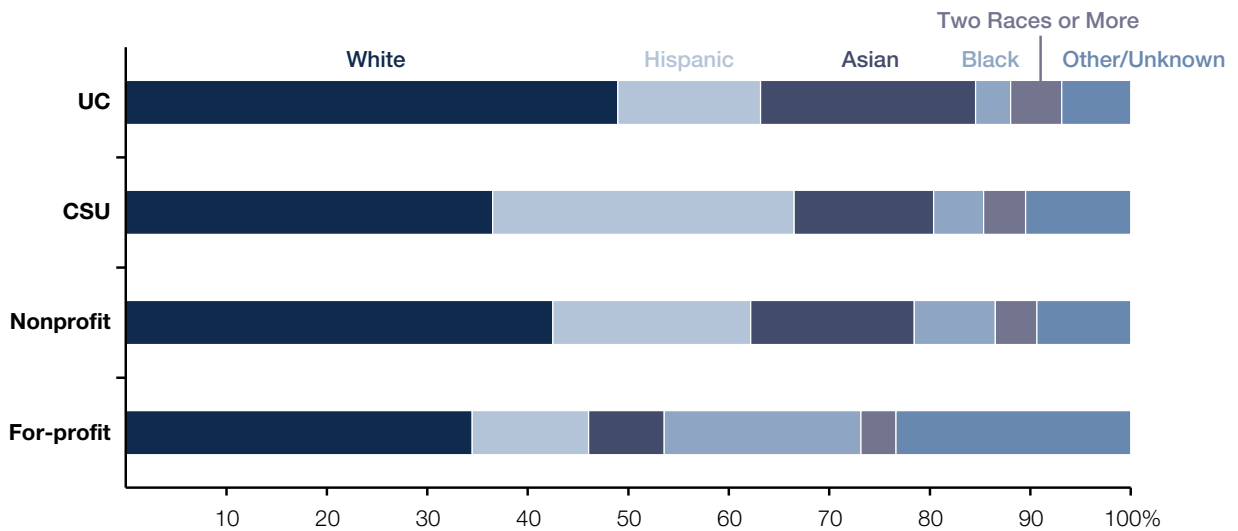
Graduate Students Tend to Be Younger at UC Than Other Sectors

Headcount by Sector and Age, Fall 2017



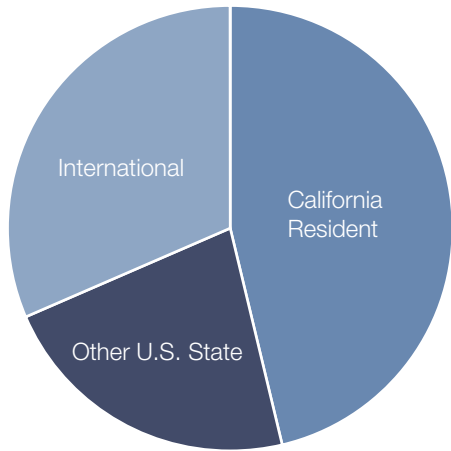
California Has a Diverse Graduate Student Body

Headcount by Sector and Race/Ethnicity of U.S. Citizens, Fall 2017



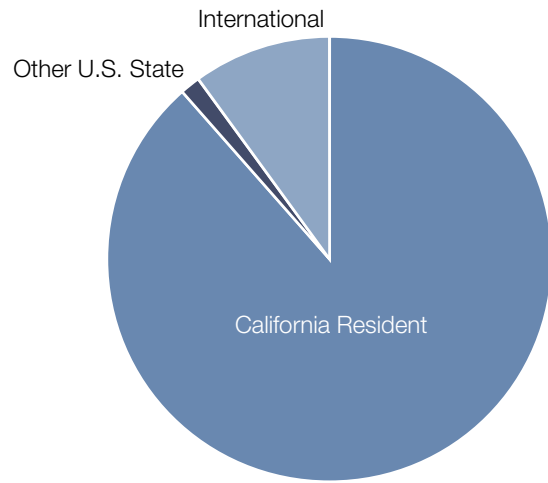
More Than Half of UC Graduate Students Come From Out of State

First-Year Graduate Students, Fall 2017



Larger Share of CSU Graduate Students Come From California

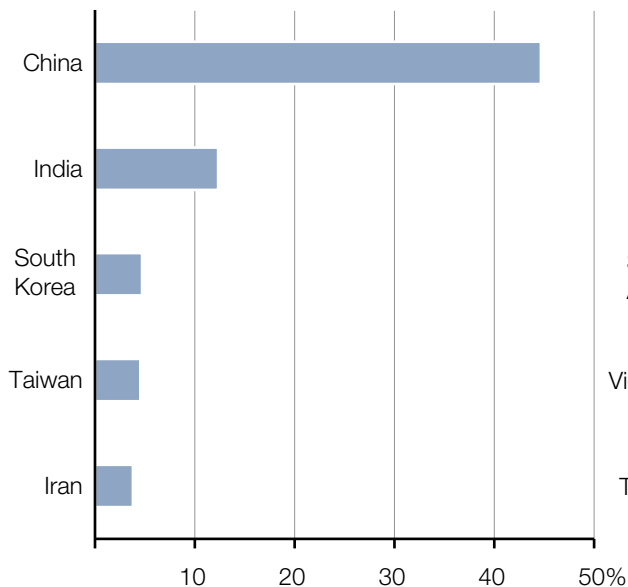
Graduate Students, Fall 2017



Data for first-year graduate students at CSU was not readily available. At both UC and CSU, most out-of-state graduate students who are U.S. citizens gain California residency after their first year of study.

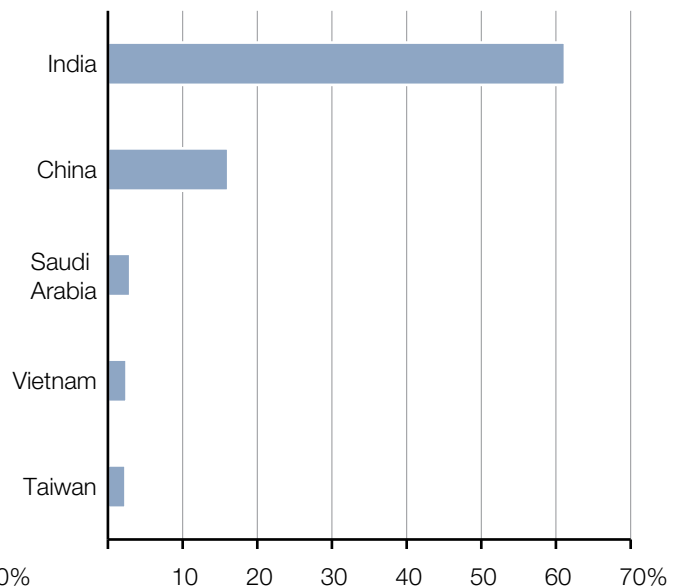
China Is Largest Country of Origin for International Graduate Students at UC

Top Five Countries of Origin, Fall 2017



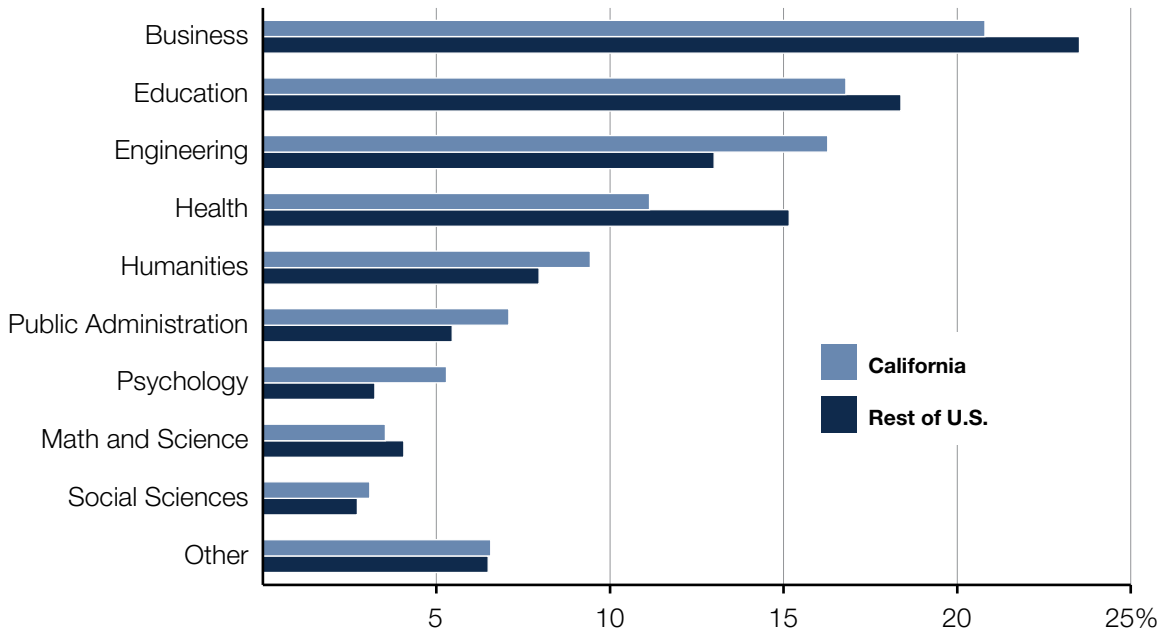
India Is Largest Country of Origin for International Graduate Students at CSU

Top Five Countries of Origin, Fall 2017



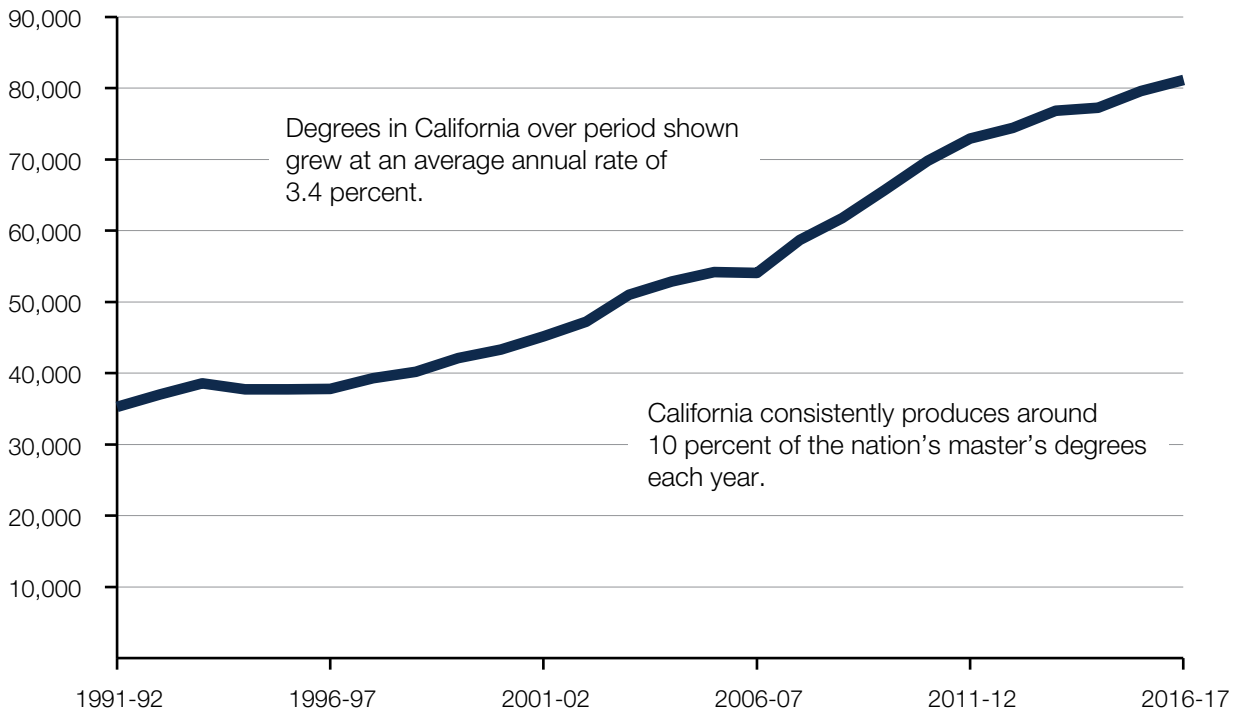
Master's Degrees Are Concentrated in a Few Key Fields of Study

2016-17



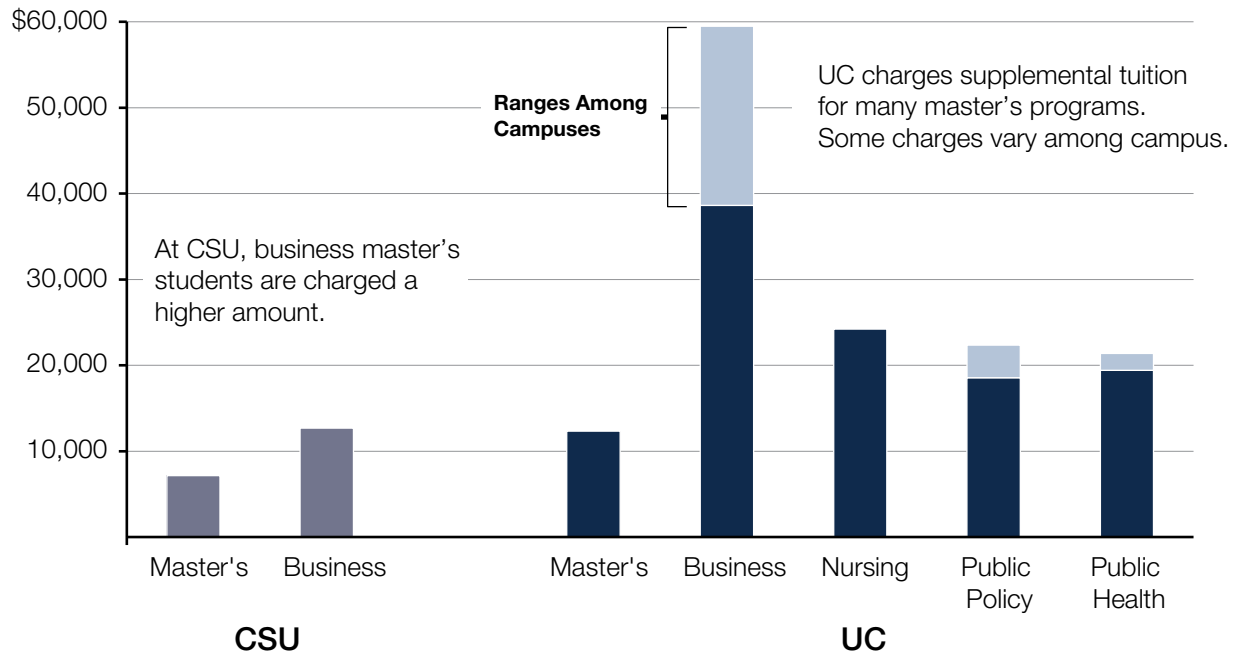
Number of Master's Degrees Continues to Grow

Master's Degrees Produced Each Year in California



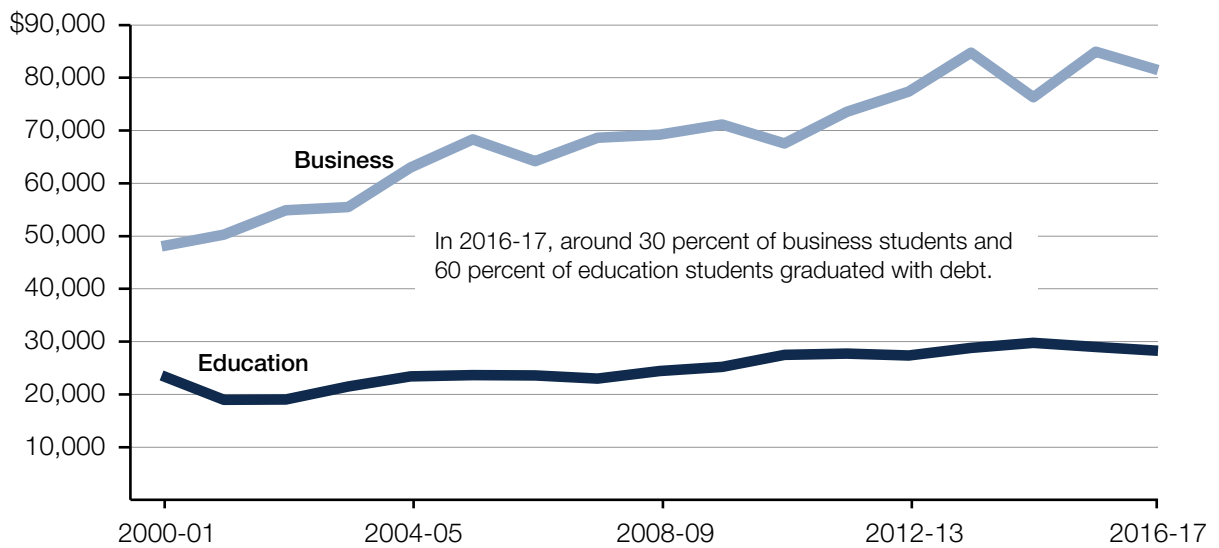
Some Master's Programs Have Higher Tuition Charges

Annual Systemwide Tuition and Fees for Selected Programs, 2018-19



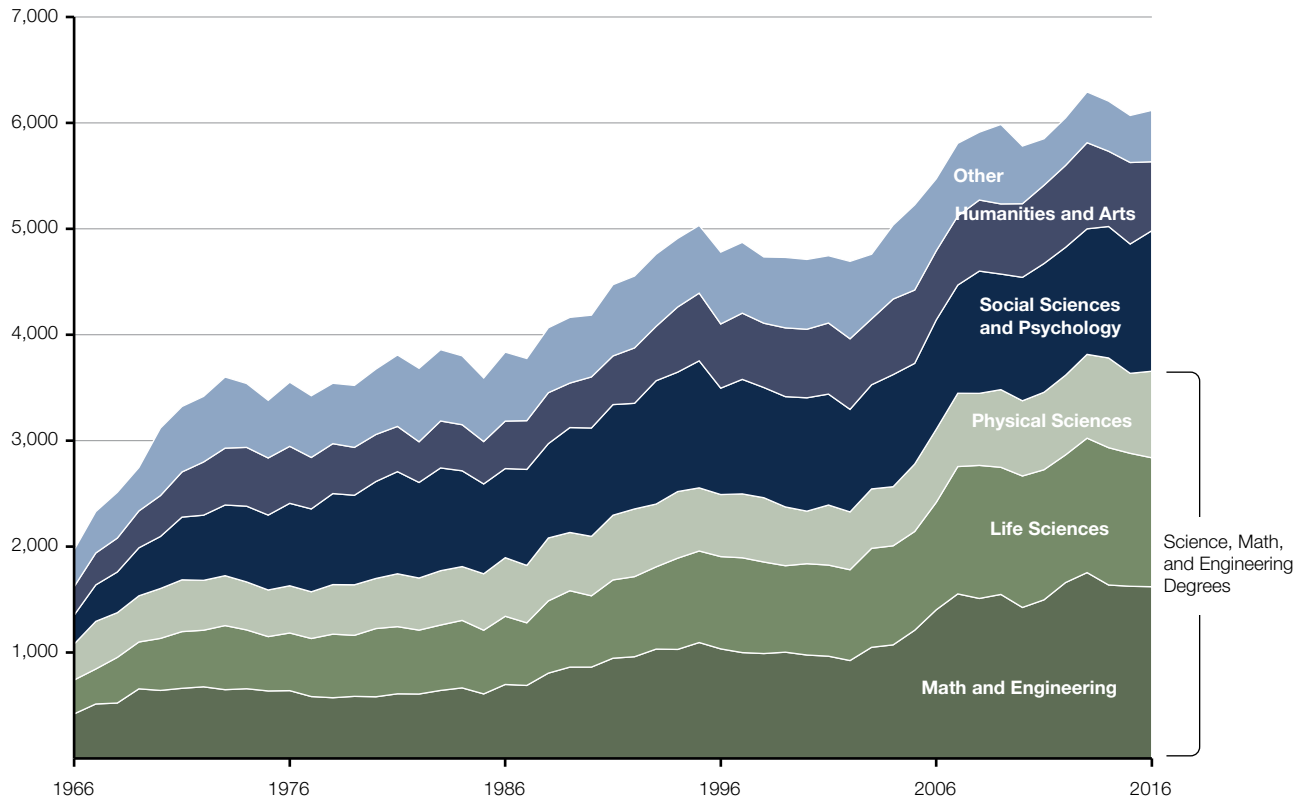
Debt Rising for Some Master's Students

Average Debt of UC Borrowers at Graduation, 2016-17 Dollars



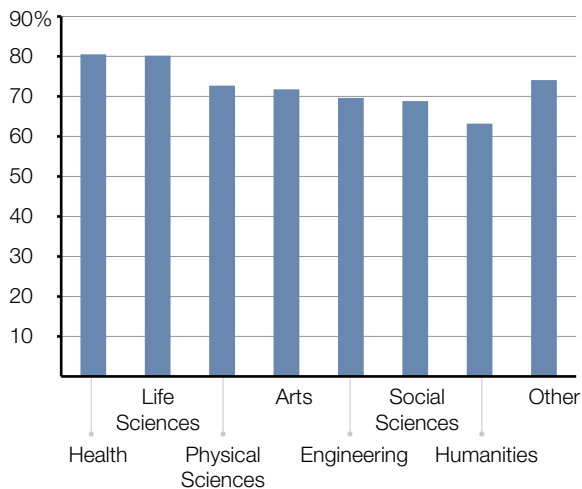
Over the Years, About Half of Research Doctorates Have Been in Science, Math, and Engineering

Degrees Produced in California by Field of Study



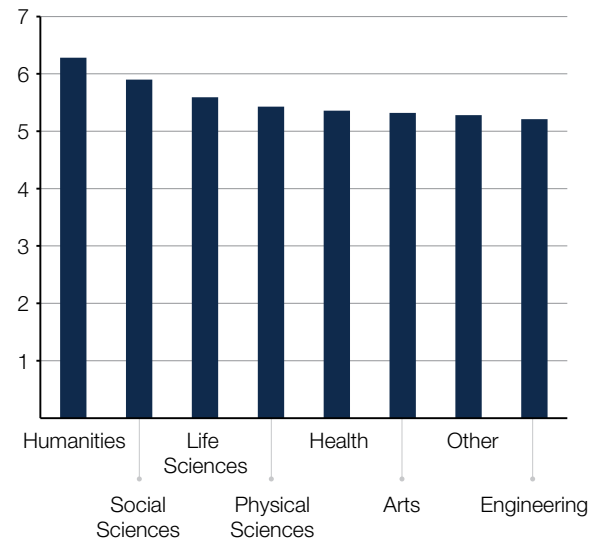
Completion Varies Notably by Field of Study

Ten-Year Graduation Rates for UC Doctoral Students, 2005-07 Cohorts



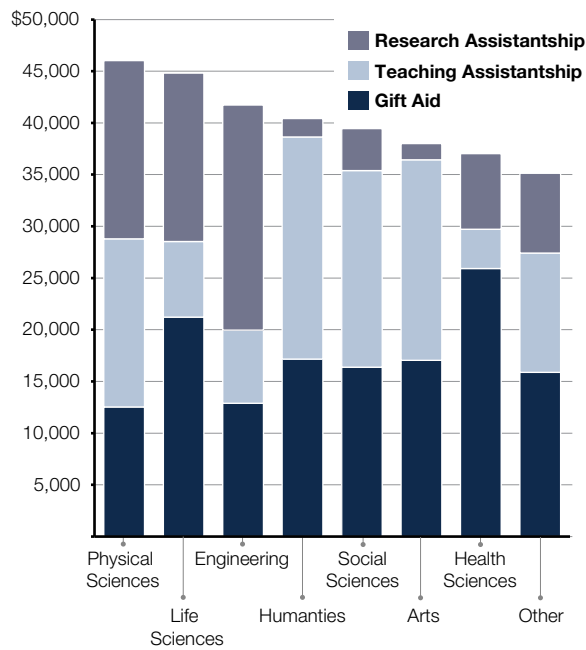
UC Doctoral Students Tend to Take At Least Five Years to Graduate

Average Years Enrolled to Degree, 2005-07 Cohorts

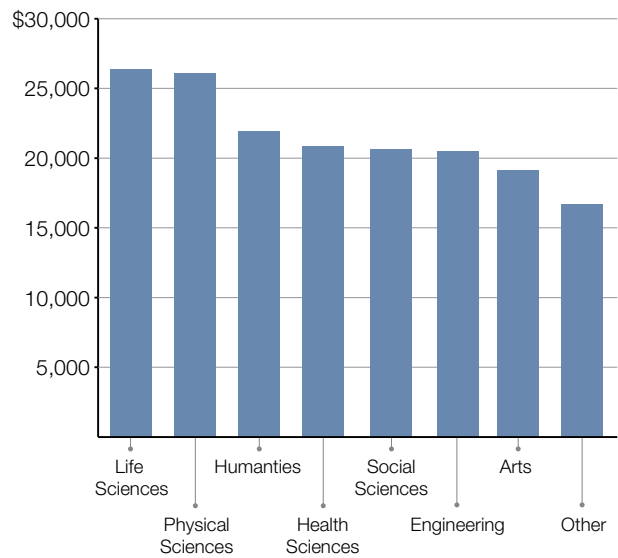


Most Research Doctoral Students Receive Substantial Financial Support

Average Annual Aid Provided Per Student, 2015-16



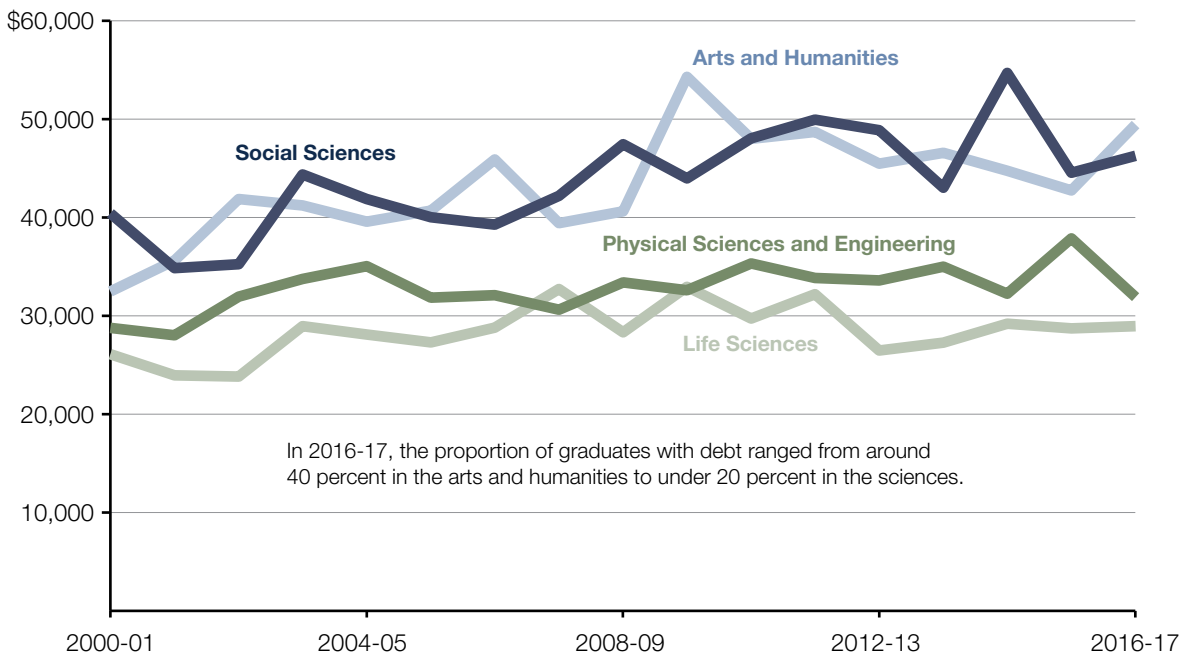
Average Net Stipend Provided Per Student, 2015-16



“Net stipend” reflects the amount of financial support a student has remaining after covering tuition and fees.

Research Doctoral Students in Certain Fields Have Higher Debt Levels

Average Debt of UC Borrowers at Graduation, 2016-17 Dollars



California Has 62 Law Schools

Public Schools



UC
4 schools
2,995 students
756 first-time
bar takers



Hastings
1 school
932 students
260 first-time
bar takers



Nationally Accredited
16 schools
8,607 students
2,448 first-time
bar takers



State Accredited
20 schools
—
400 first-time
bar takers



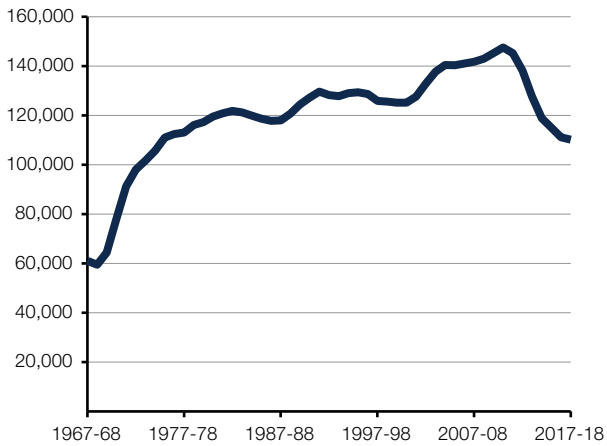
Unaccredited
19 schools
—
151 first-time
bar takers

California's five public schools are nationally accredited.

Number of students at state accredited and unaccredited schools is not readily available.

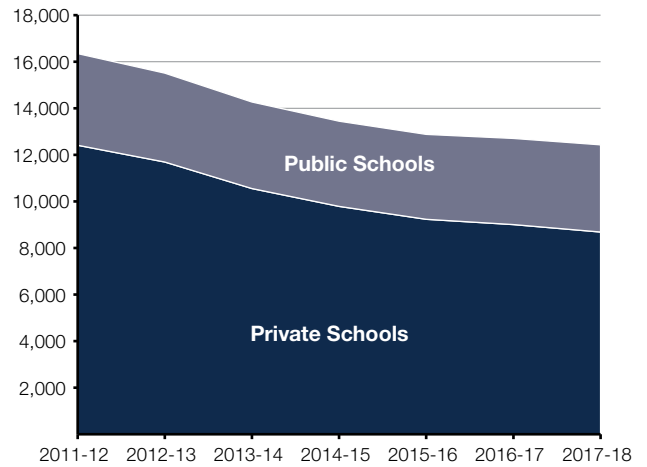
Law School Enrollment Is Declining Nationally...

Juris Doctor Students at Nationally Accredited Schools Throughout the Country



...And in California

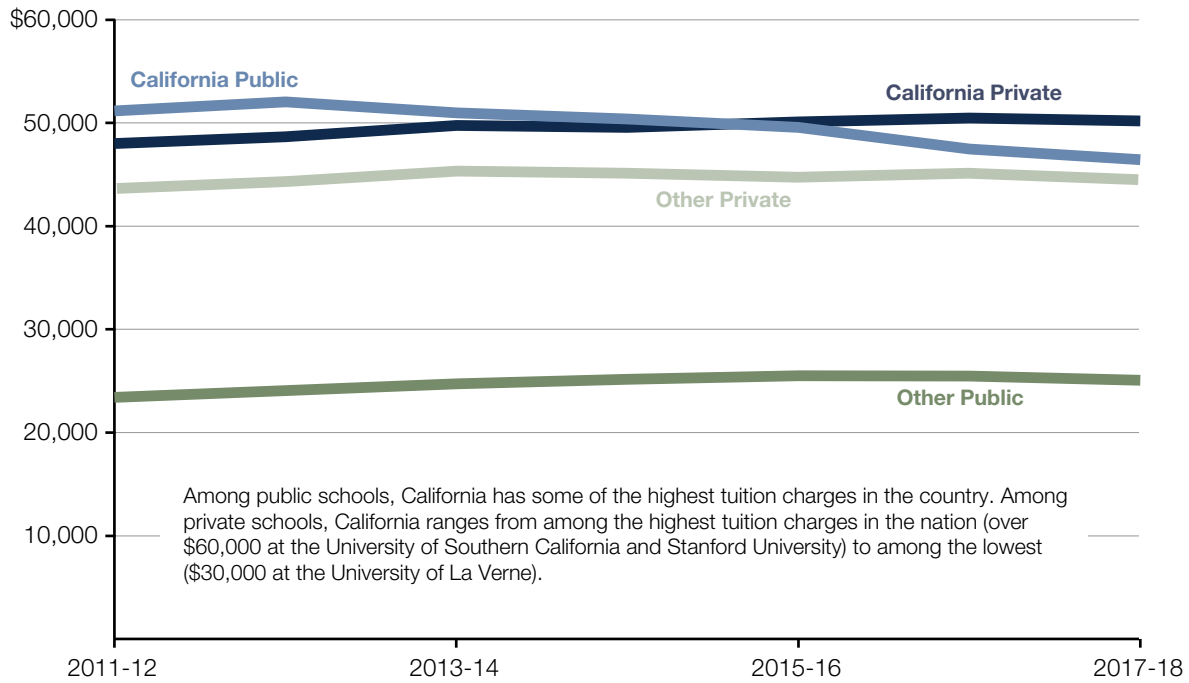
Juris Doctor Students at Nationally Accredited Schools in California



Since 2011-12, enrollment nationally and in California has declined 24 percent. Institution-level data for public and private schools is not readily available prior to 2011-12.

California Law Schools Charge Higher Tuition Than National Average

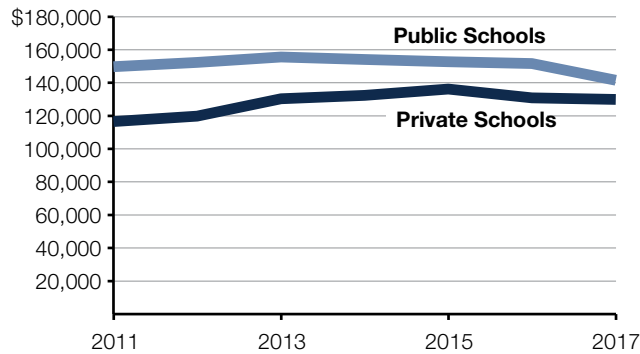
Annual Resident Tuition and Fees at Nationally Accredited Schools, 2017-18 Dollars



75 percent of students at public law schools and 46 percent of students at private law schools in California receive a tuition discount. Very few law students have their tuition fully waived.

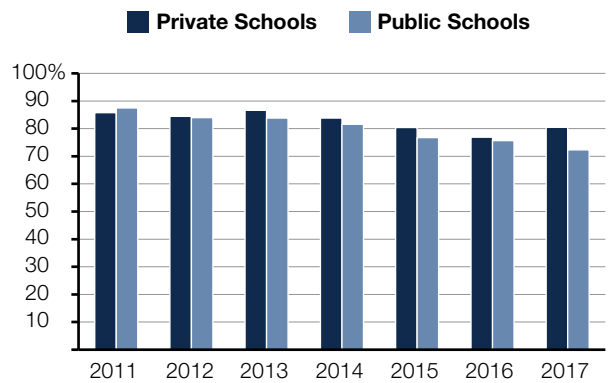
Average Debt of Law Students Has Not Increased Notably in Recent Years

Average Debt of Borrowers at Graduation, 2017 Dollars



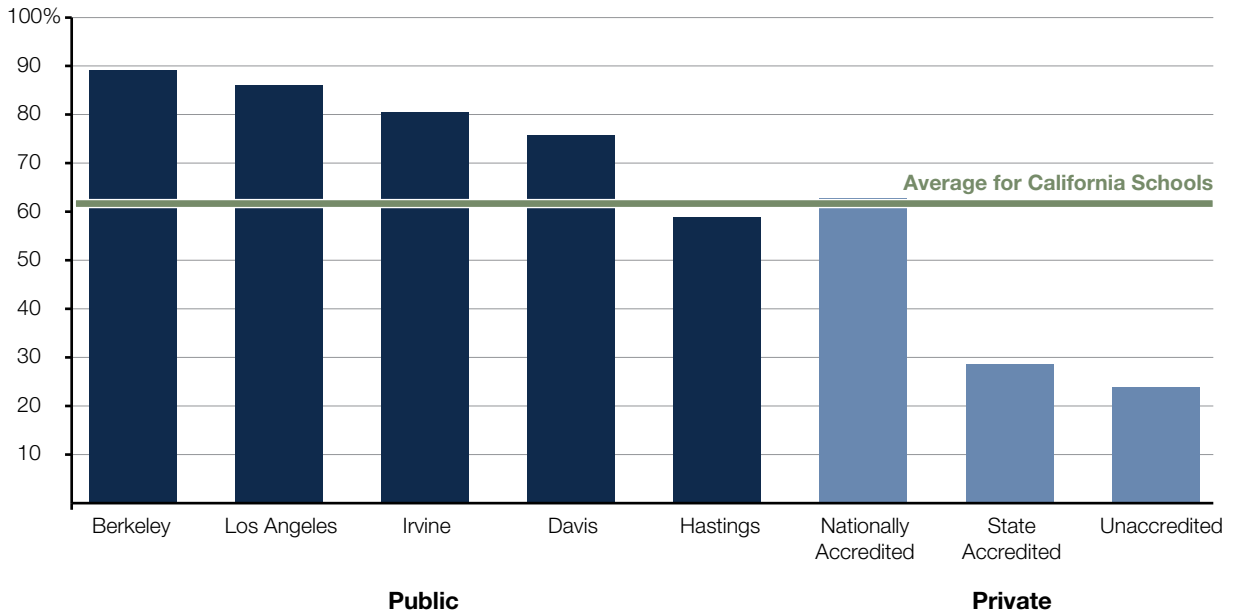
Most Law Students Graduate With Debt

Share of Graduates With Debt



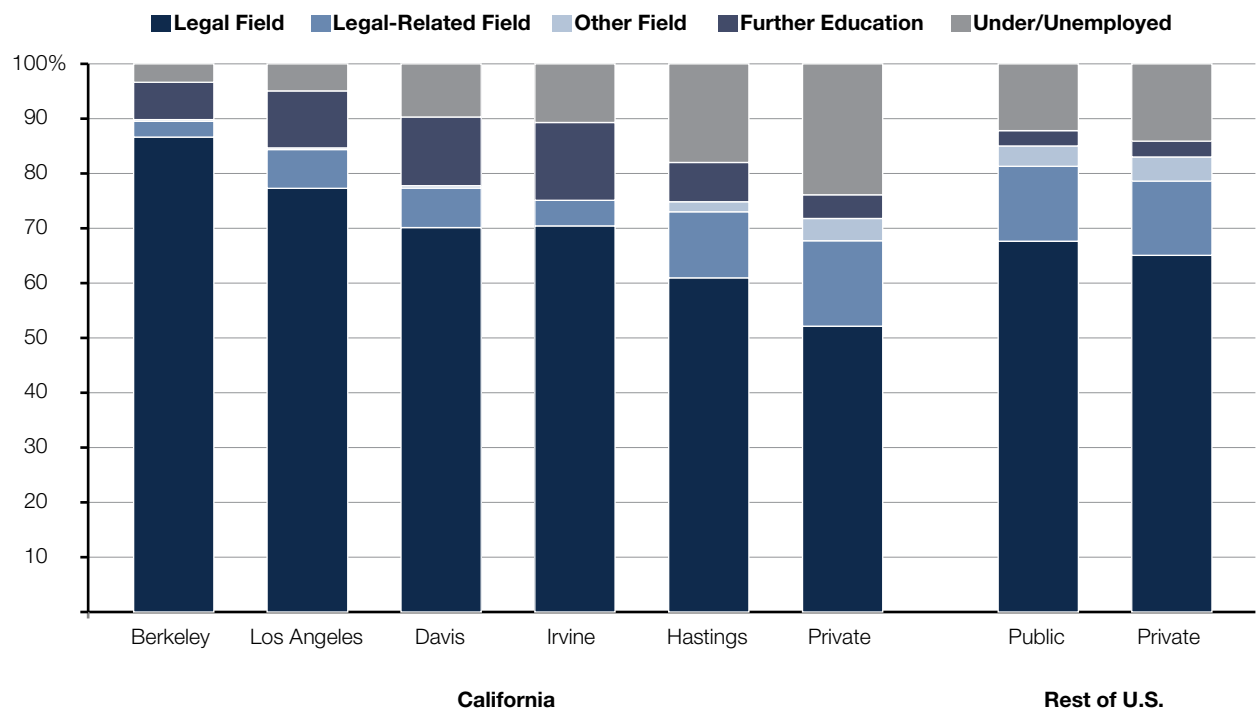
Among Law Schools in California, Public Ones Tend to Have Better Exam Outcomes

California Bar Examination First-Time Pass Rates, 2017



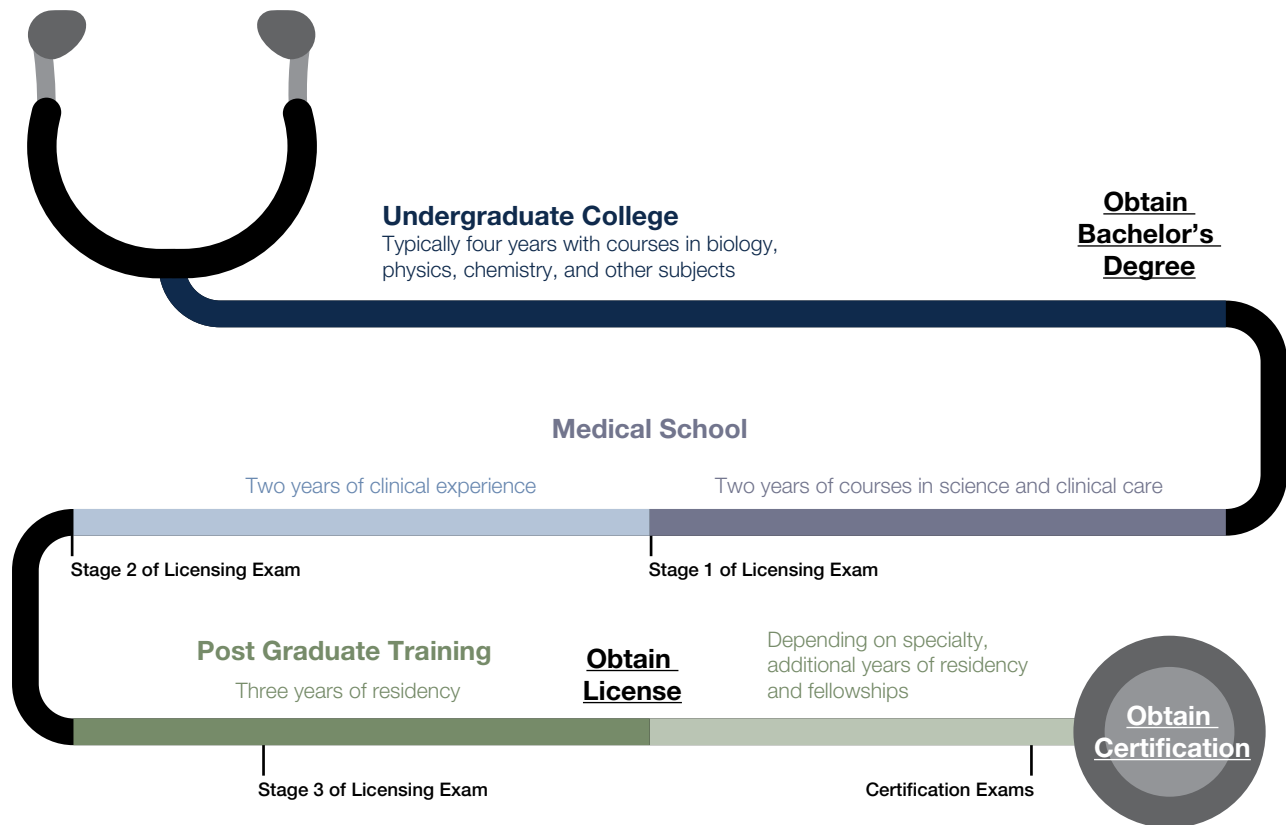
Public Law Schools Also Tend to Have Better Employment Outcomes

Employment Field/Status Upon Graduating From Nationally Accredited Law Schools, 2014-2017



Physicians Have a Long Education and Training Pathway

Typical Pathway to Become a Physician in California



Physicians Focus in One of the Following Areas

Specialty Areas as Defined by Accreditation Council for Graduate Medical Education



Primary Care

Family Medicine
Internal Medicine
Pediatrics
Obstetrics/Gynecology



Medicine-Based Specialties

Allergy and Immunology
Dermatology
Neurology
Osteopathic Medicine
Physical Medicine and Rehabilitation
Psychiatry



Surgical-Based Specialties

General Surgery
Colon and Rectal Surgery
Neurological Surgery
Ophthalmology
Orthopedic Surgery
Otolaryngology
Plastic Surgery
Thoracic Surgery
Urology

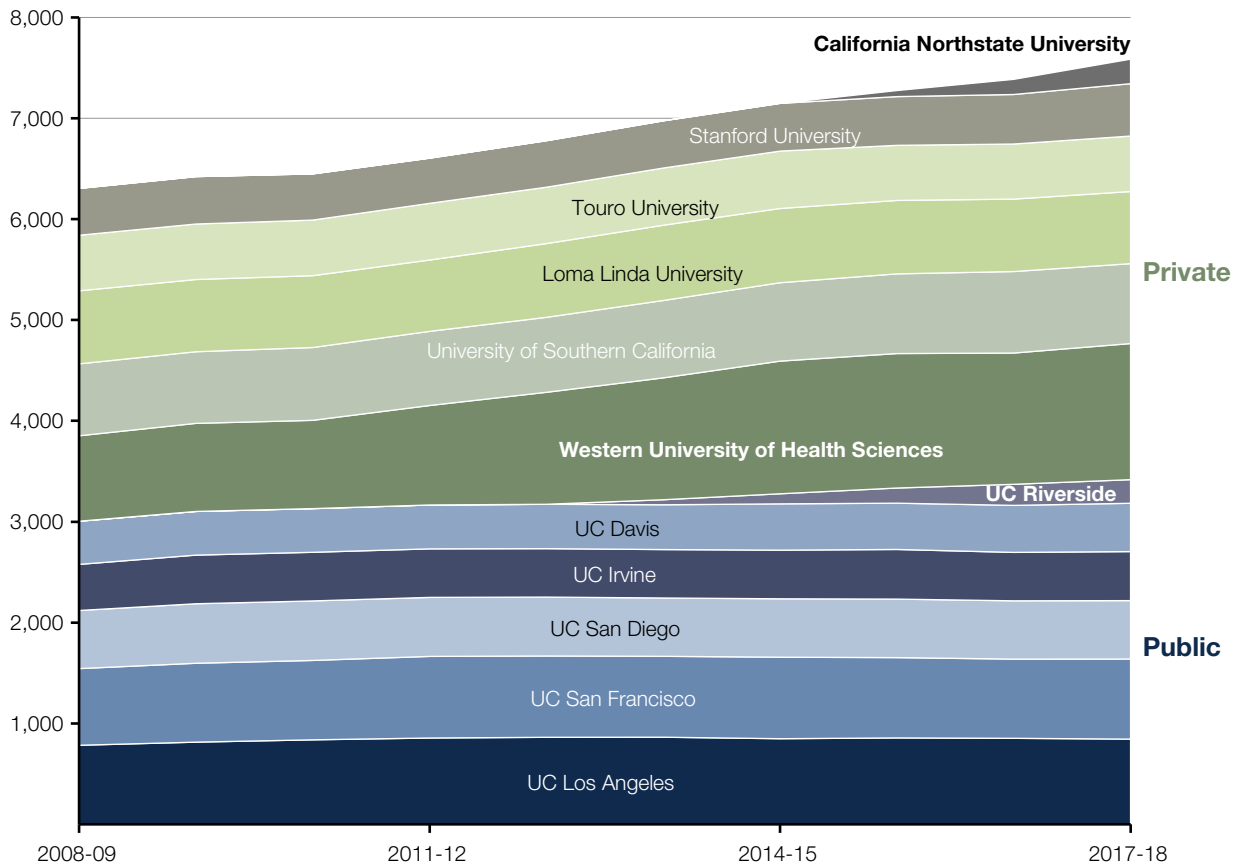


Hospital-Based Specialties

Anesthesiology
Emergency Medicine
Medical Genetics and Genomics
Nuclear Medicine
Pathology
Preventative Medicine
Radiation Oncology
Radiology

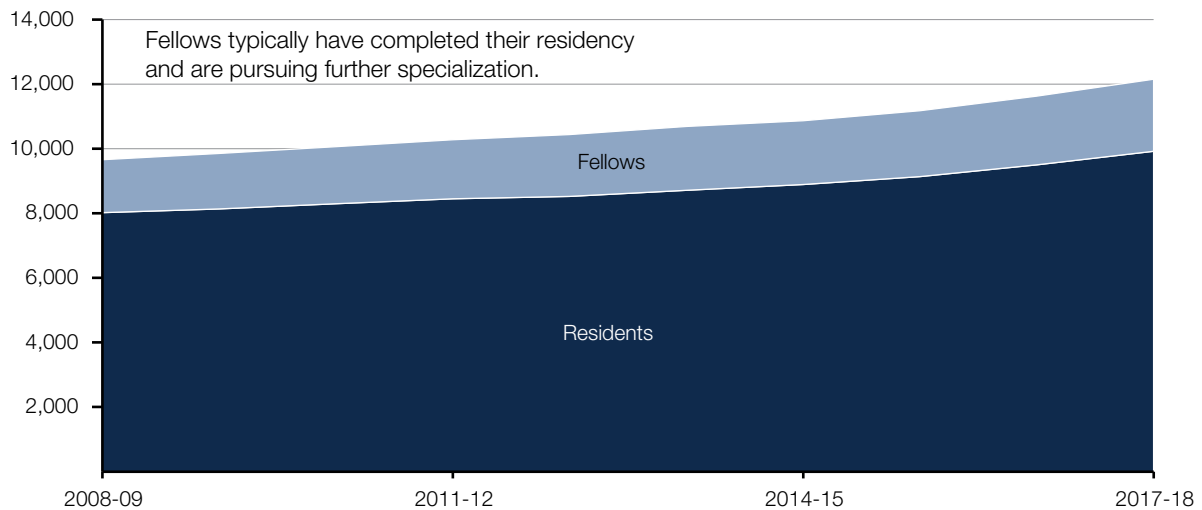
A Few Medical Schools Are Experiencing Relatively High Rates of Enrollment Growth

Number of Medical Students by School



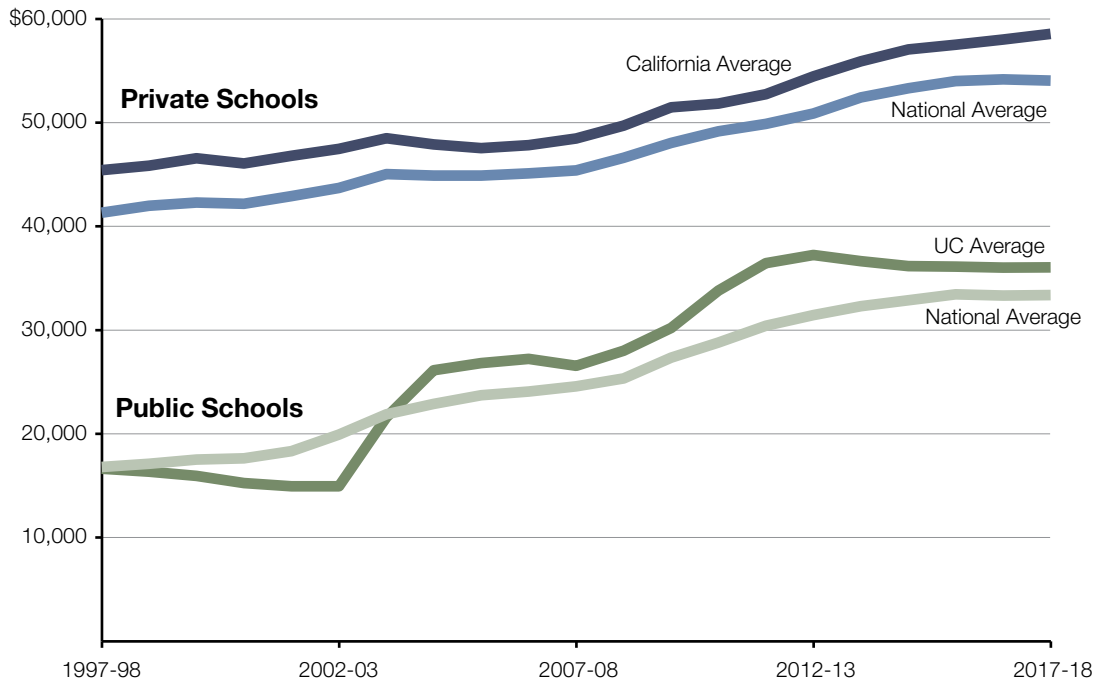
Postgraduate Slots Have Grown Steadily

Number of Active Residents and Fellows in California



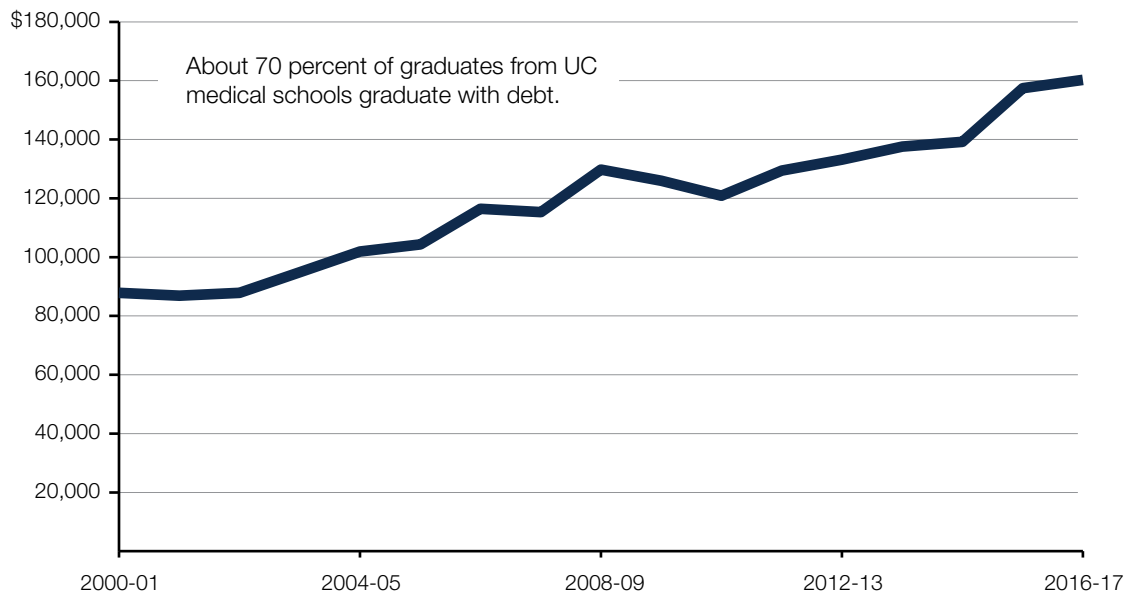
Tuition Charges Steadily Rising for Medical Students

Annual Resident Tuition and Fees of Doctor of Medicine Programs, 2017-18 Dollars



Debt Also Rising for Medical Students

Average Debt of Borrowers Upon Graduating From UC Medical Schools, 2016-17 Dollars



CHAPTER 6
EDUCATION FACILITIES



K-12 School Facility Program (SFP) Is Based on Shared Responsibility

Under SFP, the state and school districts share project costs. The district share is 50 percent of costs for new construction and 40 percent for modernization. Projects receive funding on a first come, first serve basis.

- ✓ **New construction** grants are awarded to districts that lack sufficient space for their current or anticipated student population.
- ✓ **Modernization** grants are for renovating facilities 25 years or older.

CCC Facilities Also Typically Rely on Both State and Local Funding

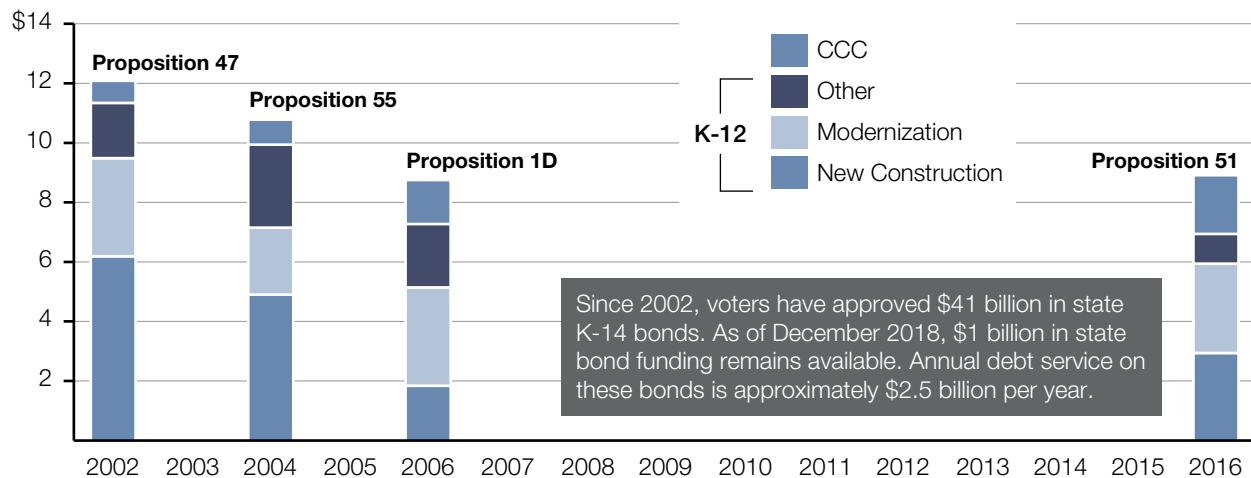
The CCC Chancellor's Office submits a list of proposed community college projects to the Legislature and Governor each budget cycle it prioritizes its requests in the following order:

- ✓ Projects to address life safety, seismic deficiencies, or building failure risks.
- ✓ Projects to increase instructional capacity, modernize instructional space, complete campus build-outs, and house support services.

Projects with a local match receive greater consideration.

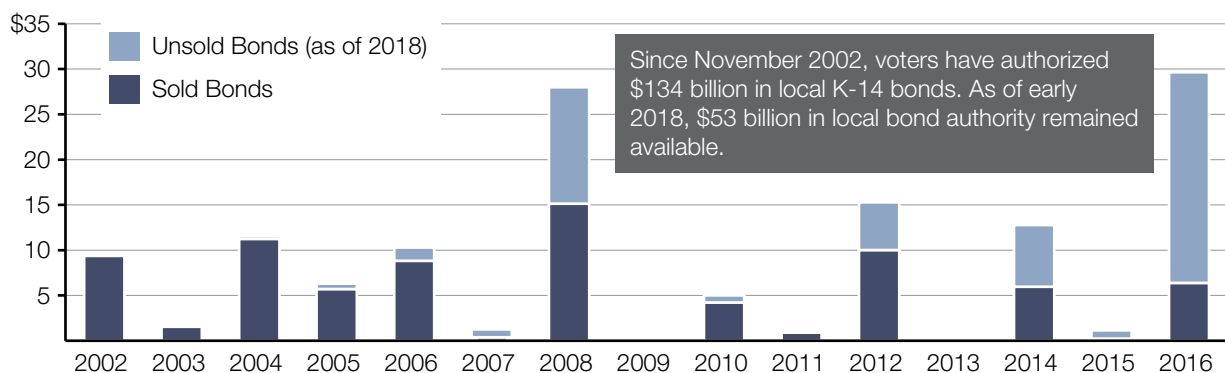
Voters Have Approved Substantial State Funding for K-14 Facilities

State General Obligation Bonds (In Billions)



Voters Also Have Approved Substantial Local Funding for K-14 Facilities

Local General Obligation Bonds (In Billions)



Higher Education Segments Have Notable Footprints

Number of Campuses, Acres of Land, and Building Square Footage at Each Segment, 2018-19

Number of Campuses



CCC 114

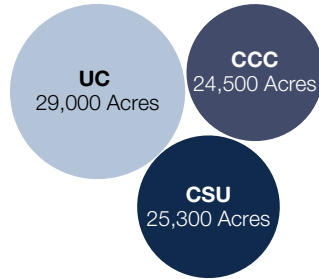


CSU 23



UC 10

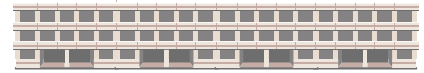
Acres of Land



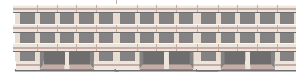
Combined, California's segments have more land than the city of Fresno.

Building Square Footage

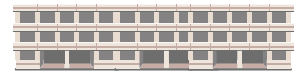
UC 127 Million



CSU 91 Million



CCC 87 Million



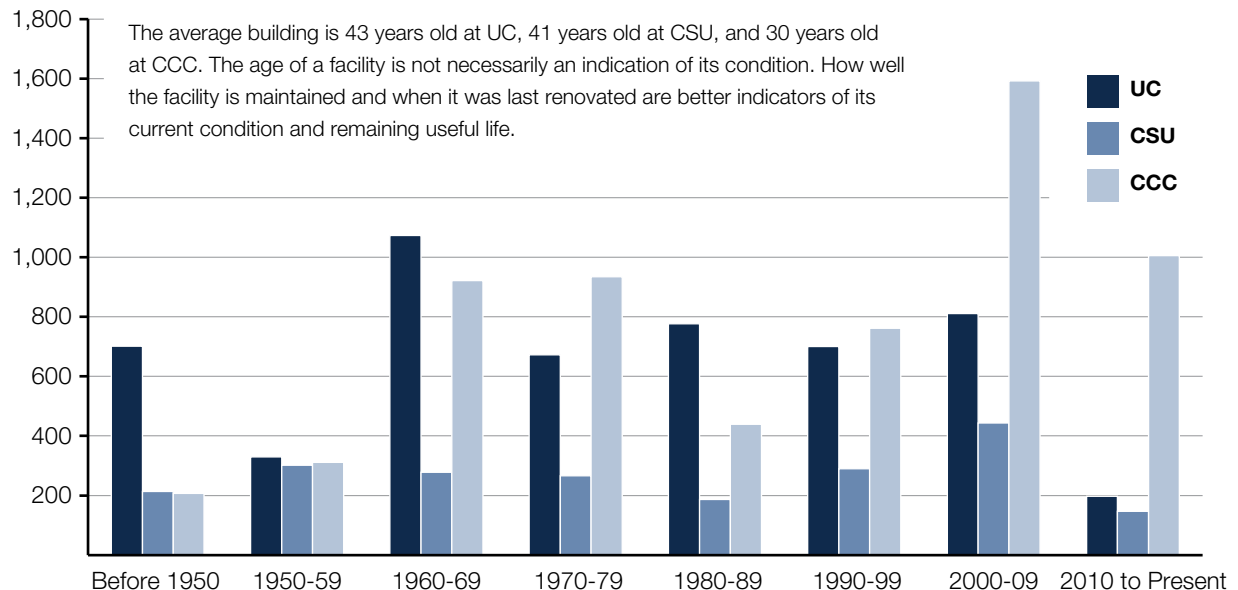
Combined, California's segments operate 47 times the amount of building space as the Pentagon in Washington, DC.

UC's research mission, agricultural programs, and five medical centers contribute to the segment's large footprint relative to its number of campuses.

The state funds core academic facilities—classrooms, laboratories, libraries, and faculty offices. Housing, bookstores, medical centers, athletic facilities, and other nonacademic facilities are supported by fees and other nonstate funds. About half of UC facilities and three-quarters of CSU facilities are academic. CCC does not have an estimate, but its share of academic facilities is likely higher than at CSU.

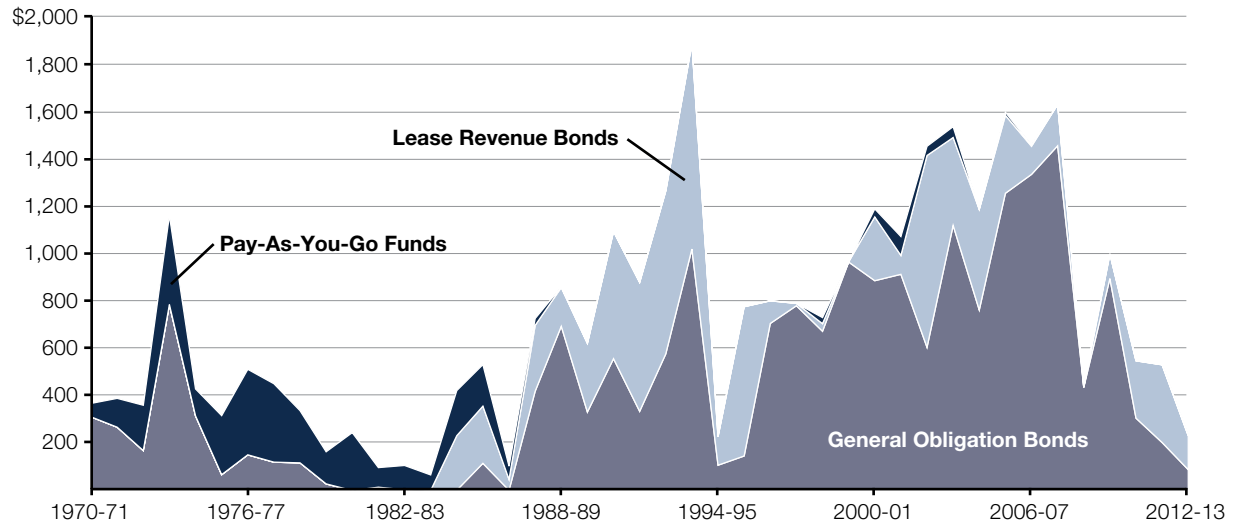
Many Buildings Constructed Several Decades Ago

Number of Buildings by Date Constructed, 2018-19



State Has Had a Hands-On Approach to Funding Higher Education Capital Outlay

State Spending on Higher Education Capital Outlay, 2012-13 Dollars (In Millions)



Three Ways the State Has Supported Capital Projects

Funds Used by State to Support Higher Education Projects Through 2012-13

General Obligation Bonds are backed by the state General Fund and approved by voters. Voters over the years have approved numerous higher education bonds. From 1986 to 2006, voters approved higher education bonds about every two years.

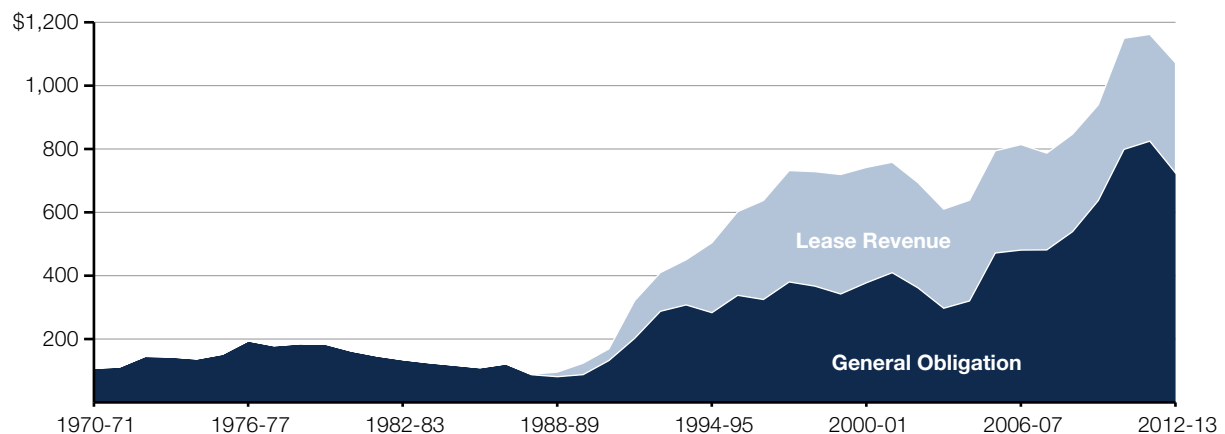
Lease Revenue Bonds also are financed with state General Fund but do not require voter approval. Because repayment is not as secure, interest rates tend to be higher for these types of bonds.

Pay-As-You-Go is when the state pays for the facilities with cash.

After 2012-13, the state restructured how it supported UC and CSU facilities (described on next page).

Debt Service Costs Have Increased Substantially Since 1990

Higher Education Debt Service, 2012-13 Dollars (In Millions)



State Recently Changed How It Finances University Facilities

Beginning in 2013-14 for UC and 2014-15 for CSU:

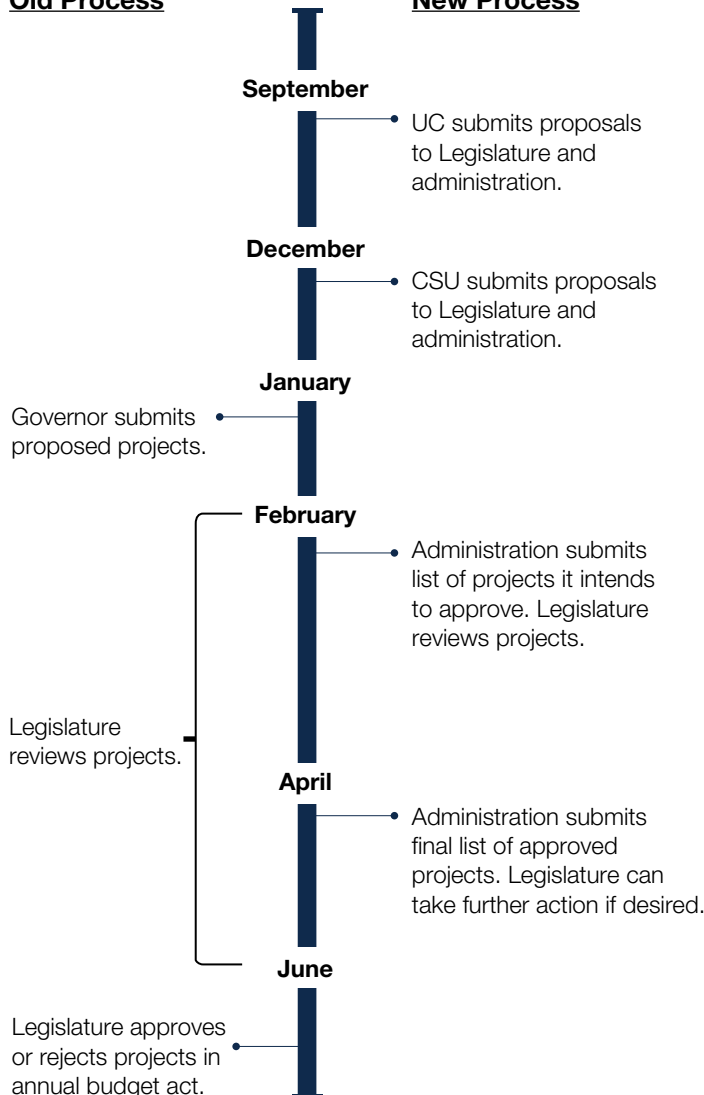
- State shifted funds for general obligation bond debt service into UC’s and CSU’s main budget appropriation.
- Segments issue their own university bonds to fund projects.
- Each segment pays all associated debt (on general obligation, lease revenue, and university bonds) using its main budget appropriation.

State Also Changed How Projects Are Approved

Old and New Timeline to Approve University Projects

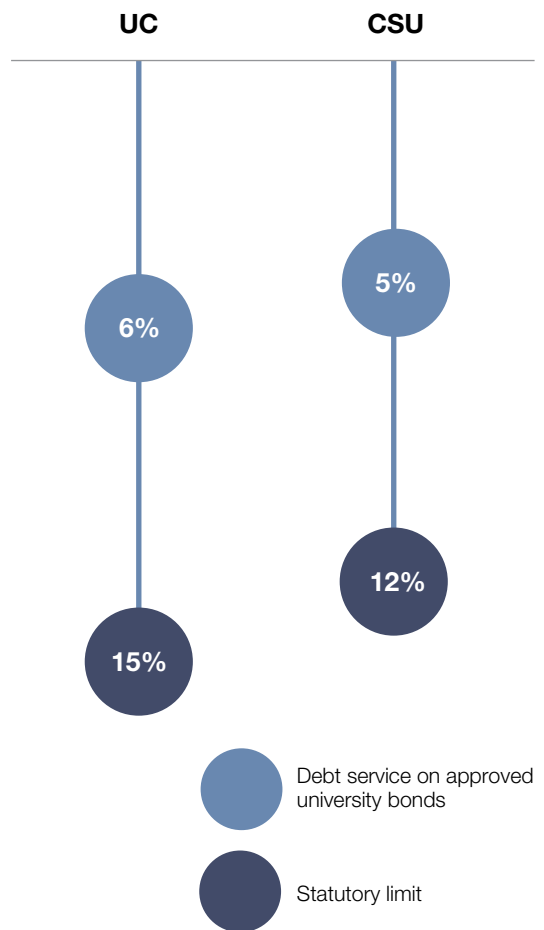
In creating the new process, the Legislature ceded substantial project-approval authority to the administration.

Old Process



UC and CSU Are Below Statutory Limit on Their University Bonds

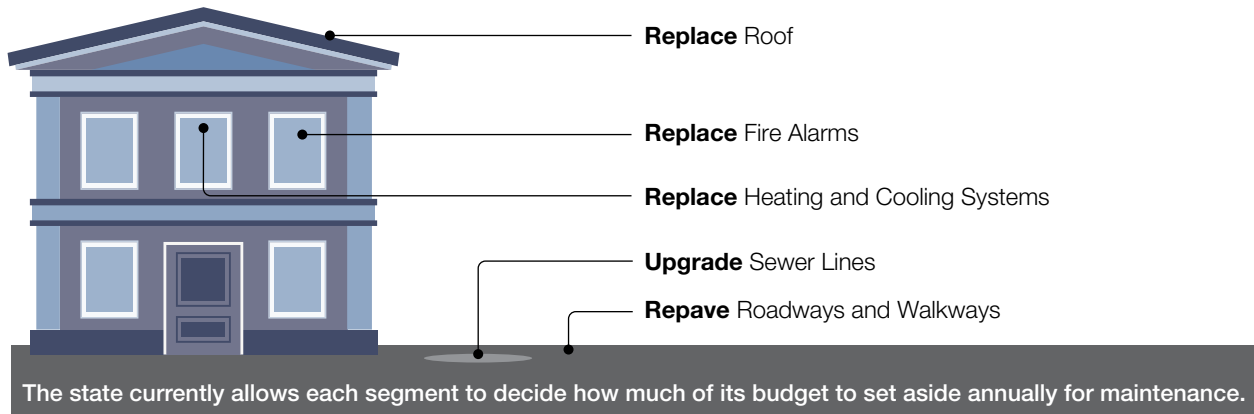
Percent of Annual General Fund Spent on Debt Service as Reported by Segments



When granting the segments the ability to finance their own bonds, the state adopted debt limits to ensure an adequate amount of funds were available for the segments’ operating costs. General obligation and lease revenue bond debt is not included in the statutory limit. Including all bonds, debt service is 10 percent of each segment’s General Fund support.

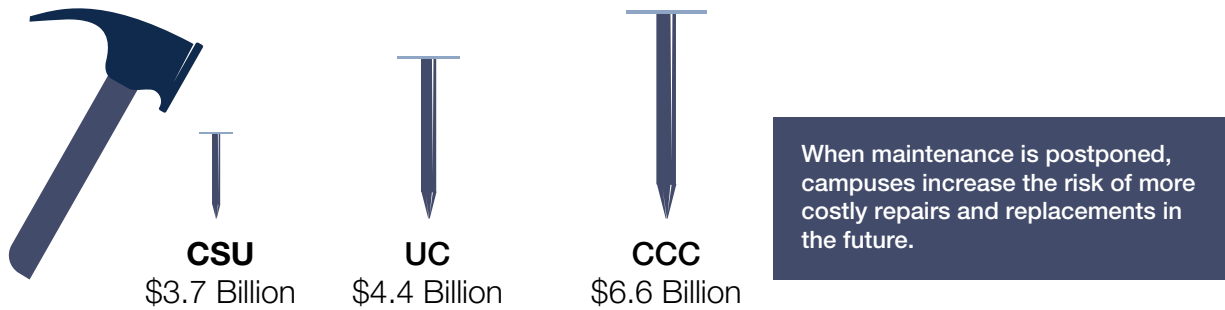
Maintenance Is Essential for Campuses to Remain in Good Condition

Examples of Maintenance Projects



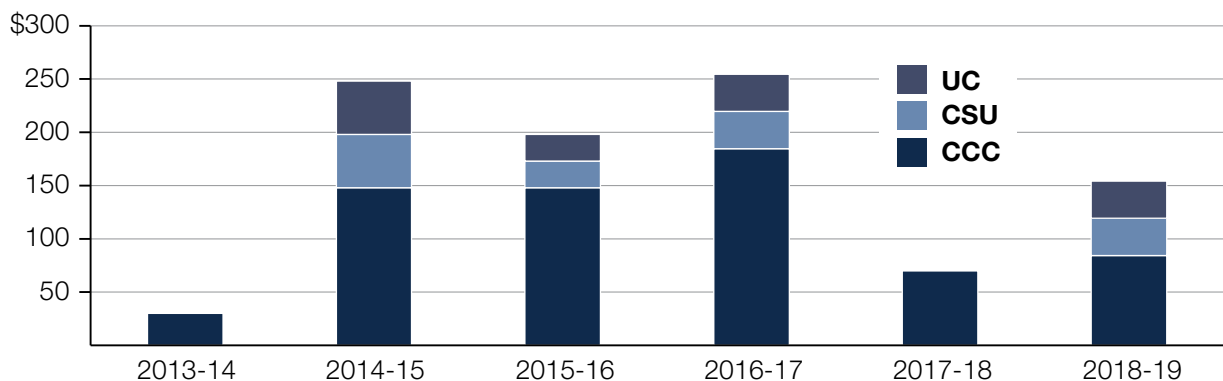
Backlogs Can Accumulate When Campuses Do Not Do Maintenance on Schedule

Value of Maintenance Backlog as Estimated by Each Segment



Over Past Six Years, State Has Provided Funding to Address Backlogs

One-Time State Funding for Deferred Maintenance (In Millions)



Contributors

Deputy Legislative Analyst, Education

Jennifer Kuhn Pacella

Early Education

Sara Cortez - All Topics

K-12 Education

Ryan Anderson - Student Characteristics and Outcomes

Sara Cortez - District Performance

Kenneth Kapphahn - School Funding and Fiscal Health

Amy Li - School Staffing and Expenditures

Adult Precollegiate Education

Lisa Qing - All Topics

Undergraduate Education

Edgar Cabral - Community College Funding Allocations

Jason Constantouros - Educational Attainment, Enrollment, and Core Funding

Lisa Qing - Student Characteristics, Tuition, and Financial Aid

Paul Steenhausen - University Admissions, Budgeting, Expenditures, and Outcomes

Graduate Education

Jason Constantouros - All Topics

Education Facilities

Jason Constantouros - University Facilities

Amy Li - K-12 Facilities

Lisa Qing - Community College Facilities

Graphic Designer

Vu Chu

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