

CPEC: A Review of Its Mission And Responsibilities

LEGISLATIVE ANALYST'S OFFICE

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INTRODUCTION

Supplemental report language (SRL) of the *2002-03 Budget Act* directed the Legislative Analyst's Office (LAO) to convene a working group to:

- Reexamine the California Postsecondary Education Commission's (CPEC) statutory responsibilities.
- Identify ways that the commission can effectively perform its responsibilities within its budgeted resources.
- Consider recommendations put forth by the Joint Committee to Develop a Master Plan for Education related to current CPEC functions and the development of a successor agency.

In addition, the SRL directed LAO to report the working group's findings and recommendations regarding the reform or reconstitution of CPEC. (Appendix 1 displays the SRL regarding CPEC priorities.) Accordingly, this report presents (1) the primary issues identified by the working group, (2) the relevant findings and policy options discussed in relation to these issues, and (3) LAO's recommendations for legislative action.

In preparing this report, we obtained information from a variety of sources.

- We held five working group meetings in fall 2002. Participants included legislative staff from both houses' budget and policy committees, and representatives from the Department of Finance, CPEC, the University of California (UC), the California State University (CSU), the California Community Colleges (CCC), the California Student Aid Commission, the Office of the Secretary for Education (OSE), the Department of Education, and the Association of Independent California Colleges and Universities (AICCU).
- We conducted interviews with representatives of a diverse set of stakeholders in postsecondary education, including legislative staff from the Joint Committee to Develop a Master Plan for Education, representatives from the higher education "segments" (UC, CSU, and CCC), CPEC staff, CPEC commissioners, and students.
- We reviewed a number of CPEC publications and relevant research and literature on postsecondary agencies. These included materials prepared by the California Citizens Commission on Higher Education (Citizens Commission), the North Carolina Center for Public Policy Research, the State Higher Education Executive Officers, and the Education Commission of the States. We also examined postsecondary education agencies in other states to see if alternative models may be appropriate for California.

Although this report was informed by discussion and involvement with all the working group members, the conclusions and recommendations included in this report are those of the LAO, and do not necessarily represent the views of the other members of the working group.

BACKGROUND AND HISTORY OF CPEC

Master Plan. The 1960 Master Plan for Higher Education (Master Plan) called for the creation of the Coordinating Council for Higher Education to serve as an advisory body for postsecondary education. As envisioned by the Master Plan, the Coordinating Council's main functions would be to provide fiscal and policy advice to the Governor and the Legislature regarding postsecondary education issues, to monitor public institutions, and to ensure comprehensive statewide planning for higher education and effective use of resources. The state adopted this Master Plan recommendation and established the Coordinating Council for Higher Education in 1960.

Creation of CPEC. In 1973, the Legislature's Joint Committee on Higher Education reviewed the 1960 Master Plan and recommended strengthening California's higher education plan. Chapter 1187, Statutes of 1973 (AB 770, Vasconcellos), created CPEC and made it responsible for the planning and coordination of postsecondary education. The commission was charged with providing analysis, advice, and recommendations to the Legislature and the Governor on statewide policy and funding priorities for postsecondary education. In making changes to the Coordinating Council, Chapter 1187 (1) required that a majority of the commission members be from the general public rather than from the segments and (2) increased the commission's responsibilities. Subsequent legislation has added to and modified CPEC's statutory responsibilities over time. Appendix 2 displays CPEC's current statutory responsibilities.

Composition of Commission. An appointed commission governs the CPEC. The commission consists of 16 members, representing the public and private university segments, the State Board of Education (SBE), students, and the general public. Figure 1 describes the composition of the commission, including the appointing authority and term length for each member. Statute specifies that commission members may not be employed by any institution of public or private postsecondary education (except for temporary part-time teachers). The commission selects its chairperson from among the members representing the general public and appoints the executive director. Statute states that the commission shall meet as often as it deems necessary to carry out its duties and responsibilities. In the past few years, the commission has met approximately six times per year.

Figure 1 Composition of Commission		
Commission Members	Appointing Authority	Length of Term
9 public representatives	<ul style="list-style-type: none"> • 3 appointed by Governor. • 3 appointed by Senate Rules Committee. • 3 appointed by Speaker of the Assembly. 	6 years
2 student representatives	<ul style="list-style-type: none"> • Governor appoints from a list submitted by student organizations. 	2 years
5 system representatives	<ul style="list-style-type: none"> • 1 chosen by CCC. • 1 chosen by CSU. • 1 chosen by UC. 	At the pleasure of respective board.
	<ul style="list-style-type: none"> • State Board president serves or appoints from other SBE members. 	4 years
	<ul style="list-style-type: none"> • Governor appoints from a list submitted by AICCU. 	3 years

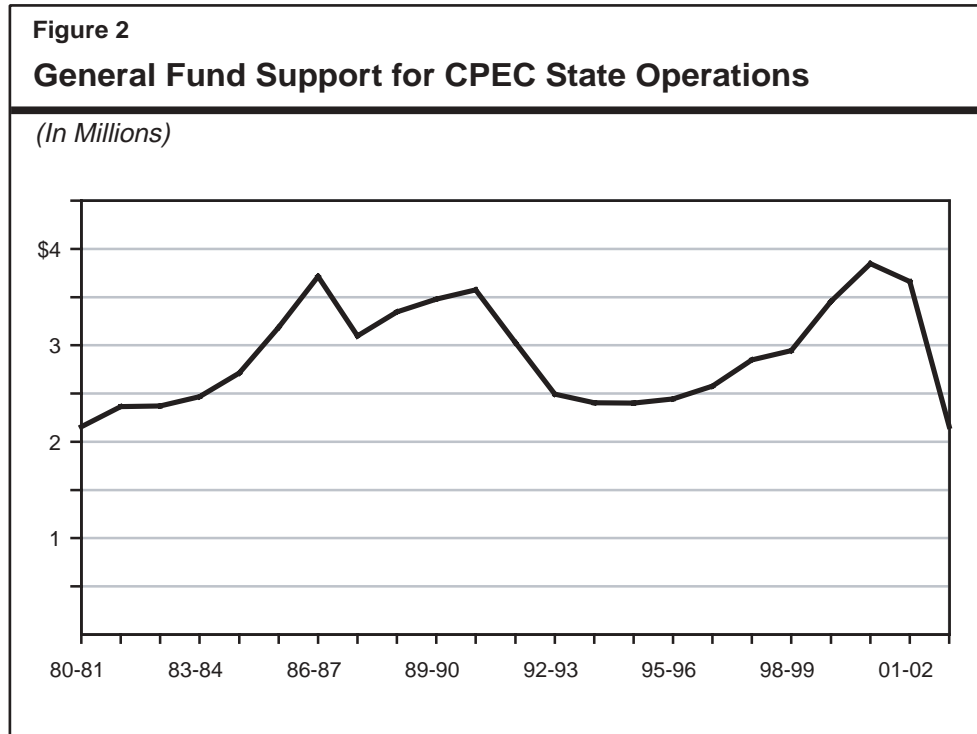
Statute also establishes an advisory committee to the commission and the director. The advisory committee consists of the chief executive officers of each of the public segments or their designee, the Superintendent of Public Instruction or his or her designee and an executive officer from both the AICCU and the Council for Private Postsecondary and Vocational Education. (Because the Council for Private Postsecondary and Vocational Education sunset, a CPEC staff member now serves as the sixth member of the advisory committee.)

Structure of CPEC Staff. In the 1990s, the number of authorized positions for CPEC ranged from 36.5 (in 1996-97) to 51.7 (in 1990-91). As portrayed in the Governor’s budget, CPEC staff is organized into three broad areas:

- The Executive area provides leadership to staff, advises the Governor and Legislature, and is generally involved with governmental relations activities.
- The Academic Programs and Policy unit is responsible for policy analyses and evaluation activities and administers federal K-12 /University professional development partnerships.
- The Information Systems and Administrative Services unit collects and maintains data on postsecondary education and provides general support services to the public and commission staff.

Funding for CPEC. Figure 2 displays General Fund support for the commission from 1980-81 through 2002-03. As the figure shows, funding for CPEC has fluctuated over time—typically rising or falling with the state’s economy. In addition to General Fund support, CPEC receives federal funds to administer federal K-12/University

Professional Development Partnerships. The *2002-03 Budget Act* provides \$430,000 in federal funds for CPEC to administer the federal program and approximately \$7.9 million in federal funds for local assistance grants.



ISSUES DURING THE 2002 SESSION

In the 2002-03 budget proposal in January, the Governor proposed funding CPEC at \$3.3 million (General Fund), which would have been \$0.5 million, or 12 percent, below the 2001-02 level. The decrease in the General Fund amount was primarily due to the proposed elimination of four staff positions. During budget hearings the Legislature began to explore whether there was a mismatch between CPEC's responsibilities and its resources.

May Revision Proposal. The Governor's May Revision proposed virtually eliminating CPEC. It would have reduced CPEC's General Fund appropriation by \$2.8 million from the level proposed in the January budget. This reduction reflected the elimination of 39.7 positions and related operating expenses and equipment. The proposed reduction would have left approximately \$500,000 and three positions (two General Fund positions and one federally funded position). The May Revision did not propose eliminating any of CPEC's statutory responsibilities, nor did it address how CPEC would continue to function with dramatically reduced resources.

Conference Compromise. Both houses rejected the May Revision proposal and restored funding (at different levels) for support of CPEC. Ultimately, the conference committee adopted a compromise providing \$2.2 million from the General Fund to support 28.5 positions and related operating expenses. This level of funding is included in the *2002-03 Budget Act*.

The conference compromise was a temporary solution, recognizing that the mismatch between CPEC's statutory responsibilities and its budgeted resources would still have to be addressed. Accordingly, the Legislature adopted the SRL specifying which activities should have higher priority in 2002-03 and calling for the working group to consider longer-term solutions.

Master Plan Recommendations Regarding CPEC. While 2002-03 budget hearings explored the relationship between staffing levels and funding levels, the Joint Committee to Develop a Master Plan for Education made recommendations regarding the structure and function of CPEC. Appendices 3, 4, and 5 list major recommendations regarding CPEC contained in the two published draft documents and the final document.

Generally, the May 2002 draft (Recommendation 39) recommended replacing CPEC with a new California Education Commission (CEC). In contrast to CPEC, which focuses almost exclusively on postsecondary education, the CEC would focus on California's entire public education system, pre-kindergarten through university. The May draft of the Master Plan also proposed changing the membership of the board both in number (from 16 to 9 members) and background (all members would be from the general public), and recommended granting the CEC authority generally greater than that of the commission.

The Joint Committee's recommendations spurred considerable discussion. When the Joint Committee released its second draft in July 2002, it proposed that the CEC have a divisional structure, with one division focused on preschool to K-12 activities and another focused on postsecondary education activities.

The final report, released in August 2002, significantly altered the previous recommendations regarding the reform or reconstitution of CPEC. In general, it (1) recommended that the Legislature review the founding statutes of CPEC and confirm or amend them as appropriate, (2) specified the commission's primary functions, and (3) recommended giving CPEC the authority to require the submission of specified data by the segments. The final report called for CPEC to continue to advise the Legislature and Governor regarding the improvement of postsecondary education, while the proposed CEC would be responsible for preschool through K-12 education, as well as serve as the interface between K-12 and postsecondary education.

January 2003 Governor's Budget Proposal. The Governor proposes 2003-04 General Fund expenditure of \$695,000 for CPEC, a decrease of \$1.5 million, or 68 percent, from the amount provided in the *2002-03 Budget Act*. This reduction reflects the elimination of 23.5 positions and related operating expenses and equipment. The CPEC would still have five positions (three General Fund positions and two federally funded

positions) in 2003-04. Similar to the 2002 May revision proposal, the Governor's budget does not address how CPEC should focus on its statutory mission.

MAJOR ISSUES EMERGING FROM WORKING GROUP DISCUSSION

In this section, we present the major issues that were identified in the course of the working group's discussions and our own investigation. Although the working group discussed most of the themes below at length, the group was unable to achieve a consensus on many issues. Therefore, while we have attempted to accurately present the main issues that were discussed, the following are our own conclusions and are not necessarily shared by all the working group's members.

We have grouped the main observations and findings into three main categories: mission and statutory responsibilities, governance and structural issues, and data and analysis.

Mission and Statutory Responsibilities

The CPEC's mission is statutorily defined in Education Code Section 66010.6, which specifies the commission's major responsibilities (please see gray box on next page). The commission is supposed to serve as the principal fiscal and program advisor to the Governor and the Legislature on postsecondary policy. Statute directs CPEC to work with the segments, the Governor, and the Legislature in preparing its analyses and recommendations, but at the same time to be objective, independent, and nonpartisan.

The functions currently allotted to CPEC—coordination, long-term planning; resource analysis; timely exchange of information and data; and independent, critical analysis—are all important activities. However, CPEC has been unable to effectively carry out all these functions for three reasons: (1) the scope of CPEC's statutory responsibilities is varied and broad, (2) CPEC's responsibilities are not matched to its resources, and (3) a tension exists between some of those responsibilities.

Scope of CPEC's Mission Is Broad. The CPEC's mission statement specifies a variety of roles for the agency: statewide coordinator and planner, fiscal and policy advisor, information collector and disseminator, and critical analyzer of policy and resource issues. It is to serve these roles for both the legislative and executive branches. In addition to its statutory responsibilities, individual members of the Legislature and the administration make special requests of CPEC. These requests range from relatively simple ones for information to more complicated policy or fiscal analysis. While these requests are important to those who submit them, it is not always clear where they fit among CPEC's other priorities. The CPEC usually attempts to respond to these types of requests in a timely fashion. Given CPEC's reduced level of resources, it will become more important for CPEC to develop a strategy for responding to ad hoc requests.

CPEC's STATUTORY MISSION

Education Code Section 66010.6 (a)

The California Postsecondary Education Commission is the statewide postsecondary education coordinating and planning agency. The commission shall serve as a principal fiscal and program advisor to the Governor and the Legislature on postsecondary educational policy. Consistent with Section 66903, the commission's responsibilities shall include, but not be limited to, the following:

- (1) Analysis and recommendations related to long-range planning for public postsecondary education.
- (2) Analysis of state policy and programs involving the independent and private postsecondary educational sectors.
- (3) Analysis and recommendations related to program and policy review.
- (4) Resource analysis.
- (5) Maintenance and publication of pertinent public information relating to all aspects of postsecondary education.

The commission shall consult with the postsecondary educational segments and with relevant state agencies, including the Student Aid Commission, the Superintendent of Public Instruction, and other relevant parties, in its preparation of analyses and recommendations to the Governor and the Legislature. However, the commission shall remain an independent and nonpartisan body responsible for providing an integrated and segmentally unbiased view for purposes of state policy formulation and evaluation.

Mismatch Between Resources and Statutory Requirements. Even before the reductions made in its 2002-03 budget, CPEC asserted that the level of state funding was inadequate to carry out all of its statutory responsibilities. Given the recent reduction in CPEC's resources to \$2.2 million, and the administration's proposal for further reductions in 2003-04, it is even more important to prioritize which functions CPEC can reasonably accomplish within existing resources.

Tension Within CPEC's Mission and Statutory Responsibilities. We believe that a tension exists between CPEC's coordinating function and its charge to produce objective and critical policy analysis. In practice, it has often been difficult for CPEC to balance these competing functions. The May 2002 draft revision of the Master Plan recognized this tension in CPEC's mission as a "structural conflict." Specifically, CPEC's coordination and advocacy role requires that it work cooperatively with the segments to gather and process information on issues that are generally more technical in nature

(such as academic program review) and to facilitate communication on cross-segmental issues (such as transfers). At the same time, CPEC's role as an objective analyst requires that it look at postsecondary education more broadly, so that it can dispassionately evaluate its performance and analyze each segment's effectiveness in delivering services to students. In conclusion, it is difficult for CPEC, or any other organization, to serve both as a part of the state's higher education infrastructure and as an objective analyst of it.

Governance/Structural Issues

An office's organizational structure is a critical component of its character and effectiveness. The choice of a particular governance structure for an agency depends on the particular mission assigned to it. Although the working group discussed governance and structural issues at some length, in the end there was no consensus as to the adequacy of the status quo. Some believed that the segmental representatives on the commission tend to dominate CPEC's agenda and cloud CPEC's objectivity. Others argued that it would be difficult for CPEC to coordinate higher education policy without segmental representatives on the commission. There did seem to be general agreement that the commission does not articulate a clear vision for higher education and that it has not been as strong an actor in policy making as originally intended. We would argue that this stems both from the broadness of CPEC's mission and from the tension in its mission between coordination and independent review.

The CPEC's Effectiveness Depends on Its Leadership. There seemed to be widespread agreement within the working group that CPEC's ability to influence policy and call attention to fiscal issues is strongly linked to the efforts of its executive director and commission members. For example, the group generally agreed that CPEC used to be more actively involved in budgeting for postsecondary education than it is today. Although this could be due to multiple factors, some working group members attributed CPEC's success in various policy and fiscal areas to the particular director or commission membership at the time. Periodically, CPEC has lacked strong leadership at both of these levels. In general, it has not been a strong presence in postsecondary policy making.

The Composition of the Commission Reflects the Tension Between Coordination/Advocacy and Independent Fiscal and Policy Analysis. The current composition of CPEC's commission is designed to facilitate cooperation and long-term planning by including segmental representatives. It is also designed to ensure independence and objectivity by including a majority of public representatives. Other features intended to ensure CPEC's objectivity and independence include the use of both legislative and executive appointing authorities for filling seats on the commission, and governance by an independent commission. Notwithstanding the intent behind these measures to facilitate both CPEC's coordination and independent review functions, we believe that they are largely in conflict and even neutralize each other. As a result, CPEC has found it difficult to maintain a level of independence in its analysis and recommendations and has avoided unpopular positions on many controversial issues.

Consensus Building Approach Hinders CPEC's Ability to Fulfill Some Parts of Its Mission. The CPEC was designed as an advisory agency. While it *reviews* academic programs and budget proposals, its authority is limited to suggesting actions to be taken by others. As a result, CPEC often employs a "consensus-building" approach that seeks to encourage voluntary actions through multiparty compromises and agreements. As the commission stated in its 1991 report, *The Role, Structure, and Operation of the Commission*, "In addition to providing this research information, the commission serves a coordinating role, in bringing together key parties throughout higher education and State government to find consensus about difficult policy areas." We also believe that CPEC uses a consensus approach because of its need to maintain a positive working relationship with the segments. The CPEC's tendency to use a consensus approach, however, can interfere with its ability to produce objective and independent analysis. This role requires a critical perspective on higher education issues and sometimes arriving at conclusions with which the segments may strongly disagree.

Master Plan and Others Recommend Increasing CPEC's Role. In part to improve CPEC's ability to obtain data from the segments, the *2002 Master Plan for Higher Education* (Recommendation 38.2) recommends giving CPEC the authority to require the submission of information by the various segments of postsecondary education. It also suggests that CPEC annually provide a report to the budget committee chairs of both houses and to LAO describing the record of the segments in responding to the commission's requests for information. While implementation of this recommendation might improve CPEC's ability to obtain information in a timely manner, it does little to resolve the fact that CPEC is still an advisory commission. The recommendation also does not address the underlying tension in CPEC's mission between coordination and independent analysis. If the state wants to increase CPEC's ability to participate in higher education policy making, then it probably needs to make CPEC stronger and more independent of the segments.

Recognizing this problem, the Joint Committee to Develop a Master Plan and the Citizens Commission recommended that CPEC play a greater role in promoting articulation, collaborative use of facilities and equipment, and regional coordination. In particular, in its 1999 report, *Toward a State of Learning*, the Citizens Commission recommended that CPEC distribute special funds created to promote cooperation, efficiency, and resource sharing among all public and private higher education institutions and K-12. This could increase incentives for the public and private segments to work with CPEC in the future. Implementing this recommendation would not necessarily require new funding. The Legislature could redirect to CPEC funds currently used by the segments and authorize CPEC to allocate these funds to the segments as grants to facilitate various coordination efforts. Although the Citizens Commission report recommends giving CPEC the ability to distribute targeted grants to improve statewide coordination, it does not recommend giving CPEC regulatory authority.

Data and Analysis

Data Capabilities Are Generally Well Respected. The working group generally was satisfied with CPEC's data collection efforts and ability to provide statewide data. In particular, most of the working members cited CPEC's *Fiscal Profiles* and *Student Profiles* as useful annual publications that CPEC should continue generating in the future. (*Student Profiles* contains comprehensive information about students with little analytical comment while *Fiscal Profiles* analyzes statistical information about the financing of postsecondary education.)

Quality of Analysis and Staff Responsiveness Are Less Satisfactory. While generally approving of CPEC's data collection efforts, some working group members expressed concern with CPEC's interpretation of data and the quality of CPEC's analysis. Some legislative staff found that CPEC's response to information requests can be slow and its policy analysis lack incisiveness and independence. Based on our review of CPEC's recent publications, we would concur. This is especially problematic because CPEC's effectiveness in its independent analyst role depends on the quality of its policy analysis and recommendations. (In the box below, we provide an example of the types of challenges facing CPEC in fulfilling its statutory obligations related to coordination and independent analysis.)

IMPLEMENTATION OF CHAPTER 916, STATUTES OF 1999: A CASE STUDY OF CHALLENGES FACING CPEC

The CPEC's efforts to implement Chapter 916, Statutes of 1999 (AB 1570, Villaraigosa), provide an example of how CPEC struggles to fulfill both its coordinating and its independent analyst role. Chapter 916 requires the commission to develop a comprehensive data base supporting longitudinal studies through the use of a unique student identifier. The statute also gives CPEC the authority to require the segments to submit certain data to the commission.

Although Chapter 916 gives CPEC the authority to develop a data base that uses a unique student identifier, CPEC has been unable to get the segments, with the exception of CCC, to submit the data with a unique student identifier. Early in 2002, CPEC and the segments signed a memorandum of understanding (MOU) regarding the conditions under which CPEC could use personally identifiable student data provided by the segments. The MOU also allows the segments to withdraw from the MOU for certain reasons and allows the segments to review and approve the research projects proposed by any of the parties using data under the MOU.

The CPEC's ability to conduct independent and objective research is compromised, however, when the segments have approval authority over CPEC's research projects.

REFORM OPTIONS

To date, CPEC has attempted to be responsive to its various roles specified in statute: data collection, coordination (working within the higher education infrastructure), and independent policy analysis (serving as an objective, nonpartisan evaluator of higher education). Based on our reviews of the commission's performance of these roles, we make two basic recommendations to the Legislature:

Highest Priority Should Be to Preserve CPEC's Information Systems Unit. We believe that CPEC's role as a clearinghouse for higher education data is most critical to its mission and most valuable to the Legislature and other entities concerned with higher education. The CPEC's Information Systems unit functions effectively and requires only modest staffing. (The CPEC indicates that the unit requires seven to ten positions.) We therefore recommend that the Legislature make maintaining CPEC's data management infrastructure a top priority in realigning CPEC's mission to its resources.

Responsibilities Beyond Data Management Should Be Carefully Evaluated. In the longer term, the Legislature should evaluate which additional responsibilities should be retained by CPEC, and which could more appropriately be redirected to other existing agencies. To the extent that the Legislature wants for CPEC to retain responsibilities beyond data collection and dissemination, we recommend that it take into consideration the tension between coordination duties and policy analysis noted earlier. Specifically, we would recommend that any effort to redefine CPEC's mission beyond data management focus on only one of these two areas. Below, we discuss how the commission could be structured to accommodate either of these roles.

A CPEC Focused on Coordination

Revise Mission and Statutory Responsibilities to Focus on Coordination. If the Legislature determines that CPEC should focus on coordination, then CPEC's mission statement should be revised to reflect this and references to being the principal fiscal and policy advisor should be eliminated. The CPEC would focus on the following types of activities: facilitating communication on cross-segmental issues, academic program review, capital facilities and needs analysis, and long-range planning. CPEC would no longer be responsible for conducting independent research and policy analysis on general higher education issues such as accountability, workforce needs, and program evaluation.

Governance and Structure. As mentioned previously, one reason that CPEC was structured as a commission was to insulate it from undue political pressures, thus helping it to represent the broader public interest. If CPEC were no longer responsible for conducting independent research and policy analysis or serving as the principal higher education fiscal and policy advisor to the Governor and Legislature, then the need for structuring CPEC as an independent, objective commission is less apparent. Instead, CPEC could be organized as an executive agency. For example, the Legislature or the Governor could create a higher education unit within OSE that would be responsible for the coordination and planning functions currently assigned to CPEC.

A CPEC Focused on Objective Higher Education Policy Analysis

If the Legislature instead chose to focus on CPEC's role as an objective, independent, and nonpartisan policy analyst, then CPEC's mission would need to be rewritten to emphasize this role. For example, CPEC's mission could be to produce independent, objective, quality research and public policy analysis leading to concrete recommendations on the major issues facing higher education (such as access, eligibility, and transfer issues). In such a case, CPEC's research and analysis would appropriately reflect state-wide interests rather than the interests of any particular institutions or groups within higher education.

Eliminate Coordinating Activities From Statutory Responsibilities. In terms of statutory responsibilities, CPEC would focus on the types of activities listed under the "Planning/Evaluation/Coordination" section in Appendix 2. These include fiscal and policy analysis, program evaluation, and development of accountability measures. The CPEC's current capital facilities analysis and academic program review functions would be eliminated.

Increase CPEC's Independence. There are a variety of structures that could support CPEC's independent analyst role. The CPEC could retain the commission structure or could function without a commission. If the Legislature decides to retain an independent commission structure, then certain modifications may be necessary. For example, both the May 2002 Master Plan draft and the Citizen's Commission recommended changing the composition of CPEC to nine lay members. The intent of this recommendation is to increase CPEC's objectivity and representation of the public. Appointing commissioners for fixed, staggered terms would also facilitate CPEC's independence and continuity.

CONCLUSION

Refine CPEC's Mission and Revise Statutory Responsibilities. In this report, we have identified a mismatch between CPEC's statutory responsibilities and its budgeted resources. We recommend that the Legislature assign highest priority to CPEC's data management functions. We further have noted a tension between the other two main areas of responsibility (coordination and analysis). We recommend that the Legislature (1) define a clear and concise mission for CPEC that addresses this tension, (2) align CPEC's statutory responsibilities to its mission, and (3) eliminate lower priority activities.

Mission Will Determine Structure. Once the Legislature determines CPEC's primary mission and statutory responsibilities, then it can determine the appropriate structure for the agency. In the previous section, we suggested options for structuring CPEC depending on the nature of CPEC's specific mission.

ADOPTED 2002-03 SUPPLEMENTAL REPORT LANGUAGE CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

Item 6420-001-0001

It is the intent of the Legislature that the Legislative Analyst's Office (LAO) convene interested parties, including, but not limited to, the California Postsecondary Education Commission (CPEC), the Department of Finance, representatives of the higher education segments, state education agencies, and representatives from the Legislature's fiscal committees and education policy committees, to:

- Reexamine CPEC's statutory responsibilities.
- Identify ways that the commission can effectively perform the tasks designated by the Legislature and Governor within its budgeted resources.
- Consider recommendations put forth by the Joint Committee to Develop a Master Plan for Education related to current CPEC functions and the development of a successor agency.

The LAO, in consultation with the other working group members, shall report the working group's major findings and recommendations, regarding reform and/or reconstitution of CPEC, to the Legislature by December 1, 2002.

- Until such a time as the Legislature has received and reviewed the working group's report, it is the intent of the Legislature that CPEC give priority to the following activities and statutory responsibilities:
- Reviewing the need for and location of new facilities.
- Reviewing proposals for new programs, campuses, and centers.
- Collecting and maintaining comprehensive longitudinal data on higher education, and publishing information and recommendations on various facets of postsecondary education, including a long-term student fee policy, student transfer, and alternative delivery approaches for the Cal Grant entitlement program.
- Analyzing student access, admissions policies, and eligibility pools of the systems.
- Responding to requests for reports, data, and other information on California postsecondary education from the Legislature, the Administration, the education systems, and the public.

**California Postsecondary Education Commission (CPEC)
Statutory Responsibilities and Functions**

Responsibility	Frequency	Statutory Authority ^a
New Campus Approval/Academic Program Review		
Advise the Legislature and Governor on the need for, and location of, new institutions and campuses of public higher education.	Periodically	66903
Review proposals for new programs, the priorities that guide them, and the degree of coordination with nearby public, independent, and private postsecondary educational institutions and make recommendations regarding those proposals.	Periodically	66903
Establish a schedule for segmental review of selected educational programs and evaluate the program approval and review, and report findings and recommendations.	One-Time	66903
Develop criteria and processes for proposals for “joint-use facilities.”	One-Time	66903
Review all proposals for new postsecondary educational programs (within 60 days following submission of the program and related materials).	Periodically	66904
Planning/Evaluation/Coordination		
Develop criteria for evaluating the effectiveness of all aspects of postsecondary education.	One-Time	66903
Biennial report reviewing and evaluating the effectiveness of intersegmental activities.	Biennial	66010.7
Biennial reports on the status and effectiveness of student transfer policies and programs.	Biennial	66743
Report on efficiency of and other fiscal and policy information for cross-enrollment programs by December 1, 2002.	One-Time	66755
Prepare a state plan for postsecondary education that considers the following factors and update the plan periodically:	One-Time	66903
<ul style="list-style-type: none"> • The need for, and location of, new facilities. • The range and kinds of programs appropriate to each institution or system. • The budgetary priorities of the institutions and systems of postsecondary education. • The impact of various types and levels of student charges on students and postsecondary education programs and institutions. • The appropriate level of state-funded student financial aid. • Access and admission of students to postsecondary education. • Educational programs and resources of independent and private postsecondary institutions. • Differentiation of functions of each public segment. 		

Continued

Responsibility	Frequency	Statutory Authority ^a
Periodically collect and conduct studies of projected manpower supply and demand.	Periodically	66903
Periodically review and make recommendations on postsecondary programs for adult and continuing education.	Periodically	66903
Establish criteria for state support of new and existing programs.	One-Time	66903
Periodically conduct eligibility studies of the percentages of California public high school graduates estimated to be eligible for admission to the University of California and the California State University. (Funding to be provided in the <i>Budget Act</i> or in another measure.)	Periodically	66903
Identify societal and educational needs and encourage adaptability to change.	Periodically	66903
Analysis of the California Community Colleges (CCC) admission procedures and attrition rates for nursing programs. Due January 2003. (Governor vetoed funding.)	One-Time	66903.5
Comment on system's reports/evaluation of state-funded programs and services for disabled students on each campus.	Periodically	67312
Evaluate effectiveness of the Student Aid Commission's <i>Transfer: Making It Happen</i> pilot program by December 1, 2004.	One-Time	69561.5
Review of the California Student Opportunity and Access Program.	One-Time	69563
Annually assess CCC Partnership for Excellence and make recommendations for improvement.	Annual	84754
Hold public hearings every four years (after 2002), in conjunction with Joint Legislative Sunset Review Committee to review and evaluate the effectiveness and efficiency of the Bureau for Private Postsecondary and Vocational Education.	Every Four Years	Business and Professions Code 473.3
Data Collection/Dissemination		
Segments via CPEC present annual statistical reports on transfer patterns.	Annual	66742
Maintain and annually update an inventory of all off-campus programs and facilities for education, research, and community services operated by public and independent institutions.	Annual	66903
Develop and maintain a comprehensive data base that does the following (and complies with federal Family Educational Rights and Privacy Act of 1974): <ul style="list-style-type: none"> • Ensures comparability of data from diverse sources. • Supports longitudinal studies of individual students. • Is compatible with the California School Information Services and the segment's information systems. • Provides Internet access to data to the sectors of higher education. 	Ongoing	66903
Periodically report on the financial conditions, as well as programmatic information, of independent institutions.	Periodically	66903

Continued

Responsibility	Frequency	Statutory Authority ^a
Act as a clearinghouse for postsecondary education information.	Ongoing	66903
Biennial report on hate violence crimes at public institutions.	Biennial	67380
Report annually on significant indicators of performance of the public colleges and universities. Should include consideration of the following (selected items): student retention rate, placement data on graduates, number of CCC transfers, student survey results, changes in participation, and graduation rates of underrepresented groups.	Annual	99182
Collect data on standardized testing from test sponsors. Biennial report on standardized tests including a descriptive summary of existing data and recommendations on ensuring that standardized college admissions tests are not an obstacle to admission for some students.	Biennial	99153/99155
No Specific Task		
Establish an advisory committee to the commission and the director.	No specific task	66901
Require segments to develop and submit institutional and systemwide long-range plans.	No specific task	66903
Consider the relationship among academic education and vocational education and job training programs.	No specific task	66903
Other		
Establish and annually review salary methodology for CPEC director's salary.	Annual	66905
Designate CPEC as the state educational agency for federal purposes and authorize CPEC to implement federal programs assigned to such agency.	Periodically	67002
Participate in the state budget process.	Annual	66903
Respond to legislative and executive requests for reports, data, and other information on California postsecondary education.	Periodically	66903
^a All are Education Code Sections except as noted.		

THE CALIFORNIA MASTER PLAN FOR EDUCATION

MAY 2002 DRAFT

RECOMMENDATION 39

The Legislature should replace the California Postsecondary Education Commission (CPEC) with a new California Education Commission (CEC). The CEC should have as its primary functions:

- Providing policy and fiscal advice, based on data analysis, that represents the public interest in California's education system, pre-kindergarten through university;
- Approving postsecondary education programs for public and state-approved
- private postsecondary degree-granting institutions; and
- Reviewing and approving new public campuses

We strongly reaffirm the vital importance of statewide planning and coordination of California's multiple sectors of education –the functions which CPEC was created to perform, following the 1973-74 review of the *Master Plan for Higher Education*.

Maintaining a separate commission on postsecondary education and creating a distinct one for K-12 schools and pre-school would be inconsistent with our vision of a cohesive system of education and the need to be attentive to cost effectiveness; we believe that a single entity should be established with responsibility for all levels of education.

Additionally, witnesses testified that a structural conflict exists when a single entity is responsible both for coordination, which requires candid exchange of critical information, and for planning, for which the entity can, and perhaps should, use that information to the detriment of its providers. The result of that conflict has been demonstrated in at least limited instances by the withholding of information necessary for either effective state planning or coordination. CPEC has also been stymied in its role as coordinator of postsecondary education, largely because it does not have the authority or capacity to carry out the many responsibilities assigned to it by law, and, to a lesser extent, because its composition brings too many vested interests together to govern themselves. Accordingly, we further recommend:

RECOMMENDATION 39.1

The membership of the California Education Commission should consist of nine lay representatives appointed equally by the Governor, the Speaker of the Assembly, and the President Pro-tempore of the Senate.

RECOMMENDATION 39.2

The California Education Commission should be vested with sufficient authority to obtain from all education and state entities the data necessary to perform short- and

long-range planning to inform education policy and fiscal decision-making by the Legislature and the Governor.

RECOMMENDATION 40

The responsibility for coordination of California's education system, preschool through university, should be assigned to the Office of the Governor. Lack of coordination among the State's multiple education agencies is the largest systemic governance problem in California. Coordination is necessary not only among the postsecondary segments, but between K-12 and postsecondary education, as well as between preschool and K-12. To ensure that this coordination function will be carried out, it should be placed in the office having ultimate accountability for and the greatest power over multiple segments; as discussed previously, that office is the Governor's.

RECOMMENDATION 41

The State should designate an objective, independent entity as the statewide education data repository and charge it with sole responsibility for gathering and maintaining the comprehensive data for all of California's education system, preschool through university. The development of rational public policy for education requires the availability of data on which to base judgments of program effectiveness, policy and fiscal needs, demographic data, and other critical information. These data should incorporate, but not be limited to, student, personnel, facilities, and instructional materials information. California's many agencies currently gather and maintain significant amounts of data related to education, but their data collection efforts are fragmented; often data on similar elements are gathered pursuant to differing data standards, such that the information cannot be integrated in a manner that can serve public policy interests. We believe these many data can enable a complete understanding of the current and anticipated conditions of our education system only if they are gathered pursuant to common standards and maintained comprehensively within a single entity. The objectivity of this entity should be maintained by assigning it only the gathering and maintenance functions necessary to serve as a repository, and assigning it *no* functions related to the use or analysis of data. Staff analysis and testimony received by the committee affirm the need for an independent entity to be assigned responsibility for data collection and maintenance but cast doubt upon the ability of any existing entity to assume this responsibility, due to perceived conflicts of functions in each of those entities.

RECOMMENDATION 42

All oversight of state-approved and accredited private colleges and universities offering academic degrees at the associate of arts level or higher should be transferred from the Department of Consumer Affairs to the California Education Commission, to ensure the quality and integrity of degrees awarded under the auspices of the State of California. California has an enviable reputation for the quality of its regionally accredited public and independent colleges and universities. That reputation for quality does not extend to the private, non-accredited sector, a fact that

led to enactment of the Private Postsecondary and Vocational Education Act in 1989. One of the explicit goals of that legislation was to rid California of the unwanted title of “Diploma Mill Capital” of the country. Substantial progress was made in establishing the credibility of this sector under the Council for Private Postsecondary and Vocational Education, established by the Act as the oversight agency. Reauthorization of this legislation in 1998 transferred this responsibility to a newly created Bureau of Private Postsecondary and Vocational Education, in the Department of Consumer Affairs. We are concerned that this change has once again called into question the integrity of degrees offered by this set of institutions and, equally important, further frustrates the ambitions of students who seek to move between these institutions and regionally accredited public and independent institutions. Moreover, the Governor has proposed that vocational and workforce preparation programs should be consolidated to achieve greater coordination and common standards for assessing performance. We believe there is merit to further consideration of this proposal and therefore suggest no change at this time for unaccredited vocational schools. Accordingly, we offer the following additional recommendations:

RECOMMENDATION 42.1

Degrees offered by state-approved and accredited private colleges and universities should be subject to the same program approval process used to review and approve new programs proposed by public colleges and universities.

RECOMMENDATION 42.2

The California Education Commission should develop standards to promote articulation, when appropriate, and to foster collaborative shared use of facilities and instructional equipment between state-approved private colleges and universities awarding academic degrees and regionally accredited public and independent colleges and universities.

RECOMMENDATION 42.3

State-approved and accredited private colleges and universities should be prohibited from representing themselves as awarding academic degrees within the State of California unless their degree programs have been approved by the California Education Commission, or are otherwise exempt.

RECOMMENDATION 42.4

The California Education Commission should be designated as the State approval agency for veterans' institutions and veterans' courses, and should have the same powers as are currently conferred on the Director of Education by Section 12090 et seq. of the Education Code, to enter into agreements and cooperate with the United States Department of Veterans Affairs, or any other federal agency, regarding approval of courses, and to approve and supervise institutions that offer courses to veterans.

THE CALIFORNIA MASTER PLAN FOR EDUCATION

JULY 2002 DRAFT

RECOMMENDATION 39

The Legislature should reconstitute the California Postsecondary Education Commission (CPEC) as the California Education Commission (CEC), with responsibility for planning, coordination, and analysis that encompasses preschool through postsecondary education. The CEC should have its primary functions defined to focus on:

- Long-range planning for meeting the educational needs of Californians, preschool through postsecondary education Providing policy and fiscal advice, based on data analysis, that represents the public interest in California's education system, preschool through postsecondary education;
- Reviewing academic programs for public, and approving academic programs for state-approved private, postsecondary degree-granting institutions³⁴;
- Evaluating the extent to which public education institutions are operating consistent with state policy priorities and discharging the responsibilities assigned to them in statute; and
- Reviewing and approving new public campuses for postsecondary education.

Statewide planning and coordination of California's multiple sectors of education –the functions which CPEC was created to perform for postsecondary education, following the 1973-74 review of the *Master Plan for Higher Education* are of vital importance. The lack of overall coordination among the State's multiple education agencies is the largest systemic governance problem in California. Coordination is necessary not only among the postsecondary sectors, but between K-12 and postsecondary education, as well as between preschool and K-12. Maintaining a separate commission on postsecondary education and creating a distinct one for K-12 schools and preschool would be inconsistent with our vision of a coherent system of education and the need to be attentive to cost effectiveness. A single entity should be established with responsibility for all levels of education. Additionally, the CEC must have ready access to all data and other information necessary to effectively and efficiently implement its responsibilities. Accordingly, we further recommend:

RECOMMENDATION 39.1

The membership of the California Education Commission should consist of nine lay representatives appointed by the Governor, with the concurrence of the State Senate.

³⁴ Independent institutions refer to not-for-profit colleges and universities accredited by the Western Association of Schools and Colleges (WASC). Private institutions refer to for-profit postsecondary and vocational education institutions, which are usually not WASC accredited.

In addition, the Governor, the Superintendent of Public Instruction, the Lieutenant Governor, the Speaker of the Assembly, and the Executive Director of the Commission should be made ex-officio members.

RECOMMENDATION 39.2

The California Education Commission should be vested with sufficient authority to obtain from all education and relevant state entities the data necessary to perform short- and long-range planning to inform education policy and fiscal decision-making by the Legislature and the Governor.

There is a concern that a central planning and advising agency for all of education would result in the postsecondary education sector's receiving insufficient attention. While the committee does not share this viewpoint, it recognizes the concern. Accordingly, we further recommend:

RECOMMENDATION 39.3

The State should be expected to provide a divisional structure for the California Education Commission to address issues that fall within the scope of its functions that are unique to a specific sector of education, with one division focused on preschool to K-12 activities and another focused on postsecondary education activities.

RECOMMENDATION 39.4

The California Education Commission should establish standing advisory committees – one for PreK-12 and one for postsecondary education – whose composition shall reflect representatives from major stakeholder groups within each of the two education sectors.

RECOMMENDATION 40

The Legislature should designate an objective, independent entity as the statewide education data repository. It should also identify effective mechanisms to compel all relevant agencies with responsibility for gathering and maintaining comprehensive data on one or more aspects of California's education system, preschool through university, to submit specified data to the State's designated entity for education data.

The development of rational public policy for education requires the availability of data on which to base judgments of program effectiveness, policy and fiscal needs, demographic data, and other critical information. These data should incorporate, but not be limited to, students, personnel, facilities, and instructional materials information. California's many education and state agencies currently gather and maintain significant amounts of data related to education, but their data collection efforts are fragmented –often data on similar elements are gathered pursuant to differing data standards, such that the information cannot be integrated in a manner that can serve public policy interests. These multiple data sources can be better combined to enable a more complete understanding of the current and anticipated conditions of our education system only if they are gathered pursuant to common standards and maintained comprehensively within a single entity. The objectivity of this entity should

be maintained by assigning it only the gathering and maintenance functions necessary to serve as a repository, and assigning it *no* functions related to the use or analysis of data other than the basic reporting of data and statistics. There is a need for an independent entity to be assigned responsibility for data collection and maintenance and the need for a more comprehensive statewide database, but there remains some doubt about the ability of any entity currently participating in the collection and analysis of education data to assume this responsibility, due to perceived conflicts of interest in each of those entities. Such perceived conflicts can be substantially reduced by limiting the functions of the custodian of the recommended comprehensive database to those not directly affected by collection or use of such data. Consistent with the objective of fostering both effectiveness and efficiency, the Legislature should identify existing agencies that might have sufficient capacity to carry out this function.

RECOMMENDATION 41

All oversight of state-approved private colleges and universities offering academic degrees at the associate of arts level or higher should be transferred from the Department of Consumer Affairs to the California Education Commission, to ensure the quality and integrity of degrees awarded under the auspices of the State of California. California has an enviable reputation for the quality of its regionally accredited public and independent colleges and universities. That reputation for quality does not extend to the private, non-accredited sector, a fact that led to enactment of the Private Postsecondary and Vocational Education Act in 1989. One of the explicit goals of that legislation was to rid California of the unwanted title of “Diploma Mill Capital” of the country. Substantial progress was made in establishing the credibility of this sector under the Council for Private Postsecondary and Vocational Education, established by the Act as the oversight agency. Reauthorization of this legislation in 1998 transferred this responsibility to a newly created Bureau of Private Postsecondary and Vocational Education, in the Department of Consumer Affairs. There is concern that this change has once again called into question the integrity of degrees offered by this set of institutions and, equally important, further frustrates the ambitions of students who seek to move between these institutions and regionally accredited public and independent institutions. Moreover, the Governor has proposed that vocational and workforce preparation programs should be consolidated to achieve greater coordination and common standards for assessing performance. There is merit to further consideration of this proposal and therefore suggest no change at this time for unaccredited postsecondary vocational schools. Accordingly, we offer the following additional recommendations:

RECOMMENDATION 41.1

Degrees offered by state-approved private colleges and universities should be subject to the same program approval process used to review and approve new programs proposed by public colleges and universities.

RECOMMENDATION 41.2

The California Education Commission should develop standards to promote articulation, when appropriate, and to foster collaborative shared use of facilities and instructional equipment between state-approved private colleges and universities awarding academic degrees and regionally accredited public and independent colleges and universities.

RECOMMENDATION 41.3

State-approved private colleges and universities should be prohibited from representing themselves as awarding academic degrees within the State of California unless their degree programs have been approved by the California Education Commission.

RECOMMENDATION 41.4

The California Education Commission should be designated as the state approval agency for veterans' institutions and veterans' courses, and should have the same powers as are currently conferred on the Director of Education by Section 12090 et seq. of the Education Code, to enter into agreements and cooperate with the United States Department of Veterans Affairs, or any other federal agency, regarding approval of courses, and to approve and supervise institutions that offer courses to veterans.

CALIFORNIA MASTER PLAN FOR EDUCATION*FINAL DRAFT***RECOMMENDATION 38**

The Legislature should review the founding statutes of the California Postsecondary Education Commission (CPEC) and should confirm or amend them, as appropriate, to ensure that the commission has the capacity and authority to carry out its mission as the coordinating entity for postsecondary education and chief objective adviser to the Governor and Legislature regarding the continuing improvement of California postsecondary education.

In order to meet the comprehensive, yet diverse, educational needs of all Californians, the 1960 Master Plan for Higher Education delineated a multi-part system of postsecondary education including the three public segments (the California Community Colleges, the California State University, and the University of California), coordinated with California's independent colleges and universities. In order to provide the Legislature and the Governor a coherent, broad analysis and objective advice regarding the current and future interrelated operation of these postsecondary segments, the California Postsecondary Education Commission (CPEC) was created in 1973.

In our current time of profound change and enormous enrollment growth, CPEC's coordination and analysis mission continues to be of vital importance. However, the commission is currently impeded by insufficient funding and by a plethora of statutory and legislative directives regarding its work that are beyond its capacity to fulfill. This has lessened the commission's capacity to speak for the broad public interest on the issues most critical to postsecondary student success. The commission is further impeded by its not being assigned sufficient authority to require coordinated efforts on the part of the postsecondary segments. The Legislature should ensure adequate funding for CPEC to carry out its most essential functions, and eliminate those lesser priority demands that stretch the agency beyond its primary goals. More broadly, this Joint Committee believes that CPEC must provide more than policy analysis; it must provide a prominent voice for the public interest in postsecondary education, aiming to inform the Legislature and the public on the fiscal and programmatic implications of California's need for a better-educated population and on how California postsecondary education could be improved to enable all Californians to realize their potential.

While the University of California, the California State University, the California Community Colleges, and California's independent colleges and universities hold the public interest central to their missions and planning, they cannot individually see or plan for the overall development between them. CPEC must serve the roles of both coordinating and planning for a much more integrated and visionary approach to postsecondary education between and among the segments. The Joint Committee further believes the commission would benefit from the immediate involvement of the leadership of the different segments. Hence, we recommend:

RECOMMENDATION 38.1

The Commission's primary functions should include:

- Providing long-range planning for meeting the postsecondary education needs of Californians, including the adequate provision of facilities, programs, and campuses, and assessing and advising state policymakers regarding priorities dictated by current and evolving public needs;
- Providing policy and fiscal analyses regarding the most critical issues affecting the success of Californians in attending and graduating from postsecondary education institutions;
- Coordinating the analyses, policy recommendations, and long-range planning proposals of various public and private entities, as needed, to secure the longterm fiscal stability and public financing of public postsecondary education, including the development of student fee and financial aid policies and the efficient use of state resources across segmental boundaries;
- Advising the Legislature on appropriate accountability indicators for postsecondary education, to be adopted in statute, and subsequently reporting annually to the Legislature and the Governor on the performance of public postsecondary institutions in meeting the adopted indicators.
- Evaluating and reporting to the Legislature and the Governor the extent to which public postsecondary education institutions are operating consistent with state policy priorities and discharging the responsibilities assigned to them in statute;
- Reviewing and approving new public campuses for postsecondary education; and
- Reviewing academic programs for public, postsecondary education institutions.

RECOMMENDATION 38.2

CPEC should be given the authority to require information to be submitted by the various segments of postsecondary education. Each year, immediately prior to the Legislature's postsecondary education budget deliberations, CPEC should provide a report to the budget committee chairs of both houses, and to the Legislative Analyst, regarding the record of the various segments in responding to the Commission's requests for information.

RECOMMENDATION 38.3

CPEC should continue to be advised by the existing statutory advisory committee. The segmental representatives to the CPEC statutory advisory committee should consist of the Chancellor of the California Community Colleges, the Chancellor of the California State University, the President of the University of California, the President of the Association of Independent California Colleges and Universities, and the Superintendent of Public Instruction, or an executive-level designee of each.

RECOMMENDATION 39

The Legislature and Governor should immediately create a new California Education Commission (CEC). The CEC should have initial responsibility for planning, coordination, and analysis that encompasses preschool and K-12 education, as well as the interface between K-12 and postsecondary education.

The lack of overall coordination among the State's multiple education agencies is one of the largest systemic governance problems in California. Combined with insufficient delineation of authority, this problem results in an educational system that is not structured in a manner conducive to consistent responsiveness to the comprehensive needs of learners. As has been discussed throughout this report, coordination is necessary not only among the distinct postsecondary education sectors, which operate in concert to serve all Californians, but between K-12 and postsecondary education, as well as between preschool and K-12. To realize this Plan's vision of a coherent system of education in California, a single entity—a California Education Commission—should be assigned responsibility for these coordinating, planning, and forecasting functions, encompassing PreK-12 education and the interface between the PreK-12 and the postsecondary education sectors.

The California Education Commission should initially focus on the planning and coordinating functions related to the interface of the PreK-12 and postsecondary sectors, since there is an absolute deficiency of structural capacity in California to address those issues today. As they pursue their educational goals, California students encounter critical disjunctures within our education system. These disjunctures pertain especially to many aspects of the transition from high school to college, and to joint programs that span multiple segments of education.

The development of rational public policy for education requires the availability of comprehensive data, as well as other critical information, on which to base judgments of program effectiveness, policy and fiscal needs, demographically-driven needs, and other critical issues. These data should incorporate, but not be limited to, information regarding students, personnel, facilities, and instructional materials. California's many education and state agencies currently gather and maintain significant amounts of data related to education, but their data collection efforts are fragmented—often data on similar elements are gathered pursuant to differing data standards, such that the information cannot be integrated in a manner that can serve public policy interests. These multiple data sources can be better combined to enable a more complete understanding of the current and anticipated conditions of our education system only if they are gathered pursuant to common standards and maintained comprehensively within a single entity. The proposed roles related to multiple aspects of public education that would be assigned to the California Education Commission would make it the logically appropriate entity to carry out the function of serving as the state's education data repository. Moreover, many observers ascribe conflicts of interest to agencies that both collect/maintain and use data; such perceived conflicts could be substantially reduced by requiring the CEC to publish the methodology and assumptions used when using collected data for analytic purposes.

To ensure that the critical functions assigned to the commission are effectively met, we further recommend:

RECOMMENDATION 39.1

The commission's primary functions should be:

- Providing long-range analysis and planning for meeting the educational needs of all Californians;
- Providing policy and fiscal advice, based on data analysis, that represents the public interest in California's education system;
- Serving as California's statewide education data repository;
- Evaluating the extent to which all public education institutions are operating consistent with state policy priorities;
- Advising the Legislature and the Governor on the potential and actual impacts of major education policy proposals or initiatives;
- Coordinating statewide articulation of curriculum and assessment between the PreK-12 and postsecondary education sectors;
- Providing long-term planning for the development of joint and other shared use of facilities and programs between PreK-12 and postsecondary education entities;
- Sponsoring and directing inter-segmental programs that benefit students making the transition from secondary school to college and university; and
- Coordinating outreach activities among PreK-12 schools and postsecondary education and work-sector entities.

RECOMMENDATION 39.2

The Legislature should identify and implement effective mechanisms to compel all relevant agencies with responsibility for gathering and maintaining comprehensive data on one or more aspects of California's education system, preschool through university, to submit specified data to the commission.

RECOMMENDATION 39.3

The Joint Committee should consider structuring the California Education Commission with eight lay representatives: four appointed by the Governor, two appointed by the Senate Rules Committee, and two appointed by the Assembly Speaker. In addition, the Superintendent of Public Instruction should serve as the chair of the commission. This structural option should be evaluated against other options and the preferred model submitted to the Legislature and Governor for adoption.

RECOMMENDATION 40

All oversight of state-approved private colleges and universities offering academic degrees at the associate of arts level or higher should be transferred from the Department of Consumer Affairs to the California Postsecondary Education Commission, to ensure the quality and integrity of degrees awarded under the auspices of the State of California.

California has an enviable reputation for the quality of its regionally accredited public and independent colleges and universities. However, the private, non-accredited sector has not always shared in that reputation, a fact that led to enactment of the Private Postsecondary and Vocational Education Act in 1989. These institutions are currently regulated by the Department of Consumer Affairs' Bureau of Private Postsecondary and Vocational Education, which was created by 1997 legislation as the successor to the independent council created by the 1989 Act. The Joint Committee is concerned, both about the difficulties the Bureau has encountered in its efforts to implement the complex, and occasionally conflicting provisions of the 1997 legislation, and about the existence of separate governance structures for each sector of postsecondary education. The absence of confidence in the quality of academic programs provided by stateapproved private institutions frustrates the ambitions of students who seek to move between these institutions and regionally accredited public and independent institutions.

In addition to academic degree-granting institutions, a number of private institutions focus on workforce training and preparation for a variety of careers. The Governor has proposed that vocational and workforce preparation programs should be consolidated to achieve greater coordination and common standards for assessing performance. There is merit to further consideration of this proposal and we therefore suggest no change at this time for unaccredited postsecondary vocational schools. Accordingly, we offer the following additional recommendations:

RECOMMENDATION 40.1

The California Postsecondary Education Commission should develop standards to promote articulation, when appropriate, and to foster collaborative shared use of facilities and instructional equipment between stateapproved private colleges and universities awarding academic degrees and regionally accredited public and independent colleges and universities.

RECOMMENDATION 40.2

The California Postsecondary Education Commission should be designated as the state approval agency for veterans' institutions and veterans' courses, and should have the same powers as are currently conferred on the Director of Education by Section 12090 et seq. of the Education Code, to enter into agreements and cooperate with the United States Department of Veterans Affairs, or any other federal agency, regarding approval of courses, and to approve and supervise institutions that offer courses to veterans.