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
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</table>
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.
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

<table>
<thead>
<tr>
<th>Program</th>
<th>Slots</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part-Day State Preschool</td>
<td>103,000</td>
</tr>
<tr>
<td>Full-Day State Preschool</td>
<td>67,000</td>
</tr>
<tr>
<td>Transitional Kindergarten</td>
<td>90,000</td>
</tr>
</tbody>
</table>

Families Move Through Three Stages of CalWORKs Child Care

- **Stage 1**: Child care is available when a family enters CalWORKs.
- **Stage 2**: A Stage 1 family transfers to Stage 2 when the county deems it stable.
- **Stage 3**: A Stage 2 family transfers to Stage 3 two years after it stops receiving cash aid.

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.

<table>
<thead>
<tr>
<th>Program</th>
<th>Key Eligibility Requirements</th>
</tr>
</thead>
</table>
| 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

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

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**
- **Vouchers**
  - 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.

**General Child Care and State Preschool**
- **Direct Contract**
  - 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.

**Transitional Kindergarten**
- **Local Control Funding Formula**
  - 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

<table>
<thead>
<tr>
<th>Regional Market Rate Averages</th>
<th>Standard Reimbursement Rate</th>
<th>Local Control Funding Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applies to Voucher-Funded Providers Based on Biennial Market Survey</td>
<td>Applies to Contract-Funded Providers Set Annually by State</td>
<td>Applies to School Districts Set Annually by State</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Center</th>
<th>Family Child Care Home</th>
<th>Center</th>
<th>Family Child Care Home</th>
<th>School</th>
</tr>
</thead>
<tbody>
<tr>
<td>$25,000</td>
<td>Infant</td>
<td>$25,000</td>
<td>Infant</td>
<td>School-Year Program 180 days</td>
</tr>
<tr>
<td>$20,000</td>
<td>Infant/Toddler</td>
<td>$15,000</td>
<td>Toddler</td>
<td>School-Year Program 175 days</td>
</tr>
<tr>
<td>$15,000</td>
<td>Toddler</td>
<td>$10,000</td>
<td>Preschool</td>
<td></td>
</tr>
<tr>
<td>$10,000</td>
<td>Infant/Toddler</td>
<td>$5,000</td>
<td>School Age</td>
<td></td>
</tr>
<tr>
<td>$5,000</td>
<td>School Age</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

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)
California’s K-12 Student Population Differs From Nation
Fall 2015 Data, Unless Otherwise Noted

Race/Ethnicity
- Latino: U.S. 22%, CA 54%
- White: U.S. 24%, CA 52%
- Asian: U.S. 4%, CA 11%
- Black: U.S. 6%, CA 17%

Income
- Below Federal Poverty Line (2017): U.S. 18%, CA 18%
- All Low Income: U.S. 51%, CA 59%

Language
- Non-English Speaking Households (2017): U.S. 18%, CA 45%
- English Learners: U.S. 8%, CA 21%

Disability
- All Disabilities: U.S. 12%, CA 13%
- Autism: U.S. 1%, CA 2%

Parental Education (2017)
- Less Than High School: U.S. 12%, CA 17%
- High School Only: U.S. 21%, CA 28%
- College Graduate: U.S. 32%, CA 34%
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

Statewide Student Enrollment

Los Angeles County had the largest decline. 137,000 students, 8 percent
Charter Schools Follow Statutory Process for Opening and Operating

1. A group develops an educational plan for a charter school
2. Group collects signatures from interested teachers or parents
3. Group submits plan to local district for approval
4. Charter school opens and charter staff manage day-to-day operations
5. District provides oversight and decides whether to renew charter every five years

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

Share of Overall Enrollment, 2017-18

- Low Income: Charter Schools - 59%, Traditional Public Schools - 80%
- English Learners: Charter Schools - 16%, Traditional Public Schools - 24%
- Students With Disabilities: Charter Schools - 10%, Traditional Public Schools - 12%
- Hispanic: Charter Schools - 49%, Traditional Public Schools - 55%
- White: Charter Schools - 28%, Traditional Public Schools - 23%
- Black: Charter Schools - 8%, Traditional Public Schools - 5%
California Schools Rely Heavily on State Funding
Total Operational and Capital Funding by Source, 2015-16

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.
### State Provides Schools Equal Base Funding Per Student

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

<table>
<thead>
<tr>
<th>Grade Span</th>
<th>Base Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kindergarten - 3rd Grade</td>
<td>$8,235</td>
</tr>
<tr>
<td>4th - 6th Grade</td>
<td>$7,571</td>
</tr>
<tr>
<td>7th - 8th Grade</td>
<td>$7,796</td>
</tr>
<tr>
<td>9th - 12th Grade</td>
<td>$9,270</td>
</tr>
</tbody>
</table>

### 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**

<table>
<thead>
<tr>
<th>EL/LI Share</th>
<th>Base Funding</th>
<th>Additional Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% EL/LI Share</td>
<td>$8,235 Total Funding</td>
<td>$0 Additional Funding</td>
</tr>
<tr>
<td>25% EL/LI Share</td>
<td>$8,647</td>
<td>$412</td>
</tr>
<tr>
<td>50% EL/LI Share</td>
<td>$9,059</td>
<td>$824</td>
</tr>
<tr>
<td>75% EL/LI Share</td>
<td>$10,294</td>
<td>$2,059</td>
</tr>
<tr>
<td>100% EL/LI Share</td>
<td>$11,735</td>
<td>$3,500</td>
</tr>
</tbody>
</table>
“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

<table>
<thead>
<tr>
<th>Share of Students Attending Basic Aid Districts, 2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>0%</td>
</tr>
</tbody>
</table>

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

- Employee Salaries
- Employee Benefits
- Services
- Books and Supplies
- Facilities

**Teachers Comprise About Half of School Staff**

600,000 Total Employees, 2016-17

- Teachers
- Administrators
- Other School Employees

**Statewide Staffing Ratios**

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

**Teacher Compensation Is on the Rise**

Salary and Health Benefits, 2016-17 Dollars

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.)

**District Pension Costs Are Growing Notably**

School District Contributions (In Billions)

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.

**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.)**

**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.**
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

**Bachelor’s Degree**
4 Years
Complete subject matter training and earn bachelor’s degree

**Teacher Training Program**
1 Year
Complete pedagogical training and student teaching
200 programs
19,000 enrolled students

**District/University Internship Program**
1 or 2 Years
Complete pedagogical training while serving as teacher of record
180 programs
4,700 enrolled students

**Teacher Induction Program**
2 Years
Individualized support for new teachers provided by mentor teachers
170 programs
14,000 enrolled teachers

**Earn Preliminary Teaching Credentials**
Valid for 5 years

**Earn Clear Credential**
Fee must be paid every 5 years to renew

**Earn Bachelor’s Degree From Accelerated Blended Program**
4 Years
Earn bachelor’s degree and complete pedagogical training simultaneously
25 programs
240 enrolled students

**Demonstrate Foundational Knowledge and Skills and Subject Matter Expertise**

**Pass Student Teaching Assessment**
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

<table>
<thead>
<tr>
<th>Area</th>
<th>State Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Achievement</td>
<td>Test Scores</td>
</tr>
<tr>
<td>Student Engagement</td>
<td>Chronic Absenteeism</td>
</tr>
<tr>
<td>School Climate</td>
<td>Graduation Rate</td>
</tr>
<tr>
<td>Postsecondary Transitions</td>
<td>College and Career Indicator</td>
</tr>
</tbody>
</table>

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.)

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

Almost half of the identified districts have poor performance with only one student group. The most common performance problem is Student Engagement.

Students With Disabilities Most Common Group With Poor District Performance

Students with disabilities are the most common group with poor district performance. 65% of identified districts have this issue.

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

Student Engagement Most Common Performance Problem

75% of identified districts have a student engagement problem, 63% have a school climate problem, 60% have a student achievement problem, and 38% have a postsecondary transitions 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

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

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

<table>
<thead>
<tr>
<th>Fund Source</th>
<th>Eligible Providers</th>
<th>Adult Schools</th>
<th>Community Colleges</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adult Education Program</strong></td>
<td></td>
<td>State</td>
<td>✓</td>
</tr>
<tr>
<td>Allocated by formula to regional consortia to support full array of adult education programs.</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td><strong>Noncredit Apportionments</strong></td>
<td></td>
<td>State</td>
<td>✓</td>
</tr>
<tr>
<td>Allocated by formula to community college districts to support full array of adult education programs.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Workforce Innovation and Opportunity Act (WIOA), Title II</strong></td>
<td></td>
<td>Federal</td>
<td>✓</td>
</tr>
<tr>
<td>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.</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

### State Is Primary Source of Adult Education Funding

Major Funding Sources, 2017-18 (In Millions)

<table>
<thead>
<tr>
<th>Total Funding</th>
<th>WIOA, Title II</th>
<th>Noncredit Apportionments</th>
<th>Adult Education Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Some Providers Receive Funding From Additional Sources:

- Some funding from the federal [Carl D. Perkins Career and Technical Education (CTE) Act](https://www2.ed.gov/programs/career programs/index.html) supports CTE courses for adult students.
- Some CCC [credit apportionment funding](https://www2.ed.gov/about/offices/list/oca/financial/index.html) supports courses similar in content to adult education courses.
- Adult schools may charge [course fees](https://www2.ed.gov/programs/career programs/index.html) for CTE courses.

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.
California Has an Extensive Higher Education System

Each Segment Has Mix of Small and Large Campuses

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

In 2016, the share of young adults enrolled in postsecondary schools was slightly smaller nationally (43 percent) than in California (48 percent).

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

COC issues a liberal arts certificate upon completion of a certain set of transferable lower-division coursework. Many students receiving this certificate may also be receiving an associate degree.
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

Some applicants to UC and CSU do not meet minimum eligibility requirements. In addition, certain campuses and academic programs have higher admission requirements (due to high demand) that applicants do not meet.
Community College Students Must Meet Several Requirements to Be Eligible for Transfer to UC or CSU

Transfer Requirements:

<table>
<thead>
<tr>
<th>Requirement</th>
<th>CSU</th>
<th>UC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete 60 semester units of transferable coursework</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Within the 60 units, complete specified number of core courses</td>
<td>10 Courses</td>
<td>7 Courses</td>
</tr>
<tr>
<td>Achieve minimum GPA in transferable coursework</td>
<td>2.0</td>
<td>2.4</td>
</tr>
</tbody>
</table>

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

- **Federal Aid**: $4.1 Billion
- **State and Institutional Aid**: $4.1 Billion
- **Cal Grants**: Provide gift aid for students enrolled at public and private schools.
- **California College Promise Grants**: Cover tuition for CCC students.
- **UC Grants**: Cover tuition and some living costs for UC students.
- **State University Grants**: Cover tuition for CSU students.
- **Other State and Institutional Aid**

Net College Costs Are Lowest for Lowest-Income Students
Cost of Attendance Less Gift Aid, Average Across CSU Campuses, 2015-16

<table>
<thead>
<tr>
<th>Family Income</th>
<th>Net Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0-30,000</td>
<td>5,000</td>
</tr>
<tr>
<td>$30,001-48,000</td>
<td>10,000</td>
</tr>
<tr>
<td>$48,001-75,000</td>
<td>10,000</td>
</tr>
<tr>
<td>$75,001-110,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Over $110,000</td>
<td>$20,000</td>
</tr>
</tbody>
</table>

Among CSU campuses, the average cost of attendance (tuition and living costs) for students living off campus was about $23,800 in 2015-16.

The trend is similar at the other public segments.
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

Living Costs Do Not Vary Notably Across the Segments
Estimates for Students Living Off Campus as Reported by the Segments, 2017-18
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.

<table>
<thead>
<tr>
<th>Workforce Development Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Support Programs</td>
</tr>
<tr>
<td>Other</td>
</tr>
</tbody>
</table>

State Recently Changed How Unrestricted Funding Is Allocated

Enrollment
Virtually all unrestricted funding was allocated based upon enrollment.

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

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

<table>
<thead>
<tr>
<th>Outcome Measure</th>
<th>All Students</th>
<th>Pell Grant Recipient</th>
<th>Need-Based Fee Waiver Recipient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Associate degree</td>
<td>$2,640</td>
<td>$1,000</td>
<td>$666</td>
</tr>
<tr>
<td>Transfer-level math and English completed within first academic year</td>
<td>$1,760</td>
<td>$666</td>
<td>$444</td>
</tr>
<tr>
<td>9 or more career technical education units completed</td>
<td>$880</td>
<td>$333</td>
<td>$222</td>
</tr>
</tbody>
</table>
State Has No Consistent Approach to Budgeting for the Universities

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

Universities Decide How to Allocate State Funds

Office of the President: Central-office operations
Systemwide Programs
UCPath (payroll system) | System Initiatives (mostly specified research and outreach programs) | Debt Service on Capital Outlay Bonds
Campus Allocations
Most Campuses receive a uniform per-student amount. Campus allocations, however, are weighted to reflect the higher instructional costs for graduate and health science students.
San Francisco and Merced receive more per student, reflecting the former’s emphasis on health science instruction and the latter’s relatively small size.

Chancellor’s Office: Central-office operations
Systemwide Programs
System Initiatives (mostly specified instructional and student support programs) | Debt Service on Capital Outlay Bonds
Campus Allocations
Campuses typically receive additional funding for negotiated compensation increases and planned enrollment growth. Recently, the state also has provided campuses with funding for the Graduation Initiative.
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

Graduates Accrue More Units Than Degrees Typically Require

Freshman Entrants, 2016-17 Graduating Class

Though UC and CSU graduation rates are higher than CCC, achievement gaps generally follow a similar pattern at all three segments.
Nonprofit Sector Consistently Enrolls the Most Graduate Students

Fall Headcount by Sector

The decline for CSU is primarily due to decreasing enrollment in its teacher credentialing programs.

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

Degrees Produced in California by Sector, 2016-17

Master’s
77,000 Degrees

Professional Doctorates
11,000 Degrees

Research Doctorates
8,000 Degrees
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

- Business
- Education
- Engineering
- Health
- Humanities
- Public Administration
- Psychology
- Math and Science
- Social Sciences
- Other

California vs. Rest of U.S.

Number of Master’s Degrees Continues to Grow

Master’s Degrees Produced Each Year in California

Degrees in California over period shown grew at an average annual rate of 3.4 percent.

California consistently produces around 10 percent of the nation’s master’s degrees each year.
Some Master’s Programs Have Higher Tuition Charges
Annual Systemwide Tuition and Fees for Selected Programs, 2018-19

At CSU, business master’s students are charged a higher amount.

UC charges supplemental tuition for many master’s programs. Some charges vary among campus.

Debt Rising for Some Master’s Students
Average Debt of UC Borrowers at Graduation, 2016-17 Dollars

In 2016-17, around 30 percent of business students and 60 percent of education students graduated with debt.
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

Research Doctoral Students in Certain Fields Have Higher Debt Levels

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

In 2016-17, the proportion of graduates with debt ranged from around 40 percent in the arts and humanities to under 20 percent in the sciences.
**California Has 62 Law Schools**

<table>
<thead>
<tr>
<th></th>
<th>Public Schools</th>
<th>Private Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>UC</td>
<td>4 schools</td>
<td>Has 1 school</td>
</tr>
<tr>
<td>2,995 students</td>
<td>932 students</td>
<td>8,607 students</td>
</tr>
<tr>
<td>756 first-time bar takers</td>
<td>260 first-time bar takers</td>
<td>2,448 first-time bar takers</td>
</tr>
</tbody>
</table>

California’s five public schools are nationally accredited.

| Hastings               | 16 schools     | State Accredited |
| 932 students           | 8,607 students | 400 first-time bar takers |
| 260 first-time bar takers | 2,448 first-time bar takers |

| Nationally Accredited  | 20 schools     | Unaccredited    |
| 8,607 students         | —              | 19 schools      |
| 2,448 first-time bar takers | —              | 151 first-time bar takers |

| State Accredited       | 20 schools     | —              |
| —                      | 400 first-time bar takers |

| Unaccredited           | 19 schools     | —              |
| —                      | 151 first-time bar takers |

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

**Law School Enrollment Is Declining Nationally...**

**...And in California**

Juris Doctor Students at Nationally Accredited Schools Throughout the Country

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

Among public schools, California has some of the highest tuition charges in the country. Among private schools, California ranges from among the highest tuition charges in the nation (over $60,000 at the University of Southern California and Stanford University) to among the lowest ($30,000 at the University of La Verne).

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

Undergraduate College
- Typically four years with courses in biology, physics, chemistry, and other subjects

Obtain Bachelor’s Degree

Medical School
- Two years of courses in science and clinical care
- Two years of clinical experience

Obtain License

Post Graduate Training
- Depending on specialty, additional years of residency and fellowships
- Three years of residency

Obtain Certification

Stage 1 of Licensing Exam

Stage 2 of Licensing Exam

Stage 3 of Licensing Exam

Certification Exams

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

Fellows typically have completed their residency and are pursuing further specialization.
**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

About 70 percent of graduates from UC medical schools graduate with debt.
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)

Since 2002, voters have approved $41 billion in state K-14 bonds. As of December 2018, $1 billion in state bond funding remains available. Annual debt service on these bonds is approximately $2.5 billion per year.

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

Local General Obligation Bonds (In Billions)

Since November 2002, voters have authorized $134 billion in local K-14 bonds. As of early 2018, $53 billion in local bond authority remained available.
Higher Education Segments Have Notable Footprints
Number of Campuses, Acres of Land, and Building Square Footage at Each Segment, 2018-19

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

The average building is 43 years old at UC, 41 years old at CSU, and 30 years old at CCC. The age of a facility is not necessarily an indication of its condition. How well the facility is maintained and when it was last renovated are better indicators of its current condition and remaining useful life.
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.

<table>
<thead>
<tr>
<th>Old Process</th>
<th>New Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>September</td>
<td>UC submits proposals to Legislature and administration.</td>
</tr>
<tr>
<td>December</td>
<td>CSU submits proposals to Legislature and administration.</td>
</tr>
<tr>
<td>January</td>
<td>Administration submits list of projects it intends to approve. Legislature reviews projects.</td>
</tr>
<tr>
<td>February</td>
<td>Administration submits final list of approved projects. Legislature can take further action if desired.</td>
</tr>
<tr>
<td>April</td>
<td></td>
</tr>
<tr>
<td>June</td>
<td>Legislature approves or rejects projects in annual budget act.</td>
</tr>
</tbody>
</table>

UC and CSU Are Below Statutory Limit on Their University Bonds

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

<table>
<thead>
<tr>
<th>UC</th>
<th>CSU</th>
</tr>
</thead>
<tbody>
<tr>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>15%</td>
<td>12%</td>
</tr>
</tbody>
</table>

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

- **Replace** Roof
- **Replace** Fire Alarms
- **Replace** Heating and Cooling Systems
- **Upgrade** Sewer Lines
- **Repave** Roadways and Walkways

The state currently allows each segment to decide how much of its budget to set aside annually for maintenance.

**Backlogs Can Accumulate When Campuses Do Not Do Maintenance on Schedule**

Value of Maintenance Backlog as Estimated by Each Segment

- **CSU** $3.7 Billion
- **UC** $4.4 Billion
- **CCC** $6.6 Billion

When maintenance is postponed, campuses increase the risk of more costly repairs and replacements in the future.

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

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

<table>
<thead>
<tr>
<th>Year</th>
<th>UC</th>
<th>CSU</th>
<th>CCC</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-14</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2014-15</td>
<td>100</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>2015-16</td>
<td>150</td>
<td>75</td>
<td>75</td>
</tr>
<tr>
<td>2016-17</td>
<td>200</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>2017-18</td>
<td>250</td>
<td>125</td>
<td>125</td>
</tr>
<tr>
<td>2018-19</td>
<td>300</td>
<td>150</td>
<td>150</td>
</tr>
</tbody>
</table>
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
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