SHUT OUT
The Need to Increase Access to the University of California and the California State University

December 2021
EXECUTIVE SUMMARY

The value of a college degree continues to rise. A bachelor’s degree in particular provides unrivaled economic and health benefits not just for the individual earning the degree, but for our entire state. Therefore, it is not surprising to see growing demand for a college education coupled with growing eligibility for California’s public universities among high school students striving to attend. Unfortunately, students are being met by an increasingly competitive admissions environment and universities have responded to the growing number of applicants by raising the bar for admissions, especially as state funding to expand capacity fails to adequately fund every eligible student.

The 1960 Master Plan for Higher Education is rightfully credited as building two of the best public university systems in the nation, if not the world. While California’s vision for higher education in the 1960s was revolutionary for its time, our state is in dire need of a new roadmap and vision that intentionally ensures greater access to the University of California (UC), and the California State University (CSU) for eligible students, intentionally closes the racial/ethnic gaps that persist in access and success in higher education, and ensures every Californian, regardless of race/ethnicity, zip code, or income, is given a true, equitable opportunity to go to college and cross the graduation stage. This is a critical piece of the puzzle to ensuring that California remains the economic powerhouse that it is and maintains its standing as the fifth largest economy in the world. The Master Plan’s limits on access to the UC and CSU are outdated in the context of the 21st century economy and pose a barrier to keeping the promise of college opportunity to California’s students.

This report provides an update on California’s progress and persistent challenges related to freshman access to the UC and CSU. While we find some promising progress, there are still many concerns to realizing the goal of capitalizing on the growing talent in our state seeking college opportunity. In addition to analyzing trends in eligibility, admissions, and enrollment to the UC and CSU by race/ethnicity, we also review recent policy changes and campus practices that are impacting access and success. This report concludes with a description of several national examples of ways to increase bachelor’s degree capacity, and we make specific recommendations for policymakers and campus leaders toward ensuring that California can increase college access, improve college attainment and close racial/ethnic gaps to ensure individual and collective success.
THE GOOD NEWS

• Significant increase in the proportion of California high school students completing the coursework required for admission to the UC and CSU from a third in 2007-08 to almost 50 percent.

• The share of high school graduates applying to the UC has grown from 17 percent to 25 percent. The share applying to the CSU has also grown significantly since 2001 from 27 percent to 41 percent in 2017, even though it has declined in more recent years.

• Applications to the UC in the fall of 2021 have increased substantially, with record admission of Latinx students.

• Among the CSU freshman class, Latinx students make up 54% - matching their share of California high school graduates.

• Graduation rates are increasing for Latinx and Black students at the UC and gaps between Latinx and Black students compared to their white peers are narrowing, although they are still significant.

• CSU graduation rates have increased for Black and Latinx students.

THE BAD NEWS

• The average high school GPA of students admitted to the UC has increased to above 4.0 for nearly all nine UC campuses. This was only true at three UC campuses in the 90s.

• Redirection and referral efforts at the CSU and UC, respectively, result in very few eligible students enrolling at the redirected or referred-to campus.

• 16 of the 23 CSU campuses are impacted at the freshman level, meaning that more eligible students apply than there are seats available, so campuses are able to raise admission requirements to manage enrollment.

• Black freshmen students in the CSU have dropped from 7.2 percent of the class enrolling in 2007 to only 4.5 percent in 2020.

• Among eligible Latinx high school graduates, less than half applied for admission to the UC.

• While graduation rates have increased for Black and Latinx students at the CSU, the gap has grown for these students compared to their white peers.

• The share of the state budget invested in higher education declined from 18 percent in the mid-1970s to 11 percent in 2018-19, where it remains as of the 2021-22 budget.
State Recommendations

• State leaders should formally establish a degree attainment goal codified in law with a statewide goal of ensuring that 60 percent of Californians earn a degree or certificate of high value.

• State leaders should revise and expand eligibility requirements under the California Master Plan for Higher Education such that students from the top 15 percent of high school graduates will be eligible for the UC and the top 40 percent will be eligible for the CSU.

• State leaders should adopt a five-year plan for increasing enrollment at the UC and CSU to meet our statewide degree attainment goal while intentionally closing racial/ethnic gaps in college access and degree completion.

• State leaders should require the CSU Chancellor’s Office to analyze campus and program impaction while identifying alternatives that better serve California’s students.

• California policymakers should establish a higher education coordinating body that would set goals, provide oversight, and collect data to improve transparency and advance California toward a 60 percent attainment goal.

University Recommendations

• Universities should drop the use of the SAT/ACT in admissions.

• Campus leaders must increase transparency and oversight of changes to eligibility in the UC and CSU, while maintaining a goal that all changes should expand access and close racial inequity in access to the UC and CSU.
BACHELOR’S DEGREES HELP CALIFORNIANS

A Degree Brings Personal and Public Benefits

The value of a bachelor's degree continues to be high for individuals, and having more residents with a degree provides great benefits to society. The personal benefits include:

- Higher annual wages. California workers holding at least a bachelor's degree earn more than $70,000, approximately $20,000 more than workers with an associate degree and $30,000 more than those with only a high school diploma.³

- Higher total earnings over the course of a career. Bachelor's degree recipients earn more than twice as much as those with a high school diploma (see Table 1).⁴

- Lower likelihood of unemployment. As seen during the pandemic, the peak unemployment rate among workers with a degree was less than half that of workers with a high school diploma.⁵ Californians with a high school diploma or less accounted for nearly 80 percent of initial claimants when COVID-19 hit, while college-educated workers were more likely to be in positions that enabled them to work from home and have been far less likely to require long-term unemployment benefits.⁶,⁷

<table>
<thead>
<tr>
<th>EDUCATION LEVEL</th>
<th>AVERAGE LIFETIME EARNINGS (2018 Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>High School</td>
<td>$630,000</td>
</tr>
<tr>
<td>Some College, No Degree</td>
<td>$760,000</td>
</tr>
<tr>
<td>Associate Degree</td>
<td>$890,000</td>
</tr>
<tr>
<td>Bachelor’s Degree</td>
<td>$1,280,000</td>
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</tbody>
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Source: Brookings Institution, The Hamilton Project, 2020

The earnings premium for a bachelor’s degree-holder varies across majors — it’s generally higher for math and science disciplines and lower for arts and human services — but in most majors, there is consistently an earnings premium throughout a graduate’s career. Due to structural differences in opportunity and resources, the college wage premium also varies by race/ethnicity, but all groups see a significant benefit from having a degree (see Table 2).⁸ And those benefits extend beyond wages and employment: college graduates are more likely to own a home, less likely to be in poverty or to need safety net resources, and have lower mortality rates and higher levels of civic engagement.⁹
The public benefits to California of having a highly educated population are many. They include a combination of additional tax revenues to the state from income, sales, and property taxes, combined with state savings in cash aid, food stamps, disability and corrections expenditures. In a report released earlier this year, *California’s Biggest Return*, an analysis demonstrated that achieving a college attainment rate of 60 percent across all racial/ethnic groups would yield nearly $20 billion in savings to the state in health and criminal justice expenditures and another $12 billion in other cost savings by 2030. The significant public returns of college degrees explain the interest in states across the country in setting goals for increasing educational attainment and making investments to achieve them. While California remains one of the few states without a codified attainment goal, Governor Newsom’s Administration released a recent report recommending steps to facilitate recovery from the pandemic acknowledged that the current college attainment rate is too low, and that the significant gaps by region and by race/ethnicity threaten the state’s economic vitality.

Californians recognize the value of a college education, with a vast majority (78%) of parents in a recent statewide survey saying they hope their children earn at least a bachelor’s degree, and with more than half (56%) of all respondents indicating that a four-year degree is very important for financial success. The state’s growing populations of Latinx (69%) and Asian (61%) residents were particularly likely to believe that a bachelor’s degree is important.

### Table 2: College Wage Premium by Race/Ethnicity

<table>
<thead>
<tr>
<th>RACE/ETHNICITY</th>
<th>MEDIAN ANNUAL INCOME (2018 dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HIGH SCHOOL GRADUATE</td>
</tr>
<tr>
<td>Latinx</td>
<td>$36,774</td>
</tr>
<tr>
<td>Black</td>
<td>$37,653</td>
</tr>
<tr>
<td>Asian</td>
<td>$35,895</td>
</tr>
<tr>
<td>White</td>
<td>$43,178</td>
</tr>
</tbody>
</table>

More Progress Needed to Maximize Benefits

Despite the widespread recognition in California of the importance and value of a college education, there have been longstanding concerns about low bachelor’s degree production in the state. For years, educational attainment levels were stagnant in California, while other nations and states moved aggressively to increase college attainment, particularly among younger adults. Disparities in educational attainment across regions and racial/ethnic populations — particularly the low college attainment of the Latinx population, the state’s largest demographic group — represent a persistent threat to the social and economic health of the state.

The Public Policy Institute of California has long been warning of a projected shortfall of workers with bachelor’s degrees, estimating that 40 percent of jobs will require the degree by 2030, while the state was on track to fall 11 million degrees short of the demand.

Increases in funding for the UC and CSU over the last few years have allowed for increased enrollment of both first-time freshmen and community college transfer students, which, combined with increased student persistence and graduation rates, have improved the outlook for closing the degree gap. This higher enrollment and completion has led to improvement in bachelor’s degrees awarded per capita over the last decade (see Figure 1). California now awards nearly 60 degrees per capita and compares more favorably to other states than it did in 2010. The share of the young adult population with a bachelor’s degree has also improved; it generally reflects the increase across the nation, moving from slightly below the national average in 2005 to slightly above it in 2018. California, however, remains far below the top states (see Figure 2).

Over the last decade, California has improved but still ranks fairly low in degrees awarded per capita.

Figure 1: Number of Bachelor’s Degrees Awarded Per Population Ages 18-24

Source for Figure 1: National Center for Education Statistics, Digest of Education Statistics (2011 version for 2009-10 and 2020 version for 2018-19) and U.S. Census Bureau, Population Division, Annual Estimates of the Resident Population for Selected Age Groups by Sex.
California has improved its rank among states in college attainment of younger adults, from 23rd in 2005 to 17th in 2018, but remains far below top states.

Figure 2: Share of Population Ages 25-34 with Bachelor’s Degree or Higher

Source for Figure 2: NCHEMS Information Center for Higher Education Policymaking and Analysis

Note for Figure 2: The top five states on this measure are Massachusetts (53.5%), New Jersey (47.2%), New York (46.4%), Vermont (46.2%), and Connecticut (43.5%).

California’s progress in awarding bachelor’s degrees is uneven across regions and racial/ethnic populations, with improvement largely concentrated in counties with higher educational attainment and among racial/ethnic populations already more advantaged in both college enrollment and completion, leaving large equity gaps.\(^{21}\) The improvement may also be endangered by disruptions related to COVID-19. The impact of the pandemic on applications and enrollment in the state’s public universities varied across systems and campuses, with many campuses that serve large numbers of disadvantaged students seeing a decline.\(^{22}\) The California Community Colleges saw a 12 percent decline in enrollment from spring 2020 to spring 2021, which will likely affect the number of transfers to our universities in future years.\(^{23,24}\)
STUDENT DEMAND EXCEEDS CAPACITY

GROWING PROPORTION OF HIGH SCHOOL STUDENTS ARE ELIGIBLE TO APPLY TO UC AND CSU

About half of California’s high school graduates are now completing the sequence of courses known as A-G that are required for admission to the UC and CSU (see Figure 3). The share of high school graduates completing A-G courses has been steadily increasing over the last decade, after remaining fairly constant, at about one-third of graduates, for many years. This is occurring in the context of unchanged policies about what share of graduates should be eligible for freshman admission to the state’s public universities. As specified in the 1960 California Master Plan for Higher Education, the UC is to draw its freshman class from the top one-eighth of high school graduates, while the CSU is to draw from the top one-third. The systems set their minimum admissions standards based on these “eligibility pools,” historically using a combination of high school course requirements, grade point averages (GPA), standardized test scores, and other criteria (see Table 3).

About half of California’s high school graduates are completing the A-G requirements, with the increase in share occurring in the last decade.

Figure 3: California High School Graduates with UC/CSU Required Courses Completed, 1996-97 to 2016-17

Source: California Department of Education Data Reporting Office, One-year Graduation Data
### Table 3: Current Freshman Admissions Criteria for UC and CSU (California residents)

<table>
<thead>
<tr>
<th></th>
<th>UC</th>
<th>CSU</th>
</tr>
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<tbody>
<tr>
<td><strong>HIGH SCHOOL COURSEWORK</strong></td>
<td>Completion of 15-unit A-G course sequence with weighted GPA ≥3.0 (additional points awarded for approved honors courses, including advanced placement (AP), international baccalaureate, and UC-transferable courses)</td>
<td>Completion of 15-unit A-G course sequence with weighted GPA ≥2.5 (additional points awarded for approved honors courses, including advanced placement (AP), international baccalaureate, and CSU-transferable courses)</td>
</tr>
<tr>
<td><strong>TEST SCORES (SAT/ACT)</strong></td>
<td>Use eliminated.</td>
<td>Use suspended through 2022-23 due to the disruptions from the COVID-19 pandemic.</td>
</tr>
<tr>
<td><strong>SUPPLEMENTAL CRITERIA</strong></td>
<td>&quot;Comprehensive review&quot; of eligible applicants includes consideration of:</td>
<td>With suspension of test scores, a Multi Factor Admissions Score (MFAS) is calculated that combines GPA with several other factors. Included among these factors are:</td>
</tr>
<tr>
<td></td>
<td>• number of and performance in A-G courses above the minimum and in honors/AP courses</td>
<td>• number of A-G courses above the minimum</td>
</tr>
<tr>
<td></td>
<td>• quality of senior year courses</td>
<td>• GPA in math and science courses</td>
</tr>
<tr>
<td></td>
<td>• academic performance in context of opportunities available in student’s high school and life circumstances</td>
<td>• household income</td>
</tr>
<tr>
<td></td>
<td>• extracurricular activities</td>
<td>• first-generation status</td>
</tr>
<tr>
<td></td>
<td>• special talents and awards</td>
<td>• work and extracurricular activities</td>
</tr>
<tr>
<td></td>
<td>The specific criteria considered vary across the campuses.</td>
<td>• educational program participation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The specific criteria considered how they are incorporated into an MFAS varies across the campuses. Students with a GPA between 2.0 and 2.49 can be evaluated for admission based on their MFAS if space is available, but not all campuses will consider admission for this group. Most CSU campuses give priority in admissions to students graduating from high schools in their own local service area (defined as a specific set of high schools, or all schools in particular counties). Priority is given by requiring a higher GPA/MFAS for non-local applicants.</td>
</tr>
</tbody>
</table>
State legislators have requested periodic “eligibility studies” to determine whether the share of high school graduates meeting the minimum requirements matches the state Master Plan directives. The most recent study conducted in 2017 found that the share of high school graduates eligible for freshman admission exceeded the thresholds, with about 14 percent eligible for admission to the UC and 41 percent eligible for the CSU. The analysis was based on the high school class of 2015 and likely underestimates the current share of students meeting admissions standards, given the continued growth in the share of students completing the A-G course sequence.

Over the years, the university systems have adjusted their admission criteria in an effort to stay within the Master Plan limits. For example, the CSU has historically required a minimum GPA of 2.0 for admission and combined students’ GPA with standardized test scores (SAT or ACT) into an “eligibility index.” Students with a lower GPA needed higher test scores to meet the index cutoff, which was adjusted when necessary to keep eligibility within the state’s limit. No changes to eligibility requirements were made following the 2017 study.

Due to the disruptions of the COVID-19 pandemic, the CSU has suspended its use of standardized test scores through 2022-23 and adjusted its use of the GPA to require a minimum score of 2.5. The system calculates a Multi Factor Admissions Score (MFAS) that takes into consideration a student’s household income, extracurricular activities, and other factors, as specified in Table 3. Students with a GPA between 2.0 and 2.49 can be considered for admission based on their MFAS. The UC has gone further and eliminated the use of standardized tests for admission, related to concerns that the tests are biased and discriminatory and as part of the settlement of a lawsuit. All applicants with a GPA of at least 3.0 in A-G coursework undergo a “comprehensive review” of factors, such as a student’s academic performance in the context of opportunities available in that student’s high school.
MORE CALIFORNIA STUDENTS ARE APPLYING FOR ADMISSION

The share of students applying for freshman admission to the UC and CSU has generally been on the rise for much of the past two decades, with occasional dips during periods of economic recession (see Figures 4 and 5). The share of high school graduates applying to the UC was 17 percent in 2001, increasing to 25 percent in 2020. The share of graduates admitted to the system has fluctuated over that time, increasing slightly overall from 15 percent to 17 percent. The gap between the share of students applying and being admitted to the UC system has grown from two points in 2001 to eight points in 2020. Despite the increasing shares of high school students preparing themselves to meet the established admissions requirements and applying to the UC, the share of graduates enrolling in the system has stayed fairly flat over that period, at about 8 percent.

The percentage of high school graduates applying to the UC increased substantially over the last two decades, while the share admitted fluctuated and the share enrolled stayed the same. Figure 4: Percentage of California High School Graduates Applying to, Admitted to, and Enrolling in the UC, 2001-2020

Source: UC Infocenter, Undergraduate Admissions Summary and CDE Data Reporting Office, One-year Graduation Data
At the CSU, the share of high school graduates applying to the system rose overall from 27 percent in 2001 to 36 percent in 2020, dropping in the last several years from a peak of 41 percent in 2017. The share of graduates admitted has increased from 20 percent in 2001 to 32 percent in 2020, and the gap between applicants and admits is now only four points, due to the drop in applicants. The share of high school graduates actually enrolling in the CSU has seen less change than the shares of students applying and being admitted, increasing slightly from 11 percent in 2001 to 13 percent in 2020.

After peaking at 41%, the share of high school graduates applying to the CSU has declined to 36%, reducing the gap with the share admitted; the share enrolling remains fairly flat.

Figure 5: Percentage of California High School Graduates Applying to, Admitted to, and Enrolling in the CSU,
Complete data for fall 2021 are not yet available, but early reports indicate that total applications to the UC increased substantially, likely related, at least in part, to the system dropping standardized test requirements, which may have encouraged more students seeking admission to selective institutions to submit applications.\textsuperscript{27} According to preliminary admissions data from the UC, the number of freshmen admitted grew overall by approximately 11 percent, driven largely by a 40 percent increase in the number of out-of-state students admitted to the system.\textsuperscript{28} Rates of growth in the number of California residents and international students admitted was substantially lower (5.3 and 4.9 percent, respectively). More than 8,000 additional out-of-state students were admitted to the system, while approximately 4,300 additional students from California were offered freshman admission. \textbf{At five of the nine UC campuses, including at Los Angeles, Irvine, San Diego, Santa Barbara, and Santa Cruz, fewer California students were offered admission in 2021 than in 2020.} Additional students were admitted at four of the UC campuses, including the Davis (2,116 additional students in 2021 compared to 2020), Merced (1,595), Riverside (778), and Berkeley (330) campuses.\textsuperscript{29}

Early reports from the CSU show another decline in applications, despite the system twice extending the application deadline.\textsuperscript{30} There was substantial variation across the 23 campuses, with institutions serving large numbers of disadvantaged students seeing large declines in applications, while some of the more selective campuses saw an increase. The different patterns overall for the UC and CSU, and across CSU campuses, demonstrate the disparate impact of the pandemic on low-income, first-generation, and historically underrepresented students, who comprise the majority of applicants at many CSU campuses.
CAPACITY CONSTRAINTS AT PREFERRED CAMPUSES AND PROGRAMS

In the context of increasing selectivity, high school graduates who are eligible for admission to the UC and/or CSU face challenges in gaining access to their preferred campuses and majors. When the number of applications from eligible students to a particular campus or a specific program exceeds the number that can be accommodated, given the insitution’s physical and operational capacity, the universities increase the admissions requirements (generally the GPA and, when they were in use, SAT/ACT scores).

UC Controls Admission Through ‘Referral’

UC eligibility refers to the minimum requirements that high school students must meet to be considered for freshman admission, but it does not guarantee admission, and students meeting only the minimum requirements will not be competitive for admission at most campuses (see sidebar, UC Admissions Eligibility Concepts on page 16). Students in the top 9 percent of all California high school graduates qualify for the “statewide guarantee” of admission, and students in the top 9 percent of their high school graduating classes qualify for a guarantee of admission based on “eligibility in the local context” (ELC). In both cases, however, the guarantee is for admission to the UC system, not to a specific campus. And it is not actually a “guarantee,” in any case, as the UC clarifies that it applies only “if space is available.”

Freshman admission to the UC has become more competitive as an increasing share of high school graduates take steps to prepare and apply. The average high school GPA of students admitted has increased and is close to or above a 4.0 at nearly all campuses (see Figure A-1 in the appendix). The three most competitive campuses — Berkeley, Los Angeles, and San Diego — have had an average GPA above 4.0 since the late 1990s, but the average reached that level at the Santa Barbara, Irvine, and Davis campuses as well about a decade ago. The average GPA of students admitted to the Santa Cruz and Riverside campuses has increased to about 3.9, and students admitted to the Merced campus have nearly the equivalent of an A-minus average.
The applications of students who meet the statewide or ELC guarantee but are not admitted to any campus to which they apply are placed in a “referral pool” for consideration by other UC campuses. In practical terms, this means the student is offered admission to UC Merced, as it has been the only campus taking students from the pool since 2014. Very few students accept admissions offers through referral. In 2019, nearly 12,000 UC applicants were in the referral pool and offered spots at the Merced campus, but only 553 (5 percent) opted for admission and only 57 (0.5 percent) chose to enroll.32

**UC Admissions Eligibility Concepts**

**UC Eligibility:** High school graduates are “UC eligible” if they complete the 15-course sequence of A-G courses with a GPA of at least 3.0 (prior to 2020, students were also required to take the SAT or ACT). The applications of all students who meet this minimum requirement will undergo “comprehensive review.” This is the concept that is measured in periodic eligibility studies in the context of the Master Plan target of 12.5 percent of high school graduates.

**Statewide Guarantee:** Students who meet UC eligibility requirements and rank in the top 9 percent on the statewide index are guaranteed admission to the system (but not to a specific campus). The formula previously combined high school GPA and SAT/ACT scores into an index, but it now combines the GPA and the number of A-G courses completed.

**Eligibility in the Local Context (ELC):** Students who meet UC eligibility requirements and have GPAs that place them in the top 9 percent of their high schools’ graduating classes are guaranteed admission to the system (but not to a specific campus).
CSU Controls Admissions Through ‘Impaction’

As with the UC, students meeting the minimum eligibility requirements for admission to the CSU are not necessarily competitive for admission to many campuses and programs. The GPA required for admission to the CSU has generally increased over time, particularly at the more selective campuses (see Figure A-2 in the appendix). The CSU manages enrollment by declaring “impaction,” which allows campuses or programs to deny admission to applicants who meet the statewide eligibility requirements, but do not meet enhanced admissions standards.

THERE ARE TWO TYPES OF IMPACTION:

**Campus Impaction** can be declared when the number of applicants meeting statewide eligibility requirements exceeds the physical capacity and operational resources of the campus. Under campus impaction, all applicants outside of the institution’s local admissions area must meet a higher GPA threshold or an MFAS (a higher index score when standardized tests were in use). This is also known as “level impaction,” as it can apply to applicants at the freshman level, the transfer level, or both. Currently, 16 of the 23 CSU campuses are designated as impacted at the freshman level.

**Program Impaction** can be declared when the number of eligible applicants to a specific major at a campus exceeds the program’s capacity. The programs can then use additional admissions criteria to screen all applicants, both local and non-local. This generally means setting a higher GPA or an MFAS (index score when standardized tests were in use) for admission, but can also involve additional criteria, like auditions or submission of portfolios for certain types of programs. Often, impacted programs admit freshmen as “pre-majors,” who must apply for formal admission to a program after completing all lower-division prerequisite courses with a particular GPA. All CSU campuses other than Dominguez Hills have some impacted programs.

Campuses seek annual authorization for campus and/or program impaction from the California State University Office of the Chancellor through a designated process (see sidebar, Summary of CSU’s Impaction Authorization Process, on p.21). The final admissions thresholds for impacted campuses and programs are determined after the application period has closed and all applications have been received, making it difficult or impossible for students to judge in advance whether their application to a particular campus and program is likely to be competitive.
Program impaction has increased over time at most CSU campuses (see Figure 6), with especially large increases in the share of programs impacted at the Fresno, Los Angeles, and Long Beach campuses. All programs at the San Luis Obispo, San Jose, San Diego, and Fullerton campuses have been impacted since 2012-13 (the earliest year for which we could locate data). A few campuses, including Sacramento, East Bay, Stanislaus, and San Francisco, have reduced the number of programs impacted since then.

The share of programs across the system that are designated as impacted has generally increased over time for some of the most popular majors (based on total enrollment). As shown in Figure 7, about a quarter of engineering departments across the system had at least some of their specializations designated as impacted in 2012-13, a share that has grown to nearly 60 percent. Over 60 percent of business departments across the system have impacted programs, with specializations in accounting especially likely to be impacted. Two-thirds of kinesiology departments have impacted specializations, and the share of biology programs that are impacted reached that level before declining to just over half for the current year.

The Share of Programs Impacted Increased at Most CSU Campuses Between 2012-13 and 2021-22.

Figure 6: The Share of Programs Impacted by CSU Campus, 2012-13 & 2021-22

Source: CSU Chancellor’s Office Impacted Programs Matrix, 2012-13 and 2021-22
The share of programs impacted across the CSU system increased for the most popular majors over the last decade, although it leveled off in the last few years and even declined, in some cases.

Figure 7: Share of CSU Campuses With Impacted Programs Within Selected Department, 2012-13 to 2021-22

Source: CSU Chancellor’s Office Impacted Programs Matrix (those that could be located for the years between 2012-13 and 2021-22)
Similar to the referral process at the UC, the CSU redirects freshman applications of eligible students not admitted to any campus to which they applied to a non-impacted campus (that is, a campus that is not campus-impacted at the freshman level). This process occurs after all campuses report their admissions decisions in early April. Students are asked to identify a first- and second-choice campus and are redirected to one of those campuses as an undeclared major, requiring them to work with the campus to determine a major to which they can be admitted. As with the UC’s referral pool, relatively few students take the CSU up on this offer of admission to an alternate campus. In 2020, over 7,000 freshman applicants were redirected, but only 117 (1.7 percent) enrolled. The yield rate for transfer applicants is somewhat higher, with 611 (or about 12 percent) of 5,126 redirected transfer applicants actually enrolling in 2020. The strategy may be limited by the place-bound nature of some students, the cost of attending a university that may be far from home, the availability of student support services, and the unique nature of some impacted programs.

LIMITED CAPACITY CONSTRAIN STATE SUPPLY OF NURSES

Every nursing program is impacted across the CSU system. While nursing is not among the highest-enrolled majors, like those shown in Figure 7, that is at least due, in part, to the inability of students who would otherwise be interested to get access to nursing programs. The programs are constrained in their enrollment by a shortage of nursing faculty, the cost of providing adequate facilities and equipment, and limited clinical placement slots in health care facilities. About half of the “RN to BSN” programs—programs that allow registered nurses with an associate degree to pursue the bachelor’s degree that many hospitals now prefer—are now impacted across the CSU as well. The pandemic is putting great strain on medical staff, exacerbating a shortage of nurses that prior estimates indicated would leave more than 45,000 registered nursing jobs unfilled by 2030. The pandemic may be increasing student interest in pursuing a baccalaureate in nursing, putting additional pressure on CSU nursing departments that are already severely constrained and leaving more California students unable to pursue their career of choice.
SUMMARY OF CSU’S IMPACTION AUTHORIZATION PROCESS

According to information provided to us by the CSU Chancellor’s Office, campuses are expected to annually review their impaction status and that of their programs to determine if any changes are warranted, and to submit requests to the Chancellor’s Office for the following academic year. Campuses wanting to introduce, modify, or discontinue impaction must submit initial requests that include:

- a description of proposed changes
- data summarizing enrollment in and applications to the programs proposed for impaction changes
- a description of the proposed supplemental admissions criteria to be used in evaluating student applications

After receiving tentative approval of their requests, the campuses must engage in a notification and communications process that includes:

- announcing their plans on the campus website
- publishing the information in three newspapers within their local service area
- holding a meeting with stakeholders, including local school districts, community college districts, and other interested community organizations
- holding three public hearings at various times and locations in the service area
- posting comments received at those hearings on their websites
- consulting with their Academic Senate, Associated Students, and other relevant campus constituencies to gather feedback to incorporate into final requests

All campuses, including those requesting to simply renew existing impaction designations, must submit final requests to the Chancellor’s Office that include program data, supplemental admissions criteria, local admissions priority criteria, and a narrative describing campus efforts to manage enrollment and increase capacity. Requests for new or modified impaction must also include documentation summarizing the public hearing and communication process.

The Chancellor’s Office grants final approval of impaction requests and reports its decisions in writing to the CSU Board of Trustees, at which point campuses may remove public comments about the requests from their websites. The Chancellor’s Office updates the Impacted Programs Matrix each September in preparation for the admissions application cycle that begins October 1. During the 2021-22 cycle, all campus requests to institute, maintain, or discontinue impaction were approved.
ADMISSIONS CHALLENGES GREATER FOR LATINX AND BLACK STUDENTS

Freshman Classes and Impacted Majors Do Not Reflect California’s Diversity

California’s large and growing Latinx population has historically been underrepresented at the state’s public universities. The Latinx share of high school graduates has more than doubled since the 1990s, growing from 26 percent in 1994 to 53 percent in 2020 (see Figure 8). After lagging behind for most of that period, Latinx representation in the freshman class at the CSU (54 percent) now matches the share of the state’s Latinx high school graduates. However, Latinx students are vastly underrepresented at the UC.41 While there was much celebration of the fact that in fall 2020, Latinx students constituted the largest group admitted to the UC system since the late 1980s, the Latinx share of the freshman class continues to lag far behind the share of Latinx high school graduates in California. Latinx representation in the UC freshman class nearly doubled from 15 percent in 1994 to 29 percent in 2020, but it had been flat for several years, with a growing gap between the shares of Latinx high school graduates and UC freshmen.

Black students are underrepresented in both university systems, making up about 4.5 percent of the freshman classes at the UC and CSU, but 5.3 percent of the state’s high school graduates. Their share of high school graduates has declined somewhat, so the gap in representation at the UC is currently smaller than it has been at some points over the years. There has been a notable overall decline in representation at the CSU, however, where Black students have sometimes matched or even exceeded their representation among California high school graduates in the past. That is no longer the case, with their share of CSU freshmen dropping steadily from 7.2 percent in 2007 to 4.5 percent in 2020. California’s Black students are disproportionately likely to start their college careers at a community college. They are also far more likely than other students to enroll in private, for-profit institutions, which have higher costs and lower completion rates, leaving many students with loan debt and a lower return on their investment.42
Among those who are admitted and enroll in the UC, both Latinx and Black students are more concentrated in the less-selective campuses. In fall 2020, Black students were generally about 4 percent or less of the enrolled freshman at the more selective UC campuses, but were 7.7 percent of enrollees at the Merced campus and 5.8 percent at the Riverside campus (see Figure 9). UCLA was the exception, where Black students were 5.8 percent of freshman enrollees, exceeding the statewide share of high school graduates (5.3 percent). Latinx students were underrepresented at all UC campuses other than Merced, where they were overrepresented. The situation at the CSU is more complicated, given the variation across the state in the population by race (see figure 10), and because most CSU campuses enroll large shares of their students from within their own regions.

Sources: UC Infocenter, Freshman Fall Admissions Summary; CSU Institutional Research & Analyses, CSU Enrollment Summary (2000-2009 and 2010-2020 reports); IPEDS (first-time undergraduates at CSU, 1994-1999); and CDE Data Reporting Office, One-year Graduation Data

Note: See endnote 41 for a caution about interpreting these data.
An analysis by UC researchers demonstrates the disproportionate impact on underrepresented student populations of raising requirements for admission to high-demand majors. Analyzing course records for 800,000 students who enrolled between 1975 and 2018 at four UC campuses, system researchers found that the implementation of higher admissions criteria for a major disproportionately restricted entry by students from underrepresented groups. The impact was related to those students’ lesser access to rigorous high school courses, leading to lower grades in lower-division courses, including the introductory courses required for admission to high-demand majors. While they were equally likely to graduate, students restricted from high-demand majors ended up in lower-paying industries with substantially lower early career wages, compared to similar students who were admitted to those majors. The long-term negative effects of being restricted from high-demand majors falls disproportionately on the populations that could most benefit from the economic mobility afforded by degrees in those fields.

**Figure 9: UC Freshmen by Race and Campus (Fall 2020) and Their Statewide Share of High School Graduates (2020)**

- **Latinx**: 53% share of high school graduates identified as Latinx
- **White**: 24% share of high school graduates identified as white
- **Asian American, Native Hawaiian, and Pacific Islander (AANHPI)**: 14% share of high school graduates identified as AANHPI
- **Black**: 5.3% share of high school graduates identified as Black

Sources: UC Infocenter, Freshman Fall Admissions Summary Fall 2020 and CDE Data Reporting Office, One-year Graduation Data

Note: See
Representation by race at CSU partly reflects the regions where students live.

Figure 10: CSU Freshmen by Race and Campus (Fall 2020) and Their Statewide Share of High School Graduates (2019-20)

Sources: CSU Institutional Research & Analyses, CSU Enrollment Summary 2010-2020 report and CDE Data Reporting Office, One-year Graduation Data

Note: Different scales for each graph
Representation by race at CSU partly reflects the regions where students live.

Figure 10 (Continued): CSU Freshmen by Race and Campus (Fall 2020) and Their Statewide Share of High School Graduates (2019-20)

### Asian American, Native Hawaiian, and Pacific Islander

<table>
<thead>
<tr>
<th>Campus</th>
<th>Percentage</th>
<th>High School Graduates</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Diego</td>
<td>14%</td>
<td>25%</td>
</tr>
<tr>
<td>San Luis Obispo</td>
<td>13%</td>
<td>26%</td>
</tr>
<tr>
<td>Long Beach</td>
<td>13%</td>
<td>15%</td>
</tr>
<tr>
<td>Pomona</td>
<td>23%</td>
<td>25%</td>
</tr>
<tr>
<td>Northridge</td>
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<td>9%</td>
</tr>
<tr>
<td>Fresno</td>
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<td>Fullerton</td>
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<td>21%</td>
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<tr>
<td>Los Angeles</td>
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<td>8%</td>
</tr>
<tr>
<td>San Bernardino</td>
<td>7%</td>
<td>8%</td>
</tr>
<tr>
<td>Bakersfield</td>
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<td>8%</td>
</tr>
<tr>
<td>Channel Islands</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>San Marcos</td>
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<td>3%</td>
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<tr>
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<td>Maritime Academy</td>
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<td>San Francisco</td>
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<tr>
<td>Humboldt</td>
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<td>Stanislaus</td>
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<tr>
<td>Chico</td>
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</table>

### Black

<table>
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<tr>
<th>Campus</th>
<th>Percentage</th>
<th>High School Graduates</th>
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<tbody>
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<td>San Bernardino</td>
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<td>4%</td>
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<tr>
<td>Bakersfield</td>
<td>4.5%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Channel Islands</td>
<td>3.8%</td>
<td>3.8%</td>
</tr>
<tr>
<td>San Marcos</td>
<td>3.8%</td>
<td>3.8%</td>
</tr>
<tr>
<td>Dominguez Hills</td>
<td>2.2%</td>
<td>2.2%</td>
</tr>
<tr>
<td>Maritime Academy</td>
<td>2.2%</td>
<td>2.2%</td>
</tr>
<tr>
<td>Sacramento</td>
<td>8.6%</td>
<td>8.6%</td>
</tr>
<tr>
<td>Monterey Bay</td>
<td>3.8%</td>
<td>3.8%</td>
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<td>San Francisco</td>
<td>7.7%</td>
<td>7.7%</td>
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<td>Humboldt</td>
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<td>Stanislaus</td>
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<tr>
<td>Chico</td>
<td>3.1%</td>
<td>3.1%</td>
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</table>

Sources: CSU Institutional Research & Analyses, CSU Enrollment Summary 2019-2020 report and CDE Data Reporting Office, One-year Graduation Data

Note: Different scales for each graph.
Ban on Affirmative Action and Race-Neutral Policies Hurt College Access for Latinx and Black Californians

As can be seen in Figure 8, Latinx and Black representation in California’s public universities declined in the late 1990s after Proposition 209 amended the state constitution to prohibit state governmental institutions from considering race, sex, or ethnicity in decisions related to public education, employment, or contracting. Research on the impact of Proposition 209 has demonstrated that it led to an initial decline in applications from underrepresented students, particularly at UC Berkeley and UCLA, demonstrating a “chilling effect” among students who likely felt unwelcome in the context of the ban on affirmative action.44,45 While applications increased to pre-Proposition 209 levels by about 2012, the percentage of UC admits who are Black remains below its level prior to the ban on affirmative action.46 While the Latinx share of admits is higher than it was prior to Proposition 209, this largely reflects the substantial increase in the Latinx share of the state’s population and K-12 student body. The growth in the share of admits to the UC who are Latinx has not kept pace with these shifts, and the gap between the share of Latinx high school graduates and Latinx UC admits has actually grown. Latinx students continue to be underrepresented in applications, admissions, and enrollment at the UC.

A recent study found that underrepresented students were less likely to enroll at the more selective UC campuses after Proposition 209, and slightly more likely to enroll at other less selective public and private higher education institutions, and that this has had a lasting impact on their educational and career outcomes.47 Underrepresented UC applicants were less likely to complete a bachelor’s degree prior to Proposition 209 and became even less likely to do so after affirmative action was eliminated, due to their enrollment in less selective universities. Among those who did complete a bachelor’s degree, they became somewhat less likely to do so in a STEM field and less likely to earn a graduate degree. The study found that Proposition 209 led to a decrease in underrepresented students’ wages, especially among Latinx students who were more likely than students in other underrepresented populations to stay in California and attend less selective institutions.
After Proposition 209, the UC turned to several race-neutral efforts to mitigate the declines in enrollment of underrepresented students, but a recent analysis concluded that the programs have been largely ineffective.48 The UC has invested significant amounts of funding in outreach and academic preparation programs for high school students, but most participants in those programs never actually enroll in the UC. And due to the restrictions imposed by Proposition 209, the programs target schools with substantial enrollment of underrepresented students, rather than the students themselves, so the participants who do end up enrolling in the UC are not necessarily the ones the programs were intended to attract. The study found that the ELC policy that guarantees admission to students in the top 9 percent of their high school classes did not have much effect, as those students were largely already UC eligible, and the policy does not provide for admission to students’ preferred campuses.

The insufficiency of race-neutral efforts was acknowledged by UC officials in a 2020 report to the UC Board of Regents related to endorsing Proposition 16, which would have repealed Proposition 209 if it had passed. In their report, UC officials indicated that, “Despite UC’s policy and programmatic changes, attempting to address racial inequality without actually considering race has proven to be challenging.”49
Disparities Reflect Huge Challenges Across the Educational Pipeline

A UCLA official recently described the UC’s efforts to address the underrepresentation of Black and Latinx students in the system as “kind of like using a spoon to shovel snow.” By the time the pool of applications for freshman admission reaches California’s public universities, many Black, Latinx, and other historically underrepresented students have already been lost along the pathway to eligibility. Figure 11 illustrates the degree to which students are winnowed out of the pathway to the UC and CSU beginning in the 9th grade. For every 100 Asian American, Native Hawaiian, and Pacific Islander (AANHPI) 9th graders in 2016-17, 92 graduated from high school by 2019-20, and 67 had completed the A-G requirements. Among the groups of 100 Black and Latinx 9th graders, far fewer graduated from high school at all, and only 31 and 36, respectively, had graduated with the A-G requirements completed. So, only about half as many Black and Latinx students had the possibility of being eligible to apply for freshman admission to the UC or CSU by the end of their high school years. Inequities in the availability of A-G courses, high quality teachers, academic and counseling supports, and other resources that help students become eligible for the UC and CSU are a huge barrier for Black, Latinx, low-income, and other minoritized student populations.

Among the students who did graduate with the A-G requirements completed, Black and Latinx students actually were slightly more likely to apply to the CSU than were AANHPI students (see Table A-1 in the appendix for the rates used to create Figure 11). Eighty percent of Black students who completed A-G requirements applied to the UC, nearly the same rate as among AANHPI students (86 percent). However, less than half of the Latinx students who had completed A-G courses submitted UC applications. Among students who applied to the UC, Black students were substantially less likely to be admitted than AANHPI students, with the admissions rate of white and Latinx students falling in between. The pattern of admissions to the CSU was similar to the UC, although a higher share of each group of applicants was admitted. While there was certainly a disproportionate loss of Black and Latinx students at the point of admission, far more of the Black and Latinx 9th graders had already been lost earlier in the pipeline — they had not graduated from high school, had graduated without completing the A-G requirements or, among Latinx students, had completed A-G requirements, but did not apply to the UC.
There are racial/ethnic disparities all along the freshman pipeline into the UC and CSU.

<table>
<thead>
<tr>
<th></th>
<th>UC</th>
<th>CSU</th>
<th>UC</th>
<th>CSU</th>
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<th>CSU</th>
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<td><strong>ADMITS</strong></td>
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<td>26</td>
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<td>26</td>
<td>45</td>
<td>48</td>
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<td>29</td>
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<td><strong>GRADUATES WITH A-G COMPLETED</strong></td>
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<td>31</td>
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<td>92</td>
<td>77</td>
<td>76</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>9th Graders:</strong></td>
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<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2016-2017) LATINX</td>
<td>WHITE</td>
<td>AANHPI</td>
<td>AFRICAN AMERICAN</td>
<td>NATIVE AMERICAN</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sources: California Department of Education DataQuest Four-Year Adjusted Cohort Graduation Rates (2019-20), University of California Undergraduate Admissions Summary (2020, CA residents), and California State University Applications, Admissions, and Enrollment Dashboard (2020, CA residents).
These patterns of college preparation, application, and admission can be seen in data showing the college destination of recent high school graduates (see Figure 12). Nearly half of AANHPI students who go directly to college end up in one of California’s public university systems, and they have the lowest rate of enrolling in a community college. White students are not much more likely than Black students to end up in a California public university, but nearly one in five white high school graduates goes out of state for college, likely due, in part, to having more family and social resources to understand the wide array of college options, as well as more financial resources to cover the cost. Latinx students are the most likely of any group to begin their college education in a California Community College and the least likely to go to college out of state.

These disparities along the educational pipeline demonstrate the importance of continued efforts to improve high school graduation rates, increase access to A-G courses in schools enrolling large numbers of underserved students, provide information and support to underrepresented students about college options, and ensure a well-functioning transfer process to support students disproportionately likely to begin their pursuit of a baccalaureate in the community college system. As expressed by the aforementioned UCLA official, the “spoons” available to the UC and CSU at the point of admission are insufficient to remove the accumulated snow drifts.

**College destination varies by race/ethnicity.**

*Figure 12: Postsecondary Institution for California High School Graduates Enrolling in College Within One Year, 2017-18*

<table>
<thead>
<tr>
<th></th>
<th>UC</th>
<th>CSU</th>
<th>CCC</th>
<th>In-State Private</th>
<th>Out of State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black</td>
<td>6%</td>
<td>17%</td>
<td>59%</td>
<td>5%</td>
<td>13%</td>
</tr>
<tr>
<td>Latinx</td>
<td>7%</td>
<td>20%</td>
<td>64%</td>
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<td>4%</td>
</tr>
<tr>
<td>AIAN*</td>
<td>7%</td>
<td>13%</td>
<td>63%</td>
<td>5%</td>
<td>13%</td>
</tr>
<tr>
<td>AANHPI*</td>
<td>25%</td>
<td>21%</td>
<td>39%</td>
<td>6%</td>
<td>10%</td>
</tr>
<tr>
<td>White</td>
<td>9%</td>
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<td>50%</td>
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<tr>
<td>All Students</td>
<td>11%</td>
<td>19%</td>
<td>55%</td>
<td>5%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Sources: California Department of Education DataQuest 12-month college-going rates.

*American Indian and Alaska Native (AIAN)
*Asian American, Native Hawaiian, and Pacific Islander (AANHPI)

Note: Due to rounding within categories for display, bars may not sum to precisely 100%.
UNIVERSITY EFFORTS IMPEDED BY POLICY BARRIERS

UC and CSU Responding to State Demands for Efficiency

Over the last decade or more, state policymakers have been calling for greater efficiency from the UC and CSU as a means of increasing access to and completion of bachelor’s degrees. They have encouraged the systems to use their facilities more intensively, make greater use of summer terms, and offer more online instruction, with a goal of maximizing student access, progress, and completion within available resources. The systems have responded to this demand for efficiency in a number of ways and now hold annual conferences across the three segments of higher education to share innovative practices and recognize operational improvements with “Focus on Efficiency” awards. While policymakers have expressed concern about higher education costs, research indicates that institutional costs per degree have actually fallen, particularly at the CSU. Both university systems have implemented efforts to increase graduation rates, reduce time to degree, and eliminate equity gaps — in part, as a means to use resources more efficiently and free up enrollment slots.

Timely Graduation is Increasing at UC, With Some Reduction in Equity Gaps

The UC set a goal in 2019 to increase the four-year graduation rate for freshmen from 68 percent to 76 percent by 2030, largely through eliminating gaps for low-income, first-generation, and underrepresented students. The UC campuses are focusing on efforts to improve first-year retention, promote a sense of belonging, address basic needs, and strengthen academic engagement through undergraduate research opportunities. These efforts have led to improvements in four-year graduation rates among all student populations (see Figure 13). The gap in four-year graduation rates between Black students and white students has dropped from 26 points among students enrolling in 2006 to 15 points among students enrolling in 2016. Similarly, this gap dropped from 20 points to 15 points for Latinx freshmen over the same time frame.
Timely graduation has increased across student populations at both UC and CSU, but gaps remain.

**Figure 13: Four-Year Graduation Rates for the 2006 and 2016 Freshmen Cohorts**

Sources: CSU Institutional Research and Analyses, Graduation Dashboard; UC Infocenter, Undergraduate Graduation Rates

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**Timely Graduation Improving in the CSU, but Equity Gaps Persist**

The CSU’s Graduation Initiative 2025 (GI2025) follows up on an earlier effort that improved six-year graduation rates, but did not reduce time to degree or equity gaps. The initiative’s goals include improving the four-year graduation rate for freshmen to 40 percent, while eliminating racial equity gaps by 2025. The CSU campuses are implementing a variety of strategies, including better alignment of curriculum, improved course scheduling, enhanced academic engagement efforts, more intensive student services, professional development for faculty and staff, and better use of data to monitor student progress and provide early intervention. As at the UC, timely graduation has increased for Black and Latinx students, but because improvement in the four-year graduation rate has been even greater among white and AANHPI students, the gaps for Black and Latinx students have actually increased (see Figure 13). The gap for Black students compared to white students has widened from about 14 points to 25 points, while the gap for Latinx students widened from 12 to 20 points. Greater progress in increasing four-year graduation rates among Black and Latinx students in the CSU could help free up enrollment slots to serve more students.
The recent reform to the CSU’s assessment and remediation policies could contribute to increased and more timely graduation rates for underrepresented students. Remediation has historically been a major barrier to student progress. In fall 2017, approximately one-third of the CSU’s entering freshmen were deemed not proficient in either math or English (or both) based on assessment tests and were placed in remedial courses that cost them the same in tuition, but provided no academic credit toward a degree. Placement into remediation was much more likely for Black and Latinx students and for those with lower incomes, and this led to a reduced likelihood of graduation and a longer time to degree for those who finished. A recent analysis of the fall 2016 freshman cohort found that 9 percent of Black freshmen and 6 percent of Latinx freshmen were “disenrolled” from the CSU for failure to complete remedial math classes in their first year, as required under the policy in place at the time. Beginning in fall 2018, the CSU eliminated assessment tests and remedial courses systemwide, opting instead to provide support to students requiring some extra help to succeed in college-level courses through co-requisite courses, supplemental instruction, and “stretch” courses that deliver the material from a one-semester course over two semesters.

Early indications are that the policy change has increased the share of students completing college-level math and earning more degree-applicable credits in their first year, but has not yet changed retention patterns or reduced systemwide disparities across racial/ethnic groups. Clearly, the elimination of remediation is an important step in removing barriers for students and in increasing efficient student progress and completion at the CSU, but other supports are critical to helping marginalized populations reach parity with more advantaged students, particularly given the unequal impact of the ongoing pandemic.
Transfers are Increasing, But There’s a Trade-off

A critical feature of the California Master Plan for Higher Education is its focus on an alternative pathway to the UC and CSU through transferring from a community college. Policymakers envisioned the transfer process as a means to provide efficient access to the baccalaureate, but transfer rates today are low. More than three quarters of community colleges students state an intention to transfer, but only 19 percent of the students who declare a goal of transfer actually do so within four years.67 The state’s higher education systems did not implement across institutions the level of standardization in lower-division transfer requirements needed to support the Master Plan’s vision.68 Too much variation forces community college students to navigate a maze of general education and major preparation course requirements to be eligible to apply for transfer to multiple university campuses, and this leads to the accumulation of excess credits, an extended time to transfer, and increased costs for both students and the state.69 The Associate Degree for Transfer (ADT), developed in 2011 in response to legislation calling for a more streamlined transfer pathway (SB 1440, Chapter 428, Statutes of 2010), has somewhat reduced the number of excess credits and increased the share of transfer students who graduate from the CSU within two years, contributing to greater efficiency.70 However, continued misalignment in course requirements keeps the pathway too complex and difficult to navigate, increasing higher education costs for students and the state.71

In part related to the ADT, as well as to the UC’s commitment to admit one California transfer student for every two California freshmen, there has been higher growth in the number of transfers to the UC and CSU than in the number of new first-time freshmen over the last decade (see Figure 14).72 This is particularly true at the CSU, where the annual number of transfers increased at twice the rate of first-time freshmen. But given that total enrollment capacity is limited by available resources, higher growth in transfers can reduce capacity for freshmen, with campuses adjusting their admissions and course schedules to accommodate more upper division students. The Master Plan specifies that the UC and CSU are to maintain at least 60 percent of their undergraduate enrollment at the upper division level to maintain space for transfer students.73 Over the last decade, the upper division share at the CSU increased from 65 percent in 2010 to 68 percent in 2020, with a corresponding drop in the freshman share from 22 percent to 18 percent.74
Overall capacity constraints at the universities limit the potential of the transfer pathway to increase access to the bachelor’s degree in California; current funding and eligibility constraints mean that an increase in transfers reduces spots available for freshmen. Any reduction in spots for freshmen is likely to mean less access for the very populations of students that already face the biggest challenges to admission. And racial/ethnic disparities in transfer success make it a risky proposition to rely on transfer to remedy equity gaps in access to the baccalaureate, as transfer rates are lower for Black and Latinx students than for white and AANHPI students.75 In fall 2020, Black and Latinx students made up only a slightly higher share of new transfer students at the UC (35 percent) than of the freshman class (33 percent).76 At the CSU, the freshman class had a higher share of Black and Latinx students (59 percent) than was the case among community college transfers (54 percent).77

Over the last decade, growth in community college transfers exceeded growth in first-time freshmen.
Figure 14: Percentage Change in Annual Number of New Students, Fall 2010 to Fall 2020

Source: CSU Institutional Research and Analyses, Enrollment Dashboard (new students, CA residents only); UC Infocenter, Undergraduate Enrollment Headcount by Enrollment Status and Entry Level.
California’s Proposition 16, on the ballot in November 2020, would have repealed Proposition 209 and permitted the consideration of race/ethnicity as one factor in college admissions in the interests of diversity and opportunity in public education. Its failure hinders the efforts of the UC and CSU to address racial inequities in admitting and graduating California’s increasingly diverse students and forces a continued focus on the race-neutral efforts that have had limited impact. The systems have committed to increasing equity, both in the goals they have set for eliminating gaps in student outcomes and in public statements about anti-racism reforms in the context of national conversations about policy brutality and other forms of racial injustice. Much of the promised reform remains to be implemented, including the CSU’s new requirement for all students to take an ethnic studies course to graduate and the UC’s Community Safety Plan that requires more transparency in campus safety data and on police accountability boards that provide oversight. The continuing ban on affirmative action in college admissions requires that California’s policymakers and education leaders find other means of addressing racial/ethnic gaps in college access and success.

Elimination of SAT/ACT at UC Removes an Unnecessary Barrier

One concrete effort to increase racial equity that has been implemented at the UC is the elimination of standardized admissions tests that create barriers for underrepresented students. Research has demonstrated that college admissions tests have persistent racial and cultural biases, with some verbal questions favoring white students — likely due to the questions’ use of cultural expressions commonly used in the white population. Socioeconomic factors, including family income, parental education, and race/ethnicity, are highly correlated with SAT scores, accounting for one-third of the variance in scores of UC applicants, according to a 2015 study. Preparing for and taking standardized tests also is costly, posing a significant challenge to socioeconomically disadvantaged students who are less able to afford the test prep courses and multiple retests that help increase the scores of their more advantaged peers. Disparities in K-12 funding and resources limit schools’ ability to prepare all students to do well on the tests, which are not aligned with California’s curriculum, in any case.
Research demonstrates that, while high school GPAs are not equivalent measures of readiness for college across high schools, due to variation in grading practices, they are strongly predictive of college success in all schools, perhaps because “they measure a very wide variety of the skills and behaviors that are needed for success in college, where students will also encounter widely varying content and expectations.”87 As applied to California’s public universities, research has shown that the high school GPA is more predictive than SAT scores of a student’s first-year GPA at the CSU and is about equally predictive of one’s first-year GPA at the UC after controlling for campus differences, socioeconomic disadvantage, and high school quality.88

Removing test requirements increases application rates and the diversity of applicants, at least in the short term, likely helping to explain the recent surge of applications to the UC.89 The impact on who actually enrolls is less clear, with some studies finding increased enrollment of low-income and underrepresented students and other studies finding little impact on the freshman profile.90,91 Public opinion appears to be turning against the use of standardized tests, with recent polls indicating that a slight majority of Americans would like to see fewer testing requirements after the pandemic ends.92 Some (16 percent) believe that tests should not be used at all in college admissions, while others (35 percent) believe they should be optional and used only in combination with other information. The weight of the evidence indicates that resuming the use of standardized admissions tests would be contrary to the CSU’s goal of increasing equity in admissions and outcomes.

**CSU’s Quantitative Reasoning Requirement Could Worsen Disparities**

The CSU has proposed adding a 16th course to the A-G sequence — a requirement in quantitative reasoning that could be met with an additional math or science course. This requirement could worsen existing disparities in freshman admissions, as it would disproportionately impact Black and Latinx students and those from rural and lower-income areas of the state who have less access to high school courses that would meet the requirement. One study of the proposal found that the additional requirement could reduce CSU eligibility among high school graduates from 41 percent to 35 percent, with the most dramatic effects on Black and Latinx students.93 Another study demonstrated that Black, Latinx, and low-income students have less access to advanced math courses, and even those who currently meet UC and CSU eligibility requirements are less likely to have taken the advanced math courses that would be a primary way to meet the CSU’s proposed requirement.94 Though the CSU maintains that the change would have no impact on equity, no evidence has been provided to substantiate that claim, even though the proposal first surfaced five years ago.
The CSU has argued that the requirement would support equity by encouraging school districts to increase quantitative reasoning course availability, ensuring that all students come to the CSU prepared to succeed in a variety of majors. The system has pointed to a link between taking an additional quantitative reasoning course in high school and timely graduation, indicating that meeting its GI2025 goals is a primary motivator of the proposal. The CSU has contracted for an independent analysis of the potential impact of the proposal, with results due in late 2022. Even if an additional course in quantitative reasoning were linked to improvements in timely graduation, limited resources and a lack of qualified teachers could restrict school districts’ ability to scale up their math and science course offerings, particularly in the context of worsening teacher shortages related to the pandemic. The students most likely to be left behind would be those already struggling to gain access to the CSU.

While capacity challenges are not cited by the CSU as a motivating factor for the proposal, the design of the Master Plan requires the public university systems to increase admissions requirements to stay within the plan’s targets. With the most recent eligibility study showing 41 percent of high school graduates meeting CSU requirements, the proposal could bring that figure down to within the Master Plan target, making state policy the real impediment to more equitable access.
Only 28% of California undergraduates are enrolled in a four-year university. California ranks near the bottom on four-year university enrollment.

Figure 15: Share of Public Undergraduate Enrollment in the Four-Year and Two-Year Sectors By State, Fall 2020

Source: National Center for Education Statistics, Interated Postsecondary Education Data System
California’s Higher Education Structure Impedes Progress

The structure established for higher education in the California Master Plan for Higher Education, with its limited eligibility pools for the UC and CSU, has placed California near the bottom among the 50 states in terms of the share of public undergraduate enrollment in the four-year sector (see Figure 15). In most states, four-year institutions account for the majority of undergraduate enrollment. The share of high school students enrolling directly in a four-year college after graduation is low, with California ranking 49th on that measure, and the vast majority of low-income, Latinx, and Black graduates never attend a four-year university.99 California’s low rank on these metrics is significant, because states with greater capacity in the four-year sector award more bachelor’s degrees per capita (see Figure 16).

States with higher capacity in four-year institutions award more Bachelor’s degrees per capita.

Figure 16: Relationship Between 4-Year Enrollment and Bachelor’s Degrees Awarded Per Population Ages 18-29, Fall 2020

Source: NCES Digest of Education Statistics, Tables 304.8 and 319.2, and U.S. Census Bureau file sc-est2020-agesex-civ
Note: The California community colleges that award bachelor’s degrees are classified by NCES as four-year institutions, as are those in other states; in place of these classifications, we employ classifications maintained by the Community College Research Center, which categorize these institutions as community colleges, even if they award community college baccalaureate degrees.
Due to efforts by policymakers to increase funding for the UC and CSU and efforts by the systems to improve graduation rates, California’s production of bachelor’s degrees and its degree attainment among young adults have increased (as shown earlier in Figures 1 and 2). But the constraints imposed by the Master Plan limit the improvement we can expect to see. Policies that send bachelor’s-degree-seekers who are qualified to attend a university to a community college instead are going to result in diminished bachelor’s degree completion. Transfer is critical to providing broad access to the baccalaureate, but its potential to help with bachelor’s degree production is limited by both the complexity students face in making it through the process and the capacity constraints at the UC and CSU.

Reduced and Unstable Funding is Another Barrier

State funding for higher education in California has increased in recent years, and funding for the CSU has finally recovered from steep cuts during the Great Recession, although the UC’s funding remains somewhat below its prior level (see Figure 17). With a substantial recovery to state tax receipts and federal support to help states recover from the pandemic-induced recession, the state budget for 2021-22 restored the cuts made to higher education last year and provided additional ongoing and one-time dollars. However, even with what has been called a “huge boost” in higher education funding, state investment in the UC and CSU remains far lower than in the past. Overall, the share of the budget invested in higher education declined from a peak of 18 percent in the mid-1970s to 11 percent by 2018-19. Despite substantial budget increases for 2021-22, higher education spending remains at 11 percent of the state’s total General Fund expenditures. In addition, funding on a per-student basis remains below pre-Great Recession levels, especially at the UC. While the budget promises more enrollment slots at the UC and CSU beginning in 2022-23, that commitment remains to be funded, subject to appropriation in the next budget cycle and going forward.
State appropriations for CSU have finally recovered from Great Recession cuts; not quite for UC.

Figure 17: Annual Appropriations 2007-08 to 2021-22 (adjusted for inflation, 2021 dollars)

The state’s General Fund, combined with tuition revenue, provides most of the funding for undergraduate instructional costs. When state revenues decline, funding for the UC and CSU is often one of the first parts of the state budget to be cut, as it represents discretionary spending that is not tied to any state minimum funding requirements (such as Proposition 98 for K-14 education) or federal matching fund expectations (such as for MediCal and various social service programs). When significant cuts occur, the public universities generally use tuition increases to offset a portion of the lost revenue to cover operational costs, in addition to other strategies, such as larger class sizes. During the recession of the early 2000s and the Great Recession, tuition increased substantially in response to budget cuts, while remaining flat (and actually declining in real terms) during periods of growth in state funding (see Figure 18). This “boom or bust” cycle of state funding for higher education complicates institutional planning, and sudden increases in tuition during economic hard times pose a challenge for students and families, particularly when students’ tuition is not covered by federal, state, or institutional grants. California’s vision of affordability has historically emphasized low tuition costs (at least comparatively), but that promise must be paired with adequate state funding to ensure affordable access to quality education.
Research clearly demonstrates the critical importance of state appropriations for maintaining educational quality and positive student outcomes. When public universities raise tuition to offset reductions in state appropriations, the revenues they raise are not large enough to entirely offset the cuts.\textsuperscript{105} They must also decrease expenditures. These cuts have the greatest impact on costs associated with education and related expenditures, like course offerings and other costs of instruction; academic supports, like tutoring and counseling; and other student services. Cutting state appropriations has the most adverse effects on broad-access institutions serving large numbers of Black, Latinx, and other underrepresented students and typically leads to lower enrollment and poorer graduation rates.\textsuperscript{106}

Despite experiencing significant budget cuts associated with the Great Recession during some of that period, the systems have managed to increase their graduation rates (shown in Figure 13 on page 33). If California expects to maintain and improve on this progress, increasing state support for the UC and CSU is critical.
California Needs to Study and Implement Options for Expanding Capacity While Increasing Equity

California’s new longitudinal student data system, under development as required by Assembly Bill 132 (Chapter 144, Statutes of 2021), can be an essential resource for monitoring access, success, and equity across California’s education pipeline, and for assessing options for changing higher education structures and policies. The governing board and staff of the state’s Office of Cradle-to-Career Data, charged with managing the system, will set strategic goals for use of the data, including establishing priorities for sharing data with researchers to study issues in the public interest.

California Office of Cradle-to-Career Data Research Priorities:

• Assessing the potential impact of structural reforms to increase baccalaureate access and outcomes, including changes to university eligibility pools, development of branch campuses, and expansion of community college bachelor’s degrees. Which option(s) could provide the most benefit to student populations and regions of the state that are most often left behind under current structures? How could they be implemented to make efficient use of state resources, while maximizing access and outcomes for students and communities?

• Evaluating state policies and programs aimed at preparing students to complete a bachelor’s degree in a timely manner. For example, what is the impact on college access of high school requirements to complete A-G courses and to fill out financial aid forms? What is the effect of dual enrollment on students’ college access, progress, and outcomes? How can such policies and programs be designed to focus their benefits on students who currently have the least postsecondary access and success?

• Studying the long-term impact of the pandemic on student enrollment, progress, and success across postsecondary systems. Which regions, institutions, and students suffered the greatest harm, and what are the implications for providing resources and support to mitigate the damage? What can be learned from the data about how best to incorporate online education as a strategy for expanding higher education access and success going forward?
A FEW EXAMPLES OF POSSIBLE WAYS TO INCREASE BACHELOR’S DEGREE CAPACITY AND PRODUCTION

California faces a significant challenge to provide its students with sufficient and equitable access to opportunities to earn a bachelor’s degree. The Master Plan’s restrictions on freshman admission to the UC and CSU have forced the state to rely on a community college transfer process that, despite numerous efforts at reform, is still difficult for students to navigate. While the ADT has reduced excess units slightly, even students who follow that pathway earn 85 units, on average — far above the 60 units required. And without increased capacity in the four-year sector, freshman and transfer admissions are competing in a zero-sum game. So, while continued efforts to streamline the transfer process are essential, California’s students need other options to access the baccalaureate education that so many are seeking. Below are some examples of ways the state could approach a goal of increasing bachelor’s degree capacity and production.

Increase Capacity at UC and CSU

Numerous studies over the years have concluded that restricting freshman access to the state’s public universities to the top one-third of high school graduates no longer makes sense in the context of today’s economy and workforce. For example, more than a decade ago, the Public Policy Institute of California called for gradually increasing the freshman eligibility pools for the UC and CSU to 15 percent and 40 percent, respectively, in order to ensure the state could produce the number of college graduates needed to support economic vitality in the 21st century, a call we echoed in our *Blueprint to Increase College Graduates and Keep Our Economy Strong*. That report acknowledged that doing so would require a significant increase in funding at a time when higher education was experiencing significant cuts related to the Great Recession. With higher education budgets finally restored, it may be time for a discussion of ways to accommodate increased capacity in the UC and CSU. The UC is engaged in its own internal deliberations about expanding enrollment and has formed a working group to find ways to accommodate an additional 20,000 undergraduate and graduate students by 2030.
New or Expanded Campuses

In a 2017 analysis, the California Legislative Analyst’s Office concluded that both the UC and CSU have adequate physical capacity to serve projected enrollment, at least when considering the campuses’ long-range plans for facilities construction, which are contingent on funding from the Legislature to actually materialize. A more recent study concluded that current systemwide CSU enrollment exceeds the system’s physical capacity, with campuses serving the excess students through alternative modes of instruction and the use of facilities not considered instructional spaces. It indicated that the CSU would need to substantially increase its physical capacity to meet projected enrollment demand. Expanding physical capacity at current campuses would be more cost-effective than building new campuses, but either way, more operational funding would be needed to ensure the quality of instruction is maintained.

Better Use of Existing Campuses

Capacity problems vary across campuses at both the UC and CSU. While students struggle to gain access to their preferred campuses, some campuses have space to serve more students than they currently enroll. Some CSU campuses accept 80 percent or more of their freshman applicants and have few impacted programs (Dominguez Hills has none), while the fully impacted campuses turn away more than half of their applicants. The CSU’s San Francisco State, Humboldt State, and Sonoma State campuses have experienced enrollment declines in recent years, and few UC applicants take up the UC system’s offer of referral for admission to the UC Merced campus.

All UC and CSU campuses offer programs of value, and some research indicates that attending a highly selective college is not as important to students’ labor market outcomes as students often believe. While it can be difficult to combat the college admissions frenzy inspired by the rankings of US News & World Report and the media’s focus on admissions at the most selective UC and CSU campuses, the state and the university systems could consider policy options for attracting students to campuses with more capacity. The recent decision to make Humboldt State the CSU system’s third polytechnic campus is one example of an effort to incentivize better allocation of student demand across the campuses. There may be other options in the form of financial aid incentives, housing opportunities, guaranteed course availability, tuition rebates upon graduation, or other actions that might facilitate better allocation of students across campuses.
Branch Campuses

One option to expand capacity is to develop branch campuses to existing UC or CSU campuses — permanent facilities that are geographically separate, but organizationally linked to existing university campuses, have their own faculty and an administrative structure, and offer complete degree programs. Many states have used branch campuses, in some form, to expand the capacity of their public universities. For example, Washington state created several branch campuses of the University of Washington and Washington State University to expand total capacity and increase regional access to the baccalaureate. Studies of these institutions have found that they contributed to regional economic development and expanded access — particularly for older, working, part-time, and place-bound students. California’s experience with that approach includes the Palm Desert campus of CSU San Bernardino, which was developed in collaboration with the local community in response to concern about improving regional access to baccalaureate education.

A possibility suggested for branch campuses in California by prominent UC researchers involves converting a number of community colleges into branch campuses of the UC or CSU, perhaps focusing on the more impacted campuses to help meet student demand for admission to those institutions. If these branch campuses focused on lower-division instruction and were administered through a joint governance arrangement by the California Community Colleges and the university system, they could presumably continue to be funded through Proposition 98. The conversion would involve difficult decisions about eliminating open admissions to the selected community colleges and replacing some faculty who might not meet the qualifications of the university systems. However, with some community colleges experiencing enrollment declines even before the disruptions of the pandemic, it may be a good time to consider whether it makes sense to take on these challenges and use a small number of the state’s community colleges to provide access for some of the many California students seeking the baccalaureate.
Expand Community College Bachelor’s Degrees

Another option for maximizing the use of the nation’s largest community college system is to expand the awarding of bachelor’s degrees by the California Community Colleges. Fifteen community colleges have had limited authority to award bachelor’s degrees in targeted fields through a pilot program initiated in 2014 (Senate Bill 850, Block, Chapter 747 Statutes of 2014), although fewer than 950 degrees have been awarded to date. Recent legislation (Assembly Bill 927, Medina, Chapter 565 Statutes of 2021) has extended the operation of the pilot indefinitely and removed limits at those 15 community college campuses. The legislation requires the colleges to provide evidence of unmet workforce need for a proposed bachelor’s degree program, prohibits them from offering a degree already offered by the CSU or UC, and restricts the number of bachelor's degree programs offered by a community college district to no more than 25 percent of its number of associate degree programs.

The Legislative Analyst’s Office evaluation of California’s pilot program expressed some concerns related to these policy restrictions, including insufficient consultation with the CSU in developing the programs and an accelerated timeline for program approval that did not allow for sufficient consideration of the real workforce and of student demand for the programs. The report noted very low enrollment in some of the programs and a low proportion of Latinx students among enrollees, although the pilot nature of the programs (with a specified sunset date) may have complicated recruitment efforts. The evaluation found no problems with the academic quality of the programs and noted that the overall graduation rate of the programs exceeded that of community college transfers to the CSU.

Recent research on community college baccalaureate programs across the country found that they provide access for older students who might find it more difficult to relocate, due to work and family responsibilities, and the programs’ graduates tend to better represent the racial/ethnic composition of their state populations. Graduates of these bachelor’s degree programs had strong employment outcomes, with more than 80 percent employed a year after graduation and at a significant wage premium, compared to workers with an associate degree in similar fields. Another study found that community college bachelor’s degree programs in Florida reduced enrollment at nearby private, for-profit, four-year institutions, but did not harm enrollment at public universities. Research in Washington state compared employment and earnings outcomes for students who graduated from a community college baccalaureate program to those of students from similar programs at a public university, finding high employment rates and generally similar earnings across the two groups.

To be most effective, researchers recommend that state policies related to community college baccalaureate degrees ensure that the colleges have sufficient resources to launch the programs; that approval for degree programs is granted only in the context of sufficient labor market and student demand; that four-year universities are consulted, to avoid duplication and to ensure articulation, where appropriate; that programs are subject to continuous review; and that colleges provide data to track student progress and outcomes in the workforce.
Increase Use of Online Instruction

Policymakers often point to online instruction as the answer to increasing capacity at low cost. However, online learning may not actually be less expensive, as the courses can take more time to develop than traditional courses and require substantial investments in both technology and professional development for faculty. Research on student outcomes has been somewhat mixed, with many studies showing no significant difference in learning outcomes, compared to traditional courses, but finding that outcomes are worse among low-income and underrepresented students. Experiences with the forced move to online learning during the COVID-19 pandemic should inform state policy and institutional planning going forward. Early evidence suggests that, despite some challenges with online courses, a majority of students appreciate the greater flexibility they offer and would like to continue taking some of their courses in a fully online or hybrid format. While many faculty found the transition to online instruction difficult and often express pedagogical concerns about online learning, most expect it to be a significant feature of higher education going forward. State and system policy should focus on ensuring that institutions can adequately support both faculty and students in the implementation of online courses and programs, and that issues of quality and equity in access and outcomes are addressed, including the need to address disparities in broadband access across the state.
RECOMMENDATIONS

California needs a new vision for providing access to the baccalaureate, one that acknowledges the limits of the California Master Plan for Higher Education’s structure in the context of today’s society and economy. California is making promises to its students — through its focus on increasing the share of high school students who complete the A-G curriculum, as well as its focus on the Associate Degree for Transfer and on increasing the number of community college transfers to the UC and CSU. But we are failing to keep those promises because capacity at the UC and CSU is limited by an outdated vision of the need for baccalaureate education and unrealistic expectations about how much the transfer process can achieve. The state’s colleges and universities are working, with some success, to increase efficiency, but our policy structure and level of funding are inadequate to meet the demands of the 21st century and to keep our promises to California students. Below are some recommendations to better match state policies to the needs of today’s students and economy.
Increase Enrollment Funding for the UC and CSU and Adopt a Statewide Plan to Serve Eligible Students and Increase Number of Californians with a Degree

The data presented in this report make it clear that funding for the UC and CSU is inadequate to serve the growing number of students who are doing their part to meet eligibility requirements. While the systems are largely admitting eligible applicants, they are doing so through “referral” and “redirection” processes that do not provide genuine access, given students’ preferences and their geographic and financial limitations. The restricted access disproportionately affects low-income and underrepresented students who are the least likely to have options for relocating to attend distant campuses. While not every student’s first-choice campus and major can be accommodated, longer-term state planning for enrollment and funding could facilitate more effective system planning. Even if the actual allocation of state funding continues to occur annually, adopting a vision over five years could help the systems and campuses better plan for the allocation of resources to maximize access to campuses and programs of interest to students in the context of state and regional labor market needs.

Specifically the State Should:

1. Formally establish a degree attainment goal codified in law with a statewide goal of ensuring that 60 percent of Californians earn a degree or certificate of high value.

2. Revise and expand eligibility requirements under the California Master Plan for Higher Education such that students from the top 15 percent of high school graduates will be eligible for the UC and the top 40 percent will be eligible for the CSU.

3. Adopt a five-year plan for increasing enrollment at the UC and CSU to meet our statewide degree attainment goal while intentionally closing racial/ethnic gaps in college access and degree completion.
Ensure University Admission Changes and Campus and Program Impaction Do Not Have Disparate Impact on College Access by Race/Ethnicity

As briefly described in this report, admission changes can expand or constrain access to our universities. These changes, eliminating the use of SAT/ACT in admissions or proposals that add admissions requirements like the CSU’s quantitative reasoning proposal, can have significant effects on eligibility that could be good for students and racial equity, or could be devastating. Our state leaders along with campus leaders and their respective governing bodies, should be thoughtful in pursuing changes to ensure that they are creating a more – not less – equitable higher education system. In addition, the CSU system has an annual process for approving campus requests related to the addition, modification, or removal of campus and program impaction. But our request for information yielded no evidence that the system has studied the effects of impaction or whether the policies are the only option or the most effective means of meeting enrollment goals. An annual process is only valuable if the information collected is analyzed to understand the impact of the policies on students, departments, and institutions. For example, are there programs at some campuses that are managing to serve higher numbers of students in the context of their resources without declaring impaction, when compared to similar programs at other impacted campuses? If so, what strategies are they using to accomplish that (for example, more lecturers to add course sections, changes to resource allocation across departments)? How can other campuses be incentivized or required to adopt similar strategies to avoid impaction?

Specifically, Campus Leaders Should:

4. Drop use of the SAT/ACT in admissions;

5. Increase transparency and oversight of changes to eligibility in the UC and CSU, while maintaining a goal that all changes should expand access and close racial inequity in access to the UC and CSU;

While the state should:

6. Require the CSU Chancellor’s Office to analyze campus and program impaction while identifying alternatives that better serve California’s students
Improve Coordination of Higher Education by Establishing a Higher Education Coordinating Body

The possible solutions to address baccalaureate capacity and production in California require deep collaboration across the state’s segmented K-12 and higher education systems and a level of coordination that is impossible to achieve without an entity to lead the efforts. The California Governor’s Council for Post-Secondary Education is a valuable step, bringing together the leaders of the K-12, postsecondary, and business sectors to provide advice to the administration. The council contributed to the development of the administration’s Recovery with Equity plan, but it is an insufficient mechanism for the detailed planning and implementation of the structural and policy changes required to act on the report’s recommendations. California needs an entity with staffing and resources, as well as a mission to focus not on the needs of an individual system, but rather on all California students and how best to meet the broad public interest associated with higher education. An independent entity that advises the governor and Legislature as they lead the process of higher education planning and that uses cross-sector data to assess progress toward state goals could help find solutions to California’s capacity and equity challenges.

State Policymakers Should:

7. Establish a higher education coordinating body that would set goals, provide oversight, and collect data to improve transparency and advance California toward a 60 percent attainment goal.
CONCLUSION

California is fortunate to be one of the strongest states in the nation, with a diverse and young populace and a thriving economy built on innovation and knowledge fueled by our universities. This can only be sustained by increasing college opportunity broadly and specifically, increasing completion of the bachelor’s degree while closing gaps in access and completion by race/ethnicity and gender.

California students deserve equitable access to our public universities. We must make sure that attending a public university today is not harder than it used to be for previous generations. This is especially true as more and more young people recognize the value of a college degree, are preparing accordingly, and when workforce needs are demanding a more educated populace. 

Increased competition in admissions to our campuses is not just a disservice to talented students striving to realize their potential, it is harmful to our economic future.

Increasing the number of Californians, especially those who are Latinx, Black, Indigenous and otherwise underrepresented in our universities, provides more than a personal benefit to the individuals earning a degree. It ensures that our commitment to the California Dream and a California For All is truly realized. There cannot be a promising future for our state without a commitment by our state leaders, especially the Governor and the Legislature, to invest in expanding capacity by increasing funding so that more spots will be available for students in our UCs and CSUs. This increased investment should be directly linked to a clear goal to grow the number of Californians with a degree and to close the racial/ethnic gaps that persist in higher education. This can only happen through a commitment to equity by policymakers and college leaders, faculty, and staff and with effective coordination across our high schools, community colleges, and universities that is informed by the business community and their workforce needs.

We are inspired by the improvements in increased university admission eligibility and decreasing gaps in some places by race/ethnicity noted in this report. We know California students and campuses face many challenges exacerbated by the pandemic and necessary attention to systemic racism across our nation and in California. If any place can recover with equity and establish a bold path forward – that place is California.
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APPENDIX

The average high school GPA of students admitted to six of the nine UC campuses in 2020 was over 4.0

Figure A-1: Average Weighted High School GPA of Students Admitted to the University of California, 2001 to 2020
The average high school GPA of enrolled freshmen at most fully impacted CSU campuses has been on the rise.

Figure A-2: Average Weighted High School GPA of New Freshmen at Fully Impacted California State University Campuses, 2000-2017

Table A-1: Current Success Rates by Race/Ethnicity (used for Figure 11)

<table>
<thead>
<tr>
<th>STUDENT POPULATION</th>
<th>HIGH SCHOOL GRAD RATE</th>
<th>A-G COMPLETION RATE</th>
<th>APPLICATION RATE</th>
<th>ADMISSION RATE</th>
<th>ENROLLMENT RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latinx</td>
<td>82.2%</td>
<td>43.8%</td>
<td>45.3% UC²</td>
<td>65.9% CSU³</td>
<td>40.9% UC²</td>
</tr>
<tr>
<td>White</td>
<td>87.9%</td>
<td>56.0%</td>
<td>42.7% UC²</td>
<td>68.4% CSU³</td>
<td>46.1% UC²</td>
</tr>
<tr>
<td>AANHPI</td>
<td>92.2%</td>
<td>72.3%</td>
<td>85.9% UC²</td>
<td>78.7% CSU³</td>
<td>56.3% UC²</td>
</tr>
<tr>
<td>Black</td>
<td>76.9%</td>
<td>40.6%</td>
<td>79.6% UC²</td>
<td>57.2% CSU³</td>
<td>45.1% UC²</td>
</tr>
<tr>
<td>Native American</td>
<td>75.8%</td>
<td>312%</td>
<td>86.0% UC²</td>
<td>65.5% CSU³</td>
<td>46.2% UC²</td>
</tr>
</tbody>
</table>

¹California Department of Education DataQuest, Four-Year Adjusted Cohort Graduation Rates, 2019-20
²UC Infocenter, Undergraduate Admissions Summary (CA residents), fall 2020
³CSU Institutional Research & Analyses, Applications, Admissions, and Enrollment Dashboard (CA residents), fall 2020
END NOTES


2. The data included in this report are the most recent available, but may not fully reflect the recent and ongoing impact of COVID-19.


29. Campus admission numbers are duplicated, as students can be admitted at more than one campus, so the total exceeds the 4,270 additional California students admitted to the system in 2021.


33. The local admission area for each campus can be found at https://www2.calstate.edu/apply/freshman/documents/csulocaladmission-serviceareas.pdf


41. Tracking and comparing enrollment by race over time at the two university systems is complicated by changes in the application of racial/ethnic categories. Since 2010, the U.S. Department of Education has required that students who report Hispanic/Latinx ethnicity have that as their primary race/ethnicity, a process followed by CSU in its own classification system. However, UC’s classification system prioritizes Black/African American as the race/ethnicity for anyone who selects that category. So CSU would classify a student who marks both Black and Latinx as Latinx, while UC would classify the student as Black. This difference should be kept in mind in considering the patterns shown in Figure 8.


51. Data limitations prevent the analysis of Asian subgroups in this report, but it is well known that some Asian populations are underrepresented in higher education.


56. A list of recent awardees is available at https://www2.calstate.edu/uknowledgeshare/Pages/focus-on-efficiency.aspx. There was no conference in 2020 due to the pandemic.


74. Calculated from figures in the CSU Enrollment Dashboard (state-supported enrollment, undergraduate, CA residents); UC’s Infocenter does not include a breakdown of undergraduate enrollment by class level.

75. Johnson & Mejia, 2020b.

76. Calculated from figures in the UC Infocenter, Freshman Fall Admissions Summary and Transfer Fall Admissions Summary for 2020 (CCC transfers only), excluding international students.

77. Calculated from figures in the CSU Fall Term Student Enrollment Dashboard, Student Origin for 2020 (CCC transfers only), excluding non-resident alien students.

78. For example, UC’s website includes a commitment to eradicating systemic racism. See https://diversity.universityofcalifornia.edu/anti-racism-resources/


82. Bussey et. al., 2021; Kurlaender, et. al., 2020.


104. Using inflation-adjusted dollars from Figure 17, funding per full-time equivalent student (FTES) at UC fell from over $25,000 in 2007-08 to about $17,000 in 2021-22. At CSU, it fell from nearly $13,000 in 2007-08 to somewhat over $10,000 in 2021-22.


127. Education First, 2021.
