



*The Vision for Higher Education
Where do we go from here?*

“Funding the Future of the CSU: Part II”

A symposium looking for ideas on how to address future needs on funding the CSU and the California Master Plan for Higher Education.

WHITE PAPER Summary Report Prepared by Maureen Rubin



October 11, 2012
Hosted by the faculty of
Cal State Northridge

PREFACE

Since the inception of the California Master Plan for Higher Education in 1960, the once idealized model for higher public education has been seriously challenged as to its relevance and effectiveness. Financially it has been maintained through state support from the general fund which was possible through a few economic booms. But, with each subsequent economic boom came subsequent downturns to which the state has chosen to increasingly underfund the system. This systemic problem of defunding public higher education institutions prevails throughout the United States as well. With the economic crisis of 2008, higher education in California took a critical hit and consequently has put the system on a perilous road, challenging its purpose, meaning and value to the state. Most critics imply that the plan is in principle good however, there no provision for how it should be properly funded.

Motivated by this phenomenon, in January of 2011 the faculty of Cal State Northridge began to act as a host to a series of symposium discussions designed *to explore the future of higher education* and the California State University system (CSU) in particular. (See: www.csun.edu/csufuture for more information on these events.) This effort was tackled due to a perceived lack of guidance in finding solutions to the pesky problems confronting the health of higher education. In these symposiums two topics have had popular interest; one being the funding model and the other being the relevance of the Master Plan today and for the future. The erosion of state side funding to college institutions signals a change in commitment in how it values public higher education. Changes in technology, information access, and a global economy suggest that the theory of the Master Plan needs rethinking in order to meet the demands of a changing unpredictable future.

This history framed the symposium held on October 11, 2012 at the LAX Marriott Hotel. Though this event was hosted by the faculty of Cal State Northridge it was co-sponsored by the Academic Senate of the CSU, the CSU Alumni Council, the CSU Academic Council and the California State Student Association. Even with venue limitations the event enjoyed participation from various CSU stakeholders: university administration, faculty, students, alumni, trustees and the Chancellor's office. A sense of optimism was manifest in this representation of CSU constituents. Most attendees were willing to lean forward on the topic of “Funding the Future of the CSU” which is inextricably connected to the mission of higher education.

As we examined the future of the CSU institution we felt that many voices needed to be heard and several points-of-view that need consideration. For instance, there is influence from employers on what they might want, from voters on what they are willing to pay for, and the voices from government, administration and faculty who speak to issues like accountability/outcomes/costs, etc. We are a part of our times and even our own “insider” view of what is right or possible is impacted by a dialog with what we know to be the external realities and the needs and dynamics we imagine will be a part of the future (and therefore for what our graduates will face – for which they will need to be prepared).

This symposium was in part a call to colleagues in all roles in the CSU to look up, look outward, reflect on practice, and respond by driving the evolution of what we do, how we do it, and how well we do it. In many ways, an effort to sort the essential value and purpose of tradition acquired by largely transient institutional and “industry” habits. Not easy to do even for a profession that is rooted in ideas, reflection, analysis, and discovery (the pursuit of truth). Important to have such conversations on mission, costs and efficiency prior to exploring funding sources.

“Funding the Future of the CSU: Part II”

White Paper on Strategies for Long-Term Survival and Sustained Excellence
Prepared by Maureen S. Rubin

Introduction:

This White Paper will first highlight the remarks of the keynote speaker and panelists at the *Funding the Future of the CSU: Part II* symposium held in Los Angeles on October 11, 2012. It will then provide bulleted summaries of additional thoughtful comments from both speakers and participants in the various work sessions held throughout the day on the subject of Funding and Revision of the Master Plan.

In his opening remarks at the conference on *Funding the Future of the CSU: Part II*, moderator Steven Stepanek, told participants, “We assume you’re already familiar with the issues.” None-the-less, before specific suggestions for improvement are reported, there is value in reviewing the historical presentation by the President of Cal State Long Beach during which he encapsulated a few of the reasons for the current, dismal state of higher education affairs for California public universities, especially those serving underserved student populations.

Keynote Speech:

“I’d like to congratulate many of our large CSU institutions because ...new data shows that among the 115 largest universities in American, 10 of the least-spending 20 are CSUs...I can’t wait to go back home and tell our parents that we’re going to spend less on their children than most schools do throughout the United States.”

F. King Alexander

In the first plenary session, Long Beach State President F. King Alexander provided extensive evidence of the background that has led to the current chaos. These include:

- Federal education funding strategies have coalesced around increasing support for K-12, especially “free lunch schools,” providing education dollars directly to students through “fee-based” tuition tax credits and adopting a “market-based” voucher system that permits students to attend any institution.
- At the same time, and because of the Federal funding directly to students, many states decreased institutional support for public institutions of higher education, arguing that tuition fee increases would provide a viable, alternative revenue stream.
- Neither Federal nor state policies and accreditations distinguish between institutional missions or type (for-profit, private, or public).
- “We’ve got to do something before our states completely abandon their commitments to higher education,” Alexander concluded.

For a complete history of the Master Plan and its lasting impact on the CSU also see The People’s University by Don Gerth (self-published 2010).

Report Out Session I

“How many of you know of legislators who got elected because they supported higher education?”

Mohammad Qayoumi

The first “Report Out” session following Work Session I, featured remarks by Mohammad Qayoumi, President of CSU San Jose State University; Steven Boilard, past Director of Higher Education, Office of the Legislative Analyst and now Director, CSU Sacramento, Center for California Studies; and Michael Spagna, Dean of the Michael Eisner College of Education at CSU Northridge. Qayoumi pointed out that the current Master Plan was designed to “limit the role of the legislature” in the CSU system. Current policies, developed under this plan discourage attendance by native students. This year, 27,000 high school graduates from California are attending college out of state. This results in \$350 million in lost tuition, five times that amount in lost college-related revenue for articles such as housing and food, an a huge loss of human capital and to our state’s future work force. The Master Plan currently hinders both the flexibility and growth of state universities. President Qayoumi provided the following suggestions for further exploration:

- Make all graduate programs self-support.
- Increase support from businesses and industries that need to hire our students as their future workforce.
- Develop plans to increase alumni support and offer continual professional development. Link alumni association dues to tuition for new courses that will upgrade outdated knowledge.
- Use technology to replace as many “paper” forms as possible.
- Share programs and courses across campuses.
- Decrease construction costs. One way to do this is to increase online course offerings, especially for lower division General Education and remediation courses. Also market these courses to high school students, who can take them simultaneously. To do this successfully, we must assure commonality of quality and curriculum among the CSUs.
- Use assessment to review curriculum. Redesign educational strategies to assure degrees reflect a holistic approach to education. Inter-linkages and summative approaches are needed to develop the overall competencies needed in the workforce.

“The Czar did know how bad it was, but it just wasn’t bothering him that much.”

(Steve Boilard, when comparing the California State Legislature to the Czar)

Boilard focused on the Master Plan and the foundational question of “what does it mean to be a public university?” Noting, “higher education is not an entitlement in this state,” he posed several basic questions about mission, cost and efficiency that should be debated prior to exploring funding sources:

- Do we want to change any of the basic tenets of our mission?
- Do we want to continue to accept the top one-third of all California high school graduate?
- Are we satisfied with our obligation to “provide high quality instruction at the Bachelor’s and Master’s level,” while expecting our faculty members to teach,

complete research and participate in public service? Could any of these expectations be eliminated?

- Current budgetary allocations are based solely on FTS, without considerations of quality. What should be used to determine the real “units of outcome,” not just the amounts of time students spend sitting in a seat?

“The Los Angeles Unified School District, second largest in the nation, places first and second year teachers with the kids who have the biggest needs. So what does that do? It provides a whole new generation of kids not getting proper education.”

Dean Michael Spagna, CSU Northridge

Spagna focused on the interdependence of mission, cost and efficiency. He suggested we:

- Itemize tuition bills so students could understand where their fee dollars go.
- Remove structural barriers to collaboration among CSUs.
- Do more to offer alumni, especially inexperienced teachers, more in-service training and professional development.
- Engage in more regional planning to avoid duplication and take advantage of prestigious programs.
- Develop better communication to unify our message to external publics.

Report Out Session II

The second “Reporting Out” session following Work Session 2, featured remarks by Judy Heiman, California State University Liaison in the Legislative Analyst’s Office in Sacramento, David Hood, professor of History and California State University Long Beach and Joyce Feucht-Haviar, Dean Tseng College of Extended Learning at California State University, Northridge.

“We need to be a public good; responsible to regional and state needs. ”

Judy Heiman, Legislative Analyst’s Office

Heiman highlighted tensions that must be addressed when considering institutional change:

- The tension between continuing remediation or demanding adequate college preparation before admission. Heiman is encouraged by the Early State Program which “kicked in this year and is already starting to show some movement by K-12.”
- The distinction between public and private universities, which gives public universities the “responsibility to reflect the demographics of the larger population” in a way not done by institutions that are not in the public domain.
- The tension between comprehensiveness and specialization, which must be resolved by examining both the scope of the population the university serves and by answering the question what is it that each university really does well? And who is responsible for determining the proper scope of each university?
- Another tension is between research and the original role of the UCs and CSUs

as envisioned in the Master Plan. Is the CSU embracement of research as a faculty expectation “mission creep” or does it reflect societal expectations that expect graduates to “not just be passive receivers of knowledge” but innovators and creators. “How do you develop graduates with those skills if your teaching practices don’t involve them in research and inquiry?

- The final tension is the relationship of the CSU with K-12, preparing the student’s pathway all the way through.

“Do we (the CSU) want the Articles of Confederation or the Constitution? ... Are we 23 separate little nations wandering around together in United Nations?..Or are we going to be one great big university under (a) President?” David Hood, professor of History and California State University Long Beach

Hood reiterated many of Heiman’s tensions and added a few of his own:

- Is the role of higher education career preparation or contribution to the economy or a more abstracted view, which is teaching people to think and learn?
- Should civic engagement be a key outcome of higher education? Should the CSU Master Plan recognize the importance of CSU research?
- What should the role of community colleges be in the Master Plan? Is their enrollment too great for them to be able to accept all the students who want to enter?
- What is the California Master Plan anyway? Written in 1960, it envisioned a future of perhaps 15 years. A new vision, based on the future is needed. Should the Governor appoint a Commission to develop it?

“What stands in our way are practices we put there, ourselves ..(things) we have created. And we can undo (them) if we wish.

Joyce Feucht-Haviar, Dean, Tseng College, California State University, Northridge

- Allowing the current Master Plan to define the conversation about the future of higher education in California puts restraints on the current conversation and fails to recognize educational and societal changes over the past 52 years.
- We are now linked to a global scholarly works with new technologies and cross-disciplinary possibilities that did not exist in 1960.
- Other systems are forgoing concrete plans in favor of “design-build,” which understands the value of making a general plan, start creating and update as we go.

Additional Funding Ideas from the Breakout Sessions

1. Change student tuition payments from flat fees to dollars per credit unit. The current system discriminates against part-time students.
2. Make all graduate programs self-support.
3. Enlist constituents from legislative districts to lobby the California legislature on behalf of higher education.
4. Bring new faculty into the discussion as soon as they arrive. They have new ideas, knowledge and understanding of technology that the CSU needs.

5. We must closely re examine eligibility criteria for entering the university. Steven Boilard noted that there is nothing magical about the Master Plan’s one-third eligibility plank. We need to examine and strategize around the CSU role in the issue of college readiness – its cost, its purpose, and its benefits.
6. Recognize that baseline funding is continually evolving into one-time funding, due to its dependence on fluctuations in the state budget.
7. Think differently about “one-time funding.” Other universities recognize that grant money as well as self-support dollars can be part of the fiscal planning related to faculty hiring.
8. Enlist the lobbying aid of California corporations who need an educated workforce. They already prevented a rollback in science requirements.
9. Plan our strategies around common principles, not common policies. If we share beliefs (such as quality education for all), political strategies for advancing those principles can be independently determined by each campus or group.
10. In an effort to increase efficiency, such as could be accomplished by closing down buildings, we must seek to get the results we care about with less cost. First, however, we must determine what the results we care about **are**.
11. Don’t let PeopleSoft dictate our curricular strategies.
12. Encourage “out of the box” pilot thinking and programs by individuals departments, colleges institutions and even students. Waive prohibitive rules for the purpose of piloting.
13. In order to promote public awareness of what the CSU does, be more creative in explain what we do. For example, post “Your Tax Dollars at Work” signed around CSU campuses.
14. In fact, we’re not asking for more money. We’re asking for more flexibility and freedom from legislative intrusion.
15. Increase year-round and weekend classes.
16. Explore competency-based education, self-paced learning and prior learning assessments.

Additional Ideas about Revising the Master Plan from the Break Out Sessions

1. The Master Plan was never attached to a funding source. It is always dependant upon the largess of the California legislature and the governor. As long as California was flush, this plan worked. When California’s economy suffered, the master plan became unworkable.
2. In addition, the legislature has tried to revise the Master Plan five times (1975, 1987, 1988, 1993 and 2000). None of these attempts included funding plans.
3. Examine the fee structure that differentiates among community colleges, CSUs and UCs. Allow each unit more autonomy v. provide consistency throughout the state.
4. All changes must allow the CSU to keep its flexibility in making funding decisions.
5. Vocalize concerns regarding WASC changes in accreditation.
6. Review and work to change common accreditation criteria across CSUs and not-for-profit colleges.
7. Develop parallel and unified messaging and delivery strategies for student, par-

ents, faculty, staff, administrators, lobbyists and unions. We need to speak with one voice instead of being internal adversaries.

8. As stated in II above, we must review the one-third eligibility figure linked to CSU admission.

9. The original Master Plan says “1960 to 1975” right on it. It was intended as a 15 year plan. And don’t be burdened by the need to do something on the scale of the 1960 Master Plan.

10. Any Master Plan needs to recognize the interconnections of K-12 to adult schools, to career technical education, to community colleges ,to universities. We should be thinking of a Master Plan for California that speaks to all these vehicles for learning.

11. But, perhaps the task of creating one Master Plan for Education in California is just too broad. It was tried before in 2000. We should not get that specific, but should set broader goals on which all can agree. Then, we should couple these goals with flexibility and the freedom to experiment on how best to achieve them.

12. Flexibility is desirable, but all proposals should include a set of performance measures, which may be system- or campus-based.

13. The Master Plan is outdated, in its assumption that students are homogenous as they steadily climb a vertical ladder from K-12 through university. In fact, students of all ages come and go in very non-linear fashion.

14. We need better access to State data that will allow us to track students from K-12 through employment.

Next Steps: At the end of the day, many of the panelists reunited to discuss next steps.

David Hood gave a stark description of the future if current trends continue, stating, “Who is going to be penalized by this educational nightmare? Administrators, staff, and faculty who haven’t had a raise in four years? Maybe. Perhaps the more perspicacious and enlightened observer would say the student are the ones who are forced to pay for the legislature’s indifference. I have yet another answer. ..We’re supposed to be preparing California’s children for the leadership of this state. If they’re not as well prepared, then the penalty for the legislature’s failure will be paid by California’s future. ..If we fail to step up to the plate to make financial sacrifices and invest in the future, then California will continue to suffer from a serious brain drain as faculty leave to teach and do research and, more importantly, as students leave to attend college in other states; states with more enlightened perspectives on public higher education.

“(However), we should be free to dream...why shouldn’t all young people be provided the right of free public higher education... the people in this room can Change California... Go do it “

Judy Heiman, agreed that the state should set priorities, principles and purposes and set those out, and then allow flexibility as far as how to meet them. She noted that California, unbelievable has not set goals for higher education. It does have three overarching goals: access and success; aligning with state economic workforce and civic needs; and efficiency and effectiveness in the use of resources to a en-

sure affordability. The governor has expressed some interest in having a goal framework and accountability system for higher education. It is important for the CSU to be involved in those efforts. She also stated that the privates can't accommodate all the students that need to be accommodated, arguing that there are roles for both the nonprofit sector and the for-profit sector. However, accreditation standards must be rigorous and consistent.

Bob Linscheid, Member and Chair of the CSU Board of Trustees expressed great appreciation for the day's events and challenged the group to more innovation, such as examining the commercial opportunities related to some of today's research and increasing the engagement of the business community.

CSUN Provost **Harry Hellenbrand** expressed dissatisfaction with the current reliance on Bond Propositions as funding solution. This reliance will lead to a permanent cut to the state's funding and will force us to trade fees for less-permanent state dollars. In addition, all the assumptions underlying the 1960 Master Plan are outdated. There is no longer adequate economic growth, the demographic base and middle class are no longer growing and industries are no longer stampeding to California and the threat of global competition is escalating. We cannot survive on one-time funding instead of permanent fiscal commitments. We must look at fees and aid differently. In fact, aid and grant dollars actually wipe out the fee dollars that students pay. We must also make people understand the actual net cost of what students pay for higher education, given community college tuition, large number of students who transfer to the CSUN, plus grant and aid. He also discussed his thoughts on The Master Plan being outdated in its assumption that students are homogenous as they steadily climb a vertical ladder from K-12 through university. In fact, students of all ages come and go in very non-linear fashion due to financial need, work and relocation. He urged more local cooperation that recognize the realities of sporadic and nontraditional enrollment.

In conclusion, **Steven Stepanek** stated that plans are underway for a Los Angeles meeting in April that would include representatives from all local education institutions. He asked whether San Francisco and Sacramento would like similar forums to build on the work of the first two sessions.

Respectfully Submitted,

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