



OFFICE OF THE PRESIDENT

1111 Franklin Street
Oakland, CA 94607-5200
Phone: (510) 987-9074
Fax: (510) 987-9086
<http://www.ucop.edu>

September 15, 2003

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

Many of you have asked about the impact on the Master Plan of the recent action to limit winter and spring admissions. It is also likely that the Master Plan will be the subject of discussion at this week's Regents' meeting, as we focus on considerations guiding the development of the 2004-05 budget. Therefore, let me assure you that UC remains fully committed to the goals outlined in the Master Plan, as the University has been for more than four decades.

The Master Plan for Higher Education is a compact between the state, the public institutions of higher education, and the residents of California. The Master Plan establishes different roles for UC, the California State University, and the California Community Colleges with respect to the students they serve, the educational programs and degrees offered, and their role in performing research. It establishes a coherent framework for the state that provides the opportunity for a higher education for all Californians.

Legislative intent language recently adopted by both houses as part of the budget signed by the governor sends the signal that the state may not fulfill its obligation under the Master Plan to fund the increase in students that UC and CSU had planned to enroll in 2004-05. This is a deeply disappointing development that may alter the educational plans of thousands of deserving students who have prepared themselves for a UC or CSU education. Yet, without state funding, it is unrealistic to expect that UC and CSU will be able to enroll these students.

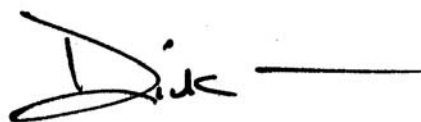
Historically, even under severe budgetary constraints, UC and CSU have admitted every eligible California student who applies on time, and the California Community Colleges have admitted all high school graduates and adults who wish to attend. This has been possible because, with very few exceptions, the state has funded the costs of enrolling all eligible students each year since 1960.

Even with the current actions to limit winter and spring admissions, we do not believe the University is neglecting its Master Plan obligation, as the University has encouraged the winter transfer applicants to apply again for the normal admission cycle in the fall. The Master Plan makes no reference to winter and spring application periods, and UC has never viewed off-cycle admissions as a mandate (indeed, several campuses do not take applications during these periods).

With this in mind, let me reiterate that UC remains committed to the tenets of the Master Plan. As a result, we intend to seek the state funding necessary to fulfill our obligation to the Master Plan and to the thousands of students who have worked so hard to become eligible for a UC education. If the state ultimately decides not to fund the education of these students at UC, we will work hard to ensure that this is only a short-term change, and we will try to find ways to mitigate the impact on students.

I look forward to discussing this issue with you further this week. A more detailed explanation of the access provision of the Master Plan follows.

Fiat Lux,

A handwritten signature in black ink, appearing to read "Dick", followed by a horizontal line extending to the right.

Richard C. Atkinson
President

Enclosure

cc: Chancellors

What is the current status of the access provision of the Master Plan for Higher Education in California?

This paper offers a brief overview of the Master Plan and addresses the question of whether or not the recent actions of the State of California and the UC and CSU systems regarding enrolling new students are consistent with the Master Plan. A more general summary of the provisions of the California Master Plan for Higher Education was provided to the Regents in October 2001 and is attached to this paper.

The Master Plan is a compact between the state, the institutions, and the residents of California. Portions of the Master Plan have been enacted into statute, but much of the Master Plan consists of agreements between the public and private higher education institutions and the State of California, as represented by the Governor, the Administration, and the Legislature. The Master Plan provides broad and specific policy guidance to the institutions and the state, but the details of implementation are left to the institutions themselves, through their governing boards, faculty, and administrations.

Promise to provide access. The feature of the Master Plan best understood by the general public is the promise that all California residents will have a higher education opportunity somewhere in the system. Faced with the baby boom and limited resources, the drafters of the Master Plan chose to offer universal access by highly differentiating the missions of the three segments of higher education (CCC, CSU and UC) and redirecting a greater portion of the students into the least expensive segments instead of restricting access. UC and CSU admissions pools were restricted to the top one-eighth and top one-third of the statewide high school graduating class, respectively. UC and CSU were to reduce their proportion of lower division students to accommodate transfers.

All eligible students are to be offered a place. While the 1960 Master Plan stated that UC and CSU were to select *from* these pools, subsequent modifications created a promise of access for all eligible students. That is, if students work hard enough to be included in one of these eligibility pools, they will be offered a space somewhere in the respective system as long as they apply on-time and are California residents. It is the heart of what the California public expects from the Master Plan.

The Master Plan provides an equivalent promise to eligible transfer students—in fact, the Master Plan accords resident California Community College students who have completed their lower division requirements higher priority for admission than incoming freshmen.

Since 1960, even under severe budgetary constraints, UC and CSU have admitted and offered a place to every California student who applies on time and is eligible, and the California Community Colleges have offered places to all high school graduates and adults who wish to attend. This has been possible because, with very few exceptions, the state has committed to funding a place for all eligible students every year since 1960. This “guarantee” of admission to eligible freshmen and transfer applicants was a key recommendation agreed to in the 1989 Joint Committee Master Plan Committee report, adopted by the Regents as part of its new admissions policy in 1988, and is recommended, at UC’s request, as part of the July 2002 Master Plan Joint Committee report.

Education Code Section 66202.5 makes reference to the mutual nature of the access promise. Section 66202.5 of the California Education Code states:

The State of California reaffirms its historic commitment to ensure adequate resources to support enrollment growth, within the systemwide academic and individual campus plans to accommodate eligible California freshmen applicants and eligible California Community College transfer students, as specified in Sections 66202 and 66730.

The University of California and the California State University are expected to plan that adequate spaces are available to accommodate all California resident students who are eligible and likely to apply to attend an appropriate place within the system. The State of California likewise reaffirms its historic commitment to ensure that resources are provided to make this expansion possible, and shall commit resources to ensure that students from enrollment categories designated in subdivision (a) of Section 66202 are accommodated in a place within the system.

This language does a good job of conveying the access promise of the Master Plan. The institutions are to make spaces available to accommodate all eligible students, but the state has a responsibility to provide adequate resources.

Budget trailer language signals intent to not fund the access promise. In enacting AB 1756 as part of this year's budget process, the State of California has signaled that the state's budget crisis may force it to abrogate the access guarantee of the California Master Plan for Higher Education as early as next year (i.e., affecting students applying in November 2003). AB 1756 expresses *legislative intent* that "in assisting the Governor in preparing the State Budget for the 2004-05 fiscal year, the Department of Finance not include any proposed funding for...[e]nrollment growth at the University of California or the California State University." AB 1756 is inconsistent with Section 66202.5 and some other existing code sections.

Given the magnitude of the recent budget cuts to UC and CSU, the growth in the number of eligible freshman and transfer applicants (due to Tidal Wave II, the children of the baby boomers, reaching college age), and the limited capacity of current campuses, it is unrealistic to expect that UC and CSU can continue to honor the access guarantee of the Master Plan without adequate resources, including additional enrollment funding, from the state.

Do Winter/Spring reductions mean the Master Plan is abrogated? A number of questions have arisen as to whether or not the current actions of UC and CSU to limit winter and spring admissions abrogate the access provisions of the Master Plan. The Master Plan is silent on the issue of the specific timing of the admissions process, but was drafted at a time when students typically progressed directly from high school to UC or CSU, or from high school to a community college for two years, and then to UC or CSU. Even today, the vast majority of applicants apply for UC admission in the fall and UC has consistently had procedures in place, such as the referral pool and deferred enrollment options, to ensure that all eligible fall applicants are accommodated.

The University also offers admission to freshman and transfer applicants on a space-available basis for those applying outside the fall admissions cycle. Typically, campuses indicate whether or not they are open for applications in winter and spring quarters and then evaluate all applications received in order to make offers for available spaces. There have not been systemwide procedures to ensure all eligible students are accommodated in winter/spring although each campus does its best to accommodate eligible students, especially community college transfers.

Thus, the University's decision to return without evaluation many of this year's applications for winter/spring admission represents a change in typical University admissions practice, but is not intended to change the Master Plan promise of access. Rather, the decision recognizes current realities about the availability of mid-year spaces at our campuses, in light of the legislative intent language not to fund new enrollments next year.

The University remains fully committed to the goals of the Master Plan. When these deferred winter transfer applicants reapply, the campuses will consider them with the rest of their fall pools. Moreover, the University will continue to honor all obligations to transfer applicants who seek admission to a specific UC campus based on a previous commitment from the University, regardless of the time of year.

If UC and CSU turn away eligible applicants in the fall, is that an abrogation of the Master Plan? The access promise of the Master Plan would be abrogated if UC and CSU, because of insufficient state resources, do not offer all eligible California residents who apply on-time admission to at least one of their respective campuses for fall 2004. In the past, the segments and campuses at capacity have developed options for offering otherwise unaccommodated students options for future enrollment rather than outright denial. These options include deferred admission and concurrent enrollment through University Extension. To the extent that these are viable options for the students to subsequently enroll in UC and CSU, they may partially preserve the access promise to qualified Californians.

The Master Plan is not just the access promise. The access promise is just one aspect of the Master Plan for Higher Education and was not even in the original 1960 document (which said, “select from” a percentage of top high school graduates). While it is the core of what the residents of California consider the Master Plan, preserving the other aspects of the Master Plan, such as the differentiation of function among the public postsecondary segments and the Cal Grant program, are at least as important for the future of California higher education. It should be noted that the access promise of the Master Plan is at risk, not the whole plan itself.

October 2001

The California Master Plan for Higher Education

The Master Plan was adopted in 1960, a time not unlike today in many respects. The “baby boom” children were reaching college age and massive increases in college enrollment were projected for the years 1960-1975. The Master Plan was born of the tremendous pressures to find a way to educate unprecedented numbers of students and it succeeded beyond all expectations. The Master Plan did much more than that, however. It also helped create the largest and most distinguished system of public higher education in the nation.

There are two major dimensions to this accomplishment:

- The Master Plan transformed a collection of uncoordinated and competing colleges and universities into a coherent system. It achieved this by assigning each public segment—the University of California, the California State University, and the Community Colleges—its own distinctive mission and pool of students. The genius of the Master Plan was that it established a broad framework for higher education that encourages each of the three public segments to concentrate on creating its own distinctive kind of excellence within its own particular set of responsibilities. And from the very beginning the framers of the Master Plan acknowledged the vital role of the independent colleges and universities, envisioning higher education in California as a single continuum of educational opportunity, from small private colleges to large public universities.
- The Master Plan created, for the first time anywhere, a system that combined exceptional quality with broad access for students. This characteristic has made California the envy and exemplar of higher education not only in other states but also in nations around the world. A team of international visitors from the Organization for Economic Cooperation and Development, here to review higher education in 1988, noted that California had succeeded in encouraging “constructive competition and cooperation” among its colleges and universities and praised the “complex of creativity” that characterizes California's system of higher education and makes it a model for other nations.

President Emeritus Clark Kerr, in testimony in 1999 to the legislative committee tasked with developing a new Master Plan, described the 1960 Master Plan this way:

What did we try to do in 1960? First of all, we faced this enormous tidal wave, 600,000 students added to higher education in California in a single decade. There were new campuses that had to be built, faculty members that had to be hired, and so forth, and it looked like an absolutely enormous, perhaps even impossible, challenge before us. We started out in our Master Plan asking the state to commit itself, despite the size of this enormous tidal wave, to create a place in higher education for every single young person who had a high school degree or was otherwise qualified so that they could be sure, if they got a high school degree or became otherwise qualified that they would have a place waiting for them. That was our first and basic commitment. I might say it was the first time in the history of any state in the United States, or any nation in the world, where such a commitment was made -- that a state or a nation would promise there would be a place ready for every high school graduate or person otherwise qualified. It was an enormous commitment, and the basis for the Master Plan.

Commitment to access. While the Master Plan has a number of provisions that are described below, the key feature that is understood by the people of California is this commitment to access. Since 1960, even under severe budgetary constraints, UC and CSU have admitted and offered a place to every California high school student who is eligible and applies for admission and the California Community Colleges have offered places to all high school graduates and adults who wish to attend.

The Master Plan was not just a promise by the colleges and universities -- it was a compact among higher education, the state, and the citizens of California. The Governor and Legislature made a commitment to fund each student, but it was understood that these costs would be borne by the taxpayers only if the institutions agreed to end costly and wasteful duplication of programs and unwarranted geographic expansion.

The Legislature, for its part, agreed to stop introducing bills creating new universities and colleges in their own legislative districts and instead supported a rational planning process. The California colleges and universities agreed to rein in the proliferation of academic programs and develop a process whereby only high-quality and genuinely necessary programs would be funded.

The major cost savings came from segmental divisions of responsibility and function. This occurred in two ways. First, in the admission of undergraduate students, UC and CSU agreed to tighten their admissions standards so that a smaller proportion of the high school graduating class would attend the four-year institutions in the freshman and sophomore years. The community colleges were to handle a much greater number of the students undertaking their first two years of a baccalaureate program. Second, at the graduate level and in the research sphere, there was an agreed-upon differentiation of responsibility -- high-cost graduate and professional programs were to be isolated in a relatively small number of research institutions that would make up the growing UC system.

Some indicators of the Master Plan's success are:

- A much higher proportion of California's population, from every ethnic group and by gender, is in college now than was the case in 1960. Full-time enrollments in public higher education have increased eightfold (from 179,000 to 1.5 million) since 1960, while the state's population has only slightly more than doubled (15.3 to 35 million).
- The University of California, the California State University, and the California Community Colleges have all grown enormously since 1960 in response to steadily increasing demand for education. UC added three new campuses and is working on a fourth, the CSU added seven and is working on an eighth, and the Community Colleges added 45.
- Despite unprecedented growth, the quality of California's public universities and colleges is considered exemplary.

Today, California faces another tidal wave of students entering higher education and those students reflect the changed demography of California since 1960. These challenges are the basis for the University's continuing examination of its admission requirements and its dramatic expansion of activities reaching out and collaborating with the public elementary and secondary schools. As UC proceeds with adjustments in its admissions requirements, it is important that it adhere to the principles of the 1960 Master Plan.

Major features of the California Master Plan for Higher Education. The original Master Plan was approved in principle by The Regents and the State Board of Education (which at that time governed the California State University and California Community Colleges) and submitted to the Legislature. A special session of the 1960 Legislature passed the Donahoe Higher Education Act (Title 3, Division 5, Part 40, of the Education Code beginning at Section 66000), which included many of the Master Plan recommendations as well as additional legislation necessary to implement the plan. However, many of the key aspects of the Master Plan were never enacted into law and a number of laws that are now part of the Donahoe Higher Education Act are not thought of as part of the Master Plan.

The Master Plan has undergone period reviews by the Legislature since 1960 and a number of the original provisions have been modified since then.

The major features of the Master Plan as adopted in 1960 and amended in subsequent legislative reviews are discussed here with their relevance to admissions policy highlighted.

1. Differentiation of functions among the public postsecondary education segments:

- UC is designated the State's primary academic research institution and is to provide undergraduate, graduate and professional education. UC is given exclusive jurisdiction in public higher education for doctoral degrees (with the exception that CSU can award joint doctorates) and for instruction in law, medicine, dentistry, and veterinary medicine (the original plan included architecture).
- CSU's primary mission is undergraduate education and graduate education through the master's degree, with particular emphasis on "polytechnic" fields and teacher education. Faculty research is authorized consistent with the primary function of instruction. Doctorates can be awarded jointly with UC or an independent institution.
- The California Community Colleges have as their primary mission providing academic and vocational instruction for older and younger students through the first two years of undergraduate education (lower division). In addition to this primary mission, the Community Colleges are authorized to provide remedial instruction, English as a Second Language courses, adult noncredit instruction, community service courses, and workforce training services.

2. The establishment of the principle of universal access and choice and differentiation of admissions pools for the segments:

- UC was to select from among the top one-eighth (12.5%) of the high school graduating class.
- CSU was to select from among the top one-third (33.3%) of the high school graduating class.
- California Community Colleges were to admit any student capable of benefiting from instruction.

In 1960, empirical studies showed that UC was selecting its student body from the top 15 percent of high school graduates and CSU was selecting its student body from the top 50 percent. The more limited admissions pools were designed to re-direct 50,000 students from UC and CSU to the community colleges and reduce the cost of building new campuses since fewer UC and CSU campuses would be needed. UC initially resisted the reduction to 12.5 percent fearing that it would reduce the University's public and legislative support if a smaller percentage of Californians were able to attend UC.

While the 1960, Master Plan has UC and CSU selecting "from" these admissions pools, subsequent policy has modified the Master Plan to provide that *every* California resident in the top one-eighth or top one-third of their high school graduating classes who applies on time be offered a place somewhere in the UC or CSU system, respectively, though not necessarily at the campus or in the major of first choice.

Eligibility. Thus, the definition of these eligibility pools has become one of the key features of the Master Plan. The California Postsecondary Education Commission (CPEC) does periodic studies to see what percentage of California high school graduates are meeting UC and CSU admissions requirements. UC and CSU then adjust their admissions requirements to comply with the Master Plan.

Some commentators have described this aspect of the Master Plan one of its greatest strengths and a model of public accountability. California high school students and their parents know exactly what standards are needed to obtain admission to UC and CSU and the institutions in turn are committed to offering a place to all students who meet those standards and seek to attend.

3. The transfer function is an essential component of the commitment to access. In order for the Master Plan to be successful in accommodating California students and meeting its goals, the transfer process between the community colleges and the four-year institutions needs to be successful:

- **60/40 ratio.** UC and CSU are to establish an upper division to lower division ratio of 60:40 to provide transfer opportunities into the upper division for California Community College students. This means that the four-year segments, by deliberate plans, need to reserve spaces in each campus and each upper division major to give community college junior transfers meaningful opportunities to enter the upper division in UC and CSU departments. If upper and lower division students advanced at the same pace, achievement of this ratio would require that one-third of all new students each year be upper division transfers. The 60/40 ratio was a major focus of the last Master Plan review in the 1980s. UC committed to re-establishing 60/40 and did so by the early 1990s and has maintained this ratio since that time. The 60 percent level for upper division is often thought of as a minimum. It would be consistent with Master Plan objective of encouraging transfer if UC and CSU exceeded that threshold, but historically the ratio has been difficult to maintain during periods of rapid enrollment growth because freshman demand often outstrips transfer demand.
- **60/40 ratio to be obtained without turning away eligible freshmen.** The 1980s Master Plan review explicitly rejected the notion of obtaining the 60/40 ratio by denying admission to *eligible* freshmen. Instead, it called for UC and CSU to obtain the 60/40 ratio by increasing community college transfers rather than reducing freshman admissions. It described this policy as “dual entitlement.” This term should not be confused with UC’s new Dual Admissions Program that targets students not initially eligible for UC.
- **Admissions priority.** Eligible California Community College transfer students are to be given priority in the admissions process over other categories of transfer students.
- **Upper division transfers as the preferred route.** Upper division transfers from the community colleges are to have priority. The 1960 Master Plan and subsequent reviews sought to eliminate lower division transfers from the community colleges in order to regularize the transfer process, but also to ensure that the community colleges had a large enough core of students necessary to offer sophomore-level academic courses beyond general education requirements.
- **“Second-chance” function and GPA needed for transfer.** The original 1960 Master Plan recommended that community college students who were *not eligible* for either UC or CSU as high school graduates attain a 2.4 *college* GPA and junior status to be eligible as transfers for UC and a 2.0 *college* GPA and junior status to be eligible as transfers for CSU. The 1960 Master Plan assumed that high school graduates who were UC or CSU eligible could choose to enter UC and CSU at any time (i.e., before obtaining junior status) and needed only to be students in good-standing at the college level. Therefore, these students only needed a 2.0 GPA in their *college-level* coursework because they had demonstrated their eligibility in high school with a higher *high-school* GPA. The mid-1980s Master Plan review recommended eliminating this distinction (in either direction) because it seemed unfair to those students who were not initially eligible and demonstrated their ability to undertake university coursework at the community colleges. However, UC did not implement this recommendation. The UC faculty felt the 2.0 GPA was inadequate for students who were not initially eligible in high school. Currently, a 2.4 *college* GPA and completion of 60 semester units of transferable college credit is required for those students who were not eligible in high school while a 2.0 *college* GPA in college coursework is required for those who were eligible from high school.
- **Central institutional priority and transfer agreement programs.** The 1980s Master Plan review focused on the community colleges and the transfer program. Legislation was enacted that placed provisions in the Donahoe Act calling for the segments to make transfer a “central institutional priority” and for UC and CSU to develop transfer agreement programs that “specify the curricular requirements that must be met, and the level of achievement that must be attained, by community college students in order for those students to transfer to the campus, undergraduate college, or major of choice in the public four-year segments.”

4. Reaffirmation of California's long-time commitment to the principle of tuition-free education to residents of the state. The 1960 Master Plan recommended that California's public institutions be tuition-free, but it did recommend fee increases to cover non-instructional (ancillary) costs such as parking and housing. Because of budgetary reductions, fees have been increased and partially used for instruction at UC and CSU in recent years, but fee increases have been accompanied by substantial increases in student financial aid.

5. The Master Plan provisions on student aid, now called the Cal Grant program, are designed to ensure that needy and high-performing students have the ability to choose a California institution of their choice, whether it be UC, CSU, the community colleges, or the independent California colleges and universities. The Cal Grant maximum award level was designed to give students the choice of attending independent California colleges and universities, thereby partially alleviating the demand for spaces in public institutions. Recent legislation has dramatically expanded the Cal Grant program.

6. The establishment of a governance structure for the segments, reaffirming the role of the UC Board of Regents and establishing a Board of Trustees to oversee CSU and, in 1967, a Board of Governors for the Community Colleges.

7. The establishment of a statutory coordinating body, the Coordinating Council for Higher Education. This was replaced in 1973 by the California Postsecondary Education Commission (CPEC).

Major legislative reviews of the Master Plan were conducted in the early 1970s and the late 1980s. A new legislative review of the Master Plan, which seeks to create a Master Plan that encompasses both K-12 and higher education, began in May 1999 and is planning to issue recommendations in 2002.