

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: June 28, 2007
POSITION: Oppose

BILL NUMBER: SB 946
AUTHOR: J. Scott

BILL SUMMARY: Community College Early Assessment Pilot Program

This bill would establish the Community College Early Assessment Pilot Program (CCEAP) to assess high school student readiness for transfer-level English and mathematics by utilizing the California State University Early Assessment Program and the Standardized Testing and Reporting (STAR) Program of the State Department of Education.

FISCAL SUMMARY

This bill would impose the following Proposition 98 local assistance costs and pressures:

- From between \$2 to \$5 million, annually, statewide for outreach coordinators for each of 25 pilot projects established at community college campuses and to ensure that 12th grade students participating in these pilot programs are provided with basic skills enrichment opportunities if additional remedial work is necessary for them to become college ready.
Proposition 98 General Fund costs in the low millions for SDE to contract for the development an assessment component to the existing CST, as well as costs to administer and score this additional component.

This bill would impose the following General Fund costs and pressures for state operations:

- Approximately \$250,000 annually for the Chancellor's Office to support implementation of the program plus at least \$100,000 for an evaluation of the pilot programs.
Given that SDE and CSU would be called upon to assist the Chancellor in developing this system, we assume potential General Fund cost pressure in the tens of thousands to the low hundreds of thousands to ensure both entities fully participate in this effort.

COMMENTS

The Department of Finance is opposed to this bill for the following reasons:

- This bill is nearly identical to SB 1563 (Escutia) of 2006, which was vetoed. At that time, the Governor noted concerns that it would be redundant to create a new pilot program to assess community college readiness when the CSU already has a system that could be used for that purpose. Additionally, he noted concerns with development of a special 12th grade curriculum when the state has spent years to develop curriculum aligned with academic content standards--further noting that better teaching strategies in K-12 schools would be more appropriate.

Analyst/Principal Date Program Budget Manager Date
(0340) T. Todd Jeannie Oropeza

Department Deputy Director Date

Governor's Office: By: Date: Position Approved
Position Disapproved

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- The bill imposes significant General Fund and Proposition 98 General Fund costs in the millions of dollars annually to fund up to 25 pilot programs, student notification system costs, enhancements to the existing California Standards Test, evaluation costs, and additional basic skills remediation for 12th grade students participating in these programs. None of these costs are included in the pending 2007-08 budget. Given current budget constraints, establishing a costly new pilot program is not advisable.
- It is unclear what the proposed pilot programs will identify that cannot already be identified within existing assessment instruments used by community colleges and the CSU to evaluate the English and mathematics readiness levels of entering high school students.
- The bill appears to unnecessarily augment the current CST. It adds an undefined "assessment" component to the CST, while simultaneously requiring each pilot program to utilize the current augmented CST implemented by the California State University to assess "degree-applicable" English and mathematics readiness.
- The Budget Act of 2006 and the pending 2007-08 budget provide significant general purpose funding increases for both K-12 schools and community colleges. Additionally, the pending budget for Community College budget currently includes an additional \$33 million for additional services and curriculum improvements for basic skills students. Nothing in current law prevents colleges and high schools from partnering to create similar early assessment programs at local discretion.

ANALYSIS

A. Programmatic Analysis

Under current law, the California State University operates an early assessment program aimed at evaluating the readiness of 11th grade high school students for college-level English and mathematics. Additionally, community colleges utilize a variety of testing instruments to evaluate the placement of incoming freshman for college English and mathematics courses. Furthermore, current law provides for the California Standards Test (CST), which is designed to assess demonstrated student skills and knowledge relative to expected standards for a particular grade level and subject matter.

This bill does all of the following:

- Authorizes up to 25 community college early assessment pilot programs to operate for a five-year period, commencing with the 2008-09 academic year. Colleges currently participating in California Partnership for Achieving Student Success (CalPASS) data sharing activities would be given preference for funding of early assessment programs. Pilot programs may include indicators to assess student readiness for degree-applicable English and Mathematics.
- Requires the Chancellor of the California Community Colleges to work in coordination with the SDE on any pilot program activities related to the STAR Program, and where "necessary", would require SDE to approve any activities that would impact the STAR Program. Any costs for SDE review would be funded by the pilot program.
- Requires SDE to augment the current CST to include an "assessment" component.
- Authorizes pilot programs to include additional indicators of "degree-applicable" English and mathematics readiness.
- Requires colleges receiving funds under this pilot program to consult with the CCC Academic Senate to sequence pre-collegiate level courses and transfer-level English and mathematics courses to the elementary and secondary academic content standards and make college advisors available to students at K-12 schools to help inform students about readiness for college.
- Requires the community colleges, the SDE, and the CSU to develop a community college student notification system to notify students of their test results, and apprise them of 12th grade academic enrichment curriculum opportunities.

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- Requires the Chancellor, in coordination with CSU and faculty participating in these programs, to provide 12th grade students in the pilot programs with basic skills enrichment opportunities if additional remediation is deemed necessary for them to be college ready.
- Requires the Chancellor to contract with an “independent and reputable” entity for an evaluation of the pilot program, and would require the entity to submit a report to the Legislature, Governor, and Superintendent of Public Instruction on the effectiveness of the program by December 1, 2013
- Requires the Legislative Analyst’s Office to review the report noted above, and provide recommendations by February 1, 2014, on whether the program should be continued, modified, expanded, or discontinued.

The author’s office indicates that this bill is intended to address the high numbers of students requiring remediation in English and math upon entry to college. They further indicate that the pilot programs proposed in the bill are intended to increase coordination of standards between K-12 and postsecondary education in California through proactive assessments, and map out curriculum from high school to college.

Implementing a pilot program to evaluate 11th graders’ readiness for college-level English and mathematics may have little value, if a student still requires an extensive amount of remediation to prepare for college-level English or mathematics. While identifying these needs a year earlier might help some students to achieve college-level readiness in these areas, it is not clear how these pilot programs would address systematic causes of the problem. Furthermore, the bill appears to unnecessarily augment the current CST. It adds an undefined “assessment” component to the CST, while simultaneously requiring each pilot program to utilize the current augmented CST implemented by the California State University to assess “degree-applicable” English and mathematics readiness.

To the extent that these kinds of assessment partnerships are desirable at the local level, nothing prevents them from occurring presently. Furthermore, for those students requiring extensive remediation, the proposed 2007-08 budget provides almost \$83 million in aggregate to K-12 schools and community colleges to support remediation programs aimed at helping high school students pass the California High School Exit Exam (CAHSEE) and graduate from high school. Passage of that test, and graduation from high school would in turn likely reduce the amount of remediation required for those students entering college.

In his veto message on SB 1563 (Escutia) last year, the Governor indicated that he shared concerns about the large number of high school students who enter college unprepared to perform academic work at that level. However, his message went on to indicate that SB 1563 created a redundant program, including an unnecessary basic skills curriculum. Instead, the Governor’s message urged the state to focus on developing better strategies for teaching students within existing curriculum.

B. Fiscal Analysis

This bill would impose Proposition 98 General Fund cost pressures of millions of dollars annually to support community college and school district participation in up to 25 early assessment pilot programs. The Chancellor’s Office estimates the need for one full-time outreach coordinator (at \$85,000 annually) for each participating college to support the operations of the proposed pilot programs. We believe that this is a very conservative estimate, and may not reflect all costs associated with implementing these programs such as ensuring that 12th grade students participating in these pilot programs are provided with basic skills enrichment opportunities if additional remedial work is necessary for them to become college ready. As such, it not unreasonable to assume costs of two hundred thousand per college to support these programs. With up to 25 pilot programs authorized by this bill, local assistance costs for community colleges would be between \$2 to \$5 million Proposition 98 General Fund.

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General Fund state operations costs in the hundreds of thousands of dollars would result from the requirement that community colleges, SDE, and CSU develop a student notification system to notify students of their test results and inform them of 12th grade academic enrichment opportunities. This estimate is predicated on the Chancellor's Office incurring costs of \$250,000 alone for two new staff, and based on the fact that CSU currently spends \$3.9 million on early assessment coordinators who engage in various outreach activities, including apprising students of additional coursework they may require to meet college-level English and mathematics standards. The BOG also would incur state operations General Fund costs of at least \$100,000 to contract with a local community college district for an evaluation of the pilot program.

Finally, Proposition 98 General Fund costs in the low millions would be incurred for SDE to develop and administer an assessment component to the existing CST. We note that CSU is budgeted \$3.9 million to administer its Early Assessment Program. This does not include the cost of grading the essay portion of the assessment which is performed by CSU professors. As a result, we believe this bill would result in similar costs.

Code/Department Agency or Revenue Type	(Fiscal Impact by Fiscal Year)								
	SO	(Dollars in Thousands)							
	LA CO RV	PROP 98	FC	2006-2007	FC	2007-2008	FC	2008-2009	Fund Code
6870/Comm College	SO	No		-----	See Fiscal Summary	-----			0001
6870/Comm College	LA	Yes		-----	See Fiscal Summary	-----			0001
6110/Dept of Educ	LA	Yes		-----	See Fiscal Summary	-----			0001
6610/CSU	SO	No		-----	See Fiscal Summary	-----			0001