

BERKELEY INSTITUTE FOR YOUNG AMERICANS

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New Report Questions Sustainability of Public Education for California's Future

New report explores how California's governance systems, state financial support, and emerging technologies will affect the long-term outlook of the state's education system.

Berkeley, CA - While state lawmakers have stepped up to improve public education in recent years, a new report from the [Berkeley Institute for Young Americans](#) (BIFYA) finds that long-term structural challenges in the state's finance system alongside dysfunctions in each sector's governance structure threaten the longevity of the public model. The report was part of the [California 100 initiative](#), which is administered by the [Goldman School of Public Policy](#). The report takes a holistic look at how California has governed and funded the early care and education (ECE), K-12, and higher education systems, and identifies the strengths and shortcomings across the different sectors.

The report identified two main structural issues to the finance system that threaten public education's future:

- The authors highlight that state lawmakers do not use an adequacy formula to determine funding levels in ECE, K-12, or higher education. In its simplest definition, an adequacy formula addresses how much funding students need—accounting for the needs of students from different socioeconomic backgrounds—to achieve a given outcome, such as average performance on a standardized test. Instead of using an adequacy formula, appropriations are largely discretionary and the result of a political process, especially for ECE and higher education. The authors argue that without an adequacy formula, California does not appropriately fund each of the sectors to achieve statewide goals.
- Secondly, the report identifies that the instability of the education finance system can create dramatic losses for education funding, especially during recessions, with long-term repercussions for each of the education sectors.

“California has historically underinvested in all parts of the education system and we all begrudgingly live with the results—not enough subsidized childcare seats, low levels of academic achievement in K-12, and rising tuition across higher education institutions,” said Erin Heys, the Principal Investigator of the project. “Lawmakers today are trying to make up for past underinvestment by using multi-year state budget surpluses to better fund each sector. The problem is that much of the new funding is one-time rather than ongoing, which means that the new money schools and colleges have now will be at-risk in a future downturn. This rollercoaster of funding has gone on for far too long. To secure the longevity and success of public education in California, lawmakers must invest in the adequacy and sustainability of the finance system.”

The report authors also identified challenges with the governance of the education system:

- Governance of each of the three sectors is disjointed, with different governing bodies operating each system independently with little cross-coordination or attempt at systemic coherence. The authors argue that this makes it difficult to streamline the ECE and K-16 experience for students.
- The authors illustrate that state education goals need to be clarified. California state legislators have established goals for higher education in the state education code, but no similar goals exist for early childhood education or K-12 in the guiding state legal frameworks. Clearly defining goals across the education system has two main benefits: 1) goals can orient the entire education ecosystem toward unified objectives for student learning and achievement; and 2) clear goals can help lawmakers design adequate funding formulas for the ECE, K-12, and higher education systems that currently do not exist.

“Together, the shortcomings of the finance and governance system make it difficult to provide a reliable, high-quality education for students from cradle to career,” said Erin Heys. “Even more concerning is that there are longer-running consequences for society at large when the education system operates in this dysfunction, including the risk of growing economic and racial inequality.”

A third section of the report explores advances in education technology across California, authored by members of Berkeley Graduate School of Education. The authors addressed issues of equity in access to technology, how the pandemic accelerated the use of technology across K-12 and higher education settings, and how private industry is making headway to develop online learning programs that are in direct competition with traditional higher education institutions.

While it is impossible to predict the future, the report concludes by outlining four models for education that are currently taking shape across California that could become mainstream in the years and decades to come. The scenarios envision what California would look like if education were a public or private good, and whether the rules of the education system were made by centralized actors such as state lawmakers or decentralized actors such as corporate leaders in the private sector or individual students and families.

“As California sits at the crossroads of change, this report is intended to be a conversation starter for stakeholders to consider what education might look like in California a century from now,” said Sarah Swanbeck, Executive Director of the Berkeley Institute for Young Americans and co-author of the report. “Alternative education models are taking root in California today that put into question the longevity of the public system, but there are important tradeoffs that need serious consideration. We encourage readers to consider how student equity, education quality, and the democratic purposes of education are represented in different models and what reforms, if any, may be necessary to steer the system towards a brighter future.”

[California 100](#) is a statewide initiative with a mission to strengthen California’s ability to collectively solve problems and shape our long-term future—through research, policy innovation, advanced technology, and engagement—by identifying, mobilizing, and supporting champions for innovative and equitable solutions. California 100 awarded a research grant to the Berkeley Institute for Young Americans along with faculty from Berkeley’s Graduate School of Education to examine the future of education in California.

[The Berkeley Institute for Young Americans](#) is a research center affiliated with the Goldman School of Public Policy at the University of California, Berkeley. The Institute seeks to better understand the

diverse challenges that young Americans face, with the goal of leading a fact-based, nonpartisan discussion about how best to invest in future generations. For more information about the Institute, please visit our [website](#) or follow us on [Twitter](#).

Read the full report on the [California 100 website](#), or access an [issue brief series](#) on our website.

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