

The experience of California's community colleges in coping with the crisis created by the passage of Proposition 13 suggests critical elements necessary for recognizing problems and mitigating chaos.

Mitigating Chaos: California's Community Colleges in the Post-Proposition 13 Period

Gerald C. Hayward

As Paul Valéry so succinctly put it, "The problem with our times is that the future isn't what it used to be." There are many of us who would relish the notion of going back to simpler, less chaotic, more predictable futures. That is purely wishful thinking, particularly for those of us who toil in the community college vineyard. The future promises to be more, not less, complex. The major problem will be to recognize that uncertainty will continue to be a fact of life and to develop plans and strategies that can accommodate and shape that reality. Educational leadership, whether it is in administration, among the faculty, or within boards of trustees, will be more difficult. Leaders will have less control over their own destinies, and the role played by external forces affecting their leadership capabilities promises to be even greater. Thus, leaders of the future may well have to major in ambiguity and minor in conflict resolution.

California Community Colleges—The Context

In 1986, California community colleges are just now slowly emerging from the shock and aftershocks of the infamous Jarvis-Gann-sponsored Proposition 13, overwhelmingly approved by the California electorate in

1978. To say the colleges were unprepared to deal with the chaos created by its passage is an understatement. Proposition 13 affected every phase of college operations, and districts found themselves woefully ill equipped to deal with problems of such magnitude. An old Chinese proverb reminds us that "out of the mud grows the lotus." Hopefully, a review of the post-Proposition 13 era in California can be instructive in recognizing and coping with future crises. I have chosen to focus on the California situation—first because I know it, second because it represents a significant portion of the national community college movement, and finally because it holds important clues for actively affecting the unpredictable future. I will concentrate of three general areas: finance, mission, and governance.

Finance

Since the passage of Proposition 13, with its resultant loss of revenue and its revenue shift from local taxpayers to the state, California's community college funding situation can be characterized by two words: inadequate and uncertain. Since that time, funding on a per-student basis has fallen far short of keeping pace with inflation and, even more significant, has been highly unpredictable. There have been six different funding arrangements in the last eight years, often with precipitous changes in community college finance and in the incentives and disincentives that are inherent in any funding mechanism. Inadequacy of funding and changes of the type and magnitude that have occurred during the post-Proposition 13 period have made it extremely difficult for districts to plan for and manage their institutions. This high degree of uncertainty led one wag to comment that in California community colleges, "long-range planning is planning for the next six months and perpetuity is defined as one year." In addition, Proposition 13 removed from local districts the ability to levy local ad valorem property taxes, even with the consent of the district's constituents. For all practical purposes, decisions about the level of per-student funding, as well as about the maximum number of students eligible for funding, are now made at the state level, primarily through the state budget mechanism. Local districts have in effect been precluded from the most critical decisions that affect their funding destinies. The irrepressible Howard Jarvis argued for the passage of Proposition 13 by saying it was time to remove decisions from "those popcorn balls" in Sacramento. A cruel irony for Mr. Jarvis and the proponents of Proposition 13 is that "those popcorn balls" now effectively control the major funding decisions for local governments, including community colleges.

Mission

California's community colleges have historically had a diverse and comprehensive mission. In fact, as one looks carefully at the mission of the colleges, one is struck by its remarkable consistency over time. However, the focus of that mission, and the emphasis each college has placed

on various aspects, has changed, often to reflect the special needs of the many communities the colleges serve. Community colleges may even have been victimized by their own success at being responsive. The authors of the 1960 California Master Plan Commission saw the community colleges as the major providers of students for transfer to the state colleges and universities, with adjunct vocational education, general education, and community service functions. The colleges' responses to local pressures for community service and to the growing demand for lifelong learning led to rapid growth in those areas of the typical California community college curriculum and to a relative de-emphasis on the transfer function during the 1960s and 1970s. It can be argued that the community college response to local demands outstripped state public policy support for these aspects of the mission. When the legislature and the governor were forced to face the difficult task of reassessing the state's priorities for funding in response to the diminishing resources available after the passage of Proposition 13, community colleges found themselves in a highly vulnerable position. The 1982 legislature, faced with a deficit of unprecedented dimensions, eliminated \$30 million from community college budgets and directed the state Board of Governors to discontinue all state support for recreational and avocational courses. Clearly, in times of great fiscal stress, district responsiveness to local needs is not an eminently salable commodity in the state legislature. In sum, while responsiveness has produced an unparalleled diversity among the colleges, a great strength locally, it has simultaneously created a major problem in attempting to describe to public policy makers what the colleges are all about. In the competition for state funds, relative to institutions and agencies that had clearer, better-defined missions. It is abundantly clear that community colleges of the future simply cannot continue to do all the things they have historically done, without a strong public policy commitment to their role and the necessary funds to carry out their mission.

Governance

California's community college governance structure is a direct outgrowth of its historic linkage with secondary schools. It provides the framework for what was originally intended to be a highly decentralized governance system designed to focus on responsiveness to local needs. In fact, the legislature's charge to the Board of Governors contains the following directive: "The work of the board shall at all times be directed to maintaining and continuing, to the maximum degree permissible, local autonomy and control in the administration of the community colleges." This arrangement served the state and the colleges adequately during the period when funding sources were primarily local. However, with the passage of Proposition 13 and the resultant shift of funding authority from the local jurisdictions to the state, California's community colleges became a governance anomaly; in no other state is the linkage between

funding and operational control so bifurcated. The recently completed Berman and Weiler study of California community colleges (1985, p. 20) stated the governance dilemma succinctly: "Both local trustees and the State Board of Governors lack key elements of the capacity to govern. As a consequence, key decisions affecting the colleges are often made by the state legislature—that is, in the political arena. This has further weakened local autonomy and has clouded the issue of where leadership resides."

Proposition 13 totally changed the landscape of California's 106 community colleges. It not only reduced resources available at the state and local level but also changed, perhaps irreversibly, the locus of power and the governance dynamic. Abruptly and unexpectedly, the community colleges, historically reliant on the goodwill of their local constituents, were thrust into a new, less familiar arena—the state—and were forced to compete in the annual battle for the state's scarce resources. As revenues diminish, legislatures and governors increasingly scrutinize the expenditure of public funds. This added scrutiny places institutions with multiple purposes and less clear functions at a distinct disadvantage in the competition for resources. In addition, the centralization of the process for appropriation and allocation of funds demands a higher degree of accountability than the historically decentralized community colleges have as yet been able to muster.

It would be inaccurate to attribute to Proposition 13 the responsibility for every community college governance problem. Other significant forces have affected the power and control once exercised by locally elected trustees and community college chief executive officers. At the state level, the authority of the state Board of Governors and the state higher education coordinating agency has increased dramatically, as has the role of the four-year educational institutions. For example, as state resources have become scarcer, and in light of a diminishing pool of high school graduates, the four-year institutions have expanded recruiting efforts, and campuses of the University of California have adopted unilateral policy changes to increase their percentages of lower-division students. This has resulted in a diminished pool of transfer-eligible students for the community colleges. Locally, trustees have seen their autonomy eroded by the advent of collective bargaining, as well as by the loss of their ability to determine revenues effectively. Administrators have watched their authority wane because of the increased activism (some would say administrative interference) of local trustees and increased roles of special-interest groups in the governance process. Of particular note in California has been the growing involvement of faculty in trustee elections. All these external factors have had the cumulative effect of reducing the authority of local administrators.

It is unlikely that these problems will abate in the near future. In times of stress and precipitous change, unless community college admin-

istrators alter their strategies of coping with the uncertainties they face, their ability to affect the future of the institutions for which they are held accountable will be marginal.

In order to deal effectively with chaos, the initial task for policy makers is to recognize the context within which policy is made. Community college leaders will face an ambiguous future, armed with a diminished capacity to direct their institutions and, unless they are responsive, their own professional fates as well. Does this mean that there is no hope? Not at all. What it does mean is that community college leaders will have a unique opportunity to learn from the post-Proposition 13 period, to play a critical role in shaping the destinies of their institutions by recognizing the new context, and to take positive steps to affect their futures. What is required is an enhanced ability on the part of the colleges to be able to respond quickly and ably to change. The promise is an increased capacity to mitigate chaos.

Problem Recognition

It would be folly for college leaders to spend a great deal of time conjuring up all the potential problems their institutions may face in the future. The list may well be infinite. What is eminently more sensible and much more manageable is to identify the processes necessary for assessing and dealing with future problems as they arise.

Simply put, the relevant question is not how to recognize problems but whether adequate systems and processes are in place to deal with potential problems. For illustrative purposes, I have chosen to concentrate on three areas—information systems, planning, and decision making—and to pay particular attention to the status of these systems and processes in the era immediately following the passage of Proposition 13.

Information Systems

At the heart of any sound problem recognition/decision making system lies a soundly based information system. The first element of an effective system includes the capability to describe the district's current financial situation and to make solid projections about its future. A recent California review of community college districts that were in severe financial difficulty uncovered the following patterns: inadequate ending balances to withstand revenue shortfalls, deficit spending (expenditures exceeding revenues in any given year), inadequate enrollment projection mechanisms, and staffing patterns that did not allow the district to respond to the financial crisis in the short time frame allowed. At least some of these problems were exacerbated by inadequate information systems. In any labor-intensive enterprise (85 percent of the typical California community college's budget is devoted to employee-related expenditures),

it is vital that the college have longitudinal data and adequate analysis about such basic elements as salaries, workload, average age, sex, ethnicity, and credentials for both full- and part-time instructors. Although the vast majority of colleges maintained these data files, I was amazed that some did not. When revenues are restricted, the absence of high-quality, reliable data about the financial characteristics of the district is suicidal.

Another major component is information about the clients of the system, the students. On this dimension, community colleges in California were woefully inadequate. Few colleges, for example, had complete information systems that adequately described the nature of their student bodies. Although most had adequate information regarding weekly student contact hours, most did not routinely require high school transcripts. Few had adequate assessment information about student skills. Very few had any information about student goals, and even fewer were able to ascertain whether students were making progress toward meeting those goals. These times of economic retrenchment call for improved retention efforts, which were crippled by inadequate information about student characteristics.

A process for collecting adequate information about prospective clients was also a rarity. Admittedly, such information is difficult and expensive to obtain, but the planning process and the ability to respond to future needs makes the gathering of such information a necessity. In the early 1980s, several community colleges were unable to respond, because of information system inadequacies, to the fact that the numbers of high school graduates in their attendance areas were declining. That, coupled with declining revenues, created an immense planning problem.

A critical but often overlooked source of information is the community. For planning purposes, it is essential to include information about the perceptions of the citizens, both state and local, regarding the mission of the colleges. As we discovered in post-Proposition 13 California, there was confusion and lack of popular consensus about what community colleges were doing and what they ought to be doing. That confusion, of course, affected the perceptions of policy makers and placed community colleges at a serious disadvantage in the competition for state funding. Adequate information about public attitudes simply did not exist immediately following the passage of Proposition 13. Public opinion polling about attitudes toward the colleges is an important but often neglected component of an adequate information system. When revenues were plentiful, as they had been in California prior to Proposition 13, there was little downside risk, and hence little incentive to invest in detailed information systems. If community colleges expect to fare well in achieving adequate funding and to plan well, an improved information system is a must.

Planning

The cruel irony of the planning process is that planning has been seen as less important in times of plentiful resources, but it is virtually

impossible in times of crisis, as the institutional constituencies move to protect their own special interests. Being open and explicit about expenditure priorities is infinitely more difficult in times of scarce resources. Comprehensive planning must become an integral part of the district's mode of operation in good times and bad. Unfortunately, California's community colleges, as well as higher education institutions generally, were inadequately prepared for the more complex strategies involved in planning for retrenchment. An ongoing planning process that includes alternatives and contingencies is a major element in determining a district's ability to respond to chaos.

Decision Making

A superior information system and a quality planning process do the district little good if the ability to convert the results of planning into action is lacking. Too little attention has been paid to the politics of converting plans to policy. All too frequently, district administrators found that their recommendations for returning the district to at least a semblance of fiscal stability lacked the political consensus to take effect—that is, to overcome the resistance from special constituencies whose major priority was to protect particular clients or programs. In many such cases, the root cause of the political problem was the lack of attention given to building, within the district, the kinds of political support needed to effect change in any democratic process.

Top-down planning, while not enthusiastically embraced, is often tolerated in times of plenty; it is rarely effective in troubled times. The uncertainties of the future call for a much more inclusive process, based on a collegial concern about the future viability of the institution. It requires participation by all affected parties, trustees, administrators, faculty, staff, students, and the community in the decision making process. It requires an agreed-upon, clearly understood data base. It requires consensually determined, alternative sets of assumptions and fully disclosed information concerning the often arcane budget and financial conditions the district faces. Finally, and most important, it requires a sense that decisions are made openly and that a general climate of fairness exists. Without such an institutional ambience, the district will be unable to respond adequately, if at all, to crisis situations.

Conclusion

Unfortunately, most of California's community colleges were ill-prepared for Proposition 13. The information system, particularly as it related to students, was inadequate; the planning process, particularly as it related to plans for retrenchment, was insufficient; and attention to the decision making process was a rarity. In spite of all this, community colleges somehow managed to survive, and almost all of them are actively taking steps to ensure that the next crisis, when it occurs, will not have

such a devastating impact. In the years since Proposition 13, the Board of Governors and the local districts have taken several positive steps to improve local capacity to respond to uncertainty. Giant steps have been taken to improve student information (Field Research Corporation, 1984). Such processes as the Board of Governor's matriculation plan (Chancellor's Office, 1984), aimed at improving student retention and persistence, are rapidly being implemented. Comprehensive planning efforts, once a rarity, are now a matter of course (Board of Governors, 1985; Chancellor's Office, 1985). Much, of course, remains to be done, especially in building a local climate that focuses on the institution's viability and not on special client or program interests. As the state's fiscal situation improves, and as the colleges once again have some breathing room, it is incumbent that the processes be put in place not to mitigate crises when they inevitably occur. The fact that California's community colleges survived Proposition 13 is testimony to their remarkable resilience. The fact that districts are purposefully acting to improve their capacity to mitigate chaos bodes well for their collective future.

References

- Berman, Weiler Associates. *A Study of California's Community Colleges*. Vol. 2, *Findings*. Berkeley, Calif.: Berman, Weiler Associates, 1985.
- Board of Governors, California Community Colleges. *1985 Basic Agenda*. Sacramento: Chancellor's Office, California Community Colleges, 1985.
- Chancellor's Office, California Community Colleges. *Student Matriculation: A Plan for Implementation in the California Community Colleges*. Sacramento: Chancellor's Office, California Community Colleges, 1984.
- Chancellor's Office, California Community Colleges. *Contours of Change*. Sacramento: Chancellor's Office, California Community Colleges, 1985.
- Field Research Corporation. *A Survey of Community College Enrollment Conducted as Part of Fee Impact Study*. Sacramento: Chancellor's Office, California Community Colleges, 1984.

Gerald C. Hayward served for six years as chancellor of the California Community Colleges. He is currently Distinguished Senior Visiting Lecturer at the University of California, Berkeley, and serves as Sacramento director of project PACE (Policy Analysis for California Education).