

A photograph of a middle-aged man with a friendly smile, wearing a dark blue graduation cap and gown. He is also wearing a light blue dress shirt and a patterned yellow and blue tie. The background is a soft-focus outdoor setting with green foliage and a blue sky. The overall tone is positive and celebratory.

Back to College

Part One:

California's Imperative to Re-Engage Adults



CALIFORNIA COMPETES
HIGHER EDUCATION FOR A STRONG ECONOMY

October 2018



Back to College is a series of reports that illuminates the millions of Californians who stopped out of college before completing their degree and now pay the price through diminished earnings and limited economic and social mobility. This initial report assesses this population of four million California adults aged 25-64 and identifies the personal obstacles and systemic barriers they face upon returning to college to complete their degree. The next report will outline straightforward recommendations policymakers should incorporate in 2019 to empower these adults to return to college, graduate, and thrive in California’s innovation economy.

Table of Contents

Introduction	3
The Case for Supporting Adults’ Education	4
Trends Among Adults with Some College But No Degree	5
Barriers to Completion for Adults Who Return to School	8
Conclusion	11
Notes	12
Appendices	13

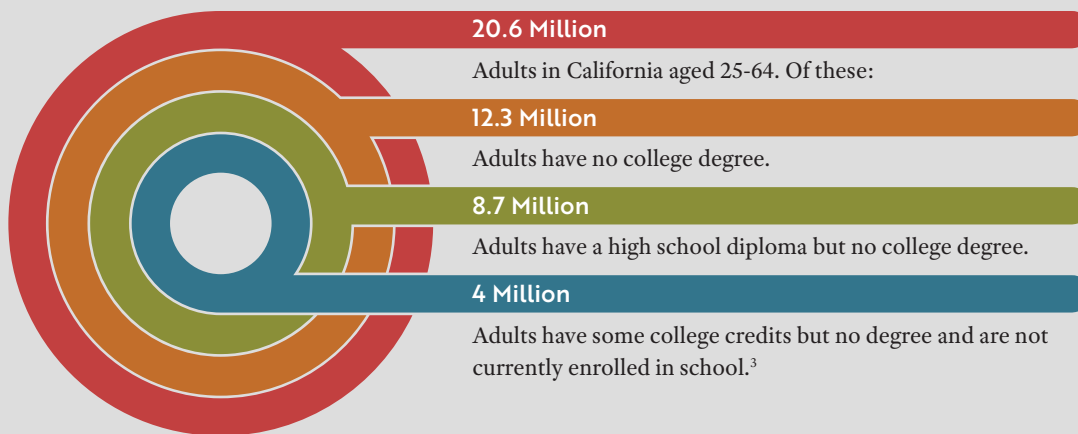


Introduction

Four million Californians aged 25 to 64¹, a population nearly as large as that of the City of Los Angeles, have completed college courses but left school without finishing a degree. Facing limited opportunities for economic and social mobility in a state increasingly dependent on highly skilled workers, these four million adults (Figure 1) are key to closing California’s projected gap of more than two million degrees and credentials by 2025.¹ All Californians would benefit if more adults with some college but no degree move past the finish line. With these credentials in hand, newly minted graduates could boost their individual prosperity, sustain the state’s innovation economy by meeting workforce demands, and form civically engaged, cohesive communities. Supporting this population in returning to college and through degree completion will also contribute to balancing California’s severe income inequality since higher rates of poor students and students of color do not complete college in their first try due to structural and institutional barriers like unaffordability, opaque systems, and a lack of institutional supports.

This descriptive report is the first in a series on California’s adults and higher education. This piece describes California’s adults with some college but no degree—their race and ethnicity, where they live and work, how much they earn, and more. We also examine public college attendance patterns for adults, contextualizing their enrollment and degree attainment trends with common barriers that adults disproportionately face when returning to college.² A snapshot of trends disaggregated by region, as well as detailed descriptions of data sources and methodology, are included in the appendices.

Figure 1. Adult Educational Attainment by the Numbers



Sources: California Competes’ calculations of American Community Survey Public Use Microdata Sample (PUMS) 2016 five-year estimate data and the National Student Clearinghouse

1. This report focuses on those 25-64—adults older than the traditional college age of 18-24 and younger than the traditional retirement age of 65.
2. This report focuses on California’s public colleges and universities. Private non-profit and for-profit enrollment is relatively small in California, and the state has more limited policy or governance levers to influence strategy at private institutions.
3. The American Community Survey (ACS) provides information on 500,000 adults aged 25-64 in California who report having some college but no degree *and* being currently enrolled in college. This report excludes those adults from its analyses. Further, the ACS does not provide information on whether adults with some college but no degree have already earned a terminal credential or certificate. Given this constraint, this analysis focuses on adults with no college experience, with some college experience, and with an associate’s degree or higher.

The Case for Supporting Adults' Education

Building Equity and Prosperity

Society frequently embraces the idea that young people have limitless potential if they are given the right opportunities in school. That potential does not die at 25, or 30, or 40 years old. Building educational options for adults is vital in a state where vast income inequality and high cost of living are juxtaposed against aspirations of equitable access to individual economic and social well-being. About half of adults in California with some college but no degree are people of color (Figure 2), revealing a key opportunity to improve equity in California through addressing the needs of this diverse group.

Currently, the four million Californians who left college before finishing a degree have diminishing opportunities in labor markets that increasingly rely on workers with degrees.ⁱⁱ Californians with some college but no degree are much less likely to be in the highest income brackets compared to degree holders (Figure 3).

In fact, their income distributions more closely resemble those for workers with only a high school diploma than those with a college degree. Beyond the financial benefits, research consistently shows that those who have completed college are healthier, live longer, are more civically engaged, and are less likely to commit crimes compared to those who have not completed college.ⁱⁱⁱ

Closing the Degree Attainment Gap

Improving pathways for returning adults not only benefits the individuals who lack degrees, but also helps to meet the state's workforce demands and sustains its economic health. A looming deficit of more than 2 million workers with degrees or credentials by 2025 stands in the way of California meeting its economic needs.^{iv} California's two- and four-year public colleges and universities are currently working to improve degree completion, but even in best-case scenarios, the state is likely to fall short of closing the degree and credential gap. While total enrollment at both the University of California and California State University are expected to grow in the next seven years,^v enrollment at the California Community Colleges, California's largest segment by far, is declining.^{vi}

Further, fewer traditional college-age students will be entering the postsecondary system than are needed to fill the gap in degrees and credentials that California's economy needs. The California Department of Finance estimates that 430,000 high school students will graduate annually over the next several years. At this rate, every high school graduate from the class of 2018 through the class of 2022 would need to attend college and complete a degree, with the entire class of 2022 completing within only four years, to close the state's two million degree and credential gap. In contrast, recent estimates show that only 37 percent of California high school graduates go on to complete a bachelor's degree.^{vii}

Figure 2. California Adults (25-64 years old) with Some College But No Degree by Race

Just over half of Californians with some college but no degree are people of color.

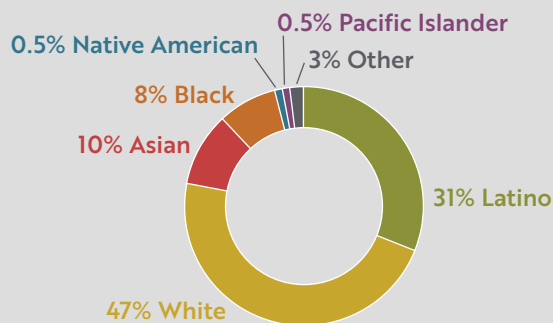
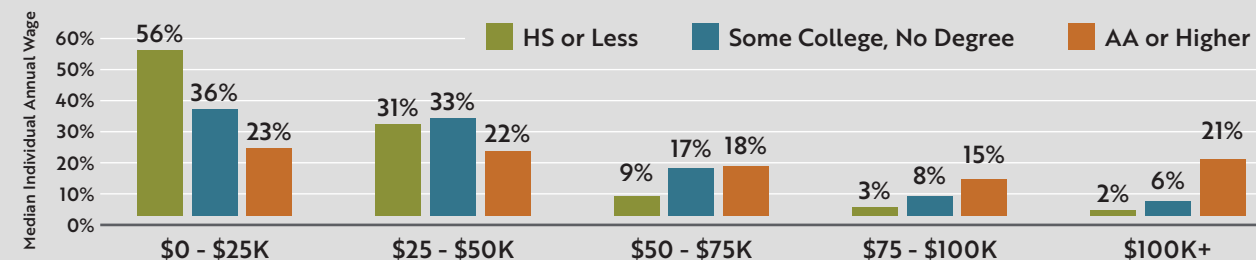


Figure 3. Median Annual Wage by Educational Attainment for California Adults (25-64 years old)

Adults with some college but no degree are overrepresented in lower wage brackets compared to those with a college degree.



Sources: California Competes' calculations of American Community Survey Public Use Microdata Sample (PUMS) 2016 five-year estimate data

Trends Among Adults with Some College But No Degree

By Race and Ethnicity

In California, the share of adults with some college but no degree differs substantially by race and ethnicity. Only about half of Latino, Black, Native American, and Pacific Islander Californians who ever attended college ended up completing their degree, compared to two-thirds of White adults (Figure 4). The other half end up joining the growing population of adults in California with some college but no degree.

While a seemingly low percentage (17%) of Latino adults aged 25 to 64—1.4 million people—have some college but no degree, this figure has more to do with lagging college enrollment for Latinos rather than high college completion rates. Fully 65 percent of Latino Californians aged 25 to 64 never attended college (Figure 4). As younger Latinos attend college at higher rates than older generations, rates of adults with some college but no degree are also increasing for younger Latinos.^{viii}

Wages, Workforce, and Economic Indicators

Those with some college but no degree usually have levels of economic prosperity that resemble those with only a high school diploma and lag behind those with a college degree. As shown in Figure 3, adults with some college but no degree are less likely to be in high income brackets compared to those who have a college degree.

The extent to which adults with some college but no degree earn less than college graduates varies by gender, especially among middle age groups (Figure 5). Women aged 25-34 with some college but no degree earn about \$15,000 less per year compared to those with a college degree. The difference grows to \$25,000 among 35- to 44-year-old women. This trend is even more pronounced for men: the \$18,000 wage gap among 25- to 34-year-olds jumps to \$32,000 among 35- to 44-year-olds.

Figure 4. College Attendance Vs. Completion for California Adults (25-64 years old)

About half of Latino, Black, Native American, and Pacific Islander Californians who attempted college did not complete.

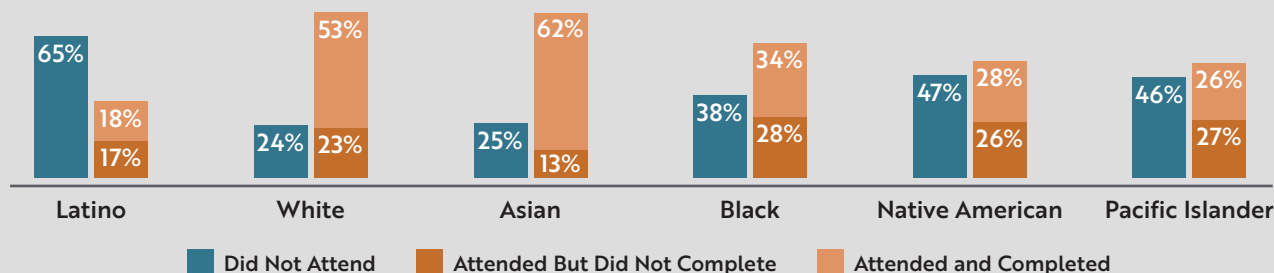
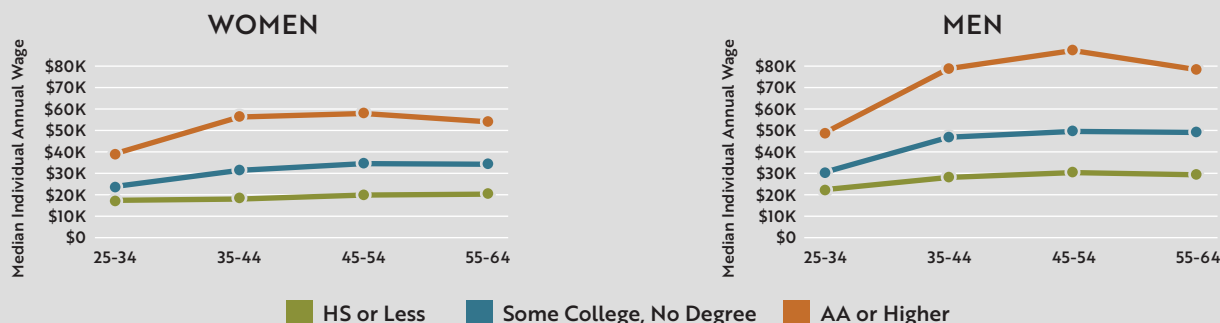


Figure 5. Wage Gaps by Age & Educational Attainment for California Adults (25-64 years old)

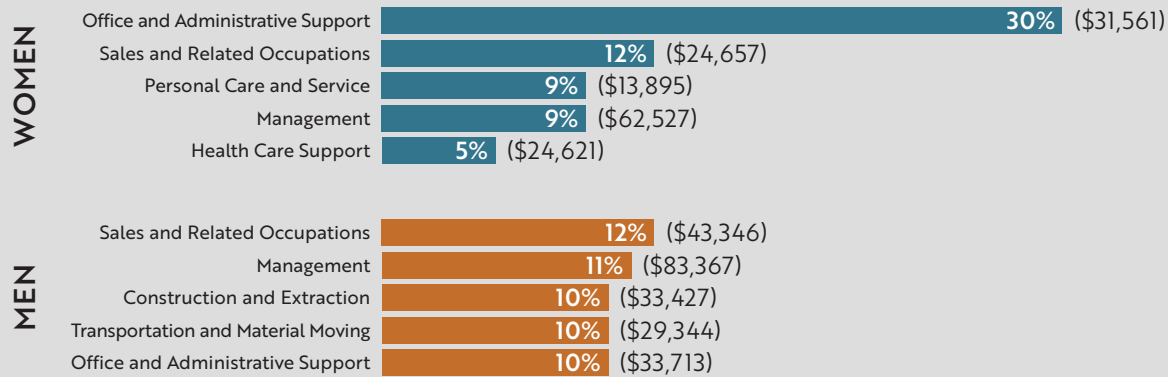
The wage gap between adults with some college but no degree and degree holders widens in the middle age groups, particularly for men.



Sources: California Competes' calculations of American Community Survey Public Use Microdata Sample (PUMS) 2016 five-year estimate data

Figure 6. Top Occupations for California Adults (25-64 years old) with Some College But No Degree

Californians with some college but no degree primarily work in occupations that pay below the state's median wage of \$35,984 (State median wages for each occupation are shown in parenthesis)



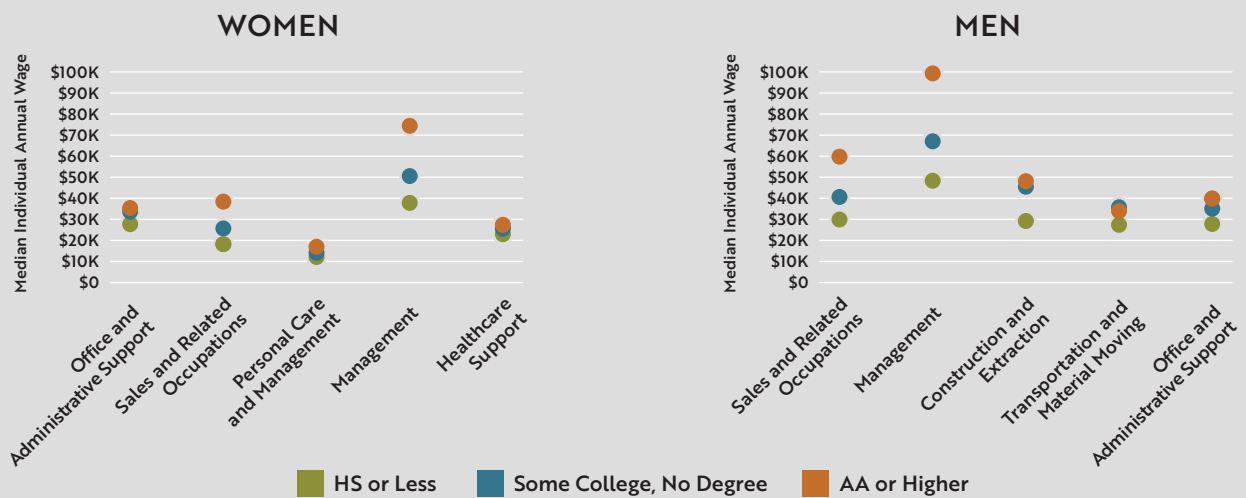
Not surprisingly, low wages for adults with some college but no degree are linked to their concentrations in occupations that on average, pay below the state's median wage of \$35,984 (Figure 6). This trend is consistent across age groups.

Further, except for management, these adults are largely in occupations that are low-paying regardless of educational level (Figure 7).

For example, the median wage for women with some college but no degree in office and administrative support is only \$1,000 below women with a college degree in the same occupation. This suggests that a college degree could have more value to these adults as a ticket for entry into more lucrative occupations rather than moving up within an occupation.

Figure 7. Wage Gaps by Occupation and Educational Attainment for California Adults (25-64 years old)

Adults with some college but no degree primarily work in occupations that do not provide a wage premium for more education.



Sources: California Competes' calculations of American Community Survey Public Use Microdata Sample (PUMS) 2016 five-year estimate data

Figure 8. Health Insurance & Homeownership by Educational Attainment for California Adults (25-64 years old)

Adults with some college but no degree are less likely to own homes or have health insurance than those with a college degree.

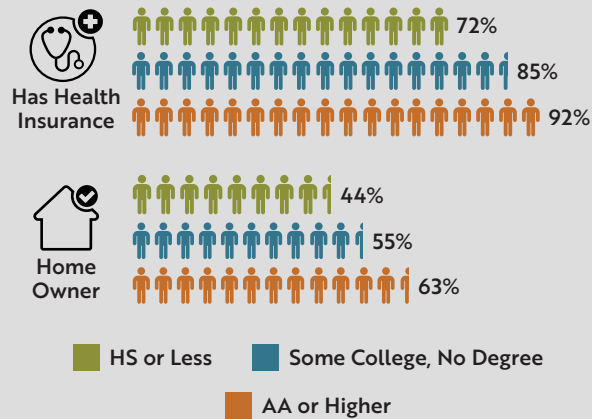
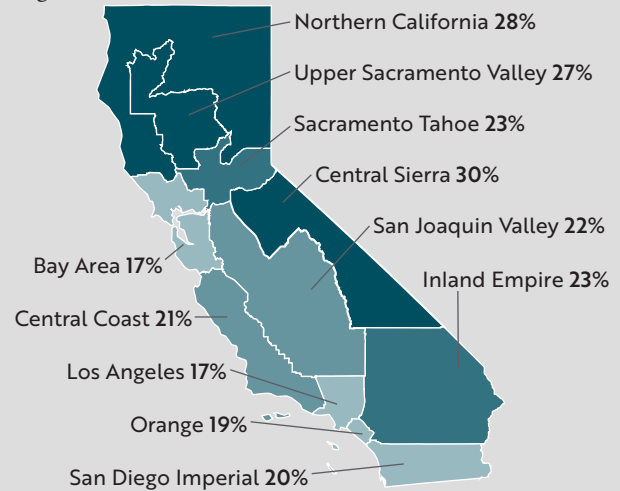


Figure 9. Concentration of California Adults (25-64 years old) with Some College But No Degree By Region

More than one-quarter of adults in California’s rural regions have attended some college but have not completed a degree.⁴



Sources: California Competes’ calculations of American Community Survey Public Use Microdata Sample (PUMS) 2016 five-year estimate data



Indicators of the financial vulnerability of these adults go beyond earnings. Almost twice as many adults with some college but no degree are uninsured, compared to those with a degree. Non-completing adults are also less likely to own their homes than those with a college degree (Figure 8). Among renters, adults with some college but no degree are more likely than those with a degree to be paying at least 30 percent of their income on housing, a common indicator of financial health.^{ix}

Regional Trends

The largest numbers of adults with some college but no degree live in the state’s most populous regions; however, the largest concentrations of these adults are in predominantly rural regions: Central Sierra, Northern California, and the Upper Sacramento Valley. More than one-quarter of adults in these regions left school without obtaining a degree or credential (Figure 9).

California has large regional differences in wages for those with some college but no degree. For example, adults with some college but no degree in the Bay Area—a region with relatively high degree attainment—make \$9,000 less than the regional median wage. However in the San Joaquin Valley, where more individuals have only a high school diploma or less, the trend is opposite—adults with some college but no degree make \$4,000 more than the regional median. Appendix A presents more detail on trends by region.

4. See Appendix B for how these regions are defined.

Barriers to Completion for Adults Who Return to School

Barriers for adults with some college but no degree range from personal, individual considerations to widespread and systemic shortcomings that if addressed, could benefit all college students in California.

Limited Financing Options

State and federal financial aid, designed primarily with traditional-aged students in mind, is very limited for adults returning to college due to eligibility and availability restrictions. With no expiration, Federal Pell Grants are the most widely used source of financial aid for returning adults, but they are only available for up to 12 semesters over one’s lifetime.^x The longer a student takes to complete a degree, the more likely he or she is to lose eligibility. Pell Grants are not available for students enrolled in short-term or non-credit vocational certificate programs, which often cater to adult working students.^{xi}

Similarly, Cal Grants, the state’s primary vehicle for academic financial aid, offer limited options to adult students who want to return to college (Figure 10). Students who are more than a year out

from high school graduation and who do not qualify for a transfer entitlement grant must compete for a total of only 25,750 awards.⁵ In 2018, only 7% of all qualified students received a competitive Cal Grant due to the high volume of applicants.^{xii} Nearly all competitive Cal Grant recipients receive a Cal Grant B, which offers an “access award” for living expenses, in addition to tuition aid, after a student’s first year.⁶ Unfortunately, the amount allotted for each access award has not kept pace with inflation and in today’s economy, it is now worth less than it was five years ago.⁷ Further, Cal Grants time out after four semesters of inactivity, limiting their availability to only those students who are able to complete a credential in one attempt.^{xiii} The Cal Grant C program, offering a mere 7,761 new awards annually, is specifically targeted to community college students focusing on vocational programs, which is a popular route for returning adult students.⁸ However, to be eligible for Cal Grant C, students must also be enrolled at least half-time, a course load that could be out of reach for working adults. This leaves adults with some college but no degree few viable financial assistance options.

Grant Program	Limitations for Returning Adult Students
Cal Grant A covers up to full tuition and fees at four-year colleges only ⁹	<ul style="list-style-type: none"> • Students older than 28 and/or more than one year from high school are not eligible for the Cal Grant A high school or transfer entitlement award • Only 25,750 awards are available to adult students via competitive Cal Grant A and B awards • Over 340,000 students qualified for a competitive Cal Grant in 2018 with less than 8% receiving one
Cal Grant B Covers up to full tuition and fees after the first year at four-year colleges in addition to an “access award” of \$1,672 for living expenses at two- or four-year colleges	<ul style="list-style-type: none"> • Same as Cal Grant A (see above)
Cal Grant C covers up to \$2,462 for tuition and fees and \$547 for books, tools, and equipment for vocational programs at community colleges or Cal Grant eligible private institutions	<ul style="list-style-type: none"> • Only 7,761 awards annually across all age groups

Source: California Student Aid Commission^{xiv}

5. Cal Grant Transfer Entitlement awards are available to students transferring directly from a California Community College to a four-year institution for students under the age of 28.
 6. 99% of competitive Cal Grant recipients in 2017 received a Cal Grant B, which includes a Cal Grant Access Award.
 7. The Institute for College Access and Success tracks the annual present-day value of Cal Grant B Access Awards and finds that if the award had kept up with inflation from its inception in 1969, it should be worth more than \$6,800 today.
 8. 70% of Cal Grant C recipients in 2017 were 25 or older according to the California Student Aid Commission.
 9. Current tuition and fee allotments are \$12,240 at a University of California campus, \$5,472 at a California State University campus, and \$9,084 at Independent Colleges.

Financial aid data from the California Community College Chancellor's Office illustrate the challenges adults face in returning to college (Figure 11). Not only are they less likely to meet eligibility requirements for the California Promise fee waiver, but all community college students over 25 years of age—returning or otherwise—are less likely to receive grants and scholarships and more likely to take out loans, compared to younger students.

The inadequate financial aid options available to returning adults exacerbate the economic trends illuminated earlier in this report. While California has some of the most affordable tuition rates in the country, when monetizing students' time to degree the cost adds up quickly, especially in a state with high living expenses. More than 40 percent of California's college students do not complete their associate's degree in three years or bachelor's degree in six years, and this rate is higher still for Black, Latino, Native American, and Pacific Islander populations, and for men compared to women.^{xv} As time to degree increases, so too do tuition costs and missed earnings opportunities.

Of course, the state is not the only available resource to help finance adult students' education. Seventy-seven percent of adults with some college but no degree in California are employed, and could conceivably contribute some share to the cost of their degree. Yet, successfully working while in college requires students to manage their enrollment status, course schedules, and employer expectations simultaneously. Moreover, few workplace protections exist for employees in California seeking further education.¹⁰

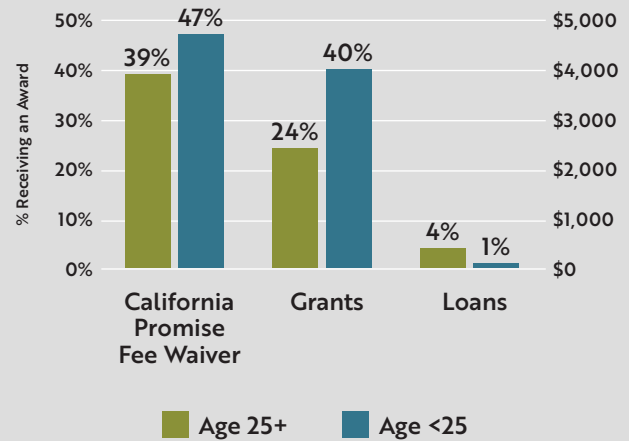
Personal and Family Responsibilities

Adults with some college but no degree frequently face difficult personal decisions as they prepare to return to school. Attending classes on campus may require adjustments to current work schedules, dependable and cost-effective childcare, and reliable transportation. Further, adults who choose to go back to college also choose *not* to do something else. Californians must sacrifice existing work opportunities, family time, and leisure activities to make a return to school feasible.

The story of a full-time college student whose only obligation is to his or her studies is increasingly rare for most Californians, and even less relatable for adults contemplating re-enrollment. Working is a way of life for half of college students today, and it can be a struggle to balance earning enough to take care of basic needs and leaving adequate time for learning.^{xvi} Working too much reduces a student's chance of college completion regardless of age, with particularly negative effects on underserved students.^{xvii} But urging adults to work less and therefore earn less in California, a state where nearly one in five residents lives close to the poverty level, must be done with practical financial alternatives.^{xviii}

Figure 11. California Community College Students Receiving Financial Aid Awards by Age

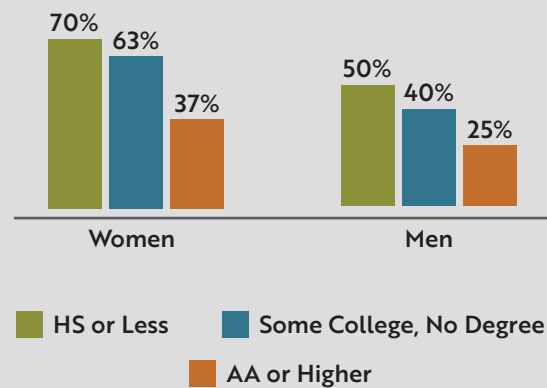
Adult students are less likely to receive grants and more likely to take loans than younger students.



Source: California Competes' calculations of financial aid data downloaded from California Community College Chancellor's Office Management Information Systems Data Mart for students enrolled during 2016-17

Figure 12. Adults (25-34 years old) Living with Dependent Children by Educational Attainment and Gender

Younger adults with some college but no degree, especially women, are more likely to live with dependent children than those with a college degree.



Source: California Competes' calculations of American Community Survey Public Use Microdata Sample (PUMS) 2016 five-year estimate data

10. The labor code in California does not cover employee tuition benefits. Those agreements are contracted through individual company policy or negotiated with individual employees and are not mandated by state law.



Many adults have more than their own needs to worry about. Adults with some college but no degree are more likely than those with a college degree to have dependent children (Figure 12). For parents needing paid childcare, the cost of going back to college grows even higher. While the population of Californians with some college but no degree is split equally between men and women, nearly four times as many women in this population are single parents (98,000 women versus 26,000 men), and more than half of these women work full-time. College students with dependent children have lower rates of college completion, and completion rates are lower still for single parents.^{xxix} Even when adults can balance work schedules, attend classes, and secure reliable childcare, transportation poses another barrier, particularly in rural regions such as the Central Sierra where there are far fewer educational facilities.^{xx}

Institutional Roadblocks

California's poor coordination across higher education systems creates structural barriers that impede adults' abilities to return to school. For example, adults with some college and no degree may want to return to school at a different institution from where they started but may struggle to do so if student information and data cannot be easily shared between institutions.

Unlike many other states, California's higher education segments operate largely independently of one another, creating inefficiencies and information siloes for students and institutions. For example, California lacks a statewide common course numbering system or a statewide degree audit system, both of which could help returning adults understand how their previous educational histories translate to their new goals.^{xxxi} In fact, California is one of only six states in the nation without a comprehensive education data system to track and measure the progress of its students across institutions.^{xxii}

This decentralized approach to data also makes it more difficult for institutions to coordinate with each other and better serve returning adults.

Moreover, returning adults often bring with them a wealth of work and education experience that are not adequately valued when they return to college. Twenty-four states allow adults to capitalize on their accumulation of in-class and on-the-job learning through a statewide policy that provides academic credit for prior learning (CPL), often through formal and informal assessment.^{xxiii} CPL can be a huge incentive for adults to return to school; however California lacks a statewide approach to its implementation. Because faculty have authority over matters related to academic credit, institutions in California currently set their own CPL practices.^{xxiv} California is moving toward CPL alignment with the passing of AB 1786, a bill that expands existing California Community College CPL policies for veterans into an initiative to expand the use of CPL to all students with prior learning. However, this initiative is specific for the community college system and does not extend to the CSU or UC.^{xxv} The absence of a statewide CPL policy can serve as a deterrent to adult students who have meaningful educational and academic histories and who will attend more than one institution before completing their first degree.

Finally, cultural expectations can also serve as institutional barriers for many adults aspiring to return to college. The traditional idea of direct college-going from high school remains the gold standard in higher education, erroneously limiting non-traditional students' sense of belonging, engagement, and learning experience.^{xxvi} It also limits institutional imagination and motivation to change campus culture in ways that benefit adults and other diverse student groups. When a returning adult student with competing responsibilities enters a learning environment that prioritizes students who are likely to be less constrained by life commitments, that student may be pressured to either assimilate into an existing culture not suited to his or her needs or stop out once more, thus negatively impacting retention and completion for adults.



Conclusion

California cannot meet its needs for an educated workforce without looking beyond traditional-age students, and the four million adults in California who have already attended college without obtaining a degree represent a prime opportunity. These adults live on the margins of economic stability, making a specific degree completion strategy for this population a priority for individual and shared prosperity throughout the state. Attracting adults with some college but no degree back to our postsecondary system and supporting them to persist to graduation will require policy changes that:

- Address a systemic lack of financial aid opportunities;
- Lower institutional and structural barriers; and
- Provide practical incentives for stakeholders—including private industry—in education-to-employment pathway building.

Strategies that incentivize institutions to better serve returning adults, deepen business partnerships to support these students, and make financial aid more available will build better pathways to success for adult students. Of course, few policy interventions come without costs, and the next report in this series will outline specific policy recommendations designed to offset barriers for adults with some college but no degree, and describe both the benefits and tradeoffs for policymakers' consideration.

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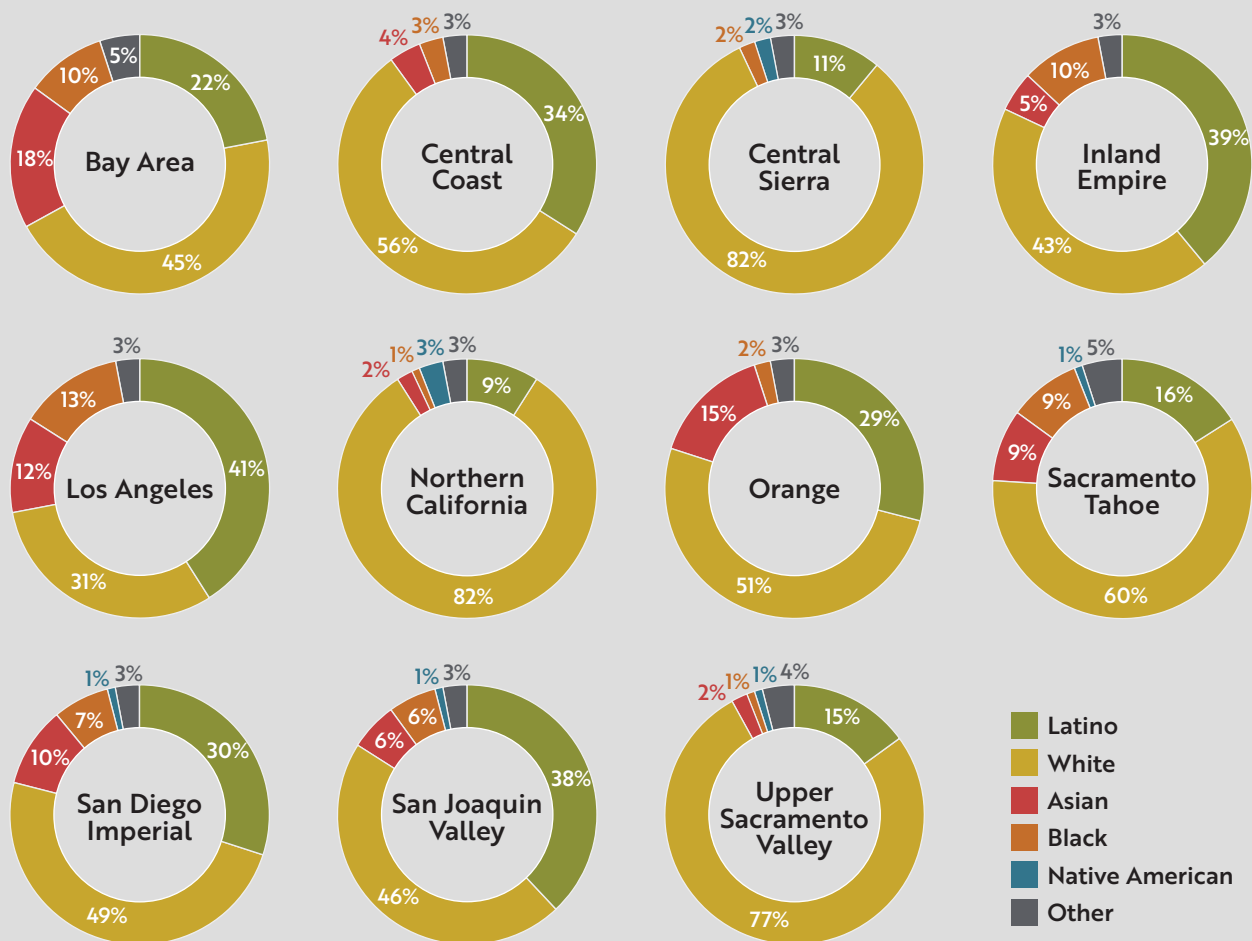
Appendix A

Regional Profiles of Adults with Some College But No Degree

Trends among adults with some college but no degree vary by race and region in California. For example, in the Central Sierra and Northern California, this group is almost entirely White. In Los Angeles and the Inland Empire, Latinos make up approximately 40 percent of those with some college but no degree. These characteristics mirror the broader population of each region, but equity gaps still exist. (Figure A1 and A2).

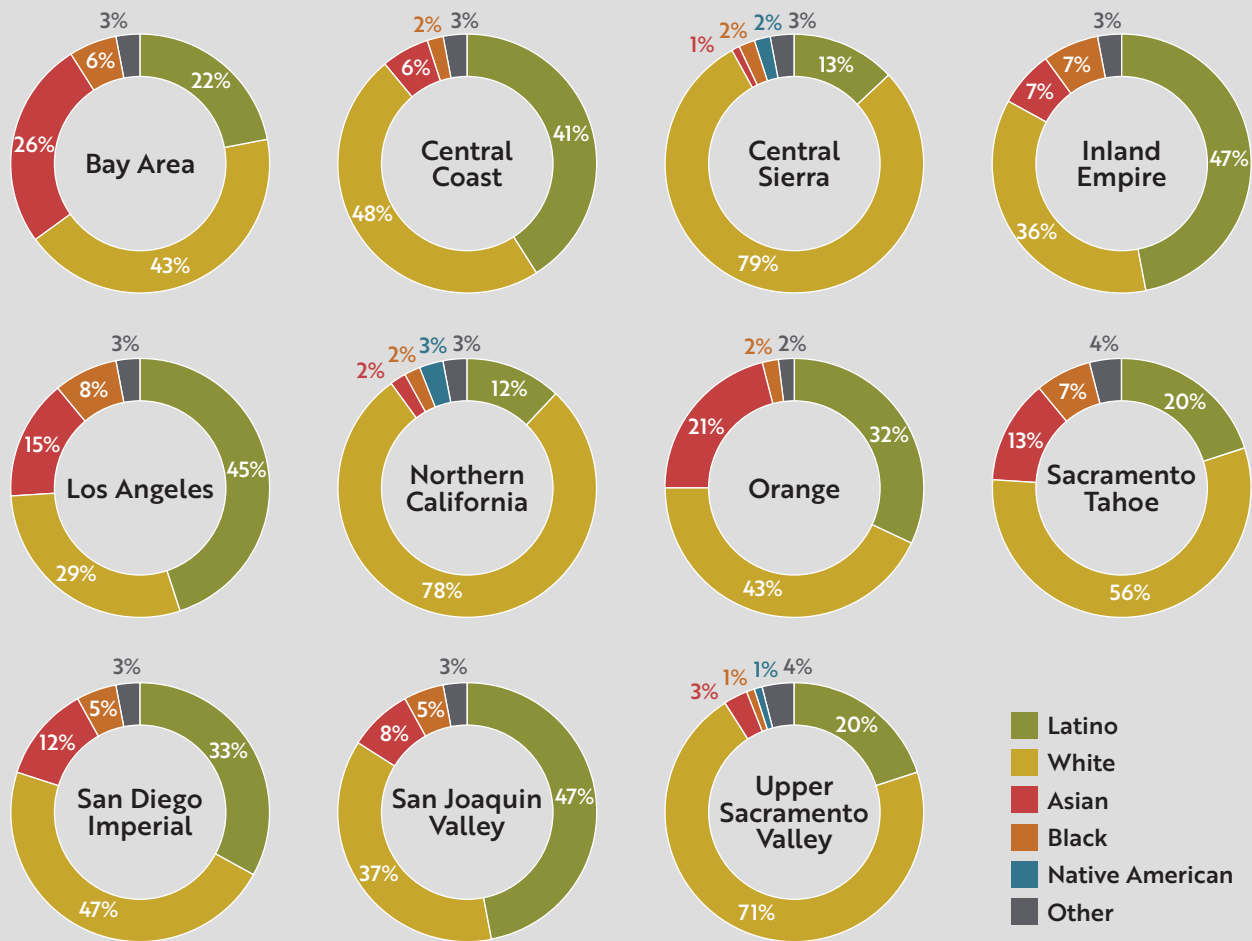
The extent to which leaving college before completing a degree disadvantages adults varies widely by region. In the Bay Area, those with some college but no degree earn around \$9,000 less per year than the regional median wage. In contrast, in the San Joaquin Valley, where the rate of adults with degrees is much lower than the Bay Area, adults with some college but no degree make about \$4,000 *more than* the regional median (Figure A3).

Figure A1. Racial/Ethnic Composition of California Adults (25-64 years old) with Some College But No Degree by Region



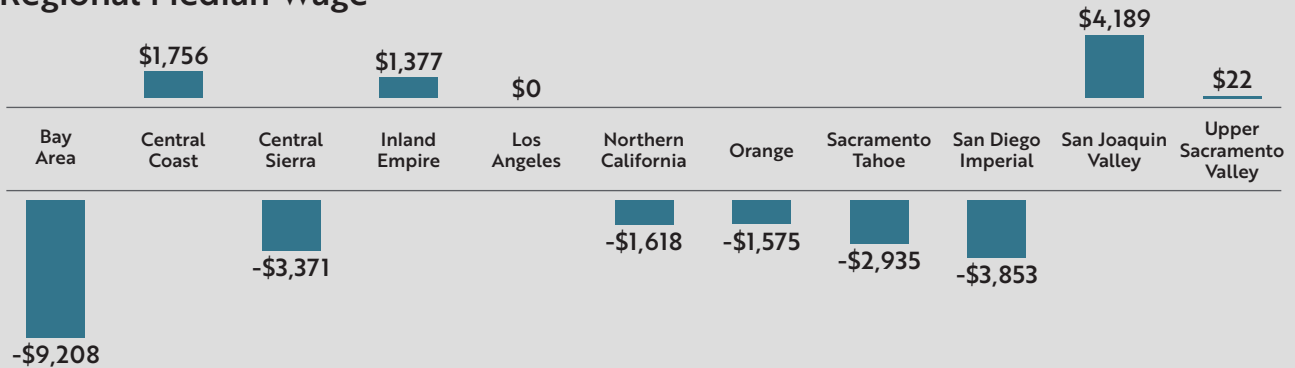
Source: California Competes' calculations of American Community Survey Public Use Microdata Sample (PUMS) 2016 five-year estimate data

Figure A2. Total 25-64 Population by Region



Source: California Competes' calculations of American Community Survey Public Use Microdata Sample (PUMS) 2016 five-year estimate data

Figure A3. Wage Gap of Adults with Some College But No Degree Compared to Regional Median Wage



Source: California Competes' calculations of American Community Survey Public Use Microdata Sample (PUMS) 2016 five-year estimate data

Figure A4. Top three occupations with the highest number of workers, by region

	Top Regional Occupations	Top Occupations for Some College, No Degree
Bay Area	1. Managers 2. Software developers 3. Secretaries/Admin	1. Secretaries/Admin 2. Managers 3. Retail sales
Central Coast	1. Agricultural workers 2. Managers 3. Teachers	1. Secretaries/Admin 2. Managers 3. Retail sales
Inland Empire	1. Drivers 2. Teachers 3. Managers	1. Drivers 2. Secretaries/Admin 3. Retail supervisors
Los Angeles	1. Managers 2. Drivers 3. Retail sales	1. Secretaries/Admin 2. Retail sales 3. Customer service reps
San Joaquin Valley	1. Agricultural workers 2. Drivers 3. Teachers	1. Drivers 2. Secretaries/Admin 3. Retail sales
Upper Sacramento Valley	1. Agricultural workers 2. Personal care aides 3. Drivers	1. Personal care aides 2. Drivers 3. Secretaries/Admin
Central Sierra	1. Managers 2. Janitors 3. Teachers	1. Secretaries/Admin 2. Managers 3. Bookkeeping and accounting
Northern California	1. Secretaries/Admin 2. Personal care aides 3. Managers	1. Secretaries/Admin 2. Retail sales 3. Construction laborers
Orange	1. Managers 2. Retail sales 3. Teachers	1. Managers 2. Retail sales 3. Secretaries/Admin
Sacramento-Tahoe	1. Managers 2. Teachers 3. Drivers	1. Secretaries/Admin 2. Retail sales 3. Retail supervisors
San Diego-Imperial	1. Managers 2. Teachers 3. Retail sales	1. Secretaries/Admin 2. Retail sales 3. Retail supervisors

Source: California Competes' calculations of American Community Survey Public Use Microdata Sample (PUMS) 2016 five-year estimate data

A look at the top occupations by region (Figure A4) reveal that differences in local employment opportunities are likely one factor influencing wage premium differentials for those with some college but no degree across the state. In the Bay Area, high-paying software developer jobs are among the most prevalent occupations for all 25- to 64-year-olds employed in the region, but those positions are not as popular among adults with some college but no degree. In several regions, teaching positions are among the top jobs for the overall workforce compared to low-wage sales positions for workers with some college but no degree. By contrast, in the Inland Empire, where adults with some college but no degree earn slightly more than the regional median, drivers top the list of most prevalent jobs for this region overall and for adults with some college but no degree.

While earnings are one indicator to consider in the returns to higher education, it is important to recognize that regions like the Inland Empire, Northern California, and the San Joaquin Valley have a larger share of workers with some college but no degree who hold jobs at risk of future automation, such as retail sales and drivers.^{xxvii} When developing policies for adult degree completion, the state should consider not only the current earnings of workers in these regions but also their projected future earnings as well.

These differences in local economies underscore the opportunity to develop region-specific strategies to address the needs of adults with some college but no degree.

Appendix B

Data Sources and Methodology

This report primarily uses data from the Census Bureau's American Community Survey (ACS) Public Use Microdata Sample (PUMS) five-year estimates for 2016. We chose the five-year estimates instead of the 2016 one-year estimates because they give us more reliability by using a larger sample averaged over five years of data collection, which is especially important when disaggregating data by multiple categories, such as educational attainment, race/ethnicity, and gender.

The PUMS data provide a snapshot of the California population in time, but they have limitations. First, these data do not speak to institution-level outcomes; the data include both individuals who were educated in California and those who were educated out-of-state and currently live in California. In addition, there are limitations to understanding family structures based on how the Census Bureau collects data. The data only specify the number of children that women have, but for men, the only approximation available is the presence in the same household of children.

Details of our methodology and the definitions that we used for categorizing data are below.

Racial/Ethnic Groups

We recognize that racial/ethnic categories are somewhat problematic in that they cluster people with varying origins and cultures. Nevertheless, we use and present commonly defined racial/ethnic groups in this brief because revealing trends and differences, even if the groups are imperfectly defined, is crucial to improving outcomes for individual Californians and for the state overall. Although Census data asks for Hispanic/Latino origin separate from race, we combine these two fields into one mutually exclusive racial/ethnic group, labeling anyone who reports Hispanic or Latino origin as Latino and all non-Hispanic people by their race. All groups are mutually exclusive, and we do not include in our analyses people who identify with more than one race or ethnicity. For the purposes of this analysis, we defined groups by race and ethnicity as outlined in Figure B2.

Figure B1. Description of Racial/Ethnic Groups

Racial/Ethnic Group	Description
Latino	Includes anyone of Latino or Hispanic descent, regardless of race
White	Includes any non-Latino people of European, Middle Eastern, or Northern African descent
Asian	Includes any non-Latino people descending from South Asia, East Asia, and the Philippines
Black	Includes Black or African American non-Latino (not including those descending from Northern Africa origins)
Native American	Includes non-Latino American Indians and Alaskan Natives of any tribal affiliation
Pacific Islander	Includes non-Latino people descending from Pacific Islands such as Guam, Hawaii, and Samoa

Regions

Figure B2. Description of Regions

We aggregate the Public Use Micro Area (PUMA) into regions. We define California's regions as follows:



Region	Counties
Bay Area	Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma
Central Sierra	Alpine, Amador, Calaveras, Inyo, Mariposa, Mono, Tuolumne
Central Coast	Monterey, San Luis Obispo, San Benito, Santa Barbara, Ventura
Inland Empire	Riverside, San Bernardino
Los Angeles	Los Angeles
Northern California	Humboldt, Lake, Mendocino, Del Norte, Lassen, Modoc, Plumas, Siskiyou, Sierra, Nevada, Shasta
Orange	Orange
Sacramento-Tahoe	El Dorado, Placer, Sacramento, Sutter, Yuba, Yolo
San Diego-Imperial	San Diego, Imperial
San Joaquin Valley	Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, Tulare
Upper Sacramento Valley	Butte, Colusa, Glenn, Tehama, Trinity

All analyses use the person weight (PWGTP) to tabulate the population that belongs to each racial/ethnic group and gender. Several analyses use household-level data merged to individual-level data. For these analyses, we still use the person weight instead of the household weight so as to report on the number of individuals with some college but no degree who live in households with a given characteristic. To produce the analyses in this report, we use the following PUMS variables:

- Educational attainment levels: We combine the highest level of education completed (SCHL) categories into three groups:
 - High school or less: those whose highest level of attainment is 12th grade or less, hold a high school diploma, or a GED or alternative high school credential
 - Some College, No Degree: those completed 1 year of school or less and those who completed more than one year but did not earn a degree
 - AA or Higher: Those who hold an associate's, bachelor's, or professional degree beyond a bachelor's, master's, or doctorate degree.
- Wages, poverty, and public assistance: We adjust personal wages (WAGP) by the inflation factor (ADJINC) to convert reported wages to constant 2016 dollars and calculate medians for each group member who reported any wages. To determine poverty rates, we use the income-to-poverty rate (POVPIP), flagging anyone whose value is less than 1 as living in poverty. We define those receiving public assistance as anyone whose public assistance income (PAP) was greater than zero.
- Occupations: We use the Census occupation codes (OCCP) to report on individual occupations and the first two digits of the Standard Occupation Classification (SOC) codes (SOCP) to classify occupations into one of 23 categories.
- Housing: We use the housing tenure (TEN) from the household PUMS data, matched to the individual-level data, to distinguish individuals who live in an owned home (whether they have a mortgage or own free and clear) from renters and those who occupy without paying rent. We created classifications for the gross rent as a percent of household income (GRPIP) to determine those who live in a household where more than 30 percent of income goes toward rent.

- Health insurance: We use the health insurance coverage recode (HICOV) to distinguish those with and without health insurance.
- Family structures: We identify adults who live with dependent children using the household family presence and age of children (FPARC) variable, including any household that is identified as a family and has related children. We identify single-adult households by identifying those where there is at least one own child (NOC) in the household and the total number of persons in the household (NP) is equal to one more than the number of children.

Community College Financial Aid Data

The data on financial aid for students over 25 (Figure 11) comes from the California Community Colleges Chancellor's Office Data Mart. We use the statewide Financial Aid Summary (https://datamart.cccco.edu/Services/FinAid_Summary.aspx) table for 2016-17, disaggregated by age group, and aggregate the data for age groups 25 to 29, 30 to 34, 35 to 39, 40 to 49, and 50 and above into one category of 25 and above. Students categorized as 1 to 17, 18 and 19, and 20 to 24 went into the under-25 category. We use these categories to tabulate the total number of awardees under the broad award types presented in the figure and the average amount of aid by summing the Aid Amount variable and dividing by the number of awardees.

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