

# Introduction to California ALL

The initial concept for California All is stated in the concept document by Peter Arth, Jr., Chief of Staff to Michael R. Peevey, President of the California Public Utilities Commission (CPUC); Ruthe Ashley Diversity Officer for External Affairs, California Public Employment Retirement System (CalPERS), and Sarah Redfield, Visiting University Professor, University of the Pacific McGeorge School of Law. The core of the concept is the establishment of a California ALL Pipeline Initiative that will bring the business community together with the educational community in a collaborative approach to close the achievement gap and assure that the pipeline is repaired and widened as needed to achieve the diverse workforce of the future. The four founding partners for California ALL -- the CPUC, CalPERS, the State Bar of California, and the California Department of Insurance -- stand strongly committed to such a future, and they have each publicly endorsed California ALL.

# California ALL: THE UNDERLYING CONCEPT

## INTRODUCTION

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Recognizing that California’s labor market demands an increasing population of highly-educated workers and that diversity in that workforce is good for business, good for our communities, and enhances the confidence and credibility of what we do for our customers, clients, and partners, there is an urgent need for both immediate and long term strategic approaches to provide for educational opportunities leading to successful careers in the legal, investment/finance, technological, and public policy arenas.

Traditional approaches to diversity have failed to produce the expected results in our workforce. A paradigm shift in the approach to the lack of diversity is imperative to ensure that future generations are prepared. We cannot expect to employ educated workers who do not exist.

These workers cannot exist so long as diverse students are “leaking” out of the educational pipeline as early as 4<sup>th</sup> grade. Evidence shows that meaningful relationships, rigorous and engaging curricula, and high expectations are needed to slow these leaks and foster student success in school. Students need an early focus on critical thinking skills — logical/analytical thinking and comprehensive reading and writing skills. Students also need early and sustained interaction with professionals as mentors and role models. Such exposure creates aspirations in students to be all that they can be. High school and college intervention is often too late to create these important tools to success.

California’s professional communities, including law, financial services, life sciences, and engineering, have the ideal capacity and responsibility to provide role models and assist in meeting these identified needs. Recognizing and celebrating the extraordinary work of California’s teachers to staunch the leaks in the educational pipeline, this initiative will bring new collaborative partners to the endeavor. Our professions partnering with the educational system in these arenas will produce the needed collaborative effort to “grow” our future. Other disciplines, particularly medicine, life sciences, and engineering, have been highly successful using the pipeline concept to diversify the pool of otherwise available candidates for their professions.

This pipeline project, the California Aspire Achieve Lead Pipeline Project (California ALL Pipeline Project), is a creative statewide model that grew out of studies that show students of diverse backgrounds are failing early on to gain the tools that will lead to successful completion of higher education and thus are failing to be successful in a professional career. The pipeline, as conceived, extends from pre-school through graduate school (P-20), and includes advancement and retention in a chosen career.

## **CALIFORNIA PIPELINE HISTORY**

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In 2005, the State Bar of California created the Diversity Pipeline Task Force that focused on creating a resource of “best practices” of pipeline programs from preschool to the profession, P-20. These best practices met the standards of Continuity, Sustainability, Impact and Replicability. The Bar’s pipeline resources are intended to enable any entity to build and replicate pipeline programs in partnership with others and to assist in the creation of pipeline programs nationwide. Much of the State Bar’s work is ready to be implemented. California’s county bars and judiciary are involved in pipeline work through high level diversity summits and related projects; and the State’s law schools are also active along the pipeline. The rich potential for using involved stakeholders and building on current activities makes the legal model a good first foray for CaAAL.

For the past two years, the CPUC has placed a particular focus on the failure of its major energy and telecommunications utilities to meet goals set by the Commission for procurement of legal and financial services from certified woman, minority, and disabled veteran-owned businesses (WMDVBEs). This focus has led to a strong commitment by the top management of these utilities to address the obstacles to meeting or exceeding the Commission’s overall 21.5% goal for procurement from WMDVBEs,<sup>1</sup> including a commitment to address the “pipeline” problems as strategies are adopted to begin recruiting large numbers of employees to replace the growing wave of retiring Baby Boomers in the workforce.

For the past decade, CalPERS has focused on diversity efforts in its investment partners, managers, and brokers/dealers. Although there has been an increase in the amount of investment dollars that emerging managers have received, CalPERS recognizes that diversity is a business imperative and is strongly committed to motivating, inspiring, supporting and encouraging its external partners to adopt its core value of diversity. CalPERS strives to ensure that the future of its workforce and leadership reflects the global market in which it is a significant player. CalPERS is a long-term supporter and partner of the TOIGO Foundation, an organization created to increase diversity in financial services by awarding scholarships and providing mentors to MBA students of color preparing to enter the profession. TOIGO provides a model that is an important

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<sup>1</sup> See PU Code sec. 8281 et seq. and General Order 156.

piece of the pipeline. Creating this new pipeline project is in complete harmony with CalPERS's commitment to internal and external diversity.

## **MISSION AND GOALS**

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The mission of the California ALL Pipeline Project is to create a collaborative partnership to provide a competent cadre of individuals ready to ensure the success of California's economic and political future. The California ALL Pipeline Project's goals are to enhance the aspirations and professional success of California's students and to diversify the pool of otherwise available candidates for the workforce and leadership opportunities. The vehicle will be the California ALL Pipeline Project intended to close the achievement gap among California students along the educational pipeline spanning from preschool to the profession (P20).<sup>2</sup>

The founding partners for the California ALL Pipeline Project are the:

- California Public Employment Retirement System (CalPERS)
- California Public Utilities Commission (CPUC)
- California Department of Insurance (CDI)
- State Bar of California

It is anticipated that other agencies and public and private firms will also join this initiative as collaborating partners based on their particular interest and expertise relevant to work to close the achievement gap along the pipeline.

## **ORGANIZATION**

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The California ALL Pipeline Project will be organized as a California non-profit corporation with an arm called the California Pipeline Fund with 501(c) (3) status to focus on the fundraising aspect. Nominations for Board participation will be publicly sought (recommended initial board structure attached). Once organized, the Board will solicit support from other stakeholders, including issuing an RFP to identify a leading California university to serve as its educational partner and as the leading center on pipeline activities and evaluation in the state and nation.

Implementing the legal model in the first year offers the advantage of an already developed and ongoing initiative among various parts of the legal profession and the organizations which support it. Business communities have also begun to utilize

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<sup>2</sup> This and several parts of this document are adapted from the California Emerging Technology Fund without further attribution. California Emerging Technology Fund Strategic Plan (May 2007), <http://www.cetfund.org/docs/register/CETF%20Strategic%20Action%20Plan.pdf>.

successful pipeline model projects. The Robert Toigo Foundation plays a committed role in an existing pipeline program which connects underrepresented MBA students with the financial services community. This model will be used as a starting point for the financial services pipeline. For subsequent career paths, existing pipeline programs within industry sectors will be identified. The California ALL Pipeline Project will consult the most knowledgeable experts and hold fact-finding sessions with major stakeholders; identify current ongoing programs and develop approaches for meaningful coordination; compile conclusions about best practices from both research and results of pilot projects and demonstration programs; develop matrices and templates that can be implemented by stakeholders and community groups in a variety of settings; and, *most significantly, establish a culture of partnership and facilitate collaboration among existing projects and programs to incorporate best practices and achieve synergy to increase effectiveness.*

## PLAN AND TIMELINE

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Collaborative work with teams committed to the effort has a demonstrated record of success in addressing issues along the educational pipeline and in closing the achievement gap.<sup>3</sup> Career academies and career-oriented education also have demonstrated success.<sup>4</sup> In these contexts, this is a big project that builds on such success in a statewide and mutually reinforcing way among professions; while some approaches will be unique to one field or another, many will have wide application and can offer efficiencies of scale.

As the California ALL Pipeline Project develops its strategic outreach and support for pipeline programs, its role will be as convener, capable organizer, recognized information source, educational innovator, valued and respected partner, careful funder, and credible monitor/evaluator. In these ways the California ALL Pipeline Project's approach will bring partners together in many disciplines and career pathways statewide, sequentially matching professional teams and resources with educational endeavors in a career sequence, starting with the legal community in 2007. CaAAL's approach will support curricular programming; in an effort to provide structured support for families, California ALL will also support before- and after-school programming designed to bolster its academic efforts.

With the existing work from the CPUC, CalPERS, the State Bar, and others, the timeline is:

Year 1 Implement pipeline for Legal profession

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<sup>3</sup> E.g. Dennis McGrath et al., *The Collaborative Advantage: Lessons from K-16 Educational Reform* (2005).

<sup>4</sup> E.g. ConnectEd & Career Academy Support Network, *A Profile of The California Partnership Academies 2004-2005* (March 2007), [http://www.connectedcalifornia.org/publications/CA\\_Partnerships.pdf](http://www.connectedcalifornia.org/publications/CA_Partnerships.pdf).

Build database of best practices for Financial Services career path

Year 2 Implement pipeline for Financial Services career path

Build database of best practices for Technology career path

Review, modify Legal model

Year 3 Implement pipeline for Technology profession

Review, modify Financial Services model

Continue to review, modify Legal model

Year 4 Additional career sectors as determined by the Board with reference to the California Department of Education Career Technical Education pathways (CDE).<sup>5</sup>

Prior Models continuous review and improvement

## RESOURCES

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The California ALL Pipeline Project recognizes that much work has already been done to address issues of disparity and achievement gaps along the educational pipeline. What has been missing is a coordinating structure to implement collaborative work. What is also needed is the funding to support this structure and roll out of its work sector by sector. Therefore, the California ALL Pipeline Fund as our 501(c) (3) entity will focus on meeting the financial needs of the California ALL Pipeline Project.

Funding will be drawn from the various professions and then built out with additional grants and match funding to support programmatic initiatives. For the first year and model, funding is projected at \$1.3 million for the programmatic structure, with additional funding for the pool of matching grants (budget attached). The program amount will fund a California ALL Executive Director, a Director for the law model, regional coordinators (five are anticipated), and supporting administrative staff and consulting services particularly for curriculum and evaluation. Also provided will be

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<sup>5</sup>California Department of Education, Career Technical Education Standards (2005), <http://www.cde.ca.gov/re/pn/fd/documents/careertechstnd.pdf>.

necessary office and overhead expenses and funding for professional development and travel for program staff and program participants statewide.

In each model, it is anticipated that the California ALL Pipeline Fund will offer grant support for programs — based on sound research and proven track records — that demonstrate likelihood of the highest impacts in closing the achievement gap and that can be expanded or taken to scale. The California ALL Pipeline Fund is projected to grow to \$10 million per year with an ultimate goal of perpetual funding from an endowed fund. These amounts include the funds for operating the Pipeline Center. In addition to this proposal, funding will also be sought from foundations and others as appropriate for particular programs. One of the California ALL Pipeline Fund's first efforts will be modeled after the investment "angel" concept, i.e. a person who can identify and match programs with potential donors and supporters.

### **BRIEF RESEARCH BACKGROUND**

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- California's minority-majority is 20.7 million persons of color, 57% of the State's population; nationally, persons of color constitute one third of the nation's population, with 21% of them living in California.<sup>6</sup>
- Despite the continued growth in numbers, marked achievement and aspiration gaps and a significant "mismatch" with the growing demand for highly-educated workers remain.<sup>7</sup>
- The fastest growing population groups are the poorest educated and poorest served as leaks in the educational pipeline appear early and continue.
- The results are costly in dollars and for society. For example, 68% of California's prison inmates are high school dropouts. From a year's count of dropouts in California, an estimated \$73 million will be spent for incarceration and an estimated \$14 billion lost over time in wages (state and national income).<sup>8</sup>

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<sup>6</sup> Teresa Watanabe, *California Is Leading Nation in Diversity*, Los Angeles Times (May 17, 2007) (Source June 2006 U.S. Census estimates), <http://www.latimes.com/news/local/la-me-census17may17,0,4082946,full.story>. Bernstein, Robert, *U.S. Census Press Release* (May 17, 2007), <http://www.census.gov/Press-Release/www/releases/archives/population/010048.html>.

<sup>7</sup> Hans P. Johnson & Deborah Reed: *Can California Import Enough College Graduates to Meet Workforce Needs?* (Public Policy Institute of California, California Counts May 2007), <http://www.ppic.org/main/publication.asp?i=750>; see also Ellen Hanak & Mark Baldassare, ed., *California 2025: Taking on the Future* (Public Policy Institute of California, California Counts 2003), [http://www.ppic.org/content/pubs/report/R\\_605MB2R.pdf](http://www.ppic.org/content/pubs/report/R_605MB2R.pdf).

<sup>8</sup> Harvard Civil Rights Project, *Confronting the Graduation Rate Crisis in California*, citing research of Dr. Russell Rumberger, UC Santa Barbara, <http://www.civilrightsproject.harvard.edu/research/dropouts/dropouts05.pdf>.

- As early as preschool, Black children are expelled more often than their White peers;<sup>9</sup> by 4th grade achievement gaps are clearly noticeable.<sup>10</sup>
- Students' test scores worsen through their 12 years of education and achievement gaps remain.<sup>11</sup>
- By 7th grade, Black/Latino students, on average, read at the level of White 3rd graders. By high school, on average Black and Latino 17-year-olds read and do math at the same level as White 13-year-olds.<sup>12</sup>
- Nationwide, only about 50% of minority students graduate from high school;<sup>13</sup> and many of these students — half of African Americans, almost 40% of Hispanics — are in high schools where graduation is “not the norm” and where the rate of promoting students from freshmen to seniors on time is extremely low.<sup>14</sup>
- Among those who do graduate, only 20% of Black and 16% of Hispanic students are considered “college ready.”<sup>15</sup>
- In college, 24% of Black and 20% of Hispanic students will require remedial reading courses, compared to 7% of White and 10% of Asian students. Those needing such remedial courses are considerably less likely to succeed in college.<sup>16</sup>

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<sup>9</sup> Walter S. Gilliam, *Prekindergarteners Left Behind: Expulsion Rates in State Prekindergarten Systems* (Yale University Child Study Center 2005). See also e.g. National Governor's Association, *Early Intervention*, [http://www.subnet.nga.org/educlear/achievement/college/college\\_problem.html](http://www.subnet.nga.org/educlear/achievement/college/college_problem.html).

<sup>10</sup> Education Trust West data, <http://www2.edtrust.org/edtrust>.

<sup>11</sup> *Ibid*; National Center for Education Statistics, *NAEP 2004 Long Term Trends*.

<sup>12</sup> See Education Trust, <http://www2.edtrust.org/edtrust>; ETS, *America's Perfect Storm: Three Forces Changing Our Nation's Future* (2007); <http://www.ets.org>.

<sup>13</sup> E.g. Gary Orfield, Daniel Losen, Johanna Wald, & Christopher Swanson, The Civil Rights Project at Harvard University, *Losing Our Future: How Minority Youth Are Being Left Behind by the Graduation Rate Crisis* (2004), <http://www.civilrightsproject.harvard.edu/research/dropouts/dropouts04.php>.

<sup>14</sup> Robert Balfanz & Nettie Legters, *Locating the Dropout Crisis Which High Schools Produce the Nation's Dropouts? Where Are They Located? Who Attends Them?*, <http://www.csos.jhu.edu/crespar/techReports/Report70.pdf>; Robert Balfanz & Nettie Legters, *The Graduation Rate Crisis We Know and What Can be Done About It*, Education Week Commentary, (July 12, 2006).

<sup>15</sup> ACT, *College Readiness, Rigor at Risk: Reaffirming Quality in the High School Core Curriculum* (2007), [http://www.act.org/path/policy/pdf/rigor\\_report.pdf](http://www.act.org/path/policy/pdf/rigor_report.pdf); Tracy A. Huebner & Grace Calisi Corbett, *Rethinking High School: Five Profiles of Innovative Models for Success* (2004), [http://www.wested.org/online\\_pubs/gates.profiles.pdf](http://www.wested.org/online_pubs/gates.profiles.pdf).

<sup>16</sup> ACT *supra* n. 15, U.S. Department of Education, National Center for Education Statistics, *Remediation and Degree Completion*, The Condition of Education, <http://nces.ed.gov/programs/coe/2004/section3/table.asp?tableid=59>; U.S. Department of Education, National Center for Education Statistics, *Student Effort and Educational Progress* (2005), The Condition of Education, <http://nces.ed.gov/programs/coe/2005/section3/indicator22.asp>.

- For California, the high school graduation rates show parallel concerns, with minority students graduating in fewer numbers.<sup>17</sup> California is among the states with the least “promoting power” and highest dropouts.<sup>18</sup>
- California college enrollment directly after high school has declined over the last decade for every ethnic group, and there are significant and “substantial disparities across regions and racial/ethnic populations in levels of college preparation, participation, and completion.”<sup>19</sup>
- By 2025, 41% of California’s jobs will require a college degree, up from 33% in 2005. Despite this demand, estimates suggest that only 32% of adults will have college degrees and there will be a gap: s at 41%, s, 13%, at 22% and s at 56%.<sup>20</sup>

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<sup>17</sup> Christopher B. Swanson, *Who Graduates in California* and *Who Graduates in California Minority Students Lag Behind, Effects of Segregation Persist* (March 2005), [http://www.urban.org/UploadedPDF/900794\\_who\\_graduates\\_CA.pdf](http://www.urban.org/UploadedPDF/900794_who_graduates_CA.pdf); *California Graduation*, *supra* n. 8.

<sup>18</sup> Balfanz, *supra* n. 14.

<sup>19</sup> Colleen Moore & Nancy Shulock, *State of Decline? Gaps in College Access and Achievement Call for Renewed Commitment to Educating Californians* (Institute for Higher Education Leadership and Policy October 2006.); Colleen Moore & Nancy Shulock, *Variations on a Theme: Higher Education Performance in California by Region and Race* (Institute for Higher Education Leadership & Policy June 2005); California Postsecondary Education Commission, *College-Going Rates by Ethnicity and Gender, Accountability System: Diversity Report*, <http://www.cpec.ca.gov/Accountability/DiversityReport.ASP>; *Measuring Up California State Report Card*, [http://measuringup.highereducation.org/\\_docs/2006/statereports/CA06.pdf](http://measuringup.highereducation.org/_docs/2006/statereports/CA06.pdf)

<sup>20</sup> California Counts, *supra* n. 7.