

AGENDA

COMMITTEE OF THE WHOLE

Meeting: 10:15 a.m. Tuesday, May 13, 2008
Glenn S. Dumke Auditorium

Roberta Achtenberg, Chair
Jeffrey L. Bleich, Vice Chair
Herbert L. Carter
Carol R. Chandler
Debra S. Farar
Kenneth Fong
Margaret Fortune
George G. Gowgani
Melinda Guzman
Curtis Grima
William Hauck
Raymond W. Holdsworth
A. Robert Linscheid
Peter G. Mehas
Lou Monville
Charles B. Reed, Chancellor
Jennifer Reimer
Craig R. Smith
Glen O. Toney
Kyriakos Tsakopoulos

Consent Items

Approval of Minutes of Meeting of March 11, 2008

Discussion Items

1. *Access to Excellence: A New System-wide Strategic Plan and a Process for Implementation, Action*

**MINUTES OF THE MEETING OF
COMMITTEE OF THE WHOLE**

**Trustees of The California State University
Glenn S. Dumke Conference Center
401 Golden Shore
Long Beach, California**

March 11, 2008

Members Present

Roberta Achtenberg, Chair
Herbert L. Carter
Carol R. Chandler
Debra S. Farar
Kenneth Fong
George G. Gowgani
Curtis Grima
William Hauck
Raymond W. Holdsworth
A. Robert Linscheid
Peter G. Mehas
Lou Monville
Charles B. Reed, Chancellor
Jennifer Reimer
Craig R. Smith

Consent Items

Approval of Minutes of September 18, 2007

Chair Achtenberg noted that the minutes of the September 18, 2007 Committee meeting was a consent item. She stated that unless there was an objection, the consent item would be considered approved.

Litigation Report

Chair Achtenberg asked Christine Helwick, General Counsel, to present the item. Ms. Helwick stated that the semi-annual General Counsel's Report summarized all litigation activity in cases with institutional significance. Ms. Helwick introduced a PowerPoint report that displayed overall trends and progress in litigation and presented a broader view of legal issues confronting the CSU in general. The first slide, she reported, tracked the number of active cases against the CSU over time and denoted how the volume had dropped significantly, with only 85 active cases currently pending. The second slide described the types of cases against CSU, and was consistent with previous case distribution charts. Ms. Helwick stated that employment issues continue to be

CSU's biggest exposure area, both in terms of volume and actual cost. The next slide demonstrated how cases were resolved during the past reporting period. Ms. Helwick reported that approximately 50% of the resolved cases were settled, and CSU had prevailed in the vast majority of remaining cases. The next slide she presented depicted the number of incoming claims received by the General Counsel in the past six months that have the potential to become adverse and take more than 2 hours of attorney time. The following slide showed the volume of incoming litigation measured against the volume of incoming claims. She called for questions or comments. A trustee suggested that it would be informative to include the monetary costs to the case resolution break-down. Trustee Mehas asked if claims against CSU were paid through insurance. Ms. Helwick responded that CSU has a self-insurance program that goes up to a million dollar limit, and beyond that CSU has several layers of reinsurance. The first million dollars of any exposure, both in terms of payment to the other side and to outside counsel or any expenses incurred, comes out of CSU's self-insurance program, which is funded by all campuses. Chancellor Reed explained costs were broken down so that each institution paid a deductible of the first \$100,000, before CSU's self-insurance program incurred costs.

Access to Excellence Systemwide Strategic Planning Report

This item was presented for information by Chair of the Board Roberta Achtenberg and Executive Vice Chancellor and Chief Academic Officer Gary Reichard. The committee of the Whole was reminded of the September 2006 Board meeting, where the Board of Trustees approved initiation of a project with the goal of developing a successor strategic plan for the California State University. The resolution approved by the Board at that time included both substantive and process elements. Chair Achtenberg outlined what the new strategic plan means for the State of California including results if implementation strategies associated with the plan are pursued. Executive Vice Chancellor Reichard, on behalf of the Access to Excellence Steering Committee, introduced several preliminary observations. First, as a strategic, and not a comprehensive plan, Access to Excellence seeks to define general directions for the CSU for approximately the next ten years. Second, consistent with Trustee expectations, Access to Excellence should be understood to embrace explicitly Cornerstones goals, which have now become part of the CSU's essential sense of self and mission. Third, as a result of the environmental scan on which the plan is grounded, Access to Excellence identifies three major domains within which action in the next ten years is seen as urgent. Fourth, as an approach to action and progress within these important domains, Access to Excellence identifies two important categories of goals and necessary actions (eight goals to which the CSU will unilaterally commit and two large objectives that the CSU sees as priorities for public policy attention). Academic Senate CSU Chair Barry Pasternack reported that the strategic plan has the support of the Senate. Lieutenant Governor Garamendi recognized that defining the future for the CSU and the role that CSU plays for California is the most important activity in which the Board will engage. The Committee further discussed the importance of sufficient resources to ensure that implementation plans can succeed.

Chair Achtenberg adjourned the meeting.

COMMITTEE OF THE WHOLE

Access to Excellence: A New System-wide Strategic Plan and a Process for Implementation

Presentation By

Roberta Achtenberg
Chair of the Board

Gary W. Reichard
Executive Vice Chancellor
and Chief Academic Officer

Summary

At the March 2008 Board meeting, the Board of Trustees received a report on the *Access to Excellence* strategic planning process, and reviewed and commented on a draft of the plan. This item includes two resolutions: (1) adoption of the attached draft *Access to Excellence* system-wide strategic plan, slightly revised on the basis of comments received after the March reading; and (2) approval of a proposed process for implementation of the new strategic plan after its adoption by the Board.

Both the attached final draft and the proposed process for implementation have been approved by the *Access to Excellence* Steering Committee, which has overseen all stages of the planning process. As reported in greater detail in the item considered by the Board in March, the final draft of the plan is the result of a lengthy and broad consultative process, and incorporates the suggestions and comments of many constituencies, both within and external to the CSU.

The *Access to Excellence* Plan

Following the Board of Trustees' discussion of the draft *Access to Excellence* plan at the March meeting, a final opportunity was provided for members of the Board and/or others to offer comments and suggestions. Comments and suggestions received were then made available to all Steering Committee members on the committee's password-protected web site. The few changes that have been made in response to those comments are in underlined boldface in the text of the attached draft (all occur on pp. 15-18).

The following major points were included in the report to the Board in March.

Access to Excellence is a *strategic*, and not a *comprehensive*, plan. As such, it seeks to define general directions for the CSU for approximately the next ten years. As proposed in the second

resolution below, the identification of specific indicators to measure success, metrics for the indicators, and timetables for achievement of the specified objectives will constitute a separate implementation process, to begin immediately following the Board's adoption of the plan itself.

Consistent with Trustee expectations, *Access to Excellence* should be explicitly understood to embrace *Cornerstones* goals, which have become part of the CSU's essential sense of self and mission.

As a result of the environmental scan on which the plan is grounded, *Access to Excellence* identifies three major domains within which action in the next ten years is viewed as urgent: (1) increasing student access and success; (2) meeting State needs for economic and civic development, through continued investment in applied research and meeting workforce and other societal needs; and (3) sustaining institutional excellence through investments in faculty, innovation in teaching, and better access to student research and service.

Fourth, as an approach to action and progress within these important domains, *Access to Excellence* identifies two important categories of goals and necessary actions. The first category identifies eight goals to which the CSU will unilaterally commit:

- Reduce existing achievement gaps
- Plan for faculty turnover and invest in faculty excellence
- Plan for staff and administrative succession and professional growth
- Improve public accountability for learning results
- Expand student outreach
- Enhance student opportunities for "active learning"
- Enhance opportunities for global awareness
- Act on the CSU's responsibility to meet post-baccalaureate needs, including those of working professionals

The second category includes two overarching objectives that the CSU sees as priorities for public policy attention:

- Public policy to grow expectations for degree attainment
- Strengthened cross-sector (P-16) strategies and structures

Implementation of the *Access to Excellence* Strategic Plan

The Steering Committee recommends that the implementation effort begin immediately following the Board's adoption of the new strategic plan. This implementation effort would include the identification of indicators for each of the strategic plan outcomes (pp. 15-18 of the plan), and, with input from relevant groups, including the Academic Senate CSU, the development of specific timetables and metrics (numeric, where feasible) for achieving such outcomes.

Based on research to date, it seems likely that staff research into existing reports and analyses will provide the information necessary to establish most of the indicators and metrics to implement the Board-approved plan. In cases where existing reports and analyses are not adequate to permit the identification of indicators and metrics, the Steering Committee recommends that the Chancellor's Office ask for the preparation of analytical studies to provide missing data and/or to suggest indicators, metrics, and timetables. Where appropriate, analytical studies or white papers might also be requested that would suggest strategies for developing policy and resource partnerships needed to achieve key outcomes.

The Steering Committee further recommends that the Board of Trustees be kept informed as to the progress of this work. Following completion of staff research into existing reports and analyses and review of any additional requested studies, a report should be provided to the Board that includes recommended indicators, metrics, and timetables for achieving the identified outcomes.

The following resolution is proposed for Board consideration.

RESOLVED, by the Board of Trustees of the California State University, that the draft plan, *Access to Excellence*, be adopted as the strategic plan to guide the California State University through approximately the next decade; and be it further

RESOLVED, that the Board expects that indicators, metrics and timetables for achievement of identified strategic plan outcomes will be developed, and that progress on the achievement of outcomes will be assessed in the context of such indicators, metrics and timetables; and be it further

RESOLVED, that consistent with this expectation, the Chancellor is directed to report to the Board periodically, outlining major findings relative to strategic plan outcomes and progress made on the achievement of outcomes as measured by those indicators and metrics.

ACCESS TO EXCELLENCE:

A Strategic Plan for The California State University

May 2008

The great public universities of our country sustain their stature because they are both durable and adaptable. They work continuously to achieve the public good, by looking to the future while also preserving the best historic values of the academy. Committed to service to individuals and to the society at large, their mission and their primary financial support derive from a social compact with the people they serve, and to the purposes of education and free inquiry in our society.

Access to Excellence focuses on the intersection of the California State University (the CSU) with the economic, political, and social environment of the State of California, anticipating what the people of the State will need from the CSU in the next decade, and how best to position the institution to meet those needs. It is a public statement of the principles and core values of the institution, and sets forth broad strategic goals that will be the basis for setting priorities and measuring success over the next several years.

As a strategic system-level plan for the twenty-three universities that constitute the California State University, this plan refreshes the current CSU system plan, *Cornerstones*, builds on its successes, attends to continuing goals that have yet to be met, and reorients priorities to meet current circumstances. Adopted in 1998, *Cornerstones* articulated the principles that have anchored the CSU's system-level work over the last decade. At base, these are five continuing commitments: to access; to learning-centered and outcomes-based education; to funding stability; and to accountability.¹ *Cornerstones* has been a useful and durable plan, and much has been accomplished as a result of its vision. But a good deal has changed in the last decade, and the next ten years promise even greater opportunities and challenges.

LOOKING AHEAD: THE STRATEGIC CONTEXT FOR LEADERSHIP IN THE CALIFORNIA STATE UNIVERSITY

The major social, economic, and political forces that shape this plan are in some respects continuations of the themes of the past decade. At the State level, the years now in view will be

¹ See Appendix 1.

a time characterized by population growth and demographic change, rapidly changing technologies, and workforce transition. These years will also be a time of continuing fiscal challenges to publicly funded institutions, as demands on State funds will continue to squeeze discretionary spending for higher education. And these years will be a time of sweeping change for all of higher education, as technology will continue to expand capacity to meet new populations, and to change traditional ways of doing the work of teaching, research, and service.

Many of these internal and external trends are well-recognized by the CSU, and policies are in place to manage them. Even so there are key differences between the past and the future, because of demographic and economic transitions, and changes in institutional capacity to meet them. Understanding these changes and their consequences for the role of the CSU is essential to setting the agenda for the strategic management of the institution in the years ahead.

Growth and growing diversity. California's population will continue to grow, to an estimated 43 million by 2020, with most of the increase in the Central Valley and the southern part of the State and among Latino populations. *Even without* increases in high school graduation or college-going rates, budgeted enrollments in the CSU are projected to grow at an average annual rate of slightly over 2.5% per year, or roughly 10,000 new students each year, a number larger than the enrollment of seven of the CSU campuses in 2006.² Moreover, if efforts to increase college-going rates succeed to any significant degree, the demand for places in the CSU will far exceed such projected growth. In any case, CSU students will continue to come from predominantly low- and middle-income families, and will face real economic hurdles in being able to access higher education. At the same time, the educational needs of different regions of the State will increasingly diverge, because of regional demographic differences and distinctive regional employer and community needs.

Aging population. California has historically been a "young" state by national standards, but that also will be changing. Starting in roughly 2011, when the baby boom generation reaches

² California Postsecondary Education Commission, Combined Undergraduate Forecast, and the California Department of Finance, Graduate Enrollment Projections (2006).

retirement age, the proportion of the population aged 65 and higher will be growing faster than the number of working-age Californians, by as much as 70% overall between 2011 and 2020. As a result, workplace shortages are expected to occur in several regions and industries, and that shortfall will be most acute among scientists and engineers and in the helping professions, including teaching, nursing, allied health fields, and care for the elderly. These needs are unlikely to be met exclusively by new workers; they will require much more attention to continuing education and retraining, including post-baccalaureate short courses, professional education, and graduate education.³

The aging population will also put greater pressure on funds for public support systems, particularly in health care, already the fastest-growing part of the State budget. It will also add to personnel expenses for major employers (including the CSU), as growth in payouts for retiree benefits will place demands on resources that otherwise might go to current workers.

Internationalism and the knowledge economy. The world has shrunk and has “flattened” since *Cornerstones* was adopted. The Internet, in particular, has dramatically lowered the cost of transporting ideas and the fruits of talent from anywhere on the planet to anywhere else. To be competitive, businesses and organizations need to work collaboratively with partners and entities both within and beyond national boundaries, and be capable of competing not only locally, but globally.

It is internationally recognized that educated, analytical, creative and productive people are the essential resources that nations need to advance their economic development, maintain competitiveness, build social cohesion, and assure civic success. The positive returns from investment in higher education are well documented, in greater workforce productivity, advances in technology, higher tax revenues, reduced spending on social programs, and a more engaged citizenry.⁴ Many countries have made growth in postsecondary education a central part of their

³ See Brady, et. Al., (2005), and Fountain, et. Al. (2007).

⁴ See Economic and Social Returns, *Solutions for Our Future*, available at <http://www.solutionsforourfuture.org>; also. The Institute for Higher Education Policy, *Reaping the Benefits*, 1998.

national agendas. The results are telling: among OECD countries, postsecondary participation rates increased an average of 36% in just the 1995 – 2003 period, and have more than doubled in China, Korea and India.⁵

Growing workforce requirements for postsecondary degree attainment. One consequence of the growing knowledge economy is that greater proportions of the population now need access to some form of postsecondary education. Individuals with just high school diplomas have sharply fewer viable options for sustainable employment. Instead, a postsecondary degree is now necessary, and more than ever jobs require some type of postsecondary degree or training. Degree requirements for information-age jobs increasingly extend to masters, professional, and continuing education. Continuing adult education for refreshing of skills, applied masters programs, and professional degrees and certificates will also be in high demand.

Opinion research shows that the public understands this. Recent research from Public Agenda shows a dramatic change in just the last seven years in public perceptions about the importance of a college degree.⁶ In 2000, when asked if a college education was necessary to get ahead, 31% of a national sample said yes, compared to 67% who believed that people could find other ways to get ahead. In 2007, the same question found a majority now believing that college is necessary for success – a twenty point change in just seven years. Perhaps of sharper concern, 62% of the public also think that qualified students do not have the opportunity to attend college – up from 57% seven years ago.

Long accustomed to being considered first in the world for the reputation of its higher education system, the United States' actual position has slipped, and it is now eighth among OECD nations in the proportion of the adult population that has attained a college degree. The need to increase postsecondary educational attainment to maintain economic competitiveness was a major theme

⁵ See *Apples and Oranges in the Flat World*, American Council on Education, 2007. India, China and South Korea are not members of the OECD, so exact comparisons of levels of educational growth in these countries are not available in the same format as for OECD countries.

⁶ *Squeeze Play*, Public Agenda, 2007.

in the 2007 report of the United States Secretary of Education's National Commission on the future of higher education. However, this priority has yet to be translated to new initiatives to increase capacity for higher education in our country.

Instead, the United States faces an anomaly of stagnant or even declining levels of educational attainment even though enrollments are increasing. The explanation is that postsecondary enrollment growth is just keeping pace with overall population growth, while high school graduation rates are falling, most dramatically among males, students from low-income families, and among the new immigrant populations who comprise the majority of American young people. Overcoming this stagnation will depend predominantly upon increasing success among Latino and Black student groups, from high school through college graduation.

This challenge is nowhere more starkly presented than in California, where fully two-thirds of new college enrollments in years ahead will come from Latino populations currently underrepresented in higher education.⁷ Student achievement and persistence gaps begin in elementary school and repeat themselves across the educational pipeline: in graduation from high school; in transitions from high school to college attendance, in Community College transfer to four-year institutions; in baccalaureate degree attainment; and in attainment of graduate and professional degrees. The result is that California is now *last* among all fifty US states in the proportion of African American and Latino students who make it from ninth grade to a baccalaureate degree.⁸

Left in place, these educational deficits will translate into debilitating economic and social gaps for the State, and growing inequality in access to health care, housing, and other aspects of social mobility.

⁷ California Postsecondary Education Commission, Combined Undergraduate Forecast; DOF Graduate Enrollment Projections (CPEC, 2006). See also Brady, et. Al., 2005; and Fountain et al., 2007.

⁸ NCHEMS, from Census data; 2000, see <http://www.higheredinfo.org>.

In order to close degree attainment gaps and meet workforce needs, California must nearly double its current rate of college degree attainment in the next fifteen years – an increase of nearly 130,000 degrees awarded on top of current levels of production.⁹ Some of this gap can be closed by increasing college transfer and baccalaureate attainment among students who currently leave college without completing the degree. But the problem cannot be solved through action by postsecondary institutions alone. Increasing attainment levels and closing achievement gaps will require coordinated strategies across the entire educational pipeline. In California, this will challenge the basic foundation of the Master Plan for Higher Education, which is primarily focused on distributing to different segments of public higher education the students who are fully prepared to transition to college. A new statewide policy focus will be needed, built on increasing college readiness and demand, as well as creating greater capacity for higher education, and increasing access and attainment to substantially more Californians than in the past.

Quality of Social and Civic Life. Society's needs for higher education are not confined to workforce needs. There is also need for individuals who can be community leaders, who live healthy lives of civic engagement, and who work to make our democratic institutions successful. Each generation faces challenges in maintaining the quality of civic and social life, but the challenges for California in the early 21st century—environmental; political; civic; social; and economic—are particularly vivid. The quality of life, in communities, in families, and in civic structures, needs nurturing by Californians who are able to contribute to effective social and political structures in a diverse and rapidly changing society. Some of this will result from more people having enough economic security to enjoy better health, longer lives, and more leisure time. Higher education can and will contribute to such positive change, because of the economic benefits that come from a college education. But it will also contribute through providing more individuals with the benefit of acculturation in successful, diverse civic communities. Higher educational institutions can contribute importantly to social and political improvement by more self-consciously asserting their responsibility to educate for democratic engagement, leadership in sustainability, altruism, service, problem-solving, and civility.

⁹ Jobs for the Future, 2007.

Continued funding challenges. These challenges are all the more severe because they are occurring at a time that California is having trouble finding resources to keep its commitment to the level of access envisioned in the Master Plan, much less to double degree attainment in the State. For the better part of the last decade, postsecondary education has received a dwindling share of public resources in California, as budgets for health care and for prisons have grown remarkably. The combination of funding constraints and enrollment increases has led to severe budget stress, and unwelcome but necessary tactics in response: freezes on enrollment; cuts in classes, faculty and staff; and student fee increases. These budget problems have not occurred because postsecondary education has become a low priority for the public. To the contrary, Americans support more educational opportunity and worry that qualified students are being denied access.¹⁰ But four decades of budgeting via ballot measures have left California lawmakers with a chronic imbalance between widely-recognized priorities for support and the resources available to meet those priorities. Although higher education is widely regarded as an important strategic investment, it has not been elevated to the same level of urgency as other areas. In competition with K-12 education, health care, prisons, or emergency services, funding for higher education continues to receive lower priority.

California's political leadership has tried to stabilize funding for higher education, through a series of negotiated compacts that commit the State to new resources for enrollment growth of 2.5% per year and predictable, if modest, annual general increases in base funding. The compact with the governor and the State Department of Finance has provided a welcome baseline for system and campus resource planning, but there are no guarantees. Even as this plan was being finalized in 2008, the State had declared another budget emergency, and was considering mid-year rescissions and funding cuts. Worse, as an obstacle to strategic planning, persistent structural problems in the State budget constituted a threat to stability in future funding for higher education.

STRATEGIC ADVANTAGES FOR THE CALIFORNIA STATE UNIVERSITY

¹⁰ *Squeeze Play*, Public Agenda, 2007.

The challenges ahead are simultaneously daunting and exciting. Meeting them will require leaders in the CSU and in the State to focus on how best to use the institution's assets to meet the public priorities so critical to California's future. There is much strength from which to build within the CSU.

Learning-centered, outcomes oriented. The mission of each of the institutions that comprise the California State University is to provide affordable access to education that is high quality, learning-centered, and outcomes-based. California's need to increase degree attainment at the bachelors, masters and professional levels is entirely consistent with the core strength of the CSU.

Knowledge development, sustainability, and contributions to economy. The CSU has long been committed to the development of new knowledge to benefit teaching and learning, to serve communities, and to contribute to regional and state-wide economies. What are too often presented as either-or propositions in higher education are in fact integrative, defining, and essential dimensions of quality in the CSU: excellence in teaching *and* in scholarship; faculty *and* student research; stimulating economic development *and* meeting community needs. The CSU's increasing applied research activities represent important contributions to regional and state economic development. The sustainability initiative is a good example of comprehensive engagement whereby a major public need is being systematically integrated into teaching, service, research, and facilities management. Newly emerging CSU graduate programs such as the professional science master's degrees are well aligned with and responsive to State workforce needs, and represent a likely area of CSU degree program development and growth in the future. The preparation of adequate numbers of well-trained teachers, a key part of the CSU's mission, remains centrally important to the future of the State.

Civic and community engagement. The CSU plays an important role in producing civic, political and social as well as economic outcomes. The societal benefits derived from higher education have never been more needed: California and the nation require healthy, engaged

individuals who are involved in their communities and committed to sustainability—and who model the values of courtesy and respect for diversity, diverse views, and open dialogue.

The universities of the CSU are deeply engaged with their communities, supported by a strong and growing network of alumni who are critical in making the connections between community needs and university capacity to meet them. The geographic distribution of the twenty-three universities additionally provides a strategic asset for the institution and for the State, as institutional resources can contribute to the transformation of many regions whose continued success depends upon economic and social innovation.

Access, quality, cost-effectiveness, productivity. The CSU has been and remains the State's most cost-effective investment in terms of producing baccalaureate degrees per dollar of public investment. Under *Cornerstones*, the CSU has shown that it is possible to combine commitments to access, quality, cost effectiveness, and productivity. CSU enrollments have increased, most rapidly among minority populations; low-income access has been protected through a largely effective system of need-based grant aid; and graduation rates have increased. Learning productivity – improving initial student success while also reducing unnecessary coursework and excess units to the degree – has also improved slightly: notably, the proportion of regularly admitted first-time freshmen in the CSU who need remedial courses in English and/or mathematics has declined, from 63% to 55% since 1996 – at the same time that freshmen enrollments have increased by 38%.¹¹ Efforts to increase productivity through year-round operation, greater use of distance-enhanced learning, and cost avoidance through administrative efficiencies have further reduced costs within the CSU. The cost-effectiveness of the California State University, relative to other options for investing scarce public resources, is a key strategic asset for the institution—and for the State—in the years ahead.

Cross-sector commitment to meeting community needs. The California State University has clearly stepped up to the imperative to tackle achievement gaps to build educational attainment.

¹¹ From California State Proficiency reports, 1999-2000, and 2005-2006; at <http://www.asd.calstate.edu/remrates>

System as well as campus leaders have reached out across the State to build better awareness of the importance of going to college, and the need for families and students to work together to increase success. The Early Assessment Program (EAP) is an important example of successful cross-sector collaboration, accomplished through the joint efforts of the CSU, the California State Department of Education, and the State Board of Education. Work has also begun in creating a seamless system of transfer for community college students, with significant efforts by the CSU to develop major-specific Lower Division Transfer Patterns (LDTP). Much remains to be accomplished, however, and such future efforts will require continued commitment from CSU faculty and staff, greater collaboration with the community colleges, and support from policymakers.

Educational accountability. Although much more remains to be done, the CSU has been leading State and national efforts to improve assessment of student learning: to embrace and strengthen regional and specialized accreditation; to pilot assessment instruments such as the Collegiate Learning Assessment and the National Survey of Student Engagement; and to provide leadership for the Voluntary System of Accountability (VSA) that is being promoted nationally by the two major national associations representing public colleges and universities, the National Association of State and Land-Grant Colleges (NASULGC) and the American Association of State Colleges and Universities (AASCU). Such efforts provide a solid basis for extending assessment work even further in the CSU and strengthening system accountability to the public for student learning results.

System-level governance model. California is too big and diverse to have a one-size-fits-all approach to university education. The twenty-three universities that comprise the CSU each have distinct strengths, serve distinct communities, and meet the broad missions of the institution in ways tailored to community needs. The California State University has undergone important transitions in its internal governance model, evolving from the top-down, regulated system contemplated by the Master Plan to a more federated system of highly differentiated institutions. This model presents a balance between campus-level entrepreneurship and autonomy and system-level commitment to serving State-level needs. Administrative efficiencies are obtained when possible through system-wide initiatives, such as the Integrated Technology Strategy (ITS) and Common Management System (CMS). And accountability is increasingly accomplished through a goals-and results model that is focused on performance rather than processes.

Technology infrastructure. Technology has brought about truly transformative change in higher education in the last decade, and few doubt that the changes will be even more profound in the future. The CSU is well positioned to take advantage of technology as a result of the Integrated Technology Strategy¹² that has put the policy, hardware and software in place to meet needs of the future. The goal of ITS has been to ensure that “all CSU students, faculty, and staff can communicate with anyone, from anyplace, at any time, through access to the full range of national and international information resources.” The realization of this goal is more nearly complete than might have been imagined ten years ago – benefiting not just CSU students, faculty and staff, but any member of the public wanting access to the CSU. In addition to providing the capacity for much greater innovation in teaching and research, technology allows the institution to expand capacity through distance-mediated as well as through enriched campus-based instruction.

STRATEGIC CHALLENGES FACING THE INSTITUTION

Despite the considerable advantages enjoyed by the CSU, it clearly faces a number of internal and external challenges that will require attention in the years ahead. Many of these can be addressed through creative initiative within the institution; others will require collaborative action at the State and national policy levels.

Student attainment. While the CSU has done much to increase student access and degree attainment, particularly among low income students, it cannot be content with maintaining current levels of progress. Closing achievement gaps at every level of the educational pipeline will require each university to accept greater responsibility for setting high expectations for student success. This will require better use of data to diagnose and confront the causes for student failure; it will require more proactive advising; more aggressive outreach to students in academic trouble, and more attention to student financial aid that will help students to cut back on work so as to be able to focus on their education as their primary priority.

¹² http://its.calstate.edu/systemwide_it_resources/its_report.pdf

Engagement with P-12 Systems and Community Colleges. The need for strong collaboration between the CSU, the Community Colleges and P-12 systems is evident throughout the State. The deficiencies and gaps in achievement facing the State can not be overcome through ad hoc or unilateral action by any one of these sectors. There have been efforts to build collaborations in some communities, and the State Superintendent of Public Instruction has established a statewide P-16 council, but these efforts need to be made enduring, through a statewide network supporting regional structures that are appropriately differentiated to meet the needs of diverse communities. Building this infrastructure and using it strategically to leverage change in performance cannot be accomplished by relying on volunteers who do this work as an add-on to other areas that are their primary responsibilities; it will require the dedication of resources.

Faculty, staff, and administrative turnover. The CSU's faculty and staff are its most important strategic assets— but they are assets that require attention because of the combination of generational turnover, gaps in compensation levels, and the need for professional development and support to keep pace with changes in student learning, technology, and scholarship.

The pattern across American higher education and within the CSU in the last decade has been to shift reliance for instruction onto non tenure-track faculty. In the CSU, such faculty have represented more than half of the teaching force since 1999. The current proportion is approximately two-thirds of the total faculty¹³. This is a worrisome situation because of the potential for erosion of quality and diminishing of intellectual independence that is associated with tenure. The CSU has made it a priority to reduce compensation gaps for faculty and at the same time to increase the proportion of positions held by tenured and tenure-track faculty, but budget challenges have impeded progress. There is also a continuing need to increase the diversity of the CSU faculty to match more nearly the diversity of the student body.

¹³ Cited figures are “head count,” and not “full time-equivalent” faculty. In terms of full-time equivalent, non-tenure / tenure track faculty represent about one-third of CSU faculty.

It will be crucial to ensure that student learning achievement is the most important consideration in determining modes of instruction in the CSU. Faculty, whatever their terms of employment, will need to be recruited with attention to their willingness to experiment with new modes of teaching and learning, as well as their disciplinary training and achievements. Recruiting new faculty is problematic in some areas because demand far exceeds supply. Effective recruiting in such areas necessitates higher salaries, robust start-up packages, and support for research, scholarship and creative activity. New faculty expect not only the opportunity to excel in their teaching, but also to be supported in their scholarly and creative work. The growth anticipated in post-baccalaureate educational programs of all types will also drive the need for additional investments in faculty professional development, including investments in research, scholarship, and creative activity.

Providing Increased funding for faculty and staff compensation and ensuring appropriate resources for their professional development will require additional resources. This is a continuing priority from *Cornerstones*, although one where the least progress has been made because of budget constraints.

Improving access and service to students and communities also will require greater reliance on professional staff, who will play a lead role in the critical work ahead. Finally, a new generation of strong and effective leaders must be cultivated within the institution, with the values and habits of work to continue to lead and innovate in the years ahead.

Pedagogical innovation. It is also important for the system and the individual universities to develop strategies to promote adaptations in pedagogy to improve student learning. Technology is one vehicle for accomplishing this goal; better use of experimental models within the system to test the efficacy of new techniques is another. Continuous investment in professional development will be necessary to enable faculty to improve their knowledge base for teaching and research. Reared in a digital age, many of today's students have an approach to learning that differs dramatically from norms of even ten years ago. To be successful in teaching and mentoring these students, CSU faculty and staff increasingly need to adapt teaching strategies to their changed and alternate learning styles.

Providing for strong student learning also requires augmenting traditional classroom-based instruction with active learning opportunities such as internships, faculty-staff research projects, and learning communities both face-to-face and online. This will require inventiveness and pedagogical expertise.

Funding sufficiency. Ensuring adequacy of funding to maintain quality, improve access, and increase degree attainment will be a major challenge to the institution. The CSU cannot commit to a false promise of being able to maintain quality and to increase access and degree attainment without adequate resources. The institution is already efficient and cost-effective, and will continue to work to become even more so. But increasing access and degree attainment will require additional unrestricted funds, which means a combination of State general funds and student fees. Over-reliance on student fees will threaten access for those with limited economic means, as well as the institution's capacity to increase educational attainment among low income groups. Under current Trustee policy, each university has a goal to find a specific percentage of its resources from extramural sources. These specific institution-level goals have been met or even exceeded by some universities, but not yet been met by others. Even as all of the CSU universities will continue to find appropriate ways to increase the flow of external resources, however, private revenues are frequently restricted as to use, and so cannot substitute for State general fund support to sustain the core academic program.

Its teaching and service mission makes privatization such as that which has been practiced in other university settings an untenable path for the CSU. The demographic changes already in view and the reality that the majority of new undergraduates will be coming from low-income families requires that the CSU maintain its public identity to serve State needs, particularly at the undergraduate level. At the same time, more can and should be done to increase and diversify revenue sources for graduate education, research, and transfer of research outcomes to new businesses and technologies, as well as to increase support to grow international enrollments in the CSU.

Funding distribution. The challenge of resource scarcity will also likely force greater attention to establishing criteria for distributing resources among the CSU universities, and to the balance between funding equity as a goal vis-à-vis more differentiated strategies for meeting priorities. Inevitably, there will be unevenness in demand among universities, and within them among different disciplines. Most of the statewide enrollment growth will occur in a minority of the CSU universities in the southern part of the State and in the Central Valley.

Growing imbalances in demand among program areas will also raise questions about program mix and curriculum. If patterns within the CSU mirror national trends, the next two decades will likely see a continuation of relative decline in enrollments in the humanities, with proportionately greatest growth in business and engineering. These programs are more expensive to offer, particularly at the upper division and graduate levels. The unevenness in demand will create issues about program mix and ways that campuses can maintain balance in program offerings at the same time they are increasing investments in areas responsive to emerging State and national priorities. Many such decisions are appropriately left to individual universities, based on their own priorities and on local and regional circumstances. Some, however, may require system-level efforts to encourage consolidation and sharing of programs across universities, including via technology-assisted instruction.

State policy vision. Public policy for postsecondary education has been caught in a kind of gridlock for the last ten years. This is not a problem unique to California. Nationally, there is a disconnect between growing awareness of the need for a public agenda for higher education, and a dominant model that promotes privatization and competition as the best way to address social problems. But California faces a special set of challenges, to some extent because of the continuing influence of the Master Plan that was so successful for so long. Stymied by chronic funding problems, and captured by the belief that the Master Plan continues to be basically adequate to address present and future needs, the State lacks consensus about what its agenda should be, much less a strategic plan to accomplish it.

STRATEGIC PLAN GOALS

The environmental scan confirms that much of the CSU's vision and overarching goals from the *Cornerstones* initiative remain right for the future: student access and success, service to the State, and sustaining institutional capacity for excellence. These goals need to be adjusted, however, to put much greater emphasis on heightened student learning and increasing levels of educational attainment, while meeting the needs for economic development, a sustainable future, the development of new "green" economies, civic capacity, increasing funding and strengthening the strategic use of resources within the institution. More needs to be done as well to anticipate changes within the institution that will guide the recruiting and nurturing of a new generation of faculty and staff, and to prepare for pedagogical change.

This new strategic plan sets forth three priorities for the institution: 1) increase student access *and* success; 2) meet State needs for economic and civic development, through continued investment in applied research and addressing workforce and other societal needs; and 3) sustain institutional excellence through investments in faculty **and staff**, innovation in teaching, and increased involvement of undergraduates in research and in their communities. In implementing these goals, the CSU needs to distinguish between those to which it can immediately and unilaterally commit, and those that will require collaboration with other educational partners and with State policy leaders.

Commitments from the CSU

- 1) Reduce existing achievement gaps. In adopting this strategic plan, the CSU leadership commits to halving existing achievement gaps within the next ten years. The first step in accomplishing this will be to set clear goals and performance benchmarks that can be the basis for accountability for achieving these results. Work will need to occur at each of the points in the educational pipeline where leakages are occurring: in college-going rates among recent high school graduates; in first year retention rates; in transfer readiness and success; in baccalaureate degree completion; and in graduate and professional school readiness and completion. Detailed analyses are necessary to distinguish between system-wide goals and measures in these areas, and more specific metrics appropriate for individual universities. One significant system-level effort in this direction is the CSU's participation in the "Access and Success" initiative led by the National Association of System Heads (NASH), which involves twenty public higher education systems across the United States. Participation in national initiatives such as NASH, and others anticipated to develop within the next decade will permit the CSU to benefit from the lessons – positive and negative – from other higher education institutions in other regions, about how best to increase student success.

- 2) Plan for faculty turnover and invest in faculty excellence. The CSU will develop a comprehensive plan for reinvestment in its faculty to meet its goals of reducing compensation gaps and increasing the number of tenure-track faculty. In addition, the CSU commits to a comprehensive faculty planning effort, to include turnover planning, attention to recruitment and retention practices, and consideration of faculty development **and evaluation** strategies to support excellence in both pedagogy and scholarship. This work on faculty development will include investments in applied institutional research about effective pedagogy, effective practices in student engagement, and ways to improve educational outcomes. **It is recognized that individual CSU universities have developed innovative programs with regard to workload reallocation for exceptionally productive faculty. The CSU will undertake a study to identify best practices in this regard and will disseminate information about such practices throughout the system.**
- 3) Plan for staff and administrative succession and professional growth. Attention to recruitment, professional development, and compensation for staff and administrators is also a priority. Complementary strategies to those that are employed for faculty need to be put in place. **These strategies should include a commitment to closing salary gaps where they exist, providing a safe and healthy environment, and offering appropriate levels of training and development.** CSU system leadership will engage in the analytical work needed to project administrative turnover, and will evaluate whether existing campus- and system-level policies are adequate to provide the type of succession planning that is central to the future success of the institution. System-level resources also need to be invested in nurturance of the next generation of academic and administrative leaders, to give them the knowledge, skills and communication tools essential to leadership capacity for the future.
- 4) Improve public accountability for learning results. The CSU commits to strengthen its accountability to the public for learning results, through implementation of programs like the Voluntary System of Accountability, which includes public communication of results from the National Survey of Student Engagement (NSSE) and the Collegiate Learning Assessment (CLA), and/or other similar assessment instruments. It will be important to use findings from these accountability measures to inform curriculum and program improvements at the campus level. In acquiring stronger evidence about learning results, the CSU will also use its accountability efforts to measure effectiveness in meeting workforce and civic results. Efforts to reach out to employer groups in order to identify perceptions about the quality of CSU graduates will continue. An excellent example of such assessment is the ongoing work of the Center for Teacher Quality, which for several years has conducted surveys of satisfaction among employers of CSU-trained teachers. The CSU will also embed greater attention to ways to document and communicate its effectiveness in producing graduates who meet institutional goals for civic contributions, including service to communities and political engagement.

- 5) Expand student outreach. The CSU will continue its leadership in reaching out to new populations of students, beginning with expansion of “early outreach” efforts to middle schools. The great success of the Early Assessment Program (EAP) needs to be deepened and extended, and strengthened through systemic partnerships with school districts throughout the state. The EAP model will also be extended into a larger platform for reaching eleventh grade students and their families with information about financial aid, math and English preparation, study skills, and exposure to college life.
- 6) Enhance student opportunities for “active learning”. Substantial evidence exists to indicate that student involvement in research and community activities increases retention, enhances learning, contributes to building skills and habits of collaboration and problem-solving, and increases chances for success after graduation. Accordingly, the CSU will develop specific plans and programs to enhance opportunities for undergraduate **and graduate** students to link classroom learning to research and community participation, including service, as part of their educational experience. The CSU has within it many institutions with exemplary programs in undergraduate research and service; these need to be translated to best-practice models, and replicated throughout the system as a distinctive teaching and learning ‘brand’ for the CSU. Meeting this broad goal will also require attention to an improved infrastructure for applied research.
- 7) Enhance opportunities for global awareness. The CSU universities deploy programs now that create understanding of global issues and foster the capacity to collaborate with partners both globally and locally. Across the coming decade, strong and effective programs to build global awareness need to be replicated throughout the system. Accordingly, the CSU will support faculty work that internationalizes curricula and the experiences of students and faculty alike.
- 8) Act on the CSU’s responsibility to meet post-baccalaureate needs, **including those of working professionals**. The CSU needs to continue to expand its graduate and professional program offerings in order to meet the workforce needs of the State. Increasingly, California’s economy will depend upon workers with graduate, professional, and other forms of post-baccalaureate education. Special needs exist in science and technology fields, teaching and nursing. In addition, the CSU will need to develop a systematic plan to expand capacity through university extension programs to promote better models for meeting the needs for continuing education and retraining of working men and women.

Priorities for public policy attention, including cross-sector capacity

The California State University cannot accomplish all that must be done by acting on its own. To meet the future needs of the State of California, the CSU will need to be strategically linked

with State policy leaders; P-12, Community College, and University of California leaders; the business community; and the broad philanthropic community. The CSU alumni network is a rich resource to connect to those stakeholder groups, and needs to be part of the strategy-building to accomplish this goal. Issues that require such partnerships and State-level attention include building State policy capacity, funding, and statewide P-16 structures to better align curriculum, increase student preparation for college, and improve student transitions across educational sectors.

- 1) Public policy to grow expectations for degree attainment. Meeting California's needs for increased degree attainment will require the CSU to join with other educational leaders and to re-engage with State policy makers and community leaders for the purposes of educating them about the consequences of under-performance in higher education, securing the resources necessary to increase educational attainment levels, and evoking a policy commitment to achieving the agreed-upon results.

California needs to refresh its State policy goals for postsecondary education. This means setting goals for attainment that are appropriate to the social and workforce needs of this century and reflective of the missions of each institution. A new approach to master planning will be necessary – one focused on State needs that can only be met by postsecondary education, and accompanied by a realistic strategic financing plan to accomplish the goals of increasing access, success, and quality.

Without such a plan, California's higher education institutions will be forced to find their own paths to survival – which could lead them to protect their respective bases, increase student selectivity, and focus more on obtaining private resources even if that means diverting from the priorities of expanding student access and improving learning. Such actions would inevitably result in greater stratification within higher education, and ultimately in society. This is an avoidable scenario. California is a state that has historically stepped up to the challenge of finding creative solutions to public policies. In the last century, this State was an international model for postsecondary education. It can be again.

- 2) Strengthened cross-sector (P-16) strategies and structures. Closing existing achievement gaps requires attention first to closing *expectations* and *performance* gaps among administrators and teachers, from elementary school through the university. The CSU needs to continue to focus on preparation of adequate numbers of well-trained teachers and to work with leaders in P-12 and the Community Colleges to create the structures needed to sustain effective learning strategies in our schools and to effect seamless educational transitions for students.

Greater attention must be paid to strengthening cross-sector strategies to increase student preparation and achievement—strategies that will be sustained and focused, and for which institutions will be held accountable. It also will require commitment to building the infrastructure to support inter-sector work – analytical capacity to use data to diagnose where gaps are occurring; policy models to build and sustain learning interventions that enhance student success; and funding models that ensure that resources are invested in successful strategies, including fiscal incentives for collaboration among the segments.

CONCLUSION

The future quality of civic and economic life in California more than ever rests on the performance of the twenty-three universities that comprise the California State University. California's future will hinge on its success in transitioning growing numbers of low-income, immigrant, and first-generation families into productive roles in society.

It is not an exaggeration to say that the success of the CSU in meeting the goals of this plan are absolutely central to the future quality of life in California: as goes the CSU, so goes California. The CSU is remarkably well-positioned to lead California in this great task. It is an opportunity—and a responsibility—that the leaders of the CSU embrace.

Appendix: Cornerstones Principles and Implementation

Cornerstones Principles

Educational Results

- Explicit and Demonstrated Learning Outcomes
- The CSU as a Student-centered Academic Enterprise
- Active Learning as a joint responsibility of the CSU and its students
- Reinvestment in Faculty and their Development and Scholarship

Access to Higher Education

- Greater Outreach, Retention, Transfer, and Graduation Rates, and Shorter Time to Degree
- A Continuing Focus on Graduate Education and Continuing Education

Financial Stability

- A Compact-based Policy Framework to Meet the Master Plan Goals
- Shared Responsibility for Enhancing Educational Excellence, with revenue and productivity objectives

University Accountability

- Assessment of Student Achievement and Broader Performance Reports
- Relative Autonomy and Flexibility to the Campuses in advancing the CSU policy goals