AGENDA

COMMITTEE OF THE WHOLE

Meeting: **1:00 p.m., Monday, December 5, 2011**
Glenn S. Dumke Auditorium

Herbert L. Carter, Chair
Bob Linscheid, Vice Chair
Roberta Achtenberg
Carol R. Chandler
Bernadette M. Cheyne
Steven Dixon
Debra S. Farar
Kenneth Fong
Margaret Fortune
Steven M. Glazer
Melinda Guzman
William Hauck
Hsing Kung
Linda A. Lang
Peter G. Mehas
Henry Mendoza
Lou Monville
Charles B. Reed, Chancellor
Jillian L. Ruddell
Glen O. Toney

Consent Items

Approval of Minutes of Meeting of September 20, 2011

Discussion Items

1. Enrollment Considerations for 2012-2013 Fiscal Year, *Information*

MINUTES OF MEETING OF
COMMITTEE OF THE WHOLE

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

Tuesday, September 20 2011

Members Present
Herbert L. Carter, Chair
Bob Linscheid, Vice Chair
Roberta Achtenberg
Carol R. Chandler
Bernadette Cheyne
Debra S. Farar
Kenneth Fong
Margaret Fortune
Steven M. Glazer
William Hauck
Hsing Kung
Linda Lang
Peter G. Mehas
Lou Monville
Charles B. Reed, Chancellor
Jillian L. Ruddell
Glen O. Toney

Approval of Minutes

Chair Carter, hearing no objections, approved the minutes of March 22, 2011.

General Counsel's Report

General Counsel Helwick presented her semi-annual update on legal issues facing the CSU, summarizing the litigation and claim statistic trends of the last six-month period.

There were no questions or further comments. Chair Carter thanked General Counsel Helwick for her report.

The meeting adjourned**.**

COMMITTEE OF THE WHOLE

Enrollment Considerations for 2012-2013 Fiscal Year

Presentation By

Ephraim P. Smith
Executive Vice Chancellor and
Chief Academic Officer

Benjamin F. Quillian
Executive Vice Chancellor and
Chief Financial Officer

Summary

At its meeting of November 16, 2011, the board requested that a full discussion take place of enrollment assumptions and considerations for the 2012-2013 fiscal year, including consideration of the feasibility and impacts of holding California resident full-time equivalent enrollment (FTES) to the 331,716 target that the state established for the 2011-2012 fiscal year. The 2012-2013 California State University (CSU) support budget approved by the board at the November meeting calls on the state to provide its share of enrollment funding for a target of 348,302 FTES, which is 5 percent above the current state-supported number.

The overriding consideration in the presentation of the enrollment and budget proposal for 2012-2013 that the board approved at its November meeting was the extent to which the CSU could serve its mission under the California Master Plan for Education in the context of these trying financial times. While public postsecondary education does not enjoy the same constitutional guarantees as the public schools, access to postsecondary education is essential to the economic vitality of California, as well as the social and cultural well-being of the state. A commitment to that access undergirds California public postsecondary education, which promises near universal access to any Californian who desires instruction. Especially now, postsecondary educational access and completion-to-degree are the drivers for California to right its economy and strengthen its citizenry.

California Community Colleges (CCC) institutions are open to all high school graduates and adults who can benefit from postsecondary instruction, but they now cannot offer the full array of courses desired by Californians. The Master Plan envisions that all CCC students who successfully complete lower-division baccalaureate coursework will have guaranteed admission to four-year institutions or, at least, first priority for admission to the CSU and the University of California (UC) as upper-division transfers. Historically, the CSU has served between 70 and 80

percent of CCC transfers to four-year institutions with the number of annual CCC transfers in the 50,000 range and higher (more than two-thirds typically enroll in the fall).

The Master Plan also asks the CSU and the UC to guarantee admission to all high school graduates who apply for freshman admission and who are eligible to attend their institutions – that is, high school graduates within the top one-third of their graduating class in the case of CSU applicants and graduates within the top one-eighth in the case of UC applicants. Historically, the CSU has provided access to a slightly higher proportion of California high school graduates than the UC. About 10 percent of California high school graduates apply for CSU freshman admission and are within the top one-third of the graduating class, and the CSU in less troubled times has been able to guarantee access to all eligible applicants with numbers higher than 50,000 (almost all first-time freshmen enroll in the fall).

At its March 15, 2000 meeting, the CSU trustees adopted principles for students seeking admission to the CSU effective fall 2001 to aid the chancellor and campuses in carrying out the mission of the CSU and to ensure that CSU campuses continue to comply with the provisions of the Master Plan. When the trustees adopted the enrollment management policy in March 2000, it reaffirmed that upper-division CCC transfers who are California residents have the highest priority for admission, that all CSU-eligible freshmen who are California residents should be accommodated somewhere in the CSU system, and that campuses must maintain a balanced program and achieve diversity as admission priorities (including impaction) are implemented. In response to questions raised about some aspects of the policy since its implementation, the trustees modified the enrollment management policy at the September 2002 meeting to clarify the following policies: (1) improvement in communication of campus admission policies and procedures, (2) the role of presidential advisory groups to assist the campus in the identification of effective enrollment management policies that recognize broad community interests, and (3) expanded analysis and reporting on the effect of enrollment management policies on students.

The 2012-2013 approved enrollment and budget proposals, thus, reflect an attempt to serve the needs of California, the Master Plan, and trustee enrollment management policies that aid in carrying out the CSU mission within the constraints imposed by California's daunting fiscal situation.

The proposals were difficult to develop. Fiscal year 2007-2008 was the last year in which compact funding and enrollment growth was received. Since then, nothing about budget and enrollments has been simple and straightforward, except unprecedented demand for admission to the CSU by California resident students.

	2008-2009	2009-2010	2010-2011	2011-2012
Resident FTES Provided During Budget Reductions and Partial Restoration	357,222	340,302	328,155	*340,000*
	Fall 2008	Fall 2009	Fall 2010	Fall 2011
High School Graduates in Previous Year and 3 Years Earlier	732,042	731,920	761,216	776,916
Undergraduate Applications	513,448	504,416	586,974	595,676
Undergraduate Applicants	221,107	230,660	253,440	248,242
Eligible Undergraduate Applicants	173,780	204,363	202,365	200,312
Eligible Undergraduate Applicants Admitted	167,606	193,928	173,562	178,615
Eligible Undergraduate Admits who Enrolled at a CSU	88,882	89,784	88,504	94,460
Eligible Undergraduate Applicants Admitted to No CSU	6,174	10,435	28,803	21,697
First-Time Freshmen Impacted (CSU Campuses)	4	6	11	16
Undergraduate Transfers Impacted (CSU Campuses)	2	3	7	15

The table above provides a sense of challenges facing the CSU. At the board retreat, it was noted that CSU campuses were permitted two years from 2008-2009 to reduce enrollments to serve 310,000 FTES of instruction in 2010-2011. To reduce enrollments to this level, the number of impacted campuses doubled with regard to first-time freshmen and undergraduate transfers. Despite heightened impaction which restricts the acceptance of applications only through the end of November, more individuals applied for admission to the CSU with applications to more than two campuses. Increased impaction did reduce the number of admissions by 20,000 in fall 2010 compared with fall 2009. That almost 29,000 undergraduate applicants in fall 2010 who did everything asked of them in preparation for admission to the CSU were admitted to no CSU campus, compared with just above 6,000 in fall 2008, was especially heartbreaking. Last year, it was reported to trustees that denied eligible undergraduate applicants to the CSU did not flock to private for-profit institutions as had been speculated. Somewhat surprisingly to some observers, several thousand eligible students denied admission to the CSU enrolled at UC campuses and thousands more attended four-year not-for profit institutions in California or four-year institutions out of state. However, the largest group of CSU-eligible students who were denied

admission to the CSU, about 14,000, enrolled or stayed at CCC campuses, a result that is not intended in the Master Plan.

Based on direction from the legislature in the 2011-2012 budget act, the CSU planned on providing slightly above 330,000 FTES in instruction, and campuses were asked to manage enrollments to this level. At this point, CSU campuses anticipate providing more than 340,000 FTES in instruction, in large measure because the CSU admitted too many eligible students, attracted more of them than anticipated to CSU campuses, and is providing students with increased course-loads to facilitate progress to degree. That said, there still were almost 22,000 CSU-eligible applicants who were not admitted to any CSU campus. Follow up will occur in spring 2012 with the National Student Clearinghouse to track the extent to which these college-prepared students found postsecondary educational homes; it is hoped with more at four-year public and private not-for-profit sister institutions.

Finally, while some note that the number of high school graduates is projected to decline in the next several years suggesting waning demand, it is worth noting that the reductions in high school graduates do not plummet; in fact, they annually remain higher than the number of high school graduates that formed the pool for first-time freshmen in fall 2008. More importantly, the differential in tuition fee levels between the UC and the CSU makes many CSU campuses more attractive to hard-pressed California students and their families, and word of mouth about the lack of transferrable course offerings at the community colleges is encouraging students to want to go directly to CSU campuses. Despite continuing fiscal woes, the CSU is increasingly attractive to California students and their families for its relative affordability and its maintenance of reasonable course-loads for students.

In summary, this item points to the balancing act that the approved enrollment and budget proposal attempts to achieve. In the short run, at least, the board action on tuition for 2012-2013 provides the resources needed to serve the additional students, even if state funding for the CSU does not grow in 2012-2013. The additional course sections made possible by these resources not only will serve new students, but the estimated 290,000-plus continuing students as well. The FTES target remains considerably short of the 357,223 California resident FTES actually served by the CSU three years ago—at the onset of severe state funding reductions and concurrent enrollment management measures—and still is well below all indications of current demand for enrollment by CSU-eligible students. The approved target modestly provides for additional access for new students and the provision of a modest increase in FTES instruction to meet that demand.

At this meeting, the board will be presented with more detailed information on enrollment trends, enrollment management measures, impaction procedures and criteria, demographic pressures on enrollment and enrollment pressures from various university and state policy initiatives. The board also will be presented with timelines and critical decision-points for applications,

admissions, financial aid, assessment, academic preparation, and campus budgeting, hiring and course scheduling. Finally, the board will be provided with campus-specific perspectives on impacts on both prospective new students and continuing students of different enrollment levels as well as the effect on underrepresented minority students.