

## AGENDA

### JOINT COMMITTEES ON EDUCATIONAL POLICY AND FINANCE

**Meeting: 1:15 p.m., Tuesday, November 15, 2016**  
**Glenn S. Dumke Auditorium**

**Committee on Educational  
Policy**

Lillian Kimbell, Chair  
Jane W. Carney, Vice Chair  
Silas H. Abrego  
Douglas Faigin  
Debra S. Farar  
Jean P. Firstenberg  
Thelma Meléndez de Santa Ana  
Steven G. Stepanek  
Maggie K. White

**Committee on Finance**

Peter J. Taylor, Chair  
Debra S. Farar, Vice Chair  
Jane W. Carney  
Adam Day  
Jean P. Firstenberg  
Hugo N. Morales  
Lateefah Simon

### Consent Items

Approval of Minutes of the Meeting of September 20, 2016

1. Academic Sustainability Plan, *Action*

**MINUTES OF THE MEETING OF THE  
JOINT COMMITTEES ON EDUCATIONAL POLICY AND FINANCE**

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

**September 20, 2016**

**Members Present**

**Committee on Educational Policy**

Lillian Kimbell, Chair  
Jane W. Carney, Vice Chair  
Silas H. Abrego  
Douglas Faigin  
Debra S. Farar  
Jean P. Firstenberg  
Thelma Meléndez de Santa Ana  
Steven G. Stepanek  
Maggie White

**Committee on Finance**

Peter Taylor, Chair  
Debra S. Farar, Vice Chair  
Jane W. Carney  
Adam Day  
Jean P. Firstenberg  
Lupe C. Garcia  
Hugo N. Morales  
Lateefah Simon

Rebecca Eisen, Chair of the Board  
Timothy P. White, Chancellor

Trustee Lillian Kimbell called the meeting to order noting that there were no public speaker requests.

**Approval of Minutes**

The minutes of the November 17, 2015 meeting were approved as submitted.

**2015 Systemwide Hate Crimes and Incident Totals**

Trustee Kimbell presented agenda item 1 as a consent information item.

Trustee Kimbell adjourned the meeting of the Joint Committees on Educational Policy and Finance.

**JOINT COMMITTEES ON EDUCATIONAL POLICY AND FINANCE**

**Academic Sustainability Plan**

**Presentation By**

Ryan Storm  
Assistant Vice Chancellor  
Budget

Ed Sullivan  
Assistant Vice Chancellor  
Academic Research and Resources

**Summary**

This item seeks California State University Board of Trustees' approval of the 2016 Academic Sustainability Plan. The plan, included as Attachment A, incorporates the Department of Finance's revenue assumptions and the use of trends to determine the three-year goals associated with those revenue assumptions. This item also seeks the board's approval to delegate reporting authority to the chancellor, should this requirement continue to be included in future budget acts.

**Background**

Starting with the Budget Act of 2014 and continued in 2015 and 2016, the CSU is required to develop and approve a plan that details the university's academic and fiscal sustainability over a three-year period and submit that plan to the Department of Finance and the legislature no later than November 30, 2016.

The plan must include the following three components:

- 1) Projections of available resources in the 2017-2018, 2018-2019 and 2019-2020 fiscal years, using state general fund and tuition and fee revenue assumptions provided by the Department of Finance. Projections of expenditures in each of those years and descriptions of any changes to current operations necessary to ensure that expenditures projected for those years are not greater than the available resources projected for those years.
- 2) Projections of resident and non-resident enrollment in each of those years.
- 3) Goals for 16 performance measures as described in state law for each of those years.

The 2014 and 2015 versions of the plan prepared by the CSU exceeded the minimum requirements of the budget act. Those prior versions include two sets of budget and goal setting scenarios. The first scenario developed enrollment projections and performance measure goals using the revenue and expenditure assumptions provided by the Department of Finance. The second scenario developed projections and goals using the revenue and expenditure assumptions of the annual CSU Support Budget request. The primary reason for two scenarios was to demonstrate that with additional resources beyond the assumptions provided by the Department of Finance, the CSU could potentially achieve greater student success goals.

The 2016 version of the plan meets the minimum requirements of the budget act and does not contain a second CSU scenario. The principle reason for this change is due to the CSU's development of student outcome goals and related strategies under Graduation Initiative 2025. The sophistication of Graduation Initiative 2025 and the singular focus of the Chancellor's Office and campuses on the initiative made it apparent that developing an academic sustainability plan like before could create confusion and distract from the graduation initiative. Instead, a better projection of CSU priorities for enrollment and student success can be found in the Graduation Initiative 2025 plan and annual CSU support budget request.

### **Components 1 and 2: Revenue, Expenditure, and Enrollment Assumptions**

In a letter dated August 18, 2016, the Department of Finance revealed the state general fund assumptions upon which the CSU is to build its academic sustainability plan. In short, the state general fund assumptions are to align with the governor's funding plan and include other baseline adjustments such as savings from the middle class scholarship, state public works board debt service payments, and the state's contribution to the Public Employees' Retirement System on behalf of CSU employees. These assumptions would not align with CSU's budget priorities.

For illustration purposes, the Department of Finance expects the CSU to assume only \$157.2 million in new general fund monies for 2017-2018. CSU's support budget request for this fiscal year is nearly \$344 million. Using the Department of Finance's assumptions, the CSU cannot plan for enrollment growth in the coming years and does not budget for non-resident student growth in any given year.

### **Component 3: Goals for Performance Measures**

State law identified 16 performance measures to be reported on every March. As detailed in the Department of Finance's assumptions, the CSU cannot establish and accomplish all of the goals in student achievement given the state's financial commitment of a three percent increase in total operating budget.

Another significant challenge is that the Department of Finance's assumptions provide only 40 to 50 cents of every dollar needed to meet CSU's most critical needs. Each of the 23 CSU campuses have adopted aggressive graduation rate targets that include closing the achievement gap for underserved student populations and students with financial need. For campuses to reach these goals, resources above those identified in the Department of Finance's assumptions will be required.

Campus leaders have prioritized their budgets accordingly to meet these goals by focusing on increased tenure-density among faculty, improved advising, reducing bottlenecks, scaling high-impact practices, moving more students through college-preparation curriculum sooner, and using data to make decisions across campus. The 16 performance measures required by the law track some of this progress and add additional metrics for further detail. Goals for the 16 measures have been set using trend data to project progress with minimal budget increases.

### **Conclusion**

This action item recommends board approval of the statutorily-required Academic Sustainability Plan covering the 2017-2018, 2018-2019 and 2019-2020 fiscal years.

It is important that the trustees approve a plan with measured goals that are linked to reasonable data trends and can be achieved using current assumptions. There is ample evidence that additional financial resources will result in additional faculty and staff hiring and improvements to facilities, which are also essential for student success and completion.

### **Recommendation**

The following resolution is presented for approval:

**RESOLVED**, by the Board of Trustees of the California State University, that the Academic Sustainability Plan be approved; and be it further

**RESOLVED**, that the Academic Sustainability Plan be submitted no later than November 30, 2016, to the Director of the Department of Finance and the Legislature as required by the 2016 Budget Act; and be it further

**RESOLVED**, if the preparation of an Academic Sustainability Plan is required in a future state budget act or other law, that the Board of Trustees delegate authority to the chancellor to prepare, approve, and submit the plan on its behalf.



**The California State University**  
OFFICE OF THE CHANCELLOR

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# Academic Sustainability Plan

As required by the Budget Act of 2016

DRAFT FOR APPROVAL  
CSU Board of Trustees November 15-16, 2016

# Academic Sustainability Plan

## Introduction

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This document is the Academic Sustainability Plan (Plan) developed for approval by the California State University (CSU) Board of Trustees (Board), as required by the state Budget Act of 2016. The Plan meets the requirements of the law and lays out student enrollment trends, and other performance measure trends and goals based the budget assumptions provided by the state Department of Finance (Finance).

The Plan can mean different things to different people if expectations are not clearly articulated. This Plan is intended to show the progress that can be made over the next three years based on incremental increases in state general fund allocations to the CSU. It is important to understand that the performance measures included in the Plan are influenced by many variables that are outside and beyond the CSU's direct control. Furthermore, the measures are, in most cases, reliant on actions taken by the CSU and state in prior years. Acknowledging these variables, the Plan is based on the best trend information available.

Enrollment assumptions affect outcome measures in the Plan. Improved retention efforts coupled with larger incoming classes have increased the number of CSU continuing students. As our student success efforts continue to mature and time-to-degree shortens with improved four-year rates for freshmen and two-year rates for transfers, we expect student access pressures will mediate. At the same time, degrees earned annually by CSU students are expected to increase. These two changes will balance each other out over time with better retention and increased graduation rates, the CSU will ease into a "new normal" for enrollment growth and student access.

The requirements of the Plan ask the CSU to make a series of assumptions over the next three years, based on a set of budget assumptions, and take into account: access, progress toward degree, time-to-degree, graduation rates and total number of degrees completed. It is important to acknowledge how various systemwide and campus-based strategies implemented in previous years affect these measures.

The CSU focuses on providing an affordable, accessible, high-quality education to prepare students to become leaders in the changing workforce, making the CSU a vital economic engine for California.

- The CSU is the nation's largest four-year public university system with 23 campuses and 8 off campus centers.
- The CSU is the most ethnically diverse university in the country enrolling over 470,000 students and employing over 49,000 faculty and staff.
- The CSU stretches from Humboldt in the north to San Diego in the south.

## Budget Act Requirement

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The Budget Act of 2016 (SB 826, Chapter 23) requires the Board to develop and approve a plan that details any changes necessary to ensure the university's academic and fiscal sustainability over a multi-year period and submit that plan to the state no later than November 30, 2016.

The plan must include the following three components:

- (1) Projections of available resources in the, 2017-2018, 2018-2019, and 2019-2020 fiscal years, using state general fund and tuition and fee revenue assumptions provided by Finance. Projections of expenditures in each of those years and descriptions of any changes to current operations necessary to ensure that expenditures projected for those years are not greater than the available resources projected for those years.
- (2) Projections of resident and non-resident enrollment in each of those years.
- (3) Goals for 16 performance measures (described in state law) in each of those years.

In an August 18, 2016 letter to the CSU, Finance shared the state general fund and tuition and fee revenue assumptions upon which the CSU is to build its plan. In short, the state general fund assumptions are to align with the governor's office funding plan and include other baseline adjustments (e.g. the state's contribution to the Public Employees' Retirement System on behalf of CSU employees).

## **Approach**

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### ***Budget***

The Board was tasked to prepare the Plan using the modest revenue assumptions from the state equivalent to a growth of approximately two percent per year in total operating revenues. Using the revenue assumptions laid out by Finance creates a challenging position as those assumptions fall short of CSU's annual, identified financial needs. For illustration purposes, the state expects the CSU to assume only \$157.2 million of new state general fund. CSU's typical support budget plan (a mix of state general fund support and tuition and fee revenue) requests a range of \$250 million to \$350 million per year in increased funds.

The 2014 and 2015 versions of the plan prepared by the CSU exceeded the minimum requirements of the budget act. Those prior versions include two sets of budget and goal setting scenarios. The first scenario, known as the "State" scenario, developed enrollment projections and performance measure goals using the revenue and expenditure assumptions provided by Finance. The second, known as the "CSU" scenario, developed projections and goals using the revenue and expenditure assumptions of the annual CSU Support Budget request. The primary reason for two scenarios was to demonstrate that with additional resources beyond the assumptions provided by Finance, the CSU could potentially achieve greater student success goals.

The 2016 version of the Plan meets the minimum requirements of the budget act and contains the State scenario only. The principle reason for this change is due to the CSU's development of student outcome goals and related strategies under Graduation Initiative 2025. The sophistication of Graduation Initiative 2025 and the singular focus of the Chancellor's Office and campuses on the initiative made it apparent that developing the Plan like before could create confusion and distract from the graduation initiative. Instead, a better projection of CSU priorities for enrollment and student success can be found in the Graduation Initiative 2025 plan, and annual CSU support budget requests.

### ***Funded Student Enrollment***

Based on the State Budget as prepared for requirement 1, enrollment projections vary for 2017-2018, 2018-2019, and 2019-2020. With a small budget increase allowed for in the State Budget, and no tuition increases considered to date, the CSU does not have sufficient resources to plan for funded enrollment growth.

As the CSU is able to invest in the graduation initiative, campuses will add more courses to meet student demand and campuses will work to balance enrollment between incoming freshman and transfers, with continuing students who are being retained at a higher rate and graduating at a faster pace. For the purpose of this Plan, no funded enrollment growth is planned. Instead, projections are based on currently available enrollment data.

### ***Goals for Performance Measures***

The third requirement requires the CSU establish goals for all 16 performance measures listed in state law. Before goals were established for each measure, it was important to first gauge how aggressive or cautious to be on the approach. Three possibilities were considered:

1. Cautious: Identify the status quo (e.g. current graduation rate) and establish goals so that CSU would maintain pace over the next three years.
2. Measured: Identify recent, actual trend data, estimate the trend over the next three years, and establish goals that align with those projections.
3. Aggressive: The same identification and estimation of trends, but with aggressive goals that exceed estimated trends.

This Plan follows a measured approach. It neither sells short the abilities of CSU students, faculty, staff, and administrators to exceed the status quo, nor does it create subjective goals that are far reaching but may have little to no chance of being achieved given modest budget increases and a short timeline to affect change. This measured approach demonstrates that, even with the prescribed additional resources of the State Budget and the short timeline for goal setting, the CSU is committed to consistent improvements on these 16 performance measures.

As an example, CSU campuses limited new enrollments in 2011-2012 and 2012-2013 due to the economic crisis and it is estimated that the number of graduates will rise slowly in 2016-2017 because of necessary fiscal policy decisions made in prior years that cannot be affected by an influx of funding in upcoming years. Increases in students earning degrees in recent years stems from improved retention/graduation efforts offsetting a potential drop resulting from limited new student enrollment five to six years ago.

### **Conclusion**

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The modest proposed increases in state funding for the next three years limits the university's ability to maximize student success, scale up successful programs to reach more students, and compete against other fiscal priorities such as mandatory costs (e.g. employee benefits and new space maintenance), predictable compensation increases, and funding of deferred maintenance and infrastructure improvements. The CSU 2017-18 Support Budget Request presents a more robust budget for targeted allocation of resources on the Board's priorities. As Graduation Initiative 2025 builds momentum, we expect that overall time-to-degree will be reduced and access for new students will reach a new normal. There is, however, a transition period where improved retention efforts result in a reduction of available courses creating pressure to limit or reduce new student access.

The CSU Chancellor's Office and the 23 campuses are focused on meeting the needs of California by preparing an educated workforce and conscious global citizenry. More importantly, the CSU is focused on ensuring that every CSU student has the authentic opportunity to be challenged with academic rigor and to be successful in their chosen field and community.

## The Plan

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### (1) Budget

***Requirement: Projections of available resources in the 2017-2018, 2018-2019, and 2019-2020 fiscal years, using state general fund and tuition and fee revenue assumptions provided by the state Department of Finance. Projections of expenditures in each of those years and descriptions of any changes to current operations necessary to ensure that expenditures projected for those years are not greater than the available resources projected for those years.***

**New General Fund Resources:** The State Budget assumes new general fund resources ranging from \$136.5 million to \$157.2 million per year, which aligns with the governor's office funding plan for CSU.

**Tuition Fee Revenue:** The State Budget assumes no change to any systemwide tuition rates. Because the Board has the statutory authority and discretion to adjust tuition rates, the Board will determine the appropriate tuition rates on a case-by-case and year-by-year basis. Therefore, no tuition increases are assumed in the Plan for 2017-2018, 2018-2019, or 2019-2020.

**Student Success Fees:** Student success fee are campus-based and the revenue stays on the campus at which it is collected and is not a part of the systemwide budget plan approved by the Board each November.

**Funded Student Enrollment:** Proposed and actual funded student enrollment decisions are exclusively made by the Board and the chancellor. For illustration purposes only, the Plan presumes the State Budget does not provide enough revenue to increase funded student enrollment. The CSU support budget plan includes one percent enrollment growth equivalent to 3,600 FTES in 2017-2018. For 2018-2019, and 2019-2020, no additional enrollment growth is included as the Board has not yet determined the funding priorities for those years.

**All Other Expenditures:** Because the Board's expenditure priorities exceed the State Budget's resource assumptions, some 2017-2018 discretionary expenditures are displayed as "TBD" or "to be determined." If the State Budget resource assumptions were to come to pass in 2017-2018, only current compensation contracts and some mandatory cost increases could be funded. Other expenditures, including Graduation Initiative 2025, compensation for other employee groups, funded enrollment growth, and maintenance and infrastructure projects would not be funded. These priorities, as presented in the 2017-2018 Support Budget Request, would require additional revenue.

For 2018-2019 and 2019-2020 the State Budget presumes the Board and the chancellor will determine the appropriate expenditure levels on a case-by-case and year-by-year basis. Therefore, expenditures will be determined at a later date.

## State Budget

Revenues	2017/18	2018/19	2019/20
State General Fund Support Appropriation (base)	\$2,857,616,000	\$3,037,992,000	\$3,195,339,000
State Contribution for PERS retirement	23,140,000	20,862,000	23,170,000
State Revenue Assumptions:			
Governor's Office General Fund Plan	157,236,000	136,485,000	141,945,000
Tuition Fee Increase (undergraduate)	TBD	TBD	TBD
Tuition Fee Increase (graduate)	TBD	TBD	TBD
Tuition Fee Increase (doctorate)	TBD	TBD	TBD
Tuition Fee Increase (non-resident)	TBD	TBD	TBD
New Student Success Fees	TBD	TBD	TBD
General Obligation & Lease Revenue Debt Service Revenue from State (base)	311,809,000	316,879,000	316,879,000
Gov Office commitment to lease revenue bond debt service payments	5,070,000	0	0
Net Tuition Fee & Other Fee Revenue (base)	2,378,855,000	2,378,855,000	2,378,855,000
Net Tuition Fee Revenue From Growth (No Enrollment Growth Projected)	0	0	0
<b>Totals, Revenues</b>	<b>\$5,733,726,000</b>	<b>\$5,891,073,000</b>	<b>\$6,056,188,000</b>
Expenditures	2017/18	2018/19	2019/20
Operations (base)	\$5,236,471,000	\$5,416,847,000	\$5,574,194,000
State Contribution for PERS retirement	23,140,000	20,862,000	23,170,000
Mandatory Costs	\$18,098,000	TBD	TBD
Employee Compensation Current Contracts	\$139,138,000	TBD	TBD
Employee Compensation Pool - Open Contracts	0	TBD	TBD
Graduation Initiative 2025	0	TBD	TBD
Funded Student Enrollment Increase - 1% per year	0	TBD	TBD
General Obligation & Lease Revenue Debt Service Payments (base)	311,809,000	316,879,000	316,879,000
Governor's Office commitment to lease revenue bond debt service payments	5,070,000	0	0
Facilities & Infrastructure	0	TBD	TBD
All Other Operating Expenditures/Reductions To Be Determined by CSU	0	136,485,000	141,945,000
<b>Totals, Expenditures</b>	<b>\$5,733,726,000</b>	<b>\$5,891,073,000</b>	<b>\$6,056,188,000</b>
<b>Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Notes:			
TBD = To be determined by CSU leadership			
The State Budget must include a reference to student success fees, which are campus-based fees that are collected, retained, and expended at campuses. These fees are not a systemwide revenue source and it is inappropriate to associate these fees with other systemwide revenue sources.			
Net Tuition Fee & Other Fee Revenue excludes State University Grant (SUG) estimates. SUG is a tuition fee waiver program for qualified students with financial need. It is revenue foregone by CSU (i.e. no actual collection and redistribution of money). Annual foregone revenue is in excess of \$660 million.			

## (2) Enrollment Projections

**Requirement:** Projections of resident and non-resident enrollment in each of those years.

The three year budgets shown above include the State Budget assumption of zero funded enrollment increases each year.

Enrollment funding is based on FTES; this report translates that growth to a headcount number using currently available ratios. Two of the variables that affect the size of each new entering class are: 1) available resources and 2) the ratio of headcount to full-time equivalent students. As the CSU improves year-to-year retention rates, and continues to advise students toward a four-year path to a degree, the new headcount to FTES ratio will get closer and closer to 1:1. If new funds were available in each of the next three years it would allow for modest increases in enrollment and allow the CSU to focus on a timelier degree completion with more students enrolling in 15 or more units each term.

The CSU has not set specific non-resident enrollment targets; however, it is projected that non-resident enrollment will continue to make up around six percent of total enrollment. Non-resident students are not considered in the overall budget picture the way resident student targets are determined. The state does not fund the CSU for non-resident enrollment; rather these students are charged non-resident tuition in addition to state university tuition, to cover the full cost of their enrollment at the CSU.

<b>Resident and Non-Resident Enrollment – Headcount</b>		
<b>College Year</b>	<b>Resident</b>	<b>Non-Resident</b>
2011-2012	404,946	17,117
2012-2013	407,697	18,516
2013-2014	416,109	22,048
2014-2015	424,377	26,832
2015-2016	436,648	29,038
2016-2017 (Projected)	441,014	29,328
2017-2018 (Projected)	441,014	29,328
2018-2019 (Projected)	441,014	29,328
2019-2020 (Projected)	441,014	29,328

### (3) Goals for 16 Performance Measures

**Requirement:** Goals for 16 performance measures (described in state law) in each of those years.

#### Measures 1 – 4: Access

**Measure 1:** The number of CCC transfer students enrolled and the percentage of CCC transfer students as a proportion of the total number of undergraduate students enrolled.

**Measure 2:** The number of new CCC transfers students enrolled and the percentage of new CCC transfer students as a proportion of the total number of new undergraduate students enrolled.

Measures 1 and 2 ask for the number and proportion of CCC transfers within the total CSU population, and as a part of each new entering class. The tables below show the current trend within the CSU population, and projections based zero funded enrollment growth. Transfer enrollment is affected by the CSU budget more than most measures. Table 1 shows how transfer enrollment will grow as a percentage of the total population because campuses will be able to accept and enroll transfers for both the fall and spring terms.

**Measure 3:** The number of low-income students enrolled and the percentage of low-income students as a proportion of the total number of undergraduate students enrolled.

**Measure 4:** The number of new low-income students enrolled and the percentage of low-income students as a proportion of the total number of new undergraduate students enrolled.

Measures 3 and 4 focus on the total number and proportion of low-income students within the undergraduate population and within the population of new students each year. Low-income was defined by the legislation to mean Pell-eligible students. While the CSU does not have direct outreach programs to communities based on socio-economic status, we do continue our efforts to ensure genuine access for students from underrepresented communities in the state, and there is certainly crossover between our underrepresented students and students who are eligible for federal Pell grants.

The headcount numbers are based on the percentage predicted from the enrollment projections associated with the State Budget. We believe that this measure is highly influenced by factors external to the university including the health and stability of the economy and the ability of students and families to afford college. During challenging economic times Pell eligibility will increase. When the economy stabilizes, and unemployment goes down, Pell eligibility will decrease. We project the percentage of Pell-eligible students will settle just over 50 percent, eventually returning to a level seen in previously stable economic periods.

Ensuring the academic success of all California students and particularly low-income students remains a steadfast CSU priority. It is believed that this measure is focusing on the CSU's ability to provide access to all cross sections of the California population. The CSU is intensifying efforts to close the achievement gap for low-income students by 2025, and will continue extensive outreach and retention efforts to these populations. Access with the opportunity to succeed for all college going students is a critical part of CSU's mission. Meeting the financial aid needs of our students to ensure all have the support to academically succeed remains a priority.

<b>Table 1</b> <b>CCC Transfer Enrollment</b>		
Fall Term	Headcount	Percent of Total Undergraduates
2011	129,246	36.4%
2012	134,958	36.8%
2013	136,352	36.2%
2014	138,342	35.9%
2015	143,445	36.0%
2016 (Projected)	144,879	36.0%
2017 (Projected)	144,879	36.0%
2018 (Projected)	144,879	36.0%
2019 (Projected)	144,879	36.0%

<b>Table 2</b> <b>NEW CCC Transfer Enrollment</b>		
College Year	Headcount	Percent of Total New Undergraduates
2011-2012	49,467	45.3%
2012-2013	42,745	42.0%
2013-2014	55,053	46.3%
2014-2015	56,134	46.3%
2015-2016	56,539	46.1%
2016-2017 (Projected)	58,235	46.6%
2017-2018 (Projected)	58,817	46.8%
2018-2019 (Projected)	59,405	46.8%
2019-2020 (Projected)	59,999	46.8%

<b>Table 3</b>		
<b>Low-Income Student Enrollment</b>		
Fall Year	Pell-Recipient Headcount	Percent of Total Undergraduates
2010	146,302	41.9%
2011	164,951	44.9%
2012	173,553	45.6%
2013	188,486	48.1%
2014	195,754	48.3%
2015 (Projected)	206,926	49.6%
2016 (Projected)	212,831	50.5%
2017 (Projected)	215,868	51.1%
2018 (Projected)	218,948	51.4%

<b>Table 4</b>		
<b>NEW Low-Income Student Enrollment</b>		
College Year	New Pell-Recipient Headcount	Percent of Total New Undergraduates
2010-2011	49,861	44.6%
2011-2012	53,582	47.7%
2012-2013	51,693	48.9%
2013-2014	62,367	50.5%
2014-2015	65,447	51.6%
2015-2016 (Projected)	66,237	51.6%
2016-2017 (Projected)	66,701	51.6%
2017-2018 (Projected)	67,168	51.6%
2018-2019 (Projected)	67,638	51.6%

### Measures 5 - 10: Earned Degrees

**Measure 5:** The four-year graduation rate for students who entered the university four years prior and, separately, for low-income students in that cohort.

**Measure 6:** The four-year and six-year graduation rates for students who entered the university six years prior and separately, for low-income students in that cohort.

Measures 5 and 6 are shown in Tables 5 and 6. These two measures set graduation rate goals for students who entered the CSU as a freshman four and six years ago, respectively. Both tables show graduation rates for students receiving Pell grants, students not receiving Pell grants, and the total rate for all undergraduates. The CSU is committed to increasing graduation rates for all students, and has

recommitted to those efforts in phase II of the Graduation Initiative 2025. The goals shown for the graduating classes of 2017, 2018, and 2019 reflect the rates for cohorts that entered four and six years prior. New money allocated to the CSU in 2017-2018, 2018-2019 and 2019-2020 will not have a measurable effect on students who entered the CSU four and six years prior. The goals shown below continue along the current trend. Increased state funding in these years will certainly have an effect on the graduation rates we are able to achieve for the cohorts that begin at the CSU during those same years with emphasis on closing the gap between Pell and non-Pell students, and the gap for underrepresented students.

**Measure 7:** The two-year transfer graduation rate for students who entered the university two years prior and, separately, for low-income students in that cohort.

**Measure 8:** The two-year and three-year transfer graduation rates for students who entered the university three years prior and, separately, for low-income students in that cohort.

**Measure 9:** The two-year, three-year, and four-year transfer graduation rates for students who entered the university four years prior and, separately, for low income students in that cohort.

Tables 7, 8, and 9 are based on each new cohort of transfer students who then graduate two, three, or four years later. There is a significant increase in graduation rates between two and three years, and even more in year four. The projections for graduation years 2017, 2018, and 2019 continue to increase for all three measurements, with the fastest growth within the three-year group. Campuses have not traditionally had separate transfer graduation rates, but have considered them as a part of their new graduation initiative goals for 2025. Unlike the first time freshman graduation rates, two-year transfer rates could be affected by larger increases in funding from the state in 2017-2018, as reported for the class of 2019. The CSU will continue to work to increase graduation rates for all students, and especially to close the gap for underrepresented minority students, and students receiving Pell grants.

As more students enroll in the CSU with Associate Degrees for Transfer (ADT), and are guaranteed that they can graduate with 60 CSU units, the two-year graduation rates are expected to exceed their current trend. However, with only two years of ADT students in the CSU, there is not enough information available at this time to modify the estimated graduates within any of the CSU graduation rate tables.

**Measure 10:** The number of degree completions annually, in total and for the following categories: freshman entrants, CCC transfers, graduate students, and low-income students (in all categories).

Total degree completions for freshmen, CCC transfers, graduate students and all students are shown in table 10. A funding increase directly affects the number of courses that can be offered each term and allows the CSU to continue funding other priorities such as faculty hiring, additional academic advisors, and the expansion of high-impact practices that affect student success and completion.

<b>Table 5</b>				
<b>4-year First-Time, Full-Time Freshmen Graduation Rates</b>				
Fall Cohort	Graduation Year	Receiving Pell Grants	Not Receiving Pell Grants	All Students
2007	2011	9.6%	18.7%	15.9%
2008	2012	10.0%	19.2%	16.2%
2009	2013	11.2%	21.9%	17.8%
2010	2014	11.8%	24.0%	18.6%
2011	2015	12.0%	25.5%	19.1%
2012 (Projected)	2016	13.5%	26.3%	20.1%
2013 (Projected)	2017	15.0%	27.1%	21.1%
2014 (Projected)	2018	16.5%	27.9%	22.1%
2015 (Projected)	2019	19.0%	29.5%	24.1%

<b>Table 6</b>				
<b>6-Year First-Time, Full-Time Freshmen Graduation Rates</b>				
Fall Cohort	Graduation Year	Receiving Pell Grant	Not Receiving Pell Grant	All Students
2005	2011	44.3%	54.5%	51.3%
2006	2012	44.2%	54.6%	51.4%
2007	2013	45.4%	54.7%	51.8%
2008	2014	47.9%	57.0%	54.0%
2009	2015	51.7%	60.3%	57.0%
2010 (Projected)	2016	53.0%	64.0%	59.0%
2011 (Projected)	2017	54.3%	65.5%	60.0%
2012 (Projected)	2018	55.7%	67.0%	61.0%
2013 (Projected)	2019	57.1%	68.6%	62.0%

<b>Table 7</b>				
<b>Two-year California Community College Transfer Graduation Rates</b>				
Fall Cohort	Graduation Year	Receiving Pell Grants	Not Receiving Pell Grant	All Transfers
2009	2011	22.9%	25.6%	24.5%
2010	2012	26.1%	29.3%	27.8%
2011	2013	24.9%	28.6%	26.7%
2012	2014	27.3%	29.4%	28.3%
2013	2015	29.8%	31.4%	30.5%
2014 (Projected)	2016	31.3%	33.0%	32.0%
2015 (Projected)	2017	32.3%	33.8%	32.8%
2016 (Projected)	2018	33.8%	35.1%	34.2%
2017 (Projected)	2019	35.5%	36.3%	35.8%

<b>Table 8</b>				
<b>Three-Year California Community College Transfer Graduation Rates</b>				
Fall Cohort	Graduation Year	Receiving Pell Grant	Not Receiving Pell Grant	All Transfers
2008	2011	51.8%	56.1%	54.6%
2009	2012	54.2%	57.8%	56.3%
2010	2013	59.7%	61.9%	60.9%
2011	2014	59.4%	63.2%	61.3%
2012	2015	61.7%	63.2%	62.4%
2013 (Projected)	2016	63.9%	65.3%	64.5%
2014 (Projected)	2017	65.4%	66.5%	65.8%
2015 (Projected)	2018	67.0%	67.8%	67.2%
2016 (Projected)	2019	68.8%	69.3%	69.0%

<b>Table 9</b>				
<b>Four-Year California Community College Transfer Graduation Rates</b>				
Fall Cohort	Graduation Year	Receiving Pell Grant	Not Receiving Pell Grant	All Transfers
2007	2011	62.6%	65.7%	64.6%
2008	2012	65.1%	68.2%	67.2%
2009	2013	67.6%	70.4%	69.3%
2010	2014	72.0%	73.4%	72.8%
2011	2015	71.6%	74.2%	72.9%
2012 (Projected)	2016	73.4%	75.0%	74.0%
2013 (Projected)	2017	74.8%	76.0%	75.3%
2014 (Projected)	2018	76.0%	77.0%	76.3%
2015 (Projected)	2019	77.3%	78.1%	77.6%

<b>Table 10</b>					
<b>Total Degree Completions</b>					
College Year	Freshmen Entrants	CCC Transfer Students	Graduate Students	Total*	Low-Income Students*
2011-2012	30,245	37,990	19,725	96,152	31,600
2012-2013	32,569	41,858	19,406	101,209	39,837
2013-2014	34,330	43,775	18,590	103,781	44,629
2014-2015	36,720	42,831	18,845	105,786	47,574
2015-2016	38,770	47,034	20,788	112,832	51,226
2016-2017 (Projected)	40,854	48,093	21,144	116,331	54,175
2017-2018 (Projected)	43,050	49,176	21,506	119,972	57,294
2018-2019 (Projected)	45,364	50,283	21,874	123,761	60,592
2019-2020 (Projected)	47,803	51,415	22,248	127,706	64,080

*\*Total includes all degree recipients, including those not reflected in the categories above (e.g. Non-California community college transfers, etc.). Low-income students' degrees for 2015-2016 are estimates as Pell awards data are not final.*

## Measures 11 - 15: Cost Efficiency and Time-to-Degree

**Measure 11:** The percentage of freshmen entrants who have earned sufficient course credits by the end of their first year of enrollment to indicate that they will graduate within four years.

**Measure 12:** The percentage of CCC transfer students who have earned sufficient course credits by the end of their first year of enrollment to indicate that they will graduate within two years.

Measure 11 asks the CSU to report the number of students who have finished 30 semester units after their first year – indicating their progress toward graduating with 120 units in four years. Table 11 shows the percentage of freshmen entrants who return to the CSU for their second year, having completed 30 units in their first year. This is not something the CSU has traditionally measured, but the current trend shows consistent growth in the percentage of students completing 30 units in their first year. As campuses continue to examine academic policies and the high-impact practices that affect retention and graduation, this type of measure will continue to be examined.

To address Measure 12, the CSU cannot accurately measure the number of units taken by CCC transfers in their first year at the CSU as a measure for that student being “on track” to graduate in two years. Most CCC transfer students have taken well over 60 units when they transfer to the CSU, and the CSU will accept up to 70 units. The determination of which of those 60-plus units will apply toward their bachelor’s degree does not happen until a student applies for graduation, at which time a different set of transfer credits may be applied to the degree, than was intended when the student first enrolled.

<b>Table 11</b>		
<b>30 or more units at start of Year 2</b>		
Fall Enrollment	% of Students with 30 Units or More	% of Students with Less than 30 Units
2011	47.3%	52.7%
2012	47.3%	52.7%
2013	48.0%	52.0%
2014	50.3%	49.7%
2015	51.5%	48.5%
2016 (Projected)	52.7%	47.3%
2017 (Projected)	54.0%	46.0%
2018 (Projected)	55.5%	44.5%
2019 (Projected)	57.0%	43.0%

**Measure 13:** For all students, the total amount of funds received from all sources specified for the year, divided by the number of degrees awarded that same year.

<b>Table 13 Revenue per Degree – All</b>	
<b>2017-2018</b>	\$43,466
<b>2018-2019</b>	\$43,133
<b>2019-2020</b>	\$42,789

**Measure 14:** For undergraduate students, the total amount of funds received from all sources specified for the year expended for undergraduate education, divided by the number of undergraduate degrees awarded that same year.

<b>Table 14 Revenue per Degree - Undergraduate</b>	
<b>2017-2018</b>	\$48,370
<b>2018-2019</b>	\$47,572
<b>2019-2020</b>	\$46,780

**Measure 15:** The average number of CSU course credits and the total course credits, including credits accrued at other institutions, accumulated by all undergraduate students who graduated, and separately for freshman entrants and CCC transfer students.

Measure 15, like measure 12, asks a question that does not yield a clear answer. What it shows is that all students, whether they entered as freshmen or transfers, have non-CSU units applied to their transcripts upon graduation; this can include upper division, lower division, and Advanced Placement units. The data available centrally includes total units earned at time of degree and total units taken elsewhere, either transferred in, or through Advanced Placement credit. This leaves derived CSU units which are not a real representation of the units taken or used for a specific degree. Campuses may be able to better answer this question for freshman entrants, but transfer units are not fully applied toward a degree until a student applies for graduation. Therefore, a campus would have difficulty answering this question until the student's last term at the CSU.

The CSU requires all academic programs to be as close to 120 required units as possible. Approximately 95 percent of programs are now at that level. Programs above 120 units have reviewed their academic requirements to ensure that their requirements in excess of 120 units are necessary to meet the learning objectives required of its graduates.

Table 15 Total Units Earned, per Bachelor's Degree						
College Year	Freshmen Entrants		California Community College Transfers		Total Undergraduate Students	
	CSU Units*	Total Units	CSU Units*	Total Units	CSU Units*	Total Units
2011-2012	128	139	61	141	90	141
2012-2013	129	139	59	141	89	141
2013-2014	129	139	58	141	88	141
2014-2015	128	138	57	141	88	141
2015-2016	127	138	56	141	87	140
2016-2017 (Projected)	127	138	56	141	87	140
2017-2018 (Projected)	127	138	56	141	87	140
2018-2019 (Projected)	127	138	56	141	87	140
2019-2020 (Projected)	127	138	56	141	87	140

\*CSU Units is derived from Total Units minus units earned elsewhere. It is not a direct reporting of CSU units taken.

### Measure 16: STEM Earned Degrees

**Measure 16:** The number of degree completions in science, technology, engineering, and mathematics (STEM) fields, in total, and separately for undergraduate students, graduate students, and low-income students.

There is significant demand in California and nationwide for graduates with degrees in STEM fields. The CSU currently tracks STEM and health disciplines within STEM and are reporting both here.

Table 16a STEM Degrees, (excluding health)				
College Year	Undergraduate Students	Graduate Students	Total	Low-Income Students*
2011-2012	13,921	4,187	18,108	5,314
2012-2013	15,361	3,960	19,321	6,963
2013-2014	17,061	3,817	20,878	8,397
2014-2015	18,580	4,298	22,878	9,415
2015-2016	20,201	5,693	25,894	10,462
2016-2017 (Projected)	21,719	6,090	27,809	11,238
2017-2018 (Projected)	23,352	6,514	29,866	12,071
2018-2019 (Projected)	25,107	6,968	32,075	12,966
2019-2020 (Projected)	26,994	7,453	34,447	13,927

<b>Table 16b</b>				
<b>STEM Degrees, Health Only</b>				
<b>College Year</b>	<b>Undergraduate Students</b>	<b>Graduate Students</b>	<b>Total</b>	<b>Low-Income Students*</b>
2011-2012	4,924	1,908	6,832	1,882
2012-2013	5,592	1,967	7,559	2,548
2013-2014	6,223	1,967	8,190	3,028
2014-2015	6,558	2,058	8,616	3,424
2015-2016	7,065	2,140	9,205	3,805
2016-2017 (Projected)	7,584	2,206	9,790	4,087
2017-2018 (Projected)	8,143	2,274	10,417	4,390
2018-2019 (Projected)	8,743	2,344	11,086	4,716
2019-2020 (Projected)	9,385	2,416	11,801	5,066