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April 17, 2019

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**RE: California State University Report: State Performance Measures for 2017/18
Academic Year**

The attached report highlights the progress made at the California State University to improve graduation rates for all students while also increasing access to more Californians.

Ongoing Graduation Initiative 2025 efforts to strengthen student success, improve graduation rates and close equity gaps are gaining momentum. To continue to build on this progress – and to increase access to the university – sustained, predictable and sufficient state investment in the CSU will be necessary.

As required by Education Code 89295, the California State University shall report, by March 15 of each year, on performance measures for the preceding academic year and goals for the three academic years immediately following, to inform budget and policy decisions and promote the effective and efficient use of available resources. Enclosed is

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CSU Report: State Performance Measures for 2017/18 Academic Year

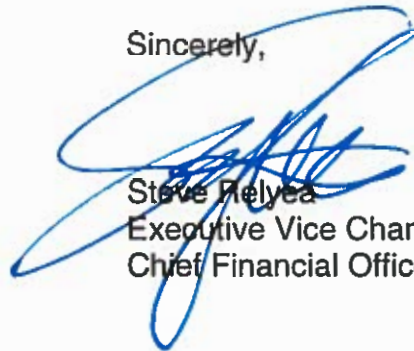
April 17, 2019

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the CSU's report highlighting progress in State Performance Measures and an appendix of the data tables for each of the required performance measures.

Should you have any questions about this report, please contact Kathleen Chavira, Assistant Vice Chancellor, Advocacy and State Relations at (916) 445-5983.

Sincerely,



Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

SR:dr

Full report posted to <https://www.calstate.edu/legislativereports/>

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Progress in Performance Measures

Graduation Initiative 2025: Building Momentum

1 Introduction

Ensuring student success, improving graduation rates and increasing access to the California State University (CSU) are shared priorities of both the university and the state of California. According to the Public Policy Institute of California, by 2030 approximately two-in-five jobs will require a bachelor's degree. The U.S. Department of Education estimates that college graduates with a bachelor's degree typically earn 66 percent more than those with only a high school diploma and are far less likely to face unemployment. The CSU is committed to not only serving continuing students – from the day they enroll to the day they cross the commencement stage – but also increasing access to the university for new students.

Today, graduation rates for first-time, full-time freshmen and students transferring from a California community college are at an all-time high and equity gaps between students from historically underserved communities are narrowing. However, the CSU is committed to driving these rates even higher, to ensure that all students have the opportunity to graduate in a timely manner and pursue their future goals. In doing so, the CSU will continue to fulfill its founding mission to produce the graduates needed to power California's future prosperity.

Recent progress in degree completion is a result of the intentional work that is occurring on campuses and systemwide as the CSU moves forward with Graduation Initiative 2025, its ambitious plan to ensure student success, increase graduation rates and eliminate achievement and equity gaps for all students. This includes hiring more tenure-track faculty to teach additional courses, strengthening advising services, providing financial support and strategically targeting academic support services to students who need them most.

Meeting California's future workforce needs will require not only improved graduation rates but also increased enrollment, and achieving both goals will require sustained, predictable and sufficient state investment in the CSU. The CSU remains committed to working with the state and the legislature to ensure the university is appropriately funded and the shared priorities of student success, improved graduation rates and increased access are met.

2 Graduation Rates Continue to Climb

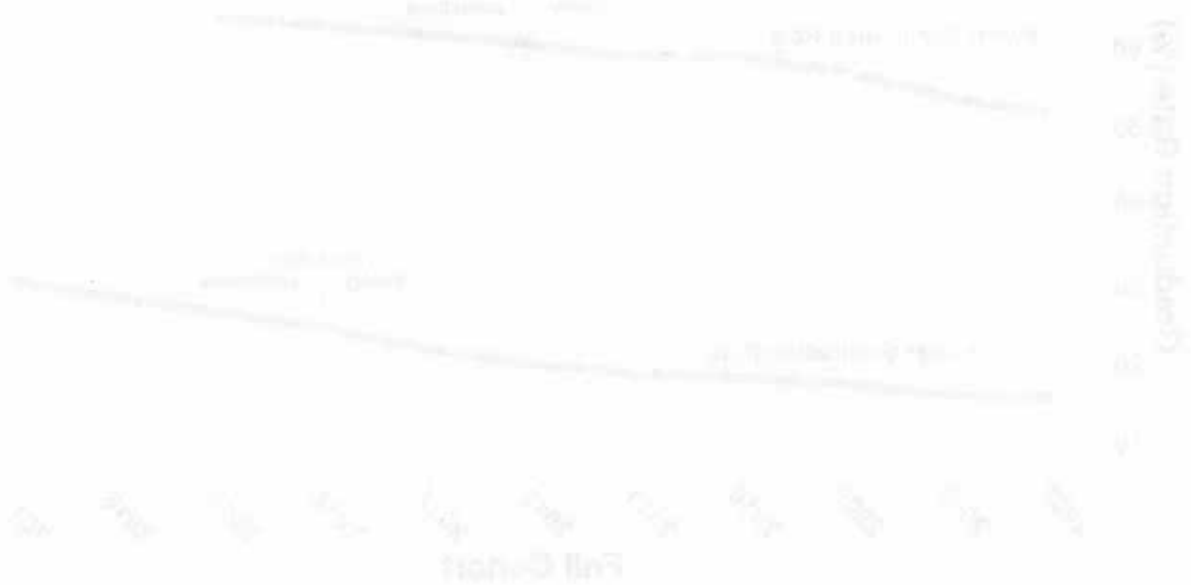
Since 2008, California State University graduation rates have consistently increased. This section of the report will demonstrate the upward trajectory of graduation rates for first-time, full-time freshmen and students transferring from the California community colleges, as well as the growth in the overall number of degrees conferred each academic year.

In addition, projections are provided for the next three years. These projections are based on the linear trajectory necessary to meet the following Graduation Initiative 2025 goals:

- A 40 percent four-year freshman graduation rate
- A 70 percent six-year-or-less freshman graduation rate
- A 45 percent two-year transfer graduation rate
- An 85 percent four-year-or-less transfer graduation rate

These goals are predicated on eliminating equity gaps that exist by race/ethnicity and for students from low socio-economic backgrounds.

As campuses continue to implement their local Graduation Initiative 2025 plans to achieve campus goals for completion and equity – and as systemwide efforts continue – the CSU’s graduation rates should continue to rise. While actual increases may not be linear from year to year, campuses are expected to make progress toward their goals over the duration of the initiative. Maintaining this momentum will require continued state investment in the CSU’s student success efforts.

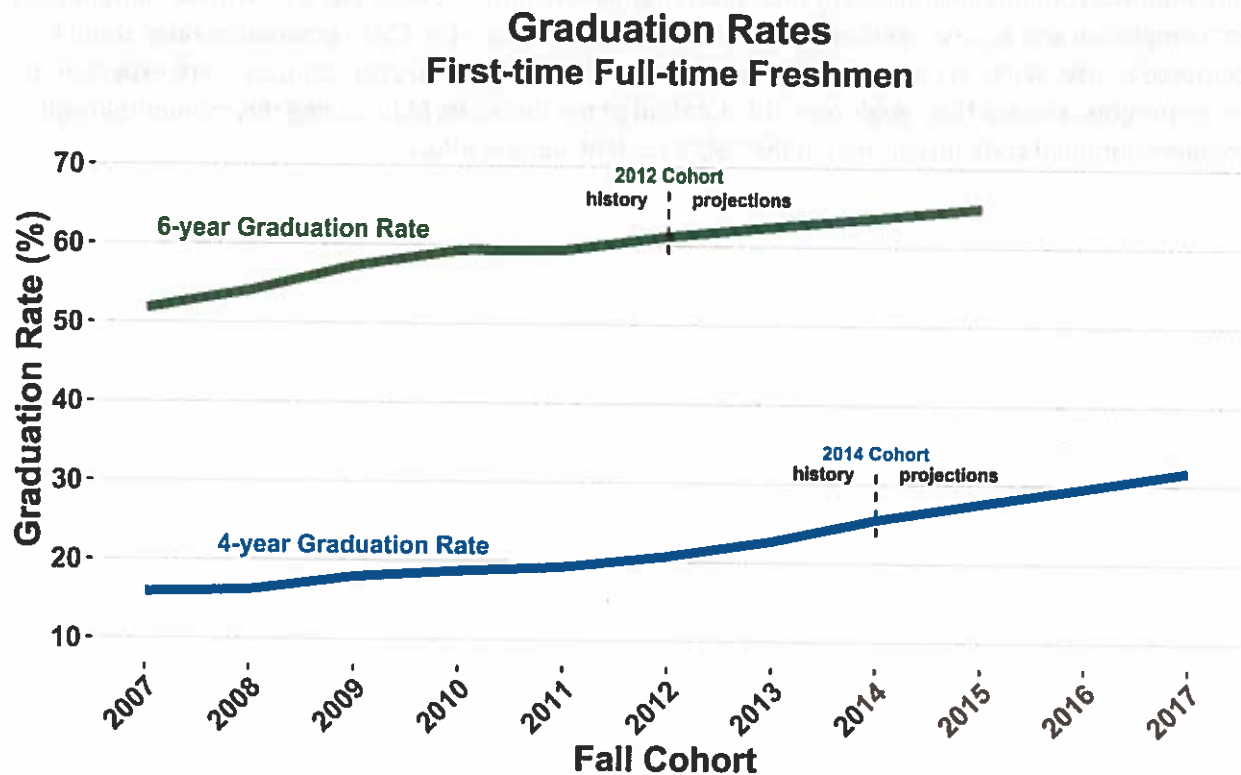


2.1 First-time, Full-time Freshmen

As demonstrated in the figure below (to the left of the dotted line), both the four-year and six-year-or-less graduation rates for first-time, full-time freshmen continue to increase. Recent four-year completion rates increased by nearly five percentage points for the most recent graduating cohorts. For the fall 2014 cohort, 25.5 percent of students graduated in four years, up from 22.7 percent for the fall 2013 cohort, and 20.7 for the Fall 2012 cohort.

For the fall 2012 cohort, 61.2 percent of students graduated within six years, an increase from the 59.4 percent of students who graduated within six years from the fall 2011 cohort. In all instances, the graduation rates increased for both Pell and non-Pell recipients.

This chart also shows the CSU's projections for both the four-year and six-year-or-less graduation rates over the next three years (to the right of the dotted line). Projections are based on the linear trajectory necessary to meet the Graduation Initiative 2025 goals for first-time, full-time freshmen; however it is anticipated that annual progress will not always occur in a linear fashion.

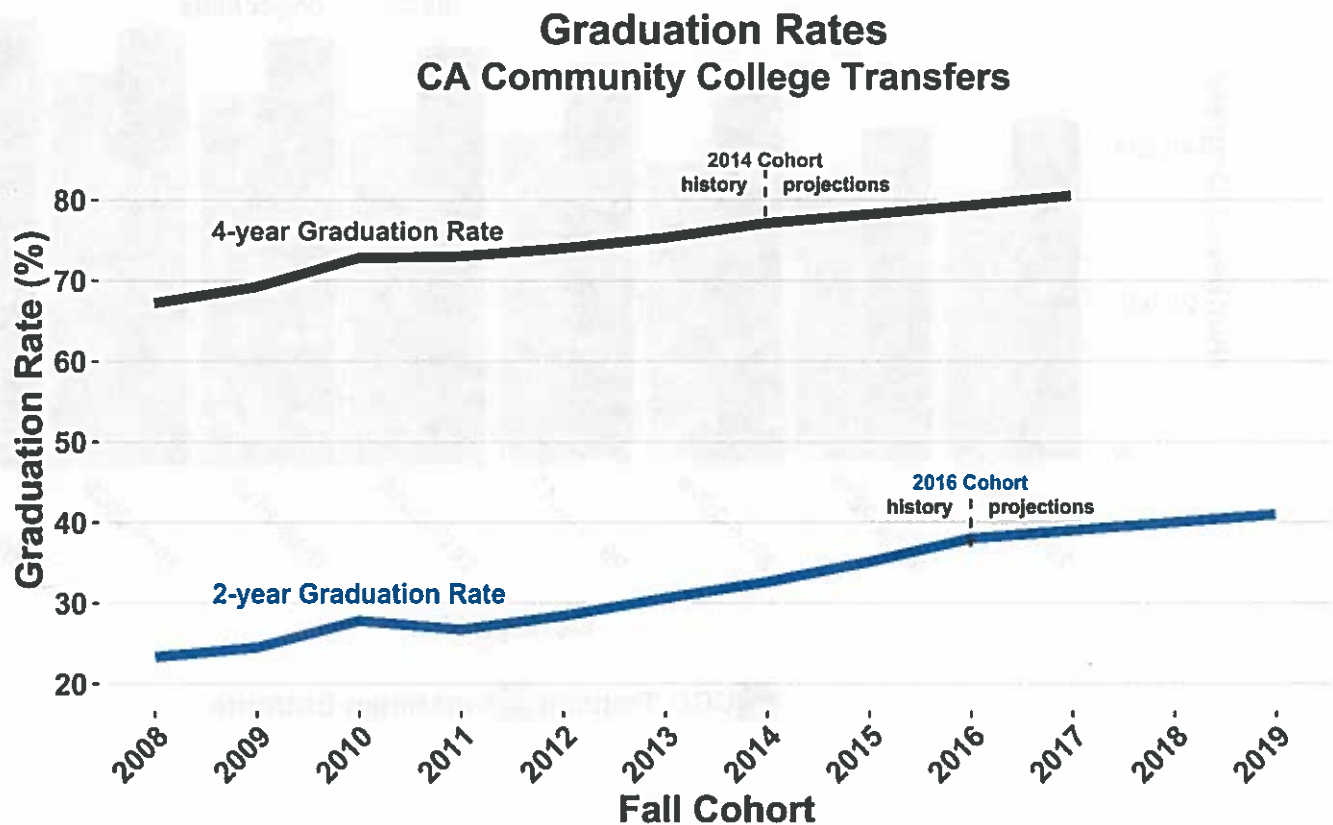


2.2 California Community College Transfers

As demonstrated in the figure below (to the left of the dotted line), both the two-year and four-year-or-less graduation rates for students transferring from a California community college continue to increase. Two-year completion rates for community college transfer graduates have increased most rapidly in recent years. For the fall 2016 cohort, 38 percent of transfer students graduated in two years, up from 35.1 for the fall 2015 cohort and 32.6 percent for the fall 2014 cohort.

For the fall 2014 cohort, 77.1 percent of transfer students graduated within four years, an increase from the 75.3 percent of transfer students who graduated within four years from the fall 2013 cohort. In all instances, the graduation rates increased for both Pell and non-Pell recipients.

This chart also shows the CSU's projections for both the two-year and four-year-or-less graduation rates over the next three years (to the right of the dotted line). These projections are based on the linear trajectory necessary to meet the Graduation Initiative 2025 goals for students transferring from a California community college.

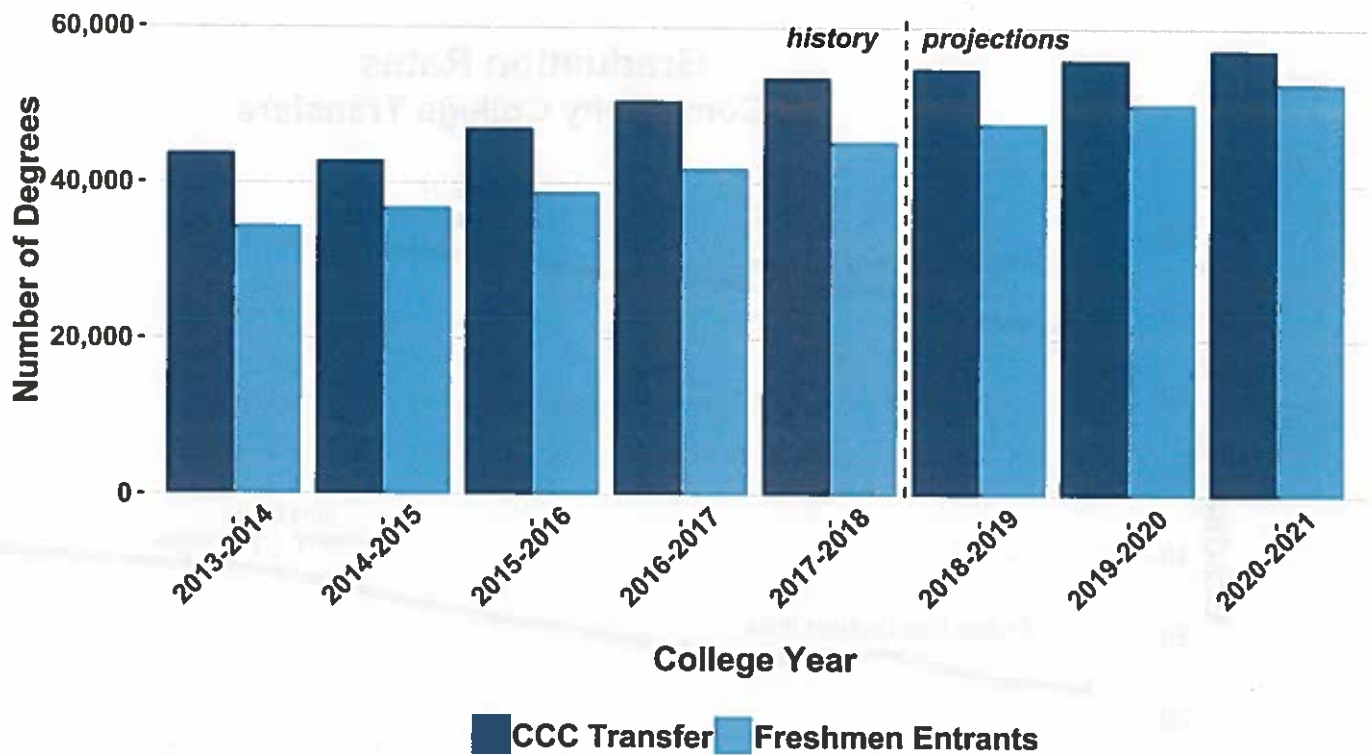


2.3 Annual Degree Completions

As demonstrated in the figure below (to the left of the dotted line), the total number of degrees conferred at the CSU to freshmen entrants and students transferring from a California community college continues to increase. Since 2013, degree completions have increased by more than 21 percent. In 2017-18, nearly 126,000 degrees were earned, a record high for the CSU. This includes more than 105,000 bachelor's degrees, an increase of 6,500 from 2016-17.

As the CSU continues to invest in new tenure-track faculty, hire additional advisors and add class sections to ensure students have access to the courses they need, it is anticipated that the number of degree completions will continue to increase.

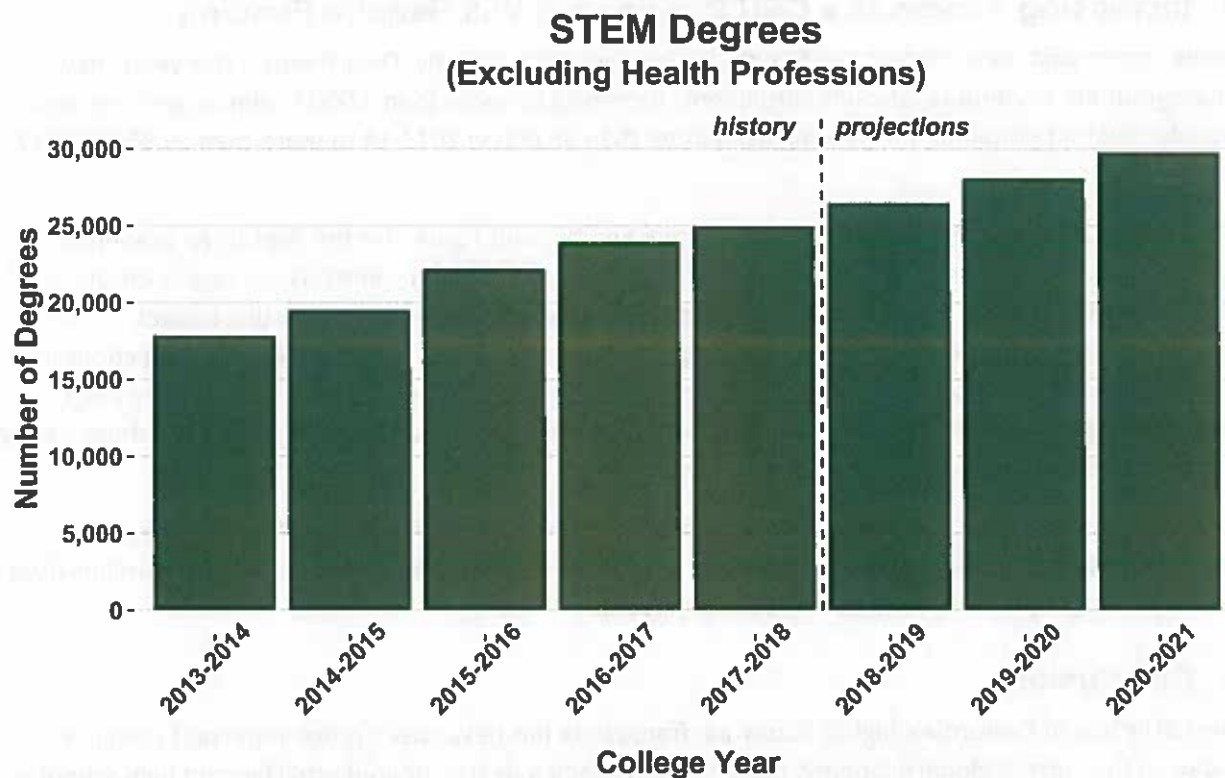
Bachelor's Degree Completions



2.4 STEM Degrees Conferred at the CSU

There is significant demand in California and across the country for graduates with degrees in the fields of science, technology, engineering and mathematics (STEM). Between 2013-14 and 2017-18, the number of STEM degrees earned at the CSU increased by over 7,000 degrees or 40 percent, as demonstrated in the charts below (to the left of the dotted line).

The CSU continues to take steps to close equity and achievement gaps in STEM education by supporting underrepresented students pursuing STEM degrees. As a result, the projections (to the right of the dotted line) indicate expectations that the number of STEM degrees awarded will continue to increase.



3 More Students are On Track to Graduate in Four Years

According to research conducted in 2015 at the University of California, Los Angeles, more than 84 percent of freshmen at public four-year colleges nationally expect to graduate in four years or less. However, nationally the actual percentage of students who accomplish this is 41 percent. Achieving this goal requires students to complete an average of 30 units each year.

To increase student awareness and support and encourage students interested in graduating in four years, a number of CSU campuses have implemented targeted campaigns as part of their Graduation Initiative 2025 efforts, including the California Promise Program. For example, at Sacramento State, the *Finish in Four* program (and *Through in Two* for transfer students) provides incentives and support for students who commit to taking 30 units each year. Benefits include priority registration and grants of up to \$1,000 for summer session courses.

A similar program at Cal State LA, *15 to Finish*, works to correct the common misconception among students that 12 units per term will place students on track to graduate in four years. On Cal State LA's

15 to Finish website, students can see a breakdown of how much they will save by graduating in four years and can connect to advising resources.

Data demonstrate that these programs and initiatives are having an impact on student behavior. The percent of students entering their second year at the CSU with 30 or more units has consistently increased. In the past five years, this number has increased more than seven percentage points, from 48.1 percent in 2013 to 55.4 percent in 2017. As campuses continue to educate students about the benefits of taking 15 units per semester, this figure is expected to continue increasing.

4 Increasing Access is a CSU Priority, but Will Require Funding

In the recent past, new student headcount has increased significantly. Over the past five years, new undergraduate resident headcount enrollments increased by more than 7,000 students, with resident transfer student enrollment increasing from more than 55,000 in 2013-14 to more than 59,000 in 2017-18.

As part of this report, the CSU is required to project enrollment figures for the next three academic years. Given that the state funding process for 2019-20 is not yet final – and has not begun for the following two academic years – the projections reflect that uncertainty. With existing budget constraints, the CSU must be conservative in projecting enrollment growth. Enrollment projections in this report are consistent with two percent enrollment growth included in the state’s January 2019 budget. Maintaining even this modest growth in subsequent years, however, will require sustained state funding increases.

Increasing access to the CSU remains a key university priority. The CSU will continue working closely with the state and the legislature to achieve this shared priority and ensure that more Californians have access to a high-quality education at the 23 campuses.

5 Conclusion

The CSU’s role in California’s higher education framework has never been more important than it is today. In the current global economy, more students need a degree or credential beyond high school as the necessary pathway to a career. This shift coincides with the increase in the size and diversity of the state’s college-going population. At the same time, California is facing a looming shortage of skilled, educated workers to drive its economy, spur innovation and lead its largest industries.

As demonstrated in this report, the CSU is making positive strides toward increasing graduation rates for freshmen and transfer students. Ongoing Graduation Initiative 2025 efforts promise to continue this momentum, to the benefit of students, their families and the state of California.

To maintain and build on this progress, sustained, predictable and sufficient state funding is necessary for the CSU’s student success efforts. However, increasing graduation rates is only part of the equation. Meeting California’s future workforce needs also requires investment to grow enrollment in the CSU, providing the life-changing benefits of a college degree to more Californians.

With nearly 100,000 Californians earning bachelor’s degrees at the CSU every year – and with this figure poised to continue growing – there is no other investment that has the same potential to positively impact the future of the state.

Measure 1

Resident CCC Transfer Enrollment

Fall Term	Headcount	Percent of Total Undergraduates
2014	138,342	35.9%
2015	143,455	36.0%
2016	146,364	36.4%
2017	149,130	36.5%
2018	146,825	36.1%
2019	149,027	36.1%
2020	151,262	36.1%
2021	153,531	36.1%

projection

Measure 2

New Resident CCC Transfer Enrollment

College Year	Headcount	Percent of Total New Undergraduates
2013-2014	55,053	46.3%
2014-2015	56,131	46.3%
2015-2016	56,539	46.1%
2016-2017	59,895	48.4%
2017-2018	59,043	46.7%
2018-2019	59,929	46.7%
2019-2020	60,828	46.7%
2020-2021	61,740	46.7%

projection

Measure 3

Low-Income Student Enrollment

Fall Term	Headcount	Percent of Total Undergraduates
2013	188,466	48.1%
2014	195,754	48.3%
2015	205,920	49.2%
2016	205,757	48.5%
2017*	217,658	50.1%
2018	220,923	50.1%
2019	224,237	50.1%
2020	227,600	50.1%

projection

* 2017 is the last Fall Term for which Pell data are available.

Measure 4

New Low-Income Student Enrollment

College Year	New Pell-Recipient Headcount	Percent of Total New Undergraduates
2013-2014	64,538	51.1%
2014-2015	66,862	51.6%
2015-2016	67,294	51.2%
2016-2017	66,463	50.1%
2017-2018	69,982	50.3%
2018-2019	71,032	50.3%
2019-2020	72,097	50.3%
2020-2021	73,179	50.3%

* In 2018, the methodology for identifying Pell recipients was revised. The March 2019 Performance Measures Report's count of new is different from previous reports.

projection

Measures 5 & 6

Graduation Rates

First-Time, Full-Time Freshmen

Cohort	4-Year			6-Year		
	All	No Pell	Received Pell	All	No Pell	Received Pell
Fall 2008	16.2%	19.2%	10.0%	54.1%	57.1%	47.9%
Fall 2009	17.9%	21.9%	11.2%	57.3%	60.6%	51.8%
Fall 2010	18.7%	24.1%	11.8%	59.3%	63.9%	53.6%
Fall 2011	19.3%	26.0%	12.0%	59.4%	64.8%	53.6%
Fall 2012	20.7%	27.5%	13.7%	61.2%	66.0%	56.2%
Fall 2013	22.7%	30.0%	15.3%	62.5%	67.5%	58.7%
Fall 2014	25.5%	32.7%	18.4%	63.7%	68.7%	60.9%
Fall 2015	27.6%	33.6%	20.8%	65.0%	70.0%	63.2%
Fall 2016	29.6%	34.6%	23.3%			
Fall 2017	31.7%	36.7%	26.9%			

projection

Measures 7, 8, & 9

Graduation Rates

California Community College Transfers

2-Year	3-Year	4-Year
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Cohort	All			No Pell			Received Pell		
	All	No Pell	Received Pell	All	No Pell	Received Pell	All	No Pell	Received Pell
Fall 2008	23.3%	24.5%	20.9%	54.6%	56.1%	51.8%	67.2%	68.2%	65.1%
Fall 2009	24.5%	25.6%	22.9%	56.3%	57.7%	54.2%	69.2%	70.4%	67.6%
Fall 2010	27.8%	29.3%	26.1%	60.8%	61.8%	59.7%	72.8%	73.4%	72.0%
Fall 2011	26.7%	28.7%	24.8%	61.4%	63.3%	59.5%	73.0%	74.3%	71.7%
Fall 2012	28.4%	29.6%	27.3%	62.5%	63.4%	61.8%	74.0%	74.6%	73.4%
Fall 2013	30.6%	31.5%	29.8%	64.5%	65.3%	63.8%	75.3%	75.9%	74.9%
Fall 2014	32.6%	34.2%	31.4%	67.1%	68.3%	66.1%	77.1%	77.9%	76.5%
Fall 2015	35.1%	36.8%	33.8%	68.5%	69.8%	67.5%	78.2%	78.9%	77.7%
Fall 2016	38.0%	40.0%	36.4%	69.0%	69.9%	68.3%	79.3%	79.9%	78.9%
Fall 2017	39.0%	40.7%	37.6%	70.1%	70.9%	69.5%	80.5%	80.9%	80.1%
Fall 2018	40.0%	41.4%	38.9%	70.4%	71.0%	69.8%			
Fall 2019	41.0%	42.1%	40.1%						

projection

Measure 10
Annual Degree Completions

College Year	Freshmen Entrants	CCC Transfer Students	Graduate Students	Total*	Low-Income Students
2013-2014	34,510	43,815	18,590	104,010	44,694
2014-2015	36,908	42,877	18,845	106,029	48,202
2015-2016	38,867	47,053	20,768	112,955	53,433
2016-2017	41,970	50,597	20,503	119,365	57,935
2017-2018	45,403	53,609	20,489	125,920	61,590
2018-2019	47,843	54,816	20,840	129,918	65,135
2019-2020	50,415	56,050	21,197	134,081	68,884
2020-2021	53,125	57,312	21,560	138,416	72,849

projection

* Total includes all degree recipients, including those not reflected in the categories above (e.g. Non-California Community College transfers, etc.).

Measure 11
Freshmen Entrants with 30 or more Total Units at the start of Year 2

Fall Enrollment	% of Students with 30 Units or More
2013	48.1%
2014	50.3%
2015	51.5%
2016	53.4%
2017	55.4%
2018	56.9%
2019	58.4%
2020	59.9%

projection

Measure 12
CCC Transfers "on-track" to degree at the start of Year 2

To address Measure 12: The number of units taken by CCC transfers in their first year at the CSU is an unreliable proxy measure for that student being "on track" to graduate in 2 years. Most CCC transfer students have taken well over 60 transferable 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 cannot be determined 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.

Measure 13
Revenue per degree - All

College Year	Completions	Total Funds Received	Dollars per Completion
2017-2018	136,642	\$5,686,538,864	\$41,616
2018-2019	140,810	\$5,726,240,200	\$40,666
2019-2020	145,111	\$6,105,171,909	\$42,072
2020-2021	149,545	\$6,126,095,273	\$40,965

projection

Measure 14
Revenue per degree - Undergraduate

College Year	Undergraduate Degrees	Estimated Funds Received from Undergraduates	Dollars per Undergraduate Degree
2017-2018	105,431	\$5,043,959,972	\$47,841
2018-2019	108,594	\$5,079,175,057	\$46,772
2019-2020	111,852	\$5,415,287,483	\$48,415
2020-2021	115,207	\$5,433,846,507	\$47,166

projection

Measure 15
Total Units Earned, per Bachelor's Degree

College Year	All Undergraduate Students		CCC Transfer Students		Freshmen Entrants	
	CSU Units	Total Units	CSU Units	Total Units	CSU Units	Total Units
2017-2018	92	138.2	64.8	138.7	128.9	136.4
2018-2019	91	137.2	63.8	137.7	125.9	135.4
2019-2020	91	137.2	63.8	137.7	125.9	135.4

projection

Measure 16a
STEM Degrees (excluding Health Professions)

College Year	Undergraduate Students	Graduate Students	Total	Low-Income Students
2013-2014	14,169	3,670	17,839	7,041
2014-2015	15,421	4,088	19,509	8,019
2015-2016	16,673	5,520	22,193	8,905
2016-2017	18,426	5,487	23,913	10,032
2017-2018	20,159	4,815	24,974	10,986
2018-2019	21,570	4,911	26,481	11,648
2019-2020	23,080	5,009	28,089	12,463
2020-2021	24,696	5,109	29,805	13,089

projection

* In 2018, the methodology for identifying STEM degrees was revised. The March 2019 Performance Measures Report's count of STEM degrees is different from previous reports.

Measure 16b
STEM Degrees (Health Professions* only)

College Year	Undergraduate Students	Graduate Students	Total	Low-Income Students
2013-2014	6,223	1,967	8,190	3,028
2014-2015	6,558	2,058	8,616	3,453
2015-2016	7,065	2,140	9,205	3,947
2016-2017	7,544	2,053	9,597	4,356
2017-2018	8,085	2,162	10,247	4,537
2018-2019	8,691	2,227	10,918	4,867
2019-2020	9,343	2,294	11,637	5,232
2020-2021	10,044	2,363	12,407	5,524

projection

* Health professions do not include all psychology or social work degrees.