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March 15, 2016

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**RE: California State University Report: State Performance Measures for 2014/15
Academic Year**

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, to inform budget and policy decisions and promote the effective and efficient use of available resources. The CSU's report on State Performance Measures for the 2014-15 academic year can be found at www.calstate.edu/budget/fybudget/legislative-reports/.

Should you have any questions about this report, please contact Edward Sullivan, Assistant Vice Chancellor for Academic Research and Resources at (562) 951-4767 or esullivan@calstate.edu.

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Sincerely,



Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

SR:skg

Full report posted to www.calstate.edu/budget/fybudget/legislative-reports/ .

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- Kara Perkins, Executive Director for Budget
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CSU Report on State Performance Measures

Pursuant to Article 10.5 (commencing with Section 89295) of Chapter 2 of Part 55 of Division 8 of Title 3 of the Education Code, the California State University (CSU) provides its second report on the performance measures specified therein for the 2014-15 academic year. The purpose of this annual report is to inform budget and policy decisions and promote the effective and efficient use of available resources.

PERFORMANCE INDICATORS

The law specifies ten (10) sets of indicators. These are presented in the order outlined in the law.

(1) The Number of Transfer Students Enrolled Annually from the California Community Colleges, and the Percentage of Transfer Students as a Proportion of the Total Undergraduate Student Population

The CSU interprets this first indicator as intended to provide baseline information about the sustained access that the CSU is providing to new undergraduates, with a specific focus on California Community College (CCC) transfers. Table 1.1 below provides the count of all undergraduate students that the CSU enrolled, since fall 2006, along with the corresponding percentages for those that entered the university as transfers.

Larger entering classes of new freshmen and new transfers have resulted in a change in the proportions shown. Both groups have seen improved retention and shorter times to degree. The improvements in time to degree for new transfers result in a greater number completing in two years or less reducing the overall transfer headcount. At the same time, larger entering cohorts of freshmen have replaced smaller ones and have been retained at higher levels into the third and fourth years of study resulting in a spike in overall admitted as freshmen headcounts. Budgetary decisions in prior years limited the ability of campuses to enroll new transfer cohorts in the winter and spring. The cumulative effect is that headcount growth of students initially admitted freshmen has been quicker than that of students admitted as undergraduate transfers. Despite the differences, freshmen and transfers are at a peak for the period shown.

Table 1.1
Undergraduate Students by Enrollment Status
CY 2006 to CY 2015

Fall Term	Native Freshmen	Transfers	Total Undergraduates	Percent Transfer
2006	171,807	154,872	326,679	47%
2007	180,819	158,357	339,176	47%
2008	187,306	153,645	340,951	45%
2009	187,198	133,893	321,091	42%
2010	193,090	143,342	336,432	43%
2011	200,686	143,323	344,009	42%
2012	208,635	135,806	344,441	39%
2013	236,732	154,861	391,593	40%
2014	247,823	156,174	403,997	39%
2015	257,594	160,649	418,243	38%

Table 1.2 and 1.3 below provide the annual counts of new undergraduates from California public high schools and California community colleges, along with matching numbers that indicate the size of the populations from which they emerged. This additional access information helps shed some light on how the changing size of the pools of potential new undergraduates can also affect the undergraduate enrollment mix of native freshmen and transfers across time.

Table 1.2
College Going Rate for Public High School Graduates
CY 2006 to CY 2014

College Year	CSU Native Freshmen from California Public High School	California Public High School Graduates	CSU College Going Rate
2006	43,335	349,074	12.4%
2007	46,147	356,641	12.9%
2008	46,594	376,393	12.4%
2009	45,099	382,950	11.8%
2010	44,166	405,087	10.9%
2011	49,514	410,584	12.1%
2012	50,275	418,598	12.0%
2013	54,888	422,177	13.0%
2014	56,703	421,636	13.4%

Table 1.3
College Going Rate for CCC Transfer Students
CY 2006 to CY 2014

College Year	CSU Transfer from California Community College	California Community College Transfer Cohort (Lagged Three Years) ¹	College Going Rate
2006	54,391	106,191	51.2%
2007	54,974	108,301	50.8%
2008	49,774	113,484	43.9%
2009	37,648	120,104	31.3%
2010	56,960	129,363	44.0%
2011	51,050	138,760	36.8%
2012	44,236	N.A.	
2013	56,565	N.A.	
2014	57,770	N.A.	

¹Source: http://datamart.cccco.edu/Outcomes/Transfer_Velocity.aspx (as of 3/1/2016)

(2) The Number of Low-Income Students Enrolled Annually and the Percentage of Low-Income Students as a Proportion of the Total Undergraduate Student Population

As above the CSU interpreted this indicator as focused again on access, in this instance on the extent to which the CSU is providing access to those from economically disadvantaged background (low-income defined in statute as students receiving a Pell grant).

Historically, the CSU as a system is known nationally for the access it provides to low-income students, both in sheer numbers and in the proportion of its new undergraduates. Tables 2.1 and 2.2 below provide information on both.

Table 2.1
Number of New Undergraduates by Pell Status
2014-15

New Undergraduate Type	Pell Status		All New Undergraduates
	Yes (Low Income)	No (Not Low Income)	
New Undergraduate Transfers	33,720	29,538	63,258
New First-Time Freshmen	31,727	33,493	65,220
Total New Undergraduates	65,447	63,031	128,478

Table 2.2
Percentage of New Undergraduates by Pell Status
2014-15

New Undergraduate Type	Pell Status		All New Undergraduates
	Yes (Low Income)	No (Not Low Income)	
New Undergraduate Transfers	53.3%	46.7%	100.0%
New First-Time Freshmen	48.6%	51.4%	100.0%
Total New Undergraduates	50.9%	49.1%	100.0%

As Table 2.2 indicates, 50.9 percent of new undergraduate enrollment in 2014-15 was defined as low-income students, according to their Pell grant status. These low-income students were comprised of 53.3 percent of all new undergraduate transfers and 48.6 percent of all new first-time freshmen.

(3) The Systemwide Four-Year and Six-Year Graduation Rates for Each Cohort of Students and Separately for Low-Income Students

Table 3 below provides the four-year, five-year, and six-year graduation rates for all first-time freshmen entering the CSU in fall 2006 to fall 2011. The inclusion of historical data indicate that 4-year rates are edging upward; and the addition of the five-year graduation rate shows the modal interval for completion for CSU native students.

The CSU’s systemwide Graduation Initiative was launched in 2009 to increase graduation rates for all students. Specifically, CSU pledged to raise its six-year graduation rates by eight percentage points– from 46 percent to 54 percent – bringing CSU into the top quartile of national averages of similar institutions.

The cohort that began as freshmen in 2009 reached its six-year graduation date this past summer. The Graduation Initiative exceeded its own goals for raising six-year graduation rates by 3 percentage points, resulting in an 11 percentage point improvement.

Graduation Initiative 2025

In October 2014, the CSU system initiated “Graduation Initiative 2025”, setting new ambitious graduation rate targets. Based on current completion rates, coupled with “Graduation Initiative 2025” endeavors, the university estimates undergraduate students will earn one million degrees between now and 2025. Over the next decade, “Graduation Initiative 2025” endeavors are expected to boost the number of bachelor’s degrees earned by 100,000 relative to current graduation rates.

The system’s Graduation Initiative 2025 degree completion goals are:

- Increasing the six-year graduation rate for first-time freshmen to 60 percent
- Increasing the four-year graduation rate for first-time freshmen to 24 percent
- Increasing the four-year graduation rate for transfer students to 76 percent
- Increasing the two-year graduation rate for transfer students to 35 percent
- Closing the achievement gap for historically underrepresented students to seven percent
- Closing the achievement gap for low-income students to five percent

CSU is committed to both continuing to increase overall completion rates while simultaneously closing these achievement gaps. The Chancellor recently reaffirmed this commitment with the goal of not only reducing, but ultimately eliminating achievement gaps across the system.

The target graduation date for the initiative is aligned with a report issued by the Public Policy Institute of California which declared that by 2025 the supply of college educated workers needed to maintain the growth of the California’s economy will fall short of projected demand by one million based on current trends. These completion rate “stretch” targets apply to students who are currently in the 8th grade. The “stretch” targets estimates are based on baseline data, historical data, and graduation rates of peer institutions as defined by the Education Trust’s Results Online data tool.

Here are some of the strategies the Chancellor’s Office and campuses have employed and will continue employing to reach the “stretch” degree completion targets:

- Reducing the number of units required to earn a BA/BS degree while maintaining quality. Ninety-four (94) percent of BA/BS programs now require only 120 units.
- Expanding high impact practices including undergraduate research, service learning, internships and study abroad which foster student engagement, lead to greater student success and persistence rates.
- Redesigning courses to incorporate technology to improve content retention, especially in the courses with historically high failure rates.

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- Expanding the Associate Degree for Transfer program to ensure that transfer students enter the university better academically prepared and ready to complete the remaining 60 credits needed to fulfill degree requirements.
- Expanding cohort-based learning communities that create additional engagement among first-time freshmen and support persistence to degree.
- Expanding Summer Bridge and other transitional programs to foster success among first-time freshmen.
- Expanding the use of electronic academic advising tools to establish clear pathways to degrees and data analysis to improve student outcomes.
- Hiring more tenure track faculty and academic advisors to support student success.
- Expanding the number of CourseMatch course offerings to increase degree completion rates. CourseMatch is an online concurrent enrollment program that provides full-time students enrolled at any campus with access to fully online courses offered at other CSU campuses.
- Building relationships with community and business partners, community colleges and K-12 school districts to ensure first-time freshmen are prepared for college.

Table 3
First-Time, Full-Time Freshman Graduation Rates by Pell Status
Fall 2006 to Fall 2011 Cohorts

Pell Status	Cumulative Rate		
	4-Year	5-Year	6-Year
Yes (Low Income)			
2006	0.100	0.312	0.442
2007	0.096	0.316	0.454
2008	0.100	0.332	0.479
2009	0.112	0.364	0.517
2010	0.118	0.393	
2011	0.120		

Pell Status	Cumulative Rate		
	4-Year	5-Year	6-Year
No (Not Low Income)			
2006	0.184	0.446	0.546
2007	0.187	0.441	0.547
2008	0.192	0.462	0.570
2009	0.219	0.497	0.603
2010	0.240	0.528	
2011	0.255		

Pell Status (Yes and No)	Cumulative Rate		
	4-Year	5-Year	6-Year
All Students			
2006	0.158	0.405	0.514
2007	0.159	0.402	0.518
2008	0.162	0.419	0.540
2009	0.178	0.447	0.570
2010	0.186	0.468	
2011	0.191		

(4) The Systemwide Two-Year and Three-Year Transfer Graduation Rates for Each Cohort of Students and Separately for Low-Income Students

Table 4 below provides the two-year, three-year, four-year, and six-year graduation rates for California Community College transfers entering the CSU in fall 2006 to fall 2013. The cohorts include students that entered as full-timers or part-timers. The four and six-year graduation rates are being included to show that a significant proportion of transfers graduate in four years or more after matriculation. The gap between low-income students and their counterparts on graduation rates is far less pronounced than that for first-time freshmen.

Table 4
Community College Transfer
Graduation Rates by Pell Status
Fall 2006 to Fall 2013 Cohorts

Pell Status	Cumulative Rate			
	2-Year	3-Year	4-Year	6-Year
Yes (Low Income)				
2006	0.218	0.495	0.623	0.699
2007	0.210	0.492	0.626	0.708
2008	0.209	0.518	0.651	0.725
2009	0.229	0.542	0.676	0.743
2010	0.261	0.597	0.720	
2011	0.249	0.594	0.716	
2012	0.273	0.617		
2013	0.298			

Pell Status	Cumulative Rate			
	2-Year	3-Year	4-Year	6-Year
No (Not Low Income)				
2006	0.243	0.534	0.657	0.723
2007	0.231	0.534	0.657	0.722
2008	0.245	0.561	0.682	0.751
2009	0.256	0.578	0.704	0.768
2010	0.293	0.619	0.734	
2011	0.286	0.632	0.742	
2012	0.294	0.632		
2013	0.314			

Pell Status	Cumulative Rate			
	2-Year	3-Year	4-Year	6-Year
Yes and No (All Students)				
2006	0.235	0.522	0.646	0.716
2007	0.224	0.520	0.646	0.718
2008	0.233	0.546	0.672	0.742
2009	0.245	0.563	0.693	0.757
2010	0.278	0.609	0.728	
2011	0.267	0.613	0.729	
2012	0.283	0.624		
2013	0.305			

The trend for California Community College transfer graduation rates has shown gradual improvement since Fall 2006. For example, the 2-year graduation rate increased from 0.235 to 0.305 and the 3-year graduation rate rose from 0.522 to 0.624 when compared to the Fall 2013 and Fall 2012 undergraduate transfer cohorts respectively. Pell recipients among this cohort also showed improvement in 2-year graduation rates, rising from 0.218 to 0.298 and marked improvement in the 3-year graduation rate, rising from 0.495 to 0.617. Non-Pell recipients showed similar improvement, rising from 0.243 to 0.314 for the 2-year graduation rate and rising from 0.534 to 0.632 for the 3-year graduation rate.

(5) The Number of Degree Completions Annually, in Total and for the Following Categories: (A) Freshman Entrants, (B) Transfer Entrants, (C) Graduate Students, (D) Low-Income Students

Table 5.1 below provides degree completion information on all the requested categories. Table 5.2 provides indicators of proportion.

Table 5.1
Degree Completions for Selected Groups
2014-15

Entrant or Pell Status	Degree Level		Total
	Undergraduate	Graduate	
California High Schools	34,806		34,806
California Community College	43,798		43,798
All Other Institutions	8,258	18,831	27,089
Total	86,862	18,831	105,693
Pell Students	47,574		47,574

Table 5.2
Proportion of Degree Completions for Selected Groups
2014-15

Entrant or Pell Status	Degree Level		Total
	Undergraduate	Graduate	
California High Schools	32.9%		32.9%
California Community College	41.4%		41.4%
All Other Institutions	7.8%	17.8%	25.6%
Total	82.2%	17.8%	100.0%
Pell Students	45.0%		45.0%

(6) The Percentage of First-Year Undergraduates who Have Earned Sufficient Course Credits by the End of the Their First Year of Enrollment to Indicate They Will Complete a Degree in Four Years

A first-time freshman must take and complete, at least, 15 credit units a term to reach sophomore status in their second year of enrollment. Tables 6.1 and 6.2 provide the numbers and percentages. Sophomore status students have earned sufficient credits to be on track to complete a degree in four years. A portion of students shown with freshmen status are one course or less from being on track to complete a degree in four years or less.

Table 6.1
First-Time Freshmen on Track to a Degree in 4 Years
After One Year
Fall 2014 Cohort

Cohort	Fall 2015			
	Sophomore	Freshmen	Not Enrolled	Total Cohort
Fall 2014	27,164	25,572	11,518	64,254

Table 6.2
First-Time Freshmen on Track to a Degree in 4 Years
After One Year
Fall 2014 Cohort

Cohort	Fall 2015			
	Sophomore	Freshmen	Not Enrolled	Total Cohort
Fall 2014	42.3%	39.8%	17.9%	100.0%

(7) For All Students, the Total Amount of Funds Received from All Sources Identified in (c) of Section 89290 for the Year, Divided by the Number of Degrees Awarded that Same Year

(8) For Undergraduate Students, the Total Amount of Funds Received from All Sources Identified in (c) of Section 89290 for the Year Expended for Undergraduate Education, Divided by the Number of Undergraduate Degrees Awarded that Same Year

Section 89290 (c) reads as follows: The costs shall also be reported by fund source, including all of the following:

- (1) State General Fund
- (2) Systemwide tuition and fees
- (3) Nonresident tuition and fees and other student fees.

Table 7 below provides the information requested for indicator 7.

Table 7
Annual Completions Divided by Funds Received (All Sources)
2014-15

	Completions ¹	General Fund ²	Systemwide Tuition ³	Nonresident Tuition and Other Fees	Total Funds Received	Dollars per Completion
All Degrees and Teacher Credential Recommendations	115,913	\$2,447,678,355	\$1,709,306,220	\$548,673,509	\$4,705,658,084	\$40,596

¹Teacher Credential Recommendations equal 10,220; degrees represent the remaining 105,693 completions.

²Excludes General Obligation and Lease Revenue Bond Debt Service Payments and Annuitants Dental Premium Payments.

³Excludes State University Grants (i.e. tuition discounts) for financial aid to students with need.

The University believes this is an imprecise approximation for the true cost of student degree completion, which should track cost over the entire student career commensurate with actual instruction and support-to-degree received.

Indicator 8 - Section 89290 of the Education Code requests the University to conduct a biennial study of the cost of instruction by level of student. Please reference the “California State University (CSU) Expenditures for Undergraduate Education, Graduate Academic Education, and Research Activities” report, which includes total operating budget expenditures for education by fund source for undergraduate, graduate-academic, and research activities. The October 1, 2014 submittal contains the most current information, <http://www.calstate.edu/budget/fybudget/legislative-reports/1415-CSU-Expenditures-Report.pdf>.

(9) The Average Number of Course Credits Accumulated by Students at the Time They Complete Their Degrees, Disaggregated by Freshman Entrants and Transfers

The CSU has made significant progress through various initiatives to improve and support timely degree completion for all students. Notably, curricular reform between Spring 2009 and Fall 2014 has shrunk the percentage of baccalaureate degrees in excess of 120 required units from 29 percent to 5 percent systemwide. At the same time, the CSU strives to ensure and mitigate potential roadblocks that may delay graduation. Efforts to support student success and timely degree completion have included advising and early warning and predictive analytics where students receive better and faster feedback about their performance in critical courses. Continued and renewed investments supporting student success initiatives that improve a student’s time-to-degree can prove to pay positive economic dividends for both students and taxpayers, as students will require fewer state resources per degree.

Table 9 provides the requested information.

Table 9

**Average Number of Course Credits for Undergraduate Degree Completers (Semester Units)
2014-15**

Selected Institution of Origins	Number	Average
California High School	34,806	138.0
California Community College	43,799	140.8
All Other Institutions	8,257	146.4
All Undergraduates	86,862	140.2

(10) The Number of Degree Completions in Science, Technology, Engineering, and Mathematics (STEM) Fields, Disaggregated by Undergraduate Students, Graduate Students, and Low-Income Students

Below, CSU provides two sets of tables regarding degree completions in science, technology, engineering, and mathematics (STEM). The first set follows the specifications of the statute and is consistent with the STEM definition provided by the National Science Foundation.

Table 10.1 provides the requested degree completions by institution of origin, level, and for Pell students.

Table 10.1

**Degree Completions for Science, Technology, Engineering, and Math
2014-15**

Entrant or Pell Status	Degree Level		Total
	Under-graduate	Graduate	
California High Schools	9,283		9,283
California Community College	7,308		7,308
All Other Institutions	1,928	4,278	6,206
Total	18,519	4,278	22,797
Pell Students	9,410		

Table 10.2 provides information about the proportion of STEM degree completions attributable to institutions of origin as well as students who received Pell grants. Pell students represent 50.8 of the total STEM undergraduate degrees earned.

Table 10.2
Degree Completions for Science, Technology, Engineering, and Math
2014-15

Entrant or Pell Status	Percent of Total Degrees Granted by Degree Level		
	Under-graduate	Graduate	Total
California High Schools	8.8%		8.8%
California Community College	6.9%		6.9%
All Other Institutions	1.8%	4.0%	5.9%
Total	17.5%	4.0%	21.6%

Students completing degrees in Health are not included in the National Science Foundation definition of STEM fields although the disciplinary foundations for these students are STEM. As such we provide Tables 11.1 and 11.2.

Table 11.1
Degree Completions in Health
2014-15

Entrant or Pell Status	Degree Level		Total
	Under-graduate	Graduate	
California High Schools	2,146		2,146
California Community College	3,294		3,294
All Other Institutions	1,116	2,058	3,174
Total	6,556	2,058	8,614
Pell Students	3,424		3,424

Pell students represent 52.2 percent of the total health undergraduate degrees.

Table 11.2
Degree Completions in Health
2014-15

Entrant or Pell Status	Percent of Total Degrees Granted by Degree Level		
	Under-graduate	Graduate	Total
California High Schools	2.0%		2.0%
California Community College	3.1%		3.1%
All Other Institutions	1.1%	1.9%	3.0%
Total	6.2%	1.9%	8.2%