

## CALIFORNIA'S CERTIFICATE AND DEGREE ATTAINMENT GAP

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### BACKGROUND

In late 2015, both California Competes and the Public Policy Institute of California (PPIC) issued reports highlighting the degree and credential attainment gaps the state will face over the course of the next 10 to 15 years. Despite the well documented economic and societal benefits higher education brings to a state, California has not made strides to close this gap. In fact, according to California Competes, due to population growth, this degree attainment gap has increased since 2012. While the state has made important investments in enrollment and student success initiatives, according to PPIC the gains have not kept up with the retirements of the highly educated baby boomer generation. This hearing will examine California's projected degree and credential attainment gap, and the ability of the University of California (UC), the California State University (CSU), and the California Community Colleges (CCC) to respond through expanded access and improved graduation rates.

### PPIC: WILL CALIFORNIA RUN OUT OF GRADUATES?

According to PPIC (*"Will California Run out of College Graduates?"*, 2015) by 2030 California will face a shortage of 1.1 million workers holding a bachelor's degree. PPIC projects that 38% of all jobs will require workers with at least a bachelor's degree, which only 33% of California workers will possess in 2030.

While the Great Recession resulted in higher unemployment and declines in labor force participation, educated workers were not as severely affected. According to PPIC, workers with more education are more likely to be employed and, on average, are experiencing salary gains – suggesting that a college degree is increasingly valuable in the labor market. The expected value of the lifetime wage gains by completing college can total more than \$1 million. Even for degrees with low economic returns, the lifetime wage premium totals more than \$200,000.

To determine workforce educational attainment needs PPIC reviewed long-term occupational projections from the California Employment Development Department, and evaluated the projections of broad occupational categories (eg: business operations) and the jobs within those categories (eg: marketing specialists). PPIC projects that the mix of occupational categories will not change drastically in the coming decade, but that the economy will require a higher share of jobs with workers holding at least a bachelor's degree. For example, in 2000 about 50% of workers in business operations held a bachelor's degree; the share increased to 60% by 2013 and is expected to increase to 74% by 2030.

PPIC projects California's labor force to grow about 9% between 2013 and 2030, and the share of adults with a bachelor's degree to increase by only about 1%. California is unlikely to attract enough highly educated migrants to close the skills gap, and California residents are only making slight improvements in educational attainment.

PPIC recommends the following strategies for the state and higher education segments:

- 1) Increase the share of high school graduates eligible for the UC and the CSU.

- 2) Improve completion and time to degree through strategies such as mandatory advising for at-risk students, eliminating bottlenecks by redesigning courses with high failure rates, increasing capacity for high-demand required courses, and using data to develop an early-warning system.
- 3) Expand the Associate Degree for Transfer program to include more majors and more campuses (including UC) to increase the number of students who transfer from the community colleges and ultimately earn bachelor's degrees.
- 4) Improve financial aid programs to ensure students access costs are covered, and consider whether to further link Cal Grant participation and grant amounts to institutional performance.

Source: [http://www.ppic.org/main/publication\\_quick.asp?i=1166](http://www.ppic.org/main/publication_quick.asp?i=1166)

### **CALIFORNIA COMPETES: MIND THE GAP**

According to California Competes ("*Mind the Gap: Delivering on California's Promise for Higher Education*," 2015) to meet California Competes degree attainment goal, California would need to achieve 55% of adults with college (baccalaureate and sub-baccalaureate) degrees. Based on current projections, California is expected to produce 9.5 million degrees by 2025. In order to achieve the 55% target, California would need to produce 11.9 million degrees. To close the 2.4 million degree gap, it would take 10% annual increases in production.

California Competes notes that bachelor's degree production has increased between 2% and 3% each year over the past decade. The sub-baccalaureate credential production has increased by an 8% annual average; this increase is largely attributable to recruitment by for-profit colleges during the height of the recession.

California colleges and universities increased baccalaureate degree production from a total of 141,900 in 2004 to 180,600 in 2013. This 27% increase in degrees aligns with the growth in four-year college enrollment (26%). California is producing more baccalaureate degrees but not significantly increasing the percentage of graduates. In California, the CSU awards nearly 45% of bachelor's degrees, UC campuses award just over 27%, private nonprofit institutions award about 20%, and for-profit colleges award about seven percent.

California Competes highlights the importance of examining college majors, and how well the corresponding degree translates into employment opportunities for graduates. For example, the number of criminal justice degrees has more than doubled since 2004. Often intended to prepare students for law enforcement careers, it is unclear if this degree growth is aligned to workforce needs. In 2013, CSU and for-profit institutions graduated a combined 4,500 criminal justice bachelor's degrees. According to the California Employment Development Department, there are about 2,600 police officers or criminal investigator positions open annually.

According to California Competes, the racial and ethnic makeup of California's bachelor's degree recipients does not align with the state's demographics, an important consideration in evaluating disparities in educational access and success.

**Race/Ethnicity of CA Bachelor's Degree Recipients by Segment (2013)**

	UC	CSU	Non-Profit	For-Profit	High School Grads (2013/14)	High School Grads w/ a-g (2013/14)
American Indian/Alaska Native	1%	1%	1%	1%	1%	0%
Asian	36%	16%	13%	11%	13%	21%
Black/African American	3%	4%	5%	9%	6%	5%
Hispanic/Latino	17%	27%	18%	24%	48%	37%
Native Hawaiian/Other Pacific Islander	<1%	1%	1%	1%	1%	0%
White	32%	35%	47%	24%	29%	33%
Two or More Races	2%	3%	3%	1%	2%	2%
Unknown	5%	9%	6%	25%	0%	0%
Nonresident Alien	4%	4%	6%	4%	--	--

California Competes notes that sub-baccalaureate credentials are also critically important in meeting California's postsecondary education needs. In 2013, California institutions awarded 92,100 vocational credentials, an increase of nearly 40,000 over the number in 2004. Over the past decade, a notable shift occurred in the institutions awarding these credentials. In 2004, about 43% were awarded by for-profit colleges, 53% by community colleges, and about 4% from nonprofit institutions. In 2013, for-profit colleges awarded 55% of California's certificates and associates degrees, 43% were from community colleges, and 2% from nonprofit institutions.

In evaluating the types of sub-baccalaureate credentials awarded and alignment with workforce needs, California Competes highlights the example of health professions credentials. For-profit colleges experienced a 250% increase between 2004 and 2013 in health professions sub-baccalaureate credentials. The most popular program was medical assisting, a field experiencing growing demand but a low median wage (\$14.12/hour in 2012).

The racial and ethnic makeup of sub-baccalaureate credential recipients more closely reflects composition in the general population. However, there are differences across segments:

**Race/Ethnicity of CA Sub-Baccalaureate Credential Recipients by Segment (2013)**

	CCC	Non-Profit	For-Profit
American Indian/Alaska Native	<1%	<1%	1%
Asian	14%	11%	8%
Black/African American	5%	11%	10%
Hispanic/Latino	34%	47%	41%
Native Hawaiian/Other Pacific Islander	<1%	1%	1%
White	36%	24%	24%
Two or More Races	3%	2%	2%
Unknown	5%	2%	12%
Nonresident Alien	3%	2%	1%

California Competes recommends the following actions:

- 1) Develop a system for reaching out to adult learners to more aggressively recruit these individuals, particularly those with some college credit, to complete college. Preferably, through the creation of a centralized higher education coordinating entity to identify adults.
- 2) Pilot three-year bachelor's degrees, similar to the computer science degree implemented by CSU Monterey Bay in partnership with Hartnell Community College and provide financial support to help faculty and colleges start new programs.
- 3) Create a statewide higher education coordinating entity to articulate and uphold a broad public agenda for higher education, create a mechanism for holding the segments accountable, and spur innovation to close the degree attainment gap.
- 4) Promote full-time enrollment, particularly at CCC and CSU, through ideas such as flat-rate tuition, learning communities, financial incentives, and other student supports.

Source: <http://californiacompetes.org/wp-content/uploads/2015/12/Mind-the-Gap.pdf>

### **California's Degree Attainment Gap Potential Questions**

- 1) What are the benefits of establishing statewide or segmental attainment goals? Have attainment goals established in other states resulted in identified meaningful attainment gains?
- 2) California Competes identifies disparities in the racial/ethnic makeup of graduates. What can the Legislature do to increase access and success for underserved minorities and close achievement gaps?
- 3) Both reports identify issues surrounding the alignment of degrees and credentials to workforce needs. How can the Legislature monitor the segments and encourage expansion of degrees in high impact fields?

## ENSURING STUDENT ACCESS: ENROLLMENT TRENDS

### UC ADMISSIONS/ENROLLMENT

Historically, the state provided UC (and CSU) with funding each year specifically designated to support enrollment growth. Enrollment targets were generally set by using forecasts for high school graduation rates and the overall population of 18- to 24-year-olds, and through negotiation with the segments as to an appropriate per-student amount of funding, referred to as the marginal cost. The most recent marginal cost rate for UC is approximately \$10,000 for each additional student. Due to recession-era budget cuts and current administration preference, enrollment targets have been eliminated from the budget. No enrollment targets have been included in the past two Budget Acts.

The 2015-16 Budget Act provides UC incentive funding of \$25 million General Fund if UC increases enrollment by 5,000 California undergraduate students by 2016-17. UC was also directed to use financial aid previously awarded to nonresident students (\$36.8 million in 2014-15) to support increased enrollment of California students. While the Fall 2015 enrollment data shows a slight drop in California resident undergraduate enrollment, UC has indicated it intends to meet the Budget Act requirement and increase California undergraduate enrollment by 10,000 students over the next three academic years.

**UC freshmen.** The California Master Plan for Higher Education (Master Plan) designates UC as the state's primary academic research institution, providing undergraduate, graduate academic and professional education at the masters and doctoral level. Master Plan enrollment goals call for UC to admit California students in the top 12.5% of their high school class.

To meet Master Plan freshman enrollment goals, UC uses two processes: (1) Eligibility criteria that guarantees admission to students in the top 9% of students statewide or the top 9% of individual high schools, and, (2) Local comprehensive review through which additional students that have completed the UC course, GPA, and testing requirements may be offered admission.

In Fall 2015, more Californians than ever before sought admission to UC. UC reported that it received 103,117 applications, an increase of 3% over Fall 2014. Despite increased applications, the number of resident freshman admitted into and enrolled at UC has declined.

#### UC California Freshmen Admissions/Enrollment

	Applications	Offers of Admission	Admit Rate	Enrollment	Yield Rate
<b>Fall 2013</b>	99,447	62,682	63%	33,135	52.9%
<b>Fall 2014</b>	100,077	62,500	62.5%	33,824	54.1%
<b>Fall 2015</b>	103,259	61,181	59.3%	32,630	53.3%

Source: UC Info Center

According to the LAO, the Master Plan goal for UC to admit California students in the top 12.5% of their high school class is being met. Yet the percentage of California high school graduates actually enrolling at UC is about 7.5%. Rising tuition costs, admission to other private or public colleges, or being referred to a UC campus to which the student did not seek admission could

explain why just under half of freshmen students admitted to UC do not choose to enroll. About 98% of the more than 11,000 students referred to UC Merced do not enroll.

**UC transfers.** The Master Plan calls for UC to accept qualified community college (CCC) transfer students who have completed 60 transferable units and have a minimum GPA of 2.4. Additionally, the Master Plan calls for a 60:40 ratio of upper-division to lower-division students to ensure space for CCC transfers. To meet this goal UC strives to enroll one CCC resident transfer student for every two resident freshman.

President Napolitano convened a Transfer Action Team in December 2013 to recommend strategies to strengthen and streamline the transfer pathway between the California Community Colleges and UC. UC’s initiative to improve CCC-UC transfer pathways included having the UC Academic Senate develop clear transfer pathways for the top 10 transfer majors by 2015. UC plans to add an additional 11 majors by the fall of 2016. Of note, UC transfer enrollments are less diverse than the freshmen population.

**UC California Transfer Admissions/Enrollment**

	<b>Applications</b>	<b>Offers of Admission</b>	<b>Admit Rate</b>	<b>Enrollment</b>	<b>Yield Rate</b>
<b>Fall 2013</b>	29,867	19,409	64.9%	14,617	75.3%
<b>Fall 2014</b>	29,298	19,213	65.6%	14,669	76.3%
<b>Fall 2015</b>	29,539	19,046	64.5%	14,353	75.4%

Source: UC Info Center

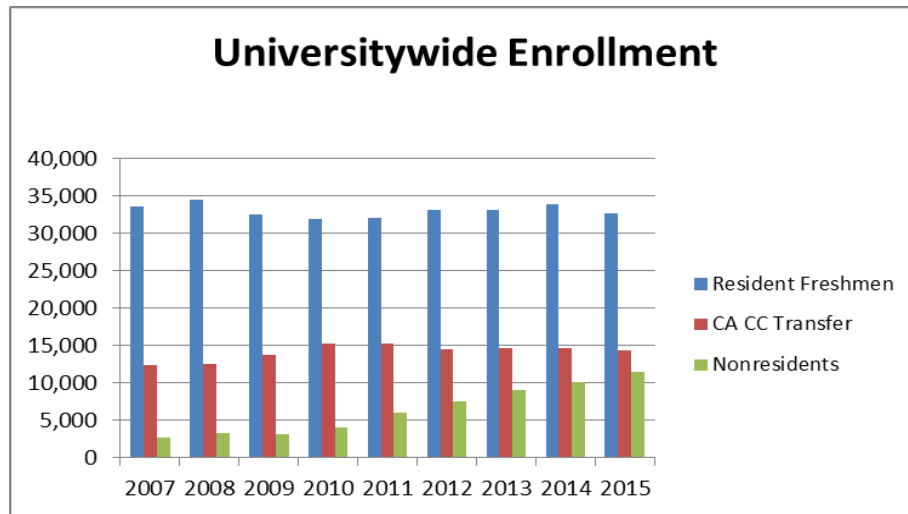
Between Fall 2007 and Fall 2014, the enrollment count of resident transfer students at UC grew systemwide by 18%; however, campus by campus numbers indicate differing situations across the state. Enrollment of transfer students at UC Berkeley (-8%) and UCLA (-12%) fell significantly, while it grew at campuses like Davis, Irvine, Riverside, San Diego, Santa Barbara and Santa Cruz.

**Nonresident students.** The state has traditionally considered only resident students when determining enrollment for UC because the state does not provide funding for nonresident students. Current law allows UC to set nonresident enrollment levels and fees, requiring that nonresident fees, at minimum, cover marginal costs. UC policy also allows campuses to keep the extra revenue generated by nonresident tuition. Thus, campuses have a major incentive to admit and enroll more nonresident students. UC increased nonresident tuition for 2015-16; undergraduate nonresidents now pay \$24,708 more than California students in tuition.

In Fall 2015, systemwide, California freshman admissions were reduced by 2.1% (1,319 students) from 2014 while nonresident admissions increased by 13.2% (3,513) from 2014. Nonresident students received 34% of offers at UC Berkeley, 41% at UCLA, 39% at UC San Diego and 35% at UC Davis. Fall 2015 enrollment figures show that UC admitted 1,319 fewer California freshmen, but increased (new and continuing) nonresident enrollments by about 4,700 systemwide (new nonresidents grew 1,182).

While UC has sought to limit nonresident enrollment at the Berkeley and UCLA, other UC campuses have significantly increased nonresident student numbers. The Davis, Irvine, San Diego and Santa Cruz campuses all report significant increases in nonresident admissions during the past three years. Nonresidents are currently 15.5% of undergraduate enrollments.

The chart below shows the change in new UC enrollments between Fall 2007 and 2015.



University Enrollment	2007	2008	2009	2010	2011	2012	2013	2014	2015	Change
CA Freshmen	33,492	34,410	32,425	31,891	32,159	33,111	33,224	34,240	32,923	-2%
CCC Transfer	12,183	12,428	13,523	14,963	14,979	14,353	14,476	14,587	14,223	17%
Nonresidents	3,104	3,623	3,580	4,450	6,259	7,766	9,185	9,885	11,433	335%
<b>Nonresident</b>	<b>6%</b>	<b>7%</b>	<b>7%</b>	<b>9%</b>	<b>12%</b>	<b>14%</b>	<b>16%</b>	<b>17%</b>	<b>20%</b>	

**CSU ADMISSIONS/ENROLLMENT**

**CSU freshman admissions.** Under the Master Plan goals, the top 33.3% of graduating public high school students in California are eligible for admission to California State University.

Minimum qualifications for CSU include:

- 1) High school graduation
- 2) Completion of A-G courses in high school
- 3) Meeting the "eligibility index," which typically is a 3.0 grade-point average in high school or specified SAT/ACT score

About one-fourth of CSU campuses admit freshman applicants based solely on these minimum qualifications. Many CSU campuses serve as regional colleges, by directing outreach efforts in their local areas and even giving preference to local students seeking admission. Similar to UC, applications to CSU have risen in recent years. The chart below indicates the last three fall freshman admission cycles.

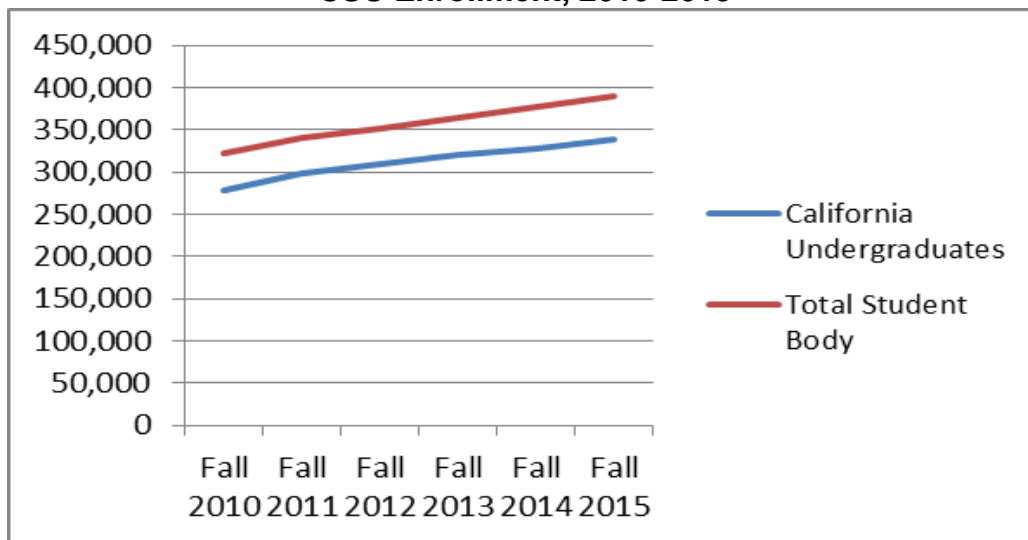
**CSU California Freshmen Admissions/Enrollment**

	<b>Applicants</b>	<b>Offers of Admissions</b>	<b>Admit Rate</b>	<b>Enrollment</b>	<b>Yield Rate</b>
<b>Fall 2013</b>	175,421	130,730	74.5%	59,229	45.3%
<b>Fall 2014</b>	179,066	134,380	75%	60,597	45.1%
<b>Fall 2015</b>	185,932	137,197	73.8%	61,759	45%

*Note: Applicants, Offers and Enrollment all unduplicated counts*

**Overall CSU enrollment is steadily growing.** During this decade, overall CSU enrollment has grown by 21%, while California undergraduate enrollment has grown by 22%. Preliminary Fall 2015 numbers indicate that California undergraduate enrollment is 339,517, or about 10,969 more full-time equivalent students than Fall 2014. Thus, CSU appears to have hit the legislative enrollment goal as described in last year's Budget Act to increase California undergraduate enrollment by at least 10,400 full-time equivalent students by Fall 2016. The marginal cost of instruction for each additional CSU student (about \$7,400) is included in its overall appropriation.

**CSU Enrollment, 2010-2015**



*Note: Total Student Body includes nonresident students and graduate and Phd students*

**Impaction a major factor in CSU admissions and enrollment.** When a CSU campus receives more applications than it can accommodate, the campus can declare "impaction," which allows for increased GPA and/or test scores to be set as minimum qualifications. Impaction has existed in the CSU system since the 1970s, but an impaction process was codified by AB 2402 (Block) in 2010, "to provide notice to the public and ensure the transparency of decisions affecting admissions criteria for all of the campuses of the California State University" in response to concerns that impaction was happening without considering the needs of local stakeholders.

At times, an institution may not be impacted at the campus level, but may have a number of individual majors that are impacted. When a specific major is impacted, a student applying for admission into the major will need to meet the GPA and SAT score requirement, or required transfer courses, as determined by the department overseeing that major.

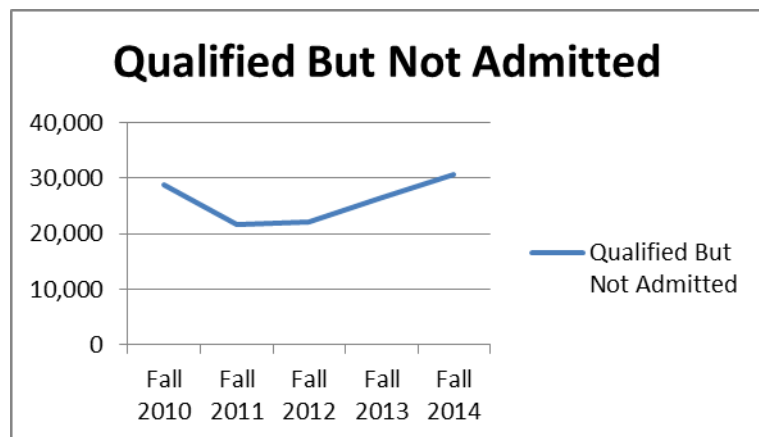


The table below indicates impaction at CSU campuses for Fall 2016.

No Campus Impaction	Campus Impaction	Impacted by Major
Bakersfield	Chico	Fresno
Channel Islands	Humboldt	Fullerton
Dominguez Hills	Los Angeles	Long Beach
East Bay	Monterey Bay	San Diego
Maritime Academy	Northridge	San Jose
Stanislaus	Pomona	San Luis Obispo
	Sacramento	
	San Bernardino	
	San Francisco	
	San Marcos	
	Sonoma	

According to a 2015 report by the Campaign for College Opportunity, between 2004 and 2013, the number of campuses declaring any level of impaction doubled and the number of academic programs declared impacted in the CSU system increased approximately 135%. This has significant consequences for students: the same report, entitled *"Access Denied: Rising Selectivity at California's Public Universities,"* noted that since 2000, fully impacted campuses experienced increases in average high school GPA of incoming freshmen at three to four times the rate of the systemwide average.

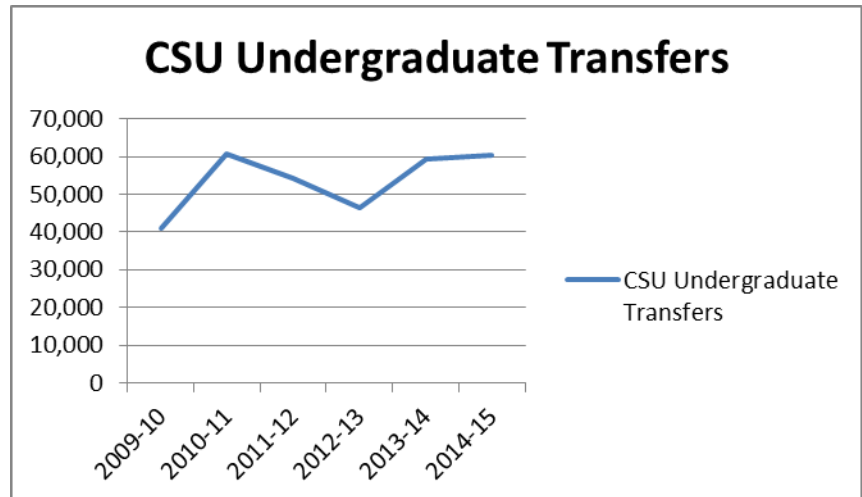
**Many eligible students turned away.** Despite positive California enrollment growth, impaction and budgetary issues have led to thousands of potential CSU students being turned away from campuses. The chart adjacent indicates the number of CSU applicants who met minimum systemwide qualifications but were not admitted to the college or major they applied to. About 30,665 such students were turned away in Fall 2014. (These numbers are not yet available for Fall 2015.) It is unclear what happens to these students who are turned away.



In its 2015 report, the Campaign for College Opportunity noted impaction issues are not always clear to students as they apply to campuses. Because there is no current systemwide process to refer qualified applicants to non-impacted campuses and majors, thousands of students may be unaware that they could have been admitted to a nearby CSU. CSU officials are considering a campus referral process.

**Transfer a key pathway to CSU, but recent transfer trend is flat.** The Master Plan envisioned community college transfer as a key route to the CSU. Like freshmen, transfer students face minimum qualifications (including 60 semester units or 90 quarter units, and at least a 2.0 GPA) and impaction issues. The chart below indicates CSU's transfer enrollment this decade. About 45% of incoming CSU students are community college transfers.

Recent legislation has sought to strengthen the pathway between community colleges and CSU by creating the Associate Degree for Transfer program. Currently, there are 33 majors in which community college students can obtain a transfer degree, guaranteeing that the coursework they took at the community college level will allow students to transfer to any CSU at the junior-year level. The number of transfer degrees has grown from 722 in the 2011-12 academic year to 20,644 in 2014-15.



**Enrollment going forward.** According to the CSU Academic Sustainability Plan approved by the Board of Trustees in November 2015, CSU would grow enrollment by 1% annually during the next three budget years if it is provided small General Fund increases as proposed by the Governor. However, the CSU's proposed 2016-17 budget calls for a 3% enrollment increase, or about 10,700 full-time equivalent students. CSU states this level of enrollment growth would require additional General Fund support. CSU is seeking a \$241.7 million GF increase, while the Governor proposes a \$148.3 million increase. (CSU's proposed amount would fund increased enrollment growth, a 2% compensation pool increase, student success initiatives and facilities needs.)

**CCC ADMISSIONS/ENROLLMENT**

**CCC admissions.** Under the Master Plan goals, California Community Colleges (CCC) are to admit any student capable of benefiting from instruction. With CCC following an open access enrollment structure, it is important to note that roughly 75 % of incoming students are assessed at below college level in English, math, or both.

CCCs have as their primary mission providing academic (intended for transfer to a four-year postsecondary institution) and vocational/career technical education instruction for students through the first two years of undergraduate education (lower division). Additionally, CCCs are authorized to provide remedial/basic skills instruction, English as a Second Language (ESL) courses, adult noncredit instruction, and workforce training services.

**CCC enrollment.** During the recession, CCC experienced dramatic changes to student enrollment. Funding for CCC was cut \$809 million, or 12 percent, from 2008 to 2013. Course offerings declined from 420,000 to 334,000 - or 21 percent - and most were credit courses necessary to transfer or obtain a degree or certificate. CCC finished the 2012-13 school year serving 500,000 fewer students than it had in 2008-09.

**CCC Student Enrollment, 2007-2015**

2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
2,772,382	2,927,679	2,788,838	2,609,925	2,425,053	2,292,438	2,310,268	2,316,982

Source: CCCCCO Data Mart

Beginning in 2012-13, the state began providing funding to restore enrollment. From 2012-2013 to 2015-2016, the state has appropriated \$386 million for annual enrollment growth averaging 2.5 percent. Said amount funded an estimated 75,000 additional full-time equivalent slots, but student headcounts remain below pre-recession levels.

**Transfer pathways.** CCC students seeking to earn an associate degree guaranteeing admission to CSU campuses through a streamlined transfer program currently have more than 1,900 degrees (within 33 majors) among the 113 community colleges.

The Associate Degree for Transfer (ADT) program was designed to address the various challenges faced by transfer students and has only continued to grow during its three-year existence. During the 2014-2015 academic year, 21,000 Associate Degrees for Transfer were conferred by CCCs, nearly twice as many than the previous year.

The ADT program provides CCC students with priority admission to a CSU campus. To note, there is no guarantee that students will be admitted to their CSU campus of choice. Once students are admitted to a CSU campus, they are on track to complete 60 additional units to earn a bachelor's degree.

UC introduced the Transfer Pathways Plan for CCC students who plan to apply to transfer to UC campuses. The Plan outlines a single set of courses that will prepare transfer students for a particular major at any of the UC campuses and assist students to graduate from a UC campus within two years after their transfer. To note, the Plan does not guarantee admission, but will help meet the UC's goal of enrolling at least one new transfer student for every two new freshmen.

Additionally, launched in 2015, the CCC entered into a guaranteed transfer agreement with nine Historically Black Colleges and Universities (HBCU). This agreement allows students who apply to the eligible HBCU schools and obtain a transfer-level associate degree with a grade-point-average of 2.5 or higher and complete either the Intersegmental General Education Transfer Curriculum, or the CSU General Education Breadth pattern, guaranteed admission with junior standing. Below is a chart of the nine HBCUs participating in the agreement:

Name of HBCU	Location
Bennett College	Greensboro, North Carolina
Dillard University	New Orleans, Louisiana
Fisk University	Nashville, Tennessee
Lincoln University of Missouri	Jefferson City, Missouri
Philander Smith College	Little Rock, Arkansas
Stillman College	Tuscaloosa, Alabama
Talladega College	Talladega, Alabama
Tuskegee University	Tuskegee, Alabama
Wiley College	Marshall, Texas

**Transitions into the workforce.** In 2015, the CCC Board of Governor's Task Force on Workforce, Job Creation and a Strong Economy identified 25 recommendations to improve student access to and successful completion of high-quality career technical education (CTE) programs. The Task Force identified opportunities to align CTE programs at CCC with the

state's regional workforce needs. The Governor's January budget proposes \$200 million to support a Strong Workforce Program in order to expand CCC student access to CTE courses and to implement regional accountability structures that align with the Task Force recommendations.

**Enrollment going forward.** The Governor's 2016-2017 Budget Proposal calls for \$114.7 million, which would increase access statewide for approximately 50,000 students (headcount).

### **UC Enrollment and Access Potential Questions**

- 1) How many more California students could UC accommodate in the next decade? What are the barriers to increasing California student access? Which UC campuses can accommodate increased enrollment?
- 2) What is UC's long-term plan for nonresident enrollment at campuses such as Davis, Irvine and San Diego, which are clearly increasing nonresident enrollment? Are these campuses seeking to eventually enroll the same percentage of nonresidents as Berkeley and UCLA?
- 3) If nonresident tuition is used to offset costs for California residents, is UC considering any changes to how revenue from nonresident tuition is used throughout the system? Is there a concern about funding at campuses which may have more difficulty attracting nonresidents?

### **CSU Enrollment and Access Potential Questions**

- 1) How many more California students could CSU accommodate in the next decade? What are the barriers to allowing access to all eligible applicants?
- 2) Will CSU develop a referral system to alert eligible applicants of non-impacted programs and campuses?
- 3) How has the Associate Degree for Transfer program impacted transfer enrollment at CSU? Does CSU project an increase in transfer enrollment as the Associate Degree for Transfer program continues to grow?
- 4) What is the Board of Trustees' process for reviewing impaction, considering alternatives, and possibly reducing impaction among some majors and campuses?
- 5) How has impaction affected local students' abilities to enroll at local campuses? How much difference is there between minimum qualifications of a completely impacted campus versus a non-impacted campus? How does CSU work to ensure that impaction is understood by applicants?
- 6) How is CSU examining strategies such as night and weekend courses or summer school, or using predictive analytics in course scheduling to increase capacity? What role can the state play in supporting these types of efforts?

**CCC Enrollment and Access Potential Questions**

- 1) How many more California students could community college accommodate in the next decade? What are the barriers to allowing access to all qualified applicants?
- 2) How are community colleges ensuring that course offerings and programs align with transfer pathways and workforce needs?
- 3) How has the Associate Degree for Transfer program impacted transfer opportunities? Does the Chancellor's Office project an increase in students using the Associate Degree for Transfer pathway?

**IMPROVING STUDENT SUCCESS: GRADUATION TRENDS**

**UC STUDENT COMPLETION**

As further outlined in the chart below, UC's systemwide four-year graduation rate for freshman has risen in the past 15 years, up from 46% for the 1997 entering cohort. The two-year graduation rate for transfer students has also increased, from 37% for the 1997 entering cohort, to 55% for the 2012 cohort. The most recent four-year graduation rate for transfer students is 87%.

**UC 4-Year and 6-Year Baccalaureate Graduation Rates, by Campus**

Campus*	4-Year Grad Rate	6-Year Grad Rate
Berkeley	72%	91%
Davis	53%	83%
Irvine	68%	86%
Los Angeles	72%	91%
Merced	34%	64%
Riverside	44%	69%
San Diego	57%	86%
Santa Barbara	69%	81%
Santa Cruz	55%	77%
<b>Systemwide**</b>	61.5%	84%

\*Source: IPEDS first-time, full-time students that began in Fall 2008

\*\*Source: 2015 UC Performance Outcome Measures Report, Fall 2008 cohort

At 42% of total undergraduates, UC enrolls a higher proportion of Pell Grant recipients than comparable research universities. Pell recipients generally have family incomes of less than \$50,000. The tables below indicate graduation rates disaggregated by Pell recipients and by race/ethnicity.

**UC 4-Year and 6-Year Baccalaureate Graduation Rates, by Pell Status**

Pell Status	4-Year Grad Rate*	6-Year Grad Rate**
Yes	56.0	82.9
No	68.2	84.8

\*Source: 2015 UC Performance Outcome Measures Report, Fall 2010 cohort

\*\*Source: 2015 UC Performance Outcome Measures Report, Fall 2008 cohort (most recent data year)

UC Graduation Rates for 2008 Freshman Cohort	Total	American Indian or Alaskan Native	Asian	Black	Hispanic	Native Hawaiian or Other Pacific Islander	White	Non-Res / Int'l
Four-Year Rates	61%	46%	64%	46%	48%	55%	66%	64%
Six-Year Rates	83%	72%	86%	75%	76%	77%	84%	84%

Source: Integrated Postsecondary Education Data System

According to the UC 2015 Accountability Report, in January 2015, faculty, advisers and administrators from the undergraduate campuses and the UC Office of the President convened to share key research findings and initiatives that support timely graduation, particularly for underrepresented minority students. Key takeaways such as predictive analytics, evaluation of major coursework, expanded use of summer session courses and student support programs will be implemented in the coming year.

**CSU STUDENT COMPLETION**

**CSU campuses' completion rates vary.** Completion rates at CSU vary widely by campus, as the table below indicates. Six-year graduation rates range from a high of 75% at San Luis Obispo to 32% at Dominguez Hills. Graduation rates can be impacted by various issues, including the percentage of students attending full-time and the college-readiness of incoming students. For example, CSU data indicates that 66% of students who enter CSU assessed as ready for college-level math and English graduate within six years, while only 45% of students graduate in six years if they entered assessed as not ready for college-level math and English.

It also should be noted that some graduation-rate data is limited, as it only includes first-time freshmen. For example, a student who transfers among CSU campuses would not be counted as a graduate.

**CSU First-Time Freshmen 4-Year and 6-Year Graduation Rates**

Campus	4-Year Grad Rate	6-Year Grad Rate	Campus	4-Year Grad Rate	6-Year Grad Rate
Bakersfield	15%	41%	Northridge	10%	47%
Channel Islands	24%	62%	Pomona	18%	56%
Chico	26%	59%	Sacramento	9%	44%
Dominguez Hills	5%	32%	San Bernardino	14%	48%
East Bay	14%	38%	San Diego	34%	66%
Fresno	16%	52%	San Francisco	18%	50%
Fullerton	18%	56%	San Jose	11%	52%
Humboldt	15%	44%	San Luis Obispo	47%	75%
Long Beach	15%	65%	San Marcos	14%	49%
Los Angeles	6%	41%	Sonoma	28%	56%
Maritime Academy	45%	54%	Stanislaus	16%	53%
Monterey Bay	21%	45%	<b>Systemwide</b>	<b>19%</b>	<b>54%</b>

*Note: 4-Year Graduation rate based on 2010 student cohort. 6-Year Graduation rate based on 2008 student cohort.*

**CSU reports significant achievement gap.** In addition to variation by campus, student demographics also indicate widely varying completion rates. The table below indicates graduation rates by students who receive the federal Pell Grant versus those students who do not receive the grant. Pell Grant students must demonstrate significant financial need; thus Pell Grant students can be considered low-income students. Non-Pell Grant students have a four-year graduation rate that is twice as high as Pell students, and a six-year graduation rate that is 11 points higher.

Pell Status	4-Year Grad Rate	6-Year Grad Rate
Yes	12%	48%
No	24%	59%

Additionally, CSU data indicates differences in both the four-year and six-year graduation rates between different racial groups.

Graduation Rates for 2008 Freshman Cohort	Total	American Indian or Alaskan Native	Asian	Black	Hispanic	Native Hawaiian or Other Pacific Islander	White	Non-Res / Int'l
Four-Year Rates	16%	15%	13%	8%	10%	11%	24%	17%
Six-Year Rates	54%	47%	56%	37%	48%	41%	62%	54%

Source: Integrated Postsecondary Education Data System

Closing these achievement gaps are critical to improving overall completion rates at CSU, as about 49% of CSU students receive the Pell Grant and an overwhelming majority - about three-fourths of the student body - are under-represented minority students.

**CSU entering second iteration of Graduation Initiative.** CSU has sought to improve graduation rates and is continuing work on this issue. A Graduation Initiative sought to increase six-year graduation rates by 8 percentage points, and cut the achievement gap in half. Results published in 2015 indicate six-year graduation rates actually rose by 11 percentage points for the 2009 student cohort.

The achievement gap was not significantly reduced systemwide. (This is in part attributed to rising graduation rates for all students.) However, some individual campuses were able to make significant improvements. According to the Education Trust’s 2015 report “Rising Tide: Do College Grad Rate Gains Benefit All Students?”, from 2003 to 2013, San Diego State cut its graduation rate gap in half, from 15 to 7 percentage points at the same time as the university increased its underrepresented student population from roughly one-quarter to one-third of its student population.

CSU has launched a second Graduation Initiative, which seeks to make improvements by 2025. This initiative sets specific goals for each campus, but also includes the following systemwide goals.

**CSU Graduation Initiative 2025**

Graduation Metric	2025 Systemwide Target
Six-Year Graduation Rate	60%
Four-Year Graduation Rate	24%
Gap by Ethnicity (50% Reduction)	7 Points
Gap by Pell Eligibility (50% Reduction)	5 Points
Transfer Students' Four-Year Graduation Rate	76%
Transfer Students' Two-Year Graduation Rate	35%

In the recent *Governor's Budget Summary*, the Administration commends CSU for seeking improvements but questions whether the targets set are too modest. CSU officials have acknowledged this concern, but it is unclear if they will set higher goals.

**State funding has helped support student success strategies.** The 2015 Budget Act fully funded the CSU Board of Trustees' request for the 2015-16 fiscal year. With that funding, CSU

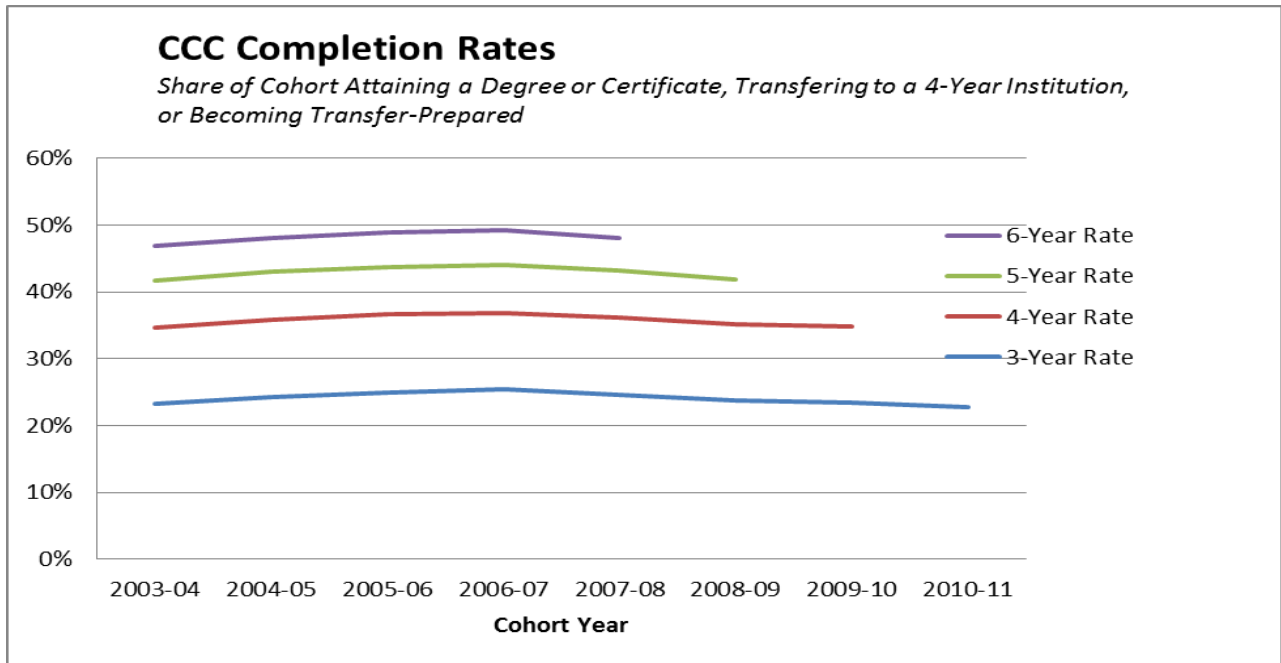


used \$20 million General Fund and \$18 million in tuition revenue to support Student Success and Completion Initiatives, which provides funding to campuses to invest in evidence-based strategies related to improving completion rates. CSU reports that campuses are using this funding to increase hiring of tenure-track faculty, improve student advising, provide tutoring and course redesign to improve course and program completion, provide summer bridge programs for incoming freshmen, and invest in data systems to better track student progress. Funding was distributed to campuses based on a formula that included size of campus and number of Pell-eligible students. In its request for 2016-17, the CSU Board of Trustees proposes spending \$50 million on this program.

Each campus has developed its own program with slightly different strategies. Long Beach State has realigned its budget process to fund more student-friendly class schedules, for example, and opened advising centers on campus. San Marcos hired more faculty and launched an online degree planner and schedule assistant for students.

**CCC STUDENT COMPLETION**

**CCC completion.** As defined by the Chancellor’s Office, a successful completion occurs when a first-time student who enrolls in six units within 3 years, and attempts at least one math or English course earns an associate degree or a credit certificate, transfers to a four-year institution, or becomes “transfer prepared” by successfully completing 60 transferable units with at least a “C” average. According to the Legislative Analyst’s Office, CCC completion rates tend to rise after state funding increases, as courses become available for students, and decline following reductions.



Source: Legislative Analyst’s Office

Graduation rates can be impacted by various issues, including, but not limited to, the percentage of students attending full-time, number of course offerings, and level of college-readiness of incoming students. To note, approximately 75% of students who enter CCC are assessed below college readiness in English, mathematics, or both.

In response to concerns over low success rates, the Legislature approved SB 1143 (Liu, Chapter 409, Statutes of 2010) to establish the CCC Student Success Task Force. The Task Force issued a final report in January of 2012, which included recommendations to strengthen student support services, set statewide goals for student success, monitor campus performance, improve basic skills instruction, and expand professional development.

The Legislature subsequently adopted many of the Task Force recommendations, including mandatory assessment, orientation and education planning, setting academic standards for fee waivers, and establishing conditions on funding through the Student Success and Support Program (SSSP) through SB 1456 (Lowenthal, Chapter 624, Statutes of 2012). The Board of Governors has also adopted regulations to implement the recommendations, and the CCCs have been provided funding, through the SSSP, and have expanded student support services consistent with new policies.

**CCC achievement gaps.** As outlined in the chart that follows, CCC six-year achievement rates also vary significantly by race/ethnicity.

### **CCC Completion by Race/Ethnicity**

Completion Overall	2008-2009 (Six-Year Cohort, through 2013-2014)	
	Cohort Size	Cohort Rate
All	209,719	46.8%
African American	15,523	36.8%
American Indian/Alaska Native	1,803	34.1%
Asian	22,120	64.8%
Filipino	7,947	50.9%
Hispanic	70,998	38.4%
Pacific Islander	2,118	41.0%
White	67,119	51.1%

*Source: 2015 CCCCCO Student Success Scorecard*

The 2014-15 Budget Act first appropriated Student Equity funding to the CCCs with requirements for establishing plans to improve access and completion rates for underserved minority populations, low-income students, foster youth, and veterans. Plans are required to be coordinated with other categorical programs, and include faculty, student services and other constituencies. Under the requirements, each college must develop specific goals/outcomes and actions to address disparities that are discovered. College plans must describe policies, activities and procedures as they relate to improving equity and success at the college. The 2015-16 Budget Act provided a total of \$155 million in funding for Student Equity plans.

### **UC Student Completions Potential Questions**

- 1) What specific strategies will UC employ to address the achievement gap at the system and campus levels?
- 2) Can UC improve 4-year graduation rates? What strategies could increase this rate?
- 3) What oversight does the UC Board of Regents and the UC Office of the President provide in terms of monitoring campus goals and progress towards closing the achievement gap?

**CSU Student Completions Potential Questions**

- 1) Will CSU consider increasing its systemwide graduation rate targets?
- 2) What specific strategies will CSU employ to address the achievement gap in its new Graduation Initiative? What is CSU's assessment of why some campuses were able to close their achievement gap in recent years, but the system as a whole was not? Has CSU identified strategies that improve graduation generally, but also accelerate graduation rates for targeted groups in particular?
- 3) Which student success strategies have the most impact?
- 4) How does CSU divvy up student success funding? Does more funding go to campuses with higher numbers of Pell students and underrepresented minority students?

**CCC Student Completions Potential Questions**

- 1) What strategies will the CCCs implement to more students successfully complete within four and six years? What trends in local-level investments is the Chancellor's Office seeing as it reviews districts' plans?
- 2) What, if any, does the Chancellor's Office feel is a challenge in order to fully close the achievement gap?