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April 2, 2018

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Chief Clerk of the Assembly
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Sacramento, CA 95814

RE: California State University Report: State Performance Measures for 2016/17 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

CSU Campuses
Bakersfield
Channel Islands
Chico
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Fullerton
Humboldt
Long Beach
Los Angeles
Maritime Academy

Monterey Bay
Northridge
Pomona
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San Bernardino
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San José
San Luis Obispo
San Marcos
Sonoma
Stanislaus

CSU Report: State Performance Measures for 2016/17 Academic Year

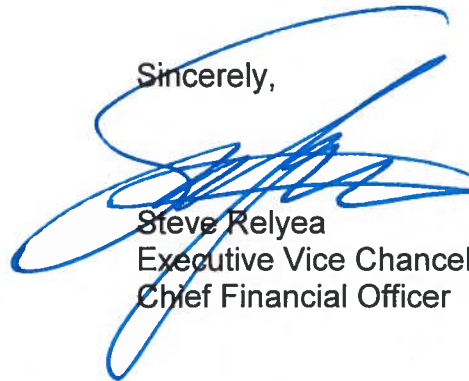
April 2, 2018

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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 for Advocacy and State Relations, at (916) 445-5983 or kchavira@calstate.edu.

Sincerely,



Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

SR:dr

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

- c: Members, California State Legislature
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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. 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 uptick 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.

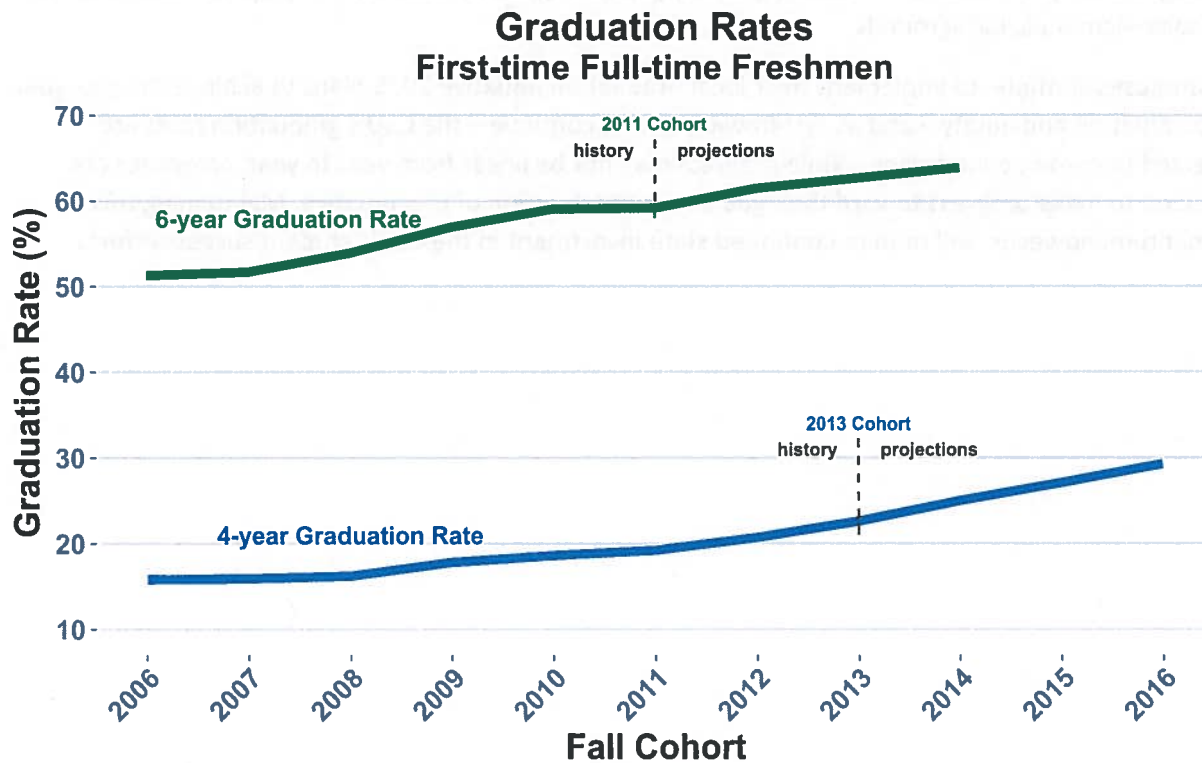
As campuses continue to implement their local Graduation Initiative 2025 plans to achieve campus goals for completion and equity – and as systemwide efforts continue – the CSU’s graduation rates are expected to continue increasing. While progress may not be linear from year to year, campuses are expected to make progress toward their goals over the duration of the initiative. Maintaining this momentum, however, 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. For the fall 2013 cohort, 22.6 percent of students graduated in four years, up from 20.7 percent for the fall 2012 cohort.

For the fall 2011 cohort, 59.2 percent of students graduated within six years, a slight increase from the 59.1 percent of students who graduated within six years from the fall 2010 cohort. In all instances, the graduation rates increased for both Pell-eligible and non-Pell students.

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.

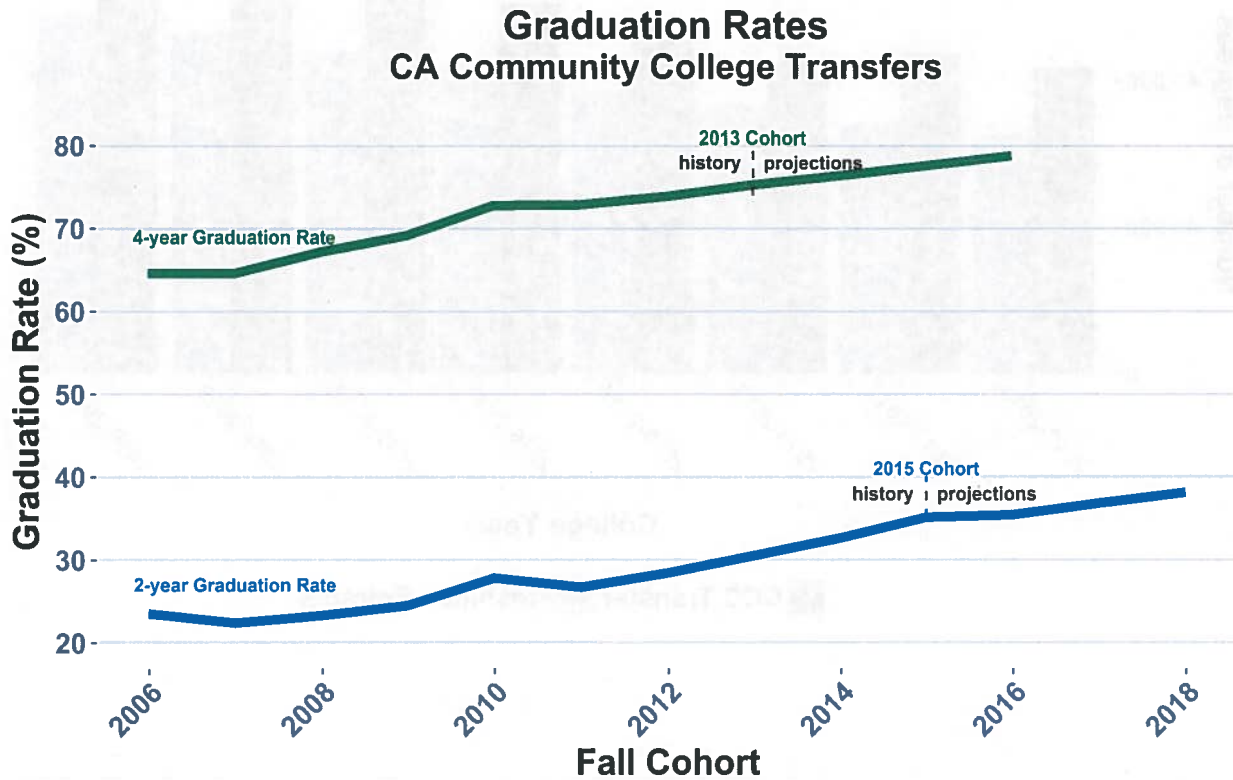


2.2 California Community College Transfers

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. For the fall 2015 cohort, 35.1 percent of transfer students graduated in two years, up from 32.6 percent for the fall 2014 cohort.

For the fall 2013 cohort, 75.3 percent of transfer students graduated within four years, an increase from the 73.9 percent of transfer students who graduated within four years from the fall 2012 cohort. In all instances, the graduation rates increased for both Pell-eligible and non-Pell students.

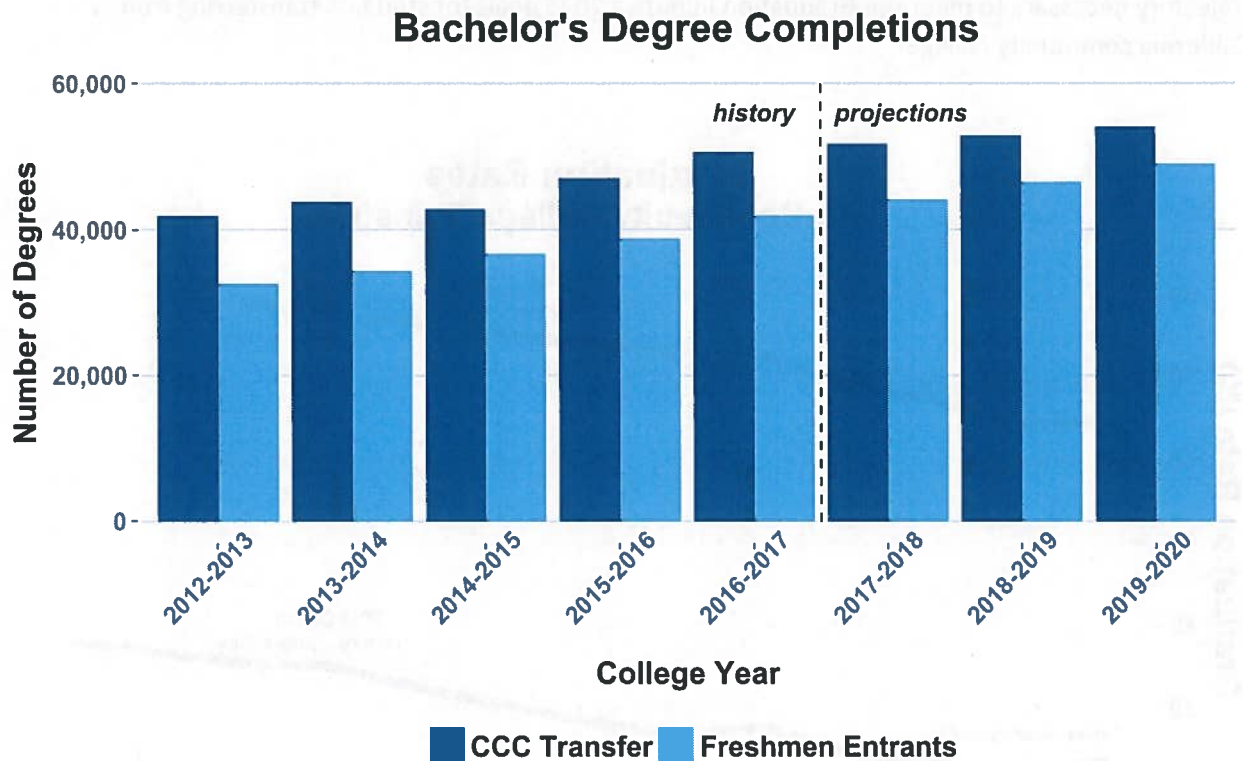
This chart also shows the CSU's projections for both the two-year and four-year-or-less graduation rates over the next three years (to the right of the dotted line). These projections are based on the linear trajectory necessary to meet the Graduation Initiative 2025 goals for students transferring from 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 2012, degree completions have increased nearly 18 percent. In 2016-17, nearly 120,000 degrees were awarded, a record high for the CSU. This includes nearly 99,000 bachelor's degrees, almost 7,000 more than in 2015-16.

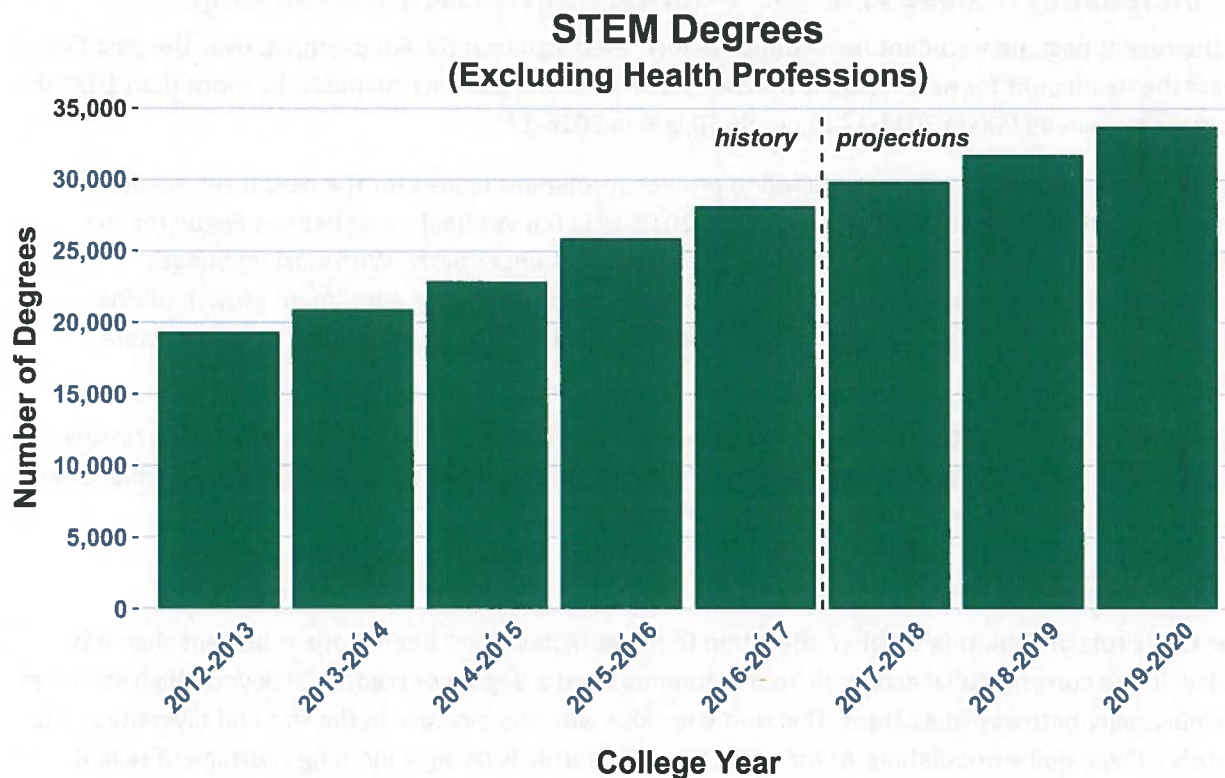
As the CSU continues to invest in new tenure-track faculty, hire additional advisors and add class sections to ensure students have access to the courses they need, it is anticipated that the number of degree completions will continue to increase.



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 2012-13 and 2016-17, the number of STEM degrees awarded at the CSU has increased by more than 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, and to support these students to completion. 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, 84 percent of freshmen nationally expect to graduate in four years. 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, it has increased more than six percent, from 47.3 percent in 2012 to 53.4 percent in 2016. 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. For example, over the past five years the headcount for new resident transfer students at the CSU has increased by more than 10,000 – from more than 49,000 in 2011-12 to nearly 60,000 in 2016-17.

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 2018-19 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 its projections, projecting enrollment growth of one percent each year. Even this modest growth, however, will require increased and sustained state funding.

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. Increasing graduation rates is only part of the puzzle. Meeting California's future workforce needs also requires investment to increase access to 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
2012	134,958	36.8%
2013	136,352	36.2%
2014	138,342	35.9%
2015	143,455	36.0%
2016	146,364	36.4%
2017	149,130	36.5%
2018	151,367	36.5%
2019	153,638	36.5%
2020	155,943	36.5%

projection

**Measure 2
New Resident CCC Transfer Enrollment**

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	59,904	48.4%
2017-2018	60,803	48.4%
2018-2019	61,715	48.4%
2019-2020	62,641	48.4%

projection

**Measure 3
Low-Income Student Enrollment**

Fall Term	Headcount	Percent of Total Undergraduates
2012	173,553	45.6%
2013	188,486	48.1%
2014	195,754	48.3%
2015	205,920	49.2%
2016*	205,757	48.5%
2017	208,843	48.5%
2018	211,976	48.5%
2019	215,156	48.5%

projection

* 2016 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
2011-2012	54,362	47.6%
2012-2013	52,271	48.8%
2013-2014	63,124	50.4%
2014-2015	65,447	50.9%
2015-2016	66,624	51.3%
2016-2017	65,740	50.3%
2017-2018	66,726	50.3%
2018-2019	67,727	50.3%
2019-2020	68,743	50.3%

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%	54.0%	57.0%	47.9%
Fall 2009	17.8%	21.9%	11.2%	57.0%	60.3%	51.7%
Fall 2010	18.6%	24.0%	11.8%	59.1%	63.5%	53.5%
Fall 2011	19.2%	25.5%	12.0%	59.2%	64.2%	53.6%
Fall 2012	20.7%	27.1%	13.8%	61.5%	66.5%	56.9%
Fall 2013	22.6%	29.7%	15.3%	62.7%	67.7%	59.1%
Fall 2014	25.0%	31.0%	18.1%	63.9%	68.9%	61.3%
Fall 2015	27.1%	32.1%	20.7%			
Fall 2016	29.3%	34.3%	24.4%			

projection

Measures 7, 8, & 9
 Graduation Rates
 California Community College Transfers

Cohort	2-Year			3-Year			4-Year		
	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%	57.8%	54.2%	69.2%	70.4%	67.6%
Fall 2010	27.8%	29.3%	26.1%	60.9%	61.9%	59.7%	72.8%	73.5%	72.0%
Fall 2011	26.7%	28.6%	24.9%	61.3%	63.2%	59.5%	72.9%	74.3%	71.6%
Fall 2012	28.4%	29.5%	27.3%	62.5%	63.3%	61.7%	73.9%	74.6%	73.3%
Fall 2013	30.5%	31.4%	29.8%	64.5%	65.3%	63.8%	75.3%	75.8%	74.9%
Fall 2014	32.6%	34.1%	31.4%	67.1%	68.2%	66.1%	76.4%	77.0%	76.2%
Fall 2015	35.1%	36.8%	33.8%	67.0%	67.8%	66.5%	77.6%	78.1%	77.4%
Fall 2016	35.4%	37.8%	35.2%	68.0%	68.9%	67.8%	78.8%	79.2%	78.7%
Fall 2017	36.8%	38.8%	36.6%	68.3%	69.1%	68.2%			
Fall 2018	38.1%	39.9%	38.0%						

projection

Measure 10
 Annual Degree Completions

College Year	Freshmen Entrants	CCC Transfer Students	Graduate Students	Total*	Low-Income Students
2012-2013	32,569	41,858	19,406	101,209	39,841
2013-2014	34,330	43,775	18,590	103,781	44,630
2014-2015	36,720	42,831	18,845	105,786	47,574
2015-2016	38,770	47,034	20,788	112,832	53,226
2016-2017	41,892	50,587	20,503	119,274	57,905
2017-2018	44,144	51,726	20,854	123,016	61,238
2018-2019	46,517	52,890	21,211	126,910	64,763
2019-2020	49,017	54,081	21,574	130,964	68,491

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
2012	47.3%
2013	48.1%
2014	50.3%
2015	51.5%
2016	53.4%
2017	54.9%
2018	56.4%
2019	57.9%

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 transferrable 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
2016-2017	129,544	\$5,301,009,000	\$40,921
2017-2018	133,420	\$5,443,893,000	\$40,803
2018-2019	137,449	\$5,562,697,000	\$40,471
2019-2020	141,640	\$5,604,007,000	\$39,565

projection

Measure 14
 Revenue per degree - Undergraduate

College Year	Undergraduate Degrees	Estimated Funds Received from Undergraduates	Dollars per Undergraduate Degree
2016-2017	98,771	\$4,611,878,000	\$46,693
2017-2018	101,734	\$4,736,187,000	\$46,555
2018-2019	104,786	\$4,839,546,000	\$46,185
2019-2020	107,930	\$4,875,486,000	\$45,173

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
2016-2017	92	140	65	141	126	137
2017-2018	91	139	64	140	125	136
2018-2019	91	139	64	140	125	136
2019-2020	91	139	64	140	125	136

projection

Measure 16a
STEM Degrees (excluding Health Professions)

College Year	Undergraduate Students	Graduate Students	Total	Low-Income Students
2012-2013	15,368	3,969	19,337	7,928
2013-2014	17,085	3,838	20,923	8,578
2014-2015	18,580	4,298	22,878	9,380
2015-2016	20,201	5,693	25,894	10,617
2016-2017	22,422	5,720	28,142	11,538
2017-2018	23,992	5,892	29,884	12,252
2018-2019	25,671	6,069	31,740	13,013
2019-2020	27,468	6,251	33,719	13,825

projection

Measure 16b
STEM Degrees (Health Professions* only)

College Year	Undergraduate Students	Graduate Students	Total	Low-Income Students
2012-2013	5,592	1,967	7,559	3,099
2013-2014	6,223	1,967	8,190	3,358
2014-2015	6,558	2,058	8,616	3,533
2015-2016	7,065	2,140	9,205	3,774
2016-2017	7,544	2,053	9,597	3,935
2017-2018	8,110	2,115	10,225	4,192
2018-2019	8,718	2,178	10,896	4,467
2019-2020	9,372	2,243	11,615	4,762

projection

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