

## AGENDA

### JOINT COMMITTEE ON EDUCATIONAL POLICY and FINANCE

**Meeting:** 3:00 p.m., Tuesday, January 24, 2023  
Glenn S. Dumke Auditorium

#### Committee on Educational Policy

Romey Sabalius, Chair  
Diego Arambula, Vice Chair  
Douglas Faigin  
Jean Picker Firstenberg  
Leslie Gilbert-Lurie  
Maria Linares  
Julia I. Lopez  
Yammilette Rodriguez  
Christopher Steinhauser

#### Committee on Finance

Jack McGrory, Chair  
Julia I. Lopez, Vice Chair  
Larry L. Adamson  
Diana Aguilar-Cruz  
Leslie Gilbert-Lurie  
Lillian Kimbell  
Anna Ortiz-Morfit  
Romey Sabalius  
Christopher Steinhauser

- Consent** 1. Approval of Minutes of the Meeting of September 17, 2019, *Action*  
**Discussion** 2. Overview of CSU Enrollment and Resource Alignment, *Information*

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

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

**September 17, 2019**

**Members Present**

**Committee on Educational Policy**

Lillian Kimbell, Chair  
Jorge Reyes Salinas, Vice Chair  
Silas H. Abrego  
Jane W. Carney  
Douglas Faigin  
Debra S. Farar  
Jean P. Firstenberg  
Thelma Meléndez de Santa Ana  
John Nilon  
J. Lawrence Norton  
Steven G. Stepanek

**Committee on Finance**

Peter J. Taylor, Chair  
John Nilon, Vice Chair  
Jane W. Carney  
Adam Day  
Hugo N. Morales  
Jorge Reyes Salinas  
Lateefah Simon

Adam Day, Chair of the Board  
Timothy P. White, Chancellor

Trustee Kimbell called the meeting to order.

**Public Comment**

Two speakers addressed the board as part of public comments regarding the 2016 Systemwide Hate Violence Report and civility in the workplace. Speakers shared that CSU employees are entitled to not only a safe work environment, but one that is free from abusive conduct and harassment and expressed concerns that civility and bullying have not been addressed at the systemwide level.

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**Consent Agenda**

The minutes from the meeting on November 15, 2016 were approved as submitted. Item 1, the 2016 Systemwide Hate Violence Report, was presented as a consent information item.

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

## **JOINT COMMITTEE ON EDUCATIONAL POLICY AND FINANCE**

### **Overview of CSU Enrollment and Resource Alignment**

#### **Presentation By**

Sylvia A. Alva  
Executive Vice Chancellor  
Academic and Student Affairs

Steve Relyea  
Executive Vice Chancellor and  
Chief Financial Officer

Nathan Evans  
Associate Vice Chancellor and Chief of Staff  
Academic and Student Affairs

#### **Summary**

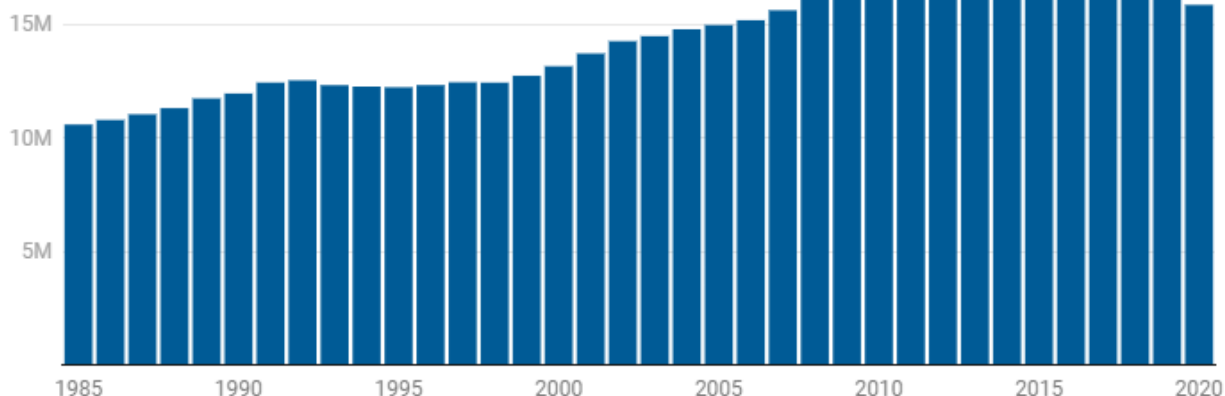
Like a majority of public colleges and universities nationwide, the California State University is encountering a period of enrollment decline. In May 2022, the National Student Clearinghouse Research Center reported that undergraduate student enrollment in the United States had declined by more than 1.4 million students or 9.4% since the onset of the COVID-19 pandemic. However, this abrupt drop was just the most recent phase of a decade-long decline nationwide.

Initially bucking national patterns, the CSU system recorded its highest student enrollment ever in fall 2020. However by fall 2022, state-supported student headcount had declined by more than 25,000 students across the system from that peak. While variation in enrollment trends varies by university, the collective impact of systemwide enrollment decreases has ramifications on every CSU campus. To stem the trend and address sustained population shifts in different geographic regions of the state, the Office of the Chancellor and all universities are all resolutely focused on both strategic and tactical activities to expand enrollment access, improve student continuation patterns and increase new student yield.

#### **National and State Context**

Based on data from the U.S. Department of Education, undergraduate enrollment in the United States peaked in 2010-11 and began a sustained decline marked by sharp drop in students in the first full year of the COVID-19 pandemic as illustrated in the chart below.

### United States Undergraduate Student Enrollment



*Note: Data reflect degree-granting four-year and two-year public, private nonprofit, and private for-profit institutions.*

Source: U.S. Department of Education

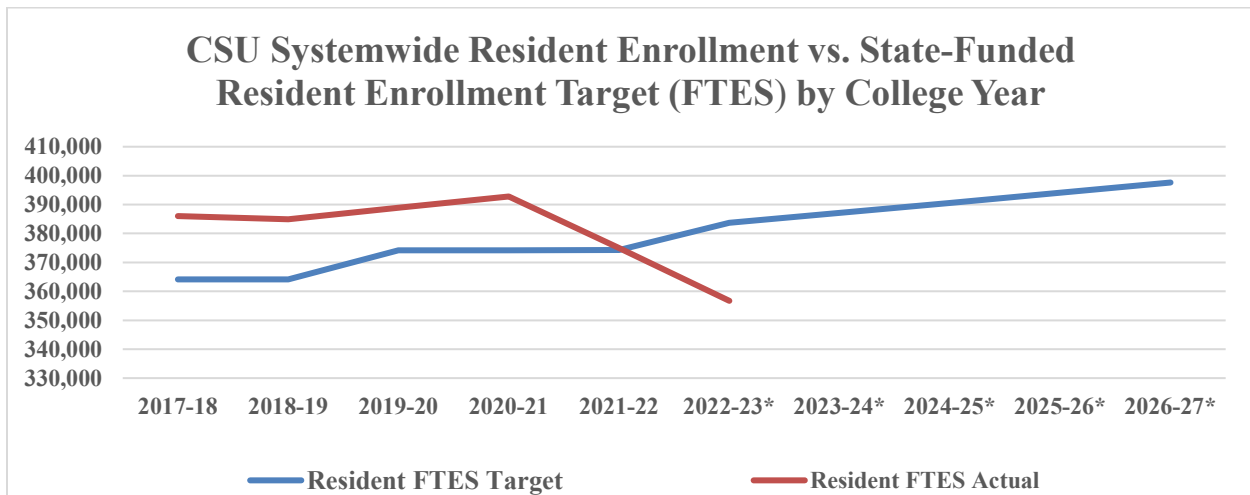
While this ongoing national decline is likely a result of a confluence of multiple contributing factors, it has occurred unevenly across states and regions and institution types. As researched and reported by the Western Interstate Commission on Higher Education, the Northeast and parts of the Midwest have already experienced and will continue to experience declines in high school graduates, shrinking the population of “traditionally-aged” college students. This trend will emerge in other parts of the nation, including California, in the coming years. Additionally, pandemic-era declines in enrollment were experienced differently by type of institution nationwide, with public community colleges and less selective public four-year universities seeing greater declines than highly selective institutions.

In addition to the population and demographic changes, economic and social interests are also likely contributors. Prior to the pandemic, the United States saw a nearly decade-long economic expansion which historically has an inverse relationship with postsecondary enrollment. And while more economic turbulence may be on the horizon, current wage premiums and a tight labor market make delaying or pausing higher education pursuits a stronger temptation. Finally, public confidence in higher education has declined as evidenced in recent surveys by the Pew Research Center and New America, among others.

### CSU Enrollment Summary

Since the formation of the CSU as a system of institutions, the trajectory of systemwide enrollment has been upward, with several brief vacillations associated with economic downturns and reductions in state funding. More recently, improved CSU graduation rates and shorter timelines to degree completion have meant that enrollment must be “replaced” more quickly. Yet, the projected two-year

decline in systemwide enrollment will be greater than at any time in the university’s history. Systemwide, the CSU projects that it will be more than 25,000 full-time equivalent students (FTES) – or 7% – below its funded 2022-23 California resident target at the conclusion of spring 2023. This decline has occurred against the backdrop of the state’s five-year budget compact, which has pledged new funding to increase resident undergraduate enrollment by 1% through 2026-27. The chart below illustrates the actual and projected CSU enrollment and state-funded enrollment targets through 2026-27.



\*projected levels for College Years 2022-23 through 2026-27

The CSU is measuring state-funded enrollment along two distinct metrics: in comparison to the prior college year and in comparison to the state’s funded enrollment target for California residents. As currently projected, the university is forecast to see both a year-over-year decrease in enrollment and to be below the state-funded enrollment target in college year 2022-23.

Overall state-funded enrollment constitutes the course units in which both continuing and new students enroll. In fall 2022, 68% of CSU enrollment was comprised of continuing students illustrating the necessity for strategic enrollment planning and activities to address continuing as well as new students. Since the onset of the pandemic, universities have also observed changes in student course-taking patterns and preferences for continuing, resulting in slight declines in average units enrolled and contributing to the larger decline in overall enrollment. Understanding these new patterns and responding with course schedules and instructional modalities that better address the preferences of students is a priority for each university.

Although overall CSU student enrollment declined between fall 2019, before the COVID-19 pandemic, and fall 2022, the distribution of ethnicity and gender, as defined for federal enrollment reporting, remained constant as illustrated in the table below. Some slight changes in relative percentages for fall 2022 can be attributed to changes in federal reporting guidance for undocumented students.

**CSU Enrollment by Ethnicity**

	<b>Fall 2019</b>	<b>Fall 2022</b>
<b>Ethnicity (Federal IPEDS Reporting Definitions)</b>		
African American/Black	4.0%	4.0%
American Indian	0.2%	0.2%
Asian/Pacific Islander	15.9%	16.3%
Hispanic/Latinx	41.5%	47.7%
White	23.0%	21.0%
Other/Unknown	4.6%	3.2%
Two or More Races	4.4%	4.2%
Nonresident Alien	6.4%	3.4%
<b>Gender (Federal IPEDS Reporting Definitions)</b>		
Men	43.3%	43.0%
Women	56.7%	57.0%

Changes in enrollment patterns and behaviors have varied among different student enrollment categories. While the CSU has experienced sustained declines in new transfer student enrollment attributable to the significant multi-year declines reported at California community colleges, enrollment of new first-year students in fall 2022 rebounded to pre-pandemic levels. Postbaccalaureate and graduate enrollment decreased slightly in fall 2022. Similar trends across these categories are evident in applications for fall 2023 admission

**Systemwide Strategies**

The Office of the Chancellor is undertaking a number of system-level approaches to both support universities as well as students and families. The system will also take steps to address the impact of sustained enrollment declines at some institutions and the differential demand for student access in regions and at particular universities.

*Enrollment Target and Budget Reallocation Plan*

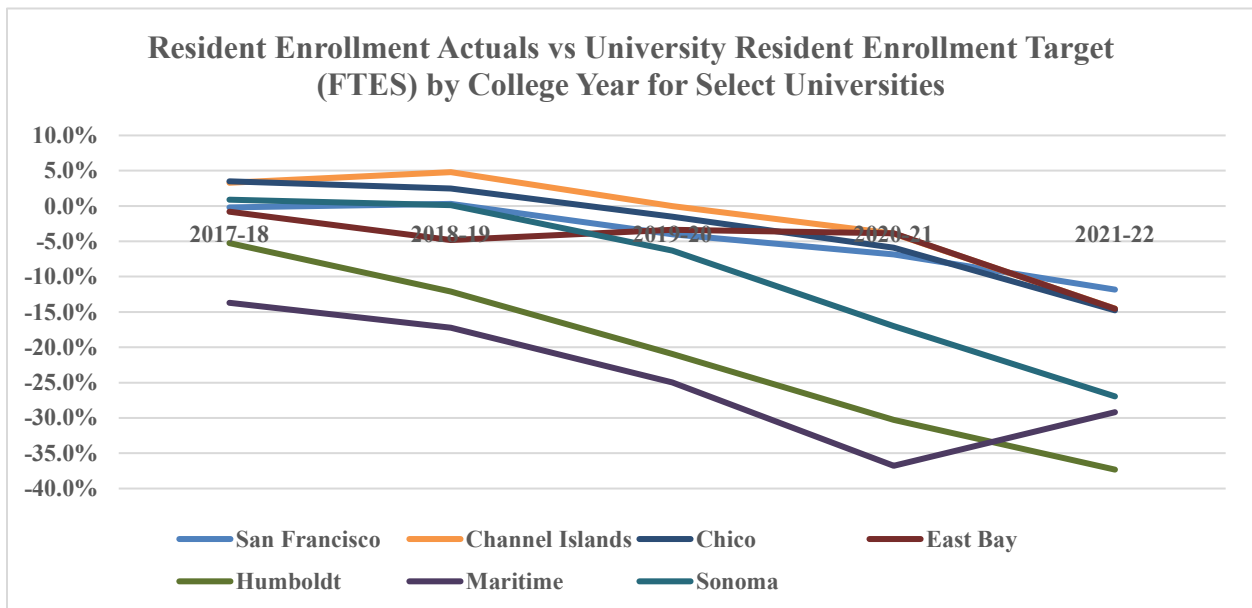
As part of a coordinated systemwide response and in close collaboration with university presidents, the CSU Chancellor’s Office has developed a multi-year enrollment target and budget allocation framework and principles to better align current and future resources with the realities of student demand and enrollment trends.

Beginning in 2024-25 and no sooner, the plan calls for no more than 5% of any university’s enrollment targets and associated resources to be permanently reallocated from universities that have had sustained enrollment declines to those universities that are meeting or exceeding their state-funded resident FTES targets.

The plan also calls for the “below-target” threshold triggering reallocation to be reduced each year through 2026-27, aligned with the state compact, to incentivize growth and increases in student access and enrollment across all of the CSU’s 23 universities. Allocations of new enrollment would only be provided to universities meeting or exceeding their prior college year target, based on actual enrollment. While this is a systemwide plan, implications for each of the 23 universities will vary based on individual university enrollment trends and budget circumstances.

*Systemwide Strategies*

The Chancellor’s Office senior leadership team has held recent meetings with all CSU university presidents, provosts, vice presidents for student affairs, senior diversity officers and chief business officers to review current data and projections, share best practices and focus strategies to maximize enrollment yield, retention rates and average unit loads, both in the short- and long-term. Each university has been assigned an enrollment liaison to help streamline engagement with the Office of the Chancellor on enrollment-related matters. Further, more direct engagement and support has been provided in developing an immediate strategic enrollment plan for seven universities – Channel Islands, Chico, East Bay, Humboldt, Maritime, San Francisco and Sonoma – that are now more than 10% below their state-funded FTES target.



Complementing this broader support, the Office of the Chancellor augmented fall statewide student outreach and recruitment programming and communications, including new videos posted to the website and social media; CSU-specific college fairs; and deeper partnerships with the California College Guidance Initiative and Educational Advisory Board. The CSU has awarded a multi-year contract for system-level strategic enrollment, outreach, recruitment and communications and entered into a new partnership with Los Angeles Unified School District to



better support schools that have historically lower college-going rates. Finally, to help mitigate statewide decreases in community college enrollment and provide greater clarity to high school students wishing to pursue a transfer route to the CSU, the Transfer Success Pathway Program, the CSU's dual admission program launches in spring 2023.

Not since the Graduation Initiative 2025 launched has the need to marshal the CSU's collective resources been more critical to address differential patterns of student retention and success. Among the systems equity priorities, intentional activities to re-engage and re-enroll underserved students who have left or paused their educational journey are being undertaken. The Office of the Chancellor has facilitated two streamlined processes to allow returning students to quickly re-enroll and also enlisted system and campus partners, such as the CSU Alumni Council, to support personalized outreach to returning students.

### **University Strategies**

Universities are more actively engaged in each phase of the student enrollment lifecycle than ever before and is evident across the state. This work is extending across universities to create new opportunities to benefit from CSU systemwide purchasing, shared technology solutions and collaborative outreach activities.

Supporting prospective student recruitment and admission, several universities launched or invested in expanded enrollment marketing. Cal Poly Humboldt leveraged its new moniker in digital and media marketing across the state. Utilizing a model pioneered at three other universities, Sonoma State announced a new promise program with Petaluma City Schools District, guaranteeing district graduates admission to the university. And nearly all universities continued to accept applications for fall 2023 admission beyond the priority application period, working to maximize flexibility for new students.

Across the system, universities have also critically examined policy and administrative barriers to enrollment. Approved in 2022 as part of CSU-sponsored legislation, Assembly Bill 2973 simplified the process for universities seeking to discontinue level (freshman or transfer) or program admission impaction. Several universities have reduced or eliminated admission impaction for spring and fall 2023 while others have communicated plans to discontinue impaction for fall 2024.

Learning from the experiences of sibling institutions, several universities are actively working to transition a majority of summer instruction to a state-supported term, increasing enrollment opportunities and financial aid options for continuing students. Some universities will begin this transition in summer 2023 while others are planning for summer 2024.

Universities have also shared strategies to improve retention and continuation, and support returning students on campus. To bolster outreach to students who paused their education during the pandemic, Cal Poly Pomona employed an artificial intelligence chatbot—Billy Chat—to ask students why they weren't registering for courses. Students who responded received personal follow-up outreach from advisors to help them get back on track in the enrollment process. To share these types of successes, CSU Fullerton will host a systemwide convening in March in partnership with the Educational Advisory Board to share best practices in holistic advising and student support.

### **Conclusion**

The prospect of a sustained decline in enrollment at individual universities and systemwide presents the potential for fundamental and significant threats to the CSU's mission, the viability of its universities and the future of the communities it serves. Yet with retention rates and average course loads far from historic highs and a new focus on enrollment marketing, outreach and yield, there is tremendous opportunity to interrupt the decline with collaborative and intentional efforts within each university and across the CSU system.

Returning to sustained growth and the enrollment targets set for us by the state of California will require both an immediate and multi-year approach. Historic approaches to enrollment planning and resource allocation are no longer sustainable. Enrollment management is an all-university and all-system endeavor. This pivotal moment requires a collective and coordinated systemwide response focused on expanding access, improving continuation and supporting success for California's students.