Thank you, Bill and Bob. And many thanks to Governor Brown, our students, Trustees, Presidents, Vice Chancellors, advisory and foundation board members, faculty, staff, alumni, community members and special guests for joining me to reflect on the state of the California State University.

As you know, since its formation in 1960 the CSU has magnified its vision, its depth and breadth, and the reach of higher education across this state of California. Nearly 3 million students have graduated, and the CSU has helped transform California’s economy and spurred social mobility.

The California State University is the largest comprehensive bachelor and graduate degree university in the world.

We are arguably the best degree in the country when it comes to modest cost (to the students, their families and to the state). We are also arguably the best degree in the country for high value and impact (to the student, employers, communities, and state). And we offer this learning opportunity to all members of the quilted fabric of society that we love to call California as long as they have the aptitude and willingness to do the work.

Indeed, you can say our privilege and strength is to develop human potential across the entire society, not just those who have come from opportunity and privilege.

I’ve visited our 23 university campuses and seen the CSU in action. I’ve met with the students, faculty, staff, community members, and partners who help us fulfill our noble mission every
single day. I have learned of the core activities by the dedicated professionals in this building, the Chancellor’s Office, and our offices in Sacramento and Washington DC. I thank everyone for the efforts they made to welcome and inform me.

I now know enough about us to report that the state of the California State University is strong, proud and aspirational.

What we do is simply remarkable - and California needs more of it. Our state needs one million more graduates by 2025 to enable the health of our economy. This need is enormous, and we must intensify our efforts to do our part to meet that need.

To this end, I will work with faculty, staff, campus and chancellor’s office leadership, students, alumni and Trustees to further invigorate our efforts on student achievement and degree completion.

The CSU will invest an additional $50 million in seven key areas designed directly to advance student achievement and high quality degree completion.

Achieving our ambitious goals will require a solid and sustained commitment from the people of the CSU – and it will also require investment by our public and private partners across California. But it will be done with our eyes on a collective goal: a strong, successful, and prosperous future – for our students, our communities, our state, and our nation.

**A Diverse and Profound University System**

Let me start where it all begins, and ends: our students.

There are so many important and different ways we can characterize our students. Suffice it to say they cover the spectrum of society on every imaginable descriptor… we are, in fact, the people’s university.

I’d like to comment on just one characteristic for a large segment of our students, and that is those coming from low income households. In analyzing our students enrolled in 2012-13, 145 thousand students have incomes in the lowest 20% of the income stratification (income less than or equal to $20,262).
Two weeks ago the White House administration met with 100 leaders in higher education to discuss increasing college opportunities for low income students. The California State University was front and center because we are an exemplar for the nation in this regard.

The national data (Isaacs, et al., 2008) are as shocking as they are unacceptable for a healthy society. If a person is born in the lowest twenty percent of income strata and does not earn a college degree, that person has a 5% chance of making it to the top twenty percent during their working life.

With a college degree, the chances increase almost four-fold (19%). To move up only one quintile the chance with a college degree is 84%, whereas only 55% do so sans degree.

When we recognize 39% of our headcount enrollment fits into this income profile, it increases the appreciation of the power of this 23 campus system in profoundly transforming lives.

On the campuses I had the honor of understanding the unique characteristics and strengths of each.

I learned of a range of innovative, meaningful, and relevant learning and discovery opportunities for our students. To highlight just a few:

- Focused educational programs – undergraduate, graduate and doctoral degrees and certificates – that attend to our state’s workforce needs and help employees remain relevant in an ever-changing economy.
- Applied research with heavy student involvement in laboratories, fields, clinics, studios and public schools along with scholarly and creative activity that supports classroom teaching and engages students, resulting in higher rates of persistence and degree completion.
- Service learning that engages students with the community to apply their knowledge and skills to real-world challenges and opportunities, better preparing them for the workplace but also helping the communities along the way.
- A growing and impressive array of online, hybrid, and flipped educational courses and options.
- The African American, Asian Pacific Islander, Latino, and Native American outreach initiatives that are unique to the CSU and the nation are profound. They highlight our efforts to serve those communities in partnership with members of the faith-based communities, cultural organizations, civic groups, as well as local school districts and community colleges. These efforts speak to increasing the access, achievement, graduation and employment of these historically underserved populations.

We should be proud that the CSU covers the long ground, taking students from the whole spectrum of academic readiness and helping them transform into dynamic leaders…change agents who are ready to improve California and the world, and to change it for the better.
We must remain focused on this learning and creative environment as “job one,” where students, faculty and the vital work of staff create a learning experience that embraces a heterogeneous student body and all of its members.

I am proud of what we do, whom we serve, and how much value we add to their lives and to the public good.

We are truly “first in class” in what we do.

**Internal and External Needs**

We owe a great debt to the architects of the “A Master Plan for Higher Education in California; 1960-1975” for who we are today – especially those of us who benefited from each level of California’s educational system.

But the Master Plan, now more than 50 years old, was written for students and society in another time. Our state’s population has more than doubled since 1960. Our student body at the CSU is almost five times what it was in 1960. Our state is pressed with changing needs and new challenges that the plan’s authors could never have imagined. That’s why we will be wise to assess our future through the lens of the Master Plan while understanding the need to bring it into the 21st century.

I must also mention that the CSU infrastructure is frayed in three vital areas: people, physical structures, and technology.

To be responsible stewards of this amazing university we are going to have to invest in all three areas to fulfill our mission of educating hundreds of thousands of Californians today, and in the decades ahead.

This observation shouldn’t be a surprise to you, as we have been navigating for quite some time in a sea of increased student demand, increased societal need, and doing so with decreased overall resources.

The recession didn’t start this, but it did accelerate the deterioration of our infrastructure.
From a structural facility standpoint alone, our buildings are aging and many in need of repair or replacement. Of our state-owned buildings, 48 percent are 40 years old or older. Indeed, the CSU’s deferred maintenance and capital renewal backlog approaches $2 billion, which includes almost $500 million in priority deferred maintenance.

On the student side, we are currently receiving the same amount of money from the General Fund in constant dollars that we did 20 years ago, and yet we are serving approximately 100,000 more full-time students than we did back then.

At the same time, we are facing a growing state need for residents with college degrees. The Public Policy Institute of California, among others, has estimated that our state will need about 60,000 more baccalaureate degrees per year to reach the goal of 1 million additional college graduates by 2025. And this goal was set to sustain our leadership in the knowledge based global economy in which we compete.

To meet this goal requires a rate of degree production that’s about 40 percent higher than current levels.

Given that we award nearly one-half of the state’s baccalaureates, that outcome weighs heavily on our shoulders in this university system. And given our state’s demographic realities, the CSU’s challenge and opportunity will continue to be serving those students who are often the most difficult to reach - working-age adults and Californians from low income households.

The demand for us is most certainly there. This year we received the largest number of applications we have ever received for fall 2014 admissions – a total of 760,000 applications from approximately 284,000 students – an increase of nearly ten percent from two years ago.

With the pressure of these demands both internally and externally, we cannot simply replace what we had in the past... we must redesign with a new focus on our greatest areas of need.

And that doesn’t mean rebuilding in the sense of replacing old broken windows lost with the economic storm with identical new ones. It means re-designing and revitalizing the core of our mission.

Our top priority must be to firm up our fiscal and policy commitments to access, persistence to degree, and degree completion – to improve the educational experience and degree attainment for all students, and to enable students to earn a high-quality degree in a shorter amount of time.

We simply must maintain a laser-like focus on student achievement and the forward-looking growth of this great state of California.

This vision for the CSU gives consideration to the enormous potential of our 23 campuses that I enjoyed visiting, the workforce needs of our state, and the demographic and preparedness characteristics of our current and future students. As a university system we shall provide design and policy principles to guide the campuses, yet we should embrace diverse approaches by the campuses – firm on goals and accountability; loose on means.
The Commitment: Student Achievement and Degree Completion

We have already made important progress in this direction. Our efforts in online learning, Associate Degrees for Transfer, and our Graduation Initiative have established a solid foundation for our work.

And the past 10 years have been the most productive since the CSU was created, with approximately 900,000 degrees granted. But we need to design innovative ways to do more and to harness the talents and resources of our partners.

The Graduation Initiative, which you’ll hear more about later today, includes strategies for improving access, persistence to degree completion, and graduation rates.

My vision is to energize this commitment to improve the graduation rate even further by refocusing the initiative around seven key areas that will facilitate student success and achievement and degree completion.

Toward this ambitious, difficult and essential goal we are committing a total of $50 million. For that investment we will work to improve the graduation rates over the next ten years for all categories of undergraduate students that start with us by 10%, and community college transfers by 5%.

We will also seek to achieve a better learning experience for students – it will be harder to quantify success here but it includes such high quality learning attributes as engaged, contextualized, rigorous and experiential.

And to those who ask about the cost of undertaking this project, I reply it is not a cost. It is an investment. The cost to California will occur if we don’t do it. The liability to California will occur with more unemployment costs, more costs for social services and the criminal justice system, and state revenue foregone because of lower wages.

For us to meet our state’s projected workforce need and help grow our economy, the revitalization process requires all of us to work together to contribute to this vision of student achievement and completion.
The seven key areas include:

1. **Tenure-track faculty hiring**: We are committing to appoint more tenure-track faculty in areas that matter most to California’s future, and begin to reverse the long-declining ratio of tenured and tenure-track faculty to lecturers.
   
   a. Why is this important? It is our outstanding faculty who go above and beyond to help students secure a meaningful future. Consider Matthias Selke, an accomplished chemistry professor at Cal State L.A. He has been extraordinarily successful in mentoring disadvantaged students who then go on to participate in young scholar training programs sponsored by the National Institutes of Health and National Science Foundation.

2. **Enhanced advising**: We will appoint more professional staff advisors on campuses to leverage the work already underway with e-advising technologies and current staff that give “real-time” advice for students.
   
   a. Why is this important? It can be a make-or-break issue for students like our Guardian Scholars who are former foster youth.

   Just ask Robyn Harney, a graduate of the Guardian Scholars program from CSU Fullerton, who stated, “When you grow up in foster care or in the court system, college can be difficult to navigate. The program is there to help you every step of the way with every issue you have. When you are in the program, you are never alone, which is something really meaningful to foster youth.”

3. **Bottleneck initiative**: We will expand investment to find more innovative solutions for bottleneck courses, to support more online concurrent cross-campus enrollment courses, and provide students with more choices for filling their schedules with courses they need when they can take them because of life’s other responsibilities.
   
   a. Consider Devon Graves, a political science major at Cal Poly Pomona, who cleared a hurdle thanks to the online concurrent enrollment program. He says, “I wasn’t able to clear an area from my general education requirements because I had an art requirement I had to meet and there weren’t enough sections offered or the times didn’t work with my schedule. With the implementation of the pilot concurrent enrollment program I was able to complete the requirements because a course was offered that fulfilled that area.”

4. **Student preparation**: We must invest more to help incoming first-year students attain college readiness before arriving on campus, and support under-served students by expanding Early Start. While this issue is not our fault per se, it is our problem.
   
   a. Why? Many young students are inspired by Victor Moreno, who arrived in the U.S. at age 14 with a limited knowledge of English. He went on to be the first in his family to go to college, received his bachelor’s and master’s degrees from CSU Channel Islands, and now works at Channel Islands as a Student Success Coordinator for Project ACCESO, where he helps under-served students in science, technology, engineering and math gain tutoring support, mentoring and encouragement.
5. **High-impact practices**: We will invest to accelerate implementation of high-impact practices that drive student achievement. This includes service learning, undergraduate participation in applied research, internships, study abroad, and first-year student learning communities that support persistence to degree completion. Why do we refer to these as high-impact practices?
   a. Engaged students persist at higher rates. Further, as Christina Gonzalez-Salgado, a Service Learning Coordinator at Cal Poly Pomona observes there is an additional community benefit: “All of our partners say, ‘Your students are wonderful. Send more. They’ve helped us look at things differently.’ ”

6. **Expand data-driven decision making**: We will expand data collection and data-driven decision making to improve the quality of our programs and implement programs that advance student success. Why is this important?
   a. To make the wisest decisions possible, they need to be evidence and data based, and often times we can’t access the information in a timely fashion on a campus or across the system…without making 23 phone calls.

7. **Bolster transfer degree completion rates**: Improve access and degree completion within two years by community college transfer students through a host of new strategies including admissions preference. Why?
   a. It’s a program that’s helped students like Ken Fitzgerald, who transferred from Shasta College to CSU Chico with the Associate Degree for Transfer and is pursuing a degree in organizational studies. He says, “I’d tell any first-year freshman at a community college to get into the Associate Degree for Transfer program right away because it’s so much easier than going in circles like I did at first. They’ll show you how to get from Point A to Point B. I was very happy with the program.”

   We’re going to continue to work with the California Community Colleges for the $5 million joint budget proposal to fund an outreach and marketing effort highlighting the benefits of the Associate Degree for Transfer and the CSU’s commitment to support transfer students.

It is critical that the resources identified for each of these seven key areas be thoughtfully, carefully, and efficiently deployed. We will benefit by proper consultation with faculty, staff and students, and use data to guide us in our decision making and investments so that we can leverage and expand these academic programs and support services in a manner that best promotes student satisfaction, student success, and degree completion.
**Moving Forward with Partners**

Moving forward with partners is the only way we can do this so we will be working hand-in-hand with them. Look for us to reach out further with policymakers in Sacramento and Washington DC, colleagues in P-12, community colleges, and the University of California, business and community organizations, our Trustees, faculty, staff and students.

We will also reach out to the public-at-large, because after all they are the ultimate shareholders - we will keep them informed of the outcomes from their investment, and the care we take as stewards of this remarkable university.

**Conclusion**

Let me finish by stating I could have spent our time today informing you of our most visible alumni, and the great work they do.

I could have, but didn’t stand before you today and recite the numbers, our CEOs, our legislators, our research funding, our economic impact and the successes of our alumni who are the titans of industry, agriculture, education, healthcare, high technology, aerospace, entertainment and hospitality, and public service, as impressive as that speech would have been.

Had I taken that approach, it would have been a disservice, because CSU is so much more, and in this way we are simply a unique, vibrant, and valuable institution on a large scale.

To make our state foundationally strong we also need more CEOs of community. And that too is what Cal State produces, a public good.

Sure, we have students who take longer than average to get a degree. And it is simple to read off that statistic and be concerned.

We will indeed do better with degree completion – I probably said so 50 times already this morning. But dive deep and meet the students and communities who I met, and you’ll find that student who is a single parent, working two jobs, and taking classes whenever possible.
That student is the CEO of that household, and earning a degree makes more of a difference in that person’s household, street, and community than anything. Let alone the inspiration of that student’s sacrifice and effort on his/her children.

And that’s what makes Cal State truly unique. Our public good.

Yes, we are a private good for that single parent and all others who carry life’s full set of responsibilities while being a student. But we’re a public good to her children, neighbors and state. Indeed, we serve the wide and brilliant swath of California’s fabric.

We are here to give students across the spectrum of ages… whether they are poor, first in the family to venture beyond high school, or one who has no family… the opportunity to impact his or her life and the lives around them.

Our faculty, staff, students and supporters are here because of our public mission. We care about the public good of the university through the success of our alumni and our overall economic and social impact.

We care about the impact we make in the individual lives of our students, but know that impact is only the first ripple in the pond of their community. This year our 44,000 faculty and staff will impact the lives of more than 437,000 students. And when June comes, we celebrate the achievements of 100,000 graduates. We celebrate not only because of the difference we have made in the individuals; we celebrate because of the difference we have made in the communities they call home.
And we do so proudly because we are the California State University, a public good worthy of public and private investment, and we produce the graduates that are needed to lead and improve the quality of life for all peoples in this state of California and this nation.

Our university system was founded with a clear and important vision.

Going forward, we must both lead and adapt to societal change. We need to respond to our state’s need for more graduates with a strategic re-design and revitalization of our mission and goals.

We will move forward with a strong mission and goals for student achievement and high-quality degree completion – and we’re committing to invest $50 million in new resources on that priority alone.

While the mission and goals we have outlined are ambitious, they are also both essential and truly achievable. And as we embrace the pathway forward, we urge our Trustees, policymakers, fellow educators, and the public to stand with us…in support of the students of today and tomorrow.

I look forward to continuing our journey together.

It is not back to the future.

It is our future. It is the future. And it will be our legacy.

Thank you very much.