

## **AGENDA**

### **COMMITTEE ON EDUCATIONAL POLICY**

**Meeting:**     **1:15 p.m., Tuesday, March 20, 2012**  
                  **Dumke Auditorium**

Debra S. Farar, Chair  
Carol R. Chandler, Vice Chair  
Roberta Achtenberg  
Bernadette Cheyne  
Steven Dixon  
Kenneth Fong  
Margaret Fortune  
Steven M. Glazer  
Melinda Guzman  
William Hauck  
Linda A. Lang  
Bob Linscheid  
Peter G. Mehas  
Lou Monville  
Glen O. Toney

#### **Consent Items**

Approval of Minutes of Meeting of January 24, 2012

#### **Discussion**

1. Update on SB 1440: Student Transfer Achievement Reform Act (STAR), *Information*
2. Cal State Online: Start Up, Status and Vision, *Information*
3. Digital Textbooks: The California State University's Affordability Strategy for Student Success, *Information*

**MINUTES OF MEETING OF  
COMMITTEE ON EDUCATIONAL POLICY**

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

**January 24, 2012**

**Members Present**

Debra S. Farar, Chair  
Carol R. Chandler, Vice Chair  
Roberta Achtenberg  
Herbert L. Carter, Chair of the Board  
Bernadette Cheyne  
Steven Dixon  
Kenneth Fong  
Margaret Fortune  
Steven M. Glazer  
Melinda Guzman  
William Hauck  
Linda A. Lang  
Bob Linscheid  
Lou Monville  
Glen O. Toney  
Charles B. Reed, Chancellor

Trustee Debra S. Farar called the meeting to order.

**Approval of Minutes**

The minutes of November 15, 2011, were approved as submitted.

**Graduation Initiative Update**

Trustee Debra S. Farar stated that President Barack Obama called upon the nation to increase the number of college graduates by 10 million by 2020. As the most populous state, California has a substantial role to play in the goal to increase college graduates. The CSU's Graduation Initiative is critical to that success, and in particular, in increasing the number of underrepresented minority students obtaining degrees. She introduced Executive Vice Chancellor and Chief

Academic Officer Ephraim P. Smith and Director of Academic Technology Jeff Gold to present the report.

Dr. Smith reminded the board that the CSU strives to raise the freshman six-year graduation rate by eight percentage points by 2015, and cut in half the existing gap in degree attainment by CSU's underrepresented students, also referred to as URMs. This translates to an increase in graduation rates from 46 percent to 54 percent, and a reduction in the achievement gap from 11 percent to 5.5 percent. All 23 campuses are involved in the effort. They have established graduation targets comparable to the top quartile of the national averages of similar institutions. CSU campuses already in the top quartile have committed to increasing their rates an additional six percentage points. Each campus has assembled a Graduation Initiative team to focus on achieving the campus goals, and the Chancellor's Office also established a core team to support campus efforts.

Mr. Gold presented a PowerPoint detailing progress the CSU system has experienced the last two years. The baseline is the 2008 first-time full-time freshmen retention rate, the year before the initiative began. Seventy-six percent of the underrepresented minorities (URMs) were retained from 2008 to 2009, while 82 percent of the non-URMs were retained. Moving to 2009, the year the initiative began, 79 percent of the URMs were retained, and 84 percent of the non-represented minority students were retained. Sustained progress is evident in the second year retention rate. In 2008, for URMs, 67 percent were still enrolled, with 73 percent for the non-represented minorities. The second year retention rate in 2009 showed that 71 percent of unrepresented minorities were still enrolled while 75 percent of non-represented minorities were enrolled. This indicates the CSU campuses are on the right track. Even though the Graduation Initiative focuses on freshmen, given CSU's commitment to transfer students, Mr. Gold said the campuses are focusing on that population as well. He said the transfer graduation rate is 73 percent, with a 3 percent achievement gap.

The CSU is part of the national coalition *Access to Success* with 15 other university systems that focus on freshmen retention rates. The CSU campuses are focusing on closing the achievement gap between URMs and non-underrepresented students. Mr. Gold cited programs at both CSU Fullerton and CSU Long Beach with mandatory orientation and peer mentors. The Chancellor's Office is creating a "data dashboard project" to track what programs and policies are working.

Trustee Melinda Guzman asked that the next initiative update include Early Start activities that the campuses are engaged in, since she said there are statistics that show how successful students are in their first year if they participate in those programs. She also asked if the system could quantify how much is spent in achieving the current successes.

### **Update on SB1440, the Student Transfer Achievement Reform Act**

Dr. Smith said progress is being made with the community colleges. He thanked the CSU's Academic Affairs staff and the Academic Senate for dedicating considerable time making

inroads with the CSU campuses and the community colleges to increase the number of similar programs acceptable to both systems.

Eric Forbes, CSU assistant vice chancellor for student academic support, updated the trustees on progress using a PowerPoint. The CSU and the community colleges have agreed on a tagline – “A degree with a guarantee,” and a logo. Both will be used in communicating to students and campuses. Additionally, a website has been created that will be released when ready. Other collateral materials are under development. Interest is high in the transfer program, Mr. Forbes said, with CSU Mentor receiving more than 10,000 applicants claiming completion of an AA transfer degree in only five possible programs: communication, psychology, sociology, mathematics and criminal justice. He estimated that only 1,000 may complete the AA transfer degree as they claim to have done so on their application. The CSU will be notifying these students by email about “petitioning” for the AA transfer degree at their respective community college. The deadline to petition is February 15. Each community college has promised to respond to students in writing by March 15, and then the students will forward those responses to CSU campuses for verification to complete their admission determination.

He also presented a chart showing the January 2012 Transfer Model Curriculum (TMCs), which showed significant improvement since the last report in October 2011. No TMC is below 60 percent and most are above 70 percent; the CSU has identified 272 matches out of a possible 325, which is an average compliance rate of 84 percent. Psychology, sociology, communications and mathematics are leading the program development as they were the first approved TMCs. While 19 CSU campuses have determined the English TMC to be similar, there is only one approved English AA Transfer Degree in the community colleges.

Trustee Bob Linscheid asked about the impact of the California Community Colleges (CCC) Board of Governors’ recent approval of a policy on student success requiring students to declare a path to graduation when they enter community college. He asked how that could impact the number of students transferring to the CSU for a bachelor’s degree. Mr. Forbes said the CSU supports the CCC’s new student success policy because community colleges will be in a position to fulfill that part of SB 1440 which says that students can complete a program in 60 units. Currently, students go to a community college and they often engage in too much exploring and do not get the needed guidance. Subsequently, they transfer to the CSU with the same high number of units that they have always transferred - between 60 and 70 units or more - because they are not finding their pathway to a program.

Trustee Melinda Guzman said that since many community colleges have not yet approved programs, she was concerned how that will impact the February 15 deadline for students to petition. Mr. Forbes said that the CSU hopes the CCCs will find a methodology to allow students to participate after that deadline. He imagined that if the student went in on February 16 that the community college would review the petition, which provides an evaluation to examine their credits to assure they are on track to complete the transfer degree. Since this is the first time this is happening, the CSU hopes those students will receive a report indicating they are on track or

not. That report will be sent to the CSU for verification. Once they are verified candidates for a degree, the CSU campuses will be able to give them a bump in admission priority. The CSU's outreach staff will be sensitive and aware of what is occurring with community college students who are transferring under SB 1440 for the first time. Trustee Guzman also expressed concern about the tagline "Degree with a Guarantee." She said with the current budget climate she was concerned that the CSU might not be able to keep that commitment to students.

Academic Senate Chair James Postma said it has been frustrating not getting more TMCs from the community colleges. He hopes for more, particularly kinesiology and early childhood education. Other than those areas, very little has been accomplished despite the community colleges being in charge of the process. The CSU is calling for a February meeting to get movement on the issues, including e-transcripts to help facilitate these degree evaluations. The CSU does have a strategy for tackling the STEM disciplines which may even go beyond what SB 1440 called for, since many of those programs require more than 120 units.

Trustee Carol Chandler asked about opportunities for outreach to the local community college boards because they have ultimate control over the districts. She suggested a "bottom-up approach" in which the CSU sends local campus representatives to the boards to encourage a commitment from them. Chair Carter asked about any community college districts that are exemplary in their responsiveness so that the CSU could share that information.

Mr. Forbes cited community colleges in Arizona as an example. They have "areas of emphasis" rather than by program, which means that preparation is general - students complete an AA transfer degree in science, and then possibly qualify for a series of majors in the CSU based on that community college preparation. He said that approach has not yet been supported in the CCCs but that the CSU sees it as a possible solution for the STEM programs. He spoke of reverse degree programs in which students leave the community college, go to a four-year institution and when they complete the requirements at the four-year institution, the former community college grants the AA transfer degree. While there are other models for how the CSU and the CCCs can work on transfer issues, both systems have committed to the TMC model. There also is the "local" issue, in which local community colleges and local CSU campuses want to build something that works in their local communities, given the fact that the majority of students, 70 to 80 percent in many areas, go to their local CSU. Additionally, Mr. Forbes said there is new legislation that supports electronic transcripts. He mentioned that Los Angeles Pierce College now delivers electronic transcripts. He believes there are 25 CCC campuses participating and soon that will increase to 41 out of the 112 CCCs. All of the CSU campuses can receive electronic transcripts except six, and the Chancellor's Office is working with them to encourage adoption.

Trustee William Hauck asked CSU Chancellor Reed if he could ask the CSU presidents to bring the community college leadership in their areas together informally and have a discussion to accelerate the process. Chancellor Reed said that he will talk with CCC Chancellor Jack Scott.

Then he will ask the CSU presidents to meet with their local community colleges. Chancellor Reed will then report back to Chancellor Scott and the board after the meetings have taken place.

### **Enrollment Considerations for 2012-2013 Fiscal Year**

Dr. Smith began the discussion with a PowerPoint presentation demonstrating applications, enrollment timelines and campus processes to admit students. He said the projected total full-time equivalent (FTES) for 2011-2012 is 340,000, which is above the budgeted number. The record number of undergraduate applications for fall 2012 is 665,860 compared to 513,448 in fall 2011, a 30 percent increase in 5 years. The number of African American applicants is up in 2012, but the percentage is lower than in 2011. The white/Caucasian applications show a similar pattern. Hispanic/Latino applications in numbers and percentage increased in 2012. Fall 2012 transfer applications were lower than in 2011. Because the community colleges also are impacted by the state budget crunch, he surmised that students are not able to get the classes they need to transfer to the CSU. Additionally, spring admissions cycles have been erratic the past few years, from a complete closure in spring 2010 to growth in spring 2011. Those extremes resulted in swings in applications the following fall. Thus far, spring and fall 2012 are fairly normal. The majority of undergraduate students who were denied application to their first-choice CSU went to another CSU or other California public or private university or out-of-state rather than to a for-profit university.

Mr. Forbes explained the complexity of CSU enrollment processes with nearly 700,000 applications for the campuses to consider between January and June. Changes in any fall admission cycle should be defined before the receipt of applications - by August/September of the prior year. The ratio of applications between fall and spring is roughly 10:1 (700,000 for fall and 70,000 for spring). The last year for Compact funding for enrollment growth was 2007-2008 but interest in attending a CSU campus for freshmen and transfers continues to grow. This lack of funding plus continued demand equals the need for "impaction." Impaction means that campuses may employ supplemental admission criteria above the CSU standard because they receive more eligible applications in the initial filing period than they can serve. The number of impacted campuses has grown. Currently, there are four campuses impacted in all majors; 12 are impacted at the campus level for freshmen; 11 are impacted at the campus level for transfers.

Looking at admission cycles, Mr. Forbes said the effect of a spring admission cycle is less than 10 percent of the overall target objectives. Spring enrollment is buoyed by the larger continuation rate from fall to spring and not as much by the new admits. Fall enrollment is significantly affected by new admits as well as by the continuation rate from spring to fall. While it makes sense for budget purposes to think in terms of a single college year (fall and spring), this approach is not sufficient for good enrollment management and the CSU need to think in multi-year terms. What occurs in a fall cycle will have consequences not only for the college year but for subsequent college years as it impacts the number of continuing students. Spring admission is not sufficient to bring down enrollments by any more than the limited number of admits for that term. Managing enrollment is a fall-spring-fall exercise, not just fall-spring; continuity is the issue.

CSU Fresno President John Welty said that central California has lagged the state in the college-going rate and the educational attainment rate. They have formed the Central Valley Higher Consortium involving area universities and community colleges with the purpose of increasing the college-going rate as well as the ability for students to transfer from one system to the other. They have created similar partnerships with the local school districts. Fresno State has increased the number of applications to the campus by 66 percent the last three years, and increased the number of enrolled students by almost 40 percent. If the CSU cuts enrollment the campus will have to tell those students and families that “we are very sorry you worked so hard, but we do not have a place for you now.” Instead of attempts to increase the educational attainment level which is necessary to transform the economy and reduce area unemployment, it will go the opposite way, especially for underrepresented students. It is important that campuses not turn around the momentum that has been built in the central valley.

CSU Dominguez Hills President Mildred Garcia said that restricting enrollment of students and especially students of color goes against the CSU mission and is devastating for students and the state. Many of these students have done what is required to enter the CSU, and know that if they become CSU-eligible, they have been promised a seat at a campus. Not only is the campus at an all-time high in enrolling students, it is retaining and graduating more students, sending educated, diverse students into the workforce and graduate school. Approximately 84 percent of CSUDH students receive some form of financial aid and 63 percent receive Pell Grants, which means when admission is limited, they do not have the luxury of attending out-of-state institutions. Because the community colleges also have budget problems and cannot serve these students, the CSU will close its doors to the very individuals who need the opportunity of access the most. She stressed that it is time to let the elected officials know that the CSU will not abandon its underserved students, and that access and excellence must remain the number one priority.

Trustee Guzman asked how many transfer students would have been accepted had the applications been higher. Dr. Smith said a certain percentage, adding that the CSU currently has 15 impacted campuses at the upper-division level, and most likely will have to add three more campuses to that list in the next 12-18 months, which means there will be even less room. Bringing in more applications if there are no available seats would mean turning away more eligible students. Trustee Margaret Fortune asked Presidents Welty and Garcia about how the CSU can keep its promises to students in this fiscal environment. President Welty said the CSU needs to develop a long-term enrollment plan and do the best to stick with that plan so that campuses can say to students that there is some predictability about how many seats will be open and available, which means that the state is to be a part of that partnership similar to the Compact. President Garcia thanked Chancellor Reed for bringing the presidents together to be more focused as a system to create a structured enrollment management plan that will put in place what will make students successful and graduate.

Trustee Monville asked about the specific language of SB 1440 and admitting students if the CSU does not have capacity. Mr. Forbes said the bill required that the CSU guarantees them

admission, which is why the word “guarantee” is the new tagline. The CSU cannot deny an AA transfer degree student. A place must be found for them, but not necessarily to the campus of their choice. Trustee Monville said because of that, the CSU must focus on the enrollment of first-time freshmen because that is where the system has some flexibility. However, freshmen are the most diverse and underrepresented so the system needs to be aware of that.

Trustee Hauck asked about getting the Los Angeles basin and Bay area campuses to come up with a kind of dual enrollment where students could be enrolled at more than one CSU campus at a time. He said it might be difficult administratively, but the system needs to think about different ways because the foreseeable future for the CSU financially, even if California's economy starts to come back, will still be dreadful. President Garcia said there is something similar with the universities in Arizona and that is something that the presidents will look at as a system. CSU Los Angeles President James Rosser said several CSU campuses are entering into 2 plus 2 plus 2 programs that are partnerships with the community colleges, and that there is shared resources in terms of advisement and counseling. They also have a 2 plus 2 plus 2 relationship with the Los Angeles Unified School District.

Chair Carter said the system is not likely to see any changes in the CSU's fiscal problems in the short-term. He asked if the campuses are doing everything they can with current resources to begin to handle the enrollment challenges, including using the facilities 24 hours, seven days a week; more online learning; and new ways of teaching and learning. He asked the presidents to “unleash the creative and innovative thinking about how we collectively can begin to engage this issue.” He said that the CSU must be able to educate the new, young majority of minorities in this state so that they become productive citizens in terms of an enlightened and education citizenry that makes democracy work. CSU Chico President Paul Zingg said campuses focus on two things which the chancellor and the presidents established years ago: (1) the success and the learning of CSU students and (2) protecting the CSU workforce. The CSU has shown increased continuation rates and average course loads by students. This progress to degree reflects the commitment of resources and the willingness of everyone on the campuses, including the faculty who take an extra one or two or three students into their already crowded classrooms, to ensure that progress to degree is the critical important measurement of our commitment.

Trustee Steven Glazer said limiting enrollment goes contrary to what the CSU is all about so he supported Chair Carter's remarks on looking for more efficiencies. He said the enrollment management discussion is important because of the need to convince the public about what is at stake with enrollment restrictions. He said if the trustees have to make difficult choices in terms of quality, tuition or enrollment, all those issues need to be thoroughly vetted. The challenge is how the board does that under time constraints that the governor's budget creates, the lag time for staffing and tuition notices, and what is said to students when there is no room. “No one wants to limit enrollment, no one here would make that a first, second, third, tenth choice about what the CSU should be about, yet how do we as trustees make good choices in difficult circumstances in the road ahead.”

Trustee Farar adjourned the meeting.



## **COMMITTEE ON EDUCATIONAL POLICY**

### **Update on SB 1440: Student Transfer Achievement Reform Act (STAR)**

#### **Presentation By**

Ephraim P. Smith  
Executive Vice Chancellor  
and Chief Academic Officer

Ken O'Donnell  
State University Associate Dean  
Academic Programs and Policy

#### **Summary**

Since the January 2012 meeting of the California State University (CSU) Board of Trustees, faculty leadership from the California Community Colleges and CSU have published an additional template for transfer associate degrees, a Transfer Model Curriculum (TMC) in the discipline of music. CSU campus faculty now are reviewing the TMC in music to determine whether a student who holds such an associate degree could complete the locally offered baccalaureate within 60 semester units (or the equivalent in quarter units) after transfer.

Music is the 17th template developed under the voluntary TMC system. At the February meeting of the intersegmental Oversight and Implementation Committee (co-chaired by CCC Executive Vice Chancellor Erik Skinner and CSU Executive Vice Chancellor Ephraim P. Smith), committee members discussed the optimum number of TMCs in total. At least 25 will be developed, covering the most popular majors and the vast majority of California transfer students. Subsequently, individual institutions will be permitted to create and recognize local STAR transfer degrees.

The 16 TMCs published as of the January board report continue to be adopted. The community colleges now offer more than 300 associate degrees for transfer, all based on TMCs. The CCC Office of the Chancellor recently surveyed the segment's 112 colleges and found that most plan to develop additional two-year degrees, all following the TMC model that CSU campuses are asked to accommodate.

All 23 CSU campuses can accommodate most of the TMC-based associate degrees for which corresponding academic programs exist at the receiving CSU campus. For 10 CSUs, the compliance rate is 100 percent. No CSU compliance is below 50 percent, and all are moving toward 100 percent, with nearly all the remaining work expected to be finished by the end of this academic year.

Implementation of the law continues to face two challenges presented to trustees previously. First, although CSU campuses are prepared to award admission priority to transfer applicants holding STAR associate degrees, the CCCs are not able to verify which of their students are about to earn the degrees. This authoritative confirmation in advance is critical, because offers of transfer admission are made *before* the two-year degrees are conferred and posted. Currently, the CSU is asking candidates to self-report, and the vast majority of applicants who say they hold a STAR degree do not. As a result, both segments are involved in labor-intensive, student-by-student verification of the degree claims made on CSU applications for admission.

The CCC is aware of this challenge and is working to implement electronic transcribing and automated degree audit, which would provide the CSU with the verification it needs. Work on this front has been slow.

The second challenge facing implementation of the law is one of communication. The student who holds a STAR associate degree for transfer will enjoy real advantages in terms of academic preparation, admission priority and required units after transfer. However, these advantages are hard to summarize in concise, engaging marketing materials. Moreover, the messages need to be reinforced by counselors at the state's high schools and community colleges, many of whom remain skeptical of the degrees' value. Effective marketing is not a statutory requirement under the STAR Act, but without it the state will not realize the large-scale efficiency and savings anticipated by the legislation's supporters. The Implementation and Oversight Committee will hear a report on communication efforts at its April meeting.

## **COMMITTEE ON EDUCATIONAL POLICY**

### **Cal State Online: Start Up, Status and Vision**

#### **Presentation By**

John Welty  
President  
California State University, Fresno

Ruth Claire Black  
Executive Director  
Cal State Online

#### **Summary**

The Cal State Online initiative began in 2010 as an online learning initiative sponsored by the California State University (CSU) Technology Steering Committee (TSC). It focused on addressing California's expanding workforce needs and increasing access to high-quality online education programs for students. Since its inception, the initiative has followed a broad-based, consultative process. The process has included a CSU online working group composed of Distance Learning administrators, faculty and representatives of the Statewide Academic Senate. In 2011, the CSU Online working group contracted an outside consulting firm to conduct a detailed analysis of online learning at the CSU. The consultants held meetings with a significant number of CSU constituents and advisory groups, and conducted interviews with hundreds of faculty, students and administrators at several CSU campuses.

Following the consultant's work, the TSC developed an online overview document articulating 10 guiding principles for the Cal State Online initiative:

1. The project is a coalition of the willing and participation is optional
2. Compensation, recognition, training and support for participating faculty
3. Equal access for students (sufficient financial aid will be provided to allow online options to be accessible to all)
4. The program will focus on comprehensive and world-class student services to support excellence in curriculum and teaching
5. Online course offerings will leverage the physical infrastructures of the CSU campuses
6. Prices will be competitive in the higher education online market
7. Online courses will meet or exceed the quality standards of CSU face-to-face courses
8. The CSU Online technology infrastructure will be flexible and adaptable

9. Business processes will enable creativity and innovation and will be nimble, adaptable and responsive
10. Existing degree programs and resources will be leveraged wherever possible

In addition to the 10 guiding principles, the TSC outlined a tactical entrance into systemwide online program offerings by focusing on areas in which CSU campuses already are strong and proficient. Accordingly, the TSC recommended that Cal State Online focus on two areas for initial roll-out: (1) the approximate 50 fully online self-support programs that currently exist throughout the CSU system, and (2) the presentation of two or three degree completion programs in an effort to enhance workforce development. Initial funding for the project was secured in late 2011 when each CSU campus provided \$50,000 in seed funding. In late 2011, the TSC steering committee hired Cal State Online's founding executive director and Chancellor Charles B. Reed appointed the Cal State Online board.

Applying the 10 guiding principles and the tactical focus to begin with existing programs and degree completion programs, work is now underway to implement the project's vision and educate the larger CSU community about Cal State Online. In late February an open letter to the CSU community giving stakeholders and interested parties an overview of the Cal State Online project was circulated. Parallel to the dissemination of the letter, a draft Request for Proposals (RFP) for a comprehensive suite of online services that will comprise the backbone of the project was circulated. The RFP asks vendors to describe and price the requested services and also solicits vendor start-up funding for the Cal State Online operation. The RFP will be issued after the CSU community has had the opportunity to comment on the proposed RFP. Open forum calls are being set to invite discussion and comment from the university community on the project and the RFP. Cal State Online has debuted a comprehensive website ([www.calstateonline.net](http://www.calstateonline.net)) committed to open and transparent communication about the initiative. It also facilitates comments and feedback on the initiative and the RFP.

In summary, the consultative process is expected to conclude in late March, the RFP for online services is expected in April and vendor submissions will be reviewed in May. By summer 2012 vendor partners should be identified and a launch timeline for the initiative will be finalized.

## **COMMITTEE ON EDUCATIONAL POLICY**

### **Digital Textbooks: California State University's Affordability Strategy for Student Success**

#### **Presentation By**

Gerry Hanley  
Senior Director  
Academic Technology Services

#### **Background**

Digital textbooks are a key component of the California State University's (CSU) Affordable Learning Solutions (AL\$) Initiative to drive down the cost of quality learning resources for students, while offering greater access to quality no- or low-cost academic content for faculty (<http://als.csuprojects.org>). The CSU is proactively engaged with the publishing and technology ecosystem to shape the design through delivery of the next generations of teaching and learning solutions for higher education that will maximize the learning outcome benefits for students.

The rapidly changing digital technologies marketplace creates significant challenges. The CSU has exercised its market presence and recently announced agreements with major digital textbook distributors to:

- Provide the CSU with access to digital textbooks that students can choose to rent for 60 percent off the publisher's price of more than 5,000 new print textbooks.
- Provide the CSU its technology roadmap for improving the accessibility of products and services, resulting in the improved access to more affordable content to students with disabilities.
- Work collaboratively with the CSU to provide marketing and professional development services that increase faculty and student awareness and enhance their comfort and skills in using the lower-cost digital rental options associated with publishers' textbooks.

#### **Shifting From Print to Digital Textbooks**

Textbooks have and continue to be a foundation of the academic content faculty and students use in their teaching and learning. Textbook content has moved to digital formats and is producing significant opportunities for saving students money and improving the learning opportunities. Digital textbooks are available from many producers:

1. **Publishers' Digital Textbooks** typically cost 45-55 percent less than the retail price for new print textbooks.

2. **Open Textbooks** are free, delivered on the web. CSU's MERLOT (Multimedia Educational Resource for Learning and Online Teaching at [www.merlot.org](http://www.merlot.org)) has over 2,000 open textbooks across a wide range of disciplines.
3. **Library eBooks** are free to students, delivered through CSU library technologies. The CSU libraries' eBook projects use innovative methods to purchase eBooks that have a real demand by CSU students, faculty, and staff (i.e. Patron Driven Acquisition).
4. **Faculty Authored Digital Textbook** are created and distributed either free or at a significant discount to students.

The move from print to digital textbooks offers the promise of significant one-time cost savings for students; the student moving from print to a publisher's digital textbook can save approximately 50 percent, although the following semester, the savings to another publisher's digital textbook will likely be minimal.

### **Digital Textbooks Live in a Technology Ecosystem**

A student's use of a digital textbook is dependent upon complex layers of technology and business services that are dynamic and fragmented in the current market.

- Publishers produce their content in a variety of file formats (e.g. PDF, HTML5, ePub, Flash, etc.) for rendering and protecting their intellectual property
- Technology companies deploy a variety of operating systems for personal computers, tablets and mobile phones for enabling different eReader applications
- Universities deploy a variety of operating environments (e.g. learning management systems, bookstore portals, library management systems) for distributing academic content.
- Universities choose different eReader applications based on the corporation running their bookstores (e.g. CourseSmart eReader, CaféScribe eReader(Follett), NookStudy eReader (Barnes & Noble))
- Students and faculty choose different devices to consume the different academic content (e.g. desktop computer, laptop computer, iPad, Kindle, iPhone, Blackberry, Droid, etc.)

The technology marketplace is highly competitive and each layer of services will mature and change as people choose the options they prefer most. The CSU is playing an active role in the marketplace by shaping the demand for the technologies that best serve our diverse needs.

### **Different Types of Digital Textbooks**

Digital textbooks can use technology to create an enriching, interactive learning experience. The digital textbook functionality is rapidly developing, resulting in a fragmented market. Below are some general categories of digital textbooks.

- **“Static” Content Digital Textbooks**
  - “Browser ebooks” or “Reading on Glass”: library ebooks, some open textbooks and Google books; many web browser books.
  - Customized Composition: Companies such as Academic Pub, McGraw Hill Create, and some open textbooks (e.g. Flatworld Knowledge) enable people to take sections of digital textbooks and combine them to create a custom publication.
- **“Statics Content + Interactive Wrapping” Digital Textbooks**
  - Basic “Wrapping”: The digital textbook begins with a publisher’s static content and then adds the capabilities for people to highlight the text, add their own notes and bookmarks, and search for key words with an eReader application. Companies providing these eReader basic wrapping services include CourseSmart, Café Scribe, NookStudy, Vital Source and Kindle.
  - Premium “Wrapping”: The digital textbook begins with the publisher’s static content and technology companies’ eReaders then add basic wrapping and more complex interactivity and supplemental authoring tools for students and faculty to create a more personalized learning/teaching resource. Companies providing these eReader – premium wrapping services include Kno, Cengage Brain, Inkling.
- **Dynamic Content Digital Textbooks**
  - Publisher Premium Products where the content is designed as a set of interactive tutorials which can adjust to the students’ learning needs. The “digital textbook” is redesigned for the individual learning needs of the student as the student learns. Companies providing this type of dynamic content include Pearson MyMath Labs, Wiley Plus, and ALEKS.
  - Customized composition of dynamic content by faculty enable faculty to choose the scope and sequence of tutorials and create customized, interactive course materials. The recent CSU-NATURE partnership that produced the NATURE Principles of Biology is an example of a custom composition of dynamic content, providing students an exceptional course material for \$35 that is customized by CSU faculty. Xplana is a company that enables faculty to compose custom “coursepack” of dynamic (and static) content.
  - Faculty author dynamic content using a variety of proprietary and open authoring tools including SoftChalk, Apple iBook Author, and Pachyderm. These digital textbooks can be distributed as open textbooks or can be sold through various distribution companies (e.g. CourseSmart, Café Scribe, etc.).
  - Faculty author dynamic content through the use of companies that provide professional instructional design services. The company Soomo produces interactive digital textbooks for a low cost per student when the faculty provides the content for the digital textbook.

### **The CSU's Digital Rental Program**

The CSU has significant opportunities to leverage market presence and shape the market demands in a very dynamic and competitive digital textbook market and technology ecosystem. As an example, the CSU has exercised its market presence and recently announced agreements with major digital textbook distributors, CourseSmart, Follett, Barnes & Noble. The corporations signing the agreement are existing campus partners for delivering digital textbooks.

- CourseSmart delivers digital textbooks produced by all the major publishers. CourseSmart currently delivers digital textbooks to CSU campuses that have independent bookstores.
- Follett, through its Café Scribe services, delivers digital textbooks produced by all the major publishers (and more). Follett currently delivers print and digital textbooks on many of our contracted bookstores.
- Barnes & Noble, through its NookStudy services, delivers digital textbooks produced by all the major publishers (and more). Barnes & Noble currently delivers print and digital textbooks on many of our contracted bookstores.
- Cengage Learning is a major provider of academic content for higher education.

The CSU's broader Affordable Learning Solutions (AL\$) Initiative has been guided by 3 principles: Choice, Affordability and Accessibility. The CSU Digital Rental Program is part of a much larger service to make it easier for faculty to find free and low-cost options for their course materials. The AL\$ website (<http://als.csuprojects.org>) is a major step in bringing the range of more affordable academic content to one, easy to explore place that is open to all. The recent agreements on digital textbooks reflect these principles.

#### **CHOICE:**

The CSU's Digital Rental Program has been designed to make it easier for faculty to find the textbooks of their choice from a wide variety of publishers that will provide a digital rental option at a 60 percent discount for more than 5,000 digital textbooks so students can choose this format, alongside the print rentals, used textbooks and new print textbooks.

#### **AFFORDABILITY:**

If one-third of CSU students decided to choose ONE digital rental over a new \$100 print textbook each semester, students will save almost \$17 million dollars. Our research, based on 3,000 CSU students across five campuses who used digital rentals for one semester, indicated that one-third of students prefer a digital textbook, one-third are neutral and one-third do not prefer a digital textbook. This research was conducted by a CSU faculty member with expertise in instructional technology. The percentage of digital textbook titles sold by CSU bookstores is approximately one percent. With 33 percent of CSU students preferring a digital textbook and only one percent of the titles sold are digital, there is a significant unmet demand by students for



the affordable digital format. The collaborative marketing and professional development programs will help provide those that want the affordable digital textbook to be able to choose it.

### **ACCESSIBILITY:**

There are gaps in the accessibility of the eReaders used with digital textbooks. The CSU agreements will lead to the improvement of the accessibility of eReaders for all students on all campuses. Each year, the CSU will be reviewing partners' plans and progress in improving the accessibility of their eReaders. Their progress will be a key consideration in renewing the agreements.

### **CSU Affordable Learning Solutions Strategy**

As the CSU continues to develop and implement various programs to deliver a choice of quality academic content that's both affordable and accessible to our students, work will continue on all layers of the Affordable Learning Solutions strategy.



The Digital Rental Program for digital textbooks is focused on developing demand and creating capabilities to enable the convenient adoption and delivery of quality, affordable digital textbooks for both students and faculty.

**CSU East Bay** is “enabling ecosystems” with their plans for providing cohorts of students a tablet device that contains the complete set of their course materials in digital format, in cooperation with their Follett bookstore. At the same time, CSU East Bay is testing a different business model by using student fees to contract for discounts on the students course materials. Over a four-year period, CSU East Bay plans to have all required course materials delivered to students as print rental or eTextbooks. The institutional commitment to purchase all course materials will result in all students having immediate access to their required course materials and paying about 50 percent less than if they purchased print textbooks. The program has three elements:

- Institutional fee to cover cost of all students' course materials

- Accelerating use of eTextbooks and print rentals to reduce costs
- Electronic eReader device to provide equal access to eTextbooks for all students (The expected cost for the electronic eReader device is a one-time fee of approximately \$500)

Projected Savings for full-time CSU Eastbay Students

Current cost for all required course materials:	\$1,250 per student per year
<u>Projected cost for all required course materials:</u>	<u>\$ 670 per student per year</u>
Projected savings for all required course materials:	\$ 580 per student per year

**Collective Savings for All CSUEB Students:                      \$4,241,250 per year in 2016**

**CalStateTEACH:** CalStateTEACH is a systemwide K-12 teacher certification program which provides students with a digitized curriculum. In partnership with Pearson Education, all textbooks have been converted to eTextbooks and are preloaded onto iPads, which students receive upon enrollment. By providing the iPad to students, there is also no need for a separate video camera for the teaching performance assessment that candidates complete. Original costs for the hard-copy books and camera totaled \$1,800 per student. By going digital, students now get all materials for a one-time fee of \$1,000. Currently, there are 600 students paying 56 percent less, for a savings of \$480,000.

**CSU Fullerton's** iPad initiative which provides faculty the iPad device, training and support to use the iPad in a wide range of academic situations, is another example where leadership and policies are enabling significant changes in the educational ecosystem.

In summary, the CSU is a national leader and innovator in designing and delivering affordable solutions for CSU student success. We are proactively engaged with the publishing and technology ecosystem to shape the design through delivery of the next generations of teaching and learning solutions for higher education which will maximize the learning outcome benefits for our students.