
SENATE COMMITTEE ON EDUCATION

Senator Carol Liu, Chair
2015 - 2016 Regular

Bill No: AB 716
Author: Low
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Consultant: Kathleen Chavira
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Subject: California State University: special sessions

SUMMARY

This bill, defines "supplanting" for purposes of special session instructional programs offered at the California State University (CSU), and establishes requirements and prohibitions on the offering of state-supported and special session courses for the purposes of degree completion and graduation.

BACKGROUND

Current law authorizes the CSU to require and collect tuition fees from students enrolled in each special session adequate in the long run, to meet the cost of maintaining special sessions. "Special sessions," at the CSU are defined to include, but not be limited to, career enrichment and retraining programs. Current law also declares the intent of the Legislature that these programs, offered on a self-supporting basis by the CSU during summer sessions, may be provided throughout the year. Current law prohibits these courses from supplanting state-supported course offerings during the regular academic year. (EC § 89708)

ANALYSIS

This bill:

- 1) Defines supplanting to mean a reduction in the number of state-supported course offerings while increasing the number of self-supporting versions of that course.
- 2) Requires that each CSU campus, to the extent possible, ensure that courses required for state-supported matriculated students to complete their undergraduate degrees be offered as state-supported courses.
- 3) Prohibits a campus from requiring a state-supported matriculated student to enroll in a special session course in order to fulfill a graduation requirement for a state-supported degree program.

STAFF COMMENTS

- 1) ***Bureau of State Audits (BSA) report.*** In December 2013, the State Auditor issued a report, *California State University's Extended Education*. The report found that, because state law does not define "supplanting," it was not possible to determine the extent to which such occurred at the three campuses reviewed. Depending upon

the definition used, the Auditor identified as few as 26, and as many as 914 instances in which supplanting may have occurred. In addition, among other things, the report noted that campuses did not always prepare statements of revenues and expenditures when setting fees, as required per California State University (CSU) student fee policy, revenues from extended education generally exceeded expenditures, and two of the three campuses did not notify the Chancellor's Office, as required, before converting a state-supported program to a self-supported program.

Among other things, the report recommended that the Legislature enact statutory language clarifying and defining "supplant" and include a description of how CSU should measure whether supplanting is occurring.

- 2) **CSU Response.** Among the recommendations, the Bureau of State Audits (BSA) proposed that the Chancellor's Office immediately begin working with the Legislature and its staff to clarify its intent regarding supplanting. Further, that until clarified by the Legislature, the Chancellor's Office should immediately finalize its executive order pertaining to extended education.

In response, the CSU convened a task force comprised of presidents, provosts, extended education deans, academic senators and student representation to work with the Chancellor's Office staff to discuss and suggest draft supplant language. According to the BSA, the Assistant Vice Chancellor of the CSU Office of Advocacy and State Relations met with the Chair of the Higher Education Committee on February 10, 2014 and discussed next steps. The Chancellor also approved the supplant language definition as recommended by the task force on May 23, 2014. As a result of the Task Force meetings, CSU Executive Order 1099 was issued in June 2014.

The California State Auditor's assessment of the status of these recommendations is that they have been fully implemented.

- 3) **CSU Executive Order (EO) 1099.** CSU Executive Order 1099, issued in June 2014, outlines the procedures to be followed by each CSU campus in offering extended education self-support courses and programs, including those offered in summer session and winter intercession.

Among other things the EO provides that for degree, credential or certificate programs, or individual academic credit bearing courses to be offered during regular college terms CSU Operating Funds must be either unavailable or inappropriate for supporting the offerings and meet one additional criteria from the following list:

- a) Courses or programs must be designed primarily for career enrichment or retraining.
- b) Course or program location is removed from permanent state-supported facility.
- c) Courses or programs are offered through a distinct technology.

- d) There must have been a cessation of non-state funding that previously provided educational or other services that cost beyond that which could reasonably be provided with CSU operating funds.

In addition, the CSU is prohibited from requiring a state-support matriculated student from enrolling in self-support courses in order to fulfill the graduation requirements of a state-supported degree program. This bill's provisions generally parallel this element of the Executive Order.

- 4) ***Self-supporting programs at the CSU.*** According to the CSU, their extended and continuing education programs offer baccalaureate and graduate degree programs, certificates, and many forms of specialized education and training for business, industry, and government. While the composition of these campus programs vary considerably, most maintain the following common instructional elements:
 - a) Special session degree, certificate, and credential programs.
 - b) Open University, (permits nonmatriculated students to enroll in regular university courses on a space available basis, pay self-support fees and earn university academic credit).
 - c) Contract and extension credit.
 - d) Non-credit certificates, courses, and programs.
 - e) Continuing education units.

Many campus self-support units conduct programs during times when regular academic operations are recessed (early January and May). In 2014, the CSU reported that about 3 percent of state-supported CSU students chose to enroll in self-supported courses.

- 5) ***Special session degree programs.*** According to a report presented to the CSU Board of Trustees in September 2010, in academic year 2008-09, Extended Education offered 149 special session degree programs in high demand fields such as business, healthcare and nursing, biotechnology, criminal justice and education, enrolling 16,115 annual full-time equivalent students in courses for credit. According to the CSU, revenue of more than \$165 million was generated by extension and continuing education students taking these courses for credit across the 23 CSU campuses. Students enrolled in these special session degree program courses are eligible for financial aid, except for the Cal Grant and the CSU State University Grant.

According to the report, there had been an approximate 50 percent increase in degree program registrations in Extended and Continuing Education Programs between 2007-2008 and 2008-2009. The CSU noted that most of this growth had been at the master's degree level, with a slight increase in the number of online bachelor's degrees and degree completion programs offered. This information was presented to the Trustees as the result of a study commissioned to review potential

avenues of expansion for Extended Education to meet the needs of CSU students and working professionals and to supply an educated workforce in California.

6) ***Related and prior legislation.***

PRIOR LEGISLATION

AB 2610 (Williams) proposed a definition of supplanting in response to the Bureau of State Audits (BSA) report recommendations. The contents of AB 2610 were based upon the recommendations of the CSU Task Force and generally defined supplanting as the elimination of a state-supported degree program entirely and replacement of it with a self-supporting instruction program. AB 2610 was heard and passed by this Committee in June 2014 by a vote of 6-0 but was subsequently held in the Senate Appropriations Committee.

AB 2153 (Gray) proposed a definition of supplanting in response to the BSA report recommendations. This bill generally defined supplanting as occurring when a state-supported course is not offered during a term or all state state-supported sections of the course are full during the academic year at the student's campus and the course is offered in a special session. It also required that a matriculated student required to take a special session course to complete his or her undergraduate degree pay the lesser of the state supported section and special session course fee.

AB 2427 (Butler, 2012) would have required the CSU to annually report to the Legislature on its Extended and Continuing Education Programs, including the number of students enrolled, the number of degree credit and units offered, the range of fees charged and, to the extent possible, a five-year trend for this information. The also required that this information be reported to the CSU Trustees annually. AB 2427 passed this Committee in July 2012 by a vote of 7-2, but was subsequently held under submission in the Senate Appropriations Committee.

SUPPORT

California Faculty Association
California Teachers Association

OPPOSITION

None received.

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