

Adopted: March 13, 2001

**ACADEMIC SENATE
Of
CALIFORNIA POLYTECHNIC STATE UNIVERSITY
San Luis Obispo, CA**

**AS-558-01/EC
RESOLUTION ON
ENROLLMENT GROWTH FOR FALL 2001**

- WHEREAS, Cal Poly increased its enrollment with the addition of 3,985 new students in the fall of 2000; and
- WHEREAS, Cal Poly will increase its enrollment for the fall of 2001 with a target of about 4,450 new students; and
- WHEREAS, This increase in enrollment will require a substantial increase in the number of sections of mathematics, English, and other General Education courses; and
- WHEREAS, A conservative estimate of the costs needed to hire sufficient faculty to cover the additional sections required to meet projected student demand is in excess of \$1,000,000; and
- WHEREAS, There is no indication of an increase of that magnitude in next year's Academic Affairs budget; and
- WHEREAS, There does not exist adequate faculty office space to house the additional faculty needed to teach these sections; and
- WHEREAS, Finding classrooms for these sections will require significant changes in the current method of scheduling rooms such as more early morning, late evening, and/or weekend classes; and
- WHEREAS, Neither the Cal Poly campus nor the surrounding communities have adequate housing to meet the demand that will be required for new and continuing students at both Cal Poly and Cuesta College; and
- WHEREAS, It is morally wrong for Cal Poly, or any educational institution, to be required to admit students without being able to guarantee them classes and housing; therefore, be it
- RESOLVED: That the Academic Senate of Cal Poly believes that with the enrollment of the projected number of new students for fall 2001, the quality of Cal Poly's educational program will be jeopardized and its reputation impaired; and be it further

RESOLVED: That the Academic Senate of Cal Poly urge its administration to publicly explain how the enrollment target for fall of 2001 complies with the principles of enrollment growth contained in Academic Senate Resolution AS-524-99/B&LRPC (attached); and be it further

RESOLVED: That Cal Poly administration consult with the Academic Senate and the ASI Board of Directors in setting future enrollment targets.

Proposed by: Academic Senate Executive Committee

Date: February 27, 2001

Revised: March 6, 2001

Adopted: May 25, 1999

**ACADEMIC SENATE
Of
CALIFORNIA POLYTECHNIC STATE UNIVERSITY
San Luis Obispo, CA 93407**

**AS-524-99/B&LRPC
RESOLUTION ON PRINCIPLES TO GOVERN
ENROLLMENT GROWTH AT CAL POLY**

Background: In concert with the current Cal Poly Master Plan Update, the Budget & Long Range Planning Committee of the Academic Senate was asked to review two documents from the past and to update them as needed to reflect today's concerns. The two documents that were reviewed were:

1. Academic Senate resolution AS-279-88/LRPC, ***Resolution on Enrollment Growth to 15,000 FTE and Beyond***, adopted: March 8, 1988; and
2. ***Demographic Factors Affecting Cal Poly Enrollment***, dated February 8, 1988. The Committee felt that most of the text of the original documents was still relevant and elected to re-emphasize what it felt to be some important basic principles that should be considered whenever enrollment growth is discussed.

WHEREAS, Cal Poly is engaged in a major update of its Campus Master Plan; and

WHEREAS, Enrollment growth will have significant impacts upon academic quality, facilities utilization, and resource allocations; therefore be it

RESOLVED: That the Academic Senate of Cal Poly endorse the following principles:

1. That enrollment growth at Cal Poly should not adversely affect academic quality.
2. That enrollment growth at Cal Poly should not adversely affect the academic progress of those students who were enrolled at the time of growth.
3. That enrollment growth at Cal Poly should be fully funded for any additional students admitted (either on this campus, at satellite facilities, or at programs taught through distance learning or other technological means).
4. That enrollment growth at Cal Poly should not occur until the facilities needed (including instructional facilities, housing, and parking) to support the additional students are in place.
5. That enrollment growth at Cal Poly should occur in planned phases to allow for analysis of the effect of this growth on the campus.

6. That enrollment growth at Cal Poly should reflect and maintain Cal Poly's role as a polytechnic university and the adopted mission statement of the University.
7. That enrollment growth at Cal Poly must be sensitive to Cal Poly's impact on its surrounding communities and environment.

Proposed by: Academic Senate Budget and
Long range Planning Committee
Date: April 21, 1999
Revised: May 20, 1999
Revised: May 25, 1999

State of California

Memorandum

CAL POLY

SAN LUIS OBISPO
CA 93407

To: UnnyMenon
Chair, Academic Senate

Date: September 19, 2001

From: Warren J. Baker
President

Copies: Paul Zingg
Linda Dalton

Subject: Response to Academic Senate Resolution AS-SS8-01/EC
Resolution on Emollment Growth for Fall 2001

I would like to take the opportunity in responding to the Academic Senate's concerns about emollment growth for Fall 2001, to place emollment at Cal Poly in its larger historical context. A number of the issues raised in this resolution reflect concerns both on and off campus, so it is helpful to put the whole picture in perspective. In this response, I will address the following distinct, yet related points from both the "whereas" and "resolved" clauses in the resolution:

- Emollment trends, including the proportion of new freshmen;
- Facilities - including office space, class rooms and scheduling;
- Instructional requirements to meet emollment needs - operating budget, faculty;
- Implications for educational quality;
- Implications for student housing and
- Consultation regarding emollment planning, in the context of the new Master Plan and several recent Senate resolutions.

Throughout the discussion of emollment, it is important to distinguish between our past emollment and current capacity, and emollment growth proposed under the new Master Plan. Until we receive funding from the California State University to expand our instructional facilities to meet the growth discussed in the master plan, our emollment is limited by our existing capacity.

Emollment Trends

I would like to start with several facts that are often neglected in public discussions of Cal Poly's emollments both on and off campus.

First of all, Cal Poly's fall headcount and year-round emollment (College Year Full-Time Equivalent Students or CY FTES)¹ were less this past year than in 1990-91. The same is true for the target for 2001-2002.

¹ As a reminder, Full-time Equivalent Students or FTES is calculated by dividing the total units taken by all students by the number 15 -- the load assumed to represent full-time enrollment at a level that would allow a student to complete an undergraduate degree in four years.

| | Fall Headcount | CYFTES |
|--------------------------------|-----------------------|---------------|
| 1990-91 | 17,758 | 16,893 |
| 1995-96 | 16,023 | 15,102 |
| 2000-01 | 16,877 | 15,882 |
| <i>2001-02 (campus target)</i> | 17,666 | 16,564 |

Many of us remember well that Cal Poly significantly reduced its enrollment in the early 1990s due to budget cutbacks, then began to recover from 1995 to the present. However, we don't always recognize that recent enrollments are still below Fall 1990 - nor do we realize that the projected head count and FTES for Fall 2001 will still be below Fall 1990.

In late fall or early winter each year, the California State University System sets an enrollment level for each campus for the subsequent college year - summer, fall, winter and spring. During the past decade our enrollment has sometimes exceeded the assigned level and sometimes been below - with a range from 98% (in 1999-00) to 109% (in 1992-93, when funds were reduced dramatically during the State's fiscal crisis).

We have not been penalized for under-enrollment in the past; and we have sometimes received supplemental funds (one-time) when we have exceeded expectations by more than 2%. However, the CSU has now indicated that, due to the impacted status of our undergraduate programs, under-enrollment (below the assigned level) will not be acceptable. Therefore, to provide a margin of error for not coming in below the assigned level, we set a campus target about 2 percent above the CSU expectation.

In order to establish a total enrollment that allows for the 2 percent margin, we have to balance our estimates of how many current students will return the following Fall with the number of new students to be admitted. We estimated that about 12,710 students from Fall 2000 would continue to enroll in Fall 2001. Subtracting this number from the total Fall headcount, and allowing for a 2 percent margin, we determined that we would need to enroll 4956 new students. We then estimated how many would be new post-baccalaureate students, new transfer students and new freshmen. It is important to make these distinctions in comparing one year with another, so that we can see the differences. The following table shows the data for several comparative years (and the data from it should be substituted for the numbers listed in the first two "whereas" clauses in the resolution).

| Fall | Total Headcount | Continuing | NewPB | New Transfer | New Freshmen |
|-----------------------------|------------------------|-------------------|--------------|---------------------|---------------------|
| 1990 | 17,758 | 14,739 | 355 | 1,012 | 1,652 |
| 1995 | 16,023 | 11,764 | 335 | 1,417 | 2,507 |
| 2000 | 16,877 | 12,554 | 338 | 874 | 3,111 |
| <i>2001 (campus target)</i> | 17,666 | <i>12,710</i> | <i>360</i> | <i>1,080</i> | <i>3,516</i> |

The comparison shows that more of the students in Fall 1990 were continuing students, and that proportionately more of the new students were transfer students than today. While the total enrollment is similar, these different patterns clearly affect the particular courses that need to be offered as well as other campus services.

Facilities - including office space, class rooms and scheduling

Prior to the development of our new master plan, Cal Poly received funding for facilities to achieve an enrollment level of a net 15,000 full-time equivalent students during the academic year. The nature of instruction at Cal Poly determines the amount of space required to meet this enrollment level. Thus, it allows for office space and laboratories as well as lecture instruction by discipline. However, it excludes all forms of "supervision" and any courses that are not scheduled at a specific time or place on campus. Further, facility requirements are based on an expected level of "utilization" of classrooms and laboratories from 7 a.m. to 10 p.m. The CSU has underscored its expectations about facility utilization recently - noting not only that courses should be distributed more widely across the day and week, but also that more instruction should occur during the summer.

The academic year enrollment for 2000-01 was 15,137 full-time equivalent students (AY FTES). However, after subtracting off-site instruction and instruction on campus not requiring scheduled facilities, as we are required to do, the net AY FTES was 14,206. Our campus target for 2001-02 is 15,802 AY FTES, which discounts to 14,792 net AY FTES. Thus, the campus has, according to CSU space standards, the physical capacity to educate the number of students projected for Fall 2001. However, to ensure that we have sufficient faculty offices we will be bringing in some modular units to supplement current office space.

Instructional Requirements to Meet Enrollment Needs

Here, I would like to begin with the operating budget. We receive new enrollment funds each year for the amount of enrollment growth set for us by the CSU. These funds are added to the campus base budget at an "average marginal cost" as calculated for the System. For the 2001-02 year, the CSU calculated this marginal cost to be \$7,519 per FTES. This figure is comprised of the following: 44 percent for direct instruction (salaries and benefits), 30 percent for instructional equipment and support, 12 percent for student services, and 14 percent for general institutional support. This figure assumes an average salary for new faculty of \$44,940.

We all recognize that this funding level is less than what Cal Poly requires given our academic program mix. Therefore, the campus has been working on supplementary funding for the past decade, including the Cal Poly Plan (which includes a campus academic fee) and the Workforce Initiative (which was funded by the State in 2000-01).

Cal Poly has allocated \$1.5 million for new enrollment growth in 2001-02 to the Division of Academic Affairs to increase course offerings and other services in direct support of instruction. Although this amount had not been determined at the time that the Senate resolution was adopted, it is greater than the estimate provided in the resolution, and represents slightly more than the CSU allocated for enrollment growth at Cal Poly from 2000-01 to 2001-02. (It is helpful to remember that the actual enrollment in 2000-01 was about 160 FTES below the CSU-funded target. Thus, the campus set enrollment targets for 2001-02 to compensate for this deficiency as well as to meet the new CSU target, which is 195 FTES above 2000-01.)

Implications for Student Housing

Private property owners and managers have historically provided a significant share of the housing for Cal Poly and Cuesta Community College students as well as for other young people and others in the area who are interested in multi-family housing. In addition, some students share townhouses, duplexes and single-family homes. Seven housing facilities are organized as the Off-Campus Student Housing Association. Together, they have space for over 2,600 students (assuming a minimum of two students per unit).

Background analysis for the new Cal Poly Master Plan revealed the following about trends in the overall regional housing market:

"During the past decade housing supply has not kept pace with demand, particularly for rental housing. The 1999 Regional Profile published by the San Luis Obispo Council of Governments indicates that multi-family units represented only 5 percent of the new housing authorized for construction in 1997 in San Luis Obispo County (as compared with about 20 percent in Monterey County and 40 percent in Santa Barbara County)" (p. 130).

The 1999 Regional Profile also shows that San Luis Obispo provides more multi-family housing than any other community in the County. However, the City of San Luis Obispo's General Plan does not designate significant amounts of land for additional multi-family housing; and market studies have shown little near-term development potential in the area close to campus.

Some residential complexes formerly rented to students have been converted for other appropriate purposes, such as housing for senior citizens. While these changes do not show up in the data regarding the number of multi-family housing units, they dramatically affect the rental housing supply that is available to students.

During the past decade, Cal Poly's lower enrollment has impacted housing in San Luis Obispo less than it did in the late 1980's and 1990's. In sum, there is evidence that the current housing crunch stems from the following sequence of events. When Cal Poly reduced its enrollments in the early 1990's, due to state budget reductions, owners of some housing formerly rented to Cal Poly students converted their property to other uses. Then, as Cal Poly began to build its enrollment back towards its existing capacity, the rental housing market did not recover to meet that demand. In addition, the local population grew for reasons unrelated to higher education. This scenario would explain why the housing situation appears to be worse today, when Cal Poly has fewer students total and a higher percentage of local students; and the City has more housing units and a lower household size, than it did in 1990.

Student Housing at Cal Poly

Cal Poly has provided housing for some of its students from the beginning. In the past thirty years the percentage of students housed has not changed dramatically. During the 1980s, the campus provided housing for about 17 percent of its students. That percentage dropped to under 16 percent in Fall 1990 when enrollment was at an all-time high. In Fall 2000 the percentage was about 16.5 percent, and for Fall 2001 the percentage will be about 16 percent.

The primary exception occurred when Cal Poly deliberately curtailed its enrollment during budget reductions in the early 1990s. During the 1992-93 academic year, Cal Poly closed two residence halls. In addition, during the 1992-93, 1993-94 and 1994-95 academic years Cal Poly opened vacant dormitory spaces to Cuesta students. In Fall 1992 Cal Poly housed 49 Cuesta students; the number increased to 194 in Fall 1993; and then decreased in Fall 1994 to 116 Cuesta students. This step permitted the University to find a revenue source to meet payments on bonded indebtedness for the existing residence halls during these three academic years.

Typically, members of the campus community as well as the general public are not aware that student residence halls are not built with taxpayers' funds. Instead, the University sets up a separate fund to finance student housing and recover the costs through rents over time. Since approval of student housing projects requires a financial plan that will secure bond funding, project plans cannot be submitted until it is clear that the revenue estimates can be attained. Thus, planning cannot go forward until an excess demand is identified.

In addition to the students who live on campus, about 40 percent of Cal Poly's students live in student-oriented housing and fraternities within one mile. Another 27 percent live elsewhere in the City of San Luis Obispo and about 15 percent in other parts of the County. The percentages living on campus and in San Luis Obispo have been relatively stable over the past fifteen years. In addition, Cal Poly now enrolls a larger percentage of local students than in 1990.

CSU policy does not allow campuses to provide housing that is exclusive in any way. Thus, Cal Poly cannot build a "fraternity row" to meet these students' needs.

In anticipation of a return to earlier enrollment levels, Cal Poly has maintained its historic student housing stock, collaborated with off-campus housing partners to secure housing for its students by making referrals to off-campus housing partners and, as I will review below, developed plans for additional on-campus housing.

Strategies for Meeting Student Housing Demand

We believe that moderate, phased enrollment growth, if anticipated by expansion in student housing capacity, can allow Cal Poly to meet its obligations under the State Master Plan for Higher Education, without overtaxing the area's housing stock. The University is committed to meet its obligations in a responsible and responsive way. We believe there is also a role for the City of San Luis Obispo to play in supporting and facilitating greater responsiveness by the housing market to the housing needs of students and other low and moderate income residents. We believe further that all of this can be accomplished without compromising the region's environmental and quality of life values, planning principles and priorities.

In the new campus Master Plan Cal Poly recognizes the importance of housing as a community concern, and the University takes several steps to both respond to housing demand and to create a more integrated residential community learning experience for its students. The primary components of the plan are these:

- Constructing a new apartment-style residence complex for 800 students to meet present housing needs - ground breaking occurred in early June, with the expectation that the units will be ready for occupancy in Winter 2003.
- Currently analyzing additional sites on campus for up to 700 more students by the end of 2003. When these are complete, the percentage of students living on campus will increase from about 16 percent now to 24 percent.

Thus, the Master Plan calls for Cal Poly to provide student housing at an aggressive rate that exceeds future enrollment growth.

In addition, as stated on p. 136 of the Master Plan:

"Cal Poly will review and revise [recent] market studies to inform each phase of Master Plan housing development and enrollment growth. Relevant comparative data includes vacancy rates, rents, land available for housing, financing options, and the nature and importance of amenities. Studies will also address student housing preferences and challenges in locating suitable off-campus housing."

"Further, Cal Poly will monitor the local market closely, and, if continuing students are not able to find suitable housing, the campus will develop a strategy to house a larger proportion of the University's students in the future. Strategies may involve working with off-campus partners to identify suitable housing locations and provide financing. Cal Poly and Cuesta College are also exploring ways to cooperate in assuring appropriate housing for their students. Finally, Cal Poly will participate with non-profit organizations in seeking broader solutions to community housing needs."

I included much of the information in this response in a letter to Mayor Allen Settle earlier this summer. In that letter, I also indicated that the University stands ready to play an active and creative part in addressing the greater community housing challenge, while carrying out its statewide educational mission. I suggested that the City of San Luis Obispo join the University and other community agencies in a working group to seek a better understanding of the dynamics of the regional housing market and to explore strategies through which it might be made more responsive to the housing needs of students and other low and moderate income residents. The City has indicated its interest in pursuing this initiative.

The Timing of Enrollment Growth and Student Housing

It has been well known for some time that the CSU would ultimately expect the campus to build back up to enrollment levels achieved before the State's budget crisis. I have emphasized on numerous occasions over the past decade in campus and community forums that the CSU is facing a "tidal wave" of new students from increased numbers of high school graduates and that Cal Poly would be asked by the CSU to restore enrollments to historic levels and prepare for some enrollment growth as part of its new Master Plan.

As discussed above, and based on its prior Master Plan, Cal Poly has sufficient instructional capacity to enroll approximately 17,900 students each Fall. (The precise capacity depends on the kinds of courses students take.) Cal Poly is the campus in most demand in the CSU because of its program mix, high quality and outstanding service to students. Indeed, many of the programs at Cal Poly are not available

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elsewhere in the State. Presently, Cal Poly has to deny admission to about 8,000 applicants for Fall undergraduate admissions who meet CSU eligibility requirements (out of a total of over 20,000 applicants). We cannot justify to the taxpayers of California not filling a campus to its current capacity when the campus is as heavily impacted as Cal Poly.

However, once Cal Poly reaches its present instructional capacity, Cal Poly does not intend to increase enrollment on campus during the academic year until new instructional buildings have been completed. At the earliest, the campus will have new instructional capacity in 2006. Thus, Cal Poly has the opportunity over the next five years to add student housing without increasing enrollment during the academic year.

During this time, any enrollment growth will occur primarily in the summer term when the campus does have unused capacity for instruction. Indeed, the new Master Plan calls for an increase in summer and off-campus enrollments as a way to educate more students without increasing the physical capacity of the campus and impacting the surrounding community.

I do not see that enrollment for Fall 2001 and the 2001-02 year is inconsistent with Academic Senate Resolution AS-524-99/B&LRPC because this enrollment is within the capacity of our previous master plan, and as noted earlier, below Fall 1990 and the entire 1990-91 year.

At the same time, the development of the new Master Plan was guided by the principles in Academic Senate Resolution AS-524-99/B&LRPC, with specific provisions for most of the specific items stated in the resolution - including academic quality, student progress to degree, facilities improvements, and community impact. Further, the Master Plan is grounded in Cal Poly's academic mission and establishes enrollment increases in planned phases.

Consultation

Finally, with respect to the request for consultation, I would like to review the consultation processes already in place. The Master Plan was developed through an extensive consultative process in which students, faculty, staff and community members were engaged over a four-year period. The Academic Senate and its Budget and Long-Range Planning Committee as well as the ASI Board of Directors received numerous presentations during that process, and individual faculty and students participated directly in task forces and public meetings. The Academic Senate is represented on the Deans' Enrollment Planning Advisory Committee, where long-range enrollment planning is a central topic, and at meetings of the Council of Academic Deans, where annual enrollment targets are discussed. Therefore, rather than suggest additional consultative procedures, I suggest that the Executive Committee of the Senate may want to include an update on enrollment planning as an agenda item - perhaps once each quarter - so that the Senate and its constituents may be informed regularly about planning under way across the campus.