

Members of the commission, thank you for the opportunity to speak about the California State University's (CSU) ongoing efforts and new initiatives to increase access through the use of technology or distance learning. As Executive Director of Cal State Online, my testimony will focus on that initiative, but I also wanted to share with you a brief overview of what the Chancellor's Office and campuses are doing in this quickly expanding area.

There are currently 84 online and hybrid degree programs across the CSU, with an estimated 13,000 classes designated as using distance learning. CSU campuses have been offering online classes for over two decades.

In addition, this past fall, the CSU negotiated agreements with the major digital book distributors for higher education, CourseSmart, Follet's Café Scribe, Barnes & Noble NOOKStudy and Cengage Learning to provide CSU students with savings of 60 percent or more when they rent digital textbooks. We are still collecting data, but we anticipate that students will have saved over \$1 million through the Rent Digital program.

San Jose State has prepared written testimony to share information about their partnership with Udacity and the use of MOOCs for credit and my colleagues at the Chancellor's Office would be able to elaborate on the Rent Digital effort or other system-wide initiatives utilizing distance learning technology.

In early 2010, based on growing interest in distance and online learning and mindful of the restrictions on access that students faced due to several years of massive state budget cuts, the CSU's Technology Steering Committee or TSC began investigating the appropriateness of centralized online education offerings for the system. The committee commissioned a consultant, Richard Katz, who worked with distance learning program administrators and faculty from across the system, to provide a report analyzing the opportunities, benefits and risks, funding models and timelines for a system-wide platform.

Based on the analysis, the TSC drafted a conceptual outline of goals, guiding principles and structure that would eventually culminate in the Cal State Online initiative.

The goal of Cal State Online is to increase student access to CSU campus programs by leveraging technologies as well as outreach and marketing of CSU's programs and courses across the state.

During its initial phase, Cal State Online is focused on degree completion and advanced degree programs for students who have attended a CSU in the past three years, but "stopped" out for a variety of reasons. Normally, if these students applied and attended a CSU campus as a conventional student, they would face challenges in terms of being accepted and admitted since many of our campuses are what is called "impacted." This means that they receive far more applications for admission than they have capacity to enroll. By "reconnecting" with CSU via Cal State Online, students can begin their degree completion program almost right away.

It is possible that individual courses could be offered through the CalState Online platform in the future, but the initial focus is to offer complete, fully online programs. As mentioned earlier, San Jose State is currently piloting three courses in partnership with Udacity and EdX. As part of the Governor's proposed 2013-14 state budget, \$10 million is directed for the use of technology and online learning to get more students through high demand courses. The Chancellor's Office and CSU campuses are looking at strategies to use distance learning to help students get past any barriers for high-demand courses and will present details of those strategies at an upcoming Board of Trustees meeting.

CSU faculty have been involved with Cal State Online as well as the system's other distance learning initiatives since inception. CSU faculty are members of the Cal State Online board – providing feedback about the mission, vision and goals of the initiative. From a content perspective, faculty members are driving the programmatic offerings of Cal State Online. We refer to Cal State Online as a “coalition of the willing” and welcome programs that wish to utilize the technology and support services associated with program delivery through Cal State Online. The response has been significant and faculty members from across the system are working to develop new programs or tailor existing programs to be offered through Cal State Online. Without faculty involvement and support, there would be no Cal State Online or any of our other distance learning initiatives.

Some faculty have raised concerns about the quality of online education. All Cal State Online programs must meet the same standards as on campus programs. We will conduct ongoing assessment and collect data on retention, completion and student outcomes to ensure online programs are maintaining the high-quality education that is taught by CSU faculty and expected by CSU students.

Access is a critical part of the mission of Cal State Online and one of the key goals of Cal State Online is degree completion. The academic term for Cal State Online programs is eight weeks, so a student who is participating in an online program would see a reduced time to degree. Nearly 8,000 freshmen leave the system after one year. As we provide an option that allows those students who are not able to attend a campus the ability to participate in coursework to complete their degree fully online, graduation rates will increase. California would also see a return on the original funding invested in subsidizing the tuition of these students when they began their college careers.

Cal State Online operates through a “self-support” funding model meaning there is no state subsidy and students pay for the full cost of instruction. Cal State Online tuition - \$400-\$500 per unit for undergraduate programs and \$500-\$750 for advanced degrees - is less than some fully online program offerings at other public and private institutions. In the future as more programs are offered and demand increases, the economies of scale could result in reduced costs for students. Thank you for the opportunity to speak today.