

Overview
State Support for Higher Education and the 2020 Goal
U.S. Department of Education
July 13, 2012

In 2009, President Obama set a goal for the nation to once again lead the world in educational attainment by 2020. In order to meet that challenge, states and institutions of higher education must graduate a greater number of students with associate's and bachelor's degrees. While there are encouraging signs that many states are starting to step up to the challenge (partly aided by recent growth in postsecondary enrollment), funding cuts and tuition increases jeopardize progress toward that goal — a goal that is critical for the economic well-being of the nation and the states.

The accompanying data shows the educational attainment rate, changes in state funding for higher education, changes in the average net price to attend college, and how that cost relates to the average family income. Higher education should not be a luxury good. When the average household is asked to spend 20%, 30%, even 40% of its income on paying for college, then higher education will quickly become out of reach.

While all states should maintain and grow support for higher education, maintaining or slightly increasing funding at a time of growing enrollment may not be sufficient. Insufficient growth in financial support may mean that a state is simply treading water or actually losing ground on the level of investment per student. According to data from the State Higher Education Executive Officers Association (SHEEO), 26 states increased their total higher education funding from fiscal year 2008 to 2011. Of those, just four also increased their funding per full-time equivalent (FTE) student. Some states saw funding decrease by as much as 21% per FTE student, even when adding nearly \$20 million more in overall funding.

Small gaps now will only continue to grow, and the rate at which states are increasing degree production simply will not be fast enough to keep up. Budget cuts and tuition increases undermine the sustainability of any progress and compromise the promising initiatives underway in each state. State support for higher education must be viewed as an essential investment in the future and our ability to compete in the global economy.

Explanation and Sources of Data in State Charts

Degree Attainment for the State's 25-34 Year Olds. The chart at the top of the sheet shows the educational attainment rate and number of adults ages 25-34 with an associate's degree or higher in 2009 and 2010. In some cases, the attainment rate may increase while the number of adults decreases because the rate represents the proportion of the population ages 25-34 in the state, which may have shrunk between 2009 and 2010, or vice versa. Another caveat: a student may graduate from a college in one state and move to another. Because the attainment rate for 25-34 year olds is based on the U.S. Census Bureau's American Community Survey (ACS), the attainment rate will vary as a function of the state's residents with degrees, regardless of where they earned the degree. The bar on the right represents the 2020 goal in terms of a range of attainment rates and number of adults. One end of the range represents increasing the state's 2009 attainment rate by 50%; the other end represents achieving the national goal of 60%. Midpoint between the two is a third number which, if every state reaches that number, would produce the requisite number

nationwide to reach the 2020 goal. (For a complete explanation of the methodology in determining the range, see the Department's "Meeting the Nation's 2020 Goal: State Targets for Increasing the Number and Percentage of College Graduates with Degrees.") Data for 2009 refers to the ACS 3-year average 2007-2009, and data for 2010 refers to the ACS 3-year average for 2008-2010. Projections for 2020 are based on U.S. Census population projections.

State Funding for Public Higher Education. The increase or decrease from fiscal year 2008 to 2011 is calculated from SHEEO's 2011 State Higher Education Funding report. The overall educational appropriations are based on state support for public higher education (including any federal stimulus funds provided through the American Recovery and Reinvestment Act) plus local support for higher education, minus special-purpose, research and medical appropriations. Funding per student is reported on a full-time equivalent (FTE) basis, meaning it is adjusted to treat multiple part-time students as the equivalent of a full-time student. The funding per FTE is derived by dividing the overall educational appropriations by the FTE enrollment (net of medical students). The dollar amounts have not been adjusted for cost of living, enrollment mix or inflation. The increase or decrease is therefore intended to represent the extent of change within a particular state rather than a comparison between states.

Net Price. The average net price reflects the amount for full-time beginning undergraduate students who paid public institutions the in-state or in-district tuition rate and were awarded grant or scholarship aid from federal, state, or local governments, or from the institution. It is generated by subtracting the average amount of federal, state/local government, or institutional grant or scholarship aid from the total cost of attendance. Total cost of attendance is the sum of published tuition and required fees (lower of in-district or in-state), books and supplies, and the weighted average for room and board and other expenses. The increase or decrease for each university listed is calculated using the average net price for 2008-09 and 2010-11 as collected by the Integrated Postsecondary Education Data System and displayed in the Department's College Navigator website. Listed institutions are either flagships, prominent public public institutions, or leading indicators of change within the state.

Household Income. The median household income refers to income reported in the U.S. Census Bureau's Current Population Survey, in current and 2010 CPI-U-RS adjusted dollars. The percentage of income paid by the average family is derived by dividing the university's average net price by the median household income.

College Completion and Affordability

Examples of Initiatives Underway in States

July 13, 2012

These examples were compiled by the U.S. Department of Education from a variety of sources and represent only a small sample of the many initiatives underway across the country.

Accelerated Learning

- A number of campuses of the Ivy Tech Community College of **Indiana** are piloting the Associate Accelerated Program that allows students to obtain a two-year associate degree in one year. The program is designed especially for students from low-income households.
- **Missouri** announced in February 2012 a plan to offer \$10 million in Innovation Campus Grants to public colleges and universities that develop accelerated, three-year tracks for some undergraduate degrees. The accelerated track is modeled on one designed by University of Central Missouri, Metropolitan Community College and the Lee's Summit School District.
- In **Montana**, the virtual academy high school and virtual community college are using distance education to bolster efforts to decrease needs for remediation, increase ability for high school students to earn college credit, and implement targeted advising to focus student efforts into pathways that are most likely to support completion.
- In 2011, **New Jersey** legislation established "credit for prior learning" centers that will certify different types of prior learning (stable apprenticeship programs, on-the-job training, military experience, etc.) as college credit worthy, with a requirement that public institutions of higher education in the state accept those credits as determined.
- City University of **New York's** (CUNY) Accelerated Study in Associate Programs (ASAP) is designed to help students earn their associate degrees as quickly as possible. The program is offered in six of CUNY's seven community colleges. The graduation rate for program participants is 55%, well above the national average for community colleges.

Adult Education

- The Center for Adult Learning in **Louisiana** (CALL) offers 13 online programs in accelerated formats for adult learners. Jointly operated by the Louisiana Board of Regents and the Southern Regional Education Board, CALL specifically targets adults and is provided exclusively online to accommodate the schedule of working students. Courses are taught in four- and eight- week formats, so adults can focus on a single subject and quickly advance their studies. Time-to-degree completion also is accelerated through prior learning assessment, which awards college credit for work, volunteer, or life experience.
- The College Transitions Program in **Maine** provides high-quality, cost-effective, and accessible pathways to postsecondary education for adults. Specifically, it helps adults who are studying to earn high school degrees to transition to college, provides preparatory support to adults who have a high school degree but are not academically prepared to take college courses, and provides counseling, mentoring and support services to enable these adults to successfully transition to college and earn degrees.
- By providing college credit in **Wisconsin** for prior learning experience, the University of Wisconsin (UW) System hopes to enroll more non-traditional adult students, including returning veterans and adults who previously attended a UW institution but departed prior to completing a degree. The

initiative will also focus on the transferability of prior learning assessment credits across campuses. At least nine UW System institutions will eventually pilot the new standards.

Affordability

- **Delaware's** Student Excellence Equals Degree program provides free tuition for an associate's degree at Delaware Technical and Community College or the University of Delaware's Associate of Arts degree program to eligible students who graduate from a Delaware high school with a grade point average of 2.5 or higher.
- **Indiana's** 21st Century Scholars Program provides support to low- and moderate-income students in 6th through 8th grade by guaranteeing free tuition in exchange for strong academic performance in school.
- In November 2011, **Massachusetts** announced a program that enables community college students who maintain a 3.0 grade point average to be able to transfer tuition-free to the University of Massachusetts, Amherst.
- Officials from the **Texas** Higher Education Coordinating Board have embraced the governor's call for bachelor's degree programs costing no more than \$10,000, and have begun sketching out elements such programs might include. In another affordability effort, the state's Fixed Tuition Rate Program allows a four-year institution to develop a fixed tuition rate program for students who agree to transfer to the institution within 12 months of successfully earning an associate's degree.
- The **Washington** State Board for Community and Technical Colleges announced in October 2011 the launch of the Open Course Library, a collection of expertly developed educational materials for 42 of the state's highest-enrolled courses. The materials — including textbooks, syllabi, activities, readings, and assessments — cost \$30 or less per student and are freely available online under an open license for use at the state's public colleges and universities, and anywhere else worldwide. The project is set to expand to 81 courses by 2013.
- The **West Virginia** Learn and Earn Cooperative Education Program, created under the Workforce Development Initiative, provides full-time enrollees in a community and technical college program with an income source while they pursue their program of study by requiring a dollar-for-dollar cash match from participating employers from which the student receives a salary. The program intends to increase the likelihood that adults will complete a credential, find gainful employment, and choose to remain in West Virginia after graduation.

College and Career Readiness

- 2011 legislation in **Florida** established common placement testing for public postsecondary education and requires that 12th grade students complete appropriate remedial instruction before graduating high school.
- **Illinois'** Steps for Attaining Higher Education through Academic Development (Steps AHEAD) provides early intervention educational services and postsecondary educational scholarships for middle and high school students. Its purpose is to increase the number of low-income students who attend and succeed in college. Program components include early intervention educational services, creative and engaging academic support for students, career exploration programs, college preparation services, scholarships, increased parent involvement, and increased collaboration with local schools.
- In **New Mexico**, the University of New Mexico (UNM) is partnering with Central New Mexico Community College, Albuquerque Public Schools, various community organizations, and policy leaders to enhance Latino student success by making systemic institutional changes. The Unidos

Project focuses on creating a seamless transition in and through the educational pipeline and access to services for students and families. The educational institutions will expand a one-stop shop model (linking services to school goals and student/family needs). By providing easier access to services coupled with an improved path through the pipeline, UNM expects graduation rates to increase at the high school and post-secondary level by 10 percent per year.

- The State University of **New York** (SUNY) is establishing a series of regional education Cradle-to-Career Networks across the state that bring together Pre-K-12 schools, higher education, business and industry, community organizations, government, parents and other stakeholders who are committed to helping children succeed from birth through careers. The networks are modeled on the successful Strive program in greater Cincinnati and northern Kentucky, which has generated large-scale improvement in the education pipeline at little to no cost.
- **Oklahoma** offers free Summer Academies in math, science, and multidisciplinary studies that provide significant exposure for students in possible careers as well as college campus experience. Students who will be entering the 8th through 12th grade are eligible to apply. Oklahoma's College Readiness System provides assessments of college readiness in 8th and 10th grades that help teachers, counselors, students and families identify the need for academic improvements. The effort is designed to improve ACT scores, increase college-going rates and decrease remediation.
- The 40-40-20 plan aims to increase **Oregon's** educational attainment level by 2025 to 40% of adults with bachelor's degrees, 40% with associate's degrees, and 20% with high school diploma as the highest educational level. The plan also aims to increase attainment of postsecondary certificates and training.
- The **Texas** B-on-Time Loan Program provides eligible students with no-interest loans to attend colleges and universities in Texas; if the student meets specified goals, the entire loan amount can be forgiven upon graduation.

Efficiency and Productivity

- Community colleges and public four-year institutions in **Arizona** have created innovative, lower-cost educational delivery models to help students finish faster and at lower cost. Among models already created are options to lock in tuition for students who complete an associate's degree first, "no-frills" university centers focused on high-demand majors, and co-located community college and regional university campuses.
- The **Kentucky** Community and Technical College System and **Mississippi** Institutions of Higher Learning system are using software that analyzes how academic resources are being managed, which helps institutions offer courses more efficiently, increases productivity, and gets students through more quickly.
- The Statewide Efficiency Council was established by the **Ohio** University System to coordinate and share innovative business practices and establish measurable efficiency standards across institutions. The savings generated from these moves, estimated to exceed \$100 million, will help increase the capacity to graduate more Ohio residents and contain pressure to increase tuition. The Council received a grant from the Lumina Foundation to accelerate a statewide e-procurement system and begin a shared services project between a university and a community college partner.
- **Tennessee** received a Completion Innovation Challenge Grant from Complete College America for a project with three areas of focus: use transformative technology to reduce time to degree; develop tools for students and campuses to evaluate and award credit for prior learning; and create Completion Academies to provide intensive technical assistance and supports to Tennessee higher education institutions.

- **Texas'** Cost Efficiency Strategies provide a roadmap that aims to make higher education institutions in Texas more accountable, efficient, and innovative stewards of state resources. The strategies include development of an online delivery system for remedial education and associate's degrees, creation of a statewide Higher Education Continuous Improvement Council, elimination of low-producing degree programs, the requirement to deliver 10 percent of all credit hours by non-conventional methods, and expansion in size and scope of procurement pools.
- In 2011, **Washington** State created a self-funded Innovation Account to leverage technology to advance student learning, improve student services, and generate administrative efficiencies. It is funded by a set-aside of up to 3 percent of the operating fees of the 34 community and technical colleges and is expected to generate an estimated \$20 million per biennium.

Performance-Based Funding

- **Arkansas** recently created a higher education funding model that will allocate 25 percent of institutional appropriations on the basis of factors such as course and degree completion, particularly in areas of high economic need and among populations such as low-income students, working adults, and students of color.
- 2011 legislation directs the **Illinois** Board of Higher Education to devise a system for allocating state funding to public postsecondary institutions based upon performance related to student success and certificate and degree completion. It requires that metrics recognize the demands on and rewards the performance of institutions in advancing the success of students who are academically or financially at risk, including first-generation students, low-income students, and students traditionally underrepresented in higher education.
- **Michigan's** 2012-13 higher education budget includes an overall 3 percent increase for the state's 15 public universities, but ties the amount for each school to performance on various metrics, including graduation rates, research and delivery of science and engineering programs, and restraining tuition hikes.

Re-Engaging College Dropouts

- The **Kansas** higher education strategic plan mandates that by September of 2012, the Board of Regents, in cooperation with higher education institutional leaders, will develop an initiative aimed at identifying and recruiting back into the higher education system working adults who have earned substantial credit but have not finished the work necessary to earn a credential or degree.
- The RAPID Completion Program offered by the **Minnesota** State Colleges and Universities system intends to increase reenrollment, degree progress and degree completion among prior system students who never completed degrees. Key strategies include: mining student data records to identify the target population; conducting a statewide outreach campaign to increase awareness of credit for prior learning options and adult-centered programs such as individualized and accelerated programs with flexible start dates; and expanding postsecondary institutions' capacity to assess and offer prior learning assessments and offer academic courses/programs to enable returning students to complete degrees.

Remediation / Developmental Education

- Partly funded by a grant from Complete College America, the **Colorado** Community College System is planning an overhaul of developmental education. The system's strategy combines innovative delivery methods, diagnostic assessments, performance incentives, and faculty involvement and development.

- **Connecticut** is among several states piloting Statway and Quantway, two initiatives of The Carnegie Foundation for the Advancement of Teaching. The Statistics Pathway (Statway) is designed to engage developmental math students to and through transferable college statistics in one year, while the Quantitative Literacy Pathway (Quantway) will be a new one-semester course, replacing elementary and intermediate algebra, followed by completion of a college-level mathematics course. Both programs use open source material.
- With funding from a Completion Innovation Challenge Grant from Complete College America, **Georgia** is piloting innovative remediation programs at four state institutions of higher education and using that information for policy and scaling of strategies. The pilots will use computer-based diagnostic assessments to refine student placement, modularize the developmental education curriculum and provide integrated learning supports for students requiring remediation.
- **Kentucky** moved math developmental courses previously offered at postsecondary institutions into high schools and reduced remedial needs for entering college freshmen by over 25,000 students.
- **Maryland** is using its Completion Innovation Challenge Grant from Complete College America to redesign 21 courses at Historically Black Colleges and Universities. If those students graduated at the same rate as others, preliminary analysis suggests that Maryland would award 1,400 more associate's and bachelor's degrees each year.
- The **Virginia** Community College System is redesigning remedial education throughout its 23 colleges to increase college readiness and student success. Virginia aims for a 50 percent increase in the number of community college students who complete a degree, transfer to a four-year institution, or earn a workforce credential, and a 75 percent increase for students from groups traditionally underrepresented in higher education.

Transfer and Articulation

- **California's** Student Transfer Achievement Reform Act created a transfer associate degree and guarantees junior status to those transferring between the community college system and the state college system.
- The statewide articulation agreement in **Idaho** incorporates common course numbering, automatic transfer for an associate's degree, and transferability of general education and core courses.
- **Hawaii's** statewide articulation includes the automatic transferability of an associate's degree.
- **Iowa's** statewide articulation includes seamless transfer of an associate's degree.
- The Transfer Guarantee Program in **Nevada** guarantees admission to public universities and colleges for all students who complete the transferable associate's degree, and guarantees that all lower division general education requirements are met for these transfers. Common course numbering is in place across all state institutions so that students never need to complete the same course if they transfer.
- By state law, every community college graduate in **North Carolina** is considered to have met all general education requirements and is guaranteed admission as a junior to a state university. Common course numbering is in place, and transfer success feedback reports are provided to community colleges.
- **Rhode Island** students who obtain an associate's degree oriented toward the bachelor's degree with a grade point average of 2.4 or higher from the Community College of Rhode Island are guaranteed admission to Rhode Island College and the University of Rhode Island.