

DISCUSSION OUTLINE FOR SYSTEM DESIGN PLAN RECOMMENDATIONS: Statewide Plan for Moving the Blue Arrow

The Foundation

1. 2008 Strategic Master Plan Goals
 - Increase degree and certificate attainment by 40 percent by 2018
 - Focus on diversity
 - Set higher expectations for all K-12 students
 - Create a system of support for lifelong learning
 - Make college affordable and accessible
 - Promote economic growth and innovation by focusing on skills and knowledge needed for 21st century
 - Emphasize accountability for results
2. Key Recommendations from Implementation Plan (2009)
 - Preserve the progress we have made by maintaining levels of support for higher education
 - Build a larger “pipeline” to postsecondary education that captures more students from our K-12 schools and more working-age adults
 - Expand on demand by targeting growth and tailoring institutional plans to respond to specific demographic, regional and workforce needs
 - Develop an evaluation process that aligns system expansion (new sites or campuses and mission changes) with student demand and state goals.
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3. Mission of our Institutions
 - List things each sector should be doing
 - Include e-learning from a statewide perspective
4. Revisit economic needs assessment



SYSTEM DESIGN
PLAN

The Problems (Issues)

1. Significant budget reductions in the 2009-11 biennium (with even deeper cuts likely to be discussed in the 2010 legislative session) have set back institutional capacity for growth and program diversity.
2. To meet the goals of the Strategic Master Plan, we need to increase degree and certificate production at all levels (2010 - 2030). Additional degrees needed, by level, are provided in the table below. Note that the growth expected from population growth alone (assuming sustained participation rates, which may be a big assumption) achieves only one third of the goal. Therefore, achievement of the goal, which helps us reach the 75th percentile of the Global Challenge States, will require significant investment in policies that will increase participation rates across the state. The growth in the chart below represents a 40% increase over degree production in 2009, an aggressive goal that is entirely consistent with the Obama Administration's goal of a 60% increase in U.S. baccalaureate degree production.

Level	Population Growth	Policy Growth	Total
Mid-level	5,100	5,200	10,300
Baccalaureate	2,600	7,900	11,400
Graduate	1,600	7,700	9,300
TOTAL	9,300	20,800	31,000

3. There are regional inequities in access to post-secondary education, particularly at the baccalaureate and graduate levels. (For example, Snohomish County, Kitsap County, Pierce County and the peninsula)
4. The fastest growing portions of the state population are ethnic and racial groups and low-income families that have been traditionally under-served by the higher education system.
5. Grow college-awareness among first-generation, low- income, and students from traditionally underrepresented groups.
6. Encourage more high school graduates, community college graduates, and returning adults to define their educational goals and to enter institutions of higher education that provide them optimal opportunities to succeed.
7. Washington's economy relies on a well-educated and technically skilled workforce. We have developed this workforce by relying, in part, on our ability to draw specialized talent to the state. Going forward, we need to sustain our innovation capacity by educating more of our own citizens through certificate and degree levels, enhancing

investment in the expansion of high demand programs, and leveraging the research capacity of our research institutions.

8. Long-term degree production targets exceed the current capacity of the system (public and private)
9. We need to develop a mechanism to engage the private, independent colleges (including fully online programs and institutions) more fully into the planning and delivery of higher education.
10. More high school students today, *not* fewer, are graduating from high school unprepared for college-level work.
11. Declining levels of baccalaureate and graduate degree attainment will result in real losses for Washington—lower median annual household income, a greater percent of the population living in poverty, a higher percent using state or federal welfare, fewer taxes paid to the state, greater reliance on state human and social services, less research and innovation to fuel Washington’s economy.

The Strengths We Build Upon:

1. Washington’s higher education system is highly efficient.
2. Washington’s higher education sectors all rank at or near the top in national comparisons of degree productivity relative to enrollments, as well as to funding per FTE.
3. Robust dual credit programs (Running Start, College in the High School, AP, IB) enrich high school and lower the time-to-degree for a number of students. In Running Start alone, nearly 18,000 students are earning high school and college credit simultaneously.
4. Washington’s Community and Technical College system :
 - a. Provided 16,000 transfer students last year
 - b. Retrains 15,000 workers annually for a changing economy
 - c. Effectively prepares more students for college level work
 - d. Hosts baccalaureate and graduate degrees at 24 local community and technical college campuses around the state through partnerships with public and private universities
 - e. Provides applied bachelors degrees at 7 institutions
 - f. Provides literacy and basic skills to those who did not complete high school and to immigrants

5. Washington's six public baccalaureates:
 - a. Produced over 22,000 bachelors degrees last year,
 - b. Produced over 3,200 high demand degrees
 - c. Produced 6,500 graduate degrees
 - d. Overall, since 2000 increased 6-year graduation rates by nearly nine points to over 70%, one of the best in the nation.
6. Research activity at WSU and UW in FY07, including commercialization, resulted in
 - a. Almost \$1 billion in R&D expenditures
 - b. \$2.1 billion in additional total sales
 - c. \$200 million in state and local sales and B&O tax revenue, and
 - d. Supported 16,000 jobs in the state's economy
7. Independent colleges and universities award more than one fourth of the bachelor's degrees and almost half of the masters and professional degrees.
8. eLearning continues to grow at all levels, with improvements in direct instruction and student services expanding opportunities for Washington's placebound, hard-to-reach, and working adults to access higher education and achieve their educational goals
9. ICW produced over 6000 baccalaureate degrees last year.
 - a. Over 1700 of these degrees were in STEM fields and the health sciences.
 - b. Over 2700 were graduate degrees.
 - c. The four-year graduation rate has increased by 11 percent since 2000.

Characteristics of the Delivery System Today

1. The public baccalaureate system is relatively small compared to other states, but provides a broad array of choice (from TESC interdisciplinary approach to flagship research university).
2. Five branch campuses and 10 university centers and 40 teaching sites collocated on community and technical college campuses provide additional access to baccalaureate programs.
3. CTC system (34 community and technical colleges) is highly effective at providing transfer education, workforce preparation, applied bachelor's degrees and basic skills, and is geographically well distributed across the state
4. Ten private, non-profit universities provide additional access to a diversity of quality baccalaureate, master's, and professional programs located across the state, offering

over 175 programs in more than 25 sites across the state, including on military bases, community college campuses, and business parks.

5. Washington's two major research universities award 35% of all undergraduate degrees.
6. The public universities award 92% of all doctoral degrees in the state.
7. Regional-comprehensive universities award nearly 60% of all teaching credentials at the undergraduate level and a quarter of all master's degrees.
8. Private universities award one-fourth of bachelor's degrees and one-half of master's and professional degrees.
9. Washington's community and technical colleges provide two out of every five bachelor's degree graduates through transfer.
10. Washington's private career colleges comprise a small, but fast-growing, portion of the higher education system that provide baccalaureate degrees especially attuned for adult learners and using technology as part of its delivery mechanism.
11. Washington's higher education system, both 2- and 4-year, has already agreed upon a core of performance measures that track students' progress and success in higher education.
12. Washington's higher education community has embraced the use of performance agreements to measure productivity through the SBCTC Student Achievement Initiative and through efforts currently underway with the 4-year sector.

Key Elements of the Proposed Recommendations

- I. Guiding Principles for System Expansion and Optimization
- II. Enrollment growth strategy for near term (not requiring major new capital investment)
- III. Blue Arrow Fund for Innovation in outreach, access and completion, alternative program models
- IV. Rules for Expansion
 1. Concept of Expand on Demand: Includes expansion handled through current "normal" processes as well as major new capital expenditures for new campuses, centers, partnerships and collaborations (Attachment A)
 2. Diagram of HECB- and locally-initiated processes to encourage increases in educational attainment (Attachments B and C)

I. Guiding Principles for System Expansion and Optimization

1. The interests and needs of current and future students should be one of the primary considerations in deciding whether and how to expand or revise higher education services.
2. Investments in higher education should advance the state's economic vitality, innovation and job growth, including meeting the high demand needs of the state.
3. Washington should restore and further invest in its higher education system to preserve and build upon its excellence and productivity and optimize opportunities for future generations.
4. Major new investments in expansion to meet the HECB *Strategic Master Plan* degree goals should first leverage existing missions, institutions, partnerships, collaborations, and educational delivery models.
5. Washington should place an early emphasis on policies that will raise educational attainment in underserved populations and underserved regions of the state.
6. Incentives for innovation in outreach, access and completion, and alternative program delivery should be developed.
7. Washington should invest in online and hybrid instructional delivery to transform higher education so that it is better positioned to meet changing technological, cultural and economic forces, improve the efficiency and quality of higher education, and provide greater access for all students, particularly for placebound and hard-to-reach student populations.

II. Enrollment Growth Strategies, Near Term (not requiring major new capital investment)

1. ***Expand the "Pipelines"*** by:
 - a. Investing early in key strategies to increase the supply of motivated and prepared high school graduates to enter college directly after high school:
 - Expand existing programs that are proven effective (GEAR-UP, College Bound, drop-out prevention, dual credit, *Navigation 101*, mentoring programs like "Compass 2 College," etc.)
 - Encourage innovative and collaborative new efforts to encourage students to consider all options for college

- Among new entrants to higher education, encourage more academically prepared, especially low income, students to directly enter baccalaureate institutions
 - Increase utilization of independent non-profit colleges, through increased freshman, transfer, and graduate students
- b. Increasing transfer rates of associate degree holders
 - Preserve CTC transfer opportunities at the baccalaureates
 - Encourage more transfer students to enroll in independent colleges and universities through transfer-friendly policies
 - Develop financial aid programs to encourage transfer students to continue to the baccalaureate
 - c. Strengthening and expanding re-entry programs for working-age adults
 - Expand existing programs that work (Opportunity Grants, I-Best, etc)
 - Explore options for flexible scheduling and convenient class locations
 - Consider financial aid for part-time students
 - Provide outreach to former students to encourage them to return and complete their programs
 - Explore ways to scaffold portions of programs so that students can return to upgrade skills and earn degrees
 - Develop employer partnerships, such as the Lifelong Learning Accounts (LiLAs) currently piloted by the WETCB
 - Consider ways to award credit for prior learning through portfolios assessments and other ways to demonstrate competence
2. *Expand baccalaureate capacity* through concurrent and multiple strategies that fully utilize existing and planned capacity in current missions, institutions and partnerships.
- a. Grow Vancouver, Tacoma, Bothell and Tri-Cities campuses to planned capacity levels and focus on expanding program diversity
 - b. Expand capacity for freshmen and transfer students, with an emphasis at comprehensive universities and TESC, branch campuses, university centers, and community and technical colleges
 - c. Provide additional service in underserved regions (for example Kitsap, Clallam, Snohomish, Pierce) by rapid expansion of program diversity at existing university centers and sites
 - d. Provide additional access for hard-to-reach and placebound populations through online programs and course offerings
 - e. Expand applied baccalaureate degrees at universities, university centers and community and technical colleges.
 - SBCTC and HECB to develop statewide assessment of need for additional degrees
 - HECB and SBCTC to develop process for determining institutional interest in offering applied baccalaureates among 2- and 4-year institutions

- SBCTC and HECB approve programs for CTC offerings; HECB approves programs from public four-year institutions
3. *Expand graduate capacity* by:
 - a. Undertaking an expanded state role in supporting high cost graduate and doctoral programs at main campuses of UW and WSU in order to leverage research and commercialization activity
 - b. Incorporate statewide economic needs assessment to target graduate programs for expansion
 - c. Identifying 2030 goals for undergraduate/graduate enrollment mix at the University of Washington and Washington State University
 - d. Expanding graduate education at comprehensives and branch campuses
 - e. Providing financial aid and support for students pursuing graduate education

III. Rules for Expansion to New Sites or New Missions

1. Expansion to new sites or new missions requiring substantial new capital expenditures must be predicated on the concept that capacity follows demand.
2. A matrix (Attachment A) categorizes institutional types and characteristics, including estimated costs to replicate.
 - Note: Both University Centers and CTC BAS degrees provide baccalaureate degrees located on CTC campuses. Both should be eligible for capital if they meet the FTE threshold.
3. A diagram (Attachments B and C) of two paths (HECB-initiated and locally-driven) describes the process for developing and evaluating proposals for growth
 - Responds to state and regional economic development, workforce and innovation needs
 - Funds outcomes for innovation and reallocation

IV. The Blue Arrow Fund for Innovation

1. Develop a new process for competitive grants to universities and community and technical colleges to foster innovation, pilot programs, collaboration and system-wide productivity, (see Attachments B and C) such as:
 - Access and completion efforts targeted to underrepresented population groups
 - Partnerships between institutions, foundations and K-12 school districts to increase the number of college-ready high school graduates who transition directly to college
 - Expansion of hybrid and online courses, open courseware, and other uses of technology and online services to improve educational outcomes
 - Accelerated programs and alternative scheduling, such as three-year baccalaureate degrees
 - Other innovations to improve educational attainment
2. Process would be administered by the HECB and would seek to leverage federal dollars for innovation (Access and Completion Fund; FIPSE)

V. Funding

Many worthy policy objectives have been sacrificed in unplanned responses to the boom-and-bust cycle that characterizes higher education finance in Washington. To achieve the HEC Board's enrollment goals, we need a stable and predictable higher education finance system.

Our finance system should:

- Allow students at an early age to plan with confidence for their college educations
- Encourage student choice among the state's public and private colleges
- Insulate students' access to quality and diverse educational opportunities from the financial vagaries of the state's revenue base
- Strike an appropriate level of shared financial responsibility from available funding sources, including tuition paid by students and their families, financial aid and state appropriations
- Monitor and fund higher education to support system performance and sustainability
- Adopt a state-level strategy for investing in productivity enhancement