Postsecondary Success Advocacy Priorities

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BILL & MELINDA GATES foundation

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Overview

The nation's postsecondary education system faces a convergence of powerful and challenging forces. One is economic, as the demand for more and different credentials beyond high school continues to rise, testing the capacity of existing providers. A second is fiscal, as a slow and uneven recovery of state revenues, restrained federal spending, and increasing pressure to contain tuition levels are forcing a growing number of campuses to face difficult decisions about the sustainability of their business models moving forward. Third, changing demographics are bringing more of the students who have faced the greatest hurdles to access and success to our campuses – low-income and first generation students, working adults, and students of color. This convergence will force a fundamental rethinking of how institutions and systems do their business, as well as the policy environment in which they operate, if postsecondary education is to live up to its promise as an engine of social mobility and economic development.

Against this backdrop, the Bill & Melinda Gates Foundation, through its Postsecondary Success Strategy, is working with educators, innovators, and policymakers to confront and leverage these forces as opportunities for change. As a starting point, the foundation believes that postsecondary education must become more ***flexible, personalized, affordable, and clear*** and provide students with carefully constructed and well guided pathways to their credentials.

- **Flexible:** Empowering students to engage in learning and earn credits regardless of time and place, and to move more easily from high school to college, between colleges and from college to the workforce across a lifetime of learning and career development.

- **Personalized:** Providing students with learning experiences and supports that meet their individual needs, and using technologies and corresponding practices to deliver personalized educational experiences and supports at scale.

- **Affordable:** Allocating resources strategically to support student success, including financial aid that provides incentives for completion and employment, not just educational access.

- **Clear:** Collecting and reporting institutional performance and student attainment data, and creating feedback loops that support continuous improvement, inform consumer and employer choices and ensure public accountability.

Institutions that effectively integrate these elements will be recognized by the foundation as exemplars, and some visionary leaders have already made significant policy changes in a few or all of these areas. Meaningful system transformation also requires policy change at the state and federal levels that supports, replicates and reinforces these institutional efforts. The advocacy plan presented here focuses on changing federal and state policies that impede or supporting policies that advance adoption of student-centered business and education models.

Postsecondary Success Advocacy

The foundation's Postsecondary Success advocacy plan will support these efforts by building a supportive policy environment focused on four priorities:

- Data and Information: Create a national data infrastructure that enables consistent collection and reporting of key performance metrics for all students in all institutions that are essential for promoting the change needed to reform the higher education system.

- Finance and Financial Aid: Advance postsecondary finance and financial aid approaches aligned to the goal of increasing participation, progression and completion for low-income and at-risk students.

- College Readiness: Replace remedial education models that have been proven not to work with evidence-backed approaches.

- Innovation and Scale: Support the development and oversight of programs that shorten time and credits to credential and better fit with career and family obligations.

Postsecondary Success advocacy will engage these priorities at three levels: a) federal; b) across states on key issues; and c) within select states: California, Florida, Georgia, Kentucky, New York, North Carolina, Ohio, Tennessee, Texas, and Washington.[1]

While the foundation will work across all four of these priority areas over the next several years, Data and Information and Finance and Financial Aid will command the greatest attention in the near term. This is a reflection of two factors. First, we believe that "money and measures" represent the most powerful incentives – and disincentives – for action in postsecondary education, and thus require concerted effort, particularly given their complexity and controversy. Second, federal and state policymakers are demonstrating increasing interest in both of these areas, and it is extremely important that discussions and debates about these issues are grounded in evidence and lessons learned from years of work in the field.

Following are more detailed descriptions of the policy advocacy priorities for Postsecondary Success, including illustrations of grantee/partner work in each of the priority areas. This plan is intended to be a "living" document, and will be updated periodically to reflect new information and evidence, as well as developments in federal and state policy.

[1] These states were identified through a 50-state analysis of key policies within the priority areas conducted by HCM Strategists, LLC.

Priority 1: Data and Information

Goal

Create a national data infrastructure that enables consistent collection and reporting of key performance metrics for all students in all institutions that are essential for promoting the change needed to reform the higher education system to produce more career-relevant credentials.

Background

Postsecondary education simultaneously suffers from too much data and too little information. The system is awash in data, but too often the data are not useful or not accessible to the people who need actionable information to make decisions. More specifically, many postsecondary systems have a plethora of data about inputs but significantly less information about outcomes. A report from the National Governors Association (NGA) perhaps sums it up best: "[t]he data that tell us how many students are progressing through and completing college are alarmingly poor." Federal and state data collections have improved in recent years, particularly with respect to obtaining better information about outcomes by linking data systems across sectors and state agencies and even across state lines. At the same time, these systems are still lacking in accessibility and usability for the audiences that most need and can benefit from them.

Multistate Longitudinal Data Exchange

The Western Interstate Commission for Higher Education (WICHE) partnered with Hawaii, Idaho, Oregon and Washington to create a multistate longitudinal data exchange to link K-12, higher education and workforce data across the four states. The project was designed to allow states to better track the production, stock and flow of human resources within individual states and across states within a region. Results from the pilot phase were encouraging, as each of the participating states noted significant gains in obtaining outcome data on their students. As a result, the exchange has recently launched an expansion phase.

Policies to improve data and information must focus on three distinct user groups: students, institutional leaders and policymakers. Each group has unique information needs to support its decisions that affect its navigation through or support of the postsecondary system.

Progress and Next Steps

Over the past several years, there has been significant progress in both identifying key performance metrics and improving the data systems needed to collect and report them. Regarding metrics, a host of organizations have developed voluntary initiatives (e.g. Complete College America, Completion by Design, Student Achievement Measure, Voluntary Framework for Accountability, Voluntary System of Accountability) that have yielded new and more robust measures of student progress and outcomes, as well as institutional efficiency and effectiveness. These measures are gaining traction with federal and state policymakers who are eager to guide their own decision-making and equip students and families with better information about where and how to invest in postsecondary education.

There have also been strides with respect to data systems. According to the State Higher Education

Executive Officers (SHEEO), the number of states employing a P-20 data system doubled between 2009 and 2012, and nearly every state now has data sharing agreements between their postsecondary entities and other state agencies such as labor or human services. Cross-state data linkages have also gained strength, as the Western Interstate Commission for Higher Education (WICHE) multi-state data collaboration (see inset) significantly expanded available data on student outcomes for the four states participating in the pilot phase. Moreover, there are signs of evolution in the federal policy conversation in this area, as discussion of a student unit record data system is being re-engaged, with increased support from organizations representing colleges and universities.

There is more work to be done on both fronts. Over the next several years, the foundation will strongly support efforts to build consensus on key performance metrics for students, institutional leaders, and policymakers, both through a newly formed Postsecondary Data Collaborative (see inset) and through the foundation's own metrics framework, which will be released later in 2015. The foundation will also encourage continued movement toward a data system that is able to account for all students in all institutions, which includes stronger interstate linkages and consideration of a federal student unit record data system.

Postsecondary Data Collaborative. Under the leadership of the Institute for Higher Education Policy (IHEP), the Postsecondary Data Collaborative (PostsecData) has been launched to build consensus around and promote the broad-scale adoption of a core set of performance metrics and the development of a national data infrastructure to collect and report them. The collaborative, comprised of a number of key stakeholder organizations, including the State Higher Education Executive Officers (SHEEO), the Association for Public and Land-Grant Universities (APLU), and Complete College America, has already brokered joint statements on issues such as improvements to the Integrated Postsecondary Education Data System (IPEDS) and the Obama Administration's proposed college rating system. The group also complements and supports the work of the Data Quality Campaign (DQC) and the Workforce Data Quality Campaign (WDQC) to develop strong data systems that span from pre-K to the workforce.

Key Activities

- Develop and release a common metrics framework, drawing on the work of voluntary institutional and state data initiatives, focused on the data and systems needed to measure institutional performance and progress on student access, progress, completion, cost and post-college outcomes.

- Leverage the Postsecondary Data Collaborative (PostsecData), a committed group of at least a dozen organizations working together to advocate for improvements in existing state and federal data collections (e.g., IPEDS, NSLDS) aligned with the foundation's emerging metrics framework as well as sister campaigns aimed at improving K12 (DQC) and workforce (WDQC) data.

- Support efforts to develop a national student data system, which may include creating a new system and/or improving and expanding existing systems, while continuing to directly assist states with improving their P20W data systems, including enabling linkages within and across states to provide key stakeholders with the accurate, timely, and actionable information they need.

- Expand the availability and use of postsecondary data to promote greater public transparency regarding institutional outcomes, especially by improving consumer tools and outreach aimed at underserved student populations. Further, encourage the development and use of at least minimum performance standards for institutions at the state and federal levels to aid in the allocation of scarce resources.

Priority 2: Finance and Financial Aid

Goal

Advance postsecondary finance and financial aid approaches aligned with the goal of increasing participation, progression, and completion for low-income and at-risk students.

- Federal: Simplify the aid application process, the formula for determining aid eligibility, and the construction of the programs themselves. Programs should provide incentives for increasing access as well as outcomes such as completion and loan repayment.

- State: Use access, progress, and outcome measures to determine base funding for public colleges and universities, with a special focus on results for low-income and first-generation students and working adults.

Background

Public funding – state and federal aid to students and institutions – represents more than half of the revenue in postsecondary education, making it a potentially powerful lever for focusing colleges and universities on today's students and labor markets. That potential is not fully realized at either the state or federal levels. The complexities of the current federal student aid system, particularly in the application for aid, lead students and families to make suboptimal decisions with large financial consequences, including the decision not to apply for aid or attend college. Additionally, the existing programs have a proud tradition of promoting access but are largely silent on student success. Federal policymakers can and should simplify the aid application process, the formula for determining eligibility, and the construction of the programs themselves.

Tennessee. In 2010, the Complete College Tennessee Act provided a revamped funding formula that ties 85 percent of each institution's funding to progress on a set of performance metrics. The new formula completely replaces the old enrollment-based formula. The formula provides a different set of metrics for two-year and four-year institutions, and allows the metrics and their weights in the formula to reflect each institution's mission and the student population it serves. Despite the variations, the formula prioritizes student progression and completion, institutional efficiency, and gives extra weight to low-income and non-traditional students.

At the state level, the prevailing funding models provide strong incentives for institutions to enroll students but weak or no incentives for retaining and graduating them. While many states have attempted over the years to link funding to performance on input and outcome measures, early performance funding models suffered from common shortcomings: weak or inappropriate performance measures, minimal funding tied to performance and a lack of attention to variations in institutional mission and student population. On the student aid front, the bulk of activity is concentrated in a handful of states, and a growing number of states are facing a disconnect between who is receiving aid and who really needs it.

Progress and Next Steps

Despite these challenges, federal and state policy conversations in this area have evolved considerably over the past several years. At the federal level, proposals to simplify the application process and eligibility for student aid are gaining bi-partisan momentum, as well as the idea of tying aid to meaningful student outcomes, all informed in part by research and analysis emerging through the Reimagining Aid Design and Delivery (RADD) initiative. In the states, a new wave of outcome-based funding for institutions is underway, with two-thirds of states developing and/or implementing funding models that link some portion of funding to institutional performance on key indicators.

Looking ahead, there is still significant work to be done in both areas. Aid simplification, which holds promise for expanding opportunity for students historically less likely to attend and complete college, must be implemented and paid for in a way that does not create greater harm for the same students. Similarly, outcome-based funding models, while they are evolving, still need to be better understood in terms of their impact on institutional innovation and student outcomes, especially low-income and first generation students. This knowledge needs to be developed and broadly disseminated to help states in their efforts to build new models or hone existing ones.

Key Activities

Federal:

- Advocate for the use of "prior-prior year" tax data to facilitate pre-population of a student's Free Application for Federal Student Aid (FAFSA).

- Articulate and advocate for an approach to simplification that minimizes application burden and provides a sufficient amount of information to reasonably assess a student's financial need and appropriately award aid.

- Build a more detailed understanding of how to embed financial incentives into existing and new funding streams, define minimum levels of performance, and mitigate unintended consequences.

State:

- Advance changes in state funding models to align with our goal (using access, progress, and outcome measures to determine base funding for public colleges and universities, with a special focus on results for low-income and first-generation students and working adults), with special emphasis on the foundation's focus states.

- Evaluate states adopting new outcome-based funding models to gauge impact on student outcomes and test the tipping point for leveraging institutional change. An analysis of outcome-based funding models recently released by HCM Strategists will help establish a baseline for this work.

Priority 3: College Readiness

Goal

Replace remedial education models that have been proven not to work with evidence-backed approaches.

Background

The nation cannot reach its attainment goals and meet the economy's demand for more workers with high-quality postsecondary credentials unless it both significantly increases the number of enrolling students who are ready for entry-level credit-bearing college courses and accelerates time-to-degree. K-12 and higher education leaders need to agree on an operational definition of college readiness, and they need assistance in developing deliberate and successful strategies to quickly identify those who are not college- and career-ready, as well as those who are, and to provide them with the respective remedial and accelerated learning opportunities while still in high school.

The Common Core State Standards present an unparalleled opportunity for improving the college readiness of high school graduates, but significant challenges remain. In the short term, as the Common Core is fully implemented and assessments are developed, a large number of students will continue to graduate high school and enroll in postsecondary institutions without adequate preparation. According to Complete College America (CCA), more than 50 percent of students entering two-year colleges and nearly 20 percent of those entering four-year institutions are placed in remedial classes. Traditional remediation models are ineffective at supporting student persistence and completion. Nearly 40 percent of remedial students in community colleges never complete their remedial courses, and of those who do, only 25 percent complete a gateway college-level course. Only ten percent of community college students assigned to remedial courses complete a degree within three years, and only slightly more than one-third complete a bachelor's degree within six years.

Progress and Next Steps

The push for higher K-12 standards and aligned assessments has resulted in a more concerted state-level focus on increasing the alignment between K-12 and postsecondary education. For example, the Education Commission of the States (ECS) reports that 32 states currently have statewide definitions of college/career readiness, and a number of states have strengthened those definitions through participation in initiatives such as Core to College. Similarly, states such as North Carolina (see inset) are working to improve the diagnosis of student readiness for credit-bearing college courses by moving from a single placement exam score to multiple evidence-backed measures. A re-energized readiness conversation has also helped to stoke campus- and state-level interest in redesigning remedial education so that it is more effective for more students, including statewide efforts such as Florida's.

Moving forward, the work in this area is about continued implementation and expansion. Statewide definitions of college/career readiness need to be broadly communicated and understood by a wide range of stakeholders and reinforced in admissions and placement policies. At the same time, the push for more accurate and effective placement instruments and policies must continue, and must draw on evidence about the strongest predictors of student success. Additionally, redesign of remedial courses and programs needs to be expanded to additional systems and states, building on the lessons of the early adopters.

College and Career Readiness in Kentucky. Enactment of Senate Bill 1 in 2009 made college and career readiness the default expectation for all students in Kentucky. Kentucky made college- and career-ready the default benchmark for high school graduation and is actively implementing the Common Core Academic Standards, including the development of aligned assessments. The state administers the ACT to all 11th grade students to help determine readiness and promote college enrollment. Kentucky uses high school assessments to determine college readiness, and institutions use the results for placement in entry-level, credit-bearing college courses. Students identified on the assessments as not being college-ready are warned and provided with remedial opportunities while still in high school.

Key Activities

- Encourage states to adopt and implement readiness definitions aligned with the Common Core State Standards.
- Improve remedial education by: requiring the use of more predictive mechanisms for remedial placement; placing all students in degree-applicable credit bearing courses as a default; and removing policy barriers to implementation of proven innovations, such as co-requisite models.

Multiple Measures in North Carolina. In 2013, the North Carolina State Board of Community Colleges adopted two policies that allow its campuses to use a hierarchy of measures for determining student placement in entry-level, credit-bearing college courses. Institutions first consider each student's unweighted grade-point average. For students not meeting that threshold, the second measure is ACT or SAT scores, and the third measure is performance on a placement test. Institutions are required to use these multiple measures by fall 2015. The system is also phasing in new state diagnostic assessments in math and English/reading.

Priority 4: Innovation and Scale

Goal

Support the development and oversight of programs that shorten time and credits to credential and better fit with career and family obligations. These efforts will focus on three specific areas:

- New Delivery Models. Providers of online, hybrid, and non-credit hour models of delivering postsecondary education have: (a) provisional access to student aid programs and a pathway to permanent access; and (b) relevant quality assurance standards.

- State Regulation of Distance Education Programs. States have simplified, rigorous, and consistent requirements for authorizing distance education programs to enroll their students, as exemplified by the State Authorization Reciprocity Agreement (SARA).

- Articulation and Transfer. States mandate enforceable and comprehensive articulation and transfer agreements for credits and competencies across all sectors of postsecondary education to reduce time to credential and allow portability of all types of credit.

Background

A significant number of students enter postsecondary education only to find that the system is not configured to support them. Colleges and universities often struggle to meet the needs of today's students, who look very different from even the students of a decade ago. Currently, only 14 percent of undergraduates live on campus. Fully one quarter are over the age of 25, nearly one third work full time, and one third transfer between institutions at least once. For many of these students, knowledge and skills gained through years of work are not creditable, credits earned are not easily transferable, and the learning environment rarely reflects the realities of students' life circumstances.

The result for many is extra time, extra credits, and extra money, sometimes with no credential to show for it. CCA has found that among those graduating with a four-year degree from a non-flagship institution, the average full-time student takes 4.9 years and 133.5 credits to complete a credential. Among those earning two-year degrees, the average student takes 3.6 years and 80.9 credits. Only 19 percent of bachelor's degree seekers and five percent of associate degree candidates complete their degrees on time. Even with additional time, the results are not impressive. And research has made clear that the longer it takes, the less likely a student is to complete a credential.

The system needs to become more focused on meeting the needs of today's students by providing clear, navigable pathways to certificates and degrees. This includes streamlining traditional programs through improved articulation and transfer policies, as well as opening the door to new delivery models and providers that seek to provide a quality education while reducing time to degree. For federal and state policymakers, this will require significant shifts in funding, regulatory, and accountability policy, shifts that may be opposed by more traditional, "brick and mortar" providers.

Progress and Next Steps

There have been advances in the policy conversation about streamlining students' paths to credentials through both traditional and new approaches. A growing number of states are developing strategies for funding and delivering online and competency-based programs and prior learning assessments, and nearly half the states have joined a reciprocal agreement for regulating distance education programs (see inset). Additionally, states and systems are continuing to push for clearer and more comprehensive articulation and transfer agreements that reduce the number of "lost" credits. For its part, the federal government is working with a select number of experimental sites in an effort to reconcile a student aid system built on seat time and traditional academic calendars with delivery models that emphasize learning anytime, anywhere.

Transfer in California. California lawmakers enacted major legislation in 2010 to help streamline student transitions between the California Community Colleges (CCC) and California State University (CSU). Under the new law, the two systems are implementing an Associate Degree for Transfer (ADT) that guarantees admission to the CSU system and guarantees students who transfer that they will not be required to take any more than 60 additional credits to earn a bachelor's degree. Several hundred ADT recipients have already gone on to receive baccalaureate degrees from CSU.

These efforts need to be evaluated, and, as appropriate, broadened and accelerated to ensure that more students, especially working adults, have access to faster and more flexible options to meet their educational needs. States need to ensure that quality online, competency-based, and prior learning assessment options are available to students regardless of their location, and step up the reach and enforcement of articulation and transfer policies. In the federal sphere, learning from the experimental sites needs to be leveraged to modernize student aid delivery, and a conversation about quality assurance for online and non-credit-based models needs to be engaged.

State Authorization Reciprocity Agreement (SARA). Currently, distance education programs face a complex patchwork of regulations governing their ability to operate in states other than their home state. The resulting cost and burden has caused many programs to re-evaluate their presence in some states, which has the net effect of reducing access, particularly to place-bound students. Accordingly, the nation's four regional higher education compacts joined forces to create the State Authorization Reciprocity Agreement (SARA), which establishes a common baseline for state approval of distance education programs. To date, 20 states have joined the agreement, and as many as 20 more are expected to join in 2015.

Key Activities

Authority for New Models:

- Ensure that meaningful experiments under the federal Experimental Sites Initiative are in place and supported by strong evaluation.
- Engage leading quality assurance experts to create guiding principles, policies, and practices that can help to modernize existing accreditation systems.

State Regulation of Distance Education Programs:

- Build awareness and support for joining SARA in a critical mass of states
- Support the establishment of a national organization to manage the agreement.

Articulation and Transfer:

- Press for stronger transfer and articulation policies and practices in the states across all public institutions, while seeding the ground for including non-public institutions and non-traditional providers.

Moving Forward

The priorities and issues outlined here are difficult and complex. They touch fundamental aspects and core values of the existing postsecondary system. Perhaps more significantly, these are areas where there is not universal agreement about the way forward and knowledge about what works is still being gathered.

But the reason we are choosing to tackle them is simple – postsecondary education can and must live up to its potential as an engine of economic development and social mobility. This will require a reorientation of the system's basic incentives to encompass success as well as access, and to explicitly focus on outcomes for the students facing the greatest hurdles to achieving a credential of value. It will also require sustained focus and deep engagement with a wide range of stakeholders. Understanding both the opportunities and challenges, we are ready to move forward.