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Testimony for the
Commerce Committee
From
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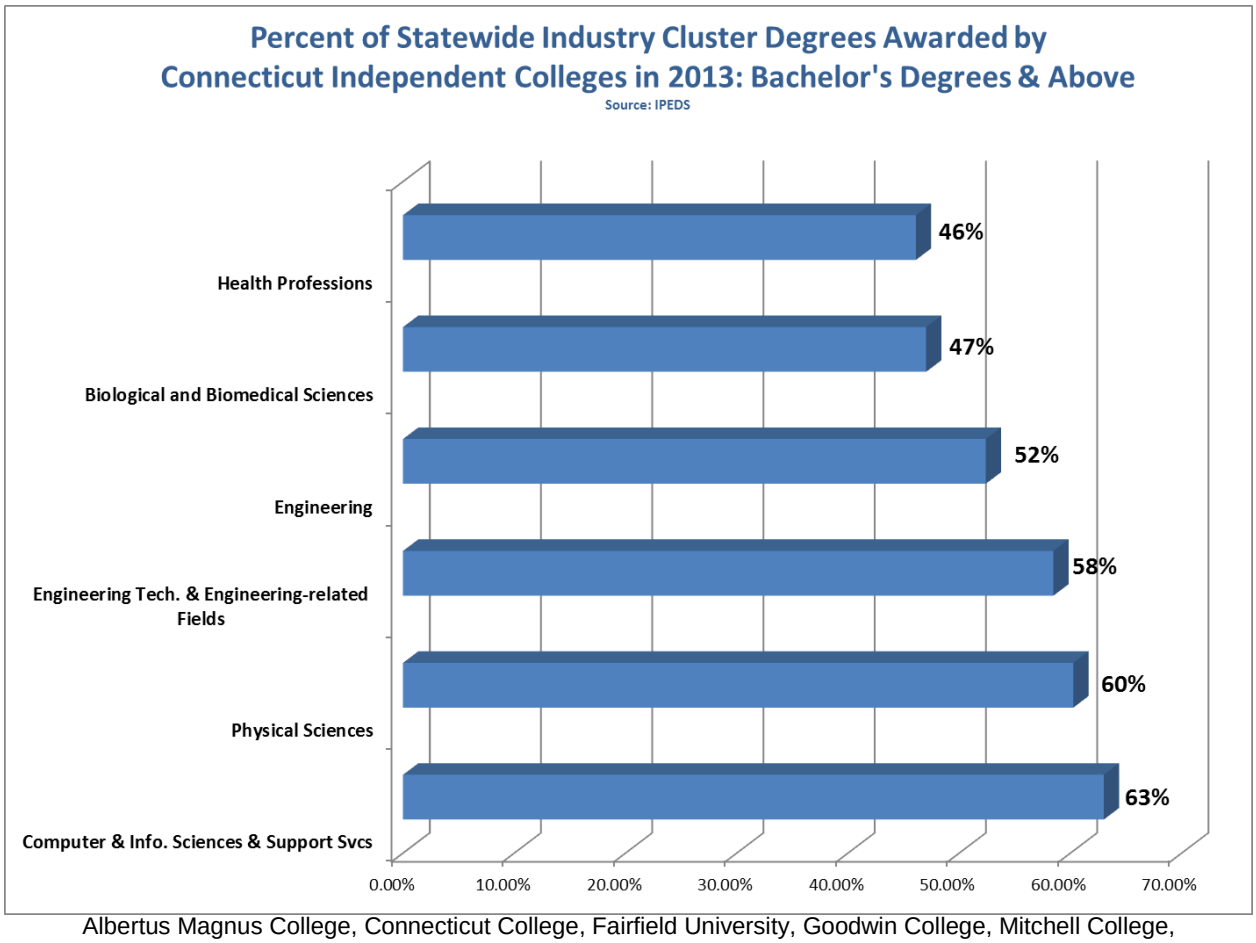
Connecticut Conference of Independent Colleges
March 3, 2015

On behalf of the member institutions of the Connecticut Conference of Independent Colleges (CCIC), I am submitting testimony regarding **HB 6916, An Act Concerning Job Growth and Education,** which requires the Department of Economic and Community Development, in collaboration with the Department of Education, the Board of Regents for Higher Education and The University of Connecticut, to study workforce demands and appropriate job training.

CCIC supports this proposal and recognizes the need for such a study. We recommend, however, that the bill be revised to require that DECD also consult representatives of the state's independent colleges and universities given the fact that they award almost half the degrees granted in Connecticut along with the highest percentage of degrees in key areas of economic growth. In addition, we suggest that this work be done in consultation with the state's **Planning Commission for Higher Education** and that it utilize the state's **P20 WIN system** (more information below).



Planning Commission for Higher Education

The state's Planning Commission for Higher Education was established in section 10a-11b of the Connecticut General Statutes to develop and ensure the implementation of a strategic master plan that, among other things:

- Examines the impact of demographic, workforce and education trends on higher education in the state and
- Recommends ways in which each constituent unit of the state system of higher education and independent institution of higher education in the state can, in a manner consistent with such institution's mission, expand such institution's role in advancing the state's economic growth.

The report, written in consultation with the National Center for Higher Education Management Systems (NCHEMS), was recently finalized and is attached.

One of the goals set by the Commission includes how best to align our overall degree production with the workforce needs of the state's employers. Further, the report notes that "Private institutions, both not-for-profit and for-profit, are major contributors of the state's workforce and the fabric of the communities in which they are located" and "the capacities of all sectors, including the independent sector, must be harnessed if state goals are to be reached."

P20 WIN

Connecticut's Preschool through Twenty and Workforce Information Network (P20 WIN) is Connecticut's inter-agency longitudinal data system that securely links unit record data between education and workforce agencies in the state for the purpose of conducting audits and evaluations of publically funded education programs. Currently, the participating agencies in this effort include CCIC, the Board of Regents, the Department of Labor and the State Department of Education. UConn recently submitted an application to join.

Never before has Connecticut had a method for repeatedly and securely linking individual level data to help improve policies and procedures that affect students over time as they are served or impacted by different state agencies. P20 WIN has been under development for the past few years and the network is now operational.

Information available through P20 WIN can facilitate the long term economic development of Connecticut through the improvement of education programs and workforce alignment. Moreover, P20 WIN is a necessity for Connecticut because it enables responses to state and federal reporting requirements.

P20 WIN may be a powerful tool to assist in the type of study proposed in this bill. Additional information is available at: http://www.ct.edu/initiatives/p20win.

STRATEGIC MASTER PLAN FOR HIGHER EDUCATION IN CONNECTICUT

Planning Commission for Higher Education

February 20, 2015

STRATEGIC MASTER PLAN FOR HIGHER EDUCATION IN CONNECTICUT

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PREFACE

The Planning Commission for Higher Education was established by sec. 10a-11b of Connecticut General Statutes to develop and ensure the implementation of a strategic master plan that:

- Examines the impact of demographic, workforce and education trends on higher education in the state;
- Establishes numerical goals … to increase the number of people earning a bachelor's degree, associate degree or certificate, increases the number of people successfully completing coursework at the community college level and the number of people entering the state's workforce and eliminates the postsecondary achievement gap between minority students and the general student population, and (B) includes specific strategies for meeting such goals.'
- Examines and recommends changes to funding policies, practices and accountability; and
- Recommends ways in which each constituent unit of the state system of higher education and independent institution of higher education in the state can, in a manner consistent with such institution's mission, expand such institution's role in advancing the state's economic growth.

As a foundation for the work of the Planning Commission, the National Center for Higher Education Management Systems (NCHEMS) conducted extensive analyses about the population, demographics, economy, and workforce of Connecticut and of different regions within the state. The complete record of these analyses is available at http://www.cga.ct.gov/hed/pched/pched.asp.

Based on these analyses, the NCHEMS staff prepared a draft set of postsecondary education goals for the state. These were reviewed by the Planning Commission and revised as a result of discussions with that group. Subsequently they were subjected to review by a wide variety of stakeholders throughout the state. The goals and a synopsis of the analyses that led to their selection were the topics of open discussion with:

- Employers in a broad array of industries
- Economic and community development professionals
- Workforce development professionals
- Legislators
- Members of the executive branch of the state government – policy staff, leadership of the Office of Planning and Management, agency heads (Community and Economic Development, Labor)
- Education leaders – UConn, CSCU (including regional and on-campus meetings with institutional presidents and their staffs), CCIC staff and the presidents of independent institutions
- Leaders of the Connecticut Business & Industry Association, MetroHartford Alliance, and the Business Council of Fairfield County

As a result of these consultations and discussions, the Planning Commission affirmed the goals with only slight modifications in wording.

Concurrent with the data analysis, goal formulation, and review activities, NCHEMS conducted a review of the state policies and procedures that could affect implementation of the goals, asking the questions:

- What new policies are needed to promote goal achievement?

- What existing policies are serving as barriers to achievement?

These questions were pursued in the meetings with the stakeholders listed above.

As a result of these activities a statement of goals has been developed and formally adopted by the Planning Commission. In addition a base set of metrics to be used in monitoring progress toward goal achievement has been developed and reviewed by the Commission. Finally, observations about the policy environment and barriers to successful goal implementation have been compiled, presented to, and discussed with the Commission.

The intent of the strategic master plan is to provide an overall framework for the strategic plans of each major segment of higher education in Connecticut. In this respect, it is a strategic plan for the state as a whole and differs from the strategic plans for the University of Connecticut, the Connecticut State Colleges and Universities (CSCU), and the individual independent institutions. The relationships are illustrated in the following figure.

THE CHALLENGE

Connecticut's highly diverse network of public and private colleges and universities provide an exceptional resource for providing educational opportunities for the state's citizens, developing the knowledge and skills of the workforce, and contributing to the future economic competitiveness and quality of life in the state's regions and communities. The challenge is to develop a policy environment that engages this exceptional higher education capacity in addressing the state's major education, social, and economic problems. The analysis prepared for the Planning Commission underscored these major issues:

- Connecticut has a comparatively well-educated population compared to other states and the world's leading economies (Organisation for Economic Cooperation and Development-OECD-countries) (Figure 2).
- The population of Connecticut, however, is not educated to high enough levels to meet the skilled workforce needs in the foreseeable future. In 2012, **47.5%** of Connecticut's population had an Associate's degree or higher. The addition of certificates brings the current level to 56.2%.

Figure 1

Framework

Strategic Master Plan for Connecticut		
UCONN: Creating Our Future	**CSCU: Transform 2020**	**Independent College and University Strategic Plans**

Figure 2

Comparing Connecticut with US States and OECD Countries in the Percentage of Young Adult Degree Attainment (Ages 25-34)

U.S. States	%	OECD Country
	↑	Korea (65.7)
	60	
		Japan
	58	
		Canada
	56	
Massachusetts		
North Dakota	54	
Minnesota	52	
New York		
	50	Luxembourg
New Jersey		Ireland
Connecticut	48	United Kingdom
Nebraska, Illinois, Virginia		New Zealand, Australia
Pennsylvania, Colorado, Maryland, Rhode Island, Iowa	46	
Vermont, South Dakota, Wisconsin		Norway
Kansas, New Hampshire	44	Israel, UNITED STATES
Hawaii, Montana		Sweden, Netherlands, Belgium, France
Washington, Missouri, Utah	42	
Wyoming, Ohio		Poland, Switzerland
Delaware, Michigan, Maine, California, North Carolina, Oregon	40	Denmark, Estonia, Finland
Florida		Spain
	38	Iceland
Tennessee, South Carolina, Georgia, Indiana		Slovenia, Greece
Kentucky	36	
Texas, Idaho, Arizona		
West Virginia	34	
Alabama, Oklahoma, Alaska, New Mexico		
Louisiana	32	
Arkansas, Mississippi		
Nevada	30	Hungary
		Germany
	28	Portugal, Czech Republic
		Slovakia
	26	
	24	Mexico
		Austria
	22	Chile, Italy
		Turkey
	20	

Source: 2014 OECD Education at a Glance (for year 2012); U.S. Census Bureau, 2013 American Community Survey 1-Year Public Use Microdata Sample.

Figure 3

Percent of 25-64 Year Olds with College Degrees — Associate and Higher, Certificates and Total, 2011

Source: U.S. Census Bureau, 2011 American Community Survey, 2008 SIPP, Survey of Income and Program Participation

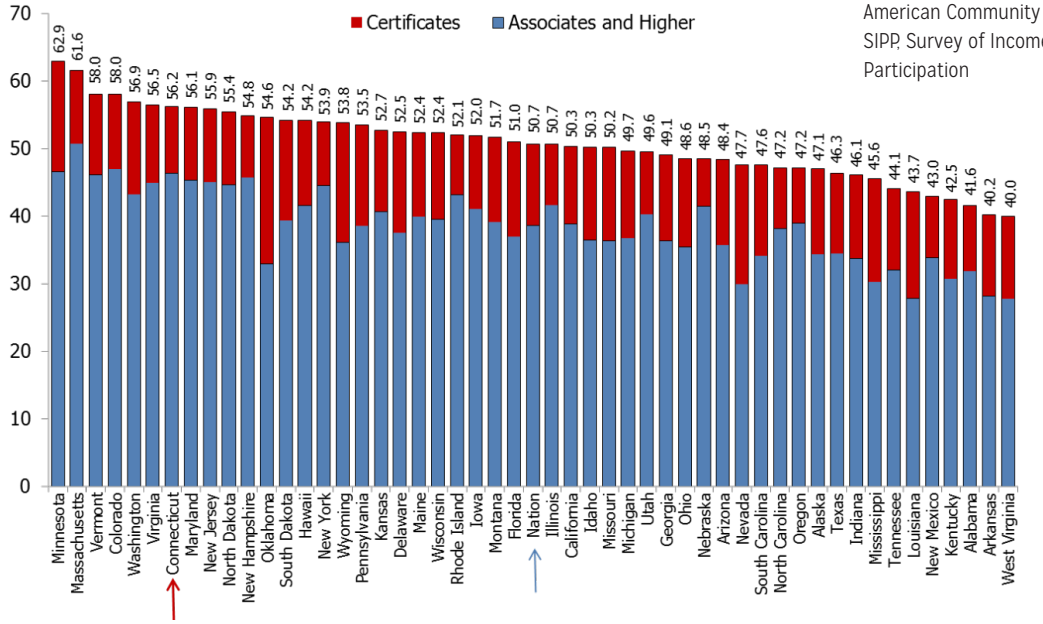


Figure 4

Percentage of Jobs in 2020 that Will Require a Postsecondary Education, by State

Source: Georgetown University Center on Education and the Workforce, Projections of Jobs and Education Requirements through 2020; 2013

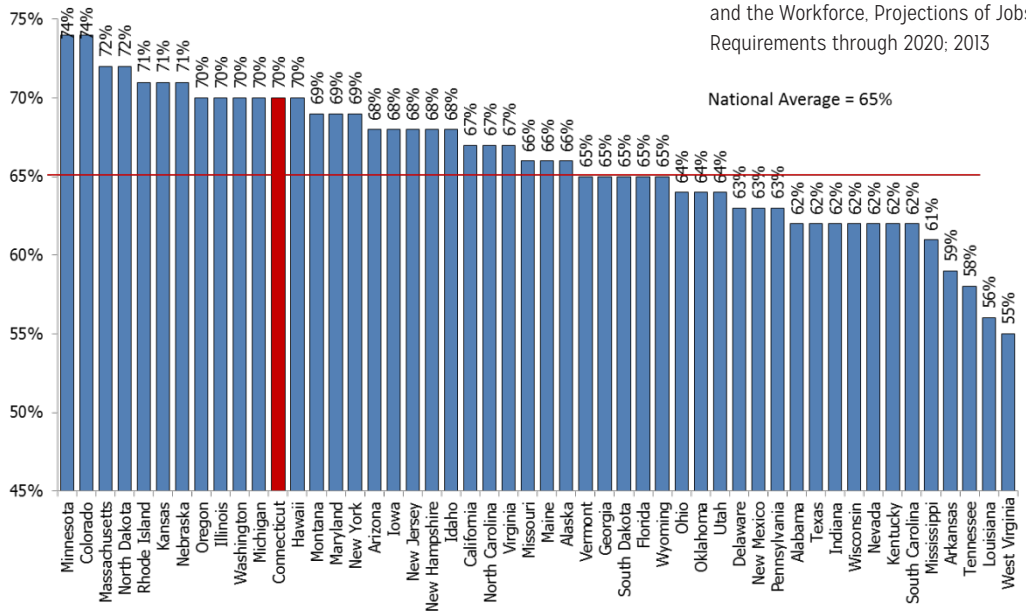
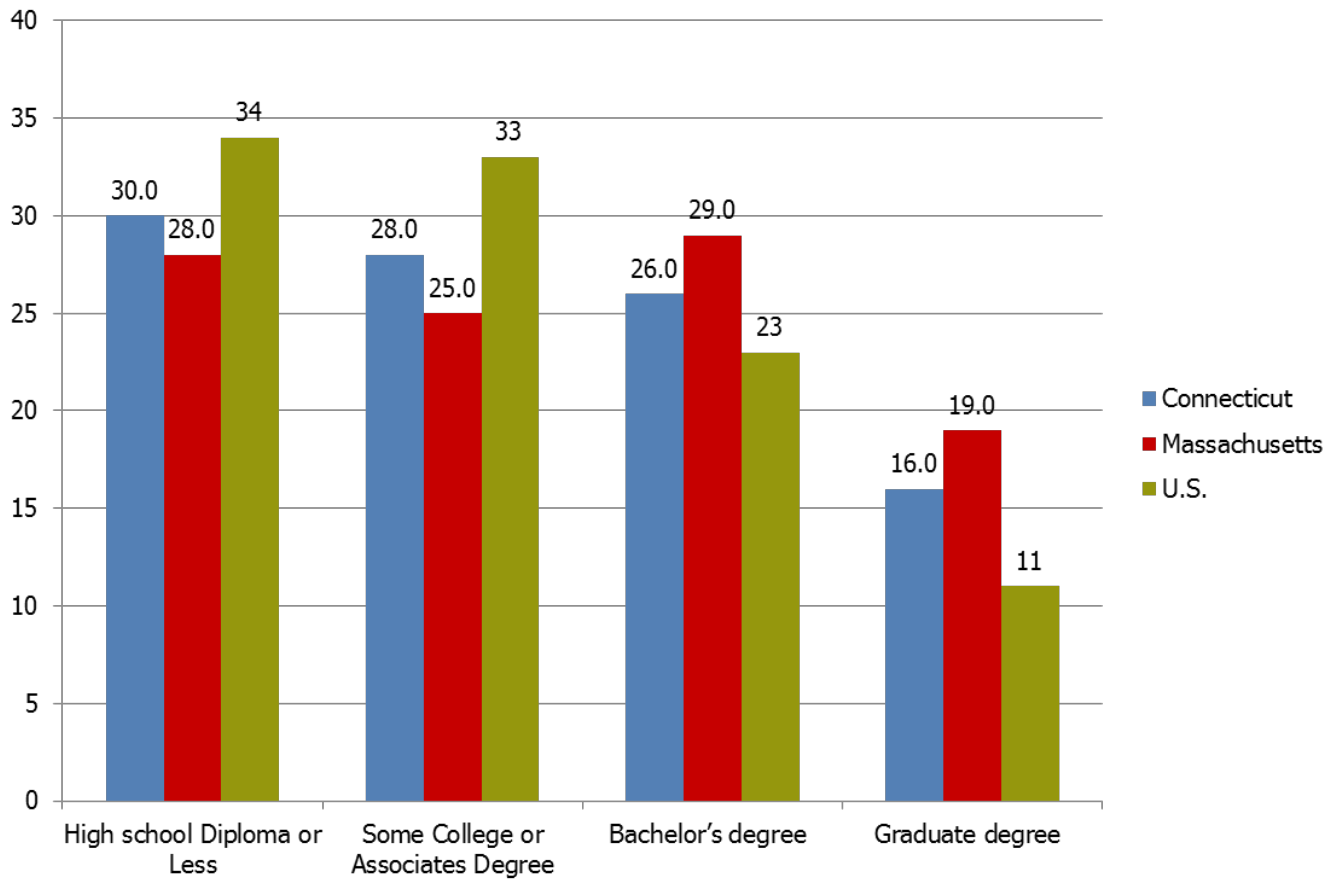


Figure 5

Percentage of Connecticut, Massachusetts, & U.S. Jobs in 2020, by Education Level

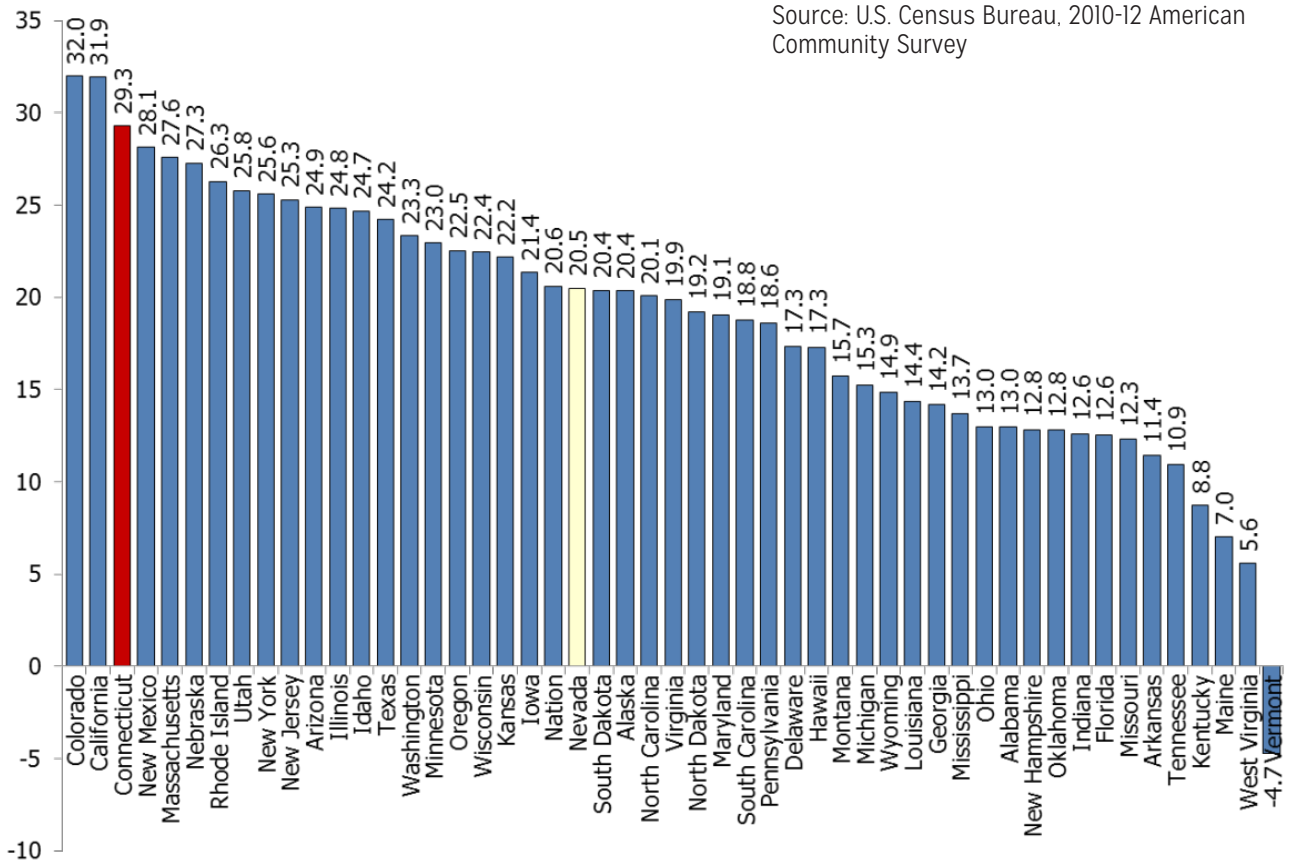


Source: Georgetown University Center on Education and the Workforce, RECOVERY: Projections of Jobs and Education Requirements Through 2020; June 2013

- Projections indicate that by 2025 Connecticut's economy will require a workforce in which **70%** will have some education beyond high school (Figures 4 and 5).
- Hitting that 70% target will require production of **300,000** *more* graduates than the current rates of production will yield (and that number accounts for in-migration of college-educated individuals (see Appendix A, Figure 7).
- If nothing is done and current education patterns continue, Connecticut will produce **23,000** *fewer* graduates due to a projected decline in high school graduates over the next decade and beyond.

Figure 6

Difference in College Attainment Between Whites and Minorities, Ages 25-64 (Blacks, Hispanics, Native Americans) (2010-12)



- The education attainment gaps between whites and minorities are greater in Connecticut than in almost all other states in the country (Figure 6).
- The number of students graduating from high school in Connecticut is projected to decline over the next decade and beyond. The only increases will occur among the state's minority populations (see Appendix A Figure 8).
- If Connecticut is to increase the postsecondary education attainment of its population, it must reach a higher percentage of its current adult population. The state currently enrolls adults at a lower rate than all but five other states (see appendix A, Figure 9).
- Levels of education attainment and per capita income vary enormously from one part of the state to another. The populations of the core cities in the state are particularly

disadvantaged in these respects (see Appendix A, Figures 10 and 11).

- There are significant mismatches between workforce needs and degree production by the educational institutions in the state. The imbalances are particularly noteworthy in fields at the sub-baccalaureate level.
- Private institutions, both not-for-profit and for-profit, are major contributors to the education of Connecticut citizens, the preparation of the state's workforce, and the fabric of the communities in which they are located.
  - For-profit institutions are the major providers of certificate-level credentials (Appendix A, Figure 12)
  - Private independent non-profit institutions grant a high percentage of all degrees at the bachelor's and master's degree levels granted in Connecticut (Appendix A, Figure 13)
- Higher education is becoming very expensive in the state. Affordability of higher education is an issue, especially for low-income students, both youth and adults, who must have access to postsecondary education if workforce needs are to be met (Appendix A, Figures 14 and 15).

VISION AND GOALS

Vision: A globally competitive, regionally engaged Connecticut higher education system that is focused on achieving these goals:

1. **Education attainment: Increase education levels of the adult population of the state to:**
   - Ensure that the state will have a workforce with the skills needed by a competitive economy
   - Provide citizens with the tools needed to participate in an increasingly complex society
   - Over time, reduce socioeconomic disparities and, thereby, improve the quality of life in the state's cities and towns.

   In order to achieve these purposes it is recommended that a target be set of at least 70% of the working age population having a postsecondary credential by 2025 and that, in pursuit of this objective, priority be given to
   - Reducing attainment gaps between white and minorities.
   - Improving educational attainment of residents of cities' urban cores.
   - Increasing the number of adults awarded postsecondary credentials.
   - Ensuring that the quality of education is not only sustained but improved and that credentials awarded reflect the deeper learning required to meet the intent of the goals.
2. **Competitive workforce, regions and communities: Increase higher education's contributions to a globally competitive economy and workforce and sustainable regions and communities.** Strengthen higher education's contributions to regions and communities to develop globally competitive economies and environments and the cultural and other amenities essential for attracting and retaining a highly educated, diverse population.
3. **Affordability: Ensure that higher education is affordable for Connecticut residents**

ESSENTIAL LEARNING OUTCOMES

The Planning Commission believes that improving the quality of learning outcomes of all Connecticut graduates is fundamental to reaching the 70% educational attainment goal.
The Planning Commission's definition of quality is best reflected in the following Essential Learning outcomes as developed by the American Association of Colleges and Universities has developed a as a contemporary definition of liberal education. Students graduating from Connecticut colleges and must be prepared for twenty-first-century challenges by gaining:

Knowledge of Human Cultures and the Physical and Natural World

- Through study in the sciences and mathematics, social sciences, humanities, histories, languages, and the arts

Focused by engagement with big questions, both contemporary and enduring

Intellectual and Practical Skills, including:

- Inquiry and analysis
- Critical and creative thinking
- Written and oral communication
- Quantitative literacy
- Information literacy
- Teamwork and problem solving

Practiced extensively, across the curriculum, in the context of progressively more challenging problems, projects, and standards for performance

Personal and Social Responsibility, including:

- Civic knowledge and engagement—local and global
- Intercultural knowledge and competence
- Ethical reasoning and action
- Foundations and skills for lifelong learning

Anchored through active involvement with diverse communities and real-world challenges

Integrative and Applied Learning, Including:

- Synthesis and advanced accomplishment across general and specialized studies

Demonstrated through the application of knowledge, skills, and responsibilities to new settings and complex problems

Source: American Association of Colleges and Universities http://www.aacu.org/leap/essential-learning-

TARGETS

1. **Education attainment**

- The 70% attainment goal be interpreted as consisting of
  - 40% with baccalaureate degrees
  - 30% with associate degrees and certificates (about 17% certificates ad 13% associate degrees)
- Align standards and assessments for K-12 and adult education with clear statewide expectations for college and career readiness.
- Reduce by half the proportion of first-time community college students requiring remediation by 2025
- Increase the proportion of students who initially fail to meet the basic threshold for college-readiness who gain the basic skills necessary for entry into credit-bearing certificate-level courses.
- Reduce the education attainment gaps between whites and minorities by half — from 29% to 15% by 2025
- Increase the number of adults being awarded undergraduate degrees or certificates of value (those that prepare individuals for jobs that pay a living wage and provide a pathway for further education): double the number by 2025
- Improve the education attainment levels of residents of cities' urban cores: bring attainment to current statewide average by 2025

One scenario developed by NCHEMS concerning steps necessary to achieve these goals is presented in Appendix A. The specifics within this scenario have not been vetted with — nor agreed to by — the postsecondary education systems in the state.

2. **Competitive workforce, regions and communities**

- Align degree production with the workforce needs of the state's employers: By 2025 increase by 20% the production of degrees in fields identified as state priorities (e.g., STEM, health, digital media, high value certificates — advanced manufacturing)
- Contribute to expansion and diversification of the state's economy through research and innovation: Double the new business activity resulting from research by 2025
- Establish partnerships in every region focused on how higher education can contribute to sustainable communities engaging higher educational institutions (public and independent) with business, civic and cultural leaders
- Increase the number of students engaged in community service, internships and other workplace-based learning activities, not only as a way to provide academic and economic benefits to students, but also as a means for strengthening students' ties to communities and increasing the likelihood of their remaining in the state after graduation.

3. **Affordability**

- Narrow the gap between cost-of attendance and family income. The net cost (tuition and fees minus grant aid) of attending public two-year and four-year institutions relative to low-income families (low quintile incomes) will be no more than the national average by 2025
- Reduce the amount of the average student loan to the national average by 2025
- Increase the proportion of Connecticut recent high school graduates who enroll in Connecticut institutions of higher education by 5% by 2025.

POLICY BARRIERS

This section summarizes findings from the NCHEMS review of current policy and practice. It is organized by area of potential policy action.

Finance Policy

Finance policy is not aligned with the long-term goals. Finance policy and resource allocation procedures are the strongest tools available to state governments as they seek to not only create an appropriate array of strong institutions but to ensure that these institutional assets are deployed in ways that serve the priority needs of the state. Therefore, being strategic about the shaping and use of these tools is obligatory if Connecticut is to reach – or even pursue -- state goals in a cost-effective manner. The state's current approach to resource allocation falls short of best practice in several important ways:

- Current finance policy has the effect of protecting the status quo, not strategically investing in new capacity or providing incentives for institutions to make focused efforts to pursue state priorities.
- There is no venue for considering the inter-relationships between tuition policy, student financial aid, state appropriations, and improvements to institutional productivity. Each of the major financial tools available to state government is used independently of each other. There is no effort – or mechanism – to synchronize them in an intentional, goal-oriented way.
- There is only limited recognition of the role that non-public institutions play in meeting the state's goals and the resulting implications for both affordability and sustainability.

More specifically, the major observations regarding the ways in which state resources are presently allocated to institutions are as follows:

- Allocation mechanisms for public institutions are not aligned with goals and intended outcomes. They are primarily incremental and enrollment/cost driven rather than strategic and outcomes-driven. As a result they reinforce the status quo in an environment in which change is needed.
- Connecticut places a great deal of reliance on funding of special projects and pilots that do not have long-term systemic impact. Few, if any, are brought to scale. They may fund sound ideas, but they do not have lasting impact.
- The methods of allocation do not provide incentives for needed improvements in the cost-effectiveness of modes of delivery for students and the state.
- The methods provide no means to strategically utilize the capacity of the independent sector to contribute to achievement of goals in a manner that is affordable to students and holds institutions accountable for performance.
- There is no vehicle to finance services for youth and adults who "fall between the cracks" of the K-12 system and adult education on the one hand, and college-level, credit bearing courses on the other (e.g., intensive remedial/developmental education). Given the importance of providing such individuals with additional skills, this is a major failure of the current approach.
- There is no statewide investment fund to provide for:
  - Rapid response to regional/employer needs utilizing the capacity of existing institutions
  - Supporting innovation in modes of provision to meet state goals

This is an area where innovative approaches (such as joint public/private funding) are a possibility.

- At the moment, institutions have every incentive to compete, and not collaborate. The funding model creates incentives to compete for students. This is inconsistent with the need for institutions to collaborate regionally with business, civic, cultural and educational leaders to building sustainable communities — uplifting the educational attainment and quality of life of the region's population and creating an environment that will attract and retain a highly educated population (regional stewardship).

With regard to student financial aid policies, it is noted that they have been developed without reference to:

- State goals and clear definition of strategic priorities (e.g., increased degree production, ensuring affordability for that significant pool of under-prepared youth and adults who need at least some postsecondary education).
- Relationship of student aid policy to tuition policy and institutional appropriations. Student aid policy is a train on its own track.
- A recognition that the capacities of all sectors, including the independent sector, must be harnessed if state goals are to be reached.

There is a particular need to pilot new modes of student financial aid that provide incentives for students to engage in work-based learning ("Earn and Learn"), approaches to aid that provide for alternatives such as paid internships that help the causes of both affordability and improved academic preparation in key areas.

There is also a critical issue of affordability for under-prepared students who fall between the cracks in existing student aid, adult education, and workforce programs. Students who cannot meet the basic threshold of college readiness necessary for entry into developmental education and credit-bearing courses need affordable access to basic skills and certificate programs that offer pathways to credit-bearing courses. Currently many of these students are served through community college continuing education and workforce units. They are currently not eligible for federal or state student aid and must full pay tuition and fees unless they are in adult education, workforce, employer-funded or other special projects.

Policy Leadership

Since the abolition of the former Department of Higher Education, Connecticut has not had an entity responsible for policy formulation and leadership for the higher education system as a whole. The CSCU Board of Regents, regardless of any broader charges, is charged with responsibility for governing only one segment of Connecticut's higher education enterprise. Furthermore, the Board of Regents is appropriately focused on the important work associated with forging a system out of the disparate institutions under its purview. The UCONN Board of Trustees is similarly narrowly engaged in oversight of the institutions within its jurisdiction. The Office of Higher Education is an administrative and regulatory agency, not an entity taking the broad view of higher education policy and leading efforts to create a supportive policy environment.

What Connecticut needs — and does not have — is an entity or venue that:

- Has the authority and responsibility to:
  - Establish, build consensus around, and sustain attention to long-term goals for postsecondary-level education attainment — or for the whole education system, P-20.

- Develop the metrics and data/information system necessary for measuring progress toward goals and holding the system accountable for performance
- Report annually on progress toward achieving the established goals
- Conduct highly respected analyses that can inform policy deliberations
- Provide a venue to discuss the challenges in reaching these goals and to shape recommendations to the Governor and Legislature on an action agenda to achieve goals (e.g., a two-year agenda toward long-term goals)

▶ Has a degree of independence from, but trusting relationships with

- The state's political leadership: the Governor and General Assembly
- Higher education institutional leadership

▶ Is not encumbered by responsibilities for governing public institutions, or carrying out regulatory or administrative tasks that are inconsistent with statewide policy leadership

To have the stature necessary to be effective, this entity must be composed of the state's most influential civic, business/industry, and cultural leaders and represent the diversity of the state's population.

Governance/Decision-Making Authority

Connecticut needs the higher education policy leadership capacity described above. In addition to policy leadership, there continues to be a need to strengthen the system and institutional governance mechanisms now in place:

▶ The reorganization that led to the creation of the Connecticut State College and Universities (CSCU) system is an accomplished fact. Every effort should be made of ensure that the system evolves quickly into a fully functioning, effective and efficient governing entity.

▶ Need for a clearer delineation and implementation of a community college system within the framework of the Board of Regents

- Ensuring the capacity for the full range of community college services in every region
- Aligning finance policy with this mission
- Providing for system-wide sharing of services and capacity (e.g., a rapid-response capacity related to workforce needs)
- Taking advantage of the Board of Regents structure for shared services and capacity to address issues such as transfer and articulation.

▶ While recognizing the work of the existing P-20 Council and the Board of Regent's Early College Steering Committee, there is a need for a more effective means to shape and ensure implementation of a P-20 agenda engaging the P-12 system, adult education, workforce development, and all postsecondary sectors (UCONN, CSCU, and the independent sector) to:

- Lead and ensure systemic implementation of policies on cross-cutting issues related to student success such as:
  - Reaching agreement on and implementing a statewide definition of what it means to be college and career ready which is clear to the K-12 system, students and parents
  - Alignment of K-12 standards and assessments with postsecondary expectations for entry into college-level math and English/language arts (as required by PA 12-40)

- Regional collaboration between higher education (public and independent institutions) with K-12 to increase the percentage of students who are college/career ready
- Developing pathways between adult education and workforce development and postsecondary education

- Provide a venue for continued implementation of the Preschool through 20 and Workforce Information Network (P-20 WIN).
- Ensure systemic implementation (e.g., move from "pilots and projects" to system-wide implementation) of initiatives that "fall-between-the-cracks" of sectors (K-12/postsecondary, postsecondary/workforce development, postsecondary and adult education.

Regulatory Environment

From a comparative perspective, Connecticut higher education institutions (both public and independent institutions) operate in a highly regulated environment. To ensure that the network of institutions has the capacity to respond to state goals and to compete in the regional and global economy, Connecticut should move toward a system that:

- Reshapes state accountability requirements from control of inputs to clear expectations for performance related to state goals.
- Uses finance policy and purposeful allocation of resources rather than regulatory controls as the means to ensure that institutions develop the programs and services needed to serve state and regional needs.

POLICY RECOMMENDATIONS

Goals

That the Connecticut General Assembly adopt by statute the goals as recommended by the Planning Commission as the overall framework for higher education in Connecticut including UCONN, CSCU and private higher education:

- Make clear that the goals of the constituent units (UNCONN and CSCU) are to be linked to the overall system goals
- Make other changes in existing statutes to eliminate duplication, inconsistency and overlap in goal statements

Finance

1. Change the overall framework guiding the allocation of state resources to institutions to a new framework having the following major components:
   - Base funding: allocations made to sectors: UCONN, CSCU universities, community colleges, and Charter Oak.
     - Make base allocations as a lump sum but not determined by historic cost drivers (negotiated faculty salary increases and numbers of positions, for example)
     - Continue responsibility of systems (UCONN and CSCU) for distributing allocations to campuses
     - Assign responsibility to a policy leadership entity for recommending (and defending) sector-level amounts to the Governor and General Assembly
   - A state-level investment fund: Designed to enhance capacity as needed to achieve goals. The decision-making process would follow these steps

- The policy leadership entity would recommend criteria for projects and overall funding level after consultation with the system heads, Governor's staff, legislative committee chairs
- Institutions would propose projects in line with these criteria
- In some states that have used similar approaches, a panel of independent out-of-state experts rank the projects. This is an option that should be seriously considered.
- Projects would be awarded from a single pool of resources without sector entitlements.
- Consistent with the goals and in keeping with the principle that allocation of resources should be aligned with goals, it is recommended that early on the following two initiatives be given strong consideration for designation as the highest priority investments:
  - The creation of programs that integrate basic academic and vocational skills development in the same program (building on the experience of Washington State's I-BEST program and similar pilot projects in Connecticut). These programs should be targeted to adults with significant deficiencies in college readiness, individuals badly in need of workplace skills and who have no chance of acquiring them through normal academic program channels.
  - Linking higher education institutions to regional development and the creation of sustainable, attractive communities. These linkages could be with public schools, community groups and/or employers and be designed to foster collaborative efforts among postsecondary education institutions in a region (public and private) to narrow gaps in postsecondary access and success, and improve economies and quality of life for citizens in a region.

  Both of these types of investments could require acquisition of some level of matching funds as a condition for funding eligibility – the first using funds from employers or state and federal funds, the second from community foundations or state and local community development funds.

- Outcome-based component. This component would:
  - Reward both public and independent institutions for:
    - Increasing the number of degrees produced with additional weight given to degrees awarded to underrepresented populations and in high priority fields. Only degree production of Connecticut residents, not out-of-state residents, would be rewarded.
    - Increasing (Connecticut) business activity resulting from research.
  - Rewarding public institutions for improving productivity. The suggested metric for improved productivity is a decrease in the cost of degrees produced (degrees produced per total "public" revenue—state appropriations and tuition) compared to average of past three years.

2. Develop a strategic financing plan for Connecticut higher education that:
   - Uses the goals as the point of departure
   - Asks the questions: "What combination of tuition, student financial aid, appropriations to institutions, and improvements in institutional productivity:
     - Is feasible to put in place?

- Achieves goals?
- Is affordable to both students and taxpayers?"

- Can serve as a framework for the broader range of implementation
- Has a time horizon consistent with that of the goals (i.e., extends to 2025).

3. Revamp the state's student financial aid system

- **Short-term**
  - Create a Student Financial Aid Study Commission and charge it with designing:
    - A need-based grant program that:
      - Has "shared responsibility" among students, institutions, and government (state and federal) as the overarching conceptual framework
      - Promotes attainment of the goals: supports the number of students required to meet goals
      - Keeps college affordable for the kinds of students who will have to be brought into the system if the goals are to be met (e.g., low-income and Latino/a and African-American students, and adults)
      - Recognizes the contributions of all sectors
      - Maximizes access to federal funds
    - A pilot of an Earn and Learn program in one or two fields that are designated as state priorities and have organized backing from employers/partners that:
      - Allows students to earn a paycheck while gaining workplace experience that carries academic credit.
      - Links students to employers in ways that encourage long-term employment and retention of workers in the state.
      - Incorporates incentives for corporate contributions (through tax credits or other means).
      - Provides for Technical High School students to be eligible if their programs are pathways to community college programs.
    - Policy alternatives to ensure affordability for underprepared students seeking credit bearing certificates.
- **Long-term**
  - Implement the recommendations of the Student Financial Aid Study Commission
  - Add additional academic programs to the Earn and Learn initiative

Policy Leadership

1. Short-term

Recognize the Planning Commission on Higher Education as the policy leadership entity charged with responsibility for sustaining attention to the goals, monitoring and reporting on progress toward the goals:

- Refer to the existing statutory language regarding annual reports
- Add language on advising the Governor and General Assembly in the strategic budgeting process and on policy actions needed to advance the plan
- Ensure that the Planning Commission membership includes the necessary involvement of key stakeholders

- Continue to explore alternatives to provide the necessary staff support to the Planning Commission after support from NCHEMS is no longer available (2016 and beyond).

2. Long term

Establish or designate an appropriate policy leadership entity with the necessary staff support.

Accountability

1. Short-term

- Mandate that the policy leadership entity prepare an annual report that:
  - Charts progress toward achieving the goals
  - Utilizes the metrics attached to the goals approved by the Planning Commission (as a minimum)
  - Includes analyses that point out barriers to success or suggest new policy implementation strategies
- Create a venue where
  - Political, education, and business leaders can come together to:
    - Review the progress report
    - Discuss an action plan for needed implementation steps
    - Help ensure continued attention/focus on the goals
    - Orient new members of the group to the goals and their importance to the state, and the implementation steps being employed
  - Use North Dakota Roundtable as a model

North Dakota Roundtable

Formed in 1999, the Roundtable on Higher Education brings together the key stakeholders of the North Dakota University System to establish consensus on a common vision, a clear set of expectations and the results for which the system would be held accountable. The roundtable effectively engaged these stakeholders at the front end of the process in a manner that made them active participants and led to the stakeholders taking ownership of the effort. Roundtable members refer to this new way of doing business as "public and private partnerships built upon mutual trust and a common purpose."

    - Establish a broadly representative roundtable including board members, business and economic development leaders, system heads, institutional presidents (public and private), legislators, Governor's staff, faculty, students, and advocacy groups.
    - Staff the roundtable by the policy leadership entity
    - Meet twice a year
  - One meeting timed in such a way that discussions can help shape criteria for the investment fund to be used in the next budget cycle.

2. Long-term

- Sustain the roundtable process over a long period of time
- Organize on-going information sessions with regional groups and the media using goals and progress reports as the agenda

Governance/Decision-Making Authority

- Continue to give high priority to effective implementation of the Connecticut State College and Universities (CSCU) system
- Ensure clear delineation and implementation of a community college system within the framework of the Board of Regents
  - Ensuring the capacity for the full range of community college services in every region.
  - Aligning finance policy with this mission.
  - Providing for system-wide sharing of services and capacity (e.g., a rapid-response capacity related to workforce needs).
  - Taking advantage of the Board of Regents structure for shared services and capacity to address issues such as transfer and articulation.
- Develop an effective means to shape and ensure implementation of a P-20 agenda engaging the P-12 system, adult education, workforce development, and all postsecondary sectors (UCONN, CSCU, and the independent sector), to:
  - Lead and ensure systemic implementation of policies on cross-cutting issues related to student success such as:
    - Reaching agreement on and implementing a statewide definition of what it means to be college and career ready which is clear to the K-12 system, students and parents
    - Alignment of K-12 standards and assessments with postsecondary expectations for entry into college-level math and English/language arts (as required by PA 12-40)
    - Regional collaboration between higher education (public and independent institutions) with K-12 to increase the percentage of students who are college/career ready
    - Developing pathways between adult education and workforce development and postsecondary education
  - Provide a venue for continued implementation of the Preschool through 20 and Workforce Information Network (P-20 WIN)
  - Ensure systemic implementation (e.g., move from "pilots and projects" to system-wide implementation) of initiatives that "fall-between-the-cracks" of sectors (K-12/postsecondary, postsecondary/workforce development, postsecondary and adult education.

Regulation/Deregulation

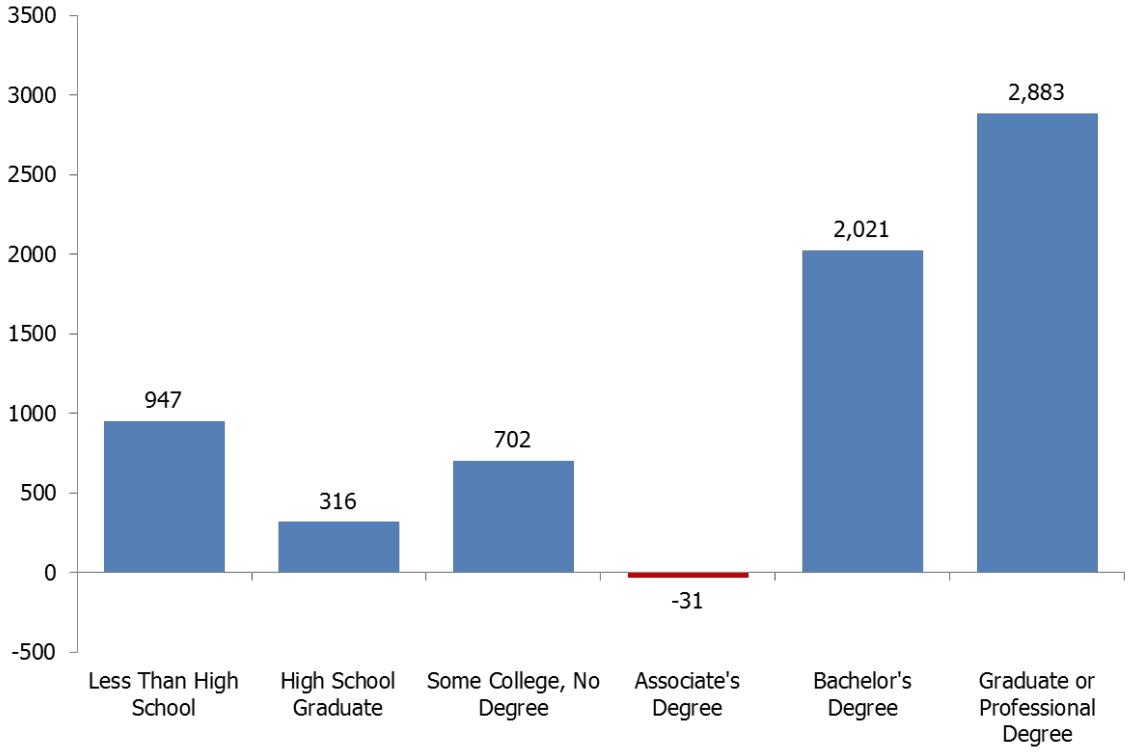
1. **Short-term**
   - Undertake a more in-depth policy audit than was possible in the course of this project
   - Provide regulatory relief in areas identified during the project as being major barriers to goal attainment
     - Purchasing and contracting
     - Program approval
     - Other areas identified in the policy audit
2. **Long-term**
   - Address the issues identified during the policy audit

APPENDICES

APPENDIX A - DATA

Figure 7

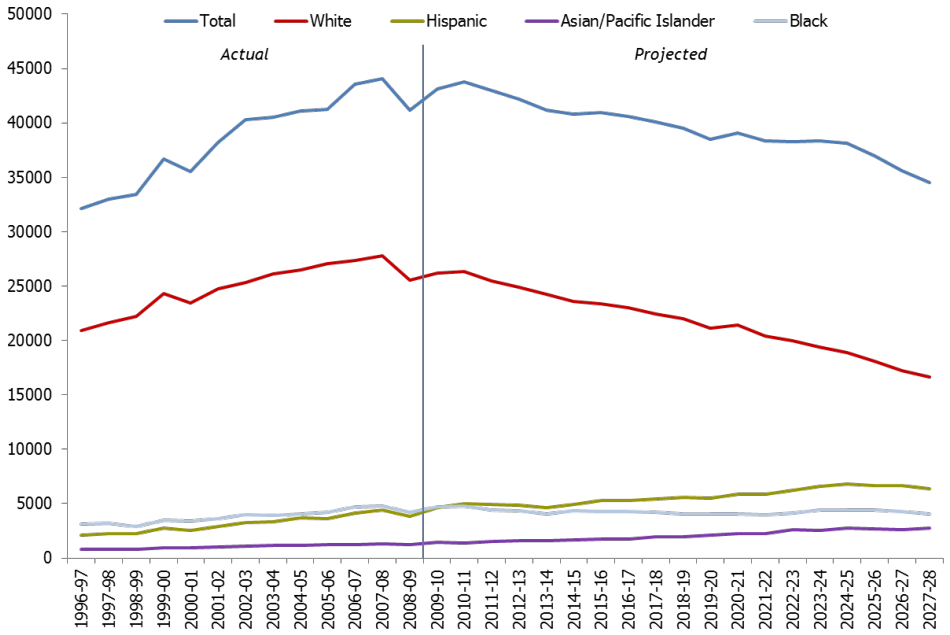
Average Annual Net Migration of 22 to 64 Year Olds by Education Level, Connecticut, 2011-13



Source: U.S. Census Bureau, 2011-13 American Community Survey (ACS) Three-Year Public Use Microdata Sample (PUMS) File.

Figure 8

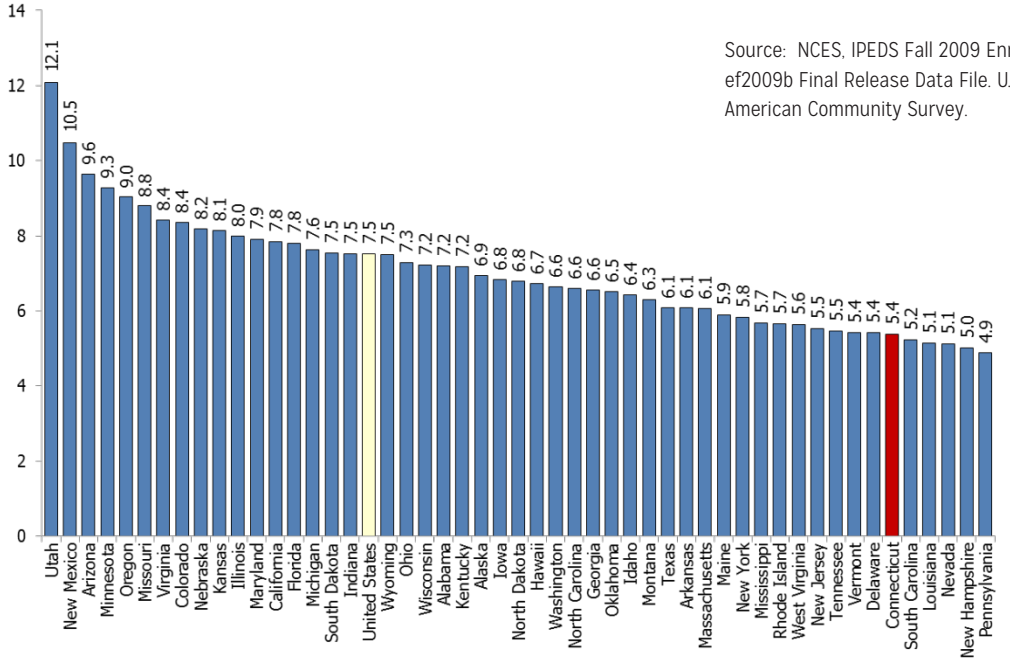
Connecticut High School Graduates 1996-97 to 2027-28 (projected)



Source: WICHE Knocking at the College Door

Figure 9

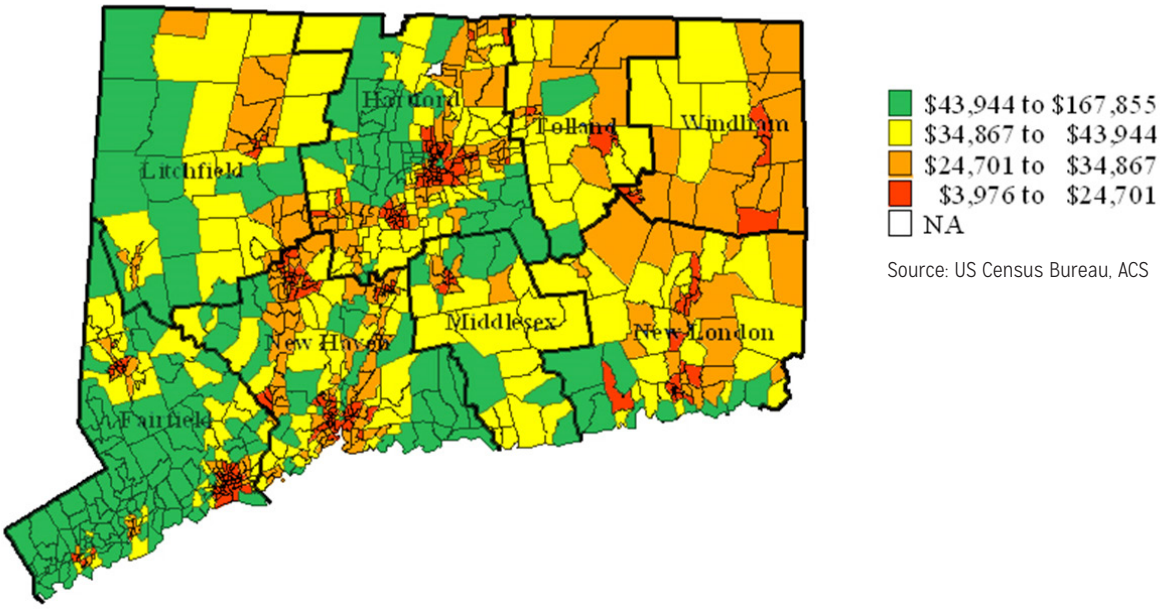
Population Age 25-49 Enrolled in College as a Percent of Population Age 25-49 with Less than a Bachelor's Degree, Fall 2011



Source: NCES, IPEDS Fall 2009 Enrollment File; ef2009b Final Release Data File. U.S. Census Bureau, American Community Survey.

Figure 10

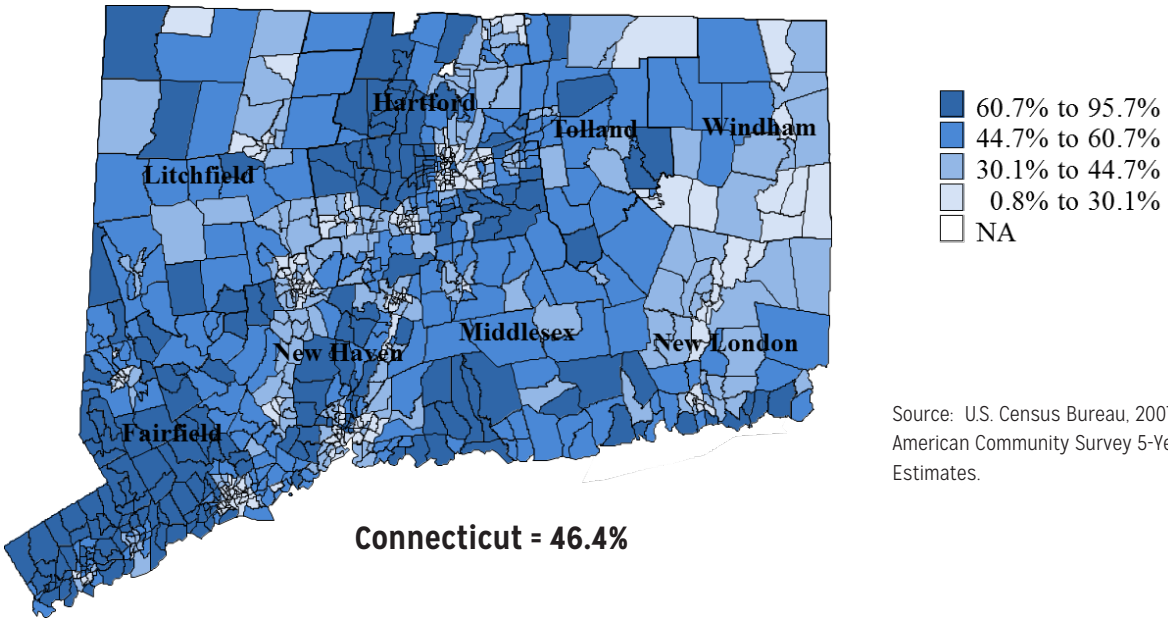
Per Capita Income by Census Tract, 2007-11



Source: US Census Bureau, ACS

Figure 11

Percent of Population Age 25-64 with a College Degree (Associates and Higher) by Census Tract, 2007-11



Source: U.S. Census Bureau, 2007-11 American Community Survey 5-Year Estimates.

Figure 12

CERTIFICATES — Completions for Connecticut Institutions, 2011-12, Includes Less than 1 Year and One to Two Year Awards

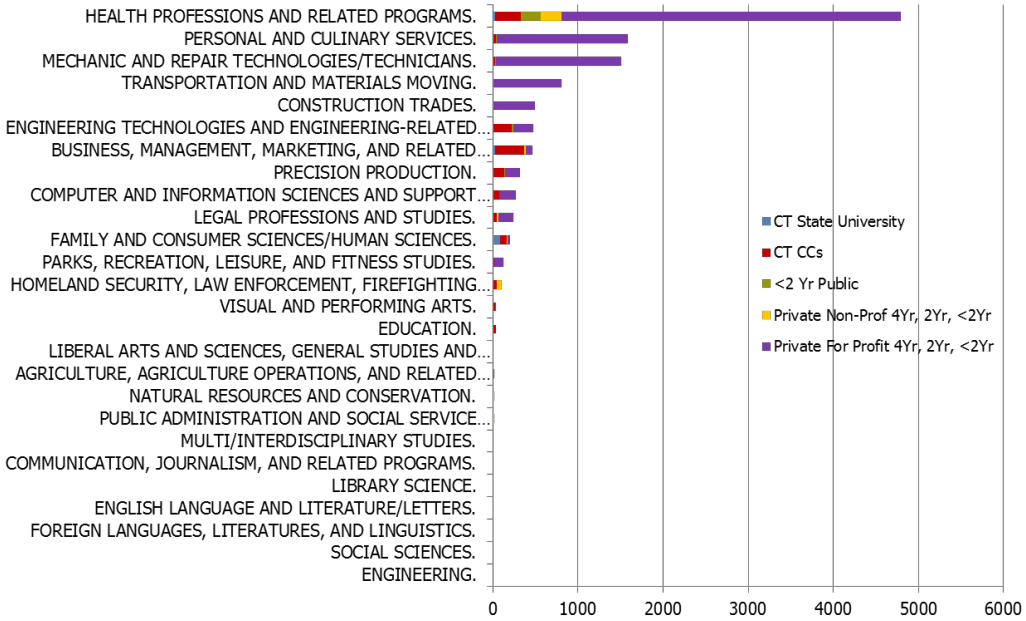


Figure 13

BACHELOR — Completions for Connecticut Institutions, 2011-12

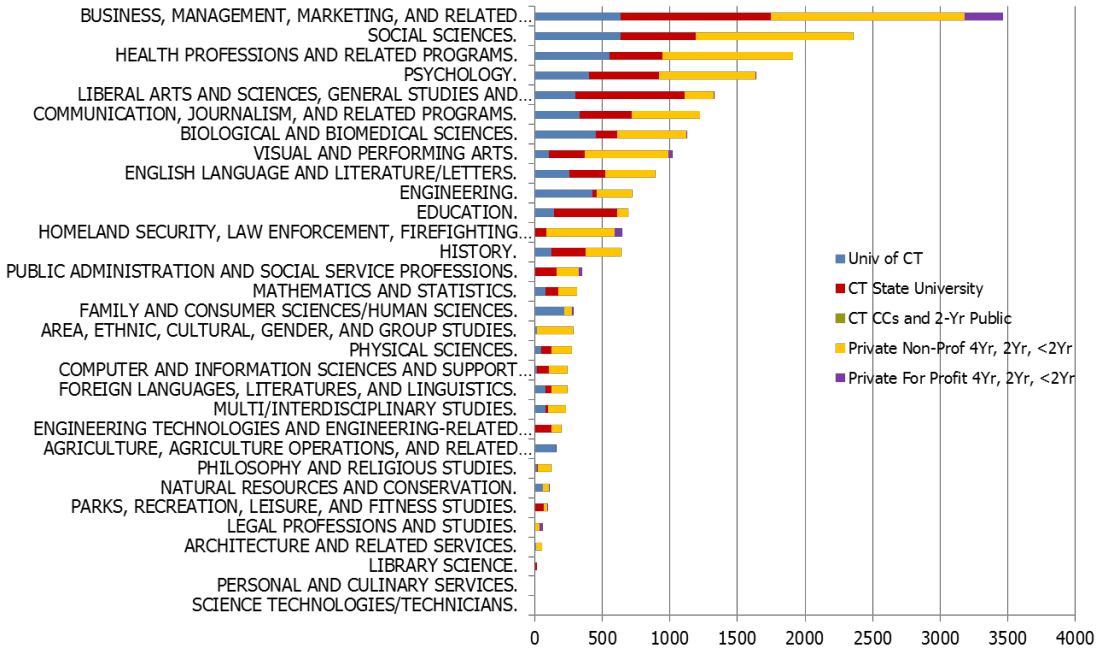
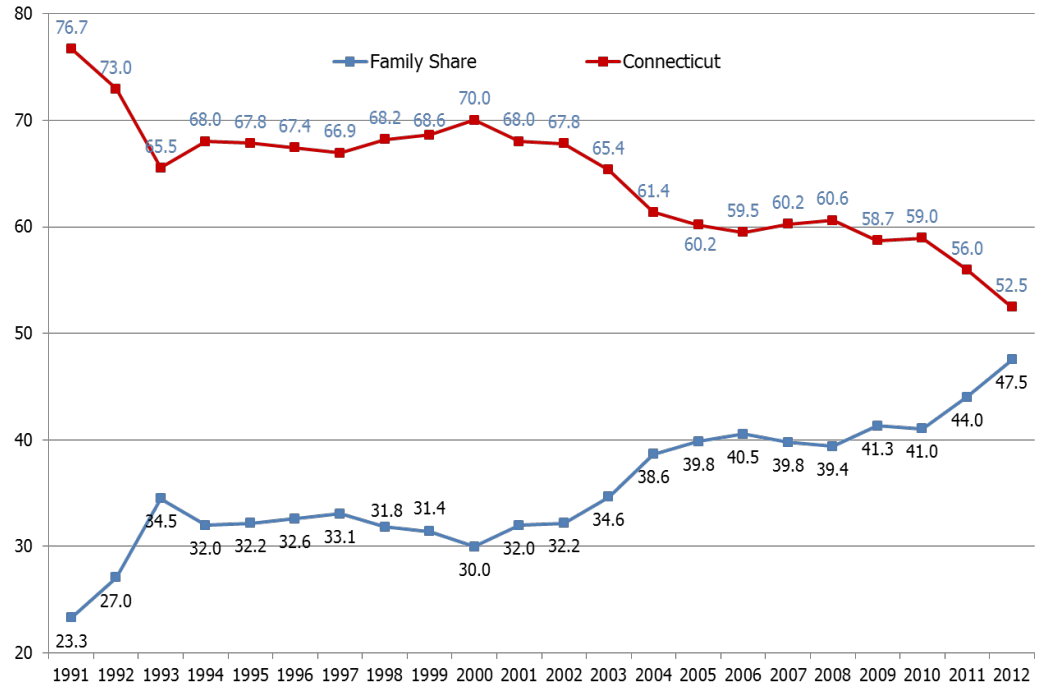


Figure 14

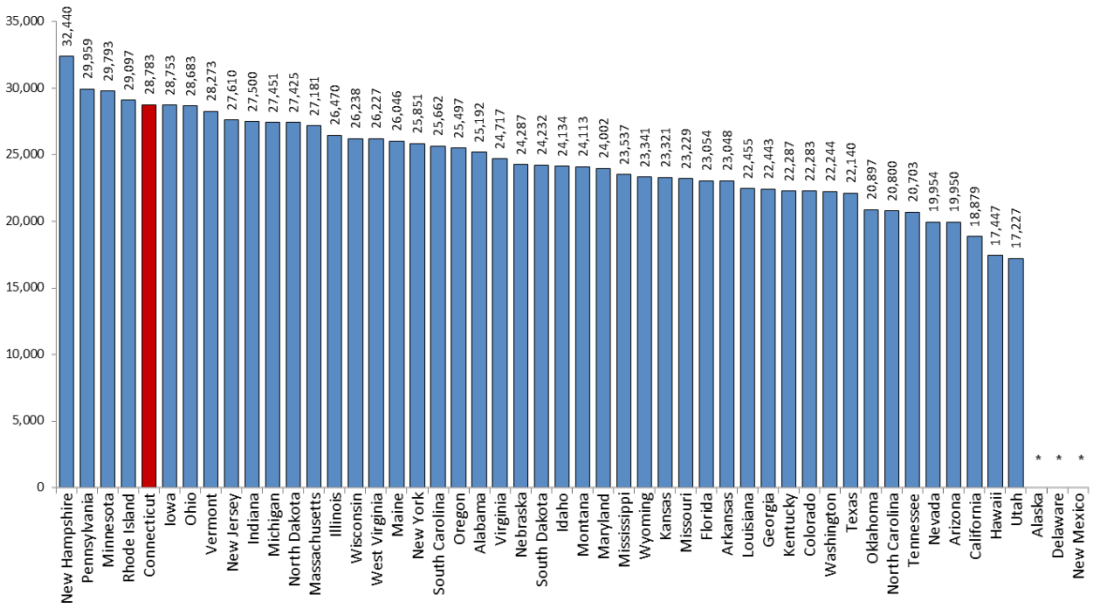
Family Share of Public Higher Education Operating Revenues



Source: SHEEO SSDB

Figure 15

Average Loan Debt of Graduates by State, Class of 2011



Source: The Institute for College Access & Success

*State averages when the usable cases with student debt data covered less than 30 percent of bachelor's degree recipients in the Class of 2011 or when the underlying data for that state showed a change of 30 percent or more in average debt from the previous year were not calculated

APPENDIX B – ONE SCENARIO

NCHEMS' Commentary on Achieving the 70% Goal

1. To achieve the 70% goal beginning in 2015, Connecticut would need to graduate 4,500 more students with degrees and certificates per year (cumulatively) than are currently being graduated (in other words, 4,500 more in 2015, 9,000 more in 2016, and so on). This estimate of 4,500 is in addition to current rates of degree completion and in-migration. Of these, 55% will be at the baccalaureate level, 19% at the associates, and 26% at the certificate level. NCHEMS established targets, by sector, for the gaps to be closed.

2. At the baccalaureate level, the requirement to meet the goal is about 2,475 additional baccalaureate degrees per year beginning in 2015. The "Next Gen" plan put forth by UCONN and accepted by the legislature as part of their ten-year funding plan (which may or may not be funded) would yield about 500 additional baccalaureates per year. Private not-for-profit institutions currently produce slightly more than half the baccalaureate degrees. It is highly unlikely that this sector could (or would want to) expand sufficiently to produce half of the additional degrees the goal envisions. If the independent sector were to graduate 25% of the necessary increase, they would have to increase completion by 450 baccalaureate degrees per year. This means that the for-profit institutions and CSCU would have to graduate an additional 1,525 baccalaureate degrees each year. If the for-profit sector were to graduate 10% (180 degrees), this leaves CSCU with a collective target of 1,345 additional degrees per year. Put another way, the public universities collectively would be responsible for the largest share of the additional baccalaureate degrees. This can likely only be accomplished by serving many more returning adults through increasing reliance on Charter Oak.

3. At the associate degree level, about 855 degrees will be required each year. The current mix — 81% by the community colleges, 13% by private not-for-profit, and 6% by non-profits is not unreasonable. This translates into 693 additional associates granted by community colleges, 111 by the private not-for-profit sector, and 51 by the for-profit sector.

4. The major question (and challenge) is at the certificate level. Overall, the additional requirement is for 1,170 per year. Historically, 80% of the certificates have been produced by for-profit institutions with community colleges graduating 16% and other sectors the remaining 4%. For a variety of reasons, this split cannot be expected to carry forward into the future. Therefore, it is suggested that community colleges be expected to increase production by 700 per year and for-profits assume the remaining 470.

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