

Increasing Access and Attainment Through ARRA



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State Higher Education Executive Officers**

Recessions have a lasting impact on higher education

Enrollment grows faster



State and local funding cannot keep pace with enrollment demand



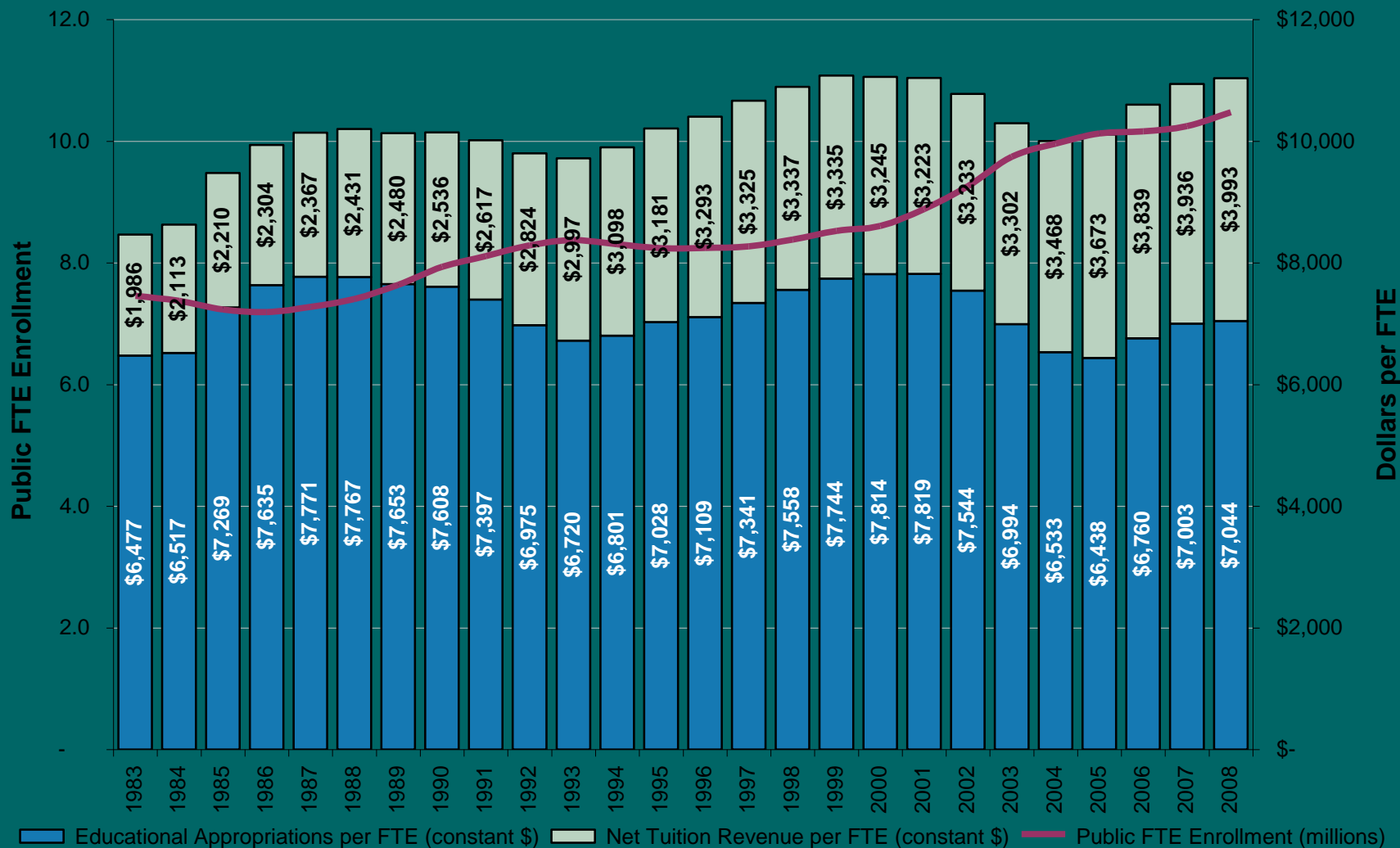
Tuition and fees grow faster



Access to knowledge, skills, and training becomes increasingly expensive when people need it most

Recoveries have not been strong enough to mitigate the cost shift

Total Educational Revenue per FTE, U.S. Public Sector



Current outlook predicts a dreary forecast

- **47 states face budget shortfalls totaling \$350 billion
(Center on Budget and Policy Priorities)**
- **Many states now cutting spending and draining all reserves and resources**
- **Downturn and tighter budgets expected for next 2-5 years**
- **Early estimates show enrollment demand continues to grow**
- **Higher education typically cut more than other areas of state budgets**

American Recovery and Reinvestment Act of 2009

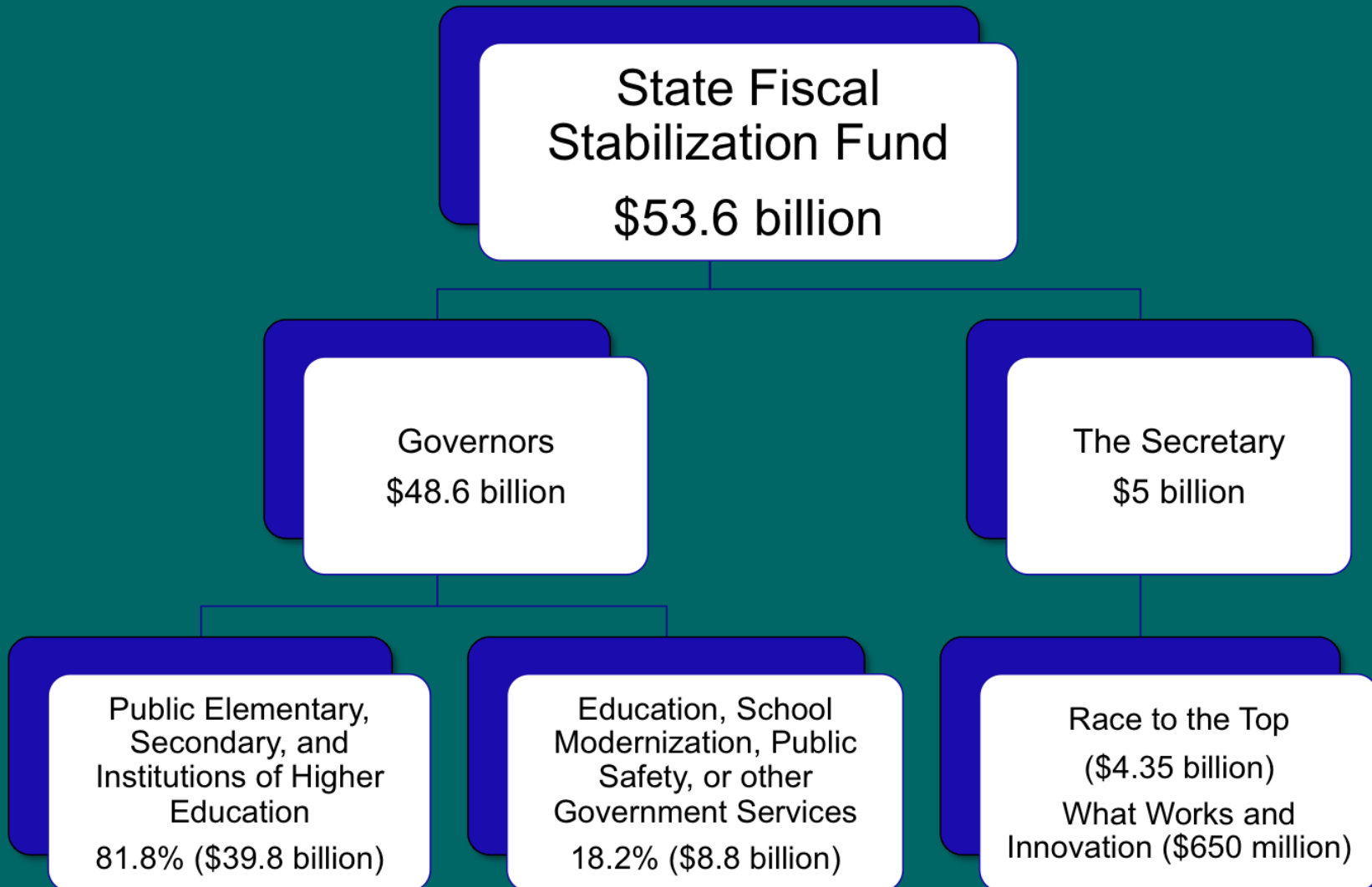
\$787 billion

(\$100+ billion for education/training/R&D)

Select items impacting higher education...

- State Fiscal Stabilization Fund
- Student financial assistance
- WIA programs
- State longitudinal data systems
- Research and development

American Recovery and Reinvestment Act of 2009



\$53.6 billion to stabilize state and local funding for higher education

State Fiscal Stabilization Fund

- \$39.8 billion** — **To restore state funding deficiencies for fiscal years 2009, 2010, 2011 to the greater of either FY2008 or FY2009 funding levels in the state's K-12 and higher education funding formulas** (higher education institutions can use funds for education and general expenditures to mitigate tuition increases and/or modernize, renovate, or repair facilities used for instruction, research or student housing)
- \$8.8 billion** — **Governors to spend on high priority needs** (can include public colleges and school districts)
- \$5.0 billion** — **Reserved for the Secretary of Education** (\$4.35 billion for State Incentive Grants (Race to the Top and \$650 million for Innovation Fund)

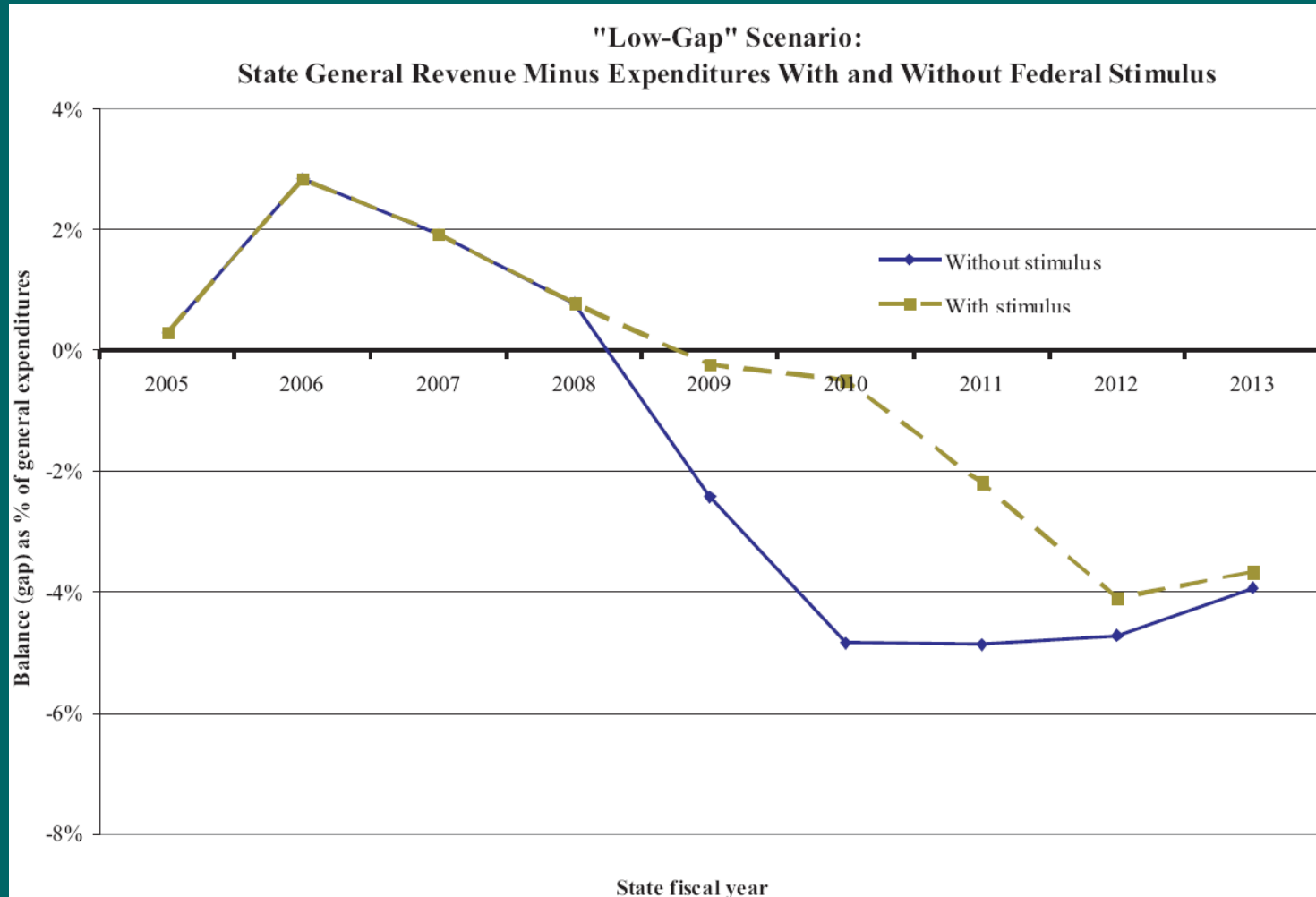
Tourniquet, not a transfusion

State stabilization funds will help us:

- **Buy time**
- **Manage a short-term crisis**
- **Build a foundation for dealing with some fundamental problems**

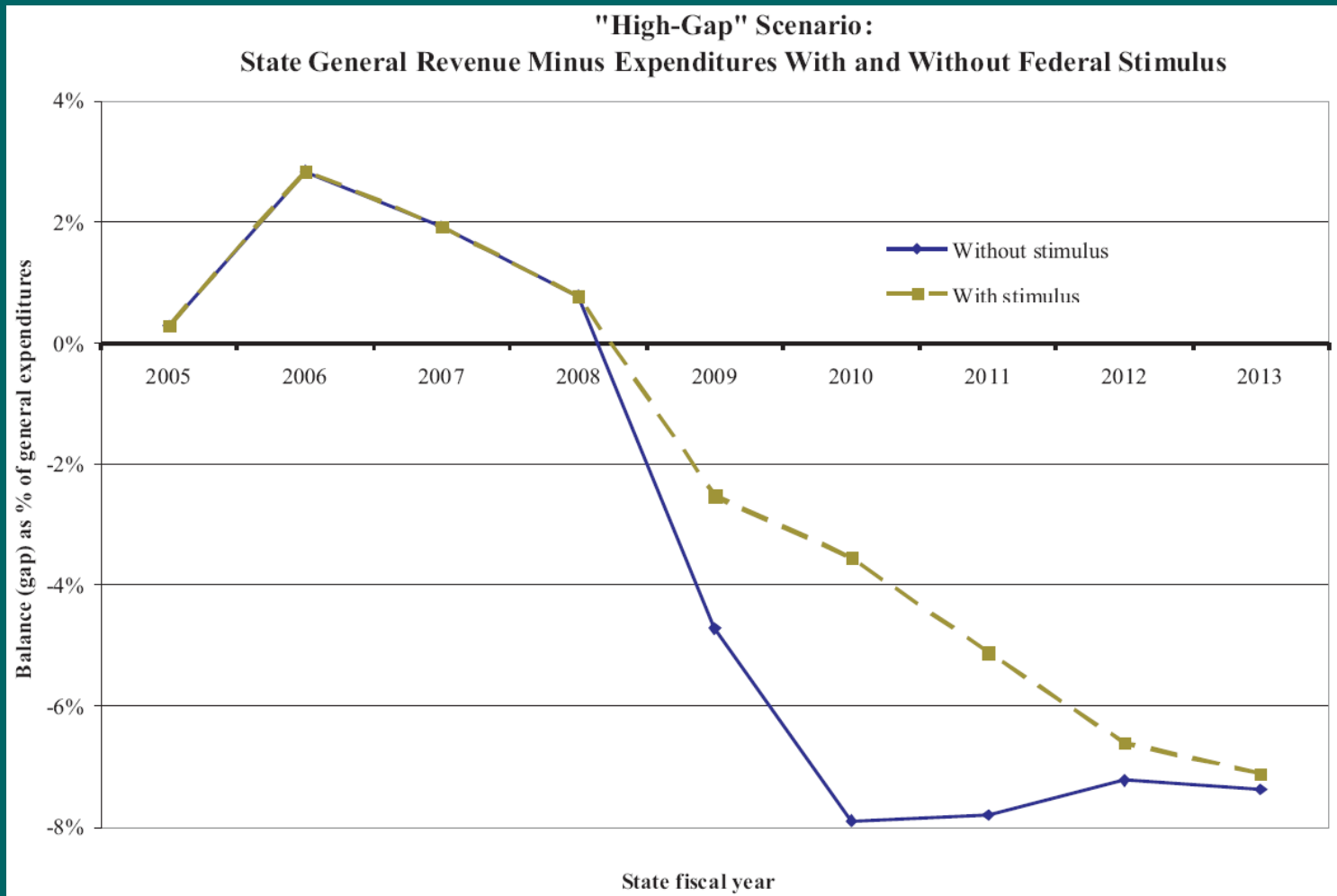
Post-stimulus: "Low-Gap" scenario

Gaps could approximate 4% of spending (\$70 billion)

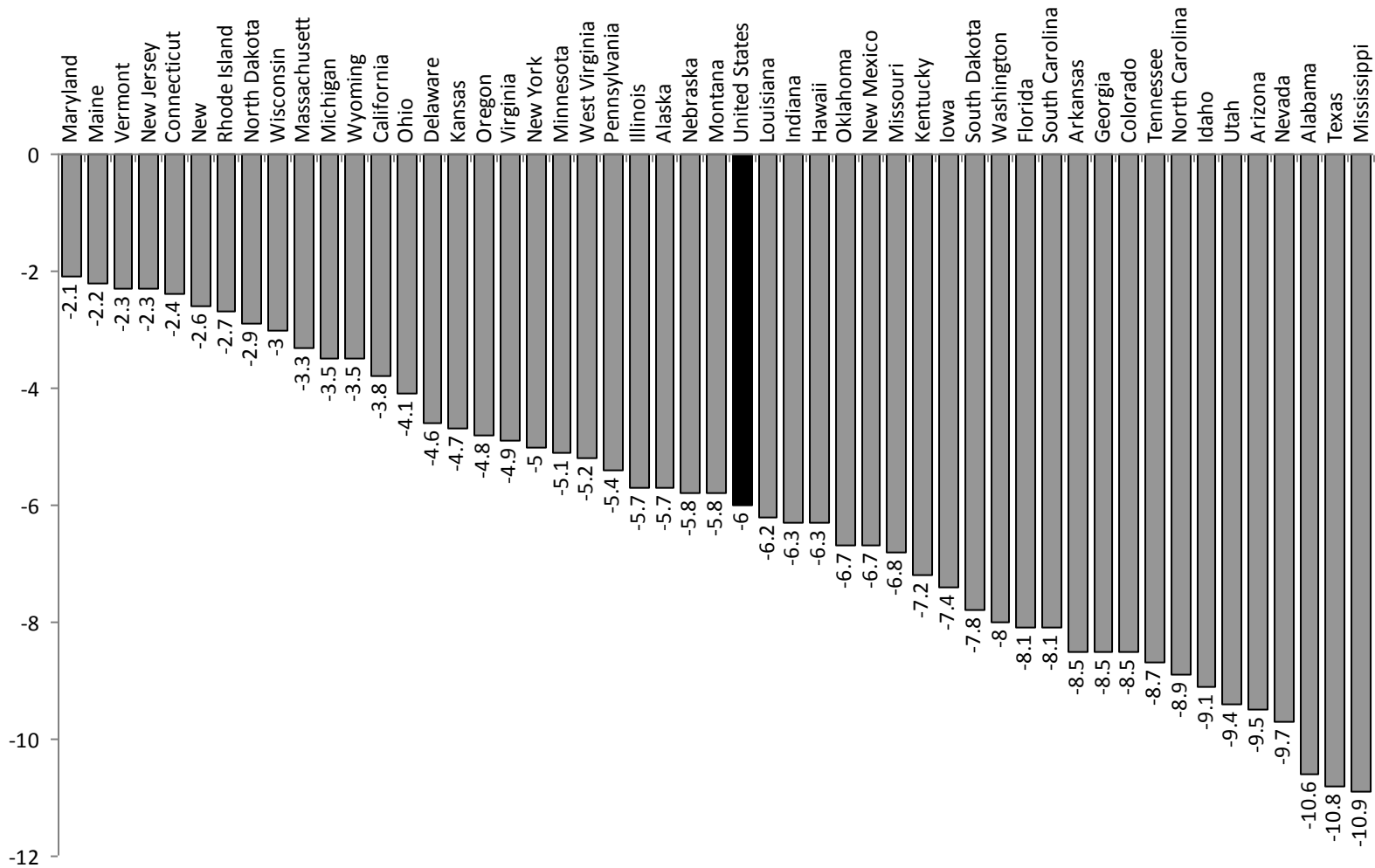


Post-stimulus: "High-Gap" scenario

Gaps could approach 7% of spending (\$120 billion)



Projected state & local budget surplus (gap) as a percent of revenues, 2016



Using the stimulus to prevent lasting damage and create lasting value

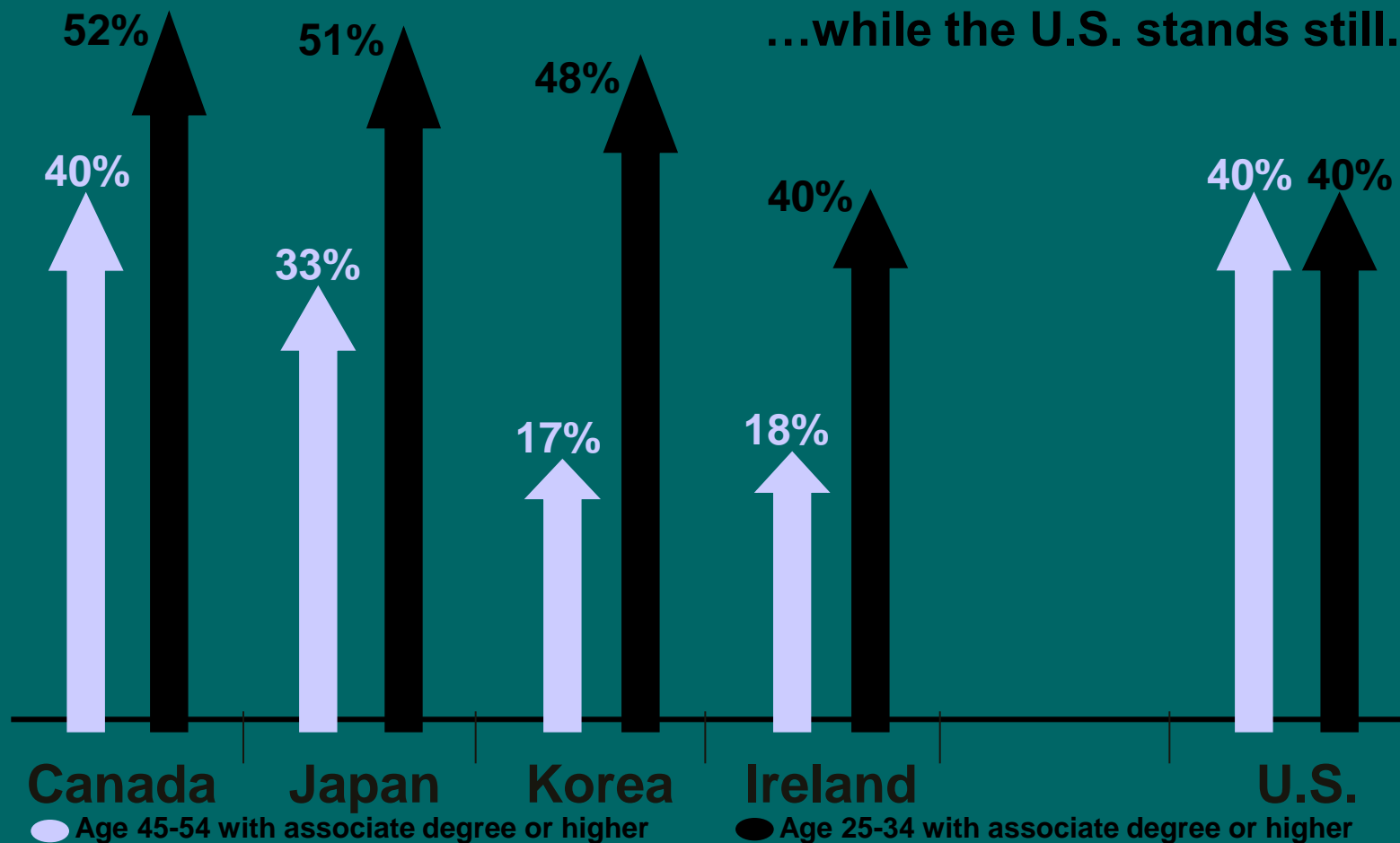
And so tonight, I ask every American to commit to at least one year or more of higher education or career training. This can be community college or a four-year school; vocational training or an apprenticeship. But whatever the training may be, every American will need to get more than a high school diploma.... By 2020, America will once again have the highest proportion of college graduates in the world.

President Barack Obama, February 24, 2009

So, where do we stand in the world today?

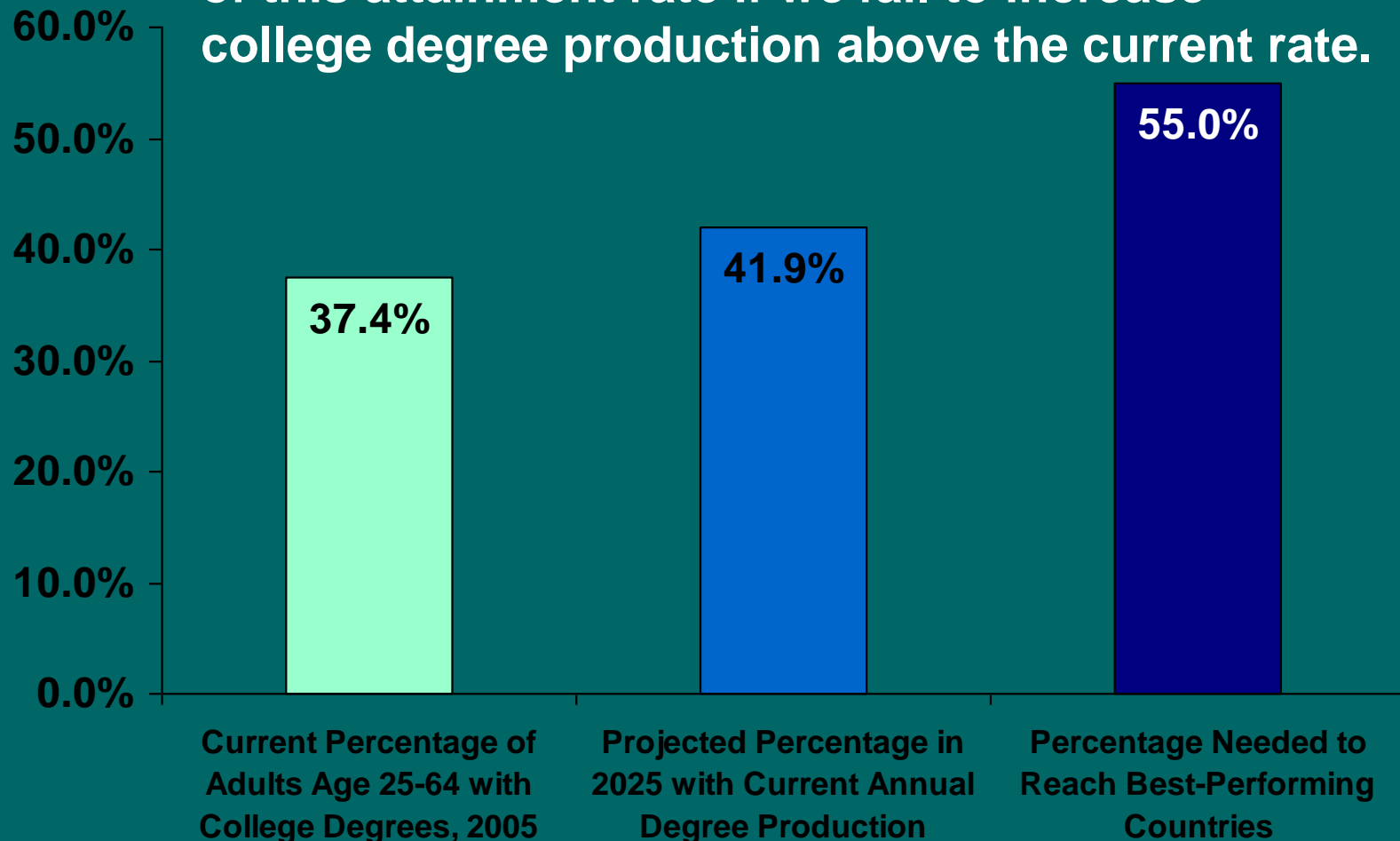
Other industrialized nations are educating their young adult workers to record levels...

...while the U.S. stands still.





To match leading nations 55% of U.S. adults must attain some college degree by 2025, but...

By 2025, the U.S. will fall 16 million degrees short of this attainment rate if we fail to increase college degree production above the current rate.



Two essential steps...

The United States must:

- Continue to attract talent from abroad  **7 million more degrees by 2025**
- Increase degree production  **16 million more degrees by 2025**

Additional degrees needed to become the most educated country by 2020

- 1.3 million degrees Added through projected **population growth**
- 4.3 million degrees Resulting from increasing **high school graduation rates, college-going rates** of recent high school graduates, and **postsecondary graduation rates**
- 4.2 million degrees Added by having half of the 8.4 million **young U.S. adults (aged 25-34) with some college** complete a degree
- 2.6 million degrees Added by having a third of the 8.8 million **slightly older U.S. adults (aged 35-44) with some college** complete a degree
- 3.4 million degrees Added by having fifteen percent of the 22.7 million **adults (aged 25-44) who have completed high school, but not attended college**, complete a degree

What will it take for the U.S. to lead the world in postsecondary educational attainment?

- **Improving high school graduation rates (68% to 78%)**
- **Improving postsecondary enrollment rates (55% to 65%)**
- **Improving postsecondary graduation rates (2-yr: 30% to 40% and 4-yr: 60% to 70%)**
- **Encouraging and enabling adults with some college or just a high school diploma to complete a postsecondary credential (10.4 million degrees from adults aged 25-44)**

...with no compromise on quality

- Students who complete high school must be ready for college or employment without the need for remedial instruction
- Students who complete postsecondary degrees and certificates must have the knowledge and skills necessary to be productive workers and citizens
- Citizens must have the capacity, opportunity, and motivation to improve continuously their knowledge and skills throughout life

Race to the Top: Purpose

- \$4.35 billion Race to the Top Fund: largest ever federal competitive investment in school reform
- Challenge states to create comprehensive strategies to address four central areas of reform:
 - Adopting internationally benchmarked standards and assessments that prepare students for success in college and the workplace;
 - Recruiting, developing, retaining, and rewarding effective teachers and principals;
 - Building data systems that measure student success and inform teachers and principals how they can improve their practices; and
 - Turning around our lowest-performing schools

Race to the Top: Program Requirements

- States are the entities eligible to compete in the Race to the Top competition
 - States submit applications individually, not as part of a consortium
 - Collaboration among states will be rewarded
 - States' plans for reform must be comprehensive and coherent, integrating and addressing all four areas
- States must have:
 - Approved applications for funding under both Phase 1 and 2 of the State Fiscal Stabilization Fund program
 - No statutory or regulatory barriers to linking data about student growth and achievement to teachers for the purposes of teacher and principal evaluation

Comparing Race to the Top to ADP and CACG

American Diploma Project	Race to the Top Fund	CACG Program
<p>Align high school standards and assessments with the knowledge/skills required for success after high school</p> <p>Require all high school graduates to complete a college- and career-ready curriculum</p> <p>Build assessments into the statewide system that measure students' readiness for college and careers</p>	<p>Adopting internationally benchmarked standards and assessments that prepare students for success in college and the workplace</p>	<p>Provide information about college to low-income students and parents</p>
	<p>Recruiting, developing, retaining, and rewarding effective teachers and principals</p>	<p>Provide professional development to counselors and admissions/ financial aid officers to help them better serve low-income students</p>
<p>Develop an accountability system that promotes college and career readiness</p>	<p>Building data systems that measure student success and inform teachers and principals how they can improve their practices</p>	
	<p>Turning around our lowest-performing schools</p>	<p>Provide financial aid for college to low-income students</p>

Increasing Access and Attainment: Opportunities to Coordinate Efforts

- Multiple programs exist in every state to address concerns of equitable, and increased, access to and success in postsecondary education
- College Access Challenge Grants meant to provide fiscal incentive to states to coordinate across multiple activities and programs; Race to the Top competition guidelines specifically will reward states for collaboration/coordination
- Coordinated efforts more likely to result in increased attainment for ALL

Increasing Access and Attainment: Opportunities to Coordinate Efforts

- Some ways states might think about coordinating efforts:
 - NCAN, COE, and other agencies coordinating across **Federal initiatives**: who are your state members, and are they working together?
 - ADP, Access to Success, KnowHow2Go, and other **grant-funded initiatives**: which ones are active in your state? Is there coordination?
 - Does your State have a dedicated, central administrative body focused on access and success efforts, such as a P-16 council, a Governor's committee, etc.? Are they examining **state investments** in access and success in a coordinated way?

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