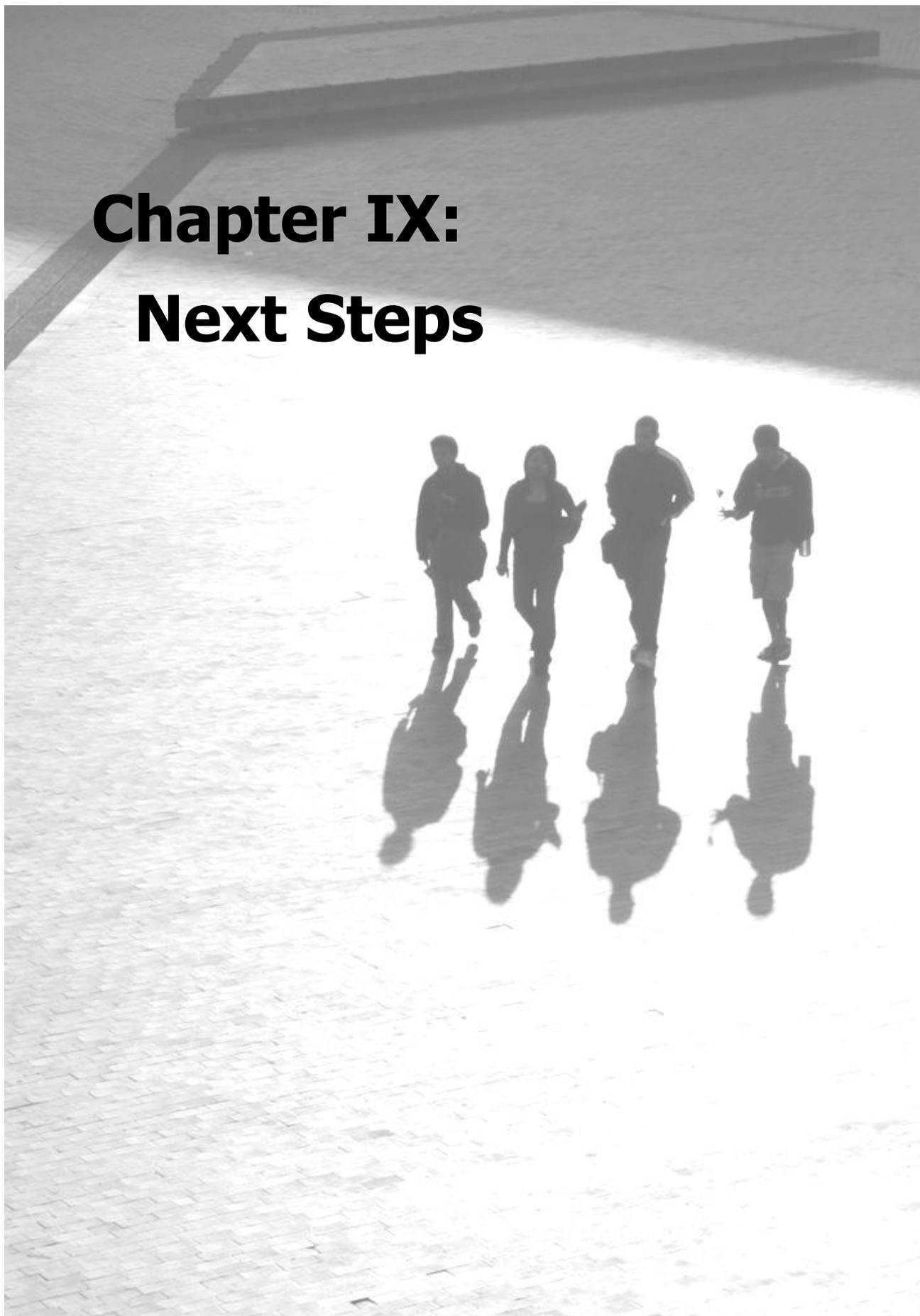


Chapter IX: Next Steps



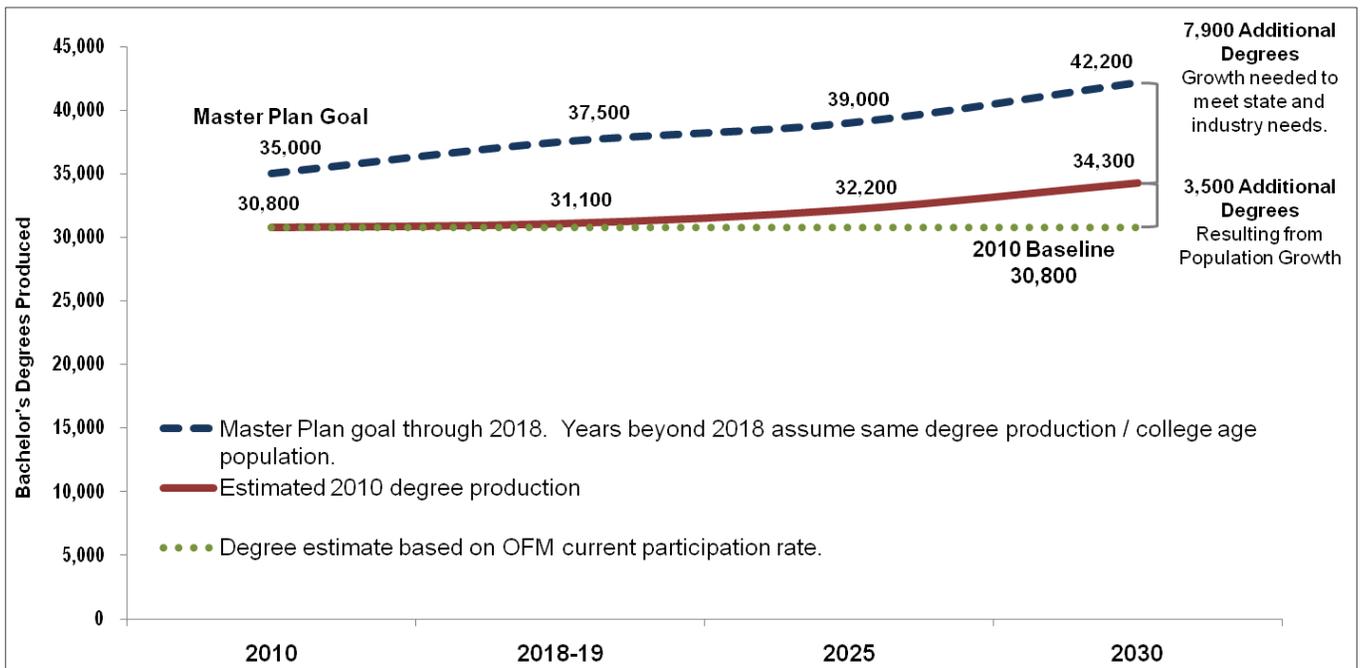
We need to educate more Washington citizens to higher levels

Washington will need to produce more associate, bachelor’s, and graduate degrees to meet the needs of the state economy and to remain competitive with the other Global Challenge States with which it is often compared. Washington’s 2008 Strategic Master Plan for Higher Education called for a 40 percent increase in annual degree and certificate production in 10 years. These goals are consistent with the Obama administration’s goal of increasing degree production 60 percent nationwide.

Over the past two years, the recession and subsequent funding cuts to higher education have stalled progress toward these goals. The original degree goals were reduced by 3,600, and the timeline for achieving them has been extended to 2030. The revised targets remain ambitious goals, but the state is already falling significantly behind in achieving them. As of December 2010, degree growth remained flat while the target levels continued to rise.

For example, the chart below shows the gap between the number of bachelor’s degrees the state will need to produce to meet demand in 2030, and the number that will be produced if public and private institutions merely keep pace with population growth—a *big if*—given the current challenges facing higher education. Narrowing the gap will require significant investment in policies that will increase participation rates across the state.

**Bachelor’s Degrees and Expected Growth, 2010-2030
Public and Private Institutions**



Note: Assumes 2007-08 distribution of public/private bachelor’s degree awards.

Sources: Bachelor’s degree awards: Integrated Postsecondary Education Data System, National Center for Education Statistics. Degree Goals: 2008 Strategic Master Plan; Projection to 2030 based on 2008 population forecast of 18-44 year olds. Institutional Degree Award Plans: 2008 Enrollment Capacity Study, HECB.

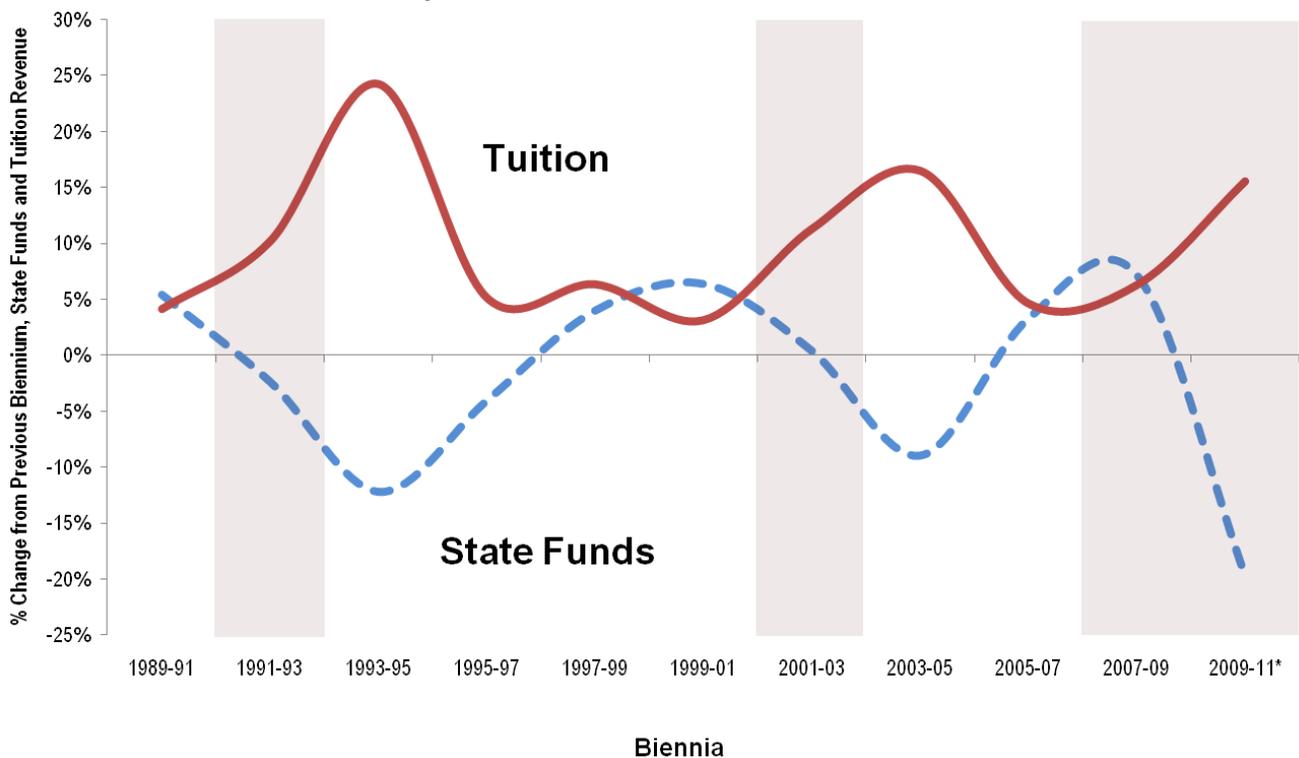
We need to adopt a stable funding model for higher education

Washington has a history of state support for higher education going back to the mid-19th Century. But unlike basic education, higher education constitutes the largest source of discretionary funding in the state budget. State government is not required to provide a particular level of higher education for its citizens.

As the chart below illustrates, times of declining state revenue often cause leaders to reduce state support for higher education and increase student tuition. These shifts create enormous uncertainty for students and threaten the quality of educational programs.

A more stable and predictable funding approach is needed that includes reasonable support for public colleges, tuition-setting flexibility so that our institutions can maintain high-quality programs, and increasing levels of financial aid.

**Washington Public Higher Education Institution Expenditures
% Change in State Operating Funds vs. % Change in Tuition Revenue
1989-2011, In IPD Adjusted Constant FY 2009 Dollars; Recessions Are Shaded**



* 2009-11 funding levels reflect appropriation levels from First Phase 2011 Supplemental 2009-11 operating budget as passed Legislature.

Note: State Funds include Near General Fund-State, Opportunity Pathways, and Opportunity Express Accounts. Tuition funding is tuition revenue from state supported enrollments (149-6), budgeted student FTE.

Sources: Higher Education Coordinating Board analysis of Legislative Evaluation and Accountability Program Committee higher education finance data.

We need to prepare more high school graduates to succeed in college

Each year, thousands of Washington high school students either drop out of school or do not continue their education at the postsecondary level. The state can move closer to achieving its degree-production goals by adopting policies that ensure more students graduate from high school ready and willing to continue at the college level.

Improvements in science and math readiness are particularly important to increase the number of college graduates in the science, technology, engineering, and math (STEM) fields that are in strong demand in Washington. However, today's students are insufficiently prepared in these fields unless they do considerable remedial work:

- In 2008, 12 percent of high school graduates failed to meet the minimum public four-year college admissions standards in science.
- 31 percent of 2008 high school graduates did not take a math course in their senior year of high school and 52 percent did not take a science class.
- Only 55 percent of 2008 high school graduates met minimum graduation requirements in science; 89 percent met the math requirement.

Washington Residents Age 18-44 Whose Highest Educational Attainment is a High School Diploma or Less

By Race/Ethnicity	Total "High School or Below"	Percent Not Enrolled in School	Number Not Enrolled in School
American Indian/Alaska Native	18,257	87%	15,839
Asian/Pacific Islander	53,555	83%	44,583
African American/Black	39,515	83%	32,671
White	581,158	88%	508,820
Multi-racial	29,083	86%	25,127
Hispanic/Latino	195,452	92%	179,217
Total	917,020	88%	806,257

Source: American Community Survey 2009, U.S. Census Bureau.

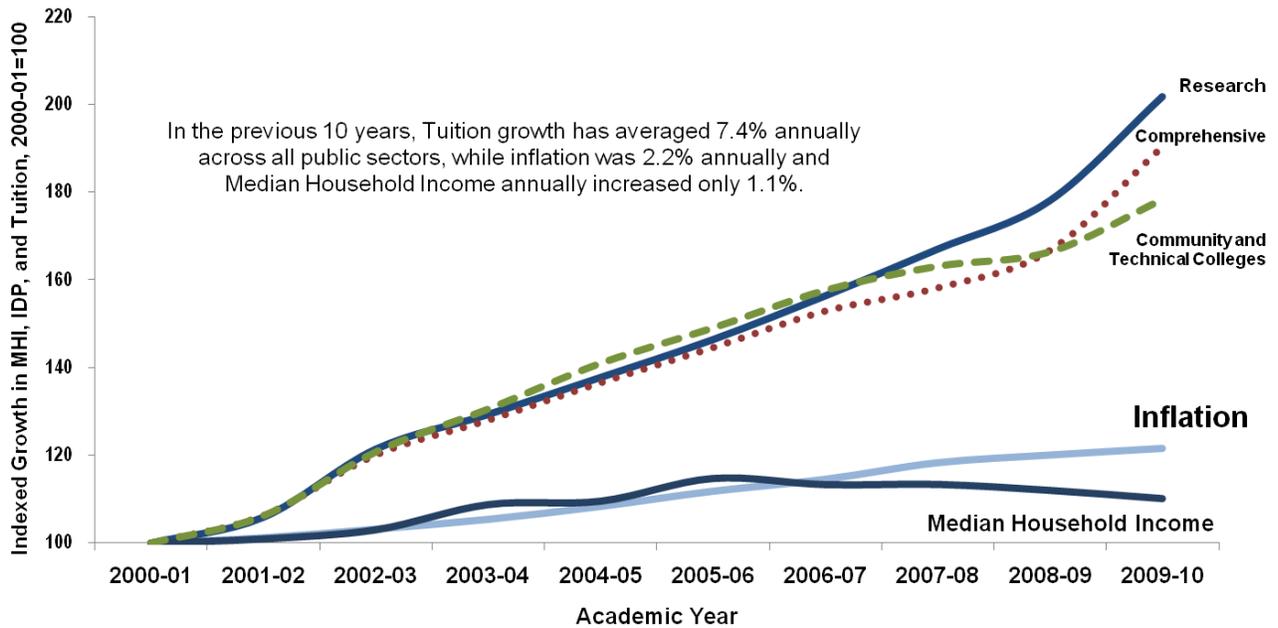
We need to ensure affordable access for more low- and middle-income students

The full cost of attending college is beyond the reach of many Washington students and their families. In recent years, tuition costs have risen at a far more rapid pace than personal income or inflation. The national recession has further pinched family pocket books and made it even harder to save for college. Finally, the state’s fastest-growing demographic groups include many low-income families for whom college may seem an unrealistic dream.

Washington has a history of providing financial aid to help cover college costs that families are unable to provide themselves. Without a continued commitment to such resources, Washington’s ambitious goal of providing the trained and educated workers needed to meet the demands of its knowledge-based economy will be even more difficult to achieve. College tuition and fees have outpaced family income growth in Washington for more than two decades. This has been the case in each sector of higher education.

The resulting decrease in college affordability for Washington students has been compounded by increasing levels of consumer debt, higher health care costs, and a rising cost of living. Middle-income families and individuals – those who do not qualify for most student financial aid programs – find it harder to save for college and the dollars they do save buy less education than in the past.

2001-10 Tuition Increases at Washington Public Higher Education Institutions by Sector, Compared to Economic Indicators



Sources: Public Tuition and Fee Information: HECB National Tuition and Fee Survey, Inflation: Legislative Evaluation and Program Committee, Median Household Income: Office of Financial Management.

We need to increase opportunities for college access

To reach the state’s goal of raising degree production 40 percent, we need to encourage many more residents to go to college—and to finish with a degree. Our focus not only should be on recent high school graduates, but also on older adults. For example, the state’s large population of adults who went to college for awhile, but never completed a degree, should be encouraged to return and get their diplomas. Graduates of community college technical programs should be provided with pathways to bachelor’s degrees that allow them to advance in their careers.

The table below shows the categories of Washingtonians at various life stages who might be interested in pursuing college degrees. The far right column shows how many in each category typically do continue on to further higher education. Of particular note is the large category of adults, age 18-44, who have “some college.” These are people who already have tried college and have had some success. There are many reasons why they may not have persisted—jobs, families, health, or other personal reasons. If we were successful at encouraging just two percent more in each category to continue to degree completion, we’d make substantial progress toward achieving our long-term degree production goal.

Educational Pathways Include Large Numbers of Students Who Should Be Encouraged to Consider Getting a Bachelor’s Degree

Educational Level Achieved	Completers /Residents	Percentage Who Actually Continue Education
High School Graduates ¹ , Class of 2009	62,000	64%
GED Completers ² , 2008	13,000	39%
CTC Technical Two-Year Degrees ³ , 2010	8,065	13%
CTC Transfer Associate Degrees ⁴ , 2010	13,970	71%
Adults 18-44 with “a high school diploma or less”**	917,020	12%
Adult Re-entry age 18-44 with “some college/no degree”*	681,709	31%

*There may be duplicate counting of re-entry adults and private vocational school certificates and/or some adults with high school diploma or less and high school graduates or GED completers.

¹ ERDC, <http://www.k12.wa.us/DataAdmin/pubdocs/GradDropoutWashington2008-09.pdf> (Retrieved 12/10/10).

² http://www.acenet.edu/Content/NavigationMenu/ged/pubs/GED_ASR_2008.pdf (Retrieved 12/10/10).

³ Data. Washington State Board for Community and Technical Colleges (Personal Communication, D. Prince, 12/10/10).

⁴ Data. Washington State Board for Community and Technical Colleges (Personal Communication, D. Prince, 12/10/10).