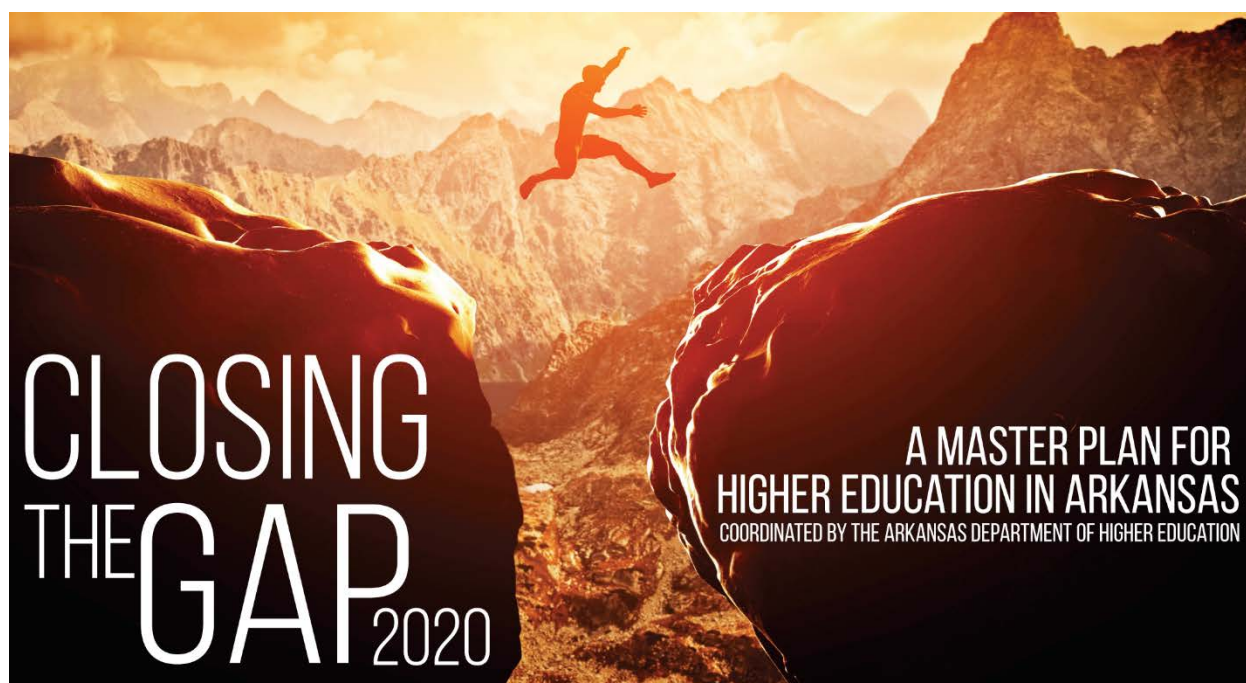


## ***Implementation Plan***

***To Enact Strategies Which Address the Goals and Objectives of the  
Closing the Gap 2020 Master Plan***



***Presented to the Arkansas Higher Education Coordinating Board***

***July 29, 2016***

## ***Closing the Gap 2020: A Master Plan for Arkansas Higher Education***

### ***Objectives and Supporting Goals***

#### **Objective**

Closing the Gap 2020 covers a five year planning cycle which is a critical component in the long-term objective to reach the 2025 goal of a 60% post-secondary attainment rate in Arkansas, increasing from the current estimate of 43.4%. By 2020, we will reduce the educational attainment gap in Arkansas by increasing the number of postsecondary credentials by 40% over 2013-2014 academic year levels.

	<u>Credentials Awarded</u> <u>2013-14 Academic Year</u>	<u>% Increase</u>	<u>Credentials Awarded</u> <u>2019-20 Academic Year</u>
Career & Technical			
Certificates	10,472	61%	16,880
Associates Degrees	8,685	36%	11,860
Bachelor's Degrees	<u>15,277</u>	28%	<u>19,520</u>
	34,434	40%	48,260

#### **Supporting Goals**

GOAL 1: Raise completion and graduation rates of colleges and universities by 10%.

- Reduce the percentage of students needing remediation to prepare them for college-level course work
- Reduce the time needed for students to complete remedial requirements
- Raise first year retention rates of students to SREB regional averages

GOAL 2: By fall 2018, increase the enrollment of adult students, age 25 to 54, by 50%.

- Reduce the remedial course enrollments for adults by 50% through alternative means of preparing adults for college-level work
- Improve communication of the value of higher education to non-traditional students

GOAL 3: Raise the attainment rates of underserved student groups in the state by 10%.

- Raise the overall college-going rate for all student groups by 5% from 50.1% to 55.1%
- Raise the underserved student college-going rate to equal that of other students
- Raise completion rates of underserved student groups equal to other students

GOAL 4: Improve College Affordability through Effective Resource Allocation

- Reduced time to degree for students
- Allocate 25% of state scholarship funds to need-based programs
- Re-allocate institutional spending to maximize efficiency and effectiveness

## ***Implementation Plan: Closing the Gap 2020***

### ***Overview***

On October 30, 2015, the Arkansas Higher Education Coordinating Board voted unanimously to adopt of the Closing the Gap 2020 Master Plan. Immediately after adoption of these lofty and important goals to guide the next five years in Arkansas higher education, staff of the Department of Higher Education and colleges and universities began work on identification of strategies that would address them. What follows is an implementation plan that resulted from the activities of eight work groups involving over 75 individuals from colleges and universities, ADHE, and other stakeholders around the state. A listing of the work group members is included in Appendix A. In addition, the work group chairs made up a steering committee which guided the overall process.

These eight work groups were organized around the general themes that emerged from the process of identifying and refining attainment goals. Those themes were:

- College Readiness
- Student Success Initiatives
- Remediation
- Adult Learners
- Affordability
- Communication Strategies
- Institutional Funding
  - Non-Formula Funding

Each of the groups represents a key emphasis area that will be important to achieving those goals. Over the course of a six month period, work groups spent countless hours identifying strategies, initiatives and best practices that could be adopted by Arkansas colleges and universities to move us toward greater equity in post-secondary enrollment and completion rates, encouraging adults to return, or enroll for the first time, improving completion rates and enhancing the affordability of a post-secondary education.

Many of the strategies and practices identified through this work can be implemented relatively quickly and inexpensively. These could be quick wins, so to speak. An example is providing more information to incoming students regarding the responsible use of student loans to finance education expenses. Others will require more planning and additional funding. A structured micro-credentialing system or a state-wide prior learning assessment system are two such examples. Both of these systems can provide important benefits to students and institutions but require additional study for effective implementation.

In addition, the strategies outlined here represent both institutional initiatives, those that can be adopted by individual colleges and universities, and state-wide initiatives, those which will require

coordination of multiple entities. As adoption of state-wide initiatives is considered, a collaborative approach involving ADHE staff and representative college and university faculty and staff is recommended.

Rather than a structured guide to improving educational attainment, this implementation plan is intended to provide state and institutional leaders with a menu of options to consider in addressing how each college and university can respond to the overarching objective and goals of the master plan.

Any strategic planning effort risks becoming no more than an academic exercise unless there is a deliberate, on-going monitoring process to ensure continued efforts aimed at achievement of the planning goals. Two mechanisms are suggested to ensure that there is continued effort to implement the strategies recommended in this plan.

1. A dashboard of metrics should be created, and prominently displayed on the ADHE website, to measure progress made by Arkansas higher education as a whole and by individual colleges and universities.
2. An oversight body should be appointed to direct continued activity and have responsibility for maintaining focus on progress toward the master plan goals. The steering committee, or a body structured similarly, could be utilized for this purpose.

Overarching all of the priorities and strategies outlined here and in the Closing the Gap 2020 master plan is the imperative to communicate the need for improved post-secondary attainment rates to the state as a whole. The Communication Strategies work group has developed a list of potential strategies to create an awareness campaign which underscores the value of education through mass media, grassroots efforts, and numerous strategies in between. Statewide communication plans in Georgia and Tennessee are examples of how coordinated efforts designed to promote higher education as a whole, then linked to institutional marketing plans, can be effective in reaching a wide audience. In addition, the Adult Learners work group has recommended strategies for targeting specific communications to non-traditional students.

## Summary

Between the release of Closing the Gap 2020 and publication of this implementation plan, the Stronger Nation 2016 report was released by Lumina Foundation. That report, for the first time, included an estimate of technical certificate holders by state. Three positive developments can be gleaned from this report:

- Degree attainment among Arkansans rose from 28.8% to 29.8%, moving the state to 48<sup>th</sup> in the nation, ahead of Louisiana and West Virginia
- In certificate attainment, Arkansas ranks 4<sup>th</sup> in the country, behind only Louisiana, Arizona, and Kentucky, with an estimated 9% holding technical certificates.
- Total attainment, the combination of degrees and certificates, stands at 38.8%, which ranks the state at 45<sup>th</sup> (West Virginia, Nevada, Mississippi, Alabama, and Idaho trail)

Focused attention on the plan will ensure that educational attainment in Arkansas continues to progress and to support economic development in our state. This implementation plan is organized by the

identified strategies which respond to each of the four planning goals followed by the full report of the planning work groups.

Following are specific strategies recommended by the various work groups, organized by the specific goals they address. At the end of this document, the full reports of each work group are contained in Appendix B – H.

***GOAL 1: Raise completion and graduation rates for colleges and universities by 10%.***

***GOAL 3: Raise the credential attainment rates of underserved student groups in the state relative to other students by 10%.***

*Because the strategies to address goals one and three are so closely linked, they have been combined here. However, it is imperative that adoption and monitoring of strategies specifically address both goals.*

#### Strategies identified by College Readiness Work Group

There are numerous examples of college readiness programs across the state and in other states which are designed to increase the preparedness of students entering post-secondary education, thus increasing their likelihood of success. These programs are generally organized around the following objectives:

- Create college-going culture for high school students and for adult learners
- Increase number of students taking ACT, completing FAFSA applications, applying for admission to college (recommend that all high school students to complete the FAFSA and fill out a college application)
- Offer summer bridge programs to assure students are ready for college-level courses – for both high school and adult learners
- Assure students are aware of what it takes to be successful in college – advising, college visits, student success courses
- Recommend that every middle school and high school student to be involved in college and career readiness programs and plans
- Facilitate discussions between high school and college faculty related to college readiness, academic rigor, and alignment of high school and college level courses
- Create a student-ready culture on college and university campuses
- Offer professional development opportunities for middle school and high school faculty and counselors to better equip them with tools and knowledge of all types of programs, professions, and colleges/universities to assist in creating a college going culture in the state
- Offer informational meetings and training workshops to support parents of high school students, especially of first generation college students

- Provide Teacher, Counselor, and Education Leadership preparation programs for future and existing staff with training and professional development related to college and career readiness
- Redesign and implement Educational Leadership programs to connect real world college readiness opportunities to student success
- Inform and educate the public on what it means to be “college ready”

In addition, college readiness programs generally include the following common elements.

- **College and career advising and planning** Begin college and career exploration in elementary and middle school and continue through high school to create a college-going culture through advising and student success curriculum
- **Financial education**, financial literacy, FAFSA completion, understanding of the costs of college attendance, awareness of the financial resources to enable college attendance, assistance applying for scholarships
- **Academic Preparedness:** Early college course opportunities in high school – AP courses, concurrent/dual enrollment, and IB courses – along with ACT preparatory courses, bridge courses, and transitions courses to address remediation needs
- **Mentoring/coaching** – personal preparation
- **College visits and career shadowing programs**
- **College application process:** Assistance with college application preparation, essay writing, FAFSA application, course/program selection
- **Non-cognitive skill development** – soft skills development
- **Parental Involvement:** Involve parents, mentors, guardians - Parental meetings to assist with understanding of expectations and rigors of college, expenses for HE, financial aid resources, career opportunities, types of colleges/universities
- **Professional Development** for middle and high school faculty/counselors: Training for high school and middle school faculty and counselors on college programs, application process, expectations, etc.
- **Measurable outcomes:** ability to collect data to determine success of programs

#### Strategies identified by the Remediation Work Group

Many institutions across the state have adopted various pedagogical approaches to remedial course offerings. These vary from advising models, mandatory tutoring or supplemental instruction, modified course lengths, and additional methods of evaluating student preparedness. In addition to these specific pedagogical approaches, most institutions are moving to a much more integrated model of monitoring student performance in real time. An approach supported by the recently adopted state placement policy. Some institutions are doing this with the tools they already have in place and some are investing in companies that specialize in creating student performance “dashboards”. While these activities are not specifically remediation pedagogy, they do have an impact on knowing where, when, and who to focus pedagogical approaches and what pedagogies are most successful with each individual student. Below are some of the identified strategies that have been adopted.

- Traditional courses at a variety of levels in reading, writing, math that are semester long. This approach varied between community colleges and universities in that community colleges usually had more levels based on the more pronounced needs of their students. Universities tended to have one course level that met students at different levels.
- Many institutions, both community colleges and universities, used a co-requisite approach that combined the remediation course with a gateway course. For example, a reading class might be combined with a discipline-specific course so that the reading skills can be developed for a college-level class.
- Some institutions have instituted individualized instruction within the context of a class or lab, testing specific competencies along the way in a self-paced class that is individualized instruction via technology. The faculty member is responsible for monitoring student performance, tutoring where necessary, cajoling where appropriate, and pushing students to completion. Some institutions have created the opportunity for students to immediately matriculate into the college course once they have completed the requisite numbers of modules successfully. This approach is particularly common in math remediation.
- Some institutions are using abbreviated semesters—most choosing to divide the semester into 8-week segments allowing students to complete two remediation courses or a remediation course and then the following requisite course in math or writing.
- Some institutions re-evaluate at the beginning of the semester whether a student has higher skills than prior testing and evaluation indicated and allow late entry into the appropriate class.
- Related to the above is the practice at some institutions of giving a refresher short course to students prior to placement evaluation, thereby maximizing their ability to place as high as possible and helping them to avoid unnecessary lower-level instruction.
- Some institutions are using face-to-face instruction accompanied by online exercises that students can do at home or in a study skills lab at the institution.
- Some institutions have instituted policies that preclude a student withdrawing from a “high stakes” remediation class.
- Some institutions have instituted evaluations of student motivation, often nicknamed “grit,” in order to identify students who might need tutoring and advisement to be successful.

#### Strategies identified by the Student Success Innovations Work Group

A number of broad policy-based changes are recommended as game-changing strategies to improve student success rates. They include the following.

- Develop and publish a suite of research-based student success initiatives that propel students through to completion.
- Create financial incentives to encourage both institutional and student behaviors that increase student persistence and completion.

- Invest professional development dollars in statewide structures that create intensive, authentic faculty engagement and move efforts to increase college completion toward a deeper focus on teaching and learning.
- Support dual admission agreements between community colleges and universities allowing students to concurrently enroll.
- Set policy for common course numbering for lower division general education courses for community colleges and universities.
- Support changes to the Arkansas Academic Challenge Scholarship to include a need based component with credit hour completion requirements.
- Policy requiring institutions publish term-by-term degree maps for undergraduate programs.
- Enforce policy guaranteeing admission with junior status for students who have met the designated lower- division transfer requirements and earned a designated transfer associate's degrees.
- Recommend cohort (learning community) models for high risk students.
- Develop a statewide data system that track students through postsecondary educational experiences and into the labor market.
- Create a statewide student success center.

***GOAL 2: Increase by 50% the enrollment of adults, age 25 to 54, by fall 2018.***

Strategies regarding the unique challenges and barriers facing adult students are outlined below in three broad categories: admissions, academic policy and curriculum. Other specific recommendations related to adult learners are included in the affordability goal.

**Admissions and On-boarding Considerations**

**Remediation**

Remediation is a vexing problem that challenges educators in both K12 and higher education. Most remedial programs are designed to tackle the issue of new learners and are designed with the assumption that the learner has recently exited high school. Under most programs, an assessment of some sort is administered to determine if the learner is adequately prepared for college-level mathematics, reading and writing. Learners deemed to be deficient are placed in remedial/developmental courses or, more recently, courses that combine college credit-bearing material and remedial material (sometimes co-req or co-remediation models).

The adult learner presents special challenges to this model. First, for the adult learner that is new to college, the current remedial assessment model works but may be based on a false assumption: The current remedial model assumes that someone who tests into remedial course work is lacking the necessary college skills and, more importantly, is fresh off of years of attempts to prepare the student for college work. The first time college adult learner who tests into remedial course work may have reached a level of college readiness at the time of his high school graduation but since graduation his skills have deteriorated. It is quite possible that the adult learner has a strong academic foundation, but the years have added layers of “rust” to college-level mathematics, reading and writing skills. For this student, a full semester (or multiple semesters) of remediation may not be necessary and may, in fact, be insulting and degrading. A refresh is what is needed, not remediation.



Another class of adult learners – the stop-out--presents a different challenge. This adult learner started college and completed college-level mathematics and/or English but stopped-out of college for a number of years. The stop-out period has resulted in a degradation of previously solid college-level skills. However, unlike the previous class of adult learners, this learner cannot be placed into remedial courses or into credit-bearing mathematics or English courses because he has already received credit for these courses. The challenge for both the student and the institution is that the learner is not prepared to succeed in subsequent coursework. Like the previous class of students, a refresh is in order.

- **Recommendation:** All students over the age of 25 could be tested at part of the admission process in the areas of math, reading comprehension and writing. Efforts could be made to use free evaluation instruments. Where possible, high school and prior college transcripts and standardized test scores (e.g., ACT, SAT) should also be examined. First-time adult learners showing a need for remediation and with prior evidence of academic difficulty in math, reading and/or writing should be placed into co-remediation courses. Returning adult learners who have completed a college-level math and/or English course, and who indicate a need for remediation, could be provided a “refresh course” option. The refresh course option could take the form of a workshop, online learning modules, or a concurrent lab option to an existing course. It is recognized that this recommendation bleeds into the work of the remedial education subcommittee and we suggest that the unique needs of the adult learner be taken into account in their recommendations.

### **Prior Learning Assessment**

Adult learners who have spent significant time in the workforce or the military have likely acquired skills and knowledge that may map to learning objectives of some courses. In recent years, there has been a renewed interest in prior learning assessment (PLA). PLA, once popular in the 1970s, fell out of vogue as some IHEs simply began awarding college credit for having been employed. PLA, done properly, is a rigorous evaluation of knowledge already possessed by the student and the assignment of college credit. In principle, PLA is not unlike CLEP tests except credit is not awarded via a challenge exam. Instead, the student typically prepares a portfolio which demonstrates his knowledge, the portfolio is evaluated by a faculty member, and the credit is awarded. CAEL is the nation’s leading authority on PLA.

It is worth noting a few concerns related to PLA. First, not all IHEs will accept credit awarded via PLA in transfer. Second, to maximize the earned credit, students most likely need assistance in preparing the portfolio. CAEL, for example, offers a portfolio preparation course. Finally, PLA presents a challenge in onboarding a student since ideally the advisor would be aware of all possible earned credits before advising a student. PLA portfolio preparation and evaluation, done properly, takes time, meaning the advisor’s initial conversations most likely do not benefit from knowledge of the results of the PLA evaluation.

- **Recommendation:** ADHE should develop a PLA policy that facilitates the transfer of credit awarded via PLA. ADHE should also give consideration to the development of a PLA evaluation program, perhaps coordinating resources at Arkansas public IHEs. In the absence of a state-based program, Arkansas IHEs should develop PLA programs at the campus level. The ideal program will include a portfolio-preparation course and a fee to be charged for the evaluation of the portfolio. Students would not pay for the credits awarded, only for the evaluation of the portfolio.

## Academic Policy Considerations

### **Fresh Starts/Academic Clemency**

It is no secret that a great many adult learners left school due to poor academic performance. The poor performance could have multiple causes such as lack of preparation, inadequate academic support, or life issues. Regardless of the cause, the adult learner may be a completely different student upon his return to college yet prevented from doing so due to a poor academic record.

- **Recommendation:** It is recommended that the state of Arkansas adopt an academic “fresh start” policy that provides for academic clemency after a 5 year period from the date of last attendance at an Arkansas IHE. Under such a policy, the student would have the right to reapply for admission to an Arkansas IHE and all prior academic history would be ignored in the admission decision and in the calculation of future grade point averages. The prior transcript remains a part of the academic record, but is not considered in the calculation of g.p.a., graduation requirements, and so forth. The student is not permitted to save courses that may have been passed while excluding those with failing grades. This is an all or nothing option. Some institutions have adopted a similar policy, but it is not a state requirement. A student should only be permitted use the fresh start option one time. Some institutions have adopted a similar policy, but it is not a state requirement. A student should only be permitted use the “fresh start” option one time.

### **Repeat Policy**

Virtually every student will stub his toe in at least 1 course during his academic career. Depending on the student’s academic standing, a failing grade can have severe consequences. Many IHEs have adopted a grade repeat or replacement policy whereby the student may retake a class in which a “D” or “F” was earned. After completing the course a second time, the new grade included in the g.p.a., the previous grade is excluded from the g.p.a, but both grades remain on the transcript.

- **Recommendation:** It is recommended that ADHE develop model grade repeat policy language and encourage its adoption. A model policy would permit grade replacement for an earned “D” or “F,” would require both grades to remain on the transcript, and limit a student to 15 hours of grade replacement throughout his undergraduate academic career. In calculating the g.p.a., the second earned grade would be included and the first grade would be excluded.

### **Last Minute Returners**

While not unique to adult learners, consensus was that adult learners are far more likely to make the decision to return to college just days before classes begin or literally after classes have already started. This is especially true of stop-outs who perhaps feel uncomfortable with the registration process. IHEs, perhaps out of a misplaced belief that they are helping students and also a desire for additional headcount and tuition dollars, admit these students. By a large percentage, these students are far more likely to fail and drop out.

- **Recommendation:** IHEs should consider a policy that closes all course registration prior to the first day of classes.

### **Ombudsman**

IHEs are complex organizations that are difficult to navigate, even for the well-informed. Administrative offices are scattered across a large campus, university officials frequently do not communicate with others outside their silo despite the fact issues often involve multiple silos, and rules and regulations change from catalog to catalog and can be difficult to interpret. For the adult learner who is simply trying to return to school to finish what he started, this can sometimes seem overwhelming. While it is true that sometimes life gets in the way and results in a student stopping-out of school, is also the case that some we (IHEs) get in the way. Some organizations, including some IHEs, have found an Ombudsman Office an effective solution to assist students with problem-solving. These individuals are not advocates for the student or the institution but rather attempt to resolve problems and are more akin to mediators.

- **Recommendation:** IHEs should consider creating an Ombudsman Office, or similar position, that serves as a resource for students to resolve problems. This office is not envisioned as replacing established campus processes related to things such as grade appeals and grievances. ADHE may wish to give consideration to a similar office.

### **Curriculum Considerations**

#### **Learning Modalities for Adult Learners**

Adult learners have complex lives - they work, they care for family members, they are raising children, they are in relationships. These obligations render traditional full-time MWF and TTH course schedules nearly an impossibility. Adult learners require flexible course offerings that cater to the unique nature of the adult learner such as flipped classrooms, blended schedules, online course offerings, and short courses. These options are not without expense and have significant implications for traditional data reporting metrics.

- **Recommendation:** IHEs should, where consistent with their mission and resources, consider learning modalities that support adult learners. These modalities might include fully online courses and degree programs, flipped classrooms that reduce the need for face-to-face instruction, short courses that allow the student to focus intensely and earn credits rapidly, and blended course schedules that utilize online courses to reduce on-campus time. Weekend courses might be an option appropriate for some IHEs.

#### **Competency-Based Education**

In recent months, there has been increased discussion of competency based education (CBE). CBE is a method of instruction that shifts the focus from seat-time (the 3-credit hour course) to the demonstration that a competency has been mastered. In a CBE program students move as quickly – or slowly – as they need to in order to master the content. Faculty mentors are available to assist students

with the content, but traditional lecture courses are typically not part of these programs. Some CBE programs bill students by the month or other time period with students having access to finish as many competencies as possible during that time period. Some believe that CBE programs are better suited for adult learners who can work at their own and perhaps leverage skills they may have acquired from the workplace.

However, there are several cautions related to CBE. For example, a student that wishes to discontinue a CBE program and transfer to a traditional program will likely find the transfer difficult since competencies do not always align with credit-bearing courses. Additionally, the US Department of Education and accreditors are still struggling with how best to approach the accreditation of these programs and access to Title IV funds.

- **Recommendation:** ADHE should continue to monitor developments in area of CBE and provide Arkansas IHEs with appropriate information. It is our belief that there is currently too much uncertainty surrounding CBE programs to merit aggressive implementation of these programs; however, as this programs are in the early stages of their evolution, further investigation is warranted.

### **Curriculum Selection and Design**

While an overgeneralization, adult learners typically have different learning objectives and needs than traditional students. Generally speaking, adult learners are interested in degree programs that translate to improved positions in the workforce. While some adults undoubtedly pursue education for the sake of education, most are interested in changing careers, securing a promotion, increasing their earning power, or obtaining an initial job. This career focus has implications for the degree programs that are likely to appeal to adult learners.

- **Recommendation:** ADHE should actively promote the workforce needs of the state and how those workforce needs align with degree programs offered by Arkansas IHEs, including earning potential for certain careers. IHEs should offer degree programs that support the workforce needs of the state. In designing curriculum offerings, IHEs should stress the real world relevance of the curriculum.

### **Academic Support for Adult Learners**

Returning to school after a number of years can be a daunting task as one resumes the rhythms of school. For those adults who are making their initial transition to college, the obstacles seem even steeper since faculty members and IHEs make assumptions about the baseline knowledge of students. What is forgotten is that adult learners may not have the same baseline knowledge and may simply be too embarrassed to ask for help. Minor matters such as how to properly format a paper may have changed over the years or may have never been part of the adult learner's baseline. Some educational experts refer to this as the "hidden curriculum" and efforts could be made to make the hidden curriculum explicit.

- **Recommendation:** IHEs should consider efforts to make the hidden curriculum explicit in programs that cater to adult learners. Academic support services should be provided, specifically targeted at adult learners, that ease the transition to college and support the adult learner's success.

#### ***GOAL 4: Improve College Affordability through Effective Resource Allocation***

##### Strategies identified by the Affordability Work Group

Financial aid should exist to help students afford their education. However, many factors, such as lack of funding, lack of understanding the process, and financial-aid practices and policies can discourage students from using this resource to help them afford their education.

**Financial Literacy** - The financial literacy of students attending college can directly affect the affordability of their college experience. Often, students (and in many cases their parents) do not understand the consequences of paying for college with students loans, and are unaware of other options, including scholarships and grants, that may be available to them to help support their education. This is especially true for first-generation college students, who generally have no experience in this arena. Students who are unaware of the option of scholarships may miss deadlines and then turn to student loans as a last resort. Student loans can be dangerous for a financially illiterate student, especially one living in poverty. For these students, the promise of money *right now* could outweigh the consequences of having to pay a loan back after graduation. This may cause a student to take out the maximum student loan, which makes college seem affordable in the short-term, but is actually very detrimental to affordability in the long-term.

**RECOMMENDATION:** Institutions could work with K-12 educators to teach financial literacy to students early on. Institutions could also implement policies to help students understand the true cost of taking on debt through student loans, and to better comprehend ways to maximize efficiency in borrowing, either through advising or a first-year experience course.

**Student Loan Debt** - When students begin to pay back their student loans, they often see that loan money as "the cost of college," regardless of how any excess loan funds may have been spent. The media has also been adamant in the last few years that student-loan debt is generally a serious burden, increasing the perception that college is unaffordable. In reality, student loans can be an ideal method of financing a college education when used responsibly.

**RECOMMENDATION:** Institutions can do more to emphasize and encourage the responsible use of student loans for paying for college.

**Financial Aid Practices and Policies** – As colleges and universities expand their enrollment, administrators begin to rely more heavily on online applications and email to communicate with students. In some cases, due to the large amount of information necessary to complete an application as well as the difficulty of using unfamiliar web systems, this has become a highly complicated process for students to complete. This, coupled with a lack of interaction with staff, may cause students to avoid the process. As students may be generally uninterested in or unaware of financial aid, a lack of

communication with parents also creates difficulty in meeting deadlines and completing applications for financial aid.

**RECOMMENDATION:** Institutions would be wise to audit their financial-aid application processes to see if they are maximally efficient and easy for students to understand.

**Need-based Financial Aid Programs** – The state’s current need-based financial aid programs, the GO! Opportunities Grant and the Workforce Improvement Grant, are generally considered to be less effective than hoped for. In 40 years of Pell Grants, over a half trillion dollars has realized only a three percent increase in degree attainment. This demonstrates that providing more financial aid is not always enough to make college more affordable – it must also be designed to work for the students it seeks to serve. The state of Arkansas is currently at six percent of state scholarship funding being spent on needs-based scholarships. Arkansas is fourth lowest in the nation in spending on needs-based scholarship programs.

**Reducing the time it takes students to receive a degree or credential.** – In order to reduce time to degree and increase completion rates, the following best practices are recommended:

- Clearly defined degree plans for first-time entering students to help them better understand the path and direction that they should be taking in order to efficiently earn their degree. A clearly defined plan would ideally include the suggested program course schedule by semester for any given academic degree or credential program.
- A summer student-developmental program would help to prepare the most at-risk students to successfully begin their academic program. The state should coordinate a strategy that institutions of higher education can use to maximize effectiveness and reduce costs. For example, the state of Mississippi requires students, who have not met minimum standards of admission, to complete a summer-developmental program. (Mississippi Institutions of Higher Learning – Board of Trustees Policies and Bylaws.)
- Effective advising for both class schedules and financial aid is critical to student success in completing degree or credential programs in a timely and affordable manner. Institutions could assess their advising practices to determine the current success of their advising programs. A best practice could be to proactively survey and monitor students’ understanding of their financial-aid and academic-progression status to determine the effectiveness of advising.
- Institutions could review their enrollment and financial-aid online processes to determine if the application is straightforward enough for students to easily understand and navigate. If the process is too difficult, students could miss opportunities for earning or renewing scholarships. A difficult application process could also deter a student from applying to an institution at all.

**Maximize the efficiency and effectiveness of the spending of currently available resources to ensure that the institutional and state goals are being met.** When it comes to institutional spending, the focus should be on the students, and how institutions can best prepare them to enter the state’s workforce. Institutions should be more aware of the degree needs of the state, and work harder to draw students toward those degrees. In order to maximize efficiency and effectiveness with regard to increasing the core expense ratio, the following best practices are recommended:

- **Shared Services** – Institutions are encouraged to explore and consider shared services with other higher education entities. Although shared services may not always be fiscally feasible, in many cases sharing services can give institutions various financial benefits. Such sharing could

produce efficiencies and promote better contract negotiation, since combined institutions would have greater bargaining power. Further, unnecessary duplication of effort could be minimized and personnel time could be streamlined. For example, the University of Arkansas System campuses recently procured a common learning management system (LMS), which reduced the proportionate cost for all of the entities, while at the same time giving them an expanded product.

- **Capital Improvement Funds** – Institutions receive no dedicated funds for capital projects and critical maintenance. This lack of funding for institutions often leads to postponing needed repairs and a deterioration of the institutions’ assets. Due to the lack of financial support for capital projects and critical maintenance from the state, the cost of these repairs and improvements are passed on to the students. Students should not have to bear the entire cost of maintaining an institution’s campus, as it should be at least partially the state’s responsibility to maintain its assets. **RECOMMENDATION:** A dedicated fund should be established to match the institutions’ investment for capital. This way, institutions would have more flexibility in funding these projects.
- **Public-Private Partnerships (P3s)** – Utilization of Public-Private Partnerships, such as privatized student housing, should be encouraged as a method of creating efficiencies. These partnerships can be mutually beneficial to both the institution and the private partner. However, the greatest beneficiary of these partnerships is the students, who realize a cost savings and enhance their college experience through better facilities with no related debt service. **RECOMMENDATION:** The Arkansas Department of Higher Education should hold forums to help institutions understand the benefits of these partnerships and to learn how to make them work to their advantage.
- **Reduce Administrative Costs** – Currently, there are no metrics for benchmarking core expense ratios for public institutions of higher education in Arkansas. Without this critical information, it is nearly impossible for institutions and policymakers to understand the ways that administrative costs compare across institutions. These reports would provide only a benchmark for institutions to understand their current expense ratio; however, this would prompt institutions to develop a plan for reducing administrative costs. **RECOMMENDATION:** The Arkansas Department of Higher Education should change and improve current financial reports to better collect information necessary for calculating the core expense ratio for an institution. Institutions should use this information in determining ways to reduce administrative costs that are unnecessarily elevated.
- **Creating a Thriving Academic Community** – While discussing affordability, it is very important to keep in mind that affordability must not come at the cost of not providing quality education and services to students. Faculty salaries at public institutions of higher education in Arkansas currently fall below the national average. In order to retain and attract quality faculty members to our institutions, this must be corrected. **RECOMMENDATION:** Institutions should formulate realistic plans to increase faculty salaries to the national average over time by dedicating a portion of each institution’s income to this goal. The Arkansas Department of Higher Education (ADHE) should work with the Arkansas Department of Finance and Administration (DFA) to create a personnel policy that allows institutions more flexibility in increasing these salaries.

### Scholarships for Adults

Financial barriers are one of the most significant barriers for any student but particularly acute for the adult learner. The adult learner, in addition to needing tuition dollars, is also more likely than a traditional student to need financial resources for child care, mortgage, car payment, and so forth. Unfortunately, many scholarship funds are targeted at traditional-aged college students. It is not uncommon to see scholarship priority given to those just out of high school, to require the submission of ACT or SAT scores, or require full-time enrollment – all of which are likely impossible conditions for the adult learner.

- **Recommendation:** ADHE should set aside significant funds to support adult learners. These funds should be need-based. The scholarship requirements should be tailored to adult learners and not require full-time enrollment or the submission of standardized test scores. IHEs should be encouraged to consider similar scholarship sources for their institution.

### Affordability & Payment of First Course

Tuition affordability is an issue impacting all students, not just adult learners. As noted elsewhere, adult learners do not always have access to the same scholarship opportunities which perhaps forecloses some options. Efforts to keep tuition in check will benefit all students, including adults. For adults with access to employer-supported programs, sometimes the challenge is simply paying for the first course. For these adults, once a course has been completed and an appropriate grade earned, the employer will reimburse the student for some or all of the tuition. However, securing payment for that first course to simply start the program is still required and not typically provided by the employer.

- **Recommendation:** Any efforts to check the increase in tuition should be pursued as it will benefit all students, including adult learners. Specifically for students with access to employer benefit programs that cover educational expenses, IHEs should consider adopting a policy that would allow students to forego payment of the first course upon proof that the employer will pay for the course upon evidence of successful completion of the program. Allowing the student to pay at the end of the course would allow students in employer-sponsored programs to begin without the need to front the costs of tuition.

### Financial & Transcript Holds

When many students step away from college, they do not always do so in a manner that resolves all their financial obligations to the IHE. Parking tickets, library fines, and unpaid residence hall bills may be lingering on the student's record resulting in an enrollment hold. In some cases, these delinquent bills have multiplied several times due to late fees. The result is that a student who wishes to return to college is unable to do so without first paying the bill and he cannot pay the bill because he does not have a job with a sufficient wage to secure the funds. Without a transcript the student's new institution will not admit his or, if they do, the student is forced to walk away from credits he may have earned. This is a real barrier to many students.



- **Recommendation:** ADHE should work with Arkansas IHEs to determine whether options are available for students to eliminate financial holds from prior college work that prevent the return to school. Some options may include a grant or loan to cover the outstanding amount that would permit the removal of the hold.

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### **Employer Benefits**

Many adult learners are currently employed. Research has shown that employers who support the educational advancement of their employees are rewarded with a more loyal and skilled employee. While some employers have active employee benefit plans that support the educational goals of their employees, many employers do not have these programs, many programs are overly restrictive, and some employers do not actively promote the programs. Finally, virtually all employers are unfamiliar with PLA and do not cover PLA in their plans, even though credits earned via PLA are far less expensive for both the employer and the student.

- **Recommendation:** ADHE should work with the Arkansas State Chamber and other entities to promote the value of employer-supported education benefit programs, encourage employers to adopt and expand their programs, and to remove restrictions on the types of education supported by the program. A special effort should be made to educate employers about features of PLA and encourage the financial support of credits earned via PLA.

### Strategies identified by the Institutional Funding Work Group

The institutional funding work group has engaged in numerous conversations around the adoption of an outcomes-based funding model that would replace both the needs-based and performance-based models currently in place. The model incorporates the guiding principles outlined below and is built on metrics which align with the priorities of the plan. These guiding principles will allow the work group to continue developing an outcomes-based funding model which is student-centered and responsive to attainment goals. The group anticipates having a fully developed model to propose during the 2017 regular legislative session.

### **Arkansas Outcomes-Based Funding Guiding Principles**

- Student-centered:
  - The model should place at its center students and student's needs including both access to and completion of meaningful and quality post-secondary learning.
- Outcomes:
  - The model should focus on completion, and particularly on completions of underserved and at-risk students and completions in areas of need by the state and industry. This structure should recognize differences in investment associated with meeting the evolving needs of students, the workforce, and the state.
- Collaboration:
  - The model should provide incentives for cross-institutional collaboration and reward the successful transition of students across institutions.
- Supporting institutional mission:

- The model should respect and be responsive to the diverse set of missions represented by each public institution of higher education.
- Formula structure:
  - The model should maintain clarity and simplicity.
- Flexibility:
  - The model should be adaptable in the face of a dynamic institutional and external environment.
- Stability and transition:
  - The model should support short-, mid- and long-term financial stability of the public institutions of higher education, while focusing attention on outcomes and the goals of the state. The transition from the current funding formula to a future outcomes-based funding formula should allow for a managed and intentional transition process which mitigates negative impact at any one or group of institutions.

Additionally, the non-formula funding sub-group has developed a standard definition for non-formula entities and has recommended that these entities develop a reporting process to clearly identify the results achieved as a result of the state's investment. The intent was to create a process strictly for reporting rather than attempting to tie funding to outcomes at this time. These annual reports should be a means to assess the funding needs of each unique entity, as well as an objective measure that will determine whether each institution's mission is being met.

## Appendix A. Work Group Members

### Adult Learners

Michael Moore, Chair	University of Arkansas System
Marie Parker	Cossatot Community College of the University of Arkansas
Karen Liebhaber	Black River Technical College
Rhonda Carroll	Pulaski Technical College
Jeremy Reece	Arkansas State University Mid-South
Jaqueline Faulkner	Arkansas State University Newport
Javier Reyes	University of Arkansas Fayetteville
Hazel Linton	University of Arkansas Pine Bluff
Tracy Finch	Arkansas State University Jonesboro
Ann Clemmer	Arkansas Department of Higher Education

### College Readiness

Barbara Jones, Chair	South Arkansas College
Steve Adkinson	Henderson State University
Gina Hogue	Arkansas State University Jonesboro
Mary Brentley	University of Arkansas Pine Bluff
Chris Smith	Philander Smith College
Zachary Perrine	Pulaski Technical College
Diana Arn	University of Arkansas Community College at Morrilton
Robert Gunnels	Southern Arkansas University Tech
Zulma Toro	University of Arkansas at Little Rock
Susan Harriman	Arkansas Department of Education
Sonja Wright-McMurray	Arkansas Department of Career Education
Ann Clemmer	Arkansas Department of Higher Education

### Remediation

Paul Beran, Chair	University of Arkansas Fort Smith
Amy Baldwin	University of Central Arkansas
Sherri Bennett	Arkansas Northeastern College
Marla Strecker	Arkansas Department of Higher Education
Mark Spencer	University of Arkansas at Monticello
Pat Simms	College of the Ouachitas
Ted Kalthoff	Arkansas State University - Beebe
David Underwood	Arkansas Tech University
Ricky Tompkins	Northwest Arkansas Community College
Ann Clemmer	Arkansas Department of Higher Education

Student Success Innovations

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Todd Kitchen	Northwest Arkansas Community College
Donna Allen	Southern Arkansas University
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Beth Bruce	University of Arkansas Community College at Batesville
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Affordability

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Russ Hannah	Arkansas State University Jonesboro
Bobby Jones	Henderson State University
Tom Courtway	University of Central Arkansas
Suzanne McCray	University of Arkansas Fayetteville
Callie Dunavin	Arkansas State University Mid-South
Richard Dawe	Ozarka College
Lisa Willenberg	University of Arkansas Community College at Morrilton
David See	College of the Ouachitas
Tara Smith	Arkansas Department of Higher Education

Institutional Funding

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Diane Newton	University of Central Arkansas
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John Hogan	National Park College
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Non-Formula Funding

Sandra Robertson, Chair	University of Arkansas at Little Rock
Tony Windham	UA Division of Agriculture
Cheryl May	UA Criminal Justice Institute
Stephanie Gardner	University of Arkansas for Medical Sciences
Julie Bates	Arkansas State University System Administration
Callie Dunavin	ADTEC
Tara Smith	Arkansas Department of Higher Education

Communication Strategies

Sandra Massey, Chair	Arkansas State University Newport
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Tiffany Billingsley	East Arkansas Community College
Heath Waldrop	South Arkansas Community College
Phillip Wilson	Rich Mountain Community College
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Lisa Smith	Arkansas Department of Higher Education