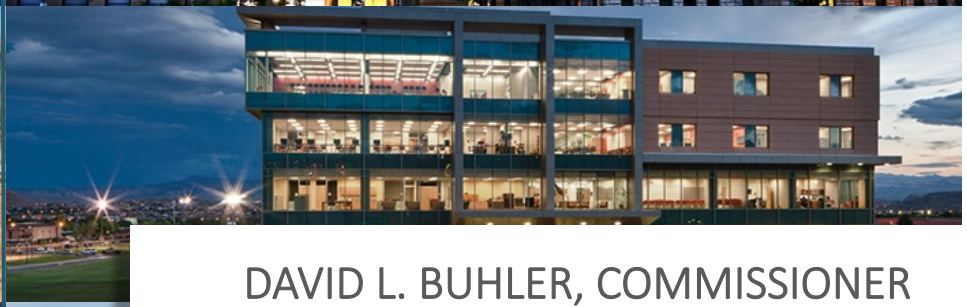
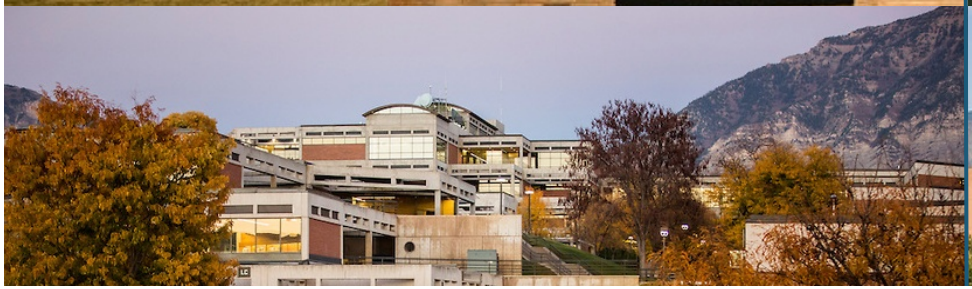
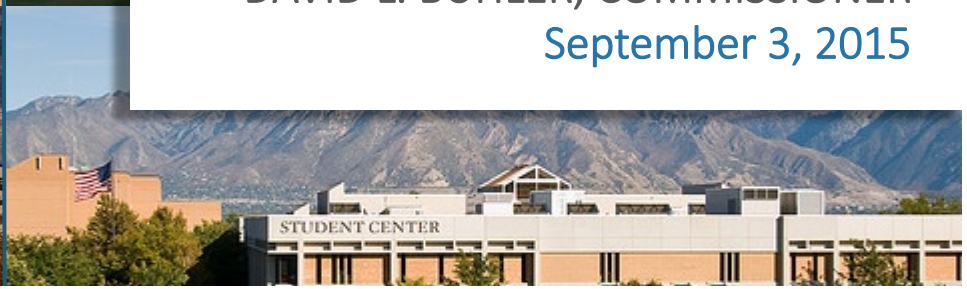
Innovation and Performance in Higher Education

UTAH SYSTEM OF HIGHER EDUCATION







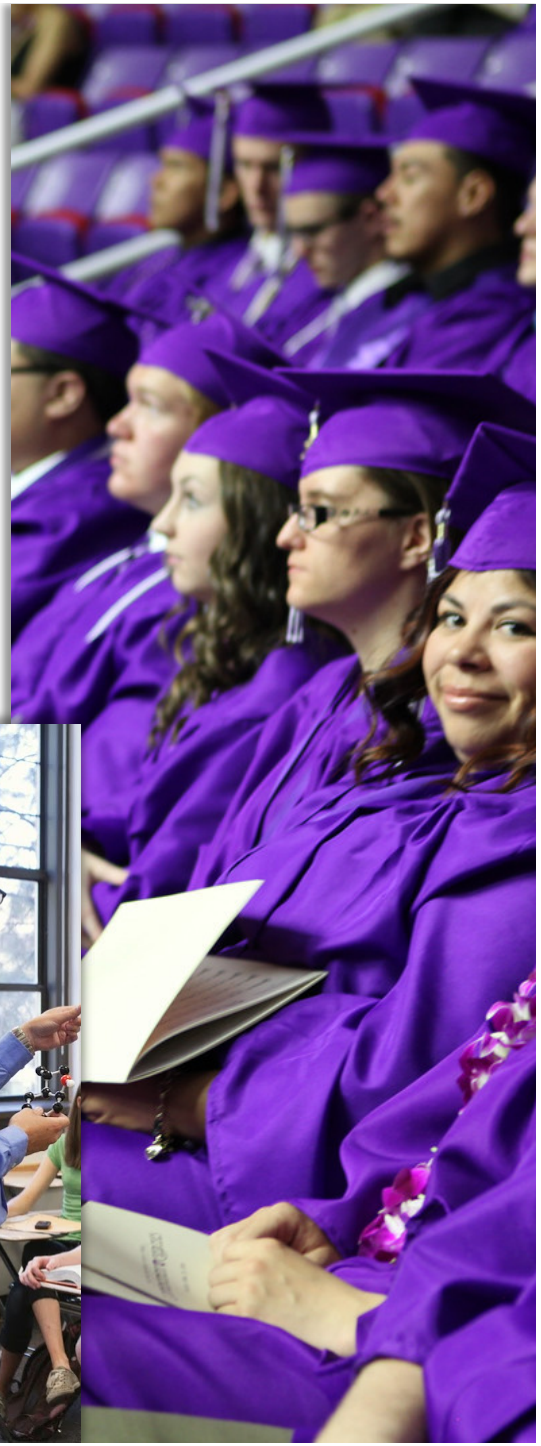
DAVID L. BUHLER, COMMISSIONER

September 3, 2015

USHE Students

8 out of 10

Of Utah high school graduates who enroll in college, attend a USHE institution.

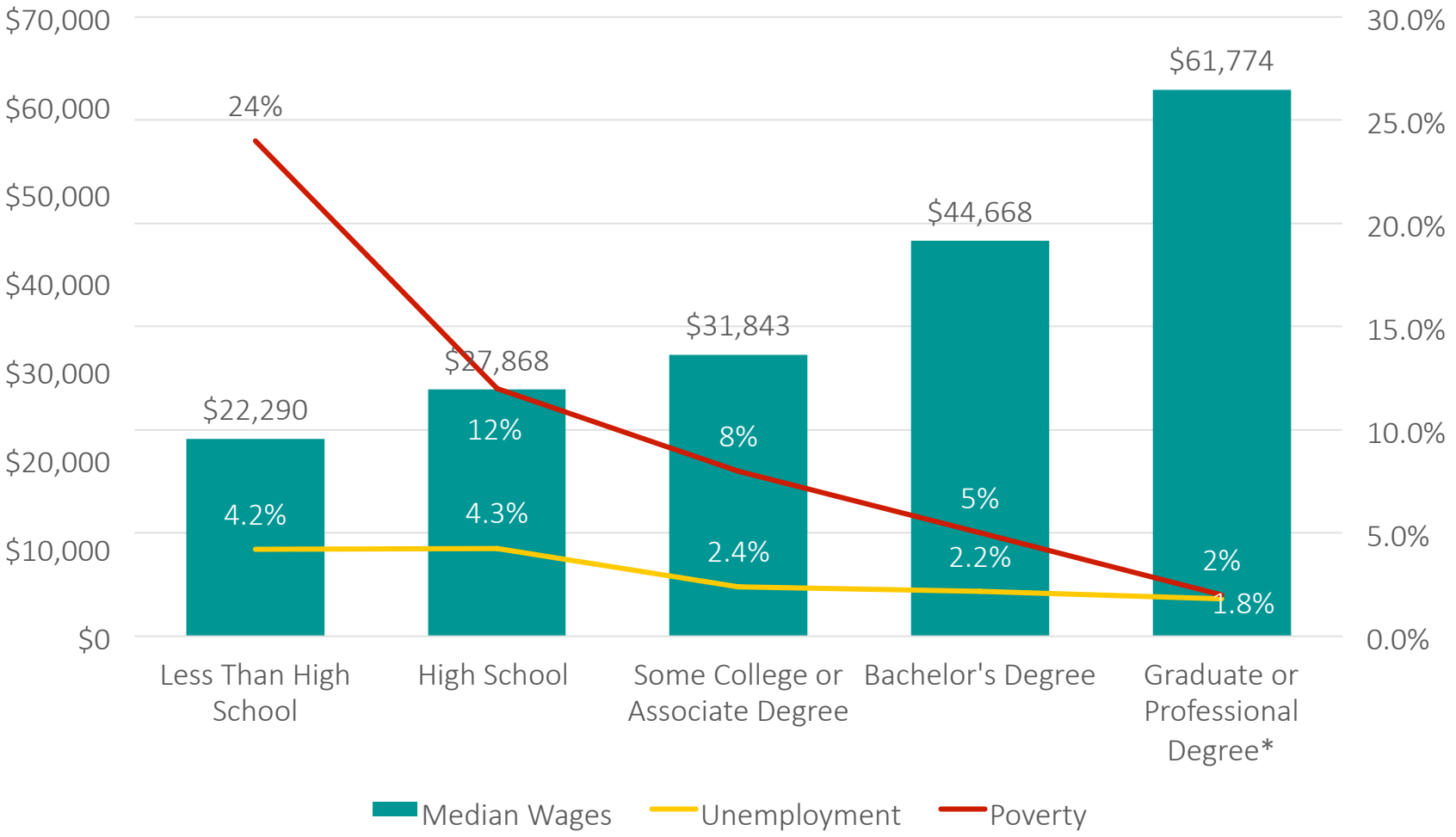


"Utah is running on all cylinders economically,“
-Randy Shumway, Cicero Group (August 25, 2015)

Higher Education is one of the four ingredients of Utah’s Startup “Secret Sauce”.
-Entrepreneur Magazine (June 2, 2015)

Higher education is one of “Six Reasons why Utah is Taking the Tech World by Storm”.
-Inc. Magazine (August 25, 2015)

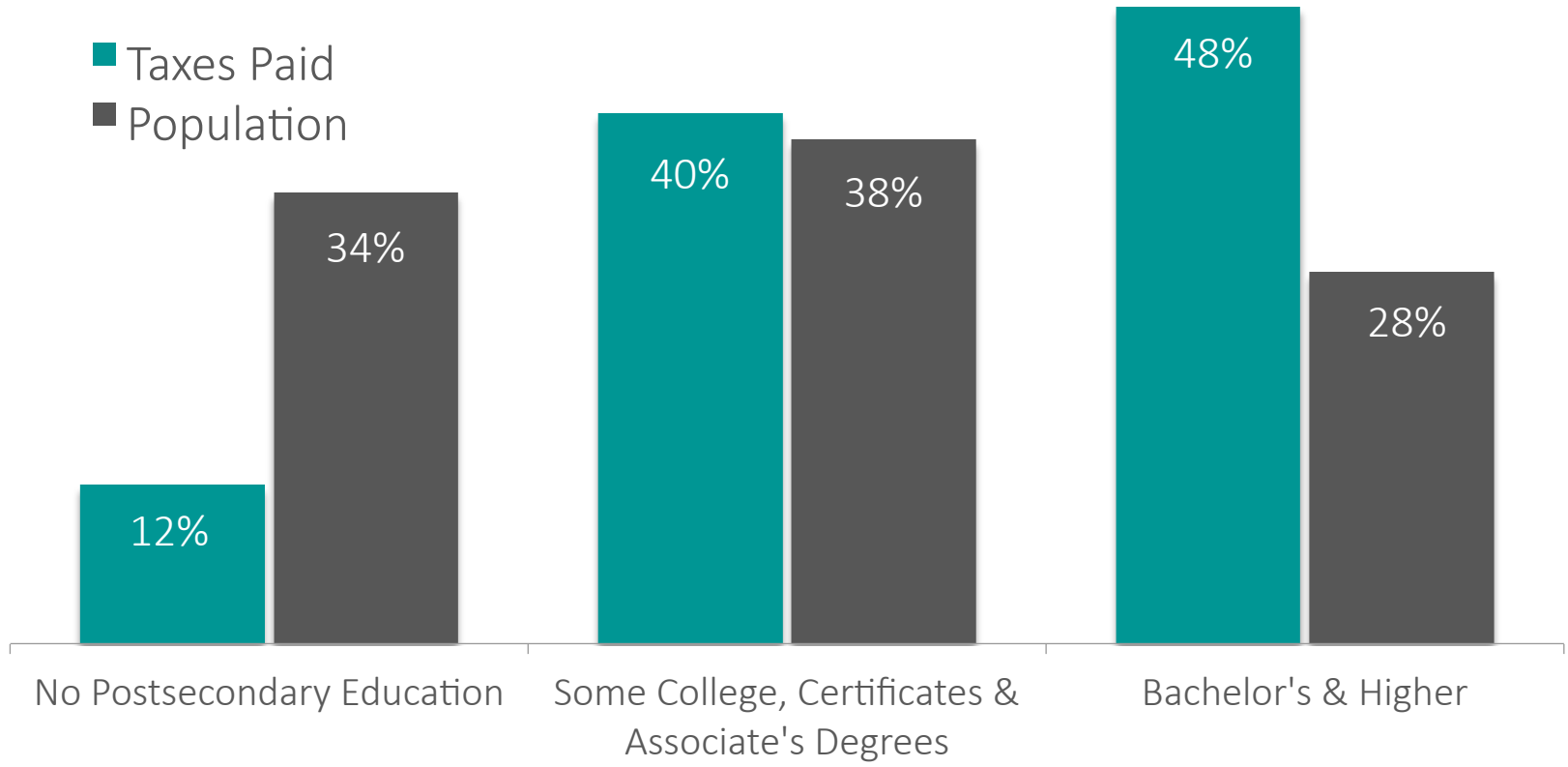
The ROI – to Utahns



*Unemployment and Poverty rates for *Graduate or Professional Degree* are USHE estimates.
Source: USHE, US Census (American Communities Survey), Department of Workforce Services, 2013.

The ROI – to the State

Utah Population (25 & over) by education level & state tax contribution



History of Performance Funding

July 2013

Board approves performance metrics for $1 million *one-time* funds appropriated by 2013 Legislature.

July 2014

Board allocates 2013-14 performance funds.

Board approves performance metrics for $1.5 million *one-time* funds appropriated by 2014 Legislature.

Jan. 2015

Board approves Performance Based Funding Model for 2015, requests $5 million ongoing funds from Legislature.

Mar. 2015

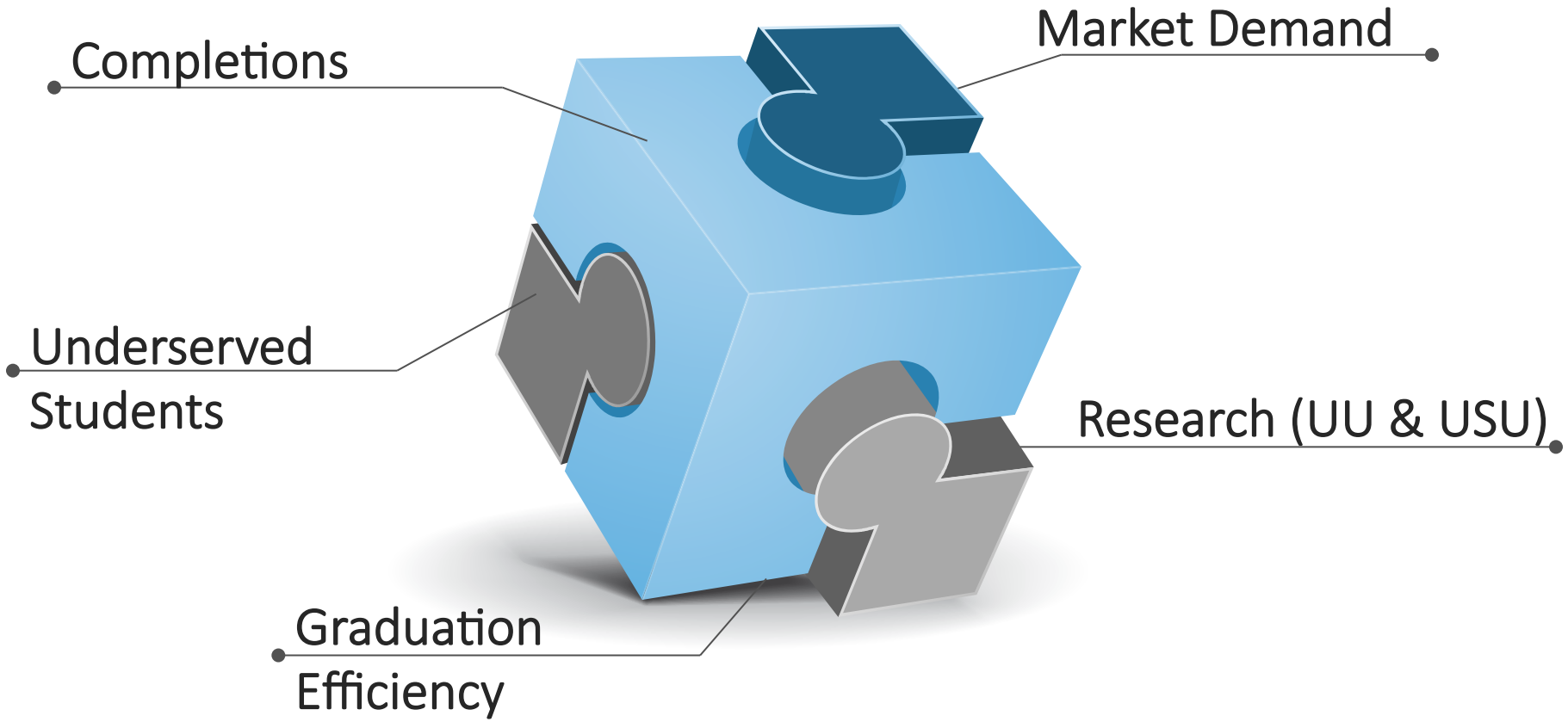
Legislature approves SB 232 – *Higher Education Performance Funding.*

2015 Legislature appropriates performance funding:
-$2 million ongoing
-$7 million one-time

July 2015:
Board of Regents approve 2015-16 performance model per SB 232.

SB 232 – *Higher Education Performance Funding*

Directs the Board of Regents to establish performance funding and associated outputs in the following areas:



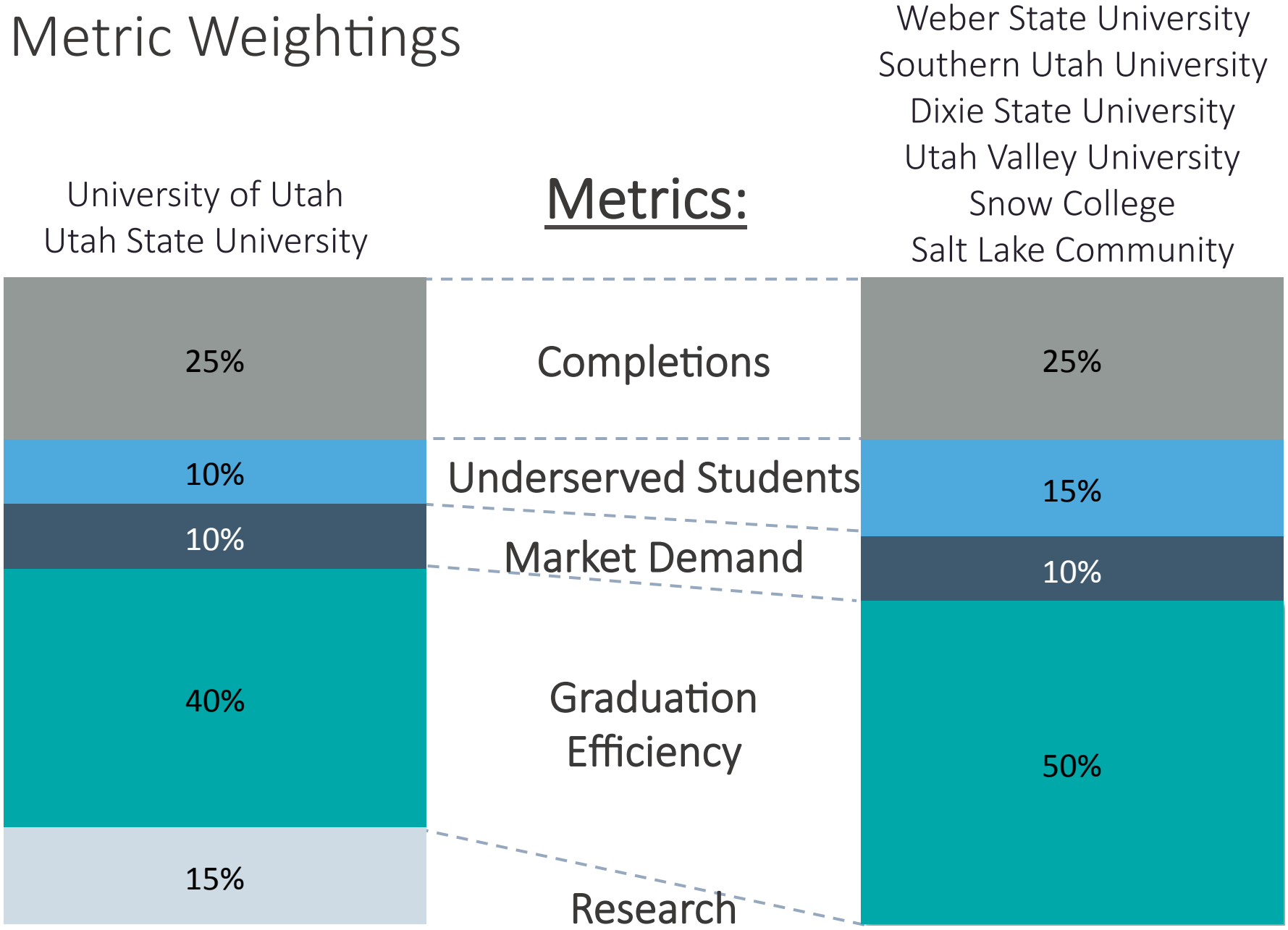
Metrics Defined

- **Completions:** Total certificates, associate, bachelor's, master's, and doctorate awards.
- **Underserved Students:** Total number of students receiving need-based aid (Pell)
- **Market Demand:** Incentive for degrees awarded that align to the "5-Star" occupations requiring a college degree or certificate
- **Research:** Total non-state research dollars for UU and USU.
- **Graduation Efficiency:** the number of students completing their program on time.

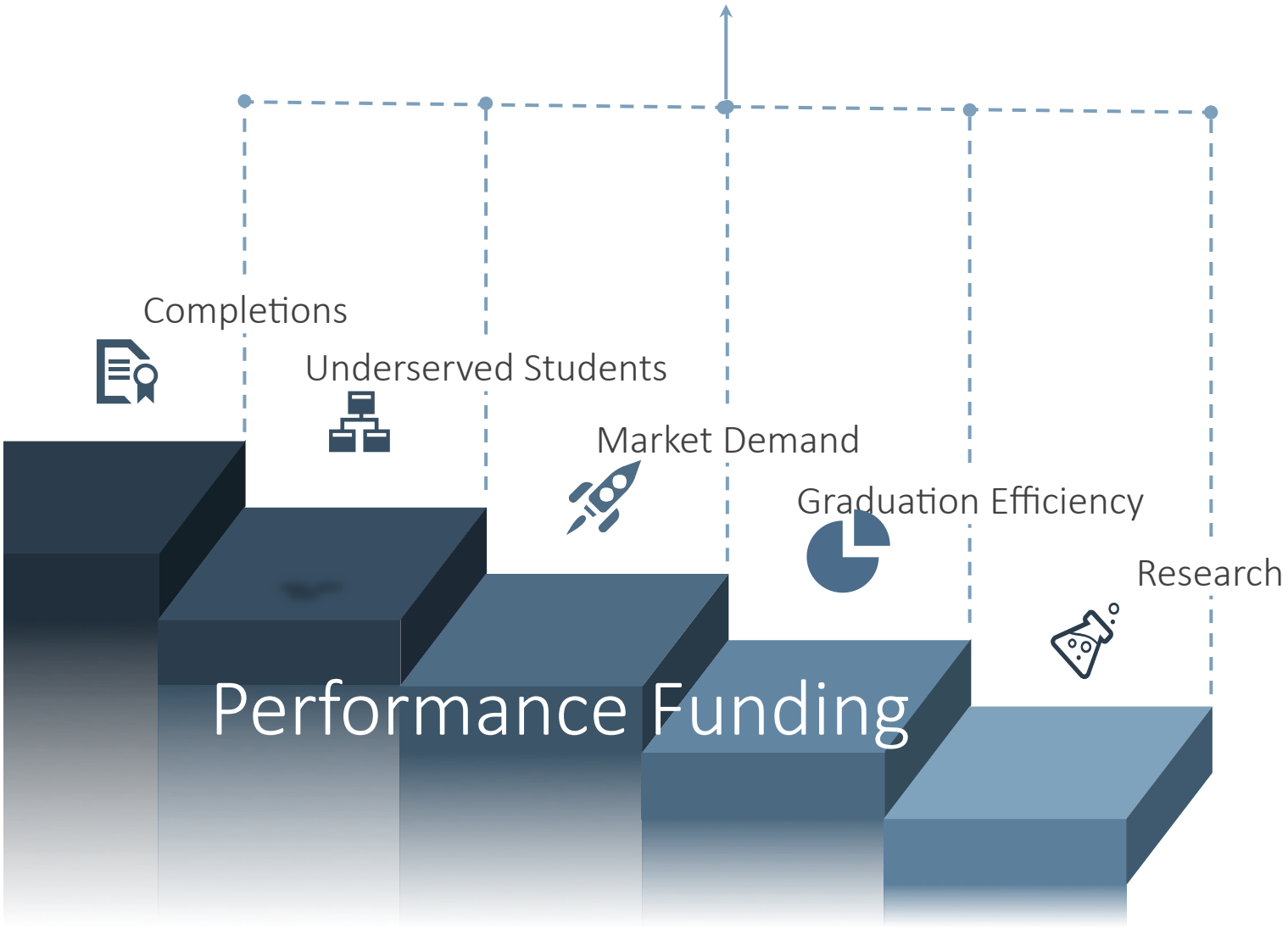
Metric Rationale

- Complements USHE Strategic Direction.
- State and national, generally accepted data sources.
- Measured on 5-year rolling average (Research metric not included).
- 2015 Baseline – to receive full funding, institutions must show progress.
- Weighted as directed by Higher Education Appropriations Subcommittee.

Metric Weightings



USHE Strategic Directions



Strategic Directions

for Higher Education in Utah

Adopted by the Board of Regents in January 2015

Affordable Participation

Timely Completion

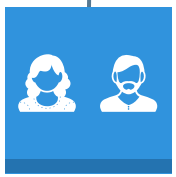
Innovative Discovery

Guiding objectives for development of a long-range higher education strategic plan during 2015.

In support of Governor's 10-year education plan.

Affordable Participation

Of Higher Education in Utah

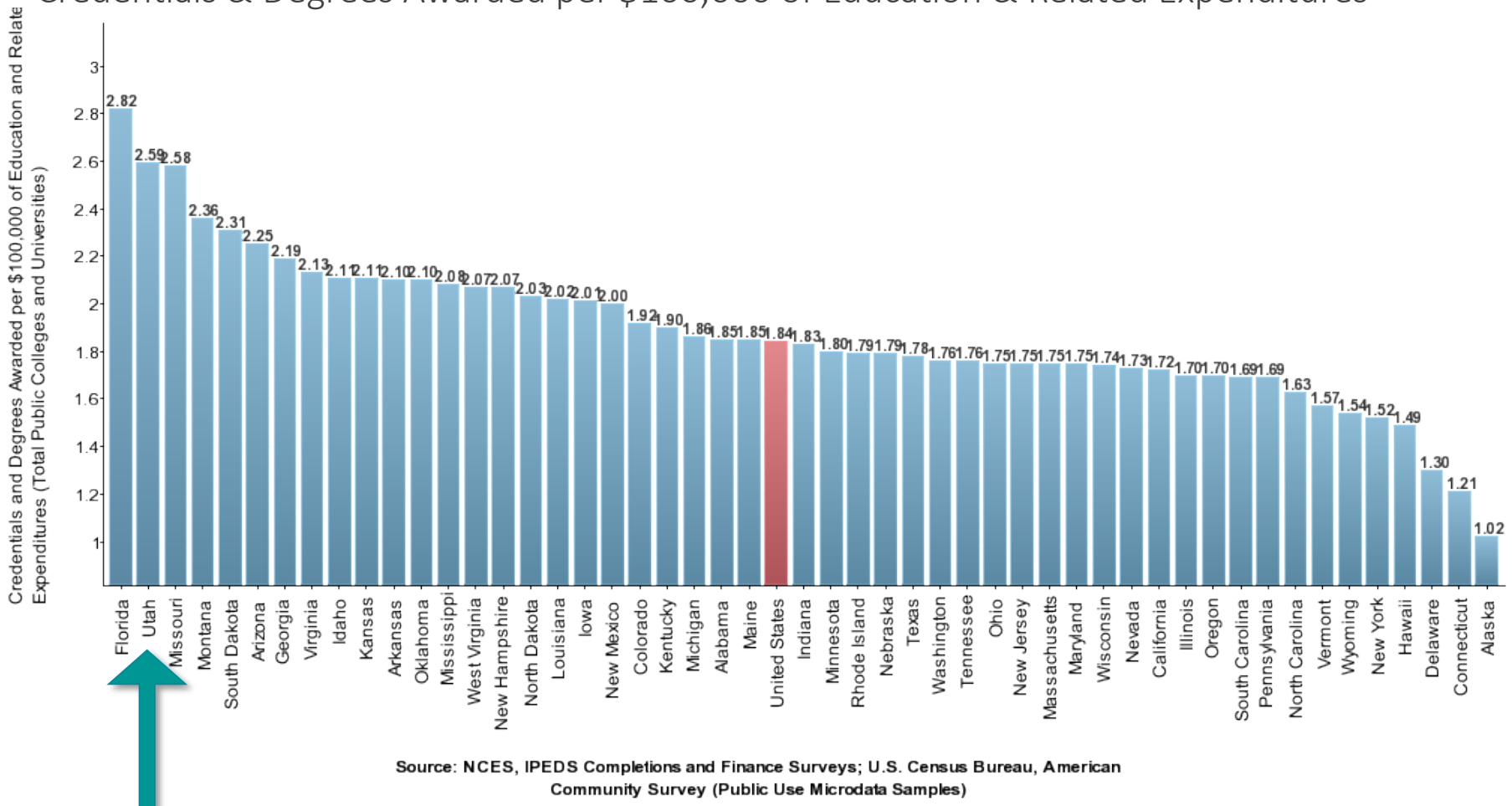


Goal: Increase the number of Utahns who decide to access, are prepared for, and succeed in higher education.

- Keep higher education efficient in Utah by maintaining low tuition and strong state support.
- Ensure state support for future student enrollment.
- Leverage proven programs that increase college knowledge and preparation
  - Concurrent Enrollment
  - Regents' Scholarship
- Continue increased collaboration with K-12
  - 2013: Utah College Application Week (77 partner high schools in 2015)
  - 2014: StepUp college readiness grants (partnerships w/colleges and high school)
  - 2015: High School Feedback Report
- StepUpUtah.com

Higher Education in Utah is Efficient

Credentials & Degrees Awarded per $100,000 of Education & Related Expenditures



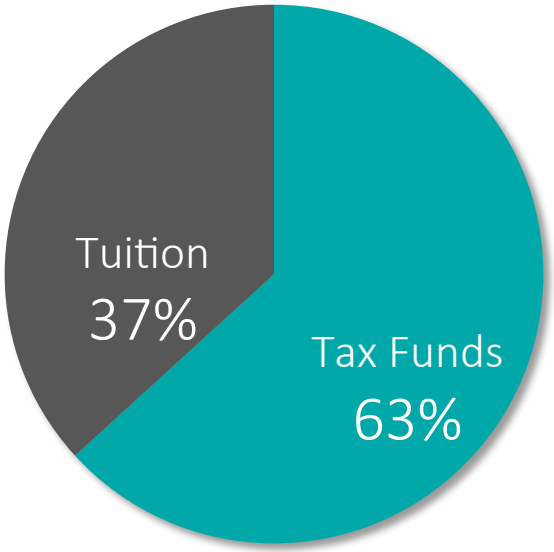
Source: NCES, IPEDS Completions and Finance Surveys; U.S. Census Bureau, American Community Survey (Public Use Microdata Samples)

Utah is 2nd most efficient per $100,000 spent

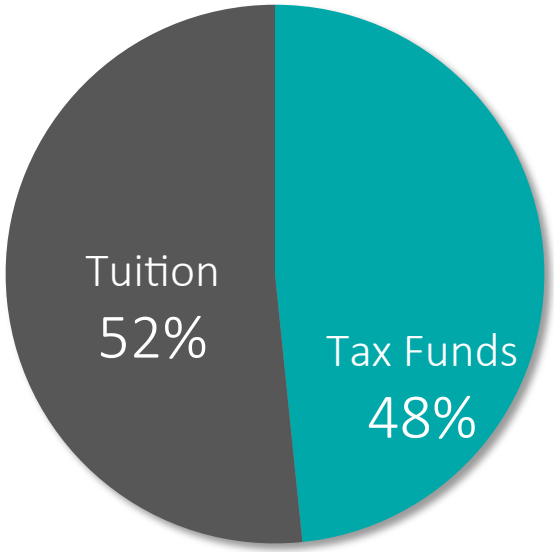
State Funding Support is a Critical Partnership

Funding per full-time-equivalent (FTE) student:

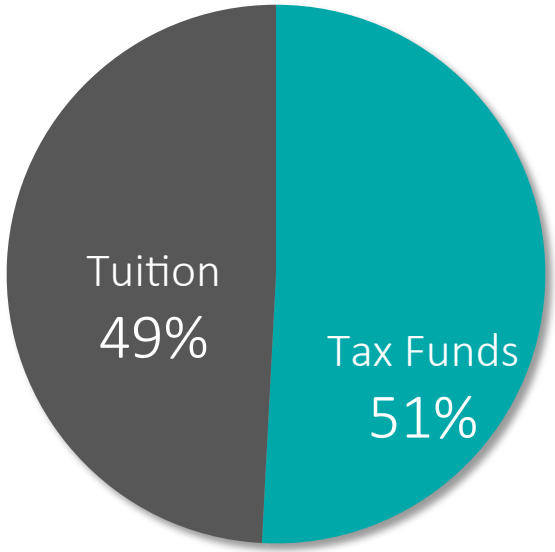
FY2008



FY2013

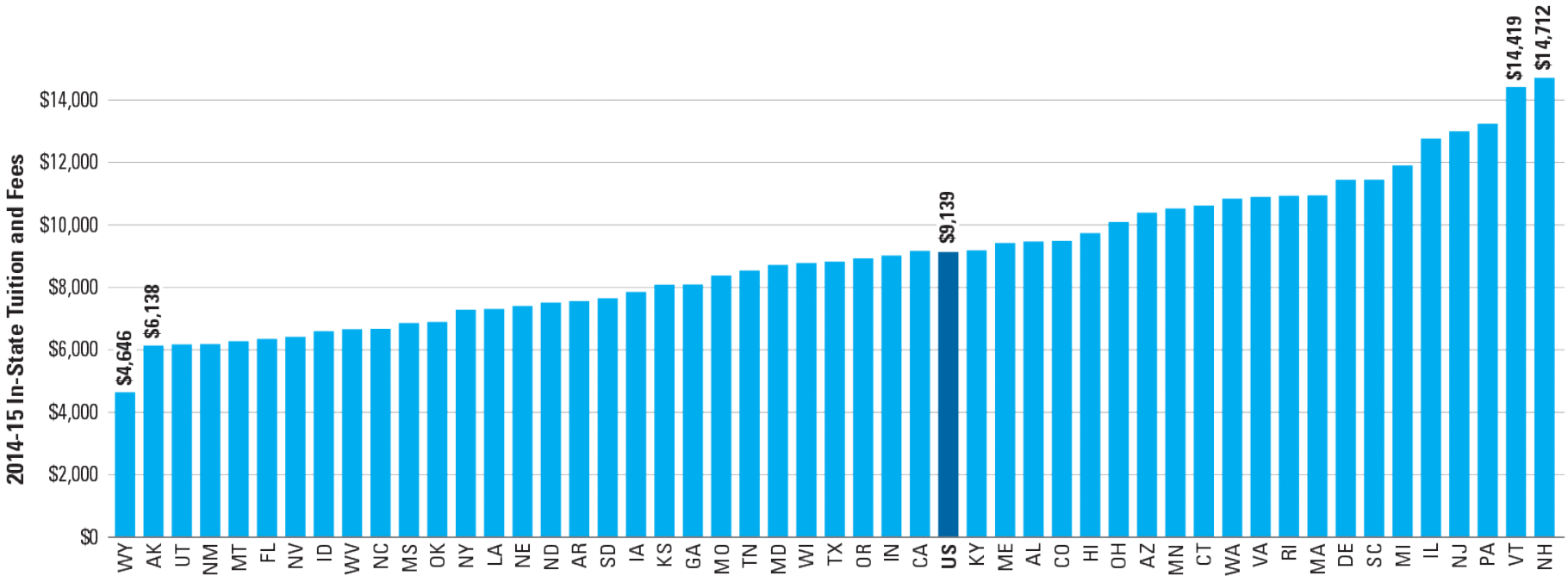


FY2015*



*Budgeted

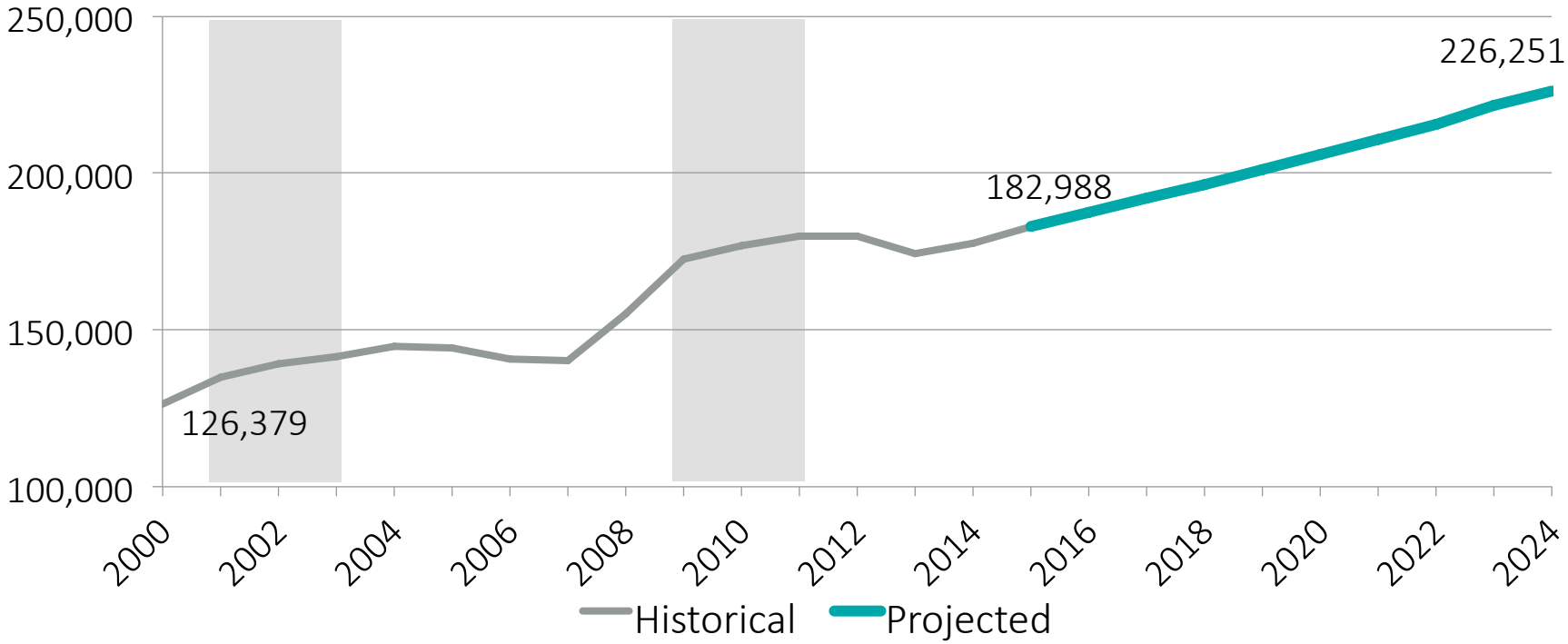
Tuition and Fees



Utah is 3rd lowest tuition for 4-year public institutions

College Board (http://trends.collegeboard.org/sites/default/files/college-pricing-2014-full-report.pdf)

Capacity Challenges: 50,000 additional students by 2024



Since 2000, enrollments increased the equivalent of current student bodies at USU & WSU combined.

By 2021, new student growth will exceed the current size of the student body at U of U.

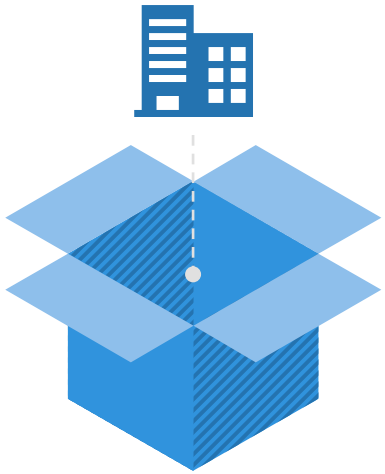
Student growth in the next 10 years will exceed that of the past 15 years (+48,000 students).

Source: USHE

Limited Capacity

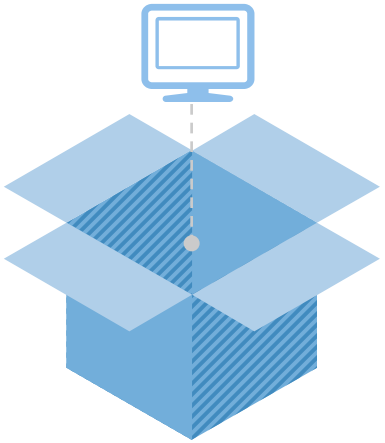
Academic Infrastructure

- Sufficient personnel and faculty to maintain degree quality
- Higher Education competes nationally for quality talent



Physical Infrastructure

- Enrollment increases further constrain space
- Significant utilities infrastructure
- Challenge of deferred maintenance



Virtual Infrastructure

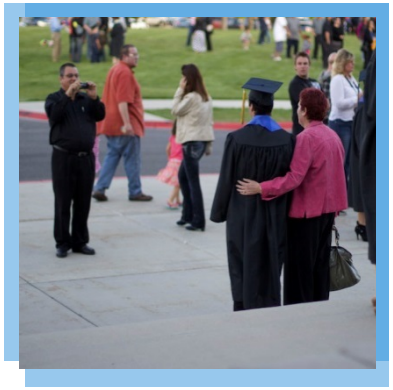
- Students come with average of 4 different devices.
- Online, “flipped” classrooms, open source, etc.
- Helps with capacity, still carries a cost

Timely Completion

of Higher Education students in Utah

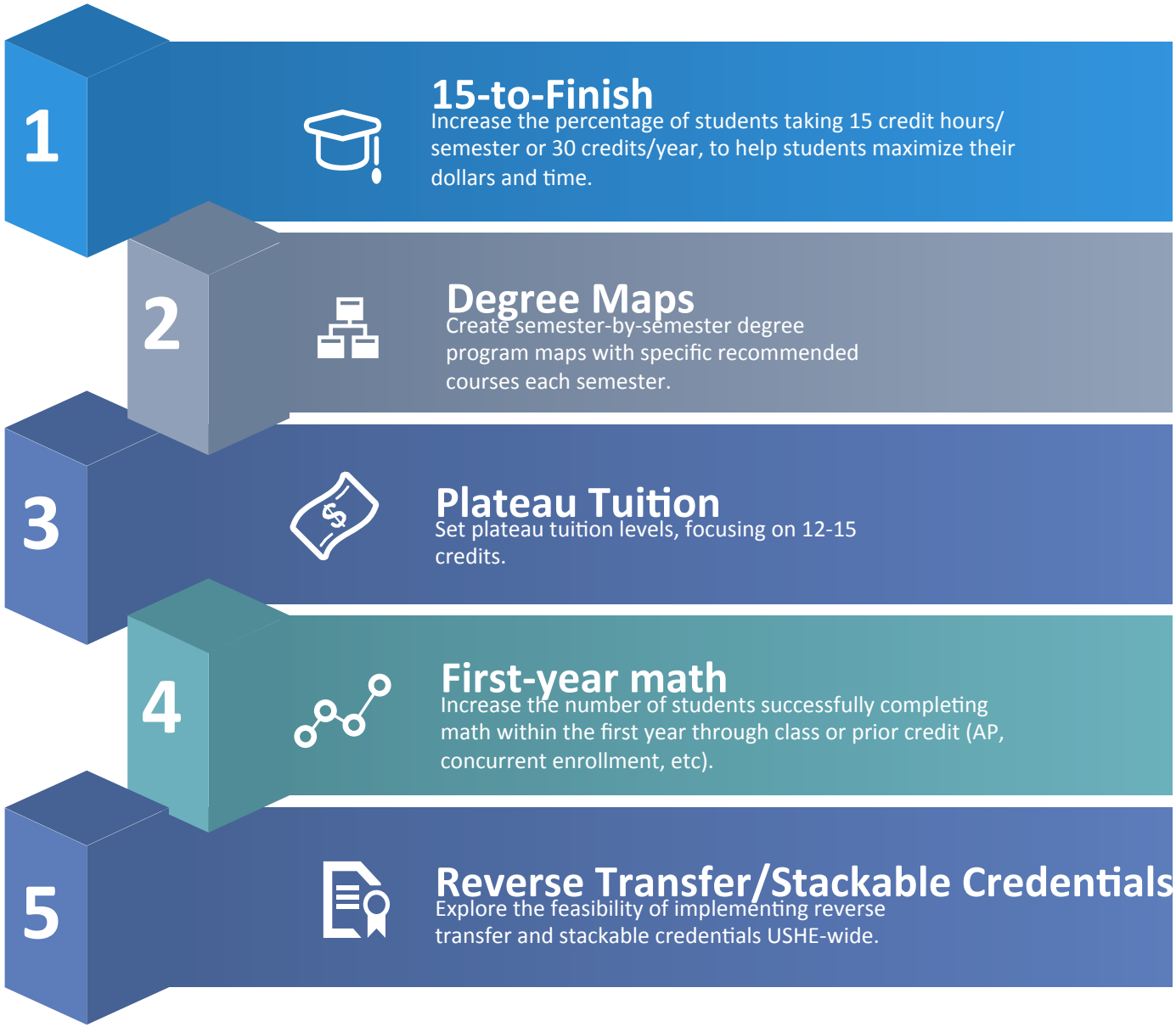
Goal: Increase the percentage of students who persist and complete a degree or certificate, using USHE performance targets.

- Improve secure data sharing and reporting to inform parents/ students and administrators.
  - Wage and industry employment information of USHE graduates (higheredutah.org)
  - High school feedback report – Fall 2015
- Focus on 1st generation students and underserved populations.
- Continued priority on Regents' *Completion Initiative.*



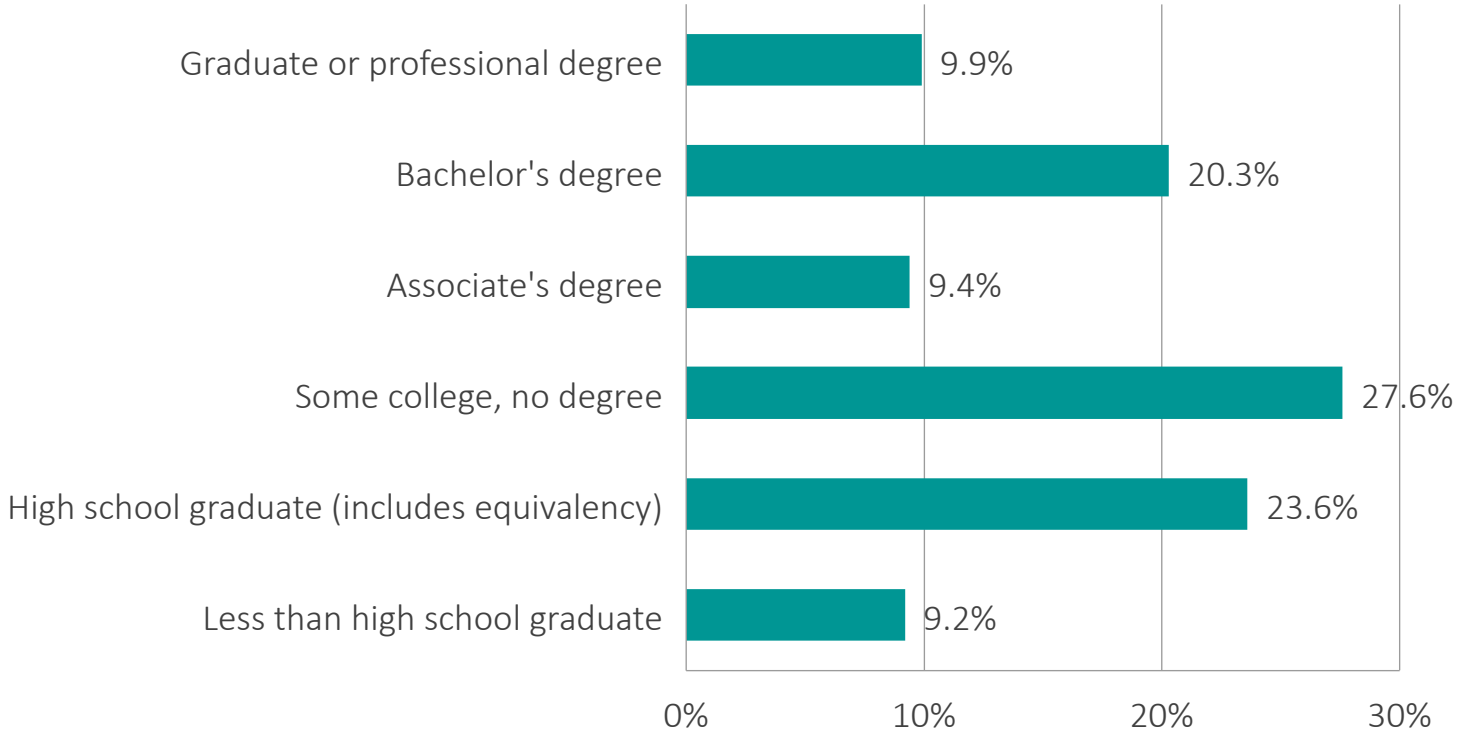
Completion Initiative Overview

Adopted by the Board of Regents (July 2013)



Some college, no degree

Utah's Educational Attainment – 25 yrs. And older

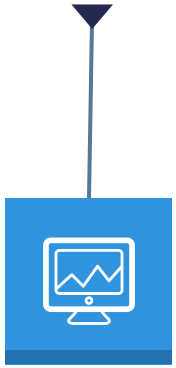


Utah ranks 2nd in the nation with the % of adults ages 25-64 with "some college, no degree".

American Communities Survey, 2009-2013
Lumina Foundation, A Stronger Nation Through Higher Education

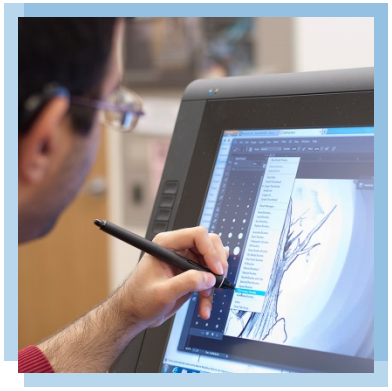
Innovative Discovery

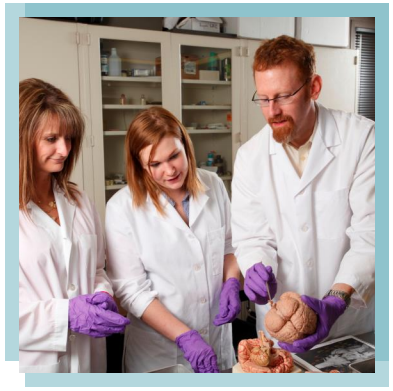
in Higher Education in Utah



Goal: Encourage innovation as a core value at each USHE institution, in keeping with its distinct mission. USHE is a "knowledge enterprise," engaged in the creation and dissemination of knowledge.

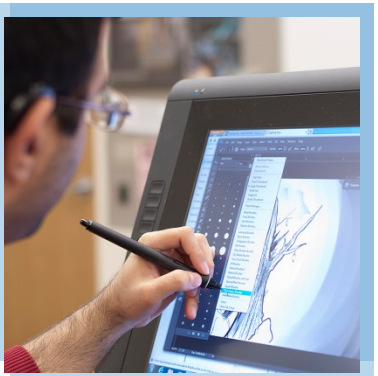
- Strengthen current missions of institutions
- Leverage the economic potential of research institutions
- Continued research in higher ed helps students in today's knowledge economy.
- Expansion of STEM and high demand programs to meet growing industry demand
  - Most popular job in Utah (according to US Census)
    - 1978-2012: Truck Driver
    - 2014: Software Developer

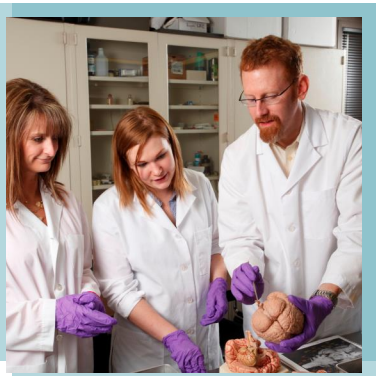




Research, Commercialization, & Experiential Learning

- Over 200 startups from tech. commercialization efforts in 10 years.
- More than 1,000 disclosures since 2010.
- Over $400,000,000 awarded to USHE institutions in 2014 for research from private and government entities.
- Applied research at all institutions and all faculty must stay current in their field.





Online courses and degrees

- 81 degrees available entirely online.
- 1 in 4 students take an online-only course.
- Utilization of online courses has grown more than 5 fold since 2011.

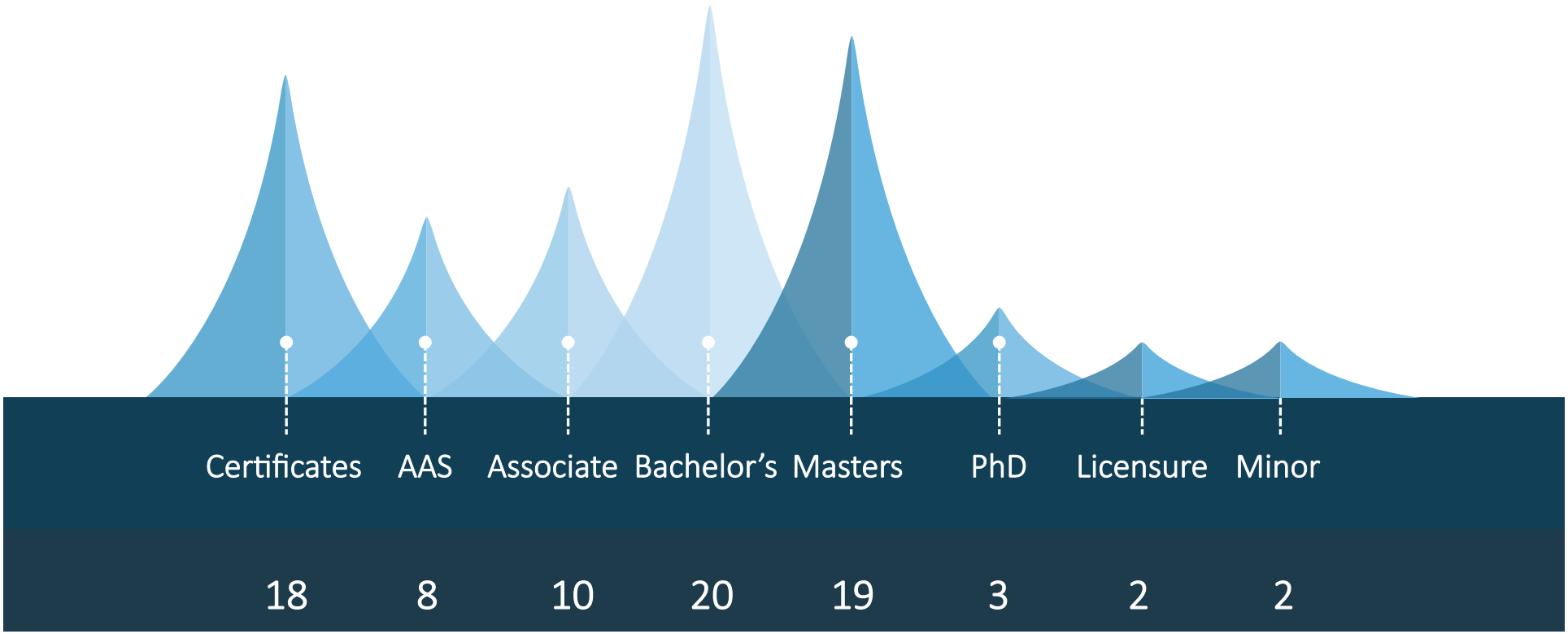
But…

- More than 85% of students who enroll in online courses take a majority of their courses on-campus.
- Less than 3% of full-time students are enrolled totally online
- Most “100%” online students are part-time, over 25 yrs old.

Despite availability of online courses/degrees, students prefer using online courses to augment a traditional on-campus schedule.

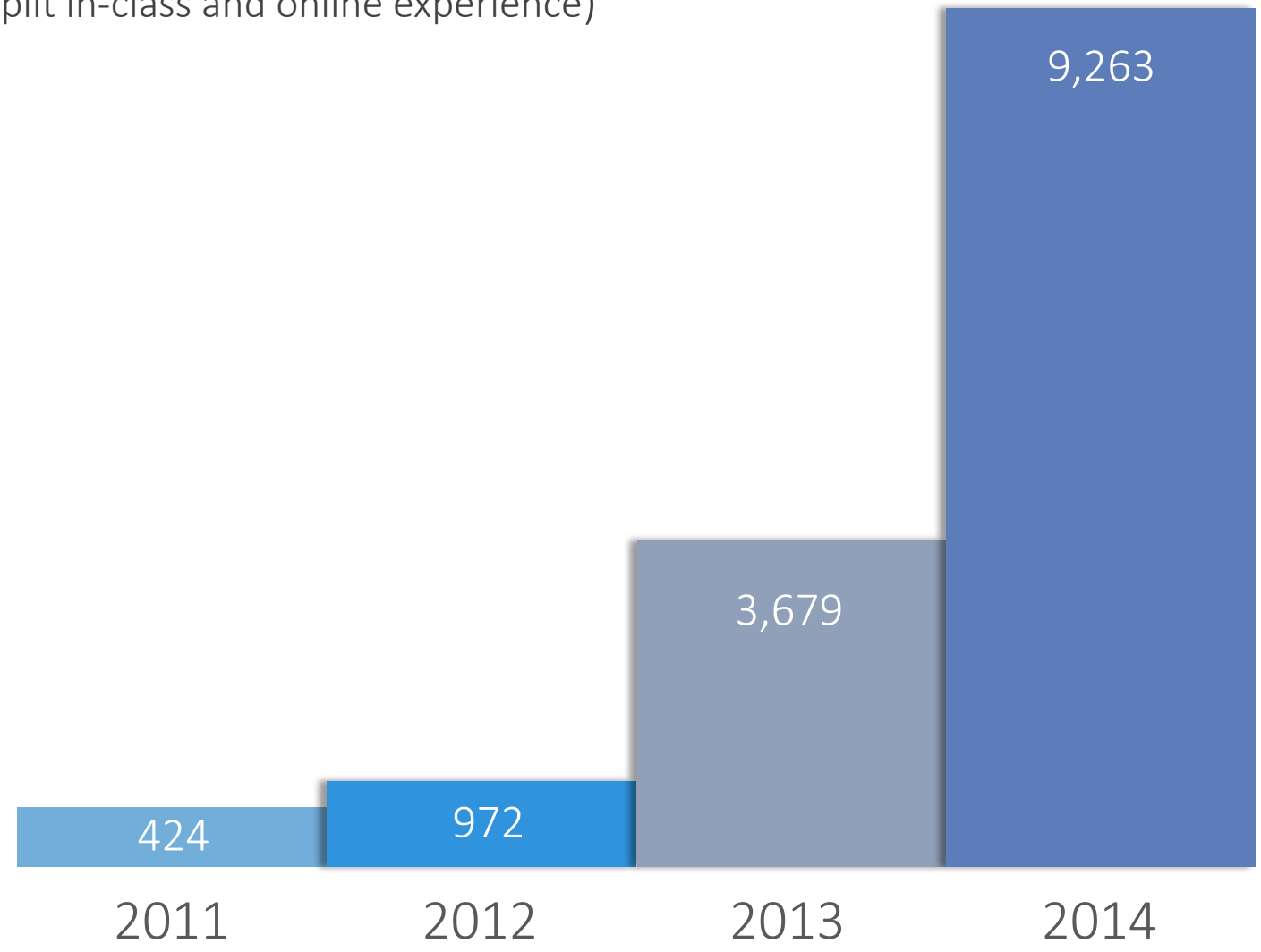
81 Certificates and Degrees

available entirely online



Hybrid/Blended Course Headcount

(split in-class and online experience)



Conclusions and Challenges

for Higher Education in Utah

- Conclusions
  - Economic & social benefits of higher education continue to grow in post-recession economy.
  - State support has helped keep Utah one of the most affordable.
  - Innovation and technology is critical, need to increase utilization.
- Challenges
  - Capacity.
  - College readiness.
  - Completion.

UTAH SYSTEM OF HIGHER EDUCATION

Building a Stronger State of Minds