



# Higher Education Strategic Planning Commission

**2018 Interim Report**

**November 30, 2018**

## Introduction

The Legislature created [the Higher Education Strategic Planning Commission](#) (the commission) in [2018 General Session H.B. 300](#). The commission is comprised of legislators and a variety of higher education and technical education stakeholders, including institution presidents, head of state agencies, business representatives and others.

The commission is tasked with developing a strategic plan aimed at meeting the future challenges of the State System of Higher Education. The legislation enacting the commission requires that the strategic plan address:

- Providing quality, accessible, and innovative postsecondary education that prepares Utahns for the twenty-first century;
- Cost-effective and affordable modes of higher education delivery;
- The integration of prior learning and competency-based experiences to meet degree or certificate requirements;
- Maximizing the role of the state system of higher education in workforce and economic development;
- A statewide campus and technology master plan that reflects regional differences in projected student enrollment growth in the state system of higher education;
- Governance of the state system of higher education, including studying best practices and recommending modifications; and
- Other issues related to the state system of higher education as determined by the commission.

To develop the strategic plan, the commission is required to select a consultant to manage the strategic planning process.

This report satisfies the requirement that the commission provide an initial report on or before November 30, 2018. The commission will issue a final report, including a strategic plan and recommendations on or before November 30, 2019.

## Commission Membership

Two members of the Senate, appointed by the president of the Senate:

- Sen. Ann Millner (cochair)
- Sen. Evan J. Vickers

Two members of the House of Representatives, appointed by the speaker of the House of Representatives:

- Rep. Brad R. Wilson (cochair)
- Rep. Val L. Peterson

Two members of the State Board of Regents, appointed by the chair of the State Board of Regents:

- Ron W. Jibson (commission vice-chair)
- Jesselie Anderson

Two members of the Utah Systems of Technical Colleges Board of Trustees, appointed by the chair of the Utah Systems of Technical Colleges Board of Trustees:

- Steven R. Moore (commission vice-chair)
- Susan Johnson

Four individuals, appointed by the chair of the State Board of Regents, who represent institutions of higher education from a range of geographic areas and with varied institutional roles:

- Pres. Noelle E. Cockett (Utah State University)
- Pres. Denece G. Huftalin (Salt Lake Community College)
- Pres. Ruth V. Watkins (University of Utah)
- Pres. Richard B. Williams (Dixie State University)

Two individuals, appointed by the chair of the Utah System of Technical Colleges Board of Trustees, who represent technical college from a range of geographic areas:

- Pres. Clay Christensen
- Pres. Brennan Wood

The commissioner of higher education or the commissioner's designee:

- Comm. David L. Buhler

The commissioner of technical education or the commissioner's designee:

- Interim Comm. Jared Haines

A member of the governor's staff who is responsible for advising the governor on education issues, appointed by the governor:

- Tami Pyfer

The executive director of the Governor's Office of Economic Development, or the executive director's designees:

- Jon S. Pierpont

The state superintendent of public instruction or the superintendent's designee:

- Supt. Sydnee Dickson

Two business leaders, one appointed by the president of the Senate and one appointed by the speaker of the House of Representatives

- Major General Stacey T. Hawkins
- Sarah Lehman

## Timeline of Commission Activities

Date	Activity
<b>2018 Activities to Date</b>	
<a href="#">May 14, 2018</a>	First commission meeting: <ul style="list-style-type: none"> <li>• Commission members discussed objectives for the commission</li> <li>• Commission members discussed process for contracting for consulting services and approved issuance of a request for proposals (RFP)</li> </ul>
May 23, 2018 – August 5, 2018	Commission issued RFP, respondents submitted proposals, and the evaluation committee scored responses to the request for proposals, conducted interviews, and developed a recommendation for the full commission
<a href="#">August 6, 2018</a>	Second commission meeting: <ul style="list-style-type: none"> <li>• Approved entering into a contract with the National Center for Higher Education Management Systems (NCHEMS) for consulting services</li> <li>• Discussed institutional roles and missions of Utah System of Higher Education institutions and technical colleges</li> <li>• Heard perspectives on long-term strategic issues facing higher education and technical education.</li> </ul>
Fall 2018	Entered into a contract with NCHEMS and NCHEMS began conducting work
November 13, 2018	Third commission meeting: <ul style="list-style-type: none"> <li>• Received an update from NCHEMS</li> </ul>
<b>Planned 2019 Activities</b>	
Winter 2019	NCHEMS will continue to develop strategic plan and will develop projections
March 2019	Commission will meet to discuss projection developed by NCHEMS
April 2019	NCHEMS will conduct regional site visits throughout the state to gather input
Fall 2019	NCHEMS will present a draft report and recommendations to the commission, incorporate feedback, and prepare a final report for the commission

# **Interim Report**

## **Utah Higher Education Strategic Planning Commission**

---

November 13, 2018



The National Center for Higher Education Management Systems

In August 2018, the Utah Higher Education Strategic Planning Commission, in accordance with Utah Code Section 63C-19-202, engaged the National Center for Higher Education Management Systems (NCHEMS) to provide consulting services related to the development of a strategic plan for higher education for the state of Utah. This interim report addresses activities during the first nine weeks of NCHEMS' engagement, describes preliminary findings drawn from analyses of data so far collected and from initial interviews with various stakeholder groups, and outlines next steps for the project.

### Activities to Date

Immediately upon contract execution, NCHEMS staff set about compiling information and relevant materials from Utah websites and began gathering publicly available data that would be essential for setting the context for the work of the Commission. NCHEMS also identified an initial set of data to be requested from the Utah System of Higher Education (USHE) and the Utah System of Technical Colleges (UTech), eventually providing a template for each system to provide these data. Together, the data compiled from all these sources provide the basis for the initial analyses that are reported on below.

In addition to gathering data from these sources, NCHEMS has begun the process of conceptualizing and building the data modeling tools described in our proposal. These are intended to be interactive heuristic tools that show the estimated impact of adjustments in the model's inputs or underlying assumptions, and they will address:

1. Future enrollment demand
2. Future workforce demands
3. Cost modeling

Within three weeks of contract execution, NCHEMS staff members Brian Prescott and Dennis Jones made a two-day visit to Salt Lake City for initial meetings with the co-chairs of the Commission and with key stakeholder groups. The goals of these meetings were to get acquainted, gather perspectives on the expectations for the timeline and the final product, and establish protocols for communicating with Commission members and other key stakeholders/informants during the project. We also used these conversations as an opportunity to learn more about the context for higher education in Utah, its history, its current and anticipated future challenges, and what stakeholders believed our final product should address. In addition to the in-person interviews NCHEMS conducted during that visit, we have also had several additional conversations by phone. In order to obtain candid responses, NCHEMS indicated to stakeholders that their responses to our questions would not be attributed to them individually. But our interviewees so far have included representatives from the following groups/organizations:

- Co-chairs of the Higher Education Strategic Planning Commission, as well as a number of the commissioners appointed to that body
- Utah System of Higher Education Office of the Commissioner
- Members of the State Board of Regents
- Several USHE and UTech Presidents

- Utah System of Technical Colleges Staff
- Members of the UTech Board of Trustees
- Governor's Office of Economic Development
- Utah Department of Workforce Services
- Utah Office of the Governor
- Kem C. Gardner Policy Institute

We also plan to meet with several business and industry groups in conjunction with our visit to Utah in mid-November to meet with the Higher Education Strategic Planning Commission.

#### Discussion of Preliminary Insights from Data and Interviews

Accompanying this interim report is an extensive collection of [data exhibits](#), which begin to provide a data-informed context for the strategic planning effort. Key insights from the data collected so far include:

- **Educational attainment:** At 46.7 percent, Utah's educational attainment level lags the nation's (49.5 percent) and is well short of the estimated workforce requirement in 2020 of 64 percent and the state's 66 percent goal. Educational attainment levels vary dramatically by county and by race/ethnicity.
- **College participation:** Utah's most significant point of leakage in the educational pipeline, compared to other states, is in a relatively low college-going rate of recent high school graduates. (This is at least partly due to missions undertaken in between high school and college by members of the Church of Jesus Christ of Latter-day Saints). Adults are enrolled in college at relatively high levels in Utah. Students tend to stay close to home to attend college, although out-of-state students make up a sizeable portion of many USHE institutions' enrollments. Students from counties along the Wasatch Front who show an interest in college by filling out an application for financial aid are more likely to enroll than those from elsewhere.
- **College completion:** Utah's undergraduate awards are concentrated at the bachelor's degree level. A relatively large share of all undergraduate awards is in STEM- and health-related fields.
- **Productivity:** Utah compares well with regard to the rate at which its public four-year institutions produce awards efficiently. It compares less well in the public two-year sector.
- **Finance:** State appropriations account for just over half of public institutions' revenue, and those amounts grew from FY2012 to FY2017. The most recent year saw a drop in state appropriations per FTE student, due in part to a spike in enrollment.
- **Affordability:** Due to relatively low published tuition prices, Utah ranks well among states in the share of family income required to pay costs of attendance. Yet costs for low-income students are still substantial and the state is among the least generous in making gift aid available to students of limited means.
- **Economy:** Utah has a thriving, advanced economy with relatively high levels of educational attainment, low unemployment and yet low personal income levels. It is particularly

noteworthy that more highly educated workers have incomes well below the national averages. The economy has accelerated in the past five years.

- **Industries:** As a share of gross state product, Utah’s good economic fortunes have been driven by growth in the Information and Services and the Finance, Insurance, and Real Estate industries. In terms of employment levels, the state’s economy has seen rapid growth in the Professional and Business Services, Education, and Health Services industries. Economic and population growth have boosted employment in those industries, as well as others with lower typical educational requirements but that serve a growing population (such as Construction and Food Services). Projections suggest that industries with high levels of educational requirements, such as the Professional Services, Education, and Health industries will see the most growth by 2026.
- **Workforce:** Projections suggest that occupations with high levels of educational requirements, such as jobs involving computing and health care, as well as those that support a growing population—like construction—will see the most growth.
- **Innovation:** Utah is a pacesetter among states in E-government, investor patents, fastest-growing firms, and broadband telecommunications. Its competitiveness in federal R&D funding ranks Utah among the top quarter of states. Research expenditures are especially high in aerospace engineering, humanities and other non-science disciplines, computer science, and astronomy.
- **Migration:** Utah has benefited from net in-migration of individuals at all educational attainment levels, with the exception of younger bachelor’s degree holders. It has been attractive to individuals with graduate and professional degrees in STEM fields.
- **Population projections:** Over the next 25 years, Utah’s population is expected to grow fastest among older residents; individuals aged 18-24 will see rapid growth for the next decade before their numbers are expected to dip. Over half of the population growth through 2040 will be in Salt Lake and Utah counties. Utah can expect a relatively steady population growth pattern through natural increase over the next 25 years. Annual growth from net in-migration, which is currently spiking, is expected to drop dramatically through 2025 while remaining positive.

Interviews to date have not only helped add qualitative detail to these data, but also surfaced issues that need to be addressed as part of our final report to the Commission. These include:

1. Goals
  - a. Clarity around the attainment goal
  - b. Other goals identified but for which metrics of success have not yet been developed
    - i. Workforce preparation
    - ii. Expanding and diversifying the economy
    - iii. Utah as an innovation hub
    - iv. Educational equity—race/ethnicity and gender
2. Serving adult students
  - a. New education models
  - b. New business models
3. Work-based learning



- a. How to get many more students involved
  - b. Credentialing
4. Affordability. How to keep higher education affordable to both students and taxpayers
  - a. Student debt
  - b. Tuition for sub-baccalaureate programs at dual mission institutions
5. Organization of higher education/System-ness
  - a. Meeting the future needs of Utah's growing population and changing economy
    - i. Responsibility for managing alternative delivery models
    - ii. Sharing of programs
  - b. Institutional productivity and efficiency
    - i. Facilities utilization—and costs of construction and maintenance
    - ii. Administrative costs—sharing of services
6. Governance
  - a. Roles and responsibilities of Regents versus the Trustees of USHE Institutions
  - b. Roles and responsibilities of legislature versus Regents—trust issues
  - c. Governance of higher education—how to ensure coordination between USHE and UTech institutions/should there be a continuation of two systems?
7. Institutional missions
  - a. Sufficiently clarified so that program approval becomes less of an issue— institutions operating within their “lanes”
  - b. Dual mission versus community colleges—how to ensure that the two-year mission does not get lost in dual mission institutions
  - c. Expectations regarding research and public service

### Next Steps

As the project moves forward, NCHEMS anticipates that it will continue to analyze relevant data. In some cases, NCHEMS may make additional data requests to USHE, UTech, and other sources in the state. NCHEMS will also continue its work to build and refine the models addressed above and populate them with data.

Additionally, NCHEMS will continue to conduct research into two key areas: the evolving shape of the economy in Utah and the changing landscape of educational delivery. With respect to the former, NCHEMS will refine its understanding of the changes underway in the workforce needs of Utah—both that arise out of organic growth and out of intentional policy activity such as the identification of industry clusters. With respect to the latter, we intend to focus attention on educational delivery models and related infrastructure that provide examples to consider by states that are thinking about long-term planning.

Finally, NCHEMS will be making a major effort in the spring to visit stakeholders in all regions in the state. These meetings are currently targeted to occur in April following the legislative session, but planning for these visits is well underway in order that it is not hampered by the demands on various staff that may come during the legislative session. NCHEMS and the Commission co-chairs

have identified geographic regions by which to organize these visits, which will be based on the regions utilized by the Utah Department of Workforce Services as depicted in the map below (and at <https://jobs.utah.gov/wi/insights/esa/>):



Current plans are for meetings to take place in the following cities:

- Logan (Bear River region)
- Uintah Basin (Vernal)
- Ogden (Wasatch Front North)
- Downtown Salt Lake City & Draper (Wasatch Front South)
- Provo (Mountainland)
- Ephraim or Richfield (Central Utah)
- Cedar City (Southwest)
- Moab or Price (Southeast)

Each meeting is expected to follow a similar format, but with adjustments to account for logistical matters. Meetings will be by invitation only, with invitees to be determined in collaboration with leadership from USHE and UTech, DWS, and GOED, along with local business and civic leaders. We anticipate that meetings will be designed to encourage candid dialogue from a wide array of local stakeholders. Local workforce and economic development officials will also be consulted to provide insights concerning the region's future and to test and help refine the heuristic models.

### Conclusion

The progress NCHEMS has made toward delivering a final product by the anticipated completion date of November 2019 is on schedule. Much of the foundational data-related work has been completed, while recently provided data from USHE are currently being analyzed. With that work behind us, the bulk of our focus on data analysis will shift toward the heuristic models that will help the Commission and stakeholders assess assumptions and tradeoffs about where Utah is heading. But it is clear that Utah is in an unusual place among states, with expectations of a growing population of young adults and comparatively low published tuition prices, which are not conditions that are very common elsewhere.

It is also unusual in its higher education infrastructure, largely free of typical community colleges, but with dual-mission institutions offering associate's degrees and sub-baccalaureate certificates and often located near technical colleges, which are statutorily prohibited from offering credit-bearing coursework. This structure presents tensions related to mission and governance that NCHEMS will be addressing in its final report—especially concerning the need to preserve flexible, workforce-relevant instruction to meet the specific needs in all corners of the state while promoting collaboration across public postsecondary institutions that best meet students' needs in cost-effective ways. Like other states, Utah faces pressure in structuring services across all geographies, some of which are rapidly growing and are relatively well-educated and others with lower attainment levels and a stable population.

In submitting this interim report, NCHEMS would stress that it is too early to get wedded to any answer or answers to the short-term challenges ahead of Utah's higher education systems or to what the shape the higher education enterprise should take over the long term. Our efforts to dig deeper into the data and construct models, as well as additional conversations that we will be having throughout the state, will be essential to informing these topics.

We would like to express our gratitude to all who participated so far for their willingness to commit time and thoughtful and candid responses to our questions. We would also like to thank Allyson Hicks, Policy Analyst in the Office of Legislative Research and General Counsel, whose assistance in arranging meetings and logistical details and in pointing us to helpful resources is very much appreciated.