HECB System Design Plan

Approaches to System Expansion

Higher Education Coordinating Board

October 27, 2009
System Design Plan purpose

Washington’s *Strategic Master Plan for Higher Education* calls for a 40% increase in degree production by 2018. The System Design Plan was developed over the last seven months to provide recommendations for:

- Increasing undergraduate and graduate *educational attainment* levels for Washington by the year 2030.

- Providing *rules for growth* to guide expansion and coordination of the higher education *system* in Washington over the next several decades.

- Increasing higher education attainment for *under-served areas and populations*. 
System Design Plan structure

- **Study Group**, co-chaired by John Gardner (WSU) and Earl Hale (HECB), composed of HECB members and representatives from the four-year public and private institutions and the public two-year colleges.

- **Steering Committee**, providing a statewide, non-institutional perspective to augment and guide the work of the study group.
System Design Plan timeline

- **October 27:** Draft recommendations presented at the HECB meeting at UW-Tacoma
- **November 9:** Steering Committee meeting to discuss draft recommendations
- **November 19:** Final SDP recommendations presented to the HECB at the regular board meeting at Renton Technical College
- **December 1:** Report with recommendations due to the Legislature
System Design Plan foundation

Builds on the 2008 *Strategic Master Plan goals*:

- increase degree and certificate attainment
- promote economic growth and innovation through skill development
- increase accountability

Builds on the 2009 *Implementation Plan goals*:

- maintain funding support for higher education
- build the K-12 pipeline
- “expand on demand” in response to demographic, regional, and workforce needs
- creating a process for evaluating system expansion proposals for alignment with student demand and state goals
Major issues

• **Budget cuts** have restricted institutional capacity and program diversity.

• **State population growth alone achieves only a third of the goal** of increasing Washington’s educational attainment levels by 40%.

• **There are regional inequities** in access to postsecondary education.

• The fastest growing portions of state population are **ethnic and racial groups, and low-income families** that have been traditionally under-served by the higher education system.
Major issues

• Washington’s economy relies on a well-educated and technically skilled workforce.

• We need to sustain our innovation capacity by educating more of our own citizens through certificate and degree levels.

• We need to grow awareness of college-going opportunities among K-12 students and adults.

• We need a well-educated workforce and research capacity to innovate and grow our economy.

• We need a coordinated, system-wide plan to expand higher education -- not an ad hoc, piecemeal approach.
Existing “System” of Higher Education

- WA public baccalaureate system provides choice, but is relatively small.
- Five branches, 10 university centers, and 40 teaching sites provide additional access to baccalaureate programs.
- WA CTC system is effective and geographically well-distributed across the state.
- UW and WSU award 35% of all baccalaureate degrees and 92% of all doctoral degrees.
- Public regional comprehensive institutions award nearly 60% of all undergraduate teaching credentials and 25% of all Master’s degree.
- Private universities award 25% of bachelor’s degrees and half of the state’s master’s and professional degrees.
- Private career colleges award a small – but growing – portion of the state’s baccalaureate degrees.
Key Elements of Draft Recommendations

• **Guiding principles** for focused growth and expansion of higher education capacity

• A **near-term enrollment growth plan** comprised of strategies that do not require major new capital investments

• **Rules for expansion** and a process for evaluating major new capital investments (new campuses, centers, partnerships, major mission changes)

• Plans for a new **“innovation” fund** for outreach, access and completion, and alternative program models
Guiding Principles

1. The interests and needs of current and future students should be one of the primary considerations in deciding whether and how to expand or revise higher education services.

2. Investments in higher education should advance the state’s economic vitality, innovation and job growth, including meeting the high demand needs of the state.

3. Washington should restore and further invest in its higher education system to preserve and build upon its excellence and productivity and optimize opportunities for future generations.
Guiding Principles

4. Major new investments in expansion to meet the HECB Strategic Master Plan degree goals should first leverage existing missions, institutions, partnerships, collaborations, and educational delivery models.

5. Washington should place an early emphasis on policies that will raise educational attainment in underserved populations and underserved regions of the state.

6. Incentives for innovation in outreach, access and completion, and alternative program delivery should be developed.
7. Washington should invest in **online and hybrid** instructional delivery to transform higher education so that it is better positioned

-- to meet changing technological, cultural and economic forces,

-- to improve the efficiency and quality of higher education, and

-- to provide greater access for all students, particularly place-bound and hard-to-reach student populations.
Near-Term Growth Strategies

• **Expand pathways** for motivated and prepared high school graduates, working age adults, and associate degree transfer students

• **Expand baccalaureate capacity** by:
  - growing the branches
  - expanding freshmen and transfer capacity at the regional institutions
  - serving under-served regions through program expansion at university centers and teaching sites
  - increasing CTC transfer to independent colleges
  - expanding applied baccalaureate degrees
Expand graduate capacity through:

- An expanded state role in supporting high-cost graduate and doctoral programs at the UW and WSU main campuses

- Incorporating state-wide economic needs assessment into target graduate programs for expansion

- Identifying 2030 goals for undergraduate/graduate enrollment mix at the University of Washington and Washington State University

- Expanding graduate education at comprehensives and branch campuses

- Providing financial aid and support for students pursuing graduate education
Major Capital Expansion

• New sites or new missions requiring major capital expenditures must be predicated on the concept that capacity follows documented demand.

• Those proposals for growth (whether HECB or locally-initiated) that require major capital expenditures will be evaluated by the HECB prior to consideration by the Legislature.
## Characteristics

<table>
<thead>
<tr>
<th>System Campuses (University, College, Branch Campus)</th>
<th>Characteristic</th>
<th>RESEARCH 1</th>
<th>COMPREHENSIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorization</td>
<td>Legislature (Authorization &amp; Funding) &amp; HECB (Program Approval)</td>
<td>Expansion Cost: $1.6 B/21,000 FTE</td>
<td>Expansion Cost: $777 M/10,800 FTE</td>
</tr>
<tr>
<td>Nature</td>
<td>Permanent</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provider</td>
<td>Single or New Institution</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Focus</td>
<td>Statewide</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Offerings</td>
<td>Array of Certificates, Degrees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sustained Student Demand</td>
<td>Branch: ≥800 FTE; Comprehensive ≥4,000 FTE; Research ≥15,000 FTE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funding</td>
<td>New State Dollars</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td>New State Capital Dollars</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>University Center (with Capital Investment)</th>
<th>Characteristic</th>
<th>UNIVERSITY CENTER - CAPITAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorization</td>
<td>Legislature (Funding) &amp; HECB (Program Approval)</td>
<td>MULTIPLE INSTITUTIONS</td>
</tr>
<tr>
<td>Nature</td>
<td>Transitional/Permanent</td>
<td>Expansion Cost:</td>
</tr>
<tr>
<td>Provider</td>
<td>Single or Multiple Institutions</td>
<td>Standalone * $120 M/1,600 FTE</td>
</tr>
<tr>
<td>Focus</td>
<td>Regional</td>
<td>Existing campus * $63 M/1,600 FTE</td>
</tr>
<tr>
<td>Offerings</td>
<td>Array of Courses, Programs, Certificates, Degrees</td>
<td></td>
</tr>
<tr>
<td>Sustained Student Demand</td>
<td>≥300 FTE</td>
<td></td>
</tr>
<tr>
<td>Funding</td>
<td>New State Dollars</td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td>New State Capital Dollars</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>University Center (Lease or Existing)</th>
<th>Characteristic</th>
<th>UNIVERSITY CENTER - LEASED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorization</td>
<td>HECB (Program Approval)</td>
<td>ADDITIONAL U CENTER</td>
</tr>
<tr>
<td>Nature</td>
<td>Transitional/Permanent</td>
<td></td>
</tr>
<tr>
<td>Provider</td>
<td>Single or Multiple Institutions</td>
<td></td>
</tr>
<tr>
<td>Focus</td>
<td>Regional</td>
<td></td>
</tr>
<tr>
<td>Offerings</td>
<td>Array of Courses, Programs, Certificates, Degrees</td>
<td></td>
</tr>
<tr>
<td>Sustained Student Demand</td>
<td>150-300 FTE</td>
<td></td>
</tr>
<tr>
<td>Funding</td>
<td>New State Dollars</td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td>No New State Capital Dollars</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Teaching Site E-Learning</th>
<th>Characteristic</th>
<th>TEACHING SITE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorization</td>
<td>HECB (Program Approval)</td>
<td></td>
</tr>
<tr>
<td>Nature</td>
<td>Temporary/Pilot</td>
<td></td>
</tr>
<tr>
<td>Provider</td>
<td>Single Institution</td>
<td></td>
</tr>
<tr>
<td>Focus</td>
<td>Local</td>
<td></td>
</tr>
<tr>
<td>Offerings</td>
<td>Limited Courses, Programs, Certificates, Degrees</td>
<td></td>
</tr>
<tr>
<td>Sustained Student Demand</td>
<td>≤ 150 FTE</td>
<td></td>
</tr>
<tr>
<td>Funding</td>
<td>Reallocation/Limited New State Dollars</td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td>No New State Capital Dollars</td>
<td></td>
</tr>
</tbody>
</table>

* Approximate
† See Attachment B

10-08-09 EXPAND_DEMAND_Charts/Graphics  Revised 10-22-09
Increasing Washington’s Higher Educational Attainment Levels: Process for Reviewing Proposals for Major Expansion

**HECB - INITIATED APPROACH**
A competitive RFP process

- Identify under-served areas and/or populations and/or high demand program areas.
- Release RFP to Higher Ed. System (Part I)
  To meet particular unmet need and request for proposals to "expand on demand".
- Evaluate Part I of proposals.

**LOCALLY - DRIVEN APPROACH**

- Identify under-served area and/or populations and/or high demand program areas.
- Identify Proposed Mission Change
- Develop Part I of proposal to document ability to "expand on demand" and specify scope of project
- If Part I accepted:
  Develop Part II of proposal using Guiding Principles and Criteria outlined below to demonstrate:
  * specific scope of project (e.g. large vs. smaller capital investment needs, number of FTE & programs)
  * sustainable financial plan
  * response to state’s & regional economic/workforce needs;
  * extent to which existing resources are leveraged;
  * near-term goals: current FTE to support the proposed programs/institutions/innovations, and 5-year projections
  * long-term goals: plans to accommodate expected growth over the next 20 years;
  * extent to which new or existing partnerships & collaborations are part of the proposals;
  * feasibility of any proposed innovations (3-year programs, joint use, technology, alternative calendar, etc.) to speed up degree production

**Fund for Innovation Proposals Responding to SMP Priorities**

**HECB evaluates proposal and makes a recommendation to the Legislature.**
# EXPAND ON DEMAND

## Process for Reviewing Proposals for Major Expansion Requiring Capital Investments

<table>
<thead>
<tr>
<th>CHARACTERISTICS</th>
<th>RESEARCH 1</th>
<th>COMPREHENSIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUTHORIZATION</td>
<td>Legislature (Authorization &amp; Funding) &amp; HECB (Program Approval)</td>
<td>Expansion Cost: $1.6 B/21,000 FTE</td>
</tr>
<tr>
<td>NATURE</td>
<td>Permanent</td>
<td></td>
</tr>
<tr>
<td>PROVIDER</td>
<td>Single or New Institution</td>
<td></td>
</tr>
<tr>
<td>FOCUS</td>
<td>Statewide</td>
<td></td>
</tr>
<tr>
<td>OFFERINGS</td>
<td>Array of Certificates, Degrees</td>
<td></td>
</tr>
<tr>
<td>SUSTAINED STUDENT DEMAND</td>
<td>Branch: ≥800 FTE; Comprehensive ≥4,000 FTE; Research ≥15,000 FTE</td>
<td></td>
</tr>
<tr>
<td>FUNDING</td>
<td>New State Dollars</td>
<td></td>
</tr>
<tr>
<td>CAPITAL</td>
<td>New State Capital Dollars</td>
<td></td>
</tr>
</tbody>
</table>

## SYSTEM CAMPUSES

<table>
<thead>
<tr>
<th>UNIVERSITY CENTER - CAPITAL</th>
<th>UNIVERSITY CENTER (with capital investment)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUTHORIZATION</td>
<td>Legislature (Funding) &amp; HECB (Program Approval)</td>
</tr>
<tr>
<td>NATURE</td>
<td>Transitional/Permanent</td>
</tr>
<tr>
<td>PROVIDER</td>
<td>Single or Multiple Institutions</td>
</tr>
<tr>
<td>FOCUS</td>
<td>Regional</td>
</tr>
<tr>
<td>OFFERINGS</td>
<td>Array or Courses, Programs, Certificates, Degrees</td>
</tr>
<tr>
<td>SUSTAINED STUDENT DEMAND</td>
<td>≥300 FTE</td>
</tr>
<tr>
<td>FUNDING</td>
<td>New State Dollars</td>
</tr>
<tr>
<td>CAPITAL</td>
<td>New State Capital Dollars</td>
</tr>
</tbody>
</table>

## CAPITAL INVESTMENT NECESSARY

### HECB - INITIATED APPROACH
- A competitive RFP process
  - Identify under-served areas and/or populations and/or high demand program areas.
  - Release RFP to Higher Ed. System (Part I)
    - To meet particular unmet need and request for proposals to "expand on demand".
  - Evaluate Part I of proposals.
  - Fund for Innovation Proposals Responding to SMP Priorities

### LOCALLY - DRIVEN APPROACH
- Identify under-served area and/or populations and/or high demand program
  - Develop Part I of proposal to document ability to "expand on demand" and specify scope of project.
  - If Part I accepted:
    - Develop Part II of proposal using Guiding Principles and Criteria outlined below to demonstrate:
      - specific scope of project (e.g. large vs. smaller capital investment needs, number of FTE & programs);
      - sustainable financial plan;
      - response to state's and/or regional economic/workforce needs;
      - extent to which existing resources are leveraged;
      - near-term goals: current FTE to support the proposed programs, institutions, innovations, and 5-year projections;
      - long-term goals: plans to accommodate expected growth over the next 20 years;
      - extent to which new or existing partnerships & collaborations are part of the proposals;
      - feasibility of any proposed innovations (3-year programs, joint use, technology, alternative calendar, etc.) to speed up degree production.
  - Identify Proposed Mission Change

### E-LEARNING
- Multiple Institutions
  - Expansion Cost: $120 M/1,600 FTE
  - Existing campus: $63 M/1,600 FTE
- Single Institution
  - Expansion Cost: $120 M/1,600 FTE
  - Existing campus: $63 M/1,600 FTE
Competitive RFP Process: An “Innovation” Fund

Recognizes that simply expanding capacity will not ensure we achieve degree production targets and equity of service goals.

All colleges and universities would **compete for grants** to foster innovation, develop pilot programs, and improve student access and completion by:

- targeting underserved populations and regions
- developing partnerships focused on increasing the number of high school graduates prepared for college-level work
- expanding access for place-bound students (including online capacity)
- accelerating “through-put” and alternative scheduling
- initiating other improvements

Funds would leverage federal investments (Access and Completion Fund and FIPSE)
Next steps

• Draft system design plan is available for viewing on the HECB website at:
  www.hecb.wa.gov/research/issues/SystemDesignStudy.asp

• Comment on the plan on the HECB website

• The HECB will vote on the plan at its November 19 meeting at Renton Technical College