

February 10, 2016
Capital Event Center
Tumwater, Washington

MINUTES

Members attending:

Maud Daudon, Karen Lee, Gil Mendoza, Paul Francis, Jeff Charbonneau, Eric Pattison

Staff attending:

Gene Sharratt, Aaron Wyatt, Becky Thompson, Betsy Hagen, Betty Lochner, Crystal Vaughan, Daryl Monear, Emily Persky, Kristin Ritter, Maddy Thompson, Marc Webster, Marcie Sample, Rachelle Sharpe, Randy Spaulding, Steve Thorndill.

The meeting was called to order at 8:30 a.m. by Chair Maud Daudon.

Consent Agenda

Motion was made to approve the Consent Agenda as presented by Gil Mendoza.

Motion seconded by Paul Francis.

Motion carried.

December 10, 2015, Meeting Minutes

Motion was made to approve the minutes as presented by Gil Mendoza.

Motion seconded by Jeff Charbonneau.

Motion carried.

Call to Order and Introductions

Welcome and introduction of audience members.

Representative Hans Zeiger Comments:

Representative Zeiger commented that it has been a good year for higher education. He highlighted three bills: Rep. Hansen's bill "free to finish" college to capture adults who nearly completed a degree but dropped out just short of completing it and bring them back to complete their degree, the free tuition for community college idea or "the College Promise" bill, and finally the administrative efficiencies bill.

Executive Update

Gene Sharratt, Ph.D., Executive Director

The Executive Director provided a review of current agency work related to outreach and advocacy, program administration, and policy.

In the area of **Outreach and Advocacy**, Dr. Sharratt mentioned the following work:

Dual Credit: WSAC met with the Northwest Commission of Colleges and the Joint Transfer Council Task Force to discuss dual credit teacher requirements and quality standards for College in the High School programs.

College Bound Scholarship: WSAC staff are providing information to admissions directors to help in their outreach to and support of College Bound Scholarship students.

GEAR UP: In partnership with the College Success Foundation, GEAR UP is sponsoring up to 30 GEAR UP school district and WSAC staff to participate in the Go Alliance Academy training for school counselors, teachers, and college access professionals.

Wednesday Webinars: During the 2015-16 school year, WSAC and OSPI are co-hosting monthly webinars for high school counselors. The webinars will provide relevant and timely information related to college readiness, upcoming policy changes, and useful tools and resources to help counselors support students.

In the area of **Programmatic Work**, the following items were mentioned:

GET: The GET program continues to provide responsive customer support, concurrent with work on complementary programs to promote college savings for Washington families. The next GET Committee meeting is February 11.

The American College Application Campaign: Over 6,000 student participated by the end of the campaign, resulting in an additional 2,300 applications compared to the previous year.

The FAFSA Completion Initiative: Over 85 percent of school districts have returned the required data usage agreement, granting access to the secure data portal and student-level FAFSA completion data.

FAFSA/WASFA: Students can now apply for 2016-17 financial aid by completing the Washington Application for State Financial Aid (WASFA).

Health Professionals: Site and provider application cycles are now under way for the Health Professionals Loan Repayment program.

Student Financial Assistance: The student financial aid Unit Record Report for 2014-15 data are now complete.

Finally, the **Policy and Research** work mentioned is below:

College Readiness: The Improving Student Learning at Scale team held its final meeting on December 16. A smaller group of agency staff will continue to meet as needed.

Minimum College Admission Standards: The revised standards, effective as of January 1, 2016, increase alignment between high school graduation and college admission.

Legislative Presentations: January provided an opportunity for WSAC staff to present to the legislature on SFA programs, affordability, the Roadmap, and prior learning.

Study of Changes to GED & Impact on WA: WSAC staff have initiated a study of GED. The study will examine passage rates, awards, demographics, and other variables.

Council Member Gil Mendoza followed up with an update on the Smarter Balanced Assessment. He said of the fifteen states involved and in all grade levels, Washington did phenomenally well. Washington came in first in math and in reading. The Smarter Balanced state assessment system, and three other assessments, with the Common Core State Standards and the CCSSO criteria for high quality assessments will be released tomorrow.

Council Member Jeff Charbonneau, mentioned that there have been many changes in education in the last couple of years. Standardized tests should not be considered the “end-all.” We need to give our districts back flexibility.

Chair Daudon asked Mr. Mendoza for regular updates to the council.

Legislative Update

Maddy Thompson, Director of Policy & Government Relations

Representative Hans Zeiger

Marc Webster, Senior Fiscal Policy Advisor

John Aultman, Senior Policy Advisor, Governor Inslee’s Office

Director of Policy and Government Relations for WSAC, Maddy Thompson, presented a legislative update. Maddy reminded Council members that they identified the priorities they wished to pursue in 2016 that were part of the two-year short term strategic action plan for meeting the educational attainment goals in the Roadmap. Council members highlighted the need to pursue funding to support 4,500 of the 27,000 students unserved in the State Need Grant. Council staff have also been promoting maintenance of 2015 investments and fully funding the tuition reductions. The agency submitted four budget requests and the STEM Education Innovation Alliance request was funded in the Governor’s proposed budget.

In the first 2 weeks of the Legislative Session, WSAC was asked to make seven presentations in the House and Senate Higher Education committees. Maddy was pleased with the reception to the Roadmap Update. It has helped to strengthen the

value of goal setting and the Roadmap goals. Maddy said she believes WSAC has been able to strike the right balance between creating a sense of urgency and helping legislators to understand that with the right mix of investments and strategies these goals are achievable. Presentations on the Affordability Framework work has served to continue to highlight the focus on affordability, and it continues to be a major focus among legislative leaders this session. The Prior Learning Assessment work group, staffed by council staff member Jim West, presented their most recent report. This is part of a very important strategy related to increasing the efficiency for students' prior knowledge and skills recognized and apply toward their postsecondary degree or other certificate. This presentation was complimentary to institutions' presentations on how they are making veterans feel welcome on campus.

Under the bills related to postsecondary education, there are a number on the list that did not survive the fiscal committee cutoff last night (February 9). Bills that survived: Representative Hansen's bill (HB2295) passed out of Appropriation on February 9. This bill would provide tuition support for students who left their degree program just prior to finishing it, and are interested in coming back to complete their credential. Rep. Hansen estimates it would cost about \$10 million dollars to support about 5,000 students to do this.

Representative Pollet's bill would add regulatory authority related to the operation of for-profit schools. This bill passed out of Appropriations.

A bill (HB2769) that would authorize Bellevue College and four other colleges to offer pilot bachelor's degrees passed out of Appropriations on February 9.

A bill to create a college savings plan (SB6601) passed out of Senate Ways and Means on February 9. The bill to increase administrative efficiencies for institutions of higher education is moving in the Senate, but not the House. Other bills related to efficiencies for students moving in the Senate include Senator Liias' bill regarding reverse transfer, and Senator Bailey's bill regarding earning a baccalaureate degree in three years.

Under the bills related to Postsecondary Education, a number of bills addressing teacher shortages and staffing issues are still alive. A large number of other education bills have not made it past the fiscal-committee cutoff. The version of the charter school bill that passed out of the Senate included an amendment related to the Opportunity Pathways account which was preferable to the previous version. This is important because that is the account that is the source of funding for the State Need Grant.

Marc Webster covered fiscal aspects related to College Bound Scholarship (CBS) and State Need Grant (SNG) coordination. He said the biennial budget appropriated enough money to pay for SNG and CBS awards under current policy (i.e. with 7 percent of SNG-eligible students receiving funds), however, they allocated that funding to the programs differently than what is needed. This was due to the language requiring 100 percent of CBS students to receive a State Need Grant. More money in SNG is needed and less in CBS just to maintain the existing service level. Avoiding a situation in which

“unspent” CBS dollars revert to the general fund, while the SNG wait-list grows has been a focus of the budgetary advocacy. Marc believes most members now understand the issue, and he has been encouraged by what has been heard in meetings.

John Aultman provided comments on Governor Inslee’s budget this year. He said it was a very small budget due to the recent wild fires and mental health issues.

In higher education, the MESA Community College Program which supports students to successfully transfer to four-year universities in science, technology, engineering and math (STEM) majors. Program funding was requested to move into six more sights. This will turn the pilot program into full-staff scale. An additional \$250K was needed to expand to six regional, pre-college programs, including the first nation center in Yakima.

The STEM Alliance requested additional funding, due to the National Governor’s Association’s (NGA) grant coming to a close. In effort to continue to move forward with this good work, it was necessary to include in the budget.

Next year, the FAFSA deadline and application timeline will be on the radar. The twelve-month waiting period will be of great interest for next year. Students will receive news of their award and can match it up to their educational goals. The Governor recognizes there is much more to do in State Need Grant and affordability and looks forward to continuing to move forward.

Representative Zeiger made a comment that he is interested in exploring the idea of increasing the amount of State Need Grant in the first two years of school rather than spreading it through four years. Rep. Zeiger said he is also interested in pursuing the incentive funding for four-year public institutions to focus on degree completion, degree completion in high demand areas, and to close the opportunity gap for next session.

Council member, Jeff Charbonneau said he would like to look at the research to date, because it is his impression that often students drop out for financial reasons in the latter two years of their education program.

Maddy thanked the Executive Committee for offering guidance each week, and to Paul, Marty, Gil, and all the Council members for their open communication on legislative and other issues.

Skilled and Educated Workforce

Randy Spaulding, Director of Academic Affairs and Policy

Daryl Monear, Associate Director of Academic Affairs and Policy

David Prince, State Board for Community and Technical Colleges

Dave Pavelchek, Workforce Training and Education Coordinating Board

Staff from the three agencies on the report presented findings from the Skilled and Educated Workforce report. This edition is the first since implementing a revised methodology based on recommendations from the W.E. Upjohn Institute for

employment research. The report supports long-term educational planning and growth by identifying those fields that are in greatest demand in the economy. New data sources were added to match education programs with occupations.

Randy Spaulding gave some background of the report, adding it is part of a broader responsibility to conduct State and Regional Needs assessment that look at employer, student, and community needs for higher education. The intent of the report is to support the statewide strategic planning, support system planning and allocation, including identification of high demand programs, and is now being used in the SBCTC allocation model to support institutional planning efforts. The report also identified gaps over time at a high level.

The primary data was from the following sources:

- American Community Survey
- Integrated Postsecondary Education Data System (IPEDS)
- Long Term State Employment Forecast
- State Administrative Data Systems
- Survey of Income and Program Participation (SIPP – for associate crosswalk)
- National Survey of College Graduates (NSCG – for graduate crosswalk)

The analysis focuses on three levels of education:

- **Mid-Level** includes credentials that are more than a year of college but less than a bachelor's degree – including associate degrees and many longer-term certificates;
- **Bachelor's Degree**; and
- **Graduate Degrees**, includes master's, professional, and doctorate degrees.

David Prince discussed the job openings gap. He showed that 2/3 of the current openings require some education at the mid-level or higher. Of these, most of the openings are at the mid-level. He also discussed the openings in terms of demand or un-met demand. A gap exists between the number of educated workers employers need and the number of degree completions. Currently at the mid-level, there are a total of 45,732 jobs; 35,713 are met and 10,019 are openings or un-met.

The highest numbers of unfilled openings are in service, production, business, management, and sales occupations. Three-quarters of mid-level gaps for workers with one or more years of post-secondary education are in services, production, and business management occupations. These include the need for more community and technical college students completing degree and long-term certificates for jobs including managers in culinary and hospitality, mechanics, and installers and accountants. Gaps also exist in computer fields, education, and protective series for jobs such as database administrators and analysts, early childhood educator, firefighters and law enforcement.

Council staff member, Daryl Monear, looked at baccalaureate and graduate degree gaps. The projected 2018-2023 gaps in the bachelor's level will be in computer science and health professions. In computer science, 42 percent of projected openings are for software developers and 28 percent are for computer programmers and systems analysts.

The projected gap in human and protective services is primarily driven by demand in a few key fields. Twenty percent of forecast job openings are for social workers, followed by counselors (14 percent) and social and human services assistants (13 percent). Employment growth is primarily driven by increased demand for healthcare and social services. Demand in media, design, and communications specialists also seem to be riding the current wave of economic recovery.

At the graduate level, the largest gaps are in computer science and the health professions. Other areas with more moderate gaps are business, management, & sales, research, science, & technical, engineering, human & protective services, and media, design, and communications.

Dave Pavelchek discussed the progress in degree completions in each of the levels. He said there has been significant growth in completion in many areas due to the economic downturn in 2012. In 2013 there was a drop-off as more and more people found work. He said the expectation is that in the next several years there will be a rebound in enrollment. The area that saw the largest increase in growth in all levels was the computer and information in the graduate level. It grew by 112 percent, but did start from a very small base.

Council member, Jeff Charbonneau, asked that charts be updated to include the teacher shortage in the bachelor's degree level to show the size of the shortage. Council member, Paul Francis asked that the Washington Consortium of Liberal Arts included in the list of employer engagement. The upcoming forum will focus on STEM and liberal arts. He also asked the Council to consider a joint meeting with the Workforce Board to discuss these matters. And finally, Francis would like the Council to estimate how each area of focus will get Washington closer toward its goals. He believes that the analysis could be impactful.

GET Program Update

Betty Lochner, GET Associate Director for Operations

GET Director, Betty Lochner gave the latest Guaranteed Education Tuition (GET) operations update, where GET is being used, and an update to the feasibility study.

Lochner discussed the program adjustments that will be made to ensure that the total payout value of each account is not decreased or diluted as a result of the initial application of any changes in tuition, the impact of tuition reductions on the funded status, and the alternatives and impacts of removing the state penalty for non-qualified withdrawals.

There is current work to determine the impact of tuition reductions on future unit prices, the feasibility of creating a 529 college savings program, and some alternatives of linking GET's payout value from tuition and fees to cost of attendance.

The GET Committee will present these findings to the Legislative Fiscal and Higher Education Committees no later than December 1, 2016.

The next GET Committee meeting is scheduled in Senate Hearing Room 1, on February 11, from 2-4 p.m. There will be discussion of work done so far. No action will be taken.

Student Financial Aid & Access

Rachelle Sharpe, Deputy Director

Becky Thompson, Director of Student Financial Aid

Deputy Director, Rachelle Sharpe, provided an update on primary financial aid programs. Recent data related to student borrowing was included. Each year as this information is captured, and is tabulated for the annual Student Financial Aid Report. This report will be provided to Council, once finalized.

Last year, over 157,000 students with financial need received \$1.875 billion in total aid, serving about 50,000 more students than in 2007. This figure does not include students who are borrowing unsubsidized loans alone or are receiving only scholarships. One fifth of that total aid is provided by state aid. Institutional aid makes up about 18 percent, most of that aid is in the form of grants. Staff continue to evaluate how those types of aid work together and how institutional aid tends to be targeted to those who don't receive federal or state aid and the importance of student and parent loans as income rises.

The bulk of the borrowing in our state is among resident undergraduate students. The average debt load upon graduation is \$24,804 for Bachelors receivers. In addition to students' debt, the parents of dependent students (residents) who borrow, do so at an average of \$13,300. Private loans are received by fewer students, but at high amounts without the benefits and protections of federal loans. Graduate students often only have student loans to turn to and can have very high debt levels.

Washington continues to see about 70 percent of the eligible students receive funding in **State Need Grant**, even with declining enrollments. There are still 100,000 eligible low-income students. Washington has expanded eligibility over time, changed institutional participation, and added Dreamers. The majority of SNG enrollments (60 percent) are enrolled and served in the community and technical colleges (CTC). The CTCs were able to serve additional students as their enrollments declined.

This year, 2015-16 is the first year to have four cohorts of students enrolled and the forecast is about 20,000 **College Bound Scholarship** students will enroll each year.

The operating budget requires College Bound students be prioritized for State Need Grant and the service level in SNG has been maintained. College Bound students, unserved by SNG, were fully funded by CBS. This year, they will be served by SNG.

There are over 227,000 students who have signed up for CBS, which is over 91 percent of last year's 8th graders. The first three cohorts graduated at the statewide average, well above the rate of low-income students who did not sign-up, even as the cohort grew each year.

College Bound graduation rates are at least ten percentage points higher than those of their non-CBS low-income peers. Income is verified every year and can result in a change of eligibility for the scholarship. WSIPP will be conducting a program evaluation that provides an initial look at enrollments by cohort and shows strong continuation rates.

Director of Student Financial Aid, Becky Thompson, shared a high-level overview of other programs related to FAFSA filing and outreach efforts.

Passport is a comprehensive program serving youth from foster care. The eligibility is fairly narrow – students who have been in foster care for at least one year as of age 16. The program provides not only a scholarship, but critical support services. The institutions receive some incentive funding to provide individualized services. Additionally, the College Success Foundation provides statewide training and connects social service organizations with higher education professionals. The program serves about 400 students per year.

The **State Work Study** program provides students with work experience opportunities to offset the cost of their education. The program serves about \$4,500 with about \$8 million in state funds matched with \$4.5 million in private funds. Students must have a position that is related to their academic interest area where possible and the program is available to both undergraduate and graduate resident students.

The Council manages several programs designed to address workforce needs. We partner with Dept. of Health in the **Health Loan Repayment** programs – both state and federal – to incent health professionals to work in shortage areas – both geographic and fields – by paying a portion of their educational debt. **Alternative Routes** is helping address our teacher shortage challenges in partnership with the Professional Educators Standard Board. And **Aerospace** is a small student loan program. Details for all will be included in our final report.

It takes a strong partnership with the financial aid administrators in the 67 institutions to manage the \$300 million serving about 80,000 students. WSAC provides training, but the administrators are on the ground, monitoring regulations, awarding aid, and serving students. Two institutions announced their closure this year, and there are several institutions that are in the process of applying. A rigorous review process is involved to

resolve some legal questions and staff are incorporating changes to the administrative rules, published in early spring. The IT infrastructure is quite cutting edge – the web-based reporting tool in the portal was overhauled and a new version was rolled out a few weeks ago.

Primary programs rely on the Free Application for Federal Student Aid (FAFSA) and the Washington Application for State Financial Aid (WASFA). Clearly more students applied for help during the great recession. And filing decreased slightly as enrollments have come down, especially in the two-year colleges. Yet FAFSA filing remains quite high. This is likely due to the requirement in the College Bound scholarship, as well as other outreach efforts.

Two national programs, outreach efforts have been combined into one umbrella: the 12th Year Campaign. These are **College Goal Washington** and **College Application Campaign**. These aim to boost college and financial aid application rates. The goal is to link the college application and financial aid completion processes by providing high schools the tools to assist seniors with their applications. The 12th Year Campaign Resources (Student workbooks, site coordinator handbooks, posters, postcards, lesson plan suggestions, training webinars) are available to all (on ReadySetGrad) and sent to sites. The 2015 American College Application Campaign program of the 12th Year Campaign wrapped up at the end of November with 82 sites compared to just 67 sites in 2014. Almost 6,000 students were reported as taking part in College Application Campaign activities, an increase of almost 50 percent over 2014. Over 3,500 college applications were submitted during college application month compared to 1,200 recorded applications in 2014. In 2015, 81 College Goal Washington events were held statewide serving over 2,700 students. As of January 2015, there are over 120 confirmed 2016 College Goal Washington sites with much more geographic diversity than ever before. For the next academic year, WSAC is redesigning the 12th Year Campaign to fit the early financial aid timelines.

The FAFSA Completion Initiative matches FAFSA completion data with the senior class roster for public high schools through an exchange with OSPI. This data is viewable via an online portal and will highlight if a student has completed the FAFSA, submitted but with errors, or has not yet filed. Districts may then provide target intervention services to increase the FAFSA filing rates. Before accessing the FAFSA Completion Portal, districts must sign and return a data usage agreement. Currently over 85 percent of districts have returned the usage agreement and there are over 600 users in the portal.

College Bound Scholarship and related pages continue to be top draws, but in the last month approximately 8,700 unique page views to WASFA, nearly doubling CBS traffic. WASFA took the lead on search term utilized and the top download was the WASFA Instructions handout. Analytics also gives us the capacity to gauge the popularity of external links. FAFSA via fafsa.ed.gov finished second to the CBS application. In 2014-15, 2,500 students completed the WASFA and 1,100 were served with State Need Grant.

Council member, Paul Francis, would like to see students tracked who enroll but don't receive College Bound. He would like to see that by connecting with them in middle school it positively affected their future. Mr. Francis also asked about involvement of Council in the decision making surrounding schools applying for State Need Grant. Rachelle noted that the new process provides a public notification of applicants and does not provide funding until data for approved schools are incorporated into legislative cost models.

2016 Council Committee Structure

Rachelle Sharpe, Deputy Director

Marc Webster, Senior Fiscal Policy Advisor

Randy Spaulding, Director of Academic Affairs & Policy

Council committees have not been scheduled for 2016 to allow time for legislative activities. The proposed 2016 Council Committee overall work plan will be to develop Strategic Action Plan recommendations. With the Council's approval, the meetings will reconvene and be scheduled for the alternating months of the Council meetings. When there is overlap of focus, Committee on Academic Affairs and Policy (CAAP) and Committee on Student Support (CSS) will be merged.

The CSS committee will work on developing possible recommendations related to adult-reengagement strategies and supporting underrepresented students. The CAAP committee will be review dual credit, transfer issues, and a regional analysis of postsecondary opportunities.

CAAP anticipate focusing a fair amount of effort on required updates related to dual credit. HB 1549 requires moving to the funding model for credit in the high school, they will revisit the options available. The primary focus will be on college in the high school. The Committee for Funding and Affordability (CFA) will primarily focus on developing the budget proposals related to the strategic action plan for prioritization by the Council. Other areas of focus will be finalizing the Framework and continuing the discussion of affordability "thresholds."

Council Chair, Maud Daudon, requests the Council and its involvement of all the sectors to pose initiatives in the next legislative session that get help get Washington closer to the attainment goals. She urged the sector reps to help to provide clear and unified picture of what those initiatives should be. She believes it is time to get started right now for prepare for next session. Daudon stated that she has seen the identity of the agency evolve over the last three years from people saying "Who are you" to "What are your thoughts."

ADJOURN 12:13 P.M.