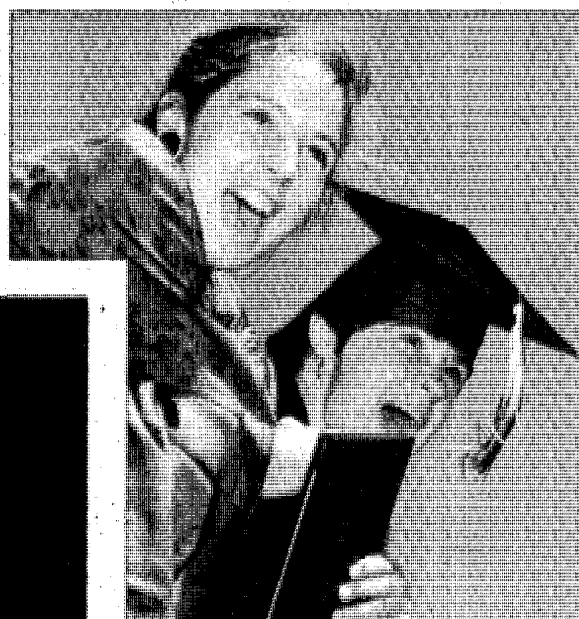
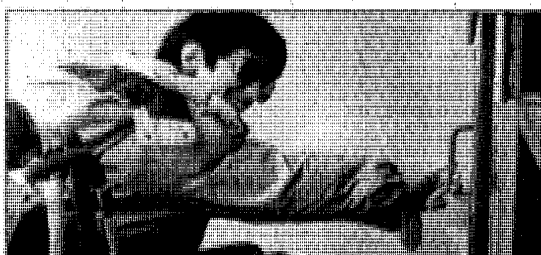
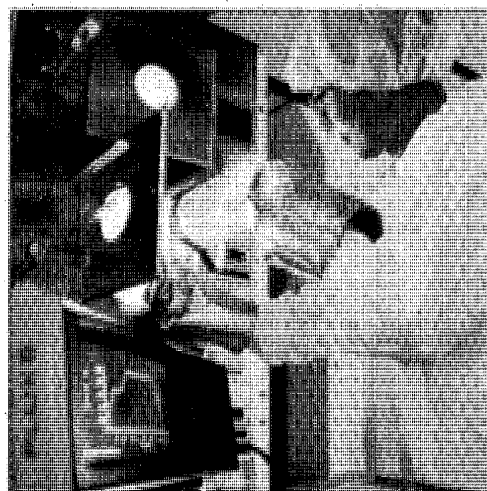
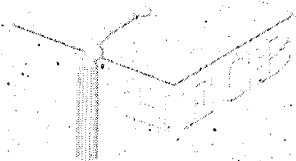


A Commitment to Opportunity

1992 Update of the Master Plan for Higher Education



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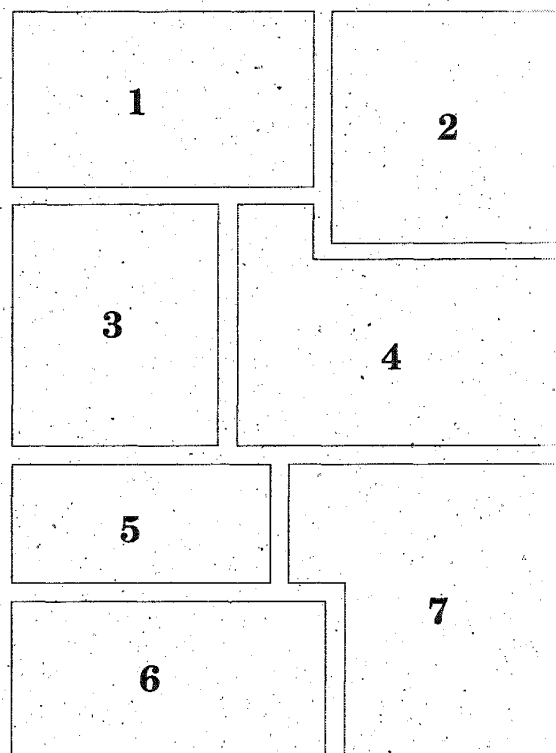
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The conditions affecting higher education are changing dramatically. Among the most significant are the state's long-term fiscal situation, a rapidly growing and increasingly diverse population, and the economy's urgent and growing need for a skilled and literate workforce. These trends are reviewed in detail in the body of this report.

Of critical concern, however, is the convergence of what appears to be a chronic deficiency of state fiscal resources with economic and demographic trends which demand expansion of postsecondary education. This need for expansion is made all the more critical by the state's decade-long policy of limiting access to its public educational institutions. If enrollments over the past decade had kept pace with population growth, another 50,000 full-time equivalent students would be enrolled today.

Changing State Expenditure Patterns

Washington, like state governments across the nation, is under pressure to finance more prisons, increased K-12 enrollment, health care, and other social services. As expenditures for these services have grown, expenditures for postsecondary education have declined. This shifting pattern of state funding will further constrain the state's ability to support postsecondary education for the foreseeable future.

That Washington has so far been spared the deep cuts currently affecting higher education in other states is no cause for comfort. Revenue forecasts for the upcoming biennium fall far short of the level needed to carry forward current state policies, and plans to cut agency budgets by as much as 16 percent are under review.

Rising Demand for Postsecondary Education

Concurrently, the state's population is growing. Over the past decade, the state's population has increased by 734,000 while enrollment in public colleges and universities has dropped. Significantly, the traditional college-going population — those aged 17 to 25 — is expected to increase dramatically in the next decade. Twenty thousand more seniors are expected to graduate from Washington high schools in the year 2001 than graduated last spring. And a growing proportion of this age group is composed of low-income and minority individuals.

Adding to the demand for postsecondary education will be increased numbers of adults seeking access to programs for workforce preparation and retraining.

Other symptoms of strain in the state's postsecondary education system are also evident: student complaints about the time required to complete degrees and difficulties of getting into classes; low participation and high dropout rates for underrepresented minorities; concern about low teaching loads; anecdotal evidence of poor student achievement and other signs of neglect of undergraduate education.

Quality And Access

Heightened competition for increasingly limited state resources will surely evoke the perennial higher education policy debate about quality versus access. The choice is frequently posed as an either-or proposition. However, this presumption vastly oversimplifies the policy choice by neglecting the consequences of choosing one at the expense of the other.

It is not possible to have a high quality **system** of public higher education if the system severely restricts access. Conversely,

it is not possible to have a high quality **system** if access is not accompanied by adequate funding to ensure instructional effectiveness and student success.

The Board asserted in its 1987 Master Plan that an excellent and effective system of higher education must be characterized as much by equitable and adequate access and student success as by adequate per student funding levels. That assertion continues to apply.

Today's competition for limited state resources is also sure to prompt demands for greater efficiencies, intensified scrutiny of institutional management practices, administrative structures and faculty productivity, and insistence on positive indicators of performance.

A New Compact

This conception of the shape of change influences the priorities and strategies recommended in this 1992 Update. It can be stated again: the critical challenge facing this state's postsecondary education system in the 1990s is educating more students in an era of persistently restricted resources. This challenge must be met without renouncing educational quality and while insisting on clear evidence of acceptable standards of student success.

To meet this considerable challenge, this Update stresses:

- ❖ ***A renewed commitment to opportunity;***
- ❖ ***A restated dedication to quality, especially in undergraduate education; and***
- ❖ ***Rededicated attention to the public investment in postsecondary education.***

Section IV sets forth specific recommendations around these planning priorities. The recommendations are to be accomplished through three strategies.

The first emphasizes ***strategic planning*** to assure focused, efficient resource allocation. Postsecondary education at all levels will need to undertake strategic planning and make tough choices to assure that limited resources are being targeted at areas of highest priority.

Institutions will have to demonstrate that current resources are being spent wisely in order to maintain and enhance funding levels. The state, through the Higher Education Coordinating Board (HECB) and its partner agencies, will need to initiate systemwide improvements and efficiencies in the delivery of education services. Strategic planning thus becomes a critical cornerstone for the future.

The second aims at ***improved partnerships*** with the public schools, the business community, and local providers and organizations to assure that services are coordinated and programs not fragmented and duplicated. In particular, partnerships should be targeted toward assisting in the implementation of K-12 educational reforms, toward enriching the K-12 teaching team, and toward providing increased opportunities for students "at risk" of dropping out of school.

These are essential, but the third strategy represents the overarching quest for this period. This is the accomplishment of a ***new compact*** between the state and its postsecondary education institutions, a compact based on trust, evidence and a new alignment of responsibilities.

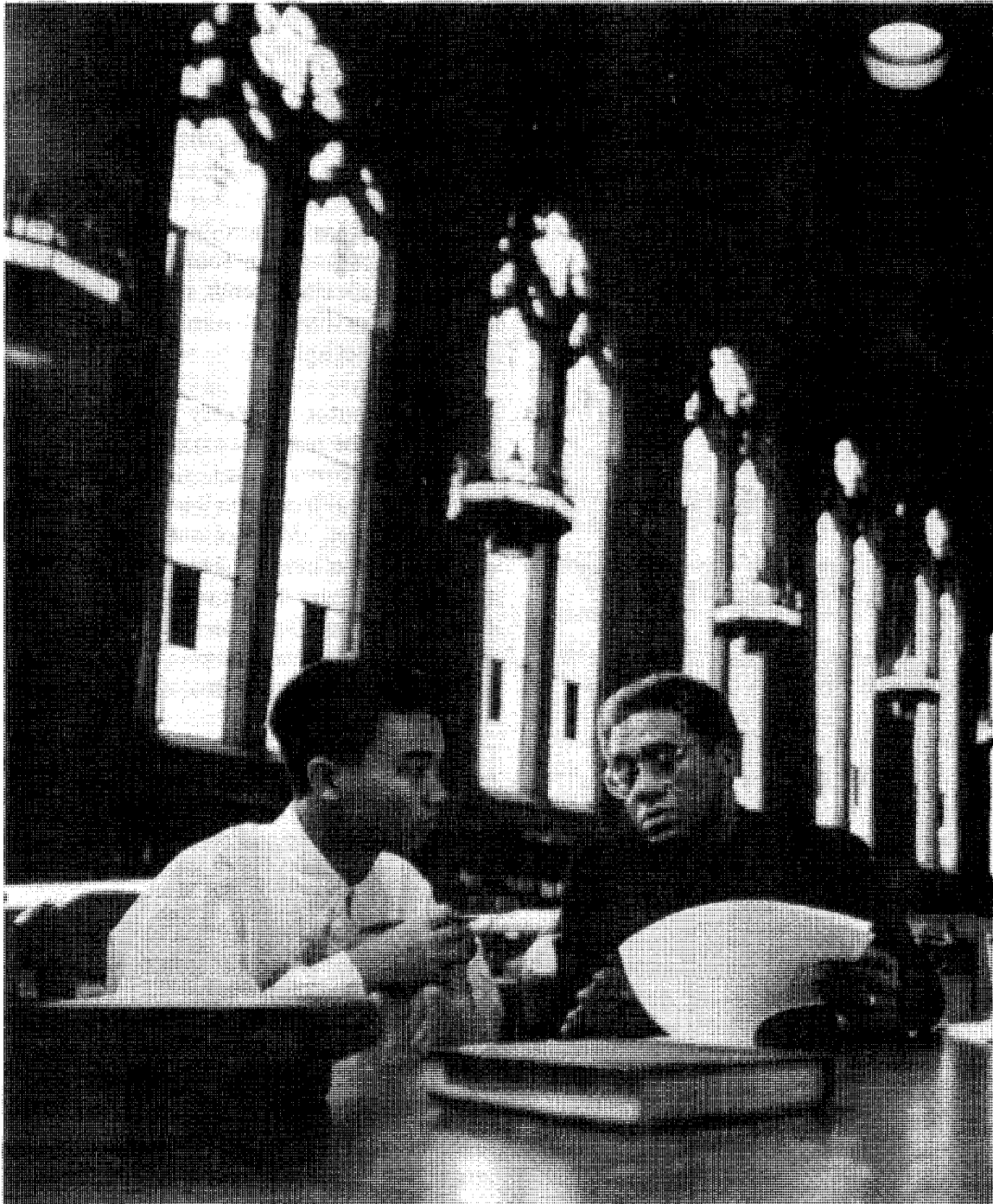
The new compact will:

- ❖ *Achieve equitable and adequate enrollment by significantly raising enrollment lids, adequately funding those increases, and providing sufficient financial aid for the neediest students;*
- ❖ *Develop and employ of a new definition of quality measured by effective operations and clear results — the efficient use of funds to achieve well-educated students;*
- ❖ *Create a new resource management relationship that removes the state from “micro-management,” allows institutions greater management autonomy to focus resources on essential functions, and encourages innovation; and*
- ❖ *Develop a system of coordinated planning and information “feedback” to assure policymakers and citizens that students are succeeding and resources are being prudently deployed.*

The Board is convinced that such a new compact will lead to stabilized funding, improved productivity through local management flexibility, and heightened confidence that resources are directed toward achievement of state objectives.

These activities — which constitute an ambitious agenda — will guide the work of the Higher Education Coordinating Board during the next biennium. The process, findings, and recommendations that comprise this *1992 Update of the Master Plan for Higher Education* are described more fully in the following report.

executive summary



The Higher Education Coordinating Board is charged in statute with responsibility for updating the state's Master Plan for Higher Education every two years. Recent changes in Washington's economy and demographics also command a review of the major challenges facing this state and its ability to meet the needs of current and future students for postsecondary education.

This Update:

- ❖ *identifies significant changes in the environment in which postsecondary education currently operates;*
- ❖ *examines key issues arising from those changes;*
- ❖ *sets planning priorities; and*
- ❖ *proposes a series of recommendations that address those priorities.*

Of greatest significance to the environment for public colleges and universities are the chronic inadequacy of state revenues and their impact on demand for state services, the population increase, the growing diversity of the state's student body, and changing needs for workforce training.

Economy Down, Population Up

Over the past decade, the state has been faced with growing pressure to finance significant increases in the K-12 student population, corrections and health care, among others. These pressures have inexorably shifted state spending away from postsecondary education.

In addition, the 1991 recession cost Washingtonians thousands of jobs and millions of dollars in lost state revenue. That, in turn, increased demands for some services, such as subsidized health care and welfare support, but decreased the amount of funding available for those and other vital state programs, including postsecondary education.

At the same time, the state's population grew to more than 4.8 million and it is projected to increase by another 1.3 million persons in the next 20 years. Population growth is expected to be especially high among persons from 5 to 44 years of age, those most likely to require access to education — kindergarten through graduate school.

Not only will there be literally thousands more persons seeking access to Washington's classrooms, but they will be increasingly diverse — in terms of both income and ethnicity.

Washington's poverty rate increased faster than the national average during the past decade; currently an estimated 16% of this state's children from 0 to 6 years of age live in poverty. More of our children are growing up in single-parent households, which experience a higher rate of poverty than two-parent families. Therefore, more children will be less well prepared for education than previously has been the case.

Washington's population also is increasingly diverse in terms of race and ethnicity. The K-12 schools offer dramatic evidence of this change: in just 20 years, the percentage of students of color enrolled in the common schools has grown from 6 to 19% with all indicators pointing to continued increases. These youngsters of color also face a stronger likelihood of poverty — and, therefore, a smaller chance for achieving educational success.

Population growth, increases in diversity, and the rise in poverty coincide with workforce demands for better trained employees. A high school diploma no longer ensures its recipient the chance for a career that is both well paid and secure. During the 1980s, real wages declined for young workers (25-34 years old), but the drop was largely confined to the less educated. Young male high school graduates' earnings fell by almost 15% in the past decade while their

peers with college degrees pocketed increases of more than 7%.

Those with postsecondary education not only have demonstrated a stronger likelihood of prospering individually, but of contributing more to the state's economy, since they are more likely to remain employed, to rely less on state-subsidized welfare or health services, and to generate state revenue through sales or property taxes. They also are more able to adapt to changing job requirements. In Washington such requirements currently include at least 13.4 years of schooling for an average job; that is expected to increase by decade's end.

Clearly postsecondary education contributes significantly to Washington's economy. Not only does it supply skilled and creative employees, but it provides technical assistance to all areas of business, industry, and government, and it generates research and technological innovations which develop and attract new employment opportunities to the state.

These contributions by postsecondary education become even more important during times of fiscal stress for they provide the means for achieving long-term economic stability and growth.

For these reasons, the Board has identified increased enrollments throughout postsecondary education as the top priority of this *1992 Update of the Master Plan*. However, the need to expand access to postsecondary education — which the Board underscores as pivotal to the state's future prosperity — comes just at the time when the state's limited resources are being claimed to support other state functions. It is not just that the national recession is now being felt in Washington, but that commitments have been made over the past decade to policies that divert state resources elsewhere.

In this context, postsecondary education at all levels will need to undertake

strategic planning and make tough choices to assure that limited resources are being targeted at areas of highest priority. Institutions will have to demonstrate that current resources are being spent wisely in order to maintain and enhance current funding levels. Thus, strategic planning becomes a critical cornerstone for the future.

I. More Opportunities, Targeted Access

The Board fully recognizes that merely providing more seats in postsecondary education is not enough. Instead, the HECB and the institutions collectively must reexamine the state's enrollment plan and provide not only more, but better targeted access to community and technical colleges as well as to baccalaureate institutions.

Better targeting must incorporate consideration of improved means to serve students from underrepresented populations, to address workforce training, to identify and provide growth in areas of high occupational demand, and to ensure that all eligible citizens have access to these opportunities regardless of income.

II. Preserving and Enhancing Quality

Citizens have a right to expect a good education at whatever level they enroll. Since it issued the first Master Plan in 1987, the HECB has advocated preservation and enhancement of the quality of postsecondary education. The Board has sought adoption of a dollars-per-student funding goal as an indicator of quality and as a means to compare Washington's funding levels with those of other states. The HECB also has urged that each additional enrollment be fully funded at the average cost for each level and institution.

In response to the promise of funding postsecondary education at a quality level, the HECB and the institutions have success-

fully instituted a systemwide program for assessing student outcomes — for better gauging how well each institution is helping its students meet their own goals.

As a second major planning priority, the HECB believes these efforts to preserve and enhance the quality of postsecondary education must be continued, and that quality must be defined less in terms of total funding per student and more in terms of student success. The Board therefore intends to assume a leadership role in designing, with the institutions, a systematic strategic planning effort to help clarify how best to help students succeed and how better to use the state's educational resources. The Board believes current student outcomes assessment programs will be a key element of this new planning initiative and should be encouraged to evolve as a critical means for improving educational programs and enhancing student success.

The Board also has expanded its focus on quality to include the entire educational system, from daycare centers through K-12, technical and community colleges, and four-year public and independent colleges and universities.

Therefore, the HECB encourages expanded use of partnerships, especially with K-12, but also with business and community service agencies. In particular, the Board intends to work with the Governor's Council on Education Reform and Funding and the Student Learning Commission to implement a package of competency-based K-12 reforms, to enrich the K-12 teaching team, and to provide increased opportunities for at-risk youth.

III. Protecting the Public Investment

To increase access and preserve quality will cost more money. But efforts to stabilize and enhance funding for postsecondary education historically have met with limited success.

A quick review of the 1980s reveals what happens when state revenues fall or fail to grow at a rate at least equal to growth in demand for services. Postsecondary education usually gets cut. In 1981 a recession forced major budget reductions in nearly all areas of state government, particularly postsecondary education.

Operating budgets were reduced, enrollments were cut — and capped — and tuition was increased. By the end of the decade, postsecondary education budgets had been partially restored and enrollments had been slightly increased. But, enrollment caps were still in place, tuition had increased significantly in all categories, and the share of the state budget devoted to colleges and universities had declined from 17.0 to 13.7%. Thus Washington began the 1990s with 734,000 more citizens than in 1980, but 51,600 fewer students enrolled in its public colleges and universities and a smaller piece of the state revenue pie.

To prevent further decline and provide for expansion of postsecondary education, the HECB proposes modifying Washington's budget methodology, encouraging more efficient use of state resources, and increasing institutional efforts to communicate their successes and needs.

This approach first relies on development of a higher education budget act to stabilize the current budget base for postsecondary education and make sure enrollment grows at a rate that keeps pace with population growth. The budget act also will allow institutions greater management flexibility and provide the HECB funds to support systemwide improvements. The act must be complemented by creation of a high level citizen/legislator task force to identify new or expanded revenue sources and revised budgeting practices for implementation during the 1995-97 biennium.

The Board, in concert with the institutions, will strive to establish new efficiency measures and to emphasize greater use of

coordinated, collaborative partnerships throughout the educational spectrum. In addition, the HECB will work with all public colleges and universities to define productivity and accountability measures to better communicate the accomplishments, expenditures and requirements of postsecondary education.

The Board also proposes to undertake two additional studies next biennium: an analysis of all aspects of enrollment plan-

ning and an evaluation of potential modifications to tuition and fee policies.

Planning priorities and recommendations are summarized below. Detailed descriptions and a timeline for implementation are available in Section IV, beginning on page 35.

1992 UPDATE PLANNING PRIORITIES AND RECOMMENDATIONS

I. Access: Commitment to Opportunity

- ❖ Increase access and continue progress toward reaching long-term enrollment goals established in the HECB's *Design for the 21st Century*.
- ❖ Conduct a comprehensive study of enrollment planning efforts that incorporates the technical colleges and responds to population increases and to changes in demographics and in workforce training needs.
- ❖ Increase equitable access for the economically disadvantaged by expanding state financial aid programs targeted to the neediest students.
- ❖ Continue to strengthen efforts to increase access for and retention of persons of color and persons with disabilities.
- ❖ Fund a small pool of upper-division enrollments for persons in geographically-isolated communities.
- ❖ Pursue greater coordination of workforce training programs and improve the match between postsecondary education supply levels and economic and occupational demand forecasts.

II. Quality: Demonstrated Improvements, Expanded Partnerships

- ❖ Encourage preparation of strategic plans and require evidence of improvements in the quality of undergraduate education.
- ❖ Encourage and support expansion of student outcomes assessment activities.
- ❖ Expand partnerships, particularly with K-12, but also with community service agencies and the business community.

III. Public Investment: Stability, Efficiency and Accountability

- ❖ Stabilize the budget base for postsecondary education and incorporate provisions to accommodate population growth.
- ❖ Create a citizen/legislator task force to study postsecondary education revenue sources and budget practices and develop long-term recommendations by Fall 1994.
- ❖ Identify efficiency measures to increase both access to and the quality of education.
- ❖ Provide a report to the public on postsecondary education.
- ❖ Undertake a study of tuition and fee policies to be completed by December 1993.

I. **introduction**



A. EDUCATION: COMPACT WITH THE FUTURE

Education is America's compact with its future.

The American dream is built on education. Americans have always wanted and expected better for their children; they have thought that the future would be better than their present; and they have expected the next generation to do better than theirs. This core aspiration of American society has been based on education — parents sacrificing to put the children through school, citizens building public colleges and universities and providing for student grants and loans to help them along the way. Through education, adults also have found a means to achieve economic self-sufficiency as well as personal and professional fulfillment.

Some now question whether this dream can any longer be realized. Federal support for higher education has lagged behind cost increases. Recession-riddled states throughout the nation are cutting support for higher education: closing some colleges, reducing enrollments at others, increasing tuition charges and decreasing support for student financial aid.

For the most part, the state of Washington has successfully resisted such actions, despite recent budget shortfalls, moderate operating budget cuts and predictions for larger reductions in the next biennium. Instead, Washington has protected its investment in quality postsecondary education, maintained modest enrollment gains and focused on the need to preserve and expand educational opportunities.

In just the past six years, the state has:

- ❖ created five new branch campuses to provide upper-division and graduate education in underserved urban areas;
- ❖ added enrollments at all other public two-

and four-year colleges and universities in the state;

- ❖ renamed public vocational institutes technical colleges and incorporated them into the community college system;
- ❖ expanded the State Board for Community College Education into the State Board for Community and Technical Colleges;
- ❖ restructured the State Board for Vocational Education into the Workforce Training and Education Coordinating Board;
- ❖ avoided sudden tuition increases by preserving the statutory relationship between tuition and educational cost;
- ❖ expanded support for state financial aid programs;
- ❖ provided quality improvement dollars for direct classroom support;
- ❖ earmarked funding to expand recruitment and retention of students of color;
- ❖ implemented a major statewide effort to assess the quality of higher education;
- ❖ increased faculty salaries to a level more comparable to those at peer institutions, and
- ❖ dedicated more than a billion dollars to capital construction at its public campuses.

These are impressive accomplishments, especially compared to recent actions in other states. Despite this progress, however, Washington's postsecondary education system has failed to keep pace with current population growth. Our colleges and universities are serving fewer students today than they did in 1981. Between 1980 and 1989, enrollment in Washington's public postsecondary institutions fell by nearly 20%.

Notably, Washington ranked 50th among the states in public higher education enrollment expansion during the 1980s.

This decline — from 267,800 (headcount) students enrolled in all public Washington postsecondary institutions (except technical colleges) in 1980 to 216,200 students ten years later — was mandated by the Legislature in the early 1980s when enrollments were capped to save operating money and preserve educational quality.

Although modest enrollment growth has occurred since then, the impact of the caps has been dramatic: literally thousands of students have been denied admission to postsecondary education. Those least well prepared for and least able to afford college have been the most likely to find the doors to their college of choice closed.

The cost of denied access to the individual **student** is hard to estimate. However, a recent study by American College Testing found that persons who achieve higher levels of educational attainment will, on average, live longer, healthier and more productive and secure lives than will people with lesser levels of education.

The cost of denied access to the **state** also is difficult to measure precisely, but includes at least: higher unemployment rates, greater reliance on such state services as welfare and health care, greater costs to employers who must recruit trained employees from outside the state, and less revenue from sales and property taxes unpaid by the un- or under-employed.

To avoid the costs of denied access — to both the individual and the state — Washington needs immediately to raise its enrollment lids and increase access to quality educational opportunities at its postsecondary institutions. This is the most urgent message of the *1992 Update of the Master Plan for Higher Education*. And, it is aptly timed, as the state looks toward a projected population increase of more than

1.4 million persons in the next 20 years and a rise in demand for a well trained workforce.

But access is not the only message of this Update. Washington also must address newly emerging needs arising from a higher unemployment rate, an increase in the number of its citizens (especially children) living in poverty, and growth in the numbers of persons who are less well prepared for — but perhaps more in need of — postsecondary education.

To meet these needs, Washington must not only sustain but enhance its support for postsecondary education. But doing so will not be easy; competition for limited state resources will be strong — and the reasons for such competition compelling.

Consider, for example, rising costs in just three sectors of state government, all of which can cite urgent demand for expanded support.

- ❖ The common schools have been growing annually by an average of 30,000 students, for whom educational services are a constitutionally-protected “paramount duty.” These K-12 students are more diverse than in any previous generation and increasing numbers of them are from economically disadvantaged families.
- ❖ Social service programs are projected to increase as the population grows. The budget for the Department of Social and Health Services, much of which is required as a match to receive federal funding, has tripled in just ten years.
- ❖ Health care costs only a decade ago required 14.6% of the state general fund, but projections for 1993-95 indicate those costs will jump to an estimated 23.5% of the budget — at an additional cost of at least \$800 million.

The state also must ensure an educated workforce — one that can fuel its economy and respond to a rapidly changing environ-

ment. It must find a way to educate more students in an era of fiscal constraint without sacrificing instructional quality and student success.

To achieve those goals, the HECB advocates careful planning at all levels of postsecondary education:

- ❖ planning focused not just on increasing the number of students but on targeting access where it is most needed;
- ❖ strategic planning at both institutional and state levels that focuses on how best to help students succeed and how better to deploy the state's resources; and
- ❖ planning guided by vigilance over the public's investment in postsecondary education to ensure a system that is productive, accountable, and meritorious of continuous state support.

These constitute the challenges addressed in the *1992 Update of the Master Plan for Higher Education*.

B. ROLE OF THE HIGHER EDUCATION COORDINATING BOARD

In July of 1991, Washington's Higher Education Coordinating Board launched an extensive effort to examine the state's educational compact and update the Master Plan as it is required by law to do every two years.

In 1987, the HECB produced the initial Master Plan, *Building a System...To Be Among the Best*, and completed a long-range enrollment plan, *Design for the 21st Century: Expanding Higher Education Opportunity in Washington*, in 1990. Since then, dramatic changes in Washington's population and economy have threatened the future of this state's educational compact — and its ability to honor commitments to current and future students.

The HECB began this 1992 Update by examining the environment in which Washington postsecondary education operates. As a starting point, the Board first reviewed its own activities of the past five years, beginning with results of the 1987 Master Plan.

1. Review of the 1987 Master Plan

The 1987 Master Plan for Higher Education invited the state to accept this challenge:

"By 1995, the public higher education system of Washington state shall be widely regarded as one of the five best systems in the United States as judged by (1) availability of the system to the population; (2) the skills and knowledge of its graduates; and (3) the contributions of its institutions to improving the lives of all Washington citizens. The Higher Education Coordinating Board intends for this rating to be based on measurable and demonstrable evidence."

While the plan analyzed a wealth of data and included 14 recommendations, it focused on four "foundation elements" viewed as critical to developing a system of higher education that could claim to be among the best in the nation. These foundation elements were addressed in the following recommendations:

(1) access: to provide additional upper-division and graduate educational services to underserved urban areas by developing branch campuses in Spokane, Tri-Cities, southwest Washington, and the Puget Sound area;

(2) funding: to establish a new basis for funding higher education in Washington that would allocate adequate resources to institutions, provide institutions flexibility in applying those resources to produce quality higher education, and hold institutions accountable to the public for results;

(3) performance evaluation: to implement a new system for evaluating institutional performance; and

(4) admissions: to strengthen admission standards for baccalaureate institutions.

Significant progress has been made toward achieving those goals: five branch campuses have been authorized in statute, permanent sites have been selected, and capital and operating funds have been provided in both the past and current biennia. While periodic review of the branch campus enrollments, facilities and program offerings will continue to be undertaken by the Board, the basic policies are in place.

Strengthened admission standards were adopted by the HECB in 1988. Periodic review of these standards for, among other things, consistency with other Board policies, will be required.

In addition, potential changes in curriculum and student evaluation at all levels, resulting from current school reform efforts, will require adjustments in higher education admission standards. It will be especially important for the HECB and other postsecondary education agencies and institutions to coordinate efforts to collaborate with and respond to the work of both the Governor's Council on Education Reform and Funding and the Commission on Student Learning.

An assessment program focusing on both institutional improvement and statewide accountability has been developed and is being implemented. Although the Board's work on assessment will continue indefinitely, the current assessment effort has progressed well beyond what the Board envisioned in 1987.

The unfinished business of the 1987 Master Plan — perhaps the most important challenge facing public postsecondary education — is to implement a new basis of funding that is adequate to meet needs newly

identified or reaffirmed during the process of updating the Master Plan.

2. 1988 Tuition/Aid Study

In 1988, the HECB turned its attention to student financial aid and tuition and fee policies. Following the HECB's study, the 1989 Legislature avoided any major changes in tuition policy, but expanded funding for financial aid and significantly restructured the State Need Grant program.

That restructuring expanded eligibility to undergraduate fifth-year and part-time students, provided an allowance for students with dependents in need of care, and recognized the student's higher cost of attendance at four-year public and independent institutions by creating grants that were proportional to the total cost of education.

The HECB currently is conducting a comprehensive study of state student financial aid which is scheduled for Board consideration in December 1992. The study is focused on needs related to changing demographics and complements the 1992 amendments to the federal Higher Education Act.

3. 1989 Assessment Policy

Assessment was one of the cornerstones laid by the HECB in the 1987 Master Plan. To initiate the assessment effort the HECB in 1989 developed guidelines for institution-based activities, which were to be undertaken in six areas, including:

- ❖ Baseline student data
- ❖ Intermediate evaluation of writing and math
- ❖ End of program assessment
- ❖ Alumni satisfaction
- ❖ Employer perceptions
- ❖ Program reviews

This effort was supported by the Governor and the Legislature, which provided \$400,000 in 1989-91 for assessment activi-

ties at each four-year public institution and to the State Board for Community College Education (now State Board for Community and Technical Colleges). In 1990, the Legislature supplemented that appropriation by providing an additional \$60,000 for assessment activities at each community college. These funding levels were maintained in the 1991-93 biennial budget.

Since then, the institutions have developed and implemented assessment plans and successfully involved faculty in their activities, and this state has earned a national reputation as a leader in campus-based assessment. Additionally, the HECB has formed a Subcommittee on Assessment to monitor institutional effort and coordinate the Board's biannual review of assessment progress.

Also, the HECB required, as part of the December 1991 budget guidelines, institutions and the State Board for Community and Technical Colleges to document how they have used results from assessment studies to shape planning and resource allocation decisions as part of their 1993-95 operating budget requests.

4. 1990 Enrollment Policy

In 1990, the HECB completed a year-long study, *Design for the 21st Century*, undertaken in response to a legislative directive to develop a "long-range plan for the orderly development of branch campuses." The Board developed this plan within the larger context of a state enrollment policy. The Board established:

(1) long-range, statewide enrollment goals to achieve by the year 2010 the 70th percentile in national average participation rates for upper-division and graduate levels, which when combined with lower-division growth at community colleges and increased transfer activity, will achieve the 90th percentile systemwide.

(2) a 20-year plan to reach those goals by defining enrollment growth rates and levels for the community college system, the public four-year institutions, and the branch campuses, and by assuming continued enrollment growth at independent colleges and universities.

The 1991-93 operating budget funded enrollment increases at the community colleges and four-year institutions at levels and by sector and institution as recommended by the Board. These levels represent the first phase of growth in the Board's 20-year plan for expanded access at public institutions.

The Governor's December 1, 1991, order requiring all state agencies and institutions to reduce expenditures by 2.5% resulted in institutional proposals to eliminate some of those enrollment increases, particularly at the community colleges. However, the 1992 Legislature restored proposed enrollment cuts, but reduced overall higher education funding — an action many observers worry constitutes a trend toward requiring public colleges and universities to serve more students with fewer resources.

Access remains a critical issue since the 1991-93 operating budget funded only the first phase of the HECB's 20-year plan to expand higher education opportunity. Similar increases will be required for each of the next eight biennia for the Board's enrollment goal to be achieved.

5. 1991 Policy on Minority Participation and Diversity

In January 1991, the HECB adopted a policy on minority participation and diversity which addressed the participation by persons of color in all areas of public higher education. The policy included statewide goals for enrollment, retention, completion, employment and improving the institutional climate of public two- and four-year colleges

and universities. Individual institutions were directed to develop their own goals consistent with the statewide goals.

This past year, baseline data on enrollment and degree completion was collected and the HECB asked institutions to submit their diversity goals for Board review this fall. The HECB will monitor and report annually on progress toward reaching those goals beginning in February.

The issue of minority participation and diversity in postsecondary education will remain a high priority for Board attention. The Board recognizes it has adopted an aggressive policy that can be achieved only with significant collaboration among educational sectors and between local institutions and state policymakers.

In addition, many issues of a statewide nature — such as the role of financial aid in increasing diversity — have yet to be addressed in Board policy. Finally, dramatic shifts in the state's demography, already impacting the K-12 system, will increase the significance of this issue for institutions, communities and employers.

6. 1991 Plan for Graduate Education

In September 1991, the HECB adopted a plan for increasing graduate program enrollments at the state's public and independent institutions. Issues discussed within the plan included the need for increased diversity among graduate students and faculty, increased access to professional development courses for employees in the state's businesses and increased enrollments in doctoral-level programs to address expected growth in faculty retirements.

The role of graduate education in the improvement of undergraduate education, the development of the state's economy and the provision of an education workforce will continue to be of concern to the Board. Be-

cause graduate education requires a high level of state resources, issues related to graduate student support, student financing of their programs, research support and time-to-degree will remain important.

This *1992 Update of the Master Plan* builds upon, supplements, and incorporates these existing policy documents. Recent HECB activities are summarized in **Figure #1**.

Figure 1

Summary of HECB Activities: 1987-1993		
Existing Policies and Goals Progress/Actions		Current Status
1987 Master Plan Items:		
Increased Access in Urban Areas	Branch campuses authorized in 1989-91 \$45 million appropriated in 1989-91 Development plan completed in 1990 Permanent sites selected in 1990 Program policies adopted in 1991 \$31 million appropriated in 1991-93	Implementation Phase
A New Basis of Funding	SAFE proposal: Not adopted in 1989	Legislator/Citizen Task Force proposed, 1993-94
Performance Evaluation	Assessment program funded in 1989 Assessment approach adopted by HECB in 1989 Preliminary Baseline Report published, March 1991 Assessment linked to budget requests, December 1991 First Complete Baseline Report due, January 1993	Implementation Phase
Strengthened Admission Standards	Implemented in 1989	Completed/Review required
Collateral Policies		
1990 Enrollment Policy (70th Percentile)	Twenty-year enrollment plan adopted in 1990 Enrollment increases funded in 1991-93	Modified Implementation Additional enrollment increases proposed for 1993-95 Enrollment Plan Review proposed for Fall 1994
1988 Financial Aid Policy	1989 Legislative Proposal: partial approval	Follow-up Policy Study, March 1993
1991 Minority Participation Policy	1991 Minority/Diversity Plan	Implementation Phase
Tuition and Fee Policy	Education Cost Study completed in 1991 Tuition Waiver Study completed in 1992	Proposed Tuition Study due, December 1993
Graduate Education	Plan for Graduate Education	Completed, July 1991

II. reexamine the environment



A. PROCESS FOR REEXAMINATION

Following review of its own activities, the HECB in September 1991, launched a process to update the *Master Plan for Higher Education*. That process sought to involve not only the Board's usual constituency (higher education institutions, students, faculty, legislators, etc.) but those outside of that circle. Citizens were asked to help define the issues of greatest urgency and suggest directions, even solutions, which the state and the HECB might undertake during the remainder of the 20th Century and beyond.

Briefly, that process included six major elements:

1. **Surveys**, which were sent to more than 1,000 Washington residents seeking guidance on the critical challenges facing Washington education;

2. A series of nine **regional meetings** scheduled throughout the state to discuss identified issues with interested citizens;

3. **Context briefings** presented to the Board by:

Presidents of the six four-year institutions, Executive Director of the State Board for Community and Technical Colleges, Superintendent of Public Instruction, Chairman and Executive Director of the Workforce Training and Education Coordinating Board, Secretary of the Depart-

ment of Social and Health Services, representative of the Governor's Council on Education Reform and Funding, and authorities on changing economics, demographics, and student characteristics.

4. **Issues identification**, which was completed by the Board in January of 1992. The five "Critical Challenges," explained in **Figure #2**, included:

- ❖ Access/Equity
- ❖ Access for Societal Benefit
- ❖ Excellence in Undergraduate Education
- ❖ Partnerships
- ❖ Funding

These challenges provided the focus of Board efforts to update the Master Plan and build upon the foundation already provided by the original Plan, the 1990 *Design for the 21st Century* and other policy changes and actions taken by the Legislature and the HECB.

Figure 2

Five "Critical Challenges" - 1992 Master Plan Update	
1. Access/Equity	<i>How can educational opportunity be provided so that no qualified individual is denied access due to financial need or discouraged from participation by cultural or other barriers?</i>
2. Societal Benefit	<i>How can increased access to higher education contribute more directly to the achievement of the state's social and economic objectives?</i>
3. Undergraduate Excellence	<i>How can the quality of education programs by the two-year and four-year colleges and universities be improved, with emphasis on promoting excellence in undergraduate teaching and learning?</i>
4. Partnerships	<i>How can higher education join with other educational sectors to ensure that more citizens are prepared for productive and satisfying lives when they complete education at any level?</i>
5. Funding	<i>How can Washington establish a funding basis that is adequate to support public higher education, with emphasis on long-term stability, efficient and accountable management, and achievement of clearly articulated goals?</i>

5. **Issue Research and Review**, in which the Board reviewed staff-developed position papers on each "Critical Challenge" and conducted public hearings on findings and policy options contained therein.

6. **Draft of the 1992 Update:** During the summer of 1992, HECB staff developed a draft of the 1992 Update of the Master Plan, which was presented for public hearings in October and adopted in November, 1992.

B. CONTEXT FOR POSTSECONDARY EDUCATION

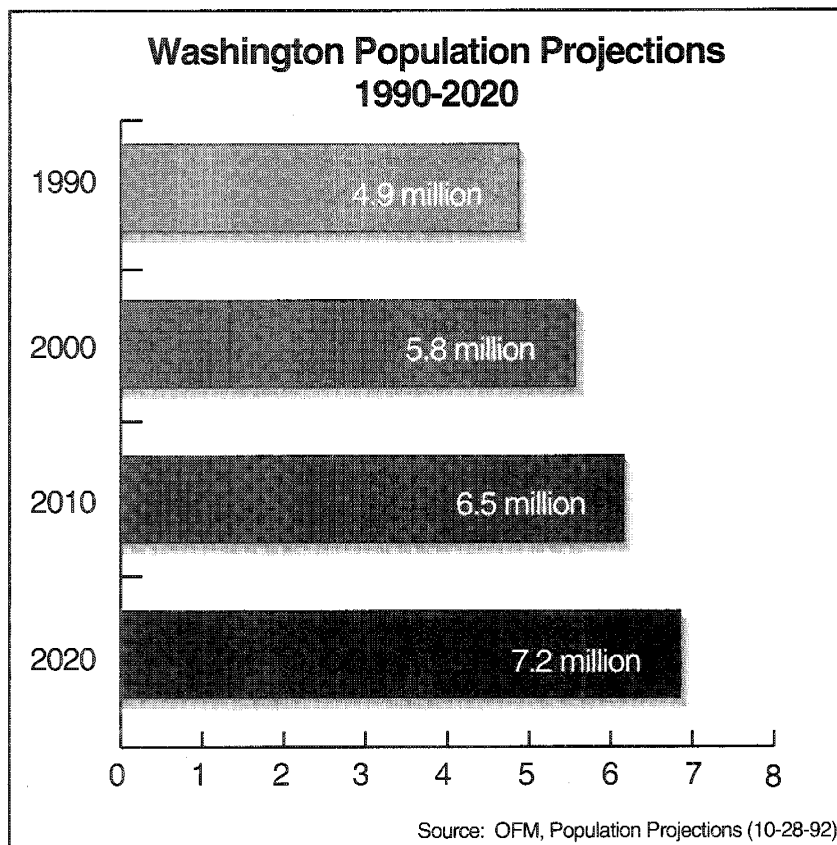
The process initially focused on exploring the environment in which Washington's public colleges and universities are operating in the 1990s. That exploration focused on four major areas: demographic trends, economic changes, state expenditure patterns and postsecondary education funding patterns.

1. Demographic trends: Major changes have occurred in Washington's population since the first Master Plan was adopted in 1987. Among the most important to postsecondary education are: population growth in all age groups, but especially in those aged 5-24; demographic shifts; participation rate declines; and changes in the institutions.

a. The population is growing: The 1990 census reported Washington's 1990 population was 4.866 million. By the year 2020, it is projected to grow by over two million more people — to 7.17 million. **Figure #3** illustrates those projections.

Overall state population growth will translate into enrollment increases throughout education. Recently released figures from the Office of Financial Management (OFM) estimate that the number of individuals 5 to 19 will grow by more than 330,000 by the year 2020.

Figure 3

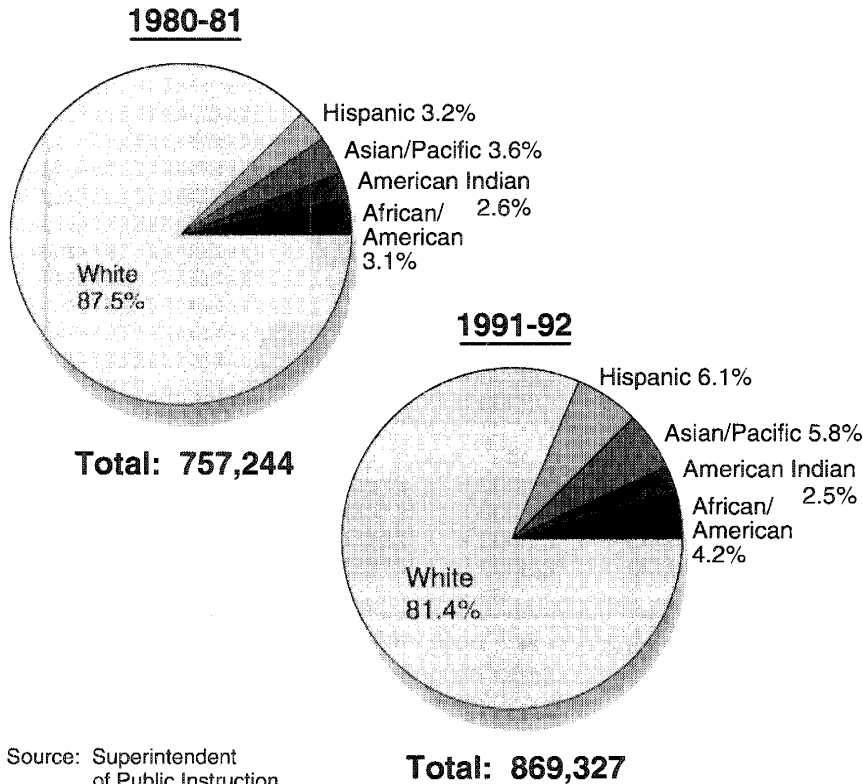


Similarly, the Office of the Superintendent of Public Instruction (OSPI) forecasts that the number of graduating high school seniors will increase from 47,266 in the spring of 1992 to 66,139 by the spring of 2001. If the current ratio of seniors going on to postsecondary education continues, these additional 20,000 high school graduates will produce 9,000 more students seeking access to public postsecondary education.

b. The students are changing: Numerical increases tell only part of the story. Changes in the persons who comprise those numbers also have major implications for all of Washington's education system. The OSPI reports that in 1970, students of color comprised 6% of the total enrollment in the state's public schools; by 1984-85 they comprised nearly 15% of the total; in 1991-92, OSPI estimates students of color represented nearly 19% of the total. **Figure #4** displays changes in K-12 enrollments by race and ethnicity from 1980-81 to 1991-92.

Figure 4

Washington K-12 Enrollment by Race/Ethnicity 1980-81 and 1991-92



- ❖ Postsecondary education students are older;
- ❖ More of them are female; and
- ❖ A higher percentage is composed of persons of color.

A few statistics verify those changes.

AGE: Twenty years ago, 72% of all Washington higher education students were under 26 years of age and less than 20% were over 30. In 1990, 58% of all students are below 26 years of age and 29% are over 30 years of age.

GENDER: In all institutional sectors, the proportion of female students steadily has increased over the past 20 years. In 1970, about 45% of all students were female; today women constitute 56% of Washington's total student population.

ETHNICITY/COLOR: Over the past decade (1980-1990), the proportion of per-

These demographic changes are occurring throughout Washington, not just in a few urban areas. Twenty years ago 40% of Washington's school districts were entirely Caucasian. In 1991, only 2% were all Caucasian, and that 2% included very small school districts with very small enrollments.

Changes also have occurred in higher education enrollments. At least three major changes require elaboration:

Figure 5

Headcount Enrollment: 1980-1990

	1980	1985	1990
Community Colleges	184,400	130,500	134,800
Public Four-Year	83,400	77,200	81,400
Independent Four-Year	27,000	28,000	31,400
Total	294,800	235,700	247,600

Enrollment Participation in Postsecondary Education

(number of students/100 population aged 17 and above)

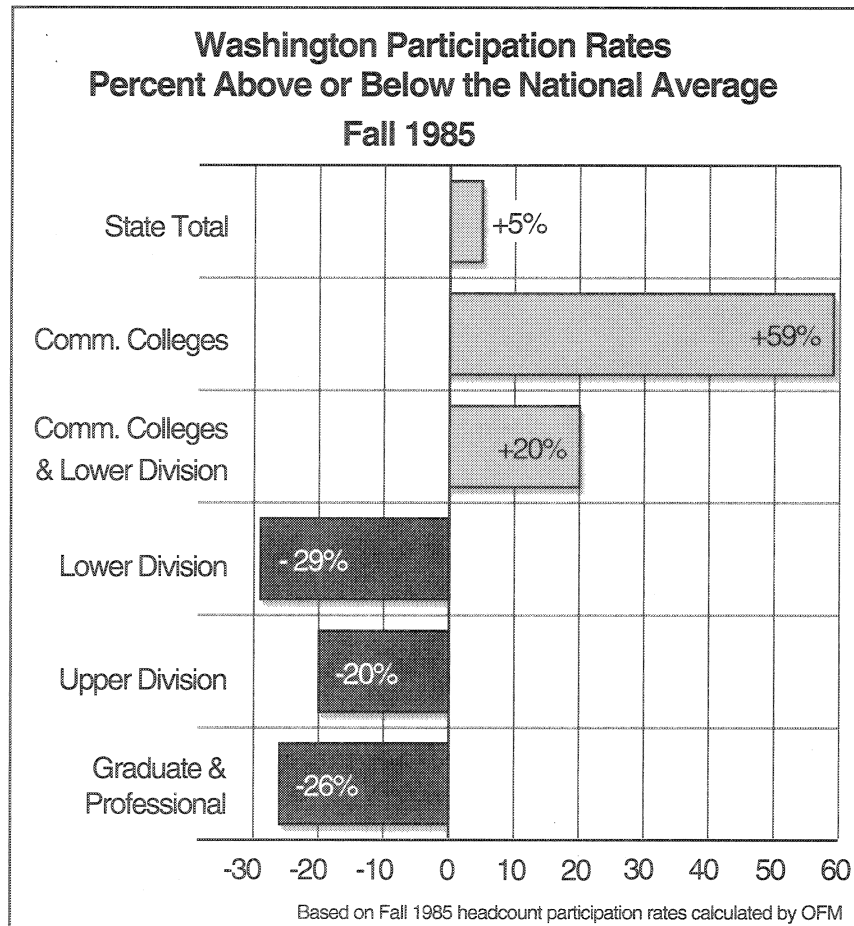
	1981	1985	1990
Community Colleges	5.34	3.73	3.99
Public Four-Year	2.53	2.35	2.22
Independent Four-Year	0.90	0.87	0.91
Total	8.77	6.95	7.12

Washington as Percent of National Average

	1981	1985	1990
Community Colleges	208%	159%	153%
Public Four-Year	83%	81%	72%
Independent Four-Year	62%	62%	63%
Total	124%	105%	100%

Sources: 1981 and 1985: OFM using NCHEMS data; 1990: HECB using NCES data

Figure 6



funding and a definitional change in reporting of state-supported students. Enrollment at public four-year institutions also declined during the 1980s, while enrollment at the independent four-year institutions increased by almost 16% during that decade.

PARTICIPATION: Figure #5 includes three tables that display different aspects of enrollment information. The first shows a decline in total higher education headcount enrollment from 294,800 in 1980 to 247,600 in 1990. The second shows a decline in participation rates (calculated as a proportion of those 17 years of age and older enrolled) in public institutions over the past decade, and the third shows a decline in Washington's relationship to the national average participation rates.

sons of color in undergraduate programs has increased from 8 to 14%. Similarly, the level of participation of persons of color in professional programs has increased from 5 to 12%. Participation of persons of color at the graduate level (7%) remains unchanged from 1980.

c. Enrollment Holding, Participation Declining: A smaller percentage of Washington citizens is participating in higher education than did so in 1980.

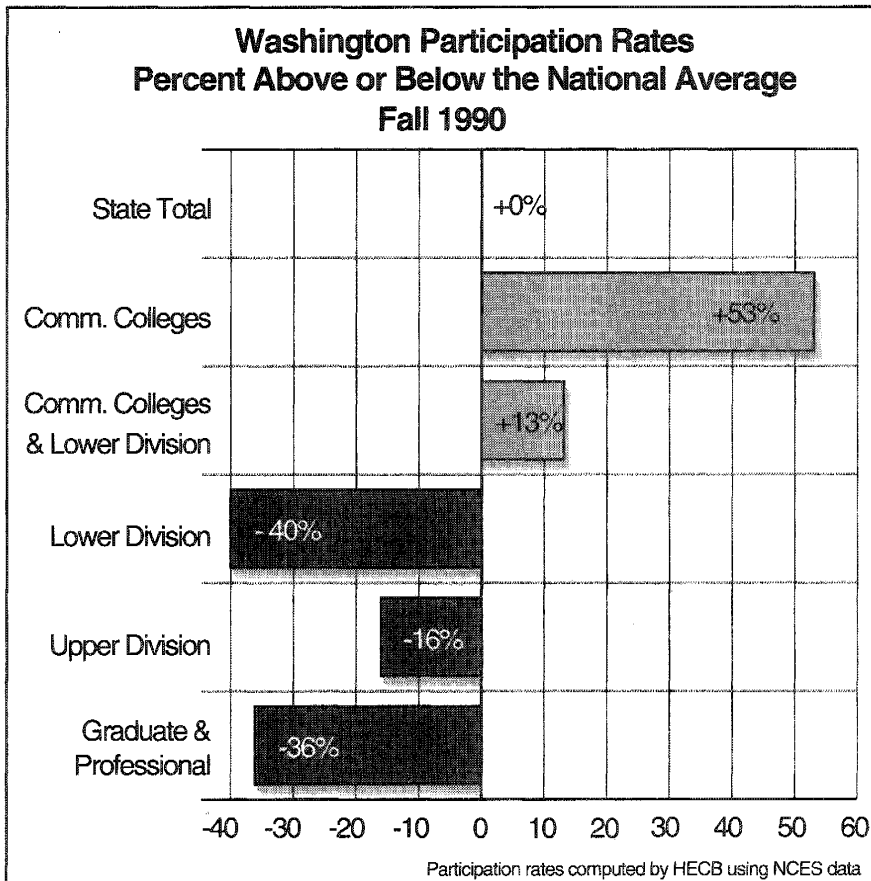
ENROLLMENT: Revenue shortages in the early 1980s prompted the Washington Legislature to impose enrollment caps on all public colleges and universities. Consequently, postsecondary education enrollment has remained relatively constant during the past decade, with some modest growth in the past two biennia. The community college system experienced a sharp decline in the early 1980s due to reduced

rolled) in public institutions over the past decade, and the third shows a decline in Washington's relationship to the national average participation rates.

Two additional figures display national comparisons. In **Figure #6**, Washington's participation rates for 1985 are compared to national averages. The top three measures — total state participation, community colleges, and four-year lower-division plus community colleges — were above the national average. The bottom three measures — four-year lower-division, upper-division and post-baccalaureate — were below the national average.

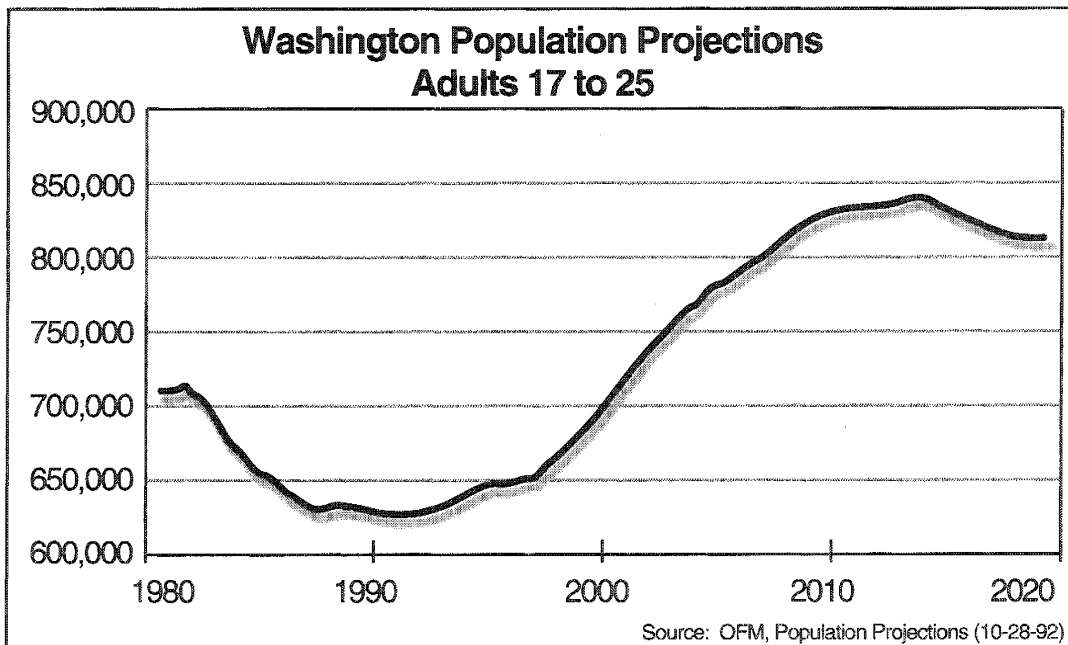
Figure #7 updates the participation rates on these same measures using 1990 data. Washington's overall participation rate is no longer above, but at the national average. Community college and total lower

Figure 7



division rates are still above the national average, but not as high as in 1985. The last three measures continue to be well below the national average.

Figure 8



These declines in enrollment and in participation rates come at a time when forecasters project major increases in the number of Washingtonians in the 17-25 age group, the "traditional" postsecondary education student body. **Figure #8** charts OFM's latest projection for that age group through the year 2020.

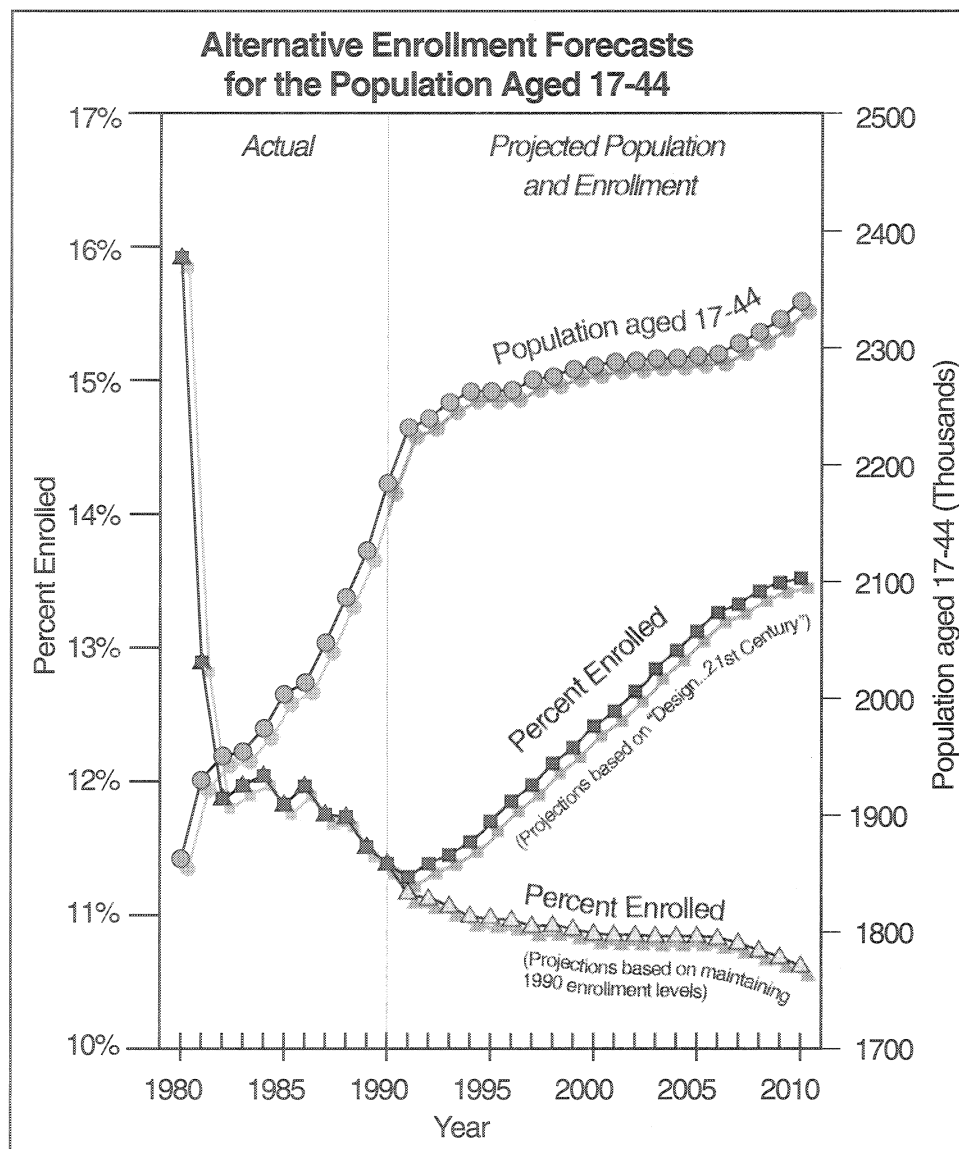
OFM has projected that, at current participation rates, enrollment in public higher education institutions would increase from 216,200 headcount in 1990 to 236,000 headcount by the year 2000 and 258,000 in 2009. These numbers are below the HECB goal of approximately 254,000 students by 2000 and 290,000 by 2010. Both OFM and the HECB assume substantial participation by those outside the 17-25 age group and the HECB also assumes an ever increasing level of participation in postsecondary education by Washington residents from both traditional and older student groups.

Figure #9 shows alternative enrollment forecasts for the population aged 17-44. It portrays the impact on participation if enrollments are constrained to current levels or allowed to expand to meet the HECB's enrollment goals, as outlined in the *Design for the 21st Century*.

No matter which set of enrollment projections is considered, the demand for more enrollment opportunities will climb dramatically in the next 20 years. Not only will there be more students seeking access to postsecondary education, but the students are likely to be different than those enrolled today.

2. Economic Changes: Prospects for the state's economic future are difficult to define. Economists offer insight into future employ-

Figure 9



In the 20 years between 1990 and 2010, 750,000 non-agricultural jobs will be added to this state's economy, a 35% increase. Approximately 90% of these new jobs will be in non-manufacturing areas (business and health services, retail trade, local and state government). These are jobs that traditionally have required some postsecondary education.

Jobs are expected to demand of future employees better communication skills, more critical thinking, the ability to work in

ment possibilities, most of which will require education beyond high school.

Figures from Washington's Employment Security Department confirm that a high school diploma is no longer enough to get an adequate or average job. In 1990, the "average" job in Washington required 13.4 years of schooling; the average for the nation was 12.8 years of school. However, by the year 2000, Washington jobs will require an average of 13.7 years of school. This trend to require more education for jobs is expected to continue.

teams or handle increased responsibility. Other jobs are expected to require greater technical expertise and the ability to adjust to increasing complexity and change.

Washington's economy will demand that technical and community colleges, proprietary institutions and four-year colleges and universities meet the demands of the future workplace. This will require an environment that stays tuned to the needs of employers and workers and can adjust when those needs change. In the future, individuals and communities will rely on their postsecondary institutions to provide them with the means to support their families and pursue fulfilling

careers. Business also will look to postsecondary education to provide professional development to employees, including baccalaureate and graduate-level training.

Other Washington economic trends important to postsecondary education indicate that this state's poverty rate, while still well below the national average, increased faster than the national rate between 1980 and 1990.

Statistics reveal that poverty is highest among persons of color, as illustrated in **Figure #10**, and that poverty is high among children. Washington children 0 to 6 years of age have a poverty rate of more than 16%.

In addition, census reports show poverty occurs more frequently among female-headed families. The number of female-headed families in poverty doubled between 1970 and 1990 while the number of other families in poverty remained the

same. Significantly, births to unmarried mothers are increasing at a faster rate than births to married mothers in Washington, adding to the number of female-headed families.

Other studies make clear that persons with the least education are the most likely to live in poverty. **Figure #11** displays the dramatic relationship between level of education completed and likelihood of living in poverty in Washington.

All these indicators point to the need for more education for more Washingtonians. Unfortunately, these needs are rising at a time when demands for other state services also are increasing.

3. Washington's Expenditure Patterns

The 1980s began with the nation and the state in a severe recession. That economic downturn forced a 7% reduction of expenditures (about \$500 million) in Washington's 1981-83 biennial budget and a temporary tax increase of nearly a billion dollars to prevent wholesale dismantling of social service programs and the higher education system.

Even with the new revenues, however, enrollments in public higher education were reduced by more than 22,000 full-time equivalent (FTE) students, a reduction that has not been fully restored.

Washington bounced back from that economic low point with substantial revenue growth over the next ten years. The state's budgets also have grown substantially: the general fund portion increased from \$6.7

Figure 10

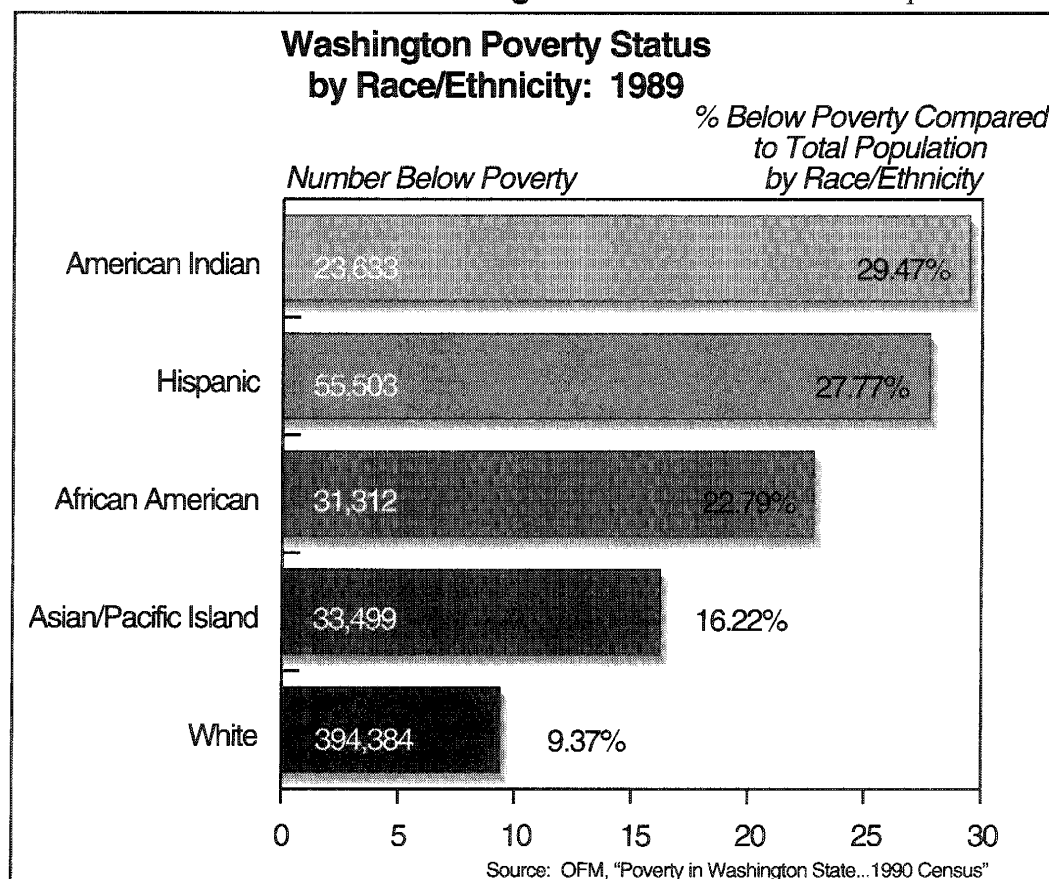
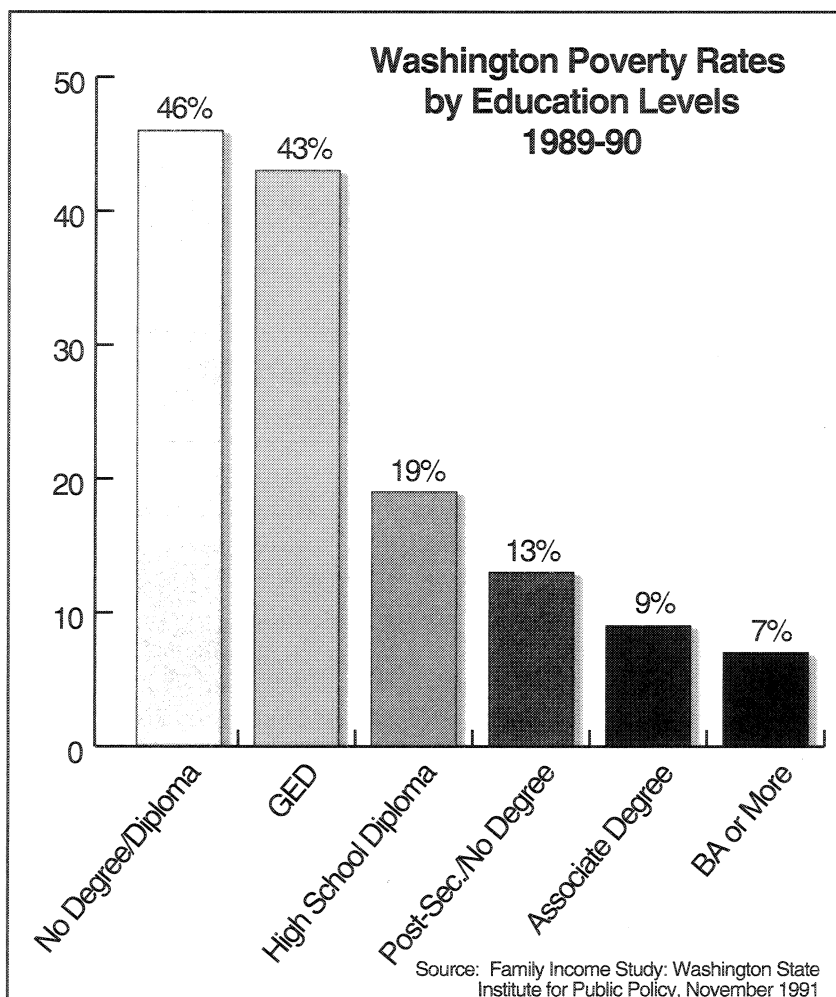


Figure 11



billion in 1981-83 to \$15.2 billion in 1991-93. That increase was spread unevenly across state programs. Education in general, and postsecondary education specifically, received disproportionately smaller shares than other program areas.

Not surprisingly, the emerging pattern of expenditures shows accelerated growth in social services and public safety programs and mandatory increases for K-12 schools to serve population growth.

These patterns should not be dismissed as short-term phenomena, as can be illustrated with a few examples:

- ❖ State-financed health care-related costs, through a combination of new programs and growth in existing programs, have gone from 14.6% of the state general fund

(SGF) budget in 1981-83 to 21.2% of the 1991-93 budget. Preliminary estimates indicate that percentage will increase to 23.5% of the SGF in the 1993-95 biennium with projected growth of more than \$800 million.

- ❖ Expenditures on corrections are also on a steep growth curve, driven largely by changes in sentencing laws and practices. Since 1981, prison costs have increased by 142% (\$299 million), despite a temporary reduction in inmate populations due to a new determinate sentencing law. Projections for 1993-95 indicate correction cost increases of an additional \$237.4 million over the current biennium.

- ❖ Costs for the K-12 school system have doubled to \$7.1 billion since 1981-83 due mostly to the population surge and expansion of the handicapped education program. Projected growth for 1993-95 is at least \$569 million. Continued and significant K-12 funding increases are projected beyond 1995 due to forecasted population growth and increased service demands to respond to changing demographics.

- ❖ Growth in other social service programs shows no sign of abating after a decade of continual increases in service populations; the Department of Social and Health Services budget has increased almost threefold (to \$3.8 billion) between 1981-83 and 1991-93.

- ❖ State construction programs have accelerated in the past few years generating

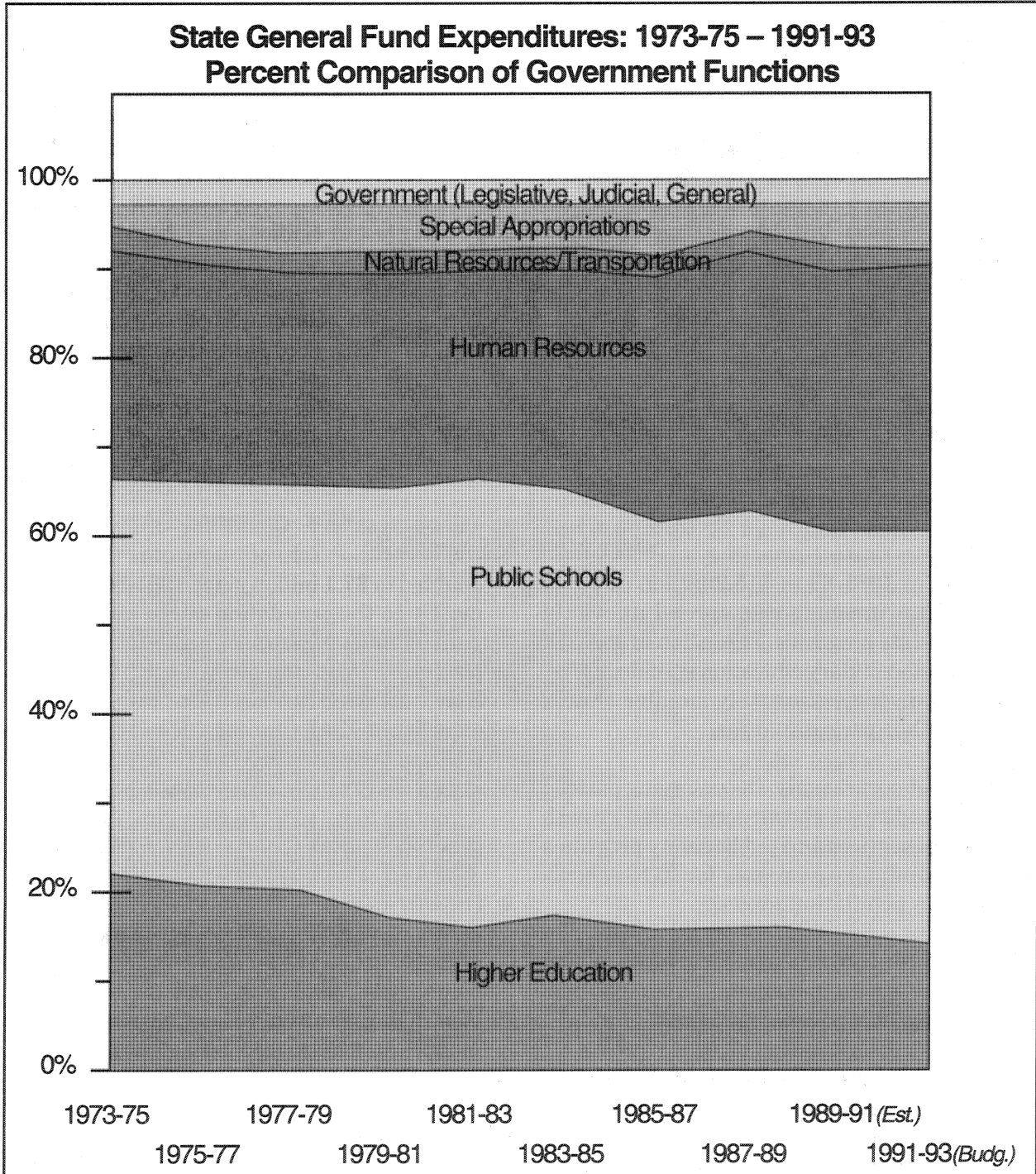
a cost for debt service that will grow by \$238 million in the next biennium. The need to replace and add state facilities guarantees future growth in this cost area.

4. Funding Outlook for Postsecondary Education

Higher education is the largest portion of the budget treated as a discretionary service. This means that postsecondary education assumes a secondary role in the

Figure #12 displays State General Fund expenditures for major governmental functions since 1973-75.

Figure 12



development of new budgets and a primary role in budget reduction plans. Specifically:

- ❖ Higher education has no guaranteed carry-forward expenditures in biennial budgeting although current expenditures and enrollments traditionally have been used as a carry-forward base.
- ❖ No mandatory or statutory increases in enrollments are provided to postsecondary education as they are for federal welfare programs and K-12 funding.
- ❖ Inflation adjustments for instruction in higher education are discretionary but are required in K-12 education.
- ❖ The impact of budget reductions on postsecondary education are as much as doubled because certain state programs, such as basic education and debt service, are protected from the reductions.

These budgeting characteristics already are impacting planning for the 1993-95 biennial budget. Instructions and other material from OFM have provided a preview of accepted carry-forward costs and outlined requirements for meeting a potential \$1.5 billion shortfall between estimated revenues and expenditures.

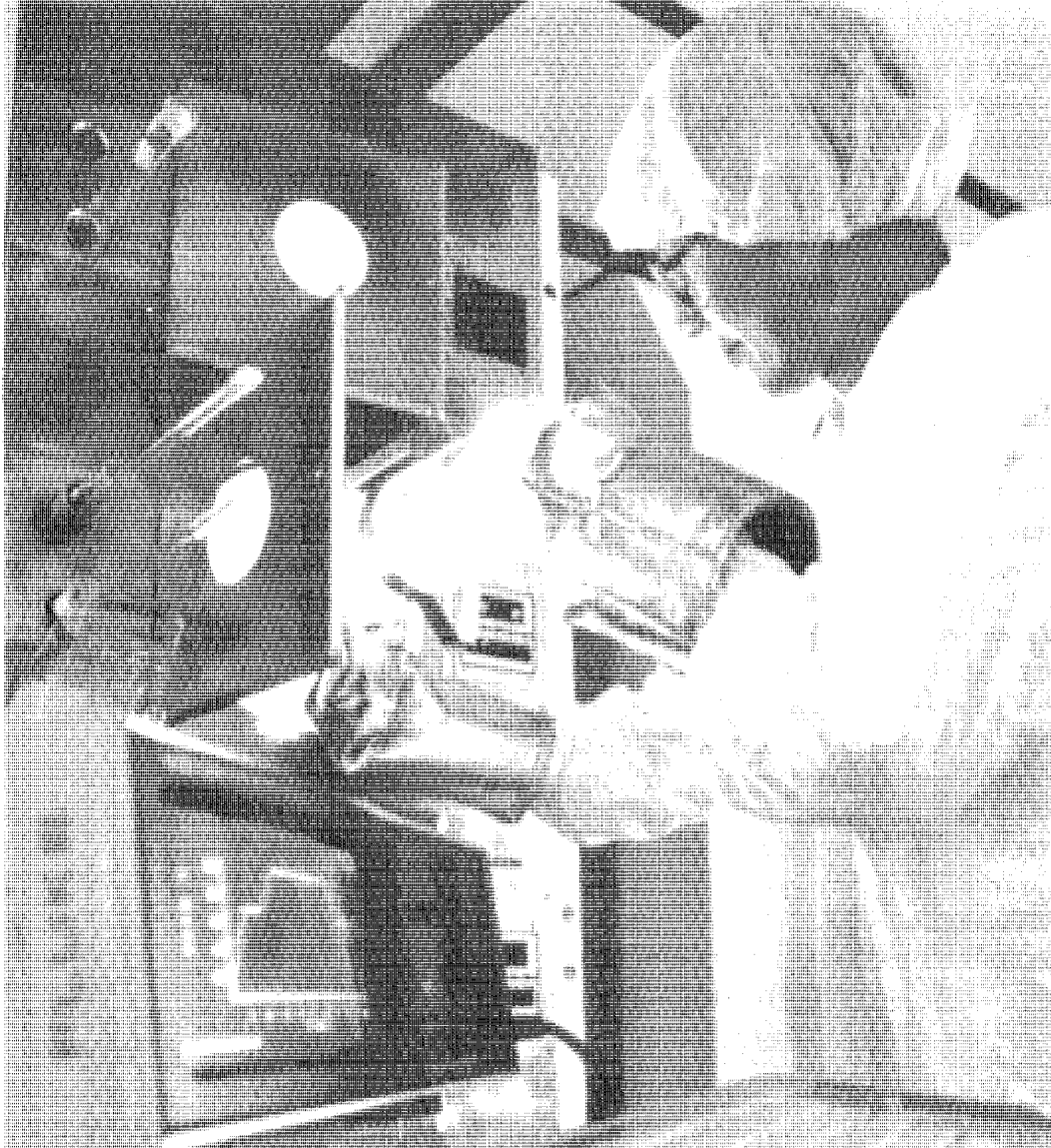
OFM's preliminary plans indicate that higher education will not add significantly to the growth in forecasted carry-forward costs since no increases for enrollment or inflation have been included. Postsecondary education could be asked to cut a total of \$302 million — and the reduction would come from the 1991-93 appropriation level. This cut represents almost 20% of the total shortfall.

The prospect of a budget reduction comes at a time when the institutions are facing not only increased demands for access but the need to prepare for more students who are disadvantaged, to better meet

requirements for high technology and telecommunications, to expand access to remote areas and to improve and maintain their capital investment.

Existing expenditure patterns clearly portend a shortage of funding for postsecondary education well into the future.

III. focus on “critical challenges”



To complement and expand information gained from context briefings, the issue survey, and the regional meetings, the HECB directed staff in January 1992 to focus research efforts on five "Critical Challenges."

This research, summarized below, built upon the foundation of previous Board efforts and helped guide the HECB toward developing planning priorities and preparing recommendations for this 1992 Update.

A. ACCESS EQUITY: *How can educational opportunity be provided so that no qualified individual is denied access due to financial need or discouraged from participation by cultural or other barriers?*

"Access Equity" is defined as the opportunity for an academically qualified individual to enroll in and complete the academic program of his or her choice regardless of the individual's racial or ethnic origin, gender, disability, wealth or place of in-state residence.

This study focused primarily on barriers imposed by lack of sufficient finances. However, other barriers to access (availability of programs, geographic accessibility, barriers to under-represented populations, and physical and other barriers to the disabled) will continue to be examined and incorporated into future updates of the Master Plan.

1. Brief History

For more than 30 years, student financial aid has been recognized as a key to ensuring equitable access to educational opportunities. During the 1960s, landmark federal legislation proclaimed an individual's right to some form of postsecondary education regardless of his or her financial or socioeconomic circumstances or racial/ethnic origin.

Washington initiated its first state-funded financial aid program in 1969, and

in 1976, state lawmakers declared their intent that "needy students not be deprived of access to higher education due to increases in educational costs or consequent increases in tuition and fees."

Pressure on states to increase support for financial aid intensified during the 1980s when federal support for student aid programs failed to keep pace with increasing needs. Between 1979-80 and 1987-88 academic years, the average percentage of college-going costs covered by the maximum federal grant dropped from a high of 64.1% to 38.1%.

Washington responded to federal shortfalls by increasing state support for financial aid from \$19.8 million in 1981-83 to \$73.4 million in 1991-93.

2. Changing Environment

Major indicators of change include:

- ❖ Projections that Washington's population will grow by more than 47% by the year 2020;
- ❖ Forecasts for major growth in the number of persons between 17 and 25, who comprise the traditional higher education student group;
- ❖ Rapid increases in the percent of Washington students of color in K-12, who will soon impact postsecondary enrollments;
- ❖ Increases in the number of potential students who will come from families living in poverty; and
- ❖ Evidence that disparities in educational advancement between young adults from low and high family income backgrounds are "very large, pervasive, persistent and growing," according to recent research. Students from high family incomes have eight to 13 times greater chance of having a baccalaureate degree by age 24 than

do students from a low family income background.

3. Current Programs

During the 1990-91 academic year, 78% of the financial aid funds available to Washington students were provided by the federal government through a variety of grant, work and loan programs. The largest single source of federal aid was the Guaranteed Student Loan program, which provided more than half the total federal funds available in Washington.

Recent studies support a growing concern regarding the negative effect on many students of over-reliance on loans, which must be paid back, with interest over time. Instead, grants, which do not require repayment, are suggested as a more effective source of aid to encourage student persistence, especially if grants are renewable and provide significant amounts of money.

In the 1990-91 academic year, Washington appropriated approximately \$30 million for need-based financial aid programs, including the State Need Grant (SNG) program, which provides grants to very needy Washington residents (those with an average income of \$16,066 for a family of four); and the State Work Study program, which provides part-time, educationally-related work opportunities for needy students.

Despite significant growth in SNG funding, only an estimated 50% of Washington low-income students eligible for SNGs will receive them during the 1992-93 academic year.

To complement support from grants and avoid over-reliance on loans, an ever growing percentage of students are working while they attend postsecondary education. A 1990 study by the American Council on Education reported that 62% of all students were working in the fall of 1988.

Work study opportunities, like Washington's State Work Study program, have been shown to be at least as likely as grants in encouraging student persistence.

4. Preliminary Conclusions

- ❖ Additional increases in state support for financial aid appear essential to keep abreast of both the increasing numbers of students needing aid and the changing needs of current and potential students.
- ❖ A combination of grants and work study opportunities appear to offer the most effective incentives for encouraging student persistence.
- ❖ More study is required on other barriers to access, particularly those affecting persons of color. While adequate financial aid will be essential to increasing participation by students of color in postsecondary education, other factors also are important, including contact and early intervention at the grade school level, appropriate academic and other support services, a comfortable institutional climate, and a belief in the existence of suitable employment after graduation.

B. ACCESS FOR SOCIETAL BENEFIT:

How can increased access to higher education contribute more directly to the achievement of the state's social and economic objectives?

1. Introduction

The study on "Access for Societal Benefit" is based on the knowledge that increased participation in postsecondary education is a sound economic investment, one that leads to production of "human capital" to support economic advancements.

The study also assumed that it is possible to forecast labor market demand and

understand its relationship to postsecondary education curricula, but recognized it is not possible to establish "one-to-one" direct ties between degree areas within liberal arts and specific occupational categories.

This investigation further recognized that, while it is possible to encourage students to participate in selected discipline or training areas, such efforts are limited by both the voluntary nature of student behavior and organizational constraints of educational institutions.

Proceeding in the belief that state policies can be developed to target discipline and training areas and induce student participation in those areas, this study focused primarily on gathering data on academic degree production by the two- and four-year public college and universities and on estimates of occupational demand. Time constraints and data limitations prevented adequate consideration of workforce training supply and demand.

2. Production/Demand

a. Degree Production

Figures #13, 14, 15, 16 and 17 illustrate recent changes in degree production. Among the most notable are the following:

- ❖ Associate degree production has increased by approximately 25% since the early 1980s, but the number of degrees in vocational areas has declined from about half of all degrees to 37% of the total in 1990-91.
- ❖ In 1990-91, degrees within Arts and Letters were the most frequent (26%) at the bachelors level, followed by Social Sciences (21%) and Business (20%). Only 6% of all bachelors degrees were awarded in the Sciences, and Health and Computer Sciences; each represented less than 5% of all bachelors degrees.

- ❖ At the bachelors level, the number of degrees in Computer Sciences has increased by 200% in the past decade, while the number of degrees awarded in Health has declined by about 28%.
- ❖ In 1990-91, 29% of all masters degrees were awarded in Education, followed by Business (17%), and Arts and Letters and Social Sciences (each at 14%).
- ❖ Awards of masters degrees in all areas except Agriculture and Natural Resources and the Social Sciences have increased in the past ten years, and the number of masters degrees in Computer Sciences has increased by more than 200%.
- ❖ Overall, the number of doctoral degrees awarded has increased modestly, by approximately 4% in the past decade. The largest increases were in Computer Sciences and Engineering.
- ❖ The numbers of professional degrees awarded have decreased in both Health and Law since 1979-80. Awards in Health have declined by 22%.

Figure 13

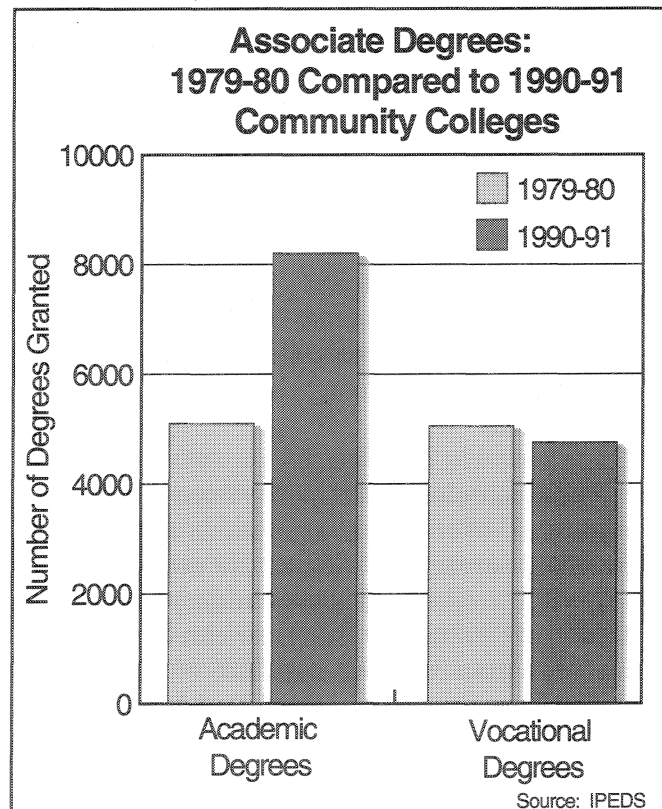
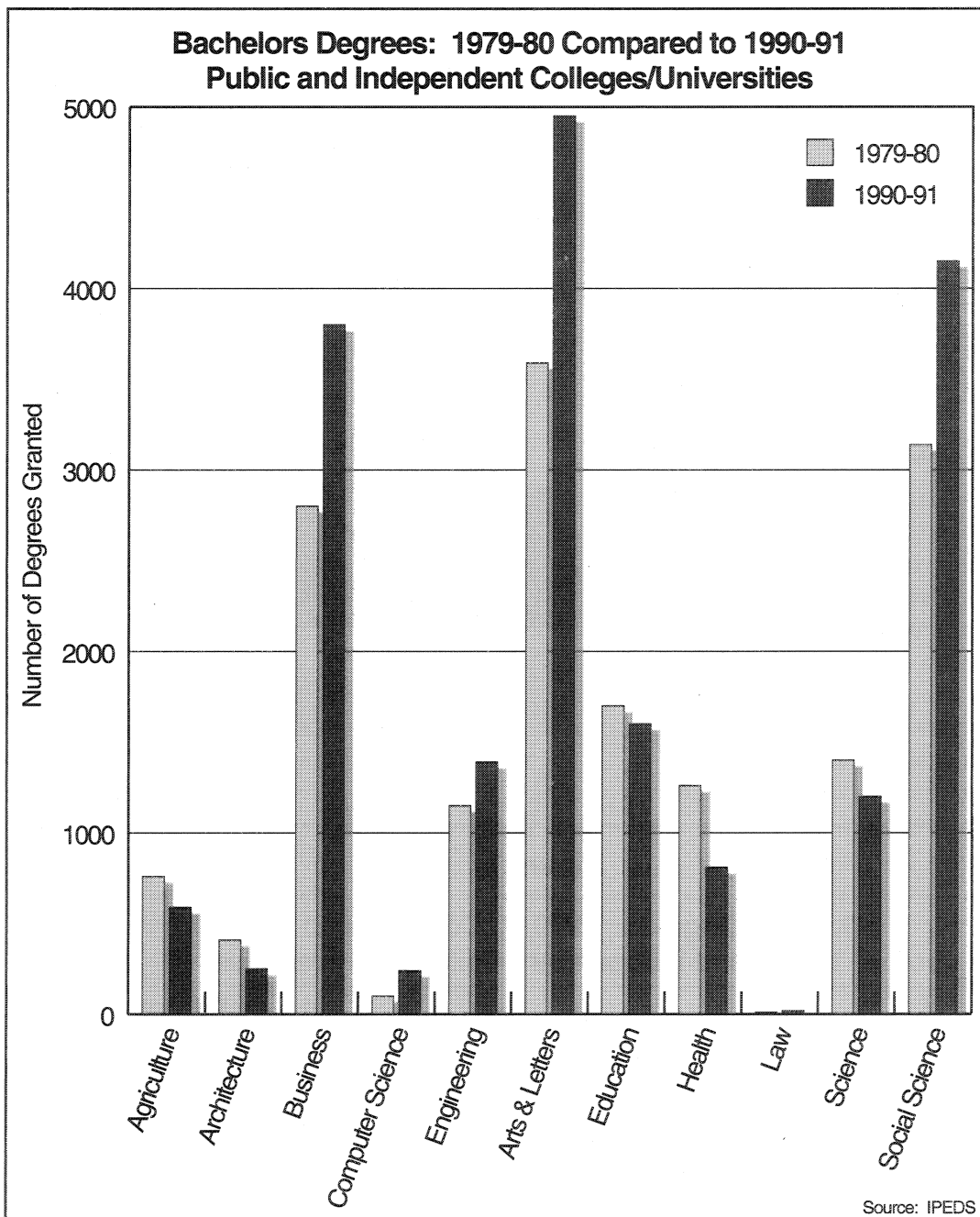


Figure 14



b. Supply and Demand Estimates

When degree production (“educational supply”) was compared to occupational forecasts (“demand”), potential shortfalls in supply were identified in several areas.

Increased degree production is needed at the bachelor’s level in Business, Computer Science, Engineering, Education, Health and the Sciences. At the master’s and doctoral

level, the greatest future need may be for replacement faculty in all fields, as well as graduate or professional training in Engineering, Education and Health. However, supply and demand figures change rapidly and will be reviewed regularly by the HECB.

Comparable data on workforce training supply and demand are not available. The HECB will undertake a study of workforce needs in conjunction with its part-

Figure 15

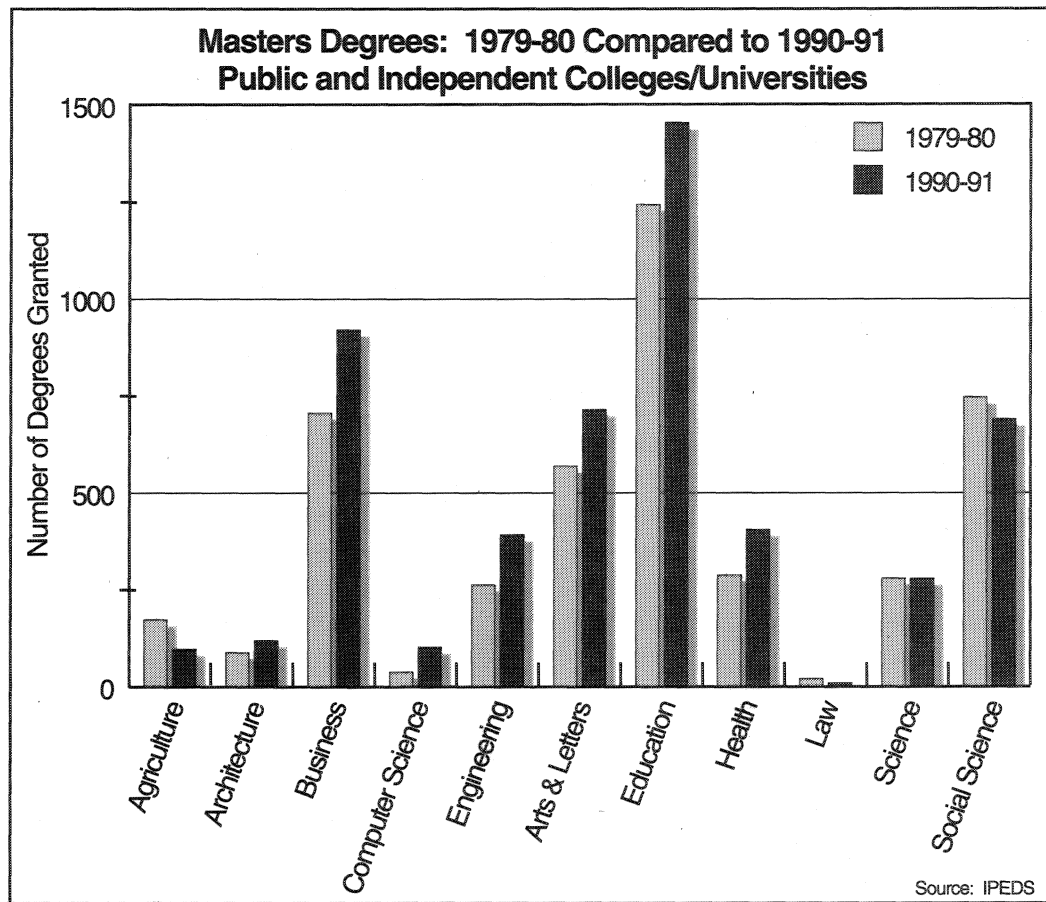


Figure 16

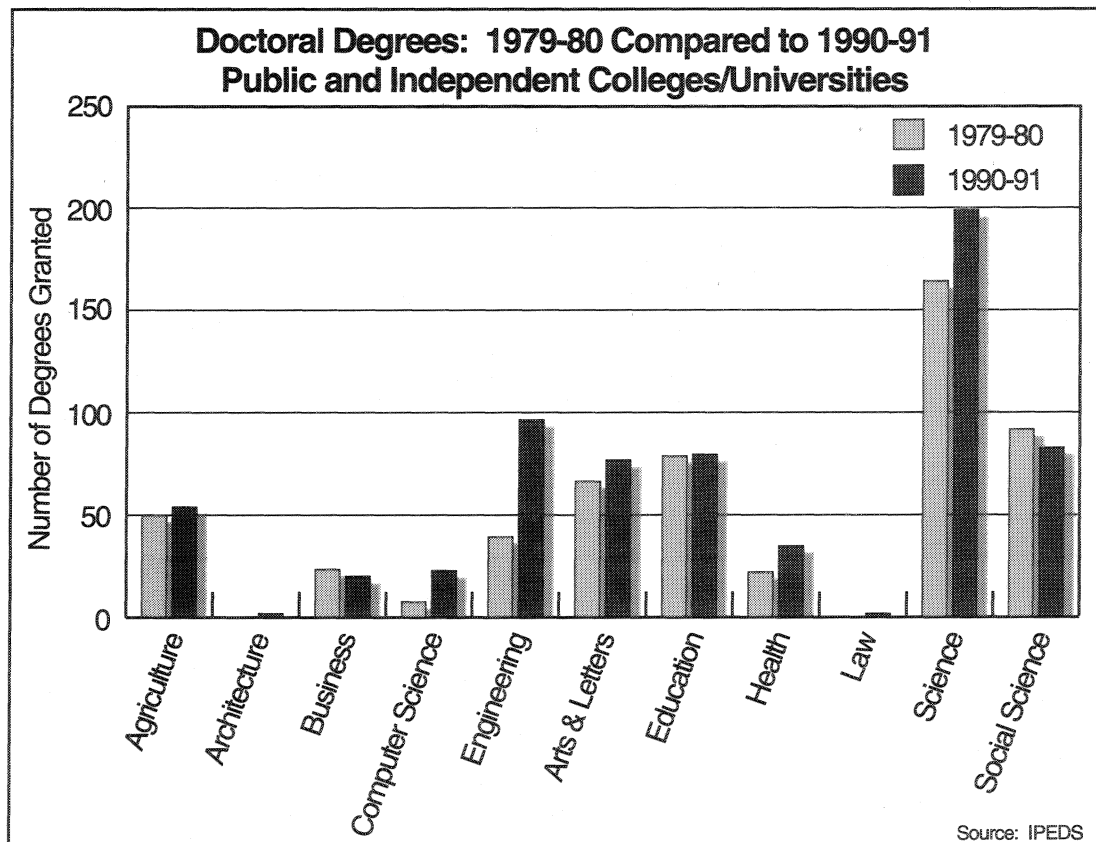
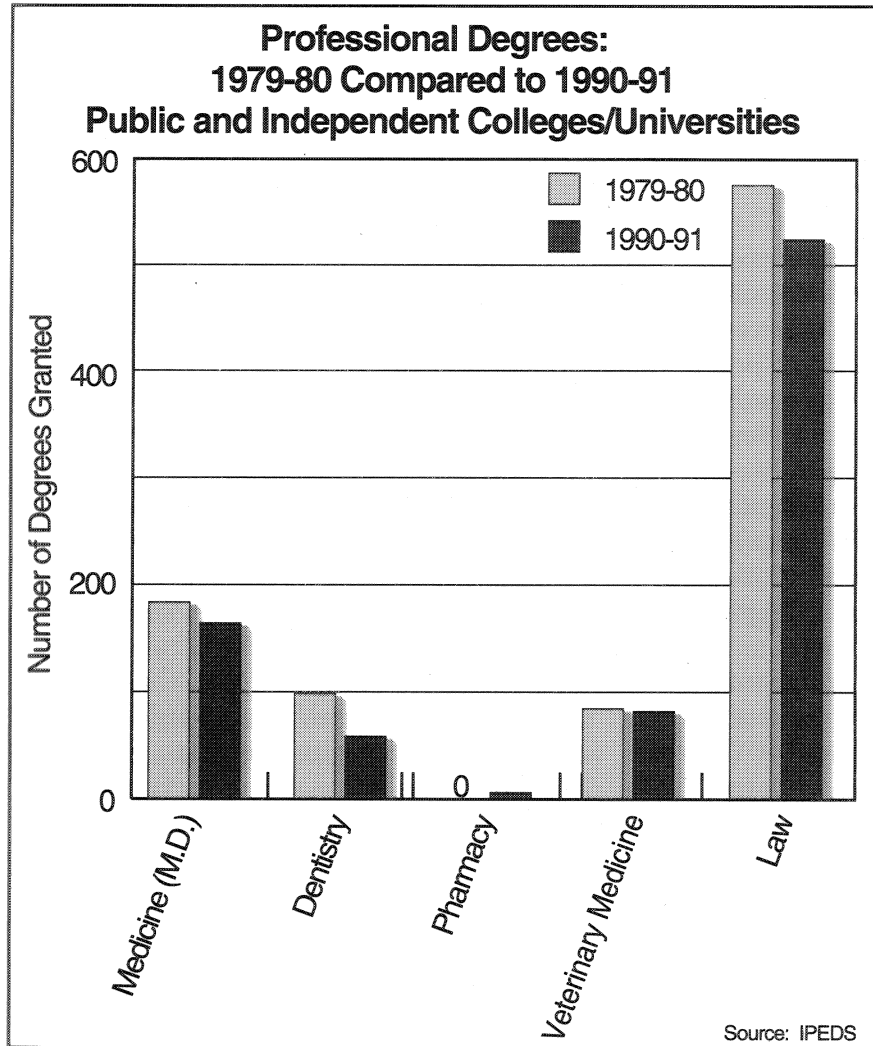


Figure 17



❖ Improved linkages are needed between the four-year public institutions and state agencies responsible for educational planning and economic/occupational demand forecasting.

C. UNDER-GRADUATE EXCELLENCE:

How can the quality of education programs offered by the two-year and four-year colleges and universities be improved, with emphasis on promoting excellence in undergraduate teaching and learning?

1. Introduction

ner agencies (Workforce Training and Education Coordinating Board, State Board for Community and Technical Colleges and OSPI).

3. Preliminary Conclusions

- ❖ Additional study is required to verify preliminary findings and provide more specific information on degree/production trends, general discipline areas, undergraduate enrollments by discipline, vocational/technical areas and graduate and professional degree production.
- ❖ More analysis also is needed of the causes of the state's "under supply" in certain critical areas, including insufficient student interest and lack of institutional capacity.

The HECB believes postsecondary education has no more basic responsibility than to offer a quality undergraduate education to students, be it from a community or technical college or from a four-year university. The Board also believes every student must be given the opportunity to succeed and that institutions must better understand how the needs of students are expected to change.

The study on undergraduate excellence began with the recognition that quality is an elusive concept, one that can be defined in many ways and one which should evolve to keep pace with changing environments and understandings. From a statewide perspective, the study also recognized that to address quality and find the means to pro-

mote improvements in postsecondary education, the challenge becomes how best to encourage good things to happen more frequently, in more places, and including more people.

2. Current Environment

Since 1987 the HECB has stressed the importance of improving the quality of the state's postsecondary institutions. As has been reviewed earlier in this Update, the HECB adopted minimum admission standards and coordinated the development of assessment programs at all two- and four-year public institutions. Additionally, the Board sought adoption of a quality funding formula aimed at reaching the 75th percentile of dollars-per-student funding in appropriate institutional peer groups, and sought support for an incentive grant program to encourage improvement initiatives.

In the meantime, the undergraduate student body has changed, becoming more diverse and requiring special assistance. To accommodate these new students, institutions have begun using more student-centered approaches to management and instruction, which have the potential to improve the quality of the undergraduate experience.

Faculty are key to improving the quality of education. Therefore, many institutions are considering policies to increase recognition and reward for undergraduate teaching. Additionally, institutions are assessing their activities with an awareness that there are insufficient resources to be all things to all people, and that quality is indirectly affected when an institution is spread too thin.

In Washington, exemplary improvement efforts already are underway. For example:

- ❖ The Washington Center for Improving the Quality in Undergraduate Education, a consortium of 43 institutions, offers a promising and relatively low-cost ap-

proach to faculty revitalization and to exploring models for curricula reform;

- ❖ Several Washington institutions already have initiated major reform efforts of their general education or core curricula; and
- ❖ Assessment programs at the institutions have developed approaches to defining and assessing student outcomes that are consistent with the identity of each institution and needs of its faculty, students and administration.

3. Preliminary Conclusions

- ❖ Excellence in undergraduate education is the responsibility of the institutions and their faculties. However, to achieve excellence, the institutions will require additional assistance from the state, including enhanced but targeted funding, improved coordination to address systemwide issues and opportunities to experiment with innovative programs and methods.
- ❖ The HECB can contribute by supporting existing improvements, extending improvements to new sites and stimulating changes throughout the system. The Board also can coordinate development of a multi-dimensional set of quality indicators and seek resolution to such systemwide issues as articulation, transfer and progress to degree.

D. PARTNERSHIPS: *How can higher education join with other educational sectors to ensure that more citizens are prepared for productive and satisfying lives when they complete education at any level?*

1. Introduction

The HECB study of "Partnerships" reenforced the belief that postsecondary education has a responsibility to work with other parts of the education system and the community to seek and help implement solutions

to an array of urgent social problems, including: increasing poverty, inadequate health care, declining test scores, increasing numbers of at-risk youth, and illiteracy.

The Board believes postsecondary education also has an obligation to be involved in educational reforms at all levels to assure consistency in curriculum, standards and methods among educational sectors, and to be prepared to train tomorrow's teachers.

The HECB intends to encourage and enhance the use of partnerships to develop comprehensive, coordinated and cost effective efforts to address these challenges.

2. Current Environment

This study focused on four major subtopics: students, common schools, public colleges and universities and existing partnerships.

a. The Students

Increasing poverty and decreasing educational attainment characterize trends impacting Washington students.

- ❖ The percentage of Washington's children living in poverty rose faster from 1970 to 1990 than the national average.
- ❖ In 1989 an estimated 23% of the freshmen who entered Washington high schools will have dropped out before graduation.
- ❖ Although average SAT and ACT test scores have declined in Washington and other states, the scores of students in the top 25% have increased over the past ten years; scores of the lowest 25% have declined most dramatically.

b. The Schools

Public elementary and secondary schools have been the focus of increased

attention nationally and of Washington's Governor and Legislature. That attention led to creation of the Governor's Council on Education Reform and Funding in 1991 and to passage of school reform legislation in 1992.

The Governor's Council, which is scheduled to present recommendations in December of 1992, has focused on competency-based education and on integration of academic and vocational curriculum. Recommendations for implementing competency-based education will require curricula to be organized around individual student attainment of these competencies, rather than around a series of courses. This will lead to wide variation among the state's 296 school districts.

Because college admission standards and high school graduation requirements currently are based on courses students have taken, new methods will be required for evaluating appropriate levels of student learning as defined in a competency-based program.

Two recent programs, Running Start and Tech-Prep, parallel the competency-based curriculum and applied academic initiatives and provide insight into some of the educational challenges facing K-12 and postsecondary education. Despite those challenges, the HECB has encouraged both programs, and each is expected to expand in the near future.

c. The Colleges and Universities

During the past decade increased demands for clearer educational outcomes and vocational relevance have been placed on higher education, as well as on the K-12 schools. Public attention has focused on the quality of undergraduate education and of teacher preparation.

Concerns about underprepared college graduates and school teachers have led to more stringent assessment, accountability

and accreditation demands on postsecondary education as well as higher admission standards for entrants.

To address those concerns, faculty in postsecondary education recently have undertaken reviews of undergraduate curricula, partially aimed at improving undergraduates' practical communication and computation skills. Some campuses also have begun to seek ways to improve student teamwork and integrative skills.

In addition, teacher education has attracted increased attention. Demands for improvements have centered on four major issues: need for new teaching skills prompted by changing student needs and school reforms; dissatisfaction with ability of colleges of education to meet basic teacher education program standards; teacher shortages and resultant requests for alternative teacher certification; and clarification of accountability for content and performance in teacher education programs.

d. Partnerships

Washington has a strong tradition of voluntary partnerships among educational institutions and sectors. Hundreds of educational partnerships are in operation. Their functions and their experience levels vary widely as two examples illustrate:

- ❖ The Washington Council on High School - College Relations was formed in 1957 to help facilitate efforts among schools, colleges and universities to negotiate recruitment, admissions and transfer policies. A core element of this partnership is the Inter-College Relations Commission's transfer agreement, which facilitates student transfer from community colleges to four-year institutions.
- ❖ Formed just last year, the Washington State Campus Compact focuses on service to the community. The Compact seeks to provide technical assistance and resources to member campuses, gener-

ate funding for competitive grants programs, facilitate networking and collaboration among campuses, involve faculty in linking curricula with service experience, and foster recognition of student service.

Some existing partnerships help provide students opportunities for service learning, enabling them to apply their knowledge and learn from the experience of providing service to their community. Many postsecondary institutions already have integrated service learning into their curricula through internships and cooperative education.

Currently, the HECB supports service learning by providing funding incentives for placing needy college students in work study positions with literacy providers and by funding institutionally created service projects.

3. Preliminary Conclusions

- ❖ Washington's schools and colleges will be expected to educate out of poverty an increasing proportion of students who are less prepared to learn because of their poverty.
- ❖ Potential changes in the undergraduate curricula will require improved coordination among public colleges and universities, especially in a state which relies heavily on community college transfers.
- ❖ The state can benefit significantly from exploring the use of educational partnerships to: keep abreast of and help implement K-12 reform, improve teacher preparation and development programs, expand programs for at-risk youth and encourage expansion of public service learning.

E. FUNDING: *How can Washington establish a funding basis that is adequate to support public higher education, with emphasis on long-term stability, efficient and accountable management, and achievement of clearly articulated goals?*

1. Introduction

The study on "Funding" is based on the assumption that postsecondary education is an important benefit to society as a whole and to individuals, whether or not they participate as students. The HECB believes that, while students should continue to share a significant portion of the cost of their postsecondary education, Washington citizens also are willing to continue providing support to this state's colleges and universities.

Recent experience nationally and in this state has demonstrated that wide variance in funding of postsecondary education impedes planning and implementation and diminishes educational quality. The HECB believes more stable funding could contribute to better planning and higher quality, and that mechanisms exist which could help provide that stability. The Board also recognizes the importance of allowing every college and university the autonomy necessary to pursue their specific goals of excellence, based on their roles and missions.

In addition, the HECB also believes Washington citizens are entitled to expect that, through their elected representatives and the systems they establish, they can influence institutions to use resources efficiently, to strive for greater excellence, and to respond to changing state needs.

2. Brief History

Funding remains the unsolved challenge from the 1987 Master Plan, which advocated a SAFE funding formula to en-

sure Stability, Adequacy and Focused Excellence.

The formula sought as its first priority maintenance of the value of the current base (Stability), and encouraged adoption of a goal (Adequacy) to fund Washington colleges and universities to the 75th percentile of selected groups of peer institutions based on a dollars-per-student calculation. The HECB proposed tabling the Focused Excellence element of SAFE until the 75th percentile funding goal was achieved.

While the Legislature did not adopt the SAFE formula, it did provide financial stability for postsecondary education during the 1989-91 biennium by funding progress toward reaching the 75th percentile goal and enhancements for educational quality. But, those gains were reduced in 1992 when the Legislature cut State General Fund (SGF) support for institutional operating budgets and maintained enrollment levels.

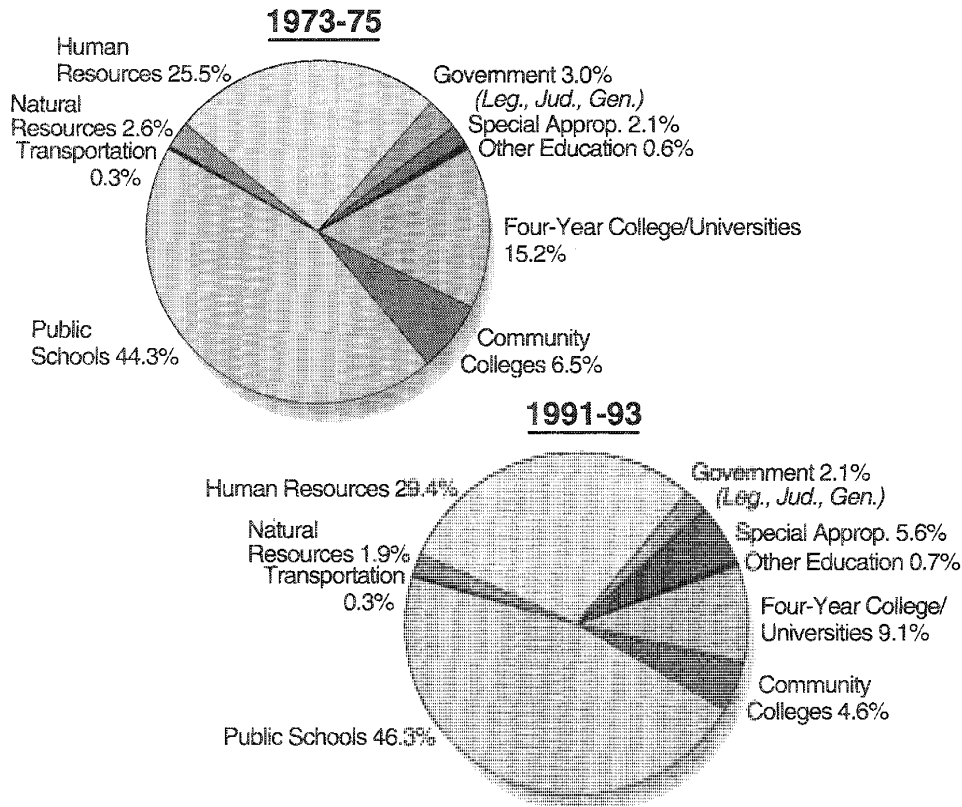
Historically, Washington postsecondary education has relied heavily on appropriations from the SGF. During the past 20 years, however, the share of the SGF dedicated to two- and four-year public colleges and universities has declined from 21.7% in 1973-75 to 13.7% in 1991-93, as illustrated in **Figure #18**.

Efforts to supplement SGF support have periodically focused on searches for new revenue sources and increases in tuition and fee rates. Unfortunately for higher education, proposals for new or increased taxes have persistently been dismissed by Washington voters, except for those supporting K-12 operation and construction bonds.

Tuition levels have climbed steadily, but have not experienced the dramatic hikes recently seen in California and Oregon. Instead, for more than a decade, Washington has set tuition and fee rates as a fixed percentage of educational cost, adjusted annually, varying among types of institution, levels of instruction and residency status.

Figure 18

**State General Fund: 1973-75 and 1991-93
Comparison of Government Functions**



expected to remain on future agendas as demands on the State General Fund rise faster than its rate of growth.

Over the past decade, the Legislature also has wrestled with pressure to increase postsecondary enrollments but maintain quality. To protect quality, legislators have used the operating budget to impose narrow enrollment bands for each institution, an unusual practice nationally. But support for preserving quality at the expense of expanding access has declined, and new enrollments have been funded recently at marginal levels.

The Legislature also has used the biennial budget to send a variety of other messages to postsecondary education over the past several years. For example, legislators have:

- ❖ provided general enhancements linked to statewide higher education objectives for access and quality,

Since 1981, tuition and fees for resident undergraduates have increased by 106% at the research universities, 96% at the comprehensive universities and 101% at the community colleges. Resident tuition and fee rates for 1981-82 and 1991-92 are displayed in **Figure #19**.

Unlike many states which have increased tuition but ignored the impact such increases have on financially needy students, Washington lawmakers, since 1976, have honored a statutory intent statement that earmarks at least 24% of any increase in tuition at public institutions for financial aid for students at all postsecondary institutions.

Proposals to change the mechanism for determining tuition levels and funding financial aid were considered but not adopted during the 1992 legislative session and are

- ❖ adopted specific provisos to earmark operating funds for assessment and minority recruitment and retention, and

- ❖ devised "student quality standards" to ensure that institutions accepted only as many students as the state was willing to educate at a reasonable level of quality.

Legislators also influenced institutional direction by allocating funds to the HECB for incentive programs, including Distinguished Professorships and Graduate Fellowships, both of which provided a state match for money raised privately.

But throughout recent history, budget writers consistently have treated additional

higher education enrollments as a discretionary portion of the budget and have not calculated new enrollments as part of a carry forward level. This practice has ensured a declining participation rate because additional enrollments have not kept pace with population growth.

Current state budget practices authorize new enrollments without specifying levels or disciplines and fund these enrollments "on the margin" or at a rate well below average-per-FTE cost. This practice has virtually ensured that high need/high cost programs or disciplines will not receive appropriate emphasis. This is because institutions are required simultaneously to meet their enrollment targets and their average dollars-per-FTE calculation.

Funding additional students "on the margin" also has discouraged increasing enrollment in vocational, upper-division or graduate levels because costs at these levels are well above the institutional average, let alone the marginal cost.

State budget practices also serve as a disincentive for saving money, since funds left over at the biennium revert to the state. Institutions have sought to carry forward their biennial savings, which could be earmarked for quality or other specified purposes.

3. Current Environment

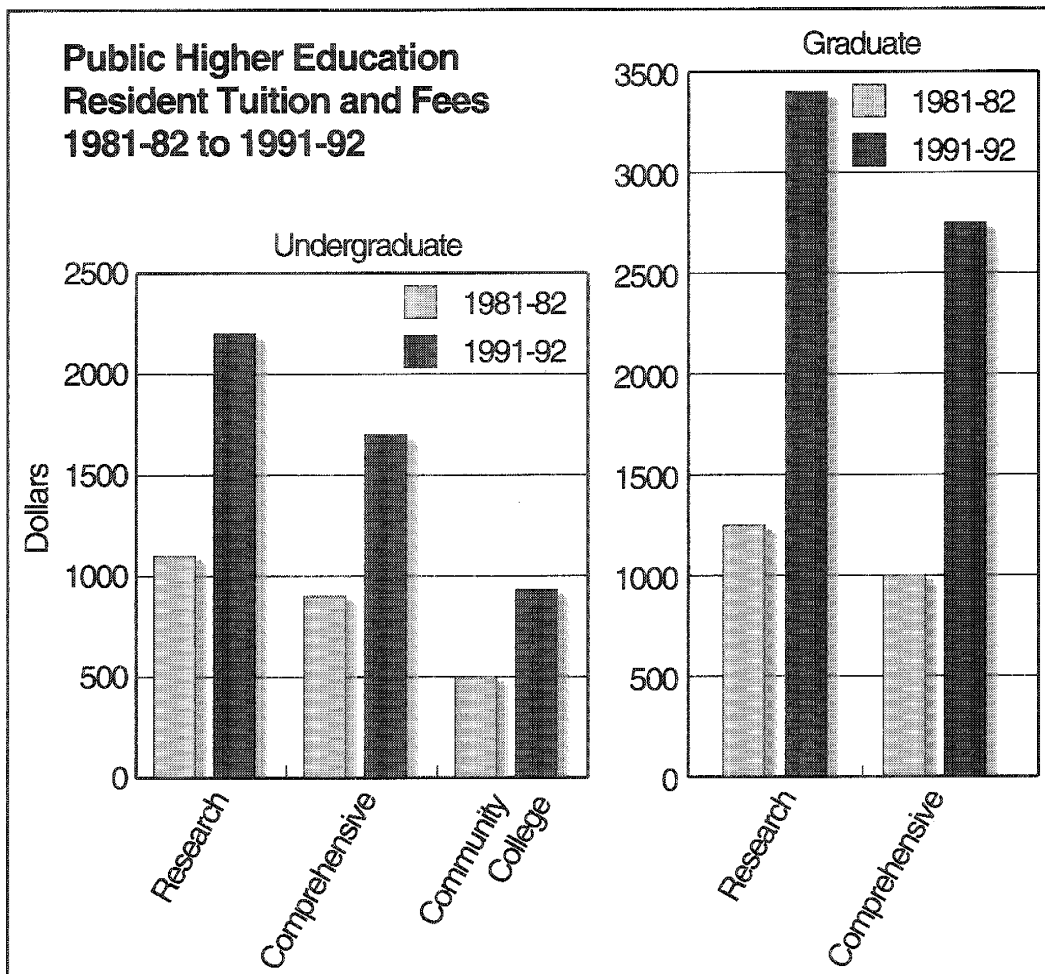
The picture for state finances is bleak, and likely to be worse in the years ahead. A projected \$1.5 billion shortfall prompted the Office of Financial Management during the summer of 1992 to ask state agencies

to submit contingency plans to reduce their 1993-95 estimated carry forward budgets by an average of 16%.

Similar steps to reduce operating budgets are being taken in other states. To counter those efforts and to improve the financial picture for postsecondary education, several states and/or institutions have:

- ❖ dramatically increased tuition,
- ❖ expanded private fund-raising and opportunities for state matching fund programs,
- ❖ emphasized plans to enhance productivity and accountability as a means of helping find ways to operate on less, and
- ❖ explored adoption of Total Quality Man-

Figure 19



agement or similar approaches to promote more efficient, high quality, service-oriented environments.

Washington policymakers have expressed renewed interest in ways to measure quality and gauge improvements. Higher education already is involved in that effort, through assessment activities launched in 1987 as part of the HECB Master Plan.

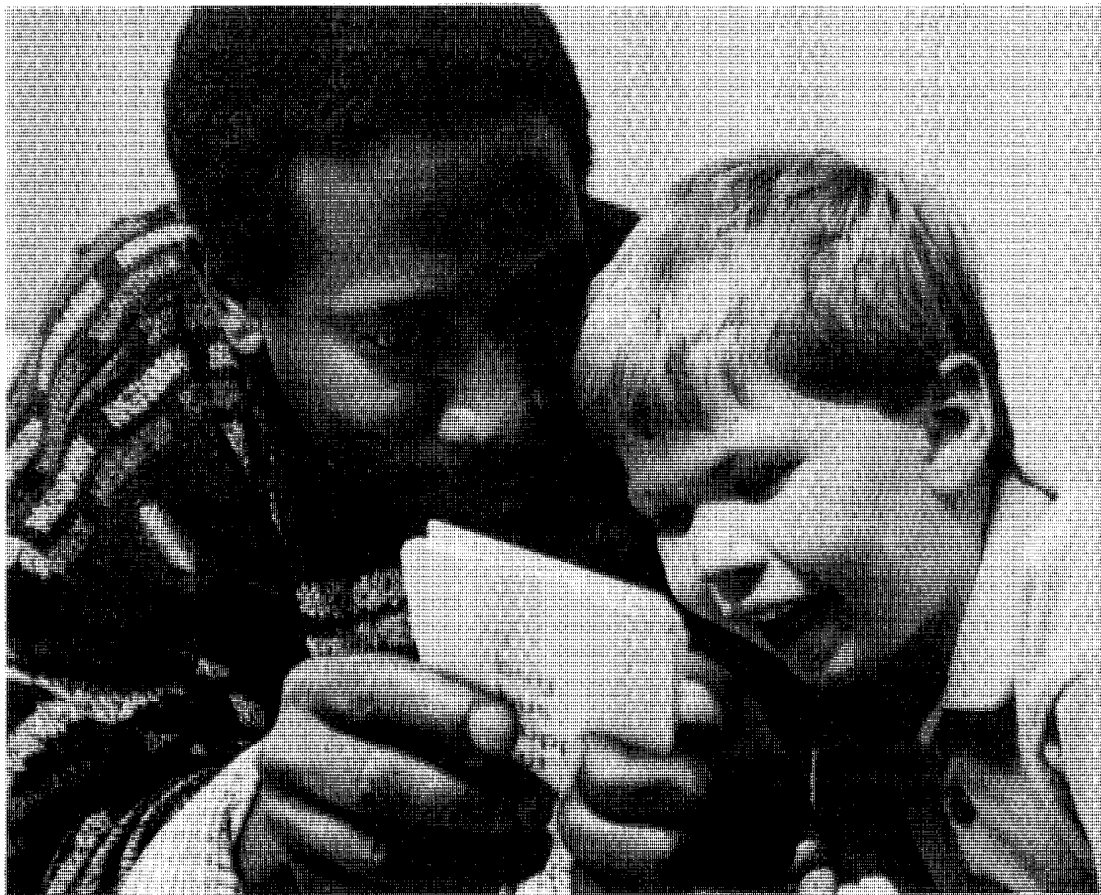
Interest also is rising in requiring studies of degree programs, in particular high cost programs, which produce few graduates and/or student FTEs. Policymakers see eliminating unnecessary or duplicative programs as a way to save state dollars.

Similarly, revenue shortages have prompted new interest in "faculty productivity" and "facility under-utilization." Several states recently completed studies to determine the degree to which faculty participate directly in undergraduate instruction, while others encouraged better use of campus facilities by increasing evening, weekend and summer term opportunities.

4. Preliminary Conclusions

- ❖ Finding solutions to stabilize and enhance support for public postsecondary education will remain high on the state's agenda throughout the 1990s.
- ❖ Interest will intensify in proposals to increase productivity, efficiency and accountability in postsecondary education.
- ❖ Current assessment activities provide a solid foundation on which to build additional efforts to improve quality and accountability.

IV. update planning priorities and recom- mendations



Following more than a year's study, the Board in July endorsed three planning priorities for the *1992 Update of the Master Plan*: Access, Quality and Public Investment.

In doing so, the Board recognized that the state must not simply increase access for more citizens, it must target postsecondary educational opportunities to ensure equity to citizens who are disadvantaged, underrepresented or disabled and to provide the education and training the state's workforce must have to support a viable economy.

Careful planning at all levels of postsecondary education will be required to achieve these access goals, and the Board believes these planning activities must be expanded well beyond allocation of FTE numbers among institutions over a span of the next two decades. They must be dedicated to assuring — and enhancing — the quality of education delivered.

Therefore, the Board will assume a leadership role in crafting, with the institutions, a systematic strategic planning effort to help clarify how best to help students succeed and how better to deploy the state's resources to incorporate results of those efforts throughout Washington's education system.

These planning activities aimed at expanding access and improving quality also must be guided by constant vigilance over the public investment in postsecondary education. Estimated at nearly \$3 billion in the next biennium, this investment commands careful scrutiny to ensure a system that is productive, accountable and meritorious of continued and consistent state support.

A. PLANNING PRIORITIES

1. Access: Commitment to Opportunity

Postsecondary education is crucial to individual lives: it enables us to become self-sufficient, prepares us for careers, improves our marketability and helps us stay current on the job. In addition, it provides benefits to society through trained workers' contributions to the economic success of business and industry and through decreasing dependency on state services. Therefore, access to quality postsecondary educational opportunities will remain the most important issue for Washington citizens and employers throughout the 1990s, be it workforce training, community or technical college preparation, or a university education.

- (a) Increasing access is the Board's highest priority. The Board reaffirms its commitment to the long-term enrollment goals defined in *Design for the 21st Century* and endorsed by the 1991 Legislature. The Board views progress toward achieving these goals as an essential investment in this state's future.
- (b) While increased access to postsecondary education must be provided for Washington's population in general, the Board believes specific provisions also must be made for improving access for the economically disadvantaged, persons of color, and for persons with disabilities.
- (c) Increased access also must incorporate means to improve the match between education/training and employment opportunities that provide a living wage. This will require the Board to undertake a new, more active role in the area of workforce training.
- (d) The Board believes a coordinated review of enrollment planning must be undertaken by the HECB, in conjunction with appropriate partner agencies and institutions, prior to the 1995-97 biennium.

2. Quality: Demonstrated Improvements, Expanded Partnerships

Postsecondary education continually needs to improve program and instructional quality to help students achieve their goals and to produce graduates with the skills needed for tomorrow's competitive and complex world. Defining quality, however, can be difficult. And perspectives of quality are likely to differ between state policymakers and institutional leaders.

Since 1987, the Board has advocated a definition of quality that relies on two critically linked concepts: the provision of adequate funding and an assessment program that holds institutions accountable for the results. Adequate funding has been defined as the achievement of the 75th percentile in dollars-per-student among the respective institutional peer groups.

A definition of quality that relies heavily on increased funding per student has drawbacks, however. Such measures provide no guide for how institutions have allocated resources internally. For example, an institution that has chosen to allocate more to its instructional program may have fewer total dollars available per student than the average of its peers but be able to produce better "quality" graduates.

Furthermore, if the HECB's analysis of the state's fiscal plight is correct, postsecondary education will have to improve the quality of its programs and graduates by both reallocating current resources to areas of highest priority and obtaining new state or private resources. Winning the competition for any new state resources will require, at a minimum, clear evidence that current dollars are being spent wisely.

The Board believes that a better definition of quality — and an improved method of funding — would rely more on demonstrations of student success and less on measures of total dollars per student. For the imme-

diated future, the Board will continue to rely on the use of the 75th percentile relative to institutional peers as an overall funding benchmark. In addition, however,

- (a) The Board believes that every student qualified for postsecondary education should have the opportunity to succeed. Each student may define what constitutes success differently, based on personal or career goals. Ensuring opportunities for student success will require postsecondary education to orient its instructional, administrative and support services so that the student comes first.
- (b) The Board believes that student outcomes assessment programs undertaken by the institutions have begun to improve the quality of undergraduate education and that those programs must be continued. As these activities evolve, they will become increasingly informative about the institution's ability to help students meet their goals. This information also will be useful in guiding future state postsecondary education policy and budget decisions and in evaluating the state's success in meeting its goals for postsecondary education.
- (c) The Board believes postsecondary education must commit to expanded partnerships with K-12 schools and community service agencies. These partnerships must be based on the tenet that postsecondary education has something to offer and something to learn from its partners.
- (d) The Board believes, in particular, that it can play an important role in K-12 reform by helping to implement a significant package of competency-based K-12 reform proposals expected soon from the Governor's Council on Education Reform and Funding, and by working closely with the Student Learning Commission.
- (e) The Board believes that adequate access to postsecondary education rests on ef-

fective transfer and articulation agreements among public and independent two- and four-year institutions.

(f) The Board believes it should play an important role in improving the quality of undergraduate education, including:

- ❖ supporting on-going efforts at the institutions,
- ❖ coordinating efforts to solve interinstitutional or systemwide problems,
- ❖ initiating a systematic planning effort to improve quality,
- ❖ funding small-scale improvement projects that can leverage change and test new ideas.

3. Public Investment: Stability, Efficiency and Accountability

Perception is an important element in the funding of public postsecondary education. Legislative and executive decisionmakers tend to be more supportive of postsecondary education when they are confident in the administration of the system and their constituents are satisfied with the product. Citizens also seem to be more willing to pay tuition commensurate with the quality of education they believe they receive. The institutions, in turn, require stable and predictable funding.

To ensure adequate public support for and investment in higher education, the Board believes improved communication is needed to report on system accomplishments, effectiveness and efficiencies.

(a) The HECB, in conjunction with the institutions, will need to identify those characteristics that best describe to the public the productivity of the system. Each institution should describe and report those measures that best support its performance and accomplishments.

(b) Each institution regularly accounts for its use of state support. Although much fiscal and management information is reported to central state agencies, little is shared with the general public. The Board believes that regularly communicating a consistent base of fiscal and management information will improve public support for the system.

(c) The Board continues to recognize the fragile nature of the state's current funding structure for higher education and remains dedicated to helping devise a system that ensures stability, adequacy and focused excellence. While this goal, described as the SAFE funding formula in the 1987 Master Plan, remains elusive, the Board believes its attainment is crucial to the future economic viability of the state and its citizens.

These planning priorities provide the foundation for renewing Washington's commitment to opportunity and for revitalizing this state's compact for postsecondary education into the 21st Century.

B. RECOMMENDATIONS

Planning provides the thread that weaves the 1992 Update recommendations into a coherent guide for the future of Washington's colleges and universities. The HECB will undertake long-term strategic planning including, initially, three specific, extensive planning efforts — to increase access, improve quality and protect the public investment. Those plans are complemented by activities focused on specific challenges that require immediate action during the 1993-95 biennium.

1. Preserving Washington's Commitment to Opportunity

The state should:

(a) **Continue Washington's progress toward reaching enrollment goals**

adopted in the *Design for the 21st Century*. Specifically:

- ❖ Reaffirm the state's commitment to achieving, statewide, a level of upper-division and graduate enrollment equal to the 70th percentile and a systemwide enrollment goal equal to the 90th percentile in national participation rates by 2010.
- ❖ Raise enrollment lids for the 1993-95 biennium consistent with plans outlined in the *Design for the 21st Century*, but complemented by additional enrollments for the technical colleges, and continue to assure access to upper division programs for students who have completed lower division preparation at the community colleges.
- ❖ Conduct a comprehensive, coordinated study of recent enrollment planning efforts, including but not limited to the *Design for the 21st Century*, long-range plans for incorporating technical college enrollment increases into the community college system, the master plan of the Workforce Training and Education Coordinating Board, the Health Professional Resource Plan, a statewide plan for telecommunications, and the High Technology Study Committee recommendations.

Led by the HECB, this extensive study will be completed by fall of 1994 and will include:

- ❖ an analysis of recent (1990-93) legislative actions impacting enrollment at public postsecondary institutions;
- ❖ an evaluation of the effectiveness of the branch campuses in fulfilling their missions and meeting their enrollment goals;
- ❖ an analysis of institutional progress toward achieving minority participation goals;
- ❖ a review of the effectiveness of current

transfer and articulation policies and agreements;

- ❖ examination of means to deliver more educational opportunities to persons in geographically isolated communities using telecommunications or other delivery methods; and
- ❖ development of participation rate standards that reflect more accurately than national averages current and future state needs.

(b) **Increase access for economically disadvantaged students by expanding state financial aid programs targeted to the neediest students.** Specifically, fully fund the State Need Grant program to serve the eligible low-income population and significantly expand support for the State Work Study program.

(c) **Continue to fund, through budget provisos and the Fund for Excellence, efforts by institutions to increase access for and retention of persons of color or persons with disabilities.** To complement that support, the HECB will review and monitor progress toward institutionally-proposed goals to improve minority participation and diversity in five key areas: enrollment, retention, completion, employment and institutional climate.

(d) **Fund HECB programs to improve the recruitment, retention and success of students of color and with disabilities, including:**

- ❖ A system for timely dissemination of information to prospective students to help reduce barriers to postsecondary education. The HECB, cooperating with the federal government, OSPI, postsecondary education institutions and local community organizations, will target these efforts to low-income and other underrepresented populations.

- ❖ A program to maintain an inventory of services available to students with disabilities and to train coordinators on each campus.

- ❖ Incentive grant programs to encourage institutions to devise new programs that promote the success of students of color. Awards will be based on outcomes or on activities proven effective elsewhere.

- ❖ Minority graduate fellowships specifically designed to address the extreme underrepresentation of persons of color in the faculties of postsecondary education.

(e) **Allocate a small pool of enrollments to the HECB to fund upper-division programs for persons in geographically isolated communities.** Continue support for enrollments of displaced timber workers through 1993-95 to allow individuals to complete their degree programs and provide similar programs for other small communities.

(f) **Pursue greater coordination of workforce training programs and strive to improve the match between postsecondary education supply levels and economic and occupational demand forecasts.** Specifically:

- ❖ The HECB, in conjunction with its partner agencies (WTECB, SBCTC, and OSPI), will identify and address barriers to coordination (e.g., organizing into interagency task forces, improving communications).

- ❖ The HECB, with assistance from the Department of Employment Security, the WTECB, the SBCTC, the institutions and the business and labor communities, annually will prepare forecasts of employment demand that may be used by the institutions and the Board to determine program, certificate and degree needs.

- ❖ The HECB and its partner agencies and organizations will collaborate to resolve

articulation problems among sectors, propose means for improving program quality and identify policies or resources which can be better coordinated.

2. Enhancing the Quality of Postsecondary Education

The state should:

(a) **Encourage and require evidence of improvements in the quality of education.**

- ❖ The HECB will request all public institutions to include in their strategic plans efforts to improve quality. These plans should include: institutional priorities, enrollment plans for degree programs, new degrees under consideration, quality enhancements, professional development programs or other innovations, and proposed or implemented efficiency measures.

- ❖ The HECB will link institutional plans to the budget process and pursue budget incentives that improve quality of undergraduate education.

- ❖ The HECB will coordinate interinstitutional efforts to study systemwide problems and identify probable solutions.

- ❖ The HECB will seek funds to support small-scale improvement projects through the Fund for Excellence.

- ❖ The HECB will pursue development of quality indicators that capture the health and identify the needs of Washington's postsecondary education system.

- ❖ The HECB will review all relevant state policies to determine their impact on improving the quality of undergraduate education. This effort has been funded by the Pew Foundation and is coordinated by the Education Commission of the States.

(b) **Encourage and support expansion of student outcomes assessment activities.** Specifically, the HECB will ask the institutions to:

- ❖ Demonstrate how they have used assessment information to inform administrative decisions, guide resource allocations and improve undergraduate education.
- ❖ Address critical educational issues with appropriate self-assessments to increase faculty involvement in self-examination based on student outcomes, to adjust institutional priorities in light of findings and to reallocate resources to meet identified needs and priorities.

(c) **Expand partnerships, particularly with K-12, but also with community service agencies and the business community.** Specifically:

- ❖ The HECB will initiate a new partnership among at least the four-year institutions, the State Board of Education, the Commission on Student Learning, and the State Board for Community and Technical Colleges to focus attention on improved means for preparing and maintaining the K-12 teaching team. Initially, this will focus on developing a statement of criteria for reviewing education degree programs, including an examination of existing reform models and current implementation attempts. In addition, the recommendations expected soon from the Governor's Council on Education Reform and Funding on professional development and competency-based certification will need to be addressed.
- ❖ The HECB will seek funding to:
 - help colleges of education sponsor regional colloquia to promote the exchange of successful teaching strategies for educators throughout the state system, including pre-school through technical colleges, community colleges,

baccalaureate and graduate schools.

- sponsor an annual, statewide conference of K-12 and colleges of education faculty to review the status of schools and the educational needs of school practitioners.
- ❖ The HECB, in collaboration with local businesses, community service agencies and the institutions, will strive to increase opportunities for at-risk youth to enter postsecondary education. Specifically, the HECB will:
 - seek funding to develop and maintain a permanent pre-college on-campus living and learning program for at-risk youth, similar to the SMART program; and
 - initiate and help fund a partnership to develop a program of career and educational counseling for pre-high school students and their parents. This partnership will need to involve at least K-12, the State Board for Community and Technical Colleges, the four-year institutions, the Workforce Training and Education Coordinating Board, the OSPI, the Washington Council on High School-College Relations and the business community.
- ❖ The HECB also will help strengthen existing educational partnerships and encourage development of new ones by:
 - seeking funds to prepare a community service opportunity clearinghouse, in cooperation with the Washington State Campus Compact, to inventory existing programs and develop partnerships among postsecondary education, the business community and K-12 schools, and to encourage use of Work Study funds for community service learning; and
 - identifying policies and incentives the state could provide to strengthen ex-

isting state, regional and local educational partnerships.

- (d) **The HECB will seek to establish a full partnership with all sectors of the education system (pre-school through graduate school) to contribute to successful implementation of K-12 reform efforts.**

In addition, the HECB will initiate and coordinate with the Commission on Student Learning a study of student competencies, standards and outcomes implicit in freshman entrance requirements, community college transfer program requirements and general education undergraduate requirements. This study, which will build on efforts by the Joint Committee on Articulation, will better enable all sectors of the educational system to clarify expected competencies, coordinate and modify curricula and assist educators in implementing new objectives, methods and structures.

3. Protecting the Public Investment

The state should:

- (a) **Stabilize the budget base for postsecondary education and define a carry-forward (essential requirements level) that includes provision for the state's population growth.** To accomplish this, the HECB will propose a 1993 higher education budget act that:

- ❖ Guarantees carry-forward funding for current enrollments at the rate for the past fiscal year plus the same rate of inflation used to calculate basic education in K-12.
- ❖ Provides, at a minimum, funding for additional enrollments at the proposed carry-forward rate to maintain the participation rate of the past fiscal year.
- ❖ Allows institutions to carry savings across biennial lines.

- ❖ Establishes a state matching program to encourage achievement of state economic and social goals such as increased enrollment to target populations, improved graduation rates, support for additional distinguished professorships or graduate fellowships. The match would be made by the HECB based on achievement of specified criteria.

- ❖ Provides support for the Fund for Excellence to enable the HECB to award competitive grants to institutions for innovative ideas that seek to improve the system.

- ❖ Allows the HECB to waive statutory regulations or administrative rules on a pilot basis to achieve efficiencies and potentially save money for the institutions and the state.

- (b) **Conduct a comprehensive study on funding policies and sources for postsecondary education.** Specifically, the HECB, after the 1993 legislative session, will ask the Governor to appoint a citizen/legislator task force to examine and prepare recommendations on higher education revenue sources and budgeting practices for implementation during the 1995-97 biennium.

Although resolution of long-term funding problems should be the central challenge facing the task force, it also could address:

- ❖ The extent to which tuition policy should be amended to generate additional revenues. Guidance on this issue will be available from the December 1993 tuition study.
- ❖ Contributions toward savings or increased funding which can be made through implementation of productivity and efficiency measures.
- ❖ The appropriate level of fiscal autonomy for the institutions.

- ❖ The feasibility or viability of a dedicated fund source for postsecondary education.
 - ❖ Incentives which could help generate non-state revenue.
 - ❖ The possibility of a single long-range funding plan for all of public education.
- (c) **Identify internal efficiency measures over the next biennium to increase both access to and the quality of education.**
- ❖ The HECB and the institutions will seek to identify on a statewide basis unnecessary duplication and low productivity programs for possible consolidation or termination.
 - ❖ The HECB, the four-year institutions and the State Board for Community and Technical Colleges will cooperatively develop criteria for conducting an evaluation of faculty teaching load.
 - ❖ The HECB will ask the four-year institutions collectively to consider and make recommendations on the appropriateness of providing remedial instruction.
 - ❖ The HECB and the public institutions will explore the potential for encouraging greater use of the system during summer terms and during evenings and week-ends. A pilot test could include use of variable tuition rates and/or faculty salary incentives.
 - ❖ The HECB will work with the public institutions to encourage collaboration with other public and private postsecondary institutions in their service areas to identify ways to share resources, faculty and curricula to increase student opportunities and reduce costs. These efforts should include clear articulation of functions among institutions, means to reduce duplication and policies which would facilitate student movement among institutions.
- (d) **Provide a report on postsecondary education.** Specifically, the HECB, in cooperation with the public colleges and universities, will define productivity and accountability measures that best communicate the accomplishments, expenditures and requirements of postsecondary education. The institutions should report regularly and uniformly on these measures to the HECB for systemwide coordination, communication and distribution to the Legislature and the public.
- Certain student performance measures also might be reported to the high schools. These could include:
- ❖ retention and graduation rates
 - ❖ average time to a degree
 - ❖ credit hours per degree awarded
 - ❖ degrees awarded by discipline and by level
 - ❖ multiple degrees
 - ❖ measures to reduce duplicative courses, programs, and requirements
 - ❖ student/faculty contact hours
 - ❖ placement rates
 - ❖ success in recruiting and graduating underrepresented groups
 - ❖ various fiscal and management measures
- (e) **The HECB will initiate a comprehensive tuition and fee study to be submitted to the 1994 Legislature.** The study will address the relationship of tuition and fees to the cost of education, to tuition levels charged in other states and by peer institutions, to a student's ability to pay, to student financial aid and to the attainment of selected state and social objectives. The study also will address management of tuition and fees and questions dealing with budgeting, setting of fees and control of fee revenue.
- (f) **Evaluate and implement needed changes identified from the HECB's study of student financial aid, scheduled for completion by March 1993.**

implementation plan for 1992 update recommendations

The following implementation schedule for the 1992 Update of the Master Plan assumes either new funding where indicated (\$) or current level operating support for the institutions and the HECB.

Figure 20

Increase Access to Postsecondary Education			
Action	Dollars	Agent	Date
Raise enrollment lids	\$	Legislature	6/93
Complete enrollment study	0	HECB	9/94
Expand financial aid programs	\$	Legislature	6/93
Increase access for underrepresented students	\$	Legislature	6/93
Establish early outreach information system	\$	Legislature	6/93
		HECB	9/94
Inventory services for disabled students	\$	Legislature	6/93
		HECB	11/93
Create incentive grant programs for underrepresented students	\$	Legislature	6/93
		HECB	1/94
Provide minority graduate fellowships	\$	Legislature	6/93
		HECB	1/94
Provide programs for geographically isolated	\$	Legislature	6/93
		HECB	8/94
Begin improving coordination of workforce training	0	HECB	9/93
Enhance Quality of Postsecondary Education			
Request strategic plans	0	HECB	7/93
Link planning to budget	0	HECB	12/93
Begin study of systemwide problems	0	HECB	1/93
Support improvement projects through Fund for Excellence	\$	Legislature	6/93
First Phase		HECB	9/93
Develop quality indicators	0	HECB	6/94
Complete initial review of state policies	0	HECB	6/93
Expand student outcomes assessment activities	0	HECB	11/93
Expand partnerships: develop education degree criteria	0	HECB	1/94
Sponsor regional colloquia with education colleges	\$	Legislature	6/93
First colloquium		HECB	10/94
Sponsor conference on K-12 changes and needs	\$	Legislature	6/93
First conference		HECB	4/94
Develop program for at-risk youth	\$	Legislature	6/93
		HECB	1/94
Develop early education and career counseling programs	\$	Legislature	6/93
Begin providing services		HECB	9/94
Begin inventory of community service opportunities	\$	HECB	9/93
Start identifying policies to strengthen partnerships	0	HECB	9/93
Assist with K-12 reform	0	HECB	7/93
Protect the Public Investment			
Stabilize budget for postsecondary education	\$	Legislature	6/93
Identify efficiency measures:	0	HECB	6/94
• unnecessary duplication			
• faculty productivity			
• remedial instruction			
• greater facility use			
• shared resources			
First report on postsecondary education	0	HECB	12/93
Study tuition/fee policies	0	HECB	10/93
Adopt financial aid policy changes	0	Legislature	6/93
Create citizen/legislator task force to study revenue sources	0	Governor	7/93
and budget practices for postsecondary education			
Complete task force study	0	Appointees	7/94

