

The Performance and State Policies Of Higher Education in Texas: Insights from a Five-State Policy Review Project

Joni Finney
Laura W. Perna
Patrick Callan

With Assistance from:
Michael Armijo, Jamey Rorison, Awilda Rodriguez

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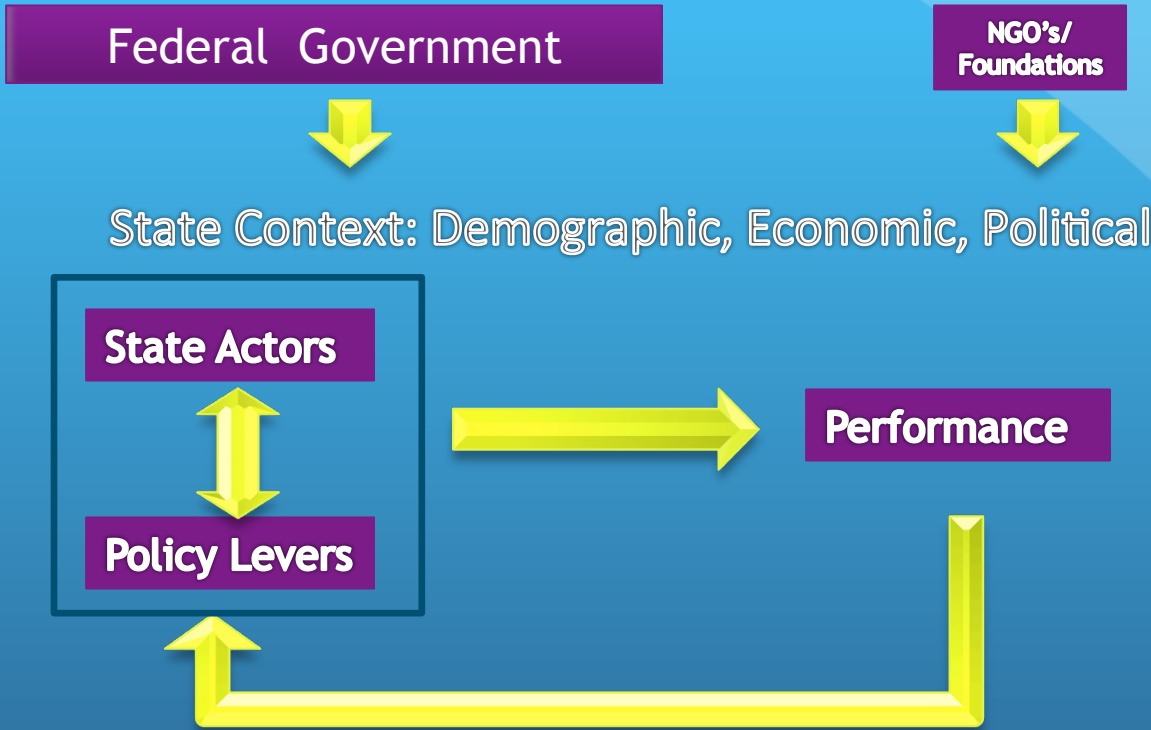
What We Know about State Higher Education Performance

Measuring Up - Biennial state-by-state report card

- Identifies state performance on indicators of:
 - ✓ Preparation
 - ✓ Participation
 - ✓ Completion
 - ✓ Affordability
 - ✓ Benefits
- Does not reveal:
 - Reasons for high or low performance
 - Reasons for changes in performance



Conceptual Model



Overarching Research Question:
What is the relationship between state policy and higher education performance?

Research Questions

1. What is the performance of higher education? How has performance changed over time?
2. What is the context that informs higher education performance? How are aspects of context changing? How does the state context influence the policy options considered?
3. What policy levers have been used?
4. What is the relationship between policy levers and higher education performance?



Methods: Case Study Research

5 States

- Georgia
- Illinois
- Washington
- Texas
- Maryland

Data Sources

- Quantitative data
- Reports and documents
- Interviews

Data Analysis

- Case study report for each state
- Cross-case analysis

Number of Interviewees Per State

Perspective	GA	IL	WA	TX	MD
State Higher Education Leadership	18	13	22	9	14
State Political Leadership	4	5	8	10	4
Institutional Leadership	6	6	8	8	4
K-12 and P-16/P-20 Education Leadership	4	1	2	1	1
Business/Research/Philanthropic Leadership	1	1	4	2	1
Other Participants	3	3	4	4	1
TOTAL	36	29	48	34	25

Annual Percentage Increase in Degrees Required to Reach International Competitiveness Goals by 2020

Annual Increase in Degrees for 55% of 25- to 64-Year Olds to Have at Least an Associate's Degree

State	Current % of Adults with College Degrees	Annual Percentage Increase Required
Georgia	36%	10.0%
Illinois	41%	5.4%
Maryland	44%	5.1%
Texas	33%	11.5%
Washington	42%	6.2%
Total - U.S.	38%	7.9%

Source: Analyses by the National Center for Higher Education Management Systems

Roles of Different Sectors In The State's System of Higher Education

Distribution of Total 12-Month Enrollment in Degree-Granting Institutions:
Fall 2008

State	Public 4- year	Public 2- year	Private NFP	Private For-Profit
Georgia	44%	35%	12%	10%
Illinois	17%	52%	20%	10%
Maryland	42%	41%	15%	2%
Texas	36%	51%	8%	5%
Washington	41%	47%	9%	3%
Total - U.S.	34%	39%	17%	10%

Source: National Center for Education Statistics, *Digest of Education Statistics 2010*

Degree Shortfalls Without Educating Adults?

32 of 50 states cannot reach international competitiveness goals without increasing degree attainment among adults

State	Need to Educate Adults?
Georgia	Yes
Illinois	
Maryland	Yes
Texas	Yes
Washington	

Source: Council for Adult and Experiential Learning (2008)

Higher Education Performance in Texas

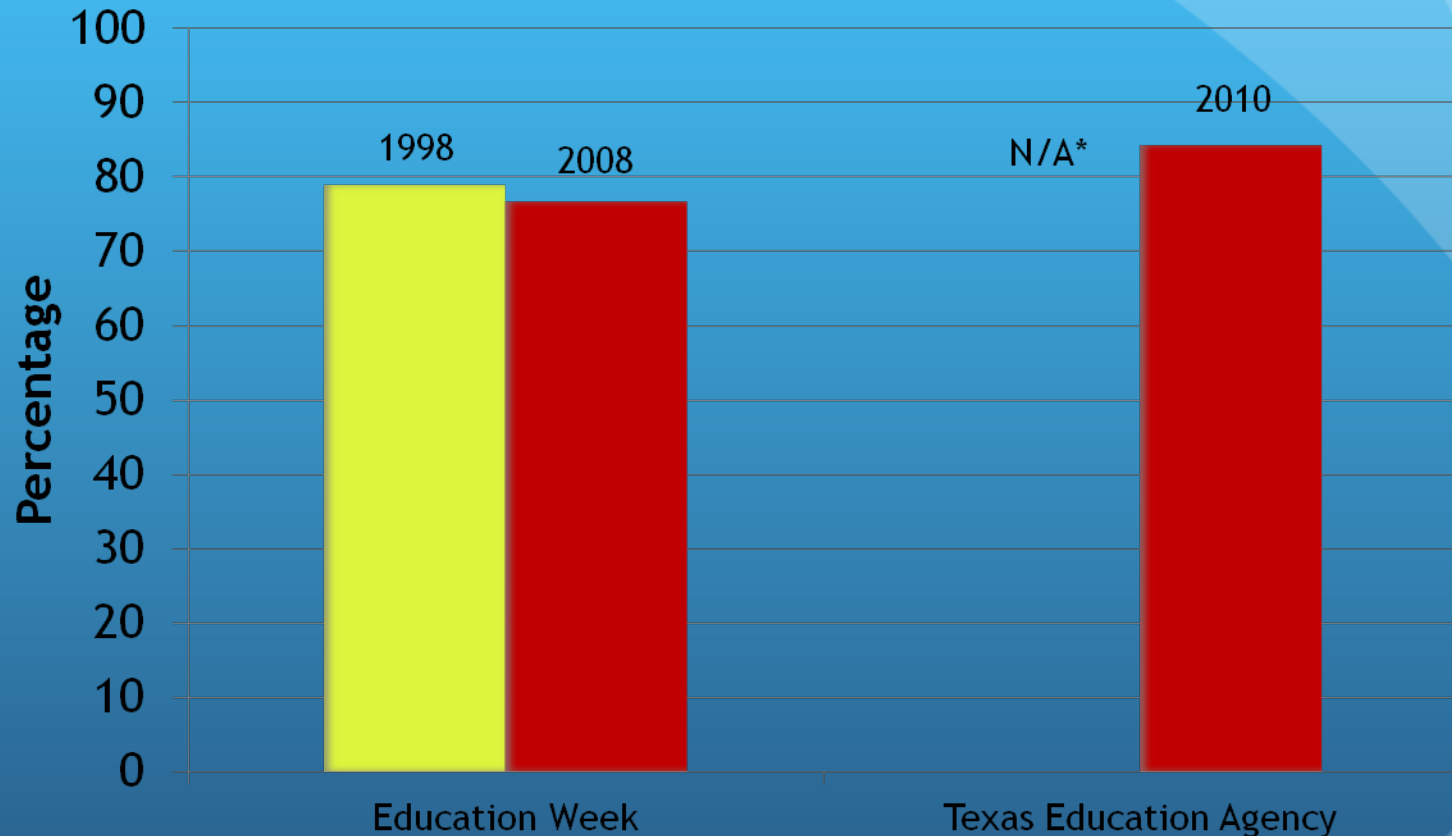
State has made progress on several performance indicators

- Academic Preparation
- Participation
- Transfer/Completion

But - performance is:

- Insufficient to reach international competitiveness levels
- Well below state goals
- Lower for Blacks and Hispanics

H.S. Graduation Rates in Texas Have Not Improved Over Time



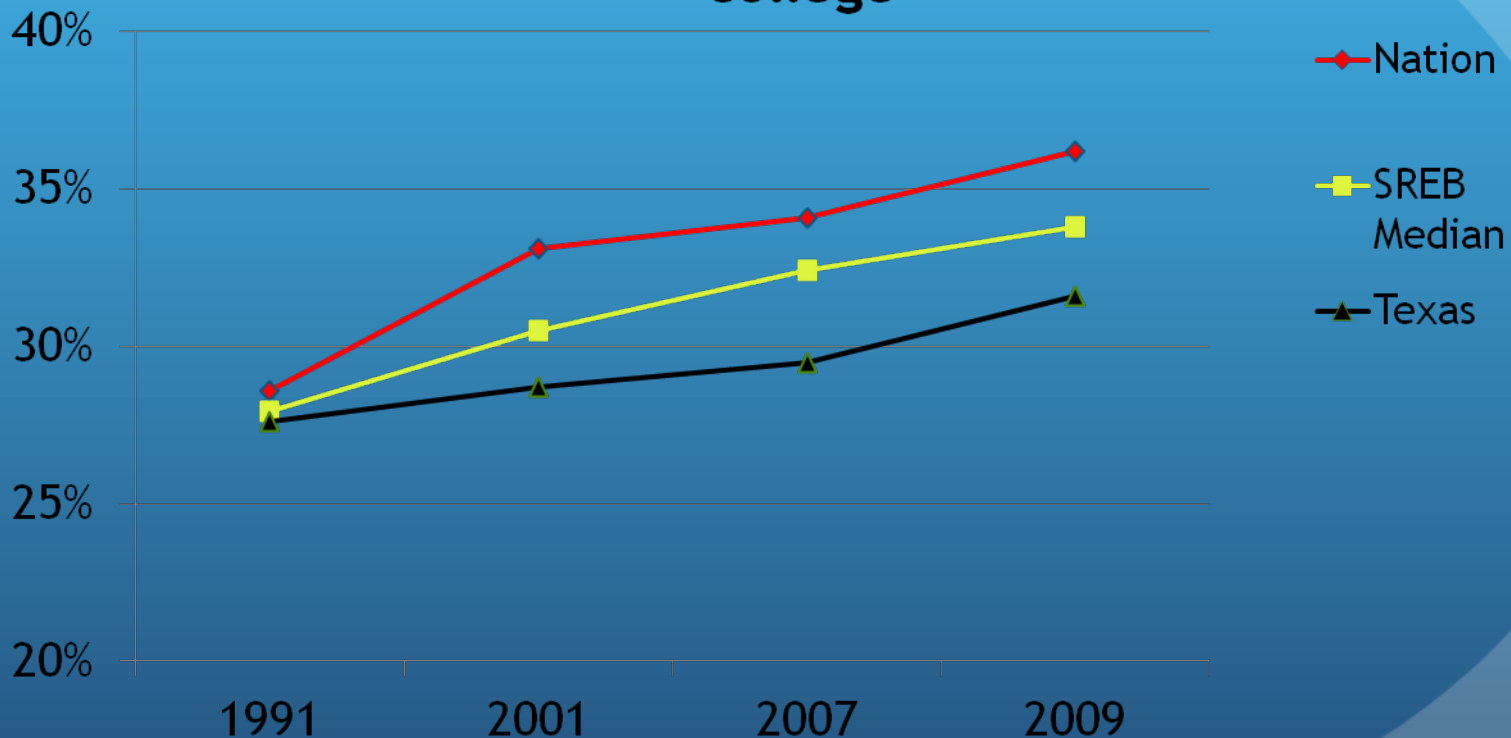
* Data are not comparable across years due to a change in definitions

Sources: *Education week*, "Diplomas Count 2011" (Bethesda, MD: 2011),

<http://www.edweek.org/ew/dc/index.html>; Division of Accountability Research, Department of Assessment, Accountability and Data Quality; Texas Education Agency. (2011). *Secondary school completion and dropouts in texas public schools, 2009-10*. (No. Document No. GE11 601 08). Austin, TX: Author. Retrieved from www.tea.state.tx.us/acctres/DropComp_2009-10.pdf

College Participation in Texas Increased But Lags Nation and Region

Percent of 18 to 24 year olds enrolled in college

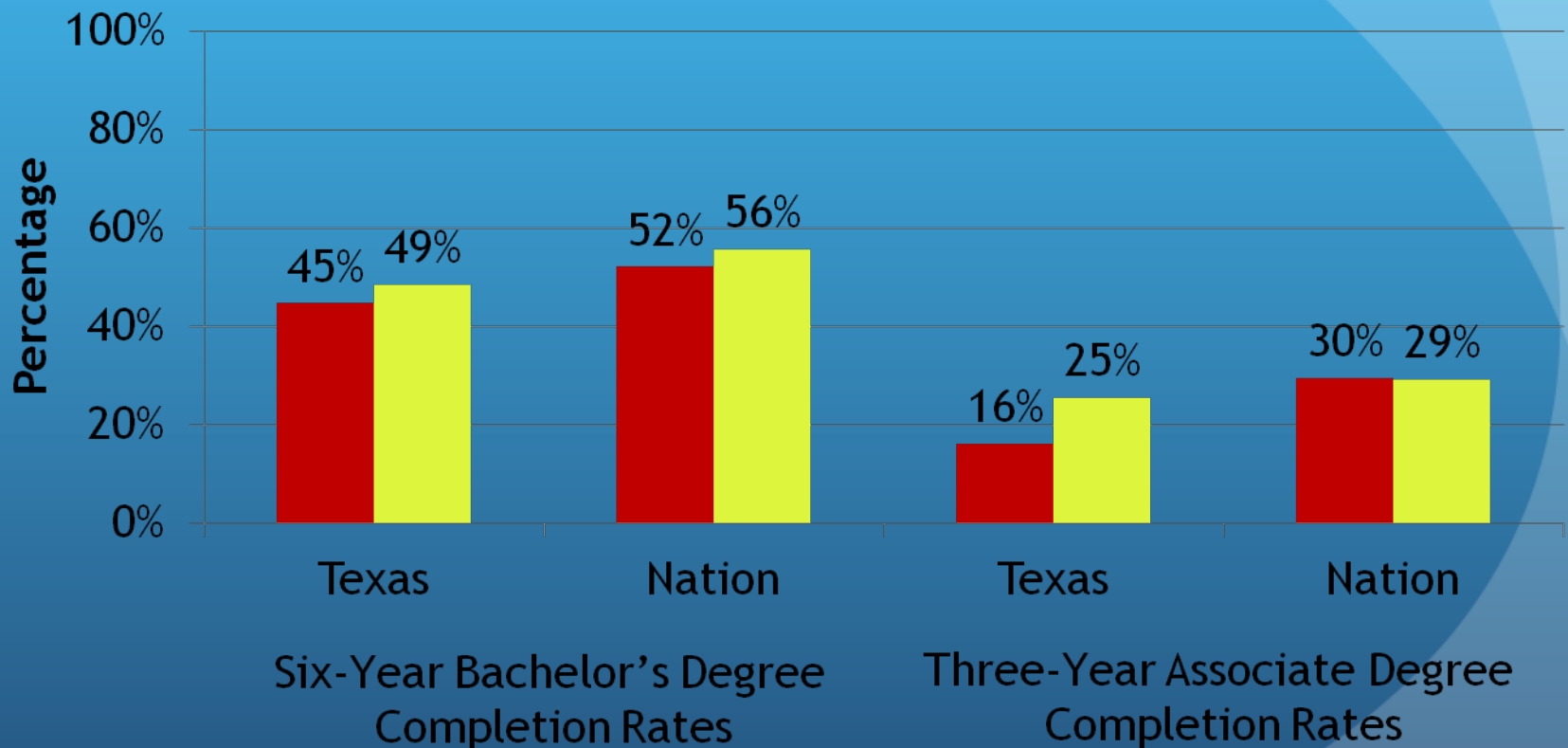


Source: NCHEMS, "Percent of 18 to 24 year olds enrolled in college," 2011, <http://www.higheredinfo.org/dbrowser/index.php?measure=104>, accessed November 5, 2011.

Texas's Bachelor's and Associate's Degree Completion Rates Have Improved, But Remain Below Average

Degree Completion Rates, 1998 to 2009

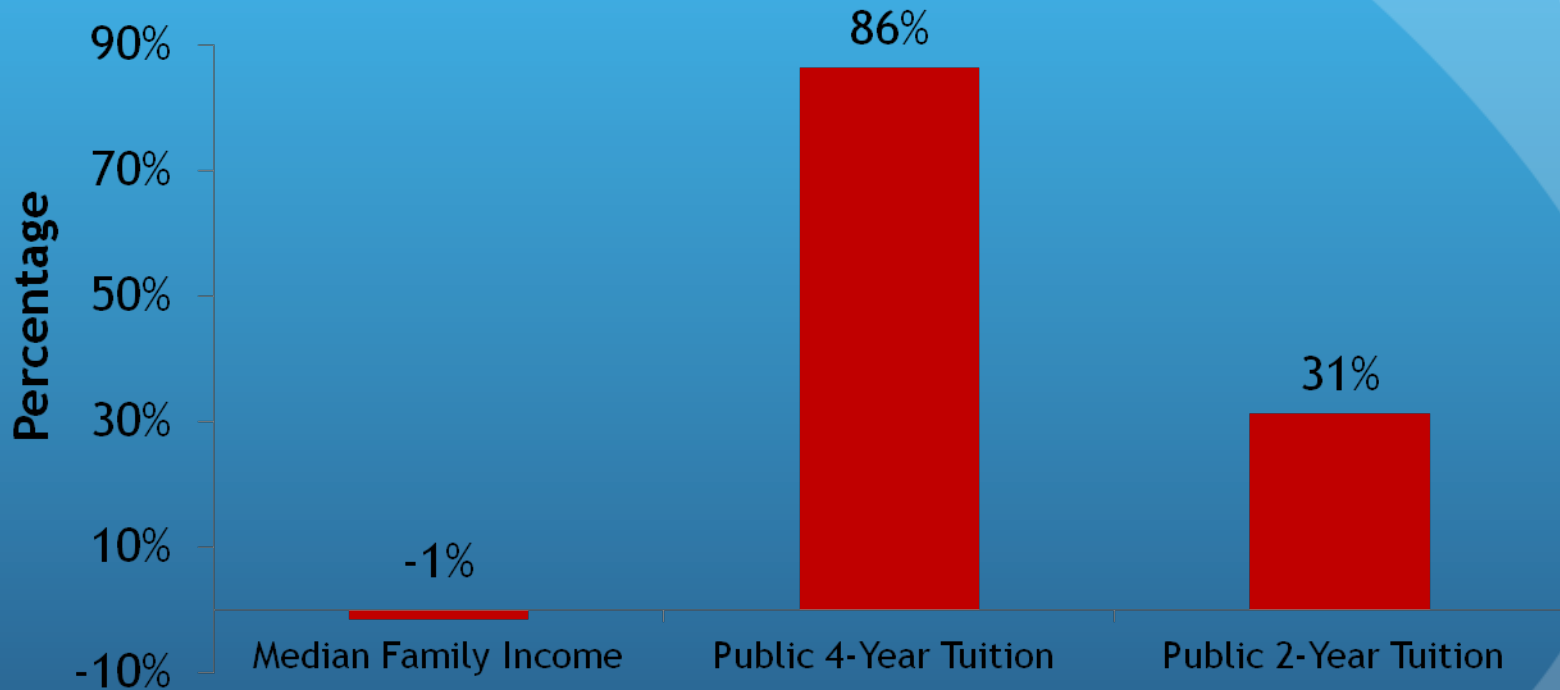
■ 1998 ■ 2009



Source: National Center for Higher Education Management Systems, www.higheredinfo.org

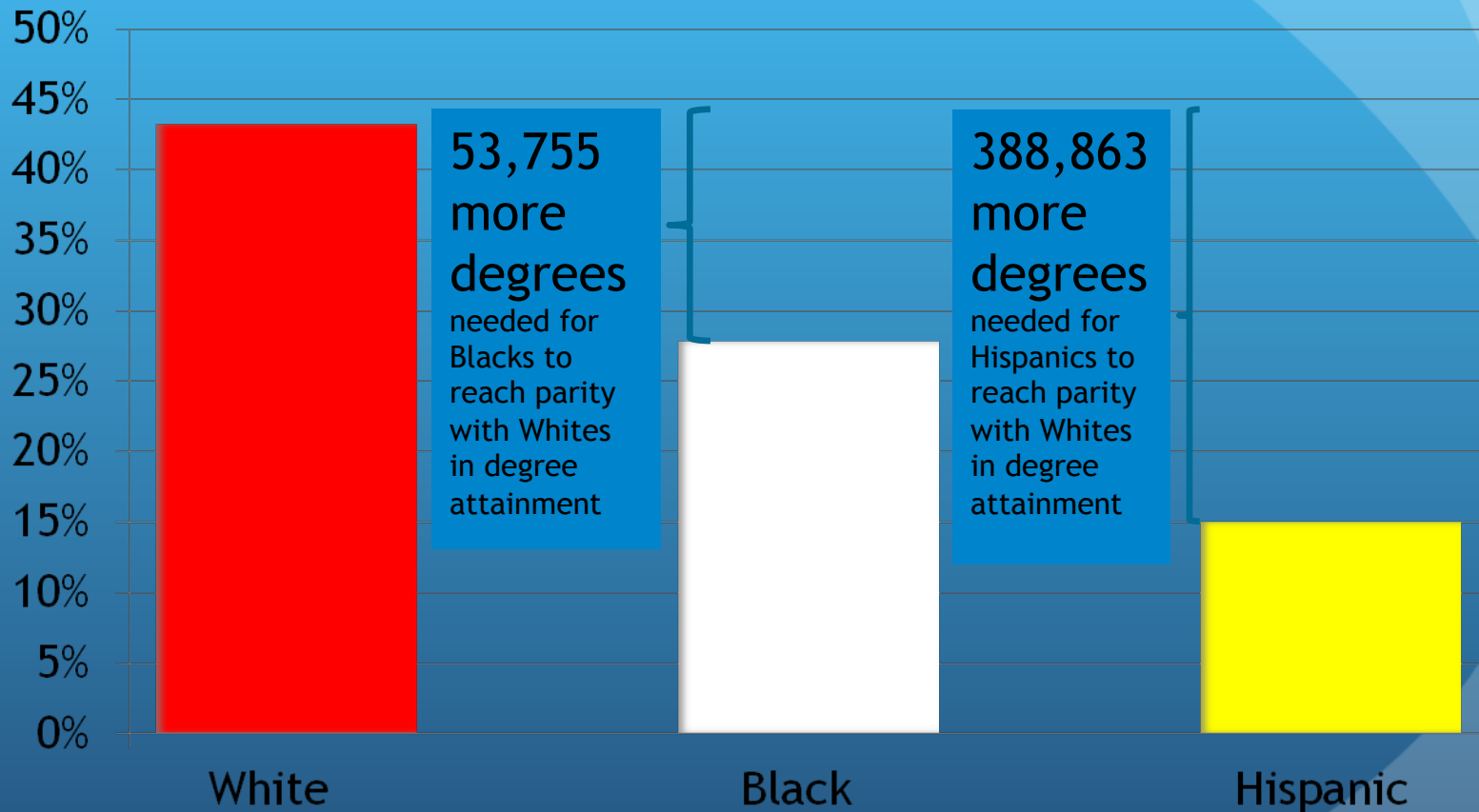
College Affordability in Texas Has Declined

Change in Constant Dollars, 1999 - 2009



Source: National Center for Public Policy and Higher Education (2011). *Affordability and transfer: Critical to increasing baccalaureate degree completion*. San Jose, CA: Author.

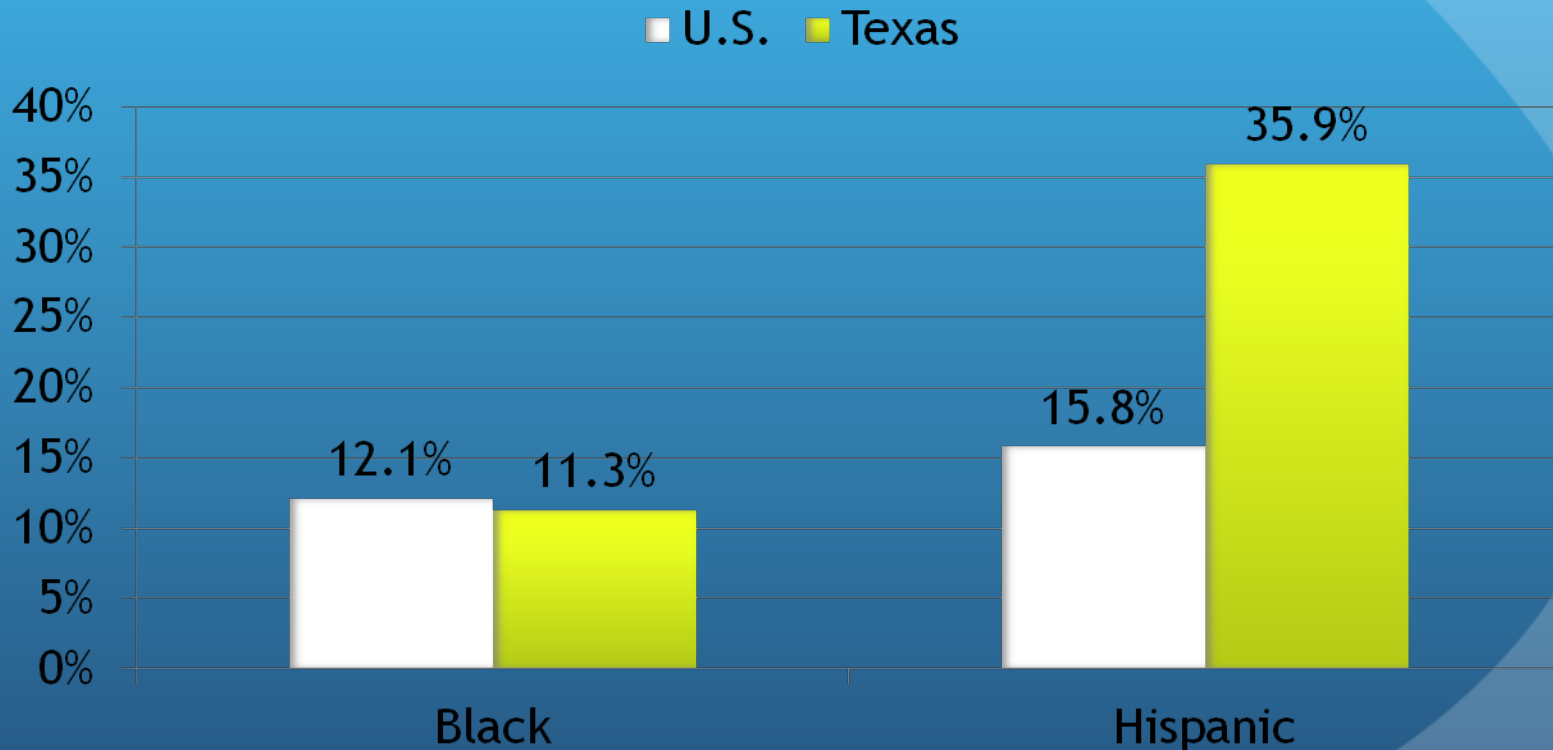
Outcomes are Lower for Blacks and Hispanics than Whites in Texas



Source: National Center for Higher Education Management Systems, 2007

Importance of Improving Performance in Texas: Demographic Characteristics

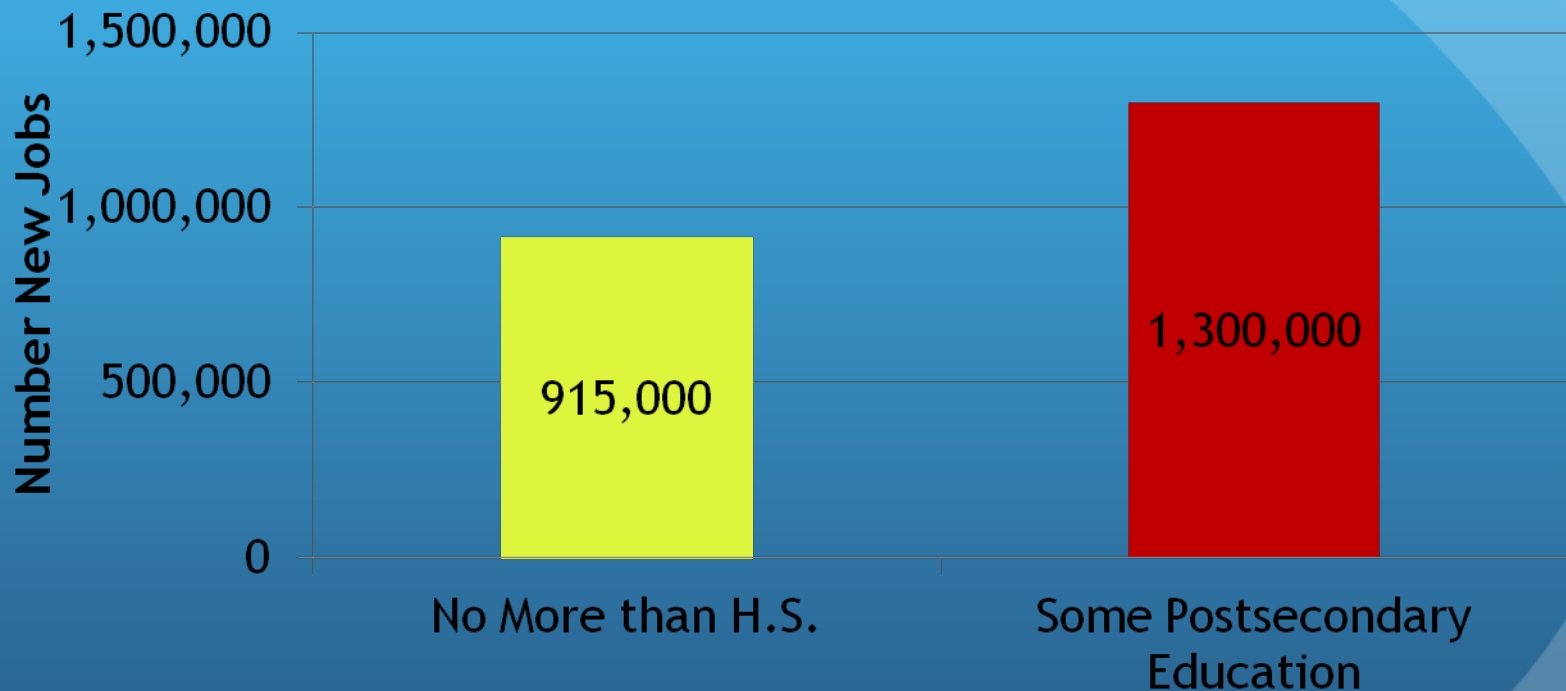
Racial/Ethnic Composition of Population: 2009



Source: U. S. Census Bureau, American Community Survey Demographic and Housing Estimates, 2005-2009

Importance of Improving Performance in Texas: Workforce Demands

Projected Growth in Jobs in Texas By Level of Education Required: 2008 to 2018



Source: Carnevale, A., Smith, N., & Stroh., J. (2010). *Help wanted: Projections of Jobs and Education Requirements through 2018*. Washington, DC: Georgetown Univ.

Need to Improve Performance Despite Fiscal Resource Constraints

Declines in state revenues in recent years =
Declines in higher education appropriations

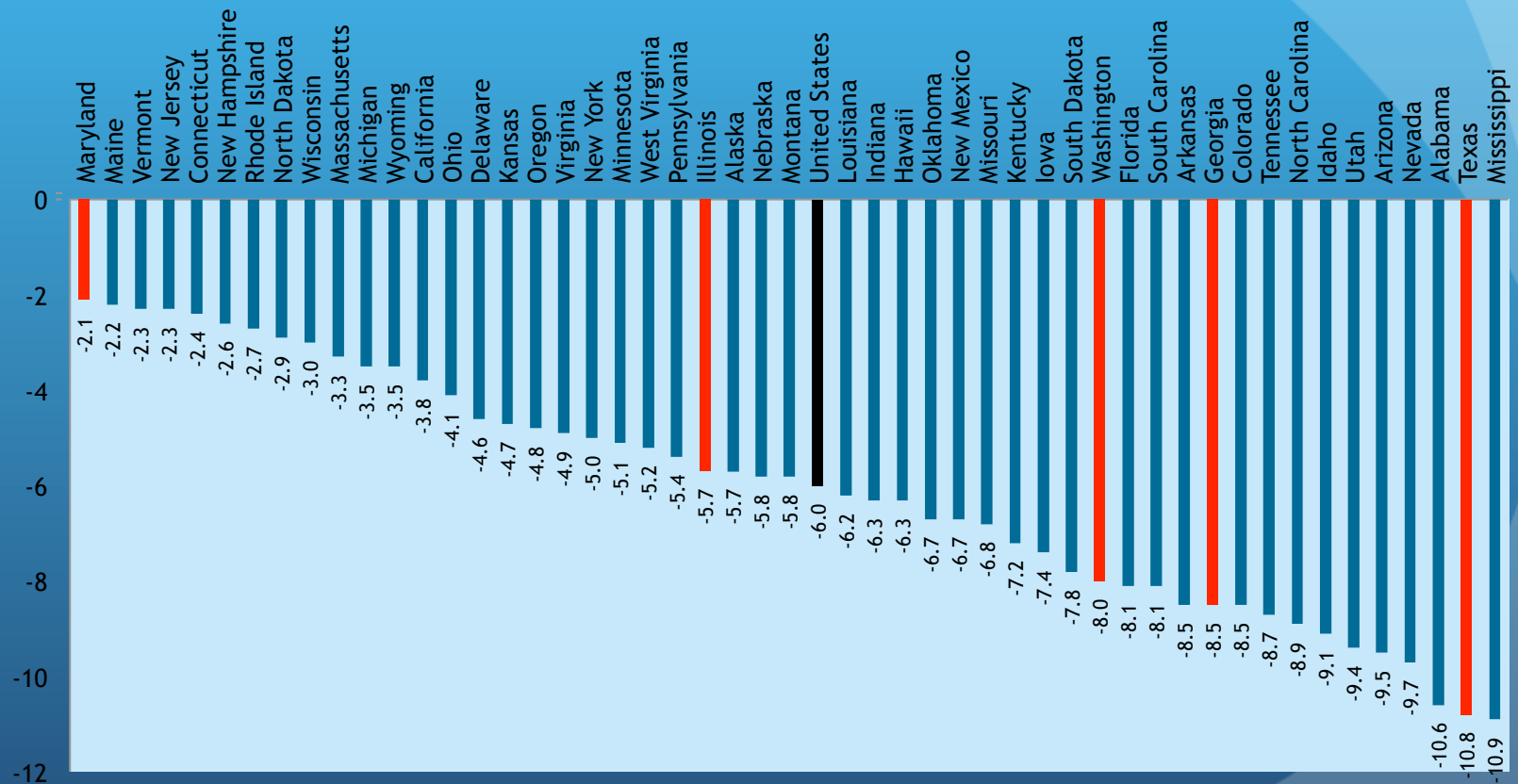
Future state budget cuts likely given projected structural deficits

You know we were one of the last states to really go into recession. And so I think we felt like...there would be some cuts involved, but it wouldn't be too serious. But as we've gone into the recession and we've...bottomed out like the rest of the economy, we've been pretty flat...So I think as this drags out, we're now looking at a more serious situation and I think the level of cuts will be some of what some other states had to do.

- State Leader

Structural Budget Deficits = More Cuts

Projected State and Local Budget Deficit as a Percent of Revenues, 2016



Source: Don Boyd, Rockefeller Institute of Government, 2009. Analysis completed for the National Center for Higher Education Management Systems.

What Explains Higher Education Performance in Texas?

Unrecognized trade-offs: ambitious goal to expand seven emerging research universities and to redirect public endowment funds

Affordability and aid: low tuition is gone, leaving only low financial aid

Racial and economic disparities: Marked inequities in college readiness by race/ethnicity and income

Regional Differences: sharp differences across regions has made it difficult to develop statewide improvements

Community Colleges: state lacks coherent policies for meeting needs of sector that enrolls half of all students

Theme 1: Ambitious Goal to Expand Seven Emerging Research Universities and Redirect Public Endowment Funds

Closing the Gaps (2000): sets goals to increase prestige of research institutions (Excellence) and attract more federal dollars (Research)

HB 51 (2009): supports the Excellence and Research Goals established in *Closing the Gaps*

- Repurposes existing endowment to National Research University Fund (NRUF)
- Establishes benchmarks of research performance and program quality
- Requires research institutions to draft long-term strategic plan

Theme 2: Higher Education is Less Affordable

Tuition deregulation at public four-year institutions = significant tuition increases

(despite careful legislative oversight)

- Texas was a low-tuition and low-aid state
- Spring 2004: public 4-Yr's authorized to set their own tuition
- Many cited informal pressure to control tuition from the Legislature and Governor however...
- Between 2003 to 2009: academic charges increased 72%

Although the Legislature has increased aid, aid has not kept pace = no longer low tuition yet low aid

Theme 3: Marked inequities by race/ethnicity and income

	White	Black	Hispanic
Educational Attainment:			
At least an associates (age 25-34)	43%	28%	15%
Preparation/College Readiness:			
Enrolled in advanced courses or dual enrollment courses	29%	18%	21%
Upperclassmen who took at least one AP or IB exam	25%	13%	17%
Proficient in English Language Arts	70%	51%	52%
Proficient in Mathematics	78%	49%	58%
	FRL Ineligible	FRL Eligible	
At or above proficient on the 8th-grade national math assessment	51%	23%	

Sources: National Center for Education Statistics. (2010). Nation's report card - NAEP data explorer.; National Center for Higher Education Management Systems. (2007). 2005 ACS PUMS - Education by age by race by state. Retrieved October 12, 2010, from <http://www.higheredinfo.org/analyses/>; Texas Education Agency. (2011). 2009-10 state performance report. Retrieved November 10, 2011, from <http://ritter.tea.state.tx.us/perfreport/aeis/2010/state.html>

Texas has been recognized as a national leader in working on college readiness - but needs to build on its efforts

2001 - “Recommended” high school program becomes the default curriculum in public schools (HB 1144)

2006 - THECB and TEA are required to appoint vertical teams that would establish college readiness standards for ELA and math courses

2007 - “End-of course” assessment for secondary-level courses are developed in over 10 courses (SB 1031)

Theme 4: Regional Challenges and Needs Make Statewide Goals Difficult to Achieve

Vast tracts of rural land

6 of the nation's 100 largest metropolitan areas

Five large regions are critical to increasing degree attainment

- Large and growing at-risk population
- Low educational attainment
- Emerging favorable conditions for reform in higher education

Theme 5: Lack of State Policy for Addressing the Fiscal Needs of Community Colleges that Serve Low-Income Communities

The importance of local taxes has increased as state support has declined.

Communities vote to be annexed into a taxing district, allowing residents to pay lower “in-district” tuition.

There is wide variation in the tax base of the 50 community college districts.

The state has not developed policies to assist community colleges in expanding their service areas.

Conclusions For Texas

Size and rapid growth of Texas's population underscore the need to improve educational attainment.

I think the state will have trouble coming to grips as we move to a population that is more and more dominated by groups that have not traditionally gone through higher education...That's going to be a problem and is something I think we can head off now by having the right policies to ensure that this population is attaining the education that will help support that...economy of the future.

- Institutional Leader

Hard Choices Ahead

Tension between access and completion versus institutional prestige and more federal research dollars.

Funding formula unintentionally incents institutions to enroll students for master's and doctoral programs, than increase access for high school graduates.

Community college fiscal needs not met despite their huge role in postsecondary education.

Need to balance regional needs and statewide priorities.