Trends in Higher Education Sustainability

Presented by:
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NEBHE’s Mission

To promote greater education opportunities and services for the residents of New England and its more than 230 colleges and universities.

It works across the six New England states to:

- Help leaders develop and implement sound education practices and policies of regional significance
- Promote regional cooperation and programs to encourage the efficient use of educational resources and better outcomes for institutions and students
- Strengthen the relationship between higher education and the economic well-being and quality of life in New England
NEBHE’s Roles

Leadership Convener
NEBHE engages governors and education advisors; legislators; Pre-K-12 and higher education commissioners; public and independent college and university presidents; and business and industry leaders. We create the critical multi-state and cross-sector conversations that lead to change, collaboration and innovation.

Collaboration Platform and Facilitator
NEBHE executes multi-sector projects and programs to maximize resource efficiency, promote innovation, support policy adoption and forge cross-state alignment and integration. We have extensive experience in program development, management and evaluation.

Capacity Builder and Innovation Accelerator
NEBHE provides professional development and training to key leaders in education, government and business. We launch innovative pilot projects to promote the adoption of new education models across the region’s diverse institutions and stakeholder organizations.

Consultant and Advisor
NEBHE conducts policy research, analysis, technical assistance and advising on state and institutional policy and program issues. It has a reputation for providing neutral, unbiased appraisals of key issues and topics of the day.

Savings and Revenue Generation
NEBHE programs save students and families money and generate significant revenue for colleges and universities. Our collaborative programs eliminate barriers, lower start-up costs, reduce duplication, increase efficiency and promote equity.
Tuition Break
- Strategic enrollment management tool for out-of-state/in-region recruitment
- All Vermont public institutions participate, generating $10.9 million in tuition and fee revenue
- Saves nearly 500 Vermont residents $2.9 million in discounted tuition ($7,200 on average)

State Authorization Reciprocity (SARA)
- Enables more efficient provision of distance education to a broader market
- Establishes state-level reciprocity, eliminating the patchwork of authorization issues in offering distance education programs and experiences across state lines
- 12 participating Vermont postsecondary institutions, including all public institutions

COVID-19 Updates, Policy Resources and Other NEBHE News Sources
- Interactive information displays on institutional status, enrollment plans, refunds, other at nebhe.org
- Weekly COVID-19 newsletter
- New England Journal of Higher Education, weekly news digest and updates
- Analysis of federal legislation related to pandemic
- Subscribe at nebhe.org/subscribe

Regional Higher Education Action Group
- Regional collaboration to address COVID-related challenges
- System and institution leaders; leaders of independent higher education institution associations; public health officials; and regional postsecondary accreditation leaders
- Federal advocacy
- Back to Campus Collaborative (B2CC): assisting systems and institutions with re-opening plans and strategies

Survey of Adult Learners in New England with Maguire Associates
- Primary research survey of 2,500 adults across New England states
- Focus on adult learners’ perceptions, plans, decision drivers, barriers and enablers
- Expected release in early June 2020
NEBHE’s Vermont Representatives

NEBHE Board Delegates

Suresh Garimella
University of Vermont

Senator Andrew Perchlik
Vermont General Assembly

Michael Wool
Langrock, Sperry & Wool, LLP

Representative Kathleen James
Vermont General Assembly

Kevin F. F. Quigley
Marlboro College

Sophie Zdatny
Vermont State Colleges

Joyce M. Judy
Community College of Vermont

Karen Scolforo
Castleton University

Legislative Advisory Committee

Rep. Peter Conlon
Member, House Education Committee

Rep. Johannah Leddy Donovan
Ranking Member, House Ways and Means Committee

Rep. Kathleen James
Clerk, House Education Committee

Sen. Andrew Perchlik
Senate Education Committee
Demographic Headwinds
The Pipeline of College Students Narrows

Due to declining birth rates:

- The numbers of high school graduates are falling (-14%)
- Enrollment in colleges is dropping (est. -25%)
- The New England states are, on average, getting older

Source: NEBHE analysis of WICHE’s Knocking at the College Door, 2016
State Support for Higher Education
Many states have been unable to return state support for higher education to pre-Great Recession levels.

- While VT’s appropriations have increased 8.3% -- accounting for inflation, this increase is negligible
- As a share of the total VT state budget, higher ed is 2.5%

State Higher Education Funding per FTE Student

- NH and VT have the lowest state funding per FTE student in the US
- The states with the highest higher education funding per FTE are Alaska ($17,700) and Hawai’i ($16,940)
- The mean state higher education funding per FTE is $7,600

New England states have struggled to increase state higher education funding per FTE student since the Great Recession.

Only 9 states have increased state higher education funding per FTE student over the last 10 years.

With little state support, VT’s higher education institutions rely heavily on tuition and fee revenue.

Roughly 45% of VT’s public institutions’ revenue comes in the form of T&F, compared to T&F making up roughly 30% of the region’s public colleges’ revenues.

Source: NEBHE analysis of National Center for Education Statistics IPEDS data
New England: A High-tuition & Low-aid Region
Public Institution Annual In-State Tuition & Fees

- Both VT’s 2-year and 4-year public colleges have the highest T&F rates in New England
- In-state T&F at CCV have dropped 4% from 2017-18 to 2018-19
- Overall, VT’s in-state T&F rates have increased 23% since 2013-14

Source: NEBHE analysis of data from state system offices and institutions
High T&F rates create obstacles for individuals in VT to enroll in and complete bachelor’s degrees, especially to afford one year of college, after the Pell Grant, the poorest VT residents are expected to pay 20 percentage points more of their incomes than their peers across the region.

Source: NEBHE analysis of data from state system offices and institutions, U.S. Census Bureau, U.S. Department of Education.

Note: Tuition and fees are average published rates for in-state students. Averages are not enrollment-weighted and dollar values are not adjusted for inflation. Median value for each quintile (fifth) of income used for calculation.
VT provides the highest amount of per student in financial aid in New England.

The national average amount of public student aid is $752 per FTE, and has increased 30% since 2008.

However, since 2008, VT has seen the largest decline in this figure (-11%).

Source: NEBHE analysis of NASSGAP Annual Survey
Most public financial aid in New England is disbursed based on need.

Only MA has increased funding for need-based grants since 2008.

VT is an exception in New England for its portable needs-based grant program.
- 25% of need-based grant monies support students who leave VT for college.

**Total State Need-Based Grant Allocations (2014-2018)**

Source: NEBHE analysis of NASSGAP Annual Survey
Patterns in Enrollment
The sector that appears to be most impacted by these factors, in terms of enrollment declines, is VT’s 4-year regional public institutions. CCV’s decline is more muted than the regional average but follows counter cyclical trends experienced by community colleges.

Source: NEBHE analysis of National Center for Education Statistics IPEDS data
VT is a net importer of first-time freshmen, attracting more freshmen from out-of-state than exports.

This data includes 4-year independent colleges.

Source: NEBHE analysis of National Center for Education Statistics IPEDS data
Nonetheless, VT residents make up a smaller share of the freshmen classes at 4-year institutions than in-state students in other New England states do.
RI and VT have the smallest share of adults enrolled in undergraduate programs.

However, CCV enrolls the highest share of adults compared to the region’s community colleges.

Meanwhile, VT’s 4-year public institutions enroll the smallest share of adults compared to the region.

Source: NEBHE analysis of National Center for Education Statistics IPEDS data.
Completion & Attainment of Demand-Driven Credentials
2018 Higher Education Completions in VT

- The top institutions at which students are completing credentials are:
  - UVM
  - Champlain College
  - Norwich University

- Completion of distance education programs has more than doubled since 2012

Source: NEBHE analysis of Department of Education data via Emsi’s Labor Analyst
How much does an institution spend per FTE undergrad on instructor, academic support and student services AND how many credentials are completed per 100 FTE undergrads?

Source: NEBHE analysis of National Center for Education Statistics IPEDS data
Vermont’s Labor Market Demand: Commuting Patterns

- Much of the state’s economic activity is concentrated around Burlington
- Workers in nearby counties are likely to commute to Chittenden, Washington and southern areas for work
## Vermont’s Labor Market Demand: Top Employers

<table>
<thead>
<tr>
<th>Top Companies</th>
<th>Profiles</th>
</tr>
</thead>
<tbody>
<tr>
<td>The University of Vermont Medical Center</td>
<td>3,861</td>
</tr>
<tr>
<td>Vermont Agency of Human Services</td>
<td>3,543</td>
</tr>
<tr>
<td>Biomedical Engineering Society</td>
<td>2,708</td>
</tr>
<tr>
<td>International Business Machines</td>
<td>1,728</td>
</tr>
<tr>
<td>Dartmouth College</td>
<td>989</td>
</tr>
<tr>
<td>Globalfoundries U.S. Inc.</td>
<td>837</td>
</tr>
<tr>
<td>Keurig Green Mountain, Inc.</td>
<td>723</td>
</tr>
<tr>
<td>Dealer Com</td>
<td>654</td>
</tr>
<tr>
<td>Oodle, Inc.</td>
<td>635</td>
</tr>
<tr>
<td>Howardcenter, Inc.</td>
<td>628</td>
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<thead>
<tr>
<th>Top Companies Posting</th>
<th>Unique Postings</th>
</tr>
</thead>
<tbody>
<tr>
<td>HealthCare Employment Network</td>
<td>4,395</td>
</tr>
<tr>
<td>Oracle Corporation</td>
<td>3,035</td>
</tr>
<tr>
<td>HomeAdvisor, Inc.</td>
<td>2,595</td>
</tr>
<tr>
<td>Vermont Agency of Human Services</td>
<td>2,359</td>
</tr>
<tr>
<td>University of Vermont</td>
<td>2,259</td>
</tr>
<tr>
<td>Army National Guard</td>
<td>1,923</td>
</tr>
<tr>
<td>Soliant Health, Inc.</td>
<td>1,850</td>
</tr>
<tr>
<td>Seven Days</td>
<td>1,795</td>
</tr>
<tr>
<td>National Agents Alliance</td>
<td>1,780</td>
</tr>
<tr>
<td>Uber Technologies, Inc.</td>
<td>1,537</td>
</tr>
</tbody>
</table>

Source: NEBHE analysis of real-time labor market data through Emsi’s Labor Analyst
The industries are projected to employ 6–35% more workers by 2029.

Only three industries offer a family-sustaining wage ($31.50 per hour).

Source: NEBHE analysis of real-time labor market data through Emsi’s Labor Analyst
Fastest Growing Occupations in Vermont

- Mirroring the fastest growing occupations, the number of healthcare and restaurant workers is expected to grow from 6-15% by 2029.
- Three occupations offer family-sustaining wages ($31.50)

Source: NEBHE analysis of real-time labor market data through Emsi’s Labor Analyst
The Demand for Healthcare Workers in Vermont

- Job posting activity per month for healthcare workers is higher in VT than the nation
- Top companies include Soliant Health, Inc., Bayada Home Health, KA Recruiting, and CompHealth
- Top job titles include registered nurses (2,623 unique postings), physicians (786), nurse practitioners (749) and LPNs (704)

Source: NEBHE analysis of real-time labor market data through Emsi’s Labor Analyst
Northwest quadrant depicts programs for which completions have decreased in past 10-years, while associated jobs are expected to increase over the next 10 years.

- Nursing
- Liberal arts
- Business
- Architectural Engineering Technicians

Source: NEBHE analysis of real-time labor market data through Emsi’s Labor Analyst
Completions x Job Demand

Northwest quadrant:
- Nursing
- Architectural Engineering Technicians

Northeast quadrant:
- Computer and Information Sciences
- Allied Health
- Electromechanical Instrumentation

Source: NEBHE analysis of real-time labor market data through Emsi’s Labor Analyst
Completions x Job Demand

Northwest quadrant:
- Atmospheric Sciences
- Nursing
- Clinical Psychology
- Business
- Liberal Arts

Northeast quadrant:
- Biology
- Music
- Criminal Justice

Source: NEBHE analysis of real-time labor market data through Emsi’s Labor Analyst
Completions x Job Demand

Northwest quadrant:
- Economics
- Political Science
- Anthropology
- Psychology
- Social Work

Northeast quadrant:
- Math
- Computer Science
- Rehab and Therapeutic Professions

Source: NEBHE analysis of real-time labor market data through Emsi’s Labor Analyst
Higher Education Attainment in Vermont

- VT’s attainment goal of 70% of residents with a credential of value was established in 2018.
- Recognizes that a postsecondary credential offers earnings premiums and job security.

Profile of Adults (Aged 25 or Older) with HS Diploma/GED as Highest Degree, 2017

<table>
<thead>
<tr>
<th>Adult Educational Attainment</th>
<th>VT</th>
<th>New England</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent w/HS Diploma/GED Only</td>
<td>26.2%</td>
<td>26.7%</td>
</tr>
<tr>
<td>Pop. Total w/HS Diploma/GED Only</td>
<td>129,511</td>
<td>2,742,746</td>
</tr>
<tr>
<td>Median Annual Income (2017)</td>
<td>$31,228</td>
<td>$32,619</td>
</tr>
<tr>
<td>Unemployment Rate (Pop. 25-64 Years)</td>
<td>4.7%</td>
<td>6.8%</td>
</tr>
<tr>
<td>Poverty Rate (25 Years or Older)</td>
<td>11.4%</td>
<td>11.7%</td>
</tr>
</tbody>
</table>

Source: NEBHE analysis of data from the U.S. Census Bureau (2018 American Community Survey, 2017 Economic Census) and National Center for Education Statistics, IPEDS
Higher Education Attainment in Vermont

- An estimated 44% of Vermont residents do not have a postsecondary credential

Profile of Adults (Aged 25 or Older) with Some College, No Degree, 2017

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<tr>
<th>Adult Educational Attainment</th>
<th>VT</th>
<th>New England</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent w/Some College, No Degree</td>
<td>17.4%</td>
<td>16.9%</td>
</tr>
<tr>
<td>Pop. Total w/Some College, No Degree</td>
<td>76,013</td>
<td>1,736,864</td>
</tr>
<tr>
<td>Median Annual Income (2017)*</td>
<td>$35,028</td>
<td>$38,072</td>
</tr>
<tr>
<td>Unemployment Rate (Pop. 25-64 Years)*</td>
<td>3.3%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Poverty Rate* (25 Years or Older)</td>
<td>9.0%</td>
<td>8.5%</td>
</tr>
</tbody>
</table>

* Due to limitations in the available data from the Census Bureau, these figures are for individuals with some college.

Source: NEBHE analysis of data from the U.S. Census Bureau (2018 American Community Survey, 2017 Economic Census) and National Center for Education Statistics, IPEDS
The lifetime earnings premium for an individual with an associate degree over an individual with a high school diploma is $250,000.

With a bachelor’s degree, an individual stands to earn $595,000 more over their lifetime that a peer with a high school diploma.

Source: NEBHE analysis of data from the U.S. Census Bureau (2018 American Community Survey, 2017 Economic Census) and National Center for Education Statistics, IPEDS
Perceived Need for Additional Education

- Adults in Vermont are the least likely to perceive a need for additional education to advance in their careers.
- However, 35% of adults with less than an associates degree still represents tens of thousands of potential learners.

Source: Strada-Gallup Education Consumer Survey Base: U.S. adults ages 18-65 with less than an associate degree and not currently enrolled, n=106,214
Perceived Need for Additional Education in Vermont

- This perception is relatively steady across attainment levels but mirrors trends across the region

Source: Strada–Gallup Education Consumer Survey, New England residents not currently enrolled, n= 15,159
Like in other New England states, young adults in Vermont are more likely to perceive the need for additional education and training than those 45 and over.
Perceived Need for Additional Education in Vermont

- However, Vermont adults working in fields like healthcare, life sciences and IT feel a pretty acute need for additional education and training.

Source: Strada-Gallup Education Consumer Survey, New England residents not currently enrolled, n= 15,159
Impact of COVID-19

- Workers in service industries have been the hardest hit
- Across industries, people are likely to be concerned about COVID-19’s impact on their employment
- The virus has had a huge effect on demand for education -- adults are more likely to prefer short-term, skills-based programs that are delivered online

Source: Strada Public Viewpoint Survey, April 29-30, 2020, n=1,004
Economic Impact of Higher Education in Vermont
VT Higher Education Institutions as Employers

- VSC employs 17% of the state’s higher education faculty and staff (1,900 people)
- Over $360 million is paid to state higher education faculty and staff ($72 million)
- VSC salaries make up 20% of total public higher education salaries

Source: NEBHE analysis of National Center for Education Statistics IPEDS data
In New England, higher education is the third largest industry behind hospitals and secondary schools.

Higher education contributes $1.1 billion to VT’s economy annually.

Source: NEBHE analysis of labor market data through Emsi’s Labor Analyst
Lessons in Strategic Planning
<table>
<thead>
<tr>
<th>Initiative</th>
<th>Year</th>
<th>No. of HEIs</th>
<th>Description</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Connecticut: CSCU “Students First”</strong></td>
<td>2017 (ongoing)</td>
<td>12 community colleges</td>
<td>Consolidation of the state's 12 two-year institutions</td>
<td>In Progress, Pending NECHE Approval</td>
</tr>
<tr>
<td><strong>Maine: UMS “One University”</strong></td>
<td>2015 (ongoing)</td>
<td>7 universities</td>
<td>The University of Maine System aims to become first in the nation to accredit its institutions jointly instead of individually.</td>
<td>In Progress, Pending NECHE Approval</td>
</tr>
</tbody>
</table>
CT: CSCU’s “Students First” System Consolidation

Context: Fiscal Challenges — $27 million budget deficit, 10-year low in enrollment

Plan: Merge 12 community colleges by 2023. Projected $28M savings

Focused Messaging: What’s best for students led guiding principles

Two Strategies
• **Strategy 1:** Single system-wide administrative infrastructure
• **Strategy 2:** One centrally managed community college, campuses state-wide

ME: UMS “One University” System Consolidation

Context: Economic, demographic, competitive challenges

Plan: Unified system-wide accreditation — first in the nation

Mission-Differentiated Campuses: No closures. Each institution remains open, focuses on the programs that make it stand out — maintain specialization and identity.

Current Status:
- **January 2020:** the system’s Board of Trustees voted unanimously to move forward with single accreditation.
- **April 2020:** NECHE voted to accept System’s substantive change request. Will determine further steps to evaluate the System’s quality and effectiveness in its transition to unified accreditation.

Two Key Findings

- **Universities Face Challenges:** Shrinking youth population, Declining state appropriations
- **Challenges Will Persist:** Student costs expected to continue rising, Services expected to be curtailed or downsized.

5 Options for Change

1. Keep structure with improvements
2. Option 1 + consolidation
3. Eliminate state system structure, convert to state-related status
4. Consolidate management
5. Merge universities under one as branch campuses

Goal: Improve student outcomes, Increase the system’s overall effectiveness.
Process: Consolidation committees + outside consultants

MIT Study of Impact of USG Mergers
• Outcome: Record high enrollment, Increased retention/graduation rates
• Possible mechanisms underlying these gains:
  • Primary driver: Increased overall spending per student
  • Maintained steady tuition costs and grant aid
  • Seamless within-system transfers
  • Institutions to pool resources to hire for specialized positions, collaborate on strategic approaches to student needs
Recommendations
The future of learning and earning

- **Learner-centric**
  - Delivery models
  - Target populations
- **Workforce-connected**
  - Demand-driven programs
  - Specialization
  - Employer partnerships
  - Workplace learning
- **Future- and Talent-focused**
  - What’s the goal?
  - Affordability: low-cost degree alternatives
- **Stakeholder-engaged**
  - Collaborative, inclusive processes
  - Reframing business model
The future of learning and earning

- New learning infrastructure (digital and physical)
- Credential innovation: demand-driven
- Integration of institutions, programs and pathways
- As you envision the future of Vermont’s economy, what’s needed from public HEIs?
- How can Vermont public HEIs be a platform? Magnets? One-stops?
  - Credentials: multi-modal, not place-bound
  - Economic and workforce development, entrepreneurship, work
  - Culture, arts, libraries, etc.
  - Housing, human services and healthcare
How NEBHE Can Support Vermont?

Topical
- Re-envisioning credentials
- Broadening recognition of learning
- Work-based learning and employability
- Digital talent pipeline initiatives

Roles
- Research and analysis capacity
- Expert testimony and presentations
- Commissioned studies and reports
- Convening capacity and thought leadership
Questions?

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