
Docket Item:

Strategic Roadmap, next steps; and reflections on March 9th Commission meeting relating to higher education structure

Summary:

This docket item summarizes staff recommendations to assist the Commission in concluding the process of creating an updated Strategic Roadmap for Oregon postsecondary education and training. It includes reflections and recommendations related to the special commission meeting held March 9th, 2021.

1. Completing the Strategic Roadmap

Incorporating feedback that staff and the Commission have received over the last several months, HECC staff is confident that the categories of strategies described in the attached draft Strategic Roadmap remain the generally the right directions for the future of Oregon higher education, and we recommend their adoption by the Commission:

*Ensure sustainable funding for Oregon's colleges and universities.
Align statewide higher education and workforce capacity to the needs of Oregonians today.
Right size financial aid to accomplish Oregon's priorities.
Transform and innovate to serve students best.
Make alternative pathways to employment and training available.*

As the draft Strategic Roadmap notes, we recommend that between now and September 2021, the Commission and its staff identify specific opportunities for leadership and partnership in each of these areas, including but not limited to the items detailed in the attached draft. The Commission should determine whether to incorporate those opportunities into the Strategic Roadmap and, in doing so, will indicate what its specific role in the effort will be (leader, partner, convener, etc.).

The remainder of this memo considers the question that was the focus of the Commission's March 9th meeting: "How might we design a process that helps optimize the organization of Oregon higher education so that all learners are served equitably and sustainably?" Through public and legislator testimony and the design workshop on March 9th, as well as a follow-up survey that was sent to meeting participants, the Commission and its staff have received abundant input on how these issues should be addressed. In consideration of this feedback, HECC staff recommends that the Commission not use the Strategic Roadmap to call for a unique and independent process to consider issues of higher education structure and organization, but instead consider those questions in connection with other processes already underway or planned that seek to address specific needs and outcomes for Oregon learners, as described below. This recommendation should not lessen the urgency that the HECC and many of its partners feel about the need for change in higher education to more equitably and successfully serve Oregon learners. Rather, it attempts to harness that spirit in the service of more concrete, directly-impactful actions.

2. All is not awry

When considering the general question of the organization and structure of Oregon's higher education system, HECC staff begins with the premise that there is much that seems to be working about the current system. We note the following:

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1. The transition to institutional boards for public universities -- and the creation of the HECC as a consolidated state agency and commission -- between 2013-15 resulted in remarkably few disruptive impacts on students and other members of college/university communities, especially given the magnitude of the governance changes.
2. Public university Boards of Trustees are meeting their statutory responsibilities for university governance, as documented in the HECC's biennial evaluations, and appear to provide a "closer-to-the-ground" perspective than the state governing board they replaced.
3. The HECC has assumed and is successfully fulfilling the state-wide policy making, oversight, student support, and coordination role envisioned by the Legislature serving the whole of higher education in Oregon.
4. Student outcomes continue to improve. Over the last five years, the number of degrees awarded to Oregon resident students has increased by 10%, the number of STEM degrees has increased by 18%, and the number of degrees awarded to students of color has increased by 43%. Completion rates continue to inch upward in both the community college and public university sectors. While large racial/ethnic equity gaps persist for most outcome measures, some of those gaps are narrowing.
5. Since the Great Recession, state funding for higher education has increased more than almost any other state in the country on a per-student basis and, as of 2020, Oregon was one of only seven states where public funding had recovered to its pre-recession levels. Still, Oregon's funding levels lag the national average by about 15% per student.
6. With the HECC's adoption in 2015 of an outcomes- and equity-focused funding allocation formula for public universities, and its update in 2021, the Commission has established among the nation's strongest performance accountability systems for higher education to rely principally on funding incentives to promote positive outcomes, rather than top-down, prescriptive requirements.
7. The HECC has established strong partnerships with institutional leaders and other higher education stakeholders across the postsecondary landscape, including community colleges, public universities, private colleges/universities, trade schools, and other workforce partners. Postsecondary education's rapid, collaborative, and largely successful response to the COVID crisis was the result, in part, of strong working relationships, including institution-to-institution and between institutions and the HECC/State.

This is only a partial list of accomplishments. But it suggests that HECC and its partners have an opportunity to more clearly and publicly share what is working about the current system, as we build on those strengths to improve it.

Still, numerous stakeholders and some legislators have indicated dissatisfaction with various aspects of the current system. Based on the Commission meeting March 9th and other inputs, we believe there are three broad areas of critique. While they overlap in some respects, they are also different enough to suggest to staff they require different responses.

3. Critique A: Transfer student issues

Sen. Steiner-Hayward's comments at the March 9th HECC meeting, echoed by Sen. Johnson, epitomized the longstanding, serious, broadly and deeply-felt concern of Commissioners, some legislators, and some other stakeholders that transfer students within Oregon public higher education find the system cumbersome to navigate, resulting in loss of credit or, more typically, credits earned through high schools or at community colleges that are not directly applicable to their eventual degree and major requirements. This system failure imposes increased costs upon the student in the form of additional time and tuition, as well as upon the State. HB 2998, passed in 2017, represented a step in the right direction but, as HECC staff have [previously detailed](#), that legislation failed to include a mechanism for resolving inter-

institutional differences and permits wide variance to persist.

HECC staff is highly encouraged that [SB 233](#), sponsored by Sen. Dembrow and currently under consideration by the Legislature, appears poised to address many of the concerns that we have raised about this issue. Proposed amendments would empower HECC to adopt rules for the establishment of a common course numbering system (by Fall, 2025) and for the continued implementation of the foundational curriculum and major transfer maps created as a result of HB 2998. The bill, with proposed amendments, would place primary responsibility for this work on a faculty- and administrator-based Transfer Council, supported by HECC staff, but would permit the Commission ultimately to ensure that the requirements of the bill are met. By incorporating the HECC-introduced [SB 76](#), it would also provide new navigation tools for students and their advisors. With these amendments, SB 233 would represent groundbreaking legislation that would result in a significantly more coordinated system of public higher education in Oregon.

It is our hope and expectation that SB 233 will establish a process and outcomes that, over the next several years, will set the “transfer issue” largely to rest. While maintaining this system will require continued institutional and HECC staffing -- and ultimately the Commission’s engagement on the most difficult-to-resolve issues that emerge between institutions – we are optimistic that the proposed structure will work. This will require all parts of the system to center our efforts on needs of students and the State, as expressed in our adopted priorities.

4. Critique B: Institutional transparency and accountability

At the Commission meeting on March 9th, as well as in other venues, some stakeholders, including some student and labor representatives, have indicated a desire for greater levels of transparency, state accountability, and/or oversight of public higher education institutions, particularly public universities. Some student leaders and other stakeholders have expressed their perspective that institutional priorities, including for capital projects and philanthropy, are not always student-centered.

In reflecting on these concerns, we note that a *decentralized* system of higher education such as Oregon’s is not inherently an *unaccountable* one. The local elections of community college boards of directors ensure that voters, ultimately, have the final say over the governance of those institutions. For public universities, Boards of Trustees, like the HECC itself, are Governor-appointed, Senate-confirmed entities that must conduct their business in public, consistent with Oregon public meeting law. It should be expected that institutional governing boards will make decisions that are at times unpopular, at least with some constituencies. Under the Oregon system, the public maintains the ability to influence the governance of its public higher education institutions via the ballot box and/or lobbying their elected representatives, over and above the direct access that it has to boards via testimony at public meetings and to board members as public officials.

As a coordinating commission, the HECC does not generally exert authority over the governance of individual higher education institutions. But it is worth noting the role that HECC plays in providing greater transparency into both institutional and systematic issues. The HECC collects student-level data from public institutions and publishes a variety of reports based upon it, including [institutional and sector-level snapshots](#), statewide [Key Performance Measures](#), [public university evaluations](#), and [others](#). Additionally, the HECC collects limited staffing data and annually publishes a legislatively-required [report on higher education employees](#). Finally, the HECC collects financial data from all Oregon community colleges and public universities and uses it for the purpose of informing the public, Commission, and Legislature through tools such as the [Community College Financial Information System](#) (CCFIS) and reports such as its [2021 Report on Financial Conditions of Public Universities](#). The HECC has developed and improved these tools and reports over the years in response to legislative and gubernatorial requests and mandates, as well as in response to the Commission’s adopted Strategic Framework that emphasizes the role of HECC reporting in creating a virtuous cycle of accountability for student success and equity.

Whether justified or not, concerns about transparency and accountability seem to reflect, in part, a view that university boards may sometimes privilege institutional success and well-being over the collective, public interest of Oregonians. On the one hand, it should not be surprising that the boards of public universities – which compete in some arenas for students and resources – would focus principally on ensuring that their institutions flourish in fulfilling their own missions. We should also acknowledge that the mission statements of Oregon’s public universities – which the HECC is legislatively empowered to approve – typically commit those institutions to serve their communities and the State of Oregon. At the same time, it is clear that Oregon higher education has not fully understood the need nor realized its potential to engage board and commission members and their staffs in cross-institutional and cross-sector work to discover common purposes, build a common public agenda, share successful practices, and develop new programs and partnerships. As a coordinating commission, the HECC has a leadership role in fostering these types of interactions and building these relationships within Oregon higher education, public and private. We recommend that as the HECC fleshes out the Strategic Roadmap, it consider emphasizing the need for convening, learning, relationship-building, and disseminating within Oregon higher education, especially at a leadership level.

5. Critique C: Innovation and re-imagination

The third significant category of concern that some legislators and stakeholders have shared that focuses on issues of organization and structure, exemplified by Sen. Courtney’s testimony on March 9th, is that Oregon higher education has failed to be sufficiently bold, innovative, and transformational. Often this critique cites demographic changes, the affordability crisis, the rise of distance learning and other new learning models, and changing employer expectations as among the reasons that higher education must undertake much more profound change than it has undergone so far – including potentially at the systemic and structural level. Proposed “solutions” run the gamut but include institutional mergers, three-year Bachelors degrees, community college-delivered baccalaureates, expanded competency-based education, eliminating the quarter system, online academies, student-ready universities, eliminating testing requirements, etc.¹

One of the five proposed Strategic Roadmap categories (“transform and innovate to serve students best”) reflects the Commission’s lack of satisfaction with the status quo and support for innovation that promotes equity and student success. Now the Commission must consider where we go from here, and what is the HECC’s role? How do we further develop, facilitate, and coordinate an “innovation agenda”?

In general, HECC staff does not believe that it is appropriate, necessary, or fruitful for the Commission to try to unilaterally direct or impose these types of change upon higher education institutions. Successful innovation, especially within a complex and decentralized system like ours, is likeliest to arise from the actors and institutions that are closest to higher education’s core activities of teaching and learning, workforce development, research, and service. That said, the State of Oregon, via the HECC, plays a critical role representing stakeholders’ concerns and their desire for more accessible and effective education opportunities and outcomes for all Oregonians. To promote innovation and transformation, the HECC should:

- Create the right conditions. The HECC can use its existing responsibilities, including for state policy and budget development, funding distributions, program approvals, and reporting, to create incentives for institutional leaders, boards, and other stakeholders to design and implement learner and equity-centered change. For example, the Commission could consider whether to create for public universities a strategic fund, perhaps akin to the strategic fund it

¹ Brian Rosenberg, former president of Macalester College, is among the many higher education leaders nationally to voice this perspective in a recent *Chronicle of Higher Education* column, [It’s Time to Rethink Higher Education](#).

administers for community colleges, that could help defray the initial costs of getting innovations “off the ground” at an institutional level.

- Remove barriers. The HECC will identify and work to remove or reduce state policies that stand in the way of innovation. Moreover, the Commission can actively and publicly support Oregon higher education leaders who take risks for change.
- Plant seeds. While we do not believe that the HECC’s role typically is to design or impose new models for higher education, the Commission and its staff can help promote innovation through information-sharing. We can use our existing ability to analyze what’s happening in other states and at other institutions, spotlighting change that appears to be successful. We can collect and disseminate knowledge and ideas from within Oregon, helping to ensure that it’s broadly shared. Through our reports, our convening, and the public attention we draw to Commission meetings or through news releases, we can use the HECC’s platform to promote transformational opportunities that we believe deserve further exploration.

6. Additional next steps

This memo and the next steps it suggests for HECC will not satisfy everyone, including some of those who have expressed dissatisfaction with Oregon’s current structure and arrangements. While we do not at this time recommend that the HECC call for an independent assessment of Oregon’s higher education structure, we acknowledge that these concerns, for some, are likely to linger. It remains valid for anyone to wonder “whether we got it right” when Oregon’s current structure was established in 2011-15, and to ask, “How can it be improved?” To the extent that the HECC, its partners, and legislators take up these questions – beyond the ways that have already been suggested in this memo -- we recommend doing so in connection with particular and explicit goals, and not abstractly. The legislative Task Force on Student Success for Underrepresented Students ([HB 2590](#)), proposed by Rep. Alonso-Leon, seems to us an appropriate vehicle for evaluating structural questions during the 2021-22 interim. It is right, we think, to view these questions firstly through the prism of how they impact the success of underrepresented students. HECC’s staff stands ready to support the Task Force in evaluating if and how structural issues – along with myriad other dimensions of higher education that are likely to arise – should change in order to respond to the voices and needs of underrepresented students.

Finally, we would suggest that how a person experiences higher education is largely a function of *culture* and *environment* – probably more than the structural dimensions of higher education discussed here. And the quality of those experiences has an enormous impact on the outcomes HECC measures: completion rates, time to degree, equity gaps, etc. Whether the institution’s culture and environment (including physical and non-physical attributes such as curriculum) instills students with a sense of worth and belonging, for example, matters enormously for the student’s success. As HECC and its partners populate the Strategic Roadmap with specific proposals, we encourage them to consider how State, institutional, and other actors can influence the cultural and environmental characteristics of Oregon higher education.

The HECC and other state policymakers may find operating at this level less instinctive than operating on systems and structures, and to require a greater level of nuance. For the Commission, this can start to be achieved by adopting and maintaining a leadership posture that reflects the transformation we wish to see. The Commission can align itself with those who have asked higher education to shift away from its historically dominant mindset of, “Are students ready for college?” to instead, “Are colleges ready for students?” In the Commission’s analysis of underperformance and equity gaps, it can push back against those who situate blame elsewhere (eg individual students, the K-12 system), and instead accept higher education’s responsibility to transform programs, supports, cultures, and environments to meet all Oregonians where they’re at. The Commission can consistently insist that the “underrepresented” populations whom we often portray as “underperforming” – including emerging bilingual Oregonians, members of Indigenous communities, immigrants, and Oregonians who experience racial and ethnic

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diversity – in fact represent our State’s greatest potential for meeting the local and global challenges of 21st Century with creativity, compassion, and cross-cultural fluency. The Commission can continue to evaluate Oregon higher education’s success on the basis of how it lifts up disadvantaged individuals and communities, more than any other factor.

This powerful reframing, already internalized by many who work at Oregon colleges and universities, should draw our attention – and that of our partners -- to the levers that must be pulled at different levels to influence results. While those may encompass issues of organizational structure and governance, the Commission and partners are encouraged to address those issues in connection with State goals, other specific objectives of the Strategic Roadmap, and the cultural and environmental context that most directly impacts student experience.

Material:

Draft Higher Education Strategic Roadmap (attached)

Staff Recommendation:

That the Commission endorse the five categories for the Strategic Roadmap, and use the accompanying descriptions, along with the recommendations in this memo, to further develop a set of actions that can be undertaken in partnership with colleges, universities, workforce partners, and other stakeholders, in 2021-23.



STRATEGIC ROADMAP

Oregon Postsecondary Education and Workforce Training

DRAFT April, 2021



Strategic Roadmap 2021

BACKGROUND AND FINDINGS (Fall 2019 – Fall 2020)

In August 2019, the HECC launched the development of a new strategic plan for meeting the State’s postsecondary goals, consistent with its responsibilities under ORS 350.075 (d). The Commission expressed that this plan should help generate a new consensus among legislators, institutions, stakeholders, and the Commission about an ambitious path forward for postsecondary education that expands opportunity and equity for Oregonians through increasing levels of public investment, public accountability, coordination, and responsiveness to student and workforce needs.

The Commission determined that a new Strategic Plan should be developed in conjunction with partners, take a holistic view of Oregon’s postsecondary system, be grounded in the [Oregon Equity Lens](#), and anticipate the changes that will be required in order to meet state goals for increased access, affordability, attainment, and equity. It indicated that the completed Plan should not be regarded as a “*HECC Strategic Plan*”, but rather as a roadmap for postsecondary education and training in Oregon generally, with implications not only for the HECC but also for its many partners including the Legislature, Governor, public and private colleges and universities, other education and training partners, as well as faculty, students, and staff.

Between October 2019 and March 2020, HECC and its consulting partner Coraggio Group conducted large-scale public and stakeholder outreach and published key findings in an [Insights Report](#).

Key Findings from Insights Report:

Oregonians do not have positive perceptions of higher education, with concerns ranging from its perceived inefficiency to concerns about declining return on individual and state investment. As a result, Oregon’s education leaders need to forge a compelling “rallying cry” that establishes clarity, focus, and purpose for postsecondary education.

Many stakeholders perceive competition and duplication among higher education institutions, and are confused about who is leading the system’s education and training vision for the future. They seek more cooperation, collaboration, and alignment.

As postsecondary education in Oregon has shifted from a state-funded model to a primarily student-funded model, affordability has diminished. Oregon should simultaneously address both the rising costs of higher education and the insufficient level of public investment.

To meet the needs of Oregon’s increasingly diverse population, higher education must focus resources, including wrap-around services and other supports, on traditionally underserved groups.

Different parts of the state have different needs based on their cultural, geographic, and industry-related uniqueness. While a strategic plan should look holistically, it must contain enough flexibility to respond to unique needs, trends, and opportunities at the regional level with tailored solutions.

Strategic Roadmap 2021

With the onset of the COVID-19 pandemic in March 2020, the HECC began to reassess the Strategic Roadmap to take into account the pandemic's profound economic and educational disruptions and the country's simultaneous reckoning with racial injustice. The Commission's [COVID-19 issue brief](#) noted the disproportionate impact of the pandemic on BIPOC communities, continuing racial/ethnic educational equity gaps, severe enrollment declines, and that the majority of pandemic-related unemployment claims were filed by those with a high school diploma or less. It concluded:

“The pandemic has exposed new weaknesses and exacerbated weaknesses in Oregon’s higher education and workforce systems, from the college affordability crisis, to the deep disparities in access and student success for historically underserved populations, to the longstanding funding challenges institutions and programs face. At a time when postsecondary education is more important than ever to help Oregonians recover from the recession, Oregon is losing out on the talents of many students who have chosen not to or are unable to enroll this fall. In addition, unprecedented fiscal uncertainty facing higher education institutions limits their ability to be resilient and to respond flexibly to learner needs. Multiple complementary strategies are necessary to abate the most harmful impacts of the pandemic and to position Oregon for a strong recovery.”

DRAFT

Strategic Roadmap 2021


ROADMAP CATEGORIES FOR ACTION (April, 2021)

Taking into account our pre-pandemic outreach and our understanding of pandemic-related impacts, the draft Strategic Roadmap now contains five categories of action for Oregon higher education.



1. Ensure sustainable funding for Oregon's colleges and universities:

Protect and sustain the core funds that support public postsecondary education and training for Oregonians to keep tuition increases moderate and fund necessary programming.



2. Align statewide higher education and workforce capacity to the needs of Oregonians today:

Bolster the statewide capacity of postsecondary education and training to serve Oregonians where they are and who they are, with a focus on the marginalized and underserved.

- Take action to align postsecondary education opportunities statewide to enrollment trends and the needs of Oregon's diverse population.
 - Lead with racial justice and equity in making policy/funding choices.
 - Adopt policies and strategies that encourage in-state and highly mobile students—including transfer students, non-traditional students, and adult learners—to enroll and persist to completion.
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3. Right size financial aid to accomplish Oregon's priorities:

Protect college affordability for Oregonians who are struggling most by bolstering funding of state-funded financial aid.

- Invest in state financial aid programs.
- Drive more resources to students in need.
- Retool financial aid to work for non-traditional students



4. Transform and innovate to serve students best:

- Invest in the infrastructure and faculty training necessary that makes online education a quality option for students of all backgrounds to choose from.
- Support outreach and flexibility of programming to reach communities of color, non-traditional students, and marginalized communities.
- Ensure student support services are available widely, including remotely when online education is the primary delivery channel.

Support institutions and workforce partners in continuing to transform and redesign the delivery and flexibility of education and training opportunities to meet the needs of today's learners.



5. Make alternative pathways to training and employment broadly accessible:

- Invest state resources to support learners with work-based learning, apprenticeships, career-connected learning, and short-term certificate programs.

Ensure paths to quality employment opportunities are available for those who do not take a traditional collegiate pathway.

Strategic Roadmap 2021

THE ROLE OF THE HECC

Since launching this process in 2019, the Commission has envisioned that the Strategic Roadmap should constitute a set of activities for Oregon postsecondary education and training to collectively undertake. The Commission may play a leadership role in some of these activities and a facilitator role in others.

To support the Commission and its staff in clarifying HECC's specific role and responsibility in the work that is to come, HECC staff recommends that the Commission recommit itself to the **four areas of strategic action** that it adopted in its 2017-21 Strategic Framework; namely:

- **REPORTING** to steer progress
- **FUNDING** for success;
- streamlining learner **PATHWAYS**; and
- expanding opportunity through **OUTREACH**.

Staff recommends that these remain the primary avenues through which the HECC will conduct its work.

Action in these areas should be designed to reach HECC goals for **STUDENT SUCCESS, EQUITY, AFFORDABILITY,** and **ECONOMIC & COMMUNITY IMPACT**, as measured by the HECC's KPMs and other measures.

NEXT STEPS (April – September, 2021):

Between April and September 2021, the Commission should work with partners and the public to finalize the Strategic Roadmap categories, further identify specific actions within each category, and determine which entities are responsible for execution as leaders, as facilitators, or as other participants.