



State Council of  
Higher Education for Virginia

# Transitioning from the Restructuring Act to the Opportunity Act

Higher Education Advisory Committee

June 30, 2011

Jim Alessio

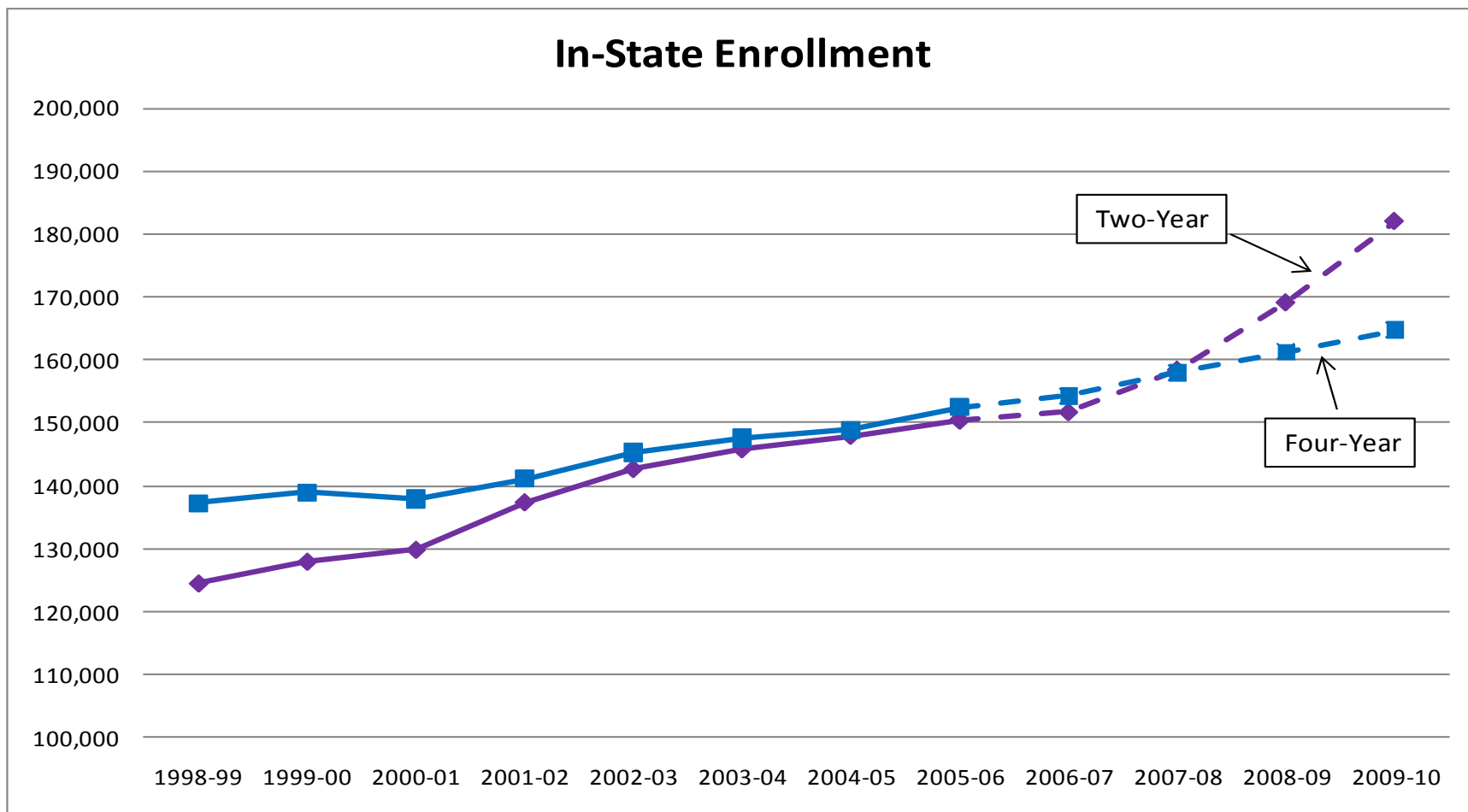
Higher Education Restructuring Director

# Higher Education Restructuring

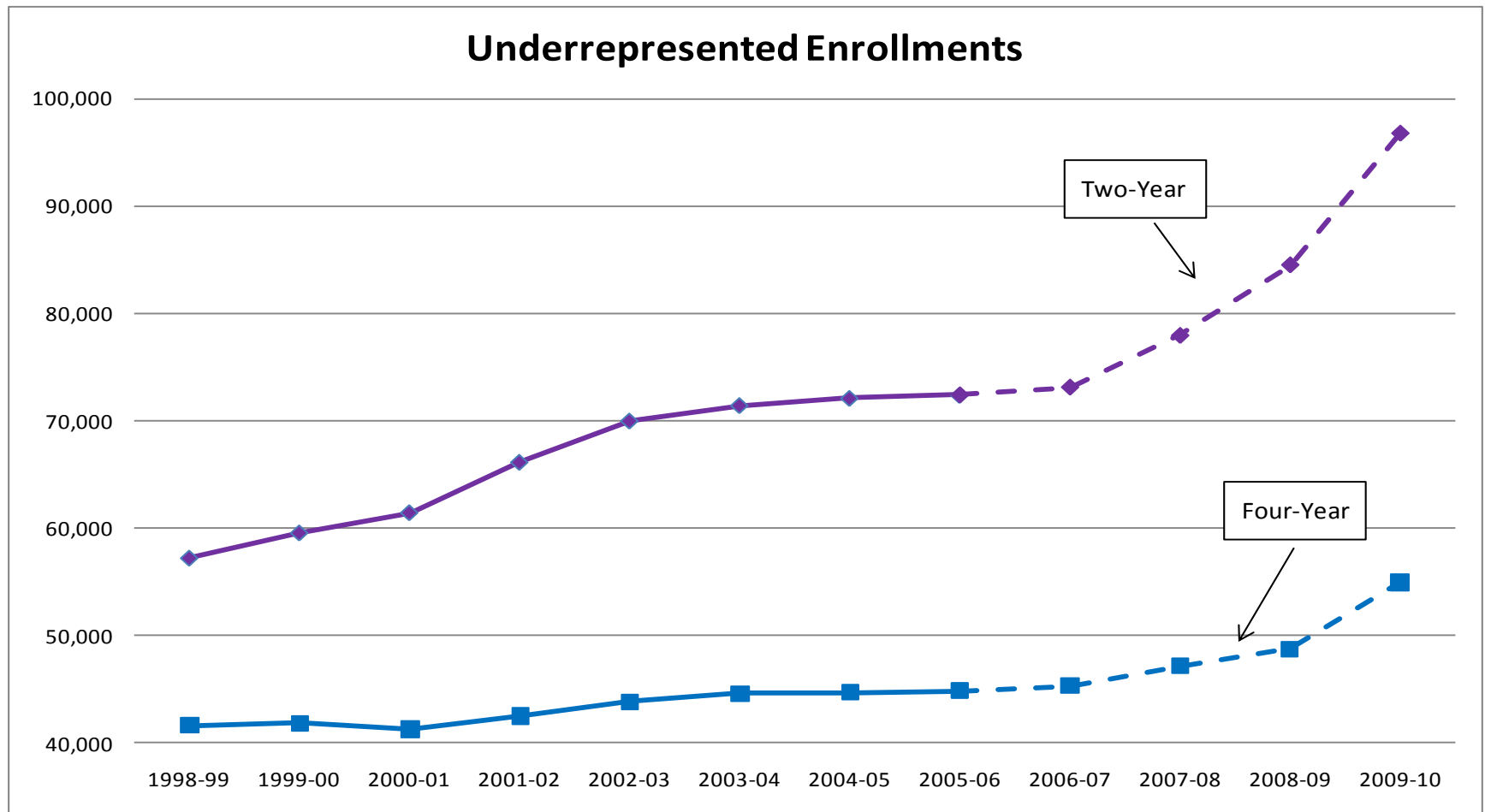
To provide public colleges and universities with more operational and administrative autonomy in exchange for a renewed commitment to their public missions (“State Asks”).

**How have the institutions  
performed?**

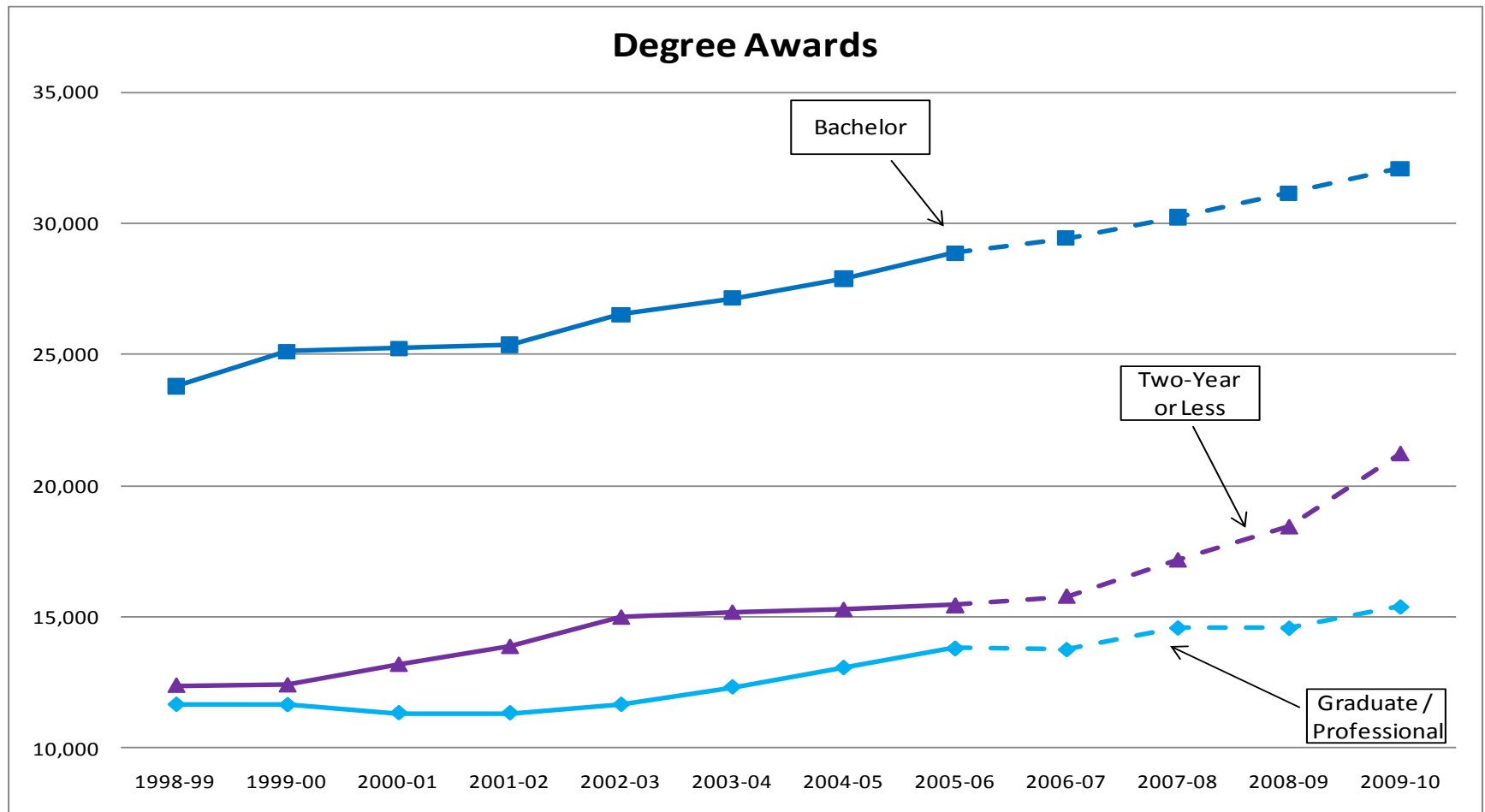
# In-State Enrollment has grown



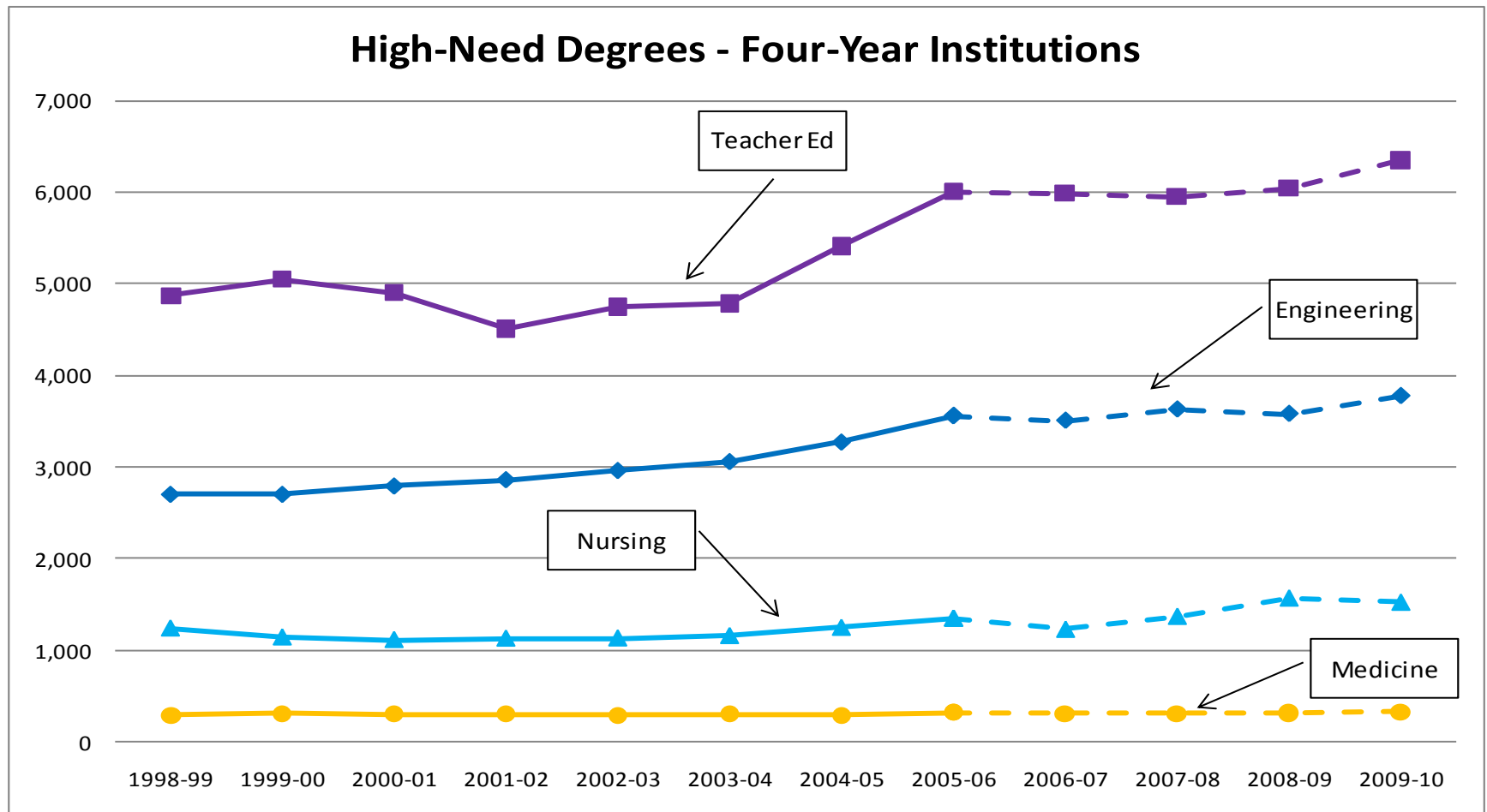
# Underrepresented Enrollments have grown



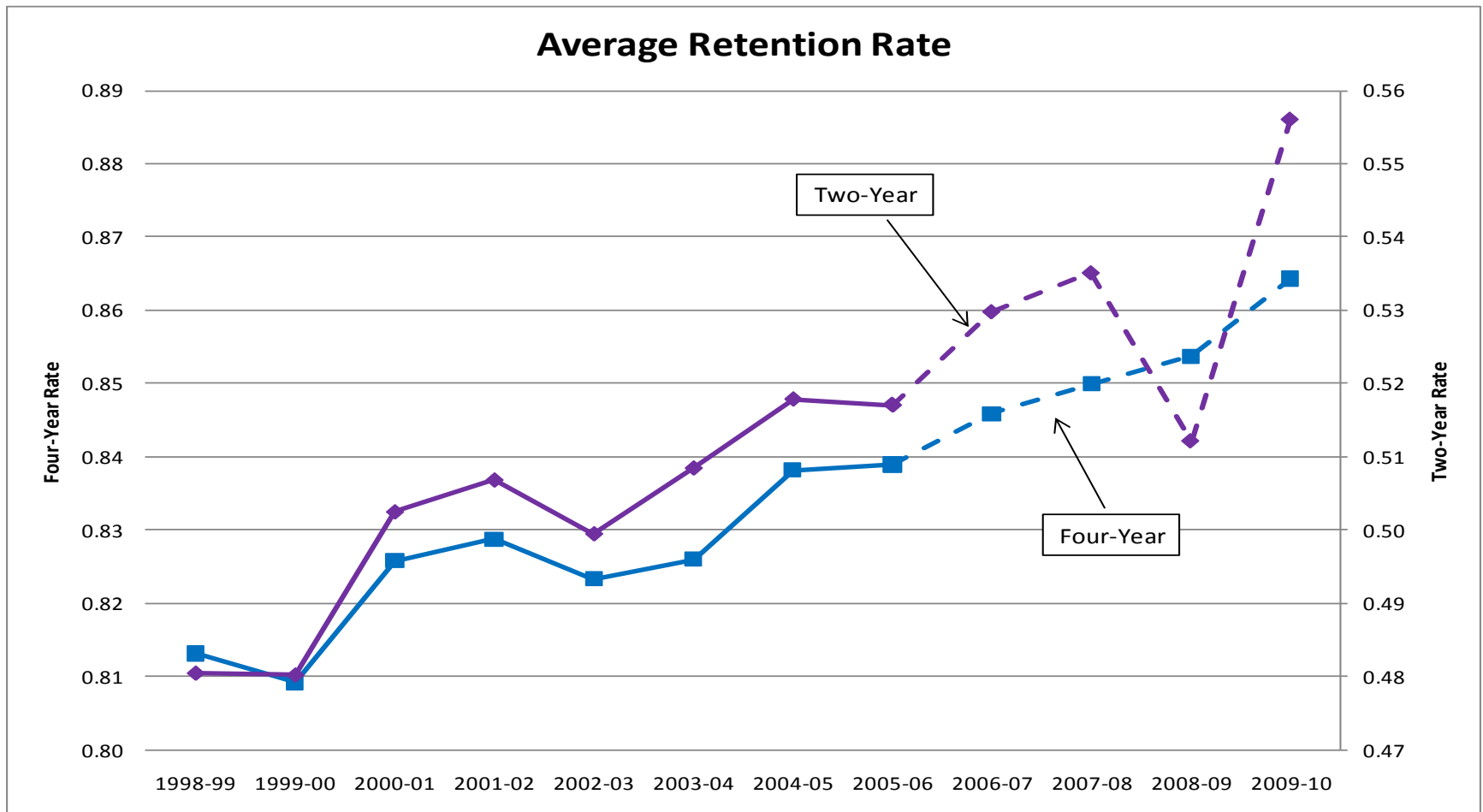
# Degrees have increased



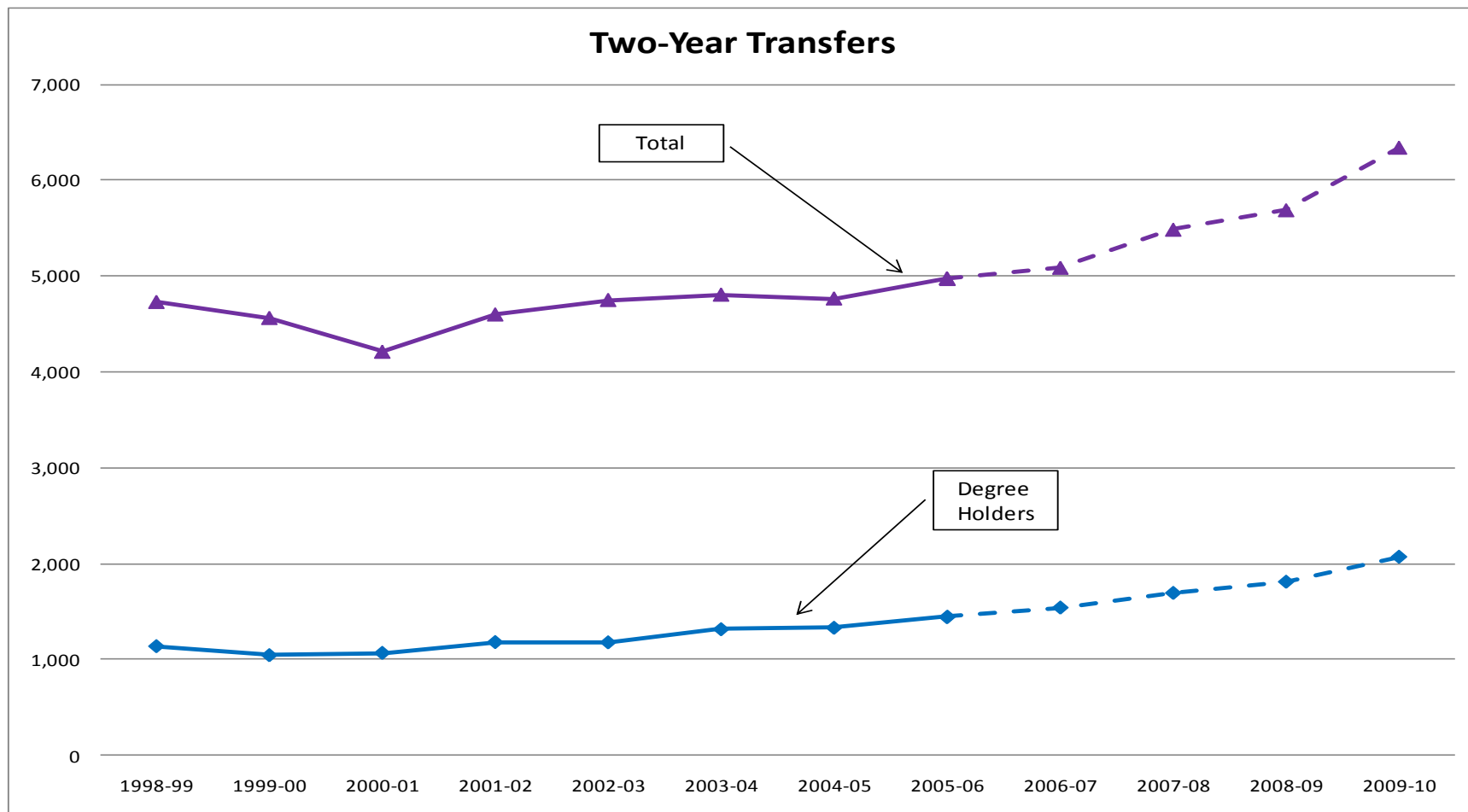
# Degrees have not grown in some areas



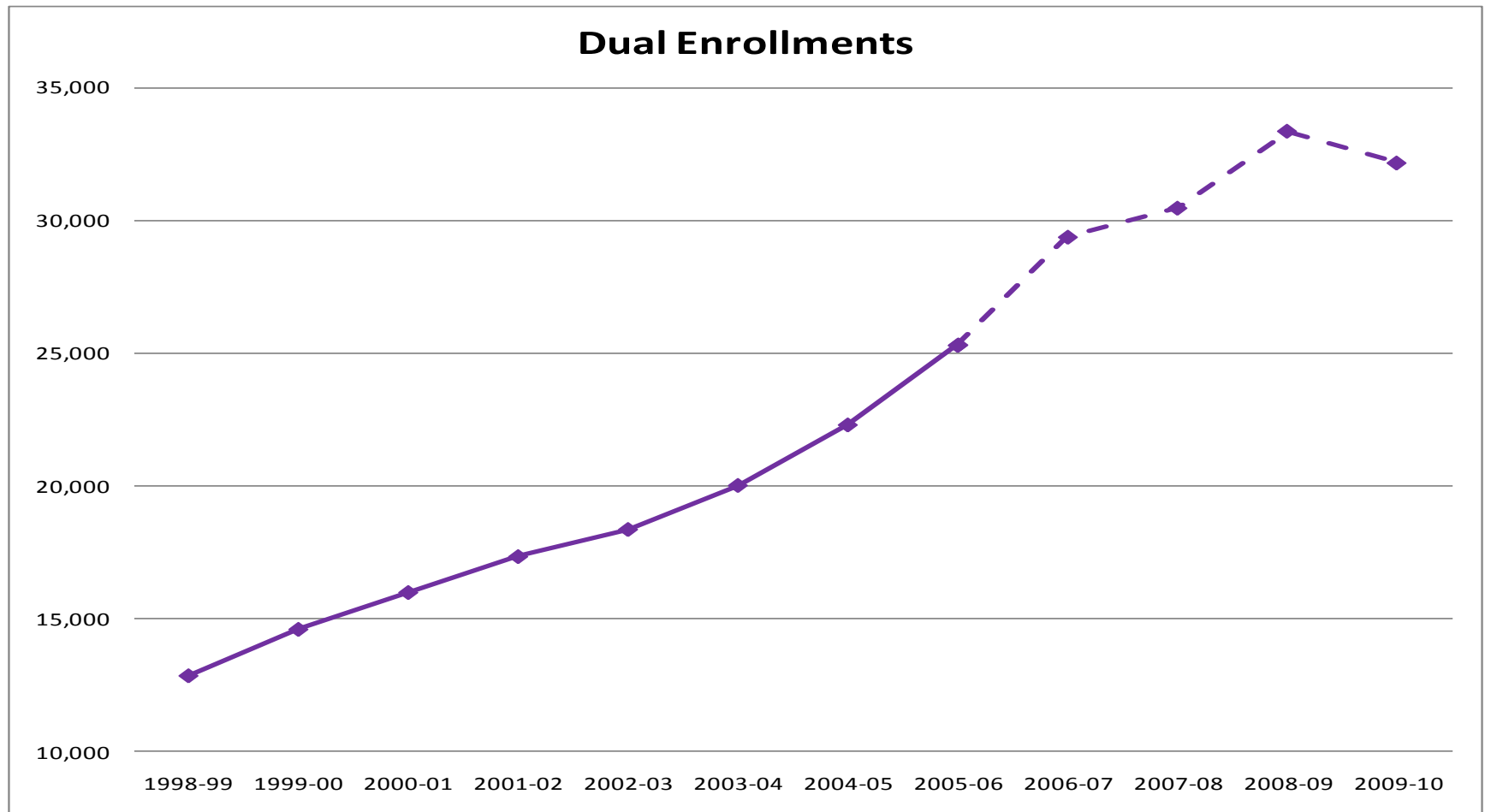
# Retention improved



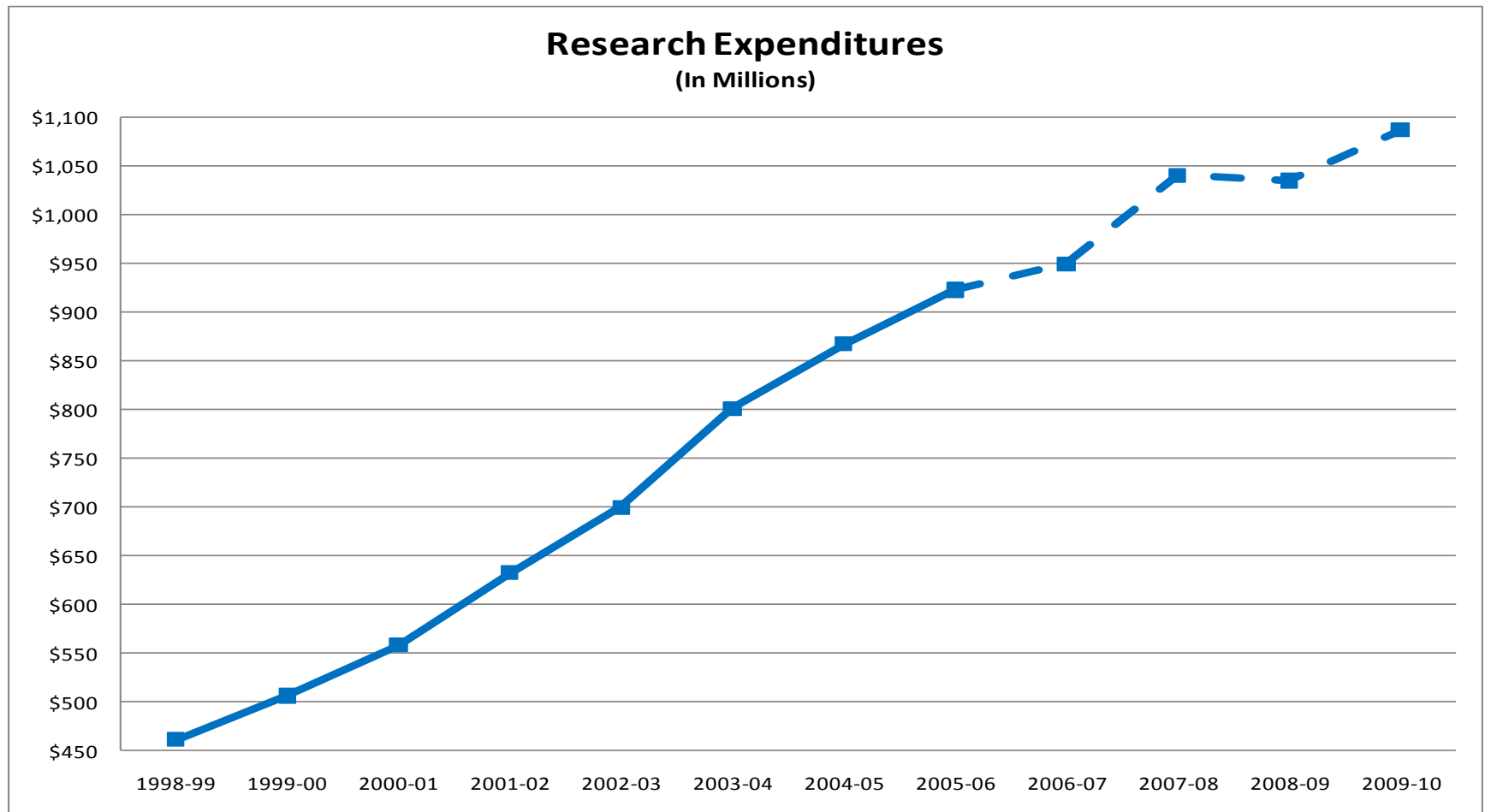
# Two-Year Transfers have increased



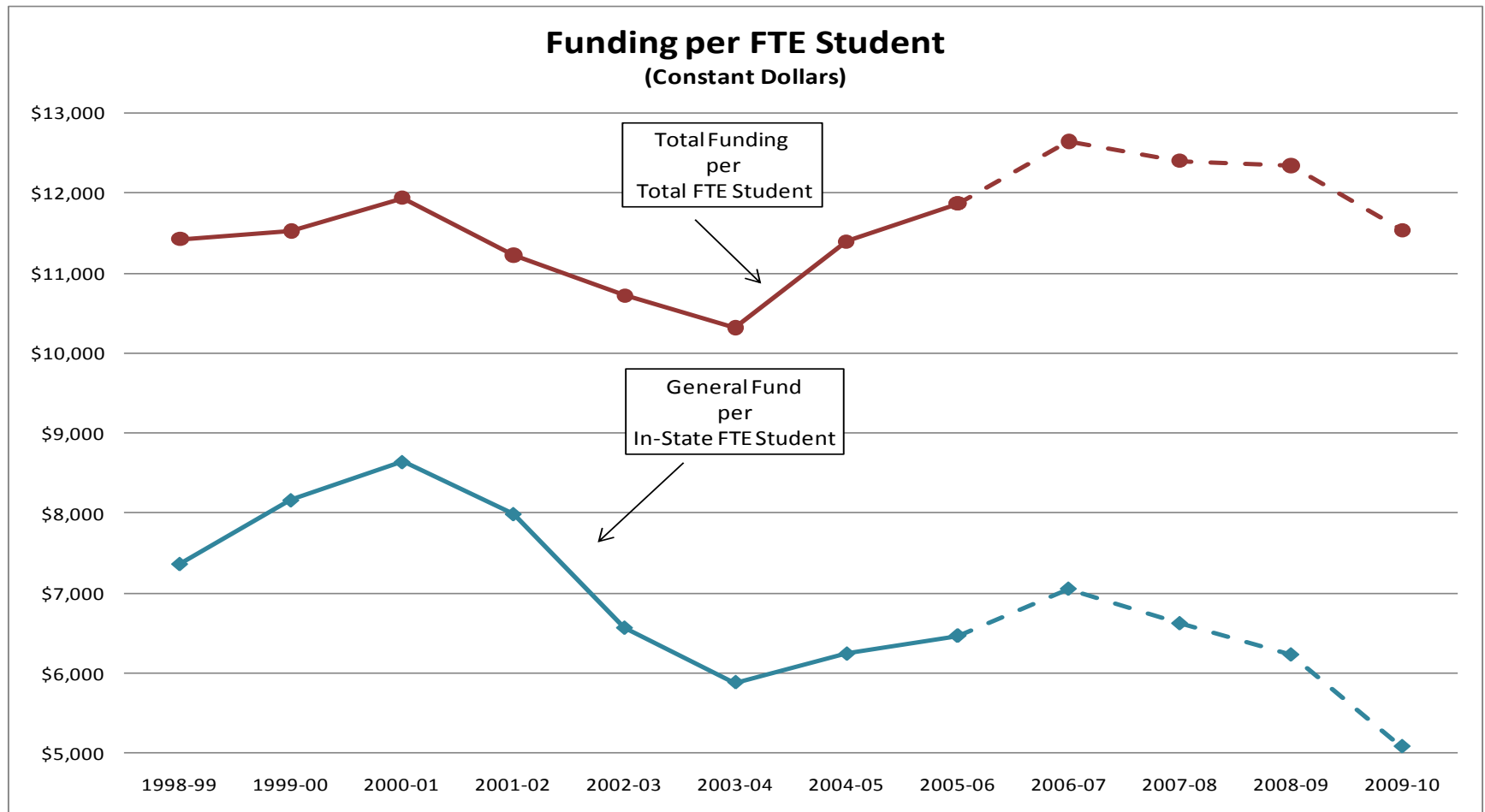
# Dual Enrollments are up



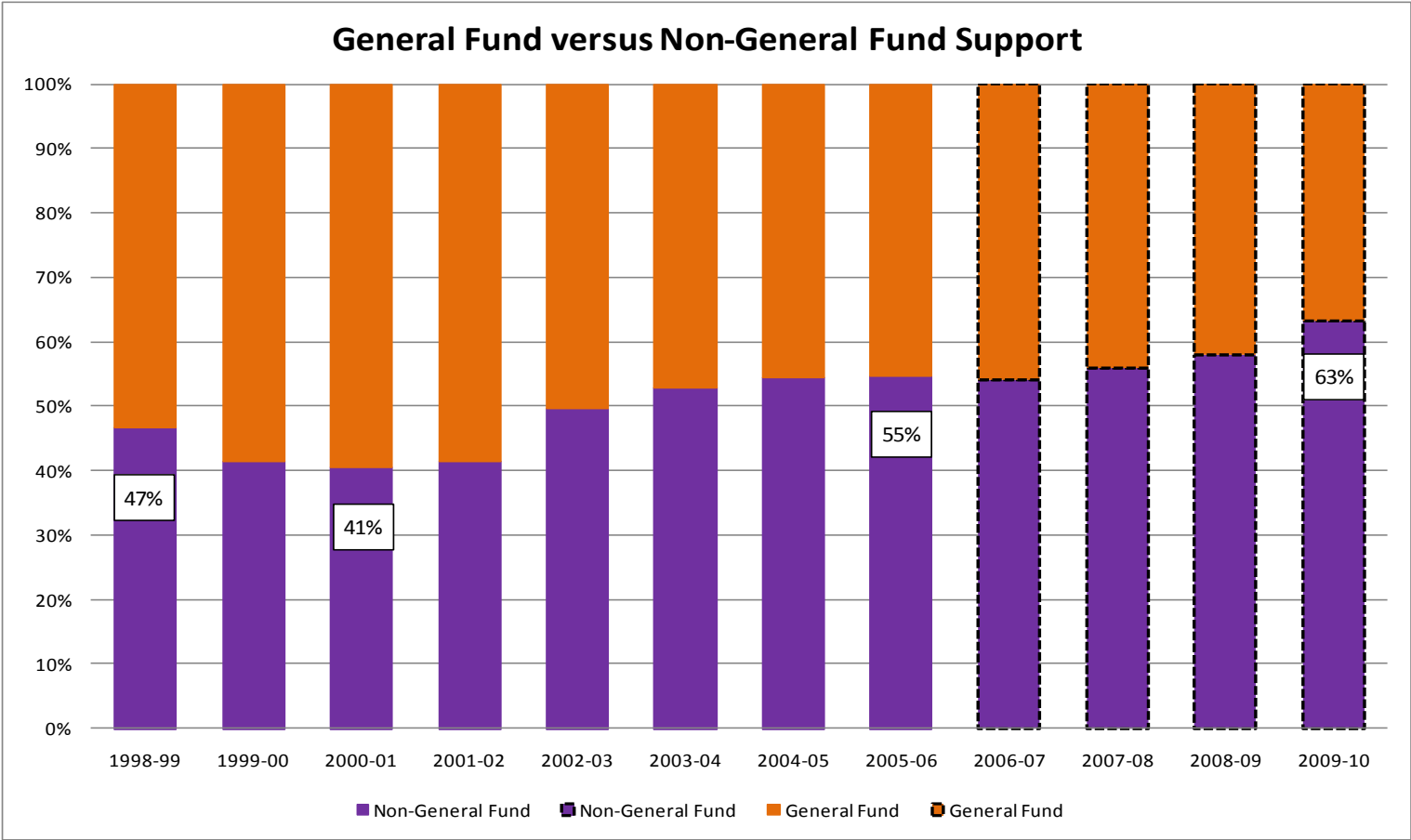
# Research expenditures continue to grow



# Funding per student declined

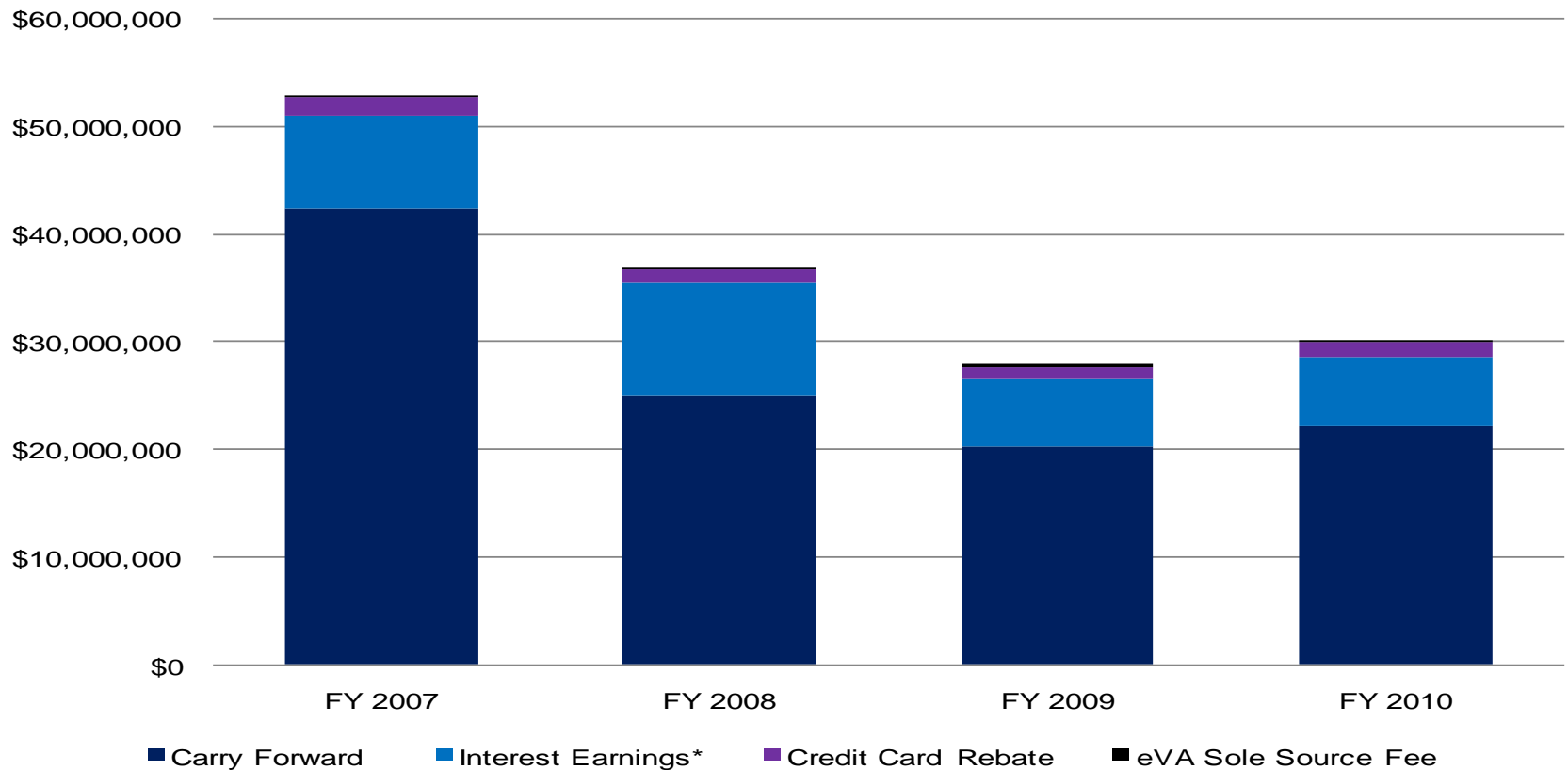


# Student share has increased



# Recession and financial benefits

## Restructuring Financial Benefits (\* Interest Earnings - Level III Institutions not included)



# Restructuring Progress

Goal	Progress
Access	
Affordability	
Breadth of Academics	
Academic Standards	
Retention and Graduation	
Articulation and Dual Enrollment	
Economic Development	
Research	
K-12 Education	
Campus Safety and Security	
Finance and Administration	

# Reflections on Restructuring...

- Restructuring has worked!
- Institutions have responded to the “State Asks”
- Institutions have met the finance and administrative standards
- Of the 17 public institutions:
  - Four reached Level III autonomy
  - Seven received Level II autonomy
  - Of the remaining six Level I, two are considering applying for Level II
- Besides operational and administrative benefits, the institutions have earned financial benefits of more the \$154.5 million

# What we have learned...

- Measurement and accountability matter
- Performance-based policy measures work
- The current process is cumbersome
- Target/threshold development is
  - Difficult
  - Time consuming
  - Hard to monitor progress
  - Timing does not allow for mid-course adjustments

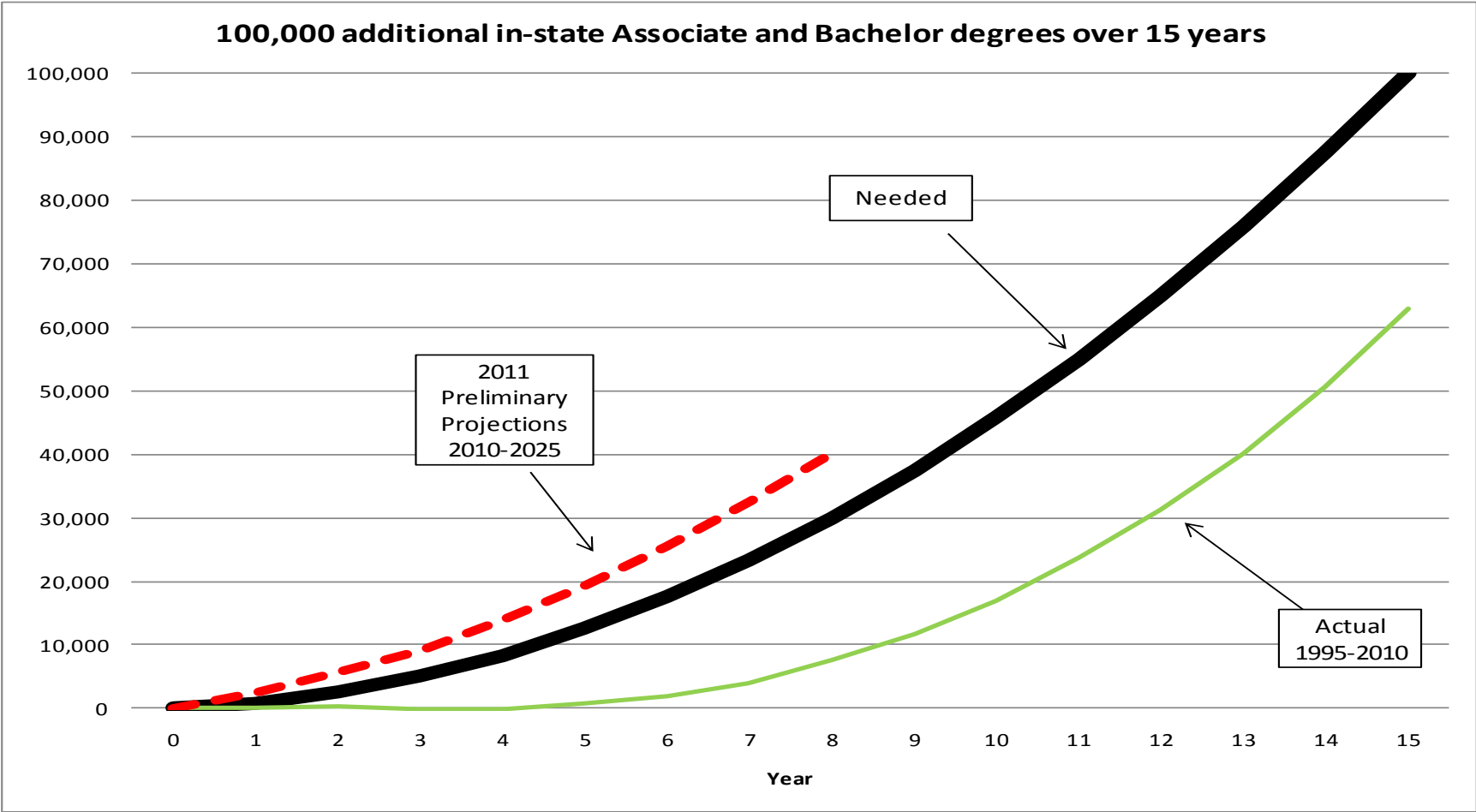
# What we have learned...

- The Restructuring Act laid a foundation for the future
  - Higher Education Opportunity Act
- Opportunity for improvement
  - Setting realistic and achievable goals versus aspirations
  - Accountability and performance versus 'credit'
  - Balancing state and institution expectations
  - Need for caution when developing measures – for example, ratios
  - Establishing state goals as well as institutional goals

# Goal setting

- Institutional goals can be derived from the state goal
- Example: 100,000 additional in-state Associate and Bachelor degrees
  - State level – “Top Down”
  - Can be translated into institutional goals
  - Easily understood
  - Easily measured
  - Progress can be easily monitored
  - Consistency over time

# Reaching 100,000 additional degrees



# Transition to Opportunity...

- Should performance assessment be based on meeting targets/thresholds or a weighted average of a set of targets?
- Should incentive funding have two performance components, say, a 50/50 split?
  - Institution-based performance
  - Statewide performance
- Does assessment have to occur annually or should it be biennial?
- Should assessment be tied to funding support?
  - Example: If funding – basic operations, cost of education, etc. – is at XX% of guidelines, should an institution be expected to achieve at least XX% on its weighted average?

# Opportunity Act Incentive Measures

- Measures exist for many of the areas:
  - Enrollment
  - Degrees
  - Retention/graduation rates
  - STEM production
  - Degree completion time
  - Two-year transfers
- Sparse existing data available for:
  - Year-round space utilization
  - Technology enhanced instruction and resource sharing
  - Economic opportunity metrics

# Realigning IPS to Opportunity Act

Institutional Performance Standards (IPS) can be realigned to recognize Opportunity Act priorities.



# Current IPS

Goal	Measure	Annual Assessment	Biennial Reporting
Access	In-State Enrollment	X	
	Underrepresented enrollment	X	
	Degree Awards	X	
Affordability	Graduation rates by financial aid status	X	
	Need-based borrowing		X
	Tuition Assessment		X
Breadth of Academics	High-need degrees	X	
Academic Standards	SACS program review	X	
	Degrees per FTE faculty		X
Retention and Graduation	Average retention rate	X	
	Degree per FTE students	X	



# Current IPS

Goal	Measure	Annual Assessment	Biennial Reporting
Articulation and Dual Enrollment	Transfer agreements		X
	Transfers	X	
	Dual enrollments	X	
Economic Development	Economic development		X
Research	Research expenditures	X	
	Patents and licenses		X
K-12 Education	K-12 partnerships		X
Campus Safety and Security	Implementation of 'best practices'		X



# Realigning IPS to Opportunity Act

Opportunity Act Objective	Sample Realigned Measure
Increased enrollment of Virginia students	In-State enrollment
Increased degree completion for Virginia residents who have partial credit completion for a degree	Transfer credit (2011) Additional data collection
Increased degree completion in a timely or expedited manner.	In-state associate and bachelor degrees awarded
Enhanced community college transfer programs and grants and other enhanced degree path programs.	Two-year transfers: total, with degree, guaranteed admission
Improved retention and graduation rates.	Retention and graduation rates
Increased degree production in STEM.	STEM – associate, bachelor, and professional/graduate degrees
New programs the institution might consider to further the Commonwealth’s objectives.	Evaluation of Six-Year Plan progress
Increased research	Research expenditures
Other efficiency reforms designed to reduce total institutional cost.	Total E&G expenditures per FTE student



# Realigning IPS to Opportunity Act

Opportunity Act Objective	Sample Realigned Measure
Technology enhanced instruction.	New data collection
Economic opportunity	Developing ongoing access to VEC data through the Virginia Longitudinal Data System
Innovation and continuous improvement	Evaluation of Six-Year Plan progress
Other initiatives	Evaluation of Six-Year Plan progress
Maintenance of effort	Evaluation of Six-Year Plan progress
Financial aid to help mitigate the impact of tuition and fee increases on low-income and middle-income students and their families.	Evaluation of Six-Year Plan progress
Optimal year-round use of facilities and instructional resources	Fall, spring, and summer credit hours Expansion of facilities utilization data Faculty workload data
Instructional resource sharing	Evaluation of Six-Year Plan progress
New programs or initiatives	Evaluation of Six-Year Plan progress



# Restructuring to Opportunity

***Virginia took the lead among states with the implementation of the Restructuring Act.***

***Virginia extends its lead with the Opportunity Act.***