Student Success Committee
October 13, 2021
Proposed Revisions to Policy 1993-01-A: General Education

Intent of revision: Align with 1999-01-A as revised July 2021

• Add definition of Directed General Education
• Add definition of 'parallel program'
• Update 'regional accreditation' to 'CHEA-recognized accreditation'
• Align language of section F on transfer of general education with 1999-01-A as approved by the Board at its July 2021 meeting

DRAFT MOTION: That the Board of Governors approves revisions to Board of Governors Policy 1993-01 A General Education as marked up
Board Affirmed DEI Strategy Framework and Priorities

**Framework**

Mission and Vision

**THEORY OF ACTION**

Priority with Measurable Goals

Priority with Measurable Goals

Priority with Measurable Goals

**Priorities**

1. Faculty, Staff, and Student Diversity
2. Equitable Student Outcomes
3. Inclusive Communities
4. Curriculum Diversity
5. Enabling Infrastructure

Mission and Vision

Board Affirmed DEI Strategy Framework and Priorities

Priority with Measurable Goals

Priority with Measurable Goals

Priority with Measurable Goals
PASSHE Diversity, Equity, and Inclusion Summit

November 3-5, 2021

ONWARD & UPWARD:
Advancing DEI Mindsets Through Impactful Action

Pre-Summit Special Event (PASSHE community only)
October 22nd at 6 p.m.
Featuring: Ijeoma Oluo
Author of So You Want to Talk About Race
PASSHE and the Power of Public Education

October 13, 2021
Employment Outcomes for PASSHE Bachelor’s Earners

Longitudinal employment outcomes for graduates (as of 10/5/21)

Bachelor’s Degree Recipients:

Working in PA:
- 71% 3 years after graduation
- 63% 10 years after graduation

Median earnings
- $54,708 10 years after graduation

* Employment data provided in partnership with Labor and Industry CWIA.

Sources: Student data from PASSHE Data Warehouse; wage data from PA Department of Labor & Industry
Employment Outcomes for PASSHE Master’s Earners
Longitudinal employment outcomes for graduates (as of 10/5/21)

Sources: Student data from PASSHE Data Warehouse; wage data from PA Department of Labor & Industry

Master’s Degree Recipients:

Working in PA:
- 66% 3 years after graduation
- 63% 10 years after graduation

Median earnings:
- $67,486 10 years after graduation

* Employment data provided in partnership with Labor and Industry CWIA.
Employment Outcomes for Graduate Degree Earners – Program Specific Outcomes

- 73% of foreign language grad degree earners are working in PA 5 years after graduation, with median wage of $64,687
- 63% of visual/performing arts grad degree earners are working in PA 5 years after grad, with a median wage of $61,900

* Employment data provided in partnership with Labor and Industry CWIA.

Sources: Student data from PASSHE Data Warehouse; wage data from PA Department of Labor & Industry
# Bachelor’s Degree Earners Working in PA

## Varies by student group

<table>
<thead>
<tr>
<th>Student group</th>
<th>% in PA 3 years after graduation</th>
<th>% in PA 3 years after graduation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pell-eligible:</td>
<td>73% (compared to 70% non-Pell)</td>
<td>64% (compared to 62% non-Pell)</td>
</tr>
<tr>
<td>In-state:</td>
<td>77% (compared to 22% from out-of-state)</td>
<td>68% (compared to 18% from out-of-state)</td>
</tr>
<tr>
<td>PA community college transfers</td>
<td>80% (compared to 71% non-transfer)</td>
<td>70% (compared to 63% non-transfer)</td>
</tr>
</tbody>
</table>

## Varies by discipline

| Most likely to work in PA 3 years out | Education grads (74%) |
| Least likely to work in PA 3 years out | STEM grads (66%) |

Most likely to work in PA 3 years out:
- Education grads (74%)

Least likely to work in PA 3 years out:
- STEM grads (66%)
Employment Outcomes by Family Income

Public higher education is a powerful driver of social mobility

Average earnings of high school graduates

Sources: Student data from PASSHE Data Warehouse; wage data from PA Department of Labor & Industry
Employment Outcomes by Race/Ethnicity

Years After Graduation

PA Annualized Earnings

American Indian or Alaska Native, Native Hawaiian or Other Pacific Islander, and Non-Resident Alien (International) were redacted due to small counts.

Sources: Student data from PASSHE Data Warehouse; wage data from PA Department of Labor & Industry
5 Year Employment Outcomes by Race/Ethnicity and Income

Public higher education is a powerful driver of social mobility

Sources: Student data from PASSHE Data Warehouse; wage data from PA Department of Labor & Industry
American Indian or Alaska Native, Native Hawaiian or Other Pacific Islander, and Non-Resident Alien (International) were redacted due to small counts.
Board of Governors Meeting
October 13-14, 2021
DAY 2
Board of Governors Meeting
October 13-14, 2021
Chancellor's Remarks:
Progress & Priorities
Contents

• The Crisis in PA Higher Education: System Redesign in Context

• System Redesign: Purpose and Progress to Date

• System Redesign: Next Steps (2021-2024)

• Funding Issues for Information
  o Report on Use of One-time Funds (Student Success Investments)
  o Building the Appropriations Request
Take-away messages

• Pennsylvania’s future is threatened by chronic, structural skilled labor shortages

• PASSHE can be part of the solution - it operates efficiently and has necessary capabilities

• But progress requires significant additional investment
The Crisis in PA Higher Ed
System Redesign in Context
Pennsylvania’s economic health is threatened

60% of PA jobs require higher education credential

50.7% of PA adults have such a credential

Employers locate jobs near available talent

- Need felt across sectors
- Particularly acute for BA and graduate degrees
Sectors with Urgent Ongoing Unmet Workforce Needs

**Energy**
civil and electrical engineers, electricians, first-line supervisors

**Finance & Business Services**
insurance sales agents, loan officers, financial managers, claims adjusters, personal financial advisors

**Healthcare**
RNs, nursing assistants, licensed practical and vocational nurses, mental health & substance abuse social workers, medical assistants

**Information Technology**
computer & information systems managers, management analysts, systems administrators, software developers, programmers, telecommunication support

**Agribusiness**
general and operations managers, sales representatives, food batch makers, farmworkers and laborers, first-line supervisors of retail sales workers

**Advanced Manufacturing**
wholesale trade agents, machine shops, commercial and industrial machinery and equipment

Identified 2019/20 in consultation employers and employer associations across PA regions
## Anticipated Demand Growth by Degree Level (2020-30)

<table>
<thead>
<tr>
<th>Typical Entry Level Education</th>
<th>Employment 2020</th>
<th>Percent employment change, 2020-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total, all occupations</td>
<td>6,144,648</td>
<td>3.4%</td>
</tr>
<tr>
<td>Doctoral or professional degree</td>
<td>218,578</td>
<td>6.0%</td>
</tr>
<tr>
<td>Master's degree</td>
<td>107,726</td>
<td>15.7%</td>
</tr>
<tr>
<td>Bachelor's degree</td>
<td>1,353,348</td>
<td>8.1%</td>
</tr>
<tr>
<td>Associate's degree</td>
<td>138,689</td>
<td>5.5%</td>
</tr>
<tr>
<td>Postsecondary nondegree award</td>
<td>413,643</td>
<td>4.0%</td>
</tr>
<tr>
<td>Some college, no degree</td>
<td>143,476</td>
<td>1.3%</td>
</tr>
<tr>
<td>High school diploma or equivalent</td>
<td>2,503,669</td>
<td>3.2%</td>
</tr>
<tr>
<td>No formal educational credential</td>
<td>1,265,519</td>
<td>-3.1%</td>
</tr>
</tbody>
</table>

To maintain its share of degrees produced PA, PASSHE has to produce:

- 1,200 more Master’s
- 2,000 more Bachelor’s

every year through 2030
Two ways to address the crisis

**Import talent**

Hard because in-migration to Pennsylvania is nearly flat

**Grow talent**

Hard because Pennsylvania higher education is:

- underserving minority, adult, and rural students
- undersupplying non-degree credentials
- pricing residents out of higher education
Affordability is key*

PA ranks...
- 46th in state appropriation per FTE (compared to 4-year publics)
- 9th in net tuition revenue per FTE (compared to 4-year publics)
- 2nd in average graduating student debt (all higher education)**

Unsurprisingly, PA is...
- Consistently below national averages for college enrollment rates
- Losing more students annually to universities and colleges in other states
- 42nd in unemployment (down from 24th a decade ago) – the jobs are there; the skilled workers aren’t


**(Average student debt, by state U.S. 2018/19 | Statista)
PASSHE is part of the solution

Owned by the state, it’s directly responsive to critical needs:

- Awards more than 24,000 credentials annually from programs that meet workforce needs
- Produces graduates who live and work in PA
- Fundamentally redesigning itself to ensure affordable, career-relevant education for all Pennsylvanians
- Offers a quick and efficient path to credentialing growth
System Redesign: Purpose and Progress to Date
**System Redesign Timeline**

**PHASE 1:** Gather and analyze data; identify challenges, priorities, and leadership; organize for collaborative redesign processes

**PHASE 2:** Define vision; establish foundational tools; strengthen partnership with state; stabilize financially; arrest student cost increases; plan and prioritize for Phase 3

**PHASE 3:** Develop, prioritize, build partnership around, fund, and implement strategies that expand opportunities for students, and drive growth and economic impact
System Redesign Progress (as of Fall 2021)

**Stabilizing the system financially**
- Required universities to align costs with revenues and program arrays with enrollments
- Achieved efficiencies through shared services
- Addressing unnecessarily redundant programs

**Addressing student affordability**
- Froze tuition for three consecutive years
- Increased student aid

**Forging a closer partnership with the Commonwealth**
- Secured essential new investments
- Won necessary legislative reform in governing statute

**Strengthening governance & accountability**
- Involved university and faculty leaders directly in system governance
- Tied accountability to progress against measurable goals
- Achieved transparency in dashboard reporting, leg testimony, and other means

**Expanding student opportunity and impact**
- Enabling cross-campus instruction
- Improving student outcomes
- Growing in underserved student markets and high-demand credentials
- Ensuring universities are diverse and support success of all members

Integrating universities to advance all these objectives
System Redesign Next Steps (2021-2024)
System Redesign Priorities 2021-2024

- Operate sustainably
- Expand student opportunities and improve student outcomes
- Expand student affordability and grow
Measurable goals:
• Cost and revenues remain aligned

Prospects for implementation:
• High
Financial stability required by policy; managed routinely

• Universities reviewed annually, and detailed plans required from those not making adequate progress

• Universities annually submit three-year budgets that must balance, align headcount to enrollment levels, and work to meet key financial health goals

• Process is ongoing and adjusted to take account of changing enrollments and revenues
Driven by real accountabilities and incentives

**Financial incentives**
- Allocation formula moving away from high-subsidy model
- Aggressive covenant attached to system loans/master leases

**Other actions used under policy**
- Requiring universities to wind down / share low-enrolled programs; curtail use of adjuncts
- Use of expert visiting committees and/or audits to support and pressure-test university plans
- Personnel actions
Implemented in a planful manner

Respectful of quality and program breadth:

- Ensure students everywhere have access to wide range of educational programs and disciplines
- Maintain 2010/11 student-to-faculty ratios that align with normal range of national peers today

Respectful of faculty and staff, cushioning impacts through:

- Retirement incentives
- Support for employee mobility within System and/or to Commonwealth
The Sustainability Policy Works

**Goal Set in April 2020:**
By June 2022, universities will balance budgets without use of reserves and will meet faculty-to-student ratios

**Results as of April 2020:**
- Total cost down by $173M
- Faculty headcount down by 663 (13%)
- Staff headcount down by 616 (10%)
- Two universities have improved plan levels
- Chancellor directives used to drive course corrections where necessary (February 2020, April 2020, and Oct 2021)

<table>
<thead>
<tr>
<th>Annualized Unrestricted FTE Employees</th>
<th>Compared to '19</th>
<th>%age</th>
<th>Compared to '11</th>
<th>%age</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Inc/(Dec)</td>
<td>Since '19</td>
<td>Inc/(Dec)</td>
<td>Since '11</td>
</tr>
<tr>
<td>Faculty</td>
<td>5,435</td>
<td>5,069</td>
<td>5,011</td>
<td>4,593</td>
</tr>
<tr>
<td>Non-Faculty</td>
<td>6,279</td>
<td>5,979</td>
<td>5,834</td>
<td>5,382</td>
</tr>
<tr>
<td>11,714</td>
<td>11,048</td>
<td>10,844</td>
<td>9,975</td>
<td>9,770</td>
</tr>
</tbody>
</table>

Annualized Unrestricted University Employees, Source – September 2021 CPPs
Continuing Headwinds | Budgetary

Funding
• Flat General Fund Appropriation 20/21 and 21/22

System investment in student affordability ($160M/year)
• $100M/year to student aid from E&G funds; up $30M/year since 2019
• $60M in foregone recurring revenues resulting from three successive tuition freezes
Continuing Headwinds | Pandemic Effects on 2021 Enrollment

Fall Headcount Enrollment 1976-2021

Fall 2021 enrollments down 5.4% (Fall 2020 was down 4.7%)
Impacts and Actions

- Fall 2021's enrollment results in E&G and auxiliary losses for 2021/22 and future projections
- Integration projections weakened since July resulting from enrollment declines and unmet workforce targets

- Chancellor reinforces Feb. 2020 directives
- Chancellor directs selected schools to address low-enrolled programs
- Budget targets reset in fall 2022 to take account of new enrollments and revenues
But shrinking exacerbates PA’s workforce development crisis

Austerity saves money, but sacrifices PA’s future. We must expand student opportunity and grow to meet workforce need.

Fall 2023 Gap: 7,909
Student Headcount 8,605 FTE
Measurable goals

1. Community college and high school pipelines strengthened
2. Traditional students’ retention / graduation rates improved
3. Access and attainment gaps reduced
4. Proportion of non-degree credentials increased
5. University communities are more diverse and support success of all their members
6. University integrations implemented successfully
7. Education programs reflect market demand, respond to demographic & enrollment trends, available in every region without inefficient redundancy

Prospects for implementation
High, with availability of one-time funds; otherwise, low
Prioritized initiatives

- Align with and leverage university investments and strategic priorities
- Integrate stakeholder priorities, including those of our Commonwealth owners
- Are advanced with evidence-based practices and by leveraging System’s scale/reach
- Are supported with $300M in one-time funds available over four years—including SERS (guaranteed) and state commitment of federal funds

Success contingent on availability of one-time funds for strategic investment
2021/22 distribution of $75M one-time funds

- Launch Integrating Universities: $15.0
- Student Success Initiatives: $18.5
- Support Transition to Sustainable Operations*: $15.0
- Essential Infrastructure: $5.0
- Debt Relief: $12.5
- Diversity, Equity and Inclusion Goals: $3.25M
- Enhance Workforce-Aligned Programming: $4.0
- SERS contingency funds: $2.5

*Encompasses labor impacts and variances in appropriation allocation

PRIORITY: Expand student opportunities and improve student outcomes
## Distribution by Fund Source & System Redesign Goals

<table>
<thead>
<tr>
<th></th>
<th>SERS</th>
<th>Federal</th>
<th>OTT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expand student opportunity, improve student outcomes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Integrations</td>
<td>$15,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DEI</td>
<td>$750,000</td>
<td>$2,500,000</td>
<td></td>
</tr>
<tr>
<td>Workforce</td>
<td></td>
<td>$4,000,000</td>
<td></td>
</tr>
<tr>
<td>Improve student success</td>
<td></td>
<td></td>
<td>$18,500,000</td>
</tr>
<tr>
<td>OneSIS</td>
<td></td>
<td></td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Operate sustainably and with financial stability</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Support for universities transitioning to sustainable operations</td>
<td>$7,304,996</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Support labor in transition to sustainable operations</td>
<td></td>
<td>$7,500,000</td>
<td></td>
</tr>
<tr>
<td>Targeted debt relief</td>
<td></td>
<td></td>
<td>$12,500,000</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contingency</td>
<td>$2,500,000</td>
<td></td>
<td>$1,075,000</td>
</tr>
<tr>
<td>Incentive Funding</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>$25,554,996</td>
<td>$50,000,000</td>
<td>$1,075,000</td>
</tr>
</tbody>
</table>

**Use of one-time funds:**
- Guiding principles
  - Strategic, one-time, shovel-ready objectives with measurable outcomes and not resulting in recurring costs
  - Progress assessed annually
  - Recommended by Chancellor w/ input from ELG

**Fund sources**
- SERS funds result from pre-payment of SERS pension obligations
- Federal funds result from 50M one-time investment by the General Assembly
- OTT (Off The Top) funds result from savings in 2020/21 operations at the OOC as supported with off-the-top funding
Use of One-Time Student Success Funds*

**Student Recruitment**
- Enhance outreach to community college and other transfers
- Grow dual enrollment
- Expand adult completion market
- Upgrade marketing platforms and technology
- Target first generation and URM recruitment

**Student Progression**
Integration of high impact practices such as:
- Early alert and other advising enhancements
- Student success coaches
- First year experiences and monitoring
- Internships
- Specific URM supports

**Student affordability**
- Emergency grants
- Targeted scholarships

NOTES
One-time funds will:
- strengthen / leverage existing university investments in these areas
- be distributed according to a formula weighted to target those with greatest enrollment challenges
- support a statewide price elasticity study that will inform tuition, fee, room, and board decisions

*Use and distribution of one-time funds allocated to DEI strategy implementation and workforce aligned programming forthcoming
Measurable goals

1. Average net student cost declines relative to other providers

2. Student cost increases kept within prevailing rate of inflation

3. Enrollments and credentialing productivity grow

Prospects for implementation
High, with recurring state investment; otherwise, low
PASSHE has invested in student affordability

• Buying three years of tuition freezes and $100M in institutional aid with self-imposed cuts to E&G budgets

• As we near peak efficiency there is little more we can do given the scale of the affordability challenge that pushes into the $300M/yr range simply to hit national and regional averages
The recommended $550M Appropriations request:

✓ Responds to repeated requests about PASSHE’s real running cost
✓ Uses reliable budget information
✓ Assumes financially stability
✓ Fully funds
  • 2022/23 tuition freeze and
  • Normal inflationary costs
✓ Eliminates internal cross-subsidies
✓ Ensures one-time funds are available for strategic investment
✓ Helps PASSHE’s per-FTE funding make progress toward the national average (from 46th for four-year publics)

However, it will not:

• Reduce costs to students
• Address university and affiliate housing debt that poses an existential threat to our most rural universities

So, we are also proposing, via a letter to the Governor and the General Assembly...
#1. Direct-to-Student Funding
An Outcomes-Based Approach

To do its part, meeting PA workforce needs, PASSHE needs to produce 2,000 more Bachelor’s and 1,200 more Masters annually to 2030

Based on research into impacts of incremental funding*

- A 15% appropriations increase yields 38% of that
- A $201 million direct-to-student investment yields 62% part of that

At this level, PA would be average nationally in funding per FTE at four-year public universities (currently 46th)

Funds could be distributed to optimize for equity, workforce development, and taxpayer efficiency

#2. Housing Debt Assistance

Housing Debt Assistance
$30M - $40M over the term of the bond (average +/- 20 years) for selected outstanding housing debt and/or DGS acquisition of selected housing
### University Integrations | Key Quarterly Highlights

<table>
<thead>
<tr>
<th>Item</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Detailed plan for phased-in curriculum development</strong></td>
<td>On track</td>
</tr>
<tr>
<td>(The side letters now set the stage for the interim curriculum committee to work against this plan. Updated IT and other supporting plans based on these changes)</td>
<td></td>
</tr>
<tr>
<td><strong>Middle States submission of Complex Substantive Change Request</strong></td>
<td>Submitted September 16</td>
</tr>
<tr>
<td><strong>Organizational charts at the division level</strong></td>
<td>Completed</td>
</tr>
<tr>
<td><strong>Marketing and branding strategy development</strong></td>
<td>West completed; Northeast in process</td>
</tr>
</tbody>
</table>
University Integrations
Leadership and Governance During the Transition

- Interim president transition
- Integrated university cabinet update
- Councils of Trustees
University Integrations | Leadership and Governance. Northeast Cabinet

- **President**
- **Academic Affairs**
  - Provost and Senior VP for Academic Affairs
  - VP for Faculty Affairs and Academic Operations
- **Administration & Finance**
  - Vice President for Administration and Finance
- **Enrollment Management**
  - VP for Enrollment Management
- **Student Success & Campus Life**
  - VP for Student Success & Campus Life
- **Advancement**
  - VP for University Advancement
- **Diversity, Equity & Inclusion (Cross-Functional)**
  - Chief Diversity, Equity and Inclusion Officer
University Integrations | Leadership and Governance
West Cabinet

President

Academic Affairs
Senior VP for Academic Affairs and Provost

Administration & Finance
Senior VP for Administration and Finance

Enrollment Management
Senior VP for Enrollment Management

Institutional Effectiveness and Student Affairs
Senior VP for Institutional Effectiveness and Student Affairs

Advancement
Senior VP for University Advancement

Diversity, Equity and Inclusion
VP for Diversity, Equity and Inclusion

Global Online
Vice President for Global Online