



# State Council of Higher Education for Virginia

## Senate Finance Committee Meeting Education Subcommittee

December 6, 2007

# Higher Education Restructuring

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State Council of Higher Education for Virginia





# Higher Education Restructuring

## Interrelated Elements of Restructuring Act

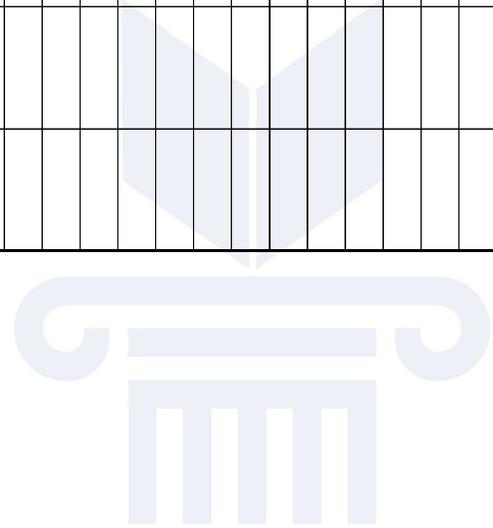




# Higher Education Restructuring

## Restructuring Timeline

2005					2006					2007					2008														
J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J
Restructuring Act/ 11 Goals																													
					BOV's commit to goals/six-year plans																								
					SCHEV develops Institutional Performance Standards (IPS)																								

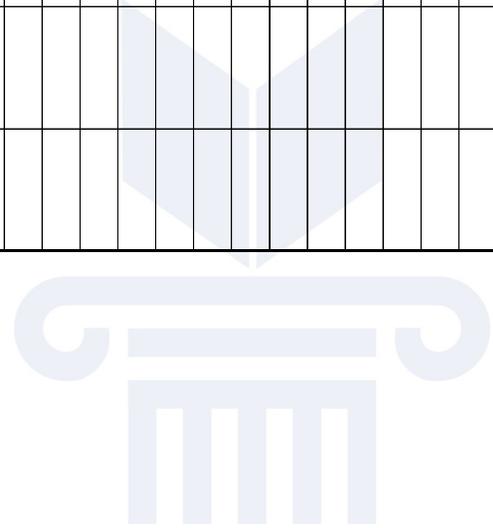




# Higher Education Restructuring

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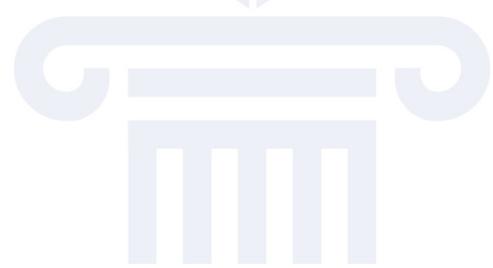




# Higher Education Restructuring

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					BOV's commit to goals/ six-year plans					Institutions commit to targets					Institutions submit six-year plans														
										2006-07 Annual Enrollment/ Graduates/ Financial Aid Reporting																			
					SCHEV develops Institutional Performance Standards (IPS)					SCHEV develops six-year IPS targets					SCHEV develops Statewide Strategic Plan ✓														

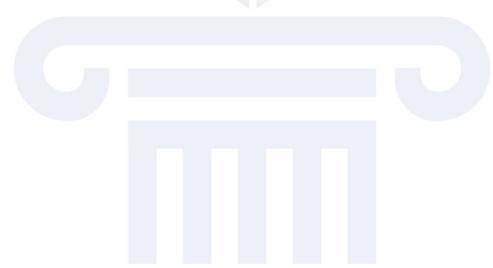




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										2006-07 Annual Enrollment/ Graduates/ Financial Aid Reporting										Additional IPS Reporting									
					SCHEV develops Institutional Performance Standards (IPS)										SCHEV develops six-year IPS targets					SCHEV develops Statewide Strategic Plan ✓					SCHEV develops additional standards/ updates targets ✓				





## Higher Education Restructuring

# The Challenge of Restructuring

**Affordability**  
**Student as Consumer**  
**Controlling Costs**





# Higher Education Restructuring

## Affordability

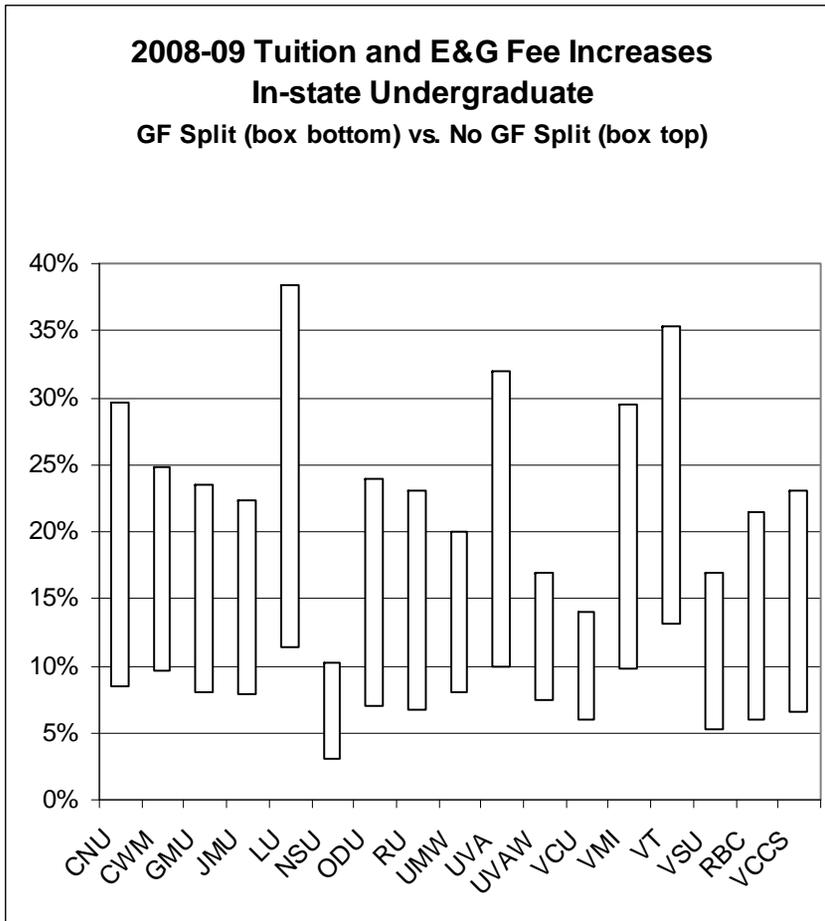
- What does it cost?
- Who pays and how much?
- What do student actions tells us about affordability?





# Higher Education Restructuring

## Planned Tuition and Fee Increases



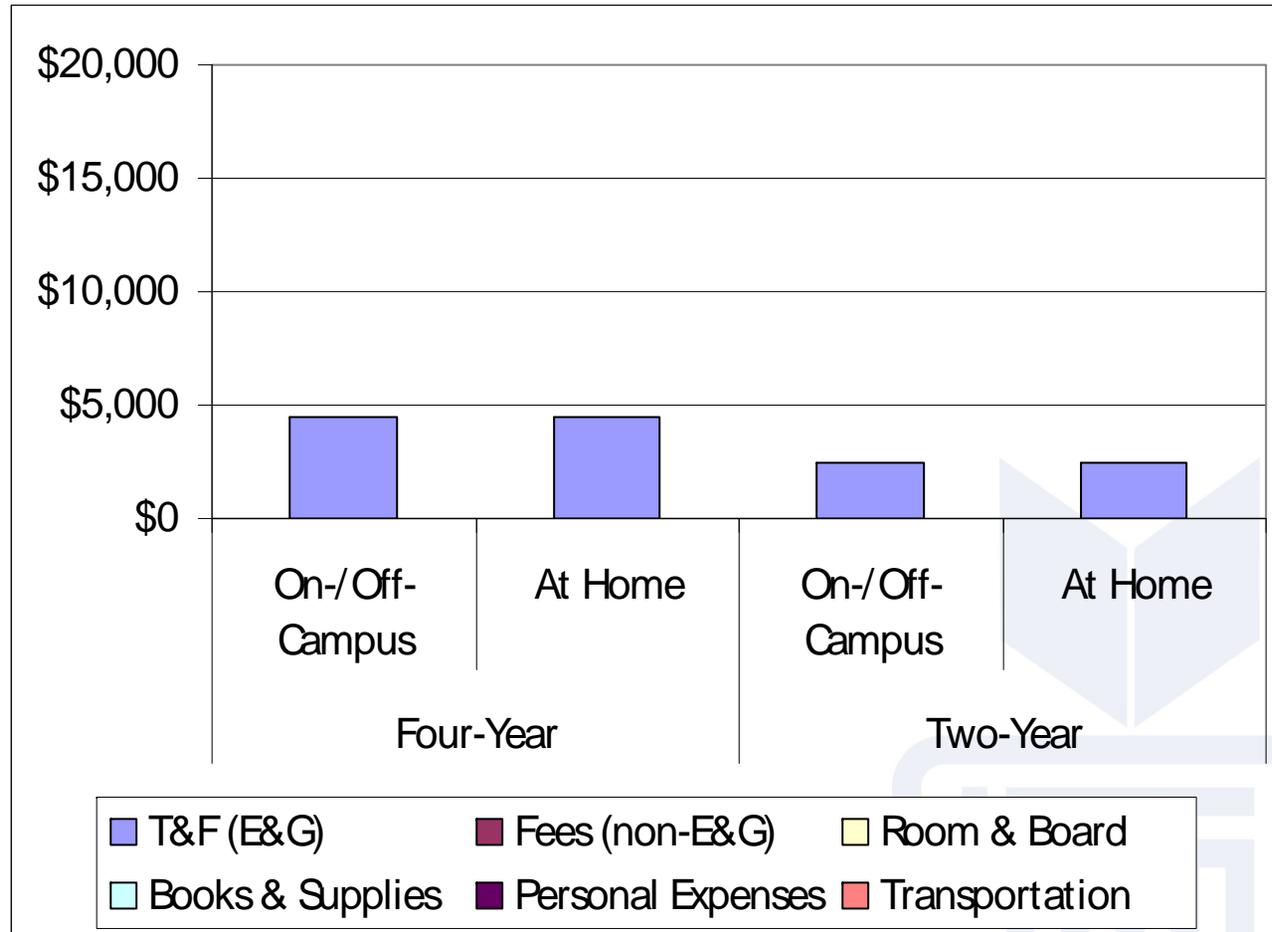
Source: Six-Year Financial Plans (2007)

- Institutions built in increases for Base Adequacy and Faculty Salaries in both scenarios.
- The full-funding scenario (GF Split) would require a 6% to 7% increase.



# Higher Education Restructuring

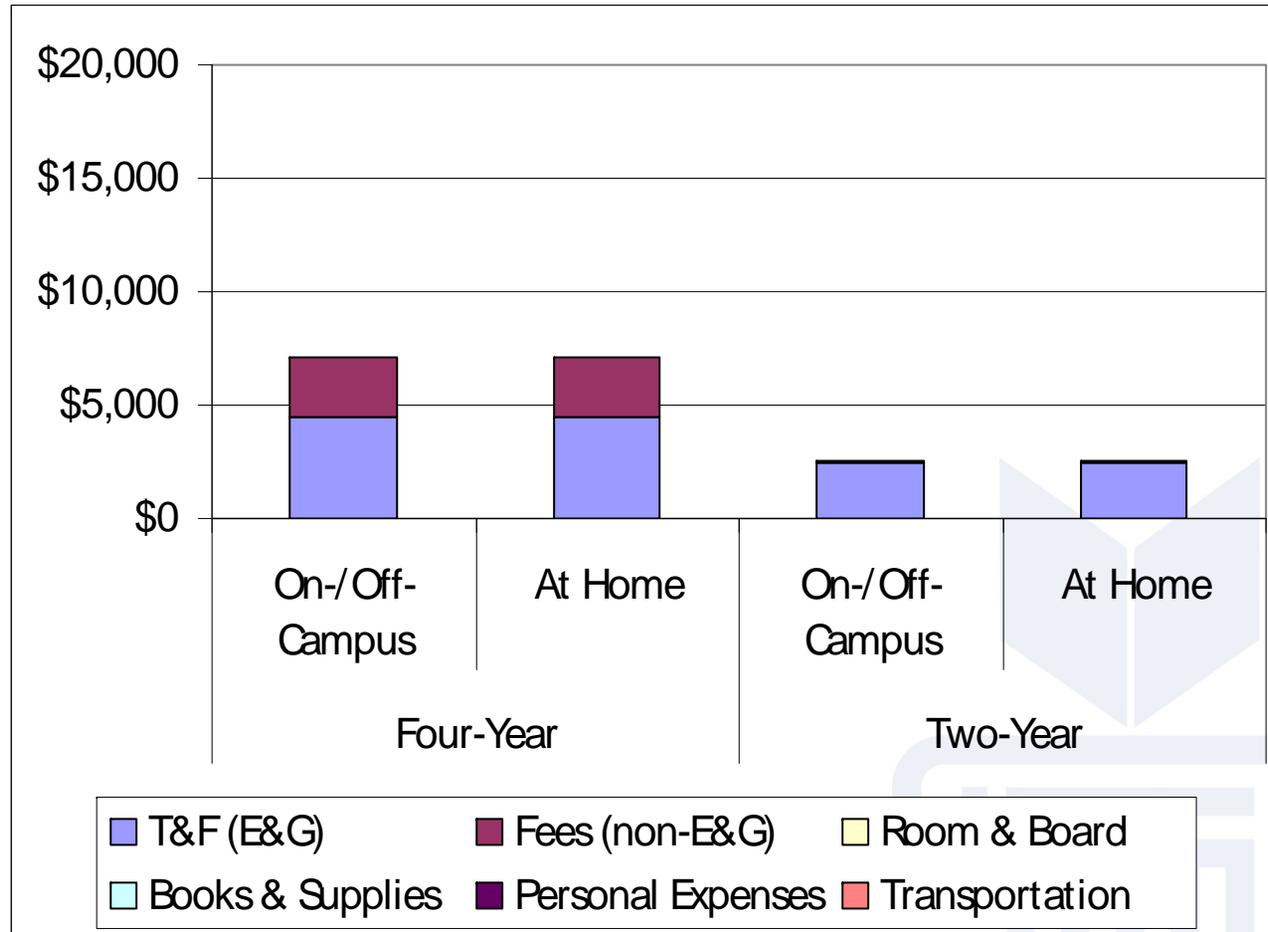
## Total Budget





# Higher Education Restructuring

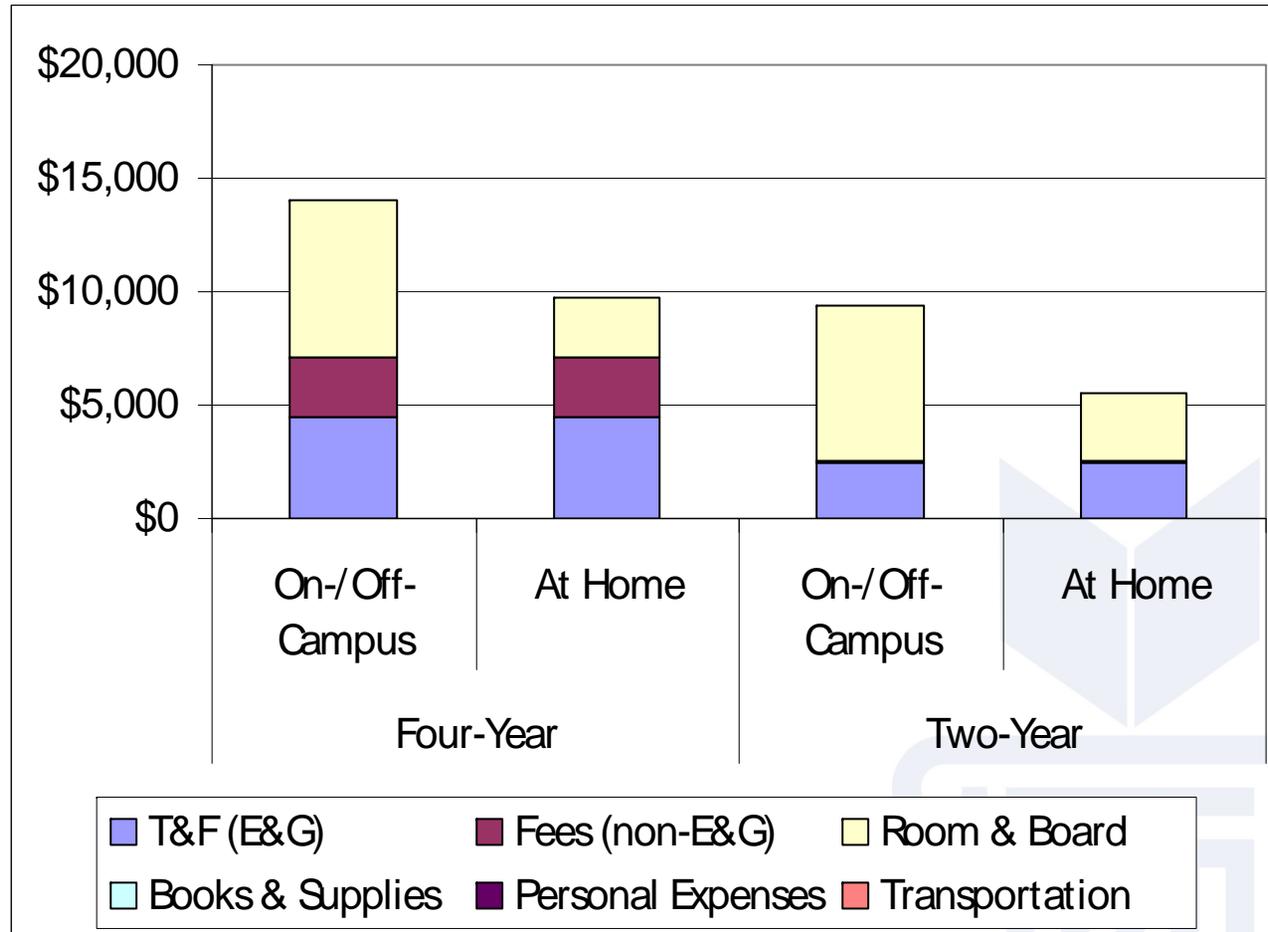
## Total Budget





# Higher Education Restructuring

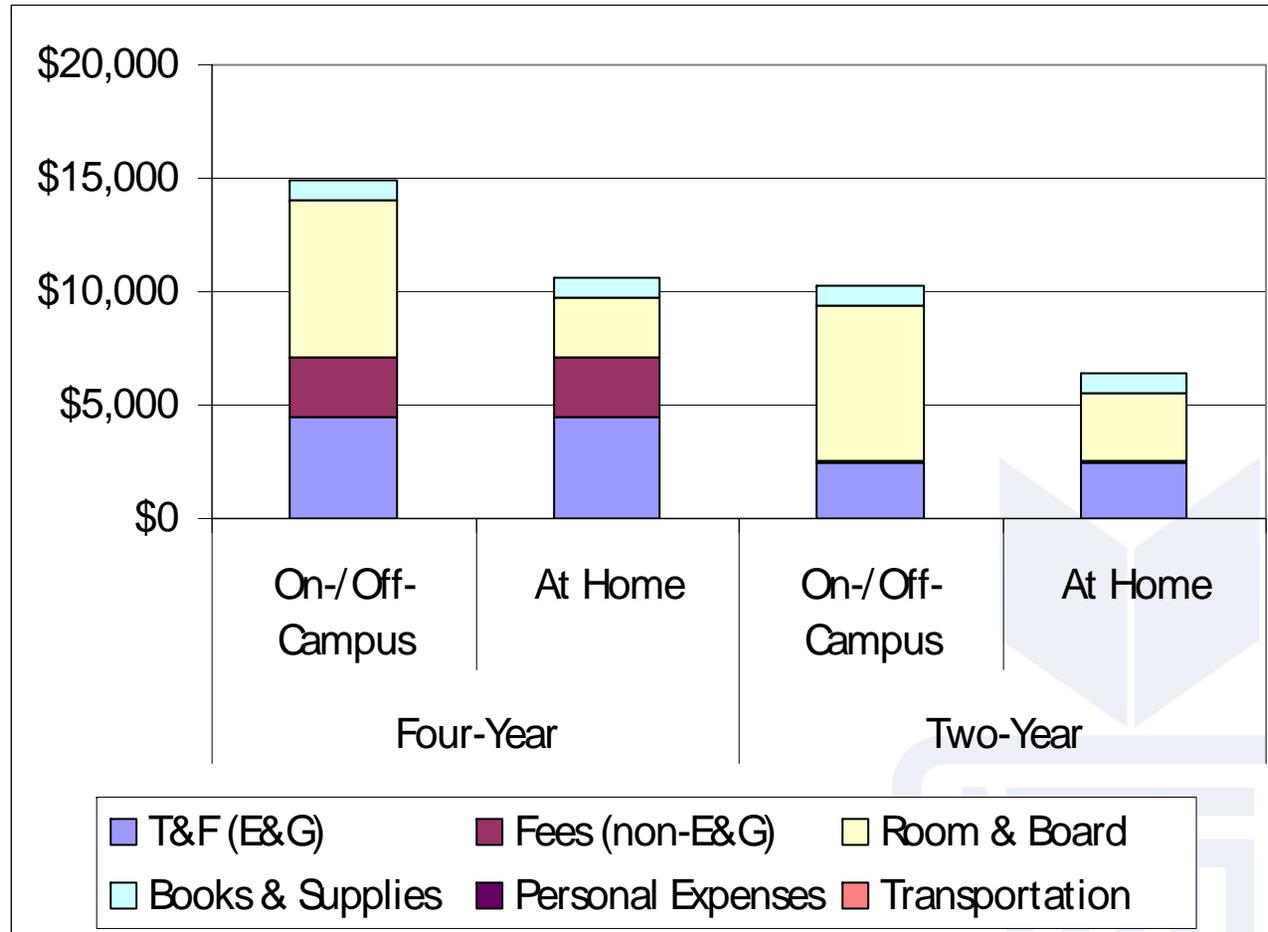
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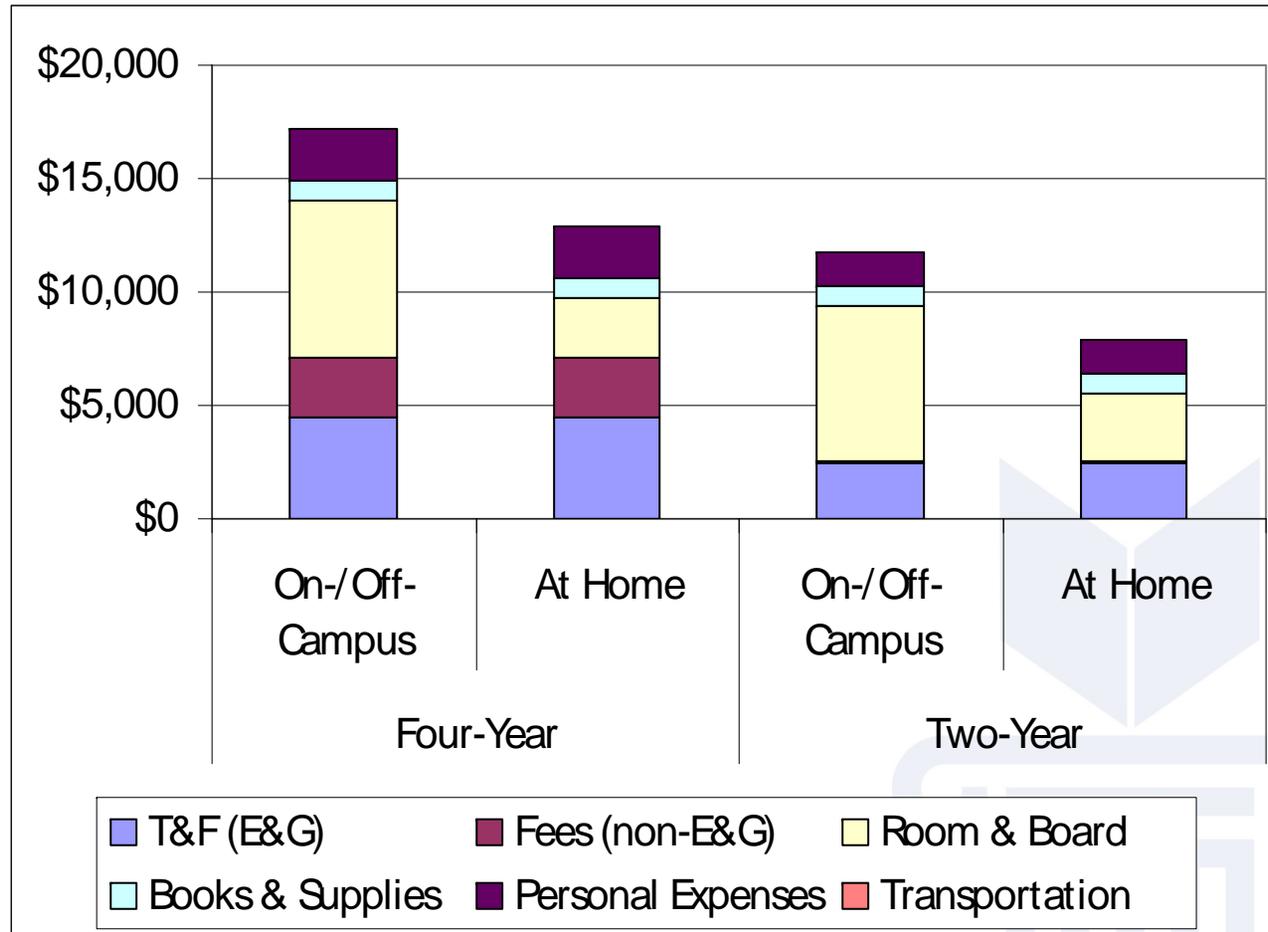
## Total Budget





# Higher Education Restructuring

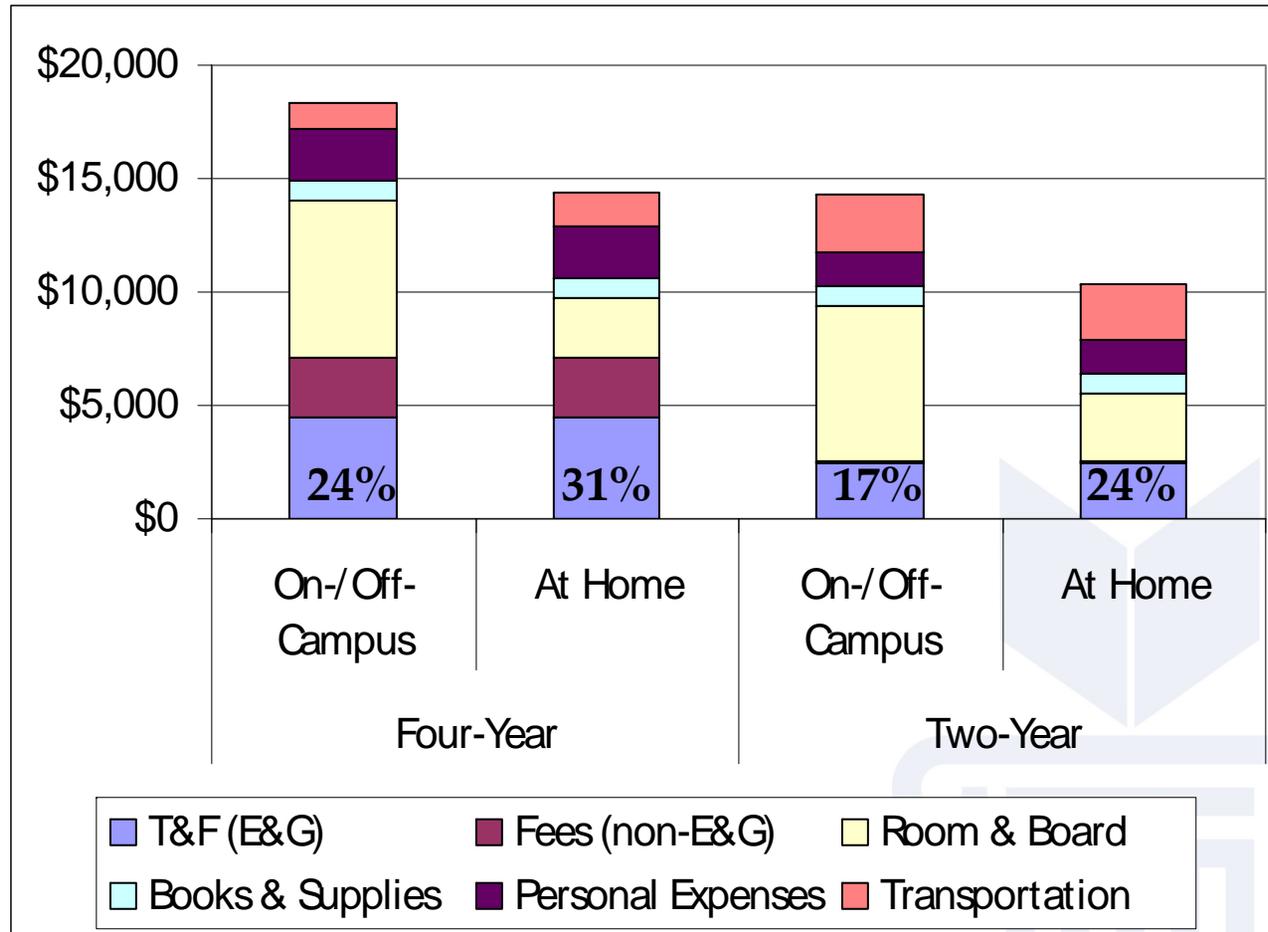
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# Higher Education Restructuring

## Total Budget



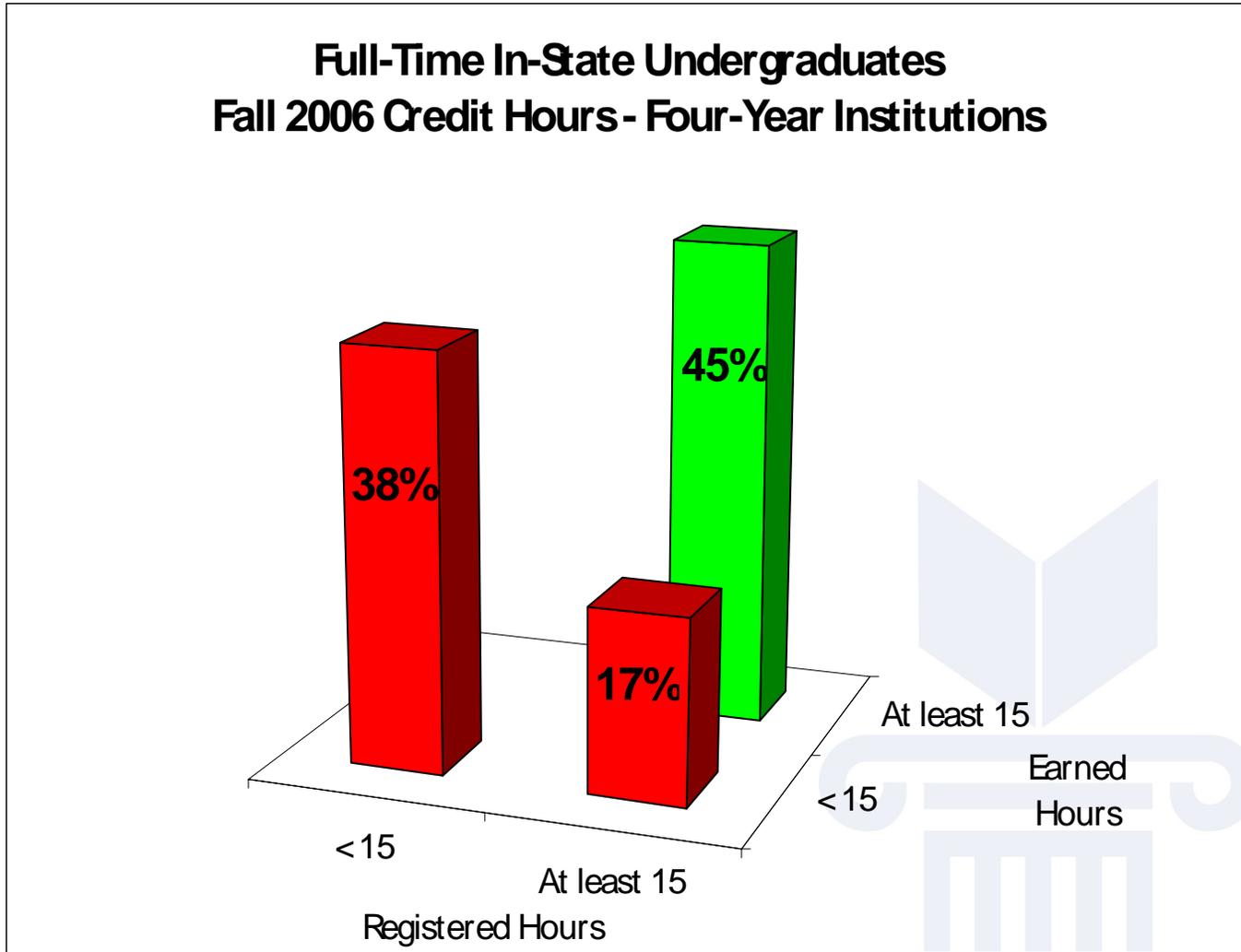
Source: Tuition and Fees Reports, SCHEV ([www.schev.edu/reports/reports](http://www.schev.edu/reports/reports))  
 2007 Trends in College Pricing, College Board ([http://www.collegeboard.com/prod\\_downloads/about/news\\_info/trends/trends\\_pricing\\_07.pdf](http://www.collegeboard.com/prod_downloads/about/news_info/trends/trends_pricing_07.pdf))



# Higher Education Restructuring

## Student Actions

Full-Time In-State Undergraduates  
Fall 2006 Credit Hours - Four-Year Institutions



Source: Course Enrollment Data File, SCHEV



# Higher Education Restructuring

## Why?

- Some students earned credit (AP and dual enrollment) before entering college - a semester or more is possible, but unusual at most institutions
- Allows more time for the social experience
- Earn better grades
- Weak preparation
- Work – but is it worth it?





# Higher Education Restructuring

## Cost Implications

- Student
  - Significant cost implications to students – every additional year costs the student between \$10,000 and \$18,000!
- Commonwealth
  - Direct cost is minimal – support the credit hours when taken - now or later
  - Some additional costs to financial aid
  - Support for hours not earned – 11% of total in-state undergraduate credit hours at four-year institutions



## Higher Education Restructuring

# Student as 'Consumer'

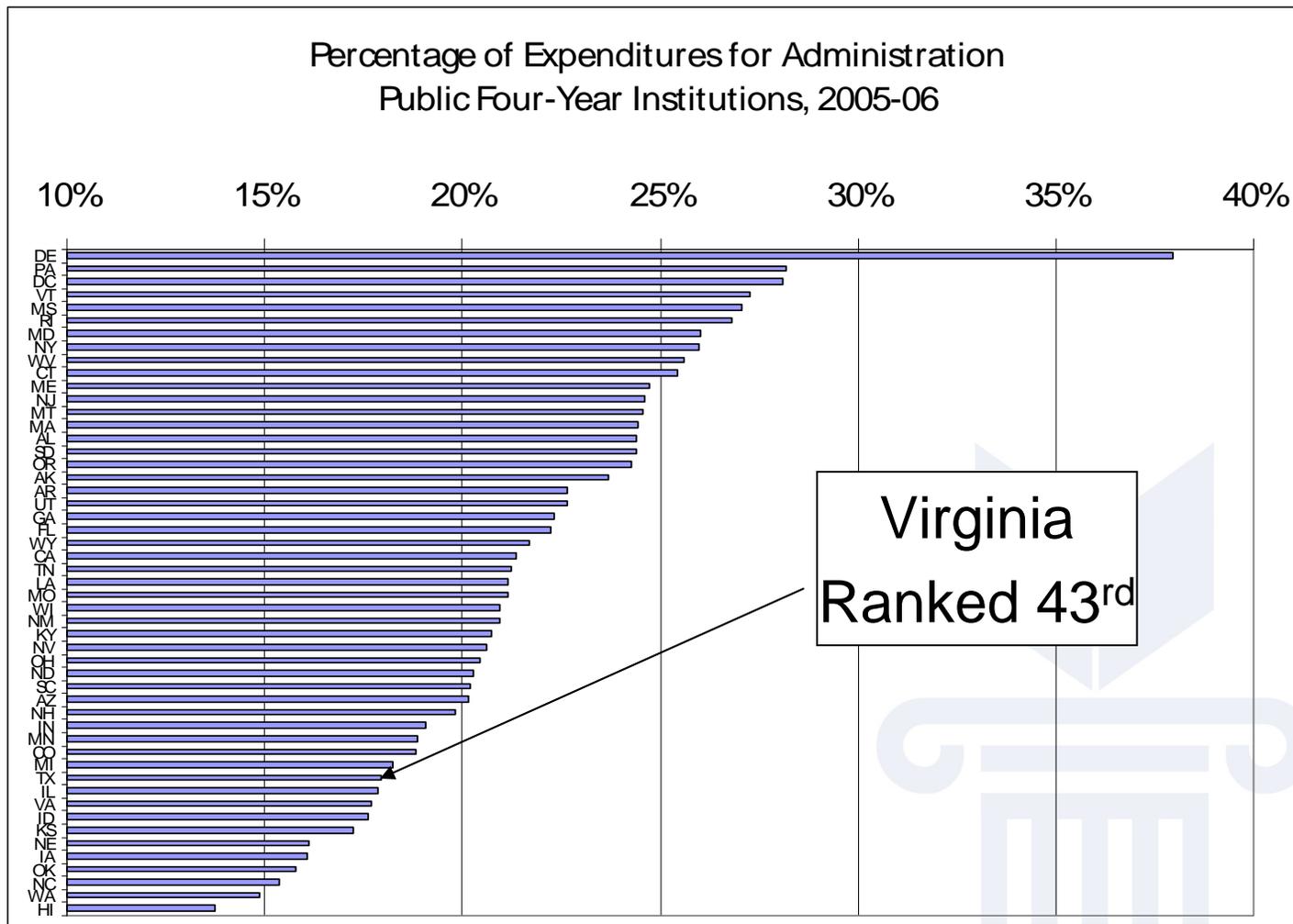
- 1990's saw a fundamental change in thinking about the student
- Today, the student is treated as a consumer and the product is education
- Student as consumer places more demands on the institution
- Students have higher expectation of services – housing, food, access, and other accommodations





# Higher Education Restructuring

## Controlling Costs





# Higher Education Restructuring

## Going Forward with Concepts Contained in the Restructuring Act

- Meet demands of SCHEV's coordinating function
  - Organize and implement reporting schedule and guidelines
  - Serve as resource to institutions and executive and legislative branches
  - Improve communication process – answer “How are we doing?”
    - Boards of Visitors meetings
    - Newsletters
    - Advisory committee briefings
    - Council meeting reporting
- Keep priority goals in focus – connections to other state initiatives
  - Access and the P-16 Council
  - Student retention/degree awards and economic development





# Higher Education Restructuring

## Going Forward with Restructuring

- Develop remaining measures
  - Measure 4 – define affordability
  - Assess impact of tuition and fees net of financial aid on applications and enrollment
  - Access to 100- and 200-level courses
  - Refine reporting on goal 12 – campus safety
- Integration of Higher Education Strategic Plan with six-year planning process
  - Access
  - Alignment
  - Investment





# Higher Education Restructuring

## Going Forward with Six-Year Planning

- Review institutional progress toward state goals and performance gaps with policy leaders
  - Legislative retreats
  - Reports to the General Assembly, the Secretary of Education and the Governor
  - SCHEV advisory committees





# Higher Education Restructuring

## Measuring Success with Restructuring

- Demonstration of measurable success on performance indicators and benchmarks related to the 12 state goals
  - Annual certification process
  - Council member and staff involvement
- Use of institutional mission distinctions in setting performance standards – dialog between institutions and Council members and staff
- Reliance on the importance of institutional growth and development, all the while contributing to state goals
  - Economic development in rural, transitional areas
  - Commonwealth Education Roundtable goals for K-12 leadership development



# Higher Education Restructuring

## Measuring Success with Restructuring

- More public confidence in higher education performance and investment
- View restructuring as “work in progress”
  - Develop remaining measures and performance standards
  - Strengthen process with 2<sup>nd</sup> cycle of certification
  - Determine impact of tuition and fees on access
  - Value of increased freedoms and increased alignments to the state and the institutions

