

Report of the Commission on Public University Renewal

# RENEWING THE PROMISE

The Public's Universities in a Transforming World



**American Association of State  
Colleges and Universities**

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**November 2005**

# Preface

RENEWING  
THE  
PROMISE

**P**ublic higher education stands as one of the true success stories in our nation's history. It is a story of transformation—for students, main streets, communities, and states—from the Industrial Age to the Space Age and now to the Information Age. For nearly a century and a half, the American people have looked to state colleges and universities—their colleges and universities—with hope and expectation.

To meet those expectations and fulfill its promises of broad access for students and partnerships for the public good, the public's universities must renew an unwritten but essential contract. That contract commits institutions to working for the common good through education and innovation in exchange for public support and guidance, and has lasted through some of the nation's most trying times. It has become frayed with age, though, and must be updated and reinforced so that state colleges and universities are fully prepared to lead amid the economic, demographic, and social change that is unfolding around us.

Hence the work of this commission. The American Association of State Colleges and Universities (AASCU) charged this group with identifying the core commitments of the public's universities, and how they might be renewed to meet current and future challenges. This we have attempted to do. Our aim was not to issue sweeping or revolutionary statements, but candid assessments of realities and pragmatic approaches for campus, system, and elected leaders to address them.

Our work has been informed and inspired by others, including and especially the Kellogg Commission on the Future of State Universities and Land-Grant Colleges. Moreover, we gratefully acknowledge Academic Search and Consultation Services, Inc. for their generous financial support of our efforts.

The public's universities stand as a quintessential symbol of who we are and what we stand for as a nation—opportunity, industry, and community. It is time to write the next chapter in their history, and the Commission on Public University Renewal offers this report as a tool for continuing that challenging but vital work.

John C. Hitt  
President, University of Central Florida  
and Chair, Commission on Public University Renewal

# Preamble

RENEWING  
THE  
PROMISE

*An American Success Story  
Meets a World in Transition*

**T**he public's universities occupy a unique—and treasured—place on the American landscape. They represent a combination of individual opportunity and commitment to the common good and core values. Their story is the nation's story, growing and transforming to meet the demands of the Industrial Age, the Space Age, and now, the Information Age, opening the doors to educational opportunity along the way. Their distinct identity and purpose are beautifully captured in the words of Abraham Lincoln: “built on behalf of the people, who have invested in these institutions their hopes, their support, and their confidence.”

The durability of these institutions through evolution and revolution stems from an implicit but essential social contract, a common understanding among the people, their leaders, and their universities. The contract centers on the basic idea that public higher education provides individual and collective benefits, and thus requires individual and collective investments and responsibilities.

In its simplest form, the contract calls on institutions to provide broad access to educational opportunity and to pursue teaching, research, and service designed to meet public needs. For its part, government would provide adequate support (to keep student costs at an acceptable minimum), appropriate lay governance, and an articulation of those public needs and priorities. This contract, though essentially unwritten, has held through some of the nation's most trying periods.

This contract has become frayed with age, tugged in different directions by a powerful combination of opportunities and challenges. The nation—indeed, the world—surrounding the public's universities

is again being transformed, and again these institutions are called not merely to respond, but to lead.

At home, education beyond high school has become a virtually universal expectation for a growing and diversifying population. According to the National Center for Education Statistics (NCES), public colleges and universities will add more than a million students to their rolls between 2003 and 2014. These students will represent a wide range of backgrounds, including and especially those that have tended to miss out on college opportunity (first-generation, low-income, racial/ethnic minority students).

Abroad, the undisputed leadership of the United States in the human capital race is being challenged. According to the Organisation for Economic Co-operation and Development (OECD), the United States has slipped among industrialized nations in high school and college completion. Over the past 30 years, the United States has moved from first to seventh among industrialized nations in the percentage of 25 to 34 year olds receiving a postsecondary education.

The shift in economic structure from goods production to service and information production continues. From 1947 to 1998, the share of Gross Domestic Product (GDP) consumed by services (including information) rose to about two-thirds, while the share consumed by goods production sank to less than one-quarter. Such a shift increases the demand for an educated workforce, but current college attrition rates hamper the nation's competitive efforts.

Individual and collective commitments to the places where we live and work are at once more important and more tested than ever before. In *Bowling Alone*, Robert Putnam found that while volunteering has increased in the United States over the past generation, work on community projects has declined. As the population becomes more mobile and more public responsibilities shift among governments, the need for universities to partner with communities and states has never been stronger.

These imperatives come at a time when states, their higher education institutions, and their students face enormous stresses, particularly with respect to resources:

States increasingly find themselves grappling with fundamental imbalances in their taxing and spending systems amid exploding health care costs and an aging population. According to the Rockefeller Institute of Government, 39 states currently face ongoing imbalances between revenues and spending demands. The share of states' general funds budgets dedicated to Medicaid has doubled over the past two decades, and now exceeds that of higher education. The share of the population 65 and older—which tends to rely more on public services—is projected to jump from 12 percent in 2000 to 20 percent in 2030.

In response to fiscal realities and market pressures, public universities have increased their reliance on non-public revenue sources, especially student tuition, private gifts, and business activities. In 1980, state governments contributed half of public universities' operating funds. Today, that share is about one-third—and falling. This shift raises legitimate questions about institutions' commitment to public purposes such as access and local problem solving. This is especially true as aggregate debt for undergraduates creeps toward \$20,000, price prevents more and more students from considering college, and the ethics of privately financed activities and services come under increasing scrutiny.

College affordability is being threatened by weakening commitments to need-based student aid at the federal and state levels, the result of decisions that place institutional choice above basic access and academic merit above financial need. For example, the maximum federal Pell Grant now only covers about one-third of the total price at a public university. Additionally, the National Association of State Student Grant Aid Programs reports that the share of need-based state student aid has dropped from more than 90 percent in 1994 to less than 75 percent a decade later, and that nearly half

of all state aid funds go to private colleges and universities, which serve a considerably smaller share of states' enrollment demand.

The Commission on Public University Renewal believes that the time has come to renew the contract between the public and their universities. At a minimum, renewal means linking new realities with time-honored commitments, and poses two basic questions:

- What are the distinctive and fundamental commitments of the American public university?
- What does it mean to honor those commitments in a changing world?

Perhaps most importantly, renewal assumes willingness on the part of public universities and all of their stakeholders to move from analysis to action.

### **New Directions, Unwavering Commitments**

How does renewal play out in day-to-day, practical terms? The Commission believes that the renewal process must be built around three central pillars:

**First**, states and their colleges and universities must develop and sustain a long-term vision. The vision should articulate and reinforce connections between state needs and priorities and campus/system missions and strategic plans. To be effective, it must be inclusive, dynamic, measurable, and relevant.

**Second**, campuses and systems must work collaboratively to renew and update basic commitments, specifically, broad access to quality opportunity and partnerships for the public good. These commitments represent the deepest, strongest, and most distinctive characteristics of the public's universities. They also appear to be the most vulnerable, based on policy and market trends.

**Third**, the public's universities and their government must forge a new relationship, one that promotes public entrepreneurship and accountability for outcomes. Continued and improved responsiveness to public needs demands a relationship in which government (especially at the state level) provides greater administrative and managerial flexibility to universities, in exchange for improved accountability for outcomes and return on investment.

The Commission views the public's universities as a great success story, a point of pride for the nation. Continued success depends on the willingness of leaders on and off the campus to think and act boldly, combining the best of what has been with the promise of what can be. In offering these recommendations, the commission pledges its commitment to this work, and urges colleagues nationwide to do the same.

# Recommendations

1

**States and their colleges and universities must develop and sustain a long-term vision for higher education.**

*“Every state has a fundamental obligation to define clearly, through a process of public debate and affirmation, the purposes it expects higher education to achieve.”*

—The National Center for Public Policy and Higher Education, *Purposes, Policies, Performance*

**The Commission believes that states and their colleges and universities can—and must—commit to initiating and sustaining a conversation that produces a vision statement to guide policy and practice.** Such a vision should start from a single, profound question:

“What does our state need from its public colleges and universities?”

The process of answering this question will vary from state to state, but must accomplish some key objectives. First, it must integrate state needs and priorities and campus/system missions and objectives. This is important, because visions are best articulated globally, but interpreted and applied locally. Moreover, the framers of vision statements must be drawn from a cross-section of leaders and citizens. Finally, the statement must be reinforced in funding and accountability mechanisms at the state level and in strategic plans and policy statements at the campus/system level or risk becoming irrelevant. All of these elements point to an ongoing process or a way of doing business, rather than a one-time event.

The Commission recognizes the difficulty of this task. Achieving broad consensus on the aims of an enterprise as complex as higher education is not easy, even under the best of circumstances. The public’s universities have a myriad of constituencies, each with its

own set of demands and expectations. Recent trends have made this process even more difficult:

- Campus and system constituencies have widened as institutions serve more populations and expand their outreach efforts.
- Higher education must compete more aggressively for priority on the public agenda, as continuing focus on K-12 reform and rising concern over health care consume policymakers' attention.
- Frequent turnover among elected officials and private sector and university leaders has made building a consistent, cohesive stakeholder group for higher education increasingly difficult.
- Many states are hobbled by the lack of a strong convening body or mechanism (such as a constitutional governing/ coordinating entity for higher education) that can bring key constituencies to the table. The absence of a true statewide, systemic approach to higher education policy often results in mission confusion/ creep, unnecessary program duplication, and counterproductive competition.

In other words, the deck appears to be stacked against “the vision thing.”

The Commission recognizes that it is not the first group to issue this call. It is crucial, though, and bears repeating. States are beginning to move in this direction, but not quickly enough. In such an environment, the public's universities must be prepared to stimulate and lead the drive toward such a vision, rather than waiting for policymakers or other constituencies to do it. Campus leaders, drawing on their institutions' analytical and convening capacities, can initiate dialogue locally and statewide about how current and planned university directions intersect with state goals and challenges.

Conversations about vision must start by recognizing disconnects in language and perception among stakeholder groups. Recent data make clear that public universities and some of their primary constituencies are speaking different languages about means and ends. For example, Public Agenda has found that only about one-third of university and government leaders surveyed felt that students and families should bear the primary responsibility for funding their higher education. By contrast, nearly two-thirds of business leaders

surveyed agreed with that perspective. Similarly, a solid majority of respondents to a 2003 poll conducted for *The Chronicle of Higher Education* indicated that students and families should pay the largest share of college costs. Failing to address these differences will result in a vacuum, rather than a vision, for public higher education.

The consequences of such a vacuum are subtle but serious. In such an environment, campuses are left to lurch in vaguely defined directions, often colliding with peer institutions and/or squandering scarce resources along the way. Narrow interests, both on and off the campus, can hijack resources and priority on the policy agenda to serve their ends, leaving students, communities, and regions underserved or even unserved. Policy decisions tend to be made in isolation, without reference to or consideration of the impact on other policies or priorities. In other words, the sum of the parts does not constitute a whole. It is not a recipe for the renewal—or even survival—for the public university.

## Key Questions

### For Policymakers

- When was the last time public university missions were comprehensively reviewed in your state? How do institutional missions relate to one another, and to state and regional priorities?
- What do you see as the top five priorities for your state's colleges and universities?
- Do current policies and practices for funding institutions and measuring their performance reinforce key priorities?

### For Presidents and Chancellors

- How do local and state priorities figure in your institution's strategic plan? Are local and state leaders consulted in the development of the plan?
- Do campus/system leaders in your state gather (with or without policymakers) to compare strategic plans in light of current and future directions?
- How well does your institution's mission statement reflect the direction of the region and the state? Does the statement need to be adjusted?

## Suggested Next Steps

### For Policymakers

**Form a statewide group of stakeholders (campus/system, government, community/nonprofit, for-profit, citizen) to discuss key questions and create a vision statement for public higher education.**

At its core, the vision should promote a systemic, coordinated approach to state priority areas. This group should be created as a standing body, not to make policy or become a bureaucracy unto itself, but to influence and shape policy. At a minimum, the vision process must be:

**Inclusive.** In both process and product, campuses/systems and stakeholders must be able to see how they contribute to broad objectives. This means bringing a wide array of constituencies—public, private, for-profit, nonprofit—into the process. Local and federal policymakers should be represented in the conversation, since their decisions can greatly impact student choices and institutional directions. Care should be taken not to make the process too person-dependent, since people are increasingly transient but organizations/interests are more permanent.

Inclusiveness also applies to issues. For example, basic finance expectations and commitments must be addressed. Establishing mission and/or peer-referenced benchmarks/ranges for funding responsibility (i.e. tuition vs. appropriations) or compacts detailing expectations for changes in appropriations and tuition represent a starting point. It is important, though, not to allow money issues to monopolize the conversation. Funding is a means to an end, not an end in itself. Purposes should come first, followed by resources.

**Dynamic.** The vision must be solid enough to say something, yet pliable enough to accommodate changing conditions. The events of September 11, 2001 and the resulting focus on homeland security at all levels of government serve as a powerful reminder that events can unexpectedly and significantly reshape the public agenda. To satisfy this balance, the vision should start from broad, simple commitments, adding specificity at succeeding levels.

**Measurable.** The saying “we measure what we value” applies particularly well to vision development. Real success measures

and a strong capacity to gauge progress on those measures are essential to maintaining stakeholder interest. If participants in the conversation are continually called back to the table without any sense of progress, the table will get progressively smaller. Tools such as the National Center for Public Policy and Higher Education's Measuring Up report card offer a starting place for this aspect of the process.

**Relevant.** Crafting a vision is little more than an academic exercise unless it finds a home on the state's broader agenda and in its policy infrastructure—mission statements, tuition/aid policies, funding formulas, strategic plans. For this to happen, key constituencies must be involved and kept involved in the process. Additionally, participants in the vision process must be reminded of the vision at critical points, such as budget deliberations, legislative hearings, and planning retreats.

### **For Presidents and Chancellors**

**Compare the institution's current strategic plan with economic and demographic trends at the regional and state levels.** Specifically, identify where gaps between public need and institutional capacity exist or are emerging, and incorporate this information into budget requests and other planning documents.

### **Resources**

**National Collaborative on Postsecondary Education Policy** ([ecs.org](http://ecs.org)). This collaboration between the Education Commission of the States, the National Center on Public Policy and Higher Education, and the National Center for Higher Education Management Systems is working with five states (Missouri, Rhode Island, Virginia, Washington, and West Virginia) to assess the postsecondary education needs of state residents and identify appropriate adjustments in public policy. The process focuses on a handful of areas: college preparation, affordability, participation rates, persistence, public and individual benefits, and student learning.

### **Kentucky's Public Agenda for Postsecondary and Adult Education**

([cpe.ky.gov](http://cpe.ky.gov)). The agenda stems from 1997 postsecondary education legislation and subsequent planning efforts. It bases funding priorities and accountability indicators on five key questions:

1. Are more Kentuckians ready for postsecondary education?
2. Is Kentucky postsecondary education affordable for its citizens?
3. Do more Kentuckians have certificates and degrees?
4. Are college graduates prepared for life and work in Kentucky?
5. Are Kentucky's people, communities, and economy benefiting?

**North Dakota Higher Education Roundtable** ([ndus.nodak.edu](http://ndus.nodak.edu)). In 1999, the North Dakota Legislative Assembly directed the state's university system to conduct a study addressing the following: expectations of the system in meeting future state needs, a funding methodology to meet those needs, and an accountability system/reporting methodology consistent with those needs. The study was conducted by a roundtable of 61 state leaders from education, government, and the private sector, and identified six cornerstones for a university system of the future: economic development connection, education excellence, flexible and responsive system, accessible system, funding and rewards, and sustaining the vision. These cornerstones now form the core of the system's accountability plan.

**Connect Collaborative (Massachusetts)** ([umassd.edu/connect/](http://umassd.edu/connect/)). Connect is a partnership of five postsecondary institutions in southeastern Massachusetts (Bridgewater State College, Bristol Community College, Cape Cod Community College, Massasoit Community College, and University of Massachusetts Dartmouth) designed to share services and resources with one another and with the region to boost efficiency and effectiveness in support of key regional goals.

## 2 Campuses and systems must work collaboratively to renew core commitments, especially access to opportunity and partnerships for the public good.

*“We live in an age of movement and change...and in such an age, the university has a special obligation to hold fast to the best of the past and move fast to the best of the future.”*

—John F. Kennedy

**The Commission believes that fulfillment of a vision for public higher education must be rooted in two core commitments—access to quality educational opportunity and partnerships that address public needs and priorities.** These two, while not public higher education’s only commitments, are the most integral to its history and vital to its future. Access means that educational programs and services offer adequate preparation for the demands of careers and citizenship and are readily available for all qualified citizens. Partnerships to advance the public good harness the university’s resources—human, physical, and intellectual—to address collective challenges and opportunities. These commitments reach back to the founding of the public’s universities and are enshrined in law and custom.

Access and public partnership are also incredibly important to the future of these institutions and their stakeholders. The nation’s ability to compete in the global marketplace depends on increasing its yield of educated persons, requiring an educational pipeline that does not leak as many students as it does today. This will not be an easy task, because real and lasting fixes in the pipeline mean successfully reaching out to many of the groups (low income individuals, working adults, minorities) that have continually been left behind. At the same time, the New Economy is changing the “rules of the game” for what makes communities and states competitive and livable, bringing a host of new opportunities and problems that cry out for university collaboration.

These commitments, though fundamental and long-standing, require bold, creative leadership on and off the campus. The ability to maintain and expand access is threatened by rising financial burdens on institutions and students, failed transitions from one part of the educational system to another, program delivery that is out of synch with today's students and employers, and accountability measures that emphasize means of production rather than product. Similarly, university partnerships in support of local/state priorities too often exist at the margins of the campus rather than in the mainstream, depending on a small number of individuals and temporary, variable support, both in terms of policy and resources.

Renewing these commitments represents the key to squaring expectations and resources for the public's universities in the years to come. Accomplishing this requires a measure of rethinking and reform that stretches from the halls of the campus to the halls of Congress. Ensuring that access and partnership are real and relevant in the world that is unfolding demands active participation from all who have a stake in the enterprise.

## Access

In the vocabulary of higher education, access has become one of its most important—and slippery—terms. It has several dimensions: geographic (Are programs near students?); financial (Can students afford to attend?); and academic (Do students have the knowledge and skills to complete and compete?). Our sense of access also has also evolved considerably over the past century and a half, expanding to new populations, new forms of delivery, and new types of programs. To maintain the promise of access for the next generation of Americans, the public's universities and their stakeholders will have to focus on three essential questions: Who? What? How?

### **WHO—All qualified citizens, especially those most at risk of not starting or finishing their education.**

For states and their colleges and universities, access should mean connecting any qualified resident with the opportunity to pursue a degree, certificate, or other program somewhere in their home state. The reality, however, is that some groups find themselves at risk of being denied that opportunity. Through the economic, political, and

social changes of the past century and a half, public higher education has assumed a particular responsibility for reaching out to vulnerable populations.

Meeting such a charge requires a different set of responses today than it did a generation ago. Students now bring a richer and more complex array of attributes and life experiences to their education. The men and women in public university classrooms are more diverse than ever in race/ethnicity, age, and personal/professional background. According to NCES, just over one-quarter of the students at public four-year institutions possess one or more characteristics that are considered non-traditional and that place them at greater risk for not completing a degree program.\* Institutions must be prepared to take a hard look at their programs and services to ensure that they can meet today's students where they are and ready them as contributors to their communities and the global economy.

Several trends complicate this task. Public universities at all levels are being nudged toward greater selectivity in their admissions through the combination of a race for prestige (market pressures) and a growing focus on student success measures (policy pressures). The gap between price and financial aid continues to grow, the result of a weakening commitment to need-based aid at the federal and state levels. In response, students are taking steps (working full-time while enrolled, borrowing extensively) that place them at greater risk for non-completion, both academically and financially. Finally, poorly coordinated transitions between high school and college and two-year and four-year institutions are widening cracks in the postsecondary pipeline.

**WHAT—Quality opportunity equals successful preparation for careers and citizenship.**

Opening the doors to the public's universities without answering the question of "to what?" leaves a hollow promise that does little to boost the nation in today's competitive environment. *Quality* is the logical and appropriate answer to this question, but the Commission believes that higher education's prevailing definition of quality is

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\*Risk factors include: delayed enrollment, alternative high school credential, part-time enrollment, financial independence, having children, being a single parent, and full-time employment while enrolled.

inadequate. It has become synonymous with cost-intensive inputs (expenditures per student, research funding, freshman SAT profile), perhaps best embodied by the jockeying for position in the *U.S. News & World Report* rankings. In many respects, the current approach to gauging institutional and programmatic quality promotes a prestige- and amenity-driven arms race that will leave some universities academically and financially bankrupt.

Redefining quality essentially means shifting focus from inputs to outcomes, specifically, completion of programs, as well as student learning and preparation in key areas (analysis/reasoning, communications). In other words, quality must revolve around added value rather than initial value. Campus and system leaders need to take a critical look at how quality is being measured and assured and ask: is what we're doing good enough to make our students competitive in the global economy and ready to contribute to the health and well-being of their communities?

Current data underscore the urgency of moving in this direction. The challenge of boosting outcomes begins with college readiness, as ACT recently found that only 22 percent of students sampled met its College Readiness benchmarks in English, mathematics, and science. It continues with persistence, with NCES reporting six-year completion rates for public four-year institutions that range between 40 and 60 percent, depending on the type of institution. Finally, questions of preparation persist for those that do obtain a degree. An analysis conducted by the National Governors Association for the National Commission on Writing found that state governments spend nearly a quarter of a billion dollars per year on remedial writing programs for their employees.

**HOW—"Disruptive innovations," new approaches to program structure, delivery, and measurement.**

Looking at the who and what related to access in public higher education makes it clear that the how must change as well. Increasing the yield of educated Americans and adequately equipping them for the world that they are to compete in demands productivity gains. Changing demographics, attendance patterns, and student and employer expectations will demand more of what Harvard Business School professor and noted author Clayton Christensen refers to as "disruptive innovations." The term refers to a model of competition

where a product's market is transformed by upending its conventional wisdom. The public's universities and their leaders need to explore such innovations in how they organize, execute, and assess their academic programs.

In the area of organization, state colleges and universities are taking steps to align with the rhythm of a 24/7/365 world, but more work remains. The academic calendar should be one area of focus. Quarters and semesters neatly packaged into nine-month years are holdovers from an agrarian age, leaving infrastructure underutilized and students and institutions less able to respond to developing needs and opportunities. Similarly, use of the student credit hour (SCH) as a building block of the academy may have outlived its usefulness. Noted experts such as Jane Wellman and Tom Ehrlich have pointed out that the unit's emphasis on seat time tends to frustrate efforts to change the curriculum or test pedagogies that may enhance learning. Expanding capacity, smoothing student transitions, and increasing institutional responsiveness in the 21st Century will succeed only to a point as long as 19th and early 20th Century organizing principles rule the enterprise.

Approaches to ensuring academic and financial access for students also must be revisited. The public's universities must expand and strengthen partnerships with K-12 education that communicate expectations and gauge readiness for college-level work, and develop programmatic options (such as concurrent/dual enrollment) that re- envision the high school/college transition and help end the wasted senior year. Similarly, two-year/four-year transitions must be improved, starting with a more comprehensive approach to course/program articulation.

Finance presents the simple but significant challenge of alignment. Priorities for aid programs at all levels—institutional, state, and federal—need to be reviewed and revised. Questions to be considered include:

**Subsidizing institutional choice vs. ensuring basic access.** Which should trump in dollar terms—sending a smaller number of students to more expensive institutions, or a larger number of students to less expensive institutions?

**Financial need vs. academic merit.** Is this a false choice? Can programs be developed that emphasize both?

**Boosting student success rates vs. boosting academic profile.**

Which is most important to the university, given its mission and policymakers' expectations?

How and where the curriculum is delivered require a dose of disruptive innovation. New technologies (especially Internet-related) are creating opportunities to enrich the curriculum and dramatically expand the classroom, enabling learning anytime, anywhere. Preliminary research findings from the National Center for Academic Transformation shows that some courses and programs are especially amenable to these technologies, maintaining or even improving student learning while reducing delivery costs. The physical geography of the curriculum also must continue to expand, taking students and services to start-up companies, community service agencies, and K-12 schools. Both of these developments entail movement away from a culture that confines teaching and learning to lecture halls, laboratories, and libraries.

Finally, evaluation of the education provided by the public's universities must develop to a more advanced state. The Commission recognizes that real and legitimate differences among disciplines complicate learning assessment, and that not all learning can or should be reduced to simple quantification. The time has come, though, for the public's universities to take more of a leadership role in this conversation. The conversation is already well underway—the issue is rising on the national agenda, and several privately funded initiatives are testing a variety of approaches. State colleges and universities can lead the development of assessments that effectively and appropriately gauge student learning and achievement or wait for a potentially less effective (and even harmful) system to be imposed on them.

## Key Questions

### For Policymakers:

- Does the state have goals for increasing college attendance and completion? If not, why not?

- What are the guiding priorities of your state's student aid program(s)? Do they include boosting college participation and completion?
- Does the state provide meaningful incentives for innovation in curriculum, course/program delivery, or measurement of student learning? Do current funding and accountability systems encourage maintenance of the status quo in these areas?

**For Presidents and Chancellors:**

- How has your institution's student profile changed over the past 10 years? What percentage of your students possess one or more risk factors for non-completion?
- What are your institution's priorities for its student aid programs? How do those coordinate with state and federal efforts?
- How well are campuses doing in offering courses, programs, and schedules that meet the needs of today's students and take advantage of new approaches and technologies? What can be done to continue and encourage more of that?
- How much emphasis do campus/system performance indicators place on student outcomes such as persistence, learning, or placement after graduation?

**Suggested Next Steps**

**For Policymakers:**

**Develop stronger incentives for serving at-risk/non-traditional populations.** One possible approach would be the creation of "educational enterprise zones," geographic areas so designated because of low college participation and/or completion rates. Colleges and universities would receive designated funding for agreeing to work in those areas to boost enrollment and retention rates for at-risk students.

**Conduct a review of current student aid programs, focusing on alignment with public policy goals.** Such a review should focus on: who is receiving aid, how much they are receiving, and the gap between price and aid awarded for various groups of students. That information should be examined with the following question in mind:

Do these patterns advance our higher education goals or frustrate them?

#### **For Presidents and Chancellors**

**Review K-12 linkages for promoting college readiness in your institution's primary service area.** Such a review should include the following questions: Are admission standards being communicated to high schools early enough and often enough? How do admission standards align with high school graduation requirements and material covered in state exit assessments? What is the institution doing to help gauge and provide "early warning" on areas of insufficient preparation for college-level work? Does the university provide sufficient dual/concurrent enrollment options for qualified high school students?

**Conduct an evaluation of the efficacy and "user friendliness" of student services.** Specifically, consider appointing a working group to assess the fit between the current/projected demographics of your institution and the provision of services such as academic advising, tutoring, and financial aid counseling. Develop recommendations for changes in structure and practice where appropriate.

**Determine the current completion rate of transfer students at your institution, and set a goal of increasing it.** NCES reports that 40 percent of postsecondary students now attend more than one institution, and many of those students fail to complete because of lost credits and bureaucratic complications in the transfer process. If your state does not have or is not pursuing a systemwide approach to transfer/articulation, consider forming a transfer consortium of two-year and four-year institutions in the state.

#### **For Both**

**Create incentives for innovation in course/program design and delivery.** Specifically, consider establishing a competitive grant program (with campus funds matched by state funds) focusing on efforts that maintain/improve student learning while reducing production cost. Awards would be made to individual faculty members, with overhead allocations for their sponsoring departments.

**Develop and test comparable assessments of student learning.** Such assessments are currently conducted in a handful of states and focus

on the general education curriculum, which supplies the essential building blocks of career/citizenship preparation.

### **Resources**

**California State University** ([calstate.edu](http://calstate.edu)). Through its Early Assessment Program, 11<sup>th</sup> graders in the state have the option of taking an additional component of an existing assessment for gauging college readiness and for college placement. Additionally, the system's Steps to College outreach effort targets middle school students by providing information about coursework required for admission in five languages.

**Changing Direction** ([wiche.edu/policy/](http://wiche.edu/policy/)). A joint effort of the American Council on Education, the National Conference of State Legislatures, the State Higher Education Executive Officers, and the Western Interstate Commission on Higher Education, this multi-year project is working with interested states to assess the strengths and weaknesses of current approaches to appropriations, tuition, and student financial aid, and to explore alternative models that maximize student participation, access and success.

**National Center for Academic Transformation** ([thencat.org](http://thencat.org)). Supported by a grant from the Pew Charitable Trusts, the Center developed a Program in Course Redesign (PCR) designed to demonstrate how institutions can revamp instructional programs using technology to boost quality and cost savings. A test of the program involving 30 institutions found that redesign generally maintained or improved student learning outcomes at significant cost savings.

**National Forum on College-Level Learning** ([curry.edschool.virginia.edu/centers/collelevellearning](http://curry.edschool.virginia.edu/centers/collelevellearning)). Also sponsored by the Pew Charitable Trusts, the Forum partnered with five states (Illinois, Kentucky, Nevada, Oklahoma, and South Carolina) to develop a model that will produce comparable information about the learning of its college graduates. A how-to guide and cost model for states interested in testing the model is available from the Forum.

**National Survey of Student Engagement** ([nsse.iub.edu/index.htm](http://nsse.iub.edu/index.htm)). The Survey, administered by the Indiana University Center for Postsecondary Research, gathers annual information from colleges and universities regarding student participation in institutional programs designed for their learning and personal development. Findings are designed to help campuses identify aspects of the undergraduate experience that can be improved through changes in policy and practice. In its first six years, nearly 1,000 colleges and universities have taken part in the survey (with 250 public four-year institutions participating in the most recent sample [about 40 percent of all public four-year institutions]).

## Partnerships for the Public Good

The public's universities and the places surrounding them are inextricably linked, perhaps now more than ever before. In an era where business can be done in virtually any place, the challenge for each place is to build and strengthen a unique portfolio of assets. While inherited assets (climate, natural resources, ports) fueled the Old Economy, created assets (educated workforce, livable communities, entrepreneurial culture) are driving the New Economy. In such an economy, universities—as problem solvers and generators of knowledge—have tremendous potential as resources and partners in building strong economies and communities for the next generation.

Fully realizing this potential means re-examining how the public's universities leverage their assets in support of economic, social, and cultural development. Originally, this work was highly concentrated in a small number of specialized departments at a few institutions (e.g. land-grant universities) and focused on providing technical assistance. Over time, higher education's engagement of public needs and priorities has expanded, embracing more campuses and units on campus, as well as a wider range of issues and possible solutions. Looking ahead, state colleges and universities will be challenged to engage more fully with their communities and states, and to weave a commitment to partnerships for the public good into campus culture and practice.

What does an externally engaged, partnership-oriented public university look like? The definition developed by AASCU's Task Force on Public Engagement provides a good starting point:

“The publicly engaged institution is fully committed to direct, two-way interaction with communities and other constituencies through the development, exchange, and application of knowledge, information, and expertise for mutual benefit.”

In practice, this means three things:

- **The institution is a learner as well as a teacher.** This makes clear that external partnerships are not the same as service (from the teaching-research-service triad), implies more of a one-way, “university as expert” interaction between the campus and external

partners. In the partnership model, investment and return are shared.

- **Partnerships reach across campus.** Rather than confining collaboration to a handful of departments and/or specialized institutes and centers, engagement of public challenges and opportunities is woven through teaching and research, has a home in all areas of the campus, and involves a broad cross-section of the campus community (faculty, students, staff, and alumni).
- **Campus, system, state, and federal policy recognize and support partnership building and maintenance.** This includes faculty reward/incentive policies, dedicated funding streams, flexible administrative rules and regulations, and accountability measures.

Evidence suggests that while the public's universities aspire to the model described here, many fall short in fully realizing it. A 2002 study of state colleges and universities conducted by the National Center for Higher Education Management Systems found that a majority of the campuses examined have ad hoc, person-dependent approaches to their public partnerships, largely concentrated outside the mainstream of the institution. At many of the universities surveyed, a relatively small portion of the faculty—and an even smaller portion of students, staff, and alumni—participate in these partnerships. Finally, policy and resources to support this work are often weak or completely lacking.

Moving from aspiration to reality in developing a partnership culture requires work in a number of areas. First, the institution and its vital places (communities, regions, states) must engage in a conversation about crucial issues and priorities that cut across business, non-profit, and government sectors. Second, the university community must perform an honest assessment of its capacity to be an effective partner, identifying the policies and practices that facilitate or inhibit collaboration and resource sharing. Third, policymakers at multiple levels need to be included in discussions about capacity for building and sustaining partnerships, particularly questions of how funding and accountability systems can be better aligned with this work.

## Key Questions

### For Policymakers

- Do state policies and regulations support public partnership formation by state colleges and universities? What could be done to streamline this process?
- Is public partnership activity reflected in universities' accountability indicators and reports?
- Are the state's universities seen as approachable from the standpoint of external stakeholders?

### For Presidents and Chancellors:

- How much of universities' human and financial resources are devoted to partnerships and initiatives that directly address local/regional/state priorities?
- How easy is it for government, business, and community service providers to form partnerships with universities or access their resources? How could those processes be streamlined?
- What incentives and rewards exist for universities to incorporate local or state priorities into their teaching and research?

## Suggested Next Steps

### For Policymakers

**Include public partnership activity in accountability indicators and reports.** Focus attention on outcomes (citizens served, dollars saved, jobs produced, etc.) rather than on inputs (number of partnerships, institutions/organizations participating, etc.)

### For Presidents and Chancellors

**Call for an institutional definition of public partnership that is broadly understood and relevant.** Consider charging a group including faculty, staff, students, and alumni to frame a definition that can then be incorporated into framing documents such as the strategic plan, the faculty handbook, and accreditation self-studies.

**Assess campus/system policies and practices, including and especially incentives and rewards, and remove undue barriers to partnership activity by faculty, staff, and students.** Focus on policies

and procedures that may inhibit or frustrate external partnerships (e.g. expense reimbursement, parking, program approval). Examine the faculty handbook and promotion/tenure guidelines to determine whether implicit or explicit disincentives exist for developing or contributing to external partnerships.

**Create a “front door” to the university for current and prospective external partners.** For many on the outside, connecting with colleges and universities can be an intimidating and even frustrating process. Whether physically (e.g. welcome center, 800/411 number) or virtually (e.g. web portal), public institutions should provide user-friendly means for stakeholders and others to locate resources or receive some form of assistance within a reasonable period of time (e.g. guaranteed 48-hour initial turnaround on incoming requests or inquiries).

**Explore ways to make campus and community boundaries more permeable.** This can include relatively simple actions such as taking more campus activities on the road and bringing more community activities to campus, as well as more elaborate and long-term initiatives such as co-location of academic and outreach programs with core constituencies (e.g. allied/community health programs and clinics/hospitals).

#### **For Both**

**Mobilize resources—financial and human—in support of partnership building and maintenance.** According to the NCHEMS study, public engagement activities receive less than five percent of total funding at most campuses. Through a combination of dedicated state revenue streams (e.g. restricted/earmarked funds, trust funds), internal reallocations, and private gifts, steps can be taken to make this activity more financially viable. Additionally, explore unit-level incentives to promote greater faculty and student participation in partnership efforts (e.g. “overhead” funds for sponsoring colleges/departments).

## Resources

***Stepping Forward as Stewards of Place*** ([aascu.org/pdf/stewardsofplace\\_02.pdf](https://aascu.org/pdf/stewardsofplace_02.pdf)). The final report of AASCU's Task Force on Public Engagement offers a definition of public engagement for state colleges and universities that calls for a stronger partnership orientation on campuses. The guide, underwritten by the W.K. Kellogg Foundation, provides experientially based strategies and recommendations for policy and practice to promote such an orientation.

**Making Place Matter** ([aascu.org/place/default.htm](https://aascu.org/place/default.htm)). This two-year project, administered by AASCU and also supported by the W.K. Kellogg Foundation, builds on Stewards of Place by pilot-testing a regional stewardship audit and roadmap building process at four demonstration sites (California State University Fresno, University of Northern Iowa, Northern Kentucky University, and University of North Carolina-Pembroke). A summary of the initiative includes results of the test and an essay describing external forces affecting university engagement in their respective regions.

**Coalition of Urban and Metropolitan Universities** ([cumu.uc.iupui.edu/](https://cumu.uc.iupui.edu/)). The Coalition convenes institutions that strive for national excellence while contributing to the economic development, social health, and cultural vitality of the urban and metropolitan centers they serve. The group's efforts focus around a Declaration of Metropolitan Universities that articulates standards for teaching, research, and professional service for institutional and collective benefit. The Coalition publishes a journal (Metropolitan Universities), designed to exchange information and enhance internal planning and external understanding.

# 3

## Campuses and systems must forge a new relationship with government.

*“Our information technology and our knowledge economy give us opportunities to do things we never dreamed possible 50 years ago. But to seize these opportunities, we must pick up the wreckage of our industrial era institutions and rebuild.”*

—David Osborne and Ted Gaebler, *Reinventing Government*

*“We need to stop telling them [legislators and the public] what we do and start telling them what they get.”*

—Oregon University System staffer, to colleagues during early 1990s budget crisis

Finally, the Commission urges that public higher education’s vision and commitments be reinforced by a new relationship between the public’s universities and their government, particularly at the state level. This relationship should be grounded in a balance of public entrepreneurship and accountability for outcomes. By public entrepreneurship, the Commission does not mean “running higher education more like a business,” but creating a regulatory environment that values flexibility, agility, creativity, and calculated risk-taking in meeting public needs. By accountability for outcomes, the Commission does not mean simply more data and reporting but better data and reporting, focusing on products rather than the means of production.

Put simply, both government and public higher education must be prepared to give a little. Government needs to move away from micro-managerial tendencies and colleges and universities have to focus more on demonstrating outcomes and return on investment. What they get in return will be worth it—campuses and agencies better equipped to take advantage of opportunities and address challenges in a timely fashion.

The Commission recognizes that such a mandate is far easier issued than executed. Numerous attempts at entrepreneurial reinvention in the public sector have foundered and fizzled over the years, often because they were too ambitious or not ambitious enough, or because their champions moved on and no one sustained the effort. Additionally, the academy's emphasis on tradition and the inevitable bureaucracy accompanying large organizations often frustrates innovation at the public's universities. Individual examples of poor stewardship of public resources and/or ethical lapses also lead many policymakers to argue that taxpayer-supported institutions require more oversight, not less.

The world of accountability presents similar obstacles. Consensus with respect to the outcomes to be measured is frequently elusive, leading to the adoption of "least common denominator" measures that are minimally acceptable rather than maximally effective. Where meaningful consensus is achieved, too often the capacity—or the will—to measure is absent. Finally, and perhaps most significantly, many academics argue that because higher education is a public good, metrics such as return on investment simply do not apply.

Nevertheless, the Commission persists with this recommendation, compelled by a host of simple but stark realities. First, the finance environment surrounding public higher education demands a new regulatory approach. States cannot contribute a consistently shrinking portion of universities' revenues and expect a constant or increasing level of control over their direction.

Additionally, states and campuses must face the fact that aspects of their regulatory infrastructures are in desperate need of updating. Policies and procedures designed to keep bad things from happening are increasingly keeping good things from happening by slowing response times and wasting resources on outdated and/or redundant processes. For example, many purchasing and procurement systems add thousands (if not millions) of dollars to the cost of running a university without adding one cent of value to its product.

At the same time, institutions cannot expect to compete successfully for scarce public resources without emphasizing return on public investment. Inadequate or incomplete answers to questions such as "What happens to our students?" and "What do our public

partnerships produce?” will only leave the public’s universities at a disadvantage in the competition for resources. A number of initiatives for defining and measuring student outcomes and institutional productivity are already underway. Public campuses and systems should consider participating in these efforts or forming their own, or face metrics that do not adequately or accurately reflect their contributions and successes.

## Key Questions

### For Policymakers

- Do budget/appropriations processes provide sufficient leeway for institution-level management of resources?

### For Presidents and Chancellors

- What sort of culture surrounds campus governance and management? How could it be improved?
- What do you consider the key success measures for your institution? How many of them are outcome measures?

### For Both

- How efficient/effective are administrative policies and procedures? When was the last time they were comprehensively reviewed?
- Are data and accountability systems able to gauge the effectiveness/return on investment of academic and research programming and external partnerships?

## Suggested Next Steps

### For Policymakers

**Initiate top-to-bottom reviews of administrative procedures and regulations (especially personnel, procurement, and capital infrastructure), with a goal of streamlining and reducing the time and resources required for these activities.** Develop a package of legislative/policy actions based on the results of the review and consider adopting a “no amendment” rule for board/legislative consideration.

### **For Presidents and Chancellors**

#### **Create incentives for entrepreneurial behavior and efficiency.**

Examples of such incentives include unit-level carryover of unexpended funds between fiscal years, local retention of proceeds from self-identified efficiencies, and state/system matching funds for externally raised resources for priority partnerships and academic programs.

### **For Both**

#### **Develop a data infrastructure that can better share information and gauge student and institutional outcomes.**

Configure systems across institutions and state agencies to more comprehensively account for student progress toward/completion of degrees and post-graduation placement and returns on external partnerships. New measures should be adopted with the understanding that underused and outdated indicators will be discontinued. Finally, accountability systems should include a communications strategy for data that encompasses multiple constituencies.

### **Resources**

**National Commission on Accountability in Higher Education** ([sheeo.org/account/accountability.pdf](http://sheeo.org/account/accountability.pdf)). The Commission, staffed by the State Higher Education Executive Officers and co-chaired by former governors Frank Keating (Oklahoma) and Richard Riley (South Carolina) terms the current system of higher education accountability “cumbersome, confusing, and inefficient” and calls for a new approach that emphasizes student learning, increases productivity, and provides answers to stakeholders on key academic and financial questions.

**North Dakota Higher Education Roundtable** ([ndus.nodak.edu](http://ndus.nodak.edu)). Ensuring a flexible and responsive system is one of the cornerstones developed by the Roundtable for the state’s universities. Progress in this area is gauged by graduate and employer satisfaction with the university system’s academic programs and services.

**University System of Georgia Best Practice Program** ([usg.edu/bestpractices/](http://usg.edu/bestpractices/)). The program, established in 2003, seeks to: a) promote excellence in all aspects of institutional operations; b) seek out opportunities for enhancing efficiencies and effectiveness in services to customers; and c) share best practices across institutions, where applicable. Winning institutions are named annually in four categories: academic affairs, finance and business, information technology, and student services. Category winners receive \$15,000, and runners-up receive \$10,000.

## The Way Forward

In the months and years ahead, the public's universities and their publics will face a number of choices that will affect their readiness for the world that is unfolding around them. These choices—about mission, access, partnership, and accountability—will signal their ability and willingness to apply unwavering commitments to a rapidly changing world. More importantly, they will make an important statement about whether these institutions and their stakeholders view the years to come with a sense of optimism or a sense of foreboding.

Amid federal and state funding constraints and the growth of a vibrant for-profit sector, some may question what will be lost if public universities' contract is not renewed, if it is no longer truly "public." The answer is simple: the places and populations that are harder to serve and the programs that add value to society but not institutions' bottom lines will be left behind. The promise of opportunity for all and partnerships for the public good will be broken.

The contract needs to be updated. Access to value-added opportunity for an increasingly mobile and diverse population demands real—and potentially difficult—changes in public policy and daily practice. Similarly, harnessing learning and innovation in support of communities and states requires a culture that weaves a commitment to partnership throughout the institutional fabric. All of this must start from a shared sense of direction, as well as institution-stakeholder relationships built on creativity and responsibility for outcomes.

Additionally, the Commission feels that it is very important to keep the work of renewal grounded in the lessons learned from lived experience and the contributions of promising initiatives. The bulk of renewal is not done on the high plane of idealism, but at the ground level of daily

decision-making. The insights and resources offered in this report are not meant to be exhaustive or authoritative, but catalytic—places to start a conversation or re-start efforts that have stalled.

Looking ahead, the Commission sees a future of promise—and potential threat—for public universities. The difference between promise and threat boils down to will—the will to take risks and potentially fail; the will to challenge conventional wisdom and orthodoxy too long unchallenged; and the will to “stay at the table” in support of a vision, even as players change and agendas collide. The Commission is confident in the ability of the public’s universities and their constituents to do the work of renewal. It has been done before and can be done again. It is time, though, to get to work.

Ronald Reagan frequently referred to America as a “shining city upon a hill,” a beacon of hope for oppressed peoples worldwide. In much the same way, the public’s institutions of higher education have been beacons in their own right, offering the promise of opportunity, knowledge, and a better life for generations. As a new generation approaches these institutions, the work of renewal will be one of this generation’s most difficult tasks and one of its greatest rewards.







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