DISCUSSION: OUS 40-40-20 STRATEGY
# OUS 40-40-20 Strategy
## Discussion Paper
### Dated December 2012

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PURPOSE OF PAPER

Oregon has set a high goal for educational attainment. That goal is widely cited but little understood. Nor has there been any significant consideration in any forum about intent, meaning, or consequence of the goal. There is no consensus on what the goal means. Taken literally, the goal masks important questions about:

- The exact target to be achieved, especially who and by when.
- The trade-offs between quantitative achievement of the goal and other important public policy goals, including equity, regional and demographic diversity, research and public service, and quality of education.

The purpose of this paper is to present these issues for discussion. Setting targets and strategies is a matter for policy decision makers. Since the Board retreat in September 2012, several events have caused a refocus of the project to simplify it, to recognize the uncertainty from pending organizational changes, and to take into account limitations of the financial and forecasting models available.

A 40-40-20 strategy by itself is not a mission statement for higher education and any successful strategy must recognize the distinct research and public service missions of university education. Nor is 40-40-20 a plan for financial stability and sustainability—it is an essential part of such a plan, but only a part.

The strategy development process should be iterative and collaborative between the Oregon University System (OUS) and the campuses, particularly when it comes to evaluating alternative means of improving performance and allocating specific targets, presumably through achievement compacts. Proposals for organizational change pending before the OEIB (Oregon Education Investment Board) may change how 40-40-20 is implemented. In view of this, one potential strategy (outlined below) is for the state or System to set an amount it will pay for each degree and leave it to the campuses to manage how they will meet the targets.

PURPOSE OF THE 40-40-20 STRATEGY

The purpose of the OUS 40-40-20 strategy project is to provide an analytical framework and tools for policy-makers to make academic and financial decisions in pursuit of the goal of 40 percent of adult Oregonians holding a bachelor’s degree. At a policy level, a 40-40-20 strategy needs to answer these questions:
• What trajectory are we on for level of educational achievement by adult Oregonians in 2025 and what is the gap to achieving the 40 percent goal, given demographic forecasts and trends for policy and investment?

• What is the policy and value context, and how do we incorporate important values (e.g., geographic and demographic diversity and equity, graduate education, affordability, etc.)?

• How might targets and investments be allocated among institutions?

Depending on how the last question is answered, either the campuses or the System will have relatively more responsibility for answering:

• What are the key points of leverage for affecting level of achievement (attainment of 40 percent...)?

• What effects, over what time frame, and at what costs might we expect from a variety of policy and investment alternatives?

• Given reasonable prospects for improvements in performance, what additional capacity is required?

The strategy by itself will not dictate OUS or campus decisions but should serve as backdrop and overall framework, namely:

• Allocation of resources including, operating, capital, and strategically targeted appropriations.

• Allocation of degree targets among campuses (achievement compact targets).

• Approval of missions and programs.

• Priorities for pedagogical reform and pipeline initiatives.

• Governance policies and choices that affect degree attainment.

The strategy also should inform the overall state program for education by:

• Making the case for public funding, including affordability.

• Informing the work of the OEIB budget process and legislature in developing their 40-40-20 strategies.

• Making clear that the use of a singular strategy does not incorporate other essential roles of higher education, namely research and public service.
UNDERSTANDING THE GOAL

Defining the goal

Senate Bill 253, adopted in 2011, is explicit in setting a target for 40 percent of adult Oregonians to hold a bachelor’s degree or higher by 2025. This sparse specification begs a number of questions about what the target means and how it relates to other state and OUS policies. Taken as an aspirational goal (the Governor has referred to it as a “North Star” – a direction rather than a destination), it requires some fundamental policy decisions. This is important guidance.

All adults, working-age adults, students now in school...?

Whether the goal is taken to be 40 percent of all adults, all working age adults, or some other age cohort makes a difference in, not only in the number of degrees to be held by Oregonians by 2025, but also in the focus of policy and investment toward the goal.

It is important to realize that over time any definition will result in “all adults“ achieving the desired result, with timing being the primary, yet significant difference. Nonetheless, there is reason to believe that the intent behind the goal is to improve Oregon’s economic competitiveness and the economic and civic capabilities of its citizens. Thus, it is reasonable to take the goal to mean all working age Oregonians. There seems to be little question about this.

This still leaves a question about timing and focus of strategies. If the goal is taken literally to mean “all working age adults“ by the year 2025, it will require a massive investment in adult education for the simple reason that so many individuals who will be in the workforce in 13 years are already in the workforce. As a consequence, many believe the focus of 40-40-20 should be on the cohort of those presently in school who will be entering the workforce by 2025.

Beyond the ease of achieving the goal lays a fundamental policy decision. A focus on adult education might be extremely productive from the standpoint of rapidly improving the economic performance of Oregon and Oregonians. In contrast, a “cohort” focus will orient us toward making permanent improvements in educational performance, with deeper and longer-lasting benefits.

For the purposes of this initial framework, we define the age group to be 22-35 year olds. The rationale is that, as stated above, over time any definition will result in 40% of the adult population (however defined) as holding at least a Bachelor’s degree. Further, adult returning students are more likely to start at community colleges than at universities when returning to school to earn a degree. For these reasons, we recommend limiting our age group to 22-35 year olds, with the understanding that as we continue to monitor trends, we may modify this age group in the future.
**Resident and non-resident degrees**

The 40-40-20 goal is silent about whether it is to be met by degrees granted to Oregonians or in part by degree-holders that migrate to Oregon. Looking at the balance of in-migrants and out-migrants, Oregon currently gains about 14,800 bachelor’s degree-holders each year. However, if the goal of 40-40-20 is developing a high-performing educational system offering access, affordability, and success to Oregon students, there is an argument for ignoring the net gains and losses from migration. Among the reasons, there is little public policy available to shape migration patterns, which varies with economic circumstance.

The issue of enrollment of non-resident students is more hotly contested. For purposes of 40-40-20, one could adopt the view that the state policy is silent about non-resident enrollment as long as all qualified Oregon students have access at affordable prices, including capital for capacity. In other words, once enrollment and degree targets are agreed and met and an affordability standard is in place, there is freedom on campuses to manage enrollment. Indeed, some will argue that without this flexibility there is no way to arrive at a reasonable affordability standard for Oregonians nor to allow universities to pursue excellence. On the other hand, the point at which non-resident enrollment begins to crowd out resident enrollment will no doubt be controversial.

In the end, it seems difficult, more likely fruitless, to debate the value of an Oregon resident who leaves the state after graduation versus someone who pays non-resident tuition and remains in Oregon after graduation. For these reasons, we do not recommend differentiating between resident and non-resident degrees.

**So the goal is...**

*For purposes of this project, the goal is to have 40 percent of 22-35 year-old Oregonians achieve at least a Bachelor’s degree by 2025.*
The gap to reaching the goal

The table below shows the increase, each year, in the number of degrees that need to be awarded to achieve the goal. In order to reach this goal, OUS institutions needs to collectively produce about 500 more degrees per year, compounding annually.

<table>
<thead>
<tr>
<th>2010 Bachelor’s Degrees by Institution</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>4.30%</td>
<td>3.72%</td>
<td>25.93%</td>
<td>26.53%</td>
<td>5.41%</td>
<td>28.05%</td>
<td>6.07%</td>
<td>100.00%</td>
</tr>
<tr>
<td>Bachelor’s Degrees Needed to 40-40-20 (Based on Historical Proportions)</td>
<td>633</td>
<td>548</td>
<td>3,823</td>
<td>3,911</td>
<td>797</td>
<td>4,135</td>
<td>895</td>
<td>14,742</td>
</tr>
<tr>
<td>2013</td>
<td>652</td>
<td>564</td>
<td>3,936</td>
<td>4,026</td>
<td>821</td>
<td>4,257</td>
<td>921</td>
<td>15,176</td>
</tr>
<tr>
<td>2014</td>
<td>671</td>
<td>580</td>
<td>4,048</td>
<td>4,141</td>
<td>844</td>
<td>4,379</td>
<td>947</td>
<td>15,610</td>
</tr>
<tr>
<td>2015</td>
<td>689</td>
<td>596</td>
<td>4,161</td>
<td>4,256</td>
<td>868</td>
<td>4,501</td>
<td>974</td>
<td>16,044</td>
</tr>
<tr>
<td>2016</td>
<td>708</td>
<td>613</td>
<td>4,273</td>
<td>4,371</td>
<td>891</td>
<td>4,622</td>
<td>1,000</td>
<td>16,478</td>
</tr>
<tr>
<td>2017</td>
<td>727</td>
<td>629</td>
<td>4,386</td>
<td>4,486</td>
<td>915</td>
<td>4,744</td>
<td>1,026</td>
<td>16,912</td>
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<tr>
<td>2018</td>
<td>745</td>
<td>645</td>
<td>4,498</td>
<td>4,601</td>
<td>938</td>
<td>4,866</td>
<td>1,053</td>
<td>17,346</td>
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<tr>
<td>2019</td>
<td>764</td>
<td>661</td>
<td>4,611</td>
<td>4,716</td>
<td>961</td>
<td>4,987</td>
<td>1,079</td>
<td>17,780</td>
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<tr>
<td>2020</td>
<td>782</td>
<td>677</td>
<td>4,723</td>
<td>4,832</td>
<td>985</td>
<td>5,109</td>
<td>1,105</td>
<td>18,214</td>
</tr>
<tr>
<td>2021</td>
<td>801</td>
<td>693</td>
<td>4,836</td>
<td>4,947</td>
<td>1,008</td>
<td>5,231</td>
<td>1,132</td>
<td>18,648</td>
</tr>
<tr>
<td>2022</td>
<td>820</td>
<td>709</td>
<td>4,949</td>
<td>5,062</td>
<td>1,032</td>
<td>5,353</td>
<td>1,158</td>
<td>19,082</td>
</tr>
<tr>
<td>2023</td>
<td>838</td>
<td>726</td>
<td>5,061</td>
<td>5,177</td>
<td>1,055</td>
<td>5,474</td>
<td>1,184</td>
<td>19,516</td>
</tr>
<tr>
<td>2024</td>
<td>857</td>
<td>742</td>
<td>5,174</td>
<td>5,292</td>
<td>1,079</td>
<td>5,596</td>
<td>1,211</td>
<td>19,950</td>
</tr>
<tr>
<td>2025</td>
<td>876</td>
<td>758</td>
<td>5,286</td>
<td>5,407</td>
<td>1,102</td>
<td>5,718</td>
<td>1,237</td>
<td>20,384</td>
</tr>
</tbody>
</table>

To produce the additional 500 degrees per year, OUS must enroll about 700 more students, system-wide, each year, compounding annually. There are some gaps associated with this projected increase in enrollment and degree completion:

1. Financial Resources
Currently the state underfunds resident students by approximately $3,000 per year. OUS institutions need to collectively produce about 500 more degrees per year compounding annually to reach the 40-40-20 goal by 2025. To produce 500 degrees OUS must enroll roughly 700 students system-wide. To fund the additional students for the next biennium, OUS would require ($3,000 × 700 in the first year) + ($3,000 × 1,400 in the second year) = $6.3 million over just the next two years. Going out to 2025, this totals about $163.8 million additional. Without these critical funds, OUS campuses will fall short of reaching the 40-40-20 goal.

2. Space
Campus capacity must be further studied to determine which campuses can accommodate more students, how many more students, and where recourses should be allocated to increase space on campuses to accommodate more students once capacity is reached on all campuses.

3. Disparities Educating Students of Color
Oregon and national data continues to paint a picture of marked disparities in educational attainment according to ethnicity, rural/urban divides, and economic divides. While Oregon’s public universities have enrolled more students of color than ever before, educational attainment rates continue to show major differentiation by ethnicity and age. Oregon has far to go to improve attainment rates for American Indian/Alaska Native students and Hispanics,
which are below both the regional and national averages for both younger and older age groups. In addition, the bachelor’s level attainment rate in urban/metropolitan areas continues to be significantly greater than that of the more rural regions, begging the question of how to create a college going culture in communities that have not traditionally placed emphasis on post-secondary education.

4. Educating Low-Income and First-Generation Students
Another obstacle to 40-40-20 is the proliferation of low-income populations throughout the state. According to Children First for Oregon, roughly 44% of children in Oregon were poor or low-income, with roughly 23.4% of children living below the poverty line in 2011. Given this reality, campus and system finance strategies aim to improve and protect the affordability of public higher education by balancing cost-savings measures with tuition levels and financial aid so that students are not priced out of a quality college education.

**Role of private universities**
What role should an OUS strategy envision for private colleges and universities?

By way of background, there are 24 private non-profit colleges and universities in Oregon. Currently they enroll about 10,000 Oregonians and graduate about 2,400 resident students each year. According to the Oregon Alliance of Independent Colleges and Universities, its post-secondary institutions plan on expanding degree production by adding as many as 1,000 degrees to help contribute to the 40-40-20 goal by 2025.

Beyond factoring in the likely degree production of the privates, there are two questions to resolve:

1. If privates should be engaged directly in the strategy, who engages them and how?
2. Are there particular aspects of an overall strategy that the privates may be particularly well-suited to address? For example, some have suggested that some of the privates might play a strong role in adult education.

**DEFINITIONS AND ASSUMPTIONS**
The straight-forward 40-40-20 goal leaves open questions about who gets degrees, where they live, and the quality and nature of those degrees.

These questions provide the policy context within which 40-40-20 must operate. Some were introduced in the section on “defining the goal” (age cohort, residency, role of private universities). Others reflect important OUS policies and values, and require some specification

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1 Insert citation (Oregonian Tuesday, April 24)
for how they should be incorporated into a 40-40-20 strategy. Below we articulate key definitions, assumptions, and questions.

**Graduate degrees**

Graduate degrees should have some special consideration. Questions that will need to be answered in the future are:

- How should a 40-40-20 strategy include consideration of graduate degrees?
- Should an overall target be set? How?
- Should institutional missions be more precise on this score?

**Geographic and regional equity**

The 40-40-20 goal for OUS assumes that the goal will be met through statewide engagement. The State Board of Higher Education is committed to a set of goals for statewide public higher-education that includes positive contributions to the economy, civic and cultural life of communities across the state. By providing access to higher education throughout the state, investments are being made in local economies, workforce development and civic engagement.

**Demographic diversity and underserved populations**

In order to reach the 40-40-20 goal, OUS institutions must (1) reduce their achievement gaps; (2) increase retention and graduate rates for all students and (3) increase enrollment of more

- Students from rural parts of Oregon
- Students of color
- Students from lower socio-economic backgrounds than current students
- Students who require more financial aid to realize their college aspirations
- Adult learners

**Targeted degrees**

Funding for targeted degrees is now provided directly, making it easier to incorporate these directly into a 40-40-20 strategy.

**Affordability**

For the state’s overall 40-40-20 goal, access and affordability are key. They link directly back to the importance of students in middle and high school having the motivation and belief that college is and should be in their future.

The Shared Responsibility Model, control of tuition, and the set-aside of part of tuition increases for financial aid are the basis of the existing affordability policy for students.
However, the missing piece is that a mechanism does not exist to link state enrollment funding, tuition, and shared responsibility together in a way that effectively puts the burden on the legislature to be transparent about the number of degrees it is actually willing to fund. Nor is there any direct link to the actual costs of degrees. Without such a link, costs can continue to rise, with tuition and aid both chasing, and access becomes a variable rather than a guarantee or real target.

It is possible to address this in 40-40-20 by way of the weight given to students for whom price and cost are barriers. It is also possible to address, perhaps, through a strategy of paying for degrees (outlined below).

**Quality of degree**

The quality of OUS degrees cannot suffer as a result of meeting the 40-40-20 goal. Questions that will need to be addressed in the future include:

- What consideration should be given to quality of degree, however measured? What is the future for moving more toward proficiency assessment for degrees?

- Should the idea of “value” of different types of degrees (majors, employability, etc.) be given more consideration?

- Should there be some weight for degrees with public service and/or research components in them?

**Allocating targets and improving performance**

Once a target for degrees is set or assumed for the state, how should responsibility be divided among OUS institutions? There is simplicity but no strategic reason for simply scaling up each institution’s existing share of degree production; there are strong reasons for not doing so, primarily that it may be neither the most efficient nor the most equitable. Potential factors to be weighed might include:

- **Fit with mission.** Should missions be more specific about expectations for 40-40-20? Should there be greater differentiation about roles in achieving regional and demographic equity, or carrying responsibility for access and affordability?

- **Efficiency.** Which institutions can provide additional degrees at least cost, including capital investment? Which institutions can contribute effectively and efficiently to the qualitative aspects of 40-40-20 (equity, diversity, high-value degrees, etc.)?

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2 By “mission” I here mean the role and identify of the institution within OUS, not just the formal mission statement. This requires, for example, a deeper understanding of what SOU’s role as a regional institution means and what it means for UO to be a “flagship.” It requires good understanding of student and faculty “markets” and competitive situation.
• **Institutional considerations.** If targets for 40-40-20 will affect competitive and financial position of institutions, how should this be factored?

Related to this is where leadership for improving institutional performance resides. That is playing out in large measure through discussions around “shared services” and collaboration. At what level do we understand and act on how much and at what cost might enrollment rates, graduation rates, time-to-degree, etc., improve from:

- Changed pedagogy at universities, including course redesign, use of technology?
- Distance learning and on-line learning?
- Improved performance of “pipeline”?
- Readiness of high school graduates?
- Transfer from community colleges and among universities, and reverse transfer?
- Completion for adults with some progress?

**MODELING FOR 40-40-20: WHAT MORE DO WE NEED TO KNOW?**

A fully-developed and mature 40-40-20 strategy would make use of a model that, ideally, would help with a number of tasks:

- Estimating a “base case” (no change in policy, investment, or performance trends but with expected demographic changes) for level of educational achievement of Oregonians by 2025 (and perhaps beyond). This would provide the necessary comparison with the simple flow model proposed above.
- Scenario analysis for performance indicators (“If 6-year graduation rates improve by X-percent, then degrees increase by Y-percent at $Z cost...”).
- Analysis of policy and investment alternatives (“If best practice-Y is adopted at all schools, then...”).
- Estimating costs of inputs and outputs (Marginal cost of adding one more student has what effect on marginal and average cost-per-degree? Marginal cost of expanding program y to x students has what effect on marginal and average cost-per-degree?). Costs include operating and capital costs.
- Estimating levels of achievement within scenarios for key demographic and geographic groupings.
- Showing effects and costs for alternatives for allocation of targets and investments among institutions.
Existing models fall short of this outcome. They are useful for pointing to the big points of leverage (retention, etc.) but are inadequate for comparing costs and timing of alternative programs and strategies. Existing models also do not include campus-level data. The limitations of good cost data at the campus level makes it particularly difficult for the System to develop finely-tuned strategies. The cost and effort to build out the models to achieve what is needed to answer the questions posed above are beyond this project. Nor does it make sense from the state perspective to build an “OUS” model. This is something that should be done by OEIB, and built upon the work so far done by consultants.

The simplified framework outline in this paper, in part, reflects the limitations of models in the present state but also—more importantly—the emerging organizational and budgeting structure of higher education. We point out that the framework cannot and likely will not do the following:

- Develop a robust model capable of comparing marginal cost of producing degrees at different institutions or from various programs and initiatives.
- Develop scenarios of the most cost-effective initiatives or programs.

**MAJOR AVENUES FOR IMPROVING PERFORMANCE**

**Eastern Oregon University**

Constraints & Obstacles

Current Practices & Strategies

- Eastern Promise focuses on Multi-Sector Collaboration: Eastern Oregon University offers co-enrollment, bridge, dual credit, and completion program opportunities to Oregon students with neighboring community colleges and school districts. EOU also offers an array of distance education programs across the state through their 16 Regional Centers to create a strong and unique ladder of opportunity for students throughout Oregon.

**Oregon Institute of Technology**

Constraints & Obstacles

- Financial Obstacles: 40-40-20 requires a sizable financial investment from the state to meet capacity demands. With limit funds for additional staffing and programs, it is difficult to impact student retention, and to add capacity for working with partner schools and community-based programs like MESA. Unlike other campuses with targeted investments, Oregon Tech has been absorbing the cost of these initiatives, including a Director of Academic Agreements, Admissions positions, expanded tutoring, and reallocation of a Vice President to work on STEM Partnerships, cost of dual credit, high school transition courses, reverse transfer, etc.
• Capacity: While current programs are market driven and many are on the verge of saturating their market. Graduate placement rates are hallmark of our university and we will not grow those programs.
• Facilities: Cornett Hall needs to be renovated and/or replaced. Cornett Hall houses Mechanical Engineering Technology, Manufacturing Engineering Technology, Civil Engineering, and the Oregon Renewable Energy Trust.

Current Practices & Strategies
• Articulation Experts: Oregon Institute of Technology has created an office of Academic Agreements to create greater access for high school students, community-college students and practicing professionals to its programs. The Office’s charge is to manage over 100 articulation and dual-enrollment agreements, direct OIT’s extensive Advanced Credit Program and High School Transitions programs, and represent the campus on the pathways work with community colleges.
• Enrollment: Oregon Tech has a Strategic Enrollment Management Committee that is focused on enrollment growth and retention. Oregon Tech’s enrollment target for 2025 is 5,400 student; with growth to 1,000 students at the Wilsonville Campus and 4,400 students in Klamath Falls, distance education, and partner sites. This represents a 35% growth projection by 2025.
• Targeted Recruitment: In January 2013, Oregon Tech added created several work groups to take action on Targeted Recruitment, STEM and Pre-College Programs, and Equity/Diversity.
• STEM Partnerships: Oregon Tech is leading the formation of a STEM Partnership with 13 school districts, two universities, three community colleges, five community-based organizations and 10 private businesses to increase the number of students that earn STEM degrees and certificates, and to increase access and excitement among students in these courses.

Oregon State University
Constraints & Obstacles
• Financial Obstacles: 40-40-20 requires a sizable financial investment from the state to meet capacity demands.
• Local Support: OSU needs support of local communities for changes in campus size, programs, and student mix. It is important to keep community leaders engaged as we plan for campus changes to meet this goal.
• Governance: Navigating any changes to the governance structure and relationships between the University System, community college and k-12. Need to ensure clear roles and responsibilities.
• Federal Landscape: Federal support is very important to our research work and graduate programs. Changes in Federal student aid can also have large consequences for students.

Current Practices & Strategies

• Empowering Students to Plan: Oregon State University is using MyDegrees Degree Audit, which allows students the ability at any time to review their progress toward degree, model possible scenarios for courses yet to be taken, and look at the classes they need if they choose to change their major. This provides yet one more support tool that students can use to achieve timely graduation.

• Enrollment Strategy: Oregon State University is developing a comprehensive enrollment strategy that includes the Corvallis campus, Bend Campus, Hatfield Marine Science Center, and online education programs. This includes maximizing the Corvallis campus, while staying within a total population of 28,000, while growing the Bend Campus to OSU also plans to approximately 5,000 students by 2025.

• Infrastructure: Oregon State University is developing its infrastructure and program plans to allow for the next five to six years of growth required for the 40-40-20 goal, including transitioning Cascades to a four year program. Investments to provide facilities and educational tools for students are a necessary component of educating students for the 21st century.

• Student Support: It is important that we improve the success rate for all students that attend OSU, and work to shorten the time to degree for all students. Though the Strategic Plan, OSU has increased its emphasis on student success and engaged in several initiatives to advance this strategy, namely, hybrid courses, improvements to the online data system that allows faculty and advisors access to information that is helpful in advising students, expanded outreach for under-represented students including CAMP, SMILE, SSS, MANRRS, SACNAS and LSAMP. In addition, OSU has constructed four new cultural centers, has worked to improve coordinated advising with community colleges, and has initiated a comprehensive First Year Experience program.

• Scholarships: OSU plans to make expanded scholarship support a central component of the Campaign for OSU to build substantially increased resources for scholarship support.

Portland State University

Constraints & Obstacles

• Funding: The current level of state funding Portland State receives per student creates a significant gap in the total cost. In addition, unmet need continues to grow as tuition is already very high for students.

• Infrastructure and Capacity: PSU is challenged to meet the demand for lack of infrastructure to support student needs. The campus is in need of renovations for classroom that keep pace with current pedagogy, along with a documented need for
improvements to building systems. In addition, improved student community space, along with married and low-income housing is needed to support students.

Current Practices & Strategies

- College Pipeline: To create the pipeline for high school students, Portland State University is pursing the following strategies: leadership role in All Hands Raised, participation in the OUS tours, high school visitations, campus Preview Day, Viking 101 Days, Orientations, etc.

- Affordability: PSU leverages remission dollars and scholarships to assist students in paying for their education, provides workshops at community sites on scholarships and FAFSA, and implements marketing and advertising campaigns that message the value of a PSU education. In addition, PSU engages in pre-college outreach to families of underrepresented minority students, and provides on-campus events that are culturally and language appropriate for families on underrepresented minority students.

- Transfer Students: In order to serve transfer students, PSU plans to expand its work with reverse transfer, co-admissions opportunities, events that target transfer students, work with community college counselors and participation in transfer fairs, the development of a virtual transfer center what assists students in navigating admissions, advising and financial aid, and a strategy for targeting students who attended PSU by did not complete.

- Degree Completion Programs: Portland State University, in collaboration with community colleges in the region, has developed degree-completion programs to serve returning adult students. The programs build on the previous higher-education experience of the student and the lower-division offerings at the community college to provide the final two years of a Bachelor’s degree.

**Southern Oregon University**

Constraints & Obstacles

- Financial Resources: Limited financial resources, and the task of doing more with less.

- Adequate Student Support Services: SOU is partnering with K-12 and community colleges to help more students move into the pipeline for a university degree. However, SOU is not funded for this work, and has limited resources to assist economically disadvantaged students once they are admitted.

Current Practices & Strategies

- Student Success Coursework: Southern Oregon University has created a program for students with a focus on study skills, time management, reading comprehension, and campus resources. SOU offers these courses in the winter and spring terms when students need them to get back on track, providing them with the assistance they need to prevent them from dropping out.
• Destination Campus: Southern Oregon University is working to brand itself as a destination campus and have developed initiatives to (1) heighten distinctiveness, (2) increase student’ retention and completion, and strengthen career readiness, and (3) ensure financial sustainability.

• Honors College: In the fall of 2013, SOU will open an Honors College that serves 25 high achieving students. An additional 25 students will be admitted every fall, with a total cap of 100 students. Honors College students will work collaboratively in small seminars and will also focus on applied, real-world projects. Every Honors College student will be paired with a mentor in the community who will help the student navigate a career pathway.

• Campus Houses: In the fall of 2013, SOU will launch two Houses (Interdisciplinary learning communities, not physical houses), that allow students to work collaboratively on projects that address regional needs. Students will apply their classroom learning to real-life issues and learn firsthand the workings of regional problem-solving and collaboration. Research suggests that students who connect with faculty and staff on applied projects retain at higher rates than students with weaker campus connections.

• Jobs on Campus: Beginning fall 2013, this initiative will add 50 new jobs a year to the currently available 1,100 student jobs on campus. We are developing supervisory and mentoring components to assist students more intentionally in gaining professional skills and capacities that will increase their career preparedness and options when they leave SOU.

• Hawks: In winter 2014, SOU will launch a pilot program at the Higher Education Center in Medford that focuses on non-traditional students already in the workforce. The Hawks will consist of 25-40 working professions who seek an undergraduate degree for personal or career advancement. These students will be eligible to earn credit for prior experience and connect theory to practice through online and face-to-face modules. Students will be able to test their competencies, accelerating quickly when they have demonstrated learning. Additional Hawk cohorts will launch in response to identified needs.

• Pirates to Raiders: SOU in conjunction with the Phoenix-Talent School District have created a program to help prepare more k-12 students for admission to college. This initiative takes a cohort of eighth grade students and follows them through high school graduation and matriculation into college. The program includes intrusive advising, tutoring, SAT/ACT test preparation, financial aid tutorials, trips to campus, and other activities for students and parents.

• Summer Programs: SOU sponsors two summer programs Academic Latina for Hispanic students and Konoway Nicum Tillicum for Native-American students. These programs are designed to give middle school students the tools to succeed in high school and matriculate into college.
University of Oregon

Constraints & Obstacles

- Modern Facilities: The University of Oregon needs modern facilities to educate students for the 21st century. To provide the academic infrastructure to meet 40-40-20, the university needs access to capital.
- Revenue Bonds: The UO seeks authority to issue and sell revenue bonds and to enter into a variety of financing agreements to meet institutional demands on resources. A public UO board will have the same fiduciary obligations as any other governing board, and the revenue bonds would not be indebtedness to the State of Oregon.

Current Practices & Strategies

- Affordability with Need-Based Aid and Services: University of Oregon started the “Pathway Oregon” program to ensure that academically qualified, lower-income Oregonians have their tuition and fees covered with a combination of federal, state, and university funds. The highest achieving students in the program have the opportunity to be selected for a grant to cover housing costs as well. Students in this program receive targeted orientation and advising throughout their UO career.
- Financial Aid and Scholarships: Resident students have access to a wide variety of financial aid through federal and state government need-based aid and through scholarships provided by UO. Currently, 65% of UO undergraduates receive financial aid; 26% receive federal Pell grants. Examples of institutional scholarships include the Solari Scholarship, Stamps Scholarship, Summit and Apex Scholarships, Presidential Scholarship, General University Scholarship and Diversity Excellence Scholarship.
- New Models for Delivering Education: Current trends in education are rapidly moving toward flexible delivery models to reach varied learning styles across multiple generations of learners and geographically dispersed audiences. Students are seeking flexible schedules and demanding media-rich engagement in the learning process.
- Technology: Technology at the UO has been supported through campus-wide units, include IS, Library, Teaching Effectiveness Program, and Academic Extension. In the last five years, there has been approximately 50% growth in enrollments and double the number of unique course titles available.
- Educational Partnerships: UO is working with Lane Community College, the United Way and Lane County’s school districts to create an Educational Partnership. This partnership is committed to increasing college enrollment, retention, and completion for a wider range of students from our local community. Furthermore, the Education Partnership is committed to ensuring that Lane County students are college and career ready.

Western Oregon University

Constraints & Obstacles
• Affordability: Cost critical factor that influences the ability of students to begin and complete college. Affordability has both real and perceived components. Perceived affordability is driven by fear and ignorance regarding true costs, and affects completion of high school and entry to college. Actual affordability describes the real struggle that current students face in paying their tuition and fees, room and board and books. WOU lacks the donor base or larger overall budget to create and maintain an impactful scholarship and aid program that would eliminate the perceived affordability barrier and also support students through the completion of their degree.

• Academic preparation: College readiness is a critical challenge that reflects the curriculum gaps between high school and university study, the reduction of high school curriculums in response to budget cuts, increased class sizes for high schools and reduction in counseling services.

• Staffing Limitations: WOU doing more to fill the counseling gap or mounting an effort to better align high school and university curriculum. The Common Core is an important step, but joint faculty development is a critical component to have a more seamless system.

• Overall institutional fatigue.

Current Practices & Strategies

• Mandatory Advising: Western Oregon University has created an Academic Advising and Learning Center that provides mandatory advising for all undergraduate students with required regular meetings. Advising staff members are multilingual and overlapping advising is provided for first-generation and low-income students as well as students with disabilities who need additional support.

• Student Success Strategies: Student success specialist, early-alert software and degree audit software. In addition, joint academic advising to assist students in making the most effective choices of which community college courses to take. Finally, Tuition Choice provides student with a stable, predictable and cost-saving tuition programs.

• High school completion: increasing number of bilingual teachers WOU prepares for entry into Oregon Schools. Statewide workshops on improving Latino student achievement for high school principals and district leaders.

One possibility...

The situation surrounding 40-40-20 now seems to entail the following:

• First, the lay of the land about where decisions will get made is changing. It appears that the OEIB, the HECC (Higher Education Coordinating Commission) and individual institutional boards will have greater authority over the decisions central to 40-40-20.

• State policy appears to be committed to moving toward paying for degrees as the primary means of funding institutions. This creates an important avenue for pursuing 40-40-20 within the “tight-loose” principle.
• There is wariness at the campuses about a top-down approach to 40-40-20, including wariness about the use of any model to set targets or allocate costs and revenues that does not recognize campus differences.

• The existing models are useful for pointing to the big points of leverage (retention, etc.) but are inadequate for comparing costs and timing of alternative programs and strategies. They also do not include campus-level data. The limitations of good cost data at the campus level makes it particularly difficult for the System develop finely-tuned strategies. The cost and effort to build out the models to achieve what is needed to answer the questions posed above are beyond this project. Nor does it make sense from the state’s perspective to build an “OUS” model. This is something that should be done by the OEIB.

Taking all this into consideration leads to considering an approach that would:

• Anticipate more responsibility at the campus level for responding to a 40-40-20 framework and targets, with OUS in a more “steering” and support role.

• Put the burden on campuses for cost control.

• Put the burden on the state for funding levels to meet degree and affordability goals (ensure that compacts link targets and funding).

• Put the burden for developing a strong performance and cost model at a higher level, namely the OEIB

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