

September 27, 2006

Dear Colleagues:

Secretary Spellings' National Commission on the Future of Higher Education and her response to its report emphasize the national importance of higher education and challenge the states and institutions to respond to issues of cost and improving performance.

While we legitimately can take satisfaction in the strengths of our system, there is no ambiguity in the call for change. The higher education policy debate will be vigorous, and it will persist over many years – as it should.

The Secretary's challenge to the states and institutions explicitly recognizes that the federal role and capacity in higher education is limited. But it is no less a challenge. As we have hoped, higher education has been placed more prominently on the national agenda, and we are required to respond.

Of course, we welcome the challenge – it is consistent with what SHEEO stands for and with the March 2005 recommendations of the National Commission on Accountability in Higher Education, which we organized.

In the paragraphs below I outline the issues and some actions I see as appropriate and desirable for SHEEO and for you as state leaders. I especially welcome your comments as you review this list.

The SHEEO Action Plan

The five areas identified below fit nicely onto SHEEO's trajectory over the past few years. Each issue area is followed by a short statement of what we already are planning to do or what we might do.

The complexity of these issues and the number and variety of people involved means the design and implementation of our action plan must be "open source" and adaptive. *Again, your input is critically important. Please let us hear from you.*

1. Data quality

The Secretary unambiguously advocates a national system of student level data, a system we have proposed and supported. It is unclear where Congress stands on the development

of a federal system, or whether some other alternative will be more feasible. The "other alternative" on the table is a proposal SHEEO and AASCU offered a year ago, a voluntary state-based system. If it plays out this way (and even if it doesn't) the states and SHEEO should play a role in making sure the national system (whether federal or state based) is lean, strong, and agile enough to be implemented quickly and effectively.

SHEEO Action: *We will monitor and support federal actions to improve data systems. At the same time, we need to accelerate state level efforts to develop new student level higher education data systems where needed, to improve the quality of existing systems, to enhance their utility for interstate analysis, and to link such systems to K-12 data systems. We have worked with NCHEMS and the Data Quality Project to survey the current status of state data systems, and we seek volunteers from states which seek to improve their current unit record system or build a new one. We will explore the capacity and means by which the Department of Education might assist state efforts, and we will be initiating conversations with you and with the Department to identify concrete, mutual objectives and a strategy for reaching them. Please contact me or Hans L'Orange to pursue this interest. This also will be a major feature of the Spring SHEEO/NCES Data Conference.*

2. Student learning

SHEEO has previously recommended, and we are prepared to assist the states in developing state based strategies for assessing student learning. In addition, AASCU and NASULGC have pledged to develop a voluntary system for assessing student learning at the institutional level. We expect to build on the work of Peg Miller's project with five states, and we intend to work with AASCU and NASULGC as well as others (such as AAC&U and accreditors) with an interest in and expertise on this issue. Another key resource will be the providers of student assessment instruments, who are ready and willing to participate. The expanded NAAL survey will become an important resource to states in setting goals and monitoring progress in postsecondary education.

SHEEO Action: *A few days ago we sent out a note proposing a 1-2 day workshop on the assessment of student learning; many of you have responded to express strong interest. We will proceed with such a workshop and we will explore the specific plans of the Department of Education to provide matching funds to states and institutions engaged in this work.*

3. Improving access by enhancing student preparation and aspiration.

The Commission report emphasized the importance of improving student readiness for higher education. This obviously puts a special focus on high schools, but higher education also has clear responsibilities and opportunities to make an important contribution. SHEEO and many of you are currently engaged in the Gates/NGA initiative to improve high school preparation, and in cooperation with nine states, we have submitted a proposal to the Carnegie Corporation for work on enhancing teacher quality.

The proposed enhancement of the 12th grade NAEP exam should become a useful resource to the states.

SHEEO Action: *Improving student aspiration, preparation, and success is a long-standing SHEEO commitment; we will continue current activities and work with the states to strengthen mechanisms to monitor progress and improve performance through our Access & Excellence Initiative.*

4. Financial access and cost containment.

The Commission report echoes many of the suggestions for containing costs proposed by the National Commission on Accountability in Higher Education and calls for state governing and coordinating boards to take greater leadership on this issue. It also encourages states and institutions (as well as the federal government) to increase investments in need-based student aid. Finally, it suggests the states work with the Department of Education to simplify FASFA and give students early notification of their eligibility for aid.

State financial support is a critical issue in financial access. Without question, tuition and fees have grown for two reasons: because costs have increased and because state revenues, per student, have decreased. Both parts of the equation need attention. The SHEEO SHEF report is an important resource for assessing affordability and cost-effectiveness; we will continue working to make it better and get it out earlier.

SHEEO Action: *As part of its Access & Excellence Initiative and the continuation of the State Higher Education Finance (SHEF) study, SHEEO will work to refine and improve the timeliness of financial data available to the states for policy analysis. We will also participate in collaborative activities to provide better indicators of the affordability and cost-effectiveness of higher education. We will work with the states to promote the development of budgeting procedures that help states reach their policy goals. Finally, we will employ technical assistance and peer education to promote the development of stronger state need based financial aid programs.*

5. Accountability

The accountability emphasis of the Commission's report (and the Secretary's comments) is on transparency and reporting. This is important and helpful; the states can contribute to the quality of the federal reporting mechanisms and improve their own reporting of higher education outcomes. The states also are in a position to approach accountability in a more intentional and assertive fashion. As the "owner-operators" of institutions created as a public trust, states have the capacity (and the responsibility) to set goals and work to achieve them, within the context of shared governance and an appropriate division of labor. The students who tend to get left out of higher education are unlikely to shop in a national or regional market; they typically depend on institutions close to home. We have a responsibility to take direct action to improve the performance of such institutions and of state policy in meeting the needs of those students and the public.

SHEEO Action: *“Accountability for Better Results,” the report of the National Commission on Accountability in Higher Education, outlines specific state and institutional responsibilities for improving the success of higher education in responding to changing global demands. During the coming 18 months SHEEO and AGB will organize workshops for SHEEO and their Board leaders to work together on the taking practical steps toward meeting these responsibilities. These practical steps will include work on each of the five topical areas in this action plan. We will soon be scheduling the first of these workshops and inviting your participation.*

In addition, SHEEO will work with you and in conjunction with NCSL and the National Governors’ Association to encourage elected leaders to establish specific state goals for higher education and join with higher education leaders in collaborative efforts to achieve them.

Finally, SHEEO will continue working with the Department of Education and the states to improve the quality, accessibility, and utility of data to inform students and the public about higher education.

Thank you for your careful reading of these thoughts and for your feedback concerning our future work. This “action plan” will evolve and change in response to your counsel and external events. I look forward to our participation in the spring “summit” Secretary Spellings plans to follow up the Commissions report.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul E. Lingenfelter". The signature is fluid and cursive, with a large initial "P" and "L".

Paul E. Lingenfelter
President