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Decline in higher education calls for new options

By Jim Nowlan

In November a research unit at the University of Pennsylvania issued a scathing report about higher education in Illinois titled "A Story of Decline." Given budget woes in Springfield, the situation is only going to become worse. More options are needed for parents and students.

The report by the Institute for Research on Higher Education first cited Illinois' leadership in higher education in the 1990s, lauding the state for leading the nation in the proportion of young adults and working adults who were enrolled in college and for having a strong student financial aid program.

Since then, however, the percentage of high school graduates enrolling in college has dropped, as has need-based financial aid per student. At the same time, tuition and fees at public universities have soared while median family income has dropped 10 percent in the past decade in inflation-adjusted dollars.

The report also criticized Illinois for failing to make inroads in the gaps in achievement between minorities and whites. In 2009, for example, only 36 percent of black college students and 44 percent of Latino students graduated from four-year colleges and universities within six years, compared with 66 percent of white students.

Further, a 2010 report from the College Board noted that only 38 percent of Illinois young adults have earned an associate's degree or higher, ranking the state below the national average and well behind many countries. This in a context of projections that 55 percent of the state's young adults will need at least an associate's degree by 2020 to meet workforce needs.

Yet prospects for a turnaround are grim. In the past decade state spending for higher education has declined from \$2.4 billion to \$2.1 billion. An additional \$1 billion would be needed today to provide the same purchasing power that state spending on the sector represented in 2002. Based on the present woeful state budget situation, I predict further declines in the decade ahead.

Higher ed is now seen by state budgeteers as a sector with other sources of revenue to offset state cuts, such as tuition, fees, research grants, and in the case of community colleges, the property tax.

So expect even higher tuition and fee charges at public universities. This will drive more families to the community college option, where tuition charges are about \$3,000 a year versus \$9,000-\$14,000 at the four-year public institutions. And here is where we can become creative.

We should establish more "2+2" programs where community colleges and fouryear institutions create seamless transfers and blended tuitions. There should also be more "3+1" programs, in which a four-year institution will offer a third year of college on a local community college campus and a final year on the campus of the four-year school. And with more college credits provided during high school through advanced placement courses, and in local community college "dual credit" settings as well as online, programs that offer year-round 3-year baccalaureate degrees should be expanded.

The state ought to also consider empowering the student by shifting much of state funding of public higher education to student aid. At present, Illinois provides lump sums to public universities that are not tied to any measures of achievement such as rates of graduation within 4 years.

If more state funding were shifted to student aid, the student would be empowered to shop in the marketplace for the best program for his or her needs. This might put some colleges and universities at risk, yet the purpose of state funding should be to support the student, not the institution.

The ground is shifting under higher education, and the colleges and universities that thrive will be those that adapt to the changing realities.