# KEEPING COLLEGE WITHIN REACH: MEETING THE NEEDS OF CONTEMPORARY STUDENTS

# **HEARING**

BEFORE THE

# COMMITTEE ON EDUCATION AND THE WORKFORCE U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRTEENTH CONGRESS

SECOND SESSION

HEARING HELD IN WASHINGTON, DC, APRIL 2, 2014

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# KEEPING COLLEGE WITHIN REACH: MEETING THE NEEDS OF CONTEMPORARY STUDENTS

Wednesday, April 2, 2014
House of Representatives,
Committee on Education and the Workforce,
Washington, D.C.

The committee met, pursuant to call, at 10:04 a.m., in Room 2175, Rayburn House Office Building, Hon. John Kline [chairman of the committee] presiding.

Present: Representatives Kline, Wilson, Foxx, Price, Walberg, Salmon, Guthrie, DesJarlais, Bucshon, Brooks, Messer, Miller, Scott, Hinojosa, Tierney, Holt, Davis, Courtney, Fudge, Polis, and Bonamici.

Staff present: Janelle Belland, Coalitions and Member Services Coordinator; Amy Raaf Jones, Deputy Director of Education and Human Services Policy; Nancy Locke, Chief Clerk; Daniel Murner, Press Assistant; Krisann Pearce, General Counsel; Jenny Prescott, Legislative Assistant; Emily Slack, Professional Staff Member; Alex Sollberger, Communications Director; Alissa Strawcutter, Deputy Clerk; Juliane Sullivan, Staff Director; Tylease Alli, Minority Clerk/Intern and Fellow Coordinator; Kelly Broughan, Minority Education Policy Associate; Jody Calemine, Minority Staff Director; Eamonn Collins, Minority Fellow, Education; Jamie Fasteau, Minority Director of Education Policy; Julia Krahe, Minority Communications Director; Brian Levin, Minority Press Secretary; Megan O'Reilly, Minority General Counsel; Rich Williams, Minority Education Policy Advisor; and Michael Zola, Minority Deputy Staff Director

Chairman KLINE. A quorum being present, the committee will come to order. Good morning and welcome.

Thank you for joining us for the committee's 14th and likely final hearing in preparation for the reauthorization of the Higher Education Act. I look forward to a robust discussion with my colleagues and our witnesses on ways institutions can better serve contemporary students.

As we have discussed in previous hearings, student demographics are changing rapidly and remarkably. The days when the majority of college students were between the ages of 18 and 22, attending college full-time right after graduating from high school, are over. Today more than half of postsecondary students are so-called "nontraditional" students.

These contemporary students often have families, work full- or part-time, and are financially independent. They return to school with one overarching goal: to quickly and affordably gain new skills that will help them compete for area jobs and new career opportunities.

Recognizing this new demand, higher education institutions are exploring new modes of education delivery. To help students earn a degree faster, a number of schools now offer prior learning assessments. Students are evaluated based on their existing knowledge in a particular subject, providing the opportunity to progress in a degree program without being forced to first complete redundant or unnecessary courses.

At a previous hearing, Council for Adult and Experimental Learning President and CEO Dr. Pamela Tate shared examples of students who have benefitted from prior learning assessments, such as the Navy veteran who was able to use his military and job training to gain credits toward his bachelor's degree in industrial

manufacturing engineering.

Other institutions are embracing technology, providing new opportunities for students to complete online courses at their own pace. At Western Governor's University, the largest online-only institution, a flexible, competency-based education model makes it easier for students to earn a degree while balancing demands of family and work.

Recognizing some contemporary students may have previously earned college credits or would like to earn a degree at a lower cost by fulfilling some course requirements at local community colleges, states are collaborating with institutions to implement comprehensive articulation agreements. These agreements make it easier for students to transfer credits between institutions, reducing redundancy and helping raise degree completion rates.

In Louisiana, for example, associate's degrees earned at 2-year community colleges are guaranteed to transfer completely to 4-year institutions. Additionally, some states are expanding their articulation agreements to include bordering states and private institutions, providing students more flexibility and options when earning

a postsecondary degree.

We are fortunate to have with us today an excellent panel of witnesses who can offer more examples of ways postsecondary institutions, private entities, and states are working to help contemporary students realize their education goals.

We look forward to your testimony.

Supporting innovation in the nation's colleges and universities remains a key priority for the reauthorization of the Higher Education Act. However, as we have seen in the K-12 education system, such innovation should be encouraged from the ground up, not mandated from Washington.

In recent years the administration has tried repeatedly to impose new, burdensome regulations on the nation's colleges and universities in the name of program integrity. The gainful employment, credit hour, and state authorization regulations have been widely rejected by education stakeholders, Congress, and the federal court system for the simple fact that these rules will hamper innovation, reduce academic freedom, and limit choice and opportunity in higher education.

The committee has advanced legislation to combat these controversial regulations and will continue to explore additional opportunities to rein in the administration's efforts to impose harmful mandates on students and schools. Additionally, as we begin drafting legislation to reauthorize the Higher Education Act, we must include policies that promote—not dictate—continued innovation and flexibility in postsecondary institutions. We cannot allow federal barriers to stand in the way of the services and opportunities students deserve.

Once again, I would like to thank our witnesses for joining us today.

And I would now like to yield to the senior Democratic member of the committee, Mr. George Miller, for his opening remarks.

[The statement of Chairman Kline follows:]

#### Prepared Statement of Hon. John Kline, Chairman, Committee on Education and the Workforce

Good morning and welcome. Thank you for joining us for the committee's 14th and likely final hearing in preparation for the reauthorization of the Higher Education Act. I look forward to a robust discussion with my colleagues and our witnesses on ways institutions can better serve contemporary students.

As we have discussed in previous hearings, student demographics are changing rapidly and remarkably. The days when the majority of college students were between the ages of 18 and 22, attending college full-time right after graduating from high school, are over. Today more than half of postsecondary students are so-called "non-traditional" students.

These contemporary students often have families, work full- or part-time, and are financially independent. They return to school with one overarching goal: to quickly and affordably gain new skills that will help them compete for area jobs and new career opportunities. Recognizing this new demand, higher education institutions are exploring new modes of education delivery.

To help students earn a degree faster, a number of schools now offer prior learning assessments. Students are evaluated based on their existing knowledge in a particular subject, providing the opportunity to progress in a degree program without being forced to first complete redundant or unnecessary courses.

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Once again, I'd like to thank our witnesses for joining us today. I would now like to yield to the senior Democratic member of the committee, George Miller, for his

opening remarks.

Mr. MILLER. Good morning. Thank you, Mr. Chairman, and thank you for holding this hearing.

And thank you for the witnesses for giving this your time and

expertise.

By 2018 we know that our economy will need 22 million new workers with college degrees and that we will fall short of that need by three million people. To hit those goals we need to recognize that many of today's students are very different from the students for whom the Higher Education Act was created.

More than one-third of today's college students are over 25. The average age of community college students is 29. And two-thirds of

community college students attend part-time.

Students rely on diverse ways of learning like online education, which served over five million students in 2012. Institutions are exploring with new models of education, like competency-based edu-

But students face substantial barriers to completing their degrees and graduating as they move through the higher education system. To ensure that we are preparing sufficient college graduates to meet the workforce demands, we need to eliminate the barriers that prevent too many students from earning their degree and securing their place in the middle class.

Time and again I hear that students are wasting time and money as they try to transfer between institutions. More than one-third of college students switch schools prior to receiving a degree, and

many transfer more than once.

Unfortunately, too many students find themselves losing credits and unnecessarily repeating classes when they transfer. These points of friction increase as more students utilize different modes and pathways toward graduation, such as online education and credentialing of prior learning, and that friction wastes money for the taxpayers and for the students, as well as the students' time. It also makes students much less likely to complete their degrees and graduate, and this is unacceptable.

Right now nearly 15 percent of students transferring from community colleges lose 90 percent or more of the credits, which essentially means they have to start over. These are students the vast majority of which are borrowing money to pay for their education.

Chairman, I thank you for mentioning articulation agreements. I hope that we can incorporate this in a rewrite of the Higher Education Act.

Under a bill I introduced yesterday with Representatives Hinojosa and Polis and Fudge, an in-state student attending a public 2year college would be able to ensure that their associate degree transfers to an in-state public 4-year college. They would receive junior status at the 4-year school and save nearly \$18,000 compared to the students who are forced to start over. That would

make a big dent in the cost of college.

Around the country at least 36 states have already passed legislation to establish clear transfer pathways and articulation agreements, so the Transferring College Credit and Completion Act of 2014 draws on those state policies. The bill provides a framework for states to establish a statewide transfer arrangement so that it will save students time and money, including a 30-credit minimum general education core of classes shared across 2-and 4-year public institution with common course numbering and a guarantee that the associate's degree fulfills the two years of a related program at any public 4-year institution within the state, allowing community college students to transfer with junior status.

These kinds of policies have a proven track record in raising graduation rates and lowering the cost by increasing transparency

and creating guaranteed pathways to graduation.

In addition, we will hear today that too many students are starting college behind and are not given support they need to catch up and complete their degrees. Remediation presents a substantial hurdle to college completion, particularly for low-income students,

resulting in a high dropout rate and failure rates.

Across the college, colleges are beginning to identify new best practices to increase the success rate of remedial education. Rather than mandating enrollment in non-credit-bearing remedial classes as a prerequisite to college-level coursework, some institutions are experimenting with a corequisite model, in which students enroll in college-level courses but are simultaneously receiving extra instruction and support.

Competency-based education offers another avenue to prevent wasting time and money and focusing on self-paced attainment of competencies in a variety of subject areas rather than the accrual

of credit hours.

Mr. Chairman, with the federal government committing \$140 billion a year in loan and grant dollars to fund students working toward a degree, states and institutions need to do much more. Too many students work hard to reach college only to find out that they are unprepared and cannot enroll in college-level coursework.

They started at community college to avoid the burdensome debt, only to find out their credits will not transfer to a chosen 4-year college and they need to repeat courses. They are forced to take classes in subject areas they have already mastered, in which they have real-world experience. We need to eliminate these barriers to completion and empower students to complete their degrees and enter the workforce.

And thank you again for holding this hearing. I think it is very timely.

[The statement of Mr. Miller follows:]

### Prepared Statement of Hon. George Miller, Senior Democratic Member, Committee on Education and the Workforce

Good morning, Chairman Kline. Thank you for holding this hearing on meeting the needs of contemporary students.

By 2018, we know that our economy will need 22 million new workers with college degrees— and that that we will fall short of that need by 3 million people.

To hit those goals, we need to recognize that many of today's students are very different from the students for whom the Higher Education Act was created.

More than one-third of today's college students are over age 25. The average age of a community college student is 29, and two thirds of community college students attend part-time.

Students rely on diverse ways of learning, like online education, which served over 5 million students in 2012 alone. Institutions are also exploring new models of education, like competency-based education.

But students face substantial barriers to completing their degrees and graduating as they move through the higher education system.

To ensure that we are preparing sufficient college graduates to meet workforce demands, we need to eliminate the barriers that prevent too many students from earning a degree and securing their place in the middle class.

Time and again I hear that students are wasting time and money as they try to transfer between institutions.

More than one-third of college students switch schools prior to receiving a degree, and many transfer more than once.

Unfortunately, too many students find themselves losing credits and unnecessarily repeating classes when they transfer. These points of friction increase as more students utilize increasingly different modes and pathways toward graduation, such as online education and credentialing of prior learning.

And that friction wastes money for taxpayers and students, as well as students' time.

It also makes students much less likely to complete their degree and graduate. This is unacceptable.

Right now, nearly 15 percent of students transferring from community colleges lose 90 percent or more of their credits, which essentially means that they need to start over.

Under a bill I introduced yesterday, with Representatives Hinojosa, Polis, and Fudge, an in-state student attending a public two-year college would be able to ensure that their associate degree transfers to an in-state public four-year college. They would receive junior status at the four-year school and save nearly \$18,000 compared to a student who is forced to start over.

That would make a big dent in their college costs.

Around the country, at least 36 states have already passed legislation to establish clear transfer pathways and articulation agreements.

So the "Transferring Credits for College Completion Act of 2014" draws on those state policies.

The bill provides a framework for states to establish statewide transfer arrangements that will save students time and money, including:

\* A 30-credit minimum general education core of classes shared across all twoand four-year public institutions, with common course numbering, and;

\* A guarantee that an associate's degree fulfills the first two years of a related program at any public four-year institution within the state, allowing community college students to transfer with junior standing.

These kinds of policies have a proven track record of raising graduation rates and lowering costs by increasing transparency and creating guaranteed pathways to graduation.

I hope the committee will consider them.

In addition, we'll hear today that too many students are starting college behind and are not given the support they need to catch up and complete their degrees. Remediation presents a substantial hurdle to college completion, particularly for

low-income students, resulting in high drop-out and failure rates.

Across the country, colleges are beginning to identify new best practices to increase the success rate of remedial education.

Rather than mandating enrollment in non-credit-bearing remedial classes as a "pre-requisite" to college-level coursework, some institutions are experimenting with a "co-requisite" model, in which students enroll in college-level courses but simultaneously receive extra instruction and support.

Competency-Based Education, or CBE, offers another avenue to prevent wasted time and money by focusing on the self-paced attainment of competencies in a vari-

ety of subject areas, rather than the accrual of credit hours.

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pared and cannot enroll in college-level coursework.

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We need to eliminate these barriers to completion and empower students to com-

plete their degrees and enter the workforce.

Thank you, Mr. Chairman. I yield back.

Chairman KLINE. I thank the gentleman.

Pursuant to committee rule 7(c), all committee members will be permitted to submit written statements to be included in the permanent hearing record. And without objection, the hearing record will remain open for 14 days to allow statements, questions for the record, and other extraneous material referenced during the hearing to be submitted in the official hearing record.

It is now my pleasure to introduce our distinguished panel of wit-

nesses.

And I am going to start by recognizing the gentleman from New Jersey, Mr. Holt, to introduce our first witness.

Mr. HOLT. Thank you, Mr. Chairman.

And I am delighted to introduce my friend, Dr. George Pruitt, who is president of Thomas Edison State College, which was founded in 1972 as a state institution, not a private or for-profit institution. It is the second-largest university, public or private, in New Jersey, and Dr. Pruitt has been president of Thomas Edison for most of that time.

He serves on the board of directors of the American Council of Education, has advised numerous secretaries of education under various presidents of both parties. He serves as vice chair of the Commission on Higher Education Attainment, which focuses on retention and some of the things that we are talking about today. And Dr. Pruitt also chairs the board of the Middle States Commission of Higher Education, which is the accreditation organization for mid-Atlantic states and Puerto Rico.

With regard to Thomas Edison State College—and maybe I can save the president some of his testimony time by pointing out, it has been named one of the 50 best colleges for nontraditional students. I think that is weak praise; it deserves much more than "one of 50 fine schools."

Forbes Magazine called it one of the top 20 universities in the nation of the use of technology. The New York Times has called Thomas Edison one of the brighter stars in higher education.

Whether you call it—the kind of education they provide there—specialized or nontraditional or relevant or adult or mid-career, it is a very important national model that we would do well to look

at carefully. And it has thrived under Dr. Pruitt's leadership, with his vision, and I am sure we will get insight from Dr. Pruitt today.

Thank you.

Chairman KLINE. I thank the gentleman.

If he could have talked for four or five more minutes, you would have been number one without any doubt.

[Laughter.]

Let me resume today's introductions.

Mr. Kevin Gilligan serves as chairman and CEO of Capella Education Company in Minneapolis, Minnesota.

And we are delighted that you are here today, and I know you were delighted to leave Minnesota in the same snowstorm that was prevailing when I was there.

Prior to joining Capella, Mr. Gilligan held leadership roles at

United Subcontractors, Inc., and Honeywell International.

Mr. David Moldoff founded AcademyOne, Inc., in 2005 and serves as its chief executive officer. Over the past four decades he has built a reputation as an industry expert in software architecture and systems integration across the education sector.

Dr. Joann Boughman serves as the senior vice chancellor for aca-

demic affairs, a position she has held since 2012.

I want to recognize Mr. Messer to introduce our next witness.

Mr. MESSER. Yes. This is a tremendous privilege. Thank you, Mr. Chairman. I want to first read his introduction here and then tell you what I know about Stan.

Mr. Stan Jones is the president and founder of Complete College America. He has been involved in higher education for three decades, serving as Indiana's commissioner of higher education and as

a state legislator in Indiana.

Stan and I got to know each other working on dropout policies and legislation in Indiana that, once we were able to get it passed in a very bipartisan way, has created a set of tools on those issues that have improved Indiana's dropout rate from 70 percent to almost 90 percent now over a period of six or seven years. And I would just want to say about Stan Jones is—I don't want to undercut your bona fides here, but there is nobody I know who has a bigger heart for kids; there is nobody I know who has spent more time working on these issues, trying to truly understand what we can do to create better opportunities for young people in America; and there is nobody I know more willing to set party and politics aside and find the true common ground that can make a difference for young people.

And it is my pleasure to introduce Stan to the committee today.

Thank you.

Chairman Kline. I thank the gentleman.

I want to back up just a second. I quickly pointed out that Dr. Boughman serves as a senior vice chancellor for academic affairs and neglected to mention that is at the University of Maryland, so sorry. Apologize.

I would now like to recognize, I guess, Dr. Price to introduce our

final witness.

Mr. Price. Thank you, Mr. Chairman. There is a lot of pride on the panel up here today introducing folks from home, and I am so proud to be able to have the opportunity to introduce Dr. Brooks Keel, who is the 12th president of Georgia Southern University.

Georgia Southern is an institution that serves more than 20,000 undergraduate and graduate students, offering 115 degree programs through eight colleges, including bachelor's, master's, and doctoral programs. Dr. Keel has been president at Georgia Southern for a little over four years. He comes to Georgia Southern by way of LSU and Florida State, and we forgive him for that.

He is a native Georgian, receiving his Ph.D. in reproductive endocrinology from the Medical College of Georgia. His illustrious academic career includes work at the University of Texas; University of South Dakota; and the University of Kansas, Wichita, where he established the Women's Research Institute and Reproductive Medicine Laboratories, becoming the first recipient of the Daniel Roberts Distinguished Professorship and Endowed Chair at U.K. He carried out all of those remarkable accomplishments always focusing on cutting-edge research in biomedical and biological sciences.

Dr. Keel has served with distinction in national professional organizations and societies. He has authored 65 peer-reviewed scientific publications, 19 book chapters, and edited four books. And I will tell you that there are few individuals who have the breadth of experience in higher education, and in his current position, the real-life success of leading an institution that daily meets the needs of a diverse and exciting student body group.

So Georgia is very proud of Dr. Keel, and we are honored to share him and his experience with the committee today.

Chairman KLINE. I thank the gentleman for the introduction.

I welcome all the witnesses.

We could get in a battle up here very quickly, as you see. I am not sure about this policy of allowing members to introduce witnesses. We would all be number one in something out there pretty quickly.

Before I—

Mr. MILLER. [Off mike.]

Chairman KLINE. I knew it. I just knew it.

Before I recognize each of you to provide your testimony, let me just remind you of the lighting system. You see the lights in front of you.

of you.
You will each have five minutes to present your testimony. When you begin the light will turn green; after four minutes the light will turn yellow—start looking at wrapping up your testimony, if you would, please; and when it turns red, please wrap up as expeditiously as you can.

All of your written testimony will be included in the record.

After you have all testified, each of the members on the committee will be allotted five minutes to ask questions. I will do my best to hold my colleagues to their five minutes so everybody has a chance to participate.

I would now like to recognize Dr. Pruitt for five minutes. Sir?

# STATEMENT OF DR. GEORGE A. PRUITT, PRESIDENT, THOMAS EDISON STATE COLLEGE, TRENTON, NJ

Mr. PRUITT. Thank you, Mr. Chairman. With your permission I would like to thank my friend, Congressman Holt, for his kind and

generous introduction.

We certainly want to—we will miss you and your service to this committee, to the Congress, and to the nation. I wish you well over the next phase of your career, and I am glad you will still be in

the neighborhood.

Thomas Edison State College is one of 11 senior public colleges and universities in New Jersey. We are a specialized institution. We were founded in 1972 with the mission of providing flexible, high-quality collegiate learning opportunities for self-directed adults.

We are not a classroom-based college. The average age of our student body is approximately 40 and, while there are exceptions, we

do not normally admit students under the age of 21.

We begin a new semester every month. Our students come to us when they are ready and they graduate when they have completed all degree requirements. They satisfy our degree requirements by choosing from a menu of high-quality credit-earning options that include independent study, distance education, prior learning assessment, transferring credit earned at other colleges, and courses taken through the military and with other non-collegiate providers.

With an enrollment in excess of 20,000 students, we are the second-largest college or university in New Jersey. While the majority of our students are in-state, the remainder can be found in every state in the union and scores of countries around the world. We are a military-friendly institution that enrolls more veterans than the rest of the senior public institutions in New Jersey combined.

Our total annual in-state tuition is \$5,700, which makes us one of the most affordable senior public colleges or universities in the

country.

From our very beginning as an innovative, nontraditional college, we have been obsessive about quality. We are constantly looking for objective third-party confirmation of the quality of the work we do.

For example, for two out of the last three years our undergraduates had the highest pass rate on the CPA exam of any college or university in the state. Graduates from our school of nursing, one of the state's largest, perform in the top tier when compared to their peers on the state board exams.

We believe that as an exemplar of innovation, quality, and affordability. We, along with some of our public sector peers, have pioneered strategies that many other institutions are now emulating.

I believe that this is a good thing.

However, I must advise you that the biggest impediment we face in adapting higher education to the contemporary needs of our nation is the current regulatory culture of the Department of Education. During my 31-year presidency, I have served in an advisory capacity to five secretaries of education, under three Presidents of both parties, and I have never before seen a predisposition for overreaching, intrusive, and sometimes destructive use of regulatory authority.

Such initiatives as credit-hour definition, state authorization, and the proposed federal ratings system, while well-intentioned, are ill-conceived and actually harmful. They stifle innovation, un-

dermine sound academic judgment, and drive up cost.

We need a regulatory framework that supports accountability and innovation. However, what we have now supports compliance over quality, conformity over diversity, and attempts to federalize and bureaucratize judgments that should be left to the academy, the accreditors, and the states.

It is a culture that assumes that higher education is the exclusive purview of 18-to 22-year-olds going to college full time. But

this has not been true for a generation.

The majority of college students today are over 25 and studying part time. The federal IPEDS system only counts first-time, full-time freshman, treats transfer students as dropouts, and excludes 40 percent—40 percent of the students enrolled in colleges and about 100 percent of the students enrolled at Thomas Edison.

It is dangerous to rely on data from this system to make policy judgments. I would certainly acknowledge that there have been abuses around the margins, but I would urge you not to impose remedies that inflict more harm than the maladies they are at-

tempting to cure.

My best advice to you collectively and individually is that when you return to your districts, meet with the presidents of your colleges and universities and get their counsel about the issues that concern you. I think that you will find that we all share the same objectives, but right now we are headed in the wrong direction.

Thank you.

[The statement of Dr. Pruitt follows:]

Mr. Chairman, my name is George Pruitt and I am president of Thomas Edison State College. I also currently serve as chair of the Middle States Commission on Higher Education. I'd like to state that the views that I express today are my own and should not be construed as the views of the Middle States Commission on Higher Education.

Thomas Edison State College is one of 11 senior public colleges and universities in New Jersey. We are a specialized institution. We were founded in 1972 with the mission of providing flexible, high-quality, collegiate learning opportunities for self-directed adults. We are not a classroom-based college. The average age of our student body is approximately 40 and, while there are exceptions, we do not normally admit students under the age of 21. We begin a new semester every month. Our students come to us when they are ready and they graduate when they have completed all degree requirements. They satisfy our degree requirements by choosing from a menu of high-quality credit-earning options that include independent study, distance education, prior learning assessment, transferring credit earned at other colleges, and courses taken through the military and with other non-collegiate providers.

We offer over one hundred areas of study in the 27 different degrees we confer at both the graduate and undergraduate levels. We offer over five hundred online graduate and undergraduate courses. These courses have been developed by some of the finest course designers in the world. On average, our students transfer in approximately 57 credits. The average time to degree completion is 3.2 years for a bachelor's degree and 2.9 years for a master's degree.

Traditional metrics, such as graduation rates, retention, and time-to-completion, are not relevant to this model. Our college assumes that given their age, maturity, and circumstances, our students stop in and out as their lives are affected by their careers and family circumstances.

Almost all of our students come to us with previous college experience and credits. For example, one of our students started taking college courses in high school. After one year of college, he left school to pursue a career and eventually started his own music company. Over the years, he took classes at numerous colleges and universities, but never stayed long enough at any institution to satisfy their residency requirements. He enrolled at Thomas Edison State College and transferred in 120 credit hours from eight colleges. When we finished the evaluation of his transfer credit, he had satisfied our graduation requirement and was awarded his degree. This student was enrolled with us for approximately 30 days. So how does one calculate this retention rate or time-to-degree completion? Was it the 30 days he was enrolled with us, or the full 27 years that he spent pursuing his college education? While we can calculate and report metrics such as these, they are totally meaningless as an assessment of institutional quality or educational attainment.

However, our model of education is not suitable for *all* adult students. While we have an extensive system of student advisement and support, Thomas Edison State College students must have the skills needed to do college-level work, be self-directed, self-disciplined, and goal-oriented if they are to succeed. We do not offer remediation. Students who come to us with skills deficiencies are counseled to attend other colleges and universities that can offer more "hands on" assistance. While graduation rates, retention rates and time-to-degree are not relevant metrics, other metrics to assess accountability are. Our commitment to measuring quality through metrics is demonstrable. For example, at Thomas Edison State College, we have determined that when a student leaves before earning a degree, we need to know why, so that we can see if there is some aspect of institutional performance that we should correct. We also want to know if those who have left plan to return. For example, we know that of our students who

leave, only 5.6 percent of them do so for academic reasons. We also know that 33 percent of our graduates "stopped out" at some point during their enrollment with us and then came back to finish. There are other metrics that are important, including those related to student satisfaction, course completion, and, in the case of undergraduates, acceptance rates to graduate schools. On a survey of student satisfaction administered in 2013, 95 percent of our graduates gave the College a "good" or "excellent" rating, 94.1 percent gave our academic programs a "good" or "excellent" rating, and 97 percent said they have, or would, recommend the College to others. Of all the colleges and universities participating in the Navy College program, students enrolled at Thomas Edison State College have the highest course-completion rate of any institution in the program. Additionally, in 2013, 92.4 percent of our undergraduates who applied to graduate school were accepted.

With an enrollment in excess of 20,000 students, we are the second-largest college or university in New Jersey. While the majority of our students are in-state, the remainder can be found in every state in the union and scores of countries around the world. We are a military-friendly institution that enrolls more veterans than the rest of the senior public institutions in New Jersey combined. Our total annual in-state tuition is \$5,700, which makes us one of the most affordable senior public colleges or universities in the country.

From our very beginning as an innovative, nontraditional college, we have been obsessive about quality. We are constantly looking for objective third-party confirmation of the quality of the work we do. For example, for two out of the past three years, our undergraduates had the highest pass rate on the CPA exam of any college or university in the state. Graduates from our school of nursing, one of the state's largest, perform in the top tier, when compared to their peers, on the state board exams.

We believe that as an exemplar of innovation, quality and affordability, we, along with some of our public-sector peers, Empire State College, in New York; University of Maryland University College; Colorado State University Global Campus; Charter Oak State College, in Connecticut; and Granite State College, in New Hampshire, as well as two private institutions that were created by public entities, Excelsior College and Western Governors University, have pioneered strategies that many other institutions are now emulating. I believe that this is a good thing.

However, I must advise you that the biggest impediment we face in adapting higher education to the contemporary needs of our nation is the current regulatory culture of the Department of Education. During my 31-year presidency, I have served in an advisory capacity to five secretaries of education, under three presidents of both parties, and I have never before seen such a predisposition for overreaching, intrusive and, sometimes, destructive use of regulatory authority. Such initiatives as "credit-hour definition," state authorization, and the proposed federal ratings system, while well-intentioned, are ill-conceived and actually harmful. They stifle innovation, undermine sound academic judgment, and drive up costs. We need a regulatory framework that supports accountability and innovation. However, what we have now supports compliance over quality, conformity over diversity, and attempts to federalize and bureaucratize judgments that should be left to the academy, the accreditors, and the states.

It is a culture that assumes that higher education is the exclusive purview of 18-22 year olds, going to college full time. But this has not been true for a generation. The majority of college students today are over 25 and studying part time. The Federal IPEDS system only counts first-time, full-time freshman, treats transfer students as drop outs, and excludes 40 percent of the students enrolled in our colleges. It is dangerous to rely on data from this system

to make policy judgments. I would certainly acknowledge that there have been abuses around the margins, but I would urge you not to impose remedies that inflict more harm than the maladies they are attempting to cure.

My best advice to you, collectively and individually, is that when you return to your districts, meet with the presidents of your colleges and universities and get their counsel about the issues that concern you. I think you will find that we all share the same objectives. Right now, we are headed in the wrong direction.

Thank you.

Chairman KLINE. Thank you very much, Dr. Pruitt. Mr. Gilligan, you are recognized for five minutes.

# STATEMENT OF MR. KEVIN GILLIGAN, CHAIRMAN AND CEO, CAPELLA EDUCATION COMPANY, MINNEAPOLIS, MN

Mr. GILLIGAN. Thank you, Mr. Chairman, Ranking Member Miller, and distinguished members of the committee.

Thank you.

As the chairman indicated, my name is Kevin Gilligan and I am the chairman and CEO of Capella Education Company. Our company is comprised of several parts, including our most significant and well-known entity, Capella University, which began 20 years ago with a mission to help adults pursue a master's or doctoral degree while working full time and pursuing a career; Sophia Learning, which provides low-cost pathways to general education credits; and an employer solutions business, which partners with large-scale employers to create online learning solutions.

Thank you for having this hearing today. I believe the topic we are here to discuss—keeping college in reach for contemporary students—is a national imperative. American competitiveness is directly linked to our ability to make higher education more affordable, deliver increased value better aligned to workforce needs and opportunities, and broadly increase educational opportunity. The path to addressing this national imperative is through innovation.

Innovation has always been at the core of Capella's history and our contribution to higher education. We were at the vanguard of online learning and for the last decade we have been a nationally recognized leader in competency-based education. This expertise in competency-based education enabled us last year to become the first institution in America approved by the Department of Education to offer financial aid-eligible bachelor's and master-level degrees based on the direct assessment of learning rather than the traditional model, built around the time-based credit hour.

It is this latest innovation that I have been invited to address

here today.

The average Capella University student, a 40-year-old female, is in the middle of her career and in many ways is the face of the contemporary student. The innovation of a degree based on the direct assessment of learning can be a uniquely good fit for her.

In some cases adults bring real-world experience that they can apply to move more quickly through a degree program. The direct assessment model allows institutions to be more flexible in the delivery of learning.

Direct assessment degrees are not a panacea or a perfect fit for every student, and it will not replace the credit hour-based system of higher education. However, earning degrees based on the direct assessment of learning rather than the traditional time-based model has the potential to dramatically increase flexibility for students, significantly reduce the cost of a degree, speed time to degree completion, and increase access for working adult populations that are not currently served by today's higher education model.

In my written testimony I have provided a deeper explanation of how our competency-based model works and how it has enabled us to offer direct assessment degrees through a program we call FlexPath. I have also provided some thoughts on how federal policy can better support this innovation by allowing us to offer hybrid programs and decouple the credit hour from federal financial aid. I look forward to discussing it in more detail with you here today.

Let me close, Mr. Chairman, by thanking you and Representative Miller for the opportunity to come here today and tell our story. Thank you for your national leadership and commitment to strengthening American education and competitiveness.

strengthening American education and competitiveness.

And finally, let me say I am deeply proud to lead such a mission-driven organization. It is an honor for me to represent Capella's faculty and staff, who believe in and are committed to the innovation of competency-based learning. And I am equally proud of the service we provide to our adult graduates and learners who represent the great resource that exists in America's workforce.

I look forward to being part of the discussion and answering your questions around federal policy that enhances this important inno-

vation. Thank you.

[The statement of Mr. Gilligan follows:]



# Testimony of Kevin Gilligan, Chairman and Chief Executive Officer, Capella Education Company House Education & the Workforce Committee Hearing: "Keeping College Within Reach: Meeting the Needs of Contemporary Students." April 2, 2014

# INTRODUCTION

Mr. Chairman, Ranking Member Miller, and distinguished members of the Committee, my name is Kevin Gilligan and I am the Chairman and CEO of Capella Education Company. Our company is comprised of several parts, including: our most significant and well known entity, Capella University, which began more than 20 years ago with a mission to help adults pursue a master's or doctoral degree while working full-time and pursuing a career; Sophia Learning, which provides low-cost pathways to general education credits; and an employer solutions business which partners with large-scale employers to create online learning solutions.

Thank you for having this hearing today. I believe the topic we're here to discuss, keeping college in reach for contemporary students, is a national imperative. American competitiveness is directly linked to our ability to make higher education more affordable, deliver increased value, better align to workforce needs and opportunities and broadly increase educational opportunity. The path to addressing this national imperative is through innovation.

Innovation has always been at the core of Capella's history and our contribution to higher education. We were at the vanguard of online learning and for the last decade we've been a nationally recognized leader in competency-based education. This expertise in competency-based education enabled us last year to become the first institution in America approved by the Department of Education to offer financial aid eligible bachelors and masters level degrees based on the direct assessment of learning, rather than the traditional model built around the time-based credit hour.

It is this latest innovation that I've been invited to address with you here today.

The average Capella University student, a forty year-old female in the middle of her career, is, in many ways, the face of the contemporary student. The innovation of a degree based on the direct assessment of learning can be a uniquely good fit for her. In some cases, adults bring real-world experience they can apply to move more quickly through a degree program. The direct assessment model allows institutions to be more flexible in the delivery of learning.

Direct assessment degrees are not a panacea or a perfect fit for every student. It will not replace the credit-hour based system of higher education. However, earning degrees based on the direct assessment of learning, rather than the traditional time-based model, has the potential to: dramatically increase flexibility for students; significantly reduce the cost of a degree; speed time to degree completion; and increase access for working adult populations that are not currently served by today's higher education model.



I'd like to use my testimony today to provide some background on competency-based education; explain how our innovative direct assessment program, which we call FlexPath, works as a model for competency-based education; and then close with some policy implications and recommendations.

### ABOUT CAPELLA UNIVERSITY

First, in order to provide some context, I'd like to offer some background on Capella University. Established in 1993, Capella University has built its reputation on delivering high quality, online, graduate focused degree programs to working adults. Approximately 75 percent of Capella's students are currently enrolled in master's or doctoral-level degree programs in areas like business, education, health care, and information technology, among others. We also offer bachelor's-level programs in areas such as business, information technology, nursing, psychology, and public safety. All in all, Capella offers 43 degree programs with 143 specializations. We enroll approximately 35,000 learners from all 50 states and 61 different countries, are accredited by the Higher Learning Commission and are a member of the North Central Association of Colleges Schools. Capella graduates are serving today as CEOs, CTOs, CTOs, as well as being leaders in health care and public service. We are proud to be headquartered in Minneapolis, Minnesota.

For the past 10 years, we have wholly integrated and continually invested in a competency-based learning approach throughout our university, even while constrained for federal student financial aid purposes by time-based credit hour requirements. Competency-based education is designed around the critical skills, knowledge, theories, and abilities—or "competencies"—required to master the subject matter in a student's degree program. Capella's competency-based curriculum is designed for busy, experienced professionals who want to gain the relevant competencies to help advance their career—and in the most efficient way. This model enables us to map academic and professional standards to all of our degree programs and more fully support students as they progress through their program.

Last year, as I mentioned, Capella University received approval from the U.S. Department of Education to be the first institution in the nation to offer and provide federal student financial aid support to students in competency-based direct assessment programs at the bachelor's and master's level. "Direct assessment" was an existing, but unused regulatory tool. Southern New Hampshire University has been approved to offer associates degrees under the direct assessment provision. Under this new model we call FlexPath, degree programs are constructed around what graduates should know and be able to do, rather than simply the number of hours spent in a classroom or doing homework.

# COMPETENCY-BASED EDUCATION AND DIRECT ASSESSMENT

I'd like to take a minute to explain competency-based education and direct assessment. Competency-based education (CBE) models can vary widely in design, but all explicitly articulate what students must be able to know and do upon graduation and provide assessments that validate this learning throughout a student's experience in the program. Competencies can



be thought of as a combination of "knowledge, skills, and abilities, behavioral and other characteristics needed to perform work roles successfully." These attributes can be field specific, like accounting, or broader, such as critical thinking and problem solving. CBE programs can be credit-hour based.

Direct assessment frees CBE from the credit hour by decoupling student learning from time. As you know, the credit hour is the current foundation of higher education. It measures degree progress and it is the basis for our financial aid system. Because the credit hour is time-based, it has enabled measurements such as "seat time" which measures the amount of time someone is to spend sitting in a classroom. In some cases, we do not believe that time-based tools constitute the best measurement of student progress, especially for modern adult students.

Direct assessment measures student knowledge and learning, rather than seat time and grades. What matters is knowledge gained, not the amount of time it took to gain it. Additionally, learning can take place outside of the classroom, so it can become self-paced. This decoupling is powerful but poses complicated problems for federal financial aid policy.

## **FLEXPATH**

Capella University's interest in providing educational opportunities for non-traditional students has been a cornerstone of its mission since its inception. Capella's founders understood that brick and mortar institutions, geared primarily towards 18-22 year-olds, were not meeting the needs of working adults who were already juggling career and family priorities. To that end, Capella has continually developed innovative programs that are responsive to the needs of adult students and involve active, engaging, challenging and relevant learning experiences in a variety of delivery modes.

Capella's decision to launch a competency-based direct assessment program came as a clear extension of this mission, and was built upon our learning outcomes-based curriculum and assessment model supported by learning analytics, curriculum development and student support services. This served as the foundation of the FlexPath model. Based on our experience serving adult students, we recognized the need for a new delivery model geared toward the non-traditional college student that offered greater flexibility and reduced cost. Leveraging the direct assessment model of delivery would provide students the opportunity to receive the same high-quality education as our traditional program but with a new kind of flexibility.

# FlexPath Model

FlexPath offers greater flexibility for students who are interested in learning on their own terms. There are no pre-set deadlines for assessments, but instead students build their own learning plan that allows them to set their own pace. This way, FlexPath students are able to spend more time on areas that are less familiar and move more quickly through areas where they have experience and knowledge during a term. Because students set their own pace, they can complete as many courses as their schedule allows which can ultimately lead to a lower cost degree. Because FlexPath utilizes a subscription-pricing model, \$2,000 per quarter for



undergraduate programs and \$2,200 for graduate programs, students are able to save money as they save time; the more courses a student takes in a term, the less money that student will end up spending on their degree program.

FlexPath is agnostic to the source of learning. Purchasing specific books and materials is not required for most courses and students can draw on any materials and resources they want, including textbooks, e-books, simulations, videos, articles, experiences at work, open source materials, etc. Students still have the option to purchase Capella recommended textbooks, but ultimately the student is required to display mastery of competencies through knowledge and skills, regardless of where the material comes from. This model provides an ideal format for students who bring with them professionally relevant and real-world experience with which to connect the concepts they are learning.

Mastery over subject matter is achieved solely through demonstration of competency, instead of the traditional methods of evaluation. Once a student has mastery over the competencies needed for a particular course, they can complete the assessment. These assessments are not multiple choice tests, but are authentic assessments in which the student applies knowledge and theory to successfully complete projects they would encounter in the workplace. For example, a business undergraduate student would develop a series of financial analyses and demonstrate competencies that include:

- 1. analyzing the relationship between business events and accounting;
- 2. applying accounting principles as the language of business; and
- 3. communicating the effects of business events on an organization's financial structure.

Because this is a mastery model, a student is given feedback and an opportunity on each assessment to improve results. Faculty, who are both academics and professionals in their fields, will review and evaluate the assessments and provide robust feedback from which the student can then learn and improve. Often, students are strategically exposed to competencies multiple times throughout their program to highlight importance and emphasize demonstrated success.

Successful construction of Capella's FlexPath program relied on the implementation of a fully embedded assessment model that allows for the direct assessment of each student's demonstrated course competencies and program-level learning outcomes. This work involved engaging Capella faculty subject matter experts, curriculum specialists, instructional designers and assessment specialists to align every program's scoring guide criteria with specific competencies and learning outcomes. FlexPath also aligns with Capella's traditional programs. A graduate of FlexPath's MBA will be required to demonstrate the same competencies as a graduate of our traditional online program.

Demonstrated competencies are displayed for the student on a "transcript" that doesn't rely on credit hours or a traditional grade point average. Instead, a student—and her employer—can get an accurate representation of what she has learned in her program as indicated by mastery over concepts that apply directly to the student's field of study. In order for a student to progress through her course, the student must successfully demonstrate mastery over all competencies. This ensures that the student is prepared for her chosen career path.



FlexPath aligns education with workforce needs as well as societal needs for a more educated citizenry. In a model where competencies are tracked exactly to those skills needed to succeed in a particular field, educators, employers and students can be confident that curricula will be relevant and graduates will be employable. The competency-based student's work is often something that can be applied directly to the student's field of study or current employment, making evident the connection between tracked competencies and employer needs.

Student support is equally critical in the successful delivery of FlexPath. FlexPath utilizes a three-part support structure to help students succeed in their program. FlexPath coaches focus on student progress and holding students accountable to the timeline they have developed, facilitating a proactive coaching relationship and working closely with faculty and tutors. These coaches serve an important function, especially to students who may need additional help moving through their program. Coaches intervene strategically to ensure that students are making progress, tracking to milestones and continually evaluating their program plan, from the beginning of their academic program until graduation. FlexPath tutors are content experts who are assigned to each course and provide a visible resource in the courseroom for student questions. FlexPath faculty focus on design and development of the curriculum as well as performing rigorous assessments and evaluations of student performance, and on assessments and evaluations, providing substantive feedback critical to student achievement. Working together, these three support functions help students move through their program efficiently, maximizing learning, time and cost.

Students in the FlexPath program also have access to a supportive online community of peers. Involvement in the online community is completely optional, but allows students the opportunity to seek support from and engage with others who are pursuing the same program. Students are able to network with others, which creates an organic learning community outside of the courseroom.

Whether a student is transferring in to FlexPath or has made the decision to transfer out, Capella follows the same transfer policies and practices as our traditional programs. We use the same approach and established practices for applying this incoming coursework (which comes to us as credits) toward the program requirements as we do for the same program in the credit-based model. Capella evaluates official transcripts from regionally accredited or internationally recognized institutions to determine acceptance of transfer credit and we may accept transfer credit from some non-regionally accredited institutions or programs on a case-by-case basis. We also award credit for acquired learning external to the university, based on nationally recognized examination programs such as the College-Level Examination Program (CLEP), DANTES Subject Standardized Tests (DSST), and American Council on Education (ACE)-recommended credits for learning, including business-related certifications and corporate and military training. Finally, if a FlexPath student is interested in transferring out of Capella, our registrar will articulate the competency transcript into a more traditional format, so that the student is able to apply those courses to a program at another institution.



#### **Early Testing**

In early 2013, we created a pilot to test the design and delivery of our competency-based direct assessment model, measure its effectiveness for students and for student experience and performance, and better understand student support needs. While these numbers are still relatively small, we are pleased with the early trends. Select courses were offered to existing students who met criteria indicating strong prior performance and likelihood to succeed in this model. During the pilot, data was collected to assess the preparedness of faculty and key student-facing support teams to deliver these courses. The results from the pilot were extremely informative to the development of FlexPath in its current state.

## Process of Approval

Capella has had a strong relationship with the U.S. Department of Education for many years. We reached out to them to discuss the requirements, criteria and process for developing a direct assessment program. After reviewing the framework of our traditional model, we received a green light to move forward with the development of a competency-based direct assessment model that, under the Department of Education's regulations, would allow students to fund their education with federal student financial aid. It took Capella over a year to develop two programs, a bachelor's in Business and a master's in Business Administration and secure the necessary state, accreditor and federal approvals. During this time Capella participated in a robust, collaborative interaction with the HLC, the Minnesota Office of Higher Education, our home state regulator; and the Department to ensure clarity of and compliance with all requirements. We received approval in August 2013 and launched FlexPath the following October.

## **Early Results**

Our first priority has been to get the academic model for FlexPath right. We capped enrollments and have been highly focused on learning as we move forward in this new model. We've now completed two quarters of FlexPath and the results are highly encouraging. Our bachelor's degree students, on average, successfully completed 1-3 courses in their first term, took 3-12 weeks to complete the required first course, and 3-6 weeks for subsequent courses. Students persisted at a rate of 100 percent to next term. Our master's degree students successfully completed, on average, 1-3 courses in their first term, took 1-12 weeks to complete the required first course, and 50 percent took about five weeks to complete subsequent courses. Eighty-eight percent persisted to next term.

To put a face on these early results, here is an example of one of our students. He is a project manager at Boeing which is one of our corporate partners. He was trying to earn his bachelor's degree and was working full-time to avoid accumulating any student loan debt. He took advantage of Boeing's employer-education reimbursement program and would put his education on hold when he maxed out on his employer reimbursement for the year. He transferred into FlexPath in January – which was the first opportunity for existing bachelor students to transfer in – and completed five courses in the quarter to graduate in March. When we asked how he was able to do this, he said "my real world experience."



## Potential for Cost Savings

In addition to the encouraging results on faster completion and persistence, the potential savings to students, taxpayers and the federal government is staggering. Programs like FlexPath that use a subscription style pricing model, have the potential of cutting the cost of a degree in half. In fact, using FlexPath to illustrate this point, the Pell Grant would be able to do what it has been intended to do since its inception—cover the majority of the cost of a degree. A Pell-eligible student enrolling in at least three courses per quarter could finish a bachelor's degree in two years with a total program cost of \$16,000. Pell would cover nearly 75 percent of program costs. This helps to eliminate a barrier to access while providing significant cost savings to the student and the federal government. Competency-based direct assessment programs would also create cost savings for other populations of students. Veterans using Post-9/11 GI Bill funds would see the cost of their degree reduced by 50 percent or more depending on how many courses they take per quarter. This is not only a cost savings to the veteran, but also to the federal government, and, ultimately, to the American public as taxpayers.

# **FUTURE OF DIRECT ASSESSMENT**

As we move forward with this new model of educational delivery, we recognize that there are ample opportunities to better understand how best to support the direct assessment student, how to successfully build a scalable model and how to continually improve learning outcomes. This evaluation can only be done through partnering with our FlexPath students to understand their needs and continually adjust and improve our program offerings. We expect and anticipate that competency-based direct assessment will look different five years from now, and we are excited to be a leader in helping the model to evolve.

We recently announced the launch of three new specializations within our BS in Business and one new specialization in our MBA program offering. In addition to focusing resources on building new courserooms for the expansion of FlexPath, Capella is also investing in improvements to our already robust student services infrastructure. This has included training dedicated support staff who are experts in the unique needs of the FlexPath population, as well as investing in system enhancements to ensure that students have access to all of the tools they need to be successful.

We are also dedicated to sharing what we've learned with other leaders in higher education to help change the landscape of competency-based direct assessment programs. Capella's involvement in groups like the Competency-Based Education Network (C-BEN), for example, has helped unite schools with programs like FlexPath in order to learn, innovate and influence change together. These conversations have all helped to move the dial on competency-based direct assessment and have allowed for reimagining how we might understand the future of higher education.

## **Barriers to Widespread Adoption**

We believe competency-based education broadly, and direct assessment programs specifically, hold enormous potential to lower the cost of a degree, increase value, better align to workforce



needs, and increase access. However, for this model to work at its full potential, there are specific legislative and regulatory barriers we need to resolve in ways that strengthen the model while responsibly maintaining safeguards for students.

Both Congress and the Department have recognized this need; Congress through the introduction of HR 3136, The Advancing Competency-Based Education Demonstration Project Act, and the Department through their Experimental Site Initiative on competency-based education. Initiatives like these are necessary for direct assessment programs to reach their full potential

Adhering to a traditional credit hour model as an indirect indication of learning presents a potential barrier to educational access and attainment, as course participation and the constraints of the credit hour requirements are often not tailored to the self-paced learning needs of the adult student. We are focused on helping construct a higher education landscape built around ensuring access to flexible competency-based direct assessment programs while safeguarding tax-payer funds and limiting administrative burden. Decisions about how best to transform federal student financial aid requirements must include safe space for schools to innovate and evaluate what may work best for this non-traditional population. This includes supporting the development of a congressionally sponsored demonstration project mentioned above-HR 3136, the Advancing Competency-Based Education Demonstration Project Act. Some of the legislative changes we'd like to see addressed include:

- Support for hybrid programs. Currently, students cannot take one course in a direct
  assessment program and another course in a traditional program. They can only enroll
  in a direct assessment program or a traditional program. This reduces the impact of
  direct assessment. We believe that few students will be a perfect fit for either model
  and students would benefit from the ability to build a degree plan which allows them to
  personalize a path that works best for them.
- Decoupling of credit hour from federal student financial aid. Direct assessment attempts to operate free of the credit hour, but federal student financial aid is still entirely based on the credit hour. Thus, in order to secure the Department of Education's approval for federal student financial aid to support students in our competency-based direct assessment programs, we had to develop equivalencies between the attainment of competencies and the traditional time-based, credit hour model. We want to engage in thoughtful and responsible policy development around ways to build a federal financial aid system that supports direct assessment and the outcomes it produces.

Finally, we are developing plans for what the future of FlexPath may look like. The future will be determined by what we are learning today. We know that competency-based direct assessment is not right for everyone. In order to be successful, the direct assessment student needs to be highly motivated and a self-starter. Students who thrive with more structure may be more comfortable in a hybrid or a more traditional learning environment. Similarly, students who have little professional experience or who aren't able to move more quickly through the material will likely find that this new learning model may not be right for them. But for many of these students, direct assessment course offerings can be an important, time and cost saving component of their higher education plan. This is where direct assessment has the potential to



have widespread impact, becoming more accessible to a variety of students. While Capella continues to build FlexPath, we will continue to offer and expand our traditional programs because they serve an important role in educating working adults. For those students for whom the competency-based direct assessment model is a good fit, Capella will continue to innovate, grow and develop the FlexPath program.

# CONCLUSION

Let me close, Mr. Chairman, by thanking you and Representative Miller for the opportunity to come here and tell our story. Thank you for your national leadership and commitment to strengthening American education and competitiveness.

Finally, let me say that I am deeply proud to lead such a mission-driven organization. It is an honor to represent Capella's faculty and staff who believe in and are committed to the innovation of competency-based learning; and I am proud of the service we provide to our adult graduates and learners who represent the great resource that exists in America's workforce. I look forward to being part of the discussion and answering your questions around federal policy that enhances this important innovation.

Chairman KLINE. Thank you. Mr. Moldoff, you are recognized.

# STATEMENT OF MR. DAVID K. MOLDOFF, CEO AND FOUNDER, ACADEMYONE, INC., WEST CHESTER, PA

Mr. Moldoff. Thank you, Chairman Kline, Ranking Member Miller, and members of the committee. My name is David Moldoff and I am CEO of AcademyOne, a technology consulting company located in West Chester, Pennsylvania. And thank you for inviting me to testify.

AcademyOne's focus is addressing the implications of student mobility, academic credit portability, and prior learning recognition. The company has developed a suite of navigational tools that assist states and institutions in addressing the diverse patterns students pursue as they follow their aspirations.

For over 35 years I have led teams in creating, implementing, and supporting student information systems for thousands of colleges and universities. I directed this work as a senior executive of several technology companies, including the ones I have started.

Back in 2000 the standalone systems I helped design, develop, and deploy were slowly impeding degree completion as higher education institutions adjusted to the growth of the nontraditional programs. Traditional students progressing through a single college or university in four years was the exception and no longer the norm. "Alma mater" was being replaced with "I am mobile."

This fueled my desire to launch AcademyOne in 2005 to address the implications of college transfer and prior learning recognition to begin with. We assembled the first national course atlas of 3.5 million courses and indexed millions of course equivalencies. We also indexed about 20,000 articulation agreements, which were treasure maps, promising gold at the end of the hunt. I learned most were not followed to completion.

Today over 1,200 institutional profiles are summarized on AcademyOne's national website, called collegetransfer.net. They are viewed by millions of students and parents each year seeking the answer to the question, "Will my credits transfer?"

Economics, and in some cases state legislation, have resulted in an increase in the number of articulation agreements and course equivalencies published. This is an evidence that the landscape has changed and institutions have responded to the significant challenge of student mobility.

I estimate that our federal agencies, and states, and industry partnerships, and foundations, and institutions have invested well over \$2 billion addressing transfer articulation agreements since 2010.

Most of us remember what it is like trying to find our way on roads we never traveled before. My wife would suggest I stop and ask someone for directions instead of fumbling with paper maps. Some of us have a sense of direction. I don't; I am directionally challenged.

GPS technology has addressed travel challenges for people like me. Now I can easily navigate roads as I know I want to—where I want to go. This solution took years to evolve, though. GPS technology was conceived from the U.S. government's launch of satellites.

In essence, AcademyOne has developed a GPS for students and institutions.

AcademyOne pioneered the automation of transfer maps. Thousands of maps every month are generated on behalf of participating institutions based on the academic rules that govern how institutions accept learning outside of their own classrooms.

Pennsylvania, South Carolina, Tennessee, Utah, Texas, Delaware, Florida are just among some of the states employing AcademyOne's technology to serve statewide initiatives instead of home-growing their own technology. For example, Pennsylvania uses collegetransfer.net for several initiatives, including managing the Department of Education's statewide transfer framework to guarantee transfer of targeted courses to any of the majors if students are attending participating institutions.

Another is through the state's Bureau of Career Technical Education, funded by the Perkins Act, to prepare high school students for the high-priority 21st century occupations. Students Occupationally and Academically Ready Project, SOAR, provides online articulation agreements between the state's popular high school voca-

tional programs and postsecondary institutions.

And Tennessee is using our software to build a statewide reverse transfer system to determine eligibility of students pursuing their undergraduate degree and attending a 4-year institution that transferred from the in-state community college but never earned their associate's degree.

I have included additional state summary briefs in my written

testimony.

The state-based web portals and apps AcademyOne powers publishes informational resources for students and institutions to assist in the contemporary learner as they go step-by-step through the guidance and saves them time and effort.

It has not been easy to overcome the institutional bureaucracy. In some institutions, they will have to wait months after enrolling to learn what courses they have previously taken will be accepted and applied to their degrees. Or they might learn that the institution denied transfer credit because courses were differentiated subjectively rather than validating learning outcomes.

Students can continue to experience transfer shock when prior learning, initially accepted based upon general course descriptions, turns out to be nontransferable to the major after faculty review.

On average, a transfer student does lose more than a semester of credits by the time they graduate. This is what I called a transfer tax and it adds about 10 percent to the cost of the undergraduate degree. Furthermore, financial aid and loans are stressed by increased time to degree completion.

Education is diverse and decentralized. Our sector is not monopolized by a few players. There are thousands of institutions, each fo-

cused on their uniqueness.

Like roads, we have local, state, and interstate. Just like the landscape along the road is unique, so are our institutions.

There are numerous challenges facing our nation that can be addressed with GPS-like technology that can replace the treasure

maps with prescriptive directions, minimizing the friction of college completion. I have outlined some of these steps in my written testi-

AcademyOne's success with statewide initiatives proves that we can bridge institutional information systems.

I want to thank the Chairman Kline and full committee for the opportunity to testify, and I am available to answer questions.

[The statement of Mr. Moldoff follows:]

Written Testimony
Prepared for the
U.S. House of Representatives
The Committee on Education and the Workforce Hearing
"Keeping College within Reach: Meeting the Needs of
Contemporary Students"

Prepared by
David K. Moldoff
CEO and Founder of AcademyOne, Inc.

April 2, 2014 2175 Rayburn House Office Building

Good Morning Chairman Kline, Ranking Member Miller and Members of the Education and the Workforce Committee of the U.S. House of Representatives.

Thank you for inviting me to testify on this critically important issue of keeping college within reach and meeting the needs of contemporary students.

My name is David Moldoff. I am the CEO of AcademyOne, a company located in West Chester, Pennsylvania. AcademyOne is a technology consulting firm focused on addressing the implications of student mobility, academic credit portability and prior learning recognition. The company has developed a suite of navigational tools that assist states and institutions in addressing the diverse patterns students pursue as they follow their academic and learning aspirations.

A series of accidents led me to the realization that the large multi-faceted student information systems I was creating, supporting, implementing and augmenting over 35 years for the various technology companies that I either

started or joined were hampering institutional efforts to address the complexity of student mobility and academic credit portability. This is because institutional information systems were, and still are, standalone<sup>1</sup>. I came to realize that the duplication, redundancy and disparity employed by these standalone systems were impeding our national and statewide goals to improve college completion efforts. I concluded that students progressing through a single college or university in four years, the traditional student was now the exception and not the rule. "Alma mater" was being replaced with "I am mobile." In 2005, I was compelled to start AcademyOne.

In 2006, AcademyOne launched our national website, CollegeTransfer.Net. Today, over 1,200 institutional profiles are summarized and accessed annually by well over a million students who are looking to answer the question "will my credits transfer?" When CollegeTransfer.Net was launched, because of the scale of the challenge there were few online resources for students to use to self-assess how their prior learning would transfer from one school to another. The first national course atlas was created when we collected 3.5 million college courses, well over 6 million course equivalencies and 20,000 transfer articulation agreements, which were being manually published and stored by secondary and postsecondary education institutions. The transfer articulation agreements covered all types ranging from program-to-program to general agreements and were presented in various formats. If a student could easily access and follow these agreements, they become "treasure maps" that offer gold at the end of the hunt.

AcademyOne staff cataloged, coded and uploaded the articulation agreements to facilitate online search and comparison. These manual transfer and articulation agreements (PDF or Word Files) can be classified as course-to-course equivalency checklists. They represent the recognition and

<sup>&</sup>lt;sup>1</sup> Banner, Colleague, PowerCampus, Jenzzabar, Campus Management and PeopleSoft

movement by institutions and states in response to market pressure, economics and in some cases, state legislation passed to make transfer pathways more transparent. On a macro scale, I estimate that our nation has invested well over two billion dollars developing and publishing college transfer and articulation agreements over the last five years. Federal agencies, states, industry partnerships and foundations mostly fund these efforts with little or no emphasis on augmenting the standalone student information systems, which were never designed to manage them. This provides you some insight into why most transfer articulation agreements are treated more like marketing materials rather than student advising support resources.

Even when college transfer and articulation agreements are published, students still need to see their academic and career advisors prior to taking courses so they can design and modify their academic plan.

Most of us remember a few years ago what it was like trying to navigate roads we had never before traveled. I can't tell you how many times my wife would ask me to stop and just ask for directions instead of fumbling with a paper map. Some of us have an innate sense of direction. Not me. I am directionally impaired. Reading maps and trying to discern how best to go from where we were to where we wanted to be was often met with a great deal of stress and anxiety. We wasted time, gas and some self-esteem. All of us have been there at some point in our lives.

Technology has addressed some of the road travel challenges, at least for those that can afford GPS<sup>2</sup> tools and use them with success. This did not happen overnight, and took years to evolve. Government funded initiatives and market forces helped shape GPS solutions. Remember GPS is a derivative technology from U.S. government satellites, which simplifies

<sup>&</sup>lt;sup>2</sup> Global Positioning Systems

navigation and supports mobility. With the evolution of search engines like Yahoo, Bing and Google, we are able to map online destinations from local restaurants to hotels and even colleges that we may seek to visit and enroll.

Pennsylvania, South Carolina, Tennessee, Utah, Texas, Delaware and Florida are states that employ AcademyOne's technology platforms to serve statewide initiatives instead of home growing their own solutions. I have attached several state summary briefs to this written testimony.

AcademyOne has pioneered the replacement of paper based articulation methods used by colleges and universities where academic departments, that span institutional offerings, create and attempt to sustain college transfer pathways manually. This approach involves publishing course-to-course applicability rules; syndicating transfer options to partner institutions; tracking course changes; redesigning programs; assessing student learning sources and checking academic progress through seamless online tools. Much like the integrated GPS in our car dashboard, our tools determine where a learner begins and guides them on their best path to completing their degree. Just as the GPS breaks down travel into steps, our tools suggest clear pathways that are proven to be far less costly than using open-ended course catalogs for random course equivalency decision making.

Our collection of millions of course equivalencies published by various institutions came about so that students could compare their prior learning with what institutions have already shown that they would accept. In the process, we learned a great deal about consolidating and simplifying the intricacies of college transfer information. We augmented the CollegeTransfer.Net website with functions allowing students and advisors to securely compile their academic history to help them find transfer friendly institutions and their best options. Our tools create online transfer maps and guides generated on behalf of participating institutions that share their

academic policies based on the rules that govern how their academic departments would accept learning outside their instructional curriculum.

The state-based web portals and smart phone apps we power syndicate the resources created by institutions to reduce duplication, which in turn assists the contemporary learner by providing them with access to technology-based information that saves them time and effort.

By definition, a contemporary learner may attend more than one institution. They might work full-time and can only take courses part-time. They can be unemployed, a single parent, career changer or a returning military person looking to transition their life experiences into a new career. By automating the methods contemporary learners can use to petition for college credit supported by various sources of learning before they enroll, not after, institutions are afforded the opportunity to better assess students and place them in pathways best suited for their aptitudes and interests.

It has not been easy to overcome institutional bureaucracy. In some institutions, students will have to wait months after enrolling to learn what courses they have previously taken will be accepted and applied to their degree. Or, they might learn that the institution denied transfer credit for similar courses because the course was differentiated subjectively rather than by validating learning outcomes. Students experienced (and continue to experience) what has been coined "transfer shock" when their prior learning, that was initially thought to be acceptable and applicable, turns out to be non-transferable to their major or degree.

Hidden college transfer churn results in the average transfer student taking more than an additional semester of credits to graduate. They must redirect their efforts to newly discovered requirements. Millions of students transfer annually, which means they spend billions on courses that were not counted towards graduation. This is what I call the "transfer tax," and it can add

10% to the cost of attaining an undergraduate degree. If we could reduce the churn, we obviously can save billions of dollars while improving the efficiency of the educational ecosystem and enable more students to pass through the halls of academia. This savings can also mean lowering student loan indebtedness, reducing the cost of federal student aid, opening up aid to other students in need and reducing institutional administrative costs.

As a major industry sector, education is diverse and decentralized. In general, not everyone in postsecondary education has come to recognize the need to adapt and transform to the new paradigm of contemporary learning. Whether learning takes place in the classroom, via a hybrid course, with a self-paced MOOC<sup>3</sup>, learning on the job or through volunteer effort, each is an important piece of the academic engine linked to knowledge and skill creation through research, shared experiences and credentialing through assessment. The business models fueling the education sector are responding to new market conditions.

As we place trust in our institutions and acknowledge that they are not all alike, then we must focus in on what makes them different. Like roads, we have various types and can be local, state and interstate. Just like the landscape along each road is unique, so are our institutions. As we recognize the importance of mobility, no one questions the need to support them. In this vein, we need to recognize that education is not an end to itself, but a lifelong process as we strive to improve our chances of making a better life and contribute to society. In doing so, we make our country, states and local regions more competitive and able to adjust to future market forces and challenges.

The challenge, as individual institutions come together through collaboration stimulated by governmental and/or foundational initiatives or by economic

<sup>&</sup>lt;sup>3</sup> Massive Online Open Courses

reason, is how to get all institutions to come to terms with how best to address the diversity of contemporary learners in a 21<sup>st</sup> century world that is no longer bound by distance or language or currency. AcademyOne is making a difference by leveraging and expanding our technology infrastructure and developing the bridges to support a more mobile learning experience, and we are seeing major improvements worth noting.

I see six challenges to improve and modernize the process of transfer of credit. A summary of each follows at the end of this written testimony entitled Transformative Examples.

- **Challenge #1:** Embrace and reinforce academic freedom while adopting online proactive methods to enable students to take their prior learning credits with them.
- Challenge #2: Replace the paper based "treasure maps" that very few students actually can and do follow with accurate, real-time information that helps each student check their transfer pathway and progress between "sender" and "receiver."
- Challenge #3: Improve the accuracy of transfer information.
- **Challenge #4**: Recognize the need for collaboration, sharing and trust between institutional partners to avoid duplication of effort.
- **Challenge #5:** Continue to stimulate and foster the collaboration of likeminded institutions by which the federal government, states and foundations have been catalysts for change.
- **Challenge #6:** Publish what is common and what is different about institutions and their programs.

After the six challenges, attached are examples of CollegeTransfer.Net and TranferCheck. This provides a visual of what the tools look like and how they can be used to facilitate the transfer process to provide timely, accurate information to students and institutions.

To summarize, AcademyOne works with states and institutions committed to investing in building sustainable, sharable and networked technologies that simplify and streamline college completion initiatives and effort; at the same time, lowering costs, time to completion and resources expended to earn a degree. It is hard work. The fruit of our labor and ingenuity is a shining beacon of what working together can accomplish as we serve national, regional, state and local objectives.

Addressing and meeting the needs of contemporary learners is an important issue as we expand the opportunity for more and more people to access and successfully participate in postsecondary education. The diversity of students, by age and experience are telling signs that we are seeing the U.S. higher education sector responding to calls for action on both a macro and micro scale.

Growing access is also coupled with recognizing and respecting prior learning investment. Escalating cost of tuition and fees ever-increasing amount of college student debt, and unacceptable completion and graduation rates show, we need to continue to stimulate and invest in sharing technology services, standardize their delivery and scaling them to serve a greater portion of the secondary and postsecondary education ecosystem.

Our nation has the skill, ability, knowledge and experience to apply technology to improve the access to data and information to make better decisions, provide better guidance, and accelerate a student's opportunities. Existing technologies and software can be used if institutions recognize the benefits and cost savings of collaboration and sharing systems, applications and processes. If we are to regain our place as first in the world in college graduation, we need to utilize shared technologies to accelerate our efforts. All the while, we must make it easier for students to petition for credit for prior learning and for institutions and academic departments to leverage their assessments of prior learning to better advise contemporary learners.

The big question is not how can we get our nation's postsecondary education system to accept and utilize shared technology platforms to be more efficient, effective, and successful – **but when?** 

Again, I want to thank Chairman Kline and the Committee for the invitation and opportunity to testify before the full Committee. I am available to answer any questions and be of assistance to members of the Committee including providing examples of the software if they are interested.

As a result of AcademyOne's work pioneering CollegeTransfer.Net, and working with a variety states and institutions across the country, we have gained a unique perspective of the education ecosystem striving to achieve national, regional, state and local impact. The secondary and postsecondary education ecosystem is undergoing a transformation as it continues to shift and serve traditional, nontraditional and contemporary learners.

Institutions, no doubt are transforming and improving how they serve contemporary students. Here are six challenges including examples of addressing each challenge:

Challenge #1: Embracing and reinforcing academic freedom while adopting online proactive methods to enable students to take their prior learning credits with them. Generally, institutions delegate the reactive transcript evaluation process to the Admissions or Registrar's Office using minimal course descriptions, credit units and perception of the institution source as the means of determining course comparability. In Pennsylvania, the Department of Education launched an academic oversight committee of faculty representatives that built a foundation of coursework by defining learning outcomes documented in AcademyOne's online workflow. Faculty then reviewed course syllabi to align learning outcomes with feedback steps between institutions. This removed the standalone and isolated institutional practice of evaluating the same courses by student over and over again. It also eliminated the unintended consequence of giving credit to some, while not giving it to others. With the framework of courses published and syndicated to all participating institutions, institutions save time and effort by reducing course assessment efforts while giving contemporary students transfer assurances not over-ridden by academic departments after they enroll or change major. In 2009 alone, the State estimated that the transfer framework saved students \$35.4 million in tuition and fees by freeing seat time and reducing the administrative burden of assessing the majority of courses transferred between institutions.

Challenge #2: Replace the paper based "treasure maps" that very few students actually can and do follow with accurate, real-time information that helps each student check their transfer pathway and progress between "sender" and "receiver." Community colleges are often "feeders" to fouryear institutions recruiting students. Many students never finish their associate degree, and as a result the transfer agreements they may have been following are voided. Complicating it further, transfer students often change their program of study and lose credits because course requirements are different or they have lost track of what they have to take. Delaware County Community College uses a tool called TransferCheck that helps each student explore transfer pathways by checking progress real-time. Students can experiment with different transfer pathways, share their plans with an advisor and register for appropriate coursework instead of taking courses that will not count toward the agreement. Further, the institution has reinforced the value of their investment in creating transfer articulation agreements.

Challenge #3: Improve the accuracy of transfer information. Often, colleges and universities cautiously display articulation agreements and course equivalencies on their websites from a standalone perspective because the data is so hard to keep up-to-date. Pennsylvania was one of the first states AcademyOne partnered with to help establish a statewide portal consolidating and managing real-time transfer information, while syndicating the cleansed data that spanned all types of participating institutions. Students, no matter where they turn, can find how their credits will transfer and follow guaranteed transfer requirements of the participating institutions. South Carolina, Utah and Delaware have followed suit, helping their contemporary students finds accurate transfer guides and maps. Texas

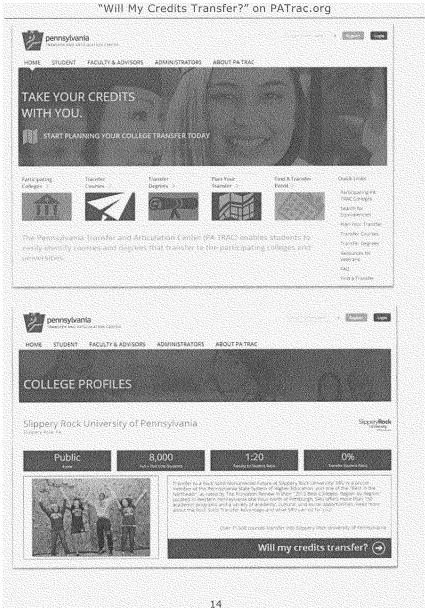
launched the GradTX portal, specialized to help address the millions of adult learners who earned college credit but never completed their college credential. Working with a subset of Texas institutions, the Texas Higher Education Coordinating Board is using market drivers to foster institutional cooperation. This has resulted in a shared resource referenced across the various admissions offices. Other states are duplicating these efforts including Arizona, Georgia, Massachusetts, Connecticut, North Carolina, New York, Ohio, Illinois, Indiana, Kentucky, Oregon, Washington and California. Some are building in-house systems and others working with companies like AcademyOne to leverage the evolving best practices shared commercially.

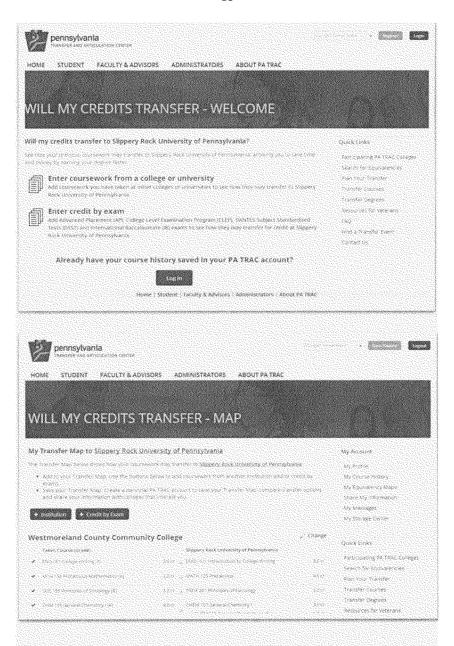
Challenge #4: Recognize the need for collaboration, sharing and trust between institutional partners to avoid duplication of effort. Institutions spend between 4% and 8% of their operating budget on IT, mostly on standalone departmental systems. States like Florida are creating shared platforms for all institutions through the Florida Virtual Campus (FLVC). Institutions choose to participate and leverage tools and services they can't individually afford to do on their own. The institutions benefit by offering and recognizing equivalent courses. FLVC has taken the next step by providing an online platform for students who wish to take courses from "innetwork" participating schools and creating a broader marketplace for institutions and students. The student is better able to stay on their path to completion if they are enrolled in one institution can take a course online at another that may be full or not offered during a given semester at their current school.

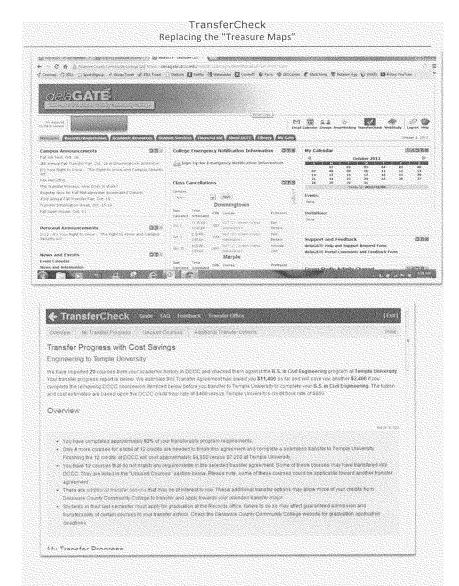
**Challenge #5:** Continue to stimulate and foster the collaboration of likeminded institutions by which the federal government, states and foundations have been catalysts for change. The economics and underlying business model are driving the development of shared services institutions have in common. In Tennessee, with funding from foundations such as

Lumina and Kresge, AcademyOne is working with members of the State's higher educational governing bodies to develop a proactive reverse transfer system. This system will suggest awarding associate degrees to currently enrolled four year students who have amassed 60 or more credits and transferred from an in-state community college before completing their associate's degree. In Pennsylvania with funding from the federal government's TAAACT grant, through the U.S. Department of Labor's Employment and Training Administration, AcademyOne is working with the State's fourteen community colleges to develop a shared prior learning assessment platform whereby unemployed and underemployed workers can be targeted and served. Students will be able to petition for academic credit to be awarded for their life experiences and career training to get a jump-start on earning a new college credential that can help them re-enter the workforce or advance their current career paths.

**Challenge #6:** Publish what is common and what is different about institutions and their programs. It is not enough to catalog courses and advertise them. Systems can be employed to help highlight and recognize why programs and courses are different. Learning outcomes are shared and extrapolated by learners giving rise to personal adaption and what they take away from their accomplishments. In South Carolina, not only do they consolidate and share transfer information keeping it refreshed and synchronized, their institutions are augmenting simulated transfer degree audits empowering students to check their progress to a specific degree program through two or more institutions. This consolidation helps reduce the burden on institutions, while improving the services designed to serve contemporary learners proactively.

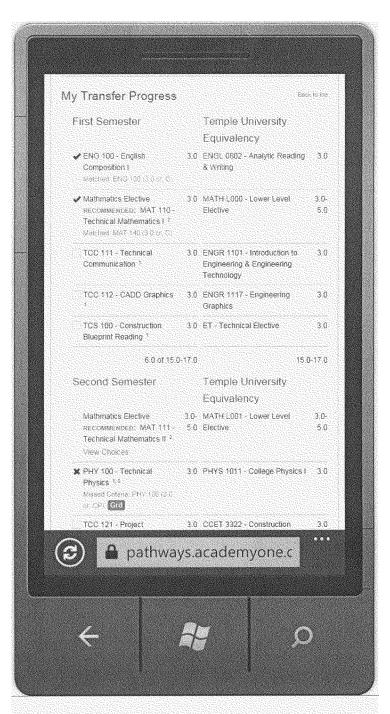






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Chairman KLINE. Thank you, sir. Dr. Boughman.

# STATEMENT OF DR. JOANN A. BOUGHMAN, SENIOR VICE CHANCELLOR FOR ACADEMIC AFFAIRS, UNIVERSITY SYSTEM OF MARYLAND, ADELPHI, MD

Ms. BOUGHMAN. Thank you very much, Chairman Kline and members of the committee. I am Joann Boughman, senior vice

chancellor for the University System of Maryland.

Others here are addressing some of the modes of delivery and assessment that the University System of Maryland institutions are working on to enhance, with our University of Maryland University College leading the way in many of these. But I would like to spend my few minutes talking about the needs of the contemporary student that transfers.

Transfer students account for two of every three students coming into the 12 institutions in the University System of Maryland—this year well over 20,000 of them, half of whom come from Maryland community colleges. Community college transfers have increased 25 percent over the last five years.

Over 70 percent of these enrolled full time in our institutions, and of those, more than 80 percent matriculated at sophomore status or above; 66 percent of those that enrolled graduated within 4 years, a rate comparable to those freshmen 6-year graduation

rates.

And while statistics are compelling, I would like to mention a few of our lessons learned, which I think are the most important.

Leadership and partnerships are critical. Each higher education segment, from community colleges, public four-year universities, and the private colleges and universities, has worked hard on the development of meaningful transfer and articulation policies and processes.

Maryland is a relatively small state, with just under six million people, and we have the luxury of conducting a lot of face-to-face conversations among our institutions through the active P-20 Council and the office of Governor Martin O'Malley, meetings of the community college presidents and our public institution presidents, and regular convening of the Segmental Advisory Council

that includes the private institutions as well.

In 2013 the state legislature passed the Maryland College Completion and Readiness Act of 2013. This law sets the bar very high with mandates for programmatic and process improvements, including: statewide transfer agreement that at least 60 credits of an Associate of Art or Associate of Science degree transfers to our four-year institution; reverse transfer of at least 30 credits back toward the A.A. degree; scholarship incentives for students to complete their associate's degree before coming to our four-year institutions; capping of degrees at 60 credits for an associate's degree and 120 credits for a bachelor's degree; implementation of pathway systems and degree plans at all institution; and enhancement of our online articulation system, ARTSYS.

ARTSYS is an online portal that provides comprehensive information about articulation across all Maryland postsecondary insti-

tutions. Course equivalencies are detailed so anyone can see if any one course will transfer from one to any other institution.

Entire transcripts can be evaluated in real time online so that one knows exactly what courses will transfer with credit. Recommended transfer programs are described in detail so a student may plan ahead and find the most robust and efficient pathway to

both an associate's and a full four-year degree.

Continuous updating and refining of ARTSYS requires substantial faculty input because it is the faculty that assess whether any one course should transfer from one institution to another, and that is an intensive process. But in fact, the articulation system, worked in this way, does negate the need for debate about common

course numbering, per se.

Current Maryland regulations guarantee the transfer of 30 to 36 credits of general education credit from community college to 4year institutions, but the recent legislation requires that we transfer 60 credits from the associate's degree to the bachelor's degree. We have addressed challenging specific areas of transfer directly through statewide articulation agreements. Faculty have been convened to develop clear pathways for an Associate of Arts in Teaching, Associate of Science in Engineering, and the R.N. to BSN path-

Now students can move absolutely smoothly from our community colleges to our four-year institutions in all of these areas without swirling or meandering in non-degree-related courses or otherwise accumulating extraneous credits. In fact, students transferring from our community college with 60 credits or more graduate from our USM institutions with an average of 122.8 credits. That is less

than one full course above the 120 in a bachelor's degree.

Most institutions identify one or very few primary feeder colleges. They create specific agreements and programs that ensure

smooth transfer of students from one to another.

While it is essential that credits transfer, it has become obvious to us that successful matriculation through higher education also requires investment in student services, activities, and cultural engagements by institutions. Support of students across the full spectrum of higher ed and the spaces in between will lead to successful retention and completion for students challenged by the cost of higher education and other competing life priorities.

Look forward to answering your questions and engaging in the

conversation. Thank you very much.

[The statement of Dr. Boughman follows:]



Joann A. Boughman, PhD Senior Vice Chancellor for Academic Affairs University System of Maryland

Testimony before the United States House of Representatives Committee on Education and Workforce April 2, 2014

The picture of the "traditional" student population is as diverse as it is evolving. Today's student is less likely an 18-year old first-time, full-time, freshman taking up residence in a campus dormitory. More and more often we see students in multiple roles including the part-time adult learner commuting to college in the evening hours. They are veterans with multiple deployments in their immediate past or individuals who work full-time and have dependents at home.

Transfer students, especially those coming to universities with substantial credits earned at community colleges account for a growing portion of our population. For example, two of every 3 students coming into the 12 institutions of the University System of Maryland (USM) are not freshmen. They are transfer students — this year well over 20,000 — half of whom come from Maryland community colleges. The number of community college transfers increased 8% in this last year and 25% in the previous five years. Over 70% of Maryland's transfer students enrolled full time, and of those, more than 80% matriculated at either the sophomore or junior status. Over half graduate within four years of transfer, no matter the attendance status as part—or full-time, and 66 percent of those enrolling full time graduated within four years (a rate comparable to the freshmen six-year graduation rate). While the statistics are compelling, it is most important to share our lessons learned.

Leadership and partnerships are critical. Each higher education segment from community colleges, public 4-year universities and the private colleges and universities has worked hard on the development of meaningful transfer and articulation policies and processes. With Maryland's modest population of just under 6 million people, we are able to reach out to other educational leadership in

the State with the reasonable expectation that we can conduct face-to-face conversations on our many issues. We have an active and engaged P-20 Council in the Office of Governor Martin O'Malley. The community college and the public university presidents meet regularly. Nearly each month, the Maryland Higher Education Commission, the state's overarching coordinating board, convenes the Segmental Advisory Council that represents all segments of higher education in the state.

In 2013, the state legislature passed Senate Bill 740, the Maryland College Completion and Readiness Act of 2013. The new law sets the bar very high with legislative mandates for programmatic and process improvements. These include:

- Implementation of a statewide transfer agreement that stipulates at least 60 credits of an Associate of Art (AA) or Associate of Science (AS) degree will transfer.
- Demonstration that at least 30 credits can reverse transfer from a bachelor's degree curriculum back toward an associate's degree.
- Establishment of incentives for students to complete their associate's degree before enrolling in a public sector higher education institution (2+2 Transfer Scholarship).
- Development of programs to re-enroll near completers.
- Implementation of pathways systems and degree plans at all institutions.
- Capping of degree requirements at 60 credits for an associate's and 120 for a bachelor's with some exceptions granted for accreditation requirements.
- Implementation and restructuring of payment for dual enrollment programs
- Enhancement of the online statewide articulation system.

#### TRANSFER CREDIT

The Articulation System for Maryland Colleges and Universities (ARTSYS) is an online portal that provides browsers with comprehensive information about the articulation across all Maryland postsecondary institutions. Course equivalences are detailed so anyone can see if a particular course will transfer from one institution to another. Entire transcripts can be evaluated in real time to determine what courses already taken will transfer. Recommended transfer programs are described for any major, so a student may plan to take the courses that will provide the most robust and efficient pathway to degree completion. Tutorials, and extensive help functions are now available in the ARTSYS. Continuous updating and

refining of ARTSYS requires an ongoing investment by all institutions with substantial faculty involvement to ensure coverage of materials and content in courses to be transferred.

Current Maryland regulations already guarantee the transfer of 30-36 credits of general education core toward a bachelor's degree. The Maryland College and Career Readiness and College Completion Act of 2013 now calls for the transfer of 60 credits earned as part of a an Associate's degree to be applied towards the 120 credits needed for a bachelor's degree.

The continuous evaluation of courses by faculty at the institutions assures students that the course will transfer appropriately. This evaluation process requires faculty commitment of time and energy, but it has worked well for us, and has negated the debate over common course numbering for individual courses across Maryland's 16 community colleges and 12 USM institutions.

We have addressed the most challenging content areas of transfer directly through statewide articulation agreements in education, engineering and nursing. These three critical workforce areas include focused requirements to facilitate smooth transfer from one institution to another. Faculty from our institutions have been convened to develop clear pathways through an Associate of Arts in Teaching degree, an Associate of Science in Engineering degree and an RN to BSN pathway in a way that is uniform across our community colleges and four-year institutions. These discussions have resulted in the ability for many students to move smoothly from our community colleges to our four-year institutions in these specific areas of interest without "swirling" in non-degree related courses or otherwise encumbering extraneous credits. In fact, students transferring from community colleges with 60 or more credits graduate from our USM institutions with an average of 122.8 credits, only about one course more than the most direct routes to a degree in our four-year institutions. Convening faculty in specific content areas across two- and four- year institutions on a regular basis has resulted in the essential development of relationships that help with curricular development at all institutions involved. It is critical that the faculty maintains control of the content. Faculty investment in the development of these agreements ensures that they have a vested interest in its success.

## INSTITUTIONAL ARTICULATION AGREEMENTS

Most of our four-year institutions identify one or a very few primary "feeder" colleges from which a majority of their transfers come. It is critical that those institutions create additional agreements and programs that ensure articulation and

smooth transfer of students from one institution to another. While it is essential that individual courses or credits transfer, it has become obvious that the successful matriculation of students through higher education also requires investment in student services, activities, and cultural engagement by the institutions. Support for students moving from one campus to another, engagement by individuals on the receiving campus, and joint programs and activities have been shown to enhance achievement and improve success.

#### REGIONAL HIGHER EDUCATION CENTERS: ACCESS & SUCCESS

The Regional Higher Education Centers in Maryland provide yet another pathway to access and success. Strategically located around the state, the eight centers provide access to baccalaureate, professional and graduate education in regions where distance to a senior institution creates a barrier to continuation. At the two regional centers administered by the USM, the Universities at Shady Grove in Montgomery County and USM Hagerstown in Washington County, the four-year graduation rates for students who started in fall 2009 were 76 percent and 75 percent, surpassing the success rates of full-time transfers to USM institutions overall, as well as the six-year graduation rates for freshmen. The "2+2" articulation agreements and cohort models supported by strong student services and engagement have contributed to this highly successful model.

## FINANCIAL AID

Public recognition and appreciation for the increasing cost of higher education, documentation of the reasons for those increases, and all attempts to keep the costs for students under control are essential to instilling the public trust in the higher education system. Well-publicized and articulated programs that assist students with financial aid send very strong messages about retention and completion. The Maryland General Assembly is currently considering USM's request to establish a more robust 2 +2 Transfer Scholarship program which, we believe, will entice students to stay in community college until they obtain their associate's degree and then reward them with \$1,000 a year for up to three years upon transfer to a four year institution (\$2,000 if the student transfer into a specific STEM major). Additional state funding for this program sends a very strong message to Marylanders of the importance of all degree completion, as well as addressing our focus on needs in the STEM areas of education. In addition, some of our institutions have initiated programs that guarantee a student continues to pay tuition at the community college rate while pursuing their bachelor's degree.

# CONCLUDING REMARKS

The key to any successful transportation project is careful planning that includes an analysis of current conditions and infrastructure, key destinations and access points, and efficient movement throughout the system of roads and highways. To ensure long-standing success, the foundation must be strong and the materials of the highest quality. It is also imperative that there is on-going inspection, maintenance, and improvements based upon input from all stakeholders and responsive to the changing environment. This is a concept that can be applied to the success of transfer students among institutions of higher education.

Support for students across the full spectrum of higher education, including those first-time full time freshmen, will lead to successful retention and completion for students challenged by the cost of higher education and competing family and work needs. Creation and implementation of policies and processes that make those pathways both clear and smooth, while allowing for the flexibility required by individual students and degree programs, will provide the vibrant higher education environment necessary to produce the next generation of critical and creative thinkers our workforce now demands.

Thank you for the opportunity to share some of our lessons learned in Maryland that might help improve the efficiency of pathways for students in their quest for higher education degrees.

Chairman KLINE. Thank you.

Mr. Jones, you are recognized for five minutes.

# STATEMENT OF MR. STAN JONES, PRESIDENT, COMPLETE COLLEGE AMERICA, INDIANAPOLIS, IN (DEMOCRAT WITNESS)

Mr. JONES. Thank you, Mr. Chairman, Representative Miller, and members of the committee.

I would like to start in a different place.

During the worst of the recession we had record enrollment in our colleges across this country, so people were voting, saying, in essence, "Our way to a better economic future is to go back to college." The freshman class, not only being bigger, it was more representative of America than it has ever been. There were more African Americans, more Hispanics, more first-generation students, more contemporary students than ever before. And certainly we should be proud of this record enrollment in terms of access.

But we also have to ask the question, what happens to these students after they start? And if we look at the spring graduation day, who is there? At a community college, two-thirds of those that start have dropped out; if we look at 4-year colleges, especially the non-

flagships, we have lost half of those students.

And so for many of them those dreams are not realized. For the transfer students that Representative Miller spoke of, one-third of community college students transfer. One-third of those graduate. So 11 percent of those students that started at a community college intending to get a bachelor's degree are successful.

We also know that, unfortunately, far too many of these students start out their college career in remediation. It is overwhelming.

At community colleges 60 percent of students start in remediation, and in some cities like D.C., 90 percent; Chicago, 90 percent; Philadelphia, 80 percent started remedial courses. It is true at many of the 4-year, open-access institutions, as well.

We also know that when you start in remediation, immediately your chances drop by 50 percent as to whether you are going to graduate. Only 10 percent of those starting in remediation at a community college ever get a degree or certificate of any kind.

And one of the, I guess, more profound statistics is that 70 percent of those that are—in community colleges—referred to remedial math, within two years don't even attempt a regular college math class, and otherwise they don't even get to go.

Many, many students start in remedial class, that is their first college experience, that is their last. They didn't like math in high

school, they find themselves in remedial math.

We also know why remediation doesn't work, and it is because of attrition. Some students are placed in three levels down of mathematics—fractions and decimals. Only one percent of those students ever get a degree or certificate of any kind. Some students spend a year or even two years taking remedial courses. They never get degrees.

There is a different way to think about this, and that is think about remediation not as a prerequisite but as a corequisite—not something you have to do before you start, but something that you do when you start, more time on task. It can be as simple as taking

four class hours rather than three, staying after class 45 minutes

every class, having assigned tutoring two hours a week.

And those practices have shown extraordinary results. Just to point to two: One is in Carnegie Mellon—I am sorry, not—Carnegie Center for Advancement of Teaching and Learning at 30 different colleges offer a statistics course and a quantitative reasoning course. Their success rate has gone from five percent to 55 percent in one year. In Indiana, my home state, across the state at state-wide community college, their success rate in English has doubled from 25 to 50 percent, and math has gone from 10 percent to 50 percent.

These strategies can work, and they can work in a big way.

As Complete College America, our single focus is on college completion. We work with 34 states. Remediation is a part of what we do; we also work on other strategies like performance funding, like encouraging students to take 15 credit hours. There are more students taking 12 credit hours than taking 15 as incoming freshmen, so those taking 12, they are already on the five-year plan before they even get started.

So what role can Congress play? Two roles.

One is, the federal government collects a lot of data in what is called IPEDS. You have not been collecting—the government has not been collecting graduation rates, for example, on these remedial students I spoke of; you do not collect graduation rates on Pell students, where we spend billions of dollars every year; we don't collect graduation rates on adult students, the contemporary students that we are talking about, or veterans. So we don't know those answers.

So that is the first place, and I think that is a simple fix, but that would drive policy. The second place is as you look at HEA, consider incentives for students to take 15 hours, incentives to progress toward a timely degree, incentives to graduate.

Thank you, Mr. Chairman.

[The statement of Mr. Jones follows:]

# Testimony before the United State House of Representatives Education and the Workforce Committee

# Stan Jones President of Complete College America

#### April 2, 2014

#### Introduction

Over the course of the last five years, Complete College America has worked with 33 states and the District of Columbia with a single mission in mind: increase the number of Americans with a college degree or credential of value and close attainment gaps for traditionally underrepresented populations.

This critical work has been driven by the reality that America faces a staggering college completion crisis, and a failure to act decisively on these issues would yield an ongoing skills gap that threatens our economic future and degrades our intellectual leadership around the world.

A look at the numbers shows just how serious this challenge is for our country: only 4% of full-time students complete an associate degree on time, that is, within 2 academic years. At non-flagship, four-year institutions, only 19% complete their degree on time. Even given 3 years for an associate degree and 6 years for a bachelor's, these numbers only increase to 13% and 45% respectively. For part-time students, the results are even lower.

Further, despite great successes in the college access agenda, a closer look at graduation day reveals that those who do eventually earn degrees are not representative of the rich diversity that defines this nation. The hopes raised by nearly equitable enrollments in the freshman class for students of color, low-income students, and first generation students are crushed by persistent gaps in achievement and completion.

Taken together, this crisis costs our nation and the states billions of dollars, contributes to the more than \$1 trillion in student loan debt, and stifles economic growth.

Admittedly, the mission to boost college completion and success is a difficult one – requiring an analysis of every facet of higher education structure and delivery. More important, success demands the sober recognition that, at the most basic level, what we are intending to accomplish is a reinvention of centuries-old institutions that now must change to help ensure the success of students who have rarely succeeded in the past.

But this difficult work is necessary and bold reform is required if we hope to keep not just access to college, but the degree being pursued, within reach for many more Americans.

## Traditional Remediation: A Roadblock to College Completion

In 2012, Complete College America released a landmark report, entitled *Remediation: Higher Education's Bridge to Nowhere*, which focused specifically on the issue of remedial education, highlighting a system in desperate need of reform.

The facts are clear: of community college students assigned to remedial education, only one in 10 will earn their associate degree within three years. Further, 70% of students placed into remedial math fail to even attempt a college-level gateway course within two academic years.

These dismal results have been the norm for decades, and each year, hundreds of thousands of students find themselves condemned to this system, which allows far too many to fall through the cracks. As a result, while these students are enrolled in college, their access to college-level work is being denied.

In redesigned programs throughout the country, institutions are shifting remedial education from a prerequisite requirement to a corequisite, where students receive support while enrolled in the gateway courses. By delivering corequisite remediation with more time on task and just in time support, we place far more students into their programs of study and eliminate attrition points - the moments where students are most likely to fall out of the system. Additionally, these programs are achieving astounding results, often two, three, and four times that of the traditional model.

# **Essential Considerations**

- Make enrollment in college-level courses the default for many more students. Research has shown that many more students can succeed in college-level gateway courses with <u>additional support</u> than are currently placed into them.
- **Use a placement range, not a single cut score** to start most underprepared students in college-level courses with corequisite academic support, within which 75 percent or more of those students can succeed.
- Align mathematics to programs of study. Placement in college algebra should not be the required mathematics for all when statistics or quantitative literacy would be more appropriate for many programs of study.

# Additional Areas for Reform

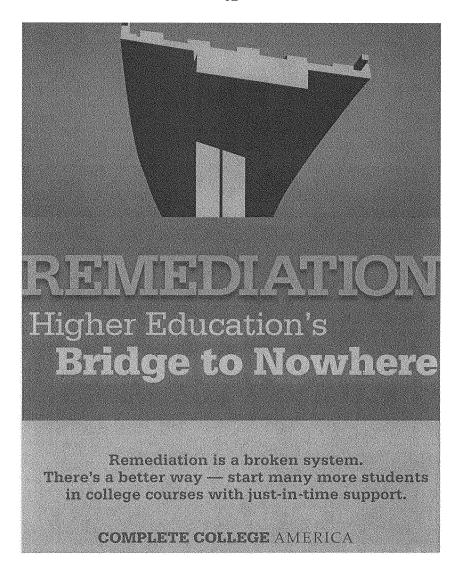
Thanks to extensive research, we know the obstacles to student success. In addition to poorly designed and delivered remedial courses, we face a culture that rewards enrollment rather than completion, broken credit transfer policies, overwhelming and unclear choices for students, and a system out of touch with the needs of

students who must balance work and family with their coursework. The strategies necessary to address these challenges are proven.

- Performance Funding Pay for performance, not just enrollment. Using CCA
  and NGA metrics, tie state funding to student progression through programs
  and completion of degrees and certificates. Include financial incentives to
  encourage the success of low-income students and production of graduates
  in high-demand fields.
- Full-Time is 15 Incentivize students to attend full-time and ensure that full-time means 15 credits per semester. Use banded tuition, so 15 credits per semester costs students no more than taking 12 credits. Cap degree requirements (120 for bachelor's and 60 for associate) to ensure degrees can be completed on time. Ensure college credits can be transferred.
- Structured Schedules Help working students balance jobs and school by
  using structured scheduling of classes which adds predictability to their busy
  lives doing so enables many more students to attend college full-time,
  shortening their time to completion.
- **Guided Pathways to Success** Enabled by technology, default all students into highly structured degree plans, not individual courses. Start students in a limited number of 'meta majors,' which narrow into majors. Map out every semester of study for the entire program, and guarantee that critical path courses will be available when needed. Use built-in early warning systems to alert advisers when students fall behind to ensure efficient intervention.

# **Actions Congress Can Take Now**

- Address gaps in the Integrated Postsecondary Education Data System
  (IPEDS). The current data collection system does not fully capture the needs
  of today's students. Data is currently not available regarding part-time
  students, transfer students, students aged 25 or older, gateway course
  success for remedial students, credit accumulation, time to degree, course
  completion, and most importantly, the system does not track PELL students.
  Ultimately, IPEDS data does a very poor job of counting all students.
- Incentive students to take 15 credits per semester. Based on a recent survey conducted by Postsecondary Analytics, most "full-time" students are not taking the credits needed to graduate on time. Federal and state policies should encourage students to take at least 15 credits per semester or 30 credits per year.



# It's time to close the Bridge to Nowhere.

The intentions were noble. It was hoped that remediation programs would be an academic bridge from poor high school preparation to college readiness — a grand idea inspired by our commitment to expand access to all who seek a college degree.

Sadly, remediation has become instead higher education's "Bridge to Nowhere." This broken remedial bridge is travelled by some 1.7 million beginning students each year, most of whom will not reach their destination — graduation. It is estimated that states and students spent more than \$3 billion on remedial courses last year with very little student success to show for it.

While more students must be adequately prepared for college, this current remediation system is broken. The very structure of remediation is engineered for failure.

It's not that students don't pass remedial courses, they do: It's that 30 percent don't even show up for the first course or subsequent remedial courses — and, amazingly, 30 percent of those who complete their remedial courses don't even ATTEMPT their gateway courses within two years.3

To fix this, we must first commit ourselves to close every possible exit ramp. By doing so, we will eliminate all opportunities to lose students along the way, saving precious time and money.

Remediation is a classic case of system failure:



DROPOUT EXIT RAMP #1: Too many students start in remediation.

More than 50 percent of students entering two-year colleges and nearly 20 percent of those entering four-year universities are placed in remedial classes.

Prustrated about their placement into remediation, thousands who were accepted into college never show up for classes. With so many twists and turns, the road ahead doesn't seem to lead to graduation.

Can an "open access" college be truly open access if it denies so many access to its college-level courses?



DROPOUT EXIT RAMP #2: Remediation doesn't work.

Nearly 4 in 10 remedial students in community colleges never complete their remedial courses.

Research shows that students who skip their remedial assignments do just as well in gateway courses as those who took remediation first.

Never wanting to be in a remedial class in the first place and often feeling that they'll never get to full-credit courses, too many remedial students quit-before ever starting a college class.



#### DROPOUT EXIT RAMP #3: Too few complete gateway courses.

Having survived the remediation gauntlet, not even a quarter of remedial community college students ultimately complete

college-level English and math courses - and little more than a third of remedial students at four-year schools do the same.



#### DROPOUT EXIT RAMP #4: Too few graduate.

Graduation rates for students who started in remediation are deplorable: Fewer than 1 in 10 graduate from community colleges within three years and little more than a third complete bachelor's degrees in six years.

# THE BIG IDEA: Start in college courses with support.

#### Students need a CLEAR PATH to graduation day.

The concept makes common sense. Instead of wasting valuable time and money in remedial classes for no credit, students have been proven to succeed in redesigned first-year classes with built-in, just-intime tutoring and support. Imagine an English or Math 101 class that meets five days a week instead of just three times. Three days a week the students receive the regular instruction and the other two they get embedded tutoring

#### Extra academic help becomes a co-requisite, not a prerequisite.

Institutions that have used this approach have seen their unprepared students succeed at the same rates as their college-ready peers. And best practices have demonstrated that as many as half of all current remedial students can succeed this way. With results like these, it's long past time to take this reform to scale.

Some will say this approach may work for those who just need minimal academic help, but that's not true. Students who are further behind should still be placed in full-credit courses with built-in support but should take the courses over two semesters instead of one. And those who seek to attend a community college with what amounts to little more than a basic understanding of fractions and decimals should be encouraged to enroll in high-quality career certificate programs that embed extra help in the context of each course and lead to jobs that pay well.

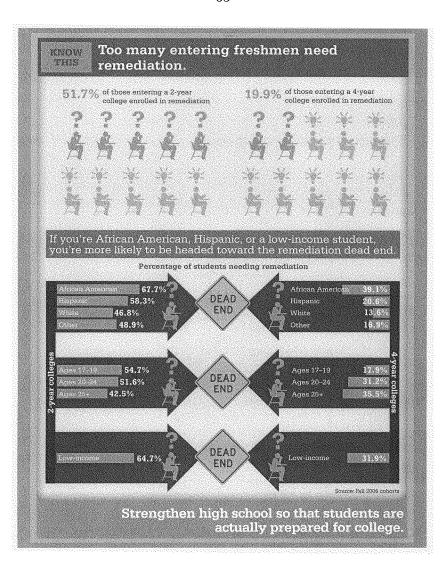
When higher education's Bridge to Nowhere is finally closed for good, it is true that some may still be lost. But nearly all of these students disappear today.

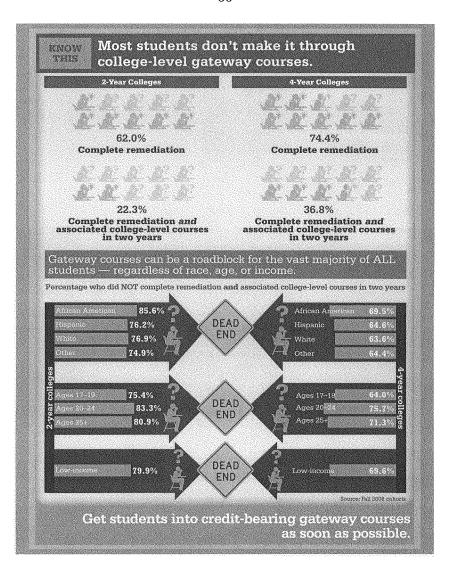
College students come to campus for college, not more high school. Let's honor their intentions - and refocus our own good intentions to build a new road to student success.

<sup>1</sup> National Center for Education Statistics (2010). Digest of Education Statistics: Table 241.

2 Alliance for Excellent Education. (May 2011). Seoring New and Survey Later: How Figh School Reform Can Reduce the Nation's Wasted Remediation Dollar.

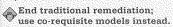
<sup>3</sup> Jenkins, D., Jaggars, S.S., & Roksa, J. (November 2009). Promoting Galeiseeper Course Success Among Community College Students Needing Remediation: Finding and Recommendations from a Virginia Study (Summary Report). Community College Research Center, Teachers College, Columbia University, pp. 2-3.





# Start college now. Provide help as a co-requisite, not a prerequisite.

Start college students in college courses, not more high school. Get them on track for graduation from the moment they step on campus by using only co-requisite approaches to deliver tutoring and support. Modify the length and method of built-in, just-in-time academic help to match students' needs.



· For students with few academic deficiencies, place them into redesigned first-year, fullcredit courses with co-requisite built-in support, just-in-time tutoring, self-paced computer labs with required attendance, and

the like. The length of these courses should mirror the ordinary gateway courses so students stay on track for on-time graduation.

- For students needing more help, lengthen redesigned full-credit courses and consider providing built-in, co-requisite support for two semesters instead of one. Students get the same content but more time on task
- . For students with the most significant academic needs, provide alternate pathways to high-quality career certificates by embedding remediation and adult basic skills development into their instruction.

## DONE THIS: Some states are redesigning their gateway courses.

Maryland: Community College of Baltimore County's Accelerated Learning Project (ALP) enrolls remedial English students in a regular, credit-bearing English 101 course and a companion course that meets immediately afterward. The companion course provides in a small group targeted reinforcement of topics from the mainstream course that enables intensive faculty and peer support. Early results show that ALP students pass English 101 with a grade of C or better at more

than twice the rate of the control group — and do so in just one semester, as opposed to the two semesters required to complete a remedial course before moving on to the credit-bearing course.

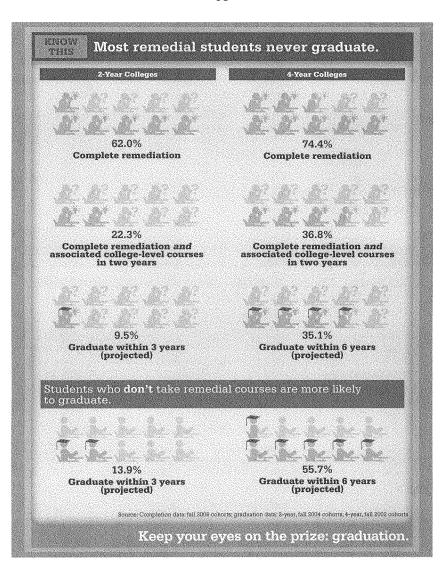
The University of Maryland at College Park identifies about 20 percent of incoming students as unprepared for college-level math and enrolls the top 60 percent of them, based on placement test scores, in a co-requisite math course. Scheduled five days a week, students receive accelerated remedial instruction for the first five weeks. After being retested with the same placement exam, passing students complete the remaining college-level class by attending five days a week for the remaining 10 weeks of the semester. More than 80 percent pass the retest and continue with the college-level course, ultimately matching the overall success rate for the course as nonremedial students.

Tennessee: Austin Peay State University in Tennessee eliminated remedial math courses and places students in redesigned credit-bearing courses that include extra workshops and specialized help. Initial assessments are given to determine specific knowledge gaps, then the workshops are used to provide additional instruction on key math concepts with special emphasis on individual areas of weakness. As a result, twice as many remedial students are passing their initial college-level math courses.



Texas: Texas State University-San Marcos enrolls students who need extra math help in concurrent remedial and college-level algebra and

statistics courses, and it requires additional weekly tutoring, for which students earn credit. Seventy-four percent of participants in the program earn a grade of C or better in algebra during their first semester. This is more than twice the percentage rate of all remedial students at Texas State-San Marcos who earn similar grades in their first two years.



#### Provide co-requisite courses aligned with programs of study.

Most students come to our college campuses to gain the knowledge and skills necessary to ensure a good job and a better life. A logical first step is to commit to a program of study. Remarkably, many students never do — and broken remediation programs are often to blame.

Committing to a program of study is much more than simply declaring a major. Anybody can declare a major, but completing the initial courses necessary to legitimately be on track in a program of study is a completely different matter. And it's in these fragile, early stages of college when remediation programs do the most damage

Researchers at the Community College Research Center at Columbia University have found that students who complete at least three required "gateway" courses in a program of study within a year of enrollment are twice as likely to earn certificates or degrees.

Remediation programs, designed as prerequisite hurdles that must be jumped before getting to college-level classes, slow students' progress into programs of study. Studies prove that being trapped in endless remediation sequences or being unable to pass associated gateway courses in math and English are the primary reasons students do not enter programs of study during their first year. And the longer it takes for students to commit to programs of study, the less likely they ever will.

Worse, traditional remediation often seems irrelevant and disconnected from future ambitions, robbing students of precious time, money, and motivation What's the result? Many students veer off course onto another dropout exit ramp



Get students to commit to programs of study ASAP. Using placement scores, high school transcripts, and predictive tools to determine student aptitude, guide all students to choose among a limited number

of first-year pathways - for example, health, business, liberal arts, or STEM - as soon as possible. Students should make the big choices of programs of study informed with an understanding of program requirements and available supports to achieve their career goals. Once they do, place them into structured program pathways constructed of relevant, sequenced courses chosen for them.



#### Establish "default" programs for students not ready to commit.

No longer allow students to be considered "unclassified." Upon enrollment, nudge them into first-year pathways — for example, health, business, liberal arts, or STEM. This ensures a coherent pathway from the beginning, with core college-level credits that will count toward certificates and degrees. By doing so, students avoid excessive course-taking while wandering the curriculum, shortening the time it takes to graduate



#### Place students in the right math. Most students are placed in algebra pathways when statistics or quantitative math would be most appropriate to prepare them for their chosen programs of study and careers.



#### Expand co-requisite supports for additional college-level courses.

Additional introductory courses serve as gateway classes for programs of study, not just English and math. Given high failure rates, they have become gatekeeper courses instead, too often blocking students' entry into their chosen fields. To help unprepared students get a strong, early start, build extra supports around introductory courses necessary for success like entry-level anatomy, biology, physiology, physics, accounting, and drafting.

**DO THIS!** Four steps states should take right now to close remediation exit ramps

#### **EXIT RAMPS**

#1 Too many students start in remediation.



1. Strengthen high school preparation.

Reduce the need for college remediation altogether by adopting and implementing the new voluntary Common Core State Standards in reading, writing, and math. Align requirements for entry-level college courses with requirements for high school graduation. Administer college-ready anchor assessments in high school, and use them to develop targeted interventions before students fall too far behind. That way, high school graduates are ready for credit-bearing college courses from Day One.

#2 Remediation doesn't work.



 2. Start students in college-level courses with built-in, co-requisite support. Immediately place freshmen with

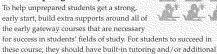
support. Immediately place freshmen with basic needs into entry-level, credit-bearing college courses with co-requisite support. That is, make this co-requisite model the default. For students needing more support, offer two-semester courses of the same content with built-in tutoring. Meanwhile, offer students with significant academic challenges skill certificate programs with embedded remediation.

#3 Too few complete gateway courses.



3. Embed needed academic help in multiple gateway courses.

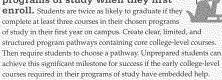
instruction time.



#4 Too few graduate.



 4. Encourage students to enter programs of study when they first



Chairman KLINE. Thank you. Dr. Keel, you are recognized.

## STATEMENT OF DR. BROOKS A. KEEL, PRESIDENT, GEORGIA SOUTHERN UNIVERSITY, STATESBORO, GA

Mr. KEEL. Thank you, Mr. Chairman. Good morning.

Chairman Kline, Ranking Member Miller, and members of the committee, thank you for the opportunity to testify on the need for a workforce-grant university, preparing the 21st century workforce. I would like to also especially thank Congressman Price for his representation and support of higher education in the great state of Georgia.

My name is Brooks Keel and I have the privilege of serving as the president of Georgia Southern University, located in the southeast Georgia city of Statesboro. It is my privilege to speak to you today on the role that our university plays in workforce development.

Complete College Georgia, a statewide effort championed by Governor Nathan Deal, has estimated that 60 percent of jobs in Georgia will require at least some postsecondary credential by 2020. Because of the future workforce demands of business coupled with the increasing awareness of the relationship between college education and job placement, universities must now focus not only on college completion—that is, graduation rates—but also on worker readiness—that is, job placement rates—of their students following graduations.

While technical schools address a critical workforce need, many businesses are realizing that their employees now need a more indepth, highly specialized skill set. These skills include a deeper working knowledge of the discipline, greater critical thinking ability, team-based problem solving experience, advanced communication skills, an appreciation for innovation and creativity, and an enhanced ability to translate advanced learning directly into practice. In many cases these competencies can only be realized through a four-year degree and are most often provided by comprehensive universities who are uniquely positioned to emphasize the importance of worker readiness in their curriculum.

In order to meet the workforce needs of the 21st century, higher education must rethink its role in educating students. Perhaps it is time to extend the original tenets of the land-grant university mission, created more than 150 years ago, by supporting the concept of a workforce-grant university.

Georgia Southern is the perfect example of such a workforcegrant university. As Congressman Price mentioned, we currently enroll more than 20,500 students from all 159 Georgia counties, all 50 states, and more than 100 countries. But what makes us unique, though, is that across all fields our students are taught not only the theory of the discipline but also the practical aspects of how to apply the theory to a real-world work situation.

Our students learn how to work in teams, how to think critically, and how to express themselves creatively. As an example, our engineering students spend more than twice the amount of physical laboratory time than most other engineering programs, directly applying knowledge gained during the lecture sessions. They are

taught by faculty who have industry experience and who know what skills the industry is going to be looking for.

We graduate work-ready generalist engineers who have the knowledge required to build as well as design and who are as comfortable out on the shop floor as they are behind a desk. Because of this practical experience, our engineering graduates know how to translate a computer design drawing into a product that can actually be machined efficiently and manufactured inexpensively.

Industry itself plays an important role in promoting the work-force-grant university culture at Georgia Southern. We currently have 28 industry advisory boards, consisting of more than 380 industry business leaders, spanning the gamut from mechanical engineering to nursing to graphics communication management to forensic accounting. These external boards meet regularly with our deans and faculty, helping to create state-of-the-art curricula and to design practical work training experience for our students.

Through industry sponsored internships, and especially co-ops, our students gain valuable work experience which helps the student decide if that industry is, indeed, the right career path; affords industry the opportunity to learn if the individual student is the right fit for that particular job; and reduces industry-specific on-the-job orientation, making our students even more work-ready. All of this significantly increases job satisfaction, reduces the quit rate, and aids in keeping these newly hired individuals employed in the state.

We are actively exploring the concept of industry-sponsored, forgivable worker-readiness education loans, awarded to students who participate in co-ops and subsequently commit to working with the sponsoring industry for a 1-to 3-year term following graduation. This will further reduce new employee turnover and increase the return on investment made by industry in such programs.

Such assistance may also provide need-based scholarship opportunities for many of our financially challenged students. Forgivable loan programs aimed specifically at this challenge can have a profound impact on preparing a highly trained and diverse workforce.

In conclusion, Georgia Southern University is an institution committed to applied research and learning through scholarship and service. We bring together education, research, and industry in ways that benefit the state of Georgia, our region, and our nation.

The economic prosperity in this country depends heavily on job creation, and in the availability of a highly-skilled, educated, and trained workforce. If adequately supported, workforce-grant universities like Georgia Southern will play a significant role in developing this economy and in producing this workforce.

There is a role for everyone, including industries, businesses, communities, and government, in making sure that the United States will have the workforce needed for the 21st century and beyond.

Mr. Chairman, thank you again for the opportunity to share with you our thoughts on this important issue.

[The statement of Dr. Keel follows:]

# Written Statement

of

Brooks A. Keel, Ph.D.

President

Georgia Southern University

Statesboro, Georgia

### Before the

Committee on Education and the Workforce

The Need for the "Workforce-Grant University":

Preparing the 21<sup>st</sup> Century Workforce

April 2, 2014

# The Need for the "Workforce-Grant University": Preparing the 21<sup>st</sup> Century Workforce

Brooks A. Keel, Ph.D. President, Georgia Southern University

Executive Summary: The Land-Grant University was established to provide a broad segment of the population with a practical education, directly relevant to their daily lives. While technical schools play a role in worker readiness, businesses are realizing that the future workforce may require a more in depth, four-year degree. Universities should be incentivized to better serve the role of "worker readiness" by extending the Land-Grant concept to create the "Workforce-Grant University". Comprehensive Universities, like Georgia Southern University, are uniquely positioned to influence "worker readiness" by not only teaching the theory of the discipline, but also by exposing students to the practical aspects of applying the theory to a real world work situation. In addition, industry can play a role through serving on university advisory boards, ensuring state-of-the-art curricula, and by supporting internships, co-ops, and forgivable loans. Communities can provide housing for interns/co-ops, and orientation programs to help the student learn about the community in which they will live once employed. Together, "Workforce-Grant Universities", along with industry and the community can play a significant role in the economic prosperity of the US by producing a highly educated and trained workforce.

The Morrill Acts of 1862 and 1890 established the "land-grant university" as a mechanism to meet a growing demand for agricultural and technical education in the United States. One of the original intents of the land-grant university was to make education available for the working-class American, providing a broad segment of the population with a practical education that had a direct relevance to their daily lives. In other words, an education aimed at improving job readiness. More than 150 years later, the Land-Grant University has become synonymous with world-class basic research, providing millions of students with a first-rate education in a variety of disciplines.

However, regarding workforce readiness today, two things are becoming apparent: 1) business and industry, more and more, are requiring that their employees possess postsecondary education and training; and 2) due to access, affordability, and capacity issues, this workforce demand cannot be met by land-grant universities alone. In most states, "Comprehensive Universities" help meet the increasing demand for higher education and training. These universities tend to focus more on applied research, their missions often support wider accessibility and affordability opportunities for students, and they are uniquely positioned to emphasize the importance of "worker readiness" in their curricula. Comprehensive Universities also tend to focus more on fostering productive credit transfer relationships with 2-year colleges and technical schools, who serve as important enrollment pipelines for students desiring to extend their certificates and associate degrees to the bachelor level.

Complete College Georgia, a statewide effort championed by Governor Nathan Deal and stemming from Complete College America, has estimated that 60% of jobs in Georgia will require at least some postsecondary credential by 2020, further indicating that college completion will play a key role in driving the economic potential of this state. Because of the future workforce demands of business and industry, coupled with the increasing awareness of the relationship between college education and job placement, colleges and universities now must

focus not only on college completion (i.e., graduation rates) but also on the worker-readiness (i.e., job placement rates) of their students following graduation.

While technical schools address a critical need in this country, many industries and businesses are realizing that in the next decade and beyond, their future employees will need to possess a more in depth, highly specialized skill set. These skills include a deeper working knowledge of the discipline, greater critical thinking ability, team-based problem solving experience, advanced communication skills, a greater appreciation for innovation and creativity, and an enhanced ability to translate advanced learning directly into practice. In many cases, these competences can only be realized through a four-year degree, and this need met best by Comprehensive Universities.

If we are going to meet the workforce needs of the 21<sup>st</sup> century, higher education must rethink its role in educating students. Likewise, governments, both state and federal, should consider ways in which to provide support aimed at incentivizing colleges and universities who are dedicated to upholding "worker readiness" as a part of their mission. Perhaps it is time to extend the original tenants of the land-grant mission by supporting the concept of a "Workforce-Grant University".

Higher education today must also face a "New Normal" in the way it does business that extends beyond simply "doing more with less". Reductions in state subsidy of higher education, coupled with rising costs and declining enrollment have resulted in increased tuition burden to students and their families. Even the value of higher education has come under increased scrutiny, forcing universities to further justify their efforts. This New Normal is causing higher education to focus more clearly on increased access, affordability and accountability. Hank M. Huckaby, Chancellor of the University System of Georgia, commented on the impact of this New Normal way of business during his 2013 State of the Student address:

"Today's students occupy a very different world from the one that existed when many of us attended college. Globalization and technology continue to remake economies and transform work at an increasing pace. Jobs and entire industries disappear seemingly overnight. State financial resources to support public higher education continue to be tight. Significant cost shifts in higher education funding place greater financial burdens on students and families and compromise access and impede progress toward graduation."

The New Normal is causing a growing expectation that universities will play a greater role in economic development through technology transfer and innovation. Furthermore, local, state and federal governments are beginning to hold universities accountable for career readiness of graduates, and industry is relying on higher education to pay closer attention to workforce education and training. The New Normal way of doing business provides yet another justification for the role higher education must play in worker-readiness and in the need for developing the concept of the Workforce-Grant University.

Georgia Southern University, a comprehensive Carnegie Doctoral Research University, is a perfect example of a Workforce-Grant University. Georgia Southern, a unit of the University System of Georgia, is the largest university in South Georgia, and as such, we fully embrace our responsibility of enhancing the economic development of our entire region. We currently enroll

more than 20,500 students from all 159 Georgia counties, all 50 states and more than 100 countries. We provide students with an education focused on preparing them for the workplace, or for graduate programs ultimately leading to successful employment. Students choose from over 110 degree programs, in a variety of fields including education, business, engineering, nursing, the STEM fields and STEM education, the arts and humanities, and public health, just to name a few. What makes us unique, though, is that our students, across all disciplines, are taught not only the theory of the discipline, but also the practical aspects of how to apply the theory to a real world work situation. Our students gain experience in how to work in teams, how to think critically, and how to express themselves creatively. We emphasize student leadership and civic engagement with the intention of integrating learning, service, and leadership to empower students to become active, global citizens who will lead lifelong commitments to service. All of this makes our graduates very attractive to potential employers.

As an example of this Workforce-Grant University philosophy, Georgia Southern engineering students spend between 25-35 contact hours in hands-on physical laboratories (independent of science course labs) in their disciplines applying knowledge gained in lecture sessions. This is more than 2-3 times the amount of physical lab time provided by most other engineering programs. They are taught by faculty who have spent time in industry, and who know what skills industry will look for when hiring. We graduate work-ready, "generalists" engineers who have the knowledge required to build as well as design, and who are as comfortable "out on the shop floor" as they are behind a desk. Because of this practical experience, our engineering graduates know how to translate a computer design drawing into a product that can actually be machined efficiently and manufactured inexpensively. Georgia Southern engineers have a very high job placement rate because industry knows that they are "work ready" immediately upon graduation.

Much debate recently has centered on whether degrees in the arts and humanities adequately prepare college students for success following graduation. Georgia Southern firmly believes that art, music, theater, creative writing, language, and many more such humanists disciplines are indeed a very important part of the Workforce-Grant University culture at Georgia Southern because of the creative problem solving skills, critical thinking abilities, and innovative and creative spirit that these disciplines provide students. We encourage a blurring of the demarcation lines between the arts and the sciences. Such an approach provides students a competitive edge when seeking careers in areas where art and science merge, such as digital media, film, entertainment and video game development industry. Consequently, we are well positioned to provide the state-of-the-art training our graduates will need to be competitive in the digital entertainment field, a tremendous growth area for the state of Georgia.

In order to meet the workforce needs of the future, higher education must work harder than ever before to provide efficient pathways for students to seamlessly transfer from 2-year colleges and technical schools to 4-year degree programs. For more than a decade Georgia Southern has worked closely with East Georgia State College, a traditional 2-year college located 45 miles away in Swainsboro, GA, to establish a branch campus just 4 miles from our main campus. These East Georgia-Statesboro students take classes on the Georgia Southern campus, use our library, recreational and dining facilities, and attend our student athletic events and are in every way indistinguishable from the full-time Georgia Southern student. This arrangement allows

them to receive any required remedial education provided by East Georgia while at the same time introducing them to life on a major college environment, aiding in their ultimate transfer to our campus. We also have written articulation agreements with Savannah Technical College (located 50 miles away in Savannah, GA) in Logistics, which allows students to obtain their associate degree in Savannah, and to transfer all 60 credits to Georgia Southern where they can continue their studies in this field. Similar articulation and transfer agreements are also under development with Ogeochee Technical College in Statesboro in a variety of disciplines.

Industry itself plays an important role in promoting the Workforce-Grant culture at Georgia Southern. We currently have 28 industry and business advisory boards, consisting of more than 384 industry/business leaders, spanning the gamut from mechanical engineering, to nursing, to graphics communication management, to forensic accounting. These external boards meet regularly with our deans and faculty in order to help create state-of-the-art curricula and design practical work training experiences for our students. Industry leaders often visit the classroom and provide real-life advice and experiences, and serving as mentors for our students. Through industry-sponsored internships, and especially co-ops, our students gain valuable work experience which: 1) helps the student decide if that industry is indeed the right career path; 2) affords industry the opportunity to learn if the individual student is the right fit for that particular job, long before an offer is made; 3) significantly reduces industry specific "on-the-job" orientation making the student even more "work-ready" once graduated; and 4) significantly aids in keeping these young people employed in Georgia. All of this significantly increases job satisfaction and reduces the "quit rate" of newly hired individuals.

We are beginning to explore the concept of forgivable "worker-readiness education loans". These "loans" serve as scholarships for students who participate in business/industry co-op programs. If the student satisfactorily completes the program, graduates, and commits to working with the business for a 1-3 year term following graduation, the scholarship-loan is forgiven. This will further reduce the employee turnover often experienced by newly graduating students and increase the return on investment made by industry in such programs. Such assistance may also provide need-based scholarship opportunities for many of our financially challenged students. State and federal grants and forgivable loans, aimed specifically at this challenge, could also have a profound impact in preparing and keeping employed a highly trained and diverse workforce, as well as significantly reduce the student loan debt burdening many of our graduates.

Lack of short-term housing is often a huge detriment for successful work-readiness co-op students who may spend a semester or more at a time with a business, often at some distance from campus. We are working with local communities to provide affordable, short-term housing, and other community-based orientation programs to help the student successfully participate in co-ops. This will also help the student learn more about the community in which they will live once employed, thus eliminating many of the questions these young people may have about starting a life in a new locale.

In conclusion, Georgia Southern University is an institution committed to applied research and learning through scholarship and service. Georgia Southern University brings together education, research and industry in ways that benefit the state of Georgia and our nation. The

economic prosperity in this country depends heavily on job creation, and in the availability of a highly skilled, educated, and trained workforce. If adequately supported, "Workforce-Grant Universities", like Georgia Southern, will play a significant role in developing this economy and in producing this workforce. There is a role for everyone, including universities, business, communities, and government, in making sure that the United States will have the workforce needed for the 21st century and beyond.

For further reference, see:

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The Land-Grant Tradition, published by the Association of Public and Land-Grant Universities, found at: <a href="http://www.aplu.org/document.doc?id=780">http://www.aplu.org/document.doc?id=780</a>

Complete College Georgia; University System of Georgia Updates on Campus Completion Plans, found at: <a href="http://www.usg.edu/educational\_access/documents/University-System-of-Georgia-Campus-Completion-Plan-Updates-October-2013.pdf">http://www.usg.edu/educational\_access/documents/University-System-of-Georgia-Campus-Completion-Plan-Updates-October-2013.pdf</a>

USG Chancellor Hank M. Huckaby's State of the Student Address 2013: http://www.usg.edu/chancellor/speeches/chancellors\_state\_of\_the\_student\_address\_2013

Chairman KLINE. I thank you very much.

I thank all the witnesses. This is probably the best I have ever seen for a panel this size in staying to the five-minute rule. Now if I can just get my colleagues to cooperate.

It has been fascinating testimony. You are largely in violent

agreement, which is really—a really nice thing to hear.

Lots of innovation going on. We want to be very supportive of that.

Mr. Jones mentioned IPEDS—Institutional Postsecondary Education Data System. I had to write that down to remember what the acronym was.

Dr. Pruitt, since we have determined that you are number one or near number one here, I assume that the majority of your students graduate and go on. Is that correct?

I know it is. That is a rhetorical question.

So the real question is, your official graduation rate is sort of nonexistent, right, because we are living—we have got an incredible system where you have to be a first-time, full-time freshman in order for this to count. Talk about the split between traditional, nontraditional, where we are today with contemporary, and where we were when these sorts of rules were written.

So I want to ask you then, Dr. Pruitt, is there a way to improve upon the data collected through this IPEDS system without significantly increasing the reporting burden on institutions?

Mr. PRUITT. Yes, Mr. Chairman. It is simply counting and track-

ing all of the people participating in the community.

It only counts first-time, full-time freshman. I have 20,000 students that, on average, transfer in 57 credits when they come to us. It doesn't count any of our students. Most adult students are totally excluded from the IPEDS rate.

To give you an example, too, about the issue of even calculating graduation rates. In my written testimony I gave you an example about a student that came in—transferred-in 120 credits, we evaluated the transcripts when the student graduated. Student was with us for 30 days.

So, what is the graduation rate on that? Was it 30 days or was it the 25 years that the student was working, satisfying the credits

to get the credit to satisfy the degree?

We need data because we make decisions that assume data that is faulty. So when we look at IPEDS—I would challenge you to say that you—we don't really know what the current condition is of American students in higher education because we don't have good, comprehensive data that actually tells you pictures. So to legislate based on IPEDS is a problem because the data is inherently flawed.

Chairman KLINE. Thank you. I think we probably all on this panel up here would agree that you need good data, and we know that this system is flawed. And in fact, with the example of your very successful school and the rule it just becomes absurd to look at that.

But we do want to be careful not to pile on more reporting requirements, because we have had testimony in this committee before where one of the witnesses brought in a stack about this big of three-ring binders that were just the table of contents for the federal regulations they have to report on.

Mr. Gilligan, just sort of continuing on this, what we do—discussion about what we do and what we, the federal government, federal policy requires, do you have some recommendations about

things that we should avoid putting in federal law?

Mr. GILLIGAN. Well, so we are an outcome-based institution and we believe strongly that institutions should be held accountable for their outcomes. We believe, though, that should apply to all institutions, and I think it is important that institutions are transparent about their outcomes.

But as we indicated, the student population in the United States is very diverse and it takes diverse models to serve that population. And so I think we have to be careful as we establish requirements that we don't fall into the trap of a one-size-fits-all, because I think that can lead to unintended consequences. So I think it is important to acknowledge in our measurement system the diversity of the models and the diversity of the student populations we serve.

Chairman KLINE. Thank you.

And then, Dr. Brooks, my time is sort of running out but I am interested to see that you have a whole pile of industry advisory boards—28 is the number, I think, out of your testimony. And so presumably you are interacting directly with these. Do you change your curriculum based on this? And if you do, does this happen every year or—I mean, what is the frequency of being able to upgrade your courses based on these advisory boards?

Mr. KEEL. Thank you, Mr. Chairman. That is a great question, and that is really the purpose of bringing in these advisory boards is to help us make sure that our curriculum is fresh, that it is actually providing these—these young people with the skill sets they are going to need when they graduate in many cases three or four

years down the road.

These advisory boards meet on a regular basis anywhere from monthly to quarterly. Our professors and the deans take input from these advisory boards and change their curriculum sometimes on the fly.

We also have these advisory board members in many cases come to our classes and interact with our students so that our students can see firsthand and ask the industry leaders firsthand, what is it that they are going to be looking for? What is it like to work in your industry? What am I going to have to be when I graduate in order for you to be competitive in this market?

So I think these advisory boards have been absolutely crucial in us having that type of state-of-the-art curriculum.

Chairman KLINE. Thank you. My time has expired.

Mr. MILLER. Thank you very much.

I will go back to my basic point, which is American students and families are borrowing something around \$140 billion a year to go to school, and the question is, how can they best navigate that playing field? I would also think that the testimony here today suggests that playing field is rapidly changing, including competencybased education not just at Capella but I think at other universities now are looking at—they have to do this—prior learning assessments.

I know there is great controversy over these assessments and whether they are really trustworthy and what have you or not, but the fact of the matter is many people have come back from the wars in the Middle East with great competencies and they are not

getting credit for that. We have to figure that out.

A common word in much of your testimony is "pathways." And so when I look at the problem of trying to—trying to get articulation agreements across old systems, you know, 30 units, 60 units, 90 units, graduation, what have you, that has been hard enough. At least in my state it has been very difficult to do, and I commend those of you who have advanced far beyond where the state of California is in these agreements.

But when I look at the new plans that the state—that our state college system is undertaking—state university system is undertaking, they are now including how do you—how are you going to measure the internships, how are you going to measure employment-based curriculums, how are you going to walk across these to get through those 60 units to get out of—get your A.A. degree, to get your—and I think that, you know, we have a fire and boat drill going here because we recognize the value of these alternatives to seat time, to credit hours and the rest of that, and I want to know how that is going to be done.

I mean, I see the total reevaluation that is taking place in our state college system and it is very exciting, and I think it is very student-friendly and very welcoming and allows a lot of additional players to come in and deliver competencies and information and curriculums to that system. But that sounds like one that is going to have a lot of rejection within the traditional institution, and that is my concern.

And, Mr. Jones, I appreciated everybody here is graduating all their students, but your statistics are just devastating. I don't care if we are just measuring first-time students. That is a hell of a lot of students, but if only 19 percent complete their degrees on time, that is money, that is time.

When I went to school it didn't make any difference because it didn't cost you any money and you had a lot of time. I was young.

But that is not today.

So I just would like to know how you think we best navigate this. And I guess I would throw in the other one is, when I look at some of the MOOCs and the online courses I also think that helps us in the other direction, which is from the freshman year of college back

into the high schools, in terms of preparation.

Remediation just isn't hard to do; it is almost a killer of college completion. And yet I talk to universities that, you know, are looking to use the Khan Academy to help with basic math. They think that is a much more—role. I don't know if college professors are going to accept the Khan Academy, you know, in terms of whether they will accept in an articulation agreement, but those are the things, to me, that we have to sort out and we have to do it in a rapid fashion, opening up all of the opportunities that you are bringing to your students with the changes in these delivery formats.

And I appreciate the comment, one from Capella and, Dr. Boughman, certainly from you, because Maryland has been a leader in this effort.

And, Mr. Jones, if there is time you can still tell us how we get above 19 percent.

Mr. Gilligan?

Mr. GILLIGAN. Comment, sir?

Mr. MILLER. Yes.

Mr. GILLIGAN. Yes. So I would say at Capella we share your passion for improving completion and improving affordability, and that is why we are so excited about the potential for competency-based learning and direct assessment.

And maybe an example might be helpful, because the question of what is the standard? How do we ensure that the competencies meet an acceptable standard?

So let's say we are talking about a nurse and this nurse might be responsible for using data and analytics to monitor patient care and improve patient outcomes. And let's say this nurse has 10 years of work experience doing that, and proficiency and mastery around that competency.

In a direct assessment program—let's say that nurse decides to go get her master's degree. If that is a requirement of that program, and that requirement would be set by our faculty, then she would have the ability to demonstrate quickly her competency and move through that part of the—

Mr. MILLER. If the receiving institution is prepared to do that. Capella is set up to do that. Not every other institution is.

Ms. Boughman?

Ms. BOUGHMAN. That is true that traditionally they may not be, but I would assure you that in this day and age our universities are working much more toward gathering of data, assessment of outcomes, and assessment of capabilities rather than just the seat credit hours.

One of the things that we do in Maryland is focus on the faculty getting together and actually talking about these things, and the professional programs are one of the drivers in this, that allow our faculty to understand and recognize the idea of competencies, such that moving from one program to another or one institution to another I think is going to become clearer and smoother as more data become available.

We remind our folks that for years the traditional academy has been accepting A.P. credit from high school. In fact, to work on competency-based outcomes from other institutions and other mechanisms is not at all unlike that; it is a matter of sitting down and determining what those competencies must be and then incorporating them into the curriculum and documenting the achievement of those.

Mr. MILLER. Thank you.

Chairman KLINE. Thank you.

Dr. Foxx?

Ms. Foxx. Thank you, Mr. Chairman. I appreciate all of our panel members for being here today, and I think this is a very exciting panel that we are having to bring up issues we have talked

about in several other hearings that we have had, and so I think this culmination, almost, of several other panels.

Having served as an assistant dean at Appalachian State University many years ago, I had the experience of helping students get competency-based credit, get credit for transfer courses. I began an

articulation program with our community colleges.

So it is true that these things have been done for a long, long time on an individual basis, on individual campuses, by individual deans, by individual chairmen. So this is not a new concept. However, it is important that we spread this concept more widely to benefit students.

And I want to commend the chairman for using the term "contemporary student," too. I love it that we have picked up on that term because I think it is really important that we do that.

Dr. Pruitt, in your testimony you mention the destructive and intrusive regulatory culture of the current administration, and we have heard that from a lot of witnesses again at our hearings. Would you give us a couple of examples of how these program integrity regulations or the rating systems would negatively affect your students? We heard very eloquently from your introducer that Edison is doing a great job, but would you like to say a couple of things about how this would affect you?

Mr. Pruitt. Yes. I would like to give two examples.

The most egregious one and the biggest problem that I think we face is the state authorization rules. If you had a student from a university in your state come and to be an intern with you for the summer, and one student lived in Maryland, one student lived in the District, one student lived in Virginia, the institution that those students were taking courses in would have to be licensed by Maryland, the District, and Virginia.

If you had a student that was at the University of Cincinnati but had an apartment across the river in Covington, Kentucky, and had to-was driving back to campus every day, commuting, but decided to take an online course, the University of Cincinnati would have to be licensed by the state of Kentucky. Western Governors University, I believe—and I think I am right—told me that for them to get licensed in all of the states that they were required to, it cost them over \$1 million. That is \$1 million in tuition that is going to go up, and I challenge anyone to tell me what the value is from having a college or university that has a student sitting in a living room taking a course for that institution to be licensed by that state.

I believe that states ought to have a close look at what goes on within their borders. That is certainly important to protect the public interest. But to define that—we had a recent court case where there was a university in Georgia that had a billboard on the highway in Tennessee going into Georgia and the state of Tennessee was suggesting that they had to be licensed because they had a billboard. They settled that, but just think about the cost of trying to get regulated in-all the colleges and universities trying to get licensed in all 50 states.

The credit-hour rule that ties things to seat time. I went to the University of Illinois and I took a 5-hour analytical course. I was in class for 15 hours, or two 5-hour labs and three lecture halls. According to that logic, the University of Illinois owes me eight credits. Well, of course they don't. It is the measure of stuff that is credit hour.

The strategy comes to deploy how you satisfy the stuff so the seat time follows the stuff. This rule inverts that. You could have a good argument that the federal government should not be supplanting the judgment of faculties about how much a credit hour should work, but even if you lose that argument, the one they came up with was about the worst one that they could—you could find.

So I could go on for others, but I know that time is precious. Ms. Foxx. Thank you. I appreciate that.

Mr. Moldoff, I just want to make a comment about your GPS analogy. As a geographically challenged person, I really appreciate that. And I also think your comment about transfer tax is extremely important.

End my question with Dr. Keel. Can you tell us if your placement rate—employment rate of your graduates has increased and

are you getting very positive results from the employers?

Mr. KEEL. Yes, we are. And as you might imagine, collecting hard data on that is a very difficult task for all sorts of reasons

that I am sure my colleagues could speak to, as well.

I spoke with my engineering dean before I came here, as an example, and he has indicated to me he is not aware of any of his students at this point in time that have graduated that currently do not have a job or who are not in graduate school or we had just lost contact with. And it is, I think, because of this work-readiness approach that we are taking, especially in the engineering program that is the case. But that sort of approach is—we carry over to all the other disciplines, as well.

And again, coming back to the question that the chairman asked, tying how you graduate these individuals to what industry is truly—industry and business is truly looking for I think is going to be a real key to making sure that these young people are em-

ployed once they graduate.

Ms. Foxx. Thank you, Mr. Chairman.

Chairman KLINE. Gentlelady's time is expired.

Ms. Fudge?

Ms. FUDGE. Thank you very much, Mr. Chairman.

And thank you all for being here.

Ms. Boughman, have you had the opportunity to track data regarding students who start in your system but then transfer to pri-

vate or public schools outside of your system?

Ms. Boughman. Those tracks are very difficult to obtain. Our articulation system within the state does include our private institutions, as well, and we do know about those students that come from out of state into our institutions. But to follow up on students who leave our institutions to other states is extremely difficult to track, just as the employment rates for our graduates are difficult.

Ms. FUDGE. Okay, thank you. Further, let me just ask you, we find it very common, especially in my part of the country in Ohio and I am sure it happens every place—that students are grad-uating with both their high school diploma and, at the same time, an associate's degree from a community college, generally. How has this factored into the decisions that your system is making as it relates to programs such as your 2+2 transfer scholarship and enrollment in traditional 4-year institutions?

Ms. Boughman. The 2+2 program, once you have an associate's degree you have an associate's degree and then are eligible for any of the programs that would come into our 4-year institutions. And the combined high school and college work that you are talking about, either early college—we have several of these schools within our state. All of those are very active and all of those credits accumulate, just as any other credits would.

It is one of the really important points about our state being so focused on the P-20 pipeline and not just higher education alone. We are working very closely with the K-12 institutions to, in fact, streamline across the gap of high school to any higher education.

Ms. FUDGE. Thank you.

Dr. Pruitt, you indicate that most of your students come or transfer into your institution with approximately 57 credits. Can you tell me what percentage of the total credits they have the 57 makes up?

Mr. Pruitt. To graduate for a baccalaureate degree at Thomas Edison is 120 credits, so if they come in with 57 they are pretty much half-

Ms. Fudge. No, I am saying if they—let's say, for instance, I am transferring and you are saying you take 57. I might have 100. Do you take all 100 or is 57 a percentage of the total credits I have?

Mr. Pruitt. If they are college level, college relevant, and are relevant to the degree requirements of the institution, we accept all of them. There is no limit.

We have, in fact, had graduates that have come in, transferred the entire thing, and gotten a degree in 30 days after we have evaluated their record.

Ms. FUDGE. Thank you.

Dr. Keel, how does your university balance the need for workforce training and collegiate education to ensure that students can use the skills across different careers?

Mr. Keel. I am sorry, across different—

Ms. Fudge. Careers.

Mr. Keel.—careers. Yes. Again, it is sort of the culture at our university to try to help these students not only receive a quality education but to be able to apply that education across the board. I mentioned engineering; that is the most obvious example.

But we get the same input from business and other of our disciplines, as well. Arts, humanities, and the languages is another huge area for us that we feel fits into this sort of workforce-grant culture equally as well, for a variety of reasons. It helps these students obtain creative problem-solving skills, to think critically, and

have this innovative and creative spirit.

But there are a lot of disciplines that our young people are going to be prepared for that come from the arts and humanities. As an example, the digital media, film, and video game industry, which is a huge area of growth in the state of Georgia, is a great example of how a person might have a career opportunity to go into that industry but have their degree in the arts and humanities field. That individual is equally as employable, we think, as someone who comes from engineering.

So I think this workforce-ready approach not only can be, but should be, applied to all disciplines.

Ms. FUDGE. Thank you.

Yes, go ahead—

Ms. Boughman. Could I add something? Thank you very much. Every degree program at our 12 institutions is reviewed every six years in the University System of Maryland, and one of the things we look at for every new program that is being proposed and at every review is the—putting in place of an advisory board that includes people from the private sector, recognizing that this connection is ever more important in preparing students for the workforce.

Ms. FUDGE. Thank you.

My time is running out. I just want to say that at some point I hope that we can find some way to really assess these kinds of programs. I know that you don't like collecting data and I know you don't like any of that, but at some point we have to assess these programs without using the traditional metrics that we have always used.

So thank you, and I yield back, Mr. Chairman.

Chairman KLINE. I thank the gentlelady.

Mr. Salmon?

Mr. SALMON. Thank you very much.

I am just curious if all of those of you on the panel are familiar with the gainful employment rule that is being proposed by the Department of Education. It has kind of gone through several different iterations, but I would like your thoughts on something I am

about to say.

We had a field hearing in Arizona, and all three of our state's institutions—higher learning institutions—Arizona State University, University of Arizona, and NAU—were present, and the question that was posed to them was if they were familiar with that rule, and if so, did they support the gainful employment rule being used for not-for-profit universities and public universities, as well. And across the board they said basically what is fit for the goose is fit for the gander. Students at all higher learning institutions have the same—they are all equally important and we should care for them equally so.

And I am very interested in your thoughts. Would you support if we adopt the gainful employment rule for for-profit universities, don't you think it would be fair to make it across the board for all

universities and all higher learning institutions?

I will start with you, Dr. Pruitt.

Mr. PRUITT. The only response I would have, Congressman, is that I want you to be cautioned. There are certain institutions that exist to train people for jobs, and then there are many that don't. And I would caution about vocationalizing higher education.

Twenty-seven percent of the people that have degrees are working in areas that relate to their undergraduate major; 73 percent of us don't. It is true that high-capacity people outperform low-capacity people and higher education generates capacity.

I worry about making an 18-year-old decide what he or she is going to do for the rest of their life. There are certain areas where it is appropriate, and if I am an institution that says, "Come here,

because if you come here you will get a job and you will get a job in these areas," it is valid and reasonable to know what the track record is and to provide that data back to the person who wants to come there.

But when you start taking that concept and generalizing it to traditional higher education, or even proprietary higher education, I get a little worried about what it says to higher—says about what higher education is for.

Mr. Salmon. Dr. Pruitt, I completely agree with you. I think it

is a very, very slippery slope.

I guess my point was not, "Is it a good idea to enforce the rule," because I am not sure it is. I think it is one of those rules that may be a penny wise and a pound foolish. But if it is going to be instituted for for-profit universities then it—I think it is fair to say that it ought to be installed across the board and there ought to be transparency for public universities, as well.

Mr. Keel, again, what are your thoughts?

Mr. KEEL. Yes, sir. So I agree with your contention. I think if we are going to have those measures, all institutions should be held accountable and should be transparent. And because gainful employment only speaks to the proprietary sector, it will take Congress acting in order to change that, so I would like to see this issue discussed as part of the reauthorization.

Mr. SALMON. I am going to move on. I would love your other

thoughts. Maybe you can submit them in writing.

But the other question I have is that I have introduced a piece of legislation—it is a bipartisan piece of legislation called the Advancing Competency-Based Education Demonstration Project Act of 2013. I introduced that last September.

I thank the chairman for his support of this legislation and his

leadership on the Higher Education Reauthorization Act.

My bill simply makes it simply easier for schools implementing a competency-based program to craft an education experience that would cater to the individual learning needs of the student. Let's break outside the box.

Not enough kids are going on and getting their baccalaureate degrees, and the cost of education has gotten so out of touch with a lot of people, so shouldn't we be making it easier and not harder? And doesn't it make sense that using somebody's world experiences, life experiences, whether it is in the military, or nursing, or wherever that may be, isn't the end goal to make sure that they actually have a product that actually—you know, that means something in their life going forward?

Would this kind of a policy be useful, Mr. Gilligan, to, you know, your institution? And would it ease the statutory regulatory friction

around offering direct assessment programs?

Mr. GILLIGAN. Yes, sir. So I am familiar with the bill and we support it. I think it would not only be good for Capella, but I think it would be good for any institution of higher education looking to develop competency-based direct assessment programs.

There are still a lot of questions and issues to be figured out and there are statutory and regulatory barriers to be overcome, and we—at a demonstration project, we would create an environment where I think that institutions could be safely experimenting out

of the box, at the same time safeguarding student interests.

The other importance of a demonstration project is I think the data that would come out of that could help inform future policy, in particular with regard to the reauthorization. So we support your—

Chairman KLINE. The gentleman's time has expired.

Ms. Bonamici?

Ms. Bonamici. Thank you very much, Mr. Chairman. I am very glad we are having this hearing today. I have some personal experience in that I started my college education at a community college and then back before the days of online portals was still able to transfer as many credits as I needed to be able to complete a 4-year degree in 4 years.

So this is a really important discussion that we are having. I think my experience helps me understand what students are going

through.

I was also proud to be in our state legislature when in Oregon we passed the Transfer Student Bill of Rights and Responsibilities.

So I want to ask a series of questions.

Mr. Jones, I am going to start with you. There was a suggestion here that we actually talk with colleges about these issues, and we have done that.

And I wanted to address the Ability-to-Benefit program. I appreciate that the President's budget would take some steps to restore Pell Grant eligibility for some students without high school diplomas.

Can you talk about whether enough is being done to help contemporary students returning from the workforce without high school diplomas across career pathways and postsecondary education?

Mr. Jones. Well, if you look at the graduation rates for adults—returning adults—and most of these students are coming back as part-time students, the graduation rates are very, very low—about 15 percent, community college or 4-year college. And students that go part time all the time, which are a lot of these adults, they are less than 10 percent.

And so for these returning adults, they really need to go into different kinds of programs that meet their needs—more certificate programs that have shorter-term objectives, more structured programs, and maybe programs that are more directed at the workforce. But if they come back to traditional universities and colleges, they won't be successful because the programs aren't designed for—

Ms. Bonamici. So do you think we should reinstate the Ability-

to-Benefit program?

Mr. Jones. I am not knowledgeable about—enough about that. I will tell you that those students, or even the students that have the ability to benefit, most all of those students are put into remedial programs that are highly unsuccessful.

Ms. Bonamici. Right.

Mr. Jones. And so there, too, if you were to expand or go back and let people without a high school diploma, you still need to change the system or—

Ms. Bonamici. Understood. Thank you.

Dr. Keel, thank you so much for your discussion about internships. I have seen a lot of benefits to students from internships.

Of course, many nonprofit organizations or government organizations have unpaid internships that create an equity issue for students. I actually have an Opportunities for Success Act to help level the playing field for Pell Grant-eligible students.

So have you found that internship opportunities tend to go to more fortunate students? And if so, does that create a barrier that

should be overcome?

Mr. KEEL. No, that certainly is a great question, and I think your—you actually hit it right on the head. I don't think it is without any doubt that many of the internship programs that are offered not only at our institution but at other institutions tend to favor those students that have the financial wherewithal to be able to afford to do an internship, most especially if they are located away from their own home campus environment. I think the same can be said for co-ops, although co-ops typically tend to be with industry or the businesses that actually pay these students.

I think that most businesses and industries today are beginning to realize that if the purpose is to provide a student with an experience that is going to be directly related to that individual becoming employed, then industry is going to be more willing to provide sup-

port for internships and co-ops.

Ms. Bonamici. Exactly. Thank you very much.

And I want to stay with you but also bring in Dr. Boughman and perhaps some others and follow up on the conversation about contemporary students—there was a discussion about avoiding non-

credit classes and non-degree-related courses.

Dr. Pruitt just made a great point about do not vocationalize higher education, and I have to agree that perhaps not every student enters college knowing what he or she wants to do, and I think about, you know, all the stories we hear about somebody who thinks they want to be an accountant but then they take an astronomy class and then they discover a passion for science. I have actually cofounded a STEAM caucus to make sure that the arts are integrated into the STEM disciplines.

And, Dr. Keel, thank you for your comment about the importance

for innovation.

So can you talk a little bit about what happens with those students who don't know what they want to do when they enter? What services are provided to help guide them to get a well-rounded education and find their passion?

Dr. Boughman, we will start with you.

Ms. BOUGHMAN. Thank you very much for that question. One of the things that has happened in Maryland with the development of these pathways and the emphasis on pathways and degree plans is that it has bolstered our advising system at the university. We look at advising in a very different way. We engage with the student in a very different way than we did five years ago.

And it addresses exactly your point that a student can be put on a pathway toward a degree or an area of interest, but along the way they may be able to veer in another direction without losing certainly the general education credits and hopefully not credits

that would, in fact, go toward their degree.

Ms. Bonamici. Thank you. And unfortunately, my time is ex-

I yield back. Thanks, Mr. Chairman.

Chairman KLINE. Indeed. The gentlelady's time has expired.

Mrs. Brooks?

Mrs. Brooks. Thank you, Mr. Chairman.

And thank you all so very much for being here. This is a terrific

panel and terrific discussion.

I would like to talk a little bit and want to welcome a colleague from Indiana, Mr. Jones, to focus a little bit on remediation and ask you if you could explain a bit about Indiana's model. I am a Hoosier and actually served at Ivy Tech Community College, but I don't think we talk enough about remediation issues in all of our colleges and all of the programs, and I think it is a huge impediment, particularly for the contemporary student.

In what was called the Indianapolis Economic Club, the president of Ivy Tech had everyone in the audience take the math test for college entry, and all business leaders who were present—and there were several hundred people—had an abysmal pass rate answering the pass rates—or answering the math questions that are on the exams. And now we are asking adults to come back, who maybe did poorly in math—probably did do poorly in math in high school or grade school-and to try to get into college-level math or college-level English.

And I am curious first, if you could share what Indiana has done specifically in a fairly short period of time to increase remediation pass rates, but I am curious what your other institutions—because this is not an Indiana problem; this is a national problem that I

don't think we focus on enough.

Mr. Jones?

Mr. Jones. So yes, all the tests—there have been studies that one-third to one-half of students are misplaced because of the testing, and so that is why large numbers—actually, tests keep them in remediation. They don't allow them into college campusesclasses.

What Indiana has done, Ivy Tech has done—statewide scaling they are one of seven states that are putting this new model, corequisite, where students are taking the courses with support rather than taking remedial courses before, and they are showing these huge success rates: math going from 10 percent to 50 percent, English from 25 to 50 percent.

The math issue that you raised, what Indiana has already—also done and others are doing is that college algebra has been the de facto standard across the country. The only purpose for college al-

gebra is calculus.

If you are in tourism, if you are in psychology, you don't take calculus. And yet, all those students were being made to take college algebra. So a lot of colleges are rethinking this and putting students in statistics and quantitative reasoning that better match the programs that are in context.

And then the last thing that Ivy Tech is doing statewide are these very prescriptive guided pathways so there is a clear path to graduation for many of these students.

Mrs. Brooks. Thank you very much.

I am curious to hear from some other institutions what you are doing with respect to remediation, because I think this is a national problem.

Mr. Gilligan, how does Capella deal with it, and—

Mr. GILLIGAN. Yes, thank you. So I will start by reminding you that Capella serves working adults. Our average-age student is 40 years old and most of our students come in at the graduate level.

But we do have this challenge at the undergraduate level, and a typical undergraduate applicant is similar age, some college credits but never finished. And oftentimes they are a little bit rusty in terms of their academic skills.

So we require those applicants to go through an assessment process to identify their risk factors. Sometimes the risk factors are academic readiness; sometimes there are other risk factors we identify.

And what we are doing is using that data to create personalized on-boarding process for them, because our experience has been if learners are successful the first few quarters they will complete over time. Our greatest attrition is in the first four quarters, and we have seen some progress moving the needle through the use of those assessments and analytics in our course room.

Mrs. Brooks. Dr. Keel, just curious what you are doing?

Mr. KEEL. Yes. Thank you. And I hope you won't be asking us to take that math test today.

Georgia Southern is not—we do not offer remedial education. In fact, in our system we are not, basically not allowed to. That is the job, primarily, of the 2-year universities.

But what we have done is to offer a program that we call the Eagle Incentive Program. Our minimum criteria for admission is an SAT of 1010. We have a number of students that have SATs in the 950 to 1010 range that apply for us.

We offer them the opportunity to attend a semester in the summer at this Eagle Incentive Program. They take 8 credit hours during that summer term. Two are bona fide, full-blown, actual courses—4-credit courses. One is usually in a math area, one is usually in a English or literature or writing area, and a 2-credit seminar course that teaches them skills for studying, time management, and a variety of those things.

They are very small classes. We hand-pick faculty who are very good at helping those young people not only get them up to speed, but help their maturity level in terms of being successful on a

major college campus.

What we have found is that—and if those students obtain a 2.0—overall in those they are fully admitted in the fall as full-blown students and go ahead. What we have found is that 90 percent of the students that complete that summer program and maintain that 2.0 are going to be successful and will actually graduate. It is a very, very good program.

Now, the problem is—scaling that up is, of course, the problem. But it has been very, very successful in allowing us to help young people that need a little bit of help without stigmatizing them by

putting them in a remedial program.

Mrs. Brooks. Thank you.

My time is up, and I certainly hope that we deal with remediation as we talk about higher ed reauthorization. And I yield back.

Chairman KLINE. I thank the gentlelady.

Mr. Scott?

Mr. Scott. Thank you, Mr. Chairman.

Dr. Keel, you are president of a 4-year on-campus university. Just generally, what is the value now of a 4-year, on-campus education?

Mr. KEEL. Well I think that—it depends on how you would consider value. Of course, I would think the value of a 4-year education is every bit as important now as it ever has been, and per-

haps more so.

What we are finding in many cases, especially if you look at industries—and manufacturing is a good example for that—what we are being told by many of the manufacturing concerns is that they are looking now for 4-year-educated individuals because of the skill set that they are finding these—that they needed for their employees goes well beyond what just a 2-year program can offer. The opportunity to be able to have a deeper knowledge of the discipline, to be able to convert not only the study but put that into practice really requires that 4-year degree, so I think it is critically important.

Now how we make that 4-year degree available to all types of individuals I think is really the key.

Mr. Scott. Well, I was at a meeting earlier today where they talked about college costs going up and mentioned that University of Missouri in inflation-adjusted dollars in 1983 was less than \$2,600; now it is over \$9,000. University of New Hampshire, less than \$5,000; now it is over \$16,000. University of Virginia, less than \$4,000; now over \$12,000.

If the 4-year, on-campus education is getting out of the range of what low-and moderate-income people can do, what does that do to

society and what does that do to education generally?

Mr. KEEL. No, that is certainly an outstanding question, Congressman, and one that we are all grappling with, no question. We could debate about why the cost of education has increased over those years, not the least of which is a decrease in state subsidy, which has placed a greater burden on families.

But also, I think that what many college students are themselves saying, we want in a full on-campus college experience—things that some people call the "amenities." I disagree with that term,

but it gets at the entire experience.

I could make the education at Georgia Southern very, very reasonable from a cost point of view, but my enrollment would plummet because the students wouldn't want to come to that sort of environment.

I think as a system—and the system at Georgia does, I think, a very good job of providing different types of on-campus opportunities for students, some of which are much less expensive, that don't have those types of amenities that a 4-year university like Georgia Southern would have. That coupled with a robust online program, which is not only available and used by nontraditional students, but in many cases what we are finding is that the traditional students tend to appreciate the online courses. If nothing else, it gives

them a chance to carry full-time jobs and be able to take the courses at a time when they are not having to work.

Mr. Scott. The budget that we are going to consider this week has significant cuts in Pell Grants. Can you say a word about what

cutting Pell Grants would do to your student body?

Mr. Keel. It will have a devastating effect. Currently about onethird of our students are on Pell, and many, many more are on other types of loans and grants, and I think especially the population that are the most strapped from a financial point of view are going to be decimated by this.

Mr. Scott. What do you think about the idea of making more of a profit off of student loans, making the student loans more expen-

sive, and what would that do to your student body?

Mr. Keel. Because so many of our students are on student loans I think it is also going to have a significant effect on their ability to be able to have a higher—a 4-year education.

Mr. Scott. Thank you.

Dr. Pruitt, you answered the question on gainful employment. One of the problems I have with that calculation is it doesn't give any consideration to the admissions. If you had a second-chance program, if half of them got a job that would be a miracle. If you had a—for people convicted of felonies. If you have an Ivy League college, if all of them don't get jobs after four years whether they went to class or not, they ought to be ashamed of themselves.

Can you say a word about what gainful employment—how gainful employment calculations are affected by the admissions rather

than the quality of the education?

Mr. PRUITT. Congressman, I am going to defer on that because the nature of my institution is so different it hasn't been a factor for us. Again, the average age of our student body is around 40; pretty much all of our students are fully employed when they come to us; they are, in fact, mid-career people. They are really not coming to us because they are coming here to get employment, and so I personally haven't been invested in that, as some of my colleagues have, so that is why I would rather defer to someone that is more in line about it.

Chairman Kline. Gentleman's time has expired.

Dr. Bucshon?

Mr. Bucshon. Thank you, Mr. Chairman.

Ms. Boughman, you made a comment during one of the questions that one of the members had and you said that the-and I am paraphrasing—that the employment record of your graduates is

difficult to track. Can you tell us why?

Ms. Boughman. Once the students leave our institutions, to follow them post-institution—we have 28,000-plus. We are increasing our graduation, 28,000 degrees a year. And to follow our 155,000 students post-graduation is-there are no databases that really transfer that information.

So we can do surveys, and we do do surveys, but we also know that those have the same biases that many other kinds of surveys do on who responds to those.

Mr. Bucshon. Do you think that would be different, for example, for a small, for-profit university? Do you think that they have any better chance of tracking their graduates than you might?

Ms. Boughman. I am sure that some institutions might be better than others. Even within our system I know that our institutions are better at tracking their students beyond graduations. Some of our smaller institutions that have some of the internship-type programs that have been mentioned here, and the jobs actually flow out of those contacts and the internships, maintain information about those, and so their alumni databases are enriched by that contact and—

Mr. Bucshon. So that is a yes or a no. Do you think they are

going to have any better chance of tracking-

Ms. Boughman. I think they might have a better chance, yes.

Mr. BUCSHON. Because with the gainful employment—and I have said this to my public universities in Indiana when they have come to me—be careful what you wish for, because as the comments of Congressman Salmon said, this will be looked through the lens of all universities at some point. It is a slippery slope.

Have you made any—has anyone made any comments to the Department of Education or to the administration about the current proposed rule? The comment period is still open till May. Have any

of you sent in comments about the proposed regulation?

Ms. Boughman. Some of our individual institutions have made comments and our chancellor, Brit Kirwan, has been involved in several committees that are advising on several aspects of the

Higher Education Reauthorization Act.

Mr. Bucshon. Because I would implore public universities for sure to comment on the difficulty in tracking your graduates, because this is something I am very concerned about. Look, I want everyone to get a job when they get out of school, and I want people's eyes to be open when they go into a university or a—whether it is a nonprofit or a for-profit, about what their chances are to become employed if they get a certain type of education.

But to a certain extent, and some of your comments today every-body has made, you know, there is some degree of personal responsibility on the individual that comes along with that, and all of you are working very hard to make sure your students all are employed and graduate. But personal responsibility, starting really in grade school and high school, as getting students to understand that they have to take the bull by the horns, so to speak, themselves, and no matter what you all do you may not be able to straighten that

But on the gainful employment side, I would just implore everybody to look at—through the lens of this may very well be applicable to every type of higher education in our country at some point, and that, you know, the current tack of applying this only to forprofit universities because some people in town here don't like forprofit universities is something that is a very slippery slope.

And from what everyone has—from what you have said, acquiring data on graduation rates is very difficult not—I mean, on employment rates—is extremely difficult, and to put something in place that may require people to comply with a regulation where the data isn't there to assess their ability to apply is dangerous.

So with that, Mr. Chairman, I yield back. Chairman KLINE. I thank the gentleman. Mr. Polis?

Mr. Polis. Thank you, Mr. Chairman. I am thrilled that the committee has called this important hearing to highlight commonsense policies and trends in higher education that have the opportunity to increase access and decrease costs at a time when a college education is more important than ever for young people to have the tools to compete in an increasingly global economy.

I was proud to join Ranking Member Miller's Transferring Credits for College Completion Act as an original cosponsor, which helps standardize articulation agreements and general education policies and that will help ensure that students can transfer between lower-cost 2-year and higher-cost 4-year institutions and ensure

that their credits will go with them.

I have been proud of my own home state of Colorado in this regard. Through Colorado's Guaranteed Transfer Pathways program all of our public institutions agree to offer and honor a 31-credit hour general education curriculum, and I often encourage families and high school juniors and seniors to look at community college, both through dual enrollment as well as for the first couple years as a way of reducing costs, and in many cases even improving quality with the increased personalization that community colleges can often provide.

I want to talk a little bit about online education, and specifically competency-based education, which I feel also holds great opportunity to increase access and affordability. I represent the district that is the base of Colorado State University's global campus, which is really demonstrating that even state public universities are able to successfully offer online programs in the marketplace.

It is a competency-based program which has also contributed to the environment for the students who are on campus. But it is currently hamstrung because universities like CSU Global, they do adhere to existing higher education structure, which limits the schedules in which students can enroll and when students receive financial aid simply because it is the way we have always done it. Never heard a good argument as to why it should be done that way other than it is the way that it should always be done.

I was very proud to introduce a competency-based education demonstration project, along with Representative Brooks and Representative Salmon, which allows institutions to waiver regulations in a controlled way and allow Congress and the general public to

learn more about these opportunities.

I wanted to ask Mr. Gilligan how the ability to offer direct assessment allows students more flexibility and how a competencybased demonstration program that systematically allows institutions like yours to waive certain regulations, such as credit-hour definitions, helps reduce costs and also helps other institutions rep-

licate your success.

Mr. GILLIGAN. Yes, sir. So I would say the credit-hour system basically fixes time but learning is variable, where a competencybased direct assessment model fixes learning and time is variable. So for those adults who we serve that bring real-world experience and competencies into the course room, it is more flexible because, one, they can go faster, which speeds time to completion, and in our case our FlexPath program is a subscription model, so that allows adults to consume as much higher education under that subscription model in a quarter as possible, and we have, in our first few quarters, many examples where adults have moved much faster through their courses than they would in a-

Mr. Polis. And does that help reduce cost to them?

Mr. GILLIGAN. Significantly. Exactly. Reduces cost in some cases

as much as 50 percent.

Mr. Polis. What barriers—policy barriers—do the rest of the panel see with regard to allowing both our public and private institutions to experiment with competency-based education to improve quality and reduce costs?

Yes, Dr. Pruitt? And then we will go to Dr. Keel.

Mr. Pruitt. Congressman, the problem we currently have is with the demonstration project the student has to take 100 percent of their work into the program, and that knocked us out of it because our students pick and choose, and very few students do 100 percent of anything. So if we were allowed for the students to choose that part of their work they wanted to do for a competency-based mode we would participate and a lot of other colleges and universities would, as well.

Mr. Polis. Thank you. Dr. Keel?

Mr. Keel. I think, to be honest, that one of our biggest challenges is it is not the way we have always done things, you know, and the traditional aspects of a 4-year university such as ours and the way that our faculty view progression. However, I must tell you that our system is beginning to take a very serious look at this and we already are seeing how we can put those sort of things in place.

I think the MOOCs—the massively open online courses—and the students will bring to you and say, "I have taken this course, now let me prove to you that I have mastered these skills," is basically saying the same sort of thing. So I think those sort of new, innovative ways of providing education to students who want to help break down some of these traditional barriers.

Mr. Polis. With that, Mr. Jones, final comment?

Mr. Jones. Western Governors University was designed as competency-based, and that is really the point. Whole programs have to be competency-based to be effective, but it is really hard to mix the two.

The other example I will give you that is highly successful is Indiana Wesleyan is now in three states, 18 sites, serving adults. I asked them how long their seat time was. It is half as much as those in public. And I asked them why, they said competency-

Mr. Polis. And I think we are running out of time, but I would argue that they should be rewarded rather than penalized if they are able to get twice the learning in half the seat time.

And I yield back.

Chairman Kline. The gentleman's time has expired.

Dr. DesJarlais?

Mr. DesJarlais. I would like to thank the chairman for holding this important hearing on keeping college within reach, and certainly would like to thank our witnesses for sharing your testimony with us today.

With the traditional student quickly being supplanted by older workers pursuing better skills to help provide for their families, the one-size-fits-all approach to higher education seems to be more outof-date than ever. And all around the country, including in my district, colleges are pursuing innovative strategies that partner with local industry to match student skills and employer needs. One example in Tennessee's 4th district is Motlow College, teaming with companies like Bridgestone and Nissan to provide a mechatronics program, which is allowing students at the high school level to get into programs and have good-paying jobs, and they are having almost 100 percent placement rate.

Dr. Keel, I wanted to visit with you a little bit today. First I wanted to let you know that I am the beneficiary of one of your alumni in my office. Robert Jameson is our communications direc-

tor and has been for three years, so we thank you for that.

In your testimony you referenced Georgia Southern University's Worker-Readiness Education Loan program. Can you explain the university's involvement with local businesses in the creation of this program and the benefits you see offering this to the students?

Mr. Keel. Yes. Thank you. We have just begun to have conversations with business and industry about how this sort of program

might benefit not only our students but certainly business.

And the concept here is to get an industry or business to become engaged with the student at their very first year during their college experience. And as the student progresses through, not only does the interaction between the student and the business become more intense, but the investment that industry makes in that student becomes more intense so that by the time the student becomes a junior they get a full-ride scholarship-a loan, if you will, provided by that industry, coupled with the very active co-op program so that the student spends a significant amount of time at that particular job site.

This serves a lot of purposes. One, it really helps the student know what it is going to be like to work in that particular job site and that particular industry and that particular community, give them a chance to know what it is really going to be like to live

By investing in these students in the early stage and by that investment ramping up, it will give them a chance to better train that student in what the culture is going to be like once the student graduates. That student will graduate and then complete a 1to 3-year commitment with that particular industry, that would loan or that scholarship would be forgiven. It would truly become

a scholarship at that point.

We all know industry spends hundreds of thousands of dollars during the first year of hiring a new individual only to have that individual quit and move to some other location not only because they didn't particularly like working in that industry, they just didn't like living in that community. And so by having this sort of loan program coupled with very active co-ops, it will give students a chance to know what it is like to live in the community, work in the industry, and if they stay with that industry, have an opportunity to have their—basically their tuition and their fees paid for.

Mr. DESJARLAIS. All right. That sounds like a great program.

Another issue facing the higher education community is the relationship between 2-year and technical colleges and 4-year institu-

Dr. Keel, what role does Georgia Southern University play in the

transfer of credits from 2-year and technical colleges?

Mr. KEEL. No, I appreciate that question very much. We in the state of Georgia, I think, have a distinct advantage over some other states, perhaps, in that all of the 2-year and 4-year universities are within the same system. So we have a very definite program in place that mandates that a 4-year institution accept a student coming from a 2-year institution with 30 hours if they have maintained a 2.0 GPA, so we already have that program in place and it works

We also have the chance for reverse transfer opportunities for a student that may come to Georgia Southern initially as a freshman but, for a variety of reasons, discover that they don't need a 4-year degree. We can now send them to a 2-year university so they can get their associate degree at that point in time and have a real credential they can take with them to prove—and give them something for the amount of time that they spent.

But in addition to that, the technical college system in Georgia is truly a different system, and our two system leaders, our chancellor and the commissioner for the technical college system, have come together for this whole Complete College Georgia process that I mentioned, and we have very active articulation agreements with the technical colleges. Georgia Southern, for example, now has an articulation agreement with Savannah Technical College in logistics, where those students can get their associate degree at Savannah Tech and transfer all of those credits directly to Georgia Southern and seamlessly go right into either a B.S. Degree in Logistics all the way to the Ph.D. if they so desire. We have got other articulation agreements with other technical colleges, as well.

So it works very, very well. You just have to have institutions and leadership willing to make that happen.

Mr. DESJARLAIS. Well, thank you.

Yes?

Ms. Boughman. Yes. I would simply say that to have these broad-based articulation systems in place like we do in Maryland not only allows for the transfer of credit from the more traditional institutions, but as we move forward with these new, innovative kinds of competency-based educations, it will provide the initial framework for which the faculty from the institutions can converse and, in fact, determine ways that those competency-based credits can transfer, as well.

Chairman KLINE. The gentleman's time has expired.

Ms. Hinojosa?

Mr. HINOJOSA. Chairman Kline and Ranking Member Miller, thank you. Thank you for holding this interesting hearing to discuss ways in which this committee can best meet the needs of contemporary students.

I believe that our federal policy must be responsive to our nation's changing demographics, including better support for a college education for veterans, students of color, first-generation college students, online-learners, and adults who are retraining for new careers, as we have been listening this morning.

My first question is for Mr. Gilligan.

In your written testimony you said purchasing specific books and materials is not required for most courses, but that there are recommended textbooks. Does Capella Education Company make an effort to seek out and to catalogue open education resources, such as free open source textbooks being written by professors and students at Rice University in Texas?

Mr. GILLIGAN. So I can't speak specifically to Rice University. I can tell you that in our direct assessment model we are agnostic as to the source of learning and we encourage our learners to access content wherever it is appropriate and aligned with the curriculum, and then our faculty are engaged in assessing the demonstration of competencies that our learners submit.

Mr. HINOJOSA. You might take a look at what I asked you on the work being done at Rice University because they came here and we had a hearing and they piqued my interest so I went to visit them, and it is amazing at how that is moving

and it is amazing at how that is moving. So let me move to Dr. Boughman.

I want to say that I like your university. I have staff members who have graduated from there and I am an original cosponsor of H.R. 4348, the Transferring Credits for College Completion Act of 2014. And I am interested in learning from you how your articulation system works.

Ms. BOUGHMAN. Well, I could spend another few minutes on that, but I would like to comment first on the open source—

Mr. HINOJOSA. Yes, please do.

Ms. Boughman. Yes. We have two initiatives in our system—one that is directly driven by the students, as a matter of fact. We have a test bed going on right now. We believe that this semester we will save \$166,000 for students in just 11 courses. And our University of Maryland University College, by the year 2016, will have totally open-source materials for their students so there will be no textbook costs.

On the ARTSYS, the articulation system, it provides a wide variety. You can do a course by course articulation. You can go in and find if any course—there are over 200,000 courses—you can find out from which colleges they would transfer from and to and what kind of credit would be available. It also allows for students to investigate pathways and the best way to go from a 2-year to a 4-year or from one 4-year to another 4-year institution without losing credit.

Mr. HINOJOSA. Does your articulation specify how the course equivalencies are determined and how is the system kept current?

Ms. Boughman. The course equivalencies are determined by the faculty on the campuses, and this is a key factor in the University of Maryland System articulation system and our work with the other institutions. Our faculty are consistently and constantly involved in evaluating and reevaluating courses as they come forward, which is one of the primary reasons that this works. The faculty drive and are in control of the content and accepting of those courses.

Mr. HINOJOSA. Thank you.

Ms. BOUGHMAN. Thank you.

Mr. HINOJOSA. Mr. Jones, I strongly believe that our nation cannot meet its college completion goals without graduating greater numbers of Latinos, students of color, and low-income college students. Can you share your views on what states and institutions can do to help these student populations succeed and graduate from college? And can you also speak specifically to the issues of articulation and transfer agreements that I asked Dr. Boughman?

Mr. Jones. [Off mike.]

Mr. HINOJOSA. Can you see if your microphone is turned on?

Mr. Jones. Sir, yes. You are absolutely right about the changing demographics. And as I said in my opening, we are doing a better job of attracting Hispanics and African Americans to go to college, but we are losing them in remedial classes and along the way, and their graduation rates are much lower than they are for white students.

There are a few colleges—for example, Georgia State University in Atlanta—their Hispanic, African American, and white rate is exactly the same; same is true with Florida State University, and they have done that with pretty clear pathways, academic maps semester by semester, fixing a remedial problem and having what they call intrusive advising.

Chairman KLINE. Gentleman's time has expired.

Mrs. Davis?

Mrs. DAVIS. Thank you, Mr. Chairman. And thanks to all of you for being here.

I wanted to shift for a second to our veterans who are attending schools at great numbers across the country. Do all of you have experience with that?

Yes?

Ms. BOUGHMAN. Yes, ma'am. In Maryland we have a veterans center at every one of our institutions—

Mrs. Davis. Yes. Okay.

Ms. Boughman.—and University College is especially well-known for its—

Mrs. Davis. Thank you. And I think we have a number of centers around the country and I am—had a chance to visit some and they are doing a good job. I mean, they are helping to integrate—my question is more about the way that we can take—the American Council on Education has basically come up with a military guide so that those skills and competencies that our enlisted people have that they are learning through their enlistment can be credited.

How would you incorporate that into the reauthorization of the Higher Ed Act?

Ms. Boughman. Currently in the—

Mrs. Davis. Do you think there is a role for that?

Ms. Boughman. Currently in the state of Maryland we have work groups that are focused directly on defining pathways and defining cores of competencies that our veterans do come home with. And in fact, we will be able to smooth those and insert those into our articulation system.

But once again, it is the engagement and face-to-face conversations about the realities of the competencies that are brought home, not just a few sentences describing the experience of the veteran.

Mrs. DAVIS. Right. I guess what I am asking is if we can perfect that, do you see a sort of universality to that? Because, you know, our kids are basically developing those competencies, they are using them everywhere, and there shouldn't be a great difference, I think, between schools and how they accept those competencies.

Ms. Boughman. I would suggest that we do a fairly good job—we could always do better—about sharing best practices among our institutions. And I would actually like to turn to Mr. Jones and Complete College America and its umbrella focus on these kinds of things and its emphasis on bringing best practices to bear nationwide.

Mr. Jones. Yes. If I can speak very quickly, that is what we do. We identify best practices in states, like what you just did, and then we—with the 33 states that we work with, we share those best practices. So I would be happy to follow up with you to learn more about that.

But I also want to point out that veteran graduation rates is also something that IPEDS doesn't count, and so we don't know whether these students graduate. And I would humbly suggest to Chairman Kline that I agree with his point about not adding additional requirements, but there could be some tradeoffs—what do we need to collect in 2014 as compared to what we needed to collect before? And we need to know if veterans graduate.

Mrs. Davis. Do you think, is there—and I see Dr. Pruitt is ready to jump in—should there—these are recommendations. I think what I am looking for, should there be some kind of a requirement, something, particularly because these kids are on their—the G.I. bill particularly, we know there have been some issues around whether or not they are actually getting, you know, the bang for the buck.

Should there be some role here as we develop the reauthorization that either—will hold schools accountable? And it is difficult in terms of what they do afterwards. I agree. I know that that is difficult.

However, you know, we ought to be able to find some way so that employment matters after kids leave school.

Dr. Pruitt?

Mr. PRUITT. Congresswoman, I would say two things: One, as a general rule, I would ask that you not compel us to do something that we are committed to doing anyway. We believe in this. There isn't a college or university president I have ever met that wasn't committed to our veterans.

We are the most veteran-friendly school in New Jersey. We enroll more veterans than the rest of public higher education combined.

But I want to take this opportunity to talk to you about an important disincentive. If you are a veteran and you go to a community college, if you go to a residential college, your housing allowance is counted as an expense and cost of doing government—I mean, cost of expense of going to—getting an education. If you come to my institution, housing is disallowed as a cost.

So the most veteran-friendly college in New Jersey that is the lowest cost and most efficient, if you are a veteran if you come to my institution, you get penalized for coming to us, where if you go to a community college you get rewarded by having your housing cost allowed. I question the logic and the reasonability of that.

It gets back to the theme about our regulatory environment and what it is incentivizing, what is it punishing. We get regularly punished because we are good at what we do in serving the people that you want us to serve.

So yes, I do think that things like that we really do need to fix and clean up.

Mrs. Davis. Yes.

Mr. PRUITT. Our veterans come to us in spite of the fact that they get punished because of the quality of the experience they get.

Mrs. Davis. I appreciate that. And I think that what we want to be certain is that students aren't necessarily sent back to community colleges if, in fact, with assistance and with kind of the concurrent remediation that may in fact be needed, they can do that.

And my time is up. I wanted to go on, but thank you all for being here.

Chairman KLINE. I thank the gentlelady. Indeed, her time has expired.

Mr. Messer?

Mr. MESSER. Thank you, Mr. Chairman. Thank you for this important hearing. I am sorry I have had to be in and out; I am also in the Budget Committee markup today, as well.

I wanted to talk a little bit—follow up on the chairman's earlier comments when I was here about data and the importance of data in driving reform. It is important for consumers to know what they are getting into, but it is also important as policymakers to help

us understand where we can best make changes.

You know, I saw in Indiana, probably of all the reforms we made at the high school level in graduation rates were the reforms that accurately calculated graduation rates. You know, prior to that change over the last 6 or 8 years all across America we thought we were graduating 80 or 90 percent of our kids; turns out we weren't, and once we started to count accurately, reform followed that.

And so I wondered if anybody on the panel would like to comment a little bit about the importance of accurate data in helping drive the right kinds of outcomes.

Sura

Mr. Jones. So yes, and we collect data from 30 states, primarily because IPEDS doesn't collect some of this data. Like IPEDS does not collect remediation data, it doesn't collect how many credits it takes to graduate. For example, students that should be getting 60 credits for an associate degree, they get 85. It takes about 140 credits rather than 120.

And so all these pieces are missing, and I think you are right, it is consumer-friendly information. It is also what policymakers need. And I would point out that maybe there can be some tradeoffs, some things we are currently collecting that are relics—

Mr. MESSER. Could you give any examples of that? Because I do think the one sense on our committee is that, you know, we don't want to just pile on more reporting data. With the best of intentions over a period of many, many years people have been, you know, adding more and more, adding more and more.

I think the real answer is, get the right kind of data and try to get rid of some of the reporting that is not making a difference.

Yes, sir?

Mr. MOLDOFF. I guess I am really the only data guy up here from the standpoint of information, I think is what you are really asking about.

Mr. Messer. Yes.

Mr. Moldoff. I mean, the data itself across the 6,000 public institutions and higher education institutions, when you add it and you bring it all together, if you had the opportunity to do that, would all look like a big mess, because every single data system is unique to itself, representing the different types of institutions that are here.

So it is very difficult to take that and put it all into one big system and say, "Let's spit out some valuable information." So I think the challenge we have is agreeing on what is most important to measure, which goes back to when you look at competencies, whether it is CLEP, A.P. courses, any of it, it is what do you really want to measure.

And part of the problem we have is we build these systems from

the get-go without knowing what you want to measure.

Mr. MESSER. Isn't another part of the problem that we build it on a set of assumptions about what higher education is that aren't true anymore? It is not four homecomings and a backpack, and that is where most of our data systems build on.

Mr. MOLDOFF. Right. So the data itself is causing part of the problem. We are now fixed to that data and the systems that we have in place are antiquated.

Mr. Messer. Dr. Pruitt, you wanted to—

Mr. PRUITT. Yes. The assumptions underlying it are important. We assume that you go to school for four years, graduate, that is retention, that is right graduation, that is good. But if you look at adult students, the last time I looked at this—it has been a long time—the average time to completion for an adult student that was fairly vigilant about it was about 9 years.

What happens in the current data sets—and that is why I haven't talked about the rating system, but, you know, I mean, they haven't come out with the final metrics, but the reason I am so concerned about it is that we have the ability to mislead by the

data if we don't have the right assumptions under it.

One of the proposals that I heard was that we ought to measure the income of a student five years out of college. Well, that means we would only end up educating investment bankers; we would ignore teachers and nurses and all of—and everyone else.

But if you did that in New Jersey, the school that would have the highest income five years out of college would be Thomas Edison. Why? Because my students are 40 and 50 years old. They are

at the height of their earning.

So if you graduated from Princeton or NJIT or Stevens, five years out they are not going to come close to the earning of my students right now. To suggest that somehow we are a better school than those institutions because we would have better employment data would be ludicrous.

You will never get the right answer to the wrong question, and we still have a mindset that wants to be homogenous and apply a template for 18-to 22-year-old to these very diverse student—very diverse populations. And that is my big concern about them. We have horrible metrics now. We don't have information to document this stuff, and then we often make conclusions about it that aren't conforming to what the realities are on the ground.

Mr. GILLIGAN. Just a quick comment—I see time is running out—you know, maybe we need to change the conversation. Rather than collecting data for comparative purposes, maybe we should

collect data to improve outcomes.

Mr. Messer. Yes, I-

Mr. GILLIGAN. And I think that would help change decision-mak-

Mr. MESSER. Thank you, Mr. Chairman. I know my time is ex-

pired.

I think the last point is a very good one, which is just that we have had a system based on access. By that measure we have been wildly successful over the last several decades. We need to move towards a system driven by outcomes.

Thank you.

Chairman KLINE. Gentleman's time is expired.

Mr. Tierney?

Mr. TIERNEY. Thank you, Mr. Chairman.

Mr. Keel, I want to just start with a comment that you hit a point, I think, is very important in terms of people being able to afford college. We are trying to strengthen the middle class, we are trying to give families opportunity, then states just have to step up

to the plate.

And we put a maintenance of effort provision into the last Higher Education Opportunity Act for that very reason. You know, states, understandably under serious pressure budgetarily, have been ratcheting back higher education investments in the public education system. And when the budgets get good they put a little back in but they never seem quite to get where they were so over time it just keeps going down.

One of the answers about affordability and access certainly is to have the states get back in the game and do that, and I know-I believe we should keep that maintenance of effort provision in and perhaps toughen it up a little bit so that that happens, and I think that is critical. So thank you for bringing up that issue.

Competency-based education is kind of an interesting, exciting concept to look at and how we implement it. I am curious to know how that affects transfers. If somebody goes to an institution that gives a lot of credits for competency-based matters and then the student wants to transfer to a school that doesn't have that program, or vice-versa, what are we finding on that?

I see, Mr. Moldoff, you are nodding your head. You have some experience with that?

Mr. Moldoff. That is a very, very good question. And I think part of the problem we have is trust, and whether it is a community college doing the assessment and then being received by a 4year senior school, there has to be trust between the institutions who is doing the work. And that fabric of trust is—we have to know each other, and so it comes back to collaboration on—whether it is state-based, it is initiated in the collaboration. I think the stimulation that we have seen over the last decade is that there has been a lot of built-up new trust that is being built as a result of state systems getting together, working together, doing the hard legwork that is necessary.

Moving from the competency-based is still a transformation that takes some competency and they convert it back into course. So that process is eventually going to evaporate, but it is going to take time for us to remove that from the systems that are currently in

place.

Mr. TIERNEY. Well, I guess it always comes down to who sets the standards and who makes the assessments, right?

So, Dr.—is it Boughman or Boughman?

Ms. Boughman. I think Mr. Moldoff has hit the point. We are in a period of transition. But in fact, the receiving institution is going to have to make the decision about receipt and approval of that credit.

But sitting down and working together across institutions is the way that we are doing this, and in our system University of Maryland University College is leading the way on competency-based education but we are working closely together in developing the systems that will eventually allow such a transition within a computer-based system. But we really are on the front edge of this. The conversations are serious.

Mr. Tierney. I am sorry. I didn't mean to interrupt you.

But it seems easier to do within a system, like a state higher education system, than it is when you start mixing that with private for-profits, not-for-profits, and how do people go back and forth or one state to another. So what groups or entities would be work-

ing on that problem for those kinds of transfers?

Ms. Boughman. Well, in the state of Maryland we actually have the Segmental Advisory Council, which is the community colleges, the private career schools, the public system, the two public institutions not involved in USM and the independent colleges and universities, as well. And we all meet on a monthly basis to, in fact, initiate some of these questions and then determine work groups that can work together.

But our Maryland Higher Education Commission does aggregate those people and have serious conversations about that.

Mr. MILLER. Will the gentleman yield?

Mr. TIERNEY. Yes, I will yield.

Mr. MILLER.—On the competency issue, how do they do when they enter the more traditional system—

Mr. GILLIGAN. Yes, sir. I was going to comment on that.

So at Capella we have articulation agreements with over 200 community colleges for our credit-hour programs. We have invested, in addition to that, in creating equivalencies between our competencies and credit hours, so students transferring in with competencies we can translate, students transferring out we can translate, and that has to meet exactly the same standard as our

credit-hour transfer policies. I will say, it requires a significant amount of investment.

And by the way, one of the reasons we did this, besides serving students, is that federal financial aid is tied to the credit hour, so in order for direct assessment programs to be eligible for federal financial aid, we have to create these equivalencies, which create cost and administrative burden. So one of the things we hope can result from today's session, today's hearing, in our demonstration project is how can we think about decoupling or creating a separate financial aid system to support direct assessment programs?

Mr. TIERNEY. Or one that would do both but support it, as well. If I have enough time, my other question here was going to be, it is disturbing—one of my colleagues brought it up earlier—for the remedial situation. See students going in, taking remedial courses, using their Pell Grants to do that, and then sort of before they even get out with credit, having dissipated a lot of that money on that basis—should we be looking at our policy of when and how an institution gets reimbursed for those courses in order to drive them towards some of the more best—or the better best practices that make sure this doesn't happen?

Mr. Jones?

Mr. Jones. Yes, if I could, I think we—I think most states are starting to do that, put higher standards of progress in their state financial aid systems. But the real key is that, as Representative Miller said, these students run out of money before they graduate, some of them run out of money before they transfer, and so if you want to talk about affordability, a more timely progression toward graduation is key and when you get to HEA I think there are a number of incentives or directives that you might be able to put in HEA for more timely graduation.

Mr. TIERNEY. If I may, Mr. Chairman—so do you have those recommendations somewhere in writing that you could direct us toward, or is it something we should just get back to you on?

Mr. JONES. What we have are state policies, but happy to share those with you.

Mr. TIERNEY. Thank you.

Thank you.

Chairman KLINE. I thank the gentleman. That was an excellent follow-up question.

All members have had an opportunity to address the panel, so we are about to wrap up.

Before we do, I want to recognize Mr. Miller for any closing comments he may have.

Mr. MILLER. Thank you very much. Thank you so much. I think this has been very helpful panel to us as we think about the reauthorization.

Mr. Jones, I still can't reconcile everything I heard this morning and your third paragraph in your testimony. You said if you look at the numbers shows how serious the challenge is for our country: Only 4 percent of full-time students complete an associate's degree on time, and that is 2 academic years. And at non-flagship, 4-year institutions only 19 percent complete their degree on time.

And I understand that every student isn't coming there to run the traps over a 4-year period and it is neat and it is compact and that is the way it is. That is not true. These are still really kind of alarming figures, or am I not digging—are you digging too deep or we are not digging deep enough? Where is the mismatch here between a lot of the testimony today and these figures?

Mr. Jones. Clearly not everybody is going to graduate in four, not everybody is going to graduate in two. We understand that.

Mr. MILLER. I understand that.

Mr. Jones. These are full-time student numbers, and yes, they are alarmingly low, and yes—and that is why, as you pointed out, these students run out of money before they graduate. And so yes, I think it is something that—again, I hate to go back there, you know, data drives policy, and with a better data system at the state level, at the federal level, we could be more informed about these kinds of issues.

Mr. MILLER. I went and visited one of my state colleges and they used the—I think it is the circuits course from MIT. If you want to become an—if you want any engineering, whatever type, you have got to pass that course. And 70 percent of the students were failing it, and then 70 of the students that failed borrowed money, came back, and took it a second time because they wanted to be engineers.

They introduced the MOOC from MIT and 70 percent passed. And one of the things they discovered, which I think a lot of professors discover, is that after in a 75-minute lecture course after about 7–1/2 minutes you had more energy dreaming asleep than you would do in listening to the course. And so this was maybe a better

way to do this.

But these are the kinds of things we have to think about. I am not saying that would work for everybody or everybody wants to embrace that.

I would like to follow up with what Mr. Tierney said. I think that as we get to the HEA that we think about the incentives to start to change this, but I can't give up on this data because if nothing else, it may force some students to think as they set out on their plan, and, you know, we are reminded all the time in this committee from various witnesses that 80 percent of our students who are going to college are going there to get a job. We can think of all the other romantic reasons why they are going, but the recession had a big impact on families and students, okay, so that is where they are no matter what school they are going to, how elite or how close to home.

And I think we have to keep that in mind and we can't live with these figures. We can't live with it as taxpayers because we are not

getting a return on that money that we are putting out.

Mr. Jones. Well, I would just—and as we talked about remediation, as we talked—why we have students that could take 15 take 12, they are already on the 5-year plan, and so there are a number of these policies that in HEA you could put direction in, and we have had some states—Hawaii, for example, Utah, for example—adopt—I think we have 15 states working on 15 to finish, and so some of it is changing the culture of thinking about completing and not just thinking about getting them in the door. Most states have a 10-day count; they count you after the 10th day.

Mr. MILLER. I don't know if I am right or not, but I think a pretty definitive report on remediation sort of scorched this program about five or six years ago, which clearly said this is a major impediment to any notion of completion.

Mr. JONES. We put one out called, "Remediation: Bridge to Nowhere." The Community College Research Center continually docu-

ments the failure of remediation.

Mr. MILLER. Thank you.

Thank you very much for all of your contributions this morning. Chairman KLINE. I, too, want to thank the witnesses. It has been a fantastic panel.

A lot of innovation going on out there that is driven by competition in some cases, by need to survive in others, just by great, great minds putting great ideas together. We want to see that continue.

I mentioned in my opening comments this is the 14th in a series of hearings, some subcommittee hearings chaired by Mrs. Foxx, some full committee. But we are trying to do the best we can to understand this.

And my own idea, my own goal as we go and reauthorize the Higher Education Act is that we make sure we are not putting federal policy in the way of the advancements that you are making, and if it makes sense for us to put language in there that helps this kind of advancement.

And it is a tricky business here because we write a law based on a snapshot in time, and in these days a week later it has changed and we have already put it in law. So we just want to be really careful here.

I really appreciate the engagement of all my colleagues today as we have gone through this, and I want to thank all of you, coming from diverse institutions but with some terrific ideas and some terrific track records.

So again, thank you to the witnesses for being here today. That completing all our business, the committee is adjourned. [Whereupon, at 12:18 p.m., the committee was adjourned.]

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