



SHEEO

STATE HIGHER EDUCATION EXECUTIVE OFFICERS ASSOCIATION

ANNUAL REPORT

Fiscal Year 2019

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STATE HIGHER EDUCATION EXECUTIVE OFFICERS

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SHEEO's Year in Review

Fiscal Year 2019

This past year has been a productive and engaged year for the SHEEO staff. SHEEO has conducted highly successful iterations of long-standing efforts, including the Annual Meeting, Higher Education Policy Conference, and the *State Higher Education Finance* report. Also, the organization has benefitted from major grant funding for several new projects. These have allowed SHEEO staff to provide professional development and technical assistance to member agencies on topics such as engaging adult learners, effective use of state postsecondary data systems, and teacher preparation programs.

SHEEO Capacity Building

The Bill & Melinda Gates Foundation (BMGF) generously awarded SHEEO a capacity-building grant in the fall of 2017. This grant provided SHEEO with the opportunity to reevaluate its approach to fulfilling its mission within a changing national and state policy context. SHEEO engaged in a strategic evaluation and planning process to assess our current strategic plan, organizational structure, and direction; ensure effective service to our members; and develop a strategy for future action.

Among other positive outcomes, the capacity grant led to a new [SHEEO website](https://sheeo.org/) (<https://sheeo.org/>) and [strategic plan](https://sheeo.org/about/our-vision-priorities/) (<https://sheeo.org/about/our-vision-priorities/>). In developing the new strategic plan, we rearticulated our vision and mission statements.

Our new vision statement is:

“Together with its members, SHEEO will promote an environment that values higher education and its role in ensuring the equitable education of all Americans, regardless of race/ethnicity, gender, or socioeconomic factors.”

Our new mission statement is:

“We aim to achieve our vision by equipping state higher education executive officers and their staffs with the tools to effectively advance the value of higher education; promoting public policies and academic practices that enable Americans to achieve success in the 21st century; and serving as an advocate for state higher education leadership.”

The capacity building grant has helped SHEEO become a more proactive, nimble, and strategic organization that directly and positively impacts its members.

We were able to leverage the success of the capacity building grant to receive a supplemental capacity building grant from the BMGF. The supplemental provided funding for the SHEF expansion (discussed below), the leadership development program (discussed below), internal capacity building around budgeting and member management systems, and other technology needs.

Adult Promise Project

SHEEO continued work on the Adult Promise Project (a three year, \$750,000 Lumina-funded initiative running through 2019), providing technical assistance (TA) and support to states as they implement promise-type aid pilot programs for adult learners. In 2019 this grant expanded greatly, Lumina funded

an additional nine states into 2020. SHEEO is currently in talks with Lumina to secure our own funding to continue TA and support through 2020. With this expansion, Lumina is now funding the following states:

- Cohort One (through 2019):
 - Indiana
 - Maine
 - Minnesota
 - Oklahoma
 - Washington

- Cohort Two (through 2020):
 - Rhode Island
 - California
 - Hawaii
 - Idaho
 - Kentucky
 - North Carolina
 - Ohio
 - Oregon
 - Rhode Island

This is one of the largest grants Lumina has funded. With the direct funding for SHEEO and to 14 states, the grant totals over \$6 million over four years.

The first cohort of states started this work three years ago when the field was just beginning to focus on adult learners and adult reengagement. The second cohort had already accomplished some policy advances designed to serve adult learners (e.g., promise programs in place for non-traditional students, strong prior learning assessment policies). It is clear that the second cohort is learning and benefits from the experiences of the first cohort of states. This willingness of states to learn from one another is a key success for the project, and SHEEO will seek to ensure future projects function similarly.

Annual Meeting and Higher Education Policy Conference

The 65th SHEEO Annual Meeting was held in Park City, Utah, July 9-12, 2018, at the Park City Marriott. The meeting was attended by 111 participants, including 34 SHEEO members.

The 2018 SHEEO Higher Education Policy Conference was held in Denver, August 6-10, with the theme: State Policy Leadership: Advancing Access to the American Dream through Higher Education. Attendance increased considerably from 311 participants in 2017 to 358 participants in 2018. The SHEEO policy staff pursued an aggressive RFP process which attracted 110 proposals for sessions.

The meetings' combined revenues and expenses balanced out at \$14,075 for FY 2018.

Invitations for submitting proposals were distributed in January for the 2019 SHEEO Higher Education Policy Conference, which will be held at the Westin Boston Waterfront August 5-9. Proposal submitters were asked to emphasize the theme: Advancing the Value of Higher Education.

The 67th SHEEO Annual Meeting will be held in Boston, July 13-17, 2020, and the 2020 SHEEO Higher Education Policy Conference will be held in Indianapolis, August 3-6, 2020.

Communities of Practice and Strong Foundations

SHEEO continued work on its BMGF-funded Communities of Practice project in 2018-19. This multi-faceted project promotes the effective use of state postsecondary data systems and provides a forum for states to work on solutions to common issues with those systems. This year SHEEO held three Communities of Practice convenings, which gathered state teams and partner organizations to increase state postsecondary analytical capacity. The first and second of these addressed “Data Modeling and Visualization in Support of State Attainment Goals.” Teams from 15 states attended the first convening in Washington, DC in September. An additional 17 state teams participated in the Community of Practice in Denver in January. The third convening, “Developing Guided Pathways and Financial Aid Metrics in State Data Systems,” was held at the BMGF headquarters in Seattle in April, and included teams from 12 states. A total of 35 states have participated in the Communities of Practice over the two-year course of the project. In May, SHEEO released its updated report *Strong Foundations 2018: The State of Postsecondary Data Systems*.

Leadership Program

SHEEO received planning grants from Lumina Foundation and the BMGF to develop a leadership program currently referred to as “the Institutes.” The purpose of this project is to cultivate diverse state higher education leaders who can work across traditional boundaries to develop and implement effective public policy. As currently envisioned, the Institutes would function as a comprehensive cohort-based professional development program that consist of multiple in-person meetings over a 12-16-month period. The target participants would be in middle-level to executive-level (just below the SHEEO) positions in our member agencies. The inaugural meeting of the Institutes Advisory Group – comprised of 11 state and leading national thinkers in higher education – was held at the SHEEO offices in Boulder in March. SHEEO staff are currently developing a curriculum, structure, and funding model for the program.

Federal Relations

SHEEO has been very engaged in many critical national policy topics, serving as a thought leader and advocate for states. David Tandberg was invited to provide both written and oral testimony before the U.S. Senate Committee on Health, Education, Labor & Pensions (HELP). His testimony detailed higher education’s status of being a public good, the importance of the regulatory triad with a special focus on the state role (the triad consists of the federal government, accreditors, and states), and the need to ensure that our systems explicitly serve underrepresented students. Dr. Tandberg’s full testimony is available online at: https://sheeo.org/wp-content/uploads/2019/04/Tandberg_Senate_HELP-Committee.pdf.

This testimony followed invited testimony last year from president Anderson before the same committee addressing the issue of college affordability.

David Tandberg was also asked to provide a written response to Senators Doug Jones, Elizabeth Warren, Kamala Harris, and Catherine Cortez Masto’s Student Borrowers of Color Solicitation Letter https://sheeo.org/wp-content/uploads/2019/03/Tandberg_Response_to_Senators_2-15-19_0.pdf. In his response he focused on the inequities built into our higher education systems and specifically our finance systems and offered a number of potential solutions.

Given the partisan gridlock at the federal level, much of the recent policymaking has been happening through the regulatory process, and SHEEO has been a consistent leader in promoting state interests through rulemaking changes. In January, the U.S. Education Department (USED) began arguably its most ambitious negotiated rulemaking session ever. This negotiated rulemaking considered proposed regulations addressing issues related to accreditation, state authorization of institutions, distance education, TEACH grants, the credit hour, faith-based institutions, and other topics. Because of the number of topics being considered, USED included three subcommittees focused on faith-based institutions, TEACH Grants, and distance learning and educational innovation to support the work of the main committee. President Anderson was selected to serve as a negotiator on the Distance Learning and Educational Innovation Subcommittee.

However, the main committee, which is the only committee that votes on regulatory changes, did not initially include any state-level representatives. To ensure the state perspective was represented on the main rulemaking committee, David Tandberg petitioned and was granted membership. In this role, Dr. Tandberg was able to provide a voice for states on the wide range of issues covered by the negotiated rulemaking.

Negotiators reached consensus on proposed rules, which were published in the Federal Register. The rules adopted by the main committee included:

- A definition of “regular and substantive interaction” (previously undefined)
- A definition of “distance education instructor” (previously undefined)
- Affirmation of the Obama-era regulations on state authorization, with minor tweaks, including that institutions meet the requirements of the state where the student is located (as opposed to where the student resides).
- A pathway for institutions to bypass the Department of Education’s approval for “direct assessment” (which measures student learning instead of relying on seat time and grades) once the department has approved the first new direct-assessment program. Subsequent programs which are at “an equivalent or lower academic level” would then not require ED approval.
- New waivers for institutions to not comply with accreditors’ rules in the cases of natural disaster, reacting to changes in state licensure requirements, and instructor requirements for non-faculty positions in dual-enrollment and career and technical education programs.

Following the public comment period, which ended July 12, USED will review the public comments and issue final rules.

SHEEO also began producing Federal Updates in February of 2019. These updates have tracked Congressional progress on the reauthorization of the Higher Education Act (HEA), executive orders, the federal budget, and many other topics. HEA reauthorization has received significant attention this year with committees in both chambers holding a series of hearings. The Senate has been working on a bipartisan bill for several months but has yet to release a draft. This delay likely indicates the parties remain far apart on key issues. Consequently, the odds of HEA reauthorization go down each month without a draft bill because Congress will not have time to complete the legislative process before the end of the year and the ramp-up of 2020 campaign season. SHEEO will continue providing periodic updates on key federal policy issues and will provide a detailed analysis of any HEA bills that are introduced.

The creation of a federal-state partnership to address college affordability concerns has received renewed attention this year. SHEEO has been and continues to be a leading voice in this space. With a 2017 white paper, SHEEO took the position that the gap between what many students can pay and what institutions charge has become so large that state and federal governments must share the

burden of reversing the dramatic increase in the price of college to effectively address college affordability. In May, we released a new Medium post that lays out an updated vision for a federal-state partnership for true college affordability. The full post can be read at <https://medium.com/@SHEEOed/a-federal-state-partnership-for-true-college-affordability-b47fdb69df4a>.

Incarcerated Populations Project

SHEEO received a nine-month grant from Lumina Foundation to assess member interest in developing and/or scaling postsecondary education opportunities for incarcerated individuals. The main component of this project was a survey of our membership that we used to determine their interest in and knowledge of the topic. From this survey, we developed a list of states that met the following criteria:

1. Regular communication between the SHEEO and the state correctional administrator or between their staffs;
2. Knowledge of issues and barriers inherent in prison education and reentry;
3. Existence of second chance Pell sites in their state;
4. Existence of a unique state or institutional program already providing opportunities for incarcerated individuals;
5. State financial aid eligibility opportunities; and,
6. Political buy-in and interest in this issue within the state.

Lumina provided a comparable grant to the Association of State Correctional Administrators (ASCA). We developed our surveys collaboratively and administered them to our memberships simultaneously. Based on the results from the surveys, SHEEO and ASCA helped Lumina develop a list of potential states for future grant funded work in this area. In May 2019, Lumina invited 14 states to submit proposals for grants up to \$100,000 over 16 months. These grants will be awarded in August of this year.

Member Services Workplan

In January, SHEEO rolled out a member services workplan, documenting our intention to become more proactive in how we engage and serve our membership. The main components of the plan include:

- A series of four white papers over the calendar year on topics that are important to the SHEEO membership. The first two white papers (1. State authorization challenges, 2. State pension funding issues) are nearing completion and will be released by the end of July.
- Monthly email federal updates to our members tracking developments in Washington, D.C. We are using Politico Pro to follow HEA reauthorization developments, the federal budget, policy and rule-making changes, and also tracking higher education policy proposals from the 2020 presidential candidates.
- A more deliberate tracking of all member engagements (summarized in the Member Engagement Infographic). Since January we have tracked all member engagements, from phone conversations and email discussions to webinars and queries. In the last six months, we have engaged with our members in 42 states. Our intent with this tracking is twofold: one, we can better promote our value to new SHEEOs; and two, we can learn where gaps exist in our engagement.

NCES State Data Conference

SHEEO, as a subcontractor with the U.S. Department of Education, organized the 2019 National Center for Education Statistics State Data Conference. The meeting was held in Arlington, Virginia, April 30-May 2, and included participants from 47 states and the District of Columbia. Attendees received training and updates on upcoming developments in the Integrated Postsecondary Education Data System. Sessions also addressed data privacy and security, outcomes-based funding, and community college enrollment trends.

Postsecondary Data Partnership (PDP)

In January, SHEEO started working on a two-year, \$567,481 grant from the Bill & Melinda Gates Foundation to support Jobs for the Future (JFF) Student Success Centers and their colleges with data-use technical assistance related to the National Student Clearinghouse's Postsecondary Data Partnership (PDP). The PDP is a national partnership to support system-and institution-level data use and reduce reporting burden. SHEEO's activities focus on assisting with data submission and utilizing PDP results, reports, and dashboards to improve student success. In July, 8 state teams convened for the first of two SHEEO PDP meetings where they learned about the PDP from national speakers, networked with states, and collaborated with system colleagues regarding PDP implementation. Future activities related to this grant include two research reports, another convening next year, and a toolkit with PDP resources.

Project Pipeline Repair: Restoring Minority Male Participation and Persistence in Educator Preparation Programs

SHEEO is in the final year of Project Pipeline Repair, a three-year initiative funded by the W.K. Kellogg Foundation (\$2 million) to address teacher shortages, the dearth of teacher diversity, and counterproductive narratives around the teaching profession. A culminating Summit on Project Pipeline Repair will be held October 2-5 on the campus of Southern University Baton Rouge to critically examine the work of past three years, related policies, and national best practices. As part of the Summit, President Anderson will facilitate a panel discussion with SHEEOs to discuss issues from the perspective of states.

Quality Assurance

SHEEO received a \$253,000 grant from Lumina Foundation to conduct an environmental scan of approaches utilized to assess and assure the quality of higher education institutions and higher education credentials at the state level. SHEEO, in collaboration with the National Association of System Heads (NASH), surveyed SHEEO agencies and system offices. SHEEO and NASH followed up with targeted interviews and will host a convening on the topic. The project concluded with the publication of a white paper summarizing the results of the project and offering specific recommendation https://sheeo.org/wp-content/uploads/2019/05/SHEEO_QualityAssurance.pdf. The findings of this project will inform the field and generate momentum to create greater transparency among state leaders around quality assurance.

State Higher Education Finance (SHEF) and Grapevine

The fiscal year 2019 *Grapevine* survey of state higher education budgeted appropriations was released in January 2019. The survey, which is not adjusted for inflation, found a 3.7 percent increase in state support, continuing a trend of modest annual increases in state higher education funding over the past five years. The *Grapevine* survey is a collaboration between SHEEO and Illinois State University's Center for the Study of Education Policy, where we collect the *Grapevine* data along with SHEF data.

The fiscal year 2018 SHEF report was released in early April 2019, timed to coincide with SHEEO's new website launch. SHEF tracks state support, tuition revenue, enrollment, and public student aid for the most recently completed fiscal year. For the first time since 2012, state appropriations for general operating at public institutions did not keep up with inflation. However, student financial aid increased 8.7 percent and reached an all-time high in fiscal year 2018. This year's report marked the tenth year of data since the start of the Great Recession. Subsequently, the report provided a comprehensive look at how states were affected by the recession, the strategies they used to recover total revenues, and the extent to which state funding recovered in each state.

SHEF Project Expansion

With support from the BMGF, in the fall of 2018 SHEEO began a project to expand and improve the SHEF report over the next two years. With this grant, we are exploring the feasibility of adding six new metrics to the report. Those metrics, in order of interest, are:

1. More complete and useful sector level breakouts
2. Residency breakouts of tuition revenue
3. PBF/OBF allocations
4. Dual enrollment data
5. Capital funding
6. Pension costs

The definitions of these metrics were developed, in part, by two advisory groups. The project advisory group consists of SHEEOs, policy researchers, and those in the field that are very familiar with SHEF. The technical advisory group is made up of data providers from states with a variety of contexts.

Another outcome of this project will be a fully interactive website to house SHEF and allow for more active engagement with the report and the data. While the new data elements will not be added for two years (to allow for ample notice and support to our data providers), we expect to launch an initial version of the interactive website with the next release of SHEF in April 2020.

Strategic Data Fellows for Higher Education

In May, SHEEO and the Center for Education Policy Research at Harvard University received a planning grant from the Institute of Education Sciences (IES) to develop a Strategic Data Fellows program for state-level postsecondary data analysts. The program will help SHEEO agency employees gain the knowledge, skills, and training to enhance the effective use of state postsecondary data systems.

SHEEO Staff

SHEEO made three new hires in 2018-19. David Szczesny joined the staff as director of finance in November 2018; Eric Godin came on board as associate vice president in January 2019; Kelsey Heckert became a data analyst in June 2019.

Staff Titles

Robert E. Anderson, President

John Armstrong, Senior Policy Analyst

Gloria Auer, Executive Assistant to the President; Communications Coordinator

Andy Carlson, Vice President of Finance Policy and Member Services

Caitlin Dennis, Grants and Events Coordinator

Eric Godin, Associate Vice President

Kelsey Heckert, Data Analyst

Annahita Jimmerson, Strategic Communications Director

Jiah Kim, IT Systems and Database Manager

Sophia Laderman, Senior Policy Analyst

Denise Pearson, Vice President of Academic Affairs and Equity Initiatives

David Szczesny, Director of Finance

David Tandberg, Vice President of Policy Research and Strategic Initiatives

Dustin Weeden, Senior Policy Analyst

Christina Whitfield, Senior Vice President and Chief of Staff