

Illinois Student Assistance Commission
“College Changes Everything” Conference
Remarks of Dr. Martha Kanter, Under Secretary of Education
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Opening: Our Shared Goal – To Reinvent U.S. Higher Education So College Can Change Everything for 21st Century Students

I’m delighted to be here today. I’m proud to join this diverse group of stakeholders: Illinois education leaders and practitioners from across the cradle-to-career continuum, along with policymakers; state, municipal and local officials; civic partners; as well as other state and national advocates for excellence and equity. You’re here because you’re committed to reinventing American public education – including higher education – for the 21st century. Together, you’re intently focused on sharing effective practices and designing solutions to increase college access, quality and completion for all Illinois students.

Toward these goals, the Great State of Illinois is making great strides. The initiative you’re showing and the work you’re doing couldn’t be more timely, or more important to the future of this state and our nation. Congratulations!

Education is America’s lead economic strategy. In a knowledge economy, education is the currency by which nations maintain economic competitiveness – and increase global prosperity.

But it’s not only about the economy and jobs! Education also sustains a vibrant democratic society. We need Americans who are prepared for informed, effective participation in civic life. We need educated Americans with the capacity to solve the most pressing problems of our time.

Our nation’s future success depends on the achievement of every student in America, especially our most vulnerable learners. We must put in place the strategies and structures to ensure that college does *indeed* change everything for students, including those whose means may be limited, but whose potential is limitless.

As President Obama has said, “It’s America’s shared responsibility to ensure that more of our students not only reach the doors of college, but also persist, succeed, and obtain their degree.”

So today, I’m here to commend your impressive achievements and to challenge you to reach even greater heights: to confront the status quo, to innovate, to forge even more inclusive and effective partnerships, and to scale up what works by documenting the demonstrated achievements of your student and institutional outcomes so we can connect quality to our access and completion agenda going forward. You are the very architects of change that will help our nation build a seamless, world-class P-20 education system for Illinois, and lead the way for your peers in other states.

The Challenge

Here’s a snapshot of our college completion challenge. Right now, employers in many sectors are struggling to find applicants with the right knowledge, skills and credentials. The result is 2-3 million unfilled jobs, at a time when the U.S. faces the highest unemployment rate in generations.

In the years ahead, more than 60% of jobs will require a postsecondary education. Of the 30 fastest growing occupations in America, half require a Bachelor's degree or more. These fields range from healthcare; science, technology, engineering and math, or STEM, and social science; education; to community services and the arts; as well as other managerial and professional sectors. In Illinois, the Help Wanted report produced by the Center for Education and the Workforce at Georgetown University says that 54% of your workforce will need to have postsecondary degrees and credentials by the year 2018.

Depending on the job cluster, students with a bachelor's degree will earn 40-60% more in their lifetime – or, 29% or more for those with a community college degree – than students with just a high school diploma.

Yet, only half of all undergraduates complete a college degree in six years. Thirty-eight percent of all U.S. students take a remedial course in their first or second year. In short, too few students graduate from high school. Too few high school graduates and adult learners enroll in college. And too few finish college and university programs. It's simply taking too long, and we're losing too many students along the way.

Today, the U.S. ranks 9th in the world in college attainment for 25- to 34-year-olds. President Obama's goal is that by 2020, the U.S. will regain its position as the "best educated, most competitive workforce in the world" – as the nation with the highest percent of its population holding college degrees and postsecondary credentials.

To do this, we must produce 10 million more graduates from community colleges, four-year colleges and universities by 2020 - 8 million more graduates beyond the 2 million already expected due to normal growth. Additionally, we must create opportunities for every American to complete at least a year of higher education or advanced training, in his or her lifetime.

Illinois at the Forefront of a Growing Movement

Illinois has set a similar goal: to raise the proportion of adults with a postsecondary credential to 60% by 2025. You have strong buy-in and support from state, regional and local stakeholders, as well as consortia represented here today, including the National College Access Network and Complete College America, and leading philanthropies like the Lumina Foundation.

You are at the leading edge of a movement. Thus far, 19 States have adopted educational attainment goals, and 29 states have joined Complete College America.

In addition to these efforts, Illinois is also a partner in the National College Access Network, the College Advising Corps, the American Diploma Project Network, KnowHow2Go, and the Partnership for Assessment of Readiness for College and Careers.

President Obama has shown great foresight in setting the college completion goal for our nation. From nearly every corner of America's education, labor, corporate, economic, legislative, policy, and government sectors, there's a growing drumbeat for change – a call for the innovations that will improve access, quality and completion in U.S. higher education.

To cite just a few examples: in "An Economy That Works: Job Creation and America's Future", the McKinsey Global Initiative reports that if current trends persist,

the U.S. will lack workers with the proper education and training to fill the skill profiles of jobs likely to be created in the future – creating a shortage of some 1.5 million workers with bachelor's degrees or higher by the year 2020. At the same time, nearly 6 million Americans without a high school diploma will be jobless.

McKinsey also suggests that too few Americans who *do* pursue college or technical training, choose fields of study that provide the specific skills employers are seeking. Their bottom line? The U.S. won't be able to fully recover from the recession and return to full employment, if we rely on "business as usual" approaches in economic development, workforce development, or education. We need a bigger, better pipeline into and through postsecondary education.

Similarly, a report from Georgetown's Center on Education and the Workforce, "The Undereducated American," argues that the U.S. has under-produced college-going workers since 1980. The result is a growing gap between demand for and available supply of college-educated workers, coupled with a widening – and deeply troubling – gap in income inequality between those with and those without a college degree.

The solution according to this study? Adding 20 million postsecondary-educated workers by 2025 will reverse the growth of income inequality, regain parity with other developed nations, and ... grow our economy by boosting the U.S. GDP by \$500 million.

And, in a paper released earlier this year, "Disrupting College: How Disruptive Innovation Can Deliver Quality and Affordability to Postsecondary Education," authors Christensen, Horn, Caldera, and Soares offer strategies to uproot the status quo in higher education and usher in new practices and more innovative learning models.

They recommend that we stop focusing on degree attainment as the sole measure of success, and find better ways to demonstrate meaningful student outcomes and mastery. They suggest funding higher education with the explicit aim of increasing quality and decreasing cost.

They also propose using online learning and other new technologies to "disrupt" and improve the traditional classroom model, and to offer greater quality, access and convenience to wider numbers of students.

Such transformational work requires our best collective efforts. We know that the best ideas most often come from the field and Illinois is at the forefront of this work. At the federal level, our role is to provide incentives and use the levers of change at our disposal to create a climate for change, to catalyze change and to sustain and scale the best models for demonstrated student success to reach our 2020 goal.

The Framework for Higher Education in the 21st Century

To this end, the Obama Administration's road map for "cradle-to-career" education reform starts with stronger, more comprehensive, more inclusive early childhood programs. It continues by focusing on building a world-class P-12 system by boosting student outcomes with higher standards and better assessments, recruiting and retaining more highly effective teachers, especially in high need schools, and tackling the dropout rate. It culminates in efforts to make college more accessible and affordable, and to increase quality and degree completion for students – from teens, to adult learners, workers, unemployed Americans, students with disabilities, new immigrants and those Americans underrepresented in postsecondary institutions.

Anyone seeking a better life should find a clear pathway through our nation's schools, colleges and universities. And, our reform efforts must include all of postsecondary education: public and private four-year colleges and universities; community colleges; career schools; and technology centers – institutions offering one-year postsecondary certificates, two-year associate degrees, and baccalaureate, master's, and doctoral degrees.

There are three cornerstones of our federal higher education agenda: *increasing postsecondary access, improving quality, and accelerating college completion*. These are the keys to achieving the President's goal, securing the future of higher education in America, and offering the widest possible range of options for students.

I should note that the "four assurances" – the four basic building blocks of reform that Secretary Duncan established as soon as he took office – provide a meaningful framework for our higher education agenda as for our P-12 agenda.

For example, the charge to raise standards for college- and career-readiness is equally applicable to clear, high, modernized standards for postsecondary student learning outcomes.

The charge to recruit, prepare, retain, and reward highly effective P-12 teachers and principals will necessitate reforms to strengthen the nation's colleges of education so that the next generation of teachers and professors will take pride in the advanced levels of achievement that our students are able to demonstrate

And here let me digress for a moment to recognize your work: as a result of years of dedicated efforts by an inclusive range of stakeholders from state government to the IEA and the IFT, begun in the last decade and greatly advanced by the state's Race to the Top efforts, you are making great strides in transforming state policies to address teacher effectiveness in hiring, tenure, evaluation, reductions in force, and dismissal.

In a case study titled; "Illinois: The New Leader in Education Reform?", the Center for American Progress traces the collaborative process and the lessons learned as stakeholders from the labor, management, legislative, policy and advocacy communities worked and negotiated to pass S.B. 7, your sweeping package of education reforms.

You are leading the way in developing a strong, inclusive, effective statewide partnership that respects the views and addresses the needs of all parties, while letting nothing trump educational quality.

Now, let's return to the third of the "four assurances." The charge to build interoperable, comprehensive, longitudinal data systems cuts across the cradle-to-career pipeline. These data systems will tell us whether students are prepared for college-level work and inform us of their outcomes in college, in the workforce and in life.

And, the charge to turn around chronically low-performing schools corresponds to the need, in higher education, to transform at-risk institutions. Our goal is to implement a coherent theory of action from "cradle to career."

Access and Affordability

In the past two years, we've taken important steps to place college within reach of more Americans. With the passage of the Health Care and Education Affordability Reconciliation Act, we've overhauled the federal student loan program, ending tens of

billions of dollars in subsidies to banks that have significantly increased financial aid to families. All 6,000 institutions of higher education have now successfully converted to direct lending.

We've also streamlined how students apply for federal aid through the Free Application for Federal Student Aid (FAFSA) – a move that contributed to growing the number of aid applicants by 19% last year, and a net increase of 12% more students from low-income families who enrolled in colleges and universities last fall.

We've dramatically simplified the FAFSA form, made possible by the leadership and support of the Treasury and the IRS to eliminate questions to which the government already has answers. And, further simplifications are planned.

From this first phase of work, \$36 billion was redirected to fund Pell Grants over the next ten years. The law increases the maximum Pell Grant award to \$5,550. Under our FY '12 budget, the maximum Pell Grant would remain at \$5,550, serving 9.6 million students. That's a 50% increase in the number of low-income students attending higher education since the President took office. Moving from 6 million Pell-eligible students enrolled in college two years ago to 9.6 million today is a landmark accomplishment and sets the stage for significant increases in our quality and completion agenda going forward.

And, since 2009, we've offered the American Opportunity Tax Credit (AOTC) – a partially refundable yearly credit of up to \$2,500 for four years of college, to help cover tuition and education-related expenses.

The AOTC was set to expire last year, but Congress and the President extended it for two more years. In 2011 alone, the Treasury Department estimates the AOTC will provide more than \$18 billion in tax relief for about 9.4 million eligible families of college students. And we're working to make this tax credit permanent.

States are also receiving \$750 million over the next five years for College Access Challenge Grants to increase the number of low-income students prepared to enter and succeed in college, and manage their student loans.

And, here in Illinois, another promising home-grown effort is your "Steps for Attaining Higher Education through Academic Development" ("Steps AHEAD") program, to increase the number of low-income students that attend and succeed in college.

Quality, Transparency and Completion

Beyond our commitment to increase college access and sustain college affordability, the centerpiece of our higher education agenda is the imperative to increase quality and completion.

"Academically Adrift," a study of 2,300 undergraduates attending 24 four-year institutions, found that 45% of these students failed to show statistically significant improvement in critical thinking, complex reasoning, or writing, as measured by the Collegiate Learning Assessment, during the first two years of college. Although some scholars criticized this study, the results were troubling. A further study suggested that 36% showed little or no improvement in four years! Just as disturbing, half of the students reported that their courses required 20 pages or less of writing and less than 40 pages of reading a week.

These studies suggest that professors aren't demanding enough from their students and that students aren't doing enough to acquire the skills and knowledge, including the higher-order cognitive skills that are transferrable across disciplines and occupations,

that are essential for their success in our knowledge economy. The American Association of Colleges and Universities and Excelencia in Education both routinely publish peer-reviewed, high impact practices designed to increase quality, retention and persistence to the degree that are grounded in demonstrated learning outcomes expected of our graduates. I hope you will study their reports and assess what more you can do to help us move more quickly toward the 2020 goal.

We must ask ourselves: “Have we sacrificed academic quality at what cost?” and “Can we regain our place as first in the world by having institutions and students demonstrate the high levels of achievement that will be required for our success as a nation in the 21st century?”

College costs more and our nation suffers as a whole when students have to retake classes due to lack of demonstrated knowledge and poor grades, or take remedial courses because they are not prepared for college level work. Better preparation will enable students to graduate in less than 6 years, save 25-50% on a college education, and acquire the skills and credentials needed for fulfilling careers as engaged Americans.

We need to ensure smoother, better-articulated transitions at all stages of the education pipeline, improve the quality of undergraduate and graduate educations, and identify and invest in strategies to promote on-time and accelerated degree attainment.

At the same time, we must find ways to relieve students from the burden of debts they struggle to repay once they graduate. We must also work to increase transparency, so students and families have the facts about costs and outcomes when considering which institution to choose.

Last month, we released several College Affordability and Transparency Lists as part of our effort to help students make informed decisions about their choice for higher education. These lists are an important part of our Administration’s work to make college costs more transparent and to boost college access and affordability.

The Higher Education Opportunity Act of 2008 (HEOA) called for the creation of College Affordability and Transparency Lists by July 1 of this year. Under the requirements, six lists have been created. Three lists now focus on tuition and fees, and three others examine each institution’s “average net price,” the average price of attendance that is paid by fulltime students after grants, tuition discounts and scholarships are taken into account. Each list is disaggregated into nine different sectors to allow students to compare costs at similar types of institutions - for example, public state universities, for-profit career and technical schools, community colleges or private universities, to name a few.

The lists highlight the institutions that have the highest prices as well as those schools where prices are rising at a fast rate. Those institutions where prices are rising the fastest will now report why costs have gone up and how the institution will address its rising prices. Students and families can also look up information on the prices of individual career and technical programs, such as cosmetology, medical assistance or vehicle maintenance programs.

And, under new regulations, schools with “gainful employment programs” must report information about their students such as the amount of loan debt incurred by their students who complete the program, the on-time graduation rate, the amount of tuition, fees, book and board costs, and the job placement rate for students who complete the program and the type of occupation that their program prepares students to enter.

Aligned with the Obama Administration’s ‘open government’ agenda, not only are

these lists useful tools for students and families, but our hope is that they will encourage postsecondary institutions to continue their efforts to make the costs of college more transparent so students and families can make better informed decisions and aren't saddled with unmanageable debt.

All these measures will increase transparency and accountability, while providing consumers with the easy-to-understand, reliable information they need to make smart choices and informed investments in postsecondary education.

Strengthening the P-12 Pipeline: ESEA Reauthorization

In another complementary step, we need to improve P–12 education in the years ahead, by reauthorizing the Elementary and Secondary Education Act. President Obama's blueprint to rewrite *No Child Left Behind* builds on the success of pioneering initiatives like Race to the Top, using competition and incentives to drive change, and drawing on the best ideas developed at the local level, rather than top-down reforms that are not effective in the classroom.

Our Blueprint also includes a new funding stream – \$86 million dollars – for College Pathways and Accelerated Learning. This program would help increase graduation rates and preparation for college by supporting college-level and other accelerated courses and instruction in high poverty-schools.

Funds would support strategies like expanding the availability of Advanced Placement and International Baccalaureate courses, dual-enrollment programs, and “early-college high schools” that allow students to earn a high school degree and an associate's degree, or earn two years of college credit, simultaneously.

The 2012 budget also includes \$323 million for GEAR UP, and maintains funding for States and partnerships to provide early college preparation and awareness activities to entire cohorts of low-income students.

We've also proposed \$150 million in funding for State access and completion initiatives in 2012. The budget maintains mandatory formula funding for the College Access Challenge Grant program, to aid State-led access, persistence, and completion efforts. And we plan to provide \$920 million for Federal TRIO Programs to support college preparation and completion activities for participating low-income and first-generation college students.

Nationally, our college-going rates are rising, but a completion gap persists among minority groups. In 21st-century America, we must disprove the myth that race and poverty are destiny. Some colleges have already achieved this aim, like the University of Maryland-Baltimore County and Towson State University.

The Education Trust's 2010 reports Top Gainers and Top Gap Closers highlight public institutions nationwide that have made the biggest improvements in narrowing or closing the achievement gap, including several where completion rates for minority students exceed those of their Caucasian peers. Such accomplishments are examples for the nation. If closing the completion gap is possible in institutions in Maryland, Florida, or California, it can and must be a goal all across America.

The Reconciliation Act also provided \$2.55 billion dollars in mandatory funding over 10 years to increase the capacity of minority-serving institutions to reach more students. It also included \$2 billion dollars for Trade Adjustment Assistance grants administered by the Departments of Labor and Education directed to community colleges or institutions of higher education that grant two-year degrees. The aim is to

increase the number of Americans – especially those displaced from their jobs - who graduate with the skills, credentials and degrees to become employed across an entire community, region, State, or industry sector.

And, as part of his 2012 proposal, President Obama also announced \$123 million for a “First in the World” Competition, to increase college completion and promote efficiency in higher education. The budget also includes \$1.25 billion over five years for a new College Completion Incentive Grants program to encourage States to make systemic reforms in their higher education systems and reward institutions that produce successful outcomes.

Participating States would set goals to increase the number of college completers, close achievement gaps for vulnerable student populations, align high school graduation requirements with participating institutions’ expectations for academic preparation, create stronger articulation agreements, ease student transfers, and match Federal funds or provide their own performance-based funding for institutions.

Many states and institutions have begun to set completion targets and to report regularly on the progress they are making toward their goals. At the federal level, we will help support the development of statewide and institutional degree- and certificate-completion metrics, the tracking of progress, the improvement and interoperability of data systems, the reporting of annual and longitudinal data, and the identification of new opportunities and challenges along the way.

On March 22, 2011 Vice President Biden announced the release of the College Completion Toolkit to give Governors, state leaders and institutions the best information and ideas we could gather from across the country to promote college quality and completion policies and strategies. With models to learn from and other useful resources, we can shine a light on increasing quality and degree completion, thus devoting our energy and resources to meet the 2020 goal.

Let me now highlight the seven strategies featured in the College Completion Toolkit, and bring my remarks to a close by noting Illinois’ progress in each area.

Illinois’ Call to Action: Commendations and Challenges based on the Seven Strategies in the College Completion Toolkit

The first goal in the Toolkit is, “Setting Goals and Developing an Action Plan.” Your higher education strategic plan, the Illinois Public Agenda for College and Career Success, has three especially noteworthy goals:

First, you focus on increasing student success at each stage of the P-20 education pipeline, and on eliminating achievement gaps by race, ethnicity, socioeconomic status, gender, and disability.

Your performance measures include the proportion of adults aged 25-34 with an associate degree or higher, and the trend of students in remedial courses, benchmarked against OECD data and the nation’s five best-performing states. I want to point out that you’re one of only a handful of states that specifically sync with the 25-34 age cohort that is the basis for OECD’s international comparisons.

Another noteworthy goal is to increase the number of adults, including GED recipients, re-entering education and completing a postsecondary credential. For this goal, your performance measures include degrees awarded to adults aged 25-44 as a proportion of the total population aged 25-44 with no college degree, and reports showing annual job placements, benchmarked against the five best-performing states.

Your third goal focuses on increasing the number of people with high-quality postsecondary credentials, to ensure the state has an educated workforce and an engaged citizenry. Here, performance measures include the number of degrees and certificates produced annually, and the pass-rate of first-time candidates taking a state licensure or certification exam, benchmarked against Illinois trends and the five best-performing states.

Now, the second strategy in our College Completion Toolkit is “Embracing Performance-based Funding.” You are currently exploring performance-based funding models, and I encourage you to mine the research and implement the most effective models that enable successful outcomes.

Let’s look at your progress in relation to the third strategy in the Toolkit, “Aligning High School Standards with College Entrance and Placement Standards.” In response to Senate Joint Resolution 59, the Illinois State Boards of Education, Higher Education, and Community Colleges have developed a state High School-to-College Success Report. This report presents data from the 2006-08 school years and includes information from the 48 community colleges as well as the 11 four-year public institutions that receive freshman entrants. And, it was just released to the public in June of this year.

At the same time, as created by legislation and appointed by the Illinois Board of Higher Education, a state task force is reviewing issues related to dual credit. The task force will report its findings to the General Assembly.

Our Toolkit’s fourth strategy to boost completion is “Making it Easier for Students to Transfer Among Colleges.”

Your progress in this area includes the Illinois Articulation Initiative, your statewide effort to facilitate student transfer from one IAI-participating college or university to another. Having 100 public and private two-year and four-year institutions participate is a great accomplishment. If students complete a specific “package” of general education courses and transfer, the receiving institution will accept this package instead of its own general education requirements. Students also benefit if they complete a degree with the IAI general education package, or if they complete courses approved for statewide articulation as listed on your iTransfer web site.

While this is a promising start, I commend the objective you outlined in the Public Agenda to expand participation in IAI, and I would encourage you to consider the examples of states like California, Hawaii, Indiana, Montana, Tennessee, and West Virginia – which allow for seamless, automatic transfer throughout the state.

“Using Data to Drive Decision-making” – that’s the fifth strategy our Toolkit recommends. In 2009, your state legislature authorized the creation of a statewide P-20 database. Illinois has a federal State longitudinal data system grant, and with it you’re focusing on addressing the elements of the America COMPETES Act, as well as on establishing a Statewide Transcript System for middle and high school students; integrating student-level data with teacher and administrator data; continuing to expand and develop postsecondary education data systems; and developing and implementing an Early Childhood Data Collection System.

And, as of July 2012, the state Board of Higher Education will be authorized to collect and maintain data from non-public colleges and universities enrolling one or more students receiving Monetary Award Program financial aid funds for low- and middle-income residents, and to disclose this data to the longitudinal data system for the purposes in the act. I want to commend you especially for this effort, which puts you

out front in addressing the challenge of incorporating private institutions in data collection.

The Toolkit's sixth strategy is to "Accelerate Learning and Reduce Costs." I was delighted to learn, from the Association of State Colleges and Universities' recent report, that Illinois has made only slight reductions to the FY 2012 State operating support for four year public universities. In extremely difficult fiscal climate, that's significant support and shows that Illinois is committed to keeping college affordable for students.

And, as part of the P-16 Grant Initiative, you are providing funds that allow community colleges to expand their service to high school students who wish to take college-level classes prior to receiving their high school diploma to accelerate their college coursework.

The final strategy in the College Completion Toolkit is "Targeting Adults, Especially Those with 'Some College but no Degree.'" Here, I want to applaud The Illinois Community College Board's participation in the "Shifting Gears" program, which focuses on creating and strengthening adult basic education and developmental education bridge programs. Funded by the Joyce Foundation, this initiative is working to strengthen postsecondary, adult basic education, and workforce development systems in six mid-western states.

Your strategic plan also recommends "increasing the number of adults, including GED recipients, reentering education and completing a postsecondary credential." I know you are also exploring ways to provide incentives for adults with substantial college credit to finish their degrees, and we are very interested in hearing more about what you learn.

Putting Education First in Illinois

President Obama has reminded us that, "at [...] every juncture throughout our history, we've always recognized that essential truth that the way to move forward, in our own lives and as a nation, is to put education first."

Thank you all for putting education first for the people of Illinois. We are proud of your progress, and inspired by your leadership. Keep the momentum building, and college *will* change everything for your learners. Every student in this state – and in this country – deserves a world-class education.

It's up to all of us to create an unparalleled U.S. higher education system for the 21st century, and then work to make its benefits permanently available for all Americans. Thank you again for leading the way!