



**COLLEGE COSTS**  
MAKING OPPORTUNITY AFFORDABLE™

# Seeking solutions: A gathering at the summit



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# A national summit to develop solutions to rising college costs

Sponsored by Lumina Foundation for Education, in collaboration with the James B. Hunt, Jr. Institute for Educational Leadership and Policy and the following partners:

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The Education Resources Institute  
Thurgood Marshall Scholarship Fund  
UCLA-Higher Education Research Institute  
United Negro College Fund  
United States Student Association  
Upromise  
Urban Institute  
U.S. Chamber of Commerce  
Western Interstate Commission for Higher Education  
Women in Government

## Background

As part of a multiyear initiative to explore the dimensions of the “college cost crisis,” Lumina Foundation, in collaboration with the James B. Hunt, Jr. Institute for Educational Leadership and Policy, called together more than 350 participants for a national summit in Washington, D.C., on Nov. 2, 2005.

The summit brought together federal and state policy-makers, two former governors, advocates for students and faculty, higher education administrators and governing board members, secondary education leaders and representatives of all types of postsecondary institutions. They came to exchange views on one of the most vexing challenges facing the United States: how to control the rising costs of higher education.

The road to the summit was paved with research and analyses by some of the most thoughtful people in the field. Inaugurated in July 2004, Lumina Foundation’s initiative, *College Costs: Making Opportunity Affordable*, offers an ongoing forum for higher education officials, policy-makers, business leaders, families and students to address the complex causes of the rise in tuition, fees and other educational expenses.

Several preparatory steps paved the way for the summit:

- In July 2004, publication of *Collision Course*, a policy brief outlining the issue and offering 33 possible solutions.
- In August 2004, issuance of a *Call for Solutions* to solicit experts’ ideas about how to solve the college cost problem.
- In October 2005, publication of *Course Corrections*, a collection of papers in which national experts suggest possible ways to restrain rising college costs.

Martha D. Lamkin, president and CEO of Lumina Foundation, opened the summit by defining it not as a theoretical exercise, but as a practical response to the fact that “the price of admission to higher education has been increasing well beyond inflation, beyond families’ ability to pay.”

“There is no quick fix for rising college costs, no single cause and certainly no single solution,” she said, in summarizing the principles that have guided the Foundation’s initiative. The key principles are:

- No single party bears responsibility for the solution.
- No simple solutions will suffice.
- Solutions based on evidence and experience offer greater promise of success.
- Cost-effective solutions are more likely to secure approval in tight fiscal times.

For additional information on the initiative, including more background and ideas presented by the experts’ panel, visit [www.collegecosts.info](http://www.collegecosts.info). There, you will be able to do the following:

- Read and respond to commentary on the issue of college costs.
- Listen to audio from all of the plenary and breakout sessions at the summit.
- Download podcasts of the summit proceedings.
- View the introductory video shown at the summit to help participants understand how rising college costs are threatening the nation’s future.
- View video highlights of the summit.

**OPENING PLENARY SESSION**

**Welcome from Lumina Foundation for Education**  
**Martha D. Lamkin**, President and CEO

*“Making the Case,” a brief video presentation by Lumina Foundation for Education.*

**Seeking Solutions**

**Robert C. Dickeson**, Moderator  
 Senior Vice President, Lumina Foundation

*The issue of college costs requires solutions that work. This session explored possible solutions from three perspectives: Ideas generated from Lumina Foundation’s “Call for Solutions,” current practices from the field and alternative approaches from other countries.*

**David Breneman**  
 Dean, Curry School of Education, University of Virginia  
 Member, National Editorial Advisory Panel, Lumina Foundation  
*“Course Corrections: Experts Offer Solutions to the College Costs Crisis”*

**William E. Kirwan**  
 Chancellor, University System of Maryland  
*“What Colleges and Universities are Doing to Cut Costs”*

**Madeleine F. Green**  
 Vice President and Director, Center for Institutional and International Initiatives  
 American Council on Education  
*“Alternative Approaches From Other Countries”*  
*Question-and-answer session.*

Remarks: **Tom Luce**  
 Assistant Secretary, Office of Planning, Evaluation and Policy Development, U.S. Department of Education  
*“Access and Affordability: A National Perspective”*

**BREAKOUT SESSIONS**

*Participants were assigned to one of the breakout sessions, where moderators encouraged an interactive discussion on the morning’s presentations. Topics for discussion included the following: What’s the feasibility of these solutions, models or alternatives? How can the ideas be improved? Are there other solutions, models or alternatives that would work?*

Session A  
 Moderators: **Paul Lingenfelter**  
 Executive Director, State Higher Education Executive Officers;  
 Member, National Editorial Advisory Panel, Lumina Foundation

**Richard T. Ingram**  
 President, Association of Governing Boards of Universities and Colleges

Session B  
 Moderators: **Richard Ekman**, President,  
 Council of Independent Colleges

**David Cournoyer**, Program Director,  
 Lumina Foundation for Education

Session C  
 Moderators: **Kenneth E. Redd**, Director of Research and Policy Analysis,  
 National Association of Student Financial Aid Administrators;  
 Member, National Editorial Advisory Panel, Lumina Foundation

**Carol D’Amico**, Executive Vice President, Ivy Tech Community College and Chancellor, Indianapolis Campus;  
 Member, National Editorial Advisory Panel, Lumina Foundation

Session D  
 Moderators: **Joni Finney**, Vice President, National Center for Public Policy and Higher Education;  
 Member, National Editorial Advisory Panel, Lumina Foundation

**David Longanecker**  
 Executive Director, Western Interstate Commission for Higher Education;  
 Former Assistant Secretary for Postsecondary Education, U. S. Department of Education

Session E  
 Moderators: **David Warren**, President, National Association of Independent Colleges and Universities

**Susan Crosby**, Executive Director, Women in Government;  
 Former member of the Indiana General Assembly

Session F  
 Moderators: **Sandy Baum**, Professor of Economics, Skidmore College and Senior Policy Analyst, The College Board

**Dewayne Matthews**  
 Senior Research Director, Lumina Foundation

**LUNCH AND KEYNOTE SPEAKER**

Introductions: **John Mutz**  
 Chairman, Lumina Foundation for Education

Remarks: **Richard Lugar**  
 Chairman, United States Senate Foreign Relations Committee

Keynote Speaker: Thomas L. Friedman  
 Foreign Affairs Columnist, *The New York Times*  
 Author of *The World Is Flat: A Brief History of the Twenty-first Century*

*Question-and-answer session.*

**AFTERNOON PLENARY SESSION**

***The Work Ahead and the Need for Collaboration***

*No great issue can be resolved without capable and willing partners, working in a collaborative spirit. Jim Hunt, who has forged education reform at all levels for many years, led this session on the work ahead for all of us.*

**James B. Hunt Jr.**, Moderator  
Former Governor of North Carolina and Chairman, James B. Hunt, Jr. Institute for Educational Leadership and Policy

**John Engler**  
Former Governor of Michigan and President, National Association of Manufacturers  
*"Affordability and Achieving State Economic Development and Quality of Life Goals"*

**Arthur J. Rothkopf**  
Senior Vice President, U.S. Chamber of Commerce  
*"Affordability and the National Business Agenda"*

**Patrick Callan**  
President, National Center for Public Policy and Higher Education  
*"Affordability: The State-by-State Analysis"*

**BREAKOUT SESSIONS**

*These sessions focused on promising practices and were intended to inspire participants to take important next steps in solving the college costs problem. Moderators asked participants to complete "Call to Action" forms that solicited active involvement and indicated willingness to participate in future activities.*

**Session I** *"The Perfect Storm: The Impending Crisis for Higher Education and What State Legislators Can Do"*

**Julie Davis Bell**, Education Program Director, National Conference of State Legislatures

**Denise Merrill**, Chair, House Appropriations Committee, State of Connecticut; Co-Chair, NCSL Blue Ribbon Commission on Higher Education

**Rob Kreibich**, Chair, Assembly Committee on Higher Education, State of Wisconsin; Co-Chair, NCSL Blue Ribbon Commission on Higher Education

Moderator: **Marie McDemmond**, President Emeritus, Norfolk State University; Member, Lumina Foundation Board of Directors

**Session II** *"Changing Patterns of Affordability at the Federal Level"*

**Kristin D. Conklin**, Senior Policy Analyst, National Governors Association Center for Best Practices

**Vic Klatt**, Vice President, Van Scoyoc Associates

**David Longanecker**, Executive Director, Western Interstate Commission for Higher Education

**William Troutt**, President, Rhodes College

Moderator: **Bonnie Newman**, Former Executive Dean, Kennedy School of Government, Harvard University; Member, Lumina Foundation Board of Directors

**Session III** *"Business Looks at College Affordability"*

**Robert Durante**, Director of Business Development, Standard & Poor's

Moderator: **Brian K. Fitzgerald**, Executive Director, Business-Higher Education Forum; Member, National Editorial Advisory Panel, Lumina Foundation

**Session IV** *"Improving Preparation in Secondary Schools: What States Can Do"*

**Michael Cohen**, President, Achieve Inc.

Moderator: **Leah Meyer Austin**, Senior Vice President, Lumina Foundation

**Session V** *"How to Motivate Students and Families to Plan for Higher Education"*

**David Murray**, President, National Center on College Costs

Moderator: **Susan O. Conner**, Executive Vice President, Lumina Foundation

**Session VI** *"Productivity and the E-Learning Model"*

**Carol Scarafioti**, Dean Emeritus, Rio Salado College (Arizona)

Moderator: **Gerald L. Bepko**, Chancellor Emeritus, Indiana University-Purdue University Indianapolis; Member, Lumina Foundation Board of Directors

**CLOSING PLENARY SESSION**

***Critical Next Steps; What Lumina Foundation Will Do***

**Martha D. Lamkin**  
President and CEO, Lumina Foundation

*This wrap-up session offered a final opportunity for observations and comment. The continuing role of Lumina Foundation was discussed and a final call to action issued.*

### Editor's note:

This report provides a journalistic account of the summit proceedings. It spotlights and summarizes themes that emerged and key observations from an array of participants.

The summit did not take votes on proposals or adopt formal resolutions. It was designed to elicit analyses and ideas, to air the views of a wide range of stakeholders (participants came from 36 states) and to deepen understanding of this national issue.

## Themes that echoed

Embedded in the discussions were several major themes that had to be understood before workable solutions could be adopted. Among those themes were:

- 1** American higher education has powerful strengths – but it also features such diversity and complexity as to defy easy solutions in controlling costs. In the U.S., postsecondary education includes public and private research universities, public and private liberal arts colleges, public and private regional universities, public community colleges and proprietary institutions.
- 2** While millions of young adults scramble annually for admission to the colleges and universities of their choice, summit participants also said they sensed a decline in Americans' support for higher education – a decline in attitudinal support and, consequently, a decline in fiscal support. Several participants also expressed the notion that advocates for higher education must marshal a compelling case and present it to the American public.
- 3** The issue of college costs is complicated by the tension between “sticker shock” and “sticker pride.” On the one hand, young adults and their parents express shock at the sticker price of combined tuition and fees at major colleges and universities – and at the prospect of absorbing debt to finance four or more years of postsecondary education. On the other hand, students – and their parents – proudly display the rear-window

stickers of colleges and universities, an indication that they take pride in the prestige of their institutions of higher education.

- 4** Somewhat unspoken, but clearly on the table throughout the summit, was this potent question: What kind of education does the 21st century require? Summit participants explored the need for high schools to deliver graduates who do not require remediation. They talked about developing pathways from high schools through community colleges to universities. There was some discussion of three-year curriculum at “four-year” institutions.
- 5** Although the college-cost issue is not new, it arises with special intensity in the context of a global economic transition and of growing concern about the health of American democracy and civic life. In today's economy, it takes education beyond high school to assure a family of a middle-class standard of living. In today's America, one of the strongest predictors of an active voter is education beyond high school.

“Our college going in America...has been pretty nearly flat,” said James B. Hunt Jr., the former four-term governor of North Carolina. “Now, surely, we can do better. And we *must* do better.”



*Opening plenary session.*

## Opening plenary session

As a prelude to the summit, Lumina Foundation published *Course Corrections*, a collection of essays by experts in the field. In the opening presentation, **David Breneman**, dean of the Curry School of Education at the University of Virginia and a member of the editorial advisory panel for *Course Corrections*, summarized significant points from the papers.

"We are part of a generation that for the first time in the history of the country may well be the generation that watches a decline in opportunity for our next generation," he said.

Breneman urged participants to draw a distinction



*David Breneman, dean of the Curry School of Education at the University of Virginia.*

between the costs that an institution incurs to deliver education and the price charged to the student and his or her family. In higher education, he said, the "linkage between cost of supply and price is very indirect and unclear."

It doesn't necessarily follow that reducing certain campus costs will translate into lower tuition, he said. Universities feel themselves under pressure to hire better professors, to build fancier dorms and recreational facilities and to burnish the image of their institutions – to attract higher-performing students.

"They are interested in quality and prestige," said Breneman, "and quality and prestige are not necessarily gained by cutting tuition. They are gained by spending savings on other valuable things."

**William E. (Britt) Kirwan**, chancellor of the University System of Maryland, issued a ringing call for controlling costs as "our moral, ethical responsibility." What's more, he said, colleges and universities must restrain rising costs as a prerequisite to building public confidence and support.

Kirwan outlined steps that the Maryland system has taken to reduce costs, including institutions forming a collective to purchase energy as well as computer equipment. In addition, the 13 Maryland institutions have brought about a 10 percent increase in overall "teaching expectations."

"If we don't take on this issue of cost and become more efficient," he said, "we're not going to restore the public trust and increase the rate of public investment."



*William E. "Britt" Kirwan, chancellor of the University of Maryland system.*

In strong terms,

Kirwan also decried the "huge shift" from need-based financial aid to merit-based aid. As colleges and universities seek more high-performing students, he said, "the money is not going to the kids for whom the cost makes a difference."

Kirwan called this financial aid trend a "scandal."

**Madeleine F. Green**, vice president and director of the Center for Institutional and International Initiatives of the American Council on Education, surveyed the international scene and observed, "The question of how to expand access is probably the number one question on the agenda of most nations."



*(From left): Breneman and Kirwan with Madeleine F. Green of ACE and Robert C. Dickeson of Lumina Foundation during the opening plenary.*

No country, she said, provides public funding adequate to the task of expanding college-going, with the possible exception of Scandinavian countries. China and India are making “massive investments,” she said, because they see higher education as a component of nation- and economy-building. The disease of “research university envy” spreads across borders.

“Other countries are not struggling the way we are with high tuition or rising tuition across the board,” Green said. “So countries are looking at introducing tuition, especially variable tuition, as a means of generating additional revenue....Income-contingent loans have been pioneered in Australia; the United Kingdom is now looking at them....The rest of the world has looked to us for guidance on some issues, but the drive for access has ratcheted up so much around the world that there is policy experimentation.”



*U.S. Assistant Secretary of Education Tom Luce.*

**Tom Luce**, the U.S. Assistant Secretary of Education for Planning, Evaluation and Policy Development, spoke favorably about the outcome of the recent education session of the National Governors Association. He called it a “remarkable

statement” that the nation’s governors would declare that “every student who graduated from high school needed to have the same skills and the same education whether they were going to a community college, whether they were going to enter the workforce, or whether they were going on to a four-year university.”

Luce said the U.S. Department of Education wanted a conversation about higher education of the same order that led to the *Nation At Risk* report on elementary and secondary education in 1983. He predicted that governors and university leaders would be drawn increasingly into conversation about preparing a college readiness test.

## Morning breakouts: Talking points

After the first plenary session, six concurrent breakout sessions allowed participants to air additional ideas and views, to engage in debate, and to consider the feasibility of solutions, models and alternatives. Transcripts were made of the plenary and breakout sessions. What follows is a sampling of observations gleaned from those transcripts.



*Morning breakout session.*

“There are growing expectations of higher education, and, of course, we have democratized higher education. That has led to a lot of costs. But the public as a whole, when you look at public investment, is not willing to pay for the product, and I’m concerned about it, particularly when you think about community colleges...whether they’ll be able to continue to engage the public in supporting that enterprise.” — **J. Noah Brown, president of the Association of Community College Trustees.**



*U.S. Student Association representative Jasmine Harris with the association’s president, Eddy Morales.*

"I'm wondering whether ultimately we can have this conversation about reducing prices and costs without at some time tackling the more fundamental question about what we think a higher education should look like in the 21st century...If we don't have that, we're stuck in trying to afford the model we have, and all of its cost-disease problems." — **Janet Hansen, senior policy researcher, RAND Corporation.**

"Nobody really knows what they are buying when they go to higher education in the sense of: 'How much more am I going to learn given what I know now? What is the real quality of education that I am going to get?' So absent that kind of information about quality, we have these distorting ranking systems that have such a huge impact on the choices we make." — **Kevin Carey, research and policy manager, Education Sector.**

"We need to think not just about getting kids in the door, but about how we can structure our financial aid to assist students to make it all the way through college, keeping in mind the incredible burden when they don't graduate and still are saddled with loan costs." — **Donna Desrochers, director of education studies, Committee for Economic Development.**

"How do we get that message across to parents who just see the sticker price and don't know what aid is available? It's a serious challenge to us...We have, especially at our private colleges and universities, many so-called middle-income students who tell us they simply can't come. The students with high need have access to programs that can help them get there, as well as institutional aid that we provide in significant amounts, but many of the students who don't actually qualify under the federal formula for need have no way, even with all the loans and jobs, to be able to afford to attend." — **Hope Williams, president of North Carolina Independent Colleges and Universities.**

"I know there are lots of low-income students who are attending high-priced schools, but what I'm seeing more and more is a segregation of low-income students into low-priced schools and specifically into community colleges, and the arrival on campus at higher-priced

institutions of those who can afford it." — **Tina Milano, executive director, National College Access Network.**

"We need to define what the solutions are, or what the outcomes of education are. People go to elite private institutions, or state institutions, or community colleges, for very different purposes. But I'm not sure that the students, especially those straight out of high school, have thought deeply about those purposes...What messages do we want our institutions of higher education communicating to the K-12 world?" — **Jeffery Schwartz, education program, Appalachian Regional Commission.**



*Kenneth Redd of NASFAA with Carol D'Amico, executive vice president of Ivy Tech Community College.*



*John Mutz, chairman of Lumina Foundation for Education.*

## Keynote address:



Keynote Speaker Tom Friedman

Thomas L. Friedman, foreign affairs columnist for *The New York Times*, drew from the findings of his new book, *The World Is Flat: A Brief History of the Twenty-first Century*, in an address that echoed throughout the subsequent summit sessions. Because technology has flattened the world, Friedman suggests that the global economic playing field has become increasingly level – with significant implications for American education and competitiveness.

“We got from the agricultural to the industrial revolution by making high school a requirement,” he said. “We now move from the industrial revolution to the post-industrial, and there’s only one way for us to successfully make that leap and maintain social stability – and that is, if tertiary education, post-secondary education, is available to every American who wants it.”

In a flat world, said Friedman, it is no longer good enough “to be a B student in Indianapolis.” In a flat world, he said, the United States requires “great teachers” to instill in young people the habits of mind necessary for lifelong learning.

“The only way to compete is by getting smarter and smarter, and not by working cheaper and harder,” Friedman said. “. . . The single thing you need to learn is how to learn. Learning how to learn is the most important single thing. . . we can teach.”



U.S. Sen. Richard Lugar

Sen. Richard G. Lugar, chairman of the Foreign Relations Committee, also addressed the summit. He noted the wide gap in degree attainment of students from poor families and from affluent families – 60 percent of children from affluent families get college degrees, in contrast to 7 percent among low-income families. It remains uncertain, he said, whether and how the United States will address the need for greater access to higher education because the “public will is still forming.”

## Afternoon plenary session

**Former Gov. James B. Hunt Jr.** of North Carolina called on the United States to double the number of young people going to and graduating from institutions of higher education over the next quarter of a century.



*James B. Hunt Jr., chairman of the Hunt Institute.*

For the past decade or so, Hunt said, the American college-going rate has remained relatively flat. At the same time, the economic dynamics associated with globalization have accelerated. China, in particular, has set about trying to raise its college-going rate from 2 percent to 20 percent by 2020.

While acknowledging the sprawling diversity of U.S. higher education, Hunt declared, “We ought to have a goal in America...We’re at a point, folks, where we’re going to have to make this an American enterprise.”

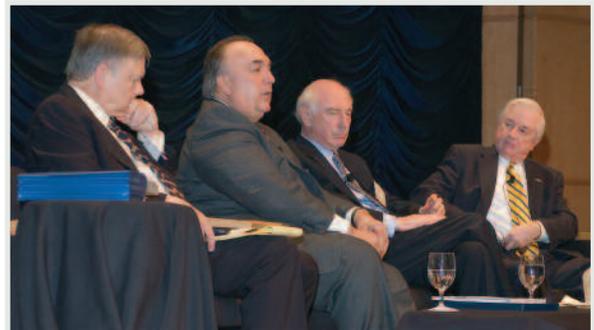
“Why don’t we set a 25-year goal? Why don’t we say that, by 2030, we’re going to double the number of young people who go to and graduate from higher education — either a one-year certificate, or a two-year associate degree, or a four-year degree?”

Following Hunt, both **John Engler**, president of the National Association of Manufacturers, and **Arthur J. Rothkopf**, senior vice president of the U.S. Chamber of Commerce, pointed to the imminent retirement of the baby-boom generation of workers, professionals and managers. Their departure, combined with the economy’s demand for more skilled workers, will soon present American business with major challenges.

“Our best estimate is that as many as 10 million jobs generated by the U.S. economy will go unfilled,” said Rothkopf, “because unless we do something differently, we will not be able to fill those jobs.”

Despite the overall decline of the manufacturing sector of the economy, Engler, the former governor of Michigan, pointed out that manufacturing still accounts for 15 million American jobs. And, he said, jobs in skilled trades often bring in higher income than jobs held by people with four-year degrees.

Engler, president of the National Association of Manufacturers, said a “fundamental weakness” in the American education system has to do with helping young people understand what skills are in demand and which educational and training systems can prepare them for those skills. “I would suggest that modern counseling doesn’t quite get it,” he said.

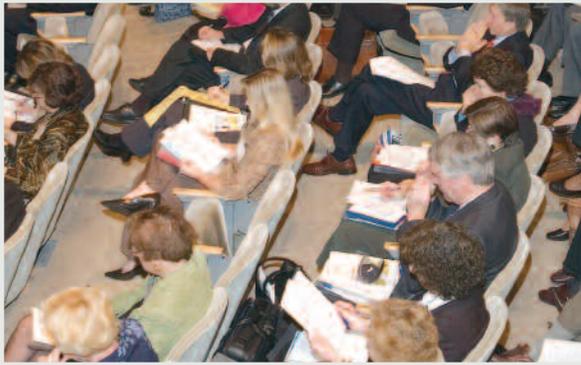


*(From left): Patrick Callan of the National Center for Public Policy and Higher Education, John Engler of the National Association of Manufacturers and Arthur Rothkopf of the U.S. Chamber of Commerce with Hunt during the afternoon plenary.*

He also called for eliminating from higher education “the remedial cost that the K-12 system is passing along.” And he suggested working more aggressively at allowing students to move faster through the system by having high school students begin taking college courses as early as their junior year.

**Patrick Callan**, president of the National Center for Public Policy and Higher Education, opened his remarks with a confession. He said that, in a professional career administering higher education policy-making bodies, “I have had no passion whatsoever for either efficiency or controlling costs.” Education, he said, does not attract people whose primary interest is efficiency.

That said, Callan went on to warn the audience that higher education cannot expect robust public investment without evidence of cost control.



*Afternoon plenary session.*

“There will not be enough money in this country to provide the higher education that is needed if the current cost trajectory continues,” he said. “...Cost control is a precondition of public investment, not a substitute for it. We won’t have one without the other.”

Even so, Callan disputed the notion that the United States has experienced a massive public disinvestment in higher education. Actually, he said, expenditures have remained “remarkably stable.”

States have an important role to play, Callan said, in controlling what he called “mission-creep” among institutions of higher learning. “There is nothing we do that is more expensive than moving more institutions into the research and graduate programs when their primary mission is undergraduate education. There is nothing more expensive than expanding research capacity when it is not needed, when it is done just for local or parochial reasons.”

Fundamentally, Callan said, the dysfunction in the nation’s higher education finance system cannot be treated as a mere technical problem. Rather, he said, it has to be approached as “a political, organizational, cultural problem.”

## Afternoon breakouts: More talking points

**Carol Scarafiotti**, vice president emeritus of Rio Salado College, provided an extensive review of how that

institution seeks to serve 24,000 students through its “e-learning” model. One of the 10 Maricopa Community Colleges in Tempe, Ariz., Rio Salado features extensive use of technology and outsourcing, while offering students courses on a frequent, flexible schedule at a modest price. Rio Salado charges \$60 per credit hour (\$147 for out-of-state students), and there is no technology fee.

“Our typical student at Rio Salado is a woman,” said Scarafiotti. “In fact, 60 percent of our students are women.” She described many female students as in their late-20s, working full time and raising children, needing “a convenient way to get an education.” In addition, Rio Salado is the third-largest provider of education through the E-Army-U program.

Rio Salado offers more than 400 courses. Its full-time faculty of 29 professionals focus on curriculum development and faculty training, while its online instruction is delivered by 450 adjunct faculty members. The college outsources such functions as tutoring, evening reference library and some technology support.

Scarafiotti said that “80 percent of our students will finish the courses that they are registered for, and we think that’s a very good completion rate...So students can and will perform in an e-learning environment.”

In another session, **Julie Davis Bell**, education program director for the National Conference of State Legislatures, reminded participants that, in addition to demographic and technological forces, they should recognize a “political force” that affects legislative action, including partisan polarization and lingering opposition to raising taxes.

“It involves a lot of political changes at the state and federal level that are impacting policy and politics,” she said. “Some of those forces are things like severe state budget difficulties that were coming before every state in the country, making decisions very, very difficult and impacting higher education in a particularly harsh way – but also issues like a growing mood of strong anti-tax sentiment that is out in the public.”

State Representative **Denise Merrill** of Connecticut, who chairs an appropriations committee in her state, spoke of competing pressures on state budget writers.

“Higher education in my state – and apparently in many others – is really not even among the top three or four issues on our appropriations agenda right now because of various other pressures, largely health care. I would say Medicaid is the biggest pressure in almost every state.”

In yet another session, **Michael Cohen**, president of Achieve Inc., summarized research findings of the American Diploma Project and spelled out a policy agenda for the states. “In a nutshell,” said Cohen, “what we’re focusing on here is making sure that we set expectations right for what students need to learn while they’re in high school so they are prepared for what they face when they leave high school.”

Interviews with college faculty and with employers who hire high school graduates, said Cohen, turned up a “tremendous convergence in the knowledge and skill young people need to have in order to succeed in college or to succeed in work.” It is important for young adults to think creatively and logically to identify and solve problems, as well as to have communication, writing and researching skills.

To close gaps in expectation and achievement among students from different racial and ethnic groups, Cohen outlined a four-part agenda:

- 1) Align standards for high school students with the knowledge and skills required in the workplace.
- 2) Give 11th-grade students placement exams that will provide “very clear direct feedback as to whether they are actually ready to do credit-bearing work in college.” This would give young people a year or more to remedy any deficiencies the tests identified.
- 3) Require students to follow a curriculum aligned with the standards. In math, this would mean every student should take Algebra I, geometry, Algebra II and a fourth course of rigorous math. This also means four years of college-prep English.
- 4) Hold high schools accountable for elevating the high school completion rate.

Cohen’s presentation stimulated a lively conversation. In part, the conversation focused on the critical role of students taking Algebra II. There was also discussion of teaching algebra and English using practical, less abstract, methods, so that students understood the subject’s application to real-world demands. Cohen’s talk also set off debate about the difficulties in getting college faculty and business executives to define knowledge and skill expectations with the specificity that high schools need to develop curricula.

For example, **Jack Warner**, commissioner of higher education in Rhode Island, noted that “what appears to be simple work at the surface turns out to be more difficult when you bring it to the ground....There are real disagreements between higher education faculty and high school faculty about content at the high school level.”



(From left): Bill Troutt of Rhodes College, WICHE’s David Longanecker and Bonnie Newman of Lumina Foundation.



(From left): Julie Davis Bell of NCSL, Wisconsin State Rep. Rob Kreibich, Connecticut State Rep. Denise Merrill and Marie McDemmond, president emeritus of Norfolk State University.

## Next steps in the College Costs initiative

The rising price of college attendance threatens college access for hundreds of thousands of students. It also threatens the nation's capacity to offer higher education to all who need it. The *College Costs: Making Opportunity Affordable* national summit framed the college cost issue and its many dimensions. To build on this knowledge and commitment, Lumina Foundation has committed to supporting a multiyear initiative to improve college affordability for millions of students seeking postsecondary access and success.

The goal of the Foundation's College Costs initiative is to make higher education more affordable to students without reducing its quality. Our aim is to identify, develop and implement policies and practices that can reduce the cost of higher education and increase rates of college access and success among all students.

To meet its goal of making higher education more affordable, the Foundation will seek partners who are willing to work concurrently toward three objectives:

### 1 Lowering the unit cost of higher education.

Expanding the capacity of higher education systems to meet educational and workforce-development needs will require interventions to lower the cost of developing and delivering postsecondary education. In partnership with selected states and institutions, we expect over time to see reductions in the unit cost of higher education. In turn, we expect these savings to contribute to significant increases in higher education capacity and productivity. Producing this outcome will require the identification and development of strategies that make higher education less costly to deliver without sacrificing quality. Furthermore, the savings must be passed on to students and families.

### 2 Reducing time to degree.

Increasing the speed at which students earn certificates and degrees has two clear benefits:

- Even at current prices, students and their families will save money by spending less.

- Even without increasing the size and capacity of institutions, more students will graduate, at a lower net cost.

### 3 Providing financial incentives to increase college affordability among low-income and first-generation students, adult students and students of color.

Reducing time to degree and lowering unit costs can have the unintended effect of encouraging colleges to educate only those students who are most likely to make it through the system rapidly, without remediation, and with little need for financial support. In tandem with the objectives of lower cost and reduced time to degree, this objective recognizes the urgency of keeping higher education's doors open to underserved students.



*Martha D. Lamkin, Lumina Foundation's president and CEO.*

To achieve these objectives, the Foundation will pursue three primary strategies. We plan to:

1. Undertake targeted and intense work in a few key states and in selected institutions within those states.
2. Build a portfolio of exemplary approaches and demonstrations that we can disseminate in the target states and nationally.
3. Promote public awareness, engagement and public will on a targeted basis to solve the problem of college costs.

Further details will be released later this year. Lumina Foundation plans to issue an invitation for proposals that will outline explicit criteria for grant making.



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