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## Reverse Transfer: The path less traveled

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As the nation works toward higher postsecondary attainment goals, states are looking into ways to increase successful degree completion for students in higher education. A broad consensus between states, philanthropic interests and the business and labor communities is that higher attainment rates are required to meet the workforce demands of the 21st century.<sup>1</sup> This goal cannot be reached without innovative ways of increasing degree completion. One such innovation is expansion of reverse transfer policy.

Reverse transfer is a unique process for awarding associate degrees to students who have transferred in pursuit of a bachelor's degree before completing the requirements for an associate degree at a two-year institution. Through reverse transfer policies and programs, students can combine credits they earned at two- and four-year institutions to be awarded an associate degree while also working toward a bachelor's degree.

This brief defines reverse transfer and explores how states and organizations might utilize the policy as one approach to support increasing educational attainment. In the past 20 years, more than 31 million students have left higher education with some credits yet no degree or certificate.<sup>2</sup> This highlights a need to support those students in their academic goals. Reverse transfer policies provide an option for awarding these students a credential.

“Transfer student degree completion rates are higher for students who earn an associate degree prior to transferring to a four-year institution.”

### KEY TAKEAWAYS

Reverse transfer is the process by which a student is awarded an associate degree after transferring and completing degree requirements at a four-year institution.

Seven states have legislation creating reverse transfer, including Colorado, Florida, Maryland, Michigan, Missouri, Oregon and Texas.

Typically students are required to reach a certain number of combined credits between the two-year and four-year institutions while meeting all requirements for the associate degree.



## Reverse transfer

The most common notion of transfer is vertical transfer, which is defined as a process where a student transfers from a two-year institution to a four-year institution.<sup>3</sup> A large number of state policies regarding transfer deal specifically with students moving from a two-year to a four-year institution. These policies include common course numbering, guaranteed transfer of an associate degree, articulation agreements and 2+2 programs (which guarantee students admission to a four-year institution once they are awarded an associate degree). Recently, policymakers, national organizations and institutional practitioners have begun using the term *reverse transfer* to describe a similar process of student mobility with slightly different goals and outcomes.

Reverse transfer can be defined as “the process of retroactively granting associate degrees to students who have not completed the requirements of an associate degree before they transferred from a two- to a four-year institution.”<sup>4</sup> Typically students are required to reach a certain number of combined credits between the two-year and four-year institutions while meeting all requirements for the associate degree. Once the student reaches the designated credits and requirements, they are then retroactively awarded an associate degree from their two-year institution of origin.

The concept of reverse transfer, and its potential to support increased degree attainment, has driven activities at state and national education policy organizations. In 2012, five national foundations created the Credit When It’s Due (CWID) initiative to help states facilitate reverse transfer programs.<sup>5</sup> The initiative funded 12 states at inception and has since expanded to 15 states, including Arkansas, Colorado, Florida, Georgia, Hawaii, Maryland, Michigan, Minnesota, Missouri, New York, North Carolina, Ohio, Oregon, Tennessee and Texas. The CWID initiative is meant to support partnerships between community colleges and universities to increase the number of associate degrees being awarded to students after they transfer.<sup>6</sup> Seven of the above states required implementation of reverse transfer policies through legislation.

Some states have found the process of transferring credits back to the two-year institution to award the associate degree difficult given the complexity of higher education systems and data transfer processes or limitations. The Reverse Transfer Project (RTP) was initiated to mitigate these challenges and assist four-year institutions transfer credit back to two-year institutions to streamline the process of a student retroactively being awarded an associate degree.<sup>7</sup> The RTP, which is managed and originated with the National Student Clearinghouse (NSC),<sup>8</sup> is piloting this program in three states – Missouri, Texas and Wisconsin. The RTP allows the NSC to be the data exchange provider to facilitate reverse transfer in the states. In phase II of the project, the NSC plans to roll out a “nationwide data mart” for any state providing reverse transfer to its students.<sup>9</sup> Taken together, state legislation, the CWID initiative and the RTP demonstrate how states and organizations are taking innovative approaches to increase degree completion and support articulated attainment goals.

## Some credit, no degree

Reverse transfer policies have been gaining traction as states seek new ways to recognize credits students have earned that did not result in the awarding of a degree or credential. Recognizing completed course work benefits efforts to increase attainment levels and provides students with a credential that is potentially of value in the labor market. The NSC has identified a group of students known as “potential completers” – individuals who have two or more years of progress in postsecondary education but have not earned a degree or certificate.<sup>10</sup> The estimated 1.2 million people having more than 60 credits but no degree amounts to unrecognized skill and knowledge acquisition in state labor markets and raises concerns about student indebtedness without potential to experience wage gains.<sup>11</sup>

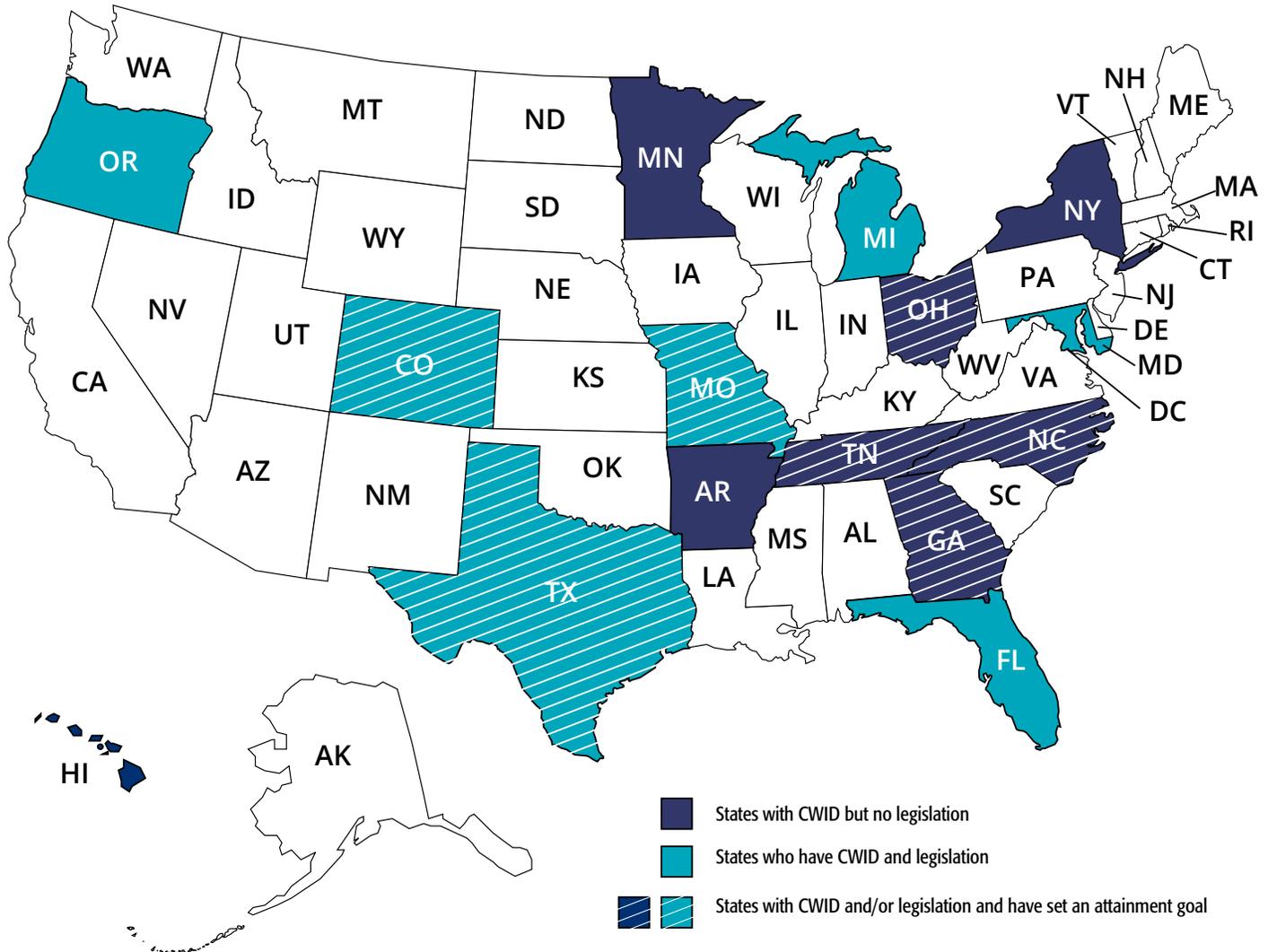
## Attainment

In its Blueprint for College Readiness report, Education Commission of the States reported that 26 states have established statewide attainment goals through policy or their state strategic/master plan.<sup>12</sup> Most of these states set specific attainment goals and a year by which they intend to reach their goal. Education Commission of the States provided Georgia as an example as the state set a 60 percent attainment rate to be reached by the year 2020.<sup>13</sup> Seven of the 15 states that offer reverse transfer have set a state attainment goal in policy or their state strategic/master plan. Reverse transfer in these seven states is one strategy to reach their set goals and increase the likelihood of bachelor’s degree completion for transfer students.

### Shifting Definition

Prior definitions of reverse transfer described the process of students transferring from a four-year to a two-year institution. For example, a student would completely transfer to the two-year institution or step out from the four-year institution to complete courses at the two-year institution. Then, the credits were transferred back to the four-year institution.

## Reverse transfer and attainment in the states



## State policy examples

## Colorado

In 2012, Colorado enacted C.S.R. §23-1-131, which instituted the state's reverse transfer policy. The statute states that the Colorado Commission of Higher Education will collaborate with the boards of public two-year and four-year institutions to develop the reverse transfer process. A key element of the reverse transfer policy is the development of a process by which students are notified regarding eligibility to be awarded an associate degree.<sup>14</sup> To qualify for reverse transfer, students must have completed at least 15 credits at a two-year institution and accumulated 70 credit hours between the two- and four-year institution. Students must have also completed the residency requirements for an associate degree at a two-year institution. Students have the ability to decline the associate degree when notified of eligibility.

## Michigan

Michigan enacted Public Act 201 in 2012, requiring the community colleges to work with public universities to implement statewide reverse transfer agreements. These agreements are meant to increase the number of students awarded credentials of value.<sup>15</sup> The act states that students must earn a significant number of credits at a community college and transfer to a baccalaureate-granting institution before completing an associate degree. Once the student has completed the required amount of credits between the two institutions, he or she can be awarded a credential of value.

## Missouri

In 2012, Missouri updated Mo. Rev. Stat. § 173.005 to include additions to existing transfer policies. Section eight required the coordinating board to develop a reverse transfer policy for students who accumulated enough credits in combination with at least one public higher education institution in Missouri that offers an associate degree and one public four-year institution.<sup>16</sup> The student must complete all required courses that meet the requirements of an associate degree.

## Oregon

Oregon enacted O.R.S. § 341.430 in 2011, requiring the Joint Boards of Education to develop standards called the Transfer Student Bill of Rights and Responsibilities. These standards provide a guide to how credits are applied for degrees awarded at community colleges and state institutions of higher education. Within the Bill of Rights is a process that allows community colleges to award an associate degree to students once they have met all requirements. This process happens regardless of whether students finished their credits at the community college or completed the requirements at a four-year institution.<sup>17</sup> Students are automatically awarded the associate degree whether they applied to receive it or not.

## Texas

In 2011, Texas enacted Tex. Educ. Code Section 61.833, which created reverse transfer in the state. Students must have earned at least 30 credits at a lower-division institution before transferring to a general teaching institution. Once students have transferred, they must earn a cumulative total of 66 credits of course work that meet the requirements for an associate degree.<sup>18</sup> The general teaching institution must contact the student for authorization to release their transcript to the lower-division institution to determine if the student has earned the required courses for an associate degree. Once the lower-division institution determines the student has met all requirements, it may then award the degree.

The state examples above show the diversity in how these policies are written and articulated. States provide different levels of specificity as to what requirements students need to meet and what responsibility institutions have in the process. Depending on the governance structure of the state, much of the implementation process for reverse transfer policies may happen outside of legislation.

## Common elements and unique aspects

Each policy above calls for the creation of a reverse transfer process to be followed by all public institutions. All of the policies were enacted between 2011 and 2012, which could signal when the need to increase degree attainment became a highly discussed topic in the states. Only two states, Colorado and Texas, set a specific number of credits a student must accumulate between the two- and four-year institutions. The other three states assert that students must reach a significant number of credits or must reach the requirements of an associate degree. Oregon's policy is unique in that the student is awarded the degree whether he or she applied for it or not. In general, all of these policies call for a reverse transfer policy to be implemented and for both two- and four-year institutions to collaborate in the transfer process.

## Considerations for state policymakers

Studies have shown that students who earn an associate degree before transferring to a four-year institution are more likely to complete a bachelor's degree than students who transfer before earning their associate degree.<sup>19</sup> Reverse transfer ponders the question of bachelor's degree completion rates for students who earn their associate degree retroactively after transferring to a four-year institution. These policies and initiatives might provide insight into the timing of awarding an associate degree for students working toward a bachelor's degree. Policymakers in states who currently do not have reverse transfer policies or do not participate in these initiatives should consider the following questions when exploring reverse transfer policies:

- ◆ What policies currently exist in your state to ease the transfer process for students?
- ◆ Does your state have the data infrastructure to share student records between two-year and four-year institutions?
- ◆ Has your state set an attainment goal? If so, what strategies have been outlined to reach that goal? How does reverse transfer fit within the current policy landscape?
- ◆ Does your state have a large enough two-year institution population to warrant the creation of a reverse transfer policy?

## ENDNOTES

- 1 Anthony P. Carnevale, Nicole Smith and Jeff Strohl, *Recovery: Job Growth and Education Requirements Through 2020* (Washington, D.C.: Georgetown University Center on Education and the Workforce, June 2013), 4-6, <http://cew.georgetown.edu/recovery2020/>.
- 2 Doug Shapiro, et al., *Some College, No Degree: A National View of Students with Some College Enrollment, but No Completion* (Herndon, VA: National Student Clearinghouse, 2014), 2.
- 3 National Association for College Admission Counseling, *The Transfer Process Defined* (Arlington, VA: NACAC, 2014), <http://www.nacacnet.org/research/transfer/Pages/The-transfer-process-defined.aspx> (accessed April 24, 2015).
- 4 Laura Hannenmann and Matthew Hazenbush, *On the Move: Supporting Student Transfer* (Boston, MA: New England Board of Higher Education, 2014), 6.
- 5 Jason L. Taylor, et. al, *Credit When It's Due: Results from the Baseline Study* (Illinois: Office of Community College Research and Leadership, University of Illinois at Urbana-Champaign, 2013), 1.
- 6 Lumina Foundation, *Credit When It's Due: Recognizing the Value of Quality Associate degrees*, (Indianapolis, IN: Lumina Foundation, 2013), <http://www.luminafoundation.org/credit-when-its-due> (accessed April 8, 2015).
- 7 National Student Clearinghouse, *What Is Reverse Transfer?* (Indianapolis, IN: Lumina Foundation, 2014), <http://www.reversetransfer.org> (accessed April 9, 2015).
- 8 Ibid.
- 9 Ibid.
- 10 Ibid, Shapiro, 4.
- 11 Ibid, 8-12.
- 12 Emmy Glancy, et al., *Blueprint for College Readiness* (Denver, CO: Education Commission of the States, 2014), 42.
- 13 Ibid, 79-80.
- 14 C.S.R. §23-1-131, [http://highered.colorado.gov/academics/transfers/gtPathways/i-part1\\_042014.pdf](http://highered.colorado.gov/academics/transfers/gtPathways/i-part1_042014.pdf).
- 15 Act No. 201, Public Acts of 2012, <http://www.legislature.mi.gov/documents/2011-2012/publicact/pdf/2012-PA-0201.pdf>.
- 16 Mo. Rev. Stat. § 173.005, <http://house.mo.gov/billtracking/bills121/billpdf/truly/HB1042T.PDF>.
- 17 ORS § 341.430, [https://www.oregonlegislature.gov/bills\\_laws/lawsstatutes/2011orLaw0465.html](https://www.oregonlegislature.gov/bills_laws/lawsstatutes/2011orLaw0465.html).
- 18 Tex. Educ. Code. Section 61.833, <http://www.statutes.legis.state.tx.us/Docs/ED/htm/ED.61.htm>.
- 19 National Student Clearinghouse Research Center, *Snapshot Report: Degree Attainment* (Indianapolis, IN: Lumina Foundation, 2012), <http://nscresearchcenter.org/wp-content/uploads/SnapshotReport8-GradRates2-4Transfers.pdf> (accessed April 13, 2015).

## ECS resources

*Blueprint for College Readiness*

<http://www.ecs.org/docs/ECSblueprint.pdf>

*Students on the move: How states are responding to increasing mobility among postsecondary students*

<http://www.ecs.org/clearinghouse/01/12/29/11229.pdf>

*Recent State Action on Transfer and Articulation (2011-2014)*

<http://strategylabs.luminafoundation.org/wp-content/uploads/2014/10/ECS-Transfer.pdf>

## Author

Lexi Anderson is a policy analyst with Education Commission of the States. While not a dedicated runner, she has completed six marathons and doesn't plan to stop until she beats her father's record of 14. Contact Lexi at [landerson@ecs.org](mailto:landerson@ecs.org) or (303) 299.3611.

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