

Making College Graduation a Reality: Preparing & Supporting Low-Income Students

Jamie P. Merisotis
President, Lumina Foundation for Education
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Thank you. It's good to be with you this afternoon — and it's nice to be back in the Northeast. As some of you may know, I'm a New Englander at heart; I grew up in Connecticut and went to college in Maine — so I feel very much at home here in the Boston area. I guess you could say it's a bit of a homecoming for me, and I always relish that.

I also relish the opportunity to talk with you about college access and success. First of all, that topic is my passion. It not only made my professional career possible, it has since defined that career, and it is the sole mission of the foundation I now lead. So, for me, this is a wonderful opportunity to talk about what really matters. And it's especially exciting to do that in partnership Bob Gianinno-Racine and ACCESS.

Bob himself will be up here in a bit to talk to you about the wonderful work that ACCESS is doing in Boston, so I won't steal his thunder. Still, I do want to take this chance to let you know how lucky you are to have an organization like ACCESS here in Boston. Bob and his colleagues have toiled in these trenches a long time, and I commend them for their good work.

I also note that he recently recruited another much-decorated soldier for this effort: my friend and colleague Ann Coles. Ann, now a Senior Fellow at ACCESS, worked for years as an executive at The Education Resources Institute here in Boston and headed up the national Pathways to College Network. She is a founding Board member of ACCESS and is THE example of the kinds of dedication, commitment, and persistence that has been the hallmark of the work at ACCESS.

So, I am clearly among friends here today, and know that I am in the company of a very forward-looking group, given your collective interests in supporting social innovation. In these challenging economic times, the need for innovation has never been greater. We need to do all we can — as quickly and creatively as we can — to enhance opportunity for low-income students. As I said, that is what Lumina Foundation is all about, and that's what I'm here to talk about today.

For those of you who may be unfamiliar with Lumina, let me fill in the blanks just a bit. Lumina Foundation for Education is a private foundation based in Indianapolis. We're the largest national foundation that focuses exclusively on helping students enroll in postsecondary education ... and to succeed once they get there. Access and success are what we're about. We have more than a billion dollars in assets, and last year we paid out about \$53 million in grants. That's a significant amount, but as you all are aware, it's a drop in the bucket compared to the challenges facing higher education today.

That’s why, in addition to our grantmaking, we at Lumina try to use all of the tools we have at our disposal to increase college success rates, particularly among underserved students. This includes at a broad level support for policy advocacy, public will-building, and effective practice. More specifically, it includes convening business, policy, and educational leaders to develop strategies to advance student success. It also includes using our own bully pulpit as a large national foundation with a very specific mission, communicating reliable and actionable information to broad audiences. We support important research that can assist college leaders and faculty and can inform and influence policymakers. We emphasize the development of collaboration and network-building as a tool to broaden the ideals of college access and success to diverse constituencies. We are even exploring how we can use mission-related investing to maximize the impact of our investment portfolio and bring other large-scale investors into the space of higher education innovation.

We do all of these things in pursuit of one specific aim — what we call our “Big Goal.” At Lumina, our Big Goal is this: **By the year 2025, we want 60 percent of the American population to hold high-quality, two- or four-year college degrees.** Right now, and for the past four decades, U.S. degree attainment has hovered around 39 percent, so you can see we have a big job ahead of us. In fact, to reach the Big Goal, the nation will have to produce 16 million more graduates than are expected at the current rate.

Our goal isn’t intended merely as a rallying cry to our cause. I don’t have to tell you about the job market ... the unemployment numbers ... the economic forecasts ... and the workforce projections. You’ve heard that three-fourths of today’s fastest-growing occupations require more than a high school diploma. You know that the majority of jobs created by the newly-enacted stimulus package will require some form of postsecondary education. As President Obama recently said, college success is not just a pathway to opportunity, it’s a prerequisite. If followed, the path leads to jobs ... the jobs lead to prosperity ... and prosperity leads to economic and social stability for individual Americans and for the country at large.

When we announced our Big Goal more than a year ago, it was described as audacious and daunting. But over the last few months, this idea of a college attainment goal has gotten a lot of traction. I like to say that if we were out on a limb when we first announced our Big Goal, we now seem to have attracted some pretty good branch neighbors. The College Board and the State Higher Education Executive Officers have embraced goals similar to ours. And, three weeks ago, President Obama drew applause from both sides of the aisle when he pledged to Congress that America once again will have the highest proportion of college graduates in the world.

Clearly, if we hope to hit that Big Goal, the issue of student success needs to take center stage. It needs to be a national priority — not just on the nation’s college campuses, but in K-12 systems, in the philanthropic community, in the policy arena at both the state and federal levels, and in living rooms and around kitchen tables all over the country. Families need better and more timely information about the college-enrollment and financial-aid application process. Students need to be better prepared for the academic rigors of college — and that preparation must start, not in high school, but in grade school and middle school. More public and private dollars must be made available to help struggling families pay for college. And policymakers must find ways to encourage

the higher-ed system to be more efficient — and colleges and universities must embrace these efficiencies and adopt innovations that can improve productivity and increase degree attainment.

At Lumina Foundation, we're working hard to make progress on all of these fronts. But, as I said, our goal is big, and we need lots of help. That's why I'm excited about organizations like ACCESS, because Bob and his organization are obviously helping. They "get it." They are focused exactly where we must be focused as a nation: on underserved populations — low-income students, students of color and first-generation students.

This is where we our energies must be focused if we hope to help America realize its economic and social potential. The math is clear: If we hope to reach the goal of 60 percent degree attainment, achievement rates among the nation's underserved students will have to rise dramatically. Population trends make that fact inescapably obvious. Demographers tell us that, of the 56 million people who will be added to the U.S. population between 2000 and 2020, 46 million will be members of minority groups. By 2050, minorities will actually constitute the majority of our nation's population.

Unfortunately, in many states, the groups that are on track to grow the fastest are the same population groups that post the lowest levels of academic success. As an example, projections indicate that by the year 2025 — the same year Lumina hopes to reach its Big Goal of 60 percent degree attainment nationally — one out of every four new workers will be Hispanic. Yet right now, only 18 percent of Latinos in the U.S. hold associate degrees or better. That's not nearly good enough.

Unless we want demography to dictate destiny, we must find ways to ensure that every American has the opportunity to succeed in higher education. That means, quite simply, that business as usual is no longer a viable option in American higher education. Change is vital if we hope to reverse the nation's disturbing economic trend and position our citizens for success in the global economy.

And it's not just about numbers; it's also a matter of fairness and justice. There is no doubt that our system of higher education faces significant, persistent problems in its efforts to foster and ensure equity. The gap between Americans with college degrees and Americans without college degrees has always been too wide ... and it's actually getting wider. Getting people into college and helping them stay through graduation is therefore essential to our collective well-being. Closing the achievement gap isn't just the right thing to do; it's also the smart thing to do — for all Americans.

As I said, we at Lumina are attacking this problem on multiple fronts, and we've been at it now for several years. Long before I arrived at the Foundation in early 2008, Lumina helped launch College Goal Sunday — a multi-state effort in which volunteers give low-income families hands-on help in filling out financial aid paperwork. We're still very much involved in College Goal Sunday, and for several years we've also been a driving force behind another pre-college access effort called KnowHow2GO, which we support in collaboration with the Ad Council and the American Council on Education. The KnowHow2GO campaign is a national public awareness and direct-service effort aimed at helping middle-schoolers and their families get an early start in preparing for college. We all know that, if students aren't prepared academically and socially, the path to college can be a very rocky one — if they even take that path at all.

And now, more than ever, financial barriers can block that path and derail the dreams of tens of thousands of students and their families. KnowHow2GO works to address those barriers by linking students and families with a local network of advisers who can share information about financial aid as well as stress the importance of being academically prepared.

Just yesterday, we released the results of a new national tracking survey of the target group of 8th to 10th graders that is showing encouraging signs of impact since the campaign began three years ago.

- The percentage of students who said they are regularly taking steps to prepare for college grew significantly to 35 percent in 2009, up from 26 percent in 2007.
- Nine in 10 students (91 percent) said they have spoken to an adult about getting prepared for college, up from 80 percent in 2007.
- When asked what they talked to adults about, 69 percent said they discussed being academically prepared to get to college, up a full 20 percentage points from 49 percent in 2007.

Lumina also is working in the policy arena to help ease the financial burden of college. In addition to our strong advocacy for increases in need-based aid from state governments and from postsecondary institutions themselves, we're also supporting work to make state college savings plans more inclusive. As currently structured, most of these state 529 plans are doing very little to increase college-going among low-income students because their tax benefits are geared to attract middle- and high-income families.

Working with the Center for Social Development and the New America Foundation, we are hoping to change that. We want to encourage policymakers to follow the lead of innovative states that are revamping their 529 plans to encourage low-income families to save for college. Here in New England, for example, the state of Maine adds a \$200 initial grant — plus as much as \$200 annually in matching funds — to the 529 accounts of families with adjusted gross incomes of \$75,000 or less.

Similar efforts are beginning to sprout in other states, and we believe these progressive 529 plans are a wise investment. Over time, such subsidized savings programs could redefine what we mean by “self-help” and reduce the significant burdens associated with student loan debt. And the benefits of these programs could ultimately extend far beyond the families that qualify. After all, we all stand to benefit if we can help more underrepresented students enroll in education after high school.

Still, our excitement about progressive 529 plans — and about KnowHow2GO and ALL efforts to enhance college access — is tempered a bit by an important realization: Access isn't really the end game here; it's just the first step. The ultimate goal — the one we're all working toward — is actually student success. As the title of today's discussion indicates, what really matters is “Making College GRADUATION a Reality.” And again, true innovation — the type of creative thinking that is fostered by groups such as this one — is vital if we hope to improve graduation rates.

At Lumina, we're doing our best to spark innovation. Let me give you a few examples:

First of all, we purposely identify a small portion of our grant funds to respond to what we call “blue-sky” ideas that seem likely to help us reach our Big Goal. Even though much of our grant-making is proactive in nature, we also want to be open to the expertise of those in the field, to seize on interesting and unexpected programs that come to our attention.

Second, we’re looking for innovative ideas coming out of other countries — particularly those in Europe, where the Bologna Process is helping to build a more seamless and interconnected higher education system. In fact, the European success with expanding the attainment of high quality higher education over the last decade may be one of the most important developments in this field in the last 40 years.

Finally, we’re actually trying to institutionalize innovation — to fully unleash higher education’s transformative power — through our newest initiative, called Making Opportunity Affordable. If you’re not familiar with MOA, as we call it, let me explain. MOA is a multi-year initiative focused on increasing productivity within U.S. higher education, particularly at two-year and four-year public institutions. We want to help schools become more productive so they can use the savings that they generate to serve more students and serve them better.

In December Lumina announced MOA grants to 11 states where elected officials and higher-education leaders are developing and refining strategies that will cut costs and boost productivity. These states will be working toward removing public and institutional regulations and policy barriers so the campuses can implement new approaches. The initiative will focus on how to best gauge returns on investment without sacrificing quality. That last point is important: We’re adamant that quality should never be compromised in the interest of reaching enrollment goals.

Let me give you a quick overview of some of the projects that the grants will support:

- Colorado plans to accelerate efforts to re-enroll adults who are fewer than 30 credits shy of finishing a degree or certification program.
- Indiana is looking at a new funding formula for higher education that includes financial incentives for course and degree completion.
- Maryland is focusing on strengthening and expanding the postsecondary pipeline between two-year and four-year institutions in areas of workforce shortages. Those areas include teaching, nursing, and engineering.
- Mississippi is planning to advance a system-wide redesign of its developmental education courses.
- Ohio is forming a statewide Efficiency Council that will identify and disseminate best practices across the system in a high-profile, public forum.

- California will use grant money to study student flow from point of entry — enrollment — through what they call the “bottleneck experiences” where students are most at risk of becoming frustrated and dropping out.

All of these programs are designed to increase productivity and demonstrate how to use resources effectively and efficiently. At the end of 2009, the 11 states that are serving as laboratories for innovation will compete for multimillion-dollar Opportunity Grants to implement their plans.

Naturally, we at Lumina are excited by the promise of all of these innovative efforts. But we know we can't stop there — and we don't want our grantees to stop there, either. Just as access to college is only the first step toward our ultimate goal of achievement, so is innovation just a first step toward the kind of widespread change that we all know is needed.

An innovative program can be wonderful, but if it lacks scalability — in other words, if it can't be adapted and replicated widely — its impact will necessarily be limited. That's why Lumina is so committed to policy advocacy. Once good ideas are identified and tested, we want to help them spread, to get them in the “water supply” of higher-ed systems and states so they can do the most good for the most students. To help make that happen, Lumina works hard to inform state and federal policymakers about the critical issues affecting college access and success and to craft effective ways to approach those issues.

We at Lumina believe the time is absolutely right to pursue new ideas, to take bold steps. And we are encouraged by recent signs that policymakers — at the federal level and in individual states — are also eager for new ways to increase college access and success. Certainly, the need is urgent. There are millions of students who want and deserve every chance to succeed — and we as a nation very much need them to succeed.

As we continue with our policy work — and with all of our steps toward the Big Goal of 60 percent degree attainment — we will certainly continue to share the lessons we learn. After all, as an organization dedicated to fostering success in higher education, we're keenly aware that knowledge is power ... and we know that power works best when it's shared.

In fact, that's the fundamental purpose of the Big Goal: We want to magnify the power of postsecondary education, to share it as broadly as possible so that it can be used to improve individual lives and ensure our society's economic health and social stability. We are committed to this cause, and we are very grateful to share it with so many committed partners — including organizations such as ACCESS, and all of you here this afternoon.

I'll step aside now and let Bob fill us in more fully on the work that ACCESS is doing here in Boston. After that, he and I both look forward to your questions. Thank you very much.