



## **2023 State of Higher Education Address**

### ***The HOPE Agenda – Hoosier Opportunities and Possibilities through Education***

Thank you, Jud, for your kind introduction and more importantly, for your committed leadership to the Commission for Higher Education. As Chairman, you have welcomed me and provided valuable insight and counsel during my first year as Commissioner.

Within Jud's work as CEO of Ball Brothers Foundation, he places an emphasis on funding education and workforce development initiatives as ways to improve the quality of life. He recognizes and often reminds us that higher levels of education provide greater opportunity and the possibility of personal prosperity, and economic mobility.

Like Jud, I know that education beyond high school opens doors to additional career options, greater levels of wealth, higher wages and lower unemployment rates, to name a few benefits.

It is with that vision in mind that I'm pleased to welcome you on behalf of the Commission, to this State of Higher Education Address – my first. Welcome leaders from government, education, business, philanthropy and nonprofit organizations. Welcome mentors, mentees, friends and family. Jerilyn and Jordan, thank you for being here today.

Since the Commission's creation by state statute in 1971, it has been led by visionary civic, government, education, and workforce leaders. Several of our Commission members are here with us today. As they stand, please join me in thanking them for their valuable service.

I could not even begin to thank the staff of the Commission. They are smart, dedicated, mission-driven, hard-working professionals who want to help change the world, or at least our Hoosier corner of it. When asked about my leadership and management style, I often tell folks that I have very high expectations and almost always believe individuals are more capable and talented than they, themselves, believe. Members of our team have been witnesses to this over the past year and have not disappointed.

The hard truth is, we have our work cut out for us. Not enough students are choosing to enroll in college. Just over half – or 53 percent – of Indiana high school graduates pursue education beyond high school.

While the pandemic exacerbated the decline, this trend was happening for some time. In the previous five years, the total decline was 12 percentage points, and 15 points over the previous decade.

Some have said, "There are no higher education emergencies," but I beg to differ. The overall college-going decline impacted every student demographic, but some student groups experienced greater effects from the pandemic, and gaps remain – or worsened.

The college-going rate for students from low-income households who are not part of the 21st Century Scholars program is 30 percent. When multiplied by their on-time college completion rate of 27 percent, that population



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has roughly an 8 percent likelihood of graduating from high school and completing college on time. For Black students, the likelihood is 10 percent, for Hispanic and Latino students, it's 17 percent. This is unacceptable, and in my view, it is an emergency.

Another important population – Hoosier adults – are also lagging in educational attainment. There are nearly 2 million adults with only a high school diploma. Without tapping into this population's potential and encouraging individuals to pursue higher education, Indiana will not be able to meet its future workforce demands. Like the going rate for our youth, there has been a similar decline in adults seeking postsecondary training and education – 13 percentage points in five years. Almost identical to the decline in the going rate for youth.

Just as important as it is to ensure we are getting enough students to enter the talent pipeline by enrolling in college, I want to emphasize that we also cannot lose focus on completion.

We must applaud the progress our public institutions have made in moving the needle on student completion. Over the past five years, on-time completion has improved by 11 percentage points. And, nearly two out of three students complete college within six years.

Students completing college will always be a priority for the Commission. It is imperative for the financial well-being of students to complete the education they start. I am pleased with the progress that has been made, but I am not satisfied.

As many of you are aware, Indiana set a goal over a decade ago to have at least 60 percent of Hoosiers with a quality credential beyond high school by 2025.

In 2009, when Indiana began tracking educational attainment, we were at 33 percent. Today, with recently updated data, we are at 54 percent with most of the growth – about two-thirds – due to an increase in awarding certificates, technical certificates and industry certifications, which were not originally counted in 2009.

But, when you break out the 54 percent, about 41 percent is comprised of 2-year, 4-year and higher degree holders. Nationally, that number is 46 percent. Indiana has lost ground comparatively in attainment when we only account for associate degrees and higher. In 2009, our state was ranked 39th in the nation. Today, we are 43rd.

Now is the time to intentionally move to improve the attainment of associate degrees, bachelor's degrees and above to move Hoosiers through the talent pipeline for a growth-oriented career.

And of course, we hope that a fulfilling career will be here in Indiana, but talent retention is a critical challenge for our state. Indiana is the 14th best in the nation in attracting people to come to our colleges and universities, but 40th best in retaining college graduates. This shows that our colleges and universities are a good value, are bringing people into our state and that the market is speaking. But, we have to be more intentional about getting students in front of Hoosier employers and getting them to stay here.



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Let's be clear. What gets measured gets done. The Commission has revised its Outcomes-Based Performance Funding formula to incentivize public institutions to prioritize graduate retention. To date, university presidents have leaned into this priority with strong, public support.

I believe we must view the challenges facing higher education through the lens of a possibilist. This term comes from the book "Factfulness: Ten Reasons We're Wrong About the World" by Hans Rosling. It's one of my favorites.

In his book, Rosling wrote, "I'm a very serious possibilist. That's something I made up. It means someone who neither hopes without reason, nor fears without reason, someone who constantly resists the overdramatic worldview.

"As a possibilist, I see all this progress, and it fills me with conviction and hope that further progress is possible. This is not optimistic. It is having a clear and reasonable idea about how things are."

The challenges facing higher education are understood. So, what can we do about them? We must lean on and expand proven policies, programs and partnerships and innovate where possible.

And great progress has been made in the past several months. After approaching the Governor and legislative leaders last fall about the possibility of restoring cuts made in 2009 to the Frank O'Bannon Grant, the State Budget Committee endorsed that idea and provided increases to account for inflation. That was a 35 percent increase that will serve more Hoosier students at higher levels.

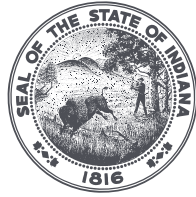
In addition, we have seen the passage of legislation to make standard completion of the FAFSA for all high school students. Some said this was impossible. Our legislators and I disagreed.

Further, we have seen significant support in the House and Senate for our prospective approach to Outcomes-Based Performance Funding, not taking our eyes off college completions, but also emphasizing the critical areas of enrollment and graduate retention.

Our efforts to set in motion automatic enrollment for 21st Century Scholarship-eligible students have seen successes in both chambers of the General Assembly and we are hopeful.

I cannot think of a better example of a program that is a beacon of hope for Indiana's college-going rate than the 21st Century Scholarship. Since its creation over 32 years ago, the scholarship has been an extremely successful, nationally recognized promise program. And the outcomes speak for themselves:

- 81 percent of Scholars enrolled in college, compared to the statewide average of 53 percent;
- across all races and ethnicities, Scholars are more likely to go to college than their low-income peers and;
- over a lifetime, the extra income Scholars garner from earning a college degree is nearly 10 times the cost of the Scholars program.



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Over 50,000 Hoosiers have completed a degree through the 21st Century Scholarship. The power of the 21st Century Scholarship is clear, but enrollment has remained a challenge. Less than half – or 48 percent – of the eligible students enroll. With support from the Governor and members of the Indiana House and Senate, I believe we will be able to start automatically enrolling all financially eligible students in 7th and 8th grade this year. Enrolling all students who are eligible will clear a barrier for Hoosiers and enable everyone to shift resources toward ensuring students are succeeding in high school, in college and beyond.

Morgan Torres is one of those students who benefitted from the 21st Century Scholarship and is a true testament to the program. She has devoted her life to service in all forms, from community to country.

At the age of 17, Morgan joined the military. After graduating from high school, she left her hometown of Monticello for Advanced Individual Training in the Army Reserve. During that time, Morgan enrolled at Purdue University.

Once at Purdue, Morgan continued to serve the veteran community and spent two years as the first female president of the Purdue Student Veteran Organization. She graduated in 2020 with a bachelor's degree.

Currently, Morgan is still an active-duty member of the U.S. Army Reserve. She remained at Purdue as the assistant director of the Veterans Success Center. Earlier this year, Morgan was appointed by Gov. Holcomb to serve on the Indiana Veteran's Taskforce.

If you were fortunate to hear her keynote address at yesterday's H. Kent Weldon Conference, she stated that student support centers, campus staff providing mentorship and a military-friendly campus made her time in higher education successful and propelled her to the future she has now. And, she described how impactful the 21st Century Scholars program was to her life journey thus far.

Morgan, please stand as we acknowledge your outstanding accomplishments and service to our state and country.

It is heartening to know that our team at the Commission and I have extraordinary partners in this work. Since assuming this role about 12 months ago, I have found nothing but supportive, collegial and thoughtful partners in Gov. Holcomb and in leaders and members of the Indiana Senate and House of Representatives. I am grateful for the grace you have shown me and for your partnership.

My commitment has been to be transparent, candid, to listen, to set high expectations and to partner. I came to realize a long time ago that I will never be the smartest person in a room. It is with this in mind that I realize good ideas come from a variety of individuals and places.

Leaders and members of the General Assembly and the administration who have pushed our team and me each day — thank you.

The presidents, government representatives and other leaders of our seven public colleges and universities have tirelessly demonstrated their collaboration as well. Thank you, presidents Chiang, Curtis, Ellspermann, Johnson, Mearns, Rochon and Whitten. I am grateful to all of you for your partnership and service.



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The value of higher education here in Indiana is downright good. When adjusted for inflation, tuition and fees at our public Indiana colleges have gone down over the last 10 years – many, ok most, people in Indiana don't know this. Indiana is a national leader. Further, our state's financial aid programs are among the most generous with nearly \$400 million available. In fact, we are first in the Midwest and fifth in the nation in need-based aid.

We need to abandon Hoosier humility on these topics and make sure people know these facts. We must continue building awareness of the value of higher education here in Indiana. And, we have to tell students of all ages that education beyond high school is worth it. That it's accessible. That it's relevant.

Education and beyond high school – whether that is a certificate, or a 2- or 4-year degree – can be transformational. It is the cornerstone of economic vitality, individual social mobility and civil society. For Hoosier employers, educational attainment is the solution to developing a strong, future-oriented talent pipeline and remaining competitive in the global economy.

On a personal level, higher education changed the trajectory of my own family. Like many other Hoosier families, both sides of my own family moved north, generally from Appalachia, from poverty, for better opportunities.

The trajectory of my own family began to change about 100 years ago – two generations before me – when only one of my four grandparents graduated from high school.

In the next generation, each child graduated high school, but only one, my father, Jerry, completed formal training and education beyond a high school diploma through an apprenticeship with General Motors. Our family became the beneficiaries, solidly part of the middle class.

My mother, Janet, was unable to pursue her postsecondary education dreams. The valedictorian of a small, rural high school, her family of poverty could neither afford nor figure out how to make her dream possible. She would have been an ideal 21st Century Scholar.

One generation later, I was the first in our family to go to college, where Jerilyn and I met at IU, and where we earned our bachelor's degrees. Later, as working adults, we both completed graduate work.

Our children, Jarrod and Jordan, completed their undergraduate work at IU. Jordan began and finished her master's degree immediately after graduating. Jarrod is an MBA candidate at the University of Chicago Booth School.

Our children continue to enjoy what they have known all their lives – an upper-middle income life, full of social and economic opportunity – and, a long way from the poverty of my grandparents.

My expectation – my hopes and prayers – are that our two granddaughters, Eloise and Madeline, will also be the beneficiaries of education, living lives we might not be able to even imagine today. For our family, and millions of others, higher education was and is a way up and a way out of poverty over a continuum of just a few generations.



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The facts speak for themselves. Wages and net worth increase with each education level. Americans who hold a bachelor's degree earn nearly \$33,000 more per year than high school graduates. That's over 80 percent more. We also know those with education beyond high school experience additional advantages such as job stability, access to benefits, lower unemployment and higher labor participation.

Education not only impacts economic outcomes – it also affects social factors such as the dependency on supplemental assistance programs, infant mortality and life expectancy. Twelve years and two times – those are the difference in life expectancy and infant mortality between an individual with less than a high school diploma and an individual with a bachelor's degree or higher.

We simply cannot argue with the data – greater levels of education lead to better outcomes for individuals, for employers, for communities and for our state.

The issues facing higher education in Indiana may appear challenging, but education cannot – and is not – taking on these challenges alone. I believe that deep and long-term improvements will require collaborative and concerted work by multiple sectors of society for truly transformational change. We have seen such support over the past several months in the progress that has been made. Thus, the creation of the Partnership Pentagon.

The Commission's Partnership Pentagon is comprised of thought leaders from five key sectors of society including business, government, education, nonprofit organizations and philanthropy. And, this distinguished group met for the first time, earlier today. The leaders of each sector include:

- President Ron Rochon of the University of Southern Indiana
- Dan Peterson from Cook Group Inc.
- Marlene Dotson from the Indiana Latino Institute
- Claire Fiddian-Green from the Richard M. Fairbanks Foundation
- And myself

The goal of the Partnership Pentagon is to better understand and propose solutions around Indiana's challenges and opportunities related to higher education. The Partnership is working to create a culture where Hoosiers, individually and together

1. place great value on education, specifically opportunities beyond a high school diploma;
2. recognize and embrace the fact that higher education is fundamental for individuals to be locally and globally competitive;
3. reverse declines in and improve in measurable areas such as college-going rates, completions and graduate retention;



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4. commit to continuously increasing the degree to which students are prepared for postsecondary education, the workforce and more broadly civil society, and;
5. challenge the belief – some may even say culture – that casts doubt on the value of education and training beyond high school as a pathway to prosperity and lift up the virtues of education, predicated on facts that offer clear evidence of return on investment and economic and social mobility.

Related, with the creation of the Associate Commissioner of Adult Strategy position, the Commission has developed an intentional focus to support special populations such as veterans, justice-involved and individuals with disabilities.

For example, the Commission launched a Veterans' Education Pathways Taskforce earlier this year with the goal of increasing by 5,000 the number of veterans and military-affiliated individuals pursuing a certificate, associate or bachelor's degree at an Indiana college or university by the 2025 academic year.

Led by the Commission's Vice-Chair, Major General Erika Steuterman, and the adult strategy team, the taskforce is identifying ways to support and scale promising practices that improve postsecondary access and success for veterans.

General Steuterman and members of the Veterans' Education Pathways Taskforce are with us today. Would you all please stand?

Let's build on Indiana's record and success as an economic and business leader. Our state ranks first in the nation in manufacturing output, and infrastructure, and as the best state to start a business. We are a top 10 state in terms of the regulatory environment, tax structure, per capita indebtedness and other similar measures.

Today, let's set a vision for our state around post-high school training and education. I believe we should aspire to be a leader in education and training beyond high school. I believe Indiana can be a top 10 state in human capital development.

My own experiences not only in higher education but in decades working in industry, inform me that people and their skills, talents and abilities are the keys to any enterprise. So, let's challenge each other that we will accept nothing less than Indiana being in the top 10.

Specifically, let's lead Indiana to be a top 10 state in terms of:

1. post-high school training and education going rates for youth and adults, across all demographics by leveraging tools such as the Frank O'Bannon Grant, 21st Century Scholars program, the Indiana College Core, FAFSA completions, the Workforce Ready Grant, our low tuition and fees and our continuous focus on high quality;
2. postsecondary attainment for veterans, individuals with disabilities and the justice-involved;





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3. utilization of credit for prior learning to honor the work, training and education already achieved by adult learners;
4. the rate at which Hoosiers successfully complete their chosen areas of study;
5. retaining talent once someone has graduated from a postsecondary training or education program;
6. measurable distinction in economic and social mobility and prosperity outcomes, and;
7. as the recognized state for growing or starting a business, based upon the strength of human capital.

As I enter my second year as Commissioner for Higher Education, our team is committed to leading the charge on what I have called the HOPE Agenda. HOPE represents an acronym – Hoosier Opportunities and Possibilities through Education.

The long-term goals within this agenda are borne out of the current challenges and opportunities facing higher education in Indiana. The HOPE Agenda will guide the Commission's work throughout the coming years. The overarching goal is to ensure all Hoosiers, like my family, have the opportunity to access the hope higher education provides.

By staying focused on the key pillars of the Commission's HOPE Agenda – enrollment, completion and graduate retention – all Hoosiers will have the opportunity to access the hope higher education provides, employers will have access to a better-prepared workforce and our communities will be stronger.

In closing today, I would offer an observation from "The Soul of America: The Battle for Our Better Angels" by Jon Meacham.

In documenting the historic challenges and opportunities of the American story, Meacham lays forth evidence that it has always been hope that has set us apart. From President Lincoln to Eleanor Roosevelt to Martin Luther King, Jr. and countless other leaders over the American ages, it has been hope that has been the constant.

Meacham notes, "The opposite of fear is hope, defined as the expectations of good fortune not only for ourselves but for the group to which we belong. Hope breeds optimism and feelings of well-being. Hope is about growth. Hope looks forward, toward the horizon. Hope points ahead, working for a common good. Hope pulls others closer. Hope unifies."

It is going to take a robust and intentional statewide effort to reverse the present trends facing education beyond high school, but I do not fear for the sake of our state. I am hopeful because the evidence tells me to be so. Thank you for being here today, for your service to our fellow Hoosiers, and for joining me in the HOPE Agenda.