

STATE HIGHER EDUCATION EXECUTIVE OFFICERS
Fiscal Year 2009 – 2010

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Allison C. Bell, Policy Analyst

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Natalie Mischler, Research and Administrative Assistant, SHEEO/NCES Network

Chris Ott, IT Administrator

Jeffrey M. Stanley, Associate Vice President

Katie Zaback, Policy Analyst

Mission

The mission of SHEEO, the Association of State Higher Education Executive Officers, is to help its members and the states develop and sustain excellent systems of higher education.

SHEEO pursues its mission by:

- *Organizing conferences to advance and disseminate knowledge about effective state policies and practices;*
- *Maintaining regular systems of communication among its members and providing ready access to relevant studies and publications;*
- *Serving as a liaison between the states and the federal government;*
- *Alerting members to emerging national and international policy issues;*
- *Drawing on the expertise of its members to advocate state and national policies to strengthen postsecondary education;*
- *Representing the perspective of state higher education leaders on national, federal and international education initiatives;*
- *Analyzing and synthesizing higher education policy issues and publishing reports to inform the field; and*
- *Implementing projects to enhance higher education in the states.*

These activities are intended to assist the members of the Association and provide a collective voice on public policy issues for higher education.

**STATE HIGHER EDUCATION EXECUTIVE OFFICERS
ANNUAL REPORT FOR 2009-2010 and
WORK PLAN FOR 2010-2011**

REFLECTIONS: THE RECENT PAST, OPPORTUNITIES AND CHALLENGES AHEAD

Over the past two years a global financial crisis has made life more difficult and uncertain for millions of people. It has cost millions of jobs, shrunk asset values, preoccupied national policy leaders, depleted state revenues, and challenged policy makers and educators in every state. People everywhere have deferred purchases and become conservative about financial choices, but, sensing its value, they have continued to enroll in postsecondary education in record numbers. SHEEO members (and the SHEEO staff) will surely remember 2009 and 2010 as stressful and challenging.

The years 2009 and 2010 also may be remembered for change, innovation, and progress in addressing fundamental issues that have preoccupied policy makers and educators for decades. Those concerns were evident in President Barack Obama's first address to the Congress on February 24, 2009 where he challenged the nation to once again achieve the highest percentage of citizens in the world with a postsecondary credential. The President's challenge follows in the spirit and essential substance of the report *A Test of Leadership* issued by the Spellings Commission of the previous administration.

The American Recovery and Reinvestment Act (ARRA) passed in February 2009 provided a "stop-gap" replacement for state revenue streams depleted by the recession. In addition, the "reinvestment" portions of the bill provided resources for financing new research, expanding access to the Internet, and advancing fundamental reforms in education. All of these purposes have been advanced through ARRA, and some funds from ARRA are still being deployed. But economic stimulus funds will soon be depleted, and the economic recovery seems unlikely to be fast enough to avoid some difficult years.

In addition to ARRA, the House of Representatives passed the Student Aid and Fiscal Responsibility Act (SAFRA) and Congress ultimately enacted some of its provisions through budget reconciliation. This legislation made significant changes in federal student aid policies, substantially increasing support for Pell Grants and fundamentally changing the federal guaranteed loan programs. Policy changes of this magnitude inevitably involve trade-offs and disruption; policy debates and fine-tuning will surely continue during the process of implementation during the coming years.

Policy innovation and change was not confined to the federal government, of course. State policy continued to evolve in spite of, and perhaps partially provoked by, the budget crisis, and SHEEOs have been in the middle of the action. The drive to increase educational attainment in the United States has been building for more than twenty five years since *A Nation At Risk* was released in 1983. The scope and intensity of recent efforts is conveyed by the selection of publications and initiatives from the period 2004 to 2010 listed on the following pages. The current fiscal crisis has cast an even brighter light on the importance of building a stronger, better educated workforce for the 21st century. Advancing educational attainment is essential for building the economic strength needed to compete globally and to cope with the fiscal challenges of an aging population and concomitant health care costs.

The sections immediately following in SHEEO's annual report will discuss the past year's activities of the Association and our colleagues in the higher education public policy arena under three broad, interrelated categories: Productivity, Student Learning, and Data Systems. Appendix A provides brief biographies of the staff and a chronological overview of the past 18 months of SHEEO activities.

A SELECTION OF PUBLICATIONS AND INITIATIVES
2004 TO 2010

SHEEO PUBLICATIONS

Strong Foundations: The State of State Postsecondary Data Systems. SHEEO (2010, July)

Second to None in Attainment, Discovery, and Innovation: The National Agenda for Higher Education. SHEEO. *Change* (2008, September/October).

Excellence at Scale. Lingenfelter, P.E., Novak, R., Legon, R.D. in *Aligning American Higher Education with a Twenty-First Century Public Agenda.* Miller Center of Public Affairs and the Association of Governing Boards of Universities and Colleges. 2008.

More Student Success, A Systemic Solution. SHEEO. 2007.

How Should States Respond to a Test of Leadership? Lingenfelter, P.E., *Change* (2007, January/February).

What Should Reauthorization Be About? Lingenfelter, P.E. and Lenth, C.S. *Change* (2005, May/June).

Accountability for Better Results, A National Imperative for Higher Education. National Commission on Accountability in Higher Education. 2005.

OTHER PUBLICATIONS

Crossing the Finish Line: Completing College at America's Public Universities. William G. Bowen, Matthew M. Chingos, Michael S. McPherson. Princeton University Press, 2009.

Coming to Our Senses: Education and the American Future—Report of the Commission on Access, Admissions and Success in Higher Education. The College Board. 2008.

Measuring Up 2008: The National Report Card on Higher Education. The National Center for Public Policy and Higher Education. 2008 (published biennially since 2000.)

Transforming Higher Education, National Imperative-State Responsibility. National Conference of State Legislatures Blue Ribbon Commission on Higher Education. 2006.

A Test of Leadership, Charting the Future of U.S. Higher Education. The Secretary of Education's Commission on the Future of Higher Education. U.S. Department of Education. 2006.

The Need for State Policy Leadership. The National Center for Public Policy and Higher Education. 2005.

Public Accountability for Student Learning in Higher Education, Issues and Options. American Council on Education/Business Higher Education Forum. 2004.

Policies in Sync: Appropriations, Financial Aid and Financing for Higher Education. Western Interstate Commission for Higher Education. 2003.

INITIATIVES

Achieving the Dream - a multiyear national effort initiated by the Lumina Foundation for Education to help students facing significant barriers succeed in community colleges.

<http://www.achievingthedream.org/default.tp>

The American Diploma Project (ADP) - 35 states dedicated to making sure that every high school graduate is prepared for college or careers. <http://www.achieve.org/node/604>
[Closing the Expectations Gap 2010](#) reports on the progress states have made since the ADP Network was launched in 2005.

Common Core State Standards – A voluntary initiative of the Council of Chief State School Officers and the National Governors’ Association to establish clear and consistent goals for learning that will prepare America’s children for success in college and work. <http://www.corestandards.org/>

Common Data Standards (CDS) – An initiative jointly supported by SHEEO and CCSSO with financial support from the Bill and Melinda Gates Foundation and technical collaboration by the U.S. Department of Education toward the development of model data standards for K-12 and postsecondary education that will attract widespread, voluntary adoption and ultimately enhance policy-making and student achievement.

Complete College America – A national nonprofit working to significantly increase the number of Americans with a college degree or credential of value and to close attainment gaps for traditionally underrepresented populations.

Data Quality Campaign (DQC) – an initiative to improve educational outcomes by improving the availability, quality, and use of data. While its initial focus was K-12 education, the imperative for postsecondary success has led DQC now to embrace a P-16 data quality agenda.

Liberal Education and America’s Promise (LEAP) - an Association of American Colleges and Universities initiative which focuses campus practice on fostering essential learning outcomes for all students.

Productivity Grantmaking (formerly Making Opportunity Affordable) – an initiative of the **Lumina Foundation for Education** to achieve substantial increases in the number of degrees awarded in higher education with no compromise in educational quality and at a lower cost per degree.

The Voluntary System of Accountability - a collaborative effort of the Association of Public and Land-grant Universities (APLU) and the American Association of State Colleges and Universities (AASCU) to provide consistent, comparable and transparent information on the characteristics of institutions and students, cost of attendance, student engagement with the learning process, and core educational outcomes. A parallel initiative, the **Voluntary Framework for Accountability**, is under development by the American Association of Community Colleges (AACC).

PRODUCTIVITY

The value of higher education is generally acknowledged. Its capacity to become more productive has been vigorously debated. In 1966 economists William Baumol and William Bowen wrote *Performing Arts, The Economic Dilemma*, suggesting that labor intensive human services, such as education, suffer a “cost disease.” They argued that technology can rarely be substituted for labor in such human services and unit costs will therefore inevitably grow faster than inflation. This work has been extensively cited as an explanation for cost increases in a wide range of human services.

While it may not be easy to achieve productivity gains in education, the unavoidable necessity of achieving higher levels of educational attainment within the constraints of limited resources has generated innovations that prove the “cost disease” is curable. (In fact, in his address at the 2010 ACE Annual Conference, William Bowen himself said he has become convinced that technology can now yield productivity gains in instruction.)

The pathways to increased productivity in higher education include:

- Reducing the number of students who enroll but fail to complete courses or persist in attaining a degree or other valuable credential;
- Reducing the time students take to complete a degree or credential;
- Reducing the number of credits taken beyond those necessary to complete an academic program;
- Revising budgeting incentives to provide greater emphasis on completing courses and degree programs;
- Reallocating resources away from lower priorities (low enrollment, low-productivity degree programs, unnecessary services or costly, unproductive administrative procedures, etc.) to higher priorities;
- Increasing curricular coherence, with more clearly defined pathways toward completion;
- Employing technology to deliver information, identify gaps in knowledge and skill, make student effort more efficient and successful, and make better use of sophisticated faculty talent;
- Achieving economies of scale and more efficient means of delivering routine administrative services such as payroll, purchasing, and accounting; and
- Reducing energy consumption and costs through retrofitting existing systems and making more efficient use of facilities.

With the support of the Lumina Foundation’s Productivity Initiative, seven states have launched multi-year initiatives to achieve such productivity gains. Working collaboratively national foundations, including the Bill & Melinda Gates Foundation and the Lumina Foundation for Education, have supported a new non-profit organization, Complete College America, which is assisting 22 states in designing and implementing strategies to increase the number of Americans who complete a postsecondary degree or certificate. The SHEEO staff have been directly and indirectly involved in these initiatives.

Increasing productivity is not fundamentally about spending less, but about getting more value for money paid. Both the adequacy of available resources for achieving desired outcomes and the uses of existing resources are part of the productivity equation. A proper balance among appropriations, tuition revenues, and student financial assistance is necessary to assure that institutions have the resources required to provide quality instruction and services. It is also essential for assuring that students are able to afford and devote adequate time and effort to academic study. The effective use of both appropriations and student assistance resources is essential for achieving desired results.

Through its annual survey of State Higher Education Finance (SHEF) and the State Policy Resources Connection (SPRC) initiative, SHEEO will continue to provide comparative data on the resources available for higher education in the states, the uses of those resources, and the outcomes generated. This past year the SHEF data collection of past year enrollments, net tuition, and appropriations, was consolidated with Illinois State University's historical *Grapevine* collection of current year appropriations as a means of improving data consistency and reducing collection burdens. These financial surveys have become an increasingly important and widely cited resource to policy makers and the public.

The SPRC initiative has aspired to provide frequent and continuously updated comparative analytical studies for SHEEOs, but the computer software acquired for this purpose two years ago has proved to be inadequate to the task. During the past year we've developed a new approach to the technical issues, and a SPRC study on the productivity of degrees and certificates was sent to SHEEO agencies for review and comment in June. In addition, SHEEO completed and published an analysis of existing unit cost studies in four states, Florida, Illinois, New York, and Ohio, as a means of deepening understanding of costs by discipline and level of instruction. We plan to generate and update regularly additional comparative studies on these and other topics.

ADVANCING STUDENT LEARNING, ASSURING ACADEMIC QUALITY

It goes without saying that the transmission of knowledge and the development of intellectual skills are the purposes of instruction. Additional degrees and certificates achieved through productivity gains have meaning only as they reflect authentic knowledge and skills acquired by students. Several important initiatives to advance student learning and assure academic quality moved forward during the past year.

Common Core State Standards Initiative. The Council of Chief State School Officers (CCSSO) and the National Governors' Association (NGA) collaborated during 2009 and 2010 to develop and promulgate common core standards for mathematics and English language arts. The criteria established for this effort included: fewer, clearer, higher; evidenced-based; and internationally benchmarked. The effort first defined standards of college and career readiness to be achieved at high school graduation, and then developed a progression of learning benchmarks for each grade from kindergarten through grade 12.

SHEEO's Executive Committee strongly endorsed the initiative in July 2009, encouraging the subsequent development of common assessments in order to give the standards meaning, and observing that English language arts and mathematics are the foundation for the full curriculum (including social studies and science) necessary for collegiate success. Within its letter of endorsement, the Executive Committee pledged our continuing involvement and noted that all elements of the higher education community must be deeply engaged in the process of developing and implementing standards in order to achieve their full benefit for students.

The initial development of standards was completed during the past year, and the agenda is now to foster their successful and widespread implementation. The SHEEO staff tracked the development of the Common Core Standards closely and facilitated input from SHEEO agency staff and others in the higher education community. This work, and further efforts to promote the development of valid and useful assessments, will continue during the coming years. To date sixteen states have formally adopted the standards.

Teacher and School Leader Capacity – The development of Common Core Standards for college readiness has an important corollary – What must schools do in order to help students meet these standards? Clearly, teachers must have a firm grasp of content and the skills necessary to motivate and engage students in learning – including classroom management, the capacity to help students with diverse needs achieve their potential, and the ability to use assessments and data to guide their work. In addition, school leaders – principals and superintendents – must have the skills and knowledge necessary to lead a community of learners – teachers and students – in working together successfully to achieve these goals.

The task facing education in the United States clearly requires innovation in the preparation and continuing professional development of teachers and school leaders. We now recognize that students must learn more than ever before, and many of our students require more skillful teaching in order to overcome the challenges of poverty and meet the more rigorous educational demands confronting them in the global economy.

Mastery of content, requiring the substantial dedication of arts and sciences faculty to teacher education, is the initial challenge. Some practicing teachers never had opportunities to master what they must now teach. But mastery of technique also is required. Successful teachers need masterful coaching and supervision, the help of more experienced peers, and the support of a professionally competent community of colleagues and school leaders.

Since 1984, with the support of the Eisenhower Professional Development Grants and Title II of No Child Left Behind (NCLB) authorized in 2001, state higher education agencies have made important contributions to teacher capacity through in-service professional development competitive grant programs. These programs have engaged arts and sciences faculty, especially in math and English; they have nurtured teaching capacity; and they have built authentic partnerships between universities (both public and private) and public schools. The intensity and quality of these very modestly funded efforts have stood out in the field of teacher professional development. They should be expanded substantially where they have been most successful, and states that have not effectively utilized these funding streams should be challenged to do more.

In addition, pre-service teacher and school leader preparation must be redesigned to incorporate and inculcate the skills of successful teachers and school leaders. Medical education and business education are useful models. Both incorporate the wisdom of successful practitioners, who have mastered content, the theory of practice, and the hard knocks of real experience. Both incorporate the rigor of disciplined inquiry, decision-making based on data, and research on successful practice.

The redesign of teacher and school leader education will require deeper and far more extensive partnerships between schools and postsecondary institutions. It also will require rethinking credentialing requirements and the allocation of faculty time and talent in colleges of education. Both policy (funding as well as regulatory policies) and practice must change in order to effect such changes. SHEEOs, Chief State School Officers, school leaders, institutional presidents, deans (education and arts and sciences,) legislators, and governors all must play a role in the changes required to recruit, develop, and retain the human resources required for student success in the 21st century.

Quality Assurance and Negotiated Rulemaking – During the past year the Department of Education organized a negotiated rule-making panel to consider developing regulations to assure the integrity of institutions benefiting from Title IV of the Higher Education Opportunity Act. When it became clear that the role and perspective of the states was essential to these deliberations, Marshall Hill and Kathryn Dodge volunteered for service and were appointed a negotiator and alternate negotiator respectively.

The rule-making panel did not achieve the necessary consensus, and the Department of Education is continuing to work on developing draft regulations and seeking comment and input from the field. SHEEO will participate in that process. We encourage members to provide comment, both directly to the Department and in your counsel to SHEEO, on the Association's recommendations and positions on these issues.

Qualifications Frameworks and “Tuning” – Six years ago the American Council on Education's Business-Higher Education Forum issued the report *Public Accountability for Student Learning in Higher Education, Issues and Options*. In addition to recommendations for institutions which closely parallel the agenda of the “New Leadership Alliance” discussed below, this report urged accreditation associations to define the requirements for various postsecondary degrees and to hold institutions accountable for meeting these requirements.

The Lumina Foundation for Education, inspired by postsecondary qualifications frameworks developed in a number of European countries, Australia, Canadian providences, and other nations, has supported an exploration of the feasibility and desirability of developing degree frameworks for the United States.

A parallel activity, “tuning,” involves engaging disciplinary faculty in a process to define the levels of knowledge and student competencies in various academic fields that are associated with different levels of attainment. Several states—Indiana, Minnesota, and Utah—have been involved in this work. These initiatives to enhance student learning and its transparency are closely intertwined with those discussed earlier. To some extent, all of these will engage state higher education leaders in the coming years.

LEAP and The New Leadership Alliance for Student Learning and Accountability – The Association of American Colleges & Universities (AAC&U) has focused its considerable energies and expertise on the quality of undergraduate education for more than a decade. Its LEAP (Liberal Education and America's Progress) initiative has defined the learning outcomes students will need to acquire in order to thrive in the 21st Century, and AAC&U has skillfully worked to inspire and enable the higher education community to pursue these outcomes more effectively. (LEAP's outline of learning outcomes and useful definitions of liberal education and related terms are provided in Appendix B.) AAC&U also has organized the Presidents' Trust, a voluntary association of presidents and chancellors who have agreed to support LEAP with their advice, advocacy for liberal education, and a modest financial contribution. Several SHEEOs and SHEEO President Paul Lingenfelter have joined the Presidents' Trust.

The New Leadership Alliance for Student Learning and Accountability was organized in 2009 to encourage and support institutions willing to make visible commitments to establishing explicit learning objectives, assessing learning outcomes, and working continuously to improve student learning. Its board of directors includes officers of several national and regional associations, including SHEEO. In May 2010, the New Leadership Alliance invited higher education leaders to nominate institutions which might be willing to join the “Presidents' Alliance,” committing their institution to the systematic assessment and improvement of student learning. A number of SHEEOs have nominated institutions in their states, which have subsequently been invited to join the Alliance's initial class. The Presidents' Alliance complements the Voluntary System of Accountability (VSA) organized by APLU and AASCU, and the AACCC Voluntary Framework for Accountability which involves a large number of public universities and community colleges.

Assessing Higher Education Learning Outcomes (AHELO) – At the SHEEO Annual Meeting last July the staff conveyed a call for volunteers from the Organisation for Economic Cooperation and Development (OECD) to participate in a feasibility study for Assessing Higher Education Learning

Outcomes (AHELO). SHEEOs from four states—Connecticut, Massachusetts, Missouri, and Pennsylvania—volunteered. This initiative will seek to develop internationally comparable assessments in “generic skills” employing versions of the Collegiate Learning Assessment (CLA), as well as discipline-specific skills in engineering and economics. In addition, the project plans a study of contextual factors that are essential for assessing comparability properly.

SHEEO Vice President Charles Lenth led the effort to coordinate the work of these states in the OECD project. This involved raising funds for the national participation fees for the project (which have been furnished by the Hewlett Foundation and the federal FIPSE program), following and advising the somewhat complex development of the OECD feasibility study, providing information to the U.S. participants, and obtaining their counsel and conveying it to the OECD team.

This feasibility study is occurring at an economically challenging time for every participating country, yet more than ten nations are participating and supporting it financially. Because the issues involved are complex, its success is by no means assured. We have concluded that it is important for the perspectives and experience of the U.S., in both psychometrics and accountability, to be present in this effort. SHEEO plans to request an additional FIPSE grant to help defray the expenses of participation for the Association and the states involved.

INFORMATION FOR EDUCATIONAL IMPROVEMENT: STATE-LEVEL DATA SYSTEMS

When the expansion of educational attainment (not simply access to postsecondary education) was clearly established as an urgent national priority, the limitations of cross sectional, institution-based data systems became evident. Students move, not only from college to college, but from school to school, and data systems focused solely on schools and colleges will inevitably leave huge gaps in our knowledge about student success.

Five years ago, the National Commission on Accountability in Higher Education, sponsored by SHEEO, urged a collaborative, self-disciplined movement to achieve national educational goals, informed by a data system capable of monitoring student progress through the educational system. This recommendation did not emerge from a vacuum; it followed a request, in collaboration with ACE and AACSCU, for a federal feasibility study of such a system to improve our knowledge of graduation rates.

Subsequently, concerns about the ability to protect student privacy in a single consolidated system led Congress to pass legislation forbidding the development of such a system by the Department of Education, except as required for the administration of federal loan programs. (These purposes have been served for some time by the National Student Clearinghouse.)

While the prohibition of a centralized, federal system is definitive, the many purposes which can be better served through student-level, longitudinal data systems have driven continuing efforts to develop them at the state level. Federal grants have been provided to many states for this purpose through the following statutes:

- Title II of the Educational Technical Assistance Act of 2002 authorized the Statewide Longitudinal Data Systems (SLDS) grant program, which awarded funding to state education agencies in 2006, 2007, and 2009 (the first three rounds).
- The American Recovery and Reinvestment Act (ARRA) of 2009 provided the funding for the fourth round of SLDS grants awarded to states in 2010 for creating and expanding P20 longitudinal data systems, which include education data from preschool through postsecondary and workforce information, including employment, wage, and earnings data.

- ARRA also requires that *Race to the Top* funds be awarded to states that have made significant progress in establishing such longitudinal data systems, and in meeting other performance objectives related to higher standards and better assessments, teacher effectiveness and equity in teacher distribution, and supporting and turning around low performing schools.
- President Obama's FY 2010 Budget requested and received appropriations for the Workforce Data Quality Initiative (WDQI) designed to develop and use state workforce longitudinal administrative data systems.

During the past year SHEEO Policy Analyst Tanya I. Garcia, under the leadership of Vice President Hans L'Orange, developed and implemented a study of existing state or system-level student unit record data systems. The final report from this study, *Strong Foundations: The State of State Postsecondary Data Systems*, will be published in July, distributed free of charge to SHEEOs, and made available for downloading from the Internet at no cost. Published hard copies will be available for a modest cost to the general public.

SHEEO and CCSSO have received complementary, but separate grants from the Bill and Melinda Gates Foundation for a project to promote the adoption of common data standards for K-12 and postsecondary education. The technical work to design such standards has been undertaken by a task force organized by the Department of Education with the involvement of both K-12 and postsecondary state systems as well as SHEEO and CCSSO staff. Appendix C, "A Statement of Common Purpose," outlines the rationale and guiding philosophy of this effort. Over the next 30 months SHEEO will be actively sharing information about this effort, inviting and assimilating the input of the postsecondary education community, and supporting the adoption of common standards by states and institutions.

This activity flows out of a long history of SHEEO work to enhance data system capabilities. Since 1976 SHEEO has served the National Center for Education Statistics (NCES) as a liaison between the federal government and the states in data collection and utilization activities. The SHEEO/NCES Network continues to support data analysis, information systems, knowledge networks, and policy development through communication, cooperation, and collaboration. Recent Network projects include:

- The forthcoming SHEEO study *Strong Foundations: The State of State Postsecondary Data Systems* mentioned earlier which examines key characteristics of existing state postsecondary data systems that contain student unit record data
- A study of effective practices for new or enhanced state-level postsecondary data systems' characteristics, including data elements and required functionality
- A study of the policies and practices used by states to ensure the confidentiality of student unit record data and the procedures used to make data available to researchers and others, subcontracted to the University of Michigan

In addition to our work with NCES, SHEEO is actively collaborating with the Council of Chief State School Officers (CCSSO), the Data Quality Campaign (DQC), and various philanthropic organizations to improve the quality of data systems and their use across all education sectors. An invitation to SHEEO to serve as an Associate Member of the National Forum on Education Statistics (historically a K-12 cooperative) is providing another opportunity to raise the profile of data as a PK-20 resource.

While American educators have made great progress in building stronger data systems, non-trivial challenges lie ahead. Important data privacy concerns need to be addressed, along with other concerns related to the development of what will become a "virtual national system" resulting from more developed, better-aligned state data systems. Individual rights under FERPA must be maintained, and

working relationships between elementary/secondary and postsecondary systems remain a challenge for many states. Financing the ongoing maintenance and support of new data systems developed through grant programs is also a major concern for most states. SHEEO's August 2008 publication, *En Route to Seamless Statewide Data Systems*, details five major challenges of the process and how states might go about addressing them.

Despite these challenges, the goals are simple: Collaborative access to and use of high-quality data across all sectors, highly effective privacy safeguards for individual data, consistent definitions enabling more fluid data sharing, and improved analysis relevant to a variety of policy needs. SHEEO remains committed to these goals and to the ongoing development and enhancement of state and national data systems.

WORK PLAN FOR 2010-2011

The core principles of the staff work plan for the coming year are straightforward—stay focused on the key issues, adapt and respond to changing conditions, and seek continuous improvement. The three categories used for the previous discussion, Productivity, Advancing Student Learning, and Information for Educational Improvement—Data Systems, will be used as a conceptual framework for organizing our work. Within that framework, we expect to touch most the specific issues mentioned above, and as in most years, move also in some unanticipated directions as opportunities emerge.

While the purview is broad and multi-faceted, we clearly are limited in what we can accomplish as a staff and as an association. Our proposed priorities and strategies are outlined below. Your feedback and counsel are welcome both at the annual meeting and throughout the year.

Peer Consultation Networks – The core purpose of SHEEO throughout its history has been to provide a mechanism for mutual assistance among the members of the Association. Annual conferences, information exchanges, membership directories, and regular surveys all help build relationships and information exchanges to serve this purpose. This work will continue, and be improved to the best of our abilities.

Over the past year we have begun an initiative, “peer consultation networks,” in an effort better to tap and share more broadly the reservoirs of expertise and experience among our members, and available to SHEEOs from outside resources. These “networks” will be organized in the three categories discussed above: Productivity, Advancing Student Learning, and Information for Educational Improvement – Data Systems. During the Annual Meeting we will devote an extended session on Wednesday afternoon to discuss our initial vision for this initiative and engage the participation of members in shaping its development. With the assistance of the Lumina Foundation we have been able to retain Julie Carnahan, Senior Associate, to help coordinate and guide this effort across all three topical areas.

In addition to the development and implementation of Peer Consultation Networks, we anticipate specific activities in each of these topical categories, which are briefly discussed below.

Productivity – The SHEEO staff, and particularly Associate Vice President Jeffrey Stanley, has provided support and consultation to the productivity grantmaking of the Lumina Foundation and to Complete College America. We expect this work to continue and evolve during the coming year. The Lumina Foundation is supporting a range of activities and resources to advance productivity in higher education which can benefit higher education policy leaders in every state. This network will provide a mechanism for disseminating useful ideas for enhancing productivity and for engaging the involvement and winning the support of legislators and governors for such work.

SHEEO will continue the annual study of State Higher Education Finance (SHEF) and seek to improve its quality, streamline the data collection and reporting process, and work toward the earliest possible publication date. Our productive collaboration with Professor Jim Palmer, Editor of *Grapevine*, will continue, and we'll work with him and other colleagues to advance the quality and utility of financial information on higher education.

Realizing the potential of the State Policy Resources Connection (SPRC) initiative will be a very high priority this year. We will press to generate additional analytical studies, to learn from SHEEO agency staff how their quality might be improved, and to explore new questions and analytical approaches to help state higher education leaders identify priorities for improvement and strategies for achieving it.

Advancing Student Learning – In the P-20 arena we intend to be actively involved in a variety of ways. First, we'll work to promote the adoption of Common Core Standards and create opportunities for higher education voices to contribute to their implementation and the development of assessments. We have been invited by the Hewlett Foundation to submit a grant proposal for this purpose, which we expect to complete in July.

Also in the P-20 arena, we will continue to promote policy and practice initiatives to enhance the capacity of teachers and school leaders by advocating the continuation and expansion of current professional development grant programs led by SHEEO agencies. We will work with CCSSO and higher education associations to develop strategies that address policy barriers to, and encourage and facilitate the development of, strong, authentic pre-service and in-service partnerships between schools and institutions of higher education.

In the postsecondary arena we plan to continue the coordination and leadership of U.S. participation in the AHELO feasibility study, utilizing grant funding from the Hewlett Foundation and seeking additional support from the Fund for the Improvement of Postsecondary Education (FIPSE). We will also continue supporting the LEAP initiative of the Association of American Colleges and Universities and the New Leadership Alliance for Student Learning and Accountability.

Finally, we will work with SHEEOs and with other associations to contribute to the national conversations concerning quality assurance and degree frameworks. At the 2010 annual meeting, a SHEEO response to proposed federal rules on institutional integrity will be discussed, and the Federal Relations Committee will be asked to monitor and discuss SHEEO's role in this arena.

Information for Educational Improvement – Data Systems – The work of the SHEEO/NCES Network will continue to be the foundation of SHEEO activity in this arena, supplemented significantly by the Common Data Standards initiative, supported by the Bill & Melinda Gates Foundation. Its P-20 dimensions, involve a deep collaboration with the Council of Chief State School Officers (CCSSO).

Fiscal year 2010-2011 is the final year of the current SHEEO five-year contract with NCES for the Network. NCES will need to develop its specifications for future work in this area and SHEEO will need to submit a proposal for a competitive bid. A significant activity for SHEEO will be working to continue this relationship, which for more than 30 years has benefited SHEEO, NCES, and higher education.

While there are many reasons to expect this relationship will continue, nothing is guaranteed. Over the past two years NCES has clearly been rethinking how the work supported by the contract might become more flexible and beneficial, emphasizing individual work products and deliverables over routine, recurring activities, such as the annual data conference and periodic, general publications required by the current contract. Such activities may be continued, but all options are under review.

An increasingly important function of the Network staff is likely to be assisting members in their efforts to develop and strengthen state level data systems. This will occur under the rubric of the Peer Consultation Networks, and will be guided by your requests and input.

In addition to Network activities, the Common Data Standards initiative is providing resources for meetings, conceptual work, written products, and other resources to assist states in improving data systems. SHEEO members will hear from us frequently as this work unfolds.

Federal Relations – During the past 18 months SHEEO staff have traveled frequently to Washington DC to participate in various meetings and meet with Congressional staff, the Department of Education, and other governmental and association colleagues. Earlier sections of this report indicate the substance of that work.

In the coming year, many of these same topics will continue to draw our attention. We expect that a renewed effort to enhance college completion, accreditation issues, and the reauthorization of the Elementary and Secondary Education Act will draw attention and demand our involvement. The Federal Relations tab in the agenda book provides recent documents utilized and other resources related to these issues.

STAFF AND FACILITY CAPACITY

The work described above and planned for the coming year has been supported by SHEEO dues, the SHEEO/NCES network contract, and external grant support from the Lumina, Bill & Melinda Gates, and Hewlett Foundations. SHEEO has been fortunate to assemble a strong professional team of fifteen to do this work, four more people than the eleven who worked for the Association one year ago. Brief biographies of the staff appear in Appendix A, along with a chronology of activities during the past year.

The expansion of the SHEEO staff has required the remodeling and acquisition by SHEEO of under-utilized space previously shared in common with WICHE and NCHEMS, our partners in owning the State Higher Education Policy Center building in Boulder, Colorado. Two new offices were created and one previously open office enclosed through this remodeling. Our facility is fully utilized with one staff member working primarily from a home office.

Clearly, the Association's opportunities to contribute and the external support we have received have grown substantially in the past few years. Because a small non-profit organization is always somewhat at risk of ebbing revenues, rapid growth naturally raises questions about future sustainability. Such questions cannot be answered in the abstract, but only as the situation unfolds. We plan to continue working as we have to maximize the resources and contributions of the association to the members, work within our means, build staff capacity, and accumulate the financial strength necessary for a sustainable and growing contribution.

CONCLUSION

The work behind has been rewarding and the work ahead is energizing. It is a privilege for the staff of SHEEO to serve the members of the Association and the work they do on behalf of the people of the United States and everywhere who benefit from our systems of higher education.

We welcome your comments and suggestions on this report and work plan, and we look forward with enthusiasm to the year ahead.