

REMARKS OF EDUCATION SECRETARY JAMES A. PEYSER
AT ATEA ANNUAL CONFERENCE
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Massachusetts is widely and rightly known for the quality of our education system. Our K-12 schools are ranked number one in the United States, and if Massachusetts were itself a country, we would be among the highest performing nations in the world.

Thousands of students travel from all over the globe to attend our colleges and universities, both private and public. We have the country's highest rate of adults with four-year college and graduate degrees.

Our economy is recognized as an international center of intellectual capital, from our shop floors to our office towers to our laboratories.

Community colleges occupy a unique and pivotal position in this world-class educational landscape. They open the doors of academic and career success for thousands of adults and young people. They build bridges between higher education and our public K-12 system – including vocational-technical schools.

They provide an affordable on-ramp to a four-year degree. They are the indispensable workforce development partners of local employers and a key driver of the regional economy.

By playing this essential role, community colleges are not simply a cog in a larger wheel or the opening act to the main attraction. Community colleges transform lives.

They are open to all and they lift students up, regardless of their age or where they come from, by building on each student's unique strengths and talents to create opportunity for themselves, their families, and their communities.

Although there is a lot to be proud of, we are confronted with serious issues that we can't afford to ignore – not just here in Massachusetts, but around the country.

Today's students bring more diverse backgrounds and needs, with greater social, economic, and educational challenges. The pace of technological and economic change is accelerating, raising the bar for this current generation of students and leaving many high school and college graduates behind. At the same time, state and federal resources cannot match rising operating costs and demands for increased capital investment.

We are already seeing warning signs of an educational delivery system that is struggling to keep pace with this changing world.

Despite the fact that Massachusetts' K-12 public education system is highly regarded, the academic performance of our students is now flat, achievement gaps between communities and socio-economic groups are persistent, and large percentages of high school graduates are unprepared for credit-bearing courses in college. At some of our community colleges, remediation rates are 60 percent or higher.

In addition, there is a growing consensus that we need to produce more students who have post-secondary credentials – especially in STEM fields – in order to provide our employers with the workforce

they need to succeed in a global economy and to provide our people with opportunities for fulfilling and financially rewarding careers, not just today, but well into the 21st century.

Yet, many students who enroll in college, fail to earn a certificate or degree, resulting in lost time and money, and leaving them without marketable skills. And those who do graduate too often find themselves without a credential that is valued by employers – resulting in the paradox of both under-employment and job vacancies.

Although college is increasingly a pre-requisite for success in today's economy, it is increasingly unaffordable for working class students and their families.

Tuition and fees have been rising at rates that far exceed inflation, leaving a growing number of graduates with unsustainable debt burdens. Notwithstanding steady spending increases, colleges themselves feel the persistent pinch of austerity, as budgets shift more and more towards healthcare, pensions, and deferred capital maintenance.

Over the past several years, the Baker-Polito administration has taken several steps to address the affordability challenge here in Massachusetts – and community colleges are central to each of them.

In 2016, we established Commonwealth Commitment, creating a new low-cost pathway to a bachelor's degree for full-time students who first earn their associates degree at one of our community colleges and then transfer to any of our public four-year institutions.

In 2017, the state Board of Elementary and Secondary Education in a unique partnership with the Board of Higher Education launched an early college initiative, to expand the number of students earning no-cost college credits while they're still in high school as part of a coherent course of study – typically in partnership with a community college – that prepares them for post-secondary success. The first cohort of these early college programs is starting up this Fall.

Earlier this year, the legislature enacted the Governor's \$950M higher education bond bill, which targets the growing backlog of deferred maintenance, rather than expansions through new construction. Given the age and condition of their facilities, community colleges may benefit most from this shift in emphasis.

More recently, the Governor signed an FY19 budget that significantly increases dual enrollment funding and doubles the amount of scholarship dollars going to community colleges, in order to fully cover any unmet need for tuition and fees for all full-time and part-time students. This new Mass Grant Plus initiative represents the largest increase in state-funded financial aid in about 25 years.

These important steps will help mitigate the growing financial burden of earning a college degree, but they are not enough by themselves to solve the broader challenges facing higher education.

Besides the issues I've already raised, there is a demographic shift making its way through this rising generation of students that will have dramatic consequences within the next 10 years.

Community colleges are already experiencing enrollment declines, which are not unusual given the strength of the economy and our low unemployment rate. But, today's enrollment trend is more than a cyclical downturn.

The number of Massachusetts high school graduates is steadily falling, even though graduation rates are at an all-time high. As a result of a dramatic drop in births following the 2008 financial crisis and throughout the ensuing great recession, the number of traditional-age college-going students is projected to fall precipitously starting in 2025.

Compounding the baby bust is the growing diversity of today's school-age population, including a larger proportion of students whose parents did not go to college themselves. That means we need to do a much better job of preparing and supporting students for success – especially students of color – just to maintain our current overall college matriculation and graduation rates, especially in technical fields where diverse students tend to be underrepresented.

Notwithstanding this demographic shift, there is an economic imperative that we significantly increase the number of people with post-secondary credentials, particularly in those high-growth technical fields that will define our future and ensure expanding opportunities in Massachusetts and across the country.

We cannot achieve this goal through business-as-usual or incremental change. We need to develop a sense of urgency about finding new and better ways of doing things in order to produce dramatically different results at scale, which can be sustained over time and are affordable to taxpayers and students, alike. And community colleges must play a central role in leading this change.

Here are some ideas that might serve as a starting point for further conversation, deliberation, and action.

1. Don't just balance the budget; change the model.

The first response to financial constraint is usually austerity, typically in the form of across-the-board cutbacks, in hopes of sharing and minimizing the pain among all the various constituencies.

In a temporary or cyclical downturn, this kind of budget strategy would probably make sense as a means of riding out the storm. In the midst of a longer term trend, such a strategy serves only to delay the inevitable and make the ultimate reckoning far more painful and costly. The only way to solve for both fiscal constraint and better outcomes is to fundamentally change the business model.

In higher education, we need to reconsider the underlying structures and operations of our public colleges and universities, and open ourselves up to innovations and scalable solutions that may come from outside the academy, which can improve access and outcomes, while at the same time bending the cost curve and enabling more flexibility in the face of uncertain and changing enrollment patterns.

This is not just a fiscal imperative – it is an educational one, as well.

One of the greatest challenges, especially in open-enrollment community colleges, is dealing with the wide range of students who come to class each day. Many of them are years behind their peers, while others are well ahead of the curve. The wide variation of special needs, native languages, and social challenges that can manifest in a school community can be daunting, even for those educators who are most skillful at differentiating their instruction.

Meeting students where they are implies a different kind of approach than many institutions and educators are used to or comfortable with. It implies the development and application of strategies like

prior learning assessments, online competency based education, and stackable micro-credentials – disruptive innovations that don't always line up well with traditional academic departments, calendars, or credit hours.

Public education at all levels needs to offer more diverse options; and instructional methods, curriculum, materials, and technology tools need to become more flexible and more closely linked with individual student needs.

2. Get focused, grow what works, and stop doing what doesn't.

With scarce resources, you can't afford to pour good money after bad into struggling initiatives in an effort to fix what's broken. You also can't afford to keep marginal programs on life-support in hopes that they'll eventually get better or bigger. Instead, the most productive way to spend and invest is to focus on what you do best and expand what's already working.

Not every success is easy to replicate and not every failure is easy to walk away from, without creating painful dislocations for students and their families. Nevertheless, educational leaders need to be increasingly hard-headed when it comes to separating the wheat from the chaff. They also need to develop a clearer understanding of where their institutions add the most value and concentrate resources on being the best in the world (or at least the best they can be) in those vital few areas.

As we all know, trying to be all things to all people is a formula for mediocrity, but even worse, it can undermine our ability to deliver on our core commitments.

Of particular relevance to community colleges is deepening relationships with employers and expanding focused guided pathway programs, which may narrow student choice, but will ultimately provide a more cost-effective means of moving students efficiently to an industry recognized credential and a promising career – especially in growth areas like information technology, healthcare, advanced manufacturing, and other STEM fields.

3. Align, coordinate, and integrate to maximize efficiency and value.

Hand in hand with getting more focused, is building a more coherent network among the various parts of our education system, both within and across sectors.

To ensure that all students – especially from underserved communities – are ready for college and career, high schools – including voc-techs – and colleges need to work in partnership to create integrated pathways, like early college, that students can easily follow to get a head-start on post-secondary coursework and develop the academic skills and personal confidence they need to succeed in college.

Equally important, community colleges and voc-tech schools should work collaboratively to develop and expand more post-secondary programs for adult learners that provide industry-recognized credentials that can articulate up into an Associates degree or higher. We have just launched a joint-venture like this in manufacturing.

More broadly, to reduce costs and increase accessibility within higher education, colleges from each segment and region need to better align their course catalogs, ensure the transferability of credits,

avoid needless duplication in program offerings, and leverage resources to better serve students and employers.

Ultimately, even deeper integration between two and four-year institutions and across the public and private sectors is needed to create seamless and affordable pathways for students.

4. Put the mission first.

In attempting any transformational and lasting change, it's essential that we put institutional interests aside and focus on the larger mission.

And what is our mission when it comes to public education – from pre-school through higher ed? Here's my attempt to boil it down:

Creating opportunity for all to achieve success for themselves and their families, in service to their communities, the Commonwealth, and our country.

Whenever the status quo is stressed by changing circumstances, there is a natural tendency towards defensiveness or the avoidance of hard choices. Our collective challenge is to see beyond what is necessary to achieve our institutional visions, in order to ensure that the people and stakeholders we are here to serve can achieve theirs.

Now is the time to come together and work together, to think creatively and boldly about the future of public higher education and to embrace innovation and change in order to grow our economy, strengthen our communities, and open doors of opportunity for this new generation of students and the ones that will follow.

Thank you.