

Funding Models for a Comprehensive Statewide Career and College Access Portal

George R. Dixon and Robert C. Kanoy
The University of North Carolina

Introduction

The first step in funding a college access portal does **not** begin with finding the money. Rather, if you have the right vision and build the collaborative support needed for success, then the money will follow. This paper proposes a series of practical steps essential for building a statewide web portal to promote college access and then presents case examples of how different states have secured the resources needed for building and sustaining the web portal. The paper summarizes the funding models adopted by Georgia, North Carolina, Oklahoma, Tennessee, and Utah.

Step 1: Building the Case

College access started to become a priority for states in the 1990's and the need to have even more students pursue a postsecondary education has continued to grow through this first decade of the 21st century. There are two primary forces at work that require us to provide students with increased access to a postsecondary education; the economy and changing demographics among our states.

The first driver for the increased focus on college access has been the changing economy. Many states, like North Carolina, once had an economy based in large part on textiles, manufacturing, and agriculture. As many of these jobs began to go off-shore, it became clear that the state needed to move into today's expanding "knowledge-based" economy and that would require a more highly educated work force.

In order to increase the college-going rate, the growth would need to come from first generation college students who are likely to come from our lower income families. As numerous studies have shown, when the person's educational level rises, their earning power increases and their unemployment rate decreases. For many individuals, a certificate or diploma program involving only a few months of training may suffice while others choose to pursue associate or baccalaureate degrees often leading to graduate or professional degrees. The recognition that some education beyond high school is essential to compete successfully in the new economy has been the driving force behind North Carolina's focus to help "get more people better educated" (UNC President Erskine Bowles' inaugural address, 2006).

A second major driver for increasing access is the changing demographics of our population. In the mid-section of the country we see predicted declines for many states in

high school graduates between today and 2018, as presented in the 2008 WICHE report **Knocking at the College Door** (<http://www.wiche.edu/policy/Knocking/1992-2022/>). In addition, other states will experience a significant growth rate in the Hispanic population, out-pacing the growth of both African-Americans and whites in many states.

Step 2: Involving Key Stakeholders

If you have built a strong case to justify the need for increased participation in postsecondary education, then the next step will be to build a wide base of support. So, who benefits and who has a vested interest in an increased college-going rate?

There are at least five sectors that have a stake in college access: (1) K-12 education; (2) higher education; (3) business; (4) loan providers and guarantors; and (5) state government.

- 1) The K-12 system will be expected to encourage all students to pursue a postsecondary education and high school graduation requirements will need to reflect the preparation needed for postsecondary study.
- 2) Institutions of higher education are going to be expected to accommodate the increase in students.
- 3) Businesses will benefit from a larger and more highly educated work force.
- 4) Loan providers and state guarantors will need to increase funding programs for financial aid; and
- 5) State government (Governor and Legislature) and chambers of commerce will utilize the improved work force as a magnet to draw new business and industry to the state.

Although the reasons vary widely for supporting an increase in college access, all five sectors will be directly impacted. It is essential that all five sectors are involved and buy into the effort if the state is to be successful. And from these groups, a “champion” must emerge in order to ensure success.

Step 3: Getting Commitment Around a Shared Vision

The state leaders must then determine, “Is the will and the commitment of these sectors there to ensure success and provide increased access to a postsecondary education?”

If the will and commitment are there, then one sector or one agency or one system must be charged with leading the effort. For North Carolina, The University of North Carolina system office took the lead; in Rhode Island, it was the Rhode Island Higher Education Assistance Authority; and in Georgia, the University System of Georgia led the effort.

One very critical point must be made. Once there has been agreement, everyone must support a single direction and plan. This may mean consolidating pilot efforts or similar projects. The alternative is to risk diluting one’s impact and splitting the end users among various efforts. There **must be one portal and one campaign** that everyone

supports. Likewise, the funds that you will find will need to be leveraged and consolidated into a single effort that everyone stands behind.

Step 4: Defining The Technology Solution

The technical solution had to be customized to the state based on state specific goals, shared vision of the stakeholders, and key program needs.

For example, with 110 colleges in North Carolina, the state works to encourage its native citizens to pursue their higher education in North Carolina. For this reason, we needed to build a portal that could be marketed to North Carolina students and parents with a focus only on NC colleges, but at the same time allow out-of-state students to find their way to North Carolina.

Of the five states examined, common elements of a statewide vision included:

- Answering the following questions: “Is there a college for me in my state” and “Can I really afford (financially) to go to college?”
- The portal would need to be a one stop-shop that could lead the student from career exploration to planning, applying, and paying for college.

In defining the technology solution, the necessary elements for the web portal could include:

- Focus on students in grades 7-12
- Career exploration, counseling and planning
- Academic preparation resources and tools
- Assistance with high school course selection
- Assistance with college planning and selection process
- Auto-population of applications for admission to any NC college
- Applications for scholarships, grants, and other financial aid
- No surcharges to students for using the site
- No cost to the schools (middle and high school) or colleges

The options were to develop a “home-grown” system for the state or find a software system that could incorporate the above elements and have it customized for the specific needs within North Carolina. We found there were two types of software companies that built distinct portions of what would be needed for a comprehensive site. Some companies focused strictly on career planning and others targeted the college admissions application process, with neither providing for our broad-based needs. In addition, a “home-grown” system would have required an infrastructure and personnel resources that were not realistically affordable in contrast to outsourcing with an established company.

The university system, as the lead agency, then requested and received approval for a sole source justification to contract with Xap. It had become clear that Xap had the capacity and the flexibility to meet the unique needs and goals of North Carolina. Seven design teams representing all the stakeholders from K-12 and higher education, as well as the

potential users, met on a regular basis to develop specifications and offer guidance on the functionality needed for each part of the website.

Step 5: Finding the Money

Are we ready to find the funding? Not yet. At this point:

1. The need has been identified and justified.
2. The key leaders have come together and determined that the will and commitment is present and solid.
3. A lead agency has been chosen and there is agreement that all support will be focused on this single effort.
4. And the technology solution has been identified.

Are we ready to find the funding? Not yet. And remember, once you find the funding, all the stakeholders must participate in the decision-making. This will ensure future funds will continue to come in and support a collaborative effort.

Funding comes in multiple parts. As with any enterprise, there are development costs, maintenance and operations, staffing, marketing, and continuous improvement. Once all of these parts have been considered, you are ready to put together the funding.

The first task is to identify all the potential sources, keeping in mind the need for both one-time development funds and maintenance/operations to ensure the sustainability of the program. Potential sources that have been utilized in other states include:

1. State Legislature – state appropriation which may be the most secure source for long-term sustainability. (see North Carolina model)
2. Department of Commerce – work force development funds (federal and/or state)
3. State lottery funds (see Tennessee model)
4. Student loan guarantor – funds to promote default reduction activities (see North Carolina, Georgia and Utah models)
5. Federal grant programs
 - GEAR UP (see North Carolina and Oklahoma)
 - College Cost Reduction Act (HR 2669 – new in 2007. Provides grants to states for college access initiatives.)
6. Federal earmarks
7. Foundation grants (Lumina Foundation for Education; Bill and Melinda Gates Foundation; Ford Foundation; etc.)
8. Corporate contributions
9. User fees - e.g., students, colleges, school districts
10. Education partnerships shared funding – e.g., public higher education, private higher education, community college system, K-12 department of education
11. Advertising on the site

And remember, once you find the funding, all the stakeholders must participate in the decision making. This will ensure future funds will continue to come in and support a collaborative effort.

Funding models of Five Statewide Portals

Georgia

Need

Georgia is one of the fastest growing Southern states and like many of its regional neighbors, has been losing the traditional jobs like textiles and manufacturing that once was the backbone of the state's economy. Coupled with changing demographics, Georgia needed to focus on college access.

As the discussion evolved in Georgia, it became apparent that such a system could fill another high priority need. The Hope Scholarship in Georgia for in-state students requires verification of a student's record from their high school transcript. The portal could also be utilized for the verification process by moving the transcripts electronically which provided a key incentive for support from the colleges and finance commission.

Leadership

The University System Georgia (which oversees all 2-year and 4-year public colleges) took the lead in searching for ideas to help promote college access and increase the college-going rate. Through their leadership, key partners including the State (K-12) Department of Education, the Department of Technical and Adult education (DTAE), the Georgia Student Finance Commission (GSFC), Georgia Foundation for Independent Colleges, and the Office of the Governor were brought together to develop a college access plan.

Funding

The Georgia Department of Technical and Adult Education (DTAE) and the University System of Georgia together voluntarily contributed approximately 25% of initial development costs. The remainder of the development cost was obtained by the Georgia Student Finance Commission (GSFC) from the state legislature. Ongoing costs are managed by GSFC legislative allocation and from funds to support the HOPE lottery scholarship administration.

One fact is of particular note. When creating GAcademy411, the University System loaned one of their Associate Vice Presidents to take the lead role in the development of the website which was critical during the first year. This person had to ensure all the partners were involved in the decision-making including design, roll-out, marketing and future priorities. Once again, there must be a champion to take the lead.

North Carolina

Leadership

The University of North Carolina General Administration, which has oversight of the state's sixteen public universities, was directed under state statute to oversee and coordinate the web portal access initiative. The statute required inclusion of the K-12 public schools, the NC Community College system and the NC Independent Colleges and Universities. A copy of the statute is provided in Appendix 1.

Funding

The NC General Assembly provided the initial funding with recurring funds in the University's continuation budget. In year 1, the funds provided for the development costs and a small staff. In following years, the funds have been used for maintenance costs and expansion of the staff for daily operations.

The University then received a state GEAR UP grant, using the state funds to meet the matching requirement for the grant. Portions of the GEAR UP funds have been used in support of replicating the website in Spanish and providing bilingual staff support. GEAR UP funds are also used for publications and training for the participating school districts.

A significant part of North Carolina's success has come through a partnership with the state's loan guarantor and the non-profit student loan organization which services the state guarantor. Funds that are available for education and outreach by the state guarantor provide the primary funding source for CFNC.org marketing efforts.

A few small foundation grants have also been helpful in providing specific functions for the program, such as the website evaluation project currently underway.

Partnerships and Collaborations

The foundation for NC's successful development and launch of a comprehensive college access web site were the partnerships and collaborations among all of the stakeholders in the state. Reference the National College Access Network (NCAN) Guidebook *Guide to Creating a Statewide Education Collaboration and Web Portal* for a comprehensive detailed plan that includes strategies for building partnerships and collaborations, setting goals and objectives, timelines and tasks, budgets and staffing, training, fundraising, and evaluations and conclusions.

Oklahoma

Need

Oklahoma is one of the states projected to see a slight decline and then a flattening in high school graduates over the next ten years. They were one of the early recipients of a GEAR UP state grant, having recognized that with a declining student population, there had to be a greater focus to encourage first generation college students to pursue a postsecondary education.

In 2004, The Oklahoma State Regents for Higher Education proposal for extending its GEAR UP project for an additional year requested the addition of a personal, interactive component to the agency's web site. The proposal argued that "new technology based on the highly successful College Foundation of North Carolina (www.CFNC.org) web site will provide students and their families with a user friendly, non-threatening way to select a college, apply for admission, and finance their college education".

Leadership

The state's GEAR UP program operating out of the State Regents for Higher Education office assumed leadership of the college access web portal initiative and also assumed responsibility for training school counselors across the state to effectively use the site.

Funding

The Oklahoma State Regents for Higher Education funded the development of the student information portal by accessing state-wide GEAR UP resources and resources from the Oklahoma Guaranteed Student Loan Program (OGSLP). Each source funded 50% of the initial design and start up of the project. The program is sustained by funding from the OGSLP with continued marketing of the site with their GEAR UP funding.

Tennessee

Need

Much like other Southern states, Tennessee has been faced with significant losses in manufacturing jobs and significant changes in demographics of the state population. To provide greater access and affordability to pursue a postsecondary education, the Tennessee Lottery Scholarship program was initiated.

The drive to increase college access combined with a need for electronic transcripts and a better way to verify student grade point averages for the Tennessee Lottery Scholarships provided an opportunity to address multiple needs with a single solution. The education community needed to get more information to students and parents on college access and the Lottery Commission needed a method to verify the GPA's on resident students.

Leadership

To address the college access priority the major education entities came together: the Tennessee Department of Education, the Tennessee Higher Education Commission, and the Tennessee Student Assistance Corporation. Support for a state-wide effort for college access was endorsed by Tennessee Board of Regents, the University of Tennessee System and the Tennessee Independent Colleges.

As planning for a state-wide portal unfolded, the Lottery Commission expressed the need for electronic transcript to verify student GPA's in order to award scholarships. These separate needs created the synergy needed to begin development of the state-wide portal.

Funding

The Tennessee State Lottery funded 100% of the web portal development and maintenance. With annual funding now available, the Tennessee Higher Education Commission was then able to use this support to provide the necessary matching funds to secure a state GEAR UP grant. The GEAR UP grant provides support to make enhancements to the site, such as the free Test Prep and Career Assessment modules.

Utah

Need

In the late 1990's, state leaders in Utah were taking note of the fast-growing Hispanic population. This rapid growth was the initial stimulus to take a look at college access for underrepresented populations. In addition, the state projects a decline in high school graduates over the next five years, so if they are to sustain the college-going rate, there will need to be an increase in participation by the underrepresented populations.

Leadership

Utah's College Outreach program originated in 1999 under the direction and guidance of the Utah System of Higher Education. In 2007, the program was expanded to include other state wide collaborative partnerships, and a staff of five dedicated to grass roots efforts relating to college access and outreach. The Utah website (www.utahmentor.org) was created and intuitively connects, guides, and assists Utah students with appropriate academic and financial information allowing for proper preparation for college.

The UtahMentor.org program is coordinated by the Utah System of Higher Education with active partnerships including: K-12 Alliance, Utah Higher Education Assistance Authority (UHEAA), Utah Education Savings Plan, all public and private, 2- and 4-year colleges and universities, Utah's College of Applied Technology (9 campuses), Utah State Office of Education, all Utah School Districts (middle and high school), Utah's

Department of Workforce Services and Adult Education, and the Office of Vocational Rehabilitation.

Funding

This program is funded and sustained by the Utah Higher Education Assistance Authority, a subsidiary of the Utah System of Higher Education. Future projections call for ongoing legislative funding (the NC model) plus a federal GEAR UP partnership as well as other state agencies shared funding opportunities.

Summary

Making a case for the need and importance of a state-wide college access initiative is a straight forward, data driven argument that focuses on shifting demographics and a changing economy. Even though there is a demonstrated clear need, funding for college access initiatives remains a challenge, in spite of the fact that political and educational leaders agree that access to educational opportunities is a state as well as a national priority. Education Secretary Margaret Spellings, in her report to the nation: [A Test of Leadership: Charting the Future of US Higher Education](#) (2006) made clear that college access and affordability are now and must remain priorities. Now is the time for leadership to step forward and for states to demonstrate the will to address this critical issue.

When looking at a per-student cost to reach all middle and high school students in a state, the web portal expense does not appear so daunting. When looking at the cost/benefit of substantially increasing the college going rate in a state with the long term returns of a better educated and more employable workforce, the costs, again, would appear to be a wise investment as opposed to a limiting roadblock.

This white paper serves as a companion piece to a 2003 white paper entitled “***Increasing College Access in North Carolina***” by Robert C. Kanoy and T. Joseph Watts.