



AN *INSIDE HIGHER ED* SPECIAL REPORT

Squeezed From All Sides

Opportunities and
Challenges for Regional
Public Universities

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Public Universities

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BY RICK SELTZER



Executive Summary

Regional public colleges and universities are in many ways the vast middle of the American higher education ecosystem. They are a group of several hundred institutions traditionally drawing heavily on state funding in order to offer moderately priced four-year degrees to a large number of students, many studying close to home.

As with any entity occupying a middle ground, these institutions perform a thankless job under seemingly constant pressure from all sides. Regional public colleges are not as prestigious as land-grant and research universities. Their prices are higher than those of community colleges. They do not change fast enough to satisfy some politicians and business interests, even as some faculty members see them as too quick to abandon the traditional liberal arts.

None of these pressures are new for regional public institutions, but they are intensifying. The middle is an increasingly inhospitable place in a country swept up in the trends of polarization and income inequality—where public funding does not always keep up with growth in the number of students who cannot afford tuition costs, and where lawmakers increasingly demand proof that tax dollars are being spent wisely. Serving students close to home is becoming more and more difficult at a time when the demographics of high school graduates are changing and populations are shifting south and west. At the same time, technological changes rewrite the old paradigms of place while leaving many to wonder what, exactly, the jobs of tomorrow will be.

Even as it is squeezed, this vast middle of the higher education ecosystem remains some of the most welcoming territory for many students. Regional public institutions graduate one-fifth of all students receiving degrees of any type—and almost 40 percent of all those earning bachelor's degrees. They are heavily represented on lists of colleges promoting economic mobility, and many are linchpins of access for minority and under-represented groups.

They also fill the role of economic, social and cultural anchors. Regional public universities often serve as providers of the best jobs in their communities and the places local residents can turn to in order to catch a play or watch a college basketball game. This makes them both vitally important and politically popular. Threats to close, combine or otherwise weaken them draw passionate opposition.

Leaders at regional public colleges face a daunting task, yet they have reason to hope. The sector has proven to be remarkably resilient over time, finding new sources of revenue in the face of long-constrained state funding. Regional colleges have expanded their boundaries geographically and online, survived bruising political fights, and taken part in sometimes uncomfortable partnerships to meet the needs of their communities. They have challenged conventional rules and even merged with community colleges when pressured, finding new models and new efficiencies in the face of grave doubts.

Make no mistake: all of these strategies and more will be needed to navigate the upcoming set of challenges. Regional public colleges are likely to face continued scrutiny from lawmakers, board members, students, their own faculty members and the public at large.

As important as they are, these colleges and universities have often failed to expand access, keep costs in check and meet students where students need them to be. None of their constituencies, from politician to voter, from faculty member to administrator, is without blame for these failings. Support from all will be needed to blaze a trail forward and secure the future of regional public institutions and the students they serve.

This special report explores the challenges faced by regional public institutions and the experiences of those who lead them. It aims to provide perspective for the lawmakers and board members charged with overseeing public assets. It outlines ideas for campus presidents, system chancellors and other administrators seeking a way forward. And it describes best practices that can be pursued by all as they seek to stay true to their missions while finding ways to survive and thrive in higher education's turbulent middle. ■

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Themes That Will Define Regional Public Universities



The state of the regional public university is complex. It varies from state to state and from institution to institution. Still, three broad themes have emerged in recent years that will shape the future of this important slice of the American higher education ecosystem.

1. The current resource-constrained environment is unlikely to change. Regional public universities must rely on their own creativity to survive, thrive and meet their missions. Trends in state finances and student enrollment make it unlikely that the vast majority of regional public institutions will feel flush with cash in the foreseeable future. Institutions must look beyond the traditional paradigm of using public funding and tuition to fuel budget increases. That might mean operating more efficiently, bringing in new sources of revenue or finding new partnerships. Changes should not come at the expense of serving core student constituencies who have no other educational options.

2. Regional public universities often find themselves misaligned with student needs and demands. Managing change to meet students where they are will be key to the future. While leaders and faculty members work tirelessly to serve students, many colleges and universities nonetheless find themselves out of step with students in one or several of the following areas: tuition rates, program mix, student support levels, curricular requirements, class times, class delivery methods and culture. Fighting reflexive resistance to change while still preserving quality is an increasingly important balancing act that will require skill and coordination, often across higher education systems.

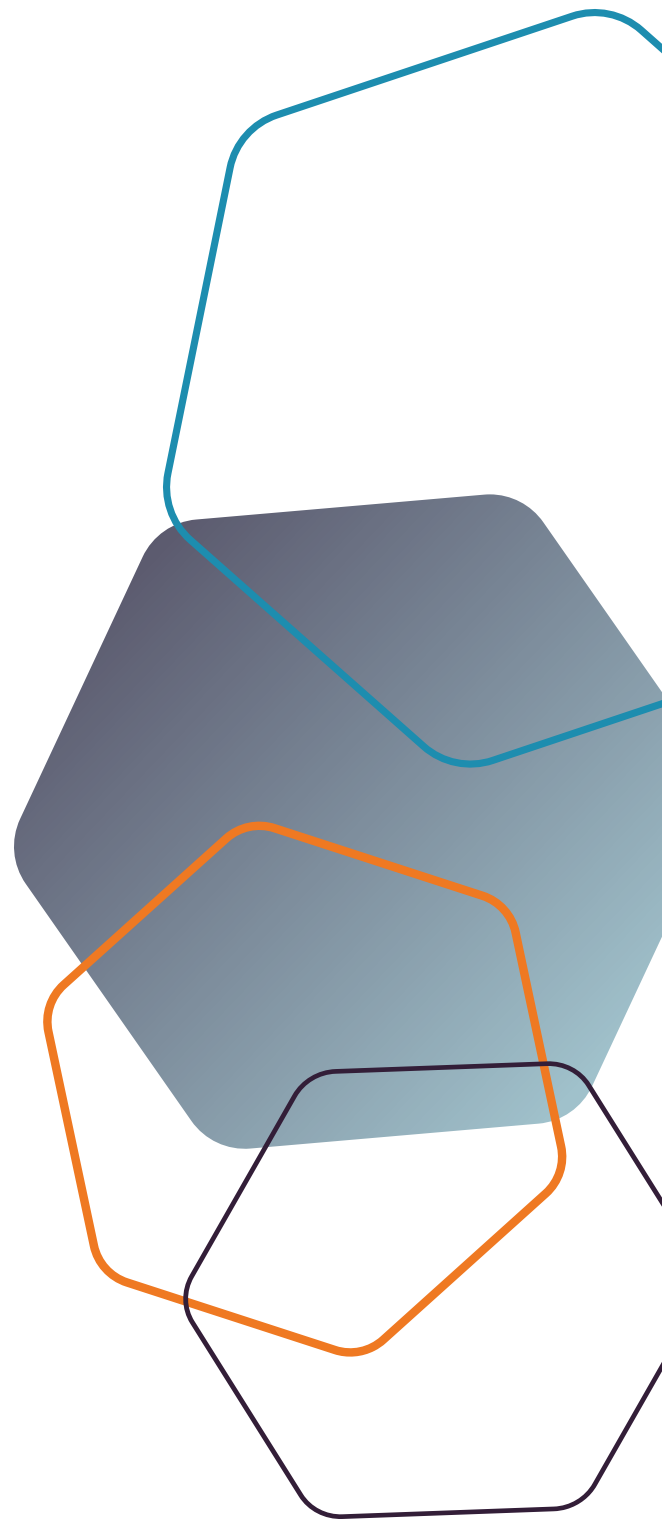
3. Place matters as much as ever. The exact nature of any particular regional public institution's challenges is dictated by its location—whether it is struggling to keep up with the number of students in overcrowded

California or hemorrhaging enrollment in Vermont, and whether it is fighting to train students for changing technologies in local high-growth industries, seeking the best way to educate students for a satisfying life in a depressed local economy, or spearheading development intended to revitalize a region. Place dictates the roles a college or university will fill in a community and the choices it must make.

In light of those trends, an important question looms large:

At a time when so much economic growth has been focused on only certain geographic areas and in specific communities, how can regional public colleges and universities best serve those students who have been left behind? Although the answers may be different, the question must be answered by both the regional public university in a rural area with few current job opportunities and the college in a booming city where unemployment rates are persistently higher for certain groups of minority students.

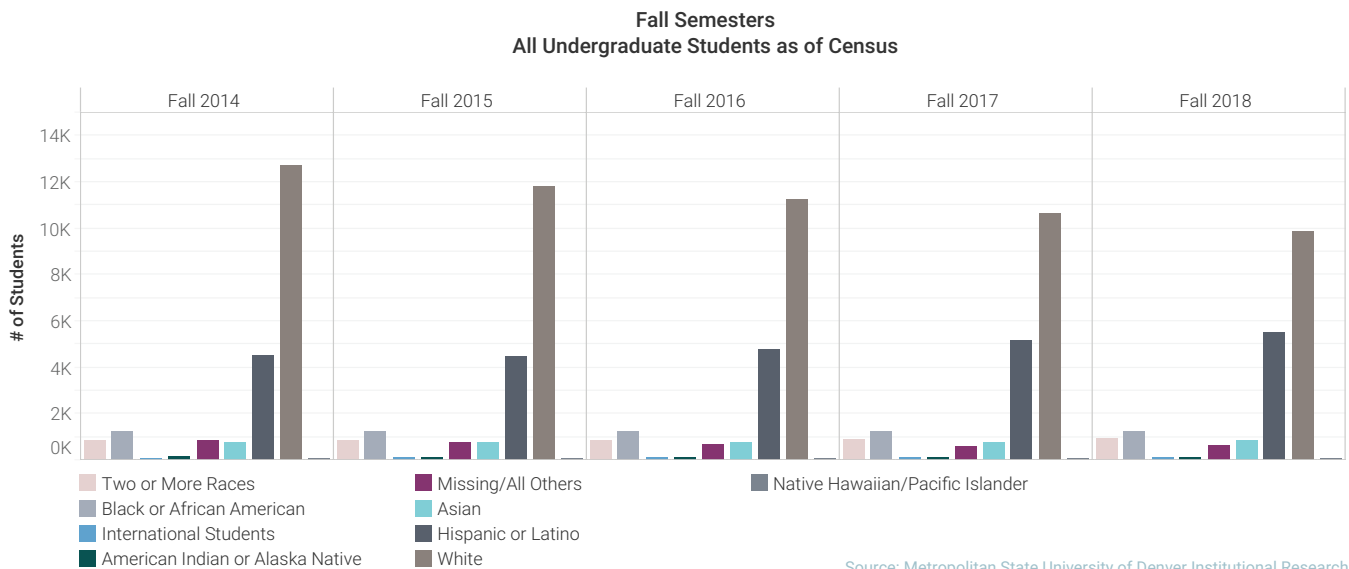
Many of these issues can only be fully addressed if higher education institutions coordinate with each other and work with politicians and business executives at multiple levels. But they will also require leadership from presidents, chancellors, administrators and board members at regional public colleges and universities. ■



BECOMING A HISPANIC-SERVING INSTITUTION

Critical Issues: Managing change, diversifying the student body, state funding, student support

Fig. 9 Metropolitan State University of Denver Enrollment, by Race/Ethnicity, 2014-2018



Hispanic students made up approximately 18 percent of all public high school graduates in Colorado in 2007. In a decade, they would be about 30 percent of high school graduates, according to demographers' projections.

That year, what was then called Metropolitan State College of Denver started to try to recruit and retain more Latinx students, aiming to ultimately become a Hispanic-serving institution. A dozen years later, the institution—since renamed Metropolitan State University of Denver—received federal HSI recognition.

That means the university successfully doubled its reported enrollment percentage of full-time-equivalent Hispanic students. In 2007, it reported 12.5 percent full-time-equivalent Hispanic enrollment. Institutions must have at least 25 percent Hispanic enrollment to be named HSIs.

Undergraduate enrollment over all has actually been shrinking in recent years. Metro

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State [enrolled](#) a total of 21,179 undergraduate students in the fall of 2014. It enrolled 19,258 in the fall of 2018. During that time, the undergraduate student body went from 21.3 percent Hispanic or Latino to 28.4 percent Hispanic or Latino. The change came as the percentage of white students dropped from 60.1 percent to 51.4 percent.

The university diversified even as it operated in an environment of severely restricted state funding. It received \$51.6 million in state appropriations in 2018, an increase of roughly \$9 million from 2007. Over the same time period, expenses grew by more than \$95 million as operating expenses rose, non-operating expenses increased after the university took on bond debt and started interest payments, and as the university added master's programs.

Changing the enrollment mix and securing HSI designation wasn't easy, Metro State leaders say. It was, however, necessary to serve both Hispanic and non-Hispanic students in a time of tight budgets.

"I think that is helpful for our Hispanic population, our coming-up high school kids, to say MSU is a really good place for us," says the university's president, Janine Davidson. "The second thing, substantively, is it unlocks our ability to access some federal dollars."

HSI designation won't be a panacea for the university's challenges. Available grant dollars aren't huge, Metro State leaders say. They expect the grants to be worth a few

million dollars here and there. It's unlikely to be enough to offset any future losses in state funding, but it could help pay for critical student support services, plus other priorities like faculty development, creating transfer pipelines, and distance learning.

The strategies Metro State used to pursue HSI designation over a dozen years are worth studying for other institutions seeking to adapt to tight budgets and changing student demographics. No single move made HSI designation possible, leaders say—although they proudly point to one political fight they picked along the way.

University efforts included strategies grouped around outreach to pre-K-12 schools, transfer and enrollment initiatives, financial aid, and advocacy and policy development, according to one university HSI task force report from January 2016. They also included addressing parts of the institutional infrastructure, like guidance and support to help Hispanic students from the time they enroll to the day they complete their degrees.

Stephen Jordan was Metro State's president when the HSI initiative launched. One program that he singles out was built around a hotel that is part of the university's hospitality program. The university took \$200,000 in profit from the hotel and went out to local school districts with large Hispanic populations, he says. Then it offered to match local scholarship dollars, guaranteeing five-year scholarships for students.

It took about two weeks to match \$200,000 worth of scholarships, Jordan says. The

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university went back for another \$300,000 to fuel what became a very powerful tool.

"It was very thoughtful, because it was a five-year commitment, and it had a scholarship component for tuition, fees and books, and a support component," Jordan says. "It's that kind of intentionality that was part of this effort throughout: people really paying attention and coming up with good ideas about things where there was sufficient data out there."

Other steps to help students enroll included sending admissions counselors who speak Spanish to high schools with a large number of Hispanic or Latinx students. Metro State also focused on trying to improve retention rates for these students, boost graduation rates for them and add tenure-track faculty members. Leaders committed to hiring faculty members of color so that students would see faculty members who looked like them.

Even tenure processes changed. If a faculty member of color drew a mixed review resulting in a recommendation to terminate, administrators compared dossiers on that faculty member and a similarly situated white faculty member from the same department who had received tenure. Jordan would then make a final decision based on staff recommendations. He ended up overriding some tenure decisions.

It was controversial, but Jordan hopes faculty members appreciated the fact he wasn't just functioning as a rubber stamp.

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“One of the things the faculty themselves had to discover: they could all be winners in this process.”

Stephen Jordan

President Emeritus

Metropolitan State University of Denver

Changing the institution took time, Jordan says. It was also important that all parts of the university felt involved, and that non-Latinx students understood that the entire institution would benefit from the HSI designation and newfound diversity.

“One of the things the faculty themselves had to discover: they could all be winners in this process,” Jordan says. “They’ve got to see how it does benefit them.”

Another controversial move came in 2012, shortly before President Obama announced the federal Deferred Action for Childhood Arrivals policy. Metro State decided to offer reduced tuition rates for undocumented

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students who graduated from Colorado high schools after attending for at least three years. The move dropped the price of tuition for undocumented students from roughly \$16,000 to about \$7,000 per year.

The new tuition level, which was still higher than base in-state rates for Colorado residents, drew plenty of attention. Metro State acted without state legislators' authorization. Lawmakers had tried and failed six times over a decade to create a discounted tuition rate for undocumented students.

Some state officials were not happy. University officials argued they had set tuition to match the amount it cost to educate students and that public money wasn't being used to educate undocumented students. Colorado's attorney general remained unmoved, [saying](#) Metro State's discounted tuition was a "public benefit" that could only be "provided to individuals who prove their lawful presence" in the country.

"The budget committee threatened to take some funding away," says Michelle Lucero, a former chair of the board at Metro State who was vice chair when the tuition policy for undocumented students passed in 2012. "We took some big hits. We got threats. But does anyone on our board second-guess that decision? No. We tend to do big, bold, brave things."

Less than a year after the university made its decision, the state Legislature passed a bill making undocumented students who meet

certain requirements eligible for in-state tuition in Colorado. The state's governor signed it into law at Metro State.

Although the policy change didn't drive a large number of undocumented students to immediately enroll—311 students had enrolled under the new legislation at Metro State as of fall 2015—university leaders say forcing the issue in 2012 helped to create a campus environment Hispanic students see as welcoming.

One more change has helped Latinx and Hispanic students succeed, says Jordan, the university's president emeritus. The institution added graduate programs and junior- and senior-level courses that could be counted toward master's degrees. It showed undergraduates who are in classrooms with graduate students that they're capable of completing the course work, Jordan says.

It could be seen as mission creep. Offering master's degrees forced Jordan to grapple with the fact that he believed Metro State should be a baccalaureate institution.

He approached the change by considering how the institution was already preparing young people for careers in almost everything it did.

"If that is our core mission, why isn't that equally applicable at the master's level?" he asks. "This is not about research. This is really about professions, and when we started, we started with only three areas. They were areas where we felt we had high competency: teacher education and business and social work, where there was a huge demand."

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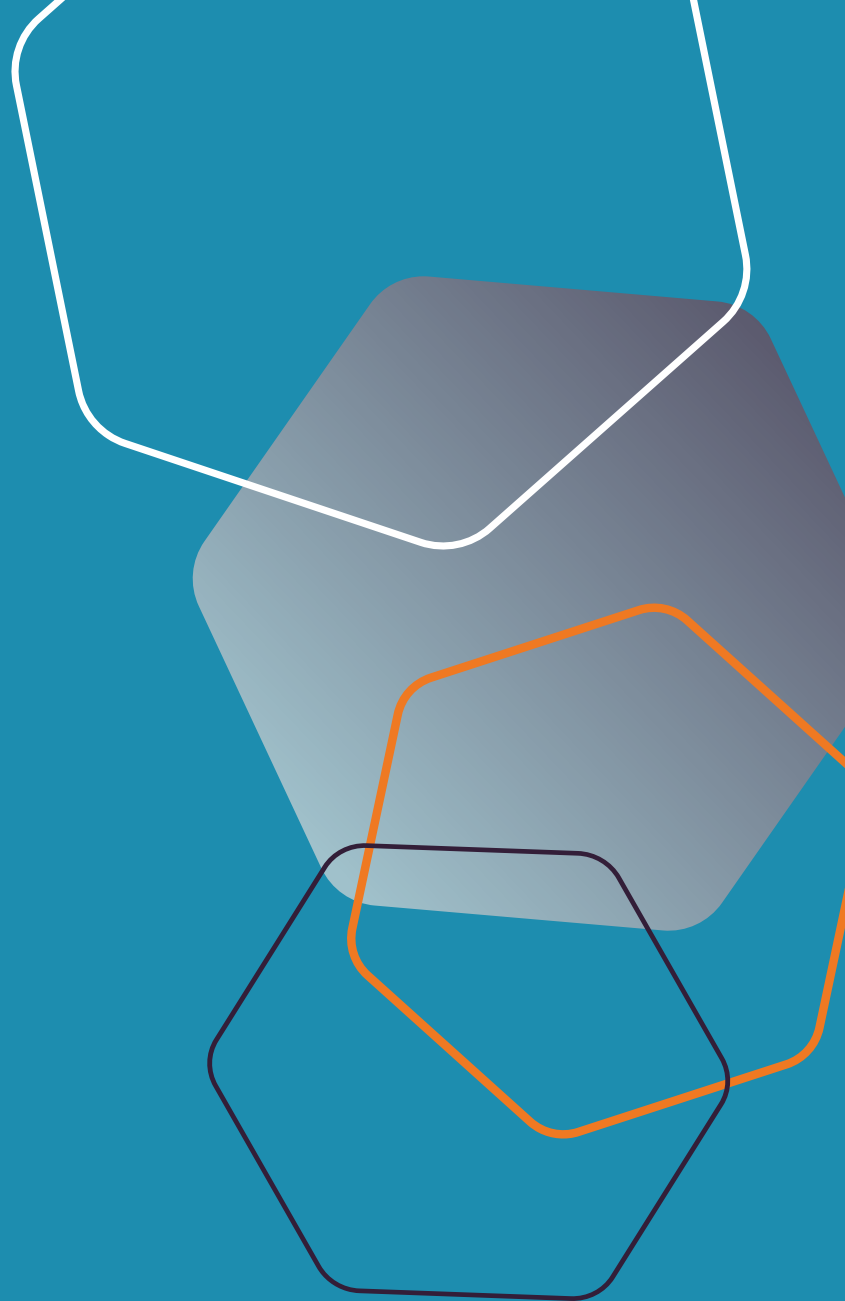
The university's office of graduate studies now covers nine programs, including certificates in human nutrition and autism and significant support needs.

Efforts to achieve HSI designation weren't all major operational changes. Some were clerical. An identity campaign encouraged students who hadn't been identifying their race to do so when the university collected data, enabling its statistics to better reflect the students who were already enrolled.

Demographic projections, meanwhile, have panned out. Hispanics were 29.9 percent of all public high school graduates in Colorado in 2017-18, according to state Department of Education data. They accounted for more than 55 percent of graduates in Denver schools.

Some leaders say Metro State, founded in 1965, has been able to adapt in part because of its youth. But its willingness to change and take risks while finding ways for its mission to meet today's conditions shouldn't be overlooked.

"We were created specifically to educate the students of Colorado—that's our mission," says Angela Marquez, special assistant to the president for HSI at the university. "I think it's very important that we took the steps we did, because that's our future student." ■





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