

# Higher Education Challenges: What do we need to watch?

Neil Harvison, PhD, OTR, FNAP, FAOTA March 19, 2024

# Why start with the data...



# Public Opinion on Higher Education



# 2015

**Great Deal-28%** 

Quite a lot – 29% Some – 33% Very little- 9% How much confidence you, yourself, have in ...Higher education.

2018

**Great Deal – 23%** 

Quite a lot – 25% Some – 34% Very little- 15%



**Great Deal – 17%** 

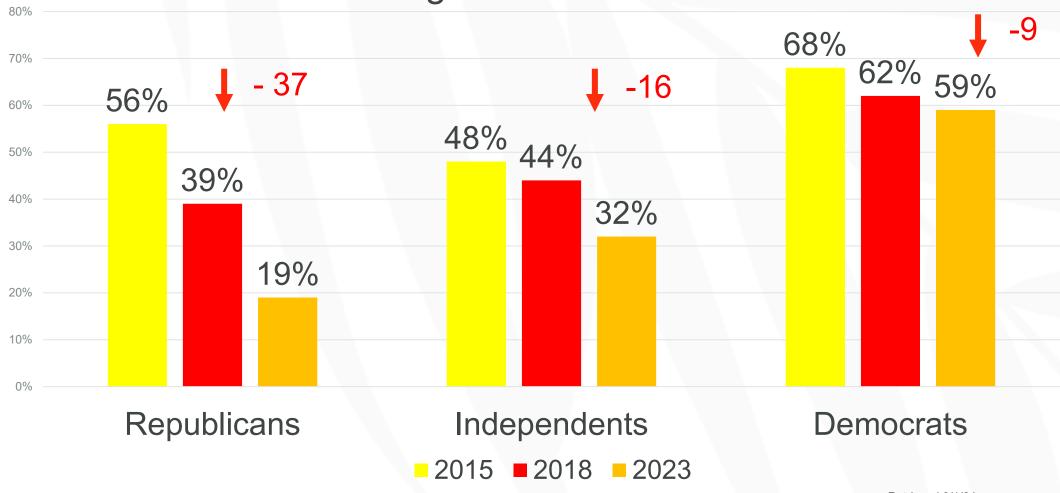
Quite a lot – 19% Some – 40% Very little- 22%

Retrieved 3/1/24:

https://news.gallup.com/poll/508352/americansconfidence-higher-education-down-sharply.aspx



# % with "great deal " or "quite a lot" of confidence in higher education.

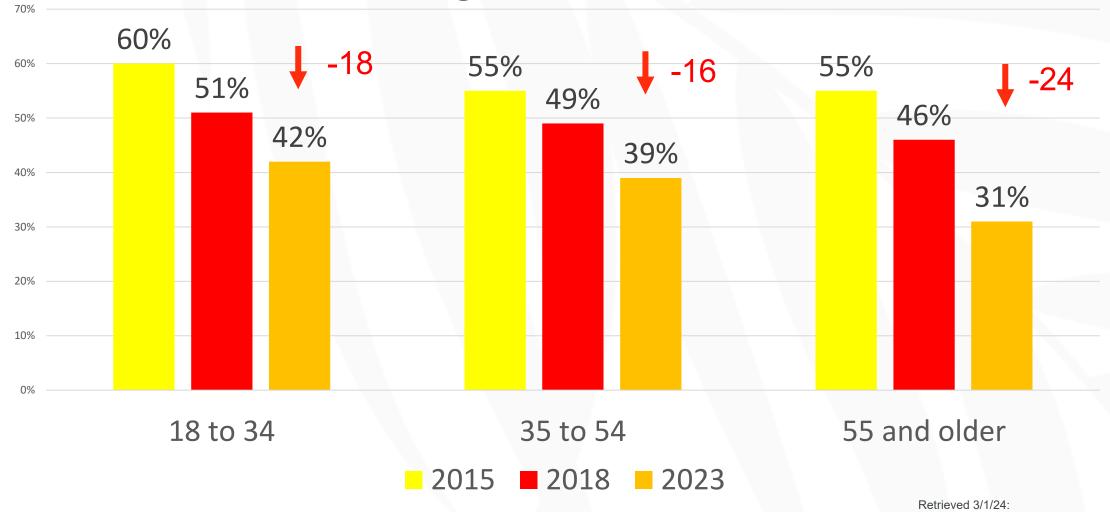




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## **Cost of Higher Education**



#### **Tuition**





https://www.usnews.com/education/best-colleges/paying-for-college/articles/see-20-years-of-tuition-growth-at-national-universities

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	2004 Actual	Adujusted for Cumulative Inflation Rate=63.3%	
In-state	\$ 4,633	\$ 7,564	
Out-of-state	\$ 12,404	\$ 20,252	
Private	\$ 20,516	\$ 33,065	



	2004 Actual	Cumulative Inflation Rate=63.3%	2024 Actual	Higher Education Rate
In-state	\$ 4,633	\$ 7,564	\$ 11,970	158%
Out-of- state	\$ 12,404	\$ 20,252	\$ 28,217	127%
Private	\$ 20,516	\$ 33,065	\$ 46,652	127%



#### **Outcomes**



#### **Graduate Debt**

44 million US borrowers collectively owe \$1.6 trillion in federal loans.

Additional private loan debt of approximately \$1 billion.

#### Most in debt:

- 1. Black
- 2. American Indian/ Alaska Native
- 3. Hispanic
- 4. 2 or more races
- 5. Pacific Islander
- 6. White
- 7. Asian



50%

2023: 25-64 yr. olds with higher education degree

Higher than OECD average.

76.5%

2022: FT Student retention rate

Source 3/1/24 https://nces.ed.gov/ipeds/TrendGenerator/app/answer/7/32 61.2% & 35.5%

Graduation with in 150% of time 4 yr. & 2 yr. programs

Source 3/1/24: https://www.oecd-ilibrary.org/education/education-at-a-glance-2023\_044e6d2c-en



Source 3/1/24: https://nces.ed.gov/ipeds/TrendGenerator/app/answer/7/21

## **Application Trends**



## Fall 2023 Undergraduate Enrollment

Undergraduate enrollment grew 1.2 percent (+176,000) in fall 2023, the first increase since the pandemic. Greatest growth: Community Colleges (+2.6%).

Over two-thirds of states saw undergraduate enrollment grow.

Enrollment increased in all ethnoracial groups except White (-2.0%) and Native American students (-1.0%)

### Fall 2023 Undergraduate Enrollment

Midwest: +0.7%

Northeast:

-0.7%

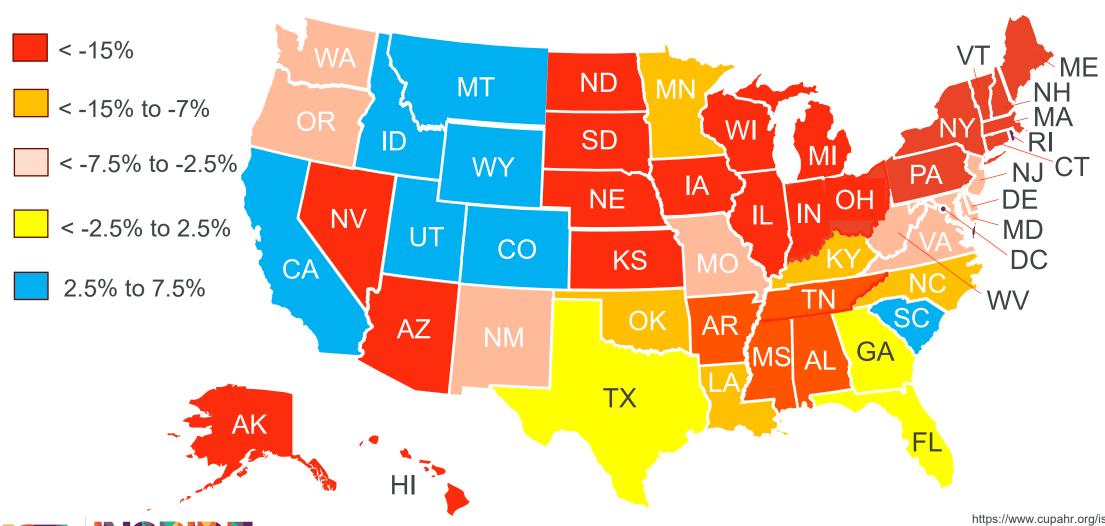
South:

+ 1.4%

West:

+ 2.3%

# Forecasted growth and decline in college going students, 2012-2029



https://www.cupahr.org/issue/feature/higher-edenrollment-cliff/

# What do policy makers do with this data?



# House Bills on Higher Education



#### Where the both sides agree...

"Democrats and Republicans agree that student loan debt in America has reached astronomical levels – the pursuits of students in postsecondary education have been undercut as a direct result. Without question, the root cause of this problem is the inflated cost of obtaining a college degree, and there's considerable room for reforms.





Rep. Virginia Foxx (R-NC) Chair



# H.R. 6951, The College Cost Reduction Act

#### **Accountability and Student Success**

Holds college financially accountable when they charge too much

Focuses accreditors on outcomes versus inputs

Reigns in executive branch – reduces burdensome regulation

Removes barriers to graduation – financial & transfer of credits



#### **Transparency**

Ensures information about college costs is clear, accessible, and consumer-friendly

Streamlines and enhances data collection and reporting on college outcomes



## **Access & Affordability**

Economic mobility: performance based PROMISE grants

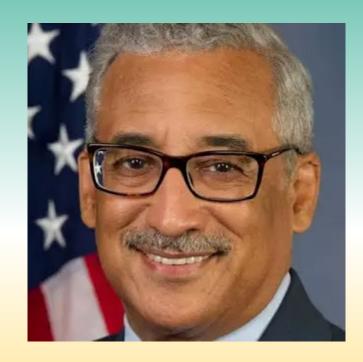
Controls colleges: up front guaranteed price for program

Sunsets "plus" loans and unlimited borrowing

Loan limits that vary by fields of study that allow students to borrow up to the median cost

Simplifies and improves student loan repayment, offers targeted relief to those harmed





Robert C. "Bobby" Scott (D-VA)
Ranking Member



# Roadmap to College Student Success: (1) Affordability; (2) Access; & (3) Student Support

Source 3/1/24: https://www.insidehighered.com/news/government /politics-elections/2024/01/30/house-democratsshare-roadmap-college-student-success

## **Affordability**

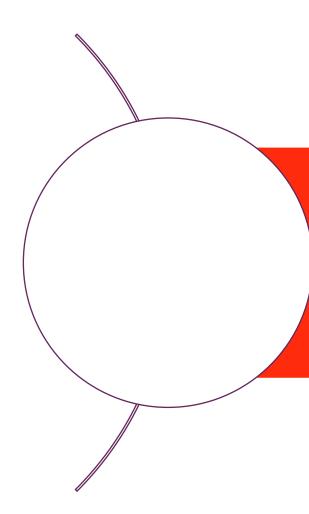
H.R. 1731 – Lowering Obstacles to Achievement Now (LOAN) Act: critical reforms to the student loan system. ...doubling the Pell Grant, improving the Public Service Loan Forgiveness program, and making loans more affordable and accessible.

H.R. 5998 – America's College Promise Act: creating a new federal-state partnership that will provide students with two years of tuition-free community or technical college.

H.R. 961- Pell to Grad Act: increasing lifetime Pell Grant eligibility from 12 semester to 16 semesters and expanding Pell Grant eligibility to graduate students.



#### Access



#### H.R. 2957 – College Transparency Act

- bipartisan bill provides students and families with better information as they consider their higher education options by ensuring that institutions report accurate data on their student outcomes—such as enrollment, completion, and post-college earnings—while protecting students' privacy.

## **Student Support**

H.R. 2401 – Respond, Innovate, Succeed, and Empower (RISE) Act - bipartisan bill makes the transition from high school to college easier for students with disabilities and their families by allowing them to use a variety of existing documentation as proof of a disability when seeking accommodations on campus.

H.R. 309 – Opportunity to Address College Hunger Act- supports college students experiencing hunger by requiring institutions of higher education to inform students in the Federal Work Study (FWS) program that they may qualify for SNAP benefits.

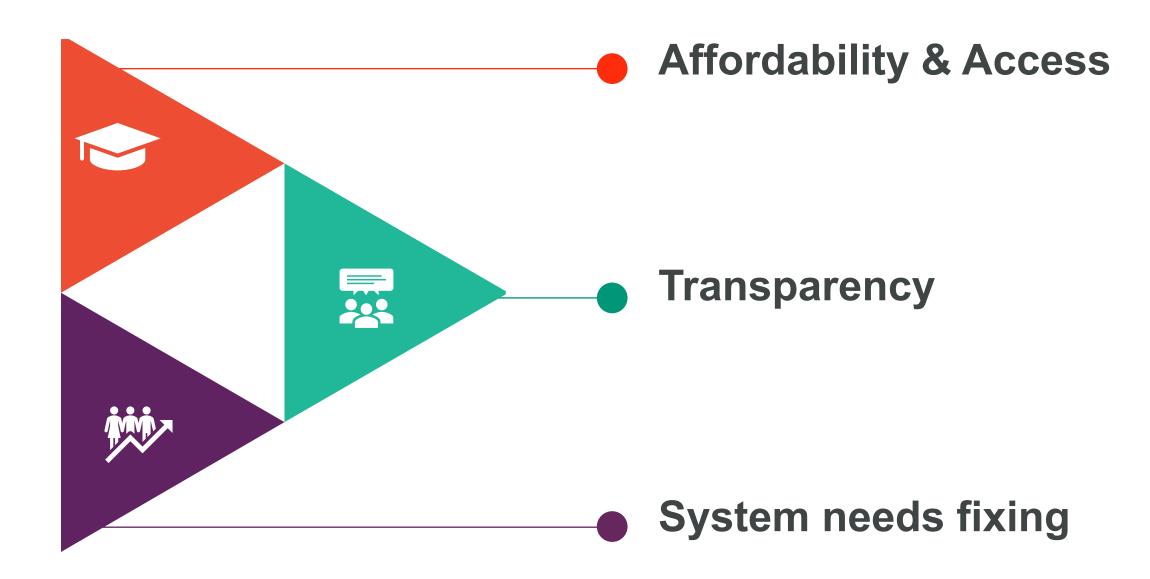
H.R. 5740 – Enhancing Mental Health and Suicide Prevention Through Campus Planning Act - bipartisan bill ensures college students have the mental health resources they need by ensuring colleges and universities are equipped with proactive mental health and suicide prevention plans.



## Where is there bipartisan consensus?









# Biden Administration Department of Education Negotiated Rule Making



## Completed 2023 – Gainful Employment

- Most recent rule is a new iteration of one first implemented during the Obama Administration and rescinded by the Trump Administration.
- Advocates- Consumer Protection
- Opposed- Unfairly singles out for-profits and non-degree certificate programs.



#### The rule and potential impact.

Metric # 1

Metric # 2

Potential Impact

Debt-to-earnings test, for which programs must show that their graduates have annual loan payments averaging no more than 8% of their total income, or 20% of their discretionary income

At least half of a program's graduates earn more than working adults in their state who possess only a high school diploma

Department used 2022 earnings data and projects that about 1,700 programs that enroll nearly 700,000 students would fail at least one of the two metrics in a single year.

#### **Current Negotiated Rule Making Session**

#### Accreditation.

System of risk-based review, increase the rigor of accreditation, and support accreditation as a critical pillar of the program integrity triad.

#### **Distance Education.**

Data and compare outcomes for students enrolled online, and to better protect students in the event of college closure.









# Return of Title IV Funds.

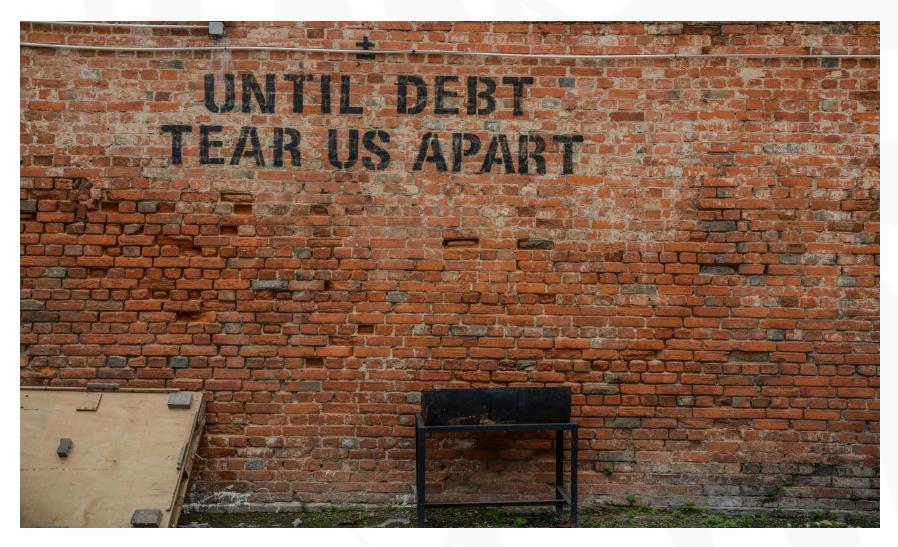
Process institutions must conduct when a student ceases attendance.

#### State Authorization.

Address the requirements for state approval and licensure, as well as state authorization reciprocity agreements, to ensure adequate oversight of institutions.



#### **Biden Student Loan Debt Relief Plan**



# What do we know about the Trump plan?



# **Trump stump statements**

- Plans to close the Department of Education and send "all education and education work and needs back to the states.
- Cut funding for schools that teach critical race theory and gender ideology.
- Charge the Department of Justice and the Department of Education with investigating civil rights violations of racebased discrimination in schools while also removing "Marxists" from the Department of Education.
- Create a free open access online university funded by a tax on endowments of existing universities.

(https://www.cnn.com/2024/03/06/politics/trump-campaign-promises/index.html).



# **Last Trump administration**

### Called for...

- 7.8 percent cut on Department of Education budget
- Sharp reductions for public service loan forgiveness
- 7% cut to NIH
- 6% cut to NSF
- 100% cut to National Endowments for the Arts









# State level: Anti-DEI Bills



### Model State Legislation.

Distributed by Goldwater Institute and the Manhattan Institute. The same conservative think tanks that led effort to restrict access to abortion in many states.

## Impact.

Mostly impact state institutions. Can potentially impact private schools with any state support.









### Launched in 2023

Led by Republican members in state houses

### Focus of Bills.

Ban DEI Offices; Ban Mandatory DEI Training; Ban Diversity Statements, Ban Identity-based preference for admissions and hiring.



# As of March 8, 2024

81

have been introduced.

8

have final legislative approval.

8

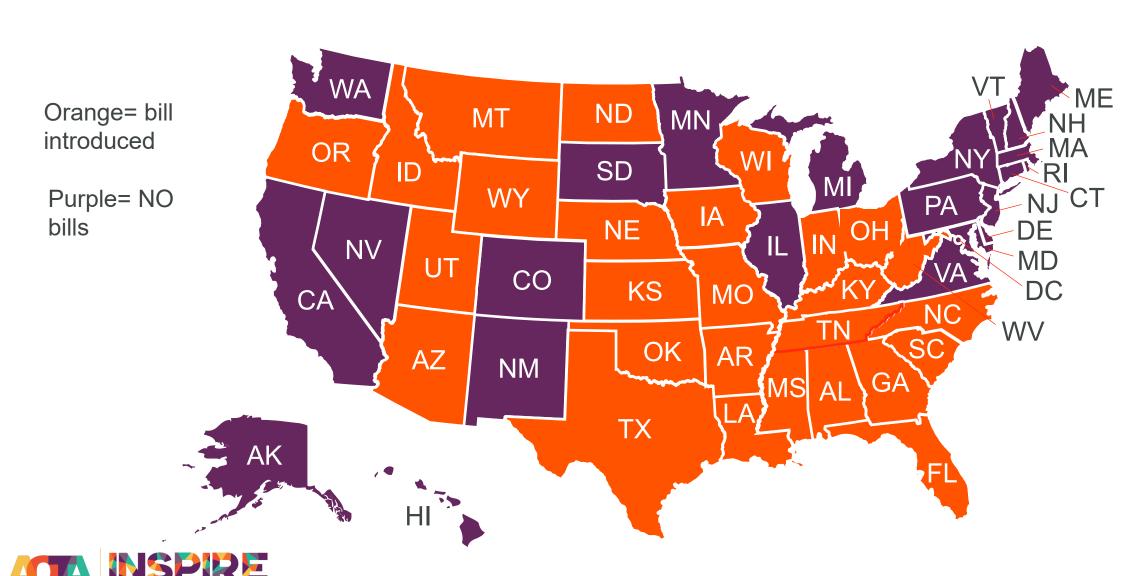
have become law.

27

have been tabled, failed to pass or vetoed.



# States where bills were introduced

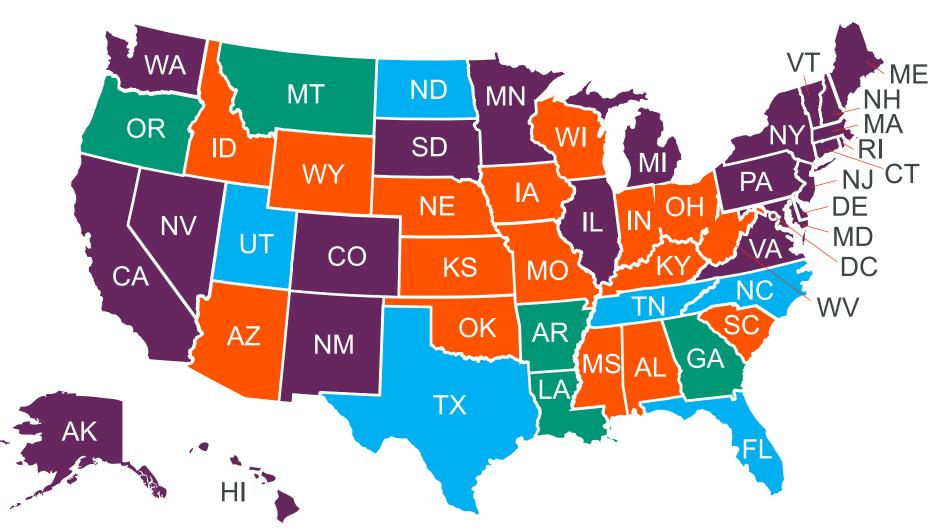


Purple= no bills.

Orange= introduced

Blue= signed into law

Green= tabled, failed or vetoed



# State level: Funding



# **Funding - 2022**

For the first time since the Great Recession, inflationadjusted education appropriations per FTE were greater than pre-recession funding levels in 2008.

States contributed \$108.1 billion (a 7.8% increase), and local governments in 32 states contributed \$12.6 billion to higher education (a 5.3% increase).



### **February 28, 2024**

### Mississippi Bill Would Mandate 3 College Closures

A bill in the Mississippi Legislature aims to close three state universities.

Senate Bill 2726—doesn't specify the three. If the bill passes, IHL will have until June 30, 2025, to select them, with closure mandated by 2028.

Factors to be considered in the closure decisions include:

- enrollment and degree attainment data;
- federal aid, including scholarship and research grants;
- tuition rates and scholarship endowments;
- degree offerings;
- economic impact on the local community, region and state; and the ways in which an institution serves the state, including by providing medical services and research.



closures?utm\_source=Inside+Higher+Ed&utm\_campaign=e787c82697-DNU\_2021\_COPY\_02&utm\_medium=email&utm\_term=0\_1fcbc04421-e787c82697-197537989&mc\_cid=e787c82697&mc\_eid=cc008ecb88



# Impact at the institutional level



# Closures and consolidations



# 2023: 15 Universities/ Colleges to Close

Mostly non-profit, small, private, tuition-dependent institutions with small endowments that have seen enrollment declining for years. Ten of the schools with religious affiliations.

Presentation College (SD)

Finlandia University (MI)

Iowa Wesleyan University (IA)

Medaille University (NY)

Cardinal Stritch University (WI)

Cabrini University (PA)

Alliance University (NY)

Kings College (NY)

Hodges University (NY)

Alderson Broaddus University (WV)

Cox College (MO)

Lincoln Christian University (IL)

U. Of Wisconsin- Platteville Richland (WI)

Magdalen College (NH)

College of St Rose (NY)



# Acquisitions/ mergers continue.

- Salus University merged with Drexel University.
- Notre Dame University of Maryland acquired Maryland University of Integrative Health.
- Pennsylvania College of Health Sciences merging with St Joseph University
- Bay Path University, Cambridge College Plan to Merge (February 28, 2024).



# **Since 2020**

48 public & non-profit colleges have closed or merged.

28 closed and 20 merged

Experiencing financial challenges before the pandemic, from dwindling enrollment to rising tuition to doubts about the value of a degree.



Liberal Arts Programs



# Professional Programs



# Impact on Occupational Therapy and Occupational Therapy Assistant Programs.

### **Innovation**

Innovate to increase time to completion, reduce costs & attract students







**New Programs** 

Fill the seats!

Pressure continues to open new profession focused programs.

Tuition.....



# **New Programs**



# **OT & OTA Programs**

Program Status	OTD	OTM	ОТА-В	OTA-A	Total
Accredited	102	165	4	221	492
Candidate or Preaccreditation	65	13	10	3	91
Applicant	53	20	7	9	88
Total	219	198	21	233	672

<sup>\*</sup>Of the total Accredited programs, 15 OTM and 11 OTA programs have Accreditation-Inactive status.



# **Innovation**



# Objectives of innovation...

# **Students**

Decrease time of attendance

Decrease cost of attendance

Increase access to gainful employed after graduation

# Institution

Maintain revenue (tuition & numbers)

Maintain quality outcomes

Maintain cost of program delivery



Hybrid delivery format- removes costs of being in residence

Reduce time of attendance- 2-year OTD program

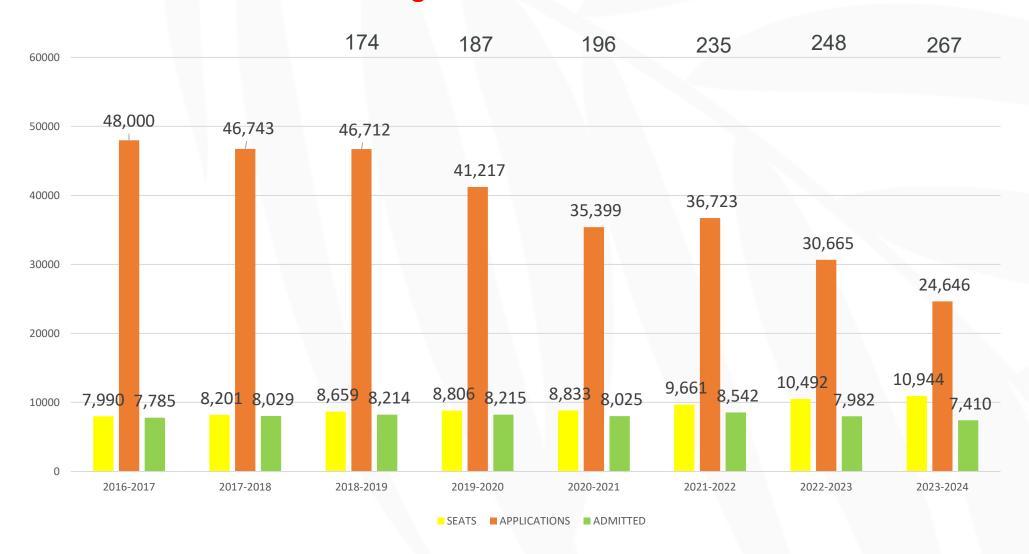
Hybrid & reduced time of attendance



# **Applicants & Applications**

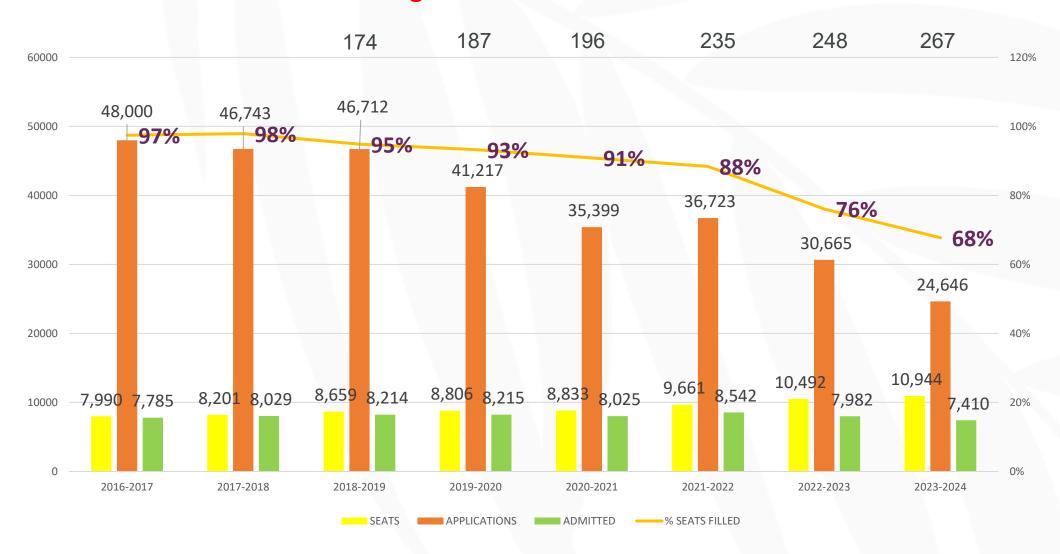


### **OT Programs AY 2023-2024 Admissions**



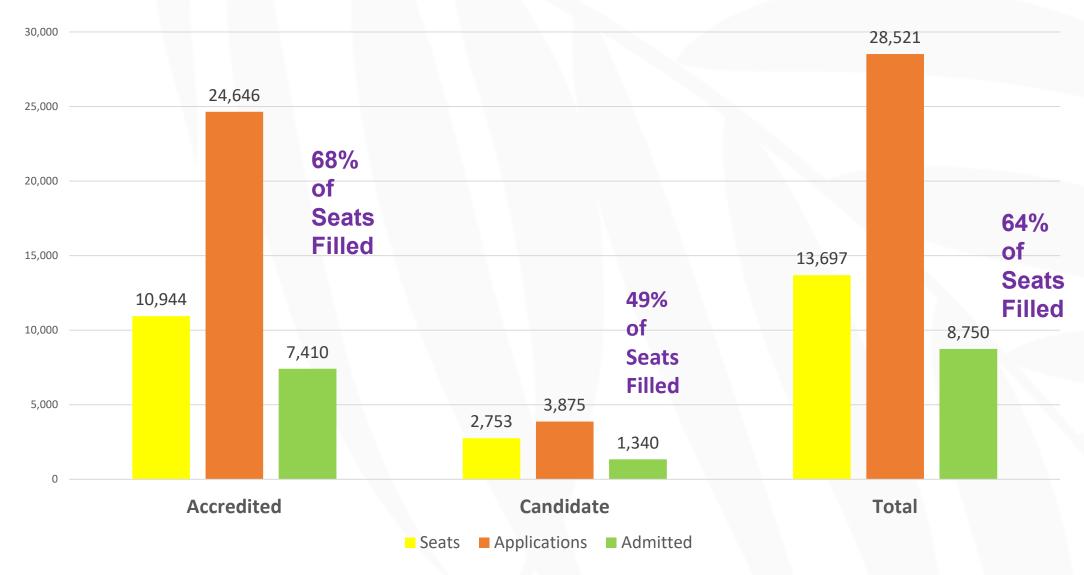


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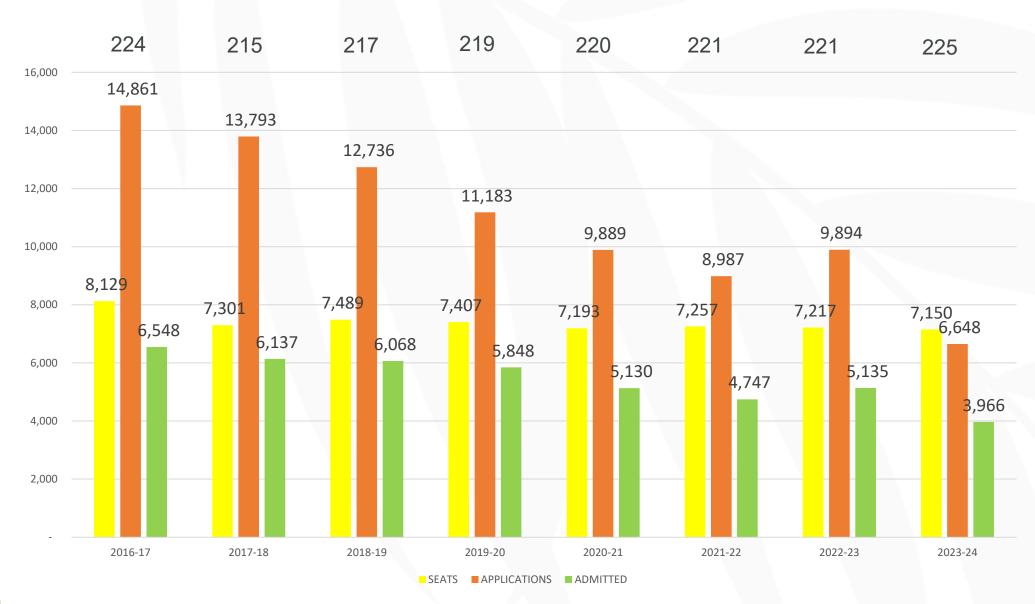


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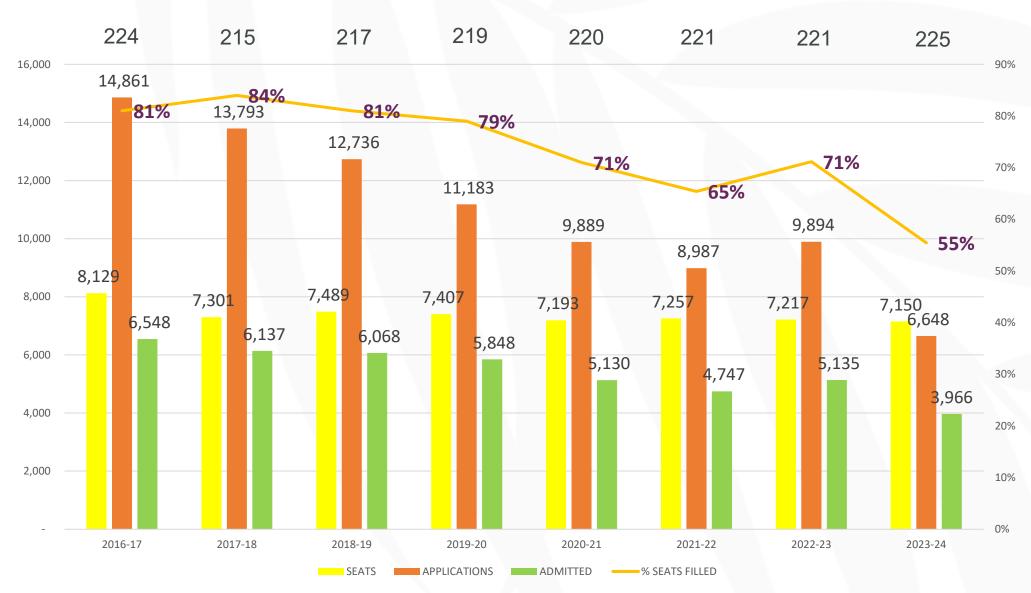


### **OTA Programs AY 2023-2024 Admissions**



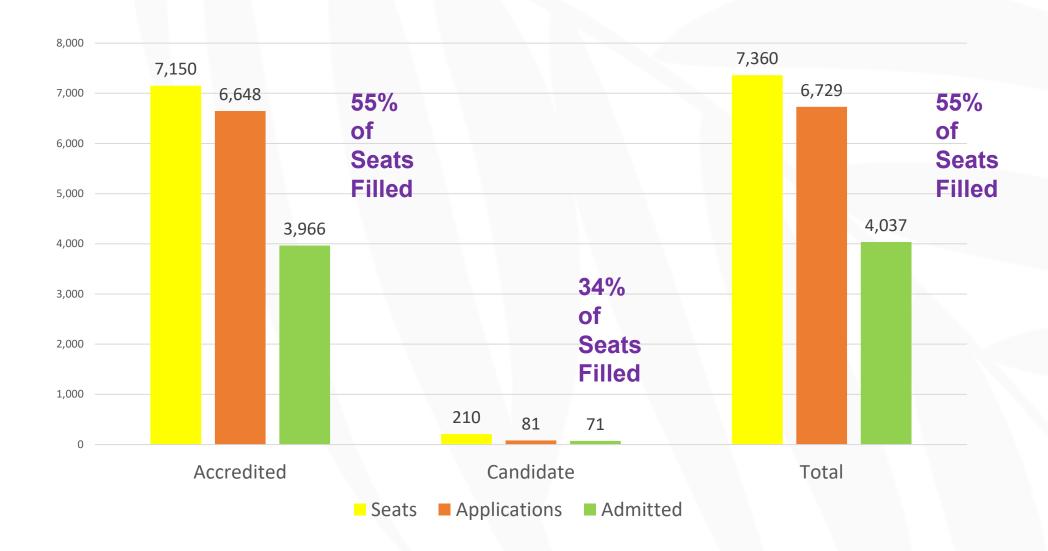


### **OTA Programs AY 2023-2024 Admissions**





### **OTA Programs AY 2023-2024 Admissions**

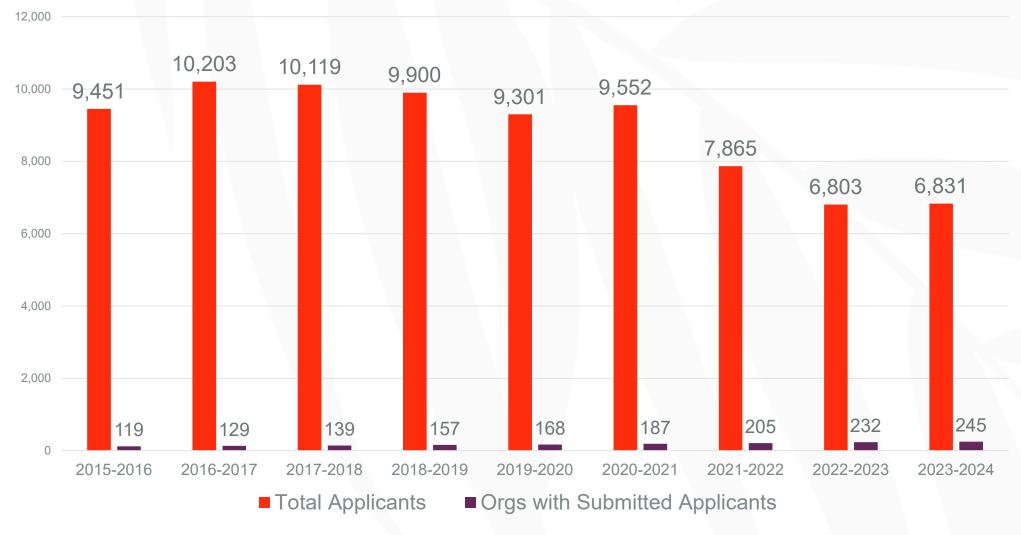




# Current CAS Cycle As of February 29th, 2024

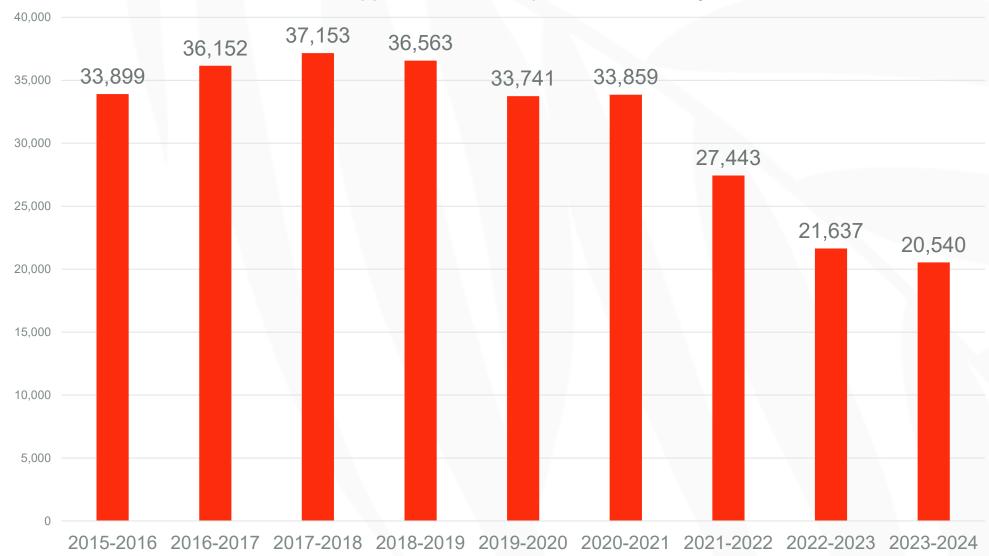


### Applicants at completion of February



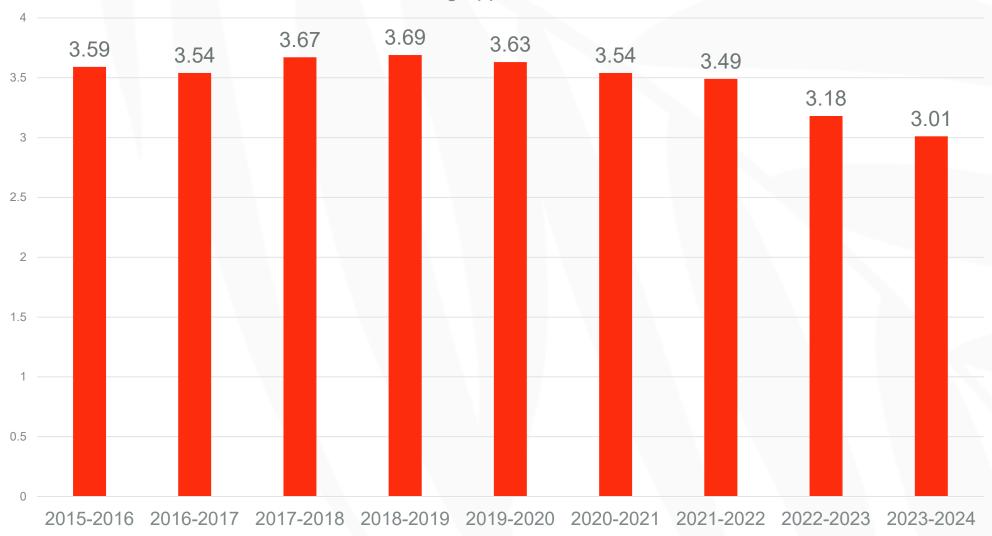


### Total Applications at completion of February





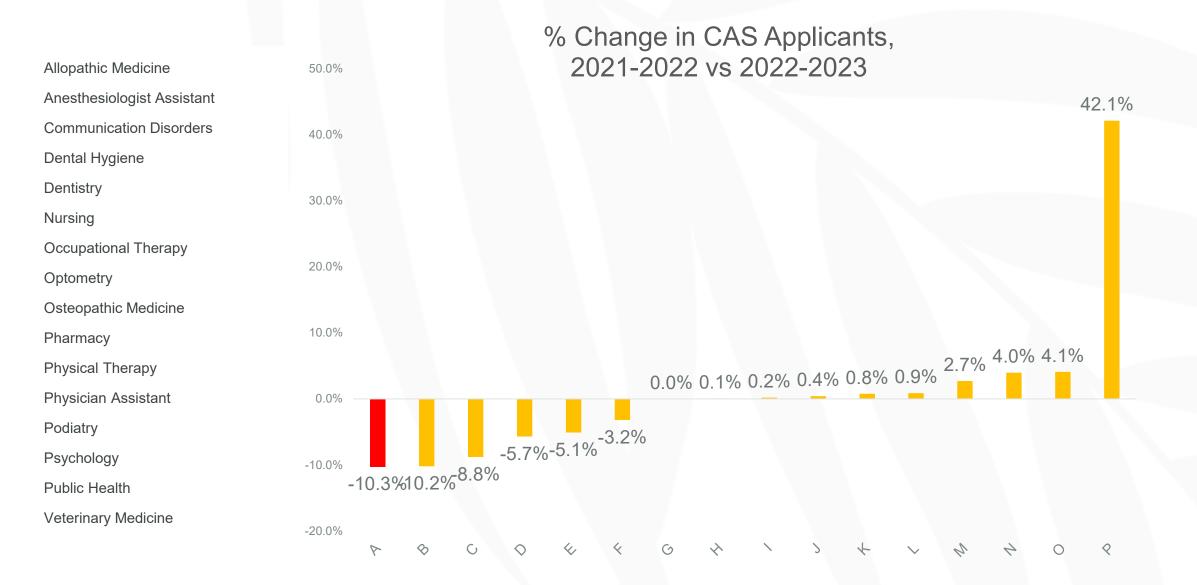
### **Avg Applications**



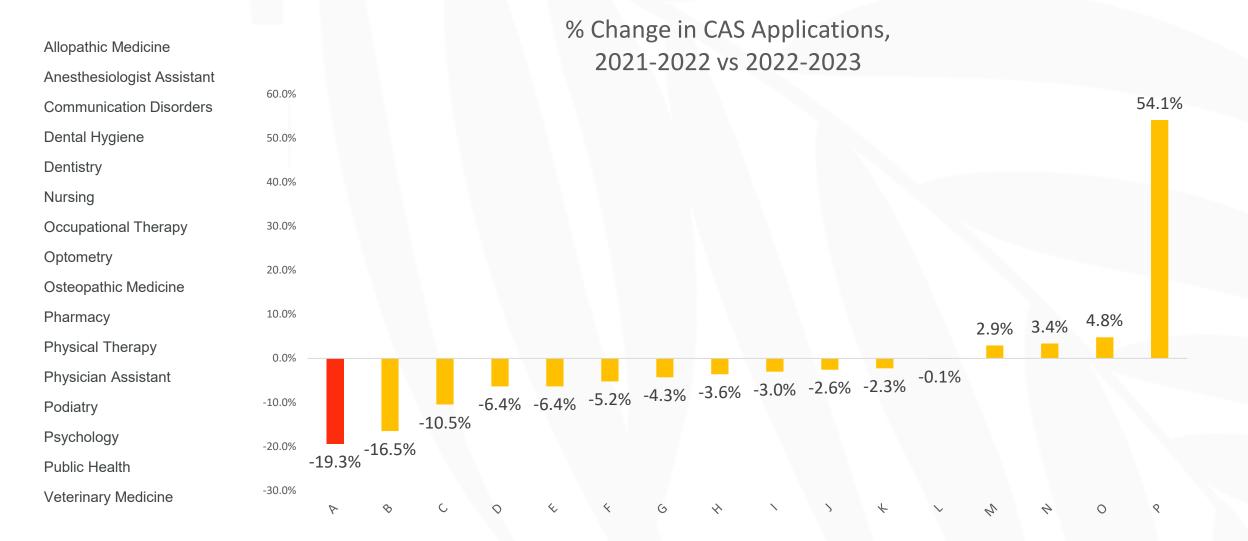


# CAS: How did OT compare to other health professions?











# **Contributors:**



Neil Harvison, PhD, OTR, FNAP, FAOTA Chief Officer, Knowledge Division



Sabrina Salvant, EdD,
MPH, OTR/L,FNAP,
FAOTA
VP, Education &
Professional Development



Valeta Njoroge
Program Manager,
Education & Professional
Development

