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Higher Ed Policy in the COVID Era

Mass Transfers, Unpredictable Enrollment, and Closures

Key Takeaways

While final enrollment numbers for this fall are still unclear, states and institutions can anticipate shifts in enrollment and transfer patterns for different student populations. To maximize higher education's potential as a pathway to economic recovery—and to make good on the promise of equitable opportunity for all students—policymakers must respond in ways that address students' needs. Transfer policies and systems needed improvement even before the COVID-19 pandemic. Now, state- and system-level decision makers must double down on policies and practices that respond to the growing needs of students.

State Policy Priorities

The following priorities are high-level guiding principles.
For more detailed questions to inform state policy considerations, see the Overview section.

- Examine the equity implications of current transfer policies; ensure that state funding mechanisms incentivize equitable transfer and maximize recognition of learning and acceptance of credit.

- Make transfer a priority, and leverage resources and incentives to encourage the collaborative development of strong transfer pathways for students.

- Monitor institutions' financial stability,

requiring those at risk of closure to create a contingency plan for students to complete their degrees.

- Adjust grading policies, and the resulting impacts on transfer and academic progress, to account for the current environment.

- Design financial aid programs to allow students to bring their aid with them upon transfer.

Overview

The pandemic's long-term impacts on higher education, though largely unknown, are likely to be severe. In the short term, institutions face an uncertain budgetary environment, driven by imminent cuts to state funding and likely declines in tuition revenue caused by flat or declining enrollment. While higher education should be emphasized as a tool for economic recovery, that recovery will only be equitable if state policymakers address the barriers that make it difficult for students to move between institutions.

Even before COVID-19, higher education systems and institutions struggled to innovate to meet the needs of today's transfer students. Today, students often move between multiple types of institutions and in [multiple directions](). Students also pursue higher education through a variety of venues, modes, and learning environments, including high school dual-enrollment programs, online courses, industry-recognized certifications, apprenticeships, and other work-based learning. Unfortunately, transfer policy fails to acknowledge this range of experiences, focusing primarily on smoothing the path for transfer from two- to four-year institutions.

Despite that focus, transfer outcomes remain

dismal and highly inequitable. While 80 percent of students who enter community college have a goal of earning a bachelor's degree, only [13 percent]() do so within six years. The two- to four-year transfer pipeline magnifies inequities by race and income: While 21 percent of white and 26 percent of Asian community college students complete a bachelor's degree within six years, the rates for Black and Hispanic students are 10 percent and 13 percent, respectively. Similarly, lower-income community college students are half as likely as their higher-income peers to earn a bachelor's after transferring. Indeed, two- to four-year transfer pathways need significant improvement; however, policymakers must confront the full complexity of the transfer student experience—which has been further complicated by COVID-19.

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Though data are still being collected, states can anticipate increases in the number of students transferring among institutions and accumulating credits and learning experiences across a variety of providers. These include:

- **Class of 2020 High School Graduates:**

  National survey data suggest that many recent high school graduates are changing their plans to enroll directly at a four-year institution, enrolling instead at community colleges.

- **Currently Enrolled College Students:**

  Several national polls show that students who were enrolled in the Spring 2020 term re-evaluated their plans for the fall, especially international students and out-of-state students who are expected to drive declines in enrollment.

- **Adult Learners and Incumbent Workers:**

  In previous economic downturns, adults have returned to higher education for upskilling and reskilling. These learners will likely have formal college credit, on-the-job training, or military experience that colleges should assess and apply toward graduation requirements.

- **Students Affected by Campus Closures:**

  Students whose institutions close during financial crisis are often left with few protections and little recourse to complete their degrees. As school closures become more frequent in the COVID-induced recession environment, this student population could quickly grow.

Whether driven by school closures or by students' personal decisions to seek new opportunities, state policymakers must make it their priority to support students through those transitions. Given the current budgetary environment, institutions might be driven to collect additional tuition revenue by accepting fewer transfer credits and requiring students to retake courses.

To ensure that higher education helps drive an equitable economic recovery, state- and system-level decision-makers must prioritize policies that promote clear transfer pathways, improve applicability of credit, and increase degree completion. We can't allow transfer students to fare even worse.

Essential Policy Questions

State policymakers can leverage these questions to understand challenges and examine whether current and potential new policies meet student needs.

Equity: To understand the equity implications of transfer policies, consider:

1.How have the outcomes of pre-COVID transfer policies differed by race/ethnicity, gender, or socioeconomic status?

2.In what ways have transfer policies created or ignored systemic barriers that lead to inequitable outcomes?

3.Is a commitment to equity reflected in how institutions' transfer student outcomes are accounted for in the state's funding mechanisms?

Policymaking: To determine the state's role in promoting more equitable transfer policies and planning for closures, consider:

1.How can the state and system make transfer a priority?

2.How are state- and system-level decision-makers communicating to current and potential students about how student credits can be transferred and applied toward a degree?

3.How will state- and system-level decision-makers monitor institutions' financial security in this uncertain budget environment?

4.What accountability measures will policymakers need to adopt?

Innovation and Collaboration: To promote the innovation and collaboration needed to improve policies, consider:

1.What state resources and additional incentives can states leverage to foster innovative partnerships between institutions to develop strong transfer pathways for students?

2.What innovative approaches can states and institutions take together to offer students more seamless paths to degrees?

3.Are mechanisms available for identifying effective practices across institutions and systems?

4.What can be done to incentivize the sharing of services and resources to reduce costs and promote student success?

Student Supports: To ensure students can better navigate transfer and closures, consider:

1.Is state financial aid portable for students who transfer?

2.Are policies, such as those related to grading, being modified to account for the current environment?

3.How can student service professionals—including staff in admissions, advising, financial aid, and student records—work together across institutions to support smooth student transitions?

4.How can responsive advising be deployed in ways that are easily accessible to students in an online setting?

Promising Policies and Practices

The following examples of states' efforts can serve as valuable guidance for state policymakers as they navigate ongoing changes:

Revise Policies to Account for Pass/Fail Grading

- Minnesota issued a policy in April that requires all Minnesota State institutions to accept Spring 2020 grades of "Pass," "Satisfactory," or "Credit" in undergraduate transfer. The policy also requires these grades to count toward major and graduation requirements, as well as any other purposes that affect students' academic standing or progress.
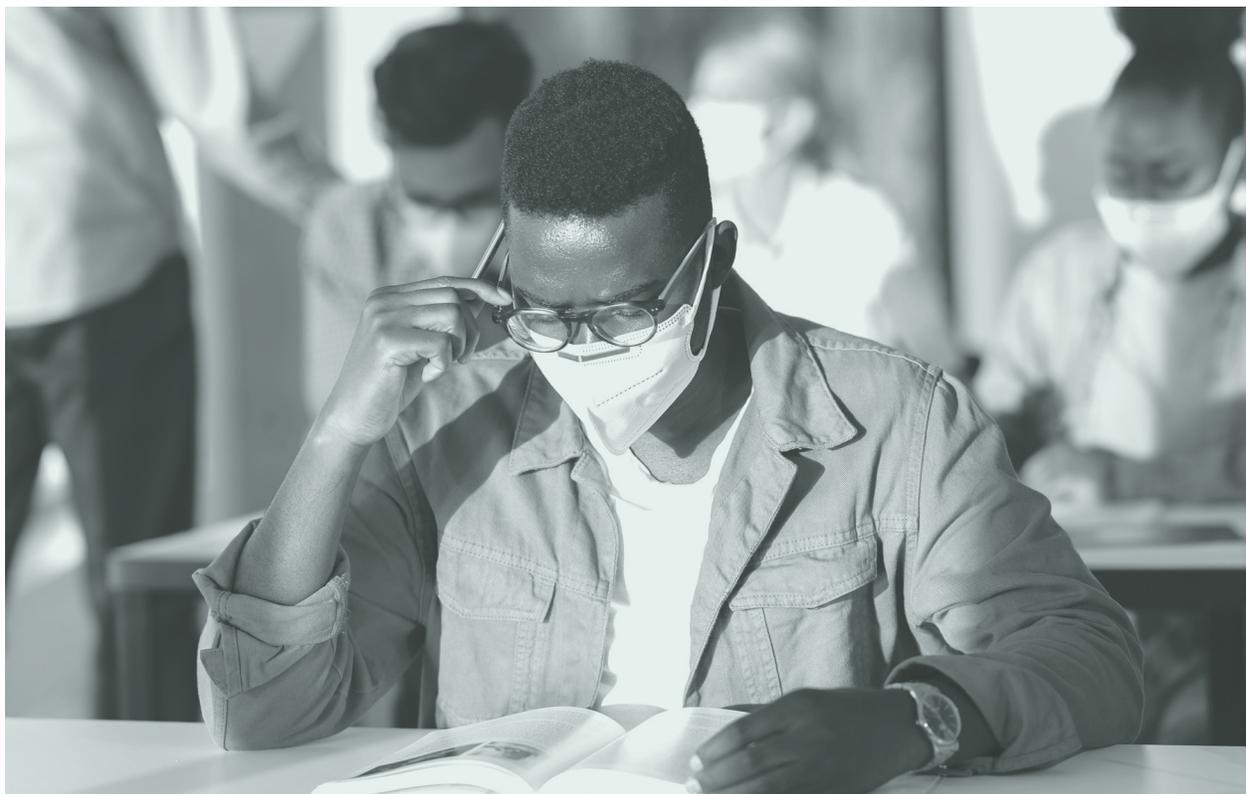
Automate Transcript Evaluation

- Arizona State University launched an online transfer guide to help students plan for transfer, search course equivalencies, and automatically evaluate their transcripts—reducing inefficiencies and human error.

Monitor Early Warning Signs of Closure

- Massachusetts passed a bill in 2019 to create an annual process for the Board of Higher Education to monitor institutions' financial health and help identify any institutions at risk of closing. Institutions deemed to be at risk or soon to be closing now must create a contingency plan to ensure students can complete their degrees.

Explore Options for Consolidation

- The Pennsylvania State System of Higher Education approved a financial review of different campus consolidation options that is scheduled to be completed in the fall, with approved mergers taking effect in Fall 2022.

Data for Decision-Making

State policymakers should continue to monitor state and institutional data—disaggregated when available—to assess progress and consider programs' equity implications. Additional indicators that state policymakers should monitor include:

Student Response to COVID-19 in Spring 2020:

Policymakers should understand how student higher education participation was affected by the transition to an online setting in Spring 2020. Examining data disaggregated by race/ethnicity, income, and institution type will help policymakers understand which students need support and determine what kind of support they might need.

Access and Success in Fall 2020 and Beyond:

Beginning in Fall 2020, state policymakers should regularly monitor enrollment data, which should be disaggregated by race and ethnicity, to understand which students are facing barriers to postsecondary access and success. The availability of this data typically lags. States should work with institutions and other key stakeholders to collect administrative data in real time. Additional measures that can serve as early indicators of student success include attendance, mid-term grades, and unpaid term balances.

Transfer Student Outcomes:

Even before COVID-19, students lost an average of 43 percent of their credits at transfer. Monitoring transfer student indicators such as transfer-out and transfer-in rates, percentage of transfer credits applied toward degree, bachelor's degree completions, and time and credits to degree, helps promote transparency and make the case for developing stronger transfer pathways. Because these are lagging indicators, states and systems should also track earlier metrics, including students' intent to transfer, students' intended programs of study and early momentum metrics, such as accumulation of 30 credits in the first year or completion of gateway math and English courses.