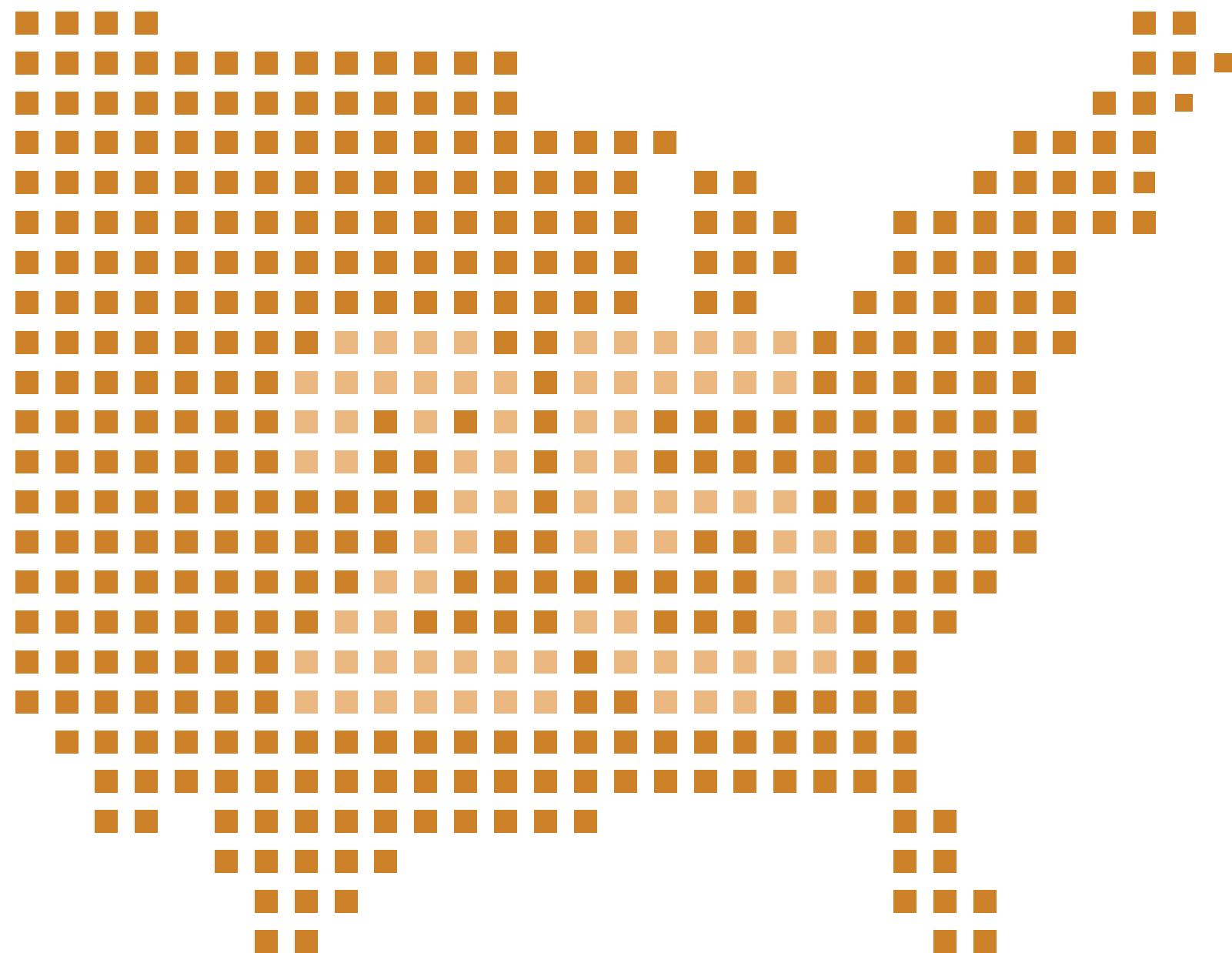


Lumina @ 25

Transforming Education Policy,
Strengthening Leadership





HCM Strategists is an impact-driven public policy consulting firm that believes in the transformative power of education and career-competitive learning to improve social and economic mobility for all learners and communities, especially those that have been marginalized or historically underserved. Our work delivers a consequential impact on the national narrative, policy options, and leaders responsible for change.



As Lumina Foundation approaches its 25th anniversary, its substantial legacy in state policy and engagement is illuminated by a record of effectiveness. The foundation has demonstrated unwavering commitment to working directly with state higher education leaders. Guided by the belief that states represent laboratories for innovation, Lumina's leadership empowered leaders to drive higher education reforms.

When Lumina was founded in 2000, it was the only national foundation solely dedicated to higher learning. By 2008, Lumina had set a national goal for a better-educated country. It later filled a void in state higher education policy leadership by creating [Strategy Labs](#). This move marked an evolution in the foundation's approach, which created a distinct path

for its work. Lumina helped change the national narrative around college-going, drove significant shifts in public policy, contributed to increased educational attainment nationally, and fostered better conditions for increasing student enrollment and the completion of post-high school credentials aligned to workforce needs. Along the way, Lumina built a deep bench through philanthropic leadership to advance state-level changes, and it became the model for other foundations and social sector organizations.

Lumina's aim has always been to ensure many more U.S. adults earn college degrees, certificates, industry-recognized certifications, or other credentials of value.

Strategy Labs is a platform for peer leaders across the country to share research, data, and professional experiences. [HCM Strategists](#), Lumina's longtime state policy and advocacy partner, manages Strategy Labs, which brings together policymakers and higher education leaders to collaborate and develop strategies for ensuring more adults in the United States earn quality degrees and other credentials. The Strategy Labs platform encourages peer learning and offers support from Lumina and state policy partners. States can access significant resources for policy development, including evidence-based policy expertise, convening and facilitation support, peer learning, and technical assistance, with the objective of improving educational outcomes nationally.

Reflecting on Lumina's State Policy Record

Over time, Lumina has advanced state education policies that have influenced the nation's higher learning systems:

1. Adoption of State Attainment Goals:

Forty-nine states adopted attainment goals aligned to future workforce needs. These efforts emphasized the importance of improving educational outcomes for all students within each state, including by addressing the needs of Black, Hispanic, Latino, and Native American students. Lumina's goal for the nation—60 percent of working-age adults will have a college degree or other quality credential by 2025—shaped the national narrative about higher learning. National and state leaders joined the foundation in asserting that higher education should prepare people for success in a global economy in which six of every 10 adults need credentials beyond a high school diploma to find meaningful work¹. The 2025 goal provided states with a north star and shared objective to drive and align higher education policy with workforce needs. Efforts such as Strategy Labs and the foundation's Attainment Challenge Grants accelerated progress among states developing attainment agendas. Developing and implementing **A Stronger Nation**, Lumina's annual reporting and communications tool on state-level attainment data, created a common understanding among engaged stakeholders and tracked progress. Although the COVID-19 pandemic slowed momentum in 2020, the

demand continued to grow for state-level goals to address workforce demands and disparities across race, ethnicity, income, and geography. Lumina's record demonstrates that the foundation is well-positioned to continue to lead this effort.

2. The Growth of Outcomes-Based Funding Models and Stronger State Finance Policies:

Fifteen states adopted student-centered, outcomes-driven funding allocations for higher education, starting with community colleges and extending to bachelor's-granting institutions. Lumina's expert support and technical assistance helped states design and implement these policies based on state- and system-level context using evidence-based best practices. Building on the lessons of early adopters of outcomes-based funding, states have continued to advance higher education policies over the past 15 years. These student-centered enhancements include focusing on the resources and support necessary to enroll, retain, and graduate students from all backgrounds.

3. Affordability: Financial Aid, Promise Programs, and Emergency Aid:

State need-based financial aid is crucial for expanding access and increasing educational attainment. States have remained committed to investing in well-designed aid programs, with funding for state-awarded need-based aid programs growing by 46.7 percent nationally between 2013 and 2023². Several states have also established tuition-free college pathways for students. While the specific design of



¹President Barack Obama's **First in the World** goal, 2009; the Bill & Melinda Gates, Kresge, and Woodward Hines foundations, as well as the John M. Belk Endowment.

²https://www.nassgapsurvey.com/survey_reports/2022-2023-54th.pdf

these programs differs, one noted benefit is the simple and clear message they can give students about affordability. Additionally, more attention is being placed on removing financial barriers students face beyond tuition and other direct college expenses. This elevated focus includes significant state efforts to address students' housing, food, transportation, and childcare needs and relieve students facing sudden financial hardships that could affect their ability to stay enrolled in college. This "emergency aid" was central to the federal relief in response to the COVID-19 pandemic. Five states—California, Minnesota, North Carolina, Washington, and Wisconsin—have developed emergency aid programs to provide one-time financial assistance to students. Lumina's early investments helped elevate the success of this approach, although other states have been slow to adopt similar programs. Lumina's support for setting attainment goals and the alignment of financial aid to state priorities complemented the push for promise programs and elevated student needs as focal points of ensuring affordability.

4. Focus on Serving Adult Learners:

Lumina is the first national philanthropy to focus on adults as a priority population and has led efforts by funding research to track the growing number of adult learners and supporting state policies to engage these learners. As of July 2022, there are nearly 42 million adults who have stopped out of college without earning credentials³. Lumina has invested in various initiatives to support adult

re-engagement, including grants to organizations focused on adult learners and data tracking systems to track them through their educational journeys. Four states—Alabama, Massachusetts, Michigan, and New Mexico—collaborated with Lumina to develop adult-inclusive financial aid programs. Several programs also addressed barriers, such as removing transcript holds related to unpaid fees and promoting clear educational pathways for returning students. Adult learners will continue to play an essential role in meeting state and national attainment and workforce needs.

5. Introduction of Short-Term Credentials of Value:

In 2016, short-term credential pathways were integrated into Lumina's **Stronger Nation** data. Through various state funding sources, over \$5.5 billion has been invested in 68 initiatives across 31 states to increase short-term credential attainment. States are using these investments to align higher education with workforce demands, increasingly focusing on the value earning credentials creates for individuals, states, and local and national economies.

6. State Data Leadership and Integration:

States have stepped up to fill the data void left by federal inaction, with 47 states now integrating workforce data and 44 linking student-level K-12 and post-high school data. Lumina's Strategy Labs uses the data to guide student-centered financing policies and advise leaders on metrics and dashboards that facilitated state oversight of progress on the attainment agenda.



³<https://nscresearchcenter.org/some-college-no-credential>



Three Qualities of Lumina's State Engagement and Policy Influence

From Lumina's 16 years of direct engagement with states, much has been learned about maximizing the effectiveness of investments that support leadership and change across and within states through the foundation's commitment, partnerships, and support for evidence-based policies.

Commitment

Since 2008, Lumina has supported state leaders and policy changes through Strategy Labs, focusing on engagement and capacity-building. By investing in state leaders, data, and advocacy, Lumina helped states develop policies to support increased educational attainment. Policy development supports awareness, public will-building, commitment to action in the form of policy adoption, and real conviction in the form of policy sustainability. At the core of this process is a dedicated commitment through relationships and capacity-building aligned with core values that foster change.

Commitment through Relationships and Capacity-Building: Long-term relationships and strategic engagement with state leaders have helped sustain policy changes. Even in states where progress has been slow, Lumina's support has allowed for eventual policy adoption and continued engagement that drives educational opportunity and attainment increases. In Mississippi, relationships maintained

over a decade through transition and turnover led to the establishment of a state attainment goal in 2020. In Texas, long-term relationships with state agency leadership led to supporting the state's revamped attainment goal and aligned strategic plan. This set the foundation for the Texas Commission on Community College Finance and the development of a first-of-its-kind, value-based, outcomes funding formula for community colleges.

Commitment to Fairness in Education: Core to the 2025 goal is the recognition that states must address disparities in access and success across socioeconomic status, racial and ethnic backgrounds, and geography. Not doing so has significant implications not only for individuals, but for state economic, workforce and societal needs. Lumina's commitment has not wavered. In 2018, Lumina publicly placed fairness at the center of its work, leading to the creation of the Talent, Innovation, and Equity (TIE) initiative, which provided grants to six states—Colorado, Hawaii, Massachusetts, Oregon, Tennessee, and Virginia—aimed at supporting state leadership in addressing barriers for students of color in higher education with technical assistance and oversight. Lumina's efforts have created durable tools, such as disaggregated data, policy audits, and messaging frameworks that continue to guide focused work across states.

Commitment through Disruption and Change: During the pandemic, Lumina demonstrated adaptability and commitment to supporting state policy work. Before the pandemic, much of Lumina's state policy

efforts involved in-person meetings and travel to build relationships and foster peer learning. When the pandemic halted these activities in 2020, Lumina pivoted by listening to grantees and state leaders, and recognizing the urgent need for peer learning around a growing financial crisis, the challenges of a sudden shift to online learning, and rapidly evolving public health mandates. Virtual networks were established to foster connections and share valuable resources and expertise. In 2020, Lumina joined with the Gates Foundation to produce a financial framework, “**Higher Ed Budgets for the Post-COVID Era**,” which guided states in allocating federal relief funds.

Partnership

Another critical element of Lumina’s work has been partnership. Lumina’s collaboration with state leaders through Strategy Labs and other investments has been highly valued for its strategic support in advancing state attainment goals.

Partnership through Strategy Labs: Lumina created Strategy Labs to provide states with dedicated support for advancing higher education policy. The partnership has allowed Lumina to maintain a leadership role while delivering in-state strategic and technical support, advice, and counsel. State leaders have welcomed Lumina’s ability to drive the national narrative on higher education by providing credible data, convening key stakeholders, and promoting firm policy and aligned initiatives.

Partnership through Data: Lumina’s data, particularly disaggregated at the state and county levels, helped facilitate essential conversations, and tools such as Stronger Nation and Georgetown Center for Education and the Workforce reports proved useful for building in-state momentum.

Partnership through Organizations and Resources: Lumina’s success also relied on partnerships with trusted organizations and grant programs, such as the Adult Promise initiative and Attainment Challenge Grants. These grants supported long-term agendas and policy changes informed by nonpartisan research and analyses. State leaders valued Lumina’s coordination with partners like the Center for Law and Social Policy, Complete College America, Georgetown’s research center, and others.

Lumina built and strengthened its partnerships with states through respect for local contexts and willingness to meet states where they are. Overall, Lumina’s effectiveness came from aligning its resources, expertise, and support with state leaders’ specific goals and challenges, acting as a true partner in their efforts to advance educational attainment.

Policies Rooted in Evidence and Practice

Throughout the 16 years of Strategy Labs, Lumina has applied a “tight/loose” approach, maintaining a firm commitment to good policy rooted in evidence





and practice while allowing flexibility for states to adapt strategies to their unique contexts.

Lumina used this understanding to support states in advancing knowledge and robust policy on affordability, through projects such as the Rule of 10, a financial aid guideline for determining how much students can reasonably afford to pay for college based on family income and their own earnings. New Jersey developed an innovative approach that blended the Rule of 10 with basic needs. The Pay It Forward program provides job training with wraparound services that include cash stipends, telehealth for mental health, emergency aid, and a no-interest loan with reasonable repayment terms based on income. Programs such as North Carolina's NC Promise and California's efforts to address college affordability also reflect Lumina's influence.

Lumina also invested in research and partnerships, such as with the Community College Research Center and The Institute for College Access and Success, to explore the adequacy of public higher education funding and the relationships between college affordability and student success. These investments, including

studies from Mathematica, MDRC, and Georgetown's research center, provided states with insights to shape policy and improve educational outcomes based on best practices, further reinforcing Lumina's influence on state-level reforms in higher education.

Conclusion

The national higher education policy landscape and state-level attainment have changed significantly since 2008, with Lumina playing a leading role.

Through Strategy Labs and its strategic partnerships, Lumina has fostered a legacy of state-level support that has been instrumental in advancing goals for educational attainment and workforce alignment. This sustained focus on building state capacity, expanding attainment goal adoption, and addressing college affordability has created conditions for long-term attainment gains nationally.

Lumina is well-positioned to continue its field leadership as states work to meet workforce demands and address disparities in higher education outcomes.