



Greater EXPECTATIONS

College as a Right and Responsibility for all Maine People

COLLEGE
for
ME

We, the Members of the Maine Compact for Higher Education, assert that a college education is a RIGHT and RESPONSIBILITY for all Maine people.

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Greater EXPECTATIONS

College as a **Right and Responsibility** for all Maine People



Prepared by John O. Harney, Executive Editor,
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May 2004

MESSAGE FROM THE CHAIR



Dear Friends:

Completing a college degree is a fundamental right and responsibility of all Maine people.

Sound radical?

So did the idea of a right to elementary or high school at one time – before those credentials became minimum requirements for American freedom and prosperity.

Today, Maine residents face a world in which knowledge is multiplying at an unfathomable rate. This knowledge revolution is transforming the workplace. If the recent past is a guide, many of tomorrow's jobs are beyond our imaginations today. (Ten years ago, who would have envisioned a life as a Web Developer?)

Meanwhile, the decent manufacturing jobs once available to a Maine worker with a high school diploma and a good work ethic are disappearing.

A college degree is fast becoming the new minimum credential in the Maine workplace. In a similar vein, a college-educated workforce is now the minimum requirement for our state's economic and civic well-being.

With this changing environment as a backdrop, thirty-one extraordinarily dedicated Maine leaders have devoted their time and energy to develop an ambitious Action Plan aimed at significantly increasing Maine's supply of college-educated people.

This report is the first result of the hard work, diligent research and productive collaboration of the Maine Compact for Higher Education.

A handwritten signature in black ink, appearing to read "Joseph F. Boulos".

Joseph F. Boulos
Chair

About the Maine Compact for Higher Education

The Maine Compact for Higher Education is a joint effort of the Maine Development Foundation and the Maine Community Foundation committed to raising educational attainment in Maine.

The Compact is made up of education, government, community and business leaders and others who care about Maine's future. The Compact's ambitious goal is to make Maine residents among the best-educated in America by 2019. That means nothing less than changing Maine's educational culture.

The Compact is committed to finding ways to expand higher education opportunities in Maine over the long haul. As Maine's champion for higher education, the Maine Compact for Higher Education will:

- Partner with existing Maine business, government, education and community organizations to implement forward-looking strategies to raise educational attainment among Maine students and adult learners;
- Evaluate the results of these initiatives through an annual report on progress;
- Launch and manage a multi-year campaign to change the values, expectations and behaviors of Maine citizens regarding higher education;
- Promote innovation and best practices in expanding educational attainment; and
- Provide a consistent and unified voice that promotes higher education, and asks leaders locally and statewide to take responsibility for achieving the goal of increased educational attainment.

Initial funding for the Compact has been provided by the Great Maine Schools Project at the Mitchell Institute, Libra Foundation, Maine Community Foundation, Maine Educational Loan Authority, MELMAC Education Foundation, Peoples Heritage Bank a Division of Banknorth, N.A., and UnumProvident.

EXECUTIVE SUMMARY

Fifty years ago, about one-half of the jobs in Maine were in the manufacturing sector. A Maine resident with a high school diploma could earn a decent living at a paper mill or a textile factory. Good on-the-job training was often available. No college was needed. But those jobs have all but disappeared.

The new jobs of the Knowledge Economy—office jobs, education and health care jobs and technology jobs—require problem-solving and interpersonal skills. What manufacturing jobs remain will likely be in “high-performance” workplaces where the latest technology takes care of rote, manual tasks, and frontline workers are responsible for making critical decisions on the shop floor. These jobs increasingly require college degrees.

Yet six of every 10 Maine ninth-graders will veer off the road to college—and off the road to the American Dream. With every child who fails to earn a college degree, another bit of Maine’s economic future is lost. And that’s not all. People who graduate from college not only get better jobs, earn more money and pay more taxes than those with high school diplomas. They’re also more likely to vote, more likely to do volunteer work, more likely to serve on civic boards, and better prepared to understand the increasingly complex fiscal, educational and environmental questions facing local communities from Jackman to York.

For a half century, America has viewed completing high school as the minimum education accomplishment. Today, Maine faces the opportunity—and the imperative—to raise this bar. Maine’s future requires that we make college attainment as ubiquitous as high school attainment is today. The Compact’s Action Plan includes five strategies to begin moving Maine toward that goal:

1. Create Maine’s Promise Scholarship Program to ensure that no Maine student is denied a college education for financial reasons.

The **Maine’s Promise Scholarship Program** will eliminate *all* unmet need and *all* student loans for students from low-income households who go to college in Maine. Under this initiative, eligible students will still receive any available form of public and private merit-based and need-based financial aid (including tuition waivers, grants, scholarships and Federal Work-Study). The **Maine’s Promise Scholarship Program** will fully cover any educational costs that remain after accounting for these other sources of student aid. And the scholarship program will be available to fill this “gap” for four consecutive years as long as students continue to meet the eligibility requirements.

2. Create the Maine Early College Initiative to encourage students to continue their education beyond high school.

The **Maine Early College Initiative** will enable every Maine high school to develop a program offering students a spectrum of early college experiences. These early college experiences may range from Advanced Placement (AP) classes to single courses at a local community college or university to opportunities to graduate from high school with significant college credit—in some cases, a full year of credit or even an associate degree.

3. Introduce the *Maine College Transition Initiative* to help adults earn degrees.

The **Maine College Transition Initiative** will establish high-quality, cost-effective and accessible pathways to postsecondary education for adults. The initiative is designed to ensure that adults who are committed to earning a college degree, but have not completed high school or are academically underprepared for college work, get the support they need to earn high school diplomas and succeed in college. The **Maine College Transition Initiative** will help adults who are studying to earn high school diplomas to transition to college. It will provide preparatory support to adults who have a high school diploma but are not academically prepared to take college courses. And it will provide counseling, mentoring and support services to enable these adults to successfully transition to college and earn degrees.

4. Establish the *College for ME Employer Initiative* to help employers support the education of their workforce.

The **College for ME Employer Initiative** will provide Maine's public and private employers with technical assistance, training and statewide recognition for forward-looking workforce education policies. The Compact will also advocate a simple state tax credit that reimburses employers for 50% of what they pay to help employees pursue college degree programs. The **College for ME Employer Initiative** will provide Maine employers with information, training and technical assistance delivered regionally and on site. This technical assistance could include help conducting audits of existing practices, setting five-year goals, increasing employee participation in tuition assistance programs and connecting increased educational attainment to workplace advancement.

5. Launch a comprehensive *College for ME Campaign* to change public perceptions of higher education and behaviors toward going to college.

The **College for ME Campaign** will use various media and partnerships to raise awareness of college opportunities, to change prevailing attitudes about the value of college education and ultimately to increase the number of Maine people earning college degrees. **College for ME** messages will reach across Maine through television, radio, newspaper and the Internet. **College for ME** will be visible in schools, communities and businesses throughout the state. In time, **College for ME** will create a shared vision of college as the **Right and Responsibility** of all Maine residents.

Six of every 10 Maine ninth-graders will veer off the road to college—and off the road to the American Dream. With every child who fails to earn a college degree, another bit of Maine's economic future is lost.



Acknowledgments

The Maine Compact for Higher Education wishes to thank the many individuals and organizations who contributed to this Action Plan.

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As you read this document, please note that citations and explanations of the data used are presented in Appendix B.

THE CASE FOR COLLEGE

Maine's Challenge

Today's "Knowledge Economy" rewards people who have college degrees and punishes those who do not. Since the early 1970s, people with college educations have lived in a world of expanding opportunities and growing incomes. Many people without college educations have faced dead-end jobs and stagnant incomes.

The road to the American Dream now runs directly through college—there's no way around it. Yet for Maine residents, that road is strewn with obstacles.

Consider the fate of the 19,000-plus young people who were ninth-graders in Maine's public and private schools in 2002.

If these 19,000 young people are like their recent predecessors, a little over 15,000 will graduate with their high school class. At this very first turn, almost 4,000 will swerve off the road, failing to earn even a high school diploma—the minimum educational requirement in the *old* economy.

Fortunately, about 3,000 more will earn high school diplomas or GEDs later. But of the 18,000 total who eventually earn diplomas or GEDs, just over 10,000 will enroll in college before the age of 40. At this critical junction, almost 9,000 of those original ninth-graders will have been bumped off the road, scared off by high college prices or just not interested in college in the first place.

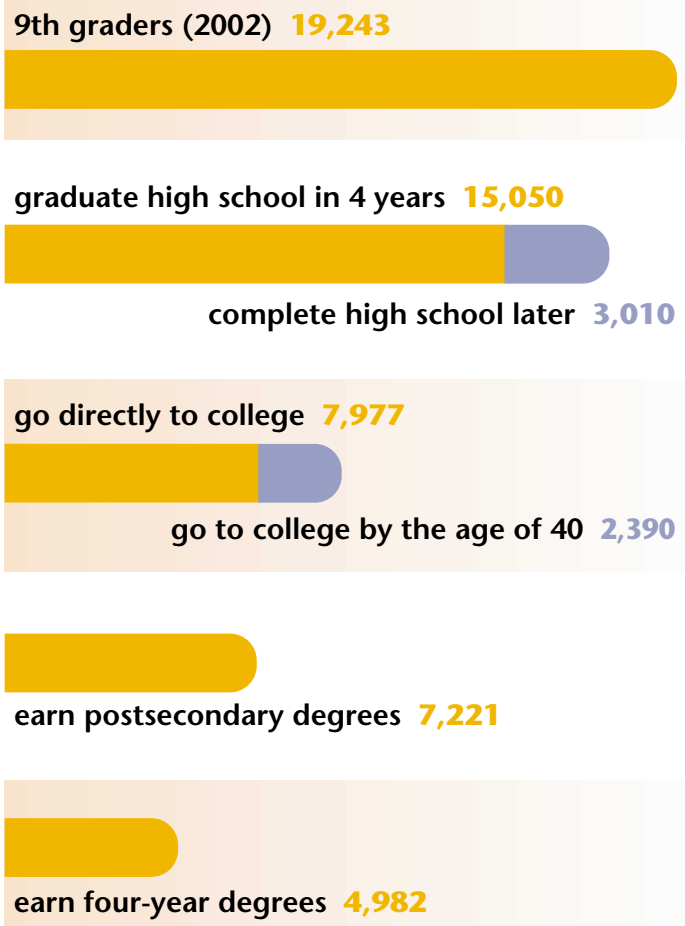
Finally, among those 10,000 who do go to college either directly from high school or later in life, many will be sidetracked by financial difficulties or conflicts with work or family, and wind up leaving college before earning a degree. Just over 7,200 will earn any college degree before age 40. Fewer than 5,000 will earn a bachelor's degree.

The statistics are grim. Six of every 10 Maine ninth-graders will veer off the road to college—and off the road to the American Dream.

Many Maine high school graduates who begin college leave Maine to do it. The concern is that those Maine residents who do earn a degree outside Maine may never return. In the year 2000, 3,296 Maine freshmen—43% of the total—left Maine to begin their higher education. (In contrast, only 2,351 freshmen from outside Maine came into the state for college.)

Projected Educational Attainment of Today's Maine 9th Graders

9th graders (2002) **19,243**



graduate high school in 4 years **15,050**

complete high school later **3,010**

go directly to college **7,977**

go to college by the age of 40 **2,390**

earn postsecondary degrees **7,221**

earn four-year degrees **4,982**

Source: Philip Trostel, Margaret Chase Smith Center for Public Policy, University of Maine. See Appendix B for more explanation.

Unfortunately, these trends have been playing out among Maine's young people for a long time. Year upon year of lagging educational attainment has left Maine with an undereducated adult population.

Just 25% of Maine adults, ages 25 to 64, hold bachelor’s degrees, compared with 35% of all New Englanders. And in some rural Maine counties, only 15% of working-age adults hold the four-year degrees.

Many adults have completed some college courses but have not earned degrees. About 112,000 Maine working-age adults fall into this category today. This figure is expected to rise to 118,000 by 2014.

A population that is undereducated is also underprepared for today’s knowledge-intensive, technology-intensive workplaces and communities.

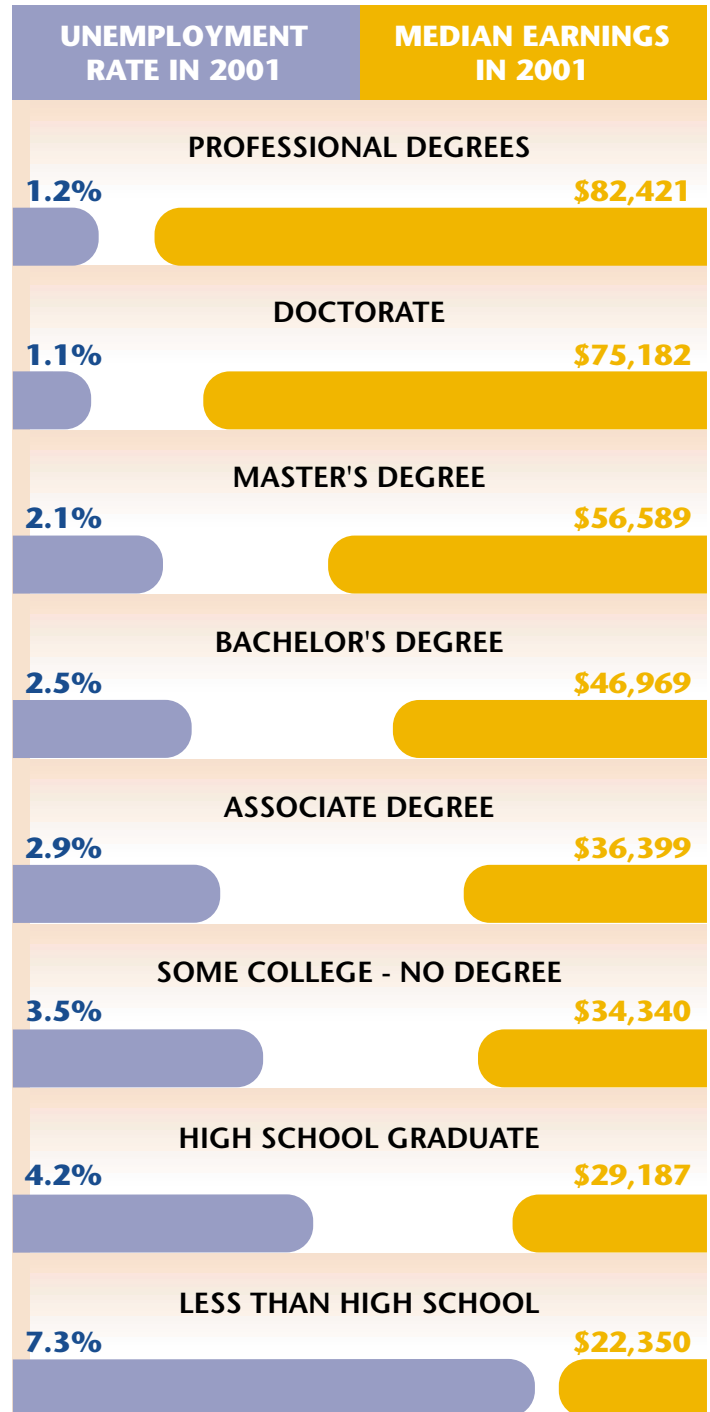
Benefits of Higher Education

Benefits to Individuals

The more you learn, the more you earn. Americans with high school diplomas earn an average of about \$29,000 annually, according to the latest national data. Those with bachelor’s degrees earn an average of about \$47,000. Over the course of the average work life, a person with a bachelor’s degree will earn a whopping \$800,000 more than a person with a high school diploma only. And with each level of education—master’s degrees, doctorates, professional degrees—this earnings “premium” rises higher.

Raising levels of education not only benefits individuals. It is a *must* for Maine’s economic future.

Earnings and Unemployment Rate by Education Level



Source: Postsecondary Education Opportunity, www.postsecondary.org

Benefits to Maine's Economy

Fifty years ago, about one-half of the jobs in Maine were in the manufacturing sector. A Maine resident with a high school diploma could earn a decent living at a paper mill or a textile factory. Good on-the-job training was often available. No college was needed. But those jobs have all but disappeared.

The new jobs of the Knowledge Economy—office jobs, education and health care jobs and technology jobs—require lots of problem-solving and interpersonal skills.

Governor John Baldacci's economic plan is built on a simple premise: the most important measure of economic development in Maine is the educational attainment of its people and the opportunities that arise from Maine people's participation in the economy of tomorrow.

What manufacturing jobs remain will likely be in "high-performance" workplaces where the latest technology takes care of rote, manual tasks, and frontline workers are responsible for making critical decisions at the point of production and service delivery. These jobs increasingly require college degrees.

No wonder employers point to the supply of educated workers as among the top reasons they choose to locate or expand in a given area.

If Maine residents don't have the credentials demanded by the new high-performance workplace, employers will simply go elsewhere in search of educated workers. They already are. As the nationally respected higher education analyst Thomas G. Mortenson has noted: "Economic welfare and the prosperity of individuals, families, cities and states [has been] redistributed according to educational attainment."

Increased levels of educational attainment are important to Maine for other reasons as well.

The more people learn, the more they earn. And the more they earn, the more they contribute to society in the form of taxes. For each additional bachelor's degree in Maine, we can expect at least \$2,100 in new state and local tax revenues per year—and as much as \$100,000 over a 45-year work life.

This report lays out the goal of generating 39,500 additional bachelor's and associate degree holders in Maine by 2019. That will generate up to \$60 million in additional annual tax revenues for Maine—to say nothing of the money all Maine taxpayers will save as a result of reduced demands on corrections, Medicaid, unemployment insurance and social services.

With every child who fails to earn a college degree, another bit of Maine's economic future is lost. And that's not all. People who graduate from college not only get better jobs, earn more money and pay more taxes than those with high school diplomas. They're also more likely to vote, more likely to do volunteer work, more likely to serve on civic boards, and better prepared to understand the increasingly complex fiscal, educational and environmental questions facing local communities from Madawaska to Kittery.

The more you learn...

- The more you earn
 - The more you contribute to society in taxes
 - The healthier you are
 - The better your children do in school
 - The more likely you are to vote
 - The more you volunteer and serve on civic boards
 - The more you patronize the arts
-

Educational attainment promises many other benefits for both individuals and society. College-educated people tend to be healthier than their less-educated counterparts and are more likely to have health insurance. They are less likely to run into trouble with the law, less likely to experience poverty. Their children tend to do better in school.

A Paradigm Shift: College as Right and Responsibility

For a half century, America has viewed completing high school as the minimum education accomplishment. Today, Maine faces the opportunity—and the imperative—to raise this bar. College attainment must become as ubiquitous as high school attainment is today.

To achieve that goal, Maine should do something that no other state has yet done. Maine should boldly declare: **A college education is a RIGHT and RESPONSIBILITY for all Maine people.**

WE ASSERT THAT:

- All Maine people must have the RIGHT to adequate preparation for college in their local schools. Likewise, they have a RESPONSIBILITY to work hard to meet college admissions requirements.
- All Maine people must have the RIGHT to a college education that is affordable. At the same time, they have a RESPONSIBILITY to explore their financial and academic options carefully and to invest in their own education to the extent that they are able.
- All Maine people must have the RIGHT to the support they need to stay on the road to college, whether they are youngsters or adults. And they have a RESPONSIBILITY to stay focused on earning a degree.

The people of Maine also have a collective RESPONSIBILITY—to invest adequately and consistently in the physical and intellectual infrastructure for teaching and learning in Maine’s local schools, colleges and universities and adult education centers and to nurture a culture that supports higher education.

This is an ambitious goal. But Maine is extraordinarily good at making change when its residents and its leaders set their minds to it. Consider the recent transformation of Maine’s K-12 education. In 1993,

the Maine Coalition for Excellence in Education envisioned and began promoting a statewide system to raise the quality of Maine’s elementary and secondary schools. Four years later, Maine implemented a set of rigorous K-12 standards known as *Learning Results* that helped propel Maine’s elementary and secondary schools from among the worst-performing in the United States to among the best. Today, Maine students consistently rank among the top 10 nationally in science and reading.

We succeeded in these efforts because every single Maine community dedicated itself to the goal of high education standards. In many ways, Maine really is one large community. If we dedicate ourselves to increasing college attainment, we’ll succeed at that too.

Building a New Road to Higher Education

The Maine Compact for Higher Education is not a Think Tank. It’s a Do Tank. The Compact is committed to the goal of making Maine people among the best-educated in America. Here’s how we will measure our progress.

Today, 37% of Maine’s working-age people have an associate, bachelor’s or graduate degree. The comparable share for New England is 45%. Without any special intervention, the proportion of Maine residents holding degrees is projected to grow by 0.83 percentage points annually to 51% by 2019. This would mean the number of degree holders in Maine would grow from 259,860 today to 379,380 by 2019. But to match the New England share, which is projected to grow to 56%, Maine will require a total of 418,880 degree holders by 2019. This is roughly 39,500 more degree holders than the projected growth rate would produce.

This is a major undertaking. The Compact’s strategies are a plan for achieving 39,500 degree holders above projections. But, we cannot assume that we will easily achieve even the projected growth rate.

THE CASE FOR COLLEGE

Only an annual accounting of results will keep everyone focused on maintaining our projected growth and adding new degree holders.

To complicate matters, slow birth rates and little in-migration will shrink the number of new Maine public and private high school graduates from over 15,000 in 2003 to a projected 12,500 by 2014. So in order to realize an increase in college attainment, we must increase the percentage of Maine high school graduates who enroll in college directly from high school from today's 52% to 75% in

2014. That will raise the number of Maine high school graduates enrolling in college from 7,700 in 2000-01, the latest year for which good data are available, to a little more than 9,400 in 2014.

At the same time, we must increase the rate at which students graduate from Maine colleges and universities. In 2000-01, about 20% of full-time undergraduates earned associate or bachelor's degrees. We need to increase the percentage to 23% by 2014. This will result in an additional 1,031 college degrees awarded annually.

CALCULATING THE COMPACT'S GOAL

Adults (ages 25-64) who have an associate, bachelor's or graduate degree

	MAINE	NEW ENGLAND
Degree holders as a share of all adults	37%	45%
Average annual growth rate, 1992-2002 (in percentage points)	0.83	0.67
Projected share in 2019, assuming growth rate of the past decade continues	51%	56%
Current number of degree holders	259,860	
Projected number in 2019, assuming growth rate of the past decade continues	379,380	
COMPACT GOALS:		
Total number of degree holders in Maine, 2019	418,880	
Additional number of degree holders needed by 2019 for Maine to match projected New England average of 56%	39,500	

Source: Philip Trostel, Margaret Chase Smith Center for Public Policy, University of Maine. See Appendix B for more explanation.

We also need to increase college enrollment and completion among Maine’s working-age adults. Approximately 112,000 of Maine’s working-age adults already have some college experience. We aim to help at least 11,000 of them complete college degrees over the next decade.

To be sure, increasing educational attainment among Maine residents will not by itself ensure economic competitiveness for Maine.

For example, we also need to forge policies and practices that will give college-educated Maine residents—and college grads from elsewhere—strong reasons to work and live in Maine. We need to help those educated people create new Maine jobs, new Maine companies and maybe even new Maine industries.

Reaching these goals will cost Maine money. The good news is that raising educational attainment also pays hard cash for states. The more people learn, the more they earn. The more they earn, the more they pay back in the form of taxes and the less they draw on public resources.

How Maine will create 39,500 additional degree holders by 2019

- **Increase the proportion of Maine high school students who enroll in college**
- **Increase the degree completion rate among the students at Maine colleges and universities**
- **Increase the number of Maine's working adults with some college experience who enroll in and complete degree programs**

THE CASE FOR COLLEGE

An Action Plan

The Compact began its work by asking: In which areas could improvements be made that would lead to real gains in educational attainment?

Three major areas emerged.

The first is **preparation**. Many Maine students lack exposure to the culture of *going to college*. They require rigorous high school courses and school and community support to become academically and financially prepared for college. And they need secure pathways between high school and college to avoid getting lost in the transition.

The second is **affordability**. Nationally, college tuition has outpaced growth in family incomes and student aid in recent years. New strategies are needed to help traditional-age college students and adults, particularly those with low incomes, pay for college.

The third area is **retention**. For adult learners especially, there are multitudes of reasons, from work pressures to family responsibilities, to veer off the road to a college degree. Innovative strategies are needed to help them persist.

After identifying these broad challenges, the Compact formed three corresponding committees to explore issues related to each. Committee members consulted regional and national experts to explore how other states and regions have addressed similar problems. They identified “best practices,” and then carefully examined how these models might be applied to the unique challenges facing Maine. After research and deliberation, the committees crafted recommendations to address Maine’s educational attainment challenges.

The full Compact then narrowed its focus to address three key areas of opportunity: encouraging all Maine high school students to prepare for and succeed in college, helping Maine adults without college degrees to earn them, and changing the educational values held by Maine people. The Compact crafted five high-impact action strategies to help shift the paradigm from higher education for a privileged few to **College for ME**.

Two of the Compact’s action strategies aim to help high school graduates enroll and succeed in college. These are:

- Increase financial aid to improve access to and persistence in college for low-income students.
- Provide early college experiences at all Maine high schools.

Two of the action strategies aim to encourage and support adult students. These are:

- Establish pathways to postsecondary education so that more adults can earn college degrees.
- Encourage and support Maine employers to develop and strengthen employee education programs.

A fifth strategy aims to change the expectations and behaviors of Maine citizens regarding the importance of a college education.

- Launch a comprehensive **College for ME** campaign to change the expectations and behavior of Maine people regarding college education.

Budgets for the five Action Strategies are presented in Appendix A. Summaries of other ideas developed by Compact committees appear in the section of this report titled **Additional Considerations**.



1

Create Maine's Promise Scholarship Program to ensure that no Maine student is denied a college education for financial reasons.

The Maine's Promise Scholarship Program will eliminate all unmet need and all student loans for students from low-income households who go to college in Maine.

The Goal: Provide eligible low-income Maine students with access to affordable higher education by ensuring that the full cost of attending college in Maine is covered by financial aid sources, other than student loans, for four consecutive years.

The Challenge: A chief reason that Maine students do not go to college is money. Maine and its New England neighbors are home to the most expensive public and private colleges and universities in the United States. From 1994 through 2001, average in-state tuition and fees at Maine's public colleges and universities were 50% higher than the U.S. average.

Meanwhile, nearly 12 percent of Maine's population—and over a quarter of all public schoolchildren in Maine—live in poverty.

A postsecondary education is imperative to break the cycle of poverty and elevate future incomes and quality of life. Although some scholarship programs are currently available to low-income students, nearly half of the available funds are loans. Furthermore, not all scholarship programs pay the full costs of attending college, leaving a sizable amount of unmet need.

The combination of unmet need and reluctance to incur educational debt knocks many students off the road to earning degrees. Some are discouraged from even considering college. Others begin the journey but do not obtain degrees.

The Strategy: The Maine's Promise Scholarship Program will eliminate all unmet need and all student loans for students from low-income households who go to college in Maine. Under this initiative, eligible students will still receive any available forms of public and private merit-based and need-based financial aid (including tuition waivers, grants, scholarships and Federal Work-Study). The Maine's Promise Scholarship Program will fully cover any educational costs (tuition, fees, room and board, allowances for books, supplies and transportation, and personal and miscellaneous expenses)¹ that remain after accounting for these other sources of student aid. And the scholarship program will be available to fill this "gap" for four consecutive years as long as students continue to meet the eligibility requirements.

These students will not be burdened with any educational debt. They would pay the Expected Family Contribution (EFC) determined by the U.S. Department of Education. But because this contribution is calculated based on family income, students with very low incomes will have either zero EFC or a nominal amount.

¹ The cost of attendance used by each institution to determine eligibility for need-based financial aid.

To be eligible for **Maine’s Promise Scholarship Program**, a student must:

- Be a Maine resident.
- Have a reported family income at or below 200% of the established poverty level.
- Meet campus admissions requirements.
- Enroll in a public or private higher education institution in Maine.
- Be enrolled continuously in a degree program.
- Attend on a full-time basis.
- File a Free Application for Federal Student Aid (FAFSA) by March 1.
- Maintain a GPA of at least 2.0 on a 4.0 scale.

The **Maine’s Promise Scholarship Program** will also feature a student services system to help eligible students learn about the program and use it. This system will include a toll-free telephone number, linking students to specially trained staff on campuses who can assist them with financial aid issues and dedicated academic advisors to help with transition and retention issues.

The very availability of **Maine’s Promise Scholarship Program** will entice more eligible students who are not currently attending a post-secondary institution to attend. It will enable more currently eligible students who are in school to stay in school and graduate. And it will encourage more ineligible students to become eligible by filing their FAFSAs on time, for example, or keeping up an appropriate GPA.

These intended outcomes are beneficial and desirable. They are also very difficult to estimate. The table at right provides an estimate of statewide student participation in the scholarship program.

The number of students impacted by this scholarship program represents more than 15% of total college enrollment (FTE) in Maine. But these estimates are conservative. A modest growth rate of 33% in attracting new students was used for the projections. This growth rate could easily double, as discussed in Appendix B.

Estimated Annual Student Participation in Maine’s Promise Scholarship Program

Currently Enrolled Students:

University of Maine System	2,414
Maine Community College System	2,151
Maine private colleges*	913
Subtotal:	5,478

Anticipated New Students:

University of Maine System	797
Maine Community College System	710
Maine private colleges*	310
Subtotal:	1,817

Total:

University of Maine System	3,211
Maine Community College System	2,861
Maine private colleges*	1,223
TOTAL:	7,295

Source: James Breece, University of Maine System and Durward Huffman, Maine Community College System.

*Estimate based on distribution of the Maine State Grant Program.

Even assuming a conservative 33% growth rate, this program is expected to generate 630 additional new college and university graduates each year. Over a 10-year period, this would result in 6,300 new degree holders living and working in Maine.

More importantly, this program could break the cycle of poverty for 6,300 Maine residents. A college education will transform their lives. And their children’s lives. And their grandchildren’s lives.

Related Strategies: *For this initiative to work, Maine must also invest consistently and adequately in its public colleges and universities. Educating people is a labor-intensive, technology-intensive endeavor. And it’s expensive. The less a state appropriates in tax funds for higher education, the more its campuses must charge students and their families in the form of tuition and fees. From 1996 through 2000, Maine taxpayers invested 21% less per capita in public higher education and state grant programs than the national average. Ever-rising college prices discourage lower- and middle-income families from pursuing college while applying upward pressure on student aid spending.*

2

Create the Maine Early College Initiative to encourage students to continue their education beyond high school.

The Compact proposes a **Maine Early College Initiative** in which every Maine high school develops a program offering students a spectrum of early college experiences.

The Goal: Ensure that every Maine high school offers an early college program to its students, allowing as many Maine students as possible to experience academic success at the collegiate level before graduating from high school—regardless of their academic records or post-secondary education plans. Currently, roughly 18% of Maine students do college-level work while still in high school. We will boost that number to 70% in the next 10 years.

The Challenge: Too many Maine students see college as beyond their reach. This is especially true of young people who are the first in their family to consider postsecondary education. Not only are these students unfamiliar with the whole culture of preparing for college (taking SATs, filling out college applications and financial aid forms, identifying sources of aid, visiting campuses and so on), they often do not have an academic foundation in high school that will ensure a smooth and successful transition to college.

Students who leave high school with some meaningful exposure to college are less likely to see higher education as abstract and unattainable. With most so-called early college initiatives, however, the focus has been on students who are headed to higher education anyway. This approach misses the critical opportunity to

leverage change by increasing opportunities to access college-level work for students who are not planning to go on to college.

The Strategy: The Compact proposes a **Maine Early College Initiative** in which every Maine high school develops a program offering students a spectrum of early college experiences. Several promising early college models currently exist. This strategy seeks to expand those models and, ultimately, support their availability statewide.

Early college programs developed by Maine high schools will provide multiple points of entry to meet the needs of a wide variety of students. Importantly, students whose parents did not go to college and those who are not actively considering college for themselves will have opportunities to take at least one college-level course for credit while in high school.

These early college experiences range from a single course or seminar offered at a local community college or university to opportunities to graduate from high school with significant college credit—in some cases, a full year of credit or even an associate degree. Offerings of Advanced Placement (AP) courses to high school students will be dramatically expanded, within schools as well as online and

through distance learning. Additionally, a broader range of students will be encouraged to enroll in AP courses, and schools will provide support to help students take on more challenging work.

Most importantly, the **Maine Early College Initiative** gives students who are not planning to go to college the opportunity to experience, first-hand, the academic rigor of college in a campus setting and to begin seeing themselves as successful college students.

The intended result is that every student graduates high school with a level of literacy that allows them to choose to attend college or not.

The Maine Early College Initiative is designed to create more entry points to college-level learning, and to provide the support necessary to ensure student success when they take on that challenge. We anticipate that this initiative will not only significantly boost the rate of Maine students who go to college, but will also improve the chances of success among those students who do go to college.

The Partners: Maine colleges and universities (public and private; two-year and four-year) will broaden and deepen their outreach to area high schools and high school students. This means moving beyond the traditional relationship centered on recruiting students to a philosophical and operational commitment to support collaborative early college programs. Maine high schools will work closely with their college partners to create programs that will serve a wide array of students. As we seek to strengthen Maine's education system on a Pre-K to 16 basis, guidance counselors play a critical role in supporting students who do not see college in their future.

The Maine Department of Education will work with the Mitchell Institute to address various policy implications of these new programs, supporting

necessary action by the state Board of Education and the Maine Legislature. And the Mitchell Institute will take the lead in shaping and supporting the early college programs as they are developed, while also undertaking the study and research of the impact of these programs on the students they serve.

Possible Elements of an Early College Program

- Student enrollment in individual courses at local postsecondary institutions (community college, private college, university)
 - Formal arrangement with local postsecondary institutions, including campus-based mentoring and support for participating students
 - Opportunities for high school students to earn college credits toward a degree
 - Significant expansion of AP—both course offerings and enrollment eligibility
-

Related Strategies: *The Maine Early College Initiative should be viewed as part of an imperative to strengthen Maine's high schools and to ensure that every Maine student graduates prepared for success in college. This requires that structures and practices are in place to meet these goals, including continued support and expansion of Maine's Learning Results and strong school guidance and counseling services.*

Other efforts are needed to create what educators call "seamless transitions" between high school and college. Strategies include aligning courses and curricula so that every student who graduates from high school has taken all the courses expected of her as an entering college freshman, and coordinating high school exit exams and college entrance exams so that high school and college standards and expectations mesh. Other potential strategies include using personal learning plans to create long-term goals and having all high school seniors apply for college and financial aid.

3

Introduce the Maine College Transition Initiative to help adults earn degrees.

The Maine College Transition Initiative will establish high-quality, cost-effective and accessible pathways to postsecondary education for adults.

The Goal: Help 7,000 to 10,000 additional Maine adults earn college degrees over the next decade.

The Challenge: Adult education programs are natural stepping-stones to higher education. But many adult students hold full-time jobs or care for children while they pursue education, so it's very easy for them to lose their footing before earning college degrees. Just as Maine's high school students need meaningful early college experiences to stay on the road to college, more than 125,000 Maine adults in various adult education programs need effective college transition programs to turn their continuing education courses, skills upgrading or GED programs into more rewarding college degree programs.

The Strategy: The **Maine College Transition Initiative** will establish high-quality, cost-effective and accessible pathways to postsecondary education for adults. The initiative is designed to ensure that adults who are committed to earning a college degree, but have not completed high school or are academically underprepared for college work, get the support they need to earn high school diplomas and succeed in college.

The **Maine College Transition Initiative** will help adults who are studying to earn high school diplomas to transition to college.

The initiative will provide preparatory support to adults who have a high school diploma but are not academically prepared to take college courses. And it will provide counseling, mentoring and support services to enable these adults to successfully transition to college and earn degrees.

Many programs allow participants to take free preparatory courses before entering college. That way, once the students transition to college, they can direct their energy—and their financial aid—to courses that give them credit toward a degree.

The Partners: The **Maine College Transition Initiative** will be a partnership of Maine's 126 Adult Education Programs, represented by the Maine Adult Education Association, along with the Maine Community College System, the University of Maine System and the Maine Department of Education. Other collaborators will include Maine's private colleges, and the state Departments of Labor and Human Services.

Maine's Adult Education Programs will provide adults with GED/high school completion and preparatory support as they transition to college. The Maine Community College System and the University of Maine System will provide accessible pathways to postsecondary education for adults who are academically

qualified. The Maine Department of Education will provide technical assistance and oversight, and work with communities to finance the **Maine College Transition Initiative**.

Partners will execute a memorandum of understanding, built upon the existing agreement between Maine's Adult Education Association and the Maine Community College System. An advisory committee, led by a business person and an educator, will advocate and promote the program to students and monitor implementation.

The Maine College Transition Initiative will:

- Help adults who are earning a high school diploma transition to college.
 - Provide support to adults who have a high school degree but are not academically prepared to take college courses.
 - Provide counseling, mentoring and support services to enable these adults to successfully transition to college and earn a degree.
-

Related Strategies: *College transition programs are the adult analogs to early college experiences for high school students. These vital transition programs, with their strong counseling and mentoring components, should be available at all adult education program sites. In some cases, this may include effective use of distance learning technology.*

In addition, adult students, especially those with families and or full-time jobs, often encounter unexpected conflicts with their college plans. These students require college services that are very different from those demanded by more traditional students. These services may include: supplemental financial assistance to cover unmet need and emergencies, child care assistance and transportation assistance, as well as dedicated academic advising by faculty and peers and special orientation sessions.



4

Establish the College for ME Employer Initiative to help employers support the education of their workforce.

Everyone benefits when employers commit to their employees' further education. Employers get a more skilled and productive workforce. Maine's working people increase their skills—and that means they increase their lifetime earnings. The State of Maine strengthens its competitive position in the Knowledge Economy. And colleges and universities boost their enrollments and enrich their campuses with dedicated adult learners.

The Goal: Ensure that 10,000 additional Maine workers earn degrees from Maine colleges and universities over the next decade with assistance from their employers.

The Challenge: Maine's lagging educational attainment is a huge competitive disadvantage for the state's public and private employers. Fortunately, there are a lot of things employers can do in collaboration with government and educators to help their more than 700,000 employees earn college degrees and to expand the supply of skilled, college-educated workers in Maine.

One of the most effective forms of support an employer can offer is so-called "tuition reimbursement"—reimbursing employees for what they pay to take college courses, usually on a part-time basis while they work. Employer-provided tuition "reimbursement" is especially effective when it is provided before a course starts. That's when employees need it to pay their tuition bills. To ensure accountability, employers may stipulate that if an employee does not maintain a certain grade level, the reimbursement must be returned to the employer.

Two-thirds of adults who take college courses for credit receive financial support from their employer, according to the Center for Business and Economic Research. Yet only one in four Maine employers surveyed in

1999 reported that they provided tuition reimbursement benefits.

Cost is not the only barrier to continuing education for workers. For example, nearly two-thirds of the low-wage workers surveyed in 2003 by the respected Boston-based nonprofit organization called Jobs for the Future reported that their work schedules created a barrier to further education.

In response, some employers provide time off or space during the workday or on weekends for courses to be delivered in person or through distance learning. Some provide employees with career counseling through their human resources departments. Others reward employees who earn degrees with bonuses or promotions.

Everyone benefits when employers commit to their employees' further education. Employers get a more skilled and productive workforce. Maine's working people increase their skills—and that means they increase their lifetime earnings. The State of Maine strengthens its competitive position in the Knowledge Economy. And colleges and universities boost their enrollments and enrich their campuses with dedicated adult learners.

The Strategy: The Compact will establish a **College for ME Employer Initiative** to provide Maine's public and private employers with technical

assistance, training and statewide recognition for forward-looking workforce education policies. The Compact will also advocate a simple state tax credit that reimburses employers for 50% of what they pay to help employees pursue college degree programs.

The Compact will encourage and support employers by:

- Disseminating information about best practices
 - Providing training and technical assistance, such as:
 - Audits of existing practices
 - Setting five-year goals
 - Increasing participation in existing programs
 - Advocating a state tax credit for 50% of tuition assistance costs
-

The **College for ME Employer Initiative** will provide Maine employers with information, training and technical assistance delivered regionally and on site.

This technical assistance could include help conducting audits of existing practices, setting five-year goals, increasing employee participation in tuition assistance programs and connecting increased educational attainment to workplace advancement. Loaned executives will be used extensively to assist employers.

Many Maine employers already provide successful models for holistic strategies to encourage workforce education. One particularly progressive program reimburses the costs of tuition, fees and books for employees enrolled in any degree-granting program in any field. The program offers paid time off for studying, up to three hours per week. And perhaps most importantly, upon graduation, employees receive \$10,000 in company stock for a bachelor's degree and \$5,000 for an associate degree.

The **College for ME Employer Initiative** will allow these types of best practices to be benchmarked and successful approaches showcased and replicated.

The long-term intent of the **College for ME Employer Initiative** is to support all Maine workers and employers. In the first five years, however, the initiative will focus on Maine's larger companies and organizations, and on trade associations, which, in turn, may develop education programs for the smaller businesses in their memberships.

The Partners: The **College for ME Employer Initiative** will be a partnership among participating Maine employers, educational institutions and state government. Maine employers will adopt policies and take actions to encourage workers to earn degrees. These actions include payment of tuition, mentoring support and flextime to take courses. Colleges and universities will facilitate delivery of courses on site and at times that are convenient to working people. They will also forge special agreements with employers or groups of employers to facilitate learning. State government will provide the tax credit.

Related Strategies: *Employers may also work closely with schools and colleges to develop mentoring and internship opportunities for students. These arrangements have been shown to keep young people interested in school and to help them develop career goals, while providing employers with fresh perspectives and new ideas.*



5

Launch a comprehensive College for ME Campaign to change public perceptions of higher education and behaviors toward going to college.

In time, **College for ME** will result in a change in the prevailing attitudes about higher education, creating a shared vision of college as the Right and Responsibility of all Maine residents.

The Goal: Change the values, expectations and behaviors of Maine citizens regarding higher education and inspire more of them to pursue and complete postsecondary degrees, leading to a stronger economic future for Maine.

The Challenge: In many ways, Maine's lagging educational attainment is a product of cultural attitudes. To nurture college aspirations, parents and other caring adults must play a central role in helping students make connections between academics and their application in the workplace and the community. Yet in some rural parts of Maine, parents steer children away from college, fearing that young people may never return once they've seen the bright lights of Orono, never mind Paris.

Moreover, low college attainment tends to beget low college aspirations. As the demographer Harold L. Hodgkinson has written: "Many low-income, ethnic minority and immigrant children do not get exposed to the folklore of 'how you get into college' in junior high years, while the 'favored' have brothers and sisters in college, parents who are college graduates and lots of advice."

The Strategy: To achieve the ambitious goal of preparing 39,500 new college degree holders in Maine within 15 years, the Compact and partners will conduct a comprehensive

campaign to raise awareness of **College for ME** opportunities and ultimately to change prevailing attitudes about the value of college education in Maine.

Building on existing initiatives, the multi-year campaign will seek to change the values, expectations and behaviors of Maine citizens regarding higher education. Targeted messages will be developed to influence so-called end-users, including families, educators and potential students of all ages, and to engender support among opinion leaders, including lawmakers, business and community leaders. The goal is to inspire Maine citizens to take action to pursue and complete college degrees or to encourage others to do so.



College for ME messages will reach across Maine through television, radio, newspaper and the Internet. **College for ME** will be visible in schools, communities and businesses throughout the state. In time, **College for ME** will result in a change in the prevailing attitudes about higher education, creating a shared vision of college as the Right and Responsibility of all Maine residents.

The Partners: The Maine Compact for Higher Education will organize the **College for ME** Campaign. The Campaign will be a partnership of educators, businesses, media organizations and opinion leaders in Maine.

Related Strategies: *To further encourage innovation in improving educational attainment, the Compact will convene educators, business leaders and others for an annual summit focusing on best practices in improving higher education attainment.*



ADDITIONAL CONSIDERATIONS

Of course, a few action strategies will not change the educational culture sufficiently to ensure Maine's economic future. A more comprehensive effort is required to improve college-going and academic success in Maine.

With this in mind, the Compact will also continue to explore a wide range of additional strategies aimed at making sure all Maine residents are educated for tomorrow's economy.

Here are some of the additional considerations developed by the Compact to move Maine in this direction by improving student preparation for college, encouraging completion and smooth transitions at each level and ensuring affordability.

PREPARATION

Expand Learning Results

Maine should expand its successful Learning Results program, so all students are academically prepared for a successful college experience. State education leaders should also promote and strengthen the Career Preparation component of the Learning Results program.

Require Completion of a College Application or Financial-aid Application for High School Graduation

An important barrier to college attainment is lack of information on college accessibility. Some students and their families mistakenly believe that college is beyond their reach academically or financially. High schools could require students to obtain at least some information about college accessibility as a precondition of graduation.

Use Distance Education to Improve Transitions

Maine should expand opportunities for both adults and recent high school graduates to earn college degrees online. Information technologies should also be used to offer students reduced-rate SAT prep classes, early college experiences, placement tests and remedial courses. This will require increasing

Maine's investments in technological infrastructure and distance learning capacity.

RETENTION & COMPLETION

Create a Pre-K-to-16 "System"

Maine's preschool, K-12, adult basic education and higher education systems should work together to streamline the transitions from preschool to K-12 education, then on through college. This may include examining how curricula, assessments and exit and entrance exams are aligned and working to change the budgetary structures that force the education sectors to compete for limited state funds.

Reward Degree Completion

Maine should design a pilot program offering grants to Maine residents who complete a degree at any accredited Maine institution. Students who complete a two-year, associate degree could be awarded \$1,000, while those finishing a four-year, bachelor's degree receive \$2,000. In order to encourage timely degree completion, grants should be available only to students completing their degrees within 150% of the customary completion time—that is, three years for an associate degree and six years for a bachelor's degree.

Support Working Adult Students

Colleges should adapt academic and student services to working adult students. These students may require instruction at employer worksites; more distance learning opportunities; evening and weekend course offerings; shortened programs; more flexible course formats; dedicated academic advising by faculty and peers; and special orientation sessions. They may also require supplemental financial assistance to pay for child care, transportation or emergency needs.

Hold Summit on Higher Education Attainment

The Compact should convene educators, business leaders and others for an annual summit focusing on best practices in improving higher education attainment. Such gatherings would aim to help all

Maine institutions develop systematic approaches to improve student access, retention and completion.

Invest in Public Higher Education

Maine's below-average investment in public higher education and state grant programs causes ever-rising college prices to outpace student aid funds and that discourages lower- and middle-income families from pursuing college. Maine should invest consistently and adequately in its public colleges and universities. Additional funds are also needed to support institutions in developing student retention strategies and providing needed services for working adults and to support statewide data collection and analysis. At the same time, educators and policy makers should examine models of governance and education delivery that could enhance efficiency.

Ensure Uniform Data Collection on Attainment and Performance

Maine should establish a state-level office to coordinate, collect and analyze data on students in Maine and to track progress in expanding educational attainment. This office should also work with Maine's public campuses to develop appropriate performance standards and benchmarks in the areas of student retention and completion.

Reward Institutions for Performance

Maine institutions and systems that make significant progress in expanding educational attainment and student dropout rates should be able to earn up to an additional 1% in annual funding.

AFFORDABILITY

Make College Savings Universal for Maine Families

College savings plans receive special tax advantages under section 529 of the federal tax code. Maine should establish a 529 account for every Maine child born after Jan. 1, 2005 and, with underwriting from the private sector, begin each child with a symbolic deposit of \$100 to be used toward tuition at an accredited college or university. Regular statements

showing the growth of a child's investment would serve as an information source and motivator to parents.

Bolster Existing Financial Aid Programs

The state should double the value of need-based Maine State Grants and reduce the eligibility thresholds for part-time and working students.

Forgive Loans for College Graduates Who Live and Work in Maine

Loan forgiveness turns a loan that must be paid back into a grant. Maine should introduce a tax credit that, in effect, "forgives" any loans taken by people who finish college and live and work in Maine after graduation. This loan forgiveness tax credit would provide a powerful incentive for residents to complete degrees and stay in the state after graduating from a Maine college—or return to Maine after graduating from an out-of-state college. Notably, filing a Maine income tax return will firmly establish Maine residency, heading off abuse of the program.

Extend Student Aid to Adults

New financial aid programs are needed to help adults who are not covered by employer-provided tuition reimbursement programs. Current state and federal student aid programs are geared to 18- to 24-year-old, financially dependent, full-time college students. That made perfect sense in the 1960s when many of the student aid programs were first developed. It makes little sense today. The new "typical" college student is a working adult taking courses part-time. And he—more often she—is penalized by the old formulas used to determine eligibility for grants and loans. Jobs for the Future conducted a survey which captures the dilemma facing many adults, particularly low-wage workers (defined as those with annual incomes up to 200% of the federal poverty level). Six in 10 of the workers say getting a GED or college degree would help them advance in their careers. But six in 10 also see cost as a barrier to further education.

APPENDIX A

Budgets

These are preliminary cost estimates for each strategy. These estimates will change as each strategy is implemented and more is learned from actual experience. Please refer to the strategy narrative for information on the scope of the program.

Maine’s Promise Scholarship Program

Estimated costs are based on several variables, including the number of students participating and their level of need. Based on the information provided on each student’s FAFSA, the following formula will determine the amount of Maine Promise Student Scholarship to be awarded to each student:

$$\begin{aligned} &\text{Cost of Attendance determined by each institution's} \\ &\text{financial aid office} \\ &(\text{Less}) \text{ Expected Family Contribution (EFC)} \\ &(\text{Less}) \text{ Waivers, Scholarships, Grants, \& Work Programs} \\ &= \text{Maine's Promise Scholarship} = \text{unmet need "gap"} \end{aligned}$$

The cost estimates below are based on a program for students whose family income is at or below 200% of poverty. Please refer to the program narrative for more detail on number of students served. The year 4 costs are the annual expenses going forward.

PHASE-IN OVER TIME; BEGINNING WITH NEW STUDENTS		
	Students	Costs
Year 1	3,255	\$14,570,809
Year 2	5,339	\$24,189,077
Year 3	6,346	\$29,422,448
Year 4	7,286	\$34,309,811

Maine Early College Initiative

The budget impacts of this strategy relate most directly to the cost of enrollment in collegiate-level courses, and the support systems that need to be in place at the colleges to ensure that a student’s first experiences with college-level learning are successful.

To date, Maine’s piloted early college opportunities range in costs depending on the institution, the number and types of courses taken, and the accompanying fees. These models also have included resources for student support at the college.

Declining enrollments in Maine’s high schools will also impact future costs. It is much more likely that a variety of models will be explored and that high schools and colleges will work through the policy and tuition issues to more completely share and reduce expenses. In order for this to be a truly statewide initiative for all high school students, we need to figure out how to incorporate these policy and tuition issues into state and local budgets.

In the next two years, foundation support will be sought to expand Maine’s pilot programs, thereby giving us better information upon which to project costs. Using current data, we project that, by Year 3, about \$3.425 million will be needed to deliver to the program statewide to 7,500 students: if 25% of the 30,000 high school juniors and seniors take a three-credit course at an average negotiated cost of \$250, the dollar estimate is \$1.875 million; in addition, about \$1.550 million is needed to ensure that each of the state’s 31 public and private colleges is able to provide professional counseling staff to assist students.

Maine College Transition Initiative

This budget estimate envisions high-quality college transitions programming at 30 adult education programs, at least one of which would be located in each Superintendent Region, with additional programs in regions with larger populations. Each funded program would include outreach to other adult education programs with the goal of impacting all 126 adult education programs in Maine. Outreach might include visiting counselors, off-site classes or distance learning, with special emphasis on the use of ATM.

This program is based on a model piloted in Maine by the Nellie Mae Education Foundation and includes: needs assessment, instruction and counseling, academic remediation and prerequisite courses, career advising, college skills workshops, field trips to campus, placement

testing and assistance with application and financial aid process, staffing with personnel clearly identified with the project and provided with quality staff development, formal coordination with postsecondary partners, mentoring and follow-up after enrollment and program evaluation.

Year 1 costs would include the addition of a position at the Maine Department of Education, which would remain for the ten years. In the second year, ten sites would be started and supported for five years: \$20,000 for the first two years, \$15,000 in Year 3, \$10,000 in Year 4, and \$5,000 in Year 5. In Years 3 through 6, five sites would be added each year using the same schedule of funding as above. The phase out of the initial five-year funding would be offset by an increase in registration fees and other educational funding sources.

Funding for this program averages \$290,000 per year for the ten years, peaking in Years 5 and 6.

College for ME Employer Initiative

The cost of the 50% tax credit in lower tax revenue may be up to \$3.75 million per year. This figure is based on 10,000 students earning degrees – 50% associate degrees and 50% bachelor's degrees over a decade, at a per credit cost based on the average cost of University of Maine System and Maine Community College System. This figure may be high because it assumes that every employer will take advantage of the tax credit (which would not be the case for government/non-profit employers, S corporations, etc.), and that every student will need the full complement of two- to four-year courses (not the case since many workers will have completed some college).

An existing statewide organization will administer and deliver the program, overseen by an advisory board. An annual operating budget of \$150,000 - \$200,000 would support two full-time staff and expenses. These funds would be raised privately.

College for ME Campaign

The scope of the campaign is still under discussion. Preliminary estimates are \$2 million for a five-year campaign. These funds would be raised privately.



About the Data

THE CASE FOR COLLEGE

1. Maine's Challenge

Projected educational attainment of today's ninth graders: According to the most recent data from the Maine Department of Education, there were 19,243 ninth-graders in Maine in October 2002 (17,029 students enrolled in public schools and 2,214 students enrolled in private schools). For the purposes of our analysis, it is assumed that these ninth-graders will have the same educational experiences as recent cohorts of Maine students. According to the Maine Department of Education, 14,716 students graduated from Maine's high schools in 2002. Three years earlier, there were 18,816 ninth-graders in Maine. Evidently, the regular graduation rate in the most recent data was 78% (although it is clearly possible that there was some net migration of students over this period). Applying this rate to 19,243 ninth-graders yields 15,050 high school graduates.

The U.S. Census Bureau's Current Population Survey (CPS) data indicate that a far higher percentage will attain a high school diploma or GED. To be specific, in the three samples from 2000 to 2002, 94% of Maine residents between the ages of 25 to 39 had a high school diploma or its equivalent. Applying this rate to 19,243 ninth-graders yields 18,060 diploma-holders. Evidently, about 3,010 (18,060 minus 15,050) will obtain the diploma later than their classmates.

CPS data for the same group (25- to 39-year-old Mainers in 2000-2002) indicate that 57% of holders of high school diplomas have at least some college experience. Applying this rate to 18,060 diploma holders yields 10,367 with college experience. Recent data from the National Center for Education Statistics indicate that about 53% of regular high school graduates enroll in college the following fall. Applying this rate to 15,050 traditional high school graduates yields 7,977 traditional college students.

The 2000-2002 CPS data for 25- to 39-year-old Mainers indicate that 69% of those with college experience have a college degree. Applying this rate to 10,367 yields 7,221

college graduates. The percentage of degree holders with at least a bachelor's degree is 69%. Applying this rate to 7,221 yields 4,982 recipients of four-year degrees. This suggests that overall, 62% of recent ninth-graders veered off the road to college degrees $[(19,243 \cdot 7,221) / 19,243]$.

Maine residents leaving the state for college:

Sam Kipp, *A Fresh Look at College-Going Rates in Maine*, Finance Authority of Maine, 2000.

College attainment: The best source of data on college attainment for years when there is no decennial census is the CPS. The CPS samples more than 200,000 working-age (25- to 64-year-old) Americans annually, including more than 3,000 from Maine. Despite this large sample size, there is considerable year-to-year variation in average college attainment for a small state like Maine. To reduce this sampling-error variation, we calculated a three-year moving average (an approach used by the U.S. Department of Education). These attainment numbers differ from the widely used Census numbers for two reasons. The Census typically reports attainment for all adults over age 25, not just for those of typical working age. The Census also reports noticeably lower levels of associate degrees.

Working-age adults with some college: In the last five years of CPS data (1998-2002), about 15.8% of Mainers between the ages of 25 to 64 reported having "some college" but no degree. The Census Bureau projects that there will be about 710,000 Maine people in the 25-64 age bracket in 2004, and about 745,000 in 2014. These numbers suggest that there are currently more than 112,000 working-age adults in Maine with some college but no degree, and that there will be almost 118,000 adults in this category in 2014.

2. Benefits of Education

Earnings by educational attainment:

Postsecondary Education Opportunity analysis of U.S. Census data, www.postsecondary.org.

Lifetime earning estimates:

Jennifer Cheeseman Day and Eric C. Newberger, *The Big Payoff: Educational Attainment and Synthetic Estimates of Work-Life Earnings*, U.S. Census Bureau, 2002.

Thomas G. Mortenson quote:

“Leading Indicator: Higher Education Opportunity in New England,” *Connection: The Journal of the New England Board of Higher Education*, Vol. XVII, No. 5, Spring 2003

Tax revenues per bachelor’s degree:

In 1999 and 2000 CPS data, the average annual earnings of Maine residents with bachelor’s degrees (and no higher degree) was roughly \$15,650 greater than the average earnings of Maine residents with high school diplomas only (and this is a conservative figure because it does not take into account the difference in average weeks worked). State and local taxes amounted to 13.4% of personal income in Maine in 1999-2000 (calculated using data from the U.S. Census Bureau and the Bureau of Economic Analysis). Thus, the average additional state and local tax revenues per bachelor’s degree in Maine are about \$2,100 annually. This is a conservative estimate of the additional tax revenues because it ignores the fact that state and local taxes are somewhat progressive. That is, the calculation does not take into account that tax payments increase slightly more than proportionately with income.

3. A Paradigm Shift: College as Right and Responsibility

Maine students’ national rankings: National Assessment of Educational Progress: The Nation’s Report Card, www.nces.ed.gov/nationsreportcard/. See *The Nation’s Report Card: Reading Highlights 2003* and *The Nation’s Report Card: Science 2000*, U.S. Department of Education, Institute of Education Sciences, National Center for Education Statistics.

4. Building a New Road to Higher Education

College attainment: Current Population Survey, U.S. Census Bureau (see college attainment explanation in the **Maine’s Challenge** section, above).

Goal for increasing the number of degree holders: Average college attainment has risen more or less steadily for decades. Therefore, it would be inappropriate to use the current level of educational attainment in New England as a 10-year or 15-year target.

A projection of future attainment levels is obtained through a simple linear extrapolation of past increases in attainment. The projected annual growth rates of college degree attainment in Maine and New England are assumed to be the same as their average annual growth rates over the past 10 years (0.83% in Maine, and 0.67% in New England). Although there are legitimate reasons to quibble about this methodology, it should be kept in mind that it is consistently applied. That is, if the projected increases are too high, they are probably too high for both Maine and New England.

Maine high school graduates and projections:

These figures combine data on the number of Maine public, publicly funded, and private high school graduates from the Maine Department of Education (www.state.me.us/education/enroll/grads/gradspost.htm) with negative growth rates developed by the Western Interstate Commission for Higher Education. See *Knocking at the College Door: Projections of High School Graduates by State, Income, and Race/Ethnicity*, www.wiche.edu/policy/knocking/1988%2D2018.

High school graduates enrolling in college,

Maine and New England: *Digest of Education Statistics 2002*, National Center for Education Statistics, U.S. Department of Education.

Degree completion rate in Maine: All data are from *Digest of Education Statistics*, National Center for Education Statistics, U.S. Department of Education, various years.

These numbers are based on estimates of full-time (FTE) undergraduate students. FTE numbers are available for total (undergraduate and graduate) enrollment, but not for undergraduate enrollment. To convert undergraduate enrollment into FTE undergraduate enrollment, the FTE percentage (FTE enrollment divided by enrollment) for total enrollment was applied to undergraduate enrollment. In other words, it is assumed that the FTE percentage (about 75% in Maine, New England, and the U.S.) is the same for undergraduate and graduate students. Note that this measure includes some double counting of degrees when students earn both associate and bachelor’s degrees.

APPENDIX B

ACTION STRATEGIES

1. Maine's Promise Scholarship Program

Maine and national average tuition: Philip Trostel's analysis of U.S. Department of Education data. See "Economic Prosperity in Maine: Held Back by the Lack of Higher Education," *Maine Policy Review*, Winter 2002.

Poverty in Maine: 2000 Census data show that 10.9% of Maine's population lived below the poverty level. CPS data for 2003 suggest that Maine's poverty rate has risen to 11.9%. Maine Department of Education data show that 25% of Maine public school students participate in the free lunch program, for which students from families with incomes below the poverty level are eligible.

Projected number of eligible students:

There are several ways in which the number of students participating in the Maine's Promise Scholarship Program could substantially exceed the projections presented here. For example:

- Approximately 2,500 additional currently enrolled students (beyond the anticipated new students above) who are not currently eligible for the scholarship program could become eligible by altering their behaviors.
- Approximately 2,500 additional traditional-age graduating high school seniors this year (beyond the anticipated new students above) from families with an annual income below 200% of the poverty level do not intend to enroll in a postsecondary institution but could be encouraged to enroll.
- Countless nontraditional students may be eligible and may be encouraged to enroll.

Per-capita expenditures on postsecondary education: Grapevine, a National Database of State Tax Support for Higher Education, Center for the Study of Education Policy, Illinois State University, www.coe.ilstu.edu/grapevine.

2. Maine Early College Initiative

Estimate of current early college experiences: In 2002-2003, there were 29,212 students in grades 11

and 12 in Maine's public schools (Maine Department of Education, www.state.me.us/education/enroll/fall/2003/fenpbg03.htm). 4,565 students, 16% of 11th and 12th graders, took AP exams in 2003 (The College Board, www.collegeboard.com/student/testing/ap/exgrd_sum/2003.html). 470 students, 2% of 11th and 12th graders, took a class at a college campus through the state's Higher Education Access program (Harry Osgood, Higher Education Specialist, Maine Department of Education). These figures combined give us an estimate of at least 18% of Maine high school students currently participating in an early college experience. Although some of the students who take classes through Higher Education Access may also take AP exams, this estimate does not include students who take a college class through agreements with individual campuses or those who take AP classes but do not take AP exams, so it is probably a conservative estimate.

3. Maine College Transition Initiative

Number of participants in Adult Education programs statewide: *Maine Adult Education Annual Report 2003*, Maine Department of Education, www.state.me.us/education/aded/reports/Maine%20Adult%20Ed%20Annual.pdf.

4. College for ME Employer Initiative

Employer support for adults enrolled in college courses: Center for Business and Economic Research, University of Southern Maine, 2000.

Jobs for the Future study: *Getting Ahead: A Survey of Low-Wage Workers on Opportunities for Advancement*, 2003 (www.jff.org/jff/kc/library/0198).

5. College for ME Campaign

Harold L. Hodgkinson quote: *All One System: A Second Look*, Institute for Educational Leadership and National Center for Public Policy and Higher Education, 1999.





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