

**United States House of Representatives
Committee on Education and the Workforce**

**Challenges and Opportunities in Higher Education
February 7, 2017**

**Written Testimony of President José Luis Cruz
Lehman College of The City University of New York**

Chairwoman Foxx, Ranking Member Scott, and members of the Committee, thank you for the opportunity to testify before you this morning on the many and varied challenges, and opportunities, in higher education.

My name is José Luis Cruz, and I am the President of Lehman College of The City University of New York. Located in the storied and resilient borough of The Bronx, Lehman College serves as a driver of transformative change to approximately 13,000 undergraduate and graduate students across 90 degree programs, plus 12,000 students in certificate and workforce development programs. Fifty percent of Lehman undergraduates have a household income of \$30,000 or less; 80 percent are students of color; and 41 percent speak a language other than English at home.

The perspectives I bring today have been shaped by my personal experiences as a student who benefited from many federal and state aid programs, including the Pell Grant, professional experiences as a faculty member and administrator at three large university systems and advocacy experiences as a former Vice President of Higher Education Policy and Practice at The Education Trust.

I have structured my remarks today as follows. First, I will discuss what in my opinion are the most important challenges facing higher education today. Then, I will reflect on the opportunities available to address these challenges. Finally, I will present high-level recommendations on how federal, state, and institutional policymakers can seize these opportunities and provide examples of how Lehman College and The City University of New York are putting these ideas into action.

Challenges

To preserve our democratic ideals, secure our nation, and compete in the global economy, we must significantly improve postsecondary educational attainment. And because of current demographic and economic shifts, the only way we can do this is by ensuring quality higher education options are accessible and affordable to all members of our increasingly diverse citizenry.

In today's America, this is easier said than done—mainly because of how inequitable policies and practices across each level of the educational pipeline have undermined our ability to fulfill our twin promises of opportunity and upward mobility for all who work hard to reach their full potential. Let me illustrate.

Since the original Higher Education Act (HEA) was passed in 1965, the U.S. has made substantial progress in college access. College-going rates have climbed for students from all economic and racial groups. *Yet despite this progress, low-income students today enroll in postsecondary education at rates lower than high-income students did in the mid-1970's.*ⁱ

One reason for this gap in college-going—a factor that also manifests itself in gaps in college completion—is that to this day, we as a country give students from historically underserved communities less of all the things they need: less funding;ⁱⁱ less access to effective, in-field, experienced teachers;ⁱⁱⁱ less access to a college or career-ready curriculum;^{iv} and less access to advanced coursework.^v

Moreover, there's the fact that low-income students and students of color who do enroll in college are *far less likely* than other students to enroll in institutions where most students graduate and *far more likely* to enroll in the institutions, including those in the for-profit sector, that graduate few of their students and create disproportionate debt.^{vi}

These disparities are complicated further by the negative impact that increased institutional costs, state disinvestments (down 20 percent since 1990), inequitable state financial aid programs,^{vii} and insufficient maximum award levels in the Pell Grant program (down since its inception from roughly 75 percent of the cost of attending a public four-year college to 30 percent)^{viii} have had on the total cost of attendance for our lowest income students. The net effect? *Today, low-income students must find a way to finance an amount equivalent to 76 percent of their family's annual income to attend a public university for one year, even after accounting for all grant aid—a far higher burden than the 17 percent figure required for the highest income students.*^{ix}

These intergroup inequities have a profound impact on individual lives and our country's competitiveness. For every 100 white kindergartners, roughly 90 end up with a high school diploma, and, of those, 40 get at least a bachelor's degree. There is plenty of opportunity for improvement, to be sure. But the bachelor's degree attainment rate among black adults is just over half that of white adults, and among Latino adults, only just over one-third. Similarly, students from high-income families are approximately three times as likely as students from low-income families to obtain a bachelor's degree by age 24.^x

It is because of the profound effect this state of affairs has on the ability of working families to succeed, the competitiveness of our economy, the security of our country, and the merit of our meritocracy, that I believe the **eradication of intergroup inequities** to be among the most important challenges that higher education institutions—and our nation—will face in the years ahead. To meet this challenge, we must develop, implement and scale equity-driven policies

and practices that will restore faith in Horace Mann’s articulation of education being “beyond all other devices of human origin... the great equalizer of the conditions of men, the balance-wheel of the social machinery.”

And the fact is that because of who and how many they serve, this responsibility falls primarily, predominantly, and disproportionately on the shoulders of public 2-year and 4-year institutions.

It’s a big task. To succeed, higher education institutions must expand access; improve the quality of their programs; increase graduation rates; narrow achievement gaps; reduce the time it takes their students to earn a degree; produce civic-minded, work-force ready graduates in the areas that their region, state, and nation need most; and continue to look for ways to keep college affordable.

And they must do so while managing the effects of the tough administrative decisions they had to make as a result of state disinvestments and increased operational costs in years past: reduced number of full-time faculty; increased reliance on part-time faculty; increased student-faculty ratios; increased deferred maintenance liabilities; outdated equipment; reduced staff levels; and limited access to discretionary funds, among others.

At Lehman College, we embrace our role in meeting this challenge. And we do so because, in the poignant words of Prof. Paula Loscocco, we fully understand that our reason for being is our students, “all of them, first-year or transfer or graduate; Bronx-born or DACA; or from Manhattan, Hawaii, or the Dominican Republic; just out of high school or returning from childcare or another career or ill health or life... [our] mission is to open [our] doors to [our] students, to take them where they’re at – SEEK [opportunity] or Macaulay [honors], English-speaking or not, [physically challenged or not], stumbling or soaring – and to train them, ready them, raise the bars of their skills and achievements and ambitions and confidence.”

Opportunities

In recent years, the number of books and articles criticizing higher education institutions seem to have grown exponentially. In particular, the public 2- and 4-year institutions seem to be a frequent target of criticism.

So, imagine how gratified I felt two weeks ago when I first learned that a comprehensive study sponsored by The Equality Opportunity Project^{xi} concluded that The City University of New York propelled almost *six times* as many low-income students into the middle class and beyond as all eight Ivy League campuses, plus Duke, M.I.T., Stanford, and Chicago, combined; and that Lehman College ranked #4 in the nation for its role in propelling large numbers of students from the bottom 40% economically to the top 40%!

And that pride was increased a few days later when I read a column^{xii} in The New York Times written by David Leonhardt that acknowledged the tremendous work schools like Lehman College are doing despite the challenges we face:

*“Yes, the universities that educate students from modest backgrounds face big challenges, particularly **state budget cuts**. But many of them are performing much better than their new stereotype suggests. They remain **deeply impressive institutions** that continue to push many Americans into the middle class and beyond—many more, in fact, than elite colleges that receive far more attention.”*
[emphasis added]

It is quite clear: *The much maligned public 2-year and 4-year sector represents our country’s best bet to once again lead the world in educational attainment.* As the previously described report illustrates, there are many institutions within the sector that can lead the way; that can model to others how they too can take more intentional action to better serve the millions of students who are coming of age in America today, but who—because of the color of their skin, the balance of their checking account, their place of origin, and/or the tenets of their faith—have historically been underserved as they have sought to meet their full potential.

What we need, however, are equity-driven policies and practices to help move the work forward, particularly as institutions strive to construct frictionless educational pathways for the members of their community and establish innovative workforce development programs. To facilitate this work, I present the following recommendations to federal, state, and institutional policymakers.

Recommendations

Equitable Public Investments

Federal-State Partnerships: The best approach to rectify the inequitable state of affairs in higher education is to drive increases in educational attainment through a well thought-out federal-state partnership that addresses the interplay among issues of college affordability, college completion, and intergroup inequities. The Education Trust^{vii} recently developed a comprehensive framework of considerations that should go into developing a partnership that will adequately balance these three dimensions. Specifically, I recommend a partnership, that at a minimum, will lead to renewed state investments in higher education in a way that will ameliorate the per full-time equivalent (FTE) funding inequities among colleges and universities within a state.

FAFSA: The move to “prior-prior year” has gone a long way to simplify the FAFSA application process, but not all eligible students are applying and others fail to reapply. We must do more to ensure that eligible students have the resources they are entitled to in order to succeed. Consideration should be given to the implementation of an early notification of aid in middle or high school, aligning the Expected Family Contribution (EFC) formula with other federal means-

tested programs (e.g., SNAP, WIC, etc.), and additional streamlining of the application process.^{xiii}

Pell Grants: To make college more affordable for those students who have the least—but can contribute the most—in order to resurrect a strong middle class in our country, more of the dollars allocated through federal financial aid programs should flow through the Pell Grant. The most *immediate* actions you could take on this front are to extend the annual adjustment beyond this year and to reinstate year-round Pell for both part-time and full-time students, as a means to spur greater and faster completion. The most *visionary* action would be to restore Pell to its rightful place as the embodiment of America’s promise of upward mobility by raising the maximum grant over time to cover a higher fraction of the recipient’s total cost of attendance^{xiv} and indexing the auto-zero to inflation needed to ensure the program’s standing well into the future.

Student Loans: Congress should explore meaningful ways to ameliorate the burden of debt faced by hard-working Americans, which at a staggering \$1.3 trillion,^{xv} exceeds credit card and auto loan debt. Specifically, consideration should be given to reducing interest rates, simplifying and expanding eligibility of repayment options, allowing private educational loans to be discharged through bankruptcy, and enacting strong borrower defense policies.^{xvi}

Infrastructure: Congress should invest in the physical plant and technological laboratories of 2-year and 4-year public colleges and universities. Years of budget cuts have stalled the build out of campus master plans, dangerously delayed critical maintenance efforts, and limited the ability of campuses to invest in established and emerging technologies for classrooms and labs. The effects have been felt most at the under-resourced mid-tier public campuses serving the largest numbers of underserved and nontraditional students.

Regulatory, Administrative, and Legislative Actions to Protect and Support Students and Taxpayers

Protection against Fraudulent Institutions: In March 10, 2011,^{xvii} I testified before the Senate Committee on Health, Education, Labor and Pensions on the issue of for-profit education oversight. I respectfully submit said testimony into today’s record. At the time, I unequivocally stated that for-profit college companies demanded new attention and a new approach to regulation, because existing structures were ill-equipped to deal with the aggressive business models that fueled their growth. Since then, the implementation of the gainful employment rule, restrictions on incentive compensation, and enactment of borrower’s defense have gone a long way to protecting taxpayers and students from the worst corporate offenders. Consideration should thus be given to strengthening these provisions, not weakening them; requiring accreditation agencies to emphasize student outcomes and measures of academic quality and financial stability in their evaluations and accreditation decisions; and reconsidering federal aid eligibility requirements like the 90/10 rule so that for-profit institutions are not mostly publicly funded.

Data Systems: Good, actionable data is required to allow students to make informed enrollment decisions (e.g., College Scorecard); help institutions track progress and identify areas that need improvement; empower the federal government to better assess the return on taxpayer investment; and enable federal and state governments to design better incentives to improve institutional performance. In September 20, 2012,^{xviii} I testified before many of you in the Subcommittee on Higher Education and Workforce Training and provided some specific recommendations regarding the NSLDS and IPEDS data systems and how to ameliorate the reporting burden on institutions. I respectfully submit said testimony into today's record.

BRIDGE Act: Today, as a proud member of The City University of New York, I'd be remiss if I didn't urge you to wholeheartedly support the *Bar Removal of Individuals who Dream and Grow our Economy (BRIDGE) Act*. As you know, this bill has been introduced by a bipartisan group of Senators and Members of the House of Representatives to provide DACA-like protections from deportation to the approximately 750,000 Dreamers who — through their hard work and dedication — are claiming stake to the American Dream and whose undocumented status is simply an artifact of this country's long standing tradition as a beacon of hope. As Chancellor James B. Milliken recently stated, "There are few institutions that have done more to help this country benefit from immigration than CUNY. Today, almost 40 percent of our undergraduates were born in another country, and we are all the beneficiaries of their talent and ambition. Our commitment to protecting and supporting our students, regardless of their immigration status, is unwavering."

Innovative Institutional Practices

Far too often, our public institutions are accused of not innovating. But I submit the following as but a few examples from Lehman College and The City University of New York, of how 2-year and 4-year public colleges and universities are seizing every opportunity available to build an equity-focused higher education system. These practices show how institutions can enhance their stewardship of place by expanding access to a more diverse student body through alternate and well-coordinated pathways; improving graduation rates and reducing the time it takes their students to earn a degree or certificate; and establishing public-private partnerships in leading-edge workforce development areas. These practices are changing the lives of students, and with the right policy environment and sufficient investment, they could be replicated in institutions across the country.

Closing the Opportunity Gap: Lehman College has established an impressive portfolio of initiatives geared toward closing the opportunity gap that affects underserved students in the Bronx. Here are three examples. First, we are increasing the number of teachers who look like the kids they teach: Our School of Education specializes in preparing teachers for the challenges prevalent in urban public schools. MATH UP, a teacher prep program with \$7.6 million in funding from public and private sources, provided 79 teachers one-year internships in Bronx elementary schools. They joined 80 math teachers who benefited from the National Science Foundation's Math Teacher Transformation Institute. Second, we are serving the needs of students in our community: The Bronx Institute has served over 3,000 K-12 students and their

families with workshops to prepare them for the challenges of navigating the public school system. Our Center for School and College Collaboratives reaches over 1,000 students through STEM courses and weekly college career workshops. Third, we are expanding opportunities for our students and community: Lehman maximizes its relationship with institutions like the New York Botanical Garden, the American Museum of Natural History, the Bronx Zoo, and the Lincoln Center Education to benefit our students and community. Along with two other CUNY colleges, we are creating a K-12 computer science teacher education course of study; and we are developing a coding academy to prepare students for careers in the tech sector.

Lehman's Pathways to Success (PTS) Initiative: Funded by a TRIO Student Success Services grant, PTS aims to increase the number of first-generation students, disadvantaged low-income students, and students with disabilities who successfully complete a program of study at the postsecondary level. PTS provides opportunities for academic, personal, and professional development in group and one-on-one settings; assists students with basic college requirements; motivates students toward the successful completion of their postsecondary education; helps them develop financial and economic literacy; assists them to meet the requirements for graduate school applications; and guides them toward fulfilling careers. To participate in the Pathways to Success Initiative, students must be part of CUNY's SEEK (Search for Education, Elevation, and Knowledge) Program.

CUNY's SEEK Program: Search for Education, Elevation, and Knowledge (SEEK) is a state-funded educational opportunity program that provides access to the University's senior colleges under non-traditional admissions criteria for talented and motivated high school graduates who need academic and financial support. The SEEK Program began as a pre-baccalaureate program at The City College of New York in 1965. It was signed into law by the New York State legislature in 1966 as the City University's higher education opportunity program in the senior colleges. The legislation was a result of the efforts of social activists and progressive politicians whose vision was to provide access to CUNY for poor students, then largely African-American and Puerto Rican, who graduated from high schools that had not prepared them for the rigors of college. Today there are eleven SEEK Programs across the University, including at Lehman College. SEEK Programs have enrolled approximately 230,000 low-income students over the years.

Lehman's Moving Forward in Reverse Program: This initiative, launched in July 2014, allows students at Hostos and Bronx Community Colleges to "transfer back" credits earned at Lehman and apply them toward an associate's degree at their home school. In this manner, students receive a valuable credential and Lehman benefits from the higher retention and graduation rates associated with credentialed students. The program targets students in good academic standing who have earned a minimum of 30 credits at a partner community college and who have completed a combined 60 credits at Lehman College. Students meeting the criteria are identified by Lehman College and reviewed for Associate Degree eligibility by the partner school. Lehman College notifies students of their eligibility and communicates steps for graduation. The program was first of its kind in the state of New York and is now being replicated across The City University of New York.

CUNY's Accelerated Study in Associate Programs (ASAP): Founded in 2007 with support from the New York City Center for Economic Opportunity (CEO), ASAP is a comprehensive program for associate-degree students at nine CUNY colleges, as of Fall 2015. Key program components include full-time enrollment, block scheduled first-year courses, cohort course taking, financial support, intrusive and mandatory advisement, a student success seminar, career services, and tutoring. The program is committed to graduating at least 50% of students within three years through provision of comprehensive support services and financial resources that remove barriers to full-time study, build student resiliency, and support timely degree completion. ASAP has proven to be one of CUNY's most successful community college initiatives with students in the program graduating at a rate more than double that of similar students. The program has garnered national attention and been rigorously evaluated. The program has been so successful, that as part of CUNY's commitment to double its three-year graduation rate for associate degrees (leading the nation in urban community college attainment), the University will expand it to 25,000 community college students by 2018-19, including full implementation of ASAP for all full-time students at Bronx Community College, and pilot ASAP-like completion programs at senior colleges.

Lehman's Adult Degree Program (ADP): The Adult Degree Program has been the primary administrative office for nontraditional students at Lehman College for over 30 years. At an average age of 40, ADP students are significantly older and have different needs than typical Lehman students. ADP serves more than 1,000 students annually with student outcomes that typically exceed those for the general undergraduate populations. ADP also serves as the main conduit for building relationships with industry and employers to develop and run sponsored cohort programs. In recent years, Lehman College has developed numerous innovative workforce development partnerships. Most recently, Lehman College joined the Bronx Education – Health Industry Partnership in conjunction with the healthcare union 1199SEIU and Hostos and Bronx Community Colleges. The partnership is focused on strengthening the existing healthcare workforce by developing initiatives to facilitate access and reduce time-to-degree completion for working adult learners—crucial to increasing the number of bilingual workers in professional, patient, care occupations. The partnership is working collaboratively on 1) alternative college admission pathways and math gateway courses; 2) stackable credentials; and 3) reverse transfer agreements. Separately, Lehman is offering an Associate in Science Degree in Nursing (RN) to Bachelor's in Science in Nursing program for 1199SEIU registered nurses, among others.

Lehman's VR/AR Training Academy and Development Laboratory: In 2017, Lehman College launched a virtual and augmented reality training academic and development laboratory as part of a private-public partnership with EON Reality Inc., a world leader in virtual and augmented reality knowledge transfer and content creation. Through this venture, Lehman College will offer an 11-month non-credit training program to be held on nights and weekends at Lehman's School of Continuing and Professional Studies at CUNY on the Concourse to maximize participation. The Academy will provide students with invaluable, state-of-the-art experiential training and position them for career opportunities in the fast-growing VR/AR industry. The program starts with three months of classes in which students will be immersed in

VR and AR content creation and theory. The following eight months will be devoted to real-life lab projects that students can use to develop their entrepreneurial skills. Additionally, the facility includes an *Icube Mobile*, a four-wall immersive VR room that will enable students to experience and test their creations.

Conclusions

In closing, I believe that we can and must do a better job of translating our democratic ideals into policies and practices at all levels that sustain, rather than erode, opportunity. I believe that we can make it not only possible, but probable that more low-income students and students of color can rise to the middle class, paving the way for less inequality, more social mobility, and better overall prosperity in America. And I believe that the best ways to do this is by applying an equity-lens to the policies and practices that shape the work of higher education institutions across our nation and targeting resources to those 2-year and 4-year public institutions that have demonstrated the capacity to transform lives and communities.

As the most important mission-critical senior college of the world's premier public urban university, Lehman College is committed to taking more-intentional action to support those who historically have been underserved in our community and beyond. As such, we more than welcome the opportunity to work with you and other institutions across the country, as we move to do the hard, but important work required to ensure that our higher education system works for all Americans.

Thank you.

i U.S. Department of Education, National Center for Education Statistics (2015). Digest of Education Statistics. Table 302.30.

ii The Education Trust, 2015, Funding Gaps 2015, http://edtrust.org/wp-content/uploads/2014/09/FundingGaps2015_TheEducationTrust1.pdf

iii Education Trust Analysis of 2007-08 Schools and Staffing Survey data; Education Trust—West, Learning Denied, 2012.

iv Bromberg, Marni and Christina Theokas, "Meandering Toward Graduation: Transcript Outcomes of High School Graduates" The Education Trust, April 2016.

v College Board, 8th Annual AP Report to the Nation, 2012, <http://media.collegeboard.com/digitalServices/public/pdf/ap/rtn/AP-Report-to-the-Nation.pdf>

vi Ed Trust analysis of IPEDS Fall enrollment, Fall 2014 (by race) and NCES National Postsecondary Student Aid Study (NPSAS:12), 2011-12 (by Pell recipient status).

vii Santos, J. L. and Kati Haycock, Fixing America's College Attainment Problems: It's About More than Affordability, September 2016, https://edtrust.org/wp-content/uploads/2014/09/FixingAmericasCollegeAttainmentProblem_EdTrust.pdf

viii Bryan J. Cook and Jacqueline E. King, "2007 Status Report on the Pell Grant Program" (Washington, D.C.: American Council on Education Center for Policy Analysis, June 2007); and Sandy Baum, Jennifer Ma, Matea Pender, and D'Wayne Bell, "Trends in Student Aid 2015" (Washington, D.C.: College Board, 2015).

ix Ed Trust analysis of NPSAS:12, using PowerStats. Results based on full-time, full-year, one-institution dependent undergraduates at public and private nonprofit four-year colleges.

x Postsecondary Education Opportunity, "Bachelor's Degree Attainment by Age 24 by Family Income Quartiles, 1970 to 2010"

-
- xi Chetty, R. and John Friedman, Emmanuel Saez, Nicholas Turner, and Danny Yagan, Mobility Report Cards: The Role of Colleges in Intergenerational Mobility, http://www.equality-of-opportunity.org/papers/coll_mrc_paper.pdf
- xii Leonhardt, L., "America's Great Working Class Colleges" (New York Times, Jan. 18, 2017)
https://www.nytimes.com/2017/01/18/opinion/sunday/americas-great-working-class-colleges.html?_r=0
- xiii Christopher Avery and Thomas J. Kane, "Student Perceptions of College Opportunities: The Boston COACH Program," in Caroline M. Hoxby (ed.), College Choices: The Economics of Where to Go, When to Go, and How to Pay For It (Chicago: The University of Chicago Press, Sept. 2004): 355-394, <http://www.nber.org/chapters/c10104.pdf>
- xiv Jennifer Ma, Sandy Baum, Matea Pender, and D'Wayne Bell, "Trends in College Pricing 2015" (Washington, D.C.: College Board, 2015), <http://trends.collegeboard.org/sites/default/files/2015-trends-college-pricing-final-508.pdf>
- xv Rohit Chopra, "Too Big to Fail: Student debt hits a trillion" (Washington, D.C.: Consumer Financial Protection Bureau, March 21, 2012), <http://www.consumerfinance.gov/blog/too-big-to-fail-student-debt-hits-a-trillion>
- xvi Ed Trust, Statement from Coalition on Rules to Protect Students and Taxpayers from Student Loan Fraud and Misconduct, https://edtrust.org/press_release/statement-coalition-rules-protect-students-taxpayers-student-loan-fraud-misconduct/
- xvii Statement to the United States Senate Committee on Health, Education, Labor, and Pensions. Bridgepoint Education, Inc.: A Case Study in For-Profit Education and Oversight, Hearing, Mar. 10, 2011 (S. Hrg 112-774).
- xviii Statement to the United States House of Representatives, Committee on Education and the Workforce, Subcommittee on Higher Education and Workforce Training. Assessing College Data: Helping to Provide Valuable Information to Students, Institutions, and Taxpayers, Hearing, Sept. 20, 2012 (Serial 112-69).