

POLICYMAKER'S TOOLKIT

Invest in Knowledge to Support Public Higher Education



AMERICAN COUNCIL OF TRUSTEES AND ALUMNI

promoting academic freedom, academic excellence, and accountability



ACTA
AMERICAN COUNCIL OF
TRUSTEES AND ALUMNI



The **American Council of Trustees and Alumni (ACTA)** is an independent, nonprofit organization committed to academic freedom, academic excellence, and accountability at America’s colleges and universities. Founded in 1995, ACTA is the only national organization dedicated to working with alumni, donors, trustees, and education leaders across the United States to support the study of the liberal arts, uphold high academic standards, safeguard the free exchange of ideas on campus, and ensure that the next generation receives an intellectually rich, high-quality education at an affordable price.

Our network consists of alumni and trustees from nearly 1,300 colleges and universities, including over 23,000 current board members. Our quarterly newsletters, ***Inside Academe*** and ***Higher Ed at a Glance***, reach more than 15,000 readers.

For further information about ACTA and its programs, please contact:

American Council of Trustees and Alumni
1730 M Street NW, Suite 600
Washington, DC 20036
Phone: 202.467.6787 | 888.258.6648
Fax: 202.467.6784
GoACTA.org · Info@GoACTA.org

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A Call to Action

How State Policymakers Can Strengthen Higher Education

Higher education across the nation is under scrutiny. Publicly funded colleges and universities are particularly vulnerable, as they represent a massive investment by state taxpayers. Many concerned Americans question the return on this investment, and public confidence in higher education has fallen every year since 2015. The diversity of institutions means that no single policy can apply everywhere. State legislators must work together with trustees and local stakeholders to assess the issues their colleges and universities are facing.

On the next page are steps that state policymakers have taken to strengthen fiscal accountability, support trustees, and generate better outcomes for students, taxpayers, and the nation.

Interested in implementing one of these measures in your state? ACTA can help! Contact [Nick Down](mailto:ndown@GoACTA.org), ACTA's associate director of external affairs, at ndown@GoACTA.org for assistance.

“My ‘go to’ for higher education insights and help is the American Council of Trustees and Alumni. . . . ACTA’s expertise in the areas of engaged board governance, promoting a liberal arts curriculum, and protecting free speech and intellectual diversity on campus is unmatched. I organized Ohio’s first Public Trustee Governance Symposium to remind trustees who serve our great public universities that it is their responsibility to set the policies and strategic direction of their institutions. I asked ACTA to participate because I know it has the best tools and resources, as well as a wealth of knowledge to call upon. I highly encourage other state legislatures that are interested in leading similar symposia to call on ACTA.”

—Ohio State Senator Jerry Cirino

ACTION AGENDA

■ **Increase oversight by equipping trustees to be informed and active fiduciaries.**

The ultimate authority at any institution of higher education rests with the governing boards of trustees. If trustees are to be thoughtful overseers, they need to be informed about their role, higher education issues generally, and the particular challenges facing their states and their institutions. All too often, trustees lack the support they need to be effective stewards.

Virginia's legislators tackled this issue by amending the state code to give trustees an active part in their own education. The new code mandates that the board design and attend training programs that "address the role, duties, and responsibilities of the governing boards." This law gained bipartisan popularity, with later amendments seeking to strengthen these training programs passing unanimously. Connecticut followed suit with similar legislation in 2022, S.B. 18, which also passed both houses unanimously.

■ **Control costs through transparency and accountability.** The financial burden placed on students attempting to complete their college education is simply unsustainable. Trustees and policymakers must come together to address this crisis by ensuring that our institutions are not squandering the public and private funds that support higher education.

Florida recognized this fact in 2020 when legislators included language in C.S./S.B. 72 to instruct institutions to make certain key information public when submitting legislative budget requests, including data from the past five years to allow for comparison of trends in staffing for instruction and research versus staffing for administration.

■ **Give graduates the tools they need to be informed citizens.** Public confidence in America's political processes and institutions is at an all-time low, and partisan polarization has crippled our public discourse. Colleges and universities ought to be at the forefront of addressing these problems, yet a 2022 ACTA survey of over 1,100 four-year institutions found that only 19% require a foundational course in U.S. government or history.

California, Texas, Oklahoma, Georgia, and Nevada, among other states, mandate that students at public institutions study American history and government. South Carolina's REACH Act requires students to take a minimum of three credit hours in American history. Tennessee's S.B. 2410 (2022) established an institute at the University of Tennessee–Knoxville to provide a comprehensive civic education. Similar institutes have been created in Arizona, Florida, Texas, and Ohio.

■ **Protect the rights of students and teachers.** Colleges and universities educate the next generation of citizens, leaders, and innovators, a task that is inextricably tied to the principles of academic freedom and the free exchange of ideas. Despite this, the past few years have seen an unprecedented rise in the use of speech codes that suppress minority viewpoints, coercive tactics to silence speakers, and administrative capitulation to pressure from activists to "disinvite" unpopular speakers.

In 2019, the South Dakota Legislature passed H.B. 1087 to "promote free speech and intellectual diversity" at public institutions of higher education. Legislators joined with the state's board of regents in a collaborative effort to protect the rights of students and teachers to exchange ideas freely, while respecting institutional mission and the role of the regents.

Control Runaway Spending

Excerpts from *The Cost of Excess*

There are many factors that influence an institution's tuition and graduation rates. In our report entitled ***The Cost of Excess***, ACTA sought to explore what impact an institution's spending habits have on tuition, and to what extent this spending actually benefits students.

We examined nine years of publicly available data for over 1,500 four-year public and private, nonprofit colleges and universities and found that:

■ Spending at institutions of higher education continued to climb both during and after the Great Recession.

- Non-instructional spending—including student services (29%) and administration (19%)—grew faster than instructional spending (17%).
- Colleges and universities prioritized hiring less expensive and often less credentialed instructional staff and more expensive administrative staff.

■ Spending drove up the price of tuition, which was also correlated with increases in net cost for students.

- Increases in per-student spending on instruction, administration, and student services were each correlated with an increase in tuition for the next academic year, even after controlling for levels of appropriations and institutional characteristics.
- An increase in reported tuition and mandatory fees (commonly known as the “sticker price”) was correlated with an increase in average net price, suggesting that tuition discounting has not kept pace with the growth of tuition.

■ Spending had a minimal impact on graduation rates.

- At public institutions, spending on instruction and administration had statistically significant, but inconsequential correlations with graduation rates. Spending on student services had no correlation with graduation rates at public institutions.
- On a strictly percentage basis, an increase in instructional spending at public institutions was twice as effective as an increase in administrative spending at improving graduation rates. Student services spending showed no correlation with graduation rates.

RECOMMENDATIONS

■ Ensure that colleges make controlling costs a top priority.

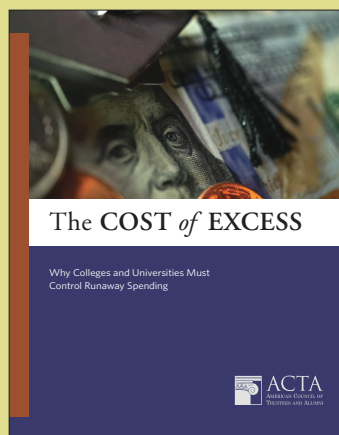
- The pricing model of higher education in the United States is simply not sustainable. Insist that cost containment and reduction be an integral part of any college or university's long-term financial strategy, along with rigorous metrics that track the outcomes of academic and student services programs.
- Institutions must be willing to consider innovative ways to mitigate costs. Administrative spending per student at the University of Maryland–College Park has remained roughly flat since the state system implemented an effort known as the Initiative on Effectiveness and Efficiency 2.0 in 2015. Through methodically merging departments into larger interdisciplinary schools, Arizona State University saved \$13 million recurring by eliminating administrative redundancy, without cutting any faculty positions.

■ Insist that institutions hold the line on tuition.

- Institutions that cut costs should do so in tandem with tuition cuts or freezes. Cost savings will not necessarily be passed on to students, as other institutional constituencies will eventually find a way to spend the “windfall” created by cuts made to one area of the institution. State legislatures may wish to consider models adopted in Florida and Michigan, which place statutory limits on the amount that public institutions may increase tuition in a given year.
- Legislators should not assume that reductions in appropriations alone will induce institutions to allocate resources efficiently. Recent history shows that colleges and universities will first seek alternative revenue sources (in the form of increased tuition) to finance spending increases.

■ Use available data to make smart spending decisions that benefit students.

- Policymakers should take special care to scrutinize the rate at which non-instructional expenditures grow when compared to spending on instruction.
- Leaders should be circumspect about any decision to increase spending, as those costs will almost certainly be passed on to students, families, and taxpayers and will not necessarily lead to better outcomes for students.



For a full copy of this report, click [here](#) or scan the QR code.



The logo is a brown banner with a white border. It features the text "ACTA GOLD STANDARD" in a large, white, serif font. Below this, in a smaller, white, sans-serif font, is the text "FOR FREEDOM OF EXPRESSION".

**ACTA
GOLD
STANDARD**

FOR FREEDOM
OF EXPRESSION

ACTA Gold Standard for Freedom of Expression™

A blueprint to help institutional leaders
create a culture of free thought on their
campuses.

ACTA Gold Standard for Freedom of Expression™



1. Commit to a Culture of Freedom of Expression

- Adopt the Chicago Principles on Freedom of Expression or a similarly strong statement.
- Establish clear expectations regarding free expression in student, faculty, and staff handbooks and codes of conduct.
- Include a free expression unit in new-student orientations.
- Protect the diversity of political viewpoints by adopting an institutional neutrality policy such as the Kalven Committee Report.

2. Foster Civil Discourse

- Sponsor campus debates that model civil discourse.
- Encourage establishment of student groups promoting free expression.
- Protect the rights of invited speakers and listeners to engage with controversial ideas.
- Establish and enforce consequences that deter disruption of sponsored speakers, events, and classes.

3. Cultivate Intellectual Diversity

- Encourage presidents, provosts, and deans to model respect for a broad range of viewpoints.
- Guarantee that viewpoint diversity is reflected in student life policies and practices.
- Support academic centers dedicated to free inquiry and intellectual diversity.
- Make intellectual diversity a stated goal in faculty hiring, evaluation, and promotion.

4. Break Down Barriers to Freedom of Expression

- Eliminate speech and IT policies that have a chilling effect on free expression.
- Ensure that Title IX and other disciplinary procedures do not infringe on free expression.
- Disband bias response teams.
- Review student government policies to ensure viewpoint neutrality in student group recognition and funding.

5. Advance Leadership Accountability

- Incorporate explicit policies of free expression in governance bylaws and other key institutional documents.
- Include a commitment to free expression as a criterion for presidential searches and evaluations.
- Require free expression and viewpoint diversity training for administrative staff.
- Conduct regular evaluations of the state of free expression and intellectual diversity on campus.

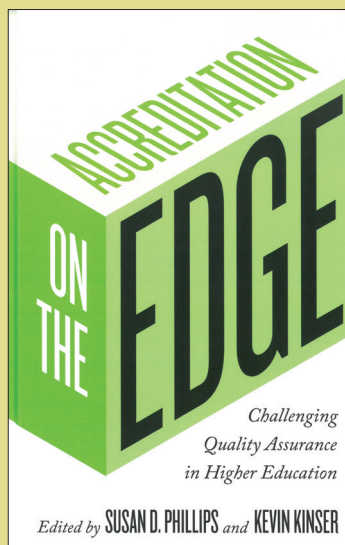
Accreditation

What It Is, What's Wrong with It, and How to Fix It

Accreditation is a process that is used to assess the quality of an institution or program of higher education. It began as a voluntary organization of institutions which, through a peer-review process, would provide a stamp of quality for colleges and universities. Accreditation became associated with access to federal government education funds in the 1950s. At that time, Congress sought to ensure appropriate use of GI Bill funds by empowering accreditation agencies to evaluate educational quality before approving an institution's access to the funds. After the Higher Education Act was signed into law in 1965, the role of accreditation was expanded even further through Title IV of that act to become the means of access to a range of federal funds, including both grants and loans.

Nonetheless, today there is scant evidence that accreditation serves to ensure quality. Instead, it often proves to be a costly and intrusive process for institutions, while doing little to ensure that institutions are actually able to produce the outcomes they purport to achieve.

On the next page are steps that policymakers can take to improve public trust in America's higher education system by returning accreditation to a voluntary system of peer review, counseling, and support that leads institutions to better outcomes for students, taxpayers, and the nation.



Accreditation on the Edge

Challenging Quality Assurance in Higher Education

Johns Hopkins University Press

The American Council of Trustees and Alumni joins other experts in the field to discuss how to change the federal accreditation system so that it better serves students and the public.

RECOMMENDATIONS

■ **Return accreditation to its core mission of monitoring for quality improvement, not gatekeeping for federal funds.**

Charging accreditors with the responsibility of serving as quality assurance entities for the purpose of federal student aid calls them to a purpose for which they are not suited. The current system encourages accreditation primarily to remain binary in nature—in terms of gatekeeping for Title IV eligibility—thereby giving students and parents a false sense that accredited schools have passed a meaningful test of quality when they have not.

■ **Encourage free and open competition.**

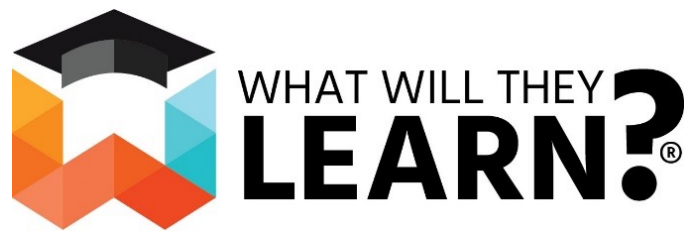
The vast majority of Title IV student aid volume (nearly \$100 billion in 2023) is predicated on the actions of six large accreditors in the United States. Yet in today's globalized cultural and economic landscape—as technological advances make alternative delivery models more prevalent—regional distinctions are less relevant in higher education and only hinder innovation. At a minimum, Congress and the Department of Education, as a condition of recognition, should require accreditors to demonstrate the ability to operate nationally. They should also consider simplifying the complex process by which institutions can change accreditors, opening up paths for accreditors to differentiate themselves through focuses on different types of institutions with their various missions and constituencies.

■ **Refocus accreditation on the original standards it was intended to uphold.**

The Higher Education Act prescribes 10 standards—which include student success, curricula, faculty, and fiscal and administrative capacity, among others—that accreditors are required to apply when evaluating whether to qualify an institution to receive federal student aid. Yet a loophole in the law also gives broad authority to impose additional eligibility criteria, leading some accreditors to threaten to withhold Title IV access to institutions for issues that often include institutional mission or governance. Because of the disastrous consequences of losing access to federal funds, institutions universally comply. Congress should end this “blank check” authority and clarify the law so that accreditors focus on matters of educational quality and do not intrude into areas that are properly left to state government or to boards of trustees.

■ **Create a consumer-friendly, expedited alternative for reaccreditation.**

Accreditation has tended to focus chiefly on educational inputs, while paying less attention to educational results. Alternatively, Congress should establish expedited paths to reaccreditation, allowing institutions to maintain Title IV eligibility by certifying auditable data about key measures of academic quality and student achievement. An alternative to the federally mandated accreditation system would reduce the cost of higher education by relieving institutions that have a proven track record of quality from the significant expense of complying with accreditation review. And, more importantly, it would make crucial information more readily available to the public.



What Are College Students Learning?

Most college ranking systems do not evaluate what students learn in the classroom. **What Will They Learn?**[®] (WWTL) is the only rating system that provides an alternative assessment by examining the general education course catalogs of over 1,100 public and private higher education institutions. WWTL grades each institution on an “A”–“F” scale based on how many of the following seven subjects are required in the core curriculum: Composition, Literature, (intermediate-level) Foreign Language, U.S. Government or History, Economics, Mathematics, and Natural Science.

Visit WhatWillTheyLearn.com or scan the QR code to see if students in your state are receiving a well-rounded liberal arts education.



HOW COLLEGES SPEND MONEY



How Are Colleges in Your State Spending Money?

How Colleges Spend Money[®], a project of ACTA, allows college trustees, administrators, and lawmakers to perform their own analysis of higher education spending trends. Users can easily examine key areas like administrative and instructional spending per student, tuition as a percentage of median household income, four-year graduation rate, and more.

“*The cost of higher education has been rising at an unsustainable rate for more than two decades. These exorbitant costs often prevent students, once they graduate, from being able to climb out of debt. Most troubling is the fact that these rising and unnecessary costs are increasingly associated with administrative bloat, rather than investing in the classroom and curriculum. . . . ACTA’s reporting and fact-finding have been critical in Congressional attempts to rein in spending and keep dollars invested where they truly matter—students and the classroom.*”

—U.S. Representative Greg Murphy

Visit HowCollegesSpendMoney.com or scan the QR code to learn how colleges and universities in your state are spending money.



Leading the Charge

Governors, Higher Education, and Accountability

There is an accountability revolution going on in higher education. Parents and taxpayers are asking hard questions about quality and costs. They want to ensure that public higher education is offering the “biggest bang for the buck” and meeting their states’ needs.

Governors provide the key ingredient for effective public higher education: leadership. In most states, they appoint trustees and state education officials, which allows them to set an agenda for change, shape priorities for funding, and use their “bully pulpit” to put issues of quality, cost, and accountability at the top of the public agenda. Experience shows that there are a number of actions that innovative governors can take to improve the accountability and performance of state institutions.

Governors can start with the following steps:

■ **Appoint thoughtful trustees.**

Trustees are the key to changing public higher education. It is not enough to appoint “good people” to university boards. To be effective, governors must appoint individuals who can be leaders. These are people who are willing to invest the time, understand the issues, and raise the tough questions.

■ **Give trustees a clear sense of their responsibilities to the public.**

Trustees of public colleges and universities may think that their main job is to advocate for their institutions. This is not the case. In fact, they are public officials with a fiduciary obligation to represent the taxpayers.

■ **Set an agenda of questions to ask and issues to address.**

Trustees must focus on those issues of greatest importance to the state. No one is in a better position than the governor, who is the highest elected official in the state, to advise them on priorities.

■ **Provide training on how to set policy without micromanaging.**

Colleges and universities are complex and unique institutions. Trustees need training on how to carry out their responsibilities effectively and appropriately. Governors can convene a higher education conference or facilitate trustee training that prepare appointees to be informed public servants.

■ **Encourage trustees to hire presidents who are agents of change.**

An era of accountability needs a new style of presidential leadership. Boards should be encouraged to cast a wide net and find innovative leaders who are not afraid to question the status quo.

■ **Authorize studies that will document issues important to the state.**

Information precedes action. Whether the issue is grade inflation, time to graduation, capital expenditures, program duplication, or educational performance, a well-publicized study can focus attention on needed improvements.

■ **Bring in experts who can talk about innovation and best practices in other states.**

Trustees, state commissions, legislative committees, and other public bodies can benefit from learning about the most successful efforts in other states.

■ **Reorganize higher education into a coherent, statewide system.**

In many states, higher education is a random patchwork of different institutions and governing boards. They may need to be organized into a system that makes sense for the overall needs of the state.

■ **Appoint a blue-ribbon commission to recommend changes.**

Concrete recommendations from a widely respected group of business, government, and education leaders can generate powerful momentum for needed changes.

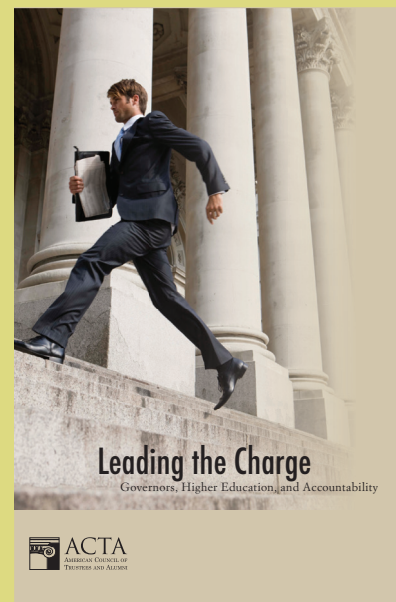
■ **Ensure that trustees remain informed and engaged during their appointments.**

Continuing education applies as much to appointed trustees as it does to lawyers, doctors, and other professionals. It is imperative that trustees receive expert advice, ongoing information, and training. Some states in fact mandate continuing education.

■ **Beware of challenges to gubernatorial authority.**

In recent years, regional accreditors have sought to diminish the impact that governors can have on their public higher education systems by asserting direct influence over matters properly left to state governance.

ACTA stands ready to assist governors in fulfilling their duty to support and strengthen their states' colleges and universities. With over 25 years of experience and an audience of over 23,000 current and former trustees, ACTA is the largest independent, nonpartisan nonprofit organization dedicated to supporting informed trusteeship. From identifying and reviewing trustee candidates, to organizing governor's conferences, to providing state and national reports, to testifying on the key issues facing colleges and universities, ACTA can provide concrete resources as you seek to strengthen higher education in your state.



State Rankings Survey

Does your state provide an intellectually rich, high-quality college education at an affordable price? Each year, ACTA surveys every four-year, public college and university in the country on 10 measures of academic quality and cost-effectiveness.

We track:

■ Student Share of Revenue

How much do schools in your state rely on tuition revenue as opposed to grants, philanthropy, and state funding?

■ Stop-Out Rate

What percentage of students leave college after six years without completing their degree or transferring to another institution?

■ Pell Student Graduation Gap

How effective are your colleges and universities at educating students from lower-income families?

■ Student Debt

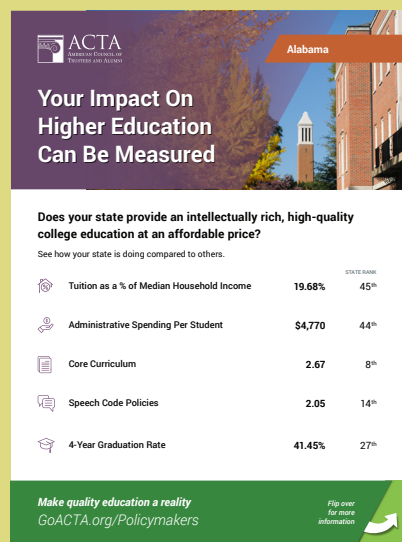
How much student-loan debt does the average student need to take on to complete a degree?

■ Speech Code Policies

Do your state's colleges and universities maintain policies that respect the First Amendment rights of students, faculty, and staff?

... and more!

To view the other measurements and to see where your state ranks compared to others, please click [here](#) or scan the QR code.



Custom reports are available upon request.

How ACTA Can Help

Supporting Engaged, Informed Trusteeship

Through our **Institute for Effective Governance**[®] (IEG), ACTA conducts board retreats specifically designed to help college and university trustees navigate the fundamental issues that make higher education governance a unique challenge.

IEG's seminars for college trustee boards leverage ACTA's experience as a national voice in higher education governance for the past 25 years and draw upon the knowledge of our extensive network of college and university leaders. These structured discussions are ideal for boards seeking to clarify for themselves their proper policymaking role. Topics include the basics of responsible trusteeship; articulating the institution's mission; protecting academic freedom; creating a culture of free expression; setting the educational strategy; selecting and evaluating the president; the links between cost, spending, and student outcomes; as well as customized topics based on the unique needs of each institution.

Providing Expert Analysis

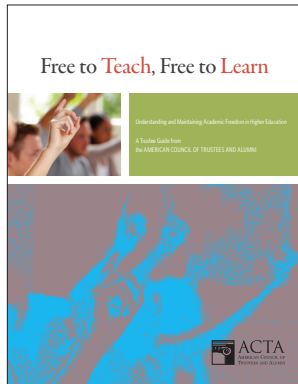
ACTA draws on a national network of well-respected experts to study governance structures, assess educational quality, evaluate programs and services, assist in strategic planning, and recommend improvements in the structure, content, and delivery of educational services. Some of ACTA's important resources include:

- **Governance for a New Era: A Blueprint for Higher Education Trustees**—a comprehensive guide to assist college and university trustees in reforming higher education.
- **What Will They Learn?**[®]—an analysis of core curriculum requirements at over 1,100 colleges and universities.
- **HowCollegesSpendMoney.com**—an online tool that allows users to compare 10 years of spending and student outcome data from over 1,500 institutions.
- **State Rankings Survey**—an online tool that examines how each state's institutions fare on 10 measures of cost-effectiveness and academic quality.

ACTA has presented at governor's conferences in a number of states, including South Carolina, Florida, Colorado, Missouri, and Massachusetts. Conference sessions have ranged from "**What Will Students Learn? The Challenge of Academic Standards**" and "**Getting the Biggest Bang for the Buck: Managing Resources Effectively**" to "**What to Do Now: Setting Goals and Following Through.**"

Contact ACTA at 202.467.6787 or info@GoACTA.org for further information.

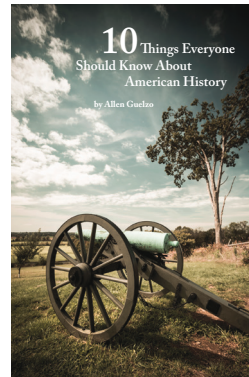
Visit GoACTA.org to access our full library of resources free of charge.



Free to Teach, Free to Learn Understanding and Maintaining Academic Freedom in Higher Education

This guide for trustees reports on the dangerous decline of academic freedom and intellectual diversity on college campuses.

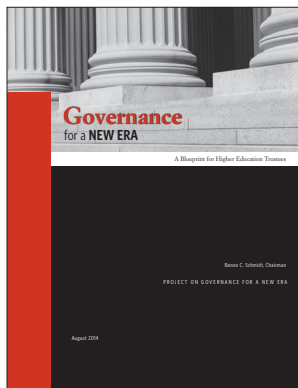
Click [here](#).



10 Things Everyone Should Know About American History by Allen Guelzo

This publication takes readers through pivotal moments in American history and illustrates the contemporary importance of our past.

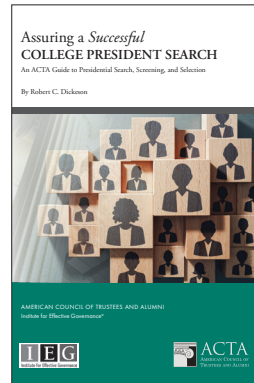
Click [here](#).



Governance for a New Era A Blueprint for Higher Education Trustees

This guide is the product of 22 distinguished national leaders, including college presidents, trustees, business leaders, academics, and policymakers dedicated to ensuring America's colleges and universities shed 20th-century thinking and successfully meet 21st-century challenges.

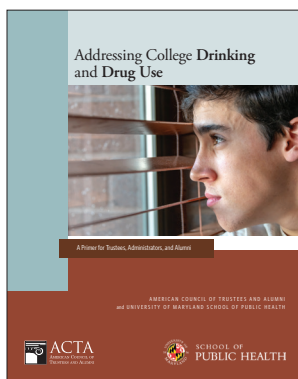
Click [here](#).



Assuring a Successful College President Search An ACTA Guide to Presidential Search, Screening, and Selection

The purpose of this guide is to assist governing boards in the execution of their most important task: the selection of a president who will lead the institution in the years ahead.

Click [here](#).



Addressing College Drinking and Drug Use A Primer for Trustees, Administrators, and Alumni

This guide uniquely explores how alcohol and drug use can affect student achievement, revealing that a coordinated substance use prevention strategy will not only work to make the campus a safer and healthier environment, but will also help students maximize their potential.

Click [here](#).



An Equal Space for All A Trustee Guide to Preventing Encampments and Occupations on Campus

This guide outlines a list of practical steps that governing boards can take to ensure that the academic community as a whole can access equally the campus square and be free of harassment. No matter what the motivation or cause, acts of intimidation have no place in a venue for liberal education.

Click [here](#).





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American Council of Trustees and Alumni
1730 M Street NW, Suite 600
Washington, DC 20036
P: 202.467.6787 • F: 202.467.6784
Email: info@GoACTA.org • Website: www.GoACTA.org