

Uneven Progress, Uncertain Future:

The Policies and Performance of Higher Education in Georgia

Georgia is at a crossroads. Although the state saw very modest gains in higher educational attainment between 2011 and 2017, it is far from achieving the kinds of outcomes that can sustain a modern, competitive economy. This study shows that Georgia is not on track to educate enough people with high-quality workforce credentials or college degrees. To ensure a healthy economy and a well-educated citizenry, Georgia must commit to a cohesive state policy agenda that articulates clear goals, provides powerful financial incentives for reaching those goals, and holds state and higher education leaders accountable for reaching them.

Background

Georgia is home to prestigious research universities, renowned historically black colleges and universities (HBCUs), and a strong network of technical colleges. It is also home to a majority of residents who never obtain a college credential. To offer context for our study, we identify four key characteristics that influence higher education in Georgia:

Economic demand: To meet economic demand, by 2025 Georgia will need about 671,000 more residents to have high-quality credentials than current projections estimate it will have, provided that the state's attainment rate does not see substantial improvements.

Increasing diversity: Georgia has long had one of the largest African American populations, and the Hispanic population is growing quickly. Projections indicate that Georgia will become a majority-minority state soon after 2030. With population growth that is 23% faster than that of the nation, Georgia sees a larger and more diverse college-going population year by year. As such, it increasingly relies on more fully engaging underserved populations to meet its attainment needs.

A focus on workforce education: Georgia's public technical college system, unique among states in its scope, features 22 institutions across 85 campuses. The Technical College System of Georgia (TCSG), a state agency reporting to the governor, oversees these accessible and affordable institutions. While students may earn a quality workforce credential, for many who wish to continue their education, technical college is a dead end. There is little collaboration with the University System of Georgia (USG) campuses, leaving students few opportunities to transfer credits from certificate programs to associate programs.

Long-standing merit aid: For a quarter century, the lottery-funded HOPE Scholarship has rewarded the highest-performing high school graduates with significant aid for in-state tuition. It has provided scholarship dollars to attract Georgia residents to Georgia institutions. It has also created a generous flow of funds from scholarship holders to the most selective Georgia institutions. But the HOPE Scholarship has not addressed the nagging problems of college affordability for many other college-eligible students. In contrast, the Georgia HOPE Grant program for students attending technical colleges has broadened access and affordability for Georgia residents.

Successes

In many areas of **K–12 education and college readiness**, Georgia has improved, although achievement gaps linger. From 2001 to 2015, the high school graduation rate improved from 67% to 79%, nearly catching up to the national average. But these gains are not an indicator of whether students are academically prepared for college. The state lacks a strong state policy agenda addressing college readiness that would increase student chances for academic success in Georgia’s colleges and universities. Additionally, racial and ethnic gaps in high school graduation rates persist, as white students’ rates exceed those of African American and Hispanic students by 8% and 11%, respectively.

Research at Georgia universities is strong, with three institutions ranking in the top 60 nationally for research. The Georgia Research Alliance, a small and well-regulated consortium of universities and government officials, links research at member universities to Georgia’s economy and reduces mission-creep among institutions.

College student retention is on par with regional retention rates, and the transfer of students from associate degree programs to bachelor degree programs is third highest in the nation. However, given the state’s low college participation rates and its merit aid system that primarily promotes the enrollment of those best equipped for college, it is unclear if these levels would persist under higher participation rates and a more diverse population of students.

Challenges

Georgia lacks a sustained statewide policy agenda. The governor wields significant power in higher education policymaking, in part due to short legislative sessions and a University System that is constitutionally autonomous. The state has no single bipartisan entity charged with developing and sustaining a statewide policy agenda for educational attainment. The governor has a great deal of flexibility to enact his or her vision for higher education, but the concerns laid out in this report are too important to rest so heavily on one elected official.

Georgia’s attainment rate remains well below economic requirements for the future. As of 2016, 48% of residents held a high-quality credential (including workforce certificates), compared to the need for 60% by 2025. While attainment rates among racial and ethnic minorities have slowly improved, gaps persist between whites, African Americans, and Hispanics. Furthermore, the educational attainment of low-income Georgians has declined since 2015.

Georgia’s college participation rates must be improved. Georgia’s college participation rates are the 45th worst in the nation, with less than a third (31%) of 18- to 24-year-olds enrolled in college. Among working-age adults without a college degree, 5.8% are enrolled in college, compared to 7% nationally.

College completion rates must be improved. The six-year completion rate of 39.7% for students at public four-year institutions marks a troubling 10% decline since 2006 and leaves the state with the 47th worst rate in the nation. The three-year completion rate of 26.2% at public two-year institutions is 20th in the nation but could still be improved. The six-year completion rate at private not-for-profit institutions is 58.8%, which is higher than in other sectors, but still below the national average.¹

Decreasing affordability, especially at four-year universities for families with the lowest incomes. In 2008, families contributed about 20% of the total of state and tuition revenue. In 2017, their contribution rose to 37%, indicating that the cost burden borne by families has nearly doubled since the recession. In particular, public four-year programs are not accessible across the income spectrum: for families making less than \$30,000 per year, total educational costs after aid amount to 67% of their annual family income.

In the public system there is too little accountability. The USG operates independently, governed by its Board of Regents, whose members are appointed by the governor. This constitutionally autonomous body has broad-ranging authority: in the past decade, the USG has consolidated more than a dozen campuses, often giving little notice to campuses and only scant evidence of cost savings or improved performance. Similarly, the USG distributes funds to campuses in an opaque process, whereas TCSG funding can be accurately tracked.²

A lack of aid for low-income families allows the affordability crisis to persist. Georgia has consistently ranked lowest among the states for need-based aid, but the Georgia Student Finance Commission (GSFC) has led some recent policy innovations that have yet to be fully scaled. They include the need-and-merit-based REACH Scholarship and low-interest Student Access Loans. Both are limited in scope and prioritize high-achieving students over college-ready average-performing students. As such, these programs do not diminish the need for assistance among many low-income families.

Recommendations

Enact policies that prioritize significant improvement in educational attainment.

As this study shows, Georgia has to make up significant ground in attainment if it will have a competitive workforce. While Georgia has endorsed higher educational attainment goals, it has not put in place the policies that would lead to significantly higher levels of educational attainment. These policies would specifically focus on reducing disparities in enrollment and completion between white Georgians and African American and Hispanic Georgians as well as those from low-income families. Complete College Georgia has not developed the political and institutional consensus needed for statewide action.

The state can start by innovating policy to improve the high school graduation rates of African American and Hispanic Georgians. Next, the state can look to replicate Georgia State University's success in the areas of African American and Hispanic enrollment and completion at other institutions. Additionally, Georgia should explore policies to improve educational outcomes for low-income Georgians, who are increasingly locked out of postsecondary options as college becomes less affordable in nearly all sectors.

¹ This section was changed on 11/12/18 to include updated data and additional context.

² This section was changed on 11/12/18 to remove a statement about the regulation of for-profit institutions in Georgia.

Create a statewide entity to link the disparate actors in Georgia higher education and involve other important stakeholders.

Various states, such as Tennessee and Virginia, benefit from an independent state commission charged with facilitating postsecondary opportunity for all residents. Such a commission in Georgia could broaden the consensus (among government leaders, the public, institutions, and the business community) on improving educational attainment, develop statewide plans for the future, use data to demonstrate accountability toward statewide goals, and independently recommend funding and accountability policies for the state and institutions. The commission would link the disparate parts of the higher education system and establish a partnership with K–12 institutions focusing on college readiness.

This commission could benefit Georgia by advising the development of a robust need-based aid program, leveraging resources to reduce achievement gaps, and helping expand student tracking infrastructure to improve college completion. Evidence from the past seven years suggests that Complete College Georgia has not filled this necessary niche. The Governor’s Alliance of Education Agency Heads (AEAH), a gubernatorial initiative, has played an important role in Georgia, but there is little guarantee that this initiative will be sustained with new leadership in the governor’s mansion.

Advance strong public policies in the areas of education finance, regulation, and accountability.

The public finance of higher education in Georgia is not transparent. In order to reach state attainment goals, funding policies for students and colleges and universities must be consistent with reaching higher levels of educational attainment. The institutions that educate most Georgians should be supported in improving their outcomes. Georgia has well developed state data systems, but the translation of this data into information for different stakeholders should happen on a regular basis. The accountability systems must align with the educational attainment goals. Finally, Georgia should have sensible regulation that permits the ease of student transfer from one sector to another.

Conclusion

The coming years may signal a change for Georgia, not only in its leadership but also in its direction for higher education. We hope that Georgia will unify state higher education policy under strong, stable state policy leadership, while committing to a policy agenda that is bipartisan and resilient to changes in the governor’s mansion. We expect that, if the state is to reach the attainment it needs, it must confront the growing college affordability problem. State leadership during the past fiscal crisis made it *more difficult* for the families that needed financial aid the most. Achieving higher educational attainment will not merely be a matter of expanding need-based aid—although this is a necessary step—but also will require re-envisioning what higher education in Georgia is and who it serves.