



**Higher Education Finance in the
Post-COVID Era:
Investing to Drive Economic
Growth**

MHEC/Lumina Strategy Labs
Virtual Learning Opportunity
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STRATEGY LABS

State Policy to Increase Higher Education Attainment



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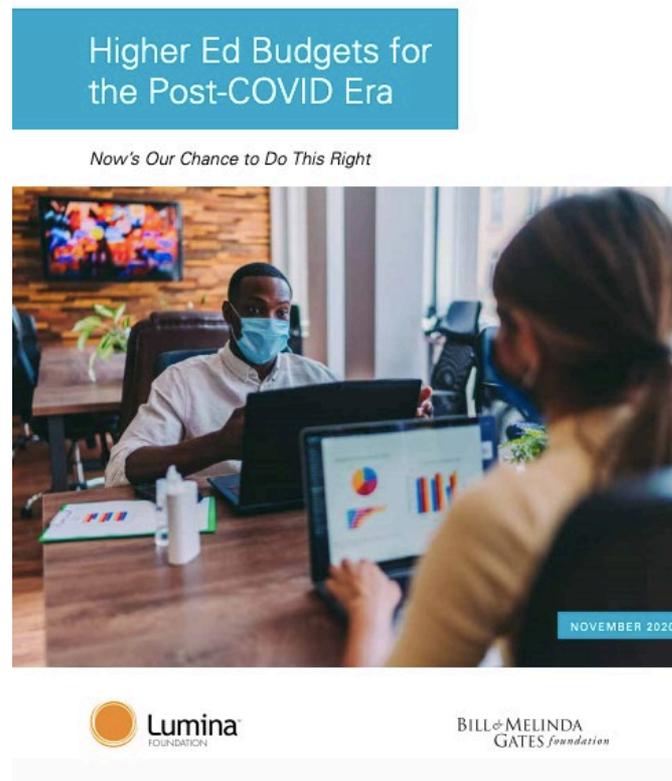
How can states best navigate the interrelated conditions of COVID-19 and the historical and structural roots of inequities within higher education?

How can states target postsecondary investments effectively to ensure more sustained and equitable recovery?

Higher Ed Budgets for the Post-COVID Era

Five Principles for Strategic Postsecondary Budget Decisions

1. Prioritize funding for institutions that can best serve Black, Hispanic, Native American, and low-income students and those institutions that provide timely opportunities for unemployed or underemployed individuals to reskill.
2. Protect and expand need-based financial aid through increased or reallocated investment.
3. Support programs and strategies that advance students' ability to complete credentials.
4. Expand resources and invest differently to drive economic growth.
5. Evaluate and improve system and institutional cost structures.



Source: [Higher Ed Budgets for the Post-COVID Era](#)

Principle 4: Expand resources and invest differently to drive economic growth.



Evaluate and align non-traditional non-core postsecondary resources and investments that support education and training.



Develop a comprehensive and coordinated view of postsecondary providers and resources.



Connect and leverage state dollars with federal funds to increase affordable access for students and align resources for institutions.



Consider innovative revenue strategies that can be used to pay for postsecondary education or workforce training, now and over the long term.



Foster public-private partnerships that engage employers as partners in workforce training.

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Federal Relief Resources

	CARES	CRRSA	ARP
State	\$139 Billion	N/A	\$220 Billion
HEERF	\$14 Billion 50% for emergency aid	\$21.2 Billion ~50% for emergency aid	\$40 Billion 50% for emergency aid
ESSER	\$13.2 Billion	\$54.3 Billion	\$122.7 Billion
GEER	\$3 Billion	\$4 Billion	N/A

State Efforts

- As the first round of federal relief resources were disbursed, we saw examples of states being strategic in how they invested and leveraged those dollars.
- Example efforts include:
 - Tuition assistance
 - Job training
 - Data infrastructure modernization
 - Public-private partnerships



North Carolina is providing tuition assistance to students in short-term training programs in high-demand fields.

- 30% of North Carolina adults who planned to take college classes in 2020 canceled their plans, with half saying it was because of income changes
- North Carolina is headed for a 300,000 shortfall in the number of adults with a postsecondary credential by 2030
- \$15 million of GEER dollars allocated to the NC Community College System to provide tuition assistance to students enrolled in short-term workforce training programs leading to a state or industry-recognized credential in a high-demand field
 - \$14.5 million for scholarships (automotive, aircraft maintenance, construction, criminal justice, EMS, healthcare, manufacturing, IT, transportation, fire and rescue services)
 - \$500,000 for marketing and communications

Source: [EdNC](#)

Missouri launched *Return Strong*, an initiative aimed at helping the state's residents reskill and upskill.

- \$8.7 million of state CARES funding and \$1 million of GEER funding allocated to the *Return Strong* initiative
- Training vouchers for healthcare, automotive, manufacturing, IT, truck driving, and welding programs
- Residents can access short-term training programs at certain institutions of higher education in the state and can be connected to other training opportunities through *Coursera*, *CompTIA*, and the state's *Apprentice Connect* portal
- Residents can also attend virtual job fairs and receive assistance and information related to unemployment benefits

Source: [Return Strong](#)

Texas is investing in data infrastructure modernization to equip internal and external stakeholders with actionable insights and data for decision-making purposes.

- \$15 million of GEER funding allocated to strategic education and workforce infrastructure to:
 - Provide timely, actionable intelligence to students, institutions, employers, and policymakers
 - Scale and expand existing technologies and tools that support college and career advising
 - Help students stay on track to earn high-value credentials

Source: [THECB](#)

Rhode Island launched *Back to Work RI*, a public-private partnership to train, support, and hire residents displaced by COVID-19.

- \$45 million of state CARES funding
- Public-private partnership with employers who pledge to open work opportunities and engages them in identifying their talent needs using a skills-based approach
 - Amgen, Bank of American, Care New England, CVS, Microsoft, Raytheon Technologies, Rhode Island Nursery and Landscape Association, Salesforce, Twitter
- Participants work closely with a career coach who provides personalized counseling to navigate the program and receive specialized, accelerated training programs
- Wrap-around services, including language support, financial coaching, childcare, transportation assistance, and access to technology are available

Source: [Back to Work RI](#)

After a year of incredible challenges, these federal relief dollars present a unique and historic opportunity for states to make significant and strategic investments that have a positive impact on postsecondary opportunity and equity.

Thank You

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