



UNIVERSITY
of HAWAII®
SYSTEM

David Lassner
President

DEPT. COMM. NO. 145

December 20, 2017

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Twenty-Ninth State Legislature
Honolulu, Hawai'i 96813

The Honorable Scott Saiki, Speaker
and Members of the House of Representatives
Twenty-Ninth State Legislature
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, the University of Hawai'i is transmitting one copy of the Annual Report on the University of Hawai'i's Continued Participation in the Western Interstate Commission for Higher Education (Section 304A-3205, Hawai'i Revised Statutes) as requested by the Legislature.

In accordance with Section 93-16, Hawai'i Revised Statutes, this report may be viewed electronically at: <http://www.hawaii.edu/offices/government-relations/2018-legislative-reports/>.

Should you have any questions about this report, please do not hesitate to contact Stephanie Kim at 956-4250, or via e-mail at scskim@hawaii.edu.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Lassner".

David Lassner
President

Enclosure

2444 Dole Street, Bachman Hall
Honolulu, Hawai'i 96822
Telephone: (808) 956-8207
Fax: (808) 956-5286

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UNIVERSITY OF HAWAI‘I SYSTEM ANNUAL REPORT



REPORT TO THE 2018 LEGISLATURE

Annual Report on the University of Hawai'i's Continued Participation in the
Western Interstate Commission for Higher Education

HRS 304A-3205

December 2017

Annual Report to the 2018 Hawai'i Legislature on
the University of Hawai'i's Continued Participation in the
Western Interstate Commission For Higher Education
HRS 304A-3205

History and Membership

The **Western Interstate Commission for Higher Education (WICHE)** was created in the 1950s by the Western Regional Education Compact to facilitate resource sharing among the higher education systems of the West. The WICHE Commission's 17 members include representatives from 15 Western states – Alaska, Arizona, California, Colorado, Hawai'i, Idaho, Montana, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming – and the U.S. Pacific territories and freely associated states (Guam and the Commonwealth of the Northern Mariana Islands). Members work collaboratively to provide educational access and excellence for all citizens. WICHE and its staff are headquartered in Boulder, CO, and operate out of the State Higher Education Policy Center, which WICHE owns with the State Higher Education Executive Officers Association and the National Center for Higher Education Management Systems. Hawai'i joined in June 1959.

Governance

The WICHE Commission, with three commissioners from each state, molds the organization's mission and sets its priorities. Each Commissioner is appointed by the Governor and serves a four-year term. Hawai'i's commissioners are Carol Mon Lee, attorney, retired associate dean, University of Hawai'i Richardson School of Law and former member, Hawai'i State Board of Education, Honolulu; David Lassner, president, University of Hawai'i; and Colleen Sathre, Vice President Emeritus, University of Hawai'i. WICHE also seeks assistance and advice from policymakers, educators, administrators and legislators. WICHE's Legislative Advisory Committee (LAC), composed of legislator-members from each state – including Representative Angus McKelvey and Senator Kaiali'i Kahele – has been crucial in this regard. The LAC works to keep the commission's Executive Committee and staff current on significant legislative issues related to higher education, provides input on WICHE initiatives, and advises staff on a host of issues. WICHE staff also serves the LAC, by informing its members about emerging policy issues in the West. WICHE Hawaii is assigned for administrative purposes to the University of Hawaii.

WICHE's Added Value

Hawai'i gains added value from WICHE's programs in policy, workforce development, technology, mental health, and other areas.

Policy and Workforce Development

WICHE's 9th edition of *Knocking at the College Door* high school graduate projections, released in December 2016 (and updated in September 2017 with additional data),

describes how the nation and many states have entered a decade of stabilization in the number of high school graduates through about 2025 - with substantial contraction in the number of White high school graduates and rapid increases of non-White populations - before entering a period of fewer high school graduates related to a recent “baby bust.” The WICHE region will generally track the national trend, but less so based on trends with White youth and more due to a projected 20 percent increase of Hispanic high school graduates through 2024 and then decrease by about the same amount between 2025 and 2032.

There is an abundance of information on www.knocking.wiche.edu including the publication and other reports, projections data, interactive data dashboards, recorded webinars and presentations, and Hawai‘i’s state profile, which indicates that:

- Hawai‘i is projected to produce 14,600 high school graduates per year, on average, between school years 2012 and 2032. Hawai‘i will produce about 12% more high school graduates by 2026, before they decline in number about 5% by 2032.
- The number of Hispanic public high school graduates in Hawai‘i is projected to more than triple, from about 500 in 2012 to 1,900 in 2032. White and Asian/Pacific Islander graduates will be relatively steady in number throughout the projected years, with minor increases out through 2026.

Hawai‘i has participated in projects supporting better-informed decision-making at the state level. WICHE initiatives have been sponsored by the Bill & Melinda Gates Foundation, Lumina Foundation, Carnegie Corporation of New York, Helmsley Charitable Trusts, the Ford Foundation, the U.S. Department of Education, and others. In addition, WICHE policy experts often visit the state to present or consult on a number of vital issues, including the state’s workforce needs and balancing the financial aid portfolio between grants, loans, and scholarships, as well as between merit- and need-based aid.

Hawai‘i was one of four original states chosen to participate in the Gates-funded Facilitating Development of a Multistate Longitudinal Data Exchange pilot project (the others were Idaho, Oregon, and Washington). The project attempts to enable a more comprehensive regional view of the creation of human capital and its flow among multiple states by exchanging data across K-12 education, postsecondary education, and the workforce. Hawai‘i is receiving customized technical assistance, including a Hawai‘i-specific report, to aid the state in its examination of the data governance in place for each of those sectors, how data governance might be improved, and how the state can advance its efforts in developing its statewide longitudinal data system to meet state needs and fulfill commitments it made to the federal government as part of its successful Race to the Top application. The success of that pilot led Gates to fund a second phase in which the MLDE project will expand to other states.

In FY 2017 and continuing into FY 2018, WICHE conducted an analysis of University of Hawai'i graduates who work in other states, and an analysis of Hawai'i high school students who go to universities in other states and their work patterns.

Regional Academic Leadership Initiatives

The University of Hawai'i System and University of Hawai'i-West O'ahu are members of the Western Academic Leadership Forum. Their official representatives are the chief academic leaders of the four-year institutions and their related system and state agencies, who address regional higher education issues and engage in resource sharing. The Western Alliance for Community College Academic Leaders brings academic leaders of community colleges and technical schools and systems together with state governing and coordinating boards associated with two-year institutions to exchange ideas and information, share resources and expertise, and collaborate on regional initiatives. Hawai'i Community College, Honolulu Community College, Kapi'olani Community College, Kaua'i Community College, Leeward Community College, University of Hawai'i Maui College, University of Hawai'i System, and Windward Community College are members.

Technology

Several Hawai'i colleges and universities are active participants in the **WICHE Cooperative for Educational Technologies (WCET)**, the leader in the practice, policy, and advocacy of technology-enhanced learning in higher education. WCET is widely recognized as an informative, reliable, and forward-thinking organization regarding the role of technology and innovation in higher education, and includes more than 350 institutions, state and systemwide higher education agencies, nonprofit organizations, government agencies, and corporations in nearly all U.S. states and many Canadian provinces. WCET members have access to trusted information on emerging trends, policies, and exemplars of successful learning technology innovation in practice. Key WCET activities include an annual meeting, leadership summits, national webcasts, the popular *Frontiers* blog, issue briefs, and email list-based discussions among members. Major topics of interest to the WCET membership include student and faculty success, the Internet of Things, managing e-learning, emerging technologies, broadband and learning innovation, and evolving policy issues.

In 2016, the University of Hawai'i System won the WCET Outstanding Work (WOW) Award which recognizes effective and innovative uses of technology to address specific needs in higher education for their initiative: Scaling Integration of Data Analytics and Tools to Transform Decision-Making for Student Success.

Mental Health

WICHE has been very active in Hawai'i, focusing on issues of behavioral health workforce development and providing technical assistance to state agencies involved in behavioral health services.

- The Mental Health Program continues to assist the state of Hawai'i in the development and operation of an ultimately accredited psychology internship consortium. A primary goal of the internship program is the establishment of a pipeline to build Hawai'i's behavioral health workforce. Three Hawai'i state agencies – the Department of Education, Department of Health, and Department of Public Safety – provide funding to support WICHE's ongoing development and operations of the Hawai'i Internship Program.
- The Hawai'i Department of Education contracts with WICHE to provide marketing, recruitment, screening, and referral services for behavioral health professionals to fill public school vacancies across the Hawai'ian Islands.
- The Mental Health Program is currently conducting a study of the Children's and Adolescent Mental Health Division's quality and performance improvement program and processes.
- The Hawai'i Early Intervention Services (EIS) program contracted with WICHE to conduct an independent rate study to obtain comparative data about reimbursement rates and salaries paid by other states providing early intervention services. EIS contract service providers have experienced lengthy vacancies and gaps in service provisions which the providers and EIS believe may be due to State or Hawai'i salaries being low in comparison to salaries paid by other Hawai'i providers for similar services.

State Authorization Reciprocity Agreement (SARA)

SARA is a voluntary, nationwide initiative of states that makes distance education courses more accessible to students across state lines and makes it easier for states to regulate and institutions to participate in interstate distance education. The effort initially was funded by \$3.2 million in grants from Lumina Foundation and the Bill & Melinda Gates Foundation, and is now supported by fees paid by institutions. The initiative is administered by the country's four regional higher education compacts – the Midwestern Higher Education Compact (MHEC), the New England Board of Higher Education (NEBHE), the Southern Regional Education Board (SREB) and the Western Interstate Commission for Higher Education (WICHE) – and overseen by The National Council for State Authorization Reciprocity Agreements (NC-SARA). States and institutions that choose to participate agree to operate under common standards and procedures, providing a more uniform and less costly regulatory environment for institutions, more focused oversight responsibilities for states and better resolution of student complaints. Hawai'i is among the WICHE states that are members of W-SARA in this reciprocal relationship.

Programs and Participation

Hawai'i is active in all three WICHE **Student Exchange Programs**: the Western Undergraduate Exchange, the Professional Student Exchange Program, and the Western Regional Graduate Program. In 2016-17 Hawai'i's students and families

saved **\$21.1 million** in tuition. Hawai'i saved money, too, through not having to establish and maintain costly programs in a number of areas, including some in healthcare.

Professional Student Exchange Program

Hawai'i has sent **1,294 students** to professional programs through the Professional Student Exchange Program (PSEP), with students studying in a host of critical fields, including dentistry, occupational therapy, optometry, physical therapy, and veterinary medicine. Historically, some 67 percent of PSEP students return to Hawai'i to pursue their professional careers. In addition, in 2016-17 the state received one student and \$32,650 in support fees from another Western state.

Table 1. Professional Student Exchange Program Use

Professional Field	2016-2017			2015-2016			2014-2015		
	Support Fee per Student	# of Students	Total Paid	Support Fee per Student	# of Students	Total Paid	Support Fee per Student	# of Students	Total Paid
Dentistry	\$25,750*	7	\$ 180,250	\$24,850 - \$33,133*	8	\$207,083	\$24,400 - \$32,533*	8	\$203,333
Occupational Therapy	\$13,475 - \$22,458*	2	\$ 35,933	\$13,050 - \$21,750*	3	\$ 47,850	\$12,800 - \$21,333*	3	\$ 55,466
Optometry	\$17,725*	11	\$194,975	\$17,100*	14	\$239,400	\$16,800*	15	\$252,000
Pharmacy	Support discontinued			Support discontinued			\$ 7,400*	1	\$ 7,400
Physical Therapy	\$14,825*	12	\$177,900	\$14,300*	14	\$200,200	\$14,055*	14	\$196,770
Veterinary Med	\$32,400*	10	\$356,400	\$31,900*	9	\$287,100	\$31,300*	11	\$306,845
TOTAL		42	\$ 945,458		48	\$ 981,633		52	\$1,021,814

* Support fee for certain fields vary depending on the academic curriculum.

Western Regional Graduate Program.

Hawai'i's postgraduates also participate in graduate programs through the Western Regional Graduate Program (WRGP), which offers access to some 450 high-quality, distinctive programs at 61 institutions in all WICHE states. WRGP programs run the gamut, but emerging social, environmental, and resource-management fields are particular strengths, as are innovative interdisciplinary programs. In 2016-17 Hawai'i sent 31 students to out-of-state institutions, while receiving 37.

Table 2. Western Regional Graduate Program Use

Academic Year	Hawai'i Graduate Students Out-Bound to Continent	US Continent Students In-Bound to Hawai'i
2016-2017	31	37
2015-2016	21	37
2014-2015	19	39
TOTAL	71	113

Western Undergraduate Exchange

Hawai'i students have enrolled in undergraduate programs on the mainland through the Western Undergraduate Exchange (WUE) since 1988. In 2016-17, 2,205 students from Hawai'i are enrolled in out-of-state programs at reduced rates (150 percent of resident tuition), saving \$19.8 million in tuition and fees – the average student savings amounted to \$8,986. In the last 10 years, students have saved **\$138 million**.

Hawai'i benefits from WUE in another way: by receiving students from out of state. Hawai'i's institutions can choose how many out-of-state slots to offer and in which areas, allowing them to make the best use of their resources by accepting students in underenrolled programs. There's a workforce benefit for the state, too, as students often stay in Hawai'i after graduating. In 2016-17 Hawai'i received 2,507 students through WUE.

Table 3. Western Undergraduate Exchange Program Use

Academic Year	Hawai'i Students Out-Bound to Continental US	Total Savings in Tuition & Fees	Average Savings in Tuition & Fees	US Continental Students In-Bound to Hawai'i
2016-2017	2,205 students	\$19.5 million	\$ 8,986	2,507 students
2015-2016	1,861 students	\$16 million	\$ 8,605	2,672 students
2014-2015	1,788 students	\$14.9 million	\$ 8,341	2,574 students
TOTAL	5,854 students	\$50.4 million		7,753 students

Summary

Since 1959, Hawai'i has been a member of the Western Interstate Commission for Higher Education. WICHE membership has many benefits for our state, institutions and residents. Our state policy makers and institutions benefit from WICHE initiatives and regional collaboration. Hawai'i has received funding to participate in numerous WICHE projects. Our residents are our real beneficiaries; students benefit from affordable access to higher education through WICHE's three Student Exchange Programs. In 2016-17 Hawai'i, its institutions, and its students saved or brought in some **\$21.2 million** through WICHE and spent \$145,000 for membership in the commission. In addition, the State also saves money by not incurring start-up or maintenance costs for programs that are already accessible to our residents through the exchange programs. Therefore, WICHE-Hawaii'i respectfully requests the legislature's continued support and participation in the WICHE programs. The WICHE-Hawai'i's projected budget request for the 2018-19 academic year is for \$1,162,566 which includes estimated expenses for 1) Professional Student Exchange Program (PSEP) "support fees", 2) annual WICHE state dues, and 3) WICHE-Hawai'i operating costs.