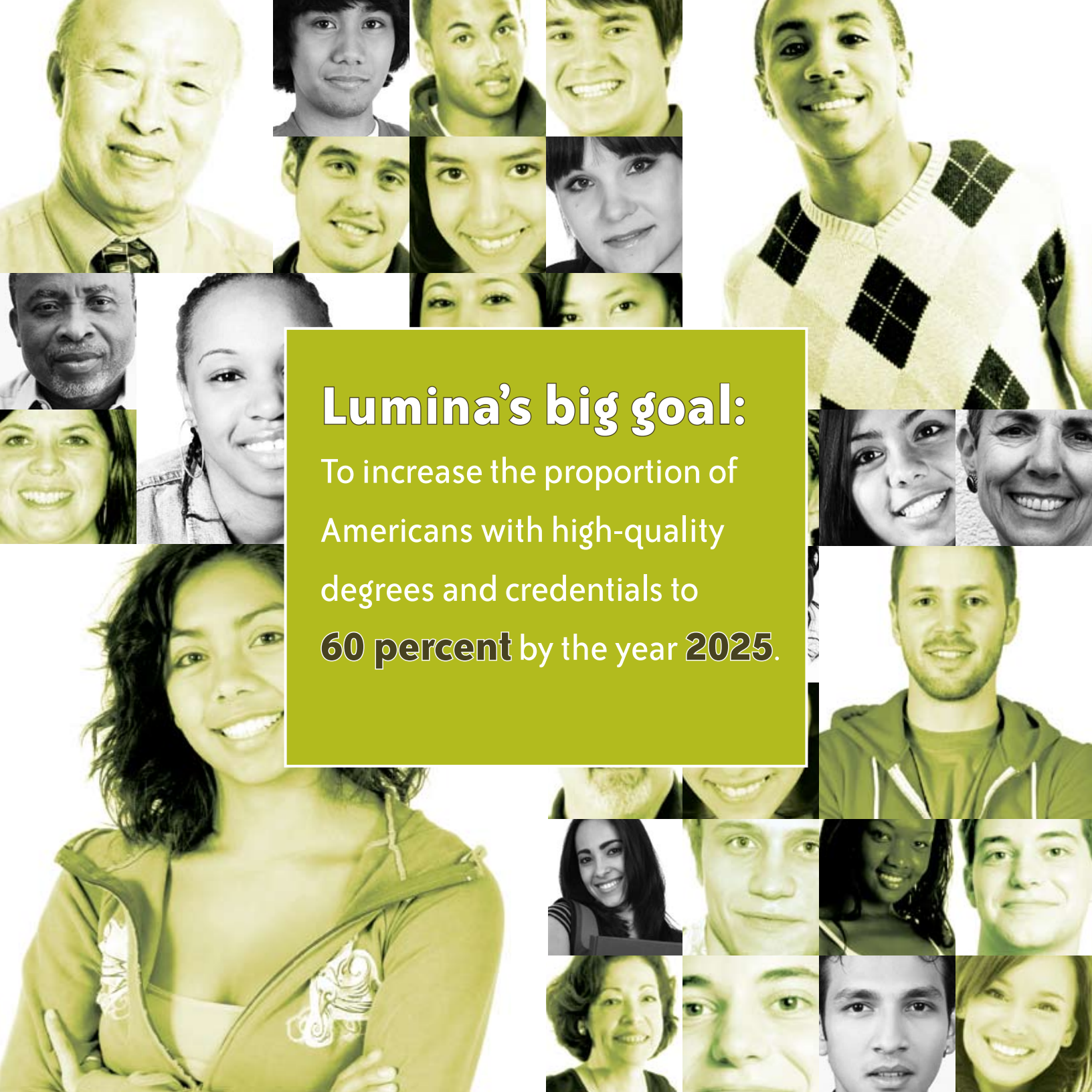


Lumina Foundation's
Strategic Plan





Lumina's big goal:

To increase the proportion of
Americans with high-quality
degrees and credentials to
60 percent by the year **2025**.

LUMINA'S STRATEGIC DIRECTION

Lumina's Mission and Goal: The mission of Lumina Foundation for Education is to expand access and success in education beyond high school, particularly among adults, first-generation college-going students, low-income students and students of color. This mission is directed toward a single, overarching “big goal” —to increase the percentage of Americans with high-quality degrees and credentials¹ from the longstanding rate of 39 percent to 60 percent by the year 2025.

The goal is a national priority because:

Higher education² is a prerequisite to success in a knowledge-based society and economy.

The social and economic opportunities facing our country can best be addressed by educating many more people beyond high school. As we attain the goal, we improve the economy, strengthen civic engagement and reduce the costs of crime, poverty and health care and, in short, improve the human condition.

Higher education attainment rates among adults, first-generation college-going students, low-income students and students of color are significantly lower than those of other students. This gap has endured for decades and is now widening. This attainment gap is alarming given the country's demographic trends.

Three critical outcomes lead to achievement of the big goal:

1. Students are prepared academically, financially and socially for success in education beyond high school.
2. Higher education completion rates are improved significantly.
3. Higher education productivity is increased to expand capacity and serve more students.

Measuring Progress

Each critical outcome depends on the achievement of at least one intermediate outcome, described in greater detail on the following pages. By 2013, the Foundation expects to demonstrate progress on its intermediate outcomes. This progress will come as a result of successful execution of the Foundation's strategies, planned over a four-year period—from 2009 through 2012. The Foundation will develop metrics for each outcome over the short, intermediate and long terms.

Lumina's Role

As the nation's largest private foundation focused exclusively on getting more Americans into and through higher education, Lumina has a unique leadership opportunity—and responsibility—to create a national sense of urgency so as to stimulate action in higher education and public policy to achieve the big goal. Lumina Foundation will be a catalyst in America's pursuit of the goal and the critical outcomes.

¹Lumina believes that high-quality postsecondary credentials are an essential element in meeting the educational needs of a knowledge economy. Lumina defines high-quality credentials as degrees and certificates that have well-defined and transparent learning outcomes which provide clear pathways to further education and employment.

²Lumina uses the terms “higher education” and “postsecondary education” interchangeably to refer to any education beyond high school that leads to quality degrees or credentials. The term “college” refers to colleges, universities and other providers of education beyond high school.



Lumina's big goal:

To increase the proportion of Americans with high-quality degrees and credentials to 60 percent by the year 2025

An audacious goal, but one that can and must be attained

The knowledge economy requires Americans to develop the skills that are demanded in a globally competitive environment. As a result, increasing higher education attainment is critical to the U.S. economy. The implications of this shift toward a more highly skilled workforce cannot be overstated. For generations, the American economy created large numbers of middle-class jobs that did not require high levels of skill or knowledge. Because of global competition, these jobs are rapidly disappearing. It is not that low-skill jobs do not exist in the U.S.; it is that the Americans who hold them are not likely to enter or remain in the middle class. They are not likely to have access to quality health care, save for retirement or assure their children access to higher education. In short, completing some form of higher education is now critical for reaching the middle class.

Lumina's big goal is based on the reality that our country faces social and economic opportunities that can best be addressed by educating many more people beyond high school. As a nation, this means we must continue to focus on approaches that make higher education more accessible and affordable for all. We also must ensure that all students who come to college graduate with meaningful, high-quality degrees and credentials that enable them to contribute to the workforce, improve society and provide for themselves and their families. Current economic conditions have only made this priority more clear and more urgent, both for short-term economic recovery and long-term economic success.

The American public has rapidly come to this same conclusion. Americans have always valued higher education and been aware that it delivers significant economic and social benefits. But they never really believed it was a necessity—until now. Fifty-five percent of Americans now believe that obtaining a college degree is the only way to succeed. As recently as 2000, only 30 percent of Americans believed that. Unfortunately, many in the education and policy worlds fail to understand what their constituencies see very clearly. Too often we continue to hear debates about who is or isn't "college material."

Evidence that we can do better comes from the fact that attainment rates are rising in almost every industrialized or post-industrial country in the world, except for the U.S. Today, roughly 39 percent of American adults hold a two- or four-year degree—a rate that has held remarkably steady for four decades. But in several other countries, more than half of young adults are degree holders. Even more disturbing for the U.S. is that attainment rates in these other countries continue to climb while ours remains stagnant.



We do not believe the U.S. needs to increase higher education attainment simply because of our ranking in international comparisons. However, it is vitally important that we be clear about what we know with certainty about higher education attainment. Higher education attainment in the U.S.—the percent of the American population with a postsecondary credential or degree—has remained flat for 40 years, in spite of the dramatic economic and social changes during that period. Meantime, higher education attainment in the rest of the world has increased—in some cases at dramatic rates. We believe this reflects a fundamental change in the role higher education plays in advanced economies—a change that the U.S. ignores at its peril.

There is clear evidence that rising attainment rates in other countries reflect genuine economic demand for a better-educated workforce. In 29 of the 30 member countries of the Organization for Economic Cooperation and Development (OECD), the gap in earnings between people who have completed some form of higher education and those who have not is widening, even though the proportion of college graduates in the workforce is increasing. If the economy were not demanding higher levels of skills and knowledge, this earnings gap would narrow as the supply of graduates increased; it's simple supply and demand. The widening earnings gap is evident in the U.S. as well. Since 1975, average annual earnings of high school dropouts and high school graduates fell in real terms (by 15 percent and 1 percent respectively), while those of college graduates rose by 19 percent. In other words, the economic benefits—both for individuals and the society—of completing higher education are growing.

We don't know precisely what percentage of jobs require higher education today, much less what that percentage will be in the future. Lumina is supporting research that is closing in on an answer, however, and we already know the number is considerably higher than the current supply of college graduates. Preliminary research shows that the rate of higher education attainment that the U.S. must reach is at least 60 percent. In addition to its economic benefits, higher education has proven lasting social impact. By increasing the attainment level to 60 percent, we can expect significant increases in volunteerism, voting, philanthropic giving and education levels for future generations as well as significant reductions in crime rates, poverty and health care costs.

Based on current estimates, to reach the 60 percent level by 2025, the U.S. higher education system must produce 23 million more college graduates than are expected at present rates of production. The actual size of the gap will shift annually as we make progress and new data become available. Obviously, we can't close this gap overnight. But, for example, if we can start to increase the rate of attainment each year and produce 150,000 more graduates than the year before—an annual increase of about 5 percent—we will reach the big goal by 2025.



Lumina's Outcomes and Strategies

To reach the big goal, the nation must produce three critical outcomes by 2025: Preparation, Success and Productivity. For each critical outcome, Lumina has identified several intermediate outcomes that are necessary preconditions as outlined in the following pages.

Critical Outcome 1: Preparation.

Students are prepared academically, financially and socially for success in education beyond high school.

3 critical outcomes

1
Preparation

Success

Productivity

Lumina’s commitment to the big goal requires a relentless focus on the critical outcomes, but it also mandates flexibility and adaptability regarding strategies. The Foundation has identified examples of work it believes will advance its strategies for reaching each critical outcome. While not a comprehensive list, these examples illustrate the Foundation’s current thinking. It is important to note that we will not invest equally in all of the outcomes. The actual work and level of investment will continue to be influenced by new information and changing circumstances. Details and illustrations of the critical outcomes, intermediate outcomes and examples of strategic work are provided in the next section.

<p>Critical Outcome 1</p> <p>Preparation</p> <p>Students are prepared academically, financially and socially for success in education beyond high school.</p>	<p>Intermediate Outcome</p> <p>States and institutions create and implement transparent higher education readiness standards aligned across K-12, adult learner and higher education systems.</p>	<p>Intermediate Outcome</p> <p>Students are supported to attend and succeed in college through expanded state- and community-based higher education outreach networks.</p>	<p>Intermediate Outcome</p> <p>Federal, state and institutional policies and practices ensure that no student is denied access to higher education because it is too expensive.</p>
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Far too many students are unprepared for education beyond high school. Given that many other foundations already invest in student preparation and that Lumina’s focus is on higher education, the Foundation’s strategies for preparation are focused on the areas in which Lumina is best positioned to make a difference. Lumina’s priority strategies will:

- Promote the alignment of K-12 and higher education systems.
- Expand national postsecondary access outreach and action campaigns.
- Support the expansion of sustainable, high-quality student service and advocacy networks.
- Advocate for policies and programs that support low-income students.
- Support research on innovative approaches to support low-income students, including state and federal tax- and asset-based programs.

In recent years, Lumina has focused on preparation primarily through the KnowHow2GO initiative, which has two components: a national outreach program and work to greatly expand the reach of state and local higher education access programs. Our partnership with the YMCA-USA will work to connect KnowHow2GO to the well-established financial aid outreach network of College Goal Sunday and expand the reach of both programs.

Examples of the prospective work the Foundation believes will advance its preparation strategies include:

- Advocate for states to align K-12 and higher education standards and assessments.
- Advocate for policy change that directs more state and institutional support to need-based financial aid programs.
- Support simplification of the financial aid application process.
- Advocate for progressive 529 savings plans.
- Support wide-scale implementation of successful strategies that bridge cultural and social gaps for underrepresented students.



Critical Outcome 2: Success.

Higher education attainment rates are improved significantly.

3 critical
outcomes

Preparation

Productivity

2
Success

<p>Critical Outcome 2</p> <p>Success</p> <p>Higher education attainment rates are improved significantly.</p>	<p>Intermediate Outcome</p> <p>Higher education uses proven strategies to move students to completion.</p>	<p>Intermediate Outcome</p> <p>Higher education uses quality data to improve student performance and inform policy and decision-making at all levels.</p>	<p>Intermediate Outcome</p> <p>Student learning outcomes are defined, measured and aligned with workforce needs.</p>
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Because of its focus on completion, the second high-level outcome is the most direct line to the big goal.

Just over half of beginning four-year students complete higher education with a degree or credential, and success rates are even lower for two-year students. Thus, the number of graduates in the United States could more than double if those who enroll actually graduate. **Lumina's priority strategies will:**

- Advocate for the redesign, rebranding and improvement of developmental education.
- Promote strategies that improve attainment of degrees and certificates, particularly by traditionally underrepresented students.
- Explore the development of alternative pathways and credentials.
- Implement stronger transfer and articulation systems that keep students moving toward completion of degrees and credentials.
- Advocate for the use of quality data in higher education, through universal nationally linked state student record data systems that follow students to the workforce, as well as data that facilitate alignment of higher education and the workforce.
- Define and measure student learning outcomes and align them with workforce needs.

Lumina's Achieving the Dream initiative incorporates these strategies. Lumina's focus on Achieving the Dream over the timeframe of the strategic plan will be to assure the long-term sustainability of the initiative, as well as to establish and implement a plan to make it a truly national program that improves student success in community colleges throughout the nation.

In addition to Achieving the Dream, the Foundation engages in work that focuses on success, including: supporting the Data Quality Campaign, Collegiate Learning Assessment and Voluntary System of Accountability; pilot testing approaches to encourage adults who have earned some college credit to return and complete higher education; and supporting research on aligning degrees with workforce demands.

Examples of the prospective work the Foundation believes will advance its success strategies include:

- Build public will to change the perception of the need for and value of developmental education.
- Support research and experimentation on new types of workforce-based credentials.
- Advocate for the creation of a national system of state student unit-record databases.
- Support exploratory work on recognizing prior learning so adult learners can earn degrees more quickly.
- Support research on international models, such as the Bologna Process, that may have the potential to significantly increase attainment in the United States.

Critical Outcome 3: Productivity

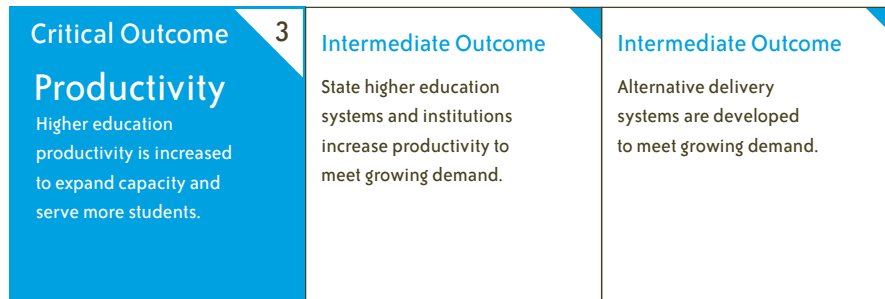
Higher education productivity is increased to expand capacity and serve more students.

3 critical
outcomes

Preparation

Success

3
Productivity



While improving preparation and completion are essential, [the third outcome needed to reach the big goal is to increase the capacity](#) of the higher education system to produce 23 million additional graduates. It is unlikely that the current system can be scaled up to meet this need and demand. [The Foundation's priority strategies will:](#)

- Pilot new approaches to define, measure and increase effectiveness and productivity in higher education.
- Share learning from pilots with states and higher education institutions to help promising approaches be adopted more quickly.
- Support creation or expansion of alternative delivery systems for higher education that incorporate new technologies, competency-based approaches and other innovations.

[The Foundation's effort to make higher education more productive is embodied in a multi-state grant initiative.](#)

In late 2009, seven states received productivity grants to effect policy changes over four years that can serve as examples to the nation that many more students can be educated within existing budgets while maintaining academic quality. In 2010, those states and others will be invited to join groups that collaborate across state lines on common challenges such as instituting funding reforms and removing regulatory barriers to better serving more students within their means. The Foundation's work in this area also includes supporting research on new higher education finance data systems and new models for delivery of higher education degrees and credentials.

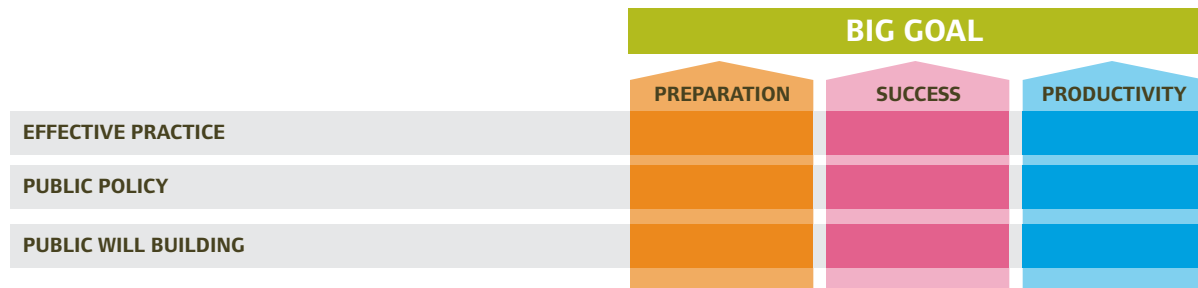
[Examples of the prospective work the Foundation believes will advance its productivity strategies include:](#)

- Advocate for states to implement new higher education funding formulas that improve productivity, including funding based on student progression and completion.
- Support research on technology-driven and competency-based programs, credits and degrees.
- Support exploratory work and research on approaches to expand capacity in higher education.
- Support exploratory work on the development and applicability of qualifications frameworks in U.S. higher education.
- Support research on new approaches to accelerated degree programs, and engage in policy advocacy for their implementation.

LUMINA'S CATALYTIC APPROACHES

Through the strategic planning process, the Foundation has identified three approaches to serving as a catalyst for the changes needed to achieve the big goal—**effective practice**, **public policy** and **public will building**.

Lumina will incorporate these catalytic approaches into the strategies the Foundation will pursue to produce the three critical outcomes of Preparation, Success and Productivity.



Implementation of the catalytic approaches relies on Lumina's use of the full range of tools at its disposal. **These tools include:**

- Collaboration and network building
- Communication
- Convening
- Evaluation
- Grantmaking
- Mission-related investments
- Research

Development of Effective Practice

Lumina has supported development of a wide range of effective practices related to its mission to increase college success among low-income students, first-generation college-going students, adult students and students of color. However, the Foundation's commitment to achieving the big goal demands a new, more rigorous, outcomes-based approach to development of effective practices—an approach that, from the outset, asks difficult questions about scalability and sustainability.

Work by Lumina and others has already identified a number of effective practices supporting the big goal and outcomes contained in this plan that can now be scaled and sustained. In many cases, implementation of these practices will require immediate efforts to build public and political will for policy change. In other areas, the outcome we need is clear, but the practices that will achieve an outcome are less clear. In those cases, Lumina will support the exploratory work needed to clearly define effective practices that will improve outcomes in preparation, success and productivity at the scale necessary to achieve the big goal. Such work might include: research and development, convenings of experts and practitioners, proof-of-concept and demonstration projects, and network building.

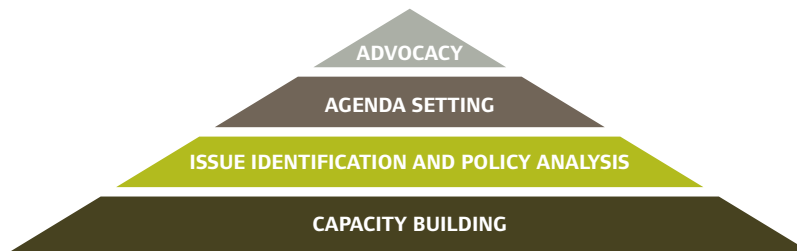
The Foundation's work to support effective practice is committed to developing scalable and sustainable practices that drive toward the big goal. Lumina's work is also committed to building a culture of evidence that informs our strategic approach to public policy and public will building.

Public Policy

Improving public policy for higher education is key to achieving the outcomes that will lead to the big goal. Public policy leverages resources—particularly state investments—to support more effective practice in higher education. Increasing college access and success to the levels demanded by the big goal will require a systematic response from the entire education system, including community colleges, four-year institutions, adult learning systems, K-12 systems, employer-based training systems and others. Only through policy can change at such a scale be realized. It is also true that, for much of Lumina’s work, the only way to build long-term sustainability is through policy.

The objective of the Foundation’s public policy work is to support policy changes that ensure a greater volume of high-quality degree completion nationwide. Lumina will advocate for the actions it believes are necessary for the nation to reach 60 percent degree attainment.

The Policy Pyramid



Lumina’s framework for developing effective public policy includes four types of engagement:

1. Build capacity in organizations and systems that provide information and advice to policymakers on higher education issues.
2. Identify the issues that need to be addressed and analyze policy that can build consensus on the needed changes.
3. Set the agenda for the change that needs to occur.
4. Advocate for the policies that need to be adopted to bring about the change.

To advance and support its work on public policy, Lumina will take these steps:

1. Annually release a Lumina Policy Agenda that defines the Foundation’s policy objectives and priorities at the state and federal levels.
2. Establish a more formal presence in policy discussions at the federal level, including the Department of Education, the White House, Congress and national policy analysis and advocacy organizations that focus on higher education and economic issues.
3. Support the expansion of capacity in organizations to engage policymakers to advance Lumina’s agenda.
4. Coordinate Lumina’s policy work with and across its initiatives, key partner organizations and other foundations.

Public Will Building

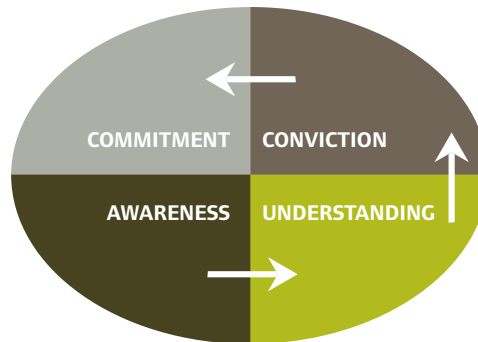
To reach the big goal, the Foundation needs to make the case for urgent action and promote attitudes and behavior that support student preparation, success and productivity in higher education. Although Lumina will address a wide range of publics, strategic efforts will be focused on specific target audiences, such as parents and students, policymakers and opinion leaders in business, media and other fields.

Lumina's public will building framework is based on four steps that identify communication goals for different target audiences and, where required, produce attitude and behavior changes required to reach the big goal.

These steps are:

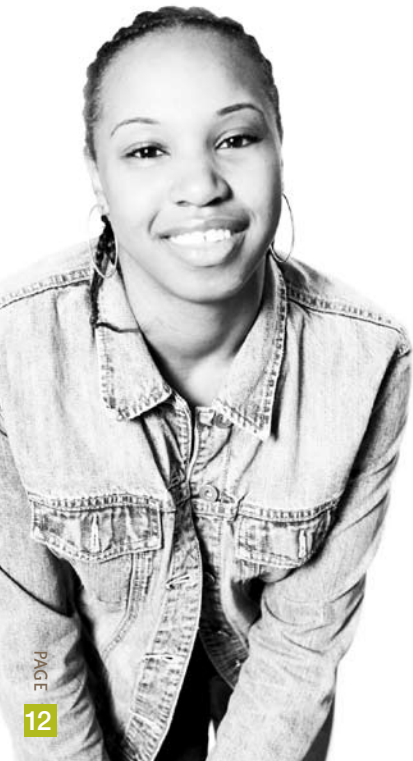
1. Frame the issue and make the case for change.
2. Identify players and influencers.
3. Determine the attitude and behavior changes required, and implement strategies that increase awareness, understanding and, where necessary, conviction and commitment to change, as illustrated by the chart below.
4. Plan, build alliances, assign resources and execute.

Public Will Building Model



To advance and support its work on public will building, Lumina will take these steps:

1. Develop, together with its partners, specific plans for each of the pressing public issues that will require attitude and behavior changes to reach the big goal.
2. Support the adoption and implementation of effective practice in higher education, aligned with the strategies outlined in this plan.
3. Coordinate the Foundation's public will building with public policy efforts.
4. Create dialogues among Lumina and its target audiences.
5. Create change by using best practices in public will building and communications (including use of mass media, electronic communication, publications, speaking engagements and convenings, among others.)



CONCLUSION

As the nation's largest private foundation focused exclusively on getting more Americans into and through higher education, Lumina has a unique leadership opportunity—and responsibility—to support the achievement of the big goal.

The Foundation acknowledges that increasing the proportion of Americans with high-quality postsecondary degrees and credentials to 60 percent by 2025 is an audacious goal. Still, our work and experience suggest that meeting this goal is essential to the nation's economic and social well-being, and that the goal is attainable if:

- Students are prepared academically, financially and socially for success in education beyond high school.
- Higher education completion rates improve significantly.
- Higher education productivity increases to expand capacity and serve more students.

Change of this magnitude will only be possible with the active engagement and support of many organizations and individuals. That is why Lumina Foundation is eager to partner with colleges and universities, state and federal governments, business and labor, peers in philanthropy, and others committed to making the promise of higher education a reality for millions more Americans.





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