

CCSNH Structural/Organizational and Funding Review



Prepared for the Community College System of New Hampshire
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Executive Summary

The Community College System of New Hampshire (CCSNH) contracted with the National Center for Higher Education Management Systems (NCHEMS) to examine and recommend possible structural reform options for the system to address the challenging demographic and financial conditions the system is facing. This study also takes place against a backdrop of calls from various political and educational leaders over the course of several years that CCSNH consolidate its seven separate institutions into one singly accredited entity, including the recently concluded Public Higher Education Task Force, or pursue some other type of structural reform to meet the future needs of New Hampshire and its students.

Through a thorough examination of context, detailed data analysis, conversations with a wide array of stakeholders, and comparisons with other systems and institutions, this report examines the evidence for strategic realignment, identifies the strengths and weaknesses associated with several possible options, and makes specific recommendations for CCSNH's path forward. The study builds on considerable efforts by the state and the system to address concerns over erosion in CCSNH's enrollment levels, coupled with a bleak demographic forecast, which together threaten its institutions' financial sustainability. Such efforts and this study are aimed at identifying how to best to leverage a greater level of coordination between CCSNH institutions to improve service and reduce barriers to students, effectively meet New Hampshire's evolving workforce needs, and create efficiencies that both ensure the system's financial sustainability and free up resources that can be re-invested in innovation and improvement. NCHEMS approached our analysis and recommendations from the perspective that the needs of students, employers, local communities, and the state must come first.

We find that structural reform is necessary based on existing trends and expected future changes in population, enrollment, finances, student mobility and outcomes, program availability, state workforce needs, and CCSNH's current organization and processes. More than that, we find that there is no time to waste in accelerating the effort to implement the necessary reforms. The path forward in the absence of change is unmistakably clear: the smaller, more rural institutions will become an increasing drain on the resources of the system as their enrollment continues to dwindle, leaving CCSNH and the state legislature to consider options that will have permanent detrimental effects on the affected communities. Even the larger institutions that may escape the most direct impacts of these intractable changes will not be immune from a fundamental requirement to make difficult and often painful changes to realign their programming to meet the shifting needs. A failure to act with urgency only prolongs the uncertainty and, with each passing month, reduces the strategic tools at the system's disposal. Instead, the state, its communities, and its students will reap the results of a crisis-driven triage approach that has little hope of yielding constructive results, but which will inevitably be disruptive and distracting from the system's proper mission. The only way to meet New Hampshire's future needs while maintaining or improving student access and outcomes is for the system to reform its organization and processes and realize improvements and efficiencies that come from increased collaboration.

Consistent with national trends, CCSNH enrollment has declined precipitously over the past decade. In New Hampshire as across the nation, direct-from-high-school college-going rates

have decreased over time. Combined with a projected future decrease in the number of high school graduates, an increase in the number of working-age adults, and an overall aging population, CCSNH will need to adapt to meet the needs of different student populations and changing communities. At the same time, New Hampshire's economy is growing, diverse and regionally varied. CCSNH will need to meet a large, heterogeneous, and growing demand for workers.

The system will no longer be able to rely on stable or growing enrollment among recent high school graduates, but it will need to figure out how to maintain access and opportunities for these students throughout the state. Anticipated declines in enrollment demand among this population may be partially offset if CCSNH can enroll more adults aged 25-44 years who are projected to increase in number, but the system and its institutions will need to adapt programs and delivery methods to align with this older population's different requirements and expectations for postsecondary education. To serve adult students, CCSNH institutions will have to offer more short-term programs that produce employer-recognized certifications and deliver them at times and with modalities that differ from those that have been designed to serve traditional students. They will also have to offer Prior Learning Assessment to many more students to assess appropriate placement in education programs and to award credit for learning acquired through work and life experiences.

CCSNH's colleges are among the smallest in the nation and some of the most tuition-dependent, which makes them financially vulnerable in these demographic conditions. In recent years, the system's financial health was buoyed by federal COVID-relief dollars that are no longer available. CCSNH also expects increased expenses for deferred maintenance and retiree health insurance, which will put additional pressure on its budget, as will any changes in federal funding that impact state spending practices, such as any federal retreat from funding its traditional share of Medicaid.

Beyond finances, there are also improvements to be made in student success. CCSNH's student retention, graduation, and success metrics are similar to those of peer institutions, yet around 40% of students at CCSNH have not graduated or transferred eight years after starting college. Students are not able to easily combine coursework from multiple institutions or to transfer credit between them, either within the CCSNH system or externally with USNH institutions. Recent efforts to address transfer to USNH may eventually show forward progress, although the lack of consistency in the curriculum across CCSNH complicates efforts to achieve smooth student pathways.

Drawing on the data analysis, stakeholder engagement activities, document review, and case studies of other efforts to consolidate or pursue single accreditation, this report reaches a clear conclusion: While significant structural reform is necessary, naming single accreditation as the end goal is not. Based on state statute, CCSNH already possesses the statutory authority it needs to implement reforms necessary to make the system operate more effectively and efficiently while improving students' access to programs and supporting student success. CCSNH's board policies, however, are less clear than the system's statutory authorities about its ability to execute the necessary changes. Yet its Board of Trustees at one time promulgated the policies that created this ambiguity, and it is well within the bounds of the Board's authority to adjust those policies as appropriate to meet the moment. Current accreditation requirements

based on individual institutions do not present an insurmountable barrier, as they do not specify *how* accreditation standards must be met—only that they must be met.

Furthermore, the changes that would be required to pursue and effectively implement single accreditation are similar to—and, in many cases, the same as—those that would result in a strong, collaborative system comprised of seven independently accredited institutions. These include a greater level of coordination/collaboration/consolidation of a number of back-end administrative functions, much more integrated faculty and curriculum across the system, and new ways to incentivize and realize the sharing of academic programs between institutions across the state. We provide a detailed vision for what changes the system should make, what pitfalls it should be careful to avoid, principles for decision-making, and a sequenced implementation timeline; we recommend that these reforms begin immediately. The system does not (yet) find itself in a crisis situation, which gives it room to act deliberately and strategically, but it must still do so with urgency.

Introduction

In April 2024, the Community College System of New Hampshire (CCSNH) contracted with the National Center for Higher Education Management Systems (NCHEMS) to conduct this study examining future structural options for CCSNH.

This study was preceded by a series of relevant political actions and endorsements. In February 2021, then-Governor Sununu endorsed, through his proposed budget, combining CCSNH with the University System of New Hampshire (USNH), which governs the state’s public four-year universities, into a single system governed by a single board of trustees.¹ The governor focused on the need to reduce expenses and create efficiencies in a time of declining enrollments and ease student mobility between institutions. The state legislature did not support the proposal, and it was not included in the budget that became law.

Nevertheless, the governor and others continued to argue that public higher education in New Hampshire needed some kind of structural reform. In October 2023, the governor created a task force charged with investigating “strategic alignment” between the two systems and devising a plan for improved educational access and attainment and enhanced regional growth and development while creating efficiencies that would reduce costs. The task force published its report in March 2024.² The report included a short-term recommendation that CCSNH explore unified accreditation across its member institutions, as well as a long-term recommendation that the state study the possibility of merging CCSNH with USNH, among other initiatives intended to improve efficiency and provide improved services to students.

In light of the task force’s work, but more importantly the enrollment, financial, student and workforce pressures that led to it, the CCSNH Board of Trustees voted in March 2024 to “implement administrative restructuring as deemed necessary to achieve more seamless student experiences and more consistent and efficient business practices” and endorsed the goal of single accreditation as a statewide institution.³

Recognizing that, despite the endorsements of the task force and the CCSNH Board of Trustees, the decision to pursue single accreditation should be made thoughtfully and in full view of available evidence and with support from an external party with deep relevant experience the governance and organization of postsecondary education structures, the board and system leadership determined that further study was necessary. Consequently, CCSNH tasked NCHEMS with conducting a comprehensive study of the matter leading to recommendations for a course of action for the system. CCSNH requested that NCHEMS identify the best option for structural change according to our research and best judgment, even if ultimately the recommendation did not point to single accreditation as the most appropriate solution. Notwithstanding the preceding calls for unifying CCSNH’s accreditation, CCSNH expected NCHEMS to consider

¹ <https://www.governor.nh.gov/sites/g/files/ehbemt336/files/documents/20210211-budget-address.pdf>

² <https://www.governor.nh.gov/sites/g/files/ehbemt336/files/inline-documents/sonh/public-higher-education-report-20240327.pdf>

³ <https://92896ea6.delivery.rocketcdn.me/wp-content/uploads/2024/07/BOT-Minutes-2024-MAR-21.pdf>

alternatives, recognizing that consolidating the seven institutions into a singly-accredited entity is just one option for structural reform, that its stakeholders had expressed concerns about unifying accreditation, and that many obstacles exist in successfully implementing such a significant change. Moreover, there was a sense that the accreditation status of the system and its institutions (so long as they are in fact accredited in some configuration) may not necessarily be related to many of the system's goals for reform. Therefore, instead of charting a path towards a pre-determined outcome, this study instead starts with those goals, examines a variety of data and evidence, including stakeholder input and case studies of other instances where a group of institutions sought single accreditation, and then proceeds to options and recommendations.

CCSNH selected NCHEMS as its partner in examining these matters due to our track record of relevant experience. NCHEMS is a nonprofit postsecondary education research and advising organization that has experience conducting related studies and an earned reputation for rigorous and independent work. Since 1969, we have focused on using data and evidence to drive strategic decision-making in higher education. Of particular relevance to CCSNH, NCHEMS help steer the State of Vermont and the Vermont State College System toward a plan to integrate and seek single accreditation for three of its four institutions as a means of ensuring cost-effective access to postsecondary education for students in all parts of the state. NCHEMS also provided behind-the-scenes consultation to the Connecticut State Colleges and Universities on its substantive change application to NECHE as it sought to secure single accreditation for its 12 formerly independent community college campuses, although our involvement in Connecticut occurred only after (and had no influence on) the decision by CSCU to pursue single accreditation for what has become Connecticut State Community College. In 2017, NCHEMS conducted a study of the Pennsylvania State System for Higher Education (PASSHE) as it sought to identify strategic ways it could address its own growing financial and enrollment challenges and recover constructively from a strike by its union membership. These experiences, complemented by similar projects elsewhere in the country, put NCHEMS in a prime position to be helpful to CCSNH as it considers next steps.

Methodology

Underlying the selection of potential options for structural change for CCSNH was an extensive process of gathering and analyzing data, engaging with stakeholders, reviewing documents, and regularly communicating with CCSNH leadership. Shortly after receiving the contract, NCHEMS conducted a virtual meeting to launch the work with CCSNH leadership, during which we discussed the background for the project, addressed what data and other relevant information CCSNH would provide, and agreed to a preliminary timeline for the work to take place.

NCHEMS subsequently prepared an extensive data request to CCSNH, which was promptly fulfilled. The data gathered included detailed information on student enrollment — headcount and credit hours — at each CCSNH institution over multiple years, disaggregated along several dimensions of interest. It also included details on transfer, completion, and noncredit instruction. In addition to data on students and courses, CCSNH provided detailed financial data for the system and each institution over a number of years and current organizational charts for each institution and the System Office.

In addition, NCHEMS used publicly available data from the U.S. Census Bureau to describe characteristics of New Hampshire’s population, from New Hampshire state sources and the Western Interstate Commission for Higher Education (WICHE) to describe future projections of potential enrollment demand, and from the National Center for Education Statistics’ Integrated Postsecondary Education Data System (IPEDS) to identify and select a peer group for each of CCSNH’s institutions, as well as to identify other systems that resemble CCSNH along important dimensions. NCHEMS used these peer groups to compare finances, staffing, and student outcomes. More details concerning the methodology used for selecting these peers are available in the Appendix. Additionally, NCHEMS consulted proprietary data sources it maintains access to in order to gather information about New Hampshire residents’ interest in attending a community college and details about the kinds of job openings that will exist throughout the state.

Two teams of two NCHEMS staff members also traveled to New Hampshire, visiting each of CCSNH’s institutions (including both White Mountains locations) over a week in October. At each site, the NCHEMS team met with institutional leaders, faculty, staff, students, local community leaders and employers, and the college’s advisory council. The purpose of these meetings was to understand what makes each institution distinct and valuable to its surrounding community, how it was responding to the enrollment challenges it is facing, and how well its efforts to serve students and employers were dovetailing with those of other institutions in the system and the System Office. Before heading out to visit each of the institutions, one of the teams met with System Office leadership and staff, members of the Board of Trustees, several state legislators, and representatives from partner state agencies to gather their perspectives.

NCHEMS reviewed relevant documents, most notably the governor’s Public Higher Education Task Force report from March 2024, the statutes establishing CCSNH and naming its authorities, and the New England Commission on Higher Education’s (NECHE) accreditation standards. NCHEMS also identified several relevant cases focusing on those involving states or a subset of a state’s institutions that have sought to pursue single accreditation. NCHEMS either had direct experience with these cases or interviewed key actors involved in the design and implementation of the changes. These cases offer lessons about the process, timeline, communications, and other factors that influenced how smoothly the implementation of their respective changes were.

Throughout the project, NCHEMS maintained regular contact with CCSNH leadership, providing and receiving updates on project progress and other events and using these opportunities to ask clarifying questions or seek additional information or data.

NCHEMS synthesized observations drawn from these data into a set of options for structural reform for CCSNH to consider. We also offer a set of principles to guide decision-making, which we used to offer a final recommendation reflecting our best judgment on how CCSNH should move forward.

National and State Context

Key Insights

- **Nationwide, postsecondary enrollment fell dramatically from 2011 to 2023, especially at community colleges including in New Hampshire.**
- **Nationally and in New Hampshire, direct-from-high-school college-going rates have decreased over time. Combined with a projected future decrease in the number of high school graduates, an increase in the number of working-age adults, and an overall aging population, CCSNH will need to plan for different student populations and different needs from its communities.**
- **New Hampshire's economy is diverse and varies significantly in different parts of the state. CCSNH will need to meet a large, heterogeneous and growing demand for workers.**

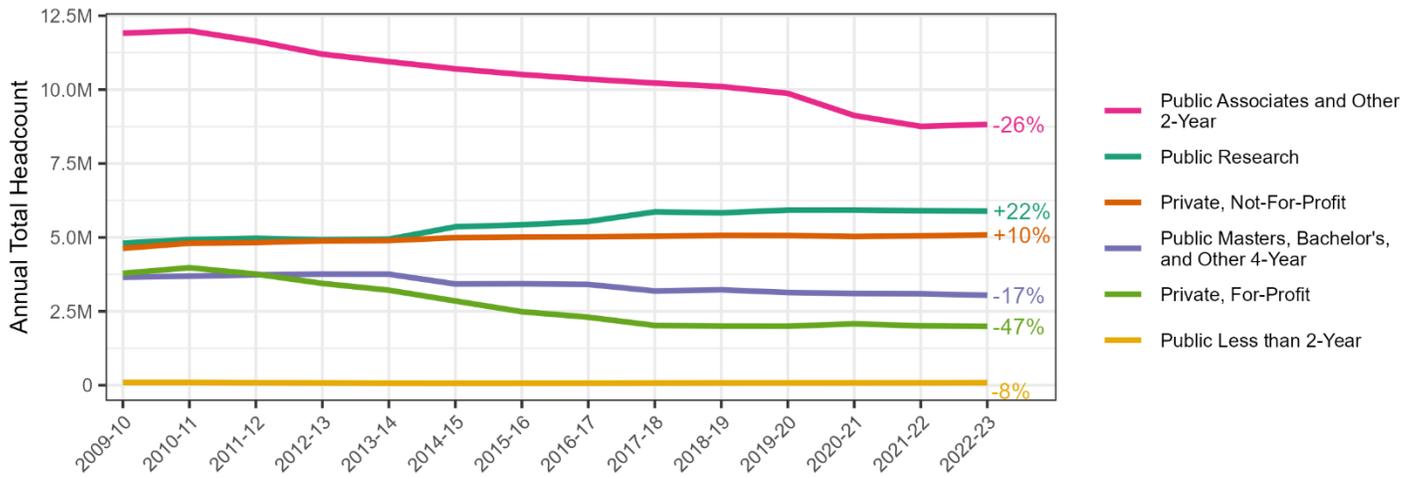
Before digging into specific conditions facing New Hampshire and its community colleges, it is worthwhile to provide a brief overview of the state of higher education across the nation. This national picture creates important context for understanding New Hampshire's changes in enrollment and finances, as well as future conditions for which the state must prepare.

Enrollment and College-Going Rates

Nationally, higher education enrollments fell between 2011 and 2023, driven downward primarily by declines in the public two-year sector and, to a lesser degree, in public four-year comprehensive institutions and for-profit institutions (Figure 1). Partially offsetting this decline were increases in enrollment at public research universities and private, nonprofit universities. However, these increases were not enough—or widely shared—to stave off a growing number of high-profile closures and mergers among private, nonprofit institutions.

Declines in the public two-year sector are not surprising given the degree to which enrollments in that sector run counter to the business cycle. The economy has been robust for more than a decade, except for the abbreviated downturn caused by the pandemic. Indeed, the pandemic accelerated enrollment declines in most sectors, though the impacts were more heavily felt in community colleges and less selective four-year institutions. Other data reveal concerning downward trends in college-going rates among recent high school graduates (Figure 2). These downturns are the first significant, sustained decreases in many decades. New Hampshire's direct-from-high-school college-going rate closely mirrors the national rate in most years, but it dipped nearly 10 percentage points between 2012 and 2022; in the most recent measured year, only a little over half of the state's high school graduates enrolled in college (anywhere in the U.S.) within a year.

Figure 1. Annual Headcount by Sector, U.S. Total



Source: NCES IPEDS 12-Month Enrollment Survey, effyYYYY files 2014-2022 final release; 2023 provisional release. Includes all Title IV eligible institutions in the 50 states plus DC.

Figure 2. Percent of Recent High School Graduates Enrolled in College, U.S., 1960-2022

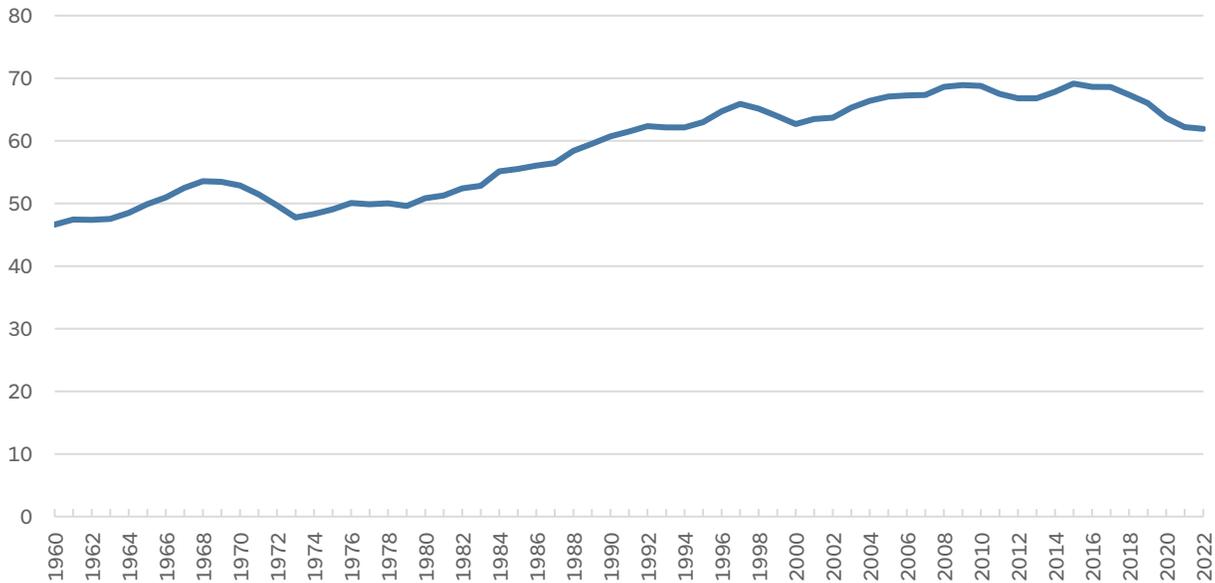
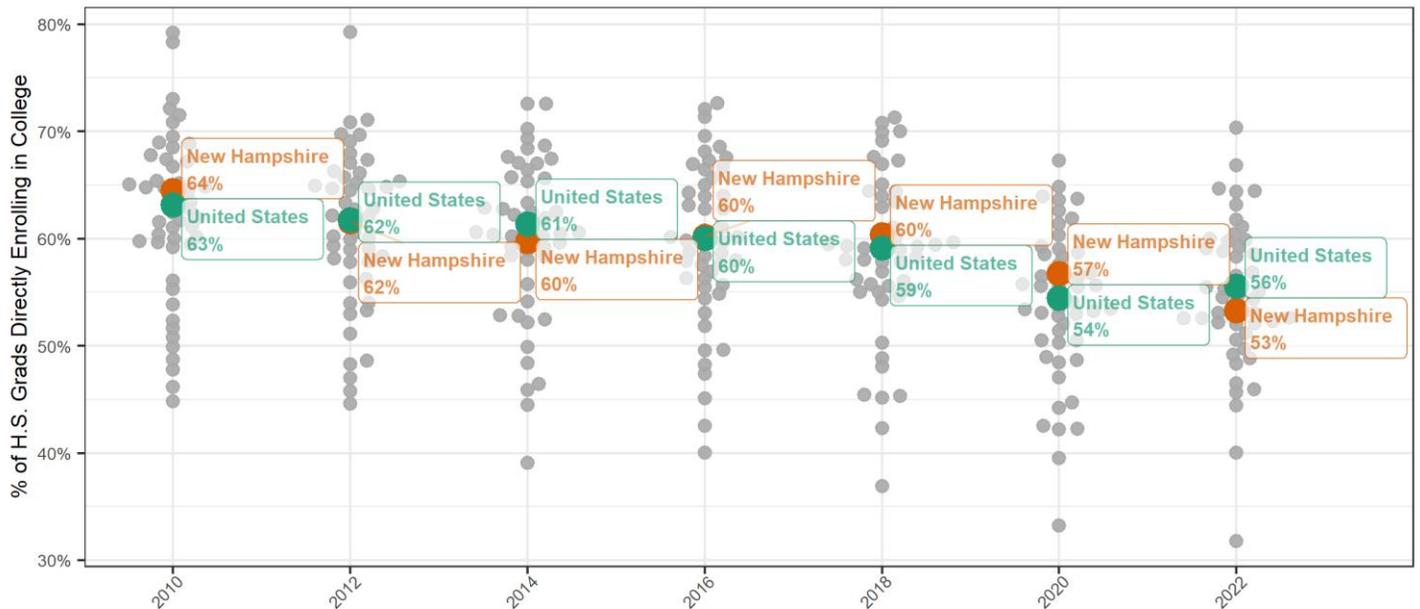


Figure 3. Direct-from-High-School College-Going Rates Over Time, by State



Sources: WICHE Knocking at the College Door: Projections of High School Graduates 2024; NCES IPEDS Fall Residency and Migration Files e/YYYYc. Note: Each dot represents one state.

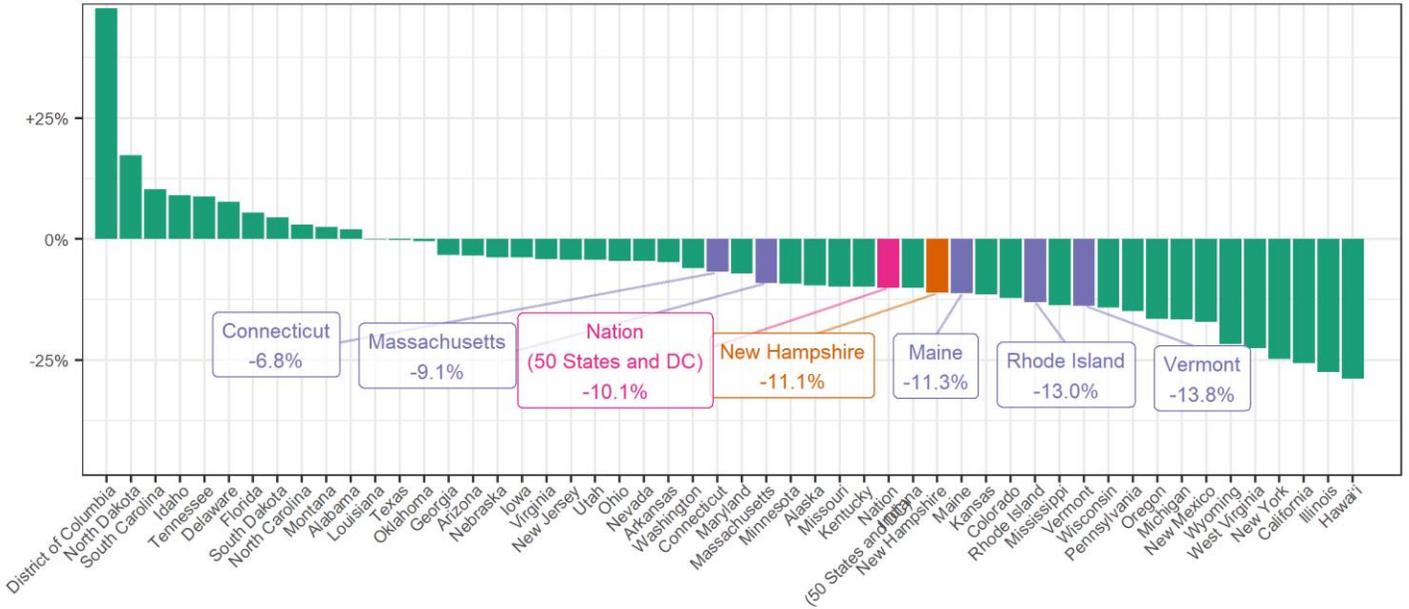
More recent data suggest that enrollment is rebounding. The National Student Clearinghouse Research Center reported a 4.5% increase in total enrollments, including a 5.8% increase in two-year enrollments, in Fall 2024 relative to the prior year; this includes all credit enrollments, including dual credit high school students.⁴ Nationally, this was the third year in a row that enrollments in the two-year sector were up. In New Hampshire, increases were more significant in the public and private nonprofit four-year sectors, both numerically and in percentage terms, than in the public two-year sector. (The private nonprofit sector includes Southern New Hampshire University, which enrolls out-of-state students in its online programs in large numbers but also increasingly attracts students from New Hampshire, especially those not enrolling directly after high school.) Even so, the Clearinghouse reported a year-over-year increase of 3% (300 students) in 2024 Fall enrollment at New Hampshire community colleges.

Population Trends

While good news, New Hampshire’s enrollment rebounds were uniformly lower than the nation’s, largely due to the more difficult demographic conditions present in the state. Projections of future enrollment demand also suggest that these recent enrollment bumps may, in hindsight, be only temporary. **The number of students likely to graduate from high schools nationally and in New Hampshire is forecast to decline significantly in the coming years** (Figure 4). For the nation, projections are that high school graduates will decrease by 10% between 2023 and 2038. For New Hampshire, the projected decline is just over 11%.

⁴ National Student Clearinghouse Research Center (2025). *Current Term Enrollment Estimates: Fall 2024*. <https://nscresearchcenter.org/current-term-enrollment-estimates/>.

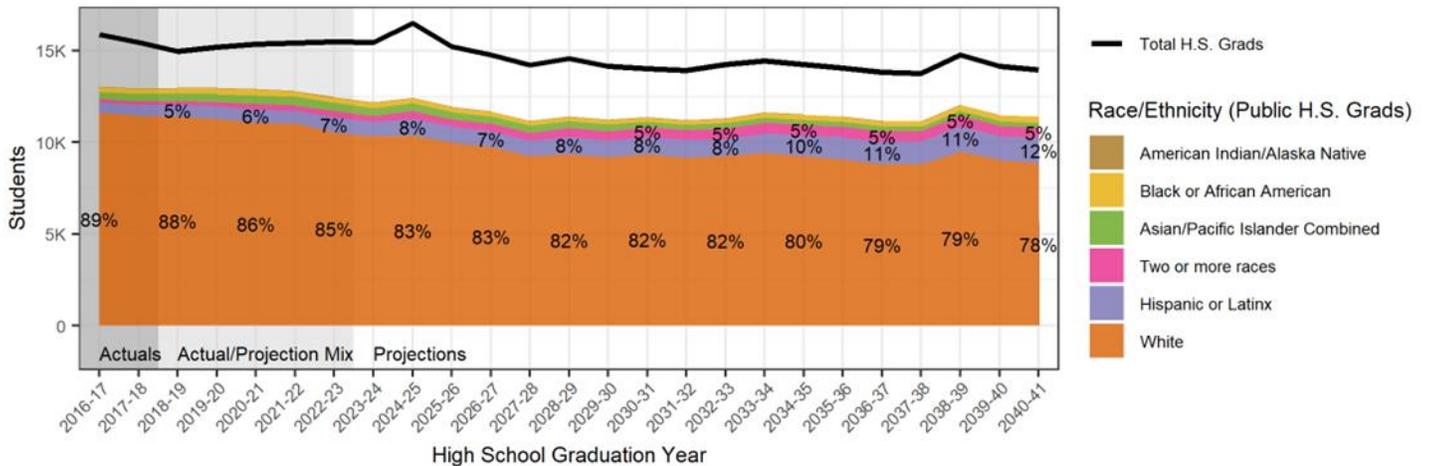
Figure 4. Projected 2022-23 to 2037-38 Percentage Change in High School Graduate Numbers, by State



Source: Western Interstate Commission for Higher Education, Knocking at the College Door: Projections of High School Graduates, 2024. <https://www.wiche.edu/knocking>

Future high school graduates are also projected to become more racially/ethnically diverse. In 2018, 88% of New Hampshire’s public high school graduates were White; by 2041, that percentage is projected to decrease to 78%. While New Hampshire is likely to remain less diverse than many other states, this does signify a change in the population CCSNH will need to serve.

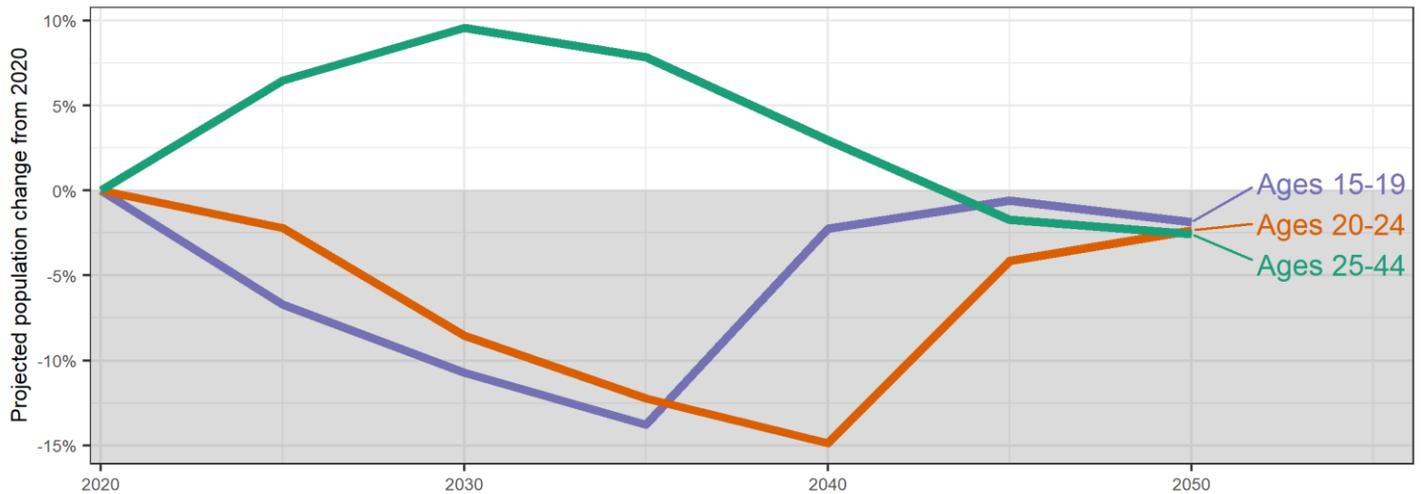
Figure 5. New Hampshire High School Graduates by Race/Ethnicity and School Sector Over Time



Source: Western Interstate Commission for Higher Education, Knocking at the College Door: Projections of High School Graduates, 2024. <https://www.wiche.edu/knocking>. Notes: Race/ethnicity was only available for public high school graduates. Public total numbers are actuals through 2022-23. Public school Race/ethnicity includes actuals through 2017-18. Later years are projections. The difference between the total (line) and the races/ethnicities (colors) is private high school graduates. Percentages are based on public high school graduates only.

In contrast to the projections of declining enrollment demand from the traditional pipeline, **New Hampshire is anticipating a significant increase in the number of working-age adults between 2020 and 2040**, peaking in 2030 at about 10% above the number of residents in that age band in 2020. The increase in the number of individuals in this age cohort potentially represents significant additional demand for postsecondary enrollment, particularly for community colleges.

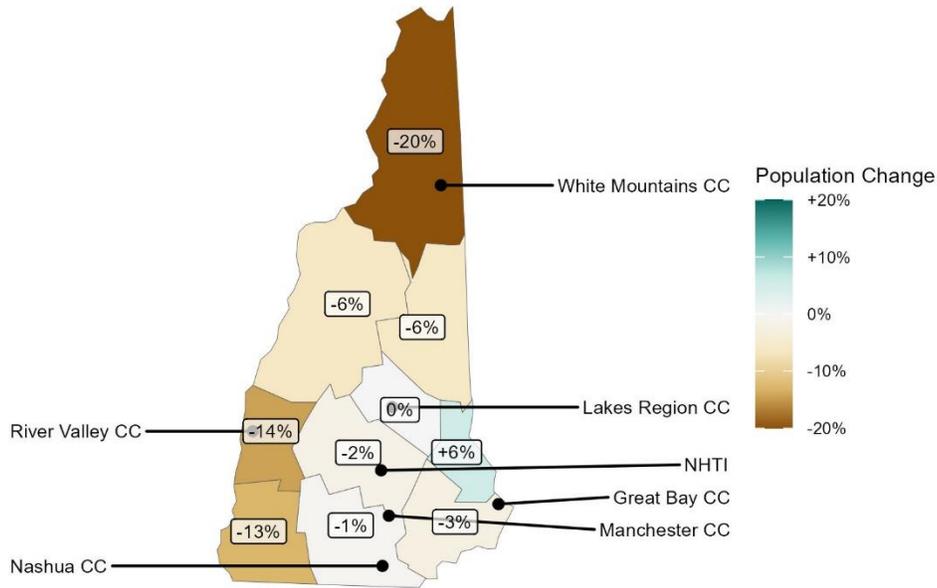
Figure 6. Projected 2020 to 2050 Change in New Hampshire Population, Selected Age Groups



Source: NH Department of Business and Economic Affairs.

Projected population changes will not impact the state uniformly, however. The northern and western counties likely will continue to see the most significant population decline. With the exception of Strafford County, the entire state faces stagnant or declining population among 15-44-year-olds (Figure 7). Meanwhile, New Hampshire can anticipate growing older rapidly as the population of 55+ residents climbs. This aging population will shift demands on public funding toward health care and away from both K-12 and postsecondary education in ways that will compound the impact of population decline on the financial challenges facing New Hampshire's community colleges. **The community colleges will also have to contend with the evolution of demand for their services**, as the accelerating pace of innovation in the economy ramps up the need for upskilling and reskilling. To the degree that this creates an even more rapid cycle of curriculum review and revision, it will add to community colleges' costs of operating.

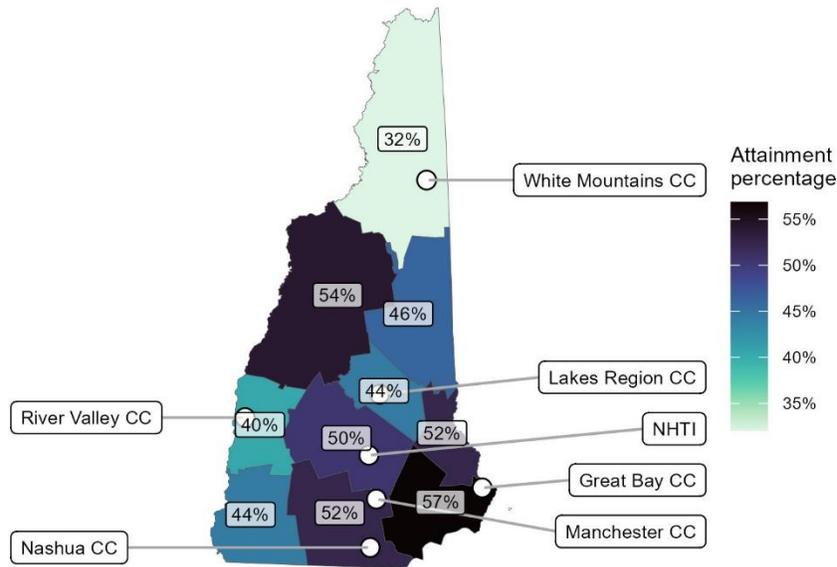
Figure 7. Projected Change in Population Age 15-44 from 2020 to 2050, by County



Source: Source: NH Department of Business and Economic Affairs.

In 2022, New Hampshire outpaced the nation in educational attainment, with 52% of its population possessing a certificate, industry-recognized credential, or postsecondary degree. The rate for the U.S. as a whole was 46.5%. But there was significant variation across the state, from 32% with an associate degree or higher in Coös County to 57% in Rockingham County, and except Grafton County—home to Dartmouth College and its medical facilities—educational attainment was greater the further south and east (Figure 8).

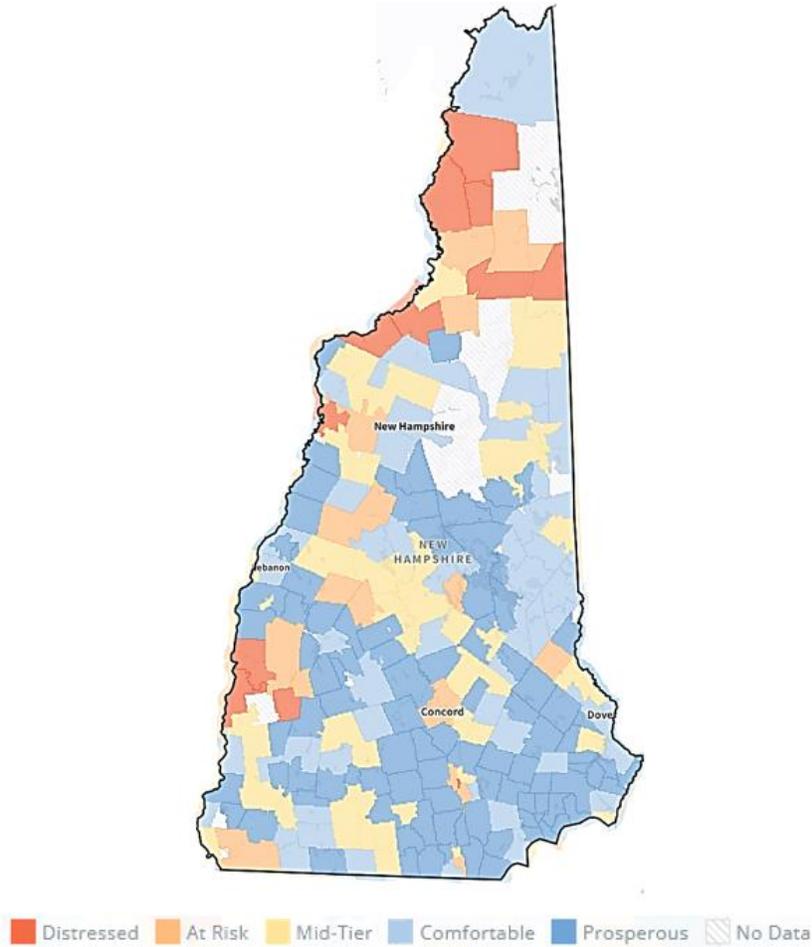
Figure 8. Percentage of Population Aged 25–64 with at least an Associate Degree, by County



Source: U.S. Census Bureau, 2023 American Community Survey Five-Year Estimates; Table B15001. Note: Represents the estimated percentage of the population age 25-64 with at least an Associate Degree. New Hampshire's attainment goal is for 65% of adults to have some form of post-secondary education by 2025.

This pattern of disparities is mirrored by the Economic Innovation Group's Distressed Communities Index, which uses multiple measures, including educational attainment and population change, as well as poverty rates and metrics for economic activity to generate a single indicator of how well communities are performing. This index suggests that while most communities in the state seem to be in good condition, those showing evidence of being distressed are likeliest to exist in the North Country and in pockets along the Vermont border (Figure 9).

Figure 9. Distressed Communities Index

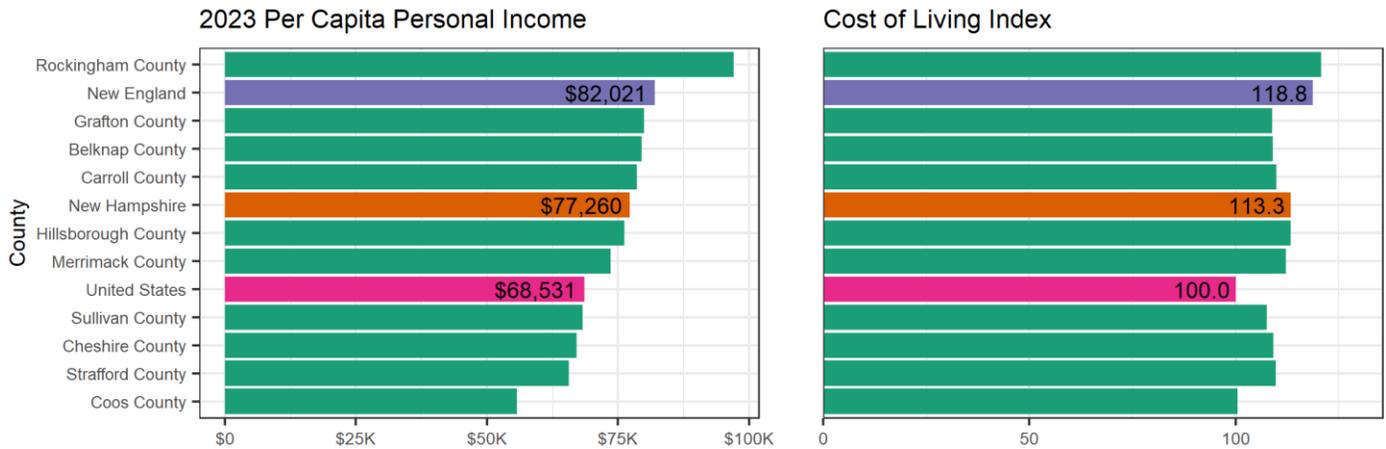


Notes: Seven [components](#) make up the index, including: share of the population with no high school diploma, housing vacancy rate, share of adults not working, poverty rate, median income ratio, percent change in employment, percent change in the number of business establishments.

Source: [Economic Innovation Group](#)

These relative circumstances do not always consistently translate perfectly to income and cost-of-living data (Figure 10). While Rockingham County outpaces all other New Hampshire counties in per capita income and cost-of-living data, counties in the Lakes Region boast above-average income levels. Meanwhile, counties with income levels that fall below the national average nevertheless have high living costs. Coös County exhibits this difficult combination of low-income/high cost of living. Still, even the fastest-growing Strafford County falls well below the state average income despite having costs of living that are roughly equivalent to the state's, which is substantially higher than the nation's.

Figure 10. New Hampshire, New England, and U.S. Per Capita Income and Cost of Living



Source: US Department of Commerce, Bureau of Economic Analysis, Tables SAINC4 and CAINC1.

Source: JobsEQ. Notes: Cost of Living per C2ER COLI, data as of 2024Q3, imputed by Chmura where necessary.

State Economy and Workforce

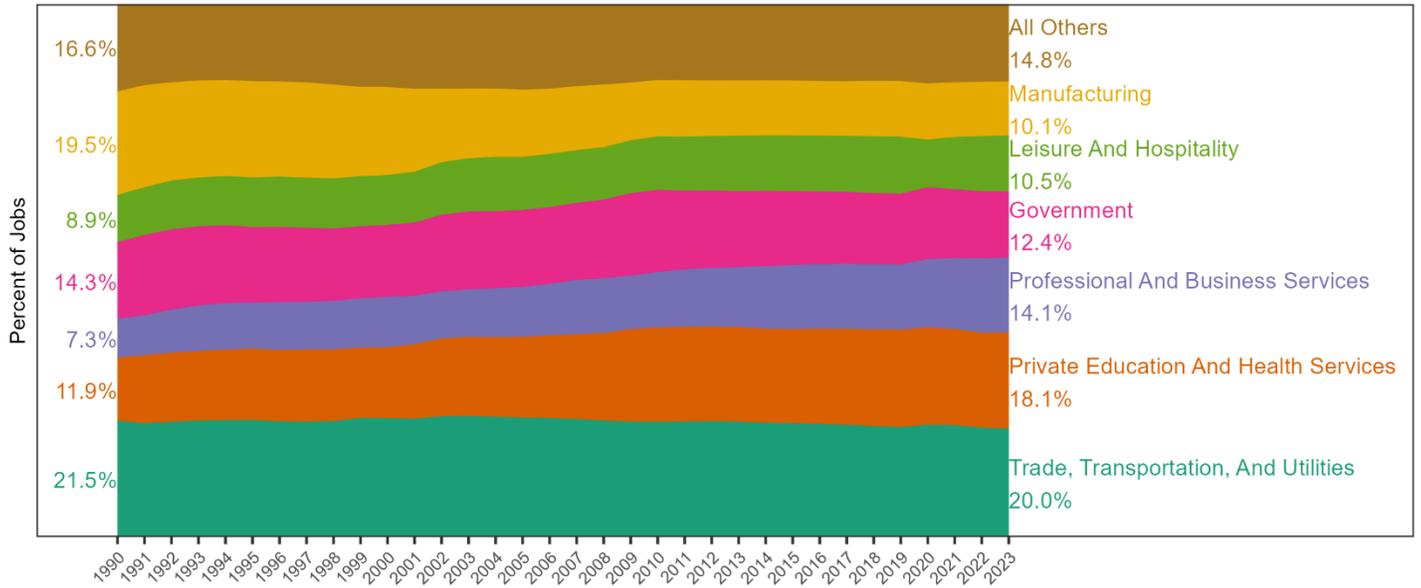
New Hampshire’s economy is growing; New Hampshire Employment Security estimates that the number of jobs is expected to increase by 42,000 from 2022 to 2032, and that there will be on average 84,400 job openings per year over that period.⁵ At the same time, the state’s population is expected to get older (as described above), leading to more retirements and a shortage of workers to meet the growing demand. State reports suggest that the state will only be able to meet its workforce needs through in-migration,⁶ but these same trends also put pressure on New Hampshire’s institutions of higher education to train as many workers in relevant fields as possible.

Employers’ needs for talent are not only great but also constantly evolving. Since 1990, the percentage of New Hampshire jobs in manufacturing has declined from nearly 20% of jobs to approximately 10% of jobs (Figure 11). Meanwhile, the industries of Professional and Business Services and Private Education and Health Services have grown as percentages of employment.

⁵ “New Hampshire Employment Projections by Industry and Occupation” (New Hampshire Employment Security Economic and Labor Market Information Bureau, April 2024), <https://www.nhes.nh.gov/elmi/products/documents/2022-2032-longterm-projections.pdf>.

⁶ “Vital Signs 2024” (New Hampshire Employment Security Economic and Labor Market Information Bureau, August 2024), <https://www.nhes.nh.gov/elmi/products/documents/vs-2024.pdf>.

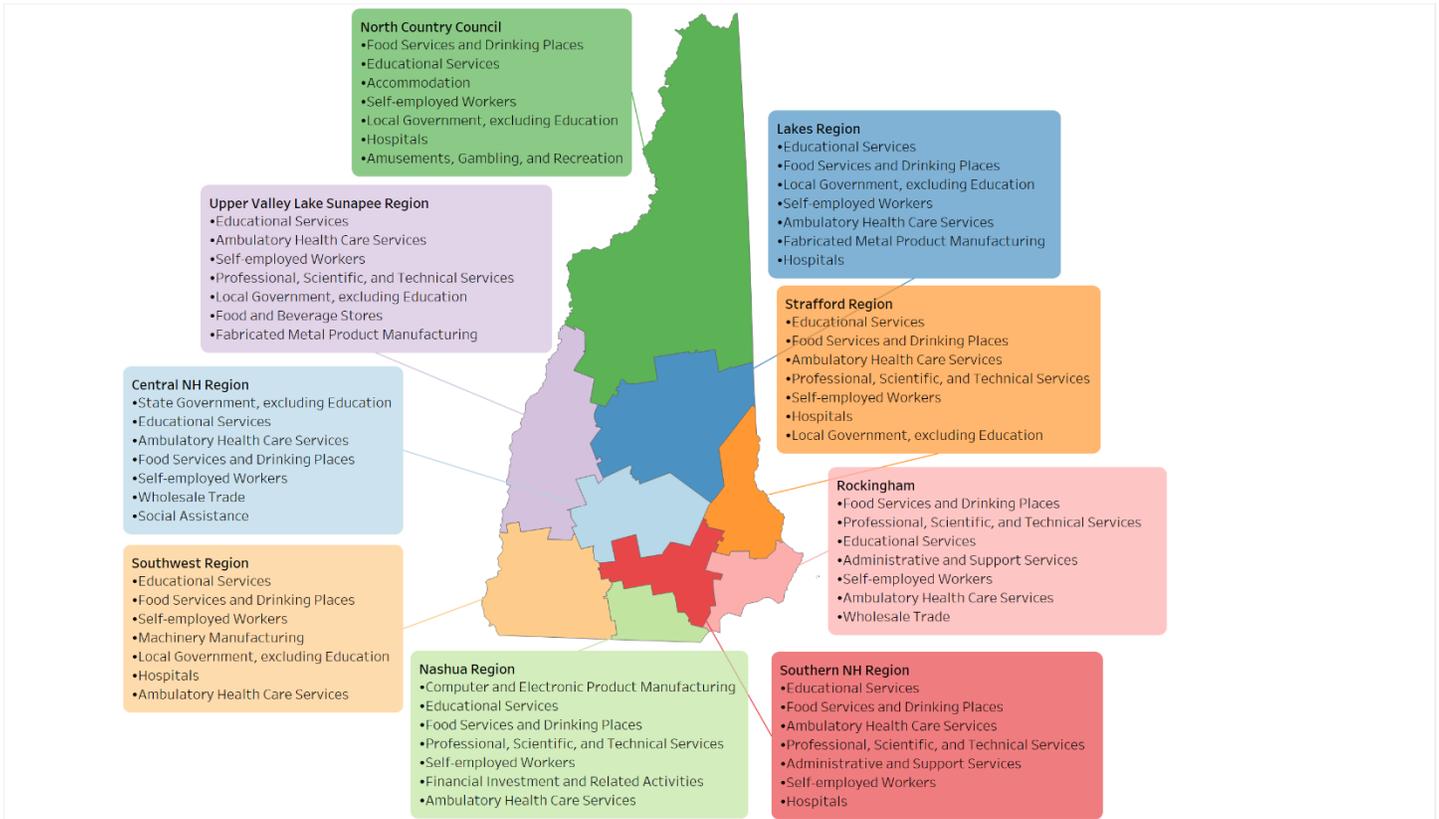
Figure 11. Percent of New Hampshire Employment by Industry Over Time



Source: New Hampshire Employment Security (NHES) Current Employment Statistics.

New Hampshire’s economy is also very diverse, with significant differences in the kinds of industries that dominate in various regions and determine the mix of occupations that are in demand locally. In turn, these directly influence the programs offered by CCSNH’s institutions. The only industries that consistently anticipate a high number of projected jobs throughout the state are educational services and, to a lesser degree, health care. Related to the state’s aging population, health care is the industry with the largest projected number of *new* jobs across the state from 2022 to 2032. Otherwise, the state’s various regions focus variously on hospitality in the north, manufacturing in several regions in the middle of the state, and professional services in the southeastern part of the state.

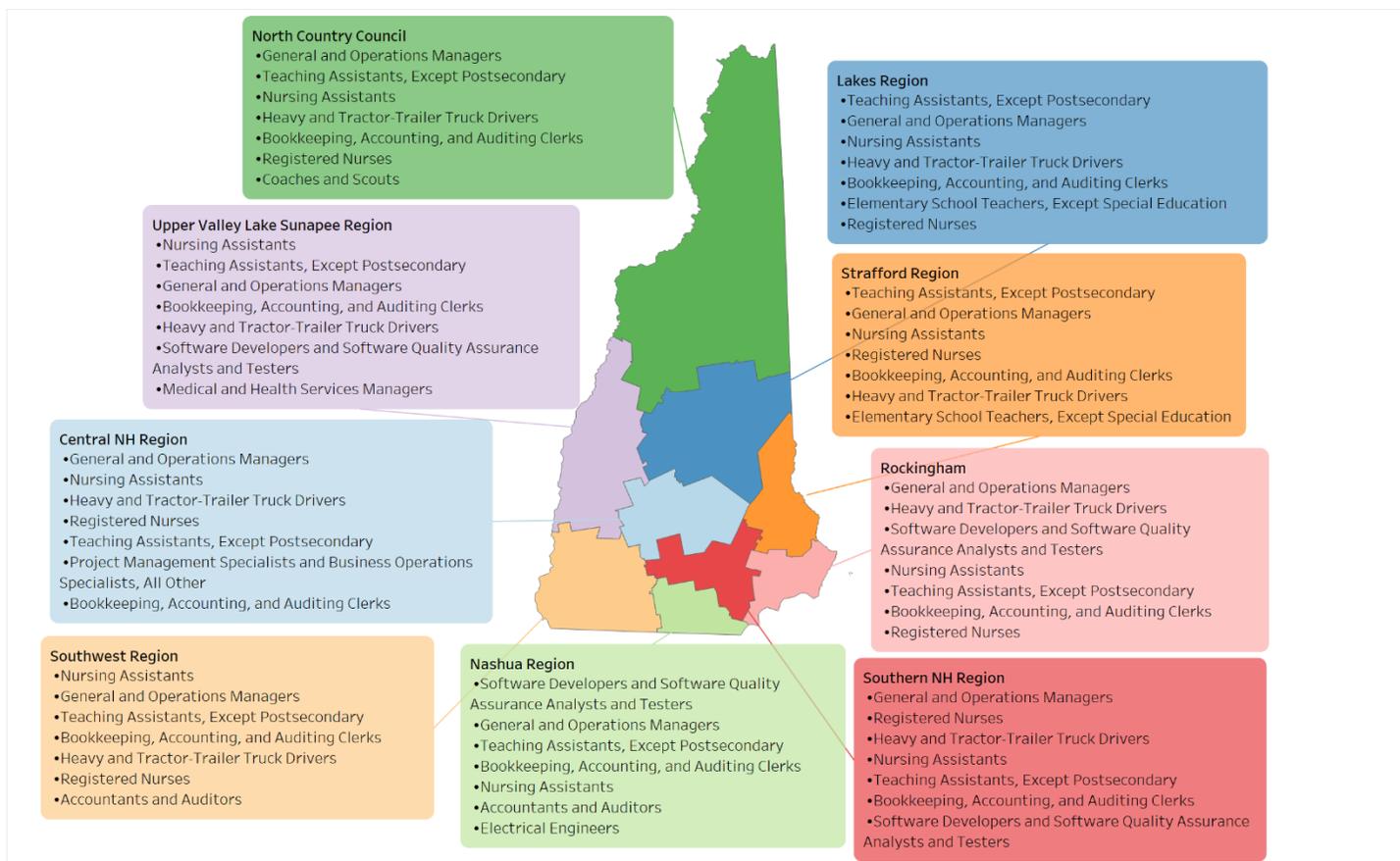
Figure 12. Top New Hampshire Industries Ranked by Number of Projected Jobs in 2030, by Workforce Development Region



Source: New Hampshire Employment Security Economic & Labor Market Information Bureau, 2023

These industry mixes translate into varied needs for trained talent to fill occupational needs. Nurses, educators, bookkeepers/accountants, and general operations managers will be in consistent demand everywhere across the state, and demand for operators of trucks and other heavy equipment is nearly ubiquitous. However, the regions have distinct needs among the most commonly sought occupations, as shown in Figure 13.

Figure 13. Top New Hampshire Occupations that Require Some Postsecondary Education to a Bachelor's Degree, Ranked by Projected Average Annual Openings, by Workforce Development Region, 2020-2030



Source: New Hampshire Employment Security Economic & Labor Market Information Bureau, 2023

These maps and the preceding figures highlight the degree to which New Hampshire is a bifurcated state, with communities that are closely connected to the nation and the world as part of the Boston-area economy, juxtaposed against the North Country that has lost jobs over the past two decades with the decline of its natural-resources-based economy. In the middle are communities that bridge this gap with a greater reliance on manufacturing and trade.

The following table lists the industries for which New Hampshire has seen employment growth beyond what can be explained by national growth. The data are also presented by county. This information highlights potential areas for economic development since it identifies the proportion of regional growth that can be attributed to regional factors, such as superior technology or the presence of a qualified labor pool. The value under the column labeled “local competitiveness” is the employment growth from the year 2013 to 2023 that occurred regionally that is not accounted for by national growth – i.e., the employment gain or loss expected if regional employment grew at the same rate as the overall national employment – or the industry mix share – i.e., the employment change expected if the industries in the region grew at the same rate as those industries did nationally.

Table 1. Employment Growth from 2013 to 2023 Attributable to Local Factors

Region	Industry	Local Competitiveness 2013 – 2023 Employment Growth Attributed to Regional Factors
Statewide	Wholesale Trade	5,704
	Professional, Scientific, and Technical Services	4,927
	Administrative and Support and Waste Management and Remediation Services	4,195
	Unclassified	1,673
	Manufacturing	1,436
	Public Administration	867
	Management of Companies and Enterprises	810
	Arts, Entertainment, and Recreation	464
Coös County	Administrative and Support and Waste Management and Remediation Services	255
	Arts, Entertainment, and Recreation	26
	Information	20
	Real Estate and Rental and Leasing	13
	Wholesale Trade	7
	Utilities	6
	Manufacturing	3
	Unclassified	1
Grafton County	Health Care and Social Assistance	95
	Finance and Insurance	89
	Public Administration	38
	Management of Companies and Enterprises	35
	Administrative and Support and Waste Management and Remediation Services	28
	Unclassified	26
	Agriculture, Forestry, Fishing and Hunting	20
Carroll County	Wholesale Trade	54
	Unclassified	47
	Public Administration	34
	Administrative and Support and Waste Management and Remediation Services	32
	Professional, Scientific, and Technical Services	17
	Transportation and Warehousing	15
Sullivan County	Agriculture, Forestry, Fishing and Hunting	43
	Management of Companies and Enterprises	15
	Public Administration	13
	Unclassified	12
	Utilities	11
	Finance and Insurance	9
Merrimack County	Information	5
	Administrative and Support and Waste Management and Remediation Services	1,037
	Public Administration	276
	Management of Companies and Enterprises	199
	Real Estate and Rental and Leasing	90

Region	Industry	Local Competitiveness 2013 – 2023 Employment Growth Attributed to Regional Factors
	Transportation and Warehousing	49
	Other Services (except Public Administration)	49
	Agriculture, Forestry, Fishing and Hunting	48
	Unclassified	39
	Mining, Quarrying, and Oil and Gas Extraction	33
Belknap County	Arts, Entertainment, and Recreation	88
	Wholesale Trade	34
	Unclassified	31
	Utilities	28
	Finance and Insurance	25
Strafford County	Mining, Quarrying, and Oil and Gas Extraction	14
	Professional, Scientific, and Technical Services	214
	Wholesale Trade	213
	Retail Trade	189
	Arts, Entertainment, and Recreation	58
	Unclassified	45
Cheshire County	Administrative and Support and Waste Management and Remediation Services	11
	Manufacturing	468
	Public Administration	154
	Unclassified	13
	Information	7
Hillsborough County	Mining, Quarrying, and Oil and Gas Extraction	2
	Manufacturing	970
	Arts, Entertainment, and Recreation	565
	Unclassified	162
Rockingham County	Agriculture, Forestry, Fishing and Hunting	52
	Manufacturing	1,063
	Professional, Scientific, and Technical Services	633
	Public Administration	617
	Wholesale Trade	585
	Management of Companies and Enterprises	533
	Other Services (except Public Administration)	299
	Unclassified	183
Construction	17	
	Arts, Entertainment, and Recreation	15

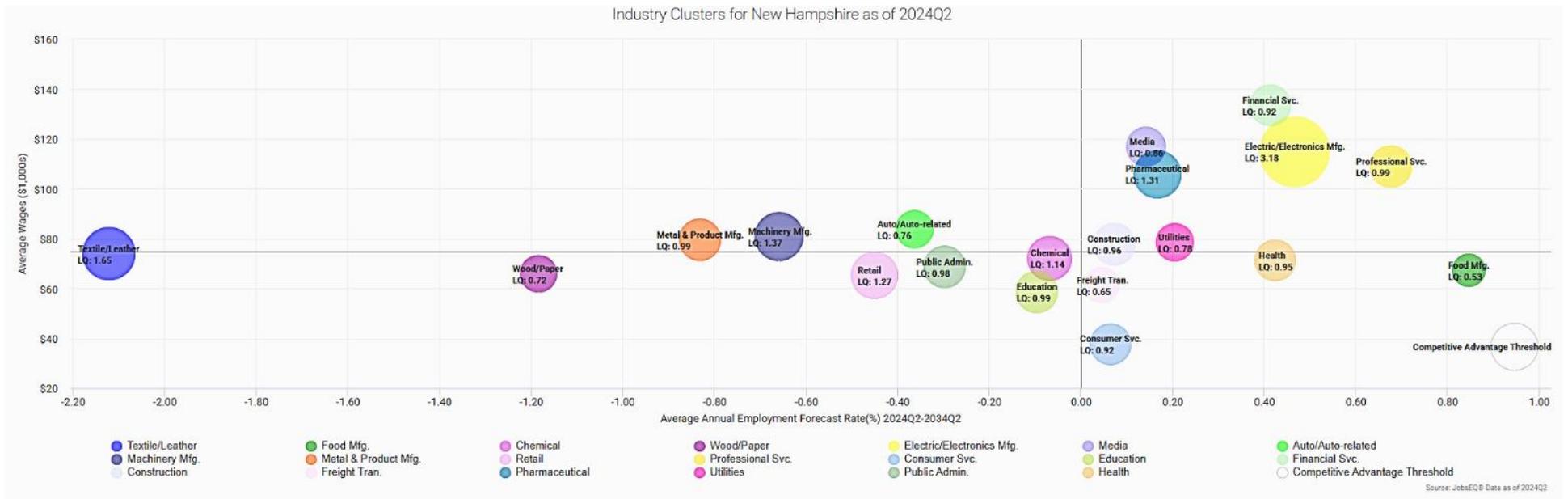
Source: JobsEQ data.

Note: The value under the column labeled “local competitiveness” is the employment growth from the year 2013 to 2023 that occurred regionally that is not accounted for by national growth – i.e., the employment gain or loss expected if regional employment grew at the same rate as the overall national employment – or the industry mix share – i.e., the employment change expected if the industries in the region grew at the same rate as those industries did nationally.

Counties are listed from north to south in the table above. Employment growth attributable to local factors varies widely across the state. A notable area of local competitiveness is manufacturing in the southern counties of the state—Cheshire, Hillsborough, and Rockingham counties.

Shifting from employment growth from 2013 to 2023, the following section pertains to forecasted growth from 2024 to 2034 by industry clusters. The following figure has the average annual employment forecast rate from 2024 to 2034 on the x-axis and average wages for the industry on the y-axis. Regional employment growth forecasts are modeled to be consistent with US Census population forecasts, labor market commuting patterns, and expected changes in participation rates over time. Industry-level forecasts are derived from a combination of the overall regional growth rate with the national-level expected growth rates for industries and occupations per the latest available national projections as published by the Bureau of Labor Statistics. The size of the bubble corresponds to a measure used by economists called the location quotient. A location quotient greater than 1.0 indicates that the region has a concentration of employment greater than that of the nation. A location quotient of 1.25 or higher indicates that the region possesses a competitive advantage in that industry. A four-quarter employment average is used to calculate the location quotient.

Figure 14. State Competitive Advantage by Industry Cluster



Source: JobsEQ.

Notes: Only industries or occupations with a Location Quotient higher than .5 are shown in the clusters chart. A location quotient of 1.25 or higher indicates that the region is considered to possess a competitive advantage in that industry. Regional employment growth forecasts are modeled to be consistent with US Census population forecasts, labor market commuting patterns, and expected changes in participation rates over time.

Industries in the upper quadrants have higher-than-average wages per worker. Industries in the right quadrants have a positive average annual employment forecast rate. The industry clusters with positive forecasted growth that have higher-than-average wages per worker and in which the state has a competitive advantage are the Electric/Electronics Manufacturing Industry and the Pharmaceutical Industry. The following table lists industry clusters with positive forecasted growth with higher-than-average wages per worker for which the counties have a competitive advantage. The employment count for the second quarter of 2024 (the most recent data available) is provided since it is important to know how many people are employed in the industry cluster.

Table 2. Competitive Advantage in Industry Clusters Forecasted to Grow

Region	Industry Cluster	Location Quotient	Employment in 2024Q2	Average Annual Employment Growth Rate Forecast, 2024Q2-2034Q2
Statewide	Electric/Electronics Manufacturing	3.18	23,811	0.47%
	Pharmaceutical	1.31	2,019	0.17%
Coös County	Coal/Oil/Power	1.46	152	0.11%
Grafton County	Health	1.61	13,604	0.09%
	Electric/Electronics Manufacturing	2.75	1,619	1.44%
Carroll County	Construction	1.53	2,042	0.14%
Sullivan County	Chemical	1.63	220	0.18%
Merrimack County	<i>None.</i>	-	-	-
Belknap County	Electric/Electronics Manufacturing	1.30	377	0.25%
Strafford County	<i>None.</i>	-	-	-
Cheshire County	<i>None.</i>	-	-	-
Hillsborough County	Electric/Electronics Manufacturing	6.37	13,993	0.25%
Rockingham County	Electric/Electronics Manufacturing	2.67	4,572	1.17%
	Pharmaceutical	4.68	1,641	0.21%

Source: JobsEQ data.

Note: The list includes industry clusters with positive forecasted growth that have higher-than-average wages per worker and for which the region has a competitive advantage. Regional employment growth forecasts are modeled to be consistent with US Census population forecasts, labor market commuting patterns, and expected changes in participation rates over time. Industry-level forecasts are derived from a blending of the overall regional growth rate with the national-level expected growth rates for industries and occupations per the latest available national projections as published by the Bureau of Labor Statistics (“10-year” EPP projections).

CCSNH Findings

On its own, this national and state context creates changing conditions that will require adaptation from New Hampshire’s community colleges. They can no longer rely on steady increases in enrollment among recent high school graduates. They will need to figure out how to

maintain access and opportunities for students while remaining financially sustainable at lower enrollment levels. They will need to serve new and diverse student populations who will bring different needs and requirements. And they will need to constantly adapt academic offerings to meet rapidly growing and changing workforce needs that vary regionally.

Data specific to CCSNH provides further evidence of the need for change. Enrollment at CCSNH institutions has declined sharply in line with national trends, and the system's enrollment has become more dependent on Early College high school students. CCSNH's colleges are already among the smallest in the nation and some of the most tuition-dependent, which makes them financially vulnerable. In recent years, the system's financial health was buoyed by federal COVID-relief dollars that are no longer available, and it expects increased expenses for deferred maintenance and retiree health insurance which will put additional pressure on its budgets.

CCSNH's student retention, graduation, and success metrics are similar to those of peer institutions, yet around 40% of students at CCSNH have not graduated or transferred eight years after starting college. Students are not able to easily combine coursework from multiple institutions or to transfer between them, either within the CCSNH system or externally with USNH institutions. Improving these student outcomes will likely require bold innovations and re-allocated resources.

In light of these findings, structural change at CCSNH is necessary, and it should start immediately. Given CCSNH's enrollment and financial conditions, the only way to meet New Hampshire's evolving needs while maintaining or improving student outcomes is for the system to reform its organization and processes, and realize improvements and efficiencies that come from increased collaboration. We also find that there is no time to waste in accelerating the effort to implement the necessary reforms. A failure to act with urgency only prolongs the uncertainty and, with each passing month, reduces the strategic tools at the system's disposal. Instead, the state, its communities, and its students will reap the results of a crisis-driven triage approach that has little hope of yielding constructive results, but which will inevitably be disruptive and distracting from the system's proper mission.

Details of our findings as well as underlying analysis of data, stakeholder meetings and organizational charts are included in the following section.

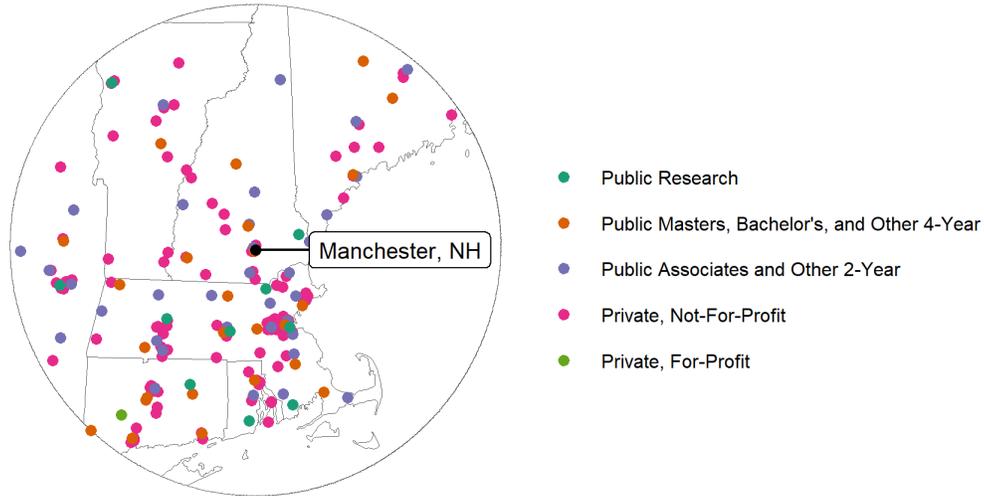
Enrollment and Participation

Key Insights

- **Enrollment at CCSNH's institutions has fallen sharply in recent years, consistent with national trends.**
- **These enrollment declines, combined with anticipated decreases in the college-aged population in New Hampshire, raise legitimate concerns about the sustainability of CCSNH institutions, which are among the smallest community colleges in the nation, making it difficult for them to benefit from scale economies. They are also among the most dependent on tuition revenue to fund their operations.**
- **Dual credit students and adult learners have grown as a share of CCSNH institutions' enrollment. Still, they account for less revenue by enrolling in fewer credit hours (and in the case of dual credit students, paying less tuition) on average.**
- **There is widespread variation in what residents and employers need from the state's community colleges, depending on the region. For example, enrollment demand from the least populated areas appears relatively high, and the volume and type of noncredit activity looks quite different across the institutions. All of this requires solutions that are sensitive to regional differences.**

CCSNH's institutions exist in a crowded marketplace of postsecondary education suppliers. Looking just at the Title IV-granting institutions, and excluding private institutions that primarily confer subbaccalaureate awards, there are more than 200 within 150 miles of Manchester. With few exceptions (e.g., Harvard, Yale), all of these institutions are wrestling with the challenges of recruiting and retaining students in numbers to which they have become accustomed and for which their budgets are built. This increasingly competitive landscape is a critical contextual reality that requires institutions, including CCSNH and its campuses, to be vigilant about their mission and value proposition to succeed. Just as population density varies dramatically across the geography depicted on the map, so too does the number of campuses. Some of the more rural spaces covered by the map have few options. As unsurprising as this is, it is vital to reflect on the needs of those communities for the points of access provided by the more solitary dots on this map. In the northern third of New Hampshire, only one local postsecondary option is available. This contrasts sharply with the southern part of the state, where residents have access to numerous colleges within New Hampshire and an even greater variety of choices in nearby Massachusetts.

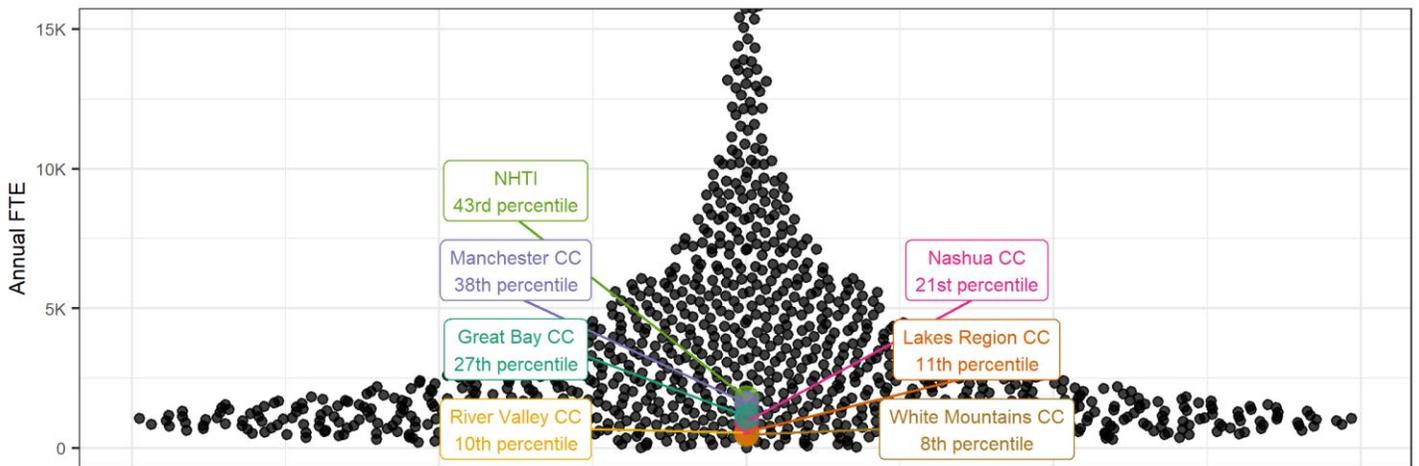
Figure 15. Colleges and Universities Within 150 Miles of Manchester, New Hampshire



Source: IPEDS. Private Institutions only include those that grant at least 25% Bachelor's and Graduate degrees.

Furthermore, New Hampshire's community colleges are unusually small compared to those in the rest of the country. The largest of them, NHTI, only reaches the 43rd percentile of community colleges nationwide. The two smallest are smaller than 90 percent of the nation's community colleges, while Lakes Region barely surpasses that threshold.

Figure 16. Annual FTE of Public Two-Year Institutions Nationwide, 2022-23



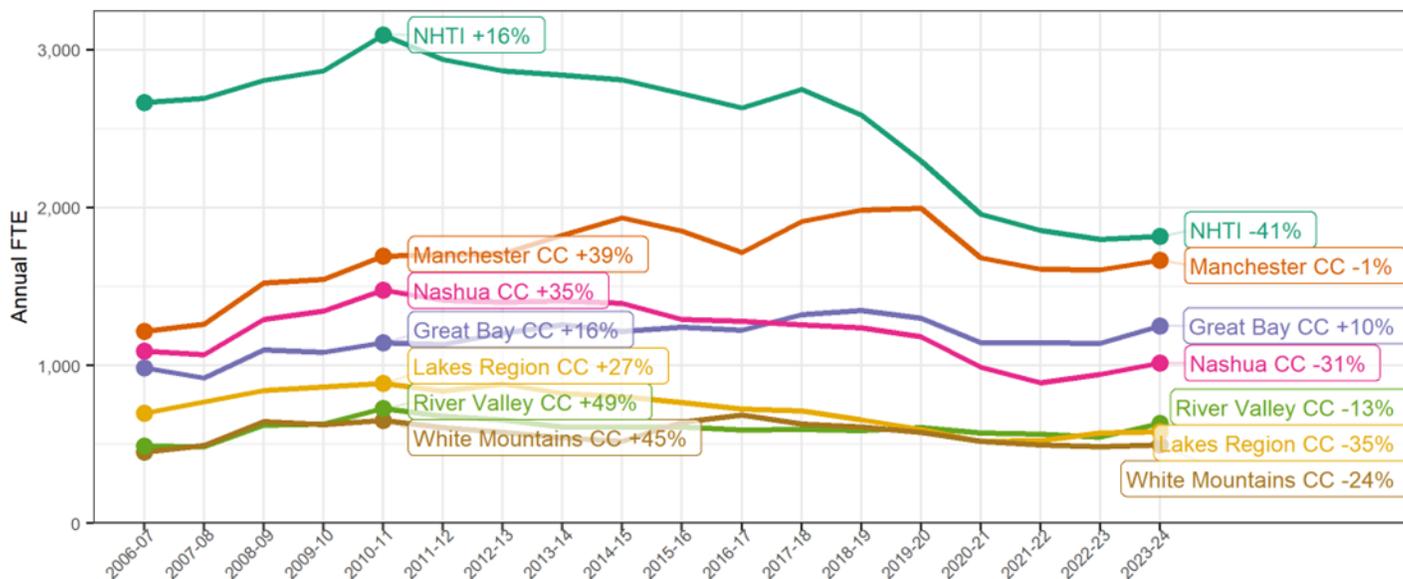
Source: NCES IPEDS 12-Month Enrollment Survey, efi2023 provisional file. Notes: There are 26 CCs with over 15,000 FTE that are not visible. Each dot represents one community college. The x-axis has no scale; it is only used to show the number of institutions at each enrollment level.

Overall credit enrollment

Total enrollment across the system has fallen by 23% since 2011, which—consistent with nationwide trends—was CCSNH's peak enrollment year following the last recession and a substantial infusion of federal TAACCT funding for training programs at community colleges nationally through the Trade Adjustment Assistance Community College and Career Training

(TAACCCT) program. Since then, declines have occurred at all the campuses except Great Bay, although Manchester’s FTE enrollment was higher most of the period and by FY2024 was down relative to FY2011 by just 1%. NHTI’s enrollment losses drove the systemwide total downward; in FY2011, it was nearly twice as large as the second-largest institution in the system. After shedding 41% of its FTE enrollment by FY2024, it was slightly larger than Manchester. A period of significant growth in enrollment preceded the downturn; from 2007 to 2011, FTE enrollment in the CCSNH system increased by 27%.

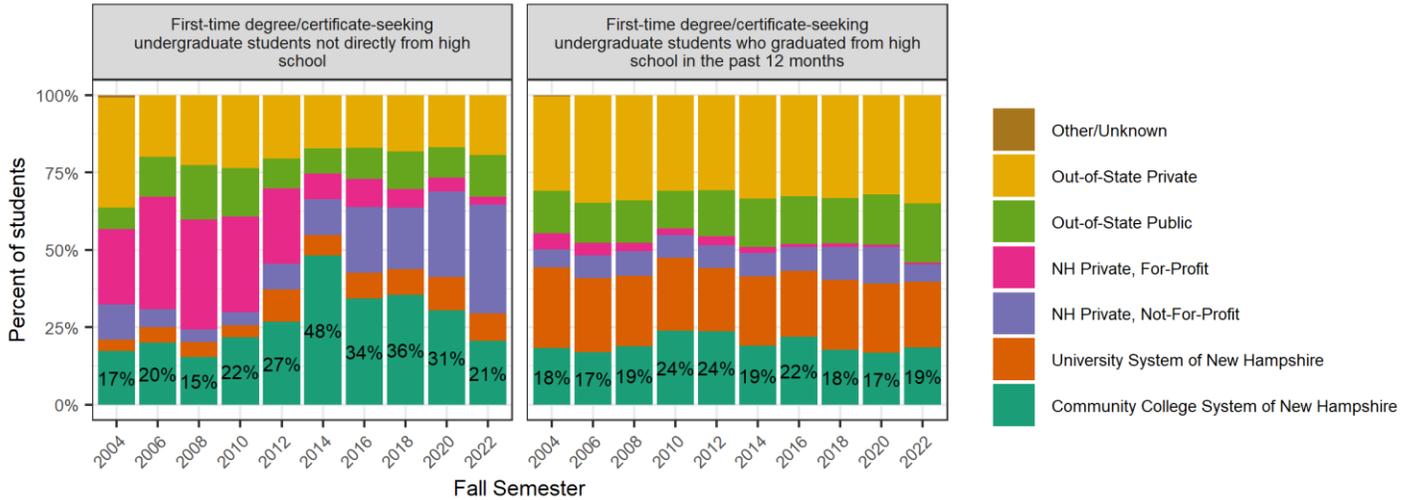
Figure 17. CCSNH FTE Enrollment Over Time



Source: NCES IPEDS 12-Month Enrollment Survey, files efiayYYY.

Compounding the effects of a shrinking population, CCSNH’s institutions have seen their market share among New Hampshire residents attending college for the first time dip in recent years. This has been especially pronounced among students not enrolling within a year of graduating high school. CCSNH’s share of those students spiked in 2014 at 48%, after which it fell (mostly steadily) to just 21% of new students. The nature of CCSNH’s competition for these students has shifted dramatically over the past two decades, with its losses primarily due to gains by private, nonprofit institutions in New Hampshire (mainly SNHU). Losses in market share for recent high school graduates have not been as substantial, falling from 24% in 2012 and 22% in 2016 to 19% in 2022.

Figure 18. Enrollment of First-Time Students from New Hampshire, by Institution Type Over Time

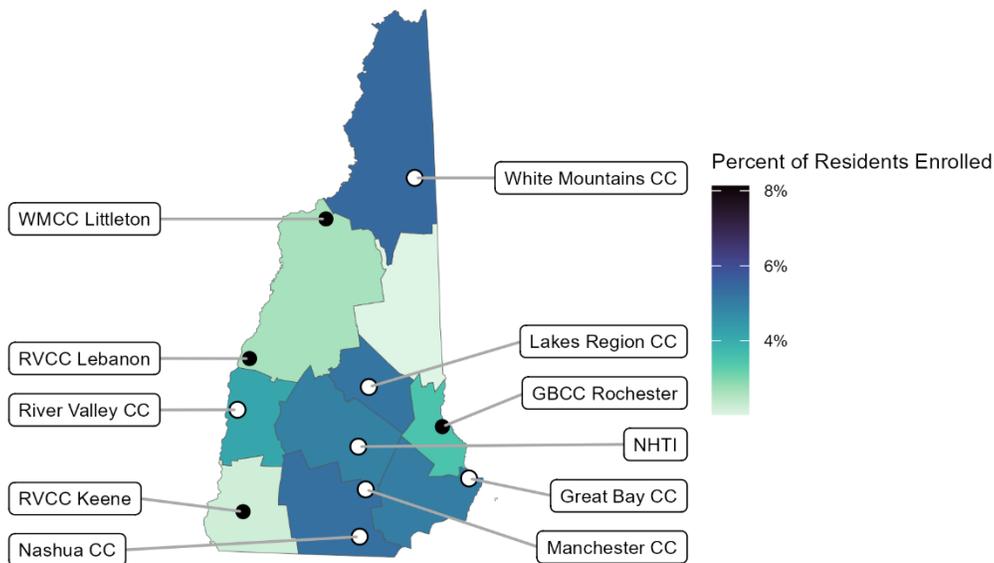


Source: NCES IPEDS Fall Enrollment Survey, files efYYYYc, 2012-2022 final release files. Note: represents NH students attending Title-IV institutions as first-time degree-seeking students.

Overall credit participation

Participation rates vary substantially across the state, with the highest rates recorded in Coös, Belknap, and Hillsborough counties and extremely low rates in Carroll and Cheshire counties. In general, participation rates are higher for those counties that are home to a main campus of a CCSNH institution.

Figure 19. CCSNH Enrollment as a Percentage of Population Aged 18-44 with less than an Associate Degree, by County



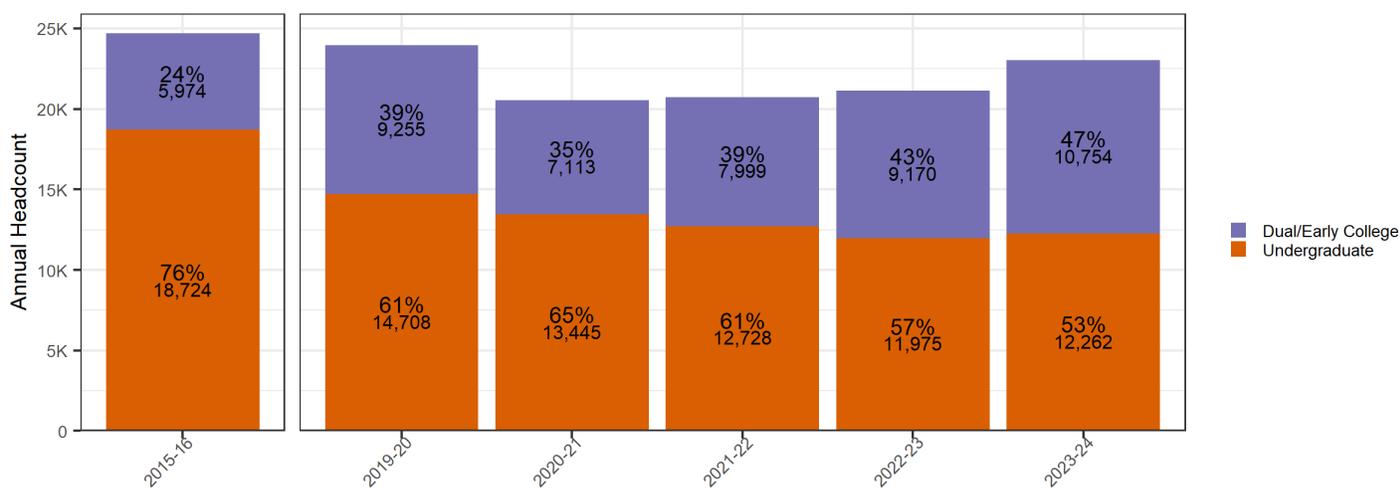
Sources: CCSNH; U.S. Census Bureau, 2023 American Community Survey Five-Year Estimates; Table B15001. Enrollment is average annual undergraduates at all seven CCSNH institutions from 2019-20 through 2023-24, excluding dual enrollment high school students. Black dots represent additional CCSNH locations.

It is a significant challenge to assess the interest in attending college among prospective students with reliability. But our attempts, using a novel proprietary dataset that combines voter registration data with some basic research, suggest that there is room for CCSNH institutions to serve more students, especially adults. The startling finding from these data is that interest in attending a community college among New Hampshire residents of traditional college age is weak, no matter where you look across the state. Demand in Coös County is far more robust among adult learners and is the greatest among them, measured as a share of the population without an associate degree.

Credit enrollment by student characteristics

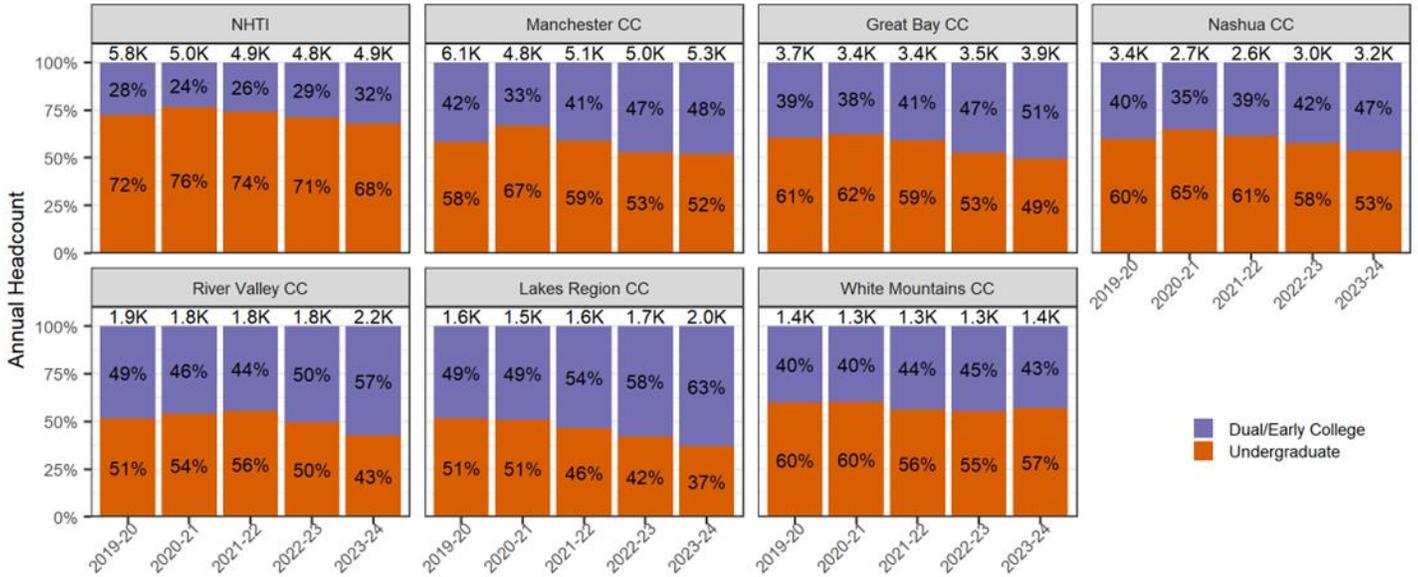
Enrollment data also reveal how critical Early College (dual enrollment) has been for CCSNH—by FY2024, early college enrollment accounted for 47% of CCSNH’s headcount in credit-bearing courses, nearly double the number and share it accounted for in FY2016 (Figure 20). All seven institutions have seen sizeable increases among Early College enrollees in the share of the students they serve, with Lakes Region and River Valley seeing the biggest proportions (Figure 21). These increased enrollments have, to some extent, compensated for declines in other types of students. However, Early College students do not bring in as much revenue as regular students enrolled for credit; they enroll in fewer credits, on average, and pay lower tuition rates. It is also the case that local school districts bear most of the costs associated with these enrollments.

Figure 20. CCSNH Annual Headcount by Student Type



Source: CCSNH.

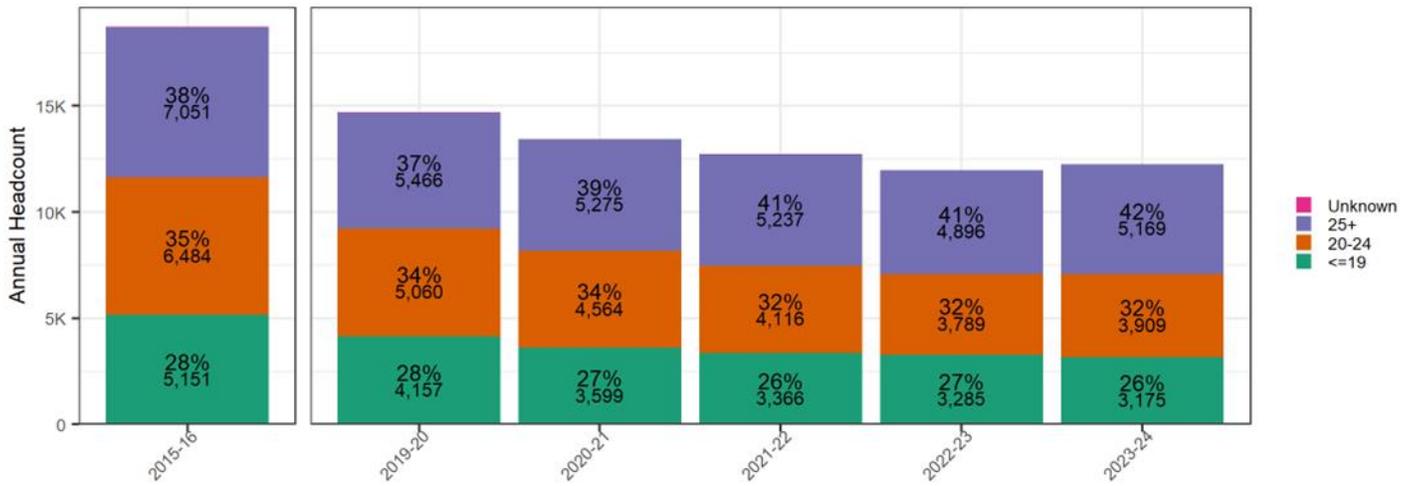
Figure 21. CCSNH Annual Headcount by Student Type



Source: CCSNH.

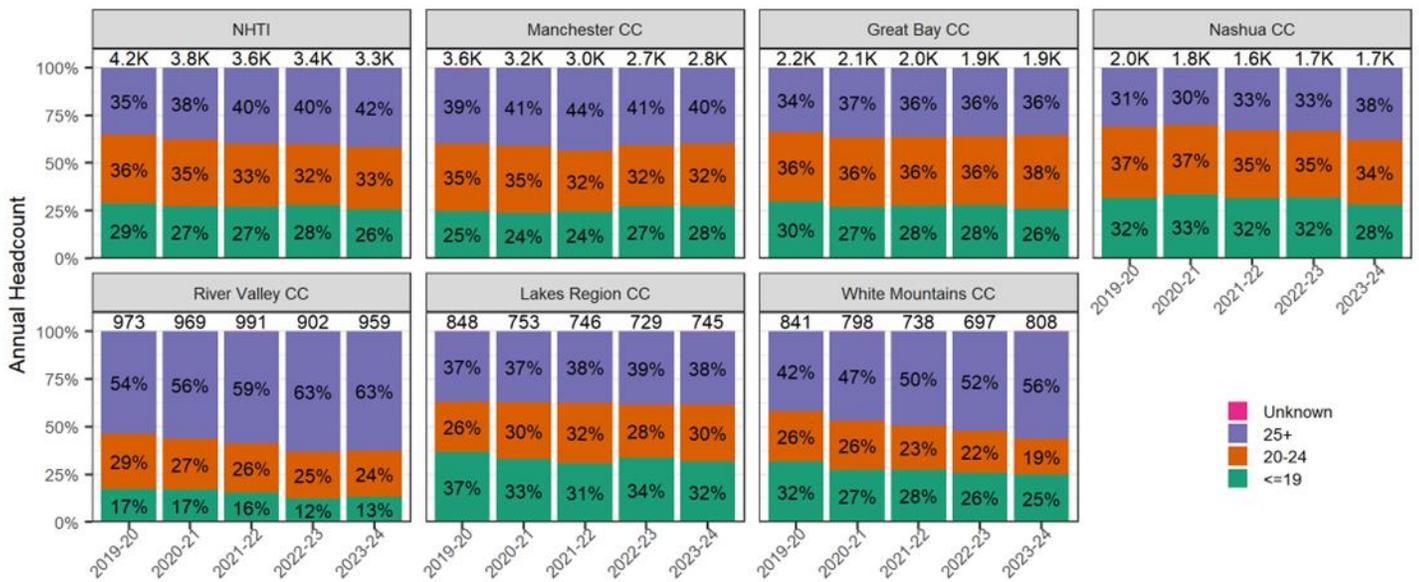
Notwithstanding these increases in dual enrollment, CCSNH’s student populations are consistently growing older. The proportion of students aged 25 and older grew from 38% to 42% between FY2016 and FY2024 at the expense of students aged 20-24 years, as well as those 19 or younger (Figure 22). Notably, the campuses with the largest proportion of older students are the most rural ones—White Mountains and River Valley (Figure 23). Perhaps not coincidentally with the aging of CCSNH’s student body, enrollment intensity has also dipped alongside headcount enrollment in recent years. Students enrolled in under 12 credits climbed as a proportion of all students from 43% to 48% between FY2016 and FY2024, with percentages falling for all other bands of enrollment intensity during the same period (Figure 24).

Figure 22. CCSNH Annual Undergraduate Headcount by Age



Source: CCSNH. Notes: Excludes dual enrollment H.S. students.

Figure 23. CCSNH Annual Undergraduate Headcount by Age



Source: CCSNH. Notes: Excludes dual enrollment H.S. students.

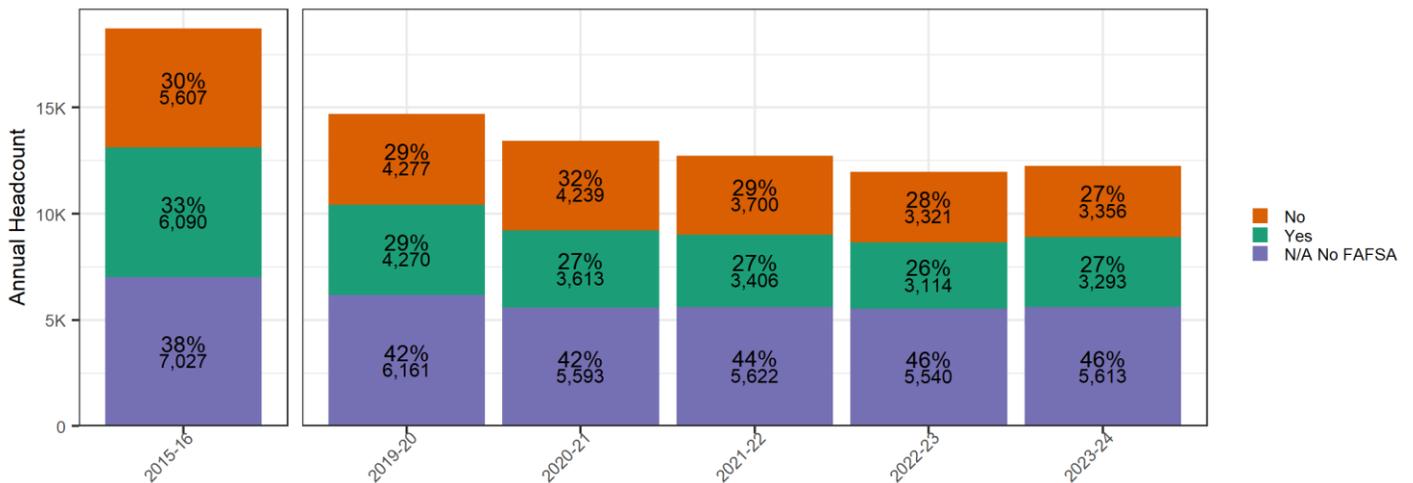
Figure 24. CCSNH Annual Undergraduate Headcount by Enrollment Intensity



Source: CCSNH. Notes: Excludes dual enrollment H.S. students.

Enrollment of low-income students is hard to gauge with CCSNH’s data. Although there has been a general decline in the number of students receiving Pell Grants, there also appears to have been a decline in the number of students who were not Pell recipients (Figure 25). This odd observation is due to a significant increase in the number of students for whom data on their Pell eligibility is unavailable because they did not complete the FAFSA. It is, therefore, difficult to ascertain the degree to which costs are a barrier to enrollment at CCSNH institutions.

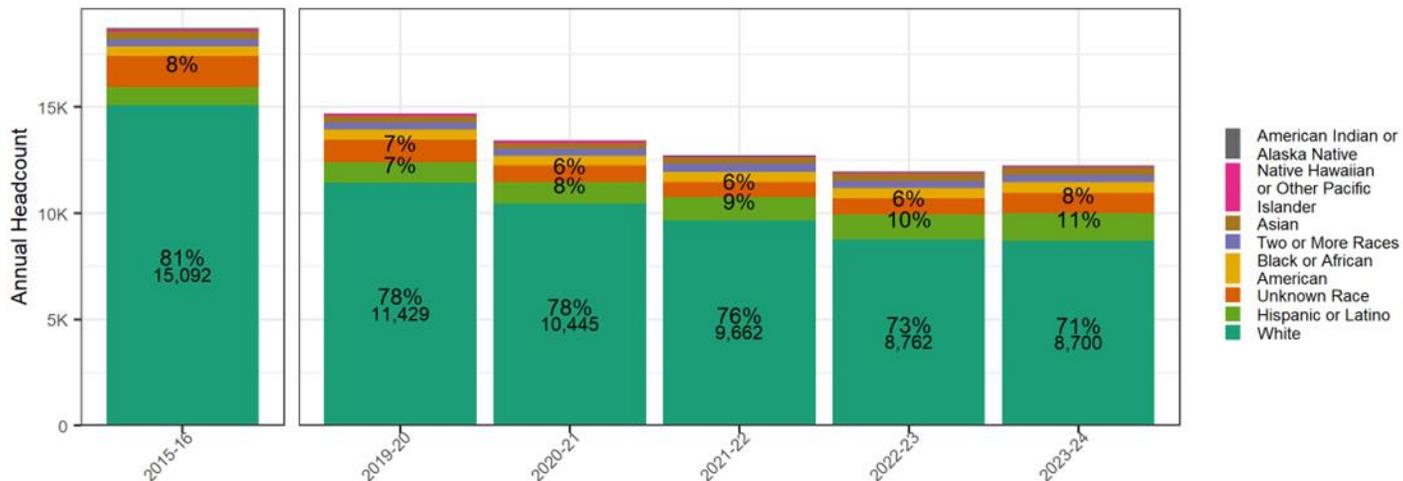
Figure 25. CCSNH Annual Undergraduate Headcount by Pell Status



Source: CCSNH. Notes: Excludes dual enrollment H.S. students.

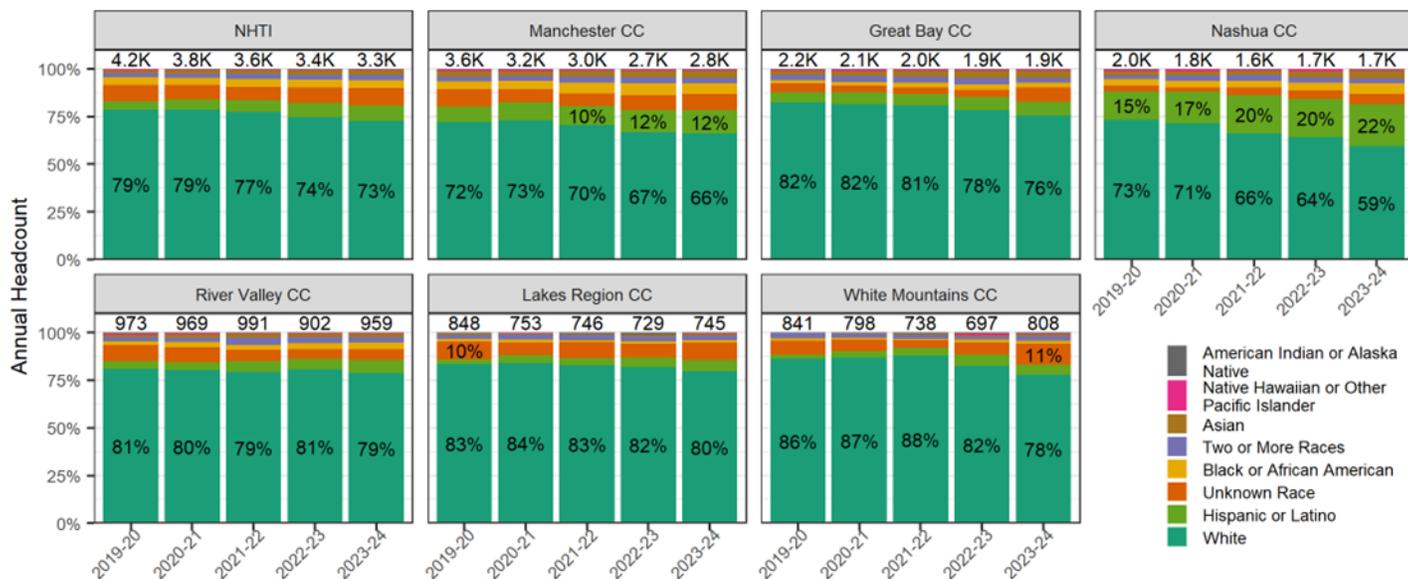
As reflected in national trends, enrollment among CCSNH institutions is rapidly growing more diverse, with changes driven primarily by declines in the White, non-Hispanic population and increases in Hispanics. These changes are most evident at Nashua and Manchester.

Figure 26. CCSNH Annual Undergraduate Headcount by Race/Ethnicity



Source: CCSNH. Notes: Excludes dual enrollment H.S. students.

Figure 27. CCSNH Annual Undergraduate Headcount by Race/Ethnicity

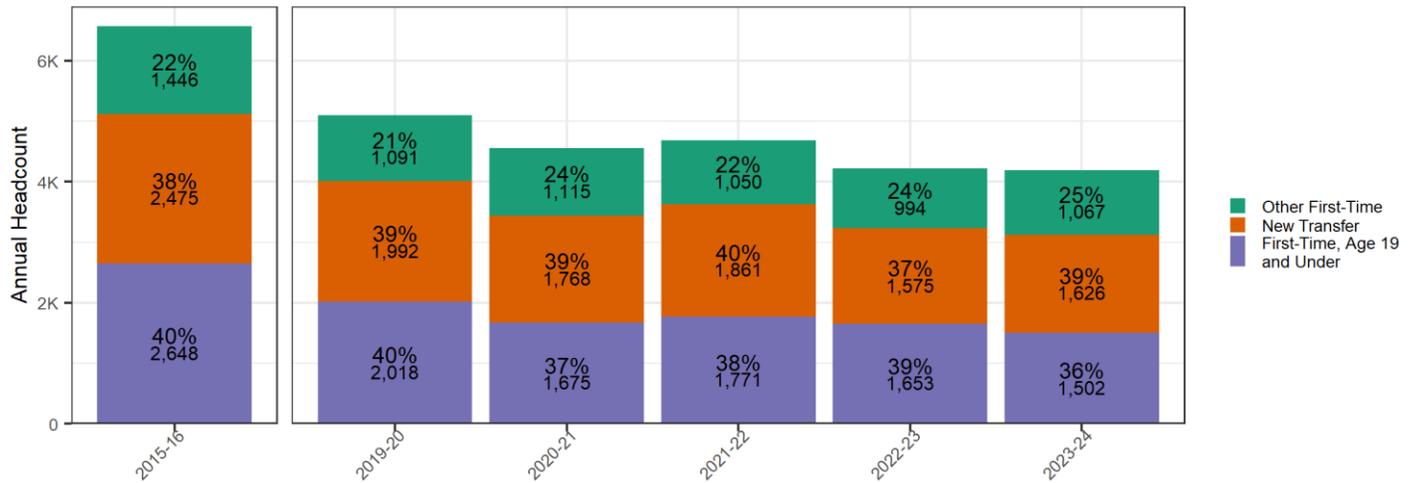


Source: CCSNH. Notes: Excludes dual enrollment H.S. students.

Over the past decade, approximately four out of ten new students have been transfers into CCSNH institutions. Meanwhile, the number of students aged 19 and younger entering college for the first time has declined, while the number of other first-time students has remained relatively

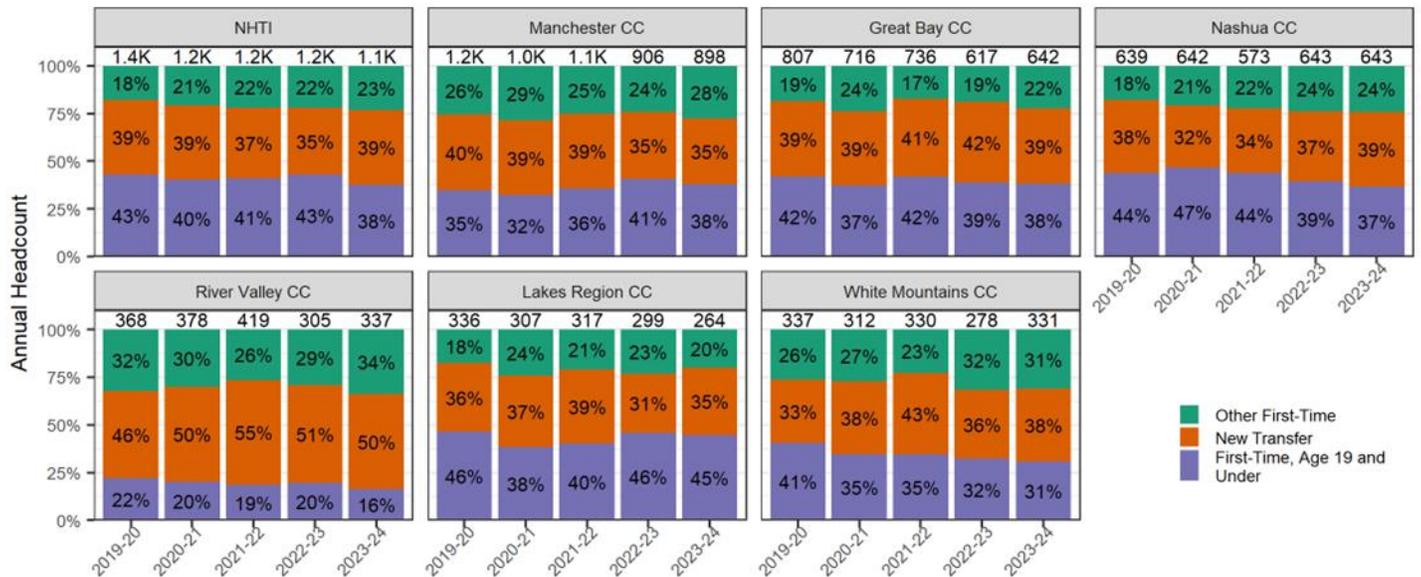
stable since FY2020. Of the institutions, River Valley is most dependent on incoming transfer students.

Figure 28. CCSNH Annual New/Entering Degree-Seeking Undergraduate Headcount by Type



Source: CCSNH. Notes: Excludes re-enrolling students, dual enrollment H.S. students, and non-degree-seeking students.

Figure 29. Figure 13. CCSNH Annual New/Entering Degree-Seeking Undergraduate Headcount by Type

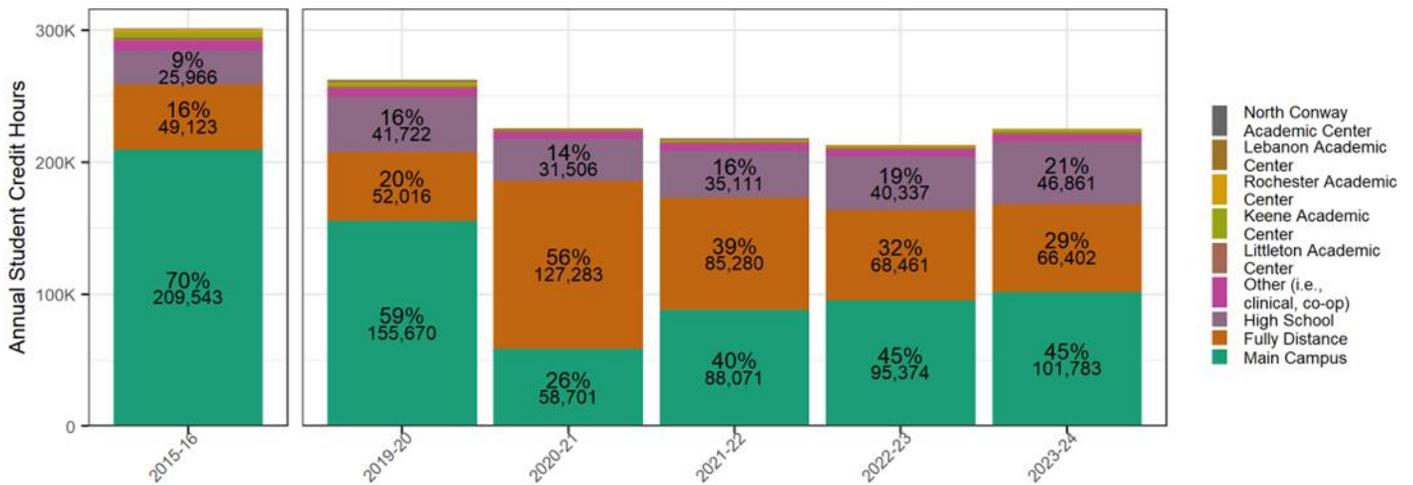


Source: CCSNH. Notes: Excludes re-enrolling students, dual enrollment H.S. students, and non-degree-seeking students.

The consumption of credit hours by location and modality has changed substantially over time, partly due to the pandemic's impact driving courses online. Yet in-person classes on an institution's main campus accounted for 70% of all credit hours as recently as FY2016; that

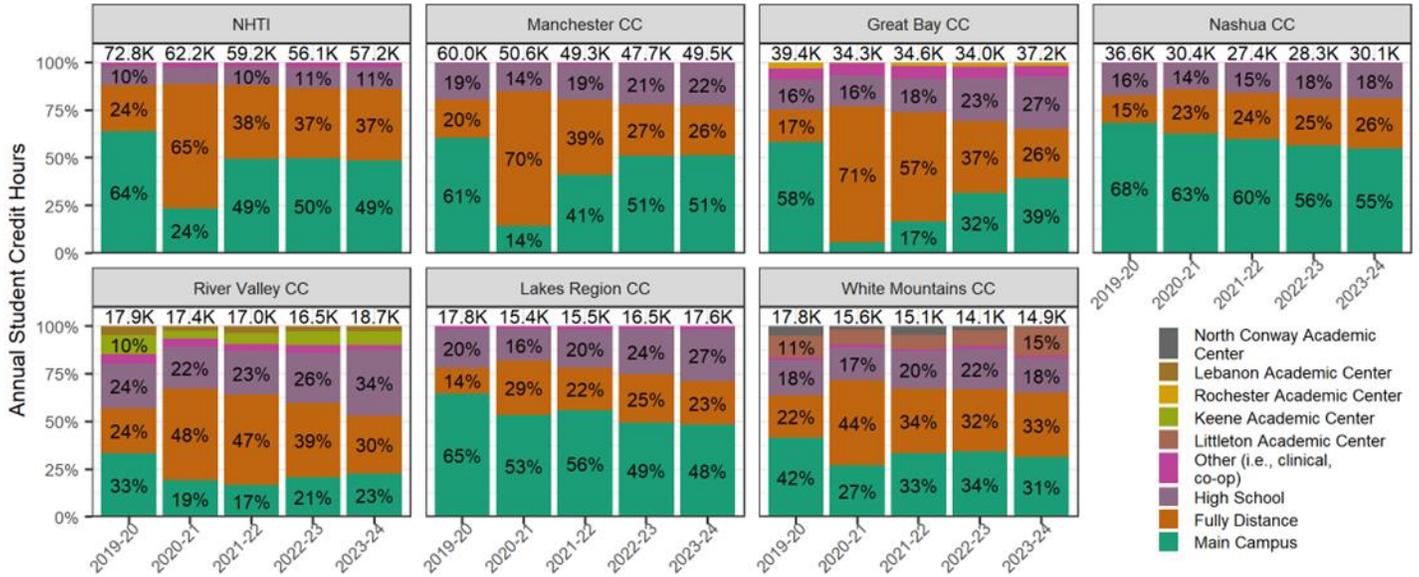
number was down to 45% in FY2024, a significant rebound from the deepest part of the pandemic. Credit hours delivered at high schools have climbed as a proportion—now above one in every five credit hours—and surpassed the total volume of credit hours from the year prior to the pandemic. Online programming has fallen in volume and proportion of delivery since FY2020. Yet these patterns are entirely different at the individual institutions. Nashua has seen consistent growth in online delivery, and Lakes Region has also not seen the sharp contraction that other campuses have. Credits delivered in high school classrooms are up everywhere, but most substantially at Great Bay, River Valley, and Lakes Region. White Mountains has significant credit-bearing activity at its Littleton Academic Center, but that is the only alternative physical site where there seems to be much credit-bearing courses being delivered.

Figure 30. CCSNH Annual Enrolled Credit Hours by Location/Modality



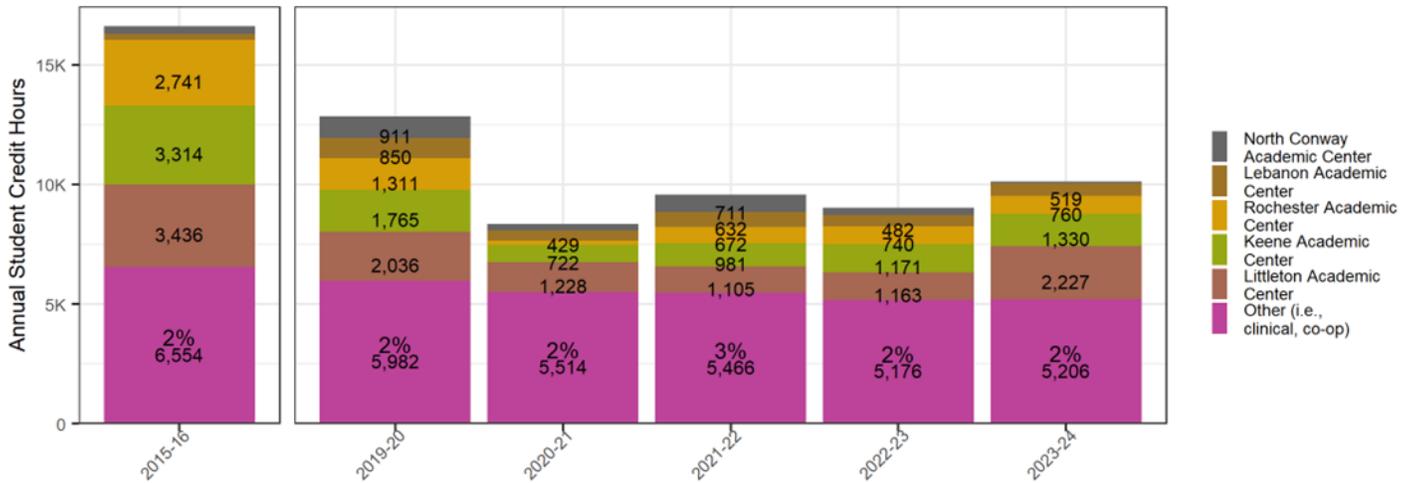
Source: CCSNH.

Figure 31. CCSNH Annual Enrolled Credit Hours by Location/Modality



Source: CCSNH.

Figure 32. CCSNH Annual Enrolled Credit Hours by Location/Modality, Excluding Main Campuses, Distance, and High Schools

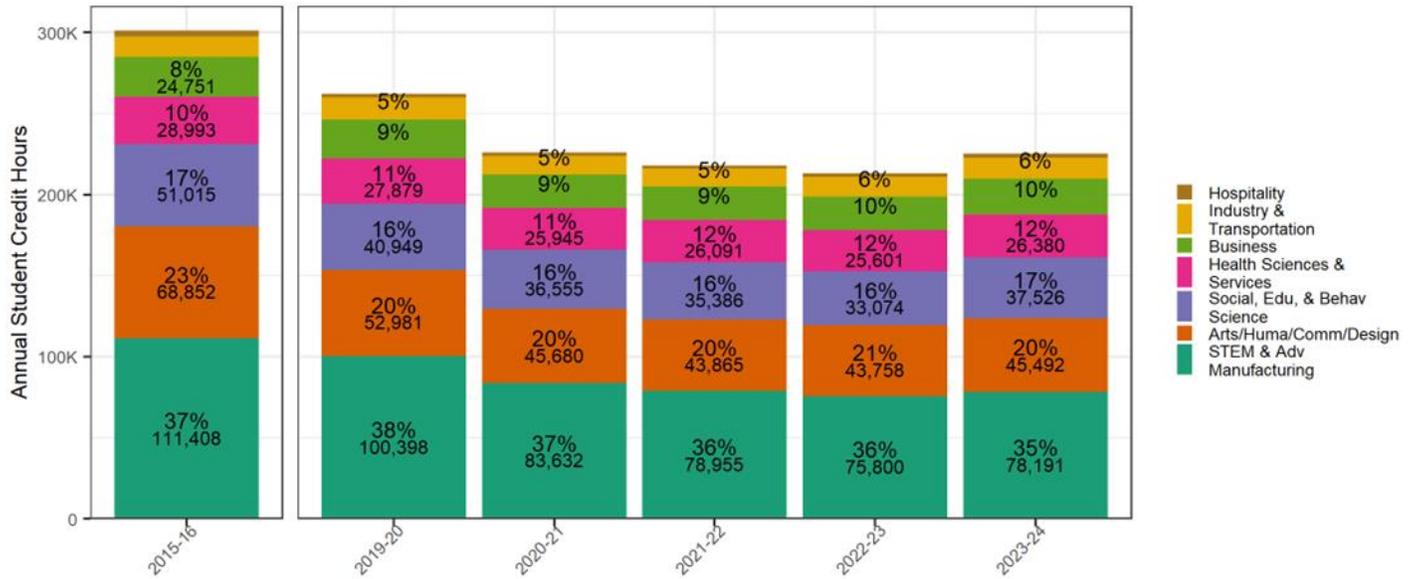


Source: CCSNH. Percentages are based on total enrolled credit hours at CCSNH at all locations/modalities.

Across the system and at every campus, STEM and advanced manufacturing account for the plurality of credit-based instruction. Only at River Valley in health sciences and services does another academic area match the volume of credit hours delivered in STEM and advanced manufacturing courses. However, courses in arts, humanities, communications, design, and social, educational, and behavioral sciences, academic areas that tend to be associated with transfer pathways would, when combined, exceed the activity in STEM and advanced

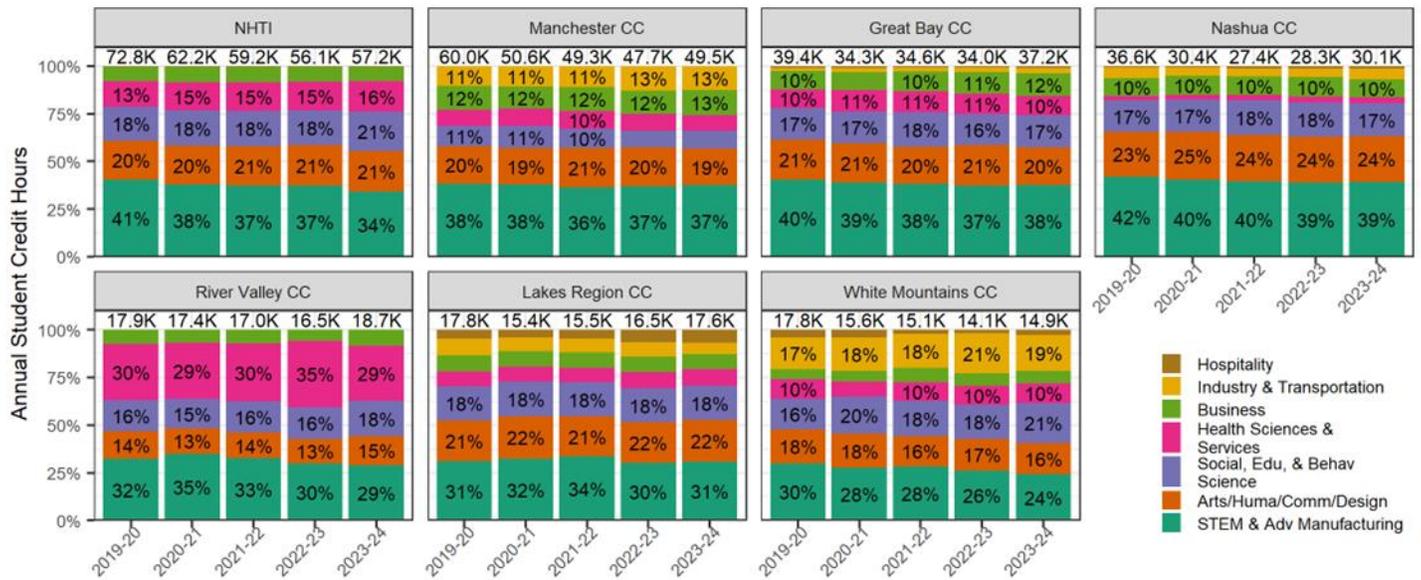
manufacturing. These data reveal significant differences in the focal areas of the seven institutions. For example, White Mountains has a much greater commitment to coursework in industry and transportation. At the same time, River Valley boasts the most activity in health sciences and services courses.

Figure 33. CCSNH Annual Enrolled Credit Hours by Broad Academic Area



Source: CCSNH. Academic Focus Areas are based on Complete College America definitions.

Figure 34. CCSNH Annual Enrolled Credit Hours by Broad Academic Area

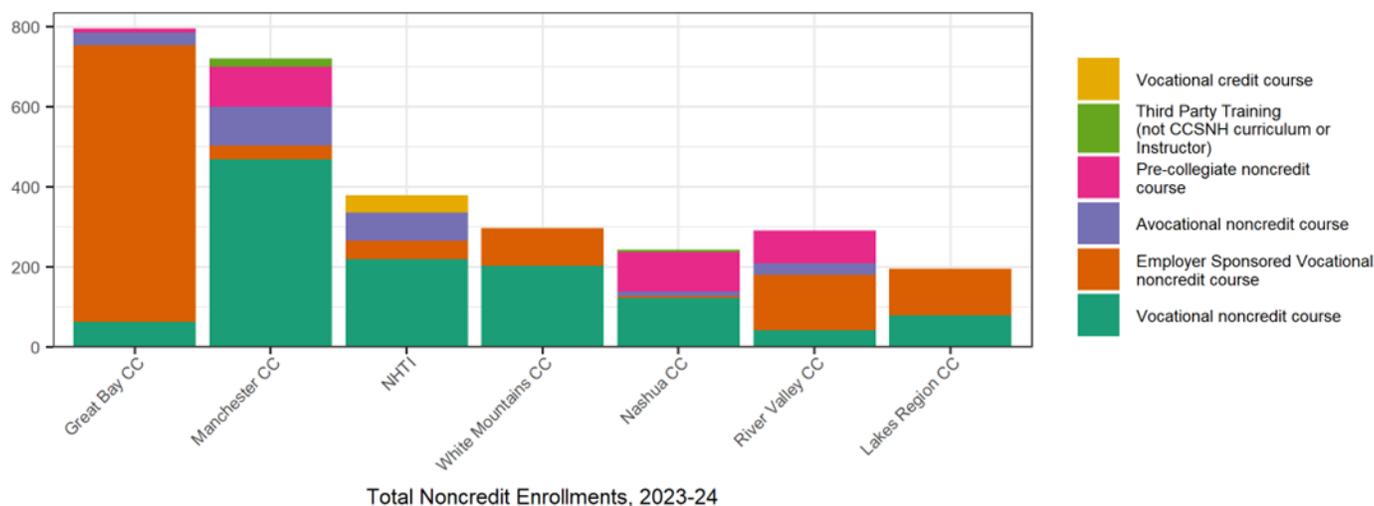


Source: CCSNH. Academic Focus Areas are based on Complete College America definitions.

Noncredit enrollment

Noncredit enrollment varies greatly by institution. For example, Great Bay administers the largest amount of noncredit activity, as measured by individual (duplicated) course enrollments, most of which are in employer-sponsored training. At the same time, Manchester's noncredit enrollment is the second-highest, and very little of its activity is in employer-sponsored training. We infer that each CCSNH institution is using noncredit programs and courses in distinct ways that are tailored to local needs.

Figure 35. CCSNH Noncredit Enrollment, 2023-24



Source: CCSNH. Notes: Enrollments are duplicated course headcounts. NHTI offers a few for-credit workforce development courses, which are included. "Avocational noncredit" includes WorkReady NH. "Third Party Training" includes training delivered by Ed2Go, Penn Foster, etc.

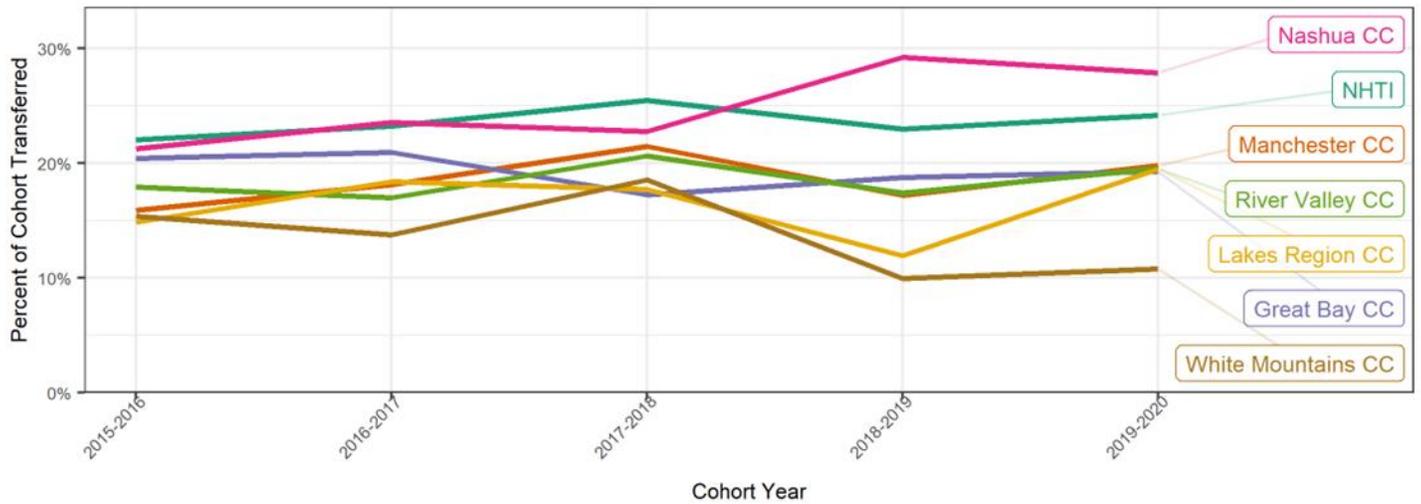
Student Mobility

Key Insights

- **Students who transfer out tend to favor non-USNH institutions.**
- **Most students who transfer do so without earning an associate degree.**
- **Among students who earn a transfer-oriented associate degree, only 74% transfer.**
- **This suggests that transfer has room for improvement.**
- **The number of students enrolled in two or more CCSNH institutions simultaneously has increased but is still relatively small. There is room for additional program- and course-sharing within the system.**

Just as the CCSNH institutions' credit hour production varies by field, so too does the rate at which their students transfer on to another institution (Figure 36). Nashua and NHTI students are the most likely to transfer, while White Mountains students are the least likely. Generally, transfer students from CCSNH institutions are more likely to go on to institutions that are not part of the USNH system, typically SNHU or an out-of-state four-year college, though the third most common destination is a two-year institutions in another state (Figure 37).

Figure 36. Percent of First-Time Students Transferred Within 4 Years by Institution Over Time



Source: CCSNH. Notes: Only includes first-time-in-college matriculated students who transferred within 4 years of entry. As much as possible, transfers exclude students taking occasional classes at a second institution.

Figure 37. Average Number of Transfers from CCSNH Institutions, by Destination, 2017-18, 2018-19, and 2019-20 Cohorts

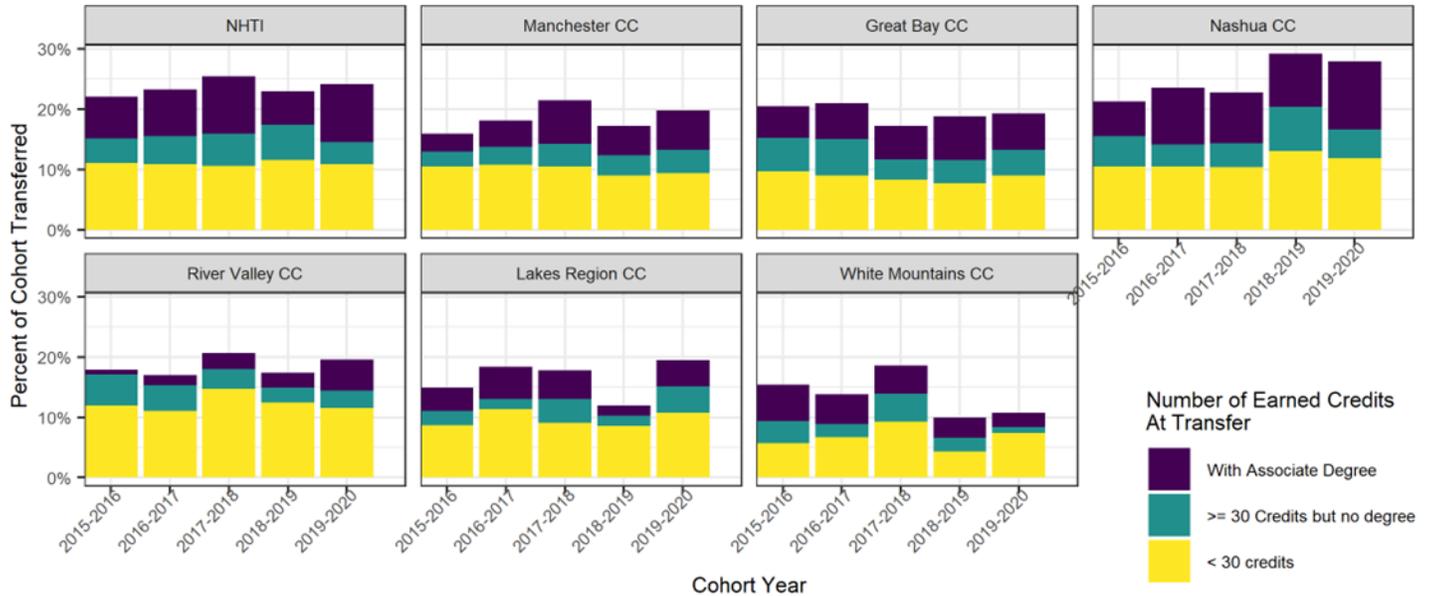


Source: CCSNH. Notes: Only includes first-time-in-college matriculated students who transferred within 4 years of entry. As much as possible, transfers exclude students taking occasional classes at a second institution. Asterisks (*) indicate average transfers of fewer than 5 students.

The traditional narrative around community college transfer is that students complete the first half of a bachelor’s degree at a community college, earn an associate degree, and then transfer.

CCSNH data reveal, however, that the minority of students who transfer do so after earning an associate degree (Figure 38).

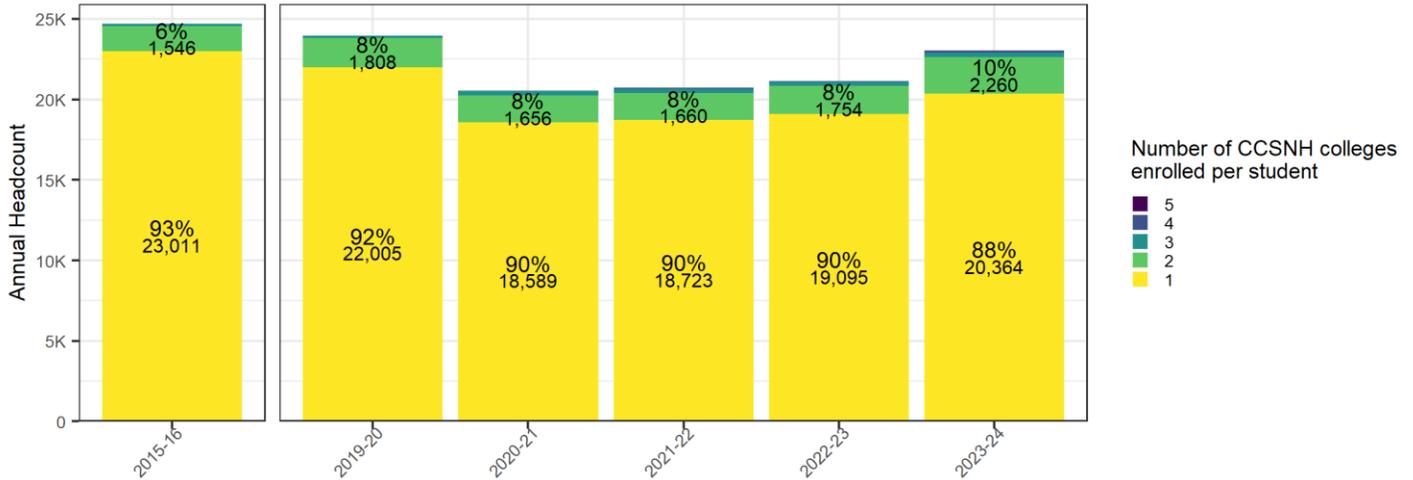
Figure 38. Percent of First-Time Students Who Transferred Within Four Years by Institution and Number of Credits, Over Time



Source: CCSNH. Notes: Only includes first-time-in-college matriculated students who transferred within 4 years of entry. Graduates are counted at 3 years post-entry. As much as possible, transfers exclude students taking occasional classes at a second institution.

Data about enrollments at multiple institutions within the system are a useful indicator of the extent to which students make full use of the system to access the courses (or programs) they need. Such behaviors are likely to be critical in a state with such small institutions where maintaining a diverse catalogue of courses and programs is increasingly difficult. Yet CCSNH’s data indicate that course-sharing among CCSNH institutions is infrequent, although it has become slightly more common (Figure 39), and a certain number of cross-enrollment is connected to dual-credit students, not college students after high school.

Figure 39. Annual Number of CCSNH Institutions Attended by Each Student



Source: CCSNH. Notes: Includes all credit students.

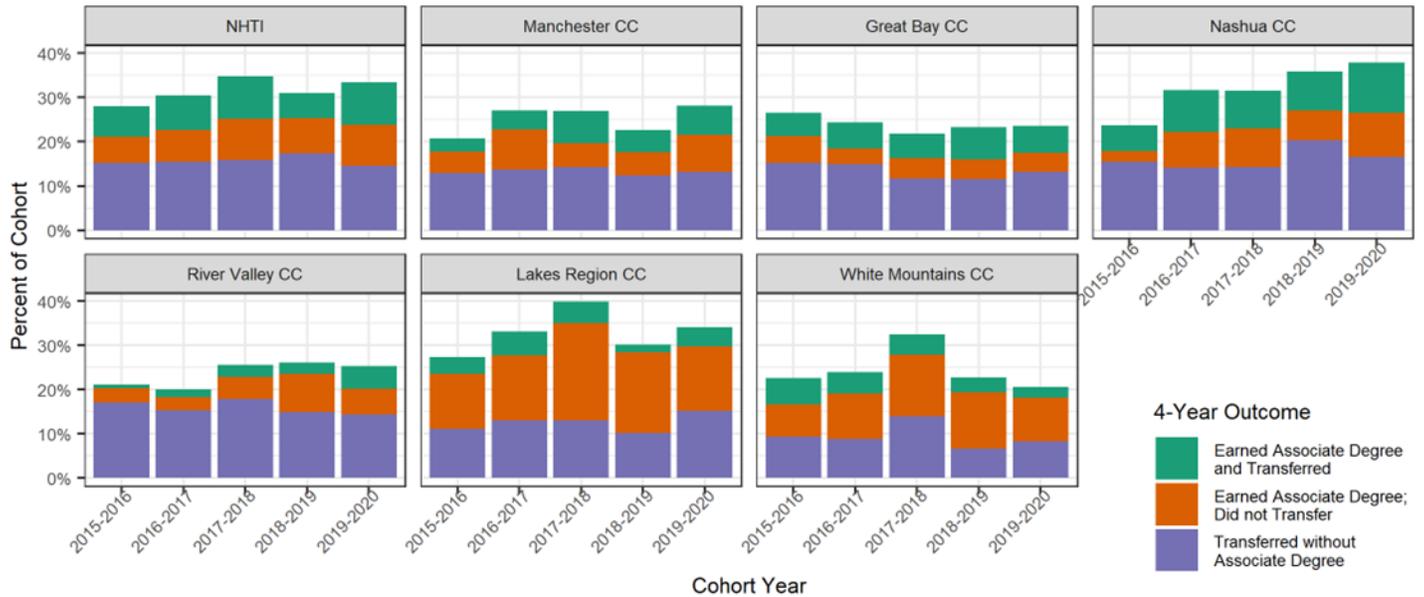
Student Outcomes

Key Insights

- Most first-time-in-college CCSNH students do not graduate with an associate degree or transfer within four years.
- CCSNH institutions perform about the same or slightly better than their peers in terms of student retention, graduation, and success.
- As the system considers structural reform, this suggests that there is room for improvement in CCSNH's student success and a need to protect aspects of the system and its institutions that are already working well.

Across the system, well under half of first-time students graduate with an associate degree and/or transfer within four years (Figure 40). This does not include all possible successful outcomes: an additional group of students will have earned a certificate, and others will still be enrolled. However, there is doubtless room for improvement across the system in ensuring students achieve their goals.

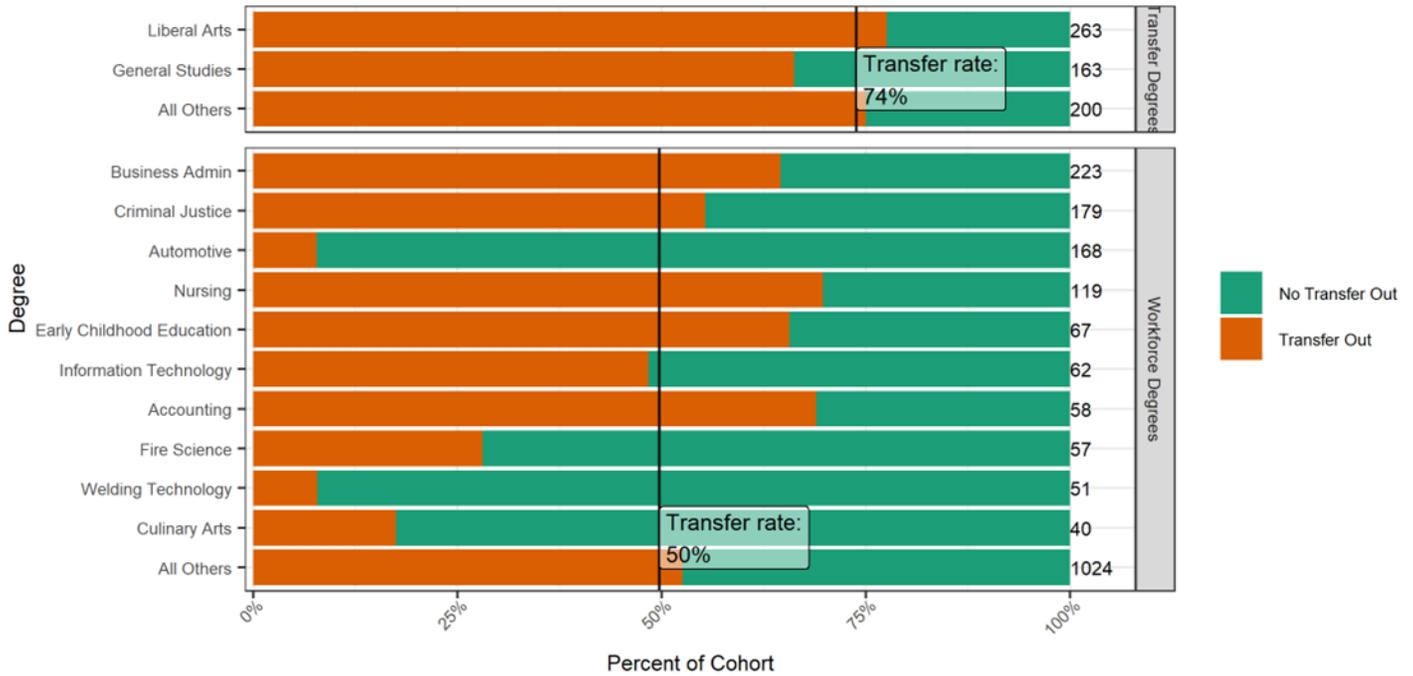
Figure 40. Percent of First-Time Students Who Graduated with an Associate Degree and/or Transferred Within 4 Years by Institution, Over Time



Source: CCSNH. Notes: Only includes first-time-in-college matriculated students who earned an associate degree within 3 years and/or transferred within 4 years of entry. As much as possible, transfers exclude students taking occasional classes at a second institution.

As Figure 40 shows, some students who earn associate degrees subsequently transfer and some do not. This is to be expected; some of these degrees are designed for transfer, and others are meant to prepare students to enter the workforce directly. Figure 41 shows the different transfer rates of students who earn different kinds of associate degrees. Across four cohorts, those who earned transfer-oriented degrees (defined rather conservatively as all AA degrees and AS General Studies degrees) transferred 74% of the time. As expected, this was higher than the percentage of students who earned workforce-oriented degrees. However, it still leaves over one-quarter of these students with associate degrees that have uncertain workplace value.

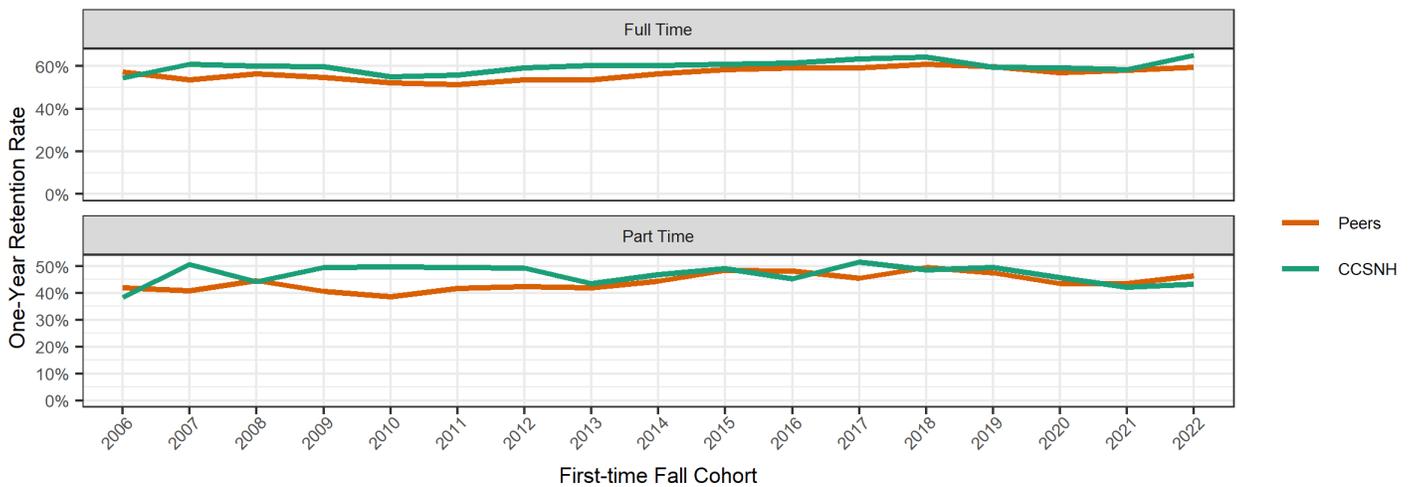
Figure 41. Percent of CCSNH Associate Degree Graduates (in the 2016-2020 first-time Cohorts) who Transferred, by Discipline



Source: CCSNH. Notes: Only includes first-time-in-college matriculated students who started in AY2016-AY2020 and earned an Associate degree within 3 years of entry. Transfers are counted in years 2 to 4 from entry. 'Transfer' degrees are all AA degrees and AS degrees in General Studies. 'Workforce' degrees are AAS and all other AS degrees. Degrees listed individually are those with at least 40 graduates across the CCSNH system.

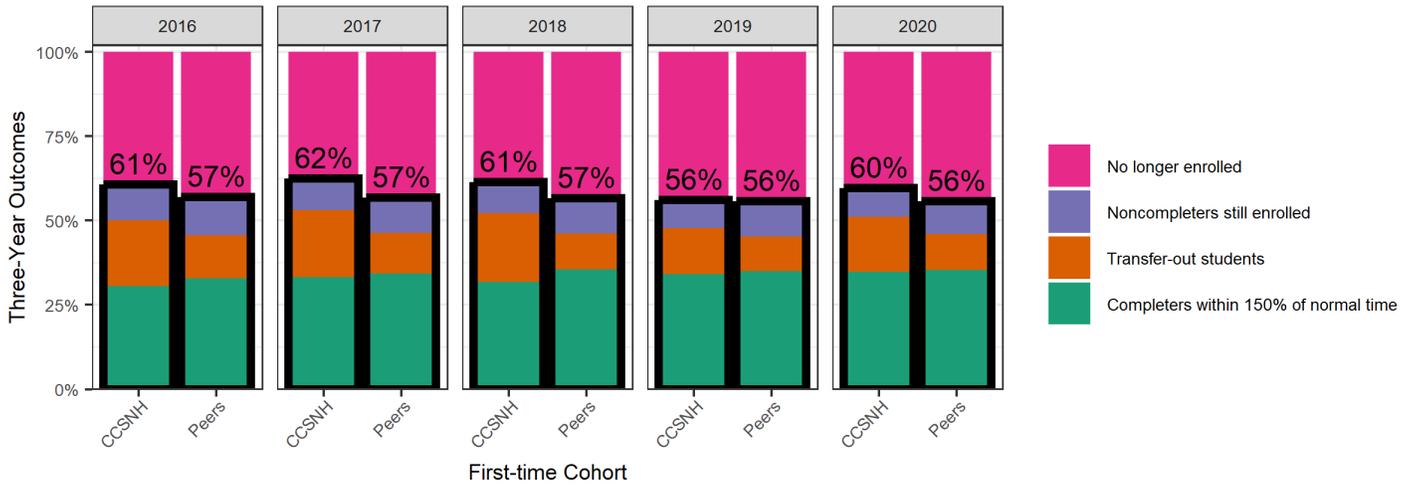
CCSNH's overall retention, graduation, and transfer outcomes as measured by IPEDS are similar to peer systems around the country, though CCSNH students are more likely to transfer and/or earn associate degrees and less likely to earn certificates than students at peer systems.

Figure 42. IPEDS Fall-to-Fall Retention Rates (First-Time DS Students), CCSNH and Peers



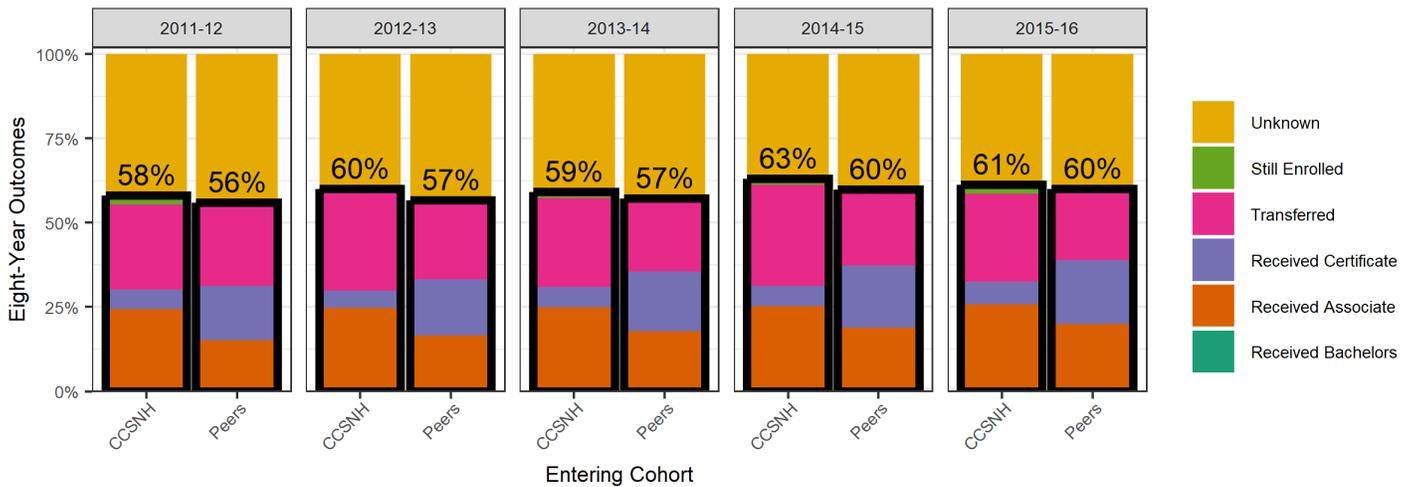
Sources: NCES IPEDS Fall Enrollment survey eapYYYY, 2007-2022 final release files; 2023 provisional release. Note: Retention rates are only calculated for first-time degree/certificate-seeking undergraduates, not dual high school students, non-degree-seekers, transfer students, or continuing/returning students. Peer rates are averages weighted by cohort size.

Figure 43. IPEDS 3-year Graduation/Success Rates (First-Time/Full-Time DS Students), CCSNH and Peers



Sources: NCES IPEDS Graduation Rate survey grYYYY, 2018-2022 final release files; 2023 provisional release. Note: Graduation rates are only calculated for full-time, first-time degree/certificate-seeking students in each cohort year. Peer rates are averages weighted by cohort size. Excludes peer institutions that offer Bachelor's degrees, as they report on different cohort years.

Figure 44. Eight-Year Outcomes (All Entering Students), CCSNH and Peers



Sources: NCES IPEDS Outcomes Measures Survey omYYYY, 2019-2022 final release files; 2023 provisional release. Note: Cohorts include all degree/certificate-seeking undergraduate students entering the institution during a 12-month period, including part-time students and incoming transfer students. Peer rates are averages weighted by cohort size.

Programs

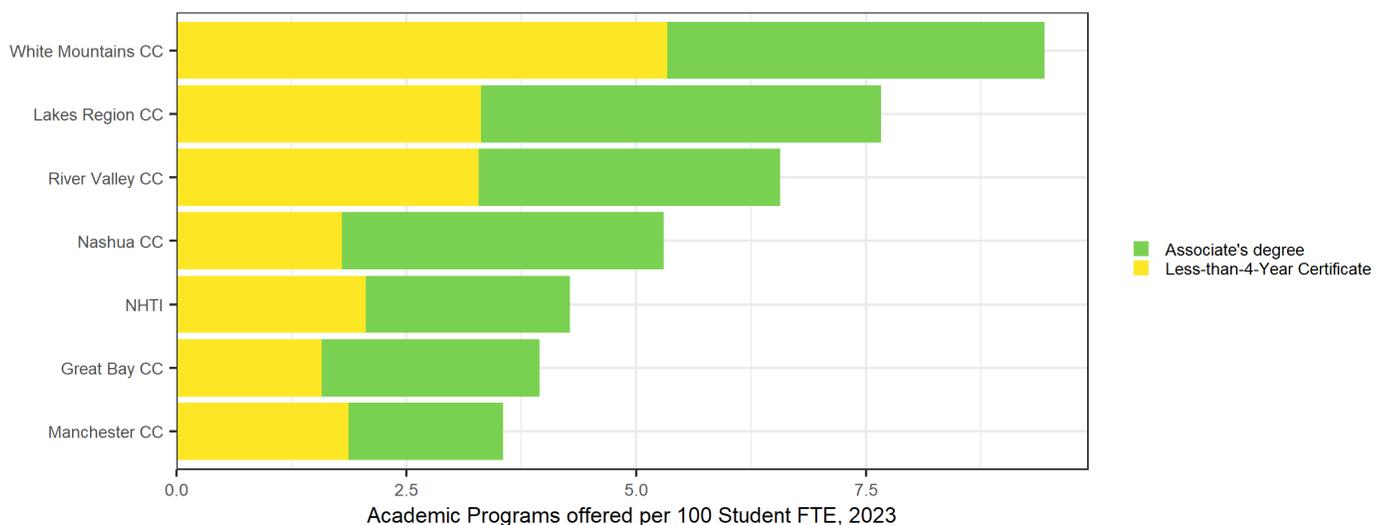
Key Insights

- The smaller CCSNH institutions offer more programs per student FTE than the larger institutions. Their communities may need these program arrays, but they can also be financially burdensome.
- The CCSNH institutions are relatively well-differentiated in their program offerings. This means the system does not suffer from widespread program duplication. Still, it does face the challenge of figuring out how to offer a single institution's program in multiple locations across the state.

Program availability and density

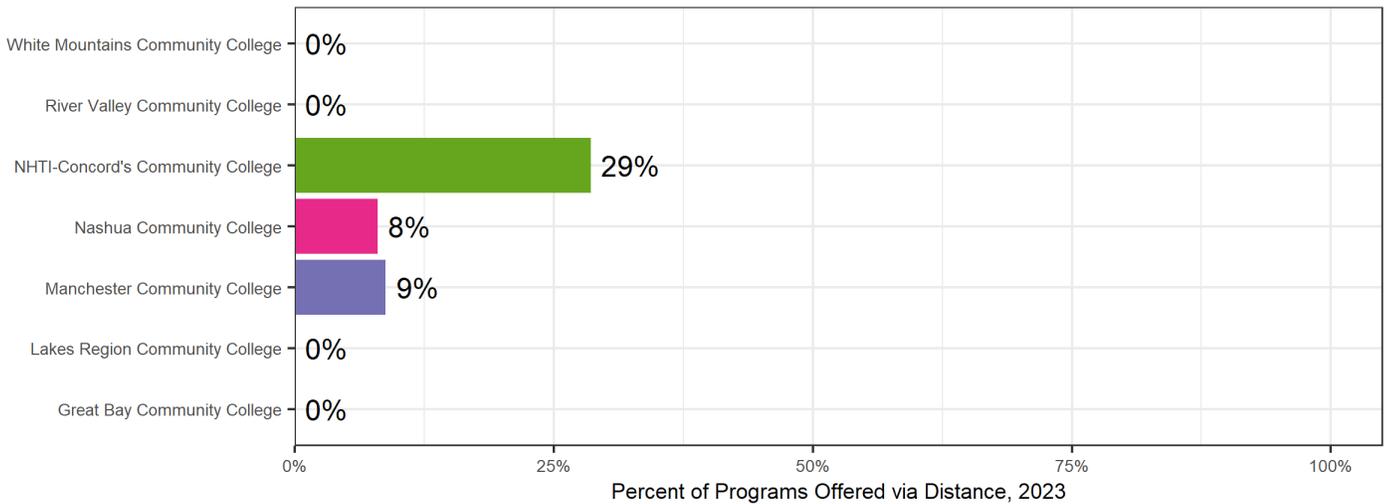
Every program an institution chooses to offer creates overhead expenses in addition to the direct expenses of running the courses. Therefore, data on the number of programs an institution offers relative to its enrollment provide a useful, albeit blunt, indicator of the extent to which it is structured to be financially healthy. Smaller community colleges are at a disadvantage in this measure given that they are obligated to deliver programs relevant to their service area. This obligation may result in more programs relative to enrollment. In fact, this is what we observe in New Hampshire, as the smallest and most rural of the system's institutions have the largest number of programs relative to their enrollment. Compounded by the limits small institutions also face in benefiting from scale economies, higher ratios of programs to students may be unsustainable, forcing institutional leaders to look for creative solutions that preserve their students' access to relevant programming without having to bear the costs of sustaining full programs.

Figure 45. Count of CCSNH Programs Offered per 100 Student FTE, 2023



Source: IPEDS completions survey (c2023dep) and IPEDS 12-month enrollment survey (efia2023) provisional release files. Programs are defined by 6-digit CIP code.

Figure 46. Percent of CCSNH Programs that Can be Completed Entirely via Distance, 2023



Source: IPEDS completions survey c2023dep and IPEDS 12-Month Enrollment Survey efi2023, both provisional release files. Programs are defined by 6-digit CIP code.

Graduates by program and institution

The institutions within the CCSNH system differ substantially in their program offerings; they are not copies of one another in different parts of the state. These differences are apparent in their graduates by discipline (Figure 47 through Figure 53). These differences mean that the system does not suffer from unnecessary program duplication. They also mean that the system faces the challenge of offering a single institution’s program in multiple locations across the state.

Across the CCSNH system, there were 176 academic programs with at least one graduate from 2021 to 2023 (for this analysis, we defined a program as a single 6-digit CIP code at a given level, regardless of how many institutions offer it). Of these, 113—or nearly two-thirds—were unique, meaning that they are only offered by one CCSNH institution. Only seven programs, in the areas of general studies/liberal arts, business, early childhood education and nursing, were offered at all seven CCSNH institutions.

Table 3 lists the programs that are unique to a single CCSNH institution and which averaged at least 5 graduates per year from 2021 to 2023. There are 35 such programs.

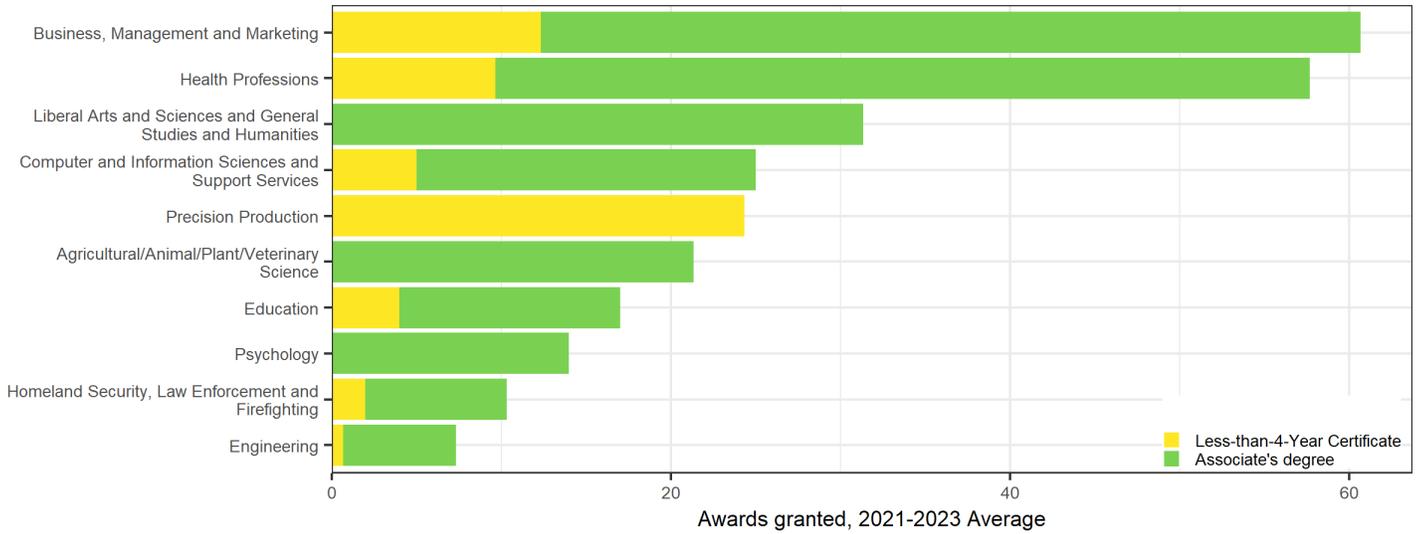
Table 3. Unique Programs within the CCSNH System and 5+ Average Annual Awards

Institution	CIP Title	CIP Code	Program Level	Awards (3-yr Average)
Great Bay	Veterinary/Animal Health Technology/Technician and Veterinary Assistant	01.8301	Associate degree	21
Great Bay	Surgical Technology/Technologist	51.0909	Associate degree	9
Great Bay	General Design and Visual Communications	50.0401	Associate degree	7
Great Bay	Biology/Biotechnology Technology/Technician	41.0101	Associate degree	5
Lakes Region	Fire Science/Fire-Fighting	43.0203	Associate degree	15

Lakes Region	General Electrical/Electronics Equipment Installation and Repair Technology/Technician	47.0101	Associate degree	12
Manchester	Heating, Air Conditioning and Ventilation and Refrigeration Maintenance Technology/Technician	47.0201	Less-than-Four-Year Certificate	32
Manchester	Lineworker	46.0303	Less-than-Four-Year Certificate	19
Manchester	Welding Technology/Welder	48.0508	Associate degree	17
Manchester	Cyber/Computer Forensics and Counterterrorism	43.0403	Associate degree	12
Manchester	Electrician	46.0302	Associate degree	11
Manchester	Heating, Air Conditioning and Ventilation and Refrigeration Maintenance Technology/Technician	47.0201	Associate degree	7
Manchester	Electrician	46.0302	Less-than-Four-Year Certificate	7
Manchester	Interior Architecture	04.0501	Associate degree	6
Manchester	Exercise Science and Kinesiology	31.0505	Less-than-Four-Year Certificate	6
Nashua	CAD/CDD Drafting and/or Design Technology/Technician	15.1302	Associate degree	7
NHTI	Dental Hygiene/Hygienist	51.0602	Associate degree	24
NHTI	Dental Assisting/Assistant	51.0601	Less-than-Four-Year Certificate	16
NHTI	General Visual and Performing Arts	50.0101	Associate degree	10
NHTI	Orthotist/Prosthetist	51.2307	Associate degree	10
NHTI	General Communication	09.0100	Less-than-Four-Year Certificate	10
NHTI	Diagnostic Medical Sonography/Sonographer and Ultrasound Technician	51.0910	Less-than-Four-Year Certificate	10
NHTI	Emergency Medical Technology/Technician (EMT Paramedic)	51.0904	Associate degree	9
NHTI	Architectural Engineering Technologies/Technicians	15.0101	Associate degree	8
NHTI	Substance Abuse/Addiction Counseling	51.1501	Associate degree	8
NHTI	Sport and Fitness Administration/Management	31.0504	Associate degree	6
NHTI	Computer Graphics	11.0803	Associate degree	5
River Valley	Licensed Practical/Vocational Nurse Training	51.3901	Less-than-Four-Year Certificate	35
River Valley	Physical Therapy Assistant	51.0806	Associate degree	13
River Valley	Respiratory Care Therapy/Therapist	51.0908	Associate degree	8
River Valley	Occupational Therapist Assistant	51.0803	Associate degree	6
White Mountains	Truck and Bus Driver/Commercial Vehicle Operator and Instructor	49.0205	Less-than-Four-Year Certificate	14
White Mountains	Driver and Safety Teacher Education	13.1304	Less-than-Four-Year Certificate	10
White Mountains	Diesel Mechanics Technology/Technician	47.0605	Associate degree	7
White Mountains	Diesel Mechanics Technology/Technician	47.0605	Less-than-Four-Year Certificate	5

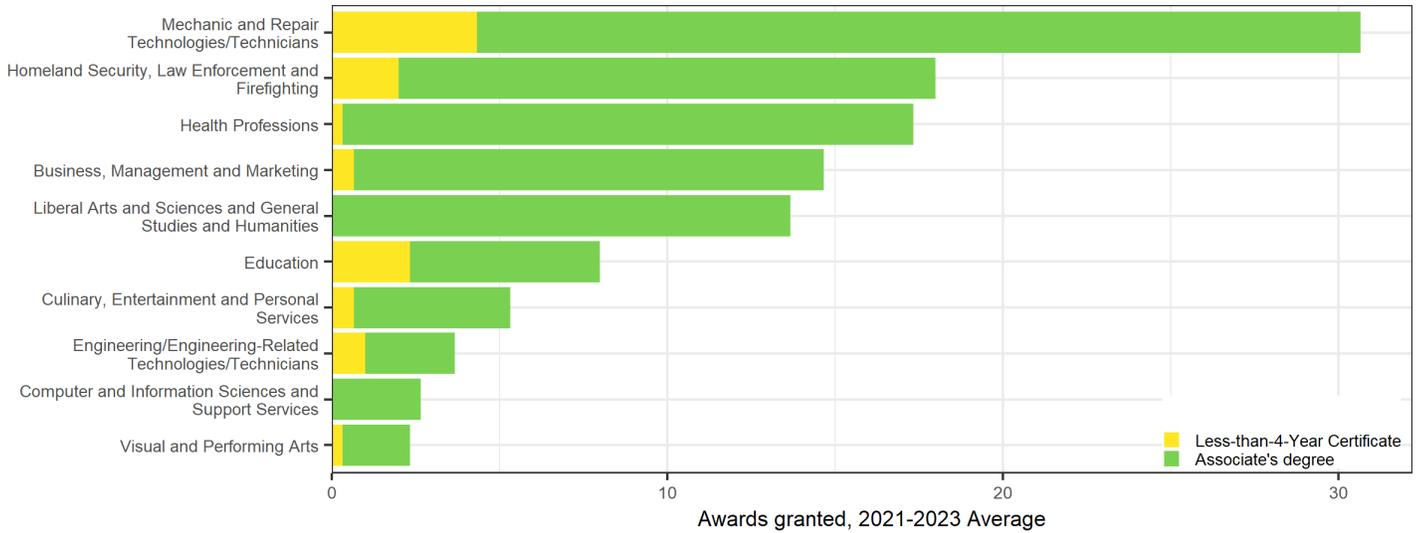
Source: NCES IPEDS Completions Survey, c2021_a and c2022_a final release files; c2023_a and c2023dep provisional release files.
Note: Includes programs offered in 2023 at only one CCSNH institution that also conferred at least five awards per year from 2021 to 2023.

Figure 47. Great Bay Awards by 2-digit CIP and Level, 2021-2023 Average



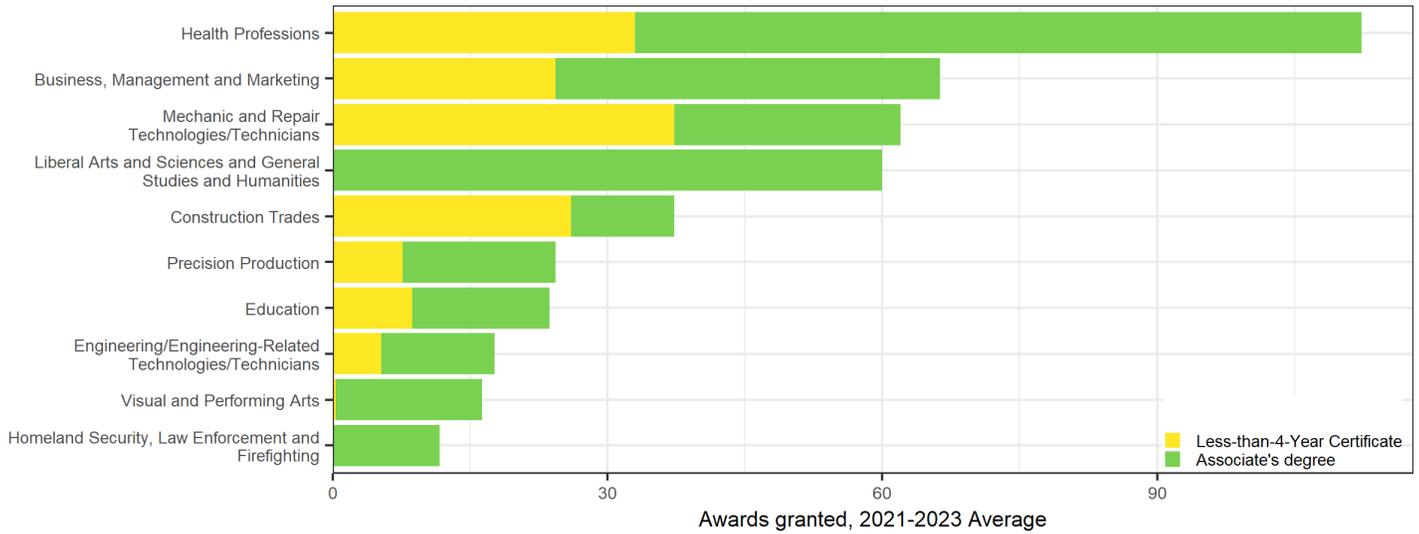
NCES IPEDS Completions Survey, files cYYYY_a. 2021, 2022 final release files; 2023 provisional release.
 Note: Includes only top 10 2-digit CIP codes. Awards may be duplicated in cases where a graduate receives multiple awards.

Figure 48. Lakes Region Awards by 2-digit CIP and Level, 2021-2023 Average



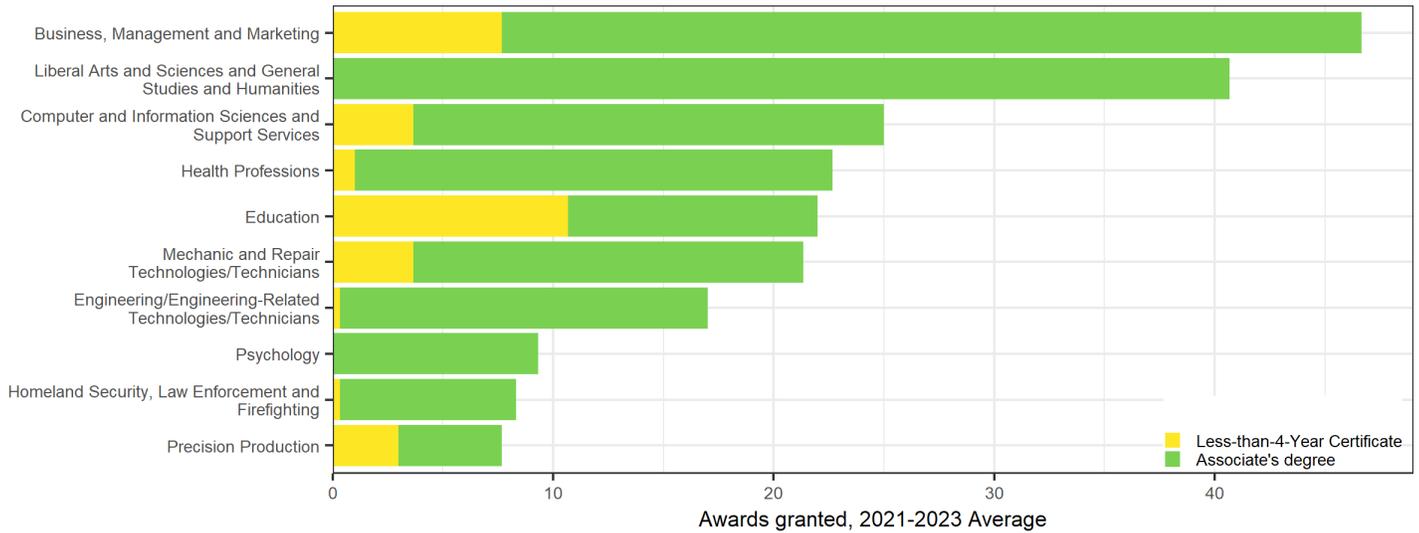
NCES IPEDS Completions Survey, files cYYYY_a. 2021, 2022 final release files; 2023 provisional release.
 Note: Includes only top 10 2-digit CIP codes. Awards may be duplicated in cases where a graduate receives multiple awards.

Figure 49. Manchester Awards by 2-digit CIP and Level, 2021-2023 Average



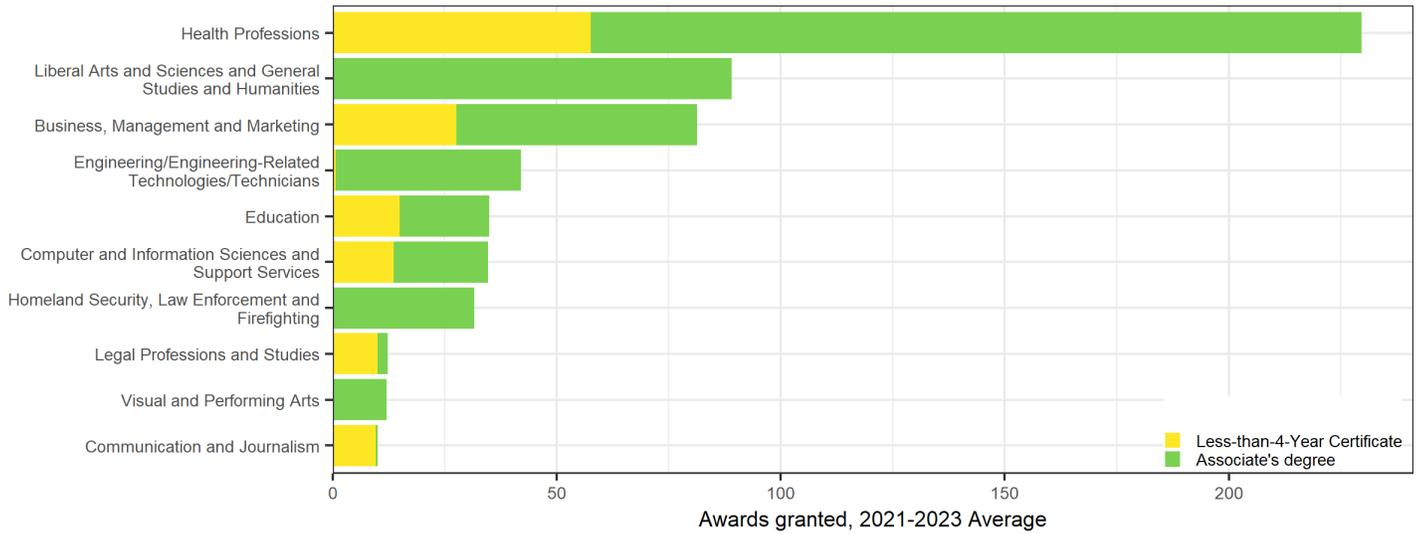
NCES IPEDS Completions Survey, files cYYYY_a. 2021, 2022 final release files; 2023 provisional release.
 Note: Includes only top 10 2-digit CIP codes. Awards may be duplicated in cases where a graduate receives multiple awards.

Figure 50. Nashua Awards by 2-digit CIP and Level, 2021-2023 Average



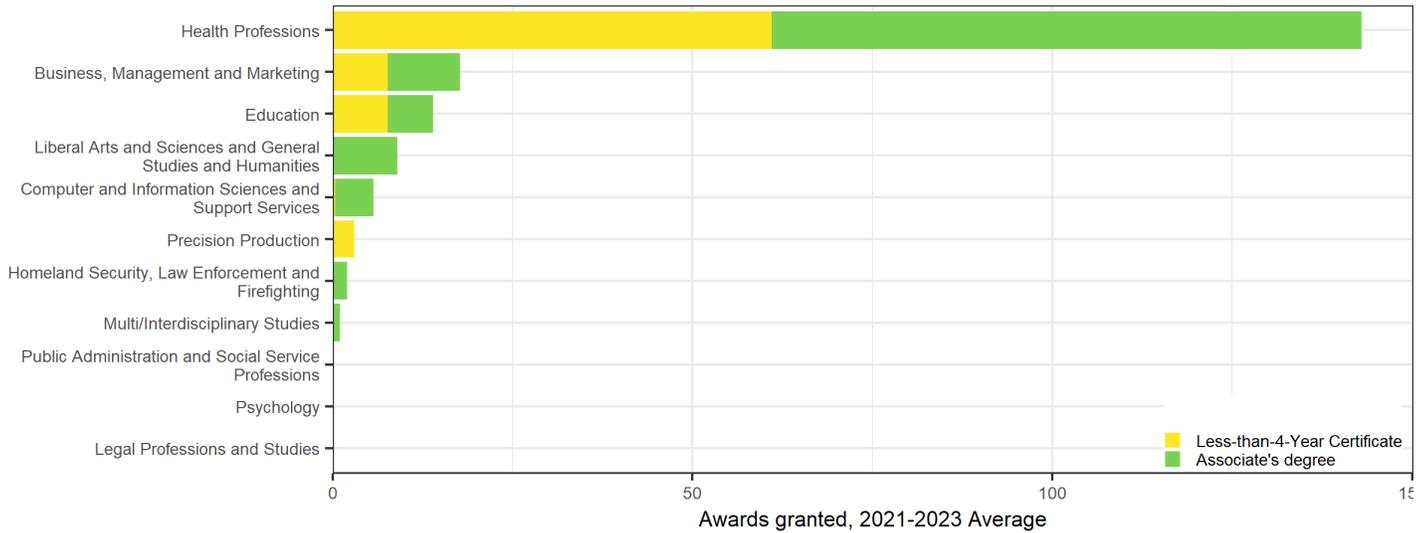
NCES IPEDS Completions Survey, files cYYYY_a. 2021, 2022 final release files; 2023 provisional release.
 Note: Includes only top 10 2-digit CIP codes. Awards may be duplicated in cases where a graduate receives multiple awards.

Figure 51. NHTI Awards by 2-digit CIP and Level, 2021-2023 Average



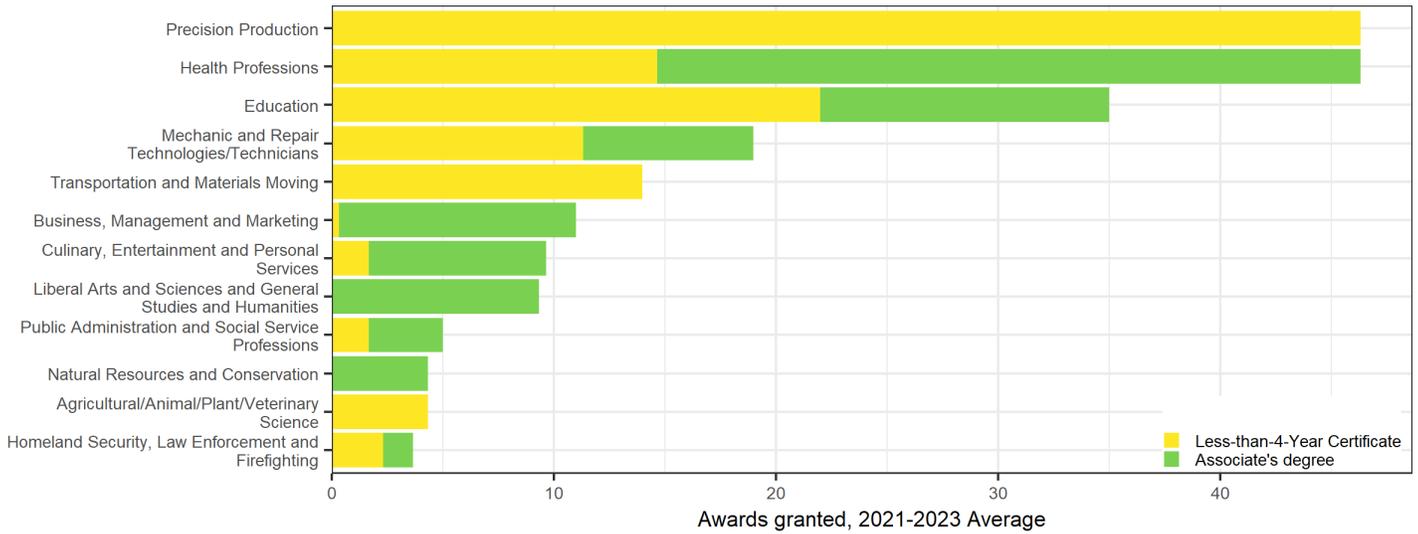
NCES IPEDS Completions Survey, files cYYYY_a. 2021, 2022 final release files; 2023 provisional release.
 Note: Includes only top 10 2-digit CIP codes. Awards may be duplicated in cases where a graduate receives multiple awards.

Figure 52. River Valley Awards by 2-digit CIP and Level, 2021-2023 Average



NCES IPEDS Completions Survey, files cYYYY_a. 2021, 2022 final release files; 2023 provisional release.
 Note: Includes only top 10 2-digit CIP codes. Awards may be duplicated in cases where a graduate receives multiple awards.

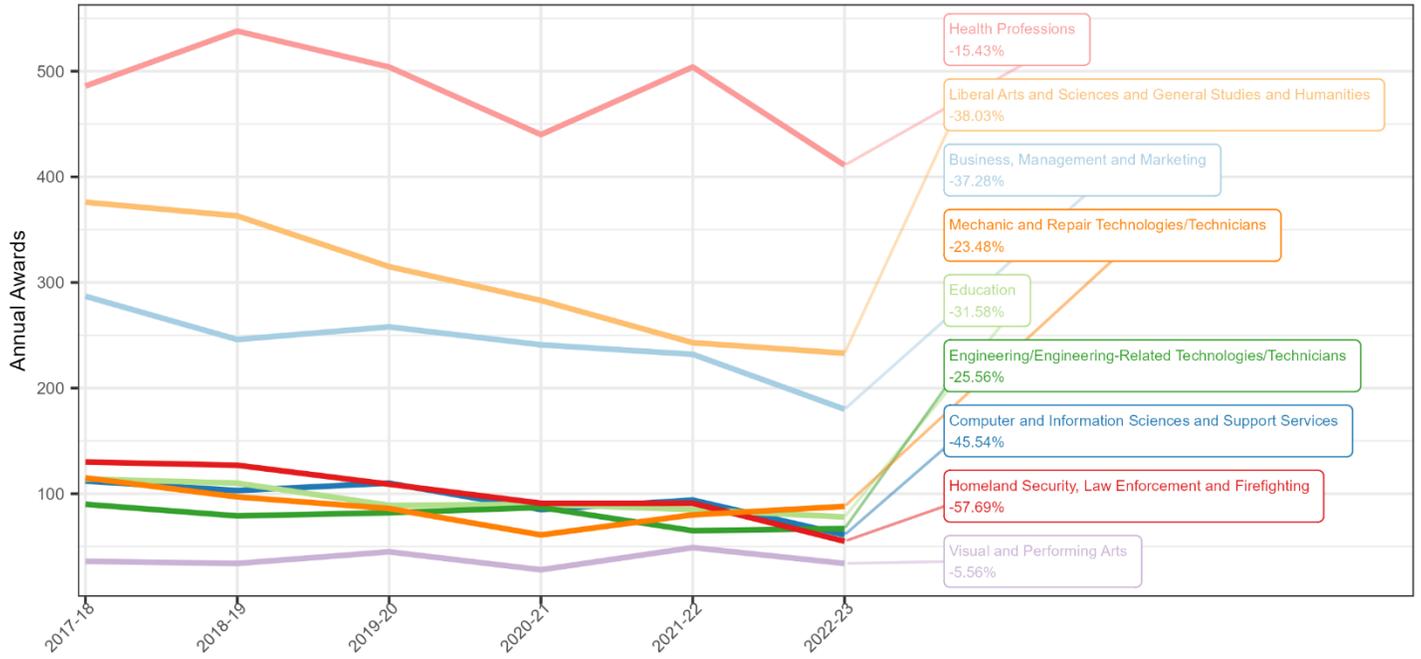
Figure 53. White Mountains Awards by 2-digit CIP and Level, 2021-2023 Average



NCES IPEDS Completions Survey, files cYYYY_a. 2021, 2022 final release files; 2023 provisional release.
 Note: Includes only top 10 2-digit CIP codes. Awards may be duplicated in cases where a graduate receives multiple awards.

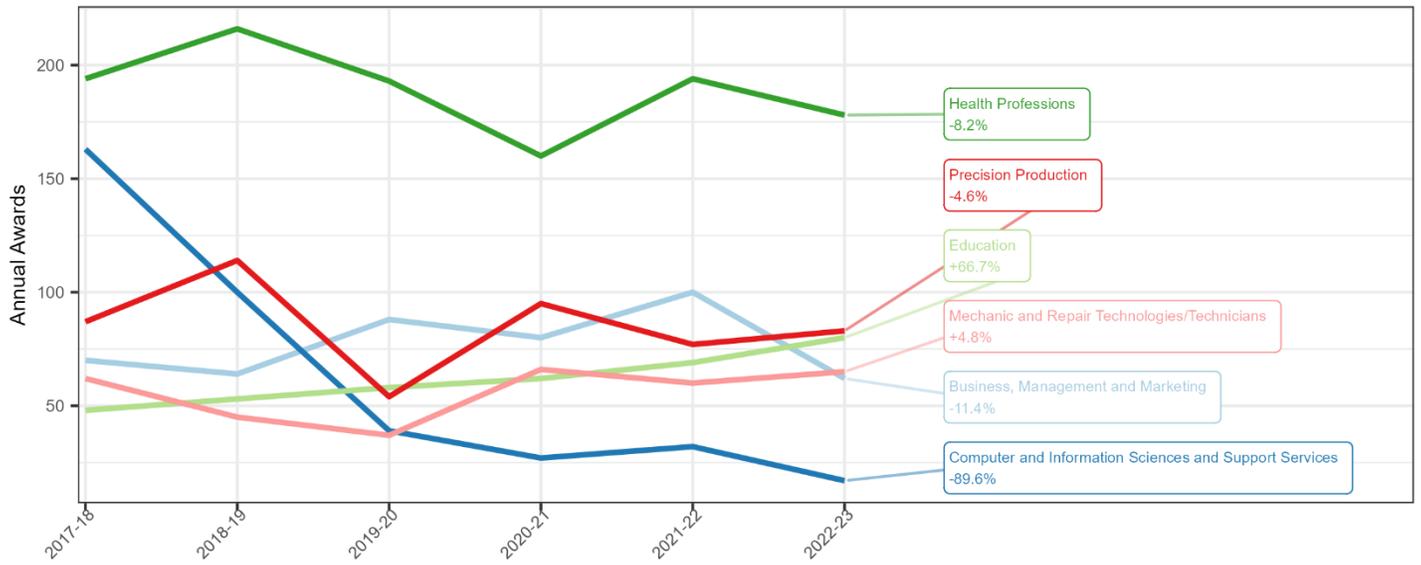
Across the system, student demand—as measured by graduates in each discipline—has changed over time. While all disciplines have conferred fewer awards as enrollment has declined, some have shrunk more than others (Figure 54, Figure 55). Among associate degree disciplines (as defined by two-digit CIP code), the one in which CCSNH students earn the most degrees is Health Professions. The number of awards conferred declined by 15% from 2018 to 2023, a smaller decrease than many other disciplines. associate degrees in Homeland Security/Law Enforcement/Firefighting, for example, declined by 58% during the same time frame.

Figure 54. Change in CCSNH Associate Degrees Awarded by Discipline, 2018-2023



Source: NCES IPEDS Completions Survey, files cYYYY_a. 2017-2022 final release files; 2023 provisional release. Notes: Students who received multiple awards will be duplicated. Includes 2-digit CIP areas with an average of at least 35 annual awards across the CCSNH system.

Figure 55. Change in CCSNH Certificates Awarded by Discipline, 2018-2023



Source: NCES IPEDS Completions Survey, files cYYYY_a. 2017-2022 final release files; 2023 provisional release. Notes: Students who received multiple awards will be duplicated. Includes 2-digit CIP areas with an average of at least 35 annual awards across the CCSNH system.

Finances

Key Insights

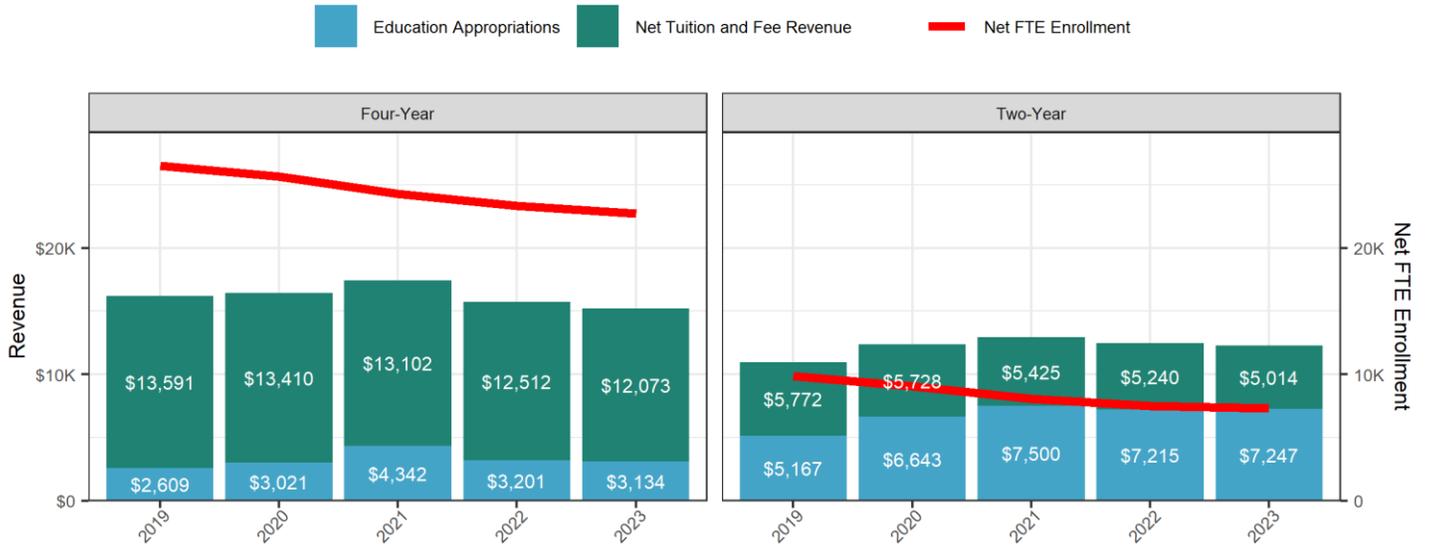
- **Students contribute a larger share of CCSNH’s funding compared to public two-year institutions in all but a few other states, despite recent tuition freezes and increases in state appropriations.**
- **CCSNH institutions have generally maintained acceptable financial health, as measured by their operating and primary reserve ratios over the past eight fiscal years, but their revenues and reserves have been padded by federal COVID-relief dollars.**
- **CCSNH is proactively setting aside money to fund a deferred maintenance backlog and growing retiree health insurance costs. These actions represent thoughtful financial stewardship and will also add pressure to future operating budgets.**
- **CCSNH institutions have very little debt and therefore strong viability ratios, which compare assets to debt.**
- **CCSNH and each of its institutions spend less on instruction and student support and more on institutional support than do comparator peer institutions and peer systems. Institutional support may be an area where the system could improve its efficiency.**

Higher Education Finance

New Hampshire has consistently been among the states that provide the least funding to public institutions on a per-student basis, leaving the heavier burden of paying for public institutions’ operational costs to students and their families. In 2023, the state supplied 59% of CCSNH’s total revenue (Figure 56). While this represents a significant commitment by the legislature and is a higher percentage than that of the USNH system, which relies heavily on tuition paid by out-of-state students, it is low compared to most other states. New Hampshire’s public two-year institutions receive public funding support that is the 10th lowest in the nation, and over \$3,000 per full-time student lower than the national average (Figure 57). CCSNH’s *total* funding is just slightly below the national average, but New Hampshire’s two-year institutions rely more heavily on students for revenue than do those in most other states (Figure 58). While CCSNH has reduced its reliance on tuition revenue over time by freezing tuition in exchange for above-inflation increases in state appropriations, New Hampshire still ranks 6th in the nation for the percentage of two-year revenue that comes from net tuition. At 40.9% of total revenue, this is over double the U.S. average.

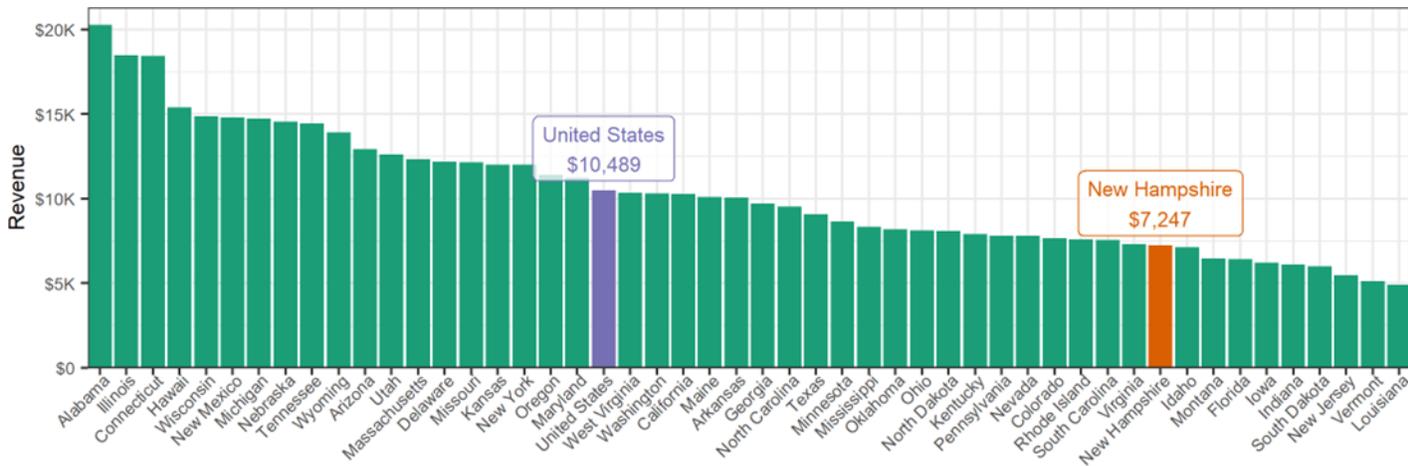
This means that CCSNH’s finances are especially vulnerable to enrollment declines, such as the one the system has been experiencing over the past decade. It also means that the system may struggle to attract new student audiences that are sensitive to price.

Figure 56. New Hampshire FTE Enrollment, Education Appropriations per FTE, and Net Tuition Revenue per FTE, by Sector



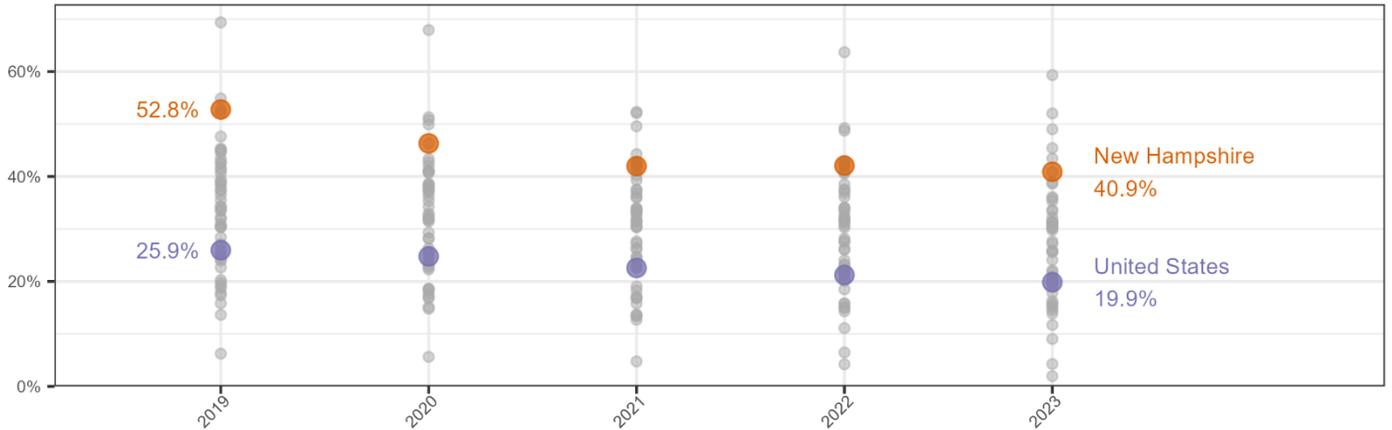
Source: State Higher Education Executive Officers Association. (2024) State Higher Education Finance: FY 2023. Note: Values adjusted for cost of living (COLI) and inflation (HECA).

Figure 57. Two-Year Sector Public Higher Ed Appropriations per Student FTE, 2023, by State



Source: State Higher Education Executive Officers Association. (2024) State Higher Education Finance: FY 2023. Note: Values adjusted for cost of living (COLI).

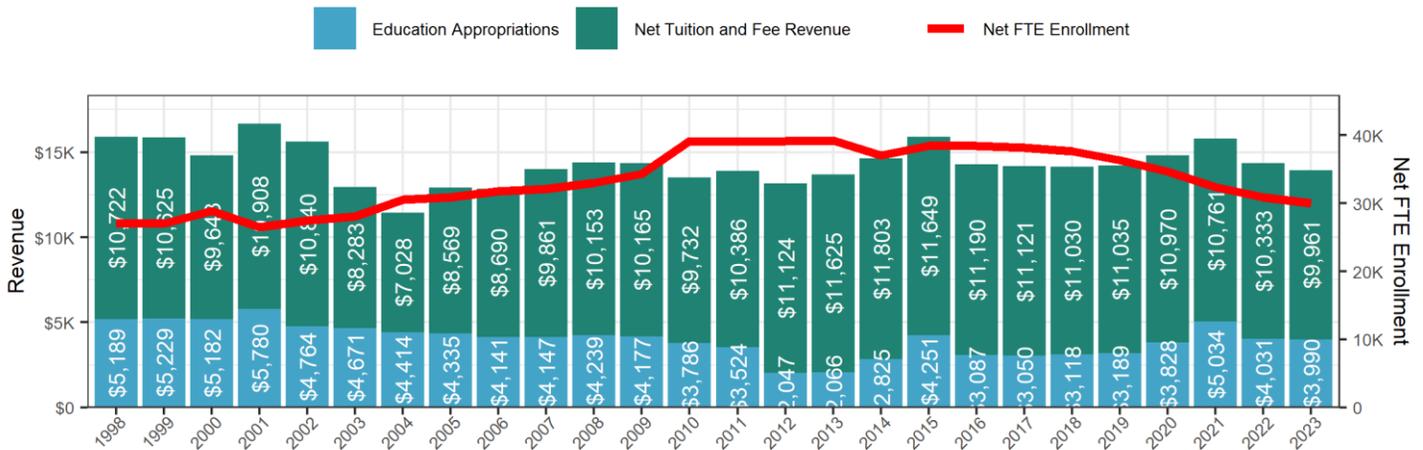
Figure 58. Two-Year Sector Student Share of Total Education Revenue by State, FY2019-2023



Source: State Higher Education Executive Officers Association. (2024) State Higher Education Finance: FY 2023. Notes: The student share is a measure of the proportion of total education revenue at public institutions coming from net tuition revenue. Net tuition revenue used for capital debt service is included in net tuition revenue but excluded from total education revenue. Total education revenue includes federal stimulus funding. Each dot represents one state.

Tuition revenue per student in both two-year and four-year sectors has declined in recent years while state appropriations have been somewhat volatile—climbing to a 20-year peak in 2021 due to the availability of pandemic stimulus funds from the federal government before dropping by about 20% in 2023 (Figure 59).

Figure 59. New Hampshire Public FTE Enrollment, Education Appropriations per FTE, and Net Tuition Revenue per FTE Over Time



Source: State Higher Education Executive Officers Association. (2024) State Higher Education Finance: FY 2023. Note: Values adjusted for cost of living (COLI), inflation (HECA) and enrollment mix (EMI).

Institutional Financial Health

To understand the overall financial health of the CCSNH institutions, we calculated three standard financial ratios. These ratios are components of the Composite Financial Index and are measurements frequently used by accreditors and governing boards across the country. Overall,

we see evidence of effective financial stewardship on the part of CCSNH and its institutions, but increasing financial pressures in the future will make it more difficult for the system to maintain its current level of financial health without reducing expenses or increasing revenue and, as the data suggest, significant revenue enhancements for CCSNH institutions are unlikely.

The first is the institutional operating ratio. This ratio compares operating revenue to expenses: it asks whether the institution is running a surplus or a deficit. This ratio is expressed as the surplus or deficit as a percentage of revenue; a positive number means the institution’s revenue was at least as much as its expenses. The Strategic Financial Analysis for Higher Education handbook⁷ recommends a ratio of at least 2% to 4% over the long term. Occasional lower numbers, even deficits, are not necessarily problematic if well-understood and temporary. Negative operating ratios over multiple years may indicate structural deficits; no CCSNH institution has yet reached that situation. Over the past eight fiscal years, CCSNH as a system has mostly maintained operating ratios above the suggested threshold (Table 4), as has each individual institution (Figure 60).

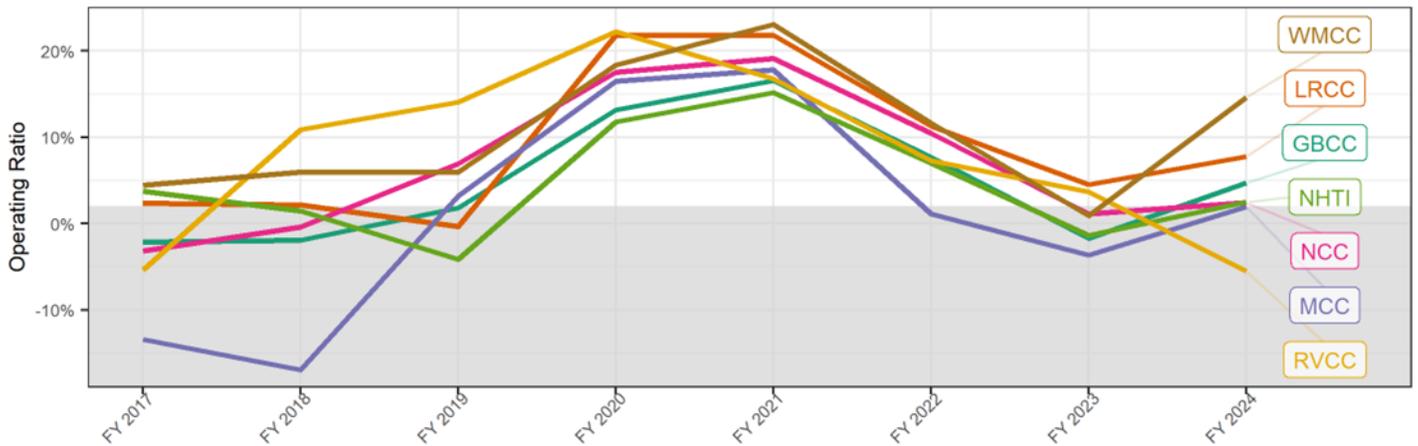
Table 4. CCSNH System-Level Operating Ratio Over Time

Fiscal Year	CCSNH Operating Ratio
FY2017	-4.9%
FY2018	-2.9%
FY2019	10.6%
FY2020	11.6%
FY2021	9.7%
FY2022	22.5%
FY2023	3.7%
FY2024	5.7%

Source: CCSNH. Notes: Based on audited financial statements. Calculation: Numerator = operating and nonoperating revenue and expenses. Denominator = operating and nonoperating revenue. Excludes capital and nonexpendable revenue. Excludes CCSNH Foundation; includes System Office.

⁷ “Strategic Financial Analysis for Higher Education, Seventh Edition” (Prager, Sealy & Co., LLC; KPMG LLP; and Attain LLC, 2010).

Figure 60. CCSNH Institutional Operating Ratios Over Time⁸

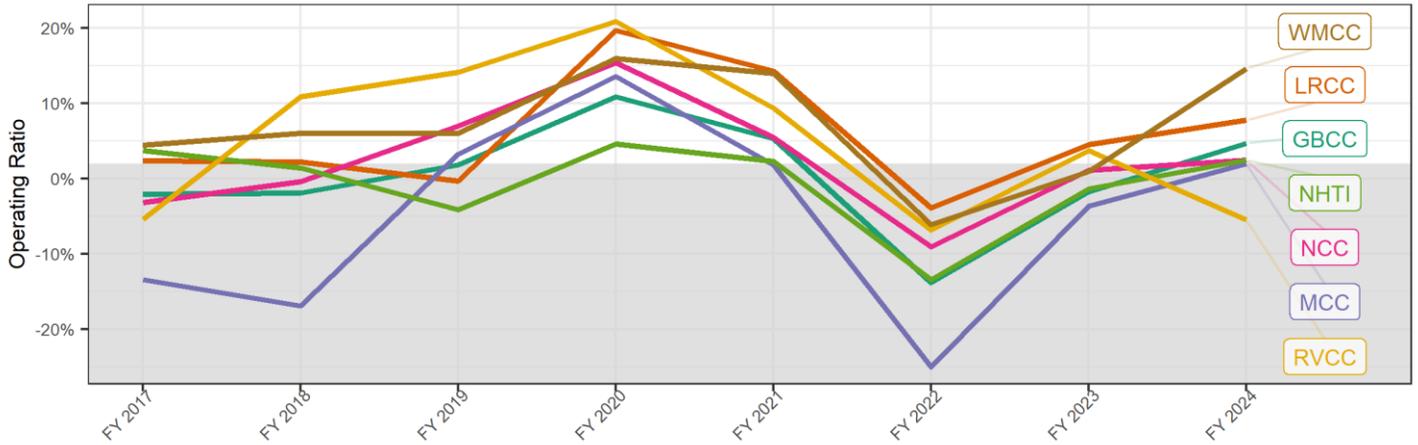


Source: CCSNH. Notes: Based on audited financial statements adjusted by CCSNH System Office to separate out System Office revenue and expenses. Calculation: Numerator = operating and nonoperating revenue and expenses. Denominator = operating and nonoperating revenue. Excludes capital and nonexpendable revenue. Excludes CCSNH Foundation and System Office.

At first glance, it appears that ratios have improved from 2017 and 2018, when the system-level ratios were negative. However, in FY2020 through FY2022, CCSNH received substantial COVID-related federal dollars that increased institutions’ operating ratios during those years. Because of that influx of revenue, all of the CCSNH institutions’ operating ratios were 15% or greater in FY2021, which is generally much higher than a public institution would expect. For illustrative purposes, we also calculated the operating ratios without the “Federal non-operating revenue” category, which represents COVID-relief revenue in FY2020, FY2021, and FY2022 that was not restricted for specific expenses. Those alternate ratios, displayed in Figure 61, show a less healthy overall picture, showing how important those temporary federal dollars were to avoiding deficits, especially in FY2022.

⁸ We elected to calculate these ratios without System Office revenue or expenses, which do impact the institutions and the system as a whole. In the audited financial statements, System Office revenue and expenses are distributed across the institutions; because they include some line-items that are more related to accounting than actual expenditures (such as adjustments, state error corrections, investment losses, and depreciation), and because they change significantly from year to year, we have removed them in Figure 60 and Figure 61 for greater clarity about institutional conditions.

Figure 61. CCSNH Institutional Operating Ratios Without Federal Nonoperating Revenue



Source: CCSNH. Notes: Based on audited financial statements adjusted by CCSNH System Office to separate out System Office revenue and expenses. Calculation: Numerator = operating and nonoperating revenue and expenses. Denominator = operating and nonoperating revenue. Excludes capital and nonexpendable revenue. Excludes CCSNH Foundation and System Office.

In FY2023, the first year without federal COVID-relief revenue, five of the seven institutions' ratios fell below the recommended 2% threshold, though in FY2024 only River Valley had a ratio below 2%. Though FY2024 was River Valley's first year of deficits, its ratio has decreased yearly since 2020, which is a concerning trend. Manchester's trends are also worrisome. While the system's and all of its institutions' operating ratios have seen relatively large year-to-year changes, Manchester's ratio has been the most volatile. It has been below 2% in four out of the last eight years.

Some other trends complicate these operating ratios as CCSNH looks to the future. First, the system has a large backlog of deferred maintenance on its facilities. The system and its institutions have identified approximately \$7.5M in equipment replacement projects that exceed \$10,000 in scope and will be necessary within the next five years, plus another \$1.1M in projects of less than \$10,000. The state has generally provided around \$5M in maintenance-focused funding annually, which has not been enough to keep up with regular ongoing maintenance costs, let alone address the existing backlog. The system and its institutions have also not historically found money from elsewhere in their budgets to address these critical maintenance needs. Given the size of the backlog and expectations among CCSNH leaders that state maintenance funds are likely to shrink further, the CCSNH Board of Trustees took action to require its institutions to set aside more dollars in their annual budgets to cover maintenance needs beginning in in FY2025 (in amounts approximately equal to their depreciation expenses). While this requirement represents practical financial planning and wise stewardship of the system's facilities assets, it will put additional strain on the institutions' operating budgets.

Second, the system estimates its retiree health insurance costs will grow significantly over the next 15 years, based on employee age and service years as well as trends in health insurance pricing, CCSNH estimates these expenses are likely to grow from \$1.7 million in FY2024 to an estimated \$4.6 million in FY2040. In anticipation of this future expense, CCSNH has been proactively setting aside reserves into a restricted account that will serve as a sort of

endowment dedicated specifically to retiree health insurance. Again, this represents forward-thinking financial planning, but it will add pressure to CCSNH budgets.

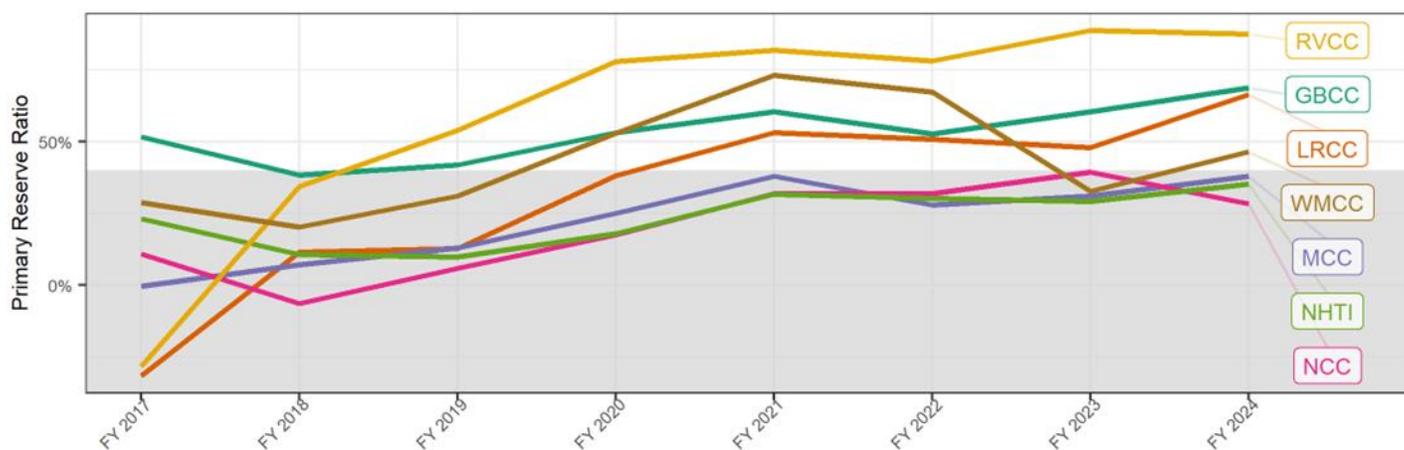
In light of these trends, we can expect that CCSNH institutions will find it more challenging to maintain 2%-4% operating ratios in the future and will likely need to find additional ways to reduce expenses or increase revenue to avoid deficit spending.

Next, the primary reserve ratio shows the relationship between expendable net assets and expenses. It asks: using its existing assets (minus liabilities, excluding capital and non-expendable assets⁹) what percentage of its annual expenses could it cover? Or, put even more simply, how long could the institution cover its expenses if it brought in no revenue? The suggested threshold, according to Strategic Financial Analysis for Higher Education handbook, for this ratio is 40%, which means that the institution possesses enough expendable assets to cover approximately five months of expenses.

As Figure 62 shows, in FY2017 only one CCSNH institution (Great Bay) had a primary reserve ratio of at least 40%; by FY2024, four of the institutions had reached this threshold. The other three institutions' ratios have been below 40% each of the past eight years, indicating that they have a smaller cushion of reserves to draw upon in emergencies or to invest strategically. The general trend over the last several years has been one of improvement, which is likely related to the federal pandemic-relief revenue that created large operating surpluses. It is worth pointing out that the three institutions with the lowest primary reserve ratios are the first, second, and fourth largest institutions, as measured by student FTE. Their lower ratio of assets to expenses may be related to CCSNH's erstwhile methodology for allocating state appropriations to the institutions, which since FY2018 has subsidized the smaller, rural institutions to a greater extent than the larger institutions. Though the allocation methodology has changed over time in an effort to seek a more balanced subsidy level among the institutions, during the time period of this analysis the larger institutions have needed to rely more heavily on tuition revenues, which is challenging in a time of declining enrollment.

⁹ For this study, we also opted to exclude pension and other postemployment benefit line items from assets and liabilities. The system has significant postemployment liabilities that cause the unrestricted net assets to be negative. However, those liabilities would never need to be paid all at once, and it is a fairly common practice to exclude them from this calculation.

Figure 62. CCSNH Primary Reserve Ratios Over Time



Source: CCSNH. Notes: Based on audited financial statements adjusted by CCSNH System Office to separate out System Office expenses. Calculation: Numerator = Expendable (restricted and unrestricted) net assets, excluding pension and postemployment benefit liabilities and assets. Denominator = operating and nonoperating expenses. Excludes CCSNH Foundation. Includes System Office net assets, but excludes system office expenses.

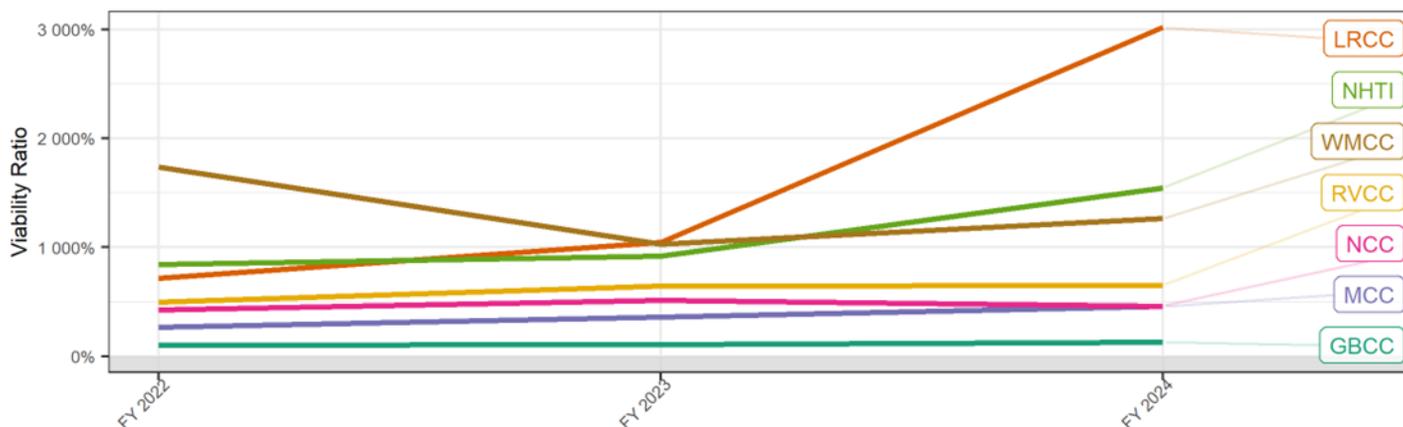
Moving forward, the system’s new methodology for allocating state appropriations and shared-services expenses will reduce state appropriations to the smaller, more rural CCSNH institutions. This means that the strong primary reserve ratios at River Valley, Lakes Region, and White Mountains, and the strong operating ratios at Lakes Region and White Mountains, will become more difficult to maintain. The higher state subsidies enjoyed by these institutions in recent years have insulated them from the full financial effects of enrollment declines that the larger institutions have felt more acutely. With changes in the system’s allocation formula, that will not likely be the case moving forward.

It can be tempting for institutions to utilize some of their reserves to balance their budgets. While the reserves can serve as a financial cushion in emergencies, they should not be used to fill structural budget gaps. Doing so only delays difficult decisions, creates more financial vulnerability, and means that reserves are not available for strategic investments.¹⁰ Those strategic investments are important; they allow CCSNH to spend money on reforms and initiatives that will ensure its long-term financial viability, improve student outcomes, or meet the ever-changing needs of its students and communities. For that reason, there is some urgency to CCSNH’s financial situation. While operating ratios are mostly positive and the system has some reserves, it is far better to seek changes that address known future financial vulnerabilities, brought on by reduced enrollment demand and increased costs, when reserves can be used purposefully to support those changes, than when institutions are forced into such changes under emergency conditions.

¹⁰ The system may want to consider developing a framework/policy around the use of reserves focused on both ensuring sufficient rainy-day funding and strategic spending on mission priorities, especially big-ticket items that require advanced planning. “Rainy-Day Reserves,” Business Officer Magazine, March 9, 2020, <https://www.businessofficermagazine.com/features/rainy-day-reserves/>.

Finally, we calculated viability ratios. This ratio measures the expendable net assets (calculated identically to the primary reserve ratio) as a percentage of debt. Despite its name, the viability ratio is not a measure of overall financial viability; it merely identifies whether institutions have appropriate levels of assets to cover debt obligations and whether they have the capacity to assume new debt for large projects. The recommended threshold is at least one-to-one (or 0%), meaning that the institution has enough expendable assets to settle all its outstanding debt. Across the system, CCSNH institutions have very little debt; their viability ratios are all significantly higher than this threshold. Due to GASB-required changes in how debt is counted in recent years, we only include the past three years in Figure 63.

Figure 63. CCSNH Viability Ratio Over Time



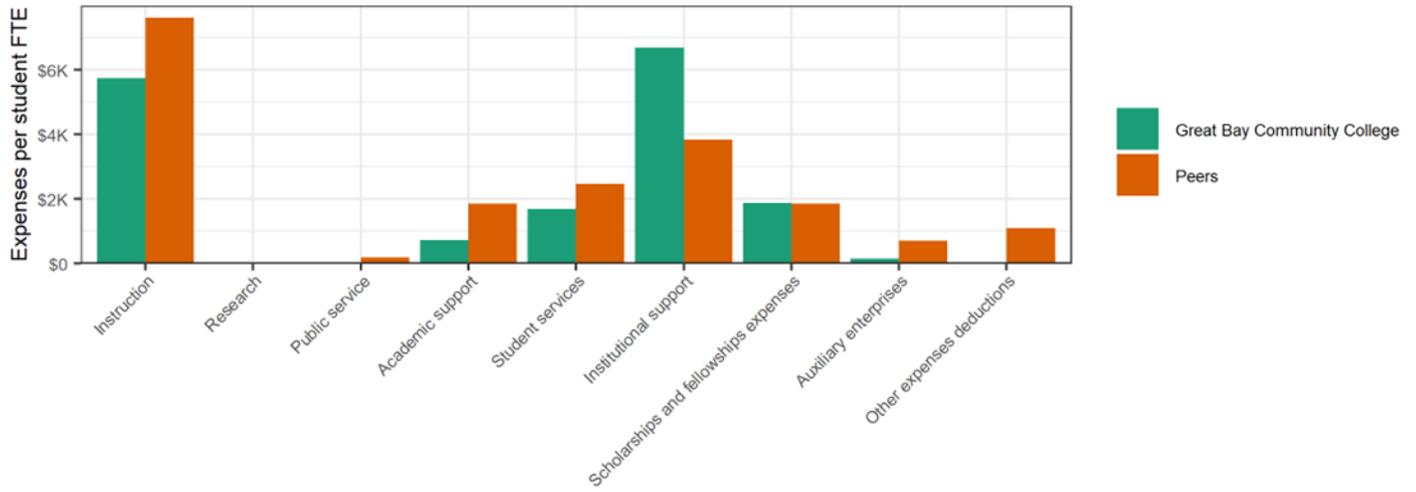
Source: CCSNH. Notes: Based on audited financial statements adjusted by CCSNH System Office to separate out System Office expenses. Calculation: Numerator = Expendable (restricted and unrestricted) net assets, excluding pension and postemployment benefit liabilities and assets. Denominator = outstanding debt, including notes payable, bonds payable, lease liability and IT subscription liability (starting in FY22). Excludes CCSNH Foundation and System Office.

Peer Comparisons

Compared to their peer groups, all seven CCSNH institutions spend more per student FTE on institutional support and scholarships/fellowships. At the same time, they all spend less than their peers on instruction, academic support, and student services (Figure 64 to Figure 70). In comparing CCSNH as a whole to peer systems, we found the same patterns (Figure 71). The comparatively high levels of expenditures on institutional support provide direction regarding a place to start with improving the efficiency and effectiveness of operations across the system. Because “institutional support” includes a wide variety of functions, and categorization likely varies by institution/system, deeper research will be necessary to identify what specific expenses at CCSNH are higher than peer institutions.

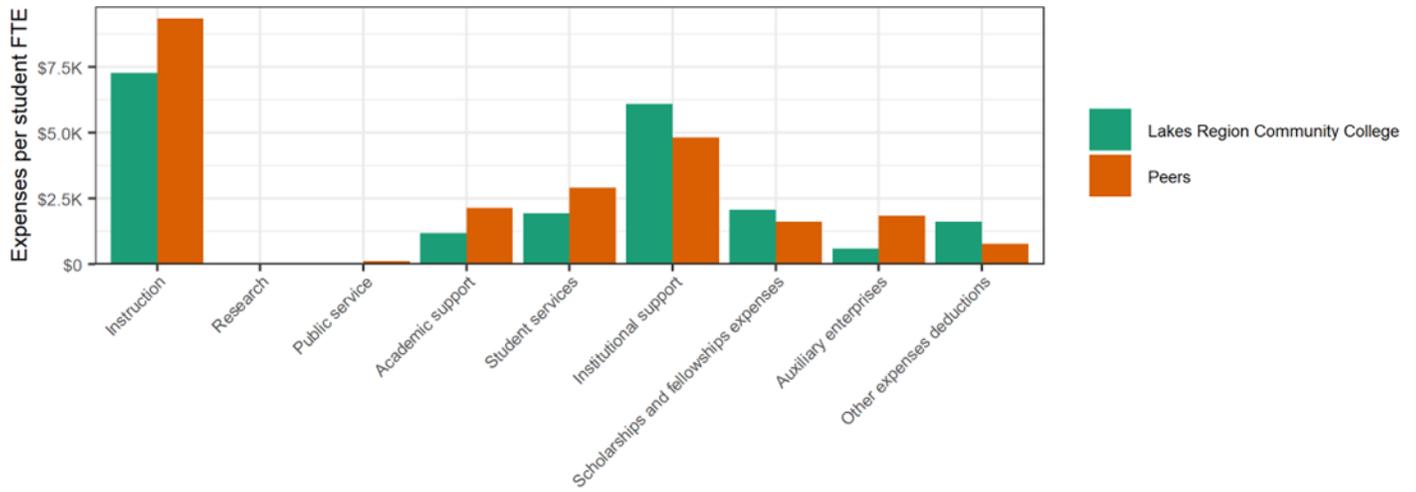
When comparing natural (as opposed to functional) categories of CCSNH to peer systems, the comparisons reveal that CCSNH spends more on salaries and benefits per student FTE than the comparison group and less on other categories (Figure 72).

Figure 64. FY2023 Expenses Per Student FTE by Functional Category, Great Bay Community College Compared to Peer Median



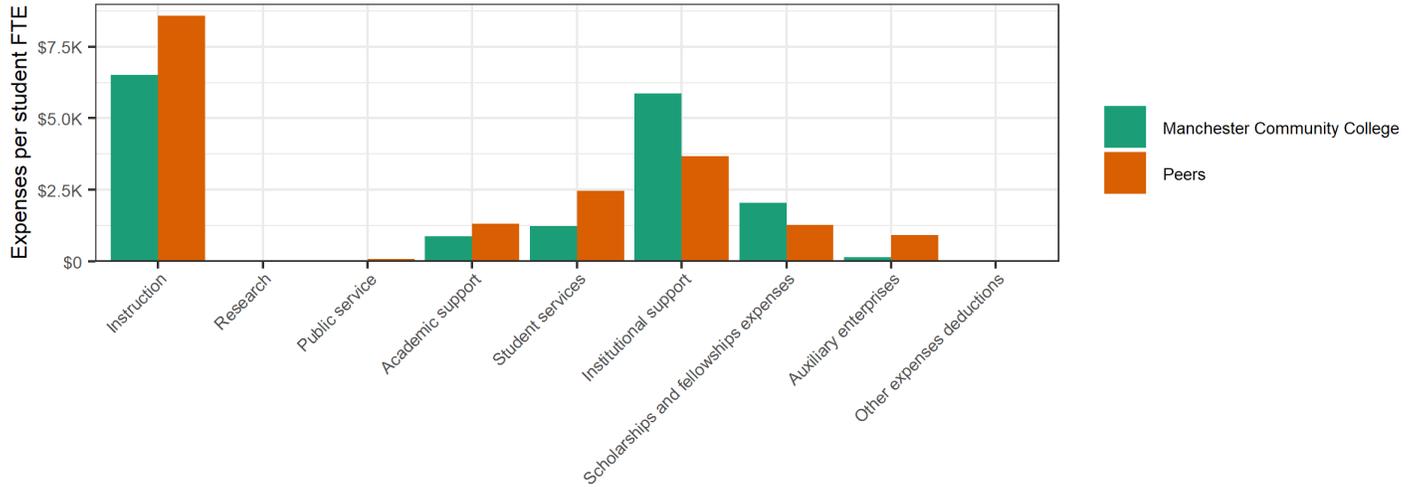
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiYYYY, 2016-2022 final release files; 2023 provisional release.

Figure 65. FY2023 Expenses Per Student FTE by Functional Category, Lakes Region Community College Compared to Peer Median



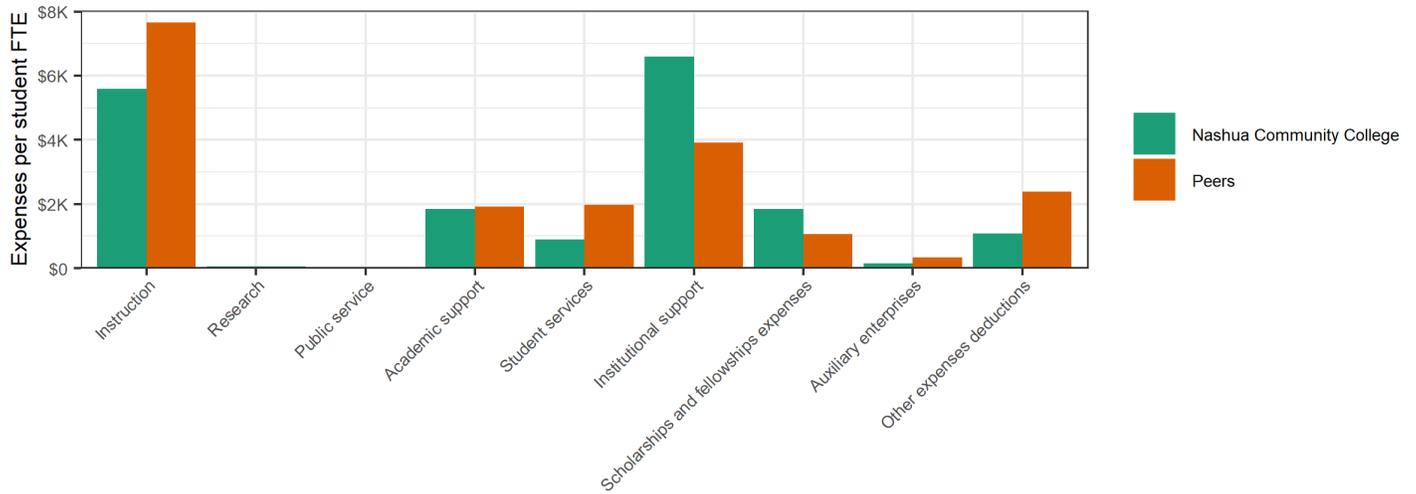
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiYYYY, 2016-2022 final release files; 2023 provisional release.

Figure 66. FY2023 Expenses Per Student FTE by Functional Category, Manchester Community College Compared to Peer Median



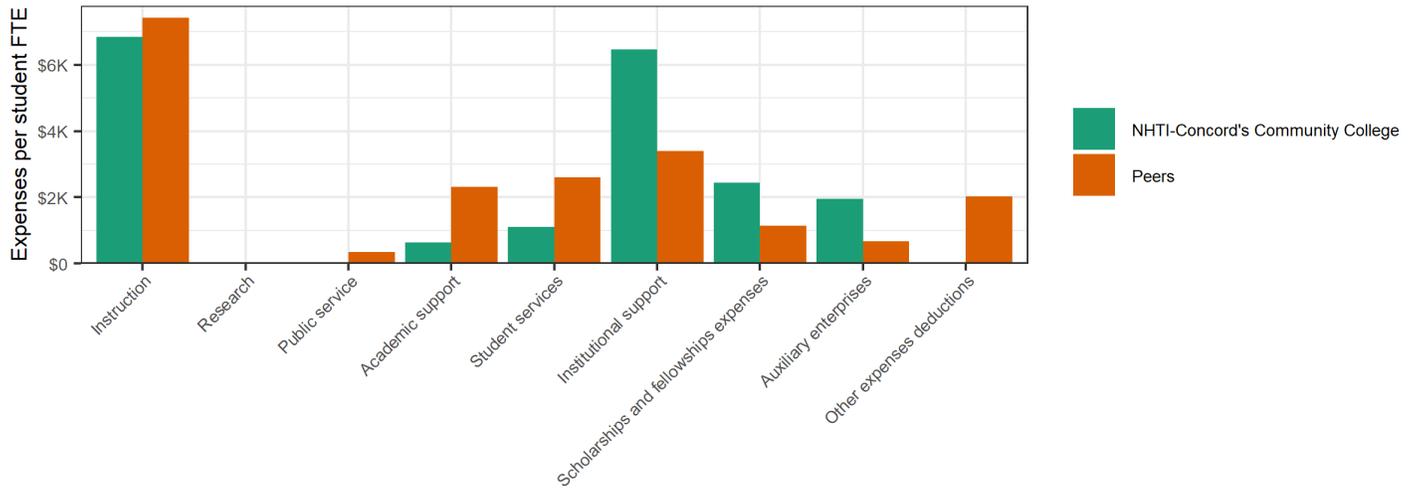
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files eiaYYYY, 2016-2022 final release files; 2023 provisional release.

Figure 67. FY2023 Expenses Per Student FTE by Functional Category, Nashua Community College Compared to Peer Median



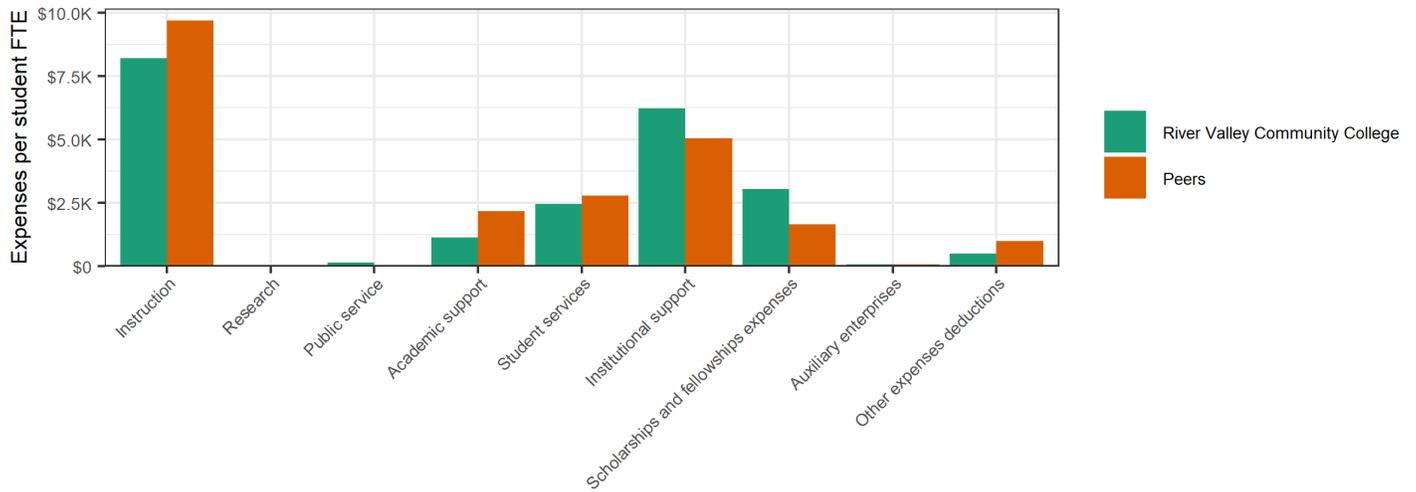
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files eiaYYYY, 2016-2022 final release files; 2023 provisional release.

Figure 68. FY2023 Expenses Per Student FTE by Functional Category, NHTI-Concord's Community College Compared to Peer Median



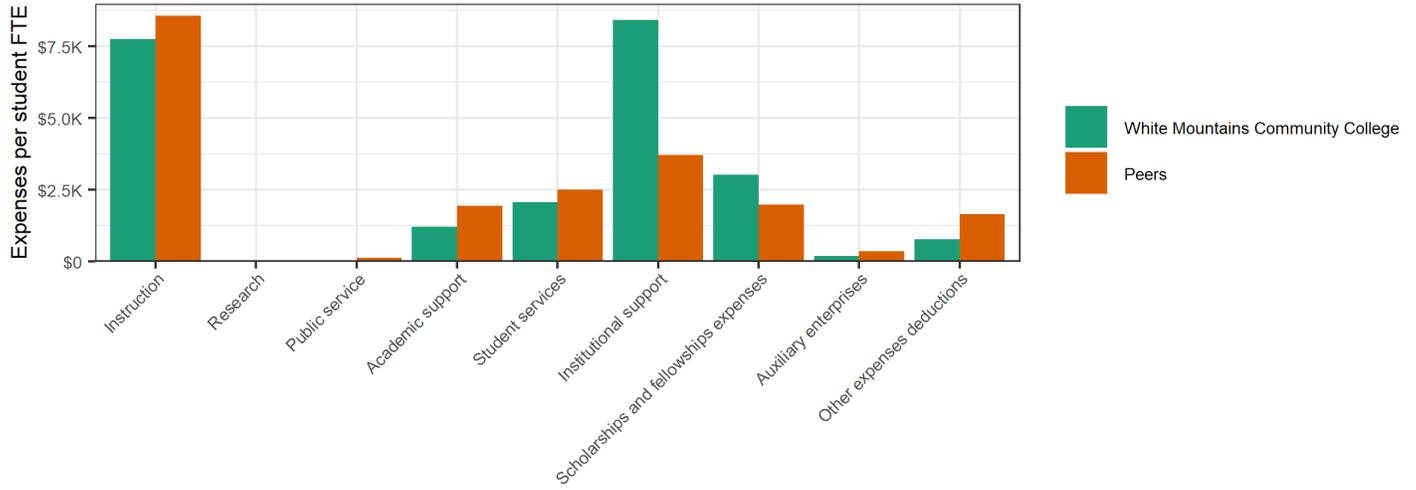
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiYYYY, 2016-2022 final release files; 2023 provisional release.

Figure 69. FY2023 Expenses Per Student FTE by Functional Category, River Valley Community College Compared to Peer Median



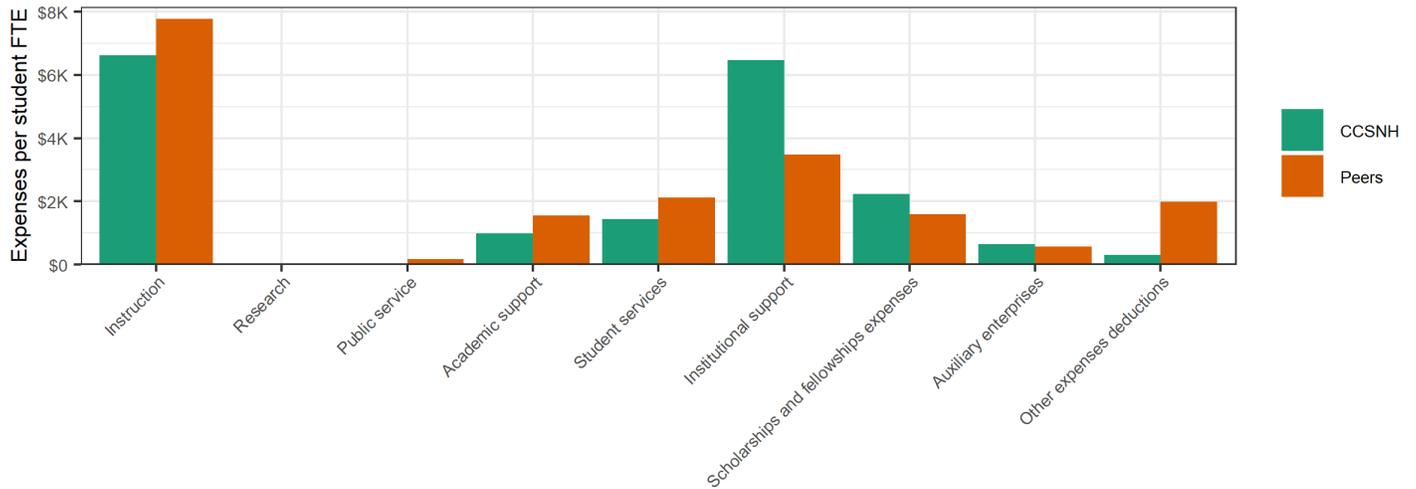
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiYYYY, 2016-2022 final release files; 2023 provisional release.

Figure 70. FY2023 Expenses Per Student FTE by Functional Category, White Mountains Community College Compared to Peer Median



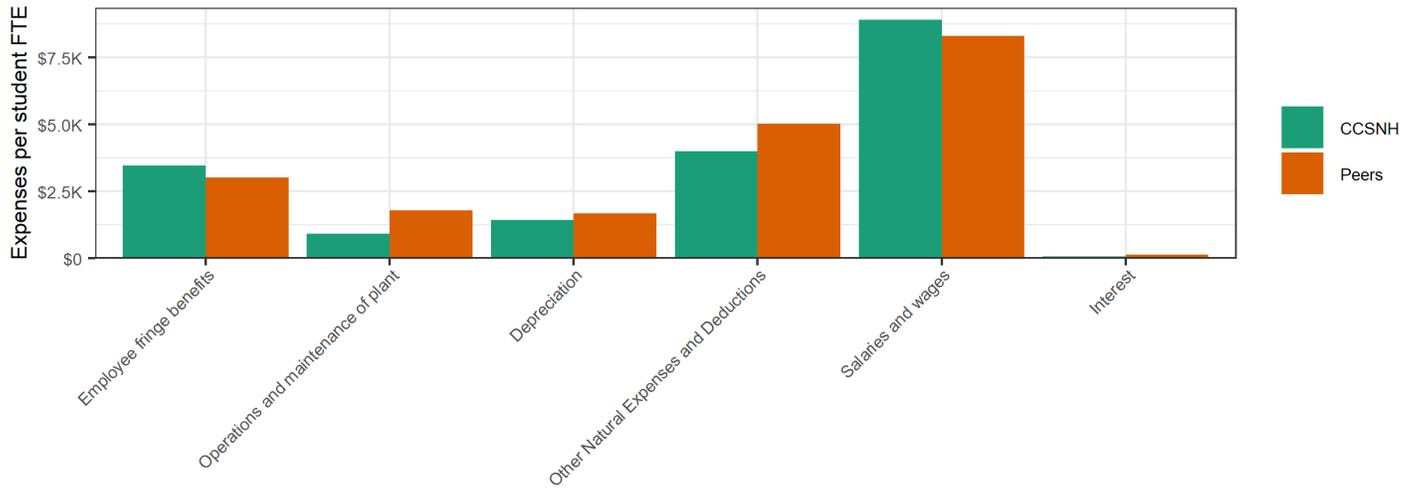
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiYYYY, 2016-2022 final release files; 2023 provisional release.

Figure 71. FY2023 Expenses Per Student FTE by Functional Category, CCSNH Compared to System Peer Median



Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiYYYY, 2016-2022 final release files; 2023 provisional release.

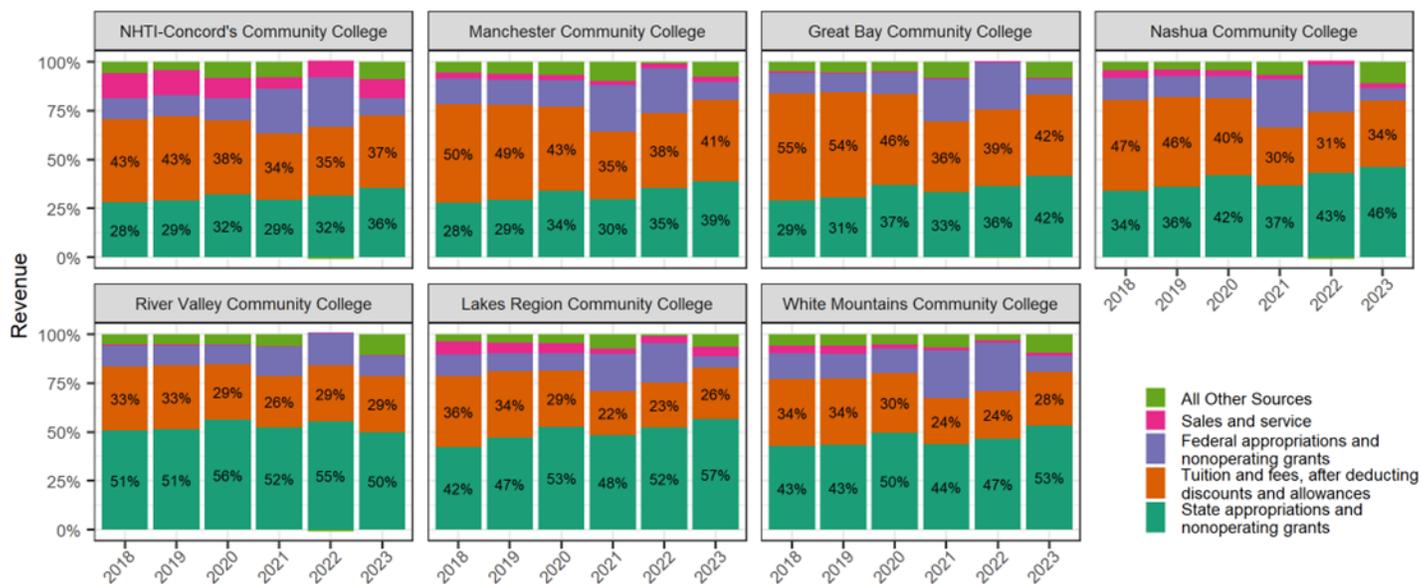
Figure 72. FY2023 Expenses Per Student FTE by Natural Category, CCSNH System Compared to Peer Median



Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efaYYYY, 2016-2022 final release files; 2023 provisional release.

Because of the way CCSNH apportioned its state appropriation and shared services expenses starting in 2018, some of the CCSNH institutions rely more heavily on tuition than do others. During these years, the smaller institutions (Lakes Region, White Mountains, and River Valley) received a much larger percentage of their funding from state appropriations than the System’s larger institutions. The System’s changing allocation methodology will alter this somewhat moving forward, but those changes are not yet visible in national data. It is also worth noting that 2021 and 2022 show larger percentages of federal funds due to pandemic-related CARES Act and HEERF revenues.

Figure 73. Percent of Revenue by Institution and Source Over Time



Sources: NCES IPEDS finance survey YYYY_f1a files.

Staffing and Structure

Key Insights

- Many CCSNH employees, both faculty and staff, are members of very small (1-2 person) departments supervised by individuals with large numbers of direct reports. They may, therefore, have little support or backup.
- Compared to their peers, CCSNH institutions have similar numbers of employees, but the employees are distributed differently. CCSNH institutions have similar or higher instructional staff FTE¹¹ per student FTE compared to peer institutions, but all have larger ratios of adjuncts to full-time faculty. They all have lower rates of non-instructional staff FTE per student FTE than their peers. These differences raise questions about how CCSNH allocates employee time to support students.

A key question to consider regarding the System's structure is: Which functions are best performed at the system level and which are best performed at the local level? The overall goal is to balance the efficiencies and economies of scale that can result from centralizing some functions with the customized student service and responsiveness to local community needs that require local people and decision-making.

¹¹ Instructional staff FTE is calculated by counting each part-time staff member as 1/3 of a full-time staff member.

To begin to answer this question, we examined the current organizational charts for the System Office and the institutions. As the System is presently organized, some positions/functions already exist at the system level while others reside at institutions.

Areas that are centralized or partly centralized at the System Office include:

- CCSNH Foundation.
- Financial Aid.
- IT.
- Risk Management and Insurance.
- Sponsored Programs.
- Some HR Functions.
- Capital Projects.
- Some IR Functions.
- Some Finance Functions.
- Government Affairs.
- Coordination of State-Level Initiatives (including some early college and workforce development functions).

Additionally, a small number of positions, particularly Business Affairs leaders, are “regionalized” or shared between multiple institutions.

Areas that are primarily or exclusively executed at the institutional level include:

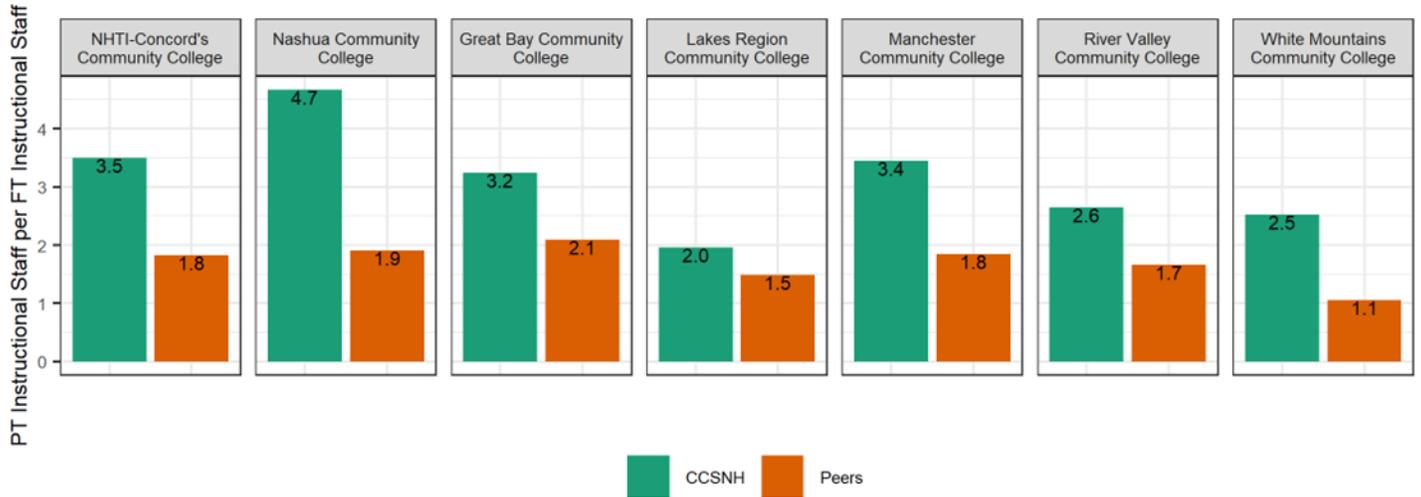
- Academic Departments/Programs.
- Student and Academic Support.
- Facilities.
- Auxiliaries.
- Campus Safety.

We observed that, across the seven colleges, many departments or functional areas are very small, consisting of just one or two employees. This applies to both academic departments comprised of one or two faculty members as well as other functional areas managed by a single staff member. It is also the case that institutional leaders, especially presidents and vice presidents, supervise large numbers of direct reports, many of whom are the leaders of these tiny departments. This raises a question about the degree to which there are many staff and faculty members across the system who are working in isolation, potentially with little support or backup.

1. According to the most recent available IPEDS data, there were 247 full-time instructional staff members (i.e., faculty) on the payroll in November 2023 across the seven CCSNH institutions. During the same timeframe, there were 807—or over three times as many—part-time instructors (i.e., adjuncts). While having more adjuncts than full-timers is not unusual, each of the seven CCSNH institutions has a higher ratio of part-time instructional staff to full-time instructional staff than its peer comparators (Figure 74). While this simple comparison does not take into account details such as how many sections each instructor teaches, this trend is consistent across all seven separate sets of

peers. These ratios and the numerous very small departments raise questions about the role of the full-time faculty. Are they primarily focused on teaching, curriculum development and refreshment, and assessment and program evaluation, or is their time committed to managing the logistics and supervising the work of this large pool of adjuncts? The answer to this question has implications for the quality of the student experience.

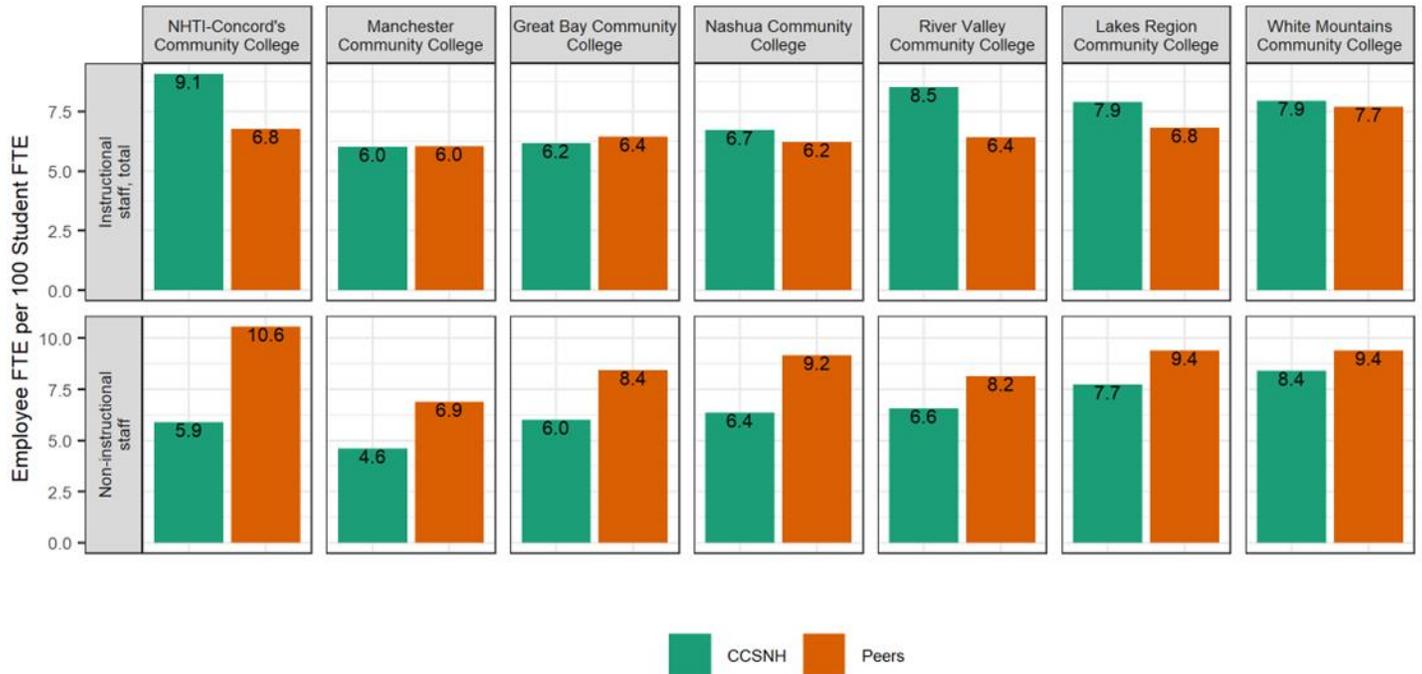
Figure 74. Fall 2023 Part-Time Instructional Staff Divided by Full-Time Instructional Staff



Sources: NCES IPEDS HR survey eap2023 provisional release file. Peer values are averages weighted by employee numbers. Employee numbers are based on payroll as of November 1, 2023.

In terms of overall employee FTE—both Instructional and non-instructional staff—we compared each CCSNH institution to a comparable set of peers from around the country. CCSNH institutions uniformly employed fewer non-instructional staff relative to enrollment, but several institutions—NHTI, River Valley, and Lakes Region, had substantially higher ratios of instructional staff to students. Instructor-student ratios are expected to vary by academic program based on pedagogy, safety, and program-level accreditation and/or licensing requirements, among other considerations. In selecting each institution’s set of peers, we considered its mix of academic programs with the goal of selecting peers with a similar program mix that were, therefore, comparable on this and other metrics.

Figure 75. 2022-23 Employee FTE per 100 Student FTE, Each CCSNH Institution and its Peers

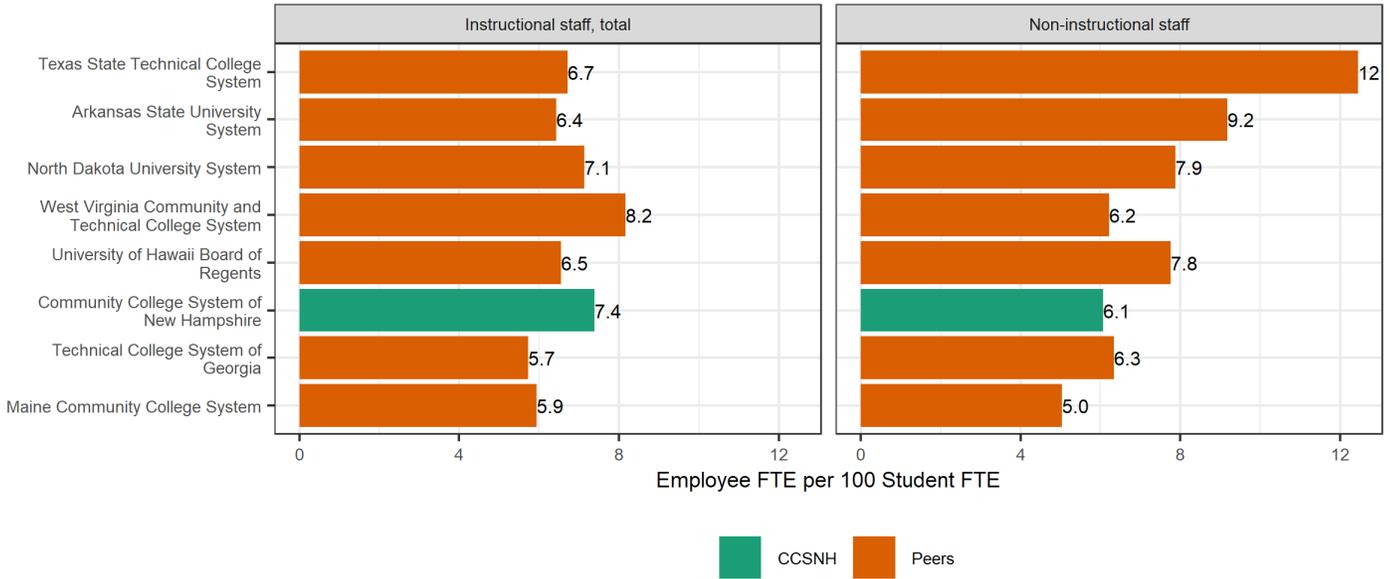


Sources: NCES IPEDS HR survey eap2022 and 12-Month Enrollment Survey, efa2023 provisional release file. Note: Employee FTE is calculated as FT employees + 1/3 PT employees.

We also compared the CCSNH system as a whole to seven other peer community college systems around the country (Figure 76; Figure 77). CCSNH employs more instructional staff FTE, relative to student FTE, than all but one of these peer systems. It simultaneously employs fewer non-instructional staff FTE per 100 student FTE than 6 of 7 peer systems.

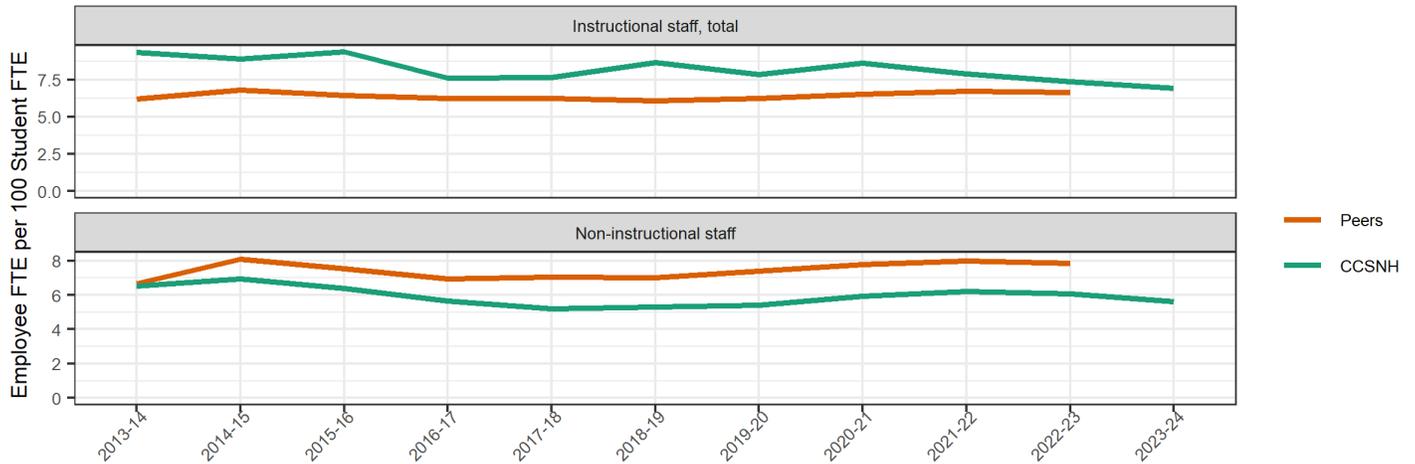
A potential restructuring of the System could involve changes in reporting structure and adjustments in which functions are performed at the system versus institutional level, as well as the nature of assignments given to different kinds of personnel. Given that CCSNH does not appear to be dramatically under-staffed or over-staffed relative to similar systems, restructuring may not result in significant changes to the overall number of CCSNH employees. These data do raise questions about how time is spent by CCSNH’s employees, especially if there is adequate capacity devoted to supporting students’ curriculum- and career-planning needs and their learning support needs outside of the classroom.

Figure 76. 2022-23 Employee FTE per 100 Student FTE, CCSNH and Peer Systems



Sources: NCES IPEDS HR survey eap2022 and 12-Month Enrollment Survey, efa2023 provisional release file. Note: Employee FTE is calculated as FT employees + 1/3 PT employees. U Hawaii and AR State systems include system offices that also serve 4-year institutions.

Figure 77. Employee FTE per 100 Student FTE Over Time, CCSNH and Peers



Sources: NCES IPEDS HR survey eapYYYY and 12-Month Enrollment Survey, files efaYYYY, 2013-2022 final release files; 2023 provisional release. Note: Employee FTE is calculated as FT employees + 1/3 PT employees. 2023-24 Student FTE provided by CCSNH System Office.

Stakeholder Engagement

Key Insights

- **College employees want the System Office to make a clearer case for why structural reform is needed.**
- **Many stakeholders expressed skepticism and/or fear about single accreditation. They worry about poorly implemented reforms and have a strong desire to maintain:**
 - **High quality student services and academic programs.**
 - **The level of control necessary to meet unique local needs.**
 - **Their existing institutional identities, which are a source of community and employee pride.**
- **At the same time, stakeholders identified a number of areas where they would appreciate system-wide consistency and collaboration, as well as more leadership from the System Office.**

In October 2024, NCHEMS visited all seven CCSNH institutions as well as the System Office. We spent a day at each location meeting with trustees, advisory committee members, System and institutional leaders, faculty, staff, students, employers, K-12 and government partners, legislators, and other community members. Through conversations with these stakeholders, we sought to learn more about each local context, the challenges stakeholders face, the opportunities they perceive, and their opinions on potential structural changes to CCSNH. This section explores relevant themes from those conversations. While we cite specific examples from individual campuses, we only include topics that were trends in conversations across multiple institutions. Our goal is to avoid reporting on challenges or opinions isolated to a single institution but rather to focus on system-wide themes. Moreover, this section describes, as faithfully and concisely as possible, what we heard, generally without additional comment on our own views of any perspective's relevance or discernment.

First, the CCSNH students we met had positive experiences. They reported extremely supportive staff, close relationships, and small enough campuses (even at the System's larger institutions) that they can get to know all employees. As CCSNH considers structural changes, it will be important to maintain this existing strength.

Other stakeholders, especially college employees, generally expressed confusion around the reasons for considering a possible shift to single accreditation or other structural change; they did not see it as related to student success. The governor's original proposal in 2021 to merge the USNH and CCSNH systems focused on cost savings, as did the subsequent task force that concluded its report in March 2024. Moreover, the faculty union remained at an impasse with CCSNH administration on the collective bargaining agreement covering the FY2024-25 years until recently. This background set up awkward conditions for the System Office to communicate to employees about the goals for possible restructuring. Nearly all the employees NCHEMS spoke to did not believe that the System Office had been clear about its reasoning and goals. Some

shared that they view conversations around single accreditation as little more than cover for cutting positions, programs and saving money; they do not view cost savings on its own as a sufficient justification for structural reform. Although the System Office strongly disputes this, some faculty also saw restructuring efforts as connected to their stalled union contract negotiations.

Employees recognized that, with demographic change and increasing workforce demand, colleges will need to find ways to serve learners, particularly adults over age 25, more effectively. They also identified a number of pressures that complicate their work, which they anticipated would only increase. First, there is increasingly fierce competition for students from SNHU and other online providers and community colleges in nearby states that offer free college programs. There are lots of jobs that will require college-educated workers, and therefore, there is a need for community colleges to graduate more qualified workers, yet housing is expensive, and the population is aging. This means that there will be needs and opportunities for additional college graduates. The cost of housing may make it difficult to retain younger workers. There is also a general understanding that public funding is limited; the New Hampshire state legislature is unlikely to become substantially more generous. Given all these pressures, many employees recognized that change may be necessary. Nevertheless, they expressed a mix of skepticism about single accreditation (and, in some cases, reform more generally) and a desire for change in some areas.

Stakeholders cited a number of challenges they face under the current structure that might be addressed with structural reform. They generally described CCSNH as more of a loose confederation than an orderly system and saw room for more consistency and collaboration:

- The smaller institutions recognized the need to create better functioning scale economies despite enrollment challenges. They were generally not opposed to centralization efforts as a way to share resources and make them go further.
- There is substantial discontent with the lack of uniformity across institutions and how that impacts students. Credits and financial aid do not always transfer smoothly between CCSNH institutions; across institutions similar courses may have different numbers, titles, and descriptions. Stakeholders mentioned nursing as a particularly stark example; within the System there are seven separately accredited nursing programs, each of which requires its own application and has historically operated based on separate deadlines. (The System Office reports that dates/deadlines have been standardized moving forward.) This confusion significantly impacts students' ability to navigate their pathway to a degree.

There are also back-office administrative functions where stakeholders would appreciate more consistency. For example, even in cases where all campuses are using the same software purchased at the System level, there is wide variation in use and adoption. For example, although all of CCSNH's institutions use Banner as their student information system, the institutions have been allowed to customize their Banner implementation in ways that have frustrated the System's ability to streamline or consolidate processes. This has become a significant impediment not only to efficient operation across the System but also to students' ability to obtain courses and credits from other institutions

in the System. Facilities tracking software was another similar example cited by stakeholders. In this case, its implementation was not accompanied by adequate training to ensure standard practice among users across the System. One facilities manager reported the need to maintain their own separate spreadsheet in order to make sense of facilities' conditions and uses. Stakeholders also noted issues in the efforts to market the System and its institutions. Some of those were due to inconsistent policies and practices, the results of which sometimes failed to adequately differentiate the offerings and the audiences of the separate campuses. However, some improvement in the last decade was reported due to the (voluntary) SWIM team.

Various stakeholders perceive that the System Office can be too deferential to institutional prerogatives leading to inconsistency and inefficiency across the System and institutional resistance to change. Some faculty expressed a desire for the System Office to exercise more leadership in solving challenges around course and program alignment. A number of staff said they would gladly welcome clear expectations and guidance from the System Office regarding software implementation and use.

Stakeholders also identified several concerns about moving toward single accreditation or otherwise more centralized governance, and they highlighted some strengths of the current independent institution structure:

- There is widespread concern about institutions losing a sense of distinct identity and connection to their local communities. These concerns may be related to prior efforts to regionalize the institutions and to budget cuts that have been imposed, reducing programming and services in ways perceived to be detrimental to their communities. Numerous stakeholders specifically expressed the desire for each college to maintain its name as a meaningful symbol.
- There is a clear need for institutions to maintain their ability to respond (quickly) to local needs of their communities and their students. If all curriculum decisions require agreement amongst campuses, that can slow down campuses' ability to meet employers' immediate needs. As just a couple of examples offered by stakeholders: Lakes Region works with its local fire department to customize its fire/paramedic programs to their needs and Nashua offers a robust array of noncredit offerings and microcredentials tailored to its local community. Additionally, employees expressed concerns that if financial decisions need to be approved at a higher level, that could slow down or reduce campuses' abilities to meet student needs in their own unique ways. For example, White Mountains regularly offers free lunch to its students; institutions would like to continue to be able to customize their services—and their budgets—to their culture and their students.
- There is a related concern that more standardization of academic programming and student services might result in a loss of quality and/or innovation. Faculty across various programs at multiple campuses shared perceptions that programs at other CCSNH institutions are not measuring up to their same level of quality. To some degree, they view that as an issue related to resource availability; there may, in fact, be legitimate concerns about quality among programs run by one- or two-person departments, if those programs lack sufficient varied perspectives or specialized expertise. But these

perceptions may also signify a lack of trust and collegiality between faculty members across institutions in some disciplines. Other faculty talked about unique and successful aspects of their program design that they fear losing; for example, Lakes Region offers its automotive programs via 12-week terms, which were developed to work better for their students.

Additionally, many staff spoke about a reduction in student service that has already occurred due to previous centralization efforts. Employees related many examples of how students have lost access to timely information and friendly service with the centralization of the bookstore and, especially, financial aid services. They emphasized the need for local, in-person staff to help students and lacked confidence that any future centralization efforts would be carried out in a way that maintained existing access and quality. One commentator summed up a sense shared among faculty and staff across the System by saying, “The bottom line is that you need staff to talk to students on campus.”

Faculty and staff had grave concerns about being caught up in circumstances similar to those Connecticut has faced as it has consolidated 12 separate institutions into a singly accredited statewide institution. They view recent actions in New Hampshire as mirroring mistakes made in Connecticut, especially in consolidating services centrally without being very deliberate about what activities within a function can be performed from a central location and which student- and employee-facing services need to stay local at a campus. This has also perpetuated the assumption that single accreditation must also mean central consolidation of student services.

- Stakeholders cautioned that sometimes a “one size fits all” approach is not appropriate as the colleges have different needs. In particular, what makes sense on a larger campus doesn’t always work for the smaller institutions. Colleges currently experience challenges related to this problem around staffing and job descriptions, which are controlled and standardized at the System level. The smaller institutions would like more flexibility to develop combined roles and solve staffing problems creatively in environments where hiring is difficult and not every function requires a full-time position. We heard numerous complaints that System-imposed HR restrictions and interpretations of collective bargaining agreements hamper their ability to do this, and they fear that further standardization would just create more roadblocks in getting their work done. There is a general fear among staff at the smaller institutions that with more systemization, the needs of the larger colleges will overshadow those of the smaller ones.
- Faculty also worried about how single accreditation would impact campus academic control, especially program accreditation. Faculty largely believe that, even where equivalent programs exist at multiple sites, the ways in which they are offered and the program-level accreditations they may hold sufficiently differentiate the larger, closer-together sites of NHTI, Manchester, and Nashua. Faculty shared that they believe students choose between the sites based on these characteristics and, in their view, these inter-program differences should be maintained. The roadblocks this creates for credit mobility in transferring among CCSNH and potentially other institutions was not raised as a concern.

- Finally, contrary to NCHEMS' findings and to substantial evidence of strong headwinds facing the system from demographic change and rising competition from other state financial obligations, a number of stakeholders simply do not believe there is a need for restructuring. These individuals expressed the belief that the general sentiments about future challenges are too pessimistic. They point to data showing modest increases in population in parts of the state, growing numbers of high school graduates, and to new business investment (e.g., Lonza in Portsmouth, Novo Nordisk in Lebanon, and precision optics in Keene) that might be early signs of a new more optimistic reality.

Independent of their views on restructuring, college employees also suggested that there are ways in which the CCSNH System Office could serve the institutions more effectively and ways that it will need to operate differently or adjust policy to successfully carry out any structural reform efforts:

- Collaborative initiatives sometimes lack follow-through from those in authority to implement recommendations. For example, math faculty across the System cited their efforts to come together to align a common core, yet despite reaching consensus, the System did not compel adoption of their agreed-upon changes. Stakeholders also frequently mentioned the "One NHCC" group working on streamlining and aligning online course offerings across the System. They stated that the group does not understand its charge, does not have decision-making power, and is not confident that its recommendations will be implemented.
- Employees generally did not express resistance to change; they did express confusion about what was expected of them. They would like leadership, guidance, and clear expectations, still balanced with humility and an understanding that institutional employees are local experts. Furthermore, there was some awareness that the System Office and its board possess authority to make decisions unilaterally. They appreciate that it has not been the habit for authority to be exercised in that way. Still, many expressed frustrations with the System Office for, in their view, not using its power to mandate changes that are generally agreed upon to be necessary.
- Additionally, like many other higher education entities, CCSNH would benefit from more adept project management in two concrete ways: first, to ensure that initiatives that are undertaken proceed along a deliberate path and are also less likely to be abandoned, and second, to ensure that there are ways to invite local input at appropriate points in a project's process and, once provided, leadership adequately explains the decision and its rationale.
- The System Office sometimes misses opportunities to add value for the institutions. An example is in providing data analyses to aid in decision-making at the campus level, such as in identifying students at risk of not persisting. Another possibility is for the System Office to gather and prepare data on workforce needs to help institutions anticipate changing demand for programs and on additional detailed information about the level of interest in attending postsecondary education among different populations.
- There is a perception that the System has not done long-range planning effectively. Many college stakeholders perceived that recent efforts to redeploy human resources

have not been strategic and role-based but rather more opportunistic and based on individual circumstances. Several colleges said they had open positions that they have not been allowed to fill pending decisions about potential restructuring. They expressed frustration that there was no clear plan or priority System for which functions and positions would be consolidated, no clear decision-making criteria, and no hiring timelines for positions they consider critical. They were also unsatisfied with a lack of transparency around these decisions.

- There is room for increased collaboration among CCSNH institutions, particularly in terms of shared academic programming. Stakeholders pointed out various programs that are offered by one college in one part of the state but that are also needed elsewhere. Other campuses would like to offer these programs but have encountered various roadblocks that have prevented them from disseminating programs to new locations. One example described by stakeholders related to healthcare programs offered only at River Valley, but for which there is unmet demand in Portsmouth. Another was White Mountains' CDL program, for which there is demand in other parts of the state. River Valley collaborates with some other institutions to provide LPN programs across the state. However, this is only possible because that program has a dedicated funding source. All institutions say they would like this type of collaboration to happen but struggle to make it work. They argue that this is at least partially related to System policy. There is currently no effective way for colleges to share revenue for the shared programs that exist, no policy governing how to share programs, and a lack of clarity about how the System should address duplication of programs.
- According to stakeholders, some aspects of the current collective bargaining agreement, or its interpretation, hamper collaborative efforts across institutions. Although all employees are employed by CCSNH, not by a specific institution, institutions struggle to find ways to share full-time faculty across multiple institutions because instructor salaries cannot be split between institutions. Program- and course-level collaboration in this environment sometimes involves onerous workarounds; we heard about massage therapy courses shared between River Valley and White Mountains for which the institutions alternate paying the adjunct instructor's salary every other semester because that non-ideal option was the only feasible one they could find under the current structure. (CCSNH institutions can share part-time faculty members, but not within the scope of a single course section.) This is especially important in cases where a single institution does not have enough enrollment to justify hiring a faculty member in a particular area of expertise, but such a hire would make sense for two or more institutions working together. It is also not absolutely necessary to share faculty to share program delivery, if the institution where the program is housed is supplying faculty to teach its courses to students at other institutions in various formats.
- System Office staff pointed out that academic program collaboration is hampered by how credits currently transfer between institutions within the CCSNH System. While students can enroll in courses at multiple CCSNH institutions and transfer credits between them, courses taken at a campus other than the student's "home" campus appear on their transcripts as transfer credits without grades. This limits institutions' ability to truly share programs and impacts students' ability to enroll in each course in

their academic program at the location that works best for them. Students who do currently transfer courses from one CCSNH institution to another end up with transcripts that do not entirely reflect their level of competence.

Case Studies of Single Accreditation

Connecticut State Community College

In July 2023, Connecticut State Community College gained approval from NECHE to operate. Previously, the State of Connecticut was served by 12 independently accredited community colleges that were consolidated into CT State under a much-derided plan called *Students First*. The plan was set into motion in 2017 based on fears that many community colleges would quickly become financially unsustainable if drastic change was not made. The authors of the effort believed conditions had created a structural deficit that made it necessary to eliminate duplication of effort, centralize services, and promote greater collaboration among the community colleges. They further argued that it would be inconsistent with the mission of the community colleges to balance the budget “on the backs of students” who were among the poorest in the state. But they also sought to improve students’ experiences by reducing barriers to completion and transfer, enhancing access to programs, and setting out clearer pathways for students to achieve their educational goals. Ultimately, the plan that was approved by the Board of Regents expected to generate \$41M in cost savings (in 2017 dollars), of which \$28M was to come from the effort to consolidate the community colleges.¹²

The *Students First* plan was comprehensive. Administrative restructuring was expected to centralize certain services in the key functional areas of Information Technology, Human Resources, Purchasing, Financial Aid, Institutional Research and Assessment, and Facilities Management. Simultaneously, the plan called for consolidating the community colleges. The plan put forward an initial organizational structure consisting of a single institutional president, four regional presidents, and campus provosts. The initial plan set a timeline for full implementation of these efforts for the summer of 2019, just a little over two years after gaining approval to move forward.

Upon approval, this plan ran headlong into widespread disapproval from stakeholders. Among the most vocal opponents were the faculty.

In hindsight, the slow and painful integration of the 12 independent community colleges into a singly accredited CT State was unsurprising. While acknowledging that the plan was an extremely ambitious effort and one that had few precedents from which to draw lessons, it is apparent that its design and implementation flaws included:

- An overly aggressive schedule for the more detailed planning, design, and implementation that failed to provide enough time to move forward in a deliberate but well-informed manner.

¹² <https://ctstate.edu/images/Forms-Documents/NECHE/students-first-neasc-1.pdf>

- An overly comprehensive scope of centralization projects to tackle and the expectation that all of these efforts needed to take place concurrently. This prevented the possibility of using lessons from consolidation in one functional area to inform the work in a subsequent functional area.
- The combination of a hasty pace and the magnitude of the changes being undertaken were a principal reason for NECHE's rejection of CSCU's application for substantive change the first two times it was submitted.
- A lack of recognition that transformative change has significant implementation and transition costs if it is to be strategic. Instead of using the federal funds made available through the stimulus package to begin a sustained effort to strategically reposition programs and services throughout CT State, that funding was used to add support staff to the employee rolls. Many of the newly hired staff were student-facing guided pathways advisors and the expectation was that improved revenues from better retention would at least balance their costs. But these hires were not accompanied by the broader organizational changes needed to make guided pathways really work.
- A failure to convince the faculty of the need to unify accreditation under a single institution and the anticipated benefits to students. Instead, faculty came to believe that the effort to eliminate individual institutions' accreditation was a "hostile takeover" intended to arrogate control of the curriculum in the hands of administrators. Not only was this objectionable as an intolerable infringement on the faculty's traditional oversight of the curriculum, but it also, from their point of view, promised to subvert local needs to a less responsive statewide standard for what matters in the content and delivery of instruction. As a consequence, faculty resisted or withheld their participation, slowing progress and weakening the trust of a critical stakeholder group.
- The creation of an inefficient and misaligned shared administrative services operation. CSCU's effort to create a shared services apparatus failed to live up to its promise because the CSCU System Office swept money off the top of the state appropriation, repositioned frontline campus-level employees as System Office employees, and exempted the four-year institutions from participation. This created an organization within the System that has been insufficiently accountable to the needs of CT State administrators, campus-level leaders, faculty, staff, and students. It has been particularly troublesome for CT State's leadership due to the misalignment of responsibility—dissatisfaction with shared services as well as daily problems (e.g., the network goes down) become the institution's to solve. Yet they have not exercised authority over the shared services functions over which the System Office has asserted responsibility. In addition to adding costs at the System Office without many evident benefits, all of this has diverted resources from the individual colleges without replacement.
- A lack of clarity about the limits of single accreditation and what it is, and is not, supposed to accomplish. The effort to centralize administrative services did not obligate CSCU to pursue single accreditation for its community colleges; the System had the authority to make such changes on its own. Single accreditation is germane only to matters that bear on the academic side of an institution. Not spelling out these

distinctions helped heap criticism on the push for single accreditation for the problems encountered with shared administrative services.

- Inconstant leadership, marked by multiple changes of the chancellor of the CSCU System and the System's senior staff, and in the presidency of CT State. The initial plan called for four regional presidents to lead the community colleges within a designated geographic area. But that organizational structure was abandoned shortly after it was implemented. More recently, the current CT State President has announced resurrected plans to combine institutional leadership among select groupings of institutions.
- A failure to adopt and adhere to clear principles about the substantive differences in the roles and responsibilities of the System Office and those of the institutions. This led to the agglomeration of duties performed by the System Office that were either duplicative of things happening at CT State's central office or on campuses or were assumed by the System Office in ways that reduced access to frontline student and employee supports. This was worsened by a spate of hiring at the System Office that was perceived by institutional actors as disconnected and out-of-touch with students and with the day-to-day activities that take place on campus.
- Poor communication and project management plagued efforts to leverage the scale and scope of the entire System to create efficiencies and improve student services.

The results of these challenges are still being felt within the new CT State Community College and the larger Connecticut State Colleges and Universities System to which CT State belongs. The difficulties encountered along the way toward single accreditation have also created unintended structures that have weakened the achievement of the larger goals. Among those has been constant turnover in leadership positions. The shared services implementation has been unwieldy, and the CSCU System Office has begun to unwind much of its structure. Finally, there has been little evidence of savings that can be attributed to the entire effort.

The path to single accreditation for CT State was rocky. Yet, it is starting to have positive effects, even as challenges linger. For example, CT State students can now register for online and in-person classes at any of the individual campuses seamlessly, and they can more easily transfer credits earned to the Connecticut State Universities through a "Transfer Ticket." None of the campuses or satellite locations have been closed, and layoffs have been avoided so far (though that has ensured continued budgetary stress). Enrollments have rebounded slightly.

Maine

In 2020, the University of Maine System received single accreditation from the New England Commission of Higher Education (NECHE), its accreditor. This followed a lengthy process involving legal review and a deep analysis of the proposal on academic grounds by NECHE, a process that began around 2013, but the System had considered pursuing unified accreditation as far back as 1986.¹³ UMS's success represented the first time a public System has been accredited as a single unified group of institutions. In congratulating UMS on successfully earning

¹³ <https://www.maine.edu/unified-accreditation/wp-content/uploads/sites/158/2021/06/UMS-UNIFIED-ACCREDITATION-RECOMMENDATION-1.pdf>

this mark, the then-Principal Deputy Undersecretary at the U.S. Department of Education stated, “Accrediting the System's universities together will allow all of Maine's public universities to be evaluated together based on how well they share state resources in meeting standards of accreditation that establish criteria for institutional quality and higher education effectiveness. This innovative approach will reduce accreditation costs and improve accountability across an entire system.”

Maine’s motivations for pursuing single accreditation were borne out of conditions very similar to those facing CCSNH. They included:

- Declining enrollment amid a worsening demographic future.
- Weakening state support exacerbated by the unlikely prospects of success in arguing for additional funding per student that would be required as scale economies softened with further anticipated enrollment losses.
- Growing challenges in preserving access to relevant programs for students from all across the state, especially in a heavily rural state.
- The need to reduce internal competition among institutions while providing more programmatic options to students.
- Concern that some of the System’s institutions were increasingly at risk of failing to meet accreditation standards.

At the time, it was NECHE’s position that its standards would not permit truly collaborative programs among multiple institutions at a scale and scope that was necessary for UMS to address these challenges under its current accreditation status. For example, NECHE raised concerns about the appropriateness of shared programs in education and nursing at Presque Isle and Fort Kent as part of a general skepticism that UMS’s efforts to offer programs or concentrations using faculty from multiple institutions when individual institutions could not affordably (or for other reasons) maintain sufficient numbers of faculty on their own.

UMS followed a lengthy process to reach single accreditation. Early on, the effort was not so much about pursuing single accreditation as it was about finding efficiencies through scale economies by consolidating certain back-office operations like information technology, procurement, and human resources. These efforts took 2-3 years.

From there, UMS worked closely with NECHE to pilot some programs (nursing, geographic information systems, and some others) to be integrated across the institutions. Including planning, these pilots also spanned 2-3 years of effort. The results of these various pilots were mixed but offered lessons as to what circumstances led to better integration. Yet when UMS wanted to take the pilots to scale, NECHE balked over concerns that program faculty would lose control over its curriculum and that it was unclear at which institutions accountability for the program's quality would ultimately lie. This prompted UMS to pursue accreditation as a System, a question that required extensive discussion with NECHE and the U.S. Department of Education before it was resolved in UMS’s favor.

The move toward single accreditation was not smooth, encountering resistance from various stakeholders concerned with their own institution’s positionality and their own control over

curriculum. There was also considerable worry that individual institutions would surrender some of their connection to their local community, especially given the presence of the state’s flagship university in the System, while the flagship itself worried about having its resources drained away by smaller campuses.

An important lesson in the Maine experience was that the structure before becoming singly accredited was as a single entity with a single board, similar to CCSNH. It was always within the authority of Maine’s System leadership to impose consolidation and seek to generate efficiencies through scale. Single accreditation was the avenue chosen solely based on the goal of integrating academic programs, including bachelor’s degrees and some graduate degrees. Several years hence, there are mixed feelings about how effective it has been at integrating academic programs at the System level. This suggests that single accreditation offers no guarantees that it will yield a more academically integrated System.

Minnesota North College

In 2022, five community colleges with six campuses in northeastern Minnesota merged into a single institution called Minnesota North College. Previously, Hibbing Community College, Itasca Community College, Mesabi Range Community and Technical College, Rainy River Community College, and Vermillion Community College were each separately accredited. Its accreditor, the Higher Learning Commission, approved the merger after seven years of planning involving deep engagement with stakeholders. The planning effort was initiated with an open-ended outcome—it was not a foregone conclusion that the process would result in pursuit of single accreditation. In fact, in 2019, stakeholders were asked to consider two different organizational models for their future before it became apparent that the best possible choice was to move ahead to become a single institution.

Unlike many other major structural reforms, the Minnesota North consolidation did not appear to create as much disruption. The primary goals for the merger were to improve operational efficiency and to enhance services for students, employers, and their respective communities. These are expected to come from reducing duplicative systems, reducing competition for students among the campuses, and streamlining program offerings. For students, access to a broader range of courses and programs and using a single transcript are expected benefits, as is coordinated outreach to other stakeholders like K-12 and industry partners.

As a major advantage, the five institutions made up the Northeastern Higher Education District prior to the merger, through which they shared resources, including a president. This relationship meant the institutions were already several steps toward becoming a single institution, having worked to build trust over the years of that collaboration. Their shift to a single accreditation model also owes some of its success to a recognition of their inability to remain sustainable as separate entities and sought to benefit from the greater range of programs and services they would be able to offer students and employers across the vast geography of their combined service area. All six campuses are rural, with a total headcount enrollment in FY2023 of just 3,725 unduplicated students. Each campus retains its own athletic programs, colors, mascots, and other elements of its prior institutional identity. Additionally, efforts to centralize administrative services were at an early stage at the time the merger was approved by the Minnesota State Colleges and Universities, the colleges’ governing body, and HLC. The press release announcing the approval of the merger described that effort as “evolutionary.” Finally,

academic concentrations vary across the campuses now and historically. Though there are overlaps, the merger was able to take advantage of the complementarity of programs that already existed.

Ivy Tech Community College

Ivy Tech Community College is the statewide community college for the State of Indiana. Founded in 1963, Ivy Tech is the largest institution in the state, operates 45 campus sites and delivers more than 70 academic programs. It offers a varied mix of programs and services at each of its sites. Organizationally, Ivy Tech is divided into different schools designed to ensure accessibility and relevance for each campus's service area.

Despite its long history, Ivy Tech became the official statewide community college only after the legislature made it so in 2005. This declaration followed a report by the Indiana Government Efficiency Commission that identified duplicated programs at the regional campuses of Indiana University and Purdue University. These were fragmenting program offerings at the sub-baccalaureate level, creating unhealthy competition, and failing to promote affordability. Compelling the two flagships' regional campuses to focus more on baccalaureate programming helped clear the way for Ivy Tech to become the primary provider of associate degrees and certificates.

Vermont

Prior to the pandemic, the Vermont State College System was nearing a point of crisis over its ability to sustain all of its institutions and campus sites. At that time, the VSCS governed the Community College of Vermont—a statewide community college with 12 campus sites—and three other four-year institutions—Castleton University, Northern Vermont University, and Vermont Technical College. NVU was the product of a merger of two institutions—Johnson State College and Lyndon State College—in 2016. By then, the System was running a structural deficit of about \$25 million on a total budget of about \$186 million.

As the pandemic set in, the Chancellor of the VSCS announced a proposal to close NVU and both of its campuses, as well as one of the two campuses of VTC. This spurred a predictable backlash in the affected communities, among alumni, and within the legislature. The latter created a Select Committee to examine solutions that would put VSCS on a financially sustainable pathway. NCHEMS was hired to support that effort. After months of deliberation, the Select Committee unanimously recommended that Castleton, NVU, and VTC be merged into a single institution. Following in lockstep with the Select Committee, the VSCS trustees approved a strategic planning effort to implement the recommendations. The resulting institution became accredited as Vermont State University on July 1, 2023.

VSU has certainly experienced its growing pains amid some public opposition from stakeholders. Yet without bold action, all three institutions were in critical danger of insolvency within the short- to intermediate timeframe. (CCV operates under a different business model, including some additional foundation support for free college, which has kept, and continues to keep, part of the System's balance sheet in the black.) The work of the Select Committee also helped create a refreshed "compact" between the System and the state, fueled by greater clarity among the legislature about what their appropriations to the VSCS were expected to fund and how the System would be accountable for those payments. Indeed, the approved plan has

yielded multiple years of enhanced state funding, helped by infusions made possible through the federal stimulus money. However, these dollars come with expectations that the VSCS will make consistent yearly progress in reducing its structural deficit.

Among the lessons the Vermont case offers are:

- Strategic transformation requires funding support. It is possible to create change by imposing austerity measures through funding cuts, but what comes out of that is usually the accumulated effects of triage measures imposed without deep thinking about the consequences.
- Delaying the inevitable until a crisis forces action makes the challenges of creating the necessary changes greater. VSCS and VSU will continue to walk a tightrope, where any sudden change in the legislature's recent generosity, together with any missteps, has significant risk for the future of educational services to all parts of the state.
- Transparent communication and effective project management are crucial.

CCSNH's Statutes and Policies

According to rulings and guidance that came from the University of Maine's prior successful effort to seek single accreditation as a system, an important factor in its success concerned the authorizing statutes in Maine. From the perspective of the U.S. Department of Education, key features that helped assure the legality of a system-wide accreditation were that Maine statutes clearly expressed the legislature's intent that the System held authority over the individual institutions and that its authority included the awarding of academic credentials.

New Hampshire's statutes establish the Community College System of New Hampshire as a single corporate body and specify that the System shall "include, but not be limited to, colleges in Berlin, Claremont, Concord, Laconia, Manchester, Nashua, and Portsmouth" and that its trustees "shall have the management and control of all of the property and affairs of the community college system, all of its colleges, divisions, and departments" (NHRS. XV Chapter 188-F). The statute further specifies that the institutional presidents are appointed by the trustees based on their nomination by the System chancellor, to whom the institutional presidents report. The statute is silent on the System's authority to award degrees and certificates, though it does specify that the "colleges of the community college system...are authorized to grant and confer in the name of the colleges all such degrees..." and that "the colleges...are authorized to seek accreditation." One might argue that these latter provisions create confusion about the extent of the system's authority to direct academic matters. However, it is eminently reasonable to interpret the language as reflective of a typical and historic view of the relationship between a system and its institutions, whereby a system is principally a vehicle for coordinating the activities of institutions, allocating funding to them, and overseeing their operations and assuring their compliance with relevant regulations, while the institutions deliver the programs and serve the actual students.

Nevertheless, the law is clear that the trustees manage and control "all of the...affairs" and "all of its colleges, divisions, and departments." The inclusion of the divisions and departments is particularly noteworthy as these may be understood as organizational structures over which

academic shared governance is expected to play a role in creating and sustaining within an institution. Finally, the absence of any other statutory provisions that separately address any of the individual institutions under CCSNH's governance further indicates that New Hampshire statute is intended to grant wide latitude to the system over the policies and practices of the institutions.

Accordingly, although confirmation from appropriately qualified attorneys or consultation with legislative leadership¹⁴ may be appropriate, it seems reasonable to conclude that the system's authority is paramount and not qualified in any way that would constrain it from seeking single accreditation or, alternatively, from exercising authority sufficient to compel its institutions to collaborate in the delivery of programs or in the organization and provision of administrative services.

Beyond the legal authority, CCSNH's Board of Trustees has adopted policies that can be interpreted to be inconsistent with a broad application of its statutory authority, as defined above, to surmount obstructions to creating standardized curricula and fostering shared administrative services. For example, board policy 630 specifies that the "curriculum is the responsibility of each CCSNH college."¹⁵ Yet within the policies, there are clear signs that the board appreciates the possible problems presented by an extreme interpretation of policy 630: in the very next policy, 640, the board expects the chancellor and the college to work together to strike a balance between efficient operation and local needs when considering program duplication. There are other such conflicts in the policies.

Two observations are germane in assessing the board policies. First, the CCSNH board created these policies, and it has the discretion to change them as it wishes. Whatever conflicts currently exist may not have proven seriously problematic during the era when CCSNH institutions, along with their brethren nationally, were growing relatively consistently. In that era, they served the system well, or at least they were not major barriers. With new and more challenging conditions ahead, it is appropriate for the board to reconsider policies that are no longer helpful and are well within the board's right to adjust. Second, the successful pursuit of single accreditation might effectively neuter the conflicts in the board policies over which entity—the Chancellor or the College President—effectively controls the curriculum or determines how necessary administrative services are provisioned.

Finally, some aspects of the current organizational structure pave the way toward single accreditation. The fact that CCSNH institutions are governed by a single board of trustees and funded exclusively at the state level, rather than governed by locally elected boards and funded

¹⁴ It is, of course, not possible to confer with the legislature that was in session when these changes to New Hampshire's statutes were made, in order to assess its intent as a means to resolve whatever inconsistencies may be perceived to exist in these provisions. Conferring with current legislative leadership may be a necessary and prudential step in addressing the political dimension of these issues, and in rendering its opinion of the original intent of a past legislature, the current one will need to be as mindful of the urgency facing the system as the system itself needs to be.

¹⁵ <https://92896ea6.delivery.rocketcdn.me/wp-content/uploads/2020/12/Board-Policy-600-Academic-Affairs-11-22-20.pdf>

with local property taxes, makes single accreditation possible. The System is also already set up as a “single employer,” meaning that, although employees are assigned a work location, they are all employed by CCSNH rather than an individual institution. The System also receives appropriations from the state legislature as a system; appropriations are not separately directed at individual institutions. These aspects of the existing structure would smooth the way towards single accreditation if it were the preferred future structure. They also have the same effect on efforts to reform the way the system operates even if no change in the accreditation status is sought.

Options for Restructuring CCSNH

CCSNH has several potential structural change options that can better position it for the challenges ahead. These options are presented as “end states,” or visions, for how a system restructuring might look. Along with a brief description, each option is presented with a short list of advantages and disadvantages.

In addition to the possibilities described below, the System may also opt to maintain the status quo. It is crucial to recognize that the status quo is a choice that comes with consequences. There is comfort and familiarity in long-established processes and procedures, but allowing inaction or inertia to delay or derail substantive change is unsustainable in the face of the challenges ahead, even in the relatively short term. Stakeholders must engage thoughtfully to design and implement reforms. There will be disagreements and hard decisions. But in the end, the only certainty is that not forthrightly and proactively planning for a changed future and implementing new ideas for how the community colleges work will leave many New Hampshire residents behind and poorly equip the state for economic competitiveness.

New Hampshire’s community colleges can no longer avoid the necessity of launching a process that will involve major changes and achieve a sustainable equilibrium. Failure to move with urgency will likely only put off a significant reorganization, and not for very long. And when it comes, the opportunities to ensure that it is strategically focused on state and regional goals and relatively orderly will have been lost.

Option #1. Pursue single accreditation.

Arguments in favor

- Potential for reduced administrative costs; among the ways this could save money is in streamlining accreditation reviews from seven separate processes to one; focusing the responsibilities of senior leaders at each of the campuses on a narrower set of duties related to community engagement and alignment of campus activities with local needs; standardizing certain practices and procedures over time; and centralizing procurement and limiting unproductive customization of software platforms and similar services.
- Unified accreditation may create greater momentum for standardized curricula in certain disciplinary areas, such as nursing, and remove barriers that currently impede students’ success and create unnecessary costs.
- Allows for multiple 1-to-2-person departments to be combined across both academic and support areas, creating more opportunities for employees to learn from, support, and

provide backup for one another. This can also result in efficiencies in cases where tasks do not need to be done by separate individuals on each campus.

- Allow students to combine coursework from multiple CCSNH campuses more easily through the seamless flow of credits and grades.
- May ease transfer into USNH institutions by standardizing the curriculum across CCSNH thus reducing the number of necessary articulation agreements, but there is no guarantee that USNH institutions will respond.
- Streamlines academic shared governance by reducing seven separate curriculum committees to a single committee in ways that would simplify program sharing and transferability of credit.
- Bypasses some of the barriers to offering programs at multiple sites where those barriers are related to the interpretation of collective bargaining agreements. It also potentially avoids opposition to program sharing on accreditation-related grounds (whether or not such opposition is well-founded).
- Specialized accreditors may create barriers to alternative arrangements if they object to sharing programs across multiple campuses. NCHEMS did not do a thorough analysis of all such accreditors but did note concerns about this being a possible barrier to sharing programs in Respiratory Therapy, as an example, though whether these concerns were voiced in relation to a program comprised of courses and faculty at multiple institutions, versus a program offered at one institution's site but taught exclusively by faculty employed at another, separately accredited institution, was not clear.
- Pursuing single accreditation may demonstrate to policymakers that CCSNH is exercising leadership that is ready to meet the moment and being bold in a way that directly addresses the challenges ahead. This is particularly the case given that the prior governor's task force had recommended single accreditation, and CCSNH's Board of Trustees has previously taken formal action to endorse that recommendation, though with the understanding that additional study was necessary. Thus, there is a political risk in not pursuing single accreditation, which could appear to some as backsliding.
- Naming single accreditation as a target for structural reform efforts may help counteract the forces of inertia and lead to more rapid reform progress than might otherwise be the case.
- It is unclear whether NECHE or another accreditor—now that the federal government has eliminated the regional accreditors' monopoly within their historic geographic boundaries—would be willing to accept another arrangement in CCSNH's efforts to deliver programs using the combined resources of separately accredited institutions.

Arguments against

- It is not clear that anything being considered by CCSNH to address the challenges it faces and simultaneously extend and enhance services and program availability requires single accreditation to make it happen. Many of the arguments in favor of single accreditation, listed above, also apply to other types of structural reform. As described above, CCSNH has the necessary authority to impose changes in how it organizes administrative services; accreditation is not implicated in any of these adjustments so

long as the standards associated with having adequate and sustainable support services are met. Changes to the delivery of the curriculum across the System do implicate accreditation, but accreditors do not dictate how institutions manage their programs; rather, they set standards and evaluate institutions on the basis of whether they meet those standards or not. This includes adequate consultation with the faculty, but how that consultation is managed is up to the governance of the institution—in this case, the CCSNH board. The standards also demand that adequate control and quality assurance measures exist at the institutional level. But here again, the specific means by which the institution satisfies that standard are not prescribed, allowing separately accredited institutions to collaborate in the delivery of a program. Thus, one institution can deliver a program at another institution's site under a contract that spells out the respective roles and duties, so long as the first institution is the one that confers the award.

- Instances of statewide systems of institutions seeking unified accreditation are still not numerous and each such case presents its own unique contextual factors that the accreditor must weigh in considering an application for single accreditation. Prior cases, such as in Connecticut and Maine, provide precedent but also cautions that are likely to influence the accreditor's decision to consider another application. In other words, it is perhaps uncertain whether NECHE will welcome an attempt by CCSNH to seek accreditation as a system.
- The process of changing accreditation status can be extraordinarily disruptive. This is particularly true if the movement is seen as primarily a way to reduce costs and eliminate programs, services, and employees. This makes communications about the effort incredibly important and challenging to manage effectively.
- Becoming a single institution may obscure performance and financial issues at individual campuses. This will require the organization to implement effective internal mechanisms for ensuring accountability, but these details may be less available to the public.
- A single institution may struggle to provide sufficient information to prospective students about each campus's distinctiveness.
- There is a risk that single accreditation may make it harder, or at least require greater care, to ensure that the individual campuses are each able to effectively serve the distinct needs of their regions. It may also become increasingly difficult to appropriately measure performance at such different campuses if, as a single institution, there is a push to standardize measures in ways that fail to appreciate important and meaningful differences in the audiences and programmatic needs across the state.
- A single institution may diminish the autonomy of faculty and staff at each individual campus, or at least the perception of that autonomy.
- Even though part of the justification for seeking single accreditation is to solve some of the challenges of serving small communities across the state effectively, becoming a single institution risks reducing attention to the needs of smaller places in order to respond to the needs of the communities that are thriving.
- The System Office currently lacks capacity to effectively serve as the headquarters of a single institution with multiple campuses spread throughout the state. It also lacks capacity to lead the effort to seek single accreditation. Some of these additional

resources would be temporary—to assume the effort of this pursuit—but other resources in certain functional areas would be needed on an ongoing basis to meet and maintain accreditation standards and to ensure effective operation. Single accreditation would require centralization of various functions like registration, enrollment management, faculty development, and so on. Furthermore, a trust gap exists between the System Office and institutions, which can imperil plans to convince stakeholders of the motivations behind and the vision for a move to single accreditation. And the allocation of the necessary resources to centralized functions risks worsening that trust gap.

- There is a risk that a singly accredited institution will oversteer in the direction of centralization despite the fact that not all functions need to be centralized. There is likely an optimal mix of a) centralization, b) multi-campus collaborations, and c) individual campus retains responsibility.
- Seeking single accreditation, if the effort fails, is more likely to fail spectacularly and more publicly, with long-term damage to the System, than efforts that make more incremental claims for reform, even if both attempts have many common steps toward better integration of the System. Put another way, if CCSNH tries to use its authority to more assertively implement systemness in partnership with individually accredited institutions but still fails to meet its goals, New Hampshire retains a set of community colleges that may be sub-optimized but which is less likely to have shed public goodwill. If, however, CCNSH seeks to be singly accredited and struggles to overcome resistance, muddles through disruption, and experiences leadership turnover, those struggles will be much more public, more highly criticized, and may tempt policymakers to take a greater interventionist role in responding to the challenges that arise.
- The process of pursuing and earning single accreditation will come with real monetary costs, both in direct costs and the costs of how senior leadership and other human resources spend their time.
- To become singly accredited, CCSNH will have to harmonize a gaggle of policies and practices that are currently inconsistent, including everything from student conduct to faculty workload to program review and assessment. Even policies that are not expected to be consistent will require a policy to determine under what conditions they can be inconsistent, such as hours of operation for services, faculty office hours and work-from-home privileges, and housing and dining packages.
- Quality assurance processes in higher education are facing a significant test as the movement toward skill-based hiring, the proliferation of providers, and the concerns of demographically challenged states strain traditional accreditation practices. While it is safe to assume there will continue to be accreditation processes that rely on peer review, it is possible that the interpretation of some standards might shift in favor of greater flexibility to meet the evolving needs of the higher education landscape. Among other things, this may make it harder to sustain a multi-year effort to achieve single accreditation if the expectations for what the expected value of that effort will bear.
- Single accreditation is not a magic bullet. There is no substitute for the hard work it will take to transform CCSNH into a more nimble statewide entity still able to project programs from any of its campuses throughout the state where needed and drive

efficiencies in administrative services. It is possible for CCSNH to become singly accredited and still face many of the same problems it currently does.

Option #2. Consolidate two or more of the current institutions

This option would entail a partial consolidation that results in more than one but fewer than seven institutions under separate accreditation. This option could be implemented by consolidating institutions with complementary program strengths with the idea that the combined institution could offer a broader array of academic offerings across a larger expanse of the state. This especially makes sense given the program differentiation among the CCSNH institutions and the frustration we heard from stakeholders about programs in one part of the state not being available elsewhere. Other options include combining institutions based on size (to maximize opportunities for improved economies of scale and avoid combinations that risk a larger campus's priorities overwhelming a smaller one's), geography, or industry/programmatic affinities.

Arguments in favor

- Consolidating institutions based on complementary programs may enable those institutions that have the least programmatic reasons to compete with one another for students to build trust and expand their enrollment, reach, and impact.
- Limiting the consolidation effort to institutions most likely to benefit from scale economies means that resistance from the larger institutions may be muted. This is particularly true given how our stakeholder engagement activities signaled a greater willingness for bold action at those institutions most at risk of enrollment losses.
- Consolidating institutions based on programmatic affinity might extend the reach and connection with key employers and allow institutions to expand the availability of courses in ways that allow students to speed progress toward their goals.
- Cost savings from maintaining one leadership structure and accreditation processes, rather than two (or more), potentially creates savings.

Arguments against

- The prior attempt to regionalize institutions failed to achieve its expected benefits. That history would likely dog any similar effort. In particular, in any dyad (or triad) of institutions, those sites that are not the typical home of the institutional president will feel neglected and the community will feel disenfranchised.
- Depending on the makeup of the options, some institutions and their employees would feel unfairly singled out for combination while others worried that they might be next. It is likely to be more difficult to communicate the reasons behind the decisions made about which institutions should be involved in which combinations than it would be to make a cogent case for a system-wide effort.
- Those who would be asked to consolidate would likely be the smallest ones—those with less capacity to commit attention to the hard work of consolidation while also fulfilling their responsibilities to students.
- New Hampshire's history with such an effort suggests it is much more complex than just creating shared leadership functions, especially if seeking single accreditation for the

affected institutions is a part of it. Managing even one such consolidation project is probably almost as significant a commitment of time and energy on the part of the System Office and affected employees as a system-wide consolidation might be. Managing more than one may be a heavier lift than a system-wide effort.

Option #3. Create stronger systematization while maintaining individual accreditations for CCSNH's member institutions.

This option relies heavily upon system-level policy and structure change. It depends on the Board exercising its prerogative and authority to make changes in its own policies and to direct and support the System Office in adopt a much more muscular approach to exercising its responsibilities so that the benefits of being a system are more broadly achieved. This would pertain especially to the reorganization of administrative services to seek greater standardization of policies, processes, practices, and platforms (e.g., a single, shared ERP system). Such reforms would be built around a clear set of principles for which parts of functions are to be centralized and which parts are delegated.

This option also capitalizes on key advantages CCSNH enjoys in state statute, including its single board, responsibility to allocate funding to institutions from system-level state appropriations, the lack of local funding and local governance, and its status as a single employer to work assertively to integrate administrative and academic service delivery. In addition, the System Office can declare that all programs will be statewide in scope, including a shared curricular core that nevertheless allows for some limited local customization based on distinct local circumstances or needs.

In this option, the centralization of some back-office functions and administration might look identical to the way it would under single accreditation. Accreditation standards do not dictate how systems/institutions organize those functions; they simply require that they be effective. In fact, under the existing structure, the System Office has already taken steps in this direction by assuming some functions at the system level. Details on which areas NCHEMS recommends for increased centralization/coordination are included in the “Vision for a More Integrated CCSNH” and “Implementation” sections below.

This option differs most significantly from single accreditation in the way that programs would be shared across institutions and disseminated to each part of the state that needs them. In the absence of single accreditation, program-sharing across campuses is still possible but needs to work differently. The System Office can facilitate program-sharing first and foremost through the development of a more standardized curriculum, albeit while allowing for some room for local adaptations aligned with specific local needs. This would involve standardizing general education across campuses in the form of a set of core courses together with limited local options tied to local expertise or need. It would also mean standardizing program-level curricula in cases where multiple institutions offer similar programs, again with some campus-level flexibility. It does *not* mean that all campuses should offer the same programs.

Second, the System Office can manage a network of performance contracts to ensure institutions can gain access to programs from sister institutions. These contracts are supplemented by a different way of allocating funds to institutions, intending that the institutions would use the

funds to purchase programs from other institutions. Formal contracts between institutions are helpful to create financial incentives for sharing and collaboration, as well as clarity in roles and responsibilities (these would be appropriate to enumerate even among sites in a singly accredited institution). Formal contracts also help to ensure that objectives of the collaboration are achieved. In the absence of those contracts, institutional math may determine that collaborations are not financially worthwhile.

Many of the arguments for and against options that maintain individual accreditation are similar to but opposite those listed under the first option in which CCSNH would pursue single accreditation. However, some additional arguments are worth highlighting below.

Arguments in favor

- These approaches seek to align funding and incentives in part to solve some of the challenges that the state is experiencing while ensuring a measure of accountability for effective performance.
- Maintaining individual accreditation removes the threat of full-scale consolidation, along with attendant concerns about losses of institutional identity, erosion of culture, and diminishment of the legitimate different priorities of the institutions' respective service areas.
- Some version of these ideas is probably necessary even if CCSNH became singly accredited. (Some standardization of the curriculum would be a vital step in realizing the promise of unified accreditation.) There is no certainty that the various campus sites within a singly accredited system will adhere to their commitments to one another without some formalized agreements to enumerate what the various responsibilities are, how they will be funded, what recourses the sites have in the event of a conflict arising among them, and so on.

Arguments against

- There seems to be a hearty appetite among policymakers in the state, and many others, for substantial structural reform in CCSNH to prepare it for a challenging future. Given the recommendations of the governor's task force in March 2024 and CCSNH's board's subsequent actions, any effort short of pursuing single accreditation risks being perceived as too incremental, no matter how far-reaching the proposal actually may be or how much it may mirror the substance of what single accreditation is intended to do.
- An approach based on performance contracts may be perceived as a lesser, more unwieldy approach than simply unifying accreditation.

In choosing among these various formal structural designs largely revolving around how the System handles accreditation, it is useful to take a step back and observe CCSNH as a System and a collection of institutions. First, CCSNH already has some attributes that are advantages relative to most other states' two-year sectors. These begin with the broad authority exercised by the CCSNH board. By state statute, CCSNH's board is a single corporate body with the responsibility to "control and manage" the several institutions within the System. These powers include final approval of the academic curriculum in place at each institution; management of administrative functions systemwide and at each institution; supervision of the chancellor, who in turn supervises each of the institutional presidents; allocation of resources to the institutions;

and management of the System's human resources. Maine's pursuit of single accreditation hinged in part on state statutes that granted this kind of broad authority to the System, suggesting that CCSNH may not need to make statutory changes as part of an effort to change its accreditation status.

A second important advantage not uniformly found in other states is that New Hampshire's community colleges are unusually well differentiated programmatically. As locally focused institutions, all community colleges are calibrated to their unique geographic needs. But in New Hampshire, it is possible to detect clearer distinctions among many institutions in terms of how their programs are concentrated. That is, many of the smaller campuses are more heavily geared toward certain trades and technical programs that are closely aligned with their regional economy and with somewhat less overlap than we often see elsewhere. For instance, White Mountains operates a sizeable welding program that draws students from across the state and beyond, as well as a commercial truck driving program. River Valley operates a number of health and allied health programs. The larger institutions are naturally more comprehensive, but they too have focus areas. For example, Great Bay capitalizes on its proximity to the University of New Hampshire in Durham to build robust transfer programs into that institution. These relatively more distinct areas of concentration create the possibility of building multi-campus or systemwide approaches to the delivery of certain programs with fewer impediments among the institutions arising out of issues over turf. This is not to say that all will be smooth, however, as there are programs with substantial overlap, such as nursing, and institutions may be seeking to add programs to their own catalogues despite potential alternative arrangements.

Principles to Guide Decision-Making

Borrowing from its experience in other settings, NCHEMS offers a set of principles that can be useful for envisioning the future structure and organization of New Hampshire's system of community colleges. These principles can also serve as criteria to guide decision-making, both in designing recommendations and throughout a lengthy implementation process. These principles include:

1. **The needs of students, employers, local communities, and the state must come first; institutions are a means to an end.**
2. Students, communities, and employers in all locations throughout the state are served.
3. A solution cannot be borrowed from other states; rather, it must be crafted to meet the unique needs and circumstances of New Hampshire.
4. The System must add value to the delivery of higher education; it cannot just be a governing body focused primarily on its convening role and compliance. It will add value by leveraging capacity throughout the System to meet specific needs in any part of the state. This implies that institutions within the System will need to adapt in part based on the old economic principle of specialization of labor.
5. Form should follow function. There should be a clear vision of how CCSNH is to serve the needs of the state before changes in organizational arrangements are discussed and implemented.

6. Productivity and efficiency of operation must be achieved and maintained, and the System must strive to use its reach to unlock economies of scale in spite of enrollment losses. Student affordability and the financial viability of the enterprise depend on this.
7. Regardless of organizational structure, institutional accreditation(s) must be maintained, as should specialized accreditations, unless there is an intentional decision by the board to let any such accreditation lapse.
8. Costs and disruption that arise from the implementation of reforms should be minimized inasmuch as possible, and services to students and other stakeholders should continue to receive consistent priority.

A Vision for a More Integrated CCSNH

Together, these principles imply the need to continually examine and prioritize what programs and services are most critical in each location and that future needs may differ from what currently exists. In particular, the principles suggest that the nature of the changes will need to be different at different institutions. The institutions in the southern part of the state are already larger and more comprehensive in their offerings. Yet even they will face challenges given demographic trends and must be adaptable to reach out to and serve new and different audiences and join other institutions in providing services to the System. The smaller institutions in the northern and western parts of the state will also need to adapt by becoming purposeful and resolute about the programs and services they are best positioned to offer in their own communities and statewide. They must determine which programs they can offer at a scale that ensures financial sustainability and which programs they should broker from a sister institution.

Meanwhile, **the CCSNH Board of Trustees should ensure that the System Office has the direction and means to ensure that academic collaborations across the System can flourish.** This approach would rely as much as possible on standardizing curricula through a process that would work with speed (given the urgency) but also through deep engagement with faculty. While the end goal would be significantly advanced by common course numbers, learning outcomes, and competencies for students' most frequent course enrollments and pathways, it would not be so rigid as to prevent innovation or local adaptations to course design or content where distinct local needs or interests exist.

This approach should also be supported by robust shared resources that maximize the availability of programs and courses throughout the state. Additionally, it should provide services at scale to enhance efficiencies by reducing unnecessary duplication and variations in processes that create obstacles for students. This will help preserve resources for innovation and programs and services that directly benefit students. In this vision, the System Office also mediates between the campuses to ensure that programs are effectively delivered, and provide data and technical assistance to support decision-making at the campus level.

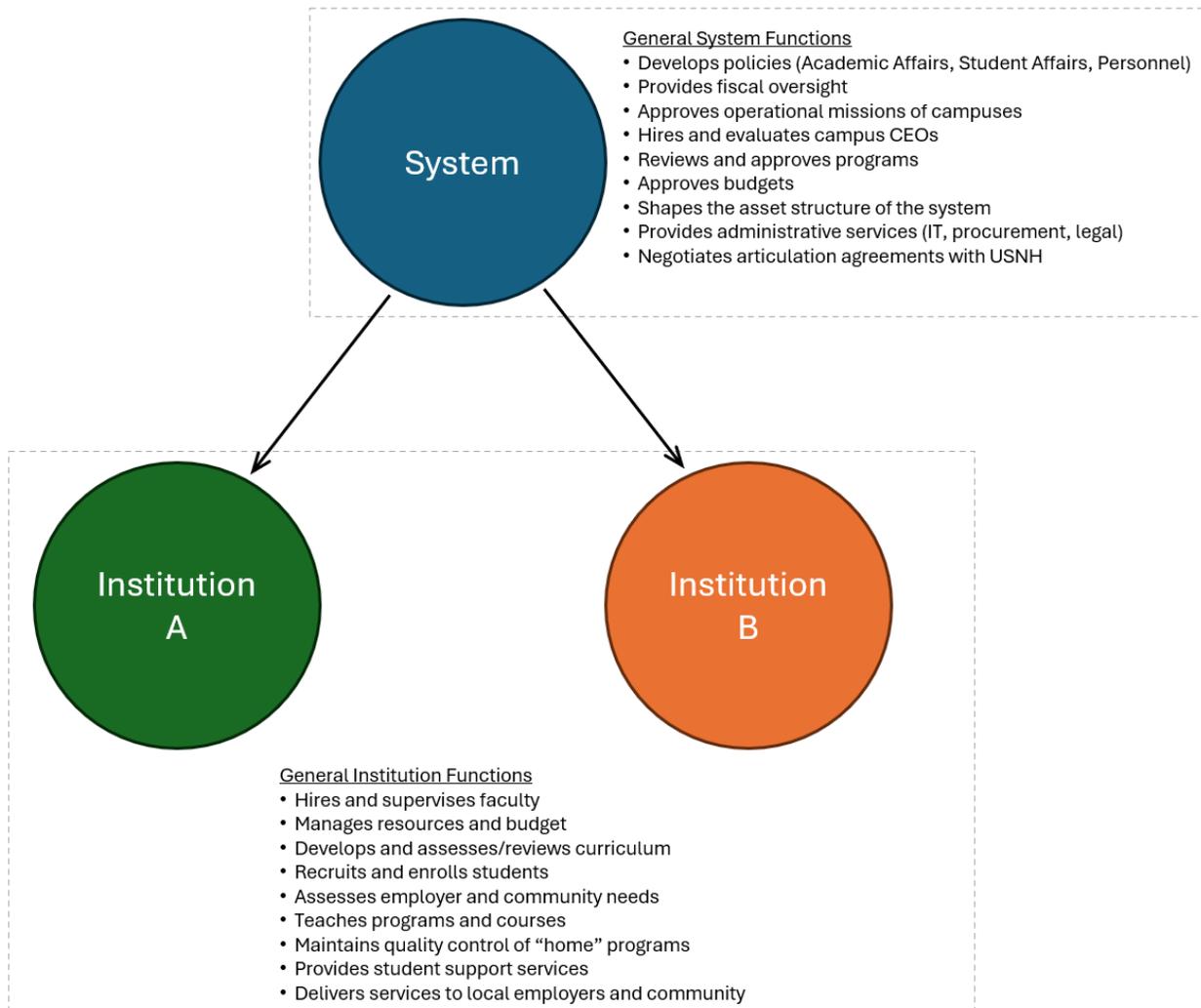
Key will be implementing a funding model that creates incentives and rewards for collaboration. Such a model would need to consider how to direct money to institutions to address the following priorities:

- A foundational core component that accounts for the presence or absence of scale economies. In CCSNH, none of the institutions have great scale, but several of them can justifiably argue that additional subsidy may be necessary to provide a basic minimum of administrative oversight. The model should be sensitive enough to allow for institutions to grow or shrink as demands shift, but to be able to recognize and act in their own self-interest when considering whether to “borrow” capacity from another institution in the system or from the System Office itself.
- Support for instructional costs that vary by program and audience such that there is a relationship between program costs, the varied needs of students (e.g., if one institution tends to enroll more first-generation students than others, who might require additional supports), and revenue. This description is referring to state funding only, though it is possible to consider whether tuition pricing might be more dynamic to help account for cost variances, as well.
- A pool of funding which institutions can utilize to “buy” programs (or services) from other institutions in the system, or from the System Office (in the case of administrative or otherwise centralized services such as, potentially, instructional design expertise). Each institution’s portion of the pool would likely need to vary in size in some inverse relationship with enrollment. But all institutions should receive some funding to build appreciation for the reality that none of them are large nor comprehensive enough to address all of their needs. The pool should be pretty carefully restricted to supporting collaborations, not as an alternative way of covering other operational costs.

Changes to CCSNH’s accreditation status are almost exclusively relevant to the organization's development and delivery of academic programs. To the extent that accreditation standards reference administrative support services, the standards only require that they exist, are resourced appropriately, and operate effectively.

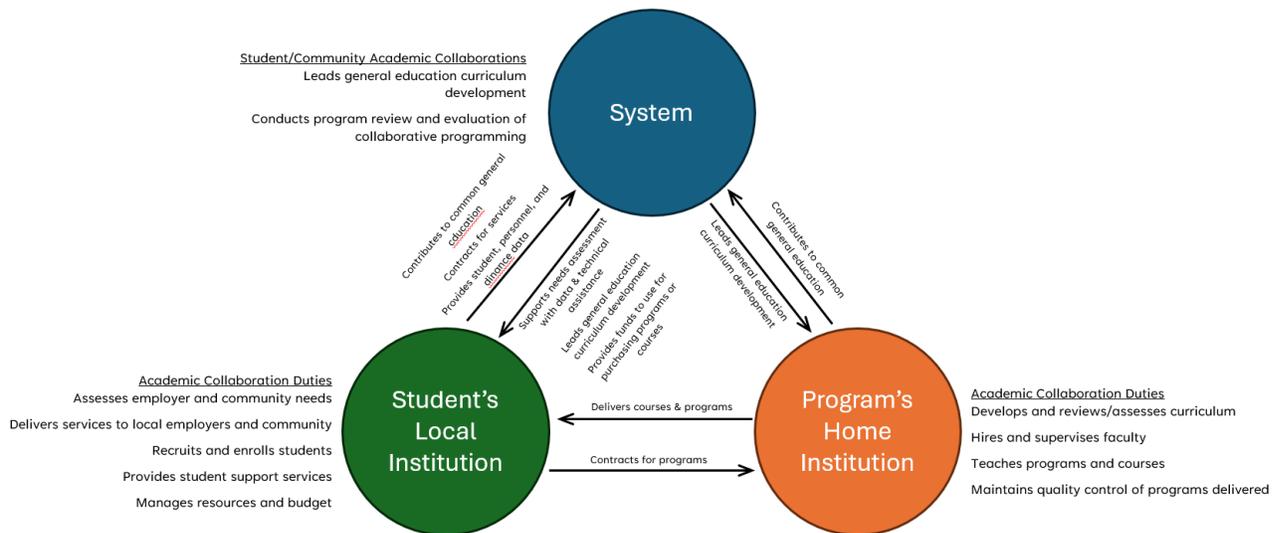
The following two diagrams illustrate this distribution of functions conceptually. The first simplifies the typical relationships between a system and its subordinate institutions (Figure 78).

Figure 78. The Traditional Relationship Between a System and its Institutions



This second diagram (Figure 79) illustrates the interactions between the System Office and its institutions when the goals are focused around fostering collaboration among the institutions, with an appropriate mix of requirements, funding mechanisms, and other support by the System, in order to ensure that programs are delivered as widely as necessary to meet the varied needs of the state’s communities and its student populations. In this model, one institution uses its own resources, plus resources provided by the System Office, to purchase programs from another institution, ensuring that a relevant program is available to students in the first institution’s service area without that institution necessarily having to develop and maintain that program. Instead, the institution where the student is located or attends, after establishing that there is a clear need for a particular program, provides the foundation of student support services so that students can be successful. The institution where the program is hosted ensures that qualified faculty deliver the program to the students at the first institution.

Figure 79. Fostering Collaboration Among Institutions in a System



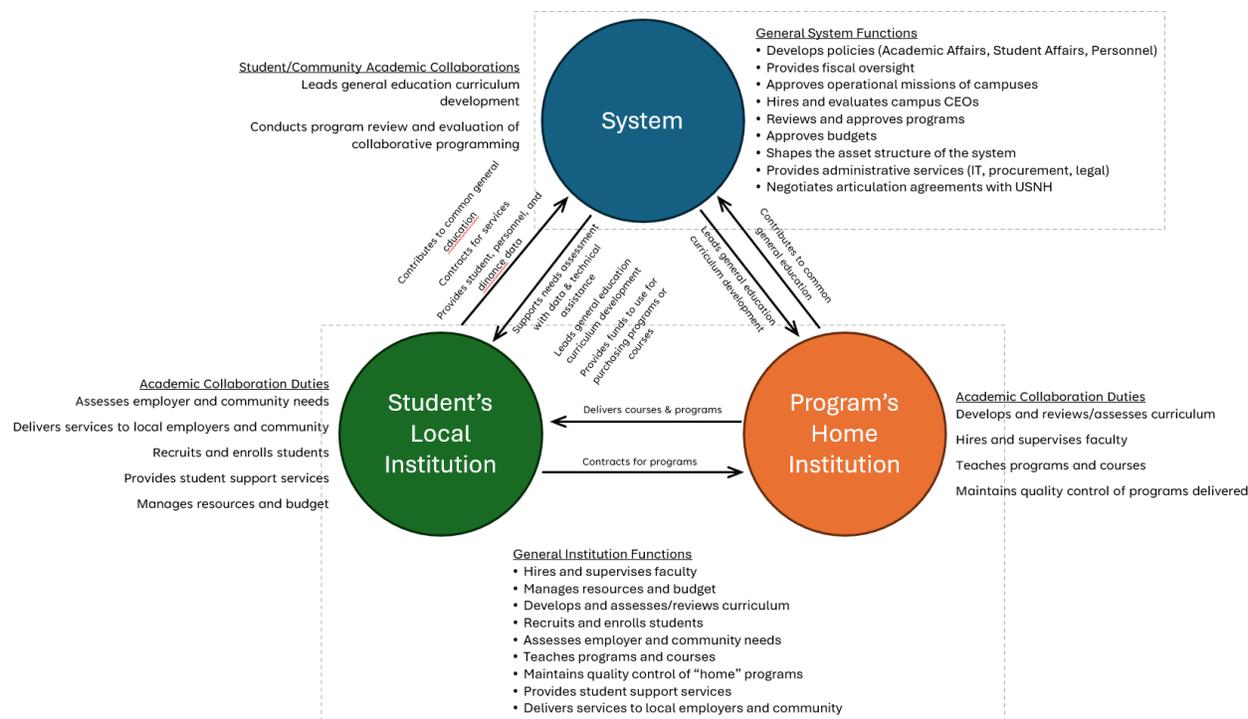
Some of CCSNH's institutions are already working this way in their delivery of the LPN program. River Valley provides an LPN program to students who are enrolled at other CCSNH institutions, and it received approval from NECHE to do so. Such cases are rare but occur when both institutions see it in their best interests to collaborate, and when there are no resource-based impediments. Not all programs can be distributed this way, however. Specialized equipment requirements can impede collaborations, for example. Yet creative solutions may be possible even here, such as by offering students a low-residency option in which courses take place over a few weekends during a semester rather than on a traditional week-by-week basis.

Additionally, this scheme permits CCSNH to further differentiate institutional missions programmatically, even more than they already are. For example, the large majority of the awards conferred by White Mountains are in precision production, health care, and education, while relatively few students are on the transfer pathway. One possible way to focus White Mountains' mission, and create greater efficiency, is to reduce the number of courses it offers that are part of the general education curriculum and to obtain more of those necessary courses from another institution like Great Bay, which has robust transfer agreements with UNH in Durham. To be sure, White Mountains would still be wise to retain enough faculty with appropriate disciplinary expertise, but their role may shift to supporting students taking courses from elsewhere rather than teaching as many courses as they currently do.

It does not follow that this structure is expected to eliminate all duplicated programs across the System, such that there would be only one nursing program, or just one transfer pathway wholly owned by a single institution. In fact, putting both of the above diagrams together would be a fairer depiction of how this would work (Figure 80). All institutions would be home to a select set of programs of special relevance to their region that can be offered at a scale that makes them financially viable; students in those programs could obtain their degree or certificate entirely within a single institution. What this seeks to accomplish is to ensure that students are able to take advantage of educational opportunities that are less in demand in their local area, where

the costs of maintaining those programs at their nearest CCSNH institution are prohibitive, without being forced to relocate to do so.

Figure 80. Unleashing the Full Capacity of the System



Since none of New Hampshire’s community colleges qualify as large by national standards, all of its community colleges can benefit by being deliberate about the programs and services they maintain and those they source from another institution in the System. Therefore, we expect that all the CCSNH institutions would find themselves in both positions—providing and receiving—depending on the program and the volume of local demand for it, although it is likely that some institutions—likely the smaller ones—will become more regularly the “buyers” of programs and others “sellers” of programs under this arrangement.

It is worth noting that this scheme is agnostic regarding the accreditation status of the institutions or the System. The performance contracts envisioned here would be necessary to ensure clarity of roles and provide accountability for shared programs among individually accredited institutions, perhaps reinforced with appropriate action and supporting policies at the board and system office levels.¹⁶ It houses responsibility for ensuring program quality in the

¹⁶ There are some examples of these activities, typically but not always supported by a system office, but they are often more isolated cases. Examples include: radiology programs offered by Weber State University to Snow College (Utah), partnerships between Oklahoma State and Oklahoma Panhandle State to offer programs in the latter’s traditional service area, and collaborations between community colleges in Hawaii aimed at ensuring the availability of programs on Kauai. There is less evidence of these activities being done at scale, which is, in NCHEMS’ view, an important part of the solution to the kinds of

single, providing institution. But some manner of providing the same assurances would be equally necessary in a singly accredited institution with multiple campuses. Accreditation does not specify how institutions in a system are organized to deliver education, only that there are ways that the accreditor's standards are achieved and that the specific roles and responsibilities of the institutions and the System are clearly defined, enforced, and regularly evaluated and modified as appropriate.¹⁷ In fact, NECHE's standard 3.6 states, "In multi-campus systems organized under a single governing board, the division of responsibility and authority between the system office and the institution is clear. Where system and campus boards share governance responsibilities or dimensions of authority, system policies, and procedures are clearly defined and equitably administered relative to the mission of the institution." Therefore, the nature of the relationship among individually accredited institutions in a system and within a singly accredited institution with multiple campuses must be carefully spelled out in policies, processes, and procedures. The NECHE standard is open to interpretation on matters of curriculum, and structural reform affords CCSNH the opportunity to resolve that ambiguity to the benefit of all stakeholders.

As has been made clear, the reform of the System's administrative functions is not dependent on the accreditation status of the System or its institutions. Nevertheless, centralizing some additional functions is a logical first step in pursuing single accreditation. Success in successfully implementing shared services builds trust within the system. As importantly, it creates healthier economies of scale and allows the System Office to provide additional services to the institutions beyond what they are able to accomplish individually. As CCSNH stakeholders pointed out, it is necessary to balance these advantages against the need for local responsiveness, innovation, and personalized attention to student needs.

Based on our analysis of the data, our review of CCSNH organizational charts, and our stakeholder engagement, NCHEMS has identified a number of areas where there appears to be room for increased coordination or centralization, regardless of the structural option CCSNH chooses. Systemwide coordination in some of these areas is, in fact, a necessary precondition for broader structural reform options, including single accreditation. We suggest these areas as places where **increased collaboration could improve student experiences and outcomes, increase efficiencies, and create opportunities for impacts that go beyond a single institution's reach, all without compromising—if implemented effectively—quality, student service, innovation, or community responsiveness.** As CCSNH does additional planning, it may discover additional areas that meet these criteria.

Those areas NCHEMS identified as especially ready for greater coordination or centralization include:

- **Online learning.** There is already a systemwide team examining online course offerings, but the goals of that project are not clear. Online coursework should be coordinated at

challenges facing CCSNH. CCSNH can be a trailblazer in working out more systematic means of encouraging and supporting these types of collaboration.

¹⁷ NECHE's standards are published at <https://www.neche.org/standards-for-accreditation/>.

the System level to reduce intra-system competition for online students, ensure efficient section offerings while helping students stay on schedule by aggregating course offerings, and consolidate expertise in online teaching and instructional design to ensure quality. More attention should be given to identifying whole programs to be delivered online with determinations made as to which institutions will offer which programs.

- **Sharing of faculty and curriculum.** Beyond the program-sharing discussed above, there are a number of ways that faculty and curriculum can be better aligned across the System, even while maintaining separate accreditation and local control over curriculum.

First among these is **common course numbering**. Many systems across the country maintain successful common course numbering schemes. Recognizing its value to students, faculty in some individual disciplines within CCSNH have made steps in this direction. Common course numbering allows for smoother transfer of credits between CCSNH institutions and has the potential to simplify transfer agreements with USNH as well.

Second is a **systemwide general education curriculum** in the form of a set of core courses together with limited local options tied to local expertise or need, all of which is recognized as a general education block across the System and by USNH institutions. This both eases student transfer and simplifies program-level alignment.

Once common course numbering and gen-eds are in place, the System can **coordinate program-level curricula** in cases where multiple institutions offer similar programs. One option for this is for the System to mandate that a certain percentage (85%, for example) of the curriculum in a given program must be consistent across institutions, and each institution can customize the rest to local needs. CCSNH faculty in each discipline across all institutions would determine the agreed-upon components. This addresses the stakeholder desire to maintain a certain level of program differentiation while allowing for more mobile credits and encouraging more faculty collaboration, which may be especially helpful to faculty working in tiny departments.

It is worth highlighting one stakeholder group that stands to benefit significantly from common course numbering, systemwide gen-eds, and aligned programs: High School students enrolled in Early College coursework. After graduating from high school, these students may choose to enroll in a different institution than the one(s) from which they earned credits while in high school. Ensuring those credits have maximum value, regardless of a student's chosen postsecondary institution, helps save these students time and money and increases New Hampshire's return on its investment in the Early College program.

Finally, the System should find ways to permit **faculty and course sharing**. Full-time faculty should be able to teach courses at multiple institutions, and it should be possible to cross-list individual courses between institutions. This change may have implications for the collective bargaining agreements that pertain to adjuncts and full-time faculty.

Each of these components of sharing of faculty and curriculum will also advance efforts to coordinate online coursework. The systemwide team currently working on that issue has been impeded by long-standing policy questions about course transferability and

applicability. As those questions are resolved, coordination of online coursework becomes both more straightforward and more important.

- **Some registrar functions.** Maintaining a common course catalog for all seven of the CCSNH institutions has the potential to improve student service, especially when combined with common course numbering and systemwide gen-eds. Students and prospective students could see course and program options all in one place. A single course schedule, with days/times and locations of all courses, could potentially be a later step to consider. Institutions and systems, including Hawaii and Connecticut, among others, have implemented common catalogs to good effect.

Additionally, there could be a lot of value to both institutions and students in **system-level coordination of Credit for Prior Learning**. A systemwide set of validated equivalencies between external credentials and CCSNH credit, as well as equivalencies between CCSNH institutions, could reduce the burden on institutions and help students shorten their path to a degree. It could also smooth the transfer of credits between institutions in the System in areas where the curriculum is not fully aligned.

Finally, the System Office could maintain and issue student transcripts. It may consider maintaining a single system-wide transcript instead of, or in addition to, individual transcripts for each CCSNH institution. Besides reducing the administrative burden on individual campuses, a system-level transcript would have value for students, including Early College students, who earn credits at multiple CCSNH institutions.

- **Additional Early College coordination.** System-level coordination of which CCSNH institutions are collaborating with which high schools, ensuring that dual credit opportunities reach all high schools around the state, and ensuring that dual credit meets the goal of shortening students' paths to degrees would be appropriate roles for the System Office. Without such coordination, it is possible that CCSNH institutions could find themselves competing for the same dual-credit students, access may be uneven across the state, and quality could vary.
- **Additional workforce development functions.** Employers greatly value having a "single point of contact" to whom they can direct questions and work in developing partnerships. This is especially important in cases where a large employer may be interested in partnering with multiple CCSNH institutions; therefore, a system-level employer contact who coordinates partnerships across the System could be of great value. Furthermore, the System Office has an important role to play in identifying priority areas to grow workforce across the state and help grow statewide workforce capacity in areas beyond an individual college's service area. This is currently happening with the statewide LPN program run by River Valley, but there are doubtless other areas that would benefit from a statewide viewpoint.
- **Marketing.** While the colleges already collaborate on marketing, there could be room for additional system-level coordination and statewide marketing with the goal of growing the profile of New Hampshire's community colleges as a whole and improving the state's college-going rate. Such efforts must take care to be sensitive to institutional context and regional differences in demand and audiences and, therefore, involve local stakeholders and campus representatives.

- **Business Office/Bursar.** Students will continue to need to be able to pay their bill locally and speak to someone who can answer their questions. At the same time, a significant portion of routine transactions and tracking could potentially take place at the System level, which could increase efficiency.
- **Enrollment management.** While local recruiters with institution-specific knowledge and staff to help students through the admissions process will remain important, centralized back-end processing of applications and CRM management may be possible and create efficiencies.

There are, of course, cautions that must be acknowledged in many of these efforts. Financial aid is being rolled out as a centralized service, but the rollout has been subject to criticism that students are unable to get access to financial aid counselors or timely answers to questions. This experience points to the need to treat shared administrative services in a manner that assures accountability, with priority given to the needs of students (or employees, depending on the service to be shared). Not only does this have implications for the organizational structure, but there must be adequate staff generalists at each campus who can effectively address the large majority of questions, backed up by other staff whose specialized knowledge can be made available upon request. But it also suggests that the way these services are funded must incentivize a students-first orientation, one that ensures that funding for the centralized part of a function is subject to good performance, such as by incorporating it into the terms of a performance contract akin to what is described above for academic program sharing.

Additionally, the System can improve numerous business processes by setting consistent standards and providing training to staff. For example, although much software is purchased by the System on behalf of the institutions, there is little consistency in how common software is implemented and used. There remains a need for the System Office to conduct appropriate training to better ensure that institutions and their staff are optimizing the benefits of each investment and doing so in standard ways that do not lead to further fragmentation of the way the System works. The biggest area to tackle in this regard is Banner. Different implementations of Banner mean that even financial aid processes handled at the System Office need to be completed differently for each institution. Standardizing the implementation of this System will be painful at times, but it is necessary if the vision of a more effective and integrated statewide system is to be realized.

In sum, this discussion suggests that the decision to pursue single accreditation for the System, retain individual accreditation for the separate institutions, or some middle ground involving consolidations will turn on factors other than what institutional accreditation standards permit or prohibit. Other considerations are likely more relevant, such as the simplicity of the structural redesign and the ease of its implementation; the potential disruptiveness of the changes to be made, including the degree to which different organizational cultures can be assimilated into a new arrangement; and the time period over which changes can thoughtfully be implemented.

Recommendations

NCHEMS determines that there is no requirement for CCSNH to formally name single accreditation as the ultimate goal for the kind of restructuring necessary for it to meet the

challenges of the future while continuing to provide service to the state and its varied regions. Instead, the goal should be a greater harmony of academic and administrative services across the collective assets of the System made available to students in all parts of the state with clear metrics and evidence of progress against a specified timeline. Recognizing that single accreditation is no guarantee that these goals will be achieved, the CCSNH Board can gracefully refine its prior statements concerning single accreditation by articulating a clearer and more substantive set of goals for structural reform that are specifically linked to how the System will improve service to the state and its students while working to integrate the System, enhance operational efficiency, and maintain affordability.

This does not rule out the possibility that CCSNH may eventually pursue and achieve unified accreditation. In fact, all of the steps it should be taking exist along a path to single accreditation. Borrowing from the Minnesota North experience, for which the ultimate decision to become singly accredited was widely shared—enough so that any sources of dissension were quelled to the degree that news of the consolidation made few ripples—CCSNH can take a similar approach of making steady but speedy progress toward annual goals. The achievement of these goals would put the System in a position to become singly accredited when single accreditation is not as subject to unproductive mythmaking and to the kind of backlash that has confounded similar attempts, such as Connecticut’s. In Maine, the process of achieving single accreditation took nearly a decade; in Minnesota, it took even longer. The effort in Connecticut was originally scoped at two years but took longer and is still not fully implemented.

All of this suggests that a deliberate pace is necessary. That deliberate pace nevertheless requires an early start and an aggressive schedule. There is no time to waste. It is trite to say that demography is destiny, and CCSNH institutions must do better to meet the state’s needs by reaching out to underserved populations who would benefit from postsecondary education and training. But it would be irresponsible to allow inertia to continue to dominate. The path forward in the absence of change is unmistakably clear: the smaller, more rural institutions will become an increasing drain on the resources of the system as their enrollment continues to dwindle, leaving CCSNH and the state legislature to consider options that will have permanent detrimental effects on the affected communities. Even the larger institutions that may escape the most direct impacts of these intractable changes will not be immune from a fundamental requirement to make difficult and often painful changes to realign their programming to meet the shifting needs. A failure to act with urgency only prolongs the uncertainty and, with each passing month, reduces the strategic tools at the system’s disposal.

Therefore, NCHEMS proposes the following timeline that would lead to achieving the vision outlined above within four years. At the conclusion of this implementation plan, it would be timely for CCSNH to revisit whether it has made enough progress toward effective integration to make single accreditation worthwhile, still necessary, and simultaneously less contentious.

Implementation

If the objective is to create a system that uses its institutional assets to best serve the needs of the state, regardless of whether the accreditation is for seven institutions or one (or somewhere in between), the logical approach is to take a purposeful, step-by-step approach to

systematizing the delivery of services. The following timeline suggests what such a step-by-step approach might look like. This timeline indicates that the overall process should take no more than four years and that some portions will take longer than others. Because the peer analyses point to administrative areas as being ripe for creating efficiencies and where accreditation issues are least likely to arise, the process starts with these functions.

Year 1

1. Create a detailed roadmap for reform including:
 - 1.1. Sequencing and timelines. This may look like a further fleshed-out version of this outline.
 - 1.2. Success metrics for each component. It will be important to identify whether changes result in improvements; the System will need a plan for how it will measure the results of each reform and make adjustments where needed.
 - 1.3. Financial planning. Although one of the goals of structural reform is financial efficiency, that efficiency will not be realized immediately, and reform itself requires staff time and financial resources. The system will need to be clear-eyed about the required costs and make appropriate investments to ensure that reform projects are carried out successfully.
 - 1.3.1. Additionally, the System should plan for how to re-invest savings it produces from increased efficiency. Those savings should be invested strategically in ways that further CCSNH's mission and improve its long-term sustainability.
2. Develop a system-wide approach to marketing, making the case for community colleges with the provision of emphasis on the particular strengths of each institution.
 - 2.1. As part of the marketing effort, advertise an office at the System level that serves as the single point of contact for employers seeking training and other services.
3. Begin the process of aligning Board policies with the vision of the CCSNH of the future.
 - 3.1. Review existing board policies and make any needed adjustments to areas that delegate authority to individual institutions in ways that are contradictory to the planned reforms.
 - 3.2. Define the functions to be performed at the System and campus levels, articulating how accountability for student and employee services will be monitored and assessed by the board.
 - 3.3. Review and refine academic policies
 - 3.3.1. Program approval and review—make any necessary adjustments in these policies in keeping with the vision. The process for new program approval should encourage and incentivize collaboration and include plans for how the program can be offered at other institutions in the System, as appropriate.
 - 3.3.2. Review how program duplication is defined and used to ensure that it allows institutions to be responsive to local needs and distinct audiences.
 - 3.4. Personnel policies
 - 3.5. Procurement policies

- 3.6. Initiate System Office activities designed to identify changes in policy and procedures needed to better serve adult students. This includes developing a Systemwide capacity to conduct Prior Learning Assessment at considerably increased volume.
4. Begin the process of centralizing administrative back-office operations with the intent that all campuses adopt common data definitions and SIS processes in the process of centralizing the following.
 - 4.1. Student records, including transcript information.
 - 4.2. The record-keeping functions of student financial aid.
 - 4.3. Accounts payable and receivable.
 - 4.4. The records associated with the registrar function
 - 4.4.1. Course enrollments
 - 4.5. Facilities inventory and utilization records.
 - 4.6. The records associated with the bursar function.
5. Begin the process of publishing a common course catalog
 - 5.1. Recognize that there will be inconsistencies and duplication in the first iteration.
 - 5.2. Use this information as a database to identify areas where common course numbers and descriptions can be implemented.
 - 5.3. By the end of the four-year period, seek to have a single catalog with common course numbering and eliminate those courses that students are not using to satisfy general education requirements in numbers sufficient to warrant their continuation.
6. Create a standing system-level curriculum committee predicated on an underlying policy foundation. Charge this committee with developing a plan for sharing programs and standardizing general education requirements across the System and invest it with the necessary authority to work with the System Office and institutional presidents on behalf of the institutions' individual curriculum committees. Support its operation with rules and processes that ensure its effective functioning in shared governance.
 - 6.1. This committee can also oversee alignment of curriculum in programs that exist at multiple institutions.
7. Develop the template for performance contracts that specify the level of services campuses can expect from shared services functions at the System level.

Year 2

8. Develop operational mission statements for each of the institutions. As community colleges, these will generally focus on audiences that are geographically distinct, but they should also identify unique programs at each of the institutions.
9. Develop system capacity to provide data and analyses useful to campuses, especially related to student mobility, workforce supply and demand, employment outcomes, and financial operations.
10. Start the conversations with UNH about a common transfer curriculum that builds on the two systems' progress in forging articulation agreements but leads to a single common agreement applicable to all institutions in both systems.
11. Begin the process of developing a resource allocation model that provides incentives for institutions to collaborate in the delivery of academic programs.

Year 3

12. Create pilots that arrange for the delivery of a handful of programs by institutions that have strength in that programmatic area to students in institutions that do not have those programs.
13. Complete implementation of the first round of administrative back-office operations.
14. Complete development of the infrastructure for online delivery of courses and programs.

Year 4

15. Complete the development of a common course catalog with common course numbers for all institutions.
16. Complete implementation of centralized administrative back-office operations.
17. Complete development of a common general education curriculum.
18. Complete development of a common transfer curriculum with UNH.
19. Complete all remaining tasks and begin functioning as a fully integrated system.
20. Review the system's operations under the new arrangement, identify remaining barriers to full implementation, and determine whether single accreditation is the answer to removing those barriers.

Ingredients for Success

Structural reform at this scale is necessary, but it will not be easy. It is possible to implement great ideas poorly, and even obviously needed changes may not result in improvements if they are not carried out well. With the goal of ensuring success, here are several key components of successful reform and important pitfalls to avoid.

1. Determinations around which functions should take place, and which decisions should be made, at the System Office versus the campus level should be considered with care. While a greater degree of collaboration and systematization is necessary, it is also important to maintain responsiveness to local student and community needs. It is essential that reform efforts balance these two priorities.
2. The System Office should be accountable to the institutions for the quality of the shared services it provides. Other similar efforts have foundered when the feedback loop does not function. This is a real risk whenever the executive office of a governing board misunderstands the dual relationship it must manage with its institutions—its ability to exercise policy authority over its institutions while honoring its obligation to add value to the operation of those institutions in other respects.
3. The System should not underestimate the investment needed to successfully implement reform. For example, CCSNH will need to dedicate appropriate numbers of skilled project managers to lead reform projects and experts to train staff in consistent processes. It must also assume that a large percentage of leaders' time will be spent attending to change management and that some percentage of most employees' time will be focused on implementing changes. Within a short period of time, however, after these changes have taken root, the need for such investments will disappear.
4. The perfect must not become the enemy of the good. The suggested timeline is fairly aggressive because reform is needed with urgency. Action cannot be sacrificed in favor of overly detailed analysis and overly complex implementation processes.

5. Planning is essential, and so is flexibility. CCSNH should be willing to adapt as implementation challenges arise and make modifications based on project-specific success metrics.

Appendix: Peer Institutions/Systems

NCHEMS' Comparison Group Selection Service (CGSS) is designed to support institutions in better understanding their data compared with similar institutions as one piece of evidence to inform future strategy. CGSS is an input-driven approach to identifying peer institutions. That is, we seek to create a comparison group based on similar missions and student populations. This is in contrast to other peer group approaches that might be based on aspirational characteristics that do not reflect the campus as it is today or based on outputs such as student outcomes.

Methodology

CGSS consists of two primary components. The first is a large database containing indicator variables on each of more than 6,000 higher education institutions constructed from IPEDS data. The indicator database contains variables covering institutional characteristics, faculty, finance, degrees awarded, academic programs, enrollments, research and other expenditures, and other miscellaneous data.

The second component of the CGSS is a set of algorithms designed to condense the over 6,000 institutions in the indicator database down to a usable list of potential peers for the target institution. These algorithms use a set of selected criteria to determine which institutions appear on the possible comparison institution list and their associated relative rankings within the list.

To avoid selecting peers on the basis of the key variables of interest such as funding levels or student outcomes, NCHEMS only relies on data that describe institutions' relative similarities on the basis of mission, size, program array (by level and field), student body characteristics, faculty characteristics, geographic location, and other special characteristics. Only after finalizing a set of peers does NCHEMS pull data on other key characteristics like funding and expenditures.

Part I: Selection Criteria

The selection criteria work as a filtering mechanism to eliminate characteristically dissimilar institutions from the institution comparison list. An institution that does not satisfy any one of the selection criteria is excluded from further consideration as a comparison institution. For CCSNH institutions, we limited the set of potential peers to public, non land-grant institutions without medical schools with a Carnegie classification of "Exclusively undergraduate two-year." Institutions not meeting the specified criteria selected were eliminated from consideration as potential peers.

Part II: Weighting Criteria and Discrete Analysis

Once the universe of possible comparison institutions has been reduced by the selection criteria specified in Part I, the weighting criteria are used to rank the remaining institutions from most similar to least similar with respect to the weighting criteria (variables) selected.

The weighting criteria selected for the CCSNH institutions' peer analysis included fall and annual enrollment characteristics (FTE, time-status of students), distribution of awards conferred by award level, program array and associated distribution of awards, percent of undergraduates

awarded Pell Grants, and percent of undergraduates enrolled exclusively in distance education courses.

Part III: Triangulation of Results with Hierarchical Cluster Analysis

To enhance the previous methodology used, NCHEMS also employed a Hierarchical Cluster Analysis and associated proximity matrix with Euclidean distance scores to help triangulate the appropriateness of potential peers. Weighting variables were standardized so that all weighting variables are on the same scale.

Part IV: Additional Adjustments

At this point in the selection process, NCHEMS has a list of candidate peers for the target institution, ordered by their distance scores resulting from the discrete analysis. But the mechanics of creating that ordering may have overlooked important characteristics that make each candidate institution either a stronger or weaker match for the target institution, necessitating a further review to make additional adjustments to the list of peers. Institutions can be excluded due to known special characteristics not available/included in the selection criteria or for whom critical criteria fall farther outside the target than is acceptable. Among the characteristics receiving special additional consideration include program array, state (in part to ensure a reasonable diversity of environmental characteristics like state funding policies), and a closer look at total headcount, percent part-time headcount, and percent awards in health and trades (due to the high cost associated with offering these). The CCSNH institutions are smaller, in terms of enrollment, than most of the nation's community colleges. In some cases, we had to make trade-offs between similarity in size and similarity along other dimensions.

System-Level Peer Selection

In addition to the peer sets for each of the CCSNH institutions, NCHEMS identified a set of peers for the System as a whole. We approached this selection process from a similar starting point. We assembled an IPEDS-derived data set of community college systems or systems that contain community colleges. This data set included information on student enrollment, number of institutions, mix of location types (rural, urban, etc.), and the number and types of academic programs offered. From this list, we selected peers that had commonalities with CCSNH and were governed at the state level rather than the local level.

CCSNH Peer Lists

Great Bay

- Massachusetts Bay Community College (MA)
- Hagerstown Community College (MD)
- Sandhills Community College (NC)
- Cape Cod Community College (MA)
- Central Wyoming College (WY)
- Monroe County Community College (MI)
- Bay de Noc Community College (MI)
- Southeast New Mexico College (NM)
- Southern State Community College (OH)

Western Piedmont Community College (NC)
University of New Mexico-Gallup Campus (NM)
Central Maine Community College (ME)
Nashua Community College (NH)

Lakes Region

Eastern Maine Community College (ME)
Southwestern Michigan College (MI)
Eastern Wyoming College (WY)
Alpena Community College (MI)
Piedmont Community College (NC)
Helena College University of Montana (MT)
Flathead Valley Community College (MT)
Mid-Plains Community College (NE)
Eastern Shore Community College (VA)
Western Nebraska Community College (NE)
Northern Maine Community College (ME)

Manchester

Eastern Maine Community College (ME)
Texarkana College (TX)
Northern Wyoming Community College District (WY)
University of New Mexico-Gallup Campus (NM)
Western Wyoming Community College (WY)
Cape Cod Community College (MA)
Westmoreland County Community College (PA)
Western Nevada College (NV)
Riverland Community College (MN)
Danville Area Community College (IL)
Northeast Iowa Community College (IA)
South Central College (MN)
Alexandria Technical & Community College (MN)

Nashua

Great Bay Community College (NH)
Schenectady County Community College (NY)
Pennsylvania Highlands Community College (PA)
Iowa Lakes Community College (IA)
Ulster County Community College (NY)
Middlesex Community College (NA)
Southwestern Michigan College (MI)
Cecil College (MD)
Piedmont Community College (NC)
Butler County Community College (PA)
Blue Ridge Community and Technical College (WV)

Monroe County Community College (MI)
Zane State College (OH)

NHTI

Howard College (TX)
Northern Essex Community College (MA)
Missouri State University-West Plains (MO)
Mendocino College (CA)
Kellogg Community College (MI)
Allegany College of Maryland (MD)
Washington State Community College (OH)
Mid Michigan College (MI)
North Shore Community College (MA)
Temple College (TX)
Inver Hills Community College (MN)
Mount Wachusett Community College (MA)

River Valley

Kennebec Valley Community College (ME)
Northwest Technical College (MN)
Greenfield Community College (MA)
Berkshire Community College (MA)
University of New Mexico-Taos Campus (NM)
Luna Community College (NM)
North Country Community College (NY)
Morgan Community College (CO)
Oregon Coast Community College (OR)
Henderson Community College (KY)
J. F. Drake State Community and Technical College (AL)

White Mountains

Trinidad State College (CO)
Montgomery Community College (NC)
Ozarka College (AR)
Phillips Community College of the University of Arkansas (AR)
University of New Mexico-Taos Campus (NM)
Alpena Community College (MI)
Oconee Fall Line Technical College (GA)
Western Dakota Technical College (SD)
Northern Maine Community College (ME)
Reid State Technical College (AL)
Minnesota State College Southeast (MN)

CCSNH System Peers

We aimed to select systems that are as similar as possible to CCSNH. Nevertheless, three of these systems—Arkansas State, North Dakota, and Hawaii—also contain some four-year institutions. The four-year institutions, as well as a share of any System Office expenses and revenue proportionate to each system’s four-year student FTE, were excluded from the data we used for comparisons.

- Arkansas State University System
- Maine Community College System
- North Dakota University System
- Technical College System of Georgia
- University of Hawaii Board of Regents
- West Virginia Community and Technical College System
- Texas State Technical College System