Weekly AI in Higher Education Report - July 10, 2026

Executive Summary

- **AI Literacy and Workforce Transition:** The newly formed RAISE US initiative, led by former Commerce Secretary Gina Raimondo and former Indiana Governor Eric Holcomb, has secured $500 million to help the American workforce transition to an AI economy, with strong representation from higher education leaders.
- **Agentic AI Cheating Crisis:** Higher education IT leaders are grappling with "agentic AI" tools like Einstein, which can autonomously log into learning management systems (like Canvas) and complete coursework on behalf of students. Experts are reframing this as an identity security problem requiring behavioral analytics and stricter authentication.
- **Assessment Redesign Imperative:** The EDUCAUSE 2026 report emphasizes that AI has exposed deep inadequacies in traditional assessment methods. Institutions are urged to shift toward continuous, embedded assessment and dialogic methods rather than relying solely on AI detection tools.
- **Faculty and Student Alignment:** A new global survey by QS reveals that 67% of academics and 62% of students use Generative AI weekly. Both groups strongly agree that universities need to provide clear ethical frameworks and practical AI literacy training, rather than restrictive bans.
- **The "Doer Effect" and Learning Outcomes:** Recent research indicates that simply providing students with AI tutors does not automatically improve learning outcomes. Efficacy relies heavily on integrating AI with human-guided instruction and active learning principles like the "Doer Effect."
- **Ambient AI in Classrooms:** "Ambient AI" is emerging as a potential tool to monitor student engagement and classroom dynamics in real-time using environmental sensors. However, it raises significant privacy and surveillance concerns that institutions must navigate carefully.
- **Legal and Governance Frameworks:** As states like Colorado pass comprehensive AI regulations affecting consequential decisions (like admissions), universities are being advised to treat AI tools like human administrators in terms of data governance and access management.

Major News and Developments

The RAISE US Initiative: A $500 Million Push for AI Workforce Transition

A major development this week is the launch of the RAISE US initiative, a nonpartisan effort aimed at preparing the American workforce for the AI economy. Co-chaired by former

Commerce Secretary Gina Raimondo and former Indiana Governor Eric Holcomb, the initiative has secured half a billion dollars in initial funding from tech giants including OpenAI, Anthropic, Amazon, and Microsoft, as well as the Rockefeller Foundation [1].

The initiative is heavily focused on higher education's role in this transition. The advisory board includes prominent higher education figures such as Cassie Motz, Chair of the Maryland Higher Education Commission. This development comes amid predictions that up to 30% of U.S. jobs may see substantial automation by 2030, underscoring the urgent need for universities to adapt their curricula to prepare students for an AI-driven job market [1].

The Agentic AI Cheating Crisis

The conversation around academic integrity has shifted from students using ChatGPT to write essays to the rise of "agentic AI." Tools like "Einstein" have demonstrated the ability to autonomously log into Learning Management Systems (LMS) like Canvas, watch lectures, and submit assignments on behalf of students [2].

Higher education IT professionals are now framing this not just as an academic integrity issue, but as a fundamental identity security problem. Josh Callahan, CISO for California State University, noted that agentic AI blurs the line between a human user and technology acting on their behalf. Solutions being discussed include behavioral analytics to track deviations in student LMS usage patterns, network-level signals to identify suspicious IP locations, and returning to in-person assessments or video verification [2].

QS Global Survey: Generative AI is Mainstream

A comprehensive report released by QS highlights that Generative AI is now firmly embedded in higher education. According to the survey, 67% of academics and 62% of students use Generative AI at least weekly [3].

The report reveals a strong alignment between students and faculty: both groups are calling for responsible flexibility rather than restriction. Students overwhelmingly (94%) want universities to integrate AI into the curriculum. However, ethics, governance, and data security remain the top concerns for academics. The consensus is that AI literacy must become a core graduate capability, requiring universities to move beyond reactive policies to proactive, institution-wide ethical frameworks [3].

Institutional Implementations

Middle Tennessee State University's "Grad AI" Initiative

Middle Tennessee State University (MTSU) has launched "Grad AI," a new initiative specifically designed to help graduate students develop the knowledge and skills necessary to utilize artificial intelligence effectively in their research and future careers [4]. This targeted approach highlights a shift toward discipline-specific AI literacy, recognizing that graduate-level work requires different AI competencies than undergraduate coursework.

Brown University's AI Cheating Incident

A significant incident at Brown University highlighted the ongoing struggles with AI and assessment. Economics professor Roberto Serrano suspected dozens of students in his 86-person class used AI to cheat on a take-home midterm, noting that the AI-generated answers were "kind of correct, but very off and with a very convoluted style" [5].

Serrano voided the midterm and required an in-person final exam, resulting in 19 students failing the course. The incident has sparked debate about how universities adjudicate large-scale AI cheating allegations, with faculty expressing frustration over the lack of institutional support and the unreliability of AI detection tools [5]. In response, a Brown committee on generative AI released a report recommending that the university amend its academic codes to address AI realities while cautioning against highly restrictive rules, noting that "there is no way to check with 100 percent accuracy whether GenAI has been employed" [5].

Research and Studies

EDUCAUSE: The Current State of Play in AI

A major article published by EDUCAUSE this week argues that higher education is "applying tactical fixes to a structural crisis" when it comes to AI [6]. The authors identify several critical challenges, most notably that AI has exposed the deep inadequacies of traditional assessment methods.

The report argues that the "lecture-quiz-grade model" is an industrial-era relic. Instead, AI makes genuine, scalable assessment possible through "dialogic assessment"—where the focus is on the conversation about how an artifact was produced, rather than the artifact itself. The authors stress that institutions must fix their broken, siloed data foundations before they can meaningfully deploy AI for precision learning [6].

Microsoft's 2026 AI in Education Report

Microsoft released the third edition of its annual AI in Education Report, surveying over 3,300 respondents globally. The report found that 92% of students and education leaders have used AI for school-related purposes [7].

A critical finding is the demand for training: while 87% of educators agree that knowing how to use AI is important for students' futures, 77% of students and 53% of educators report receiving no formal AI training. In response, Microsoft announced new tools, including "Unit Plans in Teach" for educators and "Copilot Notebooks" for students, aimed at integrating AI responsibly into daily workflows [7].

Policy and Guidelines Updates

A Legal Road Map for AI Adoption

As universities rapidly adopt AI, legal experts are warning that existing laws still apply. A recent analysis highlighted that actions taken based on AI guidance are still the institution's actions [8].

Key legal considerations include:

- **Procedural Compliance:** Relying on AI detection tools (like Turnitin) for academic integrity violations does not exempt universities from following their own due process procedures.
- **Employment Law:** AI screening tools used in university hiring must comply with anti-discrimination laws.
- **State Regulations:** States are aggressively regulating AI. For example, Colorado's SB 26-189 regulates automated decision-making technology used in "consequential decisions," including university admissions. Institutions will be required to provide clear notice to applicants if AI is used to materially influence admissions decisions [8].

Security Considerations for Higher Ed IT

CISOs are being urged to treat AI tools with the same security rigor as human administrators. Key recommendations include adopting strict data governance strategies based on the principle of least privilege, treating AI as a "superuser" subject to robust Identity and Access Management (IAM) controls, and enforcing data lifecycle management to prevent AI from surfacing outdated or sensitive information [9].

Emerging Trends

Ambient AI in the Classroom

A nascent trend is the exploration of "ambient AI"—systems that use environmental sensors, cameras, and microphones to monitor classroom dynamics without requiring direct interaction [10].

Proponents suggest ambient AI could help faculty by summarizing participation trends, detecting early signals of student disengagement, and supporting adaptive pacing. However, experts warn that inferring emotion or engagement from video/audio is "not a neutral act" and can be biased. The technology raises profound privacy concerns, with critics urging schools to be "extremely skeptical of any implementation that feels like surveillance dressed up as personalization" [10].

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