

# Principles to Guide Policymaking Regarding Higher Education Governance & Finance



presented to  
Oregon Higher Education Work Group  
Portland, Oregon  
July 7, 2010



**NCHEMS**

National Center for Higher Education Management Systems

WICHE



Western Interstate Commission for Higher Education

- Policy considerations should encompass the full array of tools – and these tools should be aligned with goals and each other
  - Goal setting/policy leadership
  - Finance
    - Appropriations to institutions
    - Tuition
    - Student financial aid
  - Regulations
  - Accountability
  - Governance
    - Structure
    - Allocation of decision authority – who gets to decide what

# Policy Leadership

Strategies for Achieving Goal Attainment	Planning and Leadership	Finance	Regulation	Accountability	Governance
Goal 1			Alignment		
Goal 2					
Goal 3					

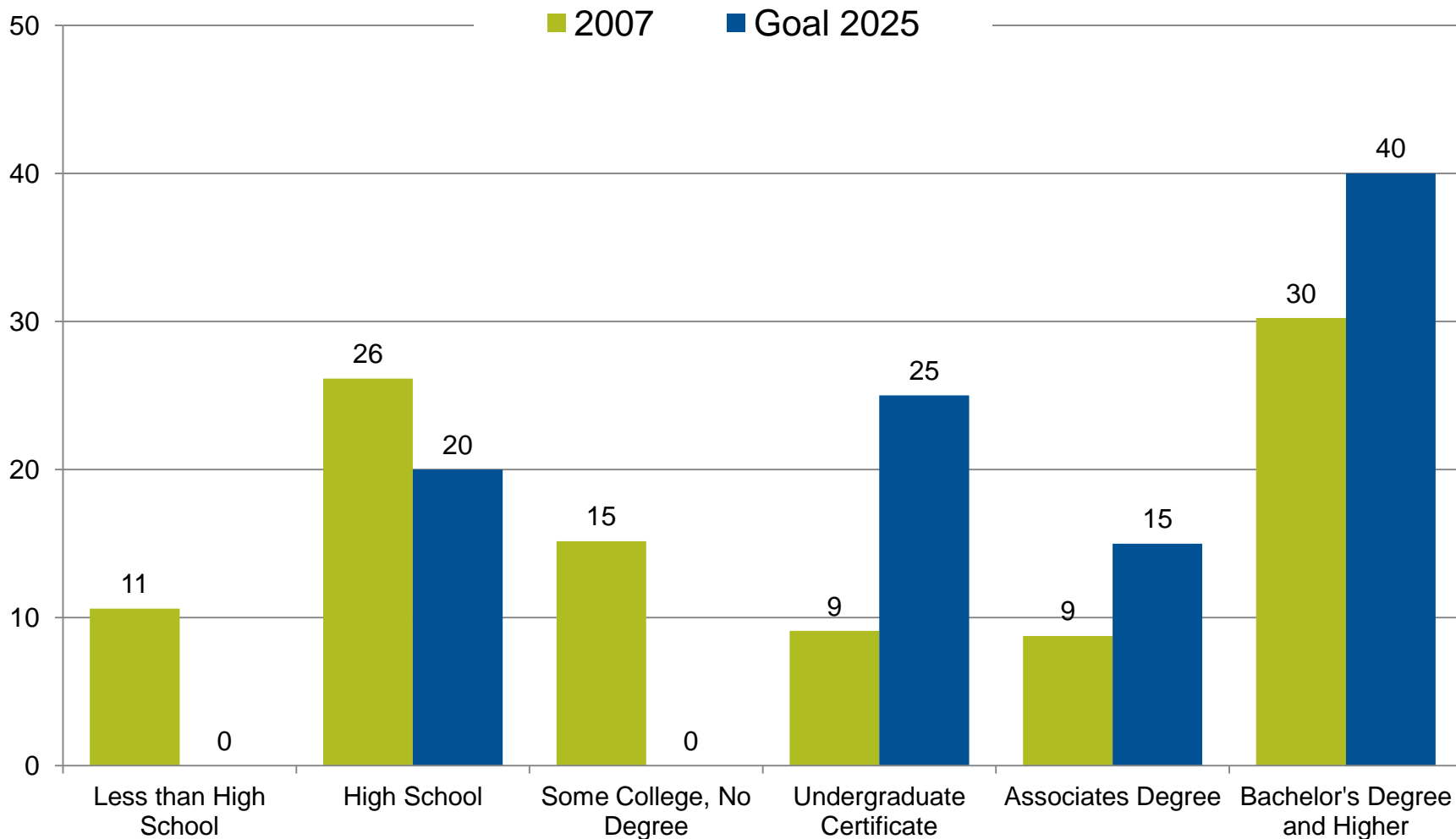
Consistency

# Oregon's Goal

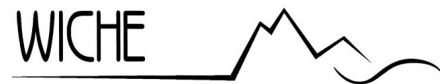
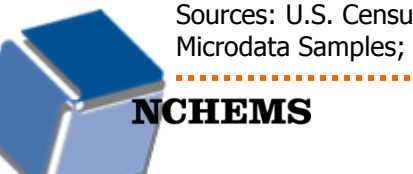
To have a highly educated population and a workforce with levels of knowledge and skill that will make Oregon globally competitive.

Articulated as 40/40/20

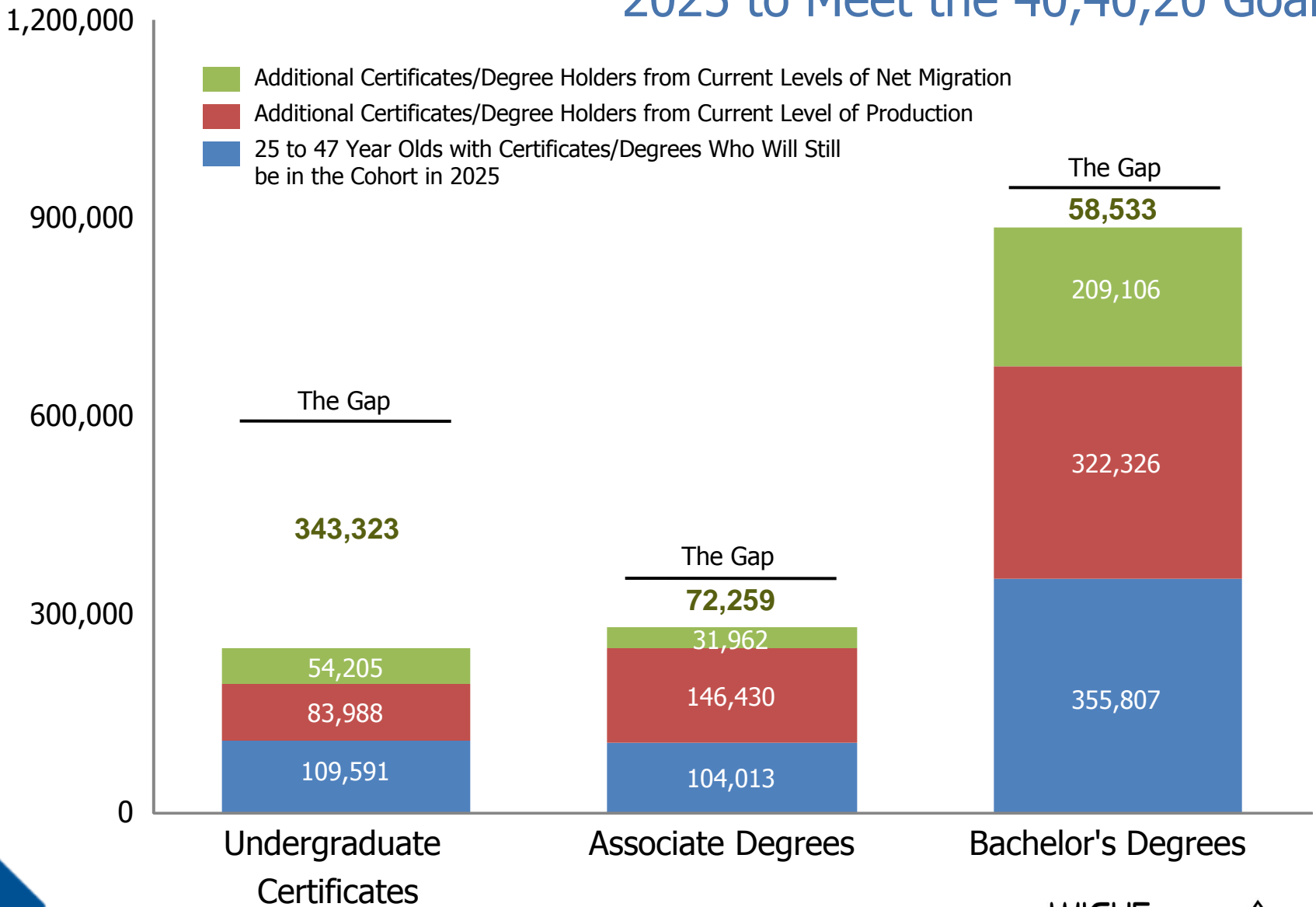
# Current Educational Attainment of 25 to 64 Year Olds vs. the 2025 Goal (40,40,20)



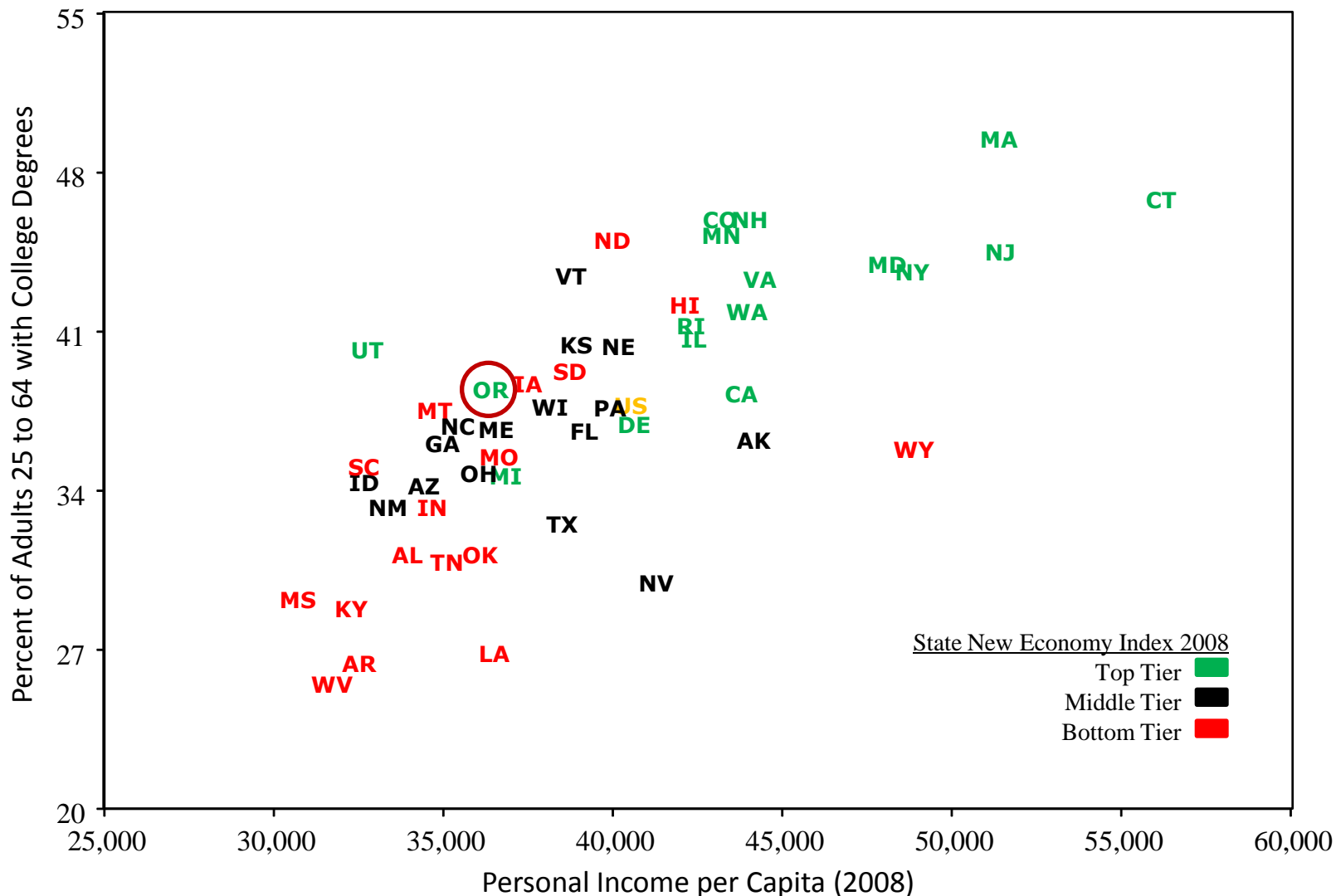
Sources: U.S. Census Bureau, 2007 American Community Survey (Public Use Microdata Samples); Oregon Population Survey



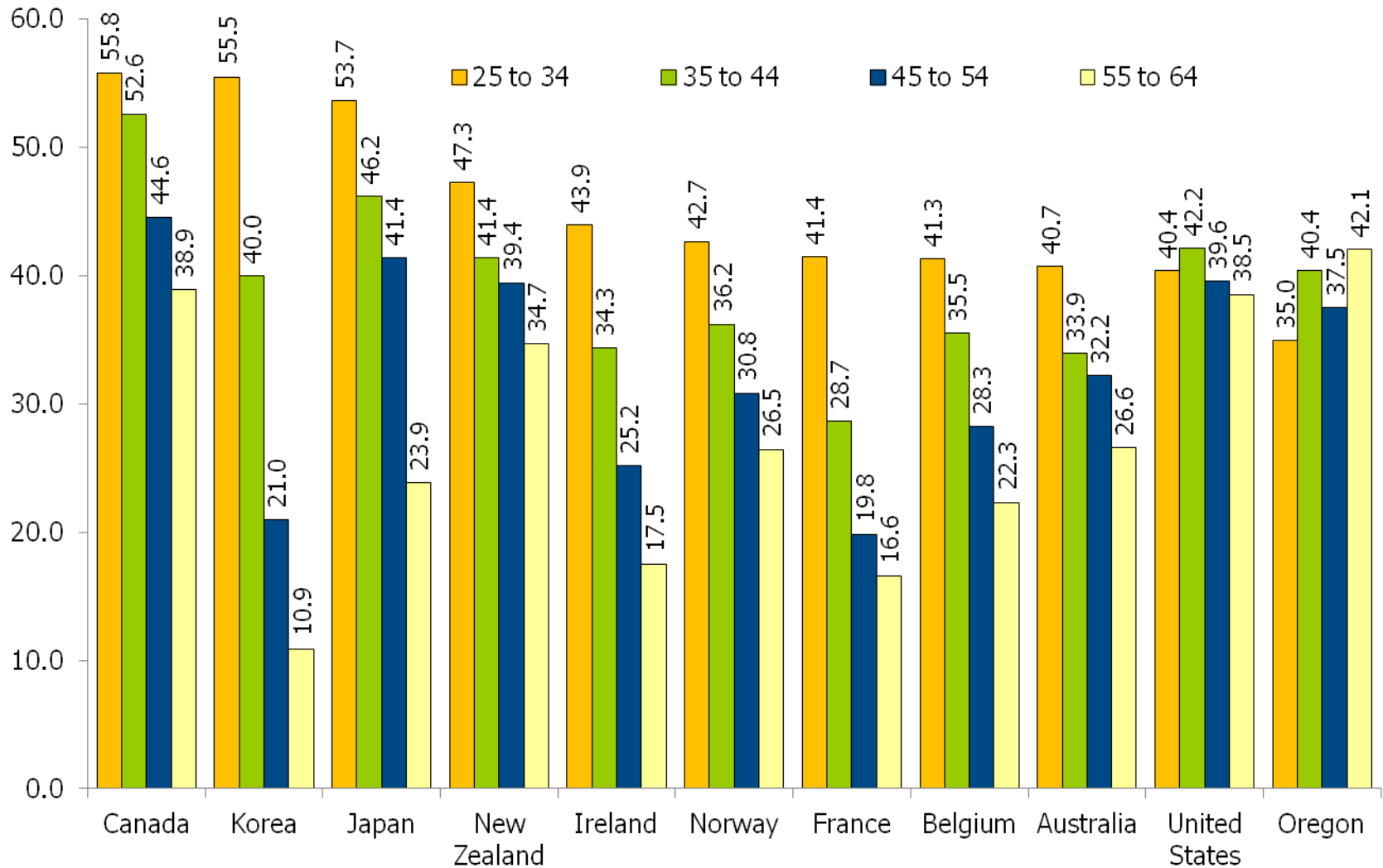
# The GAPS - Additional Certificates and Degrees Needed by 2025 to Meet the 40,40,20 Goal



# The Relationship Between Educational Attainment, Personal Income, and the State New Economy Index (2008)

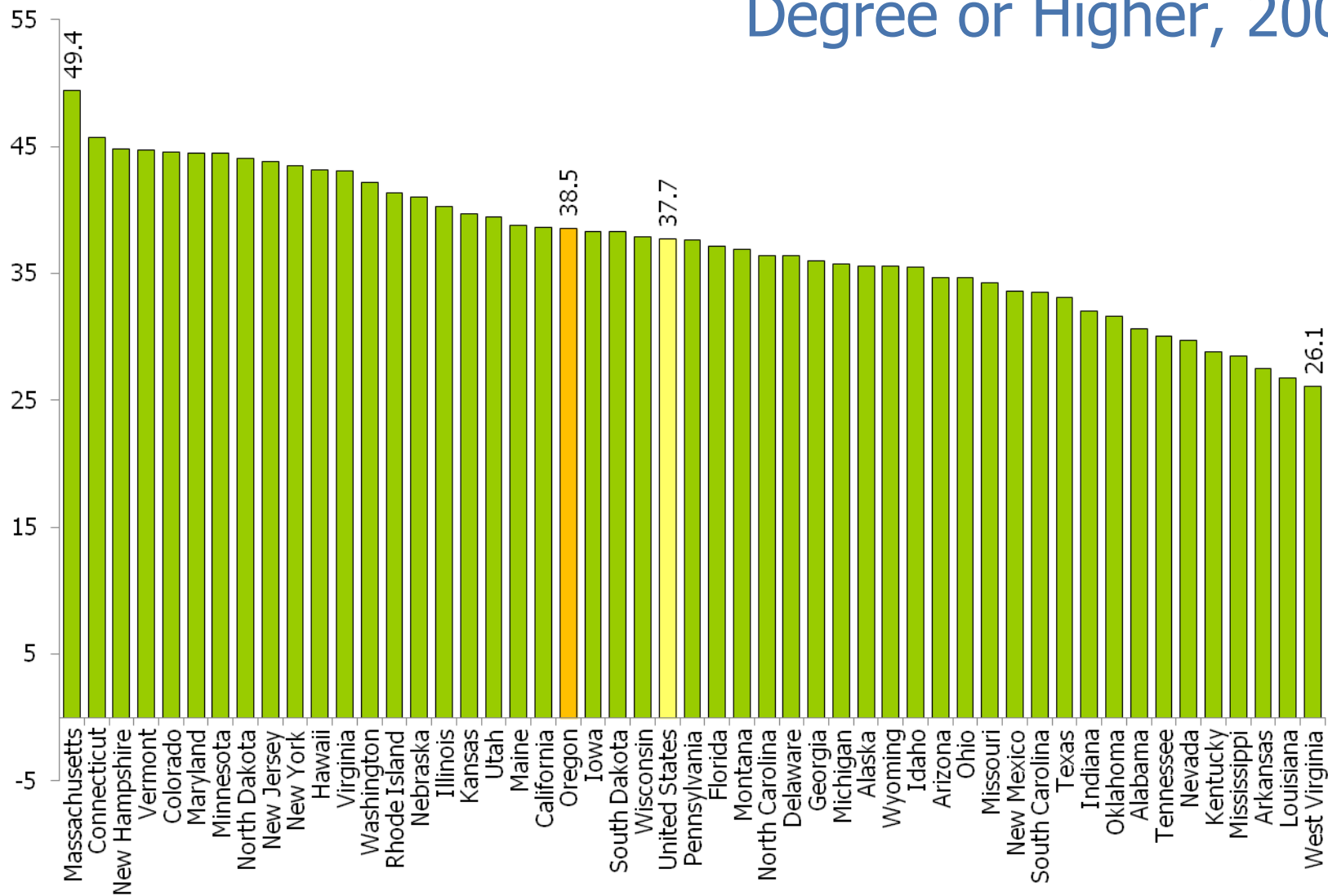


# Percent of Adults with an Associate Degree or Higher by Age Group – Oregon, U.S. & Leading OECD Countries

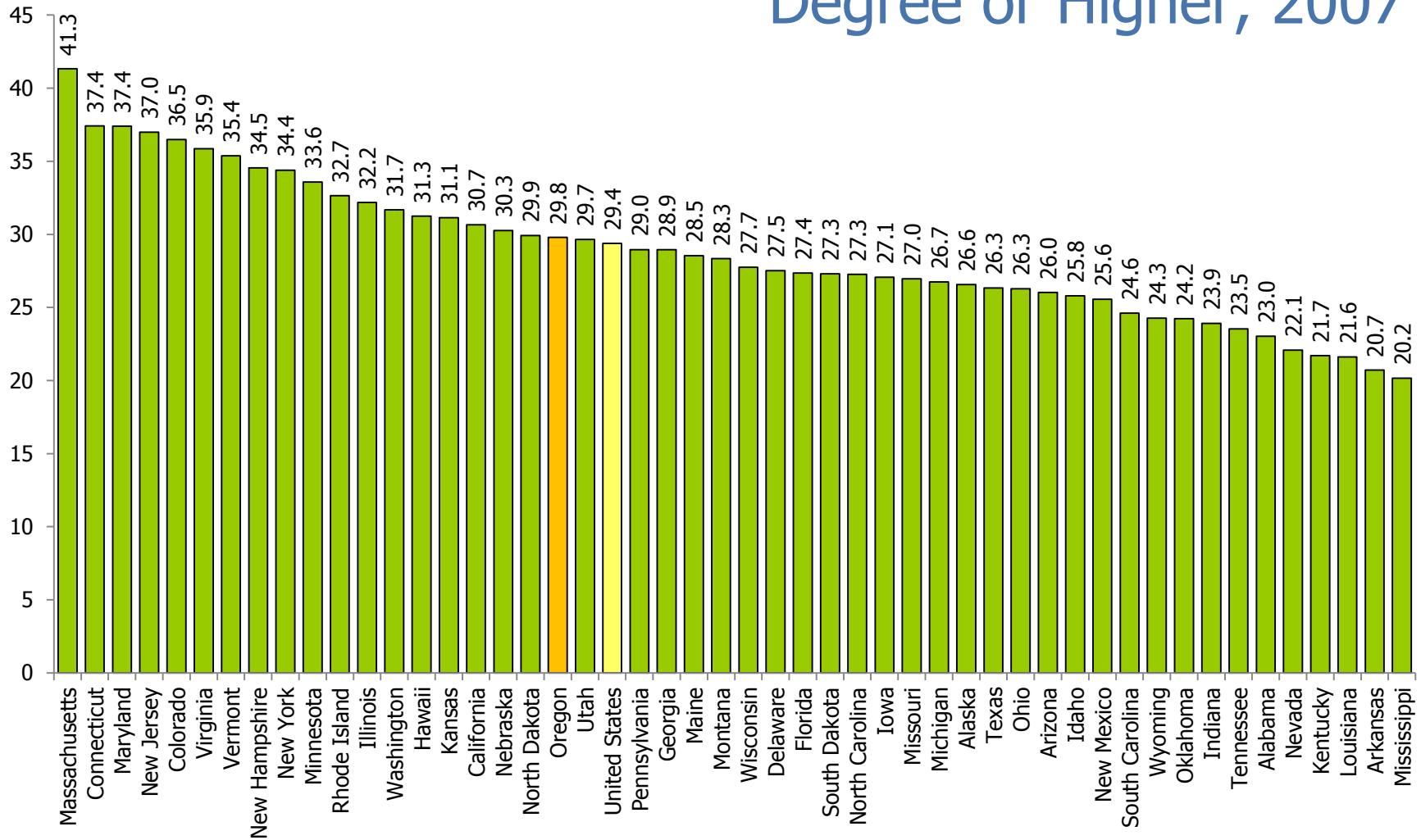


Source: OECD, *Education at a Glance 2008*

# Percent of Population Ages 25-64 with an Associate Degree or Higher, 2007

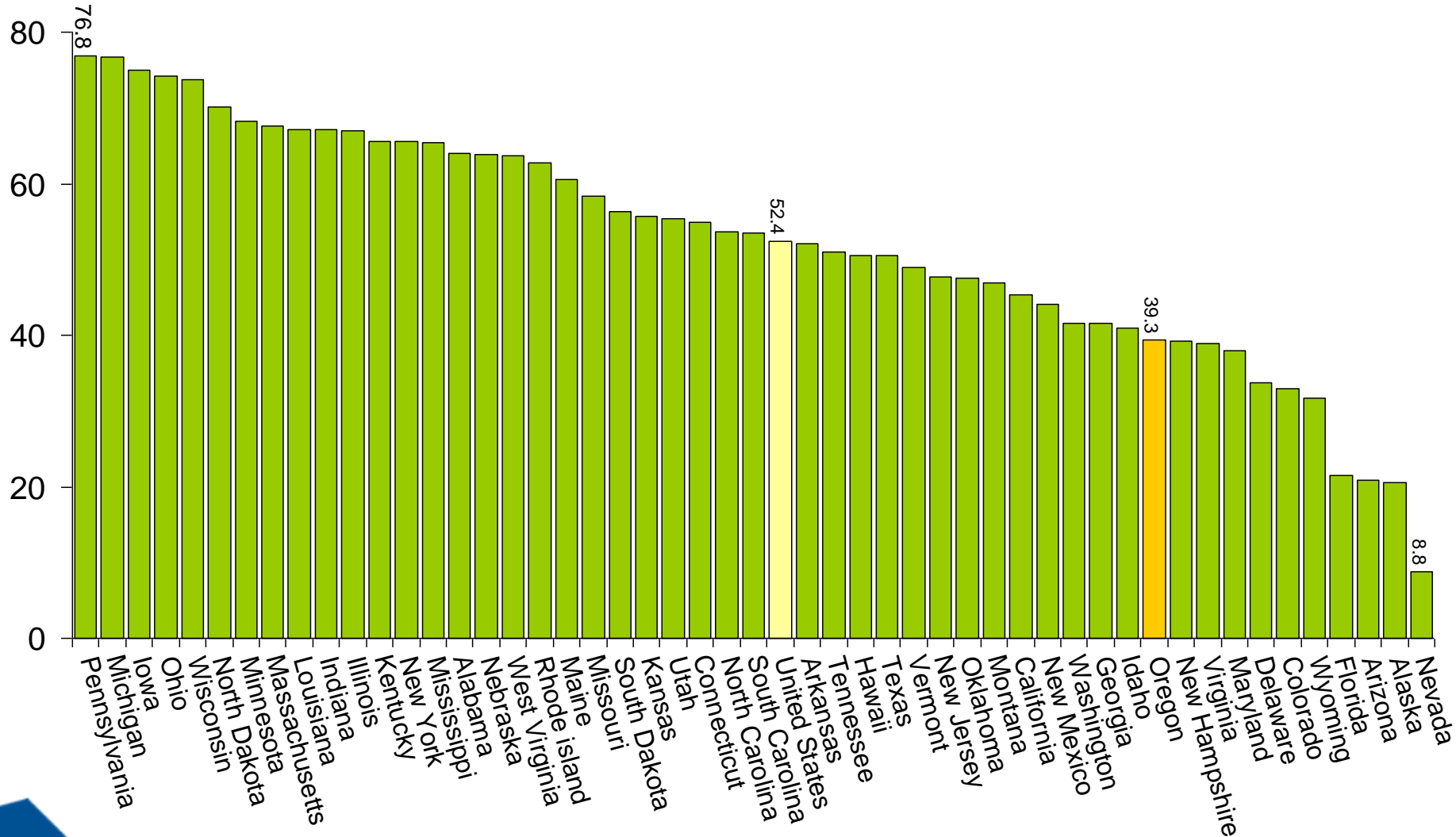


# Percent of Population Ages 25-64 with a Bachelor's Degree or Higher, 2007

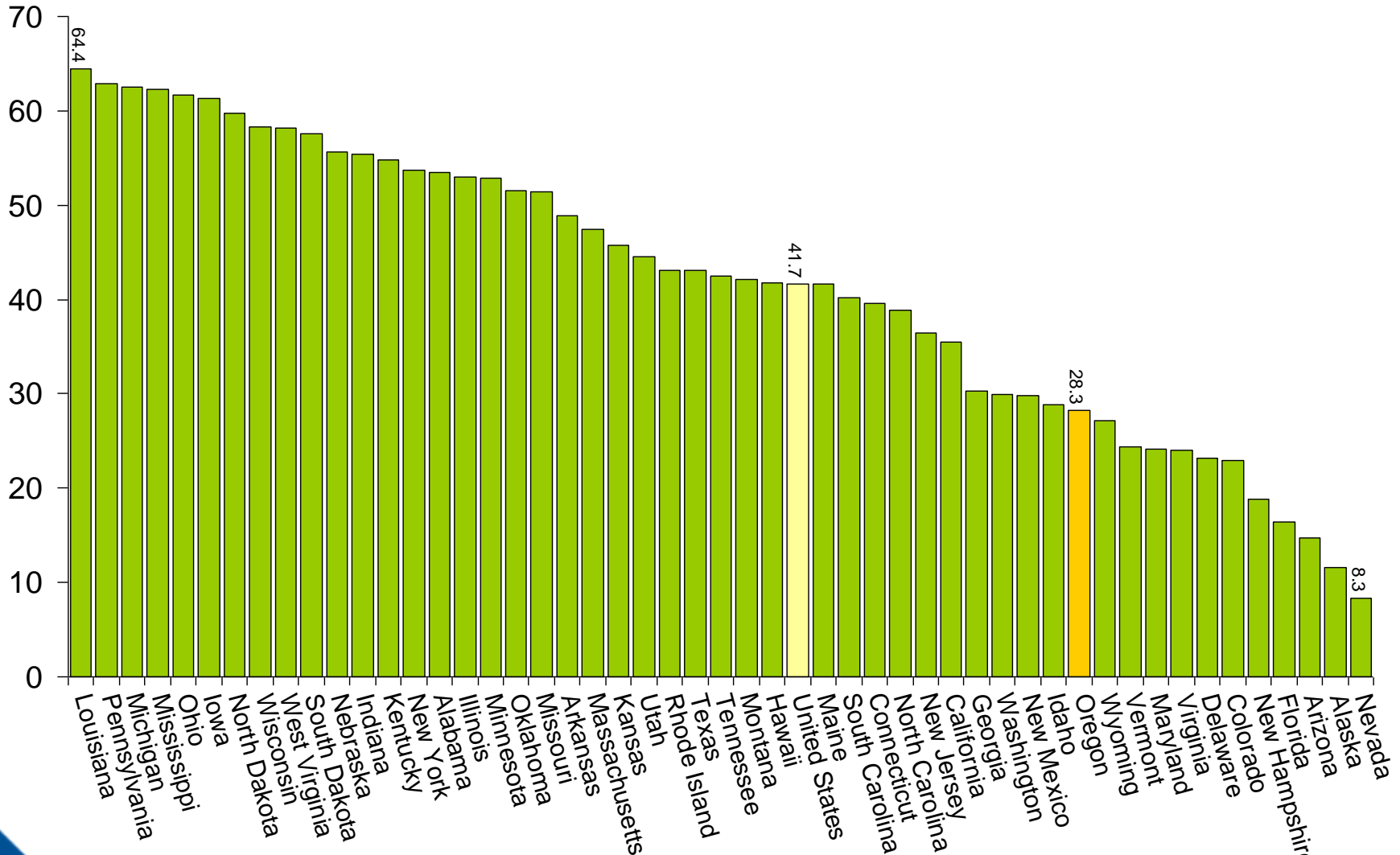


Source: U.S. Census Bureau, 2007 American Community Survey.

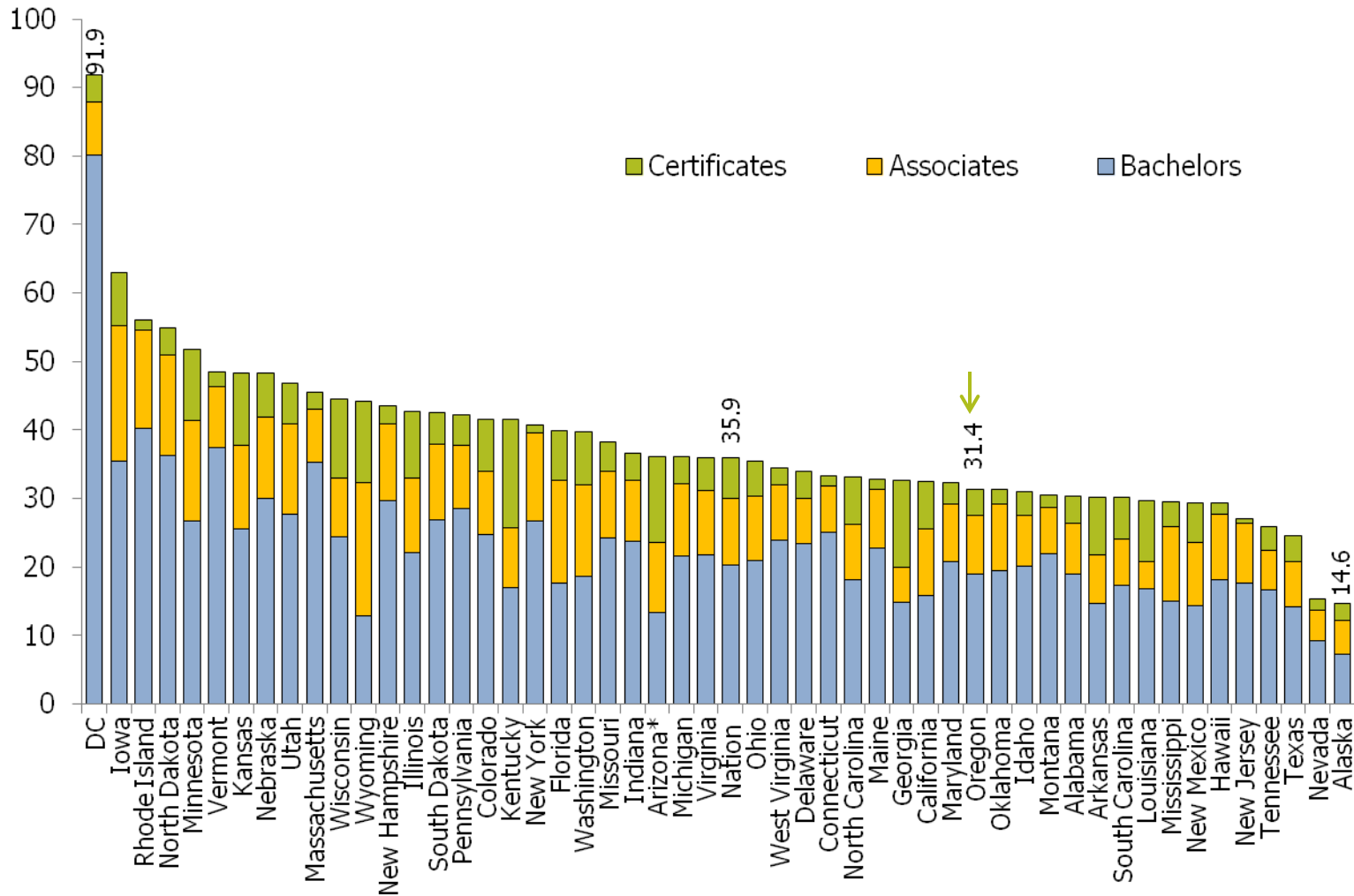
# Percent of Residents Age 25-64 with an Associate Degree Born In-State, 2005



# Percent of Residents Age 25-64 with a Bachelor's Degree or Higher Born In-State, 2005



# Undergraduate Credentials & Degrees Awarded at All Colleges per 1,000 Adults Age 18-44 with No College Degree, 2008



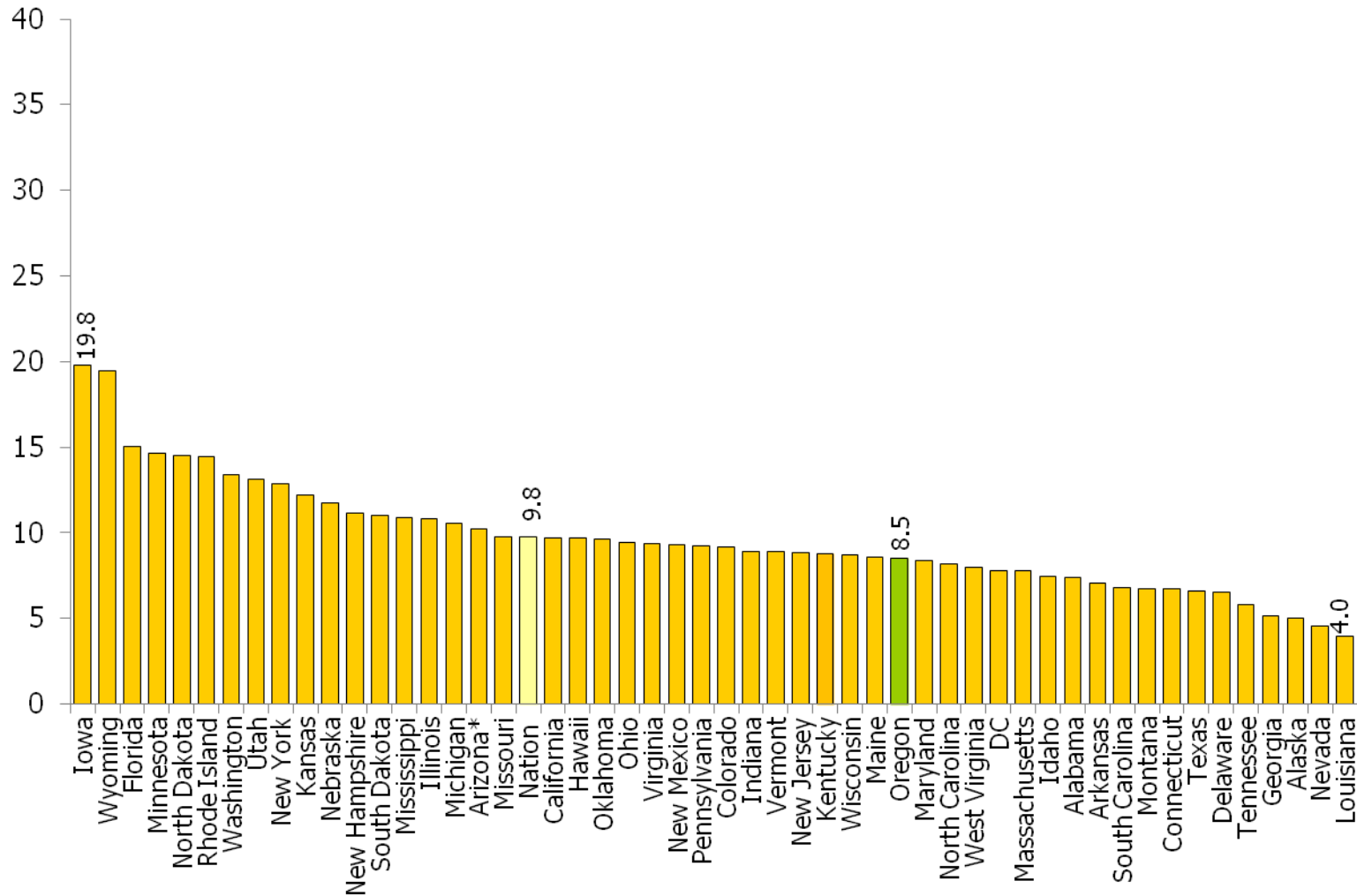
Source1: NCES, IPEDS 2007-08 Completions File; c2008\_a Final Release Data File.

Source2: U.S. Census Bureau, 2008 American Community Survey (ACS) Public Use Microdata Sample (PUMS) File.

\*University of Phoenix Online and Western International University are excluded from Arizona's results, but included in the National total. Their awards are not representative of Arizona's performance as most first-time undergraduates are out-of-state residents (University of Phoenix Online = 97.4% out-of-state, Western International = 87.1% out-of-state - IPEDS fall 2008 Residence & Migration File).



# Associates Degrees Awarded at All Colleges per 1,000 Adults Age 18-44 with No College Degree, 2008



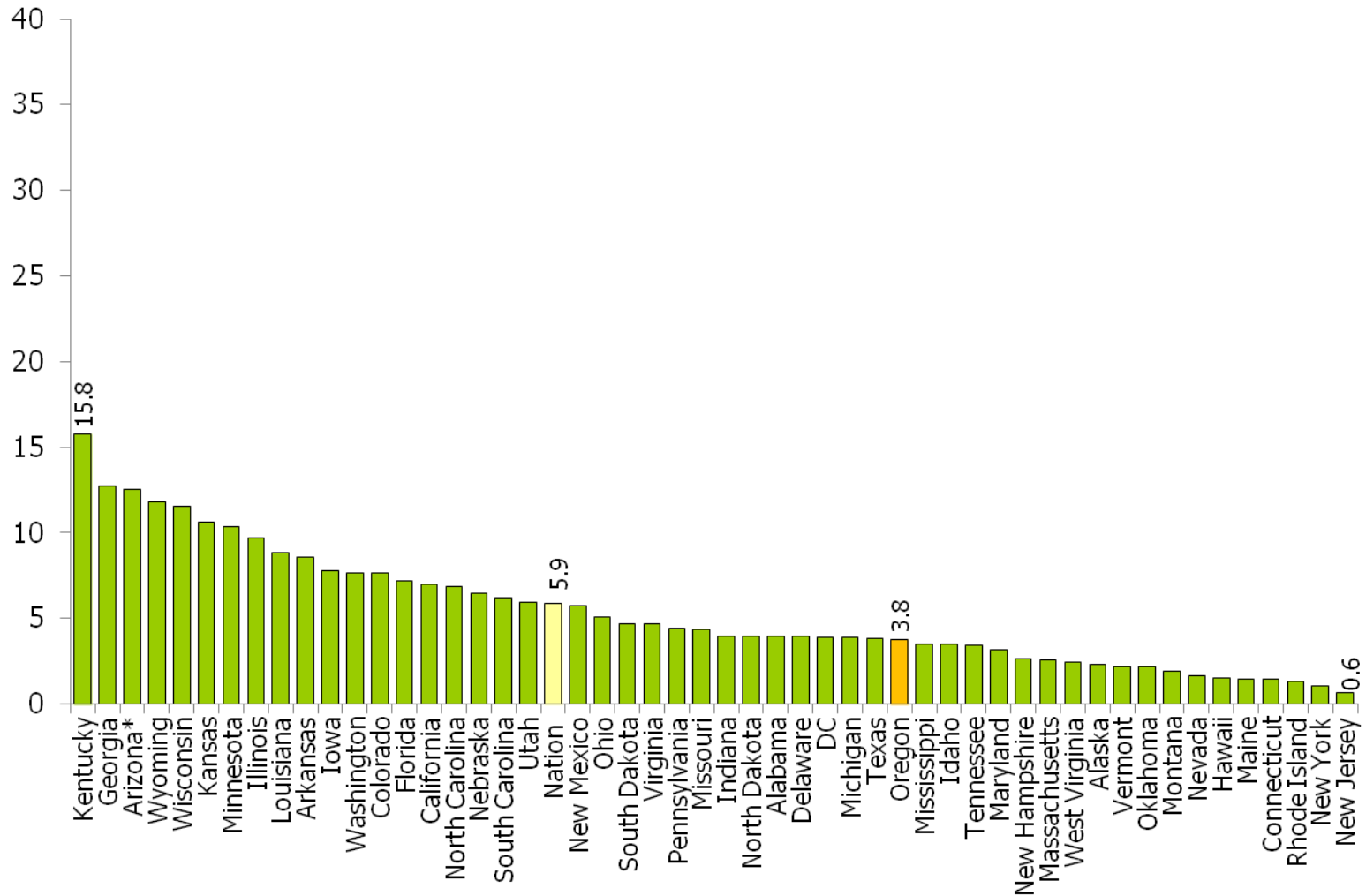
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# Certificates Awarded at All Colleges per 1,000 Adults Age 18-44 with No College Degree, 2008

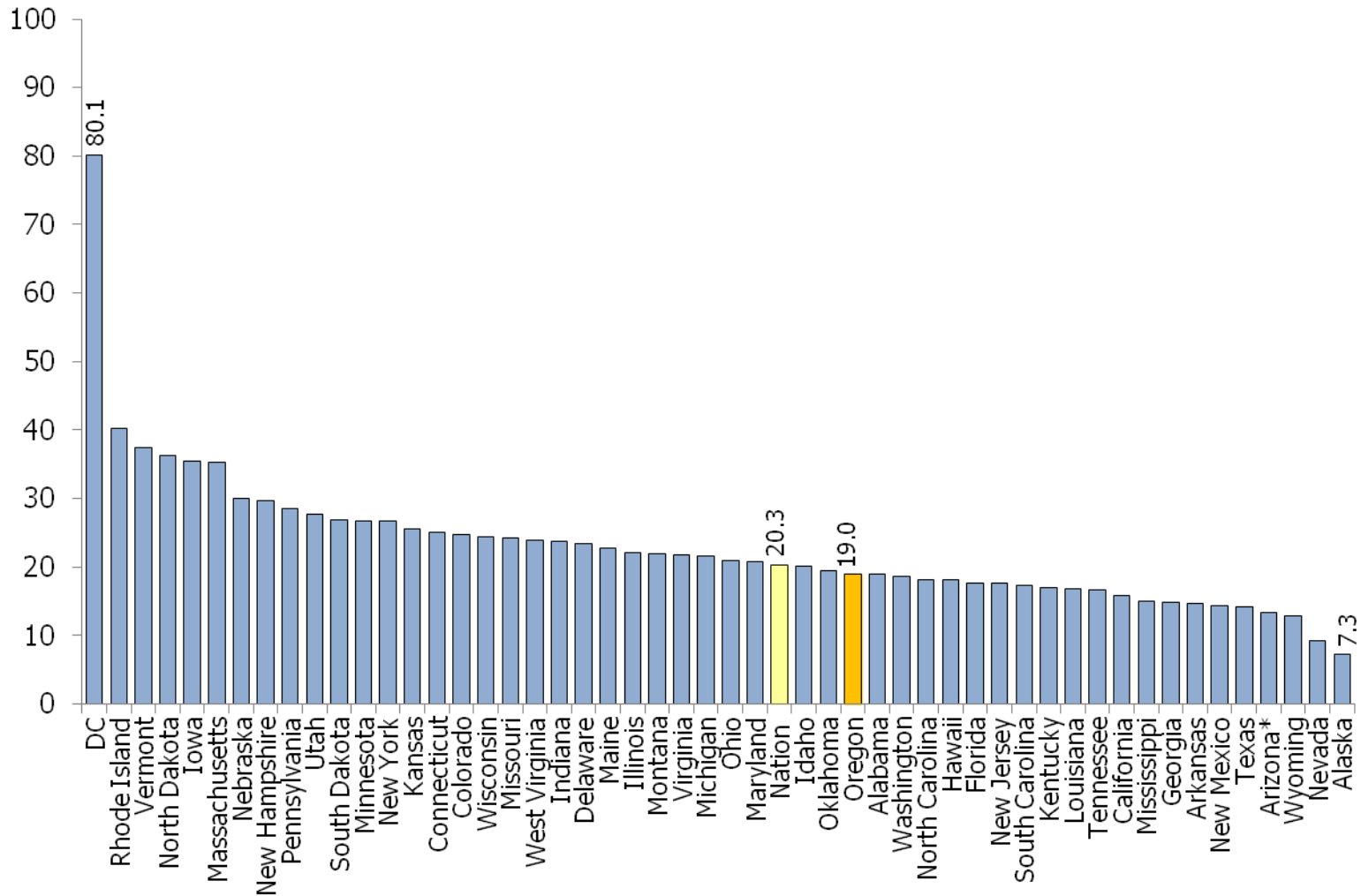


Source1: NCES, IPEDS 2007-08 Completions File; c2008\_a Final Release Data File.  
 Source2: U.S. Census Bureau, 2008 American Community Survey (ACS) Public Use Microdata Sample (PUMS) File.

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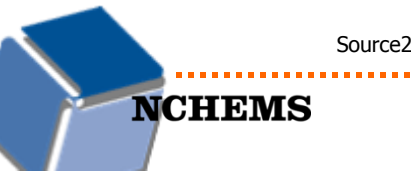
# Bachelor's Degrees Awarded at All Colleges per 1,000 Adults Age 18-44 with No College Degree, 2008



Source1: NCES, IPEDS 2007-08 Completions File; c2008\_a Final Release Data File.

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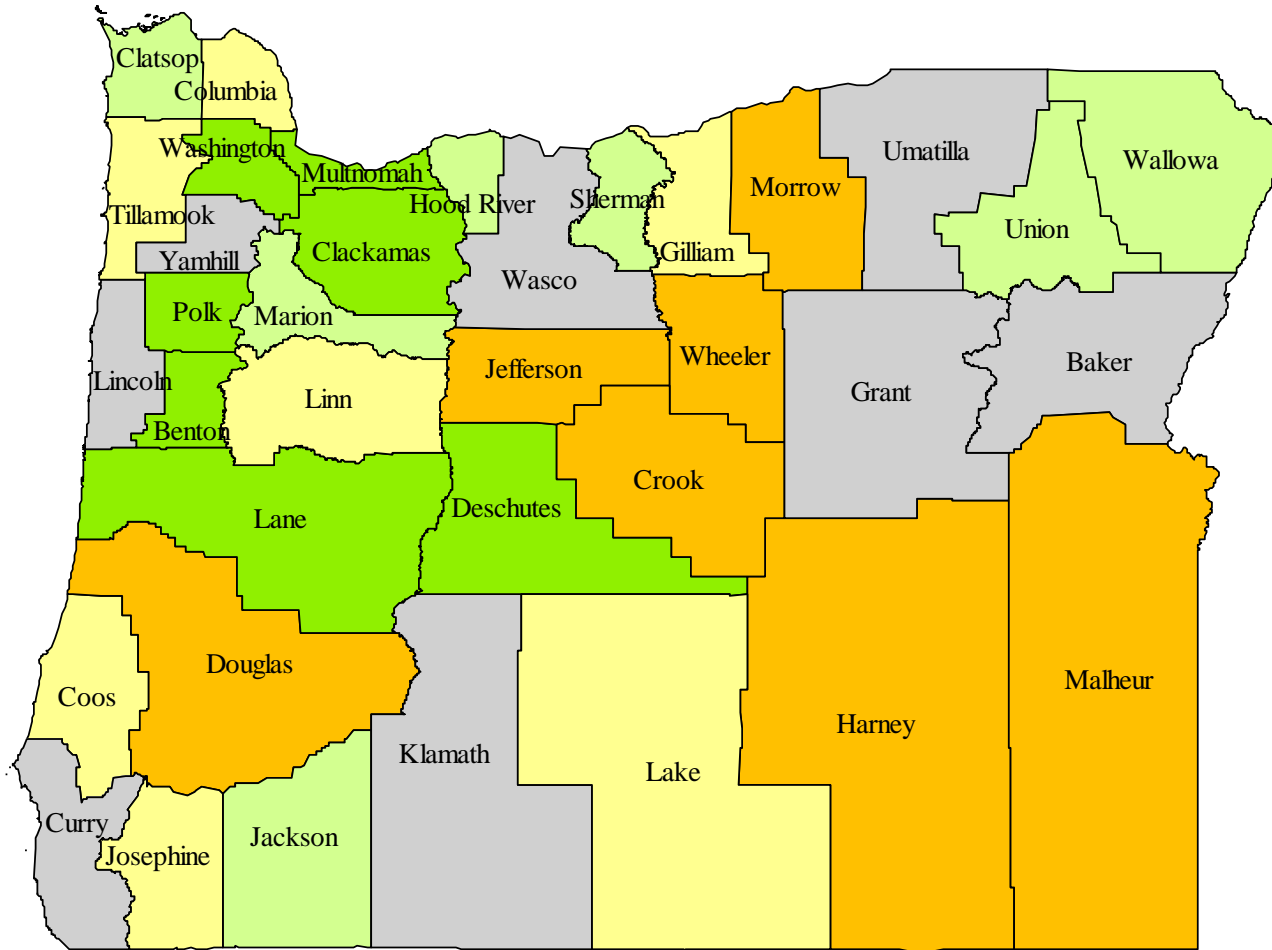


# Principles to Guide Policymaking

- Policy should be formulated from the perspective of the state and its citizens (both individual and corporate)
  - Institutions are means to an end, not ends in their own right
  - The ends are
    - College/program completion for students
    - A supply of educated workers for employers

- Benefits will accrue to all
  - Geographic areas of the state
  - Racial subpopulations

# Percent of Population Age 25-64 with at Least an Associates Degree, 2000

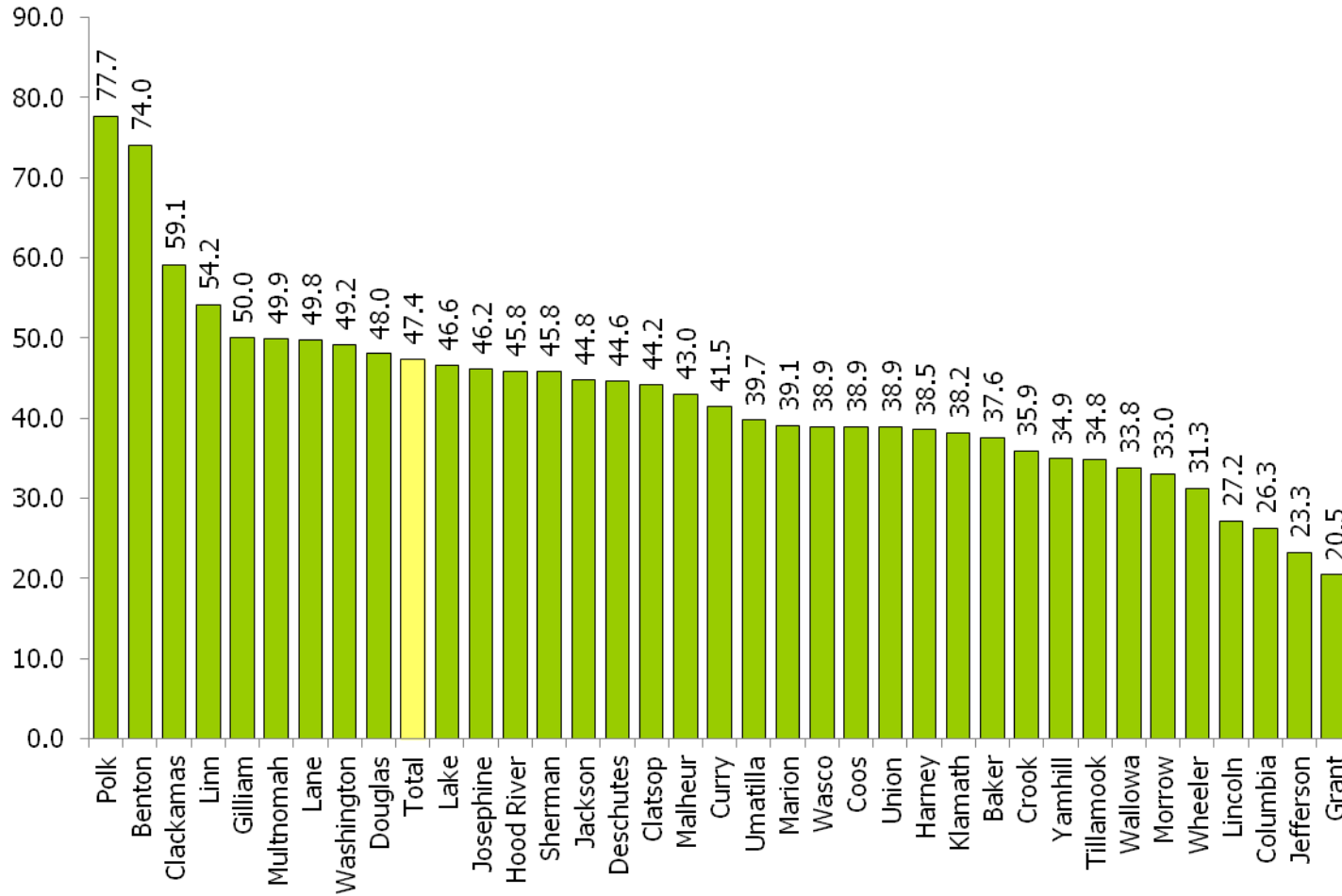


## Legend

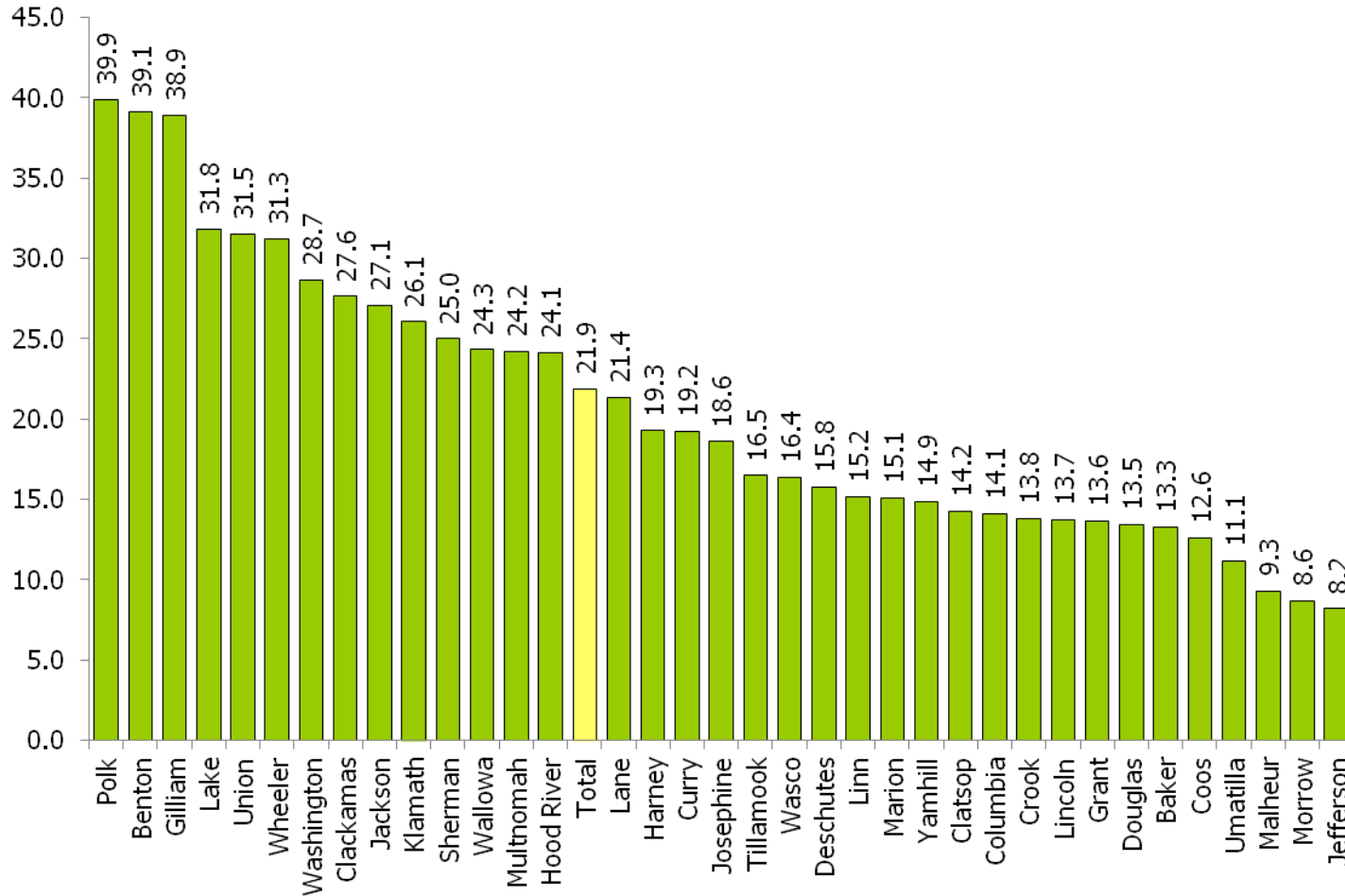
- 34.5% to 58.6%
- 28.0% to 34.5%
- 23.9% to 28.0%
- 22.5% to 23.9%
- 18.5% to 22.5%

Oregon = 34.5%  
 Source: U.S. Census Bureau, 2000 Census

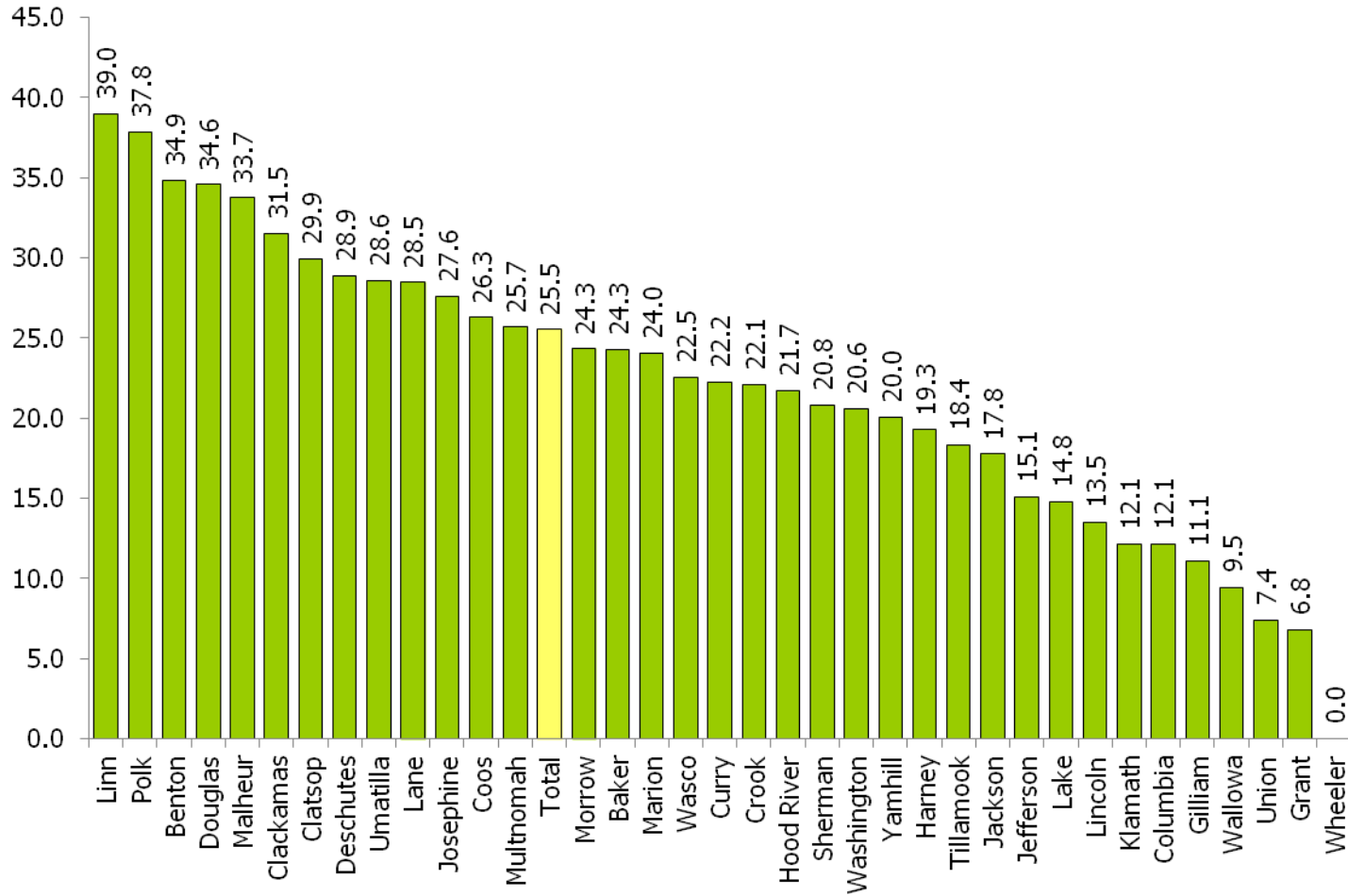
# Oregon College Going Rate: Percent of Students Attending College Directly Out of High School (2008)



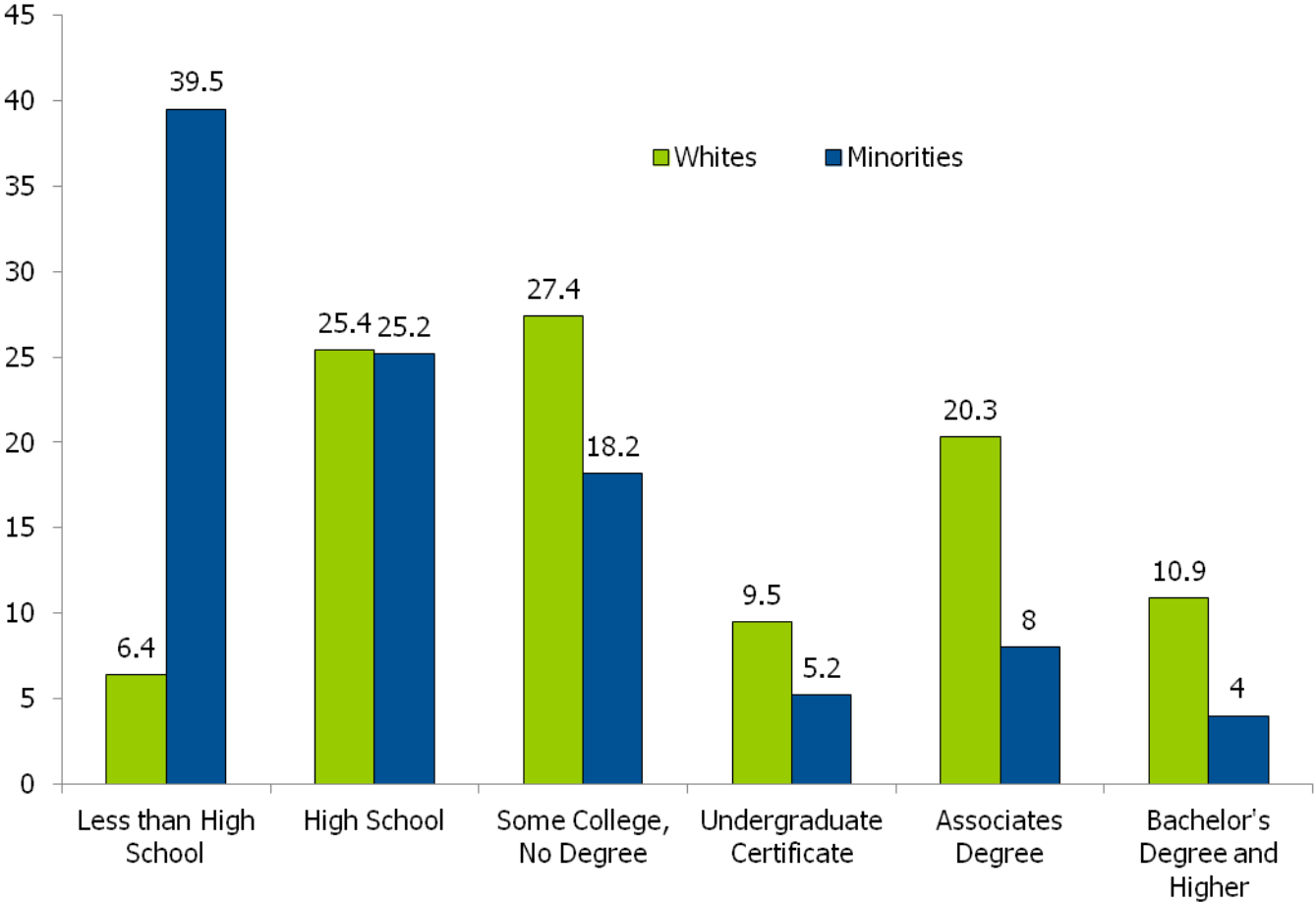
# University Going Rate: Percent of Students Attending Universities Directly Out of High School (2008)



# Community College Going Rate: Percent of Students Attending Community Colleges Directly Out of High School (2008)



# Current Educational Attainment of 25 to 64 Year Olds, Oregon



Minorities = Black Hispanic, Native American  
Source: US Census Bureau, 2006-08 ACS

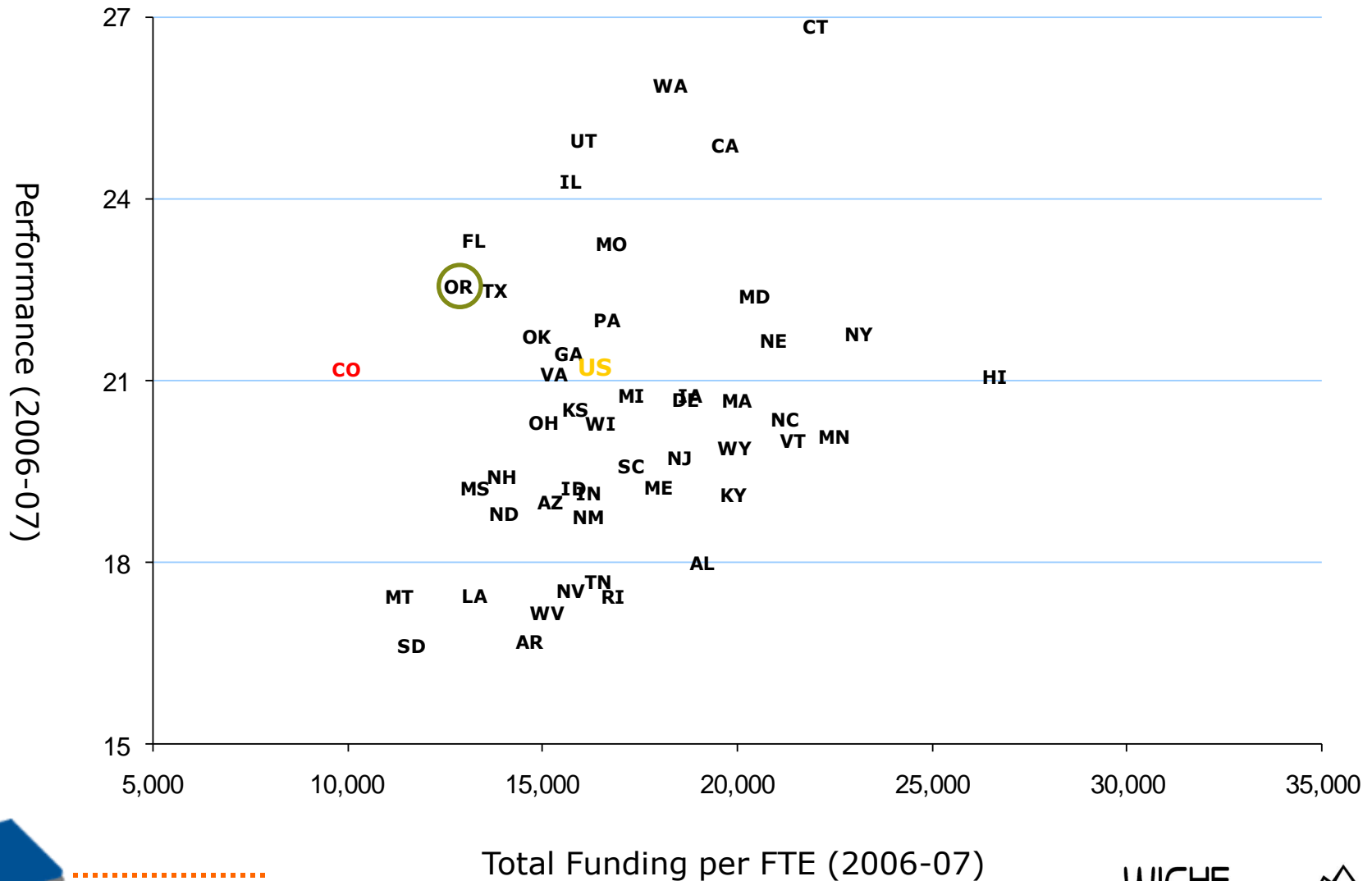
- Higher education policy should encompass all educational programs designed to serve adults
  - OUS
  - CCs
  - Vocational Education Centers
  - Adult Basic Ed
  - ESL

- Finance policy should be structured to yield
  - Adequate funding for institutions
  - Affordability from the perspective of both students and the state

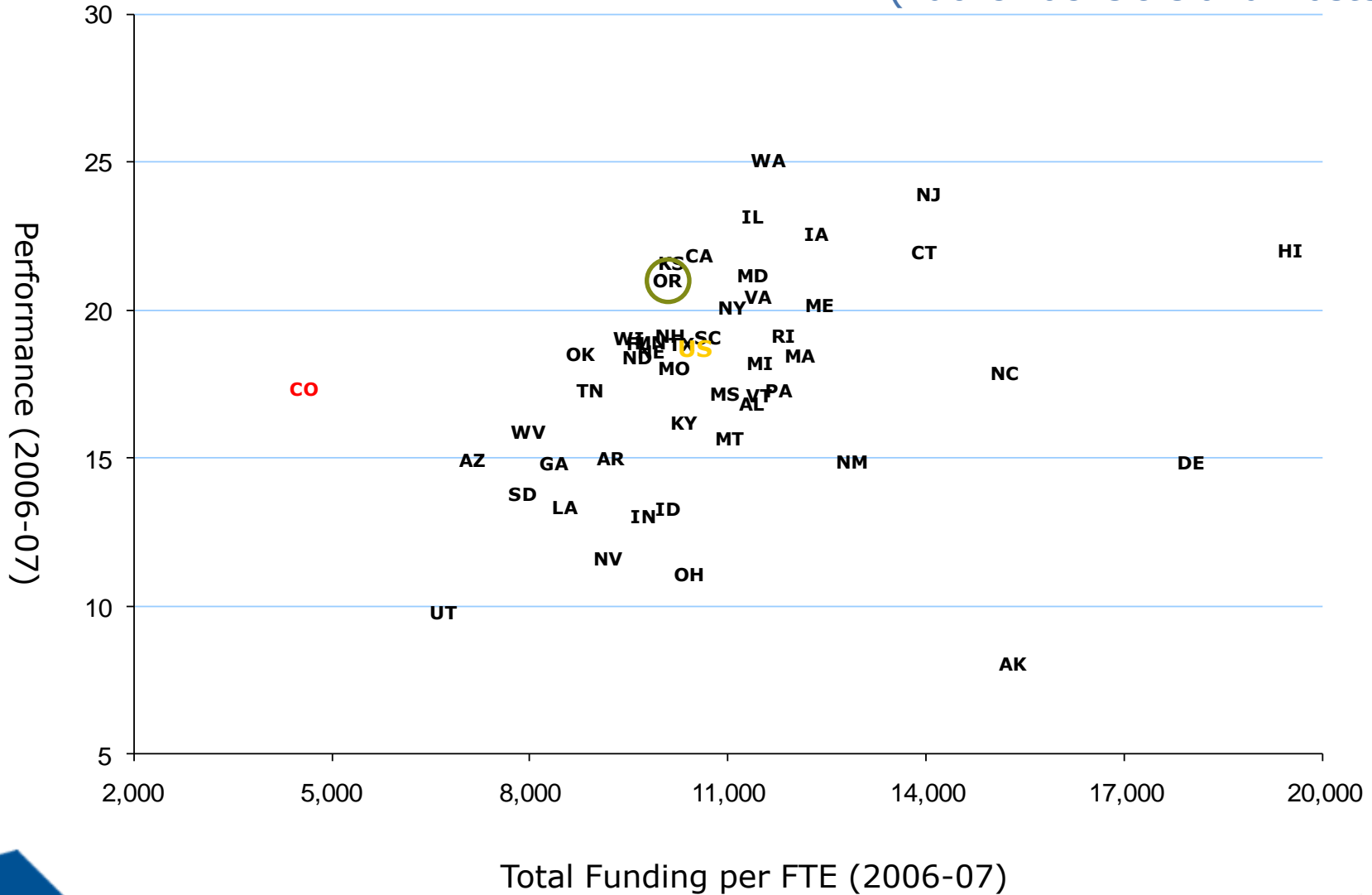
- Policies should be devised to be applied systemically – to all institutions or all institutions in a given sector
  - Not to be applied to a single institution
  - But differences in mission should be recognized and reflected in policy

- The higher education system must be an “efficient” system – producing the outcomes specified in the goals at the lowest cost consistent with the ability to maintain quality

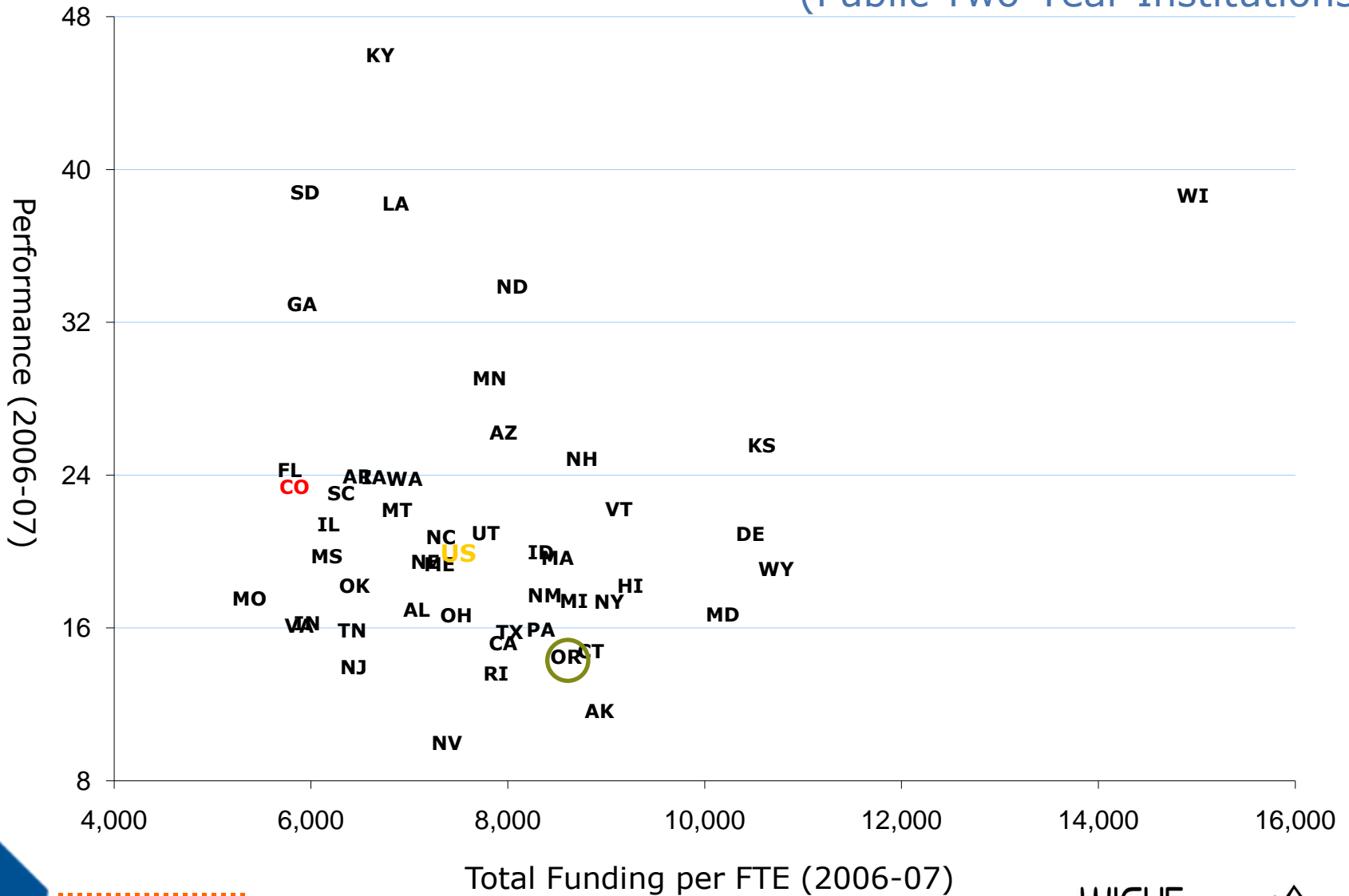
# Performance Relative to Funding: Bachelors Degrees Awarded per 100 FTE Undergraduates (Public Research Institutions)



# Performance Relative to Funding: Bachelors Degrees Awarded per 100 FTE Undergraduates (Public Bachelors and Masters)

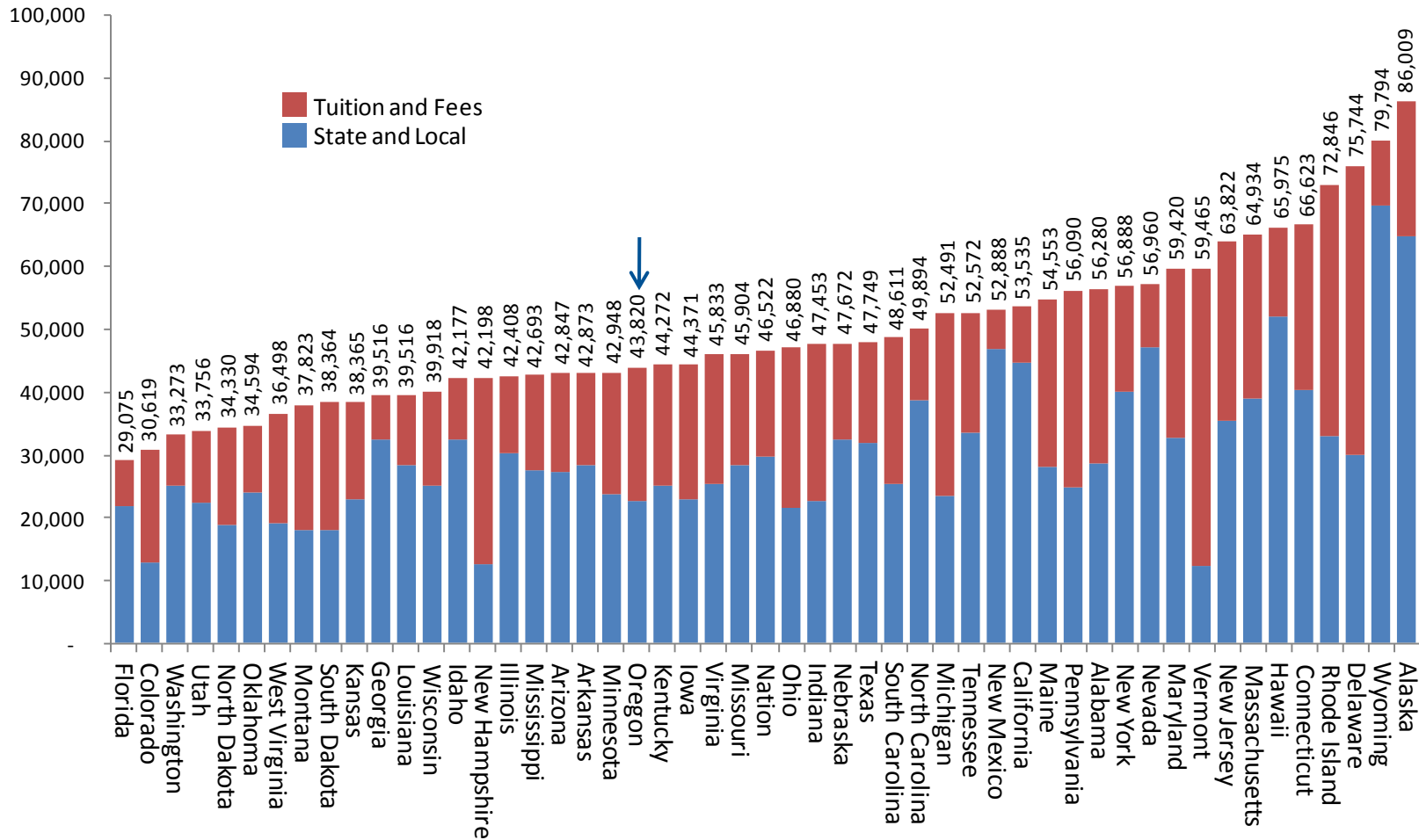


# Performance Relative to Funding: All Credentials Awarded per 100 FTE Undergraduates (Public Two-Year Institutions)



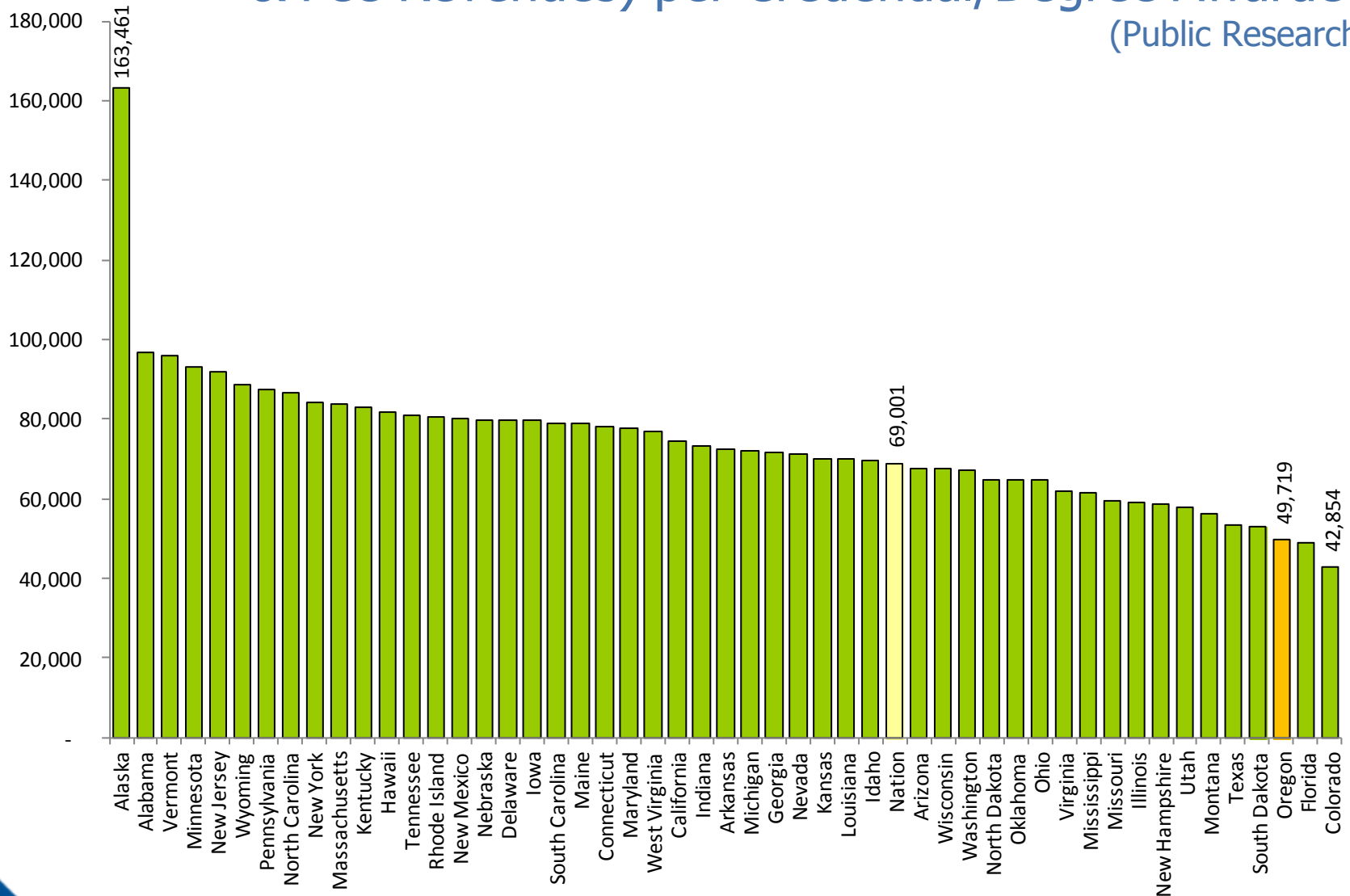
# Productivity: Total Funding per Degree/Certificate

(Weighted\*, 2006-2007)



Sources: SHEEO State Higher Education Finance Survey 2008; NCES, IPEDS Completions Survey; U.S. Census Bureau, American Community Survey (Public Use Microdata Samples)

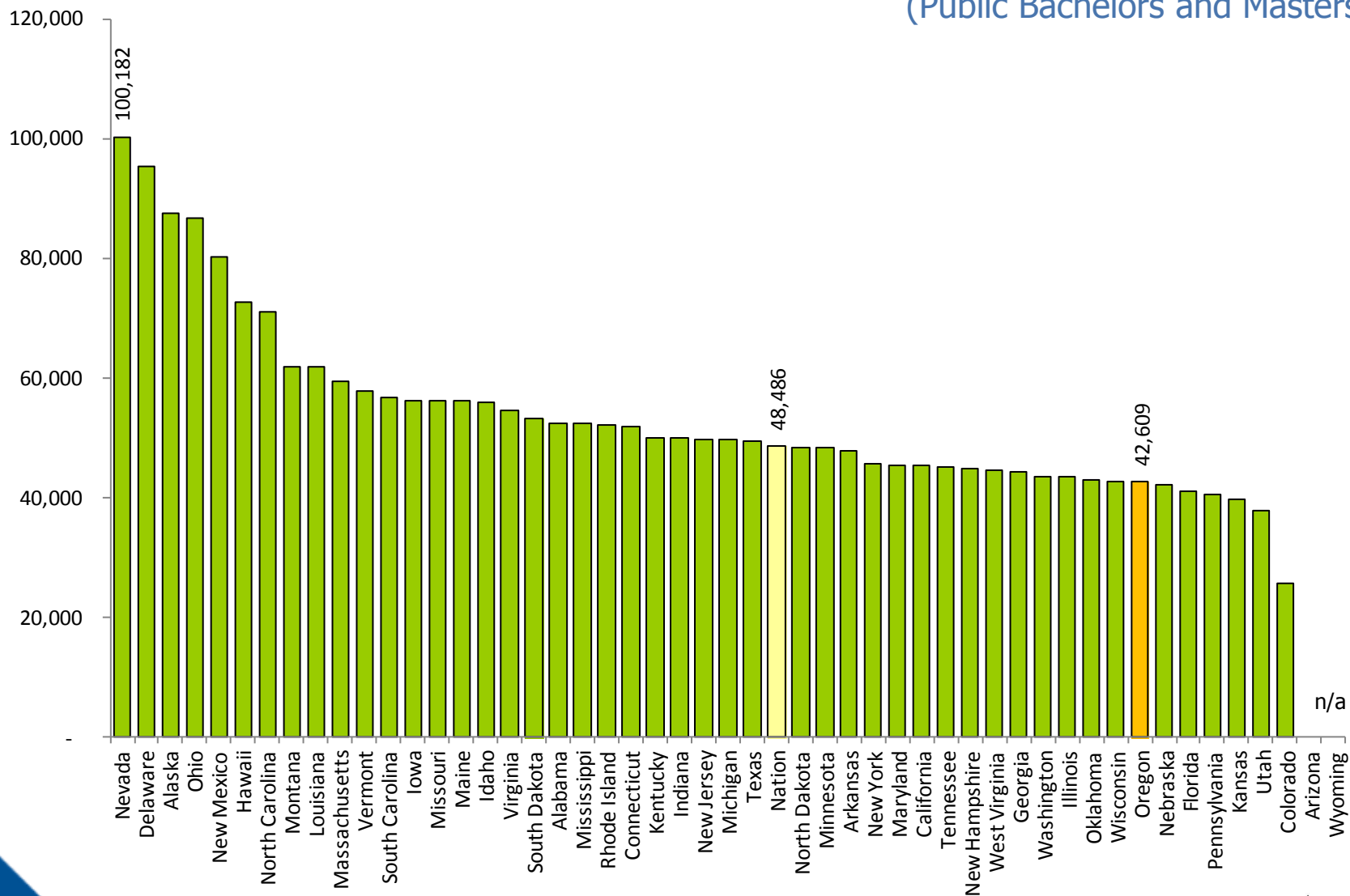
# Funding per Degree - Total Funding (State & Local, Tuition & Fee Revenues) per Credential/Degree Awarded (Public Research)



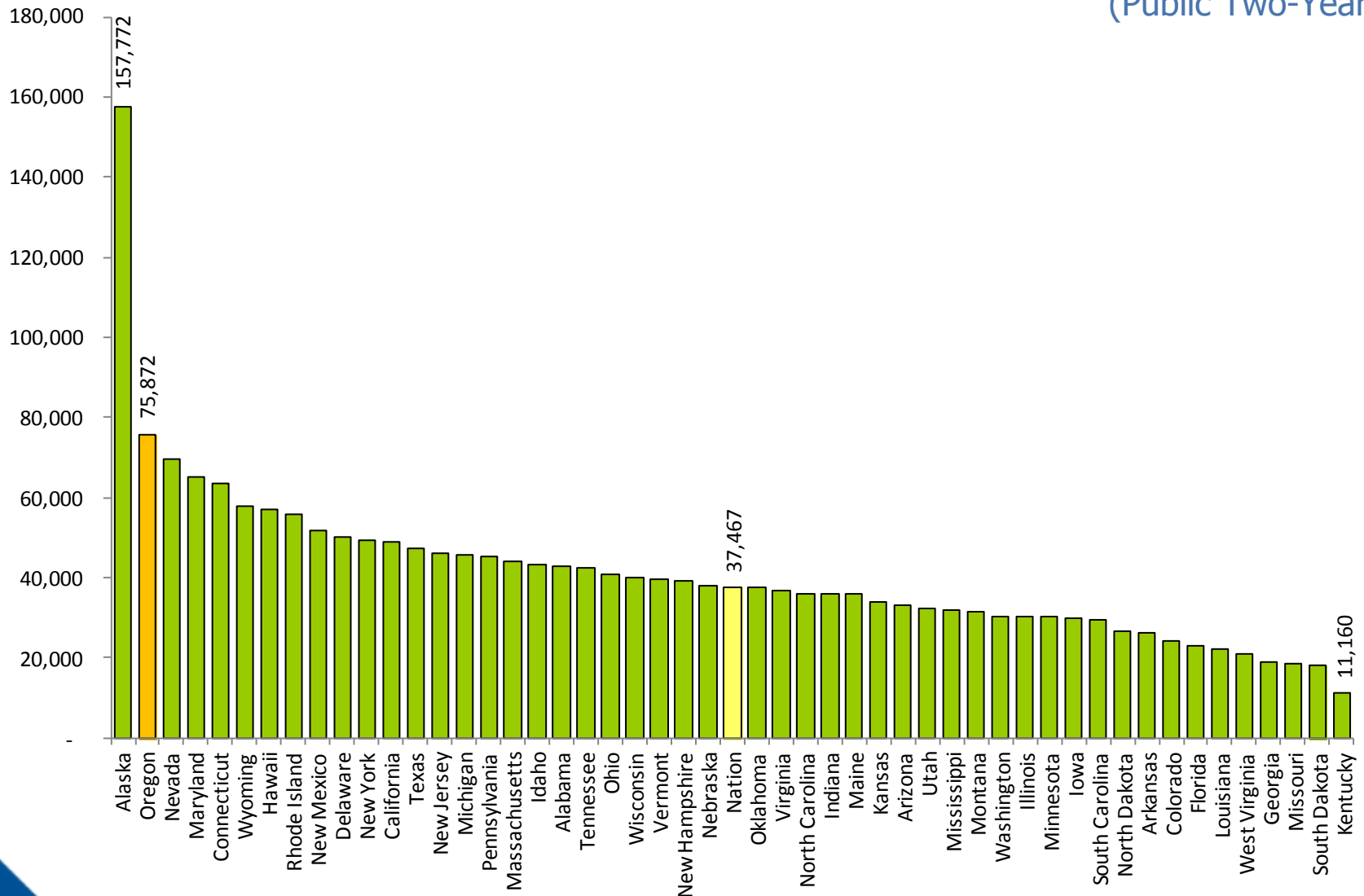
Source: NCES, IPEDS Completions and Finance Surveys (2007-08)

# Funding per Degree - Total Funding (State & Local, Tuition & Fee Revenues) per Credential/Degree Awarded

(Public Bachelors and Masters)



# Funding per Degree - Total Funding (State & Local, Tuition & Fee Revenues) per Credential/Degree Awarded (Public Two-Year)



Source: NCES, IPEDS Completions and Finance Surveys (2007-08)



- States have an obligation to
  - Set goals – state “what” should be accomplished
  - Establish measures of accountability – determine “whether” goals are being attained
  - Delegate to institutions the determination of the “how” goals are to be achieved