

BENCHMARKS: WICHE Region 2009

Benchmarks: WICHE Region 2009 presents information on the West's progress in improving access to, success in, and financing of higher education. The information is updated annually to monitor change over time and encourage its use as a current tool for informed discussion in policy and education communities. To establish a general context for the benchmarks, it is useful to understand that three demographic characteristics of the West are central to issues of Access, Success, and Finance. First, median household income in the West is slightly higher than in most other regions; while the national median household income in 2008 was \$50,303, the average for WICHE states was \$51,520. However, average tuition and fees for resident undergraduates in 2008-09 at public four-year institutions in the West were significantly lower: \$5,102 in the region compared to \$6,585 nationally. Second, on average, a slightly higher proportion of the region's population holds at least a bachelor's degree (28.9%) than is found nationally (27.7%). Finally, although population growth has been strong in the West, not all states have grown equally and this will impact the numbers of high school graduates over the next several years. Half of the WICHE states will see increased numbers of high school graduates over the next decade, but half will not.

ACCESS

Are access and equity eroding or improving over time?

Participation and Completion indicators suggest that the West has much room for improvement on access and equity. An examination of the "educational pipeline" showing continuous progression from 9th grade in high school to a postsecondary degree reveals several points of leakage (Fig. 1). Estimates for 2006 illustrate that for 100 ninth graders in the region, approximately 29 do not make it to high school graduation within four years. Of the 71 who do graduate from high school, 31 do not go on to college, while about 40 enroll in postsecondary education. Only 17 of 100 ninth graders finish an associate's degree within three years of entering college or a bachelor's degree within six years of entering college. Only with respect to attrition between high school and college have figures improved. In recent years, attrition during both high school and college got slightly worse. Overall, postsecondary completion rates for 9th graders are similar to recent years.

The U.S. averages are slightly better at most points; on average the Western states perform better only on progression from 9th grade through 12th grade. Nationally, 43 out of 69 ninth graders who completed 12th grade on time continue on to college. Students in the U.S. tend to graduate college on time at a higher rate than students in the West: almost 21 of 100 ninth graders completed an associate's degree within three years or a bachelor's degree within six years in 2006. Estimates of educational attainment levels for the West and the nation also show that 27.7% of adults ages 25 and older nationally and 28.9% regionally held at least a bachelor's degree, while 35.2% nationally and 36.9% regionally held at least an associate's degree in 2008.

In the West, among adults aged 25 to 49, under 5% were enrolled in higher education as undergraduates in 2006-07. That participation rate remains higher than the national average and has increased slightly from previous years (Fig. 2).

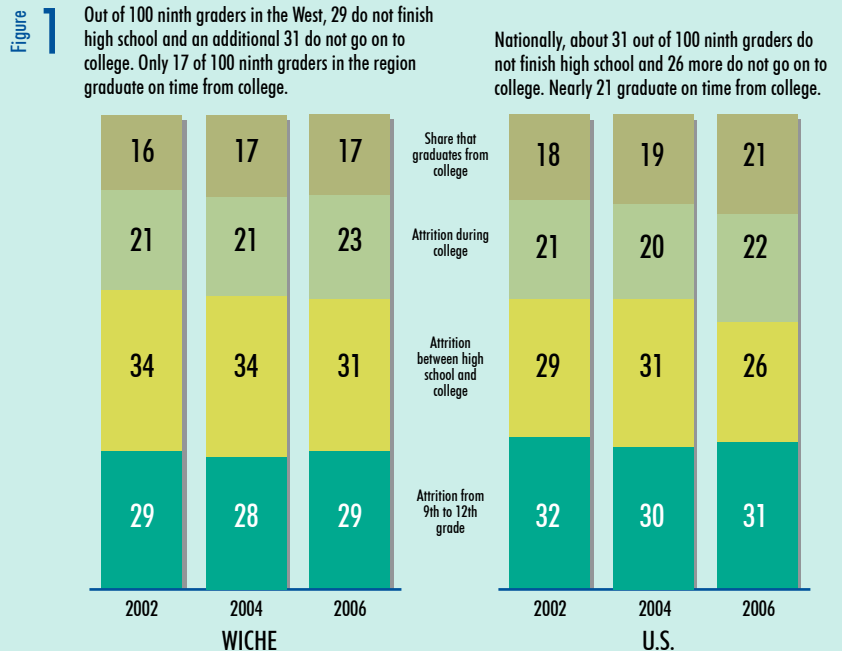


Figure 2 The Western region consistently surpasses the U.S. on the enrollment of adult students as undergraduates as a percent of the total population of adults.



Equity measures also show low performance — especially for most underrepresented groups. Graduation from high school is a significant issue regionally for several groups. While 76% of White and 84% of Asian/Pacific Islander 9th graders in 2002-03 graduated from high school in four years, the proportions drop to 58% for Blacks, 55% for Hispanics, and 49% for American Indians/Alaska Natives (Fig. 3). These percentages decreased for all ethnic groups from the most recent year while the racial/ethnic gaps widened. The nation's rates are higher than the West's for American Indians/Alaska Natives (55% nationally), for White non-Hispanics (77% nationally) and for Asian/Pacific Islanders (86%), while Hispanics (55% nationally) and Black non-Hispanics (53% nationally) in the West fare better than they do in the nation.

An important equity indicator is access to, and success in, college. Figure 4 provides a ratio of the share of full-time undergraduate enrollment by race/ethnicity to the share of each racial/ethnic group in the population in 1997 and 2007. This ratio improved somewhat in the West for American Indians/Alaska Natives and Black non-Hispanics over the past decade.

As an indication of the region's performance in producing college graduates among individuals of different racial/ethnic groups, the ratio in Figure 5 compares the share of bachelor's degrees awarded to members of each racial/ethnic group to the share of each group in the population in 1996 and 2006. These ratios suggest that the region is similar to the U.S. in the share of bachelor's degrees earned by most racial/ethnic groups when compared to their share of the population. However, regionally few Blacks, Hispanics, or American Indians/Alaska Natives receive a bachelor's degree when compared to their proportion in the population, though all have made improvements over the last decade.

In addition to equity by race/ethnicity, measures of income equity are important benchmarks of progress. Regionally in 2007, 24% of undergraduates received a Pell grant, compared to the national average of 29%. The value of these data is enhanced when comparing them to the proportion of children in poverty. That year, 15% of children aged 12 to 17 were in poverty — or nearly 931,000 potential future college students in the WICHE states. The share of Pell recipients among all undergraduates attending non-profit institutions in the West was 1.57 times the poverty rate of 12-to-17 year olds; nationally the proportion was 1.84. The region's performance on this measure has consistently lagged behind the nation's. Furthermore, the region's ratio on this measure has been declining since the year 2003.

Affordability benchmarks measured in current dollars for tuition and fees and student financial aid suggest that the West may be partially addressing access, equity, and affordability issues. Between 2008-09 and 2009-10, resident tuition and fees increased by \$639 (12.5%) at public four-year institutions in the region, on average. Nationally, the average increase was \$429 (6.5%). Average tuition and fees for resident students at public four-year institutions nationally was \$7,020 in 2009-10, compared to \$5,741 in the WICHE region.

The region saw an increase of \$160 (6.4%) between 2008-09 and 2009-10 in public two-year college tuition and fees for residents per student, compared to an increase of \$172 (7.3%) nationally (Fig. 7). Average tuition and fees at public two-year colleges in the West were \$2,648 in 2009-10, compared to \$2,544 nationally, marking the third time that the West's average in this sector exceeded the national average. (The West's data exclude community colleges in California because their sheer number and their comparatively low fees distort regional patterns.)

Another indicator of affordability is tuition and fees as a percent of household income. Regionally, tuition and fees in the West account for an increasing proportion of household income: growing from 4.5% in 2004-05 to 5.4% in 2009-10 for public two-year college tuition and from 7.7% to 9.7% for public baccalaureate/master's institutions (Fig. 8). From 2004 to the most recent year, median household income grew from \$45,322 to \$51,520, a 13.7% increase.

Financial aid is also a key indicator. The amount of restricted and unrestricted grant aid per FTE student held steady between 2003 and 2006 yet increased during the 2007-08 academic year (Fig. 9); the regional average in 2007-08 was \$976, compared to \$852 in 2003-04. The average amount of state-funded need-based grant aid to undergraduates per FTE has increased in the U.S. and the region. The national average was \$608 in 2007-08 while the average in the West climbed to a total of \$466 (Fig. 10).

The share of first-time, full-time students receiving federal grant aid (most notably a Pell Grant) has hovered around 30% in the West, while the proportion of such students across the nation was approximately one-third (Fig. 11). This is an imperfect measure of the share of students receiving need-based aid, especially because it does not include part-time students, but it does provide one indication of how well we are providing much-needed grant aid to low income populations.

In the West, affordability and access have improved overall through WICHE's undergraduate exchange programs since 2003-04. In 2008-09, families and/or states are saving an estimated \$151.1 million in tuition and fees by participating in the Western Undergraduate Exchange (WUE) program, compared to \$90.5 million five years ago (Fig. 12).

Figure 3 In the West, successfully progressing from ninth grade to high school graduation varies significantly by race/ethnicity.

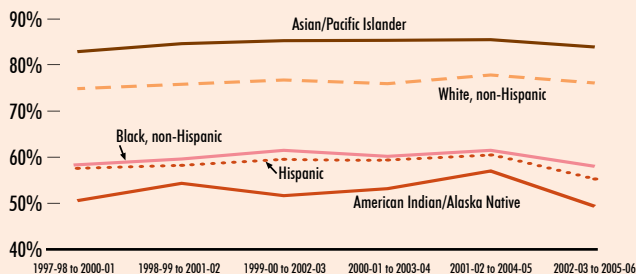


Figure 4 Compared to 1997, the West in 2007 enrolled proportionately more students from the Black non-Hispanic and American Indian/Alaska Native populations as measured against those groups' shares of the general population.

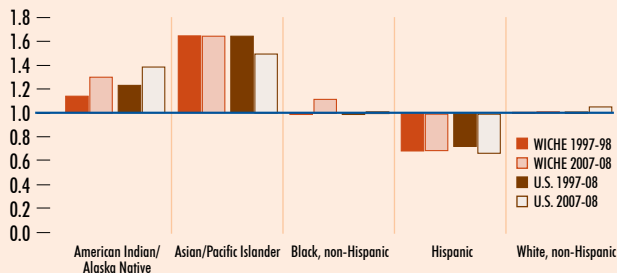


Figure 5 In 2006, the West awarded proportionately fewer bachelor's degrees to students from underrepresented groups (other than Asians/Pacific Islanders) as measured against each group's share of the general population. Improvement over 1996 levels was evident for almost all groups, however.

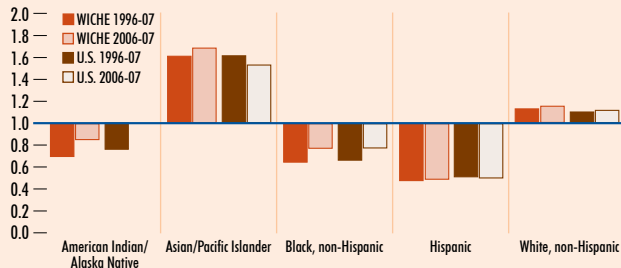


Figure 6 The nation outperforms the West when comparing the relationship between Pell recipients among undergraduate enrollments. However, the West has slightly lower poverty rates among individuals approaching traditional college age.

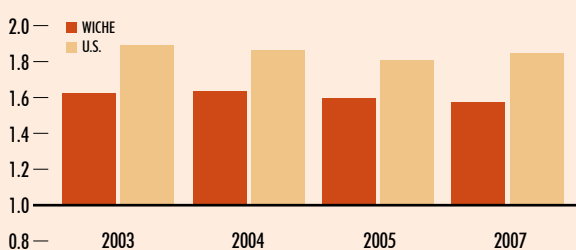


Figure 7 In the past decade, tuition and fees at public four-year institutions in the West have risen by nearly 118%, while growing at over 80% at public two-year colleges.

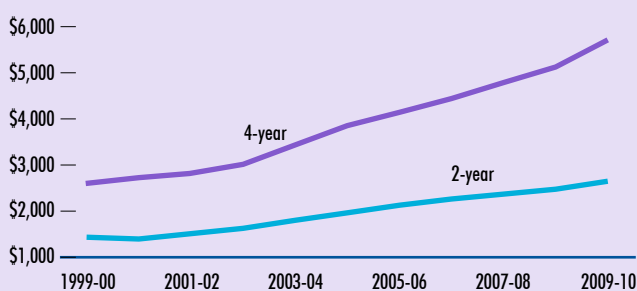


Figure 8 The share of household income that goes to tuition and fees has increased dramatically over the past decade.

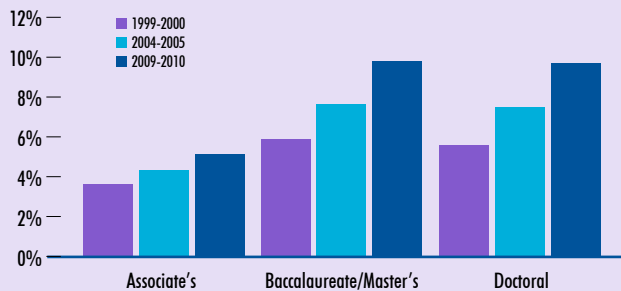


Figure 9 The amount of total grant financial aid per full-time equivalent student in the region's public institutions held steady between 2003 and 2006, yet increased during the 2007-08 academic year.

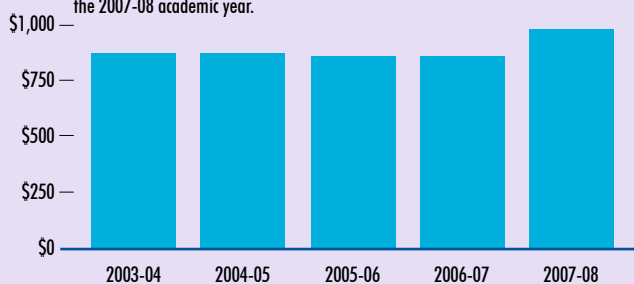


Figure 10 State-need based grant aid to undergraduates per FTE has increased in the region and the nation between 2006-07 and 2007-08.

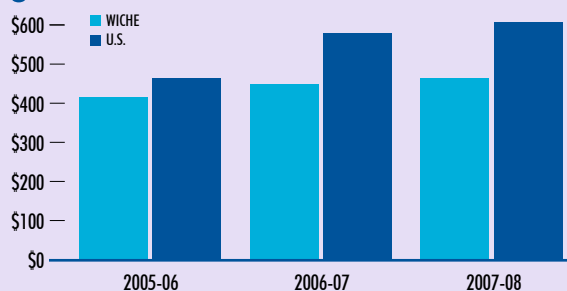
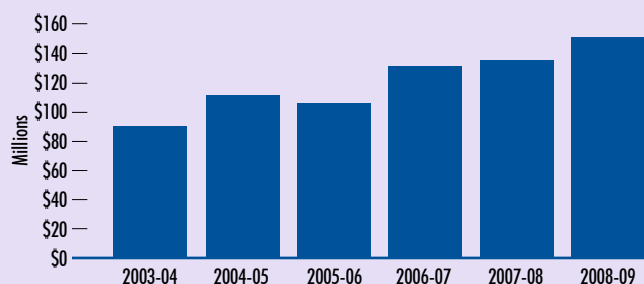


Figure 11 In the West, the share of the full-time entering cohort receiving federal grant aid (mainly Pell grants) has held steady in recent years at approximately 30%.



Figure 12 Savings to families and/or states through participation in WICHE's Western Undergraduate Exchange (WUE) program have grown substantially in the last several years.



Are revenues sufficient to meet state needs for higher education?

Finance indicators show a mixed picture for the West when compared to the rest of the nation though the available data were prior to the recent economic collapse which has left state funding levels to higher education at risk for sizable cuts. The region averaged \$7,247 in state appropriations to higher education per FTE in FY 2008 (Fig. 13). When adjusted for inflation and factors such as cost of living and enrollment mix, the regional average showed declines in state and local appropriations per FTE from 2001 to 2005, however, the most recent averages increased between the years 2006 and 2008 rising by 22.5% in that time. The US average has also fluctuated, experiencing a 15.5% reduction from 2002 to 2005, dropping from \$7,320 to \$6,188 per FTE before rebounding by 14% between 2005 and 2008 to \$7,059.

While there are four major funding sources for colleges and universities – the state, students, the federal government, and private entities – state appropriations and student tuition and fees are the principal sources of operating funds for public institutions. Over the past several years, the mix of appropriations and tuition and fees revenue per FTE at public institutions has varied (Fig. 14). When revenues from appropriations and tuition and fees are combined and adjusted for inflation, per FTE student revenues from these two sources averaged \$9,099 for the Western states in FY 2008. In FY 2003, the two sources averaged \$8,164 in the West. Increases in net tuition and fee revenue averaged 7.3% annually over the five year period. Nationally, net educational appropriations and net tuition and fees revenues per FTE showed growth in inflation-adjusted 2008 dollars, moving from \$9,951 in 2003 to \$11,063 in 2008.

When adjusted for inflation, on average state tax revenue per capita in the West grew between 2007 and 2008 to \$3,321 (though most of this growth was concentrated in Alaska and North Dakota), higher than the national average of \$2,570. In 2003, tax revenue per capita in the West averaged \$2,172 while the U.S. average was \$2,204 (Fig. 15). Between 2003 and 2008 per capita income in the West grew on average by 10.5%, from \$34,723 to \$38,379 (adjusted for inflation using 2008 dollars).

Figure 13

State appropriations per FTE in the region fell between 2001 and 2005 before climbing during the most recent fiscal years for which data were available.

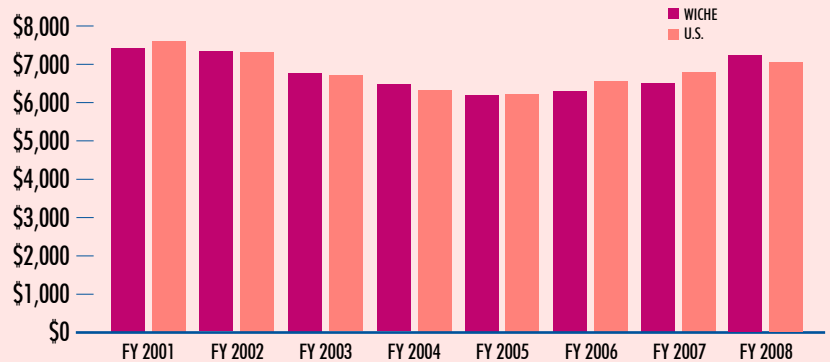


Figure 14

Tuition and fees revenues in the West accounted for 25% of total revenue from appropriations and tuition and fees in 2008 compared to 20% five years before.

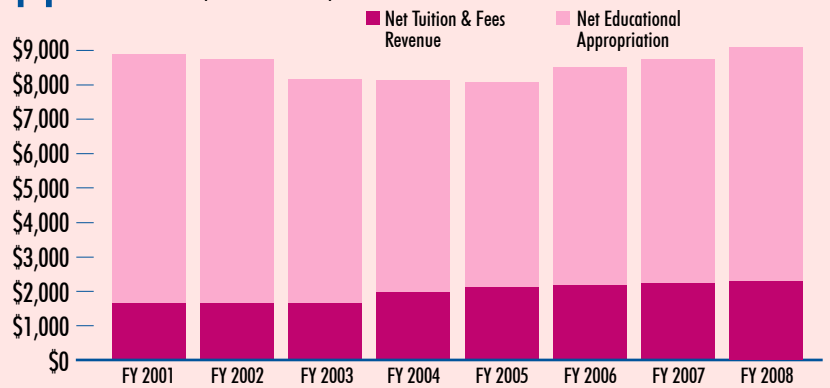
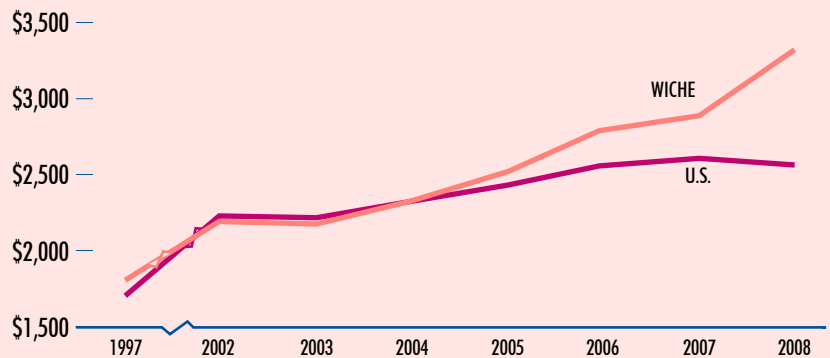


Figure 15

The regional average state tax revenue per capita, adjusted for inflation, has continued to climb above the U.S. figure.



Source Notes:

Introductory paragraph U.S. Census Bureau; and Western Interstate Commission for Higher Education.

Fig. 1 National Center for Higher Education Management Systems (NCHEMS).

Fig. 2 National Center for Education Statistics (NCES); and U.S. Census Bureau.

Fig. 3 National Center for Education Statistics (NCES); and Western Interstate Commission for Higher Education.

Fig. 4 National Center for Education Statistics (NCES); and U.S. Census Bureau.

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Fig. 7 Western Interstate Commission for Higher Education.

Fig. 8 Western Interstate Commission for Higher Education; and U.S. Census Bureau.

Fig. 9 National Center for Education Statistics (NCES).

Fig. 10 National Association of State Student Grant and Aid Programs (NASSGAP).

Fig. 11 National Center for Education Statistics (NCES).

Fig. 12 Western Interstate Commission for Higher Education.

Fig. 13 State Higher Education Executive Officers (SHEEO). These data are adjusted for cost of living and enrollment mix, in addition to inflation.

Fig. 14 State Higher Education Executive Officers (SHEEO). These data are adjusted for cost of living and enrollment mix, in addition to inflation.

Fig. 15 U.S. Bureau of Economic Analysis.