

BENCHMARKS: WICHE Region 2011

Benchmarks: WICHE Region 2011 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 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 2010 was \$49,445 the average for WICHE states was \$51,798. However, average tuition and fees for resident undergraduates in 2010-11 at public four-year institutions in the West were significantly lower: \$6,269 in the region compared to \$7,605 nationally. Second, on average, a slightly higher proportion of the region's population holds at least a bachelor's degree (29.4%) than is found nationally (28.2%). 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.

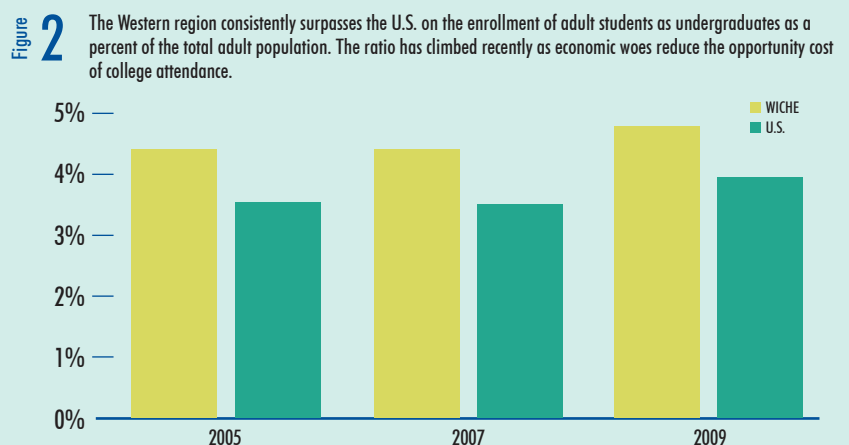
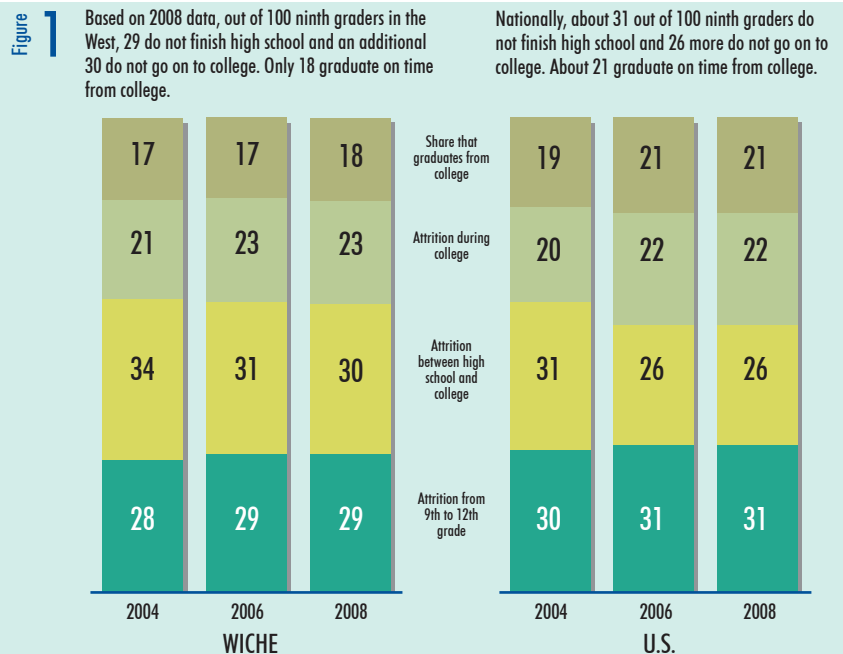
ACCESS

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 2008 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, 30 do not go on to college, while about 41 enroll in postsecondary education. Only 18 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. The data do indicate that there has been some improvement since 2006, when only 17 of 100 ninth graders were likely to complete college on time.

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. In spite of the West's lower rates of success in "on-time" educational achievement, the region does show slightly higher rates of educational attainment than the nation as a whole. Estimates of educational attainment levels for the West and the nation also show that 28.2% of adults ages 25 and older nationally and 29.4% regionally held at least a bachelor's degree, while 35.8% nationally and 37.4% regionally held at least an associate's degree in 2010. All those data points are slightly higher than in 2009.

In the West, among adults aged 25 to 49, nearly 5% were enrolled in higher education as undergraduates in 2009-10. That participation rate remains higher than the national average and is higher than in previous years, perhaps reflecting the impact of the recession (Fig. 2).



Equity measures also show low performance — especially for most underrepresented groups. Graduation from high school is a significant issue regionally for several groups, and one that appears to have worsened in the past year. While 76% of White and 82% of Asian/Pacific Islander 9th graders in 2005-06 graduated from high school in four years, the proportions drop to 56% for Blacks, 58% for Hispanics, and 49% for American Indians/Alaska Natives (Fig. 3). Apart from Whites, these percentages are all down from the prior year. The nation's rates are higher than the West's for all racial/ethnic groups. The national figures were 78% for White non-Hispanics, 87% for Asian/Pacific Islanders, 58% for American Indians/Alaska Natives, 63% for Hispanics, and 58% for Black non-Hispanics.

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 2000 and 2010. This ratio improved somewhat in the West for American Indians/Alaska Natives, Black non-Hispanics, and 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 2000 and 2010. 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. American Indians/Alaska Natives and Asian/Pacific Islanders saw this ratio decline over the past decade, while the other racial/ethnic groups posted very slight improvements. Regionally, however, few individuals from underrepresented backgrounds complete bachelor's degrees compared to their representation in the population.

In addition to equity by race/ethnicity, measures of income equity are important benchmarks of progress. Regionally in 2009-10, 36% of undergraduates received a Pell grant, compared to the national average of 42%. But the value of these data is enhanced when comparing them to the proportion of children in poverty. That year, 19% of children aged 12 to 17 were in poverty — or about 1.2 million potential future college students in the WICHE states. The share of Pell recipients among all undergraduates attending non-profit institutions in the West was 1.88 times the poverty rate of 12-to-17 year olds; nationally the proportion was 2.27. The region's performance on this measure has consistently lagged behind the nation's, but owing to the economic recession, all of the figures are up dramatically from prior years.

Affordability benchmarks measured in current dollars for tuition and fees and student financial aid suggest that the West, like the rest of the nation, is struggling to keep pace with impact the economic recession is having on access and affordability. The West's historic focus on low tuition has eroded, with regional growth in published tuition exceeding national averages. Between 2010-11 and 2011-12, resident tuition and fees increased by \$883 (14.1%) at public four-year institutions in the region, on average.

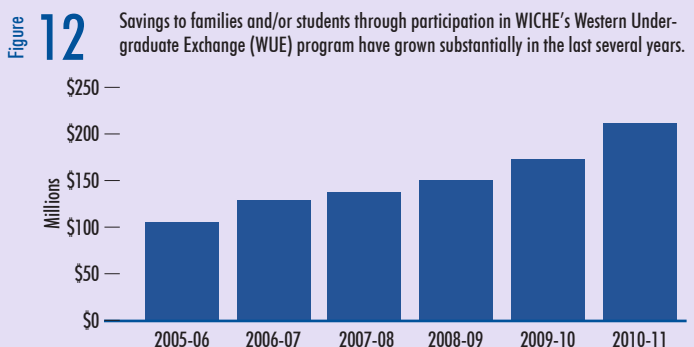
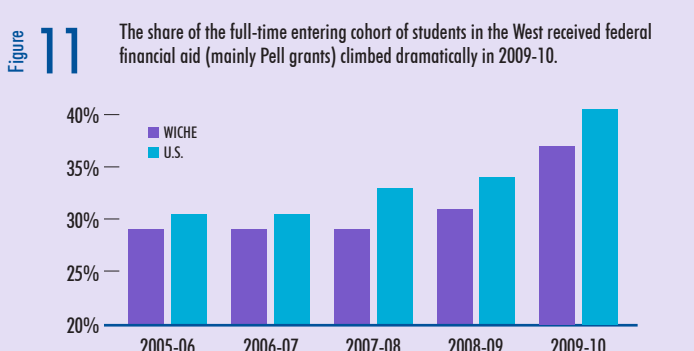
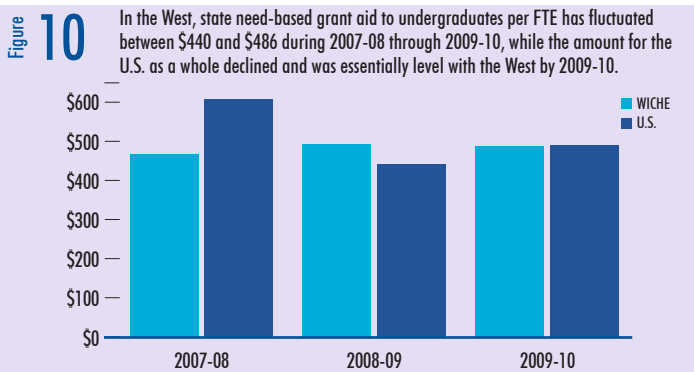
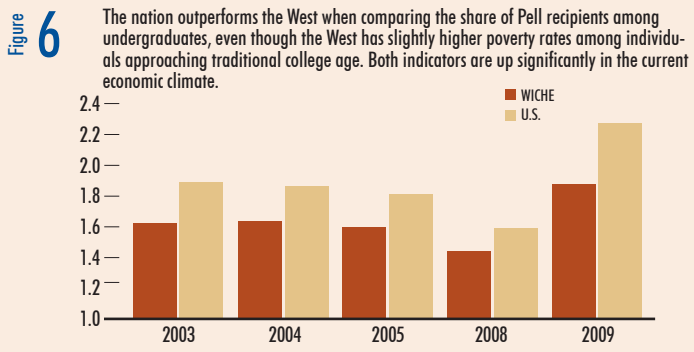
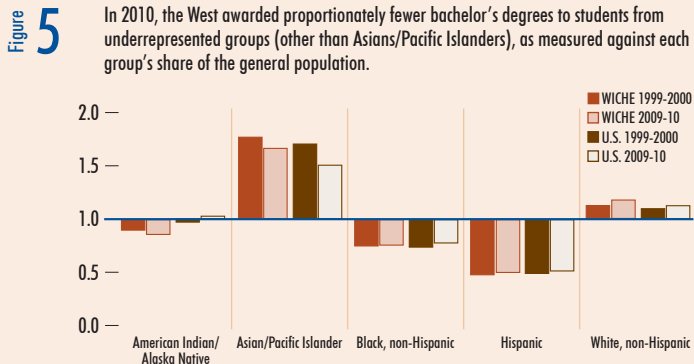
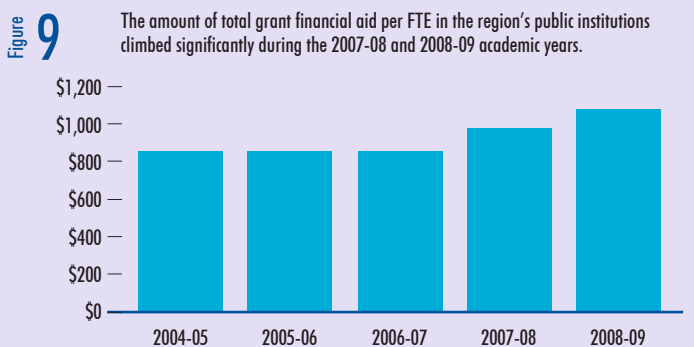
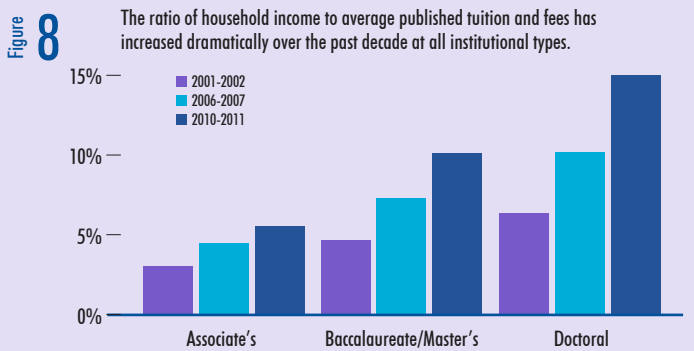
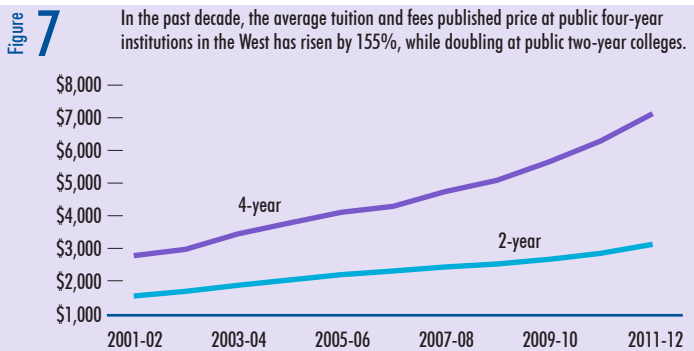
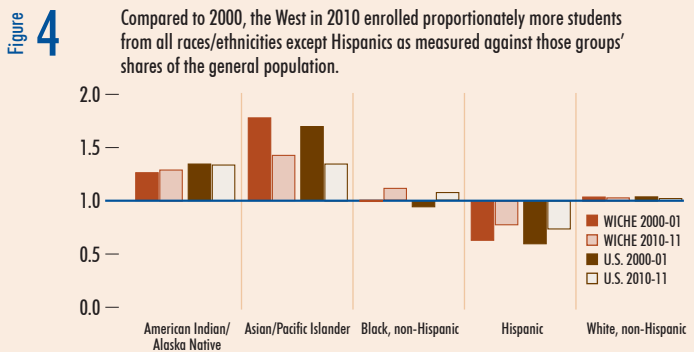
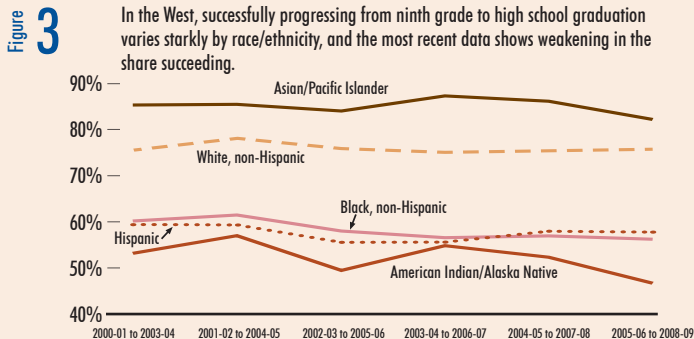
The region saw an increase of \$286 (14.7%) between 2010-11 and 2011-12 in public two-year college tuition and fees for residents per student (Fig. 7). Average tuition and fees at public two-year colleges in the West were \$3,123 in 2011-12. (The West's data exclude community colleges in California because their sheer number and their comparatively low fees distort regional patterns. With California's two-year institutions included, the regional average drops to \$2,238.)

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 10.2% in 2006-07 to 15% in 2011-12 for doctoral granting institutions, from 7.2% to 10.1% for public baccalaureate/master's institutions, and from 4.5% to 5.5% for public two-year colleges (Fig. 8). From 2005 to 2010, median household income actually fell from \$52,957 to \$51,798, a 2.2% decrease.

The availability of financial aid is also a key indicator, especially as tuition prices rise. The amount of restricted and unrestricted grant aid per FTE student increased between the 2006-07 and 2008-09 academic years (Fig. 9); the regional average in 2008-09 was \$1,078, compared to \$851 in 2006-07. The average amount of state-funded need-based grant aid to undergraduates per FTE has gone up and down over the past couple of years for which data are available in both the U.S. and the region. The national average was \$488 in 2009-10 while the average in the West was nearly equivalent at total of \$486 (Fig. 10).

The share of first-time, full-time students receiving federal grant aid (most notably a Pell Grant) has shot upwards in the West and nationally, again in response to economic woes. For 2009-10, 37% of students entering Western institutions received federal grant aid, while the proportion of such students across the nation was approximately 41% (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 access to higher education for low-income populations.

In the West, WICHE's Undergraduate Exchange (WUE) programs have helped to improve affordability and access. In 2010-11, families and/or states saved an estimated \$210.8 million in tuition and fees by participating in WUE, compared to \$106 million five years ago (Fig. 12).



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. The recent economic collapse left state funding levels to higher education subject to sizable cuts. The federal government's State Fiscal Stabilization Fund (SFSF) prevented greater damage to institutional appropriations. The region averaged \$5,777 in state appropriations to higher education per FTE in FY 2010, much lower than funding levels in more than a decade (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 2008 to 2010 by 16.7%. The US average also fell over the same period from \$7,325 to \$6,454 (11.9%). Given the West's historic reliance on public higher education, this erosion is troubling.

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 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 \$8,399 for the Western states in FY 2010. Just two years previously, the two sources averaged \$9,198 in the West. Net tuition and fee revenue has grown rapidly (16%) to offset those per student declines, assuming a greater share of educational costs. Nationally, net educational appropriations and net tuition and fees revenues per FTE also fell in inflation-adjusted 2010 dollars, moving from \$11,441 in 2008 to \$10,774 in 2010.

When adjusted for inflation, on average state tax revenue per capita in the West declined between 2009 and 2010 from \$2,896 to \$2,658, yet was higher than the national average of \$2,282. In 2008, tax revenue per capita in the West averaged \$3,317 while the U.S. average was \$2,577 (Fig. 15).

Figure 13 State appropriations per FTE in the region and nation have fallen substantially since the beginning of the economic recession.

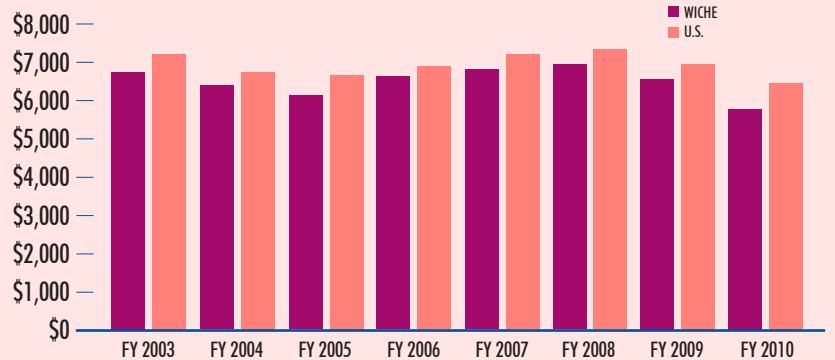


Figure 14 Tuition and fees in the West accounted for 31% of total revenue from appropriations and tuition and fees in 2010, compared to 25% two years before.

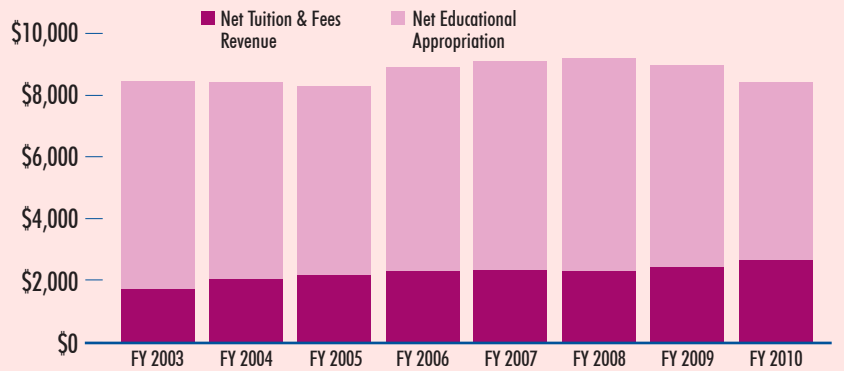
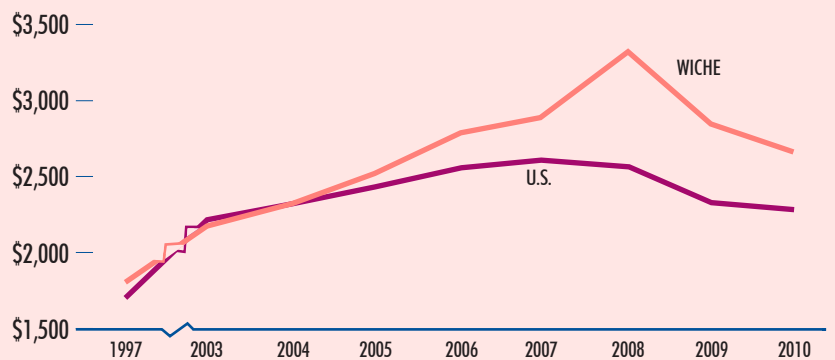


Figure 15 The regional average state tax revenue per capita, adjusted for inflation, fell substantially between 2008 and 2010, but remains well above the national figure.



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.

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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.

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