Colorado Dept of Higher Education

Higher Education
Strategic Planning
Steering Committee
January 27, 2010

Presentation by:

David Longanecker

President, Western
Interstate Commission
for Higher Education
(WICHE)

Setting the Stage for A Higher Education Master Plan

Colorado's Perfect
Situation – Perfect
Storm or Perfect
Opportunity?

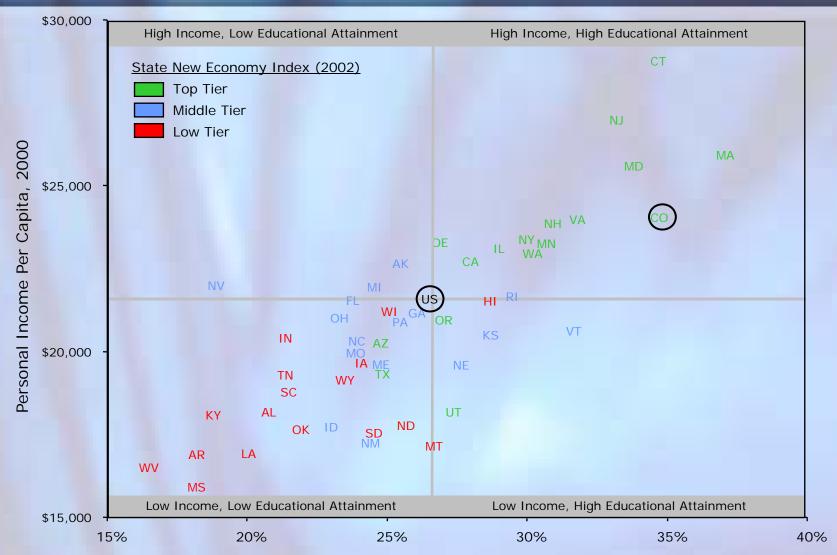
The Converging Waves

- Wave One: Our Economic Competitiveness
- Wave Two: Who We Are Can We Be Competitive
- Wave Three: What We Have in Resources

The Converging Waves

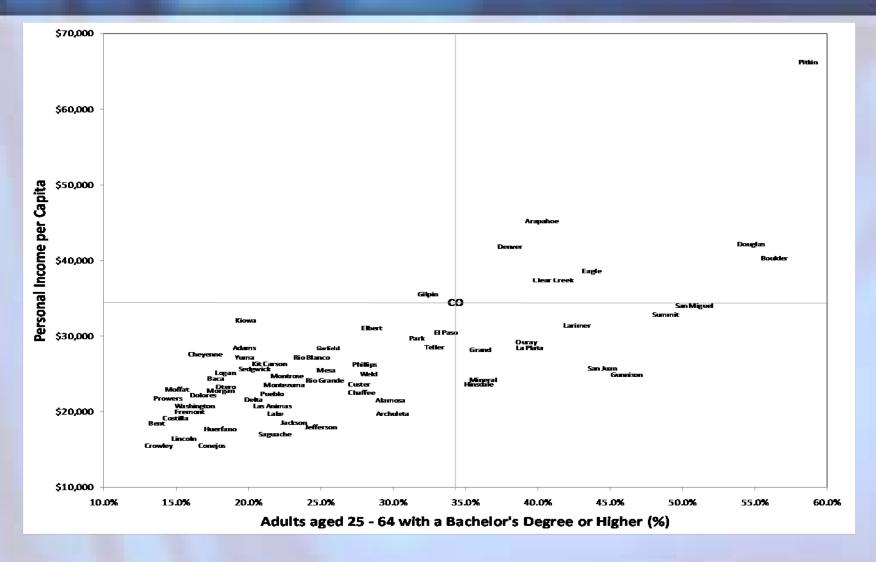
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Relationship Between Educational Attainment, Personal Income, and Economic Strength



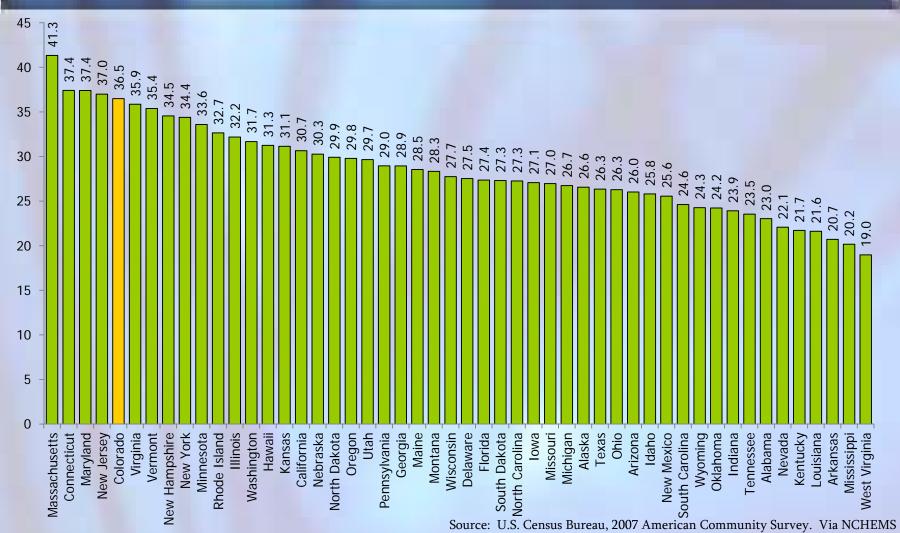
Percent of Adults Age 25-64 with a Bachelor's Degree or Higher

Educational Attainment & Personal Income by Colorado Counties

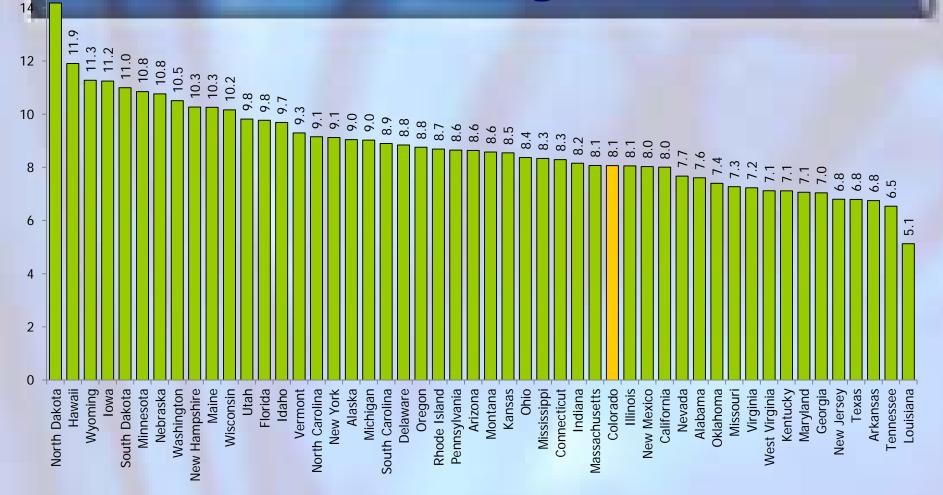


Source: NCHEMS

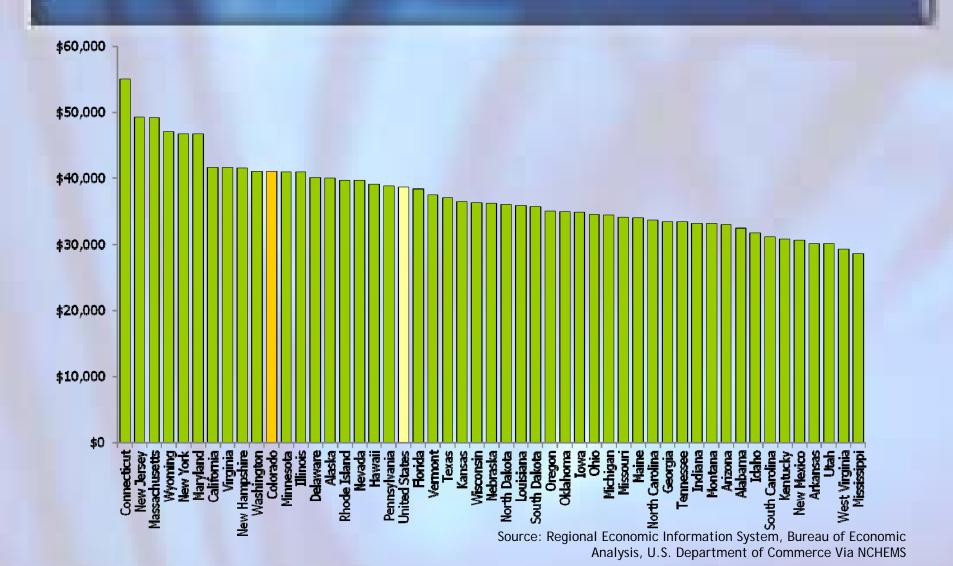
Percent of Population Ages 25-64 with a Bachelor's Degree or Higher



Percent of Population Ages 25-64 with an Associate Degree



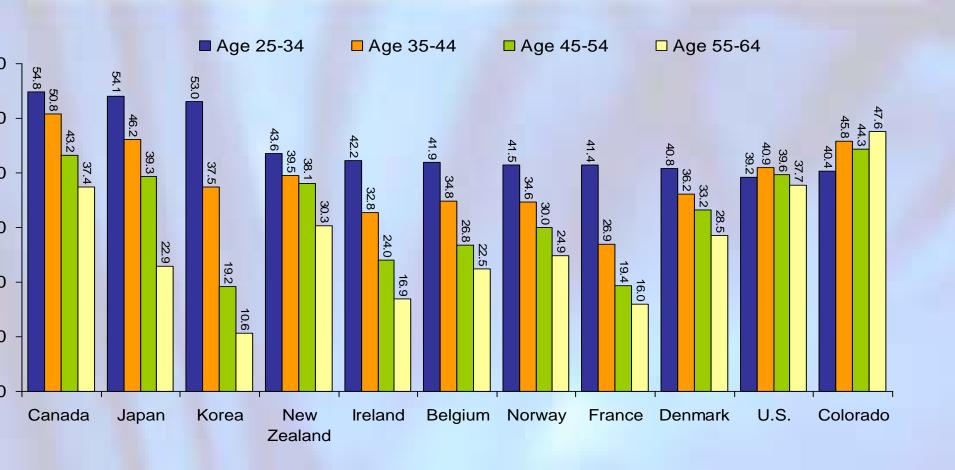
States Per Capita Income, 2007



New Economy Index, 2008



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



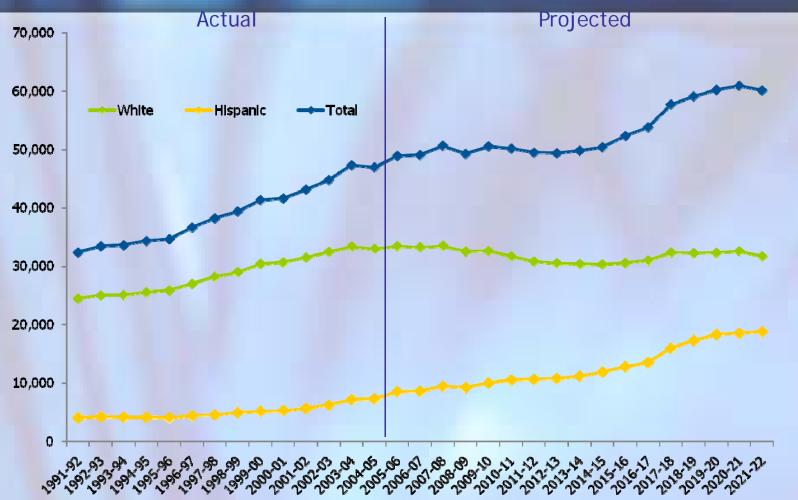
The White Caps on the First Wave

- We've Been A Leader
 - Education Level
 - The New Economy Index
- But Slip-Sliding Away
 - Losing Ground:
 - On Education Level
 - Falling Nationally
 - Falling Internationally
 - On Economic Index tell-tale signs of decline
 - And One Size Doesn't Fit All
 - Really Two Stories The Haves & the Have Nots

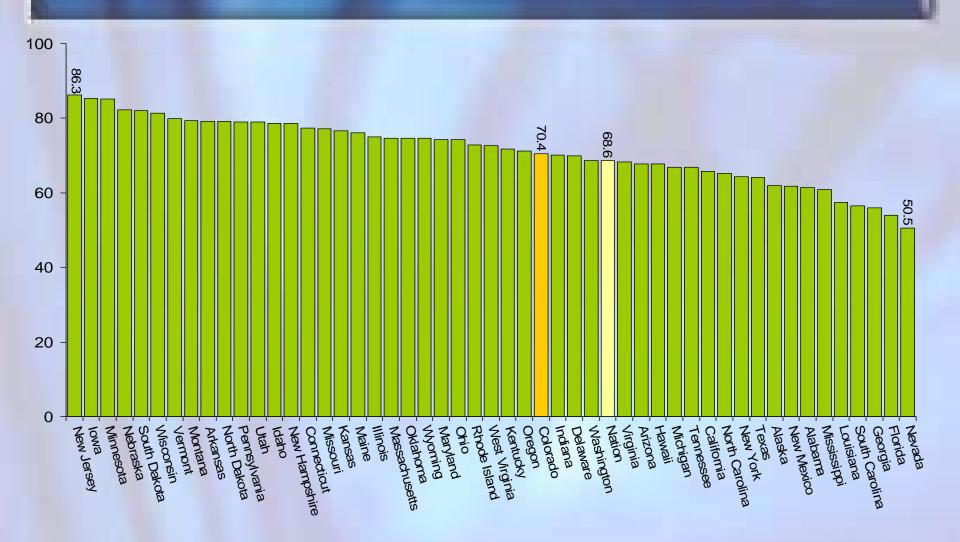
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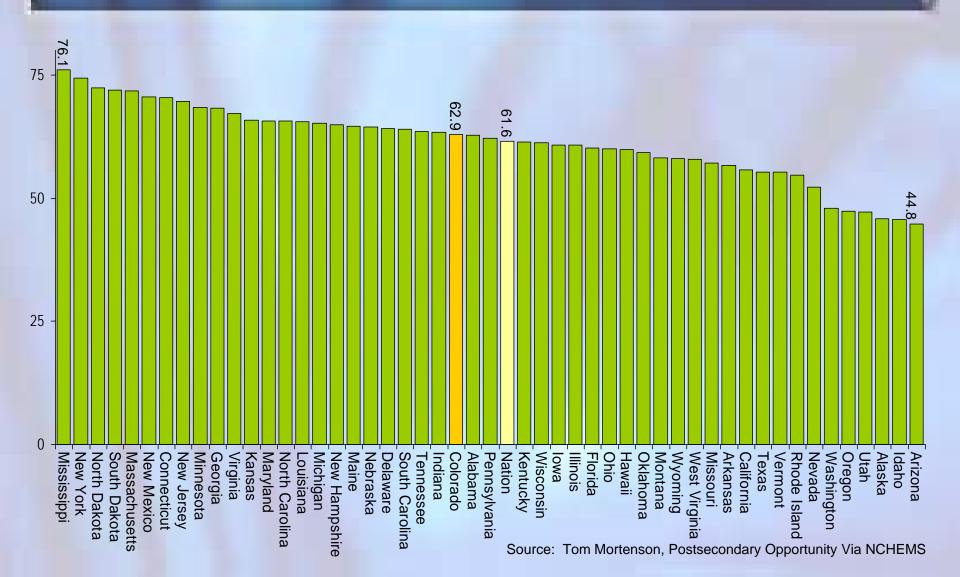
Public & Nonpublic High School Graduates 1991-92 through 2021-22, Colorado



High School Graduation Rates - Public High School Graduates as a Percent of 9th Graders Four Years Earlier, 2006

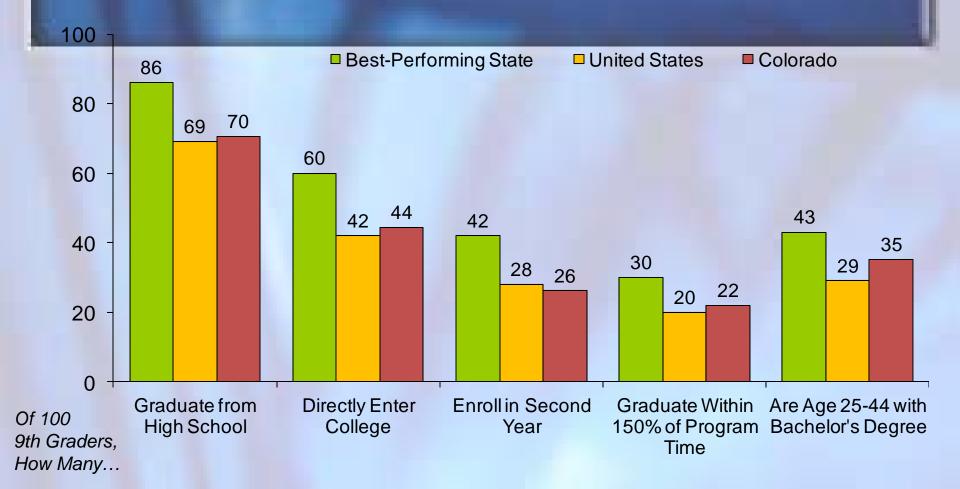


College-Going Rates—First-Time Freshmen Directly Out of High School as a Percent of Recent High School Graduates, 2006



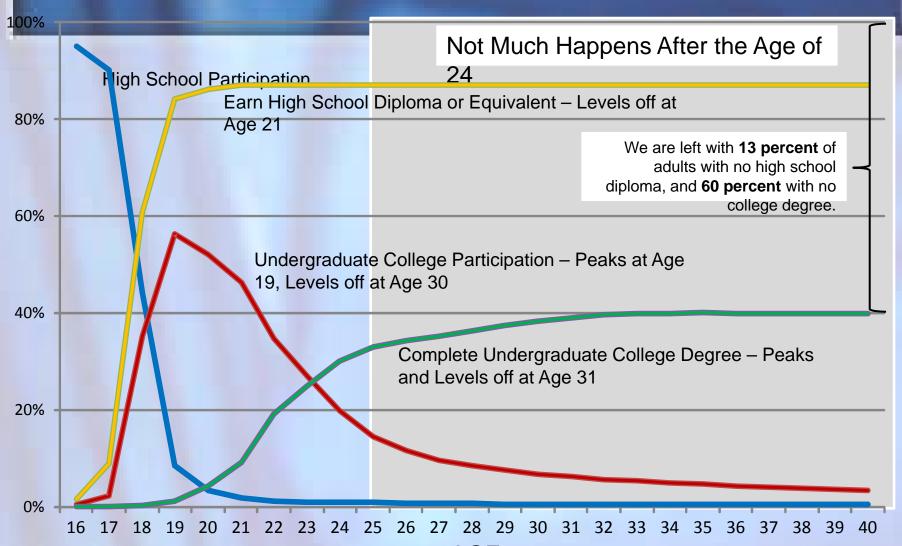
Student Pipeline, 2006

Slide



Source: Tom Mortenson, Public School Graduation Rates and College-Going Rates of Students Directly from High School, 2006; NCES, IPEDS Fall 2006 Retention Rates and 2006 Graduation Rate Survey; U.S. Census Bureau, 2006 ACS, Via NCHEMS

Patterns of U.S. High School and College Participation and Completion by Age (Average Annual from 2005 to 2007)

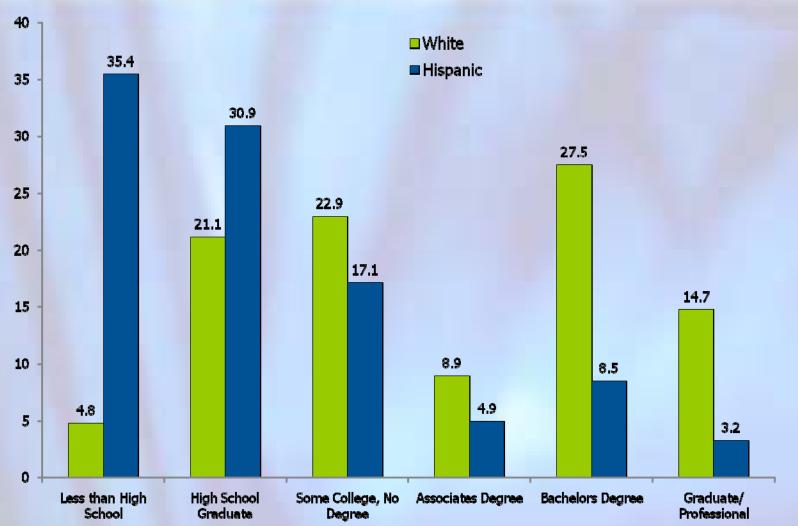


Note: Includes associate and bachelor's degrees, but not certificates.

Source: U.S. Census Bureau, 2005-07 American Community Survey (Public Use Microdata Sample)



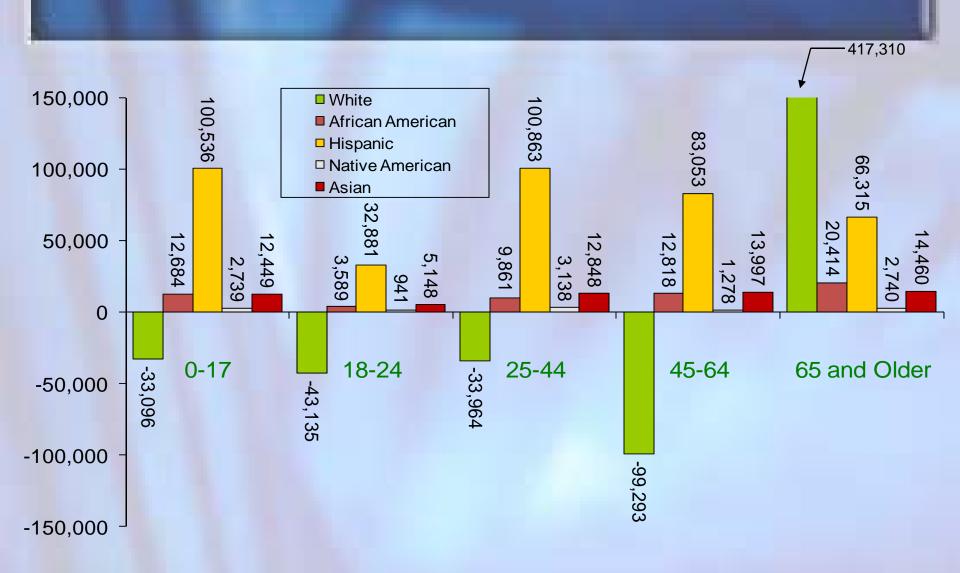
Difference in Education Attainment Between Whites and Hispanics (2006, Percent)



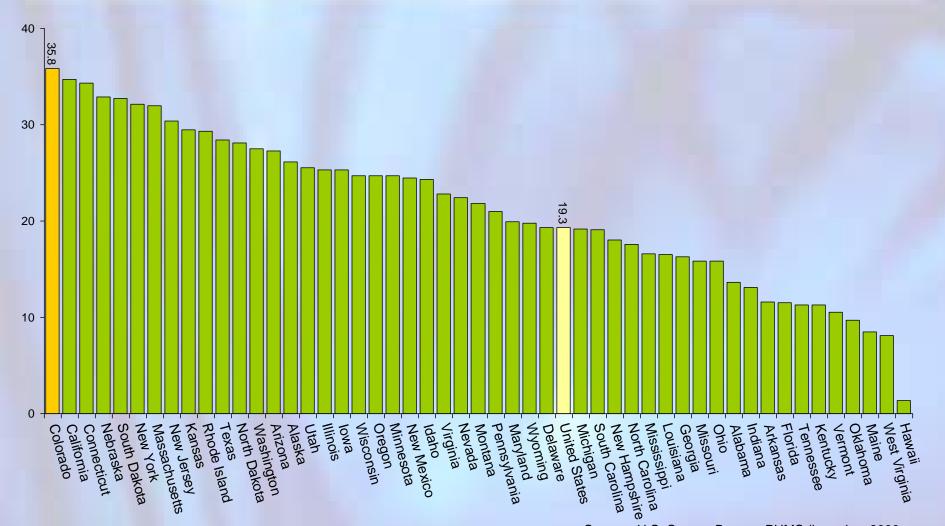
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Source: U.S. Census Bureau, 2006 American Community Survey (ACS) Public Use Microdata Sample (PUMS) File. Via NCHEMS

Projected Change in Colorado Population by Age and Race/Ethnicity, 2006-25 (in Thousands)



Difference Between Whites and Next Largest Race/Ethnic Group in Percentage of Adults Age 25-34 with an Associate Degree or Higher, 2000



Source: U.S. Census Bureau, PUMS (based on 2000 Census), Via NCHEMS

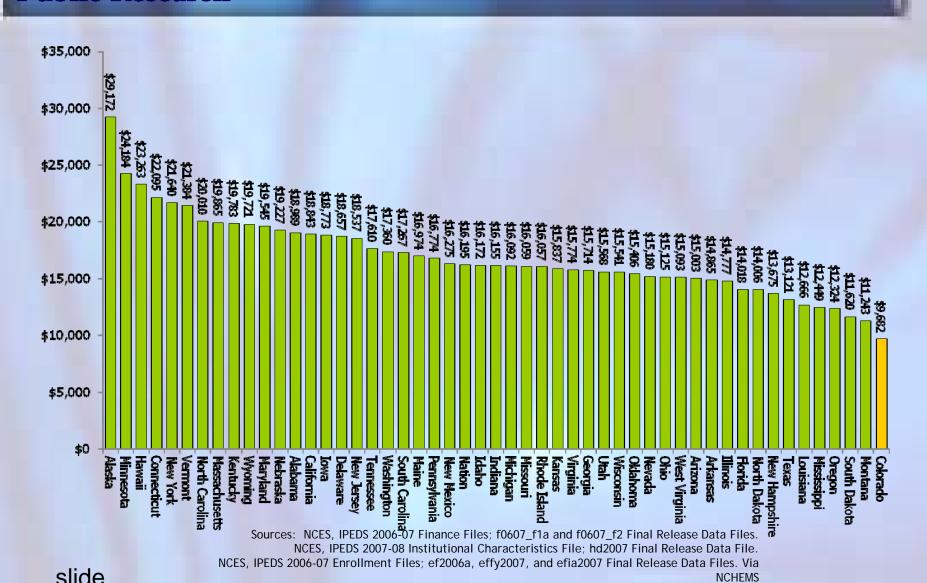
The White Caps on the Second Wave

- Those with whom we have succeeded are declining
- Those with whom we have not succeeded are increasing
- "Average" won't sustain us, and may not even be achievable
- And, And One Size Doesn't Fit All
 - Really Two Stories The Haves & the Have Nots

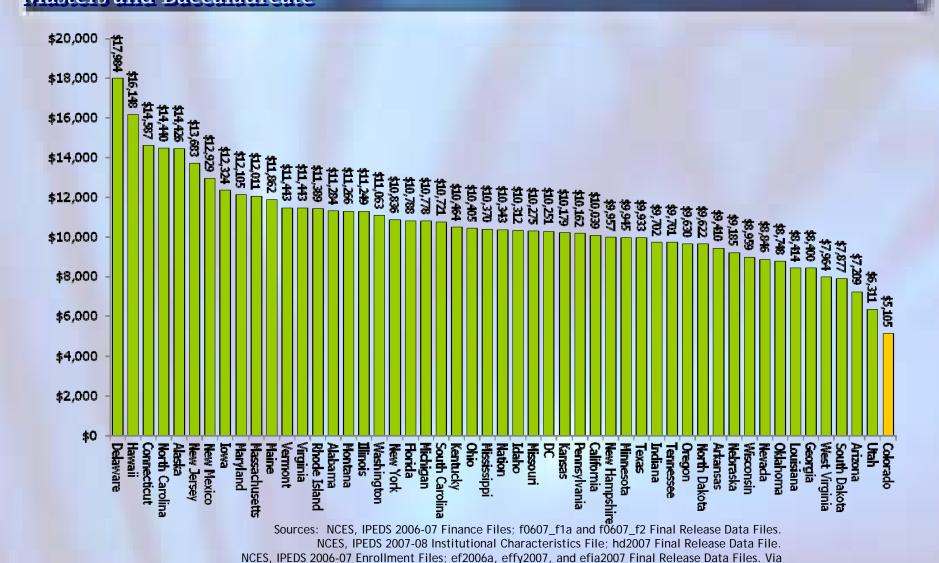
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Revenues Per Student from Net Tuition, State, & Local Appropriations Public Research



Revenues Per Student from Net Tuition, State, & Local Appropriations Public Masters and Baccalaureate



Revenues Per Student from Net Tuition, State, & Local Appropriations

Public 2-Year

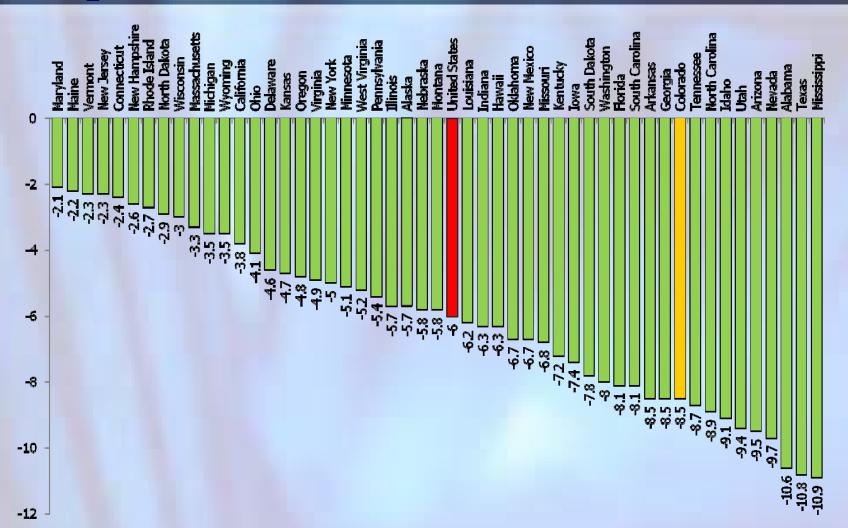


Sources: NCES, IPEDS 2006-07 Finance Files; f0607_f1a and f0607_f2 Final Release Data Files.

NCES, IPEDS 2007-08 Institutional Characteristics File; hd2007 Final Release Data File.

NCES, IPEDS 2006-07 Enrollment Files; ef2006a, effy2007, and efia2007 Final Release Data Files. Via

Projected State and Local Budget Surplus (Gap) as a Percent of Revenues, 2016



The White Caps on the Third Wave

- We're already either lean or starved
- Prospects look bleak for much more in the short term

- The good news
 - We're not alone

The Colorado Story – *Three Huge Converging Waves*

- Demographics present a challenge, all else being equal
- The finances are perilous
 - A lean system has little fat
 - And Colorado falls of the "stabilization" cliff this coming year.
- Colorado has been economically competitive, but:
 - It's slipping, as is the U.S. in general
 - And the good life has not been equitably distribute

Opportunity One: Our Economic Competitiveness

Opportunity Two: Our Changing Demographics

Opportunity Three: Our Revenue Base

Opportunity One: Our Economic Competitiveness

Colorado is still amongst the leaders

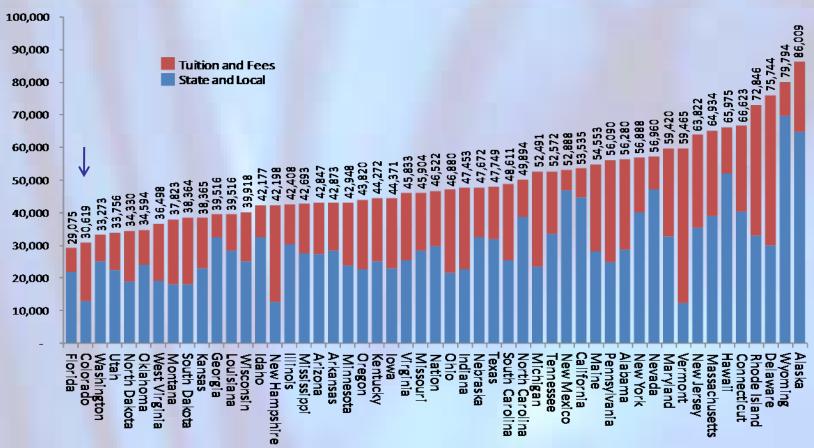
Opportunity Two: Our Changing Demographics

- We start from a reasonably successful base, over all
- Improvements in serving Hispanic students will reap huge benefits

Opportunity Three: Our Revenue Base

Colorado is very cost-effective in current delivery

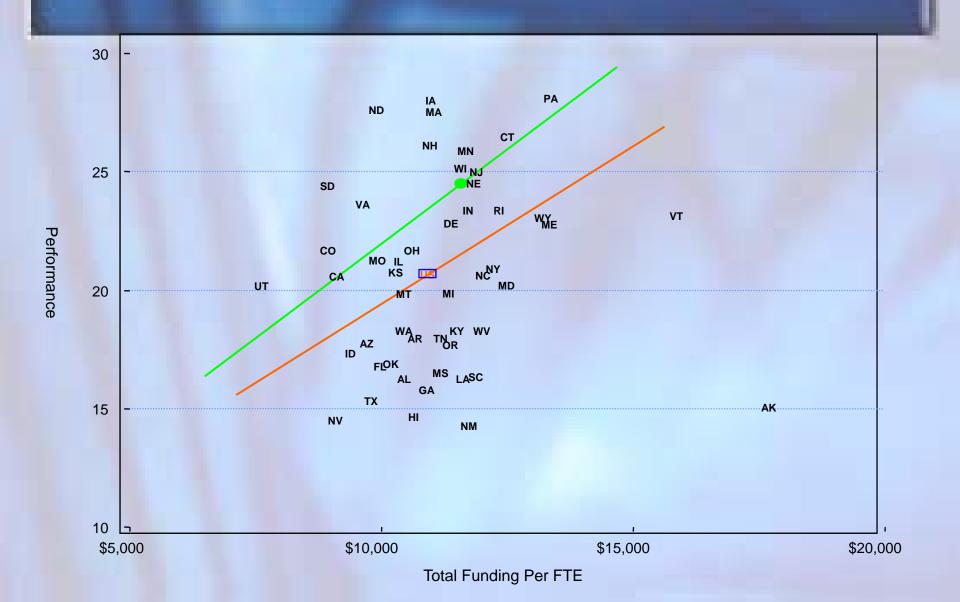
Productivity: Total Funding per Degree/Certificate (Weighted*, 2006-2007)



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

*Adjusted for value of degrees in the state employment market (median earnings by degree type and level)

Student Pipeline Result, 2002

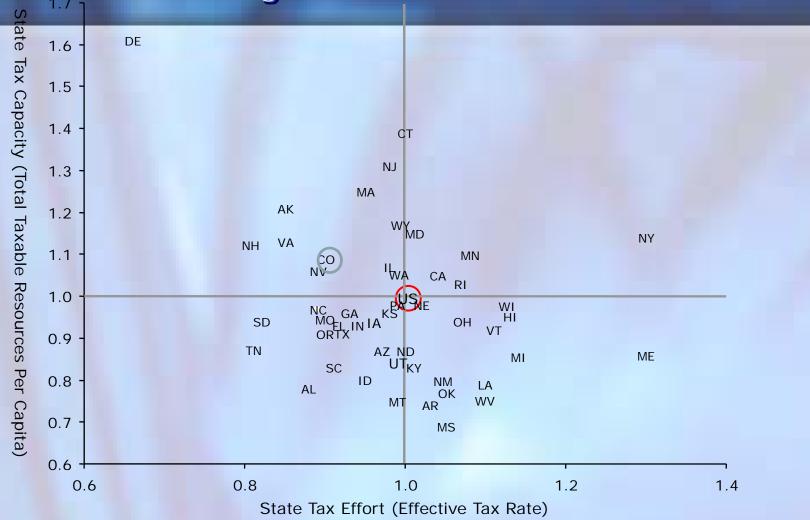


Opportunity Three: Our Revenue Base

- Colorado is very cost-effective in current delivery
- The State has the capacity

State Tax Capacity & Effort

Indexed to U.S. Average



Source: State Higher Education Executive Officers (SHEEO)

- Opportunity One: Our Economic Competitiveness
 - Colorado is still amongst the leaders
- Opportunity Two: Our Changing Demographics
 - We start from a reasonably successful base, over all
 - Improvements in serving Hispanic students will reap huge benefits
- Opportunity Three: Our Revenue Base
 - Colorado is very cost-effective in current delivery
 - The State has the capacity if it can develop the Will

The Master Planning Challenge

You have the context, now

Just Do It!

And if WICHE can help, just let us know (www.wiche.edu)