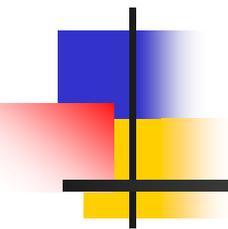


Governor's Blue Ribbon Panel on Higher Education

Bruce Benson, Chair
Rep. Gayle Berry, Vice Chair



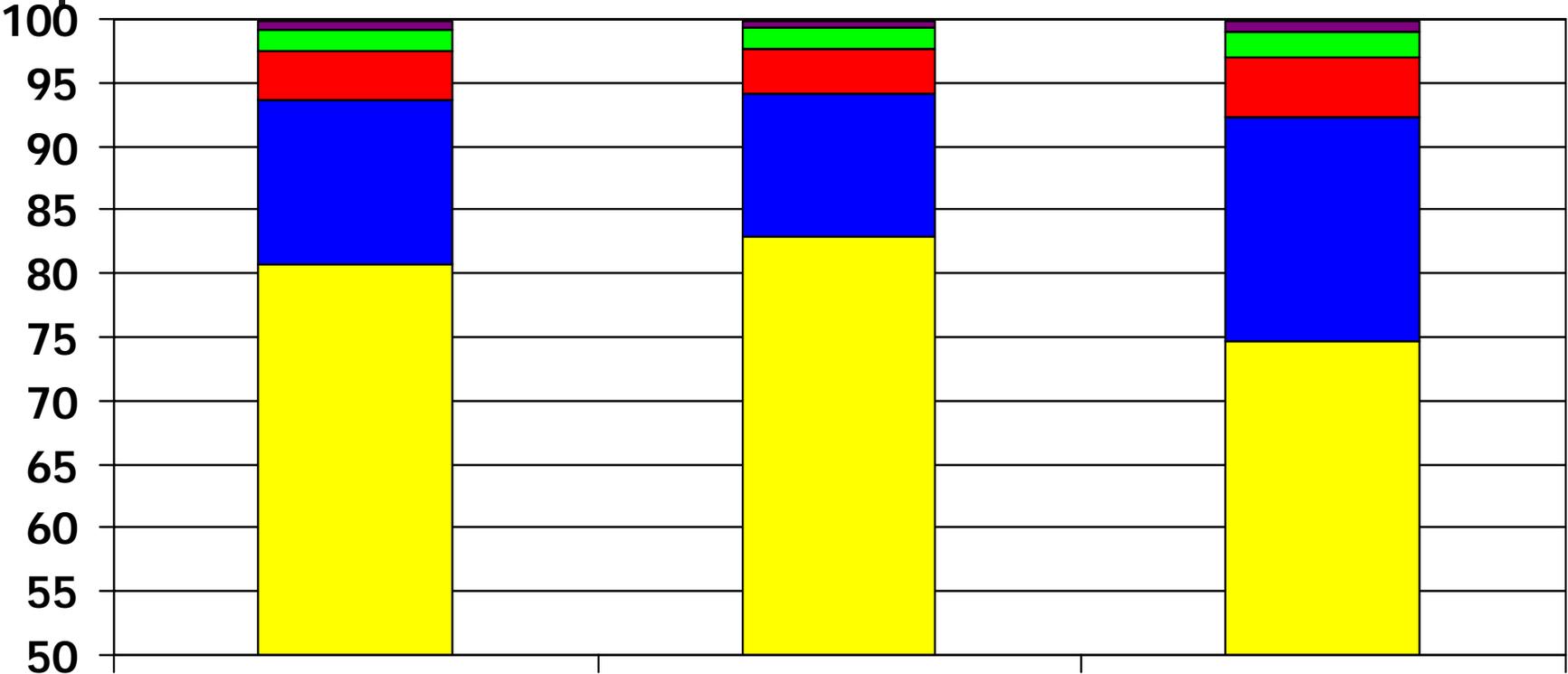
Presented November 6th 2001

James Jacobs

Tom Mortenson

John Bliss, Robert Moore & Rich Allen

Colorado Population Share 1990



Total

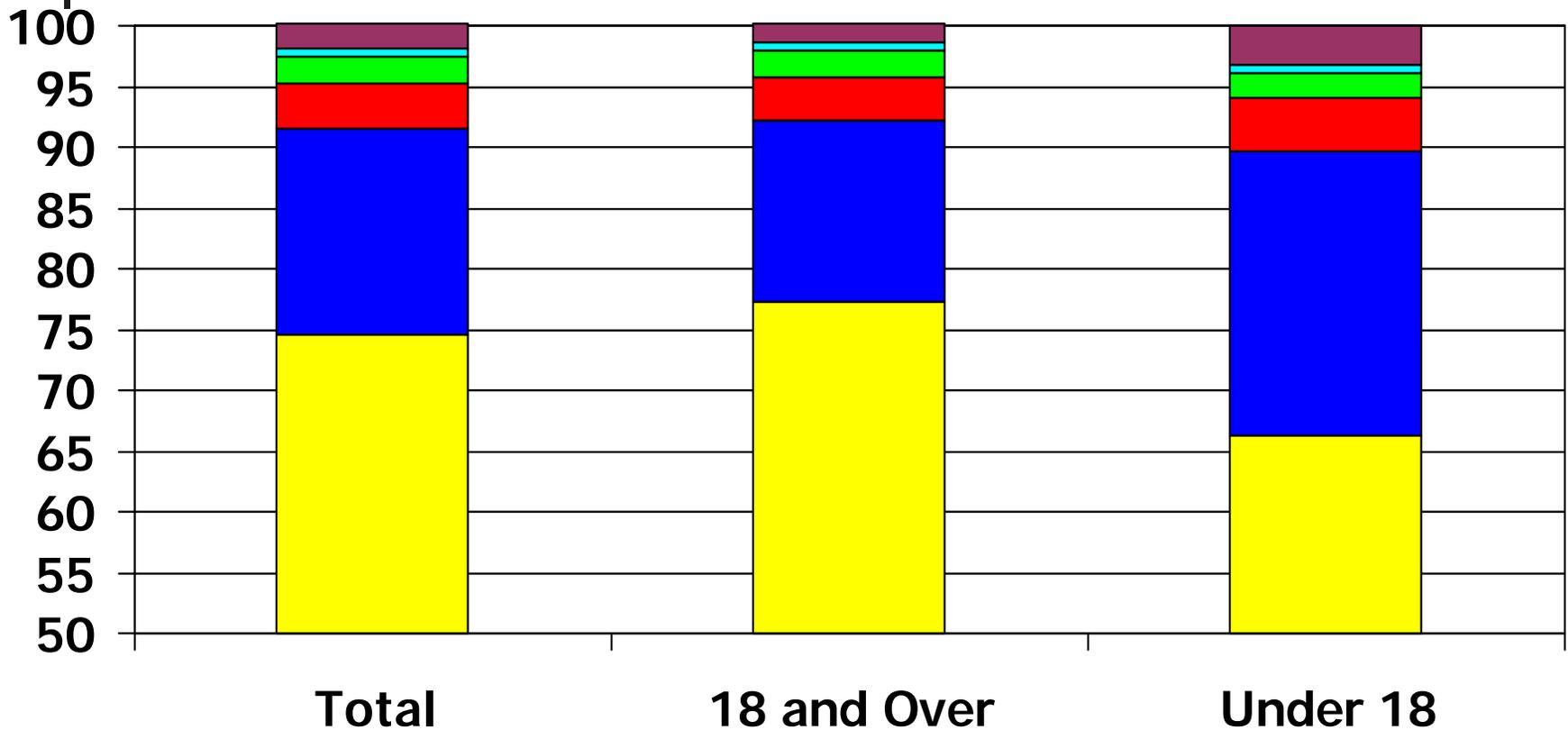
18 and Over

Under 18

White, Non-Hispanic Hispanic African American Asian American Indian

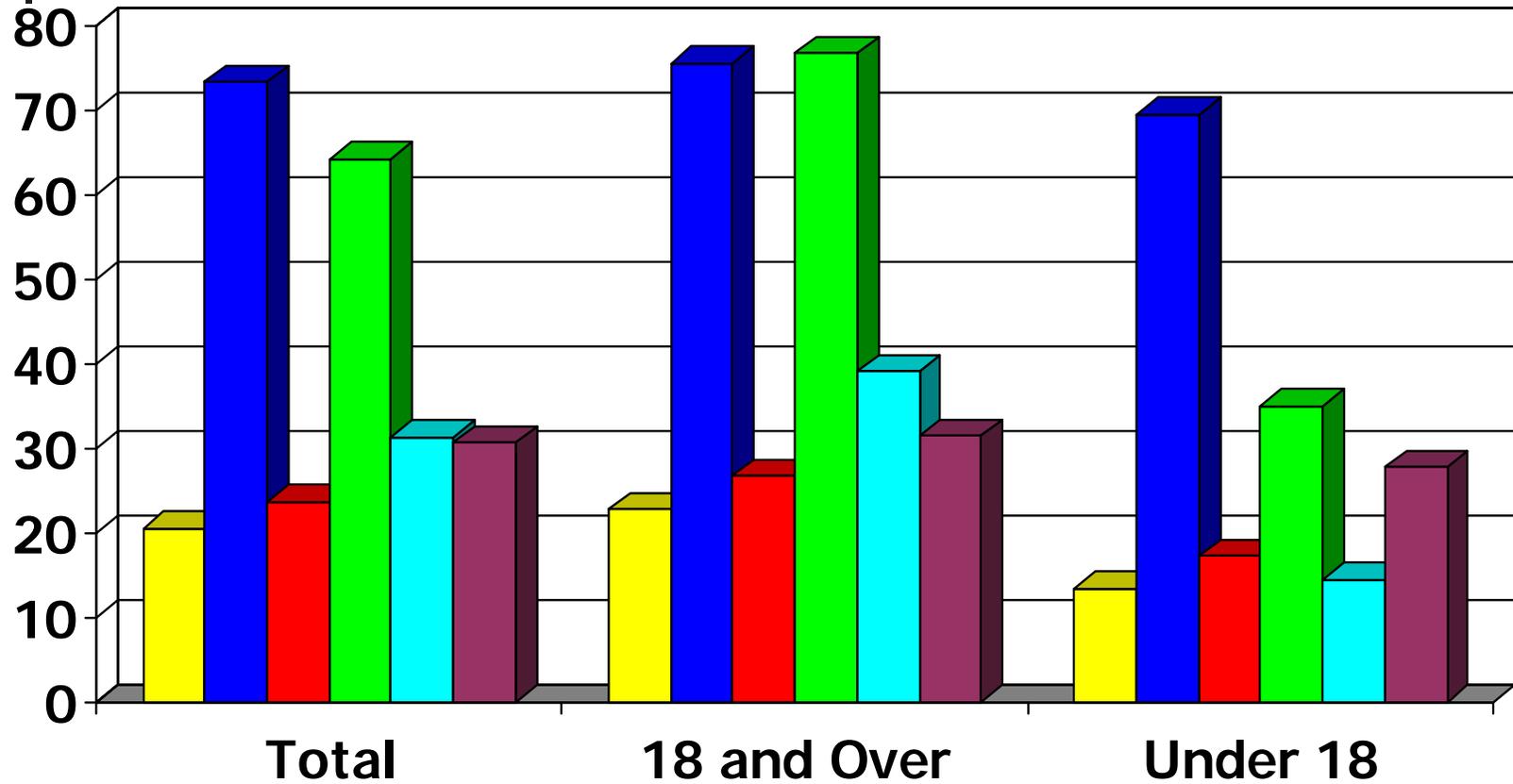
Source: U.S. Census Bureau

Colorado Population Share 2000



White, Non-Hispanic Hispanic African American Asian American Indian Other

Colorado Population Change 1990-2000



White, Non-Hispanic Hispanic African American Asian American Indian Total

U.S. Median Family Income, 2000

Families with Dependent Children 18-24 Years

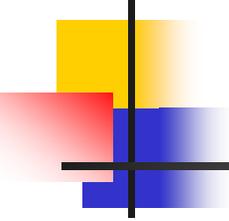


| | |
|---------------------|----------|
| White, Non-Hispanic | \$66,300 |
|---------------------|----------|

| | |
|-------|----------|
| Asian | \$47,500 |
|-------|----------|

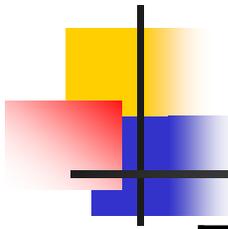
| | |
|------------------|----------|
| African-American | \$31,000 |
|------------------|----------|

| | |
|----------|----------|
| Hispanic | \$29,541 |
|----------|----------|



Household Income in Colorado

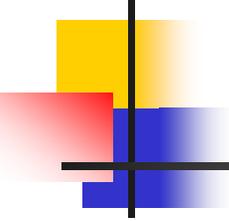
- The lowest income group (less than \$10,000) reported the largest decrease, adjusted for inflation, over the 20-year period.
- The three middle-income groups rose in the first 10 years and declined in the last.
- The highest income group (more than \$50,000) recorded the largest gain over 20 years.



Colorado Household Income Constant 2000 Dollars

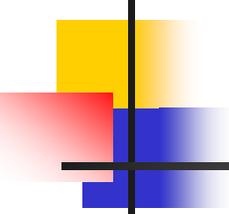
| | 1980 | 1990 | 2000 |
|---------------------|-------------|-------------|-------------|
| Less than \$10,000 | 8.7% | 8.2% | 7.2% |
| \$10,000 - \$14,999 | 5.2% | 5.7% | 4.9% |
| \$15,000 - \$24,999 | 11.9% | 12.3% | 11.9% |
| \$25,000 - \$49,999 | 29.4% | 29.4% | 29.2% |
| More than \$50,000 | 44.8% | 44.4% | 46.8% |

Source: U.S. Census Bureau, 1980 and 1990 Census and 2000 – Census Supplemental Estimate; constant dollar conversion – DOLA, Demographic Section, 1980 – 2.471 multiplier, 1990 – 1.487 multiplier



Peer State Selection

- The peer states were selected on the basis of:
 - population characteristics (size and demographics)
 - income
 - region
 - size and type of public higher education system



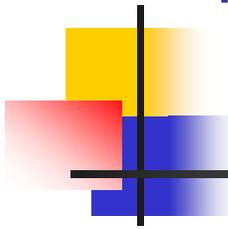
Peer States Comparison

| State | Population Size, 2000 (in Millions) | Hispanic Share of Population | Per Capita Income (2000 Preliminary) | Size of Public 4-Yr Postsecondary Education System |
|-------------------|--|---------------------------------|---|--|
| Colorado | 4.3 | 17.1% | \$32,949 | 13 |
| Arizona | 5.1 | 25.3% | \$25,578 | 3 |
| California | 33.9 | 32.4% | \$32,275 | 33 |
| Connecticut | 3.4 | 9.4% | \$40,640 | 8 |
| Illinois | 12.4 | 12.3% | \$32,259 | 12 |
| Minnesota | 4.9 | 2.9% | \$32,101 | 12 |
| Nevada | 2.0 | 19.7% | \$30,529 | 2 |
| Oregon | 3.4 | 8.0% | \$28,350 | 8 |
| Wisconsin | 5.4 | 3.6% | \$28,232 | 12 |

Population 25 Years or More Who Have Completed High School, 2000

| Top 5 States | | |
|--------------|--------------|---------|
| Rank | State | Percent |
| 1 | South Dakota | 91.8% |
| 2 | Washington | 91.8% |
| 3 | Minnesota | 90.8% |
| 4 | Utah | 90.7% |
| 5 | Alaska | 90.4% |

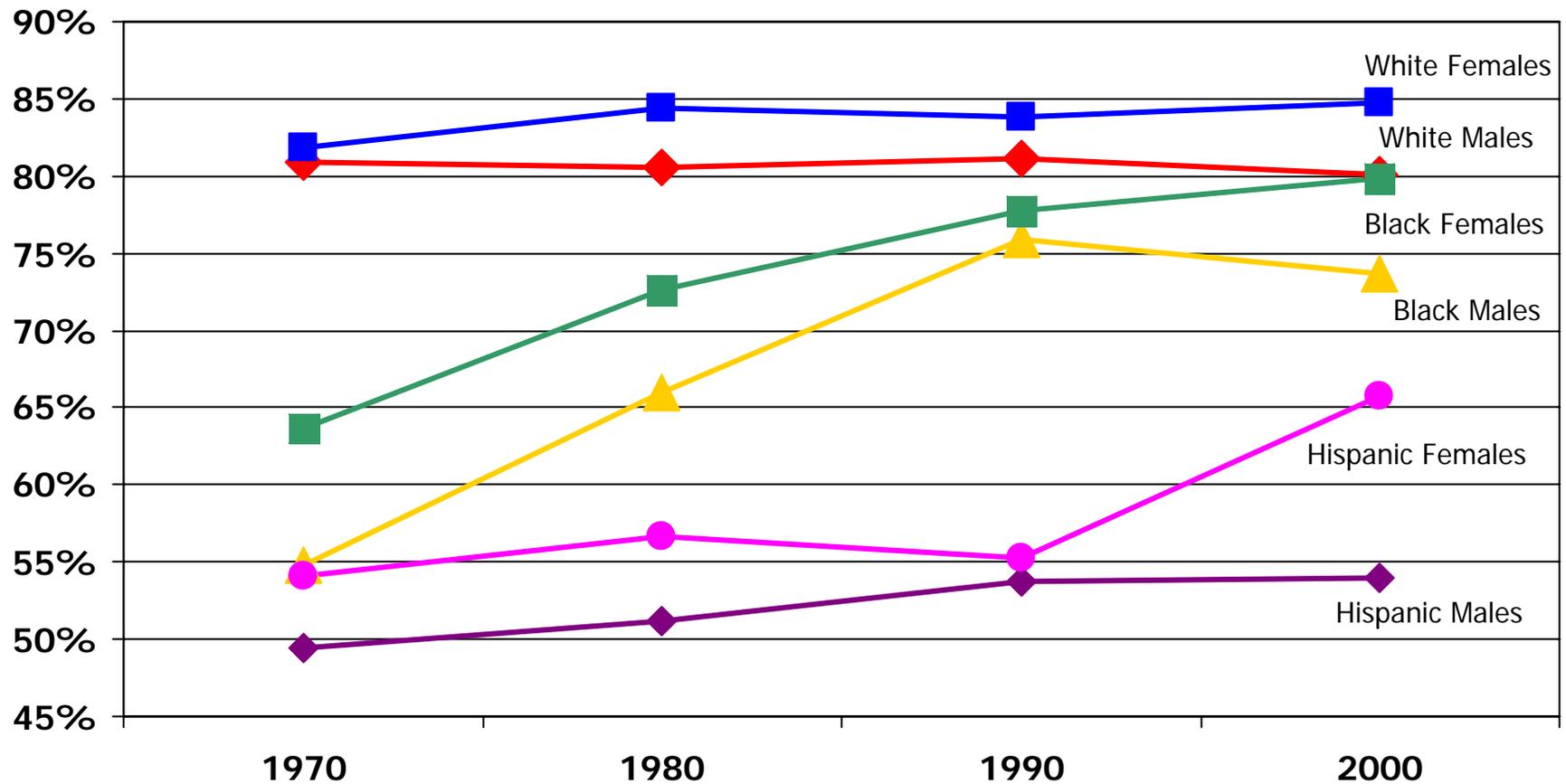
| Colorado and Peer States | | |
|--------------------------|-----------------|--------------|
| Rank | State | Percent |
| 3 | Minnesota | 90.8% |
| 9 | Colorado | 89.7% |
| 13 | Connecticut | 88.2% |
| 16 | Oregon | 88.1% |
| 20 | Wisconsin | 86.7% |
| 29 | Illinois | 85.5% |
| 31 | Arizona | 85.1% |
| 36 | Nevada | 82.8% |
| 42 | California | 81.2% |



Fall 2000 Colorado Public High School Enrollment by Ethnicity Compared With State Population

| | Public High School | State Population |
|---------------------|--------------------|------------------|
| White, Non-Hispanic | 72.2% | 74.5% |
| Hispanic | 18.1% | 17.1% |
| African-American | 5.6% | 3.7% |
| Asian | 3.1% | 2.2% |
| American Indian | 1.1% | 0.7% |

U.S. Population, High School Graduates



Percent of Teens Who Are High School Dropouts Ages 16-19, 1998

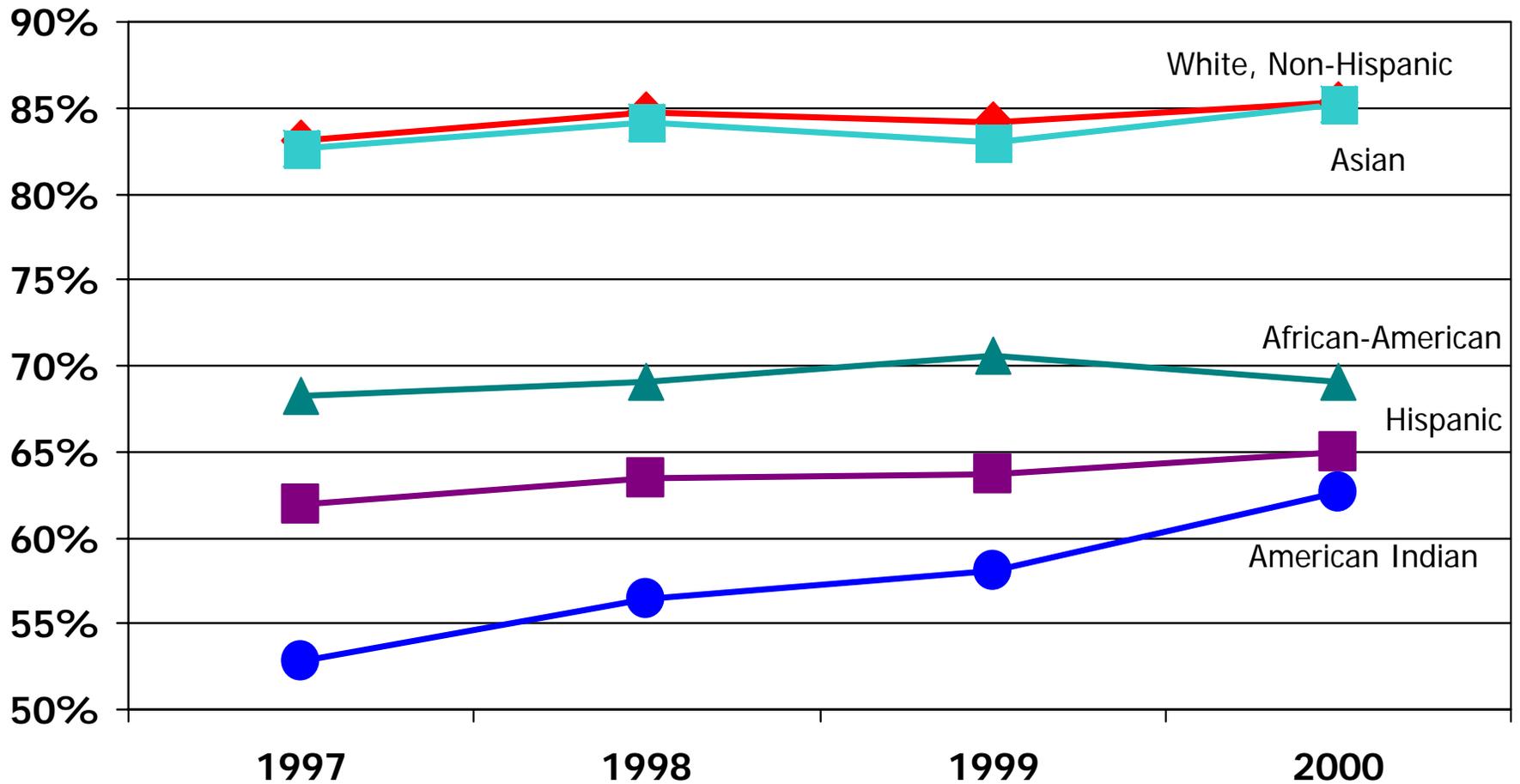
| Top 6 States | | |
|--------------|-----------------|------------|
| Rank | State | Percent |
| 1 | Nevada | 17% |
| 1 | Arizona | 17% |
| 3 | Georgia | 13% |
| 3 | Oregon | 13% |
| 3 | New Mexico | 13% |
| 3 | Colorado | 13% |

State data is based on four year continuous enrollment.

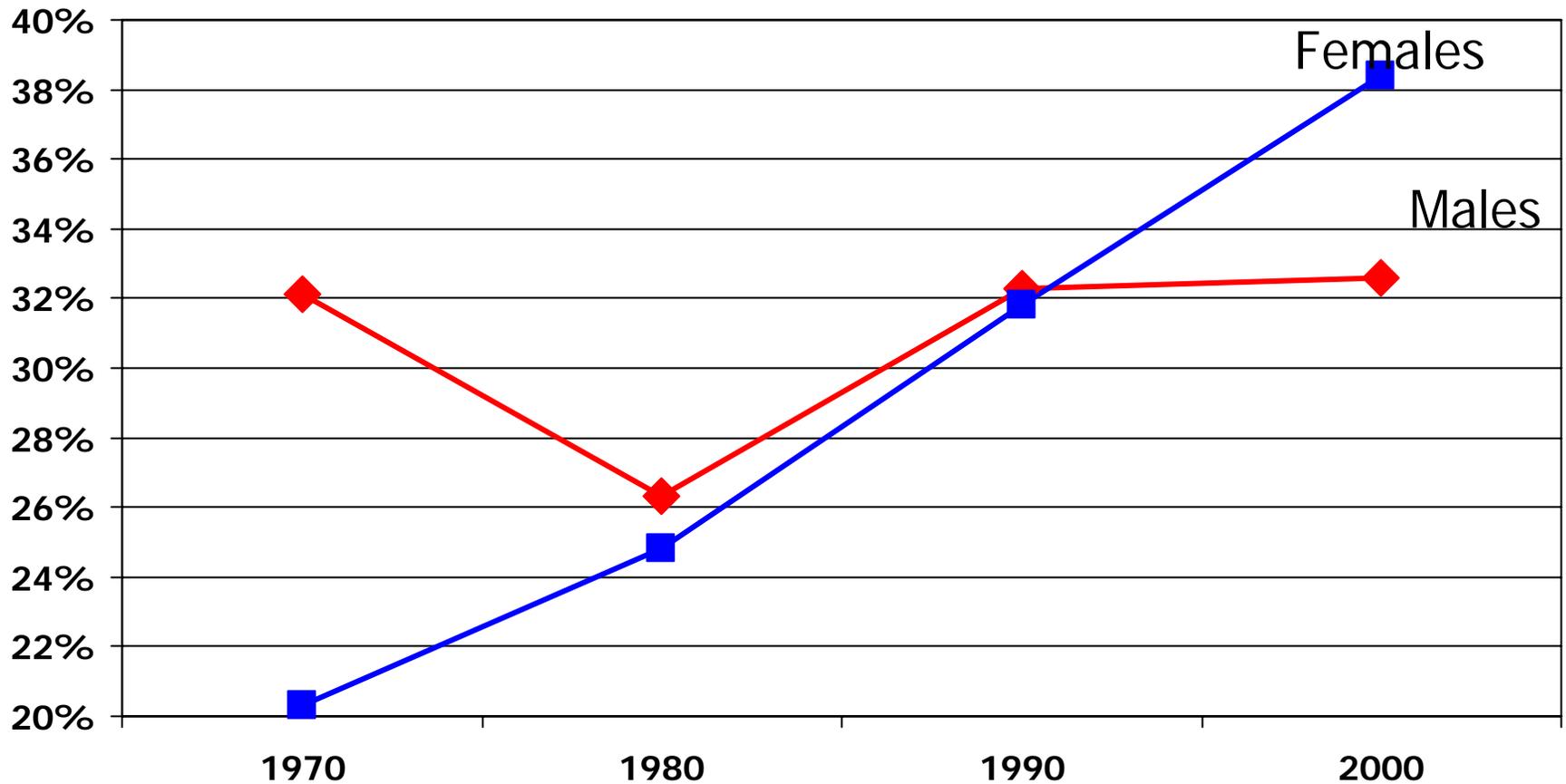
| Colorado and Peer States | | |
|--------------------------|-----------------|------------|
| Rank | State | Percent |
| 1 | Nevada | 17% |
| 1 | Arizona | 17% |
| 3 | Colorado | 13% |
| 3 | Oregon | 13% |
| 19 | Illinois | 9% |
| 19 | California | 9% |
| 19 | Connecticut | 9% |
| 43 | Minnesota | 6% |
| 48 | Wisconsin | 5% |

This is the percentage of teenagers between ages 16 and 19 who are not enrolled in school and are not high school graduates

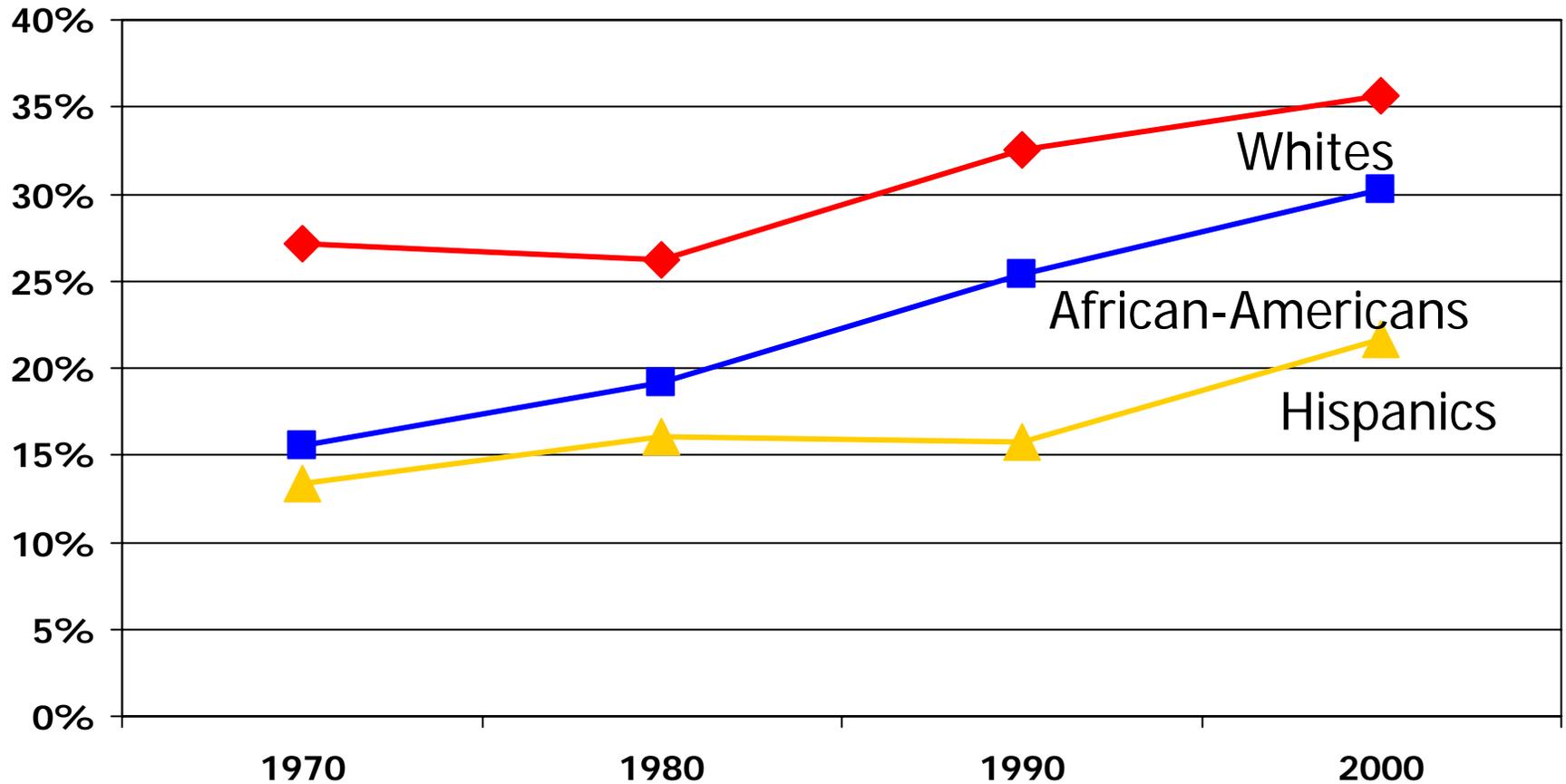
Colorado Public High School Graduation Rates



U.S. Population 18-24 Years, Males & Females Enrolled in College

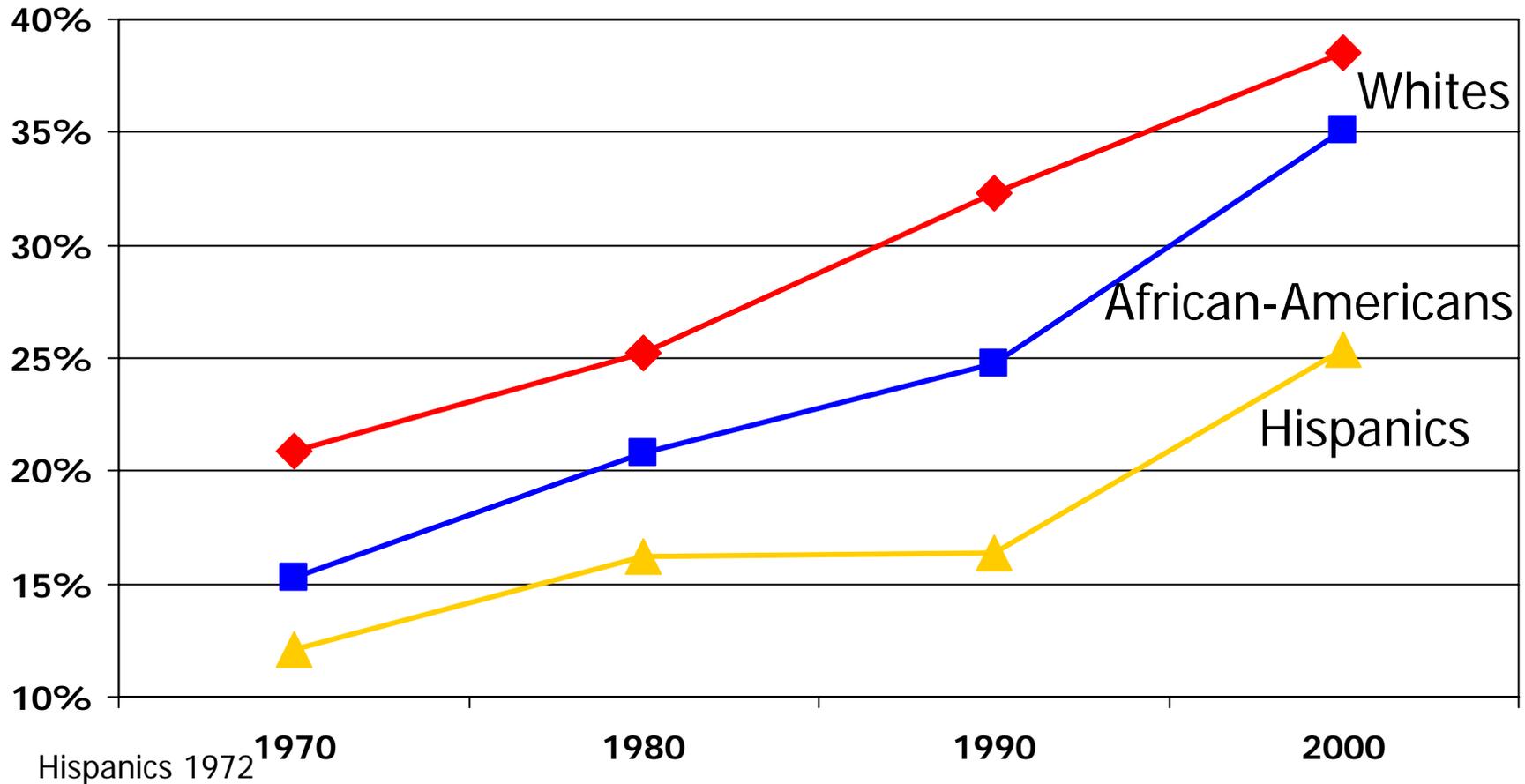


U.S. Population 18-24 Years Enrolled in College

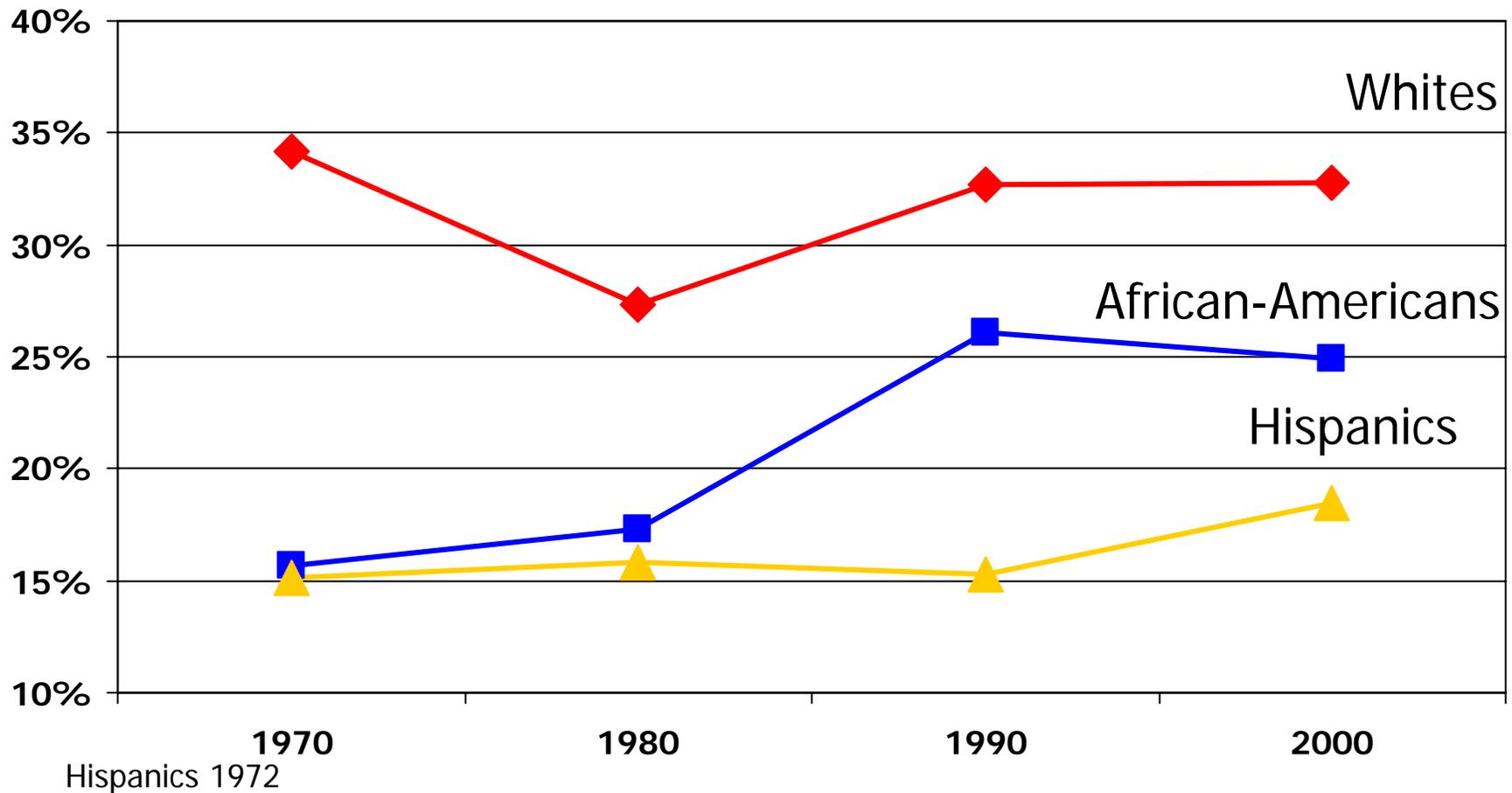


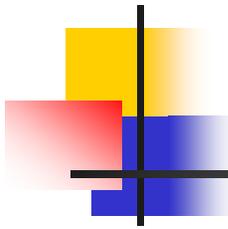
Hispanics 1972

U.S. Population 18-24, Females Enrolled in College



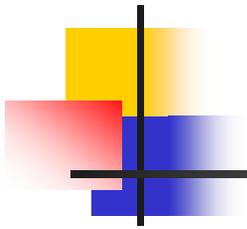
U.S. Population 18-24, Males Enrolled in College





Colorado Population 18-24 Years Enrolled in a Colorado Public Institution of Higher Education

| Ethnicity | Male | | Female | |
|---------------------|------|------|--------|------|
| | 1990 | 2000 | 1990 | 2000 |
| White, Non-Hispanic | 31% | 28% | 32% | 34% |
| African-American | 14% | 17% | 16% | 22% |
| Hispanic | 14% | 9% | 15% | 15% |
| Total | 28% | 29% | 23% | 29% |

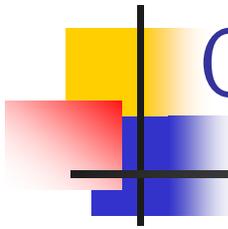


Population 25 Years or More With a B.A., 2000

| Top 5 States | | |
|---------------------|-----------------|----------------|
| Rank | State | Percent |
| 1 | Colorado | 34.6% |
| 2 | Massachusetts | 32.7% |
| 3 | Maryland | 32.3% |
| 4 | Virginia | 31.9% |
| 5 | Connecticut | 31.6% |

| Colorado and Peer States | | |
|---------------------------------|-----------------|----------------|
| Rank | State | Percent |
| 1 | Colorado | 34.6% |
| 5 | Connecticut | 31.6% |
| 6 | Minnesota | 31.2% |
| 13 | California | 27.5% |
| 15 | Oregon | 27.2% |
| 16 | Illinois | 27.1% |
| 23 | Arizona | 24.6% |
| 31 | Wisconsin | 23.8% |
| 45 | Nevada | 19.3% |

SOURCE: Bureau of the Census, December 19, 2000, via Internet



High School Freshmen Enrolling in College Within Four Years in Any State

This participation measure looks at the percentage of high school freshman that enroll in any postsecondary institution within four years.

The statistic is based upon the number of students who immediately continue on to an institution of higher education after high school graduation.

| Top 5 States | | |
|--------------|---------------|---------|
| Rank | State | Percent |
| 1 | North Dakota | 63% |
| 2 | Iowa | 54% |
| 3 | Massachusetts | 54% |
| 4 | New Jersey | 54% |
| 5 | Nebraska | 51% |

| Colorado and Peer States | | |
|--------------------------|-----------------|------------|
| Rank | State | Percent |
| 6 | Illinois | 49% |
| 8 | Minnesota | 46% |
| 8 | Wisconsin | 46% |
| 14 | Connecticut | 44% |
| 17 | California | 43% |
| 31 | Colorado | 38% |
| 37 | Oregon | 35% |
| 49 | Arizona | 28% |
| 50 | Nevada | 25% |

Percentage Share of the Population Attending a 4-year Institution, Fall 1999

| Top 5 States | | |
|--------------|---------------|---------|
| Rank | State | Percent |
| 1 | Rhode Island | 5.65% |
| 2 | Utah | 5.63% |
| 3 | Massachusetts | 5.25% |
| 4 | Vermont | 5.14% |
| 5 | North Dakota | 4.84% |

With only public 4-year institutions, Colorado placed 10th in the nation.

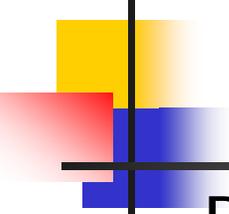
| Colorado and Peer States | | |
|--------------------------|-----------------|--------------|
| Rank | State | Percent |
| 14 | Colorado | 4.10% |
| 22 | Wisconsin | 3.75% |
| 25 | Minnesota | 3.59% |
| 29 | Connecticut | 3.36% |
| 33 | Illinois | 3.12% |
| 41 | Arizona | 2.87% |
| 42 | Oregon | 2.79% |
| 45 | California | 2.45% |
| 50 | Nevada | 1.98% |

Percentage Share of the Population Attending a 2-year Institution, Fall 1999

| Top 5 States | | |
|--------------|------------|---------|
| Rank | State | Percent |
| 1 | Wyoming | 3.66% |
| 2 | California | 3.51% |
| 3 | Arizona | 3.49% |
| 4 | Washington | 2.98% |
| 5 | New Mexico | 2.95% |

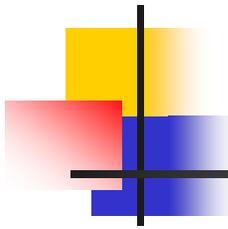
For only public 2-year institutions, Colorado placed 22nd.

| Colorado and Peer States | | |
|--------------------------|-----------------|--------------|
| Rank | State | Percent |
| 2 | California | 3.66% |
| 3 | Arizona | 3.49% |
| 6 | Illinois | 2.79% |
| 8 | Nevada | 2.51% |
| 9 | Oregon | 2.35% |
| 14 | Minnesota | 2.16% |
| 20 | Colorado | 1.98% |
| 22 | Wisconsin | 1.93% |
| 38 | Connecticut | 1.24% |



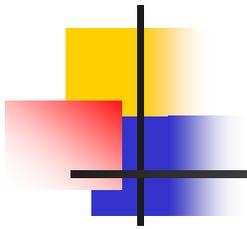
Population Growth and Higher Education Enrollments

- Between 1990 and 2000, Colorado's population grew by 31% and the number of 18-24 year-olds increased by 27%.
- Resident headcount at the state's public institutions rose by 7.5% between the fall of 1990 and 2000.
- Resident FTE at those same institutions increased by 7.8%, rising by 4.6% at four-year institutions and by 14.6% at two-year institutions.



Resident FTE Enrollment Changes

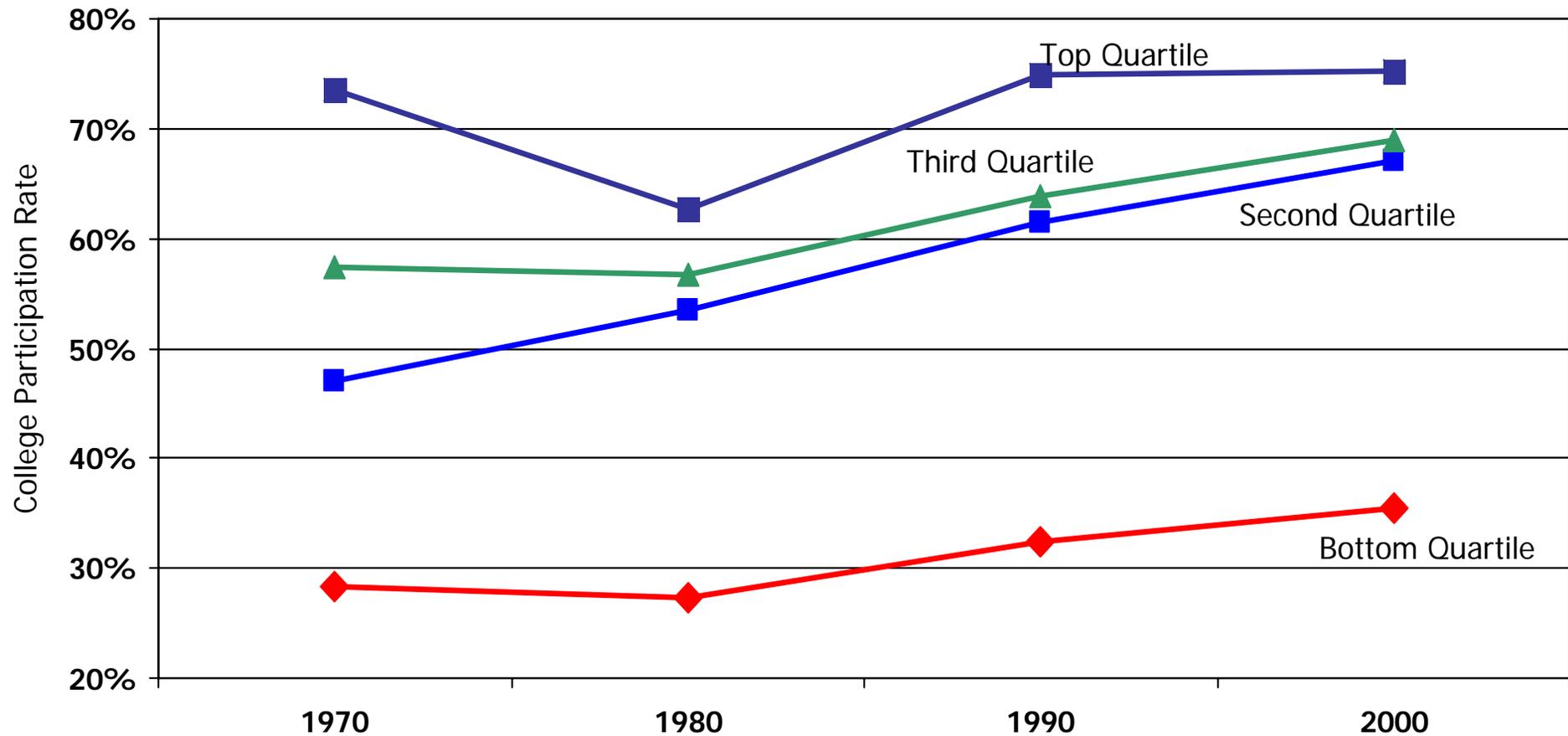
| Resident FTE Enrollment | FY 1991-2001 | FY 1991-1995 | FY 1995-2001 |
|---|---------------------|---------------------|---------------------|
| Public Institutions | 7.8% | 2.4% | 5.2% |
| 4-Year Public Institution | 4.6% | 0.2% | 4.4% |
| 2-Year Public Institutions | 14.6% | 7.3% | 6.9% |



Colorado's Lowest Income Quartile Participation Rates

- From 1992 to 1999, Colorado's lowest income quartile participation rate was 16.8%
- Between 1992 and 1999, Colorado placed 41st in its average lowest income quartile participation rate
- The U.S. average over the same time period was 23.7%
- Colorado ranked 50th nationally in 1999

College Participation Rates by Income Quartile



Chance for College for Students from Low Income Families 1993 to 1999

| Top 5 States | | |
|---------------------|---------------|----------------|
| Rank | State | Percent |
| 1 | New Hampshire | 48.5% |
| 2 | New Jersey | 43.0% |
| 3 | Rhode Island | 41.8% |
| 4 | New York | 40.9% |
| 5 | Minnesota | 38.8% |

| Rank | Colorado & Peer States | 1999 | 1992 |
|-------------------------|-----------------------------------|--------------|--------------|
| 5 | Minnesota | 38.8% | 48.4% |
| 11 | Wisconsin | 33.2% | 36.8% |
| 13 | Connecticut | 32.3% | 17.2% |
| 17 | Oregon | 27.4% | 14.3% |
| 23 | California | 25.1% | 16.5% |
| 24 | Illinois | 24.5% | 23.4% |
| 44 | Nevada | 17.4% | 15.4% |
| 46 | Arizona | 17.0% | 16.3% |
| 50 | Colorado | 13.7% | 16.4% |
| National Average | | 24.5% | 20.0% |

Undergraduate Resident Tuition & Fees Flagship Universities

This study identifies the University of Colorado – Boulder as the state's flagship university.

In FY 2001, tuition and fees at the state's flagship university trailed the national average by almost \$800.

| Top 5 States | | |
|--------------|---------------|---------|
| Rank | State | Amount |
| 1 | Vermont | \$8,288 |
| 2 | New Hampshire | \$7,395 |
| 3 | Pennsylvania | \$6,852 |
| 4 | Michigan | \$6,513 |
| 5 | New Jersey | \$6,333 |

Flagship University

| Rank | Colorado & Peer States | FY 2001 | FY 1991 | % Change |
|-------------------------|------------------------|----------------|----------------|--------------|
| 6 | Connecticut | \$5,596 | \$2,974 | 88.2% |
| 11 | Illinois | \$4,994 | \$2,990 | 67.0% |
| 12 | Minnesota | \$4,877 | \$2,728 | 78.8% |
| 19 | California | \$4,046 | \$1,999 | 102.4% |
| 21 | Oregon | \$3,819 | \$1,965 | 94.4% |
| 24 | Wisconsin | \$3,788 | \$2,107 | 79.8% |
| 26 | Nevada | \$3,465 | \$1,380 | 151.1% |
| 34 | Colorado | \$3,188 | \$2,256 | 41.3% |
| 49 | Arizona | \$2,344 | \$1,540 | 52.2% |
| National Average | | \$4,000 | \$2,156 | 85.5% |

Undergraduate Resident Tuition & Fees Comprehensive Colleges & State Universities

Resident tuition and fees at ASC, CSU, FLC, MSCD, UNC and WSC were averaged in the study's annual tuition and fee report to determine average tuition and fees at Colorado's comprehensive colleges and state universities.

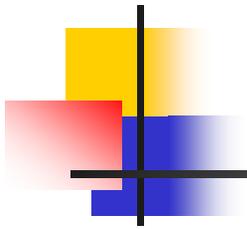
In FY 2001, average tuition & required fees at Colorado's comprehensive colleges & state universities trailed the national average by \$815.

| Top 5 States | | |
|--------------|---------------|---------|
| Rank | State | Amount |
| 1 | New Jersey | \$5,328 |
| 2 | New Hampshire | \$5,309 |
| 3 | Vermont | \$4,944 |
| 4 | Pennsylvania | \$4,695 |
| 5 | Ohio | \$4,674 |

Comprehensive Colleges and State Universities

| Rank | Colorado & Peer States | FY 2001 | FY 1991 | % Change |
|-------------------------|------------------------|----------------|----------------|--------------|
| 9 | Illinois | \$4,002 | \$2,217 | 80.5% |
| 10 | Connecticut | \$3,908 | \$1,802 | 116.9% |
| 15 | Oregon | \$3,435 | \$1,849 | 85.8% |
| 19 | Minnesota | \$3,238 | \$1,889 | 71.4% |
| 22 | Wisconsin | \$3,058 | \$1,829 | 67.2% |
| 38 | Colorado | \$2,353 | \$1,509 | 55.9% |
| 40 | Arizona | \$2,344 | \$1,540 | 52.2% |
| 41 | Nevada | \$2,220 | \$1,380 | 60.9% |
| 46 | California | \$1,859 | \$929 | 100.1% |
| National Average | | \$3,168 | \$1,735 | 82.6% |

Undergraduate Resident Tuition & Fees Community Colleges



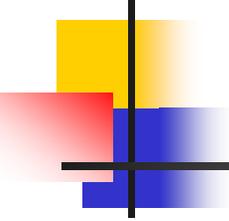
In FY 2001, average tuition & required fees at Colorado's community colleges exceeds the national average by nearly \$200.

Community Colleges

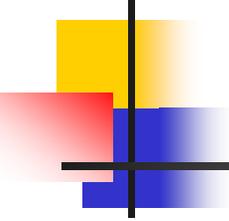
| Top 5 States | | |
|--------------|---------------|---------|
| Rank | State | Amount |
| 1 | New Hampshire | \$4,144 |
| 2 | Vermont | \$2,898 |
| 3 | Iowa | \$2,720 |
| 4 | New York | \$2,602 |
| 5 | Indiana | \$2,504 |

| Rank | Colorado & Peer States | FY 2001 | FY 1991 | % Change |
|-------------------------|------------------------|----------------|----------------|--------------|
| 6 | Minnesota | \$2,472 | \$1,474 | 67.7% |
| 7 | Wisconsin | \$2,453 | \$1,410 | 74.0% |
| 18 | Colorado | \$1,920 | \$1,060 | 81.1% |
| 19 | Connecticut | \$1,886 | \$934 | 101.9% |
| 20 | Oregon | \$1,828 | \$801 | 128.2% |
| 28 | Illinois | \$1,507 | \$898 | 67.8% |
| 39 | Nevada | \$1,275 | \$720 | 77.1% |
| 46 | Arizona | \$903 | \$553 | 63.3% |
| 49 | California | \$330 | \$100 | 230.0% |
| National Average | | \$1,729 | \$947 | 82.6% |

Background on Student Price Responsiveness



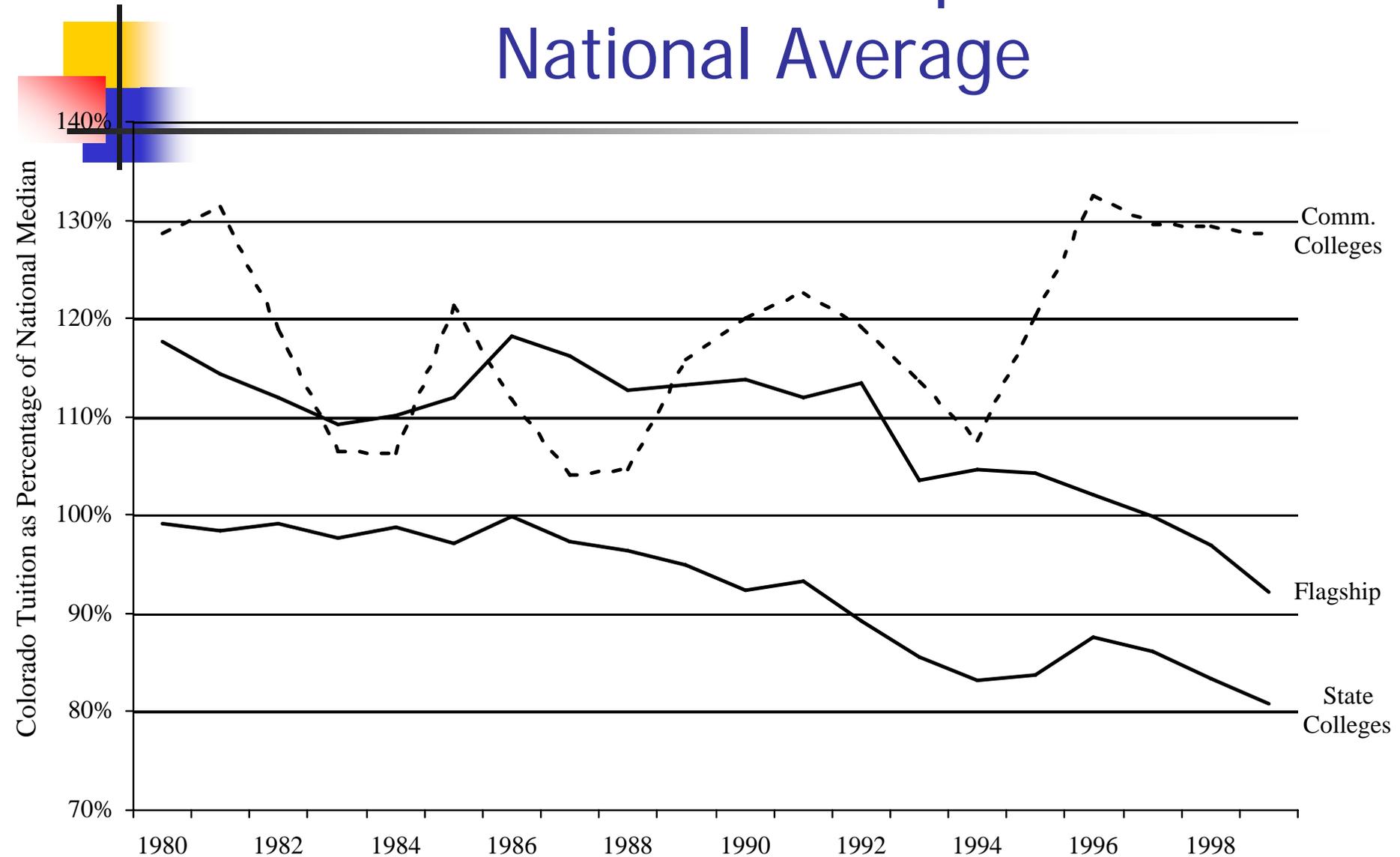
- Higher prices lead to lower enrollment rates, everything else being equal
 - \$100 tuition increase is related to a public enrollment drop of one to two percentage points
- Everything else is not equal
- Tuition is more powerful than financial aid at influencing enrollment
- Lower income, African American, and Hispanic students are more price sensitive
- Enrollments in community colleges are more price sensitive



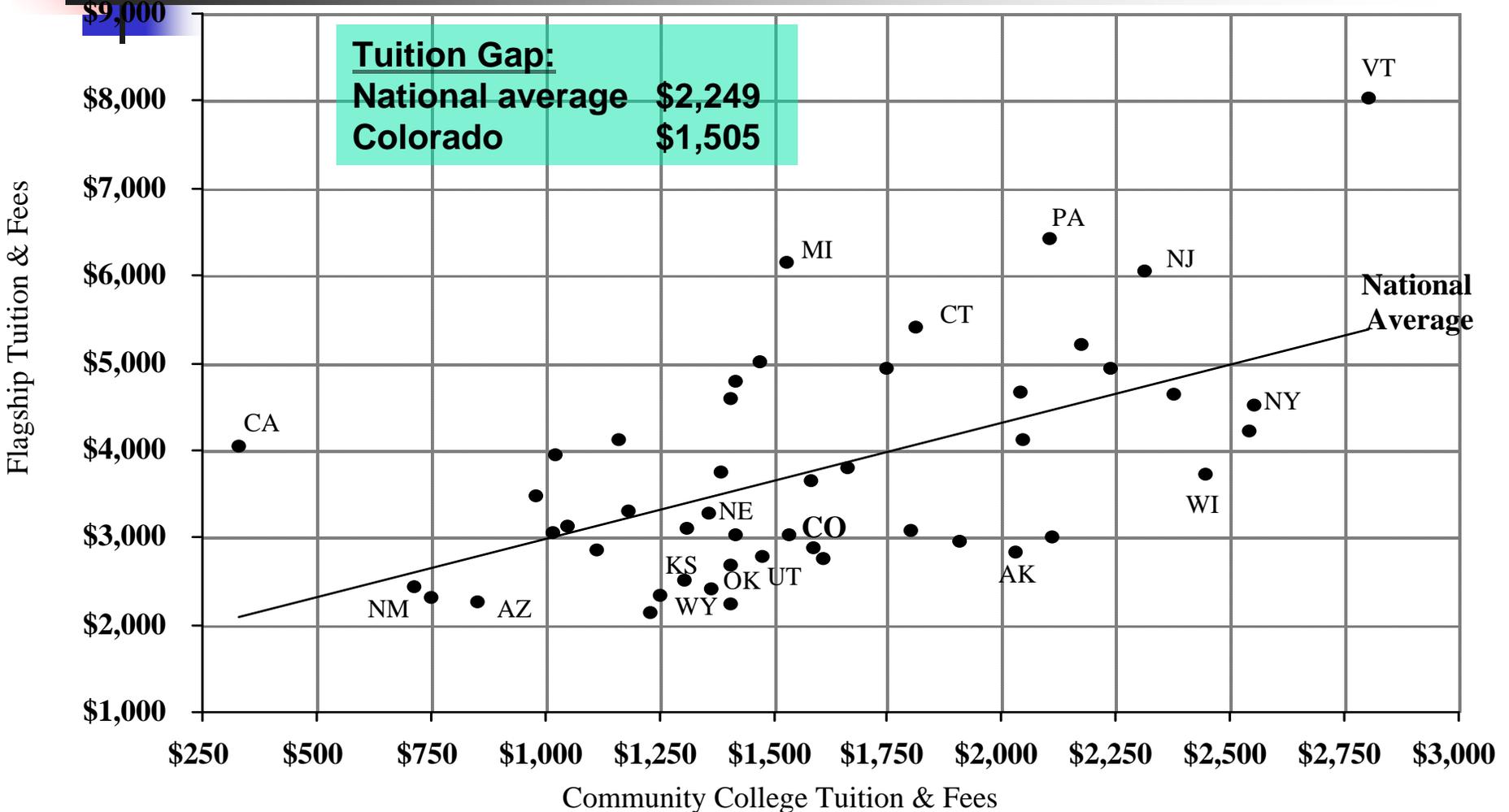
Student Price Responsiveness (cont.)

- Clear evidence of same-sector price responsiveness
- Some evidence of cross-sector elasticities
 - Price increases in 4-year institutions lead to increases in community college enrollments, and vice-versa
 - Effects appear stronger on community colleges
- Little research on vouchers
- Price is only a small portion of the college choice decision

Colorado's Tuition Compared to the National Average

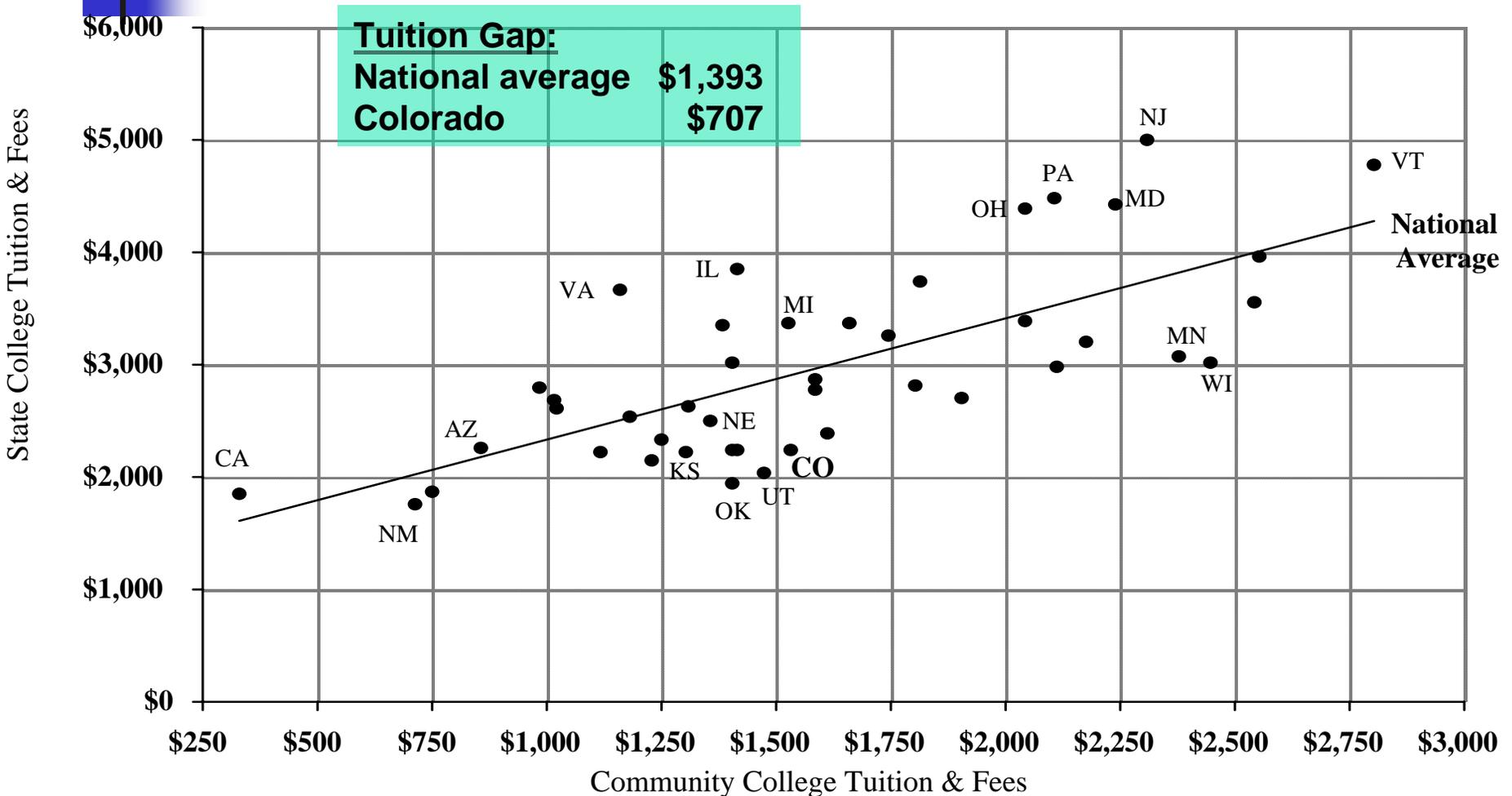


Tuition Gap – Universities to CC



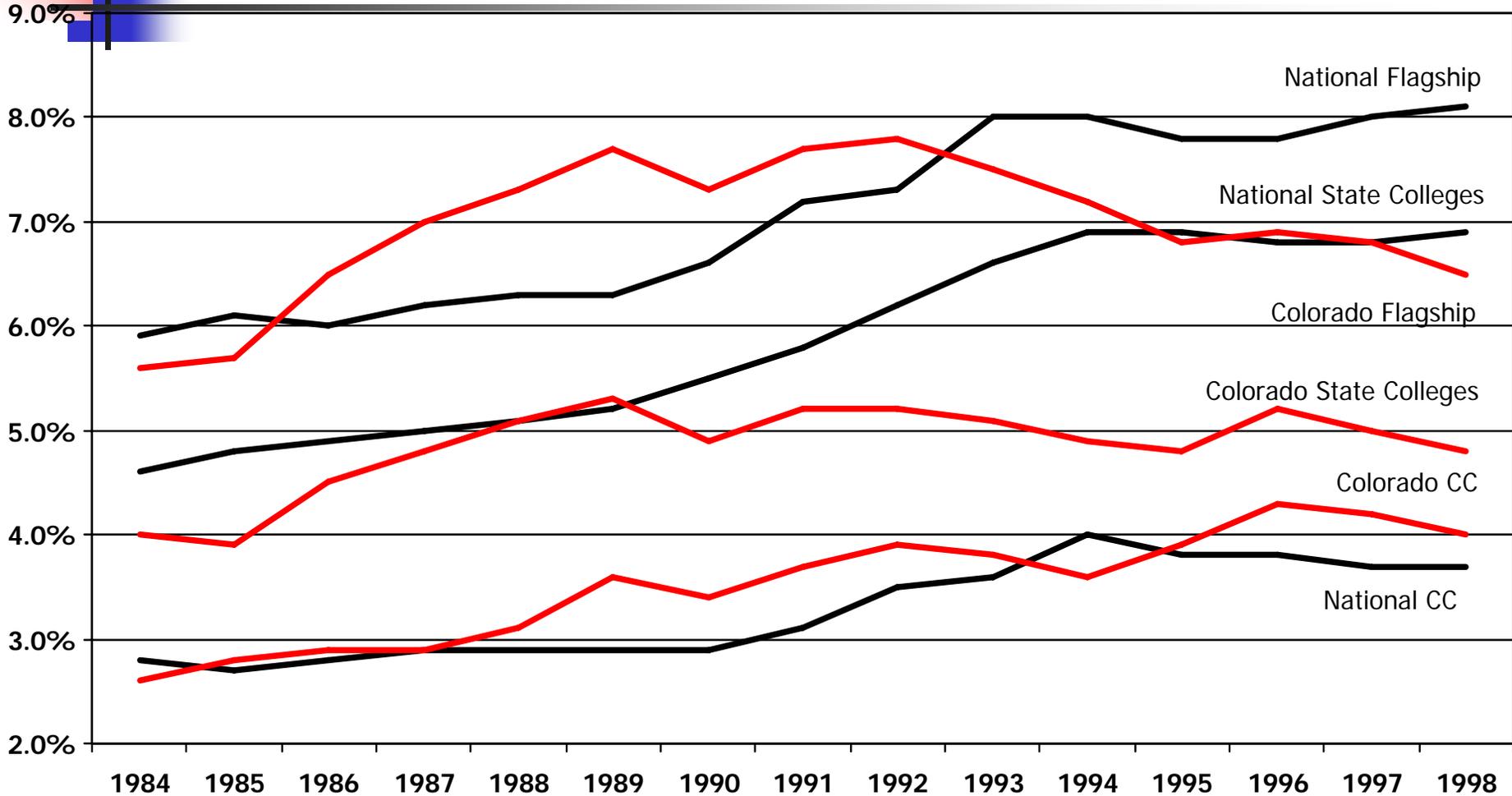
Source: "Tuition Pricing and Higher Education Participation in Colorado", Donald E Heller, September 25, 2000

Tuition Gap – State Colleges to CC

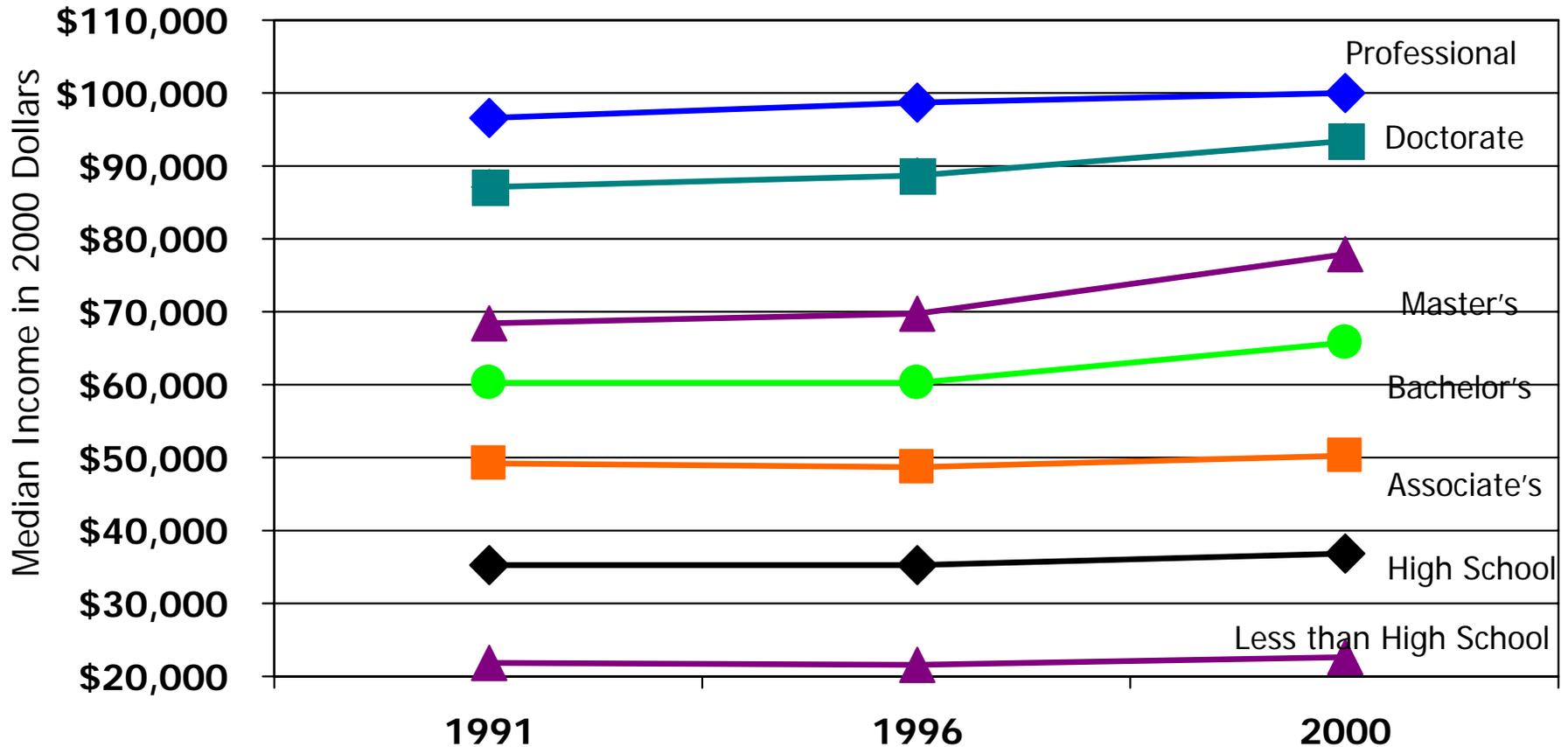


Affordability

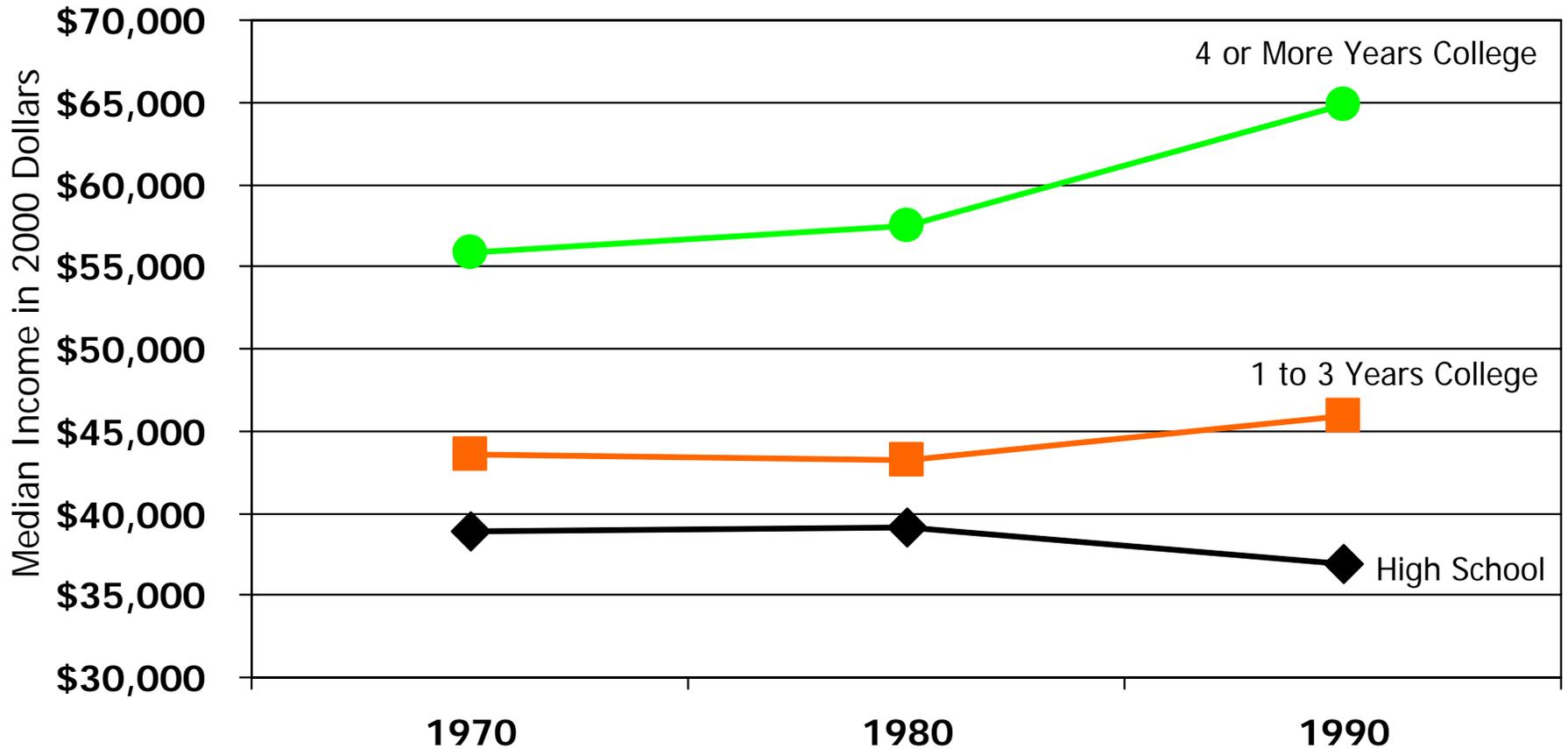
Tuition & Fees as a % of Household Income

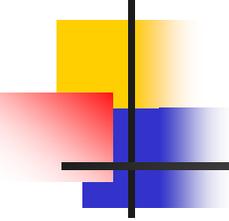


U.S. Median Household Income by Educational Attainment



U.S. Median Household Income by Educational Attainment



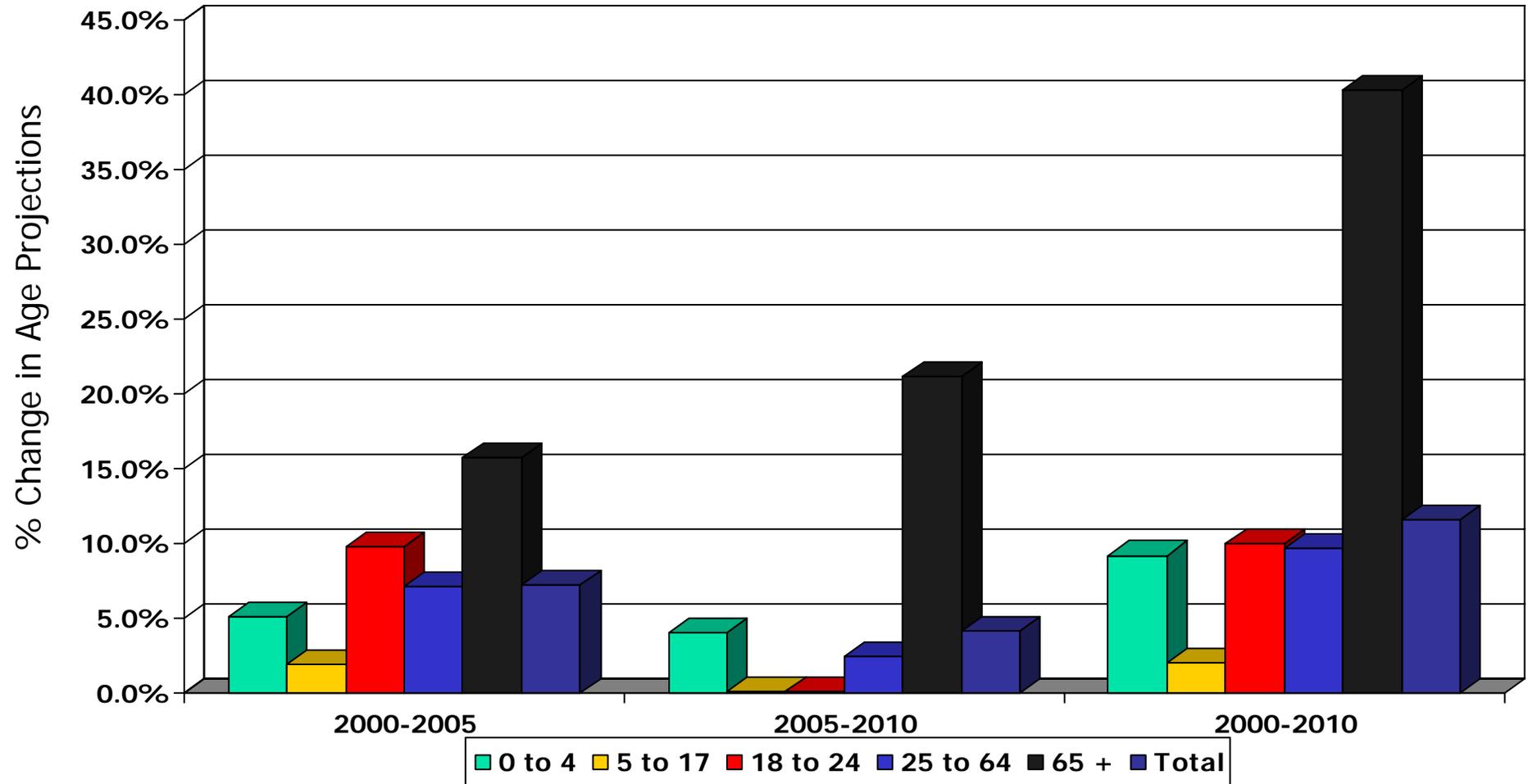


Population Projections

- Colorado's population is projected to increase by 12% over the next decade.
- School-age children (5-17) are estimated to grow by only 2.0% and college-age (18-24) by 10%.
- The largest percentage increases will be made by the 65 years and over as the baby-boomers begin to retire.
- From 1999-2000 to 2009-2010, high school graduates are projected to increase by 16% in Colorado rising to more than 49,000 graduates.
- Colorado's projected increases exceeds the national average by 5 percentage points.

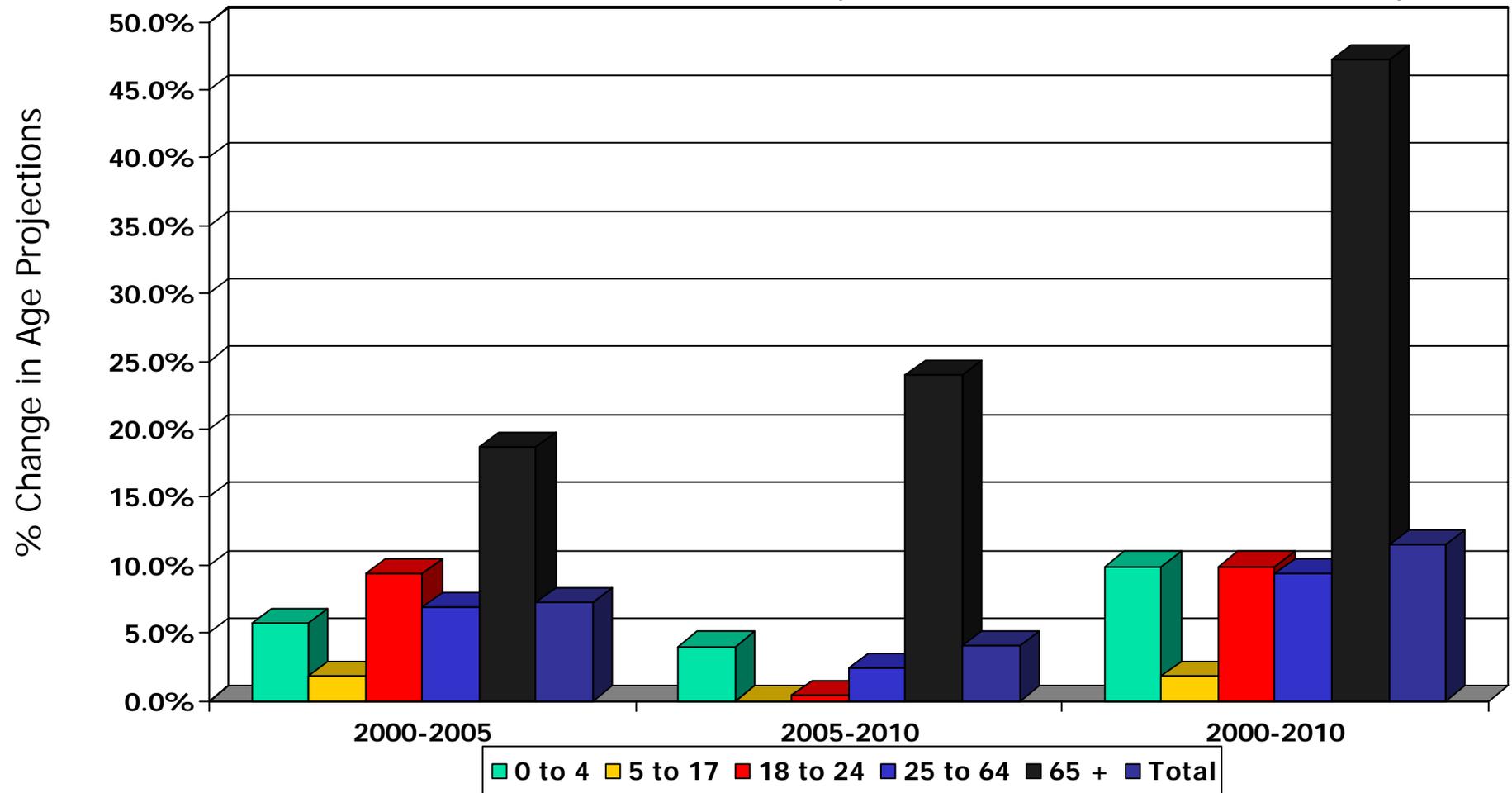
Colorado Age Projections

Projections: U.S. Census Bureau, 2010 calculated by CCHE



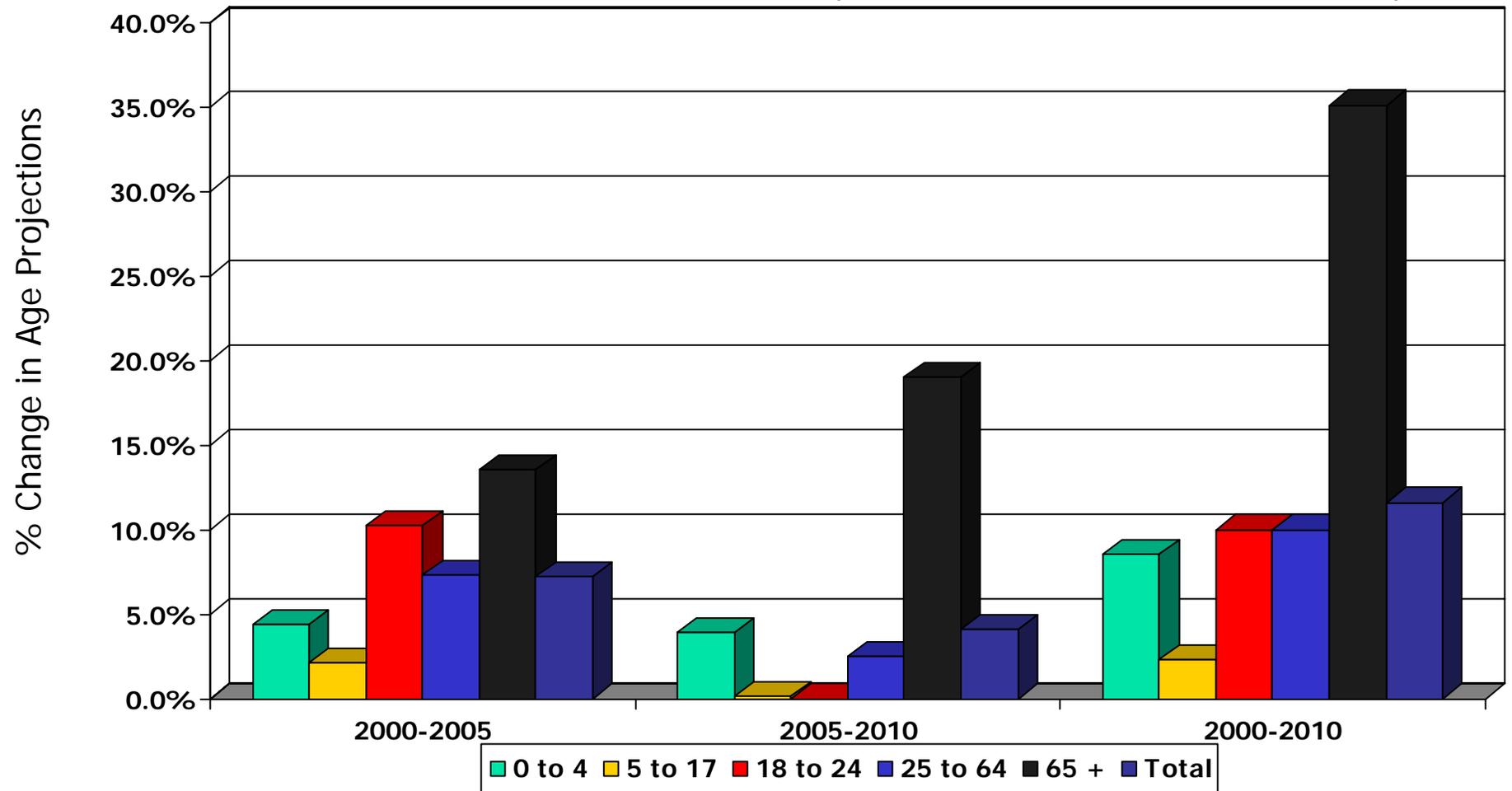
Colorado Male Age Projections

Projections: U.S. Census Bureau, 2010 calculated by CCHE



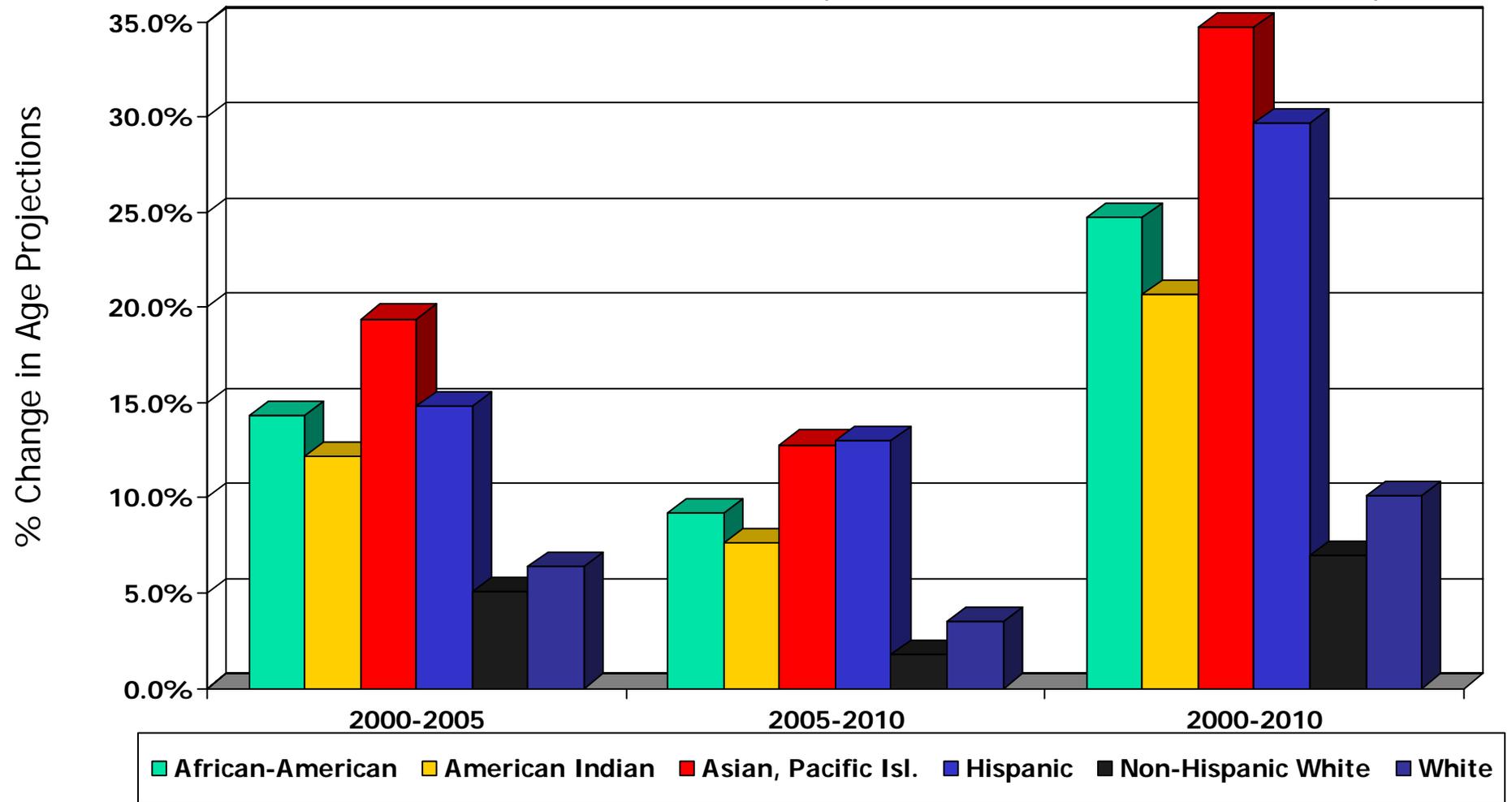
Colorado Female Age Projections

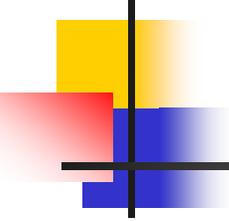
Projections: U.S. Census Bureau, 2010 calculated by CCHE



Colorado Ethnic Population Projections

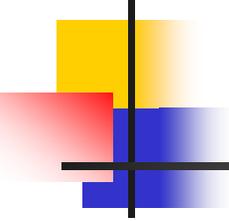
Projections: U.S. Census Bureau, 2010 calculated by CCHE





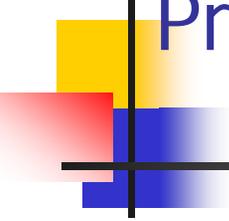
High School Projections

| Ethnicity | % of High School Population (1998) | Projected % of High School Population (2008) | Projected % Increase High School Population (1998-2008) |
|----------------------------|---|---|--|
| White, Non-Hispanic | 77.8% | 69.9% | 8.8% |
| Hispanic | 14.0% | 20.0% | 72.1% |
| African-American | 4.2% | 5.0% | 41.7% |
| Asian | 3.2% | 3.9% | 50.6% |
| American Indian | 0.8% | 1.2% | 93.6% |
| Total # of Students | 36,511 | 44,194 | 21.0% |



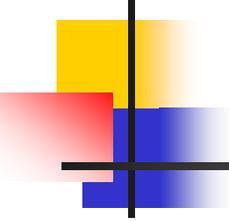
Returns to Education

- A college education is both a public and a private investment.
- Over an individual's lifetime, a Bachelor's Degree recipient earns at least 80% more, on average, than an individual with only a high school diploma.
- Over a lifetime, the gap in earning potential between the high school diploma and the BA, or more, exceeds a \$1 million.
- While the cost of college may be imposing to many families, the cost associated with not going to college is likely to be much greater for the individual and for society.



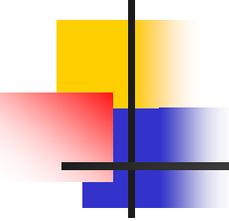
Projected College Enrollment Trends National

- College enrollments will increase steadily
- The number of students in the traditional college-age range will increase
- Students in this age range are more likely to attend college on a full-time basis
- Full-time enrollment is projected to increase at a faster rate than part-time



Colorado College Enrollment

- 37% to 38% of Colorado public high school graduates enroll in a Colorado public institution of higher education.
- The National Report Card indicates that 38% of Colorado high school freshmen continue on to higher education within four years.



Colorado High School Graduation Rates, Class of 2000

The Colorado Department of Education reports an 81% Graduation Rate for the Class of 2000, a total of 38,924 students.

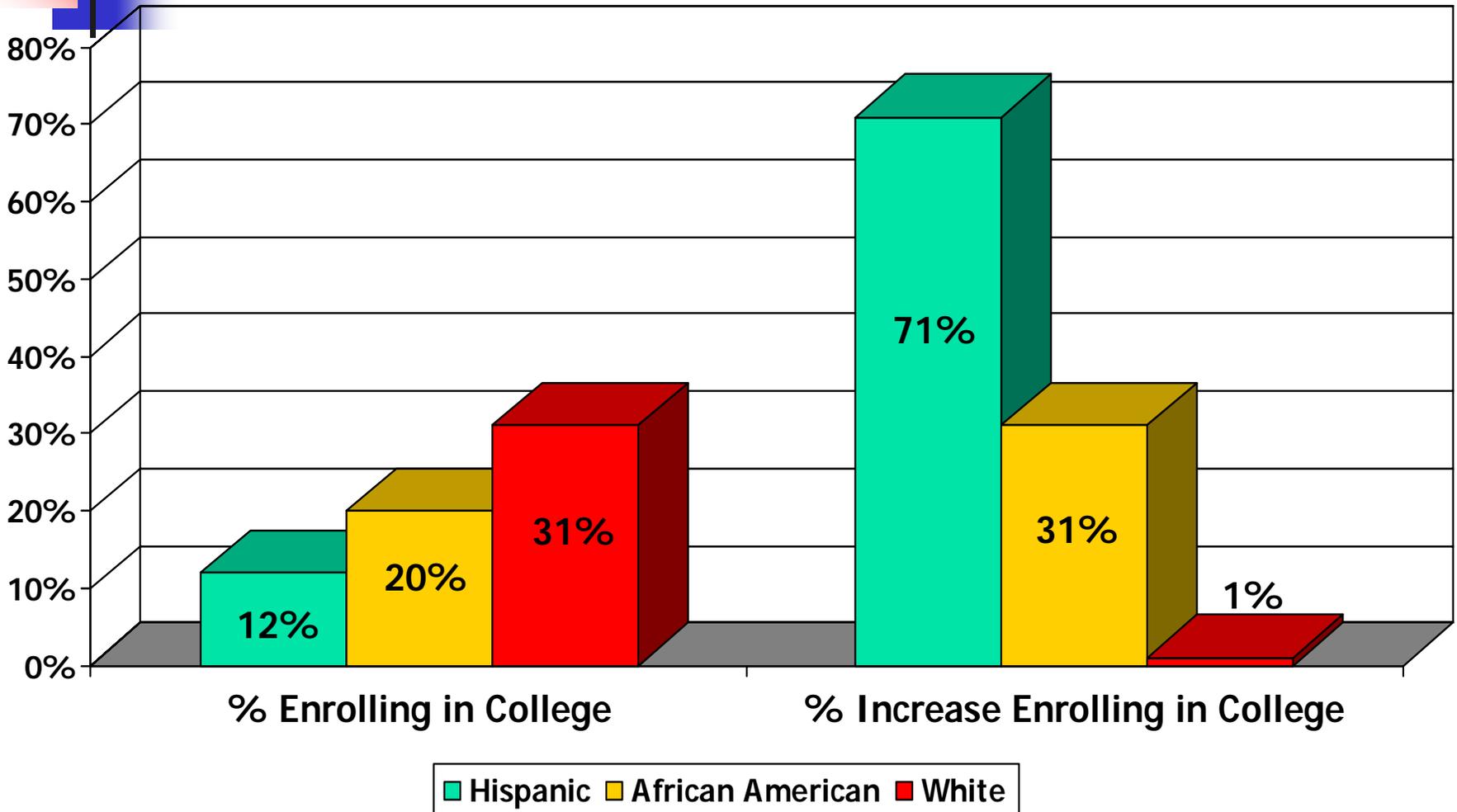
| Gender/Ethnicity | Graduation Rate, Class of 2000 |
|-------------------------|---------------------------------------|
| Female | 84% |
| Male | 78% |
| White, Non-Hispanic | 85% |
| Asian | 85% |
| African-American | 69% |
| Hispanic | 65% |
| American Indian | 63% |

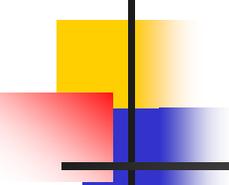
Projected Colorado Public High School Graduates, 1998 & 2008

| Ethnicity | 1998 | 2008 | Change | % Change |
|---------------------|-------------|-------------|---------------|-----------------|
| White, Non-Hispanic | 28,397 | 30,887 | 2,490 | 8.8% |
| Hispanic | 5,129 | 8,829 | 3,700 | 72.1% |
| African-American | 1,551 | 2,198 | 647 | 41.7% |
| Asian | 1,153 | 1,736 | 583 | 50.6% |
| American Indian | 281 | 544 | 263 | 93.6% |
| Total | 36,511 | 44,194 | 7,683 | 21.0% |

Non-whites comprise 68% of the projected increase.

Colorado High School Graduates in 2008 Enrolling in a Colorado Public Institution of Higher Education in 2008





Projected College Enrollment for Colorado Public High School Students, 1998-2008

- If Colorado wishes to be #1, it would require an additional 25% increase in the high school to college enrollment rate from 1998 to 2008 all else staying the same.
- If Colorado wishes to be #5, it would require a 13% increase in the high school to college enrollment rate.
- If Colorado wishes to be #10, it would require a 7% increase in the high school to college enrollment rate.

Projected 2008 College Enrollment from Colorado High School Graduates

| Rank | Enrollment (Current %) | # of H.S. Graduates | Difference from Current Ranking | % Increase in College Enrollment |
|-------------------------|---------------------------|------------------------|---------------------------------------|--|
| 1 | 63% | 27,846 | 11,050 | 25% |
| 5 | 51% | 22,542 | 5,746 | 13% |
| 10 | 45% | 19,890 | 3,094 | 7% |
| Current Ranking (31) | 38% | 16,796 | 0 | 0% |