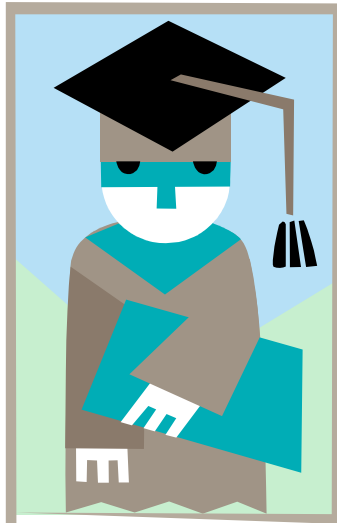


The Coming Crisis in College Completion: Oregon's Challenge and a Proposal for First Steps



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The Coming Crisis in College Completion: Oregon's Challenge and a Proposal for First Steps was commissioned by the Oregon University System, Office of the Chancellor to explore alternatives to the current unstable and inadequate level of state funding for higher education in Oregon. Opinions expressed in this paper do not necessarily represent the opinions of the OUS or the State Board of Higher Education. For more information about this report, please contact Di Saunders (di_saunders@ous.edu) or Bridget Burns (bridget_burns@ous.edu), Office of the Chancellor, at 503-725-5700.

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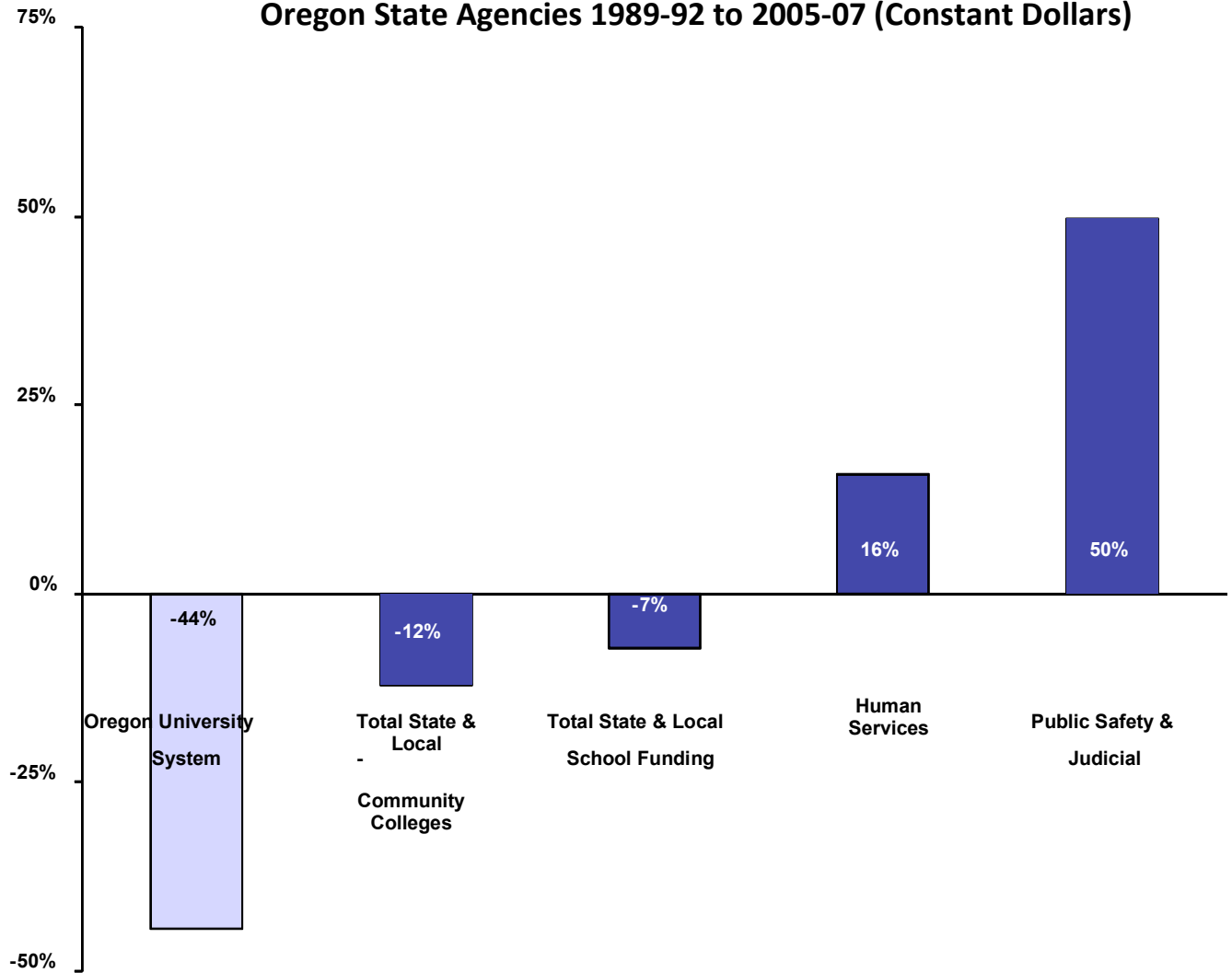
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(Chancellor George Pernsteiner, 2009)**

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Change in State and Local Appropriations per Capita: Oregon State Agencies 1989-92 to 2005-07 (Constant Dollars)



NOTE: Includes local property tax revenue for schools and community colleges.

Sources: (1) Oregon Department of Administrative Services, Budget and Management; (2) Legislative Fiscal Office; (3) Paso Seguro Consulting.

Median Earnings in 2007 by Educational Level

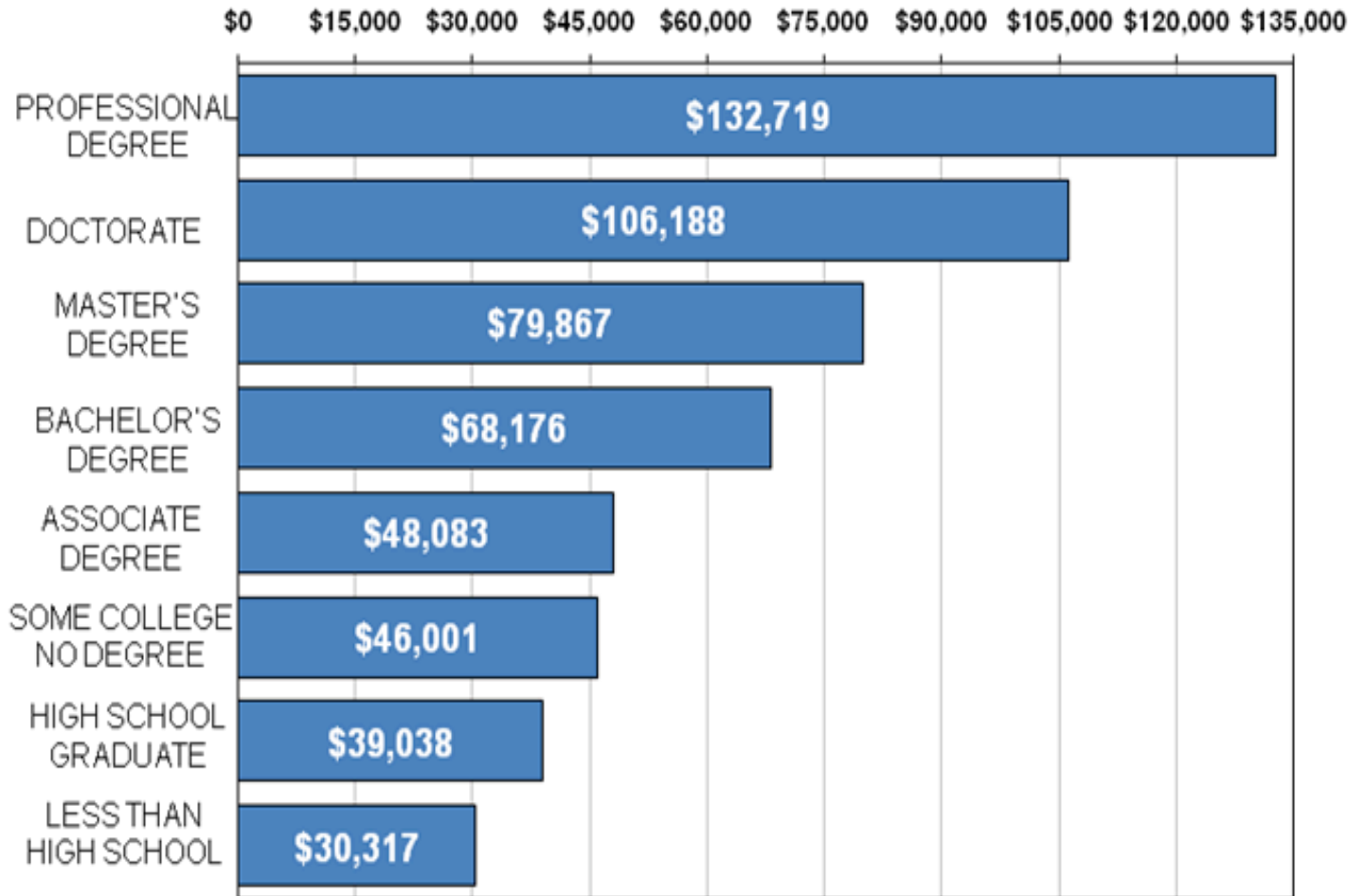


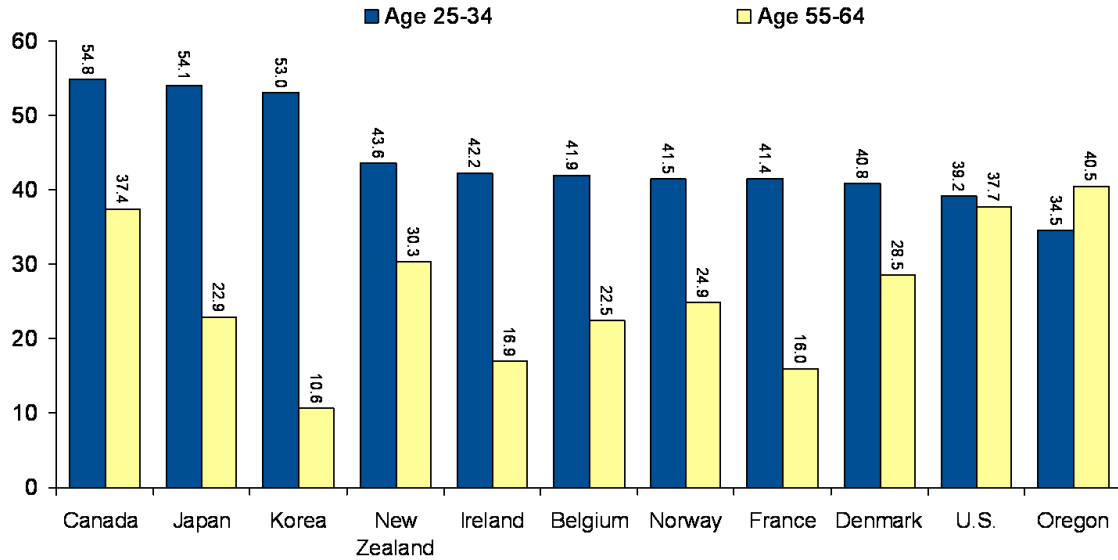
Chart Source: Postsecondary Education Opportunity

Oregonians with Lower Education Levels Use

	Percent with h.s. diploma or less
Oregon Health Plan participants	62%
Institutionalized in correctional or mental health facilities	71%
Unemployment insurance claimants	71%
Welfare recipients	63%
Medically uninsured	53%

Source: Oregon Business Council Education Roundtable, White Paper Reports, commissioned in 2005. Impresa estimates from 2000 Census and 2002 Population Survey. Data are for adults age 18 through 64.

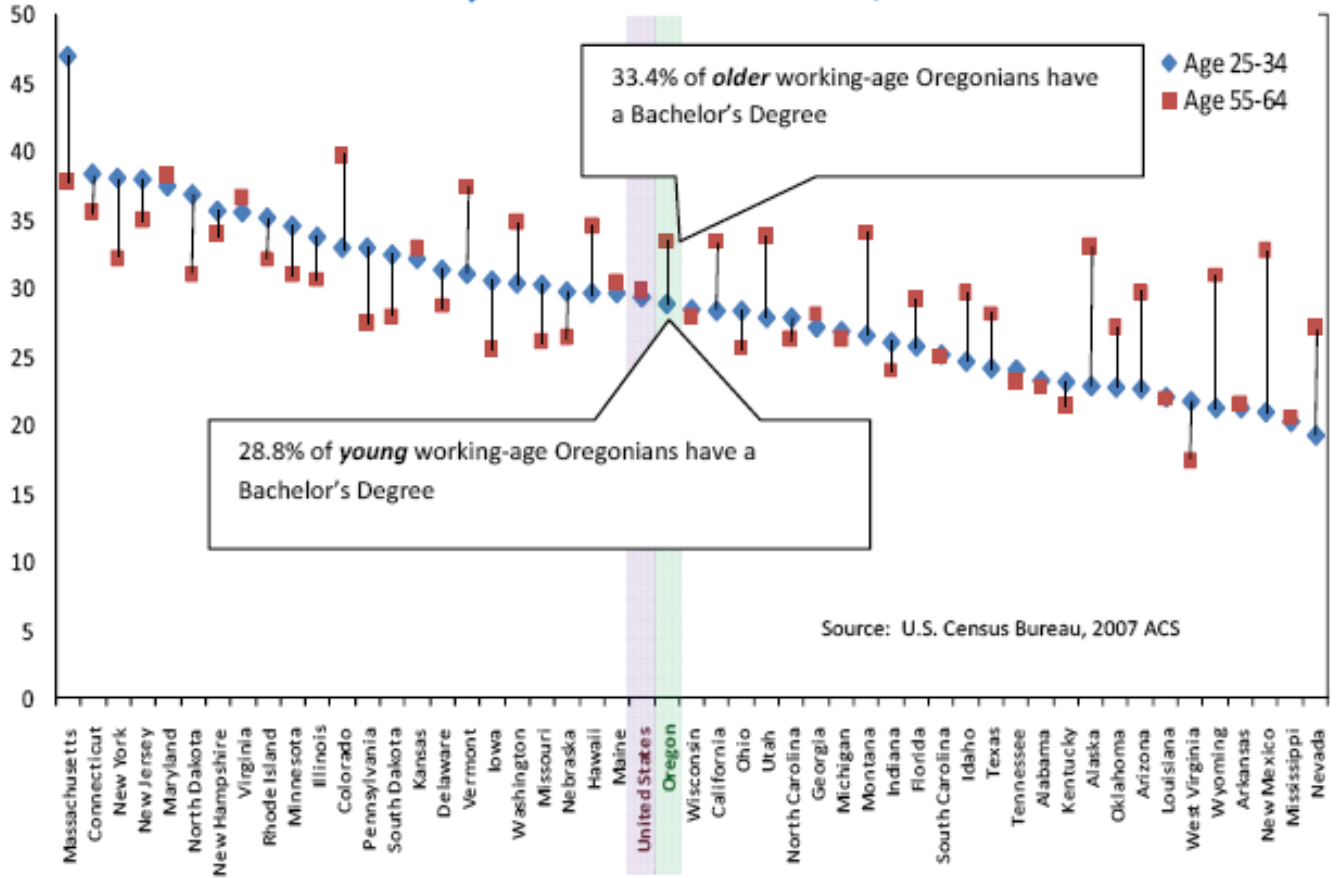
Percent of Adults with an Associate Degree or Higher by Age Group – Oregon, U.S. & Leading OECD Countries



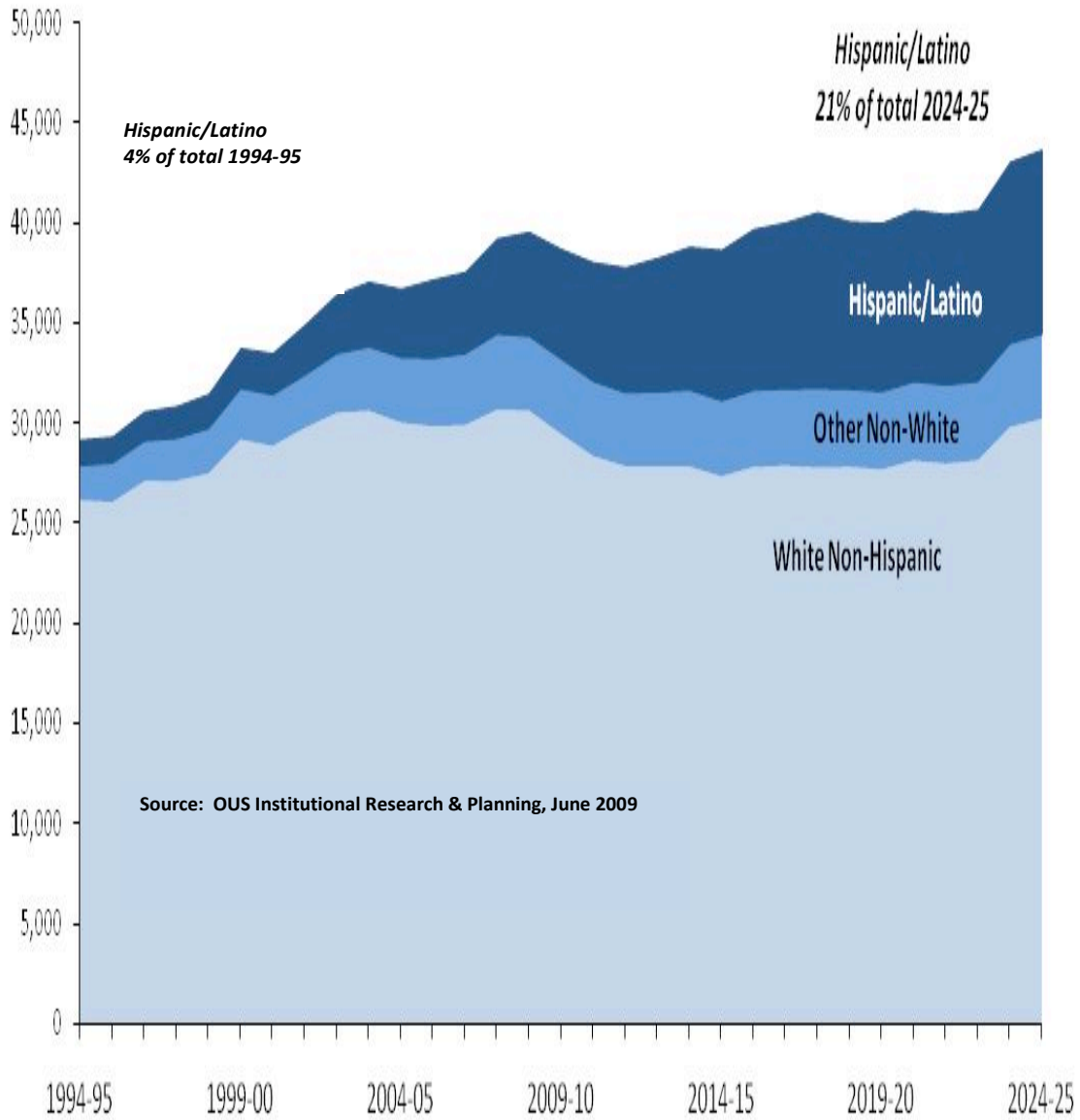
Source: OECD, *Education at a Glance*

Percentage of College Attainment (Bachelor's or Higher)

Early Career vs. Late Career, 2007

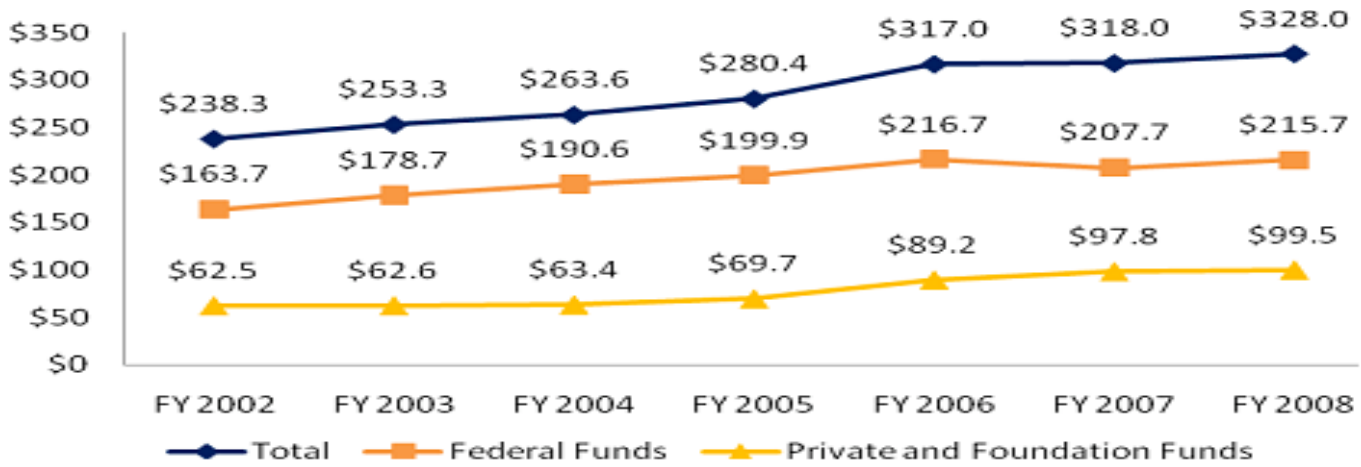


**Oregon High School Completers by Race/Ethnicity
Actual and Projected, 1994-95 through 2024-25**



NOTE: Includes public and private high school graduates and home schooled completers.

OUS Sponsored Research and Sponsored Activity
FY 2002-2008
 Dollars in Millions



Expenditure detail (TOTAL) includes \$12.8 million in state and other government sources and restricted funds management.

Retention and Graduation Rates in OUS Research Universities, 2007 -08

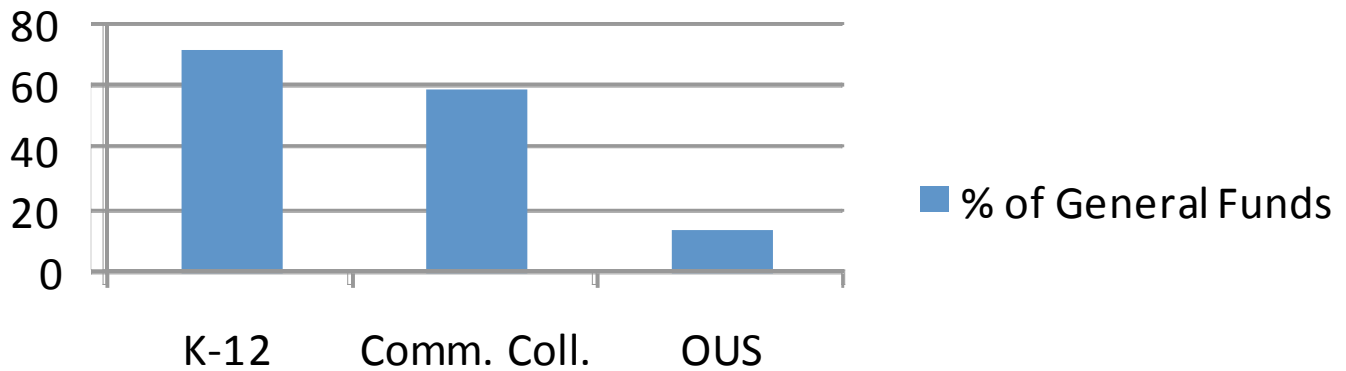
	Retention ¹	Graduation ²
Oregon State University	83.7	66.7
Portland State University	71.3	39.3
University of Oregon	84.8	69.6

¹ Percent of first -time full -time freshmen who return to any OUS institution for a second year.

² Percent of first -time full -time freshmen entering and graduating from any OUS institution within six years.

Source: OUS 2009 Performance Report, May 2009.

% of State General Funds in 2009-2011 Budget, State of Oregon





Attachment A

Oregon
University
System

What would success look like in six years? By 2025?

<u>Indicator</u>	<u>Current</u>	<u>2015 Target</u>	<u>2025 Goal</u>
1. Fall enrollment ¹ (2008)	86,546	97,024	164,000
2. Bachelor's degrees awarded (2007-08)	12,651	15,000	24,000
3. Advanced degrees awarded (2007-08)	4,246	5,500	9,000
4. Freshman participation ² (Fall 2007)	20.7%	24.0%	30.0%
5. First-year retention (2008)	79.8%	82.8%	86.0%
6. Graduation rate (2008)	59.4%	61.5%	75.0%
7. Graduates employed/pursuing further education ³ (2007)	92%	93%	95%
8. Graduates employed in Oregon (2007)	76%	80%	82%
9. R&D expenditures (FY 2008)	\$328 M	\$383 M	\$550 M
10. Inventions (FY 2008)	120	150	300
11. Philanthropy (gifts from philanthropic sources) (FY 2008)	\$137.4 M	\$150 M	\$300 M
12. Faculty salaries – percent of peer averages (FY 2009)	Range of 80.8% to 86.2%	90%	100%
13. Fund balance as percent of revenue (FY 2009)	Range of 4.6% to 13.0%	5% – 15%	5% – 15%
14. General Fund percent of total E&G budget (2007-2009) ⁴	35%	41%	50%
15. Deferred maintenance backlog	\$670 M	\$400 M	\$0 M
16. Student/full-time faculty ratio (Fall 2008)	25.6	23.5	20.0
17. Administrative expenses (institutional and academic support) as percent of revenue: percent of peer averages (FY 2008)	Range of 83% to 124%	90%	90%
18. Student services expense per FTE as percent of peer averages (FY 2008)	Range of 40% to 118%	90%	100%

¹ The enrollment goal for 2025 is the level needed to produce 24,000 bachelor's degrees in 2025 as OUS' contribution to achieving the 40% bachelor's attainment goal currently targeted by the State, with current degree production and in-migration patterns. Simply to maintain the current bachelor's attainment percentage (28%) would require an OUS enrollment of 118,000 in 2025.

² Targeted increases in OUS freshman participation are expected to come from significant improvements in participation of underserved students, particularly Latino students, to bring rates in line with others. Target for 2015 also assumes that the difference between rural and urban participation will be reduced by half.

³ Percentages shown include graduates who are employed and/or pursuing further education. The remaining proportion includes those unemployed and seeking work (3% in the 2007 survey), as well as those taking time off to travel, retired, disabled or unable to work, or engaged in some other activity of their choice.

⁴ Does not include Federal Stimulus funding (ARRA).

