

# KEY INDICATORS OF ACCOUNTABILITY 2006



OKLAHOMA STATE REGENTS  
FOR HIGHER EDUCATION

*Improving our future by degrees*





Accountability is a hallmark for any organization that strives to be successful in today's global marketplace. The ultimate accountability measure of higher education is student success.

Since 2000 the Oklahoma State Regents for Higher Education have provided detailed information to the governor's office, state lawmakers, public policy makers, business leaders and Oklahoma citizens concerning the state of public higher education in Oklahoma. The State Regents' goal is to demonstrate how well the state's public colleges and universities are preparing students to succeed in the 21<sup>st</sup> century.

The State Regents' Key Indicators of Accountability (KIA) is a biennial report similar to *Measuring Up*, the national report card by the National Center for Public Policy and Higher Education. Both reports track the progress of Oklahoma higher education in several key areas, such as preparation of high school students, college attendance, benefits of higher education, affordability and degree completion. KIA goes one step further by tracking progress in another major priority area for Oklahoma public higher education – economic development.

The information contained in this publication, including additional data, charts and graphs, is also available on Oklahoma higher education's Web site at [www.okhighered.org/oeis/ReportCard.shtml](http://www.okhighered.org/oeis/ReportCard.shtml).

Oklahoma's economic future rests heavily on how well the state competes in this knowledge-based global economy, and higher education is playing a major role in providing the state a competitive advantage.

A handwritten signature in black ink, appearing to read "Glen D. Johnson". The signature is fluid and cursive.

Glen D. Johnson  
Chancellor, Oklahoma State System for Higher Education



## PREPARATION OF HIGH SCHOOL STUDENTS

One of the best predictors of a student's potential success in college or in the workplace is the preparation received while in high school. Successfully completing rigorous courses will provide students with the knowledge and the critical-thinking skills necessary to accomplish their higher education and career goals.

One measure of how well students are prepared for college-level work is the ACT, a national assessment given to thousands of Oklahoma high school students each year. The ACT measures knowledge and skills in four subject areas: English, math, reading and science. Since 2002 Oklahoma's composite average ACT score has fluctuated, while the national average has increased slightly. When ACT scores are broken down by subject, the greatest gap between Oklahoma and the nation is in math.

Students who score below 19 on an ACT subject area test may need to take remedial courses for that subject. More than 44,000 Oklahoma students enrolled in remedial courses in 2004-05, about 1,000 more than in the previous year. A majority of those students – 79.2 percent – were taught at community colleges, also the primary source of remediation nationally.

Students who require remediation graduate from college at a lower rate than those who do not. Also, students attending Oklahoma public colleges and universities pay a fee in addition to tuition for each remedial course they take. In the end, remediation costs time and money and creates a greater expense for students.

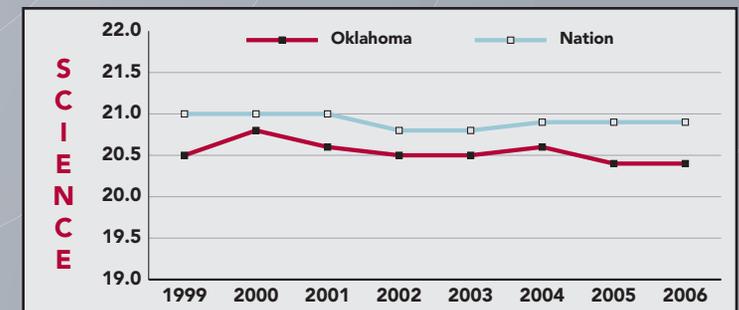
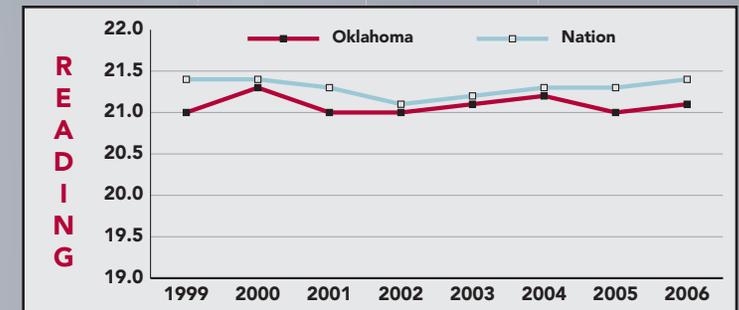
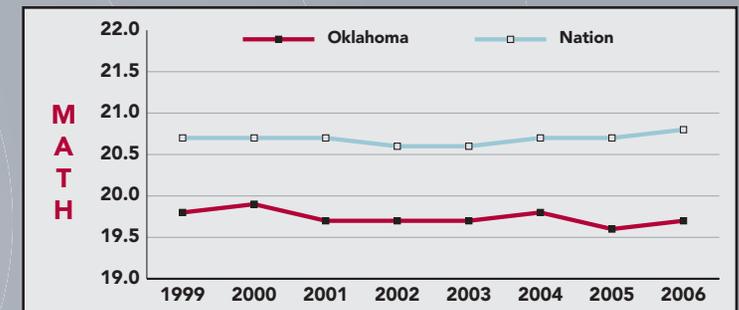
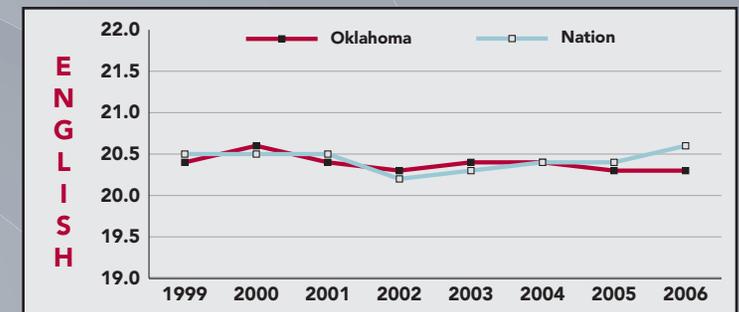
The State Regents have long been aware of the persistent issue about student preparation and have implemented several comprehensive programs and services to help middle and high school students prepare for college:

- Oklahoma's Promise-OHLAP (Oklahoma Higher Learning Access Program)
- Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP)
- Oklahoma Educational Planning and Assessment System (EPAS)

Oklahoma's Promise-OHLAP is a state-sponsored scholarship program that allows Oklahoma high school students whose family income is less than \$50,000 a year the opportunity to earn free college tuition if they take rigorous courses in high school, make at least a 2.5 grade point average, stay out of trouble and refrain from abusing drugs and alcohol. A federally funded program that helps middle and high school students prepare for college, GEAR UP provides academic preparation programs for students, professional development activities for educators, and college access information for students and parents. Oklahoma EPAS is an ACT-based assessment tool that shows eighth and 10th graders how they are progressing in key academic areas as they prepare for the ACT. Eighth-grade students take the EXPLORE test, while 10<sup>th</sup> graders take the PLAN test. According to the most recent EXPLORE, PLAN and ACT tests, many Oklahoma students need help now in order to reach college readiness levels (graph 3A). Based on the latest ACT scores, 66 percent of Oklahoma high school students are prepared for college English, while just 32 percent are sufficiently prepared for college algebra and 23 percent for college biology.

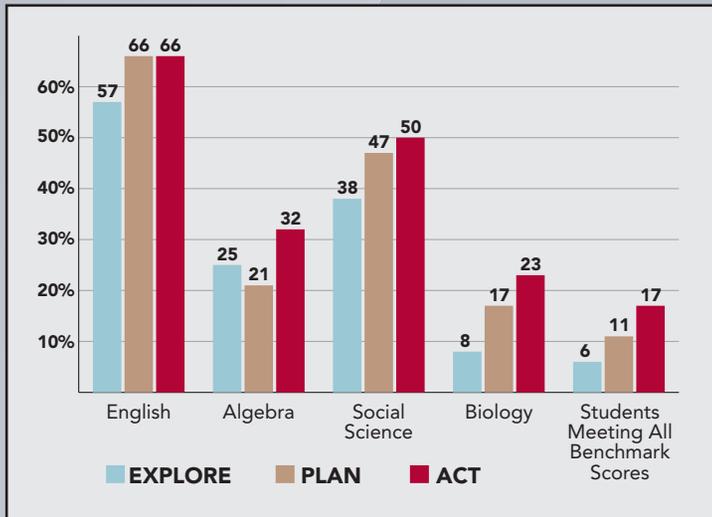
### 2A: Average Oklahoma ACT Subject Scores Compared to National Scores

SOURCE: 2006 ACT COLLEGE READINESS REPORT



### 3A: Percentage of 2006 Oklahoma EXPLORE-PLAN- and ACT-Tested Students Likely to Be Ready for College-Level Work

SOURCE: 2006 ACT COLLEGE READINESS REPORT



Oklahoma’s Promise-OHLAP, GEAR UP and Oklahoma EPAS are helping produce some positive results in the state. For example, between the 1996-97 and 2004-05 academic school years, the remediation rate for first-time freshmen direct from Oklahoma high schools dropped from 37.3 percent to 36.2 percent.

Student preparation and planning for college will be easier for middle and high school students with the launch of a new Web site in 2007 called OKcollegestart.org. The site will provide students and parents a place where they can perform several tasks from one central location, such as seeking and applying for federal and state financial aid, applying to multiple colleges, creating their own portfolios, preparing for the ACT, learning about career opportunities, taking virtual tours of the various campuses and requesting transcripts. High school counselors will also benefit from OKcollegestart.org by allowing them to keep better track of their students’ academic progress toward college.

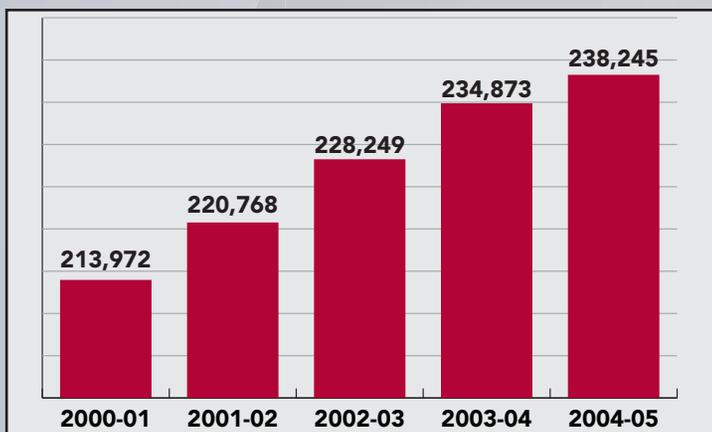
The State Regents support the governor’s Achieving Classroom Excellence (ACE) initiative that will significantly improve students’ preparation for college and the workplace, as well as help increase the state’s ACT scores. ACE brings high school graduation requirements in line with college admission and the ACT-recommended core college-preparatory curriculum.

## COLLEGE ATTENDANCE

During the past several years, Oklahoma has seen steady enrollment at or near record levels of students at its public colleges and universities. Enrollments have increased by 11 percent, or roughly 24,000 students, since 2000-01 (graph 4A). Many campuses are experiencing record or substantial growth in total headcount and first-time freshmen. An expected decrease in the number of future high school students, coupled with a good state economy, could cause a decrease in headcount in future years.

### 4A: Enrollment in Oklahoma Public Colleges and Universities: Six-Year Trend (Annual Unduplicated Headcount)

SOURCE: STUDENT DATA REPORT, OSRHE



As gratifying as the recent growth in enrollment has been, our college-going rate is not as it should be. And many students who intend to go to college often do not. As shown in graph 4B, a large majority of middle school and high school students who took the EXPLORE and PLAN tests during the 2005-06 academic year indicated that they intended to attend college. Additionally, 71 percent of Oklahoma high school graduates took the ACT test, signaling intent on their part to attend college. Yet, just 58.6 percent of Oklahoma high school graduates actually enroll in college directly from high school. This discrepancy between students' intent to attend college and actually enrolling is a concern, especially since the average national college-going rate is higher than Oklahoma's. This is another example of why programs and initiatives such as Oklahoma's Promise-OHLAP, EPAS, GEAR UP and OKcollegestart.org are so important for the state and its future prosperity.

There is one group of Oklahomans that has steadily become a factor in the state's recent surge in college enrollments – adult learners. There are more than 67,000 students above the age of 25 who are attending Oklahoma's public colleges and universities. According to the most recent data, 3.2 percent of 25- to 49-year-olds attend college part-time in Oklahoma compared to the national average of 2.7 percent (graph 4C).

Often referred to as nontraditional students, these adult learners attend college later in life for various reasons, such as life-changing events, job relocation or just to update job skills. Their continued presence in the higher education arena will play a crucial part in powering Oklahoma's economy.

The U.S. Census Bureau reports that more than 334,000 Oklahomans over the age of 25 have more than a year of college, but not a baccalaureate degree. The State Regents understand the challenges working adults face in trying to compete in this ever-changing global marketplace. That is why several regional universities in the state system are offering a new adult degree completion program. Launching in spring 2007, the adult degree completion program will allow working adults who have previously completed at least 72 credit hours a flexible alternative to earn a bachelor's degree. Recent research of students who attended Oklahoma colleges during the last 10 years revealed that more than 69,000 former students currently qualify for the program.

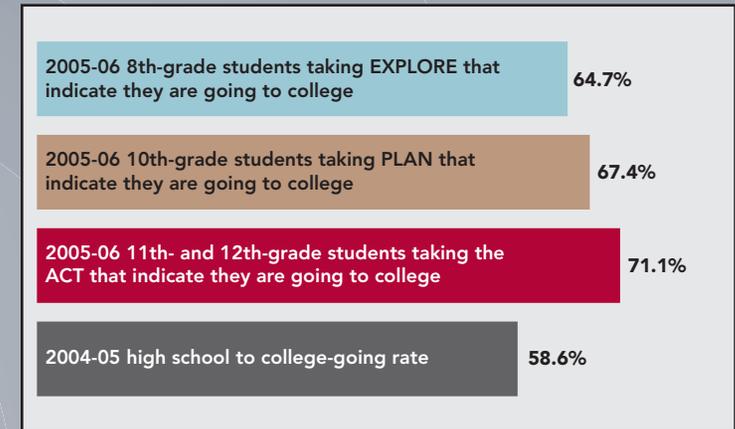
## DEGREE COMPLETION

National studies suggest that the more degree holders there are in a state, the higher the state's per capita income. U.S. Census Bureau data for 2005 shows that 22.4 percent of Oklahoma's population 25 years or older have at least a bachelor's degree, ranking Oklahoma 42<sup>nd</sup> in the nation, an improvement from our 2000 ranking of 47<sup>th</sup>, with 20.3 percent. Accordingly, Oklahoma's per capita income, adjusted for inflation, is \$20,709, which is nearly \$4,000 below the national average.

Although the state has seen slight improvements in the above categories, the prospects for the future look brighter (graph 5A). Six-year graduation rates within the state for first-time, full-time freshmen at the state's research universities increased from 54.7 percent in 1999-2000 to 62.8 percent in 2004-05. At the regional universities, the six-year graduation rate increased from 35.7 percent to 40.1 percent. The three-year graduation rates at the state's community colleges decreased slightly from 19.5 to 18.9 during the same period. Graduation rates vary by type of institution due to selectivity and mission. Community colleges have the lowest rates primarily due to open admissions policies and to students working more when the economy is robust.

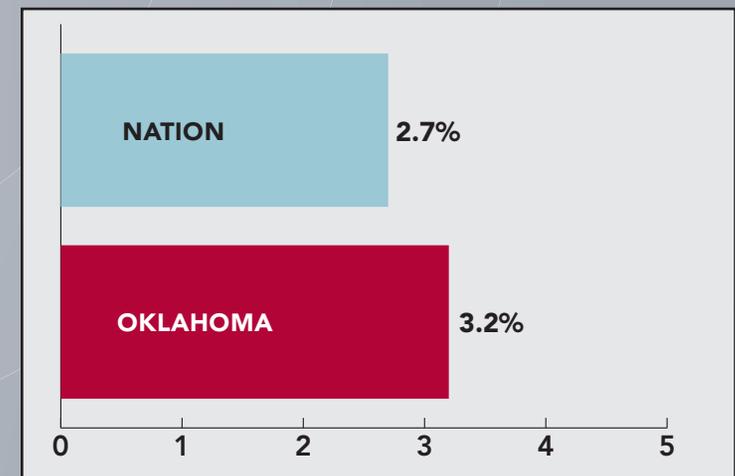
### 4B: College Intent of Oklahoma Students in the 8<sup>th</sup>, 10<sup>th</sup>, 11<sup>th</sup> and 12<sup>th</sup> Grades Compared to Actual College Attendance

SOURCE: ACT, INC. OKLAHOMA EDUCATIONAL PLANNING AND ASSESSMENT SYSTEM, SPECIAL REPORT; HIGH SCHOOL TO COLLEGE GOING RATES, OSRHE



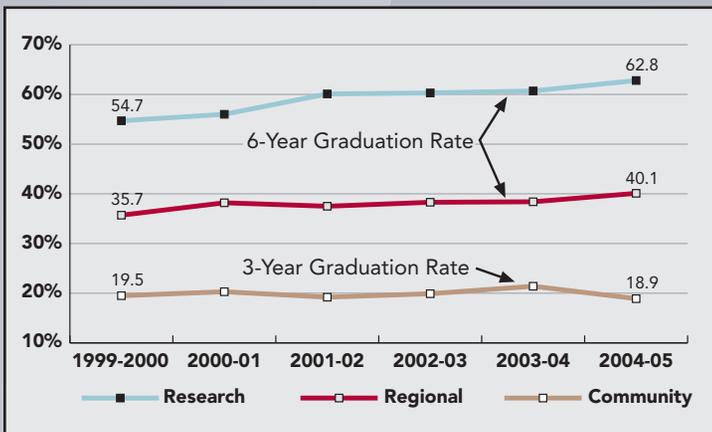
### 4C: 25- to 49-Year-Olds Enrolled Part-Time in Higher Education

SOURCE: U.S. CENSUS; NCES DIGEST OF EDUCATION STATISTICS



### 5A: Graduation Rates Within State, 1999-2000 to 2004-05

SOURCE: STUDENT DATA REPORT, OSRHE



Oklahoma’s public colleges and universities have recently made significant progress in producing more college graduates. Between 2001 and 2005, nearly 3,900 more students graduated from one of Oklahoma’s public institutions with either an associate or bachelor’s degree (graph 5B). This increase may be due in part to the State Regents’ Brain Gain initiative, which was launched in 1999. As part of this initiative, the State Regents reward institutions with performance funding for their efforts to increase retention rates on their campuses and graduate more students.

Regardless of the gains Oklahoma higher education institutions have made in producing more college graduates, still more work is needed to narrow the gap that exists between the nation and Oklahoma.

### AFFORDABILITY

Maintaining a high-quality higher education system while keeping it affordable is a challenge for every state. The State Regents are committed to making sure that students receive an affordable, quality education while ensuring that Oklahoma’s colleges and universities are keeping their costs down.

Oklahoma is one of the most affordable states when it comes to public higher education. In fact, recent national studies have indicated that Oklahoma continues to offer one of the least expensive college educations in the nation. In one such report, the Educational Policy Institute ranked Oklahoma second in the nation in affordability for a four-year college education.

According to the State Regents’ 2006-07 *Tuition Impact Analysis Report*, Oklahoma residents pay an average of \$790 less in tuition and mandatory fees for an undergraduate education than their peers in other states. The report revealed, for example, that students who enrolled in 30 credit hours at the state’s research institutions

### 5B: Degrees From Oklahoma Public Colleges and Universities, 2000-2001 to 2004-2005

SOURCE: OSRHE

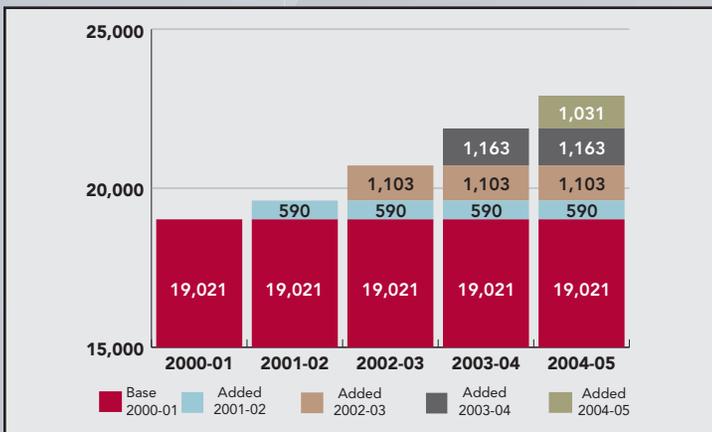


PHOTO: NORTHEASTERN STATE UNIVERSITY



– Oklahoma State University and the University of Oklahoma – continue to pay less for tuition and mandatory fees than their counterparts at other public Big 12 universities. Chart 6A also shows that the state’s regional universities and community colleges are well below their peers for tuition and mandatory fee costs as prescribed by state law.

State funding for Oklahoma’s public colleges and universities has been on the rise recently, after institutions had been seeing less state support even during times of record or near-record enrollments. Although state appropriations have increased significantly during the past two years when compared to the nation as a whole, Oklahoma families are spending a larger percentage of their incomes to pay for a college education (graph 6B), in part because of increased mandatory costs in areas such as energy and insurance.

To help offset recent increases in tuition and mandatory fees, the State Regents also increased tuition waivers by \$4.4 million, or 12.3 percent, across the state system in FY2007. Institutions have implemented strategies to help students and their families, including creating or expanding tuition scholarship programs for low- to middle-income students, providing additional funds for on-campus jobs and providing alternative payment options throughout the year.

The State Regents increased funding to the Oklahoma Tuition Aid Grant (OTAG) program to help cover increased college costs and allocated \$2.5 million in funding for FY2007 for concurrent enrollment waivers to encourage high school seniors to attend college.

Increases in these and other state-aid programs have enabled Oklahoma to move closer to the national average in its investment in need-based student financial aid (graph 7A). In 2004, the latest data available, Oklahoma students received about \$25 for every \$100 in Pell Grants, while students nationally received nearly \$40 for every

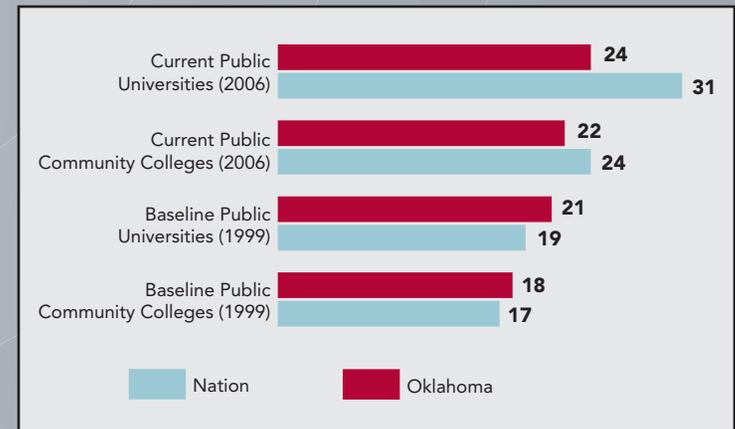
### 6A: Comparing Undergraduate Tuition and Mandatory Fee Increases With Peers

SOURCE: FY07 TUITION IMPACT ANALYSIS REPORT, OSRHE

Tier	FY 07 Oklahoma Average	FY 07 Peer Average	% Less Than Peer Average
Research Universities	\$5,053	\$5,707	-11.5%
Regional Universities	\$3,457	\$4,128	-16.3%
Community Colleges	\$2,249	\$3,168	-29.0%

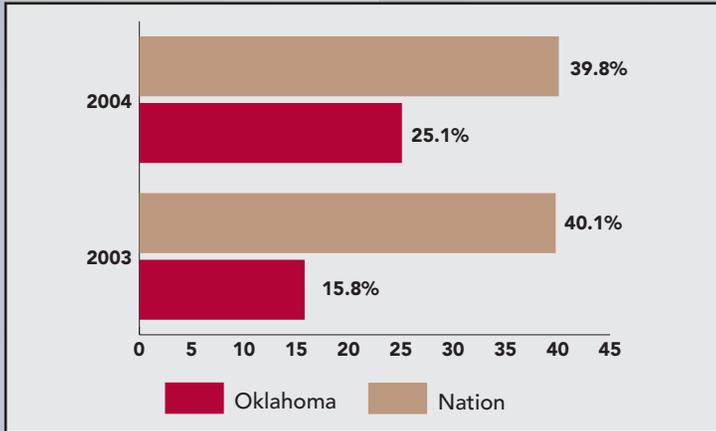
### 6B: Percent of Income Needed to Pay for College

SOURCE: MEASURING UP 2006: STATE-BY-STATE REPORT CARD FOR HIGHER EDUCATION



## 7A: State Investment in Need-Based Aid Compared to Federal Investment

SOURCE: NATIONAL INFORMATION CENTER FOR HIGHER EDUCATION POLICYMAKING AND ANALYSIS: STATE NEED-BASED AID AS A PERCENT OF FEDERAL PELL GRANT



\$100 in Pell Grants. One year earlier, Oklahoma students were getting approximately \$16 for every \$100 in Pell Grants. The national average basically remained unchanged.

Public colleges and universities are funded through a combination of many resources, including state appropriations and tuition. Another major source of funding is sponsored programs from the federal government and other sources.

When all sources of revenue are considered, tuition and fees accounted for 29.4 percent of revenues. This compares to about 31.2 percent nationally in FY2005 (graph 7B).

The proportion of the state's support of higher education budgets has declined in recent years. In 1998, 63.5 percent of institutional budgets were funded from state appropriations, whereas for FY2005, only 50.8 percent of institutional budgets were covered by state funds. As a result, tuition and mandatory fees have increased to meet the loss of state funding (graph 7C).

Using the latest statistics available, Oklahoma college students are funded almost \$600 less than the national average (graph 7D).

## BENEFITS OF HIGHER EDUCATION

The more highly educated a state's population, the better its economy and quality of life. Business and industry need an educated and skilled workforce, and several companies have recently chosen Oklahoma as a place to either relocate or expand based in part on the available workforce.

For example, in 2006 Nanjing Automobile Corporation, the China-based auto manufacturer, announced that it would bring its MG Motors' North America/Europe headquarters and assembly plant to Ardmore, where it

## 7B: Net Tuition and Fee Revenue as a Percentage of Total Education Revenues

SOURCE: STATE HIGHER EDUCATION EXECUTIVE OFFICERS, STATE HIGHER EDUCATION FINANCE, FY 2005

NOTE: NET TUITION AND FEE REVENUE EQUALS GROSS ASSESSMENTS FOR TUITION & MANDATORY FEES LESS INSTITUTIONAL DISCOUNTS & WAIVERS, STATE-FUNDED STUDENT FINANCIAL AID, AND MEDICAL STUDENT TUITION REVENUES.

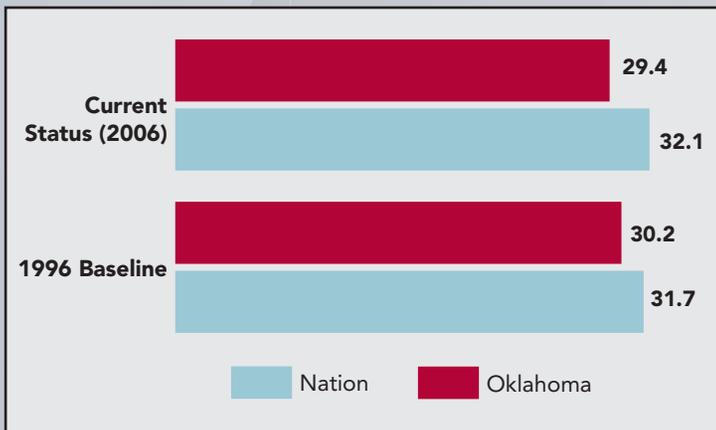


PHOTO: OKLAHOMA CITY COMMUNITY COLLEGE



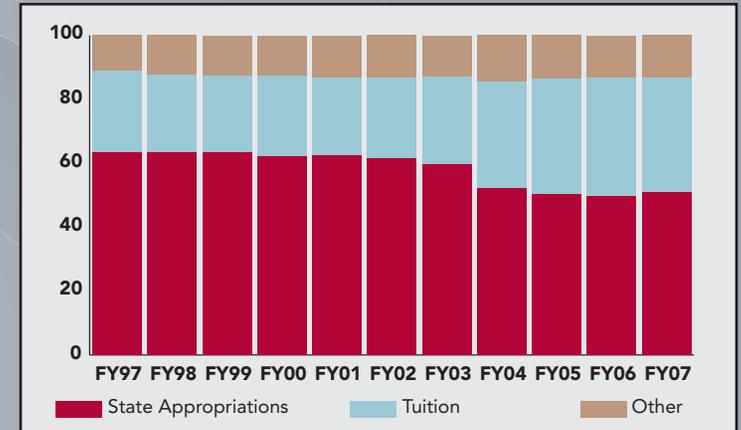
will revive the British MG sports car. Dell Computers expanded into Oklahoma and plans more construction. Many other high-tech companies are moving into the state, such as biotechnology and pharmaceutical research companies in and around Research Park in Oklahoma City and weather-related research companies in Norman. Company officials have consistently mentioned Oklahoma's talented workforce as one of the primary reasons for their relocations or expansions.

Current and future Oklahoma companies are able to draw from an improving pool of highly educated Oklahomans. The state has steadily increased the percentage of citizens who have a college degree (graphs 8A and 8B), and most graduates are choosing to remain in the state. The latest State Regents' Employment Outcomes Report found that 91 percent of associate degree graduates and 88 percent of bachelor's degree graduates who are Oklahoma residents remain in the state one year after graduation (graphs 8C and 8D). However, the percentages drop to 77 percent and 65 percent, respectively, after five years. Half of all graduates in technical fields such as engineering, computer science and the physical sciences are leaving the state after five years. But the state has seen some improvement in those areas.

Not only does the state of Oklahoma receive positive economic returns from higher education, but its citizens do as well. Workers with more education earn higher incomes, which results in more tax revenues for the state. In fact, studies show that a college graduate will earn an average of \$1.1 million more than a high school graduate throughout a lifetime (table 8E). College graduates are less likely to be unemployed or need public assistance, and are less likely to be incarcerated. In addition, they are more likely to vote in elections, volunteer in their communities and make charitable contributions.

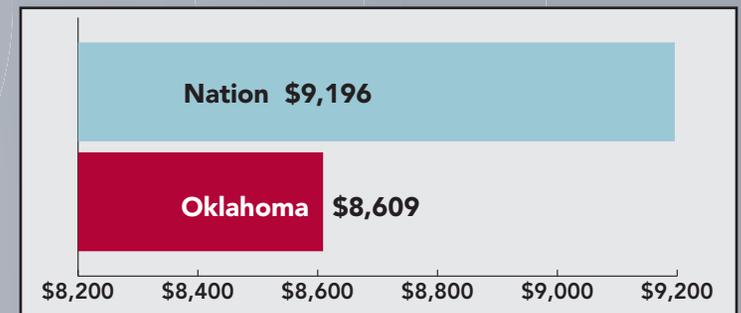
### 7C: Oklahoma Public College and University Budgets: Relationship Between State Appropriations, Tuition and Other Funding

SOURCE: EDUCATIONAL AND GENERAL BUDGETS SUMMARY AND ANALYSIS, OSRHE



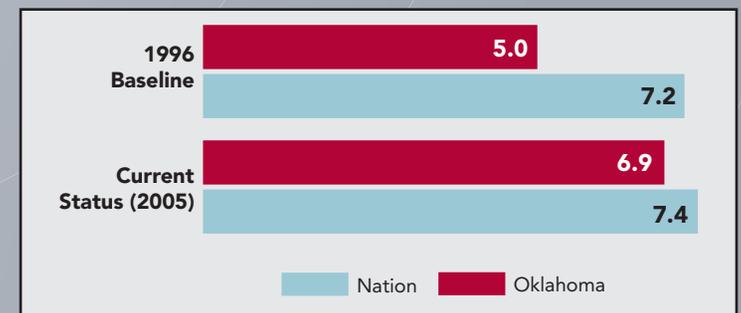
### 7D: 2006 State Funding and Tuition per FTE Student

SOURCE: ESTIMATES BASED ON 2005 SHEEO STUDY



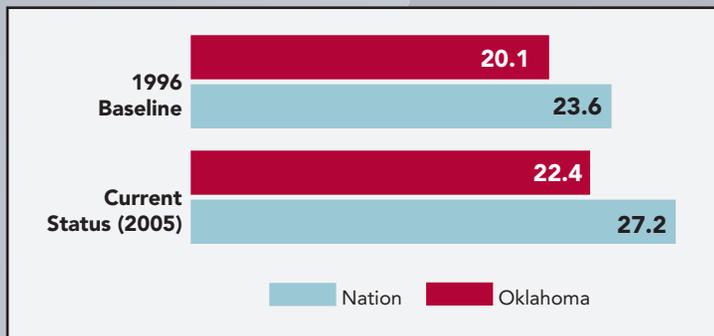
### 8A: Percent of State Population 25 Years or Older With Associate Degree

SOURCE: U.S. CENSUS BUREAU, AMERICAN COMMUNITY SURVEY



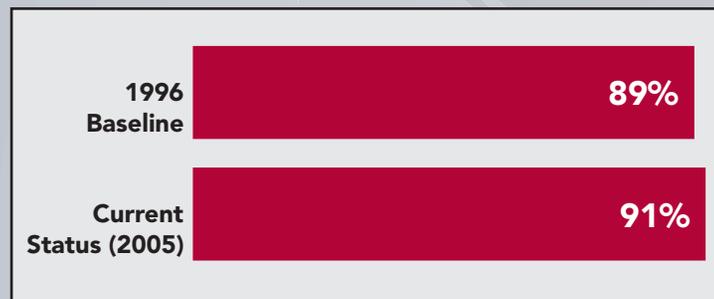
### 8B: Percent of State Population 25 Years or Older With Bachelor's Degree

SOURCE: U.S. CENSUS BUREAU, AMERICAN COMMUNITY SURVEY



### 8C: Employment Rates of Associate Degree Graduates After One Year (Oklahoma Residents)

SOURCE: EMPLOYMENT OUTCOMES REPORT, OSRHE



### 8D: Employment Rates of Bachelor's Degree Graduates After One Year (Oklahoma Residents)

SOURCE: EMPLOYMENT OUTCOMES REPORT, OSRHE



### 8E: The Impact of Education on Individuals: Lifetime Earnings

SOURCE: FEDERAL RESERVE BANK OF DALLAS, 2005

Education Level	Estimated Lifetime Earnings	Difference Compared to High School Graduate
Less than 9th grade	\$976,350	-\$478,903
High school dropout	\$1,150,698	-\$304,555
High school graduate	\$1,455,253	\$0
Some college, no degree	\$1,725,822	\$270,569
Associate degree	\$1,801,373	\$346,120
Bachelor's degree	\$2,567,174	\$1,111,921
Master's degree	\$2,963,076	\$1,507,823
Doctoral degree	\$3,982,577	\$2,527,324
Professional degree	\$5,254,193	\$3,798,940

## ECONOMIC DEVELOPMENT

In each corner of the state, Oklahoma's public colleges and universities are contributing to the economic development efforts within their local communities and surrounding areas. From providing business and industry with customized workforce training and education to creating new business opportunities for entrepreneurs who are looking to move their research from the laboratory into the marketplace, Oklahoma higher education is responding to the challenge. A perfect example of these kinds of efforts is the collaborative initiative among the State Regents, colleges and universities, CareerTech and the Oklahoma Hospital Association aimed at addressing the dramatic health care worker shortage.

The State Regents annually provide financial assistance in the form of economic development grants to institutions that encourage partnerships in developing research, innovations and quality initiatives. These focused initiatives can generate new companies and create more jobs in Oklahoma.

Studies show that most regions of the U.S. with strong economies are those with strong research universities. Research conducted at state higher education institutions often creates new businesses that produce new products and services that are key to improving economic development in our state. In Oklahoma, public higher education institutions are heavily involved in research activities that have the potential to make our state, nation and world a better place to live. Focused research in areas such as biotechnology and nanotechnology, energy, aerospace, medicine, sensor technology and weather radar systems are just a few examples.

Several important pieces of the puzzle that are putting Oklahoma on the world map of research and innovation are the Economic Development Generating Excellence (EDGE) project, the \$475 million capital bond issue for higher education and the State Regents' decision to join the National LambdaRail.

The State Regents have played a lead role in developing and implementing EDGE, which was designed by Gov. Brad Henry in 2003 to substantially strengthen Oklahoma's economy and quality of life. As a result, EDGE has

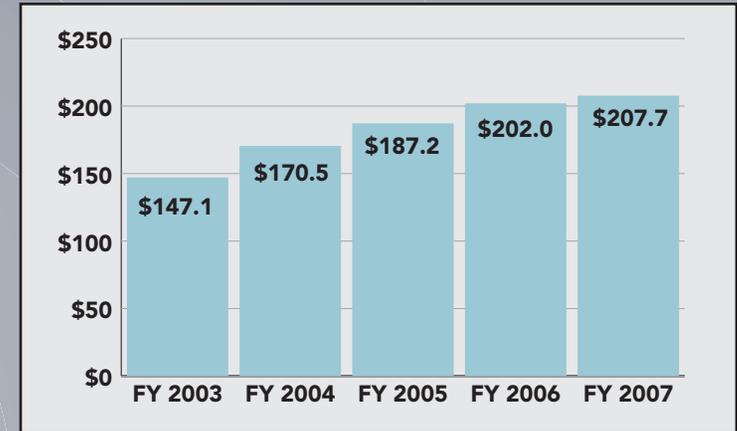
led to the creation of four action plans, including transforming Oklahoma into the Research Capital of the Plains®, of which Oklahoma’s colleges and universities play a big part. The capital bond issue funded 140 capital projects in 36 communities for new and upgraded classrooms, laboratories, student services and other infrastructure. The National LambdaRail is a major initiative of U.S. research universities and private sector technology companies to provide a national computing infrastructure for research and experimentation in networking technologies and applications.

Research funding on college campuses comes from a variety of sources, including grants and contracts through federal agencies such as the National Science Foundation, National Institutes of Health and the Department of Defense. As graph 9A shows, sponsored research at Oklahoma’s public colleges and universities has increased significantly since 2001, due in large part to Oklahoma EPSCoR (Experimental Program to Stimulate Competitive Research). Oklahoma EPSCoR is a partnership among colleges and universities, industry and research institutions. Its mission is to make Oklahoma researchers more successful in competing for research funding.

Oklahoma currently ranks 45<sup>th</sup> nationally in college and university research dollars per state resident (graph 9B), but initiatives such as EDGE and EPSCOR seek to improve our share of research dollars.

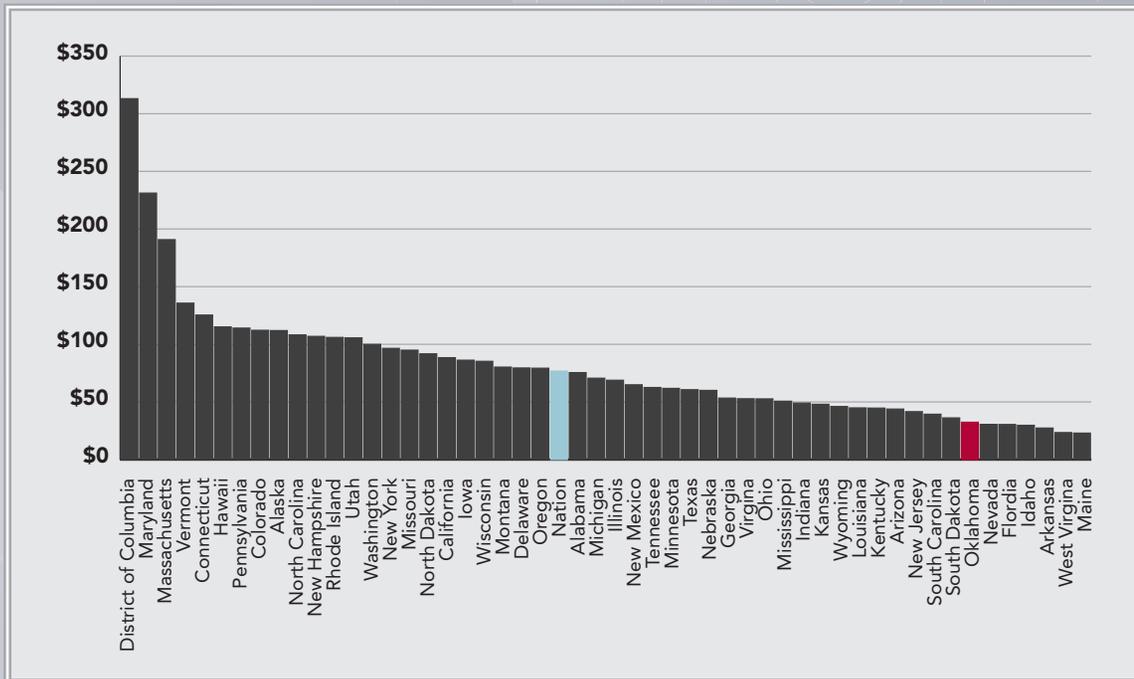
### 9A: Growth in Sponsored Research at Oklahoma Public Colleges and Universities (in Millions) (FY 2003-FY 2007)

SOURCE: OSRHE



### 9B. Federal Funds for College- and University-Based Research per State Resident (in Millions)

SOURCE: THE CHRONICLE OF HIGHER EDUCATION, ALMANAC ISSUE 2006-2007



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