The 1997 Oregon Legislative Assembly enacted into Oregon law four broad goals adopted by the State Board of Higher Education: enhancing existing quality, expanding access, maintaining reasonable cost-effectiveness, and ensuring employability. Senate Bill 919 requires the State Board of Higher Education to develop performance measures related to these four goals and to provide a progress report to the Legislative Assembly each biennium.

The Oregon University System made its first report to the legislature in 1999. This report presented performance data for the key indicators adopted by the Board. These indicators are among the measures included in the “Links to Oregon Benchmarks,” required annually by the Oregon Department of Administrative Services. For a more detailed report, please visit the OUS website (http://www.ous.edu/mp_agency.htm).

We are pleased to report that OUS continues to improve in all but two of the key indicators. The increasing ratio of students to full-time faculty and below-average faculty compensation represent the greatest challenge to maintaining a quality education at our public universities. Taken together, the trends for these two measures are early warning signals that both access and quality are at risk.

Results Overview

Performance Indicators

- Freshman persistence to the second year (1998-99 through 2002-03)  1.5%
- Freshmen completing a bachelor’s degree (1998-99 through 2002-03)  5.7%
- Quality ratings by recent graduates (1994-95 through 2002-03)  13.8%
- R&D support from grants and contracts (FY 1999 – FY 2003)  31.9%
- Philanthropy—foundation net assets (FY 1999 – FY 2003)  15.9%
- Student diversity (Fall 1998 – Fall 2003)  32.4%
- Fall credit enrollment (Fall 1998 – Fall 2003)  22.4%
- Total degree production (1998-99 through 2002-03)  17.7%
- Engineering and computer science degrees awarded (1998-99 through 2002-03)  23.2%

Early Warning Signals

- Students to full-time faculty ratio (Fall 1998 through Fall 2003)  15.8%
- Average faculty compensation (2003-04)  2.7% to 12.6% Below peers
Quality Indicators

Freshman Persistence to Second Year

Note: All U.S. universities report six-year graduation rates to the National Center for Educational Statistics. OUS rates shown above reflect the percentage of freshman graduating from any OUS institution within six-years.

Freshman persistence remains one of the best predictors of degree completion. OUS has held steady at 80.3% for the past two years, a significant improvement from the 1999-00 academic year.

Completion of Bachelor’s Degree

In addition to institution variables, such as course availability, degree completion is influenced by any number of student variables, such as:

- Financial ability to pay
- Personal preparation
- Motivation & commitment
- Family obligations

Many students choose full-time continuous enrollment after high school. Others choose part-time enrollment and a slower track to graduation.

College affordability relative to cost affects attendance patterns, and depends on:

- Family income
- College savings
- Financial aid
- Life circumstances

Data on recent graduate satisfaction and success are obtained through a biennial survey of bachelor’s recipients, administered 6 to 12 months following graduation.

Graduate success (the percentage of degree recipients who report they are employed, continuing their studies, volunteering, or working at home) for the class of 2003 dropped from 96% in 2001 to 93.8%. A weak economy and tough job market are likely contributors to this decrease.

Quality Ratings by Recent Graduates

Note: In a survey of randomly selected bachelor’s degree recipients, administered within 12 months of degree completion, respondents are asked to rate the quality of overall educational experience on a 5-point scale, with 5 rated as “excellent” and 1 as “poor.”

<table>
<thead>
<tr>
<th>Percent saying</th>
<th>1994-95</th>
<th>1996-97</th>
<th>1999-00</th>
<th>2000-01</th>
<th>2002-03</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellent or Very Good</td>
<td>72.0%</td>
<td>62.2%</td>
<td>79.9%</td>
<td>79.8%</td>
<td>81.9%</td>
</tr>
</tbody>
</table>

Note: Excellent or Very Good

| Mean rating 5-pt. scale | 3.8 | 3.7 | 4.0 | 4.0 | 4.0 |
R&D expenditures increased by over $61 million, or 32%, between 1998-99 and 2002-03. Adjusted for inflation, the increase is $43 million or 22%.

Philanthropy is defined here as the net worth of the institution’s affiliated foundation.

Although factors such as the specific nature of gifts, investment returns, and current projects affect a foundation’s net assets at any given time, OUS’ increase over time is a good indicator of external support.

Average faculty compensation
100% = average at peer universities

Research/Doctoral Universities
OSU 92.7%
PSU 91.2%
UO 88.0%

Comprehensive Universities
EOU 87.4%
SOU 94.0%
WOU 96.2%

Technical Institute
OIT 97.3%

Funding declines, combined with growing enrollments, have contributed to significant increases in student to full-time faculty ratios.

A byproduct of this dynamic is that OUS institutions are being forced to rely on more temporary, part-time faculty. Between 1998-99 and 2003-04, the percentage of part-time faculty grew from 26.8% to 32.1%.
A diverse student body enriches the educational experience of all students as well as their preparation for the workforce.

OUS institutions actively seek to provide opportunities that facilitate ongoing progress towards enhanced representation, inclusion, engagement, and success of people of diverse backgrounds.

Total credit enrollment has increased significantly since 1998-99, reflecting the high priority placed on ensuring access, even during periods of constrained resources.

Undergraduate enrollment has grown 25% during that time – twice the national rate of increase – while graduate enrollment grew 11%.

After several years in the 13,000 range, total degree production jumped to over 15,000 in 2002-03. This dramatic increase may reflect the infusion of state resources in 1999-00 that permitted greater access and enrollment than had been possible before.

Other strategic investments of state resources are also paying off. Engineering and computer science degree production has increased 23% since 1998-99.

“Post-secondary education is increasingly central to the lives of Oregonians and the Oregon economy.” Oregon Business Plan, 2003