Oregon University System

2005 Performance Report

December 2005

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_home.htm).

OUS is pleased to report continuing improvement on most of the key indicators. Particularly noteworthy is the outstanding success demonstrated by Oregon's public universities in leveraging external support for research and development. However, faculty compensation in 2004-05 dropped even lower in comparison to peer institutions, and the ratio of students to full-time faculty remains high. These trends indicate a significant and growing challenge to maintaining the quality Oregon's students deserve. Another area being monitored closely is freshman persistence to the second year. Despite campus efforts, this indicator declined slightly last year, perhaps in response to reduced affordability (higher tuition and lower financial aid) since 2002-03.

Results Overview

Continuing Improvement

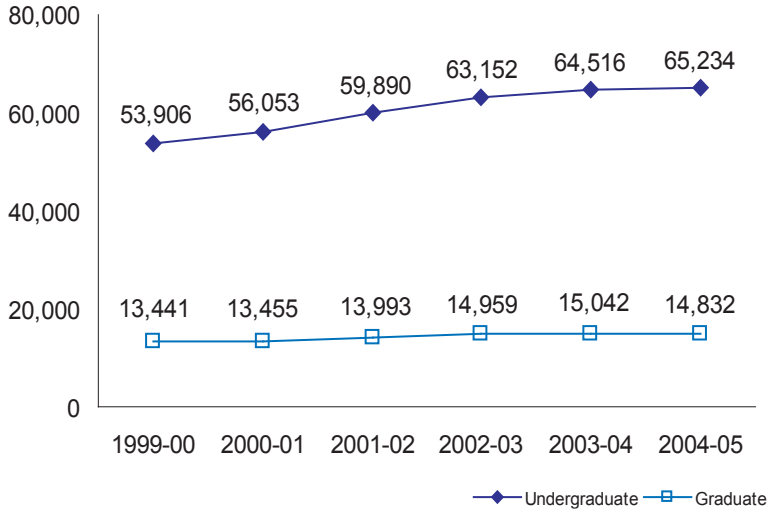
Fall credit enrollment (Fall 1999 through Fall 2004)	▲	18.9%
Student diversity (Fall 1999 through Fall 2004)	▲	28.8%
Quality rating by recent graduates (1994-95 through 2002-03)	▲	13.5%
Freshmen completing a bachelor's degree (1999-00 through 2003-04)	▲	4.7%
Total degrees awarded (1999-00 through 2003-04)	▲	20.3%
Engineering and computer science degrees awarded (1999-00 through 2003-04)	▲	37.1%
R&D support from grants and contracts (FY 2000 through FY 2004)	▲	29.8%
Philanthropy - foundation net assets (FY 2000 through FY 2004)	▲	15.4%

Warning Signs

Freshman persistence to second year (2002-03 to 2003-04)	▼	(0.6%)
Students to full-time faculty ratio (Fall 1999 through Fall 2004)	▲	10.2%
Average faculty compensation (2004-05)	▼	6.2% to 14% below peers

Access & Student Progress

Fall credit enrollment



Total credit enrollment has increased significantly since 1999-00, reflecting the high priority placed on ensuring access, even during periods of constrained resources.

While growth has slowed in the last two years, undergraduate enrollment has grown 21% since 1999-00. Graduate enrollment grew 10% in that same period; the slight decrease in 2004-05 is attributed mainly to a drop in international student enrollment.

New undergraduate enrollment increased from 14,832 in 1999-00 to 16,890 in 2004-05, an increase of 14%.

Student diversity

	99-00	00-01	01-02	02-03	03-04	04-05
African American	1,093	1,132	1,230	1,310	1,447	1,523
American Indian/Alaska Native	910	868	939	984	988	1,028
Asian/Pacific American	4,288	4,559	4,840	5,130	5,306	5,412
Hispanic/Latino	2,150	2,259	2,437	2,644	2,802	2,913
Total	**8,441**	**8,818**	**9,446**	**10,068**	**10,543**	**10,876**
Percent of Total Student Body	12.5%	12.7%	12.8%	12.9%	13.3%	13.6%

A **diverse student body** enriches the educational experience of all students as well as their preparation for the workforce.

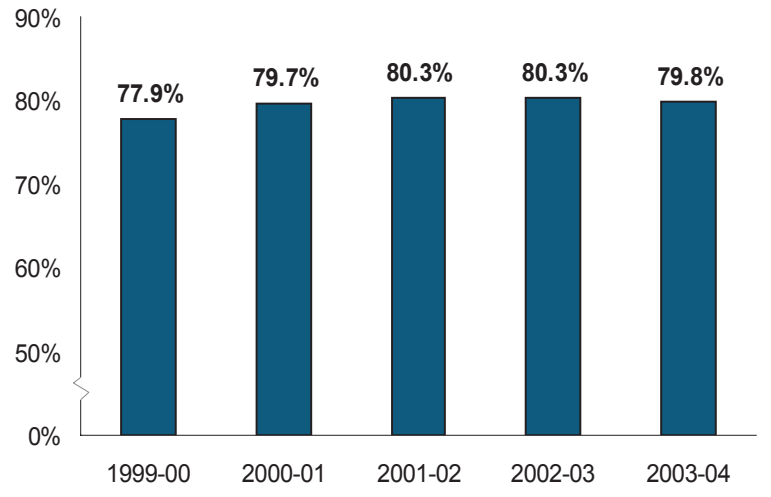
OUS institutions actively seek to provide opportunities that facilitate ongoing progress toward enhanced representation, inclusion, engagement, and success of people of diverse backgrounds.

Quality rating by recent graduates

	Percent saying *"Excellent or Very Good"*	Mean rating *5-pt scale*
1994-95	72.0%	3.8
1996-97	62.2%	3.7
1999-00	79.9%	4.0
2000-01	79.8%	4.0
2002-03	81.7%	4.0

Note: Biennial survey, 5-point scale, with 5 as "excellent" and 1 as "poor."

Freshman persistence to second year



Approximately half (49.1%) of the 2002-03 bachelor's graduates surveyed participated in an **internship**, fortifying the educational experience and providing an added advantage when transitioning into the workplace.

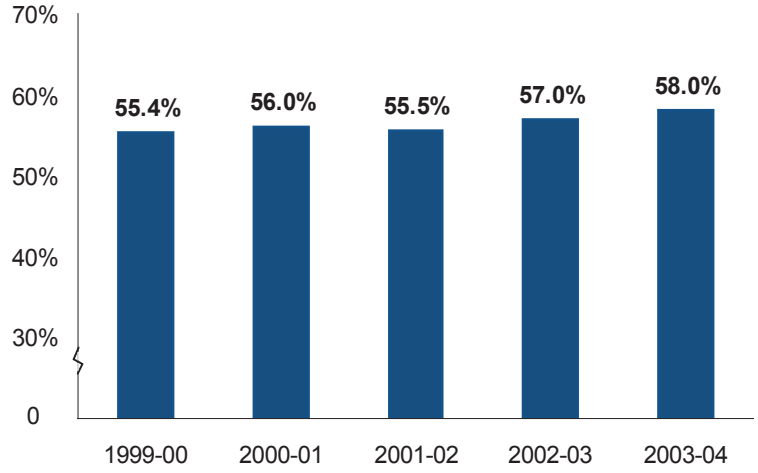
Freshman persistence remains one of the best predictors of degree completion.

After holding steady for two years, freshman persistence dropped slightly in 2003-04.

Student Success

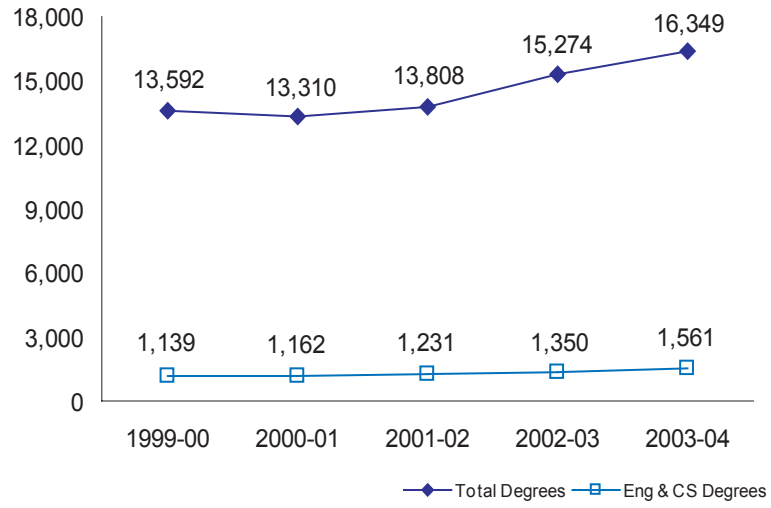
Freshmen completing a bachelor's degree*

Six-year graduation rate



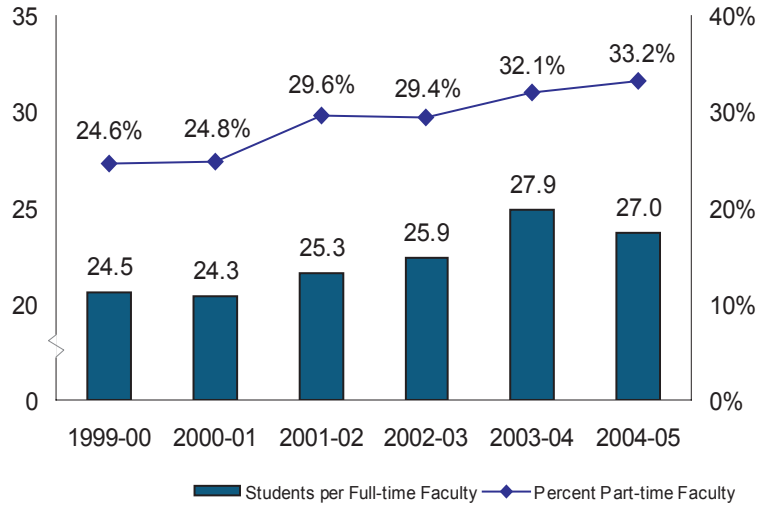
* Graduation rates for 1999-00 through 2002-03 have been revised from previous reports to reflect corrected degrees data.

Total degrees awarded



Students to full-time faculty ratio

Compared with part-time faculty percentage



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 and commitment, family obligations, and enrollment and course load choices.

College affordability relative to cost affects attendance patterns, and depends on: family income, college savings, financial aid, life circumstances.

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 93.9%. A weak economy and tough job market are likely contributors to this decrease.

After several years in the 13,000 range, **total degrees awarded** jumped to over 15,000 in 2002-03 and rose again by over 1,000 in 2003-04. This dramatic increase may reflect the infusion of state resources in 1999-00 that permitted greater access and enrollment.

Other strategic investments of state resources are also paying off. Engineering and computer science degree production has increased 37% since 1999-00.

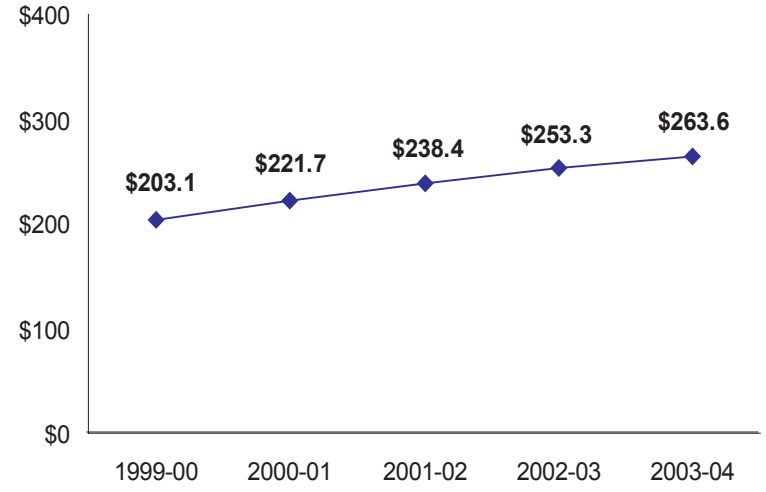
State funding declines, combined with growing enrollments, have contributed to significant increases in the ratio of **students to full-time faculty.**

As OUS campuses continue to grapple with this dilemma, campuses are relying more heavily on part-time and adjunct faculty to meet instructional demands. Although these faculty provide excellent instruction, they do not provide many services that support and enhance the students' academic goals, such as student advising and mentoring, thesis guidance, or work on extracurricular student projects.

Quality and Educational Support

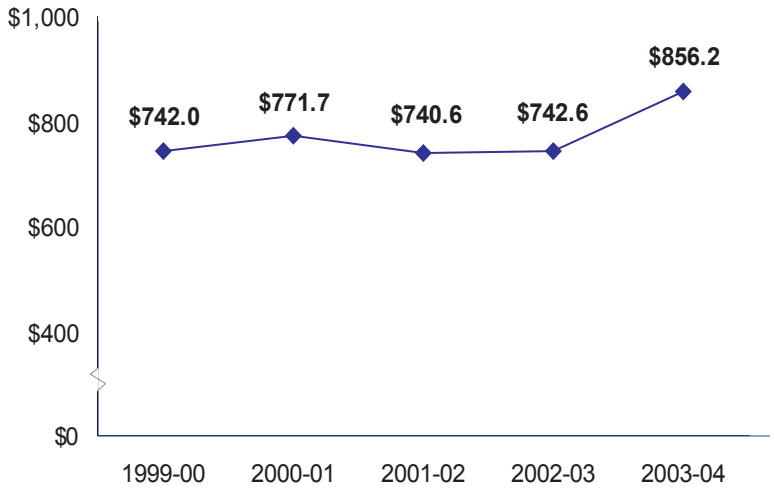
R&D support from grants and contracts

Total gift, grant, and contract expenditures ($ in millions)



Philanthropy - foundation net assets

($ in millions)



Average Faculty Compensation

100% = Average for Peer Universities

Institution	2004-05 % of peer average	2004-05% below peer average	Peer rank
Research/Doctoral Universities			
OSU	91.2%	8.8%	7 of 8
PSU	90.4%	9.6%	10 of 10
UO	86.1%	13.9%	9 of 9
Comprehensive Universities			
EOU	86.0%	14.0%	11 of 11
SOU	92.0%	8.0%	10 of 11
WOU	93.3%	6.7%	10 of 11
Technical Institute			
OIT	93.8%	6.2%	9 of 12

R&D expenditures increased by over $60 million, or 30%, between 1999-00 and 2003-04. Adjusted for inflation, the increase is $42 million or 21%.

"Over the period 1998-2003, Oregon saw the largest percent change in its academic R&D expenditures funded by industry sources, according to the National Science Foundation's latest survey. The northwest state, which had more than one-and-a-half times the amount of such expenditures funded by industry sources in 2003 as it had in 1998, was joined only by Maryland and South Carolina as states experiencing a greater than 100 percent increase over the period."

State Science & Technology Institute, 2005

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.

2004-05 **faculty compensation** at all OUS institutions declined in relation to peer universities. The inability of OUS universities to offer competitive salaries jeopardizes retention of existing faculty — particularly in nationally recognized programs — and undermines efforts to recruit replacement faculty of equal caliber.

"Oregon's economic health depends more than ever on the services provided by our public universities, community colleges, and private colleges and universities. They have a central role in producing the well-educated workforce that is vital to a knowledge-based economy. They also have a pivotal role in supporting the development and growth of industry clusters through research and development, the creation of intellectual property, and technology transfer."

Oregon Business Plan, 2003