

AGB CONSULTING

# Governance in Challenging Times

November 14, 2022, OSRHE Education Program  
Dr. William Kirwan, AGB Senior Consultant

# 5 Top Issues Facing US & Oklahoma Higher Education

- Institutional financial stability
- Enrollment decline
- Affordability & student debt
- College completion
- Public trust

# Diminished State Support

- Nationally, state appropriation per FTE student is \$1000 lower today than in 2001; in Oklahoma it is over \$4500 less
- At \$5.8K, Oklahoma has the nation's third lowest per FTE appropriation
- Many states have begun to reinvest in higher ed investment over the past 5 years
- Nationally, there has been an average 14% increase in state appropriation per FTE since FY2016
- Oklahoma has seen a 20% decrease, by far the nation's largest

*Do the Regents/Trustees have a responsibility for addressing this issue? If so, what strategies should they employ*

# Enrollment decline

- Nationally, higher ed enrollment dropped 4% from FY 16 to FY 21
- In Oklahoma, the drop was 8%
- Oklahoma projecting very modest growth in traditional age population
- Oklahoma has 7<sup>th</sup> lowest percentage of adults with a 4-year degree
- Oklahoma has 400,000 adults with some college credits but no degree

*Does the institution have the right degree offerings? Does it have flexible options for reaching working adults? Does it have effective articulation agreements with the state's other higher ed institutions? Has it made good use of online and hybrid learning?*

# Affordability and Student Debt

- Nationally, due to increased state funding, net tuition per FTE student has *decreased* by 5% from FY16 to FY21
- In Oklahoma, net tuition has *increased* (probably to offset declines in state support) but is still modest
- Oklahoma has a higher than average default rate on student loans

*Does the Board see data on student debt? Does the Board monitor the financial aid budget? How effective is its career counseling office in placing graduates? Are degree programs responsive to workforce demands? Does the Board see employer satisfaction surveys?*

# College Completion

## Degree completion is a fundamental fiduciary responsibility of Regents and Trustees

- The national average for completion at two-years public schools is 32% and at 4-year publics is 47%
- Oklahoma's rates are 25% and 39% (excluding the two research universities) respectively
- Oklahoma's rates have been rising gradually

*Does the Board monitor retention and graduation rates? Does the institution have adequate programs (advising, counseling, etc.) in place to support its students? Does it set retention and completion goals? Is it using data analytics to improve completion?*

# Public Trust

## Public trust in higher education is at an all-time low

- Barely 50% of US population thinks colleges has a positive impact on the country
- 40% of college graduates say that college did not prepare them for the workforce
- Over 40% of college graduates say the degree was not worth the cost
- Fewer than 1/3 of adults say college is worth the cost
- Colleges don't support free speech: 66% of college students say it's OK to shout down campus speakers to keep them from speaking
- Etc., etc., etc.

*Trustees and Regents uniquely positioned to restore the Public Trust, which is the topic of the next session.*