



## Executive Summary

This report provides the Nebraska Legislature with comparative statistics to monitor and evaluate progress toward achieving **three key priorities** for Nebraska's postsecondary education system:

- Increase the number of students who enter postsecondary education in Nebraska.
- Increase the percentage of students who enroll and successfully complete a degree.
- Reduce, eliminate, and then reverse the net out-migration of Nebraskans with high levels of educational attainment.

These priorities were developed by the 2003 LR 174 Higher Education Task Force and are incorporated in subdivision (3) of Neb. Rev. Stat. § 85-1428 (2008).

This summary highlights the comparative analysis used to measure and evaluate performance in respect to each priority. Throughout this analysis, the latest available statistics are compared to the quantitative baselines established for the LR 174 Higher Education Task Force in 2004. The complete report and its appendices, which are online at [www.ccpe.state.ne.us](http://www.ccpe.state.ne.us), provide a detailed and fully documented analysis.

## Overall Progress and Challenges Facing the State

The results of the research for the *2009 Nebraska Higher Education Progress Report* reflect modest annual changes in the state's postsecondary education system.

While the changes measured each year are relatively small, **progress is generally in the right direction with respect to the first and second priorities** recommended by the 2003 LR 174 Higher Education Task Force.

Since 2003, total postsecondary enrollments have increased and statewide freshmen retention and college graduation rates have improved slightly.

Unfortunately, estimates of net-migration that are currently available do not clearly indicate whether Nebraska is gaining or losing more college-educated adults than it has in the past. Even if Nebraska's colleges and

universities continue to increase statewide enrollment, retention rates and graduation rates, increasing first-time freshmen enrollments is going to continue to be a challenge for the state's postsecondary institutions.

The numbers of students who will graduate from Nebraska high schools are projected to decrease between now and 2014–2015 before increasing to a number equal to or only slightly higher than the number of graduates in 2007–2008.

Consequently, it will be difficult to increase freshmen enrollments without significantly increasing the college continuation rate or, in other words, without dipping more deeply into the annual pool of students who graduate from the state's high schools. In addition, Nebraska institutions will continue to face the challenge of attracting first-time freshmen from other states.

Based on the findings of this report, Nebraska continues to face challenges in its efforts to:

- (1) increase the percentage of Nebraska high school students in all racial/ethnic groups who graduate and go to college with sufficient preparation,
- (2) reverse the decline in the enrollment of freshmen who delay going to college for more than a year after high school,
- (3) increase the number of out-of-state and foreign students who are attracted to Nebraska institutions,
- (4) increase state-funded grants and scholarships to aid low-income students, and
- (5) improve college retention and graduation rates across all sectors of higher education in Nebraska and for students in all racial/ethnic groups.



## Priority 1

### Increase the number of students who enter postsecondary education in Nebraska.

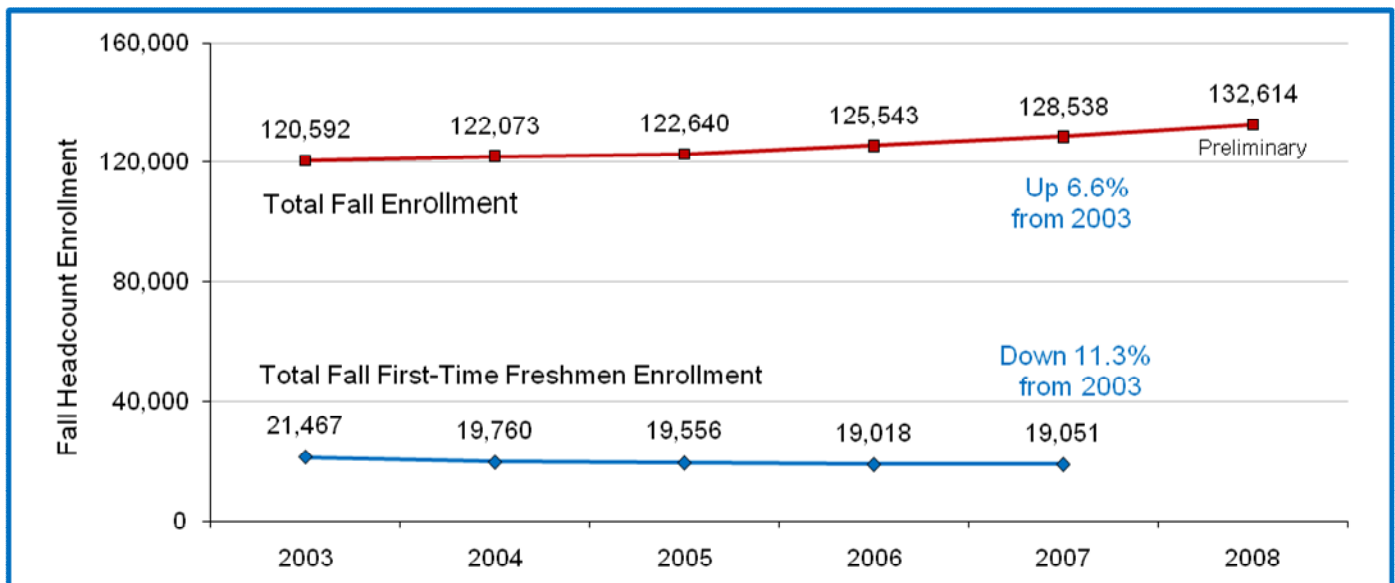
#### Total and freshmen fall enrollments

Nebraska's total postsecondary headcount enrollment increased 6.6% from the fall 2003 baseline of 120,592 to 128,538 in fall 2007.

Estimated enrollment increased by another 3.2% to 132,614 in fall 2008. This increase is primarily the result of higher enrollments at the University of Nebraska-Lincoln, Bellevue University in the independent sector, Kaplan University-Lincoln Campus in the for-profit sector and four of the state's six community colleges (Central, Metropolitan, Southeast and Western Nebraska).

Total enrollment of first-time freshmen at the state's postsecondary institutions decreased 11.3%, from 21,467 in fall 2003 to 19,051 in fall 2007, the latest year for which data are available. This decrease illustrates that Nebraska continues to face a significant challenge in increasing the numbers of students who enroll in college.

Fall Total Headcount Enrollment and First-Time Freshmen Enrollment at Nebraska Postsecondary Institutions Fall 2003 to Fall 2008



National Center for Education Statistics, Integrated Postsecondary Education Data System

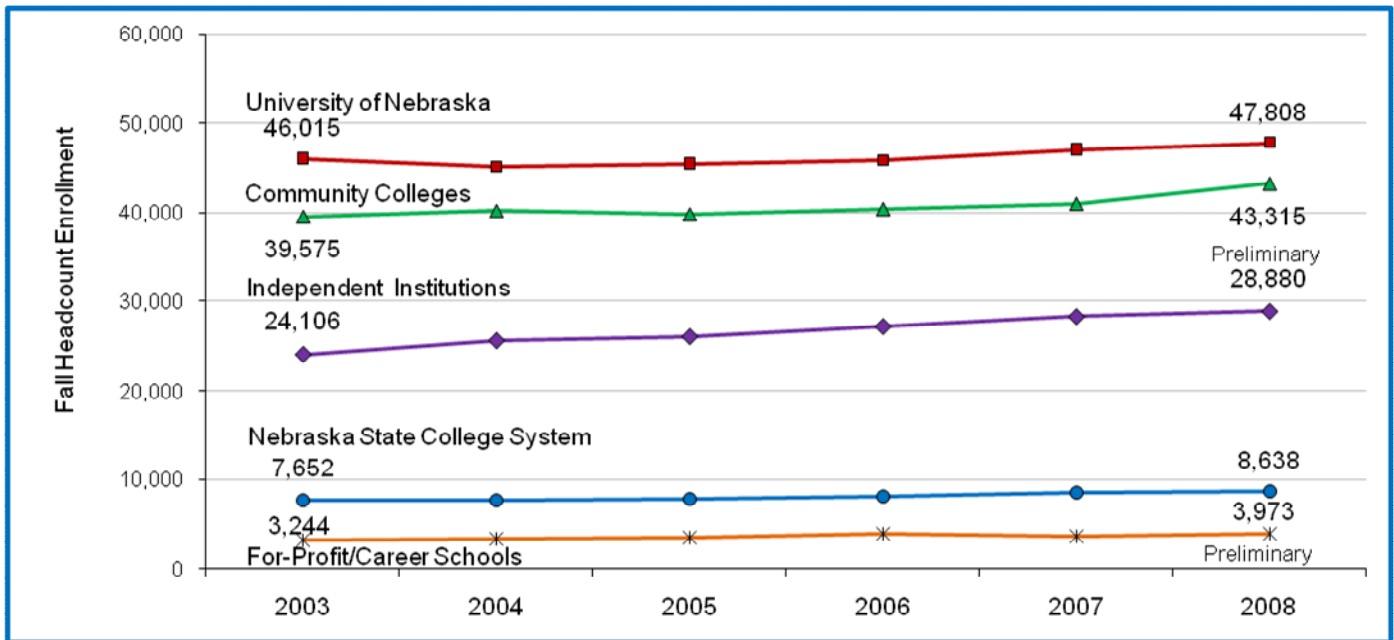
(Priority 1, continued)

**By sector: Total and freshmen fall enrollments**

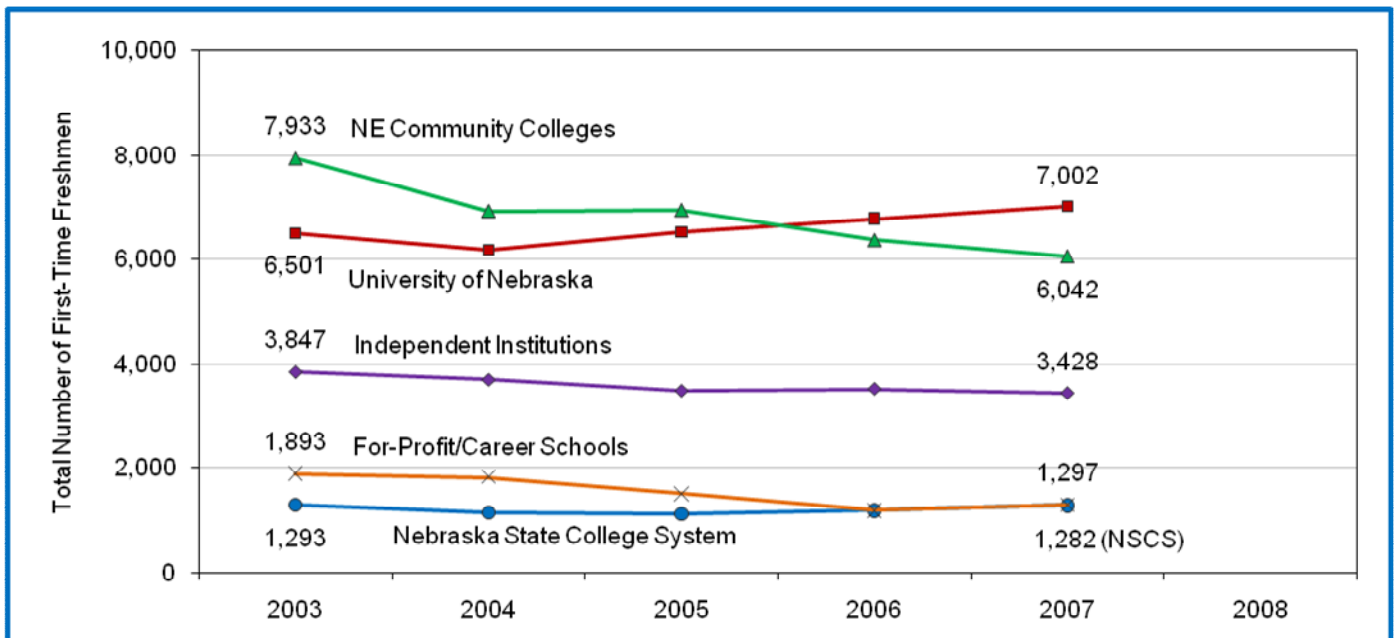
Since fall 2003, total headcount enrollment has increased across all sectors of Nebraska’s postsecondary education system, but the greatest enrollment increase has been at the community colleges.

The University of Nebraska reported a notable increase in total first-time freshmen enrollments between 2002 and 2007. However, enrollments of first-time freshmen declined within the community college sector,

**Fall Total Headcount Enrollment by Sector: Fall 2003 – Fall 2008**



**First-Time Freshmen Enrollment by Sector: Fall 2003 – Fall 2007**





### Nebraska high schools— Nebraska’s primary source of college students

Since 2002–2003, the number of students graduating annually from Nebraska high schools has increased 1%, and the number of graduates 10 years from now is projected to be only 1.4% higher than the number who graduated in 2007–2008.

In 2007–2008, 22,193 students graduated from Nebraska high schools. Based on available projections, Nebraska high schools will graduate only about 300 more students in 2018–2019 than in 2007–2008. However, the demographic profile of the graduates is forecast to change dramatically.

### Shifting high school demographics

Even though Hispanic students graduate from high school at a lower rate than white non-Hispanics and Asians/Pacific Islanders, they are projected to account for 18% of Nebraska’s high school graduates by 2018–2019, compared to 4% in 2002–2003. The total of other minorities is projected to increase from 7% to 10% of the state’s high school graduates.

### High school graduation rates

The graduation rates at Nebraska’s public high schools have improved for all of the major racial and ethnic groups since 2002–2003, and the

state’s public high school graduation rate continues to be among the highest in the United States.

The graduation rate for the state’s public high schools has steadily increased from 84.7% in 2002–2003 to 89.0% in 2006–2007.

Among minorities, the greatest increase in graduation rates has been for Hispanics.

However, the graduation rates for Hispanics, black non-Hispanics and Native Americans continue to be 17% to 25% lower than the rates for white non-Hispanics and Asians/Pacific Islanders. Furthermore, black non-Hispanics and Hispanics account for disproportionately high percentages of the students who drop out of Nebraska high schools.

Given these disparities, we need to continue and strengthen efforts to reduce and eliminate them.

### Preparation for college

The average ACT® composite score for Nebraska high school students has increased slightly since 2004 and continues to be above the national average.

Still, data from ACT, Inc. for the class of 2008 suggest that only 27% of Nebraska’s ACT-tested high school graduates are sufficiently prepared to succeed in all four common areas of entry-level college coursework:

algebra, biology, English, and social science. Furthermore, compared to their white non-Hispanic and Asian/Pacific Islander classmates, even lower percentages of the state’s Hispanic, Native American and black non-Hispanic high school graduates are adequately prepared for entry-level college coursework.

### College continuation rates and where Nebraska high school graduates go to college

About 68% of Nebraska’s high school graduates in the class of 2005–2006 enrolled in college within 12 months of graduation. Of these students, about 82% enrolled at in-state colleges, while the remaining 18% went out of state to school.<sup>1</sup>

In addition to attracting a high percentage of the state’s high school graduates, Nebraska’s colleges and universities attract more than 3,000 first-time freshmen from other states and foreign countries each year. In fall 2006, Nebraska imported about 200 more first-time freshmen than it exported.

Nebraska’s college continuation rate increased from 62% in fall 2002 to 68% in fall 2006, meaning that, over the four-year period, an increasing percentage of the graduates from Nebraska’s high schools attended college within a year after receiving their high school diplomas. Furthermore, an

<sup>1</sup>The data required to calculate the state’s college continuation rate and related statistics are collected every two years by the National Center for Education Statistics through the Integrated Postsecondary Data System (IPEDS). The data for fall 2008 will be available in mid-2009.

*(Priority 1, continued)*

increasing percentage of these students stayed in Nebraska and attended colleges and universities in their home state.

### Important trends in first-time freshmen enrollments

Between fall 2002 and fall 2006, all of the sectors of higher education in Nebraska, except for the for-profit/career schools, attracted more first-time freshmen who started college within 12 months of their graduation from Nebraska high schools.

However, during this period, there was a 37.5% decline in the number of Nebraskans who started college more than 12 months after high school graduation. This decrease was concentrated primarily among the community colleges, which serve about 70% of the students who start college more than a year after they receive their high school diplomas.

Between fall 2002 and fall 2006, the community colleges enrolled 1,330, or 33.5%, fewer Nebraska-resident, first-time freshmen who started college more than 12 months after they graduated from high school. This decline is an important trend to address because a major mission of the community colleges is to serve non-traditional students, including those who delay going to college for at least a year after they graduate from high school.

Between fall 2002 and fall 2006, the number of first-time freshmen from Nebraska who enrolled at the community colleges

within a year of graduating from high school increased by 400 students, or 14%. As a result, community colleges accounted for a slightly higher percentage of the freshmen in this category in 2006 than in 2002, indicating that a larger number of Nebraska's recent high school graduates were beginning their college education at Nebraska's community colleges, rather than at the public four-year institutions within the state. Again, this is an important trend that the Commission will continue to monitor when data for fall 2008 becomes available.

### Changes in freshmen enrollments by race/ethnicity

Slightly higher numbers of Asians/Pacific Islanders, black non-Hispanics and Hispanics enrolled at Nebraska institutions in fall 2007 than in fall 2003, but there were slightly fewer Native Americans among the first-time freshmen in 2007.

More surprisingly, there was a much greater-than-expected decrease between 2003 and 2007 in the number of white non-Hispanics who enrolled as first-time freshmen. This trend may be further evidence of the decrease in the number of students who start college more than a year after high school that was mentioned previously, but the two data sets cannot be combined for analysis.

The reasons for the unexpected decrease in white non-Hispanic, first-time freshmen are not known. However, economic conditions, higher tuitions and fed-

eral and state grant aid not keeping pace with increases in tuition and fees may be contributing factors.

### Underrepresentation of low-income students

Students from low-income households are underrepresented in Nebraska's higher education system. The Coordinating Commission is currently conducting research on this topic for future publication.

### The importance of state-funded financial aid

For Nebraskans with limited financial resources, increased state funding for the Nebraska State Grant Program can help to improve access to higher education. In addition, the new state-funded Access College Early (ACE) Scholarship Program is enabling some low-income students to take college courses while they are still enrolled in high school. However, additional need-based aid is needed to enable more of Nebraska's low-income and moderately low income students to go to college, stay enrolled and complete degrees.



## Priority 2

### Increase the percentage of students who enroll and successfully complete a degree.

Success is measured not only by the number of freshmen who enroll in college, but by those who stay in college beyond their freshmen year and earn degrees.

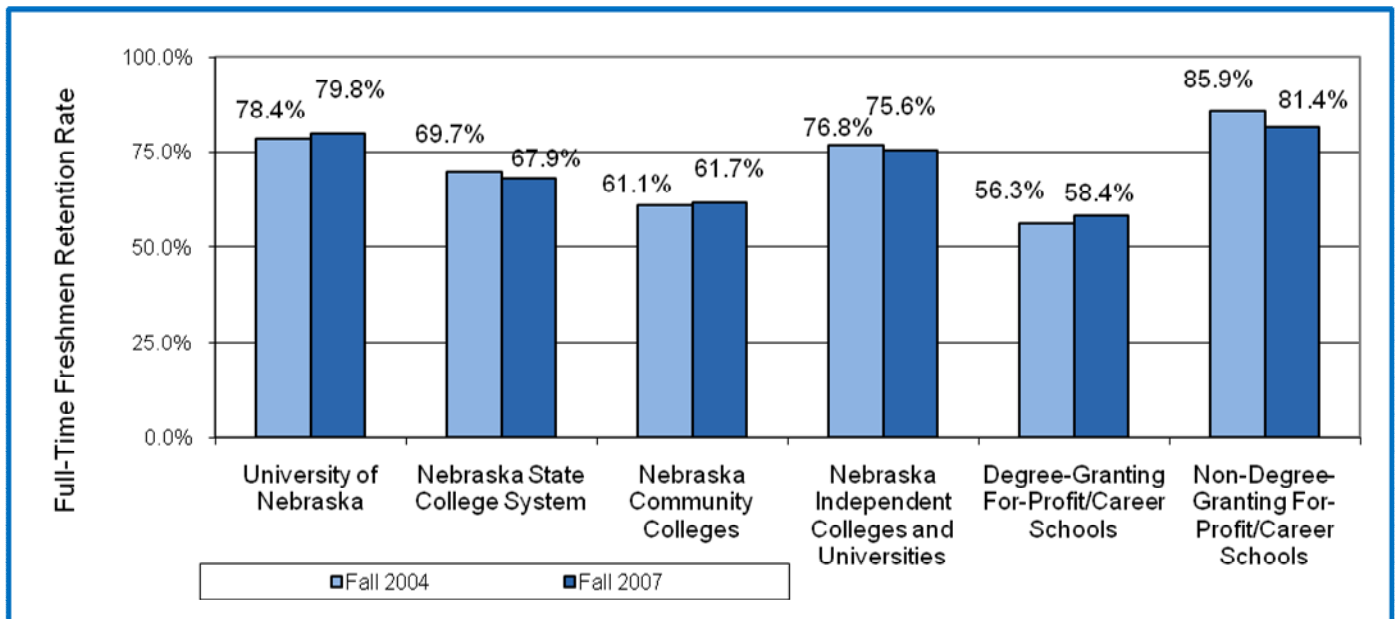
The overall freshmen retention rate and college graduation rate\* at Nebraska institutions have increased slightly since 2002–2003, and significant percentages of students who transfer from Nebraska colleges persist in their studies and earn degrees at other institutions. However, improvements in retention and graduation rates have not been consistent within or across all types of institutions, or for all categories of students.

#### Freshmen retention rates

Between fall 2004 and fall 2007, the statewide freshmen retention rate for full-time, first-time freshmen increased from 71.4% to 72.6%. However, retention rate for fall 2007 was almost one percentage point lower than the statewide rate for full-time students in fall 2006.

Retention rates for full-time students in fall 2007 varied between the public sectors, ranging from 61.7% at the community colleges to 79.8% at the University of Nebraska.

**Full-Time Freshmen Retention Rates of Nebraska Postsecondary Institutions by Sector  
Fall 2007 Compared to Fall 2004 Baseline**



National Center for Education Statistics, Integrated Postsecondary Education Data System

\*The freshmen retention rate is the number of freshmen who are enrolled at the same college one year later. The college graduation rate is the percentage of full-time, first-time freshmen who complete their degree programs at the same college within 150% of the time specified for the programs. For example, the specified time frame for four-year programs is six years, while the time frame for two-year programs is three years.

(Priority 2, continued)

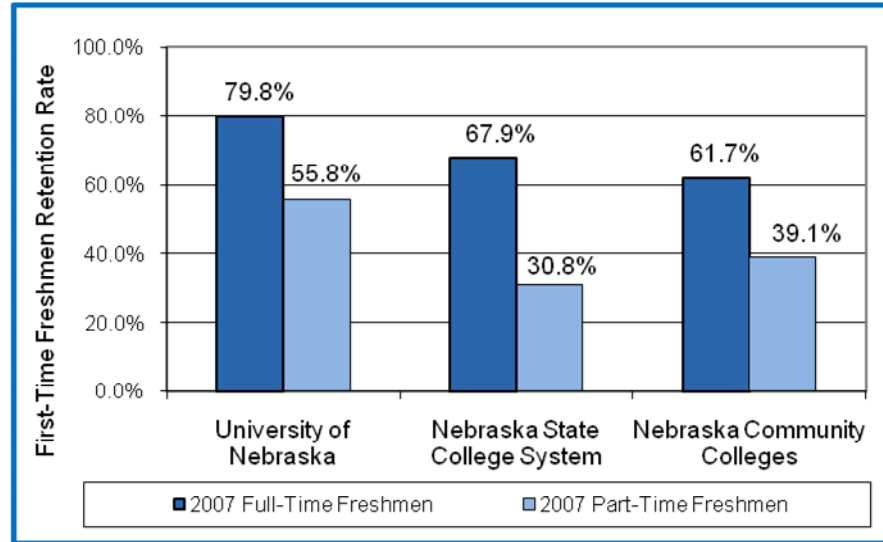
The independent colleges and universities also had a relatively high retention rate of 75.6% in fall 2007. However, the highest freshmen retention rate for full-time students was 81.4% at the non-degree-granting for-profit career schools.

Nebraska's community colleges enroll about 80% of the first-time freshmen who start college as part-time students. Their retention rate for part-time freshmen was 39.1% in 2007, which is only slightly below the estimated national average for two-year public institutions.

When students who transferred to other institutions are added to the freshmen who were retained by the Nebraska's public institution where they started college, 83% of full-time freshmen and 65% of part-time freshmen continued their studies beyond their first year.\*\*

A statewide retention rate for part-time, first-time freshmen cannot be calculated due to insufficient data from some institutions. However, the freshmen retention rates for full-time and part-time students at the state's public institutions can be compared as shown in the chart on this page. This comparison clearly indicates that students who start college full time are much more likely than part-time students to continue college beyond their freshmen year.

**Fall 2007 Freshmen Retention Rates for Students at Nebraska's Public Colleges and Universities**



National Center for Education Statistics, Integrated Postsecondary Education Data System

Conversely, freshmen who attend college only part time are less likely to continue their studies and, therefore, are less likely to earn degrees.

**College graduation rates**

Graduation rates based on data collected by the National Center for Education Statistics (NCES) are calculated only for full-time students who graduate from the same college where they started as first-time freshmen.\*\*\*

Based on NCES data, the statewide graduation rate for Nebraska institutions increased slightly from 48.4% in 2002–2003 to 49.1% in 2006–2007, the latest year for which data are

available. The non-degree-granting, for-profit schools have had the highest graduation rate among the sectors of higher education in Nebraska since 2002–2003, followed by the independent institutions.

Between 2002–2003 and 2006–2007, graduation rates remained stable or increased by varying degrees across the other sectors of higher education in Nebraska, except for the community colleges, where the graduation rate decreased from 38% to 31%.

\*\*Estimated retention rates based on research conducted by the University of Nebraska, the Nebraska State College System, Nebraska's six community colleges and Commission staff using National Student Clearinghouse data for the 2007 Nebraska Higher Education Progress Report.

\*\*\*See the 2007 Nebraska Higher Education Report for research conducted by Nebraska's public institutions and Commission staff to estimate the graduation rates of students who transferred from the institution where they initially enrolled as first-time freshmen.



**Racial/ethnic disparities**

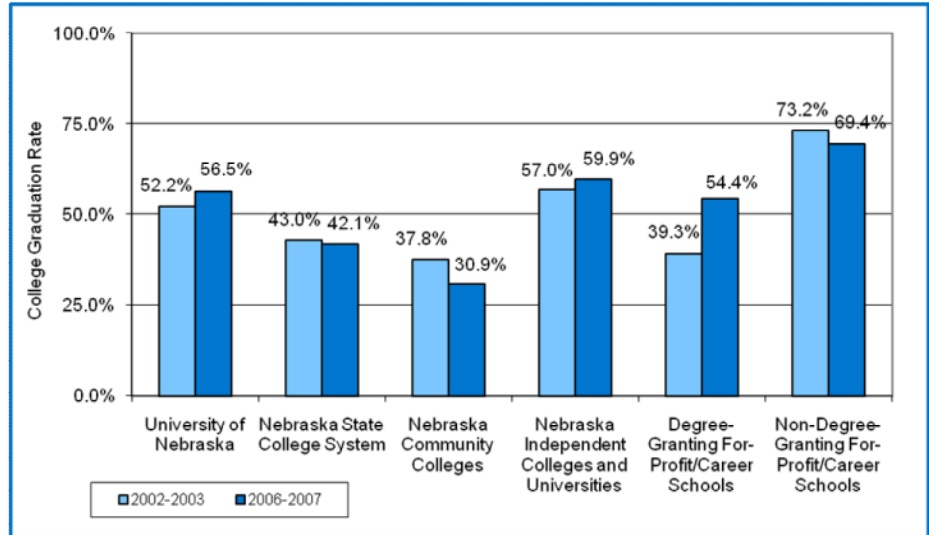
Minorities—who account for most of Nebraska’s projected population growth—graduate from high school at lower rates than do white non-Hispanics.

Minority students who graduate from high school generally tend to be represented among first-time college freshmen at Nebraska colleges and universities at about the same degree as they are represented among Nebraska’s high school graduating classes. However, Hispanics, black non-Hispanics and Native Americans continue to have significantly lower college graduation rates than whites and Asian/Pacific Islanders who complete degree programs at Nebraska institutions.

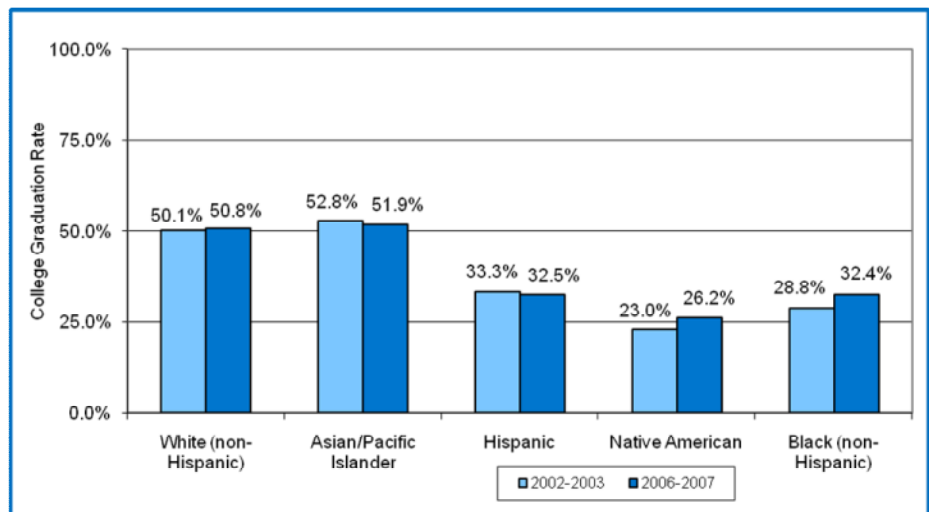
Between 2002–2003 and 2006–2007, graduation rates for all five racial/ ethnic groups increased at the University of Nebraska. At the sector level, community college graduation rates for all five racial/ethnic groups were lower in 2006–2007 than in 2002–2003. This decline may be due, in part, to greater numbers of students starting at the community colleges and transferring to other institutions before earning diplomas or other awards. There were no consistent increases or decreases between 2002-2003 and 2006-2007 in completion rates within the other sectors of higher education in Nebraska when these rates were analyzed by race/ethnicity.

**Graduation Rates for Nebraska Postsecondary Institutions 2006–2007 Compared to 2002–2003**

**By Sector:**



**By Race/Ethnicity:**



National Center for Education Statistics, Integrated Postsecondary Education Data System

\*\*\*See the 2007 Nebraska Higher Education Report for research conducted by Nebraska’s public institutions and Commission staff to estimate the graduation rates of students who transferred from the institution where they initially enrolled as first-time freshmen.

### **Priority 3**

#### **Reduce, eliminate, and then reverse the net out-migration of Nebraskans with high levels of educational attainment.**

Data from the 2000 U.S. Census revealed that Nebraska experienced a net out-migration of college-educated adults at all levels of education beyond high school between 1995 and 2000. During the same period, Nebraska attracted a significant net in-migration of adults with less than a high school education.

Beginning in 2005, the U.S. Census Bureau started collecting data annually to estimate net-migration by education level for each state. Since the estimates for Nebraska are based on very small samples of the people who move in or out of the state within a year of each annual survey, these estimates are varying quite dramatically from one year to the next. As a result, it is currently impossible to draw even tentative conclusions about the migration patterns of the adults who have moved to or from Nebraska since 2000.

Although data currently available from the U.S. Census Bureau do not reveal a clear picture of Nebraska migration patterns, there is still reason to be concerned about the possible effects of migration on the size and quality of the state's labor force. Consequently, the Commission will continue to monitor the annual estimates of net-migration by education level in an effort to determine whether the net out-migration of Nebraskans with college degrees has been reduced or even reversed since 2000.

