

Minnesota Measures

2012 Report on Higher Education Performance



MINNESOTA
OFFICE OF
HIGHER
EDUCATION

reach higher

“ To advance the promise of higher education to all Minnesotans and provide the critical information that guides higher education decisions.”

– Minnesota Office of Higher Education Mission

The Office of Higher Education thanks the Minnesota State Colleges and Universities, the University of Minnesota, the Minnesota Private College Council and the Minnesota Career College Association for their participation and assistance in this process.

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Minnesota Measures

A REPORT ON HIGHER EDUCATION PERFORMANCE

Executive Summary

MN Measures, 2013 provides a resource of accurate, timely and comprehensive facts about higher education in Minnesota. It includes comparisons over time as well as national and peer institution comparisons to add context for the interpretation of the data. It is expected to be used by a number of stakeholder groups such as legislators, educators, and researchers. The document is organized logically into three sections: *Preparing for and Entering College*, *During College* and *Outcomes of College*. A variety of data sources are utilized to cross check on the veracity of the data. The sources include The U.S. Department of Education, the IPEDS Enrollment Survey, the American Community Survey and the Financial Aid Awarded Survey. Except for the data submitted directly to the Office of Higher Education from local institutions, all raw data are collected online from third party websites. The sources are identified with each data presentation.

The Office of Higher Education retrieves data, then organizes and designs templates of tables and graphs to enhance the understanding and interpretation of the findings. Data are reviewed multiple times by members of the research and communication teams.

Producing a useful and high quality public resource is part of the mission of the Office of Higher Education. *MN Measures* is in its sixth year of production and has received high accolades from users with each edition. In sync with the times, we are putting a greater emphasis on using the internet, as opposed to paper copies, as a repository of information. For now, both formats are available for your review.

1. Anthony P. Carnevale, Nicole Smith, Jeff Strohl, 2010, *Help Wanted: Projections of Jobs and Education Requirements through 2018*, Georgetown University Center on Education and the Workforce, cew.georgetown.edu/jobs2018.

Preparing for and Entering College

OVERVIEW

Section One of *Minnesota Measures* analyzes the initial stages of students' entry into postsecondary education, including how many recent high school graduates enroll in a postsecondary institution, how well prepared they are to do collegiate-level work, where and at what types of postsecondary institutions they choose to enroll, what costs first-year students and their families face, and what types of financial aid they receive. Although students enter postsecondary education at different points throughout their lives, examining recent high school graduates as they choose to pursue a postsecondary education provides a sense of how the different levels of education work together and what factors may impact students as they initially pursue a postsecondary education.

Academic Preparation and College Participation

Minnesota high school students had a four-year graduation rate of 77 percent in 2011. At 69 percent, Minnesota also has a high percentage of recent high school graduates who go on to enroll in a postsecondary institution within a year of their graduation. A larger proportion of the population in Minnesota receives a high school diploma and enters into higher education, unlike states with a high percentage of high school graduates that enroll in a postsecondary institution but also a high dropout rate during high school.

Overall, Minnesota high school students also have strong and growing participation and achievement in challenging academic courses and assessments. Minnesota students received the highest scores in the nation on the ACT college entrance exam, and increasing numbers of students are participating in college-level courses through Advanced Placement, Postsecondary Enrollment Options, and other programs. State-level proficiency exam scores for 10th and 11th grade students, however, indicated a clear achievement gap for low-income students and some students of color, with approximately three-quarters of low-income students and American Indian, Hispanic, and Black students not fully meeting grade-level standards in math in 2012.

For all Minnesota high school graduates, the number going to college has increased by 13 percentage points between 1996 and 2011. In 2011 69 percent enrolled in college within a year of their high school graduation. Of the 69 percent of high school graduates who went directly on to college, nearly three-quarters chose a postsecondary institution in Minnesota; of the percentage who chose an institution out of state, two-thirds chose an institution in a state bordering Minnesota.

College Costs and Financial Aid for First-Year Students

Affordability and perceptions of affordability are key considerations for students interested in pursuing postsecondary education. Minnesota's two- and four-year public institutions had among the highest published tuition and fees nationally. Grants and scholarships reduced the published tuition and fees students paid by an average of about \$4,800 at public universities and \$3,300 at public two-year colleges in the state. The average net tuition and fees students and families actually pay, however, were higher across all types of postsecondary institutions in Minnesota than averages in Minnesota's peer states or nationally.

In Minnesota, 87 percent of first-year undergraduates attending full-time received financial aid to help them pay the price of attendance. Almost three-fourths received grants or scholarships and two-thirds took out student loans.

HIGH SCHOOL ACADEMIC PREPARATION AND COLLEGE READINESS

- » In 2011-12, increasing numbers of high school students participated in Advanced Placement and Postsecondary Enrollment Options courses.
- » Minnesota ACT test-takers again posted the highest average composite score in the nation.
- » The 2011 high school graduation rate for students of color was 29 percentage points lower than the rate for white students; students eligible for free/reduced price lunch had a 58 percent graduation rate, compared to 77 percent for all students.

The effectiveness of the higher education sector is impacted in part by the preparation level of high school graduates entering the state's colleges and universities. Students completing more rigorous courses in core academic subjects in high school consistently have higher high school graduation rates and score higher on standardized tests and college entrance assessments.

Minnesota's Public High School Graduation Rate

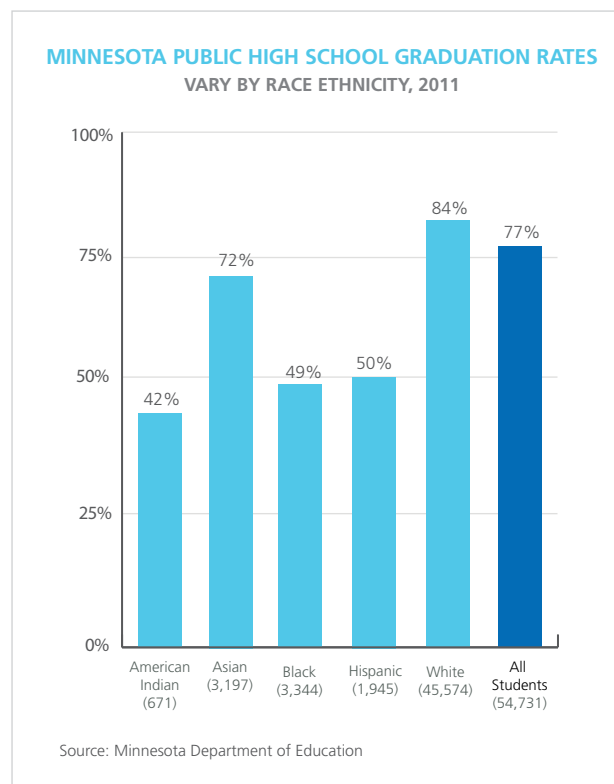
The 2011 four-year high school graduation rate for Minnesota public high schools was 77 percent (54,731 students). The graduation rate for white students was 84 percent (45,574 students), and 55 percent for students of color (9,157 students). Most groups had higher graduation rates compared to the preceding year, except for American Indian students who had lower rates.

Graduation rates were low for key populations. In 2011, the graduation rates were:

- 52 percent (2,628 students) for English language learners;
- 56 percent (5,130 students) receiving special education services; and
- 58 percent (13,239 students) eligible for free/reduced price lunch.

Some non-graduates will later obtain GED credentials and enter postsecondary institutions. Each fall Minnesota's postsecondary institutions enroll about 1,000 new college freshmen who were GED recipients.

According to data from the American Council on Education, nearly 5,800 Minnesotans passed the GED test in 2011. Minnesota's pass rate was 83 percent, ranking 14th nationally. The average age of test candidates was 27. About half the test-takers left high school after grade 11 and 25 percent left after grade 10. Over the past decade, nearly 60,000 GED credentials were earned by Minnesotans.



Measures of Academic Preparation

Three exam results illustrate the academic preparation of Minnesota high school students: the Minnesota Comprehensive Assessments, Advanced Placement exams, and the ACT exam.

Minnesota Comprehensive Assessments

Minnesota Comprehensive Assessments measure student progress toward Minnesota's academic standards for K-12 education. All public school students in grades three through eight take reading and mathematics assessments. Students in grade 10 take reading assessments and students in grade 11 take mathematics assessments.

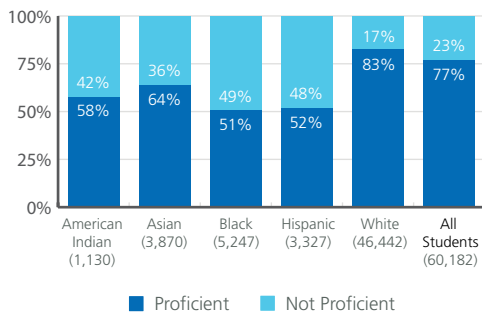
The statewide results of public high school students in 2012 indicated 77 percent were meeting the reading competency

standard set by the Minnesota Department of Education and 43 percent met the math standards. Grade 10 reading test results have shown the largest improvement, increasing two percentage points from last year and six points over the past five years. Grade 11 mathematics test results decreased four percentage points from last year, but increased nine points over the past five years. The 2012 math test changed from the previous test given to students.

The results in math and reading, however, also showed larger achievement differences for low-income students (indicated by free/reduced-price lunch eligibility) and students of color. Among those who took the tests, about 30 percent of public high school students were low income and about 21 percent were students of color.

READING GRADE 11 PROFICIENCY VARIES BY RACE/ETHNICITY

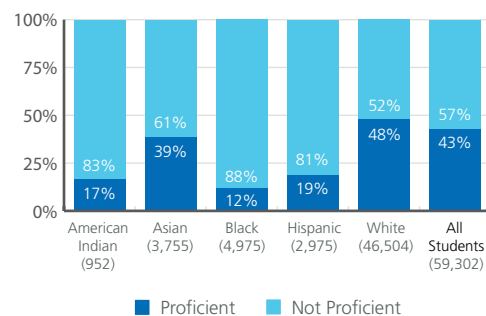
MINNESOTA PUBLIC SCHOOL COMPREHENSIVE ASSESSMENT, 2012



Source: Minnesota Department of Education

MATHEMATICS GRADE 11 PROFICIENCY VARIES BY RACE/ETHNICITY

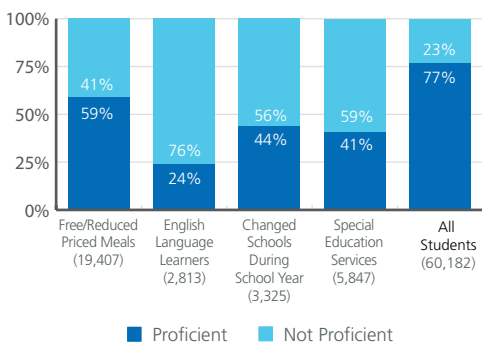
MINNESOTA PUBLIC SCHOOL COMPREHENSIVE ASSESSMENT, 2012



Source: Minnesota Department of Education

READING GRADE 10 PROFICIENCY VARIES BY SPECIAL POPULATIONS

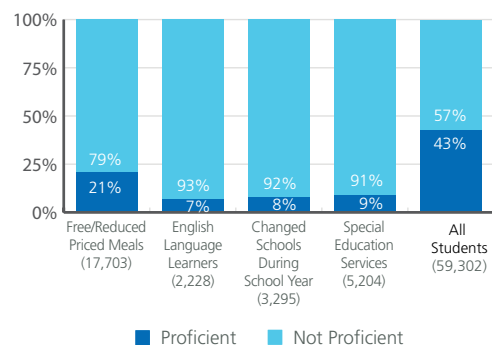
MINNESOTA PUBLIC SCHOOL COMPREHENSIVE ASSESSMENT, 2012



Source: Minnesota Department of Education

MATHEMATICS GRADE 11 PROFICIENCY VARIES BY SPECIAL POPULATIONS

MINNESOTA PUBLIC SCHOOL COMPREHENSIVE ASSESSMENT, 2012



Source: Minnesota Department of Education

The Science MCA-II measures student performance on Minnesota's science standards. The science standards define what students should know and be able to do in a particular grade and are developed in partnership with Minnesota educators. About 52 percent of high school students were proficient in 2012, reflecting a consistent increase in the percentage of proficient scores each year since 2008.

Advanced Placement Exams

Advanced Placement (AP) is a College Board program offering high school students the opportunity to take rigorous, college-level courses and earn college credit while in high school. The content in AP courses is structured similarly to college coursework. The Minnesota Department of Education has provided high schools with supplemental funding to support the delivery of AP courses. AP courses are offered in about 270 Minnesota high schools, although offerings in rural districts are still limited. Costs of AP exams are reimbursed by the Minnesota Department of Education for students from low-income backgrounds.

During the 2011-12 school year, 37,364 Minnesota high school students took 62,023 AP examinations in 34 subjects. Minnesota high schools have increased access to AP exams among American Indian, Asian, Black and Hispanic student populations while increasing overall performance at a higher rate than the nation for each subgroup. Of all Minnesota AP test takers:

- The number of students taking the AP exam increased 7 percent from 35,091 in 2011 to 37,364 in 2012.
- The number of subject exams taken increased 9 percent from 56,942 in 2011 to 62,023 in 2012.
- Fourteen percent of test-takers were students of color. The number of students of color taking the exam increased 13 percent from the previous year from 4,580 in 2011 to 5,169 in 2012, as compared to white students which increased 4 percent.
- AP exam scores of 3 to 5 were achieved on 40,702 exams, an increase of 10 percent from the previous year. Students may receive college credit for scores of 3 to 5.

HIGH SCHOOL STUDENTS IN MINNESOTA OUTSCORED THE NATION IN ADVANCED PLACEMENT TESTS 2012

Race/Ethnicity	Minnesota				National
	Number of Test Takers	Number of Exams Taken	Number of Scores 3 to 5	Percent of Exams Receiving Scores 3 to 5	Percent of Exams Receiving Scores 3 to 5
American Indian	154	225	106	47%	46%
Asian	2,899	5,572	3,551	64%	69%
Black	1,157	1,685	664	39%	29%
Hispanic	959	1,505	778	52%	43%
White	30,029	49,528	33,451	68%	65%
Other	735	1,313	850	65%	59%
No response	1,431	2,195	1,302	59%	55%
All Students	37,364	62,023	40,702	66%	59%

Note: The number of Minnesota test-takers who were students of color increased 13 percent from the previous year. White students increased 4 percent. An AP score of at least 3, on a scale of 1 to 5, is an indicator of an ability to perform successful work at most colleges.

Source: College Board

ACT College Entrance Exam

Results from the ACT college entrance exam provide another indicator of Minnesota high school students' college and workforce readiness. Seventy-four percent of Minnesota's 2012 high school graduates took the ACT exam. In 2012 Minnesota's average composite score of 22.8 was the highest in the nation among the 28 states in which more than half the college-bound students took the test. Minnesota has led the nation in average composite ACT scores for eight consecutive years. The national composite score was 21.1 out of a total of 36.

While Minnesota had the highest average composite score in the nation, a significant proportion of high school graduates were not prepared for college-level work after high school graduation, according to ACT. ACT has developed college readiness benchmarks in each of the four testing areas of its college entrance exams. Based on ACT research, these benchmarks define the score needed to have a 75 percent chance of earning a grade of "C" or better in related college-level courses. Thirty-six percent of Minnesota's ACT test-takers were academically prepared to succeed in all four subject areas: college-level English, social science, algebra, and biology. Minnesota students of color were less college ready overall than white students.

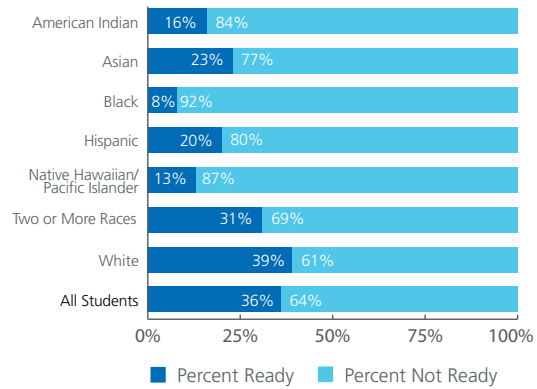
Postsecondary Enrollment Options Program

The Postsecondary Enrollment Options (PSEO) program in Minnesota allows high school juniors and seniors to enroll in college while still in high school. High school students can participate in PSEO in several ways:

- Take courses at a postsecondary institution (used by about one-third of high school students).
- Take courses offered at their high school taught by a qualified high school instructor or college instructor, sometimes referred to as concurrent/dual enrollment or "College in the Schools".
- Take courses offered online taught by a college instructor.

PSEO provides students with a great variety of class offerings and the opportunity to pursue challenging coursework. Though private colleges participate in PSEO, the majority of high school students take courses offered through public postsecondary institutions. The number of high school students enrolled in PSEO has doubled in the past 10 years.

**COLLEGE READY* ACT TEST-TAKERS
VARIES BY RACE/ETHNICITY, 2012**



*Meeting college ready benchmarks in all four subjects: English, Math, Reading and Science.

Source: ACT

**MINNESOTA HIGH SCHOOL STUDENTS
CONCURRENTLY ENROLLED IN COLLEGE INCREASING
2000-11**

Year*	Number of High School Students Concurrently Enrolled
2000	11,494
2001	12,952
2002	14,314
2003	14,558
2004	15,447
2005	19,840
2006	19,514
2007	20,144
2008	21,066
2009	22,438
2010	23,591
2011	25,741

*Measured by fall enrollment in a Minnesota postsecondary institution.

Source: Minnesota Office of Higher Education

COLLEGE PARTICIPATION

- » In 2011, 69 percent of Minnesota high school graduates enrolled in postsecondary education in the fall term after high school graduation.
- » Minnesota's college participation rate increased 13 percentage points since 1996.
- » Compared to other states, a larger proportion of Minnesota high school students continued on to college.

The rate at which recent high school graduates enroll in college is known as the college participation rate. Minnesota's performance on this measure may indicate the effectiveness of college awareness initiatives, the success of college recruiting and outreach targeted to Minnesota high school students, and the academic preparation of high school students to pursue postsecondary education across a wide range of institutional options.

Minnesota High School Graduates

The college participation rate of recent high school graduates increased 13 percentage points from 56 percent in 1996 to 69 percent in 2011. The participation rate in Minnesota remained above the mid-60 percent range since 2002.

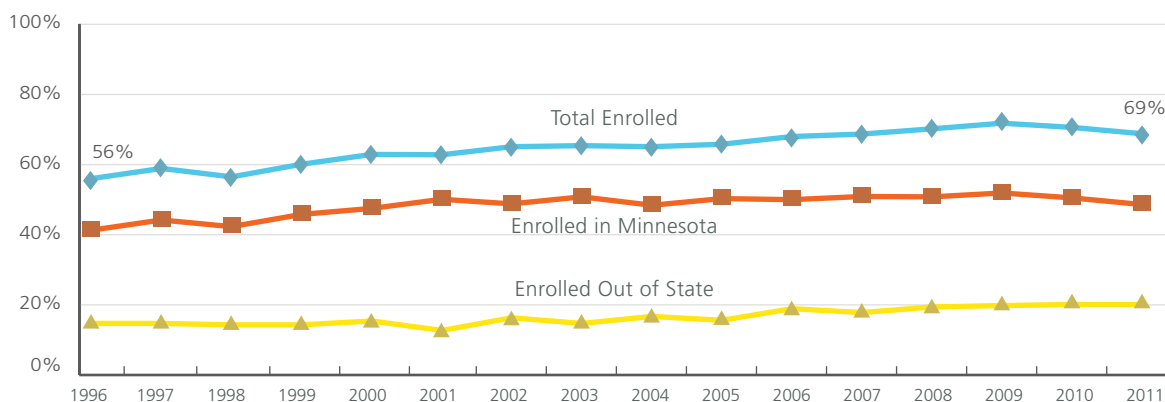
Of all 2011 Minnesota high school graduates:

- 49 percent attended a Minnesota postsecondary institution;
- 20 percent attended an out-of-state institution; and
- 31 percent did not attend college within the first year after graduating.

About Participation Rates

Participation rates are calculated by dividing the number of Minnesota high school graduates by the number who attended a postsecondary institution the fall term after high school graduation. Minnesota graduates attending out-of-state are reported in the IPEDS Enrollment Survey. Reporting residence of undergraduates is optional in odd-numbered years. This may lower the numbers used to derive the percent of Minnesota high school graduates who attend out-of-state institutions in odd-numbered years. For additional detail on participation rates, visit www.ohe.state.mn.us/participation.

NEARLY 70 PERCENT OF HIGH SCHOOL GRADUATES IN MINNESOTA PARTICIPATED IN COLLEGE 1996-2011



Sources: Minnesota public and private high school graduates from Minnesota Department of Education; in-state college enrollment from the Minnesota Office of Higher Education; out-of-state enrollment data from the U.S. Department of Education, IPEDS Enrollment Survey

Students age 18 to 24 make up two-thirds of all undergraduates enrolled in Minnesota, and they also make up the majority of undergraduates at four-year institutions enrolling full-time. Projections from the Minnesota State Demographic Center indicate the overall number of high school graduates reached its peak in 2010 and will decline steadily over the next seven years. If college participation rates remain steady, this could pose a challenge for institutions that rely primarily on 18 to 24 year-old full-time students.

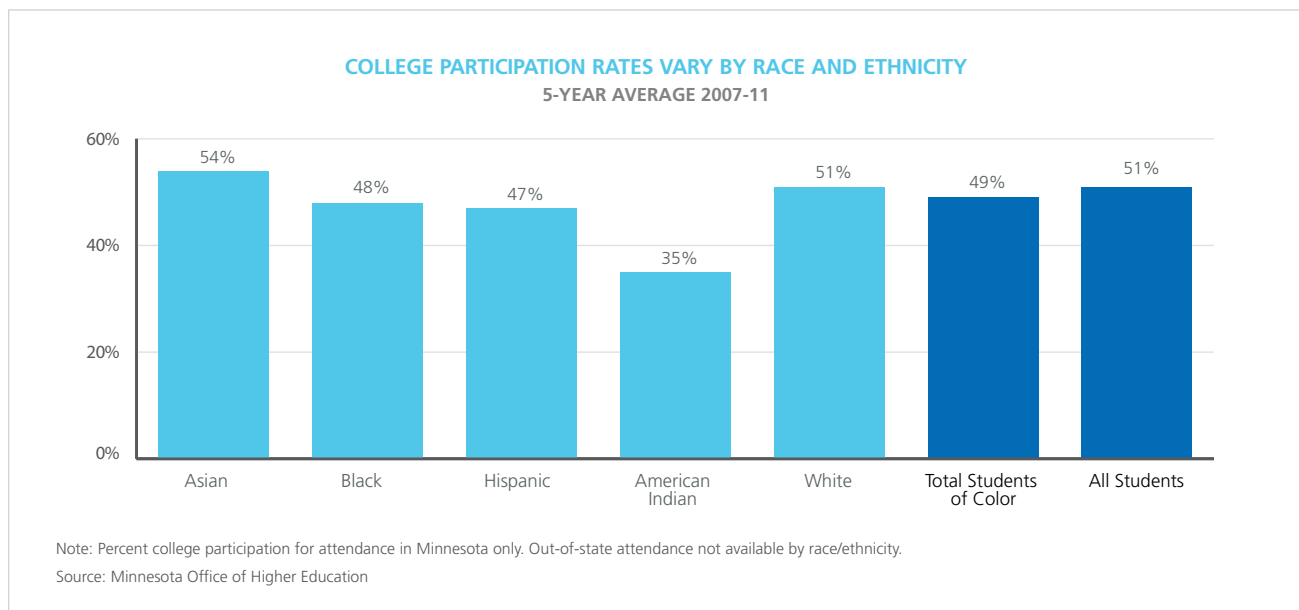
Participation by Race/Ethnicity in Minnesota

While Minnesota has a relatively high overall college participation rate compared to other states, there were notable differences in participation by race and ethnic categories. College participation rates by race and ethnicity were available only for students attending Minnesota institutions. Since 26 percent of high school graduates who enrolled in college attended out of state, a complete picture of college participation of Minnesota's high school graduates by race and ethnicity was not available.

Participation rates for certain racial and ethnic populations attending Minnesota postsecondary colleges immediately following high school can vary by several percentage points from year to year due to small numbers of students in some

racial and ethnic groups, so a five-year average is shown. The five-year average participation rate increased somewhat in recent years. Asian high school graduates enrolled in Minnesota postsecondary institutions at rates higher than other populations. White high school graduates had the next highest participation rate, followed by Black, Hispanic, and American Indian high school graduates.

College participation rates should be considered in conjunction with each racial and ethnic group's high school graduation rate. While it might seem students of color have college participate rates similar to white students, there are large gaps in public Minnesota high school graduation rates by race and ethnic groups. According to Minnesota Department of Education data, the rate of public high school students graduating within four years in 2010-11 was 84 percent for white students, 72 percent for Asian students, 51 percent for Hispanic students, 49 percent for Black students, and 42 percent for American Indian students. In fall 2011, there were 5,575 students of color enrolled in Minnesota colleges who were recent Minnesota high school graduates—an increase of 18 percent from 4,729 in fall 2007. The number of white students who were recent high school graduates decreased by 10 percent, or 2,682 students, during the same five-year period.



National Comparison

Minnesota high school graduate college participation rates have been higher than the national average and peer states historically. According to the October 2011 Current Population Survey, 68.3 percent of 2011 high school graduates nationally enrolled in colleges or universities, the U.S. Bureau of Labor Statistics reported.

Minnesota's college participation rate is particularly noteworthy since Minnesota tends to have a higher high school graduation rate than other states. As a result, larger proportions of this age group are graduating and choosing to enroll in college immediately after high school than in other states. Because the college participation rate is based on the number of high school graduates pursuing postsecondary education, a state's participation rate should be considered in conjunction with its high school graduation rates to get a clear picture of how many individuals in that age group directly pursue postsecondary education.

MINNESOTA RANKS ABOVE NATIONAL AVERAGE IN COLLEGE PARTICIPATION RATES

Top 3 States	2004	Top 3 States	2006	Top 3 States	2008
South Dakota	68.8%	Mississippi*	76.1%	Mississippi*	77.4%
New York	67.9%	New York	74.4%	Massachusetts	74.6%
North Dakota	67.6%	North Dakota	72.3%	New York	74.2%
Minnesota (5th)	65.3%	Minnesota (9th)	68.4%	Minnesota (8th)	70.2%
Peer States	57.8%	Peer States	61.9%	Peer States	61.9%
Nation	55.7%	Nation	61.6%	Nation	63.3%

*Mississippi traditionally has one of the lowest high school graduation rates in the nation. It may rank first in college going due to the likelihood that the smaller percentage graduating from high school are more likely to enroll in college. States with high public high school graduation rates did not necessarily have high college-going rates. Mississippi also has the highest percentage of its college students enrolled in 2-year institutions compared to other states.

Source: National Center for Higher Education Management Systems, Postsecondary Education Opportunity

WHERE STUDENTS ATTEND COLLEGE

- » Seventy-four percent of 2011 Minnesota high school graduates who went on to college chose a Minnesota postsecondary institution.
- » Postsecondary institutions in states bordering Minnesota were popular choices for Minnesota high school graduates who enrolled out of state.

College Choices by 2011 Minnesota High School Graduates

In 2011, of all Minnesota high school graduates enrolled in college, 74 percent chose to attend in Minnesota and 26 percent enrolled out of state.

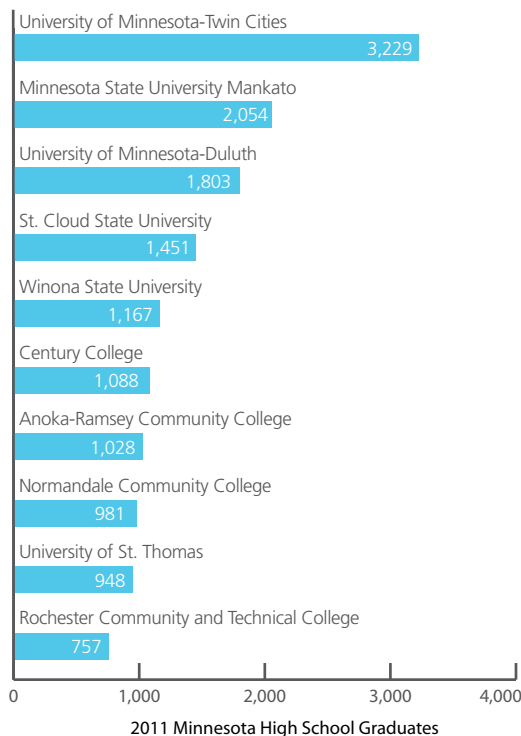
Attending Minnesota Colleges

Of the Minnesota high school graduates attending in Minnesota, four-year institutions were the most popular type of institution attended— state universities, private colleges, and the University of Minnesota— followed by public two-year colleges. The University of Minnesota-Twin Cities campus enrolled the largest number of 2011 Minnesota high school graduates. Seventy-seven percent of graduates attended Minnesota public institutions compared to private institutions.

Minnesota high school graduates enrolled in the following types of Minnesota institutions:

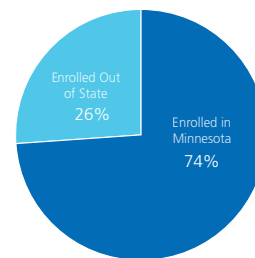
- 38 percent (11,818 students) enrolled at a Minnesota public 2-year community or technical college;
- 21 percent (6,352 students) enrolled at one of seven state universities;
- 20 percent (6,060 students) enrolled at a Minnesota private college;
- 18 percent (5,680 students) enrolled at one of the University of Minnesota campuses; and
- 3 percent (962 students) enrolled at a private career school in Minnesota.

MINNESOTA HIGH SCHOOL GRADUATES ATTENDING COLLEGE IN MINNESOTA PREDOMINANTLY CHOSE 4-YEAR INSTITUTIONS FALL 2011



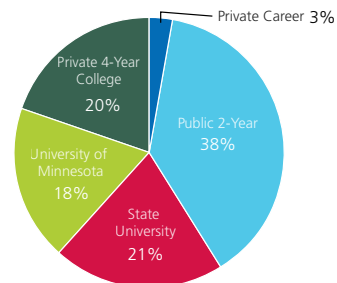
Note: Top 10 Minnesota colleges shown.
Source: Minnesota Office of Higher Education

74 PERCENT OF 2011 MINNESOTA HIGH SCHOOL GRADUATES STAYED IN MINNESOTA TO ATTEND COLLEGE FALL 2011



Sources: Minnesota Office of Higher Education (Minnesota data); U.S. Department of Education, IPEDS Enrollment Survey (out of state)

59 PERCENT OF 2011 MINNESOTA HIGH SCHOOL GRADUATES STAYING IN MINNESOTA CHOSE 4-YEAR INSTITUTIONS FALL 2011



Sources: Minnesota Office of Higher Education

Attending Out of State

The most popular destination for the 26 percent of Minnesota high school graduates enrolling out of state were institutions in states bordering Minnesota. Institutions in Iowa, North Dakota, South Dakota and Wisconsin enrolled 67 percent, or 7,424 Minnesota graduates enrolling out of state in 2011. North Dakota State University-Fargo enrolled the most 2011 Minnesota high school graduates. Many Minnesota residents take advantage of statewide tuition reciprocity agreements Minnesota has with Wisconsin, South Dakota and North Dakota.

Minnesota graduates enrolled at postsecondary institutions in the following states:

- 27 percent (3,305 students) enrolled in Wisconsin
- 20 percent (2,556 students) enrolled in North Dakota
- 12 percent (790 students) enrolled in Iowa
- 8 percent (773 students) enrolled in South Dakota; and
- 31 percent (4,216 students) enrolled in other out-of-state colleges.

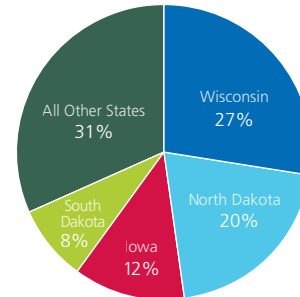
Of the remaining 31 percent, or 4,216 students who enrolled in institutions out of state but not adjacent to Minnesota's border, attendance was scattered across the country. Institutions located in the Rocky Mountain region (Colorado, Montana, Utah and Wyoming) were popular destinations for recent Minnesota high school graduates, followed by other institutions in the Midwest (Illinois, Indiana, Michigan and Ohio), and the Southwest region (Arizona) of the United States.

Note: reporting undergraduate state of residence in the IPEDS Enrollment Survey is optional in odd-numbered years. This may affect the accuracy of the percentage of Minnesota high school graduates who attended out-of-state institutions in 2011.

Tuition Reciprocity

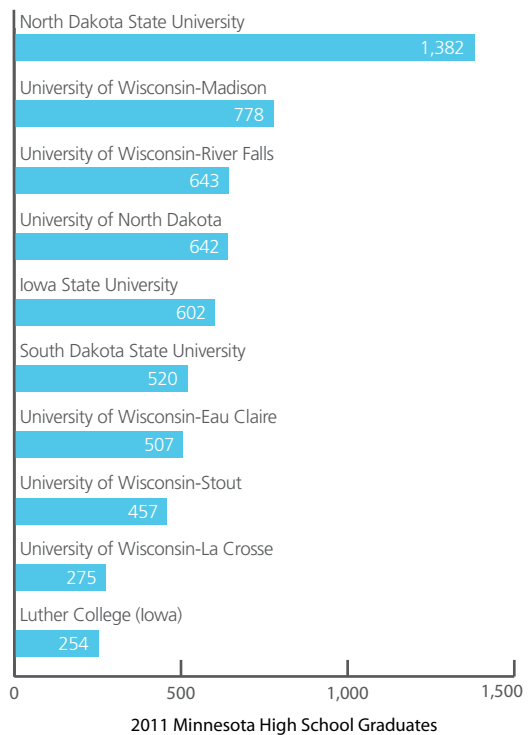
Minnesota has ongoing tuition reciprocity agreements with North Dakota, South Dakota, Wisconsin and the Canadian province of Manitoba. The agreements reduce non-resident tuition prices and eliminate non-resident admissions barriers for residents of each state who attend a public institution in the other state. For more information visit www.ohe.state.mn.us/reciprocity.

INSTITUTIONS IN WISCONSIN AND NORTH DAKOTA WERE TOP CHOICES FOR 2011 MINNESOTA HIGH SCHOOL GRADUATES ATTENDING COLLEGE OUT OF STATE FALL 2011



Source: U.S. Department of Education, IPEDS Enrollment Survey

MOST MINNESOTA HIGH SCHOOL GRADUATES ATTENDING COLLEGE IN OTHER STATES CHOSE BORDER STATE INSTITUTIONS FALL 2011



Note: Top 10 out-of-state colleges shown.

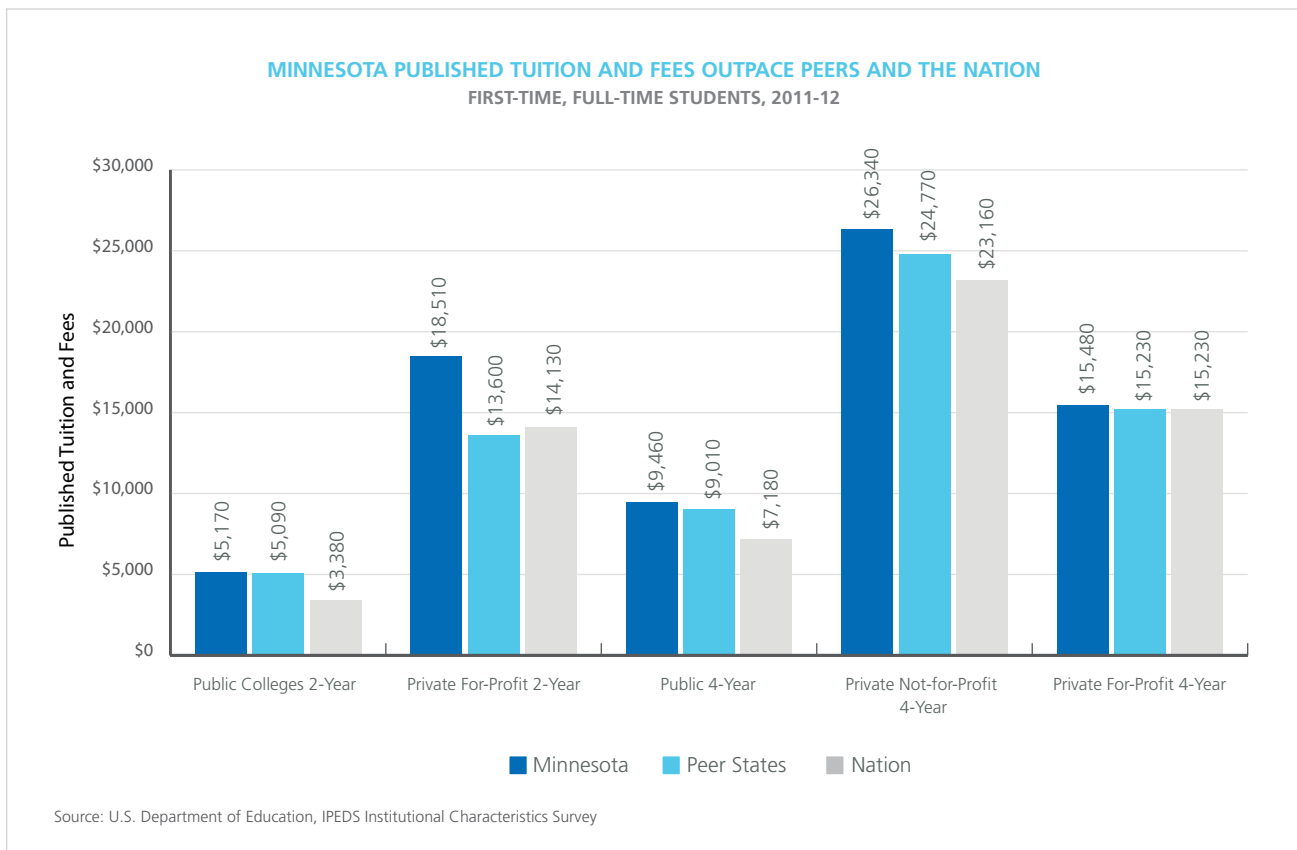
Source: U.S. Department of Education, IPEDS Enrollment Survey

PUBLISHED TUITION AND FEES FOR FIRST-TIME, FULL-TIME FRESHMEN

» Minnesota’s two- and four-year institutions had among the highest published tuition and fees nationally among similar institutions.

Published tuition and fees are the listed or “sticker” price for students and families before receiving any financial aid. Tuition and fees at Minnesota postsecondary institutions are higher than national averages for most institutional types but are similar to those in peer states across certain sectors. College prices tend to reflect regional differences with institutions on the East Coast having higher tuition and fees and institutions in the southern and western U.S. having lower tuition and fees.

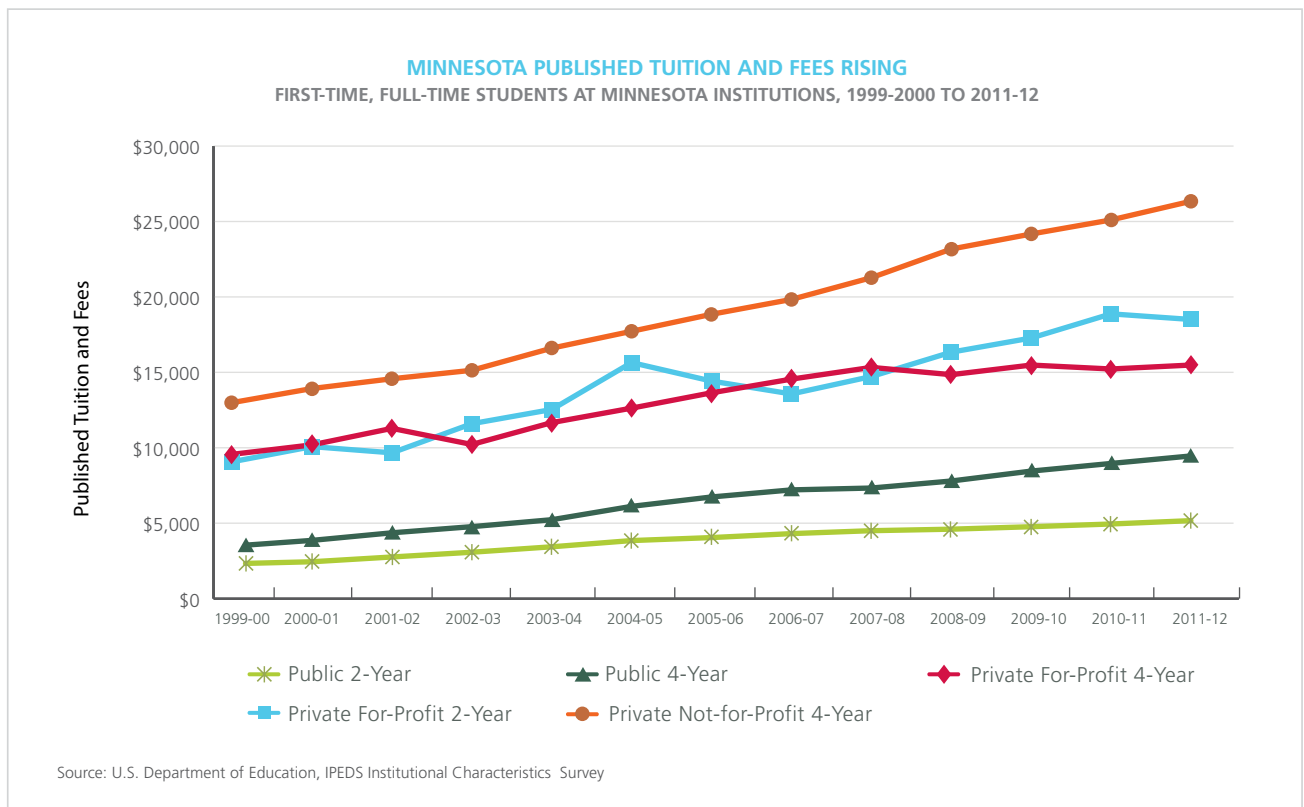
Among two-year institutions, the average published tuition and fees in 2011-12 at Minnesota public two-year institutions was substantially higher (\$5,170) than the average tuition and fees in the nation (\$3,380). Minnesota tuition and fees were also higher at private for-profit two-year institutions: the average published tuition and fees was \$18,510 in Minnesota compared to the peer states’ average of \$13,600 and the national average of \$14,130.



At Minnesota four-year institutions, published tuition and fees for public and private not-for-profit sectors exceeded the national average in 2011-12. Among public four-year institutions, the average published tuition and fees was \$9,460 in Minnesota, which was slightly higher than in the peer states (\$9,010) and a higher than the national average of \$7,180. The average published tuition and fees of private not-for-profit four-year institutions was \$26,340 in Minnesota, higher than the peer states (\$24,770) and the national average of \$23,160. Among private for-profit four-year institutions, the average published tuition and fees of \$15,480 in Minnesota was similar to peer states and the national average of \$15,230. Published tuition and fee rates have increased over time at Minnesota institutions. The fastest rates of growth in average published tuition and fees

were for public institutions, although the dollar amount increases have been higher at the private institutions. Analysis of data from the U.S. Department of Education, IPEDS Survey for the years 1999-2000 to 2011-12 found that average published tuition and fees at public four-year institutions increased on average 8.6 percent annually.

The rate of increase in average published tuition and fees at public two-year institutions rose on average 6.9 percent annually. The rate of increase for private institutions was lower: 6.6 percent on average annually for private for-profit two-year institutions, 6.1 percent on average annually for private not-for-profit four-year institutions, and 4.3 percent on average annually for private for-profit four-year institutions.



FINANCIAL AID TO FIRST-TIME, FULL-TIME FRESHMEN

- » In Minnesota, 87 percent of first-year undergraduates attending full-time received financial aid to help pay the price of attendance in 2010-11. Financial aid received includes grants, scholarships, and loans.
- » Seventy-four percent received grants and scholarships.
- » Sixty-four percent took out student loans.

Grants

In Minnesota during 2010-11, 74 percent of first-time, full-time undergraduates received grants to help pay the price of attendance. Grants, including need-based grants, scholarships, and merit-based aid, are financial aid that does not have to be repaid.

Forty-three percent received federal grants, which averaged \$4,524 per student. Thirty-nine percent received state grants, which averaged \$1,807.

The percentage of first-time, full-time undergraduates who received institutional grants varied substantially by type of institution. Among students attending public two-year institutions, four percent received grants funded by the colleges, which averaged \$1,148 per student. Among students attending private not-for-profit four-year colleges, 93 percent received grants funded by the colleges, which averaged \$14,837 per student.

Most merit-based grants or scholarships are awarded to postsecondary students by institutions or private organizations, and most state and federal grants are awarded based solely on students' family income.

Student Loans

Unlike grants, loans must be repaid when the student graduates or stops attending a postsecondary institution. Overall, 64 percent of first-time, full-time students received student loans from federal, state or commercial sources in 2010-11 for an annual average of \$7,274.

The percentage of first-time, full-time undergraduates who received loans also varied by the type of institution attended. Among first-time, full-time students attending public two-year institutions, 58 percent received loans, averaging \$5,669 per student for the year, and among students attending private for-profit four-year colleges, 88 percent had loans averaging \$10,523 per student for the year.

Nonfederal loans, particularly commercial student loans, may have less favorable terms than federal loans. In Minnesota, nonfederal or "other" loans include both state-sponsored Minnesota SELF Loans and commercial student loans from banks and other lenders.

Overall, 14 percent of first-time, full-time students attending Minnesota postsecondary institutions had nonfederal loans, and the average annual amount borrowed was \$6,893 in 2010-11. Private for-profit two-year institutions had the highest percentage of students with nonfederal loans, with 35 percent who borrowed an average of \$6,143 per student in 2010-11.

MOST MINNESOTA UNDERGRADUATES RECEIVED STUDENT AID

FINANCIAL AID FOR FIRST-TIME, FULL-TIME MINNESOTA UNDERGRADUATES, 2010-11

Institution Type	Number of Students	Percent Receiving Any Student Aid
Public 2-Year	16,025	80%
State Universities	8,833	84%
University of Minnesota	8,424	94%
Private Not-for-Profit 4-Year	10,399	95%
Private For-Profit 4-Year	1,490	95%
Private Not-for-Profit 2-Year	395	90%
Private For-Profit 2-Year	2,873	90%
Total	32,414	87%

Source: U.S. Department of Education, IPEDS Student Financial Aid Survey

ALMOST THREE-FOURTHS OF MINNESOTA UNDERGRADUATES RECEIVED GRANTS
FIRST-TIME, FULL-TIME MINNESOTA UNDERGRADUATES, 2010-11

Institution Type	Number of Students	Percent Receiving Any Grant Aid	Percent Receiving Federal Grant Aid	Average Federal Grant	Percent Receiving State Grant Aid	Average State Grant	Percent Receiving Institutional Grant Aid	Average Institutional Grant
Public 2-Year	16,025	60%	55%	\$4,085	32%	\$831	4%	\$1,148
State Universities	8,833	56%	34%	\$4,552	32%	\$1,438	28%	\$2,078
University of Minnesota*	8,424	91%	26%	\$5,239	73%	\$2,252	58%	\$3,806
Private Not-for-Profit 4-Year	10,399	94%	33%	\$5,259	29%	\$3,128	93%	\$14,837
Private For-Profit 4-Year	1,490	83%	67%	\$4,579	42%	\$1,714	48%	\$2,293
Private Not-for-Profit 2-Year	395	90%	83%	\$4,121	53%	\$1,249	37%	\$2,000
Private For-Profit 2-Year	2,873	74%	64%	\$4,421	41%	\$1,427	5%	\$1,536
Total	32,414	74%	43%	\$4,524	39%	\$1,807	39%	\$9,091

*The University of Minnesota reported its Middle Income Scholarships and the federal ARRA Stimulus Grants in this category in 2010-11.
Source: U.S. Department of Education, IPEDS Student Financial Aid Survey

SIXTY-FOUR PERCENT OF MINNESOTA UNDERGRADUATES HAD STUDENT LOANS
FIRST-TIME, FULL-TIME MINNESOTA UNDERGRADUATES, 2010-11

Institution Type	Number of Students	Percent Receiving Student Loans	Average Student Loans	Percent Receiving Federal Student Loans	Average Federal Student Loans	Percent Receiving Non-Federal Student Loans	Average Non-Federal Student Loans
Public 2-Year	16,025	58%	\$5,669	58%	\$5,412	3%	\$5,579
State Universities	8,833	71%	\$7,608	70%	\$5,573	21%	\$7,033
University of Minnesota	8,424	58%	\$6,736	57%	\$5,590	8%	\$9,068
Private Not-for-Profit 4-Year	10,399	70%	\$7,913	69%	\$5,988	22%	\$6,504
Private For-Profit 4-Year	1,490	88%	\$10,523	88%	\$8,031	27%	\$8,280
Private Not-for-Profit 2-Year	395	0%	\$0	0%	\$0	0%	\$0
Private For-Profit 2-Year	2,873	77%	\$10,209	72%	\$7,900	35%	\$6,143
Total	32,414	64%	\$7,274	64%	\$5,885	14%	\$6,893

Source: U.S. Department of Education, IPEDS Student Financial Aid Survey

NET PRICE FOR FIRST-TIME, FULL-TIME FRESHMEN

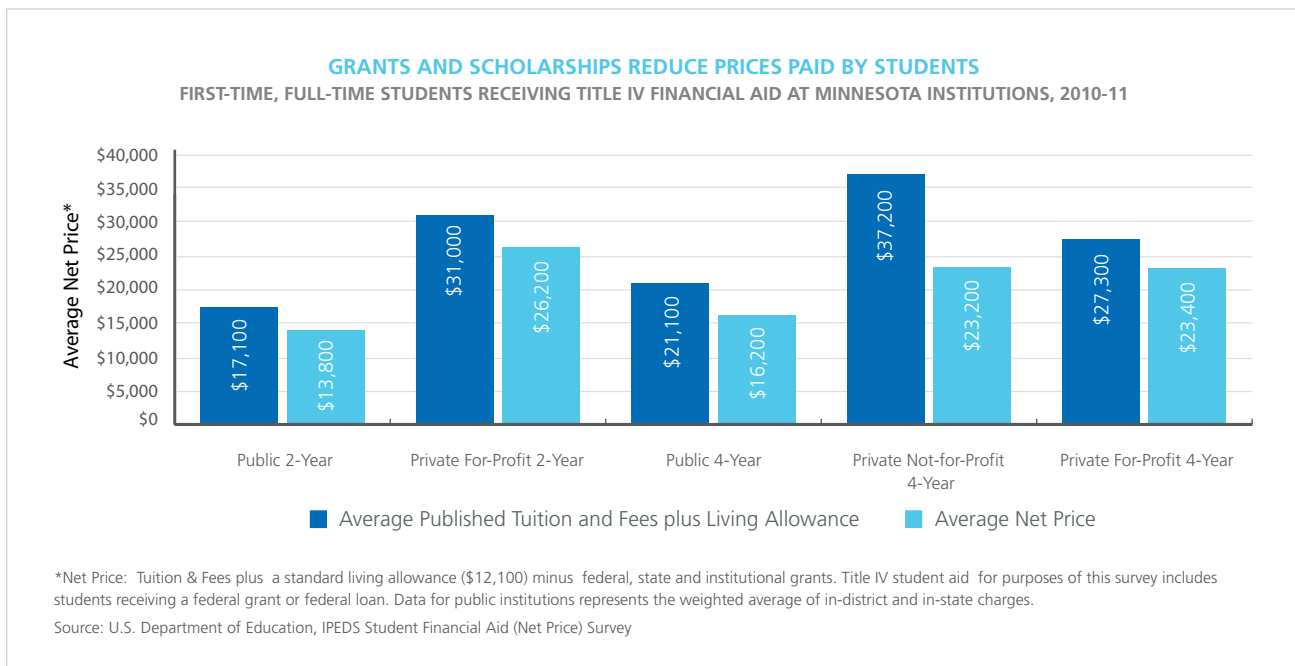
- » Grants and scholarships reduced the price students paid by approximately \$4,800 at Minnesota public universities and by \$3,300 at Minnesota public two-year colleges in 2010-11. As a result, net price for lower income students has remained stable over the most recent three years.
- » Net price varies by income in Minnesota and nationally for all institution types.

Tuition and fees are only part of the costs students face when pursuing a postsecondary education. Additional non-tuition expenses, such as room and board, transportation and books often exceed tuition and fees.

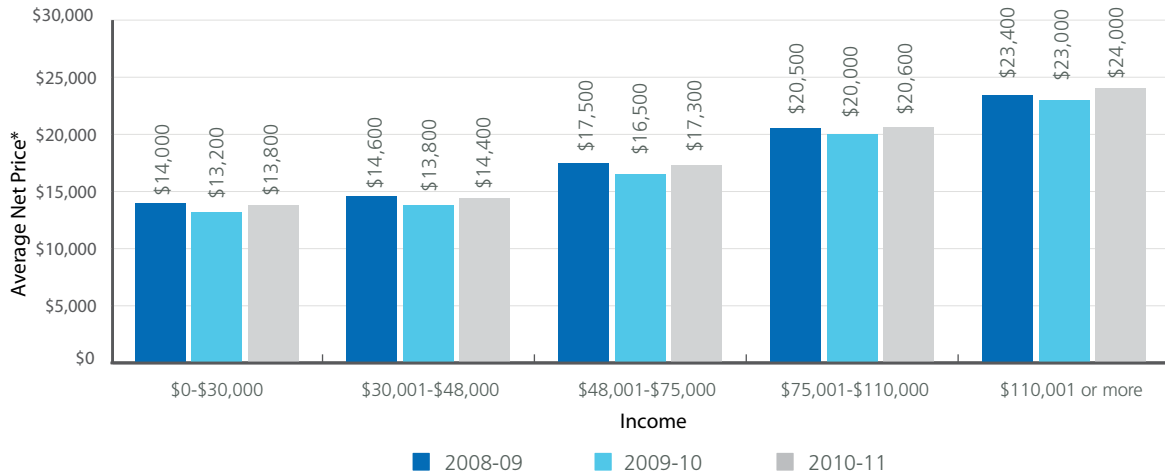
The best available method for evaluating college affordability is the “net price” paid by students and families. Net price reflects the out-of-pocket costs paid by students. The “net price” is calculated by subtracting the average amount of federal, state/local government, and institutional grant or scholarship aid received from the total cost of attendance. Total cost of attendance equals the sum of published tuition and required fees for Minnesota residents plus a standard living allowance of \$12,100 for books, supplies, transportation, room, board and miscellaneous expenses.

Net Price Compared to Published Price

In Minnesota, 74 percent of first-time, full-time freshman received grants or scholarships offsetting the price of attendance. The average net price shown is weighted by the number of first-time, full-time students receiving grants and scholarships at each institution. In 2010-11, the average net price at Minnesota institutions was \$16,200 at a public four-year institution, \$13,800 at public two-year institution, \$23,200 at a private not-for-profit four-year institution, \$23,400 at a private for-profit four-year institution, and \$26,200 at a private for-profit two-year institution.



AVERAGE NET PRICES REMAINS STABLE FOR LOWER INCOME STUDENTS
FIRST-TIME, FULL-TIME STUDENTS RECEIVING TITLE IV STUDENT AID AT MINNESOTA INSTITUTIONS, 2009-11



*Net Price: Tuition & Fees plus a standard living allowance (\$12,100) minus federal, state and institutional grants. Title IV student aid for purposes of this survey includes students receiving a federal grant or federal loan. Data for public institutions represents the weighted average of in-district and in-state charges.

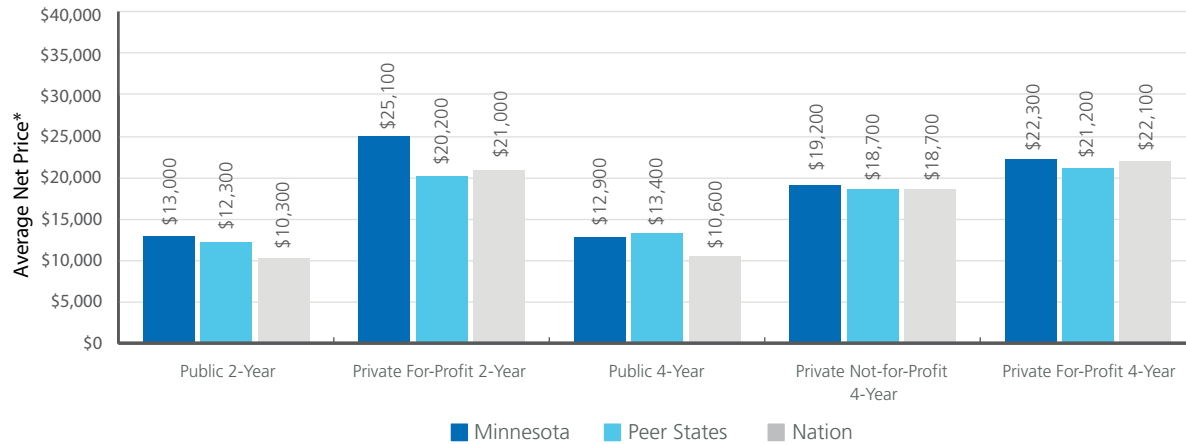
Source: U.S. Department of Education, IPEDS Student Financial Aid (Net Price) Survey

Net Price by Income

Estimated net price paid to attend a Minnesota postsecondary institution increased as family incomes increased. Comparing the estimated average net price paid during the past three years, students from families with incomes of less than \$30,000 had a net price of \$13,800 in 2010-11 compared to \$14,000 in 2008-09.

At family incomes of \$110,001 or more, the net price in 2010-11 was \$24,000 and was higher than net price of \$23,400 in 2008-09.

NET PRICE VARIES BY INSTITUTION TYPE WHEN COMPARED TO PEERS AND NATION
FIRST-TIME, FULL-TIME STUDENTS RECEIVING TITLE IV FINANCIAL AID BY INSTITUTION TYPE, 2010-11
INCOMES \$0-\$75,000



*Net Price: Tuition & Fees plus a standard living allowance (\$12,100) minus federal, state and institutional grants. Title IV student aid for purposes of this survey includes students receiving a federal grant or federal loan. Data for public institutions represents the weighted average of in-district and in-state charges.
 Source: U.S. Department of Education, IPEDS Student Financial Aid (Net Price) Survey

Comparisons of Affordability: Minnesota, Peer States, Nation

Lower income students are the focus of affordability policies at the state and federal level. Policies regarding who is eligible to receive a grant or scholarship vary greatly by institution type and state. Minnesota students from families with incomes of less than \$75,000 are eligible to receive federal Pell Grants, Minnesota State Grants and institutional need-based grants. Analysis of net price for this income group allows for better understanding of the impact of state or system specific policies on reducing educational costs.

For students from families with incomes less than \$75,000, the average net price in 2010-11 at Minnesota institutions was approximately \$13,000 at both public two-year and four-year institutions, as compared to peer states (\$12,300; \$13,400) and the nation (\$10,300; \$10,600). At Minnesota private not-for-profit four-year institutions, net price for students from lower-income families of \$19,200 was comparable to similar institutions in peer states (\$18,700) and the nation (\$18,700). Students from lower-income families at Minnesota private for-profit institutions experienced higher net price at two-year institutions (\$25,100) as compared to peer states (\$20,200) and the nation (\$21,000), but net price was closer in range at four-year institutions between Minnesota (\$22,300), peer states (\$21,200) and the nation (\$22,100).

Net Price by Institution Type

At all income categories, the net price paid at Minnesota public institutions were lower than those at private institutions.

Public Institutions

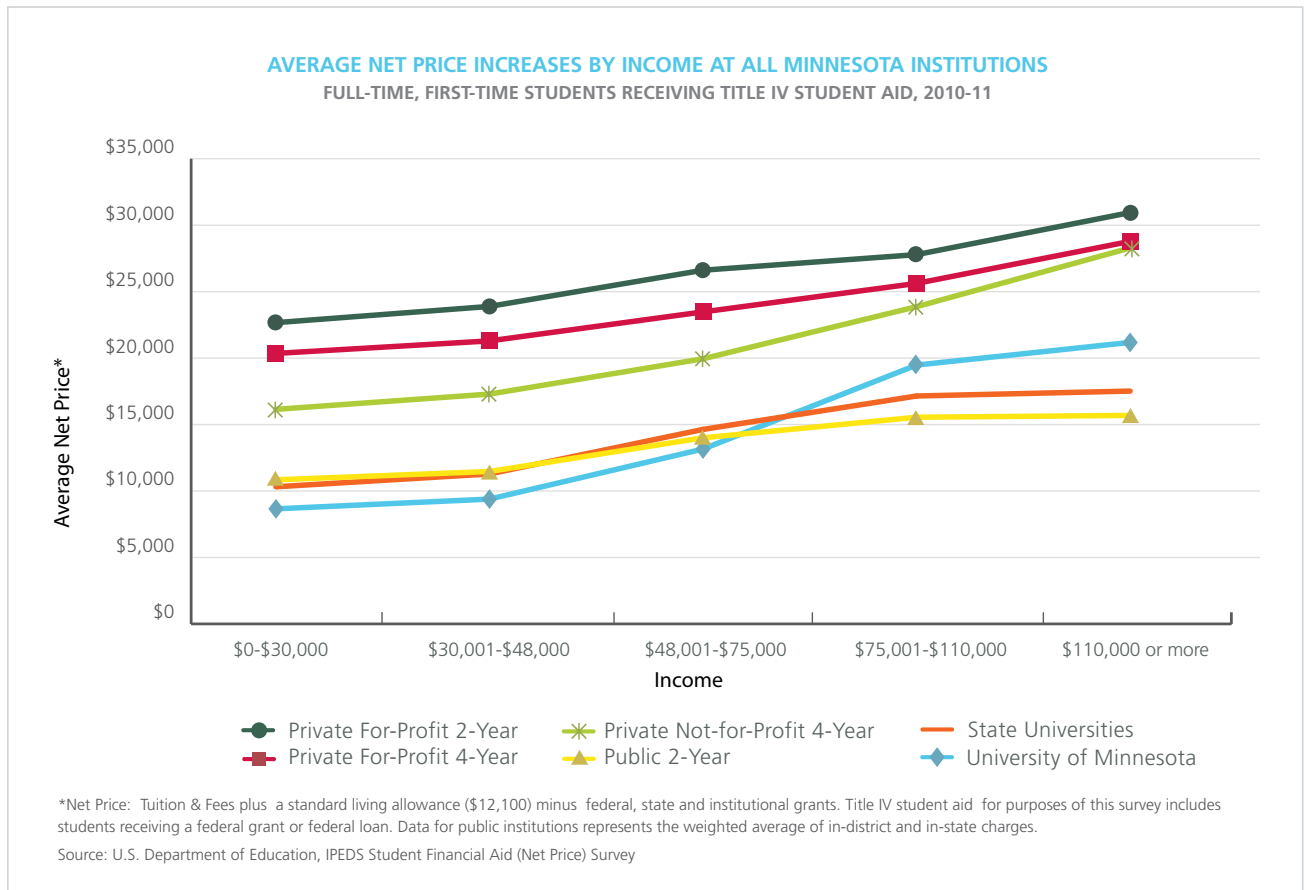
At annual family incomes of \$30,000 or lower, the lowest estimated net price for students attending Minnesota public institutions in 2010-11 was at the University of Minnesota (\$9,900) as compared to public two-year institutions (\$12,100) or state universities (\$11,600). The University of Minnesota's low net price resulted from larger institutional grant awards.

Estimated net price increased as income increased for students attending Minnesota public institutions. At annual family incomes of \$110,000 or more, the lowest estimated net price in 2010-11 were at public two-year institutions (\$17,000) as compared to the University of Minnesota (\$22,500) or state universities (\$18,800).

Private Institutions

At annual family incomes of \$30,000 or lower, the lowest estimated net price for students attending Minnesota private institutions in 2010-11 was at private not-for-profit four-year institutions (\$17,400) as compared to private for-profit two-year institutions (\$23,400) or private for-profit four-year institutions (\$21,600). The lower net price for lower-income students at private not-for-profit four-year institutions resulted from larger institutional grant aid awards.

Estimated net price increased as income increased for students attending Minnesota private institutions. At annual family incomes of \$110,000 or more, the lowest estimated net price in 2010-11 was at private not-for-profit four-year institutions (\$29,600) as compared to private for-profit two-year institutions (\$32,200) or private for-profit four-year institutions (\$30,100).



During College

OVERVIEW

Section two of *Minnesota Measures* analyzes postsecondary students' experiences during their academic career, from who participates in postsecondary education in the state to how they finance the costs of attendance. There is wide variation in the types of postsecondary programs and institutions students choose, as well as how they attend.

Minnesota Undergraduates Profile

The largest increases in undergraduate enrollment during the past decade have been at Minnesota two-year institutions and among students age 24 and older. In fall 2011, the largest percent of students were female, age 24 and younger, attending a four-year institution full-time. Most part-time students attended a two-year institution and were age 25 and older. Women also comprised the majority of all undergraduates across all racial/ethnic groups within the state.

At four-year institutions in Minnesota between fall 2010 and 2011, 81 percent of freshman returned to the same institution for their sophomore year, above the peer state and national averages. The number of Minnesota students who transfer between institutions has more than doubled during the past decade. Approximately 11 percent transfer to another institution each year, and half of those students transfer between two-year institutions or from a four-year to a two-year institution. Minnesota undergraduates at two-year institutions had the highest transfer rate nationally among students who left an institution without a credential but with a plan to enroll in another institution.

Paying for College

Undergraduate tuition and fee rates at Minnesota postsecondary institutions have increased faster than Minnesota personal income and inflation for the past decade.

Undergraduate students attending in Minnesota paid roughly \$6.8 billion for undergraduate education in 2010-11, as estimated by the Minnesota Office of Higher Education.

Students and families paid an estimated \$5.3 billion, 78 percent, of the total estimated \$6.8 billion cost of undergraduate education with their own savings, current income and borrowing during 2010-11. Of the estimated \$5.3 billion paid by students and their families, nearly \$3.5 billion was estimated to have been paid for from savings and current income. Moreover, 58 percent of Minnesota undergraduates worked while enrolled during 2010-11.

Undergraduate students attending in Minnesota borrowed nearly \$1.9 billion against their future income in 2010-11. The \$1.9 billion accounted for over 50 percent of all financial aid awarded to undergraduate students attending in Minnesota. Undergraduate student borrowing in Minnesota increased faster than tuition and fees rates and grant aid in most recent years. Most undergraduate student borrowing in Minnesota was from federal government loan programs. Undergraduate student borrowing in Minnesota grew by 205 percent in the past decade and undergraduate students attending in Minnesota borrowed at rates higher than undergraduate students nationally.

Undergraduate students attending in Minnesota received \$1.5 billion in grant aid in 2010-11. Grant aid to undergraduates attending in Minnesota increased by 184 percent from 2001 to 2010. The largest source of grant aid for undergraduates attending in Minnesota was postsecondary institutions, particularly not-for-profit institutions and the University of Minnesota, followed by the federal government's Pell Grant and the Minnesota State Grant program in that order.

UNDERGRADUATE ENROLLMENT PROFILE

- » In fall 2011, 69 percent of all Minnesota postsecondary students were undergraduates.
- » At four-year institutions, more undergraduates attended full-time and were age 24 or younger.
- » At two-year institutions, more undergraduates attended part-time and were age 25 or older.

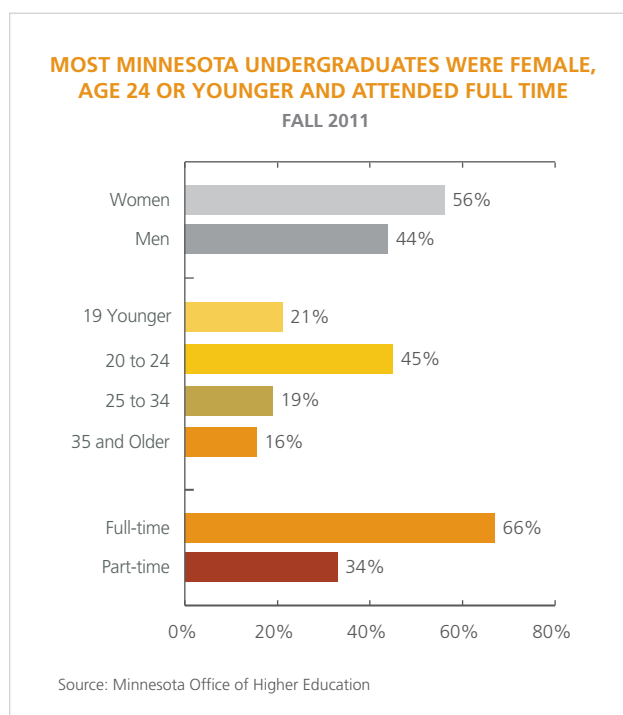
During the fall 2011 term 457,265 students were enrolled at Minnesota postsecondary institutions and 69 percent, or 316,834 students, were undergraduates. Undergraduate enrollment decreased by 3 percent, or 10,212 students, from fall 2010 to fall 2011. In fall 2011, the majority of undergraduates attending Minnesota postsecondary institutions, 79 percent, or 250,299 students, were Minnesota residents.

Note: Undergraduate data in this section does not include high school students who were dually enrolled in high school and a postsecondary institution.

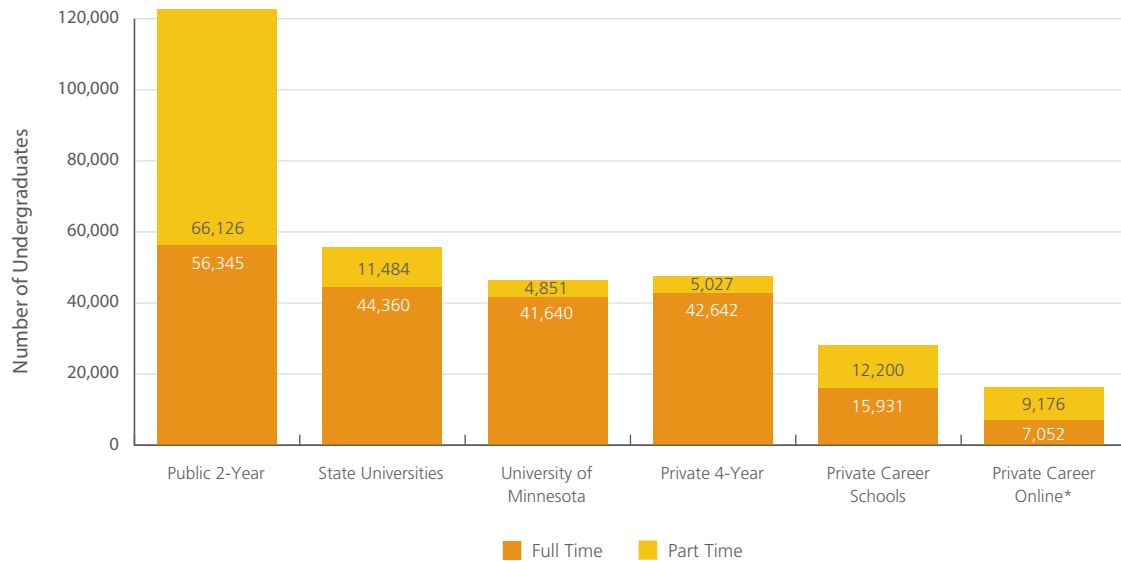
Patterns of Enrollment

The characteristics of undergraduates who enrolled at Minnesota postsecondary institutions exhibit a few general patterns.

- The majority of undergraduates, or 66 percent, were age 24 and younger and more concentrated at four-year institutions. Undergraduates age 24 or younger were 76 percent of undergraduates at state universities, 85 percent at private colleges, and 87 percent at the University of Minnesota. Undergraduates age 24 and younger tended to enroll directly from high school, and 82 percent attended full time.
- Older undergraduates, age 25 and older, enrolled in larger percentages at two-year institutions. Undergraduates age 25 and older comprised 48 percent of enrollments at community and technical colleges and 58 percent of enrollments at private career schools. Undergraduates age 25 and older tended to be working adults, and 61 percent attended part time.
- Women comprised the majority of undergraduates across all race/ethnicity groups.
- Students age 25 and older were more likely to enroll part time. Undergraduates age 24 and younger were more likely to enroll full time. Half of all undergraduates enrolled at community and technical colleges were age 25 and older and were enrolled part time.

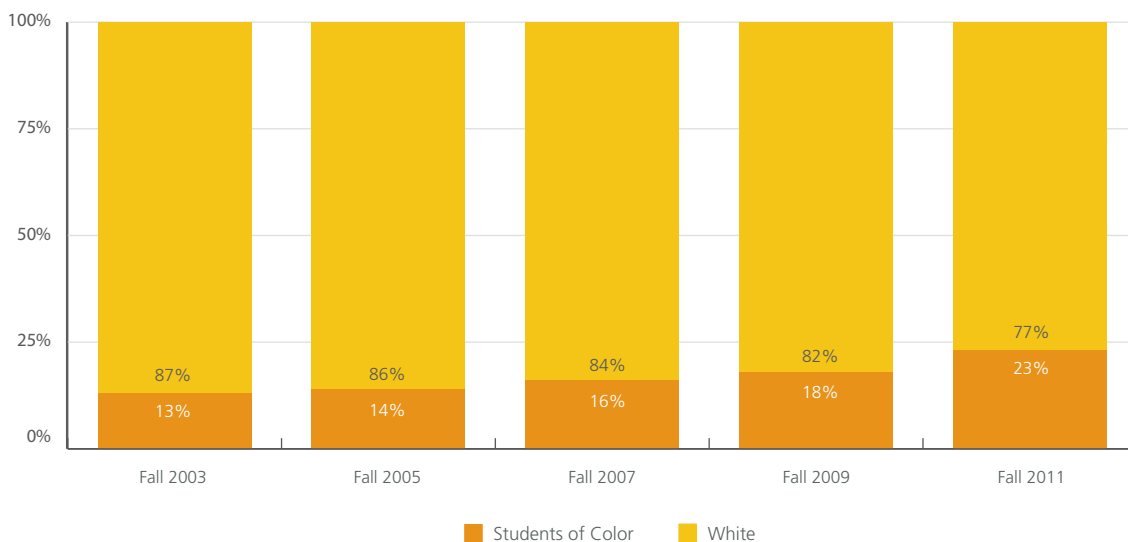


MOST UNDERGRADUATES ATTENDING 4-YEAR INSTITUTIONS ENROLLED FULL TIME FALL 2011



*Capella and Walden Universities report their nationwide enrollment.
Source: Minnesota Office of Higher Education

**UNDERGRADUATE STUDENTS OF COLOR WERE AN INCREASING SHARE
MINNESOTA UNDERGRADUATE ENROLLMENT, FALL 2003-11**



Source: Minnesota Office of Higher Education

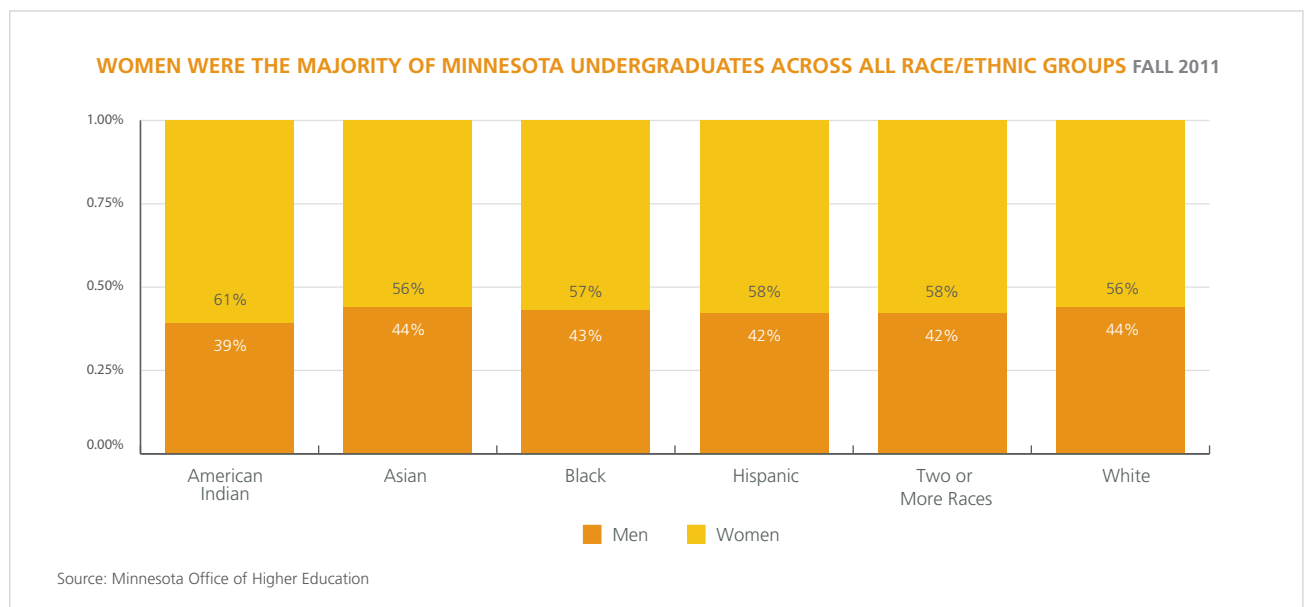
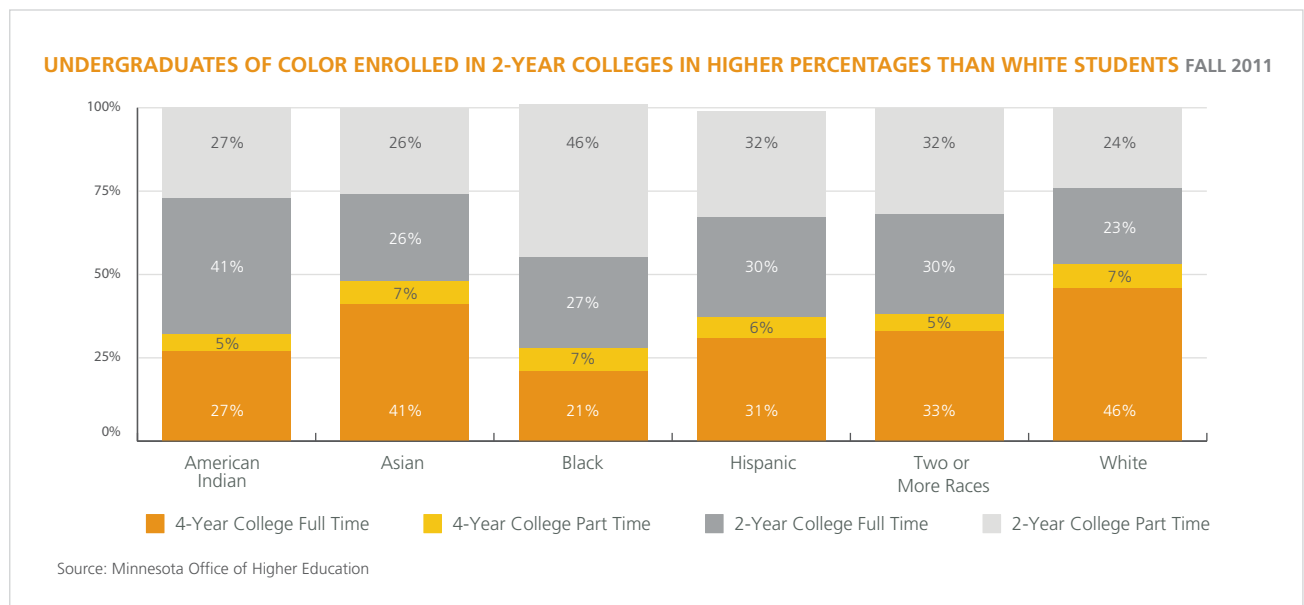
Enrollment Patterns by Race and Ethnicity

The percentage of undergraduates who were students of color increased 10 percent from fall 2003 to fall 2011. Women comprised the majority of undergraduates across all racial groups from fall 2003 to fall 2011.

Institution Types Attended Varied by Race and Ethnicity

In fall 2011, undergraduates of color enrolled part time at two-year institutions in higher percentages than White

undergraduates. Black, Hispanic and American Indian students attended two-year institutions at rates higher than Whites or Asians. Of all enrolled Black students, 73 percent attended two-year institutions, the highest percent of all racial/ethnic groups. Black students also enrolled disproportionately part time compared to other students and comprised the largest number of undergraduate students of color. Asian students attended two-year and four-year institutions at rates comparable to White students.

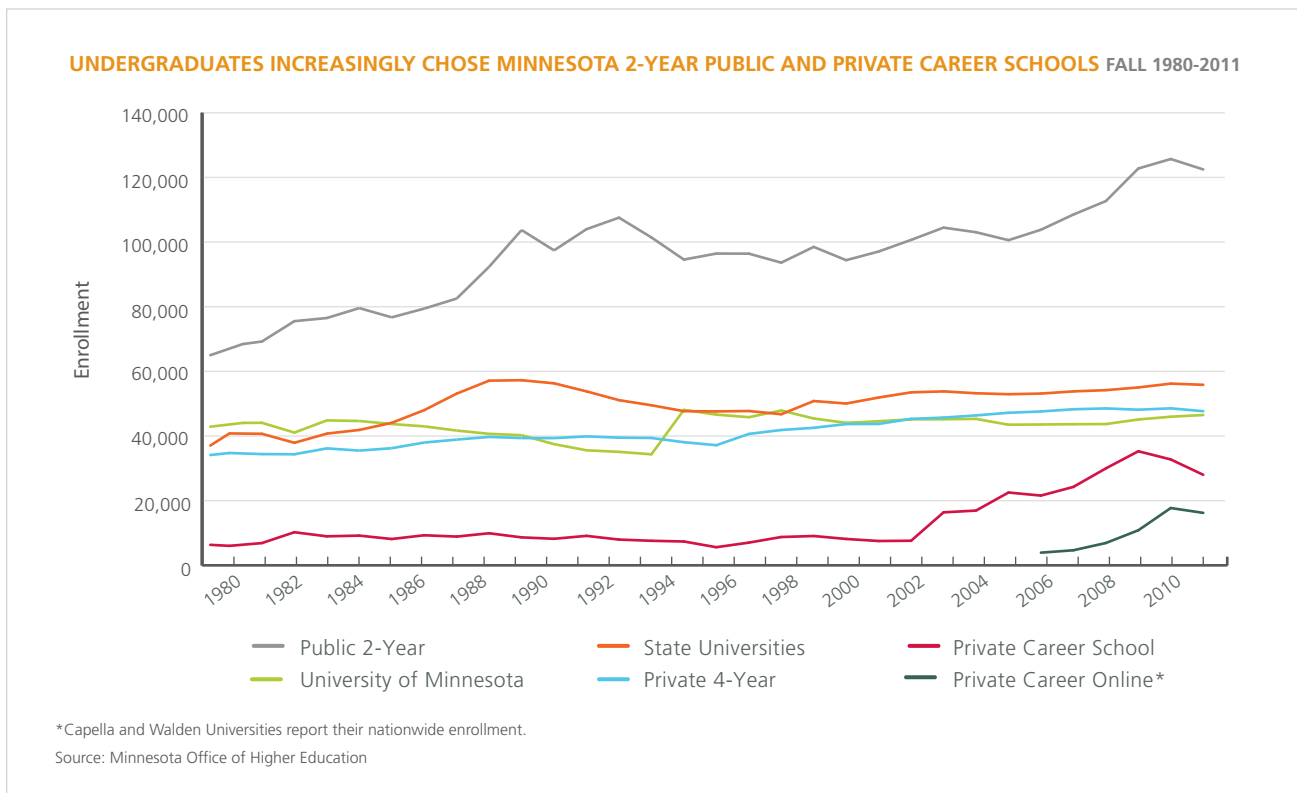


UNDERGRADUATE ENROLLMENT TRENDS

- » Most undergraduate enrollment growth at Minnesota postsecondary institutions occurred at two-year institutions—public two-year colleges and private career schools.
- » At two-year institutions, students age 25 and older had the largest increase in undergraduate enrollment during the past decade.

Undergraduate enrollment at Minnesota postsecondary institutions increased during the last three decades at all institution types. The most dramatic increases in undergraduate enrollment during the past decade occurred at two-year institutions (public community and technical colleges and private career schools) which increased 39 percent. Enrollments increased four percent at four-year institutions (University of Minnesota, State Universities and private four-year colleges) during the past decade.

Students age 25 and older contributed to the majority of undergraduate enrollment growth at two-year institutions from fall 2005 to fall 2011. Students age 24 and younger increased seven percent while students age 25 and older increased 40 percent during this time.



RETENTION

- » Minnesota's four-year institution freshman-to-sophomore retention rates were 81 percent in 2011.
- » Minnesota ranked 15th highest nationally and above peer states and national averages in 2011.

College retention is defined as the number of undergraduates returning for a second year at the same institution as a proportion of those who were first-time, full-time undergraduates at that institution in the prior year. Students attending part time are not included in this measure.

Students may not return for a wide range of reasons. Some do not initially find the right institutional fit and others may be underprepared for college or have other circumstances arise. Retention rates do not include students who transfer to another institution to continue their education.

Four-Year Institutions

Between fall 2010 and fall 2011, 81 percent of first-time, full-time students returned for a sophomore year at Minnesota four-year institutions. Minnesota's retention rate over the last five years has remained near 80 percent. When compared by Minnesota institution type, the University of Minnesota and private not-for-profit institutions had higher freshman-to-sophomore retention rates than the state universities. The retention rates and the numbers of students tracked vary considerably from institution to institution. The rates ranged from:

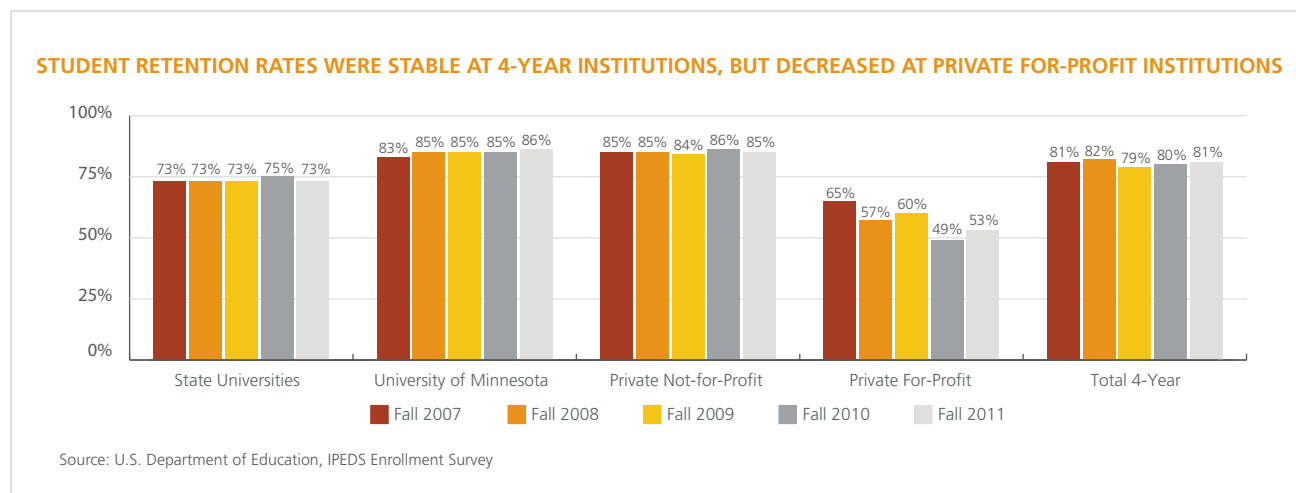
- a high of 90 percent to a low of 72 percent at the University of Minnesota campuses;

- a high of 98 percent to a low of 66 percent at Minnesota private not-for-profit colleges; and
- a high of 79 percent to a low of 64 percent at Minnesota state universities.

Minnesota ranked 15th nationally, in freshman-to-sophomore retention rates at four-year institutions and were two percentage points higher than peer states or national averages in recent years. Nationally, retention rates at four-year institutions ranged from a high of 86 percent in Massachusetts to a low of 69 percent in West Virginia.

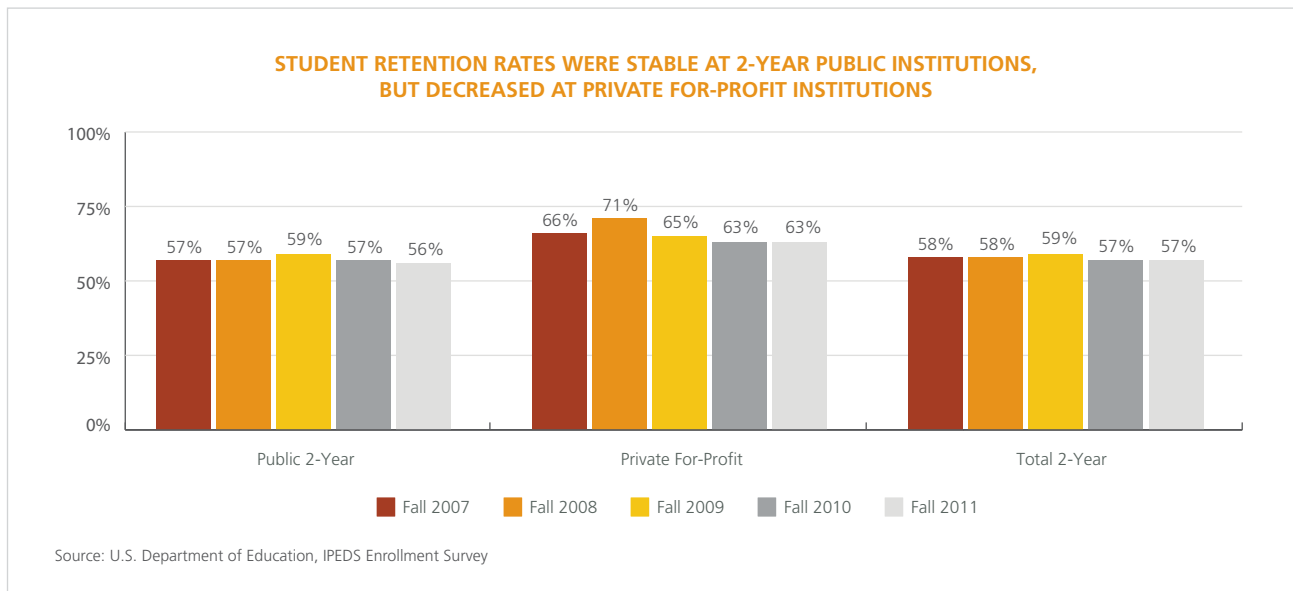
Two-Year Institutions

Two-year institutions offer a wide variation in the length of programs, from less than one year to more than two years. Students completing their programs in the first year of study were counted as if they were enrolled in the second year and did not negatively impact retention rates. When compared by Minnesota institution type, private for-profit schools had higher freshman-to-sophomore retention rates (63 percent) than the state colleges (56 percent). However, the private for-profit schools were only 6 percent of the overall first-year full-time enrollment at two-year institutions.



Minnesota was ranked 39th nationally in freshman-to-sophomore retention rates for students at two-year institutions. Minnesota two-year institution retention rates were 55 percent, below the peer states at 57 percent and national averages at 60 percent in fall 2011.

Among the states nationally, retention rates at two-year institutions ranged from a high of 82 percent in Alaska to a low of 47 percent in Vermont. The composition, type and mix of two-year institutions within states vary depending on state policies, program offerings and funding.



MINNESOTA'S RETENTION RATES WERE SIMILAR TO THE NATIONAL AVERAGE AT 4-YEAR INSTITUTIONS, LOWER AT 2-YEAR INSTITUTIONS

UNDERGRADUATE FULL-TIME STUDENT FIRST- TO-SECOND YEAR RETENTION AT THE SAME INSTITUTION, FALL 2011

4-Year Institutions		2-Year Institutions	
Top States		Top States	
California	86%	Alaska	82%
Massachusetts	85%	South Dakota	70%
Maryland	84%	California	70%
Minnesota (15th)	81%	Minnesota (39th)	55%
Peer States	79%	Peer States	57%
Nation	79%	Nation	60%

Source: U.S. Department of Education, IPEDS Enrollment Survey

STUDENT TRANSFER

- » Approximately 11 percent of Minnesota undergraduates transfer to another institution each year. Half of the students transferred across two-year institutions or from a four-year to a two-year institution.
- » Transfer activity in Minnesota more than doubled in the past decade.

Undergraduate transfer students include those who enter two-year colleges with a goal to attend a year or two and transfer to a four-year institution to complete a bachelor's degree. Transfers may also include students who did not initially find the right fit and those who did not find the programs and services they expected or needed at their first institution.

In fall 2011, 33,417 undergraduates were admitted to Minnesota institutions with transfer credits from another institution. These students represented 11 percent of all Minnesota undergraduates. In addition, another 3,294 undergraduates were admitted to institutions having previously attended another postsecondary institution but their credits did not or could not transfer. With recent improvements in the transfer process within Minnesota public institutions and improved access to online courses, transferring credits has become more commonplace.

About Undergraduate Transfers

While transferring may be relatively common for students and may not adversely affect a student's educational goals, transfer activity does have an adverse effect on institutional reporting of first-year to second-year undergraduate retention and graduation rates. These measures rely on tracking new-entering first-year student cohorts throughout their studies at the same institution. Students transferring to another institution after their first-year of study or before graduating are not counted in institutional retention and graduation rates.

50 PERCENT OF STUDENT TRANSFER ACTIVITY OCCURRED AT MINNESOTA PUBLIC 2-YEAR INSTITUTIONS

UNDERGRADUATES ADMITTED WITH TRANSFER CREDITS IN MINNESOTA INSTITUTIONS, FALL 2011

Transferred to:	Public 2-Year	State University	University of Minnesota	Private 4-Year College	Private Career School	Private Career Online School*	Total
Transferred From:							
Public 2-Year	5,254	3,643	881	348	665	37	10,828
State University	1,699	435	159	68	196	8	2,565
University of Minnesota	695	271	61	59	70		1,156
Private 4-Year College	526	275	162	68	52	6	1,089
Private Career School	276	101	7	17	257	18	676
Unspecified Minnesota Institution	218	36	5	5	13	6	283
Out of State	2,938	1,566	768	394	380	1,866	7,912
Institution Unknown	4,691	46	1,219	2,047	905		8,908
Total	16,297	6,373	3,262	3,006	2,538	1,941	33,417

*Currently this category includes Capella University and Walden University. These institutions have corporate offices in Minnesota. Their nationwide enrollment was reported. Most of their students were graduate students and students enrolled from out of state.

Source: Minnesota Office of Higher Education

Fall 2011 Transfer Activity

While many students pursue a traditional transfer path from a two-year college to a four-year college, half the transfer activity into Minnesota institutions involved students transferring credits into a public two-year community and technical college from either a four-year institution or another two-year institution. It is unknown how many students transferred from Minnesota institutions to out-of-state institutions.

The number of undergraduates admitted to Minnesota institutions with transfer credits in Minnesota increased from 17,887 in 2001 to 33,417 in 2011. The rate of growth in undergraduate transfer activity was about double the overall rate of growth in enrollment for the same period.

Transfer from Two-Year Colleges

Minnesota's two-year institutions reported the highest percentage in the country of students who transferred to another college. Minnesota's two-year colleges reported 26 percent of their first-time, full-time freshmen transferred to another institution within three years in 2011.

The state's relatively high transfer-out rate is good news if students are transferring into baccalaureate programs without losing time or academic credits that apply toward their majors. Students who transfer out of two-year colleges to change their program of study may take longer to complete their degree than students who started and persisted in the same program at the same institution.

MINNESOTA 2-YEAR STUDENTS TRANSFERRED MORE THAN OTHER U.S. 2-YEAR STUDENTS 2011

Top States	Transfer Rate
Minnesota	26%
Michigan	26%
Alabama	24%
Mississippi	23%
Peer States	15%
Nation	13%

Source: U.S. Department of Education, IPEDS Graduation Rates Survey

Transfer by Student Level

Most transfers occur early in students' college careers. Seventy-three percent of undergraduates at Minnesota institutions who enrolled as transfer students in fall 2011 were first- or second-year students (freshmen or sophomores). Only seven percent of transfer students were categorized as seniors, or fourth-year students, when they transferred.

MOST STUDENTS TRANSFERRED AS A FRESHMAN OR SOPHOMORE UNDERGRADUATE ACADEMIC LEVEL AT TIME OF TRANSFER INTO A MINNESOTA INSTITUTION, FALL 2011

Freshman	Sophomore	Junior	Senior	Unclassified Undergraduate	Total
14,104	10,448	4,750	2,326	1,789	33,417

Source: Minnesota Office of Higher Education

STUDY ABROAD

- » Minnesota institutions have high participation rates in study abroad programs.
- » University of Minnesota-Twin Cities students accounted for almost one-third of Minnesota's study abroad students.

According to the Institute of International Education *Open Doors 2012* report, 8,885 students attending Minnesota institutions studied abroad for academic credit during the academic year 2010-11. Nationally, 273,996 American students studied abroad, an increase of one percent—an all-time high. The United Kingdom remains the leading destination for American students, followed by Italy, Spain, France and China.

Study abroad by American students more than tripled over the past two decades, and *Open Doors* reported a steady rise in U.S. study abroad over several decades. The increased numbers of American students studying abroad demonstrates an interest in getting international experience. Many campus leaders, as well, remain committed to ensuring large numbers of their students have an international experience before graduating. However, American students studying abroad still represent a small proportion of total U.S. higher education enrollment.

Of 2010-11 study abroad students attending a Minnesota institution:

- The University of Minnesota—Twin Cities ranked third nationally in the highest number of students participating in study abroad programs for academic credit with 2,562 students, behind New York University and Michigan State University.
- Almost half of Minnesota students were in study abroad programs of a semester or more. The remainder went abroad for shorter lengths of time.
- Ten Minnesota institutions accounted for 77 percent of total Minnesota study abroad students.

TEN MINNESOTA INSTITUTIONS ACCOUNTED FOR 77 PERCENT OF MINNESOTA STUDY ABROAD STUDENTS 2011

Institution	Number
University of Minnesota-Twin Cities	2,652
St. Olaf College*	672
University of St. Thomas*	634
Hamline University	546
College of St. Benedict/St. John's University	531
St. Cloud State University	409
Bethel University*	395
Carleton College*	363
Concordia College-Moorhead	355
Gustavus Adolphus College	341
All other Minnesota institutions	2,077
Total Students Attending a Minnesota Institution Who Studied Abroad	8,885

*Ranked in the top 20 nationally in percent of the institution's undergraduate enrollment studying abroad.

Source: Institute of International Education, Open Doors Report on International Educational Exchange

TRENDS IN UNDERGRADUATE TUITION AND FEE RATES

- » Minnesota undergraduate tuition and fee rates increased faster than Minnesota per capita personal income and inflation across all institutional types.
- » Borrowing by Minnesota undergraduates increased faster than the rates of change in tuition and fees across all institutional types.

Tuition and fee levels at Minnesota institutions, as in other institutions across the country, have been increasing over the last ten years. The fastest rate of change in average published tuition and fees occurred at Minnesota public four-year institutions.

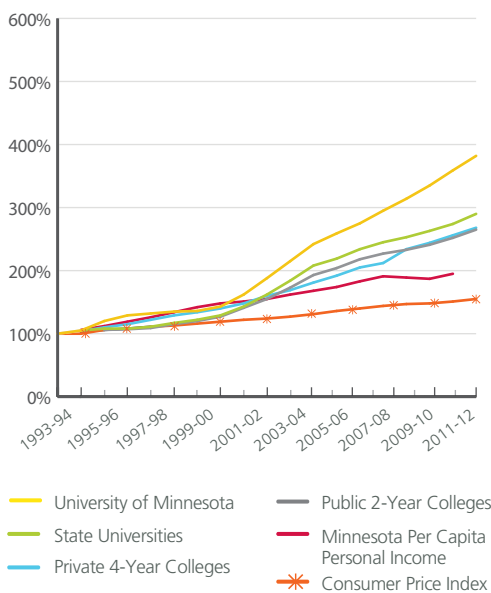
Comparing Income and Inflation

Minnesota resident full-time undergraduate tuition and fee rates have increased faster than Minnesota per capita personal income and other goods and services as measured by the Consumer Price Index over the past decade.

Comparing Borrowing and Government Financial Aid

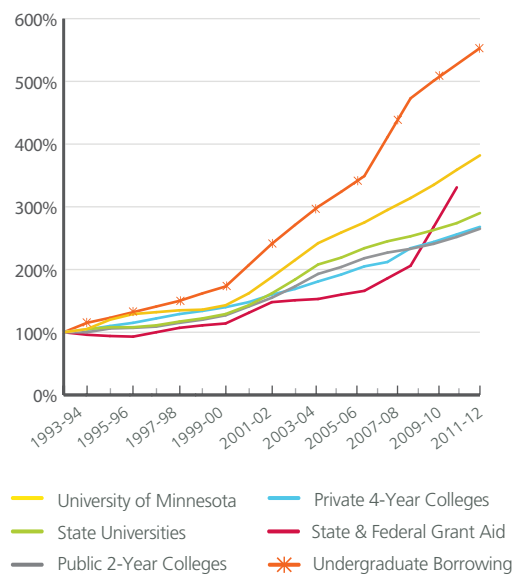
Federal and state need-based student financial aid for undergraduate students enrolled in Minnesota lagged the rate of change in tuition and fee rates between 2002 and 2012. With most postsecondary education prices increasing faster than personal income and government student financial aid, students and families have increasingly borrowed to finance a college education. Undergraduate borrowing increased in line with price in some cases and outpaced price in others. Without family savings or third-party financial contributions, many students and families have no other option than to work and borrow to pay for postsecondary education.

MINNESOTA UNDERGRADUATE TUITION AND FEE RATES EXCEEDED CHANGE IN MINNESOTA PER CAPITA PERSONAL INCOME AND INFLATION 1994-2012



Sources: Minnesota Office of Higher Education, U.S. Department of Commerce, and U.S. Department of Labor

MINNESOTA UNDERGRADUATE BORROWING INCREASED FASTER THAN TUITION AND FEE RATES 1994-2012



Source: Minnesota Office of Higher Education

WHO PAYS FOR THE UNDERGRADUATE COST OF ATTENDANCE IN MINNESOTA

» Students and families paid for nearly \$5.3 billion or 78 percent of the costs to attend a postsecondary institution in Minnesota during 2010-11.

Low wages, lack of money, and too much debt along with health care and housing top the current financial concerns of families, according to recent Gallop Surveys. Future postsecondary education expenses, however, are of particular financial concern for families with young children. Some parents may have unrealistic expectations that a third party, outside their immediate or extended family, will pay for some or all of their child's postsecondary education. Without a third-party payer, students and their families will need to use their own savings, earnings, or future income through loans to finance postsecondary education expenses at the time of attendance.

The Minnesota Office of Higher Education calculated an aggregate estimate of who paid for the undergraduate cost of attendance at Minnesota State Grant-eligible institutions and how it was paid for in 2010-11. The estimate was made based on what students and families and others were expected to pay at the time of attendance as defined by Minnesota postsecondary institutions. Of particular interest was how much students and their families relied on savings, current income, and debt at the time of attendance to finance the undergraduate cost of attendance at Minnesota State Grant-eligible institutions.

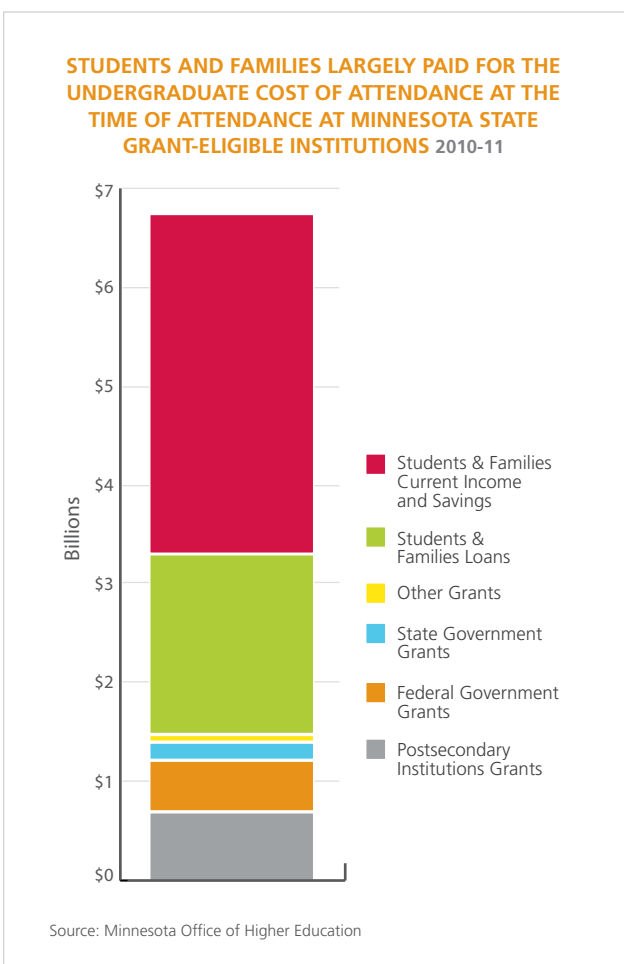
Students and families have primary responsibility for financing the price of undergraduate education in Minnesota, at the time of attendance, as shown on the following chart.¹

Students and their families finance postsecondary education with one or more of the following:

- Past income (savings)
- Current income (earnings)
- Future income (borrowing)
- Funds from a third-party payer

Third-party payers include aid from institutions, the federal government, state government, and other private sources.

The total estimated undergraduate cost of attendance at Minnesota State Grant-eligible institutions was \$6.77 billion in 2010-11. Students and families were estimated to have paid \$5.26 billion from savings, current income, or borrowing at the time of attendance with various third-party payers contributing \$1.50 billion.



¹ The data reflect payment responsibility at the time of attendance. Federal tax deductions and credits reimburse some students and families for out-of-pocket expenses when they later file their federal tax returns.

FINANCIAL AID TO MINNESOTA UNDERGRADUATES

- » Minnesota undergraduates received \$3.4 billion in financial aid in 2010-11.
- » Students and families borrowed \$1.85 billion in educational loans and received \$1.5 billion in grants.
- » Loans to students comprised 50 percent of financial aid awarded in 2010-11 compared to 46 percent in 2000-01.

Minnesota undergraduates received a range of financial aid through grants, scholarships, work-study and student loans to help pay for their postsecondary education. Undergraduates must complete the federal Free Application for Federal Student Aid (FAFSA) to receive need-based and some non-need based financial aid.

Grants and Scholarships

In 2010-11, Minnesota undergraduates received \$1.5 billion in grants from all sources. The three largest sources of grants were \$661 million from postsecondary institutions, followed by \$513 million from federal Pell Grants and \$120 million from the Minnesota State Grant program.

Institutional Grants

Grants from postsecondary institutions, specifically private not-for-profit institutions, were the largest source of grants to students. Minnesota institutions provided \$661 million in grants to undergraduates attending Minnesota institutions in 2010-11.

Federal Grants

Federal grants include the Pell Grant, Supplemental Education Opportunity Grant, Academic Competitiveness Grant and SMART grants. Total federal grants were \$574 million in 2010-11. The federal Pell Grant program is the largest federal grant program and provided \$513 million to 153,300 undergraduates attending Minnesota institutions in 2010-11, an average of \$3,344 per recipient.

Minnesota Grants

Minnesota grant programs include the Minnesota State Grant, Achieve Scholarship, Minnesota Indian Scholarship, Minnesota GI Bill, Minnesota Postsecondary Child Care Grant and Minnesota Public Safety Officers' Survivor Grant. Minnesota grant programs provided \$198 million in 2010-11.

The Minnesota State Grant is the largest state financial aid program and provided \$120 million to more than 88,800 undergraduates in 2010-11. The average Minnesota State Grant was \$1,350. The program is a need-based grant program for Minnesota undergraduate students attending

Minnesota public and private institutions. Seventy-five percent of Minnesota State Grant recipients in 2010-11 were from families with annual incomes less than \$40,000.

Work-Study Aid

Work-study jobs are arranged by postsecondary institutions, with 75 percent of the wages paid from state or federal funds and at least 25 percent from institutional funds in 2010-11. Most work-study positions are sponsored by institutions, but a small percentage of positions were with nonprofit agencies and other off-campus employers.

Work-study aid totaled \$46 million in 2010-11; \$26 million in federal work-study funds and \$20 million in state work-study funds. Almost 15,000 Minnesota undergraduates had federal work-study jobs in 2011. About 10,700 students had state work-study jobs. Average earnings were \$2,300 for students with federal and state work-study jobs.

Educational Loans

Seventy-eight percent of educational loans were federal student loans (\$1.44 billion) in 2010-11. The remaining 22 percent included federal parent loans (\$161 million), Minnesota SELF loans (\$70 million), and private and institutional loans (\$172 million).

Federal Student Loans

Minnesota undergraduates borrowed \$1.44 billion in federal student loans in 2010-11. The amount borrowed increased 19 percent from \$1.21 billion in 2008-09. The amount students can borrow annually from federal Stafford Loans was raised \$2,000 in 2007-08, and is one of the factors contributing to increases in federal loan borrowing. Currently, annual Stafford Loan limits for dependent students are \$5,500 for first-year undergraduates, \$6,500 for second-year undergraduates, and \$7,500 for third-year or more undergraduates.

Minnesota SELF Loans

The state of Minnesota operates one state loan program, the SELF Loan program. In 2010-11, \$70 million was loaned to 13,600 undergraduates, a decrease of 38 percent compared

to 2008-09. A new federal preferred lender requirement went into effect in 2010 restricting the ability of many colleges to inform students of private and state student loans. As a result,

federal parent loans (PLUS) increased by the same amount (\$42 million) that state SELF Loans decreased from 2008-09 to 2010-11.

POSTSECONDARY INSTITUTIONS PROVIDED MORE GRANTS THAN EITHER THE FEDERAL OR STATE GOVERNMENT TO MINNESOTA UNDERGRADUATES 2010-11

Institution Type	Number of Undergraduates Enrolled in Fall 2010	in Millions						
		Federal Pell Grants	Other Federal Grants	Minnesota State Grants	Other State Grants*	Institutional Grants**	Private and Other Grants	Total Grant Aid
Public 2-Year	125,693	\$225	\$6	\$18	\$32	\$5	\$24	\$310
State Universities	56,209	\$76	\$8	\$18	\$6	\$20	\$11	\$139
University of Minnesota	45,829	\$49	\$10	\$31	\$29	\$94	\$11	\$225
Private Not-for-Profit	50,700	\$63	\$19	\$35	\$2	\$521	\$20	\$660
Private For-Profit	30,270	\$99	\$18	\$17	\$9	\$21	\$3	\$168
Total	308,701	\$513	\$61	\$120	\$78	\$661	\$69	\$1,502

*Includes grants funded by Minnesota state agencies, counties and local governments. Examples are Division of Rehabilitation Services Grants.

**Includes postsecondary institutional grant and scholarship aid, tuition remission and discounts.

Source: Minnesota Office of Higher Education, Financial Aid Awarded Survey

MAJORITY OF LOANS TO MINNESOTA UNDERGRADUATES WERE FEDERAL LOANS 2010-11

Institution Type	in Millions					
	Federal Student Loans	Federal PLUS Loans	Other Federal Loans	Minnesota SELF Loan	Private and Institutional Loans	Total Loan Aid
Public 2-Year	\$471	\$5	\$0	\$7	\$5	\$487
State Universities	\$261	\$12	\$0	\$19	\$36	\$327
University of Minnesota	\$169	\$57	\$0	\$13	\$20	\$260
Private Not-for-Profit	\$249	\$59	\$1	\$20	\$66	\$395
Private For-Profit	\$294	\$28	\$0	\$11	\$47	\$380
Total	\$1,445	\$161	\$1	\$70	\$174	\$1,850

Source: Minnesota Office of Higher Education, Financial Aid Awarded Survey

FINANCIAL AID TRENDS

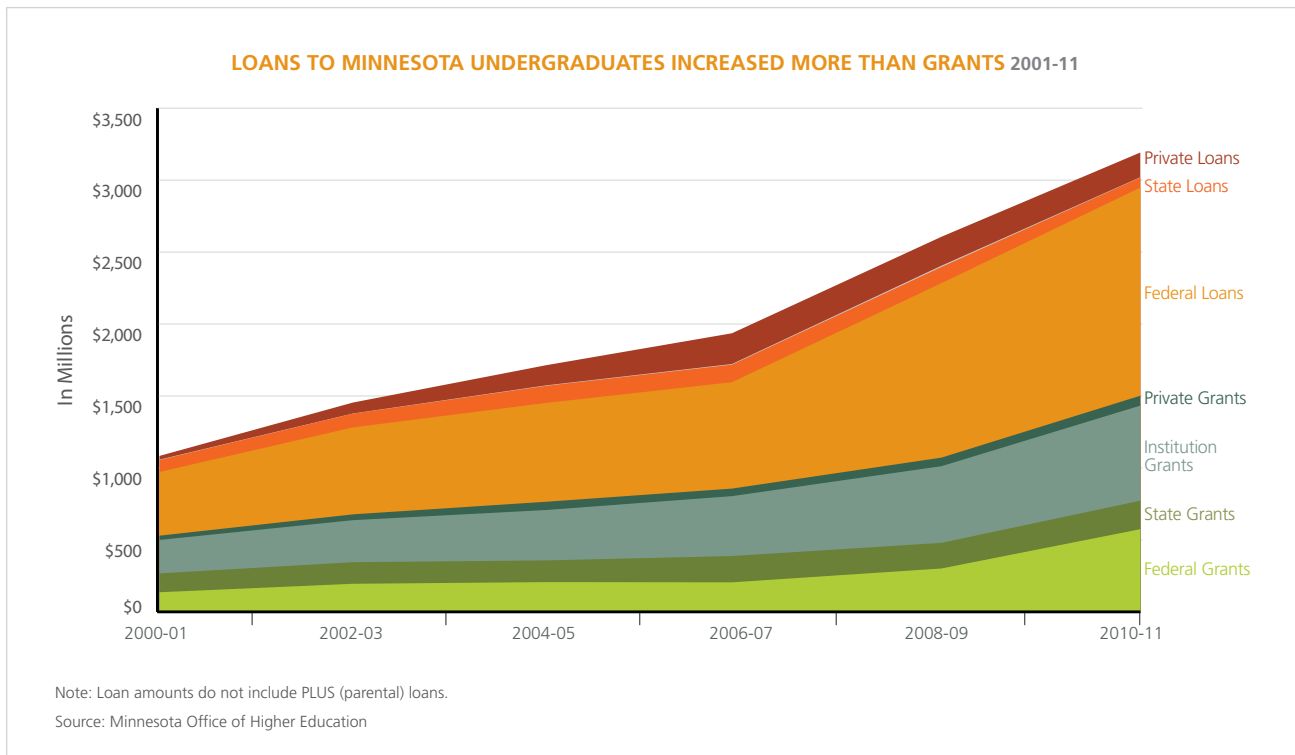
- » Loans to students from all sources increased 205 percent from 2001 to 2011, largely the result of an increase in federal loan borrowing.
- » Grant aid to students increased 184 percent from 2001 to 2011.

From 2000-01 to 2010-11, the total amount of financial aid Minnesota undergraduates received from grants and loans tripled from \$1.1 billion to \$3.2 billion. Financial aid from student loans increased faster than grant aid. During the past ten years, the total amount of grant aid received per undergraduate increased 184 percent from \$529 million to \$1.5 billion. The total amount of student loans borrowed increased 205 percent from \$555 million to \$1.7 billion.

While borrowing increased 205 percent from all sources, most loan aid was from federal student loan programs. The amount students borrowed from federal loan programs increased 226 percent from \$443 million in 2000-01 to \$1.4

billion in 2010-11. In 2008-09, the federal government increased the amount students may borrow by \$2,000 each year increasing federal student loan borrowing. (Currently, annual federal Stafford Loan limits for dependent students are \$5,500 for first-year undergraduates, \$6,500 for second-year undergraduates, and \$7,500 for third-year or more undergraduates.) The increased federal loan limits may have contributed to the 16 percent decrease in the amount students borrowed from state loan programs.

The amount students borrowed from private lenders increased from \$26 million in 2000-01 to \$172 million in 2010-11.



STUDENT EMPLOYMENT

» Fifty-eight percent of Minnesotans age 18 to 24 worked while enrolled in school or college in 2010.

Working is a way students can pay for postsecondary education, in addition to saving or borrowing.

Minnesota

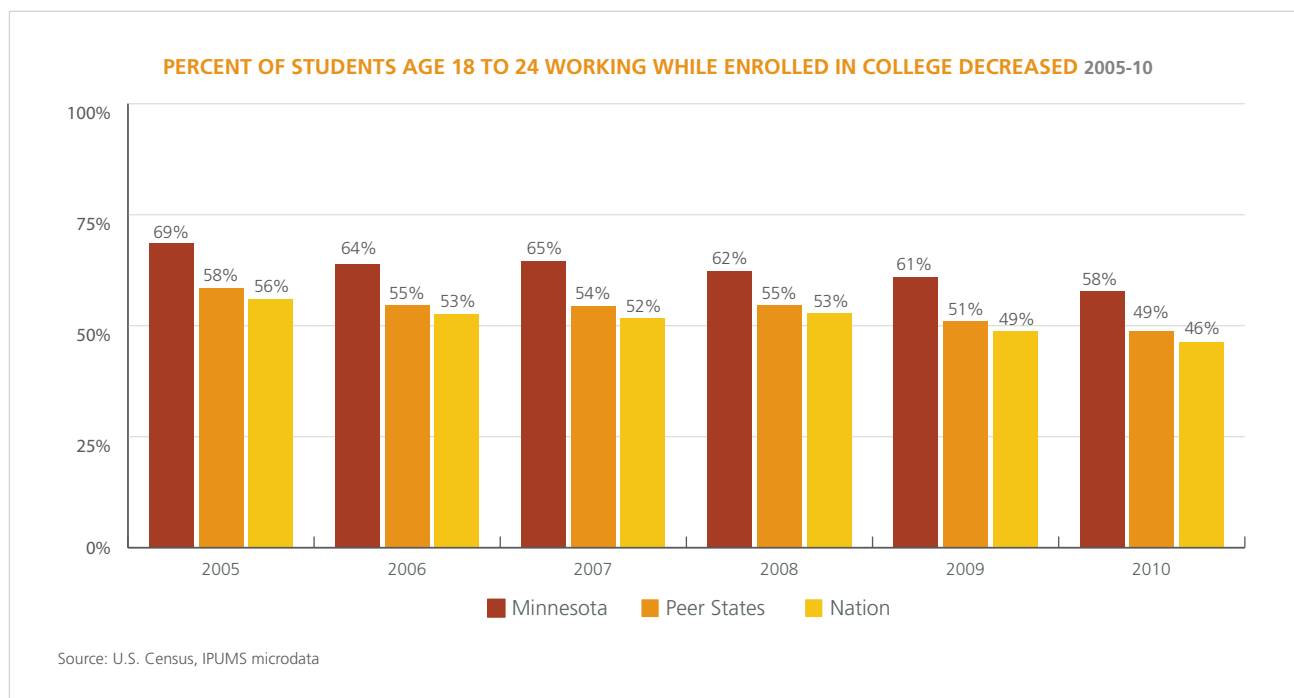
In 2010, 58 percent of Minnesotans age 18 to 24 worked while enrolled in school or college, according to U.S. Census data. This was higher than the percent who worked while enrolled nationally and in the peer states, but the percentage of Minnesota students working decreased over time. Among 18 to 24 year olds, the percentage who said they worked while enrolled in school or college in 2005 was 69 percent and decreased to 58 percent in 2010.

National Comparisons

Nationally, the percent of time students age 18 to 24 worked while enrolled in school or college decreased from 2005 to 2010. Forty-six percent worked while enrolled in 2010, a decrease from 56 percent in 2005.

In peer states, 49 percent of students age 18 to 24 said they worked while enrolled in school or college in 2010. This was a decrease from 58 percent who were employed in 2005.

For the period 2005 to 2010, more students age 18 to 24 were employed in Minnesota than in the peer states and the nation.



Outcomes of College

OVERVIEW

Section Three of *Minnesota Measures* analyzes the outcomes of postsecondary education in the state, both for individual students and for the state overall. The indicators in this outcomes section include overall educational attainment within the state; graduation rates; the number and types of postsecondary degrees and certificates awarded, by type of award and field studied; as well as the amount of research and discovery at institutions and students' level of debt when they graduate. Although the benefits of postsecondary education to the individual and to society are numerous and not easily calculable, these indicators give a sense of the experience of individual students at Minnesota postsecondary institutions and the larger impact of postsecondary education within the state.

Educational Attainment, Graduation Rates, and Degrees Awarded

Minnesota ranked high among states in educational attainment, which measures the highest level of education received by people residing in Minnesota, using U.S. Census data. Postsecondary attainment increased substantially over the past 40 years, with the percentage of Minnesota's population with a bachelor's degree nearly tripling since 1970 in Minnesota. For the population age 18 to 64, 42 percent of Minnesotans had an associate degree or higher, ranking second nationwide. Among younger age groups, 51 percent of Minnesotans age 25 to 34 and 35 to 44 had an associate degree or higher, ranking second behind Massachusetts, nationwide in 2011. This measure does not include postsecondary credentials below an associate degree, and Minnesota postsecondary institutions awarded nearly as many certificates as associate degrees. Gaps exist, however, in postsecondary attainment between racial and ethnic population groups over age 25, with only Asian (50 percent) and white Minnesotans (44 percent) exceeding the national average (39 percent).

Contributing to the increase in attainment, graduation rates at Minnesota four-year institutions increased. In 2011, 43 percent of undergraduates earned their degree within four years and 62 percent graduated within six years. Nationwide, Minnesota ranked 16th in graduation rates at four-year institutions in the percentage of new entering full-time students graduating within four years and 15th within six years. Since 2005, the University of Minnesota system had the greatest percentage increase in graduation rates, from 56 to 65 percent graduating within six years within Minnesota. At Minnesota two-year institutions, although the three-year graduation rate ranked 28th in the nation, the combined rate of students who transferred to another institution or graduated with an associate degree within three years ranked fifth highest nationally.

The number of academic awards earned across all levels annually by Minnesota postsecondary students increased 68 percent over the past decade. Bachelor's degrees are the most common academic award earned, and awards in health science fields across all academic levels are the most numerous, followed by awards in business and education. Minnesota ranked highly in state comparisons in the number of certificates produced per population, and most certificates are earned in health care fields.

Student Debt Levels

The level of debt students undertake to complete their postsecondary degree in Minnesota has been an ongoing topic of concern. In Minnesota, undergraduates are more likely to leave postsecondary education with student loans than students nationally or in peer states. Further, current median cumulative loan debt for graduating seniors will require repayments equal to seven percent of their estimated starting salaries. Borrowers are more likely to default on their loans when repayments are eight percent of income or more.

Although more Minnesota undergraduates had student loans than undergraduates nationally, students from Minnesota institutions had among the lowest default rates in the country. While this measure does not fully evaluate the debt burden student's face in attending postsecondary education, it does indicate Minnesota students' current ability to meet the repayment demands of their student loans.

Students' Preparation for Further Study and the Workforce, and Academic Research

Graduates of Minnesota postsecondary programs consistently achieved comparable or higher scores than students nationally or in the peer states on exams used as entrance requirements for further study in graduate and professional programs, even as the number of students taking the exams has been increasing.

On measures of certification and licensure, graduates of Minnesota teacher preparation programs from the University of Minnesota had the highest licensure passing rates of Minnesota postsecondary sectors. Candidates for practical nursing licensure from Minnesota undergraduate programs outperformed the peer states and nation on exam pass rates. Registered nursing candidates from both associate and baccalaureate programs, however, have been at or below national passing rates.

Postsecondary institutions' spending on academic research has broad impacts on the workforce and economy. Between 2009 and 2010, total academic research and development spending at Minnesota postsecondary educational institutions grew by 9.8 percent. Among institutions within the state, the majority of academic research occurs at the University of Minnesota, which ranked sixth among U.S. public institutions and 13th overall in research and development spending for 2010.

EDUCATIONAL ATTAINMENT

- » Minnesota ranks 2nd in the nation with the percentage of the population age 25 to 44 having an associate degree or higher.
- » In international comparisons, Minnesota ranks third behind the Russian Federation and Canada in the percentage of the population age 25 to 64 with an associate degree or higher.
- » Sizeable gaps in degree attainment exist among racial and ethnic population groups over age 25, with only Asian (50 percent) and white (44 percent) Minnesotans exceeding the state average.

States benefit both economically and socially from having educated adults. States with higher proportions of their population with an education beyond high school tend to have a population with higher per capita personal income. At \$44,560 Minnesota's per capita personal income ranked 11th nationally in 2011. The national average was \$41,560. College-educated adults also tend to display a greater sense of civic responsibility, such as higher voting rates and higher philanthropic tendencies. College educated parents tend to pass on their higher education knowledge and aspirations to their children.

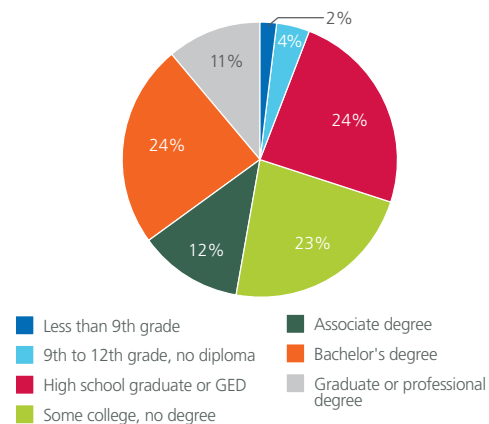
Levels of educational attainment in the population reflect not only the postsecondary institutions' contributions to a state's educated citizenry but the vitality of the job market and attractive quality of life factors of a geographic area. The District of Columbia and Colorado, for example, have large populations of educated adults who received their degrees elsewhere. Minnesota is also considered a state that attracts educated adults, especially to the Twin Cities metropolitan area.

Minnesota ranked consistently high on all measures of educational attainment nationally among working-age adults. With 42 percent of residents age 18 to 64 years old holding an associate degree or higher in 2011, Minnesota ranked second in the nation on this measure. A 2012 Lumina Foundation report, *A Stronger Nation through Higher Education*, ranked states and metropolitan areas with the percentage of population age 25 to 64 having an associate degree or higher using 2010 Census data. Minneapolis/St. Paul ranked fourth as a top metropolitan statistical area with 50 percent of the population in degree attainment behind Washington D.C. (54 percent), Boston (54 percent) and San Francisco (53 percent).

About Educational Attainment

The U.S. Census Bureau collects information on the highest level of education attained by individuals age 18 and older. The data are available by age, gender, race, and geography. The Census defines postsecondary as either "some college," "associate degree," "bachelor's degree", or a "graduate or professional degree." Individuals with "some college" include two different groups of individuals; (1) those dropping out of college before obtaining a credential, and (2) those completing a formal non-degree vocational certificate below the associate degree which can be completed in two years or less.

70 PERCENT OF MINNESOTA ADULTS AGE 25-64 HAVE SOME COLLEGE OR MORE 2011



Source: U.S. Census Bureau, 2011 American Community Survey

Increasing educational attainment nationally is a prominent part of President Obama's "American Graduation Initiative," which set a national goal of 60 percent of adults age 25 to 64 having an associate degree or higher by 2020, compared to 39 percent currently.¹ The Lumina Foundation, a major supporter of educational initiatives, has a similar goal to increase the proportion of Americans with high-quality degrees and credentials to 60 percent by 2025.² Complete College America, a national initiative started in 2009, has a goal that "By 2020, six out of 10 young adults in our country will have a college degree or credential of value." Common aspects of these initiatives are to raise the educational attainment of the overall population by encouraging college participation for recent high school graduates and also encouraging adults already in the workforce to pursue and complete a postsecondary credential or degree.

There is a growing importance of non-degree, industry-recognized credentials, as well as individuals' basic skills progress in pursuit of those outcomes. Currently national and state tracking systems are inadequate for tracking credentials below the associate level. Measuring credentials below the associate degree, often called "educational certificates", is problematic since the U.S. Census Bureau does not collect certificates in a separate category. Educational credentials are included within the "some college, no degree" category which also includes individuals who may have attended college one or more years before obtaining any certificate or degree.

MINNESOTA NEAR THE TOP OF WORKING AGE ADULTS

AGE 25-64 WITH AN ASSOCIATE DEGREE OR HIGHER, 2011

Age 18-64 Total		Age 25-64 Total		45-64 Year Olds	
Top States	Percent	Top States	Percent	Top States	Percent
Massachusetts	46%	Massachusetts	51%	Massachusetts	48%
Colorado (3rd)	42%	Colorado	42%	Colorado	47%
Connecticut (4th)	42%	Connecticut (4th)	46%	Connecticut	45%
Minnesota (2nd)	42%	Minnesota (3rd)	47%	Minnesota (11th)	42%
Peer States	34%	Peer States	38%	Peer States	34%
Nation	35%	Nation	39%	Nation	37%

18-24 Year Olds		25-34 Year Olds		35-44 Year Olds	
Top States	Percent	Top States	Percent	Top States	Percent
New York	19%	Massachusetts	55%	Massachusetts	51%
New Jersey	18%	North Dakota (3rd)	50%	Connecticut (3rd)	49%
Illinois	18%	New York (4th)	50%	Colorado (4th)	49%
Minnesota (6th)	17%	Minnesota (2nd)	51%	Minnesota (2nd)	51%
Peer States	14%	Peer States	42%	Peer States	41%
Nation	14%	Nation	40%	Nation	41%

Source: U.S. Census Bureau, American Community Survey

1. Office of the White House Press Secretary, July 14, 2009. www.whitehouse.gov/the_press_office/Excerpts-of-the-Presidents-remarks-in-Warren-Michigan-and-fact-sheet-on-the-American-Graduation-Initiative.

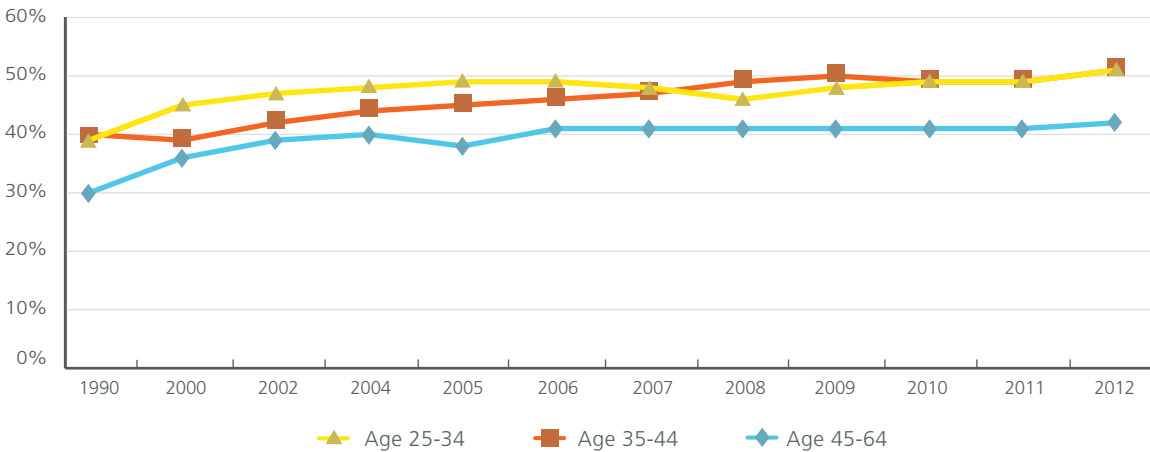
2. Lumina Foundation, September 2010. "A Stronger Nation Through Higher Education."

Degree Attainment Trends over Time

Over the past 20 years, the percentage of Minnesotans with an associate degree or higher has increased, albeit at different rates for the different population age groups. Overall, younger adults have higher rates of attainment than older adults. The age groups with the highest college attainment were adults age 25 to 34 and age 35 to 44 compared to those age 45 to 64. Minnesota has the second-highest attainment rate behind Massachusetts for adults age 25 to 44.

National bachelor's degree attainment trends since 1940 show the largest gains during the last 30 years. The percentage of Minnesota's population with a bachelor's degree has been above the national average since 1970. Minnesota's population has high educational attainment overall: higher than the Midwest Regional average and closer to that of the Northeast Region, which contains states with several of the highest college-educated populations.

YOUNGER MINNESOTANS HAVE HIGHER EDUCATIONAL ATTAINMENT THAN OLDER MINNESOTANS
ASSOCIATE DEGREE OR HIGHER, 1990-2011



Source: U.S. Census Bureau, 1990 and 2000 Decennial Census; 2002-2011 American Community Survey

MINNESOTA AHEAD OF NATIONAL AVERAGE IN EDUCATIONAL ATTAINMENT
ADULTS AGE 25 AND OLDER, BACHELOR'S DEGREES OR HIGHER, 1940-2011

	1940	1950	1960	1970	1980	1990	2000	2011
Minnesota	4%	6%	8%	11%	17%	22%	27%	32%
Nation	5%	6%	8%	11%	16%	20%	24%	29%
Geographic Regions								
Northeast	5%	7%	8%	11%	17%	23%	28%	33%
Midwest	4%	6%	7%	10%	15%	18%	23%	27%
South	4%	5%	7%	10%	15%	19%	23%	26%
West	6%	8%	10%	13%	19%	23%	26%	30%

Note: data on associate degrees not available in earlier years.

Source: U.S. Census Bureau, 1940 to 2000 Decennial Census; 2011 American Community Survey

Minnesota's Communities of Color

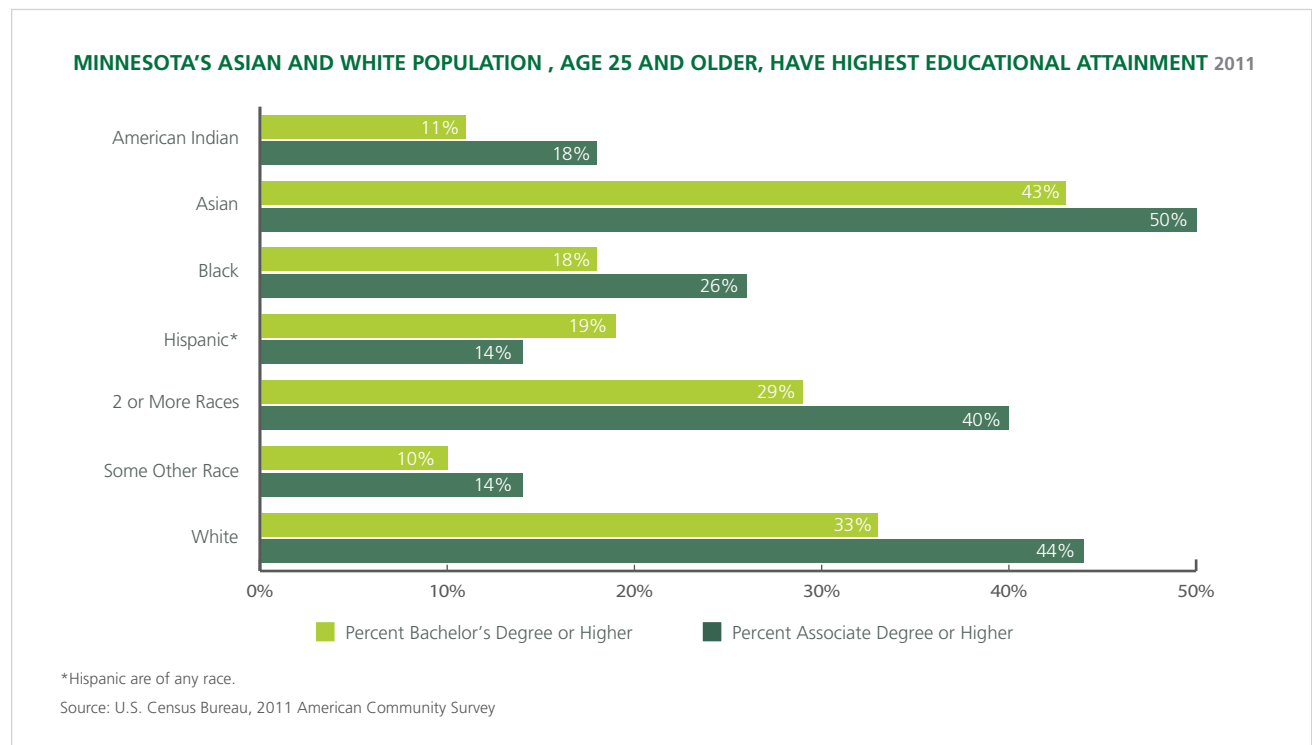
Educational attainment varies by race and ethnicity in Minnesota and nationally for the population age 25 and older. In Minnesota, Asians (50 percent) and whites (44 percent) were the only two population groups with attainment levels above the state average of 41 percent having an associate degree or higher.

International Comparisons

Minnesota's population does well on postsecondary educational attainment measures compared to international educational statistics prepared by the OECD.³ The OECD provided information on the percentage of residents age 25 to 64 with a tertiary education for each of its 34 member countries, as well as for eight other nations in 2010. If competing as a nation, Minnesota would be ranked third and the U.S. would be fourth internationally, behind the Russian Federation and Canada in the percent of the population age 25 to 64 with the equivalent of an associate degree or higher. If comparing the percentage with a bachelor's degree or higher, Minnesota would be tied for first with Norway and the U.S. would be second.

International educational attainment among younger adults, age 25 to 34 years old; however, are cited and used more often than comparisons in the adult population age 25 to 64. Recent expansion of higher education opportunities in many countries has fueled higher college enrollment levels and several countries have eclipsed the U.S. in international rankings among younger adults. Minnesota ranked fifth (behind Korea, Japan, Canada and the Russian Federation) in the percent of 25 to 34 year olds with an associate degree or higher, while the U.S. ranked 14th on this measure.

Even though college attainment levels have increased nationally and in Minnesota, attainment levels in other countries have increased more quickly. There is a growing concern that the U.S. will lose its dominance as the world's most highly educated country. Level of postsecondary training should be taken into account when making international educational attainment comparisons. Countries vary greatly in the percentage of their populations with education in occupational skills devoted to direct entry into the labor force as their highest level compared to education in advanced theoretical and research-based skills.



3. OECD (2012), "Education at a Glance 2012: OECD Indicators," OECD Publishing. www.oecd-ilibrary.org/education/education-at-a-glance-2012_eag-2012-en.

GRADUATION RATES

- » Graduation rates at Minnesota four-year institutions have been increasing. In 2011, 43 percent of undergraduates graduated within four years and 62 percent graduated within six years.
- » At Minnesota two-year institutions, although the three-year graduation rate ranks 28th in the nation, the combined rate of students who transfer to another institution or graduate within three years ranks fifth highest nationally.

Graduation rates measure whether students are completing their studies along with institutional effectiveness in facilitating student completion. High graduation rates may be indications of appropriately targeted student recruitment, effective campus communication and scheduling, strong instruction and advising, and accessible student support services. Other variables, such as the academic preparation of students, colleges' admissions selectivity, and student demographics and financial support, also factor into graduation rates.

Graduation Rates at Minnesota Four-Year Institutions

In 2011, 43 percent of Minnesota undergraduates graduated within four years and 62 percent graduated within six years. Overall, the rates have been gradually increasing. Graduation rates vary considerably across institutions since the number of students used in the cohort to track the rate varies with each institution. The six-year graduation rates in 2011 ranged from a high of 70 percent to a low of 46 percent at the University of Minnesota campuses; a high of 54 percent to a low of 29 percent at Minnesota state universities; and a high of 93 percent to a low of 40 percent at Minnesota private not-for-profit institutions.

Although the highest graduation rates are within the private not-for-profit institutions, the University of Minnesota has made the greatest strides in increasing their graduation rates.

The six-year graduation rate for the University's combined campuses has increased from 44 percent in 1998 to 65 percent in 2011. The University of Minnesota—Twin Cities campus had the greatest increase with the six-year rate rising from 47 percent in 1998 to 70 percent in 2011, which is now comparable to several Minnesota private not-for-profit institutions. A national analysis of graduation rates by *The Chronicle of Higher Education* showed the University of Minnesota-Twin Cities had the sixth-largest gain in graduation rates of all public research institutions in the U.S. from 2003-2008. Nationally, 65 percent of four-year institutions had

About Graduation Rates

The 2011 data reflect the graduation rates of first-time, full-time degree-seeking undergraduates who began at a four-year institution in fall 2005 or at a two-year institution in fall 2008. Only students who complete their degree or other award at the same institution were included in the graduation rate. Students who transfer negatively impact an institution's graduation rate. Overall, about 11 percent of all undergraduates statewide transferred each year. For further information visit www.ohe.state.mn.us/mPg.cfm?pageID=754.

graduation rate increases during this time period and 35 percent had declining rates.¹

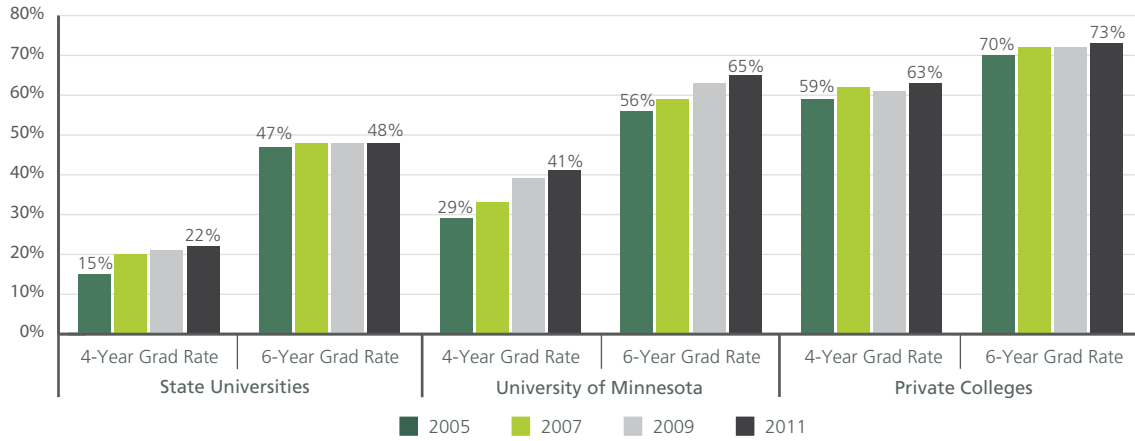
Four-Year Institution Minnesota and National Comparisons

Minnesota ranked 16th nationally in four-year (43 percent) and 15th in six-year (62 percent) graduation rates, and was higher than peer states and national averages. Four-year graduation rates ranged from a high of 54 percent in Rhode Island to a low of nine percent in Alaska. Six-year graduation rates ranged from a high of 70 percent in Massachusetts to a low of 28 percent in Alaska.

Among peer states, the four-year graduation rate ranged from 50 percent (Pennsylvania) to 32 percent (Wisconsin); the six-year rate ranged from 67 percent (Pennsylvania) to 56 percent (Ohio). Massachusetts and Rhode Island, as well as most eastern states, have a higher percentage of students enrolled at private not-for-profit four-year institutions than public four-year institutions. As private institutions have higher graduation rates than public institutions, eastern states tend to rank higher on this indicator.

1. *The Chronicle of Higher Education*, December 6, 2010. "Graduation Rates Fall at One-Third of 4-Year Colleges," www.chronicle.com/article/Graduation-Rates-2010-/125587/.

GRADUATION RATES AT MINNESOTA 4-YEAR INSTITUTIONS INCHING UP 2005-2011



Source: U.S. Department of Education, IPEDS Graduation Rate Survey

MINNESOTA 4-YEAR INSTITUTION GRADUATION RATES ABOVE NATIONAL AVERAGE 2011

Top States	4-Year Graduation Rate	Top States	6-Year Graduation Rate
Rhode Island	54%	Massachusetts	70%
Connecticut	53%	Washington	68%
Massachusetts	53%	Rhode Island	68%
Minnesota (16th)	43%	Minnesota (15th)	62%
Peer States	41%	Peer States	61%
Nation	39%	Nation	59%

Source: U.S. Department of Education, IPEDS Graduation Rate Survey

MINNESOTA FIRST IN TRANSFER RATES AT 2-YEAR INSTITUTIONS 2011

Top States	3-Year Graduation Rate	Top States	3-Year Transfer Rate	Top States	Combined Graduation & Transfer Rate
Alaska	71%	Michigan (2nd)	26%	Alaska	73%
Florida	58%	Alabama (3rd)	24%	Wyoming	64%
North Dakota	53%	Mississippi (4th)	23%	Florida	61%
Minnesota (28th)	29%	Minnesota (1st)	26%	Minnesota (5th)	55%
Peer States	33%	Peer States	15%	Peer States	48%
Nation	34%	Nation	13%	Nation	47%

Source: U.S. Department of Education, IPEDS Graduation Rate Survey

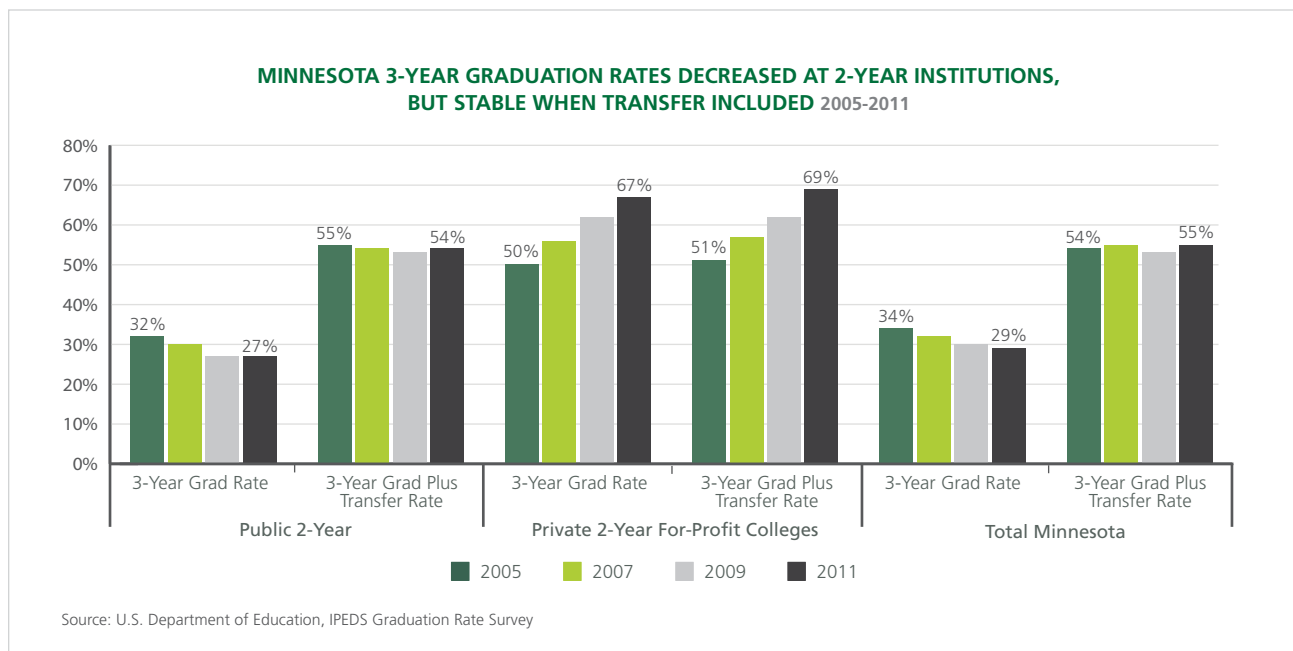
Graduation and Transfer Rates at Minnesota Two-Year Institutions

For two-year institutions, examining both graduation and transfer rates more accurately reflects student outcomes. Some two-year institutions offer more technical/occupational programs culminating in a certificate or associate degree while others specialize in a liberal arts/transfer curriculum preparing students to complete a bachelor's degree at a four-year institution. The Minnesota Transfer Curriculum, offered at Minnesota's public two-year institutions, is specially designed for students who wish to transfer to a four-year institution; these students may transfer before receiving an associate degree.

At Minnesota two-year institutions, the combined graduation and transfer rate has remained stable since 2005, with a slight decrease in graduation rates but an increase in transfer rates. The public two-year colleges had this same pattern. The private two-year for-profit colleges showed an increase in graduation rates since 2005. Note: there were less than a dozen schools in the private two-year for-profit college category with a 2008 cohort of 1,139 students compared to 16,690 students in public two-year colleges that were used to track graduation rates in 2011.

Two-Year Institution Minnesota and National Comparisons

Minnesota ranked first nationally in the percent of students who transfer from two-year institutions. In the combined transfer and graduation rate, Minnesota ranked fifth nationally and well above the peer states and national averages. Three-year graduation rates nationally ranged from a high of 71 percent in Alaska to a low of 13 percent in South Carolina. Transfer rates ranged from a high of 26 percent in Minnesota to a low of three percent in Nevada. The combined graduation and transfer rates ranged from a high of 73 percent in Alaska to a low of 24 percent in Vermont.



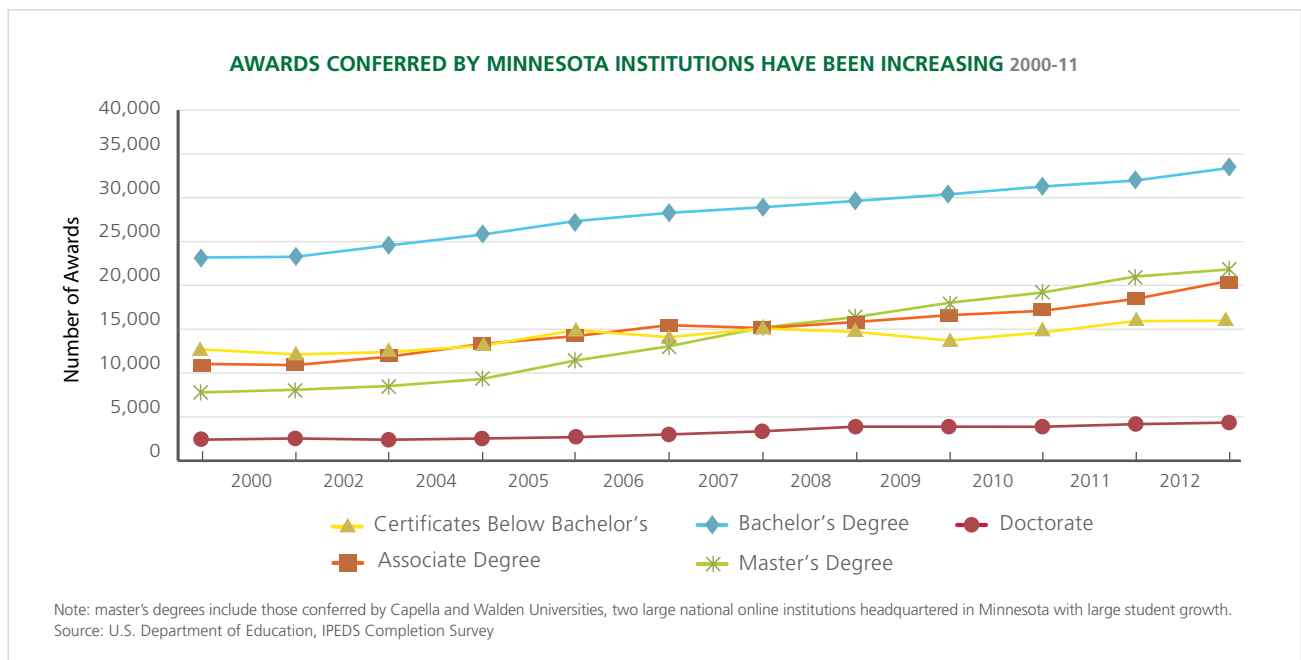
DEGREES AND OTHER AWARDS EARNED

- » The number of academic credentials awarded annually at all levels by Minnesota postsecondary institutions has been increasing over the past decade; with bachelor's degrees the most common award conferred.
- » Awards in health science programs are the most numerous across all academic levels.
- » Minnesota ranks high in state comparisons in the number of certificates produced per population, and most certificates are earned in health care fields.

All Academic Awards

The successful completion of a program of study culminates in the conferring of an academic award. Minnesota's postsecondary institutions offer a variety of awards at all levels of training. In 2010-11, Minnesota postsecondary institutions awarded over 96,000 academic credentials: 15,963 certificates and diplomas less than two years in length, 20,517 associate degrees, 33,396 bachelor's degrees, 21,823 master's degrees, and 4,352 doctoral degrees, both research and professional (such as in law, medicine, or theology).

From 2000 to 2011, the total number of all awards conferred by Minnesota postsecondary institutions increased 38,924 or by 68 percent. This increase parallels higher enrollments at all institutions, along with an expansion of private for-profit institutions.



Academic Awards by Career Cluster

Over 800 majors or programs of study are offered by Minnesota postsecondary institutions at the various award levels. To track trends for such a large array of programs, the career cluster taxonomy model was used. Career clusters align terminology used in postsecondary programs with those used in analyzing careers and occupations. The career clusters used in this report were developed by the U.S. Department of Education to help policymakers and students (at both the secondary and postsecondary level) link the knowledge acquired in school with the skills needed to pursue careers and enter the workforce.

At each award level, from certificate to doctorate, the following patterns emerged across award levels:

- Awards in health sciences were the most numerous across all award levels, from certificate to doctorate.
- At each award level three different career clusters accounted for 51 to 78 percent of awards earned. This was especially true in occupationally specific fields where education level was closely linked to entry into the workforce.
- **At the certificate level**, programs in health care dominated. Other popular short-term training programs were in cosmetology, manufacturing, and transportation (including vehicular repair) and construction trades.
- **At the associate degree level**, programs in liberal arts and health sciences comprised more than half the degrees earned. Associate degrees not in liberal arts programs are generally awarded as the Associate of Applied Science. These degrees are for entry-level jobs in health care, business, law enforcement, information technology, construction trades and culinary arts.

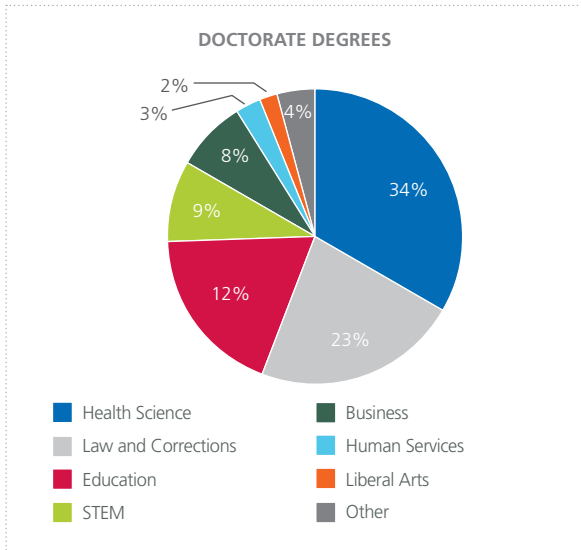
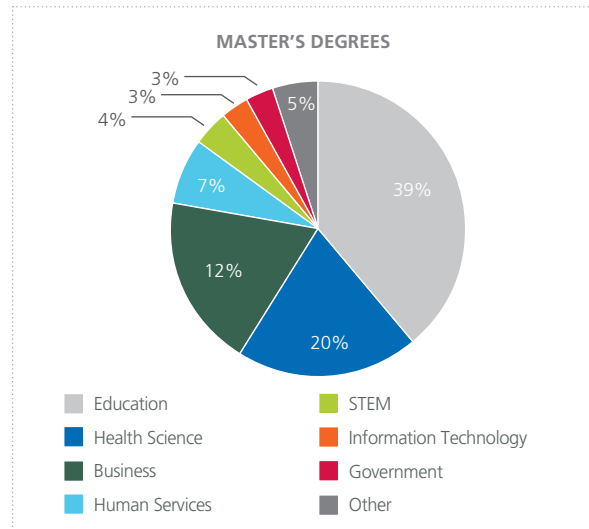
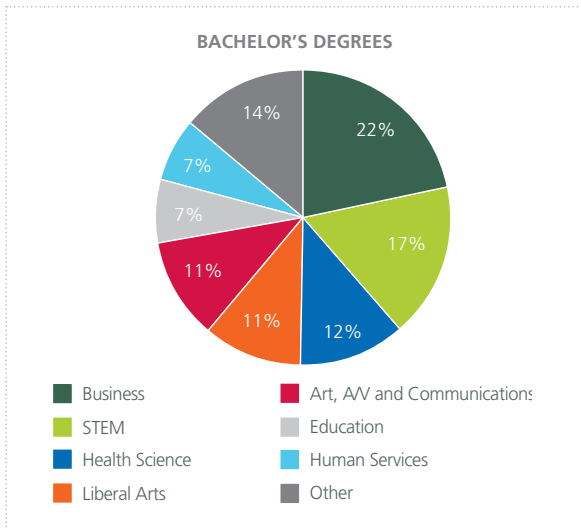
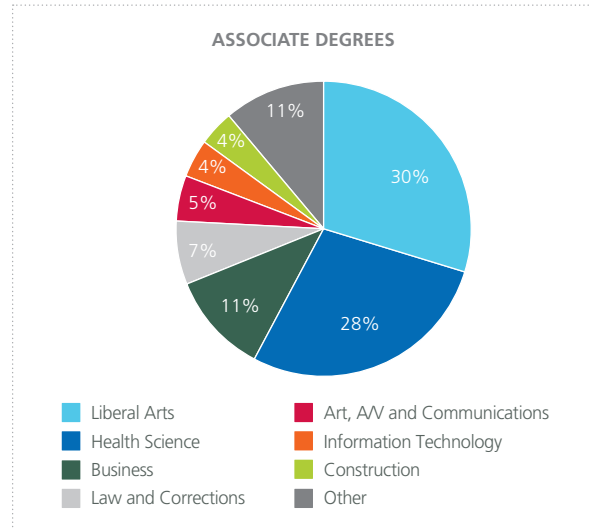
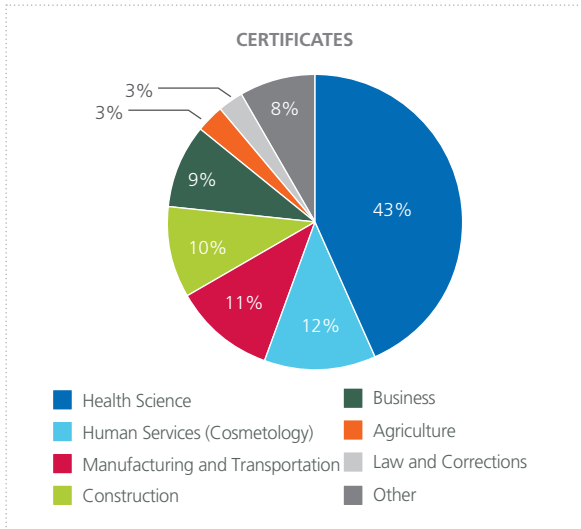
HEALTH SCIENCES, BUSINESS AND EDUCATION ACCOUNTED FOR OVER 50 PERCENT OF AWARDS CONFERRED BY MINNESOTA INSTITUTIONS 2010-11

Program Career Cluster	Award Level					Total
	Certificate	Associate Degree	Bachelor's Degree	Master's Degree	Doctorate	
Agriculture, Food and Natural Resources	521	281	1,523	158	37	2,520
Architecture and Construction	1,634	808	244	129		2,815
Arts, Audio/Video Technology and Communications	260	1,018	3,724	200	49	5,251
Business Management, Marketing and Finance	1,448	2,354	7,812	4,220	267	16,101
Education	198	210	2,844	7,881	844	11,977
Government and Public Administration	5		1,126	555	40	1,726
Health Science	6,834	5,777	4,711	4,996	1,544	23,862
Hospitality and Tourism	316	446	65			827
Human Services	1,925	416	2,247	1,722	150	6,460
Information Technology	314	929	963	564	46	2,816
Law and Corrections	520	1,375	1,143	280	906	4,224
Liberal Arts, Languages and History	123	6,135	3,806	255	76	10,395
Manufacturing and Transportation	1,817	807	184	22		2,830
Science, Technology, Engineering and Mathematics	48	156	5,859	855	393	7,311
Total	15,963	20,712	36,252	21,845	4,352	99,124

Note: totals include 3,073 double majors, mainly in bachelor's degrees.

Source: U.S. Department of Education, IPEDS Completion Survey

TOP PROGRAMS OF STUDY DIFFER BY LEVEL OF AWARD CONFERRED BY MINNESOTA INSTITUTIONS 2010-11



About STEM Degrees

Science, technology, engineering and mathematics (STEM) acronym has no universal program definition. Using the Career Cluster model, the following academic programs are included in STEM: biological and biomedical studies, engineering; engineering technologies, mathematics and statistics, multi/interdisciplinary studies in science areas, physical sciences (chemistry, geology, physics) and social sciences (anthropology, cartography, demography, economics, geography).

Source: U.S. Department of Education, IPEDS Completion Survey

- **At the bachelor's degree level**, degrees in business, STEM and health sciences comprised half the degrees earned. Bachelor's degree recipients in STEM fields often need to earn graduate degrees to pursue careers in research science.
- **At the master's degree level**, more than three-quarters of degrees earned were in education, health science and business programs.
- **At the doctoral level**, which includes research and professional degrees, health science, law and education comprised more than three-quarters of the degrees earned.

Bachelor's Degrees

More bachelor's degrees are conferred annually than awards at other levels. Three institutional sectors in Minnesota each conferred roughly one-third of all bachelor's degrees for 2010-11: the private not-for-profit colleges (32 percent), state universities (32 percent), and the University of Minnesota (29 percent). A small number were conferred at the private career schools (7 percent).

Business continues to be the most popular bachelor's degree major. Science (STEM) majors, especially biological science, along with health science majors have increased at a faster pace than other majors over the last five years.

Sub-Baccalaureate Certificates

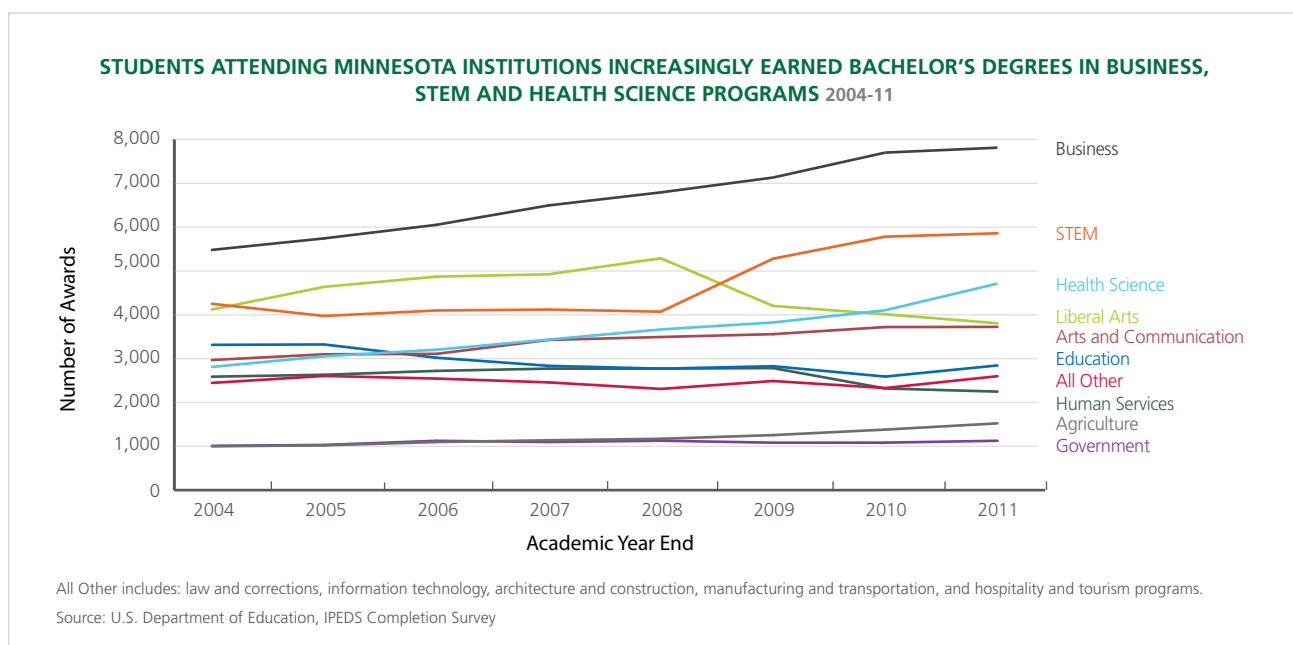
Not all undergraduates attend a postsecondary institution with the goal of obtaining a degree. Many students, especially older adults, choose to enter a career where an occupationally specific credential is required for employment. Minnesota postsecondary institutions, mainly public two-year and private for-profit institutions, annually award a large number of occupationally specific certificates. Recently, quantifying the academic credentials awarded at the sub-baccalaureate level has gained national and state level prominence to better gauge the human capital of the labor market.

Earning a postsecondary certificate is often the highest education needed to enter several high-demand, high-wage careers, including many in healthcare, manufacturing and construction trades. Complete College America's report *Certificates Count: An Analysis of Sub-baccalaureate Certificates* highlights the importance of certificates in an individual's ability to enter a well-paying career:

...[C]ertificate awards for completion of programs of study of at least one year have significant and consistent labor market value and should count toward national and state postsecondary attainment goals. They are particularly accessible to young high school graduates and working adults who may not now be attracted to more traditional degree programs.

(Certificates Count, 2010, p. iii)

The report also indicated certificates can provide greater income returns than some associate and bachelor's degrees.



Minnesota institutions awarded 15,963 certificates in 282 specific programs of study in 2010-11. Certificates earned in the health care career cluster (43 percent) were the most common. The career clusters: cosmetology and culinary services (12 percent), manufacturing and transportation (11 percent), construction trades (10 percent), business (9 percent), agriculture (3 percent), corrections (3 percent) and all others (8 percent) provided the remaining certificates.

Comparing Certificates Nationally

States differ in the share of the labor force reporting certificates as their highest level of education. The report, *Certificates: Gateway To Gainful Employment and College Degrees*, completed by Georgetown University, Center on Education and the Workforce, found states ranking high in workers with certificates usually ranked low in workers with college degrees. Conversely, states with a high share of workers with college degrees usually have low shares of workers with certificates. Minnesota is an exception to this rule as it ranks sixth in its share of workers with certificates and third in its share of bachelor's degree workers.

The number of certificates awarded nationally has increased more than 800 percent over the past 30 years as postsecondary institutions have offered more formal educational training that in previous years was obtained on the job:

About Certificates

Certificates are an award conferred (below the bachelor's degree, not including the associate degree) after completing a program of study usually in two years or less at a postsecondary institution. Certificates are not the same as industry-based credentials such as a Microsoft credential which are awarded after passing a test. Certificates are primarily completed in occupationally-specific programs and are required to enter certain occupations.

In 1984, less than 2 percent of adults 18 and older had a certificate as their highest educational attainment; by 2009 the percentage had grown to almost 12 percent, according to the Survey of Income and Program Participation [administered by the U.S. Department of Education]

- 24 percent of all 23- to 65-year-old workers responded that they had attended a vocational, technical, trade, or business program beyond high school at some point.
- 75 percent of those who had attended these schools reported having earned a certificate.
- Overall, 18 percent of prime-age workers have obtained certificates and, of those, 12 percent have certificates as their highest educational attainment; and
- One third of certificate holders also have an Associate's, Bachelor's, or graduate degree.

(Certificates: Gateway To Gainful Employment and College Degrees, 2012, p. 4)

HIGH PERCENT OF MINNESOTA'S WORKFORCE HAS CERTIFICATES

Share of Workers with a Certificate		Certificates Awarded Per 10,000 Population	
Top States	Percent	Top States	Number
Wyoming	20%	Louisiana	67
Oklahoma	18%	Kentucky	50
Louisiana	15%	Georgia	50
Minnesota (6th)	13%	Minnesota (18th)	30
Nation	12%		

Source: Georgetown University, Center on Education and the Workforce using IPEDS and 2010 Census data for awards per population; and 2005 and 2009 Survey of Income and Program Participation (SIPP) data for percent of workforce with certificates.

EMPLOYMENT OF RECENT GRADUATES

» 75 percent of students earning certificates or degrees in 2009-10 were employed in Minnesota one year after graduation.

Overview

First-year earning power of students graduating from colleges and universities in Minnesota varies by the type of institution attended and the certificate or degree completed.

In 2009-10, Minnesota postsecondary institutions awarded nearly 94,000 academic credentials: 15,938 certificates and diplomas less than two years in length, 18,468 associate degrees, 31,963 bachelor's degrees, 21,015 master's degrees, and 4,173 doctoral degrees, both research and professional.

Using data from the Minnesota Office of Higher Education and the Minnesota Department of Employment and Economic Development, graduate employment was analyzed at one year after graduation (April-June 2011). Employment data included at least one hour or earning one dollar at a Minnesota employer covered by unemployment insurance. The data does not include information on those graduates employed at federal agencies, military service, self-employed, or employed in other states. Graduates from Walden and Capella Universities were excluded as their graduates completed their degrees online and predominantly reside outside of Minnesota.

All Graduates

Of those students earning certificates or degrees in 2009-10, 75.2 percent were employed in Minnesota one year after graduation. The one year after graduation time frame provides information about the employment situation of new graduates. Longer term employment data is required to fully understand the influence education has on lifetime earnings and employment. Employment of recent graduates varied by the location of the institution attended and program of study. Graduates of institutions located near Minnesota's borders (e.g. Fargo-Moorhead area) were less likely to be found working in Minnesota one year after graduation.

Employment by Certificate or Degree Program Level

Approximately 80 percent of students earning certificates or degrees at the associate degree level or below in 2009-10 were employed in Minnesota one year after graduation as compared to 73 percent earning bachelor's, 72 percent master's and 53 percent doctoral degrees. Doctoral degree recipients are more likely to seek employment nationally.

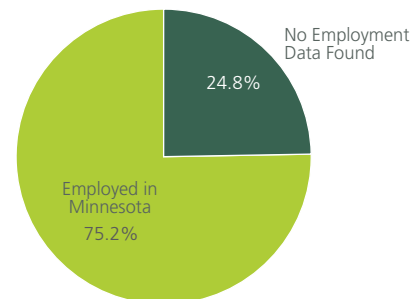
About Minnesota's Statewide Longitudinal Education Data System (SLEDS)

Data for the above indicator were provided by the SLEDS project. SLEDS is jointly managed by the Minnesota Office of Higher Education, the Minnesota Department of Education and the Minnesota Department of Employment and Economic Development. SLEDS utilizes data from pre-kindergarten through postsecondary education and the workforce to identify the most viable pathways for individuals to achieve successful outcomes in education and work; inform decisions to support and improve education and workforce policy and practice; and assist in creating a more seamless education and workforce system for all Minnesotans.

Employment by Institution Type

Approximately 80 percent of students earning certificates or degrees at Minnesota public two-year colleges in 2009-10 were employed in Minnesota one year after graduation as compared to 79 percent at Minnesota private career schools, 74 percent at Minnesota state universities, 72 percent at Minnesota private colleges, 69 percent at the University of Minnesota and 57 percent at Minnesota private graduate and professional institutions.

75 PERCENT OF 2010 GRADUATES EMPLOYED IN MINNESOTA ONE YEAR AFTER GRADUATION

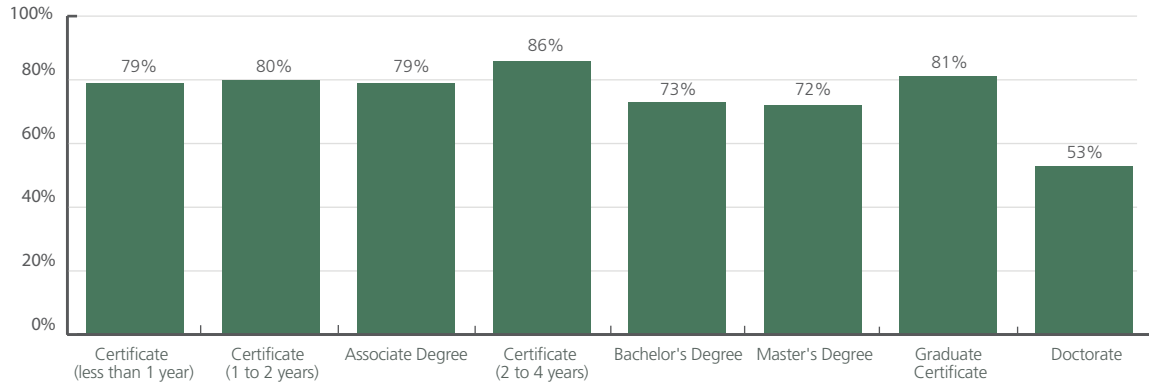


Note: Excludes graduates from Walden and Capella Universities.

Source: Minnesota Office of Higher Education and Minnesota Department of Employment and Economic Development

MOST 2010 GRADUATES AT ALL AWARD LEVELS WERE EMPLOYED IN MINNESOTA ONE YEAR AFTER GRADUATION

EMPLOYMENT BY TYPE OF DEGREE/CERTIFICATE, 2009-10

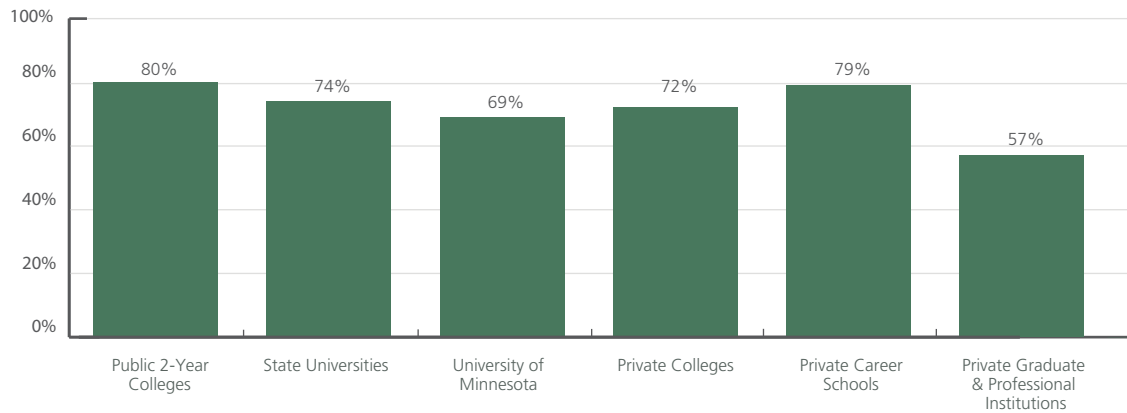


Note: Excludes graduates from Walden and Capella Universities.

Source: Minnesota Office of Higher Education and Minnesota Department of Employment and Economic Development

2010 GRADUATES FROM ALL TYPES OF INSTITUTIONS WERE EMPLOYED IN MINNESOTA ONE YEAR AFTER GRADUATION

EMPLOYMENT BY TYPE OF INSTITUTION ATTENDED, 2009-10



Note: Excludes graduates from Walden and Capella Universities.

Source: Minnesota Office of Higher Education and Minnesota Department of Employment and Economic Development

CUMULATIVE DEBT OF COLLEGE GRADUATES

» Minnesota students graduating with a bachelor's degree in 2011 were more likely to have accumulated student loans, and in larger amounts, than students nationally or in the peer states.

Previous measures in this report indicated Minnesota undergraduates borrowed more each year than students nationally. It is also important to examine how much students have accumulated in student loan debt by the time they graduate. Once students leave school, they may have trouble repaying their loans if their payments are high relative to their income. The prospect of larger debt may also affect the career choices of some students.

Borrowing by Graduates of Four-Year Institutions

Minnesota students were more likely to have student loans by the time they graduated with bachelor's degrees than students in the peer states and nationally, and the amounts borrowed were larger. Over the five years from 2005-06 to 2010-11, the average amount per borrower increased in Minnesota, the peer states and nationally. Approximately 80 percent of all student loans are federal loans. In 2008 the federal government increased annual borrowing limits by \$2,000, which contributed to an increase in the cumulative amount undergraduates borrowed.

Among seniors graduating from both Minnesota public four-year universities and private not-for-profit four-year institutions, 71 percent had student loans in 2010-11, and the average cumulative amount per borrower was \$29,800, as compared to 67 percent and \$28,100 in the peer states and 59 percent and \$24,900 nationally.

In 2005-06, 73 percent of seniors graduating from Minnesota public four-year universities and private not-for-profit four-year institutions had student loans, and the average

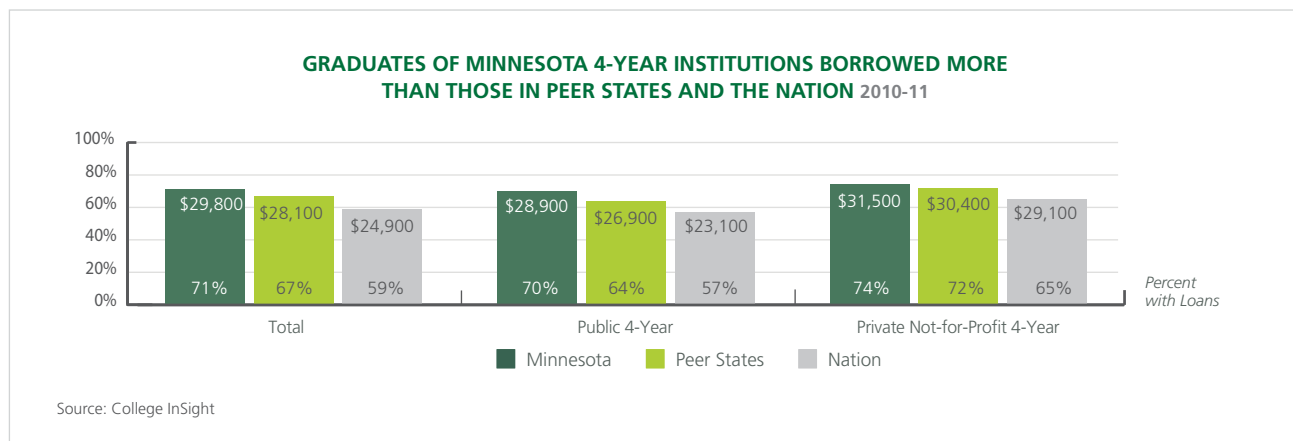
cumulative amount per borrower was \$23,900, as compared to 62 percent and \$20,700 in the peer states and 58 percent and \$19,400 nationally.

Graduates of Minnesota Public Four-Year Institutions

Among seniors graduating from Minnesota public universities, 70 percent had student loans in 2010-11 and the average cumulative amount per borrower was \$28,900, as compared to 64 percent with loans and \$26,900 per borrower in the peer states and 57 percent with loans and \$23,100 per borrower nationally. In 2005-06, 72 percent of Minnesota seniors graduating from public universities had student loans, and the average amount per borrower was \$20,600, as compared to 60 percent with loans and \$19,800 per borrower in the peer states and 55 percent with loans and \$17,600 per borrower nationally.

Graduates of Minnesota Private Not-For-Profit Four-Year Institutions

Among seniors graduating from Minnesota private not-for-profit four-year institutions, 74 percent had student loans in 2010-11, and the average cumulative amount per borrower was \$31,500, as compared to 72 percent and \$30,400 in the peer states and 65 percent and \$29,100 nationally. In 2005-06, 74 percent of Minnesota seniors graduating from private not-for-profit four-year institutions had student loans, and the average cumulative amount per borrower was \$26,700, as compared to 71 percent and \$22,500 per borrower in the peer states and 64 percent and \$22,700 per borrower nationally.



LOAN REPAYMENT

- » Estimated median cumulative loan debt for graduating seniors will require loan payments equal to seven percent of their estimated starting salaries.
- » Borrowers were more likely to default on their loans when repayments exceeded eight percent of income.

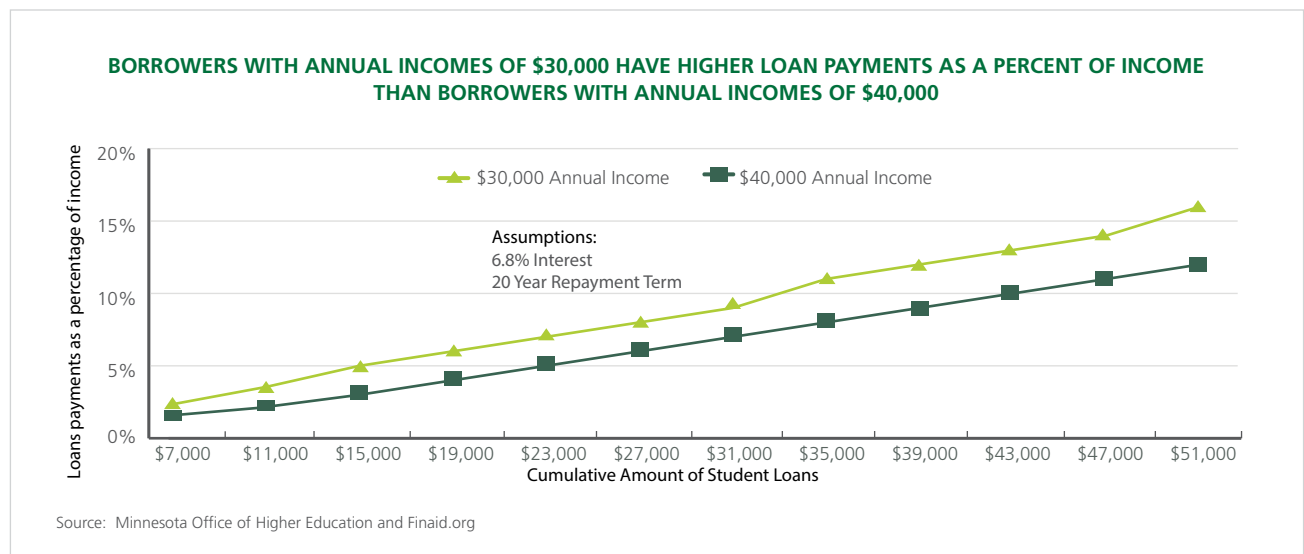
Estimating the impact of student loan repayments on borrowers requires examining monthly payments as a percentage of income. Loan repayments as a percentage of income depend on borrower's income and choice of repayment period. Even if borrower's incomes increase over time and loan payments become a smaller percentage of income, any amount of debt can be a problem if the borrower has little income to use in making payments. In selecting a repayment period, if the borrower picks a 10-year repayment term rather than 20 years, the monthly payments are higher but the total amount of interest paid is less. Some borrowers choose graduated or income based repayment plans, where monthly payments are lower in the early years of repayment.

The following estimate of student debt burden shows monthly loan payments as a percentage of income at cumulative student loan debt levels from \$7,000 to \$51,000 and annual incomes of \$30,000 or \$40,000.¹ The median cumulative debt of 2011 graduating seniors was \$29,800 at Minnesota four-year postsecondary institutions. Loan payments would range from two percent of income for a borrower with \$7,000 in cumulative debt to 12 to 16

percent of income for a borrower with \$51,000 in cumulative debt and \$30,000 or \$40,000 in annual income, respectively.

No single payment-to-income ratio answers the question of how much students should borrow without increasing their chance of encountering repayment problems. Borrowers with fewer personal family obligations or dependent children may be able to devote a higher percentage of income to loan repayments.² Research on borrowers in Missouri in 2006 through 2008, however, indicated the number of borrowers who default increased by 59 percent as the payment-to-income ratio increased from 8 to 10 percent.³

Eighty-six percent of loans borrowed by Minnesota undergraduates in 2010-11 were from federal loan programs, and borrowers who are struggling to repay their loans might be able to lower their repayment burden. Several federal loan options for reduced monthly payments are now available. They include income-based repayment, extended repayment, unemployment deferments and economic hardship deferments. More information is available at <http://www.studentaid.ed.gov/>.



1. The Collegiate Employment Research Institute at Michigan State University published the average starting salary for bachelor's degree graduates in 2010-11 as \$37,700 per year.
2. Baum, Sandy, Schwartz, Saul. "How Much Debt is Too Much? Defining Benchmarks for Manageable Student Debt." Commissioned by the Project on Student Debt and the College Board. November 2005.
3. Kantowitz, Mark. "What is Gainful Employment? What is Affordable Debt?" www.FinAid.org. March 2010.

LOAN DEFAULTS

- » Students attending postsecondary institutions in Minnesota had lower loan default rates than students nationally.
- » Minnesota students attending public two-year colleges had higher default rates than students attending other types of institutions.

Student loan default rates are another indicator of student debt burden.

The latest federal student loan default data are for students who were due to begin repayment in 2009-10. The federal student loan default rate, called a two-year default rate, is the percent of students who default on federal Stafford loans after entering repayment 12 to 24 months after leaving their institution of attendance.

Students attending every type Minnesota public and private institution had lower default rates than students nationally.

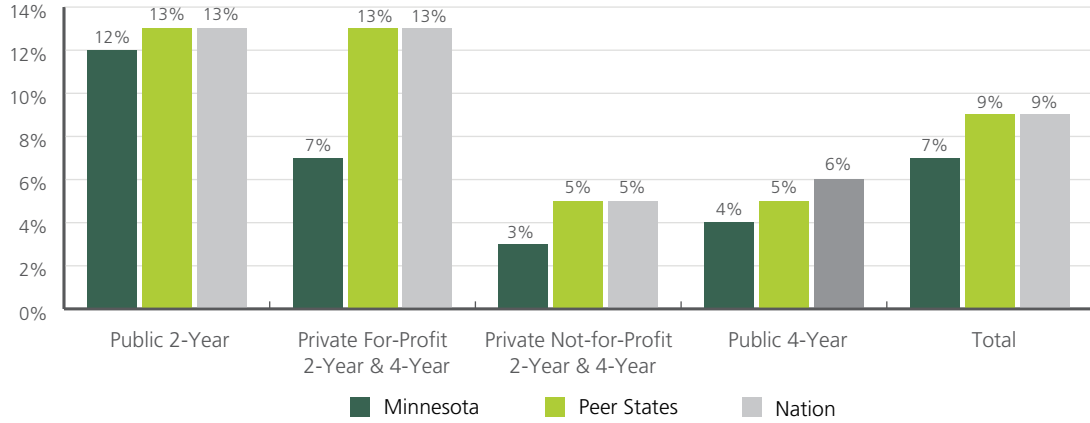
Students attending private for-profit institutions defaulted at a 13 percent rate in both the peer states and the nation compared to seven percent in Minnesota, in 2010. Default rates at other Minnesota institutions were 12 percent at public two-year colleges, four percent for public four-year institutions, and three percent for private not-for-profit institutions.

Default rates increased for students attending Minnesota postsecondary institutions, students attending in Minnesota's peer states and students attending throughout the nation from 2005 through 2010. The increase in student loan default rates was greater in 2009 and 2010, a period of economic recession, slow economic growth and high unemployment.

In addition to student loan default rates of individual borrowers, the U.S. Department of Education has started to review the ratio of student enrollment to federal loan defaulters at individual postsecondary institutions. For-profit career schools have been criticized nationally for relying on high levels of student borrowing. Students enrolled at for-profit career schools were 19 percent of postsecondary enrollment in the U.S. and 43 percent of loan defaulters.

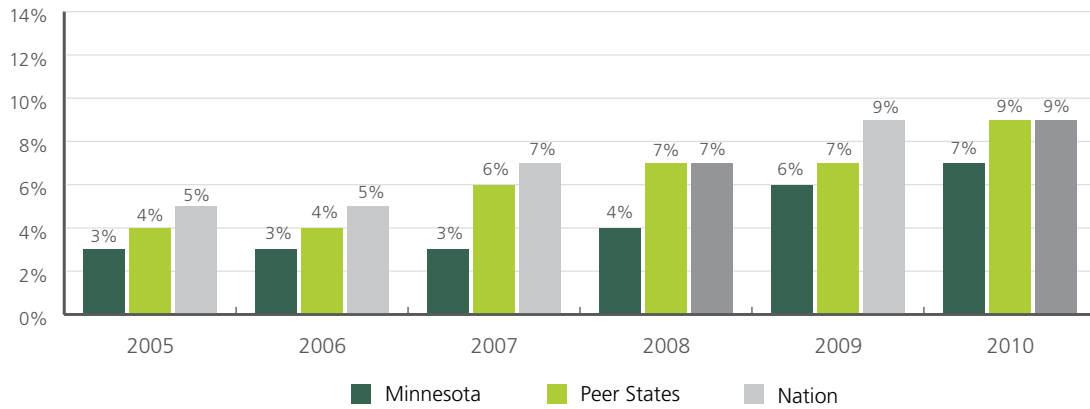
The ratio of student enrollment to loan defaulters who attended Minnesota for-profit institutions differed from the national ratio. Students attending Minnesota for-profit institutions were less likely to default than their national counterparts in 2010. Students enrolled at Minnesota for-profit institutions represented 26 percent of Minnesota enrollment and 35 percent of Minnesota student loan defaulters. In comparison, students enrolled at Minnesota's public two-year colleges represented 30 percent of Minnesota enrollment and 47 percent of Minnesota student loan defaulters.

BORROWERS FROM PUBLIC 2-YEAR COLLEGES HAD HIGHER STUDENT LOAN DEFAULT RATES THAN BORROWERS FROM OTHER TYPES OF INSTITUTIONS 2010



Source: U.S. Department of Education, Federal Cohort Default Rate Database

MINNESOTA BORROWERS HAVE LOWER DEFAULT RATES THAN THE PEER STATES AND THE NATION 2005-10



Source: U.S. Department of Education, Federal Cohort Default Rate Database

GRADUATE SCHOOL PREPARATION AND ENROLLMENT

- » Each year there are over 30,000 Minnesota residents enrolled in Minnesota graduate programs.
- » Master’s degrees have been the most common graduate program of study.

The majority of *Minnesota Measures* has focussed on undergraduates since they comprise the majority of enrollment. For many individuals their career goals are not achieved until they enroll in and complete a graduate program of study. Several professions require graduate school completion, such as medicine, law and theology; and others require a master’s degree for career advancement or promotion, such as in education, business and information technology.

Graduate School Test Preparation

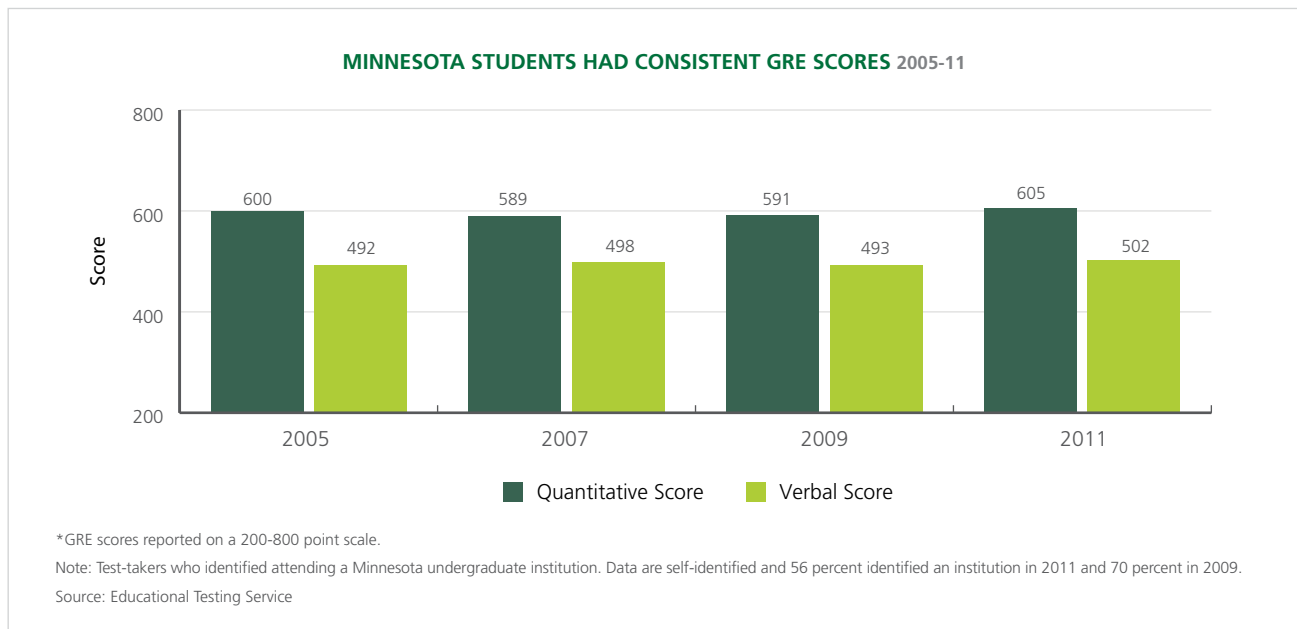
This section examines how well prepared undergraduates attending Minnesota postsecondary education institutions are to pursue further academic work in graduate and professional degree programs.

GRE

The Graduate Record Exam, or GRE, is a common application requirement for students pursuing master’s, doctoral and professional degrees across a wide range of disciplines, from psychology and business, to physics and literature.

The GRE General Test has three subtests: quantitative reasoning, verbal reasoning and analytical writing reported on a 200-800 point scale. Required minimum scores for admission to graduate school vary by institution and program. Some institutions and programs additionally require one of eight specialized GRE Subject Tests for admission. Subject specific test scores are not reported here.

GRE score data are aggregated by state location in two ways: either by the location of the test center or the location of the undergraduate institution attended by the examinee. Institution location data are self-reported and nationwide only about 56 percent of GRE examinees reported an institution in 2011; down from 70 percent who reported in 2009. By either state location method, the number of individuals taking the GRE in Minnesota increased from 2009 to 2011. The number of examinees who reported attending a Minnesota institution increased from 4,711 in 2009 to 5,238 in 2011. The number of examinees who took the test in Minnesota increased from 6,295 in 2009 to 6,836 in 2011. Minnesota GRE scores did not vary from 2005 to 2011.



LSAT

The Law School Admission Test, or LSAT, uses a multiple-choice format to evaluate law school applicants' reading comprehension, analytical reasoning and logical reasoning. The LSAT score is reported on a scale ranging from 120 to 180.

Each year about 1,200 students from Minnesota undergraduate institutions take the LSAT, with an average score of 153. The number of test-takers from Minnesota institutions has been trending downwards from 1,383 in 2003-04 to 1,210 in 2009-10.

MCAT

The Medical College Admission Test, or MCAT, is a multiple-choice exam taken by those preparing to go to a medical college or health professions school, such as veterinary or osteopathic medicine. The exam assesses candidates' abilities to problem solve, write, and think critically as well as their knowledge of science through a writing sample and three multiple choice sections—verbal reasoning, physical sciences, and biological sciences. The maximum composite score is a 45.

In 2011, 870 Minnesota legal residents applied to medical schools. Their mean MCAT score was 29.3 and their mean undergraduate grade point average was 3.57. Forty-four percent, or 385 Minnesota applicants, matriculated into medical school. MCAT mean scores of matriculated students were 31.8 and their mean grade point average was 3.70.

Minnesota Residents Enrolled In Graduate School Programs

Each year over 30,000 Minnesota residents and an additional 13,000 non-residents pursue graduate school at a Minnesota postsecondary institution. In 2011, Minnesota residents enrolled in graduate programs at 39 Minnesota institutions; 9 public and 30 private.

Most graduate students enrolled in master's degrees programs. In fall 2011, 71 percent of Minnesota resident graduate students were pursuing a master's degree, compared to 24 percent pursuing a research or professional doctorate degree, and four percent pursuing a graduate level certificate program.

Most adults pursuing graduate programs were younger than age 34 and at the beginning of their careers. In fall 2011, 65 percent of Minnesota residents enrolled in graduate school were younger than age 34, compared to 20 percent who were age 35 to 44, and 15 percent who are 45 and older.

**MINNESOTA STUDENTS PURSUED GRADUATE DEGREES
AT VARIOUS PUBLIC AND PRIVATE MINNESOTA INSTITUTIONS, 2011**

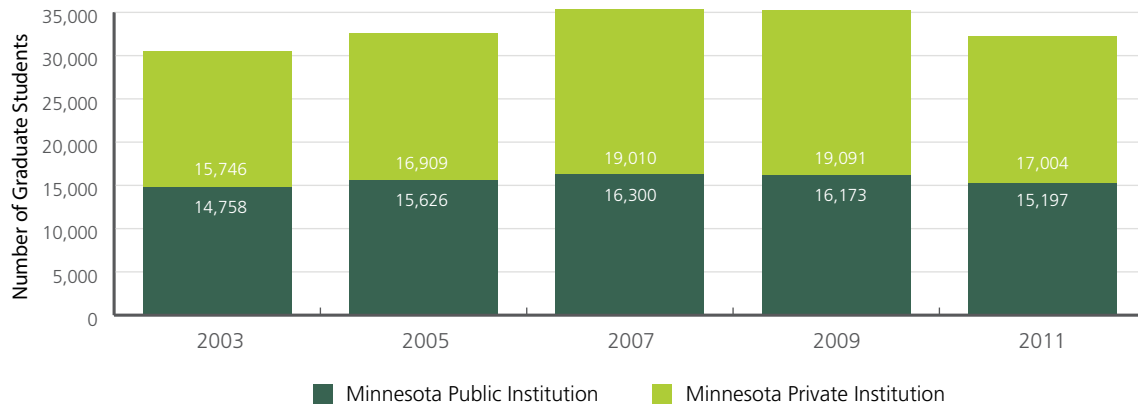
Institution Type	Graduate Certificate	Master's Degree	Doctorate-research	Doctorate-professional	Doctorate-other	Total
State Universities	548	3,264	173			3,985
University of Minnesota	294	5,335	2,204	1,967	360	10,160
Private Colleges & Universities	681	10,483	441	717	272	12,594
Private Career Schools	41	838	295			1,174
Private Career Online Schools*	37	1,079	368	10		1,494
Private Graduate & Professional Schools	1	673	38	319	16	1,047
Total	1,602	21,672	3,519	3,013	648	30,454

*Currently includes Capella and Walden Universities who complete their degrees online.

Note: Minnesota residents enrolled in graduate programs at Minnesota postsecondary institutions.

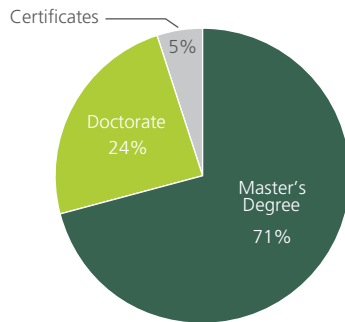
Source: Minnesota Office of Higher Education

ENROLLMENT IN MINNESOTA GRADUATE PROGRAMS WAS STEADY 2003-11



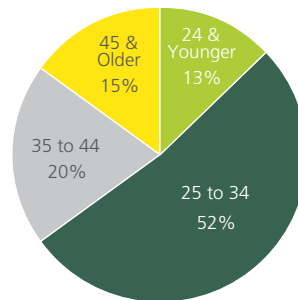
Note: Minnesota residents enrolled in graduate level programs at Minnesota postsecondary institutions.
Source: Minnesota Office of Higher Education

MASTER'S DEGREES WERE THE MOST COMMON GRADUATE PROGRAM PURSUED IN MINNESOTA 2011



Note: Minnesota residents enrolled in graduate level programs at Minnesota postsecondary institutions.
Source: Minnesota Office of Higher Education

65 PERCENT OF MINNESOTA GRADUATE STUDENTS WERE AGE 34 AND YOUNGER 2011



Note: Minnesota residents enrolled in graduate level programs at Minnesota postsecondary institutions.
Source: Minnesota Office of Higher Education

CERTIFICATION AND LICENSURE PREPARATION

- » On the teacher licensure exams, graduates of the University of Minnesota received the highest pass rates over the past four reporting years compared to graduates from other Minnesota institutions.
- » On the nursing exams, Minnesota practical nurse candidates have higher pass rates than candidates nationally, although candidates for registered nurse from associate degree and higher programs have been at or below the national pass rates.

Teaching Licensure Exam

The Minnesota Board of Teaching is authorized by Minnesota statutes to adopt rules establishing licensure standards for teachers and procedures for approval of Minnesota teacher preparation programs. Although the Board of Teaching is an autonomous licensing board, it works in collaboration with the Minnesota Department of Education. The Board of Teaching has established high rigorous standards for teacher licensure and preparation with the belief that competent teaching requires educators who deeply understand subject matter and how to teach it in ways that motivate students and help them learn. The Minnesota Board of Teaching grants teaching licenses to those applicants who demonstrate and document compliance with Board established standards for teacher licensure.

The U.S. Department of Education requires each state to report annually on the quality of teacher preparation in the state, including pass rates on each assessment used by states in certifying or licensing teachers. In Minnesota, Educational Testing Service exams are used to establish initial teacher licensure. The exams cover three areas: basic content (general knowledge of reading, writing and mathematics),

professional knowledge (knowledge related to teaching) and academic content (knowledge of the subject to be taught). Test results from these areas are combined and reported as summary pass rate scores. The summary pass rate is the percentage of students who passed all tests they took for their area of specialization among those who took one or more tests in their specialization areas.

In 2009-10, 3,109 graduates of Minnesota teacher preparation programs took teacher licensure exams: 1,759 graduated from public and 1,130 from private institutions. This data reflects initial licenses of new college graduates only; licensed teachers receiving added endorsements or additional licenses are not included.

UNIVERSITY OF MINNESOTA GRADUATES ACHIEVE HIGHER PASS RATES
SUMMARY PASS RATES ON THE TEACHER LICENSURE EXAMS BY NEW GRADUATES, 2007-10

Institution Graduating Teacher Preparation Students	2006-07		2007-08		2008-09		2009-10	
	Number Taking Tests	Pass Rate	Number Taking Tests	Pass Rate	Number Taking Tests	Pass Rate	Number Taking Tests	Pass Rate
State Universities	1,258	92%	1,304	87%	1,310	86%	1,227	85%
University of Minnesota	611	97%	598	94%	544	96%	532	97%
Private 4-Year Not for Profit	1,297	96%	1,208	94%	1,243	95%	1,130	95%
Minnesota Total	3,166	95%	3,110	91%	3,097	91%	2,889	91%

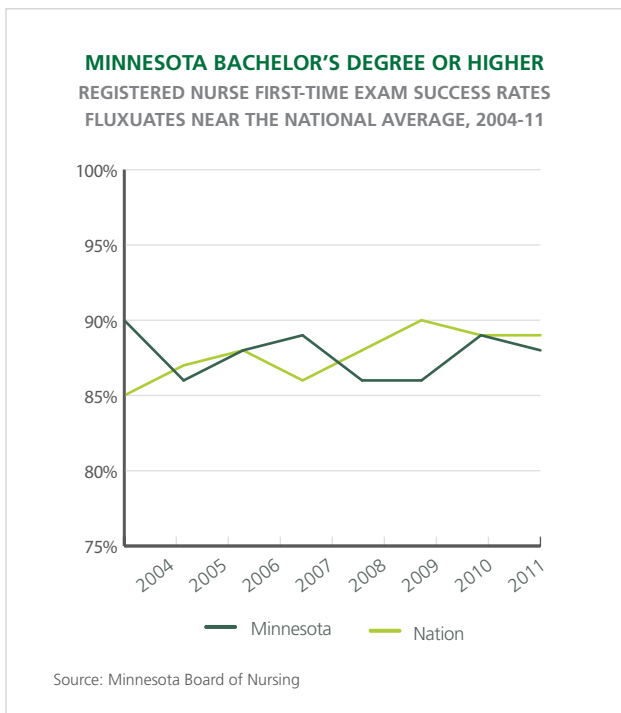
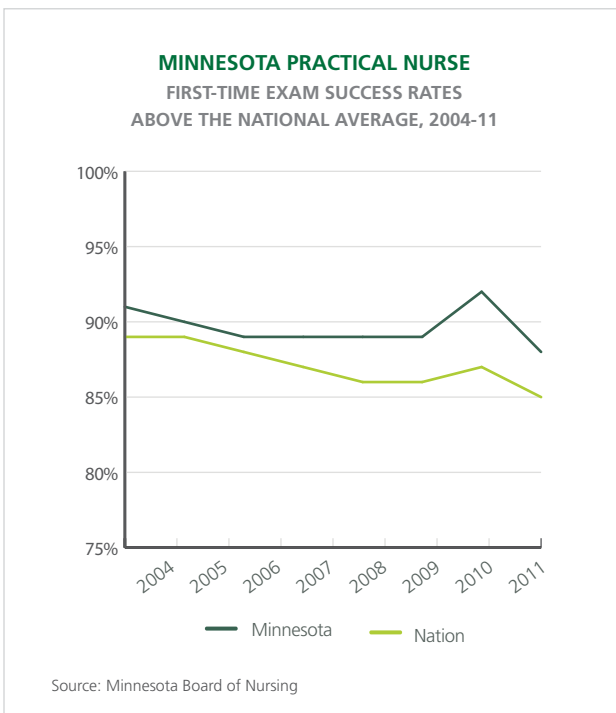
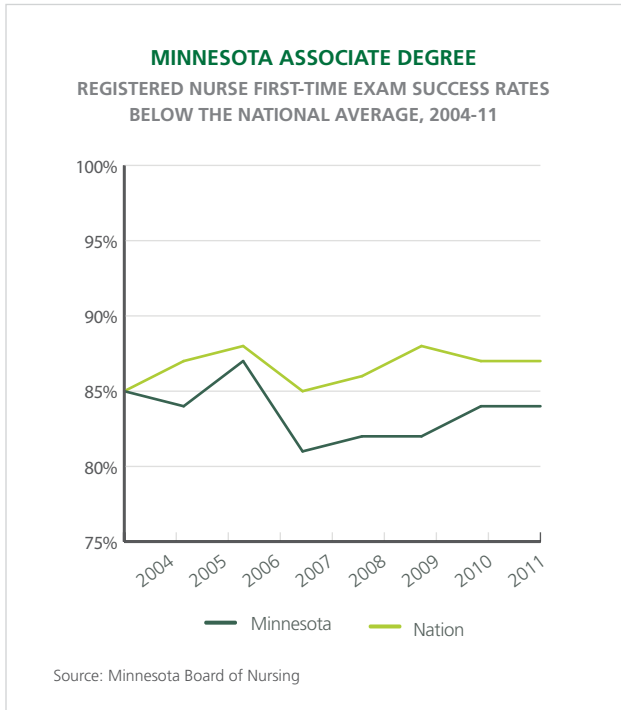
Source: U.S. Department of Education, Title II Report

Nursing Licensure Exam

The Minnesota Board of Nursing requires graduates to pass the National Council Licensure Examination (NCLEX) at either the practical nurse or registered nurse level in order to obtain licensure in Minnesota. The Minnesota Board of Nursing does not restrict the number of times a candidate can take the NCLEX in order to obtain nurse licensure.

The majority of associate degree nursing programs (both practical and registered nursing programs) are provided by Minnesota public two-year colleges. Public and private four-year institutions also offer bachelor's degree or higher registered nurse programs. From 2004 to 2011 the number of practical nursing candidates taking the exam for the first time increased from 1,494 to 1,815, the number of associate degree registered nurse candidates increased from 1,349 to 2,030, and the number of bachelor's degree or higher registered nurse candidates increased from 3,446 to 4,948.

Minnesota practical nurse candidates had higher pass rates than candidates nationally over the past eight years. Registered nurse candidates from Minnesota associate degree programs have been below the national pass rates, and candidates from Minnesota bachelor's degree or higher programs have fluctuated at or below the national pass rates during the same time period.



ACADEMIC RESEARCH AND DISCOVERY

- » Between 2009 and 2010, total academic research and development spending in Minnesota grew by 9.8 percent.
- » The University of Minnesota-Twin Cities ranked seventh among U.S. public institutions in research and development spending for 2010.

Academic research contributes to the competitive position of Minnesota in the global economy. While business produces a substantial amount of research to develop new products and processes, higher education institutions contribute in unique ways that can be separately measured.

The federal government, through agencies such as the National Science Foundation, the National Institutes of Health and the U.S. Department of Defense, annually provides billions to fund research efforts on university campuses. In addition to providing valuable training opportunities, these research funds have two significant impacts on the state economy. First, the spending provides jobs and income directly through the research process and indirectly as the money multiplies through the economy. Second, and more importantly, this research may lead to new products, techniques, and services that can create new industries and employment.

Academic Research Expenditures

The National Science Foundation tracks the sources of academic research funds given to postsecondary institutions in the nation and ranks institutions and states on funds and expenditures used for research and development. Rankings used here are the summary of all funds received from the federal government, state and local government, business, nonprofit organizations, institution funds and all other sources.

In 2010, Minnesota ranked 24th in its share of total research and development expenditures at all postsecondary institutions in the nation. Minnesota's share of 1.4 percent was well below the three leading states of California, New York and Texas, which are significantly larger in population than Minnesota and home to numerous research institutions.

MINNESOTA RECEIVED A CONSISTENT SHARE OF HIGHER EDUCATION RESEARCH AND DEVELOPMENT EXPENDITURES 2006-10

Top States by Percent Share of All Higher Education R & D Expenditures	2006	2007	2008	2009	2010
California	13.6%	13.6%	13.5%	13.9%	12.8%
New York	8.0%	8.0%	7.8%	7.8%	8.1%
Texas	6.8%	6.9%	7.2%	6.7%	7.2%
Minnesota					
Total R & D Expenditures (in millions)	\$605.2	\$636.9	\$698.9	\$757.7	\$831.8
Percent of National Share	1.3%	1.3%	1.4%	1.2%	1.4%
Rank	23	24	24	25	24

Note: Nationally, over \$61 billion was spent on higher education research and development from all sources in FY 2010.

Source: National Science Foundation/National Center for Science and Engineering Statistics, Higher Education Research and Development Survey, FY 2010.

While it is unreasonable to expect Minnesota to reach the academic research activity levels of the larger states, the percent share of research and development spending over time provides a good indication of the state's position and direction. This share has changed very little in the past six years, but growth in academic research and development spending has been strong. Between 2009 and 2010, total academic research and development spending in the state grew by 9.8 percent, and 37.4 percent since 2006.

Minnesota's research and development spending data has been dominated by the University of Minnesota-Twin Cities since few other universities in Minnesota obtain significant funds for sponsored research. The University of Minnesota-Twin Cities campus accounted for 95 percent of all federally sponsored research provided to over a dozen universities in the state. National Science Foundation data for the 2010 fiscal year show the University of Minnesota-Twin Cities campus ranked seventh among public institutions and 13th among institutions overall in research and development expenditures. In 2010, the University of Minnesota reported \$786 million in research and development spending, an increase of 6 percent from 2009 and 15 percent from 2008.

THE UNIVERSITY OF MINNESOTA-TWIN CITIES RANKS IN THE TOP 20 INSTITUTIONS
FOR HIGHER EDUCATION RESEARCH AND DEVELOPMENT EXPENDITURES 2008-10

Rank	Institution	Type of Institution	(Dollars in Millions)		
			2008	2009	2010
1	Johns Hopkins University	Private	\$1,681	\$1,856	\$2,004
2	University of Michigan	Public	\$876	\$1,007	\$1,184
3	University of Wisconsin-Madison	Public	\$882	\$952	\$1,029
4	University of Washington, Seattle	Public	\$765	\$778	\$1,023
5	Duke University	Private	\$767	\$805	\$983
6	University of California, San Diego	Public	\$842	\$879	\$943
7	University of California, Los Angeles	Public	\$871	\$890	\$937
8	University of California, San Francisco	Public	\$885	\$948	\$936
9	Stanford University	Private	\$688	\$704	\$840
10	University of Pennsylvania	Private	\$708	\$727	\$836
11	University of Pittsburgh (main campus)	Public	\$597	\$623	\$822
12	Columbia University	Private	\$549	\$590	\$807
13	University of Minnesota-Twin Cities	Public	\$683	\$741	\$786
14	Penn State University	Public	\$701	\$753	\$770
15	University of North Carolina-Chapel Hill	Public	\$526	\$646	\$755
16	Ohio State University	Public	\$703	\$716	\$755
17	Cornell University	Private	\$654	\$671	\$750
18	Washington University, St. Louis	Private	\$564	\$628	\$696
19	University of California, Berkeley	Public	\$592	\$652	\$694
20	Texas A & M University	Public	\$582	\$631	\$690

Note: The 2010 survey has been revised from previous years to eliminate multi-campus data.

Source: National Science Foundation/National Center for Science and Engineering Statistics, Higher Education Research and Development Survey, FY 2010.

University Research Rankings

The competition for sponsored research dollars is intense among institutions with similar scope and mission nationally and abroad. The Center for Measuring University Performance at Arizona State University reports on America's top research universities each year. Top research universities are defined as those with at least \$40 million in federal research expenditures and ranking within the top 25 on at least one of the following nine measures: total research dollars, federal research dollars, endowment assets, annual giving, national academy members, faculty awards, doctorates granted, postdoctoral appointees, and average SAT or ACT scores of entering freshmen.

The Center ranked 51 qualifying U.S. institutions by adding the number of times each institution ranked among the top 25 of institutions on a given measure. The top institutions earned one point in each of the nine categories listed above. The University of Minnesota-Twin Cities earned six points in 2011, ranking it among the top 20 research universities in the

Related International Rankings

The Institute of Higher Education at China's Shanghai Jiao Tong University ranked the University of Minnesota 29th internationally in its *Academic Ranking of World Universities* in 2012. The University was 28th in 2010 and 2011.

The Times Higher Education World University Rankings ranked the University of Minnesota 47th in 2012. The University was 42nd in both 2012 and 2011.

country. The total points earned for the University has moved between six and seven over the past four years, reflecting a small change in one of the categories. While universities move up and down in the table, the top twenty institutions have remained much the same.

UNIVERSITY OF MINNESOTA-TWIN CITIES RANKS AMONG THE TOP AMERICAN RESEARCH UNIVERSITIES 2011

Institution	Type	Number of Measures in the Top 25 Nationally
Columbia University	Private	9
Massachusetts Institute of Technology	Private	9
Stanford University	Private	9
University of Pennsylvania	Private	9
Harvard University	Private	8
Duke University	Private	8
University of Michigan - Ann Arbor	Public	8
Washington University, St. Louis	Private	8
Johns Hopkins University	Private	7
Yale University	Private	7
University of California - Berkeley	Public	7
University of California - Los Angeles	Public	7
University of Washington - Seattle	Public	7
University of Wisconsin - Madison	Public	7
University of Minnesota - Twin Cities	Public	6
University of North Carolina - Chapel Hill	Public	6
University of Texas - Austin	Public	6

Source: The Top American Research Universities, 2011 Annual Report, The Center for Measuring University Performance, Arizona State University

Appendix A: Definitions and Terms Used in the Report

Federal Parent Loans for Undergraduate Students (PLUS)

Federal PLUS Loans are educational loans to parents of dependent students. Borrowers do not have to show financial need to be eligible.

Federal Pell Grant Program

Postsecondary grants provided by the U.S. Department of Education to eligible students attending a postsecondary institution. The award is based on the financial circumstances of the student and his or her family.

Federal Stafford Direct Loans—Subsidized

Federal Stafford Subsidized Direct Loans are a long-term, low-interest educational loan to students who demonstrate financial need. The federal government pays the interest while the student is attending.

Federal Stafford Direct Loans—Unsubsidized

Federal Stafford Unsubsidized Direct Loans are a long-term, low-interest educational loan to students without demonstrated financial need. Borrowers are charged interest while they are in school.

First-Time, Full-Time Freshman

A cohort of undergraduate students admitted as freshmen attending a postsecondary institution the first-time since graduating high school. They are also attending full-time and are degree-seeking students at their time of admittance. Does not include transfer students, but may include students admitted with advanced standing due to credits earned while still attending high school.

Institution Definitions

- **Four-year institutions:** For data from the Office of Higher Education's Student Enrollment Record Database, four-year institutions are all postsecondary institutions in Minnesota offering bachelor's degrees as their primary undergraduate degree. For data from IPEDS, four-year institutions are all postsecondary institutions offering a program of at least four years duration or one that offers programs at or above the baccalaureate level. Includes schools only offering post-baccalaureate certificates or graduate programs. Also includes free-standing medical, law or other first-professional schools.

- **Two-year institutions:** For data from the Office of Higher Education's Student Enrollment Record Database, two-year institutions are all postsecondary institutions in Minnesota offering associate degrees as their primary undergraduate degree. For data from IPEDS, two-year institutions are postsecondary institutions offering programs of at least two but less than four years duration. This includes occupational and vocational schools with programs of at least 1,800 hours and academic institutions with programs of less than four years but not bachelor's degree-granting institutions where the baccalaureate program can be completed in three years.

Institutional Grants

All grants, scholarships, tuition discounts, fellowships and gift aid awarded by the institution.

Institutional Loans

Institution loans are educational loans from the institution to the student and his or her parents from institution controlled funds.

IPEDS

The Integrated Postsecondary Education Data System (IPEDS) are a series of surveys administered by the U.S. Department of Education's National Center for Education Statistics. All U.S. postsecondary institutions eligible to participate in federal student aid programs are required to complete the surveys. Data are collected and reported at the institutional level.

Minnesota Indian Scholarship Program

Postsecondary scholarships provided by the state to eligible Minnesota resident students who are of one-fourth or more Indian ancestry and demonstrate financial need for an award and attend a Minnesota postsecondary institution.

Minnesota GI Bill

Postsecondary grant assistance provided by the state to eligible Minnesota veterans and service members who served after September 11, 2001 and to the children and spouses of deceased or severely disabled eligible Minnesota veterans and service members who served after September 11, 2001.

Minnesota Postsecondary Child Care Grants

Postsecondary grant assistance provided by the state to undergraduate students who demonstrate financial need and use child care services (children age 12 and under) in order to attend postsecondary education.

Minnesota Public Safety Officers' Survivor Grants

Postsecondary grant assistance provided by the state to postsecondary students who are spouses or dependent children of public safety officers killed in the line of duty.

Minnesota State Colleges and Universities

This state-supported system comprises seven state universities and 30 community and technical colleges across Minnesota. Where appropriate in this report:

- State Universities were included with public 4-year institutions
- Community and technical colleges were included with public 2-year institutions

Minnesota State Grant Program

Postsecondary grants provided by the state to eligible Minnesota resident students attending a Minnesota institution. The award is based on the financial circumstances of the student and his or her family and estimated educational costs.

Minnesota SELF Loan Program

The SELF Loan is a long-term, low-interest educational loan primarily for Minnesota students who need assistance paying for education beyond high school. Borrowers pay interest while they are in school.

Miscellaneous Federal Agency Grants

Federal agency grants include all federal grants, scholarships, fellowships and gift aid except Pell Grants, SEOGs, ACGs, SMART grants, and veterans' benefits. Examples of these grants include health professions grants, federal Nursing Scholarships, ROTC stipends, and Bureau of Indian Affairs grants.

Miscellaneous Federal Agency Loans

Miscellaneous Federal agency loans include loans made or guaranteed by an agency of the federal government other than the U.S. Department of Education. Examples include Health Professions Student Loans, Nursing Loans, and Veterans Administration Loans.

Other Grants

All grants and scholarships not identified above. Examples of these grants include state grants from a state other than Minnesota for postsecondary education at a Minnesota institution.

Other Loans

All loans reported to campus financial aid administrators but not identified above. Examples include an educational loan made by a state other than Minnesota.

Peer States

Peer states were selected due to their similarities to Minnesota in terms of geography, higher education structures, economies, and demographics. The peer states are Iowa, Illinois, Indiana, Michigan, Ohio, Pennsylvania, and Wisconsin.

Private Colleges

These institutions are licensed or registered by the state, and their students are generally eligible to receive state and federal financial aid. Some colleges are church affiliated; others are independent. Classifications within the private colleges:

- **Not-for-Profit:** These schools have a tax-exempt status and are typically church affiliated. In Minnesota, they mainly include four-year liberal arts colleges. Examples are Augsburg College, Macalester College, and St. Olaf College.
- **For-Profit:** In Minnesota, these institutions mainly offer associate degrees or sub-baccalaureate certificates in specific career fields. Recently a handful have started offering career-related bachelor's and master's degrees. Examples are Brown College and Rasmussen College. Private for-profit institutions may be locally owned and publicly traded.

Private Grants

All grants, scholarships, fellowships and gift aid provided by organizations not associated with the federal or state government or organizations not associated with the institution. Examples of these grants include grants awarded by service clubs (such as Lions Clubs, Kiwanis, PTA, and churches), grants awarded by labor unions and fraternal organizations, and Blandin Foundation grants to students living in northeastern Minnesota.

Private Loans

Private loans are loans to students and their parents from private sources. Examples include Citibank Citiassist Student Loans, Marquette Students Choice Loans, Signature Loans (SallieMae, TCF), U.S. Bank Education Loans, U.S. Bank Gap Loans, and Wells Fargo Collegiate Loans.

Race/Ethnicity Descriptions

Measuring students by race and ethnicity is limited by constraints of data collection systems. Existing data do not recognize the breadth of diversity existing within communities of color. Most educational institutions use definitions adopted by the U.S. Department of Education which use the following terms: American Indian, Asian, Pacific Islander, Black, Hispanic, White, or Two or More Races.

State Grants

Grants funded by states or localities. In Minnesota, these grants include Minnesota State Grants, Minnesota Indian Scholarships, Minnesota GI Bill awards, Postsecondary Child Care Grants, Public Safety Officers' Survivor Grants, and miscellaneous grants funded by state agencies other than the Minnesota Office of Higher Education.

Top States

For several of the indicators, Minnesota's performance is compared to the three best-performing states, peer states and the nation. In cases where trends over time were evaluated, the best states are identified for the most recent year.

Undergraduate

Unless otherwise specified, an undergraduate is any student enrolled at a postsecondary institution taking one or more courses where the credits earned in the course can be applied to an academic award at the baccalaureate level or below.

University of Minnesota

References to the University of Minnesota include the state's land grant campus in the Twin Cities and its comprehensive regional institutions in Crookston, Duluth, Morris, and Rochester. The University of Minnesota campuses were included with public four-year institutions in this report.

Appendix B: Data Sources Used in the Report

Arizona State University, Center for Measuring University Performance

(mup.asu.edu/research.html) Data on postsecondary research institutions with at least \$40 million in federal research expenditures and qualifying academic criteria.

Exam data

The Office of Higher Education obtained data from the following organizations, for data on various assessments and admissions exams completed by students:

- **ACT:** (www.act.org) Data on ACT test-takers.
- **Association of American Medical Colleges:** (www.aamc.org) Data on the Medical College Admissions Test.
- **College Board:** (www.collegeboard.org) Data on advanced placement test-takers.
- **Educational Testing Services:** (www.ets.org) Data on the Graduate Record Exam.
- **Law School Admissions Council:** (www.lsac.org) Data on the Law School Admissions Test.
- **Minnesota Board of Nursing:** (www.nursingboard.state.mn.us) Pass rates on NCLEX, the exam used for nursing certification nationwide.
- **Minnesota Department of Education:** (www.education.state.mn.us) Data on the Minnesota Comprehensive Assessment exam.
- **U.S. Department of Education:** (title2.ed.gov/View.asp) Data on the teacher licensure exam.

College InSight

(college-insight.org) Data on debt and cumulative borrowing.

International Institute for Education

(www.iie.org) Data on U.S. students studying abroad.

Georgetown University Center on Education and the Workforce

(cew.georgetown.edu) Data on the percent of the population obtaining academic certificates.

Minnesota Department of Education

(education.state.mn.us) Data on Minnesota high school graduates, Postsecondary Enrollment Options enrollments, and other dual enrollment programs.

Minnesota Department of Employment and Economic Development

(www.positivelyminnesota.com) Data on employment and wages of Minnesota's workforce.

National Information Center for Higher Education Policymaking and Analysis

(www.higheredinfo.org) Data on national and state-level college participation rates.

National Science Foundation

(www.nsf.gov) Data on academic research and development expenditures at postsecondary educational institutions.

Office of Higher Education Student Enrollment Record Database and Financial Aid Awarded Database

(www.oh.e.state.mn.us) Data on students enrolled during the fall term in Minnesota's public and private postsecondary education institutions.

Organization for Economic Cooperation and Development

(www.oecd.org) Data on international comparisons of educational attainment.

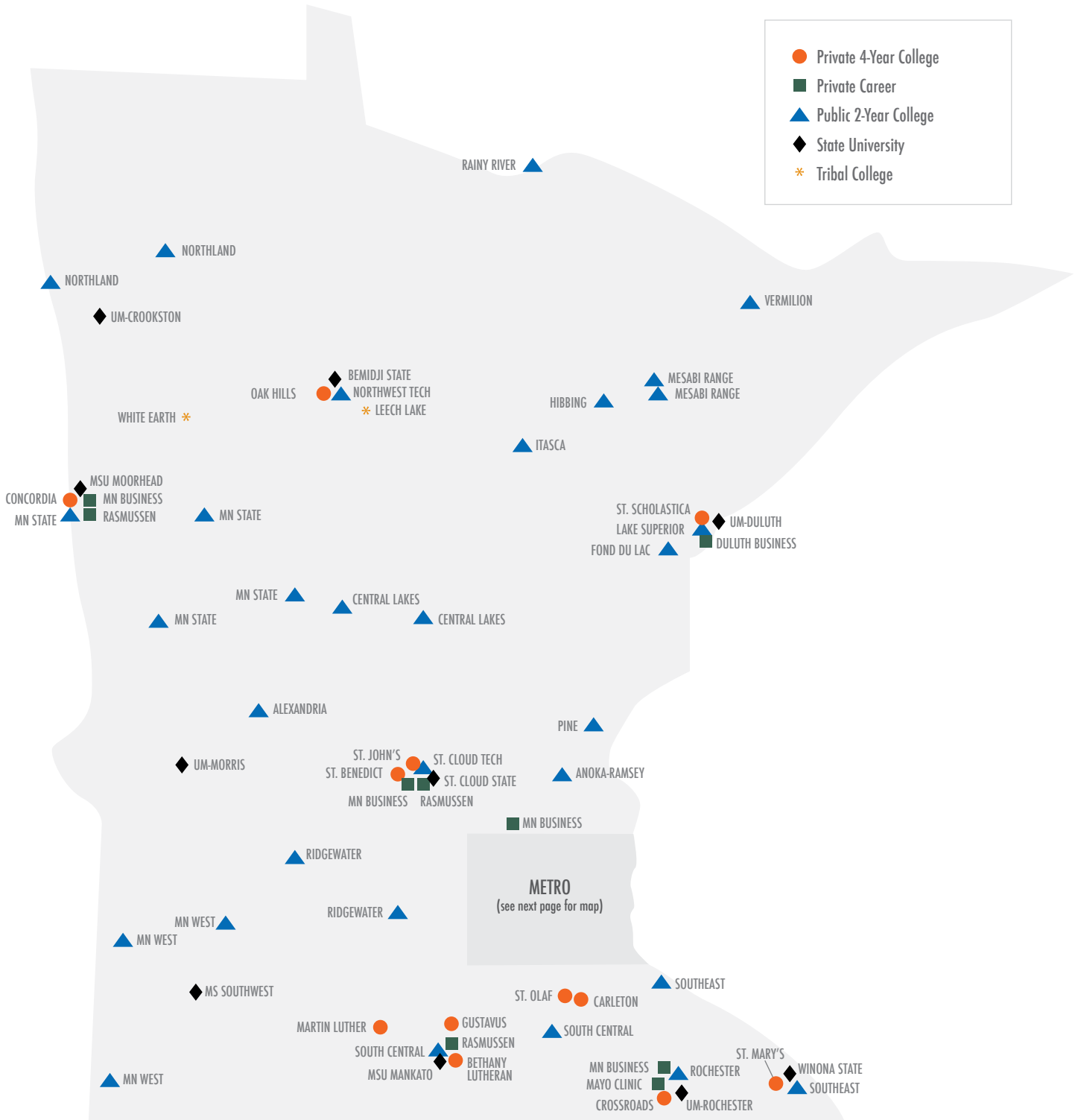
U.S. Census Bureau

(www.census.gov/acs/www/) Data on educational attainment of the population from the American Community Survey.

U.S. Department of Education

(www.ed.gov) Data on enrollment, degrees conferred, student financial aid, and institutional characteristics from the National Center of Education Statistics (NCES) Integrated Postsecondary Education Data System (IPEDS) from the nation's postsecondary institutions (nces.ed.gov/ipeds). Data on federal student aid cohort default rates (federalstudentaid.ed.gov/datacenter/cohort.html).

Minnesota Postsecondary Institutions: Greater Minnesota

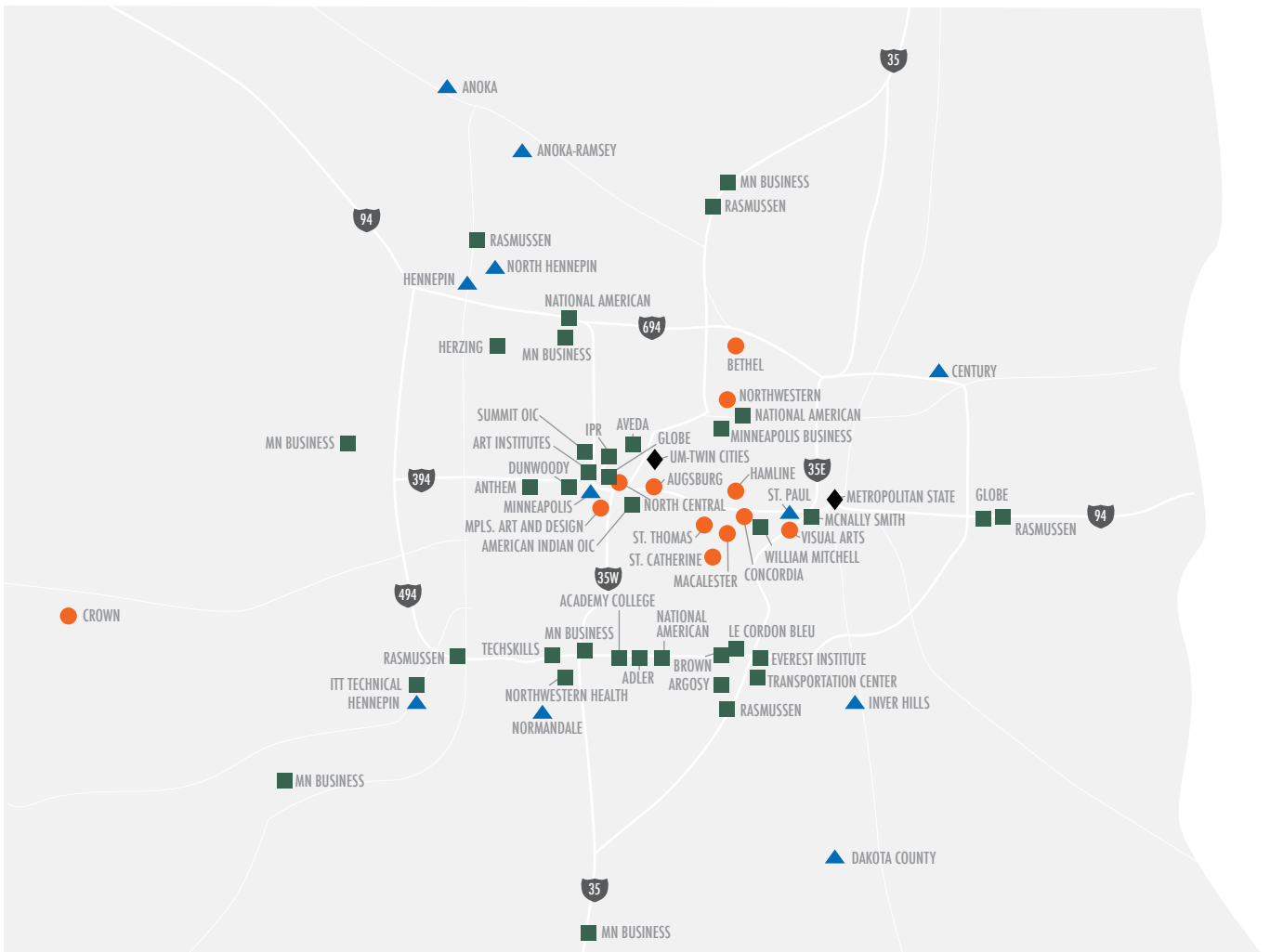


Note: Not all postsecondary institutions licensed or registered in Minnesota are included. The map includes all public 2-year and 4-year campuses, private non-profit institutions, and private for-profit institutions with enrollments of greater than 200 students. Not shown are approximately 100 licensed and registered institutions in Minnesota with fewer than 200 students or other institutions offering a single specialized program below the associate degree.

Source: Minnesota Office of Higher Education

Minnesota Postsecondary Institutions: Twin Cities Metro Area

- Private 4-Year College
- Private Career
- ▲ Public 2-Year College
- ◆ State University
- * Tribal College



Note: Not all postsecondary institutions licensed or registered in Minnesota are included. The map includes all public 2-year and 4-year campuses, private non-profit institutions, and private for-profit institutions with enrollments of greater than 200 students. Not shown are approximately 100 licensed and registered institutions in Minnesota with fewer than 200 students or other institutions offering a single specialized program below the associate degree.

Source: Minnesota Office of Higher Education

About the Minnesota Office of Higher Education

The Minnesota Office of Higher Education is a cabinet-level state agency providing students with financial aid programs and information to help them gain access to postsecondary education. The agency also serves as the state's clearinghouse for data, research and analysis on postsecondary enrollment, financial aid, finance, and trends.

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