

MEASURING UP

2004

**THE STATE REPORT CARD
ON HIGHER EDUCATION**

NORTH CAROLINA



**THE NATIONAL CENTER FOR
PUBLIC POLICY AND
HIGHER EDUCATION**

WHAT IS MEASURING UP?

This state report card is derived from *Measuring Up 2004*, the national report card for higher education. Its purpose is to provide the public and policymakers with information to assess and improve postsecondary education in each state. *Measuring Up 2004* is the third in a series of biennial report cards.

Measuring Up 2004 evaluates states on their performance in higher education because it is the states that are primarily responsible for educational access and quality in the United States. In this report card, “higher education” refers to all education and training beyond high school, including all public and private, two- and four-year, for-profit and nonprofit institutions.

The report card grades states in six overall performance categories:

■ **Preparation:** How adequately are students in each state being prepared for education and training beyond high school?

■ **Participation:** Do state residents have sufficient opportunities to enroll in education and training beyond high school?

■ **Affordability:** How affordable is higher education for students and their families?

■ **Completion:** Do students make progress toward and complete their certificates and degrees in a timely manner?

■ **Benefits:** What benefits does the state receive as a result of having a highly educated population?

■ **Learning:** What is known about student learning as a result of education and training beyond high school?

Each state receives a grade in each performance category, and the grades are based on the state’s performance on several indicators, or quantitative measures, in each category. Most states receive an “Incomplete” in learning because there are no common benchmarks that allow for state-by-state comparisons in learning. Five states, however, receive a “Plus” in learning to highlight their work in developing measures to evaluate the state’s educational capital—that is, the reservoir of high-level knowledge and skills

that the state’s population has attained. For more information about this, see page 12 of this state report card.

In four of the performance categories—preparation, participation, completion, and benefits—grades are calculated by comparing each state’s current performance to that of the best-performing states. This provides a basis for assessing and comparing each state’s performance in the national context and encourages each state to “measure up” to the highest performing states.

In the affordability category, however, the nation as a whole is “measuring down.” That is, even in the best-performing states, higher education has become *less* rather than *more* affordable when the costs of attending college are considered in relation to family income. As a result, grades in the affordability category are calculated by comparing each state’s current results to the performance of the top states *a decade ago*. This enables policymakers to examine their state’s results in relation to other states, while also encouraging improved performance over time. A glance at the table of state grades on page 15 reveals that the affordability category is the only one in which no state receives an A.

Measuring Up 2004 also compares each state’s current results with its own performance a decade ago. Although this historical information is not graded, it is offered to allow states to examine their improvements and declines in performance. In gathering information for this period, information from 1992—or the closest year available—is compared with the most recently available data. All information was collected from national, reliable sources, including the U.S. Census Bureau and the U.S. Department of Education. (For more information about grading, data collection, and sources, please see the technical report at www.highereducation.org.)

This state report card begins by summarizing the state’s performance today compared with ten years ago, and by presenting key policy questions that these results suggest for the state. Next, the state’s performance in each category is described in greater detail, followed by additional contextual information.

A Snapshot of Improvement Over the Past Decade

High school graduates are, in general, better prepared for college today than their peers were a decade ago. However, most states, and the nation as a whole, have made little progress in translating these gains into improvements at the college level.

Preparation: 44 states improved on more than half of the indicators; 6 improved on some of the indicators.

Participation: 8 states improved on more than half of the indicators; 23 improved on some of the indicators; 19 declined on every indicator.

Affordability: 2 states improved on more than half of the indicators; 31 improved on some of the indicators; 17 declined on every indicator.

Completion: 37 states improved on more than half of the indicators; 9 improved on some of the indicators; 4 declined on every indicator.

Benefits: 41 states improved on more than half of the indicators; 8 improved on some of the indicators; 1 declined on every indicator.

Learning: 45 states receive an “Incomplete”; 5 states (Illinois, Kentucky, Nevada, Oklahoma, and South Carolina) receive a “Plus.”

For more information about improvement, please see *Measuring Up 2004: The National Report Card on Higher Education* at www.highereducation.org.

North Carolina has made gains in preparing students for college over the past decade. During the same period, the likelihood of 9th graders enrolling in college immediately after high school has increased. However, a smaller percentage of students graduate from high school, compared with a decade ago, and a smaller percentage of low-income students enroll in higher education. North Carolina has lost ground in providing students and families with an affordable higher education.

Strengths

Preparation

■ North Carolina is a top-performing state in the percentage of high school students taking upper-level math, and this percentage has increased substantially over the past decade.

■ During the same period, the percentage of 8th graders performing well on national math assessments has increased substantially, making North Carolina the fastest improving state on this measure.

■ Large proportions of 11th and 12th graders take and score well on advanced placement; the state has dramatically improved on this measure as well, outpacing the national increase.

■ North Carolina is a top-performing state in the percentage of secondary school students (81%) taught by qualified teachers. This percentage has increased substantially over the decade.

Participation

■ The likelihood of 9th graders enrolling in college within four years has increased over the past decade; North Carolina has had one of the steepest increases among the states on this measure. Two important factors underlie this increase. A smaller percentage of students are graduating from high school compared with a decade ago. However, more of those who do graduate enroll in college.

Completion

■ Compared with other states, North Carolina has had a consistently very high percentage of freshmen returning for their sophomore year at four-year public institutions.

■ A very large percentage of students earn a bachelor's degree within six years of enrolling in college.

Weaknesses

Preparation

■ North Carolina is one of the lowest performing states in the percentage of young people earning a high school credential.

■ Compared with other states, 8th graders perform poorly on national assessments in science, and low-income 8th graders perform poorly on national assessments in math.



- Small proportions of 11th and 12th graders take and score well on college entrance exams, but these proportions have improved substantially over the decade—more than the nationwide improvement on this measure.

- Black high school students are only two-thirds as likely as whites to enroll in upper-level math and science.

Participation

- About 19% of adults do not have a high school diploma or its equivalent, compared with 14% of adults nationwide, making them ineligible to participate in higher education.

- A smaller proportion of students from low-income families enroll in higher education today than decade ago. Young adults from high-income families are twice as likely as those from low-income families to enroll in higher education.

Affordability

- Net college costs for low- and middle-income students to attend public four-year colleges and universities represent about a third of their annual income. (Net college costs equal tuition, room, and board minus financial aid.)

Benefits

- Compared with other states, a fairly small proportion of North Carolina residents have a bachelor's degree. However, this proportion has increased substantially over the past decade.

Policy Questions

- As the number of high school students increases in North Carolina, can the state increase the number of students who graduate from high school within four years and enroll college thereafter?

- Considering that approximately 19% of adults do not have a high school diploma or its equivalent (compared to a national average of 14%), can the state encourage more residents to get a General Education Development (GED) credential?

- Can North Carolina close the gaps in educational achievement between whites and minority ethnic residents, and between high- and low-income residents?

- Can North Carolina create a low-priced option for higher education?

- Can the state use financial aid programs more effectively to encourage the college enrollment of students from low-income families?

2004
Grade

Improvement
Over Decade

B



Over the past decade, North Carolina has made progress in preparing students to succeed in college. This year North Carolina earns a B in preparation.

Graded Information

■ North Carolina is among the poorest-performing states in the percentage of young adults earning a high school diploma or General Education Development (GED) diploma by age 24.

■ North Carolina is a top performer in the proportion of high school students enrolled in upper-level math (59%). However, a small proportion (26%) are enrolled in upper-level science.

■ Compared with the best-performing states, a very small proportion (19%) of 8th graders take algebra.

■ Eighth graders perform poorly on national assessments in science, but they perform well on national assessments in math and writing.

■ Compared with their peers in other states, low-income 8th graders perform poorly on national assessments in math.

■ Small proportions of 11th and 12th graders score well on college entrance exams, but large proportions do well on Advanced Placement tests.

■ Eighty-one percent of secondary school students are taught by qualified teachers, and North Carolina is a top performer on this measure.

Change in Graded Measures

■ Over the past decade, the proportion of high school students enrolled in upper-level math has increased substantially.

PREPARATION	North Carolina		Top States 2004
	A Decade Ago	2004	
High School Completion (20%)			
18- to 24-year-olds with a high school credential	83%	84%*	94%
K-12 Course Taking (35%)			
9th to 12th graders taking at least one upper-level math course	40%	59%	59%
9th to 12th graders taking at least one upper-level science course	22%	26%	41%
8th grade students taking algebra	18%	19%	35%
12th graders taking at least one upper-level math course	n/a	73%	66%
K-12 Student Achievement (35%)			
8th graders scoring at or above "proficient" on the national assessment exam:			
in math	12%	32%	36%
in reading	31%	29%	39%
in science	24%	27%	42%
in writing	27%	34%	41%
Low-income 8th graders scoring at or above "proficient" on the national assessment exam in math	6%	14%	23%
Number of scores in the top 20% nationally on SAT/ACT college entrance exam per 1,000 high school graduates	75	143	227
Number of scores that are 3 or higher on an Advanced Placement subject test per 1,000 high school juniors and seniors	68	187	219
Teacher Quality (10%)			
<i>7th to 12th graders taught by teachers with a major in their subject</i>	61%	81%	81%

*Seventy-six percent of 18- to 24-year-olds have a regular high school diploma; 8% have a GED.
Note: Indicators in italics are new for 2004.

■ The percentage of 8th graders performing well on national assessments in math has almost tripled—the sharpest rate of improvement among the states on this measure.

■ Over the past few years, the percentage of 8th graders performing well on national assessments in writing has increased.

■ During the past decade, the percentage of low-income 8th graders performing well on national assessments in math has more than doubled, although North Carolina's current performance on this measure is poor compared with other states.

■ The proportions of 11th and 12th graders taking and scoring well on college entrance exams have increased substantially over the past decade, although the state's current performance is poor relative to other states.

■ In the same period, the proportions of 11th and 12th graders taking and scoring well on Advanced Placement exams have nearly tripled.

■ During the past decade, the percentage of secondary school students taught by qualified teachers has increased substantially.

Other Key Facts

■ Blacks in the 9th to 12th grades are about two-thirds as likely as whites to enroll in upper-level math and science.

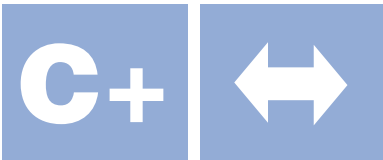
■ Among young adults, 8% receive a GED rather than a high school diploma, one of the highest percentages in the nation.

■ About 17% of children under age 18 live in poverty, which matches the national rate.

The preparation category measures how well a state's K–12 schools prepare students for education and training beyond high school. The opportunities that residents have to enroll in and benefit from higher education depend heavily on the performance of their state's K–12 educational system.

2004
Grade

Improvement
Over Decade



North Carolina has made no notable progress in enrolling students in higher education over the past decade. This year North Carolina receives a C+ in participation.

Graded Information

■ Compared with other states, the chance of North Carolina high school students enrolling in college by age 19 is only fair, primarily because the proportion of students who graduate from high school within four years is small. This proportion is among the lowest in the country.

■ A low percentage of working-age adults (ages 25 to 49) are enrolled part-time in college-level education or training.

Change in Graded Measures

■ Over the past decade, the chance of enrolling in college by age 19 has increased by 12%—one of the steepest increases among the states on this measure. Although a smaller percentage of students graduate from high school within four years, more of those who graduate enroll in college.

PARTICIPATION	North Carolina		Top States 2004
	A Decade Ago	2004	
Young Adults (60%)			
Chance for college by age 19	34%	38%	52%
18- to 24-year-olds enrolled in college	31%	26%	40%
Working-Age Adults (40%)			
25- to 49-year-olds enrolled part-time in any type of postsecondary education	3.7%	3.6%	5.4%

Other Key Facts

■ A decade ago, 28 of every 100 young adults (ages 18 to 24) from low-income families were enrolled in college; now only 22 of 100 are. Currently, young adults from high-income families are twice as likely as those from low-income families to attend college.

■ The state's population is projected to grow by 14% from 2000 to 2015, compared with a national rate of 13%. During approximately the same period, the number of high school graduates is projected to increase by 30%.

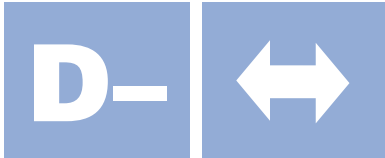
■ About 19% of the adult population has less than a high school diploma or its equivalent, compared with 14% of adults nationwide.

■ In North Carolina, 8,302 more students are entering the state than are leaving to attend college. About 8% of North Carolina high school graduates who go to college attend college out of state.

The participation category addresses the opportunities for state residents to enroll in higher education. A strong grade in participation generally indicates that state residents have high individual expectations for education and that the state provides enough spaces and types of educational programs for its residents.

2004
Grade

Improvement
Over Decade



Like most states, North Carolina has made no notable progress over the past decade in providing affordable higher education opportunities. North Carolina receives a D- in affordability this year.

Graded Information

■ Compared with best-performing states, families in North Carolina devote a fairly large share of family income, even after financial aid, to attend public two- and four-year colleges and universities, which enroll over 80% of college students in the state.

■ The state's investment in need-based financial aid is very low when compared with top-performing states, and North Carolina does not offer low-priced college opportunities.

■ Undergraduate students borrowed on average \$3,458 in 2003.

Change in Graded Measures

■ Over the past decade, the share of income needed to pay for college expenses after financial aid at public four-year institutions has increased from 19% to 25%.

■ In the same period, the state has increased its commitment to financially needy students. Nonetheless, the share of income, including financial aid, needed to pay for college is fairly large compared with other states.

AFFORDABILITY	North Carolina		Top States A Decade Ago
	A Decade Ago	2004	
Family Ability to Pay (50%)			
Percent of income (average of all income groups) needed to pay for college expenses minus financial aid:			
at community colleges	18%	21%	15%
at public 4-year colleges/universities	19%	25%	16%
at private 4-year colleges/universities	52%	68%	32%
Strategies for Affordability (40%)			
State investment in need-based financial aid as compared to the federal investment	3%	34%	89%
At lowest-priced colleges, the share of income that the poorest families need to pay for tuition	7%	11%	7%
Reliance on Loans (10%)			
Average loan amount that undergraduate students borrow each year	\$2,851	\$3,458	\$2,619

Note: In the affordability category, the lower the figures the better the performance for all indicators except for "State investment in need-based financial aid."

Other Key Facts

■ In North Carolina, 48% of students are enrolled in community colleges and 36% in public four-year colleges and universities.

The affordability category measures whether students and families can afford to pay for higher education, given income levels, financial aid, and the types of colleges and universities in the state.

A CLOSER LOOK AT FAMILY ABILITY TO PAY	Average family income	Community colleges		Public 4-year colleges/universities		Private 4-year colleges/universities	
		Net college cost*	Percent of income needed to pay net college cost	Net college cost*	Percent of income needed to pay net college cost	Net college cost*	Percent of income needed to pay net college cost
Income groups used to calculate 2004 family ability to pay							
20% of the population with the lowest income	\$10,812	\$5,444	50%	\$6,324	58%	\$18,593	172%
20% of the population with lower-middle income	\$25,110	\$6,033	24%	\$6,957	28%	\$18,713	75%
20% of the population with middle income	\$41,548	\$6,391	15%	\$7,612	18%	\$18,386	44%
20% of the population with upper-middle income	\$63,000	\$6,508	10%	\$7,989	13%	\$18,356	29%
20% of the population with the highest income	\$105,500	\$6,529	6%	\$8,094	8%	\$19,743	19%
40% of the population with the lowest income	\$17,961	\$5,739	32%	\$6,641	37%	\$18,653	104%

*Net college cost equals tuition, room, and board, minus financial aid.

Those who are striving to reach or stay in the middle class—the 40% of the population with the lowest incomes—earn on average \$17,961 each year.

■ If a student from such a family were to attend a community college in the state, their net cost to attend college would represent about 32% of their income annually:

Tuition, room, and board:	\$6,576
Financial aid received:	-\$ 837
Net college cost:	\$5,739
Percent of income:	32%

■ If the same student were to attend a public four-year college in the state, their net cost to attend college would represent about 37% of their income annually:

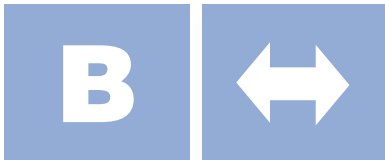
Tuition, room, and board:	\$8,661
Financial aid received:	-\$2,020
Net college cost:	\$6,641
Percent of income:	37%

Note

The numbers shown for tuition, room, and board minus financial aid may not exactly equal net college cost due to rounding.

2004
Grade

Improvement
Over Decade



Over the past decade, North Carolina has shown consistently good performance in the proportion of students earning a certificate or degree in a timely manner. This year North Carolina receives a B in completion.

Graded Information

■ Compared with other states, only an average percentage of first-year students in community colleges return for their second year.

■ However, a very large percentage (80%) of freshmen at four-year colleges and universities return for their sophomore year.

■ A very large percentage of first-time, full-time college students complete a bachelor's degree within six years of enrolling in college.

■ The proportion of students who complete certificates and degrees, relative to the number enrolled, is also large.

Change in Graded Measures

■ Over the past decade, North Carolina consistently has had a very high percentage of freshmen at four-year colleges and universities returning for their sophomore year.

■ The proportion of students completing certificates and degrees relative to the number enrolled has increased by 17% over the past decade, compared with a nationwide increase of 15%.

COMPLETION	North Carolina		Top States 2004
	A Decade Ago	2004	
Persistence (20%)			
1st year community college students returning their second year	49%	48%	63%
Freshmen at 4-year colleges/universities returning their sophomore year	80%	80%	84%
Completion (80%)			
First-time, full-time students completing a bachelor's degree within 6 years of college entrance	57%	57%	64%
Certificates, degrees, and diplomas awarded at all colleges and universities per 100 undergraduate students	15	18	21

Other Key Facts

■ During the past decade, North Carolina has made progress in narrowing the gap between whites and blacks in the proportion of students completing certificates and degrees relative to the number enrolled. The number of black students receiving certificates and degrees has increased from 12 to 15 per 100 enrolled.

The completion category addresses whether students continue through their educational programs and earn certificates or degrees in a timely manner. Certificates and degrees from one- and two-year programs as well as the bachelor's degree are included.

2004
Grade

Improvement
Over Decade



Over the past decade, there has been no notable progress in the benefits North Carolina realizes from having a more highly educated population. North Carolina receives a C in benefits this year.

Graded Information

■ Compared with other states, a fairly small proportion of residents have a bachelor's degree, and this weakens the state economy.

■ However, residents contribute substantially to the civic good, as measured by charitable giving.

Change in Graded Measures

■ The percentage of residents who have a bachelor's degree has increased substantially over the past decade.

■ Over about the same period, the percentage of residents voting has dropped substantially.

Other Key Facts

■ If all ethnic groups had the same educational attainment and earnings as whites, total personal income in the state would be about \$6.5 billion higher, and the state would realize an estimated \$2.3 billion in additional tax revenues.

■ In 2002, North Carolina scored 58 on the New Economy Index, compared to a nationwide score of 60. The New Economy Index, developed by the Progressive Policy Institute, measures the extent to which states are participating in knowledge-based industries.

BENEFITS	North Carolina		Top States 2004
	A Decade Ago	2004	
Educational Achievement (37.5%)			
Population aged 25 to 65 with a bachelor's degree or higher	21%	25%	36%
Economic Benefits (31.25%)			
Increase in total personal income as a result of the percentage of the population holding a bachelor's degree	8%	8%	12%
Increase in total personal income as a result of the percentage of the population with some college (including an associate's degree), but not a bachelor's degree	3%	2%	3%
Civic Benefits (31.25%)			
Residents voting in national elections	55%	46%	60%
Of those who itemize on federal income taxes, the percentage declaring charitable gifts	89%	88%	92%
<i>Increase in volunteering rate as a result of college education</i>	n/a	17%	22%
Adult Skill Levels (0%)*			
Adults demonstrating high-level literacy skills:			
quantitative	18%	22%	33%
prose	16%	20%	33%
document	14%	18%	28%

*Adult Skill Levels for 2004 are estimated and are not used to calculate grades.

Note: Indicators in italics are new for 2004.

■ Policymakers and state residents do not have access to important information about high-level literacy skills because the state has declined to participate in the national literacy survey.

The benefits category measures the economic and societal benefits that the state receives as the result of having well educated residents.

2004
Grade



Like most states, North Carolina received an Incomplete in learning because there are no comparable data that would allow for meaningful state-by-state comparisons in learning. The Incomplete in this category highlights a gap in our ability to measure each state's educational capital—the reservoir of high-level knowledge and skills that benefit each state.

Measuring Up 2004 gives a “Plus” in learning to five states (Illinois, Kentucky, Nevada, Oklahoma, and South Carolina) that have developed learning measures through their participation in a national demonstration project conducted by the National Forum on College-Level Learning and funded by The Pew Charitable Trusts.*

Based on the results of the project, the learning category is being constructed like the other performance categories in *Measuring Up*, with indicators that are grouped in several themes, each of which is weighted (see parentheses) and reflects a particular dimension of state performance:

1. Abilities of the College-Educated Population (25%). This cluster of indicators examines the proportion of college-educated residents who achieve high levels of literacy. For the 2004 demonstration, the data used are the same as those included in the benefits category and are based on the 1992 National Adult Literacy Survey (NALS) for citizens aged 25 to 64, updated through the 2000 census. The NALS assessment poses real-world tasks or problems that require respondents to read and interpret texts (prose), to obtain or act on information contained in tabular or graphic displays (document), and to understand numbers or graphs and perform calculations (quantitative).

2. Institutional Contributions to Educational Capital (25%). The indicators in this area reflect the contributions to a state's stock of “educational capital” by examining the proportion of the state's college graduates (from two- and four-

Learning	North Carolina
Literacy Levels of the State's Residents (25%)	
Prose	?
Document	?
Quantitative	?
Graduates Ready for Advanced Practice (25%)	
Licensures	?
Competitive admissions	?
Teacher preparation	?
Performance of College Graduates (50%)	
<i>From four-year institutions</i>	
Problem-solving	?
Writing	?
<i>From two-year colleges</i>	
Reading	?
Quantitative skills	?
Locating information	?
Writing	?

Note: Measures included under the first two clusters are available nationally and can be calculated for all 50 states. Measures included in the third will require special data-collection efforts similar to those undertaken by the five demonstration project states in 2004.

year institutions) ready for advanced practice. For the 2004 demonstration, the measures are based on available records for college graduates within each state who have demonstrated their readiness for advanced practice by (a) passing a national examination required to enter a licensed profession such as nursing or physical therapy, (b) earning a competitive score on a nationally recognized graduate admissions examination such as the Graduate Record Examination (GRE) or the Medical College Admissions Test (MCAT), or (c) passing a teacher licensure examination in the state in which they graduated. These measures are presented as a proportion of total bachelor's and associate's degrees granted in the state during the time period.

1. What are the abilities of the college-educated population?

2. To what extent do colleges and universities educate students to be capable of contributing to the workforce?

3. How well can graduates of two- and four-year colleges and universities perform complex problem-solving tasks?

3. Performance of College Graduates (50%). These indicators examine how well the graduates of the state's two- and four-year colleges and universities can perform complex tasks related to academic and real-world problem-solving situations. For the 2004 demonstration, the measures consist of two sets of assessments, the Collegiate Learning Assessment (CLA) for four-year students and the ACT Work Keys assessment for two-year students. The CLA is an innovative examination that poses real-world tasks that a student is asked to understand and solve. For example, students could be asked to draw scientific conclusions, examine historical evidence, or develop a persuasive essay. The ACT Work Keys examines what students can do with what they know. Students might be asked to extract information from documents and instructions, or use mathematical concepts such as probability or estimation in real-world settings. The Work Keys writing assessment requires students to prepare an extended essay.

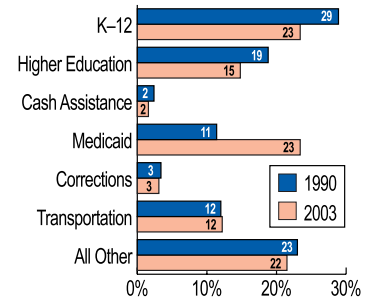
* A report on the results and lessons of the five-state demonstration project will be released in November.

State Context	North Carolina	State Rank
Population (2003)	8,407,248	11
Gross state product (2001, millions)	\$275,615	12
Leading Indicators	North Carolina	U.S.
Projected % change in population, 2000-2015	13.7%	12.9%
Projected % change in number of all high school graduates, 2002-2017	30.3%	8.0%
Projected budget surplus/shortfall by 2010	-5.6%	-3.4%
Average income of poorest 20% of population (2002)	\$10,812	\$12,072
Children in poverty (2001)	17.0%	16.0%
Percent of adult population with less than a high school diploma or equivalent (2003)	18.6%	14.0%
New economy index (2002)*	57.5	60.3
Facts and Figures	North Carolina	
	Number/Amount	Percent
Institutions of Postsecondary Education (2002-03)		
Public 4-year	16	
Public 2-year	59	
Private 4-year	44	
Private 2-year	7	
Students Enrolled by Institution Type (2001)		
Public 4-year	135,567	36%
Public 2-year	180,892	48%
Private 4-year	61,181	16%
Private 2-year	1,693	0%
Students Enrolled by Level (2001)		
Undergraduate	379,333	89%
Graduate	40,360	9%
Professional	8,091	2%
Enrollment Status of Students (2001)		
Full-time	270,187	63%
Part-time	157,597	37%
Net Migration of Students (2000)		
Positive numbers for net migration mean that more students are entering than leaving the state to attend college. Negative numbers reveal the reverse.	8,302	
Average Tuition (2002-03)		
Public 4-year institutions	\$3,251	
Public 2-year institutions	\$1,166	
Private 4-year institutions	\$16,939	
State and Local Appropriations for Higher Education		
Per \$1,000 of personal income, FY 2004	\$10	
Per capita, FY 2004	\$291	
% change, FY 1994-2004		50%

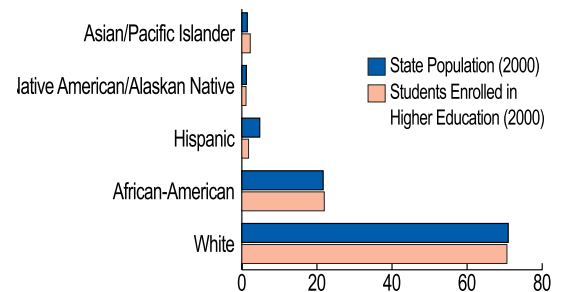
* This index, created by the Progressive Policy Institute, measures the extent to which a state is participating in knowledge-based industries. A higher score means increased participation.

Note: Percentages might not add to 100 due to rounding.

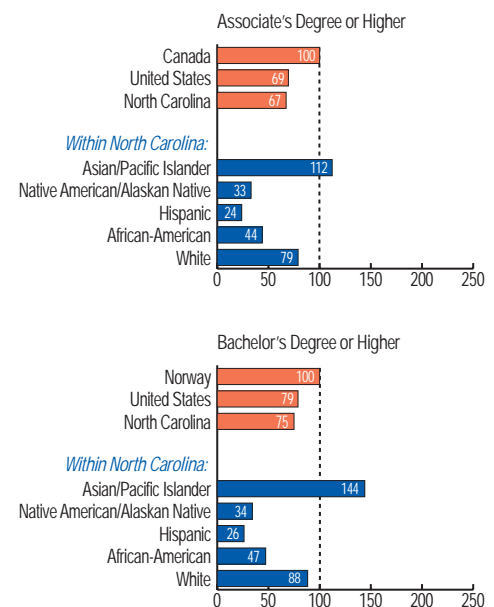
Share of State Appropriations



Ethnic Distribution (%)



Attainment of College Degrees in United States and Top Country, 25- to 34-year-olds (2000)



Note: These two charts compare performance in the U.S. to the performance of the top country, which receives a score of 100.

QUESTIONS & ANSWERS

Q: Who is being graded in this report card, and why?

A: *Measuring Up 2004* grades states, not individual colleges or universities, on their performance in higher education. The states are responsible for preparing students for higher education through sound K–12 systems, and they provide most of the public financial support—\$69 billion currently—for colleges and universities. Through their oversight of public colleges and universities, state leaders affect the kind and number of programs available in the state. They determine the limits of financial support and often influence tuition and fees for public colleges and universities. They determine how much state-based financial aid to make available to students and their families, which affects students attending private as well as public colleges and universities.

Q: How are states graded?

A: The report card grades states in six performance categories: academic preparation, participation, affordability, completion, benefits, and learning. Each category is made up of several indicators, or quantitative measures—a total of 35 in the first five categories. Grades are calculated based on each state's performance on these indicators, relative to other states. *Measuring Up 2004* draws its data from the most recent public information available. Most of the data in *Measuring Up 2004* is from 2002 and 2003.

In the affordability category, *Measuring Up 2004* reflects the major changes in tuition and financial aid that occurred in 2003. In addition, each state's performance is now calculated in relation to the performance of top states a decade ago—rather than in relation to top states' current performance, as is the case with other graded categories. This change creates

a more stable basis for states to assess their performance in affordability, which is the most volatile of the graded categories.

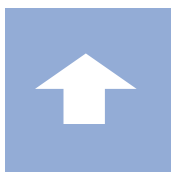
In the learning category, *Measuring Up 2004* reports information about five states (Illinois, Kentucky, Nevada, Oklahoma, and South Carolina) that participated in a pilot project on measuring learning. This report card gives these states a “Plus” for their efforts in assessing and measuring learning; however, all other states continue to receive an “Incomplete” in this category, as there is no information available to make state-by-state comparisons.

All data used to grade states in *Measuring Up 2004* were collected from national, reliable sources, including the U.S. Census and the U.S. Department of Education. All data are the most current available for state-by-state comparisons, are in the public domain, and were collected in ways that allow for effective comparisons among the states. The *Technical Guide* (available at www.highereducation.org) has information about sources used in *Measuring Up 2004*.

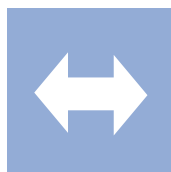
Q: What information is provided but not graded?

A: The state report cards highlight important gaps in college opportunities for various income and ethnic groups, and they identify improvements and setbacks in each state's performance over the past decade. In addition, the series of indicators measuring adult literacy skills (in the benefits category) is not being used to calculate grades in *Measuring Up 2004* because the data have not been updated in 12 years. As a temporary placeholder for these indicators, the National Center commissioned a study to estimate adult skill levels based on the 2000 Census. These estimates are provided in the charts found in the state report cards, but they are not used to calculate any grades.

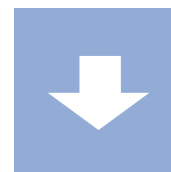
What do the arrows mean?



The state has improved on more than half of the indicators in the category.



The state has improved on some, but no more than half, of the indicators in the category.



The state has declined on every indicator in the category.

STATE GRADES

	Preparation	Participation	Affordability	Completion	Benefits
Alabama	D-	C	F	B-	C+
Alaska	B-	C	F	F	B
Arizona	D	B+	F	C+	B
Arkansas	C	C-	F	C	D+
California	C	A	B	C	A
Colorado	A-	B	D-	B-	A
Connecticut	A	A	F	B	A
Delaware	C+	C+	F	A-	A-
Florida	C	C	F	A-	B-
Georgia	C	D	F	B	B
Hawaii	C	B-	D	C	B
Idaho	C	C-	D-	C+	C
Illinois	B+	A	D	B	B-
Indiana	C	C+	D	B	C
Iowa	B+	B+	F	A	C
Kansas	B	A	F	B	B+
Kentucky	C-	B-	D-	C	B
Louisiana	F	D+	F	C	C
Maine	B	B-	F	B	B
Maryland	A-	A	F	B-	A
Massachusetts	A	A	F	A	A
Michigan	C	B+	F	C+	A-
Minnesota	B+	A	C-	B+	A
Mississippi	D+	D	F	B-	C
Missouri	B-	B	F	B	B
Montana	B+	C	F	C	C
Nebraska	B+	A	F	B	B
Nevada	D	C	F	F	C-
New Hampshire	B+	C+	F	A	A-
New Jersey	A	A-	D	B	A
New Mexico	F	A-	F	D	C+
New York	A	C+	F	B+	B
North Carolina	B	C+	D-	B	C
North Dakota	B	A-	F	B	C
Ohio	C+	C+	F	B	B-
Oklahoma	C-	C	F	C-	C+
Oregon	C	B-	F	C	B
Pennsylvania	B-	B	F	A	B
Rhode Island	C+	A	F	A	B+
South Carolina	C	C-	F	B	C
South Dakota	B	B+	F	B	C-
Tennessee	C-	C-	F	C+	C
Texas	C+	C	D	C	B-
Utah	A	C+	C	B	B
Vermont	C+	C	F	A	B-
Virginia	B+	B-	D-	B	A-
Washington	B-	C	F	A-	A-
West Virginia	C+	C-	F	C	D
Wisconsin	B+	B	D	A-	C+
Wyoming	C+	B	F	B+	D

MEASURING UP 2004 RESOURCES

To view *Measuring Up 2004* and its resources visit

www.highereducation.org

Select the *Measuring Up* icon

National Picture

- **Snapshot:** Performance overview on national maps
- **Improvement:** The nation's performance over the past decade
- **Download** the national report in PDF format

State Reports

- **State Report Cards:** A comprehensive picture of higher education in each state
- **Download** each state's report card in PDF format

Compare States

- **Graded Performance:** Compare state results by performance category
- **State Facts:** Compare non-graded state information
- **Index Scores (sort/compare/map):** Sort states by their rank within each category and create a national map based on individual indicator scores

Commentary

- **Foreword,** by James B. Hunt Jr., Chairman, and Garrey Carruthers, Vice Chairman of the National Center's Board of Directors
- **A Message** from Governor Mark R. Warner, Governor of Virginia and Chairman of the National Governors Association

■ **A Ten-Year Perspective: Higher Education Stalled Despite High School Improvement,** by Patrick M. Callan, President of the National Center

- **Grading Learning: Extending the Concept**
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- Questions and Answers about *Measuring Up 2004*
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