

To: Members of the Western Illinois University Board of Trustees  
Cathy Early, Chair            Carolyn Ehlert Fuller  
Roger Clawson                Phil Hare  
Lyneir Cole                    Michael Quigley  
Bill Epperly                    Yvonne Savala

From: Joe Rives, Vice President, Quad Cities and Planning

Date: December 12, 2014

Re: December 2014 Strategic Plan Update

Last month's *Strategic Plan Update* provided data from *Washington Monthly's* annual college rankings to show how the University is advancing its vision of being a leader in quality, opportunity, and affordability, and supporting the core values of educational opportunity and social responsibility.

This month's *Strategic Plan Update* provides further evidence from *Money Magazine's 2014 Best Colleges Rankings* to show how the University's is advancing quality, affordability, and student outcomes. It also shows how many of the reports and resolutions presented at the December 19, 2014, Western Illinois' University Board of Trustees meeting advance the goals and priorities of *Higher Values in Higher Education*.

### **Money Magazine's Best Colleges Rankings**

#### Background

Money Magazine developed a new ranking system in 2014 that rates institutions on the quality of education, affordability, and student outcomes. The rankings started with screening 1,500 institutions in the United States. Western Illinois University remained in the top 665 institutions nationally (44 percent of the sample) that qualified as a "Best College" according to Money Magazine.

Results from *Money Magazine* analyses show that Western Illinois University is in the top half of colleges and universities advancing quality, affordability, and student outcomes. Moreover, the University is well positioned to decrease or limit student net costs. And in addition to its advantageous financial position, the value of a Western Illinois University education is one that prepares students for careers in their chosen fields, where they are compensated well and express high levels of job satisfaction.

#### Methodology

The 665 Best Colleges had an above-average six-year graduation rate for its sector (public or private); or a graduation rate at least 25% above projections based on incomes and test scores of its students. Institutions with a speculative bond rating from Moody's (indicating financial difficulties), and military schools that require a commitment of service in exchange for free tuition were excluded from the analysis.

Eighteen variables were grouped into one of three categories (quality of education, affordability, and student outcomes). Each of the three categories contributed one-third to the institutions total ranking score (i.e., Total Ranking Score = (.33\*quality of education) + (.33\*affordability) + (.33\*student outcomes).

However, each of the variables contributing to a category were not equally weighted. For example, the difference between an institution's actual and predicted graduation rate contributed the most to its Quality of Education score; average grades received from Ratemyprofessor.com contributed the least to this category.

Each institution received three category scores that formed the institutional Total Ranking Score.

The Quality of Education score was the sum of:

1. The six-year graduation rate (25%).
2. Average standardized test scores of new freshman (15%).
3. Student-to-faculty ratios (10%).
4. Average grades received from Ratemyprofessor.com (5%).
5. The percent of admitted students who enroll at the institution (20%).
6. The difference between the institution's actual and predicted graduation rate, based on the percentage of students receiving Pell grants and average standardized test scores of new freshmen (25%).

The Affordability score was the sum of:

7. Net price, or the estimated amount to earn a baccalaureate degree, considering the sticker price; average need, merit, and athletic financial aid; tuition inflation; and average time-to-degree (40%).
8. Student debt upon graduation (20%).
9. Parental federal PLUS loan debt (20%).
10. Estimated student loan default rate (10%).
11. The value-added student loan default rate adjusts the estimated student loan default rate by the economic and academic profile of the institution (10%).

Outcomes was the sum of:

12. Annual alumni early career earnings (salaries) for individuals who are employed full-time for five years or less with a baccalaureate degree and no other college degrees (20%).
13. Annual alumni mid-career earnings for individuals who are employed full-time for at least ten years with a baccalaureate degree and no other college degrees (10%).
14. Adjusted early career earnings determine whether alumni earn more or less than projected, based on the institution's academic portfolio (20%).
15. Adjusted mid career earnings follows the same methodology described above (10%).
16. Value-added early career earnings adjusts reported earnings based on the economic and academic profile of the institution (20%).
17. Value-added mid career earnings follows the same methodology described above (10%).
18. Career services is staffing per 1,000 students (10%).

Multiple regression analysis was used to transform the three category scores into a one ranking score. Money Magazine published institution ranking scores, the estimated net price of degree, and early career earnings for each institution.

### Results

1. Western Illinois University is in the top half of colleges and universities advancing quality, affordability, and student outcomes.

Of the 665 Best Colleges, Western Illinois University placed at the 55<sup>th</sup> percentile. Fifty-five percent of the institutions in the sample (366 colleges and universities nationally) have rankings less than or equal to Western. Minnesota State University-Mankato, Saint Joseph's College (NY), the University of Colorado-Boulder, the University of Dallas, and the University of Vermont had the same ranking score as Western. The University is also at the median value for advancing quality, affordability, and student outcomes in its peer group.

Fall 2014 Money Magazine Best College Scores, National Ranks, and Western Illinois University-Macomb Peer Group Rankings			
Institution	Score	National Rank	Peer Group Rank
James Madison University	3.55	53	1
University of Northern Iowa	3.28	138	2
California State University-Chico	3.17	183	3
Central Washington University	3.13	202	4
Western Washington University	3.10	223	5
Montclair State University	3.03	269	6
University of Wisconsin-Whitewater	3.01	285	7
<b>Western Illinois University</b>	<b>2.99</b>	<b>300</b>	<b>8</b>
Appalachian State University	2.98	307	9
Sam Houston State University	2.94	352	10
Southern Illinois University Edwardsville	2.92	372	11
University of North Carolina at Wilmington	2.90	389	12
Eastern Illinois University	2.89	400	13
Western Kentucky University	2.89	400	13
Missouri State University	2.79	480	15
College of Charleston	2.71	536	16

- Western Illinois University is well positioned to decrease or limit net costs.

Adding a need-based component to Western Commitment Scholarships, awarding new and expanded scholarships, and applying only mission-driven, fiscally conservative cost increases will help decrease student reliance on loans, lower the net price of a Western Illinois University education, and consequently improve the University's status in national ranking systems.

Estimated Four-Year Net Price for a Baccalaureate Degree Fall 2014 New Freshmen		
Institution	Score	Rank
University of Wisconsin-Whitewater	\$82,428	1
Appalachian State University	\$82,907	2
University of North Carolina at Wilmington	\$83,365	3
Western Kentucky University	\$85,204	4
University of Northern Iowa	\$88,317	5
Missouri State University	\$89,891	6
Sam Houston State University	\$94,714	7
James Madison University	\$98,246	8
Southern Illinois University Edwardsville	\$99,670	9
Eastern Illinois University	\$102,441	10
<b>Western Illinois University</b>	<b>\$107,197</b>	<b>11</b>
Western Washington University	\$108,141	12
Central Washington University	\$109,399	13
College of Charleston	\$109,724	14
California State University-Chico	\$127,001	15
Montclair State University	\$135,499	16

Western Commitment Scholarship ACT ranges and award amounts were increased for fall 2015 first-time freshmen. The first scholarship values for 2015 are guaranteed merit awards and may go as high as the second reported value based on financial need.

Fall 2013 through Fall 2015 First-Time Freshmen Cohorts			
Fall 2013 and 2014 Cohorts		Fall 2015 Cohort	
ACT Score	Scholarship Values	ACT Score	Scholarship Values
32-36	\$10,000 + Room	30-36	\$10,000
29-31	\$3,000	27-29	\$3,000-\$7,000
25-28	\$2,000	24-26	\$2,500-\$6,000
22-24	\$1,000	20-23	\$2,000-\$5,000

In its *Fiscal Year 2014 Annual Report*, the Western Illinois University Foundation reported distributing over \$2.6 million in student scholarships. Including institution-based aid, more than \$4.8 million was awarded to over 4,200 WIU students during this time. Scholarship awards represented over 33% of the Foundation's total expenditures for the year. New contributions resulted in \$1.5 million to the endowment for scholarships, assistantships, research, and similar areas.

Western's new student all-costs (tuition, fees, room and board rate) increases were below the average increase in the Higher Education Price Index for the last four years, despite receiving state decreased appropriated funding during this time.

Comparison of Western Illinois University Cost Increases					
	Fiscal Year				
	2011	2012	2013*	2014	2015
Average Four-Year All-Costs Increase	1.5%	1.2%	1.2%	1.1%	0.8%
Average Four-Year Increase in the Higher Education Price Index	0.9%	2.6%	1.7%	1.9%	2.2%
One-Year Change in State Appropriations (operating)	(6.2%)	(1.2%)	(6.1%)	1.3%	(0.3%)

Maintaining affordability is important to a student-base that is price sensitive. Compared to an Illinois public university subset of competitor institutions where students are most likely to enroll if they do not choose Western, the University has the second highest percentage of students receiving need-based financial aid, the highest percentage of students engaged in employment and loans to finance their education, and the second highest average student loan amount.

Percentage of Student Receiving Need-Based Aid and Loans Academic Year 2013-2014	
<u>Need Based Aid</u>	
Illinois-Springfield	62%
<b>Western Illinois</b>	<b>57%</b>
Southern Illinois-Edwardsville	48%
Eastern Illinois	47%
Illinois State	38%

Percentage of Student Receiving Need-Based Aid and Loans Academic Year 2013-2014 -continued-	
<u>Self Help</u>	
<b>Western Illinois</b>	<b>68%</b>
Illinois-Springfield	61%
Eastern Illinois	59%
Southern Illinois-Edwardsville	57%
Illinois State	50%
<u>Loans</u>	
Illinois State	\$4,405
<b>Western Illinois</b>	<b>\$4,375</b>
Southern Illinois-Edwardsville	\$4,346
Illinois-Springfield	\$4,236
Eastern Illinois	\$4,178

- The value of a Western Illinois University education is one that prepares students for careers in their chosen fields, where they are compensated well and express high levels of job satisfaction.

Through the expression of academic excellence in their educational opportunities, Western Illinois University alumni in their first five years of employment earn an annual average salary (\$41,400) that is higher than the median average salary for alumni from the University’s national peer group (\$40,850).

Average Annual Salaries of Western Illinois University Alumni In the First Five Years of Employment		
	<u>Annual Earnings</u>	<u>Rank</u>
California State University-Chico	\$48,200	1
James Madison University	\$48,000	2
Southern Illinois University Edwardsville	\$44,200	3
Central Washington University	\$44,100	4
Western Washington University	\$42,700	5
Sam Houston State University	\$42,600	6
<b>Western Illinois University</b>	<b>\$41,400</b>	<b>7</b>
Montclair State University	\$41,100	8
University of Northern Iowa	\$40,600	9
University of Wisconsin-Whitewater	\$40,000	10
Western Kentucky University	\$39,200	11
Eastern Illinois University	\$38,400	12
University of North Carolina at Wilmington	\$38,300	13
Appalachian State University	\$38,000	14
College of Charleston	\$36,700	15
Missouri State University	\$36,400	16

Moreover, in the University’s last *Alumni Surveys* conducted one and five years after graduation, 67.4% of the one year alumni and 73.6% of the five-year alumni reported employment in positions either related or closely related to their degrees. Additionally, 82.1% and 93.1% of these respondents expressed being satisfied to highly satisfied with their current job.

## Western Illinois University December 19, 2014, Board of Trustees Meeting

Many of the reports and resolutions presented at the December 19, 2014, Western Illinois University Board of Trustees meeting support the advancement *Higher Values in Higher Education's* goals and priorities.

- *Report on Contributions* documents the University's success in private fundraising.
- *Enrollment, Retention and Graduation Rate Information* discusses institutional initiatives, accomplishments, challenges, and opportunities as the university community works to increase student enrollment, persistence, and graduation rates.
- *Fiscal Year 2015 Performance Report* summarizes the impact of strategic plan implementation by documenting whether university performance indicators are completed/maintained, progressing in the desired direction, showing no change, or moving in the opposite direction. University performance is also compared to results at benchmark institutions.
- *Western Illinois University-Quad Cities Campus Evaluation Visit by the Higher Learning Commission* is a mandatory visit as the University achieved strategic plan and master plan goals of closing the 60<sup>th</sup> Street Campus and promoting Riverfront to Western's branch campus designation in the Quad Cities.
- *Advising Implementation and Action Plan* reinforces the value of academic excellence and commitment to the individual learner.
- *Honorary Doctorate for Dr. Hyuk Jong Kim* represents the highest award Western Illinois University can bestow upon an individual who has made significant contributions to his/her career and to Western Illinois University.
- *Annual Presentation of Auditing Department Charter* illustrates institutional commitments to efficiency, transparency, accountability, and continuous process improvement.
- *Fiscal Year 2014 Master Plan Update* and *Facility Assessment Report* gives examples of how the University is working to enhance the student experience in facilities, grounds, and infrastructure through new construction, planning, and permanent improvements.
- *Long Term Planning Update* provides status reports on selected priorities from the University's 20-year plan.
- *International Union of Operating Engineers Local 399* supports university commitments to contractual agreements.

Following the Board meeting, the 1:30 ribbon cutting at the Agricultural Greenhouse supports university plans to support instructional and research facilities. The 3:00 dedication of the Brattain Lounge at the University Union honors the distinguished career of a Western Illinois University emeritus employee dedicated to the personal and professional success of the students that we serve.

Please contact me if you have any questions about the materials presented in this month's *Update*, and/or feedback for the continued successful advancement of *Higher Values in Higher Education*.

cc:	President Thomas	CSEC Pres. Mattson	Associate Provost Neumann
	Provost Hawkinson	COAP President Shoemaker	Associate Provost Parsons
	Vice President Bainter	Faculty Council Chair Pillutla	Assistant Vice President Williams
	Vice President Biller	Faculty Senate Chair Singh	Planning, Budget, and IR Staff
	Vice President DeWees	SGA Chairs Markey and Moreno	President's Office Support Staff