

Minnesota Measures



2014

Report on Higher
Education
Performance

MINNESOTA
OFFICE OF
HIGHER
EDUCATION

reach higher

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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Minnesota Measures

A REPORT ON HIGHER EDUCATION PERFORMANCE

Introduction

Minnesota Measures 2014 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
- Outcomes of College

A variety of data sources are utilized to cross check on the veracity of the data. The sources include data from national databases at the U.S. Department of Education and the U.S. Census Bureau as well as enrollment and financial aid

databases at the Office of Higher Education. Except for the data submitted directly to the Office of Higher Education from postsecondary institutions, all raw data are collected online from third party websites. The sources are identified with each data presentation. Data used are the most recently available at the time of production.

The Office of Higher Education organizes and designs templates of tables and graphs to enhance the understanding and interpretation of the findings. Producing a useful and high quality public resource is part of the mission of the Office of Higher Education. *Minnesota Measures* is in its sixth production and has seen improvements in the design, display and relevance of the data presented.

This year there are five new indicators: high school to college transitions, trends in full-time enrollment, enrollment of international students, tuition reciprocity and employment and earnings by level of educational attainment.

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

Overall, Minnesota high school students 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 and dual enrollment 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 2013.

Minnesota high school students had a four-year graduation rate of 78 percent in 2012. The rates varied by race/ethnic backgrounds. White students had high school graduation rates of 84 percent compared to 45 percent for American Indians, 51 percent for black and 53 percent for Hispanic public high school students.

Tracking the percent of Minnesota high school students who enroll in college shows 69 percent enrolled in a postsecondary institution within a year of their 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. In Minnesota, 90 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.

Minnesota's two- and four-year public institutions had among the highest published tuition and fees nationally. Not all undergraduates pay the published tuition and fees. Grants and scholarships reduced the published tuition and fees students paid by an average of \$4,346 for the 71 percent who received this aid. The average net tuition and fees students and families actually pay, however, were higher across all types of postsecondary institutions in Minnesota than national averages and close to peer states.

1 HIGH SCHOOL ACADEMIC PREPARATION AND COLLEGE READINESS

- » In 2012-2013, increasing numbers of high school students participated in Advanced Placement and dual enrollment courses.
- » Minnesota ACT test-takers posted the highest average composite score in the nation for the eighth consecutive year.
- » The 2012 high school graduation rate for students of color was 27 percentage points lower than the rate for white students. The high school graduation rate for students eligible for free/reduced price lunch was 19 percentage points lower than the rate 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.

According to data from the American Council on Education, nearly 5,600 Minnesotans passed the GED test in 2012. Minnesota's pass rate was 81 percent, ranking 17th 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 Minnesotans earned GED credentials.

Minnesota's Public High School Graduation Rate

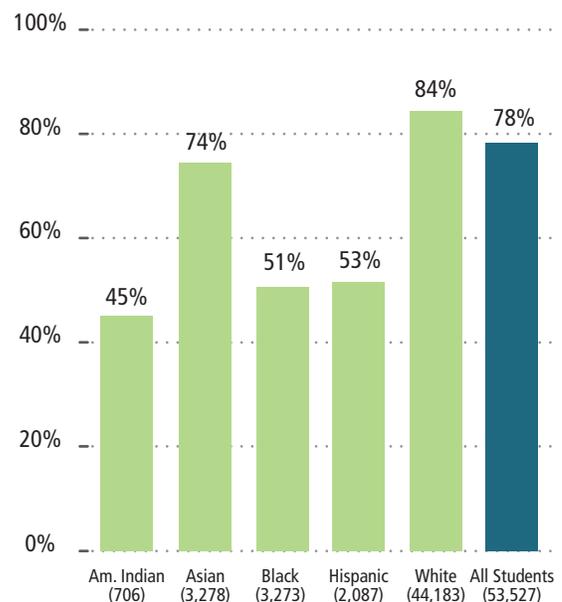
The 2012 four-year high school graduation rate for Minnesota public high schools was 78 percent (53,527 students). The graduation rate for white students was 84 percent (44,183 students) and 57 percent for students of color (9,344 students). Most groups graduated at higher rates compared to the preceding year, except for white students who graduated at the same rate.

Key populations graduated at lower rates. In 2012, the graduation rates were:

- 51 percent (2,327 students) for English language learners;
- 56 percent (5,130 students) receiving special education services; and
- 59 percent (13,115 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.

MINNESOTA PUBLIC HIGH SCHOOL GRADUATION RATES VARY BY RACE/ETHNICITY, 2012



Source: Minnesota Department of Education

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. Students take the science assessment in high school when they take a life science or biology course.

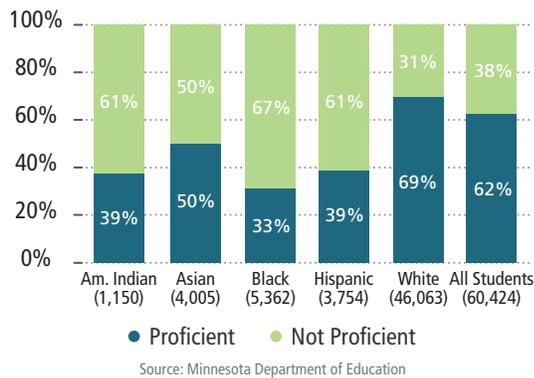
The statewide results of public high school students in 2013 indicated 62 percent were meeting the reading competency

standard set by the Minnesota Department of Education and 52 percent met the math standards. 2013 is the first year Minnesota's students took a new test based on more challenging reading standards. Due to this change, scores are not comparable across years. Grade 11 mathematics test results increased nine percentage points from last year. New standards in math were implemented in 2011 and comparisons to math results prior to 2011 should not be made.

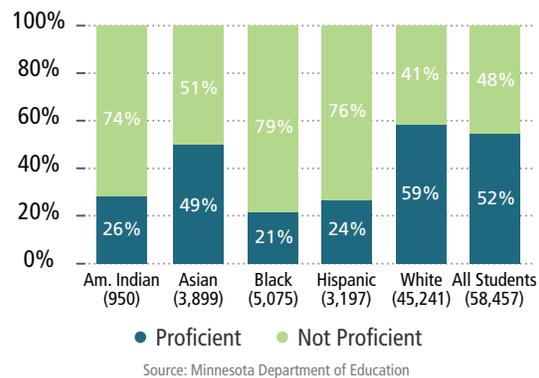
The results in math and reading also showed large achievement differences for lower-income students as indicated by free/reduced price lunch eligibility and students of color.

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 53 percent of high school students were

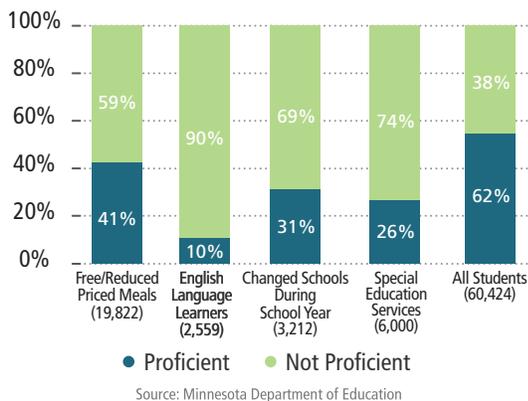
READING GRADE 10 PROFICIENCY VARIES BY RACE/ETHNICITY MINNESOTA PUBLIC SCHOOL COMPREHENSIVE ASSESSMENT, 2013



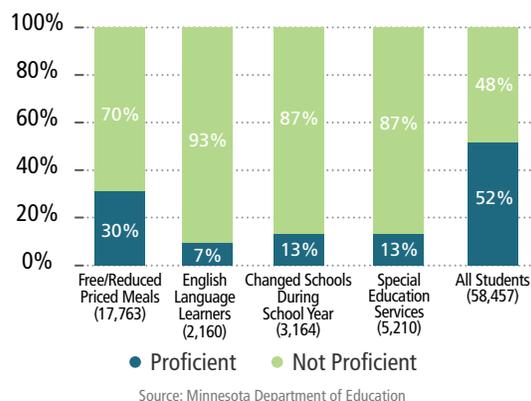
MATHEMATICS GRADE 11 PROFICIENCY VARIES BY RACE/ETHNICITY MINNESOTA PUBLIC SCHOOL COMPREHENSIVE ASSESSMENT, 2013



READING GRADE 10 PROFICIENCY BY SPECIAL POPULATIONS MINNESOTA PUBLIC SCHOOLS COMPREHENSIVE ASSESSMENT, 2013



MATHEMATICS GRADE 11 PROFICIENCY VARIES BY SPECIAL POPULATIONS MINNESOTA PUBLIC SCHOOL COMPREHENSIVE ASSESSMENT, 2013



proficient in 2013, reflecting a consistent increase in the percentage of proficient scores each year since 2008.

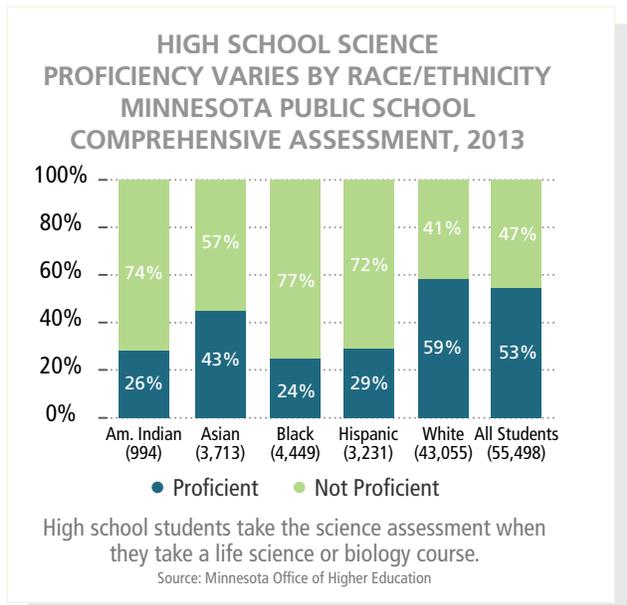
Advanced Placement Exams

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 lower-income backgrounds.

During the 2012-2013 school year, 38,772 Minnesota high school students took 64,709 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 4 percent from 37,364 in 2012 to 38,772 in 2013.
- The number of subject exams taken increased 4 percent from 62,023 in 2012 to 64,709 in 2013.
- Fifteen percent of test-takers were students of color. The number of students of color taking the exam increased 12 percent from the previous year from 5,169 in 2012 to 5,793 in 2013, as compared to white students, which increased 4 percent.
- AP exam scores of 3 to 5 were achieved on 42,031 exams, an increase of 3 percent from the previous year. Students usually receive college credit for scores of 3 to 5.



HIGH SCHOOL STUDENTS IN MINNESOTA OUTSCORED THE NATION IN THE ADVANCED PLACEMENT TEST, 2013

Race/Ethnicity	Minnesota			Nation	
	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	158	229	118	52%	46%
Asian	3,244	6,299	3,971	63%	69%
Black	1,316	1,959	775	40%	30%
Hispanic	1,075	1,728	878	50%	43%
White	31,276	51,871	34,770	67%	65%
Other	852	1,535	1,031	67%	59%
No response	851	1,088	488	45%	46%
All Students	38,772	64,709	42,031	65%	59%

Note: The number of Minnesota test-takers who were students of color increased 12 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

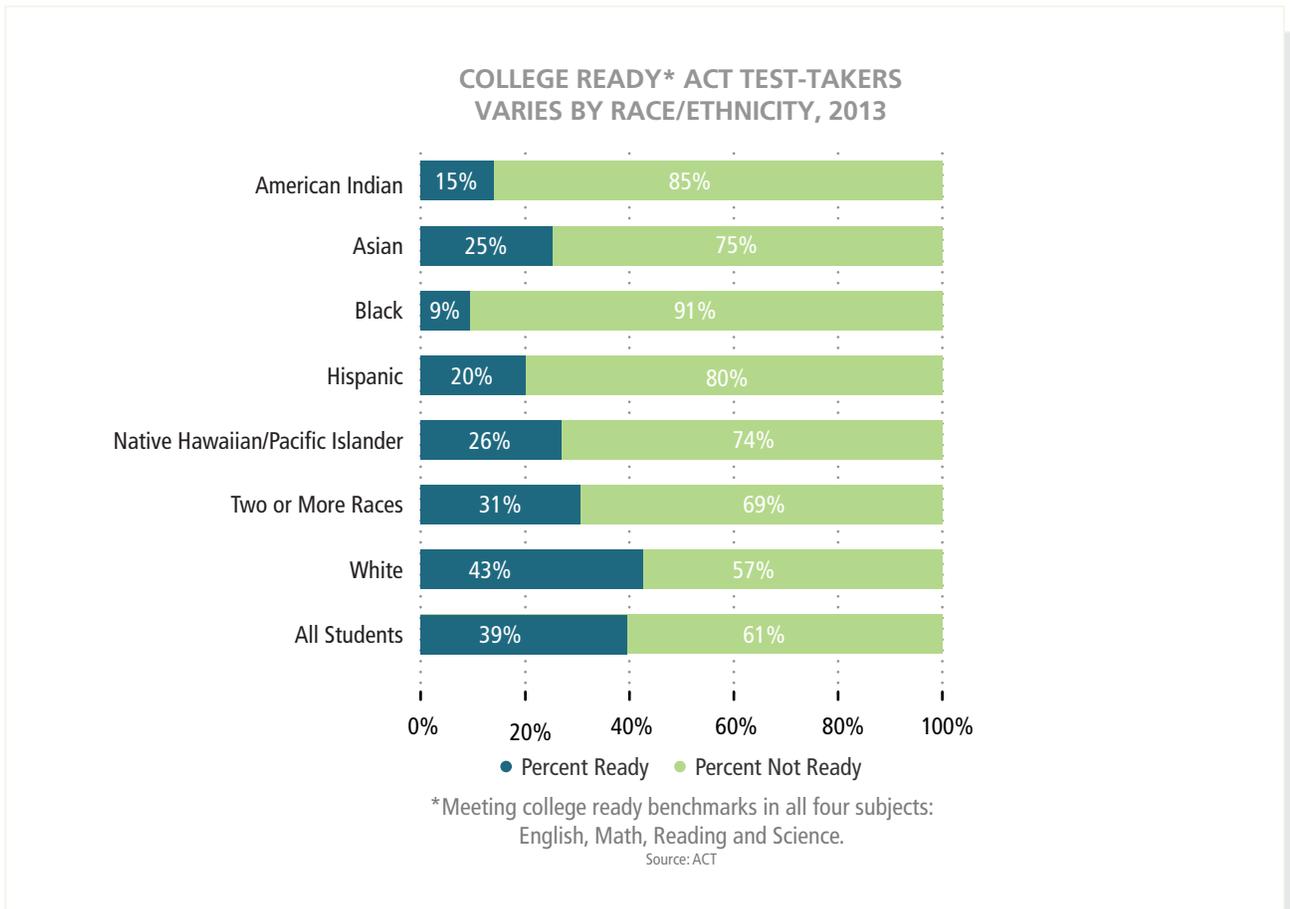
Results from the ACT college entrance exam provide another indicator of Minnesota high school students' college and workforce readiness. It is recognized that the knowledge and skills needed for college are equivalent to those needed in the workplace¹. Seventy-four percent of Minnesota's 2013 high school graduates took the ACT exam. In 2013 Minnesota's average composite score of 23 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 20.9 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 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-nine 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.

Dual Enrollment Programs

Dual enrollment programs allow high school juniors and seniors in Minnesota to enroll in college-level courses while still in high school. New Minnesota legislation allows eligible public school grade 10 students to enroll in one Career and Technical Education (CTE) course as identified by the Minnesota State College and University System. In order to be eligible, a grade 10 student must have taken the grade 8 MCA reading test and met the composite proficiency level of "meets or exceeds" and also meet the specific course requirements and pre-requisites of the college-level CTE courses(s) they wish to enroll in.



¹ ACT. (2006). *Reading Between the Lines: What the ACT Reveals About College Readiness in Reading*. Retrieved from http://www.act.org/research/policymakers/pdf/reading_summary.pdf

High school students can participate in dual enrollment programs 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 enrollment or “College in the High School”.
- Take courses offered online taught by a college instructor.

Dual enrollment programs provide students with a wide variety of college-level class offerings and the opportunity to pursue challenging coursework. Though private colleges participate in dual enrollment programs, the majority of high school students take courses offered through public postsecondary institutions. The number of high school students enrolled in college-level courses has doubled in the past 10 years.

MINNESOTA HIGH SCHOOL STUDENTS ENROLLED IN COLLEGE-LEVEL COURSES IS INCREASING, 2000-2012

Year*	Number of High School Students In College-Level Courses
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
2012	27,084

*Measured by fall enrollment in a Minnesota postsecondary institution.

Source: Minnesota Office of Higher Education

2 COLLEGE PARTICIPATION

- » In 2012, 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.

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.

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. The Minnesota Office of Higher Education's student enrollment database includes year of high school graduation, Minnesota high school of graduation and racial identity for new entering students. Where Minnesota high school graduates attend out of state are reported in the IPEDS Enrollment Survey. Identifying undergraduate state of residence is optional in odd-numbered years and do not include the racial identity of students in the IPEDS survey. For additional detail on participation rates, visit www.ohe.state.mn.us/participation.

Minnesota High School Graduates

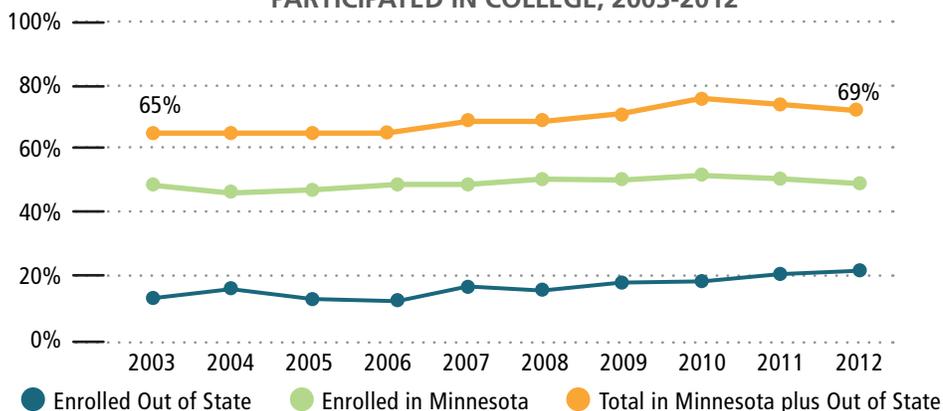
The college participation rate of recent high school graduates increased 13 percentage points from 56 percent in 1996 to 69 percent in 2012. The participation rate in Minnesota remained above the mid-60 percent range since 2002.

Of all 2012 Minnesota high school graduates:

- 48 percent attended a Minnesota postsecondary institution;
- 21 percent attended an out-of-state institution; and
- 31 percent did not attend college in the fall after graduating.

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 somewhat during the next decade; but will remain steady. Colleges relying primarily on recent high school graduates to fill their admissions classes may find the market competitive.

NEARLY 70 PERCENT OF HIGH SCHOOL GRADUATES IN MINNESOTA PARTICIPATED IN COLLEGE, 2003-2012



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

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. 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. 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.

College participation rates by race and ethnicity were available only for students attending Minnesota institutions. Since 21 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.

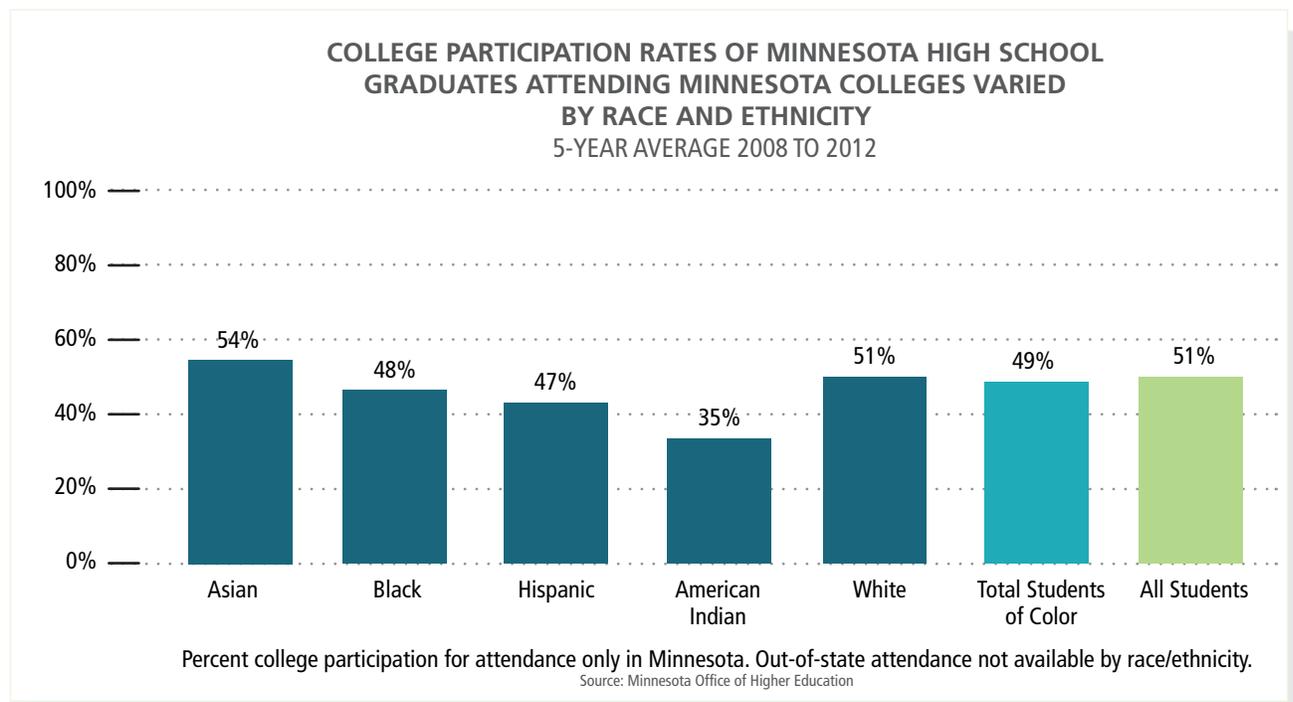
College participation rates should be considered in conjunction with each racial and ethnic group's high school graduation rate. While it might seem students of color have college participate rates similar to white students, there are large gaps in public Minnesota high school graduation rates by race and ethnic groups. Students who do not graduate from high school cannot be included in college participation rates. According to Minnesota Department of Education

data, the rate of public high school students graduating within four years in 2011-2012 was 84 percent for white students, 74 percent for Asian students, 53 percent for Hispanic students, 51 percent for Black students, and 45 percent for American Indian students.

In fall 2012, 5,557 students of color enrolled in Minnesota colleges who were recent Minnesota high school graduates compared to 5,253 five years earlier. The number of white students decreased 10 percent from 2008 to 2012. At 19 percent, the percent students of color graduating from Minnesota high school matched the percent of new entering students attending a Minnesota postsecondary institution; increasing from 16 percent five years earlier.

National Comparisons

Data provided by the U.S. Department of Education shows the national college participation rate between 1975 and 2011, increased from 51 percent to 68 percent. Even though college participation of immediate high school graduates have been increasing, national data shows an enrollment gap based on family income. In 2011, the immediate enrollment rate for high school completers from low-income families (52 percent) was 30 percentage points lower than the rate for completers from high-income families (82 percent). In each year between 1975 and 2011, the immediate college enrollment rates for high school completers from low- and middle-income families were lower than that of high school completers from high-income families. The 30 percentage point gap between the immediate enrollment rates of high school completers from high-income families and from low-income families in 2011 was not measurably different from the gap in 1975.



3 WHERE STUDENTS ATTEND COLLEGE

- » Of 2012 Minnesota high school graduates attending college, 70 percent chose a postsecondary institution in Minnesota.
- » Postsecondary institutions in states bordering Minnesota were popular choices for Minnesota high school graduates enrolling out of state.

College Choices by 2012 Minnesota High School Graduates

In 2012, of all Minnesota high school graduates enrolled in college, 70 percent chose to attend in Minnesota and 30 percent enrolled out of state.

Attending Minnesota Colleges

Of the Minnesota high school graduates attending in Minnesota, four-year institutions—state universities, private colleges, and the University of Minnesota—were the most popular type of institution attended by 59 percent of high school graduates.

4-YEAR INSTITUTIONS TOP CHOICE FOR MINNESOTA HIGH SCHOOL GRADUATES ATTENDING COLLEGE IN MINNESOTA, FALL 2012



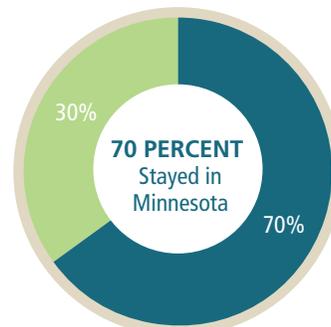
Top 10 Minnesota colleges shown.
Source: Minnesota Office of Higher Education

The University of Minnesota-Twin Cities campus enrolled the largest number of 2012 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:

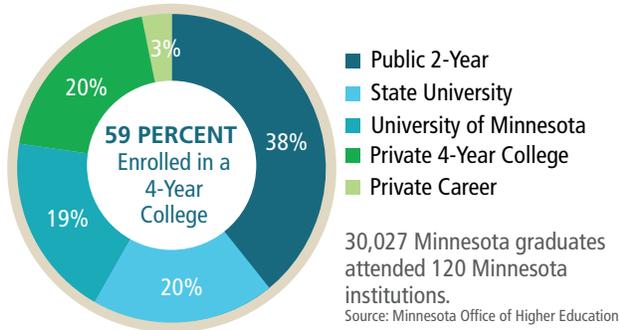
- 38 percent (11,378 students) enrolled at a Minnesota public two-year community or technical college;
- 20 percent (6,151 students) enrolled at one of seven state universities;
- 19 percent (5,657 students) enrolled at a Minnesota four-year private college;
- 20 percent (5,948 students) enrolled at one of the University of Minnesota campuses; and
- 3 percent (893 students) enrolled at a private career school in Minnesota.

MAJORITY OF 2012 MINNESOTA HIGH SCHOOL GRADUATES ATTENDING COLLEGE IN FALL 2012 STAYED IN MINNESOTA



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

2012 MINNESOTA HIGH SCHOOL GRADUATES STAYING IN MINNESOTA, FALL 2012

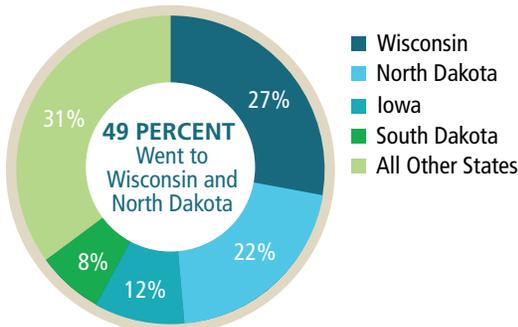


Attending Out of State

The most popular destinations for Minnesota high school graduates enrolling out of state were institutions located in states bordering Minnesota. Institutions in Iowa, North Dakota, South Dakota and Wisconsin enrolled 9,045 or 69 percent of Minnesota's 13,085 graduates enrolling out of state. North Dakota State University-Fargo enrolled the most 2011 and 2012 Minnesota high school graduates attending out of state. Many Minnesota residents take advantage of statewide tuition reciprocity agreements Minnesota has with Wisconsin, South Dakota and North Dakota.

Of the Minnesota high school graduates enrolling in out-of-state institutions not adjacent to Minnesota's border, attendance was scattered across the country. Institutions located in the Rocky Mountain region (Colorado, Montana, Utah and Wyoming) have been popular destinations for

INSTITUTIONS LOCATED IN BORDER STATES WERE TOP CHOICES FOR 2012 MINNESOTA HIGH SCHOOL GRADUATES ATTENDING COLLEGE OUT OF STATE, FALL 2012

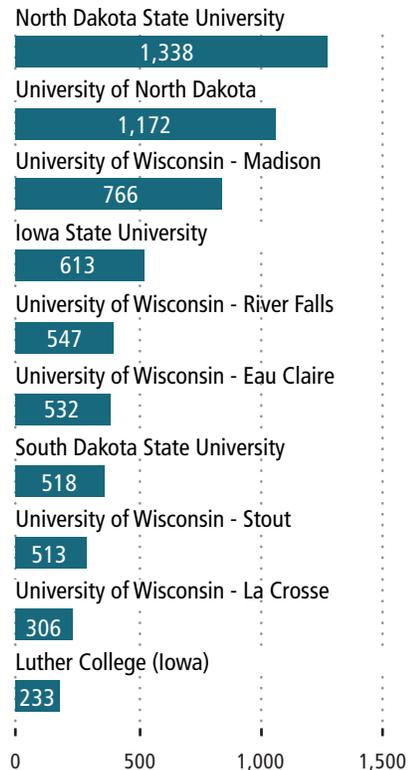


recent Minnesota high school graduates, followed by other institutions in the Midwest (Illinois, Indiana, Michigan and Ohio) and the Southwest region (Arizona) of the U.S.

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 attending public institutions in the other states. For more information visit www.ohe.state.mn.us/reciprocity.

BORDER STATE INSTITUTIONS WERE TOP CHOICE FOR 2012 MINNESOTA HIGH SCHOOL GRADUATES ATTENDING COLLEGE OUT OF STATE, FALL 2012



4 FAFSA FILING RATES FOR HIGH SCHOOL SENIORS

» In 2013, 58 percent of 2012-2013 Minnesota high school seniors completed a FAFSA.

One of the biggest barriers to accessing higher education is financing the rising costs of tuition and student fees. Compounding this problem is the reality that many future and currently enrolled college students do not annually apply for financial aid by completing the Free Application for Federal Student Aid (FAFSA). The two largest need-based grant programs for Minnesota undergraduates, the federal Pell Grant and the Minnesota State Grant, require the FAFSA to determine grant awards. Failure to complete the FAFSA prevents undergraduates from accessing these grant programs.

Statewide 58 percent of seniors completed the FAFSA; lower than the 70 percent of high school graduates enrolling in college in the fall following graduation. FAFSA completion measures the student's intent to enroll in postsecondary education after high school graduation and the student's knowledge of the college financing process. Among the economic development regions of Minnesota, region 6W; comprising Big Stone, Chippewa, Lac qui Parle, Swift and Yellow Medicine counties had the highest percentage of high school seniors (67 percent) completing the FAFSA.

FAFSA COMPLETION RATES VARIED FROM 54 TO 67 PERCENT BY LOCATION OF HIGH SCHOOL, 2013

Minnesota Economic Development Region	FAFSA Applications Completed as of November 2013	Grade 12 Enrollment 2012-2013	FAFSA Completion Rate November 2013
01	612	1,051	58.2%
02	483	899	53.7%
03	1,918	3,510	54.6%
04	1,582	2,656	59.6%
05	931	1,763	52.8%
06E	768	1,219	63.0%
06W	370	554	66.8%
07E	1,041	1,826	57.0%
07W	3,466	5,671	61.1%
08	848	1,426	59.5%
09	1,460	2,425	60.2%
10	3,345	6,031	55.5%
11	20,978	35,690	58.8%
Total	37,802	64,721	58.4%

Note: Only includes high schools reported by U.S. Department of Education of having one or more FAFSAs submitted in 2011-2012 or 2012-2013.

Source: U.S. Department of Education, Federal Student Aid Data Center, FAFSA Completions by High School, Minnesota 2013; Enrollment data, Minnesota Department of Education, 2013

Many students do not complete the FAFSA because they thought they were ineligible, lacked information on how to apply or did not want to take on debt (National Center for Education Statistics, 2008). One of the major communication efforts of the Minnesota Office of Higher Education is to

inform students and families about the FAFSA and financial aid resources and to assist students and families in completing the application.

FAFSA COMPLETION RATES VARIED BY STUDENT'S HIGH SCHOOL LOCATION, 2013

Minnesota County	FAFSA Applications Completed as of November 2013	Grade 12 Enrollment 2012-2013	FAFSA Completion Rate November 2013
Aitkin	77	155	49.7%
Anoka	2,509	4,159	60.3%
Becker	190	309	61.5%
Beltrami	282	535	52.7%
Benton	280	416	67.3%
Big Stone	42	74	56.8%
Blue Earth	449	706	63.6%
Brown	238	374	63.6%
Carlton	375	681	55.1%
Carver	887	1,360	65.2%
Cass	115	225	51.1%
Chippewa	108	149	72.5%
Chisago	390	573	68.1%
Clay	391	622	62.9%
Clearwater	57	100	57.0%
Cook	50	61	82.0%
Cottonwood	92	140	65.7%
Crow Wing	386	708	54.5%
Dakota	3,652	5,626	64.9%
Dodge	168	261	64.4%
Douglas	416	750	55.5%
Faribault	88	147	59.9%
Fillmore	112	186	60.2%
Freeborn	154	273	56.4%
Goodhue	333	572	58.2%
Grant	36	68	52.9%
Hennepin	7,174	12,865	55.8%
Houston	183	506	36.2%
Hubbard	81	164	49.4%
Isanti	196	408	48.0%
Itasca	273	472	57.8%
Jackson	62	122	50.8%
Kanabec	91	160	56.9%
Kandiyohi	245	391	62.7%

FAFSA COMPLETION RATES VARIED BY STUDENT'S HIGH SCHOOL LOCATION, 2013

Minnesota County	FAFSA Applications Completed as of November 2013	Grade 12 Enrollment 2012-2013	FAFSA Completion Rate November 2013
Kittson	34	58	58.6%
Koochiching	65	149	43.6%
Lac qui Parle	69	104	66.3%
Lake	53	111	47.7%
Lake of the Woods	24	37	64.9%
Le Sueur	109	188	58.0%
Lincoln	24	39	61.5%
Lyon	210	335	62.7%
Mahnomen	39	63	61.9%
Marshall	56	119	47.1%
Martin	149	263	56.7%
McLeod	291	442	65.8%
Meeker	158	248	63.7%
Mille Lacs	234	408	57.4%
Morrison	211	376	56.1%
Mower	212	468	45.3%
Murray	54	91	59.3%
Nicollet	111	180	61.7%
Nobles	143	256	55.9%
Norman	49	82	59.8%
Olmsted	1,085	1,749	62.0%
Otter Tail	348	593	58.7%
Pennington	98	143	68.5%
Pine	130	277	46.9%
Pipestone	82	133	61.7%
Polk	209	364	57.4%
Pope	49	81	60.5%
Ramsey	3,854	7,061	54.6%
Red Lake	30	50	60.0%
Redwood	122	204	59.8%
Renville	74	138	53.6%
Rice	431	898	48.0%
Rock	59	106	55.7%
Roseau	136	235	57.9%
Scott	971	1,510	64.3%
Sherburne	617	1,045	59.0%
Sibley	92	173	53.2%
St. Louis	1,025	1,881	54.5%
Stearns	1,260	2,132	59.1%
Steele	272	479	56.8%

FAFSA COMPLETION RATES VARIED BY STUDENT'S HIGH SCHOOL LOCATION, 2013

Minnesota County	FAFSA Applications Completed as of November 2013	Grade 12 Enrollment 2012-2013	FAFSA Completion Rate November 2013
Stevens	81	116	69.8%
Swift	55	96	57.3%
Todd	132	269	49.1%
Traverse	21	36	58.3%
Wabasha	111	178	62.4%
Wadena	87	185	47.0%
Waseca	137	244	56.1%
Washington	2,133	3,431	62.2%
Watonwan	87	150	58.0%
Wilkin	50	81	61.7%
Winona	310	496	62.5%
Wright	1,081	1,721	62.8%
Yellow Medicine	96	131	73.3%
Total	37,802	64,721	58.4%

Note: Only includes high schools reported by U.S. Department of Education of having one or more FAFSAs submitted in 2011-2012 or 2012-2013.

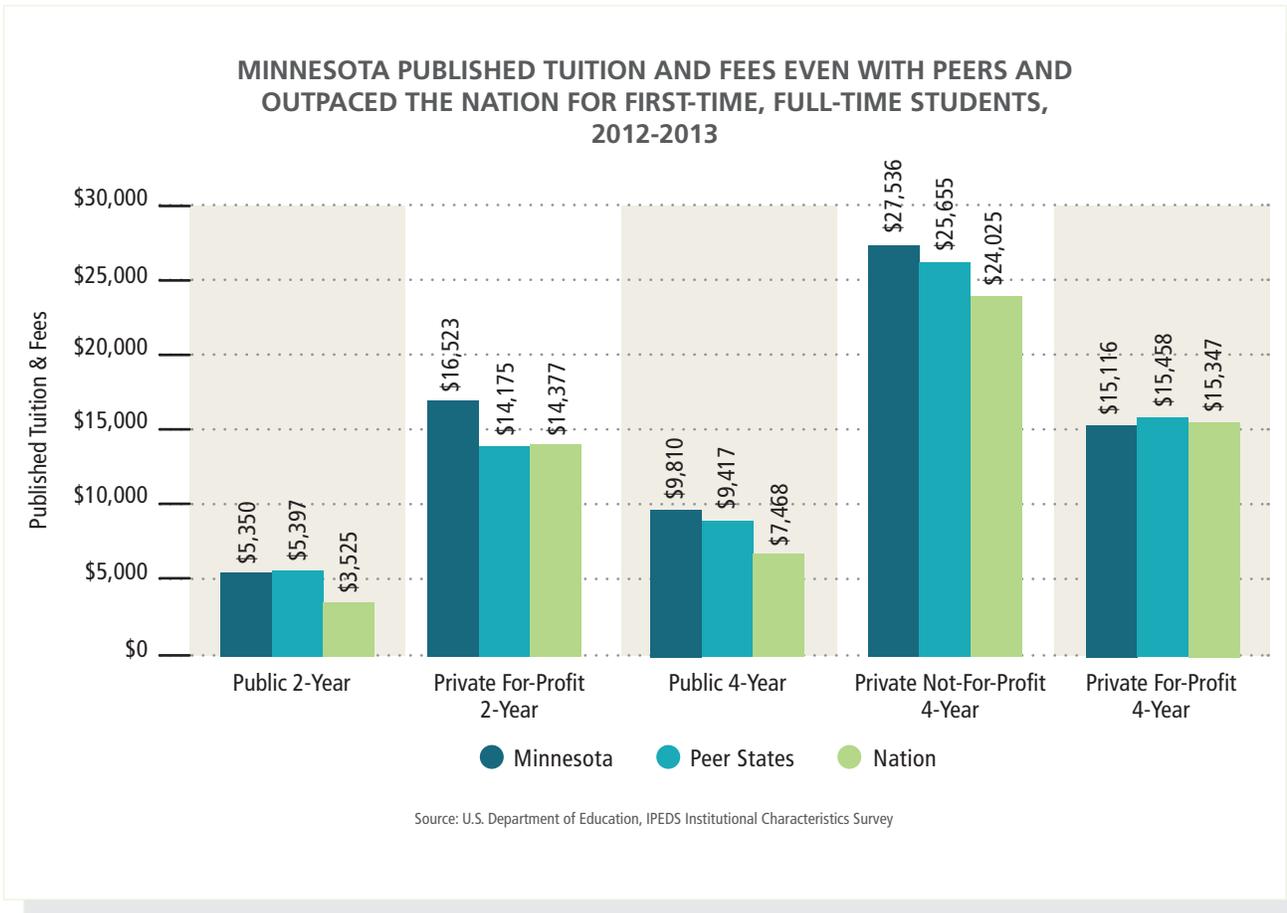
Source: U.S. Department of Education, Federal Student Aid Data Center, FAFSA Completions by High School, Minnesota 2013; Enrollment data, Minnesota Department of Education, 2013

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

» Minnesota published tuition and fees closer to peer states, but outpace national averages.

Published tuition and fees at postsecondary institutions are the list or “sticker” price charged before students receive 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. Institutions on the East Coast have higher tuition and fees than institutions in the southern and western states.

Among two-year institutions, the average published tuition and fees in 2012-2013 at Minnesota public two-year institutions was substantially higher (\$5,350) than the average tuition and fees in the nation (\$3,525). Minnesota tuition and fees were also higher at private for-profit two-year institutions: the average published tuition and fees was \$16,523 in Minnesota, compared to the peer states’ average of \$14,175 and the national average of \$14,377.

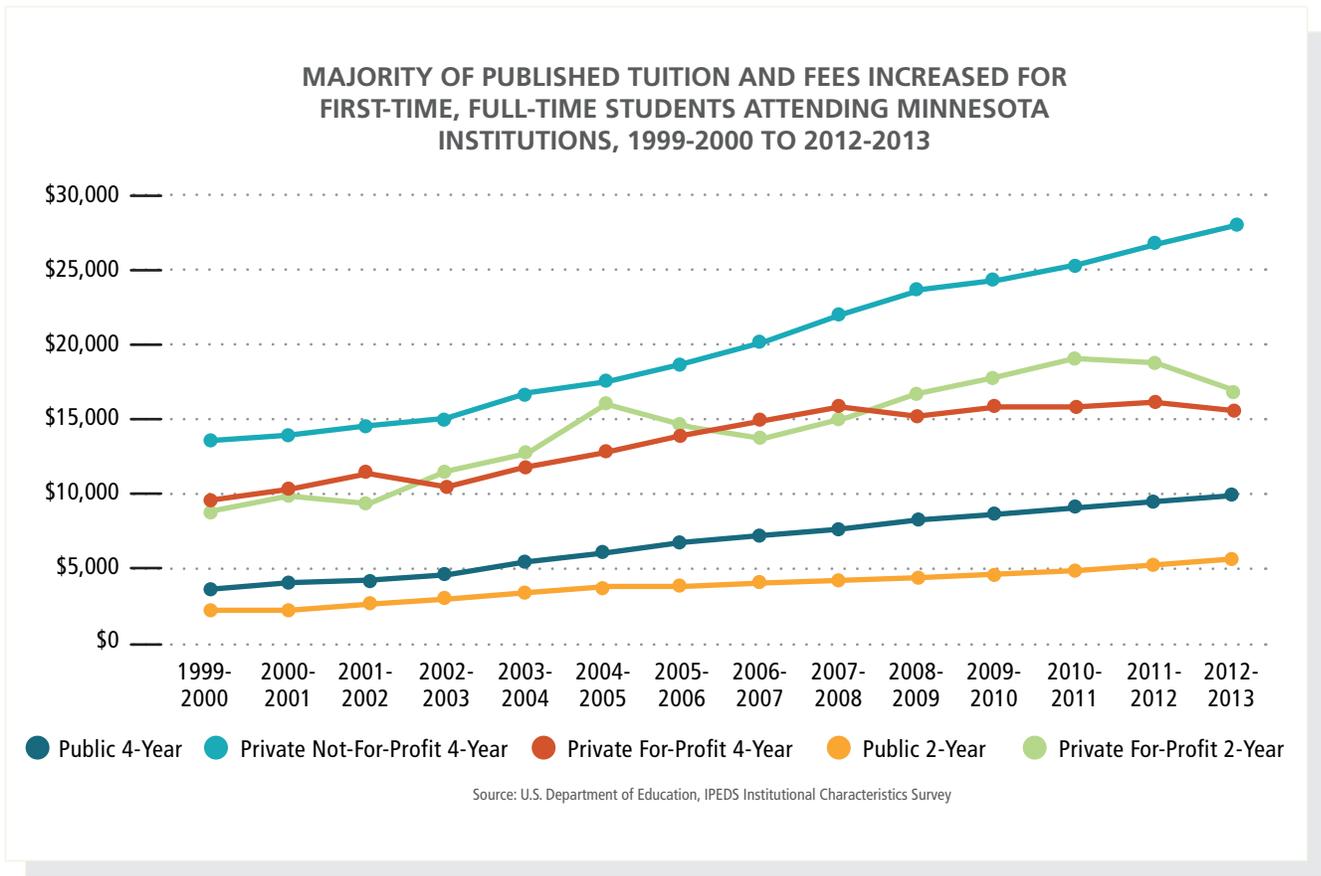


At Minnesota four-year institutions, published tuition and fees for public and private not-for-profit institutions exceeded the national average in 2012-2013. Among public four-year institutions, the average published tuition and fees was \$9,810 in Minnesota, which was slightly higher than in the peer states (\$9,417). The average published tuition and fees of private not-for-profit four-year institutions was \$27,536 in Minnesota, higher than both peer states (\$25,665) and the national average of \$24,025. Among private for-profit four-year institutions, the average published tuition and fees was \$15,116, similar to but less than peer states (\$15,458) and the national average of \$15,347.

private institutions. Analysis of data from the U.S. Department of Education, IPEDS Survey for the years 1999-2000 to 2012-2013 found that average published tuition and fees at public four-year institutions increased on average 8.2 percent annually, while private not-for-profit four-year institutions increased on average 6.0 percent annually. The rate of increase in average published tuition and fees at public two-year institutions rose an average of 6.7 percent annually. The rate of increase for private institutions was lower: 5.2 percent on average annually for private for-profit two-year institutions, 6.0 percent for private not-for-profit four-year institutions, and 3.8 percent on average annually for private for-profit four-year institutions.

Published tuition and fee rates have increased over time at Minnesota institutions. The fastest rates of growth in average published tuition and fees were at public institutions, although the dollar amount increases have been higher at

MAJORITY OF PUBLISHED TUITION AND FEES INCREASED FOR FIRST-TIME, FULL-TIME STUDENTS ATTENDING MINNESOTA INSTITUTIONS, 1999-2000 TO 2012-2013



6 FINANCIAL AID TO FIRST-TIME, FULL-TIME FRESHMEN

- » In Minnesota, 90 percent of first-time undergraduates attending full-time received financial aid to help pay the price of attendance in 2011-2012. Financial aid received includes grants, scholarships and loans.
- » Seventy-one percent of first-time, full-time freshmen received grants and scholarships.
- » Fifty-nine percent of first-time, full-time freshmen received student loan aid.

MAJORITY OF UNDERGRADUATES RECEIVED FINANCIAL AID, 2011-2012

Institution Type	Number of Students	% Receiving Any Student Aid
Public 2-Year	14,153	84%
State Universities	8,577	87%
University of Minnesota	8,284	84%
Private Not-for-Profit 4-Year	10,136	96%
Private For-Profit 4-Year	1,023	95%
Private For-Profit 2-Year	708	89%
Total	42,926	90%

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

two-year colleges received institutional grants, averaging \$970 per recipient. Ninety-three percent of students attending private not-for-profit four-year colleges, received institutional grants, averaging \$15,354 per recipient.

Student Loans

Unlike grants, student loans must be repaid when the student graduates or stops attending a postsecondary institution. Overall, 64 percent of first-time, full-time undergraduates received student loans from federal, state or private sources in 2011-2012 averaging \$7,388.

The percentage of first-time, full-time undergraduates receiving loans also varied by the type of institution attended. Fifty-nine percent of students attending public two-year institutions received loans averaging \$5,839 per recipient for the year. Eighty-six percent of students attending private for-profit four-year colleges received loans averaging \$9,810 per student for the year.

Non-federal loans, particularly private student loans, may have less favorable terms than federal loans. In Minnesota, non-federal or "other" loans include both state-sponsored Minnesota SELF loans and private student loans from banks or other lenders.

Overall, 13 percent of first-time, full-time undergraduates attending Minnesota postsecondary institutions in 2011-2012 received non-federal loans, and the average annual amount borrowed was \$8,107. Private for-profit four-year institutions had the highest percentage of students with non-federal loans; 23 percent of borrowers averaging \$9,759 per student.

Grants

During 2011-2012, 71 percent of first-time, full-time undergraduates attending Minnesota postsecondary institutions received grants to help pay the price of attendance. Grants, including need-based grants and merit-based grants or scholarships, do not have to be repaid. Most merit-based grants or scholarships are awarded to undergraduates by institutions or private organizations. Most state and federal grants are awarded based solely on students' family income.

Forty percent received federal grants, averaging \$4,346 per student. Thirty-seven percent of first-time, full-time freshmen received state grants, averaging \$2,045.

The percentage of first-time, full-time undergraduates receiving institutional grants varied substantially by type of institution. Institutional grants are financial aid given to students that is funded directly by the college of student's attendance. Five percent of students attending public

71 PERCENT OF MINNESOTA'S FIRST-TIME, FULL-TIME UNDERGRADUATES RECEIVED GRANTS, 2011-2012

Institution Type	Number of Students	% Receiving Any Grant Aid	% Receiving Federal Grant Aid	Average Federal Grant Aid	% Receiving State Grant Aid	Average State Grant Aid	% Receiving Institutional Grant Aid	Average Institutional Grant
Public 2-Year	14,153	63%	56%	\$4,026	43%	\$826	5%	\$970
State Universities	8,577	59%	33%	\$4,085	34%	\$1,914	28%	\$2,016
University of Minnesota	8,284	68%	25%	\$4,438	40%	\$2,832	57%	\$4,450
Private Not-for-Profit 4-Year	10,136	94%	31%	\$4,748	31%	\$3,355	93%	\$15,354
Private For-Profit 4-Year	1,023	82%	62%	\$4,459	40%	\$1,929	46%	\$2,417
Private For-Profit 2-Year	708	59%	52%	\$4,620	38%	\$1,315	8%	\$2,553
Total	42,926	71%	40%	\$4,346	37%	\$2,045	42%	\$4,205

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

64 PERCENT OF FIRST-TIME, FULL-TIME MINNESOTA UNDERGRADUATES RECEIVED STUDENT LOAN AID, 2011-2012

Institution Type	Number of Students	% Receiving Student Loans	Average Student Loans	% Receiving Federal Student Loans	Average Federal Student Loans	% Receiving Other Student Loans	Average Other Student Loans
Public 2-Year	14,153	59%	\$5,839	58%	\$5,576	3%	\$5,857
State Universities	8,577	71%	\$7,965	70%	\$5,672	21%	\$7,889
University of Minnesota	8,284	58%	\$7,337	57%	\$5,729	11%	\$9,168
Private Not-for-Profit 4-Year	10,136	69%	\$8,314	68%	\$5,916	21%	\$8,031
Private For-Profit 4-Year	1,023	86%	\$9,810	85%	\$7,220	23%	\$9,759
Private For-Profit 2-Year	708	70%	\$9,323	70%	\$6,782	20%	\$9,030
Total	42,926	64%	\$7,388	64%	\$5,784	13%	\$8,107

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

7 NET PRICE FOR FIRST-TIME, FULL-TIME FRESHMEN

- » Grants and scholarships reduced the price students paid by approximately \$4,400 at Minnesota public universities and by \$3,400 at Minnesota public two-year colleges in 2011-2012. As a result, net price for lower income students remained stable over the most recent three years.
- » Net price varied by income and institutional type in Minnesota and nationally.

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, personal expenses and books often exceed tuition and fees.

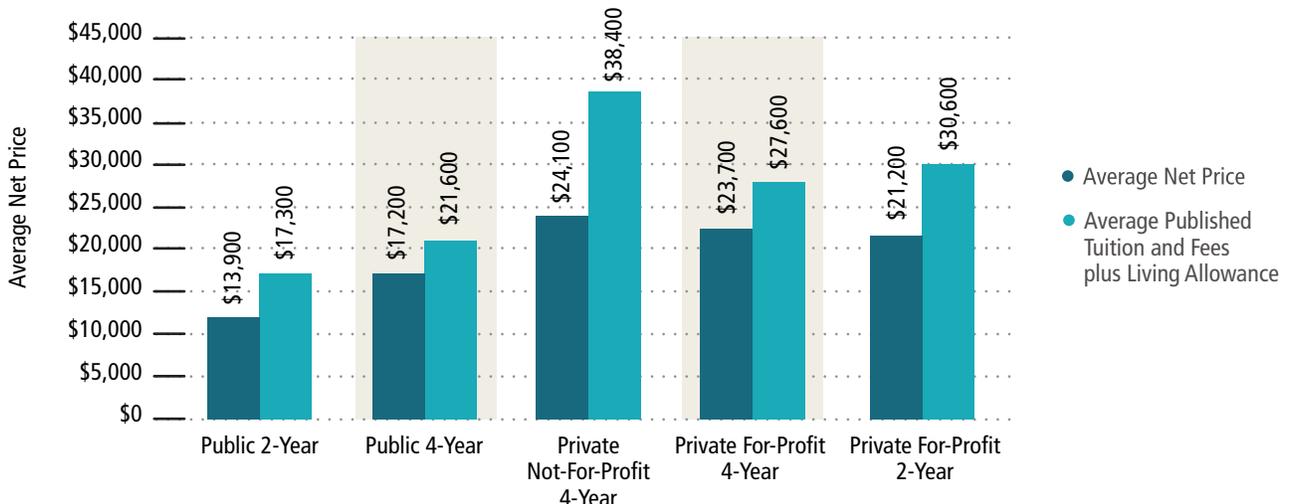
The best available method for evaluating college affordability is the “net price” paid by students and families. Net price reflects the out-of-pocket costs paid by students. The “net price” is calculated by subtracting the average amount of federal, state/local government and institutional grant or scholarship 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, 71 percent of first-time, full-time freshmen 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 2011-2012, the average net price at Minnesota institutions was:

- \$13,900 at public two-year institutions
- \$17,200 at public four-year institutions
- \$24,100 at private not-for-profit four-year institutions
- \$23,700 at private for-profit four-year institutions
- \$21,200 at private for-profit two-year institutions.

GRANTS AND SCHOLARSHIPS REDUCED PRICES PAID BY FIRST-TIME, FULL-TIME UNDERGRADUATES ATTENDING MINNESOTA INSTITUTIONS, 2011-2012



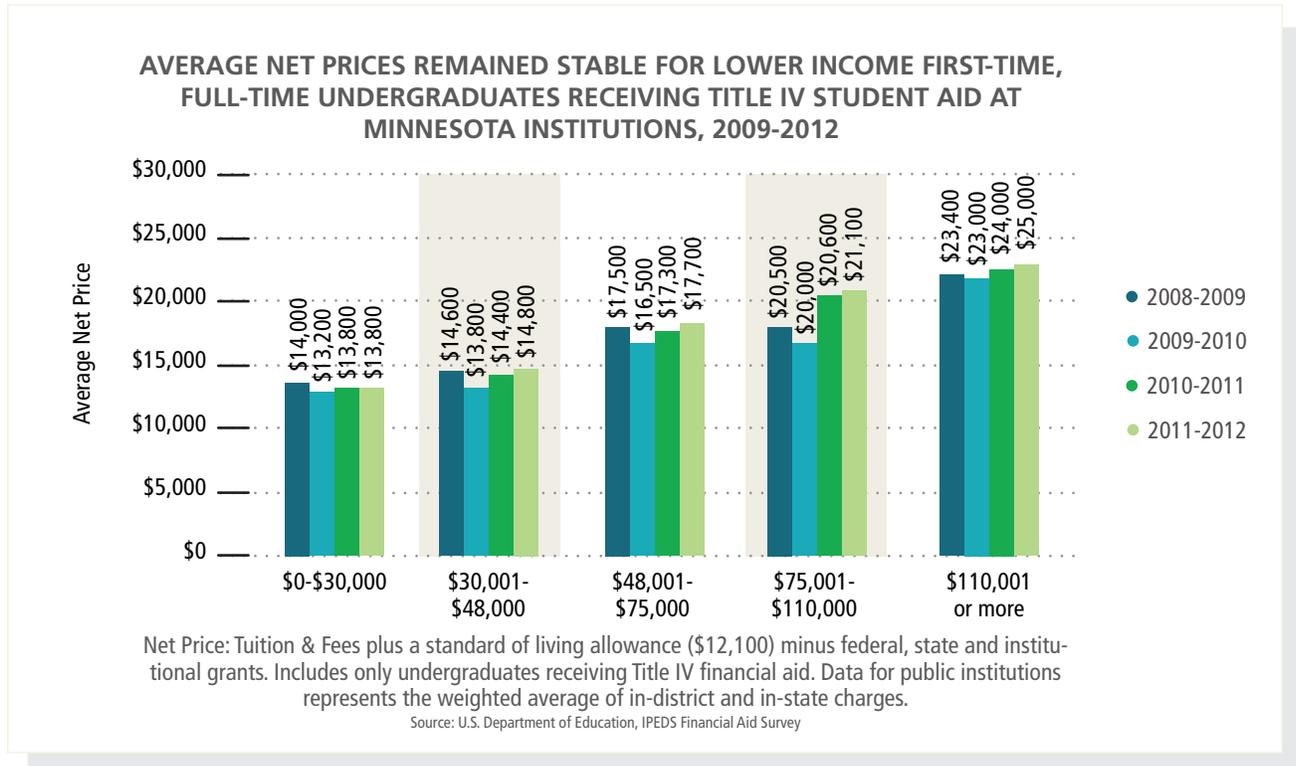
Net Price: Tuition & Fees plus a standard of living allowance (\$12,100) minus federal, state and institutional grants. Includes only undergraduates receiving Title IV financial aid. Data for public institutions represents the weighted average of in-district and in-state charges.

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

Net Price by Income

Estimated net prices paid to attend a Minnesota postsecondary institution increase as family incomes increase. Comparing the estimated average net price paid during the past four years, students from families with incomes of less than \$30,000 had a net price of \$13,800 in 2011-2012, which

was approaching the net price of \$14,000 in 2008-2009. At family incomes of \$110,001 or more, the net price in 2011-2012 was \$25,000 and was higher than the net price of \$23,400 in 2008-2009.



Comparisons of Affordability: Minnesota, Peer States and the Nation

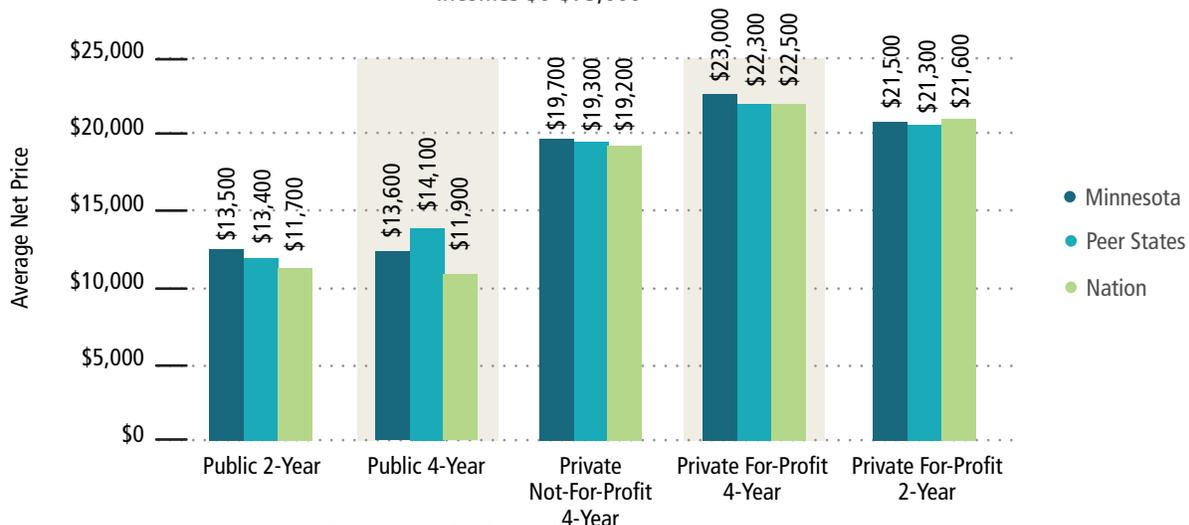
Lower income students are the focus of affordability policies at the state and federal level. Policies regarding who is eligible to receive a grant or scholarship vary greatly by institution type and state. Minnesota students from families with incomes of less than \$75,000 are eligible to receive federal 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 2011-2012 for undergraduates

attending Minnesota institutions was approximately \$13,500 at both public two-year and four-year institutions, as compared to peer states (\$13,400; \$14,100) and the nation (\$11,900; \$11,700). At Minnesota private not-for-profit four-year institutions, net price of \$19,700 for students from lower-income families was slightly higher than similar institutions in peer states (\$19,300) and the nation (\$19,200). Students from lower-income families at Minnesota private for-profit institutions experienced comparable net price at two-year and four year institutions (\$21,500; \$23,000) as compared to peer states (\$21,300; \$22,300) and the nation (\$21,600; \$22,500).

NET PRICE VARIED BY INSTITUTION TYPE WHEN COMPARED TO PEERS AND NATION FOR FIRST-TIME, FULL-TIME UNDERGRADUATES RECEIVING TITLE IV FINANCIAL AID, 2011-2012

Incomes \$0-\$75,000



Net Price: Tuition & Fees plus a standard of living allowance (\$12,100) minus federal, state and institutional grants. Includes only undergraduates receiving Title IV financial aid. Data for public institutions represents the weighted average of in-district and in-state charges.

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

Net Price by Institution Type

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

Public Institutions

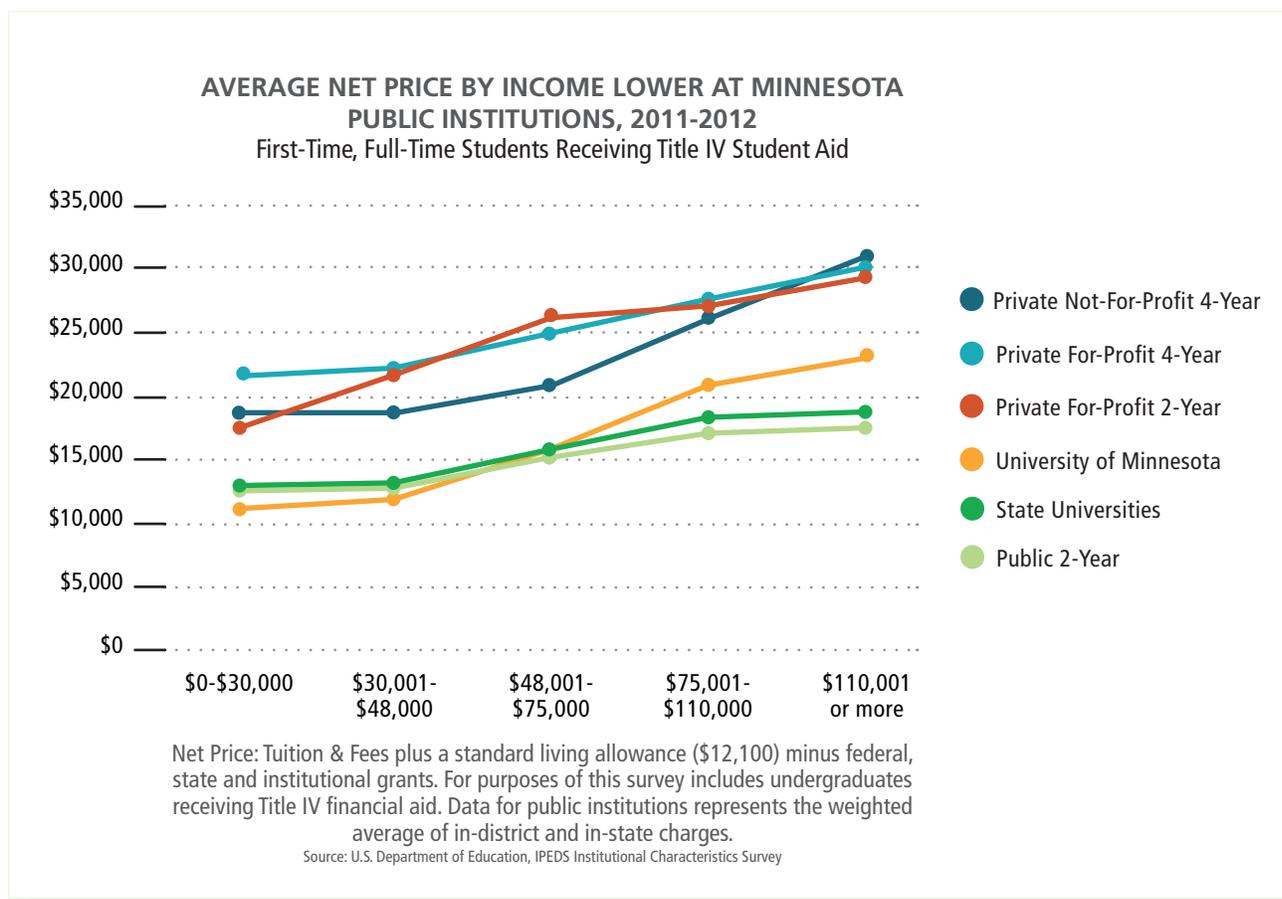
For family incomes of \$30,000 or lower, the lowest estimated net price for students attending Minnesota public institutions in 2011-2012 was at the University of Minnesota (\$10,900) as compared to public two-year institutions (\$12,300) or state universities (\$12,300). The University of Minnesota's low net price resulted from larger institutional grant aid 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 2011-2012 were public two-year institutions (\$17,000) as compared to the University of Minnesota (\$22,500) or state universities (\$18,800).

Private Institutions

For family incomes of \$30,000 or lower, the lowest estimated net price for students attending Minnesota private institutions in 2011-2012 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. For family incomes of \$110,000 or more, the lowest estimated net price in 2011-2012 was at private for-profit two-year institutions (\$29,300) as compared to private for-profit four-year institutions (\$29,900) and private not-for-profit four-year institutions (\$30,800).



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 25 and older. At four-year institutions most undergraduates attended full time and were age 24 and younger. At two-year institutions half of the undergraduates attended part-time and were age 25 and older. Over the past decade the share of undergraduates of color has increased. However, students of color do not attend two-year institutions part-time at the same percentages compared to white students. Women comprised the majority of all undergraduates across all racial/ethnic groups within the state.

At four-year institutions in Minnesota between fall 2010 and 2012, 80 percent of freshmen returned to the same institution for their sophomore year, above the peer state and national averages. The number of Minnesota undergraduates (11 percent) transferring between institutions has more than doubled during the past decade. 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.

New data shows 78 percent of Minnesota public high school graduates enrolled in a postsecondary institution within two years of graduation. Sixty percent of them completed an associate or bachelor's degree within six years.

Minnesota students continue to avail themselves of study abroad programs. Almost 10,000 Minnesota students participated in a study abroad program.

Paying for College

Undergraduate tuition and fee rates at Minnesota postsecondary institutions continue to increase faster than Minnesota personal income and inflation for the past decade.

Undergraduates attending in Minnesota received \$3.2 billion in financial aid in 2011-2012. Students and families borrowed \$1.3 billion in educational loans and received \$1.4 billion in grants.

Minnesota residents have increasingly participated in tuition reciprocity opportunities. Tuition reciprocity lowers the cost of Minnesota residents attending out-of-state institutions. More than 29,000 Minnesota residents enrolled in reciprocity institutions in Wisconsin, North Dakota, South Dakota, Iowa and Manitoba.

1 UNDERGRADUATE ENROLLMENT PROFILE

- » In fall 2012, undergraduates represent 69 percent of all Minnesota postsecondary students.
- » 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 fall 2012, Minnesota postsecondary institutions enrolled 453,107 students and 69 percent, or 311,597 students, were undergraduates. Undergraduate enrollment decreased two percent, or 5,237 students, from fall 2011 to fall 2012. In fall 2012, the majority, 86 percent (269,346 students), of undergraduates attending Minnesota postsecondary institutions were Minnesota residents.

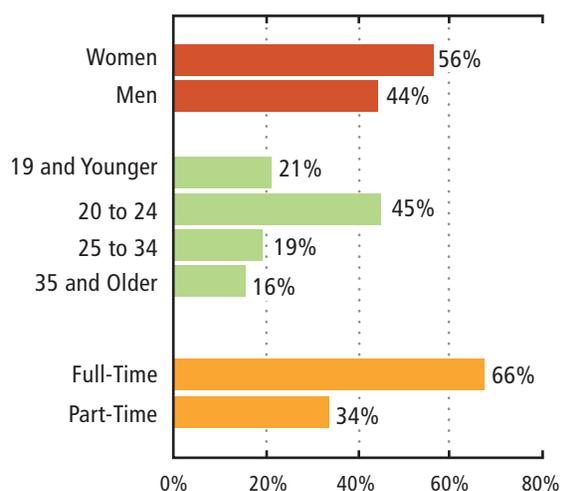
Note: Undergraduate data in this section does not include high school students who dual-enroll in a high school and a postsecondary institution.

Patterns of Enrollment

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

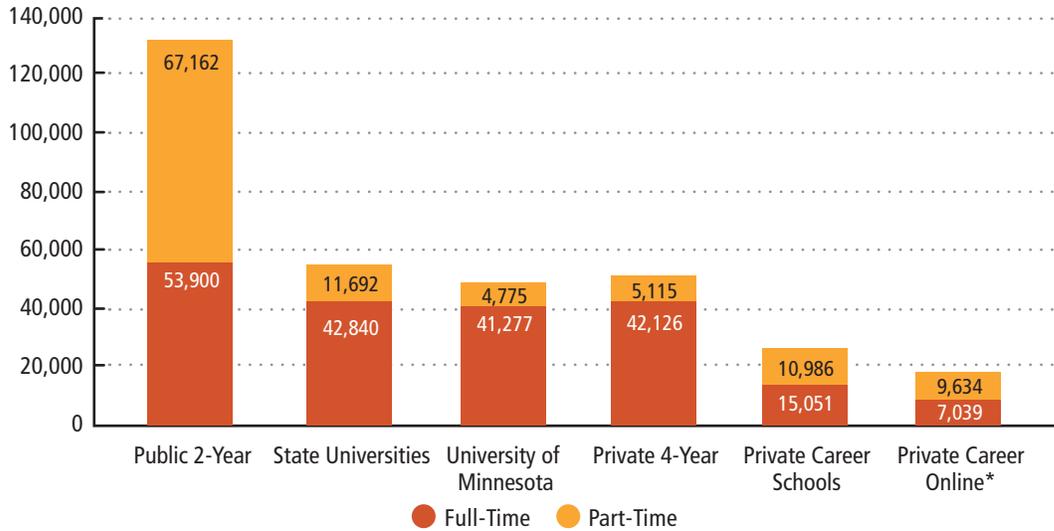
- Sixty-three percent of undergraduates are age 24 and younger and are concentrated at four-year institutions. Undergraduates age 24 or younger are 75 percent of undergraduates at state universities, 85 percent at private colleges, and 88 percent at the University of Minnesota. Undergraduates age 24 and younger tended to enroll directly from high school and 78 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, 60 percent of enrollments at private career schools and 93 percent of enrollments at private career online schools. Undergraduates age 25 and older tended to be working adults and across all institution types; 65 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 than students age 24 and younger. Undergraduates age 24 and younger were more likely to enroll full time.

MOST MINNESOTA UNDERGRADUATES WERE FEMALE, AGE 24 OR YOUNGER AND ATTENDED FULL TIME, FALL 2012



Source: Minnesota Office of Higher Education

MOST UNDERGRADUATES ATTENDING MINNESOTA 4-YEAR INSTITUTIONS ENROLLED FULL TIME, FALL 2012



*Capella and Walden Universities report their nationwide enrollment.

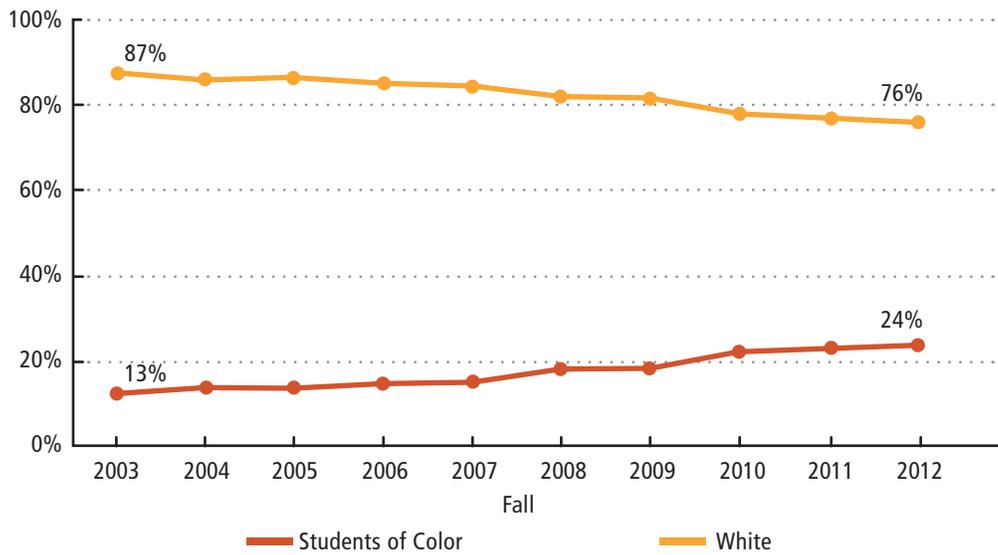
Source: Minnesota Office of Higher Education

Enrollment Patterns by Race and Ethnicity

Enrollment by students of color has grown by 11 percentage points over the past ten years, from 13 percent to 24 percent. During that same period, the percentage of White

students decreased by 11 percentage points. Women comprised the majority of undergraduates across all racial groups from fall 2003 to fall 2012.

UNDERGRADUATE STUDENTS OF COLOR WERE AN INCREASING SHARE OF MINNESOTA UNDERGRADUATE ENROLLMENT, FALL 2003 TO FALL 2012



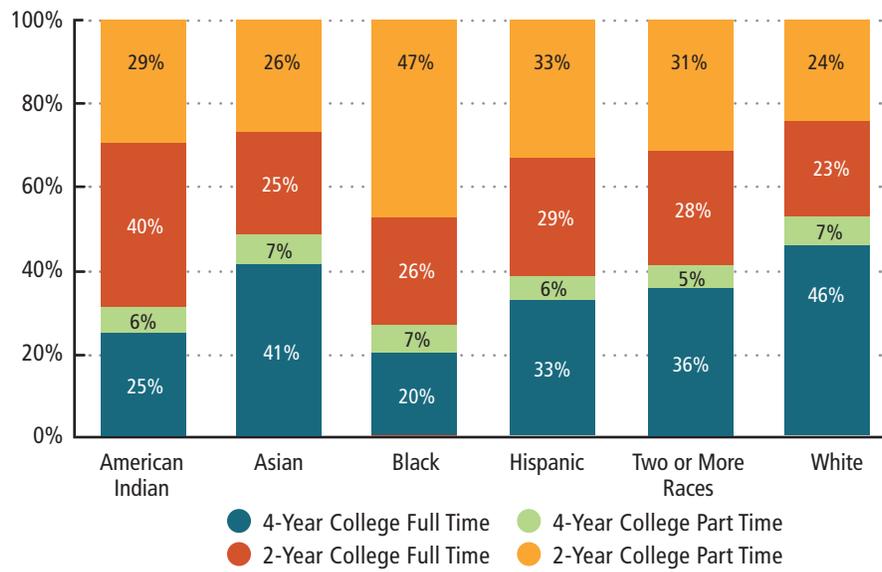
Source: Minnesota Office of Higher Education

Institution Types Attended Varied by Race and Ethnicity

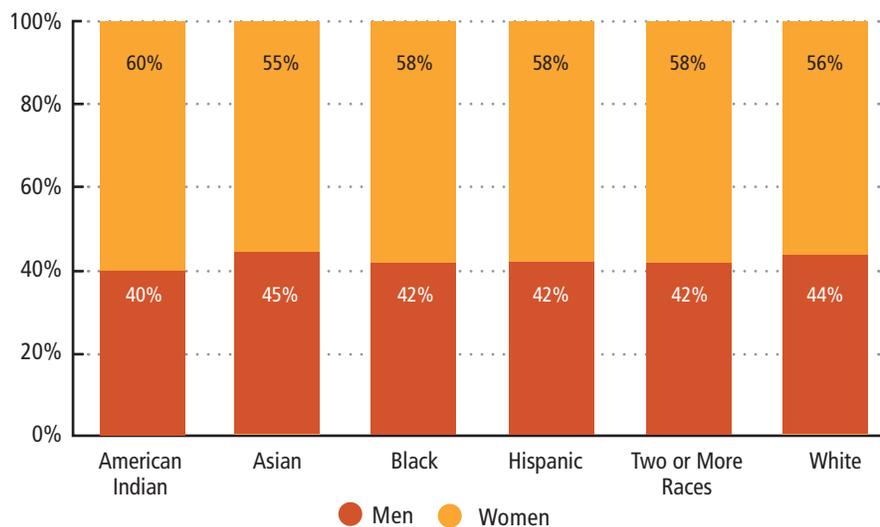
In fall 2012, undergraduates of color enrolled part time at two-year institutions in higher percentages than White undergraduates. Black, Hispanic and American Indian students attended two-year institutions at rates higher than

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.

UNDERGRADUATES OF COLOR ENROLLED IN MINNESOTA 2-YEAR COLLEGES IN HIGHER PERCENTAGES THAN WHITE STUDENTS, FALL 2012



WOMEN WERE THE MAJORITY OF MINNESOTA UNDERGRADUATES ACROSS ALL RACE/ETHNIC GROUPS, FALL 2012

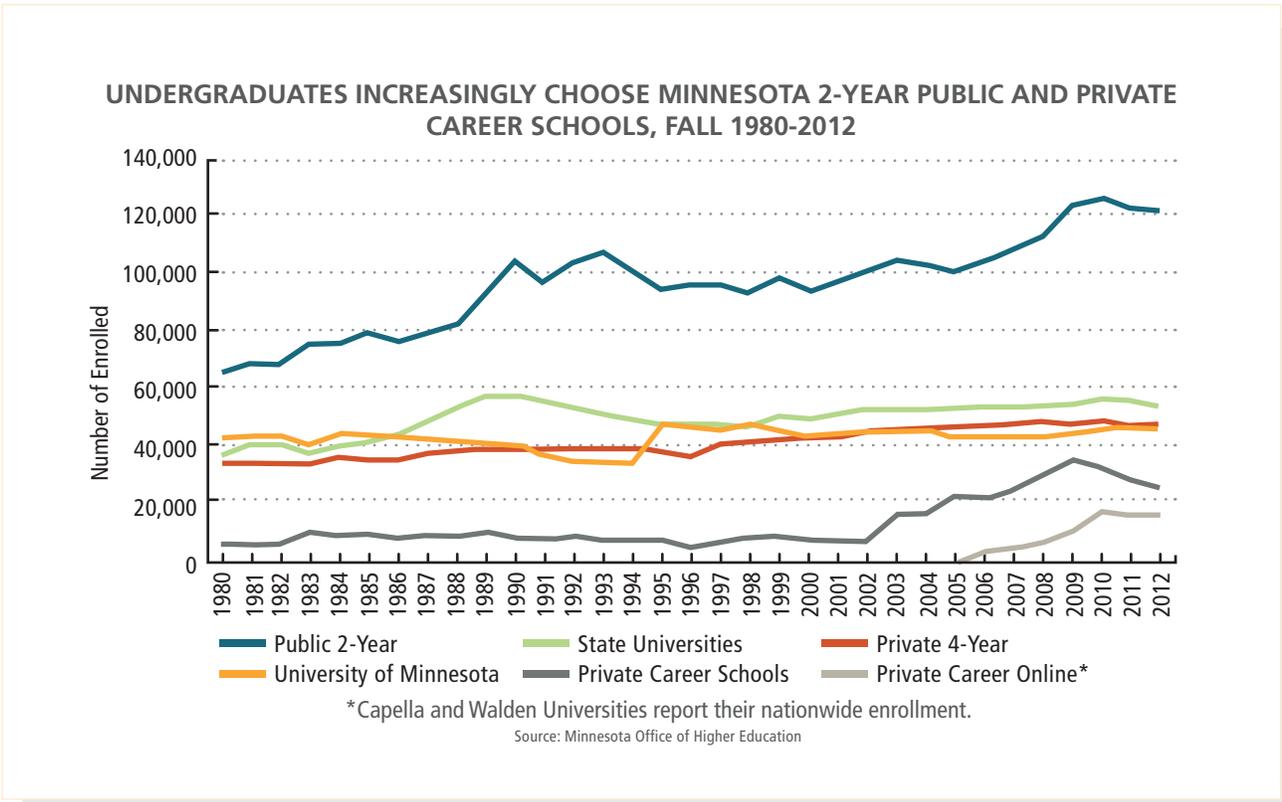


2 UNDERGRADUATE ENROLLMENT TRENDS

- » 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, enrollments of undergraduates age 25 and older increased 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 20

percent. Enrollments increased three percent at four-year institutions (University of Minnesota, State Universities and private four-year colleges) during the past decade.

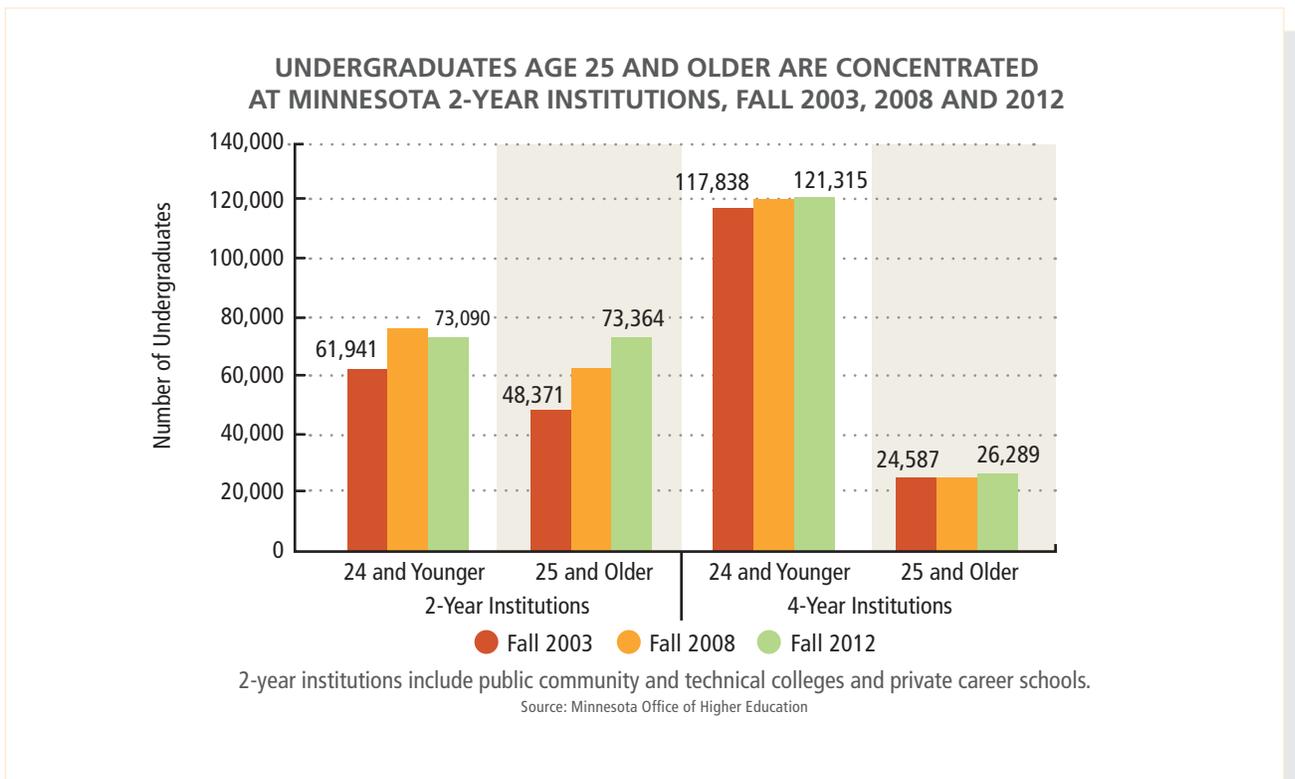


Enrollment Patterns by Age

The total number of undergraduates age 24 and younger increased 8 percent during the past ten years while the number age 25 and older increased 37 percent during this time.

At two-year institutions, undergraduates age 25 and older contributed to the majority of undergraduate enrollment growth during the past decade; increasing 52 percent compared to 18 percent for undergraduates age 24 and younger. By fall 2012 about 50 percent of undergraduates were age 25 and older.

At four-year institutions, 82 percent of students are age 24 and younger. There were nearly twice as many undergraduates age 24 and younger enrolled at four-year than at two-year institutions. Undergraduates age 25 and older enrolled at four-year institutions at one-third the numbers of two-year colleges.



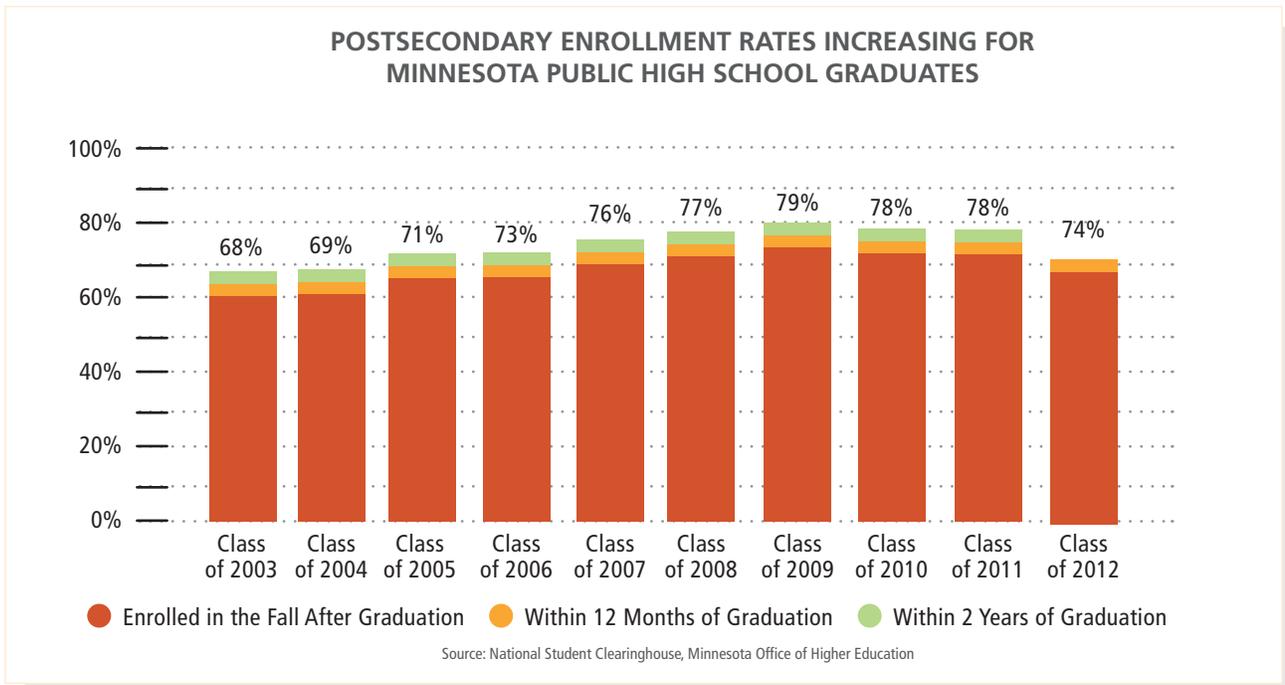
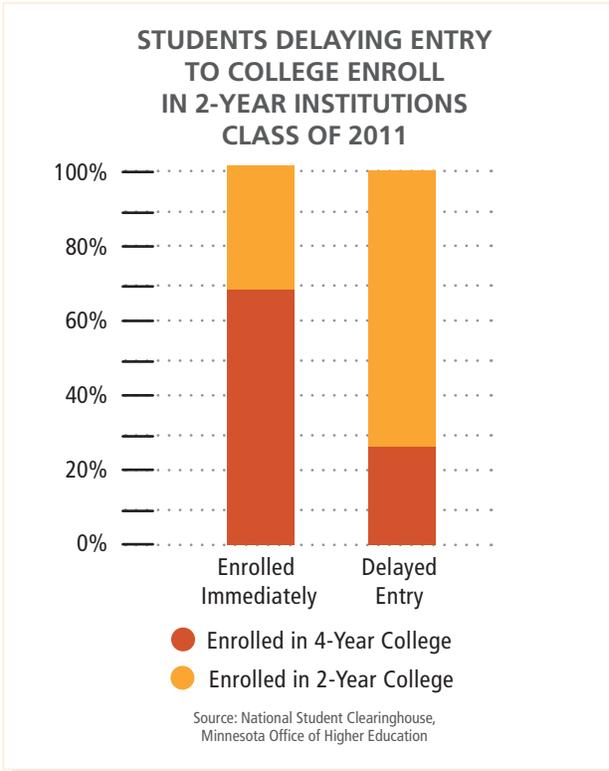
3 HIGH SCHOOL TO COLLEGE TRANSITIONS

- » 78 percent of Minnesota public high school graduates enrolled in a postsecondary institution within two years of high school graduation. Postsecondary enrollment rates are increasing.
- » 60 percent of Minnesota public high school graduates enrolling in a postsecondary institution completed an associate or bachelor's degree within six years.

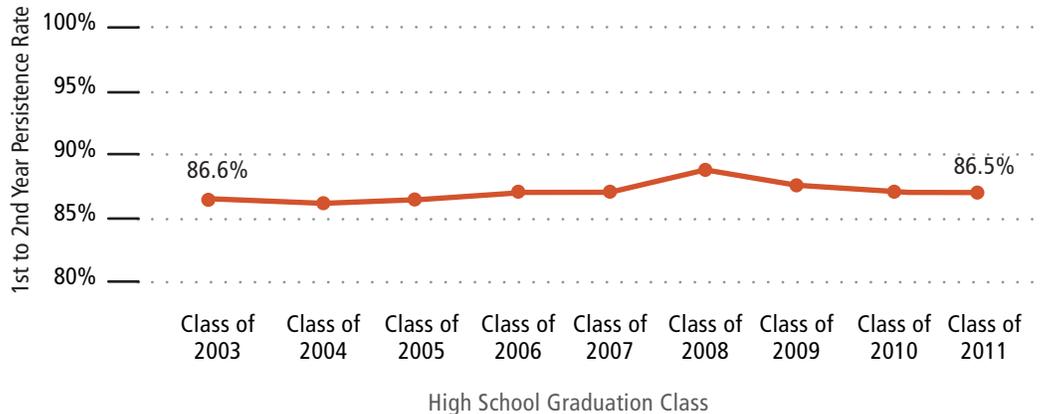
Between 2003 and 2011, the percent of Minnesota public high school graduates enrolling in postsecondary education within two years after high school graduation increased from 68 percent to 78 percent. Enrollment rates for the graduating class of 2012 will likely exceed 79 percent after enrollment data from 2013-2014 is included. Of those enrolling, 64 percent enrolled at a four-year institution.

Approximately eight percent of high school graduates wait six months (one semester) to one year before enrolling in college. Students who delayed entry into college enrolled in a four-year college at lower rates (28 percent) compared to those students enrolling immediately in fall (68 percent). Delayed entry into college is associated with a lower likelihood of completing a college certificate or degree, especially a bachelor's degree. A recent study of Texas high school graduates' enrollment activity determined students with lower levels of academic achievement, parental educational attainment and income were more likely to delay enrollment to college¹.

¹Niu, S., & Tienda, M. (2013). Delayed Enrollment and College Plans: Is There a Postponement Penalty? *The Journal of higher education*, 84(1), 1-26.



NO CHANGE IN POSTSECONDARY PERSISTENCE FOR RECENT MINNESOTA PUBLIC HIGH SCHOOL GRADUATES



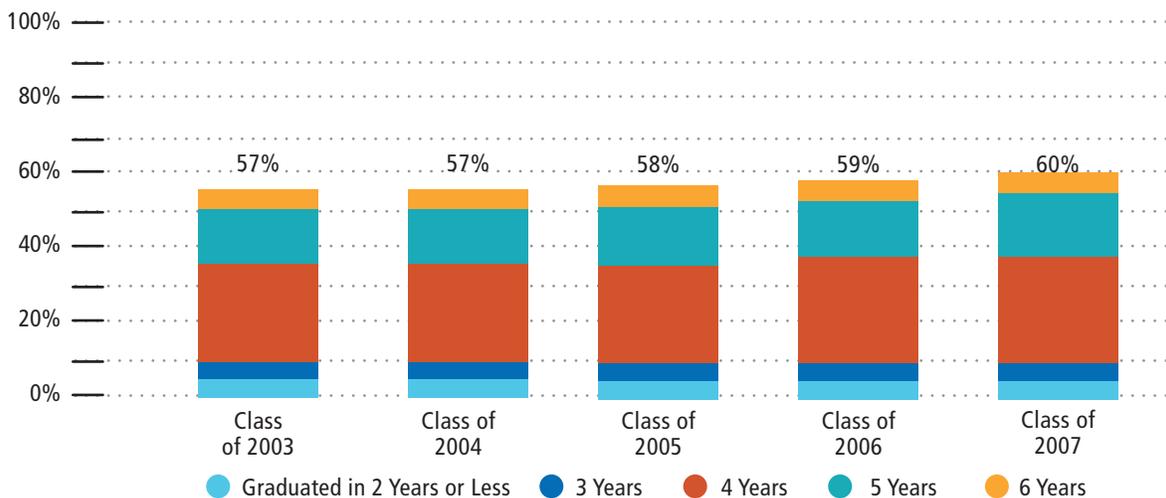
Source: National Student Clearinghouse, Minnesota Office of Higher Education

Of those high school graduates entering college, approximately 87 percent continued in college after the first year. This rate did not change over the last ten years.

Of the 2007 high school graduates entering college, 60 percent completed an associate or bachelor's degree within six years of postsecondary enrollment. This is an increase of 3 percentage points compared to the 2003 high school graduates. Recent research estimated that 70 percent of Minnesota jobs will require postsecondary education and

training by 2020. A high percentage of Minnesota's population aged 25-34 earned an associate degree or higher (51 percent). In addition, an estimated 10 to 13 percent earned a postsecondary non-degree certificate. This positions Minnesota well with regard to workforce development. Minnesota's high educational attainment reflects the ability of Minnesota's educational system to graduate students from high school, transition students from high school to postsecondary education, and to attract and keep an educated workforce.

6-YEAR POSTSECONDARY COMPLETION RATES INCREASING FOR MINNESOTA PUBLIC HIGH SCHOOL GRADUATES ENROLLED IN COLLEGE



*Does not include completions of sub-baccalaureate certificates

Source: National Student Clearinghouse, Minnesota Office of Higher Education

4 RETENTION

- » Minnesota's four-year institutional freshman-to-sophomore retention rates were 80 percent in 2012.
- » Minnesota ranked 16th highest nationally and above both the peer states and national averages in four-year institutional freshman-to-sophomore retention rates in 2012.

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 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 students do not initially find the right institutional fit, or may be underprepared for college or have other family or personal circumstances causing them to withdraw from college. Retention rates do not include students transferring to another institution to continue their education.

Four-Year Institutions

Between fall 2011 and fall 2012, 80 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 at or near 80 percent. Comparing 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 91 percent to a low of 73 percent at the University of Minnesota campuses;

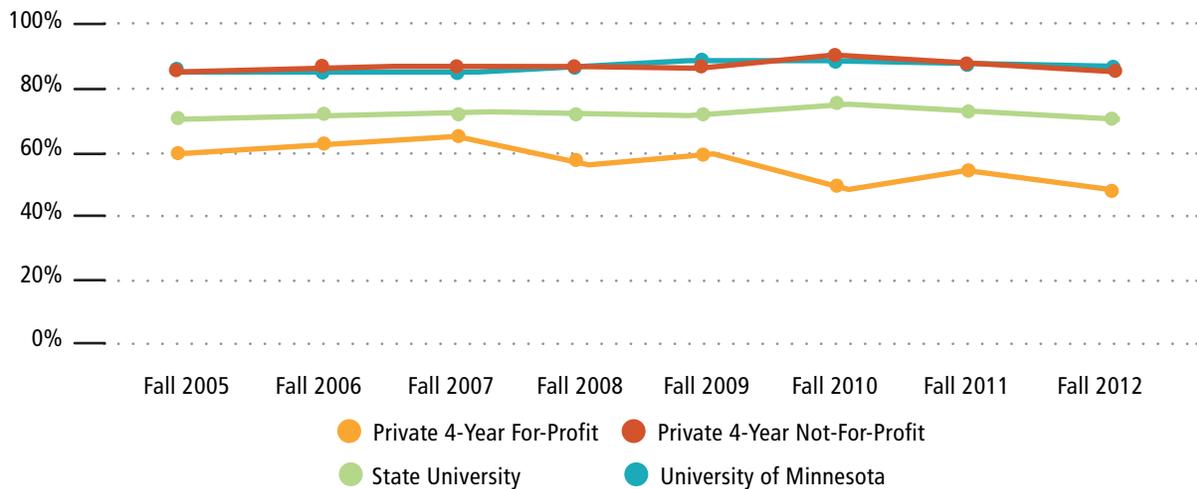
- a high of 98 percent to a low of 58 percent at Minnesota private not-for-profit colleges; and
- a high of 78 percent to a low of 68 percent at Minnesota state universities.

Minnesota ranked 16th nationally (down from 15th in fall 2011), in freshman-to-sophomore retention rates at four-year institutions in fall 2012, and was one percentage point higher than the peer states or national averages in recent years. Nationally, retention rates at four-year institutions ranged from a high of 86 percent in California to a low of 69 percent in Alaska.

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. Comparing Minnesota institution type, private for-profit colleges had higher freshman-to-sophomore retention rates (62 percent) than the public two-year colleges (53 percent). However, the private for-profit colleges were only 10 percent of the overall first-year full-time enrollment at Minnesota two-year institutions.

AT MINNESOTA 4-YEAR INSTITUTIONS, RETENTION RATES WERE STABLE EXCEPT FOR PRIVATE FOR-PROFIT INSTITUTIONS, 2005-2012

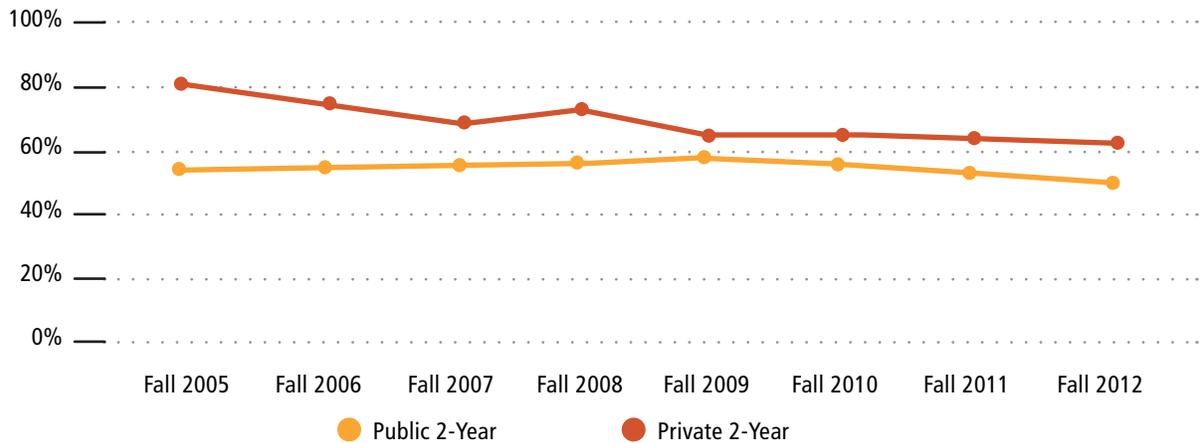


Source: U.S. Department of Education, IPEDS Enrollment Survey

In fall 2012, Minnesota ranked 45th nationally in freshman-to-sophomore retention rates for students at two-year institutions, down from 39th in fall 2011. Minnesota two-year institution retention rates were 52 percent, below the peer states average of 56 percent and national average of 60 percent in fall 2012.

Nationally, retention rates at two-year institutions ranged from a high of 82 percent in Alaska to a low of 47 percent in Vermont. Two-year colleges across states vary in the type, variety and mix of programs offered which may explain the wide variance in retention rates at the state level.

AT MINNESOTA 2-YEAR INSTITUTIONS, RETENTION RATES WERE STABLE AT 2-YEAR PUBLIC COLLEGES, BUT DECREASED AT PRIVATE FOR-PROFIT COLLEGES, 2005-2012



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

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

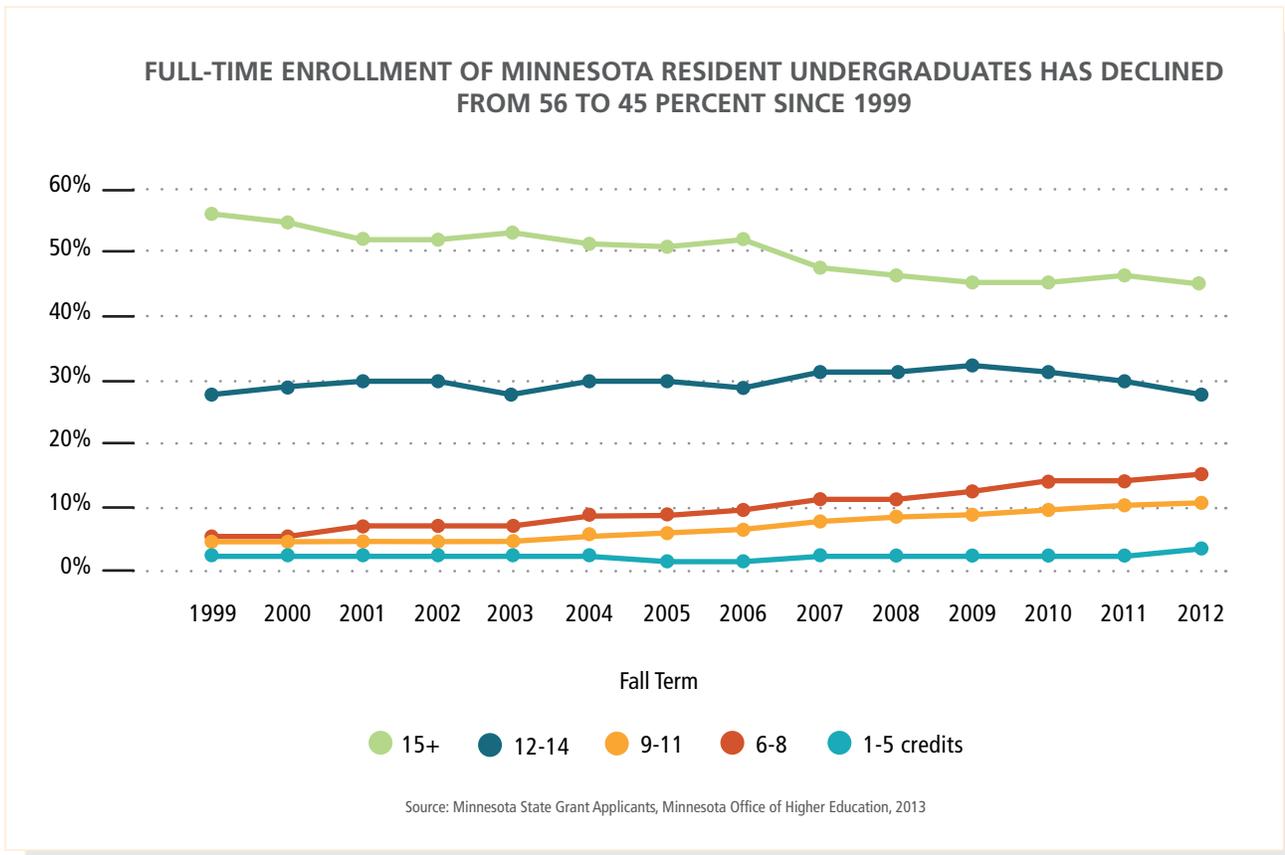
Undergraduate Full-Time Student First- to-Second Year Retention at the Same Institution, Fall 2012

4-Year Institutions		2-Year Institutions	
Top States		Top States	
California	86%	Alaska	77%
Massachusetts	86%	California	70%
Washington	84%	Nevada	69%
Minnesota (16th)	80%	Minnesota (45th)	52%
Peer States	79%	Peer States	56%
Nation	79%	Nation	60%

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

5 TRENDS IN FULL-TIME ENROLLMENT

» Full-time enrollment is declining in Minnesota.



Over time, full-time enrollment of Minnesota resident undergraduates has been declining. Analysis of enrollment information for Minnesota resident undergraduate applicants to the Minnesota State Grant program indicated the percent of Minnesota resident undergraduates enrolling in 15 or more credits during the fall term decreased from 56 percent in fall 1999 to 45 percent in fall 2012.

Full-Time is 15 Credits

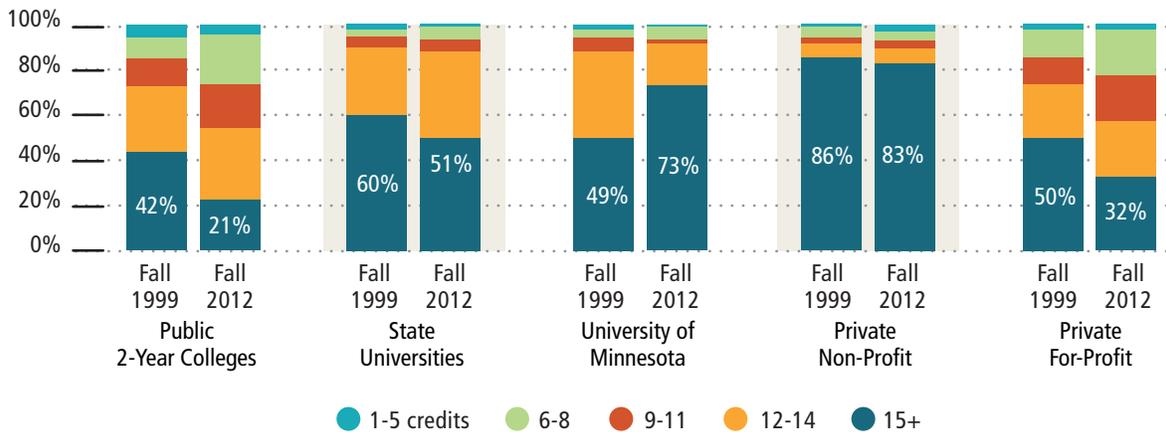
Full-time enrollment at the 15 credit level is based on the logic that to complete 120 credit bachelor's degree in four academic years, the student should complete an average of 15 credits per semester or 30 credits per year. Minnesota established 15 credits as full-time enrollment per semester in 1993. Federal policy, on the other hand, establishes full-time enrollment at 12 credits per semester. A student enrolling in 12 credits per semester or 24 credits per year will require five years to complete a bachelor's degree.

Full-time enrollment is highly predictive of college completion and timely graduation. Recent analysis from the National

Student Clearinghouse (2013) showed that among students entering college for the first time in 2007, 65.5 percent of full-time students completed a degree or certificate within six years as compared to 18.5 percent of part-time students. A significant portion of part-time students (67 percent) had left college by year six without completing a degree or certificate.

Students enrolling at less than full-time levels may face additional economic consequences. Students enrolling for fewer than 15 credits on average per semester will pay higher accumulated tuition and fees resulting from additional years of enrollment. They may also lose out on savings associated with tuition banding or the practice of charging a flat tuition rate for enrolling in a minimum number of credits.

THE UNIVERSITY OF MINNESOTA IS THE ONLY SECTOR OF HIGHER EDUCATION TO HAVE INCREASED FULL-TIME UNDERGRADUATE ENROLLMENT SINCE 1999



Source: Minnesota State Grant Applicants, Minnesota Office of Higher Education, 2013

Analysis of enrollment from fall 1999 to fall 2012 by institution type shows full-time enrollment increasing at the University of Minnesota from 49 percent to 73 percent, held stable at private non-profit institutions (86 percent, 83 percent), but declined at public two-year colleges (42 percent, 21 percent), state universities (60 percent, 51 percent) and private for-profit colleges (50 percent, 32 percent).

Declines by institution type may reflect the change in the population of students enrolling at these institutions. Minnesota has seen an increase in students aged 25 or older enrolling at two-year colleges; older students tend to enroll part time in higher percentages than younger students. During this same period, the percent of independent students enrolling for 15 credits or more also declined from 35 percent to 21 percent. Even among dependent students, the percent enrolling for 15 credits or more declined from 64 percent to 58 percent since fall 1999.

Dependent Students

A student who is required to provide parental information for financial aid purposes as he or she does not meet the following criteria: is age 24 or older, is a graduate or professional student, is married, has legal dependents other than a spouse, is an orphan or ward of the court, is determined to be homeless, is a veteran of the U.S. armed forces or is on active duty.

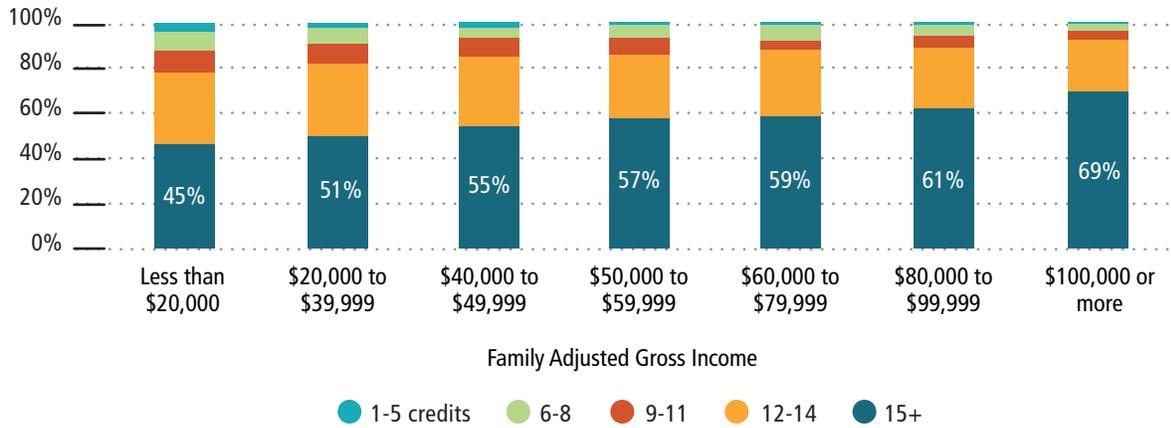
Independent Students

For financial aid purposes, the student meets one or more of the following criteria: is age 24 or older, is a graduate or professional student, is married, has legal dependents other than a spouse, is an orphan or ward of the court, is determined to be homeless, is a veteran of the U.S. armed forces or is on active duty.

Among dependent students enrolling in fall 2012, only 45 percent of students with family incomes of \$20,000 or less enrolled for 15 or more credits in fall term as compared to 69 percent of students with family incomes of \$100,000 or

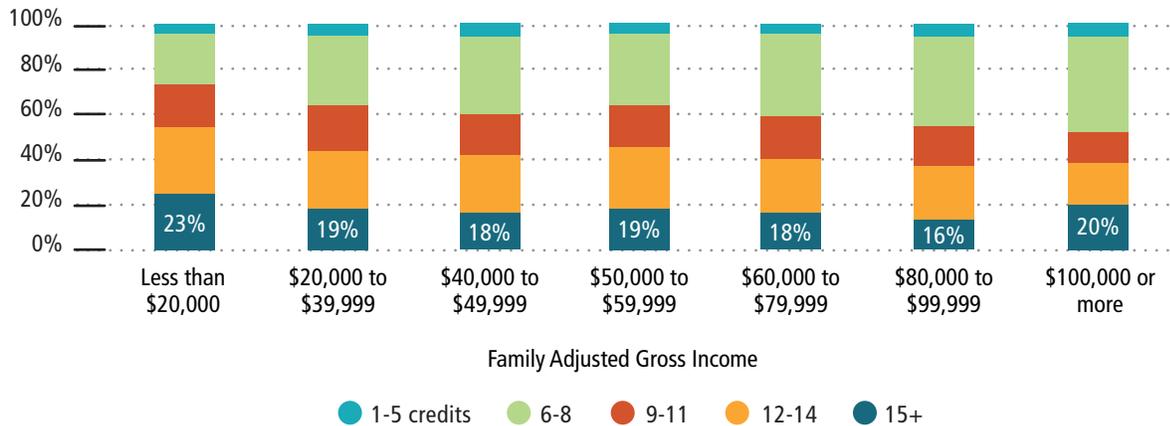
more. Among independent students, only one in five students enrolls full time at all income levels.

LOWER INCOME STUDENTS LESS LIKELY TO ENROLL FULL-TIME Dependent Students Enrolled in a Minnesota Institution, Fall 2012



Source: Minnesota State Grant Applicants, Minnesota Office of Higher Education, 2013

INDEPENDENT STUDENTS LESS LIKELY TO ENROLL FULL-TIME AT ALL INCOME LEVELS Independent Students Enrolled in a Minnesota Institution, Fall 2012



Source: Minnesota State Grant Applicants, Minnesota Office of Higher Education, 2013

6 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.

Transfer students are undergraduates entering an institution for the first time that had previously attended another postsecondary institution as an undergraduate. Students may transfer with or without credit.

In fall 2012, 33,856 undergraduates were admitted to Minnesota institutions with transfer credits from another institution. These students represented 11 percent of all Minnesota undergraduates. In addition, another 2,410 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 common.

Undergraduate transfer students include those entering 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 (prospective transfers). Transfers may also include students who did not initially find the right fit or who did not find the programs and services they expected or needed at their first institution.

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 2012

Transferred to:	Public 2-year	State University	University of Minnesota	Private 4-Year College	Private Career School	Private Career Online*	Total
Transferred from:							
Public 2-Year	5,532	3,481	93	499	111	14	9,730
State University	1,691	436	13	83	36	1	2,260
University of Minnesota	656	264	17	60	25	3	1,025
Private 4-Year College	558	290	5	68	9	5	935
Private Career School	278	99	1	17	42	2	439
Private Career Online*	3	2				6	11
Unspecified Minnesota Institution	239	51	2	2	11		305
Out of State	3,355	1,560	73	490	128	640	6,246
Institution Not Reported	4,566	59	3,090	1,996	1,140	2,054	12,905
Total	16,878	6,242	3,294	3,215	1,502	2,725	33,856

*Currently this category includes Capella University and Walden University. These institutions have corporate offices in Minnesota. Their nationwide enrollment was reported. Their enrollment consists mostly of out-of-state graduate students. Source: Minnesota Office of Higher Education

Fall 2012 Transfer Activity

Many students pursue a traditional transfer path from a two-year college to a four-year college, also called a forward transfer. However in 2012, half the transfer activity into Minnesota colleges involved students transferring credits into a public two-year community and technical college from either a four-year institution or another two-year institution. Moving from one institution to another of the same type (e.g., transfer from a four-year institution to another four-year institution) is known as a lateral transfer, whereas moving from a four-year institution to a two-year institution, is known as a reverse transfer. It is unknown how many Minnesota undergraduates transfer to out-of-state institutions.

The number of undergraduates admitted to Minnesota institutions with transfer credits in Minnesota increased by 60 percent from 21,238 in 2003 to 33,856 in 2012.

Transfer from Two-Year Colleges

Minnesota's two-year institutions reported the highest percentage in the country of students who transferred to another college. Among students who transferred, 50 percent transferred to a public two-year institution and of those transfers: 33 percent transferred from another public two-year institution, 17 percent transferred from a four-year institution and 20 percent transferred from an out-of-state institution. In 2011, Minnesota's two-year colleges reported 26 percent of their first-time, full-time freshmen transferred to another institution within three years.

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.

Transfer by Student Level

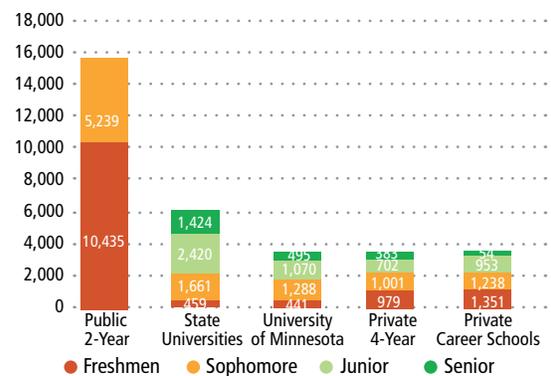
Most transfers occur early in students' college careers. Seventy-one percent of undergraduates at Minnesota institutions enrolling as transfer students in fall 2012 were first- or second-year students (freshmen or sophomores). Only seven percent of transfer students were categorized as seniors, or fourth-year students, when they transferred.

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 Rate Survey

71 PERCENT OF UNDERGRADUATES TRANSFER AS FRESHMEN OR SOPHOMORES, 2012



Source: Minnesota Office of Higher Education

7 STUDY ABROAD

- » Minnesota institutions have high participation rates in study abroad programs.
- » University of Minnesota, Twin Cities students accounted for 27 percent of Minnesota's study abroad students.

According to the Institute of International Education *Open Doors 2013* report, 9,249 students attending Minnesota institutions studied abroad for academic credit during the academic year 2011-2012. Nationally, 283,332 American students studied abroad, an increase of three 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 tiny proportion of total U.S. higher education enrollment. In 2011-2012, only one percent of all students enrolled in postsecondary institutions in the U.S. studied abroad.

Of 2011-2012 study abroad students attending Minnesota institutions:

- The University of Minnesota, Twin Cities ranked third nationally in the highest number of students participating in study abroad programs for academic credit with 2,508 students, behind New York University and the University of Texas at Austin.
- Ten Minnesota institutions accounted for 76 percent of the total Minnesota study abroad students.

TEN MINNESOTA INSTITUTIONS ACCOUNTED FOR 76 PERCENT OF MINNESOTA STUDY ABROAD STUDENTS, 2012

Institution	Number
University of Minnesota, Twin Cities	2,508
University of St. Thomas*	815
Saint Olaf College*	678
Hamline University*	601
College of Saint Benedict/Saint John's University	546
Bethel University*	407
Carleton College*	390
Gustavus Adolphus College	371
University of Minnesota, Duluth	356
St. Cloud State University	347
All other Minnesota institutions	2,230
Total Study Abroad Students Attending a Minnesota Institution	9,249

*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

8 INTERNATIONAL STUDENTS

- » The number of international students studying at Minnesota institutions increased by almost four percent since last year.
- » University of Minnesota, Twin Cities students accounted for almost one-third of Minnesota's international students.

According to the Institute of International Education *Open Doors 2013* report, 13,232 students from outside of the United States attended Minnesota institutions during the academic year 2012-2013. This number was up 3.9 percent from the previous year. Minnesota ranked 19th out of all states in the number of international students attending postsecondary institutions in the state, remaining unchanged from 2011-2012. Nationally, 819,644 international students studied at American institutions, an increase of seven percent—an all-time high. China remains the leading country of origin of international students in the United States (accounting for almost one-third of all international students), followed by India, South Korea and Saudi Arabia.

The number of international students in the U.S. has almost doubled over the past two decades, increasing by 87 percent since 1992-1993. However, international students still represent a small proportion of total U.S. higher education enrollment, totaling four percent of all students at American postsecondary institutions. Business and management are studied by 22 percent of international students; the most popular major among international students. Engineering and math/computer science are the next two most popular fields of study. Forty-one percent of international students in the U.S. are undergraduate students, while almost an equal number (38 percent) are enrolled as graduate students. Over 70 percent of all international students' primary source of

funding comes from outside of the U.S. (64 percent from personal and family funds and seven percent from the foreign government or university in the student's home country). According to the U.S. Department of Commerce, international students contributed over \$24 billion to the U.S. economy in 2012-2013. Within Minnesota, international students contributed \$332 million to the economy.

Of 2012-2013 international students attending a Minnesota institution:

- The University of Minnesota, Twin Cities ranked 16th nationally in the highest number of international students with 2,652 students.
- China was the leading country of origin for international students in Minnesota, comprising 29.2 percent of all international students in the state. South Korea and India were the next two leading countries of origin of international students in the state.
- Ten Minnesota institutions accounted for 81 percent of the total Minnesota study abroad students.

TEN MINNESOTA INSTITUTIONS ACCOUNTED FOR 81 PERCENT OF INTERNATIONAL STUDENTS IN MINNESOTA, 2013

Institution	Number
University of Minnesota, Twin Cities	6,178
St. Cloud State University	1,215
Minnesota State University-Mankato	885
Minnesota State University-Moorhead	528
University of St. Thomas	448
University of Minnesota, Duluth	349
Winona State University	316
Macalester College	294
College of Saint Benedict/Saint John's University	263
Carleton College	186
All other Minnesota institutions	2,570
Total International Students Attending a Minnesota Institution	13,232

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

9 TRENDS IN UNDERGRADUATE TUITION AND FEE RATES

- » Minnesota undergraduate tuition and fees increased faster than personal income and inflation across all institutional types, especially over the last ten years.
- » Borrowing by Minnesota undergraduates increased faster than tuition and fees across all institutional types, as students paid a larger share of the price of attendance.

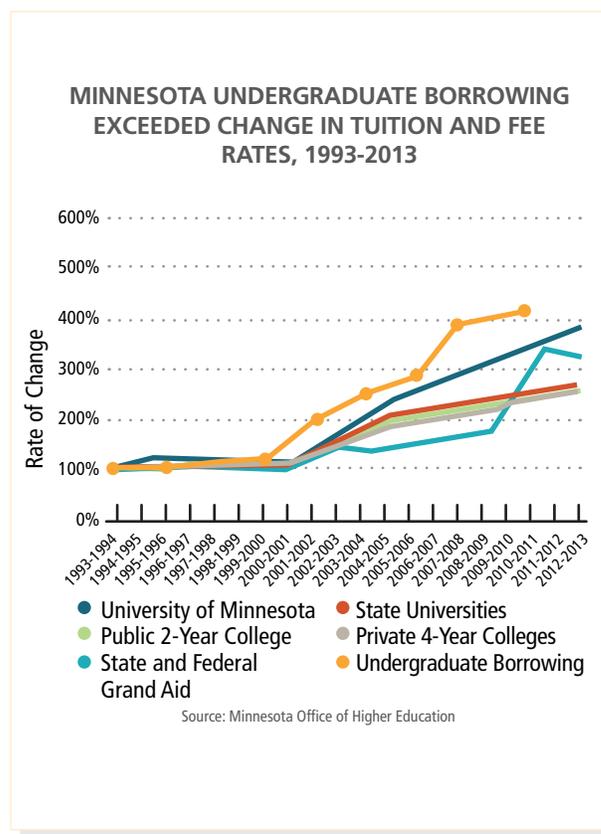
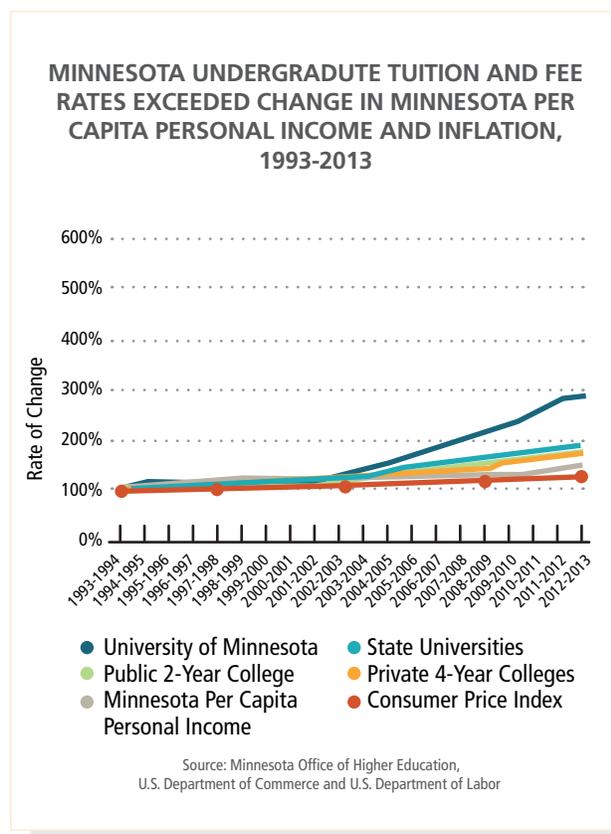
Tuition and fee levels at Minnesota institutions, as in other institutions across the country, have been on the rise for several decades, but this increase has been more pronounced over the past ten years. The fastest rate of change in average published tuition and fees occurred at Minnesota public four-year institutions.

Comparing Income and Inflation

Minnesota resident full-time undergraduate tuition and fee rates increased faster than Minnesota per capita personal income and other goods and services, measured by the Consumer Price Index. Recent tuition increases coincided with a brief period of per capita income declines in Minnesota due to recession, although incomes have been growing again since 2010. Declines in income occurred at the same time as tuition and fees were increasing, which made it harder for many students and families to pay for postsecondary education.

Comparing Borrowing and Government Financial Aid

Federal and state need-based student financial aid for undergraduate students enrolled in Minnesota increased less than tuition and fees between 2002 and 2010. With most postsecondary education prices increasing faster than personal income and government student aid, students and families have increasingly used student loans. Undergraduate borrowing increased at a rate similar to the increase in tuition and fees at some types of institutions and borrowing increased faster than tuition and fees at other types of institutions. When students and families do not have adequate savings, many rely on current income and borrow to pay for postsecondary education.



10 FINANCIAL AID TO MINNESOTA UNDERGRADUATES

- » Minnesota undergraduates received \$3.2 billion in financial aid in 2011-2012.
- » Students and families borrowed \$1.3 billion in educational loans and received \$1.4 billion in grants.
- » Minnesota undergraduates were awarded aid at a lower rate than peer states and the national average.

Minnesota undergraduates received a variety of financial aid including 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 federal, state and often institutional financial aid.

Grants and Scholarships

In 2011-2012, Minnesota undergraduates received \$1.4 billion in grants from all sources; \$439 million were from Federal Pell Grants. The Minnesota State Grant Program and institutional grants filled the remaining \$1 billion.

Federal Grants

The federal Pell Grant program is the largest federal grant program and provided \$439 million to 127,430 undergraduates attending Minnesota institutions in 2011-2012, an average of \$3,442 per recipient.

Compared to Peer states and the Nation

A lower percentage of Minnesota students at public four-year institutions received grant aid (51 percent) compared to peer states (58 percent) and the nation (59 percent). The average grant aid to Minnesota students attending public institutions was \$5,600. This was below the \$6,800 average received by students at peer states and the national average.

Minnesota's private not-for-profit institutions had a higher average grant aid (\$16,930) than the nation (\$15,300) and peer states (\$14,800). Also more Minnesota students at private not-for-profit institutions were awarded grant aid, with 85 percent of students receiving aid compared to the national average of 76 percent.

MINNESOTA UNDERGRADUATES ATTENDING PRIVATE NOT-FOR-PROFIT INSTITUTIONS RECEIVED LARGEST AVERAGE GRANT AID AND FEDERAL LOAN AID, 2011-2012

Institution Type	Number of Undergraduates	% Receiving Any Grant Aid	Average Grant Aid	% Receiving Pell Grant Aid	Average Pell Grant	% Receiving Federal Student Loans	Average Federal Student Loans
Public 2-Year	135,155	55%	\$3,590	42%	\$3,290	47%	\$6,680
State Universities	63,398	47%	\$4,390	30%	\$3,620	55%	\$6,860
University of Minnesota	50,350	56%	\$6,820	24%	\$4,170	50%	\$6,750
Private Not-for-profit 4-year	50,550	85%	\$16,930	30%	\$3,730	65%	\$7,200
Private For-profit 4-Year	38,898	76%	\$3,870	59%	\$3,060	81%	\$8,360
Private Not-for-profit 2-year	294	81%	\$5,820	78%	\$4,620	0%	\$0
Private For-profit 2-Year	2,367	67%	\$4,690	55%	\$4,020	76%	\$6,280
Total	341,012	64%	\$7,992	37%	\$3,442	55%	\$7,091

Source: U.S. Department of Education, IPEDS financial aid survey

Educational Loans

Federal Student Loans

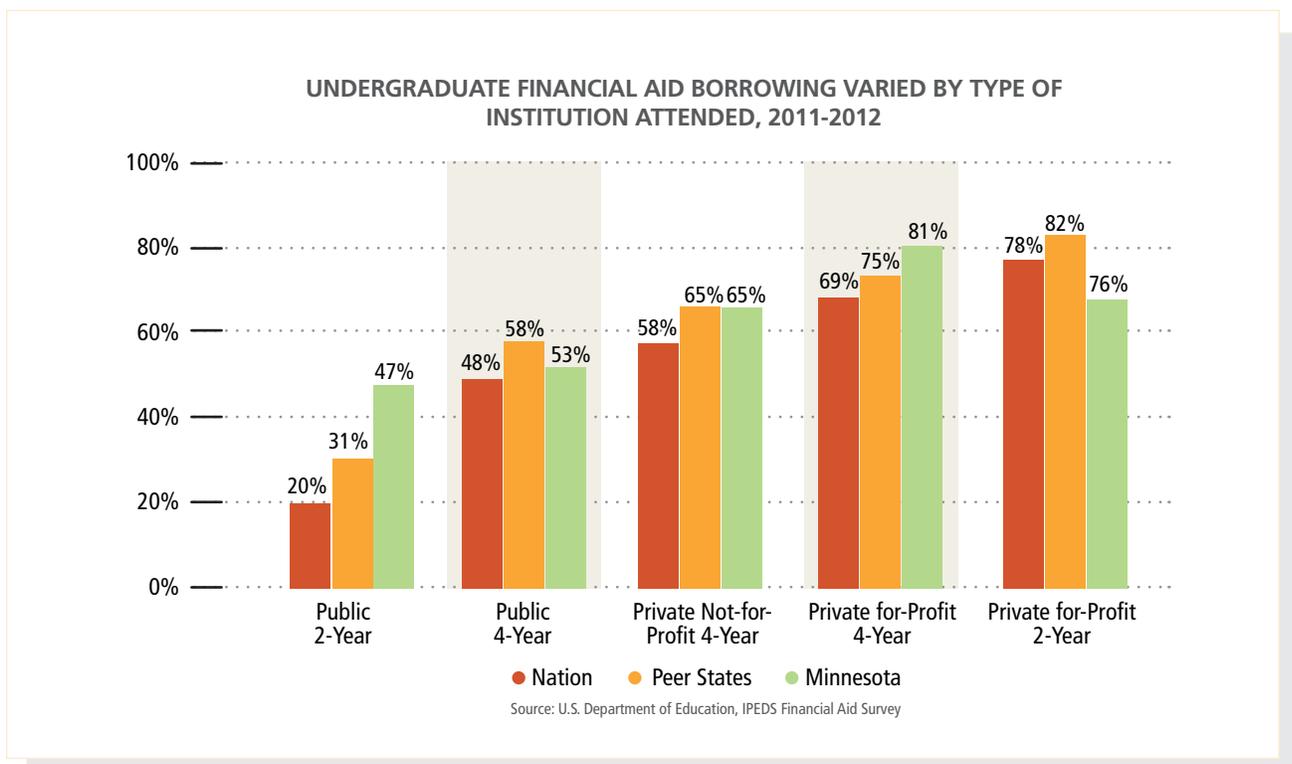
Minnesota undergraduates borrowed \$1.34 billion in federal student loans in 2011-2012. The amount borrowed decreased seven percent from \$1.44 billion in 2010-2011. The amount students can borrow annually from federal Stafford Loans was raised \$2,000 in 2007-2008, which may explain increases in federal 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.

Compared to Peer States and Nation

Fifty-three percent of Minnesota's undergraduates received federal loans. The average annual federal loan amount was \$6,020. Slightly more students within Minnesota State

Colleges and Universities system took out loans (55 percent) compared to University of Minnesota system students (50 percent). Minnesota (53 percent) is currently above the national average (48 percent), but has fewer students with loans at public four-year institutions than peer states (58 percent).

At public two-year institutions and private-for-profit four-year institutions, Minnesota students took more loans than in peer states and the nation. Additionally, the average loan amount for students attending Minnesota public two-year institution students was \$6,680 compared to \$5,290 for students in peer states and \$5,340 for the nation. Students at Minnesota's private-for-profit institutions had an average loan amount (\$8,300) that was higher than the nation (\$8,200) and peer states (\$7,800).



11 TUITION RECIPROcity

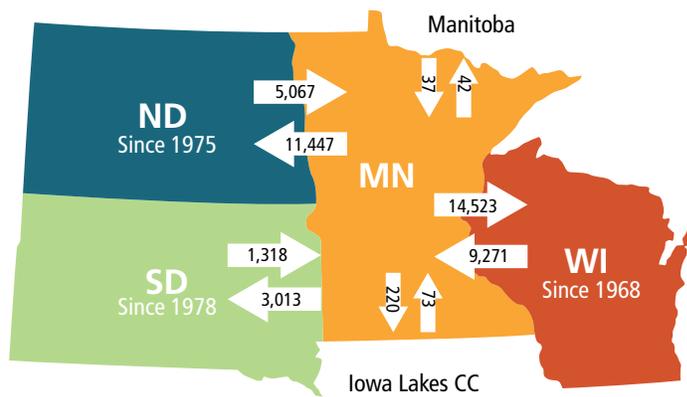
- » Minnesota's interstate tuition reciprocity agreements with several neighboring states and Manitoba expand market choices and enrollment opportunities for state residents.
- » Tuition rates used in Minnesota's tuition reciprocity agreements reflect agreement among the participating states and their public postsecondary education systems.
- » Minnesota continues to reap economic and human capital benefits from tuition reciprocity agreements.

The statutory purpose of tuition reciprocity is the mutual improvement of educational advantage for the residents of Minnesota and other participating states or provinces. Minnesota's interstate tuition reciprocity agreements expand market choices and enrollment opportunities for state residents.

Wisconsin, North Dakota, South Dakota, Iowa and Manitoba enrolled in Minnesota public postsecondary education institutions in fall 2012. Minnesota's tuition reciprocity agreements also expand the student market for postsecondary institutions. Institutions can cast a wider recruitment net at competitive prices to attract the type of student they desire.

More than 29,200 Minnesota residents enrolled in reciprocity institutions in Wisconsin, North Dakota, South Dakota, Iowa and Manitoba in fall 2012. Over 17,400 residents of

MAP OF MINNESOTA POSTSECONDARY RECIPROcity AGREEMENTS
FALL 2012 HEADCOUNTS



Source: Minnesota Office of Higher Education

Minnesota residents have increasingly participated in tuition reciprocity from fall 1985 to fall 2012, whereas reciprocity participation by residents of Wisconsin, North Dakota and

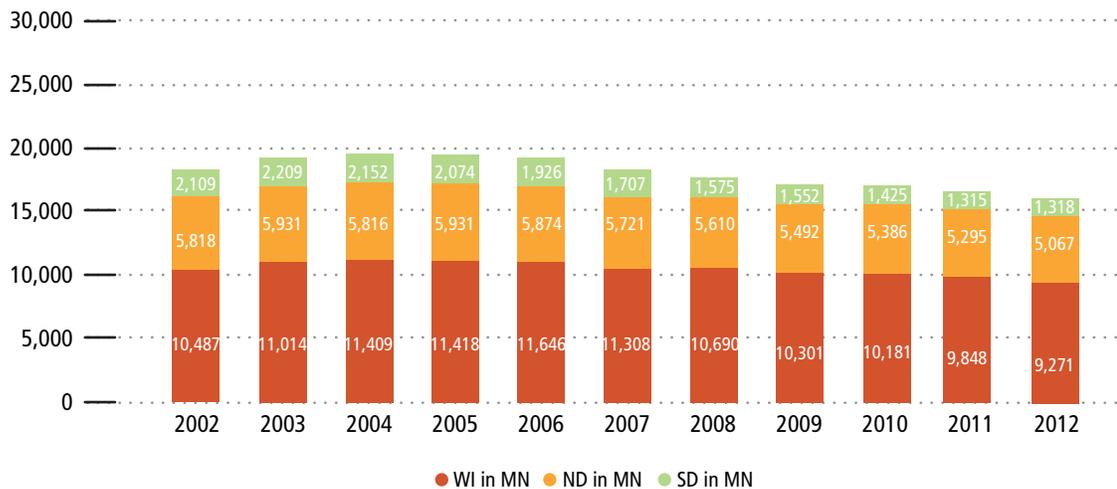
South Dakota has varied from year-to-year; increasing between fall 1985 and 1992 and again from 1994 to 2006, but incrementally decreasing since.

ENROLLMENT INTO RECIPROCITY STATES BY MINNESOTA RESIDENTS HAS INCREASED, FALL 2002-2012



Source: Minnesota Office of Higher Education

ENROLLMENT INTO MINNESOTA STATES BY RECIPROCITY STATE RESIDENTS HAS DECREASED, FALL 2002-2012



Source: Minnesota Office of Higher Education

Money Flows under Reciprocity Agreements

Today, students shoulder the primary responsibility for paying for Minnesota's tuition reciprocity agreements through the tuition they pay. Minnesota's tuition reciprocity agreements with the states of Wisconsin and North Dakota include an interstate tuition reciprocity payment. The payment is a cost-based formula accounting for reciprocity student paid tuition and reciprocity student enrollments.

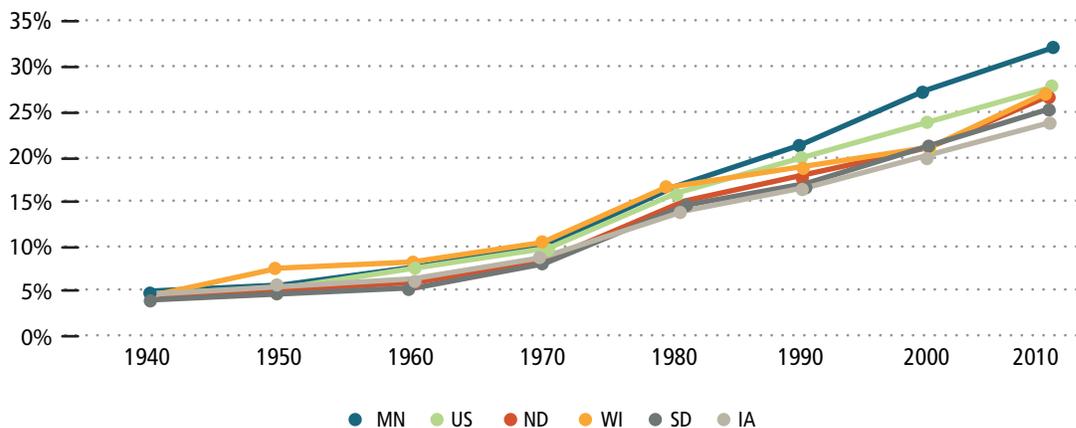
In the formula, a reciprocity student and the general fund of a reciprocity student's state of residence are responsible for the marginal instructional costs associated with educating a reciprocity student. Marginal instructional costs are defined as what it costs to add one student to an existing classroom of students and are set at 64 percent of the per-student instructional costs within Minnesota's tuition reciprocity agreements.

Results and Impact of Tuition Reciprocity

The purpose of tuition reciprocity has remained the same since Minnesota first entered into tuition reciprocity agreements, which is to expand and improve educational advantage, both for Minnesota residents and for those of participating states. Persistent growth in tuition reciprocity enrollment among Minnesotans demonstrates they have found tuition reciprocity to be to their educational advantage.

Incidental to the statutory purpose of tuition reciprocity, research and census data suggest Minnesota's tuition reciprocity agreements have been beneficial for the state, as well. For example, Minnesota has led the Upper Midwest in the percent of people 25 years and over who have completed a bachelor's degree or higher. Moreover, Minnesota was nearly four percentage points ahead of North Dakota, the Upper Midwest state nearest to Minnesota in the percent of people 25 years and over who have completed a bachelor's degree or higher in 2011. Finally, among Upper Midwest states, Minnesota's human capital stock has fared well and has continued to lead the national average since the inception of tuition reciprocity, when measured as the percent of total population age 25 years and over with a bachelor's degree or higher.

MINNESOTA LEADS IN PERCENT OF POPULATION AGE 25 YEARS AND OVER WITH A BACHELOR'S DEGREE OR HIGHER: UPPER MIDWEST STATES & U.S. 1940 TO 2010



Source: U.S. Census, Decennial Census of Population, 1940 to 2000 and American Community Survey 2010

12 STUDENT EMPLOYMENT

» 65 percent of Minnesota undergraduates worked while enrolled in school or college in 2011.

» The percentage of undergraduates working while enrolled decreased from 2007 to 2011.

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

Minnesota

In 2011, 65 percent of undergraduates enrolled in Minnesota worked, according to U.S. Census data. This percentage was higher when compared to undergraduates working while enrolled nationally and in the peer states. However, the percentage of Minnesota undergraduates working in 2011 was lower than it was in 2007. Among undergraduates, the percentage who said they worked while enrolled in school or college in 2007 was 69 percent and decreased to 65 percent in 2011.

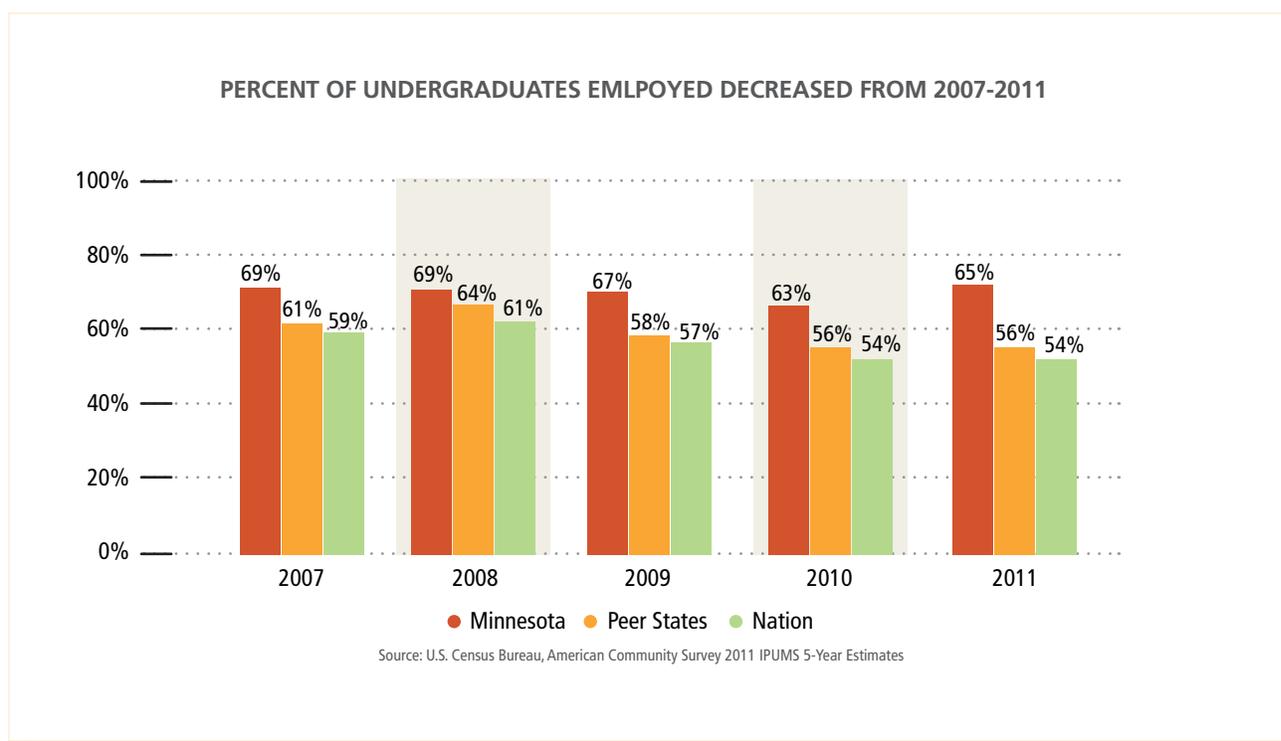
National Comparisons

Nationally, the percentage of undergraduates who were employed while enrolled in school or college decreased from 59 percent in 2007 to 54 percent in 2011.

In peer states, 56 percent of undergraduates were employed while enrolled in 2011. This was a decrease from 61 percent who were employed in 2007. For the period 2007 to 2011, a larger percentage of Minnesota undergraduates worked while enrolled than in the peer states and the nation.

The recession and period of slow economic growth beginning in 2008 may have contributed to the decline in the percentage of undergraduates finding employment between 2007 and 2011.

Note: Census data shows lower undergraduate employment percentage rates compared to other surveys, such as those conducted by the U.S. Department of Education. Which are given exclusively to enrolled college students.



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 include overall educational attainment within the state, graduation rates, the number and types of postsecondary degrees and certificates awarded, employment outcomes of graduates, student debt, default rates of borrowers, participation in graduate school and exam results on a variety of licensure exams. The amount of research and discovery at institutions is also explored. 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 25 to 64, 46 percent of Minnesotans had an associate degree or higher, ranking fourth nationwide. Among younger age groups, 51 percent of Minnesotans age 25 to 34 and 50 percent age 35 to 44 had an associate degree or higher, ranking second behind Massachusetts, in 2012. 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 (43 percent).

Minnesotans with higher levels of educational attainment had lower unemployment rates and higher median annual wages compared to those with lower educational levels.

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. 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 50 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 non-degree certificates produced per population. Most certificates are earned in health care fields.

Student Debt Levels

The level of debt students undertake to complete their postsecondary degree in Minnesota is an ongoing topic of concern. In Minnesota, students graduating with a bachelor's degree have higher than average debt (\$31,500) than the national average. The percent of graduates with debt decreased since 2008, but the amount per borrower increased. Borrowers are more likely to default on their loans when repayments are eight percent of income or more.

Although more Minnesota undergraduates have student loans than undergraduates nationally, students from Minnesota institutions have among the lowest default rates in the country. While this measure does not fully evaluate the debt burden students' 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, the Workforce and Academic Research

Graduates of Minnesota postsecondary programs consistently achieved comparable or higher scores than students nationally 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 nation on exam pass rates. Registered nursing candidates from both associate and baccalaureate programs, however, have been at or below national passing rates.

Each year over 30,000 Minnesota residents enroll in a Minnesota graduate school program. Master's degrees have been the most common program of study. Sixty-eight percent of graduate students are age 34 or younger.

Postsecondary institutions' spending on academic research has broad impacts on the workforce and economy. Between 2010 and 2011, total academic research and development

spending at Minnesota postsecondary educational institutions grew by eight percent. Among institutions within the state, the majority of academic research occurs at the University of Minnesota, which ranked eighth among U.S. public institutions and 13th overall in research and development spending in 2011.

1 EDUCATIONAL ATTAINMENT

- » Minnesota ranks 2nd in the nation with the percentage of the population age 25 to 44 earning 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 an educated populace. 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 \$46,227 Minnesota's per capita personal income ranked 11th nationally in 2012. The national average was \$42,693. State per-capita income rankings track in line with educational attainment rankings. 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 postsecondary institutions' contributions to a state's educated citizenry but the vitality of the job market and attractive quality of life in a geographic area. The Brookings Institute has reported on the increasing concentration of metropolitan areas attracting educated populations. 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.

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 three different groups of individuals; (1) students currently enrolled in college, (2) those dropping out of college before obtaining an academic certificate or degree, and (3) those completing a formal non-degree vocational certificate below the associate degree which can be completed in two years or less.

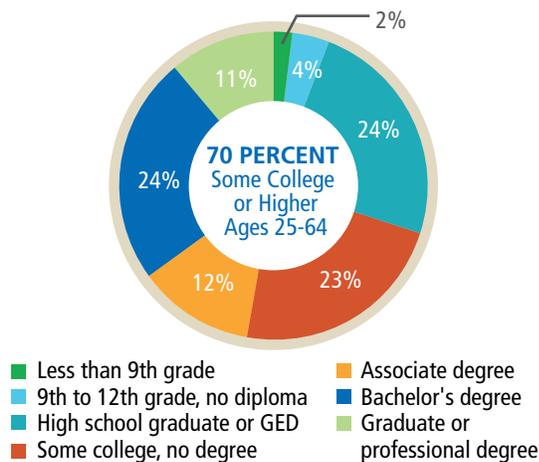
State Comparisons – Adults Age 25 to 64

Percent of state populations in the age group 25 to 64 earning an associate degree or higher ranged from a high of 51 percent in Massachusetts to a low of 27 percent in West Virginia. At 46 percent, Minnesota ranked fourth in the nation on this measure and has historically ranked high. Of the top 10 states only Minnesota, North Dakota and Colorado were not located in New England or the Mid-Atlantic; a densely populated region with high percentages of college-educated adults.

A 2012 Lumina Foundation report, *A Stronger Nation through Higher Education*, ranked states and metropolitan areas on the percentage of population age 25 to 64 earning 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).

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 earning an associate degree or higher by 2020, compared to 39 percent currently.¹ The Lumina Foundation, a major

70 PERCENT OF MINNESOTA ADULTS HAVE AT LEAST SOME COLLEGE OR HIGHER, 2012



Source: U.S. Census Bureau, 2012 American Community Survey 5-Year Estimates

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 to encourage adults already in the workforce to pursue and complete a postsecondary credential or degree.

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 43 percent having an associate degree or higher. Educational attainment data by race categories were only available for the population age 25 and over; whereas, other data in this indicator used the population age 25 to 64.

Degree Attainment Trends over Time

Over the past 20 years, the percentage of Minnesotans earning 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 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 earning 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.

Degrees versus Certificates

Non-degree, industry-recognized credentials, as well as individuals’ basic skills progress is of growing importance. A postsecondary certificate (awarded in many vocational programs) is often the highest education needed to enter several high-demand high-wage careers. Currently national and state tracking systems are inadequate to quantify non-degree credentials earned as a percent of the population. The U.S. Census Bureau does not collect this data in a separate category. The Census category “some college, no degree” is a catch-all category and includes individuals who are currently enrolled in college and have not finished, individuals who may have attended college one or more years before obtaining any certificate or degree, and individuals who dropped out of college without completing a program below the associate degree. Therefore, the most precise measure currently available to determine what percent of the population has earned a postsecondary award is to quantify the population earning an associate degree or higher. This leaves out the population completing non-degree programs. The U.S. Department of Education is working with the Census Bureau to improve the collection of postsecondary education attainment in non-degree programs and other industry-recognized credentials.

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.

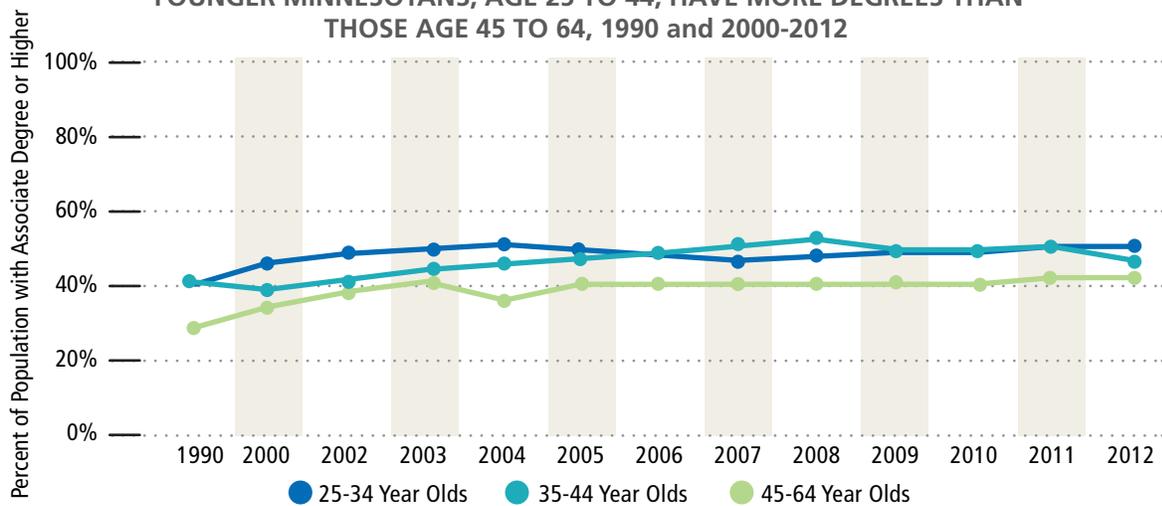
2. Lumina Foundation, September 2010. “A Stronger Nation Through Higher Education.”

MINNESOTA RANKS HIGH IN PERCENT OF POPULATION WITH AN ASSOCIATE DEGREE OR HIGHER, 2012

Age 25-64 Total		25-34 Year Olds		35-44 Year Olds		45-64 Year Olds	
Top States	Percent	Top States	Percent	Top States	Percent	Top States	Percent
Massachusetts	51%	Massachusetts	55%	Massachusetts	52%	Massachusetts	48%
Connecticut	47%	Minnesota	51%	Minnesota	50%	Colorado	47%
Colorado	47%	North Dakota	50%	North Dakota	50%	Connecticut	46%
Minnesota (4th)	46%	New York	50%	Connecticut	49%	Minnesota (11th)	42%
Peer States	38%	Peer States	42%	Peer States	41%	Peer States	35%
Nation	39%	Nation	40%	Nation	41%	Nation	37%

Source: U.S. Census Bureau, 2012 American Community Survey 5-Year Estimates

YOUNGER MINNESOTANS, AGE 25 TO 44, HAVE MORE DEGREES THAN THOSE AGE 45 TO 64, 1990 and 2000-2012



Source: U.S. Census Bureau, 1990 and 2000 Decennial Census; 2002-2012 American Community Survey

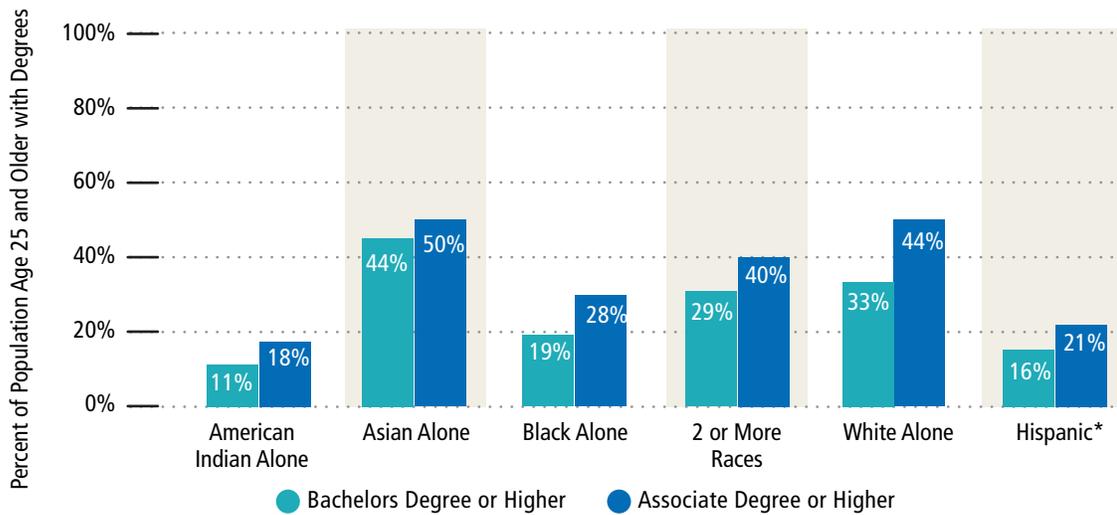
MINNESOTA AHEAD OF NATIONAL AVERAGE IN PERCENT OF ADULTS, AGE 25 AND OLDER, WITH BACHELOR'S DEGREES OR HIGHER, 1940-2012

	1940	1950	1960	1970	1980	1990	2000	2012
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%	31%

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

Source: U.S. Census Bureau, 1940 to 2000 Decennial Census; 2012 American Community Survey 5-Year Estimates

MINNESOTA'S ASIAN AND WHITE POPULATIONS HAVE HIGHEST DEGREE ATTAINMENT, 2012



*Hispanics may be of any race. Data for Hispanics may overlap with data for other race groups.

Source: U.S. Census Bureau, 2012 American Community Survey 3-Year Estimates

2 EMPLOYMENT AND EARNINGS BY LEVEL OF EDUCATIONAL ATTAINMENT

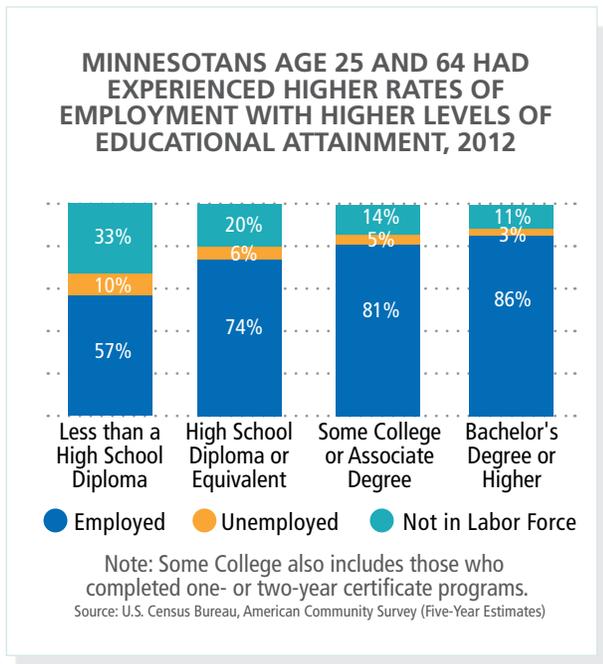
- » Minnesotans between the ages of 25 and 64 with a bachelor's degree or higher had the highest level of employment and lowest level of unemployment between 2008 and 2012.
- » Minnesotans 25 years of age and older with a graduate or professional degree had the highest median annual wage between 2008 and 2012.

Overview

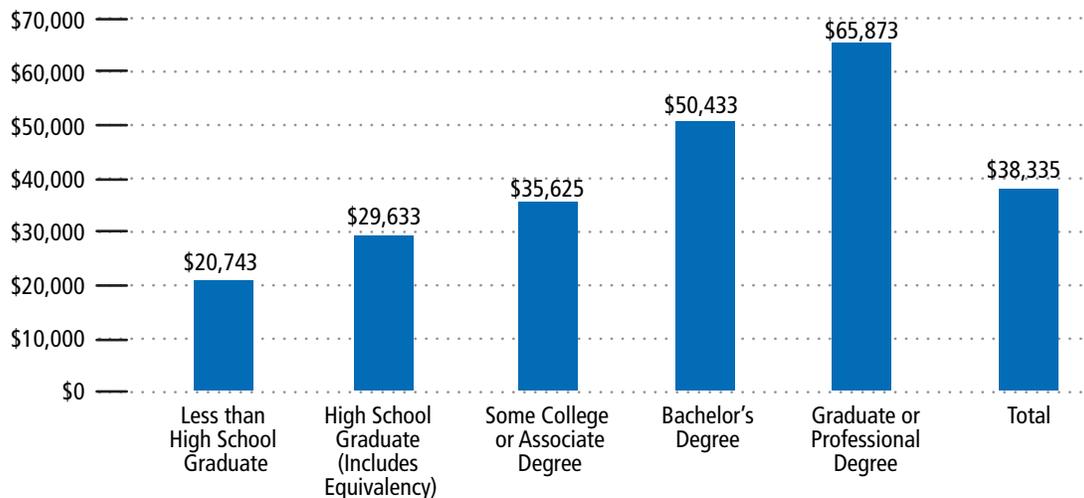
Attaining a higher level of education has consistently been linked to both lower levels of unemployment and higher levels of earning. According to the U.S. Bureau of Labor Statistics (BLS), those age 25 and older who possessed at least an associate's degree in 2012 experienced an unemployment rate lower than the national unemployment rate for workers age 25 and older (6.8 percent). Furthermore, those in the same category who had at least a bachelor's degree had a median weekly earning rate higher than the median rate for all Americans age 25 and older (\$815 per week). These benefits of higher education held true for people in Minnesota as well, with regards to both employment and earnings.

Employment Levels by Level of Educational Attainment

The American Community Survey (ACS), released by the U.S. Census Bureau, shows multi-year estimates on specific demographic indicators among the American population. A multi-year estimate is an average estimate of a population figure collected from various independent samples over a period of more than one year. According to the estimate from 2008 through 2012 in the ACS, Minnesotans between the ages of 25 and 64 experienced high levels of employment, based on their level of educational attainment. Only 57 percent of Minnesotans aged between 25 and 64 with less than a high school diploma were employed, 10 percent were unemployed and 33 percent of Minnesotans aged between 25 and 64 were not in the labor force. The numbers improve significantly for people with a high school diploma or equivalent. In this category, 74 percent of Minnesotans between 25 and 64 years old were employed, with only six percent unemployed, and the remaining 20 percent having not participated in the labor force. For Minnesotans between 25 and 62 with some college or an associate degree as their highest level of attainment, 81 percent were employed, five percent were unemployed, and 14 percent were not in the labor force. It is important to note that the category of "some college" also includes those who have completed one- or two-year certificate programs. Minnesotans with bachelor's degrees or higher had the highest employment level, with 86 percent aged 25 to 64 being employed and three percent not employed. Only 11 percent were not in the labor force.



MINNESOTANS AGE 25 AND OLDER WITH HIGHER EDUCATIONAL ATTAINMENT LEVELS HAD HIGHER MEDIAN WAGES, 2012



Note: Some College also includes those who completed one- or two-year certificate programs.
 Source: U.S. Census Bureau, American Community Service (Five-Year Estimates)

Median Earnings by Level of Educational Attainment

Minnesotans also experienced higher median annual wages as their level of educational attainment increased. Five-year estimates between 2008 and 2012 from the ACS showed that while the median wage level for Minnesotans at least 25 years old was \$38,335, those with less than a high school diploma had a median annual wage of \$20,743. Those with a high school diploma or equivalent had a median wage of \$29,633, and those with some college or an associate's

degree had a median annual wage of \$35,625. Again, the category of "some college" also includes those who hold one- or two-year certificates. Minnesotans age 25 and older with bachelor's degrees had a median wage of \$50,433, while those with graduate or professional degrees had the highest median annual wage (\$65,873).

3 GRADUATION RATES

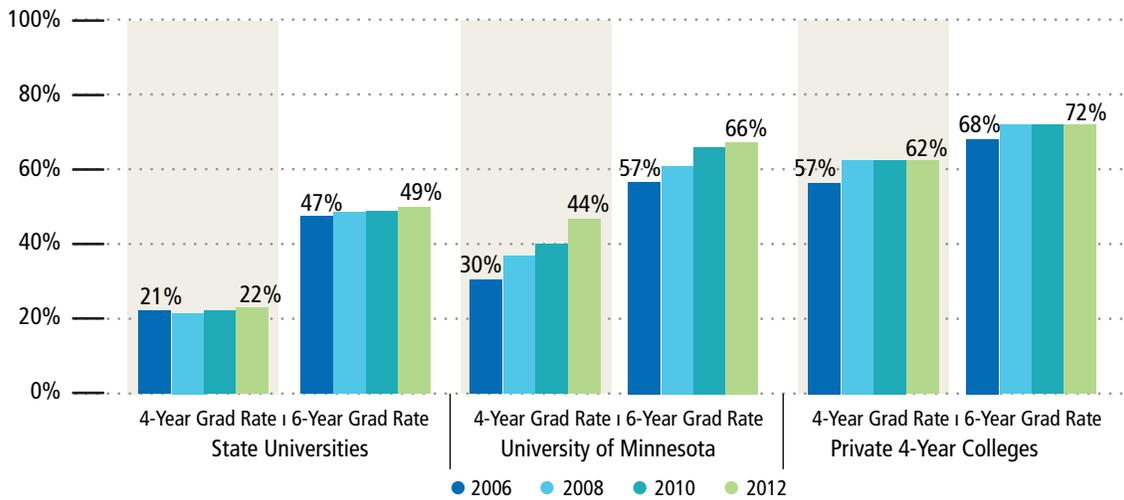
- » Graduation rates at Minnesota four-year institutions have been increasing. In 2012, 44 percent of undergraduates graduated within four years and 63 percent graduated within six years.
- » At Minnesota two-year institutions, although the three-year graduation rate ranked 29th in the nation, the combined rate of students transferring to another institution or graduating within three years ranked eighth highest nationally.

Graduation rates measure whether students are completing their studies and institutional effectiveness in facilitating student completion. High graduation rates may indicate 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, student demographics and financial support, also influence graduation rates.

About Graduation Rates

The 2012 data reflect the graduation rates of first-time, full-time degree-seeking undergraduates who began at a four-year institution in fall 2006 or at a two-year institution in fall 2009. Only students completing 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 RATES AT UNIVERSITY OF MINNESOTA SYSTEM CAMPUSES
CLOSING IN ON PRIVATE COLLEGE RATES, 2006 TO 2012**



Graduation Rates at Minnesota Four-Year Institutions

In 2012, 44 percent of Minnesota undergraduates graduated within four years and 63 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 2012 ranged from:

- a high of 73 percent to a low of 47 percent at the University of Minnesota campuses;
- a high of 53 percent to a low of 21 percent at Minnesota state universities; and
- a high of 94 percent to a low of 46 percent at Minnesota private not-for-profit institutions.

Although the highest graduation rates are within the private not-for-profit institution sector, the University of Minnesota campuses have 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 66 percent in 2012. The University of Minnesota—Twin Cities campus had the greatest increase with the six-year rate rising from 47 percent in 1998 to 73 percent in 2012, which is now comparable to all but seven 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 graduation rate increases during this time period and 35 percent had declining rates.¹

Four-Year Institutions: Minnesota and National Comparisons

Minnesota ranked 15th nationally in four-year (44 percent) and 15th in six-year (63 percent) graduation rates, and was higher than peer states and national averages. Nationally, four-year graduation rates ranged from a high of 56 percent in New Hampshire to a low of 11 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 33 percent (Wisconsin); the six-year rate ranged from 66 percent (Pennsylvania) to 57 percent (Ohio).

States located in the New England and the mid-Atlantic regions have higher percentages of students enrolled at private not-for-profit four-year institutions compared to public four-year institutions. Private institutions generally have higher graduation rates than public institutions which may explain why eastern states tend to rank higher on this indicator.

Graduation and Transfer Rates at Minnesota Two-Year Institutions

For two-year institutions, both graduation and transfer rates more accurately reflect student outcomes. (Note: providing transfer rate data is optional). 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 decreased slightly since 2006. The public two-year colleges had this same pattern. The private two-year for-profit colleges showed a decrease in graduation rates since 2010. Note: there were only eight schools in the private two-year for-profit college category with a 2009 cohort of 1,151 students compared to 18,178 students in public two-year colleges that were used to track graduation rates in 2012.

Two-Year Institutions: Minnesota and National Comparisons

Minnesota ranked second nationally in the percent of students transferring from two-year institutions. In the combined transfer and graduation rate, Minnesota ranked fifth nationally and well above the peer states and national averages. The Minnesota State Colleges and Universities system office makes a specific effort to track the transfer-out rates of their students. Not all institutions collect these data.

Nationally, three-year graduation rates ranged from a high of 66 percent in Alaska to a low of 13 percent in Delaware. Transfer rates ranged from a high of 28 percent in Michigan to a low of two percent in Florida. The combined graduation and transfer rates ranged from a high of 67 percent in Alaska to a low of 14 percent in Vermont.

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 ABOVE NATIONAL AVERAGE AT MINNESOTA 4-YEAR INSTITUTIONS, 2012

Top States	4-Year Graduation Rate	Top States	6-Year Graduation Rate
New Hampshire	56%	Massachusetts	70%
Vermont	55%	New Hampshire	69%
Massachusetts	55%	Washington	68%
Minnesota (14th)	44%	Minnesota (15th)	63%
Peer States	42%	Peer States	62%
Nation	39%	Nation	59%

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

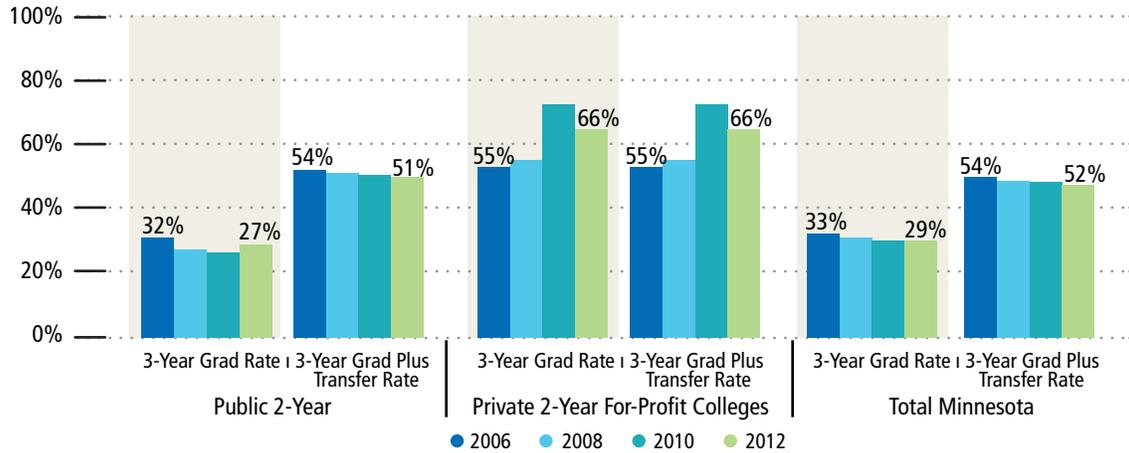
GRADUATION PLUS TRANSFER RATES HIGHER THAN NATIONAL AVERAGE AT MINNESOTA 2-YEAR INSTITUTIONS, 2012

Top States	3-Year Graduation Rate	Top States	3-Year Transfer Rate	Top States	Combined Graduation and Transfer Rate
Alaska	66%	Michigan	28%	Alaska	67%
Florida	58%	Minnesota	22%	Wyoming	62%
Nevada	53%	South Carolina	22%	Florida	60%
Minnesota (29th)	29%	Illinois	22%	Minnesota (8th)	52%
Peer States	30%	Peer States	15%	Peer States	45%
Nation	33%	Nation	12%	Nation	46%

Providing transfer rate data on students is optional.

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

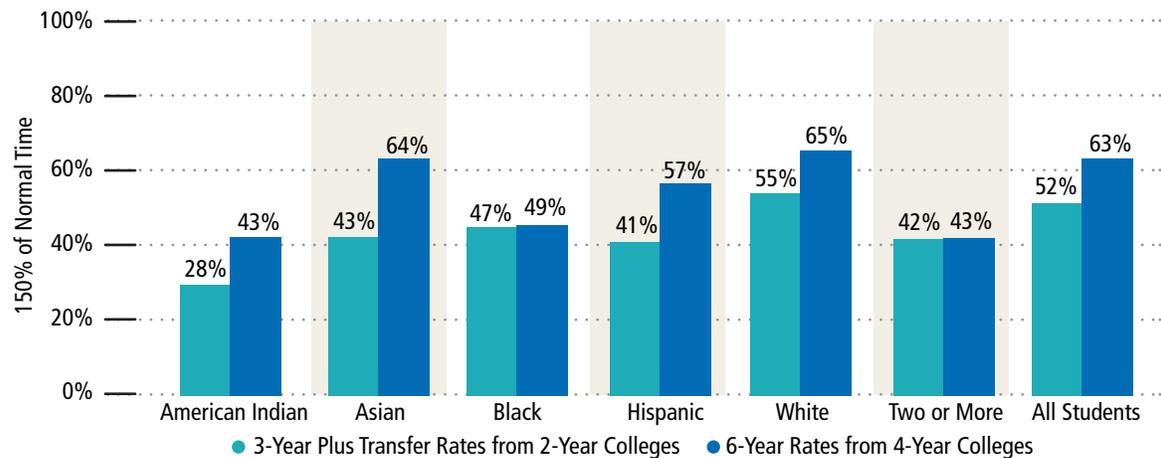
MINNESOTA 3-YEAR GRADUATION RATES DECREASED AT 2-YEAR INSTITUTIONS, BUT STABLE WHEN TRANSFER INCLUDED, 2006-2012



Private 2-Year for-profit colleges include only eight institutions with 1,151 students in cohort; compared to 18,178 students in the public 2-year cohort. Private 2-year for-profit colleges do not report transfer-out data.

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

MINNESOTA GRADUATION RATES VARIED BY RACE, BUT WERE HIGHER AT 4-YEAR INSTITUTIONS, 2012



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

4 DEGREES AND OTHER AWARDS EARNED

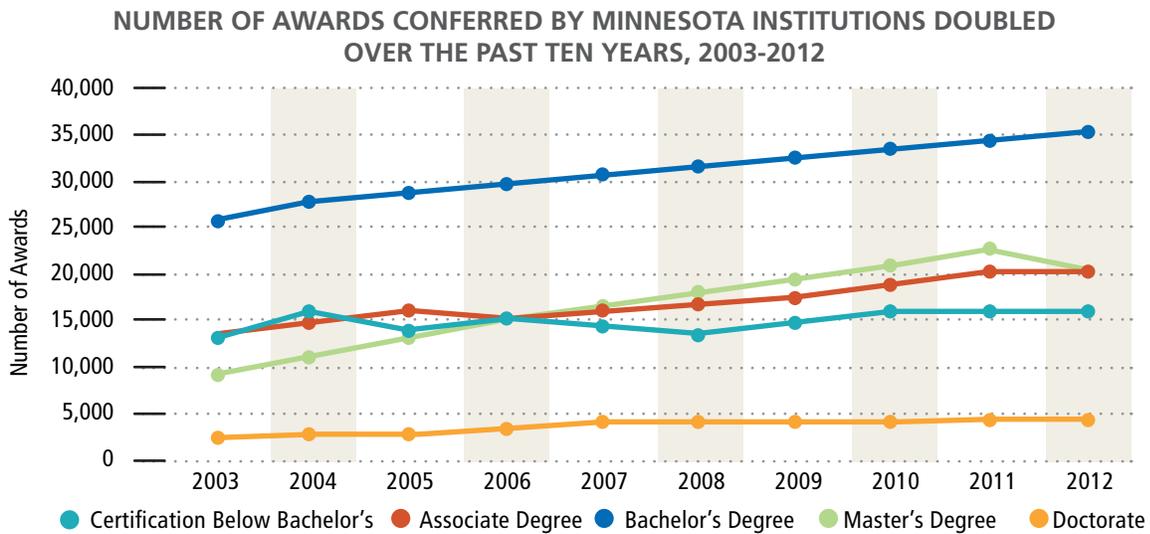
- » The number of academic credentials awarded annually at all levels by Minnesota postsecondary institutions has been increasing over the past decade, with bachelor's degrees the most common award conferred.
- » Awards in health science programs are the most numerous across all academic levels.
- » Minnesota ranks high in state comparisons in the number of certificates produced 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 2011-2012, Minnesota postsecondary institutions awarded nearly 100,000 academic credentials: 15,913 certificates and diplomas less than two years in length, 20,734 associate degrees, 38,012 bachelor's degrees,

20,678 master's degrees, and 4,283 doctoral degrees, both research and professional (such as in law, medicine, or theology).

From 2003 to 2012, the total number of all awards conferred by Minnesota postsecondary institutions increased by 50 percent to 32,204. This increase parallels higher enrollments at all institutions, along with an expansion of private for-profit institutions.



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

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 earned in health sciences were greater than most other career clusters across all award levels, from certificate to doctorate.
- At each award level three different career clusters accounted for 51 to 87 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 an Associate of Applied Science. These degrees are for entry-level jobs in health care, business, law enforcement, information technology, construction trades and culinary arts.
- 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, 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 three-quarters of the degrees earned.

**HEALTH SCIENCE, BUSINESS AND EDUCATION ACCOUNTED FOR OVER 50 PERCENT
OF TOTAL AWARDS CONFERRED BY MINNESOTA INSTITUTIONS, 2011-2012**

Program Career Cluster	Award Level						Total
	Certificate Below Bachelor's Degree	Associate Degree	Bachelor's Degree	Graduate Certificates	Master's Degree	Doctorate	
Agriculture, Food and Natural Resources	753	317	1,686	13	163	30	2,962
Architecture and Construction	1,336	742	257	8	142		2,485
Arts, Audio/Video Technology and Communications	259	1,028	3,734	24	222	72	5,339
Business Management, Marketing and Finance	1,500	2,149	7,657	177	4,229	307	16,019
Education	180	168	2,993	1,501	5,956	729	11,527
Government and Public Administration			1,168	20	499	45	1,732
Health Science	6,810	5,498	5,283	597	5,287	1,529	25,004
Hospitality and Tourism	300	513	77				890
Human Services*	1,934	443	2,306	53	1,928	173	6,837
Information Technology	335	963	983	39	644	41	3,005
Law and Corrections	512	1,311	1,261	82	292	915	4,373
Liberal Arts, Languages and History	126	6,496	3,933	46	348	59	11,008
Manufacturing and Transportation	1,809	933	198		18		2,958
Science, Technology, Engineering and Mathematics	59	173	6,476	45	950	383	8,086
Total	15,913	20,734	38,012	2,605	20,678	4,283	102,225

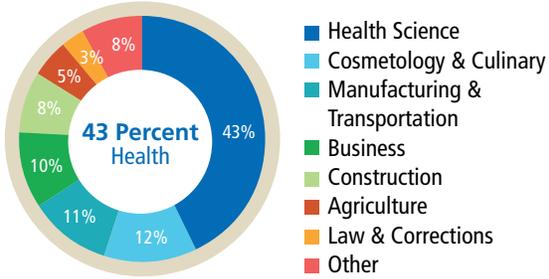
*Includes predominantly cosmetology and culinary arts at the certificate level.

Note: totals include 3,340 double majors, mainly in bachelor's degrees.

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

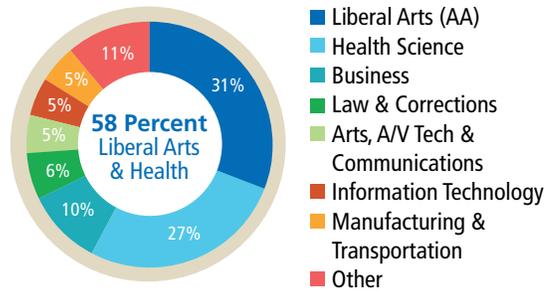
TOP PROGRAMS OF STUDY DIFFER BY AWARD LEVEL AT MINNESOTA INSTITUTIONS 2011-2012

CERTIFICATES



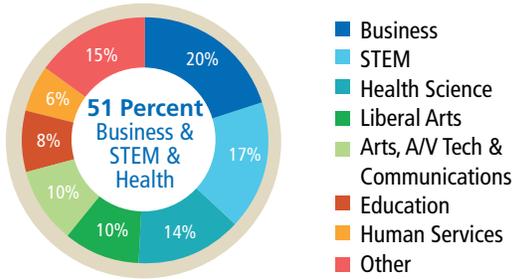
Source: U.S. Department of Education, IPEDS Completion Survey

ASSOCIATE DEGREES



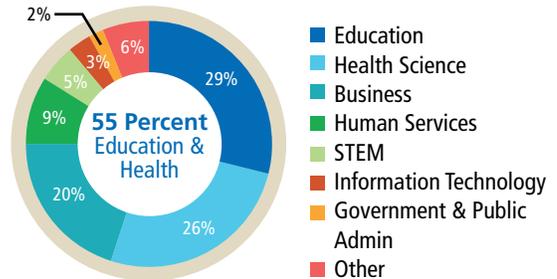
Source: U.S. Department of Education, IPEDS Completion Survey

BACHELOR'S DEGREES



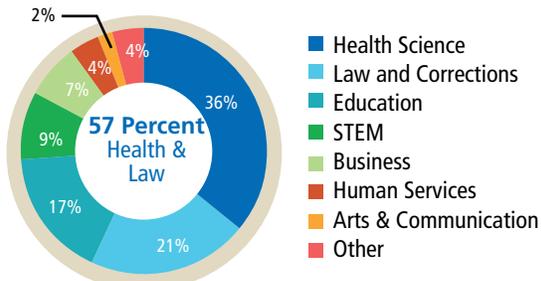
Source: U.S. Department of Education, IPEDS Completion Survey

MASTER'S DEGREES



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

DOCTORATE DEGREES



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

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

Age Matters

If it is Minnesota's goal to increase the percent of its population earning a college degree or non-degree certificate then getting people to do so by age 39 is key. It is easier to attend college full time before other life's obligations set in such as marriage, children and a mortgage. Attending full time gets one in and out the door in a timely fashion. In 2012, the majority of students earning an undergraduate academic award were younger than age 40. Ninety-three percent of bachelor's degree completers were younger than 40 years old with 71 percent younger than age 25. Students age 40 and older were more likely to be pursuing graduate degrees, as 32 percent of master's and doctoral graduates were earned by students age 40 and older in 2012.

Bachelor's Degrees Most Numerous Award

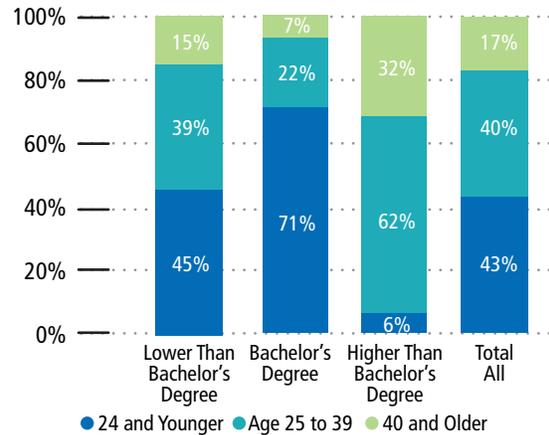
More bachelor's degrees are conferred annually than awards at other levels. Three institutional sectors in Minnesota each conferred roughly one-third of all bachelor's degrees for 2011-2012: the private not-for-profit colleges (32 percent), state universities (32 percent), and the University of Minnesota (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.

What About 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.

STUDENTS AGE 39 AND YOUNGER EARNED 83 PERCENT OF ALL AWARDS FROM MINNESOTA, 2012

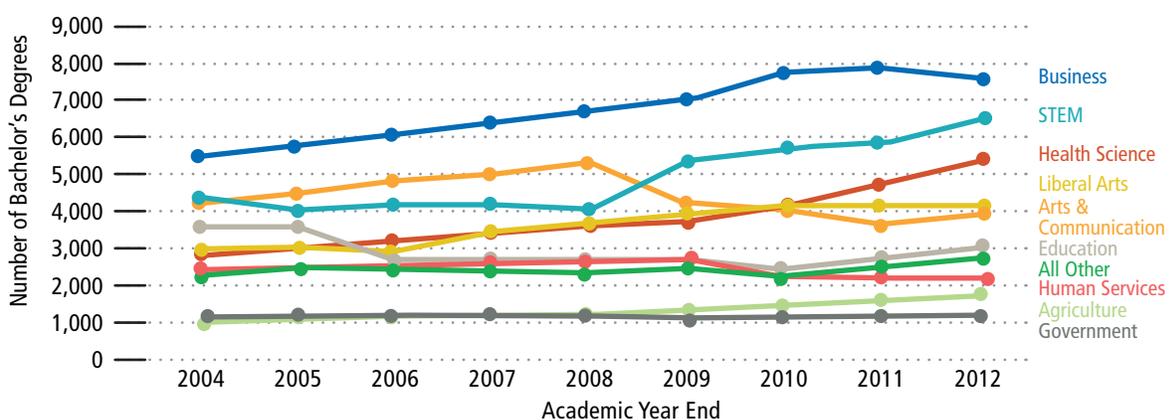


Source: U.S. Department of Education, IPEDS Completion Survey

Minnesota postsecondary institutions, mainly public two-year and private for-profit institutions, annually award a large number of occupationally specific certificates. 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

BACHELOR'S DEGREES INCREASED IN BUSINESS, STEM AND HEALTH SCIENCE PROGRAMS EARNED BY GRADUATES IN MINNESOTA, 2004-2012



"All Other" includes: law and corrections, information technology, architecture and construction, manufacturing and transportation, and hospitality and tourism programs.

Source: Minnesota Office of Higher Education

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 15,913 certificates in 282 specific programs of study in 2011-2012. 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 (8 percent), business (9 percent), agriculture (5 percent), corrections (3 percent) and all others (6 percent) provided the remaining certificates.

TOP 10 PROGRAMS COMPRISED HALF THE CERTIFICATES AWARDED BY MINNESOTA INSTITUTIONS, 2012

Non-Degree Program	Number of Graduates	Percent
Nursing Assistant	2,568	16%
Cosmetology	1,324	8%
Licensed Practical Nurse Training	1,104	7%
Medical/Clinical Assistant	622	4%
Massage Therapy	477	3%
Farm and Ranch Management	438	3%
Medical Insurance Coding Specialist	388	2%
Welding Technology	324	2%
Esthetician and Skin Care Specialist	313	2%
Carpentry	306	2%
All Other Programs	15,913	51%
Total	15,913	100%

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

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:

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 HAVE 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.

5 EMPLOYMENT OF RECENT GRADUATES

» Seventy-three percent of students earning certificates or degrees in 2010-2011 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 level of academic award received.

In 2010-2011, Minnesota postsecondary institutions awarded 75,235 academic credentials: 9,977 certificates and diplomas less than two years in length, 19,626 associate degrees, 2,476 certificates and diplomas between two and four years in length, 29,470 bachelor's degrees, 9,720 master's degrees and 2,674 doctoral degrees, both research and professional.

Using data from the Minnesota Office of Higher Education and the Minnesota Department of Employment and Economic Development (DEED), graduate employment was analyzed at one year after graduation (April-June 2012). The one-year after graduation time frame provides information about the employment situation of new graduates. Longer-term employment data are required to fully understand the influence education has on lifetime earnings and employment. Employment data included graduates working one or more hours (or earning \$1 or more in wages) for Minnesota employers covered by unemployment insurance. Employment data does not include graduates employed at federal agencies, in military service, self-employed or employed in other states as these employees are not in the DEED unemployment insurance database. Data on graduates from Capella University and Walden University were also excluded from this analysis. These two online universities are headquartered in Minnesota but provide their nationwide student data and most of their students predominantly reside outside of Minnesota.

All Graduates

Of all graduates earning certificates or degrees in 2010-2011, 73 percent were employed in Minnesota one year after graduation. Employment of recent graduates varied by the location of the institution attended. Graduates from 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

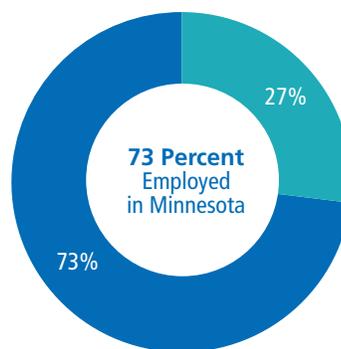
Employment data differed by the level of academic award received. Approximately 76 percent of students earning certificates (below the bachelor's degree) or associate degrees in 2010-2011 were employed in Minnesota one

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.

year after graduation as compared to 70 percent earning bachelor's, 70 percent master's and 55 percent doctoral degrees. Doctoral degree recipients are more likely to seek employment nationally.

MOST 2011 GRADUATES WERE EMPLOYED IN MINNESOTA ONE YEAR AFTER GRADUATION



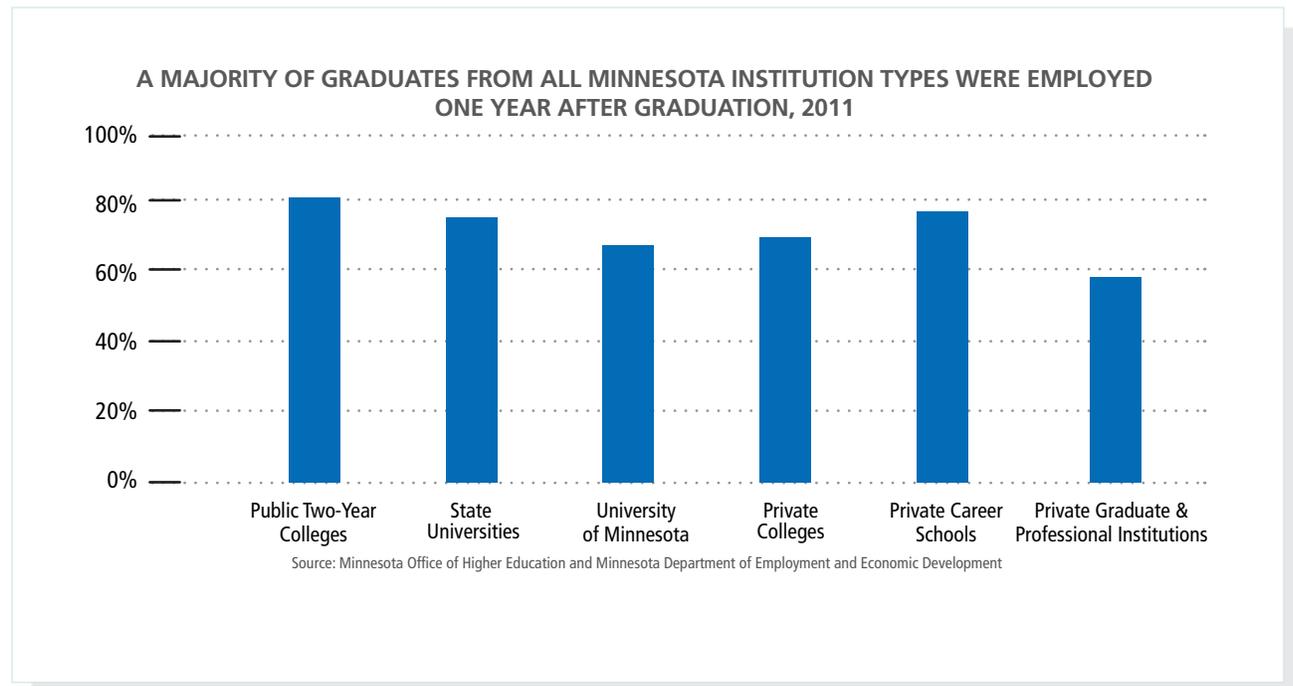
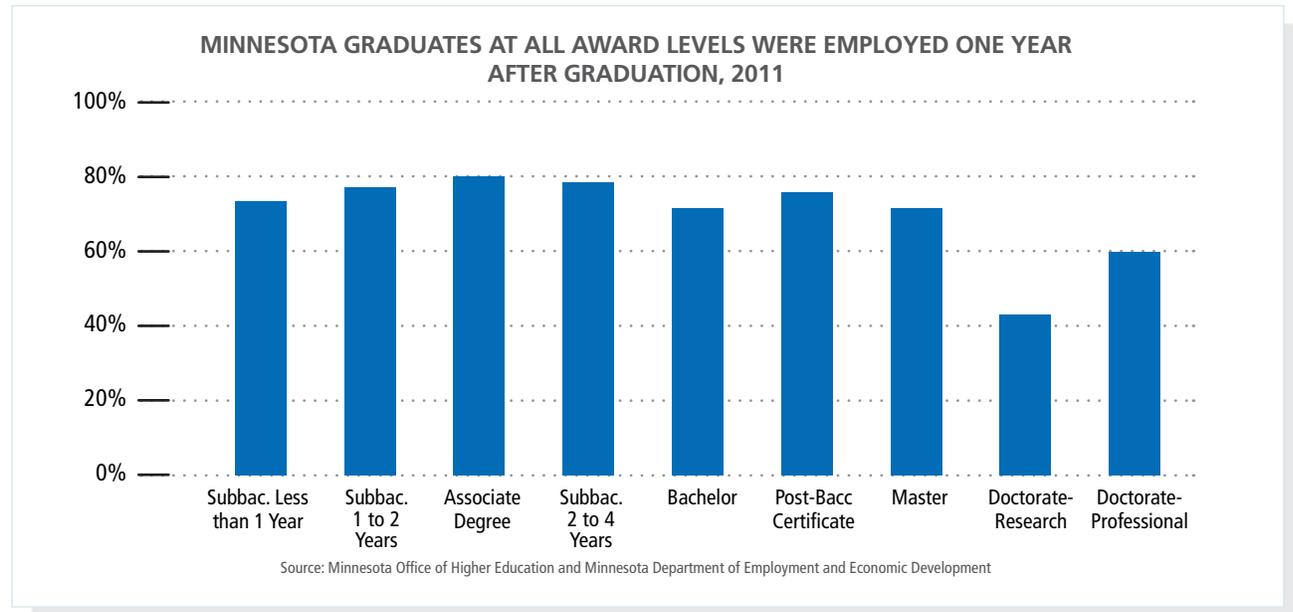
● Employed in Minnesota ● No Employment Data Found

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

Employment by Institution Type

Approximately 79 percent of graduates earning certificates or degrees at Minnesota public two-year colleges in 2010-2011 were employed in Minnesota one year after graduation as compared to 77 percent at Minnesota private career schools, 73 percent at Minnesota state universities, 70

percent at Minnesota private colleges, 66 percent at the University of Minnesota and 58 percent at Minnesota private graduate and professional institutions. These numbers were consistent with those from 2009-2010.



6 CUMULATIVE DEBT OF COLLEGE GRADUATES

- » Minnesota students graduating with a bachelor's degree in 2012 had higher than average debt when compared with students nationally.
- » The percent of graduates with debt decreased from 2008 while the amount per borrower increased.

Students across the nation are increasingly reliant on borrowing to finance their postsecondary education. According to the College Board, average student debt per borrower increased 33 percent from 2005 to 2012.¹ In 2012, bachelor's degree recipients in Minnesota borrowed at higher rates when compared with students nationwide. Over the five years from 2007 to 2012, Minnesota has maintained higher than average debt levels when compared with the nation.

Graduates from Minnesota Four-Year Institutions

The Institute for College Access and Success, *Project on Student Debt* publications highlights the intensifying student debt problem. Data in their publications do not include students who graduated from for-profit colleges and universities in Minnesota.

In 2011-2012, 70 percent of seniors graduating from both Minnesota public four-year universities and private not-for-profit four-year institutions had student loans. The average cumulative amount per borrower was \$31,500; compared to \$29,400, nationally. Minnesota's average debt ranking was fourth highest in the nation, behind Delaware, New Hampshire and Pennsylvania.

In 2007-2008, 73 percent of seniors graduating from both Minnesota public four-year universities and private not-for-profit four-year institutions had student loans. The average cumulative amount per borrower was \$25,600; compared to 67 percent, or \$23,200, nationally.

Graduates from Minnesota Public Four-Year Institutions

Graduates from public universities traditionally had lower levels of debt compared with students from private universities. This is likely due to lower tuition levels at public universities. In 2011-2012, 69 percent of Minnesota graduates from public universities had student loans and the average cumulative amount per borrower was \$30,000; compared to 58 percent, or \$24,400 per borrower, nationally.

In 2007-2008, 71 percent of Minnesota seniors graduating from public universities had student loans, and the average amount per borrower was \$23,500; compared to 58 percent, or \$19,000 per borrower, nationally.

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

Among graduates from Minnesota private not-for-profit four-year institutions, 73 percent had student loans in 2011-2012, and the average cumulative amount per borrower was \$34,200; compared to 65 percent, or \$29,300, nationally.

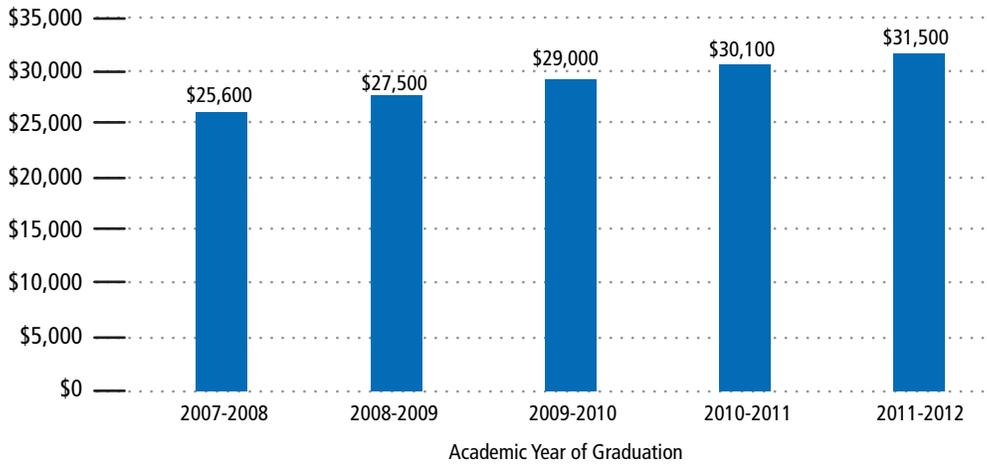
In 2007-2008, 76 percent of Minnesota seniors graduating from private not-for-profit four-year institutions had student loans, and the average cumulative amount per borrower was \$29,200; compared to 66 percent, or \$25,200 per borrower, nationally.

Graduates from Minnesota Private For-Profit Institutions

As mentioned earlier, the *Project on Student Debt* data do not contain information on graduates from Minnesota for-profit Institutions. In 2011-2012, the Minnesota Office of Higher Education conducted a survey of all degree-granting institutions in Minnesota to obtain average cumulative debt levels of 2009-2010 graduates. Among bachelor's degree recipients from for-profit institutions in Minnesota, 89 percent had student loans and the average amount borrowed was \$45,000. Data on individual institutions from 2009-2010 are available at www.ohe.state.mn.us/pdf/CumulativeStudentLoanDebt09-10.pdf

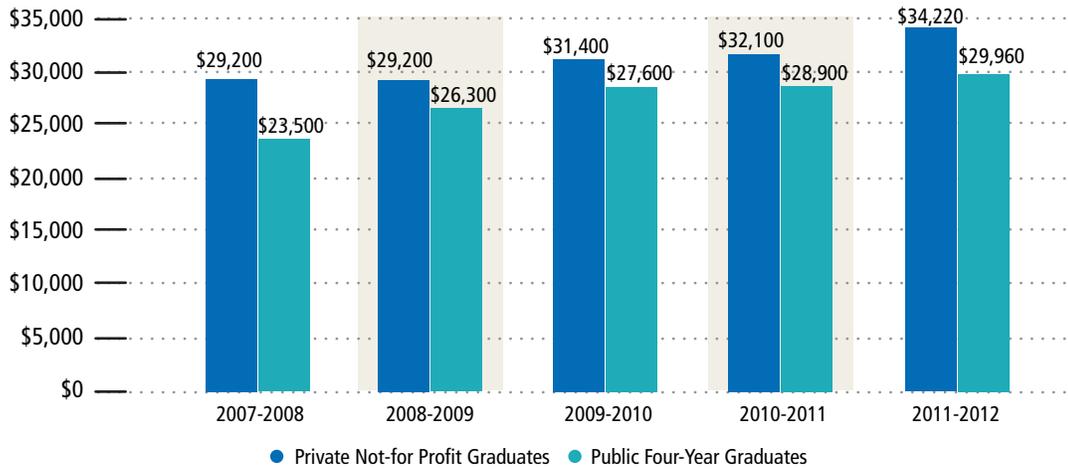
¹The College Board. *Trends in Student Aid, 2013*. Available at trends.collegeboard.org

**AVERAGE DEBT AMONG MINNESOTA BACHELOR DEGREE RECIPIENTS
INCREASED FROM 2007-2008 TO 2011-2012**



Source: Common Data Set as reported by The Institute for College and Access and Success

**GRADUATES FROM MINNESOTA PRIVATE INSTITUTIONS HAVE MORE DEBT
THAN GRADUATES FROM MINNESOTA PUBLIC INSTITUTIONS**



Source: Common Data Set as reported by The Institute for College and Access and Success

7 LOAN REPAYMENT

- » The risk of defaulting on student loans decreases as annual salary increases.
- » Borrowers were less likely to default on their loans when repayments were eight percent of income or less.

Any amount of debt can be a problem if the borrower has little income to use in making payments. Two factors impacting ability to repay loans include borrower incomes and choice of repayment terms. No single payment-to-income ratio answers the question of how much students should borrow without increasing their chance of encountering repayment problems. Research on borrowers in Missouri from 2006 through 2008; however, found the number of borrowers defaulting increased by 59 percent as the payment-to-income ratio increased from 8 to 10 percent.¹

Federal student loans offer repayment plans that may help borrowers who are struggling to repay their loans. Eighty-six percent of Minnesota undergraduate loans in 2010-2011 were federal student loans. Several federal loan options for reduced monthly payments are now available. They include income-based repayment, extended repayment, unemployment deferments, economic hardship deferments and up to five years of forbearance.

AVERAGE DEBT OF MINNESOTA GRADUATES LESS THAN ESTIMATED ANNUAL SALARY ONE YEAR AFTER GRADUATION

	Award Earned at a Minnesota Institution		
	Certificate Below Bachelor's	Associate Degree	Bachelor's Degree ³
Average Cumulative Debt for 2011 Graduates	\$11,400	\$17,900	\$29,800
Average Annual Salary Based on Full-time Employment One Year After Graduation and Employed in Minnesota ⁴	\$31,700	\$36,300	\$39,900

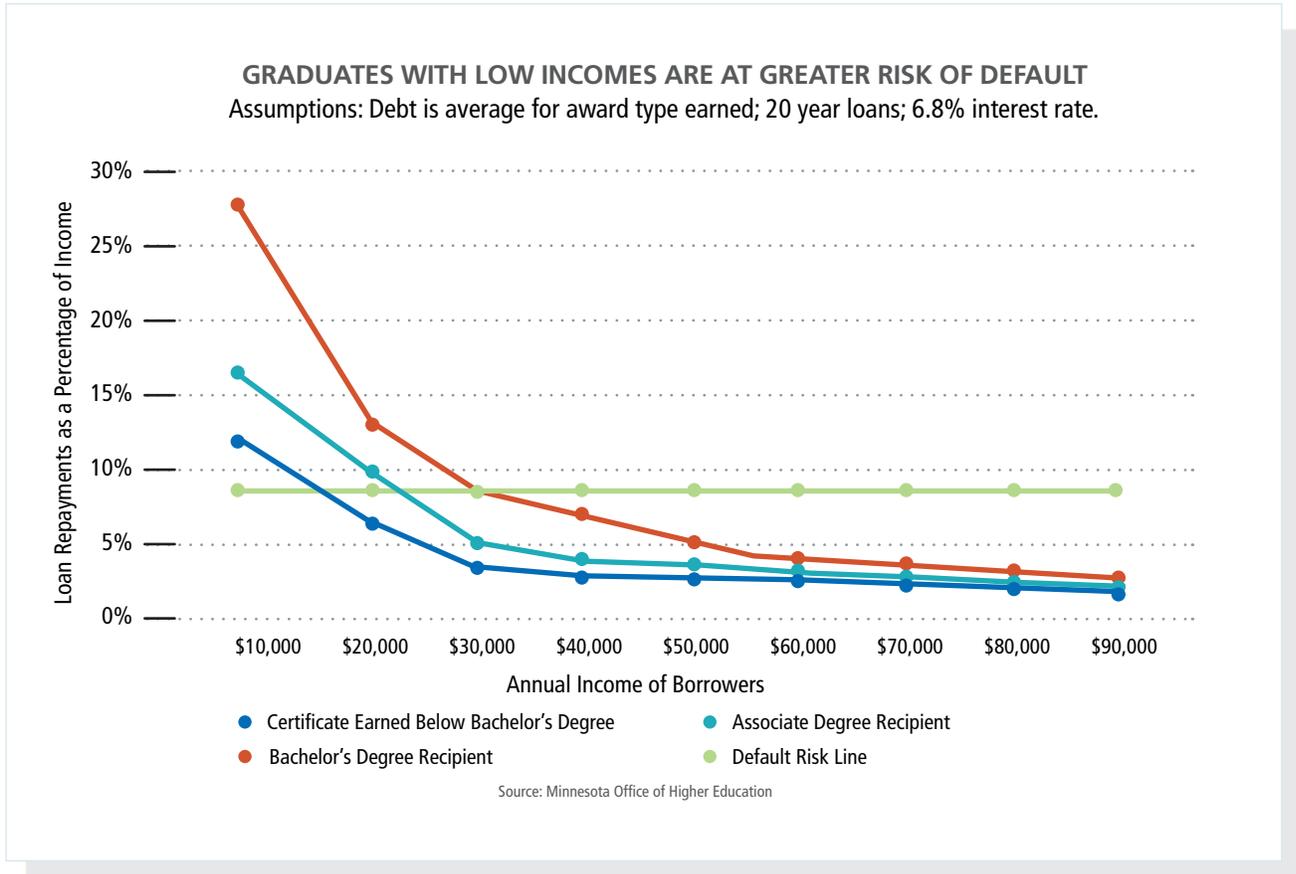
Sources: The Institute for College Access and Success and Minnesota Office of Higher Education; Statewide Longitudinal Education Database System (SLEDS)
 The following estimate of student debt burden shows the percentage of monthly income required for Minnesota undergraduate borrowers graduating with an average amount of debt based on award earned. This estimate assumes the repayment term of the loan, regardless of award earned, is 20 years. Some students will opt for higher monthly payments for a shorter loan term, reducing the amount of interest paid on the loan. Others may wish to extend their loan terms to lower their monthly payments.

1. Kantrowitz, M. (2010). Relationship of Default Rates to Debt and Income.
 2. Minnesota Office of Higher Education. (2013). *Cumulative Student Loan Debt in Minnesota, 2009-2010*. www.ohe.state.mn.us/pdf/CumulativeStudentLoanDebt09-10.pdf
 3. The Institute for College Access and Success. (2012). *Student Debt and the Class of 2011*. [projectonstudentdebt.org/files/pub/classof2011.pdf](http://www.fastweb.com/nfs/fastweb/static/Student_Aid_Policy_Analysis_Relationship_of_Default_Rate_to_Debt_and_Income_8.17.10.pdf)
http://www.fastweb.com/nfs/fastweb/static/Student_Aid_Policy_Analysis_Relationship_of_Default_Rate_to_Debt_and_Income_8.17.10.pdf
 4. Minnesota Office of Higher Education. (2013). Presentation to House Higher Education Committee. April 4, 2013. http://mnp20.org/working_groups/documents/SLEDSHouseHighEdApril2013.pdf

The following estimate of student debt burden shows the percentage of monthly income required for Minnesota undergraduate borrowers graduating with an average amount of debt based on award earned. This estimate assumes the repayment term of the loan, regardless of award earned, is 20 years. Some students will opt for higher monthly payments for a shorter loan term, reducing the

amount of interest paid on the loan. Others may wish to extend their loan terms to lower their monthly payments.

In selecting a repayment term option, if the borrower chooses a 10-year repayment term rather than a 20-year term, the monthly payments are higher but the total amount of interest paid is less.



8 LOAN DEFAULTS

- » Students attending every type of public and private institution in Minnesota had lower loan default rates than students nationally.
- » Students attending public two-year institutions had the highest default rates in Minnesota and nationwide compared with other types of institutions.

Student loan default rates are an indicator of student debt burden. Default rates are used by the federal government to determine eligibility for federal student financial aid. Nationwide eight postsecondary institutions were subject to loss of eligibility for federal student aid programs in 2011 due to their cohort default rates. No institutions in Minnesota were subject to loss of eligibility for student aid because of default rates.

The latest federal student loan default data are for students who were due to begin repayment in 2010-2011. The federal student loan default rate, called a two-year default rate, is the percent of students who default on federal Stafford Loans in the year they are due to enter repayment.

Minnesota students in all types of institutions, including public, private not-for-profit and private for-profit institutions, had lower default rates compared to students from the same type of institution nationwide.

In Minnesota, the peer¹ states and the nation, students attending public two-year institutions had the highest default rates, followed by borrowers attending private for-profit institutions. Students attending public four-year and private not-for-profit institutions had lower default rates than the total average default rate of students from all 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 2011. Recent increases in the default rates over time occurred during a period of economic recession, slow economic growth and high unemployment. In addition, the percent of income borrowers devoted to loan repayments increased substantially during this time period.²

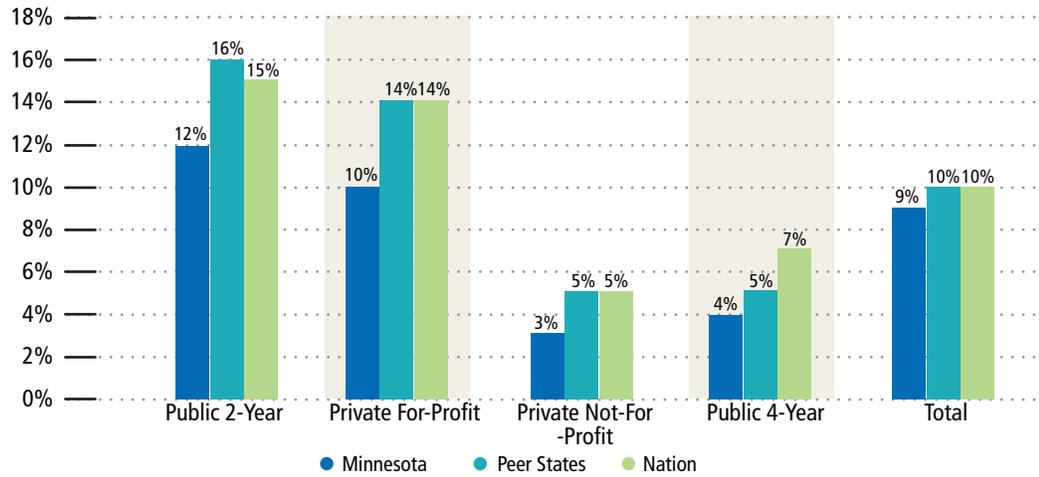
Borrowers attending Minnesota institutions had a two-year cohort default rate of 8.6 percent for 2011, as compared to 6.9 percent for 2010 and 5.8 percent for 2009. When ranking states with the lowest two-year default rate, Minnesota ranked 21st among the 54 states and territories (includes the District of Columbia, Guam, Puerto Rico, and the Virgin Islands). Minnesota's rate of 8.6 percent was also lower than the 10.1 percent rate for the peer states.

Default rates between institutions vary. Data for all institutions' default rates nationwide are available at <http://www2.ed.gov/offices/OSFAP/defaultmanagement/cdr2yr.html>. Data and discussion of Minnesota institutions' default rates are available at <http://www.ohe.state.mn.us/mPg.cfm?pageID=1337>.

¹The peer states are Illinois, Indiana, Iowa, Michigan, Ohio, Pennsylvania and Wisconsin

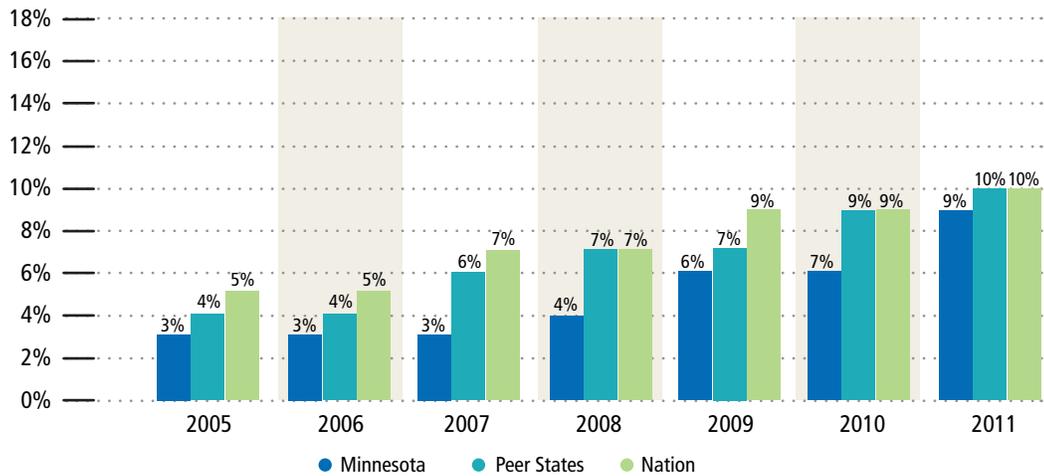
²Greenstone, G. & Looney, A., The Hamilton Project. (July 5, 2013). *Rising Student Debt Burdens: Factors Behind the Phenomenon*. Retrieved from: <http://www.brookings.edu/blogs/jobs/posts/2013/07/05-student-loans-debt-burdens-jobs-greenstone-looney>

BORROWERS FROM PUBLIC 2-YEAR INSTITUTIONS HAD THE HIGHEST DEFAULT RATES, 2011



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

2-YEAR DEFAULT RATES INCREASED IN MINNESOTA AND NATIONALLY FROM 2005 TO 2011



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

9 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* focuses on undergraduates since they comprise the majority of enrollment and receive the most financial aid. 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.¹

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.

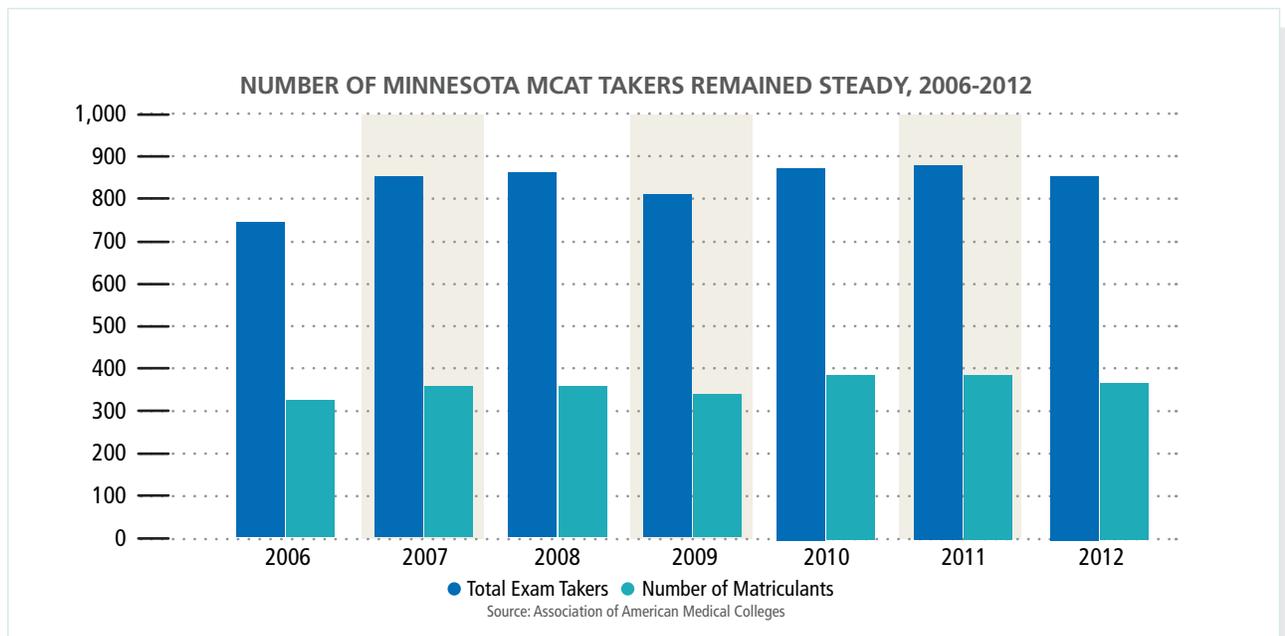
Each year about 1,200 students from Minnesota undergraduate institutions take the LSAT. They have received

an average score of about 153. The number of test takers from Minnesota institutions has been trending downwards from 1,383 in 2003-2004 to 1,210 in 2009-2010.

MCAT

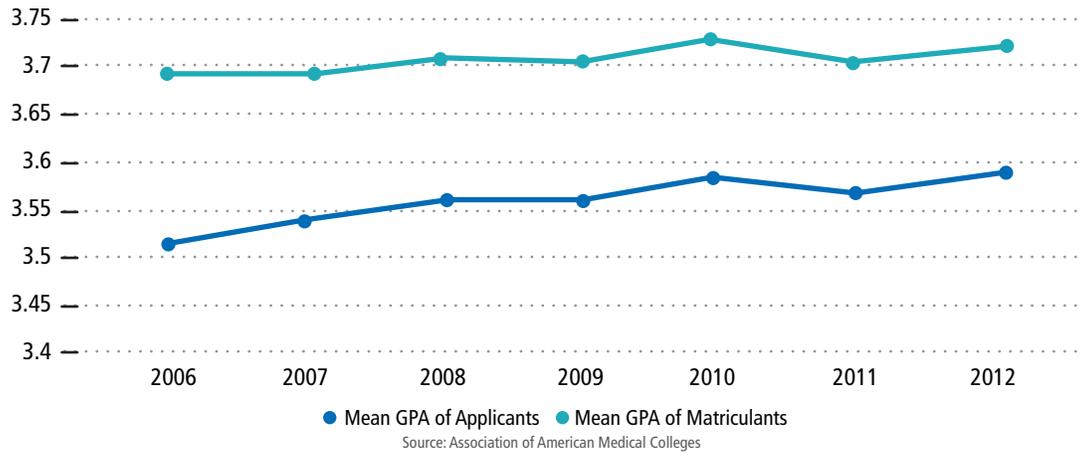
The Medical College Admission Test, or MCAT, is a multiple-choice exam taken by those preparing to go to a medical college or health professions school, such as veterinary or osteopathic medicine. The exam assesses candidates' abilities to problem solve, write and think critically, as well as their knowledge 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 2012, 848 Minnesota legal residents applied to medical schools. Their mean MCAT score was 28.9 and their mean undergraduate grade point average was 3.59. Forty-three percent, or 368 Minnesota applicants, matriculated into medical school. MCAT mean scores of matriculated students were 31.5 and their mean grade point average was 3.72.

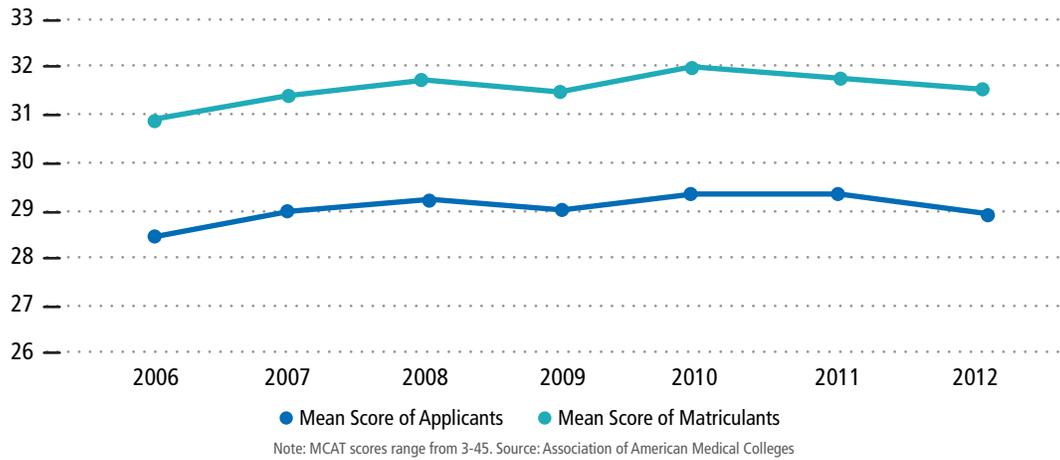


¹ Statistical information from 2012 for Minnesota residents on the Graduate Record Exam (a common application requirement for students pursuing master's, doctoral and professional degrees across a wide range of disciplines, from psychology and business, to physics and literature), or GRE, was unavailable as the administrators of the GRE, the Educational Testing Service (ETS), has stopped reporting state-level data on GRE takers.

MEAN GPA OF MINNESOTA MCAT TAKERS INCREASED SLIGHTLY, 2006-2012



MEAN SCORE OF MINNESOTA MCAT TAKERS HAS HELD CONSTANT, 2006-2012



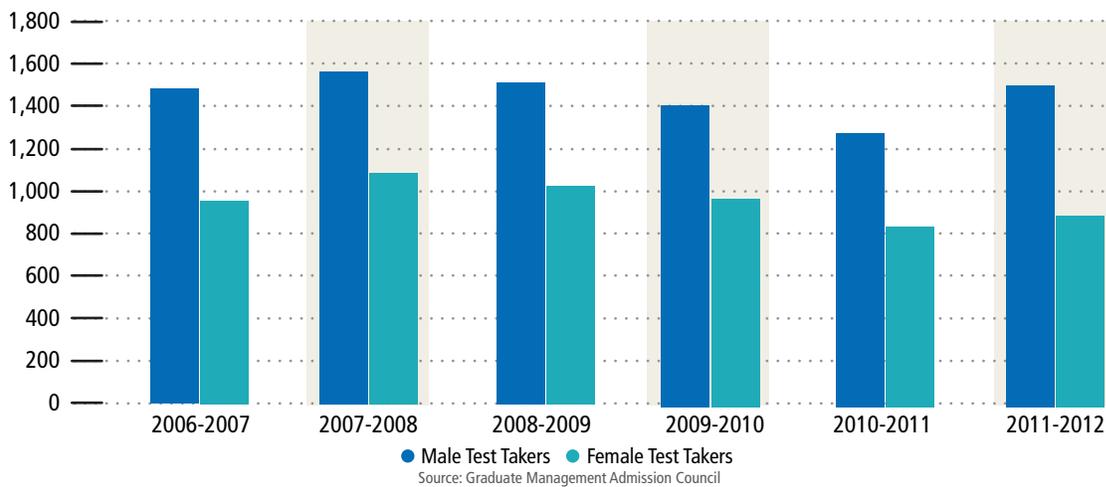
GMAT

The Graduate Management Admission Test, or GMAT, is an exam used by business schools in order to assess how well students are likely to do in a MBA program. The exam is a computer adaptive test (CAT) that assesses students' verbal, mathematical and analytical writing skills. Possible scores range from 200 to 800, and are given in increments of ten.

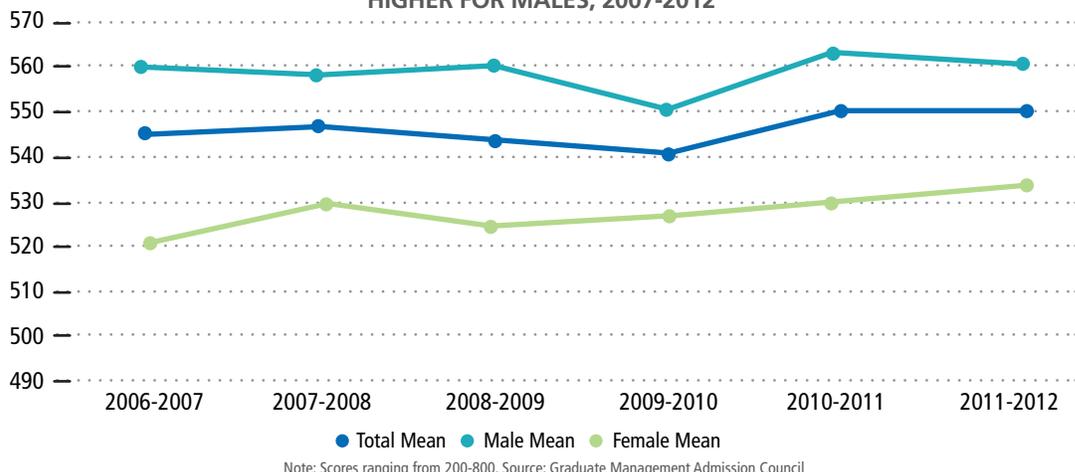
In 2011-2012, 2,191 Minnesota residents took the GMAT (1,291 of the test takers were male and 900 were female).

They received a mean score of 550. The mean score for male test takers was 560 and the mean score for female test takers was 536. The number of GMAT takers who are Minnesota residents has been slightly down in 2011-2012, as compared to recent years. The mean score of Minnesota GMAT exam takers has held steady over the past few years, but there has been a slight increase in the mean GMAT score among women since 2006-2007.

NUMBER OF MINNESOTA GMAT TAKERS DECREASED, 2007-2012



MEAN SCORES OF MINNESOTA GMAT TAKERS HAVE CONSTANTLY BEEN HIGHER FOR MALES, 2007-2012



Minnesota Residents Enrolled in Graduate School Programs

Each year, over 30,000 Minnesota residents and an additional 13,000 non-residents are pursuing graduate school at a Minnesota postsecondary institution. In 2012, Minnesota residents were enrolled in graduate programs at 39 Minnesota institutions; 9 public and 30 private.

Most graduate students were enrolled in master's degrees programs. In fall 2012, 70 percent of Minnesota resident graduate students were pursuing a master's degree,

compared to 25 percent pursuing a doctorate degree, and five 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 2012, 64 percent of Minnesota residents enrolled in graduate school were younger than age 34, compared to 20 percent who were age 35 to 44, and 14 percent who were 45 and older. In addition, more females than males have enrolled in graduate programs. In fall 2012, 61 percent of enrolled graduate students were female, while 38 percent of students were male.

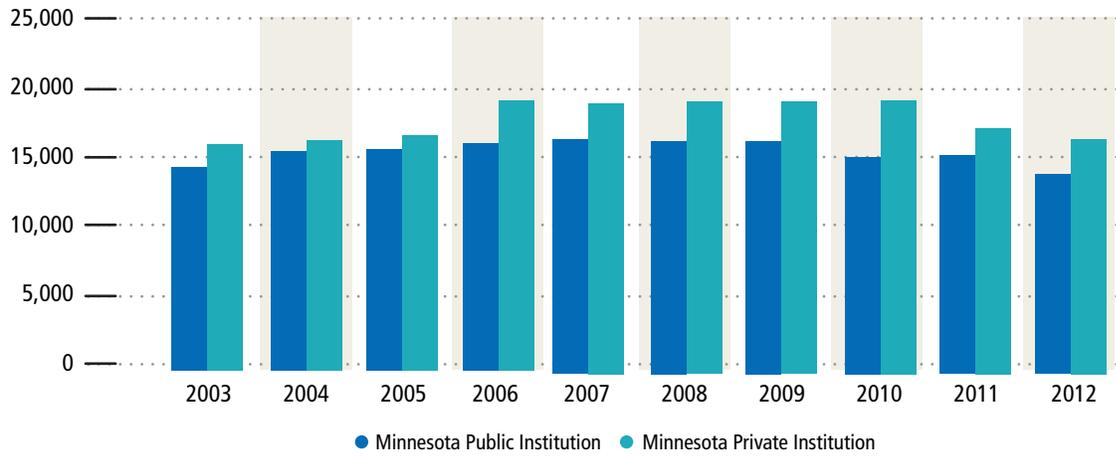
MINNESOTA STUDENTS PURSUED GRADUATE DEGREES AT VARIOUS PUBLIC AND PRIVATE MINNESOTA INSTITUTIONS, 2012

Institution Type	Graduate Certificate	Master's Degree	Doctorate Research	Doctorate Professional	Doctorate Other	Total
State Universities	555	3,194	184	0	0	3,933
University of Minnesota	270	5,008	2,120	1,987	438	9,823
Private Colleges & Universities	769	10,523	421	864	0	12,577
Private Career Schools	39	787	42	209	0	1,077
Private Career Online Schools*	46	1,047	382	9	0	1,484
Private Graduate & Professional Schools	7	815	0	942	0	1,764
Total	1,686	21,374	3,149	4,011	438	30,658

*Currently includes Capella and Walden Universities whose students complete their degrees online.
Note: Minnesota residents enrolled in graduate programs at Minnesota postsecondary institutions.

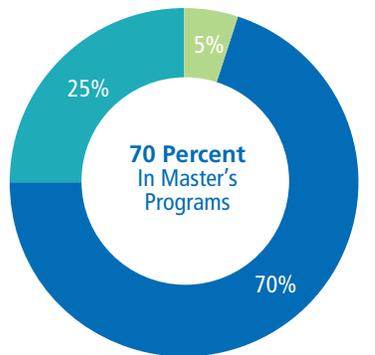
Source: Minnesota Office of Higher Education

MORE STUDENTS ENROLLED IN GRADUATE PROGRAMS AT PRIVATE MINNESOTA INSTITUTIONS, 2003-2012



Source: Minnesota Office of Higher Education

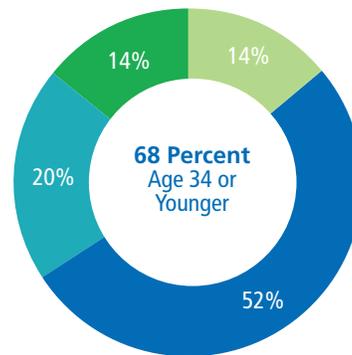
MORE MINNESOTA GRADUATE STUDENTS PURSUE MASTER'S DEGREES, 2012



● Certificate ● Master's Degree ● Doctorate

Source: Minnesota Office of Higher Education

NUMBER OF MINNESOTA GRADUATE STUDENTS ARE AGE 34 OR YOUNGER, 2012



● 24 and Younger ● 25 to 34 ● 35 to 44 ● 45 and Older

Source: Minnesota Office of Higher Education

¹ Statistical information from 2012 for Minnesota residents on the Graduate Record Exam (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), or GRE, was unavailable as the administrator of the GRE, the Educational Testing Service (ETS), has stopped reporting state-level data on GRE takers.

10 CERTIFICATION AND LICENSURE PREPARATION

- » On teacher licensure exams, all institution types saw a lower pass rate from the previous year. The pass rates were highest for the University of Minnesota graduates.
- » On nursing exams, Minnesota practical nurse candidates had 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.
- » While the number of first-time takers has decreased in recent years, the passage rate for the Minnesota Bar Exam has remained very high.

Teaching Licensure Exam

The Minnesota Board of Teaching is authorized by Minnesota statutes to adopt rules establishing licensure standards for teachers and the 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, the 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 2010-2011, 3,122 graduates of Minnesota teacher preparation programs took teacher licensure exams: 1,866 graduated from public and 1,256 from private institutions. Since the previous academic year, the overall pass rate in Minnesota declined from 91 percent to 85 percent. The pass rates amongst all institution types declined as well, although the University of Minnesota institutions experienced the smallest decline.

This data reflects initial licenses of new college graduates only: licensed teachers receiving added endorsements or additional licenses are not included.

PASS RATES OF THE TEACHER LICENSURE EXAMS BY NEW GRADUATES HAVE DECLINED ACROSS ALL INSTITUTION TYPES, 2007-2011

Institution Graduating Teacher Preparation Students	2006-2007		2007-2008		2008-2009		2009-2010		2010-2011	
	Number Taking Tests	Pass Rate								
State Universities	1,258	92%	1,304	87%	1,310	86%	1,227	85%	1,345	78%
University of Minnesota	611	97%	598	94%	544	96%	532	97%	521	94%
Private 4-Year Not for Profit	1,297	96%	1,208	94%	1,243	95%	1,130	95%	1,256	88%
Minnesota Total	3,166	95%	3,110	91%	3,097	91%	2,889	91%	3,122	85%

Note: Institutions with less than 10 students taking the exam are not reported in the pass rates (Carleton and UM-Crookston).
Source: U.S. Department of Education, Title II Report

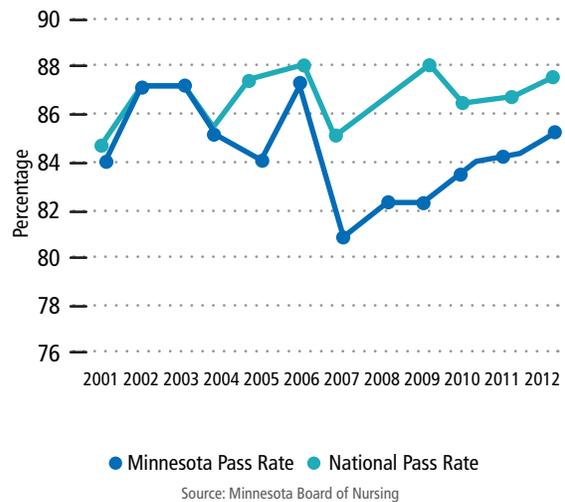
Nursing Licensure Exam

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.

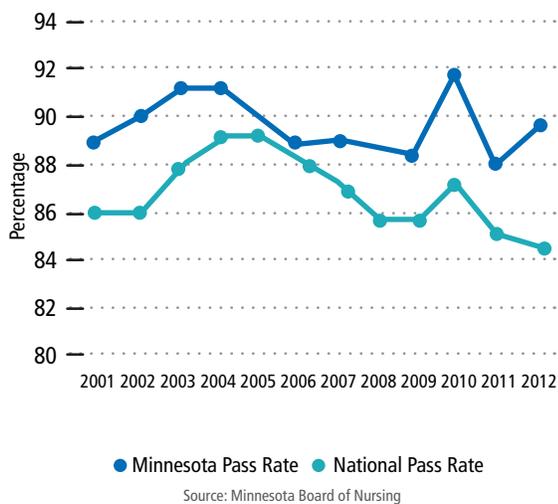
The majority of associate degree nursing programs (both practical and registered nursing programs) are provided by Minnesota public two-year colleges. Public and private four-year institutions also offer bachelor's degree or higher registered nurse programs. From 2001 to 2012, the number of practical nursing candidates taking the exam for the first time increased from 914 to 1,780, the number of associate degree registered nurse candidates increased from 941 to 2,020, and the number of bachelor's degree nurse candidates increased from 512 to 1,230.

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.

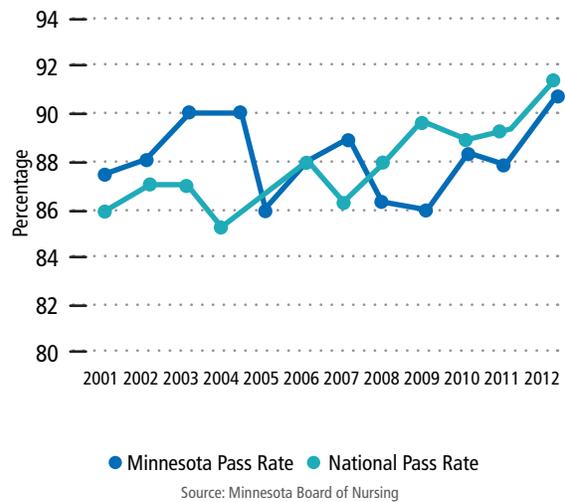
ASSOCIATE DEGREE IN NURSING EXAM PASS RATES IN MINNESOTA ARE BELOW THE NATIONAL PASS RATE, 2001-2012



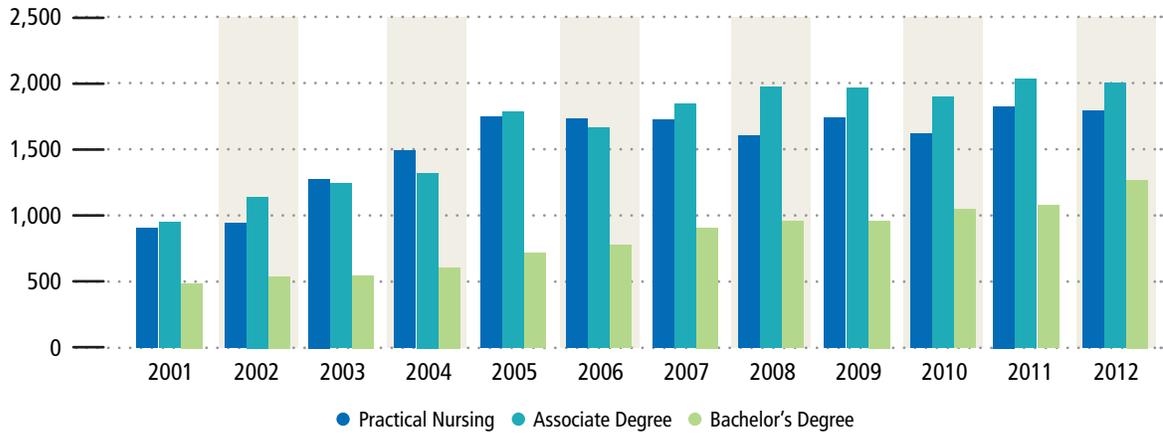
PRACTICAL NURSING EXAM PASS RATES IN MINNESOTA ARE ABOVE THE NATIONAL PASS RATE, 2001-2012



BACHELOR'S DEGREE IN NURSING EXAM PASS RATES IN MINNESOTA ARE INCREASING, BUT BELOW THE NATIONAL PASS RATE, 2001-2012



NUMBER OF NURSING EXAM TAKERS IN MINNESOTA HAS INCREASED, 2001-2012



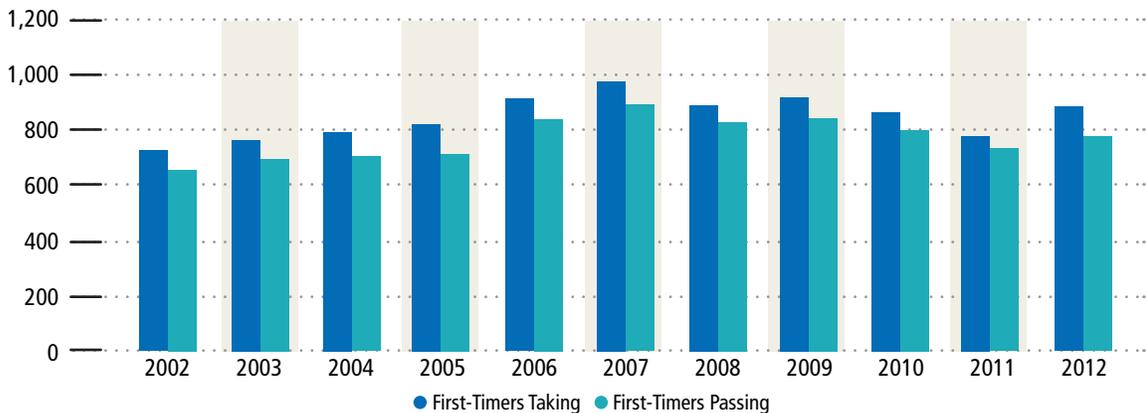
Source: Minnesota Board of Nursing

Bar Exam

The bar examination is a test administered to assess whether or not a law school graduate is qualified to practice law in a given state. Bar examinations are administered by agencies in individual states, so the content of the exam material can vary from state to state. Starting in 2014; however, Minnesota will begin using the Uniform Bar Exam (UBE), which is a multistate standardized exam written and administered by the National Conference of Bar Examiners (NCBEX). As such, the UBE offers portability of bar exam scores across state

lines. Going back the previous ten years, there was an initial increase in the number of first-time exam takers who were Minnesota residents (peaking in 2007), but there has been a decline in recent years. In addition, the passage rate for these takers has been consistently high. Since 2002, the passage rate among first-time test takers has never fallen below 88 percent.

PASS RATES OF FIRST-TIME BAR EXAM TAKES HAVE BEEN CONSISTENTLY HIGH, 2002-2012



Source: National Conference of Bar Examiners

11 ACADEMIC RESEARCH AND DISCOVERY

- » Between 2010 and 2011, total academic research and development spending in Minnesota grew by eight percent.
- » The University of Minnesota, Twin Cities ranked eighth among U.S. public institutions in research and development spending for 2011.

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 (NSF) 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 2011, Minnesota ranked 24th in its share of the 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, 2006-2011

Top States by Percent Share of All Higher Education R & D Expenditures	2006	2007	2008	2009	2010	2011
California	14%	14%	14%	14%	13%	13%
New York	8%	8%	8%	8%	8%	8%
Texas	7%	7%	7%	7%	7%	7%
Minnesota	2006	2007	2008	2009	2010	2011
Total R & D Expenditures (in millions)	\$605.2	\$636.9	\$698.9	\$757.7	\$831.8	\$898.7
Percent of National Share	1.3%	1.3%	1.4%	1.2%	1.4%	1.4%
Rank	23	24	24	25	24	24

Source: Higher Education Research and Development: Fiscal Year 2011, National Science Foundation

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 seven years, but growth in academic research and development spending has been strong. Between 2010 and 2011, total academic research and development spending in the state grew by eight percent, and 48.5 percent since 2006.

Minnesota's research and development spending data has been dominated by the University of Minnesota, Twin Cities campus since few other universities in Minnesota obtain significant funds for sponsored research. The University of

Minnesota, Twin Cities campus accounted for 94 percent of all federally sponsored research provided to universities in the state. NSF data for the 2011 fiscal year shows the University of Minnesota, Twin Cities campus ranked eighth among public institutions and 13th among institutions overall in research and development expenditures. In 2011, the University of Minnesota reported \$847 million in research and development spending; an increase of 7.8 percent from 2010, 14.3 percent from 2009 and 24 percent in 2008.

THE UNIVERSITY OF MINNESOTA, TWIN CITIES RANKED IN THE TOP 20 INSTITUTIONS BY HIGHER EDUCATION RESEARCH AND DEVELOPMENT EXPENDITURES, 2008-2011

2011 Rank	Institution	Type of Institution	(Dollars in Millions)			
			2008	2009	2010	2011
1	Johns Hopkins University	Private	\$1,691	\$1,866	\$2,004	\$2,145
2	University of Michigan	Public	\$876	\$1,007	\$1,184	\$1,279
3	University of Washington	Public	\$765	\$778	\$1,023	\$1,149
4	University of Wisconsin-Madison	Public	\$945	\$1,014	\$1,029	\$1,112
5	Duke University	Private	\$770	\$808	\$983	\$1,022
6	University of California, San Diego	Public	\$845	\$884	\$943	\$1,009
7	University of California, San Francisco	Public	\$885	\$948	\$936	\$995
8	University of California, Los Angeles	Public	\$905	\$924	\$937	\$982
9	Stanford University	Private	\$699	\$717	\$840	\$908
10	University of Pittsburgh	Public	\$600	\$629	\$822	\$899
11	University of Pennsylvania	Private	\$740	\$758	\$836	\$886
12	Columbia University	Private	\$549	\$605	\$807	\$879
13	University of Minnesota, Twin Cities	Public	\$683	\$741	\$786	\$847
14	Ohio State University	Public	\$726	\$744	\$755	\$832
15	Pennsylvania State University	Public	\$701	\$753	\$770	\$795
16	Cornell University	Private	\$656	\$673	\$750	\$782
17	University of North Carolina at Chapel Hill	Public	\$530	\$651	\$755	\$767
18	University of Florida	Public	\$633	\$644	\$682	\$740
19	Washington University in St. Louis	Private	\$566	\$630	\$696	\$725
20	Massachusetts Institute of Technology	Private	\$682	\$760	\$677	\$724

Source: Higher Education Research and Development: Fiscal Year 2011, National Science Foundation

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.

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 2013. The University was also 29th in 2012, and 28th in both 2010 and 2011.

The Times Higher Education World University Rankings ranked the University of Minnesota 46th in 2013. The University was 47th in 2012, 42nd in 2011 and 52nd in 2010.

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

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

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

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 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.

A patent is a set of exclusive rights granted by the government in return for the public disclosure of an invention. Patents on inventions made by faculty, students and staff can provide a source of income for universities. In 2011, the University of Minnesota combined campuses

ranked 30th in the U.S. in licensing revenue, which drew \$10,078,505 in license income. The University of Minnesota also applied for 89 new patents in 2011, while 41 patents were issued.

The University of Minnesota, Twin Cities has also been a leader in the publication of original research. In the 2013 *Performance Ranking of Scientific Papers for World Universities* by the Higher Education Evaluation and Accreditation Council of Taiwan, the university ranked 17th in the U.S. (and 23rd worldwide) in scholarly output. The rankings measure the productivity, impact, and excellence of journal articles in the natural, formal, applied and social sciences. The Mayo Clinic College of Medicine, located in Rochester, ranked 27th in the U.S. (and 37th in the world) in scholarly output.

THE UNIVERSITY OF MINNESOTA-TWIN CITIES RANKED IN THE TOP 20 U.S. INSTITUTIONS IN PUBLICATIONS IN THE NATURAL, FORMAL, APPLIED AND SOCIAL SCIENCES

Institution	Rank (2010)
Harvard University	1
Stanford University	2
Johns Hopkins University	3
University of Washington-Seattle	4
University of California, Los Angeles	5
University of California, Berkeley	6
Massachusetts Institute of Technology	7
University of Michigan	8
University of Pennsylvania	9
University of California, San Diego	10
Columbia University	11
University of California, San Francisco	12
Yale University	13
Duke University	14
University of Wisconsin-Madison	15
Cornell University	16
University of Pittsburgh	17
University of Minnesota, Twin Cities	18
Washington University in St. Louis	19
University of North Carolina at Chapel Hill	20

*The Mayo Clinic College of Medicine ranked 33rd in the list.
 Source: Performance Ranking of Scientific Papers for World Universities, Higher Education Evaluation and Accreditation Council of Taiwan

Appendix A: Definitions and Terms Used in the Report

Certificates

Postsecondary awards conferred after completing a curriculum of study at least three months in duration. Certificates are earned in programs below the sub-baccalaureate degree. There are three types of certificate programs based on duration of study. One can be completed in less than one year. The other can be completed in one but less than two years in length. There are a few programs offered at Minnesota postsecondary institutions that are two, but less than four years in length. All three types are grouped together for data purposes in this report. Certificates are predominantly offered in occupationally-specific programs.

Dual Enrollment

A high school student enrolled in one or more college-level courses while still attending high school.

FAFSA

The Free Application for Federal Student Aid (FAFSA) must be completed by anyone who wants financial aid for college. The application is used to determine the dollar amount a student or their family will be expected to contribute towards college. All federal grant and loan awards, Minnesota state financial aid and some institutional aid are determined by the FAFSA. The FAFSA is managed by the U.S. Department of Education, Office of Federal Student Aid.

First-Time, Full-Time Freshmen

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 and 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 State Colleges and Universities

This state-supported system comprises seven state universities and 30 community and technical colleges across Minnesota. The institutions are governed by the Minnesota State Colleges and Universities (MnSCU) system. 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.

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.

Postsecondary Institution

An educational organization offering a program of study leading to an award (degree or other non-degree certificate) conferred to enrolled students completing the specified curriculum. In this report, the program of study must offer at least one program that is of at least three months duration. Unless dual enrolled, students are beyond high school level education.

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 few have started offering career-related bachelor's and master's degrees. Private for-profit institutions may be locally owned and publicly traded. Examples are Brown College and Rasmussen College.

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, Hawaiian or Other 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

A 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. Unless reported separately, 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. Data on research patents.

Common Data Set

(www.commondataset.org) Data reported by the Institute for College Access and Success on debt of graduating undergraduates.

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.
- American Council on Education: Data on GED 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.
- Graduate Management Admissions Council: Data on GMAT test takers.
- 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 taken by public high school students.
- National Conference of Bar Examiners: Data on bar examinees.
- U.S. Department of Education: (title2.ed.gov/View.asp) Data on the teacher licensure exam.

International Institute for Education

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

Georgetown University Center on Education and the Workforce

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

Higher Education Evaluation and Accreditation Council of Taiwan

Data on publication of research paper rankings.

Minnesota Department of Education

(education.state.mn.us) Data on Minnesota high school graduates, high school assessments and dual enrollment programs.

Minnesota Department of Employment and Economic Development

(www.mn.gov/deed) Data on employment and wages of Minnesota's workforce.

Minnesota Office of Higher Education

(www.ohe.state.mn.us) Data on students enrolled during the fall term in Minnesota's public and private postsecondary education institutions. Data on financial aid applicants and financial aid awarded from Minnesota funded programs. Data from the State Longitudinal Education Data System on employment outcomes of Minnesota graduates working in Minnesota.

National Science Foundation

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

National Student Clearinghouse

(www.studentclearinghouse.org) Data on where high school students attend college out of state and longitudinal college completion rates of high school graduates.

U.S. Census Bureau

(www.census.gov) Data on educational attainment of the population and student employment from the American Community Survey.

U.S. Department of Commerce

(www.bea.gov) Data on per capita income from the Bureau of Economic Analysis.

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).

U.S. Department of Labor

(www.dol.gov) Data on inflation and income and attainment of populations from the Bureau of Labor Statistics.

Appendix C: Enrollment At Minnesota Postsecondary Institutions – Fall 2012

	Enrollment Level			Total Enrolled	Undergraduates Age 25 and Older Percent	Undergraduate Students of Color Percent
	Undergraduate	Graduate	High School Student			
University of Minnesota						
University of Minnesota-Crookston	1,832		931	2,763	38%	15%
University of Minnesota-Duluth	9,548	1,145	797	11,490	6%	9%
University of Minnesota-Morris	1,813		83	1,896	4%	23%
University of Minnesota-Rochester	410		4	414	10%	16%
University of Minnesota-Twin Cities	32,449	17,384	2,020	51,853	13%	18%
Total University of Minnesota	46,052	18,529	3,835	68,416	12%	16%
State Universities						
Bemidji State University	4,540	273	214	5,027	27%	9%
Metropolitan State University	7,547	896	84	8,527	74%	35%
Minnesota State University Mankato	12,691	1,937	813	15,441	14%	13%
Minnesota State University Moorhead	6,383	482	38	6,903	20%	9%
Saint Cloud State University	12,477	1,689	2,756	16,922	20%	15%
Southwest Minnesota State University	2,545	439	4,015	6,999	21%	11%
Winona State University	8,349	523	47	8,919	11%	8%
Total State Universities	54,532	6,239	7,967	68,738	25%	15%
Public 2-Year						
Alexandria Tech and Community College	2,387		605	2,992	33%	7%
Anoka Technical College	2,142		42	2,184	63%	18%
Anoka-Ramsey Community College	7,613		1,884	9,497	41%	20%
Central Lakes College	2,903		1,578	4,481	43%	10%
Century College	10,156		320	10,476	46%	38%
Dakota County Technical College	3,664		47	3,711	58%	18%
Fond du Lac Tribal & Community College	1,152		1,155	2,307	42%	30%

	Enrollment Level			Total Enrolled	Undergraduates Age 25 and Older Percent	Undergraduate Students of Color Percent
	Undergraduate	Graduate	High School Student			
Hibbing Community College	1,262		56	1,318	42%	11%
Inver Hills Community College	5,716		398	6,114	47%	29%
Itasca Community College	1,171		91	1,262	31%	13%
Lake Superior College	4,567		855	5,422	44%	13%
Mesabi Range Community & Techn College	1,062		416	1,478	36%	18%
Minneapolis Community & Techn College	9,830		261	10,091	56%	56%
Minnesota State College-Southeast Tech	2,135		166	2,301	50%	12%
Minnesota West Community & Techn College	2,903		564	3,467	56%	16%
MN State Community & Technical College	5,570		1,216	6,786	42%	17%
Normandale Community College	9,040		814	9,854	39%	35%
North Hennepin Community College	7,294		458	7,752	52%	43%
Northland Community & Technical College	3,610		470	4,080	44%	16%
Northwest Technical College	1,161		20	1,181	54%	22%
Pine Technical College	832		199	1,031	63%	10%
Rainy River Community College	279		102	381	22%	35%
Ridgewater College	3,809		259	4,068	39%	11%
Riverland Community College	2,995		532	3,527	57%	17%
Rochester Community & Technical College	5,759		516	6,275	45%	21%
Saint Cloud Technical College	4,598		153	4,751	38%	15%
Saint Paul College	6,605		141	6,746	58%	60%
South Central College	3,816		88	3,904	49%	16%
Vermilion Community College	578		194	772	15%	15%
Total Public 2-Year	121,062		13,734	134,796	48%	28%
Private 4-Year Colleges						
Augsburg College	2,855	843		3,698	32%	27%
Bethany Lutheran College	579		21	600	5%	7%
Bethel University	3,357	998	79	4,434	22%	12%
Carleton College	2,053		5	2,058	0%	22%
College of Saint Benedict	2,062		7	2,069	1%	12%

	Enrollment Level			Total Enrolled	Undergraduates Age 25 and Older Percent	Undergraduate Students of Color Percent
	Undergraduate	Graduate	High School Student			
College of Visual Arts	177		2	179	8%	16%
Concordia College Moorhead	2,574	28	24	2,626	2%	7%
Concordia University St. Paul	1,434	1,237	298	2,969	43%	27%
Crossroads College	141		13	154	35%	14%
Crown College	1,092	176		1,268	37%	15%
Gustavus Adolphus College	2,504		26	2,530	1%	13%
Hamline University	2,105	2,543	35	4,683	9%	22%
Macalester College	2,066		4	2,070	0%	21%
Martin Luther College	741	57	1	799	9%	3%
Minneapolis College Art & Design	615	109		724	12%	36%
North Central University	1,124		185	1,309	7%	12%
Northwestern College	1,616	78	685	2,379	12%	13%
Oak Hills Christian College	118			118	17%	14%
Presentation College (Fairmont)	207		31	238	55%	16%
Saint Catherine University	3,648	1,404	22	5,074	41%	28%
Saint Johns University	1,845	129	9	1,983	1%	11%
Saint Marys University of MN	1,964	3,589	21	5,574	30%	13%
Saint Olaf College	3,163		13	3,176	1%	14%
University of St. Thomas	6,336	3,980		10,316	6%	13%
Total Private 4-Year Colleges	47,241	16,438	1,493	65,172	14%	16%
Private Career Schools						
Academy College	152			152	68%	29%
American Academy of Acupuncture	2	116		118	100%	
American Indian OIC	194			194	86%	69%
Anthem College (Minnesota)	540			540	64%	50%
Argosy University/Twin Cities	1,196	612		1,808	57%	19%
Art Institutes International Minnesota	1,407			1,407	32%	7%
Avalon School of Cosmetology	28			28	39%	18%
Aveda Institute Minneapolis	390			390	22%	13%
Brainco School of Advertising	15			15	67%	
Brensten Education	156			156	83%	24%

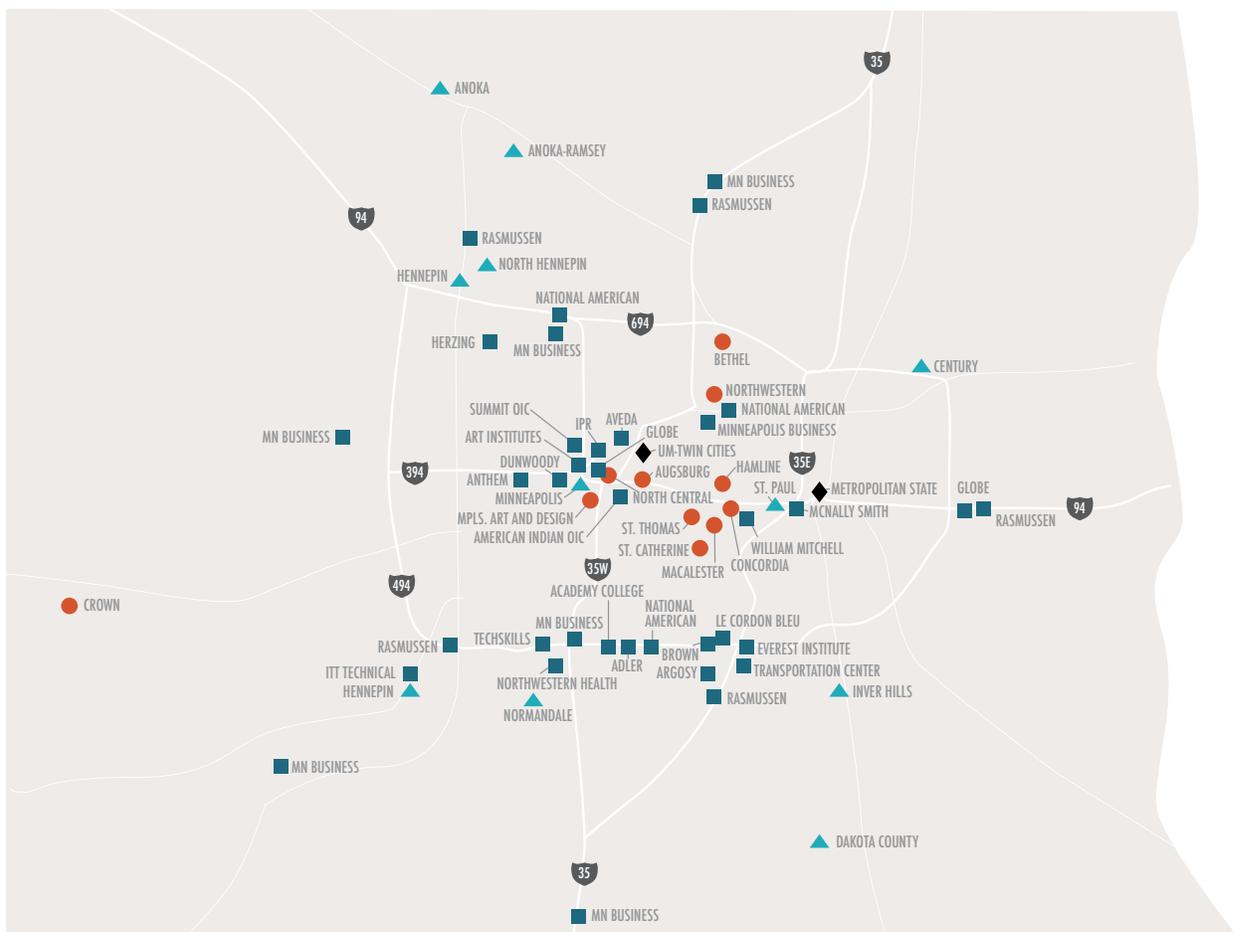
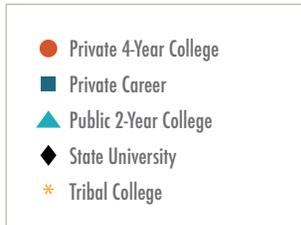
	Enrollment Level			Total Enrolled	Undergraduates Age 25 and Older Percent	Undergraduate Students of Color Percent
	Undergraduate	Graduate	High School Student			
Brown College (Mendota Heights)	1,057			1,057	54%	25%
CenterPoint Massage and Shiatsu Therapy	105			105	70%	10%
Cosmetology Training Center (Mankato)	41			41	17%	
DeVry University (Edina Center)	355	214		569	80%	16%
Duluth Business University	256			256	68%	6%
Dunwoody College of Technology	1,090		1	1,091	46%	19%
Empire Beauty School (Bloomington)	52			52	37%	48%
Empire Beauty School (Eden Prairie)	30			30	20%	27%
Empire Beauty School (Spring Lake Park)	54			54	37%	70%
Empire Beauty School (St. Paul)	32			32	38%	75%
Everest Institute	245			245	49%	
Globe University (Minneapolis)	172	79		251	64%	46%
Globe University (Woodbury)	1,072	51	4	1,127	69%	16%
Green River School of Dance	6			6	83%	
Hastings Beauty School	50			50	38%	10%
Herzing University	332			332	58%	19%
Institute of Production & Recording	293		6	299	26%	26%
ITT Technical Institute (Brooklyn Center)	135			135	70%	42%
ITT Technical Institute (Eden Prairie)	348			348	64%	
LA Beauty School	14			14	57%	43%
LeCordon Bleu College of Culinary Arts	1,450			1,450	52%	15%
McNally Smith College of Music	612	15	20	647	11%	18%
Miami Ad School Minneapolis	28			28	54%	7%
Minneapolis Business College	219			219	5%	39%
Minneapolis Media Institute	155			155	30%	25%
Minnesota Commercial Diving Training	62			62	76%	
Minnesota School of Beauty	35			35	34%	17%

	Enrollment Level			Total Enrolled	Undergraduates Age 25 and Older Percent	Undergraduate Students of Color Percent
	Undergraduate	Graduate	High School Student			
Minnesota School of Business (Blaine)	531		1	532	56%	8%
Minnesota School of Business (Elk River)	365		5	370	70%	7%
Minnesota School of Business (Lakeville)	239		2	241	51%	14%
Minnesota School of Business (Moorhead)	215		2	217	49%	6%
Minnesota School of Business (Plymouth)	267		2	269	64%	16%
Minnesota School of Business (Richfield)	1,164	75	5	1,244	76%	19%
Minnesota School of Business (Rochester)	339			339	65%	9%
Minnesota School of Business (Shakopee)	210		3	213	63%	12%
Minnesota School of Business (St. Cloud)	461		3	464	59%	5%
Minnesota School of Cosmetology (Plymouth)	79			79	38%	47%
Minnesota School of Cosmetology (Woodbury)	186			186	34%	33%
Model College Hair Design	85			85	21%	8%
Moler Barber School	37			37	73%	73%
Montessori Training Center	23			23		30%
MRI School of Minnesota	6			6	67%	50%
National Am. University (Bloomington)	550			550	80%	50%
National Am. University (Brooklyn Ctr.)	811			811	80%	51%
National Am. University (Burnsville)	110			110	82%	49%
National Am. University (Roseville)	512			512	78%	51%
Northwest Technical Institute	25			25	12%	
Nova Academy of Cosmetology	68			68	41%	13%
Park Avenue School of Cosmetology	48			48	50%	15%
PCI Academy New Hope	59			59	44%	36%
Professional Salon Academy	22			22	18%	9%
Rasmussen College	5,154			5,154	72%	17%
Regency Beauty Institute (Burnsville)	47			47	17%	4%
Regency Beauty Institute (Duluth)	24			24	8%	4%

	Enrollment Level			Total Enrolled	Undergraduates Age 25 and Older Percent	Undergraduate Students of Color Percent
	Undergraduate	Graduate	High School Student			
Regency Beauty Institute (Minnetonka)	31			31	29%	26%
Regency Beauty Institute (St. Cloud)	48			48	19%	4%
Rochester School of Hair	37			37	51%	16%
Summit Academy OIC	247		1	248	72%	86%
Trails End Taxidermy	14			14		
Transportation Center for Excellence	45			45	82%	31%
Travel Academy	56			56	16%	30%
University of Phoenix (Mpls/St. Paul)	243	34		277	80%	29%
Total Private Career	25,504	1,196	55	26,755	59%	22%
Private Career Online Schools						
Capella University	8,087	27,667		35,754	97%	39%
Walden University	8,586	41,622		50,208	89%	45%
Total Private Career Online Schools	16,673	69,289		85,962	93%	42%
Private Graduate & Professional						
Adler Graduate School		336		336		
Bethel Seminary		569		569		
Northwestern Health Sciences University	115	753		868	63%	11%
United Theological Seminary		144		144		
Vesper College		6		6		
William Mitchell College of Law		927		927		
Total Private Graduate & Professional	115	2,735		2,850	63%	11%
Tribal Colleges						
Leech Lake Tribal College	334			334	66%	95%
White Earth Tribal College	84			84	75%	87%
Total Tribal Colleges	418			418	67%	93%
Grand Total	311,597	114,426	27,084	453,107	37%	23%

Source: Minnesota Office of Higher Education

Minnesota Postsecondary Institutions: Twin Cities Metro Area



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

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

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