

MHEC in Wisconsin

October 5, 2006



MIDWESTERN HIGHER EDUCATION COMPACT

Cost Savings ♦ Student Access ♦ Policy Research



MHEC in Wisconsin



MHEC'S MISSION

**Advancing Midwestern higher education through
interstate cooperation and resource sharing**

Core Functions

Cost Savings

Student Access

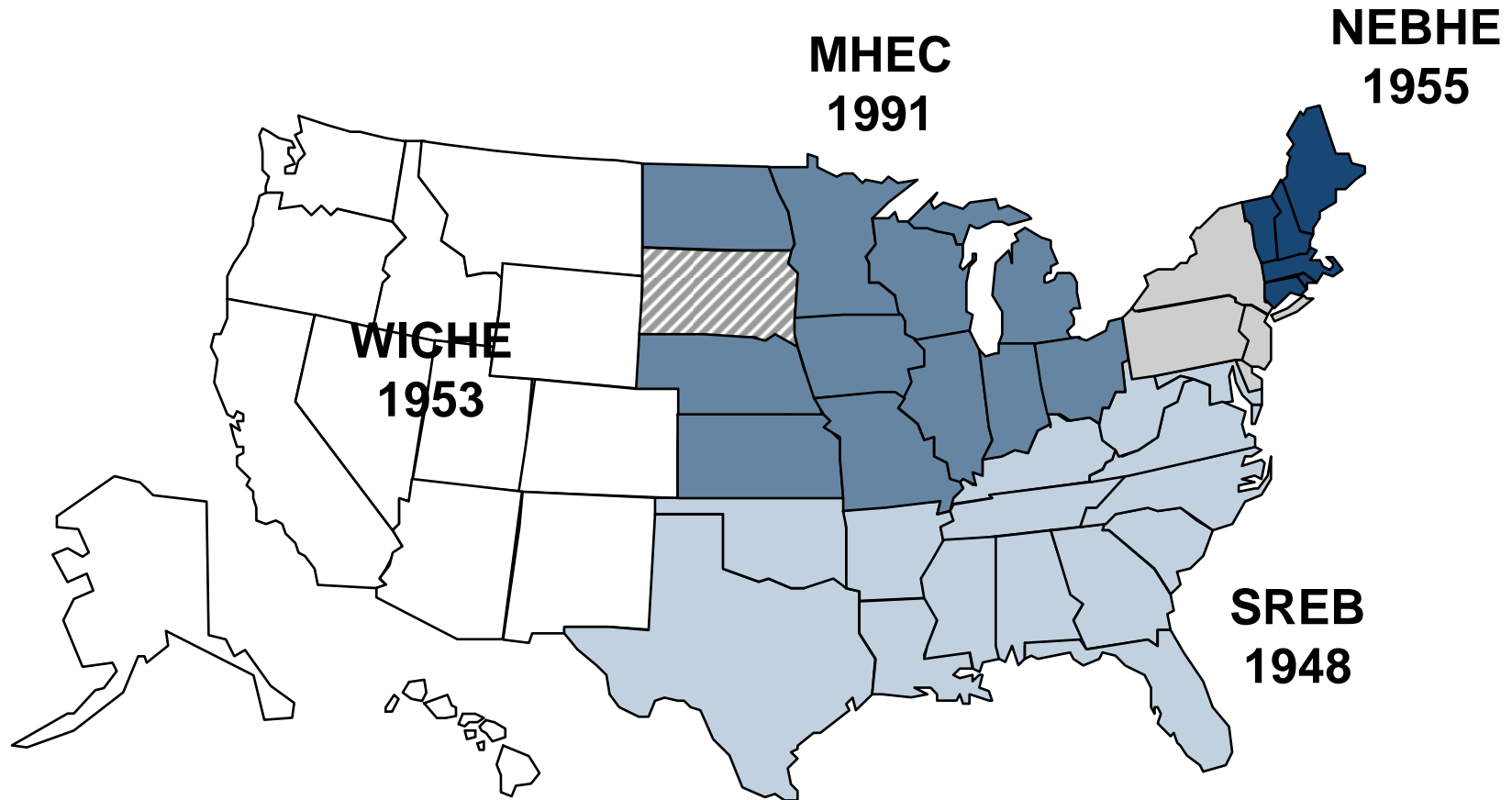
Policy Research



MHEC in Wisconsin



INTERSTATE COMPACTS



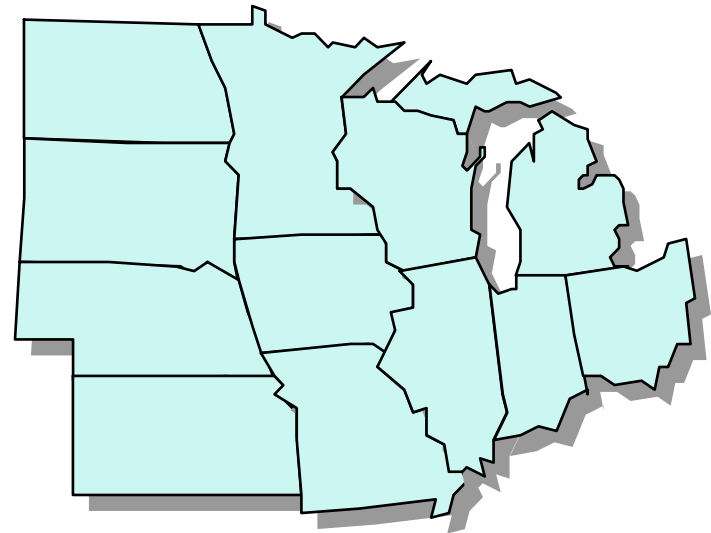


MHEC in Wisconsin



THE MIDWEST

- 22.4% of the nation's population (Census Bureau, 2004)
- 20.8% of the nation's two-year college enrollments (IPEDS, 2003)
- 23.4% of the nation's four-year college enrollments (IPEDS, 2003)
- 22.9% of the nation's Associates degrees awarded (IPEDS, 2002-03)
- 25.6% of the nation's Bachelors degrees awarded (IPEDS, 2002-03)





MHEC in Wisconsin



THE COMMISSION

- MHEC is governed by a 55-member Commission of legislators, higher education leaders, and governors' representatives;
- Two Commissioners are appointed by each State's Legislature and generally three are appointed by each State's governor, one of which must be from higher education;
- The Commission meets annually; and
- The Commission's Executive Committee meets semi-annually.



Chair
Senator Teresa Lubbers (IN)



Vice Chair
William Napier
Cleveland State University (OH)



Treasurer
Bill Goetz
Office of the Governor (ND)



President
Larry Isaak



MHEC in Wisconsin



Commissioners Serving Your State



Sheila Harsdorf, State Senator



Rolf Wegenke, WI Assn of Independent Colleges & Universities (WAICU)



John Kerrigan, Chancellor Emeritus, UW Oshkosh



Dan Clancy, *Commissioner Alternate*, President, Wisconsin Technical College System



Rob Kreibich, State Representative



Don Mash, *Commissioner Alternate*, Executive Senior Vice President University of Wisconsin System



Jesus Salas, Regent, University of Wisconsin System



MHEC in Wisconsin



COST SAVINGS

Computing Hardware Programs

NOVELL/MHEC Higher Education Collaborative

MHEC/Office Depot Program

MHEC ATAlliance Programs and Services

Insurance Programs

Other Initiatives



MHEC in Wisconsin



	<i>04-05 Savings</i>	<i>Cumulative</i>
Cost Savings Programs		
Hardware Program	\$388,726	\$468,609
Software Program	\$24,911	\$39,159
Property Insurance Program	NP	NP
Office Products Program	\$1,263	\$1,263
Telecom & Technology	\$561,725	\$5,825,330
Other Initiatives	NP	\$620,887
Student Access		
Midwest Student Exchange Program	NP	NP
Total Savings	\$976,625	\$6,955,248
Member State Obligations	\$82,500	\$695,000
Net Savings	\$894,125	\$6,260,248



MHEC in Wisconsin



Cumulative Savings for MHEC Members through June 2005

Member States	Cost Savings Programs						Student Access	Cumulative Savings for MHEC Members through June 2005		
	Computing Hardware Program ²	Computing Software Program ³	Master Property Program ⁴	Office Products Program ⁵	Telecom & Technology ATAlliance ⁶	Other Initiatives ⁷		Midwest Student Exchange Program ⁸	Cumulative State Gross Savings	Cumulative Dues Paid Through 11/1/05
Illinois Aug. 20, 1991	7,433,706	1,226,252	5,560,128	51,316	8,423,603	6,055,215	N/A	28,750,220	833,905	27,916,315
Indiana Mar. 14, 1996	4,992,274	477,636	N/A	36,439	4,192,515	273,308	N/A	9,972,172	661,500	9,310,672
Iowa ¹ June 6, 2005	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kansas April 25, 1990	108,140	186,608	190,316	607	2,497,263	291,264	24,341,900	27,616,098	835,500	26,780,598
Michigan July 24, 1990	3,897,938	711,872	5,073,064	11,283	36,906,408	2,457,168	7,308,500	56,366,233	835,500	55,530,733
Minnesota April 26, 1990	535,379	290,515	5,674,999	12,533	7,033,742	3,743,565	2,712,800	20,003,533	835,500	19,168,033
Missouri May 9, 1990	2,251,415	291,809	6,685,521	5,728	3,661,273	1,399,463	9,028,000	23,323,209	835,500	22,487,709
Nebraska June 5, 1991	644,735	81,591	3,279,759	117	1,834,596	115,132	16,915,600	22,871,530	835,500	22,036,030
N. Dakota April 22, 1999	55,529	57,579	N/A	192	971,326	28,800	252,900	1,366,326	487,500	878,826
Ohio Jan. 9, 1991	2,031,044	723,909	45,000	92,300	26,429,334	3,151,531	N/A	32,473,118	835,500	31,637,618
Wisconsin April 18, 1994	468,609	39,159	N/A	1,263	5,825,330	620,887	N/A	6,955,248	695,000	6,260,248
TOTAL	\$22,418,769	\$4,086,929	\$26,508,787	\$211,778	\$97,775,390	\$18,136,333	\$60,559,700	\$229,697,686	\$7,690,905	\$222,006,781

¹Iowa became a member of MHEC on June 6, 2005.

²Hardware program savings include those from Dell, Gateway, IBM & Xerox.

³Software program savings are from the Novell/MHEC Collaborative Program.

⁴Based on premium & loss information as of June 30, 2005.

⁵Includes the first two quarters of the Office Products Program

⁶ATAlliance estimated savings for joint programs with the other regional higher education compacts & MiCTA.

⁷Sunsetted Programs: Academic Position Network, Academic Scheduling, Equipment Maintenance, Management, Natural Gas, and MHEC Interactive Video.

⁸Student tuition savings through the academic year 2004-05.



MHEC in Wisconsin



MHEC Program Savings for 12 Months

Member States	What States Pay 2004-2005	Where States and Citizens Save MHEC Program Savings for 12 months								
	Member State Annual Commitment to MHEC	What States Save	Total Annual Savings	Net Annual Savings	Computing Hardware Program ²	Computing Software Program ³	Master Property Program (Insurance) ⁴	Office Products Program ⁵	Telecom & Technology ATAlliance ⁶	Midwest Student Exchange Program ⁷
Illinois	82,500		6,431,251	6,348,751	4,204,287	457,354	944,059	51,316	774,235	NP ⁸
Indiana	82,500		3,460,362	3,377,862	2,847,877	144,446	NP ⁸	36,439	431,600	NP ⁸
Iowa ¹	N/A		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kansas	82,500		3,099,861	3,017,361	49,956	86,908	40,090	607	198,500	2,723,800
Michigan	82,500		6,595,067	6,512,567	2,099,381	324,177	486,026	11,283	2,379,500	1,294,700
Minnesota	82,500		2,603,299	2,520,799	235,434	100,553	1,043,679	12,533	637,600	573,500
Missouri	82,500		4,923,439	4,840,939	1,475,796	93,983	988,932	5,728	385,700	1,973,300
Nebraska	82,500		3,844,323	3,761,823	117,129	32,734	428,443	117	134,800	3,131,100
N. Dakota	82,500		276,574	194,074	20,867	25,515	NP ⁸	192	118,800	111,200
Ohio	82,500		3,151,100	3,068,600	1,411,894	241,206	NP ⁸	92,300	1,405,700	NP ⁸
Wisconsin	82,500		976,625	894,125	388,726	24,911	NP ⁸	1,263	561,725	NP ⁸
TOTAL	\$825,000		\$35,361,901	\$34,536,901	\$12,851,348	\$1,531,787	\$3,931,229	\$211,778	\$7,028,160	\$9,807,600

¹Iowa became a member of MHEC on June 6, 2005.

²Hardware program savings include those from Dell, Gateway, IBM & Xerox.

³Software program savings are from the Novell/MHEC Collaborative Program.

⁴Based on premium & loss information as of June 30, 2005.

⁵Includes the first two quarters of the Office Products Program

⁶ATAlliance estimated savings for joint programs with the other regional higher education compacts & MiCTA.

⁷Student tuition savings through the academic year 2004-05.

⁸Non-participating state for 2004-2005.



MHEC in Wisconsin



STUDENT ACCESS

Midwest Student Exchange Program

Electronic Transcript Initiative

Student Access Advisory Committee



MHEC in Wisconsin



MIDWEST STUDENT EXCHANGE PROGRAM

- Provides reduced tuition for students from KS, MI, MN, MO, NE, ND & WI
- State approval required for institutions to participate
- Institutions' participation voluntary
- 140 campuses open their doors to MSEP students
- Since 1994, 17,000+ students have participated and those students & families have saved \$49+ M



MHEC in Wisconsin



MSEP 2004-05 School Year Campus Participation

State	Total MSEP Enrollment for all Institutions
Kansas	275
Michigan	272
Minnesota	422
Missouri	1,124
Nebraska	107
North Dakota	146
Total	2,346



MHEC in Wisconsin



The MHEC ETI is a comprehensive intraregional electronic transcript initiative available to all secondary and postsecondary schools, both public and private. **Docufide** was selected as the providing vendor through a full RFP process.

Core Services

- HS transcripts from member high schools to member colleges
- HS transcripts between member high schools
- college transcripts between member colleges



MHEC in Wisconsin



BENEFITS

- Transfer between ETI members at reduced or no cost
- Participation in ETI Project Advisory Committee (PAC)
- Access to product upgrades and enhancements
- Standardized transcript format and data possible across all ETI member school
- Best negotiated discount available without the need for separate state-by-state RFP's



MHEC in Wisconsin



ROUNDTABLES & FORUMS

- Midwest Policy Summit – November 2006, on U.S. Secretary of Education's Report on the Future of Higher Education
- The Midwestern Higher Education to Workforce Policy Initiative: Seamless Development of Talent for the 21st Century, October, 2005
- Wisconsin State Roundtable on Education to Workforce Initiative – Planning team
- Annual Midwest State Higher Education Executive Officers (SHEEO) Workshop



MHEC in Wisconsin



POLICY RESOURCES



The Midwest PERL [*http://perl.mhec.org*](http://perl.mhec.org)

(Postsecondary Education Resource Library)

- Two user-friendly and complementary online databases
- State-level data searchable by state
- Policy resources database searchable by issue, sector & institutional type



MHEC in Wisconsin



Leading Demographic Indicators: Wisconsin Compared to other MHEC states and the National Average

State	Projected change in total population 2000-2025 ¹	Projected change in 18-24 age group, 2000-2025 ¹	Projected change in 25-44 age group, 2000-2025 ¹	Projected change in number of high school graduates 2002-2018 ²	% of adult population with less than a high school diploma or equivalent (2004) ³	% of adult population with a bachelor's degree or higher (2004) ³	Net migration rate of 22-29 year-olds with a bachelor's degree or more, 1995-2000 ⁴
WI	9.4%	-4.3%	-8.0%	-4.2%	12.9%	24.1%	-10.5%
U.S.	19.1%	11.9%	0.6%	11.1%	16.1%	27.0%	N/A
IA	3.9%	-13.8%	-10.6%	-7.4%	10.5%	23.9%	-24.3%
IL	8.2%	3.3%	-5.1%	5.8%	14.8%	29.1%	11.1%
IN	7.6%	-5.6%	-7.8%	25.7%	15.6%	21.5%	-13.4%
KS	15.6%	2.2%	1.5%	1.1%	10.6%	28.3%	-4.1%
MI	1.4%	-4.2%	-11.8%	3.9%	13.1%	24.6%	-4.4%
MN	12.0%	-0.5%	-6.0%	0.7%	9.3%	29.7%	9.2%
MO	11.7%	0.2%	-4.9%	-0.4%	13.7%	24.3%	-0.2%
ND	13.6%	-4.5%	-1.4%	-30.2%	12.1%	24.0%	-45.5%
NE	12.8%	-1.9%	-2.9%	-1.1%	10.6%	26.6%	-9.7%
OH	3.4%	-3.0%	-10.5%	0.5%	13.4%	23.3%	-4.0%

¹Information in this table is from the National Center for Public Policy in Higher Education, *Measuring Up 2004*, with data from Thomas Mortenson and *Postsecondary Education OPPORTUNITY*, U.S. Census Bureau, ACT, and the National Center for Education Statistics

²"Chance for college" is defined as the relative probability that a student entering ninth grade will finish high school in four years and proceed directly to college.

³The average of the five states nationally with the highest scores in a given area.

⁴The sample size for this measure was too small to provide an accurate percentage figure.



MHEC in Wisconsin



Leading Financial Indicators: Wisconsin Compared to other MHEC states and the National Average

State	Tax revenue per capita (2002)*	Percent increase in tax revenue, 1992 to 2002 (adjusted for inflation)*	Effective Tax Rate, 2002*	Effective Tax Rate, 1992*
WI	3421	16.7	8.8%	10.4%
U.S.	3138	13.9	7.9%	9.2%
IA	2837	10.4	7.6%	9.5%
IL	3303	18.9	7.8%	8.6%
IN	2759	17.0	7.5%	8.6%
KS	2941	18.9	7.8%	8.7%
MI	3051	11.2	8.8%	9.7%
MN	3673	17.5	8.5%	10.1%
MO	2667	26.9	7.2%	7.6%
ND	2727	27.0	7.9%	8.3%
NE	3077	20.9	7.9%	8.8%
OH	3170	29.1	8.5%	8.7%

*State Higher Education Executive Officers, *State Higher Education Finance, FY 2004*. Tax revenue per capita includes revenue generated through taxation by both state and local governments. The Effective Tax Rate is equal to a state's actual tax revenue divided by its total taxable resources.



MHEC in Wisconsin



Postsecondary Preparation: Wisconsin Compared to other MHEC states & “Top Performing” States in the Nation¹

State	18-24 year-olds with a high school credential (2002)	9 th to 12 th graders taking at least one upper-level math course (2001-02)	9 th to 12 th graders taking at least one upper-level science course (2001-02)	12 th graders taking at least one upper-level math course (2001-02)	7 th to 12 th graders taught by teachers with a major in their field (1999-2000)
WI	89%	58%	36%	56%	81%
Top performing states ²	94%	59%	41%	66%	81%
IA	94%	50%	39%	n/a	80%
IL	87%	n/a	n/a	n/a	70%
IN	89%	46%	30%	29%	79%
KS	88%	n/a	n/a	n/a	70%
MI	89%	40%	27%	36%	66%
MN	93%	49%	30%	n/a	92%
MO	91%	55%	34%	n/a	66%
ND	97%	53%	35%	54%	73%
NE	90%	61%	38%	n/a	80%
OH	87%	47%	23%	54%	61%

¹All data in the table are from the National Center for Public Policy and Higher Education, *Measuring Up 2004*.

²The average of the five states nationally with the highest scores in a given area.



MHEC in Wisconsin



Postsecondary Participation, Persistence, and Completion: Wisconsin Compared to other MHEC states and “Top Performing” States in the Nation¹

State	Chance for college by age 19 (2000) ²	18-24 year-olds enrolled in college (2002)	25-49 year-olds enrolled part-time in any type of postsecondary education 2001	First to second year persistence of full-time students at two-year institutions (2000-01)	First to second year persistence of full-time students at four-year institutions (2000-01)	First-time, full-time students earning a bachelors within 6 years of enrollment (2001-02)	Certificates, degrees, and diplomas awarded at all institutions per 100 undergraduates (2001-02)
WI	45%	31%	3.7%	49%	81%	57%	20
Top performing states ³	52%	40%	5.4%	63%	84%	64%	21
IA	52%	36%	3.0%	50%	79%	62%	21
IL	42%	33%	4.9%	53%	79%	58%	17
IN	41%	30%	3.2%	53%	77%	54%	17
KS	50%	37%	4.4%	51%	74%	50%	18
MI	40%	38%	4.1%	47%	79%	54%	15
MN	53%	36%	3.7%	56%	80%	55%	19
MO	39%	32%	3.9%	52%	76%	53%	18
ND	58%	42%	2.3%	n/a ⁴	72%	44%	19
NE	50%	38%	4.2%	52%	76%	50%	18
OH	39%	34%	3.2%	55%	75%	54%	17

¹Information in this table is from the National Center for Public Policy in Higher Education, *Measuring Up 2004*, with data from Thomas Mortenson and *Postsecondary Education OPPORTUNITY*, U.S. Census Bureau, ACT, and the National Center for Education Statistics

²“Chance for college” is defined as the relative probability that a student entering ninth grade will finish high school in four years and proceed directly to college.

³The average of the five states nationally with the highest scores in a given area.

⁴The sample size for this measure was too small to provide an accurate percentage figure.



MHEC in Wisconsin



Benefits of Higher Education: Wisconsin Compared to other MHEC States and the National Average

State	Population 25-64 years old with a BA or higher (2000-2002 average) ¹	Difference in personal income, bachelors degree vs. high school diploma (2004) ²	Difference in unemployment rates, bachelors degree vs. high school diploma (2004) ²
WI	25%	70%	67%
U.S.	26%*	93%	48%
IA	28%	61%	76%
IL	29%	89%	37%
IN	24%	89%	61%
KS	32%	71%	68%
MI	27%	96%	71%
MN	31%	84%	47%
MO	28%	73%	65%
ND	27%	70%	80%
NE	29%	75%	83%
OH	26%	89%	44%

¹National Center for Public Policy in Higher Education, *Measuring Up 2004*. (Data from U.S. Census Bureau).

²Institute for Higher Education Policy, *The Investment Payoff* (Data from Current Population Survey, 2004 or 2000).

*U.S. Census Bureau, Current Population Survey, 2002.



MHEC in Wisconsin



Affordability of Higher Education: Wisconsin Compared to Other MHEC States and the National Average

State	Percentage of average annual family income needed to pay for public 2-year college expenses minus financial aid, 2003-04 ¹	Percentage of average annual family income needed to pay for public 4-year college expenses minus financial aid, 2003-04 ¹	Percentage of average annual family income needed to pay for private 4-year college expenses minus financial aid, 2003-04 ¹	Family share of public higher education operating revenues (2004) ²	Family share of public higher education operating revenues (1994) ²	Percentage of average income needed for the poorest 20% of families to pay tuition at the states lowest-priced colleges, 2003-04 ¹	Average federal undergraduate student loan, 2003 ^{1,3}
WI	18%	22%	54%	38%	28%	17%	\$3,076
U.S.	22%	29%	68%	36%	31%	14%	\$3,344
IA	24%	28%	54%	47%	34%	19%	\$2,961
IL	21%	30%	62%	27%	21%	14%	\$3,615
IN	24%	29%	61%	49%	40%	18%	\$3,231
KS	19%	23%	46%	36%	30%	14%	\$3,204
MI	22%	32%	45%	50%	44%	15%	\$2,963
MN	19%	23%	50%	42%	31%	20%	\$3,050
MO	20%	28%	50%	38%	39%	15%	\$3,240
ND	22%	25%	34%	40%	34%	22%	\$2,793
NE	18%	24%	48%	38%	27%	13%	\$3,096
OH	27%	36%	62%	49%	45%	22%	\$3,380

¹National Center for Public Policy in Higher Education, *Measuring Up 2004*. Data from National Center for Higher Education Management Systems, National Center for Education Statistics, U.S. Office of Postsecondary Education, and the U.S. Census Bureau.

²State Higher Education Executive Officers, *State Higher Education Finance, FY 2004*.

³Figures include both student and parent loans, but do not include loans originating from state sources or private loans (including credit card debt). The figure is therefore not an accurate measure of total student borrowing, which would be higher than the figures listed.



MHEC in Wisconsin



Higher Education Funding: Wisconsin Compared to Other MHEC States and the National Average

State	Total State Grant Expenditures (Need and Merit Based) as a %age of Higher Education Operating Expenses (2003-04)	Percentage of Total Grant Aid Awarded Solely on the Basis of Need (2003-04)	State and Local Appropriations for Public Higher Education Operating Expenses per FTE ¹		State and Local Appropriations for Public Higher Education Operating Expenses per capita ²		State and Local Appropriations for Higher Education as a Percentage of Tax Revenue and Lottery Proceeds (2003) ²		State Need-Based Grant Aid Awarded by Sector, 2003-04 (in millions) ³	
			2004	1994-2004 change	2004	1994-2004 change	2003	1993	Public In-State	Private Not-for-Profit In-State
WI	6.8%	95.9%	5609	-17.7	266	-9.5	8.1	9.1	48.5	24.26
U.S.	10.2%	73.8%	5721	-4.4	239	3.5	7.6	7.6	2358.8	1481.9
IA	6.7%	99.1%	4953	-30.1	265	-11.1	9.7	10.4	3.26	40.96
IL	13.8%	91.3%	6487	8.2	262	10.5	8.0	7.7	175.23	147.50
IN	18.1%	61.3%	4604	-11.6	220	3.8	7.7	8.3	85.87	62.16
KS	2.1%	100%	5586	2.3	307	-2.5	10.1	11.5	6.47	7.53
MI	8.5%	58.0%	5425	-7.5	244	-0.8	8.3	8.2	30.72	66.61
MN	9.4%	99.9%	5314	-13.0	254	-9.9	7.1	8.6	62.34	39.38
MO	4.9%	60.9%	7185	-13.0	183	6.4	7.1	7.4	9.74	15.37
ND	0.9%	76.7%	4464	-17.2	316	-2.2	11.8	14.3	1.08	0.268
NE	1.8%	100%	5256	-4.5	330	-2.9	11.0	12.3	n/a ⁴	n/a ⁴
OH	9.7%	72%	4277	-7.5	192	5.5	5.9	6.5	83.48	37.61

¹State Higher Education Executive Officers, *State Higher Education Finance, FY 2004*. Data is adjusted for regional cost of living, the relative mix of enrollments by institutional type, and 2004 dollars

²State Higher Education Executive Officers, *State Higher Education Finance, FY 2004*. Adjusted to 2003 or 2004 dollars

³National Association of State Student Grant and Aid Programs

⁴Data by sector not available. Total need-based student aid awarded in Nebraska in 2003-04 was \$8.74 million.



MHEC in Wisconsin



MEASURING UP-2006 REPORT CARD

Good Work & Improving –

Preparation

- 9-12 grade course-taking in math and science increasing
- Scores on advanced placement tests improving but still relatively low
- Increasing percentage of secondary schools taught by qualified teachers



MHEC in Wisconsin



MEASURING UP-2006 REPORT CARD

Good Work & Improving –

Participation

- Chance for college by age 19 is high

Completion

- Good college retention and completion rates
- Ethnic completion rate differences are comparatively low
- Percent of population with bachelor's degree increased substantially in past 12 years



MHEC in Wisconsin



MEASURING UP-2006 REPORT CARD

Warning Signs -

Preparation & Participation

- Small percentage of 8th graders taking algebra
- Percent of adults enrolled in college work is declining
- Continued significant gap in ethnic participation rates

Affordability

- Investment in need-based aid is comparatively low but improved since 1992
- Percent of family income needed to pay for college is rising



MHEC in Wisconsin



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