



UST Strategic Planning Fact Book: Executive Summary

Reaching Our Vision

This document provides an initial synthesis of the 1,000 page internal and external volumes of the *UST Strategic Planning Fact Book*, compiled to support the strategic planning revitalization activities of the UST community in 2002-2003. Source material grounding this synthesis will be available to small groups at the UST Strategic Planning Stakeholder Conference on November 22 & 23, facilitated by Kaludis Consulting professionals John Stevens and Barry Cohen. UST Phase 2 Work Groups will have access to the *Strategic Planning Fact Book* and subsequent editions of this *UST Strategic Planning Fact Book: Executive Summary*. Titles and headings of this document are designed to assist the reader in scanning information intentionally.

Social and Demographic Trends:

This section summarizes national and local social and demographic trends and predictions.

Based on US Census data, the minority population for the nation increased 35% between 1990 and 2000 while the white population grew 3.4%. Of the growth in minorities, Hispanics increased by 58%, Asians by 50%, and Blacks by 16%. In 1995, 74% of the nation's population was white. According to the Business-Higher Education Forum, the proportions of non-minority will decrease to 64% and then to 53% by 2020 and 2050, respectively. Between 2000 and 2015, projections predict an overall national 16% increase in the college-aged (18-24 years old) population. Of these potential new students, 80% will be minorities with Hispanics accounting for about 50% of the minority groups.

As for Texas demographic trends, about 66% of all Texans were white in 1980. In 2000, a little more than 50% of Texans are white. Based on projections by the Texas State Data Center, Texas can expect to experience dramatic growth among its minority populations. Between 2000 and 2040, there will be an estimated 3% increase in Texas' white population, a 36% increase in its black population, and a 175% increase in its Hispanic population. It is predicted that by 2040, 53% of Texans will be Hispanic, 33% white, 9% black, and 6% of other ethnicity.

Houston's ethnic trends reflect those predicted for Texas. However, Houston will most likely demonstrate the state-wide trends before the entire state. While the nation's population

increased 13.2% between the 1990 and 2000, Houston experienced a 25.2% growth rate. Of this growth in the last decade, 47% is due to net migration into Houston and its surrounding areas. Houston can expect to experience an overall 81% increase in its population between 2000 and 2040. Currently, Houston's population is 47% white, 30% Hispanic, 18% black, and 6% other ethnicities. In forty years, the ethnic composition of Houston is predicted to be 55% Hispanic, 24% white, 13% black, and 9% other ethnicity.

In addition to ethnicity, age is also an important factor when describing the population. In 2001, Houston's median age of 32.4 was the lowest of the ten largest central metro and surrounding areas (CMSAs) in the United States. The Dallas/Fort Worth CMSA followed Houston with a median age of 32.9 while the national median age was 35.9. In Houston, 25% of its citizens were between the ages of 18 to 34 in 2001.

Student-Related Trends:

This section summarizes information about enrollment trends and national and institutional studies of student engagement, student satisfaction, and general student outcomes.

ENROLLMENT

External Information

In 2000, about 15 million students were enrolled across the country in higher educational institutions. Of those students, 44% were men and 56% were women. Fifty nine percent of the students were enrolled full-time, while 41% were enrolled part-time. In 1998, over 3 million students were enrolled at private four-year schools (22% of total 1998 enrollment). Of those attending private four-year schools, 73% attended full-time, 27% part-time. Undergraduate students accounted for 72% of private four-year enrollment.

According to projections for the National Center for Education Statistics (NCES), by 2011, there will be an overall 18% increase in enrollment compared to 2000, with a 13% increase in men and a 22% increase in women attending college. This will result in an overall national enrollment that is 58% women and 42% men. It is expected that 61% of these students will be full-time and 39% part-time by 2011.

Enrollments for minority students and non-traditional students are expected to increase as well. According to the American Council on Education, the 1990's demonstrated a modest increase in minority students in higher education, with a 3.7% increase in minority enrollment between 1996 and 1997. For 1999 - 2000, the NCES found that 73% of all undergraduate students in the United

States had at least one non-traditional student characteristic. The characteristics and the percent of students possessing each were: 1) no high school diploma, 7%; 2) single parent, 13%; 3) has dependents, 27%; 4) work full-time 39%; 5) delayed enrollment, 46%; 6) attended part-time, 48%; 7) financially independent, 51%; and 8) having any one of these characteristics, 73%.

Of particular interest is information on a subset of institutions of higher education known as Hispanic-serving institutions. To qualify as an Hispanic-serving institution, at least 25% of the full-time equivalent students who are US citizens must be Hispanic. In addition, the institution must be a participating Title IV school, meaning that it participates in administering federal financial aid. UST is an Hispanic-serving university.

Between 1990 and 1999, the number of Hispanic students enrolled in higher education across the country increased by 68%. During this same time, enrollment at Hispanic-serving institutions grew by 14%, twice the growth rate of all other universities. Private colleges and universities accounted for the majority of growth in Hispanic-serving institutions. In addition to prodigious enrollment gains, the number of degrees awarded by Hispanic-serving institutions increased by 36%, compared to the 13% increase in degrees awarded by all colleges and universities.

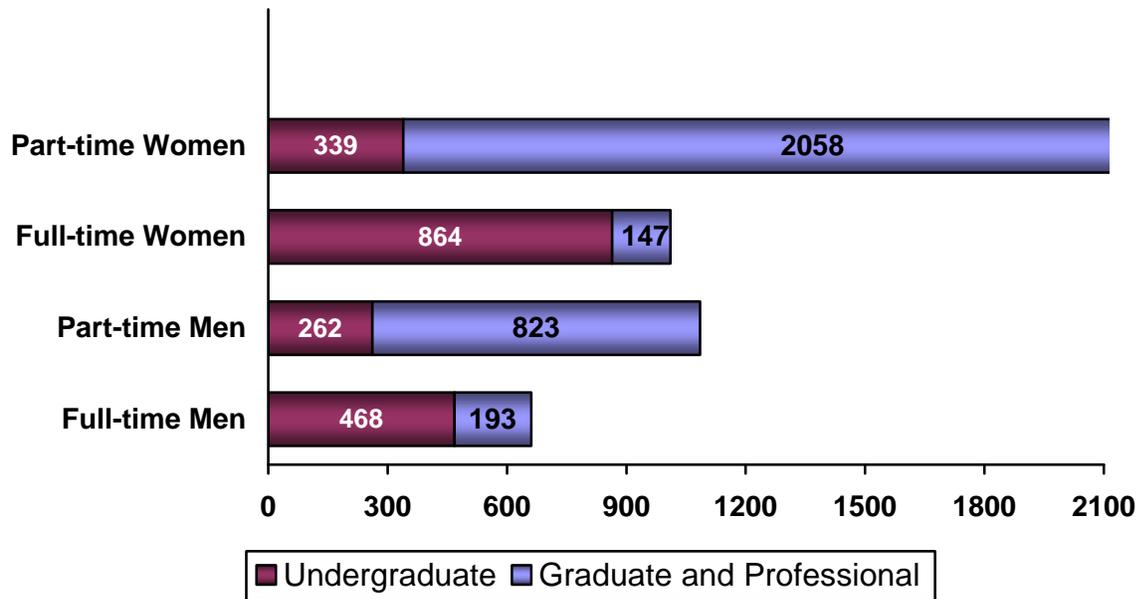
UST in Context

From 1998 - 2002, UST experienced an overall 16% increase in students, with a 17.3 % increase in undergraduate students, and a 13.9% increase in graduate students (excluding School of Education workshop students). The School of Education workshop enrollment has increased by 326% during the same time period. Male enrollment has increased 18.3%, while female enrollment has grown by 14.6%. Currently, 62% of UST students are women, 38% men. As for minority student enrollment, there has been a substantial increase over the last five years. American Indian students increased 27.3%, Asian/Pacific Islander students by 26.6%, Black Non-Hispanic students by 19.8%, and Hispanic students by 28%. White Non-Hispanic student enrollment declined by 1.4% in the last five years. Currently, American Indian students comprise 1% of UST's enrollment, Asian/Pacific Islander students 12%, Black Non-Hispanic students 8%, Hispanic students 27%, and White Non-Hispanic students 52%. International student enrollment, which currently accounts for 8 % of the student body, has grown by 12.6% since 1998.

Since 1998, full-time undergraduate student enrollment increased 11%, while part-time enrollment grew by 35%. Full-time graduate students increased by 49%, while part-time graduate student enrollment grew by 4%. The proportion of UST students from various religious

backgrounds has remained stable across the last five years, with a slight increase in the percentage of Catholic students from 60% in 1998 to 63% in 2002. UST’s freshman class entering in fall 2002 had an average SAT score of 1144, while the average Texas SAT score for 2002 was 991 and the national average SAT score was 1020.

UST’s full-time/part-time by gender student headcounts for fall 2002 are summarized graphically below.



ENGAGEMENT, STUDENT SATISFACTION, AND RELATED STUDIES

External Information

In addition to tracking demographic trends in student enrollment, higher education has begun to focus on student engagement. Not only have factors of student engagement been associated with learning; student engagement is also seen as central to improving student retention and graduation rates. Research supports that “students who are actively involved in both academic and out-of-class activities gain more from the college experience than those who are not so involved” (Pascarella & Terenzini, 1991).

UST’s Institutional Culture

UST has maintained its focus on the value and importance of faculty-student interactions. Teaching assistants do not take the place of faculty at UST. UST faculty pride themselves on the quality of their interactions with students, on the importance of maintaining high expectations for student learning, and on student access to faculty.

UST in a National Context: National Study of Student Engagement (NSSE) Findings

In the spring of 2002, UST elected to participate in the National Study of Student Engagement (NSSE), a national survey that assesses the extent to which freshmen and senior students engage in educational practices associated with high levels of learning and development. Since NSSE began in 2000, over 600 colleges and universities and over a quarter of a million students have participated. NSSE participating institutions tightly reflected Carnegie classifications of US colleges and universities, and NSSE student ethnic characteristics represented those of all students attending colleges and universities nationally. UST NSSE findings were profiled, with comparisons made between UST student responses and those of students in Carnegie Masters institutions, students from all types of institutions, and students from an elective Catholic college and university consortium.

Findings related to seniors shed light on the legacies of a UST education; selected findings include:

- ✦ On 19 out of 24 items sampling **Academic and Intellectual Experiences**, UST seniors rated their experience significantly higher than did peers from Carnegie Masters institutions. For example UST seniors reported the following experiences occurring significantly more frequently than did their non-UST peers:
 - ✦ Discussed ideas from readings or classes with faculty members outside of class.
 - ✦ Received prompt feedback from faculty on your academic performance (written or oral).
 - ✦ Worked harder than you thought you could to meet an instructor's standards or expectations.
- ✦ On 4 of 5 items sampling **Mental Activities**, UST seniors rated their experience significantly higher than did students from Carnegie Masters institutions. For example UST seniors reported the following experiences occurring significantly more frequently than did their non-UST peers:
 - ✦ Analyzing the basic elements of an idea, experience, or theory such as examining a particular case or situation in depth and considering its components.
 - ✦ Synthesizing and organizing ideas, information, or experiences into new, more complex interpretations and relationships.
 - ✦ Making judgments about the value of information, arguments, or methods such as examining how others gathered and interpreted data and assessing the soundness of their conclusions.

- ✧ Applying theories or concepts to practical problems or in new situations.
- ✧ On 1 item sampling the **Challenge of Examinations**, UST seniors rated the extent to which their exams challenged them to do your best work significantly higher than did peers from Carnegie Masters institutions.
- ✧ On 13 of 15 items sampling **Educational and Personal Growth**, UST seniors rated their university experience significantly higher than did students from Carnegie Masters institutions. For example UST seniors rated the extent to which their experience contributed to their knowledge, skills, and personal development in the following areas significantly higher than did their non-UST peers:
 - ✧ Acquiring a broad general education.
 - ✧ Acquiring job or work-related knowledge and skills.
 - ✧ Writing clearly and effectively.
 - ✧ Speaking clearly and effectively.
 - ✧ Thinking critically and analytically.
 - ✧ Analyzing quantitative problems.
 - ✧ Voting in local, state, or national elections.
 - ✧ Learning effectively on your own.
 - ✧ Understanding yourself.
 - ✧ Understanding people of other racial and ethnic backgrounds.
 - ✧ Solving complex real-world problems.
 - ✧ Developing a personal code of values and ethics.
- ✧ UST seniors rated their university experience significantly more favorably than did seniors from the Catholic College and University Consortium on 22 of 26 items developed for the **Catholic College and University Consortium**, , including:
 - ✧ Have you ever read the mission statement of your college/university?
 - ✧ From your perspective, do you think the mission of your college/university is widely understood by students?
 - ✧ Have any of your professors this semester discussed the moral implications of the subject you are studying?
 - ✧ SOCIAL and PERSONAL development of students is an essential part of the mission?

- ✧ MORAL and SPIRITUAL development of students is an essential part of the mission?
- ✧ Compared to most colleges and universities, do you think there is: 1 less cheating; 2 about same; 3 more cheating here?
- ✧ Compared to most colleges and universities, do you think there is: 1 less drinking; 2 about the same; 3 more drinking?
- ✧ How hospitable to people of different races do you think faculty, staff and students at your college/university are when compared to other colleges and universities?
- ✧ How much discussion about moral issues do you think there is at your college/university when compared to other colleges and universities?
- ✧ The environment here encourages me to develop values which reflect the mission of the college/university.
- ✧ As a result of my experience here, I am more aware of what my own personal values are.
- ✧ Within the past seven days have you participated in any religious service?
- ✧ Within the past seven days have you spent any time in private prayer or meditation?
- ✧ Since you have been at your college/university, has your religious commitment become stronger or weaker?
- ✧ Developing a meaningful philosophy of life.
- ✧ Influencing social values.

This first wave of NSSE findings also indicated that our seniors are significantly more time stressed than their peers nationally and provided our community with areas on which we can reflect in our commitment to on-going institutional effectiveness. UST will be participating in the NSSE study in 2002-2003, and we have been invited to participate in a national study of engagement among Hispanic-serving institutions.

Overall NSSE findings provided support of student outcomes which are in alignment with our mission as an academically strong Catholic university, grounded in a rich, liberal general education.

UST Student Satisfaction Data and Graduating Student Survey Findings

In addition NSSE participation, UST has collected data on students' satisfaction with various aspects of their experience at UST, beginning in spring 2000. Using the Student Satisfaction Survey, now administered every other spring semester, UST has been able to track

student satisfaction ratings in many areas, including: Admissions, Financial Aid, Registrar, Business Office, various institutional resources, Doherty Library, Computer Labs, experience in their major areas, the Core Curriculum, the Bookstore, Campus Ministry, Career Services and Testing, Counseling Services, Dining Services, Health Services, Recreational and Sports Services, Student Activities, initiatives funded by student activity fees, the Student Association, and other characteristics of UST such as faculty: student ratio and class size. This data is used to help serve the units and academic departments, who digest and profit from on-going, student-authored feedback.

As undergraduates and graduate students complete their degrees, they are asked to complete a UST Exit Survey as part of their filing for graduation process. These Exit Surveys cover areas similar to those on the Student Satisfaction Survey and also include integrative outcomes satisfaction ratings and information about job placement, graduate school application and acceptance rates. This data is used to provide UST with on-going feedback from students as they complete their studies.

Economic Trends in Higher Education:

This section describes economic factors relating to higher education to include trends in tuition costs, affordability, financial aid, effects on access to higher education, and educational attainment/ income relationships.

TUITION COSTS

External Information

Since 1980, college costs have increased at a pace two to three times that of the consumer price index (CPI). The last two decades have seen the national average tuition cost more than double. From 1980 to 2000, the average tuition at four-year public and four-year private institutions of higher education has risen 51% and 35%, respectively. For the southwestern region, to which UST belongs, the rates of increase in tuition at public and private four-year universities have outpaced the national averages with increases of 93% and 42%, respectively, since 1980. For 2000 – 2001 academic year, the average tuition at a four-year public college was \$3,510, an increase of 4.4% over the prior year. Average tuition at a four-year private college for 2000 – 2001 was \$16,332, an increase of 5.2% from 1999 rates.

UST in Context

According to the College Board, the average tuition for four-year private colleges the in southwestern region in 2000 was \$11,965; just under UST's 2000 tuition of \$12,412. The national average tuition at four-year private schools increased 35% between 1980 and 2000. UST's rates of tuition increase for 2001 and 2002 were below those rate increases for all members of the Independent Colleges and Universities of Texas (ICUT).

AFFORDABILITY

External Information

While the cost of tuition has increased significantly in the last twenty years, the median family income has only increased by 20%. This leaves a large gap affecting affordability and access to higher education for most students. To frame the burden of the cost of attendance (COA) on varying family income levels, it is helpful to look at the COA as a percentage of family income. For 1991, COA at private, four-year institutions was 148%, 40%, and 15% of the family incomes in the low, middle, and high ranges. In 2000, COA at private, four-year institutions had increased for two of the three income levels to 166%, 44%, and 14% for the low, middle, and high family income levels.

Related to the COA and its proportion of family income, the rates at which various members of ethnic and income groups participate in college vary widely. Overall, college participation rates in 2000 were: 87% for Asians, 78% for White non-Hispanics, 65% for Blacks, and 61% for Hispanics. However, income level in all ethnic groupings significantly impacted whether or not a person attended college. Asians had the highest college participation rate at 100%, for those with incomes in the \$15,000 - \$20,000 range. However, for Asians with family incomes less than \$10,000, the rate dropped to 36%. While 82% of those Hispanics with family incomes greater than \$75,000 attended college, only 30% of those with family incomes less than \$10,000 made it into higher education.

Following this income-level trend in college participation, graduation rates also demonstrate sensitivity to a student's family income and ethnicity. The five-year 1989-1994 graduation rates for white, Hispanic, and black students were 27%, 18%, and 17%, respectively. Even more telling is the difference in graduation rate when varied by income. Those students whose families' incomes were in the top quartile demonstrated a graduation rate of 41%. However, for those earning in the middle-quartiles and bottom-quartile, the graduation rates were 19% and 6%.

UST in Context

UST's 1989 five-year graduation rates were well above national rates for the same period. For students entering UST in 1989, the five year graduation rate by ethnicity was: 44% for white students, 41% for Hispanic students (significantly above the national average of 18%), 41% for black students (significantly above the national average of 17%), 55% for Asian students, 25% for American Indian students, and 38% for international students.

FINANCIAL AID

External Information

As college costs have risen faster than the consumer price index, inflation, and family incomes, finding ways to fund higher education is of paramount importance. Of the more than \$74 billion dollars of 2000 financial aid, about 75% came from federal monies. Federal financial aid is a combination of need-based grants, need and non-need based loans, and work-study support. The federal Pell grant began in 1973 to help lower-income students access higher education. Forming the backbone of federal aid, the maximum Pell grant in 1990 and 2000 (\$2,300 & \$3,300) covered 40% of 1990 public tuition/17% 1990 private tuition and 34% 2000 public tuition/15% of 2000 private tuition.

As Pell grants cover a lesser proportion of tuition, students turn to need-based and non-need based loans from federal, state, and private sources. The amount of federal money borrowed in 2000 was \$37,489,000,000 – over twice the amount borrowed in 1990. Federal aid has shifted in the last decade from grants to loans. In 1992, the Higher Education Act broadened eligibility requirements for borrowers, increased annual maximum amounts, and made available non-need based loans to both students and their parents. These non-need based loans are unsubsidized—the interest accrues and is capitalized while the student is in school. Before 1992, only 8% of dependent students whose families earned in excess of \$100,000 borrowed money. Now, 44% of these same students incur non-need based debt. Unsubsidized student loans and parent PLUS loans accounted for over \$18 billion, nearly half of the 2000 federal loan volume. From 1992 to 2000, PLUS loan volume increased by 160%. Federal need-based aid comprised 80% of all federal aid 10 years ago, but now only makes up 60% of all federal aid.

As federal aid moves increasingly toward non-need based loans, state aid has remained mostly need-based, with 75% devoted to those students with financial need. In the last eighteen years, need-based state aid has increased by 88%. Non-need based aid has grown by 336% in the

last decade. State-funded financial aid accounts for 6% of all student aid, a much smaller portion than federal aid.

While private loans through banks make up a much smaller portion of all student financial aid, they have grown most rapidly in the last five years. In 1995, \$1.5 billion were borrowed through private sources. In 2000, that amount increased to nearly \$4 billion. While qualifications for private loans may be easier to meet, compared to federal or state funding, their interest rates and payback terms are less generous than state and federal unsubsidized loans.

As financial aid packages have shifted much more heavily toward borrowing in order to finance higher education, student indebtedness becomes a real concern in considering the affordability and debt-burden of higher education. Of 1999 – 2000 bachelor degree recipients, more than 60% borrowed money in pursuit of their degree. These new graduates left public schools with a median debt of \$15,730, and private schools with a median debt of \$17,250. Given that income data is difficult to reliably obtain on recent graduates, ascertaining the debt-burden of these graduates is inexact. Assuming the average income of \$32,000 for all 18 – 24 year old bachelor degree recipients in 2000, this debt from student loans represents 7% of their income. Recipients of advanced master-level degrees borrow less frequently (50%), but do borrow more than bachelor degree recipients (average \$17,341 for public colleges, and average \$24,409 for private colleges). Borrowing at the master's level does vary by degree and area of study. MBA graduates borrowed the most money of any area of study, with an average of \$28,520 in student loans upon graduation.

One area of student indebtedness not often considered along with financial aid is credit card debt. Of 1999 dependent bachelor degree recipients, 80% had credit cards, and 46% carried balances (median \$1,600). Independent graduates were less likely to carry balances, but had median credit card debts ranging from \$2,200 for bachelor recipients to \$3,900 for master recipients.

UST in Context

Financial aid to UST students for fall 2001 consisted of aid from federal (45% of all aid), state (9% of all aid), institutional (38% of all aid), and private (7% of all aid) sources. Of UST's 1999 – 2000 bachelor's degree recipients, 49% incurred debt through student loans, averaging \$18,469 in loan debt upon graduation.

ACCESS TO HIGHER EDUCATION

Tuition prices, financial aid packages, and family income all impact the perceived accessibility of higher education for most students. The market of higher education is assumed to

be like most goods. As the price for college increases, there tend to be fewer people enrolling. Also, higher education is assumed to be a normal good. That is, as family income levels increase, college participation rates also rise.

However, changes in tuition pricing and changes in financial aid do not necessarily have the same effect on enrollment. A \$100 increase in tuition has a greater impact than a \$100 decrease in a financial aid package. Enrollment response to tuition changes is the subject of student elasticity studies that examine student price responsiveness.

Student elasticity studies demonstrate that grants have a much stronger influence on enrollment than do loans and work-study aid. There are also differences in enrollment for varying groups of students in response to tuition price and financial aid packaging. Black and Hispanic students from lower income families are much more responsive to tuition increases than are white students from higher income families. Also, enrollments at community colleges are more price sensitive than enrollments at four-year institutions.

To quantify and predict enrollment response to tuition changes, a national study computed a student price response coefficient in 1982. Based on 1982 dollars, enrollment rates for various groups of students could be expected to fall from 1.8% to 2.4% for every \$100 increase in tuition. These enrollment effects are milder for private institutions than for public universities. This predictive coefficient was updated in 1994 and showed that for every increase of \$160 1994 dollars, enrollment could be expected to decrease by .5% in public four-year colleges, and by 2.3% in community colleges.

Tuition prices and financial aid both affect three major characteristics of a study in higher education: access, choice, and persistence. A student's access to higher education is directly impacted by that student's perception of affordability. Pricing and financial aid also inform a student's choice about what type of institution to attend (community vs. four-year, public vs. private). A student's persistence or degree attainment in college is the third major factor that is price sensitive.

DEGREE ATTAINMENT AND EARNING POTENTIAL

The culmination of higher education, receiving a degree, results in greater earning potential. The shift in the workplace from skilled labor to knowledge workers has resulted in a greater disparity between the incomes of high school graduates and college graduates. In 1978, a person with a bachelor's degree earned about 55% more than someone with only a high school diploma. Twenty years later, a person with a bachelor's degree earned 86% more than a high school graduate.

Also, the dollar amount of average income by educational level has changed. In constant 1999 dollars, a person holding only a high school diploma's average income dropped 20% between 1978 and 1998. However, there was a 15% increase in the bachelor's degree recipient's average income across the same time period. Earning potential is not the only factor economic factor that varies by educational level. In 2001, the unemployment rate for bachelor's degree recipients was nearly half that of high school graduates.

The Economic Context: Employment Trends, Cost of Living, and Education:

This section summarizes employment trend information, along with an overview of Houston's educational landscape, and information about the local cost of living.

EMPLOYMENT TRENDS

Nationally, the fastest growing jobs areas are in the computer and data processing services, residential care, and health services. The fastest growing occupations for 2000 – 2001 are computer software engineer with a 100% increase, computer support engineer with a 97% increase, and network administrator with an 82% increase. Occupations with the most decline between 2000 and 2001 were railroad brake/signal/switch operator which was down by 61%, telephone operator down by 35%, and loan interviewer down by 28%.

While the nation has been in recession, Houston's job creation rate has slowed, but has leveled out and remains constant. For the last five years, Houston's unemployment rate has been below the overall Texas unemployment rate. Houston's unemployment rate has also been below the national rate for the last two years.

For almost every segment of the petroleum industry, Houston stands as a dominant center. About 5,000 energy-related companies call Houston home. Forty-eight percent of the Houston area's economic base is tied to the energy industry. One of the largest centers of employment in the Houston area is the group of hospitals known as the Texas Medical Center. According to U.S. News and World Report, seven of Houston's hospitals ranked in the top 50 U.S. hospitals in 2002. M.D. Anderson Hospital was ranked #1 in cancer care, while TIRR was ranked #2 in rehabilitative care.

Another industry to have a strong impact on the Houston economy is technology. Houston ranked third in the nation with its level of growth in technology. Between 1993 and 1998, the technology job market had increased 64%.

LARGEST HOUSTON AREA PRIVATE EMPLOYERS, 2001

Source: *Business Houston 2001*

Employer	# Employees
Compaq Computer	17,000
Continental Airlines	16,000
Memorial Hermann Healthcare System	14,000
Kellogg Brown & Root	13,000
UT Medical Branch- Galveston	13,000
Kroger Company	12,000
UT/ MD Anderson	10,733
ARAMARK Corp.	10,000
Reliant Energy	9,500
HCA Healthcare	9,000
BP American	8,000
Pappas Restaurants, Inc.	8,000
Southwestern Bell	8,000
Shell Oil	7,920
Methodist Health Care	7,571
Randall's Food Markets, Inc.	7,500

THE EDUCATIONAL LANDSCAPE

Houston is home to ten community colleges and systems that enrolled 125,475 students and awarded 9,215 degrees in 2001. Houston's 14 colleges and universities enrolled 140,718 students and awarded 26,780 degrees in 2001. In 2000, 26.6% of Houston residents had a bachelor's degree or higher.

Houston-area high schools provide regional higher education with a large number of qualified college applicants each year. For the urban school districts, HISD students had an average SAT score of 929, Pasadena – 971, Spring Branch – 1084, Galena Park – 936, Deer Park – 1010,

and Alief had an average SAT score of 946. Of surrounding suburban school districts, Clear Creek had an average SAT score of 1064, Cy-Fair – 1042, Fort Bend – 1043, Humble – 1067, Katy – 1081, and Spring had an average SAT of 1025.

Of the 111,494 Texas students who took the SAT in 2001, 24% were in the top ten-percent of their class. Half of the SAT takers had A grade point averages. Ninety-two percent of Texas students hailed from public high schools and 33% from large cities.

HOUSTON’S COST OF LIVING

Houston has one of the lowest per family tax burdens of any major U.S. city. This is due in part to the fact that Texas has neither a state personal income tax nor a state property tax. Houston’s overall after-taxes living costs are 8% below the national average. In fact, of the most populous cities in each state, Houston ranks 46th in its tax burden rates at the \$50,000, \$75,000, \$100,000, and \$150,000 income levels.

Competition:

This section details data collected on colleges and universities competing with the UST for potential students.

ETS TESTING CO-REPORT INSTITUTIONS

UST receives information from the Education Testing Service (ETS) on students who take the SAT and have their scores sent to UST. According to this data, students who send their scores to UST also send them to (in descending order of frequency): University of Houston Main Campus, University of Texas at Austin, Texas A&M College Station, Rice University, Baylor University, University of Houston Downtown, Houston Baptist University and Sam Houston State University.

STUDENT REPORTS OF 1ST AND 2ND CHOICES

UST regularly collects from its incoming students data on their first- and second-choice institutions of higher education. Combining first- and second-choice responses, a set of competitor colleges and universities similar to the data on SAT score reports emerges. In order of descending frequency, these are the University of Houston (all campuses), University of Texas at Austin, Rice University, Texas A&M University (all campuses), Houston Baptist University, and Baylor University.

THE TEXAS 10: A TEXAS, PRIVATE UNIVERSITY BENCHMARKING GROUP

UST has framed a benchmarking group of ten, mid-sized private Texas colleges and universities. These institutions include Austin College, Houston Baptist University, University of

the Incarnate Word, Our Lady of the Lake University, Southwestern University, St. Edward's University, St. Mary's University, Texas Wesleyan University, University of Dallas, and the University of St. Thomas.

Various characteristics of the Texas 10 are tracked via data collected annually by *U. S. News and World Report* (USNWR). Graphic summaries of the Texas 10 data across years can be found in the Fact Book. Fall 2003 USNWR Texas 10 indices are summarized below (Texas 10 ranges, along with UST's data).

Characteristic	Texas Ten Data Range	UST Data	Data Period
Selectivity indices 1 (less selective) to 4 (most selective)	1 – 4	3 (more selective)	2001
Acceptance rates	37% - 85%	78%	2001
% undergraduate students commuting	20% - 90%	90%	2001
% US citizens from out of state	1% - 41%	3%	2001
Diversity 1(not diverse) – 2 (diverse)	1 – 2	2	2001
Alumni giving rate	3% - 33%	18%	Average of 1999 and 2000 rates
Number of undergraduates enrolled	1,227 – 3,519	1,851	2001
Student to faculty ratio	11:1 – 16:1	14:1	2001
% Faculty who are full-time	55% - 89%	72%	2001
% classes with fewer than 20 students	48% - 62%	57%	2001
SAT profile at 25 th percentile	810 – 1130	1040	2001
SAT profile at 75 th percentile	990 – 1330	1240	2001
Freshman retention rate	56% - 88%	76%	2001
Average graduation rate	30% - 72%	51%	Average six-year graduation rate for cohorts entering 1993 – 1996
Number of applicants	602 – 2,285	768	2001

Number of applicants as a function of undergraduate enrollment	35% - 118%	41%	2001
Tuition and fees	\$12,405 - \$17,570	\$13,912	2001
Characteristic	Texas Ten Data Range	UST Data	Data Period
Room and board	\$4,443 - \$6,497	\$6,010	2001
% full-time undergraduates receiving need-based financial aid	42% - 84%	50%	2001
% full-time undergraduates receiving need-based financial aid whose need was fully met	12% - 100%	12%	2001
Average full-time undergraduate financial aid package	\$9,496 - \$16, 447	\$10,275	2001
Average full-time undergraduate financial aid package as a proportion of tuition and fees	70% - 99%	74%	2001
Average need-based grant	\$3,032 - \$11,379	\$7,263	2001
Average need-based grant as a proportion of tuition and fees	42% - 69%	52%	2001
% full-time undergraduate students receiving need-based self-help aid (loans and work-study)	36% - 81%	36%	2001
Academic reputation 1 (marginal) – 5 (distinguished)	1 – 5	3	2001

Faculty and Finance Related Summary:

This section broadly profiles UST faculty and broadly frames external and UST salary data, along with other faculty-related information and institutional financial information about revenues and expenditures.

FACULTY INFORMATION

Profile of UST Faculty

In 2002-2003 UST is served by 117 dedicated full-time faculty, 78 of whom are tenured, and by 153 part-time members. The faculty have earned a reputation not only for their academic excellence, but also for their interest in our students. They have studied at more than 240 different institutions of higher learning around the world, and 86 percent of the full-time faculty possess the recognized terminal degree in their field.

Salary

External Information and UST in Context

Since 1970, the national average faculty salary in higher education has decreased relative to inflation. In 1999 constant dollars, only faculty at private institutions experienced a large net gain. Between 1970 and 1999, average faculty salaries at public institutions experienced a net increase of only 8% whereas average faculty salaries in private colleges and universities had a net increase of 34%.

The following chart details average 2001 - 2002 UST faculty salaries by rank, compared to the 40th and 60th percentiles of national faculty salary data collected by the American Association of University Professors (AAUP) for Carnegie Category IIA Comprehensive Institutions (master's level).

Rank	40th %tile	60th %tile	UST
Full professor	\$65,407	\$71,529	\$72,300
Associate professor	\$53,535	\$57,033	\$55,900
Assistant professor	\$44,472	\$46,874	\$47,000

Texas 10 Faculty salary studies by rank for the past five years (from 97-98 through 01-02) are included in the Fact Book detail. Salary data depicts a pattern of UST salary increases in keeping with those of the Texas 10 university reference group. In 01-02 only Southwestern and St. Mary's of the Texas 10 had higher average full professor salaries than did UST. Only Southwestern

exceeded UST faculty average salaries at the Associate Professor level in 01-02, and for Assistant Professors, UST average salaries were the highest among the Texas 10. In order to compete for quality faculty within a region, competitive salaries are essential.

Activity and Workload

External Information

In assessing faculty activity and workloads, it is important to distinguish between what faculty do and how “productive” they are. There are two nationally recognized systems for managing faculty productivity and workload. In 1994, the Joint Commission on Accountability Reporting (JCAR) was established by the American Association of State Colleges and Universities, the American Association of Community Colleges, and the National Association of State Universities and Land Grant Colleges. JCAR focuses on student outcomes related to degree attainment, employment of graduates, professional licensure/credentialing, and graduate school admission. JCAR also tracks faculty productivity in “service months.” A service month is the work equivalent of a faculty member engaging for one month in any assigned task such as teaching, community service, advising, and research. This concept of a service month is a standardized measurement of faculty work activities. JCAR’s reporting methodology has been judged to be helpful when quantifying faculty work to External Information audiences.

The Delaware Study of Instructional Costs and Productivity is a project begun in 1992 which now encompasses over 300 institutions of higher education. Like JCAR, the Delaware Study consists of two main components, faculty teaching load analysis and productivity/cost ratios. Faculty teaching load analysis examines full-time vs. part-time faculty, tenured vs. non-tenured faculty, lower division vs. upper division course loads, student credit hours generated by faculty member, and full-time equivalent students taught by full-time equivalent faculty. The second component, productivity cost ratios, examines direct instruction expense per student credit hour, direct instruction expense per full-time equivalent student, direct research or service expenditures per full-time equivalent tenure/tenure-track faculty, and personnel costs as a percentage of direct instructional expense. The Delaware Study method has been judged to be useful for internal management of institutional resources because a real, departmental per credit instructional cost can be used to help inform allocation practices in light of institutional goals.

UST in Context

Teaching loads at UST have historically been a 4-4 teaching load (4 courses in both fall and spring terms) for full-time faculty who teach undergraduates. Faculty teaching exclusively at the

graduate level have primarily had a 3-3 teaching load. Course reductions have been granted to support faculty with significant administrative duties (e.g., Department Chairs). UST faculty and administrative leaders are currently collaborating on an implementation plan to reduce course loads to a 4-3 load for all faculty who teach primarily and maintain scholarship/research and service agendas, in addition to their teaching responsibilities.

The Galloway Survey Findings: Dr. Louie Galloway of UST recently surveyed 31 universities in the US with annual budgets between \$25 million and \$35 million, to gain some benchmark information about teaching loads and related information. In a response from 17 of these universities, he found that the average teaching load in credit hours for full-time faculty was 24.2 hours (4-4 load), with a range from 18 hours to 28 hours.

The biannual UST Stewardship Report: In 2000-2001, the first UST Stewardship Report was completed, summarizing the academic year 1999-2000. Its goal is to provide University leadership with pertinent information and summarizes indices such as:

FACULTY & STUDENT INDICES

- 1) The number of majors
- 2) Major to full time faculty ratios
- 3) Average class size
- 4) The percent of credits offered by the department which were taught by full-time faculty

CREDIT INFORMATION

- 5) Credits produced by department and not subsequently dropped.
- 6) Estimated Revenue (excluding tuition discounts such as scholarships, alumni or senior citizen discounts).

COST INFORMATION

- 7) **DIRECT COSTS:** [*Including salary and benefits of full-time faculty, departmental student hourly expenses, and all other expenses incurred in support of the departmental budget (e.g., Clerical Expenses, Reference Materials, Dues and Subscriptions, Travel and Conference, etc.) Actual expenses for part-time faculty and over load for faculty stipends were included in and were used to arrive at the Cost Per Unit Credit Indices.*]
- 8) **INDIRECT COSTS:** [*Including administrative salaries and offices, Computer Labs, Science Support Staff, Advisement, Coordinator Of The Extra University Scholarships, Debate Program, Faculty Senate, Faculty Development, Health Advisory Committee, Instructional Support, Learning Resource Center, Undergraduate Research, Visiting*

Scholars, Other Instruction, Doherty Library, Student Affairs, Campus Security, Campus Ministry, Counseling Services, Health/Well Being Center, Jerabeck Center, Student Activities, Orientation, OVO, Archives, Curator, Staff Development Committee, Admissions, Financial Aid, Graduation, Registrar's Office, Business Office, Human Resources, General Office, Information Technology, Administrative Computing Services, Network and Campus Computing, Public Affairs, Publications, SPIRE, Facilities Operations, Study Abroad, and Utility Costs. The total infrastructure cost for 1999-2000 was indexed per UST credit offered (excluding credits offered at SMS School of Theology).]

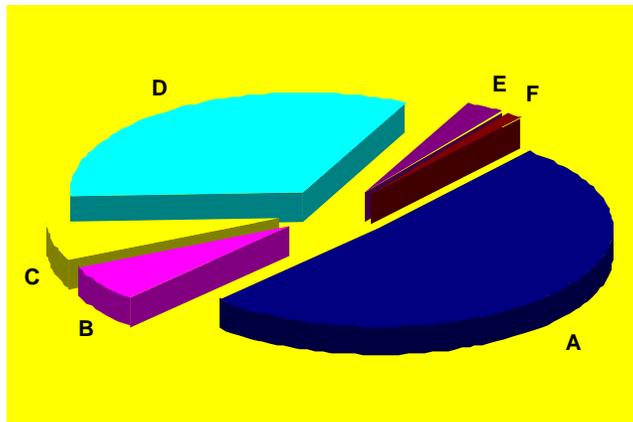
- 9) **CAPITAL COSTS:** An estimate of UST capital costs per credit hour was arrived at by including capital expenditures related to facilities, information technology, equipment, library acquisitions, and debt service costs.

FINANCE

Since 1997, UST has seen a 39% increase in its net assets, a 37% increase in revenue from tuition and fees, a 35% increase in instructional expenses, and a 43% increase in total expenses. UST's instructional cost per full-time equivalent student has increased at an average rate of 3.3% since 1997.

A graphic overview of 2001-2002 (fiscal year 2002) sources of revenue and expenditures follows.

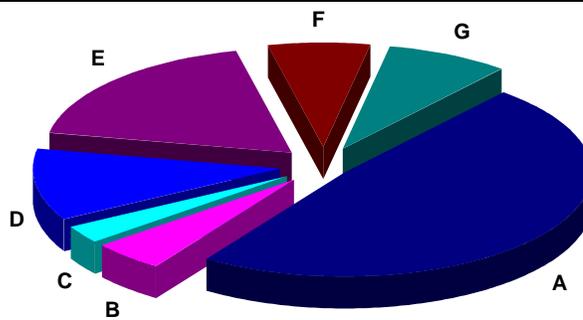
SOURCES OF OPERATING REVENUE – FISCAL YEAR 2002



A	Tuition and Fees	50.87%
B	Endowment Income	6.19%
C	Government and Private Grants	6.03%
D	Gifts and Donations	33.01%

E	Auxiliary Operations	2.85%
F	Other Revenue	1.04%

SOURCES OF OPERATING EXPENDITURES – FISCAL YEAR 2002



A	Instruction	48.25%
B	Library	4.80%
C	Academic Support	2.82%
D	Student Services	10.98%
E	Institutional Support	18.33%
F	Development	6.77%
G	Auxiliary Operations	8.05%

Technology Trend in Higher Education:

This section broadly frames information about technology nationally and institutionally.

External Information

Within the last decade, institutions of higher learning have begun incorporating into their repertoire of educational tools technologies such as video-conferencing, instant-messaging, internet access, streaming video, speech recognition, and voice synthesis. The American Council on Education terms the use of such technology to enhance learning delivery as “distributed learning.”

Distributed learning provides better access to course materials via the web. Technology can enhance student learning experiences by adapting the delivery method appropriate to various learning styles. Online course enhancement can truly recognize the idea of multiple intelligences to include intelligences that are abstract, textual, visual, musical, social, and kinesthetic. Since online learning need not be restricted to a particular time or place, more people can have access to information and learning that would have not been possible without technology. Students can access online courses at any time, regardless of their working schedules.

With the benefits of distributed learning come the responsibilities of implementation and support. Issues surface that, while not necessarily unique to online learning, pose considerable challenges. The largest of these challenges is financial and related to human resources. Distributed learning requires not only large investments of institutions in technology infrastructure (often possible only by joint ventures of multiple institutions), but it also requires substantial support in terms of personnel. Student and faculty support must be adequate to ensure the creation of courses in this new, online medium, the support of student use, and the assessment metrics needed to fully evaluate online learning. Intellectual property rights become an issue to be resolved between a university and its faculty. Organizational and business strategies must adapt to a new culture of student who need not be on campus during an online course.

Students accessing online learning participate in a very different learning process than the traditionally delivered class lecture. Rather than learning by being taught, there is now more possibility for learning by discovery. Interactive online exercises can guide a learner through the application of newly acquired ideas in a much more participatory manner than might be possible in a large lecture hall. No longer is literacy enough to ensure learning. Rather than a student's knowledge acquisition being solely dependent on textual skills, students now must develop skills in information navigation. Learning how to find appropriate sources of information is emerging as an essential skill for online learners.

Ideas of what constitutes an institution of higher education are beginning to blur in reaction to the speed with which for-profit learning schools are adopting and rolling out technology delivered learning and credentialing. Traditional colleges and universities are now finding they must compete with companies whose pockets run deeper and who have potentially more inter-business alliances and support structures. For-profit competitors seldom share the traditional university's commitments to knowledge generation and to community service, exacerbating the playing field competition.

UST in Context

In the last two years UST has received more one million dollars in government grants to further its technology development. To facilitate faculty adoption of online technology for course enhancement and/or course delivery, UST has offered interested faculty the opportunity to compete for training stipends for technology and online course development activities. The cohort of technology-enhanced faculty are sharing their newly learned skills with other faculty, thus seeding UST's culture of technology enhanced teaching and learning.

In fall 2002, 30% of all UST faculty use BlackBoard, the online course delivery and resource software adopted by UST. Of all students enrolled in fall 2002, 42% are enrolled in at least one course where faculty are availing themselves of BlackBoard technology. UST has also achieved its goal of providing UST email addresses to 100% of its students. With the UST's adoption of PeopleSoft software, students can currently check their course enrollments, grades, billing statements, and advising transcripts.