



Examining the Performance of
Independent Colleges in Arkansas

September 2016




Presentation Objective

- Demonstrate with **evidence** that Arkansas' **independent** community colleges operate the **most efficiently** and produce **high-employed, high-earning graduates**



Systems Play an Important Role

- All 22 of Arkansas' community colleges are doing great work in their communities, independents & system colleges alike
- Of the 9 independent community colleges that have become system community colleges in the past 25 years, 8 of the 9 originated as vocational-tech schools



*IPEDS = Integrated Postsecondary
Education Data System, National Center
for Education Statistics*

IPEDS Core Expense Ratio*

(Instructional Expenditures + Academic
Support Expenditures + Student Services
Expenditures + Public Service Expenditures)

Administrative Cost Expenditures

** Proposed by ADHE's Institutional Funding Task Force as one of two
measures of **efficiency** for Arkansas colleges & universities*



IPEDS Core Expense Ratio

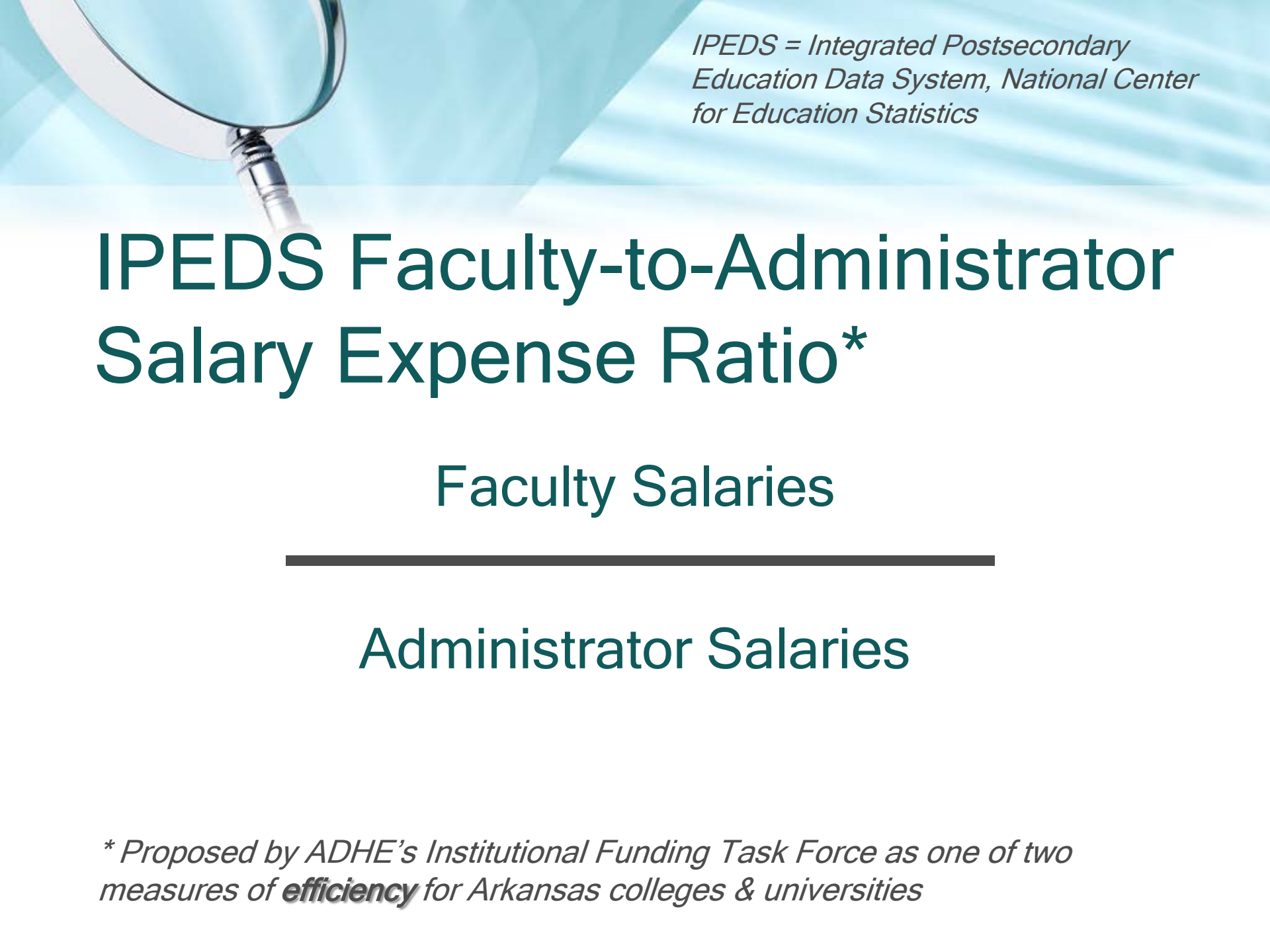
Arkansas Northeastern College	5.94
University of Arkansas-Cossatot	5.24
Black River Technical College	5.22
North Arkansas College	5.17
University of Arkansas CC-Morrilton	4.56
East Arkansas Community College	4.43
Arkansas State University-Mid-South	4.39
Pulaski Technical College	4.31
South Arkansas Community College	4.28
Ozarka College	4.23
University of Arkansas CC-Batesville	4.20
Phillips Community College of the UA	4.18
Northwest Arkansas Community College	4.13
National Park College	4.12
Rich Mountain Community College	3.83
College of the Ouachitas	3.73
University of Arkansas CC-Hope & Texarkana	3.49
Arkansas State University-Mountain Home	3.38
Arkansas State University-Beebe	3.27
Southern Arkansas University-Tech	2.65
Arkansas State University-Newport	1.70
Southeast Arkansas Community College	1.48

Average Core Expense Ratio: INDEPENDENT COLLEGES	4.12
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Average Core Expense Ratio: ALL COMMUNITY COLLEGES	4.00
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Average Core Expense Ratio: SYSTEM COLLEGES	3.82
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*The higher the ratio, the more **efficient** the college in terms of administrative cost spending*



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IPEDS Faculty-to-Administrator Salary Expense Ratio*

Faculty Salaries

Administrator Salaries

** Proposed by ADHE's Institutional Funding Task Force as one of two
measures of **efficiency** for Arkansas colleges & universities*



IPEDES Faculty-to-Administrator Salary Expense Ratio

Arkansas Northeastern College	5.50
Black River Technical College	4.34
Pulaski Technical College	4.09
Northwest Arkansas Community College	4.05
South Arkansas Community College	3.86
College of the Ouachitas	3.78
North Arkansas College	3.63
University of Arkansas-Cossatot	3.45
University of Arkansas-Morrilton	3.29
University of Arkansas CC-Batesville	3.10
National Park College	3.07
Phillips Community College of the UA	2.79
Arkansas State University-Beebe	2.67
Arkansas State University-Mountain Home	2.65
East Arkansas Community College	2.59
Southern Arkansas University-Tech	2.56
University of Arkansas-Hope & Texarkana	2.43
Rich Mountain Community College	2.39
Southeast Arkansas Community College	2.24
Arkansas State University-Newport	2.11
Ozarka College	2.04
Arkansas State University-Mid-South	1.72

Average Ratio:	
INDEPENDENT COLLEGES	3.40
Average Ratio:	
ALL COMMUNITY COLLEGES	3.11
Average Ratio:	
SYSTEM COLLEGES	2.69

The higher the ratio, the more money invested in teaching as opposed to administration



Cost-Saving Efficiencies??

- **System Lawyers**
 - The Attorney General's Office provides legal representation and training for Arkansas colleges
- **System Accountants**
 - Independent colleges do not have to consolidate financial statements
- **System Legislative Liaisons**
 - Can/should be provided with private funds
- **Cooperative Purchasing Agreements**
 - State contract requirements
 - Not necessary to join a system to engage in cooperative purchasing
- **Ease of Transferability?**
 - Arkansas Course Transfer System (ACTS)



Average Total Employment Rates for 2014 Community College Associate Degree Graduates*

University of Arkansas CC-Batesville	84%
Arkansas State University-Newport	82%
Black River Technical College	82%
Rich Mountain Community College	81%
Southern Arkansas University-Tech	81%
Arkansas Northeastern College	80%
National Park College	80%
University of Arkansas CC-Morrilton	80%
College of the Ouachitas	78%
Northwest Arkansas Community College	78%
Pulaski Tech College	77%
Arkansas State University-Mountain Home	76%
South Arkansas Community College	76%
Southeast Arkansas Community College	76%
North Arkansas College	75%
East Arkansas Community College	74%
Ozarka College	73%
Arkansas State University-Beebe	72%
University of Arkansas CC-Hope & Texarkana	72%
Phillips Community College of UA	65%
University of Arkansas -Cossatot	62%
Arkansas State University-Mid-South	56%

The average total employment rate for Arkansas public university bachelor degree graduates was 71%

Average Total Employment Rate: INDEPENDENT COLLEGES	78%
Average Total Employment Rate: ALL COMMUNITY COLLEGES	75%
Average Total Employment Rate: SYSTEM COLLEGES	72%

** 2016 Economic Security Report per Arkansas Act 852 of 2015, produced by Arkansas Research Center & Arkansas Dept. of Workforce Services*

Average Full-Time Wages for 2014 Community College Associate Degree Graduates*

Arkansas Northeastern College	\$	43,854
College of the Ouachitas		42,158
Southeast Arkansas Community College		36,882
South Arkansas Community College		36,877
University of Arkansas CC-Batesville		35,254
Northwest Arkansas Community College		35,128
Black River Technical College		34,146
Arkansas State University-Newport		34,118
East Arkansas Community College		33,956
University of Arkansas -Cossatot		33,859
University of Arkansas CC-Morrilton		33,431
National Park College		32,365
Southern Arkansas University-Tech		31,670
Ozarka College		31,551
University of Arkansas CC-Hope & Texarkana		30,943
North Arkansas College		30,225
Pulaski Tech College		29,545
Rich Mountain Community College		28,729
Arkansas State University-Mountain Home		27,773
Arkansas State University-Beebe		26,733
Phillips Community College of UA		26,494
Arkansas State University-Mid-South		26,362

The only Arkansas public university bachelor degree average higher than ANC & COTO was UAMS

Average F-T Wages:	
INDEPENDENT COLLEGES	\$34,391
Average F-T Wages:	
ALL COMMUNITY COLLEGES	\$32,821
Average F-T Wages:	
SYSTEM COLLEGES	\$30,552

* *2016 Economic Security Report per Arkansas Act 852 of 2015, produced by Arkansas Research Center & Arkansas Dept. of Workforce Services*