



Board of Regents of the University of Wisconsin System
Office of the Secretary
1860 Van Hise Hall
Madison, Wisconsin 53706
(608)262-2324

November 26 2003

TO: Each Regent

FROM: Judith A. Temby

A handwritten signature in dark ink, appearing to read "J. A. Temby", written over the printed name.

RE: Agendas and supporting documents for meetings of the "Charting a New Course for the UW System" Working Groups to be held Thursday, December 4, 2003, at The Lowell Center, 610 Langdon St. and The Pyle Center, 702 Langdon Street, Madison.

Thursday, December 4, 2003

9:00 a.m. - Presentation by Dr. Joni Finney, Vice President of the National Center for Public Policy and Higher Education, on major ways other states provide financial aid and the key policy goals inherent in those decisions for all participants in Charting a New Course for the UW System
Summation presentation by Sharon Wilhelm, Director of the Office of Policy Analysis and Research, UW System
Lowell Center, room B1A/B1B

10:00 a.m. - 12:30 p.m. - Regent Working Groups

- Revenue Authority and Other Opportunities, Pyle Center, room 326
- Achieving Operating Efficiencies, Pyle Center, room 325
- Re-Defining Educational Quality, Lowell Center, room 118
- The Research and Public Service Mission, Lowell Center, room B1A/B1B
- Our Partnership with the State, Lowell Center, Lower Lounge

12:30 - 1:00 p.m. - Box Lunch, Lowell Center, Lower Level Dining room

Information regarding agenda items can be found on the web at <http://www.uwsa.edu/bor/meetings.htm> or may be obtained from the Office of the Secretary, 1860 Van Hise Hall, Madison, Wisconsin 53706 (608)262-2324.

**Revenue Authority And Other Opportunities Working Group
Of The
Board Of Regents Of The University Of Wisconsin**

Agenda

December 4, 2003

- | | |
|------------|--|
| 10:00 a.m. | Differential Tuition Follow-up Freda Harris, Associate Vice President for Budget & Planning Andy Richards, Assistant Vice President for Budget & Planning Peter Spear, UW-Madison Provost |
| 10:45 a.m. | Other "Export" Opportunities Report David Olien, Senior Vice President for Administration, UW System |
| 11:15 a.m. | Federal Relations Follow-up |
| 11:30 a.m. | Vote on action items Summation decision on topics for February 5, 2003 |
| 12:00 noon | Adjourn |

Revenue Authority And Other Opportunities Working Group

"Per Credit Tuition"

In early 2002, the Board of Regents studied various methods to enhance the UW System's resource base. The attached paper and the recommendation below are excerpted from that study titled "Building our Resource Base".

Per Credit Tuition.

This proposal would allow institutions to charge students on a consumption or per credit basis and eliminate the plateau.

Recommendation 9(A): Evaluate existing pilots, and permit additional pilots under current Board review process.

Rationale: Some per credit models are already in place (UW-Stout begins in fall 2002; the UW-Superior graduate summer programs in education have been in place for a few years), and a study of their effects would be vital. This would allow additional institutions to move to per credit tuition and provide information as to the impact on time-to-degree and credits-to-degree.

Recommendation 9(B): Conduct an assessment of a modified plateau approach for tuition, before considering whether to go to a per credit tuition on a systemwide basis. Include a survey of other universities for their experiences in implementing per credit and various plateau tuition policies, especially as these experiences pertain to effects on time-to-degree, credits-to-degree, and retention.

Rationale: An additional option between the current plateau (per credit below 12 credits, no further charge for the 12th through 18th credits, and per credit for 19th credit and above) and full per credit is a modified plateau which would begin a credit level somewhere between 12 and 18 credits. Institutions have differing average credit loads carried by students, and should be free to customize a plateau more in keeping with their students' typical experience.

UW SYSTEM PER CREDIT TUITION

BACKGROUND

This paper examines per credit tuition as part of the Board of Regents priority of Building Our Resource Base. The Board recommended consideration of a campus pilot of per credit tuition in its study of the UW System in the 21st Century.

UW-Stout is proposing implementation of per credit tuition in conjunction with a per credit laptop fee and per credit segregated fees beginning in Fall 2002. In addition, UW-Milwaukee is proposing a pilot to move to per credit pricing for summer session, beginning in 2002. UW-La Crosse and UW-Whitewater have also conducted studies on the subject in the past.

In addition to analyzing tuition approaches at other universities, the pros and cons of per credit tuition and the anticipated effects on UW System administrative procedures, this paper explores and presents three possible approaches to per credit tuition:

- Per credit on a revenue neutral basis
- Per credit to generate additional revenue
- Continuing to use the plateau system of tuition

Current Operating Policies

The UW System uses the traditional tuition approach based on a plateau. Undergraduate students are charged per credit up to 12 credits. Between 12 and 18 credits students pay a flat fee equivalent to the charge for 12 credits. The per-credit rate is again charged for each credit over 18. There is also a plateau in place for graduate students that begins at 8 credits. Table 1 illustrates the current undergraduate tuition structure at one UW System Campus (UW-Stout).

Table 1.

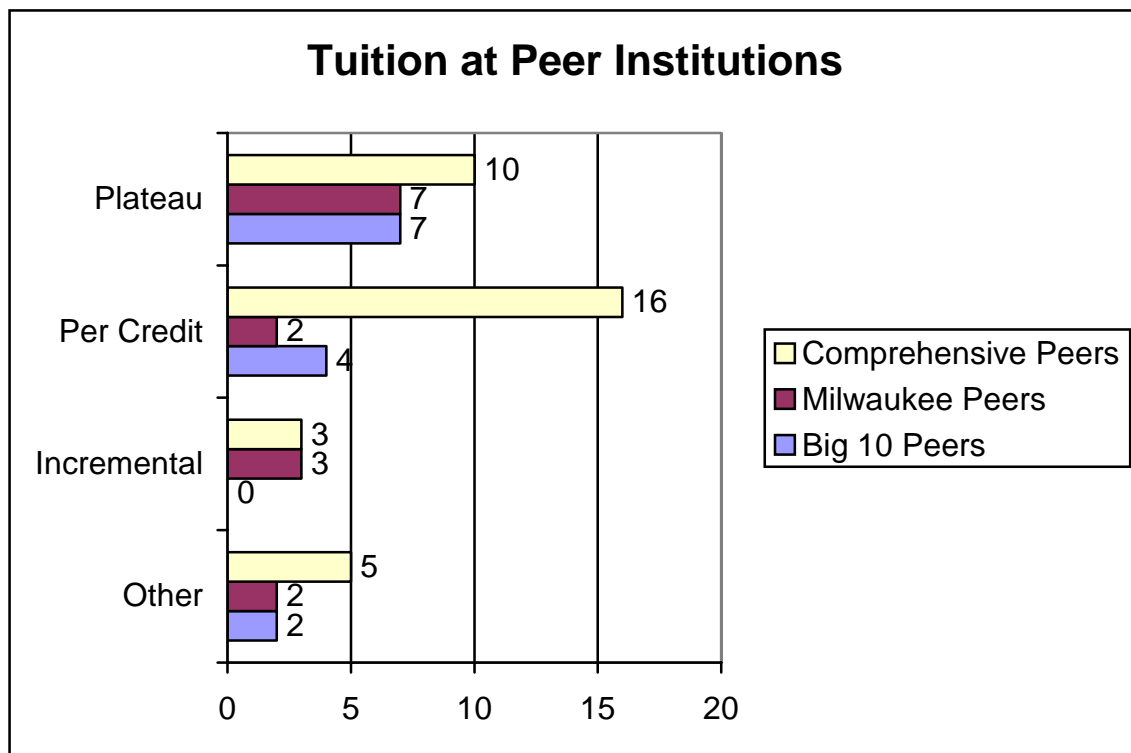
| | <u>RESIDENT</u> | <u>NONRESIDENT</u> | <u>MINNESOTA RECIPROCITY</u> |
|------------------------------------|-----------------|--------------------|----------------------------------|
| UW-STOUT | | | |
| A. <u>UNDERGRADUATE</u> | | | |
| 1. Full Time (12-18 Credits) | | | |
| a. Fees + Tuition | 1,458.00 | 5,720.00 | 1,554.00 |
| b. Segregated Fees | 236.88 | 236.88 | 236.88 |
| c. Textbook Rental | <u>56.16</u> | <u>56.16</u> | <u>56.16</u> |
| d. Total | 1,751.04 | 6,013.04 | 1,847.04 |
| 2. Part Time (Per Credit) | | | |
| Less than 12 credits or equivalent | 121.50 | 476.70 | 129.50 |

A September 2000 survey of other state university system tuition policies revealed the following regarding per credit tuition (the response rate was 46%, with 23 of 50 states responding):

- 26% of those surveyed used per credit tuition only
- 30% used per credit at some institutions (where campuses were able to develop their own tuition policies)
- 57% of respondents that used per credit tuition either exclusively or at some institutions used it at the undergraduate level
- 30% of the respondents that used per credit tuition either exclusively or at some institutions used it at the graduate level
- 13% of respondents used per credit tuition exclusively or in some form at the professional level

Through further analysis of UW System peer institutions, it was discovered that the size and focus of an institution plays a large role in the approach to tuition chosen. Table 2 details the tuition methods used at UW System peer institutions.

Table 2.



As can be seen from the table, the size, focus and location of the institution affects the way tuition is assessed. Larger schools such as Big 10 Peers, with a reliance on research and full-time, campus resident students tend to utilize plateau tuition schedules. The average student at a Big 10 Peer institution is full time and benefits financially from the plateau. Part-time students, who take longer to obtain their degree, pay for each credit,

thus paying more in total to obtain the same degree. Table 3 compares two students, one part-time the other full-time, each enrolled in a 120 credit program with the plateau tuition and tuition at \$100 per credit up to the plateau.

Table 3.

| | Student A | Student B |
|----------------------------|-----------|-----------|
| Status | Part-time | Full-time |
| Credits taken per semester | 9 | 15 |
| Total tuition per semester | \$900 | \$1,200 |
| Years to graduation | 6.7 | 4 |
| Total cost of degree | \$12,000 | \$9,600 |

UW-Milwaukee peers tend to have large commuter populations and more part-time students who benefit from per credit tuition. Finally, comprehensive peers draw from a smaller population base and have still larger part-time populations. A larger proportion of these institutions tend to rely on per credit tuition.

Alternative Tuition Approaches

Per credit tuition has been considered, sometimes adopted, and even rescinded at various universities nationally. A number of pros and cons have emerged from institutional debate and experience with per credit vs. plateau. The options presented below are revenue neutral per credit tuition, revenue generating per credit tuition and continuation of the plateau.

1. Revenue neutral per credit tuition

The revenue neutral approach to per credit tuition can be interpreted in one of two ways: revenue neutral to the student or revenue neutral to the university.

To achieve revenue neutrality to the student, students would realize a reduction in per credit charges. However, students enrolled in the current 12-18 credit plateau would be charged for all credits taken. A determination would be made as to how the proration could be handled most equitably with the end result being that part-time students would no longer be paying a larger proportional amount than full-time students.

UW-La Crosse proposed this type of per credit tuition using a denominator of 15 credits. Under this plan, students enrolled in 15 or fewer credits would pay an amount equal to or lower than the current rates. Students enrolled in more than 15 credits would pay a slightly higher amount of tuition in total. UW-La Crosse's approach is not entirely

revenue neutral to the individual student, as a small portion of students would see an increase in their costs.

Revenue neutrality to the university could be achieved by dividing the current tuition revenue by estimated total credits to achieve a per credit rate which would be identical for each student, regardless of full or part-time status. UW-Stout used this approach as a model for the per credit tuition proposal. Table 4 shows the difference between current charges and charges with per credit tuition in place.

Table 4.

| Current rate within plateau | Per credit, revenue neutral to university |
|-----------------------------|---|
| \$121.50 | \$100.21 |

The pros and cons for revenue neutral per credit tuition:

Pro: Part-time students would no longer subsidize full-time students through higher actual per credit costs.

Pro: Students may be more aware of the courses they are taking and the ramifications of the amount they spend on tuition and thus focus on completing their degree in four years.

Pro: Reduced time to degree might free up state resources to enhance quality improvement measures or increase enrollment growth.

Pro: Revenue forecasting would be easier and more accurate.

Pro: Wisconsin residents make up a large portion of part-time students. They would gain from the playing field being leveled.

Con: Students enrolled in degree programs requiring a higher number of credits would actually pay a higher total for their degree.

Con: Students might be deterred from taking enrichment and breadth courses outside of their degree requirements. Fine arts and exploratory courses in other departments could be affected.

Con: Students might be motivated to enroll in fewer courses each semester to reduce immediate costs. This could lengthen time to degree and lower overall tuition revenue.

Con: Students who change majors and need to take more classes to complete their major would be penalized.

Con: Full-time students might begin to subsidize part time students since the cost of serving part-time students is actually higher for support services as they take longer to graduate and are utilizing the university services for a longer period of time.

Mechanism: Board of Regents approval.

2. Revenue generating per credit tuition

Under this option, all students would pay the same per credit tuition or a slight increase; no students would see a decrease. Most students (those taking 12 or fewer credits) would not see any increase. Those enrolled in more than 12 credits would pay more because these credits would have previously been included in the plateau.

Pros and cons: The pros and cons of a revenue generating system are basically the same as the revenue neutral approach, above; however, this approach produces additional revenue.

Mechanism: Board of Regents approval.

3. Retain current tuition system

The current system is per credit from 1-11, plateau from 12-18, per credit above 18.

Pro: The plateau provides an incentive to take more credits and complete degrees faster.

Pro: The plateau encourages students (provides the opportunity) to take breadth courses within the credit plateau.

Con: Part-time students pay more than full-time students for each credit. However, part-time students cost more to service.

Mechanism: No change required.

Table 5 provides a comparison of the three options presented.

Table 5.

| Per Credit Revenue Neutral | | Revenue Generating | Current/Plateau |
|---|---|---|---|
| <i>To Student</i> | <i>To University</i> | | |
| Tuition is prorated based on a denominator, few students will see a tuition increase, Most will remain level or decrease. | Tuition is based on current tuition revenue divided out to arrive at a per credit rate. | No student would see a decrease in tuition. Students currently within the plateau would be charged for those credits. | Tuition is charged per credit to 12 credits followed by a plateau where students pay at the 12-credit rate to 18 credits. |

Anticipated Effects of a Shift to Per Credit Tuition

Four areas could be affected by a shift to per credit tuition.

Financial Aid: With a shift from the current system of the plateau to per credit, there could be a change in the way financial aid is calculated and awarded. This could result in a change in administrative costs and requirements at campuses.

Segregated Fees: A decision would have to be made regarding the charging of fees. Would they remain the same or be changed to per credit along with the tuition system?

Tuition Billing: A major shift would have to occur in the tuition calculation, especially for full-time students. This would require modification of tuition billing systems.

Potential Risks/Rewards: Because we cannot be sure how students' decisions may change with a change in tuition approach, there is the possibility that overall tuition revenue and time-to-degree could increase or decrease with a shift to the per credit approach.

Conclusion

It's important to first look at the mission of the UW System institutions before deciding that per credit tuition is a benefit to the system as a whole. As mentioned earlier, the focus of UW-Madison is very different than that of Comprehensive institutions. There may be no single tuition approach that is the best solution to achieving every mission.

The purpose of the Building Our Resource Base papers is 1) to find ways to increase the UW System's revenue base and/or 2) to increase revenue stability. Achieving either of these goals depends on the (unknown) behavioral response of students.

Using the revenue neutral approach, tuition revenues would not be increased, but revenue predictability and stability could be enhanced. If students now enrolled in 13-17 credits choose to take lighter course loads to avoid paying more tuition, revenue may actually decrease. By moving to a revenue generating approach, there will be an increase in tuition charged resulting in an initial influx of revenue the first year. However, as time goes by this will not be an exponential increase but will continue to move with tuition increases in the same way the current system has. If it is ultimately determined that using per credit tuition could reduce the amount of time and money spent administratively on tuition, this could be seen as a revenue-building proposition.

MINUTES OF THE
REVENUE AUTHORITY AND OTHER OPPORTUNITIES WORKING GROUP
OF THE
BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

UW – Extension
Lowell Center, Lower Lounge
Thursday November 6, 2003
10:00 A.M.

- Regent Axtell presiding -

PRESENT: Regent Pruitt, Regent Emeritus Steil, Senior Vice President Olien, Associate Vice President Harris, Acting Assistant Vice President Richards, Chancellors Shepard and Markee, Interim Chancellor Greenstreet, Assistant Vice Chancellor Krogman, A.S.R. Kathleen McGinnis, F.R. David Trechter, and S.B.P. David Hay (via telephone)

ABSENT: Regent Gracz

RISK MANAGEMENT

Senior Vice President Olien provided an update regarding the UW's Risk Management study. He informed the group that the consultant, Gallagher and Associates, will present its findings to the group in February, rather than in December in order to allow the firm to be thorough in its recommendations. He mentioned that Gallagher's report will be shared with the Department of Administration beforehand. Senior Vice President Olien stated that the goal is to decrease administrative costs and earmark those savings for financial aid programs and other instructional purposes. Regent Axtell asked if the *Operating Efficiencies* working group should also be informed of the study's findings, and Senior Vice President Olien responded that there will be a joint meeting in February with that group when the consultant presents its findings. He added that it is not certain what the study's outcome will be, if an individual System captive insurance program, a program with other state agencies, or a program with other higher educational systems will be recommended. Senior Vice President Olien gave the examples of the University of Michigan, the University of Iowa's medical center, and private institutions currently saving money by utilizing some form of a captive insurance program. He stressed that the consultant is studying the UW's property insurance, not all state-run programs.

NON-RESIDENT TUITION

Associate Vice President Harris began the next topic of discussion by saying she and Acting Assistant Vice President Richards would talk about some of the things in the

group's handouts today, and next month, they will discuss per-credit and cohort tuition, along with anything in today's discussion the group decides needs further investigation. Regent Axtell also mentioned that Chancellor Markee would present UW – Platteville's proposal, and that the "Return to Wisconsin" pilot program, currently being considered for eight UW campuses, would be presented to the Business and Finance committee later in the day. Associate Vice President Harris stated that in the last four or five years, non-resident tuition in the UW System has increased faster than resident tuition, making UW – Madison second in its peer group and the UW Comprehensives eighth in their peer group. Non-resident students pay a significantly more than their share of tuition, ranging from 170-204%. Assistant Vice President Harris stated that the UW has exceeded its price elasticity for non-residents and is beginning to lose them. She added that to increase revenue, the number of non-residents has to increase, and the only way to attract these students to the UW is to assure families that costs won't skyrocket. In order to make this assurance, the UW could enter into a compact with the state to freeze non-resident tuition, set its dollar increase equal to resident tuition increases, or decrease non-resident tuition to bring costs down and increase the number of non-residents.

Regent Axtell interjected to give the group some background on this topic. He stated that the biggest tuition jump occurred last year, which was not initiated by the Board of Regents, but imposed by the state. At the time, he added, the Board of Regents feared that there could be a net revenue loss with the decrease of non-residents, and there was in fact a loss of 360 non-residents and approximately \$4 million. While non-residents were not price-sensitive before, they are now, and the UW must work to make non-resident tuition more equitable. Senior Vice President Olien added that the number one priority when increasing the number of non-residents is to ensure that resident access will not decrease. Due to pricing issues imposed by the Governor, residents are currently paying to make up for the lost revenue due to the decrease in non-residents. He mentioned that increasing non-residents is also good for the state, to address demographic concerns such as Wisconsin's stagnant population growth and that there are not enough young people to fill jobs or pay taxes. If non-residents stay in Wisconsin after graduation, some of these problems will be addressed. Regent Axtell responded that legacy tuition programs that increase non-residents are good for the state because educating them costs the state nothing and if even 20% remain in the state it will help with "brain gain".

Associate Vice President Harris explained that the UW's budget is built with the assumption that non-resident students and the associated revenue will be there so that resident rates increase only as needed. While this worked in the past, in the last couple of years when expected tuition revenue increased and the number of non-residents actually decreased, it left a big hole in the budget. Associate Vice President Harris stated that by increasing non-residents, there is actually an opportunity to increase revenue flows and provide more access with this additional money. She added that if non-resident tuition was decreased, there would likely be a temporary loss of revenue until the number of non-residents increased again, but with a plan for stable tuition, more non-residents would be attracted to the UW.

Chancellor Shepard stated that he believes the UW is priced out of the market for non-residents and that this has made the UW unattractive to these students. He added that with tuition increases, current and potential non-resident students are being lost. He also stated that the message about access and how it works is not getting out to the public as needed. Interim Chancellor Greenstreet added that the total pool of non-residents is decreasing quickly as other states are trying to attract these students. Regent Pruitt asked whether diversity would improve with more non-residents and Associate Vice President Harris responded that in discussions with Chancellors, she's learned that the geographic diversity that non-residents bring to the UW is invaluable because of the homogeneity of Wisconsin; students are better able to learn to work with others who may be different. Chancellor Shepard added that there is also a decrease in diversity as the number of international students decreases. Regent Axtell asked if these students are choosing to go to private schools, and Chancellor Shepard responded that UW – Green Bay is losing many potential international students to St. Norbert's College because that College provides such a large discount to international students that their tuition is approximately equal to UW – Green Bay's. Regent Axtell asked how this discount is managed and in response, Chancellor Shepard stated that it is part of their very strategic marketing plan to attract more international students. F.R. Trechter mentioned that UW – Platteville is experiencing the same problem with private schools located nearby in Iowa.

Senior Vice President Olien stated that another problem is that other states are very aggressively recruiting high-quality Wisconsin students. He provided the example that the number of Wisconsin students going to Minnesota institutions is higher than the number of Minnesota students coming to Wisconsin institutions and that while there is no direct cost incurred by this due to reciprocity, there is the cost of "brain drain". He explained to the group UM – Twin Cities' plan, with the endorsement of local businesses and the Legislature, to attract Wisconsin students. Faculty and students contact potential students numerous times and the campus has created "Wisconsin Day", a day in which Wisconsin high school students are invited to the campus and given an excellent sales pitch regarding high-quality instruction, stable tuition, and a good job market in the area. Senior Vice President Olien added that it is alarming how many Wisconsin students are choosing to attend Minnesota's and other states' institutions. Assistant Vice Chancellor Krogman responded that there is similar competition for Wisconsin's engineering students, especially with Michigan Tech that offers scholarships to Wisconsin students.

Acting Assistant Vice President Richards informed the group that next month, Associate Vice President Frank Goldberg of the Office of Policy Analysis and Research, will do a presentation on where Wisconsin's high school graduates attend college and where the UW's students come from. Regent Pruitt asked if there is information on whether non-residents from certain areas are more likely to stay in Wisconsin after graduation and Acting Assistant Vice President Richards said he will ask if that information is available. Regent Axtell stated that the topic of non-residents is emerging as one that has huge revenue opportunities. He added that there are three issues to deal with. First, how far down does tuition have to be before it is attractive enough? Second, how will we find these non-resident students and target them? And third, how will the UW answer to parents who want any new discounts for current students already enrolled? Assistant

Vice President Harris responded that the group could talk about options to attract non-residents, find out which innovative ideas it would like to further explore, and learn more about the migration of students. She stated that options to attract non-residents include:

- A compact to freeze non-resident tuition or set any increase equal to that of resident tuition or other options to price UW non-resident tuition at market prices.
- Decrease non-resident tuition over a period of time or all at once.
- Request statutory authority to allow certain UW institutions to provide selected discounts to non-resident students at a campus level.
- Develop compacts with other states to provide discounted tuition to non-residents.
- Develop campus-specific program pilots that will attract non-resident students.
- Continue developing the “Return to Wisconsin” program currently being considered by eight UW campuses.

Senior Vice President Olien reminded everyone in the room that it was important to have a rational conversation regarding these issues and that in order to do so, the media should accurately report the discussion to avoid an avalanche of attacks on the UW.

F.R. Trechter asked Associate Vice President Harris whether it would be possible to set non-resident tuition increases at the same percentage as the resident tuition increase in their home state and she replied that trying to administer increases on a percentage basis is very difficult since non-resident tuition is already so high. If something like this were to be done, it should be considered on a dollar basis instead. Chancellor Shepard stated that in Oregon, non-residents are heavily depended on, and that state is successful because it acts like a business and doesn’t tie itself to any specific contract.

OTHER TUITION ISSUES

Regent Axtell asked the group for its reaction to some of the tuition options, saying that he thought the issue of increasing non-residents should be a top priority. He asked whether System Administration staff could find out which options will generate the most revenue, and said he thought that per-credit tuition won’t generate much additional revenue, so it should be a lower priority. Chancellor Markee stated that differentials for high-cost programs are an important issue, but these programs are hard to implement at the undergraduate level due to undergraduates’ indecisiveness in choosing a degree area. Interim Chancellor Greenstreet added that current differentials are mainly for professional and high-demand programs, and that it would be hard to implement them for undergraduates. However, he stated that students aren’t a single entity and should be looked at by academic program. To address the issue of “brain gain”, F.R. Trechter told the group he thought Regent scholarships are an attractive option.

Senior Vice President Olien stated that raising revenue is this group’s mission and that the *Partnership with the State* group examining Financial Aid should also be included in examining these issues since consideration of various tuition options to raise revenue also means that Financial Aid programs would have to be adjusted accordingly. S.B.P. Hay echoed those sentiments and agreed that tuition has to be tied to ability to pay. Regent Pruitt suggested that for operating efficiencies, this group should have joint sessions with

the *Partnership with the State* group in the future. This movement was unanimously approved by the entire group.

Acting Assistant Vice President Richards told the group that while per-credit tuition may not generate much revenue, it would make implementing differentials easier. Chancellor Shepard added that per-credit tuition would make partnering with other institutions more feasible. In regard to cohort tuition, Associate Vice President Harris explained that in this situation, new freshman pay a higher rate to generate revenue. Regent Axtell stated that this is not as attractive to him due to the effects of inflation, but Associate Vice President Harris responded that there are variations of cohort tuition systems that can be explored. Regent Axtell said he is concerned that if state funding decreased, then institutions would be stuck not being able to raise tuition rates. Acting Assistant Vice President Richards replied that with non-residents, the UW has room to work since their rates are already so high.

NON-TRADITIONAL STUDENTS

Regent Axtell asked if the group should examine non-traditional students and what tuition they should pay. In response, Associate Vice President Harris stated that there is the issue of how much service the UW can provide with limited revenue and access; there has to be a balance between traditional and non-traditional students. She added that one goal of EM21 was to increase the number of non-traditionals, although most of these programs are small and generate little revenue, with the exception of a few. Associate Vice President Harris said that with a higher charge to non-traditionals, campuses could provide more services, but it wouldn't benefit the System as a whole. She thought campuses should be encouraged to develop plans for non-traditionals, but that it isn't worth the time of a Systemwide plan. Senior Vice President told the group they should decide where this issue fits in. Chancellor Markee stated that he is very sensitive to this issue, but that it is hard to find niches to serve as revenue declines. Regent Axtell said that he'd like to focus more on graduate students in this area, as businesses are more likely to pay some or all of these students' tuition. Chancellor Markee responded that many non-traditionals are currently served through distance and on-line education, but since these students' salaries are generally not high, it would be hard to increase tuition. Regent Axtell asked where the money is in non-traditionals, saying that he was very impressed by UW – Whitewater's on-line MBA program, and UW – Green Bay's on-line nursing program. He also asked how the UW finds non-traditional niches to concentrate on. F.R. Trechter replied that the group should look at the supply side, institutions, and what our competitors are doing to be successful. After this discussion, the following topics were decided upon by the group as needing further exploration:

- I. Differential Tuition
 - a. Non-Resident Tuition Rates
 - b. Differentials for High-Cost Programs (e.g. business, education, fine arts, etc.)
 - c. Per Credit Tuition Programs
 - d. Cohort Tuition Programs
 - e. Need- and Merit-Based Regent Scholarships

- II. Non-Traditional Students
 - a. How to Reach Students With an Undergraduate Degree who Wish to Continue Their College Education

UW – STEVENS POINT SURVEY

A.S.R. McGinnis presented her on-line survey findings of why non-residents, excluding those from Minnesota, are attracted to UW – Stevens Point. She told the group she found three deciding factors: unique programs, a recommendation from an acquaintance, and a professional employed there in the student's chosen field of study. A.S.R. McGinnis said 86% of respondents did not have a relative who attended UW – Stevens Point, so programs such as "Return to Wisconsin" are probably not effective there. She found that non-residents who came to the institution found the academic quality excellent and the majority said they would recommend UW – Stevens Point to others. She stated that the survey also showed over 50% said they would consider staying in Wisconsin after graduation. Lastly, A.S.R. McGinnis said this survey was good evidence that unique programs should be marketed to draw in students since these programs are a major deciding factor for non-residents at UW – Stevens Point. Chancellor Shepard said the number considering staying in Wisconsin was good and that he wondered whether these students used the web as a source of information when looking for campuses. A.S.R. McGinnis replied that 16% of her survey respondents used the Internet and 20% relied on friends as a source of information. Regent Axtell told the group that the study validates the requirement that campuses have a specific mission and have differentiation.

Senior Vice President Olien reminded the group that they had the handouts from last month's presentation on demographics to review, but that he thought the group should move on to Chancellor Markee's presentation on UW – Platteville's proposed program.

UW – PLATTEVILLE'S REGIONAL ENROLLMENT PLAN

Chancellor Markee began his presentation by providing some background information about UW – Platteville. The campus has around 6,000 students with nearly half indicating engineering as their major. He stated that the proposal addresses UW – Platteville's relation to Illinois and Iowa and the fact that at one time, 35% of its students came from this region. However, with the increases in non-resident tuition, the number of students from this region is currently 5-6%. Chancellor Markee stressed that even with this proposal, UW – Platteville remains committed to Wisconsin students. He added that the campus has unique academic programs that address where workforce needs currently are and will continue to be. With the proposal, UW – Platteville would add 2,000 students from Illinois and Iowa over a period of seven to eight years, with an increase of 200 in the first year of the pilot beginning in Fall 2005.

Chancellor Markee stated that a sizeable number of alumni live in these states, and that with the Chicago Bears coming to the town every summer, a side benefit is that some of the visitors they attract visit the campus. He added that southwestern Wisconsin high schools provide only about 25% of UW – Platteville's enrollments and that the

population there and throughout Wisconsin is projected to remain fairly flat. Because of all these factors, Chancellor Markee said he believes the pilot could be very successful.

Chancellor Markee went on to say that the campus was initially designed for more area to be added so it has the physical infrastructure. In terms of personnel, he stated that academic faculty needs are on the agenda and others issues will need to be addressed. He added that the intent is to cover the full cost of instruction and enhancement of related facilities with a tuition premium for students from Illinois and Iowa. The plan also accounts for these students needing additional financial aid. The initial premium would be \$4,000 over resident tuition, a rate still below non-resident rates. Chancellor Markee also discussed the need for a reserve to be built up to deal with initial ups and downs in the program, as well as a need to expand the marketing program.

In conclusion, Chancellor Markee stated that the program would focus on UW – Platteville's academic strengths and help continue its history of retaining its graduates for Wisconsin. He added that it would help encourage job growth in engineering throughout the state and provide a significant economic impact to southwestern Wisconsin.

Regent Axtell provided the group with a summary of Chancellor Markee's presentation saying that the proposal is for a pilot, and that the initial premium would be \$4,000 over the resident rate, but that the premium could increase in future years. He added that the justification is that the premium would affect students in a high-cost program, and it would not affect resident access. Regent Axtell asked whether UW – Platteville would attract students away from other UW schools with this program and Chancellor Markee replied that this would not happen because of different needs of students attending different schools. Interim Chancellor Greenstreet added that he thought the program would allow UW – Platteville to compete more with private institutions. Assistant Vice Chancellor Krogman stated that UW – Platteville's programs are unique in that they send 95% of its graduates directly into the workforce. Senior Vice President Olien informed the group that members of the Joint Finance Committee are very interested in the proposal because they see it as a perfect solution to concerns that Wisconsin isn't producing enough engineers. He added that with more engineering graduates, more businesses will also be attracted to the area. He also stated that he thought the campus would directly compete with Northern and Southern Illinois Universities because these institutions can't compete with UW – Platteville on quality, which is named by potential students as a major deciding factor. He added that he thinks the program would have a high likelihood of succeeding.

Regent Emeritus Steil stated that he thought the proposal was very interesting and innovative, as well as feasible. He added that it would increase revenue for both the UW and southwestern Wisconsin, and meet workforce needs currently not being met in engineering. He told the group that local business leaders in the area are very concerned about the lack of engineers and that they all utilize services at UW – Platteville. Regent Emeritus Steil went on to say that it is a good plan, both in the short- and long-term because the students who do stay in Wisconsin after graduation will end up paying back more than whatever the UW invests in them. He moved for adoption that the proposal be

moved forward, Regent Pruitt seconded the motion, and the group unanimously approved it. Senior Vice President Olien said the proposal will be presented to the Board of Regents at the end of the study and to the Business and Finance committee in December.

Chancellor Shepard added that he was very excited by the innovativeness of the proposal, saying that it was a more entrepreneurial plan. He said that the System has traditionally flourished and needs to continue to do so; this plan truly “Charts a New Course”.

Associate Vice President Harris told the group the plan will be moved forward as soon as possible and that they would like other institutions to generate similar proposals, as the UW – Platteville proposal will be a major plank to the group’s platform.

Regent Pruitt asked if there have been conversations with Legislators regarding this proposal and Chancellor Markee responded that it has been shared with four area Legislators and they were very excited about it. Regent Pruitt said the proposal supports the “Grow Wisconsin” initiative of the Governor and also will help bring Legislators to the table so the UW can work together with them. A.S.R. McGinnis added that the brightest high school students want to be in engineering and technical careers, and this proposal would also help keep graduates in Wisconsin. She asked whether Chancellor Markee had confidence that new faculty and staff could be recruited if needed and he replied yes, that as UW – Platteville has built its reputation in engineering, it’s been easier to attract needed personnel. Senior Vice President Olien added that these are the kind of proposals the Legislature and government want and that this shows we can all work together for the common good of the state. Assistant Vice Chancellor Krogman said he wanted to commend Chancellor Markee and that the group’s excitement for and approval of the proposal speaks highly of his leadership. Chancellor Markee responded that he wanted to thank UW – Platteville and System Administration staff in helping develop the proposal.

CONCLUSION

Regent Axtell said he thought the group should decide next what System staff should prepare for next month’s meeting. Associate Vice President Harris said next month, items to be presented and discussed include:

- Information on per-credit tuition and campus’ experiences and investigations in this area.
- Further information on cohort and modified cohort tuition programs.
- Ways to attract and serve non-traditional students.
- Differentials for high-cost and high-demand programs.
- How additional financial aid would be funded in response to the increasing number of differential programs.
- UW – Milwaukee will present its undergraduate differential tuition proposals.
- Frank Goldberg will present his findings on the migration of young, single, and college-educated individuals.

Chancellor Shepard said there is a challenge in developing differentials for undergraduates and Regent Axtell asked if it was better that they be introduced at the

junior and senior levels when students are more likely to be committed to a campus. Associate Vice President Harris suggested the Business and Finance committee could also explore this issue, but Regent Axtell said the topic should stay with this group. He added that UW – Stevens Point could also consider a differential for its undergraduate arts program, similar to UW – Milwaukee’s proposal. Chancellor Shepard noted that market demand for programs needs to be considered when making these proposals and Associate Vice President Harris said there would also be a need to fund additional financial aid for these types of programs, which would be discussed next month. Acting Assistant Vice President Richards added that next month’s presentation on the migration of college-educated individuals will help in future discussions regarding non-residents. Regent Axtell told the group there would be a follow-up to the Federal Government presentation heard last month in February, and Senior Vice President Olien added that at this time, the group would also hear from the Risk Management consultant.

Regent Emeritus Steil mentioned the increase need for nurses and that they are not paid adequately, and wondered if hospitals and clinics would help pay for tuition if it was increased. Regent Axtell added that the nursing shortage is the number one concern in the healthcare field and said the Hospital Association, the Medical Society, and insurance companies all have a vested interest. Assistant Vice Chancellor Krogman suggested a tuition-forgiveness program, in which hospitals in Wisconsin could give newly hired nurses a loan or grant, the amount depending on their length of employment. A.S.R. McGinnis said a program like this is more feasible now that most hospitals in the state are part of a System. Regent Axtell said he thinks this is a great area to look into and Senior Vice President Olien agreed, saying that in the Fox Valley, Kimberly Clark currently has a tuition-forgiveness program with some of the employees it hires. Chancellor Markee added that while the idea of forgiveness may not be revenue-enhancing, it relates well to workforce needs and keeping graduates in Wisconsin. Acting Assistant Vice President Richards said that in the past, financial aid for nursing students hasn’t enticed additional students. He added that in Minnesota, hospitals try to attract nursing graduates by paying off their student loans. Associate Vice President Harris said that the heavy recruitment of nurses is a serious problem for Wisconsin and incentives for nursing graduates to stay in the state would be very helpful. The topic was added to the list of issues for next month’s meeting:

- Examine how the state’s nursing shortage might be relieved by turning to groups in the private sector for tuition subsidization. Private sector groups might include the State Hospital Association, the Medical Societies of the state and health insurance companies.

Regent Axtell thanked everyone at the meeting and said the next meeting of the group will be December 4th, and then the group will meet again on February 5th. Senior Vice President Olien suggested that if the group has things they want to accomplish, it could also meet alone in January when the Board of Regents does not meet.

Achieving Operating Efficiencies Work Group
December 4, 2003
Agenda

1. Approval of November 6, 2003 meeting minutes
2. Follow-up on request to campuses: Opportunities for administrative efficiencies
3. Academic and Student Services presentation: Program review process
4. Discussion paper: Using program reviews to ensure the efficiency of academic programs
5. Discussion paper: UW System missions and program emphasis
6. Discussion: Materials on competency-based degrees and creating change in instructional delivery systems
7. Discussion paper: Collaborative academic programs among UW Institutions
8. Review of Strategies and Components of Efficiency table
9. Other

Achieving Operating Efficiencies Work Group

December 4, 2003

Discussion Paper: Collaborative Academic Programs Among the UW Institutions

This paper on collaborative academic programs is provided in response to the Achieving Operating Efficiencies Work Group's interest in instructional delivery. This review included: 1) providing an overview of collaborative efforts in the UW System; 2) compiling a list of collaborative programs, based on prior UW System efficiency reports, UW System collaborative-program work group listings, and UW-institution-supplied information; 3) examining selected collaborative efforts to determine the process used to initiate the programs, how the programs operate, and the extent of participation; and 4) examining related administrative issues and identifying useful practices for establishing collaborative programs. Collaborative efforts may also be referred to as consortial arrangements or cooperative agreements at the UW institutions.

OVERVIEW OF COLLABORATIVE EFFORTS AMONG UW INSTITUTIONS

Collaborative efforts can help achieve operating efficiencies by making the most effective use of UW System resources. Among the efficiencies that can be achieved through collaborative partnerships among UW System institutions are:

- maximum use of the combined resources of multiple campuses, minimized duplication, and assurance that access to a particular program is provided throughout the state;
- cost savings through shared programs and degrees, reduced costs to individual institutions supporting programs in low-enrollment areas, and cost reallocation;
- diversified program offerings, specialized programs in emerging high-demand areas, and innovation in a technology-enhanced curriculum;
- increased scheduling flexibility;
- service to more students, including "place-bound" students, who may be limited by work or family responsibilities; and
- expanded student access to a particular degree or course offering through the addition of new courses not available on one campus, as well as additional sections for existing courses.

The extent and growth of collaborative efforts and policies that support or affect these efforts are discussed below.

Extent of UW Institution Collaboration

The UW System has used collaborative agreements throughout its history, but efforts to collaborate have generally been developed on an ad hoc basis. The impetus for expanding collaborative efforts was the Board of Regents' "Study of the UW System in the 21st Century." This study recommended that the UW System "create a seamless web of education by expanding collaborative program agreements among UW System institutions and partnering with other four-year institutions, the K-12 schools, and the Wisconsin Technical College System."

UW System institutions have significantly expanded their collaborative program efforts in recent years. For example, UW Colleges has initiated over 40 collaborative arrangements between UW College campuses and other UW institutions since 1999; enrollment has grown in these collaborative offerings from 240 students in fall 1999 to 740 students in fall 2002. Collaboration within the UW System occurs in undergraduate, Master's and doctoral programs, as illustrated in Appendix 1. Collaborative efforts exist in degree programs, certificate programs, single or multiple courses, or other formal or informal agreements. This review excluded those articulation agreements that have been developed to facilitate credit transfer.

Existing UW Policies to Support Collaborative Efforts

Academic Information Series policy (ACIS 1.0) identifies several key issues to consider when programs are developed. These include: 1) using resources effectively and efficiently, and 2) reducing unnecessary program duplication. This policy further recognizes that strong program proposals demonstrate that institutional leaders have worked with their colleagues to consider options for inter-institutional collaboration; collaboration may occur through the exchange of students, exchange of administrative or instructional staff, or shared access to specialized facilities.

Collaborative degree programs must proceed through the same program approval process as any new program developed by a single institution. The UW System Office of Academic Affairs' Academic Program Reporting Overview notes that extending a degree program to a second institution or to a remote site requires System Administration approval and a report to the Board of Regents annually for informational purposes only. A "Memorandum of Agreement to Establish a Cooperative Program" has been developed by UW System for use by the UW institutions when new degree programs are implemented.

UW System Financial and Administrative Policy G30, "Cooperative Educational Fee Schedules," was developed in 1980 to provide direction to the UW institutions on cooperative agreements. This policy recognized that cooperative programs affect faculties, facilities, and support services and can result in both inconvenience to students and costly administrative procedures. The policy defines standard UW System policy: the UW institution providing instruction is to report student credit hours and faculty hours for central data reporting (CDR) purposes, and is responsible for fee collection. However, the policy authorized UW institutions to negotiate agreements under which standard fee policies and procedures may be amended to encourage collaborative programming. Such agreements require the approval of the Chancellors of participating institutions and the UW System Vice President for Academic Affairs.

Other UW System policies also address certain financial aspects of collaborative arrangements. For example, distance education pricing policies may be applied to collaborative programs offered through distance education. Additionally, collaborative agreements for which students enroll at multiple institutions may be based on UW System Financial and Administrative Policy F44, "Tuition and Fee Policies for Credit Instruction." This policy states that credits taken at more than one institution shall be combined for fee assessment purposes, and further notes that if the credit plateau is achieved at the first institution, no additional tuition will be assessed by the second institution unless the total credits exceed the plateau maximum. This policy somewhat

discourages institutions from negotiating course collaboration if enrollment does not generate fee revenue.

TYPES OF COLLABORATION

Collaborative efforts have been implemented in a wide variety of areas. Some efforts have been established to meet high demand programs, such as nursing or business, while others provide access to programs in low-enrollment areas, such as certain foreign languages. Examples of collaborative efforts in degree programs, courses, and certificate programs are described below.

Collaborative Degree Programs

Numerous collaborative programs have been developed among two or more UW institutions to provide undergraduate and graduate degrees in high-need areas. These degrees may be offered through traditional teaching methods or through distance education. Examples include:

- **UW-Milwaukee/Parkside Nursing Consortial Agreement:** A consortial agreement between UW-Milwaukee and UW-Parkside was established in 1980 for a Bachelor of Science degree in nursing, with UW-Milwaukee conferring the degree. Students enroll as pre-nursing students at UW-Parkside before applying to the UW-Milwaukee College of Nursing, which offers all nursing classes necessary to complete the degree on the Parkside campus. Clinical experience is available in the Racine-Kenosha area. The program served over 150 students for fall 2003. The financial arrangement (payment to UW-Milwaukee of 80% of tuition collected for the UW-Milwaukee-instructed courses) is renegotiated periodically. In order to assure that procedures continue to meet the needs of all parties, a meeting is held annually among representatives from UW-Milwaukee and UW-Parkside. The consortial program has since been extended to students at UW Colleges-Washington County.
- **Internet Business Consortium MBA Program:** Responsibility for the administration of an Internet MBA program is shared by the four participating UW institutions – UW-Eau Claire, Oshkosh, La Crosse and Parkside. All MBA courses are offered on line and faculty members use the latest Web-based coursework and conduct virtual office hours. UW Learning Innovations coordinates some support services, such as registration procedures, on-line textbook ordering, a 24/7 help line, and technical expertise. The program allows students with multiple commitments to make reasonable progress towards their degree, and degree requirements may be completed within a two-year period.

The participating institutions share instruction, and UW-Eau Claire is designated responsible for program admissions, as well as conferring the Masters of Business Administration degree. Students enroll and pay fees at any of the participating institutions. The program has offered 27 different foundation and elective courses to more than 1,800 students; 310 students enrolled in at least one course in 2003. A procedure to align program revenue with expenses has not been finalized. The program proposal suggests that the institution teaching the course should report the student credit hours and receive the tuition revenue. One of the participating campuses has begun billing on this basis.

Collaborative Course Offerings

Some collaborative efforts are limited to offering courses to an institution's students when the institution does not offer courses or programs in a particular area. Examples include:

- **Collaborative Language Program:** The UW System Collaborative Language Program, focuses on providing critical language instruction at UW institutions currently unable to support these offerings. The grant-funded program offers courses in the less-commonly-taught but strategically-important languages of Arabic, Chinese, Japanese, Portuguese, and Russian. The UW System Letters and Sciences deans developed the Collaborative Language Program because of their concern about the lack of availability of less-commonly-taught languages. The program began with pilot courses in Japanese and Russian in the 1998-99 academic year.

Participating UW institutions for the 2003-04 academic year include UW-Green Bay, La Crosse, Madison, Oshkosh, Platteville, River Falls, Stevens Point and Whitewater. Enrollment has grown from 98 students in fall 1998 to over 240 students in fall 2003. Courses are taught using two-way interactive video technologies. Originating campuses share their faculty with the receiving campuses, where native speaking facilitators work with students. Evaluation surveys for students, instructors, and facilitators have been developed and are conducted each semester. Results are used to improve working relationships, to assess the effectiveness of the technologies implemented, and to identify instructional changes of benefit to students. California State University System has a similar systemwide collaborative effort for Russian courses.

- **International Studies Program:** Five UW System institutions -- UW-Eau Claire, La Crosse, River Falls, Stout and Superior -- work collaboratively to offer a Wisconsin in Scotland (WIS) program. Students from any of the participating institutions can continue their general program of study through enrollment in this program. Guidelines were established in 1985 for program objectives, curriculum, students, facilities, and cost. The curriculum, which varies, is taught by instructors from the participating UW institutions and adjunct British faculty. Over 2,400 students have participated in the program since its inception in 1986, ranging from 77 students from UW-Superior (which entered the program in 1996) to 750 students from UW-Eau Claire.

Certifications Not Available at Home Institution

Several collaborative efforts to extend certification programs among the UW institutions have been identified. Those reported are often related to teacher certification. For example, UW-Eau Claire offers Early Childhood Special Education and UW-River Falls offers Early Childhood Education. Since early childhood teachers reportedly are eager to have both certifications, the two institutions are forming a consortium and offering classes partially through distance education and partially through faculty travel to accommodate this need. Efforts to establish how enrollment and fee payment will be accomplished are in progress. The first offerings will be made in spring 2004.

ADMINISTRATIVE ISSUES

Each collaborative effort is unique, both in instruction and administration. Success in addressing administrative issues has varied. While some of the existing collaborative efforts have successfully addressed these issues, other arrangements have been implemented without considering how some of these issues will be resolved.

One major administrative factor in establishing collaborative efforts is how to match instructional and other costs with program revenue (tuition, as well as state funding tied to student credit hours). In some collaborative agreements, one campus funds instruction, and other participating campuses maintain student credits and fee payments. Therefore, a division of program expenses (instruction/other) and program revenue (tuition) needs to be made. The issue is further complicated by different fees and tuition, faculty salaries, and faculty workload policies among the UW institutions. Some collaborative agreements have not addressed this issue, but anticipate that over a period of time, instructional expenses and program revenue will balance.

Other administrative factors to be addressed among participating members of a collaborative effort include differences in: admission standards, registration procedures, grading, academic calendars, recruitment and marketing efforts, and other areas. To address such issues, UW Colleges, for example, has developed a model to plan for strategic alliances and collaborations, summarized in Appendix 2. UW Colleges also has developed a comprehensive “Collaborative Degree Program Cost Worksheet” for estimating the costs of instructional and non-instructional services, including enrollment services, library, distance education, computer services, bursar, bookstore, physical plant/facilities, general campus support services, data and information reporting, and competitive market analysis.

In order to ensure that collaborative efforts will be successful in meeting demand and/or reducing costs, adequate planning needs to be undertaken. Partnerships must be based on a sound framework that is best supported by written agreements. UW System Financial and Administrative Policy G30, on cooperative education, suggests that the content of negotiated agreements for cooperative academic programming should include provisions to address: the academic program, instruction, the registration and fee payment process, reporting arrangements for CDR and faculty load credits, and financial arrangements between the UW institutions.

An article by the Commission on Institutions of Higher Education of the North Central Association of Colleges and Schools notes several additional good practices in developing an agreement concerning educational courses and programs. These practices recommend that the written agreement clearly define:

- the nature of the services to be performed by each party;
- the period of the agreement;
- how student access to the learning resources requisite for the course/program(s) will be assured;
- the mechanism to account for the services provided by each of the parties;
- how the faculties of the institutions will periodically review the courses and programs;

- the conditions under which the agreement will be reviewed, renewed and terminated, including appropriate protection for students enrolled in terminated programs; and
- the responsibility to meet all legal requirements for federal and state student aid programs.

DISCUSSION AND CONCLUSION

While the UW System has significantly expanded its efforts to collaborate among the UW institutions on degree programs, course offerings and certificate programs, these efforts have generally been developed on an ad hoc basis. In addition to addressing efficiency, the UW System Office of Academic and Student Services notes that an important goal of collaboration is to achieve high quality academic programs.

A University System of Maryland report notes there is a need to be alert to further opportunities for collaborative efforts and to seek them out aggressively. The report also notes that better ways to foster and facilitate such activities and programs need to be found in order to reduce or eliminate existing organizational and attitudinal impediments to accomplishing collaborative efforts. University System of Maryland institutions include a required narrative on collaborative efforts within the System in the mission statement of each institution.

Some efforts that are either already underway or that could be considered as the UW System seeks to enhance academic collaboration are:

- Facilitating administrative issues: Similar to its peer university systems, the UW System is exploring ways to encourage growth in collaborative efforts. Several UW System policies address collaborative offerings, but some have been implemented without addressing all necessary administrative issues. As part of the program review and planning process, a work group on collaborative degree programs has been identifying the administrative challenges in offering collaborative programs and will be creating models to address the challenges and facilitate collaborative offerings. The work group has divided into four subgroups – financial administration, financial aid, admissions/registration/transfer, and student services. Several of the groups have compiled lists of questions or issues to be answered in creating a model collaborative program.
- Becoming proactive in identifying needed collaborative efforts: According to a 1999 SHEEO report, “Deregulation of State-level Academic Program Policies,” some states are creating mechanisms to identify program needs at the state or regional level and requesting involvement from the campuses after needs are identified. This differs from the past practices of institutions’ initiating new program requests. This places the system administration in a proactive, rather than reactive, role in identifying areas that might be targets for collaborative efforts.
- Developing a more coordinated approach to collaborative efforts: In 1998 the Illinois Board of Higher Education created a regional multi-university center with 12 member institutions to offer undergraduate and graduate degrees. The center relies on established institutions and programs to make programs available, as needed, in a number of fields. The initiative resulted from an extensive market research study, as well as demographic and economic

analysis. The member institutions complete requests to participate by proposing programs and course offerings. For example, Northern Illinois University proposed to deliver graduate courses in nursing; the University of Illinois at Chicago proposed to offer customized workforce courses. The regional center will provide opportunities for further collaboration among the participating institutions.

- Providing additional flexibility regarding tuition in collaborative agreements: Since collaborative arrangements involve sharing students, faculties, facilities, and/or support services, if an efficient administrative model is not in place these efforts may be more costly to administer than those offered by a single institution. Although UW System policy allows UW institutions to amend standard fee policy for collaborative offerings, institutions have not generally taken advantage of this provision.
- Providing incentives through the funding mechanism to encourage growth of collaborative programs: Some states or university systems have studied how to build incentives for collaboration into the funding mechanism. According to a New Mexico Commission on Higher Education report, the higher education funding formula should provide funding based on enrollment levels and campus size, but also should be updated to recognize incentives for institutional collaboration, mission focus, and quality outcomes.

Appendix 1

Examples of UW Collaborative Efforts

Note: This list includes: 1) collaborative programs reported in UW efficiency reports; 2) collaborative programs identified by a UW System collaborative work group; 3) cooperative programs identified in the UW System majors database; and 4) current and planned efforts reported by the UW institutions.

| UNDERGRADUATE COURSES OR DEGREE PROGRAMS | UW PARTNERS |
|--|---|
| Archaeology | La Crosse, Fox Valley |
| Business | Stevens Point agreements with Marathon and Marshfield |
| Communication | Milwaukee agreements with Baraboo, Fond du Lac, Marinette, Richland, Rock, and Washington |
| Criminal Justice – in development | Eau Claire, Extension, Milwaukee, Oshkosh, Platteville, Parkside |
| Cultural Diversity and Community Renewal – Project Teach | Eau Claire, La Crosse, Stout |
| Cultural Diversity and Community Renewal – Project Forward | Stevens Point, Marathon |
| Engineering Dual Degree Agreements | Madison, Superior, Eau Claire, La Crosse, River Falls |
| Engineering Education | Platteville, Oshkosh, Fox Valley |
| Engineering | Platteville agreements with Fox Valley and Rock |
| Engineering-2+2 | Milwaukee agreements with Washington and Waukesha |
| Extended Degree Program | Green Bay, Manitowoc |
| General Studies | Stevens Point agreements with Baraboo, Barron, Fond du Lac, Marathon, Marinette and Marshfield |
| Gerontology Certificate Program | Madison, La Crosse, Milwaukee, Parkside, Stevens Point, Superior, Extension |
| Hospitality Management | Stout, Baraboo |
| Information Resources | Milwaukee agreements with Baraboo, Fond du Lac, Marinette, Richland, Rock, Sheboygan, Washington and Waukesha |
| Industrial Management | Stout agreements with Fond du Lac and Sheboygan |
| Industrial Technology | Stout agreements with Fox Valley and Manitowoc |
| International Studies | Eau Claire, La Crosse, River Falls, Stout, Superior |
| Language Program | La Crosse, Oshkosh, Platteville, River Falls, Parkside, Green Bay, Whitewater, Stevens Point |
| Liberal Studies | Whitewater, Rock |
| Liberal Studies Outreach | Milwaukee, Washington |
| Library Science | Eau Claire, Milwaukee, Whitewater |
| Nursing -- Systemwide | Eau Claire, Green Bay, Madison, Milwaukee, Oshkosh |
| Nursing | Milwaukee, Parkside |
| Nursing | Madison agreements with Baraboo and Rock |
| Nursing | Madison, La Crosse |
| Nursing | Milwaukee, Washington |
| Nursing | Oshkosh, Marathon |
| Nursing | Green Bay, Marinette |
| Nursing | Eau Claire, Marshfield |

| UNDERGRADUATE COURSES OR DEGREE PROGRAMS | UW PARTNERS |
|---|---|
| Organizational Administration | Milwaukee agreements with Baraboo, Fond du Lac, Manitowoc, Marinette, Richland, Rock, Sheboygan, Washington, and Waukesha |
| Organizational Administration | Oshkosh agreements with Fond du Lac and Fox Valley |
| Physics | Madison, Milwaukee, La Crosse, Platteville |
| School Library Education Consortium | Eau Claire, Madison, Oshkosh, Superior, Whitewater |
| Social Work course | Stout, River Falls |
| Social Welfare -- 2+2 | Milwaukee, Waukesha |
| Web Design & Media Development | Stevens Point agreements with Marathon and Marshfield |
| Women's Health | Parkside, Stevens Point |
| | |
| GRADUATE COURSES OR MASTERS PROGRAMS | UW PARTNERS |
| Administrative Leadership | Milwaukee, Green Bay |
| Business – in development | Milwaukee, Parkside |
| Business – MBA Foundation courses | Eau Claire, Parkside, Oshkosh, La Crosse |
| Counseling Education | Stevens Point, Oshkosh |
| Education | Oshkosh, Sheboygan |
| Educational Administration | Stevens Point, Superior |
| Educational Administration | Madison, Whitewater |
| Educational Administration | Madison, Oshkosh |
| Nursing – in development | Milwaukee, Parkside |
| Public Administration | Oshkosh, Whitewater |
| Reading | Oshkosh, Green Bay |
| School Library Education Consortium | Eau Claire, La Crosse, Oshkosh, Parkside |
| Special Education | Oshkosh, Stevens Point |
| Social Work | Green Bay, Oshkosh |
| | |
| DOCTORATE DEGREE PROGRAMS | UW PARTNERS |
| Audiology – in development | Madison, Stevens Point |
| Physical Therapy – in development | La Crosse, Milwaukee |

Appendix 2
Summary of UW Colleges' Elements of Strategic Alliances/Collaborations

| | |
|------------------------------------|---|
| HISTORICAL FOUNDATION | <ol style="list-style-type: none"> 1. What is the history of collaborations between institutions? 2. What collaborations already exist between the institutions? 3. What is the transfer history of UW Colleges students with the proposed institution? |
| RATIONALE | <ol style="list-style-type: none"> 1. What is the purpose of the alliance? 2. What is the timing of the alliance? 3. Is there empirical evidence/data to support the need for this effort? 4. What does the alliance seek to accomplish? 5. What is the timeline for program implementation? |
| PROGRAM DESCRIPTION | <ol style="list-style-type: none"> 1. When will the proposed program be initiated? 2. What will be the admission requirements for the program? 3. Who will determine student eligibility? 4. Who will be responsible for student recruitment? 5. What, if any, scholarships will be available? 6. Who will be responsible for producing promotional materials? 7. How will students enroll? 8. Will there need to be a minimum number of students enrolled? 9. What are the specific course offerings? 10. Who will be responsible for teaching? 11. How much will the program cost students? 12. Will new technologies be required? Who will pay for the technologies? 13. How will the program be delivered? 14. How will enrolled students be counted for FTE and headcount? 15. How will financial information be shared? 16. What will happen in the event of program termination? |
| STUDENT SUPPORT SERVICES | <ol style="list-style-type: none"> 1. What specific support services will be available? 2. To what facilities will the enrolled students have access? 3. Who will be responsible for providing academic, career, and financial aid advising for enrolled students? 4. Is an additional student advisor needed? |
| FACULTY/STAFF COLLABORATION | <ol style="list-style-type: none"> 1. How will the faculty cooperate in planning and teaching the proposed course? 2. Will the alliance require new staff positions to be created or expanded? 3. How will the faculty and staff be compensated if an overload situation occurs? 4. Will faculty and staff need to be trained in using new technologies or in new teaching methods? |
| FACILITIES AND RESOURCES | <ol style="list-style-type: none"> 1. Who will be responsible for on-site coordination, such as classroom scheduling? 2. Who will be responsible for ordering course materials? 3. How will the roles of each institution be defined and identified publicly? 4. Will office space be required? |
| PROGRAM ASSESSMENT | <ol style="list-style-type: none"> 1. How will the proposed program be evaluated? 2. Who will be responsible for assessing the success of the program? 3. Who will be responsible for developing the assessment instrument? 4. When will the evaluation occur? 5. How often will the program be evaluated? 6. Who will be responsible for administering, interpreting and distributing the assessment results? |

Achieving Operating Efficiencies Work Group
December 4, 2003
Discussion Paper: UW System Missions and Programmatic Focus

The Achieving Operating Efficiencies Work Group expressed interest in learning the extent to which resources align with UW institution missions. The purposes of this discussion paper are: 1) to provide background information on the different types of UW System mission statements and the process for developing and revising these statements; 2) to analyze UW System mission statements for their functionality and diversity; and 3) to identify the frequency with which degrees are awarded for each major at the UW comprehensive institutions, as an indication of program emphasis.

MISSION STATEMENT DEVELOPMENT AND REVISION PROCESS

The Wisconsin Legislature, in ch. 36, Wis. Stats., established a statement of purpose and mission for the UW System and directed the Board of Regents to “establish for each institution a mission statement delineating specific program responsibilities and types of degrees granted.” The Board of Regents adopted two different types of mission statements for UW System institutions:

- **Core mission statements:** The Board of Regents developed and adopted separate core mission statements for the doctoral institutions, the comprehensive institutions, UW Colleges, and UW-Extension. The core mission statements for UW-Extension and UW Colleges were eliminated in 1989, with the appropriate core language added to their respective select mission statements.
- **Select mission statements:** All UW System institutions have a select mission statement. Most UW System institutions’ current select mission statements, which are revised versions of the original mission statements, were adopted by the Board of Regents in early 1989. These select mission statements were developed based on a set of broad principles.

Revisions to the select mission statements are reviewed and approved by both UW System Administration and the Board of Regents. The process also involves participation of, and input from, campuses and the general public. Board of Regents meeting agendas and minutes show that UW-Eau Claire, Parkside, Platteville, Stout, Superior, and Extension and UW Colleges have revised or proposed revisions to the 1989 select missions.

MISSION STATEMENT FUNCTIONALITY

Volumes of literature have been devoted to delineating what should be included in a mission statement.^{1,2,3} The views are diverse and inconsistent. However, there appears to be widespread

¹ Campbell, A. (1992). “The Power of Mission: Aligning Strategy and Culture.” *Planning Review*. Vol. 20, No.5, pp. 10-13.

² Pearce, J. A and Fred David. “Corporate Mission Statements: The Bottom Line.” *Academy of Management Executive*, 1987, Vol. 1, No. 2, pp. 109-115.

³ Peek, Graham. *Mission and Change: Institutional Mission and its Application to the Management of Further and Higher Education*. Buckingham (England): Bristol, PA: Society for Research into Higher Education and Open University Press, 1994.

agreement about the function of a mission statement. The general consensus is that the mission statement should serve as a strategic management tool for formulating strategies, allocating organizational resources, providing managers and employees with a common direction, projecting the values and priorities of the organization, and communicating with stakeholders.

Based on works by various researchers on mission components, a higher education mission statement that is to serve as an effective strategic management tool should, at a minimum, contain these four common components:

- **Purpose** -- The reason for the institution's existence and for whose benefit it exists.
- **Strategy** -- An indication of methods the institution will employ to pursue its objectives and, ultimately, to accomplish its mission.
- **Values and beliefs** -- The values and beliefs, or philosophy, the institution will use to guide its activities.
- **Benefits** -- An indication of the institution's intended impact on its stakeholders and society.

A comparison of the UW select mission statements against these components is summarized in the table below. In general, the UW System mission statements contain the components deemed

Content Analysis of UW System Mission Statements

| UW MISSION STATEMENT | PURPOSE | STRATEGY | VALUES AND BELIEFS | BENEFITS |
|---|---------|--------------|--------------------|--------------|
| System | √ | √ | √ | √ |
| Doctoral Institutions (Core Statement) | √ | Not explicit | √ | √ |
| Comprehensive Institutions (Core Statement) | √ | √ | √ | √ |
| Eau Claire | √ | √ | √ | √ |
| Green Bay | √ | √ | √ | √ |
| La Crosse | √ | √ | √ | √ |
| Madison | √ | √ | √ | √ |
| Milwaukee | √ | √ | √ | √ |
| Oshkosh | √ | Not explicit | √ | √ |
| Parkside | √ | √ | √ | √ |
| Platteville | √ | √ | √ | √ |
| River Falls | √ | √ | √ | √ |
| Stevens Point | √ | √ | √ | Not explicit |
| Stout | √ | √ | √ | √ |
| Superior | √ | √ | √ | Not explicit |
| Whitewater | √ | √ | √ | Not explicit |
| Colleges | √ | √ | √ | √ |
| Extension* | √ | √ | √ | √ |

*At the time of this analysis, UW-Extension had submitted draft revisions to its select mission statement. The draft revisions appear extensive. The draft statement is nearly 600 words shorter. The draft revisions also add language emphasizing the benefits UW-Extension offers to external clients.

essential to serve as strategic management tools, although some components are less explicitly stated than others. While the UW mission statements contain the essential components, it is not possible to determine from this analysis the extent to which the mission statements are incorporated into institutional strategic planning.

There are some indications that the various UW System mission statements are not up to date or do not reflect actual practices. For example, the core mission statement for the UW comprehensive institutions requires all institutions to offer an associate degree. UW-Stout and UW-Parkside no longer offer an associate degree. UW-Platteville's and UW-La Crosse's select mission statements do not refer to the associate degree, but both institutions do offer the degree. The remaining UW comprehensive institutions offer the associate degree and refer to the associate degree in their select mission statements.

PROGRAM DIVERSITY

The UW System mission statements were reviewed for similarity and diversity in programmatic focus. The results of the analysis are summarized in Appendix 1. In general, the UW System mission statements do not appear to show significant differentiation in the types of degrees and programs, especially among the comprehensive institutions. This is not unique to UW System. A number of university systems that have undertaken mission development and review within the last ten years, including Georgia, Ohio, Kansas, and Missouri, have noted that their institutions' mission statements tend to be quite general. One reason is that a university tends to emphasize values and ideals, and these values and ideals are often shared or held in common with other universities within the same system.

To help ensure institutions show their uniqueness and strengths, the Ohio and Georgia Boards of Regents provided directives for their institutions when developing their mission statements. The mission development and review policy directive adopted by the Georgia Board of Regents instructs the University System of Georgia to "insure that each of its institutions has a clear, substantive, distinctive mission that supports the mission and vision of the System as a whole..."⁴ In addition to the proposed mission statement, each institution must also submit a written report describing four specific areas, including a description of how the institution's proposed mission statement supports the range and scope of academic programs, distinctive strengths, and the institution's relationship to other universities in the system and nearby institutions.

As a part of mission reexamination, the Ohio Board of Regents requires each institution to develop a "functional" mission -- an expanded statement of the institution's mission -- and provides a format for the institution to develop such a mission. The format asks each institution to describe its educational attributes or characteristics that make it unique compared to other universities in the system.⁵

⁴ *Mission Development and Review Policy Directive*. The University System of Georgia. <<http://www.usg.edu/admin/oc/directives/mission.html>>

⁵ *The Concept and Preparation of a Functional Mission*. Ohio Board of Regents. <<http://www.regents.state.oh.us/plandocs/functmiss.html>>

UW Program Areas and Top Ten Majors

To further illustrate the types of programs among the UW institutions, data on majors with degrees conferred from 1998-99 to 2002-2003 were analyzed. The analysis focused on Bachelor's and Master's degrees conferred by the UW comprehensive institutions as the comprehensive institutions share many institution, degree, and program characteristics. Data on UW-Madison and UW-Milwaukee were not included in the analysis. Data on UW Colleges were also not included because few associate degrees were conferred at other UW System institutions. Appendix 2 lists the average number of degrees conferred by program area during the five-year period.

Analysis of degrees conferred by program area at the comprehensive universities reveals some information about programmatic focus. For instance:

- UW-Whitewater, which includes business in its mission, conferred about 40 percent more degrees in the business and management area than UW-Oshkosh, the UW institution with the second highest number of business and management degrees.
- UW-La Crosse conferred almost twice as many degrees in education as any other degree it conferred. Education is included in its mission.
- UW-Eau Claire conferred about 30 percent more degrees in the health professions area than UW-La Crosse, the UW institution with the second highest number of health professions degrees. Both include health in their missions.
- A number of UW comprehensive institutions offered degrees in programs that no other UW comprehensive institutions offered, such as area studies at UW-Eau Claire; theology at UW-Oshkosh; and agriculture and natural resources, and architecture and environmental design at UW-Stevens Point. Engineering degrees at UW-Platteville and UW-Stout, and home economics degrees were granted only at UW-Stout and UW-Stevens Point.

To supplement this analysis, the ten majors with the largest average number of degrees conferred were compared among all UW comprehensive institutions to determine which majors rank in the top ten at only one institution. Appendix 3 lists the majors in which the average number of degrees conferred during the five-year period ranks in the top ten among the total number of degrees conferred at all UW comprehensive institutions. It shows, for example, that the average number of degrees conferred in Elementary Education during the five-year period ranks in the top ten at eight UW comprehensive institutions; Psychology ranks in the top ten at nine institutions; and Business Administration ranks in the top ten at ten institutions.

When the program areas and the top ten majors are compared to the UW mission statements, these majors appear to match the programmatic focus in some instances. The more prominent matches include the engineering majors at UW-Platteville and UW-Stout; nursing major at UW-Eau Claire; education major at UW-Eau Claire and La Crosse; agriculture studies major at UW-River Falls; natural sciences majors at UW-Stevens Point; distance learning degree at UW-Superior; and business and management majors at UW-Whitewater and UW-Eau Claire. In

other cases, the match is less prominent mainly because the programmatic focus is not explicitly stated in the mission statements. For example, UW-Parkside and UW-Oshkosh conferred a large number of degrees in business and management, but the program area is not included in their mission statements. Both institutions' mission statements do include language about being responsive to the needs of the region.

Results of Mission Review Processes

Literature on the outcomes of, or changes resulting from, mission development and review at other university systems is limited. However, in response to calls for the Missouri higher education system to be more accountable and less duplicative in its programmatic missions, the Missouri Legislature passed a bill in 1995 to direct the Missouri Coordinating Board for Higher Education (the board operates within Missouri Department of Higher Education, a cabinet level agency) to review the mission of Missouri's public four- and two-year institutions. The Missouri Legislature authorized an amount 20 percent beyond the state's higher education budget, to be allocated by the Missouri Board for Higher Education, for the public four-year institutions to engage in mission review and enhancement. This process was implemented between 1997 and 2002. The board allocated a total of \$137.5 million during the five-year period.

The process resulted in each of the ten four-year institutions having developed a unique mission and admissions selectivity designation. (See Appendix 4.) Progress reports indicated some successes. For instance:

- Truman State University has reduced the number of undergraduate programs offered in order to enhance its liberal arts education. The university's science facility nearly doubled in size.
- Missouri Western State College opted to be an open enrollment institution. To ensure that student needs were met adequately, the institution implemented a special retention program called Access Plus. Through Access Plus, students received intensive advising, orientation courses and other services. The institution reported an increase in the freshman-to-sophomore-year retention rate.
- Missouri Southern State College adopted a mission with an emphasis on international programs. The institution reported that the number of students majoring in a foreign language has more than doubled from 27 in 1997 to 59 in 2000.

While future funding for Missouri's mission review and enhancement is uncertain, all public institutions are required to review their mission every five years. The Mississippi Board of Trustees of Institutions of Higher Learning requires the core mission of its System institutions to be reviewed annually; a broad-based review of an institution's mission statement is to be conducted at least once every five years or upon the appointment of a new president of the university.

DISCUSSION AND CONCLUSION

UW System mission statements appear to contain the essential components to function as a strategic management tool. However, it is not possible to determine from this analysis the extent to which the mission statements are used to guide university planning and the allocation of resources. Also, the uniqueness and strengths of individual institutions are not explicitly stated in some UW mission statements. To help ensure that resources align with missions, the following approaches are suggested:

- **Strategic planning:** In practice, the allocation of resources would be guided more by strategic plans than by mission statements. To help ensure that resources align with missions, the mission statement must be incorporated into institutional strategic planning.
- **Mission development guides:** Mission statements must contain certain essential components in order to be used as a management tool for strategic planning. The uniqueness and strengths of an institution should also be easily identified in the mission statement. To help ensure that UW System mission statements meet these criteria, it might be helpful to develop a set of guidelines that UW System institutions could use to develop their mission statements. UW System Administration and the Board of Regents could base their reviews of the mission statements on the same guidelines.
- **Mission review:** University missions are not necessarily static. Missions can be shaped by many factors, including funding, market demands, and constituent needs. To ensure that university programs reflect the university's mission, it is important to reassess the mission periodically. Periodic mission review also can help to direct resources to future needs.

Appendix 1

Summary of Programs Highlighted in UW Institutions Mission Statements

Note: This summary takes into account references to specific program areas. Each mission statement is approximately one page long. Missions also include references to such areas as scholarly activity, providing high quality programs, and attracting diverse students.

| UW INSTITUTION | DEGREE | PROGRAMS HIGHLIGHTED IN MISSION |
|---------------------------|---|---|
| Madison | Bachelors, Masters, Doctorate, Post-Doctorate, and Professional | Wisconsin's land grant university; extensive scholarly research. |
| Milwaukee | Bachelors, Masters, and Doctorate | Programs appropriate to a major urban doctoral university. |
| Eau Claire | Associate, Bachelors, Masters, and Specialist | Faculty and undergraduate student research collaboration; arts and sciences, allied health fields, business, education, nursing, and other areas to meet regional and state needs. |
| Green Bay | Associate, Bachelors, Masters, and Specialist | Strong interdisciplinary, problem-focused approach with an emphasis on regional, national, and environmental issues; arts, letters, and sciences. |
| La Crosse | Bachelors and Masters | Education supplemented by research and public service; arts, letters and sciences, health and human services, education, health, physical education and recreation, and business administration. |
| Oshkosh | Associate, Bachelors, Masters, and Specialist | Arts and sciences, business administration, education and nursing. |
| Parkside | Degrees not stated in select mission statement | Arts, sciences and professions. |
| Platteville | Bachelors and Masters | Middle school education, engineering, technology management, agriculture, and criminal justice; distance learning programs in business administration and graduate on-line programs in project management, criminal justice, and engineering; agricultural systems research. |
| River Falls | Associate, Bachelors, and Masters | Faculty-student interaction; public service; professional programs and degrees in teacher education with emphasis on early childhood, elementary and secondary education; agricultural sciences, agribusiness and agricultural teacher education; graduate degree in education, agriculture, and other areas. |
| Stevens Point | Associate, Bachelors, and Masters | Fine arts, humanities, natural sciences and social sciences; undergraduate degree in communicative disorders, natural resources with emphasis on the management of resources; graduate degree in education, agriculture, and other areas; wellness and health promotion. |

| UW INSTITUTION | DEGREE | PROGRAMS HIGHLIGHTED IN MISSION |
|---------------------------|-----------------------------------|--|
| Stout | Bachelors and Masters | Manufacturing engineering; programs leading to professional careers in industry, commerce, education and human services; programs that focus on the needs of society, employing an approach to learning that combines theory, practice, and experimentation. |
| Superior | Associate, Bachelors, and Masters | Education, the arts and the humanities, in the sciences and social sciences, and in business; individual attention; distance learning. |
| Whitewater | Associate, Bachelors, and Masters | Letters, sciences, the arts, professional specialization; business and education. |
| UW Colleges | General Education and Associate | General. |
| UW Extension | Credits only. | Access to and application of university research, knowledge, and resources; informational, educational, cultural, and public affairs programming. |

Source: <<http://www.wisconsin.edu/quick/mission.htm>>

Appendix 2
Average Number of Degrees Conferred by Program Area
UW Comprehensive Institutions
1998-99 through 2002-03
(Bachelor's and Master's Degrees Only)

| PROGRAM AREA * | EAU | GBY | LAC | OSH | PKS | PLT | RVF | STO | STP | SUP | WTW |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Agriculture and Natural Resources (1000) | | | | | | 80 | 192 | | 244 | | |
| Architecture and Environmental Design (2000) | | | | | | | | | 23 | | |
| Area Studies (3000) | 3 | | | | | | | | | | |
| Biological Sciences (4000) | 120 | 37 | 169 | 53 | 48 | 34 | 65 | | 160 | 28 | 45 |
| Business and Management (5000) | 391 | 191 | 399 | 430 | 171 | 119 | 152 | 306 | 156 | 64 | 600 |
| Communications (6000) | 66 | | | 94 | 49 | 37 | 69 | 2 | 146 | | 74 |
| Computer and Information Services (7000) | 122 | 21 | 52 | 84 | 21 | 17 | 46 | 23 | 66 | 15 | 70 |
| Education (8000) | 297 | 66 | 638 | 447 | 7 | 144 | 249 | 330 | 331 | 159 | 485 |
| Engineering (9000) | | | | | | 288 | | 216 | | | |
| Fine and Applied Arts (10000) | 106 | 38 | 42 | 61 | 35 | 16 | 28 | 105 | 84 | 32 | 88 |
| Foreign Language (11000) | 48 | 20 | 50 | 49 | 15 | 7 | 18 | | 46 | | 17 |
| Health Professions (12000) | 208 | 28 | 148 | 160 | | | 30 | | 64 | | 30 |
| Home Economics (13000) | | | | | | | | 152 | 16 | | |
| Letters (15000) | 159 | 90 | 118 | 95 | 41 | 11 | 53 | | 62 | 43 | 190 |
| Mathematics (17000) | 30 | 10 | 19 | 19 | 4 | 11 | 21 | 31 | 29 | 7 | 18 |
| Physical Sciences (19000) | 38 | 9 | 29 | 21 | 11 | 7 | 30 | | 18 | 4 | 10 |
| Psychology (20000) | 90 | 69 | 112 | 55 | 35 | 29 | 41 | 59 | 75 | 20 | 68 |
| Public Affairs and Services (21000) | 106 | 68 | 70 | 134 | 34 | 66 | 22 | 49 | 18 | 23 | 123 |
| Social Services (22000) | 164 | 55 | 211 | 157 | 111 | 30 | 95 | | 214 | 43 | 178 |
| Theology (23000) | | | | 6 | | | | | | | |
| Interdisciplinary Studies (49000) | | 254 | 6 | 3 | 18 | 9 | 9 | | 43 | 9 | 10 |
| Individually Designed Majors (Extended Degree Program) | | 29 | | 18 | | | | | 13 | 26 | 6 |

Data Source: UWSA Office Policy Analysis and Research

* The number in parentheses is the Higher Education General Information Survey (HEGIS) code.

Appendix 3
Majors in Which the Number of Degrees Conferred by UW Comprehensive Institutions
Ranks in the Top Ten Among the Total Number of Degrees Conferred at
UW System Comprehensive Institutions:
Five-Year Average, 1998-99 to 2002-03
(Bachelor's and Master's Degrees Only)

Note: Number in parentheses is the major code.

| MAJORS | EAU | GBY | LAC | OSH | PKS | PLT | RVF | STO | STP | SUP | WTW |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Accounting (5021) | √ | √ | | | | | √ | | | | √ |
| Agribusiness (1121) | | | | | | √ | | | | | |
| Agriculture Studies (1011) | | | | | | | √ | | | | |
| Animal Sciences (1041) | | | | | | | √ | | | | |
| Art (10021) | | | | | √ | | | √ | | | |
| Biology (4011) | √ | √ | √ | | √ | √ | √ | | √ | √ | |
| Business Administration (5061) | | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| Business Management/Management (5062) | √ | | | | √ | | | | | | |
| Childhood Education (8231) | | | | | | | | √ | | | |
| Civil Engineering (9081) | | | | | | √ | | | | | |
| Communicating Art/Studies/Speech (15061) | | | √ | | | | | | | √ | √ |
| Communications (6011) | | | | | √ | | | | √ | | |
| Communication Processes (15551) | | √ | | | | | | | | | |
| Computer Sciences (7011) | | | | | √ | | √ | | √ | | √ |
| Criminal Justice (21051) | | | | √ | √ | √ | | | | | |
| Education (8011) | | √ | | | | | | | √ | | |
| Education Administration (8271) | | | | | | | | | | √ | |
| Electrical Engineering (9091) | | | | | | √ | | | | | |
| Elementary Education (8021) | √ | | √ | √ | | √ | √ | | √ | √ | √ |
| English (15011) | √ | √ | | | √ | | | | | | |
| Environmental Sciences (49621) | | √ | | | | | | | | | |
| Environmental Technology/Industrial Technology Management (9252) | | | | | | √ | | √ | | | |

| MAJORS | EAU | GBY | LAC | OSH | PKS | PLT | RVF | STO | STP | SUP | WTW |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Exercise and Sport Sciences/Health & Human Performance Studies/Physical Education (8354) | | | √ | | | | √ | | | √ | |
| Finance (5041) | | | √ | √ | | | | | | | √ |
| Forestry (1141) | | | | | | | | | √ | | |
| Guidance Counseling (8261) | | | | | | | | √ | | √ | |
| Hospitality/ Tourism (5081) | | | | | | | | √ | | | |
| Human Biology (49551) | | √ | | | | | | | | | |
| Human Development & Family Studies (13051) | | | | | | | | √ | | | |
| Human Development (49561) | | √ | | | | | | | | | |
| Human Resource Management (5152) | | | | √ | | | | | | | |
| Human Services (8701) | | | | √ | | | | | | | |
| Individually Designed Majors (EDP) (99995) | | | | | | | | | | √ | |
| Industrial Technology Management (9252) | | | | | | √ | | | | | |
| Journalism (6021) | √ | | | | | | | | | | |
| Management Information (7021) | √ | | | | | | | | | | |
| Manufacturing Engineering (9131) | | | | | | | | √ | | | |
| Marketing (5091) | √ | | √ | √ | | | √ | | | | √ |
| Mechanical Engineering (9101) | | | | | | √ | | | | | |
| Nursing (12031) | √ | | | √ | | | | | | | |
| Professional Development (8991) | | | √ | | | | | | | | |
| Psychology (20011) | √ | √ | √ | | √ | | √ | √ | √ | √ | √ |
| Resource Management (1151) | | | | | | | | | √ | | |
| Social Work (21042) | | | | | | | | | | | √ |
| Sociology (22081) | | | √ | | √ | | | | √ | √ | √ |
| Special Education (8081) | | | | √ | | | | | | | |
| Technology Education (8391) | | | | | | | | √ | | | |

Data Source: UWSA Office of Policy Analysis and Research

Appendix 4
Programmatic Focus and Admission Selectivity Designation
of Missouri Public Four-Year Institutions

| INSTITUTION | PROGRAMMATIC FOCUS | ADMISSIONS SELECTIVITY* |
|--|--|-------------------------|
| University of Missouri System (Columbia, Kansas, Rolla, and St. Louis) | Graduate education, life and health sciences | Selective |
| Truman State University | Liberal arts and sciences | Highly selective |
| Harris-Stowe State College | Applied professional fields | Highly selective |
| Missouri Western State College | Access Plus (remediation, historically disadvantaged students) | Open admissions |
| Southwest Missouri State University | Public affairs, graduate education | Selective |
| Missouri Southern State College | International programs | Moderately selective |
| Central Missouri State University | Professional technology | Moderately selective |
| Northwest Missouri State University | Information technology | Moderately selective |
| Lincoln University | 1890 Land Grant | Open admissions |
| Southeast Missouri State University | Experiential learning | Moderately selective |

*Definitions:

Highly Selective -- Admit first-time, full-time degree-seeking students and transfer students who have completed 23 or fewer credit hours, who attain a combined percentile score resulting from the addition of their high school percentile rank and the percentile rank attained on a nationally normed test, i.e., ACT or SAT, which equals or exceeds 140 points. Students achieving a score of 27 or better on the ACT College Entrance Examination, or its equivalent on the SAT, are automatically admitted to highly selective institutions. No more than 10 percent of the first-time, full-time degree-seeking freshman class will have a combined percentile score of 139 or less.

Selective -- Admit first-time, full-time degree-seeking students and transfer students who have completed 23 or fewer credit hours, who attain a combined percentile score resulting from the addition of their high school percentile rank and the percentile rank attained on a nationally normed test, i.e., ACT or SAT, which equals or exceeds 120 points. Students achieving a score of 24 or better on the ACT College Entrance Examination, or its equivalent on the SAT, are automatically admitted to selective institutions. No more than 10 percent of the first-time, full-time degree-seeking freshman class will have a combined percentile score of 119 or less.

Moderately Selective -- Admit first-time, full-time degree-seeking students and transfer students who have completed 23 or fewer credit hours, who attain a combined percentile score resulting from the addition of their high school percentile rank and the percentile rank attained on a nationally normed test, i.e., ACT or SAT, which equals or exceeds 100 points. Students achieving a score of 21 or better on the ACT College Entrance Examination, or its equivalent on the SAT, are automatically admitted to moderately selective institutions. No more than 10 percent of the first-time, full-time degree-seeking freshman class will have a combined percentile score of 99 or less.

Open Enrollment -- May admit any Missouri resident with a high school diploma or its equivalent as a first-time, full-time degree-seeking freshman. Open access to a particular institution, however, does not guarantee access to selected programs which may have additional institutionally approved admission criteria.

Achieving Operating Efficiencies Work Group
December 4, 2003
Discussion Paper: Using Program Reviews to Assure the Efficiency
of Academic Programs

Long-term trends of rising costs, increased tuition, and diminishing public financial support for higher education have forced institutions to make difficult decisions about their missions, administrative functions, and academic programs. Robert Dickeson, author of Prioritizing Academic Programs and Services, notes that most cost cutting in higher education focuses on the administrative, non-academic cost centers of the campus. Dickeson argues that higher-education institutions also need to consider the efficiency of academic programs to meet changing economic conditions, because academic programs are the core drivers of cost for the entire enterprise.

Academic program review is one approach higher education institutions use to assure that the courses offered meet demand and are administered efficiently. Colleges and universities have a long tradition of program evaluation. Historically, academic program reviews were internal processes conducted as a means to revitalize the institutional curriculum. The goal has expanded to include program improvement, quality assurance, and resource allocation. (Conrad, p. 1.)

This discussion paper focuses primarily on the role of the academic program review process for assessing the efficiency of an institution's academic program array. For purposes of this review, efficiency includes issues of productivity, cost, and resource allocation. The report briefly describes UW System's academic program review processes and identifies examples of specific approaches and criteria that have been used or recommended elsewhere for assessing the efficiency of academic program array. The review was developed based on a review of UW System policies, practices in other states, and relevant literature.

UW SYSTEM ACADEMIC PROGRAM REVIEW POLICIES

Academic Information Series (ACIS) 1.0, "Academic Planning and Program Review," and ACIS 4.0, "Summary of UWS Academic Program Audit and Review," describe various program review processes within UW System. According to the policies, UW System's program review processes have evolved from an emphasis on program improvement to also include the assessment of the efficiency of academic programs and administrative units. For example, the policies include a comprehensive discussion of the cost control policies that guide UW System's academic program review process.

ACIS policies also include efficiency and productivity-related goals for the academic review process. These goals include: 1) identifying the need for structural changes in programs and administrative units; 2) providing a method for setting priorities for the allocation of program resources; 3) identifying needs for additional study or planning; 4) identifying nonfunctional or unnecessarily duplicative programs; 5) establishing UW System minimum standards for program quality or differentiation of program mission; and 6) assessing proposals for new programs, expanding missions or seeking accreditation.

UW PROGRAM REVIEW PROCESSES

UW program reviews typically address a range of topics that include quality, program demand, resources required to support the program, and consistency with the mission of the university. New programs also are required to include a detailed market research analysis that assesses the competitive environment, such as the presence of similar programs statewide or nationally, and determines how many students graduate from these programs. The analysis also assesses the potential job market and projects the potential number of students in the program. UW System-level and institution-level program review processes are described below.

System-Level Reviews

UW program review policies describe the system review process as collaborative in nature, with UW System and institutional staff working together to assess academic programs:

- **New Program Planning** -- The steps for initiating a new program in the UW System are: 1) entitlement, which is the process for allowing institutions to begin planning new programs; 2) Board of Regents authorization; 3) implementation; and 4) five-year follow-up joint reviews.

Reviews of new programs involve UW System Office of Academic and Student Services staff, UW institutional staff, and outside consultants. Entitlement-phase reviews assess the need for the program, the program's relationship to the institutional mission, projected sources of resources, and the program's relationships to other programs in the region. The authorization phase includes identification of personnel and other resource needs. Joint reviews assess, for example, the quality of the program, whether the program's goals have been met, and the program's relationship to the institutions' program array. The table below displays the number of new programs that were included in each process over the last six years.

Number of New Program Reviews Conducted by UW System Since 1998-99

| TYPE OF REVIEW | 1998-99 | 1999-00 | 2000-01 | 2001-02 | 2002-03 | 2003-04* |
|------------------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Entitlements | 20 | 16 | 10 | 5 | 10 | 1 |
| Authorizations | 10 | 28 | 5 | 7 | 9 | 2 |
| Implementations | 10 | 15 | 21 | 6 | 8 | 5 |
| Joint Reviews | 5 | 10 | 4 | 3 | 3 | 2 |

Source: Office of Academic and Student Services

*through November 1, 2003

With the exception of program implementation, each of these types of review includes a component designed to assure that: 1) resources are used effectively and efficiently; 2) programs are providing a quality experience that meets a demand; 3) programs are not duplicative; and 4) academic programs are consistent with the mission of the institution and UW System.

- **System Lateral Reviews** -- A lateral program review is a comprehensive examination of similar degree programs across institutions. These reviews assess systemwide program capacity, access and quality, program duplication, and supply and demand for the programs.

UW System and the Board of Regents can initiate such a review when there is the possibility of excessive program replication, excessive or insufficient program capacity, or potential issues with program quality. UW System staff, inter-institutional faculty task forces, and external disciplinary specialists, in consultation with affected UW faculty, conduct lateral reviews. There have been four lateral program reviews since the Board of Regents created the lateral review process in December 1991:

1. Agriculture and Natural Resources Programs: This review was initiated in July 1991, with a final report presented to the Board of Regents in May 1994. The review involved four institutions, including UW-Madison, Platteville, River Falls and Stevens Point. The analysis found that the agriculture and natural resources programs at the four institutions were “over-extended,” resulting in the reallocation of an estimated \$3,360,000 systemwide through the elimination of majors and programs. For example, UW-Stevens Point eliminated its minor in outdoor education and options in forest administration, teacher education, youth programming, and camp management. UW-Platteville reduced the number of majors and minors in agriculture from eight to five; and UW-River Falls eliminated four of its 17 majors and one minor, including majors in earth science education, agricultural marketing and farm management, and agricultural economics.
2. Selected Allied Health Programs: This review was initiated in 1992 and included 25 allied health programs located at eight UW institutions. The review examined UW allied health programs in medical technology/clinical laboratory sciences, physical therapy, occupational therapy, physician assistant, therapeutic recreation/human kinetics, health care administration, and health information administration, as well as continuing education for these areas. The review resulted in the reallocation of an estimated \$1.6 million in internal resource commitments by terminating programs in medical technology at UW-Superior and UW-Eau Claire, cytotechnology at UW-Superior and UW-Stevens Point and the Master’s degree in Med-Tech administration at UW-Eau Claire. It also identified shortages of graduates in certain areas, such as physical therapy, occupational therapy, and physician assistant, and served as the foundation for recommending new programs in these areas at UW-La Crosse.
3. Teacher Education: This review was initiated in September 1992, with the final report presented to the Board of Regents in July 1995; the report included principles for improving teacher education at the thirteen institutions in the review. These principles included goals for making teacher education programs more efficient, such as reducing and eliminating teacher education programs where employment prospects were poor and expanding those where prospects were high; providing better career education to students; and reducing the number of credit hours for teaching certification to 140 or below. The report also identified other goals for maintaining a high-quality teacher workforce and establishing cooperative programs.
4. Business Education: A lateral review for business education began in January 1995 and was presented to the Board of Regents in 1996. This review noted the high demand for business courses and identified strategies for developing collaborative programs and distance education, as well as approaches for developing partnerships with the business

community. Similar to the teacher education review, it did not result in specific recommendations for closing programs but, rather, in recommendations for managing the future of business programs.

- **System Lateral Program Audit** -- In addition to System lateral reviews, UW System's Office of Academic and Student Services also may conduct System lateral program audits. These reviews monitor a limited number of quantifiable indicators for similar programs systemwide. The information is typically used to identify programs for further review.
- **Programs Requiring Special Attention** -- In 1987 the Board of Regents initiated a systemwide review of programs requiring special attention, which were defined as programs that had consistently low enrollment, inordinately high costs, or quality problems or that were outdated and no longer central to institutional goals. UW System staff and institutional staff used both quantitative and qualitative criteria to identify 358 programs for potential review. Of these, it was jointly agreed that 165 warranted further investigation. Twenty-two degree programs were eliminated from the System's program array. The process continued until 1997-98.

Institution-level Program Review

According to UW System staff, institutions are in the best position to balance programmatic needs against budget constraints. Academic policies recognize this role by assigning responsibility to institutional staff for conducting routine reviews of existing programs. UW System Administration oversees this process by providing institutions with broad guidelines for conducting reviews; verifying that institutional processes, procedures, and results meet guidelines and board policies; and summarizing the results of institutional reports for the Board of Regents each year. The types of institutional reviews are described below:

- **Cyclical Institutional Reviews** -- According to ACIS 4.0, institutional program reviews are a "comprehensive and intensive reexamination of a particular academic program." Institutional staff, and possibly outside evaluators, assess the curriculum, including such areas as changes in the field, credits to degree, use of technology, faculty and resource needs, class size, student outcomes, and relationship to institutional mission and priorities. Each institution establishes its own process and schedule for reviewing its programs, using System guidelines. Institutional plans typically call for a review of each academic program on a five-to ten-year schedule.

Institutional reviews are expected to lead to recommendations that the program be: 1) expanded or augmented with additional resources; 2) continued in its present form and at its current resource level; 3) changed in form or direction; 4) strengthened and reviewed earlier than the regular review cycle; 5) consolidated with other programs; or 6) phased out. Ninety-four institutional program reviews were conducted systemwide in 2001-02, with four programs discontinued as part of the routine review process and one program allowed conditional continuation.

- **Comprehensive Institutional Reviews** -- In addition to routine institutional reviews of individual programs, institutions sometimes conduct comprehensive reviews. UW-Madison, for example, implemented a multi-year review of low-enrollment programs beginning in the mid to late 1990's. By 2001, the institution concluded that it had eliminated all low-enrollment programs, except those that could be justified for their unique role in the institution. The Provost's office reportedly continues to monitor low enrollment on an on-going basis. UW-Madison also consolidated and phased out a number of programs since 1994, particularly in the College of Agriculture and Life Sciences.

UW-Milwaukee conducted a comprehensive review of its programs in 1997-98. In this extensive review, all academic programs were reviewed for their qualitative and quantitative contributions to the university's mission and goals. Thirty-one programs were identified as needing attention, some programs were discontinued, and the institution reallocated \$500,000 in central funds to programs recommended for strengthening.

- **Institutional Program Audits** -- Institutions also may conduct program audits. As with the system program audit process, this type of review involves monitoring quantifiable indicators about academic programs. It provides one means for institutions to identify programs from the total spectrum of programs that should receive a thorough review. UW-Madison, for example, annually assesses program enrollments to identify low-enrollment programs.
- **Accreditation** -- UW System institutions and some individual academic programs seek evaluation through external accreditation. Accreditation is a type of review that provides external assurance that institutions and programs have clearly-defined and appropriate educational objectives, have the resources necessary to achieve these goals and are accomplishing those goals. Academic policies advise institutions to coordinate institutional reviews with external review processes whenever possible. Every ten years, for example, UW institutions are required to review their general education program in conjunction with the institution's North Central Association accreditation reviews. The results of these reviews are shared with the Board of Regents.

RECENT PROGRAM REVIEW APPROACHES

The literature indicates there are some commonalities, as well as some differences, in the way higher education institutions approach academic program review. The specific issues covered in an academic program review are often consistent, including: 1) centrality of the program to meeting institutional mission; 2) the need and demand for the program, including the occupational outlook or societal need and the student demand or enrollment for the program; 3) whether the program is duplicative and, if so, the justification for that duplication; 4) adequacy of curriculum design and related learning outcomes; 5) adequacy of resources to support the program, including finances, faculty, library and physical facilities; 6) diversity planning; 7) accreditation; and 8) use of technology. (Creamer, p. 5.)

At the same time, there are various views about: 1) how reviews should be administered and managed; 2) whether reviews should be conducted internally or by outside consultants or other

external staff; 3) legislative or board involvement in requiring reviews; and 4) the value of program reviews for reallocating resources. Following is an overview of each of these issues:

- **Review Management** -- According to a 1999 Virginia study of program review practices in the United States, almost all states conduct program reviews, but there is no single recognized approach for conducting these reviews. The study identified three approaches states use to conduct academic reviews:
 1. **Independent institutional reviews**: The system administration delegates the authority to conduct program reviews to the institutions and does not exercise any supervision or audit of the processes. This approach is used in Michigan, Minnesota, Nevada and New Jersey.
 2. **Interdependent institutional reviews**: Institutions conduct program reviews according to a cyclical plan, under the guidance of a system administration. The institutions determine the review processes and criteria, consistent with the context and characteristics of the institution, and submit reports to the system administration. This approach is used in Hawaii, Kansas and Montana.
 3. **System-mandated review**: A system agency identifies the procedures and criteria for the program review and conducts or commissions the review of selected programs within the state. Systemwide or lateral program reviews of similar programs within the state may be carried out at the same time, such as is done in Illinois. The system administration also may conduct post-audit reviews of new programs after the graduation of the first class. Georgia and North Dakota use these approaches. (Creamer, pp. 7-9.)

The Virginia study also notes that several states use a combination of program review approaches. The study reports, for example, that Arizona, Wisconsin, and Idaho use both interdependent and system-mandated reviews. (Creamer, p. 9.)

- **External or Internal Reviewers** -- A study of academic program approval and review practices described the advantages and disadvantages of internal and external review processes. According to this study, internal program approval and review can “best safeguard the institution’s autonomy [and] integrate the processes with the institutional self-improvement efforts...”. However, internal processes “tend not to provide sufficient stimulation and motivation for improvement.” External program reviews, on the other hand, bring objectivity and may “challenge existing program development notions” and encourage the exchange of good practices. However, these external reviews “intrude on institutional autonomy” and may bring extra financial reporting burdens to the institutions. (Creamer, p. 10.) UW academic program review policies establish mechanisms for both internal and external reviews.
- **Mandated Program Review** -- The literature also reveals that many state legislatures and higher-education governing boards have mandated that public higher education institutions in their states review the productivity of their program array. According to a 1997 Chronicle of

Higher Education article, the legislative efforts began during the 1990 recession but continued even during good economic times. A 1995 Missouri law directed Missouri's higher education coordinating board to review the missions of Missouri's public colleges every five years, to discourage duplicate programs and encourage institutions to become more specialized. In 2000 the Colorado legislature required the Colorado Commission on Higher Education to conduct a comprehensive review of the higher educational system, including an assessment of duplicate programs, administrative costs, tuition and fees, faculty salaries, governance structures, privatization, institutional role and mission.

State higher education governing boards also have mandated systemwide reviews of program efficiency. In 1996 and 1997 the Massachusetts Board of Higher Education, the Illinois Board of Education, and the Louisiana Board of Regents all instituted processes with the purpose of eliminating duplicate programs.

- **Focus on Reallocation** – Robert Dickeson argues that traditional academic review processes are inadequate for addressing resource reallocation issues. Dickeson notes that institutions originally designed program reviews as a program improvement tool, and he believes that these models have not adapted well to the task of resource allocation. For example, he notes that program reviews tend to focus on the effectiveness of a handful of individual programs, while he believes that effective prioritization efforts require a comprehensive approach that allows for comparisons between programs. Dickeson concludes that reallocation decisions are best analyzed using a methodology separate from routine academic program reviews. (Dickeson, p. 10.)

The goal of some of the more non-routine UW academic program review processes, such as lateral reviews, reviews of programs in special need of attention, and institution-level comprehensive reviews, appears to be to provide a process primarily for resource allocation purposes. Reviews of newly-established programs and routine institutional reviews of ongoing programs consider a combination of program improvement and resource allocation criteria.

ASSESSING PROGRAM EFFICIENCY

According to the 1999 Virginia study, states such as Virginia, Montana, and New Hampshire routinely conduct productivity reviews to assure the efficacy of their programs. These reviews consider productivity indicators, such as credit hours, course enrollments, number of majors, number of degrees awarded, cost, and similar information, and are examined annually. While a range of criteria exists for assessing program efficiency, low-enrollment, duplication, and cost were the most frequently cited criteria for assessing the efficiency of academic programs.

Low-Enrollment and Graduation Criteria

In 1999, the State of Maryland passed a law requiring the Maryland Higher Education Commission and the governing boards of the public institutions of higher education to jointly develop criteria for identifying low-productivity programs. After surveying institutions in 24

states to identify their standards, the University of Maryland developed the following criteria for identifying low-enrollment programs:

- associate and baccalaureate degree programs must have graduated five students in the most recently reported year or a total of 15 students in the last three years;
- master's degree programs must have graduated two students in the most recently reported year or a total of six students in the last three years; and
- doctoral degree programs must have graduated one student in the most recently reported year or a total of three students in the last three years.

Some institutions use more stringent standards to assess programs. A December 2001 memo from the University of Idaho required a review of programs that graduated fewer than ten undergraduate, seven master's degree and three doctoral graduates per year, as well as programs that have low enrollments in upper-division, master's and doctoral courses.

Some institutions also have established policies that describe instances where low enrollment alone may not be sufficient to eliminate programs. In a September 2003 proposal, the Maryland Higher Education Commission work group for assessing low-productivity degree programs exempted certain low-enrollment programs from further review. These included: 1) programs in unique, non-duplicative workforce shortage areas or with strong three-year enrollments; 2) new programs or programs with new facilities or low-producing programs with stable funding; and 3) degree programs that are drawn exclusively from existing coursework so that there are no additional costs to the institution to offer these majors, such as a master's degree that is offered as a subset of a doctoral program. The work group also described the need for, but did not propose, an approach for assessing programs that have high enrollments but few graduates.

Duplicate Programs and Mission Specialization

Another common efficiency goal is to reduce duplicate programming. Duplication occurs when the same or very similar programs are provided within an institution or between two or more institutions. Like low enrollment, duplication alone may not always be a sufficient reason for eliminating programs. Duplication across institutions can provide access to high-demand programs, for example. A University of Missouri analysis concluded that duplicate programs "should not be considered unnecessary if the same academic units on different campuses have high enrollments and provide a significant amount of service instruction to support other academic units on campus." The study further concluded that duplication is of most concern when it is found in conjunction with low enrollment or high costs. In those cases, they indicated that further scrutiny of the program could be necessary.

Reducing duplication is sometimes associated with movements to increase institutional-mission specialization. One recent case study examined two such restructuring efforts that occurred in the Massachusetts and City University of New York (CUNY) systems in the 1990s. According to the author, both efforts were "mission driven" with the objective of promoting "differentiation

both across and within institutions.” (Bastedo, p. 348.) The efforts were designed to reduce duplication and concentrate resources in programmatic areas of identified strength.

In 1997 and 1998 the Massachusetts system began implementing a program productivity policy designed to eliminate programs that graduated few students each year and were offered at other campuses within the system. The policy resulted in the elimination of 52 programs across 29 campuses. While administrators reported that short-term cost savings were minimal, the Board considered it successful in reducing inefficient programs, allowing institutions to reallocate resources and revising their existing programs. In 1992 CUNY launched a similar systemwide review of academic programs. CUNY faculty strongly opposed the proposal and it was eventually dropped. However, campuses eliminated 45 programs voluntarily as a result of the initiative.

While both the Massachusetts and CUNY systems succeeded to some extent in increasing specialization by reducing duplication, the case study identified potential unintended consequences of these efforts. The study noted that while well-prepared students at research universities continued to enjoy access to a wide variety of academic programs and disciplines, “students at state colleges may face a situation where comprehensive coverage of the disciplines is no longer a priority.” This could reduce access to “place-bound” students who are unable to travel outside their local area, limiting their access to potential careers. According to the researchers, these “place-bound” students are more likely to be from low-income families and members of racial minorities. (Bastedo, p. 354.)

Quantitative Assessments of Program Productivity

In 1997 UW-Madison’s Office of Budget Planning and Analysis and the Office of the Provost developed an approach for assessing the productivity of the institution’s program array. The analysis used data collected from federal reports that described the number and types of degrees offered at UW-Madison and at peer institutions. For example, the analysis compared the number of degrees earned at UW-Madison in various disciplines, such as the social sciences and health professions, to the number of degrees earned in these disciplines at peer institutions. The analysis also compared the percentage of programs that had an average of five or fewer graduates over the previous five years to the percentage of similar programs at peer institutions. This analysis found that 15 percent of UW-Madison’s programs at that time met this low-enrollment criterion, compared to 21 percent of peer programs. This approach provided the institution with an objective basis for assessing the institution’s program array.

During this past year, UW System staff developed data identifying the average number of graduates of each UW program over a five-year period. This information was shared with Provosts so that they could use the information as part of internal efforts to assess low-enrollment programs in their program array. An analysis of this data, which included all undergraduate programs offered throughout UW System, revealed that approximately 40 percent are offered at more than one institution. Of programs that have been in existence longer than five years, 14 percent had averages of five or fewer graduates per year over the past five years; and 29 percent had averages of ten or fewer graduates over the previous five years.

Costs and Revenues

While most efficiency reviews focus on low enrollment and duplication, a growing number of institutions and university systems are also trying to incorporate program cost data into their program review processes. The literature describes some approaches that have been used to guide efforts to assess instructional costs:

- **Delaware Study of Instructional Costs and Productivity** -- The Delaware Study of Instructional Costs and Productivity, commonly referred to as the “Delaware Study,” is a national database that includes cost and productivity data from institutions nationwide. The Delaware Study allows institutions to compare program costs and productivity at the department level, “predicated on the operating principle that any meaningful analysis of costs and productivity in institutions of higher education must take place at the academic discipline level of analysis,” since institutional level costs may mask true productivity issues. (NCES.)

Examples of cost data the study collected include direct instructional expenditures per student credit hour and service expenditures per full-time-equivalent tenured faculty. The study’s cost data includes only direct expenditures to allow for ease of comparison, since approaches for calculating indirect expenditures often vary. As a result, the Delaware Study data does not reflect a full accounting of program costs. The Delaware Study also collects productivity data, such as total student credit hours taught per FTE tenured faculty.

UW-Madison, Milwaukee, and Whitewater have all participated in the Delaware Study. UW-Madison, for example, reports that the institution participated between 1996 and 1998, but the implementation of the student information system in PeopleSoft made it impossible to continue participation. The institution hopes to resume participation this year. During the institution’s participation, staff conducted an institution-level analysis of teaching loads that compared the teaching loads of UW-Madison faculty to the teaching loads of similar research institutions and found that UW-Madison teaching loads were similar. UW-Milwaukee staff report that they participated in the study on three different occasions, participating only in the sections that addressed instructional course load and degrees granted. They have not yet had the opportunity to use the data. UW-Whitewater staff report that they participated from 1995 through 1997, but at that time, the database did not appear to provide them with data they found useful for comparisons to their institution.

The Delaware Study is currently used by over 350 institutions and university systems nationwide. The institutional research office at the University of South Carolina has developed an interactive database that departments may use to compare their cost and productivity data to peer institutions. The database highlights statistically-significant costs and productivity factors from University of South Carolina peers. According to the Delaware study’s administrator, Montana State University-Bozeman, Clemson and the University of North Carolina-Greensboro are models for incorporating Delaware Study information into their program review process.

- **Missouri’s Program Viability Review** -- The University of Missouri conducted a detailed cost analysis of its program array, analyzing both the costs and revenues associated with each

program. The review found that some duplicative professional programs, such as medicine and law, actually would not generate savings in direct costs if they were eliminated. It also noted that a few programs were responsible for a large proportion of institutional instructional costs.

While cost and revenue data may provide institutions with an additional tool to assess the efficiency of academic programs, cost data can be difficult to acquire. UW institutional researchers noted in one article describing their assessment processes that enrollment data is much more easily acquired than cost data and that low-enrollment data provides a suitable indicator for identifying unproductive programs. Also, Dickeson notes that it may not be sufficient to consider only costs but, rather, departments and programs should be considered as “revenue centers.” The revenues may result from such activities as enrollments, cross-subsidies, research grants, fundraising and equipment grants. (Dickeson, p. 69.)

DISCUSSION AND CONCLUSION

The UW System has a comprehensive system of program review processes that are used to assess quality and efficiency issues. Based on this review of UW System practices, practices in other states, and practices recommended in the literature, the following alternatives could be considered or continued for assessing program efficiency within the UW System:

- Monitoring and assessing programs that have low-enrollment and graduation rates: Using UW-Madison’s effort to monitor and eliminate low-enrollment programs as a model, institutions and/or UW System staff could monitor and assess programs that fall below certain enrollment targets, such as an average of five or ten graduates over a five-year period. Existing system-level processes for reviewing programs that are suitable for achieving this goal include reviews of programs in special need of attention, system lateral audits, or institutional program audits.
- Encouraging comprehensive reviews of academic programs: While some efficiency issues are already considered as part of the UW’s routine, cyclical program reviews, routine program reviews tend to focus on a few individual programs at one time. The literature suggests that a separate, comprehensive process is preferable for making resource reallocation decisions. Effective resource allocation, according to the literature, requires a comprehensive approach that allows for comparisons between programs or institutions. Existing comprehensive review processes include UW System’s lateral review process and institution-level comprehensive reviews.
- Encouraging institutions to collect and assess program costs and revenues: The literature indicated that many institutions are including cost information, such as comparisons of departmental costs to national benchmarks developed in the Delaware Study, in their program review processes. Revenues are another important consideration. A comprehensive cost analysis of programs conducted by the University of Missouri showed that at least one “duplicative” program would not have been cost-effective to eliminate. One long-term goal could be to encourage institutions to develop and use cost data to further refine their ability to assess programs.

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Minutes – DRAFT 11/11/03
Achieving Operating Efficiencies Work Group
Board of Regents of the University of Wisconsin System
November 6, 2003

The Achieving Operating Efficiencies Work Group met at 10:00 a.m. in room B1A, Lowell Center, Madison, Wisconsin. Work group members present were Regent Mark Bradley (chair), Regent Nino Amato, Chancellor Douglas Hastad, Chancellor Jack Miller, Chancellor Charles Sorensen, Vice Chancellor Andrew Soll, Faculty Representative Lisa Seale, Vice President Debbie Durcan, and Director of Operations Review and Audit Ron Yates. Work group members not present were Regent Jose Olivieri, Regent Emeritus Jay Smith, Academic Staff Representative Therese Kennedy, and Student Representative Alan Halfen. Among the others present were Associate Vice President Frank Goldberg, Assistant Director Jane Radue and Program Analyst Sandy Cleveland (Operations Review and Audit).

Regent Bradley began the meeting with an introduction of work group members. Vice Chancellor Soll made a motion to approve the minutes from the October 9, 2003 meeting; Regent Amato seconded the motion, and it was approved unanimously.

Regent Bradley reviewed the work group's progress so far. He noted that the first meeting focused primarily on defining the scope of the work group. At a subsequent meeting the group received a report about ideas for efficiency measures, some of which were already implemented, some of which were not. Also discussed were areas in which statutory changes could lead to improved operations, such as the capital building program, procurement, and cash management. In addition, Regent Bradley mentioned the importance of doing self evaluation, as Regent Olivieri had suggested, to identify efficiencies that can be implemented internally, without the need for statutory changes. In light of the timeframe for the work groups, with a report due in June, the group will reach conclusions in some areas and then will need to recommend other topics for future study.

Regent Bradley noted that Regent Gottschalk would like each work group to use a common timetable format; this group already has a timetable, entitled "Strategies and Components of Operational Efficiencies." Regent Bradley said that the group has made various requests for information and would continue the process of receiving requested information at its meetings.

Higher Education Structures

Regent Bradley invited Director Ron Yates to present a discussion paper prepared by the Office of Operations Review and Audit on university system structures and restructuring efforts. Director Yates began by reminding the group that this report was prepared because of the group's discussions about centralized and decentralized organizational structures, noting that Chancellor Sorensen had mentioned Michigan and California, in particular. He said that the review attempted to determine the extent to which these organizations were centralized or decentralized. Director Yates stressed that no two of the nation's 52 university systems in 38 states are identical. However, the review found that administrative functions performed within

the university system could be organized into three categories: 1) system staff performing primarily coordination functions; 2) system staff performing regulatory functions; and 3) system staff providing direct services.

The report included examples of university structures from five states: Michigan, at one extreme, has no system. At the other extreme, the University of California has highly centralized administrative functions, and cooperative extension is attached to the system administration. The University of Illinois has both centralized and decentralized functions. Indiana University has a combination of centralized and decentralized functions; and some major functions, such as academic affairs, academic support and diversity are performed by a single institution for all the institutions in the system.

Regent Bradley asked whether the review included identifying the number of staff at these systems. He suggested that the number of full-time-equivalent staff required to operate these systems, or some other measure, would be useful for comparative purposes. Director Yates indicated that staffing numbers are difficult to obtain, and that it is not always clear for comparison purposes what functions specific positions in a system perform. Regent Bradley said he believed the data might show that a high proportion of system staff are providing direct services, such as payroll processing, which would need to be done no matter how the system is organized. Vice Chancellor Soll agreed, stating that much of the processing work that is done at the system level would have to be done anyway. He stated that it would be difficult to compare UW System to other systems, since systems are so different.

Chancellor Miller suggested that there are systems that are more similar to the UW System than those included in the review. If the group could identify a system with a single board, a number of campuses similar to the UW System, and comparable numbers of students, it would be valuable to get more comparative information. Vice Chancellor Soll stressed that the existence or absence of a central coordinating body is also an important distinction, because sometimes functions are performed by a coordinating board, rather than by system administration staff.

Moving on to restructuring efforts in other states, Director Yates noted that systems typically have analyzed individual functions to determine how best to administer each one, rather than drawing general conclusions about whether to centralize or decentralize. The Illinois Board of Trustees conducted a review to assess its operating efficiencies, hiring consultants to assess 17 individual administrative functions. The Oregon University System hired a consultant for a similar review. The University of Nebraska has conducted three reviews in the past 14 years, most recently consulting with chief business officers from the campuses to identify ten areas for further review.

Chancellor Sorensen asked whether these studies involved identifying efficiencies only in administrative areas or also in education. Director Yates indicated that they mainly dealt with administrative areas. Regent Bradley reminded the work group that it needs to continue with its plan of looking at efficiencies in instructional delivery.

Director Yates went on to describe a review proposed by the Texas legislature in 2003. Some of the areas proposed for review included: academic affairs, general counsel, audit, and information technology services. He also discussed the 1995 restructuring effort within UW System, the result of a mandate from the Wisconsin legislature to cut UW System's budget by 25 percent. Some of the resulting changes included moving capital budget functions to DOA and moving some audit and safety-and-loss functions to the campuses.

Director Yates noted that restructuring efforts are typically long processes, with much of the analysis occurring at the campus level. He cited the Oregon restructuring process as a good model. He noted that the Oregon study cited guidelines to follow when considering restructuring; these included: 1) clear goals and objectives should precede any reorganization, and 2) higher, not lower, costs are likely, at least in the short run. He noted that budget cuts have deprived university systems of the luxury of doing long-term planning.

Director Yates discussed university governing boards in other states. He said, for example, that some governing boards: 1) have standing committees for strategic planning, audit, finance, or information technology; 2) have advisory boards, such as a board composed of the chancellor and presidents of each institution; or 3) include current and former state officials on the governing board in a non-voting capacity.

Director Yates concluded by noting that restructuring efforts in other states have been based on such goals as reducing costs, improving services, making strategic investments, or enhancing competitive position. Technology is less an issue than are human factors, such as getting people to relinquish control or getting buy-in from the institutions. Using an outside consultant adds to the cost but can bring credibility to the process.

Regent Amato asked whether Director Yates was proposing a reorganization strategy. Director Yates said that he was and suggested that such a strategy would identify functions for reform, and possibly set up work groups that could identify how these functions could be performed better. Vice Chancellor Soll sought clarification of whether Director Yates was proposing a reorganization strategy or actual reorganization. Director Yates responded that he was proposing a reorganization strategy. He reiterated the importance of buy-in and strong commitment from the Regents if such a strategy is to be effective. Regent Bradley asked whether Director Yates was aware of examples where state officials were involved in the process. Director Yates indicated that Oregon's process involved state officials.

Regent Amato suggested that it is important to include outside people. He described a reorganization process he participated in at a corporation. The process included three outside consultants (all three from the same consulting firm). He noted that for the process to work they had to find a way to protect employees against job loss. Regent Amato described the value of a "greensheeting" process that caused the corporation to look objectively at "sacred cows, such as 14 district offices that performed functions that could be handled more efficiently by one call center.

Director Yates reiterated the need for outside consultants to bring objectivity to the process. He also noted that reorganization is not always a logical process, but also a political

process. In the past, for example, some campuses have retained or developed functions, such as legal counsel, that were also provided at the system level.

Regent Bradley asked for further discussion about how to get employee participation in a restructuring process, when seriously evaluating issues could be perceived as potentially harmful to employees. Vice President Durcan indicated that strong support from the Board would be important. If there is buy-in from the top, campuses would believe that change could result from the process. Regent Amato agreed that support from the top is necessary for a successful restructuring effort. A shared vision that something has to change is also necessary. He also suggested that when doing an environmental scan consultants would go into the trenches with employees, keeping the names confidential; the results could be very valuable to managers.

Chancellor Sorensen reminded the work group about the powerful shared governance structure within the university system; buy-in from the campuses is essential. Vice Chancellor Soll noted the importance of being cognizant of existing governance structures early in the process.

Regent Bradley asked Chancellors Hastad and Sorensen to describe how they achieved “buy-in” for changes on their campuses. Chancellor Hastad said that “buy-in,” or at least representation, is necessary; that the process of change can take time; and that small steps are important. Chancellor Sorensen said that the process itself is critical and that it helps to show improvement over time. He noted that literature on change says that it is important to protect core values.

During the discussion that followed, Chancellor Miller observed that using an outside consultant to review both administrative and instructional efficiencies would require a significant commitment of time and money. He said that before he would support a major investment in a consultant, he would want to know what efforts have already been made to find, identify, and implement efficiencies. He wondered what has been done so far to look inside for efficiencies. Chancellor Miller noted that centralizing or decentralizing is a different goal from efficiency; becoming more efficient doesn’t necessarily mean reducing costs. Director Yates and Vice Chancellor Soll pointed to the example of UW audit staff; during the 1995 reorganization audit staff were reallocated to individual institutions; the number of staff and costs increased, but the reallocation resulted in audit staff who were better able to respond to institutional needs.

Chancellor Sorensen noted that centralizing some UW functions would not make sense; for instance, the admissions process needs to stay with each campus. He also suggested that announcing at the outset of a process that a function will be centralized is not a good way to get buy-in. Regent Bradley noted that each function would need to be looked at individually, starting with a clean slate and being open to how the analysis will turn out.

Vice Chancellor Soll suggested that the work group make an attempt to find some areas about which there is consensus on the need for improvement. He noted the example of APBS (Appointment, Payroll and Benefits System), saying that there was a consensus that the system needed to be improved. Chancellor Miller supported the idea of identifying core areas in which efficiencies could be gained, possibly involving a consultant for this purpose, and then

identifying key stakeholders, forming teams, etc. Further, he suggested that the plan for this process could be part of this group's report. He suggested that such areas would be those that could be improved with the same amount of money or could be done at lower cost.

During a discussion about how to identify "targets of opportunity" for improved efficiency, it was suggested that Vice President Durcan send an e-mail to chancellors, provosts, and chief business officers, asking them to identify specific areas. The request would include both administrative and instructional-delivery areas.

Chancellor Sorensen noted that it will be important to put in place a long-term discussion of the credit-based model. He said that competency-based degrees do not result in huge savings, but can result in better education. He said that he will send out articles on competency-based degrees. He also will talk with Alan Guskin, a nationally-recognized researcher in the area of leadership and change in higher education, about the possibility of speaking to the work group.

UW Student Data

Regent Bradley introduced Associate Vice President Frank Goldberg, who discussed two Office of Policy Analysis and Research (OPAR) documents based on student data from 1976-77 to 2002-03 -- "Progressing to a Bachelor's Degree in the UW System" and "Serving Students: A Quarter Century in the UW System." Associate Vice President Goldberg began by noting that the UW System has a high service rate, which he defined as the percentage of Wisconsin high school graduates who enroll in college within a year of high school graduation. He said that the UW's rate is fourth highest in the nation when enrollment in UW Colleges is included, and eleventh when enrollment in UW Colleges is excluded. He mentioned that Wisconsin's high school graduation rate is relatively high, which creates a challenge for access.

Among the other trends he noted: 1) the number of non-traditional students (age 25 or over in the four-year institutions and 22 or over in UW Colleges) in the UW System has declined, but service to traditional students has remained high or grown; 2) the proportion of students of color has doubled from four to eight percent, although it is still not representative of the overall African-American or Hispanic populations; 3) tuition has grown substantially, but less rapidly than for peer institutions; 4) the percentage of students graduating in four years has increased; 5) the number of students participating in dual enrollment, distance education, and credit outreach has increased; and 6) the number of transfer students from the Wisconsin Technical College System now exceeds the transfers from the UW Colleges.

In response to a question about interesting trends, Associate Vice President Goldberg added that: 1) both the retention and service rates have increased; and 2) the student population is more "traditional" and appears to be a better prepared group of students. He noted that the four-year graduation rates for UW institutions have been rising in the last twelve years, but compared to private institutions, the four-year rate is inadequate. Improving graduation rates for students of color is a high priority. He said that, in general, there have been improvements in students' efficient movement through the system.

Director Yates asked whether OPAR can assess whether distance education is helping to improve the four-year graduation rate. Associate Vice President Goldberg said that the multiple varieties of distance education complicate the development of a definition of distance education. Vice President Durcan asked whether OPAR tracks entering students with advanced placement credits. Associate Vice President Goldberg said that advanced placement data is not kept at the system level but is maintained at the campus level.

Regent Bradley mentioned that Regent Gottschalk had requested that advanced placement and other academic efficiency issues be included in the work group's efforts. Regent Bradley noted that there are quality considerations that go beyond numbers in these areas. Associate Vice President Goldberg said that the Re-defining Educational Quality work group is looking at outputs (e.g., Bachelor's degrees) and outcomes (e.g., what graduates are doing to achieve their goals). Regent Bradley suggested that the two groups might need to coordinate on these issues.

Defining Efficiency

Regent Bradley next asked the work group to consider the UW System discussion paper that outlines several definitions of efficiency in a higher education context and proposes possible definitions for the term, "operating efficiency," in the group's theme. Vice Chancellor Soll said that any definition needs to focus on outcomes, as well as inputs, and should address the quality of services provided. After a brief discussion, Regent Bradley suggested that UW System staff revise the definition to reflect the comments and bring a revision back to the work group for consideration.

Timeline

At the close of the meeting, Regent Bradley asked the work group whether there was any need to revise the group's timeline, entitled, "Strategies and Components of Operating Efficiencies." There was discussion about moving up the discussion of competency-based degrees that is scheduled for March 4. Chancellor Sorensen was asked to coordinate with Vice President Durcan on this, dependent upon his ability to arrange for Alan Guskin to address the group.

Finally, Regent Amato asked about timing -- whether the monthly meetings would be sufficient for the work group to finish its tasks and, also, when the individual work groups will get together as a whole. Regent Bradley indicated that these matters would be discussed with Regent Gottschalk.

The work group adjourned at 12:22 p.m.

Submitted by Sandra Cleveland and Jane Radue

Achieving Operating Efficiencies Work Group
December 4, 2003
Strategies and Components of Operational Efficiency

| ISSUES | PRODUCTS/COMMENTS | TENTATIVE DUE DATE |
|--|---|---|
| 1. Identifying significant unresolved issues from past studies on efficiency. | Report on past UW System efficiency measures, compiled by UW System staff. | October 9, 2003 |
| 2. Defining "efficiency". | UW System staff are gathering material. | November 6, 2003 |
| 3. Reviewing system structure, including: a. Centralization and regionalization; and b. Opportunities for internal efficiencies. | a. Report on the administrative structure, governance, and restructuring efforts of higher education in other states - UW System staff. b. Report on ideas for enhancing efficient UW operations - UW System staff. | November 6, 2003 Jan./Feb. 2004 |
| 4. Re-thinking instructional delivery, including: a. Relationships among the UW institutions, including distance education and general education; b. Relationships between UW System and its partners, including high schools and WTCS; and c. The basis upon which degrees are awarded (e.g., competency vs. number of credits). | a. Preliminary report on collaborative academic programs. b. --All-Regent session on credit transfer will be a starting point for discussion. --Report on high school programs - UW System staff. c. Competency degree report from subgroup. | December 4, 2003 November 6, 2003 February 5, 2004 March 4, 2004 |
| 5. Examining better ways of using campuses' capacities, including: a. Faculty workload; b. Student support services; and c. Use of campus facilities and resources. | Report on methods used to increase the number of students (capacity) without additional funds - UW System staff. | Jan./Feb. 2004 |
| 6. Examining the link between missions and resources, including: a. UW institutions' missions; and b. Relationship between academic programs and missions. | a. Report on institutional mission statements - UW System staff. b. Report on UW System program review process and "best practices" in other states - UW System staff. | December 4, 2003 December 4, 2003 |

Board of Regents Study
Re-Defining Educational Quality
December 4, 2003

1. Approve minutes of November 6, 2003 meeting (attached).
2. Discussion of vision, principles and objectives document (attached).
3. Discussion of objectives matrix (attached).
4. Discussion of process flowchart (attached).
5. Discussion of format for final report(s).
6. Future Agenda items.
 - A. Student Access to the University of Wisconsin System
 - B. Other

Educational Quality

| OBJECTIVE | AIMS | INDICATORS | WHO MEASURES |
|-------------------------------------|--|---|--|
| Access | <ul style="list-style-type: none"> ▪ Access to all academically qualified students ▪ Array of academic programs meeting student and state needs ▪ Reasonable access to an array of academic programs to citizens throughout the state | <ul style="list-style-type: none"> ▪ Number of Wisconsin students admitted ▪ Number and variety of programs offered. ▪ Availability of programs offered to citizens | <ul style="list-style-type: none"> ▪ System composite data from standard measures from each campus ▪ Specific measures on special programs offered |
| Student Engagement | <ul style="list-style-type: none"> ▪ Academically challenging experiences ▪ Active and collaborative learning/teaching styles ▪ A talented, accessible, and responsive faculty ▪ Enriching and diverse educational experiences ▪ A supportive campus environment | <ul style="list-style-type: none"> ▪ Students and faculty engaged in residential learning communities, service learning initiatives, international programs, undergrad research ▪ Advising and mentoring provided and feedback ▪ NSSE indicators ▪ Climate data | <ul style="list-style-type: none"> ▪ System composite data from standard measures from each campus ▪ Specific measures on special programs offered ▪ NSSE |
| Value-added student outcomes | <ul style="list-style-type: none"> ▪ Subject matter mastery of major and general education curricula ▪ Critical thinking abilities ▪ Written, oral, and interpersonal communication skills ▪ Understanding, appreciation, and tolerance of diverse people and ideas ▪ Psychological and physical well-being ▪ Commitment to civic-public service ▪ Passion for life-long learning | <ul style="list-style-type: none"> ▪ Alumni surveys ▪ Employer surveys ▪ Continuing education attendance ▪ Department and S/C analysis of learning | <ul style="list-style-type: none"> ▪ System composite data from standard measures from each campus ▪ Specific measures on special programs offered |

Shaded areas – collect System-wide through consistent data gathered by each institution.

DRAFT 12-04-03
Quality: Vision, Guiding Principles and Objectives

Vision:

The U.W.-System is committed to maintaining and enhancing its status as a first class, high quality system of higher education that is accessible to Wisconsin citizens, and that provides for its students learning and personal development characterized by processes wherein they are fully engaged, and value-added student outcomes.

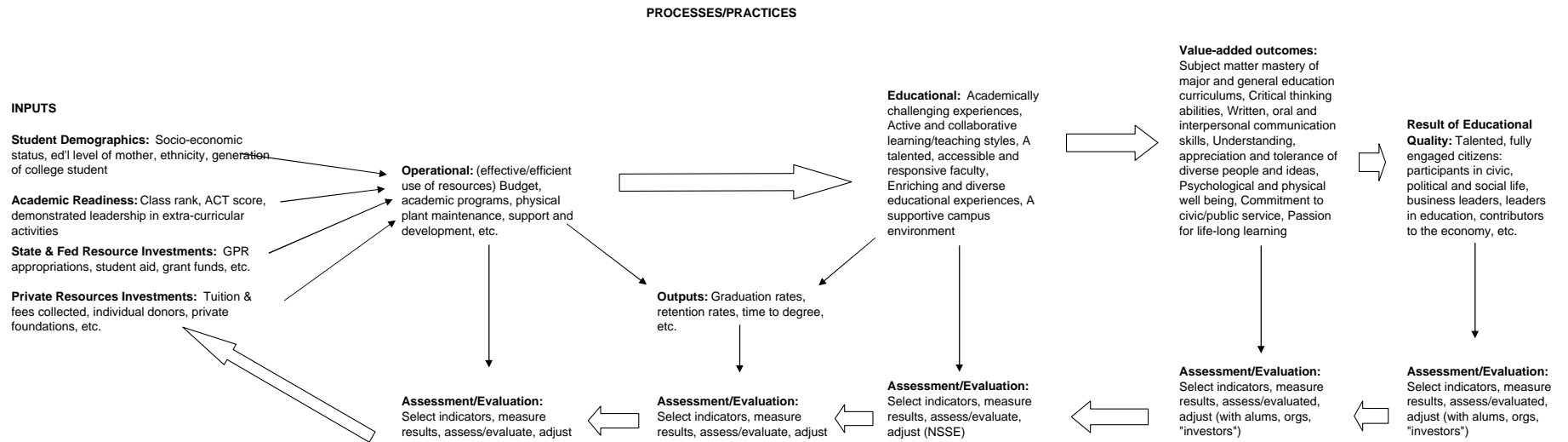
Guiding Principles:

1. Embrace diverse processes to achieve outcomes;
2. Embrace diverse methods to assess outcomes and select processes;
3. Engage the whole institution to debate, refine and internalize its model of quality education;
4. Respect for each institution's autonomy to determine quality education within the boundaries of a larger interpretation, and allow institutions the freedom to achieve their value-added outcomes with the processes best suited for their institution;
5. Honor each institution's select mission.

Objectives:

1. Student access to the university, its programs and classes;
2. Students engaged with their institution, program, faculty and other students;
3. Student outcomes that add value.

Access to Educational Quality:
Availability of a UW education to all academically qualified citizens through an array of programs meeting student needs, affordability and reasonableness of tuition and availability and level of financial assistance.



AGENDA OF THE
RESEARCH AND PUBLIC SERVICE WORKING GROUP
OF THE
BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

The Lowell Center
Room B1A/B1B
Thursday, December 4, 2003
10:00 a.m.

1. Call to order
2. Approval of minutes
3. Update of Milwaukee/Superior focus group sessions
4. Discussion of themes and framework for developing preliminary recommendations
5. Draft preliminary recommendations
6. February meeting agenda
7. Other business

Participating by telephone: Brad Amys, UW-Superior Student President, Student Center,
Room 10, 1605 Catlin Ave., Superior, WI (715) 394-8433.

**MINUTES OF THE RESEARCH AND PUBLIC SERVICE WORKING GROUP OF
THE BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM**

**328 NW State Capitol
Thursday, November 6, 2003
10:00 A.M.**

- Regent Davis presiding -

PRESENT: Regents Davis, Connolly-Keesler and Randall; Chancellors Keating, Reilly and Wiley; Regent Emeritus Lyon, Academic Staff Representative Hank, Faculty Representatives Erdman and Wood, Student Representatives Amys and Byrne, WARF Managing Director Gulbrandsen, Vice President Weimer, Assistant Vice President Andrews, and Executive Assistant to the UW-Extension Chancellor Sears.

Chairman Davis convened the committee and expressed appreciation to Representatives Underheim and Black and Senator Leibham for their excellent presentation and participation in a discussion regarding the University's research and public service activities. Chairman Davis asked for a motion to approve the October 9 minutes. Connolly-Keesler moved, and Amys seconded, approval of the minutes. The motion passed.

Tom Lyon reported on the Madison and Eau Claire business and community leader breakfast discussion meetings (minutes of those meetings are attached). Their priorities are the quality of the students, the need for greater diversity and communication skills. Chancellor Keating used the example of Abbott Labs which indicates that students they hire from the UW System exceed expectations because of their liberal arts training.

Erica Kauten, Director of the UW-Extension Small Business Development Center and Larry Casper, Assistant Dean of the UW-Madison College of Engineering made a presentation regarding statewide partnerships in support of manufacturing transformation. Wisconsin is one of the nation's leaders in manufacturing. Over one-third of Wisconsin jobs are either directly or indirectly in the manufacturing sector. Thus building an infrastructure and framework to support manufacturing is important. UW System is developing an industry outreach plan in two areas: to grow existing businesses and to support entrepreneurship and innovation. One example of collaboration with UW System institutions and WTCS is the NSF Partnership for Innovation project. UW-Stout, UW-Platteville, MATC Milwaukee, and MATC Madison are all educational partners to transfer knowledge into innovations and to help create the needed infrastructure. Recommendations from Kauten and Casper for the committee's consideration were:

- Create sources of opportunity funding to respond to state and federal initiatives.
- Create a bias for action-driven decision making to those on the front lines of entrepreneurship and technology transfer.
- Develop a UWS manufacturing plan that is an aggressive, visionary and well-supported as the WTCS plan.

- Support rewards systems that encourage entrepreneurship and tech transfer partnerships (e.g., release time).
- Foster mechanisms such as the UW System Applied Research Program to be market driven and responsive to industry needs.

Chancellor Keating addressed the public service missions of the comprehensive institutions reporting on information he collected from several of his colleagues as well. He said faculty and staff use their expertise to enhance communities beyond the classroom. Their efforts consist of service on national professional organizations, service to their own campuses (i.e., in governance roles), and service to their communities. The Wisconsin Campus Compact is bringing together many Wisconsin higher education institutions to introduce more service learning into the curriculum and to enhance student “citizenship” through volunteer activities. The Wisconsin Campus Compact is the only campus compact in the country working in collaboration with extension programs. Keating gave several examples of faculty and staff engaged in service, including Whitewater students mentoring at a local elementary school and Oshkosh consulting with the school district regarding its health curriculum. While in the past, credit for faculty’s work in public service varied from campus to campus, Keating indicated that the coming decade could well be considered the decade of service for the university.

Ed Erdman challenged the committee to push UW System into accepting the challenge of enhancing and rewarding public service.

Martin Cadwallader, Dean of the UW-Madison Graduate School, reported on research at UW-Madison. UW-Madison was third in the nation in research expenditures for 2000-01 with \$600 million dollars expended on individual grants. This has a tremendous impact on the economy. On average each of the 2,300 faculty on the campus generated \$250,000-\$300,000 per year in grants, which, in turn, also creates jobs. Over 50% of the campus’ federal funds come from NIH (due to the Medical School) and focus on biological sciences; 20% comes from NSF, due to the focus on engineering and physical sciences. It was noted that NIH and NSF are encouraging more proposals that are collaborative and interdisciplinary in nature, and have some service component. WARF is a major player in the non-federal funds, supplying 23% of nonfederal funds, along with business and industry. The UW Foundation and other private foundations are additional resources.

Cadwallader indicated that in 1997-98 there were less than 100 patents at WARF, and that number has now grown to 250, generating considerable licensing funds that get reinvested in research. Further tech transfer generates companies and growth in employment at UW-Madison’s Research Park. There are 107 businesses that employ 4,000 people in jobs that average \$60,000 per year.

Cadwallader indicated the challenges UW-Madison faces in the next decade include:

- The ability to recruit and retain top qualified faculty (salary and packages)
- Research infrastructures (finding and enhancing space and supplying equipment)
- Research administrative activity (processing grants, homeland security and protecting human and animal subjects).

In response to Regent Randall's observation that the number of young principal investigators applying to NIH from Wisconsin appears to be on the decline, Cadwallader responded that the pipeline is not as diverse as he'd like it to be.

Chairman Davis moved the committee to a discussion about defining preliminary recommendations to be discussed at the December meeting. The following themes were suggested:

- Communications
- Defining the term "University public service"
- How to actualize a "decade of service" for the University.
- Human resources issues including student accessibility, experience, brain gain; faculty/staff human resource shortages; and diversification of the staff and student body
- Educate citizens of the state.
- Strategic partnerships and cluster focus.
- More recognition of faculty who do public service by UW System
- More recognition of students who do public service by UW System
- In a time of limited resources, how do we build research and public service keeping in mind our priority of turning out top-notch students.
- The challenge of meeting the committee's mission statement to raise the per capita income given the existing employment demographics of the state.
- A new approach to the University's research and public service.

Davis adjourned the meeting at 12:15 p.m.

Charting a New Course for the UW System

Committee on **Our Partnership with the State**

Agenda

December 4, 2003
10:00 a.m. – 12:30 p.m.
Lowell Center, Lower Lounge

1. Continued discussion of financial aid with Joni Finney.
2. Dialogue with State Legislators on tuition, financial aid and other issues such as access, accountability and quality.

**Charting a New Course for the UW System
Our Partnership with the State Working Group**

November 6, 2003, 10:00 a.m. – 12:30 p.m.

Minutes

Members Present: David Beckwith, Patricia Brady, Clint Dederich, Joseph Heim, Margaret Lewis, Ann Lydecker, Don Mash, Bill Messner, Peggy Rosenzweig, Jesus Salas, Melanie Schroeder, David Walsh

Members Absent: Mark Bugher, Don Nichols, Matt Sirinek

Committee Staff Present: David Miller, Kathy Dickerson

Chairman Walsh convened the committee. He reviewed the original committee goals and proposed for the December meeting a discussion on economic benefits to the state. Chairman Walsh also proposed to discuss in February the review of accountability issues in connection with presentation of the 2004 accountability report.

Sharon Wilhelm of the UW System Office of Policy Analysis and Research gave a presentation on "Access and Financial Aid Provided to UW Students." The presentation included participation rates of immediate new freshman in Wisconsin, family income trends of new freshmen, financial aid eligibility, sources of financial aid, and some policy considerations.

It was noted that while enrollment in higher education by Wisconsin residents has declined among immediate new freshmen, enrollment by this population in the UW System has increased. However, the percent of Wisconsin high school graduates not enrolled in higher education anywhere has increased from 35.6% in 1992 to 43.1% in 2000.

Concern was expressed that students from low income families enrolling in the UW System has decreased while the percentage of high income families has increased. Members concluded that financial aid must be provided to ensure access for lower income students. Regent Emeritus Beckwith asked that the committee be provided with similar income comparisons from other Midwestern states.

Regent Salas pointed out that work-study funding has been flat for ten years. He further expressed the view that working on campus is more beneficial to students' education than working in service industry jobs. Chancellors Messner and Lydecker urged that we lobby for federal increases in work-study funding.

Wilhelm illustrated that Wisconsin does not provide as much state funded, need-based financial aid as some neighboring states. However, Wisconsin students' debt upon graduation is near the national average for students that graduate with debt (60%). Salas repeated his request for information on the impact of the 2003 tuition increase on student affordability. Wilhelm said a review was underway and would be forthcoming.

Regent Walsh asked committee members if the essential question about financial aid was simply the level of state support. Wilhelm pointed out that an improved formula in the federal student needs analysis would benefit Wisconsin students. Chancellor Messner requested a summary of changes that would benefit Wisconsin students. Chancellor Mash said perhaps UW tuition should be more progressive. Regent Salas pointed out that UWM has a high percentage of lower income students and asked for income comparisons by UW campus.

Building Capacity for More College Graduates

Chancellor Don Mash presented the committee with a proposal to seek additional state investment to increase enrollment in the UW System, particularly for part-time non-traditional students. His presentation focused on three goals currently being discussed by Wisconsin policy makers.

- Higher paying jobs and increased tax revenue
- Enhanced infrastructure for economic development
- Quality of life enhancements

Mash noted that Governor Doyle's "Grow Wisconsin" plan and Republican leaders' "Growing and Reforming Our Wisconsin" (G.R.O.W.) both call for more highly trained workers to transition into the high end jobs of the new economy. Budget reductions and enrollment limitation have reduced the UW System's capacity to produce additional graduates who will remain in Wisconsin.

It was noted that non-traditional part-time students are under enrolled and underserved by the UW System and that enrollment limitations and budget reductions have forced quality to be chosen over broader access. Wisconsin ranks 31st in the nation in the percent of population with four-year degrees. Mash will be working with UW System staff to obtain data on how we rank nationally in enrolling non-traditional, part-time students. He is certain that we rank very low.

Mash argued that focusing on part-time non-traditional students would result in a "brain gain" for Wisconsin because this working population is committed to remaining in the state. He urged better coordination with UW Colleges and the WTCS to provide access to non-traditional students. Furthermore, he maintained that state investment in non-traditional students would result in important infrastructure development through educating more teachers, nurses, technology workers, and entrepreneurs. The state would benefit from higher tax revenue that would result from higher incomes.

Chairman Walsh then opened the floor for discussion. Chancellor Messner told the committee that he and Chancellor Reilly were developing a plan to develop a "Center for Adult Access" based on non-traditional access. He said the plan may be presented to the Regent Study Committee on "Re-defining Educational Quality" and would be glad to present to this committee as well. Messner also said the UW should address issues of reallocation, maximizing technology, and tapping private resources for non-traditional students before asking the state for additional resources. Chancellor Lydecker and others pointed out that it would be difficult to divert dollars away from current student services.

Regent Rosenzweig asked why UW-Milwaukee and UW-Parkside could serve more non-traditional students than other campuses. It was pointed out that the mission and capacity of those institutions better serves non-traditional students. Chancellor Mash reiterated that more non-traditional students could not be served without additional state support. Chancellor Messner discussed the fact that position control by the state was a major barrier to serving additional students.

Chairman Walsh and committee members agreed that legislative leaders would be invited to the December meeting to discuss the major issues facing the UW and seek consensus on areas such as financial aid, access, and accountability. The committee will also discuss the economic benefits of the UW System to the state.

The committee adjourned at 12:30 p.m.