

PRELIMINARY BOARD MEETING AGENDA
Gonzaga University, Foley Teleconference Room
E. 502 Boone Avenue, Spokane 99258
December 13, 2001

*Approximate
Times*

Tab

December 12

4:00 p.m. *Tour Gonzaga University campus, then attend Spokane Regional Chamber of Commerce Legislative Reception. No official business will be conducted.*

December 13

8:15 a.m. **BOARD BREAKFAST AND MEETING OVERVIEW** (*WestCoast Grand Hotel*)
No official business will be conducted.

9:00 a.m. **WELCOME AND INTRODUCTIONS**

- Bob Craves, HECB Chair
- Father Robert Spitzer, President, Gonzaga University

CONSENT AGENDA ITEMS

- **Adoption of October 2001 HECB Meeting Minutes** **1**
- **HECB 2002 Regular Meeting Calendar** **2**
(Resolution 01-36)
- **M.S. in Law and Justice, CWU** **3**
(Resolution 01-37)
- **Report on 1999-01 Information Technology Grants** **4**
(Resolution 01-38)
- **Report on 1999-01 Teacher Training Pilot Program Grant** **5**
(Resolution 01-39)
- **Child Care Grants Project** **6**
(Resolution 01-40)

DIRECTOR'S REPORT

- **Status Report: Notification of Intent** (new public baccalaureate degree programs) **7**

9:45 a.m.	<u>INFORMATION ITEMS</u>	
	<ul style="list-style-type: none"> • State Need Grant Program Update HECB staff briefing 	8
	<ul style="list-style-type: none"> • Transfer and Articulation Progress Report HECB staff briefing 	9
10:45 a.m.	Morning Break	
11:00 a.m.	<u>ACTION ITEMS</u>	
	<ul style="list-style-type: none"> • Border County Pilot Project HECB staff briefing <i>(Resolution 01-41)</i> 	10
	<ul style="list-style-type: none"> • 2002 Supplemental Budget Recommendations Fiscal Committee report <i>(Resolution 01-42)</i> 	11
12:00 noon	Lunch Break <i>(Greenan Boardroom, Library)</i> <i>No official business will be conducted</i>	
1:20 p.m.	Gonzaga University Student Panel Public Comment Adjournment	
2:00 p.m.	Afternoon Break	
2:30 p.m.	<u>ROUNDTABLE DISCUSSION:</u> “Implications of State Budget Crisis for Higher Education”	12
	<ul style="list-style-type: none"> • College and university representatives, legislators, HECB members and staff, and other invited guests 	

If you are a person with disability and require an accommodation for attendance, or need this agenda in an alternative format, please call the HECB at (360) 753-7800 as soon as possible to allow us sufficient time to make arrangements. We also can be reached through our Telecommunication Device for the Deaf at (360) 753-7809.

The full board packet is available at www.hecb.wa.gov.

**Minutes of Meeting
October 30, 2001**

December 2001

HECB Members Present

Mr. Bob Craves, Chair
Dr. Gay Selby, Vice Chair
Mr. Jim Faulstich
Ms. Roberta Greene
Mr. Larry Hanson
Ms. Ann Ramsay-Jenkins
Mr. Herb Simon
Dr. Chang Mook Sohn
Ms. Pat Stanford

Welcome and Introductions

After a tour of the collocated campus of Cascadia Community College and the University of Washington Bothell, HECB Chairman Bob Craves opened the meeting at 10 a.m.

He announced that the terms of Board members Kristi Blake and Larry Hanson had expired, and the governor had appointed two new members. Mr. Craves welcomed Roberta Greene, who succeeds Kristi Blake on the HECB, representing Spokane and the eastern part of the state. Ms. Greene is on her second term with the Spokane City Council and has served on the boards of the Community Colleges of Spokane and the Workforce Training and Education Coordinating Board. Gene Colin of Seattle succeeds Larry Hanson.

Later in the day,

***ACTION:** Bob Craves moved for consideration of Resolution 01-35, honoring Larry Hanson and thanking him for his services to the HECB. Gay Selby seconded the motion, which was unanimously carried.*

After Board introductions, Mr. Craves welcomed two new provosts: David Soltz from Central Washington University, and Enrique Riveros-Schafer from The Evergreen State College.

Cascadia Community College Pres. Victoria Richart and UW Bothell Chancellor Warren Buck welcomed the HECB and spoke about the challenges and benefits of a collocated campus. They attributed some of their successes to working beyond a shared library and other facilities. They cited the benefits of shared professors interacting with both sets of students, and committees that have both university and community college representation. As a result, students see the campus as a real 2+2 model, where the college serves as an entryway to the university. They said the most pressing challenge appears to be the expected growth of students in a campus that is near over capacity.

Jim Faulstich said there would be more value added to the collocated campus system if the successful mingling of the two cultures would become a system wide model.

Minutes of May Board Meeting Approved

*ACTION: Gay Selby moved for consideration of the **minutes of the Board's July meeting**, and the **September teleconference**. Larry Hanson seconded the motion. The minutes were unanimously approved.*

Director's Report

Executive Director Marc Gaspard summarized the agenda for the day, and offered update reports on programs and projects:

- December Board meeting in Spokane (new date is Dec. 13)
- Accountability forum (WICHE conference in Colorado)
- UWT Technology Institute (official opening, Herb Simon's contributions highlighted)
- GET college savings plan (meetings continue with State Investment Board)
- K-20 network (approval granted for private colleges to be connected to the statewide network)
- P-16 roundtable (scheduled for Dec. 4 in Seattle)
- State fiscal situation (capital projects on hold; 15 percent cut requested from larger agencies)

Bob Craves commented that discussions should start regarding tuition, and Herb Simon suggested that the HECB develop a list of priorities before the next legislative session.

Legislative Preview

Marc Gaspard provided an update on the state revenue forecast and the supplemental budget.

In response to estimated declines in state revenue, the Office of Financial Management (OFM) has taken two actions.

1. Several major cabinet agencies have been directed to prepare plans for a reduction of up to 15 percent in the general fund spending levels authorized in the biennial budget. (The HECB, colleges and universities have not been requested to prepare similar plans.)
2. All new capital projects funded by general obligation bonds are put on hold.

Mr. Gaspard asked the Board to defer action on the supplemental budget requests of institutions until after the revised revenue forecast in mid November. OFM will use the revised forecast to estimate the level of reductions required in the biennial operating budget, and to determine if capital projects put on hold can proceed.

Bruce Botka, HECB director for government relations, provided a preview of the 2002 legislative session, scheduled to convene on Jan. 14. Some proposals anticipated pertain to operating and capital budgets, supplemental requests, and legislation to enact into law the

Washington Promise Scholarship. The State Board for Community and Technical Colleges and Eastern Washington University are expected to request supplemental funding to respond to over-enrollment (2,500 additional FTES for SBCTC and 450 FTES for EWU). Proposals pertaining to tuition and financial aid are also expected in light of anticipated budget reductions.

Mr. Botka also provided information on a series of public meetings that House and Senate Higher Education Committees are holding to discuss branch campus issues.

Board members suggested that the HECB review the issues of tuition, enrollment, financial aid, and capital projects to build recommendations for the governor and the Legislature.

2003-05 Operating and Capital Budget Guidelines

John Fricke, HECB associate director, presented the highlights of the 2003-05 operating budget priorities and guidelines. HECB's continuing commitments and values are described as "budget principles," and specific enhancement goals are referred to as "budget priorities."

There are four *budget principles*, each representing a separate area of investment, but all inter-related and of equal importance and priority:

1. Carry-forward or maintenance level budget
2. Enrollment increases
3. Adequate funding of financial aid programs consistent with state tuition policy
4. Faculty and staff compensation levels.

Budget priorities are proposals that address specific system-wide issues to implement the policies and goals of the higher education master plan. These priorities are:

1. Improve student preparation, participation, retention, and completion.
2. Improve student transfer and articulation among public two- and four-year sectors.
3. Support new and expanded academic and vocational programs that help strengthen the state's economy.
4. Improve the transition of students and strengthen the connection between K-12 schools and higher education.

Staff will work with the institutions to identify links between Master Plan goals and the institutions' budget proposals. HECB's 2003-05 operating budget recommendations also will recognize the differences in the role and mission of each public college and university.

HECB Associate Director Jim Reed presented capital budget priorities and guidelines. He summarized the process and schedule for the preparation of HECB's capital recommendations, which will require a collaborative and responsive approach in the sharing of information and budget recommendations. HECB's 2003-05 capital budget recommendations will be ranked according to the HECB capital project evaluation model.

Staff have met with the four-year institutions and the SBCTC to discuss both operating and capital budget guidelines. Their suggestions have been incorporated in the final guidelines.

ACTION: Larry Hanson moved for consideration of Resolution 01-32, approving the 2003-05 operating and capital budget guidelines. Gay Selby seconded the motion, which was unanimously approved.

Fall 2001 Enrollments

John Fricke reported that the public baccalaureate institutions have either met or exceeded their budgeted enrollment numbers. The last time this happened was 20 years ago. He commented that the numbers are fairly consistent with demographic projections. Freshmen enrollments are strong and likely to continue.

SAT and 15 Percent Waivers

HECB Senior Policy Associate Doug Scrima reported on his findings regarding the SAT and 15 percent waivers. The 15 percent alternative admissions process was designed to help students who demonstrate an ability to succeed, despite falling below current minimum standards. Although all institutions admit some students through the 15 percent alternative admissions standards, institutions generally have more qualified students who meet the minimum admissions standards than they can accommodate. Mr. Scrima reported that for fall 2001, only 1,052 of nearly 18,000 enrolled freshmen were admitted as part of the 15 percent waiver.

In April, the HECB amended the current alternative admissions standards to permit public baccalaureate institutions to waive the SAT or ACT examinations on a case-by-case basis. This past year, the number of students admitted through the SAT/ACT waiver remains small and generally went to entry-level adults or Running Start students who had earned an AA degree.

At every institution, additional review decisions for all students were based on such factors as type and level of courses selected, senior year performance, self-identified hardships, special circumstances, etc.

Accreditation Process

HECB Deputy Director Ruta Fanning introduced Sandra Elman, executive director for the Commission on Colleges, and Barbara Smith, former provost at The Evergreen State College, to discuss the process of accreditation. The Northwest Association of Schools and Colleges (NWASC) assign to the Commission on Colleges the responsibility to evaluate and accredit post-secondary institutions.

Dr. Elman discussed the accreditation review process and the challenges and opportunities facing the NWASC. Dr. Smith gave comments from the perspective of the institution and as an evaluator. Both would like to see accreditation regarded as a tool (for quality improvement) and not a burden or a chore.

Enrollment Update – Central Washington University

Pres. Jerilyn McIntyre was joined by CWU provost Dave Soltz and Mike Lundgren in presenting Central's enrollment regrowth and stabilization. Some of the strategies used included rebasing enrollment numbers to a more realistic target and effecting substantial budget cuts. The following achievements were cited:

- Largest freshman class in CWU's history
- Transfer enrollment increased
- Minority students increased
- Centers on both sides of the state are profitable. Pres. McIntyre sees potential for enrollment growth at the Centers but realizes the Centers need more publicity. They are also seeing interest for upper-division and graduate courses for laid-off workers.

Institutional Accountability Measures

As required by the Legislature, the public baccalaureates have submitted to the HECB their 2001-03 accountability plans. The institutions will use these plans to achieve "measurable and specific improvement" in their performance "as part of a continuing effort to make meaningful and substantial progress" toward the statewide performance goals.

HECB Associate Director David Sousa presented an overview and highlights of the plans. State colleges and universities continue to improve graduation efficiency, retention, and graduation rates. In almost every case, the institutions' 2001-03 targets exceed 1996-99 baseline performance. In some cases, institutions have set aggressive targets they are not confident they can meet in the coming biennium. Several plans mention the importance of learning outcomes assessment efforts in the institutions' approach to accountability.

Staff recommends that the Board set targets for the 2001-03 biennium at the levels proposed in the institutions' performance accountability plans.

Ann Ramsay-Jenkins questioned the usefulness of requiring the institutions to continue reporting on the statewide measures originally set by the Legislature. Gay Selby remarked that the Planning and Policy Committee should look into setting the next targets.

***ACTION:** Gay Selby moved for consideration of **Resolution 01-33**, approving the 2001-03 targets set by the institutions. Pat Stanford seconded the motion, which was approved with an opposing vote from Ann Ramsay-Jenkins.*

Child Care Grants

The Legislature directed the HECB to administer grants totaling \$150,000 for the 2001-03 biennium to encourage programs providing high-quality, accessible, and affordable child care for students attending public baccalaureate institutions. HECB staff and external experts representing child care organizations reviewed and evaluated applications received from three institutions: CWU, TESC, and WSU.

John Fricke reported that the committee recommended approving a grant to Central Washington University for \$69,000 and continuing a review of two other grant proposals for the Board's consideration at its December meeting.

Roberta Greene asked if there is a requirement for the universities to continue the services after the two-year grant. Mr. Fricke assured her that schools have provisions to continue services.

***ACTION: Roberta Greene** moved for consideration of **Resolution 01-34**, approving the child care grant recommendations. **Pat Stanford** seconded the motion, which was approved unanimously.*

The meeting was adjourned at 3:15 p.m. After a short break, Bob Craves convened a group of participants to a roundtable discussion.

Roundtable Discussion —Branch Campuses and Community and Technical Colleges
Institutional representatives, legislators, HECB members and staff participated in a roundtable discussion about current issues faced by branch campuses and community and technical colleges (list of participants attached).

The discussion included:

- Working relationship of branch campuses and their two-year college neighbors
- Challenges and benefits of a collocated campus
- Transfer and articulation concerns — what works and what doesn't
- Transfer barriers (prerequisites, system of funding per FTE)
- Capacity problems
- Tuition and financial aid
- Imminent entry of private independent colleges
- Jointly owned curricula

Participants suggested continuing the conversation and developing action plans as next steps.

The discussion adjourned at 5 p.m.

Roundtable Discussion
Branch Campuses & Community and Technical College Issues
October 30, 2001

Dr. Holly Moore, President
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Sen. Jeanne Kohl-Welles, chair
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Rep. Phyllis Guterriez-Kenney, Co-chair
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RESOLUTION NO. 01-32

WHEREAS, The Higher Education Board (HECB) is required by statute (RCW 28B.80.330(4)) to review, evaluate, and make recommendations on the operating and capital budget requests from four-year institutions and the community and technical college system; and

WHEREAS, These recommendations are to be based upon role and mission statements of the institutions; the state's higher education goals, objectives, and priorities; and a comprehensive master plan; and

WHEREAS, The Higher Education Coordinating Board is also required by statute to distribute budget guidelines which outline the Board's fiscal priorities to the institutions by December of each odd-numbered year; and

WHEREAS, The Washington State Legislature has adopted (Senate Concurrent Resolution 8425) the Comprehensive Master Plan for Higher Education which, as submitted by the Board in January 2000, outlines goals, objectives, and priorities for higher education; and

WHEREAS, The Higher Education Coordinating Board reviewed the *Draft HECB Operating and Capital Budget Guidelines* for the 2003-2005 biennium at its meeting on July 25, 2001, and these draft guidelines have been distributed to the institutions for review and comment, similar to the process employed in the development of budget guidelines for the 2001-2003 biennium; and

WHEREAS, HECB staff has met with the four-year institutions and the State Board for Community and Technical Colleges (SBCTC) staff to discuss the preliminary guidelines; and

WHEREAS, Revisions suggested by the institutions and the SBCTC staff have been incorporated into the final versions of the *2003-2005 HECB Operating and Capital Budget Guidelines for Public Colleges and Universities*;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the *2003-2005 Operating and Capital Budget Guidelines for Public Colleges and Universities*, attached hereto.

Adopted:

October 30, 2001

Attest:

Bob Craves, Chair

Kristianne Blake, Secretary

RESOLUTION NO. 01-33

WHEREAS, In its 2001-2003 biennial budget, the Legislature directed the public baccalaureate institutions to prepare accountability plans for the 2001-2003 biennium that would lead to “measurable and specific” improvements toward the performance goals; and

WHEREAS, The Higher Education Coordinating Board (HECB) developed and approved Accountability Guidelines in September 2001 for the institutions’ 2001-2003 Accountability Plans; and

WHEREAS, In the guidelines, the Higher Education Coordinating Board gave responsibility for setting meaningful targets to the institutions; and

WHEREAS, The institutions have presented their accountability plans to the Board;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the targets set in the 2001-2003 Accountability Plans presented by Central Washington University, Eastern Washington University, The Evergreen State College, University of Washington, Washington State University, and Western Washington University.

Adopted:

October 30, 2001

Attest:

Bob Craves, Chair

Gay Selby, Vice Chair

RESOLUTION NO. 01-34

WHEREAS, The Higher Education Coordinating Board (HECB) has been directed by the Legislature and Governor to administer grants totaling \$150,000 for the 2001-2003 biennium to encourage programs providing high-quality, accessible, and affordable child care for students attending public baccalaureate institutions; and

WHEREAS, The Higher Education Coordinating Board staff prepared and circulated a Request for Proposals to all the public baccalaureate institutions, and invited proposals from each institution; and

WHEREAS, Grant requests were received by three institutions: Central Washington University, The Evergreen State College, and Washington State University; and

WHEREAS, The Higher Education Coordinating Board staff and external experts representing child care organizations have evaluated the grant proposals and recommend funding a grant in the requested amount to Central Washington University, and continuing the review of grant proposals for the remaining funds available;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves a grant to Central Washington University in the amount of \$69,000, and directs HECB staff to release the funding upon the execution by the executive director of an inter-agency agreement spelling out the terms of the grant process; and

BE IT FURTHER RESOLVED, That HECB staff is directed to continue review of the two remaining grant proposals and bring recommendations to the board for consideration at the December 2001 meeting.

Adopted:

October 30, 2001

Attest:

Bob Craves, Chair

Gay Selby, Vice Chair

RESOLUTION NO. 01-35

WHEREAS, Larry Hanson has been a member of the Higher Education Coordinating Board since his appointment in 1993 by Gov. Mike Lowry; and

WHEREAS, in addition to his responsibilities as a member of the HECB, Larry Hanson has served as the publisher and president of the *Everett Herald* for the past 17 years, and has also contributed many hours of dedicated service to numerous community projects; and

WHEREAS, in all of the above-mentioned activities, Larry Hanson has continually demonstrated the highest standards in meeting civic responsibilities; and

WHEREAS, during his terms on the HECB, Larry Hanson has brought insight, thoughtfulness and clarity to the Board's deliberations and considerations of higher education policy for Washington; and

WHEREAS, as chair of the Board's capital and fiscal committees, Larry Hanson has guided the Board in developing higher education budget recommendations that promote equity and access to quality post-secondary education; and

WHEREAS, Larry Hanson has additionally provided leadership to the Board on many innovative and important projects, including the creation of the co-located campus of the University of Washington Bothell and Cascadia Community College and the development of the North Snohomish, Island, and Skagit Counties Higher Education Consortium; and

WHEREAS, Larry Hanson will be completing his second and final term on the HECB;

THEREFORE, BE IT RESOLVED, that the members and staff of the HECB wish to express their sincere and greatest personal and professional respect to Larry Hanson and honor his service and commitment to the people of Washington:

Adopted:

October 30, 2001

Attest:

Bob Craves, Chair

Gay Selby, Vice Chair

Preliminary HECB 2002 Meeting Calendar

December 2001

Date	Event	Location
Feb. 6, Wed. 9:00 a.m. – 5:00 p.m.	Regular meeting	South Seattle Community College Jerry Brockey Student Center, Room A
March 26, Tue. 4:30 p.m.	Campus tour	Washington State University Pullman Compton Union Building
March 27 Wed. 9:00 a.m. – 5:00 p.m.	Regular meeting	
May 28, Tue. 4:30 p.m.	Campus tour	WSU Tri-Cities Richland
May 29, Wed. 9:00 a.m. – 5:00 p.m.	Regular meeting	Columbia Basin College Pasco Columbia Basin Advanced Technology Bldg, W180
July 30, Tue. 4:30 p.m.	Campus tour	Western Washington University Bellingham Old Main 340 Board Room
July 31, Wed. 9:00 a.m. – 5:00 p.m.	Regular meeting	
Sept. 25, Wed. 9:00 a.m. – 5:00 p.m.	Regular meeting	Capitol Campus Olympia John A. Cherberg Bldg, SHR4
Oct. 29, Tue. 9:00 a.m. – 5:00 p.m.	Regular meeting	Heritage College Toppenish
Dec. 11, Wed. 4:30 p.m.	Campus tour	University of Washington Seattle Walker Ames Room, Kane Hall
Dec. 12, Thu. 9:00 a.m. – 5:00 p.m.	Regular meeting	

RESOLUTION NO. 01-36

WHEREAS, The Higher Education Coordinating Board is required to adopt an annual calendar of regular meeting dates for publication in the State Register; and

WHEREAS, The Operations Committee of the Board reviewed and approved a proposed 2002 meeting schedule at its December 13, 2001 meeting;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board adopts the attached HECB 2002 meeting calendar.

Adopted:

December 13, 2001

Attest:

Bob Craves, Chair

Gay Selby, Vice Chair

**Master of Science in Law and Justice
Central Washington University**

December 2001

EXECUTIVE SUMMARY

INTRODUCTION

Central Washington University is seeking Higher Education Coordinating Board approval to establish a Master of Science in Law and Justice at its main campus in Ellensburg and at its off-campus center in SeaTac. This graduate program is expected to complement CWU's undergraduate program in law and justice, which is one of the most popular programs at the university.

PROGRAM NEED

The proposal documents adequate need and interest in the proposed program.

- As the field of law and justice becomes more professional, practitioners need a master's degree to advance.
- To gain work with many federal agencies, potential employees need a master's degree to enter the profession.
- Those practitioners holding senior-level positions are retiring at an increasing rate, and their replacements need master's degrees.
- At the state, county, and city levels, police and corrections agencies are paying higher salaries to workers with master's degrees.
- Survey findings indicate that about 70 CWU undergraduate law and justice alumni want to enroll in the graduate program as soon as it is available.

PROGRAM DESCRIPTION

The proposed graduate program includes two programs of study.

The first program of study (45 credits) includes completing core and elective courses, a major research project and a final research paper. This option is designed for individuals who are currently working in the field.

The second program of study (60 credits) includes completing core and elective courses, an internship, and a final portfolio. This option is designed for individuals who want to prepare for law and justice careers. Courses will be offered year-round through lectures and e-learning technologies. While a student could complete the program in one calendar year, CWU predicts the majority of students would finish the program in two years.

At full enrollment, the MS in Law and Justice program would accommodate 60 FTE students. The program will require three new FTE tenure track faculty. Administrative and support staff would be provided through existing resources.

ASSESSMENT AND DIVERSITY

The proposal includes an assessment plan that outlines program goals, objectives, student learning outcomes, and evaluation methodologies. The school expects program graduates will:

- Comprehend the scientific method as used in law and justice inquiry.
- Possess a broad knowledge of the importance of theoretical knowledge for the law and justice professional.
- Be able to determine the legal significance of the behavior of law and justice professionals.
- Have the ability to work effectively and professionally in a law and justice environment.
- Be critical thinkers with the ability to reflect and grow professionally throughout their career.

The school would measure student learning outcomes in a variety of ways – oral and written examinations, formal in-class presentations, term papers, and research papers and projects.

The school would assess program effectiveness through student evaluations of course content and delivery and alumni and employer surveys. CWU would consider program assessment findings for changes in program content and structure.

CWU's Department of Law and Justice is committed to recruiting and retaining students from diverse backgrounds. The department plans to work with its advisory board to identify potential students of color and those with disabilities, and advertise in newsletters of the Black Police Officers Association and the Hispanic Police Officers Association. To boost retention, the department will provide a variety of support services to students.

REVIEW PARTICIPANTS

Dr. Kate King, Associate Professor of Criminal Justice at Boise State University, and Dr. Edward W. Sieh, Assistant Professor of Criminal Justice at St. Cloud State University, served as external evaluators of the program. Both reviewers gave the proposal high ratings, noted demand for the program, and applauded CWU faculty for designing two program options for students.

The proposal was also shared with the other public baccalaureate institutions for their review and comment. Both Eastern Washington University and the University of Washington wished Central Washington University the best of luck with its new endeavor.

PROGRAM COSTS

The MS in Law and Justice would be supported by new state funds. At full enrollment, the annual program costs would be about \$328,268, or \$5,471 per FTE student.

STAFF ANALYSIS

The graduate program in law and justice would be a welcome addition to CWU's Department of Law and Justice. It addresses an increasing demand for professionals who possess advanced knowledge and skills in the field.

RECOMMENDATION

The Central Washington University proposal to establish a Master of Science in Law and Justice at Ellensburg and SeaTac is recommended for approval, effective December 2001.

RESOLUTION NO. 01-37

WHEREAS, Central Washington University has requested approval to establish a Master of Science in Law and Justice; and

WHEREAS, The program is expected to be popular among students; and

WHEREAS, The program will address the on-going need for professionals in the field with advanced skills and knowledge; and

WHEREAS, The assessment and diversity plans are suitable for a program of this nature; and

WHEREAS, The program costs are reasonable;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the Central Washington University proposal to establish a Master of Science in Law and Justice at Ellensburg and SeaTac, effective December 2001.

Adopted:

December 13, 2001

Attest:

Bob Craves, Chair

Gay Selby, Vice Chair

Information Technology Matching Grants: Final Report from the Higher Education Coordinating Board

December 2001

BACKGROUND

In 1999, the Governor and Legislature approved a new grant program designed to stimulate expansion of information technology instruction at Washington's public four-year college and universities. The Governor had proposed the Information Technology Matching Grants in response to extensive research by industry groups that documented a need for greater capacity and technical infrastructure at the baccalaureate program level. Research conducted on behalf of the Washington Software Alliance and the Washington state chapter of the American Electronics Association showed that thousands of high-skill, high-wage jobs in information technology fields were available in Washington, but that the public higher education system had the capacity to train just a small fraction of the number of new employees needed.

The 1999-2001 state budget provided \$2 million to expand instruction in information technology fields, such as computer engineering and computer science, at public colleges and universities. Specifically, SB 5180 directed the Higher Education Coordinating Board to administer a competitive two-year grant program to expand or create information technology degree programs, certificate programs or courses at the public baccalaureate institutions. The budget included \$1 million each year for grants to be used for faculty, staff or equipment in each fiscal year. No institution could receive more than \$1 million in state funds during the two-year period. Successful applications had to include a match of non-state cash or other donations equivalent to the grant amount. Funding for the matching grant program was not continued in the 2001-03 biennium, so no further grants of this type have been issued.

The HECB was directed to submit a report on the outcomes of the program to the Legislature and Governor. This report fulfills that directive. Upon its approval by the HECB, scheduled for the December 2001 meeting, this report will be transmitted to the Governor and the legislative fiscal and higher education committees.

PROJECT CONCLUSIONS AND KEY ISSUES

The following summary reflects the HECB's experience with the information technology matching grant program from 1999 through 2001, including findings from the annual reports of the universities that received the HECB grants.

- The information technology matching grants provided an excellent opportunity for the public universities to use state funding to leverage private investment to expand an important element of their instructional programs. New programs or expansions either would not have occurred without the grant funding, or took place sooner than they would have without the state investment.

- The creation of the matching grant program in the 1999-2001 budget responded directly to concerns by industry that the state was not doing enough to expand its capacity to train baccalaureate-level students for high-skill, high-wage jobs in the technology field. Unfortunately, the state was unable to continue the initiative in 2001-03, despite evidence that the need for information technology education will continue to grow.
- The University of Washington and Washington State University generally were able to raise more matching resources more quickly than the comprehensive universities, reflecting the research institutions' strong ongoing fund-raising capabilities. This enabled the research universities to apply for and support larger grants than the comprehensive universities.
- Across the state, universities report continuing challenges in the recruitment and retention of faculty in information technology programs. This problem, which has implications far beyond these grants, affects the universities' short- and long-term ability to develop and sustain important programs.

GRANT ADMINISTRATION OVERVIEW

Following consultation with the legislative fiscal and higher education committees and the Office of Financial Management, the HECB distributed a request for proposals in June 1999 to the public baccalaureate institutions. In early August, the HECB received eight proposals from five of the public baccalaureate institutions. The requests totaled \$2.8 million. A review committee comprised of information technology faculty from two out-of-state universities, representatives of the information technology business sector, a representative of Gov. Gary Locke, and several HECB staff evaluated the proposals.

In September 1999, the Board:

1. Authorized grants for the following projects:

- University of Washington: \$1 million – Computer Engineering expansion
- Washington State University: \$280,000 – Computer Science instructional support
- Washington State University: \$220,000 – Embedded Computer Systems Laboratory
- Western Washington University: \$274,518 – Internet Studies Center

2. Extended conditional approval to WWU for the Center for Internet Studies grant, because the university had not yet received the required donations of matching non-state funds. The Board's conditional approval directed the HECB staff to release the grant as WWU received matching funds.

3. Directed the HECB staff to conduct a second-round grant process. The total biennial cost of the four approved projects was \$1.75 million, leaving \$225,000 available for further grants. During the second-round process, each institution (except for the UW, which received the maximum \$1 million grant) was encouraged to apply for all, or a portion, of the remaining funds. The Board set a deadline of Nov. 15, 1999, for the second-round proposals.

In the two months following the Board's actions of September 1999:

1. **The HECB staff issued a request for second-round proposals** and received three proposals for the remaining grant funds. The review committee evaluated the proposals and recommended funding two proposals.
2. **Western Washington University received** the required first-year matching fund donations for its Center for Internet Studies grant.

In December 1999, the Board:

1. Authorized grants for the following projects:

- Eastern Washington University: \$100,000 — Center for Distributed Computing Studies
- Washington State University: \$125,000 — Technology Teaching Laboratory

2. **Extended full approval for the release of first-year grant funds** to support Western Washington University's proposed Center for Internet Studies.

Following the approval of each of these six grants, the HECB staff worked with university representatives to execute interagency agreements, spelling out the terms under which the grants were provided. Because the budget provided funding for the information technology instruction grants in two annual installments, only the first-year funds were available during the 1999-2000 academic year. Second-year funds for 2000-2001 were released after July 1, 2000, upon the institutions' satisfactory completion of progress reports that described their progress during the first year of the biennium.

Each institution submitted progress reports following the 1999-2000 academic year, and fulfilled their obligations by submitting final reports during 2001. Each project and its related outcomes are summarized below.

MATCHING GRANT PROJECTS FUNDED DURING 1999-2001

Eastern Washington University: \$100,000 – Center for Distributed Computing Studies

The \$100,000 grant, plus matching funds, enabled EWU to establish a center to educate students in the field of "distributed computing." New offerings through the CDC included instruction in hardware and software aspects of real-time computing systems; advanced programming; and the technical and operational aspects of high-performance networked computing systems. This rapidly emerging field involves linking a series of individual computers into a network in which the computers function as one to complete a particular task. Computer animators and cellular telephone companies use distributed computing to develop new standards for wireless offices.

Project results:

- EWU hired three new faculty members in the first year of the grant.
- As originally planned, the CDC was in place in fall 2000, and the first group of students educated through the center graduated in spring 2001.
- Two laboratories, the Advanced Systems Laboratory in Cheney and the Software Engineering Laboratory in Spokane (at SIRTI), were equipped for courses and projects in distributed computing.
- The project exceeded the original goal of establishing three new CDC courses. Ultimately, 95 students enrolled in courses or instructional units in distributed computing design, distributed multiprocessing environments, 3-D animation, and neural networks.
- The university continues to offer and develop courses that incorporate distributed computing concepts and practices.
- EWU launched extensive efforts to develop and expand partnerships with other public institutions and private-sector companies.
- The CDC, coupled with other initiatives in the computer science department, has enabled the department to increase the number of declared majors by approximately 10 percent from fall 1999 (403) to fall 2000 (443). The number of declared majors has more than doubled since fall 1996.

University of Washington: \$1 million – Computer Engineering Expansion

The \$1 million grant, which was the maximum available to any single university, helped the UW significantly expand its computer engineering undergraduate major program. The university's pledge to double the size of its computer engineering undergraduate major program has required significant institutional resources from within the university, in addition to the state grant and the matching private-sector donations of cash, equipment and software. Primary sources of matching funds included Microsoft; Visteon Automotive Systems, a unit of the Ford Motor Company; and Intel. In addition to expanding the number of majors, the UW also expects related increases in enrollment in related graduate programs and in introductory course enrollment.

Project results:

- The university used first-year grant funds to remodel laboratories and offices. Other funds —from federal grants, industry donations and unfilled faculty positions — were used for equipment and related costs. One 1,500-square-foot room in Sieg Hall was converted into laboratories.
- Second-year funds added working space for new faculty and staff and continued the development of laboratory space.
- The university began teaching additional students in fall 1999 by adding capacity to existing courses and offering new courses. During 1999-2000, the university admitted 157 new students to the department. During 2000-01, the university admitted 171 new students. In both years, expansion of enrollment outpaced earlier projections. Historically, the university admitted 120 new students each academic year.

- Overall, the university *exceeded* its enrollment expansion target during 1999-2001 by 25 percent.

Washington State University: \$280,000 – Computer Science Instructional Support

The \$280,000 grant for the expansion of the WSU Computer Science program garnered the support of more than \$500,000 in donations of cash, equipment, and software from The Boeing Co., Microsoft, and Alias Wavefront. Total project funding enabled WSU to increase support for students who take the introductory programming course and to add or enlarge three laboratories. A new bachelor of arts program in computer science began in fall 1999, and this project helped support some of the many new students.

Project results:

- The school improved its introductory computer science course by upgrading the course laboratory (25 new work stations were installed) and changing the operating system used by students from Unix to Windows 2000. Two Web-based tutorials were developed to help students, including a Web Forum that allows students to post questions or answers about course material.
- New wireless technology enabled the university to develop a wireless “virtual lab” — rather than using switches and cables — allowing students to get access to the lab from anywhere in the School of Electrical Engineering and Computer Science buildings. This lab went online in summer 2001.
- A 3-D animation lab, equipped with 20 work stations and related software, began operating in spring 2001.
- The lab’s total enrollment capacity is 100, and nearly that many students will take one or both of the animation courses developed for the lab.

Washington State University: \$220,000 – Embedded Computer Systems Lab

The \$220,000 grant, coupled with private funding, enabled WSU to develop an embedded systems laboratory and to triple the number of students trained each year in this rapidly growing field. “Embedded systems” is a relatively new — but very important — field of instruction, reflecting the fact that the majority of new computers actually function as medical instruments, traffic signals, microwave ovens, and many other devices. Companies such as Wind River Systems (formerly Diab SDS), Microsoft, NetBurner, Tektronix, and Coastline Micro contributed to the laboratory project.

Project results:

- The Embedded Systems Laboratory opened for student use in January 2000, with 18 work stations for undergraduate and graduate students to use.
- The laboratory met its goal of serving 72 students in 2000-01.
- The university used second-year funds to upgrade work stations and provide other tools for software debugging and development.

Washington State University: \$125,000 – Technology Teaching Laboratory

The \$125,000 grant enabled WSU to develop a new 45-station teaching lab for the management information systems program within the College of Business and Economics. This project was designed to support WSU's proposed overall expansion of the MIS program, which was supported through a separate grant from the HECB high-demand enrollment project. The teaching lab earned nearly twice the amount of the grant in matching support, and the university reallocated significant internal funds for initial work on the project.

Project results:

- The new \$500,000 teaching lab, with 48 networked stations, opened in November 2000. A software donation from Microsoft Research valued at \$825,000 for the computer lab and the MIS program supplemented the HECB grant.
- The lab includes equipment for video conferencing and distance education, attributes which meet and exceed the original proposal to the HECB.
- In spring 2001, the MIS program began offering six courses in the MIS lab with the intent to expand the offerings to the maximum capacity of 14 in the following semesters.
- In addition to classes offered in the lab, the school hosts weekly faculty research seminars, staffed and open labs for students, MIS student club meetings, guest speakers and videoconference meetings.
- The lab permits MIS faculty to teach state-of-the-art technologies and systems consistently across classes.
- The university reports the teaching lab is an integral component of its increase in the number of classes, enrollments and MIS graduates between 1995-96 and 2000-01. There were 37 MIS degrees granted in 1995-96, and 227 in 2000-01.

Western Washington University: \$274,518 – Internet Studies Center

This grant supported the creation of WWU's Center for Internet Studies, which has allowed the university to expand and reorganize its instructional offerings in all phases of Web development and other uses of the Internet. WWU projects that the interdisciplinary center will significantly increase the number of graduates with skills in all facets of Web development, and will support an increase of 10 computer science majors per year — an increase of roughly one-third. The project has earned the support of grants from Microsoft, US West, and NetManage.

Project results:

- The Internet Studies Center opened in October 2000, and a related 25-station computer lab began operating in spring 2000.
- All lower-division computer science courses are filled to capacity, and the introductory computer science course has grown to three offerings a year, with capacity of more than 100 students per term.
- The program focus, in the face of the dot-com recession, remains on providing students a long-term perspective on principles of Web communication and infrastructure development, rather than short-term training in the use of specific Web tools.

- The center faculty continues to consult with Web developers about long-term curriculum development.
- WWU secured matching funds equivalent to \$242,535 during the biennium. A total of \$31,983 that was allocated for the project was not matched by non-state donations and remained unspent at the end of the biennium.

RESOLUTION NO. 01-38

WHEREAS, The 1999-2001 state operating budget provided new matching grant funding to help Washington's public baccalaureate institutions expand their capacity to deliver information technology instruction; and

WHEREAS, The Higher Education Coordinating Board was directed to administer a competitive information technology matching grant program; and

WHEREAS, The budget directed the Higher Education Coordinating Board to provide a report on the outcomes of the program to the Governor and the legislative fiscal committees;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the transmittal of the final report of the Information Technology Matching Grant program to the Office of the Governor, the Senate Ways and Means Committee, the House Appropriations Committee and the House and Senate Higher Education Committees.

Adopted:

December 13, 2001

Attest:

Bob Craves, Chair

Gay Selby, Vice Chair

STATUS REPORT

1999-2001 Teacher-Training Pilot Program Grant

December 2001

BACKGROUND

Substitute House Bill (SHB) 1729, enacted by the Governor and the 1999 Legislature, provided new incentive funding to help educational institutions develop coordinated, innovative programs of teacher training that would involve high schools, community colleges, and four-year institutions. SHB 1729 specifically directed the HECB to administer a competitive grant program to achieve this goal. Senate Bill 5180 included grant funding of \$150,000 for each year of the 1999-2001 Biennium to support the pilot programs for teacher training.

In July 1999, the HECB adopted *Resolution 99-27*, which outlined the Request for Proposals (RFP) process to review and approve the grant proposals for these pilot projects. On September 2, 1999, a review committee comprised of representatives from the HECB staff, K-12 education system, the community and technical colleges, and the four-year institutions reviewed and ranked 10 proposals. Of the 10 received, the review committee recommended funding two proposals, which the HECB approved September 15, 1999.

- **Western Washington University, Everett Community College, Skagit Valley Community College, Whatcom Community College Teacher-Training Pilot Program in Collaboration with Bellingham, Blaine, Everett, and Sedro-Woolley School Districts – \$149,966 for the 1999-2001 Biennium.**
- **University of Washington-Bothell Teacher-Training Pilot Program in Collaboration with Cascadia Community College District and Northshore and Lake Washington School Districts – \$144,698 for the 1999-2001 Biennium.**

PROGRAM RESULTS

SHB 1729 stipulated, “*Beginning on December 31, 2001, the higher education coordinating board shall submit an annual written report to the education and higher education committees of the legislature, the state board of education, and the office of the superintendent of public instruction on the status of the pilot project.*” In keeping with this stipulation, program results for the 1999-2001 Teacher-Training Pilot Programs are presented in this report.

The **University of Washington, Bothell (UWB)** proposal focused on establishing a teacher-training program that would combine early identification of prospective teachers at the high schools, preparatory experiences at the community college, and culminating course work and field experiences at the university. This program has developed notable results.

UWB Program Results

- Cascadia Community College will be granting community college transfer credit to students who complete one year in a high school *Teaching Academy* course.
- In addition to the *Introduction to Education* course, Cascadia has developed an advanced education course for fall 2001.
- For its *Introduction to Education* course, Cascadia developed a course Web site, including information on courses and teacher certification, extended resources, and a professor's corner. Education students at Cascadia continue to use this Web site.
- The UWB initiated mentoring systems for pre-service and first-year teachers. These systems are being extended to other school districts.
- The core group of high school, community college, and university teachers and administrators has established a clear and supportive path for prospective teachers to follow from high school through the first year of teaching.
- A replicable model for other high school/community college/university partnerships has been created.

The **Western Washington University (WWU)** proposal focused on supporting an efficient articulation stream from public schools to community college direct-transfer Associate of Arts degree programs to a bachelor's degree at Western, while increasing the proportion of students of color in teacher education programs. Several significant products have resulted from this proposal:

WWU Program Results

- Whatcom Community College and WWU established an AA transfer degree in education.
- Partner community colleges and WWU signed an articulation agreement.
- Partner community colleges and WWU signed course equivalency agreements for courses in psychology, early childhood education, instructional technology, special education, and behavior management.
- Partner institutions developed a Web site and a brochure to advise students.
- Partner institutions restructured information systems to track potential teacher education students from institution to institution.
- WWU sponsored *Teachers Recruiting Future Teachers* workshops for public school teachers.

RECOMMENDATION

The Higher Education Coordinating Board approves the transmittal of the *Outcomes Report: 1999-2001 Teacher Training Pilot Program Grant* to the Education and Higher Education Committees of the Legislature, the State Board of Education, and the Office of the Superintendent of Public Instruction.

RESOLUTION NO. 01-39

WHEREAS, Substitute House Bill (SHB) 1729 provided new incentive funding to help educational institutions develop coordinated, innovative programs of teacher training that would involve high schools, community colleges, and four-year institutions; and

WHEREAS, SHB 1729 directed the Higher Education Coordinating Board to administer a competitive teacher education pilot program competitive grant program; and

WHEREAS, SHB 1729 stipulated, "Beginning on December 31, 2001, the Higher Education Coordinating Board shall submit an annual written report to the Education and Higher Education Committees of the Legislature, the State Board of Education, and the Office of the Superintendent of Public Instruction on the status of the pilot project";

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the transmittal of the "Outcomes Report: 1999-2001 Teacher-Training Pilot Program Grant" to the Education and Higher Education Committees of the Legislature, the State Board for Education, and the Office of the Superintendent of Public Instruction.

Adopted:

December 13, 2001

Attest:

Bob Craves, Chair

Gay Selby, Vice Chair

Child Care Grants

December 2001

BACKGROUND

The 2001 Legislature provided \$150,000 in state funds for child care grants for the Higher Education Coordinating Board (HECB) to distribute through competitive application to public baccalaureate institutions in the 2001-2003 biennium. A separate pool of funds was provided for community and technical colleges.

Applications for matching grants for the 2001-2003 biennium were due to the HECB on October 15, 2001. The \$150,000 that is provided for these grants is to be divided equally in each of the two fiscal years at \$75,000 per fiscal year. No single institution may receive more than half the funds appropriated for this program.

The Board approved at its October 30 meeting a grant in the amount of \$69,000 for Central Washington University for a child care grant proposal. This action left \$81,000 of the \$150,000 appropriation remaining, with two institutions in the process of revising their proposals. In addition, the amount of \$628.84 remains unexpended from appropriations for child care grants in the 1999-2001 biennium. The Board has received revised proposals from Washington State University (WSU) and The Evergreen State College (TESC).

HECB staff have reviewed these revised proposals and discussed them with the members of the review committee representing the Washington Association for the Education of Young Children, the Child Care Coordinating Committee, and the Child Care Resource and Referral Network. The review committee recommends the following two awards.

Washington State University/Pullman \$39,564

The review committee recommends that the Board authorize \$39,564 in grant funds (\$9,607 in FY 2002 and \$29,957 in FY 2003) to support the Washington State University proposal to enhance evening child care services and continue its parent co-operative program.

WSU currently provides an on-campus evening child care program for 124 registered children whose parents attend evening labs and classes. This drop-in evening program is currently the only one available in the community. The state grant will allow WSU to continue this program in fiscal year 2003 and keep parent fees affordable for students.

In addition, during fiscal year 2001, WSU operated a parent cooperative program in which student parents could work at the Children's Center in exchange for a reduction of their child care costs. This opportunity benefits parents both financially and through the training and experience they gain working in a supervised child care setting. Grant funds will allow this

parent cooperative program to be re-started in January 2002 and continue throughout the next academic year (ending May 2003). Due to limited resources, the parent co-operative program is funded at less than the requested level in fiscal year 2003.

The Evergreen State College**\$42,064.84**

The review committee recommends that the Board authorize \$42,064.84 in grant funds (\$31,521.84 in FY 2002 and \$10,543 in FY 2003) to support the proposal by The Evergreen State College to enhance student-teacher training, provide parent-education materials, and provide furnishings for both a parent support area and for a planned expansion to the child development center.

The grant will provide 11 hours per quarter of additional training to student teacher aides. In addition, the school will purchase books, videos, materials and a TV/VCR to establish a parent training and study area. The college plans to open the addition in winter quarter of 2003, and it will double the capacity of the child care program. The college requests grant funding for furniture, play area and activity equipment, furnishings for the toddler and pre-school rooms, and student-parent desks and chairs. Since the addition is not yet under construction, the grant will stipulate that purchase of the requested equipment be funded to coincide with construction progress.

NEXT STEPS

Following the Board's action, interagency agreements between the HECB and Washington State University and The Evergreen State College will be executed, spelling out the terms under which the grants are provided, including reporting requirements. The HECB executive director and the appropriate representative of the universities will sign the agreements.

Fiscal year 2003 funds for all three approved child care grants will become available when the grantee institutions satisfactorily complete first-year progress reports.

RESOLUTION NO. 01-40

WHEREAS, The Higher Education Coordinating Board (HECB) has been directed by the Legislature and Governor to administer grants totaling \$150,000 for the 2001-2003 biennium to encourage programs providing high quality, accessible, and affordable child care for students attending public baccalaureate institutions; and

WHEREAS, The amount of \$628.84 remains unexpended from appropriations made for child care grants during the 1999-2001 biennium, and this amount may be added to the current appropriation level for distribution to grantees; and

WHEREAS, The Higher Education Coordinating Board staff prepared and circulated a Request for Proposals to all the public baccalaureate institutions, and invited proposals from each institution; and

WHEREAS, Grant requests were received from three institutions: Central Washington University, The Evergreen State College, and Washington State University; and

WHEREAS, The Higher Education Coordinating Board staff and external experts representing child care organizations evaluated the grant proposals and recommended funding in the amount of \$69,000 to Central Washington University, and continuing the review of grant proposals for the remaining funds available; and

WHEREAS, The Higher Education Coordinating Board approved a grant totaling \$69,000 for Central Washington University at its meeting October 30, 2001, leaving the amount of \$81,628.84 available for award; and

WHEREAS, Revised grant requests were received from The Evergreen State College and Washington State University, and these revised requests addressed the questions and comments of HECB staff and the external experts on the review committee;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves a grant to Washington State University in the amount of \$39,564, and a grant to The Evergreen State College in the amount of \$42,064.84; and

BE IT FURTHER RESOLVED, That HECB staff is directed to release the funding upon the execution by the executive director of interagency agreements spelling out the terms of the grant process.

Adopted:

December 13, 2001

Attest:

Bob Craves, Chair

Gay Selby, Vice Chair

Status Report Notification of Intent

December 2001

INTRODUCTION

In January 2001, the Higher Education Coordinating Board adopted revised *Guidelines for Program Planning, Approval and Review* in order to expedite and improve the process for the institutions and HECB alike. One of the major changes in the *Guidelines* includes a new program review and approval process for existing degree programs proposed to be offered at a branch campus, a new off-campus location, via distance learning technologies, or a combination of delivery methods.

The process requires an institution to submit a Notification of Intent (NOI) in electronic format to the HECB at least 45 days prior to the proposed start date of the program. The NOI includes the following information:

- Name of institution
- Degree title
- Delivery mechanism
- Location
- Implementation date
- Substantive statement of need
- Source of funding
- Year 1 and full enrollment targets (FTE and headcount)

HECB staff posts the institution's NOI on the HECB Web site within 5 business days of receipt, and via email notifies the provosts of the other public four-year institutions, the Washington Association of Independent Colleges and Universities, the Inter-institutional Committee on Academic Program Planning, and the Council of Presidents. The other public four-year institutions and HECB staff have 30 days to review and comment on the NOI via an email link on the HECB Web site.

If there are no objections, the HECB Executive Director approves the existing degree program proposed to be offered at a branch campus, a new off-campus location, via distance learning technologies, or a combination of delivery methods. If there is controversy, the HECB will employ its dispute resolution process.

STATUS REPORT

From October 25, 2001, through December 11, 2001, the HECB Executive Director has approved the following existing degree program in accordance with the NOI process.

Institution	Degree Title	Location	Approval Date
EWU	BS Technology/Applied Technology Option	Clark College	November 28, 2001

State Need Grant Update

December 2001

Background

The Board's September 2001 meeting packet (Tab 6) included a State Need Grant program update. The update provided summary information on student eligibility, briefly described how the program is administered, and noted work underway to improve the process used by the Board to allocate State Need Grant funds to institutions for distribution to eligible students. The September report also included preliminary information on institutional allocations and expenditures for the 2000-2001 academic year.

This paper outlines the program's major goals, principles, and outcomes and provides updated information on work underway to improve program administration. Attached is a report showing final, reconciled State Need Grant disbursements by sector and by institution for the 2000-2001 academic year, as well as the initial reserve made to each participating institution for the 2001-2002 academic year.

The State Need Grant program's distinguishing characteristic is its statewide-consistent determination of student eligibility and standardized grant amounts. Unlike many other financial aid programs, in which institutions specify student eligibility criteria and award amounts within broad guidelines, State Need Grant eligibility and grant amounts are established by the Higher Education Coordinating Board (HECB) and are uniformly applied by participating institutions. As a result, students with similar circumstances (based on income and family size) receive equal treatment regardless of where they live or go to college.

Several principles framed the establishment of the State Need Grant program. Although some aspects of the program have been modified in response to changes in federal student financial aid policies, or as a result of program evaluations conducted by the HECB or its predecessor agencies, the program's fundamental goals have remained essentially unchanged since the program's inception some thirty years ago. These goals and principles and their resulting outcomes, include the following:

Goal	Principles	Outcomes
Access to post-secondary education for Washington residents who could not attend without financial assistance	<ul style="list-style-type: none">▪ The State Need Grant program should increase higher education opportunities for citizens of the state who are the lowest income and demonstrate the most economic need.	<ul style="list-style-type: none">▪ Postsecondary educational opportunity for academically prepared state residents who do not have the financial means to attend without assistance.▪ Citizens with education/training to contribute to the state's economic and social welfare.

Goal	Principles	Outcomes
Statewide consistency	<ul style="list-style-type: none"> ▪ Eligibility for a grant is the same for students across the state. ▪ Grant amounts are the same for students attending the same types of institutions. 	<ul style="list-style-type: none"> ▪ Enables the Legislature to establish statewide goals for grant eligibility, estimate associated costs, know what income levels will be served, and measure the extent to which available appropriations met the intended goals. ▪ Statewide consistent program policies and administrative procedures. ▪ Equitable treatment of students with similar financial circumstances. ▪ Students and their families have reasonable certainty regarding their eligibility.
Focus on students	<ul style="list-style-type: none"> ▪ Eligibility for a grant is based on the individual's financial circumstances, not on which eligible college they attend. 	<ul style="list-style-type: none"> ▪ Eligibility is the same at all participating institutions. ▪ Eligibility not subject to institutional decisions regarding amount of revenue to be expended for student financial aid or local eligibility criteria.
Centralized policy and oversight; local administration	<ul style="list-style-type: none"> ▪ Statewide consistent student eligibility and sector-consistent grant amounts. ▪ Institutional identification, awarding, and monitoring of eligible students. 	<ul style="list-style-type: none"> ▪ Statewide policy development, fund management, and program evaluation. ▪ Institutional recipient identification and program administration. ▪ Coordination of SNG with other sources and types of financial aid.
Student choice of eligible institutions and program of study	<ul style="list-style-type: none"> ▪ Grants are to follow students to their choice of eligible institutions. ▪ The program allows for vocational and academic study at any eligible institution. 	<ul style="list-style-type: none"> ▪ Grants may be used for vocational training or for study leading to an associate or baccalaureate degree at any participating career college, public community/technical college, public baccalaureate institution, or independent college or university. ▪ Students do not lose eligibility if they transfer to another participating institution.
Maximization of state resources	<ul style="list-style-type: none"> ▪ Policies and administrative procedures for the State Need Grant program are to complement and be coordinated with other existing financial aid programs. 	<ul style="list-style-type: none"> ▪ Responsiveness to needs not met by other federal, state, or institutional financial aid programs. ▪ Minimized administrative costs.

The State Need Grant program features statewide policies and coordination, together with local recipient identification and administration. This model, which capitalizes on the roles best played by the Higher Education Coordinating Board and by institutions, provides benefits that could not be achieved through a program administered exclusively by a centralized agency, or exclusively by individual institutions.

It is in this “shared responsibility” context that the Board periodically reviews program policies and administrative procedures to ensure that the program is responsive to state policy objectives and student needs. The Board further looks to see that administrative processes support institutions’ abilities to serve the intended population as efficiently as possible.

As reported in the September briefing paper, HECB staff have recently been engaged in a review of the processes used to allocate State Need Grant appropriations to institutions for distribution to eligible students. The staff convened a work group comprised of financial aid directors from each sector, along with representatives of the Washington Association of Independent Colleges and Universities, the State Board for Community and Technical Colleges, the Council of Presidents, and the Washington Federation of Private Career Schools and Colleges to assist in this review. In addition, staff members from the Senate and House higher education and fiscal committees have been invited to participate in work group meetings.

The work group has focused on issues related to program administration. The group has developed a method whereby institutions can provide the HECB with the information it needs to more accurately forecast student eligibility and enrollment patterns, by institution, for the upcoming year. In addition, the work group has considered ways in which the Board can provide institutions with earlier notification of student eligibility criteria and grant amounts, and minimize the need for adjustments once awards have been made to students.

To facilitate these improvements, the work group proposed an enhanced reporting procedure that will provide detailed, student-specific reports on State Need Grant recipients each term, along with information regarding eligible students who could not be awarded grants due to lack of funds. Schools will report this information each term.

The new reporting procedure was implemented this fall. Data from the first reports are being compiled, and will be reported to the Board at its meeting in December.

STATE NEED GRANT DISTRIBUTION BY SECTOR

Sector	2000-2001 Disbursements		2001-2002 Reserve	
	# of Students Served	Total Allocated and Disbursed	Initial Reserve	% Change From 2000-01
Doctoral	8,820	\$22,799,765	\$24,523,113	8%
Regional	7,819	16,163,071	16,880,251	4%
Private Four Year	3201	8,520,190	8,314,468	-2%
CTC	30,612	35,764,439	36,178,718	1%
Private Career Colleges	2,854	3,408,886	3,721,605	9%
Reciprocity	39	78,800	9,000	-89%
Total	53,345	\$86,735,151	\$89,627,155	3%

STATE NEED GRANT DISTRIBUTION BY INSTITUTION

Institution	2000-2001 Disbursements			2001-2002 Reserve
	# of Students Served	Total Allocated and Disbursed	Maximum % MFI Level Served	Initial Reserve
University of Washington	5,168	\$13,649,084	65	\$14,337,774
Washington State University	3,652	9,150,681	65	10,185,338
Central Washington University	2,092	4,350,080	65	4,164,200
Eastern Washington University	2,286	4,918,838	65	5,199,507
The Evergreen State College	976	2,046,620	65	2,596,827
Western Washington University	2,465	4,847,533	65	4,919,716
North Idaho College	5	7,752	55	9,000
Portland State University	34	71,048	55	N/A
Bastyr University	52	131,982	55	133,673
Cornish Institute	123	359,088	55	380,576
Heritage College	363	871,634	65	839,092
Gonzaga University	372	969,284	65	976,619
Henry Cogswell	8	29,330	65	26,397
Northwest College-Kirkland	134	368,478	65	374,508
NW College of Art-Poulsbo	12	18,757	65	26,596
Pacific Lutheran University	530	1,472,650	65	1,327,800
Saint Martin's College	233	568,342	65	625,388
Seattle Pacific University	292	801,717	65	798,203
Seattle University	482	1,336,938	65	1,226,854
University of Puget Sound	122	350,721	65	314,164
Walla Walla College	178	486,733	65	474,200
Whitman College	48	143,298	59	139,334
Whitworth College	252	611,238	65	651,065

Institution	2000-2001 Disbursements			2001-2002 Reserve
	# of Students Served	Total Allocated and Disbursed	Maximum % MFI Level Served	Initial Reserve
Bellevue Community College	955	\$1,131,786	65	\$1,054,859
Big Bend Community College	421	578,048	65	679,944
Cascadia Community College	105	120,000	65	157,250
Centralia College	493	615,667	65	619,364
Clark College	1,510	1,533,196	65	1,480,080
Columbia Basin College	953	1,066,613	65	1,137,233
Edmonds Community College	853	1,125,393	65	1,017,657
Everett Community College	755	889,291	65	841,914
Pierce College	1,273	1,516,102	65	1,354,119
Grays Harbor College	709	818,987	65	749,839
Green River Community College	668	653,369	65	698,398
Highline College	1,047	1,362,333	65	1,326,366
Lower Columbia College	892	948,950	65	983,084
South Puget Sound Community Col.	917	1,038,558	65	1,021,190
Olympic College	1,000	1,221,897	65	1,136,758
Peninsula College	526	610,993	65	637,041
Seattle Central Community College	1,343	1,496,153	65	1,476,794
North Seattle Community College	658	758,911	55	709,841
South Seattle Community College	509	621,655	55	587,450
Shoreline Community College	772	900,814	65	905,860
Skagit Valley College	796	932,131	65	911,599
Spokane Community College	2,889	3,656,534	65	4,505,082
Spokane Falls Community College	2,317	2,832,465	65	2,736,851
Tacoma Community College	1,533	1,528,338	65	1,614,635
Walla Walla Community College	649	878,896	65	903,285
Wenatchee Valley College	854	1,034,847	65	1,046,240
Whatcom Community College	903	962,406	65	930,647
Yakima Valley College	1,320	1,543,735	65	1,539,190
Northwest Indian College	206	192,802	65	247,239
Bates Technical College	627	779,182	65	750,867
Bellingham Technical College	282	300,971	65	309,188
Clover Park Technical College	950	1,086,004	65	1,075,347
Lake Wash Technical College	433	498,300	65	471,859
Renton Technical College	384	420,597	65	451,237
Seattle Vocational Institute	110	108,517	65	110,411

	2000-2001 Disbursements			2001-2002 Reserve
Institution	# of Students Served	Total Allocated and Disbursed	Maximum % MFI Level Served	Initial Reserve
ITT Tech. Institute - Seattle	235	\$ 289,767	65	\$ 301,640
ITT Tech. Institute - Spokane	295	348,173	65	324,211
Business Computer Training Inst.	907	1,049,213	65	1,154,893
Divers Institute of Technology	10	17,988	50	16,189
International Air Academy	58	59,953	65	125,843
Interface Computer School	141	165,942	65	194,767
Crown College	54	51,727	65	54,982
Gene Juarez Academy	112	149,165	65	167,777
Bryman College	212	223,431	65	368,466
Art Institute of Seattle	420	516,462	65	476,178
Perry Technical Institute	154	204,057	65	180,681
Court Reporting Institute	106	140,572	65	146,328
Ashmead College	26	28,968	under 55	39,844
Clare's Beauty College	49	73,545	65	86,009
Glen Dow Academy	75	89,923	60	83,798
GRAND TOTALS	53,345	\$86,753,151		\$89,627,155

Status Report
**HECB Review of Transfer and Articulation
Policies and Practices**

December 2001

BACKGROUND

At its May 30, 2001 meeting, the Higher Education Coordinating Board (HECB) took action (Resolution 01-25) to begin a review of current transfer and articulation policies and practices among the community colleges and universities.

This review resulted from the HECB's 2000 Master Plan directive to work with students, faculty and university and college administrators to identify barriers or obstacles to student learning and how institutions would respond to such obstacles. This "barriers review" identified many potential obstacles; for some, specific plans for corrective action are already underway. Other barriers grew out of confusion or misunderstanding of current law or policy. But many other obstacles stemmed from problems with transfer and articulation.

Specifically, in the barriers review process, stakeholders shared stories about the consequences of ineffective transfer and articulation policies or practices, such as students having to make up courses or take much longer to earn a degree.

Concurrent with the review of these reported obstacles, the Board also recognized that numerous transfer and articulation agreements have been and are being developed by various entities within the higher education community.

While supporting these efforts, the Board also recognized the need to understand these activities and agreements within the overall context of statewide transfer articulation policy and law and to assess how these efforts address the transfer and articulation problems reported to the Board.

STUDY PROCESS

In response to these needs, a preliminary study framework was presented to the Board. It is important to emphasize that, in accordance with Resolution 01-25, the preliminary study scope was to be reviewed and refined through the collaborative study process discussed below.

A "Transfer and Articulation Policy and Practices Action Group" was established (see page 3). This group is comprised of representatives of the public universities and colleges, the independent institutions, the State Board for Community and Technical Colleges, and the Council of Presidents. The group is responsible for recommending changes in policy or other administrative actions to correct existing problems.

The “Transfer and Articulation Policy and Practices Action Group” met on November 20, 2001. At this meeting many aspects of the transfer process were discussed with suggestions for how and where the process could be improved.

In addition, the Board conducted a roundtable discussion at its October meeting on community colleges and branch campus issues. A key issue discussed was articulation.

A summary of the issues discussed and suggestions made at these meetings will be presented at the December Board meeting.

TRANSFER AND ARTICULATION POLICY ACTION GROUP

FRED CAMPBELL
University of Washington

ROBERT CORBETT
University of Washington

JIM RIMPAU
Washington State University

JANE SHERMAN
Washington State University

MIKE REILLY
Central Washington University

STEVE HUNTER
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MARK BALDWIN
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STEVE HANSON
Edmonds Community College

MARY CHIKWINYA
Pierce College/Puyallup

MARTIN HEILSTEDT
Renton Technical College

CYNTHIA FLYNN
Council of Presidents

VIOLET BOYER
Washington Association of Independent
Colleges and Universities

LORETTA SEPPANEN
State Board for Community and Technical
Colleges

Graduation Requirements At the Public Baccalaureates

Table 1

Common Requirements

- A minimum of 180 quarter hour or 120 semester hour credits
- A minimum of 60 quarter hour or 40 semester hour credits of upper-division study (except TESC)
- Complete an approved academic major (except TESC)
- Complete at least 45 quarter hour or 30 semester hour credits in residence (UW-final 45 credits; WSU-senior year; TESC-45 of final 90; and WWU-final quarter)
- Fulfill general education and proficiency requirements (see Table 2)
- Transfer students with a Direct Transfer Degree from a Washington or other approved community college exempt from lower-division general education requirements
- Meet minimum grade point average requirements for major and institution (standards vary among departments; a cumulative institutional GPA of at least 2.0 for all work done in residence (except TESC))

Table 2

GERs/GURs

<p>UW (College of Arts & Sciences) 95-110 quarter credit hours</p> <ul style="list-style-type: none">• Language Skills (5-20)<ul style="list-style-type: none">○ English Composition (5)○ Foreign Language (0-15)• Reasoning and Writing in Context<ul style="list-style-type: none">○ Quantitative/symbolic reasoning (5)○ Additional writing courses (10)• Areas of Knowledge (75)<ul style="list-style-type: none">○ At least 20 credits in each of the following:<ul style="list-style-type: none">▪ Visual, Literary, and Performing Arts▪ Individuals and Societies▪ The Natural World	<p>WSU 40 semester credit hours</p> <ul style="list-style-type: none">• Tier I: 15 semester hours<ul style="list-style-type: none">○ World Civilizations (6)○ Written Communications (3)○ Mathematics Proficiency (3)○ Sciences (3)• Tier II: 22 semester hours<ul style="list-style-type: none">○ Communication Proficiency (3)○ Arts and Humanities (3)○ Social Sciences (3)○ Arts and Humanities/social Sciences (3)○ Intercultural Studies (3)○ Sciences (7)• Tier III: 3 semester hours<ul style="list-style-type: none">○ Tier III course (3)• American Diversity Course• Satisfy the University Junior Writing Portfolio• Two courses identified as writing in the major
<p>CWU</p> <ul style="list-style-type: none">• Basic Skills Requirements (min. 21 hours)<ul style="list-style-type: none">○ English○ Math and Reasoning○ Foreign Language○ Computer Skills• Breadth Requirement (min. 38 hours)<ul style="list-style-type: none">○ Arts and Humanities (one course from each of three groups, min. 13 hours)○ Social and Behavioral Sciences (one course from each of three groups, min. 11 hours)○ The Natural Sciences (one course from each of three groups, min. 14 hours)	<p>EWU</p> <ul style="list-style-type: none">• University Competencies and Proficiencies (10-16 credits)<ul style="list-style-type: none">○ Writing○ Mathematics○ Computer Literacy• General Education Core Requirements (32-40 credits)<ul style="list-style-type: none">○ Humanities and Fine Arts (2 or 3 courses)○ Social Sciences (2 or 3 courses)○ Natural Sciences (2 or 3 courses)• Cultural and gender diversity and international studies (8 credits)• Senior capstone graduation requirement
<p>TESC</p> <ul style="list-style-type: none">• None	<p>WWU</p> <ul style="list-style-type: none">• Communications (8-10)• Mathematics (3-10) <i>or test out</i>• Humanities (20)• Social Sciences (17)• Comparative, Gender and Multicultural Studies (8)• Natural Sciences (12-20)• Complete at least one designated writing proficiency course at WWU

Examples of CTC Programs and Degrees

Professional/Technical Programs

Accounting
Aeronautical Technology
Agriculture
Automotive Technology
Business Administration
Business Information Technology
Chemical Dependency Counselor
Computer Science
Construction Technology
Cosmetology
Criminal Justice
Culinary Arts
Dental Hygiene
Diagnostic Ultrasound
Diesel Technology
Drafting
Early Childhood Education
Engineering Technology
Fire Command Administration
Fire Science
Hotel Management
Human Resources Management
Library Technician
Manufacturing Technology
Medical Laboratory Technology
Nursing
Occupational Therapy
Para-educator
Paralegal
Paramedic
Pharmacy Technician
Welding
Veterinary Technology

Examples of Degrees

Associate of Technology
Associate of Applied Science
Associate in Applied Arts
Associate in Technical Arts
Associate of Technical Sciences

Transfer Program Options

Agriculture
Anthropology
Art
Astronomy
Biology
Business Administration
Chemistry
Communications
Computer Science
Dental Hygiene
Education
Engineering
English
Environmental Health
Fisheries
Forestry
Geography
History
Journalism
Law
Mathematics
Medical Technology
Occupational Therapy
Para-educator
Pharmacy
Philosophy
Physical Therapy
Physics
Political Science
Pre-Medicine
Psychology
Sociology
Undecided

Examples of Degrees

Associate in Arts
Associate in Arts and Science
Associate in Science
Associate in Fine Arts

Background Information on the Transfer and Articulation Process



Washington State Higher Education Coordinating Board
December 13, 2001

Laws and Policies

State Law

- RCW 28B.80.350 - The HECB has the responsibility to, among other things, establish transfer policies
- RCW 28B.80.280 - The HECB shall, in cooperation with the state institutions of higher education and the SBCTC, maintain a state-wide transfer of credit policy and agreement

State Law (continued)

- RCW 28B.80.290 - The agreement shall be designed to facilitate
 - the transfer of students and the evaluation of transcripts; to better serve persons seeking information about courses and programs; to aid in academic planning; and to improve the review and evaluation of academic programs
 - it shall not require or encourage the standardization of course content; nor shall it prescribe course content or credits

HECB Policies

- Policy on Intercollege Transfer and Articulation Among Washington Public Colleges and Universities (Umbrella Policy) (1984, 1986, and amended in 1991)
- Transfer Agreement (1994)
- Associate in Science Transfer Agreement (2000)

“Trade in College Credits”

- The item being “traded” is college credits; the “vehicles” that transport the credits are students
- The “producers” or “exporters” of college credits are the individual community and technical colleges (27 produce a “transfer degree”)
- The “buyers” or “importers” of college credits are the baccalaureate institutions (all the publics and 10 private accept the “transfer degree”)

“Trade in College Credits” (continued)

- The trade is highly regulated; only certain types of credit can be traded
- The trade can be entire loads (a degree) or individual parcels (courses)
- The trading partners have an organization (Intercollege Relations Commission - ICRC) that
 - Has developed trading guidelines
 - Reviews and monitors the details of the trading
- “Separate agreements” between individual or groups of “producers” and “buyers” can be negotiated

Facts and Figures

Students attend CTC's for varying purposes

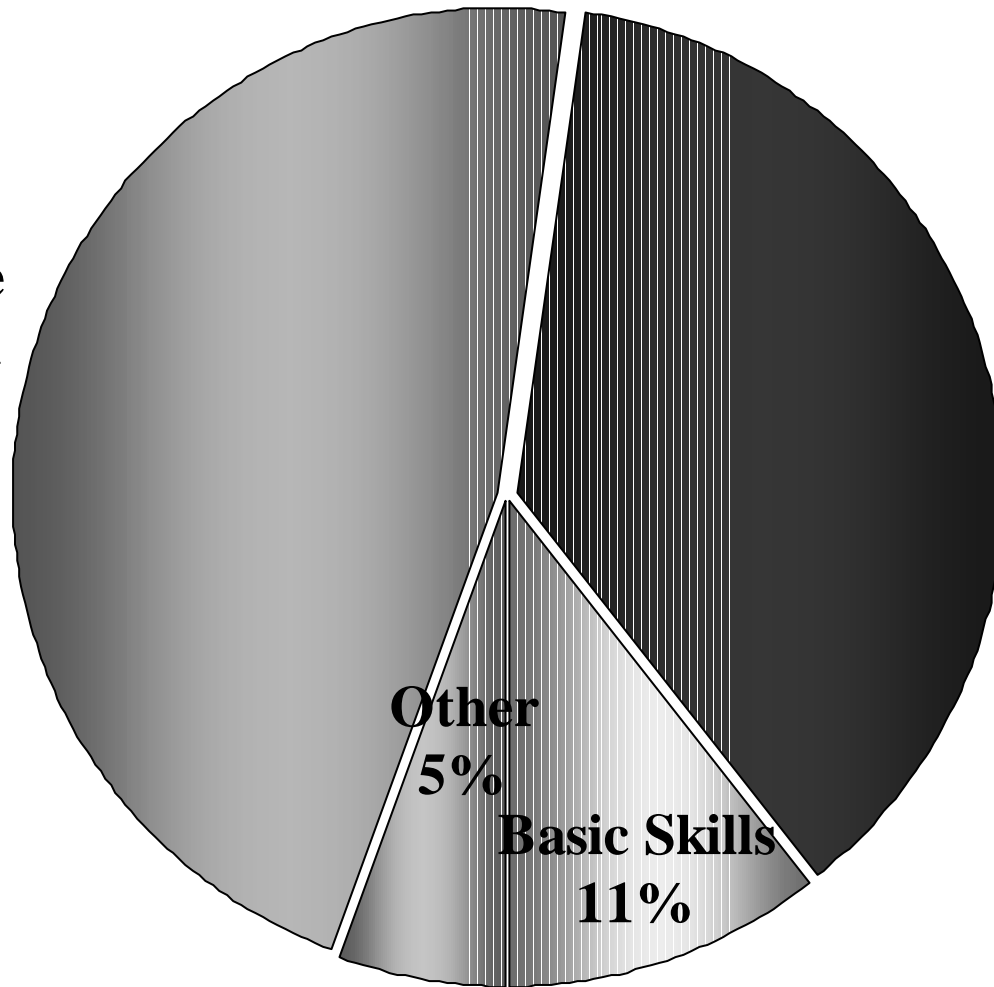
124,000 State Funded FTEs

Workforce Education
47%

Transfer
37%

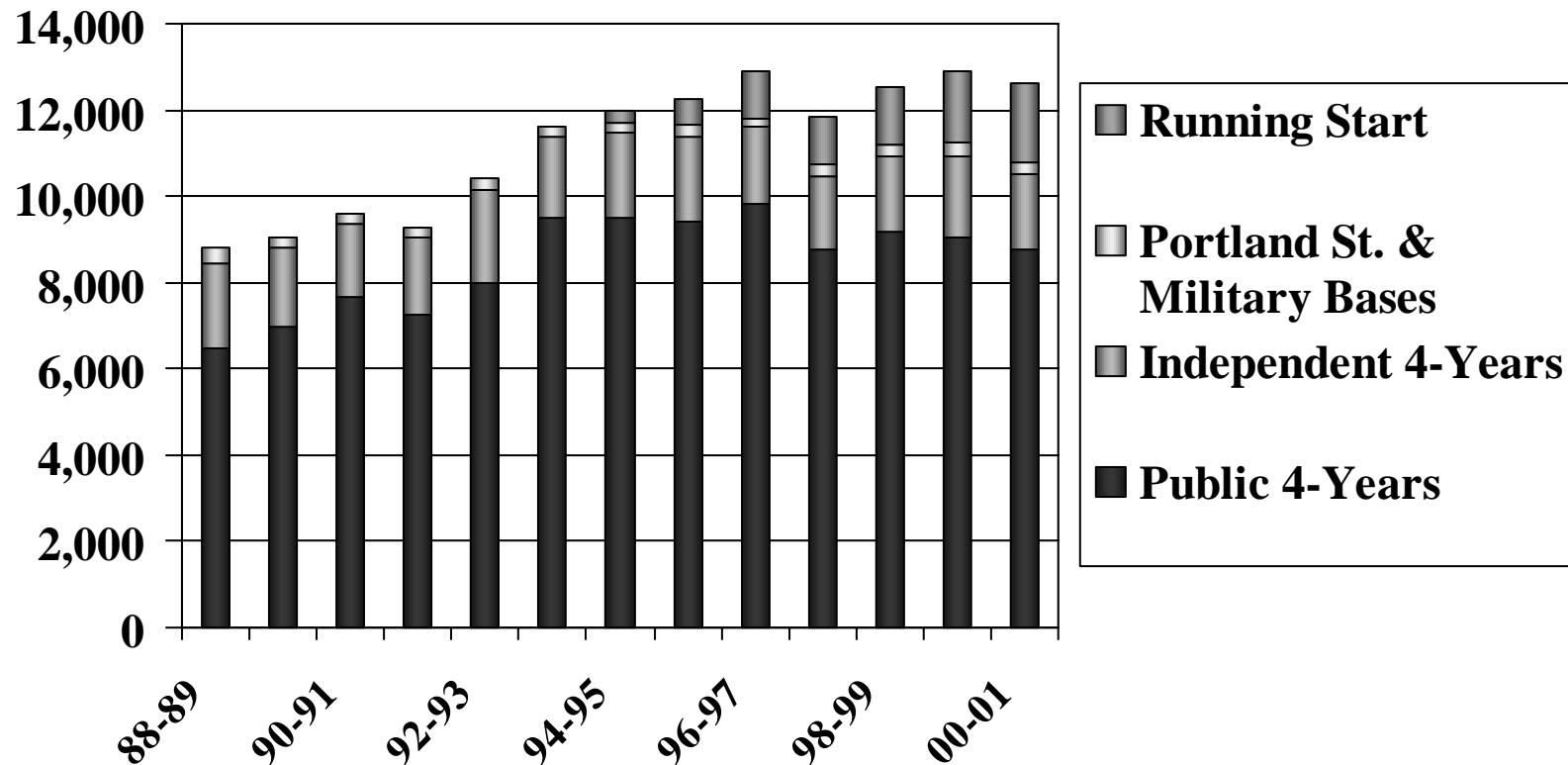
Other
5%

Basic Skills
11%



Source: SBCTC,
Academic Year
Report, 1999-00

About 12,000 CTC students transfer every year



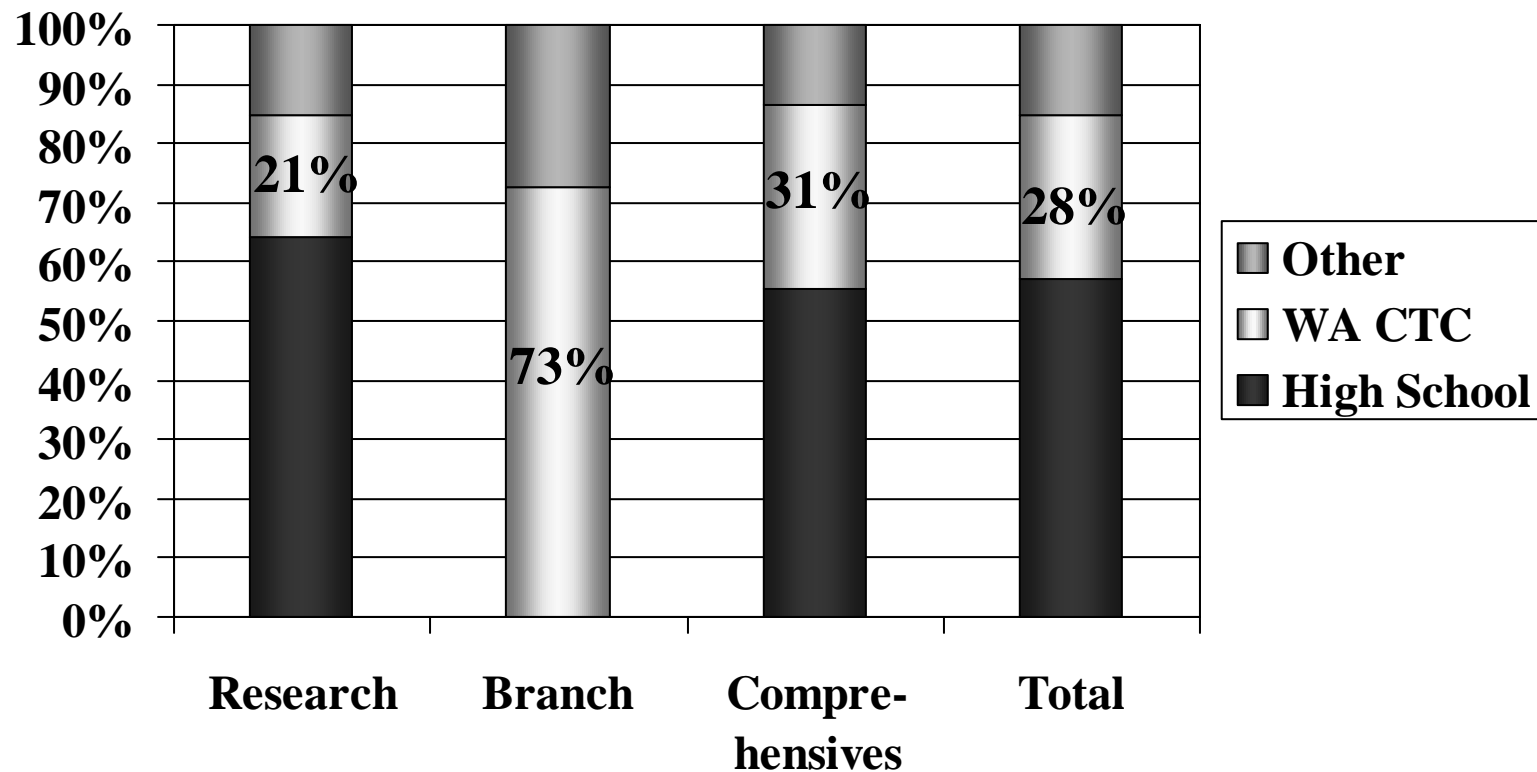
Source: SBCTC, Academic Year Report, Various Years; additional SBCTC data; excludes University of Phoenix

Not all CTC transfer students with a degree transfer; not all transfer students have a degree

	Credits Taken			
	<u><45</u>	<u>45+</u>	<u>Degree</u>	<u>Total</u>
Students Leaving	30,147	9,803	10,216	50,166
Transfer	3,687	2,653	5,402	11,742
% Transfer	12%	27%	53%	23%
% of Total	31%	23%	46%	100%

Source: SBCTC, Immediate Transfers, Class of 97-98

CTC transfers make up a significant share of new undergraduates at public baccalaureates



Source: OFM, HEER, Fall 2000 (Students with Running start credits shown as coming from high school; “other” includes transfers from Wash. 4-year institutions, transfers from out-of-state, and unknown source.)

Students transfer back and forth between sectors (Fall Term 2000)

		Coming From:		
		<u>CTC</u>	<u>Public 4-yr</u>	<u>Independent</u>
Entered:	Public 4-year	6,112	626	247
	Independent	963	174	235
	CTC	5,329	1,900	573

Source: “Student Mobility Among Wash. Institutions of Higher Education , Fall Term 2000” prepared for the Intercollege Relations Commission by the UW, April 20, 2001

Transfer students take more courses to graduate than native students

Undergraduate Graduation Efficiency Index		
	<u>Freshmen</u>	<u>Transfers</u>
UW	90.7%	82.7%
WSU	90.0%	82.6%
CWU	85.6%	80.7%
EWU	88.3%	77.4%
TESC	93.8%	91.6%
WWU	87.7%	79.9%

Source: HECB, Summary of Performance on the Common Measures, 2000-01

Pathways for Transfer

4-Years

Admission to Majors

- **Open majors** - no prerequisites (open to any junior at time of admission)
- **Majors with minimum requirements** - prerequisites and/or minimum GPA
- **Competitive majors** - prerequisites and/or minimum GPA plus additional competitive admission standards

4-Years GER/GUR

- Core undergraduate courses that are required in order to be awarded a baccalaureate degree
- GER - General Education Requirements
- GUR - General Undergraduate Requirements
- An approved CTC degree satisfies lower division GER/GUR at accepting institutions
- See Tables 1 & 2 for specifics

1. Associate of Arts - Direct Transfer Agreement (DTA)

- Assures access to a public and many private baccalaureate institutions
- Satisfies lower division general education requirements at accepting institutions
- A transfer student will receive 90 quarter credits and have junior-level standing
- Does not necessarily fulfill prerequisites
- About 5,500 students per year

Associate of Arts - DTA (cont.)

- Consists of 90 quarter hours of transferable credit
 - minimum of 75 hours of academic courses
 - of which 60 hours are general education courses
 - communications-10 credits
 - quantitative-5 credits
 - humanities-15-20 credits
 - social sciences-15-20 credits
 - natural sciences-15-20 credits
 - maximum of 15 hours of “gray area” courses (courses not normally transferable) accepted as electives

2. Associate of Science Transfer Degree

- Track 1 – science; Track 2 - engineering/computer science
- 90 hours built on major specific requirements in math and sciences
- Additional general education requirements must be completed at 4-year school
- Brand new degree; under 50 students

3. Alternatives for the Transfer of Occupational Programs

- Special arrangements that allow students in professional/technical programs to apply their credits towards a baccalaureate degree
- Specific agreements between institutions
- About 250 students per year

School to School Agreements

- Examples:
 - Pierce CC (programming) with UW-T (computing and software systems)
 - Spokane Falls CC (interior design) with WSU (interior design)
 - Clark CC (dental hygiene) with EWU (dental hygiene)
 - Bates TC (computer programming) with TESC
 - Green River CC (electronics engineering technology) with WWU (electronics engineering technology)
 - Centralia CC (marketing management) with CWU (administrative management)

4. “Bunch of Courses”

- Students take courses that do not lead to a degree; they may take more or less than 90 credits; they may take a mixture of academic and technical courses
- Each course is evaluated separately by the 4-year school as to whether it transfers
- Generally, students with 90 or more quarter hours of transferable courses are given priority admission consideration
- About 6,000 students per year

Advising Guides and Course Equivalencies

“Advising Guides”

- Students follow a list of recommended classes at the community college that meet specific 4-year departmental requirements
- Can be called different things: 2+2 programs; articulation agreements; advising agreements; memorandums of understanding

Course Equivalencies

- Each 4-year school prepares a “crosswalk” comparing courses offered at a CTC to its equivalent course at the 4-year school
- The determination of “equivalent course” is made by administrators and departmental faculty at the 4-year school
- No agreement is needed between the CTC and the 4-year school

Example:

Bellevue CC: ENGL 101

(Written Expression)

- UW Equivalent Engl 131
- WSU Equivalent Engl 101
- CWU Equivalent Eng 101
- EWU Equivalent Engl 101
- WWU Equivalent Engl 101

Issues

Transfer Issues

- Student preparation
- Clear pathway for transfer
- Pathway for professional/technical students
- Faculty time needed to negotiate articulation agreements
- Capacity at baccalaureates

Border County Pilot Project: Review and Recommendations

December 2001

INTRODUCTION

This report reviews the history and experiences of the “Border County Pilot Project” enacted by the 1999 Legislature (SHB 1016) and modified by the 2000 Legislature (HB 2904). The bill requires the Higher Education Coordinating Board (HECB) to submit a report to the Governor and appropriate committees of the Legislature on the results of the pilot project.

INTENT OF THE BORDER COUNTY BILL

On a three-year pilot basis, the border county bill provides reduced tuition options for Oregon residents at several community colleges and one university in southwest Washington. The pilot project is designed to provide reduced tuition for Oregon residents, similar to that provided to Washington residents at Oregon institutions.

The bill also states this project intends to help regional planning for higher education in southwest Washington and the bordering areas in Oregon.

INSTITUTION PARTICIPANTS IN WASHINGTON

The bill designates three community colleges and one branch campus as participants. Community colleges include Clark College, Lower Columbia College, and Grays Harbor College. Washington State University (WSU) at Vancouver also is designated in the bill.

ELIGIBLE STUDENTS

The bill states that residents of several Oregon counties (located near the border of Washington) may participate. Students must be eligible to pay in-state tuition at Oregon institutions, and must have resided for at least 90 days in one or more of the following Oregon counties: Columbia, Multnomah, Clatsop, and Washington. The Washington Legislature added Clackamas County in 2000.

The bill further specifies that all Washington institutions participating in the pilot project must give priority program enrollment to Washington residents.

TUITION PROVISIONS

Community Colleges

Washington community colleges designated in the bill may enroll Oregon students (from the five Oregon counties named in the bill) at Washington resident tuition rates. The bill places no restrictions on the number of credits an Oregon resident may take at a community college. Therefore, eligible Oregon students may enroll full-time or part-time at in-state tuition rates.

WSU Vancouver

WSU Vancouver, which concentrates on upper-division and graduate level course work, may enroll Oregon students (from the five specified Oregon counties) – who are taking eight credits or fewer – at Washington resident tuition rates. If an individual Oregon student takes nine or more credits, he/she does not qualify to participate in the border county pilot project.

TIMELINE

The pilot project began in 1999, and institutions began enrolling students in summer or fall of 1999 under the provisions of the bill. The pilot project expires June 30, 2002, and by that date will have been in effect for three years. Because the due date for this report occurs several months before the end of the project, data will be presented for the first two years of the pilot and for the current fall 2001 term.

OVERVIEW OF FINDINGS OF THIS REPORT

This is a brief summary of the findings and recommendations on the border county pilot project. Subsequent sections of this report provide additional detail.

Participation Levels

- Numbers of student who enrolled under the border county project are as follows: 359 in fall 1999, 476 in fall 2000, and 355 in fall 2001 (data are headcount enrollments).
- Cumulatively, over the entire period of the pilot project, approximately 1,300 individual students have enrolled for at least one term as border county participants.
- Border county participants make up a small percentage (between one percent and four percent) of total enrollments at each participating Washington institution.
- Two-thirds of border county students enrolled at Washington institutions are from Oregon's Multnomah and Columbia counties.
- In Washington, Clark and Lower Columbia community colleges enroll the largest numbers of Oregon residents in the pilot project.

- Grays Harbor College has not participated, to date, in the pilot project.
- Border county students enroll in many different types of programs; these students earned more than 100 degrees and certificates while in the border county pilot project.
- Besides the border county policies, both Washington and Oregon have additional tuition reduction programs for residents of the other state – such as the Western Undergraduate Exchange (WUE). And most community colleges in both states enroll nonresidents at reduced tuition rates.

Evaluation of the Pilot Project

- Staff at Washington schools report the project has been successful and positive.
- Washington residents have not been adversely affected by Oregon enrollments in the border county pilot; Washington students continue to be able to access desired courses and programs.

Recommendations

- Due to the experience of the pilot project, HECB recommends that the border county project be continued – possibly made permanent – as long as Washington residents continue to be able to access desired courses and programs.
- WSU Vancouver has recommended a minor modification regarding raising the eight-credit limit to nine credits.

FALL ENROLLMENTS BY COUNTY, BY INSTITUTION

The number of students enrolled is a major indicator of use of the border county pilot project. According to data from the institutions, the following shows the number of students enrolled for the fall term during the three years of the pilot project. Although students enrolled for the entire year, data for the three fall terms provide an indication of trends in use. As shown in the table, there was an enrollment increase between fall 1999 and fall 2000. And in fall 2001, enrollments have leveled somewhat.

Data in the table on the following page show numbers of individual students enrolled. At the community colleges, students can enroll on a part-time or full-time basis, but at WSU Vancouver only part-time study (eight credits or fewer) qualifies for participation in the pilot project. Although the table starts with fall 1999, when the program became fully operational, Lower Columbia College began enrolling students in summer 1999 with a total of 42 students participating. Also, it should be noted that Grays Harbor College did not use provisions of the border county pilot project.

Fall Quarter 1999: Headcount Enrollment

By County of residence in Oregon

Institution:	Clackamas	Clatsop	Columbia	Multnomah	Washington	TOTAL
Clark College		2	6	98	28	134
Lower Columbia		82	105	5		192
WSU Vancouver		1	2	22	8	33
TOTAL		85	113	125	36	359

Fall Quarter 2000: Headcount Enrollment

By County of residence in Oregon

Institution:	Clackamas	Clatsop	Columbia	Multnomah	Washington	TOTAL
Clark College	20	1	5	121	21	168
Lower Columbia	2	84	149	3	8	246
WSU Vancouver	6	2	5	37	12	62
TOTAL	28	87	159	161	41	476

Fall Quarter 2001: Headcount Enrollment

By County of residence in Oregon

Institution:	Clackamas	Clatsop	Columbia	Multnomah	Washington	TOTAL
Clark College	9	1	3	112	19	144
Lower Columbia	4	53	91	0	0	148
WSU Vancouver	7	2	6	34	14	63
TOTAL	20	56	100	146	33	355

Students from Multnomah County and Columbia County are the most extensive users of the border county provisions; about two-thirds of participants are from these two counties. Two community colleges, Clark and Lower Columbia, enroll the largest numbers of students.

Border County Enrollments as a Proportion of Total Institution Enrollments

It is informative to examine overall institution enrollments and the proportion of those who are residents of other states. More specifically, what portion of nonresidents are border county recipients? This analysis shows only a small percentage of any institution's enrollment is attributable to border county participation.

Clark College (along with most community colleges in Washington) enrolls a very high proportion of Washington residents. In fall 2001, Clark's total headcount was 12,555, including 622 nonresidents. In percentage terms, nonresidents comprise less than five percent of the total enrollment. Of these nonresidents, 245 are from Oregon – i.e., about two percent of all enrollments are Oregon residents. Most students from Oregon receive some form of tuition reduction or waiver, but border county tuition reductions are the most prevalent: specifically, 144 students from Oregon received border county benefits in fall 2001. In percentage terms, one

percent of all students at Clark College are enrolled with the assistance of the border county pilot project.

Lower Columbia College enrolls a total of 3,834 students in fall 2001; about nine percent are nonresidents. The number of students from Oregon studying in the border county pilot project is 148 – about four percent of the total enrollment at the college.

WSU Vancouver also enrolls a small percentage of students under the border county pilot project. In fall 2001, a total of 1,681 students are enrolled at WSU Vancouver; 152 are nonresidents – i.e., nine percent are nonresidents. Of the nonresidents, most (108) are from Oregon, and most receive some sort of tuition reduction or waiver, with border county participation being the most common. In fall 2001, 63 Oregon residents received border county tuition reductions – which is four percent of the total enrollment.

TOTAL ENROLLMENTS DURING THE TIME PERIOD OF THE BORDER COUNTY PILOT PROJECT

The above tables and discussion review headcount enrollments for fall quarter only. It is also interesting to look at the total numbers of students who have participated since the beginning of the pilot project. That is, how many individual students have enrolled – whether they enrolled for one quarter, or up to 10 quarters, or whether they were full-time or part-time.

- At Clark College, about 530 individuals enrolled for at least one quarter between fall 1999 and fall 2001.
- At WSU Vancouver, 150 individuals enrolled for at least one term under border county auspices. As discussed above, WSU enrollments are limited to eight credits or fewer for border county participation.
- At Lower Columbia College, it is estimated that 700 individuals have used the provisions of the border county bill since summer 1999.

Overall, the number of Oregon residents using the border county bill, at a point in time, is relatively small. Cumulatively, in the period covered by the border county pilot project, an estimated 1,300 students have used the pilot project's tuition reduction benefits.

TYPES OF PROGRAM ENROLLMENTS

Overall, border county participants enroll in a wide range of program offerings at the institutions. A few programs, such as community college coursework leading to an associate's degree applicable for transfer, and nursing at both the community college and four-year level, are popular among students. [NOTE: This analysis uses the total time period of the pilot project (as did the preceding section). Enrollment numbers reflect distinct individuals who enrolled for one or more quarters or semesters – including summers – during the entire period of the border county pilot project covered by this report. If an individual enrolls for one, two, three or more

terms, he/she is counted only once. Two institutions were able to provide this type of program-level data.]

Clark College: For the time period of the border county pilot project (fall 1999 through fall 2001), 530 individuals have enrolled for one or more terms, either part-time or full-time. Participants in the pilot project chose a wide variety of programs and many have not chosen a particular field.

- 25 percent of students (about 150 individuals) are classified as “undecided.”
- 40 percent (about 250 students) are in academic transfer programs; most who intend to transfer have not specified a particular area of concentration, but some have chosen fields such as business, education, sciences, health, etc.
- The remaining 35 percent of students (about 130 individuals) enrolled at Clark College under the border county project have directed their efforts toward a wide variety of vocational fields:
 - Nursing has a large enrollment with about 70 students.
 - The culinary arts program enrolls about 50 students.
 - Additional fields of study include business, computers, telecommunications and networking, automotive and machine technologies, dental hygiene, and more.

WSU Vancouver: During the period of the border county pilot project, approximately 150 individual students enrolled for one or more semesters. And, as noted earlier, border county students must enroll part-time – eight credits or fewer.

- About 50 percent of WSU Vancouver enrollments (75 students) have been in graduate programs.
- About 30 percent (50 students) are in undergraduate programs.
- The remaining 20 percent have been non-degree students (25 students).
- Nursing is one of the programs with the highest enrollments, with about 30 students in this field. Most are graduates.
- In other fields of graduate study, several students enroll each term in business (including MBA) programs, as well as public affairs and education.
- At the undergraduate level, enrollments are spread among several fields, including general studies, English, business, biology, nursing and many who are classified as “undecided.”

STUDENT OUTCOMES FOR THOSE USING THE BORDER COUNTY BILL

In addition to enrollments, the extent to which students complete programs of study is another useful indicator of the project’s effectiveness. Although the pilot project has been in place for less than three years, a number of students have received degrees or certificates. In many cases, these students have not enrolled entirely under the border county bill, but for at least one quarter or semester, they received tuition reductions under the pilot project. Therefore, the border county pilot contributed to their acquisition of a degree or certificate.

Furthermore, many students leave a program of study without a degree or other award, but nevertheless have accomplished their goals – such as skill development or personal enrichment. Many students currently enrolled under the border county project will continue their enrollment in subsequent terms.

The following is an overview of degrees and certificates received by those who have participated in the pilot project since its inception in 1999.

Numbers of Awards Received by Border County Participants (1999-2001)

(Participants: those enrolled at least one term under border county pilot project)

	Academic Associate Degrees*	Vocational Associate Degrees	Certificates (all types)	Bachelor's Degrees	Master's Degrees
Clark College	23	29	4		
Lower Columbia	13	18	25		
WSU Vancouver				15	20

*Applicable for transfer to a baccalaureate institution.

Clark College: In many cases, the “academic associate degrees” carry the designation of DTA – i.e., meeting the requirements of the Direct Transfer Agreement to a four-year institution to pursue a baccalaureate degree. Of the “vocational” degrees, more than half are awarded in the field of nursing; other fields include paralegal, dental hygiene, automotive technician, and culinary arts. “Certificates” are mainly for practical nursing.

Lower Columbia College: “Academic associate degrees” are designed for transfer purposes. “Vocational” associate degrees cover a range of program areas – nursing and business administration have the highest numbers of awards at four each. In addition, vocational degrees are awarded in medical assistance, secretarial, legal, accounting, and mechanics – among others. Of the “certificates” awarded, more than half are in nursing or medical assistance.

WSU Vancouver: Since border county students at WSU Vancouver may only enroll for eight credits or fewer, many (possibly all) earned credit toward degrees outside their border county participation. Although no specific information has been gathered, it is likely that many students took courses at reduced tuition to finish degree programs started earlier. Of the 15 bachelor’s degrees awarded, nursing and general social science had the highest numbers of recipients (four and five respectively), with other awards in a variety of fields (English, humanities, communication, and psychology). Master’s degrees (20) earned by border county participants were concentrated in the fields of teaching/education, business, and nursing (plus two in technology fields).

ASSESSMENT OF THE BORDER COUNTY PILOT PROJECT BY THE PARTICIPATING INSTITUTIONS

Overall, staff at the institutions reported that the project had been successful. Following are some specific comments.

WSU Vancouver staff report that, overall, the impact of the border county pilot project has been positive. One benefit relates to the pilot project's intent to match Washington's tuition policies with Oregon's ongoing policies. This may help to ensure that Washington residents at Oregon's institutions continue to receive tuition reductions. Another benefit that has emerged is joint planning efforts between Washington and Oregon institutions. (And, in fact, the possibility of joint planning was included in the intent language of the Border County bill.) In this regard, WSU Vancouver and Portland State University are beginning a joint master's program in history, and examining possible joint programs in public affairs and education. In addition, including students from Oregon has increased the diversity of the student body at WSU Vancouver.

Staff note that even though some classes, in some programs, are full at times, no qualified Washington residents are denied admission in favor of Oregon residents. That is, Washington residents are not displaced and have not encountered problems in securing desired classes due to Oregon student enrollments.

One concern noted by staff relates to Oregon students taking only eight credits under border county provisions – but most courses are offered for three credits each. Therefore, many students take two courses for a total of six credits, but cannot reach the allowable eight-credit limit since an additional class would result in nine credits.

Clark College staff characterize the program as positive and very successful. People in the area often see the border (i.e., the Columbia River) as an artificial boundary they cross regularly to work and live. Therefore, Clark College's ability to charge resident tuition to students from either side of the border responds to the needs of the people of the area. The accessibility to courses and programs for Washington residents has not been adversely affected.

Staff noted one area of concern: Students encounter some confusion about residency requirements in the border county bill compared to standard residency requirements for those moving into Washington. The border county bill states that students must be eligible for in-state Oregon tuition, and be residents of one of the specified Oregon counties for at least 90 days. Therefore, after 90 days, an Oregon student can attend a Washington border county college at in-state tuition rates – if he/she lives in Oregon. However, if the same student moves to Washington, he/she would have to live in Washington for 12 months before becoming a resident for tuition purposes.

Lower Columbia College staff report that the program was successful, and that no Washington residents were denied enrollments because of the border county bill.

Grays Harbor College staff believe the concept of the border county bill is valuable. However, the college is not readily accessible to residents of Oregon. The main campus requires a 90-minute drive from the Oregon border. The branch campus at Ilwaco is small; if the program were to expand in the future, a larger program may attract more students from across the border. At this point, Grays Harbor College has not enrolled any students under the border county bill.

A WIDER PERSPECTIVE ON TUITION-REDUCTION PROGRAMS IN WASHINGTON AND IN OREGON

Part of the impetus for the border county pilot project was an interest in encouraging policies in Washington that correspond to those in Oregon. Therefore, in addition to the border county bill, it is important to look at the wider range of tuition-reduction programs on both sides of the border. In the past, Oregon and Washington negotiated formal reciprocity agreements that specified numbers of students who would receive waivers in each state. Although formal reciprocity has been discontinued, the border county pilot project – along with other programs – maintains opportunities for students to cross the border to access higher education at reduced tuition.

The discussion below describes examples of other programs in Washington, followed by a brief description of tuition-reduction opportunities in Oregon. (Note: this discussion focuses on the larger programs; other tuition-reduction options may be available at various institutions in each state.)

Examples of Other Tuition-Reduction Programs Available in Washington Institutions

- **WUE:** The Western Undergraduate Exchange (WUE) program allows students from 15 western states to enroll in other state institutions at 150 percent of in-state tuition rates. Both Oregon and Washington participate in this program; Oregon's participation is discussed below.

In Washington, three institutions (Central Washington University, Eastern Washington University, and Washington State University) offer WUE benefits in selected programs. In 2000-2001, 60 Oregon residents enrolled under the WUE program (Western Interstate Commission for Higher Education, "The Statistical Report," Academic Year 2000-2001).

- **Nonresident waiver at community colleges:** Recognizing that community college students are mobile, the State Board for Community and Technical Colleges has authorized colleges to waive nonresident tuition. That is, colleges may waive the "operating fees" portion of nonresident tuition (operating fees are the largest component of tuition). U.S. citizens and immigrants are eligible for this waiver. Although most community colleges use this nonresident waiver, about half impose additional restrictions regarding those who qualify and/or limit the amount of the waiver.

During the 2000-2001 academic year, nearly 3,300 individual students received tuition reductions under the nonresident waiver program at Washington community colleges. These students enrolled, either full-time or part-time, for at least one quarter during the 2000-2001 year. Recipients of the nonresident waiver can be from any state. It is likely that many are from Oregon, although the exact number of Oregon recipients cannot be determined.

Examples Of Tuition-Reduction Programs For Washington Residents At Oregon Institutions

- **Eight credits or fewer at four-year colleges/universities:** Several public four-year Oregon institutions charge in-state tuition to nonresidents taking eight credits or fewer. Under this arrangement, the largest enrollment of Washington students is at Portland State University with about 80 percent of the enrollment, but also participating are: Oregon Institute of Technology, Oregon State University, Southern Oregon University, University of Oregon, and Western Oregon University. (In a sense, Eastern Oregon University participates in a larger capacity because it charges in-state rates to all undergraduate students – both resident and nonresident, full- or part-time.) The following shows Washington enrollments in the fall term for the last few years:

Fall Term Enrollments of Washington Residents at Oregon Institutions
(Students paying in-state tuition – taking eight credits or fewer)

	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Washington Participants:	174	185	211	195	244

(Data provided by Oregon University System office, October 5, 2001)

- **WUE:** Like Washington, Oregon also participates in this exchange program. According to summary data, 167 Washington residents enrolled at Oregon four-year institutions during 2000-2001, paying tuition charged at 150 percent of in-state resident tuition (Western Interstate Commission for Higher Education, “The Statistical Report,” Academic Year 2000-2001).
- **Community colleges:** According to data from the Oregon Department of Community Colleges and Workforce Development, several thousand Washington residents enroll in Oregon community colleges each year – at in-state tuition rates. In 1999-2000, for example, more than 8,000 Washington residents enrolled at Oregon community colleges for at least one term, either full- or part-time. All were charged Oregon resident tuition rates.

RECOMMENDATIONS

Because the border county pilot project is generally viewed as successful, HECB recommends that the pilot be continued, or made permanent, as long as Washington residents continue to be able to access desired courses and programs.

Furthermore, the Legislature may wish to consider a change in the **eight-credit limit** at WSU Vancouver. Under provisions of the current border county bill, Oregon students are restricted to eight credits or fewer to be eligible for Washington resident tuition. Because most courses are offered for three credits, raising the border county limit to **nine credits** at WSU Vancouver might allow students to progress more quickly through their programs.

RESOLUTION NO. 01-41

WHEREAS, The Border County Pilot Project is in the third year of its operation; and

WHEREAS, The Border County Pilot Project will expire June 30, 2002; and

WHEREAS, Participating Washington higher education institutions report that Oregon residents have successfully enrolled in various programs; and

WHEREAS, Participating Washington institutions report that Washington residents continue to access courses and programs and have not been adversely affected by border county enrollments; and

WHEREAS, Oregon higher education institutions continue to enroll Washington residents at reduced tuition rates;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board accepts the report on the Border County Pilot Project and recommends that the project be continued, or made permanent, as long as Washington residents continue to be able to access desired courses and programs. In addition, the Legislature may wish to consider changing the credit limit at Washington State University Vancouver to nine credits.

Adopted:

December 13, 2001

Attest:

Bob Craves, Chair

Gay Selby, Vice Chair

Proposed Supplemental Operating and Capital Budget Recommendations

December 2001

BACKGROUND

State law directs the Higher Education Coordinating Board (HECB) [RCW 28B.80.330(4)] to “review, evaluate, and make recommendations on the operating and capital budget requests from four-year institutions and community and technical colleges.” This directive also refers to supplemental budget requests [RCW 28B.80.330(5)].

Institutions have submitted operating and capital supplemental budget requests to the Governor and the Legislature for consideration during the 2002 legislative session. The HECB Fiscal Committee met on November 26 to discuss these requests and formulate recommendations for Board action. The committee members are Bob Craves, Gay Selby, and Chang Mook Sohn. The Fiscal Committee funding recommendations and comments are presented below.

SUPPLEMENTAL OPERATING BUDGET OVERVIEW

Traditionally, the supplemental operating budget provides an opportunity for the Governor and the Legislature to update, refine, and otherwise adjust the budget previously adopted for the biennium. However, the state’s current fiscal situation (with both rising costs and decreasing revenues) creates a much different fiscal environment that must be recognized. Balancing the needs of public higher education with the fiscal realities facing the state will be a challenge, not just for this coming session but also for the foreseeable future.

Since the 2001-2003 biennial operating budget was adopted in June, there have been additional pressures put on it. First, public school enrollments, medical assistance caseloads and rates, corrections caseloads, forest firefighting costs, and lawsuits, etc., have been greater than budgeted. Also, several transportation accounts were not fully funded. According to the Office of Financial Management (OFM), these pressures have increased needed expenditures by about \$440 million.

Second, and of greater impact, the nation has entered a recession. In September, the state revenue forecast fell by \$100 million and by another \$813 million in November.

OFM estimates the lower revenue forecast and the additional spending pressures mean that the state faces a \$1.25 billion budget problem.

Following is a table that summarizes the operating budget supplemental requests received from institutions.

SUMMARY OF SUPPLEMENTAL OPERATING BUDGET REQUESTS

<u>Institution Requests</u>	<u>General Fund - State</u> (Dollars in Thousands)
Central Washington University	
Enrollment recovery	\$1,000.0
Utility increases	\$200.0
Adjust Personnel Resources Board funding	\$52.0
Subtotal – CWU	\$1,252.0
Eastern Washington University	
FY2003 state funding for additional enrollment	\$2,491.0
Subtotal – EWU	\$2,491.0
The Evergreen State College	0
University of Washington	0
Washington State University	
Operation and maintenance of new facilities	\$1,185.0
Reallocate nursing program FTEs from Pullman to Spokane	--
Subtotal – WSU	\$1,185.0
Western Washington University	
Operation and maintenance of new facilities	\$358.0
Subtotal – WWU	\$358.0
State Board for Community and Technical Colleges	
Expand worker retraining program (2,500 FTEs)	\$21,000.0
Operation and maintenance of new facilities	\$1,695.0
Provide fully funded salary increases	--
Change tuition limit to average rather than full-time basis	--
Subtotal – SBCTC	\$22,695.0
Total – All Operating Requests	\$27,981.0

SUPPLEMENTAL OPERATING BUDGET RECOMMENDATIONS

The state's fiscal situation creates a new context within which to view the Board's supplemental operating budget recommendations. The budget crisis facing the Governor and Legislature may make it difficult to maintain the appropriation levels already enacted. Under that scenario, it would be very difficult to provide funding for these supplemental requests. However, if the Governor and Legislature do find additional resources, the Board would support funding for these supplemental requests.

Separately, each institution's request has merit; and under different fiscal circumstances, all would likely be supported. However, for the 2002 legislative session, the Fiscal Committee recommends that the Board support only one supplemental operating request — the State Board for Community and Technical College request for funding to expand worker-retraining efforts.

The Fiscal Committee also offers the following observations and comments:

1. The priority of the worker retraining funding results from economic conditions and the urgent need for retraining assistance for many individuals. This request is an example of public higher education, specifically the community and technical colleges, stepping forward to help address an economic recovery issue. As such, if budget reductions were proposed in the upcoming legislative session, public higher education should not be asked or expected to identify additional cuts to cover the cost of this worker retraining.
2. The fact that there are several requests for operations and maintenance supplemental funding points out an issue in the current budgeting process. Institutions received no funds for unavoidable rising utility costs. The state has either under-funded, or not funded at all, the cost to operate newly constructed facilities. While the Fiscal Committee cannot recommend support for supplemental requests for these items in the upcoming session, it is critical to recognize this issue will not go away. It will need to be considered in the 2003-2005 biennium.
3. The enrollment success of Eastern Washington University and Central Washington University deserves recognition. While the Fiscal Committee cannot recommend supplemental funding at this time, the enrollment outlook and funding for both institutions should be carefully assessed in the upcoming 2003-2005 biennium budget.

SUPPLEMENTAL CAPITAL BUDGET RECOMMENDATIONS

The University of Washington submitted one supplemental capital budget request. This request includes two technical corrections to the 2001-2003 capital appropriations act. Specifically, the university seeks a correction to the re-authorization amount (\$7.5 million) for the Certificate of Participation financed improvements to Sand Point Building 5. The language of the 2001-2003 capital budget had inadvertently omitted \$1.6 million from this re-authorization.

The second technical adjustment concerns a revised estimate of the projected interest earnings (\$2.1 million) on revenue bond proceeds for the UW Medical Center. The \$2.1 million adjustment will bring the 2001-2003 Bond Bill into alignment with the appropriation authority for the expenditure of these proceeds.

HECB support for these two technical corrections is recommended.

The university seeks \$1.03 million in General Obligation Bonds for the pre-design of the Johnson Hall Renovation project. The design phase for this project is scheduled for the 2003-2005 biennium in the Governor's 10-year capital plan. Accordingly, the HECB had recommended pre-design funding for this project in its 2001-2003 capital budget recommendations. However, the Legislature did not include this funding in the final budget.

The Board's 2001-2003 recommendation for the pre-design phase of this project ranked the Johnson Hall Renovation as one of its highest capital priorities. The Board recognized that this 60-year-old facility housing instructional and research activities for the sciences was one of the most outmoded buildings on the Seattle campus. In addition to providing inadequate program support, the building is not in compliance with a variety of accessibility and life/safety codes, and requires seismic bracing.

In view of the current state revenue shortfall and the associated delay of bond funded projects in the 2001-2003 capital budget, it does not appear likely that this project will be funded in the supplemental capital budget. To maintain the current schedule for the renovation project, it is recommended that the Board support the inclusion of pre-design funds with the design phase funding planned for the 2003-2005 biennium. This combined funding in the 2003-2005 capital budget will allow the construction phase of the project to start in the 2005-2007 biennium as currently planned.

RESOLUTION NO. 01-42

WHEREAS, It is the responsibility of the Higher Education Coordinating Board (HECB) to recommend higher education funding priorities to the Governor and to the Legislature for both regular biennial budgets as well as supplemental budget requests; and

WHEREAS, Five of the four-year institutions and the State Board for Community and Technical Colleges have submitted supplemental operating or capital budget requests for consideration by the Governor and the Legislature during the 2002 session of the Legislature; and

WHEREAS, The economic environment and fiscal situation facing state government over the next few years appears to call for limitations or reductions in state spending; and

WHEREAS, The Fiscal Committee of the HECB met to consider the supplemental budget requests and state fiscal situation on November 26, 2001; and

WHEREAS, The Fiscal Committee made recommendations and comments to the full HECB for consideration on December 13, 2001;

THEREFORE, BE IT RESOLVED, That the Board adopts the recommendations of the Fiscal Committee with respect to supplemental budget proposals for the 2002 session of the Legislature, and supports the comments and observations offered by the committee; and

BE IT FURTHER RESOLVED, That the Board directs those recommendations and comments be forwarded to the Governor and the Legislature.

Adopted:

December 13, 2001

Attest:

Bob Craves, Chair

Gay Selby, Vice Chair

Roundtable Discussion: Implications of the State Budget Crisis for Higher Education

December 2001

OVERVIEW

Today Washington faces a budget crisis that could eclipse the problems the state confronted in the early 1980s and the early 1990s. In the next few months, the Governor and Legislature will confront a major shortfall in the state operating budget. Their budget and policy decisions during the 2002 legislative session will affect higher education for years to come.

To help identify and illuminate the issues confronting the state, the Higher Education Coordinating Board scheduled this roundtable discussion. The Board invited presidents of the community and technical colleges, the public and private baccalaureate colleges and universities, members of the Legislature and representatives of students, faculty, business and the Office of Financial Management.

In its invitation to roundtable participants, the Board asked the following questions:

- Current state policy for higher education can be summarized as “providing students with the greatest possible access to an affordable, high-quality education.” How should the state balance the impacts of the state budget crisis among the values of access, affordability and quality?
- What is the appropriate level of state support for public higher education? In recent years, the share of costs borne by state taxpayers has declined while the share paid by students and families has increased. Should this trend continue? Should the state provide less access, less affordability, or less quality? Should state support focus on undergraduate rather than graduate education?
- What strategies are the colleges and universities – and members of the Legislature – considering in response to the state’s growing budget challenges? Key policy choices will be made regarding:
 - Enrollment
 - Tuition
 - Financial Aid
 - Educational Quality
 - Salaries
 - Capital Budget

Background material prepared by the HECB staff to facilitate the discussion appears on the following pages.

State Budget Outlook

- Since the \$22.8 billion 2001-03 biennial operating budget was adopted in June, there have been additional pressures put on it.
 - First, public school enrollments, medical assistance caseloads and rates, corrections caseloads, forest firefighting costs, lawsuits, etc. have been greater than budgeted.
 - Also, several transportation accounts were not fully funded.
 - According to the Office of Financial Management (OFM), these pressures have increased needed expenditures by about \$440 million.

- Second, and of greater impact, the nation has entered a recession. In September, the state revenue forecast fell by \$96 million and by another \$813 million in November.

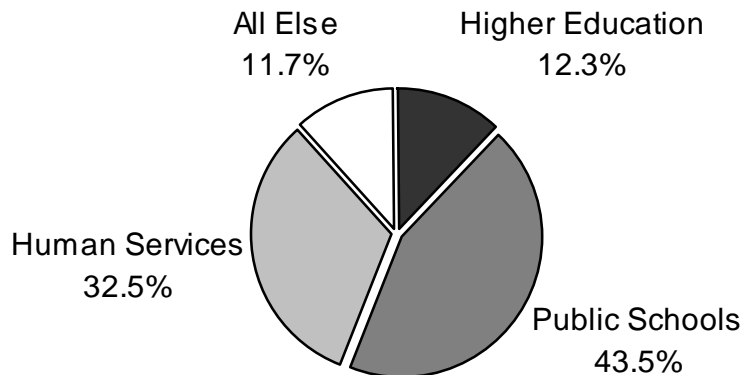
- OFM estimates the lower revenue forecast and the additional spending pressures mean that the state faces a \$1.25 billion budget problem. In the 2002 session the Legislature will need to rebalance the operating budget.

State General Fund 2001-03 Biennium (dollars in millions)			
	State General Fund (GF-S)	Emergency Reserve Fund (ERF)	Total
Reserves 6/30/01	\$600	\$460	\$1,059
Transfers to GF-S from Other Accounts	\$228		
June Revenue Forecast	\$22,117		
ERF Interest Earnings		\$25	
September Revenue Adjustment	(\$96)		
November Revenue Adjustment	(\$813)		
2002 Revenue Adjustments	?		
Resources Available (11/01)	\$22,036		
Total Appropriations	\$22,783	\$25	
ERF Transfer to Transportation		\$70	
Est. Supplemental Budget Adds (OFM)	\$440		
Supplemental Budget Reductions	?		
I-601 Spending Limit	\$22,863		
Reserves 6/30/03	(\$1,187)	\$390	(\$798)

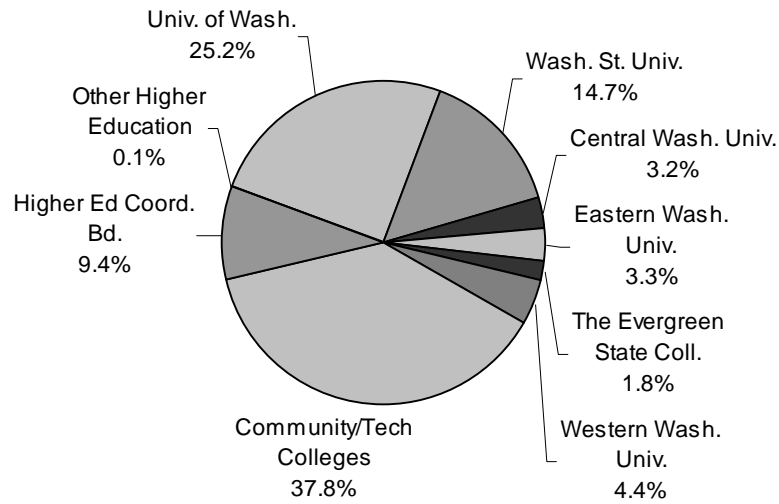
Higher Education Budget Trends

- Higher education receives 12.3 percent of total state general fund appropriations in the 2001-2003 biennium.
- Shares of the higher education GF-S budget:
 - Research universities 40 percent
 - Community and technical colleges 38 percent
 - Comprehensive college and universities 13 percent
 - HECB (primarily student financial aid) 9 percent
- The higher education share of the general fund budget declined from 14.2 percent in 1987-89, to 11.1 percent in 1995-97. Since then, the share has increased to its current level of 12.3 percent.

State Operating Budget State General Fund: 2001-03 Biennium \$22.8 Billion Total



**Higher Education
State General Fund: 2001-03 Biennium
\$2.8 Billion Total**



**Higher Education 2001-2003 Operating Budget
State General Fund
(Dollars in Millions)**

Community and Technical Colleges	\$1,058.1
University of Washington	707.1
Washington State University	411.4
Higher Education Coordinating Board	264.6
Western Washington University	122.6
Eastern Washington University	92.9
Central Washington University	89.1
The Evergreen State College	51.6
Other Higher Education	3.0
Total	\$2,800.5

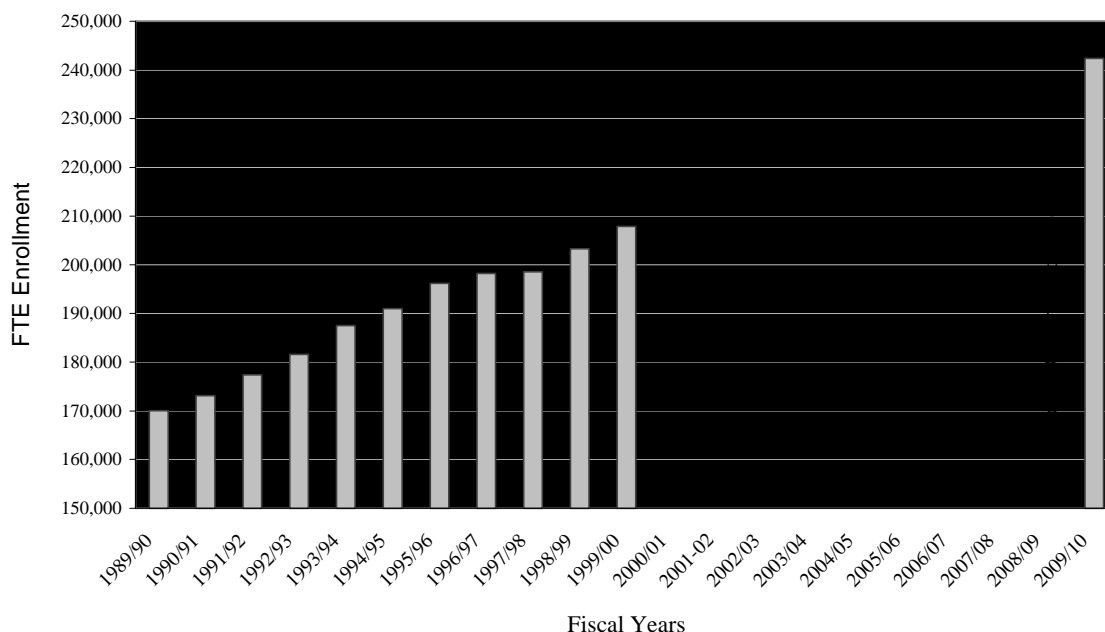
Source: LEAP, Budget Notes

Enrollment Trends And Projections

Enrollment growth is expected to continue at a steady pace, reflecting the increase in Washington’s population. Layoffs in aerospace and other industries are expected to bring additional enrollment pressure, especially for job training programs.

- Fall 2001 enrollments are at or above budgeted levels at every campus of the four-year institutions.
- Community and technical colleges have not yet reported official fall 2001 enrollments, but system leaders expect the colleges to be over-enrolled by about 5,000 full-time students statewide, compared with a budgeted level of about 125,000 FTE.
- In national comparisons, Washington has consistently ranked among the top 10 states in the rate of enrollment at the lower division—due to a strong two-year college system.
- Washington has consistently ranked near the bottom in the rate of enrollment in upper division and graduate programs.

PUBLIC HIGHER EDUCATION ENROLLMENT
EXPECTED TO CONTINUE TO GROW



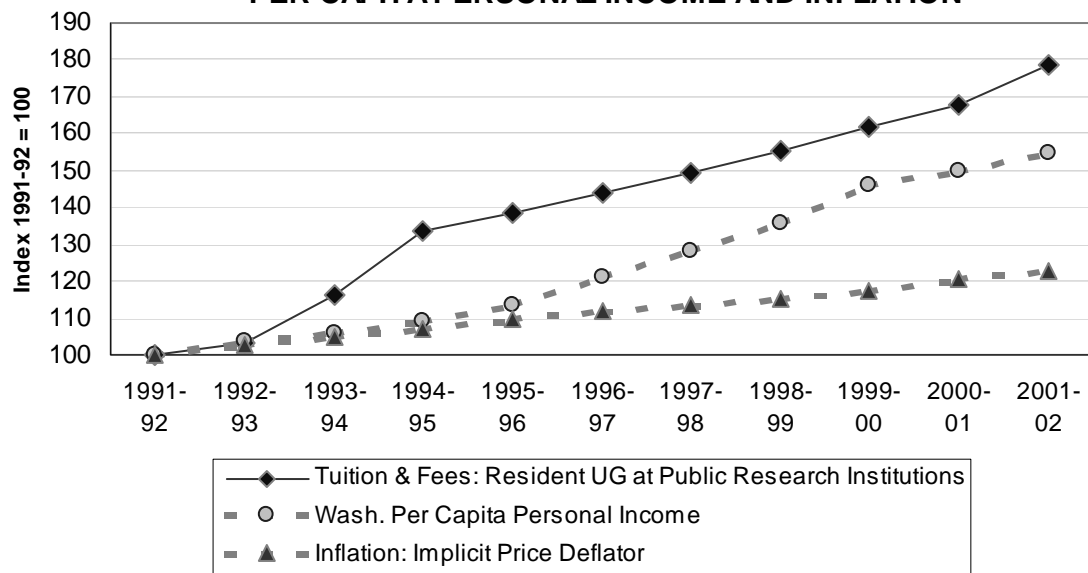
**Comparison of FTE Enrollment For FY 2002
OFM Estimates of Average Annual FTEs versus Budget Level
Based on Fall 2001 Actual Enrollments**

	<u>Budget Level FY 2001</u>	<u>Budget Level FY 2002</u>	<u>Increase 2001/2002</u>	<u>OFM Estimate FY 2002</u>	<u>Increase 2001/2002</u>	<u>FY 2002 Over-enroll (Under-enroll)</u>	<u>Budget Level FY 2003</u>
UW	34,688	34,820	132	36,688	2,000	1,868	35,146
Seattle	32,266	32,321	55	33,862	1,596	1,541	32,427
Bothell	1,136	1,169	33	1,269	133	100	1,235
Tacoma	1,286	1,330	44	1,557	271	227	1,484
WSU	19,847	19,570	(277)	19,828	(19)	258	19,694
Pullman	17,609	17,332	(277)	17,471	(138)	139	17,332
Spokane	551	551	-	587	36	36	593
Tri-Cities	616	616	-	624	8	8	616
Vancouver	1,071	1,071	-	1,146	75	75	1,153
CWU	7,867	7,470	(397)	7,626	(241)	156	7,470
EWU	7,864	7,933	69	8,404	540	471	8,017
TESC	3,713	3,754	41	3,933	220	179	3,837
WWU	10,826	10,976	150	11,239	413	263	11,126
HECB	50	-	(50)	-	(50)	-	-
Subtotal 4-Year	84,855	84,523	(332)	87,718	2,863	3,195	85,290
SBCTC	123,762	125,082	1,320	NA	NA	NA	126,902
Total	208,617	209,605	988	NA	NA	NA	212,192

Tuition at the Public Colleges and Universities

- Tuition has grown about 40 percent faster than personal income over the last 10 years—and over three times faster than the rate of inflation.
- All of Washington’s four-year institutions increased resident undergraduate tuition up to the legislative cap of 6.7 percent for the 2001-02 academic year. The community and technical college system increased tuition by 6.2 percent. The UW, WSU and TESC have set increases at the legislative cap of 6.1 percent for 2002-03. The others have deferred the 2002-03 decision.
- Washington continues to rank very close to the national average in tuition levels for flagship (research) universities, comprehensive colleges and universities, and community colleges.

INCREASES IN TUITION HAVE OUTPACED PER CAPITA PERSONAL INCOME AND INFLATION



RESIDENT TUITION AND FEES FOR FULL-TIME STUDENTS
ACADEMIC YEAR 2001-02
PUBLIC HIGHER EDUCATION INSTITUTIONS

RESIDENT	TUITION		S & A Services and Activities (S & A) Fee	TOTAL Tuition plus S & A Fees	Technology Fee (Optional)	OVERALL TOTAL OVERALL TUITION AND FEES
	Operating Fee	Building Fee				
UW - Seattle						
Undergraduate	3,413	180	279	3,872	111	3,983
Graduate	5,373	166	279	5,818	111	5,929
Master Professional Accounting	5,710	177	279	6,166	111	6,277
Master Business Administration	6,096	189	279	6,564	111	6,675
Law	6,325	196	279	6,800	111	6,911
Professional (MD, DDS)	9,264	488	279	10,031	111	10,142
UW- Bothell						
Undergraduate	3,413	180	249	3,842	120	3,962
Graduate	5,373	166	249	5,788	120	5,908
UW-Tacoma						
Undergraduate	3,413	180	273	3,866	120	3,986
Graduate	5,373	166	273	5,812	120	5,932
WSU -- all campuses						
Undergraduate	3,396	178	324	3,898		3,898
Graduate	5,375	166	313	5,854		5,854
Professional (Veterinary Med.)	9,074	478	320	9,872		9,872
CWU						
Undergraduate	2,552	106	366	3,024	75	3,099
Graduate	4,373	109	366	4,848	75	4,923
EWU						
Undergraduate	2,509	104	351	2,964	105	3,069
Graduate	4,299	108	351	4,758	105	4,863
TESC						
Undergraduate	2,551	106	367	3,024		3,024
Graduate	4,369	112	367	4,848		4,848
WWU						
Undergraduate	2,550	105	360	3,015	30	3,045
Graduate	4,374	108	360	4,842	30	4,872
Community/Technical Colleges						
Undergraduate	1,396	172	175	1,743	varies	

DRAFT...TUITION AND REQUIRED FEE RATES - NATIONAL COMPARISON ...DRAFT

RESIDENT UNDERGRADUATE: FLAGSHIP UNIVERSITIES

	1997-98	2000-01	2001-02	Percentage Increase	
				One Year	Four Year
Alabama	2,594	3,014	3,292	9.2%	26.9%
Alaska	2,710	3,420	3,495	2.2%	29.0%
Arizona	2,058	2,344	2,486	6.1%	20.8%
Arkansas	2,656	3,867	4,158	7.5%	56.6%
California	4,355	^ 4,046	^ 4,123	1.9%	-5.3%
Colorado	2,939	3,188	3,357	5.3%	14.2%
Connecticut	5,242	5,596	5,824	4.1%	11.1%
Delaware	4,574	5,005	^ 5,290	5.7%	15.7%
Florida	1,994	2,348	2,444	4.1%	22.6%
Georgia	2,739	3,276	3,418	4.3%	24.8%
Hawaii	2,949	3,157	3,253	3.0%	10.3%
Idaho	1,942	2,476	2,720	9.9%	40.1%
Illinois	4,406	4,994	5,754	15.2%	30.6%
Indiana	3,929	4,405	4,734	7.5%	20.5%
Iowa	2,760	3,204	3,522	9.9%	27.6%
Kansas	2,385	2,725	2,884	5.8%	20.9%
Kentucky	2,736	3,446	3,734	8.4%	36.5%
Louisiana	2,711	3,395	3,395	0.0%	25.2%
Maine	4,339	4,829	5,117	6.0%	17.9%
Maryland	4,460	5,136	5,341	4.0%	19.8%
Massachusetts	5,332	^ 5,212	5,212	0.0%	-2.3%
Michigan*	5,878	6,513	6,935	6.5%	18.0%
Minnesota*	4,473	4,877	5,536	13.5%	23.8%
Mississippi	2,731	3,153	3,626	15.0%	32.8%
Missouri	4,280	4,726	4,887	3.4%	14.2%
Montana	2,727	3,178	3,648	14.8%	33.8%
Nebraska	2,829	3,465	3,745	8.1%	32.4%
Nevada	1,995	2,220	2,295	3.4%	15.0%
New Hampshire	5,889	7,395	7,693	4.0%	30.6%
New Jersey	5,333	6,333	6,655	5.1%	24.8%
New Mexico	2,165	2,795	3,026	8.3%	39.8%
New York	4,340	4,715	4,815	2.1%	10.9%
North Carolina	2,173	2,710	3,219	18.8%	48.1%
North Dakota	2,677	3,088	3,261	5.6%	21.8%
Ohio	3,660	4,383	4,788	9.2%	30.8%
Oklahoma	2,403	2,861	2,963	3.6%	23.3%
Oregon	3,648	3,819	4,071	6.6%	11.6%
Pennsylvania	5,832	6,852	7,396	7.9%	26.8%
Rhode Island	4,592	5,154	5,365	4.1%	16.8%
South Carolina	3,534	3,868	4,064	5.1%	15.0%
South Dakota	2,824	3,448	3,642	5.6%	29.0%
Tennessee	2,576	3,362	3,784	12.6%	46.9%
Texas	3,279	^ 3,800	4,226	11.2%	28.9%
Utah	2,601	2,895	3,043	5.1%	17.0%
Vermont	7,550	8,288	8,665	4.5%	14.8%
Virginia	4,786	^ 4,160	4,236	1.8%	-11.5%
WASHINGTON	3,366	3,761	3,983	5.9%	18.3%
West Virginia	2,336	2,836	2,998	5.7%	28.3%
Wisconsin	3,240	3,788	4,086	7.9%	26.1%
Wyoming	2,326	2,575	2,807	9.0%	20.7%
National Average	3,517	4,002	4,260	6.5%	21.1%
Washington Rank	22	25	25		
CHANGES FROM PREVIOUS YEAR:					
National Average		5.1%	6.5%		
Washington		3.4%	5.9%		

* Average of lower division and upper division charges.

^ Fees reduced.

DRAFT...TUITION AND REQUIRED FEE RATES - NATIONAL COMPARISON ...DRAFT

**RESIDENT UNDERGRADUATE -- STATE AVERAGES
COMPREHENSIVE COLLEGES AND UNIVERSITIES**

	#	1997-98	2000-01	2001-02	Percentage Increase	
					One Year	Four Year
Alabama	5	2,489	2,892	3,261	12.8%	31.0%
Arizona	2	2,058	2,344	2,486	6.1%	20.8%
Arkansas	4	2,305	2,974	3,477	16.9%	50.9%
California	11	1,957	^ 1,859	1,897	2.0%	-3.0%
Colorado	5	2,180	2,353	2,511	6.7%	15.2%
Connecticut	3	3,611	3,908	4,165	6.6%	15.3%
Florida	6	1,994	2,348	2,551	8.6%	27.9%
Georgia	8	2,059	2,361	2,480	5.0%	20.4%
Idaho	2	1,979	2,514	2,732	8.7%	38.0%
Illinois	5	3,392	4,002	4,215	5.3%	24.3%
Indiana	2	3,305	3,697	3,947	6.7%	19.4%
Iowa	1	2,752	3,130	3,440	9.9%	25.0%
Kansas	4	2,096	2,354	2,424	3.0%	15.7%
Kentucky	7	2,187	2,699	2,897	7.3%	32.4%
Louisiana	7	2,117	2,482	2,578	3.9%	21.8%
Maine	3	3,192	3,510	3,690	5.1%	15.6%
Maryland	6	4,003	4,650	4,769	2.6%	19.1%
Massachusetts	7	3,433	^ 3,260	3,295	1.1%	-4.0%
Michigan	6	3,456	4,027	4,508	12.0%	30.4%
Minnesota	7	2,754	3,238	3,561	10.0%	29.3%
Mississippi	5	2,415	2,789	3,207	15.0%	32.8%
Missouri	5	2,753	3,202	3,436	7.3%	24.8%
Montana	2	2,468	2,924	3,222	10.2%	30.6%
Nebraska	2	2,175	2,693	2,916	8.3%	34.1%
Nevada	1	1,995	2,220	2,295	3.4%	15.0%
New Hampshire	2	4,331	5,309	5,557	4.7%	28.3%
New Jersey	7	4,336	5,328	5,762	8.2%	32.9%
New Mexico	1	1,514	1,933	2,042	5.6%	34.9%
New York	10	3,866	4,006	4,081	1.9%	5.6%
North Carolina	5	1,700	2,025	2,255	11.3%	32.7%
North Dakota	4	2,525	2,790	2,909	4.3%	15.2%
Ohio	4	3,927	4,674	5,058	8.2%	28.8%
Oklahoma	6	1,830	1,996	2,171	8.8%	18.7%
Oregon	4	3,275	3,435	3,650	6.2%	11.4%
Pennsylvania	14	4,265	4,695	4,969	5.8%	16.5%
Rhode Island	1	3,073	3,371	3,521	4.4%	14.6%
South Carolina	1	3,270	3,350	3,790	13.1%	15.9%
South Dakota	2	2,768	3,485	3,702	6.2%	33.7%
Tennessee	6	2,233	2,852	3,246	13.8%	45.3%
Texas	9	2,289	2,651	2,841	7.2%	24.1%
Utah	1	1,935	2,106	2,252	6.9%	16.4%
Vermont	2	4,428	4,944	5,132	3.8%	15.9%
Virginia	5	4,058	^ 3,730	3,841	3.0%	-5.4%
WASHINGTON	3	2,536	2,890	3,071	6.3%	21.1%
West Virginia	7	2,185	2,494	2,645	6.1%	21.1%
Wisconsin	4	2,683	3,058	3,272	7.0%	22.0%
Average*		2,786	3,164	3,385	7.0%	21.5%
Washington Rank		23	26	28		
CHANGES FROM PREVIOUS YEAR:						
National Average			4.6%	7.0%		
Washington			3.4%	6.3%		

Number of institutions in survey.

* Does not include Alaska, Delaware, Hawaii, or Wyoming

^ Fees reduced.

DRAFT...TUITION AND REQUIRED FEE RATES - NATIONAL COMPARISON ...DRAFT
RESIDENT UNDERGRADUATE - ESTIMATED STATE AVERAGES - COMMUNITY COLLEGES

	1997-98	2000-01	2001-02	Percentage Increase	
				One Year	Four Year
Alabama	1,280	1,653	1,964	18.8%	53.4%
Alaska	1,908	2,088	2,148	2.9%	12.6%
Arizona	815	903	930	3.0%	14.1%
Arkansas	969	^ 1,314	1,503	14.4%	55.1%
California	390	^ 330	330	0.0%	-15.4%
Colorado	1,802	1,920	1,999	4.1%	10.9%
Connecticut	1,814	1,886	1,888	0.1%	4.1%
Delaware	1,380	1,530	1,710	11.8%	23.9%
Florida	1,225	1,463	1,525	4.2%	24.5%
Georgia	1,296	1,514	1,486	^ -1.8%	14.7%
Hawaii	956	1,061	1,064	0.3%	11.3%
Idaho	1,100	1,313	1,406	7.1%	27.8%
Illinois	1,348	1,507	1,580	4.8%	17.2%
Indiana	2,455	2,540	2,540	0.0%	3.5%
Iowa	1,950	2,187	2,422	10.7%	24.2%
Kansas	1,206	1,368	1,446	5.7%	19.9%
Kentucky	1,100	1,230	1,450	17.9%	31.8%
Louisiana	1,117	^ 1,378	1,403	1.8%	25.6%
Maine	1,980	2,040	2,040	0.0%	3.0%
Maryland	2,150	2,262	2,345	3.7%	9.1%
Massachusetts	2,444	^ 2,180	2,279	4.5%	-6.8%
Michigan	1,624	^ 2,354			
Minnesota	2,190	2,472	2,750	11.2%	25.6%
Mississippi	960	1,072	1,278	19.2%	33.1%
Missouri	1,292	2,129	2,214	4.0%	71.4%
Montana	1,423	1,944	1,818	^ -6.5%	27.8%
Nebraska	1,233	1,415	1,480	4.6%	20.0%
Nevada	1,140	1,275	1,320	3.5%	15.8%
New Hampshire	3,388	4,114	3,780	^ -8.1%	11.6%
New Jersey	2,212	2,337	2,399	2.7%	8.5%
New Mexico	663	714	750	5.0%	13.1%
New York	2,532	2,602	2,657	2.1%	4.9%
North Carolina	560	880	992	12.7%	77.1%
North Dakota	1,820	1,954	2,040	4.4%	12.1%
Ohio	2,006	2,133	2,300	7.8%	14.7%
Oklahoma	1,285	1,399	^ 1,520	8.6%	18.3%
Oregon	1,628	1,828	1,934	5.8%	18.8%
Pennsylvania	1,978	2,134	2,277	6.7%	15.1%
Rhode Island	1,746	1,806	1,854	2.7%	6.2%
South Carolina	1,221	1,507	1,856	23.2%	52.0%
Tennessee	1,145	1,430	1,626	13.7%	42.0%
Texas	909	1,072	1,122	4.7%	23.4%
Utah	1,392	1,526	1,626	6.6%	16.8%
Vermont	2,614	3,004	3,124	4.0%	19.5%
Virginia	1,429	^ 1,159	1,159	0.0%	-18.9%
WASHINGTON	1,458	1,641	1,743	6.2%	19.5%
West Virginia	1,444	1,675	1,747	4.3%	21.0%
Wisconsin	2,127	2,453	2,619	6.8%	23.1%
Wyoming	1,187	1,431	1,501	4.9%	26.5%

Average** 1,537 1,737 1,811 4.3% 17.9%

Washington Rank 21 25 25

CHANGES FROM PREVIOUS YEAR:

National Average 6.4% 4.3%

Washington 3.6% 6.2%

* In-district rates for Arizona, Arkansas, Colorado, and Montana

** Does not include New Hampshire or South Dakota

^ Fees reduced.

Financial Aid

- Affordability is one of the most important factors that influence a student's ability to attend college. Financial assistance is available to needy students attending both public and private institutions. About one in three Washington college students (about 110,000 students) receive some type of need-based financial aid – both grants and loans.
- Of the \$2.8 billion in state support for postsecondary education this biennium, about nine percent (\$254 million) is for financial aid - mostly for financial needy students.
- Direct financial aid to individual students falls into one of three categories:
 - Assistance to needy students (State Need Grant, State Work Study, Educational Opportunity Grant);
 - Rewarding merit (Washington Promise Scholarship, Washington Scholars, Washington Award for Vocational Excellence); and
 - Targeted assistance (Health Professional Loan Repayment and Scholarship, Future Teachers Conditional Loans)
- Washington's tuition and financial aid policies are closely linked. The state's financial aid policies have been based on the fact that students from low-income families are particularly affected by rising tuition and other college costs. The state has regularly increased funding for the State Need Grant program, which serves the state's lowest income students, to offset tuition increases.
- State Need Grants help financially-needy undergraduate students pursue degrees, hone skills, or retrain for new careers. This is the largest of the state-sponsored student-aid programs with \$193 million appropriated for grants to students in the 2001-03 biennium and serving about 53,000 students annually.
- The maximum annual value of State Need Grant awards range from \$1,740 for eligible students attending the community and technical colleges to \$3,594 for students attending the independent four-year universities.

Cost Of Instruction Trends

- Tuition paid by resident undergraduate students and their families covers about 40 percent of undergraduate instructional costs at the research institutions; and about 30 percent at the comprehensive institutions and the community and technical colleges.
- Prior to 1995, tuition at the public colleges and universities was based on a percentage of the cost of instruction. For example, resident undergraduate tuition at the research universities was set by the Legislature and Governor at 25 percent of the cost of instruction in 1977-78.
- Since 1996 tuition has been set (or capped) by the Legislature and Governor in the state operating budget.
- Since 1999, the Legislature and Governor have allowed the colleges and universities' boards of trustees and the State Board for Community and Technical Colleges to set tuition for their students within limits established in the budget.

Tuition as a Proportion of Educational Cost

	1977-78 to 1980-81	1981-82 to 1992-93	1993-1994	1994-1995	2001-2002
Research Universities:					
Resident Undergraduate	25.0%	33.3%	36.3%	41.1%	41.6%
Nonresident Undergraduate	100.0%	100.0%	109.3%	122.9%	138.3%
Comprehensive Universities & College:					
Resident Undergraduate	*	25.0%	27.7%	31.5%	31.1%
Nonresident Undergraduate	*	100.0%	109.4%	123.0%	120.5%
Community & Technical Colleges:					
Resident Undergraduate	*	23.0%	25.4%	28.8%	29.8%
Nonresident Undergraduate	*	100.0%	109.3%	122.7%	127.2%

Notes:

Tuition = "operating" and "building fees." Does not include "services and activities fees" or other fees.
Proportion calculated as tuition divided by cost of instruction.

*Resident Undergraduate rates at the comprehensive institutions were set at 80% of the research universities. Community college resident rates were set at 45% of research universities; nonresidents at 50% of research. Tuition was not increased in 1979.

From 1981 through 1995, tuition rates in any given year were calculated on a two-year "lag" basis.

For example, tuition for 1995-96 was determined based on 1993-94 expenditures and actual enrollments. Tuition increases for 1995-96 to current were not based on a specified proportion of cost, but were increased by a percentage specified in the appropriations act.

Calculations for 1995-96 forward reflect budgeted enrollments and allotment data.

Source: HECB, December 2001

Faculty Salary Trends And Comparisons

- State-funded salary increases for faculty and instructional staff have varied year by year, with no increases in some years.
- Faculty salaries are below peer averages at all the public four-year institutions.
- Each year, faculty salaries at Washington's baccalaureate institutions are compared to those at peer institutions nationally. These rankings vary by institution. For example, salaries at the UW and WWU are just below the 50th percentile, while they are at the 9th percentile at WSU. *Note: Percentile rankings measure the position on a scale starting at 0 and stepping up to 100. Therefore, a ranking of a higher percentile indicates a relatively higher salary level, while a lower percentile ranking indicates a relatively lower salary level.*
- National data is not available for the two-year colleges, but the State Board for Community and Technical Colleges indicated in its 2001-2003 budget request that salaries in Washington are below the average of seven Western states.

**FACULTY SALARIES AT WASHINGTON INSTITUTIONS
RELATIVE TO THEIR PEERS**

<u>Institution</u>	<u>FY 1992</u>	<u>FY 1994</u>	<u>FY 1996</u>	<u>FY 1998</u>	<u>FY 2000</u>
University of Washington					
<i>average salary</i>	53,855	57,486	60,126	63,130	68,463
<i>percentile rank</i>	56th	64th	48th	44th	44th
Washington State University					
<i>average salary</i>	45,482	48,656	51,209	53,899	58,533
<i>percentile rank</i>	26th	22nd	22nd	17th	9th
Eastern Washington University					
<i>average salary</i>	39,068	43,414	47,172	49,755	51,101
<i>percentile rank</i>	30th	48th	59th	57th	43rd
Central Washington University					
<i>average salary</i>	42,391	40,895	44,314	43,619	48,556
<i>percentile rank</i>	59th	28th	33rd	14th	24th
The Evergreen State College					
<i>average salary</i>	40,462	43,016	44,070	44,866	46,984
<i>percentile rank</i>	41st	43rd	31st	20th	17th
Western Washington University					
<i>average salary</i>	44,499	46,987	48,698	48,560	51,746
<i>percentile rank</i>	71st	71st	67th	48th	48th
Community & Technical Colleges					
<i>average salary</i>	35,329	37,343	39,309	n/a	n/a
<i>percentile rank</i>	65th	62nd	55th		

source: HECB, November 2001

Higher Education Capital Funding

Historical Perspective

- Since 1991 higher education has accounted for about 30 percent of the total state capital budget.
- Since 1991 General Obligation bonds have financed nearly half of the state's capital budgets (\$5.4 billion of \$11.8 billion), and have financed 73 percent of higher education's capital budgets (\$2.5 billion of \$3.4 billion).
- Higher education has received about 46 percent of each biennial total bond authorization.
- While total higher education appropriation levels have remained fairly stable, capital funding levels between and within the sectors has varied over time – reflecting different capital priorities and initiatives.

The 2001-2003 Higher Education Capital Budget

Higher Education's 2001-2003 capital budget totals \$650 million. Of this amount, \$414 million comes from General Obligation Bonds. Major policies reflected in the 2001-2003 capital budget include:

- A growing emphasis and priority on community and technical college capital improvements.
- Capital spending for the comprehensive institutions includes new major facilities at three of the four campuses.
- The two research institutions have, combined, the lowest total appropriation and bond authorization received over the past six biennia.
- The 2001-2003 capital budget reflects roughly equal investments in both need to preserve/renew facilities and to provide additional capacity.
- Based on the November 2001 revenue forecast, the 2002 Legislature will be examining alternative fund sources for about \$175 million of General Obligation bond projects authorized in the 2001-2003 biennium.
- Since the state's debt limit is based on a percentage of the average of the prior three years general fund revenue, the effect of a 12 to 22 month recession on capital funding will be noticed through the 2005-2007 biennium.