

UNIVERSITY OF MINNESOTA
BOARD OF REGENTS
Educational Planning & Policy Committee
May 11, 2006

A meeting of the Educational Planning and Policy Committee of the Board of Regents was held on Thursday, May 11, 2006, at 1:45 p.m. in the West Committee Room, 600 McNamara Alumni Center.

Regents present: Peter Bell, presiding; Dallas Bohnsack, David Larson, David Metzen, and Patricia Simmons.

Staff present: Chancellors Charles Casey and Samuel Schuman; Senior Vice President & Provost Thomas Sullivan; Senior Vice President Robert Jones; Vice President Linda Thrane; Executive Director Ann Cieslak; and Provost David Carl.

Student Representatives present: Amy Jo Pierce and Tiffany Varilek.

**RESOLUTION RELATED TO
TUITION WAIVER FOR WAR ORPHANS**

Senior Vice President & Provost Sullivan introduced Craig Swan, Vice Provost for Undergraduate Education, who led the discussion. Swan reviewed the resolution, which provides for a waiver of tuition for bachelor's degree students who are the children of veterans who died as a result of service in the United States Armed Forces. In response to questions from the committee, he indicated that the waiver is available to full- or part-time students and that the University expects 5 or 6 students to apply.

The resolution will return to a future meeting of the committee for action.

**ACADEMIC ISSUES RELATED TO:
UNIVERSITY PLAN, PERFORMANCE & ACCOUNTABILITY REPORT**

Senior Vice President & Provost Sullivan led the discussion of academic issues related to the *University Plan, Performance & Accountability Report (Accountability Report)*. Sullivan noted that for the first time the *Accountability Report* is aligned with the strategic actions identified during the strategic positioning process to provide meaningful measures of progress toward the institution's aspirational goal to become one of the top three public research universities.

Sullivan summarized the findings of the University of Florida's annual publication, *The Top American Research Universities* (materials on file in the Board Office). A comparison of this publication for 2004 and 2005 shows that the University's rank improved in the areas of faculty awards, doctorates granted, annual giving, National Academy members, and SAT/ACT scores; remained the same for total research funding, federal research dollars, and endowment assets; and declined for the number of postdoctoral appointees.

Sullivan also reported on the University's rankings relative to 19 other public research universities (peer group) and 5 public research universities (aspirational group). He suggested that trends in the areas of student quality, student retention, and graduation rates are moving in the right direction, but there is room for improvement. Student satisfaction with their decision to attend one of the University's campuses also is high and has risen over the last eight years.

In response to a number of questions from the committee, Sullivan emphasized that the University continues to do well in the area of research expenditures, but in recent years other top institutions have been more successful in attracting available research dollars. If, as expected, federal research funding flattens in the years ahead, University researchers will face even stiffer competition. The administration remains confident, however, that its strategy to hire top faculty and provide fellowships for graduate student assistants will increase the number of research grant awards.

Sullivan maintained that the University's failure to achieve a top tier ranking is largely the result of its academic profile. In some cases, the nature of the applied criteria negatively affect the University's rankings, but there is no ambiguity regarding the need to improve graduation rates if the University is to achieve its aspirational goal. He added that this summer the strategic planning process will incorporate the best practices of other institutions to improve advising, mentoring, and tracking of students.

Sullivan stated that in his opinion it is not appropriate to look at any single indicator to determine whether the University has or has not achieved its goal. Instead, he recommended that the *Accountability Report* be considered in its totality by assessing trend lines; identifying strengths, weaknesses, and deviations from best practices; assessing lags; and determining which course corrections are consistent with the University's values and mission. While acknowledging that the University has a lot of work to do, the rankings of the University of Florida and other similar recognized publications clearly indicate that the University is well within range of its target.

Sullivan advised the committee that in future years the *Accountability Report* will be submitted to the Board in the fall (beginning Fall 2007) to better align with development of the University's budget and the release of the University of Florida's rankings report.

**ISSUES RELATED TO:
TUITION & FEES/FINANCIAL AID**

Senior Vice President & Provost Sullivan introduced Vice Provost Craig Swan and Peter Zetterberg, Institutional Research & Reporting, who led the discussion (materials in the docket and on file in the Board Office). Zetterberg posed the following policy questions for the committee's consideration:

- 1) Is there a strong correlation between increases in tuition and fees or cost of attendance and student interest in a campus as measured by the number of applicants and freshman enrollees?
- 2) Is there a strong correlation between the availability of financial aid and student interest in a campus?

In order to assess the effect of rising tuition and financial aid on applications and enrollment, Zetterberg reviewed the ten-year trend in undergraduate tuition and fees for the University compared to other Big 10 public institutions. He observed that at more than \$8,000, Minnesota's total tuition and required fees exceeded the average of Big 10 public institutions in 2006, but that all had experienced the same rising trend over the last decade. He also examined tuition and financial aid trends at a small group

of the nation's top public universities, taking into account the demographics of each state and the characteristics of their educational systems.

On the basis of the analysis, Zetterberg concluded the following:

- The amount of federal financial aid is determined by the number of enrolled students who are eligible for Pell-grants.
- The amount of state and institutional aid varies, depending on the number of low-income students enrolled and the extent of merit-based financial aid.
- External grants, such as scholarships from foundations or tribal governments, account for a relatively small share of student financial aid.
- The State of Minnesota ranks 8th nationally in the award of need-based grant dollars per undergraduate student.
- Institutions with substantial merit-based financial aid enroll the highest percentage of students from the top 10 percent of their high school class.
- A variety of explanations may account for the fact that Minnesota students borrow more than students elsewhere, including the cost of attendance, the percentage of Pell-eligible students, and the extent of institutional grant support.
- Students and families who can pay more have been and will be expected to do so.
- A multitude of factors may affect the decision of a prospective student to apply or to enroll, but cost and financial aid do not appear to be critical short-term determinants.
- Lower income students are being protected, both by state financial aid programs and by institutional programs such as the University's new Founders Opportunity Program.

In response to questions from the committee, Zetterberg noted that federal financial aid dollars have been flat for the last five years and that the future of the Pell Grant program is uncertain. He stated, however, that had such programs as the new Founders Opportunity Program been available in 2004-05, average grant amounts at the University would have been at least \$500 higher and average loan amounts at least \$500 lower.

CONSENT REPORT

A motion was made and seconded, and the committee unanimously recommended approval of the following academic program changes, as described in the docket materials:

New Academic Programs:

- Labovitz School of Business and Economics (Duluth Campus) – Create new minor in Health Care Management
- Law School (Twin Cities Campus) – Create concentrations in (1) Labor and Employment Law, (2) Health Law and Bioethics, and (3) Human Rights

Academic Program and Unit Name Changes:

- College of Continuing Education (Twin Cities Campus) – Change name from Minor in Joint Military Science to Minor in Joint Military Science Leadership

- School of Public Health (Twin Cities Campus) – Change unit name from Division of Health Services Policy and Research to Division of Health Policy and Management

New Academic Department:

- Labovitz School of Business and Economics (Duluth Campus) – Create a Department of Marketing

INFORMATION ITEMS

There were no information items this month.

The meeting adjourned at 3:30 p.m.

**ANN D. CIESLAK
Executive Director and
Corporate Secretary**