

Minutes*

Senate Committee on Educational Policy
Tuesday, January 10, 1995
1:45 - 3:30
Room 626 Campus Club

Present: Megan Gunnar (chair pro tem), Jeff Bauer, Rachel Brand, Anita Cholewa, James Cotter, Darwin Hendel, Sara Hornstra, Robert Johnson, Manuel Kaplan, Laura Coffin Koch, William Van Essendelft, Darren Walhof

Regrets: Kenneth Heller, Elayne Donahue, Judith Martin, Gayle Graham Yates

Absent: Ryan Nilsen

Guests: David Berg (Management Planning and Information Services)

[In these minutes: Regents' policy on tuition; student lobby day; committee business]

1. Regents' Policy on Tuition

Professor Gunnar convened the meeting at 1:50 and introduced David Berg, Management Planning and Information Services, to review the draft Regents' tuition policy with the Committee.

Mr. Berg said there had been a lot of consulting on the proposed new policy, including departure from the usual practice by presenting it to the Board of Regents three times, rather than two, in order to ensure as many opportunities for student comment as possible. There are several reasons for the new policy, he explained. The existing policy is confusing, deals with too many details, and in some parts is unworkable--practice does not conform to policy. If existing policy cannot be followed, it seems time for a new one.

Mr. Berg then touched on a dozen major elements of the proposed policy; most of them are not controversial, he said, but a few of them are. One other reason to change the policy is that the present version "lacks poetry": it does not speak to why tuition is charged or what the goals of a tuition policy should be. The proposed policy addresses those issues.

-- It is the responsibility of the President to recommend tuition and fees to the Board of Regents. This has not been clear in the past. (The "fees" referred to are not the student fees recommended by student governance to the administration and Regents; those will continue to be set in the same fashion they have been.)

-- The University may assess a BASE RATE tuition, a minimum charge no matter how few credits a student may take. The logic of the proposal is that students who take low loads impose a cost on

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the University over the long period, a cost that is greater per credit than for students who take a full load. No one is yet proposing a base rate; one could say that the present base rate is one credit.

This is modestly controversial, Mr. Berg said; if a base rate were established, it might make it difficult to continue for those who are least able to pay, such as non-AFDC child care recipients. That would be more likely the case if the base rate were set at greater than three credits.

- There will be a single upper division rate on each campus, which is a change from the existing policy requiring a single undergraduate rate. The latter has been found impractical; the increase in cost to students in low-cost colleges would be too outrageous, so the most uniformity that can reasonably be achieved is uniform upper and lower division tuition rates. Some argue--although not strongly--there should be more than one upper division rate, because some upper division programs are MUCH more expensive than others.
- The policy retains the authority to band tuition. On the Twin Cities campus, the band where tuition charges remain the same is 14-18 credits; at Morris it is 15-20.
- The assessment method may vary by campus, as is now the case. UMC has no tuition banding; Morris has a single tuition rate for all students.
- A change in policy, but not in practice, is overt recognition that setting graduate tuition is different from setting undergraduate tuition. In the case of graduate tuition, the University wants to offer graduate tuition and graduate assistant pay in order to make the University competitive for the best graduate students.
- Non-admitted students will be shown as a separate category, and the tuition charges for may them different.
- The policy includes a statement that codifies existing practice: the state provides no subsidy for non-resident, non-reciprocity (nr²) students. They are, as a consequence, to be charged a rate, averaged over all undergraduate programs, that recovers the full cost of instruction (in order to avoid resident students providing them a subsidy).
- A guaranteed tuition plan must be offered: students may pay the current rate, or may pay a higher rate that will be guaranteed for five years. The cost of this program should not be shifted to students who do NOT opt for the guarantee. A number of students took advantage of the offer this year.
- The policy talks of remissions and waivers. The University is in a strange position, Mr. Berg remarked; Wisconsin, with fewer students and lower rates, collects more tuition than Minnesota. The reason is that they COLLECT their tuition, while Minnesota waives it and many students do not pay any or all of the tuition. The policy separates waivers (e.g., by state law, the University may not charge tuition to blind students from either Minnesota or North Dakota, or to anyone who is a ward of the state) from remission. There are a large number of such waivers required of the University. The cost of waivers are borne by all other students (as is now the case). Tuition remission is different; the cost of a one-half time graduate assistant who is not charged tuition

would be borne by the unit employing the student.

This has created controversy, but the question is one of the method of assessing the charge; units are charged now, but through the graduate student fringe benefit rate. One alternative is to direct charge the cost for individual student employees.

- A new item in the policy is a discussion of reciprocity agreements. Minnesota has such agreements with Wisconsin, both Dakotas, Manitoba, and limited agreements with other states. The University in general has not suffered, but it DOES suffer from the Wisconsin agreement: Wisconsin students pay Wisconsin resident tuition when they attend Minnesota while Minnesota students pay Minnesota resident tuition when they attend Wisconsin. The result has been that Minnesota resident students are subsidizing Wisconsin students at Minnesota at the rate of about \$2.8 million per year or more. The state makes up about \$1.3 million of the loss, but there is still a large cost. The policy declares that the continuation of the reciprocity agreement depends on the state making up the deficit.
- The most controversial part of the policy is one that allows academic or course fees. The existing policy prohibits almost all such fees that do not apply to all students (except for those instances where a student carries something away from the class--pottery--or where the University must pay for outside facilities--boats, planes).

Mr. Berg presented the arguments for the policy, while noting that he is opposed to it. First, fees are inevitable, so the University might as well accept that. Second, fees assess the costs closer to where they are experienced (but so do differential tuition rates).

The last proposal, he maintained, makes the University's approach rather schizophrenic: on the one hand, it is calling for uniform upper and lower division tuition rates, but then proposes fees that will make the total cost to students non-uniform.

There is a significant issue associated with fees, and that is whether or not they will be covered by state student aid. Mr. Berg related the difficulties the University had in getting the Crookston computing fee covered by aid, even though it covered nearly every student on the campus. One can fear that if there are differential fees that do not apply to all students, they will not be covered by student aid.

The Twin Cities campus student government has taken a position against fees, Mr. Berg reported, as have the graduate students. One graduate student, on another Senate committee, has argued that once this door is opened, almost any fees could be imposed and there would be few controls on them.

One may call academic charges "tuition" or "fees," Mr. Berg concluded, but it makes no difference to the student, for whom the question is "what must I pay?"

Committee members then asked questions of Mr. Berg about the policy.

- What is the purpose of this policy? If the present policy is not being followed, so changes are being proposed, does it mean anything to adopt a new policy that might also not be followed? This Board of Regents is concerned that the University follow its policies, Mr. Berg said, and they will

- take the policy seriously. If the policy is adopted, and someone proposes, for example, more than one upper division rate, the Board would have to approve the change. It is always possible, of course, that a policy could be ignored. Mr. Berg affirmed that in the past, when the Regents have approved tuition rates, they have sometimes approved things contrary to their own policy.
- Is the thinking about the base rate to set it at three credits? That has not been discussed at any length, Mr. Berg said; there have been proposals to set it at six credits. That, however, raises political problems that would likely not be raised were it set at three credits. The President would recommend the base rate, and presumably that recommendation would come to the governance system for review.
 - There is a call for students to be admitted; the policy suggests a different rate for non-admitted students. Does that mean that non-admitted students might not have to pay the base rate? Mr. Berg affirmed that the policy would permit that.
 - If graduate students are required to register, if only to defer repayment on student loans, the base tuition could significantly increase the financial burden on them, especially if their University funding had run out and they were working elsewhere. Mr. Berg agreed that this was a good point and said he would bring it to the attention of those working on the policy language.
 - What is the difference between regular tuition and the guaranteed plan? At present it is about 21%, Mr. Berg said (which assumes 5.5% annual tuition increases. The University will have to see if that turns out to be adequate. A student pays 21% more now, but is guaranteed that rate for five years. The guarantee plan would cover a student transferring from one University campus to another, he affirmed.
 - Has there been any talk of asking the legislature to provide funding for tuition waivers required by law, so that other students are not paying for them? This is an unfunded mandate, Mr. Berg observed.
 - What impact on departments will there be if the costs of graduate assistants are charged back to the unit doing the hiring--as opposed to hiring non-students to do the same work? That is already being done, Mr. Berg pointed out; when the federal government required a separate fringe benefit rate for graduate assistants, the rate went WAY up. There is the temptation to hire non-students; he's seen it in his own department. So far it seems not to have happened very much, but there is a long-term danger that the University doesn't know how to get out of. The recent report on graduate tuition remission and waivers identified three options; there appears to be a consensus developing that the present system should be retained, despite its problems. Were a direct charge system created, one can be certain that NO professional student would ever be hired, and the incentives would be to hire students taking the fewest credits.
 - Is there any possibility that the University could recoup the losses from the reciprocity agreement with Wisconsin? The state negotiated the agreement with Wisconsin, Mr. Berg informed the Committee; the Board of Regents need not abide by it, although they have chosen to do so thus far. This policy says that the Board can withdraw from the agreement if adequate state funding is not provided (authority they've probably had all along). The University is currently losing about \$1.7

million per year, and it seems bizarre that Minnesota resident students are bearing that cost. If the state wants that kind of agreement, one could argue, then the state should bear the cost.

If the Regents withdrew, they would avoid the \$1.7 million loss, but would the University then lose an even greater amount of tuition revenue from Wisconsin students? The University would probably save money, Mr. Berg replied, because most students now at Madison would likely be on the Twin Cities campus were the reciprocity agreement not in effect.

- Asked about the fee structure at Michigan, a university that uses academic fees extensively, Mr. Berg explained it briefly. Students pay a base uniform tuition rate, but then may pay a fee for technology courses, or art courses, or for enrolling in courses of a particular college--there are congeries of assessment, he said, and it is not obvious who pays what. He agreed that two students taking the same courses might pay different amounts, but that is true at Minnesota now and will always be true to some extent.
- The responsibility for recommending fees will rest with the President.
- If fees were collected, would the money go to the unit collecting them or into a central pool? It could be either, Mr. Berg said. At Michigan, they go into a central pool--although that may change, because Michigan is going to a Resource Responsibility Center system, which implies that fees would go back to the units imposing them.
- Why not spread out the costs over all students, even if some end up subsidizing others, rather than imposing fees at all? The argument, Mr. Berg said, is that EVERYWHERE in society there is a tendency to assess costs to users; academic fees would be a more perfect charging system by person. One can't disagree with that conclusion, he said; the question is how far one wants to carry it. The principle of differentiated tuition means that groups of students are charged more because, as a group, they are incurring higher costs. There have been proposals to charge BY COURSE, which would be a nightmare to administer, but it is the ultimate result of this line of reasoning.
- Would fees be more flexible in terms of changing the amounts or application? They would, Mr. Berg said, and that is what undergraduate students fear. They would also make it hard for students to plan, said one Committee member, when they would have fees cropping up during the year that they didn't expect. It also affects recruiting materials, Mr. Berg observed; fees would make it much harder to explain to prospective students and parents how much it will cost to attend the University. Now, one KNOWS, with few exceptions, what the cost will be.
- Would not fees also make it more difficult to project revenues? That point has been argued, Mr. Berg replied.
- What numbers are being talked about for fees? What is their justification? They tend to be large, Mr. Berg said; the technology fee at Michigan is on the order of \$400 per semester. They also tend to rise quickly, especially in technical areas, where the need to obtain advanced technology is ever present. The justification for them is cost. The IT computing fee was justified on the basis of needing a certain amount of money to bring computing labs to a reasonable level.

- With the move to a uniform upper division rate, would not students in some high-cost programs see their tuition DECREASE? And might they not, even with the addition of fees, still see lower costs? And would not CLA tuition, in contrast, rise? Mr. Berg said that it is the undergraduates in health sciences programs who would see their tuition decrease. CLA students will see a significant increase, and only a small percentage of undergraduates would see any decrease.

At this point it was moved and seconded that the Committee indicate that it is opposed to the portion of the policy permitting academic fees and that the Regents be asked to reconsider the issue. The motion passed 6-4.

2. Student Lobby Day

Mr. Berg next reported that the student leadership has made a request that students who lobby for the University on student lobby day (April 15) be excused from classes. This Committee, he noted, typically deals with such requests. The President has written to Senior Vice President Infante, with copies to Professor John Adams and others, asking for advice by January 15.

The discussion at the Senate Consultative Committee was explained, at which time SCC had concluded that students should not be excused from classes for lobbying and that the administration should make whatever arrangements it deemed appropriate for such students.

Mr. Berg said that advice might be provided in two ways. First, on political grounds: if it became known at the legislature that the University excused its students to lobby, the reaction would not be positive. Legislators welcome students who lobby, but not with University sanction. Second, on educational grounds: the Committee could say it is not sound practice. He explained that there has annually been such a student lobby day, but it has never included excused absences for the participants.

It would be even worse, Mr. Berg exclaimed in response to a question, if the University were to grant time off to faculty and staff to lobby. It would be ILLEGAL to grant time off to civil service staff for that purpose. One could imagine faculty who might cancel class, or get a substitute, in order to lobby, and one should be opposed to both faculty and students lobbying officially.

It was moved and seconded that students participating in student lobby day NOT be granted excused absences from class. The motion passed 8-1.

Professor Gunnar thanked Mr. Berg for his presentations.

3. Morse-Alumni Nominating Committee

Professor Gunnar then turned the meeting over to Professor Cotter, who explained the membership categories on the Morse-Alumni nominating committee that needed to be filled. Appropriate individuals were identified; Professor Cotter agreed to notify the Committee about who had agreed to serve.

4. Changes in the Morse-Alumni Award

Committee members then discussed a proposed draft of a resolution to be presented to the

University Senate recommending changes in the Morse-Alumni award. They spend time revising it, and then agreed they would review it again at their next meeting.

One Committee member wished it made known that in some units, faculty who win the Morse-Alumni award ARE recognized when merit salary decisions are made. Discussions in the minutes of the Committee have implied that units do not recognize the performance, and at least in some cases, that is not true.

5. Subcommittees to Review Senate Educational Policies

Professor Gunnar then reviewed who had volunteered for which subcommittees, appointed convenors for each, and outlined the charge. She asked that the subcommittees report back to SCEP on February 7.

She then adjourned the meeting at 3:30.

-- Gary Engstrand

University of Minnesota