

**VII. STANDING COMMITTEES****A. Academic and Student Affairs Committee****Historic Overview and Current Status of Graduate and Professional Fee-Based Programs**

For information only.

**BACKGROUND**

Fee-based, or self-sustaining, programs broaden access to higher education to more people throughout the state, the country and the world.

Students in these programs have access to the UW's faculty, resources and research to develop and adapt the skills and knowledge they need to advance their careers, their industries and our economy. The flexibility of these programs allows the UW and its academic units to respond rapidly to changes in the workplace and students' individual needs and goals.

The issues outlined in the report are drawn from surveys and conversations with graduate program advisors, Graduate School staff who oversee administrative processes, directors of fee-based programs, library staff and leaders, and focus-groups with students in fee-based graduate program.

*Attachment*

Historic Overview and Current Status of Graduate and Professional Fee-Based Programs Report



## **Historic Overview and Current Status of Graduate and Professional Fee-Based Programs**

*As a state institution, the University of Washington is committed to educating the public. Fee-based, or self-sustaining, programs broaden access to higher education to more people throughout the state, the country and the world.*

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## **BENEFITS**

### **Students**

- ▶ Convenience through evening, weekend, and online options
- ▶ Practical, real-world knowledge that can be immediately used on the job
- ▶ Relevant content that is taught by UW faculty and top UW-approved industry professionals in touch with the latest developments in the field
- ▶ Opportunities to develop professional contacts and job prospects
- ▶ Access to educational opportunities that would otherwise not be available at the UW

### **Business/Industry**

- ▶ More highly educated overall workforce
- ▶ Opportunities to recruit from a larger local pool of specialized professionals
- ▶ Continuing education offerings for current employees
- ▶ Degree programs that align with the specific needs of Washington industries and business
- ▶ Ability to contribute to development and delivery of educational services

### **University**

- ▶ Units have freedom to innovate and try new programs without waiting for state funds to become available
- ▶ Revenues are flexible and can be utilized for a variety of program uses including recruitment, faculty travel, or even hiring tenure track faculty
- ▶ Opportunities for faculty and industry to develop and maintain connections
- ▶ Educational capacity is expanded without the investment of new state funds
- ▶ Greater service to the state of Washington through expanded access to a UW education



### DESCRIPTION

Fee-based refers to a financial funding model and is not an indicator of quality or status. A fee-based program is a program of study that is supported solely by student course fees (i.e., receives no state-based support). A state-based program is supported by student tuition and funding provided by the state. Students in these programs are referred to as tuition-based students.

Fee-based students in degree programs:

- ▶ Are UW matriculated students
- ▶ Must meet the UW's established admissions standards
- ▶ Are required to pay the same student fees (Student Technology Fee, Services and Activities Fee) as tuition-based students
- ▶ Have the same rights, responsibilities and access to services as their tuition-based counterparts (including health insurance, student housing, IMA, U-PASS, etc.)
- ▶ Earn UW degrees equal to those granted in state-based programs

Because no state funding is used to support fee-based programs, students:

- ▶ Cover the entire cost of their degree programs through course fees
- ▶ Pay more for their degrees than tuition-based students in comparable programs
- ▶ Are not eligible for graduate tuition exemptions
- ▶ Are not eligible for graduate university grant programs

### UW FEE-BASED PROGRAMS

- ▶ 84 master's degree programs
- ▶ 9 professional doctoral programs
- ▶ 13 bachelor's programs
- ▶ Offered through 19 UW schools and colleges

Professional & Continuing Education (PCE), a division of UW, administers 82 fee-based degree programs—77 percent of the UW's fee-based programs. These programs have approximately 3,000 students enrolled (representing approximately 25 percent of total UW graduate student enrollment). Some fee-based programs, such as those in business and law, have historically been administered by their academic units. For the 64 master's programs, 9 doctoral programs and 9 bachelor's programs it manages, PCE oversees:

- ▶ market analysis and projected program viability
- ▶ recruitment
- ▶ registration
- ▶ accounting and financial analysis on a program basis
- ▶ program management
- ▶ communication

Academic units and the Graduate School oversee

- ▶ admissions
- ▶ graduation requirements
- ▶ overall program quality

## **COSTS**

- ▶ The majority of fee-based programs have a per-credit charge, rather than a tuition-cap fee as in state-based programs.
- ▶ Fees are based on:
  - ▶ estimated expenses
  - ▶ peer program tuition rate data
  - ▶ price sensitivity
  - ▶ market demand for the program
- ▶ Most fee-based programs have a single fee, for residents and non-residents alike.
- ▶ Most fee-based programs cost more than resident tuition for state-supported programs, but less than non-resident tuition for state-supported programs.
- ▶ PCE pays the standard self-sustaining UW overhead rate.
- ▶ PCE also charges programs an additional 1 percent overhead to support UW student service units.

## **Financial Aid**

- ▶ Financial aid options are limited for students in fee-based programs.
- ▶ Some employers provide funding for course fees; however, because the money is given directly to the employee, not the UW, we are not able to detail the level of support.

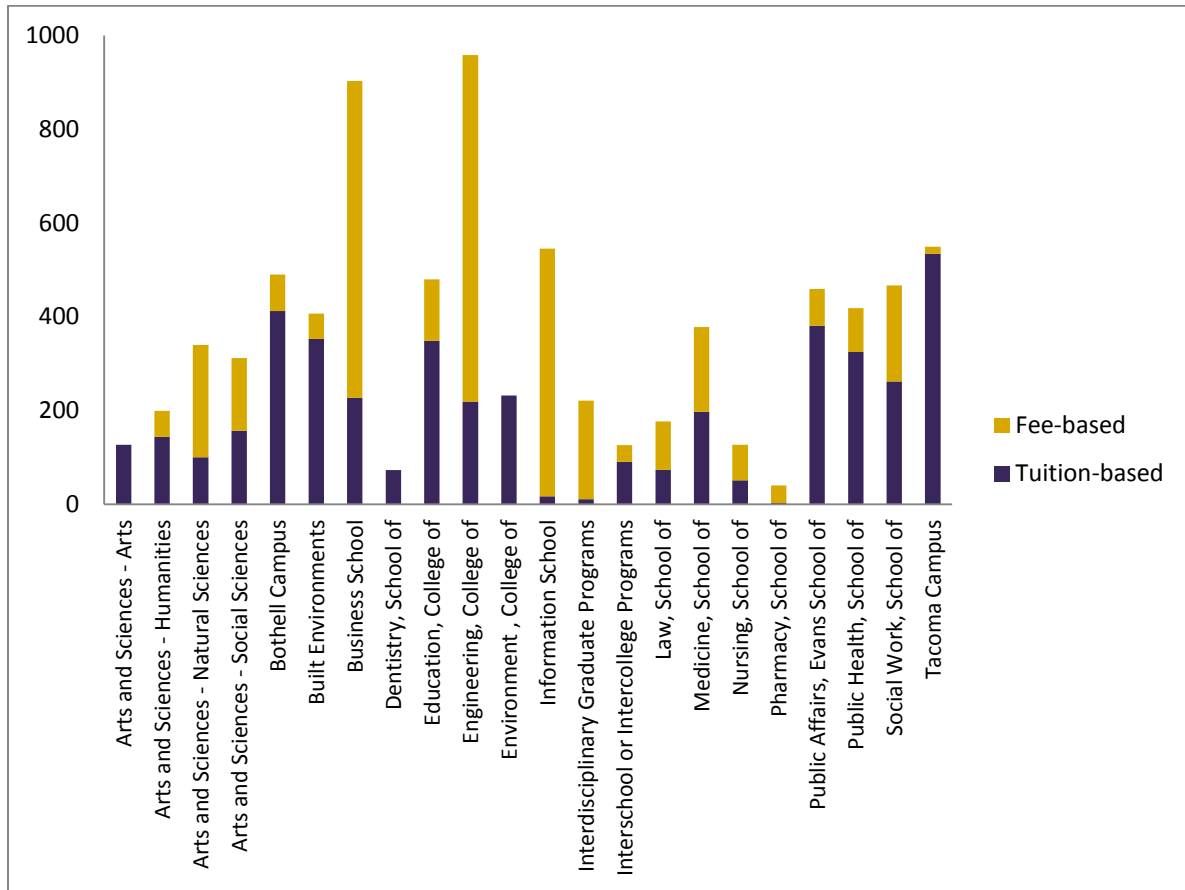
## **Student Debt**

- ▶ Between 2007 and 2011, the number of fee-based master's students graduating without debt fell from 37 percent to 32 percent (and fell from 35 percent to 32 percent for tuition-based master's students).
- ▶ Conversely, the number of graduating fee-based master's students with more than \$20,000 in debt rose from 39 percent to 49 percent (and rose from 30 percent to 40 percent for tuition-based master's students).
- ▶ Student debt for fee-based students and tuition-based students is comparable.

## **ENROLLMENTS**

- ▶ Schools and colleges with the highest fee-based enrollments
  - ▶ College of Engineering (739 students)
  - ▶ Business School (676)
  - ▶ Information School (528)
- ▶ Fee-based programs with the highest individual enrollments
  - ▶ Masters of Library and Information Science (347 students)
  - ▶ Masters of Business Administration (289)
  - ▶ Masters of Health Administration (145)
  - ▶ Masters of Clinical Health Services – MEDEX (144)

**Figure1. Master’s Student Enrollment by College/School, Autumn 2012**

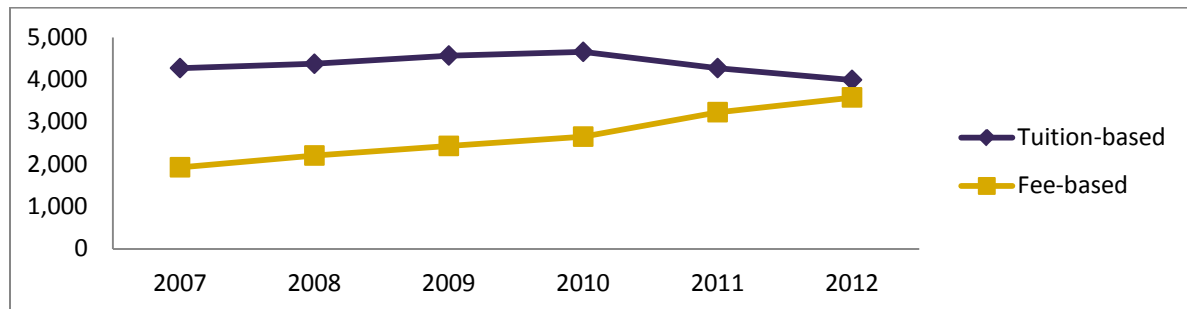


**Growth**

Over the past five years, the UW has increased the number of fee-based degrees it offers; likewise, the number of students enrolling in fee-based programs has increased. Today, close to one-third of all UW graduate students are enrolled in fee-based programs, up from 19 percent in 2007. Fee-based master’s students account for 47 percent of all UW master’s students, as compared to 31 percent in 2007. Over the past five years, the UW has seen:

- ▶ **86% increase (1,927→3,578) in fee-based master’s enrollment** vs. a 6.5% decrease (4,271→3,992) in tuition-based masters’ enrollment
- ▶ **181% increase (118→331) in fee-based doctoral enrollment** vs. a 4.5% increase (4,257→4,447) in tuition-based doctoral enrollment
- ▶ **91% increase (2,045→3,909) in total fee-based enrollment** (master’s and doctoral combined) vs. a 1% decrease (8,528→8,439) in total tuition-based enrollment (master’s and doctoral combined)
- ▶ **102% increase (783→1,582) in new fee-based master’s student enrollment** vs. a 4.8% decrease (1,700→1,619) in new tuition-based master’s student enrollment

**Figure 2. Master's Student Enrollment, Autumn Quarters 2007-2012**



### CHANGING STUDENT PROFILE

Fee-based students are most often pursuing master's degrees. While they once were best characterized as mid-career adults looking to advance their careers through evening, online, and weekend programs, today, students in fee-based programs are just as likely to fit the profile of master's students in state-based programs. Many are on campus, during the day, taking classes and completing course requirements.

Within the last five years, the demographic makeup of fee-based master's students has become:

- ▶ **More ethnically diverse**
  - ▶ 9.6 percent are underrepresented minorities (up from 7.5 percent in 2007, and in comparison to 11.2 percent of tuition-based master's students).
- ▶ **Enrolled full-time**
  - ▶ Half are enrolled full-time (up from 43 percent in 2007, and in comparison to 79 percent of tuition-based master's students).
- ▶ **Non-resident**
  - ▶ 60 percent are Washington residents (down from 67 percent in 2007, and in comparison to 65 percent of tuition-based master's students).
- ▶ **International**
  - ▶ 13.4 percent are international students (up from 9.8 percent in 2007, and in comparison to 11.5 percent of tuition-based master's students).
  - ▶ International students now comprise a larger percentage of master's fee-based programs than their tuition-based counterparts.
- ▶ **Early career professionals**
  - ▶ Just 21 percent of fee-based program applicants in 2012 have more than five years of professional working experience, down from 43 percent in 2007 (according to PCE applicant surveys).
  - ▶ 21 percent of fee-based program applicants are unemployed (up from 0 percent in 2007, according to PCE applicant surveys).
  - ▶ The average age is 32 (down from 33.2 in 2007) and nearly on par with tuition-based master's students.

**Figure 3. Characteristics of UW Fee-based Master's Students**

	Autumn 2007		Autumn 2012	
	Fee-based Master's	Tuition-based Master's	Fee-based Master's	Tuition-based Master's
<b>Enrollment</b>				
Total	1,927	4,271	3,578	3,992
Full-time (≥10 credits)	834	3,137	1,801	3,161
Part-time (<10 credits)	1,093	1,134	1,777	831
<b>Residency</b>				
Washington state resident	1,292	2,956	2,117	2,586
Domestic (U.S.)	1,739	3,936	3,098	3,534
International	188	335	480	458
<b>Ethnicity</b>				
Underrepresented minorities	144	326	345	448
<b>Age</b>				
Average	33	31	32	30
<b>Funding</b>				
Teaching Assistantships	8	404	26	320
Research Assistantships	21	410	39	203
Fellowships	1	119	10	161
Traineeships	1	79	3	35
Graduate Student Assistantships	11	71	26	42

### STUDENT FEEDBACK

Three focus-group meetings were held in winter quarter 2013, with a total of 19 students representing a range of programs. Some students were in programs that had transitioned from state-based to fee-based midway through their course of study (such as MLIS). Other students were in long-standing fee-based programs.

In general, the fee-based focus groups revealed:

1. **High satisfaction with education quality** (across the board).
2. **Significant frustration with the registration process**, which is separate than the process for state-based programs. Specifically, students were dissatisfied by:
  - ▶ The \$42 registration fee they must pay each quarter, which tuition-based students do not pay in their state-funded programs.
  - ▶ A general sense that PCE's registration methods are archaic and prone to errors because student information is manually entered. This manual entry may also cause delays in posting financial information to students' MyUW sites, which students use to track and manage their fees.

3. **Uneven communication.** Long-standing fee-based programs have far better websites with accurate and up-to-date information about their programs and opportunities for funding (suggesting a "best practice" model that new programs could implement).
4. **A disincentive to take electives beyond course requirements because of costs.** These electives are perceived by students as potentially broadening their educational experiences; however, they are hesitant to take them. In addition, final degree projects can be impacted. For example, portfolio projects are usually 2-credits, and capstone courses are 6-credits. Some students opt for the less expensive portfolio project, rather than the capstone even when they believe the portfolio would be a better option.
5. **The level of debt they were incurring.** Almost everyone reported taking out loans. (Only two students reported some level of employer subsidy.)
6. **Concerns about job prospects.** Students in the more established fee-based program reported more optimism.
7. **Questions about how price points are set for fees.** Students in programs with more modest income forecasts were puzzled about the market analysis PCE uses to set course fees.

## OBSERVATIONS

Fee-based programs can be incredibly innovative and responsive to market needs. Many of our professional master's programs simply would not exist if they had not been established under the fee-based funding model. But for the many advantages and successes of fee-based programs, their development and evolution has not always been smooth, or flawless.

- ▶ In the wake of state budget cuts, some state-based programs migrated to fee-based in order to continue. Specifically, nine state-based programs have migrated since 2009. The University has imposed a moratorium on any further migrations.
- ▶ Moving forward, continued efforts to balance quality, access, and financial viability will need to be attended to. The Graduate School has received several petitions for admission to master's programs for students who do not have undergraduate degrees, including petitions for students with no college credits.
- ▶ Registration and tuition payment processes are cumbersome for some fee-based students and do not interface well with the rest of the UW's systems. This has resulted in errors, delays and inefficiencies.
- ▶ Fee-based programs represent an increasing proportion of our graduate and professional student population (about a third today, and growing). Note, however, that enrollment in state-based master's and doctoral programs has remained flat – and overall increases in graduate and professional enrollment is attributable to fee-based programs.
- ▶ The profile of fee-based students is evolving. These programs are no longer just for older or mid-career professionals; there's a slight trend toward younger students, international students, and students who have not yet entered the job market.
- ▶ Departments and schools with fee-based programs could address financial aid issues by establishing a budget line item into their programs for fellowship support that helps off-set





costs and provide better ability for fee-based students to be competitive for TA/RA opportunities.

- ▶ While the fee-based students we interviewed cited satisfaction with the education they are receiving, they said transparency and communication must be improved at all levels. Students should be involved as often as possible in decisions that impact their education.
- ▶ Identifying “best practices” could help raise overall quality and ensure that all fee-based programs have up-to-date, consistent and accurate information on their websites.