

RESPONSE TO

Chancellor Manning's Proposal Dated November 20, 2008: *Moving Toward a More Efficient, Productive Business Model*

ONLINE COURSES

One proposal is to discount tuition for on-line test-only courses. This is simply CLEP put online. There is no reason to believe more students will avail themselves of this option simply because it goes online. Indeed, the fact that tuition would be charged at all for it could discourage students from going this route; they would simply take the appropriate courses off-line.

A second proposal is to require on-line courses. Modes of course delivery should be selected for the pedagogical needs of students. On-line courses work well for a minority; requiring them for the rest would only structure in lesser performance on the part of a majority of students. Moreover, on-line courses do not save money; they are labor intensive and frequently require lower course enrollment totals, as well as having overhead costs that other modes of delivery do not have..

A third proposal is to Master's level degrees that would be exclusively on-line. This is already possible and does not need system-wide action. It does not necessarily save any money since on-line courses are labor intensive and have overhead that other courses do not have.

A fourth proposal is to address differences among students in access and familiarity with on-line communication, the "digital divide." Adding another mission to the colleges and universities, especially one that duplicates an endeavor of the secondary schools, does not address the budgetary problem, and may well aggravate it.

GREATER USE OF ADJUNCTS

This is already being done as a result of the Sundquist budget crisis of some years ago. The result has been that there are simply not enough qualified adjuncts around to meet the requirements for them already in place. By "qualified," it is meant the MINIMUM established by SACS—18 graduate credit hours in the field of instruction.

UNIFY EXPENSIVE DISCIPLINES SUCH AS ENGINEERING

Unifying dispersed programs across institutions, where practical, can be done, whether or not the programs are more expensive than others. Consortium arrangements around the world are known to take the form of disciplinary departments that cross institutional lines where practical. This approach is already being taken with some graduate programs shared between TSU and MTSU and between APSU and TSU. It is indeed worth examining whether more of this can be done, but it would be an illusion to believe that any significant fiscal savings will occur as a result.

CHANGE THE DATE ON WHICH FTE IS CALCULATED

This has a problem of practicality. It would divert funding away from classes while they are already in progress. Without a means of replacing what is "saved," it would simply move a deficit from one accounting line to another one, without any genuine saving occurring.

ADVANCED STUDENTS BEING REQUIRED TO HELP BEGINNING STUDENTS

Most advanced students hold down jobs while pursuing both part-time and full-time studies. Requiring them to become professional teachers as well overnight without compensation is unrealistic. Indeed, it would simply displace students from TBR institutions into private schools.

EXPECT DOCTORAL PROGRAMS TO BE COMPETITIVE NATIONALLY ON THE BASIS OF ENROLLMENT

Competitiveness is not a matter of enrollment in the first place. Some small programs are very good ones. The graduate programs are providing the adjunct faculty needed by both 2- and 4-year institutions to (almost) meet the “money saving” scheme already in place of using more adjunct faculty.

ELIMINATING OR CONSOLIDATING LOW-PRODUCING PROGRAMS

This is already being done. The definition of “low producing” that is in place is based on real cost analyses. Using a “higher” enrollment definition would simply cut programs that pay for themselves and drive away students who want to enroll in those programs.

CONSOLIDATING ADMINISTRATIVE SYSTEMS

This is a good idea that has been proposed before but has not been acted upon to the extent that it should be because the several campuses want to build empires. Consolidating should not be limited to administrative functions (e.g., admissions document processing on the University of California model) but also to student services.

FOUR DAY WORK WEEK

This presupposes a surplus of classrooms that is not a reality. Any “savings” in utilities would be rather minimal, while the loss of revenue from lowering the number of students served needs to be taken into account. The proposal is also incompatible with the next one.

DIFFERENTIAL PRICING

The first proposal here, which is incompatible with that immediately preceding, is to discount tuition for weekend courses, night courses, etc. Discounting tuition does not enhance receipts. Moreover, the market is not elastic with reference to time; students have day jobs and night classes or night jobs and day classes; they cannot normally change from one pattern to another simply because of trivial pricing differentials.

A second proposal in this category is to establish tuition differentials between lower division and upper division courses. This will not save money but simply redistribute receipts already in place. Moreover, since there are perennially more lower division students than upper, it would have the net effect of lowering receipts.

A third proposal is different tuition rates for different majors. This does not save money as much as redistribute it in accounting categories. If an increase is proposed, as opposed to a simple differentiation, the result would be a higher per-student cost in the more highly-priced program since some students would transfer out of the pricier majors simply to save money.

PRIVATIZING OF SOME FUNCTIONS

This has potential if applied to administration. Firms serving a mix of institutions—not simply ones in higher education—can adjust to the seasonality of the latter while maintaining economies of scale.

RECONSIDER ATHLETICS

This has potential. Rather large sums are expended simply to transport teams about the region.

NONCREDIT AND SPECIAL INTEREST OFFERINGS WITH A VIEW TO PROFITABILITY

This is not really new.

RECONCEPTUALIZE FACULTY WORKLOAD IN TERMS OF NUMBER OF STUDENTS RATHER THAN NUMBER OF COURSES

This ignores a fact that every practicing educator knows—work comes from the number of course preparations more than it comes from the number of students. If implemented, it would not save money but simply redistribute it.

REVISE SUMMER PAY FOR FACULTY

This is nibbling at the edges; it will not “save” that much money. It will make it more difficult to find people willing to take on the burden of teaching in the summer, and thereby leave facilities underutilized in the summer.

IDENTIFY AND SEEK CHANGES IN STATE LAWS

This is too ambiguously worded to be taken seriously as a real proposal. Rather than engaging in a shell game, informative rather than opaque language should be used so as to enhance the discussion that the Chancellor’s letter says is desired.

GENERATE FUNDS FROM LOCAL SOURCES

This too is very ambiguous. One way it could be spelled out is for the legislature to establish local or regional community college districts with their own taxing authority. That is an idea that has some potential. However, it would need to be offset by a redirection of other funding sources such as the lottery to the four-year institutions.

REDUCE ACADEMIC WORK SCHOLARSHIP AMOUNTS

Again, this is opaque wording. Does it mean that graduate assistants will get a pay cut? If so, look for people to go to other states for graduate study, leaving a dearth of in-house labor for departments that have graduate programs.