SUMMARY

In the Higher Education Appropriations Subcommittee meeting in August, some of the strategies other states are utilizing to reduce costs and improve outcomes were discussed. This Issue Brief delves deeper into the cost side – detailing ways to increase efficiencies in higher education and providing examples of states where these efficiencies are taking place. Utah legislators could look at these examples and determine if these could provide similar efficiencies here.

Three-year Baccalaureate programs

Some colleges have tried to gain efficiencies and reduce costs by moving from a traditional four-year degree to a program that takes three years. The examples are all private institutions, where tuition is higher. The optional three-year programs save students between $10,000 and $40,000 for the avoided year of enrollment. At Hartwick College in New York, students take 40 hours per year instead of the traditional 30 hours over four years. They receive priority during course registration. The program at Lipscomb University (Tennessee) requires summer school enrollment. Manchester College in Indiana has a new three-year option, where students take 16 hours per semester and online courses during the summer.

Course Redesign

Redesigning courses has proven to provide efficiencies and cost reductions at several institutions. The course redesign involves a heavier use of interactive, online learning modules, exercises, and quizzes. The online offerings feature automatic, immediate grading and feedback, which helps the student learn and retain concepts. Most of the identified courses have been in math and science disciplines. Virginia Tech has a learning center for math with 500 computer workstations that is open 24 hours per day. Math staff is available 60 hours per week. Because the personnel costs are less for the staff at the center, total costs have decreased by a reported 75 percent. Cleveland State Community College (Tennessee) has replaced traditional lectures in basic math and elementary and intermediate algebra with computer labs with faculty and tutors on-site. Test scores have increased for the students in these programs.

Online Learning

Online learning has been on way that many institutions have utilized to meet higher demands and reduce costs. Some colleges offer some online courses; others are primarily, if not exclusively, online.

Competency-based Education

Time in the classroom has been replaced in some institutions by competency-based education. Students demonstrate their proficiency in a subject matter through various assessments and tests and are then eligible to move to the next competency. UCAT offers competency-based education, as does Western Governors University.

“No Frills” College

Eliminating some amenities allows institutions to reduce costs. The “no-frills” college provides the academic services required for a degree, but without things such as physical fitness centers and similar offerings. Arizona is working on a plan for high-demand majors, such as teacher education, where the students would earn college credits during the senior year of high school, then attend a community college for their first three years. The student’s final year would be at one of the universities, from which the student would graduate.
The program would be controlled by the university, even while the student is attending the community college. This plan would save the student in tuition costs and the state in tax funded appropriations.

**Reducing rework**

When a student repeats course work, inefficiencies result. Sometimes a student will fail a course, then repeat it later. Rework is also a result because institutions allow students to drop courses or to repeat courses to get a better grade. Some of the ways to reduce this inefficient use of state and student resources include policy changes that would count all credits for which a student enrolls against the maximum number that qualifies for state funding, reducing the time period that courses can be dropped, and limiting the number of times a student can take the same course.

Currently, the third-week enrollment data is the figure used to estimate enrollment and upon which funding requests are based. Once that third week data is collected, there are no adjustments if students drop the course. Students will likely reenroll for the same course in a subsequent semester, and be recounted. If funding decisions were to be shifted from third week counts to course completions, a more accurate accounting of results would be available. Institutions would be encouraged to focus on keeping the student in the course through the entire semester, and not just enrolling students early in the semester.

North Carolina’s four-year institutions levy a 25 percent tuition surcharge for students taking more than 140 credit hours (compared to the maximum 128 credit hours required for graduation). Florida requires a student who enrolls in the same course more than twice to pay out-of-state tuition for subsequent enrollments in that course and the state does not provide funding for that student in that course. Texas law requires state colleges and universities to charge out-of-state tuition to any undergraduate student who has 30 or more credit hours beyond the number of credit hours required for graduation. Similar to Florida, no state funding is provided for students with these excess credit hours. Texas also requires students to pay out-of-state tuition rates for courses that are retaken. (Texas also encourages students to finish in a timely manner by providing loan forgiveness based on grades and timely graduation. Students who complete their degree with a minimum number of credits can earn a tuition rebate.) Virginia charges out-of-state tuition to students who exceed required credit hours by more than 25 percent.