

Memorandum to: Senate Executive Committee

From: Joe Kokini and Dan O'Connor, Co-Chairs, Budget and Finance Committee

RE: Report on Transforming Undergraduate Education plan, Senate Charge A-0503

### **Executive Summary**

Our Budget and Finance Committee has held many meetings and we have evaluated the major components of the plan to assess its impact on cost increases, cost savings, and areas where the plan is cost neutral. We have also examined cost redistribution alternatives. Our Committee has three comments on general concerns and three comments on related matters.

First, it is our recommendation that the TUE report be accepted or rejected based on its academic merits and not on its budget implications. Second, it has been said that the implementation of the report's recommendations could result in cost savings but our B&F committee does *not* adhere to that assumption. In fact, we recognize that at the very least the implementation will be cost neutral and, in fact, we see a redistribution of the budget and the possibility of cost increases which may or may not be fully covered by cost shifting but which may be covered by an incremental implementation of the plan over time. Third, our Committee agrees that many things need to be done to improve undergraduate education—whether this plan is adopted or not. We know that Rutgers will need to plan for and address transportation, living centers, classrooms, etc., *anyway* and that these need attention even if there were no plan.

Finally, our B&F Committee has three additional comments. Although we have *not* unearthed any overall, major negative budget implications which would be brought about by implementing this plan, we do see a need for the increase in the number of full-time, tenure-track faculty and the number of TAs if the spirit of the plan is to be realized. Second, we anticipate that the plan would work eventually to help Rutgers secure more State and private funding. Third, we are concerned in the short term about the implications for alumni but we recognize that eventually a more coherent structure for our current students could create more support from alumni. We are hopeful that the vibrancy of the existing colleges will be given serious consideration to insure that the college identity issues are addressed.

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### Report of the Senate Budget and Finance Committee on Transforming Undergraduate Education (TUE)

This report represents the work of our B&F Committee regarding the charge assigned to us on determining the budget implications for implementing the new plan for undergraduate education in New Brunswick/Piscataway. Our committee has met six times on this issue and it has benefited from the work of subcommittees assigned to specific categories we were asked to investigate. We have focused on the original plan itself with secondary attention to alternative proposals. Please let us know if you need any additional clarification of the information contained in our report.

Charge A-0503

Consider the financial implications of and make recommendations concerning the major proposals of the Task Force on Undergraduate Education with regard to structure, learning communities and campus life, special student populations, and administrative centralization of advising, student centers, residence-life programming, and counseling centers. Where appropriate, also consider alternative proposals from the university community. Try to give a rough estimate of the costs of implementing those major proposals, including the establishment of an adequate number of learning communities and of an enhanced New Brunswick-wide Honors Program. Explore how alumni contributions and other external funding might be affected by the proposed structural changes. As time permits, consider other aspects of the Task Force recommendations that are of particular concern to members of the Budget and Finance Committee. Provide an interim report to the Executive Committee by November 2, 2005 and a final report and recommendations by February 1, 2006.

#### Assumptions:

- Number of students stays the same (by program, by major, including total number of honors students)
- Increase in the number of full-time tenure track faculty needed with a shift from non-tenure track and part-time faculty lines to tenure track lines
- Funded research programs will continue as they are now
- Those things that need to be done to improve Rutgers will need to be done whether there is a new plan or not. These will not be considered as incurring costs directly related to the Transforming Undergraduate Education plan. These things needed to make Rutgers better include such initiatives as the greening of College Avenue, new classroom facilities, new dormitories, and an improved transportation system.
- Students relocation will occur during a transition period but this will not incur costs since existing facilities (e.g., dormitories) will continue to be occupied as they are now
- Time to train/learn such activities as advising will not increase costs for faculty unless it detracts from funded research initiatives
- Staff participation in admissions & advising will not incur new costs; assumes current staff in these areas will continue to perform many of the activities they are now performing
- Faculty and TA participation in and incentives for designing new curricula, participating in learning communities, and engaging students in research activities will require an increase in the number of total full time faculty and TAs which can be phased in over time
- Differential student fees, especially for dedicated revenue streams, will need to be reassessed (e.g., club sports' fees, housing). If structure changes, then fee collection and allocation of fee revenues will also change
- Reduction in class sizes may occur and this would result in an increase in related costs
- To achieve optimum living and learning communities would result in increased costs
- Current absence of communal space would increase costs to create collaborative space for students and faculty to work together
- Increase of one vice-president, one dean, and staff for these individuals would result in increased costs

#### Caveats:

- No distinction yet between one-time costs and continuing costs. (May need to establish transition costs as a separate cost center.)
- Off-campus and commuter students are not addressed in the plan and it is assumed that costs associated with them will not change

**Additional Concerns.** The New Brunswick Faculty Council has approved a report from its Personnel Policy Committee on the undergraduate plan and these recommendations have been communicated to the Senate Budget & Finance Committee. Eight of those recommendations involve faculty incentives to participate in undergraduate education which would require additional funding (that is, funds needed which might not be achieved from shifting existing resources). Our Committee has just received this information and we will need to evaluate each recommendation. In total, the recommendations, if fully implemented, could result in increased costs to implement the undergraduate plan.

- “Approve release time for the development of new courses necessitated by adoption of the report recommendations.
- Funds to each department earmarked for full-time faculty meritorious awards
- Funds to each department earmarked for meritorious awards for PTLs and annuals
- Funds to each department earmarked for meritorious awards for TAs and GAs
- Allot out-of-cycle salary adjustments for those who excel in undergraduate teaching.
- Competitive grants and/or summer salary to develop new courses necessitated by adoption of the report recommendations.
- Additional compensation to faculty willing to teach night/weekend courses. *Justification:* These courses should be equivalent to those offered in daytime/weekdays. Some “overtime” would make sense and could be a powerful initiative.
- Development of an initiative similar to the Aresty Research Center for all undergraduates.”

It should also be noted that the Graduate School—New Brunswick has considered the possibility of recommending additional TA positions to achieve smaller classes and implement more experiential learning situations for students.

**Faculty Implications.** After hearing from other committees and from other constituencies, the Senate B&F Committee at its December 9, 2005 meeting determined that to accomplish a significant and substantive change in undergraduate education at Rutgers--and especially in New Brunswick/Piscataway--would incur a parallel commitment to the role that full time faculty have in the full implementation of the TUE report. The number of full time faculty lines has varied somewhat during the past 30 years with a slow but steady increase in the number of non-tenure track lines. There has also been an increase in the number of students but mostly at the Newark and Camden campuses.

The most recent data from 2005 Integrated Postsecondary Education Data System (IPEDS) shows that the percent of tenured faculty at Rutgers has decreased from 1996 to 2005, going from 67% tenured in 1996 to 59% tenured in 2005. Tenure track lines have also decreased with a concomitant growth in the number of instructor/lecturer positions which are non-tenure track use of these lines. For example, in 1996 there were 194 full time instructor/lecturers in New Brunswick/Piscataway and now there are 341 such individuals, a 75.8% increase in the past 10 years. If learning communities, new curricula, and more faculty involvement with undergraduate education are to become a reality, then there needs to be growth in the number of tenure track faculty lines—individuals who will serve as advisors and mentors and who will be at the University as meaningful contacts for alumni/alumnae and as long-term contributors in service to the State of New Jersey.

Our committee recommends a ten percent increase in the number of faculty lines at Rutgers to accommodate the increase in the number of students which has already occurred and to rise to the spirit of engaging faculty in creating new courses, being involved in learning communities, and bringing larger numbers of undergraduate students into faculty research activities. There are now 2,661 faculty at Rutgers (all campuses) with 1,964 of these in New Brunswick/Piscataway. We recommend that the total number of faculty be increased by 260 over the next ten years, a growth rate of 26 per year. We estimate that the

costs to accomplish this (including salary and fringe benefits) could cost approximately \$2.6 million per year.

It is our belief that this investment in faculty will be seen by New Jersey as an important goal for its State University. It is our hope that the number of Teaching Assistants (TAs) could also be increased by same ten percent: from 1,092 TAs to 1201 in the same time period, thus an increase of ten TAs per year for each of the next ten years. We estimate the cost to increase TA lines at \$310,000 per year for ten years. Thus, the total cost to grow the size of the faculty and TAs by ten percent, at one percent per year, would be less than \$3 million per year. Again, we see this as an important commitment by the University and by the State of New Jersey to recognize the value of undergraduate education at its flagship university. Lastly, we are aware that increasing faculty and TAs implies an increase in office space, laboratory space, and classroom space. It is our belief that Rutgers has plans for such capital improvements underway and it is our belief that these needs can be phased in during the next decade to accommodate such growth.

**Final Note.** Given the cost savings in noted areas from the Table below, we are confident that the overall costs to implement the TUE plan to be modest, even including the increase in the size of the number of faculty and TAs. Overall, we are confident that the plan is sound on its academic merits although we recognize the need to accommodate various constituencies to protect the integrity of their current academic programs.

### Cost Implications of Major Components of Transforming Undergraduate Education plan

Major Area	Current Situation	With Implementation of Plan	Probable Cost Implications
<b>Structure</b>	One Vice-President and Current V-P UG Ed vacant	Fill vacant VP and add one Dean	Low cost increase
▪ Admissions	Complex, diff standards & systems	Single, coherent standard	Lower Cost
<b>▪ General Education</b>			
• Teaching	2,661 for all campuses with 1,964 in NB/Pisc.	Increase total faculty and TAs by 10% total over the next 10 years, about one percent increase per year.	Faculty increase estimated at \$2.6 Million per year. TA increase estimated at \$310K per year.
• Courses/Curriculum	Majors linked to college enrollment	Opens majors & courses to more students in a simpler sys	Cost neutral due to cost shifting. Faculty incentives may result in low increase in costs
• Advising	Difficult to advise given different requirements	Expect advising to improve. New software facilitates advising, esp in a unified sys. These costs for new advising technology have already been encumbered and/or budgeted.	Lower cost due to an improved system and lower cost due to a plan for a unified, coherent core curriculum & standardized graduation requirements
▪ Scholastic Standing	Multiple Rules	Single System; possible efficiency savings	No cost
▪ Honors Programs/Curricula	Different programs; no faculty	Single system w/ incentives; possible efficiency savings; may expand separate dorm sys. Some start-up costs expected but anticipate low costs. Expect high benefits in recruitment. Assume same number of honors students.	Low cost increase
▪ Degree Certification	Different requirements	Single system; possible efficiency savings; access to majors to be open to all (equal access—level playing field); majors in high demand areas may need to be managed like current business majors	Lower cost
<b>Learning Communities &amp; Campus Life</b>	Exists at Douglass and on several other campuses; can be expensive to administer	There are 175 residence halls. Not known if learning communities would be collocated with each location. Each may require staff assistance. Difficult to cost this item without more specific information.	Could be expensive to implement large numbers of learning communities; may need to phase these in over time and consider charging a fee for membership in particular learning communities.
<b>Special student populations</b>	(Note: Honors & Advising are covered above)		
• EOF (p. 49)	Separate programs/offices on each campus	Unified management of EOF programs with more faculty support & involvement	No cost: possibly lower administrative costs with low costs to increase faculty involvement.
• Non-traditional age	Largely University College	Special advising; increased number of majors available to EOF students; Child care facilities; Faculty to teach nights and weekends to accommodate student needs; Assume same number of total EOF students.	Low cost with some cost shifting
• Part-time (p. 53)	Part-time students have restrictions at four colleges; largely handled now by Univ College	Matriculating schools open to part-time students; more accommodating to student needs; may keep students in school longer but total number of students expected to remain the same as now	No cost
• Transfers	Have program now with	Need to do more to accommodate	Low cost increase

	NJ Community Colleges; other institutions handled separately	transfer students but still assumes an ad hoc approach to calibrating courses acceptable at Rutgers as requirements and pre-requisites	
<b>Admin Centralization</b>			
▪ Student Centers	One per campus	Should not increase costs initially. If Livingston were to get an upgraded student center (which should occur without the plan) then this will need to be a capital investment.	Cost could be the same as now planned for—given current Univ plans to upgrade and maintain student centers
▪ Residence-life	175 residence halls	Serves same numbers of students as now	No cost
▪ Counseling Centers	Would continue as they are now	If counseling is upgraded then it may incur new costs	Could incur new costs: low to moderate increase
<b>Alumni Contributions</b>	RU Alums give less than peer universities	Initial giving may decrease; expected that if satisfaction with RU increases, then a concomitant increase in alumni giving	Short term: lower alumni giving Longer term: increased alumni giving
<b>External Funding</b>	Rutgers has a research presence and has seen marked growth in funded research during the past 25 years	Rutgers will remain a research university. However, better students with a more coherent curriculum have potential to have faculty work with undergraduate students in research partnerships.	Shift to emphasize undergraduate education will not necessarily be at the expense of the University's research priorities. Assumes that University can capitalize on securing money from foundations to support research initiatives.
<b>Campus Computing</b>	Administrative computing serves current campus configurations	May need to upgrade or change admin computing to be amenable to new structure with increased centralization; assume that once centralization occurs, then continuing costs would be lower than current model	Could incur low upgrade costs