

UNIVERSITY EXTENDED EDUCATION
Arizona State University, Northern Arizona University, and University of Arizona
JLBC/OSPB Joint SPAR Report

Overview – The mission of the Arizona State University (ASU) College of Extended Education, Northern Arizona University (NAU) Personal and Professional Development program and Office of Management Development, and the University of Arizona (UA) Extended University is to provide credit and non-credit education to non-traditional students seeking courses at non-traditional times and sites. During the 1998 legislative session, a Performance Authorization Review (PAR) was performed for ASU’s College of Extended Education, NAU’s Personal and Professional Development program and Office of Management Development, and UA’s Extended University. This joint report is an update with some information repeated from the last PAR.

The Extended Education SPAR Self-Assessments for each university complied with general guidelines concerning completeness, clarity, adequacy, and accuracy. Because NAU’s Statewide Academic Programs were not included in the original PAR, they were not included in the self-assessment, however, the recommendations included in this report apply to all off-campus credit and non-credit courses offered by each university.

After reviewing the agency Self-Assessments, JLBC Staff and OSPB reached the following findings and recommendations:

- Off-campus courses serve a valuable function in making university education available to students who otherwise might not be able to attend classes. The number of courses offered off-campus has risen significantly in the past several years. The Arizona Board of Regents (ABOR), however, has not provided any general policy guidance on the appropriate level of off-campus courses in the overall mix of educational offerings.
- ✓ **Recommendation:** The JLBC Staff recommends that ABOR report to the Governor and the Legislature by November 1, 2000 on their policy for the use of off-campus course offerings. The policy should include criteria to determine when off-campus courses are most appropriate.
- Coordination among universities with regard to distance learning may be inadequate and may create unnecessary duplication of services.
- ✓ **Recommendation:** The JLBC Staff recommends that ABOR report to the Governor and the Legislature by November 1, 2000 on their policy to coordinate off-campus course offerings to ensure no unnecessary duplication of services. OSPB recommends using the Governor’s Higher Education Taskforce for this purpose.
- The ABOR policy that describes which students will be counted for General Fund enrollment formula funding does not address clearly the wide range of extended education course delivery methods that now

exist in the state.

- ✓ **Recommendation:** ABOR should create criteria for enrollment formula student counts that provide full state funding only to courses where the quality and cost of delivery are comparable to main campus courses. The policy should be written in a way that can accommodate future changes in educational delivery methods. ABOR should provide their recommendations to the Governor and the Joint Legislative Budget Committee by November 1, 2000. OSPB recommends using the Governor’s Higher Education Taskforce for this purpose.

These issues also potentially affect the community college system. Since the community colleges were not a part of the SPAR, however, we are not in a position to provide an in-depth evaluation of the efficiency and effectiveness of their extended education programs. If policy makers desire to have the community college issues addressed as well, they may want to have the universities and community colleges participate in a joint effort to develop a coordinated policy on extended education. While the Governor’s Higher Education Taskforce is a possible forum for the discussion of these issues, the JLBC Staff recommends that the Legislature consider whether that body adequately reflects its interests. There is currently no legislative representation on the Taskforce.

Program Description – The Extended Education programs of each university focus on services to non-traditional students seeking courses at non-traditional times and sites. Typically, an Extended Education course meets any one of the following conditions: a.) it is a non-credit course; b.) it is offered outside the hours of 8:00 a.m. to 5:00 p.m. on weekdays; c.) it is offered on the weekend; d.) it is offered at a location other than a main or branch campus; or e.) it is offered at a time of year other than the regular fall or spring semester. The organizational structures and functions of each university’s Extended Education program are different from campus to campus. As a result, it is difficult to make meaningful comparisons among programs. Table 1 presents a summary of the personnel and facilities used by each program. The reported facility square footage includes space used for program administration and classroom space under the direct supervision of each Extended Education program. The figure does not include classroom space used by the programs, but under the control of another university department or other organization.

Table 1: FY 1999 Personnel and Facility Utilization

	ASU	NAU ^{1/}	UA	Total
FTE Positions	114.9	6.0	49.9	278.1
Facilities	116,737 sq.ft.	2,445 sq.ft.	16,695 sq.ft.	135,877 sq.ft.

^{1/} NAU figure does not include 80.2 FTE Positions or square footage that is associated with Statewide Academic Programs.

The ASU College of Extended Education (CEE) assists other ASU - Main and ASU - West colleges and academic units. It serves a variety of functions. At times, the CEE may become aware of student needs that are not being met currently and may ask an ASU college to offer classes in a particular area. At other times, a college, such as the College of Public Programs, may wish to offer classes at an off-campus location and may ask for the CEE’s help in finding classroom space, student and faculty parking, and in publicizing the program.

Together the CEE and ASU's colleges and departments provide degree programs and credit classes focusing on the non-traditional student, professional and continuing education, and global and community outreach. The college administers the American English and Culture Program.

The NAU Personal and Professional Development program provides non-credit programs to individuals seeking education in the areas of medicine, social service, or mental health in Northern Arizona and on the Navajo and Hopi Reservations. Their focus is on serving the non-credit educational needs of northern Arizona.

The Office of Management Development in the College of Business Administration provides individuals and organizations with the Elderhostel program and seminars and workshops on business-related topics. Their focus is geared more toward meeting the needs of students, businesses, and organizations in the Flagstaff area. Because NAU's Statewide Academic Programs (SAP) were not included in the original PAR, they were not included in the self-assessment. At the time of the original PAR, it was determined that statewide programs were integrated with other Flagstaff campus programs to the extent that separate analysis of SAP was impractical. However, current accounting procedures at NAU allow separate analysis of SAP to be made. For FY 1999, NAU reported that Statewide Academic Programs accounted for 7.6% of its total state operating budget for instruction.

The UA Extended University provides credit courses via non-traditional means, including distance learning, evening and weekend campus, and off-campus course delivery along with non-credit personal and professional development programs. Like the College of Extended Education at ASU, they often act as a go-between helping academic colleges to establish off-campus, evening, and weekend programs. They also offer a wide array of non-credit programs aimed at the needs of individuals and organizations in southern Arizona.

Program Funding – The credit-bearing activities of ASU's College of Extended Education, and the UA's Extended University are supported in part from the General Fund, tuition and fees, and through transfers from the main campuses. Indirect support may also come from other campuses, such as the UA's use of NAUNet to teach students in Yuma. Students enrolled in Extended Education credit courses pay the same tuition as for courses offered on the main campus. NAU's Personal and Professional Development program and Office of Management Development and the non-credit activities of ASU and UA are supported primarily through participant fees. In addition, students in Extended Education may pay special fees for space rental and special equipment and materials. ABOR policy specifies that non-credit courses should be self-supporting and should not require the use of any state funds, but it does not specify how individual programs will be funded. Extended Education programs are able to reinvest fund balances in facility development or other needs within the program. Each program has different responsibilities and functions, so it is difficult to draw meaningful comparisons among institutions. Information on program revenues and expenditures is summarized in Table 2.

Table 2: Program Revenues and Expenditures

	FY 1998	FY 1999 ^{1/}	FY 2000
ASU			
Revenues	\$9,042,900	\$10,251,800	\$11,146,100
Expenditures	7,378,600	8,740,100	10,295,100
NAU			
Revenues	2,333,600	1,935,000	2,452,900
Expenditures	1,916,800	1,710,000	2,357,100
UA			
Revenues	5,753,100	5,869,600	6,358,000
Expenditures	<u>5,811,200</u>	<u>5,931,300</u>	<u>6,360,300</u>
Total			
Revenues	17,129,600	18,056,400	19,957,000
Expenditures	15,106,600	15,106,600	19,012,500

1/ If Statewide Academic Programs were included, FY 1999 NAU revenues and expenditures would be increased by an additional \$5,353,700 in instructional revenues and expenditures.

Enrollment – For FY 1999, ASU reported 5,825 non-credit enrollments, NAU’s Office of Management Development, and Personal and Professional Development Programs reported 8,656 non-credit enrollments, and UA reported 22,442 non-credit enrollments. For FY 1999, the three universities reported that they had 4,572 Full Time Equivalent (FTE) students in off-campus courses counted for General Fund enrollment formula funding, an increase of 32% over FY 1997. ASU and UA reported offering 578 off-campus credit courses in FY 1999, an increase of 41% over FY 1997. As shown in Table 3, the number of students enrolled in credit-bearing off-campus courses increased by 27% from FY 1997 to FY 1999, while total main campus enrollment increased by 1.6% during this same period.

Table 3: Fall Semester Enrollment for Off-Campus Credit-Bearing Courses

	FY 1997	FY 1998	FY 1999
ASU			
Extended Education	3,943	4,537	5,744
Main Campus	42,463	44,255	43,732
NAU			
Extended Education ^{2/}	4,350	4,698	5,265
Mountain Campus	15,255	14,920	14,675
UA			
Extended Education	2,447	2,501	2,635
Main Campus	<u>33,504</u>	<u>33,737</u>	<u>34,327</u>
Total			
Extended Education	10,740	11,736	13,644
Main Campus	91,222	92,912	92,734

2/ NAU Extended Education includes NAU-Yuma and other students served through Statewide Academic Programs.

◆ *How do the program missions fit within the agencies' overall missions and the programs' enabling authority? Are they still necessary?*

The missions of the ASU College of Extended Education, the NAU Personal and Professional Development program and Office of Management Development, and the UA Extended University are consistent with the broad university missions of instruction, research, and public service. The programs continue to be well accepted, but the necessity for the services they provide needs to be examined in light of possible duplication with local community colleges and other state universities that may offer similar courses to students.

◆ *Does the program meet its mission and goals efficiently and effectively, including comparisons with other jurisdictions? Do the program's performance measures and performance targets adequately capture these results?*

It is unclear whether the programs meet their missions and goals efficiently and effectively. For non-credit programs, each university's goal is for the program revenues to cover expenses. If a program pays for itself and attracts participants, and the participants are satisfied with the services provided to them, universities generally consider the program to be successful. With the exception of the UA's Extended University, each Extended Education non-credit program operates on a self-supporting basis and it is estimated that the UA program will be self-supporting by FY 2001.

Each of the three universities conducts surveys to assess student satisfaction with coursework and other programs. The survey results indicate a generally high level of participant satisfaction. At the time of the 1998 PAR, information on cost per student for off-campus credit bearing courses was generally not available to university decision makers.

Off-campus courses serve a valuable function in making university education available to students who otherwise might not be able to attend classes. The number of courses offered off-campus has risen significantly in the past several years as Table 4 indicates. However, ABOR has not provided any policy guidance for the appropriate level of off-campus education in meeting the current and future needs of students throughout the state. Although Board of Regents Policy 2-205 addresses some aspects of off-campus education, it does not provide specific guidelines for incorporating off-campus education in the overall mix of offerings and does not provide criteria to determine when off-campus courses are most appropriate. The JLBC Staff recommends that ABOR report to the Governor and the Legislature by November 1, 2000 on their policy for the use of off-campus course offerings. The policy should include criteria to determine when off campus courses are most appropriate. To do this, it will be necessary for them to receive detailed off-campus per student cost information from the universities.

**Table 4: Growth In Off-Campus Courses Offered
(Number Of Off-Campus Credit Courses Offered During Fall Semester)**

	Year-to-Year		Year-to-Year		FY 1999
	FY 1997	Change	FY 1998	Change	
Arizona State University	219	19.2%	261	31.0%	342
University of Arizona	<u>190</u>	<u>11.1%</u>	<u>211</u>	<u>11.8%</u>	<u>236</u>
Total	409	15.4%	472	22.5%	578

Coordination among universities with regard to distance learning may be inadequate and may create duplication of services. Technology is making higher education available to an increasingly broad group of students. Consequently, geographic distances no longer create the natural market areas for education that once existed. As Arizona universities develop the ability to offer courses to students beyond their traditional service areas, it will be important for them to coordinate their distance learning activities to insure that there is no unnecessary duplication of courses among the state’s universities and community colleges. This may become more of an issue as Internet courses and nationally televised courses, such as NAU’s partnership with EchoStar, increase in number. Board of Regents Policy 2-205 sets guidelines for the service areas of each university and discusses the special role of televised courses in meeting student needs. However, this policy does not address duplication issues related to Internet courses or other potential course delivery methods. Board of Regents Policy 2-203 states that before approval is granted for a new degree program which duplicates offerings at another university, the Board of Regents will consider several criteria including the efforts made by universities to collaborate and to “minimize the duplication of programs and courses.” However, this policy also states that in order to gain approval, “It is not necessary for a degree program to meet all of the criteria.” We recommend that unnecessary duplication be a key criterion which is always included in program approval decisions. The JLBC Staff recommends that the ABOR report to the Governor and the Legislature by November 1, 2000 on their policy to coordinate off-campus course offerings to ensure no costly duplication of services. OSPB recommends using the Governor’s Higher Education Taskforce for this purpose.

The ABOR policy that describes which students will be counted for General Fund enrollment formula funding does not address clearly the wide range of extended education course delivery methods that now exist in the state. The FTE enrollment policy was originally intended to count students taking classes with similar levels of quality to main campus classes even if those classes were taught in innovative ways, while at the same time excluding students taking classes with considerably lower per student costs than main campus courses. The current policy, therefore, states that students in “educational television and closed-circuit television courses” are eligible for inclusion in formula funding counts, while students in “correspondence courses” are not eligible for inclusion. At the present time, there are a number of courses that would not easily fit into either category. For example, the policy makes it unclear how courses taught over the Internet would be treated. Currently, off-campus students are taught using a variety of different course delivery methods. Board of Regents Policy 2-205 states that, “There must be no distinction in quality between credit courses taught on campus at a university and those taught off-campus.” However, the policy includes no criteria for assessing the quality of off-campus courses in order to ensure that their quality is sufficiently similar to courses taught on main campuses. The JLBC Staff recommends that ABOR should create criteria for enrollment formula student

counts that provide full state funding only to courses where the quality and cost of delivery are comparable to main campus courses. The policy should be written in a way that would accommodate future changes in educational delivery methods. ABOR should provide their recommendations to the Governor and the Joint Legislative Budget Committee by November 1, 2000. OSPB recommends using the Governor's Higher Education Taskforce for this purpose.

◆ *Are there other cost-effective alternative methods of accomplishing the program's mission?*

Extended Education course delivery methods can have significantly different costs per student. Some off-campus credit courses are taught at night in leased public school classrooms, using part-time instructors who live in the local communities. For these courses, both fixed and variable costs per student are low. Other off-campus credit courses are taught using interactive television. A professor teaches from a studio classroom on the main campus equipped with television cameras and television monitors. A signal is sent by microwave or satellite to students at a remote classroom equipped with television cameras and television monitors. In this case, the fixed and variable costs per student are considerably higher. Typically, interactive television is used only for locations where it is difficult to obtain qualified faculty on-site to teach the course. Generally, these locations are in the smaller towns of Arizona such as Holbrook, Kingman, and Show Low. Extended Education programs at each university should continuously evaluate their cost of course delivery to ensure that the lowest cost alternative is used in each situation.

◆ *Should the program area be consolidated into one budget unit if the area is administered by more than one budget unit?*

At the current time, the Extended Education programs of ASU, NAU and UA appear to serve different groups of students with different needs. However, the current extent of duplication among programs is not fully known and the advantages of consolidating the three programs into a single program must be evaluated pending further study. Duplication may possibly exist in the Phoenix and Tucson areas where more than one public university in the state teaches courses to the same population of students. There is also potential competition in the non-credit area with local community colleges. In communities where more than one higher education institution offers classes, efforts should be made to coordinate educational activities and to look for opportunities to share facilities and organize course offerings so that students are served in the most effective and efficient way, while also emphasizing the curriculum strengths of each institution.

Response to the 1998 PAR Committee Recommendations - The universities were responsive to the recommendations adopted by the PAR Committee. OSPB recommended that ABOR revise its policy on geographic service areas to clarify responsibilities for course and program offerings throughout the state. Although this policy has been revised, additional clarification is still needed. The JLBC Staff recommended that ASU and UA adopt seven performance measures to more fully evaluate the progress of extended education in serving the students of the state. These measures were subsequently added to the set of Extended Education performance measures by the ABOR.