Washington State Institute for Public Policy

110 Fifth Avenue SE, Suite 214 • PO Box 40999 • Olympia, WA 98504-0999 • (360) 586-2677 • FAX (360) 586-2793 • www.wsipp.wa.gov

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Higher Education Branch Campuses in Washington State

EXECUTIVE SUMMARY

Study Direction

The 1989 Legislature established five branch campuses operated by the state's two public research universities, the University of Washington (UW) and Washington State University (WSU). To review the role branch campuses have played in Washington's higher education system, a bill before the 2002 Legislature[1] directed the Washington State Institute for Public Policy (Institute) to examine:

- The original mission of branch campuses;
- Whether branch campuses are meeting their original mission; and
- Whether key factors that led to the creation of branch campuses have changed.

The first two questions were answered in the December 2002 interim report. This report addresses the last question and describes policy options for legislative consideration.

Current Challenges: Growing Demands on Scarce Resources

Policymakers face difficult challenges in the near future. Student and labor market demand for higher education in Washington State are both rising, while per-student state support is declining. How can funding be most efficiently allocated among the state's higher education resources? Where is the capacity to absorb the enrollment growth expected over the next ten years?

The branch campuses comprise 2.4 percent of Washington's public higher education enrollment (6 percent of public four-year enrollment). Although the branches' role in the system is small, there are two policy objectives that merit legislative attention. To get the most value from branch campuses, the state could consider actions that: ***align branch campus policies with the state's higher education goals*** and ***improve the branch two plus two model***.

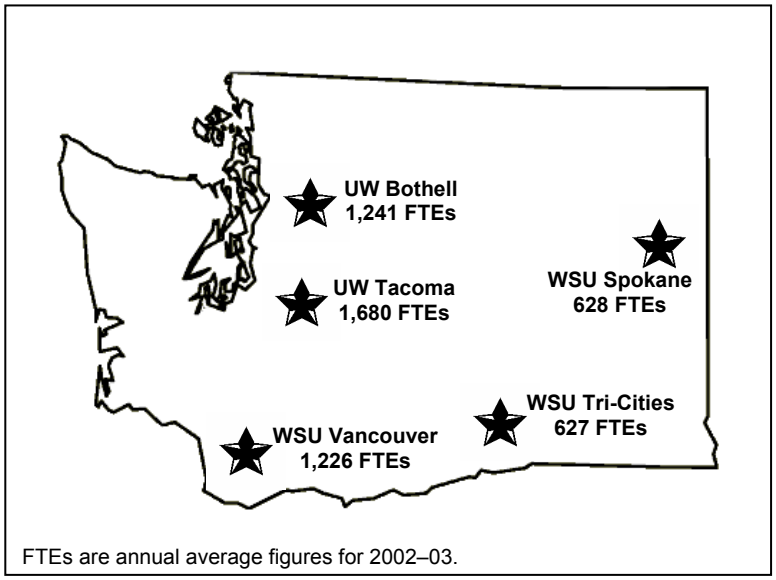
[1] ESSB 6387, Section 608(11), Chapter 371, Laws of 2002 (partially vetoed). Although the language providing for the study was vetoed, the Institute's Board of Directors directed staff to examine these questions.

Background

Why Branch Campuses?

The Higher Education Coordinating Board's (HECB) first master plan in 1987 concluded that existing upper division and graduate higher education programs were inadequate for the state's population. Consequently, the 1989 Legislature established five branch campuses operated by the state's two public research universities; the campuses were located in growing urban areas (see Exhibit 1).

Exhibit 1
Washington Created Five Branch Campuses in 1989



FTEs are annual average figures for 2002–03.

Washington's branch campuses were charged with the following missions:

- **Increase access to higher education.** Branch campuses were directed to focus on upper division and graduate programs, target placebound students, and rely on a two plus two model[2] in cooperation with local community and technical colleges.
- **Promote regional economic development.** Branch campuses were to respond to demand for degrees from local businesses and support regional economies through research activities.

Interim Report Findings

The Institute's interim report on branch campuses analyzed data from state and national higher education databases and concluded that the branches are responding to their regional missions.

- **Branch campuses have expanded access to higher education.** The five branch campuses accounted for half of statewide upper division and graduate public enrollment growth since 1990. Branches enroll increasing numbers of transfer students each year, and data analysis indicates branches target placebound (local, older, working, part-time) students.

- **Branch campuses contribute to regional economic development.** Branch campuses positively affect local economies, although the extent of their economic impact has not been measured. Data analysis reveals that branch degree programs roughly correspond with regional occupational projections.

[2] The branch campus "two plus two model" means that all students transfer from other schools (usually community colleges) and enroll at branches as juniors.

Final Report Findings

This report is based on site visits to the branch campuses and nine community colleges; interviews with local business and community leaders; analysis of data from branches, other higher education institutions, and the HECB; review of research literature; and a contracted study by the National Center for Higher Education Management Systems (NCHEMS) reviewing other states' experiences with similar campuses. Key findings regarding the upper division structure of the branch campuses, their costs, and other factors influencing their evolution follow.

The Upper Division Structure of Branch Campuses

The UW and WSU branches were created as upper division campuses to complement Washington's community and technical college system, which provides extensive lower division opportunities across the state. Decision-makers in 1989 may not have anticipated the unusual restrictions this structure places on branch campus students. The effect of these restrictions is apparent in a sample of branch campus graduates examined for this study.

While students earning undergraduate degrees at branch campuses do not appear to take more total credits than other students, on average, branch graduates tend to take more upper division credits than students who transfer to four-year institutions. Students who transfer to branch campuses cannot take lower division courses at the branch in their junior and senior years, while students who transfer to four-year institutions earn 16 to 27 percent of their lower division credits during those years.

What Makes Branch Campuses More Costly?

Several factors make branch campuses more costly than other public higher education institutions in Washington State.

- ***Upper Division Structure.*** On average, lower division instruction per full-time equivalent (FTE) student is 44 percent less costly than upper division.
- ***Research Mission.*** Branches are funded as research institutions, which spend 24 percent more on instruction per upper division annual FTE than comprehensives (Central, Eastern, and Western Universities and The Evergreen State College).
- ***More Part-Time Students.*** Fixed costs per FTE are higher at schools that serve more part-time students. There are 1.03 to 1.08 students per FTE at Washington's four-year institutions and 1.2 to 1.9 students per FTE at the branches.
- ***Program Mix.*** High-cost programs make some branch campuses more expensive than others. However, only the WSU Spokane campus concentrates on high-cost programs.
- ***Size.*** Branch campuses have not achieved the economies of scale of other institutions. The branches are small, with enrollments between 627 and 1,680 annual average FTEs.
- ***Newness.*** Start-up costs associated with new programs have a disproportionate impact on branch campuses. With 8 percent of the state's faculty and staff, branches accounted for 26 percent of new and expanded programs from 2000 to 2002.

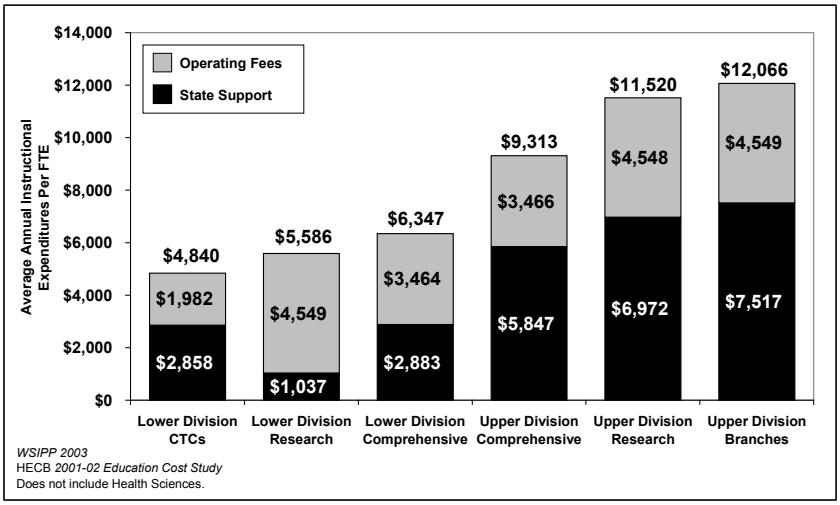
As branch campuses grow, costs associated with their small size and newness will diminish. The higher costs associated with their current mission and structure, however, will remain.

Exhibit 2 displays the per FTE expenditures at branch campuses and other public higher education institutions in Washington.

Exhibit 2

The Higher Cost of Branch Campus FTEs

2002 State Support and Operating Fees for Undergraduate Instruction



WSIPP 2003
HECB *2001-02 Education Cost Study*
Does not include Health Sciences.

Cost of Degree Attainment in Washington State

Estimates of the state support and tuition expenditures associated with all four years of a baccalaureate degree are based on total credits earned by Washington graduates in the 2000–2001 academic year. Cost estimates were developed for a sample of graduates for whom data was available and who took the educational pathways described in Exhibit 3.

Exhibit 3

Total Tuition and State Supported Instructional Expenditures

2000–2001 Washington State Baccalaureate Graduates

Student Pathway	Arts and Sciences Majors	Business Majors
Research Direct *Direct entry students at UW and WSU main campuses*	$29,700	$34,100
Comprehensive Direct *Direct entry students at CWU and EWU main campuses*	$30,800	$30,000
Research Transfer *CTC* transfer students to UW and WSU main campuses*	$28,300	$32,200
Comprehensive Transfer *CTC transfer students to CWU and EWU main campuses*	$29,400	$27,900
Branch Campus *CTC transfer students to branch campuses*	$31,000	$36,300

*CTC refers to community and technical colleges.
Sources: HECB *2001-02 Education Cost Study* and SBCTC *2000-2001 Cohort Study*

Compared with public four-year institutions, branch campuses are a more expensive option for the two majors examined for this study (data were not available for other majors). Given limitations in the data, however, observed differences should not be used for budgetary decisions. These cost estimates represent a snapshot of a particular point in time and may

not represent current costs; additionally, the estimates do not account for costs associated with students who do not transfer from community colleges or do not graduate once they have transferred.

Factors Influencing Branch Campus' Evolution

The NCHEMS review of other states' experiences concluded that "[s]trong pressures both inside (within the academic culture of the branch and the host institution) and outside (community and political forces) tend to push the branches away from their original missions and toward the more traditional research university mission." This is a typical evolutionary pattern for branch campuses with a similar structure and mission across the nation.

In addition to the branches' upper division structure and the high costs associated with them, factors influencing their evolution include the following:

- **Relationships with community and technical colleges:** Branch campuses work with numerous community and technical colleges to align academic programs and facilitate student transfer. With varying effectiveness, individual institutions collaborate and agree on program content and requirements. A lack of resources devoted to transfer, as well as differences in organizational culture, academic calendars, and degree offerings, present challenges to collaboration for representatives from branch campuses and community and technical colleges.

- **Ties to main campuses:** The UW and WSU each have broad missions, but their branch campuses are more specialized. The NCHEMS review found that branch campuses benefit by having autonomy to respond to their different missions and local needs as intended. The UW has a governance model that provides significant autonomy for its branch campuses, with the tradeoff being increased isolation for faculty and students from the main campus. WSU has a more integrated governance approach but is moving toward greater autonomy for its branches.

- **Community role:** Local communities have played a significant role in branch campus development and continue to influence their growth. Communities pressure the branches to expand in many ways, including developing new programs and other initiatives to support local economic development. The NCHEMS review notes that communities in other states with upper division campuses "never fully embraced the idea of 'half a university'" and lobbied state legislatures for traditional, four-year universities.

Opportunities for Legislative Direction

Washington's branch campuses are influenced by significant internal and external factors that are moving them away from their original missions. Absent legislative intervention, most branch campuses likely will evolve in the direction of traditional, four-year institutions. Two policy objectives provide opportunities for legislative direction; these are described below. Each objective calls for actions or decisions by policymakers regarding the future of each campus.

Policy Objective I: Align Branch Campuses With the State's Higher Education Goals

Changes in the policy landscape—in the demand, financing, and supply of higher education—influence all of Washington's higher education institutions, including branch campuses. The future roles, missions, and structures of branch campuses are evolving as the state responds to an economic climate very different from the 1990s, when the branches were created. As decision-makers define strategic options for higher education, the following policy areas regarding branch campuses should be considered:

1. Is the designation of each branch campus as a research institution appropriate? What is an appropriate funding level for each campus?
2. Is there need for any branch campus to become a four-year school, given the anticipated supply and demand of higher education in Washington State?
3. Will placebound students continue to receive priority status at branch campuses given the growth of other student populations and other providers serving this niche?
4. What is the role of each branch campus in offering doctoral degrees? What is the state's need and capacity for doctoral programs?

Policy Objective II: Improve the Branch Campus Two Plus Two Model

The upper division structure of branch campuses requires greater collaboration among research universities and community and technical colleges while it also imposes unusual restrictions on student course-taking behavior. Branch campus graduates take more upper division courses than graduates from other institutions, and they cannot take lower division courses at their degree-granting institution. Difficulties with collaboration and inefficiencies associated with the upper division structure make the branches' original structure less viable. If policymakers decide Washington's branch campuses will retain their predominately upper division structure, two courses of action deserve consideration:

1. Improve collaboration among branch campuses and community and technical colleges: clarify roles, provide resources or rewards, and/or coordinate academic calendars.
2. Relax restrictions on which institutions can provide lower and upper division courses: clarify decision-making authority, explicitly define the upper limit for the number and type of lower division courses at branches, and consider allowing selected upper division courses at some community colleges.

These policy options are not mutually exclusive and some could be combined and applied to branch campuses in various combinations. Each branch campus has a distinct local context, including academic programs, faculty expertise, student demographics, nearby industries, and neighboring higher education institutions. Decisions regarding their future should be made separately for each campus to reflect regional assets and needs. More information regarding student and labor market demand for higher education, as well as clarity regarding decision-making authority and the state's goals for higher education, are needed to guide decisions regarding branch campuses' (and other institutions') futures.