Monday, November 8, 2004

4.30 - 5.30 pm – November 8
9.30 - 11.00 am – November 9
Interlocken B

Programs and Services Committee

Phil Dubois (WY), chair
Carl Shaff (NV), vice chair
Don Carlson (WA), ex officio
Diane Barrans (AK), ex officio

Marshall Lind (AK)
John Haeger (AZ)
Herbert Medina (CA)
Bill Byers (CO)
Roberta Richards (HI)
Jack Riggs (ID)
Ed Jasmin (MT)
Committee vice chair (NV)
Dede Feldman (NM)
Robert Potts (ND)
Cam Preus-Braly (OR)
Tad Perry (SD)
Richard Kendell (UT)
Ex officio (WA)
Committee chair (WY)

Agenda

Presiding: Phil Dubois, chair

Staff: Jere Mock, director, Programs and Services
Margo Stephenson, coordinator, Student Exchange Programs

Action Item

Programs and Services Committee meeting minutes, May 17, 2004 7-3

Information Item: The Equity Scorecard – Jere Mock; Suzanne Benally, WICHE consultant; and Estela Mara Bensimon, professor of higher education and director of the Center for Urban Education, University of Southern California 7-9

Information Item: WICHE’s Student Exchange Programs and the Northwest Educational Outreach Network (NEON) – Jere Mock and Margo Stephenson 7-11

Information Item: WICHE’s collaboration with the Midwest Higher Education Compact to offer group insurance programs – Jere Mock 7-15

Other business

Adjourn
INFORMATION ITEM

WICHE’s Student Exchange Programs and the Northwest Educational Outreach Network (NEON)

Student exchange was the principal reason for the creation of WICHE, according to the original Western Regional Education Compact, the covenant that established our organization in the early 1950s. While the mission of WICHE has expanded over the last 50 years, student exchange remains one of our core functions and an essential element of our current goal “to expand educational access and excellence for all citizens of the West.”

Our programs serve a trio of constituents:

- Students utilize our Student Exchange Programs to expand their educational opportunities, making it possible for them to enroll in a wide range of programs throughout the West, including programs that aren’t available in their home state.

- Institutions use our Student Exchange Programs as a means of reaching a critical mass in undersubscribed programs, thus achieving greater cost effectiveness. Institutions also see student exchange as a way to enhance program quality by attracting a greater diversity of students of exceptional academic ability from throughout the region.

- States view our Student Exchange Programs as a tool for filling critical workforce needs in a cost-effective manner and as a way of assuring their citizens access to a broad array of educational programs and institutions.

Thus, for these three groups of stakeholders, our programs serve the following purposes:

- Expanding affordable educational opportunity.
- Assuring access to important programs that are unavailable in some states.
- Ensuring a workforce in areas of critical need.
- Reducing the financial burden on state residents.
- Increasing the cost effectiveness of low-volume programs.

A brief description of each of the programs, current participation levels, and information on new developments in each area, follows.

Professional Student Exchange Program – The PSEP program provides students in 12 Western states with access to a wide range of professional programs that otherwise might not be available to them because the fields of study are not available at public institutions in their home states. WICHE PSEP students pay reduced levels of tuition – usually resident tuition in public institutions or reduced tuition at private schools. The home state pays a support fee to the admitting schools to help cover the cost of the students’ education. WICHE students receive some preference in admission in Group A fields, where access is more restricted.

Each participating state determines the fields and the number of students they will support; each state supports students in some – not all – fields. Some states have additional arrangements for professional education with schools in the West or elsewhere. The 14 fields include: medicine, dentistry, veterinary medicine, physical therapy, occupational therapy, optometry, podiatry, osteopathic medicine, physician assistant, graduate library studies, pharmacy, public health, architecture, and graduate nursing. During the 2004-05 academic year, 689 students are enrolled through PSEP.

New developments: Graduate nursing was reinstated as a supported field, following approval by the WICHE Commission in May 2003. Four institutions – Loma Linda University, University of Hawaii at Manoa; University of North Dakota; and the Oregon Health & Science University – have agreed to enroll students through PSEP. Wyoming is the...
only state that is supporting students in graduate nursing. We are also working with states to determine their interest in supporting students in mental health professions through PSEP.

Western Regional Graduate Program – WRGP includes master’s and doctoral degree programs that are not widely available throughout the West. To be eligible for WRGP, programs must be distinctive on two criteria: they must be of demonstrated quality, and they must be offered at no more than four institutions in the WICHE region (exclusive of California). Programs are nominated biennially by their institutions, peer reviewed by other graduate institutions in the region, and approved by the Student Exchange Program Advisory Council, whose members include the state-level academic affairs officers from each of the WICHE states.

WRGP is particularly strong in programs targeted to the emerging social, environmental, and resource development needs of the West and includes several innovative interdisciplinary programs. Through WRGP graduate students who are residents of the 14 participating states may enroll in participating programs in public institutions on a resident tuition basis. To receive WRGP tuition status, students apply directly to the participating institutions. In most cases student tuition revenue is the total financial resource flowing to the institution because there are no interstate support fees for students in this program. WRGP attracts students into graduate programs with excess capacity, thus providing greater academic choices for students and an enlarged student pool for institutions.

WRGP currently includes 144 programs offered by 35 institutions. In 2003, 435 WRGP students were enrolled in 125 participating programs; nine of the programs did not report their WRGP enrollments. We are currently collecting enrollment data for the 2004 academic year.

New developments: Fifteen new programs were added to the exchange last spring, and a new brochure describing all of the programs has been developed. The next round of nominations for WRGP will be solicited from institutions in late 2005.

Western Undergraduate Exchange – This regional exchange program enables students in participating states to enroll in designated two-year and four-year public institutions and programs in other participating states at special, reduced tuition levels. The WUE tuition rate is 50 percent more than the institution’s regular resident tuition. In 2003-04, WUE students saved some $90.5 million in tuition costs.

Students clearly like WUE. Some 18,850 students are enrolled in 120 (65 four-year and 55 two-year) WUE institutions this year, an increase of 10 percent over last year’s total. Students from 14 WICHE states are eligible to enroll in any of the participating programs (Hawaii residents are eligible to enroll in any four-year participating program and California residents are eligible to enroll in selected programs in Alaska, Hawaii, New Mexico, North Dakota, South Dakota, Washington, and Wyoming). One school in California, the Maritime Academy, accepts students through WUE.

Each state determines which institutions and programs it will make available to students in the Western Undergraduate Exchange. Eligibility for admission and for WUE tuition is determined by each participating institution. Some institutions open all of their programs to WUE students while others restrict admission to specific programs. Similarly, some institutions require that students meet specific academic requirements, including minimum GPAs and/or college placement exam scores. Ninety-two percent of the participating institutions (61 of 65 institutions) accept transfer students. Those that do not include: New Mexico Tech (16 WUE students), University of Oregon (137 WUE students), Washington State University (324 WUE students), and Western Washington University (33 WUE students).

There are many benefits of WUE for students. WUE gives them affordable access to programs that may not be available in their home state or that do not have sufficient capacity. WUE also provides students with a more diverse array of institutions in which to enroll.

WUE can help institutions to build an enrollment base to strengthen programs, improve efficiency by filing excess capacity, and provide student diversity. Some institutions that border other states value the program as it enables them to serve the citizens of the nearby communities. States benefit from WUE in several ways. Many of their residents are able to attend affordable institutions in other Western states at no expense to the state. Students may decide to remain in the receiving state following graduation, helping the state to build an educated workforce.

New developments and challenges: We are working with Chris Morphew, an associate professor of higher education
administration at the University of Kansas, on a comprehensive, 19-month study of WUE that will provide useful information to institutional and state policymakers and WICHE. The study will examine the motivations and experiences of WUE students; the relative usefulness of state and institutional policies designed to encourage interstate student migration; and whether former WUE students are likely to stay in the “new” state after graduation. Morphew received a grant from Lumina Foundation for Education to conduct the study. Given the enrollment challenges faced by many states — either too many students, or too few, depending on the state — it is important to better understand how out-of-state migration patterns are likely to affect student access and success, and how these patterns may be affected by regional efforts designed to make migration easier. We also hope to gain insight about institutions’ and states’ future plans for WUE, plans that may be impacted by changing demographic and economic circumstances.

Colorado State University notified WICHE in late January 2004 that it will withdraw from participation in the WUE program for fall of 2005. The university will, however, continue to honor the financial commitments that have been made to WUE students who are already enrolled at CSU, as long as they maintain the appropriate academic requirements. CSU President Larry Penley said this action is due to the current financial constraints facing the university. In fall 2003, CSU enrolled 285 WUE students at its campus in Fort Collins. This change does not affect the WUE participation of the Colorado State University, Pueblo; 243 WUE students were enrolled at CSU Pueblo in fall 2003. This fall we learned that the University of Northern Colorado is also ending its participation in WUE; 472 students were enrolled through WUE at UNC in fall 2003. Finally, Western State College of Colorado has also withdrawn from WUE; it enrolled a total of 45 WUE students in the fall of 2003. These institutions may believe that they can attract more nonresident students who will pay higher tuition than WUE students.

NEON, the Northwest Educational Outreach Network, was created as a partnership of the Northwest Academic Forum and WICHE to help institutions and states to share academic programs and resources using distance-delivered education. We are developing NEON with a three-year grant of $616,000 from the U.S. Department of Education Fund for the Improvement of Postsecondary Education (FIPSE). Distance-delivered degree or certificate programs, each involving multiple institutions, are being expanded or created in three disciplines: nursing (Ph.D.), logistics and global supply chain management, and library media (graduate certificates).

The NEON nursing Ph.D. consortium has reached out to 18 institutions in the 15 WICHE states to encourage collaborations that will expand access to Ph.D. programs. One important “access partnership” that has developed involves the Oregon Health and Sciences University School of Nursing (OHSU SON), offering its Ph.D. program in nursing to rural Western states and institutions that do not have doctoral programs in nursing. Students from the University of Alaska Anchorage are enrolled this fall in the OHSU program as a result of NEON’s efforts; and others at Idaho State University, the University of Nevada, Reno, and the University of Wyoming may enroll next fall. NEON has also created, in partnership with the Western Institute of Nursing, the NursingPhD.org Web site. The site provides information on all of the doctoral programs offered in the 15 Western states and guides prospective students on several important decisions, such as matching their scholarly interests with faculty research expertise and career opportunities. NEON also is conducting a survey of all of the schools of nursing in the West to determine what masters programs are currently available and will add this information to the NursingPhD.org Web site.

Also through NEON, three institutions in the WICHE region are creating an online graduate certificate program in logistics/supply chain management. This is a growing field in the business and military sectors that involves managing supply chains to move materials and component parts into and within businesses, organizations, and to customers. The three partner institutions for this new online program are the University of Alaska Anchorage, the University of Hawaii Manoa, and the University of Nevada Reno. The elements of the certificate will be nine credit hours of core courses that will be taken by all students seeking the certificate and six credit hours of concentration courses. Each of the partner institutions is developing specific core and concentration courses for the joint program.

The third NEON academic program involves extending online programs in library media certification to rural Western states that do not provide these programs through state-supported institutions. There is a growing shortage of certified school library media specialists in many Western states, fueled by staff retirements, a shortage of distance-delivered educational opportunities in this field, and the discontinuation of higher education library media preparation programs in several Midwestern states. Montana State University Bozeman and the University of Washington are working with North Dakota’s Department of Public Instruction, Library Association, and State Library to make their programs available in North Dakota.
INFORMATION ITEM
WICHE/Center for Urban Education Equity Scorecard Project

Executive Summary

In March 2004, the WICHE Commission granted approval for WICHE to serve as a subcontractor to the University of Southern California’s Center for Urban Education (CUE) to conduct a pilot of the Equity Scorecard (EqS) initiative with two institutions in the WICHE member states. The CUE received a $150,000 planning grant from the Ford Foundation to support expansion of its EqS project; WICHE’s subcontract totals $60,936. The subcontract includes two dimensions:

• Demonstration projects at two institutions in Colorado: Fort Lewis College in Durango and Metropolitan State College of Denver.

• The development of a plan for expansion to other institutions in the West and a grant proposal for funding such an expansion.

The Equity Scorecard is an ongoing initiative designed to foster institutional change in higher education. Its fundamental aim is to close the achievement gap for historically underrepresented students. The idea for the Equity Scorecard was initially developed when it became evident that equity, while valued, is not something that is measured in relation to educational outcomes for traditionally disenfranchised students in higher education.

The Colorado pilot project will build on the earlier work of Estela Mara Bensimon, professor of higher education and the director of the Center for Urban Education, and her colleagues. Their work examined inequities in educational outcomes for students of color at 14 institutions in Southern California. The campuses participated in a diversity audit process and developed individualized action plans to better address the educational needs of racially and ethnically diverse students. The institutions include three California State University campuses (Dominguez Hills, Fullerton, and Los Angeles); five community colleges and six private colleges and universities. Funding for the project was provided by The James Irvine Foundation, through an $800,000 grant, along with support from USC.

The Equity Scorecard as an Approach to Institutional Change

The usual approach for improving students’ educational outcomes is to adopt programs or practices that work, skipping the problem-defining stage and quickly moving to implementation of preferred solutions or best practices. A central premise in the Equity Scorecard approach, in contrast, is that the involvement of individuals in a research process about inequities on their own campuses is a powerful form of intervention. The aim is to bring about change in the attitudes, awareness, values, commitments, and beliefs of individuals who are in roles that can affect the outcomes of students. The Equity Scorecard approach also regards inequities in educational outcomes as a problem of institutional performance, rather than the manifestation of student deficiencies.

The Equity Scorecard framework provides four concurrent perspectives on institutional performance in achieving equity in educational outcomes: access, retention, institutional receptivity, and excellence. It is a tool and process that campus teams can use to organize existing institutional data into indicators of performance that facilitate institutional self-assessment.

The scorecard project has shown that institutional data disaggregated by income, gender, and racial-ethnic categories has a powerful effect on deepening the understanding of faculty members, administrators, and counselors about the existence of inequities in educational outcomes. The model is unique in that rather than treating data collection as the precursor to a solution-oriented intervention, the data collection and analysis are structured to be the change-producing intervention. The Center for Urban Education has found that individuals who participate in the Equity Scorecard inquiry process, many of whom were initially resistant or indifferent to notions of equity in educational outcomes, develop a commitment to bring about change.
**WICHE/CUE Pilot Project**

The purpose of the planning grant is to modify the processes and methods of the *Equity Scorecard* approach so that it is more “scalable”—in that it can be implemented within a 12-month period, at campuses that are geographically dispersed, while retaining the best qualities of the “high touch” and “consultative” philosophies of the Equity Scorecard project, by training key individuals on campuses to assume the coaching and facilitative roles of the USC-CUE researchers (e.g., a “train-the-trainer” approach).

Suzanne Benally, former WICHE staff member who directed WICHE’s Institute on Ethnic Diversity, is managing the pilot project as a consultant, with funding provided by the Ford Foundation. She is working with Jere Mock and David Longanecker at WICHE and Estela Mara Bensimon at USC’s CUE.

Recent project activities have included selecting the two institutions to participate in the project; meeting with each campus president, provost, and preliminary team members (the teams include five or more faculty members, administrators, counselors, and others); and preliminary data collection.

The criteria that were used to select the two institutions include the following. The institution must:

- Enroll a significant percentage (preferably 25 percent) of students of color.
- Be a four-year, non–doctoral granting college.
- Have one campus serving a large number of American Indian students.
- Have presidential commitment.
- Have the capacity to conduct institutional research.
- Have an historical commitment to diversity.
- Be Colorado based.

Fort Lewis College’s commitment to diversity is reflected in its mission statement, curriculum, special programs, and in its historical commitment to provide tuition-free education for American Indian students. The institution has developed a diversity plan to enhance educational opportunities for all minority groups, particularly Hispanic and American Indian students living in the Southwest. Metropolitan State College is an urban, nonresidential college that serves a diverse student population; its tuition has been and remains among the lowest in the state. The campus attracts students from a diverse mixture of age groups and socioeconomic classes; ethnic minorities make up 23 percent of MSC’s students.

**Next Steps**

Metropolitan State College began implementation on Oct. 19 with a team training session; Fort Lewis College’s training was held on Nov. 3. The institutional teams will select their own measures to assess how their campus performs in providing equity of outcomes to their students in relation to access, retention, academic excellence, and institutional receptivity benchmarks. Potential measures include a variety of student outcomes: completion of gateway courses, majors chosen, degree completion, transfer from two- to four-year colleges, grades earned, and others. A team leader and an institutional researcher will be trained in the methods, tools, and processes of the *Equity Scorecard* approach and will facilitate the development and implementation of the approach on their campus with their team.

Each team will prepare a final report that analyzes campus “vital signs” and identifies strategies to improve the educational success of underrepresented ethnic minority students. The results of each institution’s *Equity Scorecard* process will be shared with the full campus community in the spring of 2005 and the institutions will be encouraged to maintain annual vital signs reports to track their ongoing progress.

As the Colorado project develops, CUE and WICHE will pursue funding from foundations that may financially support the expansion of the *Equity Scorecard* approach to other WICHE states and institutions.
ACTION ITEM
Programs and Services Committee Minutes
May 17, 2004

Members Present
Phil Dubois (WY), chair
Carl Shaff (NV), vice chair
Don Carlson (WA), ex officio
Diane Barrans (AK), ex officio
John Haeger (AZ)
Bill Byers (CO)
Frank Kerins (MT)
Mike Hillman (ND)
Cam Preus-Braly (OR)
Tad Perry (SD)

Committee Members Absent
Marshall Lind (AK)
Herbert Medina (CA)
Jack Riggs (ID)
Dede Feldman (NM)
Richard Kendell (UT)

Staff Present
Caroline Hilk
Sandy Jackson
David Longanecker, executive director
Jere Mock

Other Commissioners and Guests Present
Klaus Hanson (WY), WICHE commissioner
Lance Perryman, Dean of Veterinary Medicine,
Colorado State University
Warwick Bailey, Dean of Veterinary Medicine,
Washington State University

Chair Phil Dubois opened the meeting and welcomed new committee members.

Action Item
Approval of the Minutes of the November 11, 2003 Committee Meeting

Bill Byers moved and Tad Perry seconded a motion to approve the minutes of the November 11, 2003, committee meeting without revisions.

Action Item
Review of the Professional Student Exchange Program Support Fees for 2005-06 and 2006-07

Jere Mock, director of Programs and Services, presented the discussion regarding the review of the Professional Student Exchange Program (PSEP) support fees for the next biennium (2005-06 and 2006-07). Mock informed the committee that the commission reviews and approves new fees every two years. There are 14 fields in the PSEP; staff have provided a field-by-field analysis that describes the number of students that are currently supported in each field and an analysis of tuition, how much a student pays, and how much the supporting state sends. The fields are divided into two groups: Group A (nine fields) and Group B (five fields, access is not as great a concern). Staff recommend a 2 percent increase for each year of the biennium for all of the fields in both groups. The fees for dentistry and optometry have fallen behind the costs of providing the education, so staff recommend a $2,000 addition to the base cost of both these programs as well as the two percent increase for each of the years. For physical therapy programs, staff are recommending an adjustment in the length of support from three academic years to three years academic years and six months to enable doctoral students to get coverage throughout their program.

This action item was circulated to all the certifying officers, deans, and chairs of all the programs that participate, and the SHEEO offices seeking feedback. Staff got quite a few comments back, which led to the increase in the base support fees in two fields.
Two deans from the largest veterinary programs – Dean Lance Perryman from Colorado State University (the largest program) and Dean Warwick Bailey at Washington State University (the second largest program) – provided their comments on the Professional Student Exchange Program and the recommendations on the increase in support fees. Bailey commented that the 2 percent increase proposed is certainly satisfactory for both the colleges represented. He encouraged states to find additional support for a few additional spots to fund veterinary students as the demand for trained veterinarians is increasing around the country. He said that the number of students who apply to the vet-med program, compared to those who are actually accepted into the program, is about 11 to 1. Perryman said that the rates are similar at Colorado State.

Mock said the certifying officers met on May 16 and voted in favor of the staff recommendation of an increase in support fees.

Mike Hillman asked Mock why the support fees were higher than the rates circulated earlier. He said that it is difficult to work on state budgets when those numbers continue to change. Mock commented that the new increases in the base rate of optometry and dentistry were determined after the initial 2 percent increase was proposed. Dubois said that the fees remain in flux until the commission votes on the rates at the May meeting.

Hillman moved and John Haeger seconded a motion to approve the action item for a 2 percent increase in the support fees for fields in Group A and Group B for each year of the biennium, as well as an increase of $2,000 in the base support fee in the field of dentistry and optometry. The motion also included extending the length of WICHE support in the field of physical therapy from the current maximum of three academic years to a maximum of three academic years plus six months.

The committee unanimously approved the motion to increase the support fees for the Professional Student Exchange Program with no revisions.

**Action Item**

**Programs and Services 2005 Workplan**

Mock began this action item by reviewing the existing activities that have been approved and have funding. Then she discussed new directions that the commission has approved and for which staff are seeking funding. The third section, called “On the Horizon,” includes projects staff are considering and on which they’d like to get feedback from the commission. The workplan is separated into five priority areas: access (Student Exchange Programs); finance; innovation and info-technology (Northwest Academic Forum-NWAF, NEON, American TelEd Communications Alliance-ATAlliance); workforce (Professional Student Exchange Program, Workforce Briefs); and accountability. The unit is also responsible for communication and public affairs activities: NewsCap, commission agenda books and other conference materials, and fund raising.

The “New Directions” section includes: adding mental health programs to the Professional Student Exchange Program; trying to expand some of the professional advisory councils; convening the nursing deans periodically; proposing that WICHE partner with the Midwest Higher Education Compact (MHEC) to offer a property risk and insurance consortium that would purchase property and casualty insurance in the West; and creating a service repayment program to assist states that require students to return to their home state to pay back loans and meet service obligations. Another initiative involves working closely with the University of Southern California on the Equity Scorecard Project. USC has invited WICHE to be a subcontractor in this project, which involves taking teams onto various campuses to analyze the campus environment with the intent of enhancing their ability to graduate underrepresented, ethnic minority students. Staff would also like to expand the NEON project. Staff and commissioners have discussed providing electronic academic resources for students via Xap Corporation’s Mentor Systems for several states. Another discussion item is the licensure and credentialing service.

Mock said the Programs and Services unit staff includes Margo Stephenson, who will become the new program coordinator for SEP upon Sandy Jackson’s retirement. Margo has been at WICHE, working for CONAHEC (Consortium for North American Higher Education Collaboration), for about 10 years. The Communications staff includes: Deborah Jang, website designer; Candy Allen, graphic designer; Annie Finnigan, writer/editor; and two part-time administrative assistants.
Mock requested feedback on the workload. Dubois cautioned against the staff taking on too many new projects that are administrative in nature and require coordination with other organizations. Mock responded that WICHE would be able to partner with another organization that has already established a system for the risk management project. WICHE would use a similar model of assessing an administrative fee that would cover direct expenses. She said WICHE would need to get external funding to initiate the two other projects. Dubois then commented on the possibility that these new projects might be perceived as “mission creep.” Longanecker said we should always keep a focus on the central mission of expanding access to high-quality postsecondary education for citizens of the West. Perry suggested that each new project have an impact statement on staff and finances of the organization. Barrans asked if members of the industry, who aren’t necessarily in college administration, would be included in the expansion of the advisory councils. Mock said that model is used for the vet-med advisory council. Barrans suggested that including people from the industry adds a lot to those types of advisory groups. Dubois expressed his nervousness about some of the new activities: “Things are pretty thin.” Longanecker proposed that it would be unlikely that WICHE would be pursuing four new initiatives in the coming year.

Approval of workplan was moved by Carl Shaff and seconded by Cam Preus-Braly; the motion carried.

**Action Item**

**Exploring an Insurance and Risk Management Venture in the WICHE Region**

Longanecker commented that this opportunity was the “livest” option for WICHE of the new possibilities. Mock remarked that staff have gathered information from a regional survey of 25 institutions in the WICHE region and met with staff of the Midwest Higher Education Compact about the logistical details. Staff feel that institutions would benefit from a regional insurance group that would help colleges and universities to broaden property insurance coverage, reduce premium costs, encourage improved asset protection strategies, and provide a group dividend when reduced losses are experienced. MHEC has operated a regional insurance group called the Master Property Program (MPP) since 1994. Staff concluded that the best strategy would be to partner with MHEC to bring the strength and advantages of its group to institutions in our region. Mock said that partnering makes the best sense rather than starting from the beginning. Longanecker and Mock met with Larry Isaak, the president of MHEC, to learn more about the program and express interest in the possible collaboration. MHEC agreed to extend its program to the WICHE region if that is a desire of the WICHE Commission.

A few highlights of the current program of the Property and Casualty program: the plan includes property, earthquake, flood, terrorism, service interruption, and crime insurance. It offers loss control surveys, plan reviews and inspection, infra-red surveys, web-based data management and annual loss control workshops. Member institutions receive four layers of coverage. Each member institution pays a $25,000 annual deductible and makes a contribution to a self-funded group loss fund that covers the next $250,000 in losses per occurrence per member. Excess total insurance layers totaling $500 million dollars are negotiated on the risk assumption of all the member institutions. The 36 member institutions in this plan have cumulatively saved $21.6 million over the last 10 years in reduced premiums. The member institutions will share a dividend of $1.2 million from the loss fund; this money will either be used to reduce the cost of their 2005 premiums or issued as checks.

A survey of 25 public and private institutions in the WICHE region has been conducted to determine the eligibility and interest to participate in a regional insurance-purchasing pool. Six states require their public institutions to participate in their state’s risk management program: Arizona, Idaho, North Dakota, New Mexico, Oregon and Utah. Two other states, Colorado and Washington, require their statutory institutions to work through their state risk management program (though Colorado will soon be able to opt out of the state program).

Of the 25 institutions that participated in the survey, significant interest in joining the Master Property Program has been expressed by the University of Alaska, University of Colorado System, University and Community College System of Nevada, Colorado School of Mines, University of Washington, University of Wyoming, the Maricopa County Community College District, Thunderbird Garvin School for International Management, College of Santa Fe, and Albertson’s College in Idaho. Staff anticipate more interest from other institutions. Staff proposed to partner with MHEC for both their Master Property Program for large institutions and the Property and Casualty program for institutions with enrollment under 7,500. Mock proposed that WICHE try this arrangement on a pilot basis from May 2004 through June 30, 2006. MHEC has been assessing a 1 percent administration fee against the $25,000 deductible, as well as each individual institutions’ contribution to the group loss fund. WICHE may want to assess a 1.25 percent administration fee for member...
institutions; proceeds would be split between MHEC and WICHE to cover marketing expenses and other direct costs.

WICHE’s next step would be to develop an implementation plan and convene some meetings with risk managers at interested institutions and begin marketing the program. WICHE currently has $20,000 in the general fund budget to be used for program marketing. MHEC will take some of the expenses associated with the new expansion.

Bill Byers moved and Tad Perry seconded a motion to approve the action item to explore an insurance and risk management venture in the WICHE region.

**Discussion Item**

**Exploring a WICHE Service Repayment Program**

Longanecker proposed that WICHE establish a service repayment program that would offer states assistance in managing various types of repayment obligation programs resulting from agreements between states and students. State with these types of programs typically require students who receive financial assistance for education to repay the state, through a specified amount of service or circumstance of service or by directly reimbursing the state. Seeking the repayment by students is a tedious process for the states. State participation in the WICHE Service Repayment Program would be voluntary. Staff perceives that it will require $250,000 a year to operate this program out of WICHE. It would be 100 percent funded from grant resources the first year and in subsequent years covered by the fees that would be assessed for the service. Self sufficiency of the program should be accomplished in five years from the states that are participating. WICHE would be a back office operation; states would still be responsible for their own programs. Longanecker answered a question regarding whether this new activity fits into the mission of WICHE by stating that he believes it does because it allows states to pursue this new area of public policy which they think is cost effective for their investment in higher education. One commissioner commented that WICHE has a history of not encouraging states to pursue the student repayment plan because of the issues it raises with student mobility between states. Longanecker stated that WICHE is benign; WICHE is not trying to promote it or discourage it. This program is a response to a perceived need in the states. Dubois stated that the complexity of this program would be “ugly.” The interface with accounting and academic systems on the campus will be very complicated. This discussion item will only return as an action item if staff determine there is a plausible market for this type of program.

**Discussion Item:**

**Exploring a WICHE Licensure and Credentialing Service**

Longanecker proposed that WICHE establish a licensure and credentialing service that would offer assistance to states in licensing educational professional and certifying the competence of individuals serving in fields other than education. This idea originated from Dennis Mohatt in the Mental Health Program. States have been reducing their services in the area because of the state cutbacks across the West. It would take at least five states participating to make this plan viable. WICHE would take the requirements that a state has for licensure and credentialing, beginning with mental health and teacher education and then expanding from there. Longanecker proposed that it will take $350,000 a year to get this program started. Longanecker has already had preliminary discussions with the new director of the Western Governors’ Association because governors might be interested in this plan. The new SHEEO in Colorado, Rick O’Donnell, the former head of the state regulatory agencies, has indicated an interest in assisting with the process by suggesting people with whom to talk. WICHE would be the outsourcing agent while keeping the feel of each individual state. Commissioners expressed concern over mission creep; Longanecker stated that we would need to keep a close eye on how far we would be willing to expand the program.

**Discussion Item**

**Report on the WUE and Student Mobility Research Project**

Chris Morphew is a faculty member at the University of Kansas and has been on sabbatical, helping WICHE develop this research initiative that will examine student mobility in relation to the Western Undergraduate Exchange. WUE was established in 1988 and includes 14 WICHE states. Enrollments are nearly 19,000 students. WICHE produces an annual enrollment report that displays the migration of students across state lines, although WICHE doesn’t know a lot of the details about the students who participate. Morphew’s study will give us demographic data and additional information on motivation of students who participate whether they return to their home states, etc. Morphew received funding from Lumina Foundation for Education to pursue this research. Morphew asked for assistance from the commissioners to
encourage their states to send him the student contact information he is asking for. Phase one of the research will focus on three things: who uses WUE, why, and their experiences using WUE. A larger survey will be distributed in fall 2004 via the web. Morphew has contacted the WUE certifying officers; he has collected data from approximately 4,300 students as of the meeting date. His survey included 28 questions about a student’s demographics, motivation, and experiences as a WUE student. The response rate was 34 percent (at the time of the meeting). Morphew was excited about such a high response rate. Morphew needs more state-level buy-in at the initial level to get the list of names and contact information from WUE students so he can send out the surveys in the fall.

FERPA (the Family Educational Rights and Privacy Act) was a concern for many of the states; Morphew and Longanecker do not feel that this conflicts with FERPA. The two reasons are: FERPA allows for audit and evaluation purposes of financial aid programs; and this project would not release data to an outside entity. This is all research done within WUE. WICHE administers WUE, and it is not a problem to share data with someone who works as a consultant for WICHE.

Some of the preliminary results indicate that students find out about WUE through their guidance counselors and institutional websites; these were the top two answers. Ten percent of students found out about WUE after they received the reduced tuition rate. One third of students surveyed applied to their current institution only after learning about WUE. Students stated the availability of certain programs and the reduced tuition rate through WUE are the top reasons for choosing a college or university. Current WUE students report that they are very satisfied with their WUE experience and would recommend the program to a friend or family member. Eighty-six percent of surveyed students report a GPA over 3.1. Students are not necessarily high socioeconomic status students. Next steps include sending out the new survey in the fall and interviewing students and administrators on several campuses.

Information Item
Programs and Services Current Projects

Committee members were invited to review the description of current projects in the agenda book.

The meeting was adjourned.
INFORMATION ITEM
WICHE’s Collaboration with the Midwest Higher Education Compact to Offer Group Insurance Programs

Executive Summary

In May 2004, the WICHE Commission authorized staff to create a new partnership with the Midwestern Higher Education Compact (MHEC) to expand MHEC’s Master Property Program (MPP) and Property & Casualty Program (P&CP) to include institutions in the WICHE region. The two programs can help institutions in the West improve their insurance coverage and lower premium costs. The University and Community College System of Nevada (UCCSN), with seven campuses and a research institute, is the first higher education system in the West to become a member of the MPP. WICHE staff members held meetings with representatives of Colorado, Oregon, and Wyoming institutions in October to inform them of the program.

Project Update

On July 1, the University and Community College System of Nevada (UCCSN) joined the Master Property Program (MPP), becoming the first system in the West to participate in this regional collaboration. Jon Hansen, UCCSN’s risk manager, predicts that the program will save the system a half-million dollars each year on its $2.6 billion in insured assets.

Staff, along with representatives of MHEC and Marsh Inc., the program administrator for the MPP and P&CP, met with institutional representatives from 17 Colorado and Wyoming institutions on October 7 to inform them of these programs. Another program briefing was held on October 21 with risk managers of 17 Oregon community colleges. Contacts are also being made with institutions in Alaska, Arizona, and Washington about the program. California and Montana are eligible to participate but have arrangements or plans for purchasing insurance that currently preclude their interest in participating in a WICHE group. (Institutions in six of the WICHE states – Idaho, New Mexico, North Dakota, Oregon’s four-year institutions, South Dakota, and Utah – must purchase their insurance through their state risk management program.)

Institutions that join the MPP are assessed an administration fee of 1.25 percent on their annual premiums and group loss fund contributions. WICHE will receive half of this annual assessment for each institution that participates in our region (WICHE received $3,700 from the UCCSN membership). A subcommittee of participating members, called the Oversight Committee, provides program oversight and direction and meets twice a year as well as by teleconference. The subcommittee consists of members who have been appointed, elected, or otherwise chosen.

Details on the Master Property Program

The Master Property Program (MPP), created in 1994 by MHEC, now includes 46 member institutions (with 76 campuses) with total insured values of $44.6 billion. The members are located throughout Illinois, Kansas, Michigan, Minnesota, Missouri, Nebraska, and Nevada. The program has generated more than $19 million in savings for the participating institutions. Lexington AIG is the program underwriter; Marsh and Captive Resources, Inc., administer the program under the direction of an oversight committee that is representative of the insured institutions. GAB Robins handles all property claims for the member institutions.

The MPP utilizes a four-layer system to provide broad insurance coverage. Layer one: Each participating institution retains an individual deductible of at least $25,000 that is applied to each claim. Some members chose deductibles as high as $500,000. Layer two: Participating institutions pay into a group loss fund; the fund retains the next $250,000 of loss coverage per occurrence, subject to an annual aggregate maximum of some $4 million. Layer three: Any loss that exceeds the loss fund coverage is insured by the primary layer through Lexington Insurance Company. Layer four: An excess layer provides coverage per occurrence (not per member) up to $500 million. This coverage is provided via a subscription policy, with Landmark America taking the lead. If the $250,000 loss fund is depleted in any year, the
Lexington coverage automatically drops down and provides blanket insurance in excess of the members’ individual deductible.

Opportunities are provided for individual members to obtain additional coverage to meet their special needs; the Master Property Program provides the core insurance coverage and members retain flexibility to address their individual needs. Each institution, at their own discretion, may select to retain a local broker to work in conjunction with the program’s administrative team. Insurance rates range from .02574 to .07858 and are based on various factors, such as deductibles, exposures, premium size, and loss history.

End-of-year loss fund balances and interest income may be paid back to the participating institutions, based on a dividend formula approved by the program participants. Dividends are declared 18 months after the policy year; the group has accumulated a considerable loss fund and will likely distribute a sizeable dividend for the past year. The MHEC Oversight Committee voted at its Oct. 2003 meeting to declare 100 percent of available dividends for the 1998, 1999, and 2000 policy years. A dividend totaling $418,294 was distributed to 23 MHEC members that participated in those underwriting years. In addition, they voted to declare 100 percent of the available dividend for policy year 2001 and 80 percent of the available dividend for policy year 2002 to be distributed to eligible members in fall 2004. The dividend will be approximately $1.7 million.

Other benefits to institutions include the opportunity to participate in property loss prevention surveys, plan reviews and inspections, infrared thermography surveys, web-based data management, and annual loss control workshops. MHEC sponsors a two-day loss control workshop each year for members. Topics of interest are solicited from all of the members and experts from throughout the U.S. are recruited as speakers and workshop leaders. The 2005 workshop will be held on March 17-18 in Kansas City; several representatives from each member institution are invited to attend.

To receive a quote from Marsh to join the MPP, institutions are asked to provide: a statement of insurable values for each building, library values, fine art values, business interruption worksheets, five-year loss history, loss control reports (if available), and current financial statements. The minimum coverage levels available through the program:

- $500,000,000 limit in basic layered program.
- $500,000,000 excess layer is available.
- $100,000,000 earthquake, aggregate.
- $100,000,000 flood (except $50,000,000 for 100 year flood zones, as determined by FEMA) aggregate.
- $100,000,000 terrorism.
- $25,000,000 service interruption – property damage and time element.
- $25,000,000 automatic coverage for 90 days.
- $25,000,000 contingent time element.
- $25,000,000 transit.
- $25,000,000 miscellaneous unscheduled property in U.S. and Canada.
- $1,000,000 incidental foreign, subject to policy territory.
- $1,000,000 per occurrence/$10,000 per person for personal property of students and patients.
- $500,000,000 for boiler and machinery coverage, subject to sublimits of $5,000,000 for each of the following: perishable goods; hazardous substance; electronic data processing (including data restoration); expediting expense; and CFC refrigerants.
- Crime coverage is available as a program extension.
Another Offering: The Property & Casualty Program

WICHE and MHEC are introducing another initiative that can meet the needs of smaller colleges and universities through a risk-pooling arrangement that is similar to the Master Property Program. The program is designed for two-year and four-year public and private institutions with enrollments under 7,500. Many smaller institutions need to leverage their casualty and property coverage together and cannot afford the MPP minimum policy deductible. As membership in this new program develops, an oversight committee will be established to represent the institutional members in this regional program.

The mandatory insurance core coverage areas for members include:

- “All risk” property (including business income and boiler and machinery).
- Crime.
- General liability (including police professional and employee benefits liability).
- Automobile liability (including liability, physical damage, and statutory coverages).
- Educators’ legal liability.
- Foreign liability.
- Miscellaneous professional (allied health).
- Umbrella/excess liability.

Members also may participate in these noncore coverages:

- Workers’ compensation including employer’s liability.
- Non-owned aviation.

The Property & Casualty Program may also provide a loss control program. Its elements will include most of the services provided by the Master Property Program, along with fleet safety, casualty loss control management programs and policy reviews (safety audits, emergency response planning, alcohol abuse policies, etc.), campus security, dorm exposures, club sports/athletics, foreign travel, and other areas.

Contacts for More Information

If institutions or higher education systems would like more information about these programs, they should contact:

Jere Mock, WICHE’s director of Programs and Services: phone, 303-541-0222; email, jmock@wiche.edu.