Programs and Services Committee Meeting

Monday, October 31, 2011
10:15 - 11:45 am
Aloha Center Ballroom
Monday, October 31, 2011

Programs and Services Committee Meeting

Carl Shaff (NV), chair
Diane Barrans (AK), vice chair
Tom Buchanan (WY), ex officio

Committee vice chair (AK)
Tom Anderes (AZ)
Dianne Harrison (CA)
Joe Garcia (CO)
Roy Ogawa (HI)
Robert Kustra (ID)
Clayton Christian (MT)
Committee chair (NV)
Susanna Murphy (NM)
Duaine Espegard (ND)
Tim Nesbitt (OR)
Jack Warner (SD)
Bonnie Jean Beesley (UT)
Phyllis Gutierrez Kenney (WA)
Position vacant (WY)

Agenda

Presiding: Carl Shaff, chair
Staff: Jere Mock, vice president, Programs and Services
Margo Colalancia, director, Student Exchange Program
Pat Shea, director, WICHE ICE, Western Academic Leadership Forum, and Western Alliance of Community College Academic Leaders

Action Item
Approval of the Programs and Services Committee meeting minutes of May 17, 2011 4-3

Action Item
Approval of the implementation plan: new ways to apply Professional Student Exchange Program support fees – Margo Colalancia 4-7

Action Item
Approval of standardizing PSEP support fees in physician assistant and physical therapy fields – Margo Colalancia 4-20

Action Item
Approval of the proposed project to revamp Western Undergraduate Exchange marketing and outreach strategies – Jere Mock and Margo Colalancia 4-23
Approval of the proposed project to implement a state authorization reciprocity program – David Longanecker 4-24

Discussion Item:
The Interstate Passport Project – Pat Shea

Information Item:
Student Exchange Program updates – Margo Colalancia 4-32

Other business

Adjournment
Chair Shaff called the meeting of the Programs and Services Committee to order.

Commissioner Warner motioned to approve the May 17, 2010, Programs and Services Committee meeting minutes. Commissioner Barrans seconded the motion. The motion carried unanimously.

Jere Mock presented the Programs and Services unit’s work plan for FY 2012. Mock said the workplan includes the continuation and growth of WICHE’s successful Student Exchange Program that currently serves more than 28,100 students at 172 institutions. The broad array of programs at the undergraduate, graduate, and professional school levels expand student access and save students nearly $233 million in tuition savings. The Professional Student Exchange Program (PSEP) provides access to 10 professional healthcare fields for students in 12 WICHE states. In 2010-11 some 700 students enrolled through PSEP to become allopathic or osteopathic physicians, dentists, veterinarians, physical therapists, occupational therapists, optometrists, podiatrists, physician assistants, and pharmacists. WICHE’s Western Regional Graduate Program (WRGP) is another important educational resource for the West, allowing master’s, graduate certificate, and doctoral students who are residents of the 15 participating states to enroll in some 255 high-quality programs at 47 participating institutions on a resident-tuition basis. The program provides a tremendous opportunity for WICHE states to share distinctive programs and to build their workforce in a variety of disciplines. WRGP now includes 72 healthcare-related programs: graduate nursing degrees, public health, mental health and psychology, audiology and speech pathology, biomedical informatics, and more. Staff will solicit additional programs to join WRGP in the coming year. More than 26,700 students enrolled in public two- and four-year institutions in the West through the Western Undergraduate Exchange (WUE) in 2010-11, saving $210 million. WUE students pay 150 percent of the enrolling institution’s resident tuition at 145 participating campuses. WICHE staff will continue to encourage more institutions to join WUE, including more in California, and will also increase outreach efforts with high school counselors and other organizations to boost awareness of this valuable regional program.

Programs and Services staff also manages several other regional initiatives that promote interinstitutional collaborations in the West. One of these programs is the WICHE Internet Course Exchange – WICHE ICE – which enables institutions to share online courses to expand offerings and reduce costs for institutions. In 2012 ICE will focus on expanding membership and enrollments by building awareness about ICE as a cost-effective tool for addressing institutional budget shortages and reducing course and program duplication. Some of its member institutions will be involved in the new 15-month, $750,000-grant-funded project to establish the North American...
Network of Science Labs Online (NANSLO), which will develop open content courses with remote web-based labs in introductory gateway courses in physics, chemistry, and biology. WICHE is the coordinating partner and fiscal agent for this new initiative, funded by the Next Generation Learning Challenges initiative, with support from the Bill & Melinda Gates and the William and Flora Hewlett foundations. In this project the Colorado Community College System will pilot the replication of an existing web-based laboratory at BCcampus (originating in British Columbia) for use in teaching gateway online courses in biology, chemistry, and physics. Faculty discipline panels, with faculty from community colleges in Montana and Wyoming and from the Colorado School of Mines, will assist in the review of open educational resources to be used in the pilot and advise on the development of a template for expansion of NANSLO to include institutions in other states and provinces.

The Programs and Services workplan also includes several multistate and multi-institution initiatives that foster collaboration, innovation, and cost saving. The Western Academic Leadership Forum (the Forum) gives academic leaders in the WICHE states—provosts, academic vice presidents at bachelor’s, master’s, and doctoral-level institutions, and chief executives and chief academic officers for system and state governing boards—a forum for sharing information, resources, and expertise as they address issues of common concern across the region and work together on innovative solutions. The Forum’s 2012 annual meeting will be held in April in Phoenix. A similar organization, the Western Alliance for Community College Academic Leaders (the Alliance), was established by WICHE in 2011 for chief academic leaders from community colleges and technical schools along with academic leaders of systems and state agencies for the two-year sector. The Alliance provides members with a way to share information, expertise, and resources as they address common issues and collaborate on innovative solutions to regional challenges. WICHE serves as secretariat to the Forum and the Alliance.

In the coming year, several of the Forum and the Alliance members will partner to develop a new regional initiative to increase student mobility and reduce educational costs through improved transfer and articulation in the WICHE region. Programs and Services staff will serve as the coordinators of the Interstate Passport Initiative to develop a new “regional passport” that students can use to block-transfer their completed lower-division general education core to other participating institutions in the region.

In FY 2012 WICHE will provide several options for institutions to reduce administrative costs, by continuing its collaboration with the Midwestern Higher Education Compact (MHEC) to offer its Master Property Program (MPP) to institutions and higher education systems in the West, helping them save money and obtain comprehensive property insurance coverage tailored to higher education needs. Forty-eight institutions, encompassing more than 100 campuses, are members of the MPP, and their combined property values, nearly $80 billion, provide significant market leverage. Staff will continue to market the program to institutions in the WICHE region and work with current members. WICHE will also continue its partnership with MHEC to provide discounted purchasing options to higher education institutions, state agencies, county and municipal governments, and other nonprofit organizations that want to buy computers, software, printers and peripherals, and data and voice networking through the MHECtech program. MHECtech staff undertakes the time and expense of extensive competitive procurement processes, enabling participating institutions and organizations to purchase a variety of products and services knowing that the due diligence in selecting the vendor has already been done and that they will benefit from volume discounts.

Commissioner Garcia motioned TO APPROVE THE 2012 WORKPLAN. Commissioner Ogawa seconded the motion. The motion carried unanimously.

Margo Colalancia, director of the Student Exchange Program (SEP), presented the “New Ways to Apply Professional Student Exchange Program Support Fees” discussion item. Colalancia explained that PSEP support fees have not been meeting the resident/nonresident tuition differentials of some of our key cooperating programs in public institutions for many years now. The problem is worsening with shrinking state budgets and the significant increases in tuition that we have seen in the last two years. Institutions that are losing revenues on WICHE PSEP students risk pulling out of PSEP. This would narrow students’ choices and limit their access to professional healthcare education. Mock and Colalancia spent the last nine months talking with certifying officers and cooperating institutions to explore solutions, which were presented to the Program and Services Committee.

The committee members discussed two possible options. Option 1 would require that all public institutions credit the support fee against full nonresident tuition and have the student pay the balance. This would help institutions with unmet tuition differential gaps (with students making up for the difference), but it would punish public programs that still have some type of incentive to enroll PSEP students. This erosion of preferential admission for WICHE students is particularly problematic with WICHE’s cooperating veterinary colleges at Colorado State University, Oregon State
University, and Washington State University. Option 2 would be to allow public institutions whose differentials are not met to credit the support fee against full nonresident tuition and have the student pay the balance. Institutions currently benefiting from an incentive would keep it. This would help institutions who have been essentially losing tuition revenues for WICHE students’ sake, and it would encourage programs where we are meeting differentials to continue preferentially admitting PSEP students.

Colalancia explained that staff would like to get commissioners’ feedback now, so that by November 2011 at the latest, they would know what course of action to take for the next round of support fee increases, which will be presented to commissioners in May 2012 for the 2013-14 and 2014-15 biennium.

Commissioner Harrison cautioned staff to give students as much advanced warning as possible in cases where there would be significant change in their tuition responsibility. Colalancia agreed, but added that it would be best to implement any changes at the same time in both new and continuing institutions; this would make it easier on enrolling institutions, state offices, and WICHE staff.

Commissioner Garcia asked to what degree WICHE students receive preferential admission. Colalancia stated that in veterinary medicine, it was undisputable. Most medical and dental schools preferentially admit PSEP students over the national pool, as well. In other fields it varied; but overall, WICHE students were considered after resident applicant pools but before national pools. Commissioner Barrans agreed that it changes from year to year and added that WICHE applicants had a better chance of being admitted than did nonresidents outside of WICHE.

Commissioners agreed with the staff recommendation to implement the second option, which will help programs losing money (because the incentive is not met) and will let institutions that have an incentive keep it; they shared staff’s primary concern of the importance of maintaining preferential admission.

Committee Chair Shaff invited commissioners to proceed with a vote. Commissioner Barrans moved TO ADOPT OPTION 2. The motion was seconded by Commissioner Anderes. The agreement was that staff would propose an implementation plan and additional specifics for a final vote in November 2011.

Colalancia also presented the Student Exchange Program’s proposal to upgrade the WUE, WRGP, and PSEP databases, used to administer the programs. The cost is estimated at $60,000. The upgrades are critical as these programs track enrollment of more than 28,000 students (2010-11). Furthermore, all three websites pull information from their respective databases. The three programs account for more than 55 percent of WICHE’s web traffic, with 47 percent of the visits attributed to WUE (March 2011). WUE institutions become frustrated with the slow database during enrollment-reporting periods. The PSEP database serves many important functions, including processing and tracking over $14 million in state investment annually. The WUE and WRGP databases help track financial savings for students, too. Together, the three programs track more than $232.3 million. Mock explained that the Executive Committee had previously discussed this need and, in principal, approved of it, but had suggested further discussion by the committee and the full commission. President David Longanecker has proposed to use $100,000 from WICHE reserves to cover the SEP database upgrades and an upgrade of WICHE’s contact database using new software called Salesforce.

Commissioner Harrison motioned TO APPROVE THE PROPOSAL TO UPGRADE THE DATABASES. Commissioner Warner seconded the motion. The committee’s approval went to the full commission for a vote.

Finally, Colalancia gave a brief update on WRGP. Staff reviewed almost 40 nominations for new master’s, Ph.D., and graduate certificate programs last fall, and all were approved for fall 2011. Most importantly, WRGP is becoming a growing resource for graduate students in healthcare education and now offers more than 70 programs related to healthcare; these include 10 options in audiology and speech pathology and 25 programs in graduate nursing, among many others.

Pat Shea, director of WICHE ICE, Western Academic Leadership Forum, and Western Alliance for Community College Academic Leaders, described the recent activities of the Forum, which serves the four-year sector, including its annual meeting in April that focused on “The Politics of Student Success – from Readiness to Completion.” Several members of the Alliance also participated. The Academic Leaders Toolkit, a joint project of these two groups, made its debut at the meeting. The toolkit is a web-based collection of decision-making tools and processes used by academic leaders in their various roles. It will assist users in finding best practices and lessons learned for more effective leadership. Next
year the Forum members will hold their annual meeting in Arizona, where the Alliance may also hold its first official membership meeting.

The committee also heard a presentation by WCET’s deputy director, Russ Poulin, and David Longanecker regarding the federal regulations on state authorization of distance education and possible strategies to develop regional interstate reciprocity agreements. The U.S. Department of Education released regulatory language in October 2010 pertaining to program integrity regulations for federal financial aid and covering a range of issues, including gainful employment, incentive compensation, and credit-hour definition. Institutions offering postsecondary education through distance or correspondence education to students in a state in which they are not physically located or in which they are otherwise subject to state jurisdiction (as determined by the state) are required to comply with any applicable state approval or licensure requirements applicable to distance learning in each state in which they operate. Institutions may decide to seek authorization or to withdraw from some states entirely. WCET launched the State Authorization Network (SAN) to help systems and consortia assist their member institutions in understanding and complying with state regulations. It has also provided guidance and policy advocacy on behalf of institutions through its blog, webcasts, a SAN seminar, and email communications to reduce institutional costs for compliance and protect student access to online educational programs.
**ACTION ITEM**

**Implementation Plan: New Ways to Apply Professional Student Exchange Program Support Fees**

At the May 2011 meeting, commissioners serving on the Programs and Services Committee approved a new model for applying support fees for WICHE’s Professional Student Exchange Program (PSEP) at participating public institutions (see Background section, including May discussion item, following this action item). PSEP support fees have not been meeting the resident/nonresident tuition differentials at some of WICHE’s key cooperating programs in public institutions for many years now. The problem has worsened since the recession took hold in 2008, and many institutions have raised their tuition. Institutions losing revenues on WICHE PSEP students may be forced to pull out of PSEP, and this is why a change is necessary.

Staff presented committee members with two possible options that would help to ameliorate this situation (detailed in the Background section, below). Committee members voted to approve the second option (the item did not come before the full commission). This option will let public institutions whose differentials are not met by the support fee to credit the fee against full nonresident tuition and have the student pay the balance. This will allow institutions currently benefiting from an incentive to retain the benefit and to continue preferentially admitting PSEP students. It will also help institutions that have been losing tuition revenues for WICHE students’ sake. Commissioners shared staff’s primary desire to preserve preferential admission for PSEP students.

Committee members requested that WICHE staff propose an implementation plan and timeline for discussion and approval at the November 2011 meeting. Below, you will find the proposed plan, along with draft communications and a notification schedule. WICHE certifying officers have contributed their feedback, along with some of the public institutions whose tuition differentials have not been met in recent years.

Please note that the commissioners will discuss and approve proposed support fee increases for the 2013-14 and 2014-15 biennium in May 2012.

**Proposed Implementation Plan**

**Timeline**

WICHE staff proposes to put the new method of applying support fees in effect for the 2013-14 academic year. Continuing students enrolled in programs prior to fall 2013 will be grandfathered in through graduation and will pay resident tuition, as before.

**Notification of Cooperating Public Programs and Students**

1. Certifying offices will notify continuing students enrolled in public institutions of the change directly, but WICHE staff will also prepare email messages for participating institutions to forward to their WICHE PSEP students. Tentative notification dates: January 2012, July 2012, January 2013, and July 2013. Certifying offices will also notify new applicants applying for PSEP certification in summer 2012 and summer 2013.

2. WICHE staff will notify participating public programs of the coming change in December 2011, pending discussion and approval of the implementation plan at the November 2011 commission meeting.

3. WICHE staff will email and call admissions and financial aid representatives of programs in which students will be paying more for the unmet differential, according to the AY 2011 tuition rate calculations. According to the AY 2010 tuition differentials, 14 programs with enrollments are affected; but more programs could be affected in future years. Tentative notification dates: January 2012 and January 2013.

5. WICHE will explain the new change on its PSEP website and future versions of brochures. Information will be added to the PSEP website in February 2012; changes to PSEP brochures will be made in July 2012. Mention of the change will also be reflected in write-ups for future Statistical Reports, beginning with the fall 2011 version, which will be published in late December 2012 or early January 2013.

<table>
<thead>
<tr>
<th>Date</th>
<th>Who</th>
<th>Group to be Notified</th>
<th>Why</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 2011/January 2012</td>
<td>WICHE</td>
<td>Email and call public PSEP programs whose students may be affected</td>
<td>Tell them about new method of applying support fees and how it may affect their WICHE students.</td>
</tr>
<tr>
<td>January 2012</td>
<td>Certifying offices</td>
<td>Continuing students enrolled in public programs</td>
<td>Inform them they may need to pay more than resident tuition beginning in fall 2013</td>
</tr>
<tr>
<td>January/February 2012</td>
<td>WICHE</td>
<td>Update PSEP website copy, AY2011 Statistical Report, and other reports describing PSEP to explain upcoming changes</td>
<td></td>
</tr>
<tr>
<td>March 2012</td>
<td>WICHE</td>
<td>Admissions and financial aid staff of public programs</td>
<td>Host 1st webinar to explain changes</td>
</tr>
<tr>
<td>July 2012</td>
<td>Certifying offices and participating programs</td>
<td>Continuing students enrolled in public programs</td>
<td>Inform them they may need to pay more than resident tuition</td>
</tr>
<tr>
<td>July 2012</td>
<td>WICHE</td>
<td>Admissions and financial aid staff of public programs</td>
<td>Host 2nd webinar to explain changes</td>
</tr>
<tr>
<td>January 2013</td>
<td>Certifying offices and participating programs</td>
<td>Continuing students enrolled in public programs</td>
<td>Inform them they may need to pay more than resident tuition</td>
</tr>
<tr>
<td>January 2013</td>
<td>WICHE</td>
<td>Email and call public programs whose students may be affected (2nd notification)</td>
<td></td>
</tr>
<tr>
<td>January 2013</td>
<td>WICHE</td>
<td>Admissions and financial aid staff of public programs</td>
<td>Host 3rd webinar to explain changes</td>
</tr>
<tr>
<td>July 2013</td>
<td>Certifying offices and participating programs</td>
<td>Continuing students enrolled in public programs</td>
<td>Inform them they may need to pay more than resident tuition</td>
</tr>
<tr>
<td>July 2013</td>
<td>WICHE</td>
<td>Admissions and financial aid staff of public programs</td>
<td>Host 4th webinar to explain changes</td>
</tr>
<tr>
<td>Fall 2013</td>
<td></td>
<td>Change takes effect for new PSEP students enrolling in fall 2013.</td>
<td></td>
</tr>
</tbody>
</table>

**Draft Notification to Programs**

To WICHE PSEP Public Programs:

WICHE’s Professional Student Exchange Program’s (PSEP’s) support fees have not been meeting the resident/nonresident tuition differentials of some of our key cooperating programs in public institutions for several years now. The problem is worsening with reduced state budgets in several states and the significant tuition increases that many institutions have implemented over the last few years.

We are writing to let you know that effective AY 2013, programs at participating public institutions that are left with an unmet resident/nonresident tuition differential will have a new option for new PSEP students enrolling in fall...
2013 and beyond. Prior to this change in policy, all public programs were required to charge a PSEP student resident tuition, even if the support fee did not adequately cover the resident/nonresident tuition differential.

From AY 2013 forward, public institutions whose differentials are not met will be allowed to credit the support fee against full nonresident tuition and have the new student pay the balance. Alternatively, institutions currently benefiting from an incentive (in cases where the support fee and resident tuition exceeds a program’s nonresident tuition) to enroll a WICHE student are still allowed to keep their incentive. Our hope is that this new policy will help programs that have been losing tuition revenues for WICHE students’ sake. WICHE also wants to encourage programs where we are meeting differentials to continue preferentially admitting PSEP students over other nonresidents.

It’s important to note that we are requesting our partnering programs to grandfather in continuing students enrolled in programs prior to fall 2013 through graduation, so that they will continue to pay resident tuition, as before, to remain consistent with contracts that the continuing student signed with his or her home state, just prior to enrollment.

Please consider the following three scenarios of how this new policy might affect your program. We are also aware that the various cooperating PSEP programs at your institution may be affected differently.

Scenario 1: Recouping Unmet Differential
Joe Smith is a dentistry student at Best Western University (BWU) enrolled through PSEP. Consider the following:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>BWU nonresident tuition</td>
<td>$63,000</td>
</tr>
<tr>
<td>BWU resident tuition</td>
<td>$33,000</td>
</tr>
<tr>
<td>Resident/nonresident differential</td>
<td>$30,000</td>
</tr>
</tbody>
</table>

WICHE’s support fee for dentistry $28,000

Uncovered difference $2,000

Currently, BWU must charge Joe the resident tuition of $33,000 and absorb the unmet differential of the remaining $2,000. From AY 2013 forward, BWU will be able to bill Joe for resident tuition ($33,000) and the unmet differential ($2,000) and collect a total of $35,000.

Put more simply, the program can charge Joe nonresident tuition minus the support fee, and Joe will pay the balance:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>BWU nonresident tuition</td>
<td>$63,000</td>
</tr>
<tr>
<td>WICHE’s support fee for dentistry</td>
<td>-$28,000</td>
</tr>
<tr>
<td>Student balance for tuition</td>
<td>$35,000</td>
</tr>
</tbody>
</table>

Please note that the program is not obligated to charge the full differential to the student, but it does have that option. WICHE deeply regrets that some students will end up paying more. However, the alternative is to raise the support fees to keep up with the increasing and widening differentials, and our participating states, unfortunately, cannot afford this. If support fees are required to keep pace with the growing differentials, the consequence would be that many fewer students would receive PSEP support.

WICHE will contact students in advance about the change through their state offices, but we also encourage you to contact your WICHE students directly. Please see the attached notification schedule, with suggested dates for your program to build awareness of the coming changes with your PSEP students. WICHE state offices will also require new PSEP students enrolled in public program to sign a statement of understanding that notes they are aware of the upcoming changes and that they may need to pay more than resident tuition if in any year the support fee does not cover the enrolling institution’s resident/nonresident tuition differential.

In addition, please forward this information to your financial aid staff members who work with PSEP students so that they can make necessary adjustments to WICHE students’ financial aid packages. WICHE will host webinars covering this new policy and general practices in PSEP administration in March 2012, May-July 2012, January 2013, and May-July 2013. We encourage you and your staff to participate in these webinars.
Scenario 2: Maintaining Program Incentive (no change)
Jane Doe is an allopathic medical student at Most Studious University (MSU) enrolled through PSEP. Consider the following:

<table>
<thead>
<tr>
<th>Tuition Type</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSU nonresident tuition</td>
<td>$60,000</td>
</tr>
<tr>
<td>MSU resident/WICHE student tuition</td>
<td>$30,000</td>
</tr>
<tr>
<td>Resident/nonresident differential</td>
<td>$30,000</td>
</tr>
<tr>
<td>WICHE support fee for medicine</td>
<td>$31,000</td>
</tr>
<tr>
<td>Incentive for enrolling WICHE student</td>
<td>$1,000</td>
</tr>
</tbody>
</table>

WICHE support fees are currently covering the $30,000 resident/nonresident differential. MSU may continue to charge the student resident tuition and keep the $1,000 as an incentive for preferential enrollment of PSEP students.

Scenario 3: Private and Self-funded Programs with One Tuition Rate (no change)
Ronald McDonough is a PSEP student enrolled in the physical therapy program at the University of Superior Healthcare Sciences (USHS), which is a private institution. Consider the following:

<table>
<thead>
<tr>
<th>Tuition Type</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>USHS private tuition</td>
<td>$50,000</td>
</tr>
<tr>
<td>WICHE support fee for PT</td>
<td>$15,000</td>
</tr>
<tr>
<td>WICHE student’s balance</td>
<td>$35,000</td>
</tr>
</tbody>
</table>

In this case USHS will charge Ronald the balance of their private tuition minus the support fee. There is no change in policy for private or self-funded programs (where there is only one tuition level); WICHE support fees should continue to be applied as before.

We appreciate your understanding and cooperation with this new method of applying support fees for public programs. Please contact me at mcolalancia@wiche.edu or 303.541.0214 at any time with your concerns or questions.

Sincerely,
Margo Colalancia
Director
WICHE Student Exchange Program

Draft Notification to Students Who Will be new PSEP Participants in Fall 2013:

Dear WICHE Student:

WICHE’s Professional Student Exchange Program (PSEP) support fees have not been meeting the resident/nonresident tuition differentials of some of our key cooperating programs in public institutions for several years now. The problem is worsening with reduced state budgets in several states and the significant tuition increases that many institutions have implemented over the last few years.

We are writing to let you know that effective AY2013, programs at participating public institutions that are left with an unmet resident/nonresident tuition differential will have a new option. Prior to this change in policy, all public programs were required to charge a PSEP student resident tuition, even if the support fee did not adequately cover the resident/nonresident tuition differential.

From AY2013 forward, public institutions whose differentials are not met will be allowed to credit the support fee against full nonresident tuition and have the new enrolling student pay the balance. Alternatively, institutions currently benefiting from an incentive (in cases where the support fee and resident tuition exceeds a program’s nonresident tuition) to enroll a WICHE student are still allowed to keep their incentive. Our hope is that this new policy will help programs that have been losing tuition revenues for WICHE students’ sake. WICHE also wants to encourage programs where we are meeting differentials to continue preferentially admitting PSEP students over other nonresidents. We deeply regret that some new students will be adversely affected financially, but the alternative
would be that participating programs would no longer preferentially admit WICHE students. If applicants from WICHE states don’t receive admissions offers from programs in the West, student access to affordable professional education programs would be severely reduced.

If you are enrolled at a public institution participating in PSEP, your tuition charges could be affected beginning in fall 2013. Please read the following three scenarios of how this new policy might affect the amount of tuition you owe to your enrolling program.

Scenario 1: Recouping Unmet Differential
Joe Smith is a dentistry student at Best Western University (BWU), enrolled through PSEP. Consider the following:

BWU nonresident tuition $63,000  
BWU resident tuition $33,000  
Resident/nonresident differential $30,000  
WICHE’s support fee for dentistry $28,000  
Uncovered difference $2,000

Currently, BWU must charge Joe the resident tuition of $33,000 and absorb the unmet differential of the remaining $2,000. From AY 2013 forward, BWU will be able to bill Joe for resident tuition ($33,000) and the unmet differential ($2,000) for a total of $35,000.

More simply put, the program can charge Joe nonresident tuition minus the support fee, and Joe will pay the balance:

BWU nonresident tuition $63,000  
WICHE’s support fee for dentistry -$28,000  
Student balance for tuition $35,000

Please note that the program is not obligated to charge the full differential to the student, but it does have that option. WICHE deeply regrets that some students will end up paying more. However, the alternative is to raise the support fees to keep up with the increasing and widening differentials, and our participating states, unfortunately, cannot afford this. If support fees are required to keep pace with the growing differentials, the consequence would be that many fewer students would receive WICHE PSEP support.

Scenario 2: Maintaining Program Incentive (no change)
Jane Doe is an allopathic medical student at Most Studious University (MSU) enrolled through PSEP. Consider the following:

MSU nonresident tuition $60,000  
MSU resident/WICHE student tuition $30,000  
Resident/nonresident differential $30,000  
WICHE support fee for medicine $31,000  
Incentive for enrolling WICHE student $1,000

WICHE support fees are currently covering the $30,000 resident/nonresident differential. MSU may continue to charge the student resident tuition and keep the $1,000 as an incentive for preferential enrollment of PSEP students.

Scenario 3: Private and Self-funded Programs with One Tuition Rate (no change)
Ronald McDonough is PSEP student enrolled in the physical therapy program at the University of Superior Healthcare Sciences (USHS), which is a private institution. Consider the following:

USHS private tuition $50,000  
WICHE support fee for PT $15,000  
WICHE student’s balance $35,000
In this case USHS will charge Ronald the balance of their private tuition minus the support fee. There is no change in policy for private or self-funded programs (where there is only one tuition level); WICHE support fees should continue to be applied as before.

In addition, as a new PSEP student during academic year 2013-14, you will be required to sign a Statement of Understanding that indicates you have been notified of the change and its potential implications. Your state certifying office will be sending you these and will keep your signed copy on file, as will the WICHE central office. Please see the sample statement below.

---

**Statement of Understanding for WICHE PSEP Students Enrolling at Public Institutions from Fall 2013 Forward**

I, ________________________________, understand that effective fall 2013, if I am enrolled in a public professional healthcare program through WICHE’s Professional Student Exchange Program (PSEP), I may need to pay more than resident tuition if the WICHE support fee does not cover my program’s resident/nonresident tuition differential during any academic year.

Furthermore, I understand that if the WICHE support fee exceeds the resident/nonresident tuition differential of my public program, my enrolling institution/school is allowed to keep it as an incentive for preferentially admitting WICHE students who are nonresidents and who have not paid state taxes used to fund public education. If this is the case, the institution will charge me resident tuition, and they may keep the difference.

I understand that I will need to consult with my enrolling public institution's financial aid office directly, on an annual basis, to know whether I will pay resident tuition, or possibly more if the WICHE support fee does not cover the resident/nonresident tuition differential.

Student’s name (please print) ________________________________

Signature_________________________________________________

Date ______________________________________________________

Student’s home state ________________________________

Student’s field of study ________________________________

Enrolling institution ________________________________

Email address______________________________________________

Cell phone number_________________________________________

We appreciate your understanding and cooperation with this new method of applying support fees for public programs. Please contact your state certifying officer or me with any questions. Contact information for your state office is available at www.wiche.edu/psep/cert-off or you can contact me at mcolalancia@wiche.edu.

Sincerely,

Margo Colalancia
Director, WICHE Student Exchange Program

**Action Requested**

Approval of the proposed implementation plan allowing public institutions to charge new WICHE PSEP students enrolling fall 2013 (and forward) any unmet differential amounts if their resident/nonresident tuition differential is not met.
**BACKGROUND for Action Item: PSEP Discussion Item from May 2011**

**DISCUSSION ITEM**

**New Ways to Apply Support Fees**

**Overview**

The Professional Student Exchange Program (PSEP) provides students in 12 Western states (all WICHE states except California, Oregon, and South Dakota) with tuition support and access to professional programs that otherwise would not be available to them because the fields of study are not offered at public institutions in their home states. WICHE has administered PSEP since the 1950s, helping states to educate 14,500 healthcare professionals and helping students to save on their tuition bills. States that use PSEP appropriate public funds to educate students at other institutions within the 15-state WICHE region and at a few institutions outside the region. The states’ funds are administered through WICHE and are sent to the enrolling institutions as “support fees” for the WICHE slots; PSEP students usually pay resident tuition at public institutions or reduced tuition at private institutions. Support fees are negotiated biannually between WICHE, the participating states, and the cooperating programs and are approved by the WICHE Commission. Each of the PSEP fields has a different support fee rate, and all of the programs enrolling PSEP students receive the same support fee for their field, with a few minor exceptions for 12-month (versus nine-month) program length in physician assistant and physical therapy.

PSEP support fees are currently set to meet the resident/nonresident tuition differentials of our public cooperating programs. As tuitions rise it is becoming more difficult to increase the support fees in several fields to meet these differentials. This has become especially problematic with public institutions located in Colorado, Utah, and Washington – states with large resident/nonresident tuition spreads. If we increase the support fees to meet these differentials, then the incentives to enroll WICHE PSEP students at other institutions where the differentials are much lower are too generous.

WICHE staff has had conversations with state higher education agency staff who function as PSEP certifying officers, as well as with the deans of the high-demand PSEP programs, to explore whether a different model for applying support fees is needed. *It is important to note that this issue is different from our biennial discussion of how much support fees need to be increased. The information provided here is to help WICHE commissioners discuss some possible solutions to this growing “tuition differential gap” dilemma.* In May 2010 the WICHE Commission approved PSEP support fee levels through academic year 2012. The commissioners will need to approve support fees for AY 2013 and AY 2014 at their May 2012 meeting.

*Our highest priority is to protect student access and affordability, a goal that is fundamental to WICHE’s mission. Our second goal is to make the seats as affordable as possible for the participating “sending” states, so that they can support as many students as possible to build their healthcare workforces. A third goal is to provide PSEP students with enrollment options by having several institutions enroll PSEP students within each field so that students can apply to the programs that most closely align with their academic and professional interests. Equally important is our goal of maintaining PSEP fiscal and operational models that are efficient to administer; easy to communicate to students, state policymakers, and institutional administrators; and enable states to anticipate future costs for budgeting purposes.*

### PSEP Support Fees

for the 2010, 2011, and 2012 Academic Years

<table>
<thead>
<tr>
<th>Field</th>
<th>AY 2010</th>
<th>AY 2011</th>
<th>AY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group A</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dentistry</td>
<td>$22,700</td>
<td>$23,000</td>
<td>$23,400</td>
</tr>
<tr>
<td>Medicine</td>
<td>29,300</td>
<td>29,700</td>
<td>30,200</td>
</tr>
<tr>
<td>Occupational Therapy</td>
<td>11,900</td>
<td>12,100</td>
<td>12,300</td>
</tr>
<tr>
<td>Optometry</td>
<td>15,600</td>
<td>15,800</td>
<td>16,100</td>
</tr>
<tr>
<td>Osteopathic Medicine</td>
<td>19,400</td>
<td>19,700</td>
<td>20,000</td>
</tr>
<tr>
<td>Physical Therapy</td>
<td>10,700</td>
<td>10,900</td>
<td>11,000</td>
</tr>
<tr>
<td>Physician Assistant</td>
<td>11,700</td>
<td>11,900</td>
<td>12,000</td>
</tr>
<tr>
<td>Podiatry</td>
<td>13,500</td>
<td>13,700</td>
<td>13,900</td>
</tr>
<tr>
<td>Veterinary Medicine</td>
<td>29,100</td>
<td>29,500</td>
<td>30,000</td>
</tr>
<tr>
<td><strong>Group B</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pharmacy</td>
<td>$6,900</td>
<td>$7,000</td>
<td>$7,100</td>
</tr>
</tbody>
</table>
Our current support fee approach tries to balance these sometimes conflicting goals. For example, if we tip the scale in favor of states’ fiscal needs and try to curtail future support fee increases, we would subsequently reduce or eliminate the financial incentive for our enrolling institutions by paying too little; preference for WICHE students will erode; and applicants from the participating WICHE states will no longer be offered admission over equally qualified applicants from outside of the Western region. Staff believes this will ultimately harm our students, our states, and our region. If we opt to contract with only a few institutions that would enroll PSEP students at a discounted rate, we would reduce student choice, and we could risk the future viability of PSEP if the smaller group of enrolling institutions later opt out of the program.

**Which fields and programs could be affected?** Public institutions enrolling students in dentistry, allopathic medicine, occupational therapy, physical therapy, physician assistant, and veterinary medicine. The support fees in most of these fields are not keeping up with the resident/nonresident tuition differentials at many of the participating institutions.

**Which fields would not be affected?** Students studying osteopathic medicine, optometry, and podiatry would not be affected because WICHE is only working with private institutions in those fields. States supporting only in these fields include Colorado and Idaho (optometry), and Washington (osteopathic medicine and optometry). In addition, pharmacy is not affected, as public institutions enrolling our students already have the option of crediting the support fee against the nonresident tuition because the fee is so low. The majority of the pharmacy programs already exercise their right to do this, but some have generously continued to charge WICHE students resident tuition and absorb the unmet differential.

**Some Options for Commissioners to Consider**

The two most straightforward options are:

- **Option 1:** *Require* all public institutions to credit the support fee to the student’s full nonresident tuition and have the student pay the balance. This is already done at WICHE’s cooperating private programs and by some pharmacy programs at public institutions. In some cases institutions would be better off and students would be worse off. In other cases institutions would be worse off and students would be better off.

- **Option 2:** *Allow* public institutions to credit the support fee to the student’s full nonresident tuition and have the student pay the balance, only for those institutions where the support fee is not meeting the program’s tuition differential. The result would be that no participating institutions would incur lost tuition revenues (the “differential gap”) by enrolling PSEP students; this approach would likely enable us to sustain institutions’ participation in our program. If the program’s tuition differential is being met, the institution would collect resident tuition from the student and receive the support fee, keeping the incentive (as they do now), thus preserving preferential admission for PSEP students.

After careful consideration and extensive discussion with WICHE certifying officers and deans of some of the key cooperating programs, WICHE staff members believe that Option 2 would be the simplest solution. We invite commissioners to read the reasons why in the pages that follow.

**The Balancing Act: Institutional Gain vs. Student Pain vs. Preservation of Student Access**

Both options have pros and cons. Where one of the new methods improves the programs’ situation (stopping lost tuition revenue), it would be accomplished by placing a greater financial burden on the PSEP students. However, staff believes that given the constraints within which we’re operating, the added student burden, although unfortunate, is not unreasonable.

Chart 1 illustrates this dilemma using 2010 tuition and fee and support fee rates. To simplify the illustration, we are only listing programs where the tuition differential is currently unmet and where WICHE students are enrolled during the 2010-11 academic year. If we were to allow institutions to charge unmet differentials to the students, 60 students would collectively have to shoulder an additional $176,385 in tuition costs; on an individual basis, the added tuition costs would range from $2,603 up to $7,500. Most of these institutions have few PSEP students enrolled, with the University of Colorado Denver’s School of Dentistry as the exception. It enrolls 39 PSEP students and forgoes $2,603 per student (a total of $101,517 for the current academic year). The majority of students enrolled there are
from Arizona (14) and New Mexico (15). The University of Washington experiences a similar loss of $3,480 per PSEP student, but enrolls fewer students (seven) and lost a total of $24,360 this year.

Depending on the state’s residency rules and institutional policy, some programs will allow nonresidents in professional programs to petition for residency for their second year and beyond. This is not the case at the University of Colorado Denver or the University of Washington. Both have a “once a nonresident, always a nonresident” policy, and they can legitimately argue that these unmet differentials are forgone revenue to their schools. As much as the programs and the institutions operating them want to remain true to the region and help their neighbors, in the end they must meet their operating expenses. If they are not receiving any incentives and are in fact losing money, what is their motivation to extend preferential admission to students from the WICHE states?

In the field of veterinary medicine, there is strong preferential admission for WICHE students. Our cooperating institutions (Colorado State University, Oregon State University, and Washington State University) hold special admissions committee meetings to select candidates from among WICHE applicants. After allocating seats that must be held for their in-state residents, WICHE applicants are the next to be selected, before students from the national pool. Our colleges of veterinary medicine tell us that they prefer to enroll WICHE students over applicants from the national pool.

<table>
<thead>
<tr>
<th>Field / Institution</th>
<th>Number of PSEP Students</th>
<th>Current PSEP Resident Tuition and Fees</th>
<th>PSEP Tuition and Fees Under Proposed Model *</th>
<th>Change (Student Cost Increase or HEI Gain) **</th>
<th>Institutional Revenue Difference between Current Model and Options 1 and 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dentistry</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U. of Colorado, Denver</td>
<td>39</td>
<td>$38,115</td>
<td>$40,718</td>
<td>$2,603</td>
<td>$101,517</td>
</tr>
<tr>
<td>U. of Washington</td>
<td>7</td>
<td>$33,214</td>
<td>$36,694</td>
<td>$3,480</td>
<td>$24,360</td>
</tr>
<tr>
<td>U. of Nevada, Las Vegas</td>
<td>1</td>
<td>$49,217</td>
<td>$53,517</td>
<td>$4,300</td>
<td>$4,300</td>
</tr>
<tr>
<td>Medicine</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U. of New Mexico</td>
<td>2</td>
<td>$19,133</td>
<td>$20,010</td>
<td>$877</td>
<td>$1,754</td>
</tr>
<tr>
<td>Occupational Therapy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Idaho State U.</td>
<td>0</td>
<td>$14,626</td>
<td>$16,102</td>
<td>$1,476</td>
<td>$0</td>
</tr>
<tr>
<td>U. of New Mexico</td>
<td>0</td>
<td>$14,358</td>
<td>$15,624</td>
<td>$1,266</td>
<td>$0</td>
</tr>
<tr>
<td>U. of Washington</td>
<td>0</td>
<td>$15,966</td>
<td>$21,852</td>
<td>$5,886</td>
<td>$0</td>
</tr>
<tr>
<td>Physician Assistant</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U. of Colorado, Denver</td>
<td>3</td>
<td>$21,903</td>
<td>$25,530</td>
<td>$3,627</td>
<td>$10,881</td>
</tr>
<tr>
<td>Idaho State U.</td>
<td>1</td>
<td>$33,698</td>
<td>$35,855</td>
<td>$2,157</td>
<td>$2,157</td>
</tr>
<tr>
<td>Physical Therapy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>California State U., Fresno</td>
<td>0</td>
<td>$9,325</td>
<td>$9,785</td>
<td>$460</td>
<td>$0</td>
</tr>
<tr>
<td>U. of Colorado, Denver</td>
<td>2</td>
<td>$21,654</td>
<td>$27,203</td>
<td>$5,549</td>
<td>$11,098</td>
</tr>
<tr>
<td>U. of Montana</td>
<td>1</td>
<td>$11,731</td>
<td>$15,108</td>
<td>$3,377</td>
<td>$3,377</td>
</tr>
<tr>
<td>U. of Utah</td>
<td>3</td>
<td>$21,530</td>
<td>$24,677</td>
<td>$3,147</td>
<td>$9,441</td>
</tr>
<tr>
<td>U. of Washington</td>
<td>1</td>
<td>$20,150</td>
<td>$27,650</td>
<td>$7,500</td>
<td>$7,500</td>
</tr>
<tr>
<td>TOTAL STUDENTS</td>
<td>60</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL $176,385

Notes:

* Equal to resident tuition and fees plus PSEP support fee plus the current shortfall or “differential gap.”

** This amount represents the current shortfall or “differential gap.”
If we exercised Option 1 and asked all WICHE schools to fully apply the support fee and have students pay the difference, the participating veterinary colleges, which all receive some level of incentive (ranging from $200 per student at WSU to $10,900 per student at OSU), would completely lose their incentives to enroll WICHE applicants. WICHE students would pay less than resident students for tuition. This sounds attractive but the loss of incentives would completely erode preferential admission for WICHE students. If an applicant does not receive an offer of admission at a WICHE school, their chance of pursuing their professional career is greatly diminished when they are competing in a much larger national pool. Many students tell us that their gratitude for PSEP is not only because of the financial assistance, but to a greater extent, because they are thankful for an offer of admission to a professional school.

Chart 2 below illustrates the potential lost revenue if our cooperating programs were obligated to pass current incentives along to the student. The institutions would be worse off, and the students would be better off, but we would likely see a drop in the number of offers made to WICHE students. Ultimately, students could lose out if we implement this model.

<table>
<thead>
<tr>
<th>Institution</th>
<th>Field</th>
<th>Number of PSEP Students</th>
<th>Annual Revenue Lost per PSEP Student</th>
<th>Total Annual Revenue Loss (# of Students x Lost Revenue)</th>
<th>Can Students Apply for In-state Residency?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Range of Potential Loss: $0-$99,999</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. University of California, San Francisco</td>
<td>Dentistry</td>
<td>2</td>
<td>$10,455</td>
<td>$20,910</td>
<td>YES</td>
</tr>
<tr>
<td></td>
<td>Medicine</td>
<td>1</td>
<td>$17,055</td>
<td>$17,055</td>
<td>YES</td>
</tr>
<tr>
<td>2. University of California, Los Angeles</td>
<td>Dentistry</td>
<td>2</td>
<td>$13,250</td>
<td>$26,500</td>
<td>YES</td>
</tr>
<tr>
<td>3. University of Colorado Denver</td>
<td>Medicine</td>
<td>11</td>
<td>$3,729</td>
<td>$41,019</td>
<td>NO</td>
</tr>
<tr>
<td>4. University of Hawaii at Manoa</td>
<td>Medicine</td>
<td>1</td>
<td>$116</td>
<td>$116</td>
<td>NO</td>
</tr>
<tr>
<td>5. University of Nevada, Reno</td>
<td>Medicine</td>
<td>2</td>
<td>$6,848</td>
<td>$13,696</td>
<td>NO</td>
</tr>
<tr>
<td>6. Oregon State University</td>
<td>Veterinary Med.</td>
<td>9</td>
<td>$10,908</td>
<td>$98,172</td>
<td>NO</td>
</tr>
<tr>
<td>7. University of Utah</td>
<td>Physician Assistant</td>
<td>1</td>
<td>$2,664</td>
<td>$2,664</td>
<td>YES</td>
</tr>
<tr>
<td>8. Eastern Washington University</td>
<td>Occup. Therapy</td>
<td>3</td>
<td>$1,193</td>
<td>$3,579</td>
<td>YES</td>
</tr>
<tr>
<td></td>
<td>Physical Therapy</td>
<td>4</td>
<td>$3,714</td>
<td>$14,856</td>
<td>YES</td>
</tr>
<tr>
<td>9. Washington State University</td>
<td>Veterinary Med.</td>
<td>62</td>
<td>$198</td>
<td>$12,276</td>
<td>YES</td>
</tr>
<tr>
<td><strong>Range of Potential Loss: $100,000 +</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Colorado State University</td>
<td>Veterinary Med.</td>
<td>139</td>
<td>$1,000</td>
<td>$139,000</td>
<td>NO</td>
</tr>
<tr>
<td>11. University of North Dakota</td>
<td>Medicine</td>
<td>4</td>
<td>$8,775</td>
<td>$35,100</td>
<td>YES</td>
</tr>
<tr>
<td></td>
<td>Physical Therapy</td>
<td>8</td>
<td>$8,982</td>
<td>$71,856</td>
<td>YES</td>
</tr>
<tr>
<td>12. Oregon Health &amp; Sciences University</td>
<td>Dentistry</td>
<td>15</td>
<td>$4,193</td>
<td>$62,895</td>
<td>NO</td>
</tr>
<tr>
<td></td>
<td>Medicine</td>
<td>7</td>
<td>$15,619</td>
<td>$109,333</td>
<td>NO</td>
</tr>
</tbody>
</table>

**TOTALS** | 271 | $669,027 |
Chart 3 shows us averages of what PSEP students are paying by field under the current model and how much more (or less) they would pay if we required all public institutions to credit 100 percent of the support fee to students’ accounts and have students pay the balance. It’s important to note, however, that this illustration is not weighted to show where enrollments are concentrated, so it does not give the full picture. The chart is helpful to show us the average student responsibility for tuition in each field, and the average percentage of their tuition that is covered by the support fee.

### Chart 3.
**Average Paid by PSEP Student and Average Covered by Support Fees**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Dentistry</td>
<td>$46,150</td>
<td>$43,230</td>
<td>($2,919)</td>
<td>65.34%</td>
<td>34.66%</td>
<td>$45,030</td>
<td>35.46%</td>
</tr>
<tr>
<td>Medicine</td>
<td>$28,845</td>
<td>$17,751</td>
<td>($11,093)</td>
<td>37.16%</td>
<td>62.84%</td>
<td>$18,143</td>
<td>62.00%</td>
</tr>
<tr>
<td>Occupational Therapy</td>
<td>$14,814</td>
<td>$16,404</td>
<td>$1,590</td>
<td>55.90%</td>
<td>44.10%</td>
<td>$24,284</td>
<td>33.89%</td>
</tr>
<tr>
<td>Optometry (privates only, N/C) *</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>$16,313</td>
<td>49.22%</td>
</tr>
<tr>
<td>*Osteopathic Med. (privates only, N/C) *</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>$28,188</td>
<td>40.83%</td>
</tr>
<tr>
<td>Pharmacy (Group B) (no change) *</td>
<td>$26,439</td>
<td>$26,439</td>
<td>$0</td>
<td>78.50%</td>
<td>21.50%</td>
<td>$37,126</td>
<td>18.76%</td>
</tr>
<tr>
<td>Physical Therapy</td>
<td>$17,165</td>
<td>$17,764</td>
<td>$598</td>
<td>53.74%</td>
<td>46.26%</td>
<td>$23,680</td>
<td>37.72%</td>
</tr>
<tr>
<td>Physician Assistant</td>
<td>$29,312</td>
<td>$30,352</td>
<td>$1,040</td>
<td>65.76%</td>
<td>34.24%</td>
<td>$21,153</td>
<td>41.52%</td>
</tr>
<tr>
<td>Podiatry (privates only, N/C) *</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>$18,367</td>
<td>42.43%</td>
</tr>
<tr>
<td>Veterinary Medicine</td>
<td>$20,485</td>
<td>$16,450</td>
<td>($4,035)</td>
<td>35.07%</td>
<td>64.93%</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td></td>
<td></td>
<td></td>
<td>55.92%</td>
<td>44.08%</td>
<td><strong>Average</strong></td>
<td><strong>40.20%</strong></td>
</tr>
<tr>
<td><strong>Median</strong></td>
<td></td>
<td></td>
<td></td>
<td>55.90%</td>
<td>44.10%</td>
<td><strong>Median</strong></td>
<td><strong>40.83%</strong></td>
</tr>
</tbody>
</table>

* No changes proposed for fields where all cooperating programs are private OR in pharmacy which is a "Group B" field.

**Note:** Out-of-region schools were not considered in this analysis.

### Important Considerations

If WICHE decides to change how support fees are applied either by requiring public programs to apply the support fee to the full nonresident tuition and have the student pay the balance or by giving programs the option of holding the student responsible for the unmet balance (the differential gap) so that they will not lose revenue (but also allowing them to keep an incentive if they currently have one), there are additional issues that must be considered.

Some have suggested we consider establishing a different support fee for each participating institution that would respond to their differential. However, deviation from a standard support fee rate for each field would become a budgeting nightmare for sending states and would severely complicate administration of the program. Ultimately, the new proposed model must be fair to all participating programs; be simple to administer; use standard fee rates by field (no variation between institutions in the same field); and allow states to easily budget for it on a biennial basis.
In an effort to help preserve preferential enrollment, we also considered the possibility of paying a small premium to programs in each field that enrolled the greatest number of WICHE students each year. Calculation of the premium reward formula would be complex and difficult to explain to participating institutions, much less to the state legislatures that approve budgets, as well as to WICHE’s auditor. It would be simpler and more transparent to simply pay a higher but reasonable support fee for each student to begin with.

If WICHE changes they way support fees are applied, depending on which option is chosen, we will need to give schools and students ample notification before implementation. Some of our programs that are earning incentives by enrolling our students are partially offering those incentives back to our students in the form of scholarships. If the incentive ceases (which it would under Option 1), then the scholarships will end. And in cases where students would pay more, they will need sufficient notice to apply for additional financial aid. Option 2 would require less notice for implementation than Option 1.

Finally, to facilitate administration of the program and minimize any confusion for students and the administrators of their enrolling institutions, it would be easiest to begin the change for both new and continuing students in the same year. This way, new and continuing students would pay the same tuition, and institutions would not need to create two different coding and billing systems for WICHE PSEP students.

**Discussions with Certifying Officers**

WICHE staff discussed options at length with certifying officers. All appreciate the complexity of the problem and recognize that there are no ideal solutions. While states would like to keep support fee increases to a minimum so that they can fund more students, they also recognize that if incentives are completely eroded, especially in veterinary medicine, then fewer applicants will be admitted and their state workforce will be weakened.

Several officers expressed their concern with diminishing support fees’ negative effect on student preferential admission to professional programs. Their state legislatures, however, may not fully appreciate the value of preferential admission and may want to fund many students for as little as possible.

---

**The Value of Preferential Admission through WICHE’s PSEP: Comments from Students and Graduates**

“I knew from a young age that I would be pursuing a career in medicine, and WICHE’s PSEP was always a critical piece of the application puzzle. Without WICHE preference out-of-state applicants have little chance of getting admitted into most of the medical schools around the country. I was able to mark ‘WICHE certified’ on my applications, and it helped me secure a position at the University of North Dakota. I am now pursuing a general surgery residency at a Level 1 trauma center. WICHE plays a vital role in educating physicians who will return to Montana and support the future of the profession.”

– Rachel Ott, M.D., Montana resident, Class of 2010, University of North Dakota School of Medicine

“WICHE’s PSEP has allowed me to pursue my aspirations of becoming an osteopathic physician and surgeon. Thanks to its long-standing partnerships with medical programs in the West, WICHE gave me preferential admission at a number of medical schools, facilitating matriculation into the school of my choice. Furthermore, the reduced tuition through PSEP has immensely reduced the debt I am accruing while I study. Without both of these, I would not be in medical school right now! Thanks to WICHE, I’m learning medicine and loving it, and am excited to return to Wyoming to practice after I graduate.”

– Joseph, Wyoming resident, Class of 2014, Western University of the Health Sciences, Osteopathic Medicine

“The cost of veterinary school is substantial for anyone, but for students from humble backgrounds, especially those that want to return to their home states and towns, the high cost can be a deal breaker. I would have had to seriously reconsider my dream of becoming a veterinarian without WICHE PSEP support. And the preferential admission that WICHE students receive substantially increases our odds of getting accepted into vet school as out-of-state residents. I am truly grateful for the support I’ve received and hope that Montana will continue to fund this vital program.”

– Katherine, Montana resident, Class of 2013, Washington State University, College of Veterinary Medicine

“Attending a professional school is a huge commitment for a student: physically, mentally, and financially. You are committing to a career by investing four years of your time and all your resources. And if the program of your choice is not available in your home state, that makes it even more difficult and expensive. WICHE’s PSEP gave me access to a great education, and I didn’t have to worry about sacrificing the school I wanted because I couldn’t afford it. It’s allowed me to get the most of my education and to fulfill my aspirations of becoming a dentist.”

– Mark, Arizona resident, Class of 2012, University of Colorado, School of Dental Medicine
One certifying officer, who also works as a prehealth advisor, speculated that as long as WICHE met the differentials of the participating schools (though it might not exceed them), WICHE candidates would likely continue to receive some preferential admission because admissions committees have more experience with Western undergraduate institutions and are more apt to trust the value of applicants’ scores from those institutions (as opposed to institutions located outside of the West, with which they have less of a track record).

**Concern for Student Access to Colleges of Veterinary Medicine**

Veterinary medicine accounts for WICHE’s largest PSEP enrollment at 30 percent (210 out of 693 students). Thanks to the cooperative admissions procedure and the close collaboration among our three participating Colleges of Veterinary Medicine (CVMs), it’s undisputable that WICHE applicants receive preferential admission to our cooperating programs. For this reason WICHE staff interviewed the three deans of veterinary medicine at Colorado State University (CSU), Oregon State University (OSU) and Washington State University (WSU) to gain their perspective on any possible changes in how WICHE might apply support fees in the future.

Bryan Slinker, dean of WSU’s CVM, remarked that as long as the support fee remained close to the differential, the CVM would continue to show preference to WICHE applicants. It is important to note that WSU has a lenient residency policy that allows nonresidents to petition for Washington residency after their first year in the program. Deans Cyril Clarke (of OSU) and Lance Perryman (of CSU) said that although they like the idea of regional cooperation and have been very satisfied with WICHE students, if all financial incentive to enroll WICHE students dried up, they were not sure they could continue to provide preference to them. In veterinary medicine, PSEP students are considered before the national pool at all three schools. Competitive WICHE applicants receive offers of admission even though they may be less qualified, overall, than many applicants from the larger national pool. Students enrolled at CSU and OSU are not allowed to petition for the resident rate beginning their second year and must pay nonresident tuition throughout their enrollment.

**Conclusion**

At this time WICHE staff members believe that Option 2 would be the most effective solution. Staff looks forward to the commissioners’ discussion on this issue for additional perspective. Staff will use the commissioners’ points to frame a future action item that could change the way support fees are applied to PSEP students’ tuition when they are enrolled in the public program, if the commissioners so decide. The “tuition differential gap” dilemma is a complicated issue, and it is a challenge to please all parties. Working from the WICHE commissioners’ recommendations resulting from this discussion, staff anticipates proposing a recommendation of compromise that will preserve the collective good of our WICHE states’ healthcare workforce, our Western institutions that provide professional education for our residents lacking programs in their home state, and our future healthcare professionals who serve the Western region.
ACTION ITEM

Standardizing PSEP Support Fees in Physician Assistant and Physical Therapy Fields

Currently, support fees rates vary by program length for physician assistant (PA) and physical therapy (PT) programs. Historically, these different rates evolved because WICHE was trying to meet tuition differentials across programs whose lengths varied considerably. PA and PT are the only PSEP fields with variable rates; support fees in all the other fields have remained standardized, even though some fields now have added summer sessions. Using variable support fee rates for each PA and PT program complicates budgeting for the states, students, and their enrolling programs. Furthermore, it creates administrative challenges for the WICHE central office.

To reestablish equity across all PSEP fields and to simplify program administration, WICHE staff proposes to standardize the fee rates and disbursement patterns for physician assistant and physical therapy. This is an ideal time to make this change because as of the 2013-14 academic year, meeting tuition differentials at public programs will not be as critical as in years past; institutions not receiving the full fee differential will be allowed to charge the WICHE student the difference.

Physician Assistant (AK, AZ, NV, and WY)
The WICHE states that support physician assistant (PA) students are: Alaska, Arizona, Nevada, and Wyoming. Forty-four students are enrolled through WICHE in AY 2011; and collectively the supporting states have invested $555,345. Thirty-two students are enrolled in private programs, compared to 12 enrolled in public programs. WICHE works with 14 cooperating physician assistant programs.

There are two types of physician assistant programs: nine-month programs, which receive a support fee of $11,900 per student; and 12-month programs, which receive a support fee of $15,867 per student (AY 2011 rates). All of WICHE’s cooperating physician assistant programs are now 12-month programs in years one and two; in year three their length varies from one quarter to a full 12 months. The disbursement pattern for these programs is the 12-month rate in year one and year two, and nothing in year three, due to the 24-month maximum of support allowed for physician assistant studies.

There are two private program exceptions: Loma Linda University (LLU) and University of Southern California (USC). Neither program has any PSEP students enrolled in AY 2011. LLU and USC’s program structure is as follows: nine months in year one; 12 months in year two; and three months in year three. Over three years they receive the same total amount of support fees as the other 12-month two- or three-year programs.

WICHE staff proposes a minor administrative change that will not cost the states anything. We propose to pay LLU and USC the 12-month rate for the first two years and nothing in year three, as we do for the other 12 programs. This will facilitate consistent budgeting for students, schools, our states, and WICHE staff. WICHE staff proposes to implement this change in fall 2013 and will notify the participating programs and certifying officers in December 2012.

Physical Therapy (AK, HI, and WY)
The WICHE states that support physical therapy students are: Alaska, Hawaii, and Wyoming. Thirty-two students are enrolled through WICHE in AY 2011; and collectively the supporting states are investing $414,195. WICHE works with 20 cooperating programs. In AY 2011 the majority of the students (18) are enrolled in public PT programs, compared to 14 enrolled in private programs.

Currently, WICHE pays most PT programs at the 12-month rate (a $14,533 support fee per student) for year one and year two students, and then the lower nine-month rate ($10,900) for year three students. Pacific University and University of Puget Sound receive the $10,900 rate per student for all three years because they are nine-month programs during all three years. Eastern Washington University, Idaho State University, and University of New Mexico are 12-month programs during years one and two, but they also receive the nine-month rate because they charge all nonresident PT students resident tuition during years one and two. Finally, the University of the Pacific’s (UOP) two-year accelerated program receives $16,350 for each student enrolled each year.
These complicated fee variations for PT are confusing to our sending states because they must budget different amounts for the student, depending on the student’s year and program. It’s also confusing for financial aid offices at an institution because WICHE students in different years of their program receive different support fee amounts for the same academic year. Understandably, these complicated variations also create administrative challenges for WICHE staff.

WICHE staff proposes to standardize the rate for all three years (except for UOP’s two-year accelerated program). WICHE staff proposes a standardized annual rate of $13,322 in AY 2011 terms. To calculate this we totaled what most PT programs get over a three-year period and then divided it by three:

- Year 1: $14,533 (12-month rate)
- Year 2: $14,533 (12-month rate)
- Year 3: $10,900 (nine-month rate)

TOTAL: $39,966 divided by 3 = $13,322 per year

The chart below illustrates that standardization of PT support fees would mean that seven programs would receive $7,266 more in support fees for each student enrolled over a three-year period. Three of the programs that will receive more in support fees are private. Of the four public institutions, two would still incur a loss (Idaho State University and University of New Mexico), but it will be less of a loss than it is now. Eastern Washington’s current loss will turn into a small incentive of $3,683 over three years (calculated at the current AY 2011 terms), but this could change in future years as tuition and WICHE support fee rates change. The overall estimated increased cost to states would be $72,660 over three years, or $24,220 per year, or $756 per student per year if spread out over the total number of enrolled students (32).

**Proposed Standardization of Support Fees**
**Physical Therapy: Illustration in AY 2011 Rates**
(Supporting states: Alaska, Hawaii, Wyoming)

<table>
<thead>
<tr>
<th>Total (public and private) = 32</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>PUBLIC</th>
<th>Number of WICHE Students</th>
<th>Current Nonresident Tuition &amp; Fees (Total All 3 Years)</th>
<th>Resident Support Fees Total for All 3 Years</th>
<th>Tuition &amp; Fees (Current WICHE Student Rate)</th>
<th>Standard Fee Total for All 3 Years ($13,322 x 3)</th>
<th>Additional Cost to State (per Student)</th>
<th>Total Increased Cost to State</th>
<th>Will Public Institution’s Incentive Increase if Support Fee Increases?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ca. St. U., Fresno</td>
<td>0</td>
<td>$67,350</td>
<td>$32,700</td>
<td>$33,870</td>
<td>$39,966</td>
<td>$7,266</td>
<td>$0</td>
<td>Yes, now incentive @ $6,486</td>
</tr>
<tr>
<td>U. Colorado Denver</td>
<td>1</td>
<td>110,376</td>
<td>39,966</td>
<td>56,744</td>
<td>$39,966</td>
<td>$0</td>
<td>$0</td>
<td>NO CHANGE</td>
</tr>
<tr>
<td>Idaho St. U.</td>
<td>2</td>
<td>87,225</td>
<td>32,700</td>
<td>$39,966</td>
<td>$7,266</td>
<td>$14,332</td>
<td>No, still loss @ $8,112</td>
<td></td>
</tr>
<tr>
<td>U. Montana</td>
<td>1</td>
<td>92,360</td>
<td>39,966</td>
<td>$39,966</td>
<td>$0</td>
<td>$0</td>
<td>NO CHANGE</td>
<td></td>
</tr>
<tr>
<td>U. New Mexico</td>
<td>0</td>
<td>87,893</td>
<td>32,700</td>
<td>$39,966</td>
<td>$7,266</td>
<td>$0</td>
<td>NO, still loss @ $7,551</td>
<td></td>
</tr>
<tr>
<td>U. North Dakota</td>
<td>9</td>
<td>60,310</td>
<td>39,966</td>
<td>$44,969</td>
<td>$39,966</td>
<td>$0</td>
<td>$0</td>
<td>NO CHANGE</td>
</tr>
<tr>
<td>U. Utah</td>
<td>3</td>
<td>118,950</td>
<td>39,966</td>
<td>$57,141</td>
<td>$39,966</td>
<td>$0</td>
<td>$0</td>
<td>NO CHANGE</td>
</tr>
<tr>
<td>E. Washington U.</td>
<td>1</td>
<td>81,706</td>
<td>32,700</td>
<td>$45,423</td>
<td>$39,966</td>
<td>$7,266</td>
<td>$7,266</td>
<td>Yes, now incentive @ $3,683</td>
</tr>
<tr>
<td>U. Washington</td>
<td>1</td>
<td>113,142</td>
<td>39,966</td>
<td>$59,137</td>
<td>$39,966</td>
<td>$0</td>
<td>$0</td>
<td>NO CHANGE</td>
</tr>
</tbody>
</table>

**Total public** 18

**AVERAGE** $91,035  $46,226  **TOTAL** $21,798

<table>
<thead>
<tr>
<th>PRIVATE</th>
<th>Number of WICHE Students</th>
<th>Full Private Tuition &amp; Fees (Total All 3 Years)</th>
<th>Current Support Fees Total for All 3 Years</th>
<th>Current Tuition &amp; Fees Paid by WICHE Student</th>
<th>Standard Fee Total for All 3 Years ($13,322 x 3)</th>
<th>Additional Cost to State (per Student)</th>
<th>Total Increased Cost to State</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. T. Still U. (no response)</td>
<td>0</td>
<td>$84,315</td>
<td>39,966</td>
<td>$44,349</td>
<td>$39,966</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Chapman U.</td>
<td>1</td>
<td>?</td>
<td>39,966</td>
<td>?</td>
<td>$39,966</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Loma Linda U.</td>
<td>0</td>
<td>95,156</td>
<td>39,966</td>
<td>$55,190</td>
<td>$39,966</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Mt. St. Mary’s College</td>
<td>0</td>
<td>93,687</td>
<td>39,966</td>
<td>$53,721</td>
<td>$39,966</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Samuel Merritt U.</td>
<td>0</td>
<td>92,860</td>
<td>39,966</td>
<td>$52,894</td>
<td>$39,966</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>U. So. California</td>
<td>4</td>
<td>146,733</td>
<td>39,966</td>
<td>$106,767</td>
<td>$39,966</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>U. of the Pacific (2-yr accel. pgm.)</td>
<td>2</td>
<td>109,020</td>
<td>32,700</td>
<td>$76,320</td>
<td>$39,966</td>
<td>$7,266</td>
<td>$14,332</td>
</tr>
<tr>
<td>Western U.</td>
<td>0</td>
<td>100,745</td>
<td>39,966</td>
<td>$60,779</td>
<td>$39,966</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Regents U.</td>
<td>2</td>
<td>113,089</td>
<td>39,966</td>
<td>$74,023</td>
<td>$39,966</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Pacific U.</td>
<td>5</td>
<td>91,481</td>
<td>32,700</td>
<td>$58,781</td>
<td>$39,966</td>
<td>$7,266</td>
<td>$36,330</td>
</tr>
<tr>
<td>U. Puget Sound</td>
<td>0</td>
<td>78,000</td>
<td>32,700</td>
<td>$45,300</td>
<td>$39,966</td>
<td>$7,266</td>
<td>$0</td>
</tr>
</tbody>
</table>

**Total private** 14

**AVERAGE** $100,599  $62,812  **TOTAL** $50,862

**TOTAL INCREASE TO STATES, PUBLIC & PRIVATE PROGRAMS** $72,660

**Notes:** Support fees for physical therapy vary: 9-month rate = $14,533; 2-year program accelerated fee = $16,350.
CSU Fresno and Chapman U. have not responded to our AY 2011 tuition and fees survey.
WICHE staff and the certifying officers believe that with the approved changes in the way support fees are applied (a process that will be implemented in 2013), this is the ideal time to standardize physical therapy and physician assistant support fees. The minimal increase in cost per student will be worth the benefits of simplification. Budgeting for students, states, schools will be simplified; and WICHE’s administration of the program will also be easier.

**Action Requested**
Approval to standardize physician assistant and physical therapy support fees and disbursement patterns, effective fall 2013.
ACTION ITEM
Proposed Project:
WUE 2.0: Revamping Western Undergraduate Exchange Marketing and Outreach Strategies

Staff requests approval to seek, receive, and expend funds for a project that will enhance WICHE’s marketing and outreach activities to expand access to higher education via the Western Undergraduate Exchange (WUE). On September 26 staff submitted a grant proposal to Lumina Foundation’s grant competition “Envisioning the Next Generation of Student Supports.” The competition, announced on August 26, 2011, is designed to help nonprofit education agencies and institutions investigate better ways to reach prospective college students using innovative technology and will provide five planning grants for initiatives focused on low-income, first-generation, underrepresented minority students, as well as adult learners. The WICHE proposal requests a one-year planning grant of $200,000, the maximum grant amount to be funded. The project will begin in mid-December, if we are awarded a grant.

Relationship to WICHE Mission
The program directly supports WICHE’s mission to expand educational access and excellence in the West by improving WICHE’s outreach to students interested in pursuing postsecondary education. WICHE’s proposal focuses on increasing communication about college enrollment with students in the WICHE region, particularly low-income students, underrepresented students of color, and first-generation learners who face significant academic, financial, and social barriers on the road to college.

Project Description
WUE enrollments have grown an average of 9.5 percent annually since the program began in 1987. We are working to increase the number of participating institutions and enrollments, especially in low-growth states with additional capacity. If awarded the Lumina grant, WICHE will use the funds to work with California State University, East Bay (CSU EB) in partnership with four other institutions committed to enrolling more low-income and first-generation students (Bismarck State College, Colorado State University Fort Collins, Montana Tech of the University of Montana, and Portland State University), and two organizations, Naviance (which operates a college admissions portal used by high school students, their parents, and high school counselors), and AVID (Advancement Via Individual Determination – a national middle and high school program that promotes academic rigor and prepares disadvantaged and first-generation students for college). CSU EB is doing some innovative admissions work using social media, texting, and scanning of QR (quick response) codes, a matrix bar code that can be used to connect prospective students (using their smart phones) through the application and admissions process up to the time of enrollment. CSU EB has agreed to serve as a lead pilot institution and will assist the four other WUE institutions in conducting a similar pilot on the effectiveness of these tools. WICHE and its partners will use the results of the pilot to improve WUE’s current outreach to students. WICHE will also improve the searchability of the WUE database and add new features to the site, which might include YouTube videos, webinars for different audiences, PowerPoints for counselors, and more. Ultimately, WICHE’s goal is to do a better job of getting the word out about WUE to the students who need it most.

Staff and Fiscal Impact
If funded, WICHE will receive funding for .74 FTE of staff salaries and benefits and associated rent, phone, and IT support costs (this includes .15 FTE for Margo Colalancia, .09 FTE for Jere Mock, .30 FTE for administrative support, and .20 for a database programmer). No new staff will be hired for the project. Of the $200,000 grant, $63,023 will cover staffing costs (and WICHE will contribute $59,214 in FTE for communications staff working on the project, as well as additional database programming support). Other grant funds will support partner travel expenses for project meetings; consultants who will develop mobile applications and YouTube videos and conduct a usability study for the WUE website; and some staffing support for CSU EB’s social media director (.20 FTE).

Action Requested
Approval to seek, receive, and expend funds to support WICHE as the administrator and fiscal agent for the proposed project.
ACTION ITEM
WICHE Action Regarding State Authorization of Out-of-state Institutions

At the May 2011 meeting, the commission received a letter from Stephanie Jacobson, chair of the Western Academic Leadership Forum (the Forum), requesting that WICHE “create reciprocity among WICHE states as it relates to distance education, in response to regulations distributed by the U.S. Department of Education that require colleges and universities to obtain authorization to operate in each state where a student is enrolled” (see attached letter) and offering assistance in establishing such a process. At your request WICHE President David Longanecker responded to Jacobson (letter attached), describing the efforts in which WICHE was already involved, through WCET, and the efforts we anticipate taking in the near future. Since that time WICHE has been significantly involved, through Russ Poulin’s continuous engagement and the president’s episodic involvement, in the various national discussions of the issues and proposed actions regarding state authorization.

At the national level there are currently two major efforts underway. One is being coordinated by the Council of State Governments (CSG) and the President’s Forum and envisions a new national compact to provide interstate reciprocity. The president’s assessment of this effort, as it has evolved to date, is that it would be redundant, replicating the role legitimately played by the four existing interstate compacts, including WICHE; that it would be administratively burdensome on institutions and expensive to operate; and that because the entire postsecondary community would not be included (it would focus only on public institutions, leaving private nonprofit and for-profit higher education in regulatory limbo), it would not adequately address the issue.

The second effort, spearheaded by the Association of Land-Grant Colleges and Universities (ALCU), has greater promise, but it is not yet underway. This effort anticipates creating a national steering committee that would develop a comprehensive national (not federal) solution to the state authorization issues.

It is not clear that solutions from these national efforts will be available in time for institutions and states to be prepared for and in compliance with U.S. Department of Education regulations by the implementation deadline – July 1, 2013.

Based on work Russ Poulin has done, recommendations from WICHE staff, and the president’s perspectives on what the West needs in this regard, we propose that WICHE take the lead in developing a regional solution that would include the following four components.

1) Create a Review and Complaint Process to Assist States that Need It

Issue: There are WICHE states that have minimal or no authorization review processes. Those with the fewest regulations are Hawaii, Montana, North Dakota, South Dakota, and Wyoming. California, Colorado, and Utah are not far behind or have little ability to staff their review processes. In discussing solutions to the state authorization issue, state regulators have said that they do not wish to enter into reciprocal agreements with states that do not “adequately” review institutions. States without review processes risk being left out of reciprocal agreements that are based upon mutual recognition of approval processes.

In addition to state approval requirements, the U.S. Department of Education has given states until June 30, 2013, to develop a third-party complaint process for institutions that are approved by a state. Hawaii, Montana, North Dakota, South Dakota, and Wyoming are WICHE states that do not have complaint processes or have processes that might not meet the expectations of the federal regulation.

Service: WICHE could develop services to assist the states without review processes and complaint processes. The work would include:

• Developing a set of review standards and processes that would be acceptable to the higher education leadership in the participating states.
• Serving as the centralized secretariat for the review process for the participating states. WICHE will make recommendations, but decisions must still be made by each state.
• Serving as the centralized secretariat to handle third-party complaints for the participating states. WICHE will collect the complaints, will assist in resolving simpler issues, and will refer all actions to each state.
2) Create an Interstate Database of Approvals, Complaints, and Actions
WICHE would create a database that allows states to share information about institutions operating or seeking to operate in a WICHE state. The database could include information about institutions seeking approval, complaints filed by students, and actions (approvals, reviews, discipline) taken by a state regarding an institution. This database could have two interfaces:

- **Internal:** Confidential or “in process” information would be shared only among the regulators in the participating WICHE states. Open record laws in participating states would need to be consulted.
- **Public:** Information on actions by states and statistics on complaints can be shared with students. Participating states can determine which information can be shared openly.

3) Adapt, Join, or Create a Reciprocal Agreement
Regardless of which plan we choose, we need to:

- Develop the agreement and promote it among states.
- Take into account financial considerations for states. For example, will a state lose funding because of an agreement? What financial model is needed to maintain the centralized services?
- Model legislation will need to be developed as quickly as possible so that it will be available, if desired, for the 2012 legislative session.
- Develop model legislation as quickly as possible so that it will be available, if desired, for the 2012 legislative session. Some states will need to pass legislation to change their regulations so that they could join the agreement.
- Understand that some states will decide not to join or will take a long time to join.
- Examine possible options:
  
  a) Adapt to another reciprocal agreement
     
     - Eventually, we could move to interregional reciprocity. The more similar we make the agreement, the more we increase the likelihood of creating interregional agreements.
     - The Southern Regional Education Board (SREB) is contemplating a similar approach.
     - SREB is already in the process of updating its Electronic Campus agreement. Institutions must agree to SREB’s “Principles of Good Practice” to be listed in the Electronic Campus.
     - A serious limitation of partnering with SREB, however, is that it allows only regionally accredited public or not-for-profit institutions to participate in its exchange; and the exchange includes only online education.
     - SREB is interested in working with us to create a similar agreement. The New England Board of Higher Education is also interested. The Midwestern Higher Education Compact is not.
  
  b) Join a reciprocal agreement
     
     - The Presidents’ Forum of Excelsior College and the Council of State Governments is creating a model compact agreement.
     - Russ Poulin is on the drafting team for this project.
     - The current discussions about minimum standards might end up with expectations that are too great.
     - A serious limitation of this approach is that it appears focused on serving only regionally accredited public and not-for-profit institutions.
  
  c) Create a reciprocal agreement
     
     - This would take a great deal of work and would require external funding.
     - WICHE, however, is uniquely situated to provide leadership in this area.
       - We have requests to do so from the higher education community (the Forum).
       - We have a request to do so from members of the Legislative Advisory Committee.
       - We have already demonstrated leadership through Russ Poulin’s efforts, as well as the president’s.
     - But the role envisioned for WICHE would depart, in significant ways, from the role we have played in the past.
       - We would be managing a process that was more regulatory than traditional service-oriented.
       - This process, upon implementation, would logically operate on a fee-for-service basis.

4) Explore Interim Agreements
While the reciprocal agreements are being formed, can we get states to agree to one or all of the following interim agreements? These agreements will be temporary until the full reciprocal agreement is in place.
• Institutions participating in a financial aid consortium agreement that was in place prior to October 30, 2010, do not require approval, as long as they meet certain reporting requirements.
• Public and nonprofit institutions that enroll fewer than 10 students per year would not require approval, as long as they meet certain reporting requirements. Alternatively, we could make a bolder proposal that public institutions be considered approved until the reciprocal agreement is in place.

Action Requested
The president is requesting that the commission authorize staff to seek funding for this four-stage effort and to constitute a steering committee of stellar stakeholders, including representation from the Forum, the Western Alliance of Community College Academic Leaders, and WCET, to assist in developing and implementing the services identified above.
May 9, 2011

Commissioners
Western Interstate Commission for Higher Education
c/o David Longanecker, President
3035 Center Green Drive
Boulder, CO 80301

Dear Commissioners:

The Western Academic Leadership Forum (the Forum) asks for your support and action to create reciprocity among WICHE states as it relates to distance education in response to regulations distributed by the US Department of Education that require colleges and universities to obtain authorization to operate in each state where a student is enrolled.

Virtually all institutions of higher education have been developing courses that are delivered to any location. Students enroll in courses that meet their needs, regardless of the origin of those courses. Institutions have not restricted access based on students’ locations of residence. The new regulations require that additional and sometimes lengthy and expensive steps be taken before students from other states may be served.

The Forum is an organization of chief academic officers for systems, governing and coordinating boards, and public colleges and universities in WICHE states, formed to exchange ideas and information, share resources and expertise, and collaborate on regional initiatives. Much of the responsibility for complying with these regulations will fall on the academic affairs divisions of our institutions. We can see the following effects emerging from this regulation:

1. Institutions will likely limit their distance offerings so that critical programs are not available to students in some states or some locations. Higher education will become less accessible – serving to defeat the intentions of the current federal administration.

---

1 34 CFR, PART 600—INSTITUTIONAL ELIGIBILITY UNDER THE HIGHER EDUCATION ACT OF 1965, AS AMENDED § 600.9 State authorization…. (c) If an institution is offering postsecondary education through distance or correspondence education to students in a State in which it is not physically located or in which it is otherwise subject to State jurisdiction as determined by the State, the institution must meet any State requirements for it to be legally offering postsecondary distance or correspondence education in that State. An institution must be able to document to the Secretary the State’s approval upon request.
2. Institutions will likely deny admission and enrollment to students from certain states where authorization is expensive or cumbersome. US higher education would become more available (and affordable) to foreign students than to US students.

3. Collaborative partnerships between institutions in different states that should be encouraged will be more difficult.

Additional impacts include substantial costs and significant effort to obtain approvals and to track the locations of students, who are increasingly mobile. See Federal Requirements for Distance Education—Approval to Operate in Other States attached. Other effects summarized by WCET may be found on its website. This legislation is clearly at odds with the national agenda for improving college access and completion.

With the delay of federal enforcement of compliance until July 1, 2014 we have time (but not a lot of it) to work together as WICHE states so that institutions and students are not hampered by individual state regulations, and that gains in student access and program completion through the use of technology are not reversed, while using well-established regional accreditation standards to ensure quality education. We ask that the WICHE commissioners be proponents in each of our states to adopt reciprocity agreements among all the WICHE states such that an institution in a WICHE state can demonstrate proof of good standing with its regional accrediting body as the criteria by which reciprocity is granted. The sooner these arrangements can be made, the sooner it will ensure that students from all our WICHE states have access to the courses they need and it will eliminate the costly and time consuming process institutions need to undertake for authorization. We also encourage you to engage in a national dialog with states outside of WICHE to facilitate the offering of distance education courses.

We are ready to assist in any way that you may find useful, including, but not limited to, creating draft documents for your consideration providing information on the federal regulations and the differences between the current authorization processes in our WICHE states. We thank you in advance for your consideration of this issue and our concerns. Please contact us with questions.

We appreciate all that you do for our WICHE states in improving higher education.

Very truly yours,

Stephanie Jacobson
Chair, Western Academic Leadership Forum

Cc: David Longanecker, WICHE

2 WCET http://wcet.wiche.edu/advance/state-approval
Federal Requirements for Distance Education - Approval to Operate in Other States

Comments on a new federal regulation that takes effect on July 1, 2014
University of Alaska Anchorage

Background:
The “state approval” language originally proposed in June 2010 by USDOE can be found in the Federal Register beginning on page 34812. The final changes to that language were released on October 29, 2010 and can be found in the Federal Register, beginning on page 66858.

34 CFR, PART 600—INSTITUTIONAL ELIGIBILITY UNDER THE HIGHER EDUCATION ACT OF 1965, AS AMENDED § 600.9 State authorization. (P. 66946)

... (c) If an institution is offering postsecondary education through distance or correspondence education to students in a State in which it is not physically located or in which it is otherwise subject to State jurisdiction as determined by the State, the institution must meet any State requirements for it to be legally offering postsecondary distance or correspondence education in that State. An institution must be able to document to the Secretary the State’s approval upon request.
(Authority: 20 U.S.C. 1001 and 1002)

Difficulties with this regulation:

1. There is no value added. No improved access or quality supported by this regulation.
2. The terms and intentions of the regulation are not well defined and the timeline for implementation is too short for a reasonable response by institutions or governing state agencies.
3. Institutions that are offering distance courses are serving students all over the world. Some are in the 50 US states, others are foreign students, and others are US students in foreign countries such as armed service members in Iraq or Afghanistan.
4. This regulation would likely result in denial of admission and enrollment to students from certain states. For example, would an institution pay the $28,000 fee required to obtain state approval and allow one student from Massachusetts to enroll in one course? At the same time, foreign students from China or Germany could enroll in courses and be admitted to programs with no cost to the university. US higher education would become more available (and affordable) to foreign students than to US students.
5. Institutions will likely limit their distance offerings so that critical programs are not available to students in some states or some locations. Higher education will become less accessible – serving to defeat the intentions of the current administration.
6. Each state has separate requirements, procedures and costs for approval, and differing timelines for application and renewal of authorization. The cost of fees alone for obtaining approvals from 40 states was estimated at over $150K by one institution. This cost is compounded by staff effort required to learn the individual state processes, make the applications and renew approvals on a regular basis. Student locations would also have to be tracked more closely.
7. Students are mobile and may enroll while residing in one state and then move to another. Would the teaching institution need to obtain two approvals for one student?
8. Collaborative partnerships between institutions in different states would be more difficult. Institutions collaborating with an institution in another state, for example, would have to apply for authorization in another state, pay the fee, and then renew as required.
June 20, 2011

Stephanie Jacobson
Associate Vice President for Academic and Student Affairs
Arizona Board of Regents
2020 N. Central Avenue, Suite 230
Phoenix, AZ 85004-4593

Dear Stephanie and Members of WALF:

The Commission has asked me to respond to your letter of May 9, 2011. Thank you very much for the letter. The issue you raised regarding the relationship between the federal government and the states regarding authorization of institutions to operate is very important to WICHE. For that reason we have committed substantial attention and resources to the issue for some time. The timing of your letter could hardly have been better because it coincided with one of the semi-annual meetings of the Commission, allowing us to discuss this issue more broadly with our entire governing body and to receive its advice.

While we do not agree entirely with the difficulties you ascribe to the regulation on the attachment to your letter, we agree in whole with the issues reflected in the body of the letter. We concur that the regulation as currently drafted and interpreted would likely result in some institutions reducing universal access to their on-line offerings, certainly in states that make it difficult or expensive for institutions delivering education from outside the states’ boundaries, and that the result would be an unfortunate reduction of access to legitimate educational offerings.

Perhaps most importantly, we concur that the best solution to this issue is for states to find ways to work collaboratively through reciprocal agreements to recognize the legitimacy of each other’s institutional approval. Through our WICHE Cooperative for Educational Technologies (WCET) we began working late last year with the Southern Regional Education Board (SREB), the University of Wyoming, and American Distance Education Consortium to better understand the set of issues surrounding this federal regulation, the commonalities and differences between states in the regulation of out-of-state institutions, and the interests of our member states and the institutions within those states. We established within WCET a State Authorization Network (SAN), the 28 members of which work with us to better understand the latest developments, to discern how best to deal with developments as they arrive, and to assist us in working with the various national entities that have become engaged in this area of inquiry. Information about the activities of WCET and SAN can be found on the WCET website wcet.wiche.edu.
June 20, 2011
Page 2

Since you wrote your letter two additional major developments have occurred and we are working closely with regard to both. First, the State Higher Education Executive Officers Organization (SHEEO) has become very active in the work with the Department of Education on this issue and is pursuing a detailed examination of the various existing state level efforts, so that all interested parties have better evidence upon which to base their reactions to various ideas. We had done an initial cursory inventory, but the SHEEO effort, working with the National Center for Higher Education Management Systems (INHEMS), will be much more comprehensive and will help greatly in shaping the ultimate implementation of the Department of Education’s regulation of state authorization, enforcement of which has been delayed until July 1, 2014. Second, a Lumina Foundation funded collaborative effort between an organization known as The Presidents’ Forum and the Council of State Governments has issued preliminary rubrics for establishing interstate reciprocity in state authorization. The final report from this collaborative effort will be available within the next few months and we hope will complement our own efforts in this regard. And finally, we had been following closely the Southern Regional Education Board’s work to upgrade its Electronic Campus agreement to address the state authorization issue because this SREB effort may serve as a model for regional interstate collaboration and reciprocity.

We appreciated the April 20 letter from the Department of Education, which delays full implementation and enforcement of these regulations until July 1, 2014; that is, as long as institutions demonstrate a good faith effort to seek state authorization in all states in which they serve students. We do not believe, however, that either states or institutions should delay serious work on the issue of state authorization of out-of-state institutions. This legitimate area of state authority and responsibility has not been embraced responsibly or equally by all states, which has impeded interstate collaboration. Neither have all educational institutions or accrediting organizations equally or responsibly addressed legitimate issues with respect to the delivery of on-line services and consumer protection. We believe, however, that there is sufficient momentum to achieve good public policy serving the public good at this time, and we will continue to work toward this through our efforts within WCET.

We welcome your willingness to assist in this effort. We will continue to focus WICHE’s efforts through WCET and fully intend to assure that the institutions, associated state agencies, and citizens of the West affected by this set of issues are well served. This likely could involve regional reciprocity, as suggested in your letter, or may even be more expansive, depending upon the results of the various related efforts that are going on around the country. I look forward to continuing to work with you and the membership of WALF on this set of issues.

Sincerely,

[Signature]

David A. Longanecker
President

cc: Joseph Garcia, Colorado Lieutenant Governor and 2011 WICHE Chair
**INFORMATION ITEM**  
**Student Exchange Program Update**

**Western Undergraduate Exchange.** The Western Undergraduate Exchange (WUE) is a regional tuition-reciprocity agreement, whereby students from WICHE states can enroll in participating two- and four-year public institutions at 150 percent of the enrolling institution’s resident tuition. WUE will celebrate its 25th anniversary in 2012 and is the largest program of its kind in the nation.

Despite difficult economic times in the West, the program continues to grow. In 2010-11 some 26,700 WUE students saved $210.8 million in tuition costs. Students can choose from 147 participating WUE institutions. WUE institutions report their WUE enrollments through mid October; WICHE staff will have estimates of the 2011-12 academic year enrollments for the November 2011 commission meeting. We anticipate that enrollments will continue to increase.

**Western Regional Graduate Program.** The Western Regional Graduate Program (WRGP) is an outstanding educational resource for the West that allows master’s, Ph.D., and graduate certificate students who are residents of the 15 participating states to enroll in some 250 high-quality programs at 47 participating institutions on a resident tuition basis. In fall 2010 almost 700 students enrolled through WRGP. Staff is still finalizing fall 2011 enrollment numbers for WRGP programs but anticipates an increase again this year. We estimate that WRGP students saved an average of $10,587 each in the 2010-11 academic year.

WRGP is a tuition-reciprocity arrangement similar to WUE, whereby students can enroll directly in a program through WRGP and are not dependent upon the approval of their home state funding to participate. It is a tremendous opportunity for WICHE states to share distinctive programs (and the faculty who teach them) and build their workforce in a variety of disciplines, particularly healthcare. More than 70 WRGP programs are healthcare-related, spanning the fields of graduate nursing, mental health, public health, speech language pathology and audiology, and other areas. To be eligible for WRGP, programs that aren’t related to health must be “distinctive,” meaning they must be offered at no more than four institutions in the WICHE region (exclusive of California). Staff recently completed an “Ask WICHE” FAQ for prospective WRGP students, accessible from the WICHE and WRGP websites.

In September 2011 staff invited public institutions in the WICHE region to nominate their graduate programs for participation in the WRGP network. Notification was sent to graduate deans, provosts, academic vice presidents, WICHE state higher education executive officers and chief academic officers, certifying officers, and interested department chairs. The nomination deadline is November 1, 2011; staff will report on the nominations at the November meeting. WICHE has emphasized to department chairs the importance of coordinating with their graduate departments prior to embarking on the application process. Nominations information and forms are available on the WRGP website (www.wiche.edu/wrgp). WICHE is most interested in reviewing nominations for high-need and emerging field programs, including: professional science master’s (PSMs); graduate certificate programs in emerging fields; microtechnology and nanotechnology; green building and building energy conservation; emerging media and communications; biotechnology and bioinformatics; computer and cyber security; alternative energy technology; homeland security; and healthcare fields not offered through WICHE’s PSEP.

**Professional Student Exchange Program.** Professional Student Exchange Program (PSEP) students have access to professional degree programs in 10 fields, all of them related to healthcare: medicine, dentistry, veterinary medicine, physical therapy, occupational therapy, optometry, podiatry, osteopathic medicine, physician assistant, and pharmacy. Each state determines the fields and the number of students it will support. During the 2011-12 academic year, 680 students enrolled through PSEP, with support fees totaling some $14.2 million. The economic recession continues to adversely affect the number of students supported through PSEP, despite the continued need for healthcare professionals. At the time of this writing, there were 13 fewer students supported and approximately $43,254 less in support fees than in 2010-11. Staff will present final numbers at the November commission meeting after all PSEP contract revisions have been submitted in early October.

WICHE’s Veterinary Medicine Advisory Council met in Montana in June 2012. Discussion items included Colorado State University’s (CSU’s) invitation to pre-veterinary advisors to become ex-officio participants on the admissions committee for their state’s WICHE PSEP applicants. The goal is to gain state input into the admissions process. CSU is doing this as a pilot for the WICHE states initially; depending on the results, our other partner institutions (Oregon State University and Washington State University) may consider a similar approach.
Programs and Services Regional Initiatives

WICHE Internet Course Exchange
The WICHE Internet Course Exchange (WICHE ICE) is a robust administrative tool designed to support collaboration among institutions offering online courses. Through ICE participating institutions expand their students’ access to high-quality online courses and programs taught by other member institutions. Seamlessly, students enroll, obtain advising, and use financial aid from their home campus, which transcripts the course. Currently, there are 12 members; nine are institutions and three are consortia, giving ICE an overall impact on more than 30 institutions. Both two-year and four-year institutions may participate.

Acting as the broker for the exchange of course and student information and funding among the members, WICHE ICE charges a 15 percent administrative fee for its services. Members pay annual dues and may participate as either an enrolling institution (EI), a teaching institution (TI), or both. They may engage in one or all three of the exchanges.

- Seat exchange. Members with excess capacity in online courses may offer seats in them to other members at an agreed-upon common wholesale price. For FY 2011 the price is set at $150 per credit hour for undergraduate courses and $200 per credit hour for graduate courses. The EI is encouraged to offer these imported seats to its students at its regular tuition so that the exchange is transparent for the student. Since these seats would otherwise be empty, the EI earns additional revenue.
- Course exchange. Members may contract with other members to create and supply a new online course or an entire section of an existing online course. The wholesale price and the number of enrollments are negotiated by the institutions involved. Again, the EI is encouraged to offer these imported seats to its students at its regular tuition so that the exchange is transparent for the student. Since the EI counts the FTE for the students it enrolls in these exchange courses but has no expenses for course development or an instructor, it may also earn additional revenue.
- Program exchange. Members may contract with other members to jointly develop and deliver a full program. In this exchange the members agree both to a negotiated wholesale price (the price one institution charges another institution for a seat) and a common retail price (the price institutions charge a student for a seat) for enrolling in courses in the program.

In March 2011 staff was notified that our consortium proposal to create the North American Network of Science Labs Online (NANSLO) was one of 29 proposals selected for funding under the Next Generation Learning Challenges (NGLC) competition. NGLC received more than 600 preproposals, and 50 organizations or consortia were asked to submit full proposals. NGLC is a multiyear, collaborative initiative focused on identifying and accelerating the growth of effective education technology, particularly early-stage innovations, that can help improve college readiness and completion in the U.S. The Bill & Melinda Gates Foundation and the William and Flora Hewlett Foundation helped design the NGLC and fund the initiative. NANSLO received a 15-month grant of $749,994 (the maximum grant was $750,000). WICHE is the fiscal agent for the grant, and WICHE ICE is the coordinating partner, with Pat Shea, director of WICHE ICE, serving as the principal investigator for the grant and Catherine Weldon serving as project coordinator.

NANSLO provides a technological solution that will address many of the barriers that prevent low-income, first-generation college students who are at risk of failing to complete their degrees or pursue science-based careers due to challenges such as work and family obligations or living in rural areas that limit their access to traditional classes. The project builds on the success of the open educational science courseware and the Remote Web-based Science Laboratory (RWSL) developed by members of BCcampus, a consortium of 25 postsecondary institutions, located in British Columbia. BCcampus and the Colorado Community College System (CCCS) are WICHE’s major partners for this work. BCcampus will provide web-based science lab equipment, infrastructure, and setup recommendations to WICHE and CCCS. CCCS is composed of 13 community colleges, which will pilot NANSLO during the grant period.

NANSLO will support integration of RWSL technology and open science courseware in three gatekeeper, first-semester courses: biology, physics, and chemistry. The labs for these courses at the 13 Colorado campuses will be modeled after those developed by BCcampus, including its science lab equipment, infrastructure, and setup recommendations. BCcampus licensed these courses for reuse and sharing via Creative Commons. Through the formation of discipline panels, the open courses will be revised and enhanced to produce adaptable open versions of the courses, ready for use by anyone, as well as localized versions specific to BC and CCCS needs. The RWSL in British Columbia will
be replicated in Colorado and a system put in place that allows students at all participating institutions to use both RWSLs for their labs. Faculty and enrolled students will be trained in the use of RWSLs.

The initiative incorporates online learning and RWSL, which uses open source software and a robotic interface to allow students to use their Internet browser to access and control actual lab equipment and perform lab exercises in real time while obtaining real-world data that is as valid as data collected in a traditional laboratory. The labs are not virtual or simulated; students will log onto the website of a remotely located science lab and request control of remote instruments through an interface, including instrument and camera controls. Through the use of structured instructor-student and student-student interaction, RWSL technology and real data, lab kits, and other delivery strategies, NANSLO enables learners to practice scientific observation, experimentation, data analysis, and logical thinking. The physics course will be launched in spring 2012, and the biology and chemistry courses will be launched in summer 2012. Their staggered start will allow CCCS to have all equipment purchased and installed for the RWSLs.

Five other institutional partners are participating in NANSLO. Montana State University-Bozeman and the University of Wyoming were selected to represent members of WICHE ICE and Montana State University-Great Falls College of Technology and Laramie County Community College (WY) were selected to represent members of the Western Alliance of Community College Academic Leaders (the Alliance). Faculty and academic administrators from these institutions, as well as from the Colorado School of Mines, will serve as members of NANSLO’s advisory board and discipline panels, and their campuses may be future sites for expansion of NANSLO beyond the grant period. The advisory board will oversee a robust evaluation of the courses, including student learning outcomes, faculty use, and articulation and transfer. The board will review and approve all deliverables, including an environmental scan of remote science labs in the U.S. and Canada, with a description of their tools and scalability; plans to ensure NANSLO is sustainable beyond the immediate scale, with a how-to adoption manual with case studies about the implementation of these courses; and a template for scaling the use of the remote labs across all institutions collaborating in NANSLO.

In September 2011 the partners convened at North Island College in British Columbia for a two-day workshop. This provided an opportunity for the three discipline panels – one for each subject and consisting of faculty members from each participating institution – to discuss and make decisions about the curriculum for the open courses and to see a demo and test out the RWSL experiments.

This international project has the potential to remove barriers to access experienced by at-risk students and help change how students engage in science through deeper learning. In addition, all courses, software, manuals, and other deliverables developed by NANSLO will be openly licensed to encourage the widespread adoption of these courses and RWSL.

ICE also continues to pursue opportunities to support existing and newly developing online programs that are struggling because of declining budgets. By partnering across institutions, the participants ensure the financial viability of certain online courses and programs. This is especially true for niche subject areas, where a single institution’s enrollment in a certain course or program is low. Aggregating enrollment across two or more institutions can make these courses or programs sustainable. Areas of interest include social work, STEM (science, technology, engineering, and math) education, Native American studies, business, foreign languages, and energy. The Nursing Education Xchange (NEXus) continues to use ICE to make more online courses that respond to workforce needs available to students at their home institutions.

Another avenue of interest being explored this year is a partnership between ICE and the Online Consortium of Independent Colleges and Universities (OCICU). More than 80 independent nonprofit institutions participate in OCICU. Most are very small and cannot offer the wide selection of online courses available through larger state schools. At the same time, the OCICU schools offer some unique courses in specialty areas not available at state schools. A one-year pilot beginning in fall 2011 would allow three institutions in each organization to purchase extra capacity in courses offered via the other’s members at the established rate used by the selling organization for its members. If the pilot is successful, ICE and OCICU will discuss expanding the relationship to more of their members.

ICE may also be involved in the support of the new industrial assessment center (IAC), based at Boise State University (BSU). In September U.S. Energy Secretary Steven Chu announced that it would award BSU $1.5 million over five years as one of 24 proposals funded to train undergraduate- and graduate-level engineering students in manufacturing efficiency. Members of the Idaho IAC include Boise State University, Brigham Young University-Idaho, Idaho State University, Northwest Nazarene University, and University of Idaho. ICE could be used to support this multi-institutional network in addressing the challenge of offering relevant industrial energy efficiency coursework.
for students at each institution without significant duplication of effort. Through ICE, IAC could leverage the best
talent and knowledge at the IAC-partner universities and improve access to all students throughout the region. The
real strength of this model is that it is seamless to the student. That is, Boise State students could enroll at Boise State
for a course delivered by an Idaho State University instructor. This effort may serve as a model that could be applied
across all IAC’s to develop broader and richer learning networks.

The WICHE ICE website (www.wiche.edu/ice) provides much more information about how the program works, as
well as new resources for members. A listserv supports communication among members while a secure encrypted
database accessible via the web supports the exchange. ICE members include:

- Bismarck State College (ND)
- Boise State University (ID)
- Lewis-Clark State College (ID)
- Montana State University, Bozeman
- Montana Tech of the University of Montana
- Montana University System
- Northern Arizona University
- North Dakota University System Online
- Regis University (CO)
- South Dakota System of Higher Education
- University of Alaska Anchorage
- University of Wyoming

Western Academic Leadership Forum
The Western Academic Leadership Forum (the Forum) gives academic leaders in the WICHE states a venue for
sharing information, resources, and expertise as they address issues of common concern across the region and work
together on innovative solutions. This group consists of provosts; academic vice presidents at bachelor’s, master’s,
and doctoral-level institutions; and chief executives and chief academic officers for system and state coordinating and
governing boards. It is funded primarily via membership dues, with additional funding provided by sponsors of the
annual meeting. The Forum will hold its next meeting April 18-20 in Phoenix.

The Academic Leaders Toolkit (http://alt.wiche.edu), which debuted in spring 2011, is a joint project of the Forum
and the Western Alliance of Community College Academic Leaders (the Alliance). This web-based repository contains
profiles of successful decision-making tools and processes used by academic leaders. Tools in a broad range of
categories – such as program evaluation, creation, and elimination; faculty recruitment and retention; and student
outcomes assessment – help academic leaders better address their increasing range of responsibilities. The toolkit is
searchable by category, state, and type of institution or organization.

This fall the Forum (www.wiche.edu/walf) will kick off its reading program giving academic leaders an opportunity to
share perspectives on recently published books and papers. Current members include:

Alaska
- Alaska Commission on Postsecondary Education
- University of Alaska Anchorage
- University of Alaska Southeast
- University of Alaska System

Arizona
- Arizona Board of Regents

California
- California State Polytechnic University, Pomona
- California State University system
Colorado
- Metropolitan State College of Denver
- Colorado State University, Fort Collins
- Colorado State University, Pueblo

Idaho
- Boise State University
- Lewis-Clark State College
- University of Idaho

Montana
- Montana State University, Bozeman
- The University of Montana
- Montana University System

Nevada
- Nevada State College
- University of Nevada, Las Vegas
- University of Nevada, Reno

New Mexico
- New Mexico State University

North Dakota
- Minot State University
- North Dakota State University
- North Dakota University System
- University of North Dakota
- Valley City State University

Oregon
- Oregon State University
- Oregon University System
- Pacific University
- Portland State University
- The University of Oregon

South Dakota
- Black Hills State University
- Dakota State University
- Northern State University
- South Dakota Board of Regents
- South Dakota School of Mines and Technology

Utah
- Utah State Board of Regents

Washington
- Central Washington University
- Eastern Washington University
- Washington State University
- University of Washington Educational Outreach

Wyoming
- University of Wyoming
Western Alliance of Community College Academic Leaders
The members of the Executive Committee of the Western Alliance of Community College Academic Leaders (the Alliance – www.wiche.edu/waccal) met in July 2011 to discuss the launch of its first membership year. The Alliance, modeled after the Western Academic Leadership Forum, provides academic leaders of two-year schools and their related systems and state coordinating and governing boards with a venue for sharing information, resources, and expertise among community colleges and technical schools. Together, the members address issues of common concern across the region and work together on innovative solutions. Like the Forum, it is funded from membership dues and grants.

During its July meeting, the Executive Committee adopted bylaws and held an election of officers. It appointed members to serve on the Oversight Committee of the Academic Leaders Toolkit (discussed above) and identified two primary areas of activity for this year: holding their first annual membership meeting in Phoenix in April 2012, in conjunction with the Forum’s annual meeting; and creating a members-only workspace on the Alliance website, where they can share information and work collaboratively on various tasks. The theme of their annual meeting will be “Change by Design @ edu.”

Charter members with representatives on the Alliance Executive Committee are:

- **Alaska**: University of Alaska Fairbanks
- **Arizona**: Maricopa Community Colleges
- **California**: California Community Colleges
- **Colorado**: Colorado Community College System
- **Hawai’i**: University of Hawai’i System
- **Idaho**: College of Southern Idaho
- **Montana**: Montana University System
- **Nevada**: Great Basin College
- **New Mexico**: Santa Fe Community College
- **North Dakota**: Williston State College
- **Oregon**: Oregon Board of Education
- **South Dakota**: Lake Area Technical Institute
- **Utah**: Salt Lake Community College
- **Washington**: Washington State Board for Community and Technical Colleges
- **Wyoming**: Laramie County Community College

Interstate Passport Initiative
The Interstate Passport Initiative is a grassroots-originated effort by academic leaders in the WICHE states to advance policies and practices supporting friction-free transfer for students in the region. Under the umbrella of this initiative, we envision a set of related regional projects, which would take place during an approximate five-year time span. Participation at the institution, system, or state levels will be purely voluntary. Some may choose to participate in some projects and not in others, or in none at all. WICHE, at the request of the academic leaders involved in the Forum and the Alliance, serves as the facilitator for this initiative.

The initial concept for the Interstate Passport Initiative was proposed by members of the Alliance at their meeting in July 2010. On their behalf WICHE submitted a Fund for the Improvement of Postsecondary Education (FIPSE) proposal later that month but it was not funded. During a meeting of the Executive Committee of the Forum in fall 2010, some members indicated an interest in further exploring this idea. WICHE convened a meeting of representatives from the two organizations, as well as additional transfer and articulation experts in the WICHE states in February 24-25, 2011. The meeting was cochaired by Michel Hillman, vice chancellor for academic and student affairs at the North Dakota University System and a member of the Forum’s Executive Committee, and Peter Quigley, associate vice president of academic affairs for the University of Hawai’i System and a member of the Alliance executive committee. These academic leaders continue to cochair the initiative.
A draft vision resulted from that meeting, outlining some possible goals and next steps, including the recommendation that a task force be appointed to provide further guidance. Hillman and Quigley made follow-up presentations in April and May to the executive committees of their respective organizations. Both supported the establishment of a task force, whose members would include one individual from each WICHE state involved in the February meeting, to further refine the goals and objectives for this initiative and then report back to the two organizations.

The task force identified six goals for the initiative, to be addressed in a series of projects. These include:

- **Goal 1:** Provide data and information to understand the status of the general education core and its relationship to state transfer policies and patterns in the 15 WICHE states, the numbers of students who transfer among the WICHE states, the role of outcomes in defining the core, the process by which change in policy occurs in each pilot state, and other matters important to understanding the baseline circumstances relevant to this project.
- **Goal 2:** Conduct a pilot project in five WICHE states to establish block transfer agreements within and among those states for the lower-division general education core, based on successful integration of LEAP’s (Liberal Education and America’s Promise) essential learning outcomes, developed by the American Association of Colleges and Universities (AAC&U).
- **Goal 3:** Identify the implications for institutional and state policy for a transfer framework based on learning outcomes for further research and projects.
- **Goal 4:** Establish a regional repository for agreements among institutions allowing students with A.A. and A.S. degrees to assume junior status upon admission with their general education completed.
- **Goal 5:** Conduct a pilot project to identify and establish pathways across the region for students to complete the last 60 hours of their major.
- **Goal 6:** Conduct a pilot project to identify and establish pathways across the region for students transferring with an A.A.S. degree to a B.A.S. program.

In July members of the task force worked with WICHE staff to submit a proposal addressing the first three goals to the Carnegie Corporation of New York. WICHE requested a grant of $550,000 for this work to be conducted over a two-year period and we expect to receive notification about the grant in mid-October. The proposal, if funded, calls for a regional committee representing the participating entities to oversee this process and grant “Interstate Passport status” to those successfully aligning with the outcomes. Institutions and systems in California, Hawai‘i, Oregon, North Dakota, and Utah would participate in the pilot. Students who complete the general education requirements at one institution would then be free to take their “passport” to any other participating institution for friction-free acceptance. This new student-centric model would facilitate transfer and articulation among institutions across the region, giving students more freedom to choose where to finish their degrees.

Institutions included in the proposal are:

- **California:** California State University, Sacramento and Cosumnes River College.
- **Hawai‘i:** Leeward Community College and University of Hawai‘i West Oahu.
- **North Dakota:** Bismarck State College, Dakota College at Bottineau, Dickinson State University, Lake Region State College, Mayville State University, Minot State University, North Dakota State University, North Dakota State College of Science, University of North Dakota, Valley City State University, Williston State College.
- **Eastern Oregon University and Columbia Gorge Community College; University of Oregon and Lane Community College.**
- **Utah:** Dixie State College of Utah, Salt Lake Community College, Snow College, Southern Utah University, The University of Utah, Utah State University, Utah Valley University, and Weber State University.

Pat Shea would serve as the principal investigator for the project. Two new part-time staff positions would be created: a .50 FTE researcher/project manager and a .40 administrative assistant. The grant would support six other part-time positions: five would be filled by individuals in the pilot states, who would act as facilitators, and a project evaluator. Over the two-year life of the project, WICHE would earn $35,621 from the grant in indirect and contribute $55,656 in in-kind support to the project.
Gaining Online Accessible Learning through Self-Study

WICHE is a partner in a three-year grant effort (January 2011-December 2013) sponsored by the FIPSE. The Gaining Online Accessible Learning through Self-Study (GOALS) project capitalizes on the products of an existing GOALS project and encourages top administrators to engage in self-study and continuously improve their institution’s web accessibility. This information will help the GOALS partners to create blueprints that will help promote adoption of improved institutional web accessibility in higher education.

One set of blueprints will focus on aligning institutional web accessibility with regional accreditation. The GOALS Consortium will identify ways in which web accessibility is, or could be, expressed in regional accreditation materials; create new materials with a consortium partner, the Southern Association of Colleges and Schools – Commission on Colleges (SACSCOC); and create materials and processes to assist review committees in assessing institutional web accessibility. A second set of blueprints will help support institutional adoption of web accessibility and to support institutions that wish to engage in the GOALS self-study process. These materials will focus on developing workshops, training materials, and templates that institutions can use to evaluate and improve accessibility across their web presence. Another objective of this set of blueprints will be to develop and conduct a cost and economic resource analysis of web accessibility to assist institutions in understanding the costs and benefits associated with including web accessibility into initial development and in retrofitting existing websites.

The GOALS Consortium has six members, led by the National Center on Disability and Access to Education at Utah State University, and including: Michigan Community College Virtual Learning Collaborative; SACSCOC; Southern Regional Education Board; WICHE; and WebAim, a web-accessibility nonprofit at Utah State University. WICHE will be working with its consortium partners in the development and dissemination of materials and information, as well as in the recruitment of 45 field test and case study sites.

Master Property Program

WICHE offers participation in the Midwestern Higher Education Compact’s Master Property Program (MPP) to colleges and universities in the West. Institutional members benefit from comprehensive property insurance coverage tailored to their specific needs, while improving their risk management and asset protection strategies. The program is available to two-year, four-year, public, and private institutions of higher education, subject to approval by the MPP leadership committee. The base program rates are typically below industry averages, which helps members to reduce their insurance costs while improving their asset protection. Members also have the opportunity to earn annual dividends, based on the consortium’s comprehensive loss ratios. Currently, 50 MPP institutions have total insured values of $79 billion.

MPP members collectively have achieved savings of approximately $65 million in premiums and dividends (the estimated savings for the 2010-11 period is $9.9 million). The MHEC program was created in 1994; WICHE has partnered with MHEC in offering the program since 2004. The New England Board of Higher Education (NEBHE) joined the MPP in 2009. The program is currently underwritten by Lexington and is jointly administered by Marsh and Captive Resources under the direction of a leadership committee representative of the participating insured institutions. Craig Kispert, associate vice president for business and planning at Seattle Pacific University, and Laura Peterson, risk manager at the University of Wyoming, represent WICHE member institutions on the MPP leadership committee.

Seven institutions and two systems (with 14 campuses) in the WICHE region are members of the Master Property Program:

- Colorado College
- Lewis and Clark College (OR)
- Nevada System of Higher Education:
  - Community College of Southern Nevada
  - Desert Research Institute
  - Great Basin College
  - Nevada State College at Henderson
  - Truckee Meadows Community College
  - University of Nevada, Las Vegas
  - University of Nevada, Reno
- Western Nevada Community College
• Pima County Community College system – six campuses and four learning and education centers (AZ)
• Reed College (OR)
• Seattle Pacific University (WA)
• Westminster College (UT)
• Willamette University (OR)
• University of Wyoming

Representatives of the member institutions, including risk managers and facilities managers, will attend the Master Property Program’s annual all-insureds meeting and loss control workshop on March 6-8, 2012, in St. Louis. The workshop focuses on facilities and risk management issues relevant to higher education; speakers will include national experts in insurance, construction, facilities management, energy conservation, engineering, fire and disaster prevention, property inspections, appraisals, claims handling, and loss prevention.

WICHE staff continues to work with the program administrators to provide information on the MHEC/ WICHE/NEBHE insurance programs to interested institutions. Jere Mock and several members of the MPP Leadership Committee met with the chancellor of the Oregon University System and his risk management staff on October 12 to discuss the program and with other risk managers from institutions in the West who attended the 2012 University Risk Management Insurance Association annual meeting in Portland.

**WICHE Partners with MHEC to Provide Discounted Purchasing Options**

WICHE also partners with the Midwestern Higher Education Compact on its MHECTech program, which enables colleges and universities in the Midwest and West to purchase off competitively bid purchasing agreements to contain or reduce their purchasing costs. WICHE-region institutions are eligible to purchase computers at discounted rates under the MHECTech contracts with Dell, Fujitsu, Oracle (Sun), Systemax Computers (also known as Global, GovED and CompUSA); Dell and Xerox printers and peripherals; and data networking offered by Juniper Networks.

Several of the purchasing agreements are also available to K-12 organizations; local, county, and state governments; and nonprofit organizations. The agreements aggregate volume purchases to lower product costs and reduce the time institutions must spend developing and conducting bids themselves. MHEC undertakes the time and expense of the RFP process, and institutions can purchase the goods or services knowing that the due diligence in selecting the vendor has already been done. The MHECTech website (www.mhectech.org), as well as WICHE’s website, provide details on the vendors, contracts and eligible entities.