

FALL 2007 ** 2 CREDITS
EDL 553 – HIGHER EDUCATION POLICY & FINANCE:
A PUBLIC POLICY AND FINANCIAL MANAGEMENT PERSPECTIVE

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OFFICE LOCATION: Room 203, Robertson-Sayer Hall (enter through the Robertson side, which faces University Avenue)

OFFICE HOURS: after each class meeting and by appointment

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COURSE DESCRIPTION

The catalog describes the course as follows:

An overview of the relationship between fiscal policy and decision making in institutions of higher education[sic]. The sources of revenue for higher education will be studied as well as the budgeting, accounting, and auditing procedures applicable to nonprofit institutions. The college administrator's role in guiding the fiscal welfare of an institution of higher education will be explored.

Because the course only meets over two weekends, the material is covered to highlight a series of topics captured within fiscal public and organizational policy with an overarching discussion on economics (primarily microeconomics). More specifically, the course is arranged into two major units: economic and public policy issues of higher education finance (with an emphasis on leadership at public institutions of higher education) and organizational issues of budgets and financial management.

Like the law class, this course contains many new vocabulary words in three domains: economics (e.g., personal equity, signaling, opportunity costs, sunk costs), public policy (e.g., actors, instruments, iron triangle, policy frameworks such as Easton's analysis and punctuated-equilibrium), and finance (e.g., cash-flow, depreciation, refunding and defeasance). You are strongly encouraged to create a glossary or compile a glossary from several sources as a guide.

PREREQUISITES

EDL 541 Introduction to Higher Education, EDL 551 Academic Administration, EDL 575 Education & Public Policy (higher education section)

COURSE EXPECTATIONS AND CLASSROOM ETIQUETTE

- *Attendance and Engagement:* Your contributions to class discussions, and your absorption and reflection during the interactive components of the course add to your overall learning as well as to others in the class. Thus, attendance and engagement are mandatory.
- *Preparation:* Your level of preparedness directly impacts the course dynamics; therefore, readings and other assignments should be completed prior to the course meeting. In addition, absent a valid excuse or prearranged agreement, late assignments will not be accepted.
- *Opportunity and Openness:* The classroom should be a safe place to express ideas, opinions, and beliefs. Indeed, academic criticisms and discussions are critical elements of the course; however, behavior that obstructs traditional norms of academic freedom and mutual respect are not acceptable. Similarly, class participation is encouraged; at the same time, consideration of others such as providing others time to speak and learn should be respected. In other words, please provide opportunities for others to join the discussion.
- *Devices and Disruptions:* Please silence cell phones, beepers, and similar gadgets during class meetings. If you are on-call or an emergency signal is given, please quietly step outside of the classroom to address the matter.
- *Food and Physical Environs:* The class meetings are quite long. Although there will be periodic breaks, there may be times when you need to use the restroom, eat a snack in-class, or stretch a bit more. These are understandable needs. I only ask that you move quietly, keep the room clean, and avoid disrupting others. In addition, please feel free to provide me suggestions on how to make the physical environment and experience more comfortable.
- *Academic Integrity:* Adherence to academic norms and ethical standards is expected of graduate students. Your work must conform to University, College, and Department policies. Moreover, I wish to note that academic integrity consists of authenticity and proper attribution. Thus, fabrication of content and plagiarism will not be condoned. Violators of the academic integrity policy will automatically receive a failing grade for the assignment and will be brought before a committee to review the academic violation, which may result into dismissal from the program. Emphasizing this point further, I wish to remind everyone to please properly attribute works (see also, Code of Student Life, Rule 3-3; Graduate Academic Catalog section on Academic Standards).

ACCOMMODATIONS FOR STUDENTS WITH DISABILITIES

The University will make reasonable accommodations for persons with documented disabilities. Students are encouraged to contact the Office of Disability Support Services. At the Grand Forks campus, you may reach the staff at 190 McCannel Hall or (701) 777-3425 v/tty. Services are available to students who are registered and submit appropriate documentation. As your instructor, I am happy to discuss specific needs with you as well.

COURSE EVALUATION/GRADING

35%	Class Participation & Preparedness				
35%	Higher Education Finance Policy Brief or Organizational Finance Memo				
30%	Final Exam				
	A	90-100	B	80-89	C 70-79

Class Participation: Class participation includes contributions to class discussions, analysis and synthesis of the readings, application of theories and concepts, and in-class assignments.

State Higher Education Finance Distribution System: Each student must obtain information on the higher education finance distribution system for 2 assigned states – with an emphasis on the 4-year college system. You should also attempt to familiarize yourself with the 2-year state funding models. You are free to simply contact the SHEEO office to expedite the process. You should also check Grapevine to track the bi-annual appropriations. You must review the data and take notes.

[DUE: 2nd weekend – Sunday, October 14 at 3:00 pm]

Institutional Finance Data Collection & Supporting Documents: Each student must bring institutional financial data. Because the formats of data vary extensively by institution-to-institution, you should at minimum bring the following:

1. institution's mission statement;
2. institution's strategic plan;
3. overall institutional financial position for the latest year possible (e.g., balance sheet, statement of financial position);
4. overall institutional financial activities for the latest year possible (e.g., statement of activities, income statement);
5. overall institutional budget for the latest year possible; and
6. report of one unit's (e.g., Office of Disability Student Services, Office of Housing & Residence Life) financial activities for a given year and its budget allocation for that given year along with that unit's mission statement.

You must review the data and take notes. **[DUE: 2nd weekend – Sunday, October 14 at 3:00 pm]**

Exam: Students will have 3 hours to complete an exam, which will be available on Blackboard from 3-6pm – Sunday, December 2, 2007. By 6:30 pm, students must submit the completed exam through Blackboard's digital drop box **[DUE: Sunday, December 2, 2007 at 3:00 pm]**

REQUIRED TEXTS & MATERIALS

Barr, M. J. (2002). Academic administrators guide to budgets and financial management. San Francisco, CA: John Wiley & Sons.

Chronicle of Higher Education (access to weekly paper)

Inside Higher Education

Articles, see Reading Assignments below.

OPTIONAL: OTHER RESOURCES

Belfield, C. R., & Levin, H. M. (Eds.). (2003). The economics of higher education (The International Library of Critical Writings in Economics, 165). Northampton, MA: Edward Elgar Publishing

Clotfelter, C. T., & Rothschild, M. (1993) (Eds.). Studies of supply and demand in higher education. Chicago, IL: University of Chicago Press.

Goldstein, L. (2005). College and university budgeting: An introduction for faculty and academic administrators. Washington, DC: National Association of College and University Business Officers.

Goodchild, L., Lovell, C., Hines, E., & Gill, J. (Eds.) (1997). Public policy and higher education (ASHE Reader Series). Needham Heights, MA: Pearson Custom Publishing.

Ehrenberg, R. G. (2002). Tuition rising: Why college costs so much. Cambridge, MA: Harvard University Press.

Elmore, R. (2004). School reform from the inside out: Policy, practice, and performance. Cambridge, MA: Harvard Education Press.

Heller, D. (2001). The states and public higher education policy: Affordability, access, and accountability. Baltimore, MD: Johns Hopkins University Press.

McPherson, M. S., & Schapiro, M. O. (1997). The student aid game. Princeton, NJ: Princeton University Press.

McPherson, M. S., & Schapiro, M. O. (Eds.) (2006). College access: opportunity of privilege? New York, NY: College Board.

Paulsen, M. B., & Smart, J. C. (Eds.) (2001). The finance of higher education: Theory, research, policy, & practice. Edison, NJ: Agathon Press.

Priest, D. M., & St. John, E. P. (Eds.) (2006). Privatization and public universities. Bloomington, IN: Indiana University Press.

St. John, E. P., & Parsons, M. D. (Eds.) (2004). Public funding of higher education: Changing contexts and new rationales. Baltimore, MD: Johns Hopkins University Press.

Yeager, J. L. (Ed.) (2001). Finance in higher education (ASHE Reader Series). Needham Heights, MA: Pearson Custom Publishing.

SELECTED PROFESSIONAL ASSOCIATIONS/ORGANIZATIONS & RESEARCH CENTERS

American Association of University Professors (AAUP): <http://www.aaup.org/>
American Council on Education (ACE): <http://www.acenet.edu>
American Association of State Colleges and Universities (AASCU): http://www.aascu.org/state_budget
Association of Governing Boards of Universities and Colleges (AGB): <http://www.agb.org>
Association of Higher Education Facilities Officers (APPA): <http://www.appa.org/>
Center for Higher Education Policy Studies (CHEPS, University of Twente): <http://www.utwente.nl/cheps/>
College and University Professional Association for Human Resources (CUPA): <http://www.cupahr.org/>
Cornell Higher Education Research Institute (CHERI – Cornell’s ILR program):
<http://www.ilr.cornell.edu/cheri/>
Education Commission of the States (ECS): <http://www.ecs.org/>
Germany - Federal Ministry of Education and Research: <http://www.bmbf.de/en/655.php>
Grapevine [through Illinois State]: <http://coe.ilstu.edu/grapevine/>
Higher Education Policy Institute [United Kingdom]: <http://www.hepi.ac.uk/>
Higher Education Resource Hub: <http://www.higher-ed.org/>
Higher Education Washington Inc: <http://www.hewi.net/>
Institute for Higher Education Policy: <http://www.ihep.org/>
National Association of College and University Business Officers (NACUBO): <http://www.nacubo.org/>
National Association of State Budget Officers (NASBO): <http://www.nasbo.org>
National Center for Education Statistics (NCES): <http://nces.ed.gov/index.asp>
National Center for Education Statistics (NCES) – IPEDS data: <http://nces.ed.gov/ipeds>
National Center for Higher Education Management Systems (NCHEMS): <http://www.nchems.org/>
National Center for Public Policy and Higher Education (NCPPE): <http://www.highereducation.org/>
National Education Association (NEA) Higher Education Research Center:
<http://www.nea.org/he/research.html>
Society for University Planning (SCUP): <http://www.scup.org/>
State Higher Education Executive Officers (SHEEO): <http://www.sheeo.org/default.htm>
Stateline.org (sponsored by PEW): <http://www.stateline.org>
UNESCO-CEPES (European Centre for Higher Education): <http://www.cepes.ro/>
Williams Project on the Economics of Higher Education: <http://www.williams.edu/wpehe/>

COURSE SCHEDULE & ASSIGNMENTS¹

INTER-SESSION

Register to the following sites for e-mail updates (August 21-December 21):

- <http://www.hewi.net/news/join.asp>
- <http://listserv.uga.edu/archives/cpphe-l.html>

Review these websites (August 21-Sept 7)...

- Higher Education Washington Inc: <http://www.hewi.net/>
- Stateline.org (sponsored by PEW): <http://www.stateline.org>
- Council on Public Policy in Higher Education – Association for the Study of Higher Education
<http://www.ashe-cpphe.org/links/index.htm>

Review Public Policy Frameworks

- Mulholland, S., & Shakespeare, C. (2005). An analysis of frameworks for higher education policy analysis. New York, NY: NYU's Alliance for International Higher Education Policy Studies.

Review State Structures (see UNC Report from EDL 551, Academic Administration)

WEEKEND 1 * September 23-24

College Costs: State Data²

- 1.1.a The college cost crunch: A state-by-state analysis of rising tuition and student debt (A Report Prepared By Senate Health, Education, Labor and Pensions Committee Democratic Staff And Senate Democratic Policy Committee). Retrieve from <http://kenedy.senate.gov/downloads/CostReport.pdf> [SKIM]
- 1.1.b State funding for community colleges: a 50-state survey. Boulder, CO: Education Commission of the States. Retrieved at <http://www.communitycollegepolicy.org/pdf/CC%20Finance%20Survey.pdf> [SKIM]
- 1.1.c State Higher Education Executive Officers (2007). State higher education finance FY2006. Boulder, CO: Author: Boulder, CO. Retrieved at http://www.sheeo.org/finance/shef_fy06.pdf [SKIM]

¹ [SKIM] = Skim document to just a get a sense of the topic and purpose and key messages; [Print & Bring to Class] = We will read and discuss in class. You may read the document in-advance, if you wish.

² To save paper, I recommend that you contact a peer so you each only print one of these reports. We'll discuss the reports in class, but you do NOT need your own individual copy.

- 1.1.d Marks, J. L., & Caruthers, J. K. (1999). A primer on funding of public higher education. Atlanta, GA: Southern Regional Educational Board.

Higher Education Appropriations: State Analysis

- 1.2.a Kane, T. J., Orszag, P. R., & Apostolv, E. (2005). Higher education appropriations and public universities: Role of medicaid and the business cycle. Brookings-Wharton Papers on Urban Affairs, pp. 99-146.
• also read Comments by Robert P. Inman and Andrew Reschovsky

College Access

- 1.3.a St. John, E. P. (2006). Contending with financial inequality: rethinking the contributions of qualitative research to the policy discourse on college access. American Behavioral Scientist, 49(12), 1604-1619.
- 1.3.b Perna, L. W. (2006). Understanding the relationship between information about college prices and financial aid and students' college-related behaviors. American Behavioral Scientist, 49(12), 1620-1635. [Print & Bring to Class]
- 1.3.c American Council on Education (2005). What every student should know about federal financial aid. Washington, D.C.: Author. [SKIM]
- 1.3.d College Board (2007). Trends in student aid. New York, NY: Author. Retrieved from http://www.collegeboard.com/prod_downloads/about/news_info/trends/trends_aid_07.pdf [SKIM]
- 1.3.e U.S. General Accounting Office (2006, Dec.). Multiple tax preferences and Title IV student aid programs create a complex education financing environment. Washington, D.C.: U.S. Government Printing Office. Retrieved at <http://www.gao.gov/new.items/d07262t.pdf> [SKIM]
- 1.3.f Vedder, R. (2007). Over invested and over priced: American higher education today. Washington, D.C.: Center for College Affordability and Productivity. Retrieved from http://www.collegeaffordability.net/CCAP_Report.pdf
- 1.3.g The Secretary of Education's Commission on the Future of Higher Education (2006). A test of leadership: Charting the future of U.S. Higher Education. Washington, D.C.: U.S. Department of Education. Retrieved from <http://www.ed.gov/about/bdscomm/list/hiedfuture/index.html>

Performance Reporting: State Accountability and Compliance

- 1.4.a Burke, J. C., & Minassians, H. (2003). Performance reporting: "Real" accountability or accountability "lite" (Seventh Annual Survey 2003). Albany, NY: The Nelson A. Rockefeller Institute of Government, State University of New York. Retrieve from <http://www.rockinst.org/WorkArea/showcontent.aspx?id=8458> [SKIM]

Theory: Soft Power Typology

- 1.5.a Nye, J. (2005, July). Soft power and higher education. Forum for the Future of Higher Education, Educause. Retrieved from <http://www.educause.edu/ir/library/pdf/ffp0502s.pdf>

Public Policy Practice: Student-Grant System

- 1.6.a Murray, V. (2006). Cash for college: Bringing free-market reform to higher education (Policy Report No. 208). Phoenix, AZ: Goldwater Institute. Retrieved from <http://www.goldwaterinstitute.org/Common/Files/Multimedia/921.pdf> [Print & Bring to Class]

WEEKEND 2 * October 14-15

Overview of Budget & Financial Planning Process

- 2.1.a Barr, M. J. (2002). Academic administrators guide to budgets and financial management. San Francisco, CA: John Wiley & Sons.³

Organizational Practice: Analyses of Budget & Financial Planning Data

- 2.2.a Financial Ratios Report – Public Institutions (from JBL Associates, Inc.)

- <http://www.jblassoc.com/pdfs/fguide.pdf> [SKIM]
- <http://www.jblassoc.com/pdfs/freport.pdf> [SKIM]

- 2.2.b Mission Ratios Report – Public Institutions (from JBL Associates, Inc.)

- <http://www.jblassoc.com/pdfs/mguide.pdf> [SKIM]
- <http://www.jblassoc.com/pdfs/mreport.pdf> [SKIM]

- 2.2.c Strategic Financial Analysis for Higher Education

- <http://www.ncahlc.org/download/StratFinAnalysis6th.pdf> [SKIM] [Bring to Class]

Organizational Practice: Value of Comparison Data

- 2.3.a Middaugh, M. F. (2000). Using comparative cost data. In M. F. Middaugh, Analyzing costs in higher education (New Directions for Institutional Research, no. 165) (pp. 55-74). San Francisco, CA: Jossey-Bass, Inc. [SKIM] [Print & Bring to Class]

Organizational Practice: Capital Budgeting

- 2.4.a Manns, D. (2004). An assessment of capital budgeting practices for public higher education. Planning for Higher Education, 32(2), 4-11. [Print & Bring to Class]

Organizational Practice Tips: Cost Cutting in Academic Affairs

- 2.5.a Coplin, W. D. (2006). 7 ways colleges can cut costs in their classrooms. Chronicle of Higher Education, B15-B17.

Organizational Strategy: Resource Theory of the Firm

- 2.6.a Hearn, J. C. (2003). Diversifying campus revenue streams. Washington, D.C.: American Council on Education.

CASE STUDY: Tuition Pricing at Windsor College (A) and (B) [Bring to Class, the UND Bookstore has copies]

³ This book is a reference guide. The instructor will discuss other approaches beyond what is contained in this book. In addition, the class will address pros/cons to each approach.

