Proposal to Reorganize UA South into Arizona Outreach College and UA@

Contact: J.C. Mutchler, Interim President, UA South Faculty Forum

Mutchler@email.arizona.edu cell 520.901.0428

University of Arizona South
1140 Colombo
Sierra Vista AZ 85635

Proposal Prepared by: UA South Faculty

Proposal Reviewed by: UA South Faculty, UA South Management Team, UA South Dean Gerald Jubb, UA Senior Associate VP for Outreach Mike Proctor, Dean of the Outreach College Dr. David Cox, UA VP for Outreach and Dean of CALS Gene Sander, and UA South Student Government Leadership.

Note: This proposal has been sent out to ALL UA South Employees, but due to short timeline and dispersed multiple campus model of UA South, more discussion with staff is needed for their vital input.

Units Affected: UA South and Arizona Outreach College

Note: This proposal is absolutely seen to be complementary to, and in consultation with, the “UA South Transformation White Paper Proposal” authored primarily by Dean Skip Jubb.
Proposal to Restructure UA South and Arizona Outreach College

Restructuring UA South and the Arizona Outreach College into UA@ -- One University

Wherever You Are: A cost saving and quality enhancing restructuring of UA South and Arizona Outreach College into ONE single organizational unit enhances the University of Arizona Land Grant Mission and provides UA@ community campus based face-to-face, blended hybrid, and online high quality baccalaureate and Masters Level education for students who cannot come to Main Campus that is accessible, affordable and cost effective, all at an instructional cost per FTE and cost per degree that is much lower than Main Campus.

Implementation and Benefits of Restructuring Proposal

1. Cost Savings of FTE and Degree Production: (See Budget.) UA South cost per FTE is substantially less than Main Campus cost per FTE and this cost figure will go down significantly with increased UA@ Outreach enrollments. (Increase of UA South average class size enrollment to only 18 FTE per course results in 64% cost reduction in already efficient model.) UA South cost per baccalaureate degree produced is already less than half the cost to produce a baccalaureate degree on Main Campus and, again, will go down significantly with increased UA@ enrollments. Cost savings are scalable and allow the U of A to meet increased educational access needs and expanded baccalaureate degree production in the coming years to enhance Arizona’s economic future while saving the U of A, literally, millions of dollars.

2. Leaner Administration & Staffing: Realign administration and staffing structure of UA South from current model to one with more centralized functions in the Arizona Outreach College and on Main Campus that eliminate repetition of work and streamline administrative functions at each stage. Example: Student Services staffer at UA@ site inputs student data directly to Main Campus Student Services via electronic link in new Enterprise Computing System. Examination of Administrative redundancy. Caveat, most UA South staff already do the work of two or three staff. Annual cost savings of $100,000 to $900,000.

3. Service on Demand: Use Main Campus centralized Business Center Model proposed by Provost Hay that sends staff to sites as needed during periods of peak demand. Example: Bookstore staff could be on-site at UA@ campuses during beginning of semester or buy-back periods. Students could order books online from Main Campus bookstore for UA@ campus delivery. Not necessary to staff this essential function on-site year round. Annual savings of $50,000 to $100,000.

4. Unique Outreach Tenure Track Faculty: Realize unique nature of Tenure Track Outreach Faculty, assign workloads accordingly that are negotiable on one and three year rotations with 40%-40%-20% adjustable workloads of Teaching, Outreach & Service, and Scholarship, recognizing and rewarding the fact that most Outreach Faculty spend inordinate amounts of time working in administrative, service, student recruitment and teaching roles not normally assigned to Main Campus faculty. Allows recruitment of top quality personnel and rewards them for actual work produced, increasing efficiency and productivity.

5. Unique Outreach Contract Faculty: Based on student FTE, replace Adjuncts with Full Time Contract Faculty that receive three-year renewable contracts that convert to seven-year renewable contracts after six years of successful service. Adjustable workloads of 70%-20%-10% Teaching, Outreach & Service, and Scholarship that again reward and recognize the unique roles of Outreach Faculty within the larger university. Stabilizes programs, provides higher quality faculty instruction, while maintaining fiscally adaptable demand driven academic staffing.

6. Main Campus Departmental Ties: Closer ties between UA@ Outreach Faculty and disciplinary Main Campus departments. No cost to Departments. Enhances academic quality as well as Outreach Faculty satisfaction and intellectual engagement with wider university community. Potential synergistic research opportunities.
7. **Blended Hybrid and Online Course Delivery**: Blended Hybrid delivery models of many classes with combinations of in-person, community-based, face-to-face and technologically delivered instruction as well as traditional face-to-face and online educational delivery modalities. Increases accessibility for students and fosters increased production of baccalaureate degrees at far lower instructional cost for Main Campus. Incentivize Main Campus and UA@ site cooperative delivery of instruction through cooperative revenue sharing increasing educational access in cost effective model.

8. **Strategic Student Recruiting Plans**: Strong strategic student recruiting plans based on community needs assessments with professional staff level recruiters and metric based plans that utilize synergistic faculty and staff cooperation to help provide high quality educational access to students and increase enrollments to economically sustainable levels. SOCAD designation increases military access.

9. **Educational Access Portal**: UA@ campuses work with community college partners for 2 + 2 pathways to baccalaureates. Introduction of new Four Years to a UA@ Degree: 2 + 1 + 1 = 4 community college and university partnership model whereby UA@ faculty provide some instruction on community college campuses in first two years with enrollment in UA@ from year one for students, increasing academic quality and remaining cost effective. Based on community educational needs assessments, UA@ campuses offer a selection of degrees unique to UA@ campuses as well as UA Main Degrees delivered by both Main Campus and UA@ faculty, in addition to providing community level presence and outreach for Main Campus, encouraging students to make the transition to Main Campus where appropriate.

10. **Continuing Education and Professional Development**: Campus and workplace based, face-to-face, blended hybrid and online delivered continuing education and professional development training for communities and businesses. Extremely lucrative revenue generating model that can be scaled well beyond Arizona, especially with global manufacturing structures. Example: UAS Continuing Education model now generates approximately one million dollars in tuition revenue a year with a 30% to 40% profit margin.

11. **Community Campuses**: Local community college infrastructure can be used as shared cost functional space for instruction. UA@ campus facilities can be constructed and financed by local supporters and boosters on groundbreaking UA South Sierra Vista model. Lowers UA Main capital costs of building, enhances local educational access at community colleges, and allows UA@ expansion through community based financial support.

**Effect on Teaching and Outreach**: The restructuring of UA South and the Arizona Outreach College into a single organizational unit along with the creation of the UA@ framework will be a nation leading outreach model that solidly affirms and enhances the U of A’s commitment to its Land Grant mission and expands the university’s opportunity for HSI, Hispanic Serving Institute, designated campuses. Lower UA@ FTE and degree production costs (See Budget) enables the U of A to increase its production of high quality baccalaureate and Masters Level degrees to meet the educational and economic needs facing Arizona with little to no additional investment, funding expansion through community financed campuses and faculty growth through 22 to 1 monies and tuition revenues. The nimbleness and adaptability of the UA@ model enables the U of A to meet the changing educational needs of the future through the trial of innovative educational strategies at cost effective educational size models that can then be scaled to larger student numbers. This restructuring provides an outreach model that other universities will look to as the Gold Standard for high quality cost effective educational access.

**Demand**: Currently, some 47,000 Arizona students are enrolled in various non-ABOR online universities, with an additional 87,000 estimated potential students currently unable to access higher education, many of whom are Hispanic, Native American, members of other underrepresented groups, rural based, economically disadvantaged, or first-generation college-degree seeking Arizonans. Increased access to a high quality, lower cost, U of A delivered degree that students can obtain within their communities cannot fail to meet a significant portion of these needs.

**Consultation Process**: This proposal is absolutely seen as complementary to, and in consultation with, the “UA South Transformation White Paper Proposal” from UA South. Stakeholders at UA South given opportunity for review of this proposal include: UA South Dean Dr. Gerald Jubb, Senior Associate VP for Outreach Mike Proctor, Dean of Outreach College, Dr. David Cox, VP for Outreach and Dean of CALS Dr. Gene Sander, the UA South Faculty, UA South Management Team, ASUAS Student Government leaders, several external community members, as well as several Main Campus faculty and administrative leaders. This proposal has been sent out to ALL UA South Employees, but due to short timeline and dispersed multiple campus model of UA South, more discussion with staff is needed to capture their vital input.
Savings by FTE and Baccalaureate Degree

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<tr>
<th>Current Cost per FTE by UA South (FY 09)</th>
<th>$5.4 mill./378 FTE</th>
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<tbody>
<tr>
<td>Cost per FTE by UA Main (Per 2007 Fact Book)</td>
<td>$564 mill/36,733 FTE</td>
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= approx. $14,285, approx. $15,354

Note: Even a modest increase in average course enrollment at UA@ to 18 students per course, requiring NO increase in current faculty staffing, would lower UA@ Cost Per FTE to $10,322 per FTE, increasing savings per FTE to approx. $5,000.¹

Cost per baccalaureate degree produced at UA Main Campus

approx. $59,700²

Cost per baccalaureate degree produced at UA South (FY 09)

approx. $28,570³

Note: Even a modest increase in average course size enrollment at UA@ to 18 students per course, requiring NO increase in current faculty staffing, would lower UA@ Cost Per baccalaureate degree to $20,644, increasing saving per baccalaureate degree to $39,056.

Cost Savings for Production of 10,000 new UA baccalaureate degrees by 2014 ⁴

Potential savings to UA to produce 10,000 additional baccalaureate degrees by 2014 using UA@ model:

10,000 new degrees X $31,130 savings per degree = $311,300,000 in potential degree production cost savings.

Potential Administrative Savings Under UA@ Reorganization

Centralization of UAS Staffing

approx. $100,000 to $200,000 plus ERE

Centralization of Administration

approx. $200,000 to $700,000 plus ERE

UAS FY 09 Budget: $5,434,800. State Appropriation of $3,663,100 plus Tuition Revenue of $2,227,800, minus $546,000 in student fees retained by Main Campus, plus $39,900 in student fees returned to UAS.

UAS FY 09 Budget Expenditure: Total Administration $1,726,480; Facilities $620,439; Faculty $3,087,881

¹ Note: Cost savings per FTE and baccalaureate degree are scalable and require no new UA@ faculty over current UA South employment. Scalability does rely on strategic student recruitment plan. Recruitment success increase of average UA@ class size enrollment to 22 FTE moves UA@ FTE cost to $8,444, FTE savings to $6,910, baccalaureate degree savings to $42,812, savings per 10,000 degrees to $428,120,000 over UA Main costs per same.

² Data provided by Rick Kroc to SPBAC on Delta Guidelines for cost of four year undergrad degree at UA Main.

³ UA South only teaches upper level courses, first two years are obtained at community college.

⁴ 10,000 additional baccalaureate graduates by 2014 is only a modest step towards meeting projected needs for Arizona economy. See footnote 1 for scalability of savings.