

MICHIGAN HIGHER EDUCATION 2018 EDITION

# PUBLIC POLICY AGENDA

Higher Education Policy Priorities for Strengthening  
the State Universities' Ability to Serve Michigan



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## EXECUTIVE SUMMARY

Serving approximately 290,000 students annually, the state's 15 public universities serve as integral partners with government, business and industry, and the philanthropic and non-profit sectors to build a better Michigan. They are *public institutions* serving the *public interest*.

The high-quality and global reputation of Michigan's public universities are rooted in the state's unique form of higher education governance. State constitutional autonomy granted to the universities allows the gubernatorial-appointed and popularly-elected governing boards of these institutions to ensure strong accountability and stewardship of key fiscal, academic and other policy matters.

Representing the collective views of the state's public universities, the policy statements presented in this Michigan Higher Education Public Policy Agenda represent a guiding framework within which these institutions can successfully fulfill their missions while ensuring public accountability, academic quality and fiscal stewardship. The statements are tailored to Michigan and its unique policy-setting context, and are reflective of current issues being discussed in the state's public policy domain. This guide to higher education policy issues can serve as a resource for ensuring that Michigan's 15 public universities continue their historic achievements in shaping the state's rich legacy while fully realizing the promise of its future.

## HIGHER EDUCATION STATE POLICY PRIORITIES

### COLLEGE AFFORDABILITY

#### State Operating Support

- Increase state operating support for Michigan's public universities to maintain college affordability.
- Promote a state higher education funding model that provides sufficient, predictable and sustained public university operating support.

#### State Performance-based Funding

- Continue the utilization of a state performance-based funding system in which formula refinements involve input from public university leaders and that awards state appropriation allotments that support the missions of individual institutions.

#### State Need-based Student Financial Aid Programs

- Increase state investment in need-based student aid programs that promote access for low-income students.
- Boost, through new investment rather than redirection, the share of state financial aid directed to students attending the state's public postsecondary institutions, which are generally more affordable.

#### Tuition-Setting (Tuition Caps/Tuition Price Controls)

- Eliminate the use of legislatively-imposed tuition price controls, which impinge Michigan's public universities' ability to maintain affordable net costs of attendance, to strategically invest in programs designed to boost student outcomes, or to make other strategic investments as evaluated by the institutions. Caps on tuition prices, particularly when the state does not appropriate reasonable levels of university operating support, inhibit these institutions' ability to meet state educational attainment and economic goals.
- Reinforce recognition that full authority in setting tuition policy at Michigan's public universities is best determined locally and lies with the governing boards of these institutions.

## CAPITAL OUTLAY AND ASSET PRESERVATION

### State Investment in Campus Facilities and Infrastructure

- Support a state capital outlay process that is conducted annually, is consistent and predictable, and provides the public investment needed to ensure continued world-class academics and applied research at Michigan's public universities.
- Reinststitute state payments for infrastructure, technology, equipment, and maintenance at university facilities, helping these state institutions lengthen the lifespan and functional utility of the state's investment for many more years.

## STUDENT SUCCESS

### Rigorous Postsecondary-aligned K-12 Education Standards

- Promote state-led collaboration among all stakeholders along Michigan's elementary, secondary, and postsecondary education continuum to ensure that academically rigorous standards are available to guide instruction for all K-12 students.
- Continue state-led reform in developing a comprehensive and high quality system for assessing student learning.

### Teacher Preparation and Professional Development

- Promote collaboration among institutions and state officials to strengthen collegiate teacher preparation and professional development programs.
- Caution against using student test scores in evaluating teachers, and teacher preparation and professional development programs.

## COLLABORATION VERSUS DUPLICATION AS THE MODEL FOR MICHIGAN PUBLIC HIGHER EDUCATION

### Community College Bachelor's Degrees

- Oppose legislation that authorizes Michigan's community colleges to offer four-year degree programs.
- Reinforce the respective and distinct missions of the state's public universities and community colleges, and promote continuance of the historical model of programmatic collaboration, not duplication, between the two higher education sectors.

### Seamless Student Transfer

- Support voluntary efforts to refine a streamlined, simplified and transparent process by which students can ascertain the transferability of credit-bearing courses from and among the state's community colleges and its public universities.
- Promote recognition that—with an emphasis on two- and four-year degree program alignment and the maintenance of rigorous academic standards—final determination on discipline-specific credit acceptance lies with university departmental faculty.



## CAMPUS SAFETY

### Campus Sexual Assault

- Ensure that any state legislation that seeks to address issues related to campus sexual assault complements existing or impending federal legislation and is grounded in the following principles: respect for the wishes of the victim, proactive support to students, and fairness for all involved in a given incident. In addition, such legislation should maintain the longstanding educational nature of the university discipline system.

### Guns on Campus

- Oppose state legislation that seeks to diminish or eliminate institutional authority to regulate guns on campus.

## UNFUNDED STATE MANDATES

### Michigan Indian Tuition Waiver

- Advocate for the state to fully fund its mandated Michigan Indian Tuition Waiver program.

### State Reporting Burdens

- Reduce unfunded state reporting activities.
- Streamline state reporting requirements to eliminate wasteful duplication of efforts.

## ACADEMIC GOVERNANCE

### Institutional and Faculty Expertise on Academic Matters

- Educate stakeholders on the benefits of the principles of academic freedom.
- Oppose state efforts to micromanage academic decisions regarding admissions criteria, the faculty, curriculum and instruction at public institutions.
- Oppose legislative interference with research and the academic peer-review process.

## CAMPUS FREE SPEECH

### Ensuring Uninhibited Diversity of Thought, Speech, and Expression

- As enshrined in the Michigan Constitution, ensure university governing board oversight of campus free speech policies in protecting First Amendment rights.
- Oppose state legislation that seeks to place mandates on institutional campus free speech policies.

## INSTITUTIONAL GOVERNING BOARD AUTHORITY OVER CAMPUS OPERATIONS

### Board Oversight of Fiscal, Personnel and Operational Issues

- Promote understanding and recognition among stakeholders of the authority governing boards have over public university strategic and operational matters.

## THE STATE'S PUBLIC UNIVERSITIES: ESSENTIAL PARTNERS IN BUILDING A BETTER MICHIGAN

Michigan's 15 public universities serve a foundational role in advancing Michigan's economic, civic, and social aspirations. For two full centuries, beginning with the founding of the University of Michigan in 1817—twenty years before Michigan became a state—they have been the gateway to educational opportunity and economic success for hundreds of thousands of the state's citizens. Today, the state's public universities enroll almost 300,000 students annually and serve as engines of economic growth and stability for communities and regions throughout the state. Through their diverse and tailored missions, these institutions drive talent development aligned to state workforce needs, serve as major portals for research and development, and move new technology and ideas to the marketplace through business start-ups. They are known nationally and internationally for their high academic quality while also being financially accessible. They strive to ensure student success for underserved populations and those critical to boosting the state's educational attainment levels, including those from low-income backgrounds, first generation college students, minorities, military veterans, and working adults. The state's public universities have long served as integral partners with government, business and industry, and the philanthropic and non-profit sectors to build a better Michigan. They are public institutions serving the public interest.

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## THE CONNECTION BETWEEN COLLEGE DEGREE ATTAINMENT AND ECONOMIC PROSPERITY IN MICHIGAN

Throughout the U.S., focus is being placed on boosting states' college degree attainment levels, and for good reason. There is no better state strategy for increasing economic prosperity than increasing citizens' postsecondary education rates. In Michigan, the 2016 median salary for those aged 25 and older with a four-year degree was \$50,800, \$18,400 more than those with a two-year degree (\$32,400) and nearly \$23,600 more than those with a high school diploma (\$27,200). Bachelor degree holders in Michigan also enjoy greater job security, with an unemployment rate in 2016 of just 2.4 percent—less than one-half the rate of those with some college or an associate's degree (4.9 percent) and one-third the rate of those with a high school diploma (7.1 percent).<sup>1</sup>

Yet, Michigan lags considerably behind other states when it comes to college degree attainment, ranking 34th in the proportion of adults with a four-year degree,<sup>2</sup> and as a corollary, 32<sup>nd</sup> in per-capita income.<sup>3</sup> Against this backdrop, however, it is forecasted that 43 of the 50 high-demand and high-wage careers in Michigan in 2024 will require at least some level of postsecondary education with 36 requiring a bachelor's degree or higher.<sup>4</sup> Michigan's ability to survive and thrive in an increasingly interconnected global economy greatly depends on our collective ability to foster policies that increase access to the state's 15 public universities, while also maintaining academically rigorous programs that prepare students for the state's talent needs.



There is no better state strategy for increasing economic prosperity than increasing citizens' postsecondary education rates.



## CONTEXT: GOVERNANCE AND POLICY DEVELOPMENT AND OVERSIGHT AMONG MICHIGAN'S PUBLIC UNIVERSITIES

### *State Constitutional Autonomy Granted to Michigan's Public Universities*

Under Michigan's Constitution, public universities have constitutional autonomy. Article VIII, Section 5 of Michigan's Constitution of 1963 reads:

*Each board shall have general supervision of its institution and the control and direction of all expenditures from the institution's fund.*

Constitutional autonomy enables Michigan's public universities to be governed in a manner that allows individuals who are well versed in higher education policy issues to make governance decisions for the institutions. Constitutional autonomy was first granted to the University of Michigan in 1850. As other public universities were created and subsequent constitutions adopted by the people of the State of Michigan, constitutional autonomy was continued as the most effective and appropriate method of governance for the state's public universities.<sup>5</sup>

Constitutional autonomy is an essential component of the success of higher education in Michigan. While some states have organized their higher education institutions into a centralized, bureaucratic system, and other states have governing boards of higher education, Michigan has successfully maintained the autonomy and independence of each public university. The mitigation of excessive state-level bureaucracy permits Michigan's public universities to be nimble and to govern more expeditiously and efficiently.

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### *Institutional Oversight by Gubernatorial-appointed and Popularly-elected Governing Boards*

All of the state's public universities are overseen by governing boards consisting of a diverse array of leaders with expertise and experience in the private and non-profit sectors. The governor of Michigan appoints the members of the governing boards of all of the state's public universities except for those at the University of Michigan, Michigan State University, and Wayne State University, who are elected via statewide popular elections. Regardless of the selection process, all governing boards have eight members serving staggered eight-year terms, with the university presidents serving as an ex-officio member of the board. Each board carries a popular mandate to govern, whether delegated directly from the citizens or through the Governor.

The elected and appointed governing boards are charged with overseeing key university policy and fiscal matters involving such issues as institutional expenditures, student enrollment, academic programs, tuition and financial aid, and capital projects. They are also responsible for upholding core principles that are integral to American higher education, such as academic freedom, academic integrity, shared governance, and freedom of speech and of expression.



### *Public University Collaboration with the Governor and Legislature*

Although Michigan's public universities have constitutional autonomy, they collaborate extensively with the Governor, state legislature and all of the state's agencies on policy and programmatic initiatives to address a variety of opportunities, challenges, and needs facing the state. These include issues related to workforce development, economic development, K-12 education, health care, the environment, and public safety, to name a few. Institutional collaboration with state government is especially concentrated on issues of state funding of university operations, state student financial aid programs, and capital outlay financing. On issues related to the core educational missions of the public universities, the institutions interface extensively with policymakers and state officials to ensure that state policy formulation is done in a matter that best serves the interests of the state and its citizens.

As the coordinating board for the state's public universities, the Michigan Association of State Universities also interfaces extensively with the legislature, the Governor and his/her staff, and other state officials in fostering policy to maximize the collective value these institutions provide in serving the public interest and the state of Michigan.

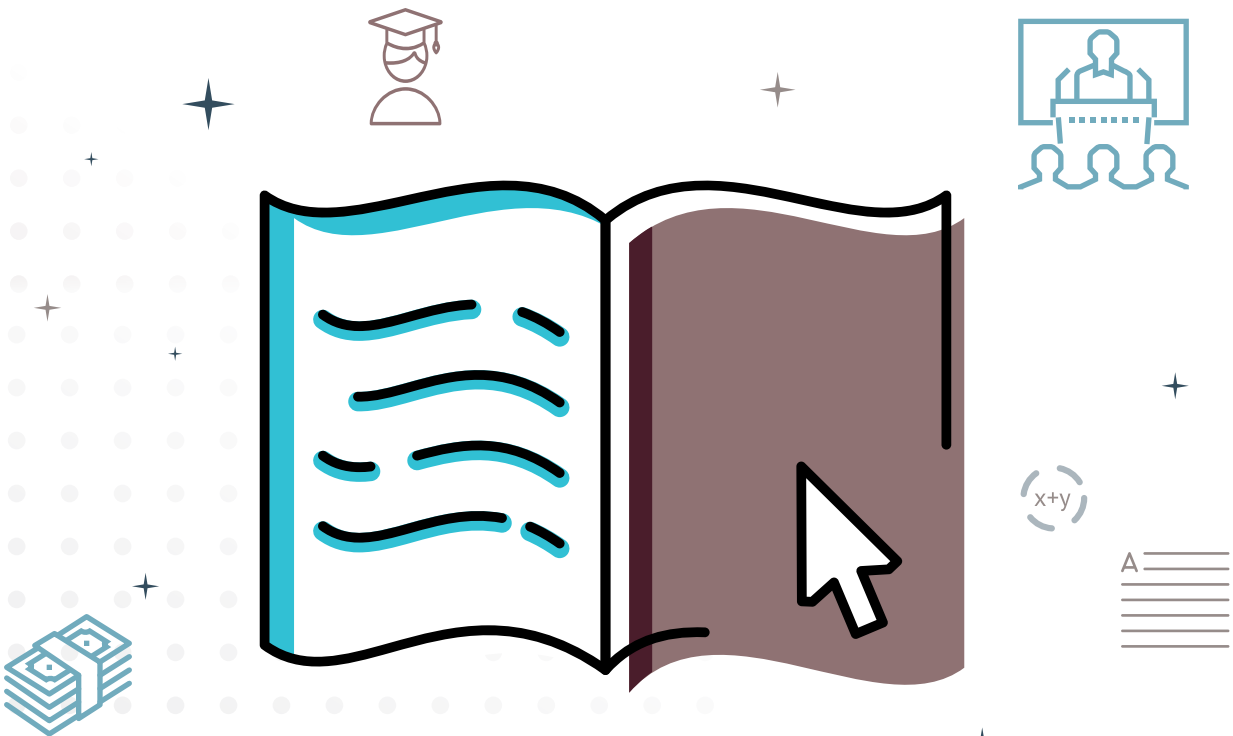
Although Michigan's public universities have constitutional autonomy, they collaborate extensively with the Governor, state legislature and all of the state's agencies on policy and programmatic initiatives to address a variety of opportunities, challenges and needs facing the state.



### *Accountability for State Resources and Public University Stewardship*

Article VIII, Section 4 of the Michigan Constitution directs public universities to provide “an annual accounting of all income and expenditures by these educational institutions.” Additionally, recognizing the importance of community and public input into the university decision-making process, Section 4 requires that “formal sessions of governing boards of such institutions shall be open to the public.” Thus, the state’s public universities continue to be accountable to citizens and their elected representatives.

Through established state law, the state’s public universities provide dozens of reports annually that summarize a variety of institutional inputs and outcomes. An expansive array of budgetary and policy documents, meeting minutes, and other institutional records are publicly available via the universities’ websites. Thousands of pages of additional documents are provided by the universities to reporters and the public each year through Freedom of Information Act requests. The high volume of federal regulatory requirements, especially those required by institutional participation in federal student financial aid programs, bolster state and governing board accountability mechanisms involving public universities. Further yet, institutional and programmatic accreditation processes provide additional external assurance of quality, integrity, and compliance across all aspects of university operations.



## HIGHER EDUCATION POLICY PRIORITIES FOR STRENGTHENING THE STATE UNIVERSITIES' ABILITY TO SERVE MICHIGAN

The policy recommendations discussed below represent a guiding framework within which the state's public universities can successfully fulfill their missions while ensuring public accountability, academic quality, and fiscal sustainability. Issues presented here are commonly deliberated in state legislatures throughout the U.S. and have, from time to time, surfaced here in Michigan. This public policy agenda is derived from a national public higher education policy agenda produced by the American Association of State Colleges and Universities.<sup>6</sup> This second edition of the Michigan Higher Education Public Policy Agenda is tailored to Michigan and its unique policy-setting context, and is reflective of current issues being discussed in the state's public policy domain. This public policy agenda will be updated as warranted by evolving needs and opportunities.

Policymakers should consider public universities integral partners in the development of higher education-related state policy. Furthermore, given the intellectual and analytical resources they house, these institutions will continue to serve as indispensable resources in informing the development and reform of other state policies and programs across the state's public policy spectrum.

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## COLLEGE AFFORDABILITY

### *Sufficient and Sustained State Funding Remains the Central Policy Priority of Michigan's Public Universities*

The top policy priority of Michigan's 15 public universities is for the state to provide sufficient, consistent, and sustained funding for institutional operations in order to mitigate tuition price escalation and keep college affordable for all students, especially those from low- and middle-income backgrounds. While all stakeholders play a role in financing a public college education—the federal government, states, institutions, and students—the primary driver of higher tuition prices over the last several decades has been the state-to-student cost shift that has occurred as a result of state disinvestment in public higher education. Modest increases in state operating support for Michigan's 15 public universities since 2013 have helped alleviate increases in tuition prices. However, as of 2018, the state's public universities receive \$158 million less from the state than in 2011, adjusting for inflation. State fiscal support for all postsecondary education in Michigan on a per-capita basis is 28 percent lower than the national average.<sup>7</sup>

When looking at the longer term trend in state funding in Michigan, the stark impact on disinvestment is much more evident: a more than one billion dollar reduction in inflation-adjusted state higher education and student financial aid funding has occurred since 2002. In 1979, state funding accounted for 70 percent of Michigan public university operating revenues, with tuition dollars comprising 30 percent. Today, the fiscal burden has shifted dramatically to students and families, who now provide a full 77 percent of institutional operating dollars. Only 23 percent of university operating revenues came from the state in 2016.<sup>8</sup>

#### *Policy Actions:*

- Increase state operating support for Michigan's public universities to maintain college access and affordability.
- Promote a state higher education funding model that provides sufficient, predictable and sustained public university operating support.



A more than one billion dollar reduction in inflation-adjusted state higher education and student aid funding has occurred since 2002.



## *Mission-Focused State Performance-Based Funding Systems Can Enhance Student and Institutional Outcomes*

Legislation that links state higher education appropriations to select institutional outcomes, commonly known as performance-based funding (PBF), is an increasingly popular financing policy mechanism that has been embedded in Michigan's higher education budget since 2013. The PBF distribution formula should be a collaborative effort among key stakeholders to build an incentive structure that respects and reinforces campus missions; encourages campuses to recruit, retain, and graduate low-income and nontraditional students; and remains compatible with state higher education, workforce, research, and economic goals. Further, short of refinements achieved through consensus, the formula should remain consistent so that institutions have a clear and sustained set of state objectives which to pursue.

### *Policy Action:*

- Continue the utilization of a state performance-based funding system in which formula refinements involve input from public university leaders and that awards state appropriation allotments that support the missions of individual institutions.



### *State Investment in Need-Based Student Aid Programs Improves College Access*

The State of Michigan's primary role in higher education is the allocation of support for its public universities and community colleges in order to mitigate the cost of attendance for all students. Unfortunately, the long term trend of state disinvestment in higher education has resulted in many lower- and middle-income families confronting unmet financial need at public institutions, even after factoring in federal grants and loans. Income-targeted state grant programs are important tools in addressing the gap between family resources and public college costs. Regrettably, despite tremendous investments by the public universities in the provision of institutional need-based grants, steep cuts made to Michigan's student financial aid programs have diminished the ability for lower-income families to afford a college education. State financial aid appropriations peaked in 2002 at \$262 million, and are less than half of that today. Adjusting for inflation, this is a 65 percent reduction in direct support for the state's students who are trying to establish solid economic futures. Analysis by the National Association of State Student Grant and Aid Programs shows that Michigan ranked 39th in the nation in 2016 for grant aid per student at a paltry \$266.<sup>9</sup> Still more challenging, for the last two remaining general purpose state financial aid programs, the Michigan Competitive Scholarship and Michigan Tuition Grant, only 29 percent of award funds went to students attending the state's public universities and community colleges,<sup>10</sup> compared to a national average of 76 percent of state grant dollar distribution going to students attending public institutions.<sup>11</sup>

State student financial aid programs were originally designed to assist low-income students, but in many states have shifted to emphasize academic merit over financial need. The critical policy difference between the two types of aid is that need-based aid, if properly devised, actually increases the number of students who can participate in higher education because they would otherwise be unable to afford college costs. Academic merit-based aid, in contrast, lessens out-of-pocket costs for students who likely would have participated in college anyway. In terms of net output, therefore, merit-based state student grant aid programs are a less efficient use of scarce state resources than need-based aid. They are also invariably regressive in that they benefit students from wealthier backgrounds at the expense of those from lower-income households. Need-based institutional financial aid further enhances college affordability for thousands of students attending the state's public universities, and is a major university expense since the state has disinvested in financial aid over many years.

#### *Policy Actions:*

- Increase state investment in need-based student financial aid programs that promote access for lower-income students.
- Boost, through new investment rather than redirection, the share of state financial aid directed to students attending the state's public postsecondary institutions, which are generally more affordable.

### *Institutional Governing Board Responsibility for Setting Tuition Policy is Important to Ensuring College Affordability and Student Success*

The governing boards and leaders of Michigan's 15 public universities believe deeply in the importance of college affordability. It is a moral and economic imperative. It is a precursor to ensuring educational opportunity and social mobility for our state's next generation. And it is critical for Michigan to achieve its goal of boosting educational attainment levels. The universities' collective efforts to maintain college affordability is evident in the tremendous efforts put forth to cut costs and keep the net costs of attendance lower through significant investments in student financial aid. State universities have increased spending by \$524.5 million in 2017 dollars on institutional financial aid from 1995 to 2017, a 220 percent increase. Put another way, universities have had to more than double the percentage of their total general fund expenditures spent on financial aid from six percent to over 13 percent to make up for what the state used to provide in student financial aid.<sup>12</sup> The institutions' achievements in containing costs is most evident in the fact that revenues per full-year equated resident undergraduate student have collectively increased only \$439 since 2002 in inflation-adjusted dollars.<sup>13</sup> That's a mere 2.3 percent increase above inflation over 14 years.

The tuition policy-setting authority granted in the state's constitution to institutional governing boards is a responsibility taken with great care by university trustees and institutional leaders. Careful deliberation is given in setting tuition rates, integrating myriad factors such as the impact on students' ability to afford college prices, the ability to fund new institutional initiatives to boost student retention and degree completion rates, meeting accreditation standards and maintaining academic quality, and the ability to finance the delivery of new programs and partnerships designed to meet the state's labor market needs, along with various other state goals and objectives.

Since 2012, the state budget for higher education has included provisions that withhold a portion of state appropriations for university operations if the institutions exceed a predetermined and artificially set increase in tuition rates, or does not meet other performance funding requirements. The arrangement, known as "tuition restraint" or "tuition caps" can actually work against state and institutional objectives to keep college affordable and improve student success. The utilization of state-imposed price controls on tuition in an era of dwindling or static state appropriations hampers the ability of universities to drive resources into academic and student support areas that would in turn improve their performance on state metrics.

The governing boards and leaders of Michigan's 15 public universities believe deeply in the importance of college affordability.



Other flaws associated with state-imposed caps on tuition increases include the fact that the impact on universities varies greatly based on the institutions' base dollar tuition prices, and that they punish institutions that have historically kept tuition rates lower. State funding represents less than 25 percent of general fund revenue for the majority of the state's public universities, with tuition revenues accounting for almost all the remaining three-fourths. As such, legislatively-mandated tuition caps, if continued to be included in state budget allocations to the institutions, will further inhibit the universities' efforts to strengthen college affordability for those with financial need and to strategically invest in programs designed to increase student success outcomes. Further, the inclusion of tuition caps in the appropriations process disregards the fact that the Michigan Constitution grants full authority of public university tuition policy to these institutions' governing boards.

*Policy Actions:*

- Eliminate the use of legislatively-imposed tuition price controls, which impinge Michigan's public universities' ability to maintain affordable net costs of attendance, to strategically invest in programs designed to boost student outcomes, and to make other strategic investments as evaluated by the institutions. Caps on tuition prices, particularly when the state does not appropriate reasonable levels of university operating support, inhibit these institutions' ability to meet state educational attainment and economic goals.
- Reinforce recognition that full authority in setting tuition policy at Michigan's public universities is best determined locally and lies with the governing boards of these institutions.



## CAPITAL OUTLAY AND ASSET PRESERVATION

### *State Investment in Campus Facilities is Essential to World-Class Instruction and Applied Research*

High-quality academic and research facilities are vital to ensuring that Michigan's public universities remain competitive by continuing to deliver world-class education and incubating the knowledge that will power tomorrow's companies. Constructing technologically- and environmentally-sophisticated campus facilities requires a financing partnership between the state and its public universities. Although only two university projects were authorized between 2010 and 2015, the state has resumed investment in capital outlay in recent budgets by authorizing projects at a majority of the state universities. This is a commendable turnaround, and we encourage the state to continue its recent trend of providing capital outlay investment in its public universities.

Also important is the need for state investment in existing infrastructure on public university campuses in order to maximize the lifespan of these important state assets. The state has not provided infrastructure, technology, equipment, and maintenance (ITEM) grants since 2000, shifting one more cost burden from the state to the universities. Ultimately, a portion of students' tuition dollars end up paying for critical campus asset preservation needs; monies that would be better utilized for direct instruction. From both a statewide and institutional planning perspective, the state capital outlay process should be conducted annually, be predictable and consistent, and include significant public investment in campus facilities on a regular basis. Transparency and clarity on the process by which prospective campus projects are assessed by state officials and recommended for funding approval is also integral to a sound state capital outlay program.

#### *Policy Actions:*

- Support a state capital outlay process that is conducted annually, is consistent and predictable, and provides the public investment needed to ensure continued world-class academics and applied research at Michigan's public universities.
- Reinststitute state payments for infrastructure, technology, equipment, and maintenance at university facilities, helping these institutions lengthen the lifespan and functional utility of the state's investment for many more years.

High-quality academic and research facilities are vital to ensuring that Michigan's public universities remain competitive by continuing to deliver world-class education and incubating the knowledge that will power tomorrow's companies.



## STUDENT SUCCESS

### *Strong Alignment of K-12 and College Curriculum is Critical to Student Success*

The state universities of Michigan strongly endorse the Michigan Academic Standards, which include the alignment of rigorous standards in mathematics and English language arts for grades K-12. The public universities supported the Michigan Department of Education's refinement of science standards, and will do so for social studies standards as well. Students' academic preparedness for the rigors of college-level work is fundamental to their success in higher education. A strong high school curriculum aligned with college standards is integral to student success and should be available to all students.

#### *Policy Actions:*

- Promote state-led collaboration among all stakeholders along Michigan's elementary, secondary, and postsecondary education continuum to ensure that academically rigorous standards are available to guide instruction for all K-12 students.
- Continue state-led reform in developing a comprehensive and high quality system for assessing student learning.

## TEACHER PREPARATION AND PROFESSIONAL DEVELOPMENT

### *State-Institutional Collaboration in Strengthening Teacher Preparation*

As in most states across the country, enrollment in undergraduate teacher preparation programs in Michigan has been declining in recent years. A combination of factors account for this, including: demographics (decreasing number of high school graduates), finances (Michigan public school districts have struggled with funding during and after the Great Recession, leading to diminished hiring of new teachers), and criticism of public schools and the teaching profession in the media and among some policymakers. Collectively, these influences have led to a drop in interest in the teaching profession. Many students who do graduate with teaching degrees are accepting employment opportunities that are out of state, despite reported teacher shortages in many regions of the state. The educational policy environment in the state may well lead to continued challenges in teacher preparation. Further, leading professional organizations, including the American Statistical Association, have cautioned against the use of such student test data in assessing teachers.

#### *Policy Actions*

- Promote collaboration between institutions and state officials to strengthen collegiate teacher preparation and professional developments programs.
- Caution against using student test scores in evaluating teachers, and teacher preparation and professional development programs.



## COLLABORATION VERSUS DUPLICATION AS THE MODEL FOR MICHIGAN PUBLIC HIGHER EDUCATION

The longstanding collaboration evident among Michigan's public universities and community colleges has been foundational to ensuring a state public postsecondary system that is cost- and operationally-efficient, responsive to student-consumers and employers, and is of high academic quality. The state's public two- and four-year sectors of higher education partner extensively to meet state labor market needs and to optimize the missions and capacities that are unique to each sector and their respective institutions.

### *Community College Bachelor's Degrees*

The state universities and the Michigan Association of State Universities have been steadfast in their opposition to the offering of bachelor degree programs by the state's community colleges. Allowing community colleges to offer bachelor's degrees will result in higher costs for students and taxpayers. In duplicating already-existing four-year programs available at the state's public universities, community colleges will incur costs for salary and benefits of additional faculty and support staff, as well as operating costs for administration, materials and supplies, travel, information technology, meeting accreditation requirements, and providing other support services. Capital expenses related to equipment and facilities may also be incurred. Significant increases in community college tuition prices and local taxation would result from community college bachelor degree programs. The cost of offering these programs will be covered through tuition increases, higher local millages and/or requests for higher state appropriations. The popular appeal of lower priced tuition at community colleges is masked by the fact that these institutions are subsidized twice by taxpayers: once through local property taxes (\$533 million in 2016<sup>14</sup>) and again through state appropriations (\$395 million in 2018). The state has disinvested hundreds of millions of dollars in support of its public colleges and universities during the past decades; investing future state monies in a duplicative set of programs is a remarkably inefficient use of taxpayer-provided state revenues.

Allowing community colleges to offer bachelor's degrees will incur wasteful spending to address no unmet need. It will result in the creation of 28 additional public four-year degree granting institutions in Michigan, representing an enormous legislatively-directed expansion of institutional mission creep through a mass duplication of existing programs and services. In a state with a nation-leading forecasted decline in the number of high school graduates, such a profound expansion in the number of public four-year degree institutions is completely counter to good state fiscal policy.

The state's public two- and four-year sectors of higher education partner extensively to meet state labor market needs and to optimize the missions and capacities that are unique to each sector and their respective institutions.



State policy should seek to build upon the tremendous collaboration taking place between the state's public four- and two-year institutions, providing even more laddered degree programs and further enhancing the ease of student transfer among institutions—rather than encouraging programmatic duplication that will only serve to increase costs borne by students, families, and taxpayers. The state's public universities, through the Michigan Association of State Universities, have pledged to collaborate with our community college partners to provide any new baccalaureate or degree completion program for which there is a need within a reasonable proximity of a community college district.

*Policy Actions:*

- Oppose legislation that authorizes Michigan's community colleges to offer four-year degree programs.
- Reinforce the respective and distinct missions of the state's public universities and community colleges, and promote continuance of the historical model of programmatic collaboration, not duplication, between the two higher education sectors.



### *Seamless Student Transfer*

The state's public four- and two-year institutions have a long history of continually enhancing the ease with which students can transfer credit-bearing courses among and between institutions. The Michigan Association of Collegiate Registrars and Admissions Officers (MACRAO) Transfer Agreement started in 1972 and was succeeded by the Michigan Transfer Agreement (MTA) in 2014 to provide students with a 30 credit hour block in approved disciplines—equivalent to a full year of college—transferable among all public universities and community colleges statewide. Dozens of laddered two- and four-year degree programs among the state's community colleges and public universities further serve the needs of students and employers—there are 781 different partnerships, including off-site bachelor's degree programs and articulation agreements, among the community colleges and public universities.<sup>15</sup> The state's public universities, community colleges, and independent non-profit colleges are currently voluntarily partnering on the statewide Transfer Steering Committee (TSC). The TSC is providing coordination of a degree pathways initiative, which will convene faculty to try to replace institution-to-institution articulation agreements in a particular major with articulated statewide degree pathways spanning across all participating campuses. The committee is also overseeing the replacement of the Michigan Transfer Network website, which will provide students and academic advisors with even more information about transferring, including easy identification of course-to-course transfer credit equivalencies.

Ongoing efforts to further enhance seamless student transfer among Michigan's public universities and community colleges should be done on a voluntary basis and in a collaborative manner. The state's student transfer process should respect institutional departmental discretion in determining the alignment and rigor associated with courses completed at other postsecondary education providers. Final determination as to the transferability of discipline-specific courses to the state's public universities must remain the responsibility of university departmental faculty who are best positioned to ascertain the credit worthiness of courses completed at other institutions.

#### *Policy Actions:*

- Support voluntary efforts to refine a streamlined, simplified and transparent process by which students can ascertain the transferability of credit-bearing courses from and among the state's community colleges and its public universities.
- Promote recognition that—with an emphasis on two- and four-year degree program alignment and the maintenance of rigorous academic standards—final determination on discipline-specific credit acceptance lies with university departmental faculty.

Ongoing efforts to further enhance seamless student transfer among Michigan's public universities and community colleges should be done on a volunteer basis and in a collaborative manner.



## CAMPUS SAFETY

Providing a safe environment for students, employees, and visitors at Michigan's public university campuses is of utmost importance to institutional leaders and governing board members. As an issue of top priority, accountability for establishing institutional policies for promoting campus safety belongs with college officials and governing boards. Two policy issues related to campus safety have been extensively debated in state legislatures in recent years; campus sexual assault and weapons on campus.

### *Campus Sexual Assault*

Michigan's state universities seek to create an environment that is open, safe, and respectful for all students. These institutions have put forth considerable effort to strengthen already strong existing policies and protocols for educating students about issues of sexual assault with the aim of improved prevention, and when such instances do occur, facilitating rigorous and timely investigation and adjudication. Any piece of state legislation that seeks to address issues related to campus sexual assault should be grounded in the following principles: respect for the wishes of the victim, proactive support to students, and fairness for all who are involved in a given incident. In addition, such legislation should maintain the longstanding educational nature of the university disciplinary system.

#### *Policy Action:*

- Ensure that any state legislation that seeks to address issues related to campus sexual assault complements existing or impending federal legislation and is grounded in the following principles: respect for the wishes of the victim, proactive support to students, and fairness for all involved in a given incident. In addition, such legislation should maintain the longstanding educational nature of the university discipline system.

### *Guns on Campus*

In state legislatures throughout the U.S. as well as here in Michigan, attempts have been made by state lawmakers to strip institutional leaders and public university governing boards of their authority to regulate weapons on campus. Public university campuses are among the safest environments in American society, in part due to the absence of guns. Nearly every higher education and law enforcement stakeholder group has steadfastly opposed legislation that allows individuals to carry guns on campus.

#### *Policy Action:*

- Oppose state legislation that seeks to diminish or eliminate institutional authority to regulate guns on campus.

## UNFUNDED STATE MANDATES

### *Michigan Indian Tuition Waiver Program*

The state universities of Michigan are fully supportive of partnering with state government to enhance college access for economically disadvantaged populations. One such population is Native Americans. Recognizing this, the Michigan Indian Tuition Waiver (ITW) program was enacted in the 1970s, pursuant to a 1934 executive agreement the state of Michigan entered into with the federal government to provide free public education for Native students. The ITW provides Michigan residents who are at least one-quarter Native American and are certified members of a United States tribe free tuition at all of the state's 15 public universities and 28 community colleges. Over time, the state's funding of the program has not kept pace with increases in student enrollment and institutional costs. In 2017, actual costs for the program exceeded the state's allocation by \$6.8 million, leaving the institutions to cover the balance of this state-mandated program.<sup>16</sup> In order for Michigan to live up to its agreement to provide social mobility to Native Americans through access to postsecondary education, the state should lift the unfair burden placed upon the universities by this state-mandated program.

#### *Policy Action:*

- Advocate for the state to fully fund its mandated Michigan Indian Tuition Waiver program.

**In order for Michigan to live up to its agreement to provide social mobility to Native Americans through access to post-secondary education, the state should lift the unfair burden placed upon the universities by this state-mandated program.**



### *State Reporting Burdens*

As public institutions, Michigan's state universities are accountable to citizens and policymakers. Transparency is important to demonstrate the universities' efficient and judicious use of tuition and tax dollars. Part of that transparency is accomplished through state reporting to the Michigan Legislature and the Executive Branch. However, reports do not write themselves. Every report takes time to produce, and that time is spent by university employees. As more reports are required by state government, more staff time and financial resources are diverted from the primary task of supporting the core activities of teaching and learning.

In many cases, the information being sought through mandated state reports is already publicly available. Public universities report massive annual datasets on financial, academic, enrollment, human resources, and other areas to the U.S. Department of Education and the Michigan Department of Technology, Management and Budget. Alignment between and with the two datasets reduces duplication of efforts, and eliminating competing reports and definitions also makes it easier for all stakeholders to examine public university activities.

#### *Policy Action:*

- Reduce unfunded state reporting activities.
- Streamline state reporting requirements to eliminate wasteful duplication of efforts.

## ACADEMIC GOVERNANCE

### *Institutional and Faculty Expertise on Academic Matters*

As public institutions, the state universities of Michigan respect and understand the public's right to exercise oversight and demand accountability from them in exchange for their support. In the interest of preserving the integrity of the credentials granted by public institutions, however, it is critical that state policymakers allow the state's public universities to exercise their best judgment on academic matters. Universities are places of inquiry, debate, and free thought. Artificial constraints on these ideals strike at the very heart of American higher education. Legislative interference with academic freedom, curriculum, and other aspects of instructional delivery would inevitably undermine public institutions and diminish the value and credibility of their credentials.

#### *Policy Actions:*

- Educate stakeholders on the benefits of the principles of academic freedom.
- Oppose state efforts to micromanage academic decisions regarding admissions criteria, the faculty, curriculum, and instruction at public institutions.
- Oppose legislative interference with research and the academic peer-review process.



## CAMPUS FREE SPEECH

### *Ensuring Uninhibited Diversity of Thought, Speech, and Expression*

Fundamental to the mission of all public universities is a commitment to open discussion and the free exchange of ideas. Each year, thousands of guest speaking engagements and demonstrations collectively take place at Michigan's public universities; almost all of which are without incident. This commitment to free speech and free expression is complemented by an obligation to enable access to safe, secure, and sustainable venues for speech, teaching, learning, research, employment, housing, and service at the state university campuses. All of these institutions—in policy and in practice—allow for, and protect, the rights of free speech without regard to viewpoint.

Michigan's public universities—like all public bodies in Michigan—use the reasonable “time, place, and manner” discretion afforded by the both the United States and Michigan Constitutions to maintain reasonable order on their properties, and in their services, events, and programs, while simultaneously fostering robust dialogue and promoting civic engagement. Much like there are parameters regarding speech and expression at the United States and Michigan Capitol buildings, similar considerations of time, place, and manner are utilized on college campuses to protect the interests of those seeking the opportunity to learn.

Michigan's Constitution confers upon the state university governing boards the exclusive power to supervise and control their institutions. This governance model has produced a setting on college campuses that works well in allowing for the free expression of speech while at the same time providing appropriate access to a high-quality, safe, and secure learning environment.

#### *Policy Actions:*

- As enshrined in the Michigan Constitution, ensure university governing board oversight of campus free speech policies in protecting First Amendment rights.
- Oppose state legislation that seeks to place mandates on institutional campus free speech policies.

## INSTITUTIONAL GOVERNING BOARD AUTHORITY OVER CAMPUS OPERATIONS

### *Board Oversight of Fiscal, Personnel and Operational Issues is Essential*

Article VIII, Section 5 of the Michigan Constitution of 1963 affirms that the governing boards of the state universities of Michigan “have general supervision of its institution and the control and direction of all expenditures from the institution's funds.” More than 150 years of jurisprudence has consistently upheld governing board authority over the entire university enterprise. This campus autonomy is a foundational aspect of governance among Michigan's public universities and is essential to ensuring effective oversight and informed decision-making involving operational and strategic matters at these institutions. Issues involving expenditures, facilities planning, personnel, zoning, and public-private partnerships are under the authority of institutional governing boards.

#### *Policy Action:*

- Promote understanding and recognition among stakeholders of the authority governing boards have over public university strategic and operational matters.

# MICHIGAN'S 15 PU



# BLIC UNIVERSITIES





- <sup>1</sup> Source: U.S. Census Bureau, 2016 American Community Survey. Data compiled by Michigan Future, Inc.
- <sup>2</sup> U.S. Census Bureau, 2015 American Community Survey. Obtained through NCHEMS Information Center, 11/21/2017.
- <sup>3</sup> U.S. Bureau of Economic Analysis, 2015 data. Obtained through NCHEMS Information Center, 11/21/2017.
- <sup>4</sup> Michigan's Hot 50 – Tomorrow's High-Demand High-Wage Careers (2016). State of Michigan, Bureau of Labor Market Information and Strategic Initiatives.
- <sup>5</sup> Background on Michigan Constitutional autonomy and institutional governing board oversight adopted from Michigan's Higher Education System: A Guide for State Policymakers (2003), sponsored by Ferris State University and prepared by Public Sector Consultants, and made available to all Michigan universities. Viewable at: [http://www.masu.org/portals/0/docs/fsu\\_heguide2.pdf](http://www.masu.org/portals/0/docs/fsu_heguide2.pdf).
- <sup>6</sup> The Public Policy Agenda of the American Association of State Colleges and Universities can be viewed at [www.aascu.org/policy](http://www.aascu.org/policy).
- <sup>7</sup> Source: Illinois State University Grapevine. Table 4: State Fiscal Support for Higher Education per \$1,000 of Personal Income and Per Capita, FY17.
- <sup>8</sup> Source: Data from Michigan Higher Education Institutional Data Inventory (HEIDI) and House Fiscal Agency.
- <sup>9</sup> Source: 47th Annual Survey Report on State-Sponsored Student Financial Aid, 2015-2016, National Association of State Student Grant and Aid Programs (NASSGAP). Viewable at [nassgap.org](http://nassgap.org).
- <sup>10</sup> Source: Michigan Department of Treasury Student Financial Services Bureau, Student Scholarships and Grants 2015-2016 Annual Report, 2016. Available: [http://www.michigan.gov/documents/mistudentaid/5336\\_SSG\\_Annual\\_Report\\_2016\\_Completed\\_552008\\_7.pdf](http://www.michigan.gov/documents/mistudentaid/5336_SSG_Annual_Report_2016_Completed_552008_7.pdf)
- <sup>11</sup> NASSGAP report.
- <sup>12</sup> Source: Data from HEIDI and House Fiscal Agency.
- <sup>13</sup> Source: *ibid*. Methodology uses state appropriations per resident undergraduate FYES plus the state average resident undergraduate tuition and fee rates.
- <sup>14</sup> Source: Michigan Community Colleges Activities Classification Structure 2015-16 Data Book & Companion, Center for Educational Performance and Information. Available: <http://www.michigancc.net/acs/ACS%202015-16.pdf>
- <sup>15</sup> Report to the Michigan Legislature Pursuant to Secs. 210e & 286a of P.A. 249 of 2016, Feb. 1, 2017.
- <sup>16</sup> Background on Michigan Indian Tuition Waiver Program available via: Fiscal Year 2016-17 Higher Education Appropriations Report: A Report to the Senate and House Appropriations Subcommittees on Higher Education. Prepared by Bill Bowerman, Senate Fiscal Agency and Marilyn Peterson, House Fiscal Agency (October 2016); and State Notes: Topics of Legislative Interest—North American Indian Tuition Program (Winter 2015), by Bill Bowerman, Senate Fiscal Agency; and data from HEIDI.



The Michigan Association of State Universities serves as the coordinating board for Michigan's 15 public universities, providing advocacy and fostering policy to maximize the collective value these institutions provide in serving the public interest and the State of Michigan.



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