

**EOL 590 Advanced Seminar
Higher Education Finance and Policy
Spring Semester 2006**

Class Meeting Time and Location

Wednesdays, 4-7pm
323 Education Building

Instructor and Contact Information

Randy Kangas
217-333-0398 – Work
rkangas@uillinois.edu

Office Hours

I will generally be available 30 minutes prior to each class session. I will also be available by phone and e-mail and will be happy to make other accommodations for student conferences as needed.

Course Resources

The primary course resource is: Yeager, Nelson, Potter, Weidman, and Zullo (2001). ASHE Reader on Finance in Higher Education, 2nd Edition, Pearson Custom Publishing.

Other publications, articles, and resources related to specific class topics will be assigned by the instructor throughout the semester. The instructor will either provide these in advance of the specific class or as a handout or give the web address where students can access them directly.

Purpose and Goals for the Course

This course is designed as a seminar on major issues and topics in the financing of higher education in the United States from various perspectives. As a result of participation in seminar discussions and the completion of assignments, students will gain an understanding of the following:

- Basic concepts regarding the financing and economics of American higher education;
- The role of state and federal government in financing education;
- Concepts and processes for planning and budgeting for institutions of higher education; and,
- Major public policy issues in financing higher education such as affordability, access/choice, equity, productivity and accountability, and the public private benefits of higher education.

Course Evaluation

Students will be expected to demonstrate their understanding of the subject matter through active class participation, the completion of written assignments, and an oral presentation. The weight of each relative to the final grade is shown below:

- Class participation and attendance (the instructor should be notified in advance if for any reason the student will not be able to attend a class session). – 25%
- Four (4) written synopses of articles or other publications from within the past five years that are related to specific class topics (*2 pages maximum*). The papers should incorporate: (1) a brief summary of the key points raised in the publication; and (2) the student's own analysis of the significance and relevance of these points. **The first synopsis is due on January 26th**. **There are no specific due dates for the remaining synopses, but all must be completed and submitted by May 3rd**. – 40%
- A research paper that explores in depth a particular topic related to higher education finance and economics (*10-20 pages*). Due by May 5th. Students must submit a one-page statement of the topic to be examined in the final paper for approval and initial feedback by February 15th. – 20% *See list of potential paper topics below.*
- An oral presentation to the class on a particular topic related to higher education finance and economics (*15 to 20 minutes*). The presentation can be based on the student's research paper topic or some other topic of interest. Students are strongly encouraged to incorporate the use of visual aids and handouts in their presentations. – 15%. *See list of potential presentation topics below.*

Potential Research Paper/Presentation Topics

- An analysis of the relationship between the public and private benefits of higher education and their implications for finance policy.
- An analysis of who pays and/or who receives the benefits of higher education.
- An analysis of factors contributing to cost increases in higher education.
- An analysis of different funding models and approaches used by states in financing their systems of higher education.
- An analysis of the evolution of federal financial aid policies and prospects for the future.
- An analysis of trends and issues in the federal support of academic research.
- An analysis of the pros and cons of university involvement in the commercialization of academic research activities (i.e., technology transfer).
- An analysis of state budgeting for higher education as a political process.
- An analysis of effective models of linking planning and budgeting at the institutional level.
- An analysis of the key issues involved in financing distance learning and other technologies in higher education.
- An analysis of the effects of students financial aid on college access, choice, or persistence.
- An analysis of the pros and cons of need-based and merit-based student financial aid programs.
- An analysis of what works and doesn't work in attempts by colleges and universities to "privatize" various campus functions.
- An analysis of faculty workload and productivity issues and their relationship to the costs of higher education.
- An analysis of future trends affecting higher education finance.
- Analysis of Benefit costs and plans
- Technical transfer strategies
- Trends in student life/housing issues
- Debt capacity, use and analysis
- Federal research funding
- Analysis of financial impact of on-line education
- Other

Class Sessions/Topics

The following matrix shows the topics, readings, and other assignments for each class session during the semester. Modification to this listing may be made from time to time, and I will make sure to let you know as soon as possible.

Date	Class Topic(s)	Reading Assignments	Other Activities
January 18 th	Course Overview <ul style="list-style-type: none"> • Review of Syllabus • Higher Education Revenue and Expenditure Categories 	Hand-outs in class.	
January 25 th	Introduction to Higher Education Finance and Economics: Concepts and Issues	ASHE Reader – Chapters 1, 8 Carnegie Study Handout	
February 1 st	Role of State Government in Financing Higher Education, Part I: <ul style="list-style-type: none"> • Trends and scope 	ASHE Reader – Chapters 11, 12 IBHE reports on FY 2006 appropriations and FY 2007 budget outlook: http://www.vpaa.uillinois.edu/reports_retreats/summit_strategic_leadership_2005/EnvironmentalAssessment.pdf http://www.vpaa.uillinois.edu/reports_retreats/summit_strategic_leadership_2005/ResExpensPlan.doc	Guest Lecturer: Dan Layzell Asst/VP, UofI Topic: Strategic Planning
February 8 th	Role of State Government in financing Higher Education, Part II: <ul style="list-style-type: none"> • Funding mechanisms • Accountability issues 	ASHE Reader – Chapter 13 SREB publication on state higher education funding formulas: http://www.sreb.org/main/Publications/Finance/PrimeronFundingHigherEd.pdf SHEEO Focus on Accountability http://www.sheeo.org/network/netnews/nn-v20-n3.pdf	
February 15 th	Role of the Federal Government in Financing Higher Education <ul style="list-style-type: none"> • Student financial aid • Academic research 	ASHE Reader – Chapters 9, 10, 7 Scan National Science Foundation publications: http://www.nsf.gov/pubs/2000/nsb0087/nsb0087.pdf http://www.nsf.gov/statistics/nsb0407/	Paper Topics Due Guest Lecturer: Dave Stewart/Asst VP, UofI Topic: Community College Finance
February 22 nd	Institutional Finance Issues, Part I: <ul style="list-style-type: none"> • Financial functions • Budgeting • Cost pressures 	ASHE Reader – Chapters 26, 27, 40 Review U of I website: http://www.pb.uillinois.edu/Documents/PB_OrgChart_July_29_200.pdf	
March 1 st	Linking Planning and Budgeting	ASHE Reader – Chapters 34 – 37	
March 8 th	Faculty Issues Related to Higher Education Finance: <ul style="list-style-type: none"> • Compensation • Productivity 	ASHE Reader – Chapters 32, 33 AAUP Annual Report on Economics Status of the Profession: http://www.aaup.org/research/sal&distribution.htm http://searcheric.org/digests/ed418654.html	Guest Lecturer: Ken Anderson, UIUC professor emeritus and chair of IBHE Faculty Advisory Committee

Date	Class Topic(s)	Reading Assignments	Other Activities
March 15 th	Institutional Finance Issues, Part II: <ul style="list-style-type: none"> • Technology costs • Administrative costs • Athletics • Outsourcing/Privatization 	ASHE Reader – Chapters 27, 29, 30 Web resources on privatization and outsourcing http://www.ericdigests.org/2001-3/outsourcing.htm	Guest lecturers: Bob Plankenhorn and Doug Beckmann UofI Topic: Debt Policies and Practices
March 22 nd	NO CLASS SPRING BREAK		
March 29 th	Affordability Related Issues	ASHE Reader – Chapters 4, 15, 16 SHEEO Focus on Finance Policy, Access, and Affordability: http://www.sheeo.org/network/netnews/nn-v21-n2.pdf http://www.usatoday.com/news/education/2004-06-28-tuition-burden-cover-usat_x.htm	Guest Lecturer: Dr. Jim Elsass, Assoc VP for Budgeting – Northwestern University Topic: Private University issues and perspectives
April 5 th	Private Giving to Higher Education	ASHE Reader – Chapters 20, 21, 50 Scan Council for Advancement and Support in Education (CASE) website: http://www.case.org/ Scan University of Illinois Foundation website: http://www.uif.uillinois.edu	Guest Lecturers: Dr. Craig Bazzani and Sidney Micek UofI Development and Foundation
April 12 th	The Public and Private Value of Higher Education	ASHE Reader – Chapters 5, 47 Brinkman and Leslie (executive summary) – Handout Scan IBHE Economics Impact Study: http://www.ibhe.state.il.us/Reports%20&%20Studies/PDF/higherEdV2.pdf	Student Presentations
April 19 th	International Issues in Higher Education Finance Emerging Issues: <ul style="list-style-type: none"> • Athletics • Benefits and Pensions • Facility Maintenance • Technology Transfer • On-line Education 	ASHE Reader – Chapters 53, 54, 55	Guest Lecturer: Dr. Dan Layzell, UofI Topic: Strategic Planning II
April 26 th	Decision Making and Priorities	ASHE Reader – Chapter 25	Last Synopsis Due Student Presentations
May 3 rd	Class Review		Student Presentations
May 5 th – 12 th	No Class - Finals Week		Research Paper Due May 5 th