

Faculty Meeting Minutes 11-15-11 Revised 01-30-12

1. President Thomas called the meeting to order at 4:05 PM. Sixty-one members of the faculty were present.
2. **M/S/P approval of the minutes of the October 12, 2011 faculty meeting.**
3. Announcements - none
4. President's Report – President Thomas presented prepared remarks (Appendix I)

President Thomas noted how much he values the collaborative spirit of the work undertaken by all at the college to create “a distinctive educational environment for our students” and the important contributions to that effort by the faculty, in which he expressed his pride. He noted his appreciation for working through difficult challenges together as a community. President Thomas also voiced his concern that we are addressing issues in this and other meetings during a time of economic stress that threatens the erosion of our collaborative ethos of mutual trust. He indicated that how we approach our work together is as important as what we do. Finally, he expressed his hope that our work together will continue to be informed by the collaboration that has been our hallmark, affirming that our success depends upon it.

5. Academic Vice President's Report

Dean Bartanen received an update on the Sustainability Tracking Assessment and Rating System (STARS) report from Dan Sherman and John Hickey. Dean Bartanen is particularly impressed by the work of the faculty; there are a tremendous number of courses that address sustainability [as defined by STARS, there are 98 sustainability-focused courses and 307 sustainability-related courses, offered in 32 of 34 departments; 32 departments had at least one faculty member involved in sustainability research].

Dean Bartanen appreciates the ongoing work on the spring pre-registration schedule. We are following up on adjustments of spring schedule to address waitlists. We will look carefully at courses with enrollments of five or fewer students (and, in some cases, enrollments of 10 or fewer students).

The Board of Trustees, through workshops, addressed the next steps of the strategic plan. We need to be especially clear about our learning outcomes for students and clear about the value of the education here. We need to bring good evidence to support curricular design. She commends Department Chairs and Program Directors on their work on these initiatives.

6. Report of the Faculty Senate Chair

Steven Neshyba received reports from Jeffrey Matthews, faculty representative to the Academic and Student Affairs Committee of the Board of Trustees, and from Maria Sampen, faculty representative to the Development and Alumni Relations Committee of the Board of Trustees. No report has yet been received from Wade Hands, faculty representative to the Finance and Facilities Committee of the Board of Trustees. Neshyba will attach the reports to the minutes of this meeting [Appendix II].

The Senate has completed charges to standing committees and will move on to new business.

The Senate heard from the committee on Honorary Degrees (Hanson, Kirchner, T. Hamel, N. Deitel, Bartanen; alumni E. Herzog and L. Brown; and trustees K. Willman and G. Lillis [chair]) and has affirmed several candidates for honorary degrees.

Steven Neshyba noted that the comments in *The Trail*, mentioned by President Thomas in his remarks (Appendix I), were solely Neshyba's views.

#### 7. First-year seminar update

Julie Christoph reported that we are working toward a fall 2013 implementation for the revised first-year seminar rubrics. Meanwhile, look for an invitation from Julie Christoph to a forum to discuss policy issues; we need good faculty input. Also, look for an invitation for a faculty workshop in May that will focus on new syllabus preparation, etc.

#### 8. Faculty load and compensation

Suzanne Holland and Mott Greene presented the issue of moving to a 3:2 teaching load. They want to investigate whether it makes sense to look into this issue. They framed moving to a 3:2 teaching load as a compensation issue rather than a workload issue [see Appendix III for the handout from Mott regarding compensation disparity (via the Faculty Salary Committee) that contains a conjectural compensation plan to the Budget Task Force].

Mott noted that the university does not have resources to raise faculty salaries to keep pace with inflation. Compensation in real dollars has been flat; therefore, Puget Sound has slipped from a leading position in absolute dollar amounts to last place among our peers. He observed that all our Northwest peer institutions have gone to a 3:2 teaching load, and they are still open and working (even though there is some unhappiness from the Whitman College faculty, especially). Only Puget Sound is holding to the 3:3 model in the Northwest, thus leading to compensation issue. We trail our Northwest peers in every indicator (student:faculty ratio, endowment, national ranking). One thing we could do is address the compensation disparity issue is implementing a 3:2 teaching load. Another alternative is to "cut ourselves free" from comparison with our Northwest peer institutions.

Suzanne Holland noted that the purpose of today's discussion is not to debate the merits of a 3:2 teaching load but to have a straw poll about whether we move forward with investigating the possibility of shifting to a 3:2 teaching load.

**M/S/P To hold a straw poll to see whether the faculty is interested in further investigation into the shift to 3:2; yes = interested, no= not interested. By paper ballot: 34 in favor, 23 against.** [see below for explanation of intent of the motion]

Carolyn Weisz asked about the timing—are we voting to move forward now, in the near future? Mott explained that other major issues were moved forward by taking a straw poll at outset to gauge faculty interest.

David Lupher asked if the shift to a 3:2 teaching load was intended to be FTE-neutral (achieved with no real increase to the number of faculty). Mott replied that these issues should not factor in to this straw

poll. There are potentially many ways to achieve the goal of a 3:2 teaching load (e.g., cancel release units, decrease graduation units). Suzanne confirmed that the fact-finding that happens next would address these issues.

Doug Cannon profoundly resents the suggestion that this is a compensation issue—he works fulltime. Colleagues at other institutions with 4:4 work full time. A 3:2 teaching load is a legitimate issue to pursue to further the objectives of the institutions but should not be framed as a compensation issue. He views that as an insult to what he would be doing then as well as what he is doing now. Doug will vote against any motion if it is framed as a compensation issue.

Keith Ward asked if compensation is truly the framing issue for this motion. Given the structure of the materials presented in the handout, it seems that compensation is the primary issue behind the motion. Mott confirmed that, to approach parity with our Northwest peer institutions, this is a compensation issue. Suzanne noted that this is not meant to insult anyone; it is framed in terms of compensation since proposing a 3:2 teaching load as a reduction of workload or enhancing teaching has not moved the 3:2 argument forward in the past. Keith then affirmed he would, therefore, speak against the motion. He noted we would first have to speak to other matters such as curricula; not as compensation. Mott reminded us that, with paper ballots, we can express our positions.

Diane Kelley observed that reduced budgets are a huge issue on campus, in the city, and in the state. However we approach a 3:2 teaching load, it will cost the university money.

Mott Greene responded to Doug Cannon's previous comments. Mott surmised that preparation for five courses would be deeper than preparation for six courses. He reiterated that this is a compensation issue—there is not enough money for the university to pursue equity compensation. One way to achieve more parity with our Northwest peers is to go to a 3:2 teaching load. We can look at the experiences of our Northwest peers to find out what worked and what didn't; the details are manifest. Mott reminded us that the motion is not designed to debate the merits of a 3:2 teaching load but whether faculty wants to pursue preparing a proposal to go to a 3:2 teaching load.

Bill Breitenbach remarked that faculty members may not know what they want until the details are known. He prefers to have some kind of debate about the details of moving to a 3:2 load before the straw poll.

Tiffany MacBain asked for clarification in framing the straw poll—do we want someone to look into issues/investigate?

Carolyn Weisz observed that it will take faculty resources and time to have someone investigate the issues. It may be better to do this at a later time; perhaps when the economy recovers.

Kent Hooper likes change and is inclined to support the exploration of a 3:2 load for this reason. He noted that some faculty members will probably explore the options whether we say yes or no. Mott responded by noting that, if the faculty is not interested, there is no point in doing the work.

Lisa Wood noted there is a lot of information on the Whitman College website and on other institutions' websites. We should not be afraid of pursuing the issue of a 3:2 load, but not the way it is currently framed. It is an interesting idea and Lisa suggests framing it is a positive way.

**M/S/P to call the question.**

**Point of order: With the motion, are we voting on whether to hold a straw poll or on whether to investigate the possibility of a 3:2 load? By a show of hands, most considered the vote to be addressing the investigation of a 3:2 load.**

9. Discussion of a tuition exchange model devised by the Ad Hoc Committee on Educational Benefits

[See Appendix IV for the handout provided for this discussion.]

An ad hoc faculty committee was convened to explore types of educational benefit packages. Lynnette Claire presented the findings and suggestions of the committee.

Lynnette noted that faculty members were hired under National Tuition Exchange (considered not to be viable by the ad hoc committee), Puget Sound tuition remission, and the Northwest Independent College (NIC) exchange. Puget Sound is currently on hold with most of the schools in the NIC exchange due to our size which led to an imbalance. It is not uncommon to have imbalance occur in these types of exchanges.

The ad hoc committee recommends the following proposed package of tuition exchange benefits: the National Tuition Exchange program, Puget Sound tuition remission, a new college exchange program, and a small cash benefit.

The ad hoc committee recommends the new college exchange program be based on the Associated Colleges of the Midwest (ACM) model. Under this model, Importing Colleges would grant 50% tuition remission, Exporting Colleges would provide the next 40%-50% of tuition, and families would provide 0% – 10% of tuition and all non-tuition expenses. There are no limits on enrollment of qualified students. The ad hoc committee recommends the exchange program begin with two schools, then build to enroll other institutions.

John Hanson asked for a point of clarification: is this a *modification* of the ACM model? He noted that the ACM model employs different percentages. Lynnette confirmed this.

Lynnette offered clarification of the cash benefit component of the model. The ad hoc committee considers a liberal arts education to be a better value (the best education); but a liberal arts college may not be appropriate for all students. Therefore, an option of a cash benefit equal to no more than 50% of University of Washington tuition would provide some flexibility for students who do not attend a liberal arts college. A larger cash benefit would be more harmful for those who have high levels of need—the cash benefit is considered taxable income.

Lynnette reviewed the ad hoc committee's identification of the benefits of this proposal: it provides a meaningful dependent education benefit, it includes a commitment to liberal arts education, it will help attract and retain faculty and staff, it provides improved control over costs, and it will strengthen relationships among exchange schools.

Rich Anderson-Connolly called our attention to the handout. The handout reviews the four components of the proposal the ad hoc committee proposes for Puget Sound and provides additional information on the proposed college exchange program component.

Discussion of the ad hoc committee proposal:

Lisa Wood asked about the role of the NIC; how do we identify “quality” of schools? Rich Anderson-Connolly cited the ACM model as having a range of schools in their group. Lisa asked who decides what schools are part of the exchange. Rich noted that Puget Sound and one other NIC school would be part of the initial exchange and would decide what other institutions they would invite to join. Kris Bartanen observed that it is ultimately the Board of Trustees at the given institutions that must decide, facilitated by the presidents and CFOs. She noted that the ACM was a long-standing institution prior to the development of their exchange program.

Bill Barry asked if this is a financially viable model. Lynnette responded that this looks like an attractive model but it is not yet known if it is financially viable. Jill Nealey-Moore reported that 74% of the faculty and staff responded to the recent educational benefits survey. The Benefits Task Force is now analyzing the data, along with data of where Puget Sound faculty and staff dependents have attended college in the last 15 years. Rich Anderson-Connolly observed that Puget Sound continues to pay educational benefit costs for the NIC exchange. He is not sure how the proposed plan compares in cost to the previous model. Bill Barry noted that the cash benefit represents a new cost.

Bill Barry then asked if the proposed model is sustainable with only 2 – 3 schools. Lynnette responded that the proposed model is not as valuable a benefit but is more sustainable than maintaining balances (such as the NIC model).

Doug Cannon wondered if the ad hoc committee had investigated what models other schools outside of the ACM use for addressing educational benefits. Jill Nealey-Moore confirmed that the Benefits Task Force has investigated a number of schools and models. There are schools out there that do not have educational benefits. This is not a good time fiscally to convince schools to participate in an exchange; therefore, we need to start small.

Carl Teows asked if we would be able to join the ACM exchange. Jill Nealey-Moore responded that there was some concern about Puget Sound being in a different region, and some concern about a potential “flood” of students to the Midwest, or to the Northwest, in an economically difficult time. Carl then asked if the percentages in the ad hoc committee’s proposal were fixed. Lynnette replied that this was a draft proposal only. She elaborated that there is a strong feeling among the ad hoc committee members that Puget Sound must continue a 100% educational benefit given that faculty members were hired under this assumption. Carl noted that the bigger the import percentage, the more attractive the model would be to other schools.

At 5:25 PM, Bill Haltom noted that we were within five minutes of the 90 minutes meeting time. He also encouraged everyone to speak up so the secretary could hear their remarks.

10. With no other business proposed, the meeting adjourned by 5:30 PM.

Respectfully submitted by Alyce DeMarais.

Upcoming Faculty Meetings (all meetings will be held in McIntyre 103):

Tuesday, February 7, 4-5:30 p.m.

Monday, March 26, 4-5:30 p.m.

Tuesday, April 17, 4-5:30 p.m.

### Appendix I – President Thomas’s Remarks

Rather than my normal presidential report, I believe it is timely for me to share with you a few timely issues that have been on my mind over the last few days.

One of the things I have always valued about Puget Sound from the time I was introduced to this community, and something I still deeply believe, is that this university is a great university because of the collaborative spirit between our administration, our staff, our faculty and our board in creating a distinctive educational environment for our students. In my view, and in my experience, we are a highly collaborative and consultative institution in the ways we involve faculty, students, and staff in our decision making. We do this—or have done this—to the very best of our ability in a spirit of cooperation and in support of the greater good. This is one of the most attractive characteristics of the community that brought me here to be your president, that I have most treasured and done my best to cultivate since coming here; it is among the principal things that has kept me here. When we have challenges, we work them through together.

The Faculty provides a much needed and at many times noble role in making certain that our academic program is first rate and that the needs of our faculty are raised, debated and addressed. This work must be done not in a vacuum or in isolation or in neglect of the priorities of the institution as a whole and of the success of our mission.

Later in this meeting, you will consider on the agenda the education benefit that many of us have been striving to address in a responsible way and for which many of us have been working hard to construct a sound and compelling recommendation to the board. You will consider the petition many of you signed and an approach many of us have embraced for further consideration and exploration of recreating or joining a consortial arrangement with shared costs. In addition, two faculty members will present to you a proposal to consider reducing your teaching load from 6 to 5 courses.

They will raise this proposal in the second year we will be cutting the budget to balance it—last year by \$1.6 million and this year by likely around a million. You lost 10 sabbatical replacement positions in last year’s budget and will lose more this year. These colleagues will raise this at a time when your salaries, still in the 85-95<sup>th</sup> percentile nationally according to the AAUP, have fallen behind three of the other four national liberal arts colleges in the northwest. This grieves me, frankly, even though our salaries outperform other colleges in our endowment/student class, and we are doing all we can in this campaign and in our planning to address this issue for the long term in the midst of the longest and most severe recession in a century.

When Suzanne and Mott had the courtesy and good will to visit with the Dean and me to give us a heads up on their plan for this meeting, I thanked them. A fact-finding effort on any reasonable topic is not only a good thing to do, it’s your responsibility as a Faculty. I shared with them, at the same time, and I share with you now, that the timing of this initiative is not propitious, that the foundation of the argument for doing so is not one I find convincing, that the mathematics don’t work, and that raising the hopes of faculty for such a prospect at this time is not advisable and may well be counterproductive for us.

I continue to believe that making this issue a faculty priority at this time will not be strategically helpful as I make the case before the board for a strong education benefit for staff and faculty, for an integrated

student recruitment and retention program involving all of us at a time when student financial need is skyrocketing, for faculty support in the campaign, for maintaining at least modest compensation increases even in stringent times when we cannot raise the price of tuition as we have in the past, and for all the things that will keep us competitive and successful in the years to come. You will do what you think best on this proposal. And you do not need my permission or the Dean's permission to pursue this issue, though you will need the approval of the board to effect it.

I have confidence that, in the end, you will sort the matter out intelligently and responsibly. You generally do.

I am more concerned, deeply troubled, even, about the way the Education Benefits issue is being addressed by us. Last spring the Faculty Ad Hoc Committee presented to me a petition to seek to recreate a tuition exchange program along the lines of the one in effect for the Associated Colleges of the Midwest. This was a model that had already attracted the attention of the Benefits Task Force and the HR office and was under consideration by the task force. We had exploratory conversations with ACM about the plan, invited its architect to campus, as well as Deans and CFOs from our other northwest college campuses. We even approached them to see if membership in ACM for a couple of us might be a possibility worth exploring. We appointed a benefits consultant to assist us in analyzing the cost implications of this and other models, and I have spoken with some of my counterparts at other NIC institutions about possible interest. All this has been helpful.

What will not be helpful is when our trustees read in the school newspaper that faculty are going to students to air their grievances on this subject, that they are saying to students that they no longer have their heart in their teaching, that they no longer wish to encourage promising students to attend the university. It is not helpful for me with my counterpart presidents or Sherry's counterpart CFOs at our potential partner colleges when they see emails from members of our Faculty Ad Hoc Committee urging all staff and faculty to band together against their administrations because administrators will just misrepresent the issue by pointing to the other colleges as the cause of the problem. It is not helpful when our faculty are quoted as saying that we—you and I--answer to different masters. I have assumed that we served the same master – our educational mission as a college, the well-being of our students, the fulfillment of their potential.

I have been aware that Willamette University commissioned a proprietary report on different models of tuition benefits from the Advisory Board Company, and our CFO has been in touch with them about sharing it. Willamette's CFO explained that as much as they may like to, they could not by agreement with the agency from which they had commissioned it, that it was owned intellectual property and to circulate the document was a violation of federal law and their agreements with the vendor. The very last line of the document states that. Nonetheless, it has come to my attention that this report has been obtained from a faculty member and distributed to all of you by one of our faculty members. I don't know what action Willamette will take on this, but we will have to call our counterparts at Willamette, the CFO in particular, to apologize for this ethical breach. I ask you to delete the report from your computers and not share it further.

These actions and others like them that divide our efforts among ourselves and our potential partners are not helpful. This is not Puget Sound. This is not how we operate. Let me assure you also, in no uncertain terms, that your administration, myself and the Cabinet, and the Board are working with you, not against you on this issue. We have every reason to do so, and not a single reason not to. None.

My concern, my deepest concern, is the *how* of it all. *How* will we address the challenges we have before us? Are we in service of the same master, working together for the best outcome? Or will we be in opposition?

I, for one, stand with the side that wishes to work together. The Cabinet stands with me.

I remain, every day, deeply impressed by our faculty and often moved by the amazing things you do for our students. I do not say this lightly, nor do I take your contributions to Puget Sound lightly. On the contrary. You change lives. Every day. But we're all in this together. We have to be. Or we won't succeed. We won't survive. And we won't deserve to.

Now, we have some important business to do—let's get to it together.

#### Appendix II – Faculty Reports from the Board of Trustees Meeting

Report from Jeffrey Matthews, faculty representative to the Academic and Student Affairs Committee of the Board of Trustees.

Please accept this email as my report on the October 28, 2011 meeting of the Academic and Student Affairs Committee of the Board of Trustees.

The committee approved the Minutes of May 13, 2011 and reviewed the document governing the committee's responsibilities.

The committee also proposed and the full board approved amendments to the Faculty By-laws as approved by the Faculty Senate:

##### Article V, Section 1

An amendment was passed by faculty on September 20, 2011, to provide for the practice of the Faculty Advancement Committee, which is convened by the Dean when evaluation files are ready for review, to elect a chair whose sole responsibility or authority as chair will be to deliver the annual report to the Faculty Senate.

##### Article V, Section 6.B.a

This amendment, approved unanimously by the faculty on October 12, 2011, adds the library director in an ex-officio position to the Curriculum Committee.

The remainder of the meeting included discussions led by Deans Bartanen and Segawa regarding the status of university's graduate programs, residential planning, changes to the freshman seminars, and the Business Leadership Council.

Report from Maria Sampen, faculty representative to the Development and Alumni Relations Committee of the Board of Trustees.

The following is a report on the October 27, 2011 meeting of the Development and Alumni Relations Committee of the Board of Trustees.



The committee approved the Minutes of the May 2011 Meetings (May 12, 2011 Campaign Steering Committee Meeting and May 13, 2011 Development and Alumni Relations Committee Meeting).

The committee heard reports from the Campaign Steering Committee Vice Chairs incorporate and foundation relations, endowment giving, facilities giving, marketing and communications and annual giving.

The board reviewed the goals of the \$125 million ONE [Of a Kind] campaign. Gayle MacIntosh's Board Report to the Campus Community (November 4, 2011) summarizes the main points below:

- \$63 million for endowment (including academic programs, faculty sabbaticals, civic scholarship and student research, athletics, campus lifeprograms, faculty chairs, faculty support, financial aid, and library acquisitions)
- \$35.5 million for facilities to support the academic experience (including Center for Health Sciences, Commencement Walk, athletics facilities, and an aquatics center)
- \$26.5 million for operations (annual fund and restricted operating gifts)

Documented quiet-phase campaign commitments were reported at \$74.1 million. Campaign co-chair Bill Weyerhaeuser announced the receipt of a gift of \$8 million given by trustee Gwen Lillis P'05 and her husband Charles Lillis P'05 through the Lillis Foundation of Littleton, Colorado. The gift, the largest single gift in the history of the university, will endow the Lillis Scholars program established in 2007. Additional information on the capital campaign is available at [www.pugetsound.edu/one](http://www.pugetsound.edu/one) <<http://www.pugetsound.edu/one>>.

The board reviewed the 2010-11 Puget Sound Fund Results (reporting an increase of 5.8% over the previous year for a total of \$2.2 million) and set new goals for 2011-12 (an annual fund goal of \$2.25 million and an alumni participation rate of 17.5%).

The chair of the Alumni Council reported on activities in Alumni and Parent Relations. Faculty were lauded for the participation in Alumni events including the many regional events/lectures and the Alumni College. The chair previewed future events for 2011-12.

The meeting concluded with a discussion of the upcoming events of the Public Launch Weekend.

11/15/11

Introducing a Shift From 3:3 to 3:2 as a Compensation Issue

Current Disparity in Compensation Relative to NW Peers

We are lower than average at every professor rank: at the assistant level, Puget Sound is below the average by \$1,599 (up from \$1,068 last year); at the associate level we are below the average by \$3,446 (versus \$2,803 last year); at the full level we are off by \$5,135 compared to last year's figure of \$4,111. The trend is also negative: the gaps have been getting worse over the last few years. *(From the Faculty Salary Committee Letter to BTF this year.)*

BTF Plan for Compensation 2012-2013

Inflation + 1%

(this would mean 3.6% increase, which we do not anticipate; likely increase is 1% over 2011-2012)

**The University does not have, and has no plan to have, an allocation of resources that would restore faculty salary parity with NW peers.**

Moreover:

Only Puget Sound among our peers continues to hold to a 3:3 faculty teaching load. All other institutions have shifted to a 3:2 load. This amounts to a 20% additional teaching workload for Puget Sound faculty. Adjustments to faculty workload... may be more attractive and less costly than salary increases ... *(From the Faculty Salary Committee Letter to BTF this year.)*

**Relatively and absolutely we are well below our NW peers in compensation.**

**A shift from 3:3 to 3:2 is a compensation issue directed at beginning the process of restoring compensation parity with NW peers.**

Appendix IV

11/15/11  
Faculty meeting

University of Puget Sound  
Tuition Benefit Proposal  
September 2011

**Problem Statement**

After more than 30 years of delivering an important benefit to the employees of Lewis and Clark, Puget Sound, Reed, Whitman, and Willamette, the Northwest Independent Colleges Tuition Exchange Program will end in 2015. Ultimately this system failed because it relied upon a rough balance of student exchanges between every pairing of schools. This document offers a proposal for a restructured tuition exchange program (TEP), retention of the Puget Sound tuition remission, retention of the National Tuition Exchange, and a cash benefit for post-secondary education outside the exchanges.

**Goal**

Provide a high-quality education benefit for Puget Sound faculty, staff and their dependents.

**Education Benefit Proposal**

We propose a hybrid package that is consistent with the tradition of a high-quality educational benefit at the University of Puget Sound. The benefit will include four main components:

1. Participation in the replacement for the NIC Tuition Exchange Program
2. Continued participation in the National Tuition Exchange
3. Continued full tuition remission at the University of Puget Sound
4. The introduction of a cash benefit

**I. Participation in the Replacement for the NIC Tuition Exchange Program**

Participation by the University of Puget Sound in the Tuition Exchange Program will include the following elements:

- Participating Importing Colleges would grant 50% tuition remission (identified as a discounted tuition). Participating Exporting Colleges would provide between 80 and 100% of the discounted tuition (40-50% of full tuition).
- In the Puget Sound tradition, we would expect the University to offer full coverage (100%) of discounted tuition to Puget Sound families. The table below illustrates the partitioning of full tuition to the three parties.

Importing school	50%	\$19,255
Exporting school	50%	\$19,255
Family's responsibility	0%	\$0
<b>Full tuition</b>		<b>\$38,510</b>

- Families will be responsible for all non-tuition expenses (e.g., room and board, fees, books)
- The University will not limit the number of TEP awards to entering first year students.

**2. Continued Participation in the National Tuition Exchange**

- The University of Puget Sound will retain its membership in the National Tuition Exchange.

**3. Continued Full Tuition Remission at the University of Puget Sound**

- The University of Puget Sound will retain its full tuition remission benefit for dependents.

**4. The Introduction of a Cash Benefit**

- The University of Puget Sound will offer a cash benefit equivalent to 50% of the University of Washington's tuition to dependents who do not use any of the above educational benefits.
- This option will be of great value to those dependents for whom a liberal arts education may not be ideal.

**Outcomes**

- Adoption of this proposal would signal a reaffirmation of commitment to providing meaningful educational benefit to Puget Sound families.
- Adoption of this proposal offers an opportunity to manifest our institutional commitment to liberal arts education by making it possible for our faculty and staff to send their children to liberal arts colleges.
- A strong educational benefit will attract and retain talented faculty and staff.
- The proposed model provides employer-institutions a higher level of control over the benefit, including enhanced predictability of costs.
- The Tuition Exchange Program would strengthen relationships between campuses that offer an opportunity for faculty and programmatic collaboration.

**Next Steps**

- In order to adopt this plan, we need leadership by the Dean and President and support by faculty, staff, administration and peer institutions.
- We are requesting your support as our President to:
  - To build support among peer institutions starting with NIC members and beyond to create an effective coalition
  - To present the proposal to the cabinet
  - To present the proposal to the Board of Trustees and gain their support
  -
- Because time is running out on the limited NIC exchange, this issue needs to be quickly and effectively addressed.

**A Model Tuition Exchange Program (TEP)  
(Proposed Replacement for the NIC Tuition Exchange)  
September 2011**

**Background**

After more than 30 years of delivering an important benefit to the employees of Lewis and Clark, Puget Sound, Reed, Whitman, and Willamette, the Northwest Independent Colleges Tuition Exchange Program will end in 2015. Ultimately this system failed because it relied upon a rough balance of student exchanges between every pairing of schools. This document offers a proposal for a restructured tuition exchange, one that corrects the weaknesses in the old program, and thus continues to provide the valuable benefit to families in the Northwest Independent Colleges.

**Elements of the Model Tuition Exchange Program**

To participate in the new Tuition Exchange Program (TEP) member institutions must agree to follow the principles established in this document.

Each college will grant 50% tuition remission to the other participants in the TEP. That is, each Importing College will charge one-half of its full tuition to the Exporting College. In this document, 50% of the Importing College's full tuition will be referred to as its discounted tuition.

Each Exporting College will determine the level of benefit it offers its employees, though it must be 80%-100% of the Importing College's discounted tuition (or 40%-50% of the Importing College's full tuition). If the Exporting College benefit does not fully cover tuition expenses, the family will be responsible for the remaining tuition (up to 20% of discounted tuition or up to 10% of full tuition). Families are responsible for any additional fees, room, board, etc.

To make clear the meaning of the previous two points, let us consider an example. The full tuition of an Importing College is \$50,000. The discounted tuition is thus \$25,000. If the Exporting College covers 80% of discounted tuition, the Exporting College pays \$20,000 (80% of \$25,000) to the Importing College. The student (family) pays \$5,000 (20% of \$25,000) to the Importing College.

Eligibility for the TEP will continue to be determined by the Exporting College. Criteria may include, for example, the number of years of service prior to eligibility in the exchange.

Students who want to receive TEP benefits will identify themselves when they apply to a TEP college.

The Importing College will invoice the Exporting College for its share of the tuition bill. The Importing College will invoice the student/family for their share of the tuition and other costs.

Ordinarily, students will have TEP benefits for four academic years. Students will be entitled to four years of benefits even if they take a leave from college for one or several years. If an enrolled TEP student chooses to take a leave of absence, the student may want to obtain documents from both the Importing and Exporting institutions stating the remaining TEP benefit they will receive on their return.

No cap on the number of TEP awards to entering first year students will be permitted.

Participation in the TEP does not preclude participation in other exchange programs (e.g., the national Tuition Exchange) nor does it prevent institutions from offering additional tuition assistance or benefits (e.g., a cash benefit for schools outside the exchange).

Exporting Colleges may structure the benefit in different ways as long as they provide at least 80% of the discounted tuition of the Importing College.

### **Transition to New TEP**

The new TEP will become operational starting in the fall semester that follows an agreement between any two institutions with the provisions within this document.

Members of the current NIC exchange that join the new TEP program will begin with a clean slate with no adjustment for past balances.

### **Off-Campus Study**

Colleges will provide the Tuition Remission benefit for students participating in off-campus and study abroad programs sponsored or operated by the college in which the TEP student is enrolled (the Importing College).

### **Students Attending the Home College**

Students attending their home college will not be included in the TEP program. The home college will admit and provide tuition remission benefits to students from employee families under its own institutional guidelines.

### **Outside Financial Aid**

The Importing College will ask TEP students to apply for all aid they might qualify for. Financial aid may be divided into two categories: tuition aid and educational aid. Tuition aid may only be applied to tuition. Educational aid may be applied to tuition and other educational expenses such as room and board, books, fees, etc.

Students may receive tuition aid in addition to TEP benefits up to the cost of tuition. If aid exceeds the family's portion of tuition, the aid is then applied to the Exporting College's portion of tuition, and lastly to the Importing College's portion of tuition.

Students are entitled to receive all the educational aid awarded, up to costs incurred. If these costs are exceeded, the Exporting College receives the aid next, then the Importing College receives the aid.

If the Tuition Remission agreement triggers violations of NCAA guidelines or federal/state regulations, the Importing College will determine how the grant funds are credited.

**Addition of New Institutions**

Colleges and universities not included at the founding of the exchange may join with majority approval of the current members. Enlargement of the exchange is encouraged as a means to increase the value of the education benefit to the employees without substantially altering the cost to the member institutions. We expect that all members of the original consortium would be interested in expanding the exchange.