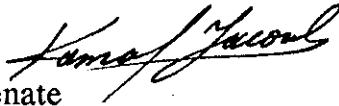




MEMORANDUM

TO: President Edward T. Foote II

FROM: Kamal Yacoub 
Chair, Faculty Senate

DATE: April 17, 1996

SUBJECT: Faculty Senate Legislation #95010(D) -
Academic Standards Committee Report

As you know, the Faculty Senate received the Academic Standards Committee Report on Admissions at its meeting of February 26, 1996 (see attached). At the Senate meeting of April 1, the Senate received an update on the report, also attached, from Professor Stephen Cantrell, Chair of the Academic Standards Committee. Following discussion, the Senate approved the following resolution:

"The Faculty Senate moved acceptance of the report and approval of its general recommendations and goals. The motion carried with the understanding that the chairs of the Senate Budget Committee and the Senate Academic Standards Committee, after consultation with their committees, will work with the administration to develop a detailed plan toward achieving these goals."

This resolution is forwarded to you for your information.

KY/b

Attachments

cc: Provost Luis Glaser
Vice Provost Paul M. Orehovec

MEMORANDUM

To: Members of the Faculty Senate

From: Stephen Cantrell
Chair, Academic Standards Committee

Date: March 25, 1996

Subject: Admission Standards 1995 Report

Following the suggestion of Chairman Yacoub, I devised a scenario under which the goals of the Admission Standards 1995 Report are met at an eventual annual running cost substantially lower than the \$12,000,000 figure listed in the original report. I described this scenario briefly at the March 18 meeting of the Faculty Senate. At that meeting, President Foote requested that I discuss the model in detail with Dean of Enrollments Paul Orehovec, which I did on March 22. Dean Orehovec agreed that my model took all factors into account, except for need based aid given to some students on scholarship. This omission, being financially significant, required me to modify the scenario somewhat in order to get both a 30 point improvement in SAT mean scores in 3 years and an eventual annual running cost of approximately \$3,000,000.

I now share with you the results of my efforts. Please note that the scenario I describe is not offered as a fixed blue print but rather as a rough guide. Any actual effort will doubtless be tempered by experience of what will work in the marketplace and by many factors that cannot be foreseen. Nevertheless, I do believe that the basic thrust of the model, replacing F5 students with F3 students, is sound in terms of both economic practicality and pedagogical utility.

The model assumes that if no action is taken that the entering class of 1996 will be very much like the entering class of 1995. Consequently, we assume if no changes are made that we enroll a class of 1700 in the fall of 1996. Of these students, 1489 have taken the SAT and 325 are classified as F5. The number of students classified as F5 is approximately the same as in 1990, when there were 368 such students. Moreover, both groups represent 20% of CSI indexed enrollees. So we assume that the persistence rates for F5 students will be the same as those of the 1990 group if no action is taken.

The model projects a permanent reduction of the number of F5 students being enrolled annually at the University to 185. This reduction takes place during the first two years of the initiative, by 65 students in the first year and by an additional 75 in the second. The choice of 65 fewer F5's on the first year is not arbitrary. It would take roughly 65 fewer F5's having an SAT mean of 850 to raise the SAT mean 10 points. At this point in time, such an action is likely the only means of starting the initiative, this fall. As the number of F5 students we enroll drops, there are two compelling reasons to believe that retention within this group should rise. First of all, there is a range of ability within this group. If we take in fewer, presumably we will take in the more able. Second, we have substantial remedial services available for students. It seems likely

that decreasing the demand for these services should result in increased individualized attention to students which in turn should increase retention. Consequently, once we reduce the number of F5 students to 185, we shall assume that this group persists at the same rates as the 231 F5 students enrolled in 1989. The model projects no further improvement in persistence rates for F5 students.

In the second and third year of the initiative, according to the model, additional F3 students are recruited to replace the F5 students which have been eliminated from the entering class. These students are drawn to the University by generous 1/3 scholarships, by University need based aid, and by enhanced recruitment efforts by faculty and administration. The model assumes that the number of F3 students enrolled increases from a base of 400 to 480 in the second year of the initiative and to 565 in the third year. This is certainly the most ambitious aspect of the model. Getting more better qualified students to enroll is certainly more of a challenge than just denying admission to more lesser qualified students. But it seems unlikely that the powers that be at the University would accept a plan whereby we get the proposed rise in SAT mean by simply eliminating some 200 F5's at the eventual annual loss of \$9,000,000 in revenue. As a consequence, the model eliminates enough F5 students (140) to fuel about 2/3 of the proposed rise on SAT mean and relies on the replacement F3's for the remaining 1/3. Since F3 students have mean SAT scores between 1100 and 1200, it takes about 165 such (80 with mean 1150; 85 with mean 1180) to get the last 10 points or so. However, here more is better. F3's not only produce revenue to offset partially the revenue lost from the elimination of F5's (with obvious "more F3's are better" implications), but also serve to enhance the University. By making them the largest block in our student population, we do much to improve the functioning of our programs, *esprit de corps*, and retention.

The model has F3 persistence rates initially the same as those of the F3 group of 1990. Starting in the fourth year, the model assumes that these rates rise by 2.5 points. The same is assumed for the remaining $1725 - 350 = 1375$ students. Note that a 2.5 point increase in retention rates over 6 or 7 years is modest. I hope that we can do much much better but the model does not count on it.

The calculations which follow detail:

- (1) expected drop in revenue from F5 students.
- (2) expected increase in revenue from additional F3 students recruited to replace F5's.
- (3) expected increase in revenue due to general improvement in retention.
- (4) expected cost of scholarships for additional F3's recruited to replace F5's.
- (5) expected cost of need based aid for additional F3's.
- (6) annual running cost for the SQI under this scenario from 1996 to 2004.

Scenario

Initial Base Population: 1700

Taking SAT: 1489

Classified as F5: 325

		<u>Total Freshmen</u>
Year 1:	Enroll 65 fewer F5's with SAT mean of 850. 200 F5's; 400 F3's	1635
Year 2:	Enroll 75 fewer F5's than in year 1, assuming 100 of 140 have mean SAT 850, the remaining 40 have mean 900. Enroll 80 more F3's having mean 1150, induced by 1/3 scholarship offers 185 F5's; 480 F3's	1640
Year 3:	Maintain number of F5's. Enroll 85 more F3's than in year 2 (80 of them (i.e. 80 of those above the 400 original) with average 1150; 85 with average 1180) 185 F5's; 565 F3's	1725
Year 4:	SQI starts to pay off with a 2.5 point rise in persistence rates; market position improves so that of the additional F3's 125 of 165 come with 1/3 scholarship, 40 with 1/4 scholarship. 1725	1725
Year 5:	Market position improves more (85 of 165 F3's (those with 1180 average) get 1/3 scholarships; 80 get 1/4 scholarships). 1725	1725

PERSISTENCE RATES FOR F5's

	YEAR A	YEAR B	YEAR C	YEAR D
YEAR 1	100%	77.6%	61%	56.4%
YEAR 2 (AND BEYOND)	100%	78.6%	64.7%	62.1%
WITHOUT INTERVENTION	100%	76.6%	57.3%	50.7%

REVENUE FROM GROUPS OF 65 F5's

PERSISTENCE RATES AS	YEAR A	YEAR B	YEAR C	YEAR D	4 YEAR TOTAL
1990	1,100,000	842,600	630,300	557,700	\$3,130,600
<u>1990+1989</u>	1,100,00	853,600	671,000	620,400	\$3,245,000
2					
1989	1,100,00	864,600	711,700	683,100	\$3,359,400

F5 REVENUE WITHOUT INTERVENTION

YEAR A	YEAR B	YEAR C	YEAR D	4 YEAR TOTAL
5,500,000	4,213,000	3,151,500	2,788,500	15,653,000

F5 REVENUE "YEAR 1" CLASS

YEAR A	YEAR B	YEAR C	YEAR D	4 YEAR TOTAL
4,400,000	3,414,400	2,684,000	2,481,600	12,980,000

F5 REVENUE "YEAR 2 AND BEYOND" CLASSES

YEAR A	YEAR B	YEAR C	YEAR D	4 YEAR TOTAL
3,130,770	2,460,785	2,025,608	1,944,208	9,561,371

	A	B	C	D	E	F	G	H	I	J	K	L
1	Revenue shortfall from F5's											
2		1996	1997	1998	1999	2000	2001	2002	2003	2004	4 Year Total	
3	Year 1	1100000	798600	467500	306900						2673000	
4	Year 2		2369230	1752215	1125892	844292					6091629	
5	Year 3			2369230	1752215	1125892	844292				6091629	
6	Year 4				2369230	1752215	1125892	844292			6091629	
7	Year 5					2369230	1752215	1125892	844292		6091629	
8	Year 6						2369230	1752215	1125892	844292	6091629	
9	Replacement income from F3's											
10		1996	1997	1998	1999	2000	2001	2002	2003	2004	4 Year Total	
11	Year 1										2921193	
12	Year 2		906640	747978	643714	622861					6024963	
13	Year 3			1869945	1542705	1327661	1284652				6352082	
14	Year 4				1926625	1637631	1416069	1371757			6538956	
15	Year 5					1983305	1685809	1457729	1412113		6538956	
16	Year 6						1983305	1685809	1457729	1412113	6538956	
17	Revenue from improved persistence rates											
18		1996	1997	1998	1999	2000	2001	2002	2003	2004	4 Year Total	
19	Year 1											
20	Year 2											
21	Year 3											
22	Year 4					420750	420750	420750			1262250	
23	Year 5						420750	420750	420750		1262250	
24	Year 6							420750	420750	420750	1262750	
25	Increased scholarship costs											
26		1996	1997	1998	1999	2000	2001	2002	2003	2004	4 Year Total	
27	Year 1											
28	Year 2		453280	373956	321829	311403					1460468	
29	Year 3			934890	771284	663771	642269				3012214	
30	Year 4				878250	746513	645514	623558			2893835	
31	Year 5					821610	698369	603883	584986		2708848	
32	Year 6						821610	698369	603883	584986	2708848	
33	Need based aid for F3's											
34		1996	1997	1998	1999	2000	2001	2002	2003	2004	4 Year Total	
35	Year 1										766836	
36	Year 2		238000	196350	168980	163506					1578780	
37	Year 3			490000	404250	347900	336630				1615530	
38	Year 4				490000	416500	360150	348880			1615530	
39	Year 5					490000	416500	360150	348880		1615530	
40	Year 6						490000	416500	360150	348880	1615530	

TOTAL BUDGETARY IMPACT

1996	\$1,100,000
1997	\$2,952,470
1998	\$3,966,218
1999	\$4,475,786
2000	\$4,060,622
2001	\$3,291,336
2002	\$2,729,729
2003	\$2,614,801
2004	\$2,614,801

Average cost for years 1996 - 2002: \$3,225,166.

Notes

Persistence Rates for F3's

	YEAR A	YEAR B	YEAR C	YEAR D
Years 2/3	100%	82.5%	71%	68.7%
Year 4	100%	85%	73.5%	71.2%

Revenue From Improved Persistence Rates

There are $1725 - 350 = 1375$ remaining students. At an average revenue of \$12,240 (72% of \$17,000), the initial revenue stream from these students is \$16,830,000. When improved retention kicks in, an extra 2.5% or \$420,750 is available in years B, C, D from that point on.

Need Based Aid for F3's

Approximately 85% of F3 students get need-based university aid averaging \$3500.

$$.85 \times 80 = 68$$

$$.85 \times 165 = 140.25$$

So in year 2, we enroll 68 additional such students and in successive years 140.