

December 2002

## Higher Education Branch Campuses in Washington State: Interim Report

### EXECUTIVE SUMMARY

#### Study Direction

The 1989 Washington State Legislature created two University of Washington (UW) branch campuses and three Washington State University (WSU) branch campuses. To review the role branch campuses have played in Washington's higher education system, a bill before the 2002 Legislature<sup>1</sup> directed the Washington State Institute for Public Policy (Institute) to examine:

- The original mission of branch campuses;
- Whether branch campuses are meeting their original mission; and
- Whether key factors that led to the creation of branch campuses have changed, including student demographics, demand for and availability of upper division higher education, and local or state labor markets.

Although the language providing for the study was vetoed, the Institute's Board of Directors directed staff to examine these questions.

#### Why Were Branch Campuses Created?

When the Higher Education Coordinating Board (HECB) published its first master plan for higher education in 1987, it concluded that existing upper division and graduate higher education programs did not fully meet the needs of the state. Affirming these findings, the 1989 Legislature established five branch campuses in growing urban areas operated by the two public research universities. The UW campuses are located in Tacoma and Bothell; the WSU campuses are located in Vancouver, the Tri-Cities, and Spokane.

- To increase access to higher education, the branch campuses were directed to **focus on upper division and graduate** programs, **target placebound students**, and **rely on a two plus two model** in cooperation with local community colleges.
- To promote economic development, branch campuses were to **respond to demand for degrees** from local businesses and **support regional economies** through research activities.

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<sup>1</sup> ESSB 6387, Section 608(11), Chapter 371, Laws of 2002 (partially vetoed).

## Has Access to Upper Division and Graduate Education Increased?

**Access Indicators.** Expansion of upper division and graduate programs has not occurred as rapidly as the HECB's 1990 goals. Washington continues to rank relatively low in upper division and graduate participation (compared with other states). However, most indicators examined in this report suggest that access *has* expanded in Washington State. Between 1990 and 2001:

- Upper division enrollment increased by approximately 8,000 students, and graduate enrollment increased by 3,000 students.
- Participation rates have increased for younger age groups; this measure reveals that upper division and graduate enrollment increased faster than population growth for those most likely to attend college.
- Other indicators of access also increased, including degree attainment rates and the percentage of Washington's citizens who live near a public baccalaureate institution.

**Role of Branch Campuses.** Branch campuses have accounted for half the upper division and graduate enrollment growth since 1990. Within targeted urban areas, branch campuses accounted for 84 percent of this increase. Branch campus enrollments currently lag behind the HECB's 1990 plans, in part due to constraints related to implementing new degree programs and lower levels of funding.

## Do Branch Campuses Target Placebound Students?

Available data indicate that branch campuses target placebound students:

- Branch campuses enroll proportionately more older and part-time students than the main campuses of UW and WSU.
- Increasing numbers and proportions of students from nearby counties attend the branch campuses.
- Students who transfer to branch campuses are slightly more likely to have been employed and twice as likely to be parents while attending community college than students who transfer to the main campuses.
- Branch campuses offer at least half their classes in the evening and on weekends, and one- to two-thirds of branch campus degree programs can be completed entirely on a non-traditional schedule.

**Population Trends.** Throughout Washington State, the traditional college-age population has grown faster than anticipated by forecasts from the late 1980s. Current population forecasts indicate that the traditional college-age group will continue to grow, by nearly 50,000 between 2002 and 2010. The number of people between the ages of 23 and 29 will increase by more than 100,000 during the same time period. The branch campuses likely will continue to enroll increasing numbers of both traditional college-age and older students.

## Do Branch Campuses Respond to Degree Demand?

***Demand for Baccalaureate and Graduate Degrees.*** Over the next five years, an estimated 19 percent of projected job openings in Washington State will require baccalaureate degrees or higher. The majority of new jobs will require less than a four-year degree, but the long-term trend is for increasing demand for employees with advanced degrees. Health care, education, and technology-related occupations are the most rapidly growing sectors.

***Branch Campus Degree Programs.*** When branch campuses were created in 1989, plans developed by UW, WSU, and the HECB emphasized baccalaureate arts and sciences and applied master's degree programs. WSU Spokane was intended to be somewhat different from the other branch campuses; its degree programs were to focus on health sciences, engineering, and architecture at the graduate level. Degree programs at branch campuses have generally followed the original plans.

***Comparison With Occupational Projections.*** Students' majors across the branch campuses are mostly concentrated in the business, education, and health fields, as well as liberal arts, which can be applied to a variety of occupational fields. Computer and social sciences are also frequent majors for branch campus students. Current occupational projections in branch campus target areas tend to be concentrated in the business, education, health, and engineering fields. With the exception of engineering, branch campus degree programs loosely mirror current occupational projections, though not uniformly.

***Degree Production.*** Statewide degree production has increased over the last decade at the baccalaureate and master's levels, but not the doctoral level. Data regarding degrees awarded at the branch campuses since 1990 are limited, because WSU degrees do not indicate those completed at branch campuses. Available data based on 2000–2001 graduates indicate approximately 13 percent of baccalaureate degrees were granted at branch campuses.

## How Do Branch Campuses Impact Regional Economies?

***Regional Economic Impacts of Higher Education Institutions.*** Research has shown that higher education institutions have an overall positive impact on regional economies. Estimations of regional economic benefits are based on how higher education institutions attract students, faculty, and new sources of money. The impact of branch campuses is less than that of traditional higher education institutions because of the way they are structured. Available data do not allow us to estimate the extent of branch campus impacts on targeted regions.

***Policy Tradeoff.*** *Statewide* net economic impacts are different from *regional* impacts because the majority of public higher education funding—a significant part of regional economic benefit—comes from the state's general fund. A tradeoff exists between supporting programs focused on long-term economic growth and expanding access to higher education in the short-term. A focus on economic development, which is generally associated with higher cost research-oriented programs, can restrict the amount of state funding available for the expansion of access.

**Doctoral Degree Policy History.** This tradeoff is exemplified by the debate over whether to support doctoral degrees at branch campuses. Both the desire to foster economic development and concerns about the cost of graduate education have influenced policies regarding whether branch campuses are authorized to offer doctoral degree programs. Initial HECB policy prohibited doctoral programs at branch campuses, but this policy has become less prohibitive over time. Current HECB policy allows for doctoral programs at branch campuses, subject to HECB approval on a case-by-case basis. WSU Spokane is the only branch campus that currently offers a doctoral program.

**Branch Campus Capital and Research Funding.** Capital investments in branch campuses represent significant costs to the state, while research funding at branch campuses comes from non-state sources. As of the 2001–03 biennium, the state had invested over \$600 million in branch campus capital facilities. Branch campuses generate funds for research from non-state grants and contracts, with totals for each campus ranging from \$356,000 to over \$3.6 million during the 2002 fiscal year.

**Indicators of Economic Development.** Indicators of economic development include per capita income, poverty, and unemployment rates. Data on these indicators suggest that economic disparities between the Puget Sound region and southwest and eastern Washington persist, although there have been increases in per capita income and declines in poverty rates in most of the branch campus target areas. The degree to which branch campuses have contributed to these improvements cannot be determined based on available data.

## **Are Branch Campuses Fulfilling Their Mission?**

In 1989, the HECB and Legislature established a dual mission for branch campuses: to expand access to higher education and to foster economic development. Data analyzed for this report indicate that branch campuses are fulfilling these objectives. Since 1989, as the state's higher education and fiscal policy climates have changed, new policy issues have emerged:

- Is this branch campus mission still valid for Washington's higher education system?
- If so, what are possible alternatives to the current structure of branch campuses in meeting this dual mission?
- If the state decides to prioritize access or economic development, how would that change how branch campuses operate and are funded?

The Institute's final report on branch campuses, due in June 2003, will summarize potential advantages and disadvantages, including costs, of different models of providing upper division and graduate education. Policy options regarding the future of branch campuses will also be explored.