

September 1, 2005

Ms. Jean Avnet Morse
Executive Director
Middle States Commission on Higher Education
3624 Market Street
Philadelphia, PA 19104-2680

Dear Ms. Morse,

Thank you for the external reviews regarding the University at Albany's Periodic Review Report (PRR) from Drs. Hollowell, Johnson, and Furmanski. I am particularly pleased that the reviewers noted the University's efforts to be forthright about the significant issues, challenges, and opportunities that face it. The University is moving aggressively to address these challenges by mustering its management, planning, and governance processes. I trust that my comments that follow will underscore just that commitment. We are all pleased that the Johnson-Furmanski report affirms that "It is clear from the PRR that the University meets Middle States' accreditation standards as detailed in the Characteristics of Excellence" (page 6). We look forward to the Commission's final report.

The University's PRR noted that a number of forward looking aspects of the University might very well change as the new campus leadership team takes shape. I should add that significant change has already occurred since the PRR was submitted in June 2005. These developments and issues are discussed below. Also discussed within this letter are several other important issues related to the long-term success of the University at Albany.

The "bottom line" assessment in Dr. Hollowell's fiscal analysis that "SUNY Albany has some serious operating and capital funding issues that may impact its ability to attract/retain the number of students it desires and to sustain the excellent research program that it has established" (page 1) accurately describes our situation. It is also the first order of business as the University enters the 2005-06 academic year. Righting the University's fiscal condition has been my number one priority since I arrived on campus in February 2005. First and foremost, until the University's fiscal house is in order, our ability to address other issues will be in doubt – most notably the reputation of our research programs, continued high levels of student retention across both minority and majority students, the coherence of the general education program, and our capacity to provide outreach and service.

Given the University's current and historical fiscal situation and the general rules that govern the economies of universities in the SUNY system, as they are described in the PRR, the most viable short-term solution to raising additional revenues is to increase enrollment, primarily at the undergraduate level. I would note, in that regard, that since 2002, the University has lost approximately 1,200 head-count students, a decline that has, along with several years of consecutive budget cuts and unfunded salary mandates, significantly reduced our financial capacity. We might, of course, cut additional programs, but that step makes little sense, as I see it, since in some ways we are struggling to provide enough high-demand programs. The administrative budgets of the University have also been reduced substantially and we face significant challenges with a forty-year old infrastructure that was built at one time and is now wearing out all at once. In fact, I believe a case could be made to create programs that the university does not offer, notably in the health sciences and engineering. That discussion, however, is for another and later day.

Our plan for undergraduate enrollment, as is generally noted in the PRR, is to bring our undergraduate enrollment back to where it was in 2002 and then stabilize it there. We do not believe that we will need any additional increases beyond that level and that by reaching this goal we will be able to bring down the existing structural deficits of more than \$4 million and, over the course of five years, add an additional 100 new faculty members. Doing so will help to reduce our student-faculty level to that of most of our peers and it will also enable us to invest in selected areas of high student interest and growing research success. We expect, as well, to reduce the use of part-time instructors and to provide additional support to the College of Arts and Sciences, the unit that teaches the bulk of our courses in the General Education Curriculum.

While increasing student enrollments provides much needed fiscal relief, the University is sure to receive continued pressure and direction from the SUNY System Office to enroll increasing percentages of better prepared students in its entering freshmen classes beginning in Fall 2006, and this is consistent with the University's own longer-term aspirations, as detailed in the PRR. Realizing these competing goals is easier said than done, and Drs. Johnson and Furmanski are quite correct in their assessment that the PRR does not adequately address the issue of maintaining, let alone increasing, the quality of incoming students in the face of planned enrollment increases. The University is aware of these competing forces and steps now in progress to reconcile these competing objectives are detailed below.

Since the PRR was submitted for review in June 2005, Susan Herbst, Dean of the College of Liberal Arts at Temple University, has accepted the position of Provost and Executive Vice President for Academic Affairs, effective September 1, 2005. Provost Herbst and I recognize the need to develop realistic recruitment and retention strategies to meet the University's ambitious enrollment plan and to subsequently improve entering student preparedness profiles. While the University has not yet formally developed such strategies, as noted by the reviewers, Provost Herbst has announced the hiring of a new Vice Provost for Enrollment Management, effective September 2005, to tackle this very issue. The Vice Provost will be charged with developing

student recruitment strategies based on analyses of the New York and out-of-state student markets. A primary component of these strategies will be the leveraging of scholarship and financial aid strategies, as suggested for consideration by the reviewers. In addition, other university resources, such as an Assistant Vice President for Academic Affairs, are now being focused on developing sound and comprehensive retention strategies that will involve the entire University community. As the reviewers note, the University has a considerable repertoire of existing assessment data that can be brought to bear on issues of student retention, and the undergraduate experience is a high priority area under the Hall and Herbst administrations. This focus on student retention, combined with the need to coordinate plans for enrollment growth with the SUNY System Office, will help ensure that facilities and other resources are sufficient to support the University's current and projected student levels. It is the University's firm belief that the combined effect of systematically focusing on both recruitment and retention strategies will lead to the longer-term goal of increasing student quality as the student body grows. Before that can happen though, the University must first shore up its fiscal house by modestly increasing undergraduate enrollments to buy time to develop sound recruitment and retention strategies for 2006-07 and thereafter.

The introduction of the compact planning process, which will occur throughout the 2005-06 academic year as discussed in the PRR, will also set the foundation for developing coherent development and capital campaigns that will be initiated in 2006-07. A national search for new leadership of the Advancement Division was concluded shortly after the PRR was submitted for review, and I was pleased to appoint Deborah A. Read, former Vice President for Advancement at Northern Kentucky University, as the University's new Vice President for Advancement in July 2005. Ms. Read, who has a proven track record in fund raising at a public university, will be shoring up her staff and making preparations for major development and capital campaigns to begin in 2006-07. As noted in the PRR, the upcoming compact planning exercises will be used to focus the University, its faculty, and its staff to develop clear and consistent messages about the University that can be used as the basis in these campaigns. Endowing monies raised from these campaigns are crucial elements to relieving the current burden on the operating budget of providing undergraduate scholarships and graduate student support, as well as for potentially endowing faculty positions.

As discussed in the PRR, the University has turned to using a dashboard system to track the performance of the University's major academic and administrative divisions. The dashboard system complements and supports the compact planning process, and the University's most recent dashboard is attached for the Commission's further review. In addition to measuring performance, I expect the performance dashboard to stimulate discussions throughout the campus community about the metrics utilized, and to lead to even better ways of measuring our progress on these and other issues of import.

Turning to faculty issues, the Johnson- Furmanski review questions the reasons for the decline in full-time faculty numbers back to below their 1995 level. The unfortunate dip in full-

time faculty headcount since 2002 is largely attributable to a flat trend in State support (i.e., combination of tuition and State tax revenue) in recent years, as discussed in the PRR. During this period, the campus was also required to fund negotiated salary increases from its own budget, which further diminished the availability of resources to add faculty positions and to replace faculty and staff who left as a result of retirements, deaths, or voluntary departures. Each spring the University was challenged to retain especially faculty members who were recruited by other research institutions. In all but a small number of cases the University was successful in developing an effective counter-offer package that retained the faculty member. Those faculty members who left, did so for reasons beyond the University's ability to address – e.g., to assume a position at a premier institution, or for personal reasons having to do with being closer to extended family, a warmer climate, or with taking advantage of new opportunities at an institution that was investing significant new resources in a program or field.

A brief description of Albany's traditional process for making decisions regarding faculty recruitment may be helpful. Each year the Provost and Deans jointly review the state of the faculties appointed to the institution's schools and colleges. Recent departures are discussed, demographic trends are analyzed, curricular needs are identified, and opportunities for programmatic reform and professional development are assessed. All this information is factored into a plan for faculty recruitment for the following academic year. For each search, the plan identifies faculty rank and programmatic emphasis, stipulates a starting salary, estimates a competitive start-up allowance, and describes any other special requirements for the position (e.g., space, laboratory equipment, other facilities requirements). A significant fraction of searches are interdisciplinary in character and result in new faculty members who are jointly recruited by and appointed to multiple departments and programs.

In addition to this annual review, the University has conducted various surveys of faculty in conjunction with national and regional associations. These include, for example, the UCLA Higher Education Research Institute (HERI) survey of faculty attitudes and perceptions on a number of issues of import to campuses, as well as a 2003 race relations survey conducted by the Mohawk Hudson Association of Colleges and Universities. While some interesting findings from these recent faculty surveys were unearthed and discussed among campus leadership, the results do not point to any particular areas of significant faculty dissatisfaction or concern that might be related to voluntary separations from employment. It is also noteworthy that the University has joined the Collaborative on Academic Careers in Higher Education (COACHE), a project on the Study of New Scholars at Harvard's Graduate School of Education. We anticipate that this association will assist us in nurturing and supporting junior faculty to become productive and satisfied teachers/scholars at the University at Albany.

In 2004 the Office of Institutional Research shared with deans an analysis of the age structures of their respective faculties to assist them in their workforce planning. As a result of this analysis and subsequent discussions to plan in a more orderly fashion for the changing of the guard in several departments with a large proportion of faculty already over the age of 65, the

University has begun to investigate the potential benefits of a phased-in retirement process. Such a process would allow aging yet productive faculty to ease into retirement by maintaining their bond with the University community over a two to three year period while simultaneously freeing up their line resource to recruit new faculty. While such a process has been used successfully at major public research universities across the country, most notably the University of Washington and Miami University of Ohio, such a process is considerably more complicated for the University at Albany since its faculty are New York state employees and therefore subject to New York's retirement laws that limit earned income for retirees. Addressing physical space limitations and accommodating outgoing faculty simultaneously with new replacement hires is another significant obstacle to be overcome in such a process. Nonetheless, the University will continue to investigate the plausibility of instituting such a system as a means of improving workforce and academic planning.

Since the PRR was submitted in June 2005, the University has firmed up its fiscal planning model, largely driven by planned enrollment increases which factor in- and out-of-state student enrollments conservatively at their current proportions, conservative estimates of fund raising success beginning in 2006-07, and no additional state appropriations in future years. This new fiscal planning model will enable the University to add approximately twenty new full-time tenure-track faculty, at junior levels, in each of the next five years for a total of 100 new faculty members by 2010-11. Implementation of this fiscal planning model will be coordinated with the SUNY System Office, consistent with current practice. Provisions, as discussed above, are being made with regard to both student recruitment and retention to achieve the student quality levels aspired to in the PRR. Compact planning exercises, also discussed in the PRR, will be the vehicle, open and transparent, that academic units and the deans will use to make their case for additional faculty lines and other selective investments that support the pursuit of University goals.

In the area of graduate education, where the University at Albany particularly shines with more than half (21 of 39) of its doctoral programs ranked in the top quartile nationally in terms of independent reputation studies or other objective indicators of merit, the reviewers raised a few items of import that should be addressed within the scope of this response letter. While the PRR notes a declining percentage of enrollment that is graduate in the near future, this is not due to reduced graduate enrollments. The graduate student projections provided in the PRR show graduate student enrollment as relatively flat through 2010, with graduate enrollment increasing by only twenty students over the next five years. Therefore, the percentage of total enrollment that is graduate is expected to decrease by two percentage points over the next five years as a result of increased undergraduate enrollment. While the magnitude of this change is small, it was mentioned in the PRR to provide the context that the University has a high percentage of graduate enrollment when compared to peer institutions, so any change to reduce the relative differences brings the University at Albany closer to its benchmark institutions in this regard.

The University also has a great deal of information regarding graduate student retention and graduation rates, student diversity, and student support that did not find its way into the PRR. Since 2000, the number of doctoral, master's, and certificate degrees awarded has increased modestly despite continuing difficulties in funding competitive stipends and tuition scholarship awards. Doctoral degrees awarded increased from 144 to 168, master's degrees from 1,315 to 1,547, and graduate certificates increased from 61 to 117. While some master's students do receive assistantships and limited tuition scholarships, the majority of graduate student support is reserved for Ph.D. students, and this is one of the mechanisms by which the University is able to maintain the quality of its graduate students, especially at the Ph.D. level. The University also offers a limited number of prestigious Presidential Fellowships each year (currently 14 new and continuing doctoral students will receive stipends of \$17,000 in 2005-06 in addition to tuition scholarships) and has designated an additional \$350,000 to be used as "top offs" to departmental stipends in an effort to recruit more competitively. Each department does have the discretion to set their own stipend levels and, while paying attention to program viability, to accept fewer doctoral students at greater levels of support. Many other factors, such as the established quality of University faculty, their research interests, and the opportunity to study at a well-respected research university no doubt also play critical roles in maintaining graduate student quality.

The University, in 2002, studied doctoral student retention patterns both in the aggregate and across programs in response to the national discussion prompted by Barbara Lovitt's research report *Leaving the Ivory Tower: The Causes and Consequences of Departure from Doctoral Study*. The overall picture at the University at Albany shows the average 8-year retention/graduation rate (the percentage of students from entering cohorts who either graduated or were still enrolled by their eighth year) for the five cohorts of doctoral students entering between 1990 and 1994 at the University at Albany in the following descriptive areas were:

	Mean %
Education	65.6
Public Health	64.4
Business	59.6
Rockefeller College	55.0
Information Sci & Policy	52.4
Social Welfare	51.6
Arts & Sciences	48.0
Criminal Justice	41.0
CAMPUS WIDE	52.2
CAMPUS WIDE – MINORITY	49.4

As evidenced by the summary information provided above, doctoral student retention/graduation rates vary considerably by discipline. On average, minority doctoral students had slightly worse retention/graduation rates, but the differences are modest. Program-specific data were later made available to deans to further investigate both majority and minority doctoral student retention. Provost Herbst and I plan to revisit the issue of student diversity this coming year, at both the graduate and undergraduate levels. These data will be of use in discussions with the deans and will be front and center; as indicated in the PRR, student diversity indicators are included on the University's performance dashboard, and will be included on school and college performance dashboards. In addition, the development of retention/graduation tracking system by the Office of Institutional Research will be available to deans and program directors on the world wide web. This system will track retention/graduation information for master's and doctoral student cohorts by program, and enhancements to provide breakdowns for student subpopulations such as those from underrepresented groups, women, and international students are also being considered.

Two other tools for assessing graduate education are also in development. The first is a graduate student exit survey, now under collaborative development by the Dean of Graduate Studies, the Graduate Student Organization, and the Office of Institutional Research. In addition to gauging various aspects of the University's graduate education climate, this survey program will be used to identify potential issues related to retention and persistence to graduation. The other assessment tool now under consideration is use of the University's PeopleSoft student records system to assess the achievement of student milestones (e.g., passing comprehensive exams, research or internship requirements, admission to candidacy, etc.) in relation to master's and doctoral student persistence and graduation. These data can be broken out by program to ascertain if there are important steps along the way to degree completion that students have trouble meeting.

In the area of General Education, the reviewers touch upon issues regarding the provision of general education courses by full-time versus part-time faculty and their respective effectiveness in achieving student learning outcomes. Admittedly, the University's general analyses in this area could be more comprehensive. The reviewer's questions are critically important and I will forward them to the Undergraduate Academic Council, the faculty governance body responsible for ensuring the effectiveness of the General Education program.

The Johnson-Furmanski report noted that the University's general education courses are taught by a large contingent of part-time faculty, (page 4), and questioned the effectiveness of its part-time faculty. As a point of clarification, The PRR noted that "Part-time faculty have played an important role in meeting student demand for General Education courses" (page 13), but they are not relied on to deliver general education instruction to any greater degree than they are to deliver instruction to the undergraduate curriculum as a whole. Analyses conducted by the Office of Institutional Research this past summer in support of developing school and college performance dashboards show that, across the University in Fall 2004, 61 percent of

undergraduate credit hours are generated by the full-time faculty, 30 percent by part-time faculty, and 9 percent by teaching assistants. Comparable figures for only general education courses show 60 percent of general education student credit hours generated by full-time faculty, 32 percent by part-time faculty, and 8 percent by teaching assistants. These data indicate that the general education curriculum is served similarly by part-time faculty and teaching assistants as is the undergraduate curriculum as a whole. The University's plans to increase the number of full-time faculty positions by twenty per year through 2011 will improve this situation. And as noted above, I will forward the issue of assessing the quality of part-time faculty instruction to the Undergraduate Academic Council for consideration.

The remaining issue raised by the reviewers regards minority student retention and graduation success rates. The PRR did not include as an area of focus the fact that the University's students of color have favorable retention and graduation rates relative to other public research universities, and have the second highest retention/graduation rates within SUNY (IPEDS data as presented by The Education Trust). While issues of retention/graduation are complex issues which involve mitigating factors such as the relative preparedness of different groups of students and competition from other institutions for high ability students, but particularly for minority students, the University has invested heavily over the years in supporting its students from underrepresented groups on a number of fronts, and is particularly proud of its achievements in minority student retention and graduation rates.

Once again, on behalf of the University at Albany, I wish to express our thanks to the Middle States Commission on Higher Education and to the reviewers for joining our campus community in our ongoing dialogues on these important issues.

Sincerely,

Kermit L. Hall
President and Professor of History

CC: Provost Herbst
Dr. Furmanski
Dr. Hollowell
Dr. Johnson

Attachment