



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #637

UW Flexible Option Programs and Financial Aid (UW System)

[LFB 2017-19 Budget Summary: Page 460, #4 & 5]

CURRENT LAW

2013 Act 20 required the Board of Regents to allocate \$650,000 in 2013-14 and \$1,300,000 in 2014-15 from its program revenue balances on a one-time basis to increase the number of courses and programs offered through the new flexible option platform.

GOVERNOR

Require the Board of Regents to ensure that the total number of accredited competency-based degree and certificate programs offered through the UW Flexible Option platform is increased by at least 50% by December 1, 2019. Specify that the number of programs offered through the UW Flexible Option platform on the effective date of the bill would be used for the purpose of calculating the increase. If the number of programs offered on the effective date of the bill is odd, the increase would be calculated using the next even number. Specify that the new programs created between the effective date of the bill and December 1, 2019, would include: (1) at least one program that assists certified nursing assistants in becoming registered nurses; and (2) at least one program that prepares nonteacher school district employees to successfully complete a standardized examination prescribed by the State Superintendent as a condition for obtaining a professional teaching permit or an initial teaching license.

Provide \$700,000 in 2018-19 through the UW System's appropriation for general program operations. According to the Executive Budget Book, this funding would be used to provide financial aid to students enrolled in programs offered through the UW Flexible Option platform.

DISCUSSION POINTS

1. Beginning in January, 2014, students have been able to enroll in self-paced, competency-based programs offered through the UW Flexible Option platform. Designed for working adults, these programs are offered entirely online and do not use the traditional semester-based calendar. Instead, students enroll in three-month "subscription periods" which begin on the second day of each month. Tuition for the "all-you-can-learn" subscription option is \$2,250 per subscription period. Students make progress towards a degree by completing assessments that demonstrate they have mastered a competency.

2. There are currently five degrees and three certificates offered through the UW Flexible Option platform. These include bachelor's degrees in business administration, biomedical sciences - diagnostic imaging, information science and technology, and nursing; an associate's degree in arts and science; and certificates in business and technical communications, project management, and substance abuse disorders. With the exception of the bachelor's degree in business administration, the bachelor's degrees are awarded by UW-Milwaukee. The associate's degree is awarded by the UW Colleges and the certificates are awarded by UW-Parkside, UW-Milwaukee, and UW-Madison. Those institutions are accredited; therefore, the degrees and certificates offered by those institutions via the UW Flexible Option are also accredited. The bachelor's of business administration is awarded by UW-Extension. This is the first degree program offered by UW-Extension, which is not currently an accredited institution. UW-Extension applied for accreditation through the Higher Learning Commission in January, 2016. The accreditation process can take six to eight years.

3. As there are currently seven accredited degree and certificate programs offered through the UW Flexible Option, an additional four accredited degree and certificate programs would have to be offered through the UW Flexible Option by December 31, 2019, to fulfill the requirement in the bill. According to UW-Extension staff, there are three programs currently in development. These programs include a bachelor's in employee relations, to be offered by UW-Extension; a master's in geographic information systems (GIS), to be offered by UW-Stevens Point; and a bachelor's degree in biomedical sciences-health sciences, to be offered by UW-Milwaukee. It is anticipated that the bachelor's degree programs in employee relations and biomedical sciences will begin enrolling students in spring, 2018, and the master's degree program in GIS will begin enrolling students in late 2019. As both the bachelor's in biomedical and the master's in GIS will be offered by accredited institutions, those programs will be accredited. The bachelor's in employee relations will be offered by UW-Extension and therefore will not be accredited until that institution gains accreditation.

4. UW-Extension staff have indicated that it takes two years to develop a UW Flexible Option program and that each new program costs approximately \$1 million to create. While it may be possible to create an additional program beyond the three currently in development in the time allotted, to do so would require a willing institutional partner and additional resources. Given that the bill would not provide UW-Extension with any additional funding to create new programs, it is unlikely that any additional degree or certificate programs beyond the three programs that are currently in the development process will be offered through the UW Flexible Option by December

31, 2019. Adding the bachelor's degree in biomedical science-health sciences and the master's in GIS would increase the number of accredited degree and certificate programs offered through the UW Flexible Option by two, or 28.6%. Because the increase included in the bill is likely unachievable, the Committee may wish to reduce the required increase in UW Flexible Option programs from 50% to 25%. However, as it is likely that the number of accredited degrees and programs would increase by this amount with or without this requirement, the Committee may wish to delete the provision.

5. If the Committee does not wish to reduce the required increase, another option would be to change the date by which the Board of Regents must ensure that the number of accredited degrees and certificates offered through the UW Flexible Option has increased by 50%. For example, the Committee could require the Board of Regents ensure that the number of accredited degrees and certificates offered through the UW Flexible Option has increased by 25% by December 1, 2019, and by 50% on December 1, 2021.

6. In December, 2015, the Board of Regents approved a change in the UW-Extension's mission to allow the UW-Extension to offer certificates and associate's and bachelor's degrees in the area of business and management through the UW Flexible Option platform. UW-Extension had previously identified bachelor's level business and management degrees to be the academic programs for which demand was the highest amongst current and potential student populations. However, UW-Extension had been unable to find a UW institution that was willing to partner with it to offer business and management degrees via the UW Flexible Option. The mission change allowed UW-Extension to offer degrees in this area without partnering with another UW institution.

7. As previously stated, UW-Extension has applied for accreditation but is not yet accredited. As the bill language includes the word "accredited," the bachelor's in business administration currently offered by UW-Extension via the UW Flexible Option would not be included in the number of degree and certificates used for calculating the increase in such degrees and programs. In addition, any new degree or certificate programs offered by UW-Extension via the UW Flexible Option prior to its anticipated accreditation in 2022 would not be counted towards the percentage increase. This may serve to discourage UW-Extension from developing new programs to be offered through the UW Flexible Option even though UW-Extension has identified business and management degrees to be in high demand. To allow degrees and certificates awarded by UW-Extension to be counted under this provision, the Committee may wish to strike the word "accredited." If degrees offered by UW-Extension are counted, the number of degrees and certificates offered via the UW Flexible Option would be eight and another three degree programs could be added by December 1, 2019, an increase of 37.5%.

8. If the Committee does strike the word accredited, the Committee could also reduce the percentage increase in degree and certificate programs offered through the UW Flexible Option from 50% to 35%. Alternatively, the Committee could modify the provision to require the Board of Regents to ensure that the number of accredited degrees and certificates offered through the UW Flexible Option has increased by 35% by December 1, 2019, and by 50% on December 1, 2021.

Nursing Program

9. The bill specifies that the new degree and certificate programs offered through the UW Flexible Option must include a program that assists certified nursing assistants in becoming registered nurses. The Wisconsin Department of Health Services (DHS) maintains a registry of persons who are eligible to work as nurse aides. To qualify for inclusion in the registry, a person must have completed a nurse aide training program and successfully completed a competency evaluation. The technical colleges offer an approved nurse aide training program which consists of one three-credit course. The technical colleges also offer associate's degrees in nursing which qualify graduates for licensure as a registered nurse.

10. UW-Milwaukee currently offers a bachelor's of science in nursing (BSN) through the UW Flexible Option. To be eligible to enroll in that program, a student must have already completed an associate's degree in nursing. It is unclear if the intent of the provision is for an entire bachelor's of science in nursing to be available via the Flexible Option, which would allow students without an associate's degree in nursing to enroll, or if the intent is for an associate's degree in nursing to be offered via the Flexible Option. The latter would require the Board of Regents to modify the mission of at least one UW institution as no UW institutions are currently authorized to offer an associate's degree in nursing. This may also require the approval of the Wisconsin Technical College System (WTCS) Board as current law prohibits the Board of Regents from broadening the UW System's post-high school training mission to include the preparation of persons for semiprofessional or skilled-trade occupations beyond those offered during the 1972-73 academic without the approval of the WTCS Board.

11. According to the administration, the intent of this provision is to have professional educators come up with whatever they feel is the best program to get more RNs in the state. If that is the case, it is unclear why the administration would require that such a program be offered via the UW Flexible Option instead of allowing the professional educators to determine the program's format. In addition, as an associate's degree in nursing is required to become an RN, it may be more appropriate to direct the Wisconsin Technical College System to work with its district boards to develop alternative formats for associate's degrees in nursing as the technical colleges currently offer those degrees while UW institutions do not.

12. In 2013, the Wisconsin Center for Nursing issued a report regarding the nursing workforce in the state that included recommendations for addressing a projected shortage of nursing. The following recommendations included in that report relate to nursing degree programs: (a) double the number of advanced practice registered nurses (APRN) graduating in Wisconsin by 2020 by increasing capacity at current programs and adding new programs; (b) secure state funding to support significant expansion of Wisconsin nursing school capacity to meet demand for 200 additional APRNs per year; (c) secure state funding to support significant expansion of Wisconsin nursing school capacity to meet demand for at least 3,000 additional BSN graduates per year; (d) investigate the possibility of BSN completion programs in the Wisconsin Technical College System; (e) implement dual track enrollment between technical colleges and four-year institutions to facilitate students' ability to attain a BSN or higher degree; (f) seek state funding for the expansion of capacity for face-to-face and online BSN completion programs; and (g) continue

seamless academic progression and support for licensed practical nurses (LPNs) to achieve associate's degree in nursing (ADN) or BSN degree completion. These recommendations generally focus on increasing the number of nurses with training beyond the associate degree level with the exception of the recommendation to provide support for LPNs to earn associate's and bachelor's degree.

13. There are at least two competency-based programs that prepare graduates to take the exam required to become an RN. The first, offered by Excelsior College in Albany, New York, is an associate's degree program. That program does not include any clinical instruction and is only open to LPNs, licensed vocational nurses (LVNs), paramedics, and military corpsmen with similar responsibilities. Students can complete most of the credits required for the degree through examination; however, students must take two eight-week clinical assessments that are delivered through Excelsior's online learning management system and pass the clinical performance in nursing examination (CPNE). The CPNE is administered over a two and a half day period in an acute care hospital. Due to demand, the average waiting time to take the CPNE is seven to 12 months. The majority of graduates from the Excelsior program do pass the exam that is required for licensure as a registered nurse. According to data reported by Excelsior, 75.5% of program graduates passed the exam required for licensure as a registered nurse on their first attempt in 2016. (Pass-rates for technical college graduates ranged from 77.6% to 98.3% in 2015.) Excelsior College has been approved by the Wisconsin Board of Nursing; however, no Excelsior College degree graduates took the licensure exam in this state in 2014, 2015, or 2016.

14. Western Governor's University (WGU) offers a pre-licensure BSN through a competency-based format. Unlike the Excelsior program, students do not need to be a LPN or have similar qualifications to enroll in the program and laboratories and clinical instruction are provided. Unlike the current programs offered via the UW Flex Option, students are required to complete laboratory experiences at a physical location to satisfy particular competencies. Students must also complete clinical experiences during all four terms of the program. (A "term" at WGU is six months long.) The nursing clinical practicum, which is the final required course of the program, requires the student to complete 180 clinical hours over a five week period. The WGU program guide notes, "Coursework and clinicals during the fourth term are extremely intense, and if at all possible, (the student is) encouraged not to work during the . . . the last three months and to reduce (his or her) work hours during the entire term." The pre-licensure nursing program is only available in California, Texas, Florida, Indiana, and Utah. A total of 116 WGU nursing graduates took the licensure exam in 2015 and the licensure exam pass rate for WGU nursing graduates in that year was 77.4% in California, 70.6% in Texas, 88% in Indiana, 75% in Florida, and 100% in Utah.

15. A pre-licensure BSN program, similar to the program offered by WGU, may not be a good fit for UW Flex Option because it requires in-person laboratories and substantial number of clinical hours that cannot be completed through a competency-based format. An associate's degree program open only to LPNs and professionals with similar credentials, similar to the program offered by Excelsior College, may be more suitable to the UW Flex Option format. However, no UW institution is currently authorized to offer such an associate's in nursing degree. In addition, the final eight credits of the Excelsior College program are earned through successful completion of the CPNE, which must be taken in person and may not be scheduled for seven to 12 months after the

student applies to take the exam. Due to the time that a student must wait to take this examination, this program may not allow the student to earn a degree more quickly than through a traditional program.

Teacher Development Program

16. The bill also specifies that the new degree and certificate programs offered through the UW Flexible Option must include a program that prepares nonteacher school district employees to successfully complete a standardized examination prescribed by the State Superintendent as a condition for obtaining a professional teaching permit or an initial teaching license. To be eligible to receive an educator license, applicants must demonstrate competency in the basic skills of reading, writing, and mathematics, and content knowledge in their specific license area. Administrative code requires students applying for admission to an educator program to pass competency tests in communications skills prior to admission. This requirement can be satisfied by qualifying score on the Praxis CORE tests, the ACT, the SAT, or the Graduate Record Examinations (GRE). All applicants for educator licensure in any subject other than world languages must pass the appropriate Praxis II content knowledge test. World language teachers are required to score at least "intermediate high" on both the oral proficiency interview and writing proficiency test components of the ACTFL. Elementary, special education, reading, and reading specialist licensure applicants must receive a passing score on the Wisconsin Foundations of Reading Test.

17. Beginning in September, 2015, all candidates for an initial educator license have been required to complete a teacher performance assessment known as the edTPA, developed by Stanford University's Center for Assessment, Learning, and Equity, prior to licensure. Beginning in September, 2016, candidates will be required to earn a minimum passing score established by DPI in order to become licensed. The edTPA assesses teacher performance based on a portfolio that includes video clips of a candidate's teaching, lesson plans, assessments, student work samples, and reflective commentaries. The portfolio is submitted for external scoring by trained scorers. Most candidates will complete the edTPA during their student teaching.

18. Another provision of the bill would require the Department of Workforce Development (DWD) to award grants to school districts that have partnered with either a School of Education within the UW System or the UW Flexible Option program in the UW-Extension to design and implement a teacher development program. A school district could apply for a grant from DWD if the teacher development program is designed to prepare employees of the school district who work closely with students and hold a bachelor's degree to successfully complete the requirements for obtaining a professional teaching permit or an initial teaching license. These requirements would include any standardized examination prescribed by the State Superintendent as a condition for permitting licensure. The UW System entity with which the school district has partnered would prepare and provide intensive coursework for participating school district employees.

19. According to the administration, the intent of this provision is to have one or more school districts develop a program similar to the "Grow Your Own" program in Minneapolis, which is a teacher residency program. Teacher residency programs are teacher preparation programs that generally consist of a year of in-classroom training under the supervision a mentor teacher

combined with master's level coursework. Teacher residents typically work alongside an experienced teacher for four days a week and spend one day a week in seminar-style courses with other teacher residents. Teacher residents may also be required to take additional coursework during the summer or one night a week during the school year. Milwaukee Public Schools and Seton Catholic Schools both offer teacher residency programs in partnership with Cardinal Stritch University.

20. UW Flexible Option programs are targeted to working adults who may not be able to physically attend a college campus. The competency-based structure of the degree programs allow students to work at their own pace, completing the required coursework either faster or more slowly than in a traditional credit-based course. By contrast, teacher residency programs are highly structured programs that require participants to fully commit to the program. Graduate level coursework is generally provided to teacher residents in a group setting and is scheduled around the residents' classroom responsibilities. While UW Flexible Option programs are designed to allow students to learn at times that are convenient for them, teacher residency programs require students to devote a year or more to in-classroom training and graduate-level coursework. Due to these differences, the UW Flexible Option may not be the best delivery mechanism for the coursework associated with a teacher residency program.

21. If the intention of this provision is to have a School of Education within the UW System partner with a school district to develop a teacher residency program, the Committee may wish to delete the proposed language and instead require the Board of Regents to ensure that at least one School of Education within the UW System has partnered with a school district to develop a teacher residency program by December 1, 2019. Under this alternative, the coursework associated with the teacher residency program would not be required to be delivered through the UW Flexible Option, but could be offered in that format. This would be consistent with provision under DWD which allows school districts who have partnered with a School of Education within the UW System or the UW Flexible Option program in the UW-Extension to apply for grants.

Financial Aid

22. The bill would provide \$700,000 GPR in 2018-19 to provide financial aid for students enrolled in UW Flexible Option programs. According to UW-Extension staff, this funding would be used to provide financial aid to students enrolled in the new bachelor's of business administration degree program, which first began enrolling students in December, 2016. Students enrolled in that program cannot receive federal financial aid because the program is not yet accredited. Those students will be able to receive federal financial aid after UW-Extension becomes a candidate for accreditation and the program is approved by the U.S. Department of Education, which UW-Extension staff estimate could occur by 2020. UW-Extension intends to provide tuition credits to students enrolled that program who would have otherwise been eligible for federal need-based grants. Assuming that 50% of students would have been eligible for federal need-based grants, UW-Extension staff estimates that tuition credits totaling \$271,100 in 2017-18 and \$376,900 in 2018-19 will be awarded based on current enrollment estimates. To be consistent with estimates provided by UW-Extension, the Committee could modify this provision to provide \$271,100 in 2017-18 and \$376,900 in 2018-19.

ALTERNATIVES

A. Increase in Number of Programs

1. Approve the Governor's recommendation to increase the number of accredited competency-based degree and certificate programs offered through the UW Flexible Option platform by at least 50% by December 1, 2019.

2. Modify the provision to require the Board of Regents to ensure that the total number of accredited competency-based degree and certificate programs offered through the UW Flexible Option platform is increased by at least 25% by December 1, 2019, instead of 50% as under the bill.

3. Modify the provision to require the Board of Regents to ensure that the total number of accredited competency-based degree and certificate programs offered through the UW Flexible Option platform is increased by at least 25% by December 1, 2019, and by at least 50% by December 1, 2021.

4. Delete the word "accredited" from the provision which would allow degree and certificate programs offered by UW-Extension to be counted under the requirement. In addition, modify the provision to require the Board of Regents to ensure that the total number of accredited competency-based degree and certificate programs offered through the UW Flexible Option platform is increased by at least 35% by December 1, 2019.

5. Delete the word "accredited" from the provision which would allow degree and certificate programs offered by UW-Extension to be counted under the requirement. In addition, modify the provision to require the Board of Regents to ensure that the total number of accredited competency-based degree and certificate programs offered through the UW Flexible Option platform is increased by at least 35% by December 1, 2019, and 50% by December 1, 2021.

6. Delete provision.

B. Creation of a Certified Nursing Assistant to Registered Nurse Program

1. Approve the Governor's recommendation to require the creation of a UW Flexible Option program that assists nursing assistants in becoming registered nurses.

2. Delete the requirement that the new degree and certificate programs offered through the UW Flexible Option include a program that assists certified nursing assistants in becoming registered nurses.

C. Creation of a Program to Prepare Non-Teachers for Licensure Examinations

1. Approve the Governor's recommendation to require the creation of a UW Flexible Option program to prepare nonteachers to successfully complete a standardized examination prescribed by the State Superintendent as a condition for obtaining a professional teaching permit or

an initial teaching license.

2. Modify the recommendation to require the Board of Regents to ensure that at least one School of Education within the UW System has partnered with a school district to develop a teacher residency program by December 1, 2019. The coursework provided by the School of Education would not be required to be delivered via the UW Flexible Option platform.

3. Delete the requirement that the new degree and certificate programs offered through the UW Flexible Option include a program that prepares nonteacher school district employees to successfully complete a standardized examination prescribed by the State Superintendent as a condition for obtaining a professional teaching permit or an initial teaching license.

D. Financial Aid

1. Approve the Governor's recommendation to provide \$700,000 in 2018-19.

2. Modify the provision to provide \$271,100 in 2017-18 and reduce funding by \$323,100 in 2018-19.

ALT D2	Change to	
	Base	Bill
GPR	\$648,000	- \$52,000

3. Delete provision.

ALT D3	Change to	
	Base	Bill
GPR	\$0	- \$700,000

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