

Graduate Admissions and Financing¹

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Trends and Concerns – Background and Foreground

Funding Models and Institutional Arrangements

Culture – Practice, Commitments, Opportunities

Good afternoon. Congratulations on your new assignments. Congratulations to those of you who decided to return for more assignments! This is your opportunity to lead and change, good wishes to use the time for maximum progress, and transformative change.

My comments this afternoon center on “financing” graduate education. I will talk about three topics that define much of what occupies our time around financing: trends and concerns that create both background and foreground for graduate education financing; funding models and institutional arrangements for financing; and the culture that shapes how we think about funding, enact our practices and forge our commitments.

Trends and Concerns – Background and Foreground. An excellent summary of trends and concerns related to funding graduate education was prepared and presented by Ken Redd at the December 2006 CGS Annual Meeting and can be found at the CGS website and in an article he prepared for the *Communicator*.² Here are a few highlights that provide the background and foreground, challenges and opportunities of our funding and financing work.

- By 2014 the number of people seeking master’s and doctoral degrees will likely increase by 12 percent, with women and persons of color accounting for much of this number.
- The cost of graduate education increased by 60 percent between 1995 and 2006 and increases in grants and assistantships have not followed.

¹ Panel presentation, Council of Graduate Schools Summer Workshop for Graduate Deans and New Deans Institute, Vail, Colorado, July, 2008.

² http://www.cgsnet.org/portals/0/pdf/mtg_am06Redd.pdf; *Communicator*, http://www.cgsnet.org/portals/0/pdf/comm_2006_11.pdf.

- Student loans are the fastest growing source of aid, and minority students had the highest percentage of loans and the lowest percentage of grants or assistantships when compared with Asian and White students.
- Growth in borrowing and cumulative debt negatively influences completion rates and time to degree and increases students attending part-time.
- There are demographic differences by gender, race and ethnicity that need examination and action. 60 percent of those entering graduate school are women, but of those completing, only 40 percent are women. Persons of color are very much under-represented in the STEM disciplines; challenges to critical mass by race and gender in some disciplines.

Despite these trends and data, there is room for optimism. There is a balancing demographic that needs a strong response through graduate education. Increasingly we need replacement faculty for the retiring professoriate. And, there is a growing need for a graduate trained professional workforce in science and health industries, technology, museums, libraries, NGOs and national and international government agencies.

Funding Models and Institutional Arrangements. How are we arranged, institutionally, to address the growing need for more and increased funding for graduate students? Where can you find your leverage, your opportunity for growth?

It is a fact that disciplinary access to extramural funding and institutional teaching needs shape our funding practices. Biological and biomedical sciences, some of the natural sciences and engineering sciences have access and dependence on extramural funding. It defines their progress and accomplishments and draws students to study with well-funded visible faculty. The support the sciences receive from institutional sources is among the lowest when disciplines are compared. The social sciences have a mix of funding that is extramural and institutional and the humanities, in large measure are institutionally funded. For humanities, more teaching is expected; for sciences more external funding is expected and for social sciences, student work is somewhere between the two. How do we build and sustain support of an environment that calls for flexible mixed models?

A few months before I began in my post as Dean at Emory, the Provost asked that I look at the budget model for graduate funding, to find opportunities for increasing revenue. We all had some expectations for where more funding would/could come from, but needed a thorough analysis and comparison with other graduate schools. As part of the process, we developed a set of working questions, that when answered served two purposes: it helped me learn the budget model and the funding culture at Emory and it shaped a solution to our needs. Most importantly, we began to see opportunities for partnerships and for leveraging growth in the stipend part of our budget. The questions we worked through fell into two basic categories: funding graduate education and administrative and financial structure of the university. Here are the questions we used.

Funding Graduate Education

- Describe how our institution funds graduate education. What are the revenue sources? How do the different revenue streams flow to the Graduate School?
- Do individual schools or colleges transfer funds to the Graduate School? How are the amounts determined?
- How is the graduate budget built? What expenses/services are built into the central graduate budget? What expenses/services are covered by department or school budgets?
- Within the graduate budget, are there distinct funding models? How does the central graduate budget support training in fields with access to extramural funding? Does the graduate budget provide bridge funding to investigators and how does it work? When a PI takes on a student, what costs does the PI assume (tuition, stipend, health insurance)? How do you ensure the health and vitality of the humanities and other fields with limited access to extramural funding? How are special initiatives funded? Are there 'deviations' or 'special deals' with select programs? What circumstances prompt special arrangements with programs?
- How are budgeting decisions made? Is there a faculty governance process that coordinates with budget modeling and allocation? Are there other administrative structures that play advisory roles in budget modeling and allocation?

Administrative and Financial Structure of the University

- How is the Graduate School organizational chart structured in relation to other schools and senior academic and administrative units? What are the roles and responsibilities of senior staff and assistant and associate deans?
- How does revenue from indirect cost recovery flow? Does it stay in the generating department or school? Does a portion flow to the university's general budget?
- How are university overhead costs handled? Are costs allocated to schools? Are costs allocated to the Graduate School? If so, what costs are included in the Graduate School allocation?
- How does graduate tuition revenue flow? What unit collects graduate tuition (individual college/school or Graduate School)? If the individual college collects the tuition, does a portion flow to the Graduate School budget? If the Graduate School collects the tuitions, does a portion flow back to the generating unit?

If you perform the exercise to answer these questions, and then perhaps compare them to other institutions you benchmark with, you may be surprised to learn what is revealed.

There is a crazy quilt of arrangements across graduate education land. We have created practical local solutions, some that may be good, generalized practices useful in other places, and some that are systems of patronage and hidden reward. Once we answered these questions, we began to see some patterns that helped us understand our history and culture and the practices that build and reinforced history and culture. Animated conversations within and beyond the Graduate School on budget planning and the expectation, indeed, the promise of future growth emerged, along with accountability, transparency and partnerships with other university units.

Culture – Practice, Commitments, Opportunities. From our own study, we quickly began to see a pathway to new institutional commitments. It was through discussing these questions with the leadership of the Graduate School and with other University colleagues and with others who value graduate education, that a language of ‘first principles’ emerged. We drafted what we believed to be our principles and used them to design and implement our funding reforms. Here are Emory’s *principles for funding graduate education*.

Principles for Funding Graduate Education

- Doctoral education is a *public good* that fuels scientific, economic, social and cultural development by producing scholars who advance and disseminate knowledge.

In the United States, funding and support for doctoral education comes from the federal government, state governments, private foundations, and industry. Within research universities, doctoral education is funded by external sources supplemented with revenue from endowment, tuition, indirect cost recovery, donors and other sources, and is supported by individual units—schools, departments, and research centers—that contribute space, faculty time, and administrative overhead.

- The *strength of a university’s research culture* depends on the vitality of its doctoral programs.

Doctoral programs, with their combination of dedicated and accomplished faculty members and the most committed and talented students, are at the center of the creation of new knowledge and a new generation of intellectual leaders.

- The *success of Emory’s strategic plan* depends critically on robust doctoral programs in a wide range of disciplines. Emory faculty and administrators have imagined a bold plan with an ambitious research agenda at its core.

- Emory’s doctoral programs *add value* to the entire university.

As emerging colleagues, doctoral students invigorate the intellectual climate by challenging faculty to pursue new lines of inquiry.

As *research assistants*, doctoral students contribute directly to the university's research productivity and prominence of the faculty.

As *teaching assistants and associates*, doctoral students contribute to the instructional mission of Emory College and the professional schools in which they teach.

As *alumni*, graduates of Emory's doctoral programs bring distinction to the university by moving into research, teaching, and service careers in academic, public and private sectors.

- The Graduate School is committed to *securing the resources* required to build and sustain robust doctoral programs.
- The Graduate School is committed to *wise stewardship* of central university resources.

Emory's doctoral programs enjoy an extraordinary level of support from the University's basic and educational budget; University endowment; and graduate tuition (under the Graduate School budget model, all tuition generated by doctoral programs, including training grants, is used to support doctoral education). The Graduate School seeks to employ and leverage central university resources with a commitment to accountability and transparent practices.

- Funding for Emory's doctoral programs *requires partnership* across several units and schools.

Integral to this process is a careful and mindful examination of cost-centering to ensure that doctoral students' very real contributions to the research and teaching missions of the university are reflected in the revenue streams dedicated to direct support of doctoral education.

Other Practices, Other Opportunities. There is a non-monetary, human systems dimension to graduate financing, as well, and before closing, I'd like to discuss this briefly.

We, as faculty and academic leaders, work so hard, with persistence, conscientiousness and diligence, to secure the funds needed to support graduate education. But, we may not always have the support systems or co-curricular sequences in place to ensure the best return on our investment -- intellectual, social and financial. At the same time, less than timely progression through a program, increases student debt and constrains professional earnings.

At each of our schools there are a number of practices that are likely 'institutional habits' that warrant a mindful 'test of time' review. For example, we all have admission practices designed to attract and admit students that best match our program strengths.

We have orientation programs, at the level of the graduate school and at the program level and they are formal and informal.

But do we have a more mindfully designed set of programs that help students envision their pathways, envision their progress, and more or less take control of their academic and professional destiny? What do we have in place to address the benign, naïve, clueless-ness, perhaps even romantic notions our newest students have about graduate school and their abandonment to the life of the mind? When we encourage, indeed institutionalize mindful planning, we offer design of coursework, steps to candidacy, and preparation for grant writing to ensure extramural research or fellowship funding later, as well as students' professional visibility.

Mindful planning supports and encourages good mentoring. Students should be able to predict where the challenging junctures are and ability to seek academic assistance. (And, this means we have that assistance consistently accessible.)

We should have faculty programs in place that encourage good mentoring, and build a cultural norm that support and promotes mentoring. Everyone should be comfortable with the distinction between advising and mentoring, and know when they are in which role. And, in those cases where this is not possible, we should train students how to get the mentoring they need, despite the skills of the faculty.

A culture of support through writing groups, study groups, graduate student parent groups helps with return on investment.

Over time these types of co-curricular practices can be examined in relation to time to degree, time to candidacy markers, and in time there should be a true awareness of the cost of not finishing. I'm sure if you modeled the financials, you'd see that for each student who leaves a PhD program with a terminal MA/MS about \$100,000 has been invested. (This assumes tuition in the \$20-25K minimum range.)

Final Comment. In closing, let me say that financing is more than just about the money. The stakes are higher than we sometimes think, in terms of social, intellectual, and financial capital. If we think of our financing needs as more than revenues and expenses, we get closer to making change that is transformative for the *public and personal good* that graduate education offers.

Thanks for listening.