

# PROPOSAL FOR PROGRAM-BASED DIFFERENTIAL TUITION UW-MILWAUKEE COLLEGE OF NURSING

## Executive Summary

In response to the critical nursing shortage the State of Wisconsin is facing, the College of Nursing doubled the amount of students admitted to the major in the past two years without a comparable increase in its budget. Professional nursing standards and clinical agency requirements require a student-faculty ratio of 8:1 in clinical courses. Also during this time, instructors' salaries have increased significantly in the marketplace. The CON has attempted to keep pace by increasing salaries, but we still are far behind the salaries our competition offers. These factors have strained the Nursing budget. In addition, our facilities are out-dated. Our NLRC (Nursing Learning Resource Center) needs to be modernized to match the settings our students enter in the clinical phase of their education, and when they graduate and enter the workforce.

A fee of \$30/credit, regardless of residency, is proposed beginning with the Fall 2004-05 academic year. The proposed differential fee would be assessed only for students in the clinical major. The clinical major includes the last four semesters of the undergraduate program, resulting in a total cost to the student of approximately \$1,800 in FY 2004-05 dollars. Local competitor schools were analyzed that have comparable Nursing programs. Other programs have costs between 279% and 398% higher than UWM. In addition, one school has a \$300+ surcharge for their Nursing program. The total tuition will still be far below other schools in the market.

There are three areas that the additional funds will be allocated to and all these directly benefit the students:

1) NLRC Upgrades –The students need to have facilities that are comparable to the facilities they will encounter in their clinical experiences and ultimately in their jobs upon graduation.

2) Administrative Support – Student/Academic Affairs – The increased number of students has strained our Student/Academic Affairs areas. Additional advising, academic support, & mentoring are needed to support the students.

3) Faculty/Instructional Staff – The funds would be used to hire permanent faculty/instructional staff at salaries comparable to the local market for nurses with a masters degree. Currently, CON uses over \$1.2 Million in clinical instructional academic staff lines. It has been increasingly difficult to find the staff to teach. In fact, in the fall 2002 semester we could not fill all of our positions and had to shuffle staff and students on the first day of class to deal with this shortage. Competitive salaries will add some stability in these positions and will enhance the quality of the nursing program. This will allow CON to expand service to Washington County and increase the number of students entering the major.

Starting salaries for nurses in the Milwaukee area have been steadily increasing the past few years. Area hospitals are offering between \$40,000 and \$64,000, depending on education, years of experience, and area of specialization. Nationally, the average starting salary for a BSN is \$39,000. Couple this starting salary with signing bonuses that the various hospitals and medical agencies are offering in the range of \$2,000 - \$10,000, and our graduates have the capacity to pay this increased tuition in a very short time, and then enjoy the additional salary that will occur with years of experience.

## *I. Overall description and rationale/abstract of proposal*

### Program Description:

The Baccalaureate program in Nursing is based on an integrated, nursing-centered model intended to provide optimum preparation for practice as a professional nurse. There are two baccalaureate options available. The traditional option is for undergraduate students who do not have a prior college degree. The accelerated option is for non-nurse college graduates. Both programs include coursework relevant to professional practice, delivery of nursing care, systems for care delivery, and leadership skill development appropriate to current dynamic and diverse health care settings. Students engage in a stimulating variety of experiences to gain the knowledge and skills that will serve as the foundation for an excellent and exciting career as a Registered Nurse.

The UWM College of Nursing also offers the traditional program remotely at UW-Parkside. In this program, students enter as freshman in the pre-nursing track. In addition to the pre-nursing required classes, students take the necessary perquisite and elective courses in order to be considered for acceptance to the major.

The College of Nursing also participates in a unique cooperative arrangement to bring nursing education to students in remote areas using the latest in distance education technology. This Collaborative Nursing Program, a cooperative effort of 5 UW System Schools of Nursing, is designed for Registered Nurse students who desire the Bachelor of Science in Nursing degree and who have limited geographic access to a program offering that degree. This program has a uniform tuition rate established in consultation with the involved campuses. This rate is above the average tuition at the campuses and the difference is treated as a distance education surcharge. **WE ARE NOT PROPOSING A CHANGE TO THE FEE STRUCTURE FOR THIS PROGRAM.**

### Proposal Rationale:

After the pre-nursing students successfully complete all the necessary prerequisites, they make a formal application to the Nursing major. Accelerated students, if they have met all the necessary prerequisites from their first degree, also apply to the Nursing major. If accelerated students are lacking perquisites, they first must complete those classes and then are eligible to apply to the Nursing major. Once accepted to the major, all students begin an intensive four-semester curriculum that involves placement in a variety of clinical settings. By accreditation standards, these clinical groups cannot exceed 8 students per instructor. These instructors must be Masters or PhD prepared nurses.

Our facilities are out-dated. Our NLRC (Nursing Learning Resource Center) needs to be modernized to match the settings our students face when they enter the clinical phase of their education, and when they graduate and enter the workforce. The NLRC consists of an interactive learning environment where students learn and practice techniques before they enter the clinical settings. The students use a variety of audio-visual media that demonstrate

procedures, practice these techniques on mannequins, and then perform practice examinations on live volunteer patients. To maintain a learning resource center that meets current expectations in the field will require significant investment in technology to support computer assisted simulations.

In response to the critical nursing shortage the State of Wisconsin is facing, the College of Nursing has doubled the amount of students admitted to the major in the past three years with no additional state resources. Also during this time, instructor's salaries have increased significantly in the marketplace. Nursing has attempted to keep pace by increasing salaries, but we still are far behind the salaries our competition offers. These factors have strained the Nursing budget.

The nursing shortage that Wisconsin and the Nation are facing today is well documented. As a result, salaries for students with a BSN degree have risen substantially over the past few years. Also, significant signing bonuses are available due to the intense competition among health care providers.

The proposed differential fee would be assessed on a per credit basis when students enter the major. If the students stay on track, they will graduate in four semesters. A fee of \$30/credit, regardless of residency, is proposed beginning with the Fall 2004-05 academic year. Each year, the fee would be increased the same percent as the full-time in-state tuition percentage increase to account for inflation.

## *II. Eligibility of Proposal*

- Service-based pricing
- Differential Tuition

## *III. Program Description*

A. Check and describe all that apply:

- Graduate degree program (new/existing)
- Graduate certificate program (new/existing)
- Undergraduate degree program (new/existing)  
(Only when students are accepted to the major – Junior and Senior)
- Undergraduate certificate program (new/existing)
- Portions of a degree and/or certificate program (new/existing)

B: Delivery Mechanism(s):

Classroom and clinical instruction is delivered by tenure track faculty, masters and PhD prepared instructional academic staff, and employees of the clinical sites that meet the instructional credentials.

C. Anticipated instructional sites:

Classroom instruction will be delivered on the Milwaukee, Parkside, and Washington County campuses. Clinical instruction will be delivered at various sites in the community.

D. Number of courses/credits:

Students need 16 courses and 59 credits in the major in order to graduate with a BSN.

E. Anticipated enrollments (year 1 through year 3)

The College of Nursing accepts 100 students into the major each semester at the Milwaukee campus. Given the current waiting list for the major, pre-nursing enrollments are at all-times highs, the nursing shortage, and high starting salaries for nursing graduates, it is anticipated that the 100/semester figure will continue into the foreseeable future. Therefore, in any given semester, there are 400 students in the major. Students at UW-Washington County will actually apply to the major and attend the Milwaukee Campus. These additional resources will allow the school to accept 16 additional Washington County students per semester, expanding our capacity to allow a total of 116 new students per semester.

*IV. Program Budget*

A: Program Revenue and costs:

1. Anticipated revenues and expenses year 1 through year 3.  
(See Attachment A)
2. Include instructional costs (with fringe benefits)

The funds would be used to hire permanent faculty/instructional staff. Currently, CON uses over \$1.2 Million in clinical instructional academic staff lines. It has been increasingly difficult to find the staff to teach and results in an unstable workforce. In fact, in the fall 2002 semester we could not fill all of our positions and had to shuffle staff and students on the first day of class to deal with this shortage. Competitive salaries will add some stability in these positions and will enhance the quality of the nursing program. This will allow CON to expand service to Washington County and increase the number of students entering the major.

The NLRC expenses are justified above in the proposal rationale.

3. Include Administrative Costs:

We propose to hire an additional academic staff in Student Affairs to meet the increased demand on this area by our student body. We will do an assessment to determine the exact position that is needed. There is need for additional counseling and remedial education for our students.

4. Proposed fee timeline for implementation

The fee will be implemented Fall 2004. Only new students entering the major would be assessed the fee. Current students in the major would be “grandfathered” and exempt from any fee.

5. Method of application (program, course, other)

The fee would be assessed on all courses in the nursing major. Only Nursing students can take Nursing courses in the major, so no other students will be affected by this assessment

V. *Competitive Market – fees for comparable programs*

See attachment B

The schools analyzed have comparable Nursing programs. Other programs have costs between 279% and 398% higher than UWM. In addition, one school has a \$300+ surcharge for their Nursing program. The total tuition will still be far below other schools in the market.

VI. *Market for graduates – needs and anticipated salary ranges*

The nursing shortage in the United States and particularly Wisconsin is well documented. The anticipated employment needs in the future are far more than the anticipated supply. Starting salaries for nurses in the Milwaukee area have been steadily increasing the past few years. According to recent articles, area hospitals are offering between \$40,000 and \$64,000, depending on education, years of experience, and area of specialization. Nationally, the average starting salary for a BSN is \$39,000. Couple this starting salary with signing bonuses that the various hospitals and medical agencies are offering in the range of \$2,000 - \$10,000, and our graduates have the capacity to pay this increased tuition in a very short time, and then enjoy the additional salary that will occur with years of experience.

VII. *Anticipated impact on student constituent (e.g., diversity of program participants by age, financial status, race, etc.)*

Total tuition under this plan would remain extremely competitive with our market. There are many resources available to students including scholarships, loans, and grants. Given the starting salaries and signing bonuses available to graduates, the proposed tuition differential would have no adverse impact on our students.

VIII. *Anticipated impact on quality of instructor/service to students. What will be the value added from the student perspective as a result of assessing the additional fee?*

There are three areas that the additional funds will be allocated for and all these directly benefit the student.

- 1) NLRC Upgrades – As previously stated, our NLRC facilities are grossly outdated. The students need to have facilities that are comparable to the facilities they will encounter in their clinical experiences and ultimately in their jobs upon graduation.
- 2) Administrative Support – Student/Academic Affairs – The increased number of students has strained our Student/Academic Affairs areas. Additional counseling, mentoring, etc., is needed to help the students.
- 3) Faculty/Instructional Staff – – The funds would be used to hire permanent faculty/instructional staff at salaries comparable to the local market for nurses with a masters degree. Currently, CON uses over \$1.2 Million in clinical instructional academic staff lines. It has been increasingly difficult to find the staff to teach. In fact, in the fall 2002 semester we could not fill all of our positions and had to shuffle staff and students on the first day of class to deal with this shortage. Competitive salaries will add some stability in these positions and will enhance the quality of the nursing program. This will allow CON to expand service to Washington County and increase the number of students entering the major.

*IX. Consequences if proposal is not approved/implemented*

The exact opposite of the benefits stated in VIII above will occur. We will struggle to find staff to teach the students, our facilities will become more outdated, we will not be able to expand to Washington County, and the administrative resources devoted to students will continue to be strained.

*X. Description of consultation with student constituents*

CON faculty and staff have been introduced to this concept. Only positive feedback was given. We see this as necessary step in increasing the quality of education that is delivered to our students. We have meet with the nursing student leadership of the student nursing organizations and UWM Student Association, presented information in class visits to each level of the program in both the pre-nursing and major, and presented at an informational forum sponsored by the Nursing Student Association on October 15, 2003.

On Sunday, October 26<sup>th</sup>, 2003, the Student Association unanimously passed a resolution supporting the College of Nursing Differential Tuition proposal. The following amendments were added to the resolutions and are herby incorporated into the College of Nursing Differential proposal:

- 1) An advisory committee will be formed consisting of a majority of students to help determine how Differential Tuition funds are allocated.
- 2) A breakdown of how the Differential Tuition funds are allocated will be presented to the Student Association Senate each year.
- 3) Differential Tuition will be reviewed following the initial phase-in period.

- 4) Contracts with other Universities/Schools that use the School of Nursing resources will be re-evaluated.
- 5) A committee of 1/2 students and 1/2 faculty/academic staff will be created to advise the College of Nursing administration on the use of the funds for updating the Nursing Lab Resource Center.

## ATTACHMENT A

### School of Nursing Differential Tuition Implement Fall 2004

#### Revenue and Expense Budget

##### Revenues:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
	\$ 135,000	\$ 315,000	\$ 360,000

##### Expenses:

Instructional Costs	\$ 65,000	\$ 195,000	\$ 195,000
Fringe Benefits	\$ 19,500	\$ 19,500	\$ 19,500
NLRC Upgrades	\$ 20,000	\$ 65,000	\$ 110,000
Supplies and Expenses	\$ 7,750	\$ 9,500	\$ 9,500
Administrative Support	\$ 17,500	\$ 20,000	\$ 20,000
Fringe Benefits	<u>\$ 5,250</u>	<u>\$ 6,000</u>	<u>\$ 6,000</u>
Total Expenses	\$ 135,000	\$ 315,000	\$ 360,000

##### Assumptions:

\$30/credit is phased in as each new class is admitted to the major.

\$30/credit remains constant over the 3-year phase in period.

## ATTACHMENT B

### Analysis of Tuition and fees for Milwaukee Area School of Nursing Undergraduate Programs FY 02-03

University/College	Per Semester Full-time Tuition and Fees	\$\$ Variance from UWM	% Tuition Compare d to UWM
	\$		
UW-Milwaukee	1,869	\$ -	100%
	\$	\$	
Alverno	6,672	4,803	357% 1)
	\$	\$	
Cardinal Stritch	6,945	5,076	372% 2)
	\$	\$	
Concordia	7,250	5,381	388%
	\$	\$	
MSOE	7,285	5,416	390%
	\$	\$	
Marquette	9,700	7,831	519%

1) Includes \$372 Nursing surcharge each semester)

2) Based on 15 Credits/Semester - Includes average of \$305 Nursing surcharge each semester