August 15, 1999

Executive Vice President and Provost Ed Ray
Office of Academic Affairs
203 Bricker Hall
190 North Oval Mall

Senior Vice President Bill Shkurti
Office of Finance
381 Bricker Hall
190 North Oval Mall

Dear Ed and Bill:

Following is the report from the University Senate Steering Committee’s summer subcommittee on Study Abroad and Foreign Exchange. Attached at the beginning of the document is a brief summary of how these programs work at OSU. The subcommittee consisted of L. H. Newcomb (Senior Associate Dean in FABS), Marie Mead (Office of Finance), and myself, who also served as chair. In view of the fact that the summer subcommittees are an outgrowth of Budget Restructuring VIII and are intended to provide you with specific recommendations for the next iteration of this document, we concentrated almost exclusively on fiscal issues, although we did, to be sure, discuss and consider various structural matters that do need addressing in the area of international programs. Because, however, of our short time-line, our recommendations center largely on budgetary issues. Should you decide to act on our recommendations, we acknowledge that they will entail some considerable work on your part, Bill; but, since you have no other demands on your time, we foresee no difficulties in this area!

In the course of its deliberations, the committee interviewed John Greisberger, Richard Gunther, and Tony Mughan. As chair, I also conducted a large number of telephone interviews with various other stakeholders in Study Abroad and Foreign Exchange; among these were Steve Summerhill, four area center directors, six foreign language department chairs, Associate Dean of Humanities Linda Harlow, and Fiscal Officer Phyllis Newman (also of Humanities). I have also spoken less formally with both Dean Bobby Moser and Trustee Jim Patterson on this matter.

We on the committee hope that you find our recommendations helpful. The subcommittee is, of course, available, should you have any questions.

Sincerely,
Study Abroad and Foreign Exchange Programs

Study Abroad as an OSU Student

- OSU student enrolls in International Studies 697, which is a subsidy ineligible course, for up to 15 credit hours each quarter they are in a SA or FE program.
- OSU student pays OSU tuition (in-state or out-of-state depending on their residency).
- OSU student pays a program fee to OSU for the program they will be attending abroad.
- Office of International Education (OIE) receives the in-state tuition and program fee. OIE then pays the institution abroad.
- After OSU student returns from studying abroad, they “convert” the credit hours for IS 697 into other credit hours. For example, 4 credit hours could be converted to French. This process requires the student to work with individual faculty members to negotiate the conversion of the credit hours. The student must produce tests, papers, syllabi, and other proof of having taken a specific course abroad and of having performed satisfactorily in it. The faculty member must evaluate the work and assign the credit hours as appropriate. There is currently no compensation to the faculty member’s department for the time involved in this procedure. There is furthermore no subsidy received for the converted credit hours.
- OIE maintains a record of the converted credit hours and works with the student, individual departments and the Registrar to ensure this process is completed and the credit hours recorded on the student’s official transcript.

Study Abroad not as an OSU Student

- OSU student officially drops out of OSU for a period of time and studies abroad on his or her own. The student pays tuition directly to the foreign institution and does not use the services of OIE.
- OSU student returns and registers here again at OSU. Then the student goes through the conversion process of the credit hours.

Foreign Exchange

- From the OSU student’s perspective, this is the same as studying abroad as an OSU student.
- In addition, there is an agreement with the foreign institution that the OSU student is attending will accept a student from that foreign institution.
- It is not necessarily a one-to-one reciprocal agreement. One OSU student could attend a specific foreign institution. That institution may not send more than one student. But theoretically over time it would be equal.
- The student coming from the foreign institution is registered as an in-state student at OSU and pays in-state tuition and is considered subsidy eligible.
It is the conviction of the subcommittee that study abroad and foreign exchange programs (hereafter SA & FE) serve a vital function for our educational mission. Because OSU is the kind of institution it is, we have an even greater obligation than do many of our benchmark institutions to “deparochialize” our students, to expose them to the global forces that impact their lives, and to educate them to be citizens of the world. SA & FE occupy a privileged place within this mission. Thus it is gratifying to report that SA and FE are alive and well at Ohio State and are growing at an exceptional rate. From 1989 to 1997 there was a 600% increase in the number of students doing FE or SA. Unfortunately, this extremely welcome development entails a series of problems which, left unaddressed in a budget restructured environment, pose a threat to this important aspect of our educational mission.

SA & FE programs constitute perhaps one of the most glaring anomalies at Ohio State University; while they are widely acknowledged by faculty, administration, and especially students as a major educational priority, they also represent arguably the single greatest financial disincentive in the institution. The reasons for the latter are quite simple: tuition and fees collected for study abroad go directly to the foreign institution to pay that institution’s expenses and such fees collected for foreign exchange go to pay the expenses of the students who come from the foreign country in question as exchanges for our students. Thus, there are no resources left over to be redistributed to OSU’s units. Since these students, were they not participating in study abroad and foreign exchange, would presumably be generating credit hours in our own units, SA & FE represent a significant financial disincentive to individual units to encourage these programs. It is this disincentive with which the summer subcommittee has wrestled during its deliberations and which these recommendations aim at alleviating.

I. As general recommendations and in order to counteract the financial disincentive that would be built into SA and FE were budget restructuring to be imposed directly upon the present system, we suggest the following:

A. that OSU should pursue with the Board of Regents funding for all 697 (Study Abroad) courses which are subsidy ineligible. The current situation is that for students who participate in SA & FE, the university does not retain tuition or receive subsidy even though costs are incurred by academic departments. We recognize that subsidy may not be the most appropriate funding mechanism as the costs associated to OSU with 697 courses are inherently different from those incurred for courses taught on campus. For example, there are no Plant, Operations, and Maintenance (POM) expenses associated with 697 courses. However, some type of state funding, whether specifically subsidy or some alternative funding, would compensate the university for the associated costs for which no compensation is currently received and ensure that SA & FE programs can continue to grow.

B. that, should OSU not be successful in receiving state funding, the university should allocate sufficient funds to the academic department who incur costs in the administration of SA & FE, ie. 697 courses. These costs include providing faculty resident directors for the SA programs, developing courses and then obtaining OAA approval, recruiting and advising students, and working with the foreign institutions, and handling the credit conversion upon the student’s return. Not to address this issue would be ethically untenable and ultimately detrimental to the enhancement or even maintenance of SA & FE at our institution.

C. that OIE track, as it presently does, credit hour conversions from International Studies 697 to “real” courses that occur upon the return of the student from the SA/FE program and report the results
both to RPIA, the Registrar, and to the colleges and departments with primary curricular responsibility for the courses into which the credit hours are being converted.

D. that students be given one quarter only, immediately after their return to convert their IS 697 credit hours into the courses that ultimately will appear on their transcripts.

E. that the impact on Budget Restructuring would be as follows:
   * Tuition received for IS 697 would continue to go to OIE for the payment of SA costs. The tuition would not go to the College of Social and Behavioral Sciences. In FY 1999, tuition received for IS 697 was approximately $800K.
   * Program fees for IS 697 would continue to go to OLE for the payment of SA costs.
   * If state funding is received to compensate for the costs born by academic departments associated with SA & FE, that state funding would go to the academic departments based on where the IS 697 credit hours are converted. Incremental increases in enrollments in IS 697 would follow the guidelines of Budget Restructuring with marginal revenues being shared between the academic units and the center, specifically including OIE, at the same proportion as for colleges (75/25 in BR VIII).
   * If state funding is not received to compensate for the costs of IS 697, the center should compensate the academic units concerned at the level of 50% or more of the revenues lost to SA & FE. Otherwise, an unintended consequence of budget restructuring would be the creation of a disincentive for academic units to have their students study abroad since that would represent lost enrollments and lost revenue. Units would assume this 50% or less loss as part of their commitment to the educational goals of SA & FE.

II. We also bring forward these recommendations concerning the Office of International Education:

A. The Office of International Education and its associated costs should be funded by the center. The current funding level should be evaluated to determine if increased revenue allocations should be made. It is our position that the current staffing levels are inadequate for the extensive workload that is placed upon them. This is all the more true given the 600% increase in SA/FE participation over the last eight years.

B. OIE, while extremely well-run under the committed and capable leadership of John Greisberger, could improve its operation by better coordinating its advising with the advising that goes on in individual departments/colleges. We suspect that the lack of such coordination in the past is again a function of their inadequate staffing levels. An annual joint meeting between faculty and the appropriate OIE advisor with the student participants in each program would, we think, go a long way towards effecting this coordination.

III. Some of the arguments that might be forwarded to the Board of Regents to support the proposal for funding are as follows:

A. There are considerable upfront costs in establishing these programs: travel to and from the foreign institution with which we are working is but one of several expenses here.

B. There are also significant program maintenance costs: the national organization of study abroad programs recommends that each program be visited by a representative of the “exporting” institution at least once every two years. We have fully 110 SA programs; even if “only” 95 of these are active. Thus far we have not been able to send representatives to these 95 programs or even a small fraction of them because of lack of funding.

C. There is a considerable hidden “human” cost in all the extensive work that goes on outside OIE (developing courses and obtaining OAA approval, coordinating application of SA credit to
appropriately apply to degree requirements, recruiting and advising, building and sustaining relationships with foreign institutions, coordinating program offerings, housing, and many other practical details, and paying to send faculty abroad to supervise SA programs, to name but a few such activities), that faculty in individual departments engage in solely out of their commitment to their students and their educational experience. Furthermore OIE’s selection process depends heavily upon the willingness of rank and file faculty to sit on selection panels. Again, then, departments and colleges that engage in SA & FE are donating faculty time for which they are not being compensated.

D. A number of units on campus (across colleges) routinely provide a faculty resident director, a service that entails real costs as the faculty member is paid salary and benefits for this duty. In addition, these faculty are not available at home to generate credit hours, provide advising, service, etc.; thus someone has to be brought in and compensated during their international assignment.

E. Four-year institutions are heavily disadvantaged in Ohio as far as SA & FE are concerned. Because of all of the associated costs enumerated above and because we do not get the revenues that community colleges are accruing for their students who are enrolled on site, OSU and other four-year institutions are penalized for providing their students with a superior education. Examples especially from FAES might be persuasive with the BOR.

If you have any questions concerning these recommendations, we should be happy to entertain them.