Exhibit 2-34
Summer School Self-Study

EVERGREEN'S SUMMER SCHOOL

A SELF-STUDY

March 1998

EVERGREEN'S SUMMER SCHOOL: A SELF-STUDY

prepared by John Aikin Cushing, Academic Dean
March 13, 1988

Introduction and Summer School Goals

The Evergreen State College has operated a summer school since the college opened in 1971. In fact several of the founding faculty originally intended that the summer quarter be co-equal to the "regular" quarters of the academic year. This curricular conception of summer school was at least partly due to an early emphasis on field work in natural history and environmental studies; work which in Washington state is difficult to carry out during the dormant and rainy periods of fall, winter, and spring. It was also an early response to the commonly made observation that colleges and universities "waste" one fourth of the year under the traditional academic calendar.

During the college's first decade summer school was state-supported like the other three quarters, so this sort of co-equal operation would have been theoretically possible. Faculty contracts were still set at nine months, however, and from the beginning the summer curriculum lacked the thematic integration and full-time interdisciplinary format typical of the "regular" academic year. Rather than team-taught programs, courses and individual contracts quickly came to dominate summer offerings. Moreover, summer enrollment never matched that of the other three quarters.

In 1981 the state legislature changed the funding structure and made summer school at all state institutions "self-supporting," with no direct contribution from state funds. This brought an end to even the pretense of a co-equal summer quarter, because summer school now had to make its own way economically (at least with regard to direct expenses such as faculty salaries).

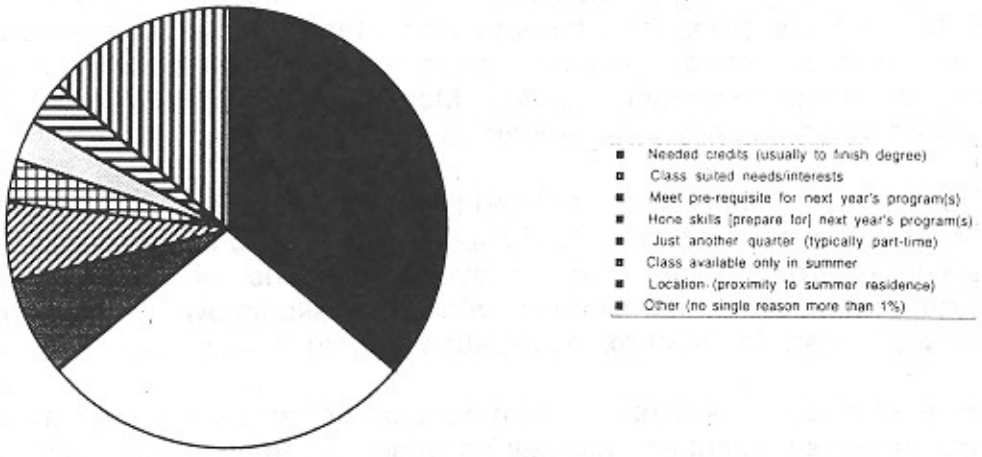
In spite of these constraints the summer quarter has come to play a special role in Evergreen's curriculum precisely because the structure of academic offerings during the summer so neatly complements that of most offerings during the regular year. Almost all summer offerings are free-standing 4 or 8-credit courses, tied fairly closely to traditional disciplinary studies and taught by a single faculty member. In contrast, most offerings during the regular academic year are full-time, interdisciplinary, team-taught programs. Summer school at Evergreen has therefore become an important way for our students to fill "gaps" or master specific skills (especially as they approach graduation). It supports the regular academic year offerings in significant ways and has acquired a somewhat different function than at most schools.

This curricular role of Evergreen's summer school can be seen quite clearly in the reasons given by students for attending. In a 1995 survey of summer school students, almost 90% of those responding gave very specific reasons for being there. In descending order, the ten most frequently mentioned were:

1)	Needed the credits [usually to finish a degree]	36%
2)	Class suited my needs/interests	28%
3)	Pre-requisite for next-year's classes	7%
4)	Hone skills [prepare for] next year's classes	6%
5)	I am enrolled here [i.e., just another quarter]	3%
6)	Class I wanted is not available in regular year	3%
7)	College is close to work/home [i.e., "location"]	3%
8)	Summer is the only time I have available	1%
9)	Special opportunity [for instance, travel-related study]	1%
10)	Something to do; for fun	1%
	Cumulative Total	89%

All other stated reasons were mentioned by fewer than 1% of respondents. These data are shown graphically below:

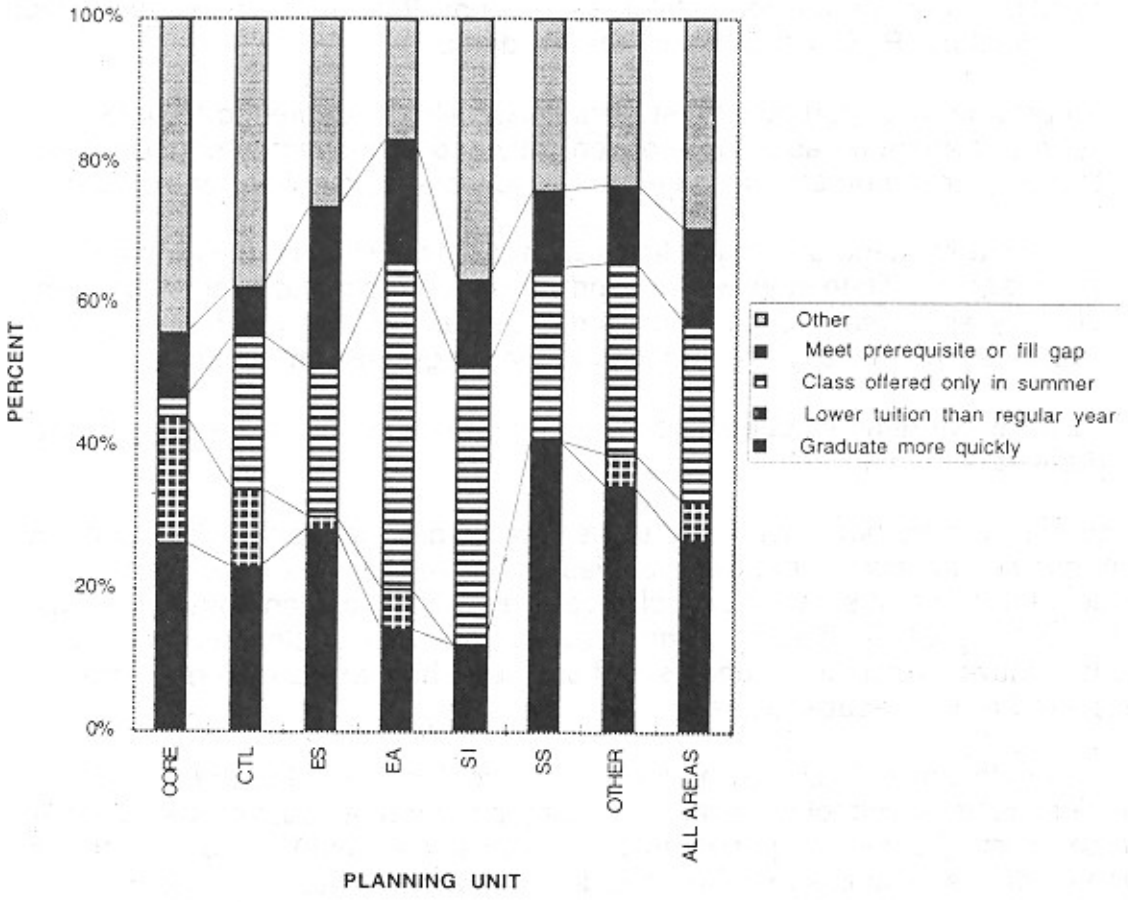
STUDENTS' REASONS FOR ATTENDING SUMMER SCHOOL (1995 Survey)



A more detailed survey of Evergreen students was undertaken in 1997 during the regular academic year in preparation for re-accreditation. As part of this survey students were asked whether they had ever attended summer school and if so, their reasons. In this survey students were also asked to self-identify with one of the six planning units (Core; Culture, Text, & Language; Environmental Studies; Expressive Arts; Scientific Inquiry; and Social Sciences).

Analyses of student responses to questions about summer school in terms of these affiliations reveals a more complex pattern of reasons for attending summer school, as shown in the chart below:

STUDENTS' REASONS FOR ATTENDING SUMMER SCHOOL (1997 Survey)



While in general these results match those from the 1995 survey (with most students' reasons for attending summer school focusing on accelerating graduation and taking advantage of particular courses to meet personal or prerequisite needs), there are also some differences by planning unit. Students in Scientific Inquiry (SI) and Expressive Arts (EA) were more likely to give as a reason that a particular class was offered only during the summer. Core students were more likely to cite lower summer tuition as a reason. And Social Science (SS) students were more likely to cite accelerated graduation as their reason.

Collectively, these surveys (like the data on previous enrollment history cited below) suggest that Evergreen students are systematically using summer school as part of their overall educational plans, particularly as a way of accelerating the completion of a degree or of obtaining specific skills (often ones which they need for the following year). Very few students (with the notable exception of part-time students) see the summer session as similar to the regular academic year or "just another quarter."

This analysis has led to certain curricular emphases for summer school during the last several years. Among our curricular goals have been the following:

- To provide a coherent collection of fairly narrowly disciplinary courses which meet pre-requisite needs for academic programs in the following fall, as identified from the college catalog and in consultation with the planning unit coordinators (PUCs) and the curriculum dean.

- To provide an opportunity for students completing a degree to fill gaps in specific content areas and/or conveniently and economically enroll for less than full-time in order to acquire the last few credits required for graduation.

- To take advantage of the greater availability of faculty time during the summer to facilitate studies using individual contracts and internships, forms of study which often require more individual faculty attention than is typically available when faculty are engaged in teaching a full-time program.

- To allow part-time students to continue to make progress towards a degree during the summer.

Another kind of summer school goal has been to provide faculty with significant opportunities to supplement their salaries for the regular academic year. Indeed, the fact that summer school *is* self-supporting has contributed towards meeting this goal, by allowing summer school to be de-coupled from much of the legislative oversight of budgets and salaries which exists during the state supported regular academic year.

Related to this goal, has been an institutional goal that, in addition to faculty salaries, summer school cover an increasing portion of at least its instructional support costs (library, computer center, media services, etc.), thereby protecting state funding so that this may be used during the regular academic year.

Finally, the college has adopted the practice of using "net revenues" (if any) from summer school as its primary means of funding the acquisition of faculty computers and some other related faculty support. This has given the summer school dean a strong incentive to operate a successful program which returns value to the faculty in the form of resources which support their work.

The sections which follow provide

1. A detailed analysis of the most recent summer session (1997),

2. Historical and demographic context for understanding summer enrollment,

3. Data on patterns of student enrollment and interest, along with a discussion of summer school curricular planning,

4. Some discussion concerning such financial matters as faculty salaries and policies regarding net revenues and summer tuition.

Enrollment and Financial Analysis of the most recent (1997) Summer Session

The 1997 summer session enrolled 1466 students for a total of 13,573 credit hours. For comparison, enrollment for fall quarter 1996 was 3757 students enrolled for a total of 51,630 credit hours. The 1997 summer school was thus about 26% of the preceding fall enrollment based on credit hours and about 40% based on headcount, a little higher than the previous year (see below).

82% of 1997 summer students were residents, 18% were non-residents. This ratio of residents to nonresidents is a bit higher than the 75:25 split which is characteristic of the regular academic year, as might be expected given that non-resident students' permanent residences are by definition outside of the state. Many non-resident students want to return to their homes to be with families or need to find employment during one quarter of the year, and for obvious reasons they often choose to do so during the summer.

62% of 1997 summer students were enrolled part-time (fewer than 10 credits) and 38% were enrolled full-time (10-16 credits). The percentage of part-time students during the summer quarter is thus markedly higher than the 12-15% characteristic of the regular academic year. The summer credit distribution is, however, undoubtedly skewed in favor of part-time study, both by the need for many students to work during the summer and by significant differences in tuition policies between summer quarter and the regular academic years which strongly encourage students to take 10 or more credits during the regular academic year and discourage this practice during the summer (see below).

Based on headcount, 93% of 1997 summer students were undergraduates and 7% graduate students. Based on credit hours, these percentages are 96% and 4%, respectively. These ratios are similar to the regular academic year.

A total of 128 different summer courses were listed in the 1997 summer catalog (not including individual contracts and internships). Of these, 111 (87%) were ultimately offered and seventeen were canceled (mostly due to low enrollment).

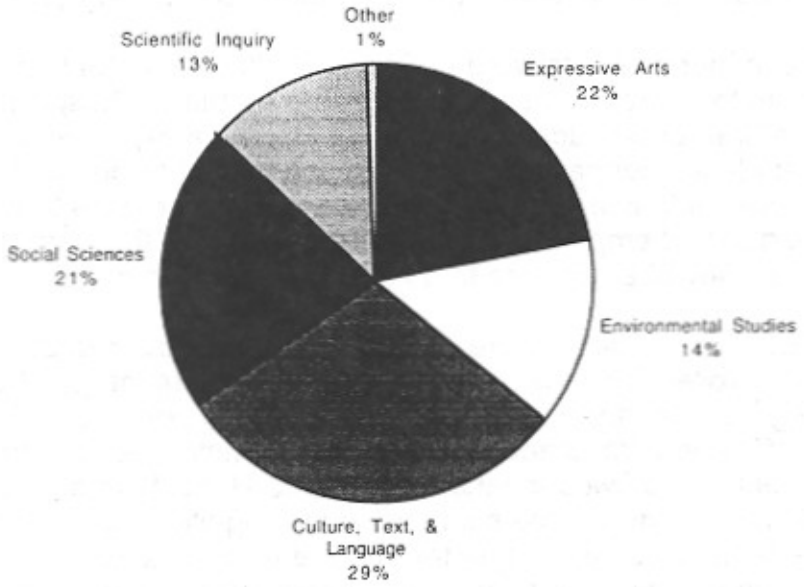
A total of 135 different faculty members taught in the 1997 summer school (including those who taught only contracts and internships). Most courses were taught by a single faculty member (unlike the pattern of team-teaching during the regular academic year) and all but a handful of these faculty are employed by the college during the regular academic year.

Just under a third of summer 1997 courses (30%) were offered in the evenings, considerably more than during the regular academic year, but considerably fewer than in the previous summer when 46% of the summer courses were offered in the evening.

Just over half the offerings were 4 credit courses, just over a third were 8 credit courses, and the rest were scattered among various other offering types. This is in marked contrast to the regular academic year when the vast majority of offerings are full-time (12-16 credit) programs.

Courses were distributed among academic areas as follows:

DISTRIBUTION OF 1997 SUMMER COURSES BY AREA OF STUDY



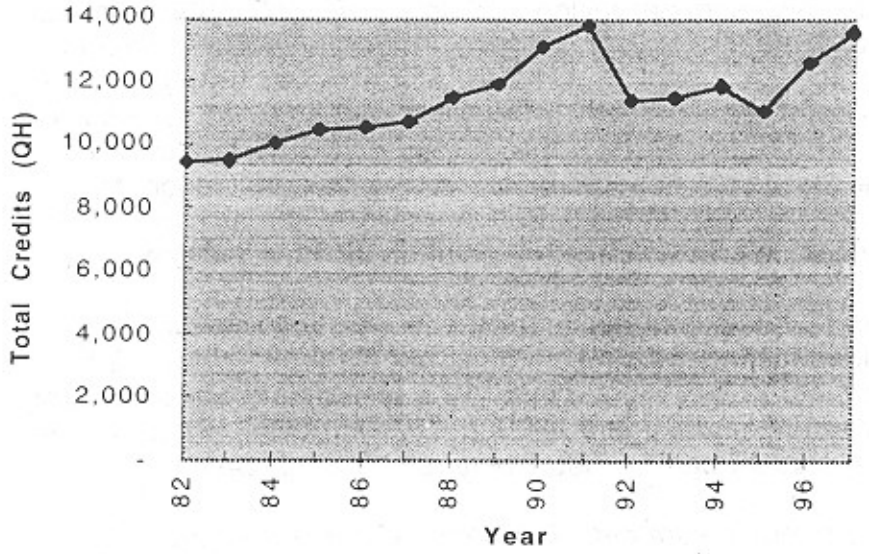
Revenues and expenses for summer 1997 were as follows:

Gross Revenues		$1,187,573
Faculty Salaries	$595,125	
Faculty Benefits	94,925	
Summer School Dean (2 months)	8,960	
Dean's Support Staff (3 months)	8,139	
Computer Center Summer Operation	14,900	
Library Summer Operation	21,075	
Media Services Operation	5,000	
Learning Resources Center Operation	2,475	
Good & Services (primarily advertising)	7,364	
Motor Pool (primarily field trips)	4,918	
Total Direct Expenses		762,881
Net Revenues		**$424,692**

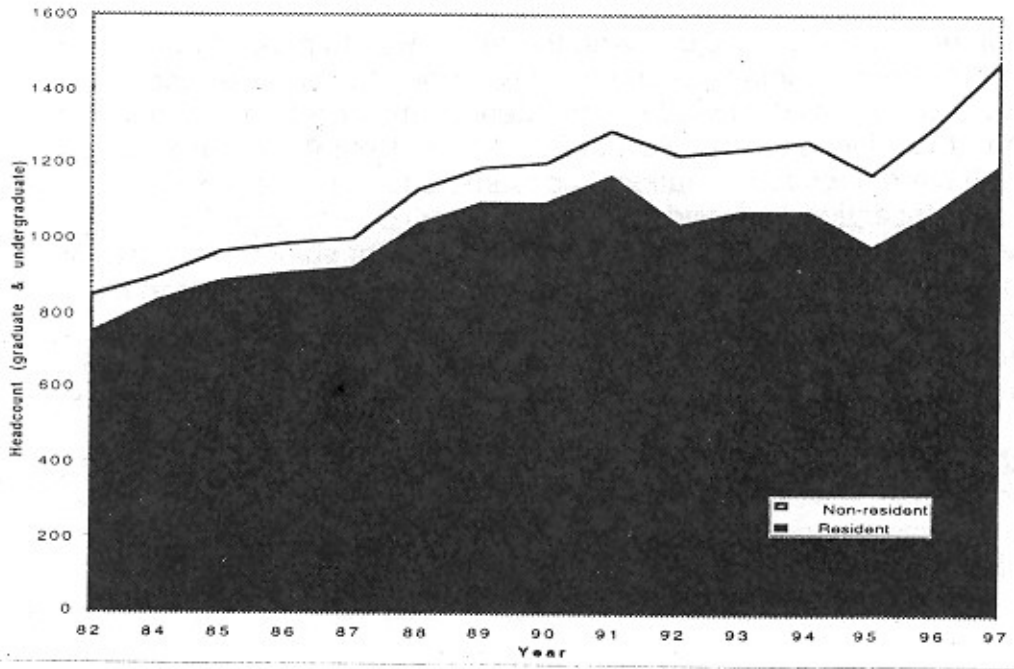
Note: the figures above do not include additional receipts from summer school tuition and fees distributed to the S&A and Building Funds of approximately $121,548 and $52,357 respectively.

Based on the headcount of 1,466, the 1997 summer school was 10% larger than the previous summer; based on the total credit hours of 13,573, it was 8% larger. The following two charts put this 1997 enrollment in a historical context:

SUMMER SCHOOL TOTAL CREDITS, 1982-97



SUMMER SCHOOL ENROLLMENT 1982-97



Looking at this historical data for the period since summer school became "self-supporting" in 1982, summer 1997 had the largest enrollment ever based on headcount. Based on total credits, summer 1997 had the largest enrollment since the all-time high of 13,812 reached in 1991. Both graphs show the same long term trends over the past 15 years: (1) steady growth during the first decade, (2) a significant decline in summer enrollment in 1992, and (3) fairly stable enrollment until 1996, when enrollment began to rise steeply again.

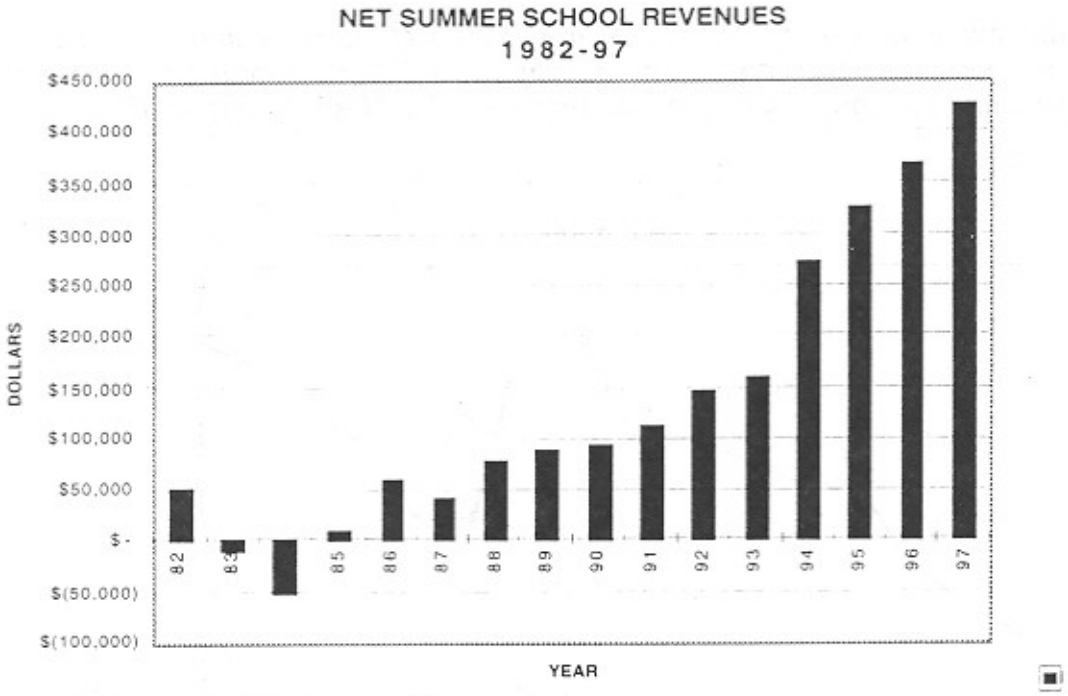
The decline in 1992 was most likely related to the college's decision in that year to change the way in which summer tuition is charged. Prior to 1992, summer tuition was capped at 10 credits for both resident and non-resident students as it is during the regular academic year. In summer 1992, this cap was removed. Since then students have been charged by the credit and for every credit up to the maximum of 16. The major effects of this change in the tuition schedule were to increase the cost of summer school for full-time resident students significantly, to increase the cost for full-time non-resident students only slightly, and to decrease the cost for part-time non-resident students significantly.

To see the magnitude of these changes in the cost of study, consider that in 1991 a full-time resident summer school student paid $598, whereas a full-time non-resident student paid $1,883. In summer 1992, just after the tuition change, that same full-time resident student paid $960 (*a 61% increase*), whereas the full-time non-resident student paid $2,096 (*"only" an 11% increase*).

A half-time resident student in summer 1991 paid $479, whereas a half-time non-resident student paid $1,506. In 1992, just after the change, the half-time resident student paid $480 (essentially the same), whereas the half-time non-resident student paid $1,048 (*a 30% decrease*).

The upshot of the 1992 tuition adjustment, therefore, was to make it much less attractive for resident students to attend full-time during the summer and much more attractive for non-resident students to attend summer school at least part-time. The chart labeled "Summer School Enrollment 1982-97" (above) shows that students have responded as rational consumers to these economic incentives (or disincentives): Resident summer headcount dropped in 1992 and remained relatively flat until 1996, while non-resident summer headcount continued to rise fairly steadily. In fact, resident headcount did not reach its previous high again until 1997, whereas non-resident headcount had more than doubled by that year. (Retrospective data on resident and non-resident credit loads are not readily available, but would probably show similar results.)

One might think that the fall-off in resident enrollment rates combined with lowering non-resident tuition would have had a devastating impact on net revenues for summer school. But in fact net revenues have grown steadily throughout the recent history of the self-supporting summer school:

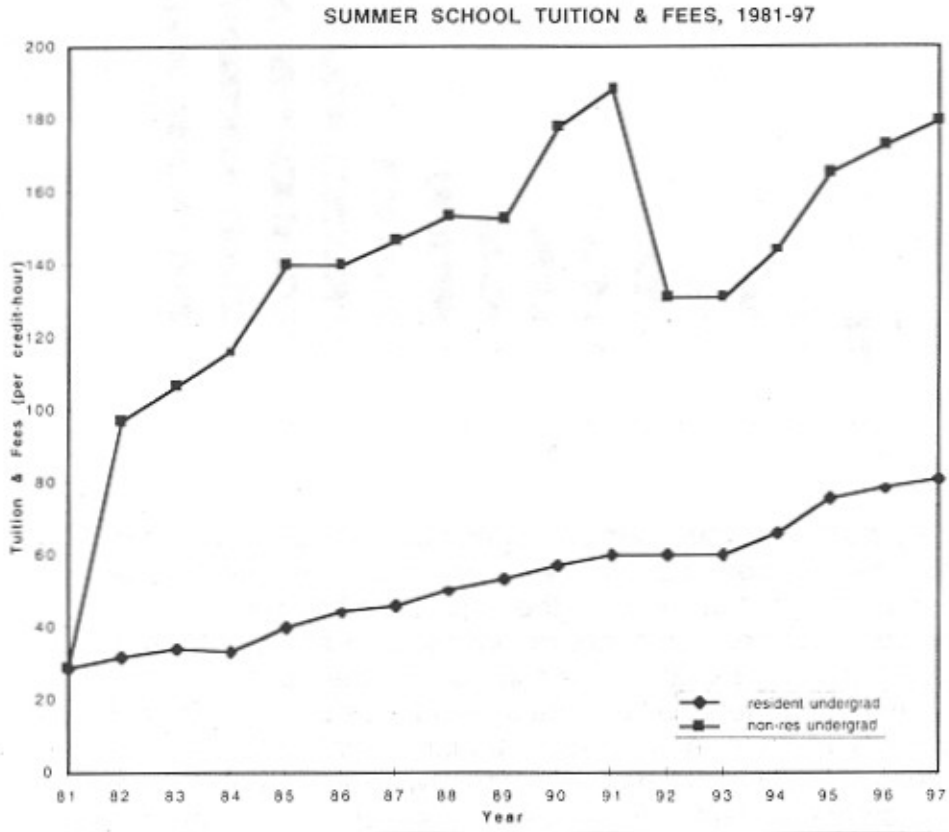


Except for a shaky start when summer school first became self-supporting, net revenues [the excess of tuition and fees over *direct* expenses] have done very well. Indeed, during the past decade, as the legislature has been driving tuition up and holding faculty salaries down, net revenues have *soared*. From a financial standpoint, the huge 112% growth in non-resident summer students has more than outstripped the small decline in resident students. Even though summer school is a bargain for non-resident students relative to the regular academic year, these students still pay more than twice as much per summer school credit as resident students. So it doesn't take too many non-resident students to make up any revenue lost from declines in resident students.

Net revenues in 1996 and 1997 would have been even higher than shown had the college not taken steps to dampen their growth by raising faculty salaries and returning more of the revenues to students in the form of services. Recent changes in the structure of the faculty salary scale have raised summer salaries significantly. In addition the college has greatly increased the amount spent to provide computer services, library access, and media support for students. We did the latter in response to a 1995 survey showing that (except for lower tuition) the thing summer students most wanted was an improvement in services.

In thinking about net revenues it must be kept in mind that it is something of a misnomer to describe summer school as "self-supporting", since many fixed costs are <u>not</u> recovered from summer tuition and fees. Indeed, if the *full* cost of keeping the campus open during the summer had to be recovered from students, we would have to set summer tuition so high that few students could afford to attend. Net revenues are therefore more properly considered as the difference between revenues from tuition and those costs which the college *chooses* to charge against those revenues.

Looking now at summer tuition, it's clear that the trend since summer school became "self-supporting" has been steadily upward (except for the adjustment in non-resident tuition associated with removing the 10-credit cap in 1992):

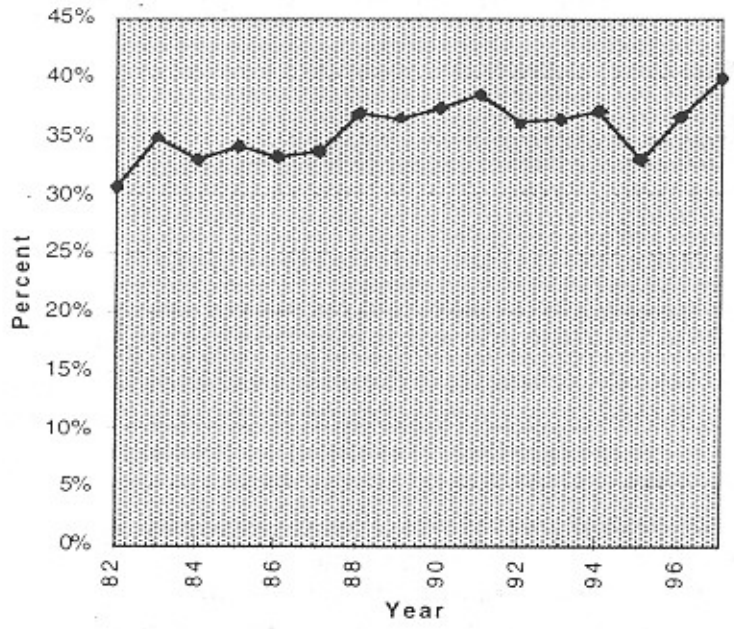


This also helps to explain the growth in net revenues. Even in the absence of any growth in the size of summer school or any increase in the margin between revenues and costs, the growth in tuition rates alone would have led to higher net revenues. We can probably expect this trend to continue, although the rate of growth of tuition has (thankfully) slackened in the last couple of years.

One other factor deserves mention as an explanation for the growth of summer school by more than 22% since 1995: The college both increased the amount of summer session advertising and better focused that advertising on our regular students. For the first time we sent out preliminary announcements of courses before winter break (a time when students and their families begin to talk about the summer). We highlighted the tuition break for non-resident students in the summer. And we continued to promote individual contracts. As a result, we believe that students have become more aware of the particular ways in which they might use summer school as part of their educational planning and of the financial considerations which make it advantageous for students (even resident students) to take advantage of summer school.

Some data which support this conclusion come from an analysis of summer enrollment (headcount) as a percentage of the preceding fall quarter. This percentage rose from 33% in 1995 to 40% in 1997 (the sharpest two-year rise since summer school become self-supporting), and reflects an actual increase in the participation rate among current students, not just growth in the number of students attending the college during the regular year (which also occurred).

SUMMER ENROLLMENT AS A PERCENT OF PRECEDING FALL ENROLLMENT, 1982-'97



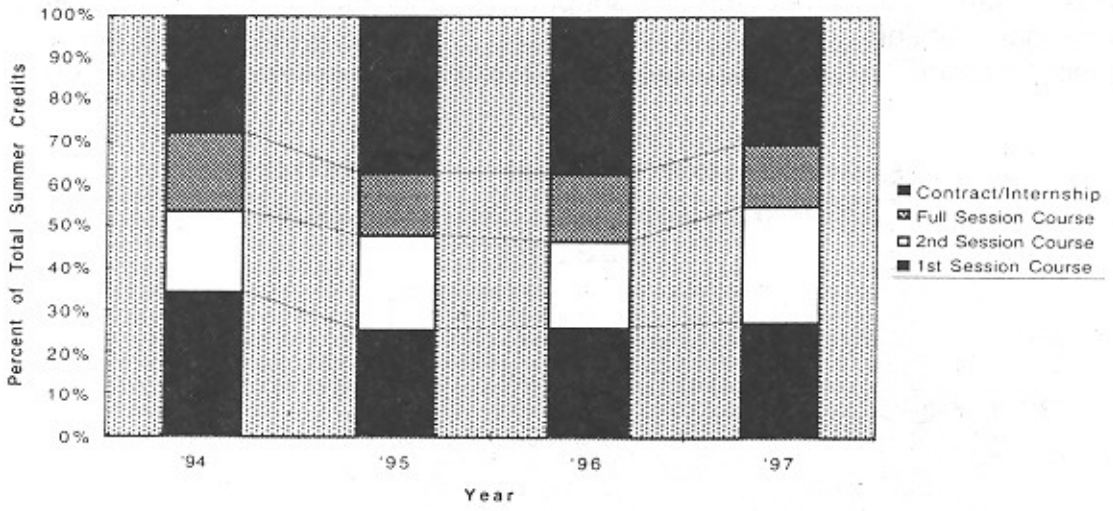
This increase was even more striking for non-resident students, for whom participation rates increased by nearly 1/3 during this two year period.

These changes in summer:fall headcount ratios have coincided with our efforts to make Evergreen's current students more aware of the summer program and its potential role in their educational plans, as well as the significant cost savings available to non-resident students.

Characteristics of Summer Offerings and Student Interests

Turning back from the financial side to the curricular side once again, we have a considerable amount of data on the courses students take and on those they want to take during the summer. The distribution of enrollment by type of offering for the last four years is as follows:

DISTRIBUTION OF SUMMER SCHOOL CREDITS BY TYPE OF OFFERING EXPRESSED IN PERCENTAGES (1994-'97)



In 1995 there was a significant increase (from 27% to 37%) in the proportion of summer credits generated through contracts and internships coupled with a corresponding decrease in the number of credits generated through first and full session courses. This appears to have been a response to deliberate efforts to make students aware of some of the advantages of working on contracts during the summer. In both 1995 and 1996, we advertised heavily that summer was an especially good time to do contracts and internships. We did so partly because summer really *is* a good time to work on contracts and internships (faculty have more time available for individual student work with students in the summer) and partly because net revenues are highest for credits generated through contracts. The distribution of total credits as a function of type of offering for summer 1996 was essentially the same as for summer 1995.

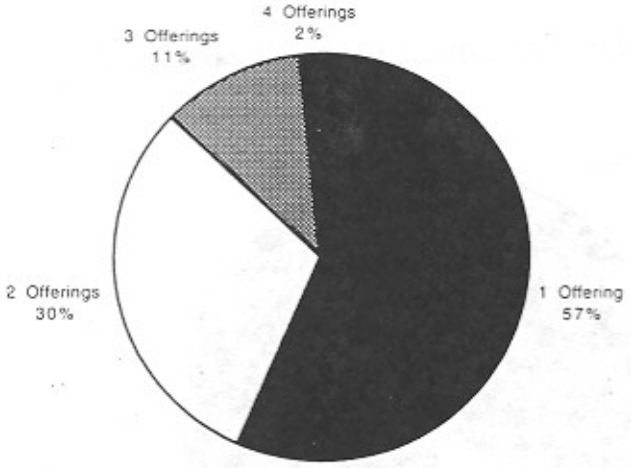
In 1997, however, faculty proposed many more courses than in the previous summers, perhaps due to the fact that we raised summer salaries significantly in both 1996 and 1997. As a result the number of course offerings expanded by almost 50% compared to the previous summer. We also shifted the distribution to put more courses into the second five week session. This seems to have resulted in a distribution which is more like 1994: Approximately equal numbers of credits due to 1st-session offerings, 2nd-session offerings, and contracts/internships, with substantially fewer credits being generated through full-session courses.

The average summer credit load was 9.26 quarter-hours in 1997. This load has remained fairly constant for the past five years, although it was slightly higher in the years before the 10-credit tuition cap was removed in 1991. The relatively small difference between the average student credit load before and after the 1992 tuition change, however, suggests that there are probably factors other than cost that tend to make students attend summer school part-time even if they are full-time students during the rest of the year. This is hardly surprising.

In 1995, we did an extensive survey of summer students, obtaining responses from about 43% of those enrolled (a good return). Seven of the most interesting results follow:

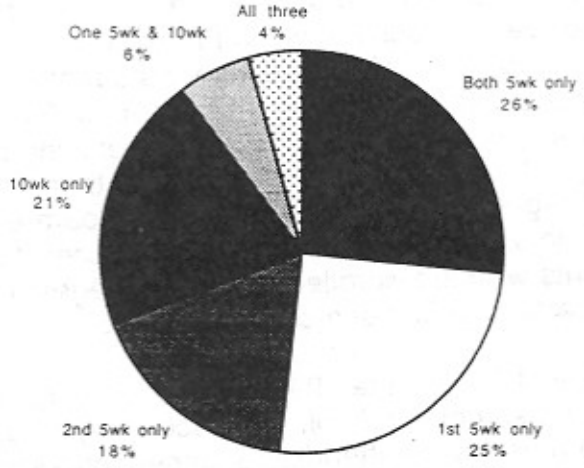
1) A majority of students (56%) enrolled in just one offering, and only 13% took more than two offerings. The complete distribution is as follows:

PERCENTAGE OF STUDENTS TAKING VARIOUS NUMBERS OF OFFERINGS, 1995



2) About 40% of the students enrolled for just half the summer, in either the first or second five-week session only. The complete distribution is as follows:

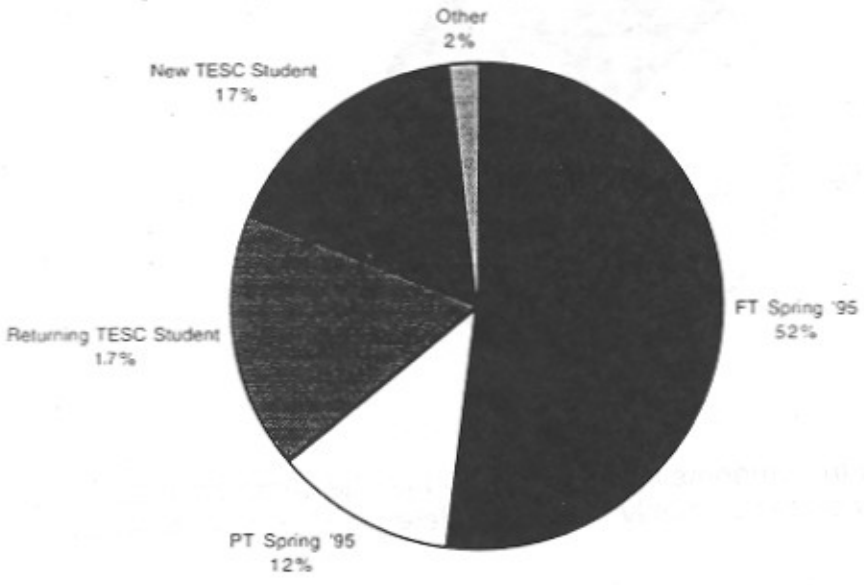
PERCENTAGE OF STUDENTS ENROLLING IN VARIOUS COMBINATIONS OF 5 AND 10-WEEK SESSIONS, 1995



3) Almost two-thirds of the 1995 summer students surveyed had not previously attended Evergreen's summer school, even if they had attended the college during other quarters. Hard data on the 1996 graduating class shows that 44% of these students never attended summer school at Evergreen during their Evergreen careers. 37% attended during just one summer and 15% attended during two summers. Only 4% attended in more than two summers.

4) About two-thirds of the 1995 summer students had been enrolled at the college during the previous spring quarter, either full-time (52%) or part-time (12%). The complete distribution is as follows:

PREVIOUS TESC ENROLLMENT, SUMMER 1995



Combining students who were returning to the college in summer 1995 (but who had *not* been enrolled the previous spring) with those who had attended the previous spring quarter, four-fifths of 1995 summer students were regular Evergreen students. Only one-fifth were taking their first-ever Evergreen class during the summer, and about one-third of these were beginning a long-term association with the college. It is therefore accurate to say that summer school serves mainly established regular students rather than a separate group of clients. We seem, for example, not to have been terribly successful so far in attracting local area students who are enrolled at *other* colleges during the regular academic year, a pattern typical of most institutions.

5) As noted previously, almost 90% of the 1995 summer students had very specific reasons for attending summer school. In descending order, the ten most frequently mentioned reasons for attending summer school were:

1)	Needed the credits [probably to finish a degree]	36%
2)	Class suited my needs/interests	28%
3)	Pre-requisite for next-year's classes	7%
4)	Hone skills [prepare for] next year's classes	6%
5)	I am enrolled here [i.e., just another quarter]	3%
6)	Class I wanted is not available in regular year	3%
7)	College is close to work/home [i.e., "location"]	3%
8)	Summer is the only time I have available	1%
9)	Special opportunity [for instance, travel-related study]	1%
10)	Something to do; for fun	1%
	Cumulative Total	89%

All other stated reasons were mentioned by fewer than 1% of respondents. Collectively, these answers (like the data on previous enrollment history) suggest that Evergreen's students are using summer school as part of an overall educational plan, particularly as a way of finishing a degree or obtaining specific skills (often ones which they need for the following year).

These data lead us to believe that for full-time students the summer quarter functions as a complement to the academic offerings during the regular year, although this may not be true for part-time students because of the emphasis on courses. A little over 1/3 of the 1995 classes were offered in the evening, suggesting at the very least that many faculty are choosing to offer summer classes at times when part-time students can attend if they wish to do so.

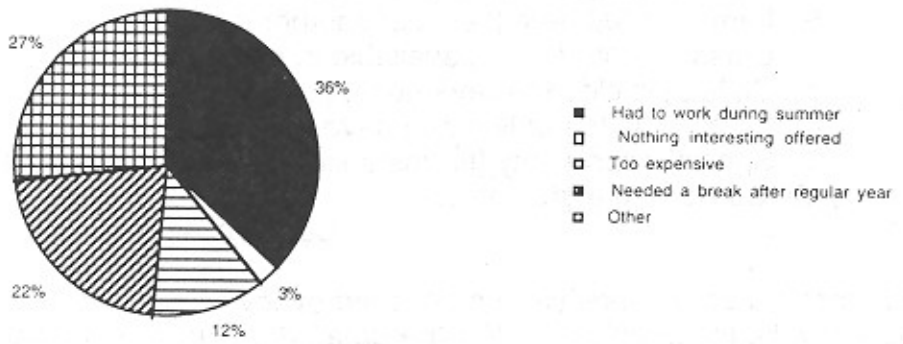
6) 80% of 1995 summer school respondents indicated that they had been able to enroll in all of the offered classes they wanted. The most commonly given reasons for <u>not</u> being able to do so (in decreasing order of frequency) were:

1) Schedule conflict with another desired class
2) Class canceled due to low enrollment
3) Financial problems
4) Conflict with work schedule
5) Class was full

7) As noted above, students most frequently mentioned "reducing the cost of summer school" as the most important action the college could take to improve summer school (22% of respondents). Two other frequently mentioned factors over which we might have some control were "keeping facilities open more" (10%) and "better beverage/food services" (4%). Other responses were idiosyncratic or associated with specific course offerings.

The 1997 survey of all Evergreen students mentioned above also included a question about reasons why students had *never* attended summer school. These data are summarized in the following chart:

STUDENTS' REASONS FOR NEVER ATTENDING SUMMER SCHOOL
(1997 Survey)



As one might expect, financial reasons dominated, with about half of the respondents indicating either that they had to work during the summer or that summer school was too expensive. Another quarter of the students simply needed time off after the regular academic year.

Summer School Curriculum Planning Process

The information gained from studying students' stated reasons for attending summer school, along with actual enrollment patterns and faculty interest guide an active process of developing the summer curriculum each year. The process of building each summer's curriculum includes the following steps (in order):

1. In early fall the summer school dean and administrative assistant analyze the previous summer's data to identify offerings which were "popular" (that is, enrolled 20+ students), offerings which had low enrollment, and offerings which were canceled (usually due to very low enrollment).

2. They also review the academic catalog for the coming year to identify courses which appear to be needed to help students meet prerequisites for that year's academic programs or which complement those programs.

3. This information is assembled and a letter soliciting course proposals which will meet the needs identified is sent in October to all regular Evergreen faculty and other potential summer faculty. The deadline for receiving faculty proposals is usually the first week in November.

4. Proposals received from faculty are compiled into a trial curriculum which is reviewed with the planning unit coordinators and the other deans during November and early December. The planning unit coordinators and other deans help to identify gaps in the offerings within their areas and help to evaluate the quality of the proposals. As necessary, additional proposals are sought to fill these gaps and proposals of less than adequate quality or low appeal are rejected.

5. Based on the proposals received and this review process, a tentative list of courses for the coming summer is then circulated to students and faculty just before winter break.

6. During the winter quarter the course proposals are fine-tuned based on responses to this tentative curriculum, and the Summer Times (the college's summer catalog) is developed with staff from graphics and college relations. The Summer Times goes to press in early March, with the goal of distribution to current students before spring break and to all other residents of Thurston county just before the spring academic fair.

7. In May, there is an academic fair when faculty teaching in the summer meet with prospective students. Summer registration then opens.

8. As registration proceeds, the summer school dean monitors enrollments and identifies courses which look as if they may not fill. The goal is to give a firm go/no-go decision by Wednesday of the week before classes so that faculty will not waste more time preparing a class which is going to be canceled and so that students who have already registered in such a class can be notified and given an opportunity to get into another class before it is too late.

The cycle above repeats each year, and leads to a curriculum which actively attempts to identify and meet student needs as these change from year to year.

Summer School and Faculty Salaries

It is well known that faculty salaries at *all* of Washington's state colleges have not kept up with the cost of living, let alone with the salaries of peers elsewhere. So it's no surprise that Evergreen faculty have also been falling behind. Some aspects of our particular faculty salary scale complicate this statement, however. The college compensates its faculty based solely on years of experience and without regard for a faculty member's academic field, so some faculty (for example in literature and history) have remained relatively well compensated compared to peers at other schools, while others (for example in computer science) have fallen even farther behind than the average.

In general we have accepted this as a consequence of our choice to maintain a salary scale which compensates all members of the faculty equitably based on experience and the work which they do rather than the field of their terminal degree. But it has posed problems in recruiting and retaining faculty in certain fields, most notably for the sciences and some arts. We have therefore sought ways to increase opportunities for faculty to make up both for the negative financial impacts of our egalitarian salary scale on faculty in sought-after disciplines and for the legislature's inability to provide regular salary increases to *any* faculty recently. Summer school is one such way.

During the past three years we have made summer school more attractive to faculty by raising salaries significantly. In 1995 we rebuilt the salary grid to make teaching courses more attractive than contracts and we raised summer salaries for such work by approximately 18%. In 1996 we raised faculty summer salaries by 3% across the board and in 1997 by 7.5%.

We are able to make these changes because summer school is "self-supporting", meaning that the college is not bound to pay the same salaries in the summer as during the regular year (when salaries are set by the legislature). Our approach has been to raise summer salaries significantly over a several year period to accomplish two key goals:

1. We seek to use the opportunity to earn additional money in the summer as a tool to counteract the failure of salaries during the regular year to keep up. By giving faculty a chance to earn a significant part of their annual income during the summer, we hope to make the college more attractive to the many new faculty whom we will be hiring in the next decade as nearly 50% of the current faculty retire.

2. By attracting more faculty to teach during the summer, we seek also to increase the range of summer courses available to our students and to increase the proportion of those courses taught by regular Evergreen faculty. Growing the number of courses should also increase the size of summer school, which will help generate the revenues to fund the increased salaries, and also support the state's goal of fully utilizing expensive capital facilities before constructing new buildings.

While it is too soon to tell whether the summer salary increases we have been giving during the last several years are accomplishing the first goal, the approximate 50% increase in summer courses proposed for 1997 suggests that we are accomplishing the second goal. The trick will be to balance the number of offerings against the total summer demand, so that classes remain large enough to pay each faculty member a reasonable amount for his or her teaching during the summer.

Past Uses and Current Policy for Summer School Net Revenues

Since summer school became "self-supporting" in 1982, total net revenues have been about $2.2 million. For the last ten years virtually the only use of these net revenues has been the acquisition and replacement of computers and related equipment for faculty and staff within the academic division, plus a much smaller amount used for (usually computer or media-related) training for faculty and staff. The amount spent for this purpose has gradually risen over the years as the need for more powerful computing equipment has grown and as net revenues have risen. In 1996 the annual figure reached $175,000 per year. This year we will expend slightly over $250,000 for this purpose.

Funds not used to support academic division computer acquisitions (and the few other much smaller related activities) have been held in reserve, both as a hedge against a bad year and in anticipation of start-up costs for endeavors such as continuing education. As of fall, 1997, the cash balance in the summer school account was approximately three-quarters of a million dollars. (Remember that this cash balance does *not* include that part of summer school tuition and fees which goes to S&A and the Building Fund. Those revenues are additional institutional resources.)

The last re-accreditation self-study (1989) stated the policy governing the use of summer school net revenues only in broad terms:

> Revenue from the summer school is used to enrich program budgets and to support faculty and staff development during the regular academic year [Constancy and Change, page 151].

Some rationales which have been advanced for using summer school net revenues to support academic division computer acquisitions and related purposes are that this takes enormous pressure off the college's limited equipment funds and that such uses are readily understood and accepted by faculty as consistent with their sense that the money comes "from them" (as an offset from potentially higher salaries for those who teach during the summer.)

Again, it is worth repeating that the term "net revenues" is misleading: Summer school is *not* truly self-supporting (because only those costs directly related to instruction and direct summer school administration are charged against summer school revenues), so in some sense there are *no* net revenues. We could choose to charge more institutional fixed costs (utilities, administrative and support staff costs, etc.) against summer revenues, thereby effectively transferring such expenses from the state-supported part of the college budget and *reducing* net summer revenues. Or we could choose to charge even fewer such costs against summer revenues, thereby transferring expenses into the state-supported part of the budget and *increasing* net summer revenues.

So in actuality the amount identified as net revenues is somewhat arbitrary. The present balance has the advantage of having been accepted for some time, meeting a critical institutional need, and removing a major pressure point from the already stiff competition for limited equipment funds by funding most academic division computer acquisitions. The separation between instructional costs and other costs is also relatively "clean" and easy to manage.

The total of the direct costs (excluding faculty salaries and benefits) for the 1997 summer school was about $75,000. We should, however, maintain this amount for each of *two* summers: the one just coming up *and* the next one we would have to run if that summer were a bust. So, a total of $150,000 is required as a basic operational cost reserve.

It is important to note that our current method of computing faculty salaries and determining which classes will run makes it impossible to go badly in the hole on faculty salaries. So long as the summer school dean does not allow more than a few classes to run below their break-even enrollments, we cannot end up paying out more in faculty salaries than we take in from tuition and fees. The potential for a huge deficit in a bad summer is thus non-existent.

In spite of this, there are sometimes classes which need to run even if they do not break even in order to meet students' needs. And there are sometimes errors in guessing which classes will fill. We therefore also hold a small contingency (around $25,000) to allow for errors in estimating the size of summer school and the distribution of classes.

Combining these three figures ($150,000 for two years of operating expenses, $25,000 for course contingencies, and $175,000 for each annual cycle of academic division computer upgrades), suggests we should maintain a net revenue balance of about $350,000 at the end of each summer school cycle (i.e., at about October of each year). The fall, 1997 balance of three-quarters of a million dollars was substantially above this level, suggesting that the college should look for new ways to use some of the summer school net revenues to support its mission.

Summer Tuition Policies

The practice governing resident undergraduate summer tuition (at least in recent years) has been to peg it to tuition for the immediately preceding academic year. Thus, in summer of 1997, we charged the same resident undergraduate tuition as had been in effect for the 1996-97 academic year.

Two consequences of this practice are that part-time study in the summer is almost always seen by resident students as "less expensive" than it will be in the upcoming fall, and that summer school tuition increases are always "masked" by increases during the regular academic year. Thus, if we were to follow past practice for the upcoming summer (1998), we should raise resident undergraduate tuition by about $3.30 per credit-hour (about 4%) from the 1997 summer tuition rate of $81.30 per credit-hour to match the $84.60 rate approved by the legislature for the 1997-98 academic year. (In December, the Board of Trustees did just that, maintaining continuity with past practice.)

The practice governing non-resident tuition has not been as regular. One way to begin thinking about non-resident summer tuition is to notice that even though non-resident summer tuition is more than *twice* resident tuition ($179.12 per credit-hour versus $81.30 for residents in 1997), part-time non-resident undergraduate students still can save substantially relative to the regular academic year. That 1997 summer tuition of $179.12 per credit-hour for summer non-resident students looks pretty attractive when compared to the $299.10 per credit-hour such students pay during the current academic year.

In fact, whereas *resident* undergraduates start to pay more per credit during the summer if they take over 10 credits, *non-resident* undergraduates will save a little money even if they take a full 16-credit load. A non-resident student who enrolled for ten credits in summer 1997 would have saved nearly twelve hundred dollars compared to the regular academic year!

So, on the non-resident side the college has had some more difficult tuition choices. If all we cared about was maximizing net revenues, then we could probably raise non-resident summer tuition significantly before this began to lower demand. To reach parity with the per-credit non-resident tuition during the regular academic year would require an increase of $119.98 per credit, or roughly 67%. Not only would this be draconian (and stupid), it would also be illegal: Initiative 601 probably limits the rate at which the college can increase summer tuition. In 1995, the maximum the college could raise non-resident summer tuition under the I-601 rules appeared to be about 7.3%. We asked for and got that increase from the Board of Trustees.

But, that increase (which was more than twice the increase for resident undergraduates), had no noticeable negative effect on non-resident summer enrollment. In fact, non-resident headcount actually increased by more than 20% over the previous summer!

So, from a strict revenue viewpoint the college could probably move summer non-resident tuition a lot closer to the regular year non-resident tuition before we would see losses in net revenue. We are not at the maximum profit point on the pricing curve.

On the other hand, from the standpoint of fairness to students one could argue that resident and non-resident summer tuition and fees should be exactly *the same*, since summer school is (in theory) "self-supporting" and (in theory) the state isn't contributing any money towards summer school operation. It's a little difficult to explain to a non-resident student sitting in the same summer class as a resident student why s/he should be paying more than twice as much, given that the state isn't footing any of the direct instructional expenses. Of course *we* know that beyond the fact that the state built the buildings, etc., there *is* a hidden state subsidy for the operation of summer school, but it's hard to explain that subsidy to a student, and one has to wonder if maybe the disparity between $81.30 per credit-hour and $179.12 per credit-hour isn't a bit *too* large.

In 1997 the dean responsible for summer school proposed that the rate of increase in non-resident summer school tuition should be tied to the rate of increase in resident tuition. This is logically defensible and fair, it lessens "sticker shock" for students, and it avoids our having to guess what tuition the legislature will adopt for the year following a given summer session. For 1997, this meant an increase of $6.82 per credit-hour (3.96%) above summer 1996, matching the '96-97 increase in undergraduate resident tuition. If we follow that approach again for summer 1998, the non-resident increase will be about $7.16 (4%) on top of the current rate of $179.12 per credit-hour. (In December, the Board of Trustees did just that, maintaining continuity with past practice.)

This same percentage increase should presumably also be applied for all other tuition categories, including both resident and non-resident graduate students.

The deans and provost have also continued to recommend that the college *not* restore the 10-credit cap removed in summer 1992. The data make it clear that removing the cap in 1992 *did* depress summer resident enrollment. But students have now adapted to this change. And it certainly has not forced net revenues too low. Moreover, the 10-credit cap is fundamentally unfair to students (especially part-time students) because it makes those who go less than full-time subsidize those who do not. In view of the fairly small effect on average summer credit load when the 10-credit cap was lifted in 1992, it would appear that most students choose to go part-time during the summer for other reasons anyway.