



West Virginia Higher Education Policy Commission

Higher Education
News Clippings

Week of February 22, 2009

February 25, 2009

Readers' forum

W.Va. leads way in affordable education

Editor:

Dr. Noland's Feb. 13 article was right on the money when he wrote that a college education in West Virginia is affordable, although it remains "one of West Virginia's best-kept secrets." Education leaders throughout the state, like Dr. Noland, are finding ways to get the word out.

To bridge the college access gap for their students and families, 22 forward-looking high schools across West Virginia are partnering with the organization I lead called College Summit to ensure that their seniors go to college. They provide students with at least 36 hours of structured guidance and assistance through a for-credit curriculum delivered by teachers and counselors, sophisticated online tools to help students and educators navigate the process, professional development for teachers and counselors, and ongoing support from our staff.

For too long, West Virginia and many other states have viewed high schools as a destination - the conclusion of their education. To prepare students for tomorrow's work force, we must now view high schools as "launch pads" to success by helping high school seniors transition to postsecondary education and training programs.

The only real answer to the economic crisis is for students to get a great education that is affordable, and West Virginia is leading the way.

Craig S. Grooms
Executive director

February 26, 2009

Former WVU provost sues university

By Davin White, Staff writer

CHARLESTON, W.Va. -- Former West Virginia University provost Gerald Lang, who resigned from his administrative post last year for his involvement in the decision to award Gov. Joe Manchin's daughter a master's degree, has sued the university.

Lang's attorneys filed the lawsuit this week in Monongalia Circuit Court.

Lang would not comment when reached at his Morgantown home Wednesday. Mike Benninger, who was identified as an attorney in the case, did not return a phone message Wednesday.

WVU officials received the lawsuit late Tuesday afternoon, WVU spokesman Dan Kim said.

"Because it is a litigation matter and because the nature of the suit involves a personnel issue, we will not have any comment at this time except to say that an official response to the complaint will be filed within the time allowed by law," Kim said.

Kim was not sure when the university would file its response, but defendants in civil matters often have 30 days.

An employee in the circuit clerk's office said Circuit Judge Susan Tucker ordered the lawsuit sealed.

In April 2008, Lang stepped down from his administrative post after an investigative panel's report harshly criticized him and former business school dean Stephen Sears for their decision to retroactively award an executive master's of business administration degree to Heather Bresch, daughter of Gov. Joe Manchin.

In October 2007, Lang and Sears joined members of President Mike Garrison's staff at a meeting to discuss whether Bresch had earned the degree. Sears made the decision to award the degree and Lang signed off on it, Lang has said. Nobody in the meeting spoke out strongly against giving Bresch the degree, and the presence of Garrison's staff created "palpable" pressure, the investigative panel reported.

Garrison resigned, and members of his staff followed suit or were reassigned elsewhere in the university.

When Lang stepped down from his position as provost, he was given a faculty position and retained a six-figure salary. He no longer is listed in the staff directory on WVU's Web site.

Charleston Daily Mail

DAILYMAIL.COM

February 27, 2009

Ex-WVU provost wants misconduct hearing halted

by The Associated Press

MORGANTOWN, W.Va. (AP) -- Former Provost Gerald Lang wants a court to stop West Virginia University's March hearing on whether he committed academic misconduct.

Lang claims some of those involved have conflicts of interest because they were consulted on the October 2007 decision to retroactively grant the governor's daughter an executive master's of business administration degree she didn't earn.

Lang wanted his complaint kept secret. But Monongalia County Circuit Judge Susan Tucker unsealed it late Thursday after a challenge by The Dominion Post.

Newspaper attorney Harry Rubenstein argued state rules allow documents to be sealed only when the nature, duration and reason for the limitation are explained.

Tucker's order said only that the documents would be sealed until further notice.



February 28, 2009

Bresch info in home e-mail

University denies advising staffers to skirt WVU PCs

BY CASSIE SHANER, The Dominion Post

An e-mail obtained by The Dominion Post indicates that College of Business and Economics employees had been advised to avoid using WVU e-mail to communicate about college business.

Officials say that's not the case, but the newspaper has requested emails concerning university business sent to and from WVU computers and personal home computers under the state's Freedom of Information Act.

"The West Virginia Supreme Court has said that something may be a public record even if it's not in the possession of the public body," said Harry M. Rubenstein, legal counsel for The Dominion Post. "They still have control of the document."

The e-mail provided to the newspaper was sent by Brenda Walker, director of development for B&E, to the college's Board of Advisors, which includes alumni and business professionals with an interest in the school.

It is dated at 7:15 p.m. Feb. 7.

Copies of the e-mail also were sent to interim B&E Dean Bill Trumbull and B&E Director of Alumni Affairs Vickie Trickett.

"I am e-mailing you from my home computer as we have been advised to avoid this information in College e-mails," Walker said.

The e-mail discusses a story published by The Dominion Post earlier this month about a draft internal audit of executive MBA records. The e-mail says the audit information "had been leaked to the paper."

It also addresses a letter sent by Heather Bresch, the daughter of Gov. Joe Manchin and chief operating officer of Mylan Inc., to the WVU Board of Governors, questioning why the BOG revoked her eMBA degree when other school records also have discrepancies. The Dominion Post has done several reports on that letter.

Walker said she sends regular messages to board members to keep them informed about B&E-related news, but they are usually sent from her work e-mail address during the week. She doesn't typically use her personal e-mail address to contact the board, but the communication provided to the newspaper was sent on a Saturday to provide timely information, she said.

"A number of times, board members have said to me, 'Please keep us advised so we don't read it in the paper,'" Walker said. "Possibly it wasn't the best idea on my part. It's certainly not something that's a habit."

Walker said her phrasing in the e-mail, indicating that she had been advised to avoid such information in work communications, may not have been accurate. She said she was probably being “oversensitive” and could not recall being told by anyone to avoid certain information in WVU e-mails.

Interim B&E Dean Bill Trumbull, who received a copy of the message, said he didn’t remember “any particular directive” instructing B&E staff to communicate with the board using personal computers or e-mail, and it doesn’t happen often.

However, Trumbull said it is important for the board to have “free and frank discussion of issues without worrying about saying the wrong thing.”

He compared the need for open communication to a public body entering executive session to discuss important matters.

West Virginia Code permits the governing bodies of public agencies to enter executive session to discuss confidential matters, though decisions must be made in open session. The public body must state the reason for going into closed session.

Personnel matters, disciplinary issues, license revocation and property purchases are among the issues that may be discussed behind closed doors, according to code.

‘Consider next moves’

At the end of the paragraph referring to the Bresch letter, Walker writes, “I will be in touch with News and Information Services as well as Larry and Bob on Monday morning to consider next moves.”

Larry Werner and Bob Butter, principal for Veritas Communications Advisors, are consultants hired by the B&E College to develop a communications plan to assist with donor and constituent relations. Walker said she was simply updating the board on the status of the communications plan in the e-mail.

Becky Lofstead, assistant vice president of communications for WVU, said she wasn’t aware of Walker’s e-mail until Friday, but she did not and would not have advised anyone at WVU to conduct university business from home.

“It would not be a practice that should be used,” Lofstead said, noting that the B&E board likes to stay informed. “My advice has been to give them information that’s public information and not protected by [the Family Educational Rights and Privacy Act] or other privacy laws.”

Lofstead said B&E officials don’t meet with News and Information Services (NIS) staff frequently, but NIS and the University Relations management team, which oversees NIS, do meet with each of the schools at WVU to discuss marketing and communications. They also meet with communications consultants for the various schools, she said. “It’s part of our role as the primary communications branch for the university,” Lofstead said. Butter wouldn’t discuss the details of his agreement with WVU on Friday, but he said he and Werner have been working with Walker and other staff at B&E to develop a communications plan “focused around a lot of the good things that are happening at the College of Business and Economics.”

Trumbull said B&E is working with NIS and the consultants to promote the positive work at B&E. He noted that there's much more to the college than "the Bresch thing."

"Sometimes it's hard to communicate that message when we've got all these other things going on," Trumbull said.

Trumbull could not recall how much the consultants are paid, but he said the B&E business office might have an idea.

Jess Mancini, B&E associate dean of administrative services, is listed as the senior administrator for the business office at the B&E Web site. He said the consultants are paid with unrestricted funds provided to the school through the WVU Foundation, the university's private fundraising arm, but he wasn't aware of the details of their contract.



February 27, 2009

Faculty Senate pre-tenure review approved, awaits Kopp's signature

By Ryan Bloomfield

Marshall University Faculty Senate approved a pre-tenure review for junior faculty Thursday.

The Faculty Senate approved the recommendation by a 26 to 12 vote. The proposal was presented to the Faculty Personnel Committee by MU-Advance, a program to increase recruitment and retention of female faculty in science, technology, engineering and mathematics departments. The pre-tenure review requires junior faculty members to list documentation of accomplishments, productivity and service to the university and community.

There were many people who spoke in favor of the recommendation; however, there were also some who questioned it.

Marty Laubach, member of the Research Committee and professor of sociology, said there needs to be some clarification in the policy.

"It doesn't establish that this is a requirement for junior faculty," Laubach said. "There is a lot of unnecessary work that junior faculty will have to do."

Mary Jo Graham, chair of the Faculty Personnel Committee, responded to Laubach.

"Junior faculty members need to collect the work they have done over the years," Graham said. "This will help demonstrate their accomplishments rather than have them think back and wonder what they have done."

Faculty members are typically eligible for tenure after six years, according to Graham. The review would affect faculty half way toward the typical tenure date. The proposal would allow each college and department on campus to adopt different guidelines and procedures for what is required in the review. Faculty would receive written feedback on how they have done so far and the areas they need to improve, according to the proposal. The Faculty Personnel Committee recommended the proposal be applied to all junior faculty.

Marshall President Stephen Kopp said he will review the recommendation before making his decision.

"I'm going to look over it," Kopp said. "Having a structured progress is an important part of tenure. People should have the right to know where they stand."

Charleston Daily Mail

DAILYMAIL.COM

February 26, 2009

Marshall gets \$50,000 for Bucks for Brains effort

by The Associated Press

HUNTINGTON, W.Va. (AP) -- Marshall University is getting \$50,000 from a local development group for its Bucks for Brains initiative.

Marshall announced the gift from the Huntington Area Development Council on Thursday.

The Bucks for Brains initiative was approved last year by the Legislature.

The plan set aside \$15 million to support research at Marshall and \$35 million for West Virginia University. The schools have five years to raise matching funds.

Marshall students, faculty oppose cap for PROMISE Scholarship

By Clark Davis

Students and faculty at Marshall University are hoping the Legislature does not cap what students can receive from the PROMISE Scholarship.

Gov. Joe Manchin wants the Legislature to put a \$4,500 cap on the merit-based PROMISE Scholarship program.

Senators plan to introduce a bill Wednesday that would impose that ceiling on the program and dissolve the board that currently oversees it.

A report released last month found that as PROMISE has raised its criteria for qualifying, fewer low-income students in West Virginia are attending college.

The promise scholarships started in 2002 as a way of helping high school graduates attend college. West Virginia has a lower than average college going rate.

Since then, the academic requirements have been raised, but the scholarship has paid for four years at any in state institution or the equivalent amount at a private one.

Manchin recently asked a committee to examine the amount being spent on each student. The committee found that the amount has quadrupled since its inception in 2002.

Money for the promise scholarship comes from video lottery proceeds.

Kathy Bialk is the Financial Aid director at Marshall University. She hopes a cap doesn't occur.

"I don't want to see promise scholarship capped," Bialk said. "If it's capped that is a bit of a squeeze on a family, they may find themselves having to borrow more or borrow something."

Bialk says that around 1,500 students attend Marshall on the Promise Scholarship.

Corley Dennison, the dean of the school of journalism, he says he can tell PROMISE scholarship students from others.

"They are much more conscious about their grades," he said. "They have to keep the 3.0 grade point average."

"And they are much more conscious about the number of credit hours they take per semester, since you have to have the 30 credit hours over the course of the academic year."

Marshall's tuition will be nearly \$5,000 next year. Capping the PROMISE scholarship at \$4,500 will force students to find a little more help to pay the remainder of tuition and fees.

Bialk says students have to understand that there are other ways to get financial help from grants, other scholarships and loans. She says students should not be discouraged if there is a cap on the promise scholarship.

"Students should be very much encouraged to attend college it's an investment in yourself and you can't put a price on that it's you, you're investing in yourself for the future," Bialk said.

Bialk says there are other options; those options though won't make things much easier on the student's lives and their academic careers.

Myriah Hisam, a junior at Marshall, says the scholarship has allowed her to concentrate on her studies.

"It allows me to do my school work instead of work," Hisam said. "I'll be able to not work during class and not have to run around and do a hundred things at once and just focus on school work."

"I work in a work study so promise pays my tuition where the work study would pay my tuition," Hisam said. "So because I do both, the work study money actually goes to rent so promise has allowed me to get through school without having to get a job and I can take 18 hours a semester and get through school in four years."

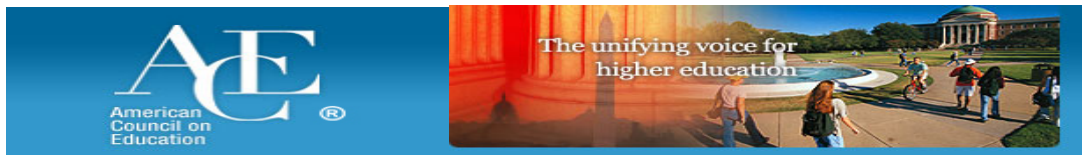
Adam Cavalier is a senior graduating this semester. He's been able to take advantage of the scholarship and give his parents a break after putting him through a private high school.

"Obviously it's meant a lot to me, but I think it's meant more to my parents," Cavalier said. "They don't pay a dime anymore for me to go to school."

Coming from a private school where they shelled more tuition to go to Charleston Catholic than I give to Marshall University now. That's obviously a nice little supplement for them to get. For me it means I don't pay rent."

The Promise Scholarship has increased West Virginia's college going rate slightly.

But there are fears that poorer students are being left out because of increasingly tougher academic standards to qualify.



February 24, 2009

Congress Introduces FY 2009 Appropriations Omnibus Bill

The House yesterday introduced a \$410 billion omnibus package combining the 10 remaining appropriations bills from last year that have not been passed. The bill, drafted in late December, was introduced following passage of the American Recovery and Reinvestment Act (H.R. 1), which was signed into law last week.

The 10 bills (consisting of all FY 2009 federal spending aside from defense, military construction, and veterans affairs and homeland security) packaged in the omnibus measure were shelved by Congress last year in the face of disagreements with the Bush administration.

The 2009 fiscal year began on Oct. 1, 2008, and the government is currently operating under a continuing resolution that will expire on March 6, 2009.

After the significant spending increases in H.R. 1, the appropriations bills were not expected to contain large amounts of additional spending. For the most part this was true, although there were notable increases in some categories. Research spending continued to receive attention from Congress, with the National Institutes of Health receiving a \$937.5 million increase, the National Science Foundation receiving a \$362.9 million increase, and the Department of Energy's Office of Science receiving a \$755.1 million increase.

Student financial aid also received additional funding, most significantly in Pell Grants. The FY 2009 appropriations bills include over \$3 billion for additional Pell Grant funding, enough to increase the maximum award by \$119 (and reach the 2009 maximum award identified in H.R. 1 of \$5,350).

Federal TRIO programs received an increase of \$19.1 million over FY 2008, and the GEAR UP program received a \$10 million increase. Federal Perkins Loan cancellation programs received \$2.8 million more than in FY 2008, but the Supplemental Educational Opportunity Grant (SEOG), Federal Work-Study and Leveraging Educational Assistance (LEAP) programs were level funded.

The House is expected to consider the bill on Wednesday. The Senate has not yet announced a schedule for consideration but is expected to take up the measure soon.

In related news, President Obama is scheduled to introduce his first budget outline on Thursday. While the full budget (detailing the program-level funding requests of the administration) is not expected to be ready until late March or early April, the outline will give a sense of the new administration's funding priorities and how it intends to address a massive federal debt and escalating deficits.

THE CHRONICLE OF HIGHER EDUCATION

February 27, 2009

President's Budget Would End Bank-Based Student Lending and Significantly Expand Pell Grants

By KELLY FIELD, Washington

To the dismay of lenders and the delight of students, President Obama on Thursday unveiled a budget blueprint that would abolish the bank-based student-loan program and use the savings to raise the maximum Pell Grant and make it an entitlement.

The preliminary budget for the 2010 fiscal year, which administration officials say they will flesh out in April, would also provide a \$5-billion increase for Perkins Loans, making an estimated 2.7 million more students eligible for the aid and reducing borrowers' reliance on private loans.

The plan would make permanent a pair of tuition and research tax credits and create a \$2.5-billion grant program aimed at helping states improve college-completion rates. The program is part of Mr. Obama's goal, which he outlined in a speech to Congress Tuesday, for the nation to have the world's highest proportion of college graduates by 2020.

While the budget outline does not detail spending levels for most education programs, Education Department officials promised that there would be no cuts to student aid in the 2010 fiscal year.

In a conference call with reporters on Thursday, Secretary of Education Arne Duncan defended the president's plan to do away with the bank-based Federal Family Education Loan program, or FFEL, saying that the program is on the way out anyway. The department estimates that switching 100 percent to the alternative direct-lending program will save the government \$4-billion.

The FFEL program "has basically been on life support," Mr. Duncan said, referring to the rescue plan adopted by Congress last year and subsequent government steps to prop up the system. "Rather than continuing to subsidize banks, we want to help more students get access to more aid," he said, by putting the savings in the Pell Grant program.

Making Pell Predictable

The Pell Grant program, which provides need-based aid to low-income students, already operates as a quasi-entitlement, in that all students who qualify for a grant receive one. However, the maximum award is set through the annual appropriations process, and spending levels are based on projections made far in advance of when students receive the awards. When money is tight, or the political climate unfavorable, the maximum award stagnates, and occasionally shrinks; when student demand exceeds expectations, as it has in recent years, the program runs shortfalls that must be covered in the following years' budgets.

Under Mr. Obama's plan, Pell Grants would become a true entitlement, with the maximum award indexed to the rate of inflation. After increasing by \$200, to \$5,500, in

the 2010 fiscal year, the maximum award would grow at an annual rate of the Consumer Price Index plus one percentage point.

By making spending on Pell Grants mandatory, and tying the maximum award to the price index, the president's budget would eliminate much of the uncertainty surrounding award levels and stop the cycle of shortfalls. It would also end the erosion of the grant's purchasing power and ensure that the maximum award would not drop by \$1,000 in a couple of years, when an infusion of mandatory money provided by Congress last year will run out.

Student groups, who have long called for converting Pell Grants into an entitlement program, applauded the plan.

"Making the Pell Grant reliable for students and families is by far and away the single most significant policy the president could undertake to communicate to students and families that he understands their struggles to finance colleges," said Rich Williams, a higher-education associate for the U.S. Public Interest Research Group. "Now they can count on a certain level of aid from year to year."

Lenders Nervous

Student-loan companies were disappointed, but not surprised, by Mr. Obama's call for the elimination of the bank-based FFEL program; the president made similar calls as a candidate on the campaign trail. But the lenders question his claim that it will save the government \$4-billion, and they continue to argue that banks provide superior service to students.

"During an economic crisis, more borrowers need the benefit of default-aversion services provided by lenders and guarantors," said Marcia Sullivan, director of government relations for the Consumer Bankers Association. "It doesn't make sense to switch to a program that gives these benefits short shrift."

Share prices of student-loan companies plunged after Mr. Obama released the budget, with Sallie Mae's stock sinking 41 percent in afternoon trading and closing at \$5.80, down about 31 percent for the day. Shares of Nelnet Inc. dropped even more steeply, falling 54 percent to close at \$4.91.

More than 1,600 colleges now participate in the federal direct-loan program, and almost 4,500 institutions take part in the FFEL program. Education Department officials say banks will continue to have a role in the student-loan system, as loan servicers. They argue that a shift to all direct lending will simply change the way banks are reimbursed, replacing politically set subsidies with competitively awarded contracts.

"We're using the private sector, and using it well," said Robert M. Shireman, a higher-education consultant to Mr. Duncan.

But lenders say they hope to work with the administration to remake the student-loan system without ending the bank-based program.

"I think we can come up with a really good loan program that saves the taxpayers money and provides the services in delinquency and default prevention that are needed

now more than ever because the economy is shaken," said Brett E. Lief, president of the National Council of Higher Education Loan Programs.

Mr. Lief and other lenders will have a lot of convincing to do. Many Democrats, including the chairmen of the House and Senate education committees, support a switch to 100-percent direct lending, and Mr. Shireman was involved in the program's creation during the Clinton administration. The lenders' allies will include Republicans like Howard P. (Buck) McKeon, of California, the education committee's top Republican, who says a "government takeover" of the student-loan program will rob students of options and benefits.

At least one major lender is already positioning itself for a role in the new world order. Shortly after the budget was released, Sallie Mae issued a news release saying that the company is "the largest and lowest-cost provider of student-loan services."

"We are committed to delivering and servicing federal student loans, regardless of their funding source," the statement concludes.

Perkins Instead of Private Loans

The president's plan would also take a bite out of the burgeoning private-loan sector, by expanding the Perkins Loan program from \$1-billion to \$6-billion. Private loans, which many students need to pay education costs beyond what they can borrow through the federal system, generally are more costly than federal loans.

The Perkins Loan program provides low-interest annual loans of up to \$4,000 for undergraduates and \$6,000 for graduate students with financial need.

The proposal would shift responsibility for servicing the loans from colleges to the federal government and change the way Perkins dollars are distributed, replacing a formula that has given a disproportionate share of the money to colleges that joined the program at its inception with one that would reward colleges that control costs and expand need-based aid.

To hold down the cost of the expansion, the president's plan would eliminate the federal subsidy that allows borrowers to avoid accruing interest on their Perkins Loans while they are enrolled in college. The program's interest rate and loan limits would not change.

Finally, the budget would make permanent a tuition tax credit and a research-and-development tax credit for businesses included in the recently signed economic-stimulus bill. That measure raised the tuition credit from \$1,800 to \$2,500 and expanded it to cover course materials and textbooks. It also made people who do not pay taxes eligible for a refund worth up to 40 percent of the maximum credit, or \$1,000.

GI Bill Progress Report

WASHINGTON -- U.S. Department of Veterans Affairs officials assured members of Congress Thursday that when it comes to implementing the mammoth new Post-9/11 GI Bill, they are on schedule.

The prepared testimony given at the Congressional hearing, held by the House of Representatives Veterans' Affairs Subcommittee on Economic Opportunity, focused largely on timetables and the status of information technology improvements needed to implement the bill, which goes into effect in August. Subcommittee members also raised questions, however, about dramatic disparities in the maximum amount of veterans' tuition and fees payable under the GI Bill in each state.

The maximum amounts are pegged to the highest undergraduate public tuition and fee rates in each state, and some of the preliminary figures posted by the VA are startlingly high, leading the subcommittee's ranking member, John Boozman (R-Ark.), to cry foul. "I truly am surprised by some of the numbers," he said in his opening remarks, referencing several cases in which the maximum amount of fees payable -- fees, not counting tuition -- exceeds \$10,000. "If these numbers hold true, we need to have a conversation with the higher education industry. ... We must also insist that schools do everything they can to keep the costs down."

When asked to address the disparity in rates across states, Keith M. Wilson, director of the VA's Office of Education Service, responded, "I can address the tuition and fee structure that we're required to implement under the Post-9/11 GI Bill," explaining that the posted figures are based on statutory requirements.

"They don't represent averages. ... They simply represent the situation in each state that is the highest in-state undergraduate public tuition in that state. That's the only thing those numbers represent."

High-costing, outlier programs -- in aviation or pharmacy, for instance -- appear to have boosted the maximum amounts payable to veterans in some states way above average costs for attending flagship universities. The implications are primarily for veterans attending private colleges, who can apply the value of their states' maximum tuition and fee rates, respectively, to their private college tuition and fee bills. (Under the new GI Bill, the tuition and fee calculations are done separately.)

Above that maximum, private colleges can enter into a matching program with the federal government to waive any remaining balance. In some states, however, there won't be a balance, or at least not much of one. A report from the Iraq and Afghanistan Veterans of America (IAVA) distributed at the hearing notes that, using the preliminary figures posted, "A veteran attending a private college in Texas will have their entire tuition paid no matter where they enroll, including the most expensive private school in Texas[,] Southern Methodist University (SMU), costing upwards of \$33,170/yr. However, a veteran attending Hendrix College in Arkansas, which costs marginally less,

\$26,080/yr., will only receive about \$5,000 in tuition and fees and will owe upwards \$21,000/yr."

"Even more illustrative examples can be found by examining students who attend online programs like the University of Phoenix," the document continues. "If a veteran is participating in [a] nursing program based out of Arizona they will have their entire tuition and fees covered (\$11,550/yr.) while a veteran participating in the same University of Phoenix nursing program based out [of] Florida will be required to pay nearly \$4,000 out of pocket, even though the programs cost the same."

Asked by the subcommittee chair, Stephanie Herseth Sandlin (D-S.D.), whether the administration has a position on IAVA's call for a national tuition and fee cap of \$13,000, Wilson said the administration did not have a position.

Subcommittee members also asked several questions about recovering overpayments of benefits, in cases, for instance, when a veteran withdraws or reduces his or her course load. While a system for recovering overpayments is already in place, Wilson pointed out that what's new under the Post-9/11 GI Bill is that payments will be "front-loaded" at the beginning of the semester.

More generally, officials pointed to progress moving at or ahead of schedule, with a robust contingency plan newly finalized and plans to begin accepting applications for certificates of eligibility from veterans by May 1. Stephen W. Warren, VA's acting assistant secretary for information and technology, offered an overview of IT strategies for processing claims and distributing benefits. In time for the August 1 enactment date, the short-term solution will be "an augmented manual process," he explained. "The long-term solution is to put something in place that is a fully automated solution."

PRESS RELEASES

Education Secretary Duncan Highlights Budget Proposals to Increase College Access and Affordability

U.S. Secretary of Education Arne Duncan today highlighted provisions of the Department of Education's proposed FY 2010 budget overview that would dramatically expand student financial aid while making it simpler, more reliable and more efficient. "We need to invest in our economic future and enable our kids to compete in today's global environment. America's students and workers need a higher level of education and training," Duncan said.

"President Obama's proposed budget calls for a historic investment to make college more affordable and accessible and to help more students succeed once they get there."

"The new funding announced today represents a significant expansion of our federal student aid programs, providing more dollars to allow more students to attend more schools," he said.

The secretary noted that the proposed budget for the U.S. Department of Education builds on the historic increases in the recently enacted American Recovery and Reinvestment Act (ARRA) by taking additional steps to advance education reform and restore the nation's economy. The ARRA would provide an additional \$17 billion for Pell Grants in Fiscal Years 2009 and 2010; the current year funding is \$16.2 billion, with 6.1 million students participating.

The stimulus package is also providing nearly \$14 billion in tuition tax credits for middle class families, raising the credit to \$2,500 from \$1,800.

Details of the FY 2010 budget proposal will be released in late April. The budget overview issued today contains provisions that would:

Guarantee funding for the Federal Pell Grant program and ensure that grant amounts would keep pace with inflation. By making funding mandatory, the Pell Grant program would no longer be subject to the discretionary budget process, would eliminate uncertainty in funding from year to year, and would ensure that the grants reflect cost of living increases. Beginning with academic year 2010-2011, the Pell grant maximum would be indexed to the consumer price index plus one percent, thus ensuring that Pell grant awards would meet their original objective to cover a substantial percentage of college costs. The maximum for the 2010-11 academic year would be \$5,550.

Make college loans reliable, stable and efficient, thus eliminating uncertainty families have experienced due to the turmoil of the financial markets. All new student and parent loans would be provided directly from the federal government through the same

electronic system that colleges use for Pell Grants. Taxpayers would save more than \$4 billion a year in reduced entitlement subsidies, and those funds could be reinvested in more aid to students seeking a higher education. Private sector companies would continue to perform loan collection and related services through performance-based contracts with the Department of Education.

Restructure and expand the Federal Perkins Loan Program to ensure that all colleges and universities can take part in the program. The revamped Perkins program would provide \$6 billion in loans every year, a significant increase from the current \$1 billion in funding. Funds would be distributed to reward schools that provide more need-based aid to students and that maintain reasonable student costs relative to other schools in their sector. As now structured, the formula for distributing Perkins loans is weighted by a decades-old formula that favors particular schools, as well as schools that increase college tuition, rather than to those that keep costs down. Colleges and universities participating would increase from 1,800 to 4,400.

Secretary Duncan also noted that the budget overview includes a \$500 million grant program for a new federal-state-local partnership to improve retention and graduation rates, particularly for low-income college students. Funds would support research into what works to help increase college completion.

"Currently, our young people face too many financial and other hurdles to obtaining a college education," Duncan said. "With the American Recovery and Reinvestment Act and the proposals announced today, we are taking several major steps to clear those hurdles."

"By ensuring that higher education is affordable and accessible for all our young people, we will make certain that our nation is prepared to compete in an information-age economy," he said.

The New York Times

February 24, 2009

An Option to Save \$40,000: Squeeze College Into 3 Years

By TAMAR LEWIN

Here's one way of cutting college costs: get a degree in three years, instead of four.

This fall, Hartwick College, a small liberal arts college in Oneonta, N.Y., will offer students the option of doing just that, at a savings of more than \$40,000.

In the college's three-year degree program, students will complete the standard 120 credits, taking 18 credits in the fall, 4 in a January term and 18 in the spring. Students will be able to keep their summers free for internships or jobs.

Whether for a three-year degree or a four-year one, Hartwick's tuition next year will be \$32,550, 3.9 percent higher than the current year. Room and board will be about \$9,000.

"We anticipate a great deal of interest in an option that lets students get a top-quality education and save a whole year of tuition," said Margaret L. Drugovich, president of Hartwick.

Although most American students now take longer than four years to complete their degrees, the idea of three-year degrees has been gaining favor in some circles, with several colleges talking about or experimenting with such programs, often involving online courses or summer school.

Earlier this month, at the American Council on Education's annual meeting, Senator Lamar Alexander of Tennessee, a Republican who served as education secretary and president of the University of Tennessee, urged colleges to consider three-year degrees, calling them the higher education equivalent of a fuel-efficient car.

Molly Corbett Broad, president of the council, said she believed the three-year degree option could help private colleges attract students as more families struggle with tuition costs.

"Three-year degrees are a very important option, and I think we'll be seeing more of them," she said. "They won't serve a large proportion of students since a three-year degree requires that you finish high school college-ready, enroll full-time and be focused."

Some schools that considered the three-year approach have encountered strong resistance from faculty — or little interest from students. At Upper Iowa University, for example, a three-year option created about five years ago remains on the books, although only five students signed up for it and not one actually finished a degree in three years.

Three-year undergraduate degrees are the norm in Europe, but for the most part, students there have an extra year of schooling before going to a university, apply to a particular department and do not take general-education courses.

Although a growing number of American students arrive in college with several Advanced Placement credits, the College Board discusses that program not as a route to early graduation, but rather as a tool to promote on-time graduation.

Hartwick's three-year program will be open only to students with at least a 3.0 high school grade-point average and will be offered in 22 of the college's 31 programs.

"This is not an easy thing for a college to do, and there are some programs, like music education, where we just didn't think students could get through in three years," Dr. Drugovich said. "In each program, students signed up for a three-year degree will have a special adviser to help them move through their courses."