

Provisional Plan for IELP Retrenchment

May 11, 2021

Presented by the President for 30-Day Comment

Following the announcement on March 15, 2021 of the President's invocation of Article 22 relating to IELP, a comprehensive review of all comments and input received during the 30-day comment period was conducted. Based on this feedback, submitted reports, and analysis of evidence, the Provost drafted a Provisional Plan for Retrenchment in IELP. Upon review of that draft plan, the President met with the Office of Academic Affairs and participated in further review that led to the creation of this provisional plan.

The Intensive English Language Program (IELP), which has been part of the Portland State University community for nearly six decades, is experiencing - like many English Language Programs across the country - a period of significant shrinking student enrollment. The reduction is occurring at a rate that exceeds the ability of the program to reduce staffing using traditional tools such as retirements or attrition. As a result, and at the recommendation of the provost, the president began the process of program retrenchment as prescribed in Article 22 of the Collective Bargaining Agreement (CBA).

It is a difficult but important process. Following the terms of the CBA, and after a thorough examination of multi-year data; current enrollment trends; consideration of presidential priorities; assessment of potential impacts on other academic units; and review of student, faculty and staff feedback; the president is electing to move to the next phase of the process -- the development of a provisional plan for IELP retrenchment.

Background - Article 22 Process

The AAUP Collective Bargaining Agreement, Article 22, recognizes that, "In a viable, complex, and multifaceted university, it may be necessary to adjust departments and staff." And while "these adjustments have been accomplished by attrition and by not renewing appointments," Article 22 recognizes that "A condition requiring reduction or elimination of a department may be declared if the President finds that institutional operations with a reduced budget, or failure to reallocate funds, would result in serious distortion of the academic or other essential programs and services of the University if retrenchment procedures were not implemented."

In December of 2020, Provost Susan Jeffords recommended to President Stephen Percy that he invoke Article 22 of the CBA in response to a detailed, multi-year fiscal analysis that demonstrated a persistent and significant budget shortfall in the IELP. The fiscal shortfall is a direct result of a sustained six-year decline in student enrollment.

Based on the information provided by the provost, the president initiated the formal

retrenchment process. The following timeline describes the events leading up to the Provisional Plan.

February 4, 2021: the president notified the Faculty Senate and AAUP of the decision in accordance with Article 22, Section 3a of the CBA.

March 15, 2021: University officials met with representatives from the AAUP to review the rationale for invoking Article 22 (Art. 22, Sec. 3b). On the same day, the president presented the rationale to the Faculty Senate (Art. 22, Sec. 3c) and opened a 30-day comment period (Art. 22, Sec. 3d). In addition, members of the IELP faculty presented to the Faculty Senate.

March 15, 2021 to April 14, 2021: Comments were solicited in multiple ways to ensure inclusion and engagement in the process as well as to adhere to Article 22 requirements. Comments came forward in three ways:

- Submissions made to the President's Office (80 comments were received; approximately 75% were from former students);
- Submissions to the Faculty Senate - [Report from the Faculty Senate](#) (102 comments were received along with 19 uploaded files);
- The PSU-AAUP submitted [comments](#) directly to President Percy.

As part of the administration's commitment to transparency, all materials for the IELP Article 22 process can be found at [The Article 22 Process Site](#) created by the President's Office.

Basis for IELP Provisional Plan

In light of the evidence of persistent and significant declining enrollments in IELP and after careful consideration of comments from the campus community, the president is proceeding to the second phase of Article 22: the development of a provisional plan.

The university values the important services provided by IELP, particularly as a means for students to enroll in PSU. *There is no intention to eliminate IELP.* The proposal to move to the second phase of Article 22 consideration is based on the goal of aligning IELP resources with the numbers and types of students who enroll in IELP programs and eliminating financial subsidies that draw resources away from other academic areas.

According to Article 22 Section 3e, that decision must be informed by the following:

- the institutional guidelines concerning the mission and educational development of

the institution;

- departmental effectiveness and productivity;
- enrollment historical, current and projected;
- the state of development of departments;
- the balance between academic personnel and other elements of the budget;
- the dependence of other departments in the University on the department proposed for a reduction or elimination; and
- the availability of similar programs and services elsewhere in the community.

Background - IELP Enrollment, Budget and Workload

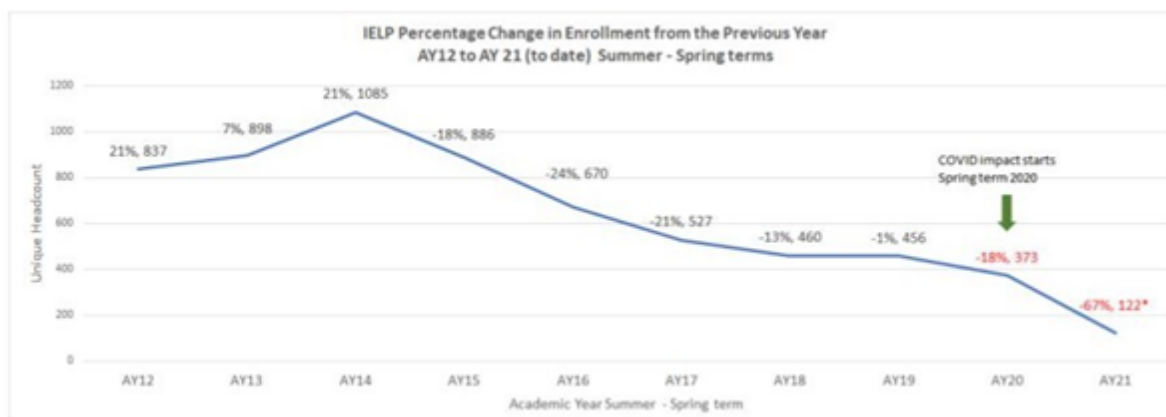
Three important factors drive the decision to move forward with the provisional plan.

1. Persistent and significant declines in enrollment over the last five years;
2. Persistent, significant and disproportionate budget deficits over the last five years;
3. Insufficient enrollment to support current levels of non-tenure track faculty.

IELP Enrollment:

From the 2016 through the 2020 academic years, IELP enrollments in all classes declined by 55% from 670 students to 373 students (see Graph 1). COVID-19 further eroded enrollment.

Graph 1



To understand the context for looking at IELP enrollments, it is valuable to look at university enrollments as a whole. As has been discussed in several university-wide fora, PSU's enrollments -- as measured by both headcount and credit hour generation -- have been declining as well. Between the same period, 2016 to 2020, university enrollment declined by 9.4%. The IELP enrollment decline is over five times larger than the drop in overall campus enrollment.

IELP Budget:

IELP revenues declined as enrollments decreased. As the table below shows, during the period of academic years 2016 to 2020 IELP revenues dropped from \$4.7 million to \$2.8 million, a decrease of \$1.9 million. (Figures are not being used for FY2021, due to the impact of the pandemic.)

During this same period, IELP made important efforts to decrease its costs; however, decreases were not able to keep pace with declining revenues. As further illustrated in the table below, between FY2016 and FY2020, there was a 41% decrease in revenues but only a 28% decrease in expenditures.

IELP RCAT Revenue and Expenditure

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021
Restricted differential tuition net of bad debt	4,206,219	3,395,344	2,845,877	2,723,883	2,471,072	1,768,917
Other revenue	494,028	356,010	303,043	249,368	314,917	347,226
Total Revenue	4,700,247	3,751,354	3,148,920	2,973,250	2,785,989	2,116,143
Direct expenses	4,695,586	4,233,403	4,029,905	3,499,652	3,366,092	3,006,796
Base net revenue	4,661	(482,049)	(880,986)	(526,401)	(580,103)	(890,653)
Indirect expenses	964,026	861,337	786,895	718,089	755,800	754,310
Net	(959,365)	(1,343,386)	(1,667,881)	(1,244,490)	(1,335,903)	(1,644,963)

Direct expense as a % of Total Revenue	1.00	1.13	1.28	1.18	1.21	1.42
% Change in Revenue to Prior Year		-20.2%	-16.1%	-5.6%	-6.3%	-24.0%
% Change in Direct Expense in Prior Year		-9.8%	-4.8%	-13.2%	-3.8%	-10.7%
% Change in Revenue - 2020 to 2016					-40.7%	
% Change in Direct Expenses - 2020 to 2016					-28.3%	

Datasource: 2016-2017 Year-end RCAT (Rebuild version), 2018-2020 Year-end RCAT, 2021 Adopted Budget RCAT

The persistent and significant increases in IELP budget deficits have required the use of university resources to cover the shortfalls. Since 2016, that amount totals over \$6 million. As demonstrated in the table below, the amount of deficit and percent of change is greater than almost all other units in OAA as measured by the RCAT.

	NET REVENUE		\$ Change	% Change
	2016	2020		
CLAS	105,991,426	104,524,175	(1,467,251)	-1.4%
SSW	13,578,061	18,140,985	4,562,924	33.6%
SB	32,467,497	40,819,165	8,351,669	25.7%
COE	17,911,137	19,712,970	1,801,833	10.1%
MCECS	30,151,779	38,477,955	8,326,176	27.6%
COTA	23,032,339	24,754,321	1,721,982	7.5%
SPH	11,744,069	14,771,078	3,027,009	25.8%
CUPA	25,267,381	26,239,137	971,756	3.8%
UNST	15,648,827	14,838,414	(810,413)	-5.2%
Honors	2,017,460	2,002,270	(15,191)	-0.8%
IELP	4,700,247	2,785,989	(1,914,258)	-40.7%
Total	282,510,223	307,066,459	24,556,236	8.7%

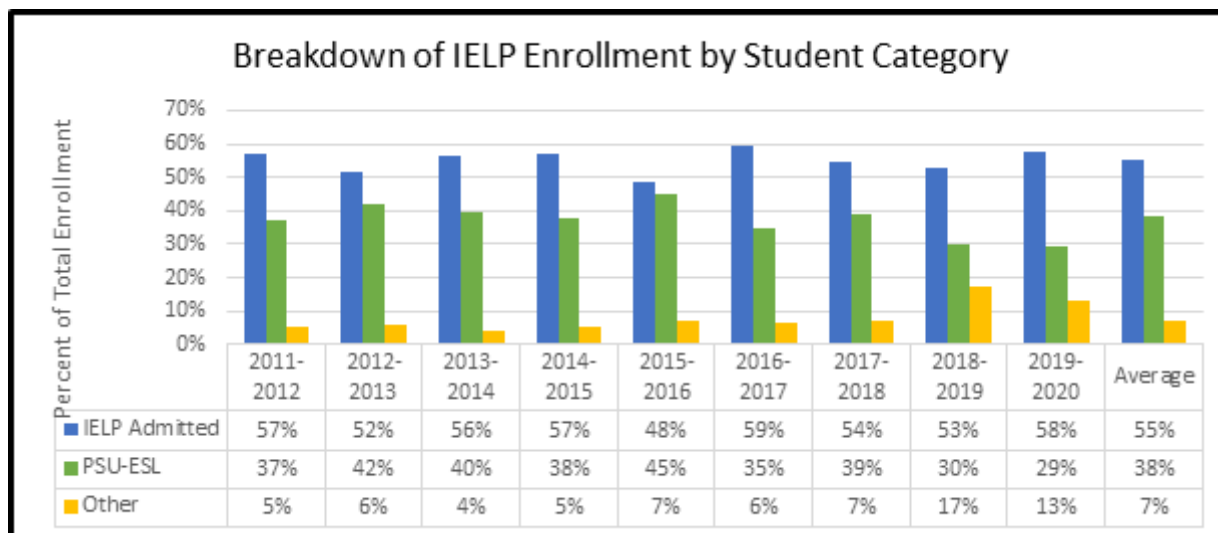
As OAA faces ongoing budget challenges, it is not feasible to continue to support IELP at this level. Continuing to disproportionately expend core university funds to sustain components of the IELP will require additional disinvestments in other critical academic programs or student support services, including holding vacancies or eliminating unfilled positions in other academic units.

It is also important to note that IELP is different from nearly all other academic programs, in that it serves predominantly non-degree seeking students. IELP enrolls three types of students:

- **PSU-ESL/Pathway:** Students in this category are those with the intention of pursuing a degree program at PSU. They are conditionally admitted to PSU with the expectation that they will achieve a level of English language fluency to enable them to be successful in PSU classes.
- **IELP-Only Students:** These students apply directly to and are admitted into the IELP but are not admitted to PSU and *are not intending* to be degree-seeking students at PSU. They enroll in the IELP for language instruction only and leave to attend other college campuses, go back home, apply to other graduate programs, or perhaps choose to continue their studies at PSU.
- **Other:** These are typically short-term students enrolled for non-credit activities within the IELP. These students are typically considered non-degree students, including students enrolled in the Portland Center, international students that have no ESL restrictions but enroll in the IELP course(s) on their own, etc.

The table below shows the distribution of IELP students by the three types of students identified above for fiscal years 2011-12 through 2019-20 (see Table 1).

Table 1



As demonstrated, over 60% of IELP students are non-degree-seeking enrollees. There are important reasons to support all IELP students. International students are an important component of the learning environment. However, disproportionately shifting academic resources to IELP not only disadvantages other academic units, it shifts funding away from degree-seeking PSU students.

It is neither logical nor prudent for core academic funds to support the experiences of students who do not intend to enroll at PSU, especially at a time when the university is asking all units to take reductions in their core budgets and when key positions in academic units remain unfilled or are being eliminated. Those activities - as successful and valuable as they may be - should be funded by the fees charged to those students and should be sustained as self-supporting programs.

Insufficient Enrollment to Support Current Instructional Staff:

The IELP has made important efforts to reduce its expenditures as enrollments have declined. Since 2016, 19 positions have been eliminated in the IELP, including 13 NTTF reductions (nine contract terminations and four retirements/resignations not replaced). The IELP is to be applauded for these efforts while we recognize the continued discrepancy between the unit's revenues and expenditures.

Despite these efforts, the persistent and significant declines in enrollment result in a concurrent decline in sections that outpaces the reductions in instructors and staff made to date. According to the program, in 2016, IELP averaged 103 sections a term. In 2020, prior to the pandemic, the number of sections dropped to an average of 56 per term. In 2021, during the pandemic, the number of sections has dropped below 20 per term. The change in NTTF during that same period of time was from 34 to 21.

Article 22, Section 3e Considerations:

Institutional Guidelines and Mission:

In undertaking any discussion of retrenchment, it is important to consider the role a unit plays in contributing to the institution's overall mission and goals. PSU's mission recognizes that the university "is leading the way to an equitable and sustainable future through academic excellence, urban engagement and expanding opportunity for all. We pursue excellence through accessibility, innovation, collaboration, engagement, sustainability and transformation." In fulfilling that mission, the university uses the following key values to guide actions:

- We promote access, inclusion and equity as pillars of excellence.
- We commit to curiosity, collaboration, stewardship and sustainability.
- We strive for excellence and innovation that solves problems.
- We believe everyone should be treated with integrity and respect.

IELP contributes to the university's mission and values in important ways, which is why the proposed retrenchment does *not* seek to eliminate the program, only to reduce its core expenses to come more into alignment with the number of PSU-enrolled students it serves.

As a component of our mission, the university values international students as part of the overall PSU community. As many of the feedback comments remarked, international students contribute substantially to PSU, bringing perspectives that add to all of our learning environments. The university is enriched by international students, both in the classroom and as alumni around the world.

PSU will continue to have international students as a key part of the community. The provisional plan will not reduce the number of international students and will continue a wide range of programs to serve them. The IELP pathway is only one of the services that PSU provides to international students. Since the vast majority of international students do not enroll through the IELP, the provisional plan does not diminish the ways in which international students contribute to important university values.

The university also must prioritize the services to degree-seeking students. It is inconsistent with that mission to provide disproportionate academic resources to programs that predominantly serve non-degree-seeking students. Similarly situated programs, such as credentialing programs within the Center for Executive and Professional Education (CEPE), do not receive funding from Education and General Fund budgets.

Departmental Effectiveness and Productivity:

As noted, IELP faculty and staff have been engaging in conversations in recent years to address declining enrollment patterns and to adapt their activities and staffing to reflect those changing student populations. The challenge that IELP faces emerged from a variety of factors that contributed to enrollment decline, a decline that is significantly greater than the overall enrollment drop the university has experienced in recent years, as was previously detailed..

IELP has made efforts in the past five years to reduce its operations in order to adapt to the declining number of students. These steps include:

- In October of 2020, the IELP submitted a proposal to merge with the Office of International Affairs. The EPC of the Faculty Senate approved the merger of the two units in May 2020. A Transition Team was then constituted to begin the task of developing a newly merged office to be renamed as the Office of Global Engagement and Innovation (OGEI), effective July 1, 2021.
- The merger is intended to make the joint unit more effective by removing duplicative services, such as separate immigration and advising functions. In addition, the non-credit programs managed by both areas have been merged into one function, consolidating budget and fiscal operations. Any savings realized from this merger will be in the area of staff and not instructional positions. While savings from the merger will be realized over time, they are not sufficient to cover the multi-year and persistent budget shortfall. It is estimated that in the first year of the merger, the new unit will realize between \$90,000 - \$100,000 in savings. These savings will contribute to the combined unit's ability to meet the expected 1.5% reduction in FY2021 budgets.
- As the number of IELP students seeking degrees at PSU has declined, IELP staff are working to develop other revenue streams that serve alternate populations of students, such as short-term summer programs of students enrolled at other universities, in addition to offering workshops and seminars for professionals in the international field.

It bears reinforcing that the IELP has made important efforts to reduce its expenditures as enrollments declined, and they continue to pursue opportunities for revenue growth. However, neither effort has been able to keep pace with the declining enrollment.

Enrollment:

As previously noted, enrollment reductions and subsequent budget shortfalls are a primary consideration for entering retrenchment for IELP. The declining enrollment has persisted for over five years and was substantially exacerbated by the pandemic.

The full measure of the enrollment impacts on IELP are described in the prior section.

A common focus of those commenting on the proposed retrenchment was the likelihood that enrollments would return to peak levels. There is no current evidence for this; even before the pandemic, international enrollments in U.S. universities declined for four consecutive years. Matching this trend, IELP enrollments have been consistently declining for five years *before* the pandemic. The pandemic exacerbated the multi-year IELP enrollment decline, but the administration would not have proposed retrenchment for a program that was impacted solely by the pandemic. While international enrollments may return to their 2019-2020 levels, there is no evidence that they will increase back to numbers before 2016. This fall, there are just over 70 students enrolled in all IELP classes.

State of development:

IELP has been in operation at PSU since 1964. During its history, it has been housed in multiple places. Located originally in Applied Linguistics, IELP was moved to the School of Extended Studies in 1994. In 2005, IELP was moved back to Applied Linguistics, and International Special Programs was moved to the Office of International Affairs. IELP became an independent academic unit in 2014 under the then Vice Provost for International Affairs. When the Vice Provost position was eliminated as part of an OAA budget cut, IELP reported directly to the Provost. As a result of the merger with OIA, IELP now reports to the Executive Director of International Affairs.

Prior to 2013, IELP was managed entirely as a self-support unit, including its service to PSU-ESL/pathway students. Until 2015, IELP revenues from these multiple types of programs enabled the unit not only to cover its own expenses but to contribute funds back to the university from its self-supporting activities.

In 2013, the IELP budget was moved entirely onto core university funding and instructional salaries were rationalized. As a result, when enrollments declined, all instructional activities had to be covered by core university funding, regardless of the type of student the classes were serving. IELP reached its peak enrollment of 1,085 unique students in 2014.

Balance of Academic Personnel and other elements of the budget:

Currently, the budget for academic personnel within the IELP represents 83% of its overall budget, with the remaining 17% associated with costs for the administration of the program as well as services and supplies.

Per a memo from the IELP Task Force (April 15, 2020), IELP currently has a staff of 21 NTTF instructors, three academic professionals, four administrative staff, 2.5 classified personnel and approximately 20 student workers. As noted in the discussion in the section above, the E&G budget for 2019-20 was \$3,104,513 to serve 373 students in the IELP, of which 29% - or

109 - were PSU degree-seeking students.

Effectively, in the 2019-2020 academic year, the unit employed over 30 faculty and staff members paid through E&G budgets to serve just over 100 PSU degree-seeking students.

Dependence of other departments on the IELP:

The IELP works closely with colleges and departments across the campus. In some instances, an academic department develops a pathway program for international students into their degree program, where enrollment into the program depends on completing some IELP courses to best prepare the student for academic success. These endeavors are important to the institution and as such are recognized by the need to maintain the IELP program on campus. The university recognizes that the PSU-ESL/Pathway students continue to contribute to the university's overall tuition generation as non-resident students, once they leave the program; as such, the pathway program will remain a priority for the provisional plan and post-retrenchment endeavors of the IELP.

Availability of similar programs and services elsewhere in the community:

For students who are not conditionally admitted to PSU, there are private ESL programs in the community as well as programs available through other universities, both in the US and abroad. For students who wish to be admitted to PSU, using these programs can create complications in visa applications.

For students who are conditionally admitted to PSU, many shared that IELP services have been critical to their success at PSU. The proposed reductions in this plan do not reduce the service available to PSU-admitted students.

General IELP Provisional Plan Elements

The provisional plan is designed to:

1. Support the implementation of the merger between IELP and the Office of International Affairs (OIA) to create the Office of Global Engagement and Innovation.
2. Retain sufficient instructional and support capacity to serve students who intend to enroll or who have actually enrolled at PSU. We value these students in our learning community and appreciate their very important contributions to diversity and multicultural understanding and appreciation.

3. Retain sufficient instructional and support capacity to serve currently existing students enrolled in PSU who intend to enroll in a college or university *other than* PSU and all others who do not intend to enroll as a PSU student.
4. Retain a limited-level of instructional and support capacity (flex capacity) to accommodate potential post-pandemic growth (over current level) enrollment of students who intend to enroll at PSU.
5. Retrench instructional capacity that exceeds what is required to meet the needs of students who are enrolled or intend to enroll at PSU and other students including the flex capacity. This will result in staff reductions. If actual enrollment of students in IELP who intend to enroll or who are enrolled at PSU exceed the flex capacity, we would hire back faculty who have been laid off as the result of retrenchment to grow instructional and support capacity where needed.
6. Move forward, in concurrence with a plan advanced by IELP faculty, a *hybrid model* of funding and operation, one where:
 - a. Education and General fund dollars are used to provide instruction and support for students who intend to enroll or who enroll at PSU.
 - b. Fees and other non-state revenue (i.e., non-E&G revenue) will be used to fund instruction and support for students who intend or who are enrolled at PSU.
7. Recognize that movement from an E&G supported IELP program to the hybrid model outlined above will take time to plan and implement. For that reason, the campus will provide the IELP program with one-time dollars as an investment to expand revenues and create the self-support model component of the hybrid model (intended to support the education of students who are not intending to enroll at PSU).

Implementing the Merger and Protecting Core Functions

In 2020, the Faculty Senate approved the merger of IELP with OIA to create the Office of Global Engagement and Innovation. The merger seeks to support and maintain the four core functions of the IELP:

- Outreach and Admissions
- Operations
- Academics
- Student Services

As a component of the provisional plan, the merger creates a path for IELP to sustain these core functions in a manner that will *not interrupt services to PSU students*. As demonstrated in the attached organizational [chart](#), the new unified office brings together multiple international services with the goal of supporting core functions and reducing administrative costs. It will take some time to realize benefits from the merger of administrative functions. Even once that is achieved, those savings are not projected to be sufficient to cover the IELP budget shortfall.

Understanding Instruction and Support Service Needs

Identifying the instructional and support needs of students by type (as outlined in plan elements two, three and four) is an important part of this consideration of retrenchment.

To determine the required faculty and staff to meet the needs of those students, the university must meet federal immigration requirements that classes be available for students at all levels of instruction, level 0 through to level 5 -- a requirement consistent to qualify for PSU admission. Students who receive an I-20 visa document through PSU for language instruction are required as a condition of their visa to enroll in 18 credits. In IELP, that equates to four four-credit language courses and one two-credit skills class per term.

Sections and Courses Required Per Term

	Language Course 1	Language Course 2	Language Course 3	Language Course 4	Skills Class	
Level 0	1	1	1	1	1	
Level 1	1	1	1	1	1	
Level 2	1	1	1	1	1	
Level 3	1	1	1	1	1	
Level 4	1	1	1	1	1	
Level 5	1	1	1	1	1	
Total Courses	6	6	6	6	6	30
Average Number of Sections/NTTF						3
Required NTTF						10

The chart represents the courses necessary to fulfill federal immigration requirements. Based on this minimum of 30 courses per term, a minimum of 10 NTTF IELP faculty is required. Accounting for course releases typically granted to fulfill service needs, a total of 12 NTTF faculty would meet these minimum requirements, service assignments, and provide some room for growth if additional sections are needed. These minimum courses would meet the needs of the projected 70 PSU-ESL/pathway students in the program for the fall of 2021.

Because both degree-seeking and non-degree seeking students intermingle in IELP classes, these courses could serve the needs of both groups.

Reducing the Instructional Staff

Based upon full consideration of the information provided above and a careful review of comments and input received, the provisional plan calls for staffing reductions. The plan proposes to lay off nine NTTF IELP faculty. These reductions will bring IELP instructional staffing into proportion with its enrollments. The provisional plan *does not increase teaching loads* for IELP FT instructors and seeks to maintain the historic class sizes in IELP.

The provisional plan envisions that the process of layoffs will proceed as follows:

- Layoffs will be effective September 1, 2021
- Layoffs will take place through a seniority system as outlined in Section 5 of Article 22.
- PSU is committed to supporting employees whose positions have been retrenched and is exploring ways we can support these employees. Specifics would be included in the final plan.
- During the period of layoff, any laid off IELP faculty will be eligible to be considered for available positions in other units where their skills and expertise match job expectations. During the Strategic Hiring Freeze, all positions will need to be approved through the hiring process. Any positions approved for hire would have been required to show that funding is available from respective units.
- IELP faculty who are laid off are eligible to be recalled based on the language in the Collective Bargaining Agreement should there be sustained increased enrollments to warrant a callback.

Bridge to the Future

IELP has a strong history of serving students of multiple types: those who are PSU-admitted and those who take courses to improve their English language ability. IELP thus has experience in managing multiple types of students. The creation of the Office of Global Engagement and Innovation presents a strong vision of enhancing programs for ESL-only students and developing self-supporting revenues for those programs. Many of these would be short-term or summer programs offered to international students. In addition, IELP faculty are actively engaged in exploring how they may contribute to fulfilling the instructional needs of PSU

international partnerships.

IELP has developed goals for the next 2-3 years for generating programs that serve non-PSU students. These goals include:

- A. Increasing non-credit revenues by responding to new opportunities and developing a sustainable summer program for professional development in the international realm;
- B. Capitalizing on PSU's recent approval to admit non-degree international students;
- C. Increasing activities and partnerships with academic units and colleges to develop more pathway programs;
- D. Increasing activities to engage the full spectrum of second language learners within our communities;
- E. Redesigning the curriculum in response to shifts in the IEP market, the IELP has engaged in a full curricular review and innovative revision.

In support of these goals, the university is prepared to invest bridge funds to support IELP faculty and staff to realize these goals. These funds are one-time only and cannot be used to fund continuous appointments for multiple years.

Conclusion

The determination to move forward with the development of a provisional plan that includes reductions in instructional staff is extremely difficult, but necessary considering the full range of enrollment declines and budgetary deficits facing the IELP. As the university as a whole seeks to address declining enrollment and budget reductions, it is critical that limited academic resources be expended in a manner that supports degree-seeking students and does not disproportionately support one program.

The IELP is valued at PSU, as are our remarkable international students. The decision and the plan are not a reflection on the hard-working, dedicated individuals within the IELP or the talented, exceptional students and alumni that have been and continue to be part of the program.