Funding challenges (and solutions) at a large public University: two tales of success

Nan Bernstein Ratner
The University of Maryland, College Park
nratner@umd.edu

Story 1: Funding students ...

Background
• This story started with state-wide SLP shortages that had local school systems begging the President of one of my peer state University campuses to start a new training program.
• Because he had previously served as MY Associate Dean, he knew he didn’t want to do this.

Why NOT just start more programs?
You know why...
• They cost a tub of money
  – My budget is now well over a million dollars per year
• They have facilities needs that are unique:
  – Clinic space, observation, sound booths, parking...
• And... they don’t guarantee that students enter the shortage areas.

Why NOT expand existing programs?
• You need more personnel/money (for supervision, especially) and most state budgets will not easily increase to allow this
• You still can’t guarantee that the students will go where needed.

At the same time, we were also losing talented applicants:
• Because campus priorities were to fund PhD students
• We really had few funding options for MA students

Our proposed joint solution gave us resources we badly needed:
• We would admit up to 5 additional students per cohort, if they expressed willingness to enter into a contract with the LEA.
• The LEA would provide salary for one additional supervisor
  – The University offered a line and paid benefits, not a small thing to do.
More...

- The LEA would fully fund five students per year for tuition in the SLP program
  - For this, the students had to agree to work in the LEA for 3 years following graduation
  - The University agreed to treat all students as in-state, for the purposes of calculating tuition costs
    - Again, not a small thing.

Financial bottom line

- It cost the LEA
  - $22K per student
  - ~65K annually for the supervisor
- It cost the University
  - Benefit costs
  - Out-of-state tuition forgone

More bottom line:

- Despite costs to the LEA, comparison of what was currently spent using outside consultants vs. the new proposal meant that the LEA would recoup its investment within a year after each student’s graduation.
- WIN-WIN for both sides

Is it working?

- Yes! This program is now almost 10 years old.
  - Although we went into a temp suspension in the past two years, we are up and running again.
- We get supervisor support, and attract great students who are scholarshipped through the program.
- And it turns out that the students stay with the LEA longer than the average employee!

Story two: increasing clinic income

- The bottom line is: sell hearing aids
- But I hear many stories from public U’s that this is not permitted
  - Usually through some sort of non-compete clause that prevents state agencies from undercutting private sector sales
- It frankly took me too long (first 10 years of chairing) to figure this out
  - The non-compete clauses mean we can’t compete (e.g., take money away) from privates, which we COULD if we didn’t take a profit on the HAs
  - But what if we sold them for the same price?
  - Our unit is still non-profit, because we lose money in other areas
Essentially...
- We had a state mandate to take the markup, which is substantial, on hearing aid sales
- When locals protested, we explained that there was no unfair advantage, and they agreed.

Hearing aid sales have transformed our budget
- And provided great AuD training, obviously
- We DID need a commitment to keep an open line for HA purchases which made me and the Dean sweat bullets
- But we routinely run a large profit in this venture, and it underwrites many other activities at this point.

To sum up:
- We found one way to fund students, which attracted more and better students
- We found a way to increase income to the Clinic:
  - Which was educationally valuable as well
  - And provided money to cover deficits in other areas

Thoughts, feedback and suggestions?