

UMass Amherst Analysis of the Pioneer Institute Report

The Pioneer Institute rightfully acknowledges the rise of UMass Amherst to the top ranks of public research universities in the nation and the thousands of deserving Massachusetts residents who benefit from receiving a world-class education. However, its data analysis and policy assertions about the university's enrollment, facilities improvements and financial strength are deeply flawed and substantially unsound.

This analysis addresses the erroneous assertions of the report.

1. Massachusetts residents are disadvantaged by UMass Amherst's growing selectivity

- a. In fact, UMass's rise in stature has done nothing but expand opportunity for Massachusetts students. The impact has been greatest for hard-working, highly qualified high school students with limited means. Each year, more and more of these students are able to meet their educational goals at a public university. At the same time, opportunity for students across the spectrum continues via the community colleges and state universities. UMass Amherst's growing selectivity is direct evidence that we are serving these students. Thousands of Massachusetts students now have a world-class, lower-cost option where they can pursue their dreams.
- b. UMass is the best lower-cost choice for Massachusetts students who want and deserve a world-class education. UMass Amherst Chancellor Kumble Subbaswamy made this point in his Faculty Convocation speech of October 2, 2015:

“Shouldn't the best and the brightest students in Massachusetts have the opportunity to attend their own flagship campus which is on the same caliber as Berkeley, Michigan or Virginia? And given our absolute reliance on the development of human intellect, doesn't our state deserve an institution where the best and brightest remain after graduation and contribute to the social and economic well-being of the state?”

Now, I have heard the argument, “We have Harvard and MIT and all the other privates, why do we need a world-class public university?” The answer is clear. Harvard and MIT truly have global reach and impact, but perhaps not as much as we might think here at home. Last year MIT enrolled almost twice as many undergraduates from overseas as it did from Massachusetts. But it also enrolled more students from California. And from Texas.

In fact, UMass Amherst has more Massachusetts undergraduates in our biochemistry department than MIT has in its entire undergraduate

population. The freshmen we just brought in from Andover High School and Chelmsford High School together outnumber the students MIT takes from the entire state.

Similarly, Harvard’s entering class has a sampling of students from Massachusetts. But students from New York and New Jersey combined are a bigger presence — as are students from the southern United States. These institutions are certainly valuable to the Commonwealth, but their role in the education of the sons and daughters of Massachusetts is actually quite modest. In fact, for all their unquestioned value to the state, the entire panoply of leading national universities located in Massachusetts — Harvard, MIT, Boston University, Boston College, Brandeis, Northeastern, Tufts, and Worcester Polytechnic Institute — provide fewer educational opportunities to Massachusetts high school graduates than UMass Amherst alone. And their focus continues to shift away from the Commonwealth’s students: the number of Massachusetts residents in their entering classes has fallen by nearly one-quarter over the past two decades, while ours has grown in similar measure.”

2. Massachusetts residents are disadvantaged by the growth in out-of-state enrollment at UMass Amherst.

- a. In fact, the growth in out-of-state enrollment at UMass Amherst has not reduced opportunities for Massachusetts residents. Following are the data for undergraduate enrollment by residency over the past decade:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
In-state	15,136	15,241	15,907	15,953	16,046	16,211	16,091	15,999	15,921	16,254
Out-of-state	3,748	3,879	3,466	3,700	4,080	4,351	4,513	4,729	4,791	4,948

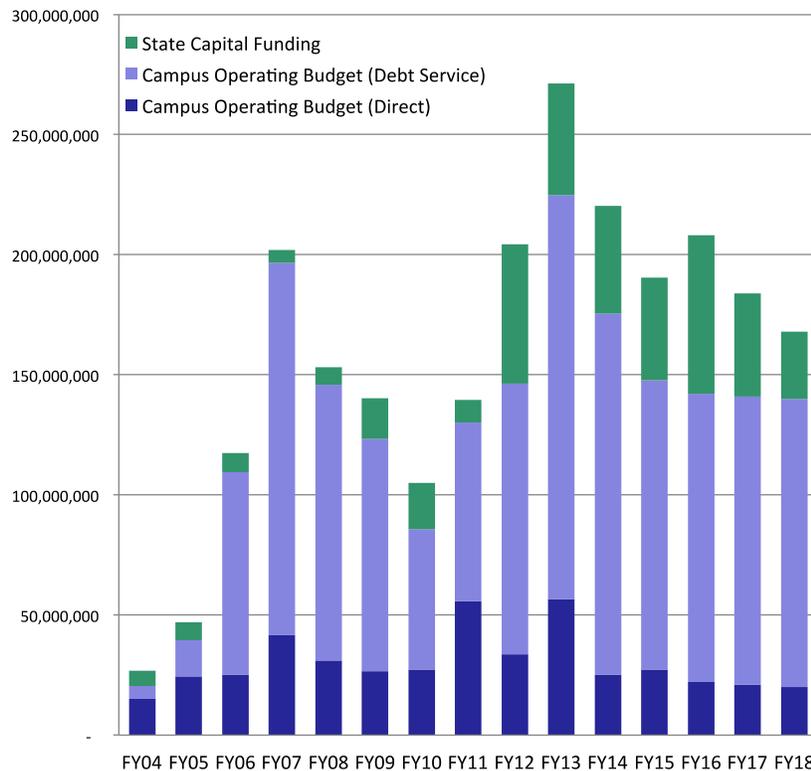
Growth in out-of-state enrollment has not replaced slots for in-state students. In fact, in-state enrollment has grown by more than 1,000 over this period.

- b. The more important question is how opportunity for in-state students has been able to grow over this period in which the state’s share of the UMass budget has declined.
 - i. The growth in out-of-state enrollment paid 100% of the cost of educating those additional 1,000 Massachusetts residents.
 - ii. Moreover, without the growth in out-of-state enrollment the number of in-state students that could have been offered admission would have declined substantially. Roughly speaking, each out-of-state student pays the way for a deserving Massachusetts student. All told, then, without out-of-state revenue to make up for declining state

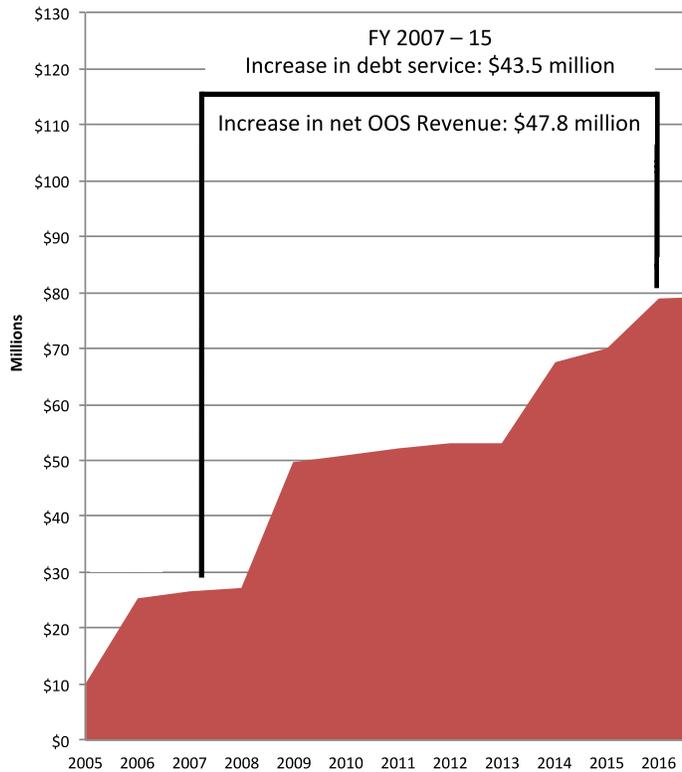
support, some 6,000 Massachusetts residents each year would be denied their opportunity for a world-class, lower-cost education.

3. UMass undertook an irresponsible capital building program.

- a. Much of the increasing quality at UMass Amherst is built on modernization of facilities that are generations old and well beyond their useful lives. The Commonwealth’s students are not served by dilapidated facilities and outmoded teaching facilities and labs. No university can fulfill its mission without maintaining fully functional facilities.
- b. In the case of UMass, the state built a massive campus that served hundreds of thousands of students. But for decades, the state made no systematic provision for renewal and replacement of aging facilities.
- c. Replacement and renewal, however, are unavoidable. The campus was required to step in as a faithful steward of the state’s investment when the state did not fulfill that role.
- d. Since 2004, the state has provided only a small fraction of the cost of even minimal renewal and replacement:



- e. The direct and borrowing costs of these essential investments were not reflected in increased state operating appropriations; rather, the state essentially passed them on to students.
- f. In fact, much of the cost of these capital investments was underwritten by the increase in out-of-state enrollment:



- g. A fair analysis of state support for UMass must take into account relative sums spent on capital outlays and related debt service. Omitting these factors masks the enormous burden that the campus and its students assumed due to lack of state support, which stands in stark contrast to neighboring states like Connecticut, which has made a multi-billion dollar capital investment in its flagship public campus over this same period.
- h. UMass Amherst has taken on its debt burden reluctantly and selectively. It has focused its capital investments on classroom and laboratory buildings and other facilities essential to its mission, further demonstrating its faithful stewardship of public and student funds. Many recent projects have simply attempted to replace failing buildings:
 - i. the Central Heating Plant (replacing the old coal-fired power plant, parts of which dated from 1914).

- ii. the South College addition, replacing Bartlett Hall, which must be closed for structural reasons.
- iii. The new Design building and the renovation of the old Marks Meadow elementary school, to replace Hills House, which must be closed for structural reasons.

One must ask what the response of students and stakeholders would have been had the university allowed its physical plant to deteriorate beyond redemption?

4. UMass has neglected its deferred maintenance problem.

- a. In fact, as noted above, UMass has assumed the burden for protecting the state's investment when no one else would.
- b. The 2015-19 UMass capital plan targets \$846 million in direct spending on deferred maintenance and renovation.
- c. In addition, \$2.2 billion in capital construction is targeted. The Pioneer Institute fails to recognize that new construction also directly addresses deferred maintenance. In fact, with aging structures it is commonly the case that attempting to fix outdated structures and systems is the least cost-effective way to address deferred maintenance. Some examples from the Amherst campus:
 - i. The Integrated Science Building eliminated deferred maintenance in Marshall Annex (which was demolished) and Paige Lab (which was renovated).
 - ii. The Central Heating Plant resulted in the demolition of the old heating plant.
 - iii. The Integrative Learning Center eliminated substantial deferred maintenance in the central campus underground utility system, and partly enabled demolition of Bartlett Hall and the renovation/addition for South College.
 - iv. The South College project itself partly enables demolition of Bartlett.
 - v. The Marks Meadow renovation and construction of the new Design Building partly enable the demolition of Hills.
 - vi. The new Physical Sciences Building eliminates 100% of deferred maintenance for West Experiment Station, and enables retirement of

deferred maintenance through renovations in Lederle and Hasbrouck.

- vii. The construction of the Life Science Laboratories enables reduction of deferred maintenance through renovations in Goessmann, Lederle, and Morrill.
 - viii. Construction of the new Research and Education Greenhouse enabled demolition of the French Hall Greenhouse.
- d. Effective stewardship of state and student dollars requires action that looks to the future and the state's changing needs, while deferred maintenance calculations look to the past and assess buildings as they were designed decades or generations ago. A simple focus on deferred maintenance obscures the essential question of return on investment, which should be driving decisions at all levels.