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STATEMENT OF
WILLIAM J. GAINER, ASSOCIATE DIRECTOR
HUMAN RESOURCES DIVISION
BEFORE THE
SUBCOMMITTEE ON THE HANDICAPPED
COMMITTEE ON LABOR AND HUMAN RESOURCES
ON
GALLAUDET COLLEGE AND
THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF



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Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today to discuss the General Accounting Office's March 1985 report, "Educating Students at Gallaudet and the National Technical Institute for the Deaf: Who Are Served and What Are The Costs?" Our evaluation was conducted at your request. As you know, Gallaudet College also operates the Kendall Demonstration Elementary School and the Model Secondary School for the Deaf. Most funds to operate Gallaudet College, its elementary and secondary schools, and the Technical Institute are provided by the federal government through annual appropriations.

Among other matters, our report analyzed (1) the number and the characteristics of students at the four schools, (2) the services provided and their costs, (3) the total cost per student at these institutions versus other public and private schools, and (4) graduation and placement rates. As requested, our testimony today will focus on two issues: (1) the costs of educating postsecondary students at Gallaudet College and the Technical Institute and (2) the numbers of students enrolled at the institutions compared to each school's capacity. You also asked us to comment on the Department of Education's oversight of the four institutions.

Using the latest available data for comparison purposes, we found that compared with similar types of schools serving nonhearing impaired students, Gallaudet College's and the Technical Institute's

- costs per student in school year 1981-82 were considerably higher;
- student-faculty ratios in school year 1981-82 were considerably lower; and
- average annual faculty compensation in school year 1983-84 was lower.

We compared Gallaudet College and the Technical Institute to institutions for the nonhearing impaired because there are no similar institutions for the deaf in the U.S.

In addition, we found that from 1981 to 1984, Gallaudet College had a considerable number of unoccupied beds in its dormitories, and in the fall of 1984, the Model Secondary School was below its student enrollment capacity. On the other hand, in the fall of 1984, the Kendall School's enrollment was near its capacity, and the Technical Institute exceeded its designated capacity by 69 students. X

BACKGROUND

Gallaudet College, the only 4-year liberal arts college for the deaf in the world, is a private, non-profit institution funded by the U.S. government and located in Washington, D.C. It was incorporated by the Congress in 1857. The college offers associate's, bachelor's, master's, and doctor's degrees. In fiscal year 1984, Gallaudet College received \$37.1 million in federal funds, which comprised about 75 percent of its total revenue. In the fall of 1984, Gallaudet College had a student

enrollment of about 2,000, including graduate students, undergraduates, and nondegree students.

The National Technical Institute for the Deaf--also known as NTID--began operations in 1968 to prepare deaf students for successful employment. It is primarily a 2-year postsecondary technical institution which grants associate's degrees, diplomas, and certificates. In addition, NTID students may enroll in classes or transfer into associate's, bachelor's, and master's degree programs at the Rochester Institute of Technology for which the Rochester Institute is reimbursed.

The establishment of NTID was authorized by the Congress in 1965 in response to the then high unemployment rate among the deaf. Subsequently, the Rochester Institute of Technology, a private 4-year postsecondary institution in Rochester, New York, was competitively awarded a contract to operate NTID. As the "host" institution, the Rochester Institute is reimbursed by the federal government for NTID expenses. In fiscal year 1984, the Rochester Institute received federal funds of \$28 million to operate NTID; these funds comprised about 85 percent of NTID's total revenue. In the fall of 1984, NTID had 1,378 students.

COST COMPARISONS

To compare expenditures at Gallaudet College and NTID with expenditures at other institutions that grant similar types and numbers of degrees, we used the most recent information available to us--school year 1981-82 data reported to the Department of Education in its annual Higher Education General Information Survey and compiled by the National Center on Higher Education

Management Systems. For the 1981-82 school year, Gallaudet College's total educational and general expenditures per student were \$23,772; NTID's were \$19,771.

Gallaudet's cost per student was five times higher than the average cost per student for 259 similarly classified public institutions and three times higher than the average for 160 similarly classified private institutions. Also, Gallaudet's cost per student was twice as high as the median cost per student for 19 of the nation's 20 similarly sized institutions that have the highest total cost per student. We excluded one of the 20 schools from our comparison because we believed its comparatively higher research budget and total costs made it not comparable to the other 19 institutions.

At NTID, the total cost per student was six times higher than the average total cost per student for 171 private 2-year vocational-technical institutions, five and one-half times the average for 273 public vocational-technical institutions, and more than twice as high as the Rochester Institute of Technology's total cost per student. The attachment to this statement illustrates the comparative differences among Gallaudet's and NTID's total costs per student and such costs at other institutions.

In addition, Gallaudet's and NTID's average costs per student in seven of the expenditure categories included in total cost were consistently higher than those of the schools in the comparison groups. (The seven expenditure categories include instruction, research, public service, academic support, student

services, institutional support, and plant operations and maintenance.) Gallaudet's costs ranged from 2 to 16 times higher than similar costs for its comparison schools; NTID's costs ranged from 1 and one-half to 224 times higher than similar costs for its comparison schools.

Because of the uniqueness of Gallaudet's and NTID's programs, we did not reach conclusions about the reasonableness of their costs. Gallaudet and NTID officials did give us information regarding their schools' comparatively higher costs. For example, NTID officials said that NTID's research expenditures per student (\$896) were six times higher than the Rochester Institute of Technology's and as much as 224 times higher than private 2-year vocational-technical schools. They attributed these higher costs to NTID's mandate to conduct research while these other technical schools do not have a similar program. NTID conducts research on topics that affect the deaf such as communication assessment and training, education and learning, and characteristics of the deaf population.

Likewise, Gallaudet's public service expenditures per student (\$2,279) were as much as 16 times higher than similar costs for its comparison schools. They said this situation occurred because Gallaudet expenditures include the costs of operating a law center, college press, and continuing education center-- facilities which other institutions may not support.

Comparison of student-faculty ratios

Officials at Gallaudet College and NTID attributed their schools' higher cost per student in part to the schools' comparatively lower student-faculty ratios. To compare student-faculty ratios at Gallaudet and NTID with the ratios at post-secondary institutions granting similar types of degrees, we again used school year 1981-82 data from the Department of Education's Higher Education General Information Survey. We computed the student-faculty ratios using the average full-time equivalent student body and number of full-time instructional faculty. In school year 1981-82, Gallaudet's student-faculty ratio was 7:1; NTID's was 8:1. Gallaudet's student-faculty ratio was three times lower than the average ratio (21:1) for about 230 public and 140 private institutions and two times lower than the median student-faculty ratio (12:1) for the 19 "high cost" schools.

Similarly, NTID's student-faculty ratio was more than three and one-half times lower than the average ratio for either the 825 public or 250 private 2-year institutions. We also compared NTID's 1982-83 student-faculty ratio with that of the Rochester Institute of Technology. In that year, NTID's student-faculty ratio of 9:1 was more than twice as low as its host institution's (21:1).

Comparison of faculty compensation

Instructional costs are also affected by faculty compensation. To compare faculty compensation at Gallaudet and NTID with faculty compensation at similar types of institutions for

nonhearing impaired students, we used school year 1983-84 data compiled by the American Association of University Professors. Faculty compensation is made up of faculty salaries and fringe benefits for instructional faculty.

For the 1983-84 school year, compared with 220 public and 75 private institutions which grant similar numbers and types of academic degrees, Gallaudet's average annual faculty compensation of \$32,400 was \$100 to \$600 lower. Compared with seven 2-year vocational-technical institutions located in New York, five New York urban community colleges considered by NTID to be members of its peer group, and the Rochester Institute of Technology, NTID's average faculty compensation of \$30,900 was lower by \$1,500 to \$6,100.

RESIDENTIAL ENROLLMENT

Regarding the numbers of students served at the four institutions, we found that from 1981 to 1984, Gallaudet College had a considerable number of unoccupied beds in its dormitories, including 192 unoccupied beds (12 percent) in the fall of 1984. In the fall of 1984, the Model Secondary School was below its student enrollment capacity, while NTID exceeded its designated capacity. In the fall of 1984, the Kendall Elementary School, a day school with a student enrollment capacity of 200, had an enrollment of 190.

While Gallaudet College has not established a student enrollment capacity, from 1981 to 1984 its dormitories were operating below their student capacity, ranging from 13 percent below in the fall of 1983 to 22 percent below in the spring of

1984. Gallaudet officials told us that their recruitment efforts need to be improved to increase the pool of qualified applicants. In this regard, Gallaudet officials estimated that in each year from 1979 to 1983, on the average about

--50 percent of those who applied met Gallaudet's minimum admissions test score requirements, and

--58 percent of those who were accepted enrolled.

Of those students who enrolled, 70 percent were placed in Gallaudet's preparatory program, a special one year program for students who are not academically prepared for undergraduate studies.

In the fall of 1984, enrollment at the Model Secondary School, which charges no tuition or other fees, was almost 100 students below its capacity of 450. School officials attributed the under-enrollment to a lack of qualified applicants from the school's primary service area--the District of Columbia, Delaware, Maryland, Pennsylvania, Virginia, and West Virginia. Recruitment activities at the Model Secondary School primarily consist of disseminating information to the public. For example, in the 1983-84 school year, although the Model Secondary School did not have a formal recruitment plan, its recruitment activities included publishing information about the school, advertising in newspapers and other publications, exhibiting information at national meetings of educators and parents of the deaf, and working with parents of Model School students who volunteered to talk to parents of prospective applicants.

In the fall of 1984, NTID exceeded its 1,250 designated deaf student capacity by 69 students and had a waiting list of 37 additional qualified applicants. This was the first year in which NTID had a waiting list after the start of the fall quarter.

DEPARTMENT OF EDUCATION OVERSIGHT

Gallaudet College, its elementary and secondary schools, and NTID--four of the six "special institutions" specifically appropriated funds by the Congress--have a unique relationship with the federal government because educational assistance is not ordinarily appropriated for specific institutions. As recipients of federal funds, the four institutions are subject to oversight by the Department of Education through its Budget Systems Division and Office of the Inspector General.

Annually, for each of the institutions the Department's Budget Systems Division

- receives and analyzes their budget requests,
- formulates the Secretary's budget recommendations,
- prepares budget submissions to, and negotiates budget levels with the Office of Management and Budget,
- prepares the Budget Justification provided to the Congress, and
- testifies at Congressional appropriation hearings on the budget requests.

Periodically throughout the year, staff from the

Department's Budget Division meet with officials of the four institutions and visit their campuses to assure that their budget requests are reasonable and that the schools spend their federal funds for the reasons requested. However, the Department's Budget Division staff do not have the expertise to review programs for deaf education, and do not attempt to monitor or evaluate the four schools' academic programs. For example, the Budget Division has never reviewed the quality of education offered at the institutions or the extent or adequacy of services provided to deaf students.

The Department of Education's Office of the Inspector General also reviews financial aspects of the institutions' activities. For example, the Inspector General's Office has reviewed the propriety and reasonableness of costs claimed by NTID, and whether contract costs proposed by Gallaudet for a Communication Skills Development Center were reasonable and allowable.

In sum, the Department of Education generally oversees financial and budgetary matters pertaining to the four institutions, but these institutions have not been subjected to any systemic or periodic program evaluation. It appears that the only independent monitoring of program operations at these institutions is largely conducted by the Congress through oversight by this and other congressional committees. If program evaluation of these institutions is considered desirable by the Subcommittee--and we believe such evaluation is

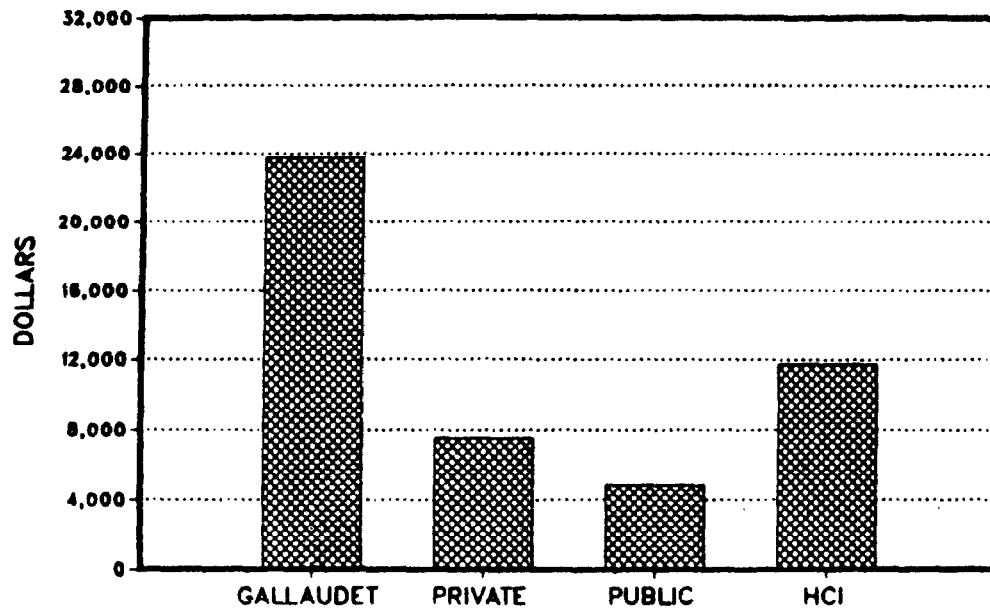
consistent with good management practice--then you may wish to develop a more systematic evaluation strategy and we would be glad to work with the Subcommittee in doing so.

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Mr. Chairman, this concludes our statement. We will be happy to answer any questions you or members of your Subcommittee have pertaining to our report.

AVERAGE COST PER STUDENT FOR SCHOOL YEAR 1981-82

GALLAUDET COLLEGE VS SIMILAR PRIVATE AND PUBLIC AND "HIGH COST" INSTITUTIONS



NTID VS VOCATIONAL/TECHNICAL SCHOOLS AND THE ROCHESTER INSTITUTE OF TECHNOLOGY (RIT)

