FAU
BOARD OF TRUSTEES
Florida Atlantic University

Item: AF: A-1

AUDIT AND FINANCE COMMITTEE

Wednesday, May 26, 2010

SUBJECT: REQUEST FOR APPROVAL OF 2010-11 TUITION DIFFERENTIAL.

PROPOSED COMMITTEE ACTION

Recommend approval to the Board of Trustees the tuition differential effective for the 2010-11 Academic Year.

BACKGROUND INFORMATION

Florida Statute 1009.24(16), allows each University Board of Trustees to establish a tuition differential fee. The FAU Board of Trustees approved in June 2009 tuition differential for undergraduate courses to improve the quality of undergraduate education and provide financial aid to undergraduate students who exhibit financial need. The Florida Board of Governors has calculated the tuition differential per credit hour fee to be $12.80. Upon approval of the Florida Atlantic University Board of Trustees, the FAU tuition differential will be submitted to the Florida Board of Governors for their consideration as required by Florida Statutes.

IMPLEMENTATION PLAN/DATE

Fall Semester, 2010

FISCAL IMPLICATIONS

Estimated collections for continuation of courses:	$3,134,443
Estimated collections for student financial assistance:	$1,343,333
Estimated total collections:	$4,477,776

Supporting Documentation: BOG Differential Fee Work Plan and Calculation – Proposed 8.001 Tuition & Fees Regulation

Presented by: Dennis Crudele, Sr. Vice President for Financial Affairs **Phone:** 561-297-3266

DRAFT – 05/26/2010

Tuition Differential Proposal for 2010-2011	
University: Florida Atlantic University	
Effective Date	
University Board of Trustees Approval Date:	May 26, 2010
Implementation Date (month/year):	August 2010
Purpose	
Describe the overall purpose of the tuition differential at this institution and the aspects of undergraduate education the funds are intended to improve.	To ensure that there are enough sections/seats offered in required courses to meet student needs. To offer courses that ensure student access, timely degree completion and maintaining FTE production.
Campus or Center Location	
Campus or Center Location to which the Tuition Differential fee will apply. (If the entire university, indicate as such.)	Entire university – all locations, where applicable.
Undergraduate Course(s)	
Course(s). (If the tuition differential fee applies to all university undergraduate courses, indicate as such. If not, also provide a rationale for the differentiation among courses.)	All undergraduate courses.
Current Base Tuition and Tuition Differential Fee	
Current (2010-11) Undergraduate Base Tuition per credit hour:	88.59 (2009-10); $95.67 per credit hour in 2010-11
Current Undergraduate Tuition Differential per credit hour:	5.74 (2009-2010); 12.80 per credit hour in 2010-11
Proposed Increase in the Tuition Differential Fee	
Percentage tuition differential fee increase (calculated as a percentage of the sum of base tuition plus tuition differential):	**7%**
$ Increase in tuition differential per credit hour:	**$7.06**
$ Increase in tuition differential for 30 credit hours:	**$211.80**

DRAFT

Projected Differential Revenue Generated and Intended Uses	
Incremental differential fee revenue generated in 2010-11 (projected):	$2,607,776
Total differential fee revenue generated in 2010-11 (projected):	$4,477,776

Seventy percent (70%) of the total differential revenue generated must be used for undergraduate education.

The total estimated amount to be spent on undergraduate education is $3,134,443

Describe in detail the initiative(s) and the estimated expenditure(s) for each:

1. To ensure that enough sections/seats are offered in required courses to meet student needs.
2. To offer courses that ensure student access, timely degree completion and maintaining FTE production

Thirty percent (30%) of the total differential revenue generated must be used for undergraduate students who have financial need. Total estimated amount to be spent on financial need is $1,343,333. If private sources are to be used, then the estimated amount of private dollars to be raised to offset the fee revenue is.

Describe in detail the initiative(s) and the estimated expenditure(s) for each:

1. To augment existing need-based funds, which still fall far short of demonstrated student need. Ensures that fewer students will not be required to work in order to afford their education.

Monitoring	
Indicate how the university will monitor the success of the tuition differential fee. Provide specific performance metrics that will be used. Also, point out any metrics that are different from the prior year and any prior year metrics that are no longer listed.	1. Monitor registration and student demand to assure that access is maximized. 2. Monitor graduation rates to assure that they hold to current numbers/percentages. 3. Funds will be placed in a distinct fund in order monitor and audit appropriately. 4. Monitor student/faculty ratio. 5. Monitor number of financial aid recipients to determine impact on unmet financial need.

DRAFT

Performance Measure Status	
What is the institution's plan for improving performance on the identified measure(s)? Show initial/baseline data starting with the year before each metric was identified, the goal for each metric, time frame for achieving the goal, and where the institution is now in relation to the goal if not in the initial year.	

At the end of each academic year, the Office of Institutional Effectiveness and Analysis will produce reports on historical and current graduation rates, numbers of course offerings, student/faculty ratios and any changes. In addition, the Office of Financial Aid will report regularly on the numbers of financial aid recipients and the use of the tuition differential funding toward mitigating need for FAU students.

DRAFT

Tuition Differential Supplemental Information	
Provide the following information for the 2009-2010 academic year.	
2009-2010 - 70% Initiatives (List the initiatives provided in the 2009-10 tuition differential request.)	**University Update on Each Initiative**
To ensure that there are enough sections/seats offered in required courses to meet student needs.	Complete
Courses with the highest demand are ENC 1101, 1002; CHEM 2045, 2045L: LIT 2030. These funds will be used to add sections to meet demand.	Complete
Courses to ensure student access, timely degree completion and maintaining FTE production.	Complete
Additional Detail, where applicable	
Number of Faculty Hired (funded by tuition differential):	
Number of Advisors Hired (funded by tuition differential):	
Number of Course Sections Added (funded by tuition differential):	250
2009-2010 - 30% Initiatives (List the initiatives provided in the 2009-10 tuition differential request.)	**University Update on Each Initiative**
1. To augment existing need-based funds, which still fall far short of demonstrated student need. 2. Ensures that fewer students will not be required to work in order to afford their education. A recent study indicates that over 50% of FAU students who responded to the survey (n=3,644) work 21-40 hours per week while attending classes.	
Additional Information (estimates as of April 30, 2010)	
Unduplicated Count of Students Receiving at least one Tuition Differential-Funded Award:	561
$ Mean (per student receiving an award) of Tuition Differential-Funded Awards:	$1,000
$ Minimum (per student receiving an award) of Tuition Differential-Funded Awards:	$1,000
$ Maximum (per student receiving an award) of Tuition Differential-Funded Awards:	$1,000

DRAFT

DRAFT – 05/26/2010

STATE UNIVERSITY SYSTEM OF FLORIDA

Tuition Differential Collections, Expenditures, and Available Balances

University: Florida Atlantic University

Fiscal Year 2009-2010 and 2010-11

University Tuition Differential

Budget Entity: 48900100 (Educational & General)

SF/Fund: 2 164xxx (Student and Other Fees Trust Fund)

	Estimated Actual* 2009-10	Estimated 2010-11
Balance Forward from Prior Periods		
Balance Forward	$	$
Less: Prior-Year Encumbrances		
Beginning Balance Available:	$	$
Receipts / Revenues		
Tuition Differential Collections	$1,870,000	$4,477,776
Interest Revenue - Current Year		
Interest Revenue - From Carryforward Balance		
Total Receipts / Revenues:	$1,870,000	$4,477,776
Expenditures		
Salaries & Benefits	$1,309,000	$3,134,443
Other Personal Services		
Expenses		
Operating Capital Outlay		
Student Financial Assistance	$561,000	$1,343,333
Expended From Carryforward Balance		
Other Category Expenditures		
Total Expenditures:	$1,870,000	$4,477,776
Ending Balance Available:	$0	$0

*Since the 2009-10 year has not been completed, provide an estimated actual.

DRAFT

DRAFT

Florida Atlantic University

Regulation 8.001 Tuition, Fee Schedule and Percentage of Cost

(1) Tuition costs shall be defined as tuition and fees assessed to students for enrollment in credit courses at Florida Atlantic University. Tuition costs consist of the following tuition and fees, depending on whether a student is a resident or a non-resident:

(a) Resident or in-state tuition costs, comprised of the following, shall be defined as the tuition and fees charged an enrolled student who qualifies as a Florida resident:

1. Matriculation Fee ("Tuition");
2. Student Financial Aid Fee;
3. Capital Improvement Trust Fund Fee;
4. Building Fee;
5. Health Fee;
6. Athletic Fee;
7. Activity and Service Fee; and,
8. University Matriculation Fee.
9. Technology Fee
10. Tuition Differential

(b) Non-Resident or out-of-state tuition costs, comprised of the following, shall be defined as the tuition and fees charged an enrolled student who does not qualify as a Florida resident:

1. Matriculation Fee ("Tuition");
2. Non-Resident Fee;
3. Student Financial Aid Fee;
4. Non-Resident Student Financial Aid Fee;
5. Capital Improvement Trust Fund Fee;
6. Building Fee;
7. Health Fee;
8. Athletic Fee;
9. Activity and Service Fee;
10. University Matriculation Fee; and,
11. University Non-Resident Fee.
12. Technology Fee
13. Tuition Differential

(2) Registration shall be defined as consisting of three components:

(a) Formal selection of one or more credit courses approved and scheduled by the University; and,
(b) Tuition costs payment, partial or otherwise, or other appropriate arrangements for tuition costs payment (installment payment plans, deferment, or third party

DRAFT

billing) for the courses in which the student is enrolled as of the end of the drop/add period; and,

(c) Provision of background information where appropriate.

(3) Tuition liability or fee liability shall be defined as the liability for the payment of tuition and fees incurred at the point at which the student has completed registration, as defined above.

(4) The following tuition and fees shall be levied and collected effective the ~~Fall 2009~~ Fall 2010 semester for each student regularly enrolled.

(a) Students enrolled in programs at Florida Atlantic University will be assessed the following tuition and fees per credit hour *:

	~~Undergraduate~~		~~Graduate~~	
	~~In-State~~	~~Out-of State~~	~~In-State~~	~~Out-of State~~
~~Matriculation Fee ("Tuition")~~	~~$ 88.59~~	~~$ 88.59~~	~~$ 241.09~~	~~$ 241.09~~
~~Non-Resident Fee~~	~~$ -~~	~~$ 423.41~~	~~$ -~~	~~$ 596.88~~
~~Tuition Differential~~	~~$ 5.74~~	~~$ 5.74~~	~~$ -~~	~~$ -~~
~~Student Financial Aid Fee~~	~~$ 4.42~~	~~$ 25.60~~	~~$ 12.05~~	~~$ 41.89~~
~~Capital Improvement Fee~~	~~$ 2.44~~	~~$ 2.44~~	~~$ 2.44~~	~~$ 2.44~~
~~Building Fee~~	~~$ 2.32~~	~~$ 2.32~~	~~$ 2.32~~	~~$ 2.32~~
~~Activity & Service Fee~~	~~$ 10.40~~	~~$ 10.40~~	~~$ 10.40~~	~~$ 10.40~~
~~Health Fee~~	~~$ 7.80~~	~~$ 7.80~~	~~$ 7.80~~	~~$ 7.80~~
~~Athletic Fee~~	~~$ 14.30~~	~~$ 14.30~~	~~$ 14.30~~	~~$ 14.30~~
~~Technology Fee~~	~~$ 3.54~~	~~$ 3.54~~	~~$ 3.54~~	~~$ 3.54~~
~~Total Per Credit Hour~~	~~$ 139.55~~	~~$ 584.41~~	~~$ 293.94~~	~~$ 920.66~~

	Undergraduate		Graduate	
	In-State	Out-of State	In-State	Out-of State
Matriculation Fee ("Tuition")	$ 95.67	$ 95.67	$ 260.38	$ 260.38
Non-Resident Fee	$ -	$ 423.41	$ -	$ 577.59
Tuition Differential	$ 12.80	$ 12.80	$ -	$ -
Student Financial Aid Fee	$ 4.78	$ 25.95	$ 13.02	$ 41.89
Capital Improvement Fee	$ 2.44	$ 2.44	$ 2.44	$ 2.44
Building Fee	$ 2.32	$ 2.32	$ 2.32	$ 2.32
Activity & Service Fee	$ 11.96	$ 11.96	$ 11.96	$ 11.96
Health Fee	$ 8.97	$ 8.97	$ 8.97	$ 8.97
Athletic Fee	$ 16.45	$ 16.45	$ 16.45	$ 16.45
Technology Fee	$ 4.42	$ 4.42	$ 4.42	$ 4.42
Total Per Credit Hour	$ 159.81	$ 604.39	$ 319.95	$ 926.41

* This schedule does not include all fees that students will be charged.

(b) Students enrolled in medical programs may be charged additional fees as prescribed by the Medical Partnership Program.

(c) Each student enrolled in the same undergraduate course more than twice, shall be assessed an additional ~~$186.87~~ $163.38 per credit hour charge in addition to the fees outlined above for each such course. In accordance with Section 1009.285, Florida Statutes, a student may be granted an exception to the Repeat Course Surcharge upon approval by the Office of the University Provost based upon a review of the individual circumstances presented by the student to document exceptional circumstance. Review will be initiated by student petition, which must provide all appropriate documentation to support the claim of exceptional circumstance. Petition forms are available for this purpose from the University Registrar.

(5) The following process shall be used to determine the percentage of cost paid by students for setting the matriculation and non-resident fees.

(a) The most recent expenditure analysis, developed in compliance with Florida Statutes, will be used as the base for the full expenditure by level of instruction. Fundable credit hours estimated by the Florida Atlantic University Board of Trustees, for the year prior to the effective date of the fees, will be used for the enrollment base for each level. Expenditures for each level of instruction will be adjusted by using the percentage change in the total expenditures reported in the expenditure analysis as compared to the estimated total expenditures for the year prior to the effective date of the fees.

(b) The adjusted expenditures for each level of instruction will be divided by the credit hours to obtain the full expenditure per credit hour. The percentage of cost paid by students will be determined by finding the percentage the Matriculation Fee is of the full expenditure per credit hour, by level, for resident students; and by finding the percentage the sum of the Matriculation Fee and the Non-Resident Fee is of the full expenditure per credit hour, by level, for non-resident students.

Specific Authority: Florida Board of Governors Resolution dated January 7, 2003; Florida General Appropriations Act, 2007-2008, S.B. 2800 (2007). History: New- 9-30-2002, Amended- 7-15-2004, 9-14-2005, 6-28-2006, 6-30-2007, 6-25-2008, 11-18-2009,7-1-2010 .