FAU
BOARD OF TRUSTEES
Florida Atlantic University

Item: AF: I-7

AUDIT AND FINANCE COMMITTEE

Wednesday, May 26, 2010

SUBJECT: REVIEW OF PROPOSED REGULATION PROMULGATION FOR LEGISLATIVE, BOARD OF TRUSTEES (BOT) AND BOARD OF GOVERNORS (BOG) ESTABLISHED INCREASES IN STUDENT TUITION AND FEES FOR ACADEMIC YEAR 2010-2011.

PROPOSED COMMITTEE ACTION

Review of proposed regulation 8.001 to authorize the increase in undergraduate and graduate in-state and out-of-state tuition; authorize the promulgation of the Tuition and Fee Regulations reflecting the Legislative, BOT and BOG increases consistent with Board of Governors' directives and guidelines. This regulation must be posted thirty days prior to adoption by the BOT.

BACKGROUND INFORMATION

The Florida Legislature has authorized an eight (8) percent increase in undergraduate tuition. The Florida Legislature has also authorized a tuition differential for undergraduates all State institutions. The University is recommending a seven (7) percent tuition differential increase of $12.80 per credit hour as authorized Section 1009.24(16) Florida Statutes, and calculated by the BOG for undergraduate in-state and undergraduate out-of-state tuition.

The University is recommending an eight (8) percent increase in-state and out-of-state graduate tuition, the same percentage as the undergraduate tuition increase. The matriculation and non-resident (out-of-state) fees will be adjusted on a net neutral basis.

The increase in undergraduate in-state tuition is $14.14 per credit hour or $169.68 per semester for a student taking 12 credit hours. The increase in undergraduate out-of-state tuition is $14.14 per credit hour or $169.68 per semester for students taking 12 credit hours.

Under Section 1009.24(16), the University is authorized to establish Tuition Differential for undergraduate courses. The BOG has calculated the tuition differential as $12.80 per credit hour. The University is recommending this increase. The primary purpose is to improve the quality of undergraduate education and provide financial aid to needy undergraduate students. This fee increase will generate approximately $1,825,436 for course access and approximately $782,330 to student financial assistance; approximately $2,607,766 total.

Under Section 1009.24(10),(11),(13) (s) Florida Statutes, the University is authorized to establish an Activities and Service Fee, Health Fee and Athletic Fee. The 2010 Florida Legislature passed, and the Governor signed into law, HB5201 which allows for a one-time only increase of these fees by 15 percent:

Under Section 1009.24 (10) Florida Statutes, Activity and Service Fee. A committee was established and, along with the University, is recommending an increase of $1.56 per credit hour (from $10.40 to $11.96). The primary purpose is to assure continued operations of facilities originally funded by CITF appropriations and to provide a reserve for future needs. This fee increase will generate approximately $882,244 annually.

Under Section 1009.24 (11) Florida Statutes, Health Fee. A committee was established and, along with the University, is recommending an increase of $1.17 per credit hour (from $7.80 to $8.97). The primary purpose is to continue to delivery of quality health and wellness care across all campuses. This fee increase will generate approximately $682,043 annually.

Under Section 1009.24(13), Florida Statutes, Athletic Fee. A committee was established and, along with the University, is recommending an increase of $2.15 per credit hour (from $14.30 to $16.45). The primary purpose is to offset the increase in tuition for Student Athletes and to create a reserve. This fee increase will generate approximately $1,247,000 annually.

Under Section 1009.24 (13) (s) Florida Statutes, the University established a Technology Fee not to exceed five (5) percent of undergraduate tuition as established by the Legislature. The 2009 Technology Fee Committee recommended that the fee be set at five (5) percent of undergraduate as authorized. The University chose to implement this fee over a two year period at four (4) percent and one (1) percent. The Technology Fee is recommended to be set at $4.42 per credit hour for all levels. This fee will generate approximately $445,000.

IMPLEMENTATION PLAN/DATE

July 1, 2010.

FISCAL IMPLICATIONS

These increases will generate approximately $5,864,053.

Supporting Documentation: Proposed Regulation 8.001 Amendment: Tuition and Fees.

Presented by: Mr. Dennis Crudele, Interim Senior Vice President for Finance Phone: 561-297-3266

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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

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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 .