



## Agenda Item Summary

**Date:** May 23, 2017

**Division:** Planning and Finance

**Agenda Item:** Tuition and Mandatory Fees

Review

Review + Action

Action

No action required

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**PRESENTERS:** Dr. Claire Stinson, Vice President for Planning and Finance

**PURPOSE & KEY POINTS:**

Discussion of Tennessee Tech's 2017-18 undergraduate, graduate, and out-of-state tuition and mandatory fees.  
Review of THEC tuition and mandatory fee binding ranges for undergraduate tuition and mandatory fees.

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**Agenda Item:** IV. A & B

**DATE:** May 11, 2017

**SUBJECT:** Tuition and Fee Ranges **(REVISED)**

**ACTION RECOMMENDED:** Approval

**BACKGROUND INFORMATION**

Since 2010, the Complete College Tennessee Act has required the Commission to make student fee and state appropriation recommendations concurrently. Numerous factors impacted the tuition recommendation, including affordability and financial aid, the income profile of students attending Tennessee public institutions, and institutional revenues and cost inflation. The FOCUS Act expanded THEC’s authority on student fee levels, requiring that the Commission issue binding tuition ranges each year. These ranges apply only to resident, undergraduate students on the tuition (maintenance fee) rate, as well as the total maintenance and mandatory fee charge.

**TENNESSEE’S TUITION AND FEE PROFILE**

Average full-time, annual tuition and mandatory fees for 2016-17 is **\$8,987** at public universities, \$4,224 at community colleges, and \$3,647 at the Tennessee Colleges of Applied Technology (TCATs). Tennessee’s public higher education tuition and fee levels are considered average compared to peers across the states in the Southern Regional Education Board. Over the last five years, tuition and mandatory fees have increased an average of four to five percent across the sectors, while state appropriations have increased an average of nearly four percent per year.

Tennessee’s financial aid resources are among the highest in the U.S., according to data provided by the National Association of State Student Grant Aid Programs (NASSGAP). Tennessee had the fifth largest financial aid program in the nation and the fourth largest per capita. Funding for the lottery scholarship and the Tennessee Student Assistance Award comprise the majority of financial aid. In part due to these funding levels, Tennessee college graduates had the 14th lowest debt level in the nation, according to data published by the Institute for College Access & Success. It should be noted, however, that no data are available for debt among students who do

not graduate. With the introduction of Tennessee Promise in the fall of 2015, Tennessee saw a reduction in the number of student loan originations, suggesting that the relative debt level of Tennessee students to our state peers may continue to decrease in the coming years.

### **RECOMMENDATION**

At the November 2016 Commission meeting, the Commission approved a tuition and fee guidance range of zero to four percent, incorporating a budget increase request of \$48 million in new state funds.

Taking into account the Governor's budget recommendation for formula units of \$55.1 million (inclusive of increases for outcomes productivity and a partially-funded three percent salary pool), THEC staff maintain the initial recommendation of a tuition binding range of zero to four percent at universities, community colleges, and TCATs and a combined total tuition and mandatory fees binding range of zero to four percent at universities, community colleges, and TCATs. Scenarios for minimum and maximum tuition and mandatory fee increases for 2017-18 are presented and summarized in Attachment I for each university and community college, as well as the TCAT system.

Attachment II details the comparison of 2016-17 tuition and mandatory fee rates with the maximum allowed increase (i.e., four percent) for each university and community college, as well as the TCAT system. Currently, the average full-time, annual tuition and mandatory fees for 2016-17 is **\$8,987** at public universities, \$4,224 at community colleges, and \$3,647 at TCATs. If each of these institutions increased maintenance and mandatory fees by four percent (the maximum allowed), the average full-time, annual tuition and mandatory fees for 2017-18 would be **\$9,347** at public universities, \$4,393 at community colleges, and \$3,793 at TCATs—increases of **\$359**, \$169, and \$146, respectively.

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Note: Revisions to this coversheet and attachments are due to a change in reporting of Middle Tennessee State University's Student Government Association (SGA) fee and a re-weighting of the university average for institutions with differentiated tuition levels.

**2017-18 Binding Tuition Ranges (REVISED)**

**Maximum Increase of Maintenance (Tuition) and Maintenance + Mandatory Fees: 4.00%**

	2017-18 Binding Ranges			
	Maintenance Fee		Maintenance + Mandatory Fees	
	Minimum	Maximum	Minimum	Maximum
Austin Peay	\$0 or Less	\$ 261	\$0 or Less	\$ 320
East Tennessee <sup>1</sup>	\$0 or Less	\$ 280	\$0 or Less	\$ 347
Middle Tennessee	\$0 or Less	\$ 277	\$0 or Less	\$ 344
Tennessee State	\$0 or Less	\$ 261	\$0 or Less	\$ 303
Tennessee Tech	\$0 or Less	\$ 295	\$0 or Less	\$ 342
University of Memphis	\$0 or Less	\$ 314	\$0 or Less	\$ 380
Chattanooga	\$0 or Less	\$ 157	\$0 or Less	\$ 170
Cleveland	\$0 or Less	\$ 157	\$0 or Less	\$ 169
Columbia	\$0 or Less	\$ 157	\$0 or Less	\$ 168
Dyersburg	\$0 or Less	\$ 157	\$0 or Less	\$ 169
Jackson	\$0 or Less	\$ 157	\$0 or Less	\$ 169
Motlow	\$0 or Less	\$ 157	\$0 or Less	\$ 169
Nashville	\$0 or Less	\$ 157	\$0 or Less	\$ 166
Northeast	\$0 or Less	\$ 157	\$0 or Less	\$ 170
Pellissippi	\$0 or Less	\$ 157	\$0 or Less	\$ 170
Roane	\$0 or Less	\$ 157	\$0 or Less	\$ 169
Southwest	\$0 or Less	\$ 157	\$0 or Less	\$ 169
Volunteer	\$0 or Less	\$ 157	\$0 or Less	\$ 169
Walters	\$0 or Less	\$ 157	\$0 or Less	\$ 169
UT Chattanooga	\$0 or Less	\$ 271	\$0 or Less	\$ 342
UT Knoxville (admitted before 2013-14) <sup>2</sup>	\$0 or Less	\$ 369	\$0 or Less	\$ 442
UT Knoxville (admitted in 2013-14)	\$0 or Less	\$ 428	\$0 or Less	\$ 500
UT Knoxville (admitted after 2013-14)	\$0 or Less	\$ 437	\$0 or Less	\$ 509
UT Martin (Full-Time w/ 60+ SCH & All Part-time) <sup>3</sup>	\$0 or Less	\$ 283	\$0 or Less	\$ 339
UT Martin (Full-Time w/ fewer than 60 SCH)	\$0 or Less	\$ 307	\$0 or Less	\$ 364
TN Colleges of Applied Tech	\$0 or Less	\$ 137	\$0 or Less	\$ 146
<b>University Avg<sup>4</sup></b>	<b>\$0 or Less</b>	<b>\$ 299</b>	<b>\$0 or Less</b>	<b>\$ 359</b>
<b>Community College Avg</b>	<b>\$0 or Less</b>	<b>\$ 157</b>	<b>\$0 or Less</b>	<b>\$ 169</b>

1 - In 2016-17, Freshmen, Sophomores and Juniors paid an additional debt service fee of \$240 and an additional Student Activity fee of \$50 in FY17 for the DP Culp Center renovation. As these classes progress, the additional fees will remain part of the mandatory fees. Therefore, the 2017-18 tuition and fee ranges reported in this line will apply to 2017-18 Freshmen, Sophomores, Juniors and Seniors.

2 - The 2016-17 tuition rate for students admitted in Fall 2013 or later at UT Knoxville were flat rates for 15 semester credit hours, regardless of the number of credit hours taken by the student. This policy was approved in 2012 by the UT Board for Introduction in Fall 2013. Therefore, the tuition and fee ranges will differentiate based on when students enrolled at UT Knoxville.

3 - The 2016-17 tuition rate for full-time students who have completed fewer than 60 credit hours was a flat rate for 15 hours a semester regardless of how many hours the student is enrolled in. Full-time students with more than 60 credit hours and all part-time students are charged on a per credit basis up to 12 credit hours, and are not charged additional fees above that. Therefore, the tuition and fee ranges differentiate based on enrollment status of UT Martin students.

4 - This average incorporates a weighted tuition for UT Knoxville and UT Martin students to reflect both institutions' differentiated tuition levels.

**2017-18 Binding Tuition Ranges (REVISED)**  
**2017-18 Maintenance and Mandatory Fee Increase Scenario and Comparison - 4.00% Limit**

	2016-17			2017-18			Combined Increase	Combined % Increase
	Maintenance Fee	Mandatory Fee	Maintenance + Mandatory	Maintenance Fee	Mandatory Fee	Combined		
Austin Peay	\$ 6,522	\$ 1,473	\$ 7,995	\$ 6,783	\$ 1,532	\$ 8,315	\$ 320	4.00%
East Tennessee <sup>1</sup>	\$ 7,002	\$ 1,669	\$ 8,671	\$ 7,282	\$ 1,736	\$ 9,018	\$ 347	4.00%
Middle Tennessee	\$ 6,930	\$ 1,680	\$ 8,610	\$ 7,207	\$ 1,747	\$ 8,954	\$ 344	4.00%
Tennessee State	\$ 6,528	\$ 1,039	\$ 7,567	\$ 6,789	\$ 1,081	\$ 7,870	\$ 303	4.00%
Tennessee Tech	\$ 7,380	\$ 1,171	\$ 8,551	\$ 7,675	\$ 1,218	\$ 8,893	\$ 342	4.00%
University of Memphis	\$ 7,860	\$ 1,637	\$ 9,497	\$ 8,174	\$ 1,702	\$ 9,877	\$ 380	4.00%
Chattanooga	\$ 3,930	\$ 319	\$ 4,249	\$ 4,087	\$ 332	\$ 4,419	\$ 170	4.00%
Cleveland	\$ 3,930	\$ 299	\$ 4,229	\$ 4,087	\$ 311	\$ 4,398	\$ 169	4.00%
Columbia	\$ 3,930	\$ 271	\$ 4,201	\$ 4,087	\$ 282	\$ 4,369	\$ 168	4.00%
Dyersburg	\$ 3,930	\$ 299	\$ 4,229	\$ 4,087	\$ 311	\$ 4,398	\$ 169	4.00%
Jackson	\$ 3,930	\$ 285	\$ 4,215	\$ 4,087	\$ 296	\$ 4,384	\$ 169	4.00%
Motlow	\$ 3,930	\$ 307	\$ 4,237	\$ 4,087	\$ 319	\$ 4,406	\$ 169	4.00%
Nashville	\$ 3,930	\$ 225	\$ 4,155	\$ 4,087	\$ 234	\$ 4,321	\$ 166	4.00%
Northeast	\$ 3,930	\$ 311	\$ 4,241	\$ 4,087	\$ 323	\$ 4,411	\$ 170	4.00%
Pellissippi	\$ 3,930	\$ 323	\$ 4,253	\$ 4,087	\$ 336	\$ 4,423	\$ 170	4.00%
Roane	\$ 3,930	\$ 303	\$ 4,233	\$ 4,087	\$ 315	\$ 4,402	\$ 169	4.00%
Southwest	\$ 3,930	\$ 305	\$ 4,235	\$ 4,087	\$ 317	\$ 4,404	\$ 169	4.00%
Volunteer	\$ 3,930	\$ 293	\$ 4,223	\$ 4,087	\$ 305	\$ 4,392	\$ 169	4.00%
Walters	\$ 3,930	\$ 288	\$ 4,218	\$ 4,087	\$ 300	\$ 4,387	\$ 169	4.00%
UT Chattanooga	\$ 6,768	\$ 1,776	\$ 8,544	\$ 7,039	\$ 1,847	\$ 8,886	\$ 342	4.00%
UT Knoxville (admitted before 2013-14) <sup>2</sup>	\$ 9,228	\$ 1,810	\$ 11,038	\$ 9,597	\$ 1,882	\$ 11,480	\$ 442	4.00%
UT Knoxville (admitted in 2013-14)	\$ 10,688	\$ 1,810	\$ 12,498	\$ 11,116	\$ 1,882	\$ 12,998	\$ 500	4.00%
UT Knoxville (admitted after 2013-14)	\$ 10,914	\$ 1,810	\$ 12,724	\$ 11,351	\$ 1,882	\$ 13,233	\$ 509	4.00%
UT Martin (Full-Time w/ 60+ SCH & All Part-time) <sup>3</sup>	\$ 7,070	\$ 1,408	\$ 8,478	\$ 7,353	\$ 1,464	\$ 8,817	\$ 339	4.00%
UT Martin (Full-Time w/ fewer than 60 SCH)	\$ 7,680	\$ 1,408	\$ 9,088	\$ 7,987	\$ 1,464	\$ 9,452	\$ 364	4.00%
TN Colleges of Applied Tech	\$ 3,417	\$ 230	\$ 3,647	\$ 3,554	\$ 239	\$ 3,793	\$ 146	4.00%
<b>University Avg<sup>4</sup></b>	<b>\$ 7,469</b>	<b>\$ 1,518</b>	<b>\$ 8,987</b>	<b>\$ 7,768</b>	<b>\$ 1,579</b>	<b>\$ 9,347</b>	<b>\$ 359</b>	<b>4.00%</b>
<b>Community College Avg</b>	<b>\$ 3,930</b>	<b>\$ 294</b>	<b>\$ 4,224</b>	<b>\$ 4,087</b>	<b>\$ 306</b>	<b>\$ 4,393</b>	<b>\$ 169</b>	<b>4.00%</b>

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# Tuition and Mandatory Fee Presentation FY 2017-18

MAY 23, 2017

# THEC Recommendation 2017-18 Annual Rates

2017-18 Binding Ranges			
Maintenance Fee		Maintenance + Mandatory Fees	
Minimum	Maximum	Minimum	Maximum
\$0 or Less	\$295	\$0 or Less	\$342

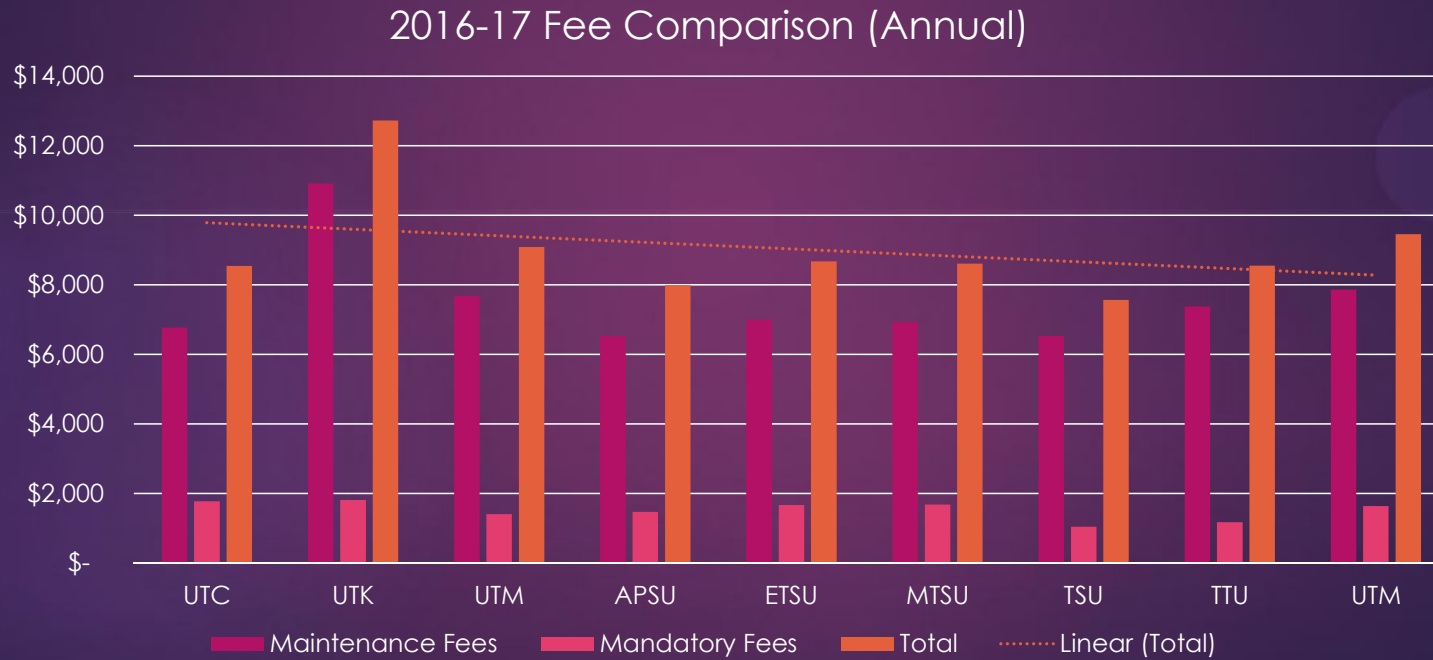
# THEC Recommendation 2017-18 Annual Rates

## 2017-18 Maintenance and Mandatory Fee Increase Scenario and Comparison – 4% Limit

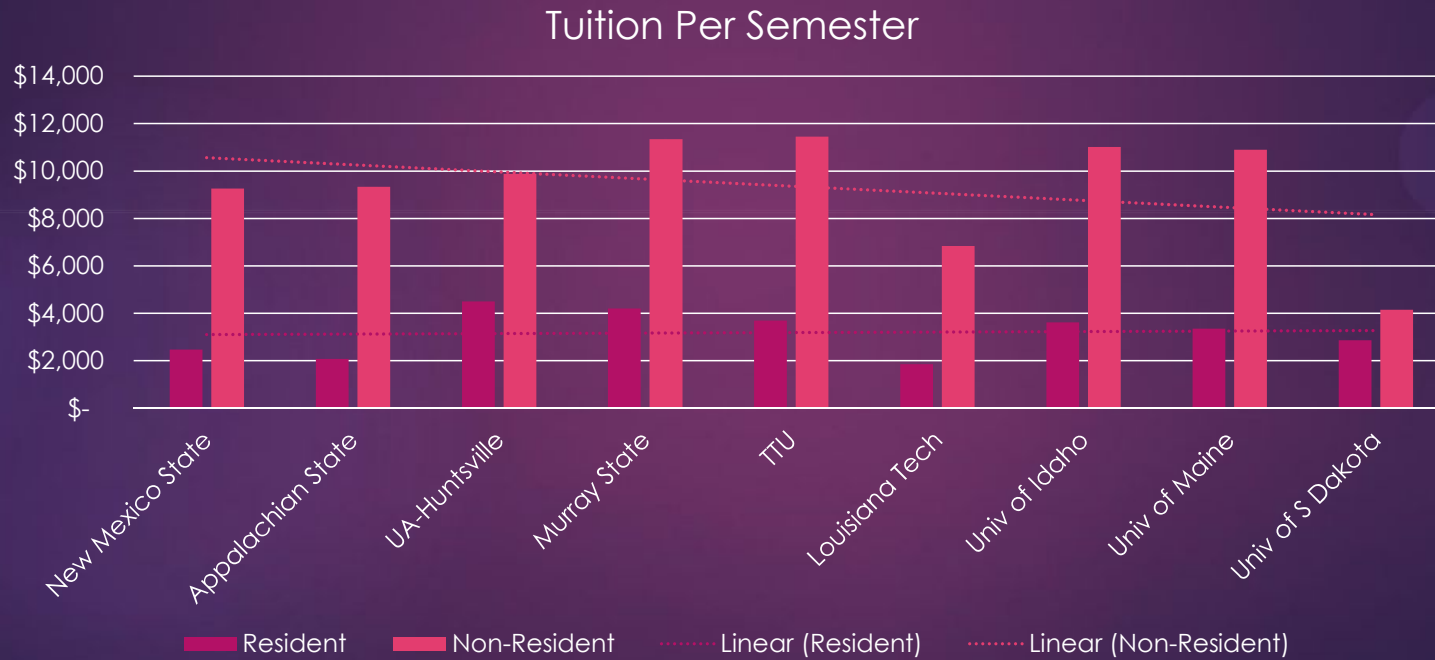
2016-17			2017-18			Combined Increase	Combined % Increase
Maintenance Fee	Mandatory Fee	Maintenance + Mandatory	Maintenance Fee	Mandatory Fee	Maintenance + Mandatory		
\$7,380	\$1,171	\$8,551	\$7,675	\$1,218	\$8,892	\$342	4.00%



# Undergraduate Tuition/Fee 2016-17 Comparison to TN Public Universities



# Undergraduate Tuition/Fee 2016-17 Comparison to Out-of-State Peers



Tennessee Tech University Per Semester In-State Fee History Fall 2013 - Fall 2017 based upon 15-hour undergraduate FTE					
Fee Description	Fall 2013*	Fall 2014**	Fall 2015***	Fall 2016	Fall 2017****
Undergraduate Maintenance	\$ 3,048.00	\$ 3,237.00	\$ 3,591.00	\$ 3,690.00	\$ 3,834.00
Mandatory Registration Fees	\$ 627.50	\$ 755.50	\$ 585.50	\$ 585.50	\$ 608.50
Total Mandatory Fees	\$ 3,675.50	\$ 3,992.50	\$ 4,176.50	\$ 4,275.50	\$ 4,442.50
\$ increase over prior year	\$ 191.50	\$ 317.00	\$ 184.00	\$ 99.00	\$ 167.00
Percentage increase over prior year		5.5%	8.6%	4.6%	3.9%
Non-Mandatory Registration Fees-per hour:					
Specialized Academic Course Fees	\$25-\$30	\$25-\$40	\$25- \$40	\$25-\$60	\$15-\$65
Online Fees	\$150	\$150	\$150	\$150	\$45-\$170
Alternative Delivery Fee	\$15-\$30	\$15-\$30	-	-	-
Music Private Lesson Fee	\$175	\$175	\$175	\$175	\$175
Craft Center Studio Fee	\$41-\$152	\$41-\$152	-	-	-
Art Course Fee	\$10	\$10	-	-	-
Nursing Practice Lab Kit	\$80	\$80	-	-	-
* Existing mandatory and non-mandatory fees redirected to create mandatory \$51 Facilities Fee.					
** Per SGA referendum, implemented additional \$100 per semester debt service fee for new Campus Recreation Center.					
*** Collapsed existing mandatory and non-mandatory fees equivalent to \$18 per UG hour into Maintenance Fees.					
**** Assumed a 3.9% maintenance fee increase effective Fall 2017.					

# Mandatory Fees (annual)

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	2016-17	2017-18	Dollar Increase	Percentage Increase
Athletic Fee	\$456	\$496	\$40	8.77%
Campus Recreation	\$90	\$96	\$6	6.66%
Technology Access Fee	\$225	\$225	Zero	Zero
Facilities Development Fee	\$102	\$102	Zero	Zero
Debt Service	\$258	\$258	Zero	Zero
SGA/SOLO	\$40	\$40	Zero	Zero
Combined Total All Mandatory Fees	\$1,171	\$1,217	\$46	3.9%

# Budget Projections 2017-18

<b>Sources and uses of funding</b>	
New state appropriations	\$2,404,900
Projected enrollment decline	\$(2,370,744)
Net Decline in TNeCampus revenues	\$(486,000)
3.9% maintenance fee increase	\$2,898,655
<b>Net sources</b>	<b>\$2,446,811</b>
Mandated 3% salary adjustment	\$(2,162,991)
E&G Scholarship increase	\$(3,408,000)
New Academic Programs start-up cost	\$(285,900)
Other costs	\$(274,700)
<b>Net uses</b>	<b>\$(6,131,591)</b>
<b>Net increase (decrease)</b>	<b>\$(3,684,780)*</b>
*Budget reductions and realignments: Non-Instructional Units \$2,289,644; Instructional Units \$1,314,119	

# Fees not subject to THEC binding rates

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- ▶ Graduate Maintenance Fee
- ▶ Out-of-state Tuition
- ▶ Non-Mandatory Fees (approved at March Board Meeting)

# Graduate Maintenance Fees

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Graduate In-State Tuition				
	2016	2017	Dollars Increase	Percentage Increase
For Base 10 Hours	\$4,600	\$4,876	\$276	6%
Hourly rate over base hours	\$91	\$96	\$5	5.5%

# Out-of-state tuition

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- ▶ Out-of-state students pay same maintenance and other fees as in-state students plus an out-of-state tuition rate
- ▶ 2016-17 out-of-state tuition rate
  - ▶ Base for 12 hours                      \$7,932
  - ▶ Hourly rate over base hours      \$ 132
- ▶ No increase in out-of-state tuition is recommended



Tennessee Tech University					
Estimated Freshman Fee Increase by Major					
Fall 2016 to Fall 2017					
Estimated Total In-State Registration Fees by Major	Fall 2016	Fall 2017 *	\$ Increase	% Increase	Range/Avg
Freshman:					
Agriculture	\$ 4,350.50	\$ 4,702.50	\$ 352.00	8.1%	
Arts & Sciences:					
Non-science concentration	\$ 4,275.50	\$ 4,442.50	\$ 167.00	3.9%	
Science concentration	\$ 4,391.50	\$ 4,825.50	\$ 434.00	9.9%	
Business Administration	\$ 4,350.50	\$ 4,632.50	\$ 282.00	6.5%	
Education:					
Arts	\$ 4,333.50	\$ 4,652.50	\$ 319.00	7.4%	
Music	\$ 4,358.50	\$ 4,707.50	\$ 349.00	8.0%	
Teaching Licensure	\$ 4,275.50	\$ 4,577.50	\$ 302.00	7.1%	
Non-Licensure	\$ 4,300.50	\$ 4,667.50	\$ 367.00	8.5%	
Engineering	\$ 4,453.50	\$ 4,732.50	\$ 279.00	6.3%	
Human Ecology	\$ 4,391.50	\$ 4,852.50	\$ 461.00	10.5%	
Nursing	\$ 4,378.50	\$ 4,685.50	\$ 307.00	7.0%	
					\$167-\$461
					7.6%

\* Assumed a 3.9% maintenance fee increase effective Fall 2017.

Tennessee Tech University  
 Estimated Upperclassman Fee Increase by Major  
 Fall 2016 to Fall 2017

Estimated Total In-State Registration Fees by Major Upperclassman:	Fall 2016	Fall 2017 *	\$ Increase	% Increase	Range/Avg
Agriculture	\$ 4,350.50	\$ 4,682.50	\$ 332.00	7.6%	
Arts & Sciences:					
Non-science concentration	\$ 4,275.50	\$ 4,442.50	\$ 167.00	3.9%	
Science concentration	\$ 4,217.50	\$ 4,657.50	\$ 440.00	10.4%	
Business Administration	\$ 4,650.50	\$ 4,892.50	\$ 242.00	5.2%	
Education:					
Arts	\$ 4,350.50	\$ 4,712.50	\$ 362.00	8.3%	
Music	\$ 4,474.50	\$ 4,898.50	\$ 424.00	9.5%	
Teaching Licensure	\$ 4,887.50	\$ 5,061.50	\$ 174.00	3.6%	
Non-Licensure	\$ 4,375.50	\$ 4,707.50	\$ 332.00	7.6%	
Engineering	\$ 4,963.50	\$ 5,285.50	\$ 322.00	6.5%	
Human Ecology	\$ 4,330.00	\$ 4,685.00	\$ 355.00	8.2%	
Nursing	\$ 4,622.50	\$ 5,125.50	\$ 503.00	10.9%	
Increase Range					\$167-\$503
Average Increase %					7.4%

\* Assumed a 3.9% maintenance fee increase effective Fall 2017.

# Discussion