

## **Faculty Senate President's Meeting**

November 11, 2019

### **Members Present:**

Douglas Airhart, Michael Best, Jeremy Blair, Troy Brachey, Chris Brown, Debra Bryant, Andrew Callender, Wei-Tsun Chang, Yun Ding, Ahmed Elsayy, Mary Lou Fornehed, Stuart Gaetjens, Mark Groundland, David Hajdik, Shelia Hurley, Brian Jones, Christy Killman, Nancy Kolodziej, Matt Langford, Susan Laningham, David Larimore, Lori Maxwell, Mark Melichar, Allan Mills, Holly Mills, Lachelle Norris, Linda Null, Brian O'Connor, Joseph Ojo, Anthony Paradis, Sally Pardue, Richard Rand, Jeff Roberts, Mike Rogers, Troy Smith, Sandra Smith-Andrews, Barry Stein, Holly Stretz, Zac Wilcox, Kim Winkle, Jeannette Wolak

### **Members Absent:**

Steven Frye, Barbara Jared, Mary Matthews, Christie Miller, Ben Mohr, Lee Ann Shipley, Lenly Weathers

### **Guests Present:**

Lori Bruce, Terri McWilliams, Matt Smith, Claire Stinson, Emily Wheeler, Lee Wray

### **Call to Order**

Senate President Smith-Andrews called the meeting to order at 3:35 p.m.

Claire Stinson shared that proposed changes in mandatory student fees and out-of-state tuition rates had moved through Deans' Council, the Provost's office, and some board members and would be up for Board of Trustees approval in December.

### **Presentation of Proposed Changes in Student Fees, Out-of-State Tuition, and Discussion of a 15-Credit-Hour Tuition Model**

Terry McWilliams, Matt Smith, and Emily Wheeler were present to share this information. Matt Smith conducted the presentation, from which the key takeaways were:

- Fees
  - Fees were classified as mandatory, debt service, and general access
  - All were paid by both graduates and undergraduates, but at different rates and max limits
  - Fees will now fall under a general heading of "Program Services Fee" and will all max-out at 6 credit hours
  - Though fees will be collapsed, the amounts for each area will be routed accordingly to departments (facilities, technology access, student health, student government, etc.)
  - Online fees are not charged if the course is through TN eCampus, but are charged for local online classes and are embedded in tuition cost
  - Fees will be \$27 more for the first 5 credit hours but remain second lowest in the state as compared to other LGIs and the UT system (only TSU is lower); fees will be significantly lower than other LGIs and the UT system
  
- Out-of-state Tuition (OST)

- Current OST places Tech at a competitive disadvantage in surrounding areas, new markets, and in increasing diversity
- Current OST is the second highest normal OST in the state among LGIs
- Proposed changes would lower and simplify OST
  - Single premium for domestic OST for both undergraduates and graduates (two options: \$140/credit hour or \$100/credit hour)
  - Charge OST only for hours up to FTE (15 for undergraduates, 12 for graduates)
  - Remove OST basis on dynamic calculations like R250 (students who graduated in a 250-mile radius)
  - Target surrounding states for growth in diversity and new markets
- The Breakeven Analysis for both options
  - Option #1 (\$140/credit hour): undergraduate numbers would need to be 76 FTE (based on 15 hours) and graduate numbers would need to be 1.5 FTE (based on 12 hours)
  - Option #2 (\$100/credit hour): undergraduate numbers would need to be 97 FTE (based on 15 hours) and graduate numbers would need to be 2 FTE (based on 12 hours)

Faculty senators asked if the proposal will get rid of R250 and whether tuition for international students would also be evaluated. Yes, R250 will go away, and international student tuition will be looked at next due to its complexity and need for phasing in slowly. When asked about the possibility of eliminating all OST for graduates to aid in recruitment, it was suggested Tech consider adding more online courses for graduates. Senators were concerned that the lower OST would devalue a graduate degree or upset the state legislature. The lower OST should be a draw for students, not a devaluation, and the state legislature does not fund Tech based on enrollment, but on outcomes; 25-30% of out-of-state students remain in Tennessee after graduation, which boosts the state's economy.

- 15-Credit-Hour Tuition Model Analysis
  - This model defines students as either full-time (hours $\Rightarrow$ 12) or part-time (hours $<$ 12); students would be charged at a flat rate for 12 or more hours; part-time students would be charged per credit hour
  - Students would be encouraged and expected to take 15 hours per semester
  - Existing students are grandfathered in to the current model
  - Improve student success
    - Expectation for students to graduate in 4 years by incentivizing 30 credit hours/year
    - Can increase student success with regard to GPA, retention, and graduation rates
    - Promotes opportunities for fast-track programs
    - No tuition charged for  $>$ 15 hours
    - Students graduate earlier and enter the job market sooner
    - Potential positive net impact to average Tech students (assuming they are enrolled four years): \$28,124
  - Current student behavior
    - 25% of students are taking  $>$ 15 hours (students would benefit from the new model)
    - 26% of students are taking 15 hours (students would not be affected)

- 49% of students are taking 12-14 hours (the new model would incentivize the students to increase to 15 hours per semester)
- Student considerations
  - Increasing course load could present barriers to part-time employment
  - Summer school course load could decrease
  - Short-term financial impact: increased per semester, but a potentially offset with summer savings
  - Long-term financial impact: enter job market earlier (by 1 semester)
- University considerations
  - Potential revenue increases in Fall/Spring (estimated at 3%)
  - Potential revenue decrease in Summer (estimated at 40-100%)
  - Possibly offer a last-dollar scholarship (Tech Promise) to students in need to bridge the gap of financial aid at 12- and 15-hour student loads (Pell and HOPE eligible)
  - Must ensure courses and faculty are available for all to enroll in 15 hours per semester
  - Must advise all students to enroll in at least 15 hours
  - Recruitment must increase new student enrollment to maintain and increase student body
  - Students will graduate at a faster rate, so enrollment must increase to reach Tech's goal of 12,000 by 2025
  - The UT system has already adopted this model and THEC is in favor of this model; UT did experience increased 4-year graduation rates
  - Revenue projections will be unpredictable for several years; a conservative approach to budgeting and using revenues is recommended until patterns are established and historical data can be compiled

### **Faculty Concerns and Suggestions Regarding the Tuition Model**

- Have you considered why the 12-hour students are taking only 12?
- What if assumptions are not right? Provost Bruce shared that research shows student do change their behavior and that academic performance goes up with increased hours (to a point), especially in underrepresented students
- How will the faculty absorb teaching extra classes every year? Will there be space?
- Have you considered ballooning charges for retaking classes?
- Won't we be less competitive to parents looking at first-year costs?
- Would seniors limited to 12 hours due to teaching and residencies be at a financial disadvantage? They will have already seen some savings earlier.
- Students working full-time and freshmen with poor time management will be impacted negatively.
- This is essentially a tuition increase for 49% of our students – how will we attract more students?
- Seek input from students beyond SGA to get a clear picture of interest/impact.
- Variables such as cost-of-living and students who need to work make analysis difficult, as does the unpredictability of the potential summer school impact.
- Advising should not be based on a business/money issue – consider waiving the rule of 15 hours for hardships in case the assumptions are wrong.
- Present both the positive and negative potential impacts to summer school for a transparent analysis of this model.

- What if students' perceptions are negative? Should they be asked what is fair? UTK received very little criticism except from families with multiple students on different models (grandfathered vs. new).
- We should be very concerned about GPA impacts.

### **Comments from President Oldham**

The President expressed his belief in the model and that is the direction Tech should go, but assured the senators it is not done deal and will be further analyzed. It is being present to the Board of Trustees for conversation. The President acknowledged more data should be gathered from other institutions that have adopted the model. Though there may be unintended consequences, it is an improvement for students as a whole. He still wants to heavily consider options on the table for students in need, but believes that student loans will decrease overall.

President Oldham thanked the senators for their input and assured them this is not a final decision and there are more opportunities for suggestions and comments. This is a very important decision, and the best interest of the students should be the main factor.

The President asked if there were any veterans present; Brian Jones was acknowledged for Veterans Day.

### **Adjournment**

The meeting adjourned at 5:40 p.m.

### **Supporting Documents:**

- Out-of-State Tuition and 15-Hour Analysis Presentation

Approved: 01/27/2020