Tuition & Fee Public Meeting, February 17, 2009

President George C. Wright and Vice President for Business Affairs
Mary Lee Hodge
Tuition & Fee Agenda

• President’s FY10 Tuition/Fee Philosophy
• FY10 Financial Environment
• University-Wide Fee Requests
• College/Department Specific Fee Requests
• Public Comment
President Wright’s FY10 Tuition and Fee Philosophy

• PVAMU students deserve a good education.
• Students can get a cheap education.
• But, there is no such thing as a good, cheap education.
• However, considering the state of the economy, President Wright believes that PVAMU must do its part to minimize increases as much as possible.
• His recommendations limit tuition and mandatory fee increases to the equivalent of saving $25/month for a fall/spring, 12-SCH undergraduate student.
FY10 Financial Environment

- THERE ARE MANY BUDGET UNKNOWNS AT THIS POINT.

- 2009 legislative session is underway
  - Proposed bill shows a $4,934,688 general revenue shortfall
  - $518,216 is due to the expiration the remaining OCR funds
  - Net shortfall is estimated at $4,416,472
  - Hold harmless funding has been requested but receipt of same is unknown
FY10 Financial Environment—Continued

- Other revenue stressors
  - PUF earnings are down about 1/3 and System Endowment earnings are down 27%. For FY10, it is hoped that our allocations will remain whole, but we expect reductions beginning in FY11.
  - Interest income earnings are down substantially to around 1%.
FY10 Financial Environment-Continued

• Costs have increased such as
  – Costs of supplies and materials
  – Costs of services we purchase
  – Public officer salaries and benefits to retain our security forces

• BUT we recognize that all of the cost increases cannot be passed on to PVAMU students.

• For instance, we will be cutting VP and Dean interest income allocations by 50% in FY10.
FY10 Designated Tuition

• Due to revenue uncertainties, the Texas A&M University System requires all components to submit a range
  • PVAMU minimum is $5.75-Amount we would like to charge
  • PVAMU maximum is $22.50-Amount of our projected shortfall
Designed Tuition @ Preferred Rate of $5.75/SCH

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>2% Merit Increase-If GR funding is restored, reserves will pay for most of the increase</td>
<td>$245,000</td>
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<tr>
<td>Fringe Benefits</td>
<td>67,375</td>
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<tr>
<td>Financial Aid including Panther Promise</td>
<td>750,000</td>
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<td>$1,062,375</td>
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Designed Tuition @ Maximum of $22.50/SCH

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<tr>
<th>Category</th>
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<tr>
<td>2% Merit and Partial GR</td>
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<td>Restoration</td>
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<td>Fringe Benefits</td>
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<td>Departmental Operations</td>
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<td>Financial Aid including</td>
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<td>Panther Promise</td>
<td>$3,912,500</td>
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University-Wide Fee Requests - Athletic Fee

• Department Request=$2.60/SCH to fund:
  – Salaries and Fringe Benefits of $146,625
  – Departmental Operating Cost Increases of $45,000
  – Maintenance and Equipment of $125,000
  – Scholarships of $50,000
  – Medical Expenses and Supplies of $12,000

• Limitation under President’s FY10 Philosophy=$0.50/SCH which would only fund an increase in scholarships
University-Wide Fee Requests - Financial Aid

• Call Center Fee @ $50/Semester to fund outsourced call center operation to answer student calls and inquiries
• Financial Aid Advisement Fee @ $30/Semester to fund additional staff, equipment, consulting fees, and departmental operating costs
• Limitation under President’s FY10 Philosophy=One $30/Semester Financial Aid Advisement Fee that could aspects of both fee requests
University-Wide Fee Requests-
Health Center Fee

- Departmental Request=$7/Semester in Fall & Spring and $5/Summer
- Restitution of fee cut some years ago to avoid loss of critical services
- The System says the limit for this increase will be $2.50/Semester
University-Wide Fee Requests - Student Service Fee

• Department Request=Removal of $150 Cap but no change in $14/SCH charge
• Last year, student fee allocation process was only able to award funds equal to 50% of the amount requested
• Limitation under President’s FY10 Philosophy=Raise the Cap to $160 which would add an estimated $200K to the student fee allocation process
University-Wide Fee Requests-
Undergraduate Application Fee

• Departmental Request=$25/application to fund
  – New Transfer Admissions Counselor
  – Departmental Operating costs

• Limitation under President’s FY10 Philosophy=$10/application to fund most critical needs but limiting total to $35/application to avoid discouraging applicants
Other Fee Requests

• Already approved by Student Vote:
  – International Student Fee to increase scholarships for studies abroad
  – Recreational Fee but will be limited to $20/semester under President’s FY10 Tuition & Fee Philosophy

• Presidential Denials:
  – College of Business Graduate Incremental Tuition (at maximum)
  – College of Business Student Service Fee (at maximum)
  – Engineering Distance Learning Fee (University already has a Distance Learning Fee)
Other Fee Requests

• Departmental Fees:
  – Architecture Course Fees
  – Band Course Fee
  – Physics Course Fee
  – Education Graduate Incremental Tuition
  – Engineering Undergraduate Course Fee
  – Engineering Graduate Course Fee
Next Steps

• Public Testimony Tonight
• Student Vote on Athletic Fee and Student Service Fee
• Public Hearing at Board of Regents Meeting
• Fall 2009 Implementation
THANK YOU!

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