

Tuition Policy Advisory Council
Meeting Notes
November 12, 2004

The Tuition Policy Advisory Council met on Friday, November 12, 2004 in 203 MSC. The meeting was called to order at 3:00 p.m.

A presentation on fixed tuition was given. Tuition would be set for each incoming freshman class and remain fixed at that rate for a specified period of time. A cap would also be placed on fees that are charged on a per credit hour basis. Advantages of implementing fixed tuition include predictability for financial planning and more timely graduation rates. Some disadvantages may be that a disproportionate amount of the tuition burden will be placed on incoming classes during times of state cut-backs, part-time students would be greatly impacted, and possible revenue loss for the University unless risk reserves are set aside.

In the first year that fixed tuition would be applied, all current classes would pay the same rate, then tuition would increase for each incoming class thereafter. Transfer students would have tuition fixed based upon when they enter Texas A&M University. If tuition were to be fixed for a student until graduation, a time limit of four years plus one summer would have to be implemented to encourage four-year graduation rates. This timeframe would have tuition fixed over the course of two legislative sessions, which would be extremely impractical since outcomes of legislative sessions cannot be predicted with any degree of confidence. It was suggested that tuition, therefore, be fixed in two-year increments so that tuition increases will more accurately reflect the actions of the legislature. However, problems could arise in setting tuition if the budget is not adopted during the regular session.

In considering differential tuition, no proposal should be revenue negative. If a discount were to be offered in the summer to increase enrollment, a stipulation should be added that a student must take a certain number of hours in the fall and spring, so that SCH's are not just being shifted from one semester to another. Another factor to consider is would there be enough faculty to teach in the summer or during evening hours?

Regardless of which proposal is adopted, whether it is flat, fixed, differential, or a hybrid, a very important aspect will be proper marketing. Part of any marketing strategy should include an individual's/family's overall cost savings of a timely graduation, e.g. the savings in living costs, as well as the loss of income earnings for staying in school longer.

The next meeting will be Friday, November 19. Various premium models for flat tuition, with the flattening occurring at 14 SCH, will be discussed. Refined fixed tuition with a two-year guarantee will also be discussed.

The meeting was adjourned at 4:15 p.m.