

Tuition Policy Advisory Council
MEETING NOTES
December 6, 2006

The Tuition Policy Advisory Council met on Wednesday, December 6, 2006 in the Provost's Conference Room, 9th floor, Rudder Tower.

The meeting was called to order at 3:00 p.m.

It was announced that scholarships are growing at a faster rate than student loans. Texas A&M University has been able to set aside 1.5 times more in financial aid than what is mandated by State law. Total financial aid for FY2006 was \$420 million and Pell Grant recipients have risen from 14% to 18%. The Texas Grant program is the second largest financial aid program at Texas A&M University; the largest program is the Federal Pell Grant program. Sixty-one percent of the Texas Grant recipients at the University are in the top 10% and 65% of the recipients are first generation college students. Student employment is a strong program at the University with one in four students working on campus. The work study program has received a 40% increase in funding.

The Council was updated on the University Student Fee Committee's recommendations. The fee committee met at the end of November and made the following recommendations: increase the Student Service fee by \$.75 per semester credit hour; broaden the definition of what the property deposit covers and increase the Property Deposit fee to \$100 (if the definition is not broadened, then the fee committee recommends eliminating this fee); increase the Advising Fee by \$1.00 per semester credit hour and phase in hiring more advisors (at the end of the phase-in period, 15 new advisors would have been placed in the colleges); initiate International Orientation fee of \$35.00 if the Dean of Graduate Programs agrees. There is concern because the Office of Graduate Studies charges an Orientation fee for a different service. A comprehensive list of the proposed fees and recommendations were distributed to the Council. These recommendations will now go forward to the President and then to the March meeting of the Board of Regents.

The Designated Tuition hearing will be held sometime in January or early February. However, tuition will not be set until appropriations are determined by the Legislature.

Pennsylvania State University has the largest freshman class and Texas A&M University has the second largest. However, Penn State's designated non-resident tuition and required fees stand at \$22,700 while A&M's are at \$15,000. The Division of Finance put together a non-resident undergraduate designated tuition increase scenario for TAMU. State mandated tuition would not be affected by this proposal. The scenario makes the assumptions that all other costs and enrollment remain constant and that students take 15 semester credit hours each semester. Designated tuition is currently \$95.70 per semester credit hour. The following proposed increases to designated tuition for non-resident students would apply only to entering students, not current students (the Council was reminded that designated tuition has mandated financial set-asides): for students entering the University in fall 2007, designated non-resident tuition would rise by \$100 per semester credit hour, creating incremental revenue for FY2008 of

\$500,000; students entering TAMU in fall 2008 would pay for designated tuition at a rate \$100 per semester credit hour higher than the fall 2007 rate, producing incremental revenue for FY2009 of \$1,000,000; students entering TAMU in fall 2009 would pay non-resident designated tuition at a rate of \$200 per semester credit hour higher than the fall 2008 rate, generating incremental revenue for FY2010 of \$2,000,000; students entering TAMU in fall 2010 would pay for designated tuition at a rate \$200 per semester credit hour higher than the fall 2009 rate. Incremental revenue for FY2011 is estimated to be \$3,000,000 and \$4,000,000 for FY2012. This scenario predicts that by 2010, these increases would bring Texas A&M University's revenue to the level of revenue that the University of Texas realizes currently, and that is assuming that UT does not increase tuition.

It was noted that non-resident students who receive a waiver for non-resident tuition were excluded from the above assumptions. It may be necessary to reconsider the threshold for waiving non-resident tuition. The Division of Finance will run additional numbers to reflect the waivers and the estimated cost of attendance will also be calculated. It was also noted that increasing the number of non-resident students who are accepted to the University would not reduce the number of in-state students being accepted. While TAMU is currently engaged in almost no out-of-state recruiting, efforts are progressing towards increased outreach. Increasing the number of non-resident students would help enhance diversity on campus. The suggestion was made that it may be better to increase tuition all up front rather than an incremental phase-in. It is likely that any implementation would not take place until fall 2008, but the proposal must be submitted in January in order to be placed on the Board of Regents' agenda for the March meeting.

The meeting was adjourned at 4:25 p.m.