



Tuesday, September 9, 2014

SUBJECT: APPROVAL OF MARKET-RATE PROGRAMS

PROPOSED BOARD ACTION

Approval of market-rate program proposals.

BACKGROUND INFORMATION

Under Florida Board of Governors Regulation 7.001, revised September 15, 2011, a university board of trustees may submit a proposal for market tuition rates for graduate-level courses offered online or through the university's continuing education unit when such courses constitute an approved degree program or college credit certificate program.

This year, the proposals selected for submission to the Board of Governors come from the College of Business:

- Executive Master of Accounting
- Master of Taxation
- Master of Science in International Business

IMPLEMENTATION PLAN/DATE

Market-rate proposals will be submitted to the BOG in September 2014 pending full Board approval.

FISCAL IMPLICATIONS

It is anticipated that these market-rate programs will generate more than \$2 million for Fiscal Year 2015-16.

Supporting Documentation:

**2014 Market-Rate Program Proposals
Florida Board of Governors Regulation 7.001**

**Presented by: Dr. Gary Perry, Interim Provost
Dr. Daniel Gropper, Dean of the College of Business**

Phone: 561.297.3061

**State University System
Market Tuition Proposals**

University: Florida Atlantic University

		Proposal 1	Proposal 2	Proposal 3	Proposal 4	Proposal 5
1	Degree Program	Master of Science in International Business	Master of Taxation	Master of Accounting	N/A	N/A
2	CIP Code	52.1101	52.1601	52.0301		
3	Has the program been approved pursuant to Regulation?	Yes	Yes	Yes		
4	Does the program lead to initial licensing or certification?	No	No	No		
5	Is the program identified as a state critical workforce need?	No	No	No		
6	Are the program's admission and graduation requirements the same as other programs?	Yes	Yes	Yes		
7	Current Tuition (Resident/Non-Resident)	\$11,464.42 / \$31,769.11	\$11,094.60 / \$30,744.30	\$11,094.6 / \$30,744.30		
8	Proposed Market Tuition Rate	\$33,000.00	\$27,000 / \$27,000	\$35,000 / \$45,000		
9	Different Market Tuition Rate for Resident vs. Non-Resident Student?	No	No	Yes		
10	5 Other Public/Private Rates for Similar Program:					
11	University name and rate: (Resident/Non-Resident)	University of Florida \$15,736 / \$36,029	University of Miami \$51,900 / NA	University of Miami \$51,900 / NA		
12	University name and rate: (Resident/Non-Resident)	Florida International University \$33,000 / \$36,600	Florida International University \$32,000 / \$35,000	Florida International University \$32,000 / \$35,000		
13	University name and rate: (Resident/Non-Resident)	Nova Southeastern University \$31,003 / NA	University of Central Florida \$11,089 / \$35,821	University of Central Florida \$11,089 / \$35,821		
14	University name and rate: (Resident/Non-Resident)	Georgia State University \$37,500 / NA	Georgia State University \$37,500 / NA	Georgia State University \$21,524 / \$45,794		
15	University name and rate: (Resident/Non-Resident)	Northeastern University \$38,100 / NA	University at Albany (SUNY) \$15,447 / \$27,717	University at Albany (SUNY) \$15,447 / \$27,717		
17	Length of Program (Student Credit Hours)	33	30	30		
18	Current E&G Student Enrollment (Headcount)					
19	Resident	N/A	29	132		
20	Non-Resident	N/A	2	5		
21	Total	N/A	31	137		
22	Similar Program at other SUS Institutions (if yes, provide university and program name)	See Above	See Above	See Above		

**State University System
Florida Board of Governors
Request to Establish Market Tuition Rates - Regulation 7.001(15)**

University: Florida Atlantic University

Proposed Market Tuition Program: Executive Master of Accounting

Date	
University Board of Trustees approval date:	September 9, 2014
Proposed Implementation Date (month/year):	08/2015
Graduate online or Graduate Continuing Ed. Course:	Graduate Online and Graduate Continuing Education
CIP Code:	52.0301

Description of the Program and the Market Tuition Rate Process

Describe the program and explain the process used to determine market tuition.

The College of Business at Florida Atlantic University requests market rate pricing for Executive Master of Accounting program (M.AC.) offered to working professionals. The Master of Accounting cohort program will be offered online and face-to-face to best serve the needs of the working professionals. The Master of Accounting program will be offered through the School of Accounting Executive Programs (SOAEP), a self-supporting auxiliary unit in the College of Business.

Program	Credit Hours	Tuition (in state/out-of-state)
Master of Accounting	30 Two-year program	\$35,000 / \$45,000

Pricing for the market rate programs will be determined by market forces but, pursuant to BOG requirement, will not be increased by more than 15% per year.

University	Program	Tuition (in state/out-of-state)
University of Miami	MAcc (30 hrs.)	\$51,900 / NA
Florida International University	MAcc –Assurance (30 hrs.) Ten-month program	\$32,000 / \$35,000
University of Central Florida	MS in Accounting (30 hrs.)	\$11,089 / \$35,821
Georgia State University	MA Accounting (30 hrs.) Two-year program	\$21,524 / \$45,794
University at Albany (SUNY)	MS in Forensic Accounting (30 hrs.) One-year program	\$15,447 / \$27,717

The market tuition for the Master of Accounting program was determined by benchmarking against other programs with similar structure and incorporating all associated costs of managing the

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programs. FAU will offer the market rate Master of Accounting program at a different tuition rate for In-State and Out-of-State students. The out-of-state tuition is based on market conditions as well as costs of out-of-state recruiting and services (e.g., book shipments and technical support) provided for out-of state and international students enrolled in our programs.

Mission Alignment

Describe how offering the proposed program at market tuition aligns with the mission of the university and the Board strategic plan:

The Mission Statement of Florida Atlantic University is: Florida Atlantic University is a multi-campus public research university that pursues excellence in its missions of research, scholarship, creative activity, teaching, and active engagement with its communities.

The Master of Accounting program aligns well with the mission of the University to pursue excellence in teaching and engagement with the community. The market rate tuition contributes to the strategic goal of enriching the educational experience by strengthening and expanding graduate programs at FAU, as well as meeting professional and workforce needs.

As the Southeast Florida region continues to grow as a hub of international commerce, so has the need for accountants and auditors in the financial services sector. Enterprise Florida Inc. (EFI) has designated Accounting/Auditing as an industry targeted for growth and predicts for 2014-2105 a need for nearly 1,200 additional advanced degreed professionals in the field in FAU’s service area, including the counties of St. Lucie, Martin, Palm Beach, Broward, and Dade.

There has been an increased focus on accounting and auditing as a response to corporate scandals and recent financial crises. Stricter laws and regulations, particularly in the financial sector, have greatly increased the demand for accounting services as organizations seek to comply with new standards as well as oversight agencies seek to curtail fraudulent activities.

In addition, market rate tuition will allow the College to generate revenue that will contribute to other strategic goals of the University related to enhancing faculty research and scholarly activity as well as a state-of-the-art information technology environment.

Declaratory Statement

Provide a declaratory statement that the policy will not increase the state’s fiscal liability or obligation and that the Market Tuition Rate program cohorts will not supplant an existing E&G funded degree program in the same discipline:

The market rate policy for the Master of Accounting program will not increase the state’s fiscal liability or obligation. The Master of Accounting market rate cohort program will not supplant an existing E&G funded degree program in the same discipline.

Restrictions / Limitations

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Identify any proposed restrictions, limitations, or conditions to be placed on the policy:
There will not be any proposed restrictions, limitations, or conditions placed on the policy.

Accountability Measures

Indicate how the university will monitor the success of the policy. Provide specific metrics that will be used.

- Number of cohorts initiated: The cohort structure reinforces timely graduation rates. In the cohort arrangement, the same group of students takes the same courses throughout the duration of the program. This arrangement differs from the alternative flexible structure in which students select the course/s they take in any given semester. Since the latter staggered approach is less efficient for the College, and less effective for student success, each market rate program will be a cohort program. The number of cohorts run for each program during each calendar year will be reported.
- Number of students enrolled: The number of students enrolled in each cohort will vary. Enrollment is a function of market tuition and economic conditions in the state and across the out of state recruiting area, as well as a prospective student's self-assessment of their time and availability to commit to a program. An appropriate range of students in each cohort is important to sustain a high level of student interaction and ensure sufficient contributions from each student.
- Student satisfaction: An overall satisfaction score will be reported for each program. The score will be a composite of items intended to measure student assessment of the program content, pedagogical effectiveness of the professor, and administrative services provided to the student.

Course Availability

Explain how the university will ensure that sufficient courses are available to meet student demand and facilitate completion of each program submitted for consideration. Will any similar E&G courses be eliminated or scaled back if this program is implemented?

The market rate Master of Accounting program will be managed in a cohort format, which will ensure that a sufficient number of courses are available to meet student demand and facilitate completion of each program. The schedules of the programs are finalized well in advance and the School of Accounting Executive Programs will work with the School of Accounting Director to ensure sufficient faculty staffing for all programs.

FAU's College of Business currently offers a Traditional E&G funded Master of Accounting program. This program will not be eliminated or scaled back if the market rate Master of Accounting program is implemented.

Economic Impact

Provide economic impact that this proposal will have on the university and the student,

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anticipated revenue collection, how the revenue will be spent, whether any private vendors will be used, and which budget entity the funds will be budgeted.

The proposal will enable the University to provide students greater access to programs, increase the number of degreed graduates, and improve visibility through increased advertising.

It is expected that the market rate Master of Accounting will generate \$1,700,000 FY 2015-2016.

Revenues will be spent to cover direct and indirect instructional costs, program administration, student support services, career services, advertising, renovation of classrooms and facilities, technology upgrades for program delivery, professional development for faculty and staff, and to support College and University initiatives.

Private vendors will not be utilized for direct delivery and administration of the program; however, private approved university vendors such as food caterers, textbook publishers, media outlets for advertising, technology and material providers will be used to support the program.

Funds will be budgeted through the School of Accounting Executive Programs, a self-supporting auxiliary unit within the College of Business.

Other Information

Provide any additional information if necessary, and complete the attached supplemental form. Indicate additional degrees that may be produced by going to market tuition and how the university will assist the students with employment or career advancement.

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University: Florida Atlantic University

Proposed Market Tuition Program: Master of Taxation

Date	
University Board of Trustees approval date:	September 9, 2014
Proposed Implementation Date (month/year):	08/2015
Graduate online or Graduate Continuing Ed. Course:	Graduate Online and Graduate Continuing Education
CIP Code:	52.1601

Description of the Program and the Market Tuition Rate Process

Describe the program and explain the process used to determine market tuition.

The College of Business at Florida Atlantic University requests market rate pricing for Executive Masters of Taxation (M.TX.) offered to working professionals. The Masters of Taxation cohort program will be offered online and face-to-face to accommodate the working professionals. The Masters of Taxation program will be offered through the School of Accounting Executive Programs (SOAEP), a self-supporting auxiliary unit in the College of Business.

Program	Credit Hours	Tuition (in state/out-of-state)
Master of Taxation	30 Two years and one semester program	\$27,000 / \$27,000

Pricing for the market rate programs will be determined by market forces but, pursuant to BOG requirement, will not be increased by more than 15% per year.

University	Program	Tuition (in state/out-of-state)
University of Miami	Master of Science in Taxation (MST) (30 hrs.)	\$51,900 / NA
Florida International University	MACC-Taxation (30 hrs.) One-year program	\$32,000 / \$35,000
University of Central Florida	MS in Taxation (30 hrs.) One-year program	\$11,089 / \$35,821
Georgia State University	MS Taxation (30 hrs.) One-year or two-year program	\$37,500/ NA
University at Albany (SUNY)	MS Taxation (30 hrs.) One-year program	\$15,447 / \$27,717

The market tuition for the Masters of Taxation program was determined by benchmarking against other programs with similar structure and incorporating all associated costs of managing the programs. FAU will offer the market rate Masters of Taxation program at the same tuition for In-State

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and Out-of-State students.

Mission Alignment

Describe how offering the proposed program at market tuition aligns with the mission of the university and the Board strategic plan:

The Mission Statement of Florida Atlantic University is: Florida Atlantic University is a multi-campus public research university that pursues excellence in its missions of research, scholarship, creative activity, teaching, and active engagement with its communities.

The Masters of Taxation program aligns well with the mission of the University to pursue excellence in teaching and engagement with the community. The market rate tuition contributes to the strategic goal of enriching the educational experience by strengthening and expanding graduate programs at FAU, as well as meeting professional and workforce needs.

As the Southeast Florida region continues to grow as a hub of international commerce, so has the need for accountants and auditors in the financial services sector. Enterprise Florida Inc. (EFI) has designated Accounting/Auditing as an industry targeted for growth and predicts for 2014-2105 a need for nearly 1,200 additional advanced degreed professionals in the field in FAU's service area, including the counties of St. Lucie, Martin, Palm Beach, Broward, and Dade.

There has been an increased focus on accounting and auditing as a response to corporate scandals and recent financial crises. Stricter laws and regulations, particularly in the financial sector, have greatly increased the demand for accounting services as organizations seek to comply with new standards as well as oversight agencies seek to curtail fraudulent activities.

In addition, market rate tuition will allow the College to generate revenue that will contribute to other strategic goals of the University related to enhancing faculty research and scholarly activity as well as a state-of-the-art information technology environment.

Declaratory Statement

Provide a declaratory statement that the policy will not increase the state's fiscal liability or obligation and that the Market Tuition Rate program cohorts will not supplant an existing E&G funded degree program in the same discipline:

The market rate policy for the Masters of Taxation program will not increase the state's fiscal liability or obligation. The Masters of Taxation market rate cohort program will not supplant an existing E&G funded degree program in the same discipline.

Restrictions / Limitations

Identify any proposed restrictions, limitations, or conditions to be placed on the policy:
There will not be any proposed restrictions, limitations, or conditions placed on the policy.

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Accountability Measures

Indicate how the university will monitor the success of the policy. Provide specific metrics that will be used.

- Number of cohorts initiated: The cohort structure reinforces timely graduation rates. In the cohort arrangement, the same group of students takes the same courses throughout the duration of the program. This arrangement differs from the alternative flexible structure in which students select the course/s they take in any given semester. Since the latter staggered approach is less efficient for the College, and less effective for student success, each market rate program will be a cohort program. The number of cohorts run for each program during each calendar year will be reported.
- Number of students enrolled: The number of students enrolled in each cohort will vary. Enrollment is a function of market tuition and economic conditions in the state, as well as a prospective student's self-assessment of their time and availability to commit to a program. An appropriate range of students in each cohort is important to sustain a high level of student interaction and ensure sufficient contributions from each student.
- Student satisfaction: An overall satisfaction score will be reported for each program. The score will be a composite of items intended to measure student assessment of the program content, pedagogical effectiveness of the professor, and administrative services provided to the student.

Course Availability

Explain how the university will ensure that sufficient courses are available to meet student demand and facilitate completion of each program submitted for consideration. Will any similar E&G courses be eliminated or scaled back if this program is implemented?

The market rate Masters of Taxation program will be managed in a cohort format, which will ensure that a sufficient number of courses are available to meet student demand and facilitate completion of each program. The schedules of the programs are finalized well in advance and the School of Accounting Executive Programs will work with the School of Accounting to ensure sufficient faculty staffing for all programs.

FAU's College of Business currently offers a Traditional E&G funded Masters of Taxation program. This program will not be eliminated or scaled back if the market rate Masters of Taxation program is implemented.

Economic Impact

Provide economic impact that this proposal will have on the university and the student, anticipated revenue collection, how the revenue will be spent, whether any private vendors will be used, and which budget entity the funds will be budgeted.

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The proposal will enable the University to provide students greater access to programs, increase the number of degreed graduates, and improve visibility through increased advertising.

It is expected that the market rate Masters of Taxation will generate \$300,000 FY 2015-2016.

Revenues will be spent to cover direct and indirect instructional costs, program administration, student support services, career services, advertising, renovation of classrooms and facilities, technology upgrades for program delivery, professional development for faculty and staff, and to support College and University initiatives.

Private vendors will not be utilized for direct delivery and administration of the program; however, private approved university vendors such as food caterers, textbook publishers, media outlets for advertising, technology and material providers will be used to support the program.

Funds will be budgeted through the School of Accounting Executive Programs, a self-supporting auxiliary unit within the College of Business.

Other Information

Provide any additional information if necessary, and complete the attached supplemental form. Indicate additional degrees that may be produced by going to market tuition and how the university will assist the students with employment or career advancement.

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University: Florida Atlantic University

Proposed Market Tuition Program: Master of Science in International Business

Date	
University Board of Trustees approval date:	September 9, 2014
Proposed Implementation Date (month/year):	08/2015
Graduate online or Graduate Continuing Ed. Course:	Graduate Online and Graduate Continuing Education
CIP Code:	52.1101

Description of the Program and the Market Tuition Rate Process

Describe the program and explain the process used to determine market tuition.

The College of Business at Florida Atlantic University requests market rate pricing for Master of Science in International Business (MSIB) offered to working professionals. The Master of Science in International Business cohort program will be offered online and face-to-face to accommodate the working professionals. The program will incorporate practical, international experiences, and emphasize the global nature of commerce. The MS in International Business program will be offered through the Department of Executive Education, a self-supporting auxiliary unit in the College of Business.

Program	Credit Hours	Tuition (in state/out-of-state)
Master of Science in International Business	33	\$33,000 / \$33,000

Pricing for the market rate programs will be determined by market forces but, pursuant to BOG requirement, will not be increased by more than 15% per year.

The market tuition for the MS in International Business cohort program was determined by benchmarking against other MS in International Business programs in Florida and the United States, and incorporating all associated costs of managing the programs. FAU will offer the market rate MS in International Business program at the same tuition for In-State and Out-of-State students.

Current tuition for similar programs at other institutions:

University	Program	Tuition (in state/out-of-state)
University of Florida	MAIB (30 hrs.)	\$15,736 / \$36,029
Florida International University	MIB (36 hrs.)	\$33,000 / \$36,600
Nova Southeastern University	MIBA (43 hrs.)	\$31,003 / NA
Georgia State University	MIB (33 hrs.)	\$37,500 / NA
Northeastern University	MSIB (30 hrs.)	\$38,100 / NA

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Mission Alignment

Describe how offering the proposed program at market tuition aligns with the mission of the university and the Board strategic plan:

The Mission Statement of Florida Atlantic University is: Florida Atlantic University is a multi-campus public research university that pursues excellence in its missions of research, scholarship, creative activity, teaching, and active engagement with its communities.

The MS in International Business program aligns well with the mission of the University to pursue excellence in teaching and engagement with the community. The market rate tuition contributes to the strategic goal of enriching the educational experience by strengthening and expanding graduate programs at FAU, as well as meeting professional and workforce needs. The demographics of the region and the increasing growth of SE Florida as an international commerce hub, especially with Latin America and the Caribbean, will increase the demand for highly skilled individuals who are able to manage a wide range of global business entities throughout the region. International business and trade is a significant driver of the region's economic engine. This is reflected by the Florida Department of Economic Opportunity's recent strategic plan, which specifically targets strengthening "Florida's leadership in expanding and emerging talent and innovation clusters and help transition established clusters to serve new markets" along with expanding "the number of Florida businesses selling goods and services internationally to diversify the markets they serve" (p. 29 Florida Strategic Plan for Economic Development 2013).

In addition, market rate tuition will allow the College to generate revenue that will contribute to other strategic goals of the University related to enhancing faculty research and scholarly activity as well as a state-of-the-art information technology environment.

Declaratory Statement

Provide a declaratory statement that the policy will not increase the state's fiscal liability or obligation and that the Market Tuition Rate program cohorts will not supplant an existing E&G funded degree program in the same discipline:

The new market rate policy for the MS in International Business program will not increase the state's fiscal liability or obligation. The MS in International Business market rate cohort program will not supplant an existing E&G funded degree program in the same discipline.

Restrictions / Limitations

Identify any proposed restrictions, limitations, or conditions to be placed on the policy:
There will not be any proposed restrictions, limitations, or conditions placed on the policy.

Accountability Measures

Indicate how the university will monitor the success of the policy. Provide specific metrics that will be used.

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- Number of cohorts initiated: The cohort structure reinforces timely graduation rates. In the cohort arrangement, the same group of students takes the same courses throughout the duration of the program. This arrangement differs from the alternative flexible structure in which students select the course/s they take in any given semester. Since the latter staggered approach is less efficient for the College, and less effective for student success, each market rate program will be a cohort program. The number of cohorts run for each program during each calendar year will be reported.
- Number of students enrolled: The number of students enrolled in each cohort will vary. Enrollment is a function of market tuition and economic conditions in the state, as well as a prospective student's self-assessment of their time and availability to commit to a program. An appropriate range of students in each cohort is important to sustain a high level of student interaction and ensure sufficient contributions from each student.
- Student satisfaction: An overall satisfaction score will be reported for each program. The score will be a composite of items intended to measure student assessment of the program content, pedagogical effectiveness of the professor, and administrative services provided to the student.

Course Availability

Explain how the university will ensure that sufficient courses are available to meet student demand and facilitate completion of each program submitted for consideration. Will any similar E&G courses be eliminated or scaled back if this program is implemented?

The market rate MS in International Business program will be managed in a cohort format, which will ensure that a sufficient number of courses are available to meet student demand and facilitate completion of each program. The schedules of the programs are finalized well in advance and the Department of Executive Education will work with department chairs to ensure sufficient faculty staffing for all programs. Historically, FAU's Executive Education degree programs offered to working professionals under Continuing Education BOG Regulation 8.002, have always provided a sufficient number of courses to meet student demand.

FAU's College of Business does not currently offer a Masters of International Business program; the curriculum for it was established in 2000, but the program has been dormant since 2006.

Economic Impact

Provide economic impact that this proposal will have on the university and the student, anticipated revenue collection, how the revenue will be spent, whether any private vendors will be used, and which budget entity the funds will be budgeted.

The proposal will enable the University to provide students greater access to programs, increase the number of graduates, and improve visibility through increased advertising.

It is expected that the market rate MS in International Business will generate \$360,000 FY 2015-2016.

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Revenues will be spent to cover direct and indirect instructional costs, program administration, student support services, career services, advertising, renovation of classrooms and facilities, technology upgrades for program delivery, professional development for faculty and staff, and to support College and University initiatives.

Private vendors will not be utilized for direct delivery and administration of the program, however private approved university vendors such as food caterers, textbook publishers, media outlets for advertising, technology and material providers will be used to support the program.

Funds will be budgeted through the Executive Education auxiliary department within the College of Business.

Other Information

Provide any additional information if necessary, and complete the attached supplemental form. Indicate additional degrees that may be produced by going to market tuition and how the university will assist the students with employment or career advancement.