

# State University System Tuition and Fees

# Florida Tuition

- Within proviso in the General Appropriations Act and law, each board of trustees shall set university tuition and fees. (Section 1009.24, Florida Statutes)
- Tuition is based on a per credit hour charge, except for medical related tuition which is an annual fee.



# Primary Authority for Establishing Tuition in other States

■ <b>Legislature</b>	<b>4</b>
■ <b>State Coordinating/Governing Agency</b>	<b>18</b>
■ <b>System Boards</b>	<b>12</b>
■ <b>Individual Institutions</b>	<b>16</b>

# Overall Tuition Philosophy of the States

<b>Philosophy</b>	<b>2002-03</b>	<b>1996-97</b>
Tuition should be as low as possible	30%	28%
Tuition should be moderate	13%	28%
Tuition should be high	0%	4%
Tuition policy is guided by institutional-level philosophy or budgetary needs/no statewide tuition philosophy exists	37%	23%
Other	20%	17%

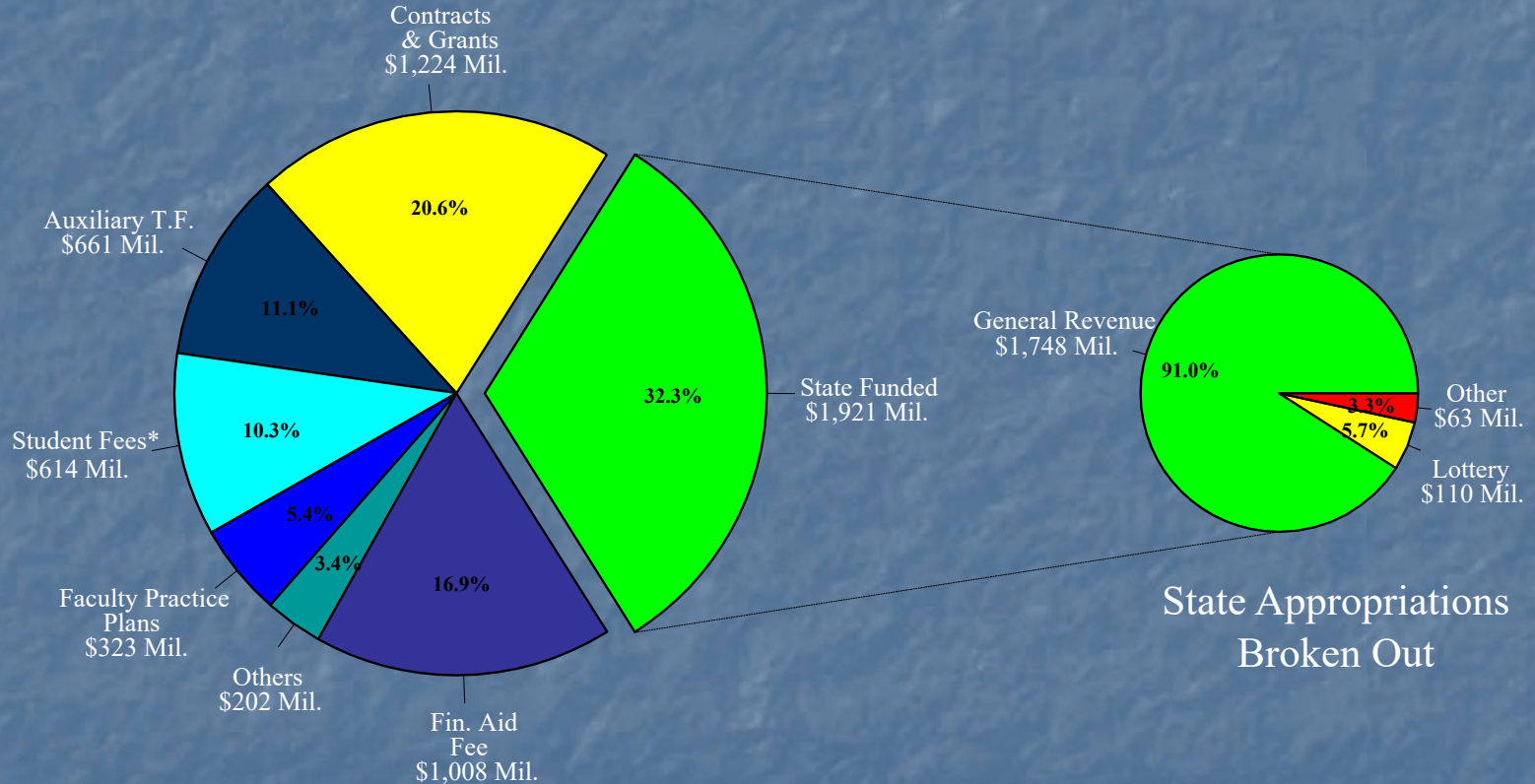
Source: State Tuition, Fees, and Financial Assistance Policies, 2002-03 (SHEEO)



# State University System

## 2002-03 TOTAL BUDGET, SOURCE OF FUNDS

### \$5.952 BILLION TOTAL BUDGET



\*Includes Special Unit Student Fee T.F.

Source: 2002-2003 Operating Budgets

P&A: BOOK967L.PRS 8/27/03

# Florida Tuition Increases

## 2003-2004

- 8.5% across the board
- Up to an additional 6.5% discretionary increase for all levels except in-state Undergraduate
- 4 universities used the full 6.5% discretionary authority
- 1 university did not use any of the discretionary authority

## 2002-2003

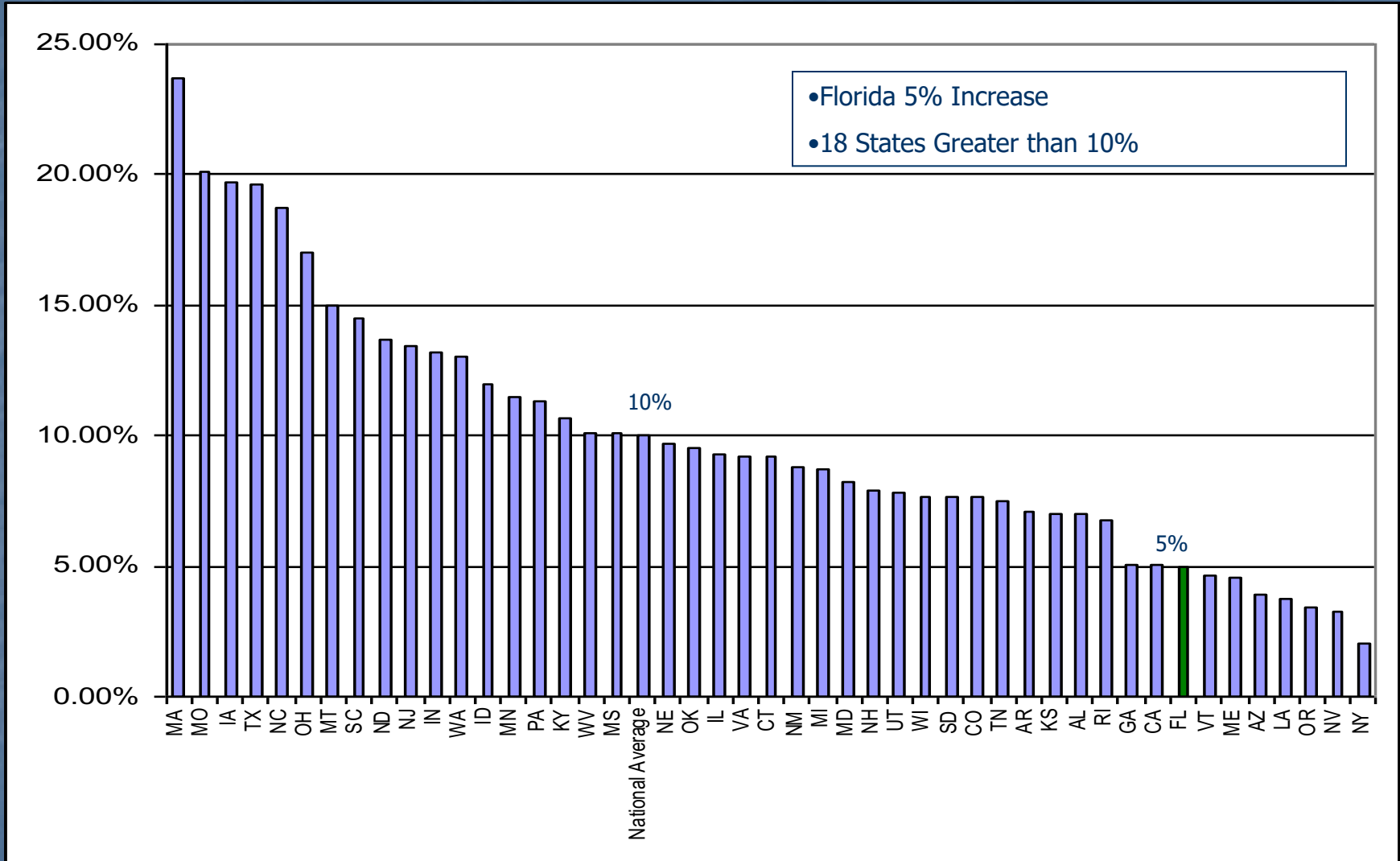
- 5% across the board for in-state students
- Up to an additional 5% discretionary increase for in-state graduate students
- 10% across the board for out-of-state students
- Up to an additional 10% discretionary increase for all out-of-state students



# 2002-2003 Tuition Increases in other States

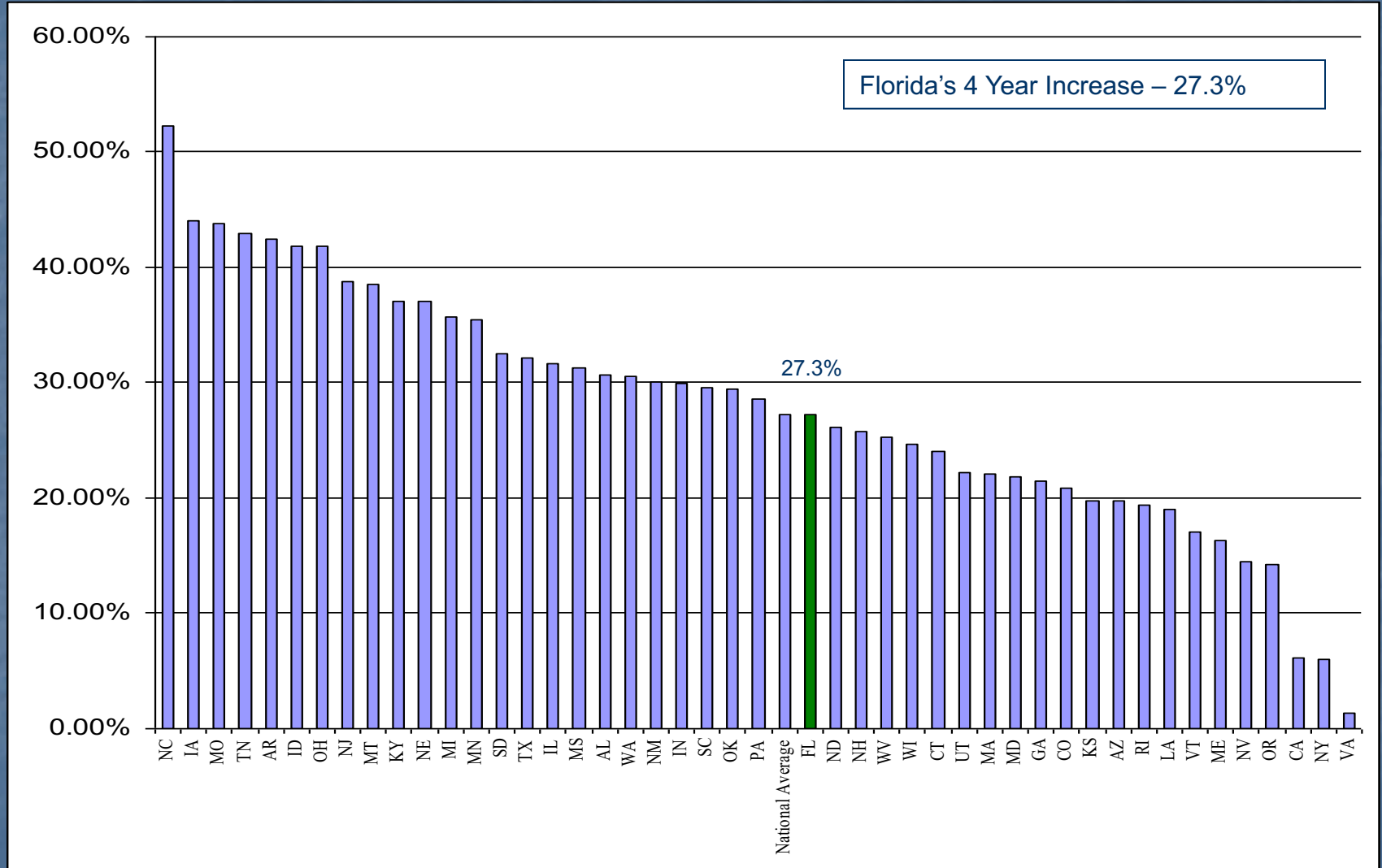
- 18 states increased tuition and fees 10 percent or more as compared to nine states in 2001-02
- Two states increased tuition and fees more than 20 percent and one state increased tuition and fees 3 percent or less

# Comprehensive Institutions Resident Undergraduate Tuition Increases in 2002-03



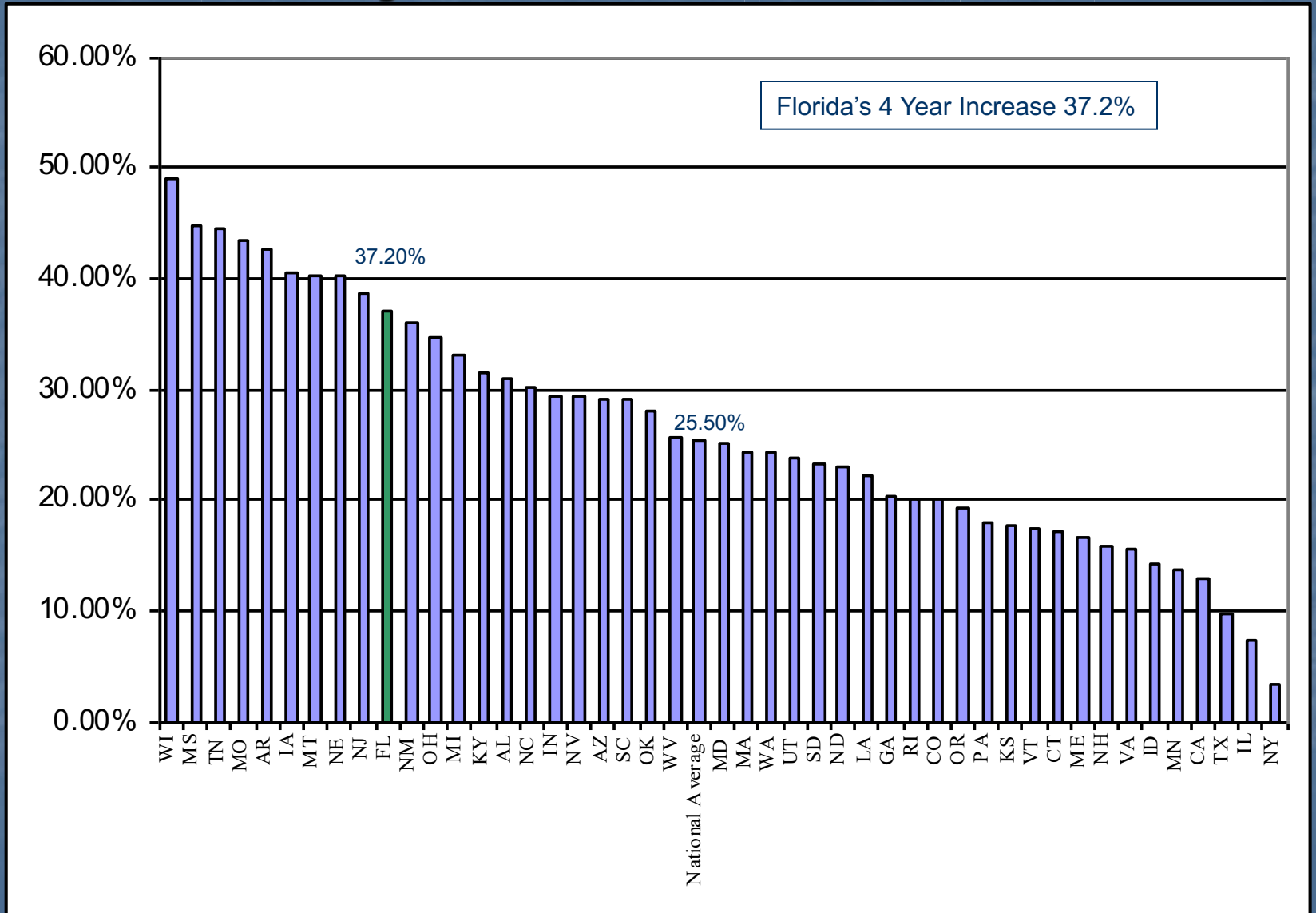


# Resident Undergraduate Tuition and Required Fees (State Averages) Comprehensive Colleges and Universities Percentage Increase from 1998-99 to 2002-2003



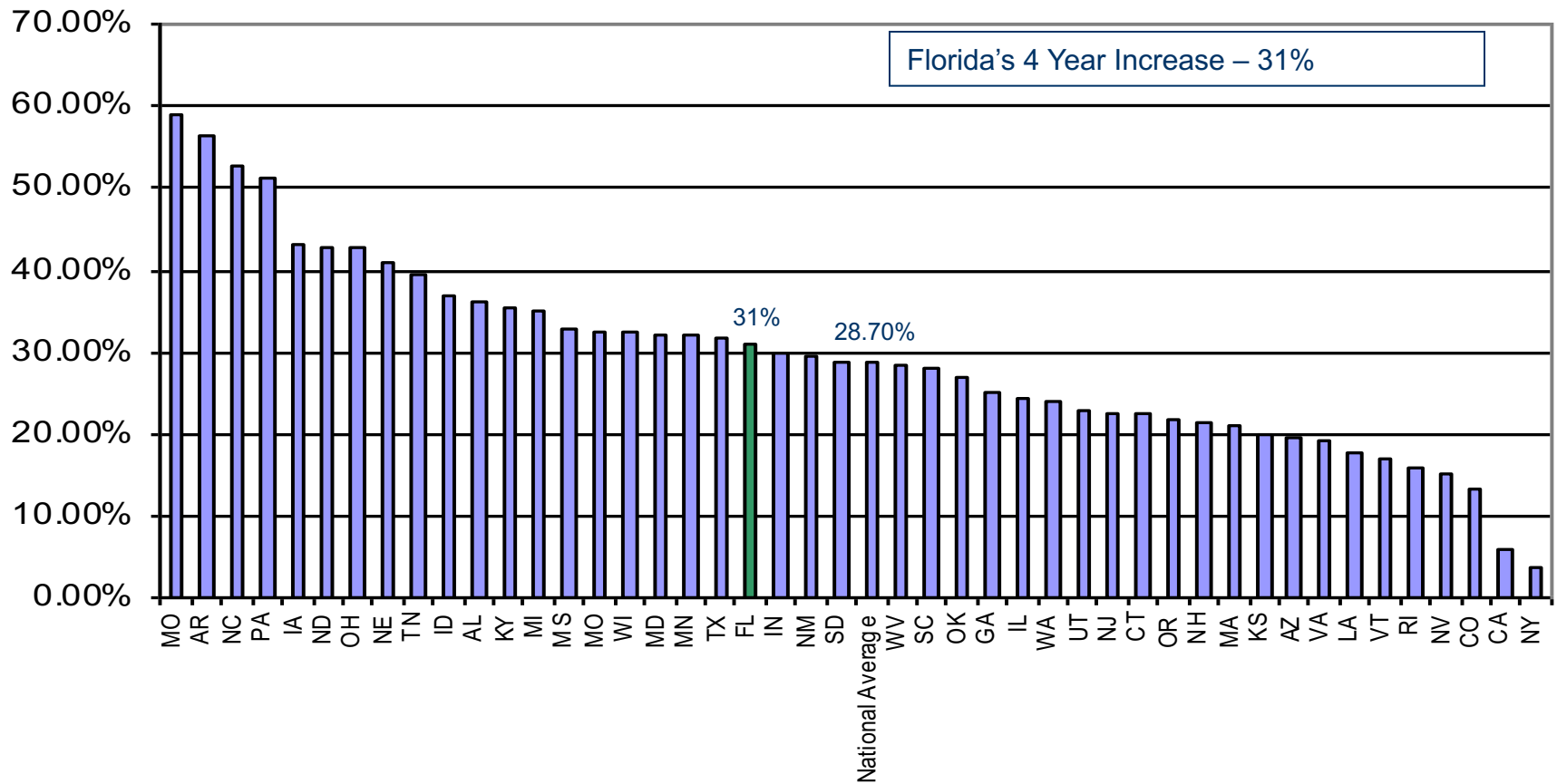
Source: Washington State Tuition and Fee Report, January 2003. Washington Higher Education Coordinating Board

# Nonresident Undergraduate Tuition and Required Fees (State Averages) Comprehensive Colleges and State Universities Percentage Increase from 1998-99 to 2002-2003

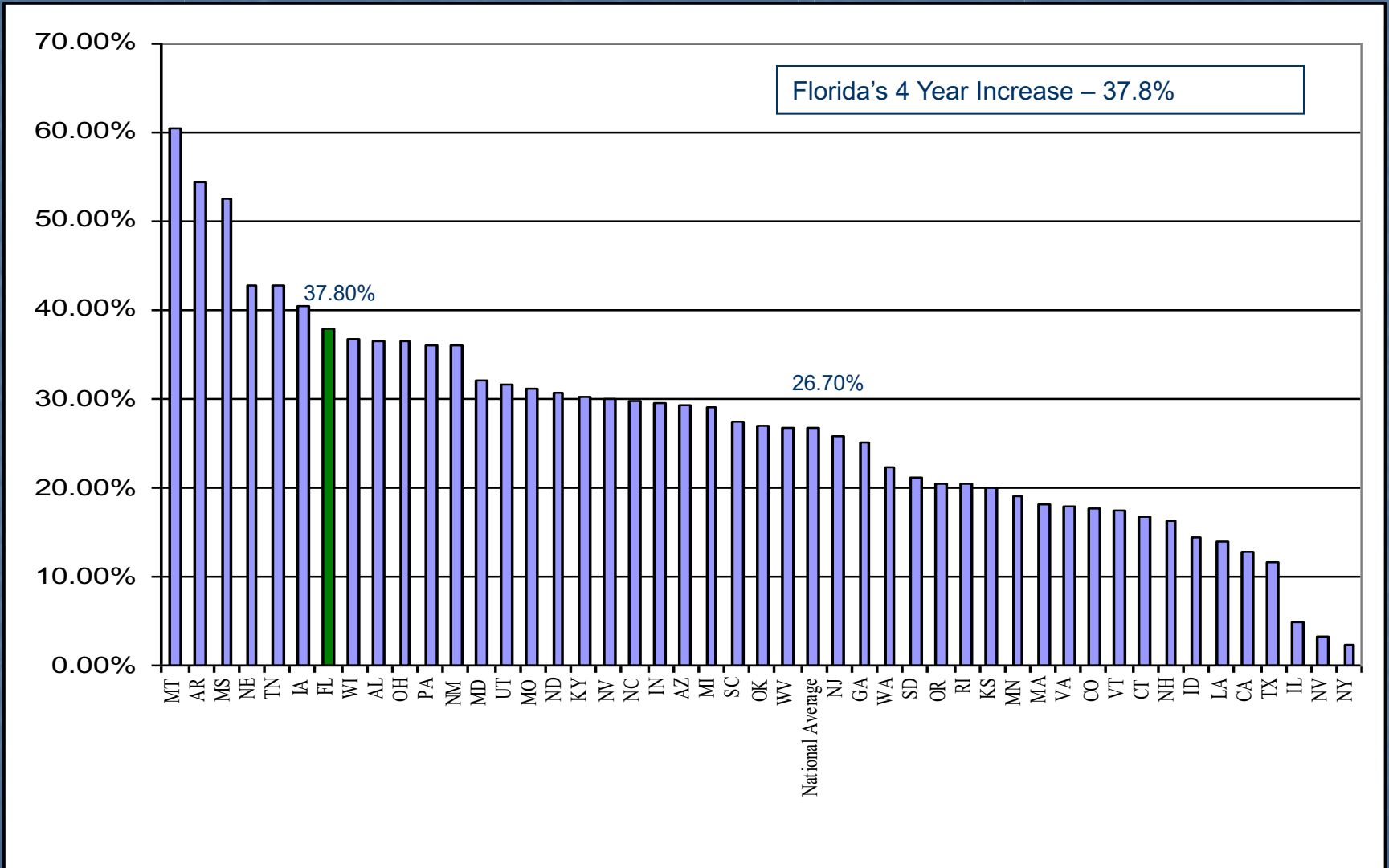




# Resident Graduate Tuition and Required Fees (State Averages) Comprehensive Colleges and State Universities Percentage Increase from 1998-99 to 2002-2003

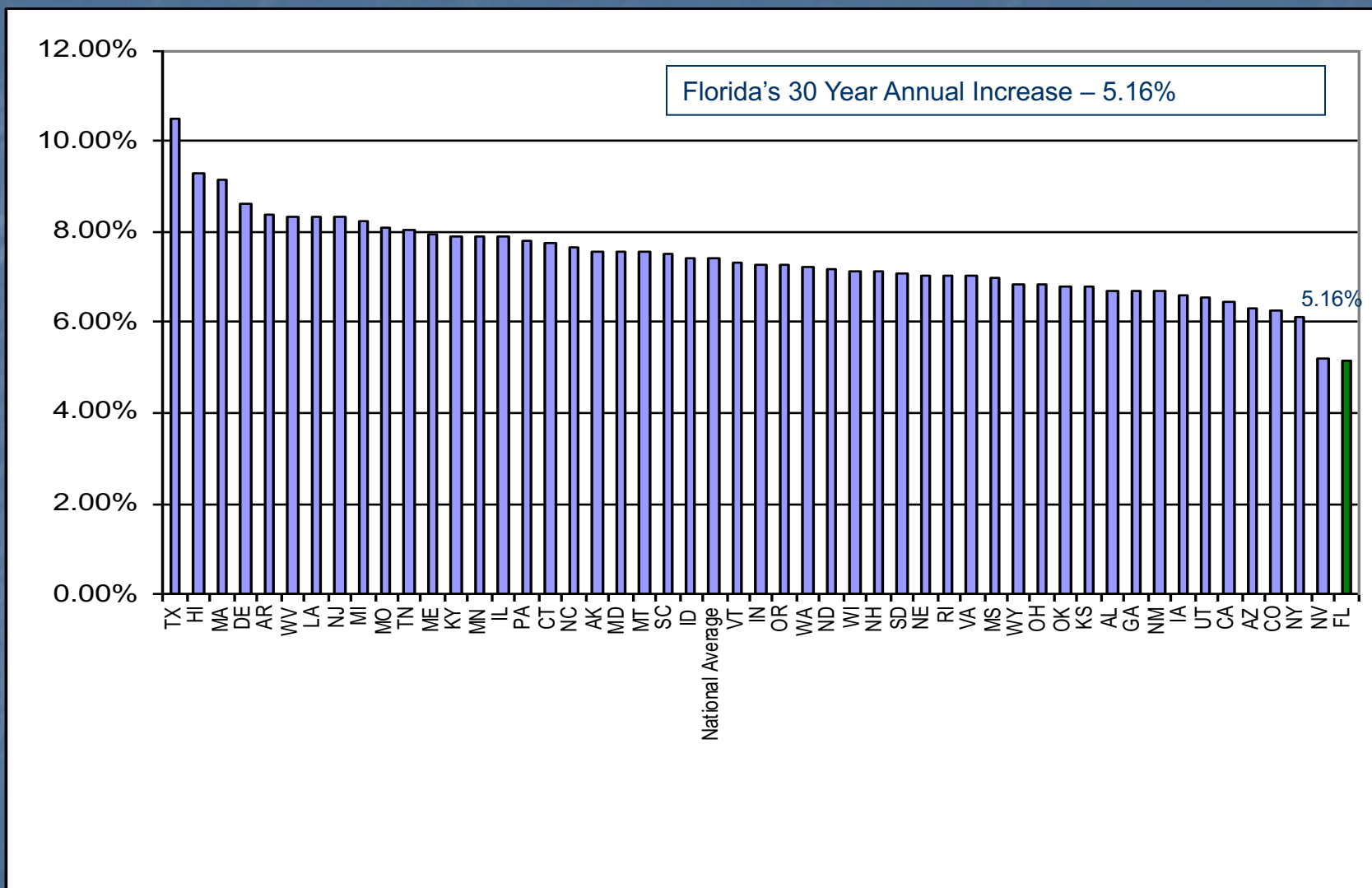


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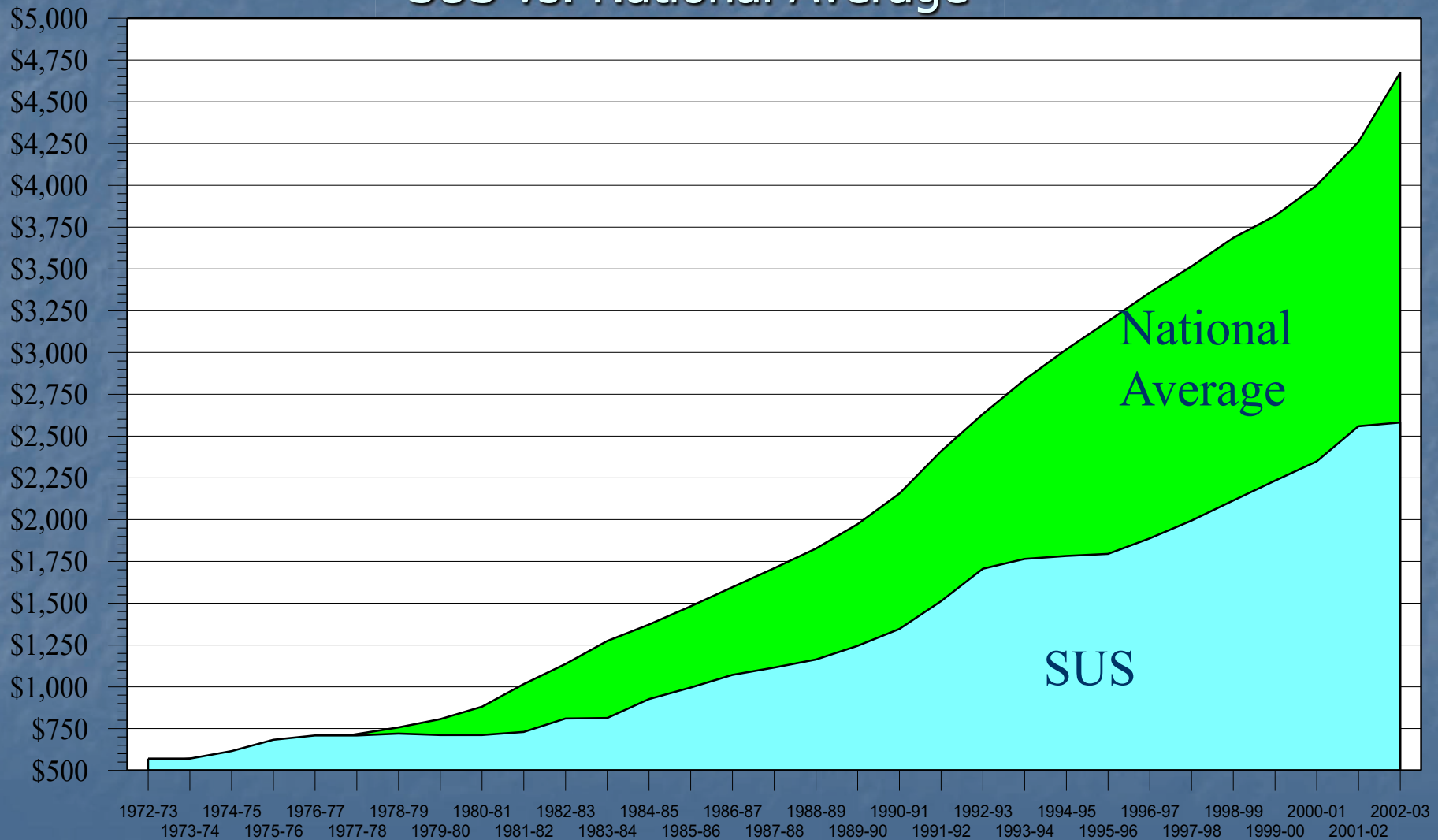




# Resident Undergraduate Tuition and Required Fees, Public Universities Average Annual Percentage Increase, 1972-73 to 2002-03



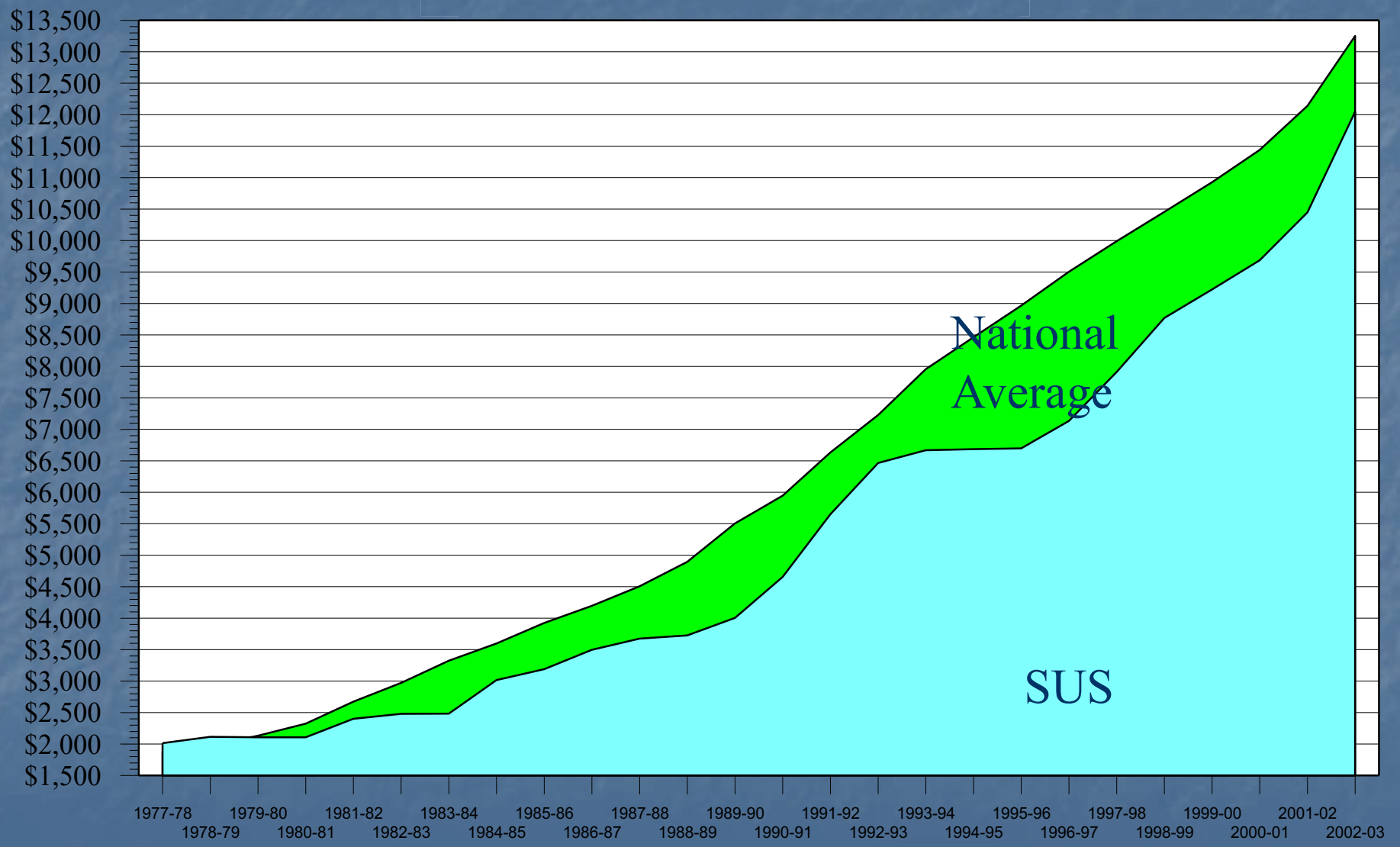
# Resident Undergraduate Tuition and Required Fees SUS vs. National Average



Source: Washington Higher Education Coordinating Board Surveys

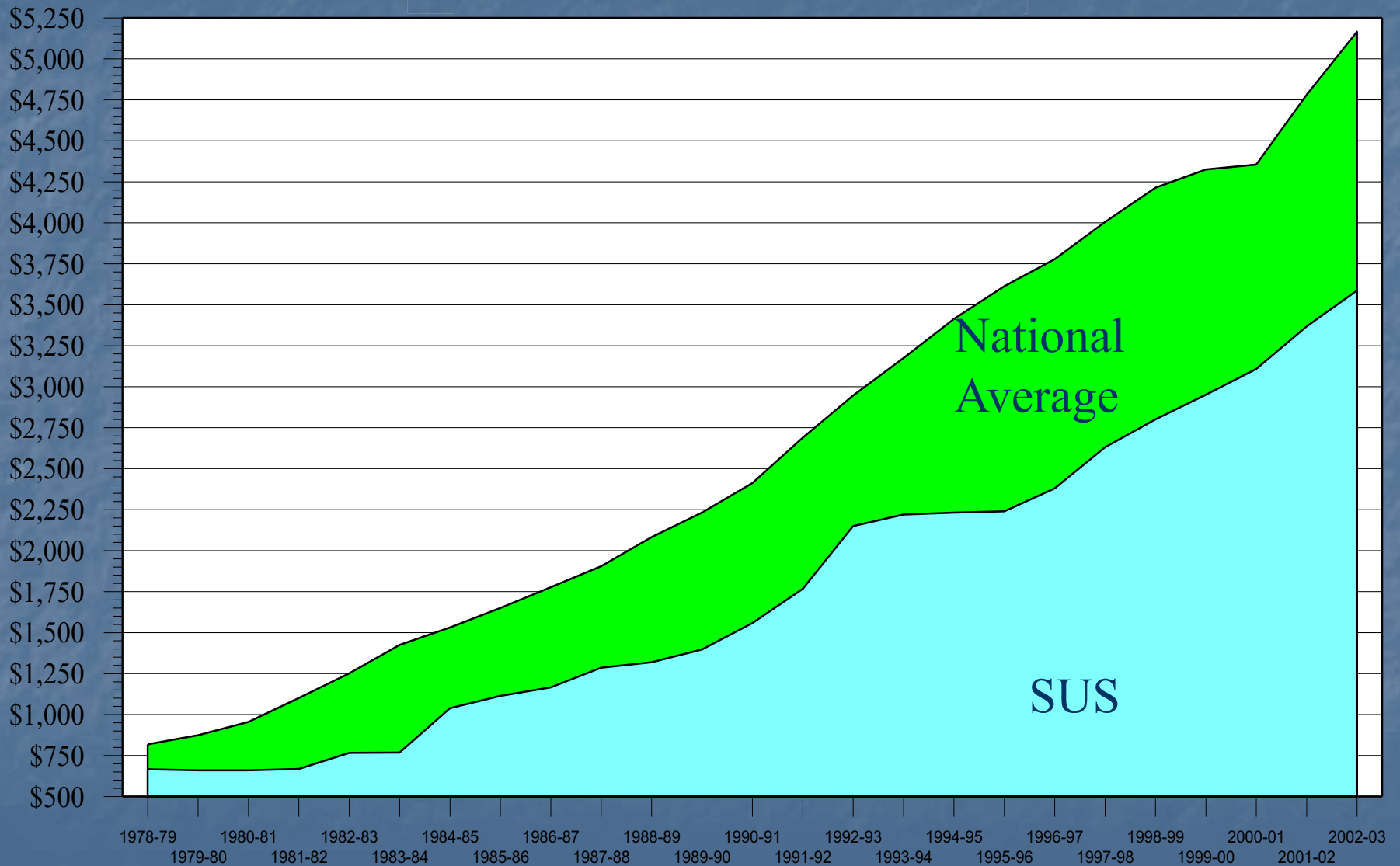


# Non-Resident Undergraduate Tuition and Required Fees SUS vs. National Average



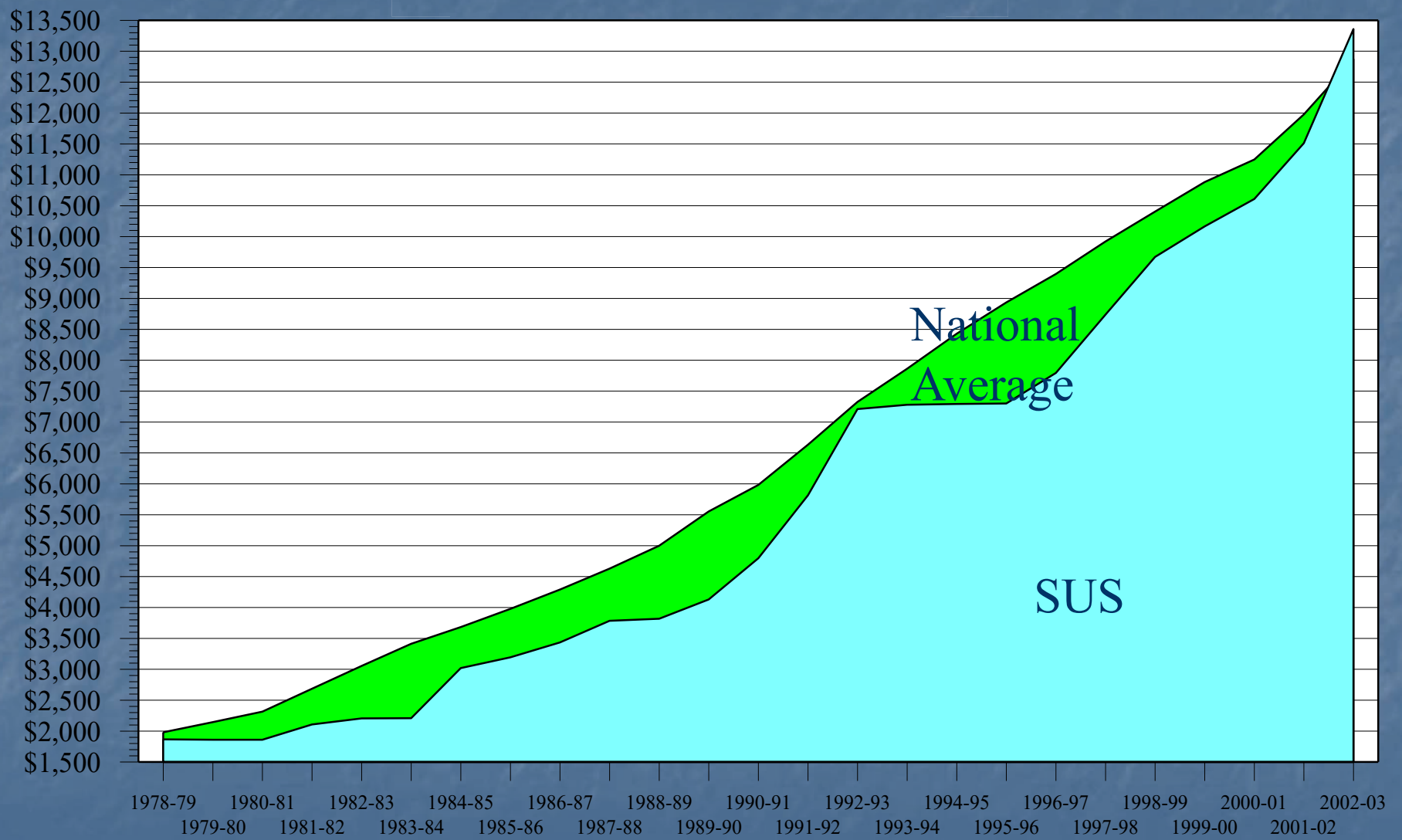
Source: Washington Higher Education Coordinating Board Surveys

# Resident Graduate Tuition and Required Fees SUS vs. National Average



Source: Washington Higher Education Coordinating Board Surveys

# Non-Resident Graduate Tuition and Required Fees SUS vs. National Average





# Block/Flat Tuition

- In twenty-nine states, tuition is set at a flat rate for full time students (State Higher Education Executive Officers report dated June 2003)
- Examples of Institutions
  - Texas Higher Education System implemented block fees for 12-18 credit hours
  - Indiana-Bloomington implemented block fees for students taking 12 to 17 hours
  - Oklahoma State University proposed to implement block fees for students taking 12 hours or more, however it was not approved
- Advantages
  - It may increase the number of students that complete their degrees in four years because they can take additional courses for the same amount of tuition.
  - It may generate additional revenue, however that is dependent on how the tuition increase is implemented.
- Disadvantages
  - It may decrease the number of students that complete their degrees in four years because they may take less courses based on the block tuition.
  - If the required course offerings are not increased; the necessary courses will not be available. Therefore, it may not shorten the time to obtain a degree.

# Flexibility of Tuition and Fees

**Present Situation:** Only two other states have lower university tuition than Florida, when comparing the amount of tuition and fees charged to resident undergraduates at public universities. For community colleges, Florida ranks 30<sup>th</sup> among the states in the amount of fees charged to residents for college credit programs.

## Recommendation:

Allow tuition and fee flexibility to move to the national average of public institutions\*

### Pros

- ☐ Provides additional fiscal resources to institutions
- ☐ Increases incentive to enroll students and expand access
- ☐ Increases student's incentive to complete programs and use state-subsidized institutions efficiently

➤ Allow institutions flexibility to propose tuition and fee increases up to the national average of their peers. Proposals for increases should be tied to mission of the institution and recognize state goals for improving quality and expanding access.

➤ To implement this recommendation, institutions should submit a tuition and fees plan for approval by FBOE. Plans need not be limited to across-the-board increases.

➤ Allow different tuition levels for different programs

➤ Use tuition rate incentives to encourage students to accelerate their progress

➤ Charge more for excess hours beyond graduation requirements

➤ Require institutions to fund need-based financial aid programs

➤ Offer incentives for 2+2 and off-peak enrollment to make better use of staff and facilities

➤ Offer block tuition rates

➤ Refund out-of-state tuition differentials for out-of-state students who obtain employment and remain in Florida after graduation

### Cons

- ☐ Increases costs for many students
- ☐ Increases demand for need-based financial aid
- ☐ Requires changes to Bright Futures
- ☐ Jeopardizes current configuration of Florida Prepaid College Program

\*See attached *Minority Report*



# Types of Fees

- Statutory Fees

- Local Fees

- Other Authorized Fees



# Statutory Fees

- Financial Aid Fee – Not to exceed 5 percent of tuition – SUS average is \$3.17 per credit hour for undergraduate residents
- Building Fee – \$2.32 per credit hour
- Capital Improvement Fee - \$2.44 per credit hour

# Local Fees

These fees are also included in Section 1009.24, Florida Statutes, and the increase in fees is determined by a fee committee, at least one-half of whom are students appointed by the student body president. Final approval rests with the university boards of trustees.

- Activity and Service Fee – SUS average is \$9.19
- Athletic Fee – SUS average is \$8.07
- Health Fee – SUS average is \$5.33

These fees are capped at 40 percent of tuition.



# Other Authorized Fees\*

- Non-refundable application fee – not to exceed \$30
- Orientation fee – not to exceed \$35
- Late-payment fee – not less than \$50 and not more than \$100
- Materials and supplies fees
- Library fees and fines
- Duplicating, photocopying, binding, and copyright services fees
- Traffic and parking fines
- Transcripts and diploma replacement fees– not to exceed \$10
- Non-refundable admissions deposit fee – not to exceed \$200
- Transportation Access Fee

\* This list is not all-inclusive. See Section 1009.24, Florida Statutes



# Average 2003-04 Undergraduate Resident Charges

Tuition/Fees	Per Credit Hour	Credit hours	Cost
Tuition	\$63.41	30	\$1,902
Financial Aid Fee	\$ 3.17	30	\$ 95
Building Fee	\$ 2.32	30	\$ 70
Capital Improvement Fee	\$2.44	30	\$ 73
A&S Fee	\$9.19	30	\$ 276
Athletic Fee	\$8.07	30	\$ 242
Health Fee	\$5.33	30	\$ 160
Total	\$93.93	30	\$2,818

# Where do we go from here?

- Tuition Decision
  - Legislature
  - Institutional Decision
  - Board of Governors
  - Combination
- Financial Impact
  - Students
  - State
  - Bright Futures
  - Florida PrePaid Program
- Tuition Options
  - Per Credit Hour
  - Block/Flat Fee
  - Differential based on discipline
  - Differential based on mode of delivery
  - Differential based on location, day of week, time of day
  - Differential based on lower, upper level, or doctoral