Tuition, Fees, Allocations and Salary & Wage Administration Policy
April 18, 2017

Shelley C. Nickel, Executive Vice Chancellor for Strategy and Fiscal Affairs
Tracey Cook, Associate Vice Chancellor for Fiscal Affairs/Budget Director
Susan Ridley, Associate Vice Chancellor for Fiscal Affairs/Finance Director
Agenda

APPROVAL ITEMS

1. Fiscal Year 2017 Amended Budget
2. Fiscal Year 2018 Tuition
3. Fiscal Year 2018 Mandatory Fees
4. Fiscal Year 2018 Elective Fees and Special Charges
5. Fiscal Year 2018 Budget Allocations
6. Fiscal Year 2018 Salary and Wage Administration Policy

INFORMATION ITEM

7. Fiscal Year 2018 Housing and Food Service Fees
Fiscal Year 2017 Amended (HB43)

Total FY 2017 Original Budget $2,145,702,074

GCSU: Establish GA Center for Early Language & Literacy $2,364,857
Georgia Archives: One-time funds to relocate Records Center 1,500,000
Other 3,400,491

Net Change to FY17 Amended $7,265,348

Total FY 2017 Amended Budget $2,152,967,422
Approval Item #1

**Recommended:** That the Board approve the allocation of state appropriations for the FY 2017 Amended Budget
Agenda

APPROVAL ITEMS

1. Fiscal Year 2017 Amended Budget
2. Fiscal Year 2018 Tuition (Undergraduate, Graduate, Online)
3. Fiscal Year 2018 Mandatory Fees
4. Fiscal Year 2018 Elective Fees and Special Charges
5. Fiscal Year 2018 Budget Allocations
6. Fiscal Year 2018 Salary and Wage Administration Policy

INFORMATION ITEM

7. Fiscal Year 2018 Housing and Food Service Fees
Tuition Considerations

• Balancing Quality Instruction and Affordability
  – USG moved from 7th lowest to 6th lowest among 4-year institutions in the Southern Regional Education Board (SREB) states in FY16
  – Over the past five years, USG kept tuition increases at an average of 2.4%

• Funding Formula Envisions Shared Cost Approach
  – State Fund/Tuition Partnership

• Resources Needed to Maintain Quality Instruction
  – Faculty, Student Support Staff, Technology and Other Operating Expenditures
Public Four-Year Colleges and Universities
Annual Tuition and Required Fees for In-State Undergraduates, 2015-2016

<table>
<thead>
<tr>
<th>SREB states</th>
<th>$7,632</th>
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<tbody>
<tr>
<td>Virginia</td>
<td>$11,011</td>
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<tr>
<td>South Carolina</td>
<td>$10,735</td>
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<tr>
<td>Delaware</td>
<td>$10,026</td>
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<tr>
<td>Alabama</td>
<td>$9,358</td>
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<tr>
<td>Kentucky</td>
<td>$8,785</td>
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<tr>
<td>Maryland</td>
<td>$8,488</td>
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<td>Tennessee</td>
<td>$8,356</td>
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<td>Texas</td>
<td>$7,864</td>
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<tr>
<td>Arkansas</td>
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<tr>
<td>Louisiana</td>
<td>$7,362</td>
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<tr>
<td>Georgia</td>
<td>$7,117</td>
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<tr>
<td>West Virginia</td>
<td>$6,702</td>
</tr>
<tr>
<td>Mississippi</td>
<td>$6,686</td>
</tr>
<tr>
<td>North Carolina</td>
<td>$6,580</td>
</tr>
<tr>
<td>Florida</td>
<td>$6,368</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>$5,975</td>
</tr>
</tbody>
</table>

Georgia now has the 6th lowest tuition/fees among SREB states
Tuition Considerations

• Balancing Quality Instruction and Affordability
  – USG moved from 7th lowest to 6th lowest among 4-year institutions in the Southern Regional Education Board (SREB) states in FY16
  – Over the past five years, USG kept tuition increases at an average of 2.5%

• Funding Formula Envisions Shared Cost Approach
  – State Fund/Tuition Partnership

• Resources Needed to Maintain Quality Instruction
  – Faculty, Student Support Staff, Technology and Other Operating Expenditures
Undergraduate Tuition – Appendix IIA

• Recommend a 2% Increase for All USG Institutions ($27 to $98 per semester)

• Impact on Full-Time, In-State Students (per semester):
  • Research Universities – $51 to $98
  • Regional Universities – $52 to $53
  • State Universities – $27 to $72
  • State Colleges – $27 to $38

• Percent Increases Apply to In-State and Out-of-State Students
Graduate Tuition – Appendix IIB

- 19 of 28 institutions offer graduate programs
- 11 institutions did not request an increase graduate tuition rates
- Recommend that increases are limited to 2.5% for the upcoming year, with few exceptions for professional programs at GTECH and GSU
- Establish tuition rate for new DNP Nurse Anesthesia Program at Augusta University
Distance Learning (Online) Tuition
Appendix IIC

• FY 2017 Rates Frozen for FY 2018 (0% increase)

• KSU and UNG requested a reduction to FY 2018 rates

• eCore rate reduced from $169 to $159
Approval Item #2

Recommended:

• That the Board approve the undergraduate tuition rates for fiscal year 2018, which reflect a 2% increase for all institutions as outlined in Appendix IIA

• That the Board approve the graduate tuition rates for fiscal year 2018, as outlined in Appendix IIB

• That the Board approve the distance learning tuition rates (e-tuition rates) for fiscal year 2018, as outlined in Appendix IIC
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INFORMATION ITEM

7. Fiscal Year 2018 Housing and Food Service Fees
Mandatory Student Fees
Appendix III

- Mandatory Fee Recommendations:
  - 12 fee increases, 3 fee decreases
    - 4 Health Fees, 3 PPVs
  - Decrease in overall mandatory fees at UGA
  - New fee structure at Albany State University

- Continued progress towards eliminating mandatory commuter meal plan
  - Remaining plans will be eliminated by FY 2019

Mandatory Student Fees are the primary funding source for student activities, student technology, athletic programs, student centers, parking and transportation, health services, and other non-academic, student-focused facilities.
Approval Item #3

**Recommended:** That the Board approve the proposed mandatory student fees for fiscal year 2018 for institutions of the University System of Georgia, to become effective Fall semester 2017 as detailed in Appendix IIIA
Agenda

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INFORMATION ITEM

7. Fiscal Year 2018 Housing and Food Service Fees
Elective Fees and Special Fees Requiring Board Approval

- Several changes have been made to Board policy to increase review and oversight of certain elective fees and special charges
  - ensure that fees charged to all students within a particular course are necessary and provide a direct and additional benefit
  - specific degree program require Board approval

- Course fees and degree program fees are not intended to supplant tuition
Elective Fees and Special Charges

• The majority of elective fees and special charges will continue to be set at the institution level at the discretion of the President

• Appendix IIIB includes the list of fees recommended for continuation

• Page 9 of the agenda includes the list of fees recommended for discontinuation

• Some institutions did not request the continuation of existing fees

• Elective fees and special charges will be reviewed on an annual basis to determine use, effectiveness and appropriateness for continuation
Agenda Item #4

Pursuant to Board Policy 7.3.2.2

**Recommended**: That the Board approve the fiscal year 2018 elective fees and special charges being recommended for continuation as outlined in Appendix IIIB

**Recommended**: That the Board deny the continuation of elective fees and special charges as outlined on page 9. These fees must be discontinued Fall semester 2017
 Agenda

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INFORMATION ITEM

7. Fiscal Year 2018 Housing and Food Service Fees
University System Fall Enrollment

Increase of 1.6%

Dual Enrollment
FY 2017 State Funds Budget $ 2,145,702,074

Formula Enrollment Growth 66,695,501
Maintenance and Operation Funds for New Facilities 3,425,181
Health Insurance, Retiree Health and Life Benefits 9,968,494
Teachers Retirement System (TRS) from 14.27% to 16.81% 36,755,599
Increase for Merit-Based Pay 43,042,411
Eliminate funds for FY17 cash funded MRR (8,000,000)
Other Adjustments, net 7,496,716

Increase State General Funds (7.43%) 159,383,902

FY 2018 State Funds Budget $ 2,305,085,976

Formula Funds are the State’s Contribution to Student Success
USG State Funds per Fall Student FTE

FY 1994: $5,412
FY 1995: $5,643
FY 1996: $6,059
FY 1997: $6,059
FY 1998: $6,539
FY 1999: $6,930
FY 2000: $7,972
FY 2001: $8,257
FY 2002: $8,294
FY 2003: $8,128
FY 2004: $7,422
FY 2005: $6,857
FY 2006: $6,746
FY 2007: $7,422
FY 2008: $7,266
FY 2009: $7,937
FY 2010: $8,191
FY 2011: $7,239
FY 2012: $6,297
FY 2013: $5,930
FY 2014: $6,347
FY 2015: $6,200
FY 2016: $6,513
FY 2017: $6,766
FY 2018: $7,227
## FY 2018 Capital Budget

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Cost</th>
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<tbody>
<tr>
<td>Major Repair and Renovation</td>
<td>$50,000,000</td>
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<tr>
<td>Equipment (6 Projects)</td>
<td>$9,200,000</td>
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<tr>
<td>Construction (6 Projects)</td>
<td>$116,900,000</td>
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<tr>
<td>Planning and Design (5 Projects)</td>
<td>$16,100,000</td>
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<tr>
<td>Other Capital Outlay (3 Projects)</td>
<td>$14,795,000</td>
</tr>
<tr>
<td>Small Capital Projects (9 Projects)</td>
<td>$36,000,000</td>
</tr>
<tr>
<td>Georgia Public Libraries</td>
<td>$13,875,000</td>
</tr>
<tr>
<td><strong>Total – USG Capital Budget</strong></td>
<td><strong>$256,870,000</strong></td>
</tr>
</tbody>
</table>
State Funds Allocation Strategy

• Chancellor – Budget Hearings with all institutions
• $66.7 million provided in new funding for enrollment (Academic year 2016 over 2015)
  – Allocations address 21 institutions with enrollment increases and 7 institutions with enrollment declines
  – Strategy/Method:
    • Enrollment gains honored to fullest extent possible
    • Enrollment declines implemented on a case-by-case basis
• Merit funds allocated in proportion to salary
• M&O allocated based on square footage
• Health and retirement benefits follow personnel
• Other operating and capital funds based on legislative intent
**Agenda Item #5**

**Recommended**: That the Board approve the allocation of state appropriations for FY 2018 among institutions and operating units as outlined in Appendix IV

**Recommended**: That the Board approve the FY 2018 Capital Budget totaling $256,870,000 as outlined in Appendix V

All allocations are pending signature of House Bill (HB) 44 by the Governor.
Agenda

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INFORMATION ITEM

7. Fiscal Year 2018 Housing and Food Service Fees
Salary and Wage Administration

- $43.0 Million in state funds for merit-based pay adjustments
- Salary increases awarded based on merit, special focus on teaching faculty
- Across the board increases are not permitted.
- Range 0% to 4% (Exceptions must be pre-approved by Chancellor)
- Other appropriate fund sources may be utilized to address Market and Compression Issues and Promotions and Reclassifications
Agenda Item #6

**Recommended:** That the Board approve the fiscal year 2018 salary and wage administration policy for the University System of Georgia.
AGENDA

APPROVAL ITEMS

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INFORMATION ITEM

7. Fiscal Year 2018 Housing and Food Service Fees
Housing & Dining Fee Approvals

January 2017 Policy Change
All housing and dining fees will be approved by the Board Treasurer

<table>
<thead>
<tr>
<th>Housing and Dining Rates: Review Criteria</th>
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<tbody>
<tr>
<td><strong>Affordability</strong></td>
</tr>
<tr>
<td>Self-sufficiency, balanced operation of auxiliary</td>
</tr>
<tr>
<td>Ability to support debt service (if applicable)</td>
</tr>
<tr>
<td>Alignment with the Auxiliary 5 year business plan</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Housing</th>
<th>Dining</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comparability to off-campus market rates (where applicable)</td>
<td>Costs and options of mandatory meal plans for resident students</td>
</tr>
<tr>
<td>Comparability to rates for similar room types</td>
<td>Utilization rates</td>
</tr>
<tr>
<td>Comparability to rates within sector for similar product</td>
<td>Comparability of meal plan and retail options within sectors</td>
</tr>
</tbody>
</table>
Housing and Dining Rates

- 55% of total cost of attendance for residential students
- System average = $8,243 per year for residential students

- 1 of 5 USG students live on campus
- 19 institutions require first year students to live on campus

- First Year of Pooled Dining Contract (5 campuses in FY17; 7 campuses in FY18)

- FY 2018 Average System-wide Changes
  - Housing: 2.6% increase
  - Dining: 1.7% increase*

* Does not include KSU or campuses currently negotiating contracts for FY18