

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	<u>3,400,491</u>	
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

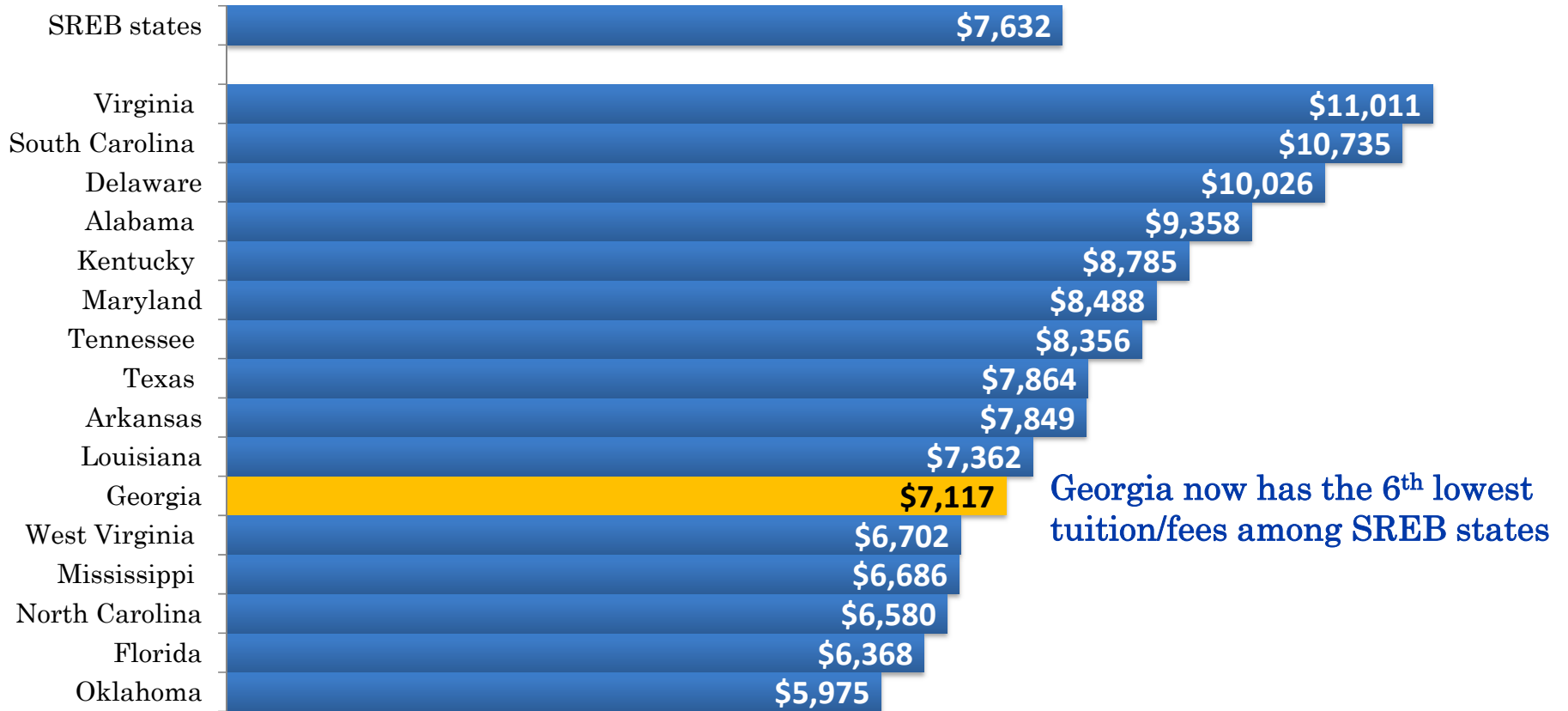


Tuition Considerations

- **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**



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 II C



- 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



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

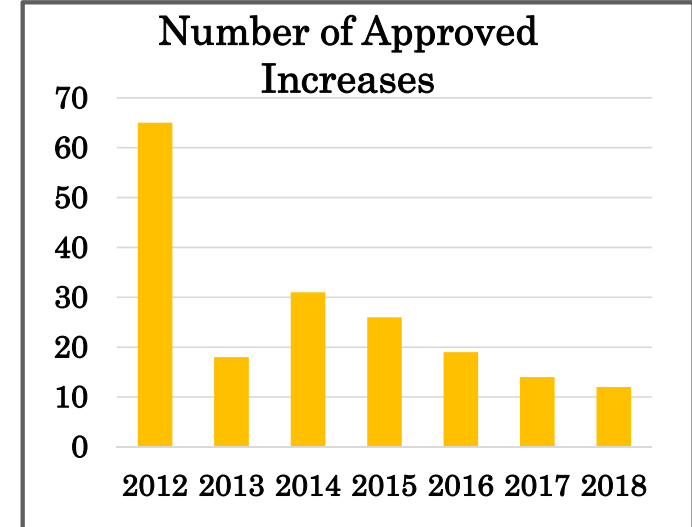


Mandatory Student Fees

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

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



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

APPROVAL ITEMS

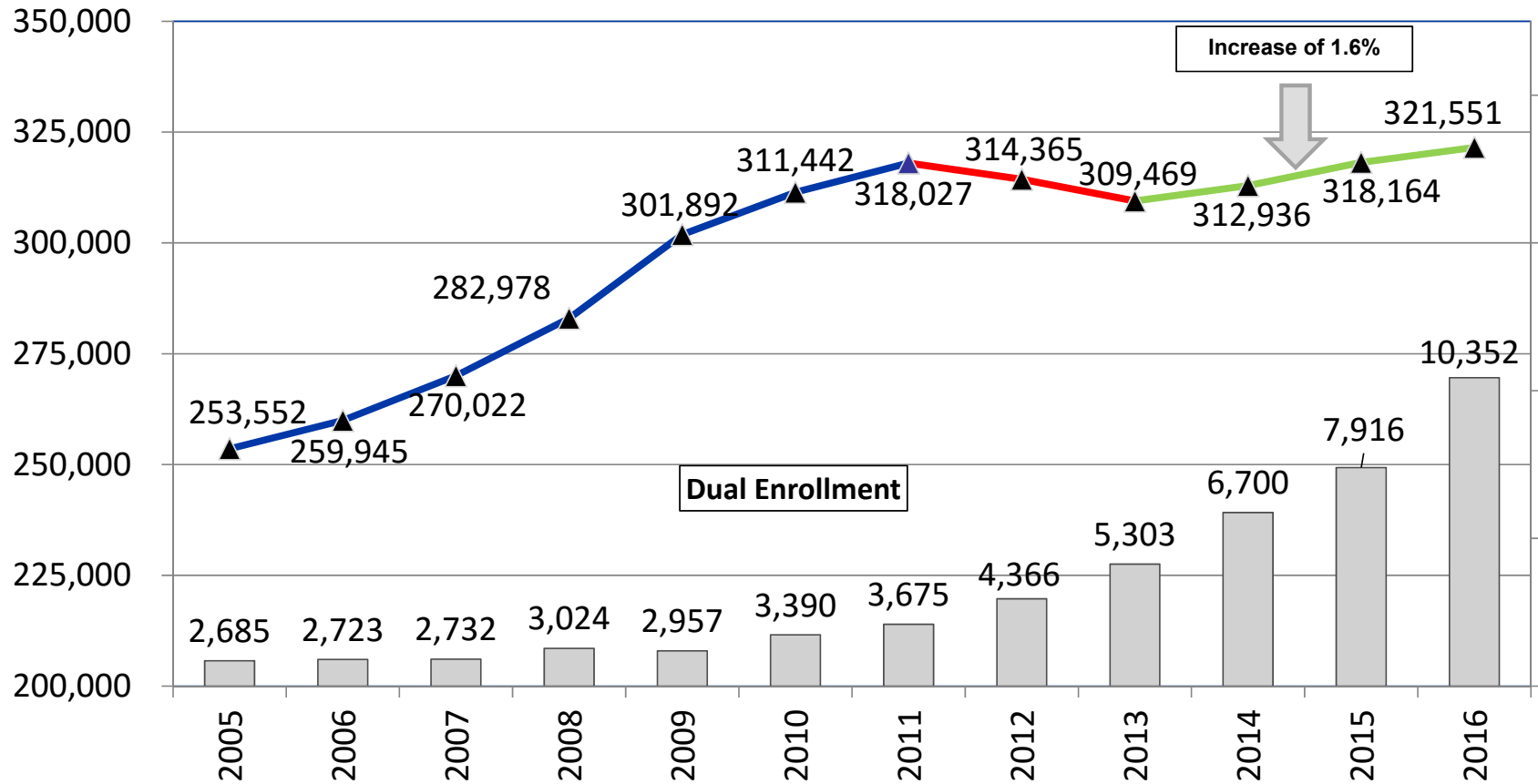
1. Fiscal Year 2017 Amended Budget
2. Fiscal Year 2018 Tuition
3. Fiscal Year 2018 Mandatory Fees
4. Fiscal Year 2018 Elective Fees and Special Charges
- 5. Fiscal Year 2018 Budget Allocations**
6. Fiscal Year 2018 Salary and Wage Administration Policy

INFORMATION ITEM

7. Fiscal Year 2018 Housing and Food Service Fees



University System Fall Enrollment



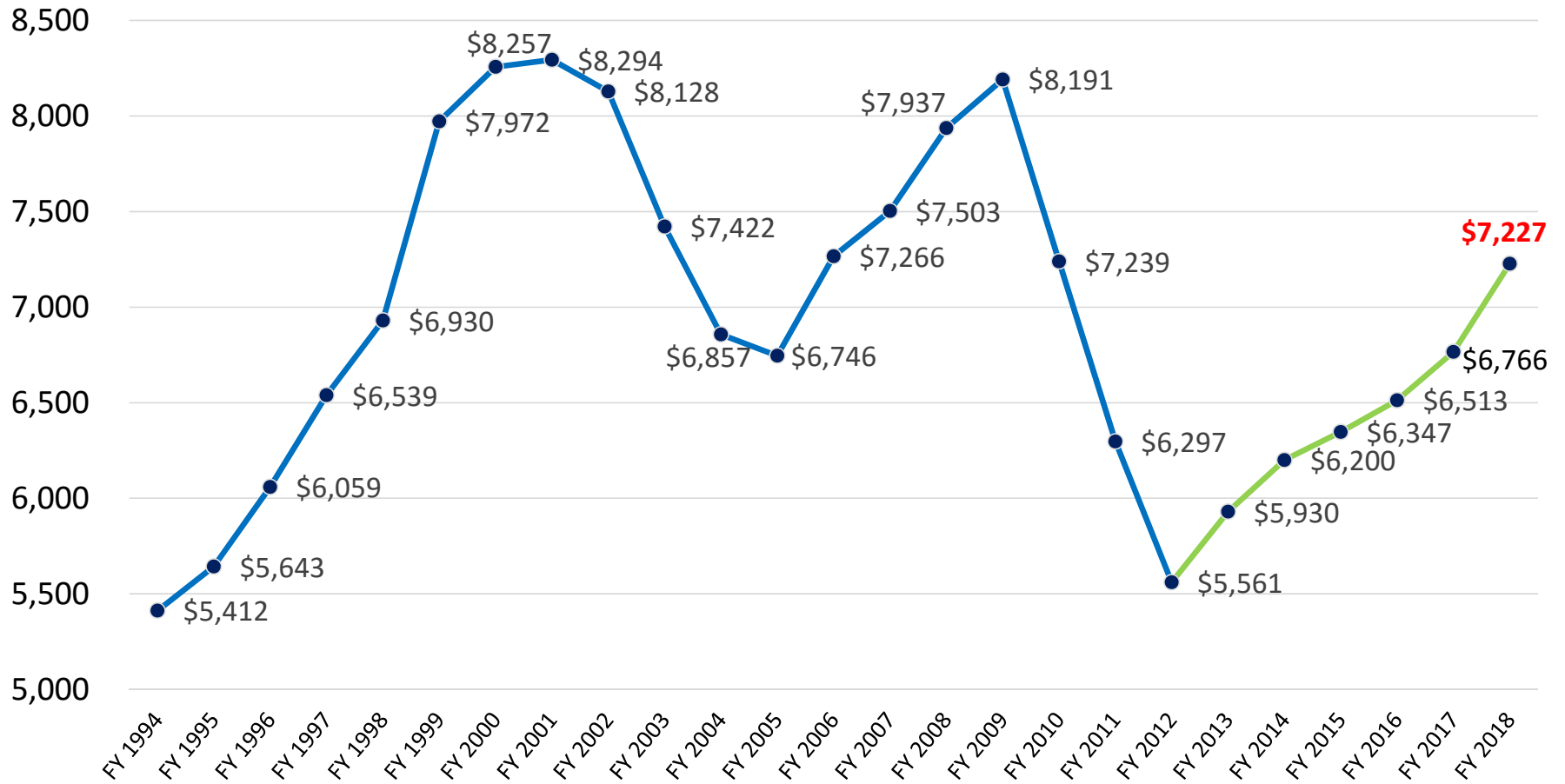


FY 2018 State Funds Budget

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	<u>7,496,716</u>	
Increase State General Funds (7.43%)		<u>159,383,902</u>
FY 2018 State Funds Budget		\$ 2,305,085,976



USG State Funds per Fall Student FTE



FY 2018 Capital Budget

Major Repair and Renovation	\$ 50,000,000
Equipment (6 Projects)	9,200,000
Construction (6 Projects)	116,900,000
Planning and Design (5 Projects)	16,100,000
Other Capital Outlay(3 Projects)	14,795,000
Small Capital Projects (9 Projects)	36,000,000
Georgia Public Libraries	<u>13,875,000</u>
Total – USG Capital Budget	\$ 256,870,000



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

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



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

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**





Housing & Dining Fee Approvals

January 2017 Policy Change

All housing and dining fees will be approved by the Board Treasurer



Housing and Dining Rates: Review Criteria	
Affordability	
Self-sufficiency, balanced operation of auxiliary	
Ability to support debt service (if applicable)	
Alignment with the Auxiliary 5 year business plan	
Housing	Dining
Comparability to off-campus market rates (where applicable)	Costs and options of mandatory meal plans for resident students
Comparability to rates for similar room types	Utilization rates
Comparability to rates within sector for similar product	Comparability of meal plan and retail options within sectors



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

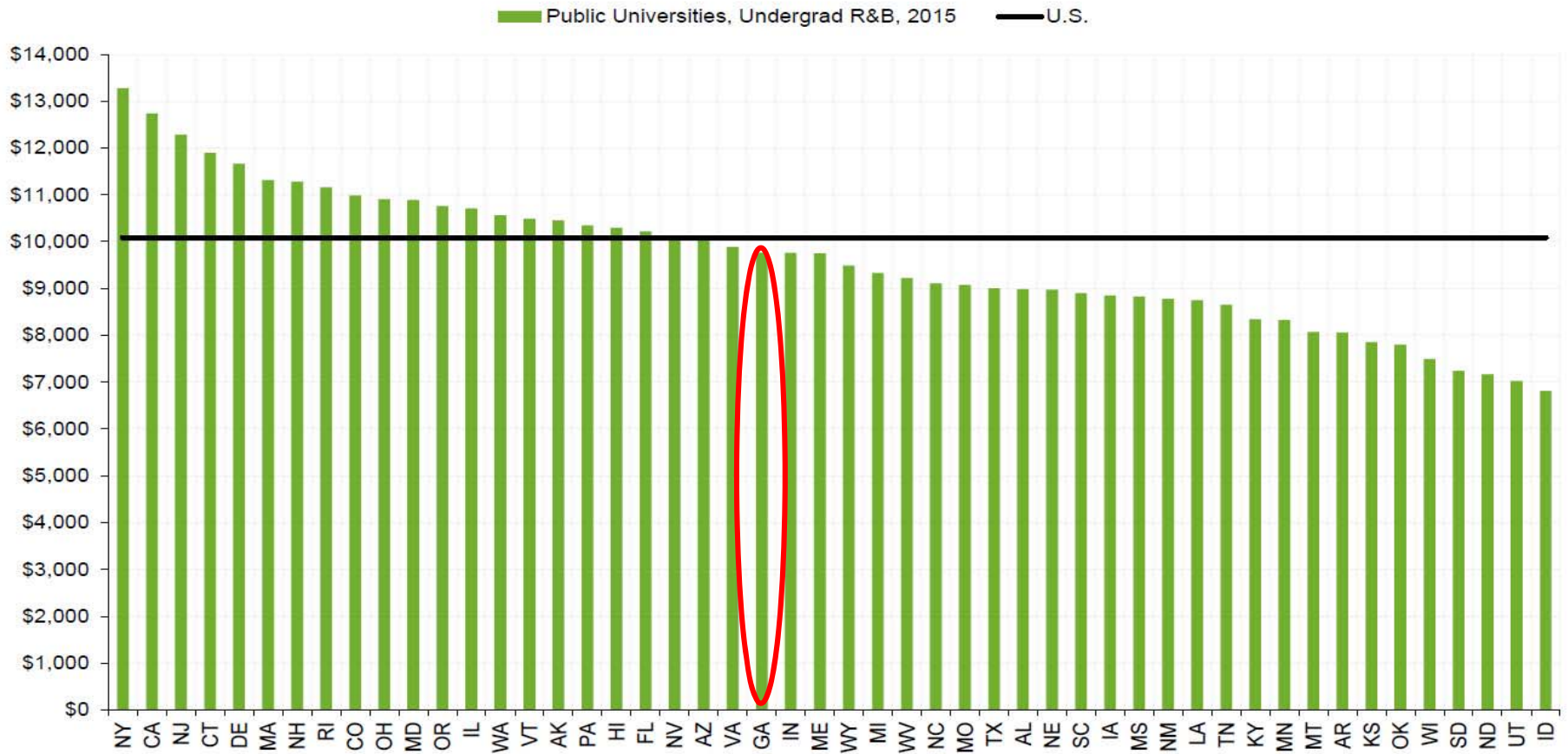
- First Year of Pooled Dining Contract (5 campuses in FY17; 7 campuses in FY18)

- 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



Public Universities: Undergrad Room and Board Cost by State



Sources: Axiometrics, IPEDS, NCES



