

RESOLUTION

concerning

TUITION AND FEE PLANNING GUIDELINES
FOR FY1998-99

October 9, 1997

WHEREAS, Section 10a-99 of the Connecticut General Statutes provides that the Board of Trustees for the Connecticut State University System shall fix fees for such purposes as the Board of Trustees deems necessary, and

WHEREAS, The Board has expressed its concerns that tuition and fee increases, when required, should be at a level that would not impair accessibility to students seeking an education within the Connecticut State University System, and

WHEREAS, The Board recognizes that collective bargaining requirements should be considered in establishing tuition and fee rates for FY1998-99, and

WHEREAS, From a strategic perspective, the Finance, Administration and Development Committee concurs in the actions recommended to be undertaken by the universities and the System Office to insure optimal use of financial resources, now therefore be it

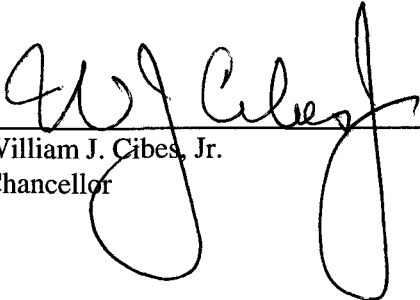
RESOLVED, That the Board shall consider tuition and fee increases for FY1998-99 keyed to the projected rate of inflation as modified by the impact of employee salary increases, and other now unforeseen events together with the catch-up provisions established in FY1995-96 to be accomplished over three years, and be it further

RESOLVED, That the Board shall establish the following tuition and fee planning guidelines for universities to use in preparing proposals for tuition and fees which will be determined by the Board at its December meeting:

- Tuition for in-state undergraduate and graduate programs may be increased uniformly by 2 1/2%. (Projected CPI increase.)
- Tuition for out-of-state undergraduate and graduate programs will remain at the FY1997-98 rate.
- A differential tuition rate increase may be established for certain graduate programs on a university-by-university basis.

- Undergraduate and Graduate Course Fees may be tailored to meet competition.
- Universities may request a differential course fee for non-resident, part-time students.
- University General Fee may be increased by 2 1/2% with the proviso that Southern, Eastern, and Western may present the last year of their three year plan to catch-up with Central on the basis of today's fee charge. The base upon which the fee increase is calculated excludes student accident insurance.
- Housing and Food Service Fees - Housing and food service fees may be increased in the aggregate up to a maximum 6% depending upon the marketplace and the need to recover overhead costs related to the particular activity. The Food Service fee guideline may be impacted by future contract negotiations or increased food costs. The base for calculating the fees excludes the telecommunication charge and the cable television charge for CCSU.
- University Fee is to be increased by 3.5%.
- Information technology fee will have no increase.

A Certified True Copy:



William J. Cibes, Jr.
Chancellor

ITEM

Tuition and Fee Planning Guidelines

BACKGROUND

In December 1995, the Board of Trustees of the Connecticut State University System approved tuition and fee planning guidelines to assist the universities in addressing a number of critical financial issues confronting them. Prior to the development of these guidelines, the Board voted to limit tuition and fee increases for 1995-96 to no more than the rate of inflation. The Board then, and now, continues to express its concern that large tuition and fee increases potentially impair the accessibility of many of Connecticut's citizens to a quality education within the Connecticut State University System. These guidelines continue this philosophy and are to assist the universities as they address critical financial issues for FY1998-99.

ANALYSIS

The tuition and fee guidelines proposed for FY1998-99 project a two and one-half percent increase for in-state students. However, because of the concerns expressed by the presidents with regard to tuition charged to out-of-state students and the universities' ability to compete for them, tuition for full-time out-of-state students will remain at the same level as this year. This guideline could be impacted by unplanned appropriations reductions.

Additionally, the presidents have expressed some concern that the proposed tuition increase of two and one-half percent would not be sufficient to cover the cost of collective bargaining increases and may request, after meeting with the Finance, Administration & Development Committee in November, that the Board consider a further increase sufficient to cover the increment.

The proposed fee guidelines are consistent with the guidelines approved by the Board last year including certain catch-up features regarding housing and the University General fee. The Food Service fee guideline may be impacted by future contract negotiations or increased food costs. With regard to the University fee, an increase of 3.5% is necessary to maintain the revenue stream essential to the funding of proposed student auxiliary services' facilities projected in institutional facilities master plans. With respect to the Information Technology fee established last year, no increase is proposed.

The proposed fee increases will provide the universities with increased revenues essential to meeting collective bargaining requirements for personnel paid from other than appropriated fund sources; to hold harmless tuition and fee increases for our most needy students; and to deal with a number of on-going critical areas of concern to the presidents such as meeting fully the Association of College and Research Library standards (ACRL) for library collections and/or staffing.

The increased revenues will also allow the universities to address, in part, other issues such as (a) insufficient numbers of maintenance staff, (b) meeting Title IX equity requirements with respect to women's athletic programs, and (c) legislatively mandated tuition waivers without a concomitant funding offset as required by the waiver legislation.

Funding Strategies: Last year we identified a number of actions recommended to be undertaken by the universities and the System Office to insure the optimal use of available financial resources. Many of these initiatives are still appropriate. The actions are highlighted below:

STAFF REPORT

FINANCE, ADMINISTRATION AND DEVELOPMENT COMMITTEE

- The universities and the System Office should continue to effect programmatic adjustments and reallocations of financial resources consistent with their strategic plans as opportunities present themselves.
- The universities should take measures to increase their enrollments.
- The universities and the System Office should develop initiatives to increase alumni, other giving, and grants.
- The System should continue to make a case to the Office of Policy and Management and the General Assembly to protect the taxpayer's investment in the CSU physical plant infrastructure by funding appropriate levels of maintenance staff and equipment for new General Fund facilities going on-line. Additionally, to provide funding to finance tuition waivers which exceeds the legislated 2 1/2% threshold.
- Improvements in the quality of our output must be paramount as we move forward.

RECOMMENDATION

Approval of the Tuition and Fee Planning Guidelines