

Agenda Item No. 1.1

AGENDA ITEM BRIEFING

Submitted by: Billy Hamilton, Executive Vice Chancellor and Chief Financial Officer
The Texas A&M University System

Subject: Approval of Increased Undergraduate Non-Resident Designated Tuition at
Texas A&M University

Proposed Board Action:

Approve the proposed increased undergraduate non-resident designated tuition at Texas A&M University to be effective with the fall 2017 semester.

Background Information:

The Texas Education Code provides guidance on all student tuition, fees and charges allowable for collection by institutions of higher education. Many of the authorized tuition and fees require approval from the Board of Regents (Board) prior to implementation. In addition, increases to designated tuition require that the Board hold a public hearing to receive input from students and the general public prior to the increases taking effect.

Texas A&M University proposes an increase of up to \$200 per semester credit hour to the current \$200 non-resident designated tuition rate. The new rate would be no more than \$400 per semester credit hour. This amount is charged in addition to the amount charged to undergraduate resident students.

This increase will only impact new undergraduate non-resident students either transferring or enrolling for the first time. This proposed increase will not impact any currently enrolled undergraduate non-resident students.

A&M System Funding or Other Financial Implications:

Attached.

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THE TEXAS A&M UNIVERSITY SYSTEM
Office of the Executive Vice Chancellor and Chief Financial Officer
December 13, 2016

Members, Board of Regents
The Texas A&M University System

Subject: Approval of Increased Undergraduate Non-Resident Designated Tuition at Texas
A&M University

I recommend adoption of the following minute order:

“A public hearing required by law for an increase in designated tuition has been properly conducted in accordance with the Texas Education Code.

The request for increased undergraduate non-resident designated tuition recommended by Texas A&M University, as shown on the attached exhibit, is approved to be effective with the fall 2017 semester.”

Respectfully submitted,

[ORIGINAL SIGNED BY]

Billy Hamilton
Executive Vice Chancellor and
Chief Financial Officer

Approval Recommended:

[ORIGINAL SIGNED BY]

John Sharp
Chancellor

Approved for Legal Sufficiency:

[ORIGINAL SIGNED BY]

Ray Bonilla
General Counsel

Request for Increased Designated Tuition
Texas A&M University
Undergraduate Non-Resident Designated Tuition

I. Programmatic justification for the increased fee

Texas A&M University proposes an increase of up to \$200 per semester credit hour to the current \$200 non-resident designated tuition rate. The new rate would be no more than \$400 per semester credit hour. This amount is charged in addition to the amount charged to undergraduate resident students.

This increase only impacts new undergraduate non-resident students either transferring or enrolling for the first time. This proposal does not impact currently enrolled non-resident undergraduate students.

II. Use of proposed fee revenue

The increased revenue will be used to continue to improve our ability to graduate students on a timely basis, provide students with more intimate learning opportunities through smaller classes, and provide students with the opportunity for transformational learning experiences during their studies. Some examples of investments that are contemplated under this increase include:

- Hiring additional faculty
- Hiring additional academic and career advisors
- Providing increased opportunities for internship, study abroad, and other transformational learning experiences
- Enhancing classrooms and classroom technology
- Addressing inflationary costs associated with library subscriptions
- Providing increased financial assistance

III. Student input and/or notification

Public hearings will be held on January 27th and February 2nd.

IV. Budget impact if fee request is not approved

If the proposed designated tuition request is not approved, inflationary costs will be addressed through reduction in services or internal funding reallocations.

V. Justification for ending balance

No ending balance is expected.

VI. Additional information

Request for Increased Designated Tuition
TEXAS A&M UNIVERSITY
 Undergraduate Non-Resident Designated Tuition

Current Fee: \$200.00 for Fall and Spring
\$200.00 for Summer
 Proposed Fee: \$400.00 for Fall and Spring
\$400.00 for Summer
 Basis: per SCH

This amount is in addition to the amount charged to undergraduate resident students.

Number of Students Affected: 350 (estimated new students transferring or enrolling in Fall 17)
 Projected Semester Credit Hours: 10,500

	FY 2017 Budget	FY 2018 Budget without fee increase	FY 2018 Proposed Increase (Decrease)	FY 2018 Budget
BEGINNING BALANCE - Actual	0			
Estimated		0		0
Revenues				
Tuition	6,240,000	6,240,000	2,100,000	8,340,000
Total Revenues (NET)	<u>6,240,000</u>	<u>6,240,000</u>	<u>2,100,000</u>	<u>8,340,000</u>
Expenses				
Salaries & Wages	1,248,000	1,248,000	420,000	1,668,000
Fringe Benefits	312,000	312,000	105,000	417,000
Departmental Operations	2,496,000	2,496,000	840,000	3,336,000
Equipment	374,400	374,400	126,000	500,400
Scholarships	1,809,600	1,809,600	609,000	2,418,600
Total Expenses	<u>6,240,000</u>	<u>6,240,000</u>	<u>2,100,000</u>	<u>8,340,000</u>
Increase/Decrease in Balance				
Revenues less Expenses	0	0	0	0
ENDING BALANCE	<u>0</u>	<u>0</u>		<u>0</u>