

BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
Budget, Finance and Business Operations Committee
June 9, 2009

SUBJECT: 2009-10 Tuition Differential

PROPOSED COMMITTEE ACTION

Review and approve universities request to implement a tuition differential fee effective with the fall 2009 semester. The Committee will make a formal recommendation to the full Board at the June 18 meeting.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Section 7(d), Article IX, Florida Constitution

BACKGROUND INFORMATION

Pursuant to the Governor's initiative last fall, Senate Bill 762 provides the university boards of trustees the flexibility to establish a tuition differential for undergraduate courses upon approval by the BOG.

Key provisions of the tuition differential include:

- The aggregate sum of base tuition and tuition differential may not be increased by more than 15 percent over the preceding fiscal year.
- 70 percent of the revenues shall be expended for purposes of undergraduate education.
- 30 percent of the revenues, or an equivalent amount of revenue from private sources, shall be expended on need-based financial aid.
- A tuition differential may vary by undergraduate course or courses, campus or center location, and by institution.
- The aggregate sum of undergraduate tuition and fees per credit hour, including the tuition differential, may not exceed the national average at 4-year public institutions.
- The tuition differential will not be included in the Bright Futures Scholarship Program.
- Beneficiaries having prepaid tuition contracts that were in effect on July 1, 2007, and that remain in effect are exempt from payment of the tuition differential.

- A student who was in attendance at the university before July 1, 2007, and maintains continuous enrollment is exempt from payment of the tuition differential.
- The tuition differential may be waived for students who meet the eligibility requirements for the Florida Public Student Assistance Grant.
- The BOG shall review each proposal and advise the university board of trustees of approval, the need for additional information or revision to the proposal, or denial of the proposal.
- The BOG shall establish a process for any university to revise a proposal or appeal a decision of the Board.
- The BOG must submit an annual report by January 1 of each year describing implementation of the tuition differential and include the following information:
 - The course or courses for which the tuition differential was assessed and the amount assessed
 - The total revenues generated along with detailed expenditures
 - The number of students eligible for a waiver, number of students receiving a waiver, and the value of the waivers
 - Changes in retention rates
 - Graduation rates
 - Percentage of students graduating with more than 110 percent of hours required for graduation
 - Pass rates on licensure examinations
 - Number of undergraduate course offerings
 - Percentage of undergraduate students who are taught by faculty
 - Student-faculty ratios
 - Average salaries of faculty teaching undergraduate courses

The Committee will review all tuition differential proposals and a recommendation will be made to the BOG at the June 18 meeting. A university may appeal a decision of the BOG. The Tuition Appeals Committee consisting of the chair of each Board committee and the Chair of the Board would hear the appeal.

BOG staff will be working with the universities to develop a regulation later this summer.

Supporting Documentation Included:

1. Tuition Differential Summary Information
2. University Education Initiatives
3. University Monitoring
4. Draft Performance Measures
5. Individual University Requests

Facilitators/Presenters: Governor Tico Perez