

**State University System  
Florida Board of Governors  
Request to Establish Market Tuition Rates - Regulation 7.001(15)**

**University:** Florida State University

| Date  |                 |
|---|-----------------|
| University Board of Trustees approval date:   | January 7, 2011 |
| Proposed Implementation Date (month/year):  | August, 2011    |
| Description   |                 |
| <p>Describe the program in which market tuition is being requested. Has the program been approved pursuant to Regulation 8.011? Does the program lead to initial licensing or certification? Is the program identified as a state critical workforce need? Are the program's admission and graduation requirements the same as other similar programs?</p> <p>The program being requested for market tuition is the <b><u>online Master of Social Work (MSW) Program</u></b>. This program is currently being offered to Florida residents through state funded courses generating fundable student credit hours and to out-of-state students through student funded courses generating non-fundable student credit hours. The College of Social Work charges an additional fee of \$115.00 per credit hour to both Florida resident and non-resident students. This fee is collected in an educational auxiliary that was developed to allow the College to cover costs associated with distance education. Our proposal is to charge market rates only for out-of-state students while maintaining access to Florida residents through traditional tuition mechanisms.</p> <p>Students are admitted to the online MSW program in either the fall or spring semesters. Students must successfully complete 39 graduate credit hours, including a field practicum, in order to earn an MSW degree. The program is designed for part-time study whereby students take two courses per semester for four semesters and participate in their field practicum in the final two semesters. The courses for this program are offered in a completely online, asynchronous format. The field practicum is completed face-to-face in an agency in the area in which the student resides. The College of Social Work, including the online program, is accredited by the Council on Social Work Education (CSWE).</p> <ul style="list-style-type: none"> <li>● Has the Program been approved pursuant to Regulation 8.011?- <b>Yes</b></li> <li>● Does the Program lead to initial licensing or certification?- <b>No</b></li> <li>● Is the program identified as a state critical workforce need? -<b>No</b></li> <li>● Are the program's admission and graduation requirements the same as other similar programs? - <b>Yes</b></li> </ul> |                 |
| Market Tuition Rate and Process   |                 |
| <p>What is the market tuition rate to be charged for each of the next three years? What is the current tuition rate? Explain the process used to determine market tuition. Provide tuition rates from at least five other institutions (private and public).</p>  |                 |

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The current rate charged to non-resident students enrolled in online MSW courses is \$484.82/ credit hour. An analysis of other social work programs offering graduate level distance learning courses to out-of-state students shows a large amount of variation in the cost per credit hour charged for those courses.

**The proposed tuition for a market rate program is as follows:**

- Year 1:** \$625.00/ credit hour
- \*Year 2:** up to \$669.00/ credit hour
- \*Year 3:** up to \$715.00/ credit hour

\*years 2 and 3 would allow program to be adjusted up to an increase of 7% if financial analysis demonstrated need for increased revenue

The \$625.00 per credit hour rate falls toward the low end of the distance learning programs listed for out-of-state tuition comparisons. However, this amount per credit hour would make the program competitive, price-wise, with other schools offering MSW programs in the Southeast United States. When looking at those program's in-state rates, \$625.00/credit would fit well within the range of the University of Southern Mississippi (\$303.00/credit) at the low end to the University of North Carolina at Chapel Hill (\$1752.52/ credit) at the high end. For this reason, we believe that \$625.00/credit hour will allow FSU to be competitive in the southeastern United States. Our analysis suggests it will cover program costs within this competitive posture.

The following is a sampling of CSWE accredited institutions that offer online MSW courses:

| Institution                               | Type   | Out-of-state Tuition/ credit hour |
|---|--------|-----------------------------------|
| Michigan State University                 | Public | \$531.75                          |
| Texas State University at San Marcos      | Public | \$905.00                          |
| University of North Carolina at Charlotte | Public | \$725.00                          |

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|-----------------------------------|---------|-----------|
| University of Southern California | Private | \$1324.00 |
| University of Tennessee Knoxville | Public  | \$1065.00 |

The following table contains in-state tuition for MSW programs at selected institutions in the southeastern United States.

| Institution                                 | Type   | In-State Tuition |
|---|--------|------------------|
| Louisiana State University                  | Public | \$519.00         |
| University of Alabama                       | Public | \$620.00         |
| University of Arkansas                      | Public | \$306.47         |
| University of Georgia                       | Public | \$1135.00        |
| University of North Carolina at Chapel Hill | Public | \$1752.22        |
| University of Southern Mississippi          | Public | \$303.00         |
| University of Tennessee at Knoxville        | Public | \$457.00         |

**Similar Program(s) Offered by Other State Universities**

Describe any similar programs offered by another state university system institution:

There are only ten (10) CSWE accredited distance learning MSW programs in the United States. Of these, Florida State University is the only program that offers its classes in a completely online, asynchronous format. This maximizes flexibility by allowing students to complete their coursework at a time of day that best suits their needs. Many of the other programs offer live courses that are transmitted synchronously via the internet. Hybrid classes are also commonly used in the other 10 programs.

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The distance learning program at the University of Tennessee - Knoxville is the most comparable program to FSU's. UT-Knoxville offers students a 36 credit hour program of study. While most of its classes are offered online, students are also required to attend some face-to-face meetings and participate in synchronous web-cast sessions.

**Mission Alignment**

Describe how offering the proposed program at market tuition aligns with the mission of the university and the Board strategic plan:

Florida State University Mission Statement:

*The Florida State University (FSU) preserves, expands, and disseminates knowledge in the sciences, technology, arts, humanities, and professions, while embracing a philosophy of learning strongly rooted in the traditions of the liberal arts. The university is dedicated to excellence in teaching, research, creative endeavors, and service. The university strives to instill the strength, skill, and character essential for lifelong learning, personal responsibility, and sustained achievement within a community that fosters free inquiry and embraces diversity.*

Board of Governor's Goals:

Building world-class academic programs and research capacity

There are several ways that this proposal will meet the mission of the university and Board of Governors. As the first accredited online program, the FSU College of Social Work is nationally known as an innovator in online social work education. This plan will allow the College to enhance its visibility and continue as leaders in online social work education.

Meeting statewide professional and workforce needs

The out-of-state component of our online program has always focused on those students who reside in rural or other geographically isolated areas who will, upon graduation, fill a gap in the need for highly trained social work professionals in their communities. We believe that students taking courses online will be more likely to remain at home and contribute to their communities consistent with the BOG goal and university strategic priority 7 of strengthening the public service mission of the university. While we will seek to expand the base of students from which we will recruit, our commitment to underserved communities remains.

Meeting community needs and fulfilling unique institutional responsibilities

Finally, our plans for this program include 1) creation and expansion of funding and student services to recruit outstanding students and ensure academic excellence which is consistent with priorities included in the FSU Strategic Plan. Strategic priority 2 enriching the student experience while supporting and improving undergraduate, graduate, and professional

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education and strategic priority 5 fostering academic excellence. The recruitment of new faculty who will contribute to the teaching and research missions of our College is consistent with the FSU strategic priority 2 of recruiting, developing, and retaining outstanding and diverse faculty and staff and strategic priority 4 enhancing research and creative endeavors.

**Declaratory Statement**

Provide a declaratory statement that the policy will not increase the state's fiscal liability or obligation:

The proposed program is defined as a student funded market tuition program. The cost for instruction and services will be borne by the students who participate in the program. This program will not increase the state's fiscal liability or obligation.

**Differentiation Between Resident and Non-resident Students**

Explain if there will be a differentiation in market tuition rates between a resident and a non-resident student enrolled in the program:

The program being proposed for market tuition will only be offered to students residing outside of the state who are not considered Florida residents for tuition purposes. Fees for Florida residents will continue as currently established.

**Restrictions / Limitations**

Identify any proposed restrictions, limitations, or conditions to be placed on the policy:

- 1) This policy would apply only to newly admitted students. Continuing students (e.g., those enrolled prior to Fall 2011) would register and pay fees per the current established procedures.
- 2) This policy would only apply to out-of-state students who are non-Florida residents for tuition purposes.

**Accountability Measures**

Indicate how the university will monitor the success of the policy. Provide specific metrics that will be used.

- Increase enrollment of out-of state students by 100%;
- Develop 3 new courses for online delivery;
- Add two faculty lines;
- Add 1 student services position to facilitate recruiting, advising, job placement, and academic skills development for in-state and out-of-state student in online and campus-based programs.

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**Course Availability**

Explain how the university will ensure that sufficient courses are available to meet student demand and facilitate completion of each program submitted for consideration.

The online MSW program has been operating outside of Florida for the past seven years. Enrollment in the program has been relatively stable. The market tuition program for non-resident students will run in tandem with the state-funded program for Florida residents. In the event of low enrollment in the market tuition program, students participating in the market tuition program will still have access to courses multi-listed with the state-funded courses. The combined numbers will ensure the viability of courses allowing students to complete the program.

**Baseline Enrollments**

Provide current enrollments, including a breakout of resident and non-resident enrollment, in the program being submitted for consideration and similar state-funded courses.

**Fall 2010 Enrollments**

Non-Resident= 28 (program being submitted for consideration)

Florida Resident= 102 (state-funded courses)

**Economic Impact**

Provide economic impact that this proposal will have on the university and the student, anticipated revenue collection, how the revenue will be spent, whether any private vendors will be used, and which budget entity the funds will be budgeted.

The proposed market tuition program will work to generate revenue for the College of Social Work and ease restrictions on how that revenue can be used. Under the current structure of the program, all of the revenue for non-Florida residents enrolled in “student funded” course sections is collected in an educational auxiliary. Because this type of auxiliary restricts spending of these funds and accumulation of revenue, it can provide only limited benefits to the college.

A market tuition program would allow the college to use the tuition generated to benefit all social work students at Florida State by enhancing programs for state-funded Florida residents and student-funded non-residents. At the current enrollment of 28 students, the

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program would generate approximately \$340,000.00 annually. The capacity for market tuition students could be doubled without any significant increases in course offerings. As the market tuition enrollment expands, additional costs generated by that enrollment would be more than offset by the tuition collected. A market rate tuition program would allow portions of revenue generated to pay for the following enhancements within the College:

- Additional faculty lines to be used to offer more course sections for state-funded as well as market tuition students.
- Additional faculty generate more research and funding for the college
- Additional funding for support staff that cover many college programs
- More attractive financial assistance packages for students in graduate programs.
- Equipment, software, and training that will enhance quality of education within the college.
- Marketing of all Social Work programs.

The College contracted with Taproot Inc., a local marketing firm, via a competitive bidding process. Taproot has been tasked with helping the program develop a marketing strategy. While the money for this contract has been encumbered in the College's current educational auxiliary, future services rendered by Taproot may be paid with revenue generated by the proposed program. Any marketing strategy will be designed to include recruitment and enrollment of Florida resident students into state-funded course sections.

There are no other plans to contract with any other private vendors.

The proposed budget authority for the funds generated from this program would be an auxiliary budget within the College of Social Work. The budget would be administered by personnel assigned to the College.

In summary, a market tuition program of this type would give non-resident students access to an online educational opportunity at a fair and competitive price that is likely not available to students in their home state. The revenue generated by these students would increase resources and opportunities for all students in the College of Social Work. More faculty lines would lead to more course sections, higher capacity, and greater access to Florida resident students participating in state-funded courses.

**Other Information**

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| Market Tuition Rate and Process  |                 |
| <p>What is the market tuition rate to be charged for each of the next three years? What is the current tuition rate? Explain the process used to determine market tuition. Provide tuition rates from at least five other institutions (private and public).</p> <p>Market tuition rate for each of the next three years:</p> <p>2011-12 - \$515 per student credit hour<br/>           2012-13 - up to \$530 per student credit hour<br/>           2013-14 - up to \$546 per student credit hour</p>   |                 |



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The current rate for non-resident students is \$1,042.11 (including all applicable fees). For our current on-line non-fundable courses, we charge out-of-state students \$427 per sch; however, these program fees are set at cost and additional revenue is not allowed to reimburse the college for associated costs of the program.

We are trying to competitively price our program so that we can continue to attract outstanding out-of-state graduate students to our online programs. The program benefits enormously from a diversity of students. In setting the market price, we evaluated the area costs and those of our major national and regional online competitors. The table below shows the programs and their current online tuition and fees for in-state and out-of-state students. If programs provided discounted tuition for out-of-state students the discounted rate is noted as well. The programs selected are some of the largest online programs in the country and the region.

| Institution                               | Per Credit Hour Tuition & Fees (2010-2011) |              |
|---|--|--------------|
|   | In-state                                   | Out-of-state |
| University of South Florida               | \$365.71                                   | \$775.72     |
| University of South Carolina <sup>1</sup> | \$440.00                                   | \$945.00     |
| University of Tennessee                   | \$447.11                                   | \$1131.22    |
| Valdosta State University                 | \$225.00                                   | \$225.00     |
| San Jose State University                 | \$647.00                                   | \$647.00     |
| University of North Texas                 | \$684.14                                   | \$684.14     |
| Drexel University                         | \$915.00                                   | \$915.00     |
| University of Illinois                    | \$465.00                                   | \$911.00     |
| Florida State University                  | \$410.71                                   | \$1042.11    |

<sup>1</sup> USC charges one-time program rather than per credit hour fees. These have not been included in the above.

| Institution                            | Per Degree Tuition & Fees (2010-2011) |              |
|--|---------------------------------------|--------------|
|  | In-state                              | Out-of-state |
| University of South Florida (39 hours) | \$16,212.70                           | \$32,203.08  |
| University of South Carolina           | \$15,840.00                           | \$34,020.00  |
| University of Tennessee (42 hours)     | \$18,778.62                           | \$46,755.24  |
| Valdosta State University (42 hours)   | \$9,450.00                            | \$9,450.00   |
| San Jose State University (43 hours)   | \$27,821.00                           | \$27,821.00  |
| University of North Texas (36 hours)   | \$24,629.04*                          | \$24,629.04* |
| *assumes 6 schs per semester           |                                       |              |
| Drexel University (45 hours)           | \$45,175.00                           | \$45,175.00  |
| University of Illinois (40 hours)      | \$18,600.00                           | \$36,440.00  |
| Florida State University (36 hours)    | \$14,785.56                           | \$37,515.96  |

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We wanted to make sure that the market tuition rate would compete favorably with tuition charged by our regional competitors and is sufficient to cover the entire cost of offering the program to these students.

Note that many of our largest online competitors for non-resident (San Jose State University - 2700 students, University of North Texas - 800 students and Drexel University - 700 students) charge the same tuition and fees for resident and non-resident students. This has made our tuition rates for non-resident students higher than many of our biggest competitors. In addition, when competing for non-Florida residents in states such as Georgia, South Carolina and Tennessee where we might reasonably expect to recruit more students we are competing with schools with in-state tuition which is significantly lower than FSU's non-resident tuition.

**Similar Program(s) Offered by Other State Universities**

Describe any similar programs offered by another state university system institution:

The University of South Florida offers an online master's degree program in Library and Information Science that in some respects is similar to the program offered by FSU. The USF program requires 39 credit hours for graduation and the FSU program requires 36 credit hours for graduation. Both programs are accredited by the American Library Association. Both programs offer instruction for those seeking employment in public, academic and school libraries. These accredited master's degrees are required by library directors and are essential for many library and school media professionals.

FSU and USF work together on recruiting students within Florida by jointly attending professional development days at libraries and library consortium meetings. Over the last five years we have participated in over 75 joint recruiting sessions throughout the State. Since this change applies only to our out-of-state students we do not expect it to impact our on ongoing collaboration and would welcome the opportunity to collaborate with USF to recruit nationally.

As part of these programs both schools offer graduate certificates. The following graduate certificates are offered by USF and are available online:

1. The Post Master's Library and Information Science Certificate
2. The School Library Media Graduate Certificate

The following graduate certificates are offered by FSU and are available online as part of the FSU programs:

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1. Leadership and Management
2. Health Informatics
3. Reference Services
4. School Library Media Leadership
5. Web Design
6. Youth Services

**Mission Alignment**

Describe how offering the proposed program at market tuition aligns with the mission of the university and the Board strategic plan:

Florida State University Mission Statement:

*The Florida State University (FSU) preserves, expands, and disseminates knowledge in the sciences, technology, arts, humanities, and professions, while embracing a philosophy of learning strongly rooted in the traditions of the liberal arts. The university is dedicated to excellence in teaching, research, creative endeavors, and service. The university strives to instill the strength, skill, and character essential for lifelong learning, personal responsibility, and sustained achievement within a community that fosters free inquiry and embraces diversity.*

The FSU School of Library and Information Studies has a long history of providing an outstanding graduate program has been consistently ranked as one of the top programs for producing professional librarian and school media specialists in the country. The program is ranked #14 overall and #3 nationally in school media.

This proposed program will enable FSU to improve the quality of its online education programs in several ways:

1. As with most online professional programs, many of the students are working within their profession, but need the degree in order to advance and take on additional responsibilities. As a result they bring their work experiences and challenges into the classroom. The inclusion of students from other states brings in new ideas and new approaches to these challenges and greatly enriches the instruction and discussion topics. Approximately 94% of the students in the Library and Information Studies program are working in a school or a library.
2. Adding students through this program will allow us to offer a much wider variety of courses than would otherwise be possible due to economic constraints. By allowing these students to help pay for the instruction we can deduce the per student cost and employ more instructors.

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3. This program has been a pioneer in using technology within libraries and schools. Funds from this program will enable us to continue to push the forefront of using technology in libraries and schools.
4. The program is now adding instruction in leadership skills including instruction in management, project management, non-profit marketing, leadership in reading and technology to the curriculum. Funds from this program will enable us to move forward with these efforts quickly.

**Declaratory Statement**

Provide a declaratory statement that the policy will not increase the state's fiscal liability or obligation:

This program will not increase the State's fiscal liability or obligation.

**Differentiation Between Resident and Non-resident Students**

Explain if there will be a differentiation in market tuition rates between a resident and a non-resident student enrolled in the program:

This program will use standard tuition rates for resident students and only use market tuition rates for non-resident students enrolled in the program.

**Restrictions / Limitations**

Identify any proposed restrictions, limitations, or conditions to be placed on the policy:

In the first three years the enrollment in this program will be limited to no more than 160 non-resident students.

The newly proposed fee would apply to all students enrolled in the program (i.e. all students will benefit from the reduced out-of-state fee proposal)

**Accountability Measures**

Indicate how the university will monitor the success of the policy. Provide specific metrics that will be used.

The program's goals are to increase the total number of non-resident students in the program from 40 to 160 within the next three years.

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The program will improve its technology support for online instruction so that it can provide online students with web-based access to software and instruction in library software systems, database, project management, collaboration, mobile communication and information development software and web development tools.

The program will retain accreditation by the American Library Association.

**Course Availability**

Explain how the university will ensure that sufficient courses are available to meet student demand and facilitate completion of each program submitted for consideration.

Over the last three years the program has lost a number of non-resident students as a result of changes in FSU's policies on out-of-state tuition waivers and Georgia leaving the Academic Common Market. This has resulted in a net loss in resident enrollments of approximately 90 students and non-resident enrollments of approximately 100 students. This has resulted in a 25% decrease of in the number of students enrolled in our existing online courses.

The School of Library and Information Studies offers approximately 40 online courses each fall semester, 40 online courses each spring semester, and 30 online courses each summer. Because online students tend to take about two courses per semester these courses provide space for approximately 850 students in both the fall and spring and 600 students in the summer, assuming the enrollments are evenly split between the courses. This is seldom the case. Only the six program core courses are offered as multiple sections of 50 students, and those sections are generally full. We have never enrolled more than 780 students in any one semester which means there is often space in the specialization courses. Our current enrollment is approximately 590 students, which has resulted in excess capacity in the existing courses.

This program will provide a mechanism to increase the number of students in these courses and thus help keep the overall cost down and retain the variety of specialization courses. We are fortunate that Florida has some outstanding libraries and as such as many professionals who can serve as adjunct faculty when needed.

**Baseline Enrollments**

Provide current enrollments, including a breakout of resident and non-resident enrollment, in the program being submitted for consideration and similar state-funded courses

The enrollment in the FSU Masters in Library and Information Studies as of December 10, 2010 is 541 students. Within those 541 students there are 40 non-residents currently enrolled in our master's degree program. These students are on-campus students who are working as

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teaching and/or graduate assistants and thus receive out-of-state tuition waivers. We expect another 60 students will join the program as a result of Spring admissions so our estimated enrollment at the start of the Spring semester will be 600 students.

We expect the non-resident program to grow significantly as a result of this program (we also expect small increases in resident enrollments as a result of the improvements in the economy that are unrelated to this program). The table below details our expected changes:

|                       | Spring 2011 | Spring 2014 |
|-----------------------|-------------|-------------|
| Resident students     | 501         | 501         |
| Non-resident students | 40          | 160         |
| Total Students        | 541         | 661         |

**Economic Impact**

Provide economic impact that this proposal will have on the university and the student, anticipated revenue collection, how the revenue will be spent, whether any private vendors will be used, and which budget entity the funds will be budgeted.

If we achieve our goal of 120 new non-resident students, this program will generate approximately \$1,013,520 each year (historically our online students take an average of 16.4 credit hours per year). These funds will be spent entirely in support of the program operations and development. Instructor salaries will be reimbursed based on the number of students in this program who are enrolled in the program's courses. University expenses will be covered by a 20% charge to each student (This amount is included in the above proposed market rate tuition).

Based on the above revenue we expect our expenses to be roughly as follows:

| Activity/Expense | Estimated Cost | Method of estimation   |
|------------------|----------------|--|
| Instruction      | \$456,084      | This will be determined based on actual enrollments and is estimated based on our current cost of online instruction.                            |
| Advising         | \$101,352      | This will be determined based on actual enrollments and is estimated based on our current cost of advising our online students.                  |
| Recruiting       | \$30,405       | This will be based on actual costs for recruiting non-resident students to this program and is estimated based on a projected recruiting effort. |

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| Technology Support       | \$30,405    | This will be determined based on actual enrollments and is estimated based on our current cost of advising our online students.              |
| Program Development      | \$172,298   | This will be based on actual, ongoing, program course development costs.   |
| Program Administration   | \$20,270    | This will be determined based on actual enrollments and is estimated based on our current cost of administering all our programs.            |
| University Services      | \$202,704   | This is 20% of the market rate tuition collected and expected to cover the university's cost for admitting, enrolling and tracking students. |
| Total                    | \$1,013,520 | Based on an estimated enrollment of 120 students, \$515 per credit hour and an average of 16.4 SCH per student.                              |
| <b>Other Information</b> |             |  |
|                          |             |  |

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| Market Tuition Rate and Process   |                 |



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What is the market tuition rate to be charged for each of the next three years? What is the current tuition rate? Explain the process used to determine market tuition. Provide tuition rates from at least five other institutions (private and public).

The current on-line tuition and fee rate is \$411.56 per Student Credit Hour (SCH) for both Florida and Non-Florida residents. We are requesting approval of a market tuition rate of up to \$700 per Student Credit Hour (SCH) for the Fall 2011 semester, up to \$750 per SCH for the Fall 2012 semester, and up to \$800 per SCH for the Fall 2013 semester. We are requesting the approval of a tuition rate that is based on a cost analysis on competition, reputation and brand identity as our Masters in RMI program moves forward in attracting students able to compete successfully in today's job market. Further, the request is identical to our requests for other online Masters programs offered in the college. The reputation effects and equity considerations of comparisons across programs by faculty and students necessitate consistency in market rates across programs.

The Masters in RMI program is a specialized Masters degree program, with a limited number of competing programs offered through online delivery. We identified other Masters in RMI degree programs offered exclusively online through extensive web searches of graduate business programs. Five comparable programs, both public and private, were identified where market tuition rate information was available. Four of the five programs charged the same market-based tuition for both resident and non-resident students. They are listed in the below. Florida State is well under the average of \$719/SCH, but above the anticipated direct and average costs as estimated by the college.

**Online Masters of Science in RMI Programs**

| Title                           | Public/Private | Application Fee | Average Online Tuition by Credit Hour | Average Program Cost |
|---------------------------------|----------------|-----------------|---------------------------------------|----------------------|
| Walden University               | Private        |                 | \$775                                 | \$27,900             |
| Tennessee Tech University       | Public         |                 | \$756                                 | \$22,680             |
| Hodges College                  | Private        | \$240           | \$615                                 | \$22,165             |
| Boston University               | Public         | \$40            | \$771                                 | \$18,500             |
| Olivet College                  | Private        | \$0             | \$680                                 | \$16,320             |
| <b>Florida State University</b> | <b>Public</b>  | <b>\$30</b>     | <b>\$412</b>                          | <b>\$13,184</b>      |

**Similar Program(s) Offered by Other State Universities**

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Describe any similar programs offered by another state university system institution.

There are no other online Masters in RMI programs currently offered in the State of Florida.

**Mission Alignment**

Describe how offering the proposed at market tuition aligns with the mission of the university and the Board strategic plan.

The Florida State University Masters in RMI program is well aligned with the university's dedication to excellence in teaching and research along with the key Board of Governors' goals.

Florida State University Mission Statement:

*The Florida State University (FSU) preserves, expands, and disseminates knowledge in the sciences, technology, arts, humanities, and professions, while embracing a philosophy of learning strongly rooted in the traditions of the liberal arts. The university is dedicated to excellence in teaching, research, creative endeavors, and service. The university strives to instill the strength, skill, and character essential for lifelong learning, personal responsibility, and sustained achievement within a community that fosters free inquiry and embraces diversity.*

**For Students** The FSU Masters in RMI program graduates approximately 30 students per year. The proposed market rate tuition revenues would be used to enhance the Masters in RMI program and the College of Business by hiring additional high-caliber graduate faculty, promoting the program, providing additional assistantships and scholarships to students, investing in state-of-the-art technologies, and recruiting exceptional out-of-state students to help improve the educational experiences of Florida residents. The online format provides an opportunity to obtain a graduate business degree to students who wouldn't be able to attend classes due to work constraints, location, and family needs. The additional faculty resources devoted to this program would free-up current faculty to expand other graduate program offerings. These efforts will significantly enhance the program and the college while providing greater access to a Masters in RMI degree to working professionals in risk management and insurance industries.

**For Research and Scholarship** The additional faculty would also contribute to the research mission of the College of Business. Florida State has been able to attract some of the best graduate business faculty in the country. The hiring of exceptional graduate faculty to teach in the Masters in RMI program would also bolster the research orientation and contributions of the existing faculty.

**For Florida and Society** The FSU Masters in RMI program fulfills the University's obligation

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to benefit our students and society. Our students are better equipped to serve their employers, the needs of our state, and increase the economic potential of our region. Better equipping risk management and insurance professionals in Florida, with our hurricane disaster-prone geography, is particularly beneficial.

These statements all address the Board of Governors system goals, established for 2012-2013.

- **Access to and production of degrees.** The FSU Masters in RMI degree is a unique, specialized online Masters program that serves working professional in the risk management and insurance industry who would not have access to the degree otherwise. The program serves students throughout the State of Florida along with non-resident students. Most of the students come from the major population centers of the State, where risk management and disaster preparedness is particularly important. The revenue generated by the market rate tuition would be used to hire additional faculty, thereby permitting the College to expand not only its Masters in RMI program, but also its other graduate programs used to meet University SCH targets where the new or previously involved faculty can also be used.
- **Meeting statewide professional and workforce needs.** FSU graduates apply skills learned through their programs of study to improve business operations and risk management competencies within their organizations. Improved risk management practices in turn strengthen the state economy, help protect businesses and residents from potential catastrophic disaster, and increase access to job opportunities for many throughout the state of Florida. Employers benefit from the development of their current employees and have the chance to fill open positions with highly skilled individuals earning a Masters in RMI degree at Florida State instead of looking for talent outside of the state.
- **Building world-class academic programs and research capacity.** Florida State is recognized as one of the only online Masters in RMI programs in the United States. The program and faculty supporting the program are recognized as among the best in the country. Maintaining and strengthening this reputation attracts faculty and student talent needed to diversify and improve the state's business environment.
- **Meeting community needs and fulfilling unique institutional responsibilities.** The Florida State Masters in RMI online program provides Florida State University degree access to every community within the state of Florida. As a leader in program delivery with advances in state of the art technology, the Florida State University successfully fulfills its institutional responsibility as it relates to degree access throughout the state. Further, providing the Masters in RMI degree to nonresidents helps to promote the state of Florida as a state-of-the-art center for risk management

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and disaster management education.

**Declaratory Statement**

Provide a declaratory statement that the policy will not increase the state's fiscal liability or obligation.

Florida State University's market rate policy will not increase the state's fiscal liability or obligation.

**Differentiation Between Resident and Non-resident Students**

Explain if there will be a differentiation in market tuition rates between a resident and a non-resident student enrolled in the program.

Competitors do not generally charge different rates for in state and out of state students. Four of the five programs we identified charge one market rate.

Florida resident and non-resident students will be charged the same market tuition.

**Restrictions / Limitations**

Identify any proposed restrictions, limitations, or conditions to be place on the policy.

Market rate tuition will be charged to students admitted Fall 2011 and thereafter. Students admitted prior to Fall 2011 will pay at the current rate.

**Accountability Measures**

Indicate how the university will monitor the success of the policy. Provide specific metrics that will be used.

Our success will be measured by student enrollment, student quality, faculty excellence and student satisfaction.

- **Student Enrollment.** Approximately 30-40 students are admitted once per year. If these numbers are maintained and increased, we would consider the market rate pricing a success.
- **Student Quality.** Student quality within our program will be assessed both by GMAT entrance test scores, undergraduate GPA, and by previous job experience. Other class

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assessments and assurance of learning techniques will also be employed.

We strive to have our students excel in both the classroom and outside of the classroom. This success can only strengthen the reputation of the Masters in RMI program and assist in future recruitment of talented students, and bolster the economic impact of our graduates.

- **Faculty Excellence.** With the establishment of market rate pricing, Florida State can continue to recruit top scholars who in turn will not only teach our students but share in their continuing research in their respective fields of expertise. Currently, teaching evaluations are used to maintain the teaching quality of our faculty. Research publication in peer-reviewed journals will be used to assess the success of these faculty in contributing to the research mission of the university.
- **Student Satisfaction.** Student satisfaction is measured with exit surveys and the percentage of students willing to recommend the Masters in RMI experience obtained at Florida State University as well as job placement opportunities. If we wish to continue with this level of satisfaction, we must keep current or ahead of new and emerging technologies used in the classroom and in new directions of research.

#### **Course Availability**

Explain how the university will ensure that sufficient courses are available to meet student demand and facilitate completion of each program submitted for consideration.

Florida State has always been able to provide the number of courses required by student demand. All of our students in our Masters in RMI program are taught by full time academically qualified graduate research faculty. Course schedules are determined well before a student starts the program of study.

From the start of the online Masters in RMI program in 2002, the availability of course offerings and the ability to complete a program of study in a timely fashion have never been issues. Any extraordinary demand will be met through revenue generated by the program.

#### **Baseline Enrollments**

Provide current enrollments, including a breakout of resident and non-resident enrollment, in the program being submitted for consideration and similar state-funded courses.

Currently, we have 51 students enrolled in the Masters in RMI online program at Florida State. Ninety-two percent are Florida residents.

#### **Economic Impact**

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Provide economic impact that this proposal will have on the university and the student, anticipated revenue collection, how the revenue will be spent, whether any private vendors will be used, and which budget entity the funds will be budgeted.

With state revenues continuing to be on the decline, it is important for the university to continue to find alternative sources of funding. The revision in market rates will aid in the continuing and strengthening of our Masters in RMI program.

The program is well-regarded and its growing support will add to the College of Business as a whole. The proposed market rate tuition revenues would be used to enhance the Masters in RMI program and the College of Business by hiring additional high-caliber graduate faculty, promoting the program, providing additional assistantships and scholarships to students, investing in state-of-the-art technologies, and recruiting exceptional out-of-state students to help improve the educational experiences of Florida residents. The additional faculty would also contribute to the research mission of the College of Business. These efforts will significantly enhance the program and the college while providing greater access to a Masters in RMI degree to place-bound working professionals. The additional faculty and resources will also permit the improved access to other graduate programs offered by the college. It is anticipated that the cohort of highly trained graduates will have a positive, if indeterminate, impact on the economy and lower private and public sector training costs.

Private vendors will not be utilized and funds will be budgeted to a designated auxiliary account for the College of Business at Florida State.

**Other Information**

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**University: Florida State University**

| Date   |                 |
|--|-----------------|
| University Board of Trustees approval date:  | January 7, 2011 |
| Proposed Implementation Date (month/year):   | August, 2011    |
| Description  |                 |
| <p>Describe the program in which market tuition is being requested. Has the program been approved pursuant to Regulation 8.011? Does the program lead to initial licensing or certification? Is the program identified as a state critical workforce need? Are the program's admission and graduation requirements the same as other similar programs?</p> <p>The Florida State University <b><u>College of Business Master of Science in Management Information Systems (MS in MIS) Program</u></b> requests market rate pricing. The program is a highly specialized Masters degree program only offered in an online format. The on campus format was eliminated several years ago due to limited demand and to make better use of scarce faculty resources.</p> <p>The MS in MIS program is a classified instructional program (#521201) established in accordance with the Board of Governors Regulation 8.011. The program does not lead to initial licensing or certification for Education or Health Professions, occupational areas identified as "Critical Needs Areas" in the State University System of Florida Strategic Plan, 2005-2013 as amended in 2009.</p> <p>Program admission and graduation requirements for the MS in MIS degree are similar to other Masters programs in the College of Business at Florida State University. All applicants must provide official transcripts from an acceptable four year accredited college or university, public or private, official test scores from the Graduate Management Admissions Test (GMAT), along with two letters of recommendation, a resume indicating extent and nature of work experience, and written essays. Test scores on the Test of English as a Foreign Language (TOEFL) exam are also required of international students. Full time, post baccalaureate work experience prior to enrollment is heavily emphasized in the admission process as this enhances student learning in the online discussion-based and technology-based class environment. To obtain a degree successfully, the online student must complete 33 credit hours while maintaining a 3.0 grade average.</p> |                 |
| Market Tuition Rate and Process  |                 |
| <p>What is the market tuition rate to be charged for each of the next three years? What is the</p>   |                 |

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current tuition rate? Explain the process used to determine market tuition. Provide tuition rates from at least five other institutions (private and public).

The current on-line tuition and fee rate is \$529.56 per Student Credit Hour (SCH) for Florida residents and \$611.24 per Student Credit Hour (SCH) for Non-Florida residents. We are requesting approval of a market tuition rate of up to \$700 per Student Credit Hour (SCH) for the Fall 2011 semester, up to \$750 per SCH for the Fall 2012 semester, and up to \$800 per SCH for the Fall 2013 semester. We are requesting the approval of a tuition rate that is based on competition, reputation and brand identity as our MS in MIS program moves forward in attracting students able to compete successfully in today's job market. Further, the request is identical to our requests for other online Masters programs offered in the college. The reputation effects and equity considerations of comparisons across programs by faculty and students necessitate consistency in market rates across programs.

The MS in MIS program is a specialized Masters degree program, with a limited number of competing programs offered through online delivery. We identified other MS in MIS degree programs offered exclusively online through extensive web searches of graduate business programs. Five comparable programs, both public and private, were identified where market tuition rate information was available. Each program charged the same market-based tuition for both resident and non-resident students. They are listed below. Florida State is well under the average of \$720/SCH, but above our direct and average costs.

**Online MS in MIS Programs**

| Title                           | Public/Private | Application Fee | Average Online Tuition by Credit Hour | Average Program Cost |
|---------------------------------|----------------|-----------------|---------------------------------------|----------------------|
| Robert Morris (Illinois)        | Private        |                 | \$733                                 | \$30,800             |
| Nova Southeastern               | Private        |                 | \$709                                 | \$30,487             |
| Walden University               | Private        |                 | \$730                                 | \$24,450             |
| Auburn University               | Public         | \$50            | \$668                                 | \$24,048             |
| Boston University               | Public         | \$40            | \$761                                 | \$22,830             |
| <b>Florida State University</b> | <b>Public</b>  | <b>\$30</b>     | <b>\$553</b>                          | <b>\$21,581</b>      |

**Similar Program(s) Offered by Other State Universities**

Describe any similar programs offered by another state university system institution.



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There are no other online MS in MIS programs currently offered in the State of Florida.

**Mission Alignment**

Describe how offering the proposed at market tuition aligns with the mission of the university and the Board strategic plan.

The Florida State University MS in MIS program is well aligned with the university's dedication to excellence in teaching and research along with the key Board of Governors' goals.

Florida State University Mission Statement:

*The Florida State University (FSU) preserves, expands, and disseminates knowledge in the sciences, technology, arts, humanities, and professions, while embracing a philosophy of learning strongly rooted in the traditions of the liberal arts. The university is dedicated to excellence in teaching, research, creative endeavors, and service. The university strives to instill the strength, skill, and character essential for lifelong learning, personal responsibility, and sustained achievement within a community that fosters free inquiry and embraces diversity.*

**For Students** The FSU MS in MIS program graduates approximately 30 students per year. The proposed market rate tuition revenues would be used to enhance the MS in MIS program and the College of Business by hiring additional high-caliber graduate faculty, promoting the program, providing additional assistantships and scholarships to students, investing in state-of-the-art technologies, and recruiting exceptional out-of-state students to help improve the educational experiences of Florida residents. The online format provides an opportunity to obtain a graduate business degree to students who wouldn't be able to attend classes due to work constraints, location, and family needs. The additional faculty resources devoted to this program would free-up current faculty to expand other graduate program offerings and to reduce the class size of the courses offered in the MS in MIS program. These efforts will significantly enhance the program and the college while providing greater access to an MS in MIS degree to working professional in the information systems and information technology fields.

**For Research and Scholarship** The additional faculty would also contribute to the research mission of the College of Business. Florida State has been able to attract some of the best graduate business faculty in the country. The hiring of exceptional graduate faculty to teach in the MS in MIS program would also bolster the research orientation and contributions of the existing faculty.

**For Florida and Society** The FSU MS in MIS program fulfills the University's obligation to benefit our students and society. Our students are better equipped to serve their employers,

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the needs of our state, and increase the economic potential of our region.

These statements all address the Board of Governors system goals, established for 2012-2013.

- **Access to and production of degrees.** The FSU MS in MIS degree is a unique, specialized online Masters program that serves working professionals in the Information Systems industry who would not have access to the degree otherwise. The program serves students throughout the State of Florida along with non-resident students. Most of the students come from the major population centers of the State. The revenue generated by the market rate tuition would be used to hire additional faculty, thereby permitting the College to expand not only its MS in MIS program, but also its other graduate programs used to meet University SCH targets where the new or previously involved faculty can also be used.
- **Meeting statewide professional and workforce needs.** FSU graduates apply skills learned through their programs of study to improve business operations and information technology competencies within their organizations. Improved business operations in turn strengthen the state economy and increase access to job opportunities for many throughout the state of Florida. Employers have the chance to fill open positions with highly skilled individuals earning an MS in MIS degree at FSU instead of looking for talent outside of the state.
- **Building world-class academic programs and research capacity.** Florida State is recognized as one of the only online MS in MIS programs in the United States. The program and faculty supporting the program are recognized as among the best in the country. Maintaining and strengthening this reputation attracts faculty and student talent needed to diversify and improve the state's business environment.
- **Meeting community needs and fulfilling unique institutional responsibilities.** The FSU MS in MIS online program provides Florida State University degree access to every community within the state of Florida. As a leader in MS in MIS program delivery with advances in state of the art technology, the Florida State University successfully fulfills its institutional responsibility as it relates to degree access throughout the state. Further, providing the MS in MIS degree to nonresidents helps to promote the state of Florida in that it provides a means for out-of-state students to become connected to activities in Florida and indirectly for potential businesses to understand the quality of higher education in Florida and to provide a platform for them to explore expansion of their businesses into the Florida job market, particularly in high-tech, information-based fields. Moreover, information systems are fundamental to the digital economies emerging in Florida and worldwide. Expanding business understanding of the use of information systems and creating new knowledge

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related to business applications of information technology can lead to a more robust economic environment in Florida.

**Declaratory Statement**

Provide a declaratory statement that the policy will not increase the state's fiscal liability or obligation.

Florida State University's market rate policy will not increase the state's fiscal liability or obligation.

**Differentiation Between Resident and Non-resident Students**

Explain if there will be a differentiation in market tuition rates between a resident and a non-resident student enrolled in the program.

Competitors do not charge different rates for in state and out of state students. All of the programs we identified charge one market rate.

Florida resident and non-resident students will be charged the same market tuition.

**Restrictions / Limitations**

Identify any proposed restrictions, limitations, or conditions to be place on the policy.

Market rate tuition will be charged to students admitted Fall 2011 and thereafter. Students admitted prior to Fall 2011 will pay at the current rate.

**Accountability Measures**

Indicate how the university will monitor the success of the policy. Provide specific metrics that will be used.

Our success will be measured by student enrollment, student quality, faculty excellence and student satisfaction.

- **Student Enrollment.** Approximately ten students are admitted per semester. If these numbers are maintained and increased, we would consider the market rate pricing a success.

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- **Student Quality.** Student quality within our program will be assessed both by GMAT entrance test scores, undergraduate GPA, and by previous job experience. Other class assessments and assurance of learning techniques will also be employed.

We strive to have our students excel in both the classroom and outside of the classroom. This success can only strengthen the reputation of the MS in MIS program and assist in future recruitment of talented students, and bolster the economic impact of our graduates.

- **Faculty Excellence.** With the establishment of market rate pricing, Florida State can continue to recruit top scholars who in turn will not only teach our students but share in their continuing research in their respective fields of expertise. Currently, teaching evaluations are used to maintain the teaching quality of our faculty. Research publication in peer-reviewed journals will be used to assess the success of these faculty in contributing to the research mission of the university.
- **Student Satisfaction.** Student satisfaction is measured with exit surveys and the percentage of students willing to recommend the MS in MIS experience obtained at Florida State University as well as job placement opportunities. If we wish to continue with this level of satisfaction, we must keep current or ahead of new and emerging technologies used in the classroom and in new directions of research.

#### **Course Availability**

Explain how the university will ensure that sufficient courses are available to meet student demand and facilitate completion of each program submitted for consideration.

Florida State has always been able to provide the number of courses required by student demand. All of our students in our MS in MIS program are taught by full time academically qualified graduate research faculty. Course schedules are determined well before a student starts the program of study.

From the start of the online MS in MIS program in 2006, the availability of course offerings and the ability to complete a program of study in a timely fashion have never been issues. It is anticipated any extraordinary demand would be met with faculty hired from program revenues.

#### **Baseline Enrollments**

Provide current enrollments, including a breakout of resident and non-resident enrollment, in the program being submitted for consideration and similar state-funded courses.

Currently, we have 52 students enrolled in the MS in MIS online program at Florida State.

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Eighty-seven percent are Florida residents.

**Economic Impact**

Provide economic impact that this proposal will have on the university and the student, anticipated revenue collection, how the revenue will be spent, whether any private vendors will be used, and which budget entity the funds will be budgeted.

With state revenues continuing to be on the decline, it is important for university programs to continue to find alternative sources of funding. The revision in market rates will aid in the continuing and strengthening of our MS in MIS program.

The program is well-regarded and its growing support will add to the College of Business as a whole. The proposed market rate tuition revenues would be used to enhance the MS in MIS program and the College of Business by hiring additional high-caliber graduate faculty, promoting the program, providing additional assistantships and scholarships to students, investing in state-of-the-art technologies, and recruiting exceptional out-of-state students to help improve the educational experiences of Florida residents. The additional faculty would also contribute to the research mission of the College of Business. These efforts will significantly enhance the program and the college while providing greater access to an MS in MIS degree to place-bound working professionals. The additional faculty and resources will also permit the improved access to other graduate programs offered by the college. It is anticipated that additional cohorts of well trained students versed in business practices will have a positive, if indeterminate, impact on the economy and private sector firm performance.

Private vendors will not be utilized and funds will be budgeted to a designated auxiliary account for the College of Business at Florida State.

**Other Information**

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**University: Florida State University**

| Date  |                 |
|---|-----------------|
| University Board of Trustees approval date:   | January 7, 2011 |
| Proposed Implementation Date (month/year):  | August, 2011    |
| Description   |                 |
| <p>Describe the program in which market tuition is being requested. Has the program been approved pursuant to Regulation 8.011? Does the program lead to initial licensing or certification? Is the program identified as a state critical workforce need? Are the program's admission and graduation requirements the same as other similar programs?</p> <p>The Florida State University <b><u>College of Business Masters in Business Administration (M.B.A.) Program</u></b> requests market rate pricing limited to the online delivery of the MBA program.</p> <p>The MBA program is a classified instructional program (#520101) established in accordance with the Board of Governors Regulation 8.011. The program does not lead to initial licensing or certification for Education or Health Professions, occupational areas identified as "Critical Needs Areas" in the State University System of Florida Strategic Plan, 2005-2013 as amended in 2009. It does lead to a Master's in Business Administration.</p> <p>Program admission and graduation requirements for the online format of the MBA are the same as the full-time, on campus MBA format, a traditional, but accelerated MBA program. All applicants must provide official transcripts from an acceptable four year accredited college or university, public or private, official test scores from the Graduate Management Admissions Test (GMAT), along with two letters of recommendation and written essays. Test scores on the Test of English as a Foreign Language (TOEFL) exam are also required of international students. It is highly recommended that all applicants have full time, post baccalaureate work experience prior to enrollment as this enhances their learning in the MBA environment. To obtain a degree successfully, the online student must complete 39 credit hours while maintaining a 3.0 grade average. All students obtain the same degree they would if enrolled in the traditional on campus program.</p> |                 |
| Market Tuition Rate and Process   |                 |
| <p>What is the market tuition rate to be charged for each of the next three years? What is the current tuition rate? Explain the process used to determine market tuition. Provide tuition rates from at least five other institutions (private and public).</p>  |                 |

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The current tuition and fee rate for the on-line program is \$529.56 per Student Credit Hour (SCH) for Florida residents and \$611.24 per Student Credit Hour (SCH) for Non-Florida residents. We are requesting approval of a market tuition rate of up to \$700 per Student Credit Hour (SCH) for the Fall 2011 semester, up to \$750 per SCH for the Fall 2012 semester and up to \$800 per SCH for the Fall 2013 semester. While such a planned step increase may still keep our program priced below many others, even in Florida, we are sensitive to the burden of the increases on our current and future students. We are requesting the approval of a tuition rate that is based on competition, reputation and brand identity as our MBA program moves forward in attracting students able to compete successfully in today's job market.

We identified other comparable MBA programs offered by public and private universities. A total of 70 comparable online MBA programs were identified where tuition data were available. The average tuition rate for all programs was \$716/SCH. The average tuition rate for AACSB accredited programs in the Southeastern US in our sample of 41 institutions was \$880/SCH. Included below are the market tuition rates noted on the websites for the online MBA programs at comparable universities in the Southeastern US, the main market area for our program. Florida State is well under the averages, but above our direct and average costs.

**Online MBA Programs in the Southeastern US**

| Title  | Public/Private | Application Fee | Average Online Tuition by Credit Hour | Average Program Cost |
|--|----------------|-----------------|---------------------------------------|----------------------|
| University of North Carolina   | Public         | \$50.00         | \$3,708.33                            | \$89,000.00          |
| George Washington University, School of Business *                     | Public         | \$35.00         | \$1,275.00                            | \$66,937.50          |
| University of Texas at Arlington, College of Business                  | Public         | \$35.00         | \$1,405.00                            | \$63,225.00          |
| University of Houston-Victoria, School of Business Administration **   | Public         | \$81.00         | \$1,065.00                            | \$51,120.00          |
| University of Baltimore, Merrick School of Business                    | Public         | \$35.00         | \$1,420.00                            | \$39,980.00          |
| University of Florida, Warrington College of Business Administration** | Public         | \$30.00         | \$982.00                              | \$47,150.00          |
| University of Texas at Dallas, School of Management                    | Public         | \$50.00         | \$915.00                              | \$37,000.00          |

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|   |               |                |                 |                    |
|---|---------------|----------------|-----------------|--------------------|
| Virginia Polytechnic Institute and State University                                     | Public        | \$45.00        | \$852.00        | \$33,000.00        |
| Nova Southeastern University, Huizenga School of Business and Enterprise                | Private       | \$50.00        | \$709.00        | \$30,487.00        |
| University of Alabama, Culverhouse College of Communication and Business Administration | Public        | \$50.00        | \$913.00        | \$27,390.00        |
| Auburn University, College of Business  | Public        | \$50.00        | \$668.00        | \$24,048.00        |
| University of Mississippi, School of Business Administration                            | Public        | \$40.00        | \$616.00        | \$22,536.00        |
| <b>Florida State University, College of Business</b>                                    | <b>Public</b> | <b>\$30.00</b> | <b>\$553.00</b> | <b>\$21,581.00</b> |

\* 52 Credit hours

\*\* 48 Credit hours

Other programs are comparable in length

**Similar Program(s) Offered by Other State Universities**

Describe any similar programs offered by another state university system institution.

Similar programs are offered at the University of Florida, Florida Atlantic University and Florida International University. As with Florida State, the universities' programs have been in operation for several years.

The average current MBA tuition for Florida State University is \$553 per Student Credit Hour with a total average program cost of \$21,581. Further details about the programs offered at Florida universities are below.

**Online MBA Programs in Florida**

| Title  | Public/Private | Application Fee | Average Online Tuition by Credit Hour | Average Program Cost |
|--|----------------|-----------------|---------------------------------------|----------------------|
| University of Florida, Warrington College of Business Administration | Public         | \$30.00         | \$982.00                              | \$47,150.00          |



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|  |               |                |                 |                    |
|--|---------------|----------------|-----------------|--------------------|
| Florida International University                     | Public        | \$30.00        | \$1,466.67      | \$44,000.00        |
| Florida Atlantic University                          | Public        | \$30.00        | \$1,308.00      | \$38,160.00        |
| <b>Florida State University, College of Business</b> | <b>Public</b> | <b>\$30.00</b> | <b>\$553.37</b> | <b>\$21,581.00</b> |

**Mission Alignment**

Describe how offering the proposed at market tuition aligns with the mission of the university and the Board strategic plan.

The Florida State University MBA program is well aligned with the university's dedication to excellence in teaching and research along with the key Board of Governors' goals.

Florida State University Mission Statement:

*The Florida State University (FSU) preserves, expands, and disseminates knowledge in the sciences, technology, arts, humanities, and professions, while embracing a philosophy of learning strongly rooted in the traditions of the liberal arts. The university is dedicated to excellence in teaching, research, creative endeavors, and service. The university strives to instill the strength, skill, and character essential for lifelong learning, personal responsibility, and sustained achievement within a community that fosters free inquiry and embraces diversity.*

**For Students** The FSU MBA program graduates approximately 320 students per year. The proposed market rate tuition revenues would be used to enhance the MBA program and the College of Business by hiring additional high-caliber graduate faculty, promoting the program, providing additional assistantships and scholarships to students, investing in state-of-the-art technologies, and recruiting exceptional out-of-state students to help improve the educational experiences of Florida residents. The online format provides an opportunity to obtain a graduate business degree to students who wouldn't be able to attend classes due to work constraints, location, and family needs. The additional faculty resources devoted to this program would free-up current faculty to expand other graduate program offerings and permit class size reductions. These efforts will significantly enhance the program and the college while providing greater access to an MBA degree to those many place-bound individuals (e.g., those with families and successful careers) who are unable to terminate their current employment to move to Tallahassee to enroll in the on campus MBA program.

**For Research and Scholarship** The additional faculty would also contribute to the research mission of the College of Business. Florida State has been able to attract some of the best graduate business faculty in the country. The hiring of exceptional graduate faculty to teach

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in the MBA program would also bolster the research orientation and contributions of the existing faculty.

**For Florida and Society** The FSU MBA program fulfills the University's obligation to benefit our students and society. Our students are better equipped to serve the needs of our state and increase the economic potential of our region.

These statements all address the Board of Governors system goals, established for 2012-2013.

- **Access to and production of degrees.** The FSU MBA program offers two distinct MBA options along with the development of a third option in the coming academic year. The traditional accelerated program has seen a steady enrollment throughout its history. The online program has seen significant growth since its inception in 1998. These offerings include accelerated or online formats to allow working professionals to work full time while completing their studies or take one year off before continuing their careers. The revenue generated by the market rate tuition would be used to hire additional MBA faculty, thereby permitting the College to expand not only its MBA program, but also its Masters of Accounting, and Masters of Science in Finance, Master of Science in Marketing, and Doctoral programs used to meet University SCH targets.
- **Meeting statewide professional and workforce needs.** FSU graduates apply skills learned through their programs of study to improve business operations and outcomes within their organizations. Improved business operations in turn strengthen the state economy and increase access to job opportunities for many throughout the state of Florida. Employers have the chance to fill open positions with individuals earning MBA degrees at FSU instead of looking for talent outside of the state.
- **Building world-class academic programs and research capacity.** Florida State is recognized as one of the up and coming MBA programs in the United States. The FSU MBA is ranked consistently as one of the best by *U.S. News & World Report*, *Bloomberg Businessweek*, *The Princeton Review*, and the *Graduate Management Admission Council (GMAC)*. Maintaining and strengthening this reputation attracts faculty and student talent needed to diversify and improve the state's business environment.
- **Meeting community needs and fulfilling unique institutional responsibilities.** The FSU MBA online format provides Florida State University degree access to every community within the state of Florida. As a leader in MBA program delivery with advances in state of the art technology, the Florida State University successfully fulfills its institutional responsibility as it relates to degree access throughout the state. Further, providing the MBA degree to nonresidents helps to promote the state of Florida in that it provides a means for out-of-state students to become connected to

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activities in Florida and indirectly for potential businesses to understand the quality of higher education in Florida and to provide a platform for them to explore expansion of their businesses into the Florida job market.

**Declaratory Statement**

Provide a declaratory statement that the policy will not increase the state's fiscal liability or obligation.

Florida State University's market rate policy will not increase the state's fiscal liability or obligation.

**Differentiation Between Resident and Non-resident Students**

Explain if there will be a differentiation in market tuition rates between a resident and a non-resident student enrolled in the program.

Regional competitors and peer school competitors generally do not charge different rates for in state and out of state students. Most comparable programs charge one market rate.

Florida resident and non-resident students will be charged the same market tuition.

**Restrictions / Limitations**

Identify any proposed restrictions, limitations, or conditions to be place on the policy.

Market rate tuition will be charged to students admitted Fall 2011 and thereafter. Students admitted prior to Fall 2011 will pay at the current rate.

**Accountability Measures**

Indicate how the university will monitor the success of the policy. Provide specific metrics that will be used.

Our success will be measured by student enrollment, student quality, faculty excellence and student satisfaction.

- **Student Enrollment** Forty-Fifty students are admitted per semester. If these numbers are maintained and increased, we would consider the market rate pricing a success.
- **Student Quality** Student quality within our program will be assessed both by GMAT

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entrance test scores, undergraduate GPA, and by previous job experience. Other class assessments and assurance of learning techniques will also be employed.

We strive to have our students excel in both the classroom and outside of the classroom. This success can only strengthen the reputation of the MBA programs and assist in future recruitment of talented students, and bolster the economic impact of our graduates.

- **Faculty Excellence** With the establishment of market rate pricing, Florida State can continue to recruit top scholars who in turn will not only teach our students but share in their continuing research in their respective fields of expertise. Currently, teaching evaluations are used to maintain the teaching quality of our faculty. Research publication in peer-reviewed journals will be used to assess the success of these faculty in contributing to the research mission of the university.
- **Student Satisfaction** Student satisfaction is measured with exit surveys and the percentage of students willing to recommend the MBA experience obtained at Florida State University as well as job placement opportunities. If we wish to continue with this level of satisfaction, we must keep current or ahead of new and emerging technologies used in the classroom and in new directions of research.

#### **Course Availability**

Explain how the university will ensure that sufficient courses are available to meet student demand and facilitate completion of each program submitted for consideration.

Florida State has always been able to provide the number of courses required by student demand. All of our students in our MBA programs are taught by full time academically qualified and AACSB accredited graduate research faculty. Course schedules are determined well before a student starts the program of study.

From the start of the online MBA format in 2004, the availability of course offerings and the ability to complete a program of study in a timely fashion have never been issues. It is anticipated any extraordinary demand would be met with faculty hired from program revenues.

#### **Baseline Enrollments**

Provide current enrollments, including a breakout of resident and non-resident enrollment, in the program being submitted for consideration and similar state-funded courses.

Currently, at Florida State, we have 41 students enrolled in a traditional MBA program. We have 344 students taking advantage of our online offerings because of location, the ability to

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continue working while receiving an education, and family needs. At this time enrollment is more than 90% state residents.

**Economic Impact**

Provide economic impact that this proposal will have on the university and the student, anticipated revenue collection, how the revenue will be spent, whether any private vendors will be used, and which budget entity the funds will be budgeted.

With state revenues continuing to be on the decline, it is important for university programs to continue to find alternative sources of funding. The revision in market rates will aid in the continuing of our MBA programs which clearly are needed as indicated by demand.

Our programs always are ranked well and their growing support will add to the College of Business as a whole. The proposed market rate tuition revenues would be used to enhance the MBA program and the College of Business by hiring additional high-caliber graduate faculty, promoting the program, providing additional assistantships and scholarships to students, investing in state-of-the-art technologies, and recruiting exceptional out-of-state students to help improve the educational experiences of Florida residents. The additional faculty would also contribute to the research mission of the College of Business. These efforts will significantly enhance the program and the college while providing greater access to an MBA degree to those many place-bound individuals (e.g., those with families and successful careers) who are unable to terminate their current employment to move to Tallahassee to enroll in the on campus MBA program. The additional faculty and resources will also permit the improved access to other graduate programs offered by the college. It is anticipated that additional cohorts of well trained students versed in business practices will have a positive, if indeterminate, effect on the economy and private sector firm performance.

Private vendors will not be utilized and funds will be budgeted to a designated auxiliary account for the College of Business at Florida State.

**Other Information**