

AGENDA
Council on Postsecondary Education
April 5, 2006

9 a.m. (ET)
CPE Meeting Room A
Frankfort, Kentucky

Page

Roll Call

Approval of Minutes 2

Cross-Cutting Issues

1. Analysis of the 2006-08 Conference Committee Budget Recommendation 9

Question 2 – Is Kentucky postsecondary education affordable for its citizens?

2. Action: Tuition and Fee Proposal – EKU 10
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Other Business

Next Meeting – May 22, 2006

Adjournment

MINUTES
Council on Postsecondary Education
March 24, 2006

The Council on Postsecondary Education met Friday, March 24, 2006, at 10 a.m. at the Council offices in Frankfort, Kentucky. Chair Greenberg presided.

ROLL CALL

The following members attended: Walter Baker, Peggy Bertelsman, Dan Flanagan, Ron Greenberg, Alois Moore, Joan Taylor, John Turner, Mark Wattier, and Gene Wilhoit. Bonita Black, Kevin Canafax, John Hall, Phyllis Maclin, Ryan Quarles, and Jim Skaggs did not attend.

APPROVAL
OF MINUTES

The minutes of the January 30 Council meeting were approved as distributed.

2006-07
TUITION AND FEE
PROPOSALS –
KCTCS, MOSU, UK

Council president Tom Layzell presented the agenda items pertaining to the 2006-07 tuition and fee proposals for the Kentucky Community and Technical College System, Morehead State University, and the University of Kentucky. The tuition and fee proposals for the remainder of the institutions will be considered at the April 5 Council meeting. The Council will consider the 2007-08 tuition rates later in the year. He said that two of these institutions have submitted exceptions to the parameters of the tuition policy, but action on exceptions from all of the institutions will be considered at the April 5 Council meeting.

RECOMMENDATION: The staff recommends that the Council approve 2006-07 tuition rates for the Kentucky Community and Technical College System.

MOTION: Mr. Wattier moved that the recommendation be approved. Ms. Moore seconded the motion.

At KCTCS, undergraduate resident students taking 15 credit hours a semester will be charged \$3,270 annually, an increase of \$330, the maximum allowed by the Council's tuition policy. The per credit hour rate for resident undergraduate students will increase from \$98 to \$109 this fall. Undergraduate nonresident students at KCTCS will pay three times the rate charged to residents - \$9,810 annually. The Council's policy requires the nonresident rates be set at least 1.75 times the resident rate. KCTCS has asked for an exception to the nonresident rate for students in contiguous counties.

Ken Walker, KCTCS vice president for finance, commented on the proposed tuition schedule. He said that KCTCS is requesting that nonresidents in contiguous counties be charged 1.2 times the resident rate instead of the parameter of 1.75 times the resident rate. He said that based on 2005 enrollment, the exception will apply to 410 students, or 0.48 percent of

students attending KCTCS institutions. KCTCS argues that a continuation of its current nonresident tuition structure will yield more tuition revenue than a strict adherence to the Council's parameter of 1.75 times the resident rate for all nonresident students. The KCTCS board of regents is proposing the two-tiered nonresident rate because this is the approach that has been taken for the past three years and the approach has worked well for the system.

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the Council approve 2006-07 tuition rates for Morehead State University.

MOTION: Mr. Turner moved that the recommendation be approved. Ms. Moore seconded the motion.

President Wayne Andrews presented information on tuition rates at Morehead State University. Full-time, resident undergraduate students will pay \$4,870 annually, a \$550 annual increase. This rate is \$45 less than the maximum allowed by the tuition policy. The per credit hour rate for Morehead will be \$205 for part-time students. The nonresident undergraduate tuition will be \$12,950 annually, 2.65 times the rate charged for residents. Morehead has asked for an exception to the parameter requiring nonresidents to pay at least 1.75 times the resident rate and that the nonresident rate be 1.25 times the resident rate for students in targeted counties in neighboring states and select urban areas.

Before setting the tuition rate, President Andrews said that Morehead went through a process to receive appropriate input and conducted a financial analysis. The institution looked at its fixed costs and its strategic investments according to the institution's strategic plan, reviewed the affordability study, and conducted a market analysis with respect to tuition rates. In addition, faculty were involved through the governance process, a workshop was conducted with the board of regents, and a student forum was held.

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the Council approve 2006-07 tuition rates for the University of Kentucky.

MOTION: Mr. Flanagan moved that the recommendation be approved. Ms. Moore seconded the motion.

At UK, annual rates for full-time, resident undergraduates will increase from \$5,812 to \$6,510 for lower-division students, an increase of \$698. Tuition for upper-division students will increase from \$4,980 to \$6,698, an increase of \$718 over two semesters. These increases are \$180 less than the maximum allowed by the tuition policy. UK undergraduate nonresidents will pay \$13,970 annually for lower-division students and \$14,156 for upper-division students, approximately 2.1 times the rate charged to residents. UK

requested no exceptions to the tuition policy.

VOTE: The motion passed.

Mr. Greenberg asked that the institutions respond to these questions at the April 5 meeting:

1. What percentage of out-of-state students from contiguous counties to Kentucky remain in Kentucky after graduation? What percentage of other out-of-state students remain in Kentucky?
2. Are postsecondary institutions in contiguous counties more expensive or less expensive than Kentucky institutions? If more expensive, by how much?
3. What is the cost per student versus revenue per student?
4. Do the out-of-state tuition rates vary from any reciprocity agreement?

ANALYSIS OF THE 2006-08 SENATE BUDGET RECOMMENDATION

An analysis of the 2006-08 Senate budget recommendation was presented for information. The major changes made by the Senate to the House version of the budget are listed below. Dr. Layzell said that the budget request is now in the hands of the legislative leadership and the conference committee. The Council has communicated to the members of the legislature the need for adequate funding for postsecondary education.

- The Senate restored the \$1 million reduction to the Council's operations budget included in the House budget.
- The Senate added funding for statewide postsecondary initiatives that were included in the Governor's budget for programs such as contract spaces, college level learning assessment, the college access initiative, academic innovation and collaborative grants, the P-16 engineering pipeline, and the collaborative public health initiative.
- The Senate eliminated \$4 million included in the House budget for a legislative scholarship program.
- The Senate added an additional \$10 million in benchmark funding to the House level for a total increase in 2008 of \$30 million (in addition to the \$20 million in 2007).
- Business plan funding provided in the House budget (\$23 million) for KSU, MuSU, NKU, UK, UofL, and WKU was eliminated for all institutions except for UK, which received \$17.7 million in the Senate version.
- The Senate eliminated the \$10 million in affordability and retention funding provided by the House for ECU, MoSU, and six community colleges.
- The Senate added regional stewardship funding of \$1.2 million in 2007 and \$3.6 million in 2008 consistent with the Governor's recommendation (the House had no funds for 2007 and \$4.8

million in 2008).

- The Senate changed the \$6 million in nonrecurring research support for UK and UofL from operating funding to bonded debt.
- The Senate provided \$382.1 million in state bonds compared to \$507.0 million recommended by the House and \$507.1 million as recommended by the Council.
- The Senate provided \$32.8 million for debt service (22 projects, combination ½ year and full year debt service) compared to \$24.1 million recommended by the House (32 projects, ½ year debt service) and \$55.6 million recommended by the Council (full-year debt service for 22 projects).
- Nine of the 22 capital projects recommended by the Council are not in the Senate Substitute (HB 380) compared to six projects not included by the House.
- Eight of the 22 capital projects included by the Senate (HB 380) compared to 16 of 32 projects included by the House were not recommended by the Council.

FUNDING POLICY DEVELOPMENT

Mr. Greenberg urged the Council members to review the document pertaining to the development of the funding policy. The information was discussed at the March 8 Executive Committee meeting and also at the meeting of the Budget and Finance Policy Group earlier in the day. The document will be used to prepare for the next budgetary process and includes information about what it will take to reach the goal of narrowing the educational gap in Kentucky and moving Kentucky closer to the national level of adults with bachelor's degrees or higher by the year 2020. This information will be shared with the Strategic Committee on Postsecondary Education at its next meeting.

LEGISLATIVE UPDATE

Lee Nimocks of the Council staff discussed the status of several bills being considered by the legislature that relate to postsecondary education. A final listing will be provided at the conclusion of the legislative session.

BUDGET AND FINANCE POLICY GROUP REPORT

Dan Flanagan, chair of the Budget and Finance Policy Group, reported on the meeting earlier that day. The group discussed the 2020 educational attainment projections, the draft funding policy, and the quarterly agency budget report of the Council. The policy group plans to spend some time each quarter reviewing the budget report.

COMMISSIONER OF EDUCATION REPORT

Commissioner of Education Gene Wilhoit updated the Council on activities of the Kentucky Board of Education. He said that the board has made several advancements in the last few months that will bring postsecondary education and K-12 closer together in the goal to increase success for all students. He discussed the redesigned assessment system, changes to the minimum requirements for high school graduation which will take effect with the graduating class of 2012, performance-based credit options for students, and changes to the writing portfolio procedures. Initiatives underway include work in the dual credit area and a project that will follow students from K-12 through postsecondary education experiences.

Dr. Layzell said that the lack of connectivity and interrelationship between data systems led to the joint budget request under consideration by the General Assembly. He said that the Council will see more joint planning between the Council and K-12 in the coming months.

Given the increased high school graduation requirements, Mr. Greenberg asked the Budget and Finance Policy Group to look at projections for success of students going on to postsecondary education. He said that the increased requirements should impact remediation and retention rates.

DLAC AND KYVU REPORT

Myk Garn of the Council staff provided an update on the activities of the Distance Learning Advisory Committee and the Kentucky Virtual University. He said that last May KYVU hosted a visit from a special committee of the Southern Association of Colleges and Schools, the regional accrediting body. The SACS report issued in June 2005 listed 25 recommendations for KYVU in the areas of mission, governance, effectiveness, educational programs, and financial and physical resources. The report said that significant changes have occurred for KYVU since its conception as a component of House Bill 1, both within the organization and within the statewide context.

As a result of the report, a planning process was put in place to reevaluate the mission of KYVU and respond to the current challenges that best serve the state. Focus groups were held with online faculty, online students, distance learning administrators, and Council and KYVU staff. DLAC charged its working group, the Distance Learning Steering Team, to develop recommendations for KYVU to incorporate into the new strategic plan. The recommendations address who KYVU should serve, what ways it should serve its constituencies, guiding principles, exploring alternative names rather than continuing to call itself a "university," and changes to the KYVU advisory structure. The recommendations were approved by DLAC at its March 22 meeting. The steering team and DLAC will move ahead with developing the KYVU strategic plan. It is anticipated that a report will be provided to the Council in summer 2006.

A report describing how KYVU has complied with some of the recommendations will be submitted to SACS April 1, 2006. The KYVU response will be reviewed by SACS and a report will be issued following its June 2006 meeting.

Mr. Greenberg said that the original mission of KYVU was to allow access for all students through technology. He asked the Quality and

Accountability Policy Group to review the status of KYVU's mission and provide the Council a report at a future meeting.

QUALITY AND ACCOUNTABILITY

Mr. Wattier gave a report from the Quality and Accountability Policy Group meeting held earlier in the day. The group feels that the trust fund

POLICY GROUP
REPORT

guidelines are adequate and are ready to be put in place pending the provision of resources in the 2006-08 budget. A report was given on the recent developmental education conference, and the policy group suggested that a task force be created to develop recommendations pertaining to developmental education. The group also discussed the institutions' use of the National Survey of Student Engagement to improve student learning. In May, NSSE staff will participate in a pre-conference event in advance of the Faculty Development Conference.

CEO REPORT

Mr. Baker reported on activities of the Committee on Equal Opportunities. The staff will move forward to issue the request for proposals to conduct a statewide diversity assessment to support the development of a new Kentucky Plan for Equal Opportunities or a diversity plan. The vendor should be selected by July 2006. The study is expected to be completed and a final report given to the CEO, the Council, and the institutions by June 2007. Mr. Baker said that the CEO is pleased with the actions being taken at the University of Kentucky to address the recent downturn in enrollment of African Americans as first-time freshmen. The CEO has received an interim report by KCTCS regarding the actions being taken by the respective districts to address the recent downturn in enrollment of African Americans as first-time freshmen and the actions being taken to implement CEO recommendations from the September 2005 campus visit report. The CEO expressed concern that the KCTCS board of regents does not have any representation from the African American community.

MOTION: Mr. Baker moved that the Council send a letter to Governor Fletcher urging him to give strong consideration to the lack of African American representation on the KCTCS board of regents during the next round of appointments in 2006. Ms. Taylor seconded the motion.

VOTE: The motion passed.

STATEWIDE
FACILITIES
CONDITION
ASSESSMENT

Dr. Layzell said that a contract has been signed with a vendor to conduct the statewide facilities condition assessment. The selected vendor will complete the review between March and November 2006. The project is expected to be completed and a final report given to the Council and the institutions by December 2006.

CPE MEMBERS

Mr. Greenberg announced that since the last meeting Susan Guess resigned from the Council due to family commitments.

RESOLUTIONS

Mr. Greenberg read resolutions for Susan Guess, Esther Jansing, and Charlie Owen.

MOTION: Mr. Baker moved that the resolutions be approved. Ms. Bertelsman seconded the motion.

VOTE: The motion passed.

NEXT MEETING

The next Council meeting is April 5, 2006.

ADJOURNMENT

The meeting adjourned at 11:35 a.m.

Thomas D. Layzell
President

Phyllis L. Bailey
Senior Associate, Executive Relations

**Council on Postsecondary Education
April 5, 2006**

**Analysis of the 2006-08
Conference Committee Budget Recommendation**

At the time of this writing, the Conference Committee Budget Recommendation for 2006-08 was not available. An analysis will be provided at the April 5 meeting.

Staff preparation by Jonathan Pruitt

**Council on Postsecondary Education
April 5, 2006**

**Tuition and Fee Proposal
Eastern Kentucky University**

ACTION: The staff recommends that the Council approve 2006-07 tuition rates for Eastern Kentucky University.

Proposed 2006-07 tuition and mandatory fees for Eastern Kentucky University fall within the parameters established by the Council with one exception. The exception for Eastern Kentucky University is presented in a separate agenda item.

Undergraduate Resident Rates

Under the Eastern Kentucky University proposal, annual rates for full-time, resident undergraduates will increase from \$4,660 to \$5,192, an increase of \$532 (see Attachment A). This increase is \$1 less than the maximum parameter of \$5,193.

Undergraduate Nonresident Rates

Under the proposal, nonresident rates will be \$14,538. This is 2.8 times the rate charged to residents. This rate meets the Council's parameter that requires nonresident rates be at least 1.75 times the resident rate. Eastern Kentucky University is requesting an exception for nonresident students in targeted counties contiguous to Kentucky. This request is presented in a separate agenda item.

Graduate Rates

Attachment A is a complete listing of rates, including graduate programs.

Mandatory Fees

A complete listing of mandatory student fees for 2005-06 and 2006-07 may be found in Attachment B.

Tuition Revenue

Revenue from tuition and fees is projected to increase from \$74.8 million to \$82.5 million or \$7.7 million from 2006 to 2007.

Staff preparation by Jonathan Pruitt

**2006-07 TUITION & MANDATORY FEE RATES
(Fall 2006 and Spring 2007)**

<u>Institution/Level/Residency Status</u>	<u>Fall 2006 Rates</u>	<u>Spring 2007 Rates</u>	<u>Annual 2006-07 Rates</u>	<u>Annual 2006-07 Parameter</u>	<u>Dollar Variance Rate & Parameter</u>
Eastern Kentucky University					
<i>Undergraduate</i>					
Resident					
Full-time	\$ 2,596	\$ 2,596	\$ 5,192	\$ 5,193	\$ (1)
Per Credit Hour	216	216	216		
Nonresident					
Full-time	7,269	7,269	14,538	9,088	5,450
Per Credit Hour	606	606	606		
Online Programs					
Justice and Safety Online Courses (per credit hour)	350	350	350	N/A	N/A
Other Online Courses (per credit hour)	260	260	260	N/A	N/A
<i>Graduate</i>					
Resident					
Full-time	2,805	2,805	5,610	N/A	N/A
Per Credit Hour	311	311	311		
Nonresident					
Full-time	7,955	7,955	15,910	N/A	N/A
Per Credit Hour	883	883	883		
Full-time - Incentive Grant Counties	4,462	4,462	8,924	N/A	N/A
Per Credit Hour - Incentive Grant Counties	495	495	495		
Online Programs					
Justice and Safety Online Courses (per credit hour)	500	500	500	N/A	N/A
Other Online Courses (per credit hour)	375	375	375	N/A	N/A

**EASTERN KENTUCKY UNIVERSITY
2006-07 MANDATORY FEE SCHEDULE**

<u>Level</u>	<u>2005-06 Mandatory Fees</u>	<u>2006-07 Mandatory Fees</u>	<u>Condition for Payment</u>
<i>Undergraduate</i>			
Student Activity Fee	\$ 300	\$ 300	Full-time enrollment (not assessed to part-time students)
Student Technology Fee	100	100	Enrollment at the University
Student Recreation Fee	60	60	Enrollment at the University

**Council on Postsecondary Education
April 5, 2006**

**Tuition and Fee Proposal
Kentucky State University**

ACTION: The staff recommends that the Council approve 2006-07 tuition rates for Kentucky State University.

Proposed 2006-07 tuition and mandatory fees for Kentucky State University fall within the parameters established by the Council.

Undergraduate Resident Rates

Under the Kentucky State University proposal, annual rates for full-time, resident undergraduates will increase from \$4,468 to \$4,950, an increase of \$482 (see Attachment A). This increase is \$85 less than the maximum parameter of \$5,035.

Undergraduate Nonresident Rates

Under the proposal, nonresident rates will be \$11,500. This is 2.32 times the rate charged to residents. This rate meets the Council's parameter that requires nonresident rates be at least 1.75 times the resident rate.

Graduate Rates

Attachment A is a complete listing of rates, including graduate programs.

Mandatory Fees

A complete listing of mandatory student fees for 2005-06 and 2006-07 may be found in Attachment B. Kentucky State University indicates that mandatory fees are 'bundled' with tuition into a single rate for 2006-07.

Tuition Revenue

Revenue from tuition and fees is projected to increase from \$13.4 million to \$15.1 million or \$1.7 million from 2006 to 2007. Kentucky State University indicates that the estimated increase in revenue is due to an increase in both tuition rates and enrollment.

Staff preparation by Jonathan Pruitt

**2006-07 TUITION & MANDATORY FEE RATES
(Fall 2006 and Spring 2007)**

<u>Institution/Level/Residency Status</u>	<u>Fall 2006 Rates</u>	<u>Spring 2007 Rates</u>	<u>Annual 2006-07 Rates</u>	<u>Annual 2006-07 Parameter</u>	<u>Dollar Variance Rate & Parameter</u>
Kentucky State University					
<i>Undergraduate</i>					
Resident					
Full-time	\$ 2,475	\$ 2,475	\$ 4,950	\$ 5,035	\$ (85)
Per Credit Hour	180	180			
Nonresident					
Full-time	5,750	5,750	11,500	8,663	2,838
Per Credit Hour	430	430			
Online Programs					
Per Credit Hour	225	225			
<i>Graduate</i>					
Resident					
Full-time					
Per Credit Hour	285	285		N/A	N/A
Nonresident					
Full-time					
Per Credit Hour	685	685		N/A	N/A

**KENTUCKY STATE UNIVERSITY
2006-07 MANDATORY FEE SCHEDULE**

<u>Level</u>	<u>2005-06 Mandatory Fees</u>	<u>2006-07 Mandatory Fees</u>	<u>Condition for Payment</u>
<i>Undergraduate</i>			
Student Health Fee	\$ 149	\$ -	Students with own insurance could opt out
Computer Usage Fee	71	-	Per semester
Activity Fee	239	-	Per semester
Service & Usage Fee	-	525	\$35 per credit hour capped at 15 credit hours

**Council on Postsecondary Education
April 5, 2006**

**Tuition and Fee Proposal
Murray State University**

ACTION: The staff recommends that the Council approve 2006-07 tuition rates for Murray State University.

Proposed 2006-07 tuition and mandatory fees for Murray State University fall within the parameters established by the Council.

Undergraduate Resident Rates

Under the Murray State University proposal, annual rates for full-time, resident undergraduates will increase from \$4,428 to \$4,998, an increase of \$570 (see Attachment A). This increase is \$4 less than the maximum parameter of \$5,002.

Undergraduate Nonresident Rates

Under the proposal, nonresident rates will be \$13,566. This is 2.71 times the rate charged to residents. This rate meets the Council's parameter that requires nonresident rates be at least 1.75 times the resident rate.

Graduate Rates

Attachment A is a complete listing of rates, including graduate programs.

Mandatory Fees

A complete listing of mandatory student fees for 2005-06 and 2006-07 may be found in Attachment B.

Tuition Revenue

Revenue from tuition and fees is projected to increase from \$53.9 million to \$61.8 million or \$7.9 million from 2006 to 2007.

Staff preparation by Jonathan Pruitt

**2006-07 TUITION & MANDATORY FEE RATES
(Fall 2006 and Spring 2007)**

<u>Institution/Level/Residency Status</u>	<u>Fall 2006 Rates</u>	<u>Spring 2007 Rates</u>	<u>Annual 2006-07 Rates</u>	<u>Annual 2006-07 Parameter</u>	<u>Dollar Variance Rate & Parameter</u>
Murray State University					
<i>Undergraduate</i>					
Resident					
Full-time	\$ 2,499	\$ 2,499	\$ 4,998	\$ 5,002	\$ (4)
Per Credit Hour	208	208	416	417	
Nonresident					
Full-time	6,783	6,783	13,566	8,753	4,813
Per Credit Hour	565	565	1,130	729	
<i>Graduate</i>					
Resident					
Full-time	2,840	2,840	5,680	N/A	N/A
Per Credit Hour	316	316	631		
Nonresident					
Full-time	7,983	7,983	15,966	N/A	N/A
Per Credit Hour	857	857	1,714		

**MURRAY STATE UNIVERSITY
2006-07 MANDATORY FEE SCHEDULE**

<u>Level</u>	<u>2005-06 Mandatory Fees</u>	<u>2006-07 Mandatory Fees</u>	<u>Condition for Payment</u>
<i>Undergraduate</i>			
Student Activity	\$ 124	\$ 124	Required of all students
Athletics	94	109	Required of all students
Technology	66	90	Required of all students
Wellness Center	34	34	Required of all students
Total	\$ 318	\$ 357	

**Council on Postsecondary Education
April 5, 2006**

**Tuition and Fee Proposal
Northern Kentucky University**

ACTION: The staff recommends that the Council approve 2006-07 tuition rates for Northern Kentucky University.

Proposed 2006-07 tuition and mandatory fees for Northern Kentucky University fall within the parameters established by the Council with one exception. The exception for Northern Kentucky University is presented in a separate agenda item.

Undergraduate Resident Rates

Under the Northern Kentucky University proposal, annual rates for full-time, resident undergraduates will increase from \$4,968 to \$5,448, an increase of \$480 (see Attachment A). This increase is \$54 less than the maximum parameter of \$5,502.

Undergraduate Nonresident Rates

Under the proposal, nonresident rates will be \$10,200. This is 1.87 times the rate charged to residents. This rate meets the Council's parameter that requires nonresident rates be at least 1.75 times the resident rate. Northern Kentucky University is requesting an exception for nonresident students in the PACE (Program for Adult Centered Education) Program. This request is detailed in a separate agenda item.

Graduate Rates

Attachment A is a complete listing of rates, including graduate programs.

Mandatory Fees

Northern Kentucky University indicates that mandatory fees will continue to be 'bundled' with tuition.

Tuition Revenue

Revenue from tuition and fees is projected to increase from \$81.7 million to \$87.8 million or \$6.2 million from 2006 to 2007.

Staff preparation by Jonathan Pruitt

**2006-07 TUITION & MANDATORY FEE RATES
(Fall 2006 and Spring 2007)**

<u>Institution/Level/Residency Status</u>	<u>Fall 2006 Rates</u>	<u>Spring 2007 Rates</u>	<u>Annual 2006-07 Rates</u>	<u>Annual 2006-07 Parameter*</u>	<u>Dollar Variance Rate & Parameter</u>
Northern Kentucky University					
<i>Undergraduate</i>					
Resident					
Full-time	\$ 2,724	\$ 2,724	\$ 5,448	\$ 5,502	\$ (54)
Per Credit Hour	227	227			
Nonresident					
Full-time	5,100	5,100	10,200	9,534	666
Per Credit Hour	425	425			
<i>Graduate</i>					
Resident					
Per Credit Hour	293	293	N/A	N/A	N/A
Nonresident					
Per Credit Hour	573	573	N/A	N/A	N/A
Metro - Nonresident					
Per Credit Hour	413	413	N/A	N/A	N/A
<i>Business</i>					
Resident					
Per Credit Hour	312	312	N/A	N/A	N/A
Nonresident					
Per Credit Hour	643	643	N/A	N/A	N/A
Metro - Nonresident					
Per Credit Hour	413	413	N/A	N/A	N/A
<i>Law</i>					
Resident					
Full-time	5,556	5,556	11,112	N/A	N/A
Per Credit Hour	463	463		N/A	N/A
Nonresident					
Full-time	12,120	12,120	24,240	N/A	N/A
Per Credit Hour	1,010	1,010		N/A	N/A
Metro - Nonresident					
Full-time	9,156	9,156	18,312	N/A	N/A
Per Credit Hour	763	763		N/A	N/A

*Nonresident parameter is based on 175% of resident rate.

**Council on Postsecondary Education
April 5, 2006**

**Tuition and Fee Proposal
University of Louisville**

ACTION: The staff recommends that the Council approve 2006-07 tuition rates for the University of Louisville.

Proposed 2006-07 tuition and mandatory fees for the University of Louisville fall within the parameters established by the Council.

Undergraduate Resident Rates

Under the University of Louisville proposal, annual rates for full-time, resident undergraduates will increase from \$5,532 to \$6,252, an increase of \$720 (see Attachment A). This increase is \$132 less than the maximum parameter of \$6,384.

Undergraduate Nonresident Rates

Under the proposal, nonresident rates will be \$16,072. This is 2.57 times the rate charged to residents. This rate meets the Council's parameter that requires nonresident rates be at least 1.75 times the resident rate.

Graduate Rates

Attachment A is a complete listing of rates, including graduate programs.

Mandatory Fees

University of Louisville indicates that mandatory fees will continue to be 'bundled' with tuition into a single rate for 2006-07.

Tuition Revenue

Revenue from tuition and fees is projected to increase from \$125.9 million to \$139.4 million or \$13.5 million from 2006 to 2007.

Staff preparation by Jonathan Pruitt

**2006-07 TUITION & MANDATORY FEE RATES
(Fall 2006 and Spring 2007)**

<u>Institution/Level/Residency Status</u>	<u>Fall 2006 Rates</u>	<u>Spring 2007 Rates</u>	<u>Annual 2006-07 Rates</u>	<u>Annual 2006-07 Parameter</u>	<u>Dollar Variance Rate & Parameter</u>
University of Louisville					
<i>Undergraduate</i>					
Resident					
Full-time	\$ 3,126	\$ 3,126	\$ 6,252	\$ 6,384	\$ (132)
Per Credit Hour	261.00	261.00	261.00		
Nonresident					
Full-time	8,036	8,036	16,072	10,941	5,131
Per Credit Hour	670.00	670.00	670.00		
Distance Education					
Per Credit Hour	339.30	339.30	339.30	N/A	N/A
<i>Graduate</i>					
Resident					
Full-time	3,393	3,393	6,786	N/A	N/A
Per Credit Hour	377.00	377.00	377.00		
Nonresident					
Full-time	8,674	8,674	17,348	N/A	N/A
Per Credit Hour	964.00	964.00	964.00		
Distance Education					
Per Credit Hour	490.10	490.10	490.10	N/A	N/A
<i>Law</i>					
Resident					
Full-time	5,705	5,705	11,410	N/A	N/A
Per Credit Hour	571.00	571.00	571.00		
Nonresident					
Full-time	11,777	11,777	23,554	N/A	N/A
Per Credit Hour	1,178.00	1,178.00	1,178.00		
<i>MBA</i>					
Resident					
Full-time	4,545	4,545	9,090	N/A	N/A
Per Credit Hour	505.00	505.00	505.00		
Nonresident					
Full-time	10,583	10,583	21,166	N/A	N/A
Per Credit Hour	1,176.00	1,176.00	1,176.00		
<i>Medicine</i>					
Resident	10,193	10,193	20,386	N/A	N/A
Nonresident	21,375	21,375	42,750	N/A	N/A
<i>Dentistry</i>					
Resident	8,544	8,544	17,088	N/A	N/A
Nonresident	20,484	20,484	40,968	N/A	N/A

**Council on Postsecondary Education
April 5, 2006**

**Tuition and Fee Proposal
Western Kentucky University**

ACTION: The staff recommends that the Council approve 2006-07 tuition rates for Western Kentucky University.

Proposed 2006-07 tuition and mandatory fees for Western Kentucky University fall within the parameters established by the Council with one exception. The exception for Western Kentucky University is presented in a separate agenda item.

Undergraduate Resident Rates

Under the Western Kentucky University proposal, annual rates for full-time, resident undergraduates will increase from \$5,316 to \$5,860, an increase of \$544 (see Attachment A). This increase is equal to the parameter established by the Council.

Undergraduate Nonresident Rates

Under the proposal, nonresident rates will be \$14,400. This is 2.46 times the rate charged to residents. This rate meets the Council's parameter that requires nonresident rates be at least 1.75 times the resident rate. Western Kentucky University is requesting an exception for nonresident students covered by their tuition incentive program. This exception is presented in a separate agenda item.

Graduate Rates

Attachment A is a complete listing of rates, including graduate programs.

Mandatory Fees

A complete listing of mandatory student fees may be found in Attachment B.

Tuition Revenue

Revenue from tuition and fees is projected to increase from \$99.3 million to \$111.9 million or \$12.6 million from 2006 to 2007.

Staff preparation by Jonathan Pruitt

**2006-07 TUITION & MANDATORY FEE RATES
(Fall 2006 and Spring 2007)**

<u>Institution/Level/Residency Status</u>	<u>Fall 2006 Rates</u>	<u>Spring 2007 Rates</u>	<u>Annual 2006-07 Rates</u>	<u>Annual 2006-07 Parameter</u>	<u>Dollar Variance Rate & Parameter</u>
Western Kentucky University					
<i>Undergraduate</i>					
Resident					
Full-time - Main Campus	\$ 2,930	\$ 2,930	\$ 5,860	\$ 5,860	\$ -
Part-time - Main Campus (per credit hour)	244	244			
Part-time - Distance Learning (Online Courses)	298	298			
Nonresident					
Full-time - Main Campus	7,200	7,200	14,400	10,255	4,145
Part-time - Main Campus (per credit hour)	600	600	600		
Part-time - Distance Learning (Online Courses)	258	274	298		
<i>Graduate</i>					
Resident					
Full-time	3,260	3,260	6,520		
Part-time (per credit hour)	326	326	326		
Part-time - Distance Learning (Online Courses)	340	358	391		
Nonresident					
Full-time - Domestic	3,570	3,570	7,140		
Full-time - International	7,910	7,910	15,820		
Part-time (per credit hour) - Domestic	357	357	357		
Part-time (per credit hour) - International	351	367	404		
Part-time - Distance Learning (Online Courses)	340	358	391		

Note: Rates for students covered by WKU's tuition incentive program are included in the exceptions agenda item.

WESTERN KENTUCKY UNIVERSITY
 2006-07 MANDATORY FEE SCHEDULE

<u>Level</u>	<u>2005-06 Mandatory Fees</u>	<u>2006-07 Mandatory Fees</u>	<u>Condition for Payment</u>
<i>Undergraduate/Graduate</i>			
Student Athletics Fee	\$ 214	\$ 222	all full-time/pro-rated to part-time students

Note: Not charged to online learning.

**Council on Postsecondary Education
April 5, 2006**

**Tuition and Fee Proposal
Exceptions**

ACTION: The staff recommends that the Council approve the following tuition and fee exceptions for 2006-07 in order to extend current practice regarding selected nonresident populations pending further study.

The exceptions requested from four universities and KCTCS all involve select populations of nonresident students and are based on extending a current practice for a narrowly defined group of students. The recommendation of the Council staff is to temporarily approve these exceptions for 2006-07 pending further study.

Eastern Kentucky University

Eastern Kentucky University has requested that an exception be made to the tuition parameter requiring nonresidents to pay at least 1.75 times the resident rate. ECU requests the nonresident rate be 1.59 times the resident rate for students in targeted counties in neighboring states. Based on 2005 enrollment, this exception will apply to 1,114 students. ECU argues that the discounted rate is crucial to continue the recruitment and retention of students in these areas which contribute to campus diversity and bring high-performing students to Kentucky. If this exception is not approved, the tuition rate for ECU nonresident students from these counties will be the minimum rate allowable under the Council's parameters, 1.75 times the resident rate.

Morehead State University

Morehead State University has requested that an exception be made to the tuition parameter requiring nonresidents to pay at least 1.75 times the resident rate. MoSU requests the nonresident rate be 1.25 times the resident rate for students in targeted counties in neighboring states and select urban areas. Based on 2005 enrollment, this exception will apply to 508 students. MoSU argues that the discounted rate is crucial to recruitment and retention of high-performing out-of-state students and also to the recruitment of minority students. If this exception is not approved, the tuition rate for MoSU nonresident students from contiguous counties and select urban areas will be the minimum rate allowable under the Council's parameters, 1.75 times the resident rate.

KCTCS

KCTCS has requested that an exception be made to the nonresident tuition parameter for students in contiguous counties. KCTCS requests that nonresidents in contiguous counties be charged 1.2 times the resident rate instead of the parameter of 1.75 times the resident rate. Based on 2005 enrollment, the exception will apply to 410 students. KCTCS argues that a continuation of its current nonresident tuition structure will yield more tuition revenue than a strict adherence to the Council's parameter, 1.75 times the resident rate for all nonresident students. The current nonresident tuition structure is 1.2 times the resident rate for students in contiguous counties and 3.0 times the resident rate for all other nonresident students. Twenty-five percent of all KCTCS nonresident students are from contiguous counties. If this exception is not approved, the tuition rate for KCTCS nonresident students from contiguous counties will be the minimum rate allowable under the Council's parameters, 1.75 times the resident rate or \$191 per credit hour.

Northern Kentucky University

Northern Kentucky University requests that an exception be made to the tuition parameter requiring nonresident students to pay 1.75 times the resident rate for students in the PACE (Program for Adult Centered Education) program. The PACE program is designed to serve adults who both live and work in Kentucky, live in Kentucky and work in Ohio or Indiana, or live in Ohio or Indiana but work in Kentucky. Students that live in Ohio or Indiana but work in Kentucky would be eligible for the discounted nonresident tuition proposed by NKU. This tuition rate would be 1.09 times the resident rate. This tuition rate is the product of a market analysis of similar programs within the region that suggested that a higher rate would price the program out of the market. Based on 2005 enrollment, this exception would impact 11 students.

Western Kentucky University

Western Kentucky University requests that an exception be made to the tuition parameter in order to continue the practice of charging students from select counties in Tennessee (18 counties) and Indiana (15 counties), international students, and students from select urban areas at a rate that is 1.25 times the resident rate. WKU argues that this exception is necessary to recruit the best and brightest to Kentucky and to promote diversity on campus. WKU also states that many of these students stay and all contribute to the economic prosperity and intellectual capital of the community and state. Based on 2005 enrollment, 1,333 students would fall under this exception.