

**KY COUNCIL ON POSTSECONDARY EDUCATION
FINANCE COMMITTEE - SPECIAL-CALLED MEETING**



July 9, 2020 - 9:30 AM

ZOOM teleconferencing for Committee members

Livestream video for public: <https://youtu.be/fUDnUwi7all>

- I. Call to Order and Roll Call**

- II. Approval of the Minutes**
 - *June 9, 2020*

- III. 2020-21 Campus Tuition and Mandatory Fee Proposals (Action Items)**
 - A. University of Kentucky
 - B. University of Louisville
 - C. Eastern Kentucky University

- V. Adjournment**

DRAFT MINUTES
Council on Postsecondary Education

Type: Finance Committee Meeting
Date: June 9, 2020
Time: 3:00 p.m. ET
Location: Virtual Meeting – Committee member by ZOOM teleconference. Public viewing at: <https://youtu.be/thzcz457zZU>

CALL TO ORDER

The Finance Committee met Tuesday, June 9, 2020, at 3:00 p.m., ET. Pursuant to Executive Order 2020-243 and a memorandum issued by the Finance and Administration Cabinet dated March 16, 2020, and in an effort to prevent the spread of Novel Coronavirus (COVID-19), the Committee met utilizing a video teleconference. Members of the public were invited to view the meeting virtually on the CPE YouTube page: <https://youtu.be/thzcz457zZU>. Chair Ben Brandstetter presided.

ATTENDANCE

Members in attendance: Ben Brandstetter, Kim Halbauer, Grant Minix, Richard Nelson, Carol Wright, and Sherrill Zimmerman. All attended by teleconference.

Heather Faesy, CPE’s senior associate for Board Relations, served as recorder of the meeting minutes.

APPROVAL OF THE MINUTES

The minutes of the April 20, 2020 Finance Committee meeting were approved as amended to reflect the attendance of Robert Staat.

CAMPUS TUITION AND MANDATORY FEE PROPOSALS

At the April 24th meeting, the Council approved to allow the postsecondary institutions the discretion to determine their own tuition and fee increases for resident undergraduate students for the upcoming academic year. Each institution was allowed to submit proposals that balance the needs of students and families and the resource needs of the institution. Additionally, the Council approved institutions to submit for approval market competitive rates for graduate and online courses.

Between then and June 9th, six institutions submitted tuition and mandatory fee proposals. Dr. Bill Payne, CPE's Vice President of Finance and Administration presented each of the institution's proposals:

- Kentucky State University: No increase in resident undergraduate base rate for the 2020-21 academic year, and a decrease to their non-resident rate by 37.6 percent.
- Morehead State University: No increase to either the resident or nonresident base rates.
- Murray State University: No increase in resident and non-resident undergraduate base rates and approval of their effort to simply the nonresident base rate by combining the out-of-state and regional rates for students admitted during the summer of 2020 and thereafter.
- Northern Kentucky University: No increase to either the resident or nonresident base rates.
- Western Kentucky University: No increase to either the resident or nonresident base rates.
- Kentucky Community and Technical College System: A 2.9% increase in the base rates for both resident and nonresident base rates, which equates to an increase of \$5.00 per credit hour for residents and \$10.00 per credit hour for nonresidents.

MOTION: Ms. Wright moved the Finance Committee approve 2020-21 tuition and mandatory fee proposals from Kentucky State University, Morehead State University, Murray State University, Northern Kentucky University, Western Kentucky University, and the Kentucky Community and Technical College System. Ms. Zimmerman seconded the motion.

VOTE: The motion passed.

DELEGATE TUITION APPROVAL AUTHORITY TO FINANCE COMMITTEE

Three institutions were unable to submit tuition and mandatory fee proposals because their boards had not yet met to review and approve them. Those universities are the University of Kentucky, the University of Louisville, and Eastern Kentucky University.

Mr. Shaun McKiernan, CPE's Director of Finance and Budget suggested the Finance Committee request delegation authority from the full Council to review and finalize those rates on its behalf at a special meeting in July.

UPDATE ON CARES ACT FUNDING

Ms. Lee Nimocks, CPE's Chief of Staff and Vice President for Strategy, presented an update on the funding related to the CARES ACT and the Governor's Emergency Education Relief Fund.

The CARES Act includes more than \$30 billion for education, with at least \$13.5 billion for the nation's K-12 schools and more than \$14 billion for higher education. Funding for colleges and universities will run through the Higher Education Emergency Relief Fund. Kentucky colleges and universities that are Title IV eligible will receive a share of \$156 million based on formula established by the U.S. Department of Education (USDOE). Ninety percent (90%) of the Higher Education Emergency Relief Fund flow to campuses in two equal distributions: Emergency Cash Grants for Students and grants to help campuses respond to costs incurred due to the pandemic. Ten percent (10%) of the Higher Education Emergency Relief Fund will be directed to minority serving campuses and campuses with significant unmet need after receiving funds from other pools.

Governor's Emergency Education Relief Fund (GEERF) provides \$3 billion in flexible emergency block grants to governors to help them meet the needs of students, schools, postsecondary institutions, and other education-related organizations. The funding is being distributed to states on a formula basis: 60% based on relative share of population ages 5-24 and 40% based on relative share of population counted under Elementary and Secondary Education Act. Kentucky will receive \$44 million of the \$3 billion total. Governor Beshear determined that \$13.8 million in GEER funding will be directed to postsecondary education, under the administration of CPE.

FISCAL 2020-21 PERFORMANCE FUND DISTRIBUTION

Dr. Payne presented the performance funding distribution for the 2020-21 fiscal year. The enacted budget provided an appropriation of \$14,994,800 for the Postsecondary Education Performance Fund (PEPF). Using an allocation method defined in statute, CPE staff determined that the distribution of those funds between sectors should be an \$11,679,600 allocation to the public universities and a \$3,315,200 allocation to KCTCS institutions, based on sector share of system total adjusted net General Fund appropriations.

Using the funding models defined in statute for each sector, CPE and KCTCS staff members determined that the distribution of 2020-21 PEPF appropriations among institutions should be as follows:

	2020-21
<u>Public Universities</u>	<u>Distribution</u>
University of Kentucky	\$6,621,600
University of Louisville	2,938,900
Eastern Kentucky University	394,200
Kentucky State University	0
Morehead State University	0
Murray State University	0
Northern Kentucky University	967,000
Western Kentucky University	757,900
KCTCS	3,315,200
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Total	\$14,994,800
	2020-21
<u>KCTCS Institutions</u>	<u>Distribution</u>
Ashland	\$0
Big Sandy	0
Bluegrass	611,500
Elizabethtown	314,200
Gateway	285,200
Hazard	0
Henderson	0
Hopkinsville	201,800
Jefferson	468,400
Madisonville	0
Maysville	266,800
Owensboro	284,400
Somerset	327,400
Southcentral	291,900
Southeast	0
West Kentucky	263,600
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KCTCS Total	\$3,315,200

UPDATE ON PROPOSED 2020-21 AGENCY OPERATING BUDGET

On June 4, 2020, the Executive Committee approved the proposed 2020-21 CPE Agency Operating Budget. It is scheduled to be presented to the full Council for

approval at its June 19, 2020 meeting, and a summary was provided in the agenda materials.

ADJOURNMENT

The Finance Committee adjourned at 2:42 p.m., ET.

MINUTES REVIEWED AND APPROVED BY THE FINANCE COMMITTEE: _____

DRAFT

TITLE: 2020-21 Campus Tuition and Mandatory Fee Proposal: University of Kentucky

RECOMMENDATION: Staff recommends that the Finance Committee approve the following 2020-21 tuition and mandatory fee rates for the University of Kentucky on behalf of the Council on Postsecondary Education

PRESENTERS: Bill Payne, Vice President for Finance and Administration, CPE
Shaun McKiernan, Director of Finance and Budget, CPE
Ryan Kaffenberger, Senior Associate for Budget and Finance, CPE

COUNCIL DELEGATION TO THE COMMITTEE

At its June 19, 2020 meeting, the Council delegated the final review of, and accompanying action on, this request to the Finance Committee. The Finance Committee will provide an update of the action taken at the Council's September 14-15, 2020 meetings.

SUPPORTING INFORMATION

In early June, University of Kentucky (UK) officials submitted a tuition and fee proposal for academic year 2020-21 to the Council, along with tuition and fee revenue estimates for the current fiscal year (2019-20) and the upcoming fiscal year (2020-21). Council staff reviewed UK's proposed rates and recommend that the Finance Committee approve these rates as delegated at the Council's meeting on June 19, 2020. Upon approval by the Finance Committee, the proposed rates will establish maximum tuition and mandatory fee charges that may be assessed to students enrolling at UK during fall semester 2020, spring semester 2021, summer term 2021, and winter term 2021.

Tuition and Mandatory Fees

On April 24, 2020, in light of the disruption and financial uncertainties caused by the coronavirus pandemic, the Council voted to allow the postsecondary institutions the discretion to determine their own tuition and fee increases for resident undergraduate students for the upcoming academic year. This will allow each institution to submit proposals that balance the needs of students and families and the resource needs of

the institution. As has been the case in past years, the Council voted to allow institutions to submit for approval market competitive rates for graduate and online courses.

Tuition and fee parameters apply to base rates. Base rates are defined as total tuition and fee charges minus any Special Use Fees and Asset Preservation Fees previously approved by the Council, and minus an agency bond fee at KCTCS (i.e., BuildSmart Investment Fee). Council staff deduct these fees from total tuition and fees before applying percent increase parameters, which keeps the fees at a fixed amount each year until they expire.

As can be seen in the table below, UK is proposing a \$124.⁰⁰, or 1% increase, to its resident, undergraduate, tuition charges for 2020-21. UK does not currently charge a Special Use or Asset Preservation Fee.

UK's proposed tuition and fees for 2020-21 were approved by the Board of Trustees at their meeting on June 19, 2020.

UK Annual Tuition and Fee Charge Comparison				
<u>Rate Category</u>	<u>Current 2019-20 Base Rate Charges</u>	<u>Proposed 2020-21 Base Rate Charges</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Undergraduate				
Resident	\$12,360	\$12,484	\$124	1.0%
Nonresident	\$30,680	\$31,294	\$614	2.0%
Graduate				
Resident	\$13,404	\$13,538	\$134	1.0%
Nonresident	\$32,564	\$33,216	\$652	2.0%
UK has no Special Use Fee or Asset Preservation Fee at this time.				

Attachment A contains additional categories of tuition and fee charges, including proposed per-credit-hour rates for part-time resident and nonresident undergraduate students, graduate students, and online students. Staff recommends approval of these additional categories of rates as proposed by the university.

Estimated Tuition Revenue

UK officials estimate that their proposed 2020-21 tuition and mandatory fee charges for all categories of students (i.e., every academic level, residency, and full-time or part-time status) will generate about \$526.6 million in gross tuition and fee revenue, which is \$25.8 million less than is projected for the current year (see Attachment B). UK officials estimate that the university's Education and General (E&G) fixed costs will increase by about \$16.9 million between fiscal years 2019-20 and 2020-21, which represents an increase of about 1% over current year costs.

**Proposed 2020-21 Tuition and Mandatory Fee Charges
University of Kentucky**

<i>Category</i>	Fall 2020	Spring 2021	Annual 2020-21	Summer and Winter Terms 2021	Full Programs
<i>Undergraduate</i>					
Resident					
Full-time (12 credit hours and above)	\$ 6,242.00	\$ 6,242.00	\$ 12,484.00		
Per Credit Hour	\$ 506.00	\$ 506.00		\$ 506.00	
Nonresident					
Full-time (12 credit hours and above)	\$ 15,647.00	\$ 15,647.00	\$ 31,294.00		
Per Credit Hour	\$ 1,290.00	\$ 1,290.00		\$ 1,290.00	
Online (Per Credit Hour)*	\$ 607.00	\$ 607.00		\$ 607.00	
Active Military (Per Credit Hour)	\$ 292.00	\$ 292.00		\$ 292.00	
<i>Graduate**</i>					
Resident					
Full-time	\$ 6,769.00	\$ 6,769.00	\$ 13,538.00		
Per Credit Hour	\$ 734.00	\$ 734.00		\$ 734.00	
Nonresident					
Full-time	\$ 16,608.00	\$ 16,608.00	\$ 33,216.00		
Per Credit Hour	\$ 1,827.00	\$ 1,827.00		\$ 1,827.00	
<i>Master of Forensic Toxicology and Analytical Genetics (Per Credit Hour)</i>					
Resident and Nonresident	\$ 981.00	\$ 981.00		\$ 981.00	
<i>Master of Science in Finance (Per Credit Hour)</i>					
Resident	\$ 924.00	\$ 924.00		\$ 924.00	
Nonresident	\$ 1,295.00	\$ 1,295.00		\$ 1,295.00	
<i>Master or Graduate Certificate, Health Professional</i>					
Resident					
Full-time	\$ 7,295.00	\$ 7,295.00	\$ 14,590.00		
Per Credit Hour	\$ 792.00	\$ 792.00		\$ 792.00	
Nonresident					
Full-time	\$ 17,219.00	\$ 17,219.00	\$ 34,438.00		
Per Credit Hour	\$ 1,895.00	\$ 1,895.00		\$ 1,895.00	
<i>Master or Graduate Certificate, Professional</i>					
Resident					
Full-time	\$ 7,099.00	\$ 7,099.00	\$ 14,198.00		
Per Credit Hour	\$ 770.00	\$ 770.00		\$ 770.00	
Nonresident					
Full-time	\$ 16,993.00	\$ 16,993.00	\$ 33,986.00		
Per Credit Hour	\$ 1,870.00	\$ 1,870.00		\$ 1,870.00	
<i>Professional Practice Doctoral</i>					
Resident					
Full-time	\$ 8,841.00	\$ 8,841.00	\$ 17,682.00		
Per Credit Hour	\$ 964.00	\$ 964.00		\$ 964.00	
Nonresident					
Full-time	\$ 22,970.00	\$ 22,970.00	\$ 45,940.00		
Per Credit Hour	\$ 2,534.00	\$ 2,534.00		\$ 2,534.00	
<i>Dentistry</i>					
Resident			\$ 35,582.00		
Nonresident			\$ 76,684.00		
<i>Reduced Curriculum load</i>					
Resident			\$ 18,553.00		
Nonresident			\$ 39,104.00		

**Proposed 2020-21 Tuition and Mandatory Fee Charges
University of Kentucky**

<i>Category</i>	Fall 2020	Spring 2021	Annual 2020-21	Summer and Winter Terms 2021	Full Programs
<i>Doctor of Pharmacy</i>					
Resident			\$ 28,662.00		
Nonresident			\$ 53,686.00		
<i>Reduced curriculum load</i>					
Resident			\$ 15,073.00		
Non-Resident			\$ 27,605.00		
<i>Doctorate of Physical Therapy</i>					
Resident			\$ 21,984.00		
Nonresident			\$ 45,060.00		
<i>Reduced curriculum load</i>					
Resident			\$9,708.00		
Non-Resident			\$18,939.00		
<i>Law</i>					
Resident			\$ 24,969.00		
Nonresident			\$ 51,360.00		
<i>Reduced curriculum load</i>					
Resident			\$ 13,246.50		
Non-Resident			\$ 26,442.00		
<i>Medicine</i>					
<i>Students - entering class of fall 2016</i>					
Resident			\$ 37,716.00		
Nonresident			\$ 65,861.00		
<i>Students - entering class of fall 2017</i>					
Resident			\$ 38,472.00		
Nonresident			\$ 68,000.00		
<i>Students - entering class of fall 2018</i>					
Resident			\$ 38,920.00		
Nonresident			\$ 69,648.00		
<i>Students - entering class of fall 2019</i>					
Resident			\$ 40,042.00		
Nonresident			\$ 72,373.00		
<i>Students - entering class of fall 2020</i>					
Resident			\$ 40,462.00		
Nonresident			\$ 73,854.00		
<i>Reduced Curriculum load</i>					
Resident			\$ 20,993.00		
Nonresident			\$ 37,689.00		
<i>Master of Science in Accounting</i>					
Resident			\$ 22,757.00		
Nonresident			\$ 31,130.00		
<i>Reduced Curriculum load</i>					
Resident			\$8,602.00		
Nonresident			\$11,393.00		

**Proposed 2020-21 Tuition and Mandatory Fee Charges
University of Kentucky**

Category	Fall 2020	Spring 2021	Annual 2020-21	Summer and Winter Terms 2021	Full Programs
<i>Master of Business Administration (MBA)</i>					
<i>One-Year, Full-Time</i>					
Resident					\$ 35,788.00
Nonresident					\$ 42,322.00
<i>Professional Evening Two-Years (full-time)</i>					
Students - entering classes of Fall 2019					
Resident					\$ 36,537.00
Nonresident					\$ 42,605.00
Students - entering classes of Fall 2020					
Resident					\$ 36,913.00
Nonresident					\$ 43,439.00
<i>Professional Evening Three-Years (part-time)</i>					
Students - entering classes of Fall 2018					
Resident					\$ 34,416.00
Nonresident					\$ 39,935.00
Students - entering classes of Fall 2019					
Resident					\$ 35,889.00
Nonresident					\$ 41,957.00
Students - entering classes of Fall 2020					
Resident					\$ 36,265.00
Nonresident					\$ 42,792.00
<i>UK-UofL Joint Executive Master in Business Administration</i>					\$ 67,500.00

*Undergraduate courses offered fully online (i.e., Internet, web-based) are assessed using the Undergraduate Online Learning Rate. These courses are assessed tuition and mandatory fees per credit hour, separate and in addition to tuition and mandatory fees for any other courses.

**For graduate and professional programs, students enrolled exclusively in online courses (i.e., Internet, web-based) are assessed using the applicable resident tuition rate regardless of residency status.

ATTACHMENT B

Estimated 2020-21 Gross Tuition and Mandatory Fee Revenue University of Kentucky

<u>Category</u>	<u>Estimated 2019-20</u>	<u>Estimated 2020-21</u>
<i>Undergraduate</i>		
Resident	\$ 157,862,700	\$ 148,196,000
Nonresident	177,475,800	169,023,800
Online	37,791,300	25,250,000
Mandatory Fees	27,555,400	25,625,500
<i>Graduate</i>		
Resident	30,166,200	30,467,800
Nonresident	47,656,200	48,609,300
Online*		
Mandatory Fees	3,864,300	3,864,300
<i>First-Professional</i>		
Resident	42,409,800	45,629,300
Nonresident	24,881,800	27,004,300
Mandatory Fees	2,720,300	2,899,200
Total	<u>\$ 552,383,800</u>	<u>\$ 526,569,500</u>

*Tuition revenue from online graduate course offerings is not separately recorded. Graduate students enrolled in only online courses are assessed the Kentucky resident rate regardless of residency status.

TITLE: 2020-21 Tuition and Mandatory Fee Recommendation, University of Louisville

RECOMMENDATION: Staff recommends that the Finance Committee approve the following 2020-21 tuition and mandatory fee rates for the University of Louisville on behalf of the Council on Postsecondary Education.

PRESENTERS: Bill Payne, Vice President for Finance and Administration, CPE
Shaun McKiernan, Director of Finance and Budget, CPE
Ryan Kaffenberger, Senior Associate for Budget and Finance, CPE

COUNCIL DELEGATION TO THE COMMITTEE

At its June 19, 2020 meeting, the Council delegated the final review of, and accompanying action on, this request to the Finance Committee. The Finance Committee will provide an update of the action taken at the Council's September 14-15, 2020 meetings.

SUPPORTING INFORMATION

In late June, University of Louisville (UofL) officials submitted a tuition and fee proposal for academic year 2020-21 to the Council, along with tuition and fee revenue estimates for the current fiscal year (2019-20) and the upcoming fiscal year (2020-21). Council staff reviewed UofL's proposed rates and recommend that the Finance Committee approve these rates as delegated by the full Council at its meeting on June 19, 2020. Upon approval by the Finance Committee, the proposed rates will establish maximum tuition and mandatory fee charges that may be assessed to students enrolling at UofL during fall 2020, spring 2021, and summer 2021 terms.

Tuition and Mandatory Fees

On April 24, 2020, in light of the disruption and financial uncertainties caused by the coronavirus pandemic, the Council voted to allow the postsecondary institutions the discretion to determine their own tuition and fee increases for resident undergraduate students for the upcoming academic year. This will allow each institution to submit proposals that balance the needs of students and families and the resource needs of

the institution. As has been the case in past years, the Council voted to allow institutions to submit for approval market competitive rates for graduate and online courses.

Tuition and fee parameters apply to base rates. Base rates are defined as total tuition and fee charges minus any Special Use Fees and Asset Preservation Fees previously approved by the Council, and minus an agency bond fee at KCTCS (i.e., BuildSmart Investment Fee). Council staff deduct these fees from total tuition and fees before applying percent increase parameters, which keeps the fees at a fixed amount each year until they expire.

As can be seen in the following table, UofL is proposing a \$234.⁰⁰, or 2.0% increase to its resident undergraduate base rate for 2020-21. UofL's total tuition and fee charges include an existing Special Use Fee of \$98.⁰⁰ per semester or \$196.⁰⁰ per year for full-time students.

Not immediately evident from the table are several significant structural changes that UofL made to its undergraduate and graduate tuition pricing. These changes will lower total tuition costs for some students and encourage all to take more credit hours each semester, helping them graduate sooner and with less student debt. The changes include:

- Eliminating the online price differential. Tuition rates for online credit hours had been different than the rates for in-person classes for many years. With this change, all undergraduate and graduate students who are not enrolled in online only programs will pay the same tuition rate for in-person and online courses based on their residency and degree type.
- Eliminating the tuition charge for online courses above load (for students who are not enrolled in online only programs). This significant change removes a longstanding practice that assessed tuition charges for each enrolled online credit hour without limit. Undergraduate and graduate students will now only pay tuition up to 12 and 9 credit hours, respectively, for any combination of in-person and online courses.
- The combination of these two significant pricing changes will result in many students paying less tuition in AY 2020-21 than in AY 2019-20 even with the tuition rate increases, particularly for full-time resident students enrolled in some combination of online and in-person courses.

UofL's Board of Trustees approved the university's 2020-21 tuition and fee charges at its June 25, 2020 meeting.

UofL Annual Base Rate Comparison				
<u>Rate Category</u>	<u>Current 2019-20 Base Rate Charges</u>	<u>Proposed 2020-21 Base Rate Charges</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Undergraduate				
Resident	\$11,732	\$11,966	\$234	2.0%
Nonresident	\$27,758	\$28,312	\$554	2.0%
Graduate				
Resident	\$13,000	\$13,260	\$260	2.0%
Nonresident	\$27,114	\$27,374	\$260	1.0%
UofL Annual Tuition and Fee Charge Comparison				
<u>Rate Category</u>	<u>Current 2019-20 Tuition & Fee Charges</u>	<u>Proposed 2020-21 Tuition & Fee Charges</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Undergraduate				
Resident	\$11,928	\$12,162	\$234	2.0%
Nonresident	\$27,954	\$28,508	\$554	2.0%
Graduate				
Resident	\$13,196	\$13,456	\$260	2.0%
Nonresident	\$27,310	\$27,570	\$260	1.0%
UofL's tuition and fee charges include a Special Use Fee of \$98. ⁰⁰ per semester, or \$196. ⁰⁰ per year.				

Attachment A contains additional categories of tuition and fee charges, including proposed per-credit-hour rates for part-time resident and nonresident undergraduate students, graduate students, and online students. Staff recommends approval of these additional categories of rates as proposed by the university.

Estimated Tuition Revenue

UofL officials estimate that their proposed 2020-21 tuition and mandatory fee charges for all categories of students (i.e., every academic level, residency, and full-time or part-time status) will generate about \$317.1 million in gross tuition and fee revenue,

which is \$3.7 million more than is projected for the current year (see Attachment B). The increase reflects continued strong demand in medical and dental school enrollment coupled with minimal tuition rate increases. Graduate enrollment is expected to modestly increase which helps support overall tuition revenue growth. Undergraduate tuition revenue, primarily due to the significant price restructuring, is expected to decrease year-over-year.

UofL officials estimate that the university's Education and General (E&G) fixed costs will increase by about \$11.5 million between fiscal years 2019-20 and 2020-21, which represents an increase of about 2% over current year costs.

Proposed 2020-21 Tuition and Mandatory Fee Charges
University of Louisville

<i>Category</i>	Fall 2020	Spring 2021	Annual 2020-21	Summer 2021
<i>Undergraduate (applies to in-person and online courses; excluding online programs)</i>				
Resident				
Full-time (12 credit hours and above)	\$ 5,983	\$ 5,983	\$ 11,966	\$ 5,983
Per Credit Hour	499	499		499
Nonresident				
Full-time (12 credit hours and above)	14,156	14,156	28,312	13,996
Per Credit Hour	1,180	1,180		1,180
Special Fort Knox Rate				
Per Credit Hour (includes online courses)	250	250		250
<i>Graduate (applies to in-person and online courses; excluding online programs)</i>				
Resident				
Full-time	6,630	6,630	13,260	6,630
Per Credit Hour	737	737		737
Nonresident				
Full-time	13,687	13,687	27,374	13,687
Per Credit Hour	1,521	1,521		1,521
Graduate - Equine Graduate Certificate	800	800		800
Activity Duty Military				
Per Credit Hour	250	250		250
Master's of Engineering in Engineering Management	690	690		690
Franchise Management Certificate	600	600		600
Distilled Spirits Certificate	600	600		600
Equine Certificate	600	600		600
<i>Distance Education (per credit hour)</i>				
Undergraduate	499	499		499
Undergraduate - RN to Bachelor of Science in Nursing	375	375		375
CBE-Healthcare Leadership	499	499		499
Graduate	737	737		737
Graduate - Urban Planning & Public Admin	905	905		905
Graduate - Advanced Educator Preparation	552	552		552
Graduate - Distilled Spirits Certificate	800	800		800
Graduate - Franchise Management Certificate	800	800		800
Law, full-time	1,098	1,098		1,098
Law, part-time	914	914		914
<i>Professional MBA Cohort Program</i>				
Resident - 6 consecutive semesters including summer terms				
Full-time	5,333	5,333	16,000	5,333
Nonresident - 6 consecutive semesters including summer terms				
Full-time	5,333	5,333	16,000	5,333
<i>Dual MBA</i>				
Resident - 13 month program				
Full-time	8,867	8,867	26,600	8,866
Nonresident - 13 month program				
Full-time	8,867	8,867	26,600	8,866
<i>Full-time MBA Cohort Program</i>				
Resident - 13 month program				
Full-time	10,667	10,667	32,000	10,667
Nonresident - 13 month program				
Full-time	10,667	10,667	32,000	10,667

Proposed 2020-21 Tuition and Mandatory Fee Charges
University of Louisville

<i>Category</i>	Fall 2020	Spring 2021	Annual 2020-21	Summer 2021
<i>Global MBA</i>				
Resident - 4 semesters Full-time	12,333	12,333	37,000	12,333
Nonresident - 4 semesters Full-time	12,333	12,333	37,000	12,333
<i>IMBA Cohort Program</i>				
Resident - 6 consecutive semesters including summer terms Full-time	5,333	5,333	16,000	5,333
Nonresident - 6 consecutive semesters including summer terms Full-time	5,333	5,333	16,000	5,333
<i>Master's in Accountancy Cohort Program</i>				
Resident - 3 consecutive semesters including summer terms Full-time	8,333	8,333	25,000	8,333
Nonresident - 3 consecutive semesters including summer terms Full-time	8,333	8,333	25,000	8,333
<i>Master's in Business Analytics Program</i>				
Resident - 13 month program Full-time	10,000	10,000	30,000	10,000
Nonresident - 13 month program Full-time	10,000	10,000	30,000	10,000
<i>Certificate Program in Accounting</i>				
Resident (7 undergraduate courses over 2-3 semesters) Full-time	6,450	6,450	12,900	NA
Nonresident (7 undergraduate courses over 2-3 semesters) Full-time	6,450	6,450	12,900	NA
<i>Ed. D. Practitioner</i>				
Resident - 9 consecutive semesters including summer terms Full-time	1,800	1,800	5,400	1,800
Nonresident - 9 consecutive semesters including summer terms Full-time	1,800	1,800	5,400	1,800
<i>Principal Preparator</i>				
Per credit hour	500	500	n/a	500
<i>M.S. in Human Resources and Organization Development</i>				
Resident - 6 consecutive semesters including summer terms Full-time	2,750	2,750	8,250	2,750
Nonresident - 6 consecutive semesters including summer terms Full-time	2,750	2,750	8,250	2,750
<i>Urban Planning and Public Administration Programs</i>				
Resident Full-time	7,530	7,530	15,060	7,530
Nonresident Full-time	14,587	14,587	29,174	14,587
<i>Advanced Educator Preparation Master's and Graduate Programs</i>				
Resident Full-time	4,972	4,972	9,944	4,972
Per Credit Hour	552	552		552
Nonresident Full-time	10,265	10,265	20,530	10,265
Per Credit Hour	1,140	1,140		1,140

**Proposed 2020-21 Tuition and Mandatory Fee Charges
University of Louisville**

<i>Category</i>	Fall 2020	Spring 2021	Annual 2020-21	Summer 2021
<i>Law</i>				
Resident				
Full-time	11,553	11,553	23,106	11,553
Per Credit Hour	1,156	1,156		1,156
Nonresident (returning students)				
Full-time	21,258	21,258	42,516	21,258
Per Credit Hour	2,126	2,126		2,126
Nonresident (new AY 20-21 students)				
Full-time	14,053	14,053	28,106	14,053
Per Credit Hour	1,406	1,406		1,406
<i>Medicine</i>				
Resident	20,889	20,889	41,778	NA
Nonresident	31,765	31,765	63,530	NA
<i>Dentistry</i>				
Resident (see above)	17,766	17,776	35,542	NA
Nonresident	37,064	37,064	74,128	NA
Special Use Fee	98	98	196	98
Doctoral / Masters Candidacy	1,475	1,475	2,950	1,475

ATTACHMENT B

**Estimated 2019-20 Gross Tuition and Mandatory Fee Revenue
University of Louisville**

<i>Category</i>	Estimated FY 2020 Est.	Estimated 2020-21
<i>Undergraduate</i>		
Resident	\$ 117,268,404	114,110,383
Nonresident	36,534,731	35,550,856
Online	30,335,994	29,519,050
<i>Graduate</i>		
Resident	22,731,046	24,186,157
Nonresident	4,597,801	4,892,126
Online	12,489,104	13,288,585
<i>First-Professional</i>		
Resident	31,234,541	31,608,524
Nonresident	33,298,702	34,938,478
Other Tuition	12,428,253	16,759,153
Mandatory Fees	9,084,628	8,834,820
Student Recreation Center Special Use Fee	3,400,000	3,420,000
<i>Total</i>	\$ 313,403,203	\$ 317,108,133

TITLE: 2020-21 Campus Tuition and Mandatory Fee Proposal: Eastern Kentucky University

RECOMMENDATION: Staff recommends that the Finance Committee approve the following 2020-21 tuition and mandatory fee rates for Eastern Kentucky University on behalf of the Council on Postsecondary Education

PRESENTERS: Bill Payne, Vice President for Finance and Administration, CPE
Shaun McKiernan, Director of Finance and Budget, CPE
Ryan Kaffenberger, Senior Associate for Budget and Finance, CPE

COUNCIL DELEGATION TO THE COMMITTEE

At its June 19, 2020 meeting, the Council delegated the final review of, and accompanying action on, this request to the Finance Committee. The Finance Committee will provide an update of the action taken at the Council's September 14-15, 2020 meetings.

SUPPORTING INFORMATION

In mid-June, Eastern Kentucky University (EKU) officials submitted a tuition and fee proposal for academic year 2020-21 to the Council, along with tuition and fee revenue estimates for the current fiscal year (2019-20) and the upcoming fiscal year (2020-21). Council staff reviewed EKU's proposed rates and recommend that the Finance Committee approve these rates as delegated by the Council at their meeting on June 19, 2020. Upon approval by the Finance Committee, the proposed rates will establish maximum tuition and mandatory fee charges that may be assessed to students enrolling at EKU during the 2020 fall and winter semesters and 2021 spring and summer semesters.

Tuition and Mandatory Fees

On April 24, 2020, in light of the disruption and financial uncertainties caused by the coronavirus pandemic, the Council voted to allow the postsecondary institutions the discretion to determine their own tuition and fee increases for resident undergraduate students for the upcoming academic year. This will allow each institution to submit

proposals that balance the needs of students and families and the resource needs of the institution. As has been the case in past years, the Council voted to allow institutions to submit for approval market competitive rates for graduate and online courses.

Tuition and fee parameters apply to base rates. Base rates are defined as total tuition and fee charges minus any Special Use Fees and Asset Preservation Fees previously approved by the Council, and minus an agency bond fee at KCTCS (i.e., BuildSmart Investment Fee). Council staff deduct these fees from total tuition and fees before applying percent increase parameters, which keeps the fees at a fixed amount each year until they expire.

As can be seen in the table on the next page, ECU is proposing no increase to its resident undergraduate base rate for 2020-21. ECU's total tuition and fee charges include a Special Use Fee of \$300.⁰⁰ per year for full-time students (\$12.⁵⁰ per credit hour capped at 12 credit hours, or \$150.⁰⁰, per term) and an Asset Preservation Fee of \$300.⁰⁰ per year for full-time students (\$10.⁰⁰ per credit hour capped at 15 credit hours per term, or \$150.⁰⁰, per term).

ECU's Board approved the university's 2020-21 tuition and fee charges at its June 30, 2020 meeting.

Attachment A contains additional categories of tuition and fee charges, including proposed per-credit-hour rates for part-time resident and nonresident undergraduate students, graduate students, and online students. Staff recommends approval of these additional categories of rates as proposed by the university.

Estimated Tuition Revenue

ECU officials estimate that their proposed 2020-21 tuition and mandatory fee charges for all categories of students (i.e., every academic level, residency, and full-time or part-time status) will generate about \$137.0 million in gross tuition and fee revenue, which is \$10.5 million less than is projected for the current year (see Attachment B). ECU officials estimate that the university's Education and General (E&G) fixed costs will increase by about \$10.3 million between fiscal years 2019-20 and 2020-21, which represents an increase of about 4% over current year costs.

EKU Annual Base Rate Comparison

<u>Rate Category</u>	<u>Current 2019-20 Base Rate Charges</u>	<u>Proposed 2020-21 Base Rate Charges</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Undergraduate				
Resident	\$9,266	\$9,266	\$0	0.0%
Nonresident	\$19,338	\$19,338	\$0	0.0%
Graduate				
Resident	\$550 pch	\$550 pch	\$0	0.0%
Nonresident	\$775 pch	\$750 pch	-\$25	-3.2%

EKU Annual Tuition and Fee Charge Comparison

<u>Rate Category</u>	<u>Current 2019-20 Tuition & Fee Charges</u>	<u>Proposed 2020-21 Tuition & Fee Charges</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Undergraduate				
Resident	\$9,866	\$9,866	\$0	0.0%
Nonresident	\$19,938	\$19,938	\$0	0.0%
Graduate				
Resident	\$573 pch	\$573 pch	\$0	0.0%
Nonresident	\$798 pch	\$773 pch	-\$25	-3.1%

EKU's tuition and fee charges include a Special Use Fee of \$150.⁰⁰ per semester, or \$300.⁰⁰ per year for full-time students, and an Asset Preservation Fee of \$10.⁰⁰ per credit hour for all students.

**Proposed 2020-21 Tuition and Mandatory Fee Charges
Eastern Kentucky University**

<i>Category</i>	Fall 2020	Spring 2021	Annual 2020-21	Summer 2021	Winter 2020
<i>Undergraduate</i>					
Resident	\$ 4,633	\$ 4,633	\$ 9,266		
Full-time (12 credit hours and above)	386	386		386	386
Per Credit Hour					
Nonresident	9,669	9,669	\$ 19,338		
Full-time (12 credit hours and above)	806	806		806	806
Per Credit Hour					
Nonresident - Targeted Areas	\$ 4,633	\$ 4,633	\$ 9,266		
Full-time	386	386		386	386
Per Credit Hour					
Online (non-program) Per Credit Hour	0	0		0	0
<i>Online Programs</i>					
General Education	409	409		409	409
Child and Family Studies	409	409		409	409
Corrections and Juvenile Justice	409	409		409	409
Emergency Medical Care	409	409		409	409
Fire Arson Explosion Investigation	409	409		409	409
Fire Protection Administration Online	409	409		409	409
Fire Protection and Safety Engineering Technology	409	409		409	409
Homeland Security	409	409		409	409
Occupational Safety	409	409		409	409
Paralegal	409	409		409	409
Police Studies	409	409		409	409
Political Science	409	409		409	409
Psychology	409	409		409	409
RN to BSN	460	460		460	460
Other Online Program	409	409		409	409
<i>Graduate - Master's</i>					
Resident					
Full-time					
Per Credit Hour	550	550		550	550
Nonresident					
Full-time					
Per Credit Hour	750	750		750	750
Online (non-program) Per Credit Hour	550	550		550	550
<i>Online Programs (per credit hour)</i>					
Adult, Juvenile and Community Corrections Leadership	409	409		409	409
Construction Management	409	409		409	409
Deaf and Hard of Hearing (DHH)	409	409		409	409
Director of Pupil Personnel Endorsement Program	409	409		409	409
Family Nurse Practitioner	409	409		409	409
Gifted Education	409	409		409	409
Instructional Leadership	409	409		409	409
Instructional Supervisor Endorsement Program	409	409		409	409
Interdisciplinary Early Childhood Education (IECE)	409	409		409	409
Learning and Behavior Disorders	409	409		409	409
Library Science	409	409		409	409
Literacy (Reading Writing)	409	409		409	409
Middle Grades Education	409	409		409	409
Music	409	409		409	409
Nursing Administration	409	409		409	409
Principal Certification Program	409	409		409	409
Psychiatric Mental Health Nurse Practitioner	409	409		409	409
Public Administration	409	409		409	409
Safety, Security and Emergency Management	409	409		409	409
Superintendent Endorsement Program	409	409		409	409
Other Online Program	409	409		409	409
<i>Graduate - Doctorate (per credit hour)</i>					
Doctorate in Education	575	575		575	575
Doctorate Nursing Practice	675	675		675	675
Doctorate in Occupational Therapy	675	675		675	675
Doctorate in Psychology	675	675		675	675
<i>EKU Now (High School)</i>					
Per Credit Hour	58	58		58	58

ATTACHMENT B

**Estimated 2020-21 Gross Tuition and Mandatory Fee Revenue
Eastern Kentucky University**

<i>Category</i>	Estimated 2019-20	Estimated 2020-21
<i>Undergraduate</i>		
Resident		
Fall	\$ 37,269,200	\$ 34,078,200
Spring	\$ 32,177,500	\$ 29,423,800
Summer	\$ 2,170,800	\$ 1,985,100
Nonresident		
Fall	\$ 9,564,200	\$ 8,745,600
Spring	\$ 8,418,900	\$ 7,698,400
Summer	\$ 353,400	\$ 323,100
Online Courses		
Fall	\$ 1,510,700	\$ 717,500
Spring	\$ 1,576,700	\$ 748,900
Summer	\$ 2,821,000	\$ 2,579,600
Winter	\$ 235,100	\$ 215,000
Online Programs		
Fall	\$ 8,865,400	\$ 8,599,100
Spring	\$ 9,063,300	\$ 8,961,000
Summer	\$ 1,907,200	\$ 2,898,600
<i>Graduate - Master's</i>		
Resident		
Fall	\$ 2,774,900	\$ 2,537,500
Spring	\$ 2,549,900	\$ 2,331,700
Summer	\$ 1,002,500	\$ 916,700
Nonresident		
Fall	\$ 625,500	\$ 571,900
Spring	\$ 540,500	\$ 494,200
Summer	\$ 75,500	\$ 69,000
Online Courses		
Fall	\$ 778,800	\$ 369,900
Spring	\$ 687,900	\$ 326,700
Summer	\$ 1,053,900	\$ 963,700
Winter	\$ 3,200	\$ 2,900
Online Programs		
Fall	\$ 4,556,600	\$ 4,788,300
Spring	\$ 4,784,400	\$ 4,866,300
Summer	\$ 2,945,500	\$ 3,054,100
<i>Graduate - Doctorate</i>		
Nonresident		
Fall	\$ 604,400	\$ 552,700
Spring	\$ 575,900	\$ 526,600
Summer	\$ 295,100	\$ 269,800
Online Programs		
Fall	\$ 337,000	\$ 305,800
Spring	\$ 329,100	\$ 353,000
Summer	\$ 146,800	\$ 169,400
<i>Special Use Fee</i>	\$ 4,132,500	\$ 3,925,800
<i>Asset Preservation Fee</i>	\$ 2,720,400	\$ 2,585,000
	<u>\$ 147,453,700</u>	<u>\$ 136,954,900</u>