

CARL SANDBURG COLLEGE
Board of Trustees Meeting
Regular Meeting – January 24, 2008

Item 11 Tuition Formula

Focal Points and Goals

A-2, B-4, C-1, E-1, 2 & 4

Background

At its regular meeting held January 26, 2006, the Board of Trustees approved (in advance) the in-district tuition and fee rates to be applied for Fiscal years 2007, 2008, and 2009 (see **attachment #1**).

At that time, the attached (**\$**) **RATES PER CREDIT HOUR HISTORY** (see **attachment #2**), also provided a broad perspective as to the relationship between tuition and fees charged to our students, the woefully inadequate trend of state aid per credit hour, and our historical/projected credit hour production.

In 1978, then Executive Director of the Illinois Community College Trustees Association (ICCTA), David Viar warned *“If you must raise tuition or raise taxes that increase the local money available, that allows the state to drop the amount of money it must provide. The burden is shifting to the local taxpayers and the students who must pick up the cost for the programs that we (ICCTA) feel have a benefit toward the entire state.”*

His warning continues to go unheeded as community college leaders are already being advised that the Illinois Community College System can expect an FY-2009 budget equal to (or 2% more than) this year’s appropriation. To put this into perspective, our current budget is equal to FY-2002 funding levels.

The states’ ongoing retreat from its’ responsibility to adequately fund this “Public Good” (i.e. Higher Education) was also cited in a U.S. Department of Education report titled *A Nation at Risk* (April 1983),

“We have, in effect, been committing an act of unthinking, unilateral educational disarmament.”

(see attachment #3 – Duh, November 2007, Postsecondary Education Opportunity)

Due to the tremendous economic upheavals recently absorbed and responded to within the Carl Sandburg College district, we are now experiencing an enrollment level equal to the 1997 school year. As west central Illinois continues to redefine itself in terms of employment opportunities and demographics, the College is simultaneously **REFLECTING** these changes and **LEADING THE WAY** to a re-invigorated future as envisioned in our PHENIX Initiative.

Toward this end, the Administration is committed to remaining **PUBLICALLY ACCOUNTABLE**; at the same time the College becomes more **PRIVATELY COMPETITIVE**, just as our district residents have had to do since October of 2002.

We have now completed an analysis of the historical tuition and fee rates charged to our students and concluded that they have been significantly below, not only the statutory limit approved by the legislature (**see attachment #4-PCC Max**), but also well below those being charged by our programmatic competitors (**see attachment #5**).

As the College continues to **RE-SHAPE the INSTITUTION** (FY-2003 through 2014), the Administration projects that the comprehensive tuition and fee rate charged to students in the future will need to be **between 80 and 100% of the College's most recently audited per capita cost** (excluding Bond and Interest payments). Since our peak year of enrollment, our rate has been 80.57% of this maximum formula. Our resulting in-district tuition rate per credit hour will be inclusive of all fees.

Once this formula is approved, the Administration will then (on an annual basis) calculate, establish, and incorporate the actual, upcoming fall semester's tuition rate into the tentative budget scheduled for consideration by the Board each May. The Administration anticipates establishing and communicating this rate no later than February of each year to facilitate such functions as: packaging of financial aid awards, the preparation of the tentative budget, as well as early registration initiatives.

The Administration also hopes to modify future enrollment patterns to continue in the direction of more students enrolling on a full-time basis (**see attachment #6**). This is to be accomplished through a blend of financial incentives as well as our new "Fast Forward" Initiative (**see attachment #7**).

Recommended Action

The Administration recommends that the Board of Trustees approve, effective with the fall semester of 2008, a tuition formula whereby our future comprehensive in-district tuition rates per credit hour will be **between 80 and 100% of the College's most recently audited per capita cost** (excluding Bond and Interest Payments). This tuition formula will be inclusive of all fees.