

Revenue Enhancement Committee

Minutes

July 14, 9:00 am OM 321

Primary purpose – Organization/Information

- Need to appoint a co-/sub chair(s)
- Mel Driver – fee book
- Principles to approach research
- Types of fees to consider
- Data collected since last meeting
- Comparator analysis
 - o Program analysis
- Other

Attending: Michael Pishko, Susan Frye, Mary Burman, Denise Gable, Reed Scull, Ricki Klages, Anne Alexander, Rob Godby, Greg Brown.

Absent: John Mittelstaedt

Rob noted that our committee was recently in the news as Trustees accepted the recommendation that FY2018 cuts be increased by \$5 million due to shortfalls in savings being realized in early retirements, and faculty workloads.

Mary Burman volunteered to be co-chair. The committee accepted this offer.

Mel Driver discussed the fee book process and recommendations of a recent internal audit. Important information – there were many applications for course fees in 2015, however most were rejected by the trustees due to concerns regarding the number of fees that would be added to the fee book and student impact. An internal audit found that the following problems were occurring in the current fee process:

- 1) Chart fields are often not correct in the fee book – the book does not reflect updates.
- 2) Reconciliation of fee disbursement shows that the fee revenue was not being used to support the course or expenditures they were meant for and are instead being used for other expenditures.
- 3) Fees are not re-evaluated – once accepted they exist in perpetuity.
- 4) Fees have been incorrectly charged in the past.
- 5) Foundation funds for some expenditures fees are to be used for are potentially available and this has not been adequately addressed.

Greg Brown noted that it would seem that given the complexities of assessing program fees a differential tuition may be easier to implement (e.g. a semester fee, not a per credit hour charge). Some discussion ensued regarding the issue of transfers to other programs.

Dean Pishko noted the fee committee consists of only two academics and academic considerations may not be appropriately addressed.

Rob asked if there were any fees that students automatically paid that could be opted out of – for example the wind energy fee. Mel was uncertain how widespread this practice was but thought there were few fees like this – international fees were the exception.

Note UW has differential tuition only in its professional programs – Nursing DNP, Pharmacy, Law and MBA.

Comments regarding process to set fee – no principles are defined generally. Trustees did comment on concern regarding number of fees possible. This was the reason for many being denied – only those that were pass-through costs were approved. None were on the basis of program or course cost.

Specific areas not addressed or considered by current fee process that are used as justification elsewhere:

- Accreditation
- Assessment
- Faculty/staff/support salaries

Issues – a lot of discussion about the Constitutional mandate to keep costs as low as possible. This is not a mandate unique to Wyoming, and as included in the agenda that mandate is a little more nuanced than people remember – allowing for costs above and beyond those funded as need.

Another concern was transparency – what does it cost to go to UW? Noted other schools create websites that do a good job of this – for example SDSU (South Dakota State)

After Mel left we discussed the guiding principles our work should use. The committee decided on

- 1) Transparency
- 2) Cost basis for fees/charges
 - a. Definition of fees/charges
 - b. Distribution principles of fees – for example programs should compensate supporting/service programs
- 3) Accountability
 - a. Financial control
 - b. Oversight
 - c.
- 4) Access – as wide as possible including financial support being ensured to allow access.
- 5) Quality/sustainability of programs and institution
 - a. *There should be a discernible benefits*
 - i. To program
 - ii. To students
 - iii. To the institution
- 6) Unintended consequences should be avoid where possible
- 7) Efficiency
 - a. Programs should ensure they are delivered efficiently.
 - b. Fee administration should avoid unnecessary complexity.

As a clarification Rob suggested that we differentiate between Program fees and differential tuition based on how they are assessed: as a principle we could refer to program fees being assessed on a per credit hour basis, and differential tuition as being assessed as an additional semester charge. Though this is not perfect this would reflect how the difference is considered elsewhere across institutions. In general Rob suggested the committee will have to decide how to implement

- Differential tuition programs as defined above – these could be assessed on basis of major, or could be on the basis of level – junior, senior, or all students, etc.
- Program fees – could be charged by college, discipline or area (for example STEM)
- Course fees specific to particular costs (e.g. travel costs for courses that require it.)
- Some combination of the above.

Rob asked the committee to look at the fee programs at the comparator institutions he had compiled with homework for the next meeting that each member consider these to determine what school's programs people thought may be best used at UW.

- Models that could be used
- Can we define a process or means to get started
- What data do we need – Anne is working with Janet Lowe to find the revenue data we need.
- Rob will try to create a summary chart of the programs
- What are the fees in each member's area – several people have begun collating data from their units. These will be put in dropbox folders.
- Rob will try to identify reps from Ag if willing. May also need other colleges directly – e.g. education.

Moving forward – need to define a process to begin

- How do we justify fees
- Comparator institutions – levels and processes/policies
- What are the apparent best practices?
 - o Policies to avoid unintended consequences including delayed declaration of major, reduced hours registered for etc.

Next meeting Monday July 18.

Adjourned 10:30

Background info (provided with past two agendas):

Charge – to develop a program fee proposal for implementation in FY18 at UW.

Background:

Program fees are commonly considered a differential tuition policy, though they are assessed separately from tuition. In 2008, [Nelson \(2008\)](#) found 45% of a sample of 165 public research institutions covering 17 undergraduate programs had implemented some form of differential tuition. Several additional institutions have done so since (see attached document below). Such fees are assessed by credit hour or as a semester fee. Typical programs most commonly using differential tuition are Nursing, Engineering and Business, though such fees are assessed across other disciplines. They are also assessed across wider program areas such as STEM or Arts.

Our charge is to develop a justification, proposal and business plan that could be used to extend such fees at UW where they appear to be needed.

I have also included below some programs that assess such fees including links to charges, and to their budget process to develop such fees when I could find them.