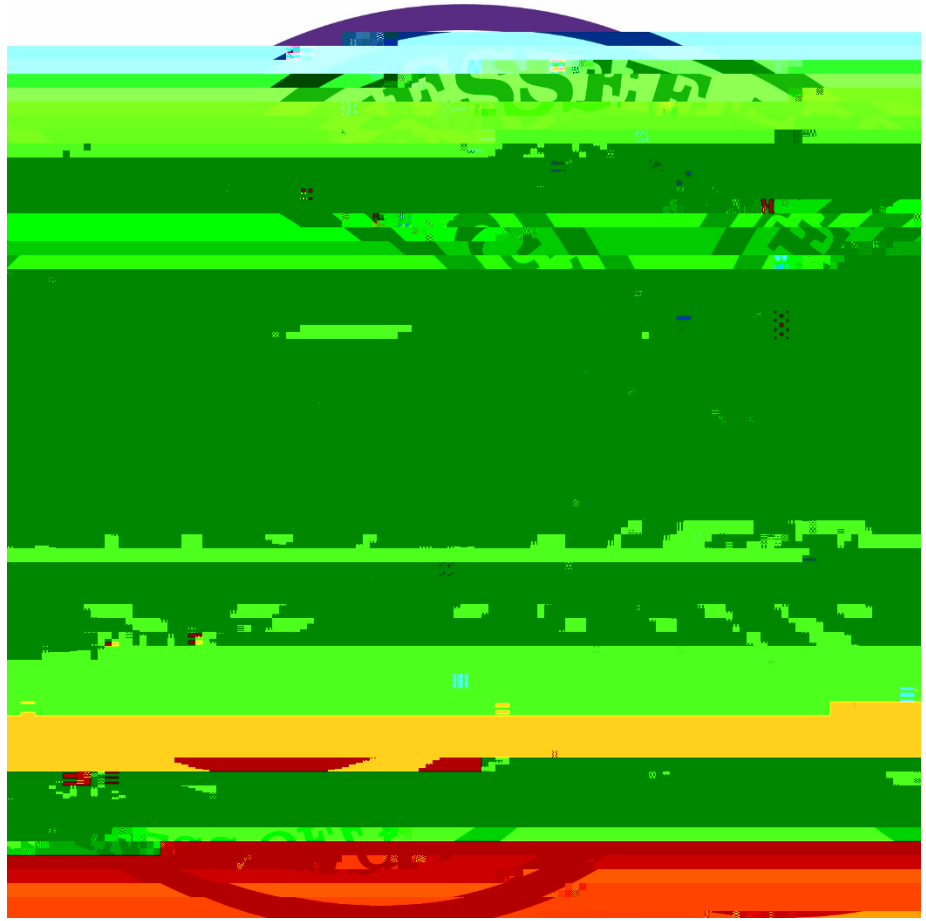


What are Mandatory Fees?

- Mandatory Fees are paid by both undergraduate and graduate students.
- Mandatory Fees are paid on a per hour rate up to a maximum per semester.
- Mandatory Fees have been introduced over a period of many years which has created inconsistencies and unintentional complexity for students.
- There are 4 Mandatory Fees:
  1. Debt Service
  2. General Access
  3. Facilities
  4. Student Government (SOLO) FEE

Inconsistency of Current Mandatory Fees

Current Mandatory Fees					
Hours Per Semester	Debt Service	General Access	Facilities Fee	Student Government	Cumulative Fees Paid
1	$ 11.00	$ 62.00	$ 5.00	$ 3.00	$ 81.00
2	$ 11.00	$ 62.00	$ 5.00	$ 3.00	$ 162.00
3	$ 11.00	$ 62.00	$ 5.00	$ 3.00	$ 243.00
4	$ 11.00	$ 62.00	$ 5.00	$ 3.00	$ 324.00
5	$ 11.00	$ 62.00	$ 5.00	$ 3.00	$ 405.00
6	$ 11.00	$ 62.00	$ 5.00	$ 3.00	$ 486.00
7	$ 11.00	$ 57.00	$ 5.00	$ 3.00	$ 562.00
8	$ 11.00	$ -	$ 5.00	$ 3.00	$ 581.00
9	$ 11.00	$ -	$ 5.00	$ 3.00	$ 600.00
10	$ 11.00	$ -	$ 5.00	$ 3.00	$ 619.00
11	$ 11.00	$ -	$ 1.00	$ -	$ 631.00
12	$ 8.00	$ -	$ -	$ -	$ 639.00
Fee Max	**$ 129.00**	**$ 429.00**	**$ 51.00**	**$ 30.00**	**$ 639.00**

Proposed Mandatory Fee Resolution – Max @ 6 Hours

Proposed Mandatory Fees					
Hours Per Semester	Debt Service	General Access	Facilities Fee	Student Government	Program Service Fees Paid
1	$ 22.00	$ 72.00	$ 9.00	$ 5.00	$ 108.00
2	$ 22.00	$ 72.00	$ 9.00	$ 5.00	$ 216.00
3	$ 22.00	$ 72.00	$ 9.00	$ 5.00	$ 324.00
4	$ 22.00	$ 72.00	$ 9.00	$ 5.00	$ 432.00
5	$ 22.00	$ 72.00	$ 9.00	$ 5.00	$ 540.00
6	$ 19.00	$ 69.00	$ 6.00	$ 5.00	$ 639.00
7	$ -	$ -	$ -	$ -	$ 639.00
8	$ -	$ -	$ -	$ -	$ 639.00
9	$ -	$ -	$ -	$ -	$ 639.00
10	$ -	$ -	$ -	$ -	$ 639.00
11	$ -	$ -	$ -	$ -	$ 639.00
12	$ -	$ -	$ -	$ -	$ 639.00
Fee Max	**$ 129.00**	**$ 429.00**	**$ 51.00**	**$ 30.00**	**$ 639.00**

- TCA § 49-8-109 consideration in making facilities accessible.
  - Facilities must be made available to students in 6 hours or more.
- Undergraduate Fall 2019 Head Count: 8,957 (Full-time: 89% and Part-time: 11%)
  - 3% of the Fall 2019 undergraduate population are enrolled in less than 6 hours.
- Graduate Fall 2019 Head Count: 1,183 (Full-time: 23% and Part-time: 77%)
- Other institutions have instituted a "Program Service Fee" which collapses all these fees into one rate, with the budget still being allocated across the various components.
  - Reduces complexity and confusion.

Mandatory Fee Proposal Recap

- Max all mandatory fees at 6 hours.
- Hold mandatory fee cumulative maximum at $639.
  - Debt Service : $129 – no change in maximum
  - General Access: $429 – no change in maximum
  - Facilities: $51 – no change in maximum
  - Student Government (SOLO) FEE: $30 – no change in maximum
- Package all mandatory fees into one fee named “Program Service Fee” to reduce complexity and confusion.

TECH

Out of State Tuition Proposal

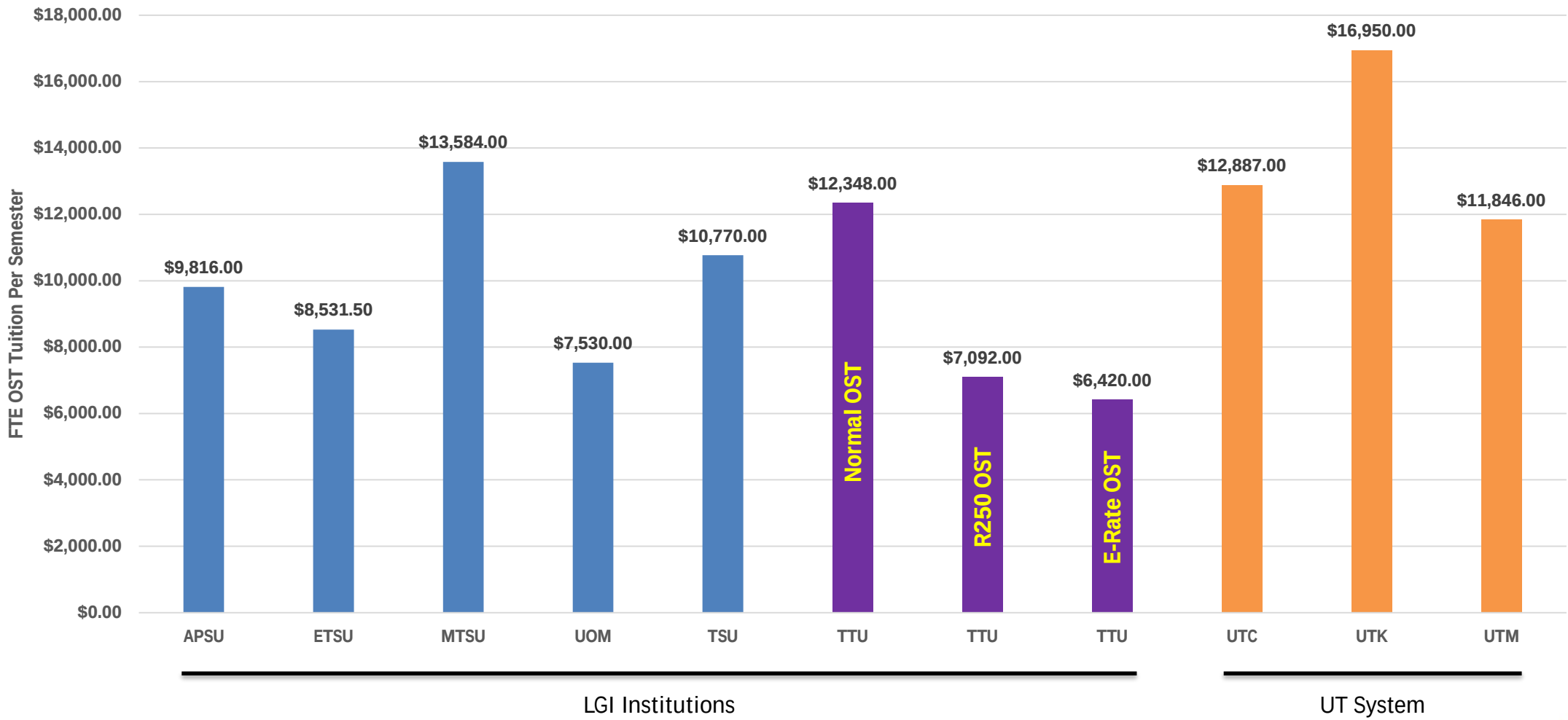
Current Domestic Out-of-State Tuition (OST) Rates

- Domestic Out-of-state tuition cost for FTE = $12,348
  - $661 per hour in addition to in-state tuition for hours <= 12
  - $132 per hour in addition to in-state tuition for hours > 12
- R250 tuition cost for FTE = $7,090
  - $256 per hour in addition to in-state tuition for hours <= 12
  - Applies to students who graduate within 250 miles of TTU.
  - Calculated annually based on state appropriations and fall enrollment.
- E-Rate tuition cost for FTE = $7,185
  - $160 per hour in addition to in-state tuition for all credit hours.
  - R

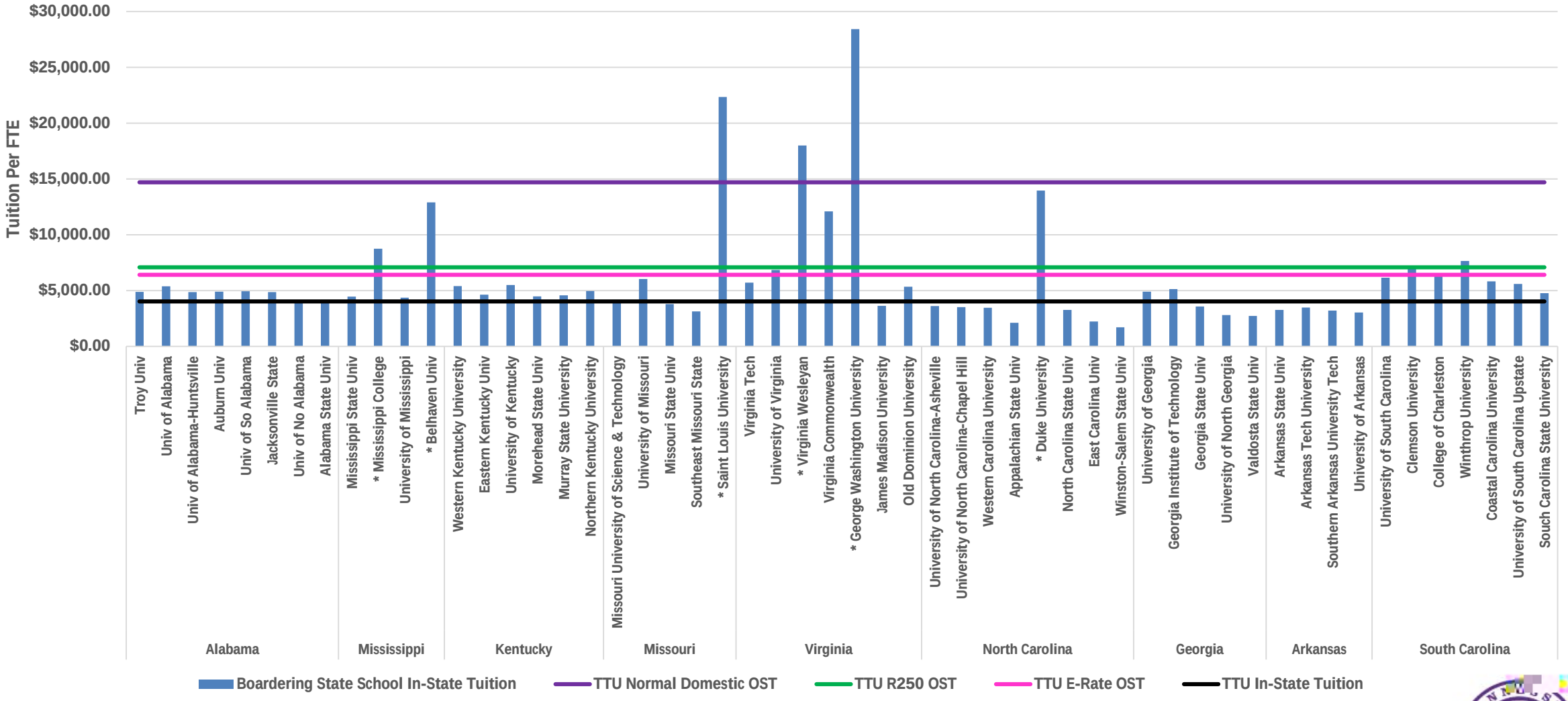
Challenges of TTU's Domestic Out of State Tuition (OST)

- Currently, TTU's out-of-state tuition (OST) is not competitive compared to other LGI's, the UT System, and to universities in surrounding states.
  - Competitive disadvantage
  - Limits access to new markets
  - Creates diversity challenges

Current TTU FTE OST Tuition per Semester Compared to LGI's and UT System



Current TTU FTE OST Tuition per Semester Compared to Surrounding States In-State Tuition



* Indicates private institution

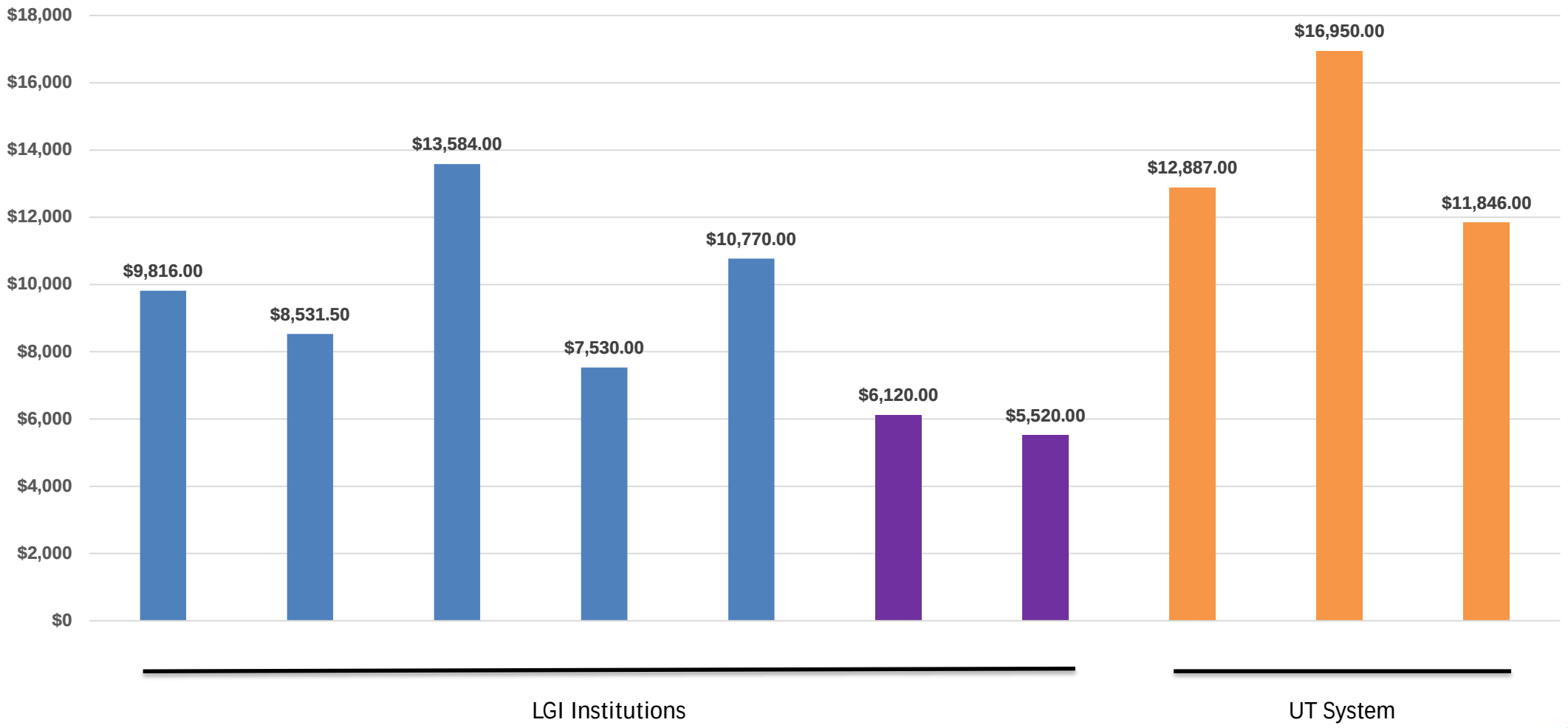
Can we eliminate out-of-state tuition?

- Yes, based on our research under TCA 49-8-102(b)(1) and opinion of University Counsel.
  - "Nonresidents of the state who meet the conditions for entrance to any of the institutions under the control of the board of regents or a state university may be admitted on payment of tuition rates that the respective board prescribes."
- TTU Board of Trustees prescribes out-of-state tuition rates.
  - Out-of-state tuition rates are not constrained by THEC.

Proposed Out-of-state Tuition Resolution

- Lower out-of-state tuition and simplify.
  - Set a single premium for domestic out-of-state tuition for both undergraduate and graduate students.
    - Option #1: $140 per credit hour
  - Only charge out-of-state tuition for hours up to FTE.
    - Undergraduate – 15 hours
    - Graduate – 12 hours
  - Do not base out-of-state tuition rates on dynamic calculations.
  - Target the surrounding states for growth in diversity and new markets.
    - Must consider adding additional budget dollars for recruitment in new markets.

Proposed TTU FTE OST Tuition per Semester Compared to LGI's and UT System



Proposed TTU FTE OST Tuition per Semester Compared to Surrounding States In-State Tuition

* Indicates private institution

Proposed Out-of-state Tuition Breakeven Analysis

Proposed Out-of-state Tuition Recap

- Lower out-of-state tuition and simplify.
  - Set a single premium for domesticm1526.2.96(s)-1.6 (t)-2.1 9 (ic)28 (-)Tj-0.012 T

TECH

Full-time/Part-time Fee Model Analysis

What is the Full-time/Part-time Fee Model

- This model would define students as either full-time (hours => 12) or part-time (hours < 12).
  - Tuition fees would be charged at a flat rate for hours 12 or more.
  - Students considered part-time would be charged per credit hour.
- Students would be expected and encouraged to take 15 hours per semester.
- Existing students are grandfathered in to current model.

How could a Full-

Potential Net Impact of Reducing Time-to-Degree

Current Full-Time UG Student Behavior - Fall 2019

- Group A: 1,911 (25%) students are taking more than 15 hours
- Group B: 2,006 (26%) students are taking 15 hours
- Group C: 3,757 (49%) students are taking 12-14 hours
  - All groups would be charged a flat rate for taking 12 hours or more.
  - The Full-time/Part-time Model would benefit group A students, no charge over 15 hours.
  - Group B students would already be taking the recommend load.
  - Group C students would be incentivized to increase their hours to 15 per semester in order to meet the 4 year graduation expectation.

Things to consider for a Full-time/Part-

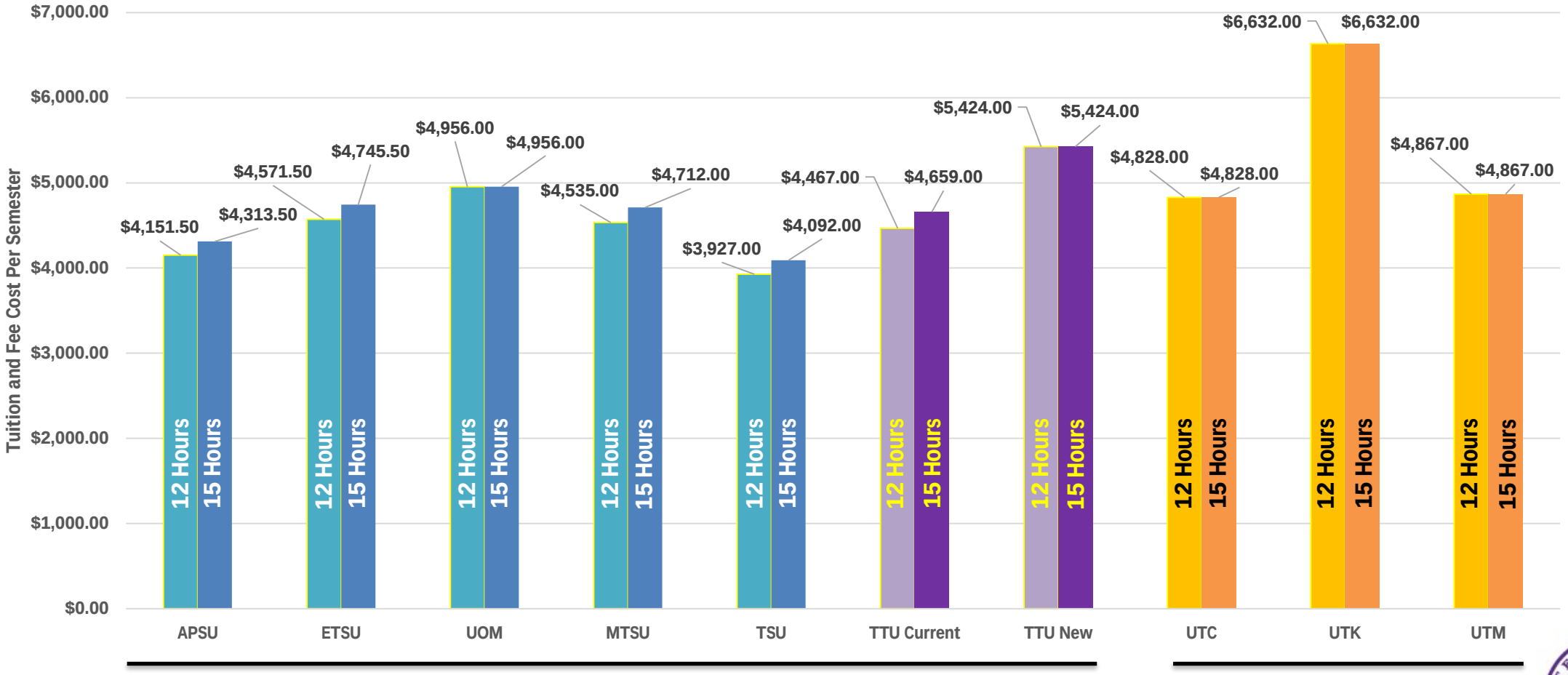
Things to consider for a Full-time/Part-time Fee Model - University

- Potential increase in tuition revenues during Fall and Spring semesters (estimate 3%).
- Potential Summer Revenue reduction (estimate 40%-100%).
- Possibly offer a last-dollar scholarship (TECH PROMISE) to lower-income students to bridge the gap of financial aid at 12 hours and a 15 hour student load (Pell and HOPE lottery eligible students).
- All academic and administrative units have to globally buy in to this 15 hour shift.
  - Academic – must ensure courses and faculty are available so students can enroll in 15 hours per semester.
  - Advisement– must ensure students are being advised to enroll in 15 hours.
  - Recruitment – must increase new student enrollment to maintain and increase current student body.
-

UTK Full-time/Part-time Fee Model Implementation – Fall 2013

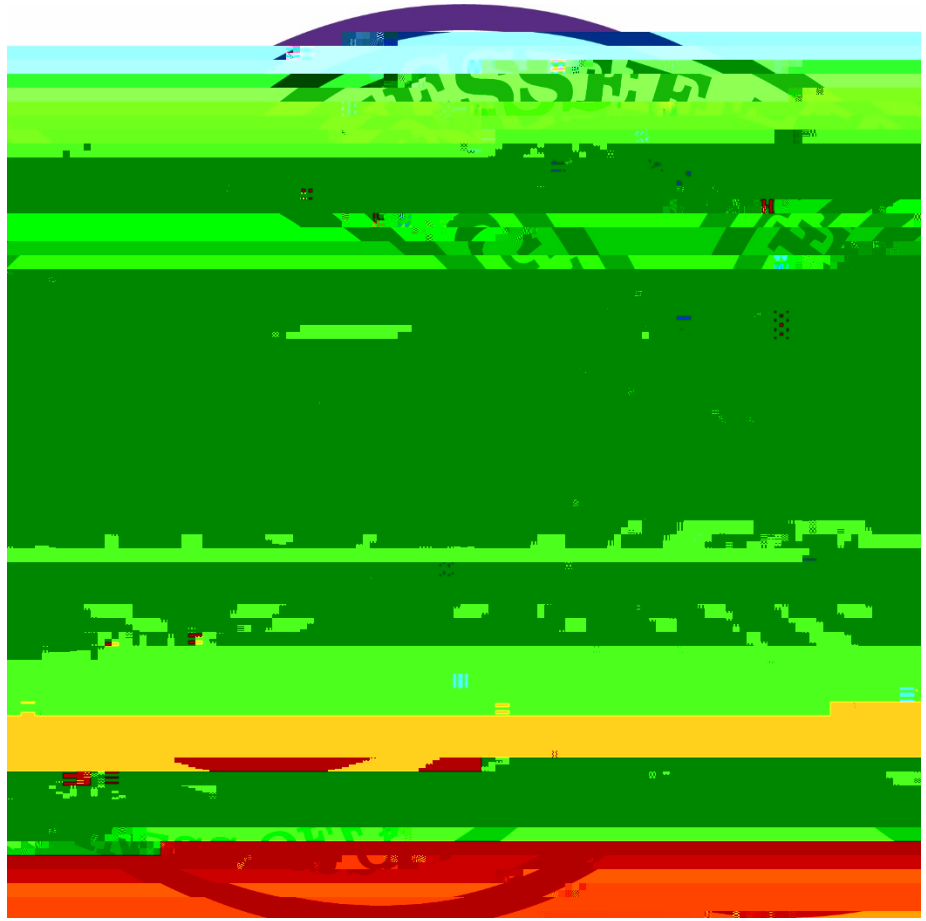
- Implemented in cohorts
  - Students with prior enrollment grandfathered in with old model.
- Marketing

Tuition & Fee Cost Per Semester
LGI and UT System vs. New Model



Impact of Full-time/Part-time Fee Model on Enrollment

- Fall & Spring Enrollment (8,733 Undergraduate Students in Fall 2019)
  - Project 49% of the undergraduate population to change their current behavior.
    - Increase enrolled hours >= 15 hours.
  - Projected impact on overall tuition revenue of 3%.
- Summer Enrollment (2,169 Undergraduate Students in Summer 2019)
  - The 15-hour tuition model may reduce summer revenues.
    - Many students who enroll in summer courses were enrolled in less than 15 hours during the preceding spring or trailing fall terms.
    - TTU Estimates a 40% reduction in summer undergraduate revenue.
- Overall Enrollment
  - 4 year graduation rate is expected to increase.
    - Students will graduate at a quicker pace so new student enrollment must increase to reach University goals of 12,000 students by 2025.
    -

Revenue Projections – Full-time/Part-time Fee Model

- Estimated overall tuition revenue may increase 1% to 3%.
  - Probable increase in revenue during Fall and Spring semesters
  - Risk of summer revenue decline
- Revenue projections will be unpredictable for several years
  -