

## **Proposed Tuition and Fee Rates for 2019-20**

### **FINANCE AND RESOURCE MANAGEMENT COMMITTEE**

**March 5, 2019**

#### **Development of 2019-20 Tuition and Fee Rates**

The university has traditionally developed tuition and fee proposals in February and March of each year, with final rates submitted to the Board of Visitors in late March or April. This process allows the university to incorporate the impact of legislative actions taken during the General Assembly session into the tuition and fee proposals. Finalizing these rates at the Spring Board of Visitors meeting helps students plan for the financial costs of the upcoming academic year and allows the Office of University Scholarships and Financial Aid to deliver timely and effective financial aid award information to current and prospective students.

The 2018 General Assembly session adjourned on February 24th, 2019, passing an amended 2018-20 biennial budget for final approval by the Governor. A significant component of the 2019 General Assembly funding package for higher education is the creation of an in-state undergraduate tuition and fee moderation incentive, as detailed later in this document. The university's recommendations are consistent with the guidelines of this incentive funding. With an understanding of the major revenue and cost changes resulting from the amended state budget, the university recommends the following tuition and fee adjustments to address the university's estimated 2019-20 resource needs.

Attached Schedules 1–7 provide a summary of all tuition and fee rates proposed for 2019-20, including any increase/decrease from the prior year.

#### **Tuition**

The defined state process envisions utilizing the Six-Year Financial Plans that are developed in accordance with state guidelines and approved by the Board as the framework for the development of tuition and Educational & General (E&G) fees, given certain assumptions about General Fund support provided by the General Assembly. However, development of tuition and fee recommendations for the coming year must consider the actual level of support proposed by the commonwealth and nongeneral fund cost assignments when available.

The 2019 General Assembly approved optional funding to support "Resident Undergraduate Affordability" for fiscal year 2019-20. Allocations from this pool are to be granted to public institutions in Virginia that maintain tuition and mandatory Educational & General (E&G) fees for in-state undergraduate students at the same levels as in 2018-19. This tuition and fee package reflects the university's recommendation to accept the General Assembly's funding proposal, with the assumption that the Governor approves this portion of the General Assembly budget. Consistent with this approach, the package proposes to hold 2019-20 resident undergraduate tuition and mandatory E&G fees at 2018-19 levels.

The university has worked to balance these criteria in developing the proposed full-time annual 2019-20 rates shown below. Semester rates equal one-half of annual rates.

	<u>2018-19</u> <u>Charge</u>	<u>Proposed</u> <u>2019-20</u>
<u>Undergraduate</u>		
Resident	\$11,420	\$ 11,420
Nonresident	29,104	29,960
 <u>Graduate</u>		
Resident On-Campus	13,310	13,701
Nonresident On-Campus	26,825	27,614
Resident Off-Campus	14,734	15,167
Nonresident Off-Campus	28,715	29,559

### Impact of Student Financial Aid Programs

As reported to the Board in November 2018, the university maintains a robust student financial aid program to ensure access and affordability of the institution's programs. Consistent with this, it is important to remember that the proposed charges represent the gross amount assessed to students and may be offset by one of the university's various financial assistance programs. This includes the Funds For the Future program, which shelters returning undergraduate students from tuition and fee increases for families with incomes up to \$100,000, and new investments that expand the overall student financial aid program. The university continues to make strategic investments into student financial aid programs that support low- to middle-income students and support enrollment management strategies.

### **Part-Time Students**

Part-time tuition charges for all student categories are derived from the full-time rate and are directly related to the number of credit hours taken. For tuition calculation purposes, the full-time undergraduate semester rate is divided by twelve credit hours and the full-time graduate student semester rate is divided by nine hours. The proposed per-hour charges for 2019-20 are:

	<u>2018-19</u> <u>Charge</u>	<u>Proposed</u> <u>2019-20</u>
<u>Undergraduate</u>		
Resident	\$ 475.75	\$ 475.75
Nonresident	1,212.75	1,248.25
 <u>Graduate</u>		
Resident On-Campus	739.50	761.25
Nonresident On-Campus	1,490.25	1,534.00
Resident Off-Campus	818.50	842.50
Nonresident Off-Campus	1,595.25	1,642.25

## Special Tuition Rates

### Summer and Winter Session Rate

The Higher Education Opportunity Act of 2011 outlines several objectives that seek to expand access to and promote degree completion across the commonwealth's higher education system. During non-traditional academic time periods, increasing year-round utilization of facilities and advancing opportunities for degree completion is an important strategy for supporting these objectives. To position the university for continued innovation in non-traditional session enrollment growth, in 2012-13 the university shifted the assessment of undergraduate tuition to a per-credit hour basis at a ten percent discount of the regular session hourly rates for on-campus students. The university proposes to continue this assessment methodology for the 2019-20 Winter and Summer sessions. This approach provides a financial incentive for students to complete their degree at an accelerated pace and offers improved flexibility for faculty to innovate academic offerings during these non-traditional sessions.

The proposed per-hour charges for Winter and Summer 2020 are:

<u>Undergraduate On-Campus</u>	<u>2018-19 Charge</u>	<u>Proposed 2019-20</u>
Resident	\$ 428.25	\$ 428.25
Nonresident	1,091.00	1,123.00

### Veterinary Medicine

When the Virginia-Maryland Regional College of Veterinary Medicine was formed, the two states agreed to provide equal contributions (per Virginia and Maryland student) to the instructional operating budget. It was also agreed that both Virginia and Maryland students would pay the same resident tuition rate. The tuition agreement has been sustained since the first class was admitted. Until 1996-97 only residents of Virginia and Maryland were admitted for study in the professional veterinary medicine curriculum.

Effective 1996-97, the enrollment policy was modified to admit ten nonresident students (i.e. non-Virginia and non-Maryland residents) per year until fully implemented in 1999-00. This change did not affect the enrollment totals for Virginia or Maryland. For 2019-20, the enrollment plan envisions 40 nonresident students in the entering cohort.

Each year the tuition proposal is reviewed with the Virginia-Maryland Regional College of Veterinary Medicine Budget and Program Review Board (established to review the college's budget and comprised of representatives from Virginia Tech and the University of Maryland). The university, in conjunction with the Budget and Program Review Board, proposes to increase the tuition rates for all veterinary medicine students for 2019-20. The current and proposed annual tuition rates are displayed below:

	<u>2018-19 Charge</u>	<u>Proposed 2019-20</u>
Virginia-Maryland Students	\$ 21,372	\$ 21,906
Nonresident Students	49,301	50,435

### Virginia Tech Carilion School of Medicine

Integrated as the ninth college of Virginia Tech on July 1, 2018, the Virginia Tech Carilion School of Medicine is funded through a combination of medical student tuition and partnership support. The current and proposed annual tuition rates are displayed below:

	<u>2018-19</u> <u>Charge</u>	<u>Proposed</u> <u>2019-20</u>
Medical Education	\$ 51,818	\$ 53,113

### Program Specific Online Graduate Tuition Rates

For select online graduate programs with significant demand beyond the commonwealth's borders and the capacity for growth, the university has developed a tiered set of tuition rates that apply to all students in each program. These rates ensure coverage of the direct and indirect cost of instruction and satisfy state policy requiring that nonresident students be assessed at least the average cost of education. This rate structure is organized into three tiers; market assessment and review of program costs determine each program's rate tier. Students are also assessed the traditional mandatory E&G fees (Library and Technology). As these programs are completely online, students are not assessed the Commonwealth Facility and Equipment Fee.

The proposed per-credit hour tiered tuition rates and the approved programs in each tier are summarized below:

<u>Program Specific Online Graduate Tuition</u>	<u>2018-19</u> <u>Charge</u>	<u>Proposed</u> <u>2019-20</u>
<u>Tier 1 Rate</u> Master of Information Technology	\$ 950	\$ 975
<u>Tier 2 Rate</u> Master of Natural Resources Master of Agriculture and Life Sciences	900	900
<u>Tier 3 Rate</u> Graduate Certificate in Local Government Management	800	825

### Professional Masters and Certificate Pricing

To support the strategic goal of increasing the number of students enrolled in professional graduate degree and certificate programs, specifically at sites outside of the Blacksburg campus, the university proposes continuing the piloting of market-based pricing strategies in select programs. Programs eligible for these pricing strategies will display market demand that extends beyond the commonwealth and generate net revenue above the direct and indirect cost of instruction (therefore, above the average cost of education). In some cases, a program-specific supplemental fee may also be approved.

The specific programs listed below are approved to utilize a market-based residency-neutral tuition rate that achieves the average cost of education and improves the program's ability to recruit participants from beyond the Commonwealth. For 2019-20, the following rates are approved to be assessed on a per-credit basis for all enrolled credits:

	2018-19 <u>Charge</u>	Proposed <u>2019-20</u>
Evening MBA	\$ 1,025	\$ 1,025
Data Analysis and Applied Statistics (DAAS)	1,025	1,025

### Special Tuition Rate for Elementary and Secondary School Personnel

The original policy regarding special tuition rates for elementary and secondary school personnel was approved in 1984 and allowed public school teachers to attend graduate classes at Virginia Tech on a reduced tuition schedule for purposes of recertification. Recertification is a statewide requirement that can strengthen the total education system. The original policy underscored the university's commitment to improving the quality of elementary and secondary education through the continued education of elementary and secondary school teachers.

In January 1989 the Board of Visitors approved a revised policy. Teachers, counselors, administrators, and supervisors employed by elementary and secondary school systems in the Commonwealth of Virginia could enroll in graduate classes, both on-campus and at off-campus locations, and pay approximately 60 percent of the authorized tuition rate. The Board of Visitors also expanded the policy in two ways: First, all elementary and secondary school personnel became eligible for the reduced tuition rate. Second, all graduate hours qualify for the plan, not just recertification hours. Further, elementary and secondary school personnel may enroll in an unlimited number of graduate courses for the purpose of recertification or for an advanced degree.

In February 1999 the Board of Visitors approved an expansion of the special tuition rate to include undergraduate-level courses for vocational teachers who do not have a bachelor's degree.

In 2015-16, the Board of Visitors established a 25 percent discount, resulting in a special tuition rate for elementary and secondary school personnel of 75 percent of the corresponding campus tuition rates (excludes professional and executive programs). Continuing the 25 percent discount for 2019-20 is recommended.

The following table shows the proposed special rates for Elementary and Secondary School Personnel per-credit hour for 2019-20 Virginia residents:

	2018-19 <u>Charge</u>	Proposed <u>2019-20</u>
Undergraduate	\$ 357.00	\$ 357.00
Graduate		
Blacksburg Campus	555.00	571.00
Extended Campus	614.00	632.00

## Special Tuition Rate for Study-Abroad Programs

Providing study-abroad opportunities is an important strategy in strengthening Virginia Tech's international programs. The Board of Visitors has previously approved a special tuition rate for students who participate in the various study-abroad programs operated by the university. The special tuition rate reflects instructional services that all students receive, but excludes the cost of on-campus services.

In 2008-09 the study abroad rate was 80 percent of the on-campus tuition rates. The university proposes to continue the special tuition rate for study-abroad programs. Consistent with prior years, the special tuition rate for study abroad would not apply for students studying at the Steger Center for International Scholarship (previously known as Center for European Studies and Architecture).

The following table shows the proposed special rates for study-abroad programs per-credit hour for 2019-20:

	<u>2018-19</u> <u>Charge</u>	<u>Proposed</u> <u>2019-20</u>
Undergraduate		
Resident	\$381.00	\$381.00
Nonresident	970.00	999.00
Graduate		
Resident	592.00	609.00
Nonresident	1,192.00	1,227.00

## Educational and General Fees

### **Technology Service Fee**

In accordance with the language in the 1998 Appropriation Act, the university implemented an Educational and General technology service fee effective with the 1998 fall semester for all students. The fee is currently \$76 per academic year. Part-time students pay half the full-time rate. No increase in the technology service fee is recommended for 2019-20. For 2019-20, the technology service fee will be \$76 per academic year or \$38 per semester for full-time students.

### **Library Fee**

Beginning in Fall 2013, the university instituted an annual fee to support a robust scholarly environment to advance academic achievement. The library fee supports comprehensive library resources, online access to library resources for enrolled students, and enhancements to student library services. The fee is currently \$99 per year. Part-time students pay half of the full-time rate. No increase in the Library fee is recommended for 2019-20. For 2019-20, the library fee will be \$99 per academic year or \$49.50 per semester for full-time students

## **Commonwealth Facility and Equipment Fee**

The 2003 General Assembly required the establishment of a capital fee to be assessed to all nonresident students at institutions of higher education for 2003-04 to pay a portion of the debt service on bonds issued under the 21<sup>st</sup> Century Debt Program issued for construction of new facilities on campus. The 2004 General Assembly increased the nongeneral fund portion of lease payments for the 2004-06 allocation of equipment under the Higher Education Equipment Trust fund and stipulated the source of the nongeneral funds be an increase in fees for nonresident students at public institutions of higher education starting in 2005-06. Part-time students pay one-half the full-time rate. The Commonwealth Facility and Equipment fee of \$604 is assessed to all nonresident students. No change in the Commonwealth Facility and Equipment fee is proposed for 2019-20.

## **Immigration Services Fee**

To support the administrative costs and maintain the quality of immigration services provided to degree-seeking undergraduate and graduate international students, the university implemented an Immigration Services Fee beginning with students enrolling in Fall 2018. This fee helps support costs uniquely associated with the administration of international student enrollment such as academic and financial verification, immigration regulation, Student and Exchange Visitor Program System (SEVIS) reporting requirements, financial processing fees, and compliance with United States Government regulations. International students on a domestic campus are assessed the fee. For international Graduate students on assistantship, the fee is remitted under Section 4-2.01b.6 of the Virginia Appropriation Act in recognition of their service to the University. The Immigration Services fee of \$275 per semester is assessed to all degree-seeking students on a Type F or Type J visa. No change in the fee is recommended for 2019-20.

## **Average Cost of Education**

The Commonwealth of Virginia has a well-established methodology for computing the per student educational cost for colleges and universities. This process identifies the average educational cost for all undergraduate and graduate students, including part-time and full-time students taking classes at both on-campus and off-campus locations. The Average Cost of Education does not include professional programs such as veterinary medicine.

Until 2004, the Average Cost of Instruction was utilized as the measure of per student instructional cost. The Average Cost of Instruction identified the instructional cost components within the Educational and General appropriation and computed an average instructional cost. In 2004, a new state policy replaced the Average Cost of *Instruction* with the Average Cost of *Education*. The Average Cost of Education is the instructional funding need generated by the base budget adequacy model. The Average Cost of Education is not comparable to the Average Cost of Instruction due to the differences in methodology.

The Average Cost of Education now serves as the basis for ensuring that nonresident undergraduate and graduate students cover at least 100 percent of the average cost of their education as the General Assembly instructed colleges and universities in the 1991 legislative session. Nonresident tuition and mandatory E&G fee rates for the upcoming academic year are

examined against the Average Cost of Education in the prior year to insure they cover 100 percent of the Average Cost of Education. Commonwealth policy continues to allow the university to recover the full cost from nonresidents as a group.

Because the State Council of Higher Education for Virginia does not compute the Average Cost of Education until July, the following table presents Virginia Tech's estimate of the Average Cost of Education and coverage percentages by student category for 2019-20. The Average Cost of Education is estimated to be \$19,680. The proposed Virginia Tech nonresident tuition and mandatory E&G fees are 151 percent of the Average Cost of Education and are in compliance with state tuition policy. Average percentages of the Cost of Education by individual student category are summarized in the following schedule.

	<u>2018-19</u>		<u>2019-20 Proposed</u>	
	<u>Amount</u>	<u>% of Average</u>	<u>Amount</u>	<u>% of Average</u>
<i>Estimated Average Cost of Education</i>	\$ 18,886		\$ 19,680	
<u>Undergraduates*</u>				
Residents	11,595	61%	11,595	59%
Nonresidents	29,279	155%	30,135	153%
<u>Graduates*</u>				
Residents	13,485	71%	13,876	71%
Nonresidents	27,000	143%	27,789	141%
<u>Residency</u>				
Residents		62%		60%
Nonresidents		151%		150%

*\* Amounts include proposed tuition and E&G fees. The nonresident facility and equipment fee is not comparable to the Average Cost of Education.*

### **Excess Credit Hour Surcharge**

The 2006 General Assembly (§ 23-7.4F Code of Virginia) required the establishment of a surcharge to be assessed to all resident undergraduate students beginning in the semester after 125 percent of credit hours required for baccalaureate degrees have been completed.

This applies to students entering on or subsequent to August 1, 2006. The surcharge amount is the difference between the Average Cost of Education and the in-state undergraduate tuition and mandatory E&G fees. In effect, the surcharge requires the in-state student to pay the Average Cost of Education once they have exceeded 125 percent of degree requirements.

The following table displays the actual 2018-19 surcharge amount and an estimated surcharge amount for 2019-20 based on Virginia Tech's estimate of the Average Cost of Education for 2019-20 and the proposed 2019-20 tuition and mandatory E&G fees included in this package.

	2018-19 Charge	Estimated 2019-20*
Average Cost of Education	\$ 18,886	\$19,680
In State Undergraduate Tuition and E&G Fees	11,595	11,595
Surcharge-Annual	7,291	8,085
Surcharge Per Credit Hour	304	337

\*The Average Cost of Education for 2019-20 is an estimated value pending SCHEV's computation in July 2019.

### **Comprehensive Fee**

The Student Activity Fee, the Health Service Fee, the Athletic Fee, the Transportation Services Fee, the Recreational Sports Fee, the Student Services Fee, and the Student Cultural Activities Fee are consolidated into one Comprehensive Fee in order to streamline the process for collecting and accounting for these charges. The \$2,025 per student fee is the lowest Comprehensive Fee charged by any four-year institution in Virginia in 2018-19. Comprehensive fees at the other five doctoral institutions range from \$2,243 to \$5,830. Individual descriptions and recommended amounts for 2019-20 are below for each component of the Comprehensive Fee. Part-time students pay one-half of each fee.

### **Student Activity Fee**

The Student Activity Fee covers the maintenance and operation of the student centers, student programs, and supports student activities as determined by the Student Budget Board. After considering available resources, including incremental revenue from enrollment growth, a \$9 increase in the Student Activity Fee is recommended for 2019-20. This increase is needed to cover planned compensation programs, adjustments to fringe benefit rates, university assistance, increased hourly wage and salary compensation, utility costs, student affairs support services, Cultural and Community Center staffing and program support, increased student organization staffing and program support, and operating costs. If approved, the current \$321 per year charge will be replaced by a \$330 annual, or \$165 per semester, charge in the 2019-20 academic year.

### **Health Service Fee**

The Health Service fee supports normal medical and nursing attention and counseling services provided by Schiffert Student Health Services, Cook Counseling Center, and Virginia Tech Rescue Squad operations. After considering available resources, including incremental revenue from enrollment growth, a \$24 increase in the Health Service Fee is recommended for 2019-20. This increase is needed to cover planned compensation programs, adjustments to fringe benefit rates, university assistance, Cook Counseling Center operating support, increased hourly wage and salary compensation, pharmacy technician, financial literacy coordinator, ultrasound machine, utility costs, student affairs support services, health facilities planning, and operating costs. If approved, the current \$447 per year charge will be replaced by a \$471 annual, or \$235.50 per semester, charge in the 2019-20 academic year.

## **Athletic Fee**

A portion of the university's athletic program operations is supported by the Athletic Fee. The student fee revenue covers the costs of athletic administration and sponsoring intercollegiate varsity sports that do not generate revenue. This fee entitles students to free admissions into sporting events, while recognizing that student seating is limited thus not guaranteed. After considering available resources, including incremental revenue from enrollment growth, a \$9 increase in the Athletic Fee is recommended for 2019-20. This increase is needed to cover facility and maintenance costs and inflationary pressures on non-revenue sports and activities. If approved, the current \$317 per year charge will be replaced by a \$326 annual, or \$163 per semester, charge in the 2019-20 academic year. Based on the university's understanding, the 2019-20 Athletic fee recommendation is in compliance with § 23-1.2 of the Code of Virginia, which limits the percentage share and annual growth of the student fee component of the overall intercollegiate athletics budget.

## **Transportation Services Fee**

Students enrolled at Virginia Tech have unlimited access to bus transportation provided by the Blacksburg Transit System through a contract the university negotiates with the Town of Blacksburg each year. An estimated 4.6 million student trips on the Blacksburg Transit will occur in 2018-19. In addition to the convenience for students, the bus system and alternative transportation programs save the university considerable resources by lowering requirements for on-campus parking. After considering available resources, including incremental revenue from enrollment growth, a \$6 increase in the Transportation Services Fee is recommended for 2019-20. This is due to the need for increased service levels in high density areas, enhanced transit service routes, transit contract increases, planned compensation programs, adjustments to fringe benefit rates, increased hourly wage and salary compensation, university assistance, and operating costs. For 2019-20, the current \$165 per year charge is recommended to increase to \$171 annually, or \$85.50 per semester.

## **Recreational Sports Fee**

The Recreational Sports Fee supports debt retirement, maintenance, operations, intramural and extramural sports club programs, and recreational activities. After considering available resources, including incremental revenue from enrollment growth, a \$14 increase in the Recreational Sports Fee is recommended for 2019-20. This increase is needed to cover planned compensation programs, adjustments to fringe benefit rates, university assistance, increased hourly wage and salary compensation, utility costs, student affairs support services, technology and equipment replacement, Venture Out coordinator, golf course staffing, sport club funding, recreational facilities planning, and operating costs. For 2019-20, the current \$313 per year charge is recommended to increase to \$327 annually, or \$163.50 per semester.

## **Student Services Fee**

The Student Services Fee supports Career Services, non-self-supporting student services components of the Hokie Passport Office including the cost of new student IDs, the Division of Student Affairs, and the campus wireless network. After considering available resources, including incremental revenue from enrollment growth, a \$9 increase in the Student Services Fee is

recommended for 2019-20. This recommended increase includes a \$3 increase for the Career Services fee component to cover planned compensation programs, increased hourly wage and salary compensation, adjustments to fringe benefit rates, university assistance, utility costs, associate director of experience and professional development, and operating costs. An \$8 increase is recommended for the Wireless fee component to cover network infrastructure renewal and university assistance. A \$2 decrease is recommended for the Hokie Passport fee component and the Student Affairs fee component is proposed to remain unchanged. For 2019-20, the current \$289 charge is recommended to increase to \$298 annually, or \$149 per semester. Part-time students pay one-half of this fee.

### **Student Cultural Activities Fee**

The Student Cultural Activities Fee supports the presence and practice of the arts across campus for all students, and provides free or greatly reduced admission to enrolled students. After considering available resources, including incremental revenue from enrollment growth, the Student Cultural Activities Fee is proposed to remain unchanged for 2019-20. Incremental revenue will support planned compensation programs, adjustments to fringe benefit rates, university assistance, utility costs, and operating costs. For 2019-20, the current charge will remain unchanged at \$173 annual, or \$86.50 per semester.

### **Summary of Comprehensive Fee**

	2018-19 Charge Annual Fee	Proposed 2019-20 Annual Fee
Student Activity Fee	\$ 321	\$ 330
Health Service Fee	447	471
Athletic Fee	317	326
Transportation Services Fee	165	171
Recreational Sports Fee	313	327
Student Services Fee	289	298
Student Cultural Activities Fee	173	173
Total	\$2,025	\$2,096

### **Room and Board Charges**

The university's Residential and Dining Programs serve students by providing on-campus housing and dining services. Generally, all entering freshmen must live on campus, and housing is available on a limited basis for returning students who choose to live on campus. The university establishes optional room and board rates based on a derivation of the Board-approved fee to appropriately reflect costs for Summer Session and summer conferences. All students living on campus must select a meal plan, with the exception of students who elect to reside in the Oak Lane – Phase IV housing development; off-campus students may elect to participate in one of the meal plan programs.

## Room Fees

An average 3.9 percent increase is proposed to cover planned compensation programs, adjustments to fringe benefit rates, increased hourly wage and salary compensation, resident advisor compensation increases, utility costs, student affairs costs, facility renovation projects, residential facilities planning, operating costs, and facility maintenance. Northern Virginia Gallery proposed rates include local operating alignments. The proposed annual room rates by location and room type are listed below:

	2018-19 Charge	Proposed 2019-20
Double Occupancy:		
Lower Quad (Pre-1983)	\$4,930	\$5,124
Payne Park - Traditional - Double	5,424	5,636
Main Campbell & Newman - Double	5,558	5,776
Hillcrest - Double	5,976	6,210
Cochrane Hall	6,136	6,376
O'Shaughnessy - Traditional Double	6,308	6,556
East & West Ambler Johnston - Double	6,308	6,612
East & West Ambler Johnston - Efficiency	7,330	6,612
Payne Park - Suite - Double	6,538	6,794
Payne Park - Large Suite - Double	6,696	6,958
Upper Quad (Pearson & New Residence Hall)	6,748	7,012
New Residence Hall West - Double	6,848	7,116
East & West Ambler Johnston - Private Bath	7,238	7,522
Single Occupancy:		
Payne Park - Traditional - Single	7,416	7,706
Main Campbell & Newman - Single	7,548	7,844
Hillcrest - Single	8,124	8,442
Payne Park - Suite - Single	9,018	9,370
New Residence Hall West - Single	9,330	9,694
Other:		
Special Purpose Housing	6,154	6,396
Graduate Life Center, Donaldson Brown - Double	6,848	7,116
Oak Lane IV	7,346	7,634
Graduate Life Center, Donaldson Brown - Single	9,330	9,694
The Gallery (NOVA) – 4-Person Unit	6,460	6,900
The Gallery (NOVA) – 3-Person Unit	7,480	7,700
The Gallery (NOVA) – 2-Person Unit	8,140	8,300

## Living Learning Community Fee

The Living Learning Community Fee is an optional charge for students participating in a Living Learning Community in Lee Hall, East & West Ambler Johnston, Pritchard Hall, Harper Hall, and O'Shaughnessy Hall. These residence halls offer unique living and learning opportunities to the student residents who choose to pay the optional annual program fee of \$100. The fee supports

the cost of operating the program. No increase in fee is recommended for 2019-20. Living Learning Community programming will be offered in three additional residence halls in 2019-20: Peddrew-Yates Hall, Payne Hall, and Special Purpose Housing.

### **Residential Telecommunications Fee**

All students living on campus pay the Residential Telecommunications Fee, which supports residential cable television service, wired network connectivity, and high-performance wireless network coverage. Residential students currently pay \$394 annually for telecommunication services. No increase in fee is recommended for 2019-20.

### **Board Fees**

Students living on-campus currently have a choice of three types of flexible meal plans. The Flex Plan operates like a debit account with a designated amount for the purchase of food in the dining facilities. Students may deposit cash to their Flex accounts to increase their balance during the year. Consistent with the purchasing power of traditional meal plans, the intent of annual rate changes for the Flex Plans is to hold overall purchasing power constant from year to year.

A 5.9 percent increase is proposed for board fees to cover increased food costs, planned compensation programs, adjustments to fringe benefit rates, increased hourly wage and salary compensation, a new associate director, a graphic artist position, utility costs, student affairs support services, facility maintenance and renovation projects, dining facilities planning, and operating costs. The proposed annual board rates by meal plan program are listed below:

	<u>2018-19</u> <u>Charge</u>	<u>Proposed</u> <u>2019-20</u>
Major Flex Plan	\$3,610	\$3,824
Mega Flex Plan	3,870	4,100
Premium Flex Plan	4,140	4,386

### **Campus Fees**

Specialized campus fees are designed to cover costs that are unique to a specific campus. These fees are charges established for a specific campus which are beyond regular tuition and fees and are equal for students, both resident and nonresident.

### **Northern Virginia Center Student Services Fees**

The Comprehensive Fee, which supports a number of on-campus services, is not charged to off-campus students. However, students attending courses at the Northern Virginia Center benefit from several of these services including the infrastructure and use of the wireless network, as well as the issuance and use of student identification cards. A \$6 increase is recommended for the wireless network component to cover network infrastructure refreshment. If approved, the current \$142 charge will be replaced with a \$148 annual, or \$74.00 per semester, fee in the 2019-20 academic year. Part-time students would pay one-half of this fee.

## Virginia Tech Carilion School of Medicine Student Services Fees

Medical students attending courses at the VTCSOM in Roanoke benefit from several of the traditional Comprehensive Fee services including the infrastructure and use of the wireless network and the issuance and use of student identification cards. These students will also have access to health and wellness services and VTCSOM student government activities. For 2019-20, the following VTCSOM annual student fees are recommended:

	2018-19 <u>Charge</u>	Proposed <u>2019-20</u>
VTCSOM Student Services Fee	\$142	\$148
VTCSOM Health Services Fee	425	435
VTCSOM Student Government/Activity Fee	185	185

## Fee Rates for the Steger Center for International Scholarship

The Steger Center for International Scholarship (formerly known as the Center for European Studies and Architecture) in Riva San Vitale, Switzerland, opened in the Fall of 1993. The Center serves as a resident educational facility for Virginia Tech students from many academic programs. Providing the opportunity for students to study abroad is an important strategy in strengthening the international programs of Virginia Tech, an objective of both the university and the Commonwealth.

For purposes of financing the operations of the Center, two separate programs are maintained. First, all instructional costs are accounted for in the Educational and General program of the University Division. Second, the housing, dining, and student activity auxiliary enterprise programs are recorded within the university's Residential and Dining Hall System. The Ferrari Foundation, the university's Swiss subsidiary corporation, manages the day-to-day activities of the Center.

Students attending the Steger Center for International Scholarship are assessed the same tuition as on-campus students, and it is recommended that this tuition policy continue.

For housing and dining services at the Center, the proposed fees are higher than on-campus rates to reflect the higher cost of living at the Center. Students are not required to pay the on-campus Comprehensive Fee while studying abroad. Students currently pay a \$100 Steger Center student activity fee, which provides students with community-building social and recreational events and activities. The university proposes no increase in the student activity fee for the 2019-20 academic year and no increase in the room and board fee based on the facility's operating costs. If approved, Steger Center students will pay a \$100 Student Activity Fee and \$7,100 for room and board per semester, as seen below:

	2018-19 <u>Charge</u>	Proposed <u>2019-20</u>
Steger Center Student Activity Fee	\$ 100	\$ 100
Steger Center Room & Board Costs	7,100	7,100

## Washington-Alexandria Architecture Center Fee

To support the cost of operations and ensure the quality of the Washington-Alexandria Architecture Center (WAAC), the college recommended that a supplemental fee be assessed to Virginia Tech and WAAC Consortium students in residence at the center on a per-semester basis. This Educational & General fee helps manage the cost of instructional facilities and equipment and support students in their academic efforts in the robust curricular environment of the WAAC. No change in the per-semester fee is recommended for 2019-20, as shown below:

	2018-19 <u>Charge</u>	Proposed <u>2019-20</u>
Full-time	\$300	\$300
Part-time	150	150

## Supplemental Program Fees

Supplemental Program Fees are designed to cover costs that are unique to a specific discipline. To maintain the intent of the Commonwealth's funding policies regarding the collection and allocation of tuition revenues, Program Fees are charges established for a specific program which are beyond regular tuition and fees and are equal for students, both resident and nonresident.

### Architecture + Design Fee

Architecture, industrial design, interior design, and landscape architecture students in the School of Architecture + Design need access to appropriate studio equipment, academic programming, and technology. Since Fall 2008, the university has recognized this differential cost of instruction for students with majors in the School of Architecture + Design through a supplemental program fee. This fee supports costs that are unique to Architecture + Design students including: the updating, equipment, and materials for instructional studios, student projects, quality enhancements, and operational support of instructional studios. No change in the supplemental fee is recommended for students admitted prior to Fall 2018. For students admitted in Fall 2018 and later, continuation of the annual fee of \$1,500 is recommended, as displayed below. The new rate will be fully implemented by Fall 2022.

	2018-19 <u>Charge</u>	Proposed <u>2019-20</u>
<u>Entered Prior to Fall 2018</u>		
Full-time	\$949.00	\$949.00
Part-time	474.50	474.50
<u>Entering Fall 2018 &amp; Later</u>		
Full-time	1,500	1,500
Part-time	750	750

### Building Construction Fee

To ensure that the Myers Lawson School of Construction has adequate resources to staff, equip, and enhance the provisions of the Building Construction program, an annual program fee is proposed to recognize the differential cost of instruction for students in the Building Construction

major. This fee is important for ensuring the necessary resources to support costs unique to Building Construction students and continued program quality including the continuing need for modernization of equipment and instrumentation for instructional space and student projects, staffing needs of the BUILD lab, required upgrades to lab space, and adequate staff support to ensure the effective maintenance of equipment and technology in the daily operation of the lab. No change in the supplemental fee is recommended for students admitted prior to Fall 2018. For students admitted in Fall 2018 and later, continuation of the annual fee of \$1,500 is recommended, as displayed below. The new rate will be fully implemented by Fall 2022.

	<u>2018-19 Charge</u>	<u>Proposed 2019-20</u>
<u>Entered Prior to Fall 2018</u>		
Full-time	\$775	\$775
Part-time	387.50	387.50
<u>Entering Fall 2018 &amp; Later</u>		
Full-time	1,500	1,500
Part-time	750	750

### Engineering Fee

To ensure that engineering students continue to receive a state-of-the-art education in a quality learning environment, the university began recognizing the higher cost of instruction in the College of Engineering (COE) through the establishment of a supplemental fee in fall 2007. This fee supports costs that are unique to College of Engineering students including: the continuing need for modernization of instrumentation and materials for instructional laboratories and student projects, instructional space costs, effective maintenance of instrumentation and technology, quality enhancements, and operation of the instructional laboratories. No change in the supplemental fee is recommended for students admitted prior to Fall 2018. For students admitted in Fall 2018 and later, continuation of the annual fee of \$2,000 is recommended, as displayed below. The new rate will be fully implemented by Fall 2022.

	<u>2018-19 Charge</u>	<u>Proposed 2019-20</u>
<u>Entered Prior to Fall 2018</u>		
<u>Undergraduate</u>		
Full-time	\$775	\$775
Part-time	387.50	387.50
<u>Graduate</u>		
Full-time	1,049	1,049
Part-time	525	525
<u>Entering Fall 2018 &amp; Later</u>		
<u>Undergraduate and Graduate</u>		
Full-time	2,000	2,000
Part-time	1,000	1,000

## Pamplin College of Business Fee

Delivering a high-quality business education requires the resources to address costs unique to the Pamplin College of Business. To ensure continued excellence in the Pamplin College of Business, a per-credit hour fee was established in 2013-14 to provide dedicated resources to be utilized exclusively for the Pamplin College of Business. For 2019-20, the university recommends a continued phasing-in of the \$75 per credit hour fee, extending it from 1000 to 2000 level courses.

	<u>2018-19 Charge</u>	<u>Proposed 2019-20</u>
3000 and 4000 Level Courses	\$25/hour	\$25/hour
1000 and 2000 Level Courses	\$75/hour	\$75/hour

## Agriculture Fee

To ensure that the College of Agriculture has adequate resources to deliver cutting-edge, high-quality instruction and maintain critical laboratory facilities and equipment, an annual program fee was established for students in the College of Agriculture. For students admitted in Fall 2018 and later, continuation of the annual fee of \$750 is recommended, as displayed below. The new rate will be fully implemented by Fall 2022.

	<u>2018-19 Charge</u>	<u>Proposed 2019-20</u>
<u>Entering Fall 2018 &amp; Later</u>		
<u>Undergraduate and Graduate</u>		
Full-time	\$750	\$750
Part-time	375	375

## Course Specific Charges

The university may establish course specific charges for study abroad costs, field trips, course materials, laboratory cost, or other extraordinary costs tied to individual courses. The university avoids establishing course charges for materials and laboratory charges in programs with specialized program fees.

## Graduate Degree Program Fees

Specialized graduate degree programs provide a valuable service by meeting targeted educational and professional development needs. Because both the academic units and the university have added costs associated with providing high demand specialized graduate degree programs, specialized graduate program fees address these incremental college and university costs required to deliver high quality programs. To maintain the intent of the commonwealth's funding policies regarding the collection and allocation of tuition revenues, Specialized Graduate

Program Fees are charges established for a specific graduate program, potentially at a specific location, beyond regular tuition and fees and are equal for students, both resident and nonresident.

### **Veterinary Medicine Facility Fee**

Capital improvements have enhanced the College of Veterinary Medicine instructional space. Increased and enhanced facilities were necessary for the recruitment and retention of high-quality faculty and students. All Veterinary Medicine students are assessed a facility fee. Proceeds from the facility fee will be used exclusively for College of Veterinary Medicine instructional space improvements. No change in the fee is recommended for 2019-20, as displayed below.

	2018-19 <u>Charge</u>	Proposed <u>2019-20</u>
Veterinary Medicine Facility Fee	\$1,200	\$ 1,200

### **Master of Public Health (MPH) Fee**

The MPH fee provides resources for program-specific course development, faculty and leadership support, and instructional needs. No increase in the fee is recommended for 2019-20. Part-time students pay one-half of the fee.

	2018-19 <u>Charge</u>	Proposed <u>2019-20</u>
Full-time	\$525	\$525
Part-time	262.50	262.50

### **Master of Business Administration Fee**

The Master of Business Administration (MBA) program fee, aligns pricing of the Virginia Tech MBA program and provides funding for the college's academic program, expanded recruitment efforts, and enhanced career placement services for students.

The fee is not assessed to Executive MBA or Professional MBA students (which have separate rate structures). Both On and Off campus students pay this fee. No increase is recommended for 2019-20, as presented below:

	2018-19 <u>Charge</u>	Proposed <u>2019-20</u>
MBA	\$175/hour	\$175/hour

### **Master of Science in Business Administration (MSBA) Fee**

To ensure the Pamplin College of Business MSBA programs in Business Analytics (BA) and Hospitality & Tourism Management (HTM) are positioned to deliver high-quality instruction, recruit a diverse pool of high-caliber students, and provide experiential learning opportunities and career services to graduating students, the university proposes recognizing the differential cost of the MSBA-BA and MSBA-HTM programs through the assessment of a supplemental E&G program fee. This fee will be assessed on a per-credit hour basis for each credit hour taken by the student. No increase is recommended for 2019-20, as presented below:

	<u>2018-19 Charge</u>	<u>Proposed 2019-20</u>
Business Analytics (BA), Hospitality & Tourism Management (HTM)	\$175/hour 175/hour	\$175/hour 175/hour

### **Professional & Executive Model Graduate Degree Program Fees**

While similar to specialized graduate program fees, the industry standard for this type of professional education program is to be quoted in terms of a total cost for the entire program period. Programs generally span from 12 to 24 months. A new multi-year total cost is developed for each incoming cohort. The annual program fees are established as the difference between applicable tuition and fees and the total cost during the cohort period. The program fee for a cohort's second year is established when tuition and fee rates are established for that year; this can be impacted by various factors including cost assignments by the General Assembly, but are designed to honor the previously quoted total cost of the entire program period. Each Executive Model program and its total cost proposal are summarized below.

### **Professional Master of Business Administration (PMBA) Supplemental Fee**

The PMBA program is intended for experienced working professionals to complete an MBA on a part-time basis in an accelerated format. The program is designed on the cohort model with face-to-face weekend classes (in Richmond and Roanoke) while leveraging online technology for supplemental instructional delivery to provide flexibility for busy working professionals to complete the program over a two-year period. For students entering into the program in Fall 2019, a \$2,550 increase in the total program cost is proposed for resident students and a \$2,527 increase in total program cost for Nonresident students, as displayed below:

	<u>Two-Year Program Cost</u>	<u>2018-19 Charge</u>	<u>Proposed 2019-20</u>	<u>Placeholder 2020-21</u>
<b><u>Fall 2018 Cohort</u></b>				
PMBA Total Cost – Resident	\$42,500	\$17,909	\$24,591	
Less: Off-campus Tuition & Fees		<u>(14,909)</u>	<u>(15,342)</u>	
PMBA Fee – 2018 Resident		3,000	9,249	
PMBA Total Cost – Nonresident	63,180	32,494	30,686	
Less: Off-campus Tuition & Fees		<u>(29,494)</u>	<u>(30,338)</u>	
PMBA Fee – 2018 Nonresident		3,000	348	
<b><u>Fall 2019 Cohort</u></b>				
PMBA Total Cost – Resident	\$45,050		\$22,525	\$22,525
Less: Off-campus Tuition & Fees			<u>(15,342)</u>	<u>TBD</u>
PMBA Fee – 2019 Resident		N/A	7,183	TBD
PMBA Total Cost – Nonresident	65,707		\$32,854	\$32,854
Less: Off-campus Tuition & Fees			<u>(30,338)</u>	<u>TBD</u>
PMBA Fee – 2018 Nonresident		N/A	2,516	TBD

## Executive Graduate Tuition and Fees

For new cohorts beginning in 2016-17 in the Ph.D. in Executive Business Research and Executive Master of Natural Resources, the university established an Executive Graduate tuition & fee structure comprised of Executive Graduate Tuition, the Technology Fee, the Library Fee, a Facility & Equipment Fee, and a program-specific supplemental fee. Executive Graduate Tuition is assessed on a per-credit basis for all credits enrolled. Continuing this structure for 2019-20 is recommended. Full-Time semester rates are one-half of the full-time annual rates.

	<u>2019-20</u>
Executive Graduate Tuition (per-credit)	\$1,642.25
Technology Fee (annual)	76
Library Fee (annual)	99
Facility & Equipment Fee (annual)	604
Program-Specific Supplemental Fee	Various

## Executive Master of Natural Resources (XMNR) Supplemental Fee

In 2010-11, the College of Natural Resources expanded the existing Master of Natural Resources program delivered in the National Capital Region by adding an executive format cohort. The program is an accelerated graduate degree for working professionals with significant management experience. Each new cohort is established with Executive Graduate tuition & fees (residency neutral) and an XMNR program fee for all students to achieve the proposed total program cost summarized below.

	<u>Total Program Cost</u>	<u>Spring 2019</u>	<u>Summer 2019</u>	<u>Proposed Fall 2019</u>
<u>Spring 2019 Starting Cohort</u>				
XMNR Total Cost	\$48,000	\$18,746.75	\$12,171.00	\$17,082.25
(less) Executive Graduate Tuition & Fees		<u>(14,746.75)</u>	<u>(8,171.00)</u>	<u>(15,169.75)</u>
XMNR Fee – 2018 Cohort		4,000.00	4,000.00	1,912.50

	<u>Total Program Cost</u>	<u>Proposed Spring 2020</u>	<u>Summer 2020</u>	<u>Fall 2020</u>
<u>Spring 2020 Starting Cohort</u>				
XMNR Total Cost	\$48,000	\$16,503.75	\$10,503.25	\$20,993.00
(less) Executive Graduate Tuition & Fees		<u>(15,169.75)</u>	<u>(10,048.25)</u>	<u>TBD</u>
XMNR Fee – 2019 Cohort		1,334.00	455.00	TBD

## PhD in Executive Business Research (BXBR) Supplemental Fee

The Pamplin College of Business launched a new Ph.D. in Business with a concentration in Executive Business Research that started in Fall 2016. The three-year program is administered through the College's Falls Church facility in the National Capital Region and provides business professionals with rigorous training in analytical and research techniques, exposure to the scholarly literature in business, and dissertation research experience that is translational in nature. The degree is marketed as a total cost program, spreading the advertised total cost over three academic years. Each new cohort will be established with Executive Graduate tuition & fees and a per-credit hour BXBR program to achieve the proposed total cost summarized below. This program fee will be assessed on a per credit hour basis in order to provide flexibility in a student's plan of study. Students taking more than the scheduled three years will continue to pay the Executive Tuition and fee rates and the BXBR supplemental fee established for their cohort.

For the Fall 2019 entering cohort, the university proposes increasing the total cost to \$135,000 (\$45,000 per year).

<u>Fall 2016 Cohort</u>	<u>2019-20</u>			
BXBR Program Fee - Per Credit	\$365			
	Total Program Cost	2017-18	2018-19	2019-20
<u>Fall 2017 Cohort</u>				
BXBR Total Program Cost	\$120,000	\$40,000	\$40,000	\$40,000
(less) Executive Graduate T&F		<u>(31,791.75)</u>	<u>(32,699.25)</u>	<u>(33,528.00)</u>
BXBR Program Fee Estimated Total		8,205.00	7,300	6,472.00
BXBR Program Fee - Per Credit		410.25	365.00	323.50
	Total Program Cost	2018-19	2019-20	2020-21
<u>Fall 2018 Cohort</u>				
BXBR Total Program Cost	\$120,000	\$40,000	\$40,000	\$40,000
(less) Executive Graduate T&F		<u>(32,699.25)</u>	<u>(33,643.75)</u>	(TBD)
BXBR Program Fee Estimated Total		7,300.00	6,356.50	TBD
BXBR Program Fee - Per Credit		365.00	317.75	TBD
	Total Program Cost	2019-20	2020-21	2021-22
<u>Fall 2019 Cohort</u>				
BXBR Total Program Cost	\$135,000	\$45,000	\$45,000	\$45,000
(less) Executive Graduate T&F		<u>(33,528.00)</u>	(TBD)	(TBD)
BXBR Program Fee Estimated Total		11,472.00	TBD	TBD
BXBR Program Fee - Per Credit		573.50	TBD	TBD

## Executive Master of Business Administration (EMBA)

The EMBA program is tailored for business leaders to complete an MBA in an accelerated format. The program is designed on the cohort model with face-to-face classes every other weekend (in Arlington) to provide flexibility for busy working professionals to complete the program over a 18-month period. The program's total cost is the same for resident and nonresident students. Tuition for this program does not utilize the aforementioned tuition and fee rates, but rather assesses the total program cost in six installments to accommodate corporate sponsorship of employee tuition. For 2019-20, a total cost of \$95,000 is recommended.

	2018-19 <u>Charge</u>	Proposed <u>2019-20</u>
Executive MBA (EMBA)	\$85,500	\$95,000

## Graduate Tuition Pricing Basis

As the university continues to develop and offer targeted educational opportunities to meet student and market demand, the university may elect to utilize per-credit hour tuition pricing in lieu of the traditional full/part-time pricing approach in situations where such pricing better aligns with the program delivery model (i.e. accelerated master degrees).

## Parking Fee

The General Assembly directed institutions of higher education to organize parking services as an auxiliary enterprise operation in 1989. The expenditure of General Fund dollars for the maintenance or improvement of parking lots and facilities was prohibited. Accordingly, Virginia Tech established the Parking Services Auxiliary Enterprise at the beginning of fiscal year 1989-90 and instituted a fee for faculty, staff, and students who parked in campus lots.

The increases below are necessary to cover planned compensation programs, adjustments to fringe benefit rates, increased hourly wage and salary compensation, utility costs, facility and maintenance costs, and operating costs. The university also proposes to continue to provide a parking rate discount to encourage car-pooling and remote lot parking in an effort to reduce the amount of vehicular traffic on campus. Annual student parking fees at other Virginia doctoral institutions for 2018-19 range from \$252 to \$772 for students, dependent upon the type and proximity of parking facilities.

<u>Parking Permit Type</u>	2018-19 Charge	Proposed 2019-20	\$ Change	% Change
Faculty/Staff	\$338	\$360	\$22	7%
Commuter/Graduate Student	289	315	26	9%
Commuter/Graduate Premium	389	415	26	7%
Residential Student	419	450	31	7%

## **History of Tuition Legislation in Virginia**

The period of 1989 to the present has been one of significant change in the level of state support, tuition policies, and rates. The substantial growth in tuition continues to be a source of increasing concern to institutions of higher education, students, parents, and state officials.

During the period of 1989 to 1996, tuition increased dramatically across the Commonwealth due to the decline in General Fund support for higher education. At Virginia Tech, undergraduate tuition increased by 49 percent for resident students and 91 percent for nonresident students in the six-year period 1989-90 to 1995-96, a direct result of six rounds of reductions in state General Fund support.

In 1994 the Appropriation Act included language which established tuition rate growth caps of 3 percent for resident students and 7.5 percent for nonresident students for each year of the biennium. For 1996-97 through 1998-99, the Appropriation Act included language to freeze tuition for Virginia undergraduates at the 1995-96 level. The 1999 General Assembly approved a 20 percent reduction in tuition and mandatory Educational and General fees for Virginia undergraduate students and offset the reduction in revenue by providing new General Fund support. The 2000 Appropriation Act included language to continue tuition and mandatory Educational and General fees at 1999-00 levels for Virginia undergraduate students during the 2000-02 biennium.

To address state revenue shortfalls, language in the 2002 Appropriation Act provided authority to increase tuition and mandatory Educational and General fees for Virginia undergraduate students by 9 percent. The 2003 General Assembly allowed for the annualization of the Spring 2003 tuition increases and limited increases in tuition and mandatory Educational and General fees for Fall 2003 for Virginia undergraduate students to 5 percent plus nongeneral fund cost assignments.

The authority granted by the 2004 General Assembly continues, and establishes that “The Board of Visitors . . . of institutions of higher education may set tuition and fee charges at levels they deem to be appropriate for all resident student groups based on, but not limited to, competitive market rates, provided that the total revenue generated by the collection of tuition and fees from all students is within the nongeneral fund appropriation for educational and general programs provided in the act.”

Effective July 1, 2006, the university entered into a management agreement with the Commonwealth of Virginia. A critical element of this agreement is the reaffirmation of the Board of Visitors’ authority to establish tuition and fee rates. This rate setting authority, coupled with the sum sufficient revenue authority to establish nongeneral fund appropriations as provided in the management agreement, provides a much more stable environment for planning and establishment of future tuition and fee rates.

For 2007-08, the 2007 General Assembly established a Tuition Incentive for allocation to institutions contingent upon limiting the increase of tuition and E&G fees for in-state undergraduate students to 6 percent plus in-state undergraduate financial aid. The 2008 General Assembly continued the incentive fund concept to encourage institutions to limit the in-state undergraduate tuition and E&G fee increases to 3 percent for E&G operations and 1 percent for student financial aid in 2008-09.

Language included in the 2009 budget, and continued in 2010, reiterated the intent of the federal American Recovery and Reinvestment Act of 2009 (ARRA) to “mitigate the need to raise tuition on in-state students at public colleges and universities.” As a result of this Act, the University division received over \$11 million in funding in 2009-10. This funding came along with an understanding, expressed verbally by state budget-writers, that higher education institutions would use ARRA funding to mitigate the need to increase tuition to Virginia residents beyond 5 percent.

The Governor’s Commission on Higher Education, Reform, Innovation, and Investment introduced the Higher Education Opportunity Act of 2011 at the start of the 2011 General Assembly. In this legislation, institutional tuition and fee-setting authority is retained by the Board of Visitors. However, total tuition and fee revenue is limited to the aggregate cost of education for all enrolled students, minus state General Fund support. The model does allow for exclusion of Virginia resident tuition and fee revenue directed towards financial aid, an institution’s nongeneral fund share of the state mandated salary and fringe increases, improving faculty salary competitiveness, and unavoidable cost increases to ensure flexibility and inclusion of specific institutional characteristics, missions, and goals. The university is in compliance with this test; thus, the Board of Visitors retains the authority to set tuition and fee levels.

For 2019-20, the 2019 General Assembly approved a pool of funds to support “In-State Undergraduate Affordability”. Allocations of this pool are to be granted to public institutions in Virginia that maintain tuition and mandatory educational & general (E&G) fees for in-state undergraduate students to the same levels as in 2018-19. Accepting the funding and holding in-state undergraduate tuition and E&G fees level is optional. The Boards of Visitors of institutions electing to forego the state funding must communicate a Board Resolution certifying such decision to the House Appropriations and Senate Finance Committees by August 1, 2019.

### **Summary of Tuition and Fee Rates**

A summary of the recommended tuition rates is shown on Schedules 1 and 2, and a summary of fees is attached on Schedules 3 and 4. Finally, the total of all mandatory costs for students to attend Virginia Tech is detailed on Schedule 5 for undergraduate students, Schedule 6 for graduate students, and Schedule 7 for professional degree students.

### **RECOMMENDATION:**

That the proposed tuition and fee rates be approved, effective Fall Semester 2019.

March 31, 2019

## Schedule 1

**VIRGINIA TECH  
2019-20 TUITION RECOMMENDATIONS  
SUMMARY OF ANNUAL CHARGES**

**RECOMMENDATION**

	2018-19 Charge	Proposed 2019-20	Rate Increase	
			\$	%
<b>Undergraduate Students</b>				
Resident	\$11,420	\$11,420	\$0	0.0%
Nonresident	29,104	29,960	856	2.9%
<b>Graduate Students</b>				
On-Campus Programs				
Resident	13,310	13,701	391	2.9%
Nonresident	26,825	27,614	789	2.9%
Off-Campus Programs				
Resident	14,734	15,167	433	2.9%
Nonresident	28,715	29,559	844	2.9%
<b>Veterinary Medicine</b>				
Virginia/Maryland	21,372	21,906	534	2.5%
Out-of-State Non-Maryland	49,301	50,435	1,134	2.3%
<b>VTC School of Medicine</b>	51,818	53,113	1,295	2.5%

*Presentation Date: March 31, 2019*

## Schedule 2

**VIRGINIA TECH**  
**2019-20 SPECIAL TUITION RATES**  
**SUMMARY OF HOURLY RATES**

	2018-19 Charge	Proposed 2019-20	Increase	
			\$	%
<b><u>Regular Part-Time Students (a)</u></b>				
<b><u>Undergraduate Students</u></b>				
Resident	\$475.75	\$475.75	\$0.00	0.0%
Nonresident	1,212.75	1,248.25	35.50	2.9%
<b><u>Graduate Students</u></b>				
<b><u>On-Campus Programs</u></b>				
Resident	739.50	761.25	21.75	2.9%
Nonresident	1,490.25	1,534.00	43.75	2.9%
<b><u>Off-Campus Programs</u></b>				
Resident	818.50	842.50	24.00	2.9%
Nonresident	1,595.25	1,642.25	47.00	2.9%
<b><u>Summer and Winter Sessions</u></b>				
<b><u>On-Campus Programs</u></b>				
Undergraduate Resident	428.25	428.25	-	0.0%
Undergraduate Nonresident	1,091.00	1,123.00	32.00	2.9%
<b><u>Online Graduate</u></b>				
<b><u>Tier 1</u></b>				
Master of Information Technology (MIT)	950.00	975.00	25.00	2.6%
<b><u>Tier 2</u></b>				
Master of Natural Resources (MNR)	900.00	900.00	-	0.0%
Master of Agriculture and Life Sciences (OMALS)				
<b><u>Tier 3</u></b>				
Graduate Certificate in Local Government Mgt (LGMC)	800.00	825.00	25.00	3.1%
<b><u>Professional/ Executive Graduate</u></b>				
Evening MBA, Data Analysis and Applied Statistics (DAAS)	1,025.00	1,025.00	-	0.0%
Executive Graduate Tuition Rate (XMNR, BXBR)	1,595.25	1,642.25	47.00	2.9%
<b><u>School Personnel</u></b>				
Undergraduate Resident	357.00	357.00	-	0.0%
<b><u>Graduate Resident</u></b>				
Blacksburg Campus	555.00	571.00	16.00	2.9%
Extended Campus	614.00	632.00	18.00	2.9%
<b><u>Study Abroad Programs (b)</u></b>				
Undergraduate Resident	381.00	381.00	-	0.0%
Undergraduate Nonresident	970.00	999.00	29.00	3.0%
Graduate Resident	592.00	609.00	17.00	2.9%
Graduate Nonresident	1,192.00	1,227.00	35.00	2.9%

(a) Part-time tuition charges for all student categories are derived from the full-time rate and are directly related to the number of credit hours taken. For tuition calculation purposes, the full-time undergraduate semester rate is divided by 12 credit hours and the full-time graduate student semester rate is divided by 9 hours.

(b) Tuition rates for study abroad do not include students studying at the Steger Center for International Scholarship

*Presentation Date: March 31, 2019*

**VIRGINIA TECH**  
**2019-20 FEE RECOMMENDATIONS**  
**SUMMARY OF ANNUAL CHARGES**

	2018-19 Charge	Proposed 2019-20	Increase	
			\$	%
<b><u>Educational and General Fee</u></b>				
Technology Service Fee	\$ 76	\$ 76	\$ -	0.0%
Library Fee	99	99	-	0.0%
Commonwealth Facility & Equipment Fee (Nonresident Students)	604	604	-	0.0%
Immigration Services Fee (International Students)	550	550	-	0.0%
<b><u>Comprehensive Fee</u></b>				
Student Activity Fee	321	330	9	2.8%
Health Service Fee	447	471	24	5.4%
Athletic Fee	317	326	9	2.8%
Transportation Services Fee	165	171	6	3.6%
Recreational Sports Fee	313	327	14	4.5%
Student Services Fee	289	298	9	3.1%
Student Cultural Activities Fee	173	173	0	0.0%
Total Comprehensive Fee	2,025	2,096	71	3.5%
<b><u>Campus Fees</u></b>				
Northern Virginia Center Student Services	142	148	6	4.2%
VTCSOM Student Services Fee	142	148	6	4.2%
VTCSOM Health Services Fee	425	435	10	2.4%
VTCSOM Student Govt/Student Activity Fee	185	185	0	0.0%
Steger Center Student Activity Fee	100	100	0	0.0%
Steger Center (Room & Board)	7,100	7,100	0	0.0%
Washington-Alexandria Architecture Center Fee	300	300	0	0.0%
<b><u>Room Fees</u></b>				
Double Occupancy:				
Lower Quad (Pre-1983 Dormitories)	4,930	5,124	194	3.9%
Payne Park - Traditional - Double	5,424	5,636	212	3.9%
Main Campbell & Newman - Double Occupancy	5,558	5,776	218	3.9%
Hillcrest - Double Occupancy	5,976	6,210	234	3.9%
Cochrane Hall	6,136	6,376	240	3.9%
O'Shaughnessy - Traditional Double	6,308	6,556	248	3.9%
East & West Ambler Johnston - Traditional Double	6,308	6,612	304	4.8%
East & West Ambler Johnston - Efficiency Double	7,330	6,612	-718	-9.8%
Payne Park - Suite - Double	6,538	6,794	256	3.9%
Payne Park - Suite - Double (Large Suite)	6,696	6,958	262	3.9%
Upper Quad (Pearson & New Cadet Hall)	6,748	7,012	264	3.9%
New Residence Hall West - Double Occupancy	6,848	7,116	268	3.9%
East & West Ambler Johnston - Private Bath Double	7,238	7,522	284	3.9%
Single Occupancy:				
Payne Park - Traditional - Single	7,416	7,706	290	3.9%
Main Campbell & Newman - Single Occupancy	7,548	7,844	296	3.9%
Hillcrest - Single Occupancy	8,124	8,442	318	3.9%
Payne Park - Suite - Single	9,018	9,370	352	3.9%
New Residence Hall West - Single Occupancy	9,330	9,694	364	3.9%
Other:				
Special Purpose Housing	6,154	6,396	242	3.9%
Graduate Life Center at Donaldson Brown - Double	6,848	7,116	268	3.9%
Oak Lane IV	7,346	7,634	288	3.9%
Graduate Life Center at Donaldson Brown - Single	9,330	9,694	364	3.9%
The Gallery (NOVA) - 4-Person Unit	6,460	6,900	440	6.8%
The Gallery (NOVA) - 3-Person Unit	7,480	7,700	220	2.9%
The Gallery (NOVA) - 2-Person Unit	8,140	8,300	160	2.0%
<b>Living Learning Community Fee</b>	100	100	0	0.0%
<b>Residential Telecommunications Fee</b>	394	394	0	0.0%
<b><u>Board Fees</u></b>				
Major Flex Plan	3,610	3,824	214	5.9%
Mega Flex Plan	3,870	4,100	230	5.9%
Premium Flex Plan	4,140	4,386	246	5.9%

## Schedule 4

**VIRGINIA TECH**  
**2019-20 SUPPLEMENTAL PROGRAM FEES**

All charges are academic year unless otherwise noted.

		2018-19 Charge	Proposed 2019-20	Increase	
				\$	%
<b><u>Program Fees</u></b>					
<b><u>Architecture + Design</u></b>					
Undergraduate & Graduate Enrolled Prior To Fall 2018	Full-time	\$ 949	\$ 949	0	0.0%
	Part-time	474.50	474.50	0	0.0%
Undergraduate & Graduate Entering Fall 2018 & Later	Full-time	1,500	1,500	0	0.0%
	Part-time	750	750	0	0.0%
<b><u>Building Construction</u></b>					
Undergraduate Enrolled Prior To Fall 2018	Full-time	775	775	0	0.0%
	Part-time	387.50	387.50	0	0.0%
Undergraduate Entering Fall 2018 & Later	Full-time	1,500	1,500	0	0.0%
	Part-time	750	750	0	0.0%
<b><u>Engineering</u></b>					
Undergraduate Enrolled Prior To Fall 2018	Full-time	775	775	0	0.0%
	Part-time	387.50	387.50	0	0.0%
Graduate Enrolled Prior To Fall 2018	Full-time	1,049	1,049	0	0.0%
	Part-time	525	525	0	0.0%
Undergraduate & Graduate Entering Fall 2018 & Later	Full-time	2,000	2,000	0	0.0%
	Part-time	1,000	1,000	0	0.0%
<b><u>Pamplin College of Business</u></b>					
Undergraduate 3000-4000 Level Courses	Per Credit Hour	25	25	0	0.0%
Undergraduate 1000-2000 Level Courses (a)	Per Credit Hour	75	75	0	0.0%
<b><u>Agriculture</u></b>					
Undergraduate and Graduate Entering Fall 2018 and Later	Full-time	750	750	0	0.0%
	Part-time	375	375	0	0.0%
<b><u>Specialized Graduate Degree Programs</u></b>					
Veterinary Medicine Facility Fee		1,200	1,200	0	0.0%
Master of Public Health	Full-time	525	525	0	0.0%
	Part-time	262.50	262.50	0	0.0%
Master of Business Administration (MBA)	Per Credit Hour	175	175	0	0.0%
Master of Science in Business Administration (MSBA)	Per Credit Hour	175	175	0	0.0%
Concentrations in Business Analytics (BA) and Hospitality & Tourism Management (HTM)					
<b><u>Executive Model Graduate Degree Programs</u></b>					
Professional Master of Business Administration (PMBA)					
Fall 2018 Cohort					
Resident	Full-time	3,000	9,249		(b)
	Per Credit Hour	125.00	385.50		
Nonresident	Full-time	3,000	348		(b)
	Per Credit Hour	125.00	14.50		
Fall 2019 Cohort					
Resident	Full-time	N/A	7,183		(b)
	Per Credit Hour		299.50		
Nonresident	Full-time	N/A	2,516		(b)
	Per Credit Hour		105.00		
Executive Master of Natural Resources (XMNR)					
Spring 2019 Cohort		8,000	1,912.50		(b)
Spring 2020 Cohort		N/A	1,789.00		(b)
Executive PHD in Business Concentration in Business Research (ExPHD)					
Fall 2016 Cohort	Per Credit Hour	365.00	365.00		(b)
Fall 2017 Cohort	Per Credit Hour	365.00	323.50		(b)
Fall 2018 Cohort	Per Credit Hour	365.00	317.75		(b)
Fall 2019 Cohort	Per Credit Hour	N/A	573.50		(b)
Executive Master of Business Administration (EMBA)		85,500	95,000	9,500	11.1%

(a) Pamplin College of Business fee was rolled out for 1000 & 2000 level courses only in Fall 2019.

(b) Executive Model Graduate Degree Program fees are designed to allocate a total cost over multiple years of the program, and utilize a fee to balance the difference between the quoted price and traditional tuition and fees. Changes from year to year do not necessarily reflect a change in total program cost.

## Schedule 5

**VIRGINIA TECH**  
**TOTAL COST TO STUDENTS**  
**Comparison of 2018-19 and 2019-20 Annual Charges**

**UNDERGRADUATE STUDENTS**

	2018-19 Charge	Proposed 2019-20	Increase	
			\$	%
<b><u>Resident</u></b>				
Tuition	\$11,420	\$11,420	\$0	0.0%
Educational and General Fee	175	175	0	0.0%
Subtotal Tuition and E & G Fee	<u>11,595</u>	<u>11,595</u>	<u>0</u>	<u>0.0%</u>
Comprehensive Fee	<u>2,025</u>	<u>2,096</u>	<u>71</u>	<u>3.5%</u>
<b>Total All Residents</b>	<b><u>13,620</u></b>	<b><u>13,691</u></b>	<b><u>71</u></b>	<b><u>0.5%</u></b>
Room (Lower Quad Dorms & Telecommunications Fee) <sup>(a)</sup>	5,324	5,518	194	3.6%
Board (Major Flex Plan) <sup>(a)</sup>	<u>3,610</u>	<u>3,824</u>	<u>214</u>	<u>5.9%</u>
Subtotal Room and Board	<u>8,934</u>	<u>9,342</u>	<u>408</u>	<u>4.6%</u>
Total Cost for Residents Living on Campus	<u><u>22,554</u></u>	<u><u>23,033</u></u>	<u><u>479</u></u>	<u><u>2.1%</u></u>
<b><u>Nonresident</u></b>				
Tuition	29,104	29,960	856	2.9%
Educational and General Fee	779	779	0	0.0%
Subtotal Tuition and E & G Fee	<u>29,883</u>	<u>30,739</u>	<u>856</u>	<u>2.9%</u>
Comprehensive Fee	<u>2,025</u>	<u>2,096</u>	<u>71</u>	<u>3.5%</u>
<b>Total All Nonresidents</b>	<b><u>31,908</u></b>	<b><u>32,835</u></b>	<b><u>927</u></b>	<b><u>2.9%</u></b>
Room (Lower Quad Dorms & Telecommunications Fee) <sup>(a)</sup>	5,324	5,518	194	3.6%
Board (Major Flex Plan) <sup>(a)</sup>	<u>3,610</u>	<u>3,824</u>	<u>214</u>	<u>5.9%</u>
Subtotal Room and Board	<u>8,934</u>	<u>9,342</u>	<u>408</u>	<u>4.6%</u>
Total Cost for Nonresidents Living on Campus	<u><u>40,842</u></u>	<u><u>42,177</u></u>	<u><u>1,335</u></u>	<u><u>3.3%</u></u>

(a) The majority of freshmen are housed in Lower Quad dorms and choose the Major Flex Plan.

*Presentation Date: March 31, 2019*

**VIRGINIA TECH**  
**TOTAL COST TO STUDENTS**  
**Comparison of 2018-19 and 2019-20 Annual Charges**

	2018-19 Charge	Proposed 2019-20	Increase	
			\$	%
<b><u>GRADUATE STUDENTS</u></b>				
<b>On-Campus Programs</b>				
<u>Resident</u>				
Tuition	\$13,310	\$13,701	\$391	2.9%
Educational and General Fee	175	175	0	0.0%
Subtotal Tuition and E & G Fee	13,485	13,876	391	2.9%
Comprehensive Fee	2,025	2,096	71	3.5%
<b>Total Cost for Residents</b>	<b>15,510</b>	<b>15,972</b>	<b>462</b>	<b>3.0%</b>
<u>Nonresident</u>				
Tuition	26,825	27,614	789	2.9%
Educational and General Fee	779	779	0	0.0%
Subtotal Tuition and E & G Fee	27,604	28,393	789	2.9%
Comprehensive Fee	2,025	2,096	71	3.5%
<b>Total Cost for Nonresidents</b>	<b>29,629</b>	<b>30,489</b>	<b>860</b>	<b>2.9%</b>
<b>Off-Campus Programs</b>				
<u>Resident</u>				
Tuition	14,734	15,167	433	2.9%
Educational and General Fee	175	175	0	0.0%
Subtotal Tuition and E & G Fee	14,909	15,342	433	2.9%
Northern Virginia Center Student Services Fee	142	148	6	4.2%
<b>Total Cost for Residents</b>	<b>15,051</b>	<b>15,490</b>	<b>439</b>	<b>2.9%</b>
<u>Nonresident</u>				
Tuition	28,715	29,559	844	2.9%
Educational and General Fee	779	779	0	0.0%
Subtotal Tuition and E & G Fee	29,494	30,338	844	2.9%
Northern Virginia Center Student Services Fee	142	148	6	4.2%
<b>Total Cost for Nonresidents</b>	<b>29,636</b>	<b>30,486</b>	<b>850</b>	<b>2.9%</b>

**VIRGINIA TECH  
TOTAL COST TO STUDENTS  
Comparison of 2018-19 and 19-20 Annual Charges**

	2018-19 Charge	Proposed 2019-20	Increase	
			\$	%
<b><u>VETERINARY MEDICINE</u></b>				
<b>Virginia/Maryland Students</b>				
Tuition	21,372	21,906	534	2.5%
Educational and General Fee	175	175	0	0.0%
Comprehensive Fee	2,025	2,096	71	3.5%
Vet Med Facility Fee	1,200	1,200	0	0.0%
<b>Total Cost for Virginia/Maryland Students</b>	<b><u>24,772</u></b>	<b><u>25,377</u></b>	<b><u>605</u></b>	<b><u>2.4%</u></b>
<b>Out-of-State Students</b>				
Tuition	49,301	50,435	1,134	2.3%
Educational and General Fee	779	779	0	0.0%
Comprehensive Fee	2,025	2,096	71	3.5%
Vet Med Facility Fee	1,200	1,200	0	0.0%
<b>Total Cost for Out-of-State Students</b>	<b><u>53,305</u></b>	<b><u>54,510</u></b>	<b><u>1,205</u></b>	<b><u>2.3%</u></b>
<b><u>VIRGINIA TECH CARILION SCHOOL OF MEDICINE</u></b>				
Tuition	51,818	53,113	1,295	2.5%
Educational and General Fee	175	175	0	0.0%
VTCSOM Student Services Fees (a)	752	768	16	2.1%
<b>Total Cost</b>	<b><u>52,745</u></b>	<b><u>54,056</u></b>	<b><u>1,311</u></b>	<b><u>2.5%</u></b>

(a) Includes VTCSOM Student Services, Health Services, and Student Government/Activities fees that apply to all Medical students.



# 2019-20 Budget Development Update

*DWIGHT SHELTON, VICE PRESIDENT FOR FINANCE AND  
CHIEF FINANCIAL OFFICER*

*MARCH 31, 2019*



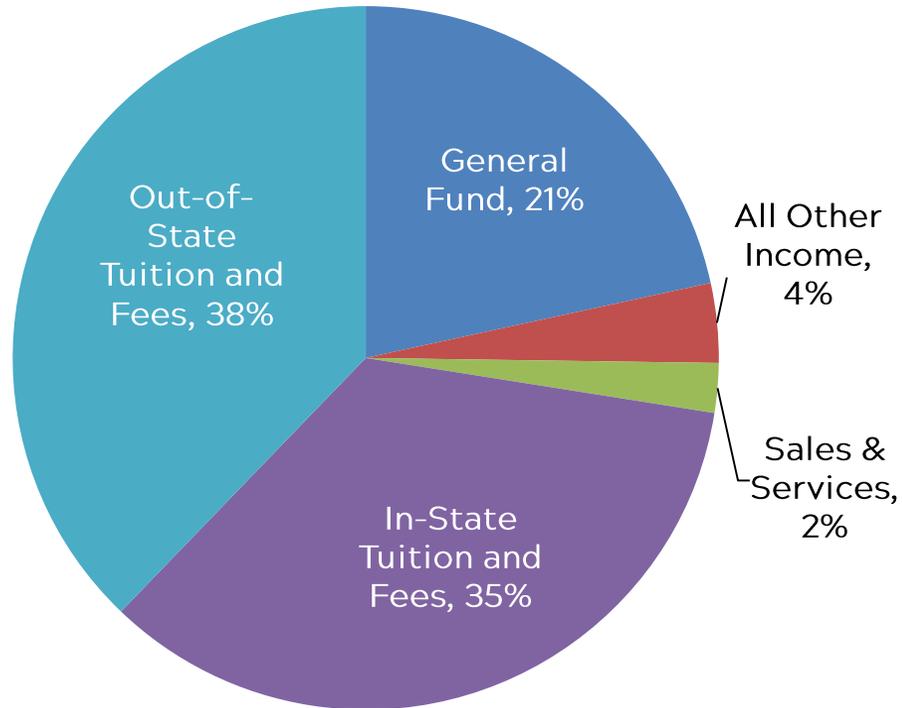
## └ *Budget Background*

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- Multi-year planning strategy spreads costs and ensures focused implementation
- Annual changes to compensation programs and General Fund operating support impact budget needs
- Continuous review of operations and opportunity for efficiency enhancements ensure maximization of existing resources
- Annual Budget process encourages units to reduce costs to meet budget needs before seeking new resources

# Budget Background

## University Division Revenue Sources Educational & General Program 2018-19



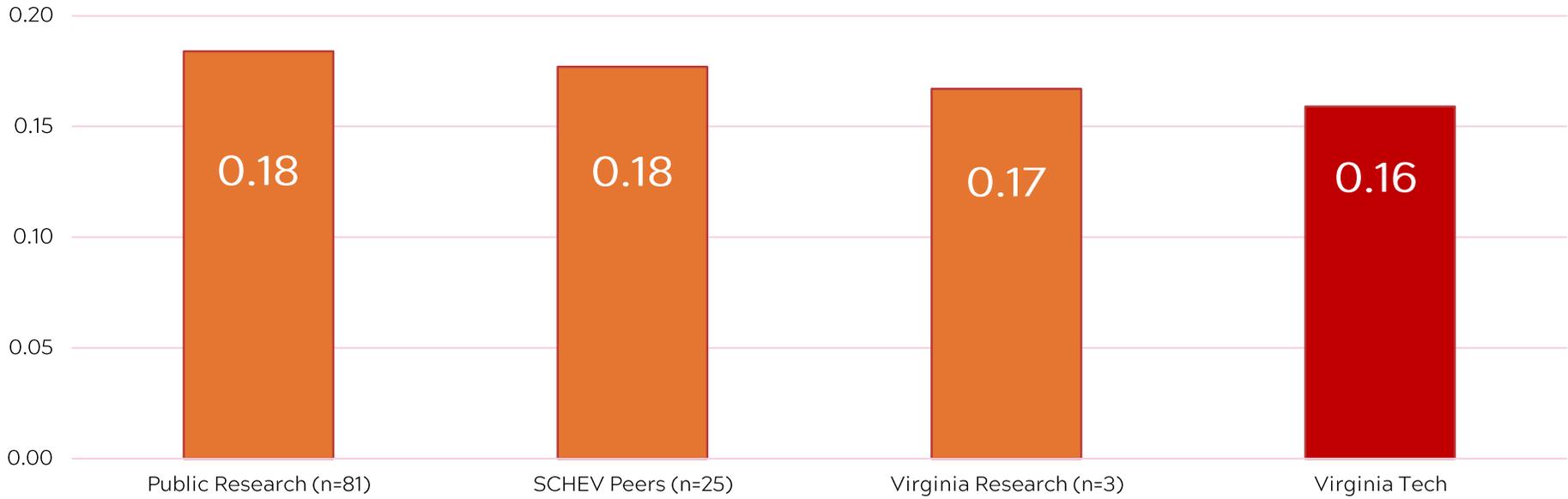
<u>Components</u>	<u>\$ Millions</u>	<u>%</u>
<i>Out-of-state T&amp;F</i>	\$288.1	37.8%
<i>In-state T&amp;F</i>	264.3	34.7%
<i>General Fund</i>	164.4	21.6%
<i>All Other Income</i>	27.8	3.6%
<i>Sales &amp; Services</i>	17.3	2.3%
<b>Total</b>	<b>\$762.0</b>	<b>100%</b>

(Source: 2018-19 University Authorized Budget Document.)

# Administrative Efficiency

- American Council of Trustees and Alumni (ACTA) methodology published in 2017
- Using IPEDS data, study calculates ratio of Institutional Support (*administrative*) spending compared to Instruction and Academic Support (*instructional*) spending
- Virginia Tech’s ratio is **0.16**, meaning VT spent \$0.16 on Institutional Support for each \$1.00 of spending on Instruction and Academic Support

ACTA Instructional Administrative Cost Ratio  
FY2017

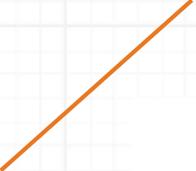


Data Source: IPEDS

# Administrative Efficiency

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- Enhanced administrative systems and processes allow the university to grow at scale and operate more efficiently
  - Course scheduling software maximizes classroom utilization
  - Expansion of “hybrid” courses allows seat-based and online enrollment, increasing instructional delivery without increasing faculty load
  - Several colleges revamping advising service delivery to improve student support through more efficient and cost-effective approaches
  - Admissions improvements have allowed higher number of applications to be reviewed in shorter amount of time, improving prospective student experience
  - Continued growth in Collegiate Faculty ranks with higher instructional load and lower start-up costs than traditional tenure-track faculty
  - Piloting program to utilize Robotic Process Automation (RPA) to process cash receipts and post results in accounting system



# Cost Driver Overview



# 2019-20 Known Cost Drivers

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## Major Components of the Budget include:

- Faculty Compensation - merit increase, Distinction Pool, Promotion & Tenure
- Staff Compensation
  - Classified Staff base increase
  - University and Classified Staff merit increase
  - Pay band 1-3 minimum increase to \$12.00 and Stipend
- Fixed Cost Increases (electricity, leases)
- Student Financial Aid
  - Expansion of diversity initiatives and enrollment goals
  - Enhancements for the reduction of unmet need
- Enrollment Growth Support
- Destination Area Investments (new Faculty)

# 2019-20 E&G Cost Drivers

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## Compensation

	Total	Fund Split (\$ in Millions)	
		State	University
3.0% Faculty Merit, National Distinction, Promotion & Tenure	\$ 13.0	\$ 4.1	\$ 8.9
2.75% University Staff Merit Program	1.9	0.7	1.2
5.0% Classified Staff Merit & Base Increase	1.7	0.6	1.1
Payband 1-3 and Stipend (total university cost is \$1.5m)	0.4	-	0.4
<b>Total</b>	<b>\$ 17.0</b>	<b>\$ 5.4</b>	<b>\$ 11.6</b>

# 2019-20 E&G Cost Drivers

## Mandatory and/or Unavoidable Costs

VRS ORPHE\* Surcharge

Fixed Costs (electricity, leases)

Operation & Maintenance of Facilities

Student Financial Aid\*\* - (university programs)

Total

### Fund Split

(\$ in Millions)

Total	State	University
\$ 0.3	\$ -	\$ 0.3
1.2	-	1.2
0.4	-	0.4
3.3	-	3.3
\$ 5.2	\$ -	\$ 5.2

\*ORPHE: Optional Retirement Plan Higher Education Surcharge

\*\*Additional support from state not included on this chart.

# 2019-20 E&G Cost Drivers

## Institutional Priorities

	Fund Split (\$ in Millions)		
	Total	State	University
Enrollment Growth Support (PIBB, Faculty, College Support)	\$ 7.4	\$ 5.2	\$ 2.2
Growth in Winter and Summer Semesters	1.8		1.8
Destination Area Investment	3.7	-	3.7
Academic Support Prior Commitments (Health Science & Technology, Honors College, Undergraduate Admissions, InclusiveVT Summer Programs, Strategic Faculty Retention Support)	4.3	-	4.3
Nonacademic Prior Commitments (Human Resource Partners, University Ombudsman, Affirmative Action Plans)	1.1		1.1
Capacity for Critical Needs	3.9	-	3.9
<b>Total</b>	<b>\$ 22.2</b>	<b>\$ 5.2</b>	<b>\$ 17.0</b>

# 2019-20 E&G Cost Drivers

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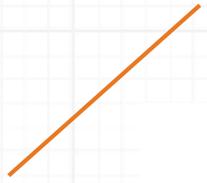
## Total Cost Drivers

### Fund Split (\$ in Millions)

	Total	State	University
Compensation	\$ 17.0	\$ 5.4	\$ 11.6
Mandatory and/or Unavoidable Costs	5.2	-	5.2
Institutional Priorities	22.2	5.2	17.0
Total	\$ 44.4	\$ 10.6	\$ 33.8

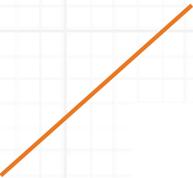
# Resourcing the Institution

	<u>2019-20</u>
	(\$s in millions)
Previously Identified Known Costs	\$ (44.4)
<u>Resource Plan</u>	
State Support - Degrees in Data Science and Technology	5.2
State Support - Compensation Increases & Associated Fringe Benefits	5.4
State Support - Freeze In-state Undergraduate Tuition	6.3
Tuition Rate Increase (from other student categories)	8.2
Fall 2019 Planned Undergraduate Enrollment Growth	14.4
Graduate Enrollment Adjustment	(3.7)
Special Sessions - Summer and Winter	2.5
Program Fee Revenue Increase	3.9
Auxiliary Contribution to Student Financial Aid	0.8
Reallocations	0.9
	<u>43.9</u>
Remaining Surplus/(Deficit)	\$ (0.5)



# DISCUSSION





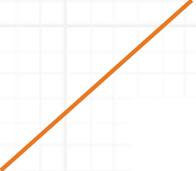
# 2019-20 Proposed Tuition & Fee Rates



# Overview

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- Tuition and Fee Development Considerations
  - State Policy
  - Market Highlights
  - Market Benchmarking
  
- 2019-20 Tuition and Fee Recommendations
  - Undergraduate, Graduate, Professional Rates
  - Comprehensive Fees
  - Other Rate or Structure Adjustments
  
- Discussion



# Tuition & Fee Development Considerations



# State Tuition Initiative

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## *2019 “In-state Undergraduate Affordability” Initiative*

- Statewide pool of \$52.5 million General Fund
- Virginia Tech allocation of \$6.3 million
- Participation is voluntary
- Institutions must “maintain tuition and mandatory Educational & General (E&G) fee charges for in-state undergraduate students to fiscal year 2019 levels”
  - Does not apply to Comprehensive Non-E&G Fee or to other differential charges
- Institutions may decline state funding and increase tuition and mandatory E&G fees for in-state undergraduates, and must certify by resolution to the chairmen of the House Appropriations and Senate Finance committees that they decline funding

# Market Highlights

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- Recent national discounting study\* found that public discount rates continue to grow:
  - Resident: 13.2%
  - Nonresident: 22.7%
  - Virginia Tech: ~6.6% average for each group (primarily need-based aid)
- Most incoming students expect a merit-based scholarship
- Benchmarking shows other institutions continue to use scholarships to compete for out-of-state students
  - Net Price benchmarking reveals some institutions discount significantly, even at higher incomes, to recruit out-of-state undergraduates

*\*Source: Ruffalo - Noel Levitz 2018 Discounting Study*

# Virginia Public Four-Year Institutions, 2018-19

<b>Institutions</b>	<b>Tuition and E&amp;G Fees</b>		<b>Non-E&amp;G Mandatory Fees</b>		<b>Room &amp; Board</b>		<b>Total Cost</b>	
	<b>\$</b>	<b>Rank</b>	<b>\$</b>	<b>Rank</b>	<b>\$</b>	<b>Rank</b>	<b>\$</b>	<b>Rank</b>
<i>William and Mary (Freshmen)</i>	\$ 17,570	1	\$ 5,830	2	\$ 12,236	1	\$ 35,636	1
<i>Virginia Military Institute</i>	9,284	5	9,578	1	9,482	13	28,344	2
<i>University of Virginia (First Year)</i>	14,148	2	2,364	13	11,352	4	27,864	3
<i>Christopher Newport University</i>	9,100	6	5,654	3	11,460	2	26,214	4
<i>Virginia Commonwealth University</i>	12,247	3	2,243	14	10,428	11	24,918	5
<i>Longwood University</i>	7,940	10	5,400	4	11,026	6	24,366	6
<i>George Mason University</i>	9,060	7	3,402	10	11,460	2	23,922	7
<i>University of Mary Washington</i>	8,678	8	3,976	7	10,730	7	23,384	8
<b>Virginia Tech</b>	<b>11,595</b>	<b>4</b>	<b>2,025</b>	<b>15</b>	<b>8,934</b>	<b>15</b>	<b>22,554</b>	<b>9</b>
<i>James Madison University</i>	7,250	11	4,766	5	10,512	8	22,528	10
<i>Old Dominion University</i>	7,047	12	3,825	8	10,462	9	21,334	11
<i>Radford University</i>	7,980	9	3,230	12	9,406	14	20,616	12
<i>University of Virginia's College at Wise</i>	5,694	15	4,425	6	10,438	10	20,557	13
<i>Virginia State University</i>	5,769	13	3,287	11	11,208	5	20,264	14
<i>Norfolk State University</i>	5,752	14	3,738	9	10,360	12	19,850	15

# Market Considerations for Tuition and fees 2018-19

	Average	VT Rank
In-state Undergraduate		
Virginia Tech	\$13,620	
Public SCHEV Peers	\$12,473	10 out of 24
Virginia Institutions	\$13,517	6 out of 15 (b)
UVA	\$16,512	
CWM	\$23,400	
Out-of-state Undergraduate		
Virginia Tech	\$31,908	
Public SCHEV Peers	\$34,116	14 out of 24
Virginia Institutions	\$32,062	6 out of 15
Regional Competitive Peers	\$32,099	4 out of 7

(a) Regional competitive peers: Pennsylvania State, Rutgers University, University of Maryland, Ohio State, University of Pittsburgh, and North Carolina State.

(b) Behind W&M, VMI, UVA, CNU, and VCU

# Nonresident Market Competitiveness 2018-19

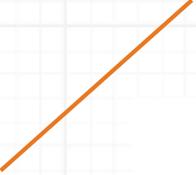
## Net Price

- Total cost of attendance less average institutional financial aid package
- Key component of the economic decision faced by a student/family
- Gross and net price for student with family income of \$75,300 (three times the Federal Poverty Level):

	<u>Cost of Attendance</u>	<u>Net Price</u>	<u>Difference</u>	<u>Average % Discount</u>
Virginia Tech	\$46,220	\$44,358	\$1,862	4.0%
SCHEV Peer Average	51,541	39,126	12,416	24.1%
Advantage/(Disadvantage)	\$5,321	(\$5,233)	(\$10,554)	

	<u>Cost of Attendance</u>	<u>Net Price</u>	<u>Difference</u>	<u>Average % Discount</u>
Virginia Tech	\$46,220	\$44,358	\$1,862	4.0%
Regional Competitive Peers	46,710	37,560	9,150	19.6%
Advantage/(Disadvantage)	\$490	(\$6,798)	(\$7,288)	

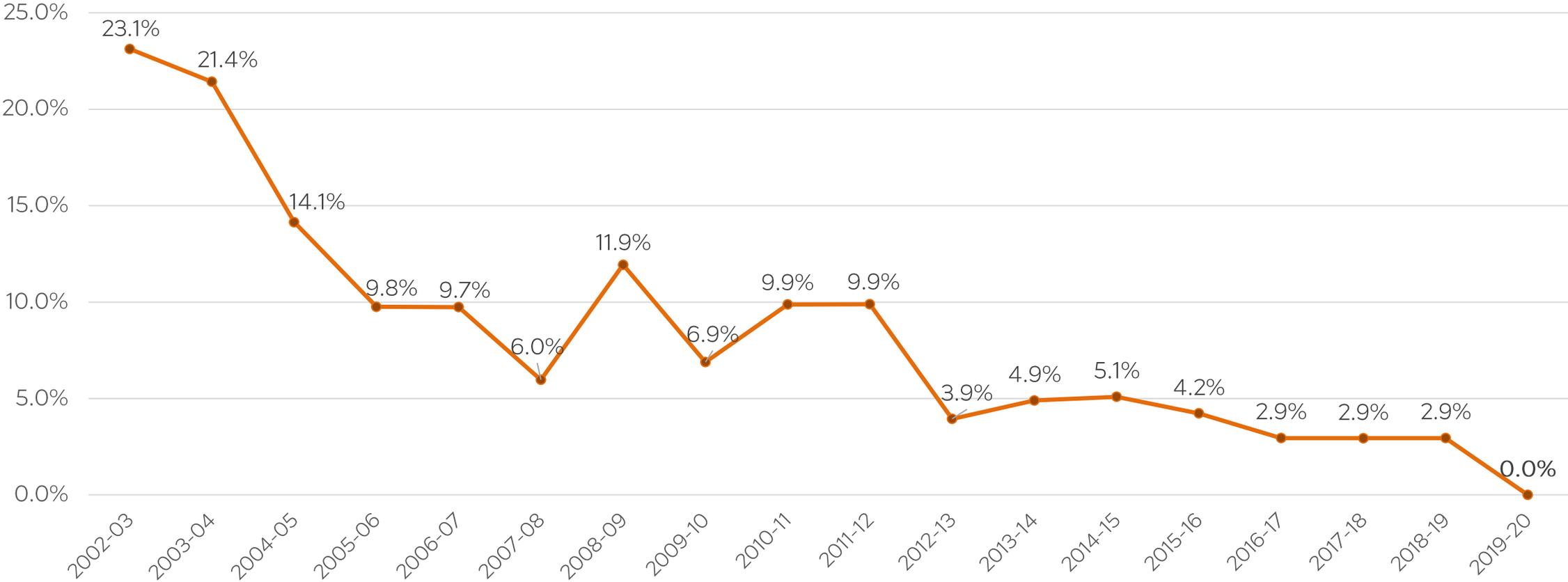
NOTE: Cost of Attendance includes tuition and mandatory fees, room and board, and estimated supply and student travel costs.



# Tuition & Fee Rate Proposals



# Virginia Undergraduate Tuition & E&G Fee Increases



*Virginia Undergraduate Tuition and E&G Fee increases continue to slow.*

New state funding will allow the university to avoid increasing tuition and E&G fees for Virginia undergraduates

In combination with new state and university investments in student financial aid, these actions will reduce net tuition expenses for Virginia resident undergraduates in 2019-20



# Resident Undergraduate

	2018-19 Charge	Proposed 2019-20	Increase	
			\$	%
Tuition	\$11,420	\$11,420	\$0	0.0%
E&G Fees	175	175	0	0.0%
<i>Tuition &amp; E&amp;G Fees</i>	11,595	11,595	0	0.0%
<b>Comprehensive Fee</b>	<b>2,025</b>	<b>2,096</b>	<b>71</b>	<b>3.5%</b>
<i>Tuition &amp; Mandatory Fees</i>	13,620	13,691	71	0.5%
<i>Room and Board</i>	8,934	9,342	408	4.6%
<i>Total Cost</i>	\$22,554	\$23,033	\$479	2.1%

# Nonresident Undergraduate

	2018-19	Proposed	Increase	
	Charge	2019-20	\$	%
Tuition	\$29,104	\$29,960	\$856	2.9%
E&G Fees	779	779	0	0.0%
<i>Tuition &amp; E&amp;G Fees</i>	29,883	30,739	856	2.9%
Comprehensive Fee	2,025	2,096	71	3.5%
<b><i>Tuition &amp; Mandatory Fees</i></b>	<b>31,908</b>	<b>32,835</b>	<b>927</b>	<b>2.9%</b>
<i>Room and Board</i>	8,934	9,342	408	4.6%
<b><i>Total Cost</i></b>	<b>\$40,842</b>	<b>\$42,177</b>	<b>\$1,335</b>	<b>3.3%</b>

# Graduate

	2018-19 Charge	Proposed 2019-20	Increase	
			\$	%
<u>Resident Tuition</u>	\$13,310	\$13,701	\$391	2.9%
E&G Fees	175	175	0	0.0%
<i>Tuition &amp; E&amp;G Fees</i>	13,485	13,876	391	2.9%
Comprehensive Fee	2,025	2,096	71	3.5%
<b><i>Total Resident Graduate</i></b>	<b>\$15,510</b>	<b>\$15,972</b>	<b>\$462</b>	<b>3.0%</b>
<u>Nonresident Tuition</u>	\$26,825	\$27,614	\$789	2.9%
E&G Fees	779	779	0	0.0%
<i>Tuition &amp; E&amp;G Fees</i>	27,604	28,393	789	2.9%
Comprehensive Fee	2,025	2,096	71	3.5%
<b><i>Total Nonresident Graduate</i></b>	<b>\$29,629</b>	<b>\$30,489</b>	<b>\$860</b>	<b>2.9%</b>

# Veterinary Medicine

	2018-19 Charge	Proposed 2019-20	Increase	
			\$	%
<b>Virginia/Maryland Students</b>				
Tuition	\$ 21,372	\$ 21,906	\$ 534	2.5%
Educational and General Fee	175	175	0	0.0%
Comprehensive Fee	2,025	2,096	71	3.5%
Vet Med Facility Fee	1,200	1,200	0	0.0%
<b>Total Cost for Virginia/Maryland Students</b>	<b>\$ 24,772</b>	<b>\$ 25,377</b>	<b>\$ 605</b>	<b>2.4%</b>
<b>Out-of-State Students</b>				
Tuition	\$ 49,301	\$ 50,435	\$ 1,134	2.3%
Educational and General Fee	779	779	0	0.0%
Comprehensive Fee	2,025	2,096	71	3.5%
Vet Med Facility Fee	1,200	1,200	0	0.0%
<b>Total Cost for Out-of-State Students</b>	<b>\$ 53,305</b>	<b>\$ 54,510</b>	<b>\$ 1,205</b>	<b>2.3%</b>

# Virginia Tech Carilion School of Medicine

- VTCSOM was integrated as the ninth college at Virginia Tech on July 1, 2018

	<u>2018-19 Charge</u>	<u>Proposed 2019-20</u>	<u>Increase</u>	
			<u>\$</u>	<u>%</u>
Tuition	\$ 51,818	\$ 53,113	\$ 1,295	2.5%
Educational and General Fee	175	175	0	0.0%
VTCSOM Student Services Fees (a)	752	768	16	2.1%
<b>Total Cost</b>	<b><u>\$ 52,745</u></b>	<b><u>\$ 54,056</u></b>	<b><u>\$ 1,311</u></b>	<b><u>2.5%</u></b>

(a) Includes VTCSOM Student Services, Health Services, and Student Government/Activities fees that apply to all Medical students.

# Comprehensive Fee Components for 2019-20

	2018-19 Charge	Proposed 2019-20	Increase	
			\$	%
<u>Comprehensive Fee</u>				
Student Activity Fee	\$ 321	\$ 330	\$ 9	2.8%
Health Service Fee	447	471	24	5.4%
Athletic Fee	317	326	9	2.8%
Transportation Services Fee	165	171	6	3.6%
Recreational Sports Fee	313	327	14	4.5%
Student Services Fee	289	298	9	3.1%
Student Cultural Activities Fee	173	173	0	0.0%
<b>Total Comprehensive Fee</b>	<b>\$ 2,025</b>	<b>\$ 2,096</b>	<b>\$ 71</b>	<b>3.5%</b>

*Comprehensive fees at the other Virginia doctoral institutions range from \$2,243 to \$5,830.*

# Average Cost of Education

	2018-19		Estimated 2019-20	
	Amount	% of Average	Amount <sup>(1)</sup>	% of Average
Average Cost of Education	\$18,886		\$19,680	
<u>Undergraduates</u>				
Residents	11,595	61%	11,595	59%
Nonresidents	29,279	155%	30,135	153%
<u>Graduates</u>				
Residents	13,485	71%	13,876	71%
Nonresidents	27,000	143%	27,789	141%
<u>Residency</u>				
Residents		62%		60%
Nonresidents		151%		150%

(1) Average Cost of Education for 2019-20 is estimated. Amounts include proposed tuition and E&G fees (the nonresident facility and equipment fee is not comparable to the Average Cost of Education.)

## Other Adjustments for 2019-20

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- Revision to Graduate Pricing Approach for Accelerated Masters Programs
  - Per-credit assessment of graduate tuition may be approved in lieu of traditional full-time/part-time tiered assessment in certain programs where market demand and program delivery (accelerated, part-time, etc.) align with this approach (Northern Virginia).
- Over the years the university has created several specialized executive/professional graduate programs with unique pricing. While not displayed here, any adjustments to these program charges are detailed in the resolution materials.

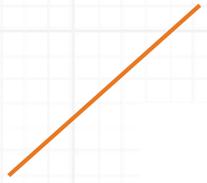
# Proposed 2019-20 Tuition and Fee Rates

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## RECOMMENDATION:

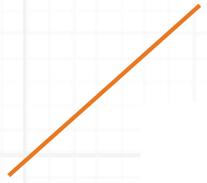
That the proposed tuition and fee rates be approved, effective Fall Semester 2019.

March 31, 2019



# DISCUSSION



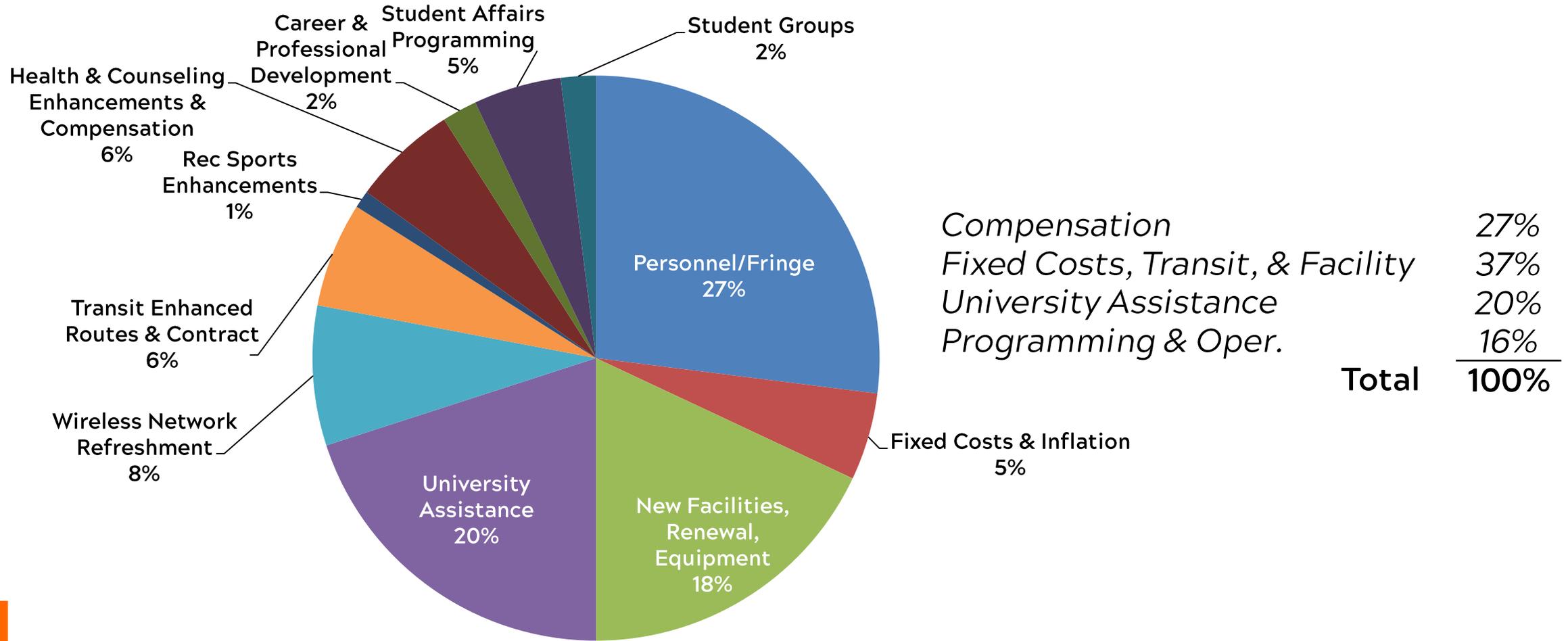


# ADDITIONAL INFORMATION



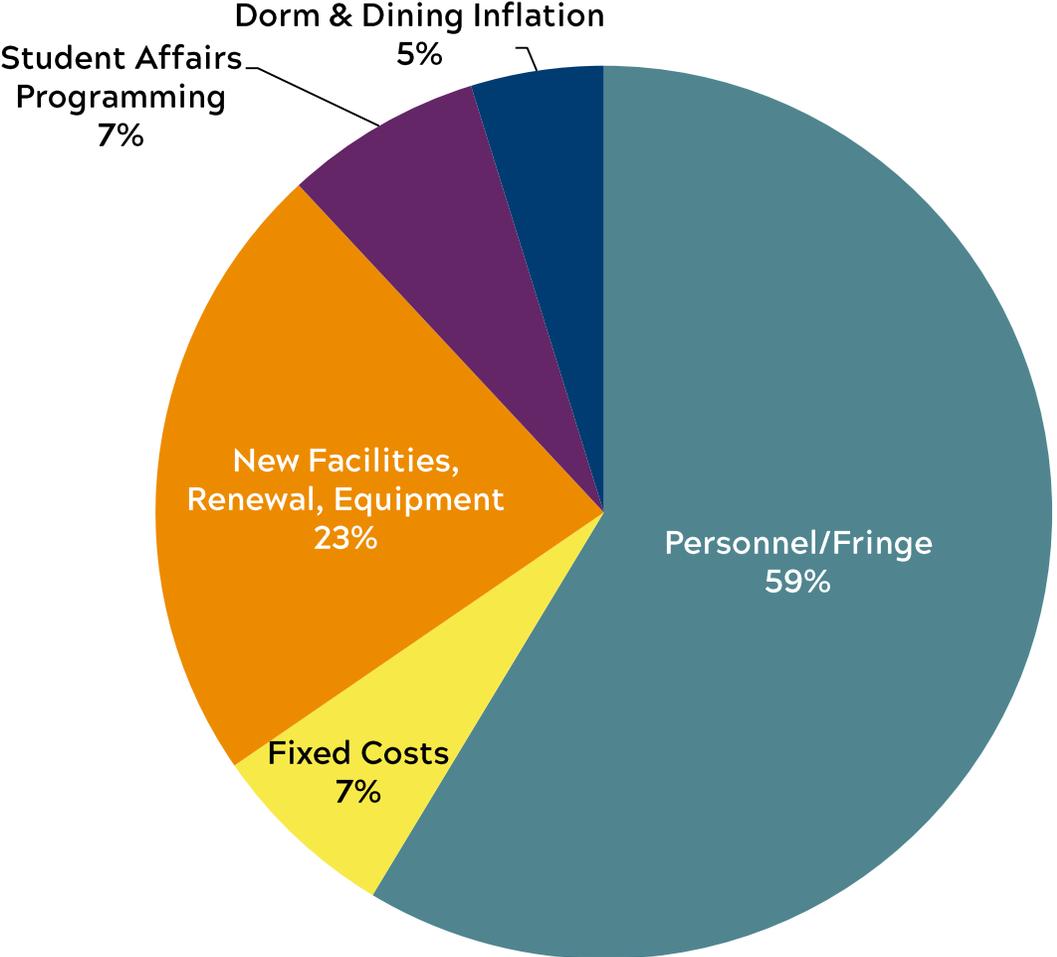
# Comprehensive Fee

## Proposed increase of 3.5%



# Room & Board

## Proposed increase of 4.6%



*Compensation*  
*Fixed Costs & Facility*  
*Programming & Oper.*

	<b>Total</b>
	<hr/>
	59%
	29%
	12%
<b>Total</b>	<hr/>
	100%

# Comprehensive Fees

- Comprehensive fees support Auxiliary Operations (i.e. Health Services, Recreation Sports, Athletics, Career Services, etc.)
- Auxiliary operations are required by state law to be 100% self-supported
- 2019-20 Costs Drivers:
  - Telecom Wireless Network Upgrades
  - War Memorial Facility Planning
  - Fixed Costs (utilities, insurance, etc.)
  - Blacksburg Transit Contract with Town of Blacksburg
  - State authorized compensation program
  - Entry level employee compensation
  - University Assistance
  - Facility Maintenance
  - Programming: Resources needed to assist students (i.e. Pharmacy Technician; Financial Literacy Coordinator; Black Cultural Center Coordinator; Student Organizations Assistant Director; etc.)

# *Student Service Enhancements*

- **Health Services:** Cook Counseling Center answering service, Pharmacy Technician, Financial Literacy Coordinator, Health Center Equipment, Health Professional Recruitment & Retention Salary Support
- **Wireless:** Robust Wireless System Equipment Refreshment
- **Transit:** Enhanced High Volume Routes and Campus Shuttles
- **Career & Professional Development:** Associate Director of Experience and Professional Development, Mentorship Program Software
- **Student Engagement & Campus Life:** Black Cultural Center Program Coordinator, Student Organizations Assistant Director, Cultural & Community Center Programming Support, Student Organizations Program Support
- **Recreational Sports:** Venture Out Program Coordinator, Sport Club Funding, Fitness Facility Enhancements and Technology/Equipment Refreshment
- **Dining Services:** Associate Director of Dining Services, Graphic Artist, Wage & Salary Retention Support, Inflation of Food Costs, Capital Project Planning
- **Residence Halls:** Capital Project Planning; Resident Advisor Wage & Salary Retention Support