

**DATE:** November 15, 2007

**SUBJECT:** 2008-09 Student Fee Recommendations

**ACTION RECOMMENDED:** Approval

**BACKGROUND INFORMATION:** Based on the funding formula and the THEC tuition model, the following recommendations for student fees for 2008-09 are presented.

**Recommendations:**

Based on current SREB data, Tennessee’s community college tuition rates are above the regional average. In order to encourage enrollment growth at this sector, to increase access, and to reduce the tuition burden for students at community colleges, it is the staff recommendation that there be no tuition increase at community colleges in 2008-09. After three consecutive years of 15 percent fee increases, it is the staff recommendation that there be no tuition increase at Tennessee Technology Centers (TTCs) in 2008-09.

Universities will be expected to fund increased revenue requirements from both state appropriations and student fees. It is recommended that the University of Tennessee Knoxville and the University of Memphis increase fees seven to nine percent, while all other universities increase fees five to seven percent. These increases would generate \$36 to \$49 million in revenue.

The fee recommendations will require additional review if the state appropriation falls substantially below the recommended level.

Currently, Tennessee’s tuition and fee rates are comparable to peers. Over the last five years, average tuition and fees have increased 49 percent at universities, 51 percent at community colleges and 66 percent at TTCs. Estimated average tuition and fees in 2008-09 would be \$5,461 at universities, \$2,628 at community colleges and \$2,168 at TTCs. Please refer to **Attachment I** for more detail.

**Summary of Tuition Increase Recommendations:**

- 7 to 9 percent for UTK and UM
- 5 to 7 percent for other universities
- No tuition increase at community colleges
- No tuition increase for TTCs.

**ATTACHMENT I**  
**Total Mandatory Tuition and Fees**

	<b>2002-03</b>	<b>2006-07</b>	<b>2007-08</b>	<b>1 Yr. Change</b>	<b>5 Yr. Change</b>	<b>Estimated 2008-09*</b>	<b>Estimated 1 Yr. Change</b>
<b>APSU</b>	3,454	4,837	5,238	8.3%	51.7%	5,441	3.9%
<b>ETSU</b>	3,311	4,637	4,887	5.4%	47.6%	5,090	4.2%
<b>MTSU</b>	3,426	4,766	5,278	10.7%	54.1%	5,481	3.8%
<b>TSU</b>	3,252	4,534	4,856	7.1%	49.3%	5,059	4.2%
<b>TTU</b>	3,266	4,562	4,980	9.2%	52.5%	5,183	4.1%
<b>UM</b>	3,704	5,256	5,802	10.4%	56.6%	6,128	5.6%
<b>UTC</b>	3,550	4,688	5,062	8.0%	42.6%	5,261	3.9%
<b>UTK</b>	4,056	5,622	5,932	5.5%	46.3%	6,290	6.0%
<b>UTM</b>	3,498	4,665	5,005	7.3%	43.1%	5,213	4.1%
<b>CC Avg</b>	1,740	2,482	2,628	5.9%	51.0%	2,628	0.0%
<b>TTC</b>	1,309	2,057	2,168	5.4%	65.6%	2,168	0.0%

\*Estimates based on 7.0 percent maintenance fee increase at UTK and UM, and a 5.0 percent maintenance fee increase at universities and no increase at community colleges and TTCs. Also includes no increases to mandatory fees.