



Sent Via E-mail

MEMORANDUM

Date: September 16, 2009

To: Vice Presidents

From: Kerry L. Kennedy

Subject: Tuition and Fee Proposal for Academic Years 2010-11 and 2011-12

Draft guidelines have been received for preparation of our 2011-2012 tuition and fee proposal. The format prescribed by the U.T. System is almost identical to what was provided in 2007. However, we have not yet been advised of the dollar or percentage increase cap on total academic costs and expect that decision to be made at a special meeting later this month. Clearly, that decision is a crucial one and will to a large degree affect our overall pricing strategy.

The final draft of the proposal is due January 31, 2010 and will be considered for adoption by the Board of Regents at their March 2010 meeting. The attached timeline highlights the key activities and due dates. To assure appropriate student involvement in this process, our proposal development must begin now and be substantially completed by the first week of December. It is also recommended that the University Strategic Resource Planning Council play a role in the process. Additional informational opportunities are planned to review the draft tuition and fee proposal with other interested stakeholders and the general campus community later in the Fall semester.

Once again, five core principles and operating assumptions must be reflected in our proposal:

1. **Cost savings**, operational efficiencies and effective use of existing resources are critically important to keeping tuition and fee charges affordable. Proposals must include a discussion of initiatives to reduce operating costs.
2. **Proposed increases will be limited** to an amount yet to be determined. The institution must demonstrate clearly that any proposed increase is the minimal amount required to sustain institutional quality.
3. **Tuition and fee policies should emphasize predictability**; student and parents should have as much information as possible to estimate costs over a four-year undergraduate education.
4. Tuition and fee policies relate to and **support other strategic campus and System goals**.
5. An overview of **financial aid services** available to assist students.

Here are the actions I recommend take place immediately and over the next several weeks to develop our proposal. These are outlined by fee type:

Mandatory Fees

- Current fee justifications should be reviewed for accuracy and details to determine whether changes are necessary.
- The fee review process must be completed before a fee rate increase will be considered. <http://www.utsa.edu/financialaffairs/opguidelines/1.2.html> Contact Janet Parker, Associate Vice President for Financial Affairs at 458-4210 for more information on this process. If you expect to increase a fee rate, even one that has been 'approved' by student referendum or other voting process, the fee review must be completed by **November 1, 2009.**
- Two mandatory fees require special meetings of student advisory groups to review budgets and planned fee usage and rates that should occur prior to **November 9, 2009:** Student Fee Advisory Committee for the Student Services Fee (SSF) and the University Center (UC) Advisory Committee. The usage, proposed budgets and rates of all mandatory fees including SSF and UC will be reviewed by the ***Tuition and Fee Committee.***

Mandatory Fees (by VP Area) include:

Academic Affairs – *Automated Services, International Education, Library Resources, Teaching and Learning Center fees*

Business Affairs – *Energy, ID Card, Transportation fees*

Student Affairs - *Athletics, Medical Services, Record Processing, Recreation Center, Student Services, University Center, and University Publication fees*

Incidental Fees

- Consistent with the Education Code definition¹, incidental fees should be assessed on a cost recovery basis to cover current year requirements for materials or services.
- New incidental fees will be considered in rare circumstances, but only if it can be demonstrated that the proposed costs cannot be covered from other institutional funding, and the rate is the minimal amount required to sustain institutional quality.
- UTSA is supportive of the need to keep college education affordable. After reviewing yearend balances, a moratorium on fee rate changes for existing incidental fees will be in effect. This action is prudent in light of the current economic times and consistent with the proposal objective of frugality. We will however, consider changes to existing fee justifications to assure those are up-to-date, accurate and consistent with required revenue usage.
- For any new fees, or to change the justification and budget of an existing incidental fee, use the forms found at <http://www.utsa.edu/financialaffairs/opguidelines/1.2.html>. A request to create a new incidental fee or to change an existing incidental fee justification or budget must be submitted to the Associate Vice President for Financial Affairs no later than **October 6, 2009.**

¹Sec. 54.504. INCIDENTAL FEES. (a) The rate of an incidental fee must reasonably reflect the actual cost to the university of the materials or services for which the fee is collected. In fixing such rate, the governing board may consult with a student fee advisory committee which the governing board may establish if such student committee does not presently exist.

A listing of Incidental Fees for each VP Area is attached. This listing includes fee balances at fiscal year end. If you need copies of current fee justifications, please contact Becky Sanchez at x4071.

Laboratory Fees

- UTSA will attempt to convert all laboratory fees to incidental course fees. This action will be revenue neutral to students but will improve flexibility over the use of these fees. Work has already begun on this effort which will be discussed during the tuition and fee proposal process to gain support of both the ***Tuition and Fee Committee*** and the University Strategic Resource Planning Council.

Please distribute these materials within your organization so as to timely inform those Deans, Associate Vice Presidents, Directors and or Department heads who may be impacted, and to coordinate any internal processes that may be appropriate.

Feel free to contact Janet Parker, Associate Vice President for Financial Affairs at 458-4210 with any questions or for more information as required.

KLK/jp

xc: Dr. Ricardo Romo, President
Janet Parker, Associate Vice President, Financial Affairs
Becky Sanchez, Financial Assessment Analyst

ATTACHMENTS

Tuition & Fee Proposal Planning & Timeline
Listing of Incidental Fees for each VP Area
Draft Proposal Memo from the U.T. System



Tuition & Fee Proposal Timeline for Fiscal Years 2011 and 2012

Date	Process/Action	Responsible Party
September 16, 2009	Letter and process with guidelines for proposing fee changes and parameters under which new incidental fees will be considered. To be discussed with CMO on September 16 th	Business Affairs
September 30, 2009	Design communication plan and post to website	Business Affairs
October 6, 2009	New and Revised Incidental Fee forms are approved by appropriate Vice President and due to Financial Affairs	Affected Areas
October 13, 2009	Notify areas that fee forms are complete and can be discussed with student groups	Business Affairs
October 15, 2009	Appointment letters to Tuition and Fee Committee	Business Affairs
October 16 – November 9, 2009	Meetings with representative fee committees / student groups for incidental fees as necessary. Student Services fee committee and University Center Advisory committee meetings	Affected Areas
November 1, 2009	Mandatory Fee Reviews for fees with changes to rate or justification must be completed	Affected Areas and Business Affairs
November 6, 2009	1st Tuition and Fee Committee Meeting – proposed to meet Friday noon	Tuition and Fee Committee
November 13, 2009	2nd Tuition and Fee Committee Meeting – proposed to meet Friday noon	Tuition and Fee Committee
November 20, 2009	3rd Tuition and Fee Committee Meeting – proposed to meet Friday noon	Tuition and Fee Committee
December 4, 2009	4th Tuition and Fee Committee Meeting (if necessary) – proposed to meet Friday noon	Tuition and Fee Committee
January 11, 2010	Complete final draft proposal and present to CMO	Business Affairs
January 11 – 30, 2010	Rework draft as required - Present final to CMO	Business Affairs
January 31, 2010	Final Draft due to UT System/EVCAA	Business Affairs
As required	Rework proposal if required by UT System, prepare Board of Regents' presentation	Business Affairs
February 15, 2010	Final proposal due to EVCAA	Business Affairs
March 24, 2010¹	Board of Regents Meeting for proposal approval	Business Affairs

University Strategic Resource Planning Council meetings related to the proposal development will be announced in the near future.

¹ The Board of Regents' meeting is scheduled on the same date as the UTSA SACS accreditation visit.