

**West Virginia Higher Education Policy Commission
Meeting of November 20, 2009**

ITEM: Approval of Modified Out-of-State Tuition Rate

INSTITUTION: West Virginia State University

RECOMMENDED RESOLUTION: *Resolved*, That the West Virginia Higher Education Policy Commission approves West Virginia State University out-of-state tuition rate for the 2010-2011 academic year for students residing in numerous counties in Kentucky, Maryland, Ohio, Pennsylvania, and Virginia.

STAFF MEMBER: Richard Donovan

BACKGROUND:

West Virginia State University proposes to implement a modified out-of-state tuition rate that will reduce the level of tuition and fees assessed to students from numerous counties in Kentucky, Maryland, Ohio, Pennsylvania, and Virginia. The impact of this policy effort would lower tuition rates by \$2,586 for students from the counties in the aforementioned states. Institutional officials believe that significant opportunities exist for the institution to recruit more students from the listed counties from these five states and that any revenue reductions expected by the imposition of the modified rate would be offset by having a greater number of these students attend West Virginia State University. Attachment 1 provides an overview of the institution's proposal.

Attachment 2 contains West Virginia State University's projected financial impact of providing a \$2,586 tuition and fee discount on West Virginia State University's gross revenue from tuition and required fees. To break even financially in total revenue, West Virginia State University will have to enroll approximately 12 additional students from the aforementioned states. West Virginia State University ultimately projects enrolling more than two times that number of students within 3 years.

West Virginia State University**Out-of-State Tuition Proposal –Adjacent Counties**

West Virginia State University proposes to extend its concentrated recruitment area to outside the physical boundaries of West Virginia. We will intensively market to students who are looking for a medium sized institution where they can receive a quality education situated near the metropolitan area of Charleston. Initially, we would extend the offer of a modified out-of-state tuition rate, reducing the level of tuition and fees paid by those individuals whose home county is adjacent to West Virginia's borders or whose home county touches a county which is adjacent to West Virginia borders. Specifically, this will include counties in Kentucky, Maryland, Ohio, Pennsylvania, and Virginia. These neighboring states were identified as our focus area for this proposal because of their close proximity to West Virginia and because of the relatively high numbers of first generation college students found within these states. West Virginia State University is historically and strategically positioned to address the unique needs of this group of college students.

A list of the counties in adjoining states that would be subject to modified rates

Individuals whose home county is adjacent to the West Virginia border or whose home county borders another county which is adjacent to the State of West Virginia are eligible for this reduced out-of-state tuition rate.

The following counties will be targeted for eligibility under the current proposal:

- In Kentucky, the bordering counties of Boyd, Lawrence, Martin, and Pike. In addition, the following counties which adjoin those in the preceding list will include: Greenup, Carter, Elliott, Johnson, Morgan, Floyd, Knott, and Letcher.
- In Maryland, the bordering counties of Garrett, Alleghany, and Washington. In addition, the following county which adjoins those in the preceding list will include: Frederick. Prince Georges and Montgomery counties will also be added to the list of Maryland counties due to a history of students from these counties attending our institution.

- In Ohio, the bordering counties of Columbiana, Jefferson, Belmont, Monroe, Washington, Athens, Meigs, Galia, and Lawrence. In addition, the following counties which adjoin those in the preceding list will include: Mahoning, Stark, Carroll, Harrison, Guernsey, Noble, Morgan, Perry, Hocking, Vinton, Jackson, and Scioto.
- In Pennsylvania, the bordering counties of Beaver, Washington, Greene, and Fayette. In addition, the following counties which adjoin those in the preceding list will include: Lawrence, Butler, Allegheny, Westmoreland, and Somerset.
- In Virginia, the bordering counties of Frederick, Bland, Tazewell, Buchanan, Shenandoah, Rockingham, Augusta, Highland, Bath, Alleghany, Craig, Giles, Loudoun, and Clark. In addition, the following counties which adjoin those in the preceding list will include: Dickinson, Russell, Smyth, Wythe, Pulaski, Montgomery, Roanoke, Botetourt, Rockbridge, Nelson, Albemarle, Greene, Page, Warren, Fuaquier, Prince William, Buena Vista City, Clifton Forge City, Falls Church City, Harrisonburg City, Lexington City, Manassas City, Manassas Park City, Roanoke City, Staunton City, Waynesboro City, Winchester City, and Fairfax. Alexandria City and Charlottesville City, which contain the northern Virginia cities of Alexandria and Arlington, will also be added to the list of Virginia counties due to a history of students from these counties attending our institution.

An estimate of the number of potential students available in the proposed modified rate area

As of the spring 2009 semester, West Virginia State University had 36 students from the proposed extended metro tuition areas

While West Virginia State University has not previously recruited significantly in the counties identified in this proposal, we will need to do so in the future because of the declining college age population of West Virginia. Extending our recruiting into these areas with a metro tuition plan will help us economically maintain, and hopefully expand, our university student population and its services.

The average tuition for public 4-year institutions, as described in *Measuring Up 2008 The State-by-State Report Card for Higher Education*,* was:

Kentucky	\$6,359
Maryland	\$7,263
Ohio	\$8,102
Pennsylvania	\$9,686
Virginia	\$6,979

West Virginia \$4,408

The proposed modified tuition rate for this proposal is \$ 7,760, which is slightly more than the cost of instruction, but low enough to attract out-of-state students.

A count of the number of currently enrolled West Virginia State University students from the proposed modified rate area

- Nineteen (19) WVSU students' homes are in the targeted counties in Maryland.
- Three (3) WVSU students' homes are in the targeted counties in Ohio.
- Two (2) WVSU students' homes are in the targeted counties in Pennsylvania.
- Twelve (12) WVSU students' homes are in the targeted counties in Virginia.
- No current WVSU students' homes are in the targeted counties in Kentucky.

*Source: *The National Center for Public Policy and Higher Education*, available online at

http://measuringup2008.highereducation.org/states/report_print.php

County names and locations were derived from *Census Finder*, available online at

<http://www.censusfinder.com/mapmd.htm>

A multi-year analysis of the projected number of students (resident, non-resident, and those from the proposed metro-tuition areas) that we hope to enroll at our campus in coming years to offset any loss in revenue is attached on the following page.

WEST VIRGINIA STATE UNIVERSITY
PROJECTED REVENUE FROM TUITION REQUIRED FEES

2008-2009 Academic Year			
Base Year Enrollment			
	FTE	Tuition Rate	Total Revenue
Resident Students	2217	\$ 4,346.00	\$ 8,189,819.70
Non-Resident Students	118	\$ 10,346.00	\$ 1,037,703.80
Out-of-Country	3	\$ 10,346.00	\$ 26,382.30
Total	2338		\$ 9,253,905.80
2009-2010 Academic Year (Unofficial)			
Current Year Enrollment			
	FTE	Tuition Rate	Total Revenue
Resident Students	2549	\$ 4,524.00	\$ 9,801,924.60
Non-Resident Students	156	\$ 10,884.00	\$ 1,443,218.40
Out-of-Country	4	\$ 10,884.00	\$ 37,005.60
Total	2709		\$ 11,282,148.60
2010-2011 Academic Year			
Metro Area Enrollment Allocated			
	FTE	Tuition Rate	Total Revenue
Resident Students	2217	\$ 4,346.00	\$ 8,189,819.70
Non-Resident Students	82	\$ 10,346.00	\$ 721,116.20
Current Non-Resident Student Revenue from Proposed Metro Area	36	\$ 10,346.00	\$ 316,587.60
Out-of-Country	3	\$ 10,346.00	\$ 26,382.30
Total	2338		\$ 9,253,905.80
2010-2011 Academic Year			
Breakeven Enrollment Required			
	FTE	Tuition Rate	Total Revenue
Resident Students	2217	\$ 4,346.00	\$ 8,189,819.70
Non-Resident Students	82	\$ 10,346.00	\$ 721,116.20
Current Non-Resident Student Revenue from Proposed Metro Area	36	\$ 7,760.00	\$ 237,456.00
Additional Non-Resident Student Revenue from Proposed Metro Area	12	\$ 7,760.00	\$ 79,152.00
Out-of-Country	3	\$ 10,346.00	\$ 26,382.30
12 additional students required from proposed metro area to break even			
Total	2350		\$ 9,253,926.20
2011-2012 Academic Year			
	FTE	Tuition Rate	Total Revenue
Resident Students	2217	\$ 4,346.00	\$ 8,189,819.70
Non-Resident Students	82	\$ 10,346.00	\$ 721,116.20
Non-Resident Student Revenue from Proposed Metro Area	48	\$ 7,760.00	\$ 316,608.00
Additional Non-Resident Student Revenue from Proposed Metro Area	6	\$ 7,760.00	\$ 39,576.00
Out-of-Country	3	\$ 10,346.00	\$ 26,382.30
6 additional students from proposed metro area			
Total	2356		\$ 9,293,502.20
2012-2013 Academic Year			
	FTE	Tuition Rate	Total Revenue
Resident Students	2217	\$ 4,346.00	\$ 8,189,819.70
Non-Resident Students	82	\$ 10,346.00	\$ 721,116.20
Non-Resident Student Revenue from Proposed Metro Area	54	\$ 7,760.00	\$ 356,184.00
Additional Non-Resident Student Revenue from Proposed Metro Area	6	\$ 7,760.00	\$ 39,576.00
Out-of-Country	3	\$ 10,346.00	\$ 26,382.30
6 additional students from proposed metro area			
Total	2362		\$ 9,333,078.20

1. Metro tuition is projected at 75 percent of non-resident student fees.

2. This table assumes no change in enrollment of resident or non-resident students not subject to the modified rate.

3. This table assumes no change in tuition and fee increases.

4. This table makes no adjustment for tuition and fee waivers or similar forms of tuition discounting.

11/2/2009