

West Virginia State University

Fiscal Year 2012

Information for the Board of Governors Regarding Tuition and Fees

April 4, 2011

West Virginia State University respectfully submits three options to increase tuition and fees for the 2011-12 Academic Year. The proposed tuition increase options range from 8% - 9.5%. Guidelines on tuition and fees for the 2011-12 Academic Year provided by Chancellor Noland and an itemized budget are included.

The required percentage increase for WVSU to fund FY 2012 Cost Drivers calculated by the West Virginia Higher Education Policy Commission (HEPC) is 7.93%. The higher tuition percent increase included in this information allows for a better salary enhancement and helps facilitate strategic efforts.

On multiple occasions, WVSU has pointed out that an annual additional equity State appropriation of \$1.25 million was not made available to WVSU as it was to other public higher education institutions that had their community and technical colleges separated from them.

House Bill 3215 provided four years of funding to Marshall University and Fairmont State University to offset costs associated with the separation of local community and technical colleges. Certainly WVSU experienced similar costs, yet has not benefitted from the mitigating funding that has increased the base budget funding for Fairmont State University and Marshall University.

Various communications efforts have been completed to convey the unfairness of WVSU not being a participant in this funding mitigation effort. For instance, attached is the Fairness Resolution adopted by the WVSU Board of Governors during its annual meeting on June 5, 2008. Because WVSU does not have this offsetting State appropriation, the institution must seek other funding through tuition and fee increases to insure WVSU students have a quality education.

**Fairness Resolution Adopted by the
West Virginia State University Board of Governors**

West Virginia State University was established in 1891 by the West Virginia Legislature as a land-grant institution to educate former slaves and their descendants. The University has evolved into a fully accessible, racially diverse, and multi-generational institution.

Declines in State appropriations are challenges that West Virginia State University has met. Monies from State annual land-grant matching funds and Title III Part B funds are restricted. While it is commendable that the Legislature has financially supported Fairmont State University and Marshall University, it is important that West Virginia State University be treated in a fair and equitable manner.

Whereas, Fairmont State University will receive \$1.25 million annually for several years from the West Virginia Legislature to keep it financially whole due to the separation of its community college; and

Whereas, Marshall University will receive \$1.25 million annually for several years from the West Virginia Legislature to keep it financially whole due to the separation of its community college; and

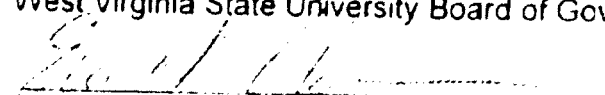
Whereas, the West Virginia State University President and Vice President for Planning and Advancement met with House Education Committee leaders during the 2008 Legislative Session to discuss the financial impact that West Virginia State Community and Technical College becoming completely independent would have on West Virginia State University; and

Whereas, documentation of the financial impact of the separation of these administratively linked institutions was presented to several legislators, including the Senate Education Committee Chair, Finance Committee Chair, and House Finance Committee Chair; and

Whereas, the projected amount is more than \$1.2 million annually;

Therefore be it resolved, as a matter of fairness that immediate action be taken that will result in the allocation of \$1.25 million per year to West Virginia State University as was appropriated to Fairmont State University and Marshall University.

Respectfully submitted by
West Virginia State University Board of Governors


Eric Coleman, Chair


Date

David K. Hendrickson
Chair



Brian Noland
Chancellor

West Virginia Higher Education Policy Commission
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MEMORANDUM

TO: Council of Presidents

FROM: Brian Noland *B. Noland*

DATE: March 31, 2011

RE: Tuition and Fees for the 2011-12 Academic Year

The Higher Education Policy Commission will review tuition and fee increases at its April 29 meeting. To determine tuition and fee levels for the new academic year, the Commission is asking institutions to align prices with internal strategic and state goals regarding affordability, quality of instruction, retention, and financial strength. These goals must be reviewed in relation to the institution's relative market position that will affect its pricing flexibility. The recent economic downturn eroded families' equity, which in turn has limited institutions' ability to increase prices.

In considering changes to non-resident tuition and fees, capacity utilization and revenue maximization strategies should influence a decision to increase prices. For some institutions, the establishment of metro rates serves as a discounting strategy that drives increased capacity utilization. Efficiencies realized through capacity utilization improvements may increase financial resources. The increased financial resources realized from these discounts should exceed the additional revenues that would be generated by charging market rates for non-resident tuition and fees.

Additional costs related to inflation and salary increases must be reviewed, taking into account statutory increase limits – currently set at 9.5 percent for undergraduate, resident students. With state support remaining at FY 2009 levels and a tuition freeze implemented in FY 2011, institutions face pressure from multiple years of rising costs with limited additional support. The combined increases for the past two fiscal years were 3.2 percent for the Higher Price Index – an amount that trailed the overall 3.4 percent increase in the Consumer Price Index. Beyond the additional inflationary costs, institutions will need to find institutional resources to provide funding for two percent salary enhancements for employees who are not paid from state appropriated funds. Table 1 provides an estimate of the costs associated with these factors.

March 31, 2011

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Table 2 shows that the institutional cost drivers create a need for institutions to increase tuition by rates exceeding five percent just to keep pace with rising costs. If institutions were to use tuition to cover the full cost of the funding formula, significant tuition increases would be required.

Although the enactment of Senate Bill 330 eliminated approval requirements for tuition and fee increases below five percent, tuition and fee schedules must be completed. Please submit your recommendations to Pam Ashley at ashley@hepc.wvnet.edu no later than April 15, so that they may be included in the mailing for the April 29 Commission meeting. Institutional chief financial officers have received a worksheet that may be used to calculate percentage increases in tuition and fees as well as state appropriations.

cc: Chief Financial Officers

West Virginia Higher Education Policy Commission
Table 1: FY 2012 Cost Drivers

	A	B	C	D	E	F	C+D+E+F	H	C+D+E+H
Institution	One Percent Increase in Total Tuition	1% Increase in Appropriations	2010 HEPI	2011 HEPI Estimated	2% Salary Enhancement	Funding Formula: \$6,000,000 Request	FY 2012 Calculated Need	Funding Formula: Full Funding	FY 2012 Need with Full Formula Funding
Bluefield State College	\$92,994	\$64,644	\$141,874	\$241,675	\$84,451	\$185,606	\$653,606	\$3,368,982	\$3,836,982
Concord University	166,026	99,087	\$238,602	\$393,926	\$85,237	\$162,202	\$879,967	\$4,228,988	\$4,946,753
Fairmont State University	238,727	163,125	\$361,668	\$613,916	\$212,747	\$336,558	\$1,524,888	\$5,363,824	\$6,552,154
Glennville State College	88,086	62,891	\$135,880	\$232,737	\$65,333	\$421,748	\$855,697	\$1,791,286	\$2,225,235
Marshall University	777,709	507,968	\$1,157,109	\$1,946,036	\$853,280	\$891,954	\$4,848,380	\$15,640,243	\$19,596,669
Potomac State College of WVU	62,291	46,040	\$97,497	\$168,182	\$33,018	\$174,721	\$473,419	\$3,245,302	\$3,544,000
Shepherd University	308,037	109,487	\$375,771	\$559,857	\$241,889	\$521,980	\$1,699,497	\$5,238,512	\$6,416,029
West Liberty University	191,630	91,615	\$254,920	\$402,345	\$148,265	\$154,992	\$960,522	\$3,482,210	\$4,287,740
West Virginia State University	132,853	109,047	\$217,710	\$383,660	\$149,183	\$302,669	\$1,053,222	\$2,348,935	\$3,099,488
West Virginia University	2,815,527	1,091,455	\$3,516,284	\$5,325,874	\$3,979,609	\$2,821,114	\$15,642,881	\$52,049,704	\$64,871,471
West Virginia University Institute of Technology	66,882	85,564	\$137,202	\$263,680	\$106,557	\$26,456	\$533,895	\$186,617	\$694,056
Total	\$4,940,762	\$2,430,924	\$6,634,518	\$10,531,888	\$5,959,569	\$6,000,000	\$29,125,974	\$96,944,603	\$120,070,577

West Virginia Higher Education Policy Commission
Table 2: Required Percentage Increases to Fund FY 2012 Cost Drivers

	A	B	C	D	E	F	C+D+E+F	H	C+D+E+H
Institution	One Percent Increase in Total Tuition	1% Increase in Appropriations	2010 HEPI	2011 HEPI Estimated	2% Salary Enhancement	Funding Formula: \$6,000,000 Request	FY 2012 Calculated Need	Funding Formula: Full Funding	FY 2012 Need with Full Formula Funding
Bluefield State College	\$92,994	\$64,644	1.53%	2.60%	0.91%	2.00%	7.03%	36.23%	41.26%
Concord University	166,026	99,087	1.44%	2.37%	0.51%	0.98%	5.30%	25.47%	29.79%
Fairmont State University	238,727	163,125	1.51%	2.57%	0.89%	1.41%	6.38%	22.47%	27.45%
Glennville State College	88,086	62,891	1.54%	2.64%	0.74%	4.79%	9.71%	20.34%	25.26%
Marshall University	777,709	507,968	1.49%	2.50%	1.10%	1.15%	6.23%	20.11%	25.20%
Potomac State College of WVU	62,291	46,040	1.57%	2.70%	0.53%	2.80%	7.60%	52.10%	56.89%
Shepherd University	308,037	109,487	1.22%	1.82%	0.79%	1.69%	5.52%	17.01%	20.83%
West Liberty University	191,630	91,615	1.33%	2.10%	0.77%	0.81%	5.01%	18.17%	22.38%
West Virginia State University	132,853	109,047	1.64%	2.89%	1.12%	2.28%	7.93%	17.68%	23.33%
West Virginia University	2,815,527	1,091,455	1.25%	1.89%	1.41%	1.00%	5.56%	18.49%	23.04%
West Virginia University Institute of Technology	66,882	85,564	2.05%	3.94%	1.59%	0.40%	7.98%	2.79%	10.38%
Total	\$4,940,762	\$2,430,924	1.34%	2.13%	1.21%	1.21%	5.90%	19.62%	24.30%

West Virginia State University
Academic Year 2011-2012 Tuition
Budget Based on 1% Enrollment Increase

	Percentage of Tuition Increase		
	8%	9%	9.5%
Estimated Revenue	\$ 1,195,686.00	\$ 1,328,540.00	\$ 1,394,967.00
Salary Enhancements - 2% Increase	\$ (369,739.00)		
Salary Enhancements - 2.5% Increase	-	\$ (423,111.00)	\$ (423,111.00)
Assessment Costs for Academic Affairs	(75,000.00)	(75,000.00)	(75,000.00)
Library Enhancements	(17,000.00)	(75,000.00)	(75,000.00)
Planning & Advancement Personnel	(160,000.00)	(160,000.00)	(160,000.00)
Recruiter	(35,660.00)	(35,660.00)	(35,660.00)
Advertising	(30,000.00)	(30,000.00)	(30,000.00)
Campus Facilities	(100,000.00)	(134,000.00)	(140,000.00)
Systems Administrator	(62,500.00)	(62,500.00)	(62,500.00)
Campus Police Officer	(43,092.00)	(43,092.00)	(43,092.00)
Campus Police Investigator	(52,929.00)	-	(52,929.00)
Campus Police Officer	(38,880.00)	(38,880.00)	(38,880.00)
Emergency Response Equipment	(10,000.00)	-	-
Athletics	(200,000.00)	(250,000.00)	(225,000.00)
	<u>\$ 886.00</u>	<u>\$ 1,297.00</u>	<u>\$ 33,795.00</u>

West Virginia State University
 Fiscal Year 2012
 Estimated Costs of Salary Enhancements

2% Increase

	Base Salaries	Raise Calculations	Fringes	Total Raise
Classified Staff	6,620,895	137,562	20,634	158,196
Non-Classified Staff	3,269,395	54,367	8,155	62,522
Faculty	6,616,941	129,583	19,437	149,020
Totals	16,507,231	321,512	48,227	369,739

2.5% Increase

	Base Salaries	Raise Calculations	Fringes	Total Raise
Classified Staff	6,620,895	162,046	24,307	186,353
Non-Classified Staff	3,269,395	60,045	9,007	69,052
Faculty	6,616,941	145,832	21,875	167,707
Totals	16,507,231	367,923	55,188	423,111

3% Increase

	Base Salaries	Raise Calculations	Fringes	Total Raise
Classified Staff	6,620,895	183,046	27,457	210,503
Non-Classified Staff	3,269,395	63,107	9,466	72,573
Faculty	6,616,941	151,015	22,652	173,667
Totals	16,507,231	397,168	59,575	456,743

Explanation of Proposed Budget Enhancements

Academic Affairs:

Library Enhancements

This \$75,000 expenditure would be used to enhance resources that have been reduced in recent years.

Assessment Fee

This expenditure is to address deficiencies WVSU has had in the student assessment system. This expenditure will be required by the Higher Learning Commission in the 2015 visit. This system is also used for course management, departmental assessment, and document management by faculty and students.

Planning & Advancement:

Personnel

This expenditure is necessary to adequately staff the Planning and Advancement office to manage the \$12.5 million fundraising campaign.

Student Affairs:

Recruiter

The Office of Recruitment Services is in need of additional full-time personnel to assist in the recruitment of students to WVSU. This position would be a pay grade 15 with a starting salary of \$27,015 and benefits are estimated at 32% for an additional \$8,645 for a total of \$35,660.

President's Office:

Advertising

This expenditure is to enhance the marketing and general advertising budget in an effort to reach the goals of the strategic plan.

Administrative Affairs:

Campus Facilities

This is an effort to move toward full funding of Administrative Services and Campus Facilities.

Systems Administrator

This is an effort to reduce the risk of having only one database administrator (DBA).

Campus Police Officers

These positions are currently being paid from parking fees which are inadequate to fund this function. This is a high priority safety issue in order to maintain the current security force on campus.

Emergency Response

This expenditure would be for additional emergency response supplies and communications equipment in light of recent events at local chemical plants.

Student Affairs:

Athletics

The Athletic Department has lost significant student fee revenue as the KVCTC has phased out their support. Once the phase out is complete, athletics will have lost approximately \$250,000.

Fee Planning Schedule- Per Semester

Academic Year 2011-12

Institutions: West Virginia State University

III. Room & Board Charges	Rate Per Semester 2010-11	Rate Per Semester 2011-12	Increase Decrease
All Residence Halls:			
Gore Hall Single	2,100.00	2,268.00	168.00
Gore Hall Double	1,450.00	1,566.00	116.00
Sullivan West Single	2,100.00	2,268.00	168.00
Sullivan West Double	1,450.00	1,566.00	116.00
Sullivan East Double	1,450.00	1,566.00	116.00
Sullivan East Single	2,100.00	2,268.00	168.00
Sullivan East Independent (8th Floor) (no double occupancy)	2,200.00	2,376.00	176.00
Dawson Single	2,150.00	2,322.00	172.00
Dawson Double	1,500.00	1,620.00	120.00
Room (Summer only) per week	125.00	135.00	10.00
Private Room (Summer only) per week	170.00	180.00	10.00
Board Plans:			
Board - Option #1	1,650.00	1,735.00	85.00
Board - Option #2	1,450.00	1,535.00	85.00
Board - Option #3	1,500.00	1,585.00	85.00
Board (Summer only) per week	125.00	135.00	10.00
Dining Dollars (minimum opening balance)	150.00	150.00	-
Faculty/Staff Plans			
Block 25	100.00	100.00	-
Block 50	195.00	195.00	-

Fee Planning Schedule- Per Semester

Academic Year 2011-12

Institutions: West Virginia State University

IV. Apartment and Houses Rental Rates:	Current Rate Per Month 2010-11	Requested Rate Per Month 2011-12	Increase Decrease
House A	623.00	\$ 654.00	31
House B	572.00	\$ 600.00	28
House C	449.00	\$ 471.00	22
House D	572.00	\$ 600.00	28
House E	460.00	\$ 483.00	23
House F	660.00	\$ 693.00	33
House G	597.00	\$ 626.00	29
House H	638.00	\$ 669.00	31
House I	460.00	\$ 483.00	23
House J	624.00	\$ 655.00	31
House K	575.00	\$ 603.00	28
House L (Rent includes utilities)	1,200.00	\$ 1,200.00	-
House M (Rent includes utilities)	1,500.00	\$ 1,500.00	-
House N	556.00	\$ 583.00	27
Duplex A	635.00	\$ 666.00	31
Duplex B	635.00	\$ 666.00	31
Prillerman Hall Apartments:			
Married and Single Parents	525.00	567.00	42
(One Student Per Apartment)	525.00	567.00	42
(Two Students Per Apartment)	287.50	310.00	23
(Handicap Apartments)	475.00	513.00	38
(Lg Handicap Apartment)	600.00	648.00	48

Fee Planning Schedule- Per Semester

Academic Year 2011-12

Institutions: West Virginia State University

II. SPECIAL FEES AND CHARGES	Current Rate Per Semester 2010-11	Requested Rate Per Semester 2011-12	Increase Decrease
Application Fees:			
Graduate - In/state	20.00	20.00	-
Graduate - Out/state	30.00	30.00	-
Course Fees:			
Applied Music Fee	30.00	30.00	-
Applied Music Fee (Non-music majors only)	100.00	100.00	-
Art Fee	35.00	35.00	-
Communications Fee	30.00	30.00	-
Science Lab Fee	40.00	40.00	-
English Course Fee	5.00	5.00	-
HHP 106 & HHP 122	10.00	10.00	-
Diploma Replacement	25.00	25.00	-
Transcript (after first)	6.00	6.00	-
Thesis Binding Fee (formerly Electronic Thesis Fee)	120.00	120.00	-
Graduation and Diploma	100.00	100.00	-
Graduation (Graduate) and Diploma	110.00	110.00	-
Capitol Center Course Fee (per credit hour)	100.00	100.00	-
Internet Course Fee - Undergraduate (per credit hour)	110.00	110.00	-
Internet Course Fee - Graduate (per credit hour)	160.00	160.00	-
Key Deposit	10.00	10.00	-
Late Registration	25.00	25.00	-
Parking - Full Year WVSU Faculty and Staff	90.00	75.00	(15)
Second Vehicle Full Year WVSU Faculty and Staff	45.00	10.00	(35)
Parking - Full Year KVCTC Faculty and Staff	90.00	90.00	-
Second Vehicle Full Year KVCTC Faculty and Staff	45.00	45.00	-
Parking - Full Year WVSU Students	75.00	50.00	(25)
Second Vehicle (WVSU student) One Semester	10.00	10.00	-
Parking - Full Year KVCTC Students	75.00	75.00	-
Second Vehicle (KVCTC student) One Semester	10.00	10.00	-
Parking Replacement	10.00	10.00	-
Parking - One Semester Fall, Spring KVCTC students	40.00	40.00	-
Parking - One Semester Fall, Spring WVSU students	40.00	25.00	(15)
Parking - January thru August WVSU student	55.00	30.00	(25)
Parking - January thru August KVCTC student	55.00	40.00	(15)
Parking - Summer	30.00	30.00	-
Placement Testing Fee	20.00	20.00	-
Proctor Testing Fee	30.00	30.00	-
Regents' BA Degree Evaluation	300.00	300.00	-
Regents' BA Degree Posting Fee (per credit hour)	10.00	10.00	-
Resident Hall Breakage Deposit	100.00	100.00	-
First Time Residence Fee	100.00	100.00	-
Room Reservation Deposit	50.00	50.00	-
Returned Check Fee	25.00	25.00	-
ROTC Activity Fee	30.00	30.00	-
Military Science Designated Course Fee (PT Classes)	30.00	30.00	-
Off-Campus Instruction (per credit hour up to 12 hours maximum)	19.00	19.00	-

West Virginia State University
Revenue Projection
Tuition/Enrollment Matrix

	0% Increase in Enrollment	1% Increase in Enrollment	2% Increase in Enrollment	3% Increase in Enrollment	4% Increase in Enrollment	5% Increase in Enrollment
0% Increase in Tuition	0	\$ 132,854.00	\$ 265,708.00	\$ 398,562.00	\$ 531,416.00	\$ 664,270.00
1% Increase in Tuition	\$ 132,854.00	\$ 265,708.00	\$ 398,562.00	\$ 531,416.00	\$ 664,270.00	\$ 797,124.00
2% Increase in Tuition	\$ 265,708.00	\$ 398,562.00	\$ 531,416.00	\$ 664,270.00	\$ 797,124.00	\$ 929,978.00
3% Increase in Tuition	\$ 398,562.00	\$ 531,416.00	\$ 664,270.00	\$ 797,124.00	\$ 929,978.00	\$ 1,062,832.00
4% Increase in Tuition	\$ 531,416.00	\$ 664,270.00	\$ 797,124.00	\$ 929,978.00	\$ 1,062,832.00	\$ 1,195,686.00
5% Increase in Tuition	\$ 664,270.00	\$ 797,124.00	\$ 929,978.00	\$ 1,062,832.00	\$ 1,195,686.00	\$ 1,328,540.00
6% Increase in Tuition	\$ 797,124.00	\$ 929,978.00	\$ 1,062,832.00	\$ 1,195,686.00	\$ 1,328,540.00	\$ 1,461,394.00
7% Increase in Tuition	\$ 929,978.00	\$ 1,062,832.00	\$ 1,195,686.00	\$ 1,328,540.00	\$ 1,461,394.00	\$ 1,594,248.00
8% Increase in Tuition	\$ 1,062,832.00	\$ 1,195,686.00	\$ 1,328,540.00	\$ 1,461,394.00	\$ 1,594,248.00	\$ 1,727,102.00
9% Increase in Tuition	\$ 1,195,686.00	\$ 1,328,540.00	\$ 1,461,394.00	\$ 1,594,248.00	\$ 1,727,102.00	\$ 1,859,956.00
10% Increase in Tuition	\$ 1,328,540.00	\$ 1,461,394.00	\$ 1,594,248.00	\$ 1,727,102.00	\$ 1,859,956.00	\$ 1,992,810.00
11% Increase in Tuition	\$ 1,461,394.00	\$ 1,594,248.00	\$ 1,727,102.00	\$ 1,859,956.00	\$ 1,992,810.00	\$ 2,125,664.00
12% Increase in Tuition	\$ 1,594,248.00	\$ 1,727,102.00	\$ 1,859,956.00	\$ 1,992,810.00	\$ 2,125,664.00	\$ 2,258,518.00

1% increase in Enrollment =	\$ 132,854.00
1% increase in Tuition =	\$ 132,854.00