

Finance and Personnel Committee

May 9, 2017

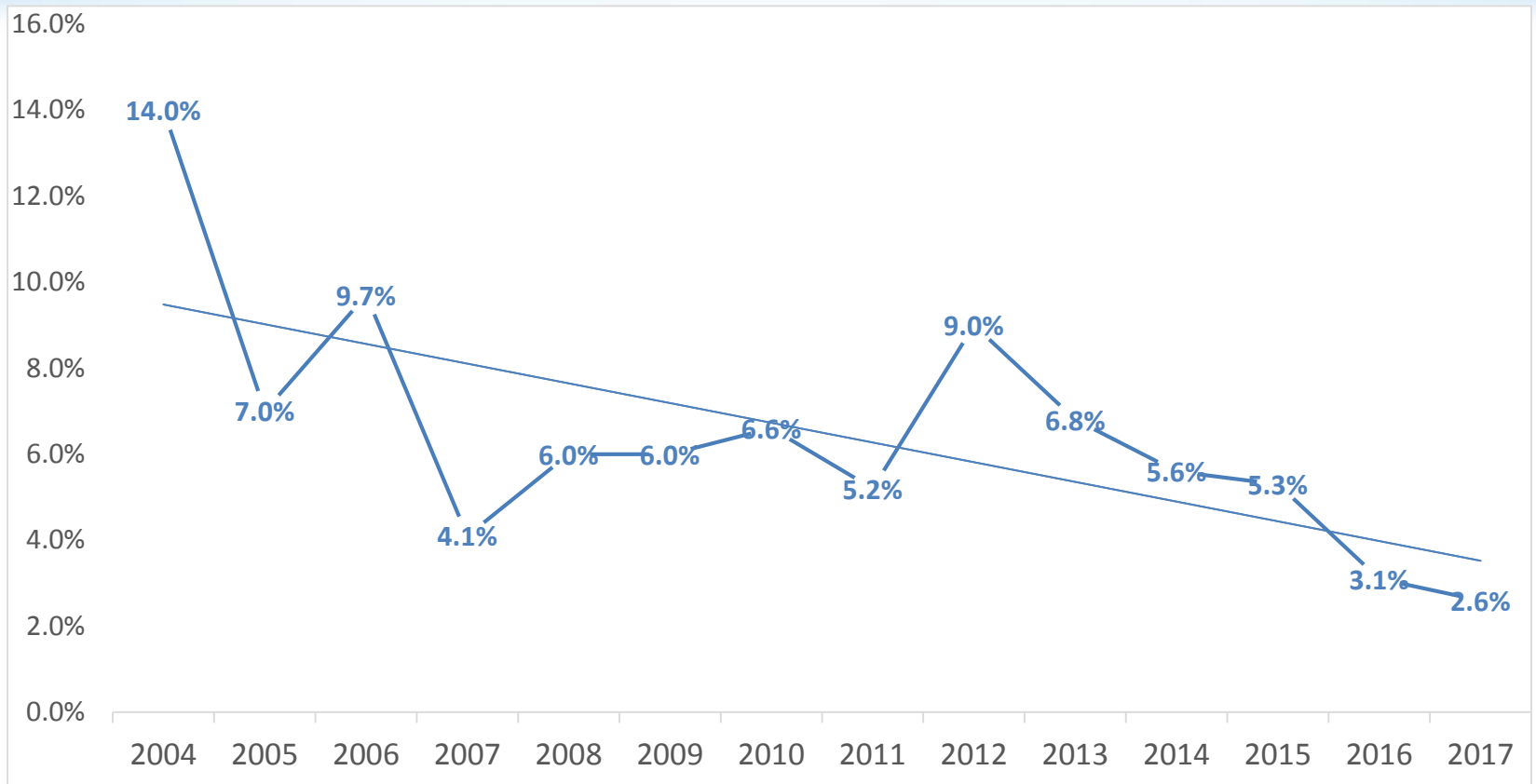
Call to Order

Roll Call

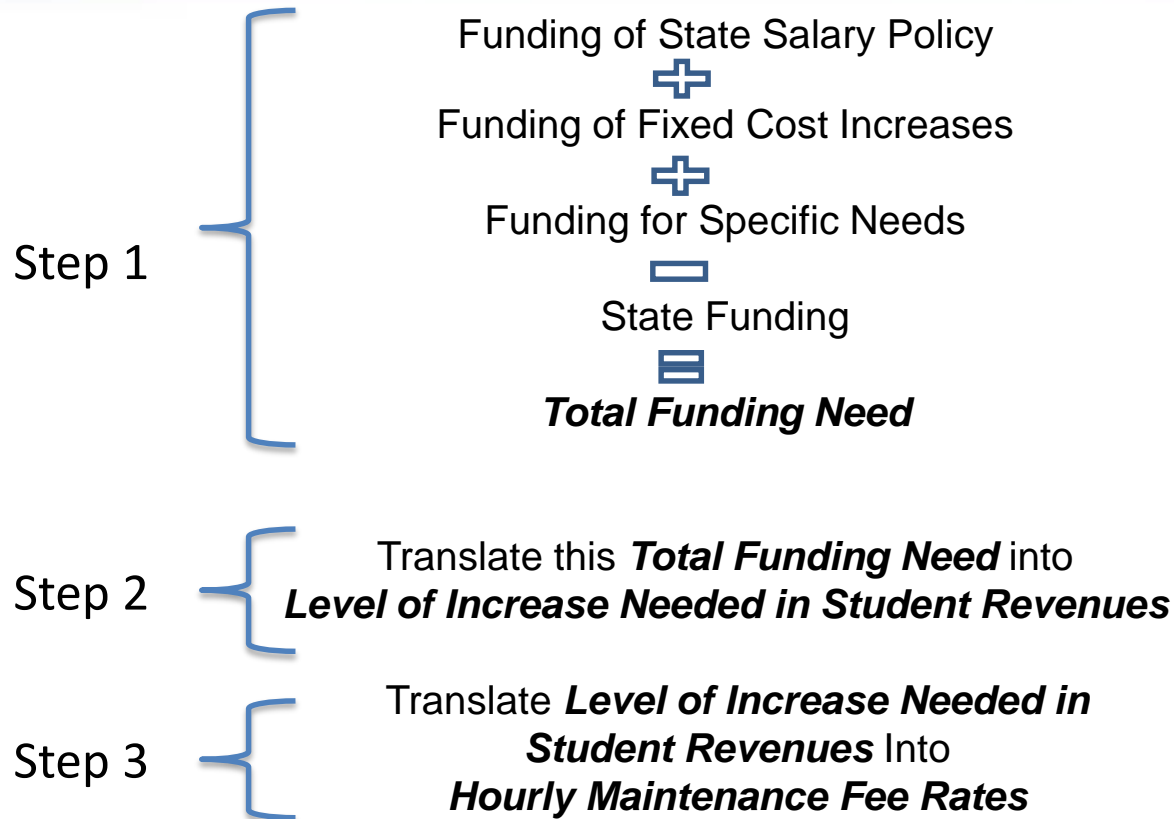
Remarks by Board Chair and President

Consideration of Maintenance Fees and Tuition

Maintenance Fee History



Decision Framework



Suggested Student Revenue Increase

	<u>Amount</u>
Personnel Costs	\$ 5,924,000
Scholarships & Discounts	1,551,800
Other Fixed Costs and Specific Needs	2,546,000
	<u>\$ 10,021,800</u>
Outcomes Funding	479,000
Funding for 3% Salary Pool	3,007,800
Health Ins./401k Match	1,110,000
	<u>\$ 4,596,800</u>
Unmet Need	\$ 5,425,000
Maintenance Fee Increase Needed	3.50%

Tuition and Maintenance Fees (per credit hour)

Fee	Current	New	Increase
Undergraduate In-State Maintenance Fee	\$275	\$285	\$10
Over 12 hours	\$55	\$57	\$2
Undergraduate Out-of-State Tuition	\$989	\$1,024	\$35
Over 12 hours	\$199	\$206	\$7
Graduate In-State Maintenance fee	\$443	\$459	\$16
Over 10 hours	\$88	\$91	\$3
Graduate Out-of-State Tuition	\$1,227	\$1,270	\$43
Over 10 hours	\$244	\$253	\$9

TN E-Campus (per credit hour)

Fee	Current	New	Increase
TN eCampus Undergraduate In-State	\$385	\$399	\$14
TN eCampus Undergraduate Out-of-State	\$1,099	\$1,138	\$39
TN eCampus Graduate In-State	\$553	\$573	\$20
TN eCampus Graduate Out-of-State	\$1,337	\$1,384	\$47

-includes \$114 online course fee per credit hour

TN eCampus are online courses provided through the Tennessee Board of Regents. All courses are charged per hour and viewed separately from MTSU courses. TN eCampus courses do not apply to the full-time maximum for MTSU registration fees. Any MTSU course fees would be in addition to the hourly rate.

MTSU E-Rate (per credit hour)

Fee	Current	New	Increase
Undergraduate eRate	\$413	\$428	\$15
Undergraduate Online Course Fee	\$10	\$30	\$20
Graduate eRate	\$665	\$689	\$24
Graduate Online Course Fee	\$15	\$30	\$15

eRate is available to students who are classified as non-residents of Tennessee and who are enrolled exclusively in online courses

Corporate Partnership Rate

Fee	Current	New	Increase
Undergraduate eRate	\$413	\$428	\$15
Undergraduate Online Course Fee	\$10	\$30	\$20

The Corporate Partnership rate is available to out of state students who are employed by companies with a formal partnership with MTSU to develop and deliver a degree completion program. In-state students pay the undergraduate in-state maintenance fee.

Regional Scholars

Fee	Current	New	Increase
Undergraduate Rate	\$471	\$494	\$23
Graduate Rate	\$678	\$709	\$31

- Regional Scholars are non-residents of Tennessee who live within approximately 250 miles of MTSU and meet specific academic requirements.
 - Graduated from a high school located in a county within 250 mile radius of MTSU (undergrad) or have a permanent address within a 250 mile radius (graduate)
 - Have an ACT composite of 25 (SAT 1130) or above (undergrad)
 - Maintain full time enrollment (12 hours undergrad / 10 graduate)
 - Remain in good academic standing
- Rate is the in-state rate plus the state subsidy

Consideration of Mandatory and Non- Mandatory Fees

Mandatory Fee Requests

FY2017-18

FY 2017-18 Mandatory Fee Requests

Fee	Current	Proposed	Increase	Student exposure	Prior increase	Revenue Generated
Athletics	\$175	\$200	\$25	Fee increase approved by SGA Executive Committee 11/28/2016	FY 10-11 \$25	\$940,000

The Conference USA's adoption of providing athletic scholarships that provide funds to pay the full costs of attending college has had an effect on the athletic scholarship budget. This additional annual cost of \$400,000 - \$500,000 is only partially covered in the first three years by the Conference. MTSU's adoption of providing full costs of attendance to athletes is critical in leveling the recruiting field. In addition, the decline in enrollment since 2012 has also resulted in a decrease of \$1 million in the athletic fee revenue generated annually.

Athletic Fees

Fiscal Year 2016-17

University	Amount per Semester
APSU	\$200
ETSU	\$225
MTSU	\$175
TSU	\$160
TTU	\$228
UOM	\$225

FY 2017-18 Mandatory Fee Requests

Fee	Current	Proposed	Increase	Student exposure	Prior increase	Revenue Generated
Parking	\$109	\$111	\$2	Fee increase approved by SGA Executive Committee 11/28/2016	FY16-17 \$2	\$70,000

Parking Services is a 100% auxiliary enterprise operation and is totally dependent on the Parking fee for its shuttle services for students, utilities and maintenance cost of the Parking office and shuttle buses, and various parking lots, campus lighting, and sidewalk maintenance projects. The \$2 increase is also needed for mandatory salary and benefit increases.

FY 2017-18 Mandatory Fee Requests

Fee	Current	Proposed	Increase	Student exposure	Prior increase	Revenue Generated
Health Services	\$83.50	85.50	\$2	Fee increase approved by SGA Executive Committee 11/28/2016	FY16-17 \$2	\$70,000

Student Health Services is a 100% auxiliary enterprise operation and is totally dependent on the Student Health Services fee for its services to students and operations and its portion of the shared capital cost (with Campus Recreation) for the 202,000 square foot building. The \$2 increase is needed for: required salary and benefit increases, inflationary cost of software support and medical supplies, and overhead costs.

FY 2017-18 Mandatory Fee Requests

Fee	Current	Proposed	Increase	Student exposure	Prior increase	Revenue Generated
Recreation Center	\$55	\$57	\$2	Fee increase approved by SGA Executive Committee 11/28/2016	FY16-17 \$2	\$70,000

Campus Recreation is a 100% auxiliary enterprise operation and is totally dependent on the Recreation Center fee for its services to students and operations and its portion of the shared capital cost (with Student Health) for the 202,000 square foot building. The \$2 increase is needed for salary increases, benefit increases, and to cover inflationary costs of recreational programs and services provided to the student body.

FY 2017-18 Mandatory Fee Requests

Fee	Current	Proposed	Increase	Student exposure	Prior increase	Revenue Generated
Student Government Association (SGA)	\$35	\$40	\$5	Fee increase approved by SGA in 2014	FY16-17 \$10	\$190,000

In 2014, SGA Resolution 2-13-F proposed increasing the fee by \$5 per semester for four consecutive years to a total of \$40 per semester. The new funds will be used to fund student organization activities, student programming, SGA operations, bringing distinguished lecturers and big events to campus, and support for sports clubs. These funds are managed by the SGA. This is the final year of the previously approved increase.

Non-Mandatory Fee Requests

FY2017-18

FY 2017-18 Non-Mandatory Fees

Fee	Current	Proposed	Decrease	Prior increase	Revenue Reduction
Concrete Industry Management MBA	\$39,000 per 10 week session	\$25,000 per 10 week session	\$14,000 per 10 week session	FY13-14 new	-\$84,000

This is an Executive MBA cohort program designed for executives in the Concrete Industry. The program is 18 months covering 12 courses or 36 credit hours in 10 week sessions. The program is primarily taught on-line along with some on-campus weekend sessions. A reduction is recommended to put the program more in line with other MBA programs. This concentration is specifically designed for executives in the Concrete Industry and is the first of its kind in the world. The industry and trade associations have committed \$90,000 to the CIM department to support development of this industry focused graduate degree program.

FY 2017-18 Non-Mandatory Fees

Fee	Current	Proposed	Increase	Prior increase	Revenue Generated
Chemistry Materials Fee	\$7.50 / Credit hour	\$10.00 / Credit hour	\$2.50 / Credit hour	FY11-12 \$2.50	\$45,000

Expenses associated with instructional lab activities and consumable supplies, including gases and cryogenes, common solvents, and disposal of chemical waste has increased since FY11-12 when the fee was last increased.

FY 2017-18 Non-Mandatory Fees

Fee	Current	Proposed	Increase	Prior increase	Revenue Generated
Nursing Course Fee	\$35 / Credit hour	\$100.00 / Credit hour	\$65 / Credit hour	FY15-16 \$10	\$650,700

The Nursing program is in high demand and the current fee is not sufficient to cover the high cost of updating/ maintaining equipment and software used in the eight campus labs, providing sufficient faculty, supporting Student Advisory Board functions, clinical partnership activities, a student clinical documents management system, clinical placement system fees, and pinning ceremonies. As more of the MSN program is moving toward online courses, additional faculty are needed to support the effort. Currently, with 28 faculty in the department, only 4 Clinical Track faculty and the Health Systems Manager are funded from this fee.

FY 2017-18 Non-Mandatory Fees

Fee	Current	Proposed	Increase	Prior increase	Revenue Generated
Theatre and Dance Course Fee		\$15.00 / Credit Hour	\$15 / Credit Hour	NEW	\$51,000

To support materials, instructional, and artistic support staff (accompanists, etc), equipment and technology for effective delivery of curricular program.

FY 2017-18 Non-Mandatory Fees

Fee	Current	Proposed	Increase	Prior increase	Revenue Generated
Liberal Arts Course Fee		\$10.00 / Course	\$10 / Course	NEW	\$460,000

To support training and professional development for instructors, encourage pedagogical innovation by all faculty, and create and maintain spaces that support innovation in the provision of courses, such as active learning spaces and informal learning spaces for students.

FY 2017-18 Non-Mandatory Fees

Fee	Current	Proposed	Increase	Prior increase	Revenue Generated
Distance Education Fee	\$10/ Credit hour (undergraduate) \$15/ Credit hour (graduate)	\$30 / Credit hour	\$15 - \$20/ Credit Hour	FY07-08 \$10/ Credit hour (undergraduate) \$15/ Credit hour (graduate)	\$1,224,000

Raising the Distance Education Fee would allow the University College to further support departments' efforts to hire adequate faculty to meet student demand for online courses while also reducing reliance upon the online courses offered through the TN eCampus collaborative. This increase would support approximately 18 faculty for departments committed to offering additional online sections of high demand courses, new online courses, and fully-online degree programs.

Distance Education Fee Comparison

Institution	Undergraduate Online Fee	Graduate Online Fee
APSU	\$ 31	\$ 50
ETSU	\$ 25	\$ 35
MTSU	\$ 10	\$ 15
TSU	0	0
TTU	0	0
UOM	\$100	\$100
UTK	\$ 46	\$ 46
TN eCampus	\$110	\$110

FY 2017-18 Non-Mandatory Fees

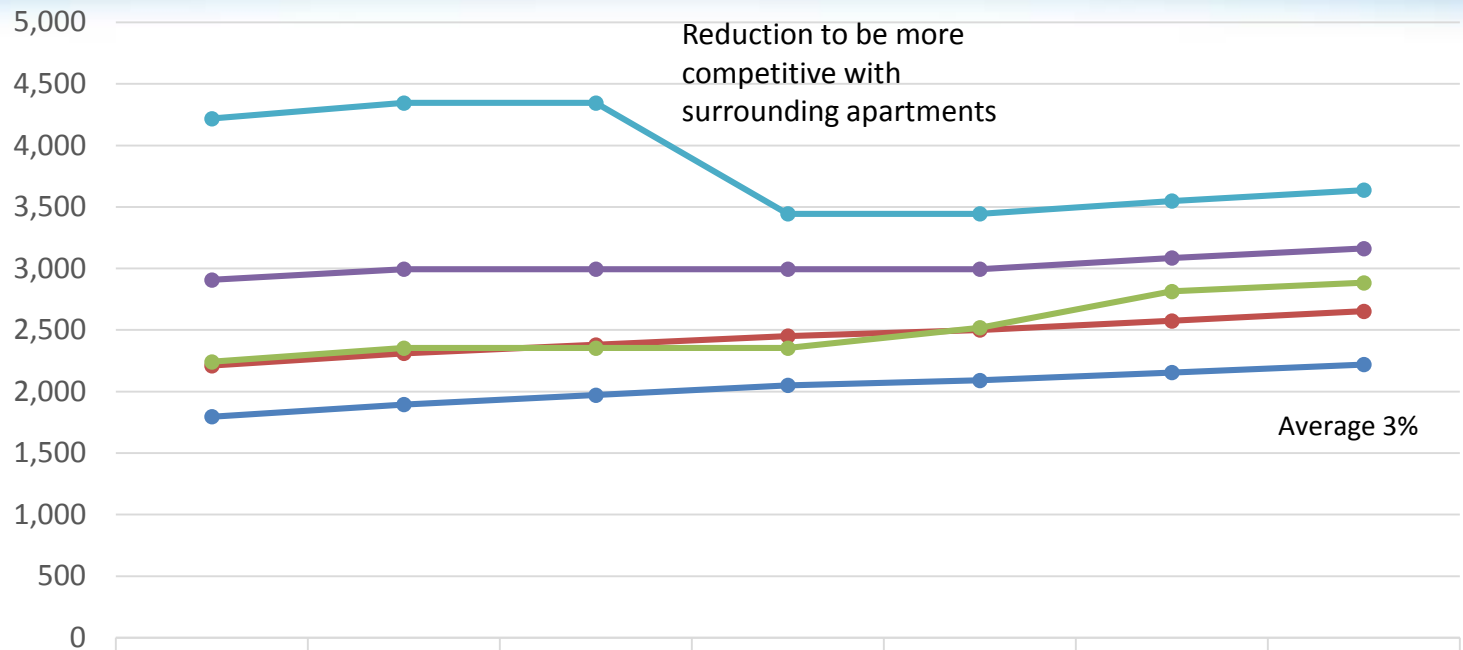
Fee	Current	Proposed	Increase	Prior increase	Revenue Generated
Applied Music Fees	\$175/1 credit hour \$325/ 2 or 3 credit hours	\$190/1 credit hour \$340/ 2 or 3 credit hours	\$15/1 credit hour \$15/ 2 or 3 credit hours	FY08-09 \$25 credit hour	\$8,500

Applied Music fees are paid by students for private instruction. This increase is to support the rising costs of master classes (music stands, performance scores used in lessons, technology), instrument purchases, and major repairs.

Housing Fee Requests

FY2017-18

Housing History Rates Per Semester



	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
—●— Dorm	1,796	1,895	1,971	2,050	2,091	2,154	2,219
—●— Renovated Dorm	2,211	2,311	2,380	2,451	2,500	2,575	2,652
—●— Single Apt	2,242	2,354	2,354	2,354	2,519	2,814	2,884
—●— Scarlett Commons	2,908	2,995	2,995	2,995	2,995	3,085	3,162
—●— Family	4,218	4,345	4,345	3,444	3,445	3,548	3,637

FY 2017-18 Housing

Fee	Current	Proposed	Increase	Prior increase	Revenue Generated
Residence Halls	\$377 – \$3,065	\$388 – \$3,162	\$11 – \$97	FY16-17 \$10 - \$90	\$390,448
Apartments	\$741 – \$3,548	\$759 – \$3,637	\$18 – \$89	FY16-17 \$22 – \$93	\$64,456

A 2.5% increase is proposed for apartments and a 3.0% increase for residence halls to cover the increasing cost of utilities, plant, and maintenance costs.

Summary of Fee Requests and the Revenue Generated

	# of Requests	Revenue
Mandatory Fees	5	\$1,340,000
Non-Mandatory Fees	8	\$2,355,200
Total Fee Requests	13	\$3,695,200

Mandatory Fee Recommendations

Mandatory Fee	Increase per Semester	Recommendation
Athletics	\$25	Support
Parking	\$ 2	Support
Health Services	\$ 2	Support
Recreation Center	\$ 2	Support
Student Government Association	\$ 5	Support
Total Program Services Fee	\$36	

Non-Mandatory Fee Recommendations

Non-Mandatory Fee	Increase (Decrease)	Recommendation
CIM-MBA	(\$14,000)/ 10 week session	Support
Chemistry Materials Fee	\$2.50/ credit hour	Support
Nursing Course Fee	\$20 / credit hour	Support-Modified
Theatre and Dance Course Fee	\$15 / credit hour	Do Not Support
Liberal Arts Course Fee	\$10 per course	Do Not Support
Distance Education Fee-Undergraduate	\$20 / credit hour	Support
Distance Education Fee-Graduate	\$15 / credit hour	Support
Applied Music Fees	\$15 / credit hour	Support

Housing Recommendations

Housing	Increase per Semester	Recommendation
Dormitories	\$11-\$97	Support
Apartments	\$18-\$177	Support
Conferences	\$5 / night or \$20 / week	Support

Summary of Supported Fee Requests and the Revenue Generated

	# of Requests	Revenue
Mandatory Fees	5	\$1,340,000
Non-Mandatory Fees	6	\$1,393,715
Total Fee Requests	11	\$2,733,715

Projected Annual Impact of Requested Fee Increases Based on 15 hour Enrollment Fall and Spring

	\$ Increase	% Increase
Current Maintenance Fee	\$6,930	
Current Mandatory Fees	\$1,680	
Total Maintenance & Mandatory Fees	\$8,610	
3.5% Maintenance Fee Increase**	\$ 243	
Requested Mandatory Fees	\$ 72	
Total Fee Increase	\$ 315	
New Maintenance Fee	\$7,173	
New Mandatory Fees	\$1,752	
New Maintenance & Mandatory Fees	\$8,925	3.7%

**THEC's recommendation for the Maintenance Fee increase is 0-4%

President Emeritus Contract for Dr. Sam Ingram

President Emeritus

- Established by TCA 8-36-714
- Dr. Sam Ingram – Sixth President
- Certain Requirements
- Fiscal Year Contract

Executive Member Salary Recommendation

Executive Member Salary Recommendation

- Policy 808 – Compensation Reporting and Approvals
- Recommendation for Director of Audit and Consulting Services
- Effective July 1, 2017

Review of Compensation Plan Revisions

Compensation Plan Revision

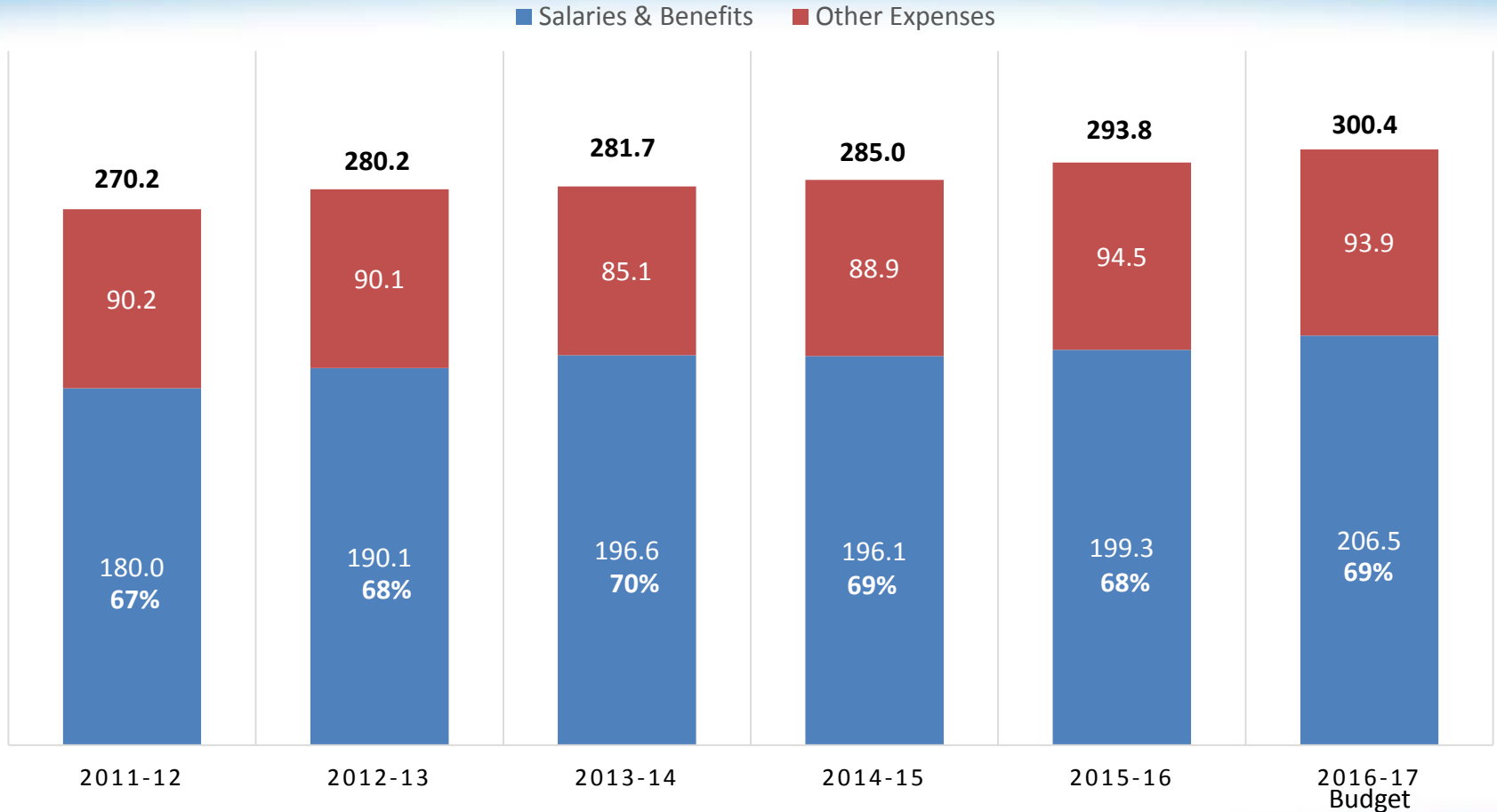
- Policy 808 – Compensation Reporting and Approvals
- Recommend Removal of 90% Cap to Midpoint
- Effective July 1, 2017
- No Other Changes

Overview of Salary Pool Allocation Methodology

Compensation Committee

- Compensation Advisory Committee
- Allocation Methods Evaluated
- Committee Recommendation
- Recommendation by the President
 - 3% cost of living allowance or \$1,000, whichever is greater for full and part-time on the payroll 6/30/2017.
 - Effective 7/1/2017

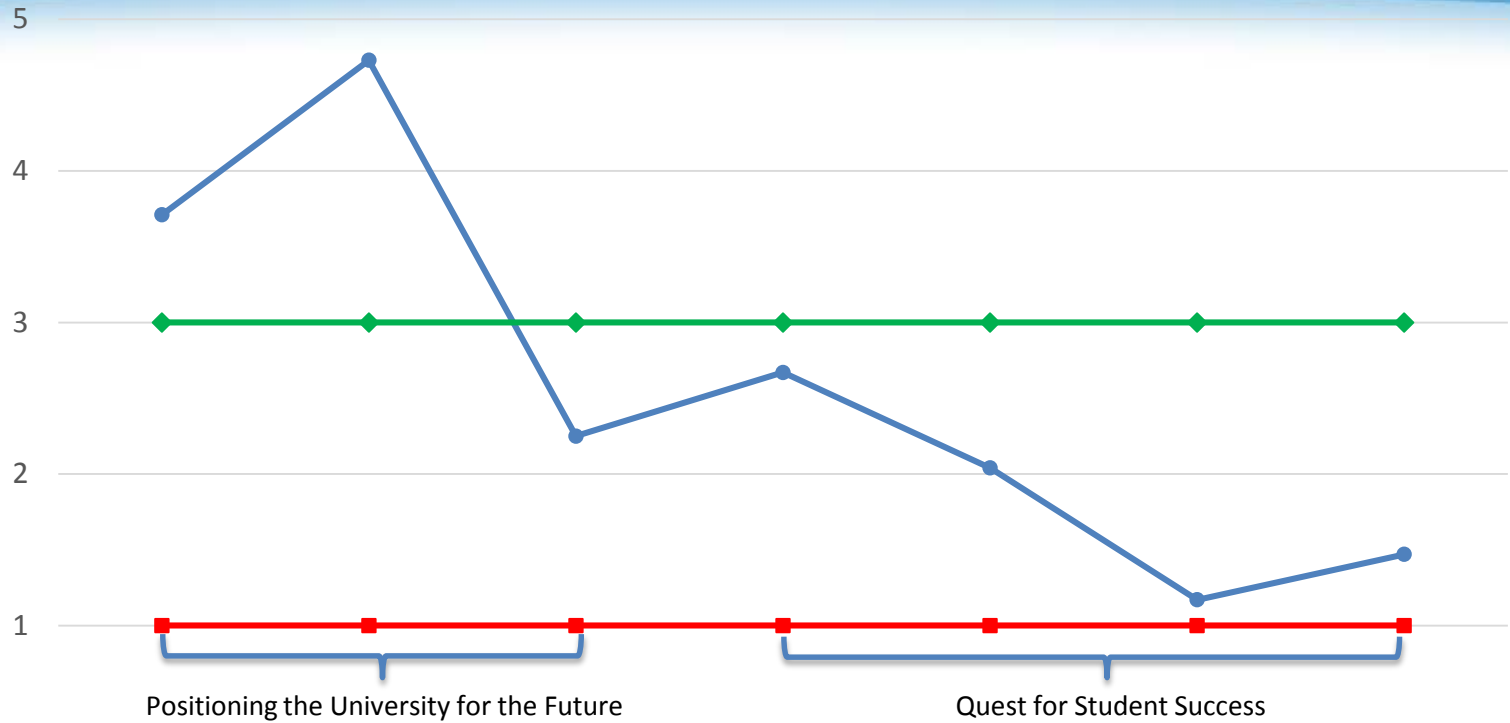
Salary & Benefits History



Estimated 2016-17 and Proposed 2017-18 Operating Budgets

Overall Financial Health?

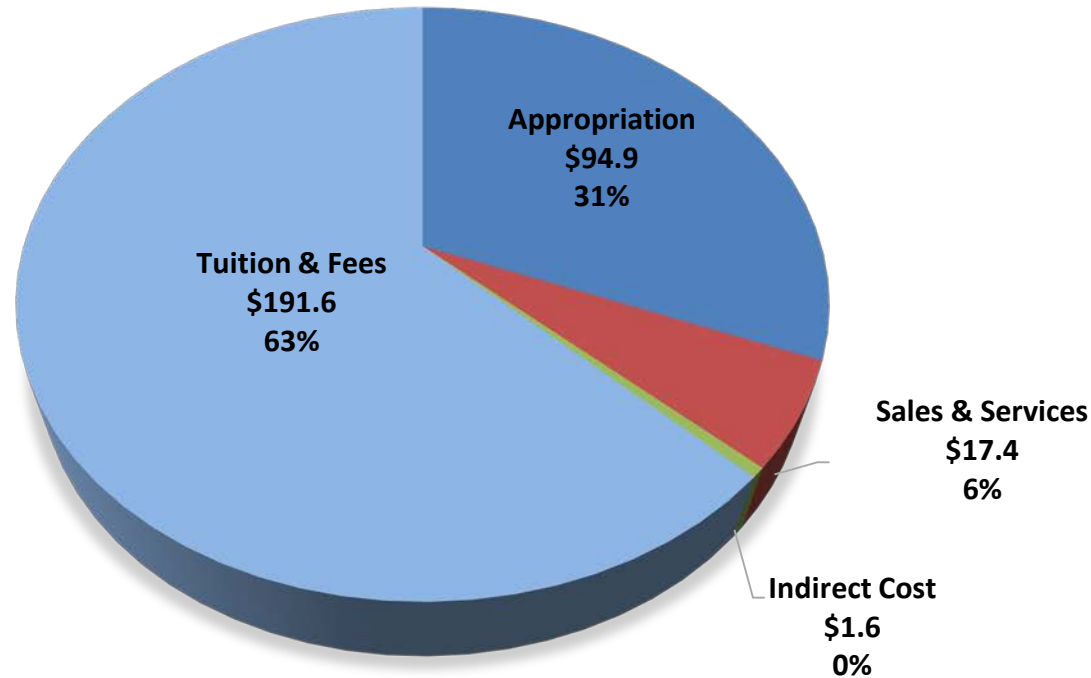
Composite Financial Index (CFI)



	2010	2011	2012	2013	2014	2015	2016
MTSU	3.71	4.73	2.25	2.67	2.04	1.17	1.47
Expected	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Watch Level	1.00	1.00	1.00	1.00	1.00	1.00	1.00

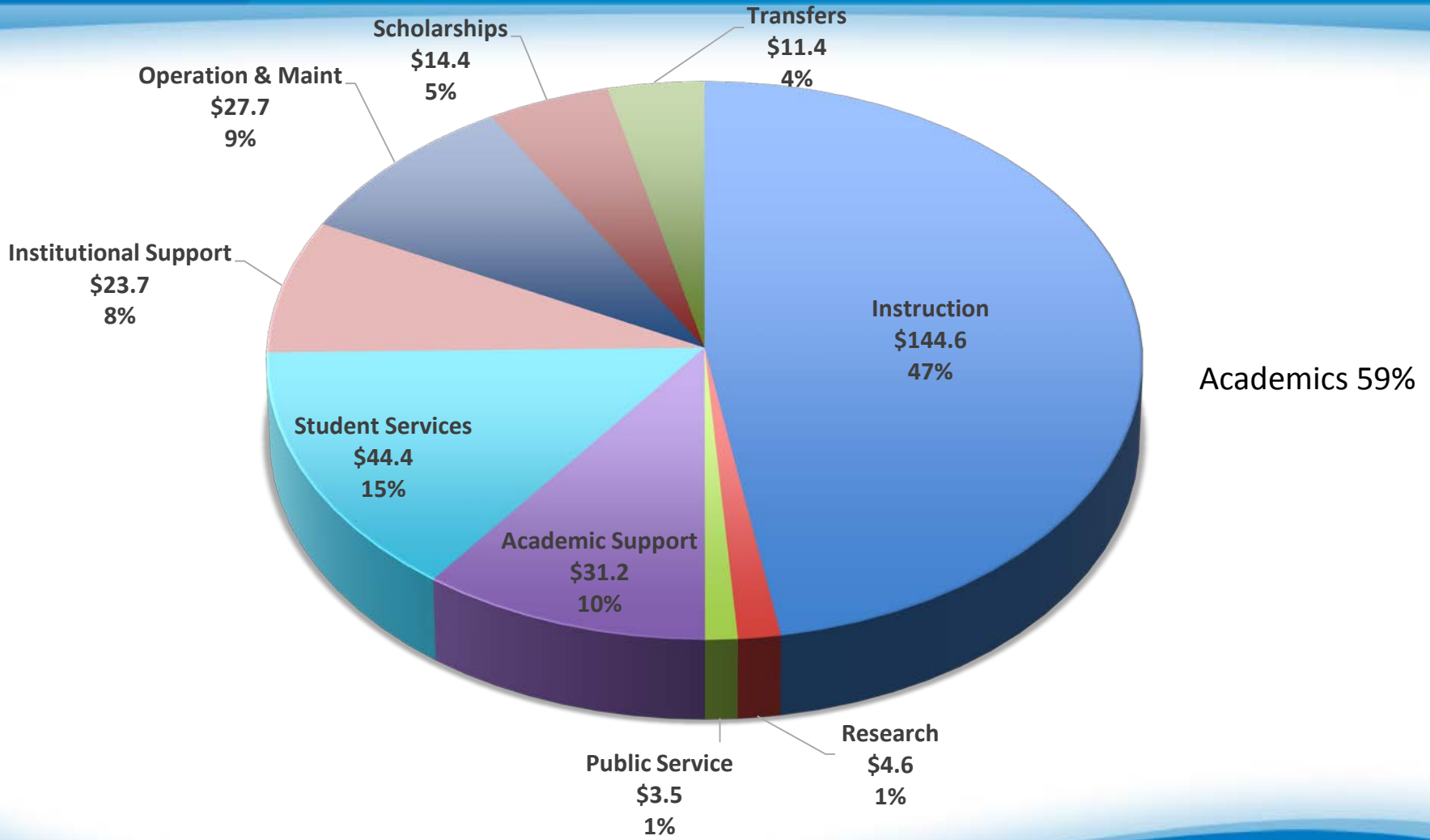
Education & General Revenue July 2017-18

(millions)



Total E&G Budget \$305.5

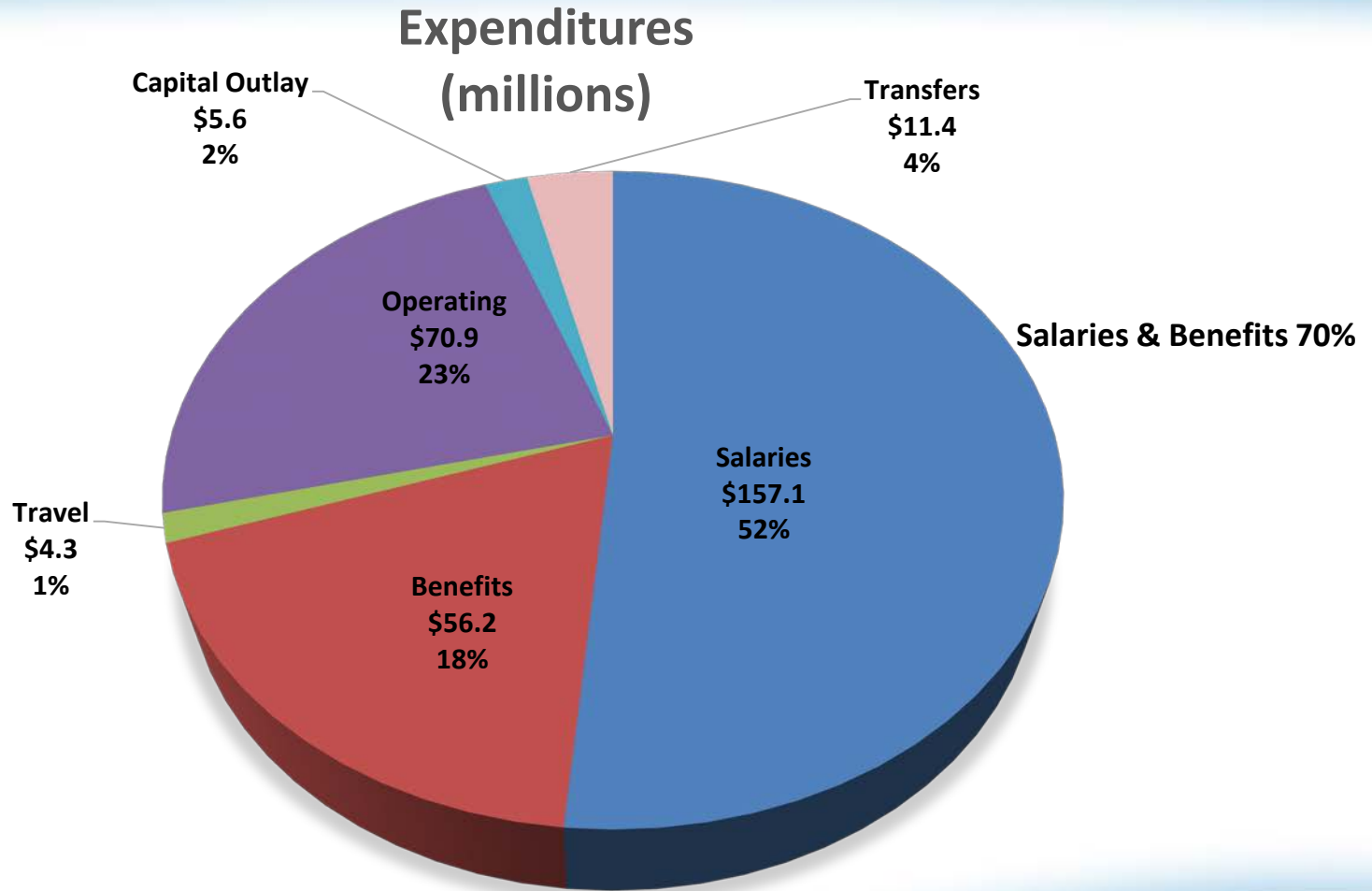
July 2017-18 E&G Budget By Functional Totals (Millions)



Academics 59%

Total E&G Budget \$305.5

Education & General Budget by Natural Classification July 2017-18

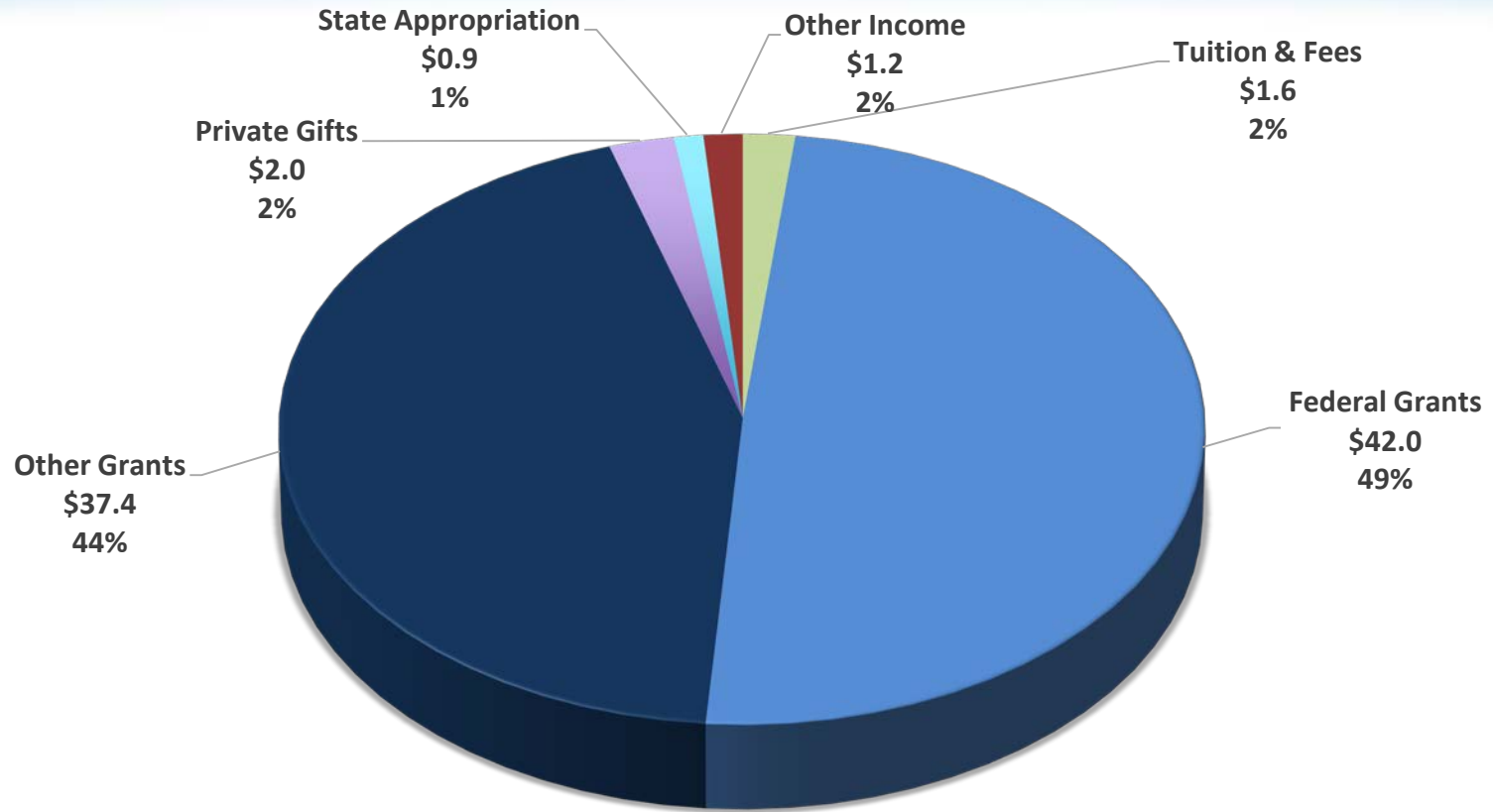


Total E&G Budget \$305.5

Auxiliaries Budget July 2017-18

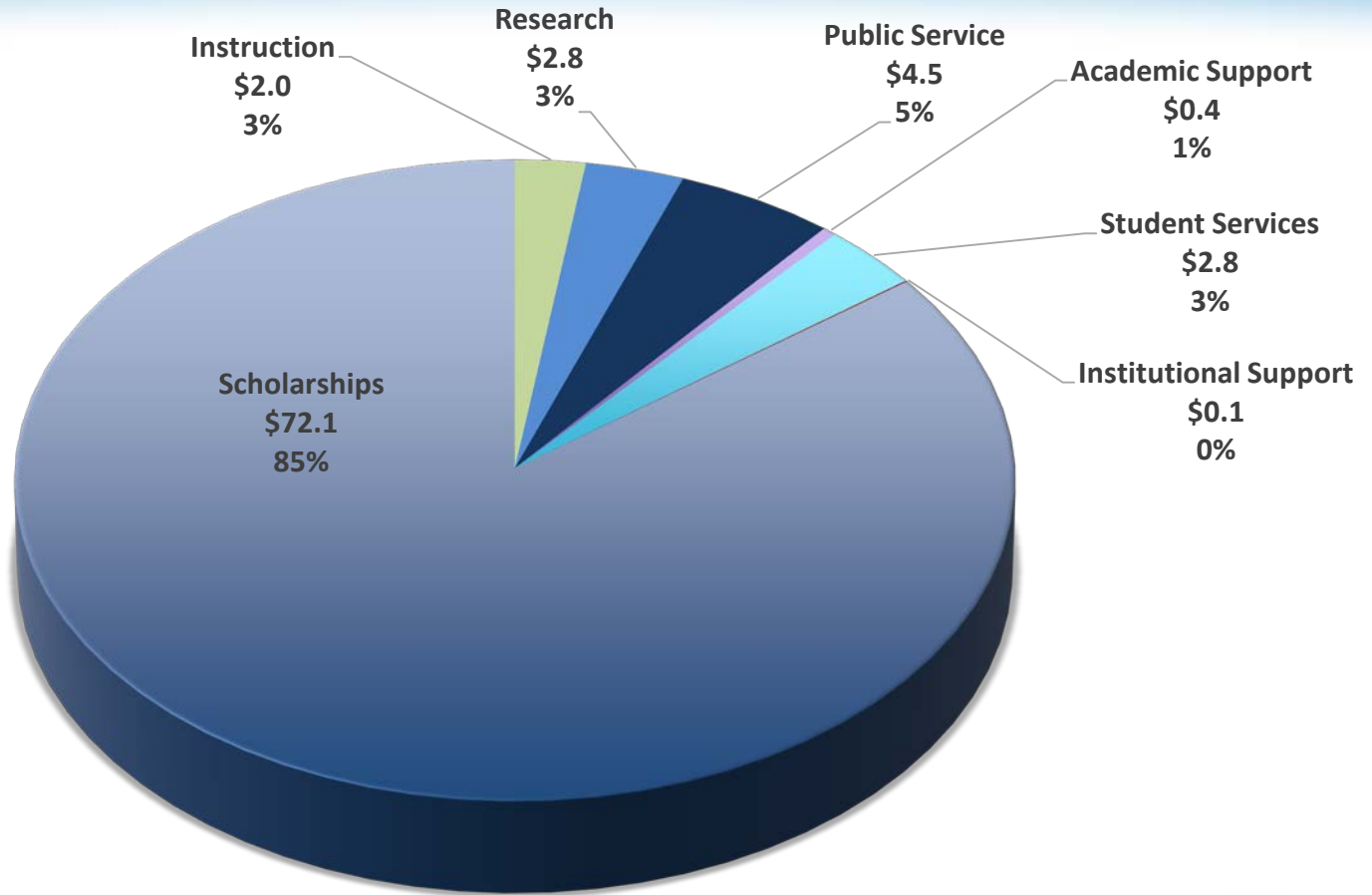
Auxiliary	Estimated 2016-17	July 2017-18	Change
Bookstore	\$ 461,304	\$ 411,328	\$ -49,976
Food Service	2,211,860	2,345,860	134,000
Housing	16,738,502	16,733,902	-4,600
Vending	114,000	114,000	0
Recreational Center	2,979,100	3,028,500	49,400
Post Office	397,600	397,600	0
Parking Services	5,000,060	5,070,060	70,000
Residential & Commercial Rentals	250,000	250,000	0
Greek Row	107,208	106,852	-356
Health Services	4,008,373	4,078,373	70,000
TN Miller Coliseum	682,034	724,034	42,000
Student LD Service	10,000	10,000	0
TOTAL	\$ 32,960,041	\$ 33,270,509	\$ 310,468

July 2017-18 Restricted Revenue Budget (Millions)



Total Restricted Revenue Budget \$85.1

July 2017-18 Restricted Budget by Functional Total (Millions)



Total Restricted Budget \$84.7

Other Business

Adjourn