

Executive Budget Committee
Minutes of the 23 February, 2011 Meeting

Members attending: Baker, Bennett, Bosch, Brown, Byrd, Cline, Cofer, Doman, Federman, Franklin, Gallaway, Gouzie, Harsha, Hayes, Haynes, Kincaid, McClure, Owens, Scott, Swett, Woodard

Members absent: McCarthy

Supplementary materials distributed to the Committee:

1. MSU Fee Schedule, 2011-2012 (draft)
2. MSU FY12 Fee Resolution, Summary of Proposed Changes (draft)
3. MSU Credit Card Fee Review
4. MSU Possible Fee Increases, Credit Card Processing Fees Proposal

2011-2012 Proposed Fees. President Cofer introduced the draft of the proposed fee schedules for 2011-2012, and Nila Hayes summarized significant changes for the committee. A number of items have been added to last year's schedule, and few have been removed. While still in draft form, these changes are slated to be presented to the Board of Governors at the 1 April meeting.

Key points:

Page 1 Undergraduate in-state tuition, \$194 per credit hour
Undergraduate non-resident, \$388 per credit hour
Graduate in-state, \$227 per credit hour
Graduate non-resident, \$454 per credit hour

Differential credit for COBA and CHHS was also noted. There was no increase for the Internet based programs (MSAS; MS-CIS).

Page 3 The CAP-IT (Choice and Predictability in Tuition) items have been removed.

Page 4 Student Involvement fees went up by \$9.00 for seven hours or more of enrollment per fall and spring terms, per a vote of the students. The self-imposed Student Recreation Center fee followed a planned increase from \$50.00 to \$80.00 for seven or more hours of enrollment per Fall and Spring terms.

Page 8 The returned check charge fee will move from \$20.00 to \$30.00.

Page 9 Greenwood Laboratory School fees are recommended to move from \$4,450 to \$4,717 per school year.

Page 12 Refunds for non-attendance have been tightened.

Pages 15-16 Residence hall and food service rates had not yet been set as of the meeting.

Page 17 Parking rates remain the same as the current year.

Page 20 West Plains campus.

Undergraduate in-state tuition, \$107 per credit hour

Undergraduate non-resident, \$214 per credit hour

The basic tuition rose by \$5.00 for in-state, \$10.00 for non-resident. Two-year institutions are not bound by S.B. 389.

Questions and discussion.

There was some discussion on the growth in fees for Greenwood. A combination of raising fees over a three year period and strategies to lower operating costs will constitute steps toward reducing subsidization of Greenwood. Currently it is roughly \$1,000 less expensive per year than regional private institutions.

Food Service rates are not yet set because of a current RFP process. The University is seeking a long term relationship with the successful vendor, which will likely involve some capital investments that could be amortized over the length of the contract.

After other general discussion, the Committee approved support for the proposed fee schedule.

Proposed Credit Card Processing Fees.

Ken McClure presented information on a proposed credit card processing fee. Currently the University absorbs such fees which range from 1.4 to 3% of most transactions. This proposal would transfer those costs to the user. It is proposed that the University impose a convenience fee for credit card payments that go through the Web or through the Bursar's Office. However it would not affect direct transactions at Taylor Health Center, the Bookstore, ticket offices, etc. Approximately 35% of tuition payments are currently transacted by card. This action would save the University an estimated \$900,000.

One major drawback to the proposal is that VISA transactions would not be a part of this arrangement. This may present a problem because of the wide campus presence of Commerce Bank who sponsors a VISA card program. Of the 35% of tuition payments transacted by card, about 60% are with VISA.

Following discussion, the Committee approved support for the credit card fee proposal.

Cost Center Initiatives Discussion.

Cost center proposals for new initiatives through internal reallocation of up to 2% should be forwarded to the Academic Affairs Budget Committee by mid-April. However, this process may not necessarily be unidirectional or linear. Assuming some flexibility in the overall timeline for the roughly \$3 million in support, proposals could be forwarded, discussed at the AABC and the Executive Budget Committee levels and possibly returned to cost centers for more information, clarification, refinement, and subsequent re-submission.