



# **Board of Regents 2019-2020 Tuition & Annual Operating Budget**

**March 20, 2019**





# Summary

## PART I : TUITION & FEES

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- A 2.8% undergraduate tuition rate increase, coupled with a comprehensive student aid program, maintains student affordability while maintaining quality
- Overall housing fees are proposed to increase at a weighted average of 3.5% with many housing fees remaining unchanged
- Proposed parking rate increases of 2.6% across faculty, staff and students are required to cover upcoming construction & restoration of lots/garages over the next 3 – 5 years
- Dining rates proposed to increase by 3% in line with CPIU Food Away from Home Index



# Summary

## PART II : ANNUAL OPERATING BUDGET

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The 2019-20 operating budget spending authorization is recommended at \$251,500,000.



# Overview

## PART I : TUITION

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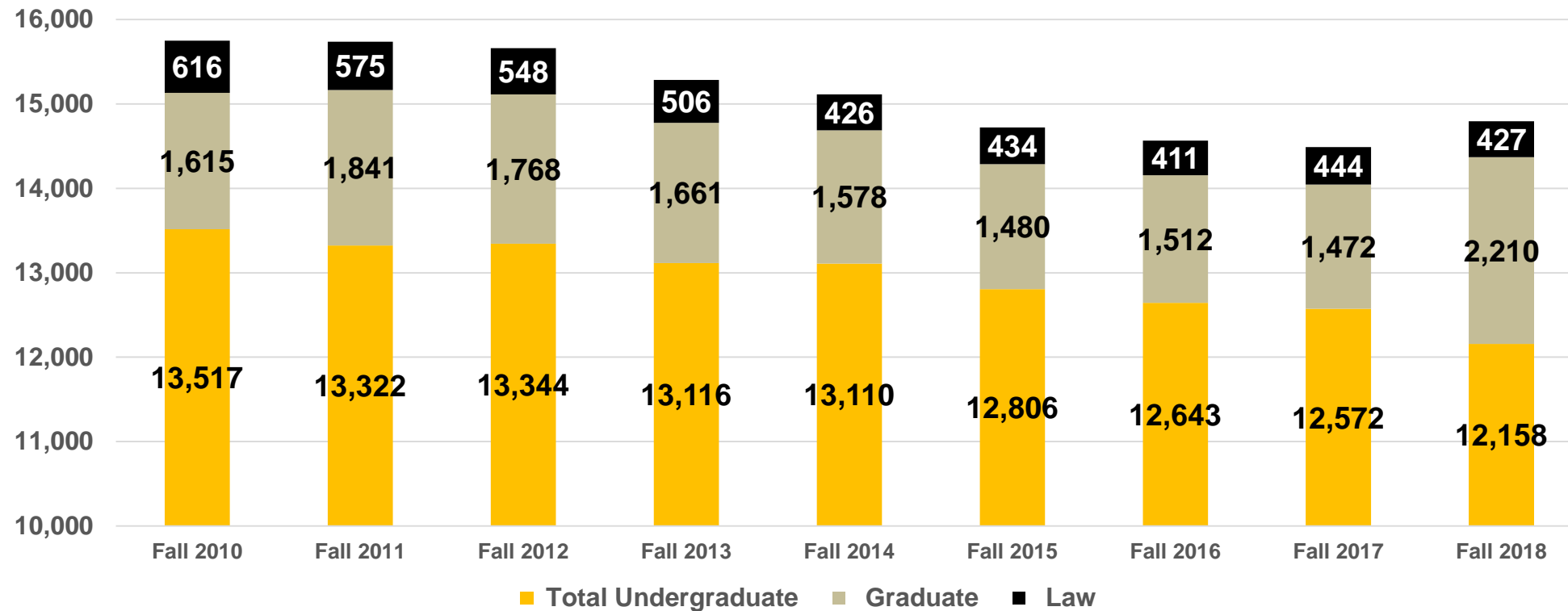
- Context for Tuition Rate Setting
  - Enrollment/Retention/Completion Trends
  - Financial Aid Strategy
  - Enrollment Projections/Targets
  - Other Factors – State Appropriation
  - Student Outcomes Focus
- Tuition Proposed Rates
- Dining/Parking/Housing Proposed Rates

# CONTEXT FOR TUITION RATE SETTING



# **ENROLLMENT / RETENTION / COMPLETION**

# Total Enrollment\*



	Fall 2010	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018	1 year trend	9 year trend
Undergraduate	13,517	13,322	13,344	13,116	13,110	12,806	12,643	12,572	12,158	-3.3%	-10.1%
Graduate	1,615	1,841	1,768	1,661	1,578	1,480	1,512	1,472	2,210	50.1%	36.8%
Law	616	575	548	506	426	434	411	444	427	-3.8%	-30.7%
<b>Total Enrollment</b>	<b>15,748</b>	<b>15,738</b>	<b>15,660</b>	<b>15,283</b>	<b>15,114</b>	<b>14,720</b>	<b>14,566</b>	<b>14,488</b>	<b>14,795</b>	<b>2.1%</b>	<b>-6.1%</b>

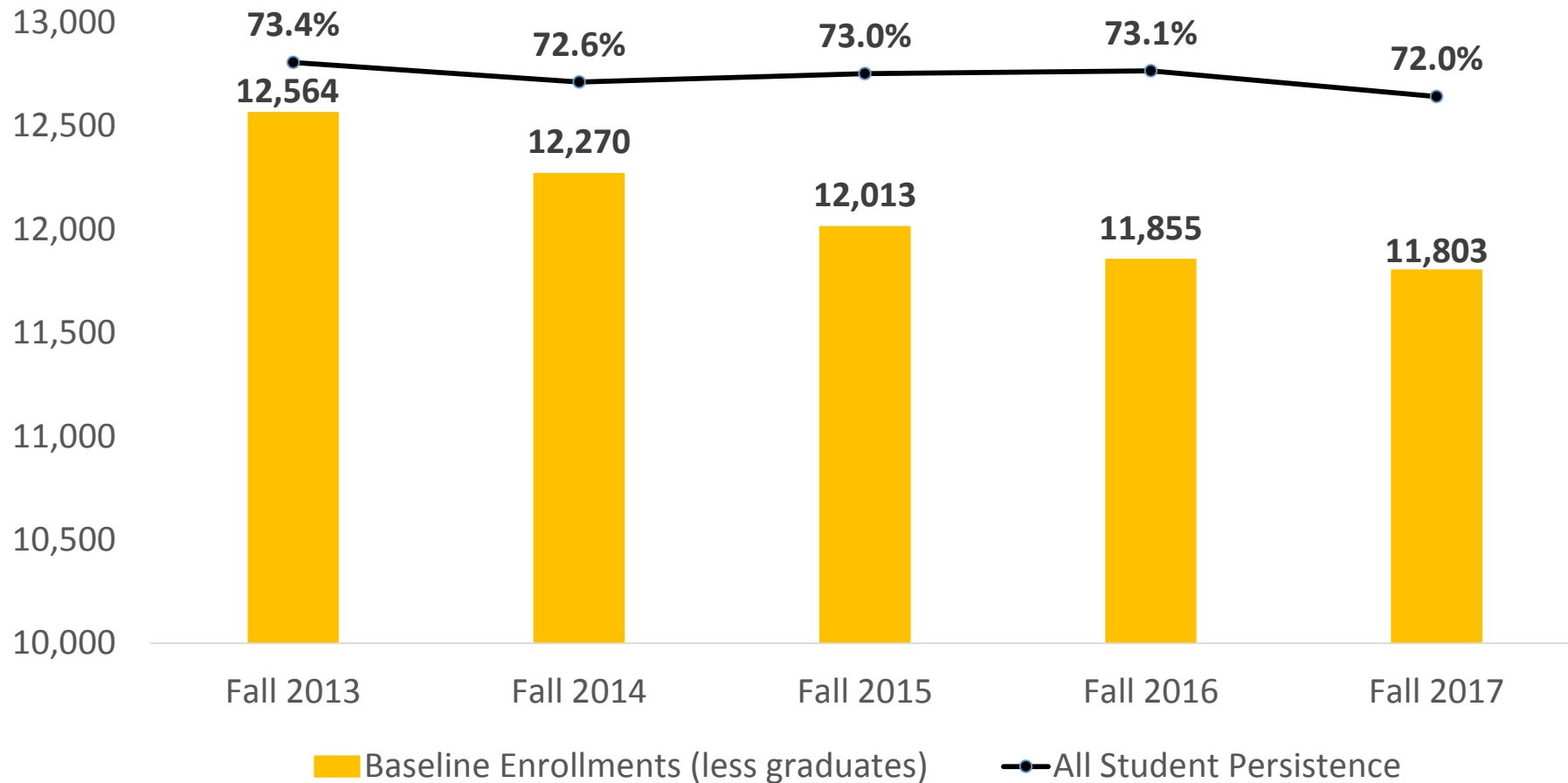
\*Includes School-Based Scholars and Accelerated Online Learning Students





# All Student Persistence

Students Returning from One Fall to Next (less graduates)



\*Data from Institutional Research





# FINANCIAL AID STRATEGY



# Institutional Award Model: Goals

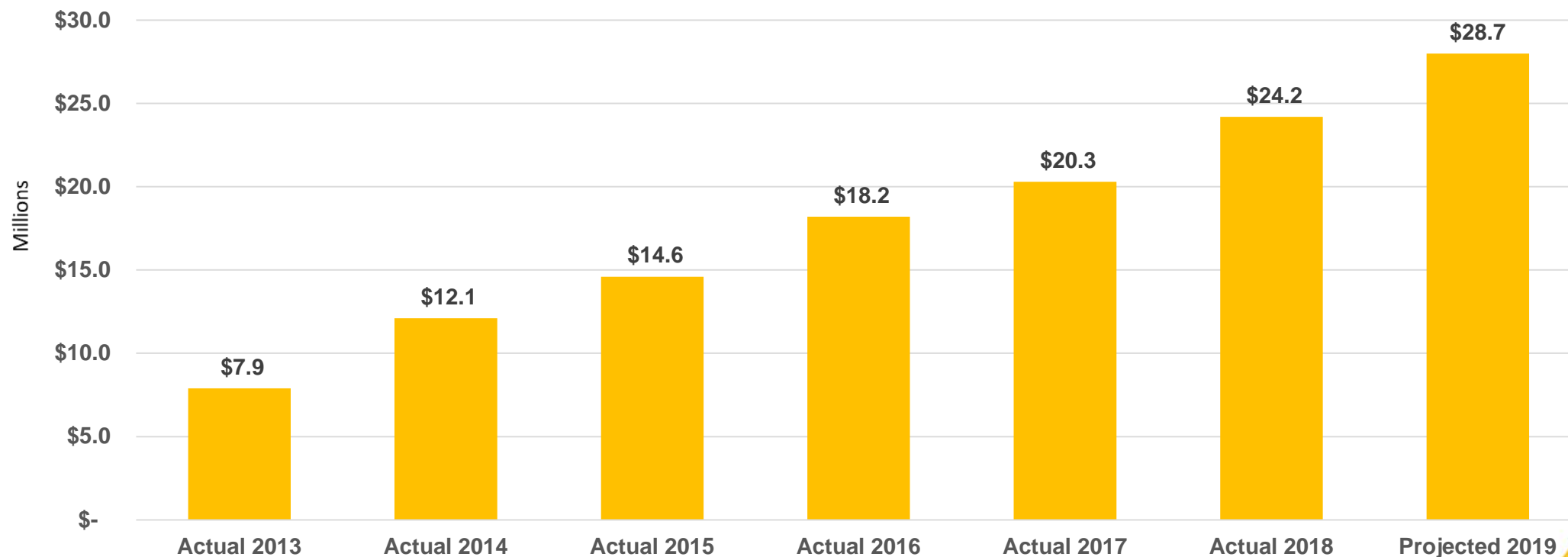
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## Academic Years – 2012 through 2019

- Improve accessibility and affordability
  - Low/Middle Income
  - Diversity
  - First Generation
  - Murky Middle
  - Geographical
- Increase student enrollment
- Improve academic profile
- Increase net tuition revenue
- Address unmet need to impact student success



# Institutional Scholarship Investments



*Note: Scholarships include institutional, international, and state-mandated scholarships only.*

*Source: Financial Aid Office*



# **ENROLLMENT PROJECTIONS & TARGETS**

# Fall 2019 and Spring 2020 Enrollment Goals by College

	Fall 2018	Fall 2019	Fall Goals	Spring 2019	Spring 2020	Spring Goals
<b>Enrollments (less SBS and AOL)</b>	<b>12,111</b>	<b>11,726</b>	<b>385</b>	<b>10,736</b>	<b>10,602</b>	<b>134</b>
<b>College of Arts &amp; Sciences</b>	<b>4,306</b>	<b>4,202</b>	<b>141</b>	<b>3,826</b>	<b>3,777</b>	<b>49</b>
<b>College of Business</b>	<b>1,872</b>	<b>1,827</b>	<b>61</b>	<b>1,684</b>	<b>1,662</b>	<b>22</b>
<b>College of Educ &amp; Human Serv</b>	<b>1,681</b>	<b>1,640</b>	<b>55</b>	<b>1,539</b>	<b>1,519</b>	<b>20</b>
<b>College of Health Professions</b>	<b>1,504</b>	<b>1,468</b>	<b>49</b>	<b>1,309</b>	<b>1,292</b>	<b>17</b>
<b>College of Informatics</b>	<b>1,958</b>	<b>1,911</b>	<b>64</b>	<b>1,724</b>	<b>1,702</b>	<b>22</b>
<b>Chase College of Law</b>	<b>441</b>	<b>430</b>	<b>15</b>	<b>400</b>	<b>395</b>	<b>5</b>
<b>Undergraduate Academic Affairs</b>	<b>302</b>	<b>200</b>		<b>209</b>	<b>209</b>	
<b>Grad Ed, Research &amp; Outreach</b>	<b>47</b>	<b>47</b>		<b>45</b>	<b>45</b>	
<b>AOL Online Students</b>	<b>1,150</b>	<b>1,622</b>	<b>N/A</b>	<b>1,477</b>	<b>1,784</b>	<b>N/A</b>
<b>Enrollment Total w/ AOL</b>	<b>13,264</b>	<b>13,348</b>	<b>13,733</b>	<b>12,213</b>	<b>12,386</b>	<b>12,520</b>

+3.5%

+2.5%

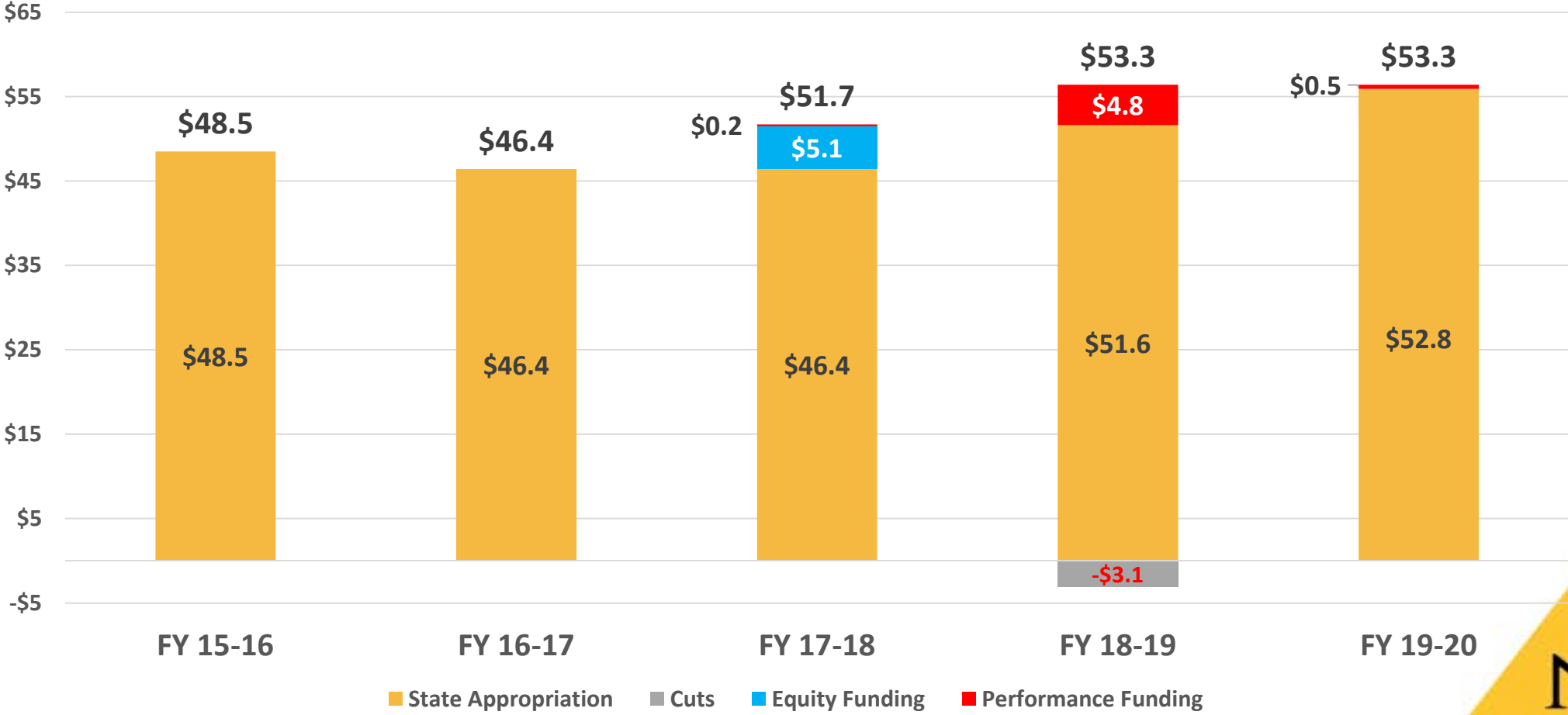


# **OTHER FACTORS STATE APPROPRIATION**



# State Appropriation

## 2016 – 2020



# STUDENT OUTCOMES





# Advancing Student Success Aligned with Regional Needs Thru:

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## ACCESS

*(providing access  
to all individuals seeking  
a higher education)*



## COMPLETION

*(helping students complete  
their higher education goals)*



## CAREER & COMMUNITY ENGAGEMENT

*(preparing students  
for productive careers &  
community engagement)*

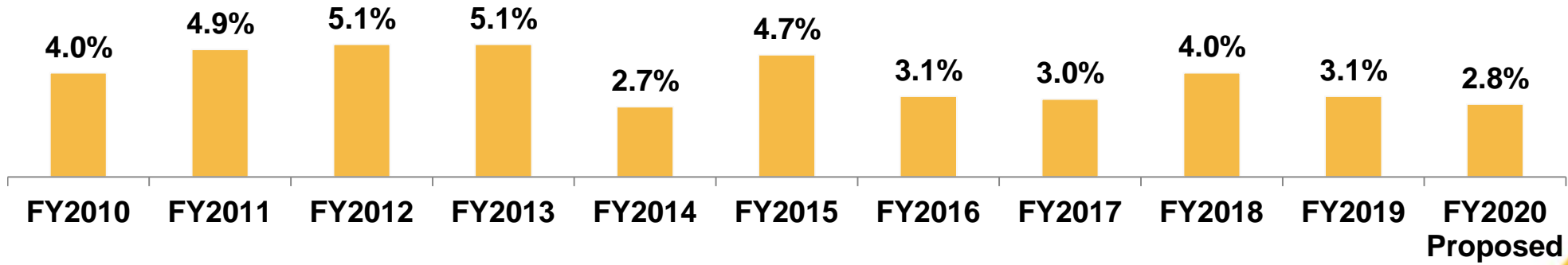


# TUITION RATES



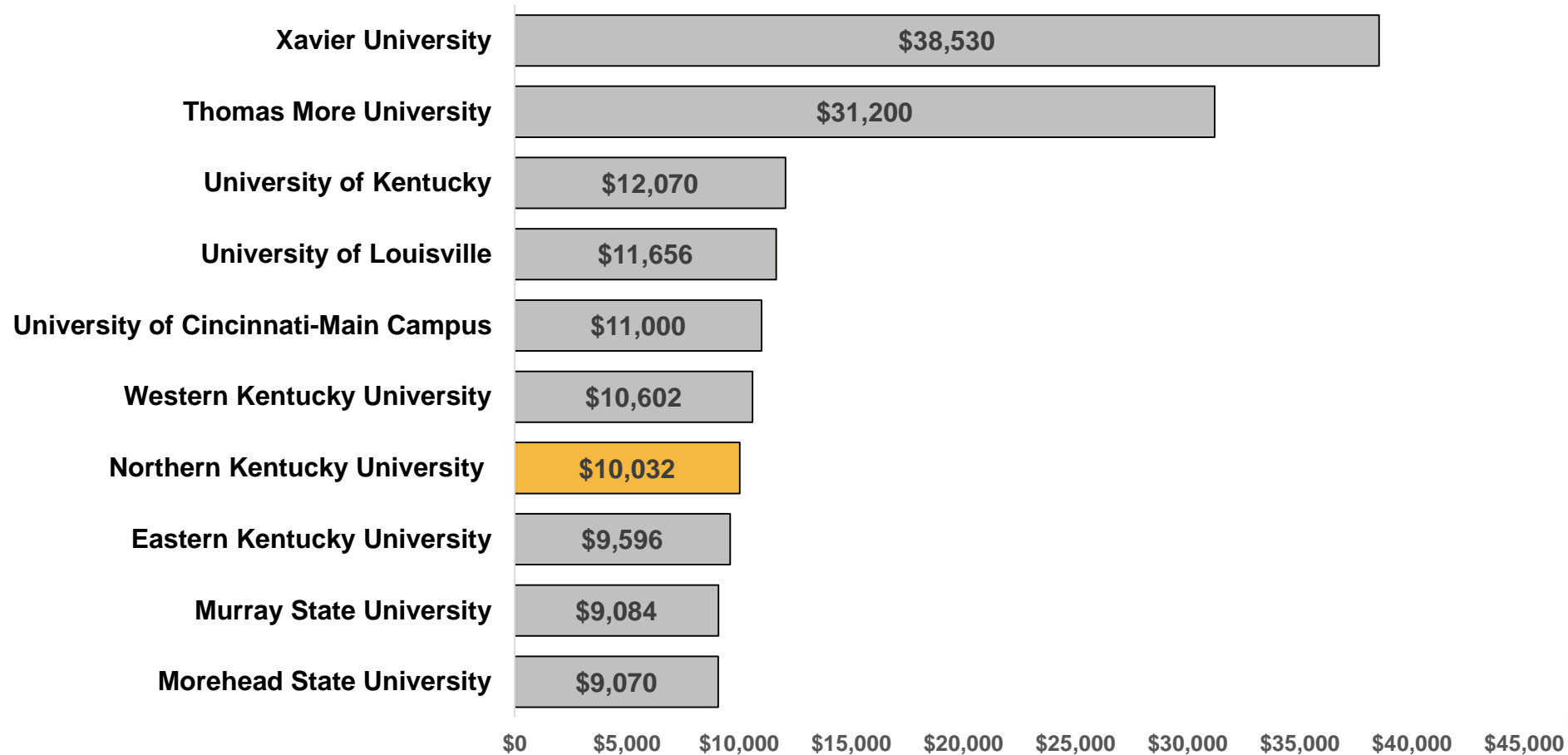
# Tuition Rate Increases

## RESIDENT UNDERGRADUATE



# 2018-19 In-State Tuition Rates

## Market Competitors – Public & Private



# FY20 Anticipated Tuition Increases

## Market Competitors – Public & Private

Published In-state Tuition & Fees	2018-19	Anticipated Increase or Cap		2019-20
Xavier University	\$38,530	5.00%	A	\$40,450
Thomas More University	\$31,200	0.00%	A	\$31,200
University of Kentucky	\$12,070	3.40%	C	\$12,480
University of Cincinnati-Main Campus	\$11,000	9.10%	A	\$12,000
University of Louisville	\$11,656	2.40%	C	\$11,936
Western Kentucky University	\$10,602	2.00%	A	\$10,814
Northern Kentucky University	\$10,032	2.70%	A	\$10,296
Eastern Kentucky University	\$9,596	4.00%	C	\$9,884
Morehead State University	\$9,070	4.00%	C	\$9,433
Murray State University	\$9,084	2.9%	C	\$9,357

A = anticipated  
C = CPE cap



# Proposed Tuition Rates

	2018-19 Tuition Rate	FY 2019-20 Proposed		
		Tuition Rate	\$ Increase	% Increase
<b>UNDERGRADUATE</b>				
<b>Credit Hour (1-11, 17+ hours)</b>				
Resident, Ohio Reciprocity, Indiana Rate	\$402	\$413	\$11	2.7%
Metro (returning)	\$608	\$625	\$17	2.8%
Nonresident	\$804	\$828	\$24	3.0%
Online (accelerated and all other)	\$437	\$448	\$11	2.5%
RN-BSN Online Partner (Note 1)	\$330	\$330	\$0	0.0%
School Based Scholars (Note 2)	\$56	\$56	\$0	0.0%
<b>Full-Time 12-16 Hours (Semester)</b>				
Resident, Ohio Reciprocity, Indiana Rate	\$4,824	\$4,956	\$132	2.7%
Metro (returning)	\$7,296	\$7,500	\$204	2.8%
Nonresident	\$9,648	\$9,936	\$288	3.0%



# Proposed Tuition Rates

	2018-19 Tuition Rate	FY 2019-20 Proposed		
		Tuition Rate	\$ Increase	% Increase
<b>GRADUATE AND DOCTORATE</b>				
<b>GRADUATE per Credit Hour</b>				
Resident	\$613	\$613	\$0	0.0%
Ohio/Indiana	\$738	\$738	\$0	0.0%
Nonresident	\$943	\$943	\$0	0.0%
SNU Computer Science Program (Note 3)	\$735	\$735	\$0	0.0%
Online	\$653	\$653	\$0	0.0%
<b>EDUCATION MASTERS per Credit Hour</b>				
Master of Arts in Education - non accelerated online	\$518	\$518	\$0	0.0%
Master of Arts in Education - accelerated online	New	\$400	N/A	N/A
Master of Arts in Teaching - accelerated online	New	\$400	N/A	N/A
<b>EDUCATION POST MASTERS per Credit Hour</b>				
Education Specialist T&L - accelerated online (Note 4)	New	\$400	N/A	N/A
<b>EDUCATION DOCTORATE per Credit Hour</b>				
Resident	\$684	\$684	\$0	0.0%
Ohio/Indiana	\$803	\$803	\$0	0.0%
Nonresident	\$998	\$998	\$0	0.0%



# Proposed Tuition Rates

	2018-19 Tuition Rate	FY 2019-20 Proposed		
		Tuition Rate	\$ Increase	% Increase
<b>GRADUATE AND DOCTORATE</b>				
<b>BUSINESS GRADUATE per Credit Hour</b>				
Resident	\$627	\$627	\$0	0.0%
Ohio/Indiana	\$737	\$737	\$0	0.0%
Nonresident	\$1,022	\$1,022	\$0	0.0%
Accelerated Online Master of Business	\$499	\$499	\$0	0.0%
<b>Program Rate</b>				
ELOC (Note 5)	\$34,950	\$34,950	\$0	0.0%
<b>COLLEGE OF HEALTH PROFESSIONS per Credit Hour</b>				
Doctor of Nursing Practice (DNP) - accelerated	\$648	\$648	\$0	0.0%
DNP - Post Masters - non accelerated online	\$673	\$673	\$0	0.0%
DNP - Nursing Anesthesia (resident)	\$746	\$746	\$0	0.0%
DNP - Nursing Anesthesia (non resident)	\$954	\$954	\$0	0.0%
Master of Science in Nursing (MSN) - accelerated	\$621	\$621	\$0	0.0%
MSN - non accelerated	\$645	\$645	\$0	0.0%
MS - Health Science - accelerated	\$624	\$624	\$0	0.0%
St. Elizabeth MSN - Nurse Exec Leader (NEL)	\$545	\$545	\$0	0.0%
Mercy Health Online - GR	\$635	\$635	\$0	0.0%





# Proposed Tuition Rates

	2018-19 Tuition Rate	FY 2019-20 Proposed		
		Tuition Rate	\$ Increase	% Increase
<b>LAW</b>				
<b>Credit Hour (1-12, 17+ hours)</b>				
Resident	\$782	\$821	\$39	4.99%
Nonresident	\$1,265	\$1,328	\$63	4.98%
<b>Semester (13-16 credit hours)</b>				
Resident	\$10,166	\$10,673	\$507	4.99%
Nonresident	\$16,445	\$17,264	\$819	4.98%
<b>Program Rate</b>				
LLM (Note 6)	\$28,950	\$28,950	\$0	0.0%

Note 1: Rate for students enrolled through Academic Partnerships agreement.

Note 2: Rate for high school students taking an NKU college course. Rate is the ceiling set by the Kentucky Higher Education Assistance Authority to participate in Dual Credit Scholarship program.

Note 3: Agreement with Sichuan Normal University in China. Chinese students complete Master's Degree in Computer Science at NKU.

Note 4: Online rate for the Teaching & Leading EDS program.

Note 5: Two-year Cohort tuition rate; includes \$7,000 for an international trip.

Note 6: LLM (master in law for international students) is a one year program.





# **DINING, PARKING & HOUSING RATES**



# Meal Plan Rates

## Per Semester

Title/Purpose	Approved Rates 18-19	\$ Increase	Proposed Rates 19-20
Unlimited Plus \$100 Flex Dollars	\$1,975	\$60	\$2,035
Plan 15 Plus \$100 Flex Dollars	\$1,820	\$55	\$1,875
Plan 15 Plus \$100 Flex + Takeout Option	\$1,880	\$55	\$1,935
75 Block Plus \$575 Flex Dollars	\$1,900	\$55	\$1,955
100 Block Plus \$425 Flex Dollars	\$1,900	\$55	\$1,955
125 Block Plus \$325 Flex Dollars	\$1,900	\$55	\$1,955
150 Block Plus \$175 Flex Dollars	\$1,900	\$55	\$1,955

Weighted average increase is approximately 3%





# Parking Rates

## Faculty, Staff & Student

	Approved Rates 18-19	\$ Increase	Proposed Rates 19-20
Faculty & Staff (full-time, per year)	\$385	\$10	\$395
Staff (part-time, per year)	\$190	\$5	\$195
Faculty (part-time, per semester)	\$35	\$2	\$37
Reserved parking (per year)	\$810	\$25	\$835
Students (full- and part-time, per year)	\$250	\$6	\$256
Student (per semester)	\$145	\$5	\$150
Summer Students	\$58	\$2	\$60

Weighted average increase is approximately 2.6%





# Residence Hall Rates

## Per Semester Per Student

Title/Purpose	Approved Rates 18-19	\$ Increase	Proposed Rates 19-20
<b>Callahan Hall</b>			
Double Occupancy with Full Bath Premium	\$3,100	\$200	\$3,300
Double Occupancy with Full Bath Standard	\$2,800	\$100	\$2,900
Single Occupancy with Half Bath	\$3,375	\$90	\$3,465
<b>Kentucky/Commonwealth Halls</b>			
Double Occupancy	\$2,150	\$150	\$2,300
Single Occupancy – buyout rate	\$2,805	\$415	\$3,220
<b>Norse Hall</b>			
Single Occupancy – buyout rate	\$3,203	\$367	\$3,570
Efficiency (Max single occupancy)	\$3,850	\$150	\$4,000



Weighted average increase is approximately 3.5%



# Residence Hall Rates

## Per Semester Per Student

Title/Purpose	Approved Rates 18-19	\$ Increase	Proposed Rates 19-20
Woodcrest			
Apartment: 1 Bedroom	\$3,230	\$170	\$3,400
Apartment: 1 Bedroom – buyout rate	\$4,013	\$747	\$4,760
Apartment: 3 Bedrooms	\$3,550	\$150	\$3,700
Apartment: Efficiency	\$3,250	\$100	\$3,350
University Suites			
Suite: 2 Bedrooms	\$3,000	\$150	\$3,150
Suite: 2 Bedrooms – buyout rate	\$3,637	\$773	\$4,410
Suite: 4 Bedrooms	\$3,400	\$150	\$3,550

Weighted average increase is approximately 3.5%





# Summary

## PART I : TUITION & FEES

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- Overall housing fees are proposed to increase at a weighted average of 3.5% with many housing fees remaining unchanged
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# ANNUAL OPERATING BUDGET







# Summary

## PART II : ANNUAL OPERATING BUDGET

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The 2019-20 operating budget spending authorization is recommended at \$251,500,000.



# Overview

## PART II : ANNUAL OPERATING BUDGET

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- Our Priorities
  - Student Success
  - Strategic Investments
  - Division Reallocations
  - Summary of Personnel Impact
- Budget Proposal

# OUR PRIORITIES



# Student Success

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- To meet our goals for student success, it is critical to attract, recruit, and retain quality staff & faculty
- A 2% compensation increase in July following the 3% compensation increase this past January will allow us to continue to invest in our most important asset
- Investment of \$3.5 million for FY20



# Recurring Investments

## MANDATES & STRATEGIC INVESTMENTS

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Resources to promote student success	\$1.3M
Instructional resources for high-growth areas	\$1.0M
Infrastructure resources	\$300K
Compliance/Safety requirements	\$294K
Development resources	\$275K
Other	<u>\$156K</u>
<b>TOTAL</b>	<b>\$3.3M</b>





# Accelerated Online Investments

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College of Health Professions	\$1.9M
College of Business	\$1.2M
College of Arts & Science	\$652K
College of Informatics	<u>\$310K</u>
<b>TOTAL</b>	<b>\$4.0M</b>



# Non-Recurring Investments

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Infrastructure resources	\$743K
Resources to promote student success	\$561K
Compliance/Safety requirements	\$515K
Other	\$500K
Development resources	<u>\$447K</u>
<b>TOTAL</b>	<b>\$2.7M</b>

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# Reallocations by Division

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Division	Amount	% of Base
Academic Affairs	\$2.8M	3.0%
Administration & Finance	\$1.1M	3.0%
Student Affairs	\$210K	3.0%
Advancement	\$167K	3.0%
<b>TOTAL</b>	<b>\$4.2M</b>	<b>2.9%</b>





# Summary of Reallocations

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Salary/Benefits \$2.7M

- Elimination of 15 faculty positions  
(2 filled; 13 vacant)
- Elimination of 10 staff positions  
(6 filled; 4 vacant)

Operating Expenses \$1.5M

**TOTAL REALLOCATIONS \$4.2M**

# Summary of Investments

## Recurring Investments

- Salary/Benefits (31 positions) \$2.1M
  - 13 Faculty | 18 Staff
- Operating \$1.2M

***Total Recurring Investments*** **\$3.3M**

## Accelerated Online

- Salary/Benefits (35 positions) \$3.7M
  - 25 Faculty | 10 Staff
  - \$1M Instructional pool for hiring adjunct professors
- Operating \$0.3M

***Total Accelerated Online*** **\$4.0M**

## Summary

- Salary/Benefits (66 positions) \$5.8M
  - 38 Faculty | 28 Staff
- Operating \$1.5M

**TOTAL INVESTMENTS** **\$7.3M**

# 2019-2020 PROPOSED BUDGET





# Revenue Assumptions

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- Proposed tuition increases will contribute approximately \$3.7 million in gross revenue
- Excluding Accelerated Online (AOL), enrollment projected to decline 2.5% resident and 1.5% nonresident (impact on gross tuition of \$700K)
- AOL enrollments projected to increase 30% bringing in gross revenues of \$12 million
- State appropriation budget will be \$662K lower than FY19 budget due to difference in estimate versus actual performance funding
- Other revenues projected to increase \$1.3M from increased investment returns and \$500K additional revenue from various initiatives



# Expense Assumptions

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- Compensation increase of \$3.5 million for 3% increase effective January and proposed 2% increase
- Benefits increase of approximately \$700K for higher health insurance expense
- No increase in pension contributions
- Student financial aid increase of \$3 million to fund new EDGE program (offsetting increase in gross revenue)
- 50% share of AOL revenue to Academic Partnership of \$6 million
- Reduction of \$500K for cost reductions related to operational efficiencies

# 2019-20 Proposed Budget

	FY19 Budget	FY20 Proposed	Incr (Decr) to FY19 Budget
<b>Revenue</b>			
Tuition/Fees (Gross) - Resident	\$80.8	\$81.3	\$0.5
Tuition/Fees (Gross) - Non Resident	68.8	71.4	2.6
Estimated Accelerated Online - AOL (Gross)		12.0	12.0
State Appropriation	54.0	53.3	(0.7)
Other Revenue	29.3	30.6	1.3
<b>Total Revenue</b>	<b>\$232.9</b>	<b>\$248.6</b>	<b>\$15.7</b>
<b>Expenditures</b>			
Personnel	\$97.7	\$102.2	\$4.5
Benefits	43.8	46.5	2.7
Student Financial Aid	34.5	37.5	3.0
Estimated AOL AP Share		6.0	6.0
Other	54.9	54.4	(0.5)
Reserves	2.0	2.0	0.0
<b>Total Expenditures</b>	<b>\$232.9</b>	<b>\$248.6</b>	<b>\$15.7</b>
Nonrecurring investments	3.0	2.7	(0.3)
<b>Total Operating Budget</b>	<b>\$235.9</b>	<b>\$251.3</b>	<b>\$15.4</b>



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**March 20, 2019**

