



Directive 2009-
September ____, 2009

Re: CONSIDERATION OF A REQUEST BY OWENS COMMUNITY COLLEGE TO MODIFY THE LIMITATIONS APPLYING TO INCREASES IN IN-STATE UNDERGRADUATE INSTRUCTIONAL AND GENERAL FEES DUE TO EXCEPTIONAL CIRCUMSTANCES.

Section 371.20.90 of Am. Sub. H.B. 1 of the 128th General Assembly restrained boards of trustees at state-assisted institutions of higher education from increases in-state undergraduate instructional and general fees over 3.5% of the amount charged the previous academic year, except the limitation may be modified by the Chancellor of the Board of Regents, with the approval of the Controlling Board, to respond to exceptional circumstances as identified by the Chancellor. On August 14, 2009, the Chancellor signed Directive 2009-029 establishing procedures for institutions to follow when requesting a modification due to exceptional circumstances on the limitation on increases to in-state undergraduate instructional and general fees.

Pursuant to Section 371.20.90 of Am. Sub. H.B. 1 of the 128th General Assembly and Directive 2009-029, Owens Community College has requested that the limitation set forth in Section 371.20.90 of Am. Sub. H.B. 1 of the 128th General Assembly be modified beginning Spring term 2010 to permit Owens to extend the per credit hour rate for instructional and general fees to apply to credit hours 1 through 14, with no additional charge for credit hours 15 through 18. The college has demonstrated the following:

- The College's Board of Trustees adopted a resolution at its meeting on September 8, 2009 setting forth the need for the increase in fees. A copy of the resolution is attached.
- The College provided a detailed explanation of the proposed increase. Currently, the College charges a per credit hour tuition rate up to 12 hours and no additional charge for credit hours 13 through 18. The proposed increase would result in the College charging the per credit hour rate to credit hours 1 through 14 and no additional charge for credit hours 15 through 18.
- The College provided a table comparing its current tuition rate and its tuition rate if the requested increase is approved to similar Ohio public institutions. The table demonstrates the College currently has the lowest tuition rate of two-year institutions without a local levy as it applies a per credit hour tuition rate up to 12 credit hours with no additional charge to credit hours 13 through 18. The table also demonstrates that the College will still have the lowest rate of the two-year institutions without a local levy in extending the per credit rate to the 13th credit hour and will have the third lowest tuition rate in extending the per credit rate to the 14th credit hour. A copy of the table is attached.
- The College anticipates less than twenty percent of the student population will be impacted due to application of per credit hour rate for hours 1 through 14, and no additional charge for credit hours 15 through 18.
- The proposed modification to the tuition structure is expected to generate \$1.6 million annually in tuition revenue.

- Owens Community College has made a significant commitment to at-risk students. This is in response to the goals articulated in the Strategic Plan for Higher Education relative to enrolling more adult students, increasing the number of degrees awarded to first generation college students, and increasing the percent of degrees awarded to black and Hispanic students. Additionally, the College has partnered with its Foundation to offer scholarships to graduates of the Toledo Public School District, Washington School District, and Findlay School District. The revenue generated by this change in tuition will be used to support such at-risk students in their first year experience, specifically in additional student service support such as Bridges Out of Poverty model advising, developmental education, tutoring, learning laboratories, mentoring and technology.
- It is anticipated the student growth will be 12 to 15 percent for FY 2010 and FY 2011. The State Share of Instruction for Owens Community College is projected to decrease by \$700,000 for FY 2010 and FY 2011 in comparison to FY 2009. Without the additional funding raised by the proposed modification to the tuition structure, the College's capability to meet the growth, instructional and student service needs for this at-risk population would be severely affected because funding from other sources would not be available to address these instructional needs. In addition, retention and graduation rates would suffer because the at-risk students that Owens' serves need these support services to be academically successful.
- The College has demonstrated a commitment to efficiency. The implemented efficiency efforts of the College have exceeded mandated efficiency goals for two fiscal years. The combined efficiencies achieved totaled to \$2.5 million for FY 2008 and FY 2009.
- The College has demonstrated that the combination of the lack of tuition increases during the previous three years, a low tuition rate applying to a wide range of credit hours, the decrease in state support, the significant increase in enrollment, and the need to increase for student support services for academic success for at-risk students is an exceptional circumstance permitting a modification to the limitation on increases to in-state undergraduate instructional and general fees.

The request meets the Chancellor's standards, and the Chancellor identifies that the low tuition rate for a wide range of credits combined with a significant increase in overall enrollment and the need to increase funding for student support services for enrollment of at-risk students in programs such as Bridges out of Poverty at Owens Community College as an exceptional circumstance and recommends to the Controlling Board for approval the limitation imposed by Section 371.20.90 of Am. Sub. H.B. 1 of the 128th General Assembly be modified to permit Owens to extend the per credit hour rate for instructional and general fees to apply to credit hours 1 through 14, and apply the 14th hour calculation of tuition for credit hours 15 through 18, beginning Spring Term 2010.

This directive will take effect immediately upon execution.

Eric D. Fingerhut
Chancellor, Ohio Board of Regents



Modification of In-State Undergraduate Instructional and General Fees
Due to Exceptional Circumstances

Addendum
September 16, 2009

John Satkowski, Executive Vice President/CFO

The permanent modification to the tuition structure is expected to generate \$1.6 million annually in tuition revenue.

The revenue will be used to support at-risk students in their first year experience, specifically in additional student service support such as Bridges Out of Poverty model advising, developmental education, tutoring, learning laboratories, mentoring and technology.

It is anticipated the student growth will be 12 to 15 percent for FY 2010 and FY 2011. Without the additional funding, the College's capability to meet the growth, instructional and student service needs for this at-risk population would be severely affected because funding from other sources would not be available to address these instructional needs. The State Share of Instruction for Owens Community College is projected to decrease by \$700,000 for FY 2010 and FY 2011 in comparison to FY 2009. In addition, retention and graduation rates would suffer because the at-risk students that Owens' serves need these support services to be academically successful.

The Board of Trustees did consider, but chose not to, charge for all credit hours of instruction. The Board of Trustees believes it is important for students to increase their fulltime instructional load, 15 to 18 credit hours, without being charged additional tuition. The Board of Trustees does not intend to make any further modifications to the tuition structure.



Modification of In-State Undergraduate Instructional and General Fees
for Exceptional Circumstances
Per Chancellor's Directive, 2009-029

Submitted September 9, 2009

Request to Modify Tuition

On September 8, 2009, the Owens Community College Board of Trustees approved a resolution to modify tuition by applying the per credit hour rate for instructional and general fees for credit hours 1 through 14, while the tuition for credit hours 15 through 18 is the same as the 14th credit hour calculation. This modification partially closes the open window of tuition from 12-18 credit hours to 14-18 credit hours. The current per credit hour rate is \$123. The modifications are that the semester tuition for the 13th and 14th credit hours will be adjusted from \$1,476 (12 credit hour rate) to \$1,599 for 13 credit hours and \$1,722 for credit hours 14, 15, 16, 17 and 18. The modification would be effective for Spring Semester 2010. (Resolution is attached.)

Rational of the Request/Extraordinary Circumstances

The multiplier effect of past and pending cuts in State Share of Instruction earnings and the multi-year freeze on tuition (the lowest tuition rate in the State without the support of a local tax levy) combined with the increasing expenditures of operations, technology, student support services, salaries and benefits has challenged the Owens Community College to continue being a high-growth, low-cost institution. The tuition modification will affect 18 percent of the entire student population.

Tuition Background

Owens Community College has the lowest tuition without the support of a local tax levy among the 23 two-year public colleges in Ohio. A comparison is shown on Table 1 "Owens Request". Owens has charged \$123 per credit hour (1-12 credit hours) effective since Fall Semester 2006. The College has continued the traditional practice of not charging the per-credit-hour tuition rate for students enrolled in excess of 12 credit hours per semester. Therefore, a full-time student taking 18 credit hours pays for only 12 credit hours or \$1,476 per semester and annually \$2,972. Owens is one of only three (3) community colleges that do not charge for every credit hour; and in fact, Owens has a wider free tuition range than the other two community colleges: Lorain Community College and Southern State.

By not charging for the 13th and 14th credit hours, Owens exempts itself from \$1.6 million in revenue every year.

Efficiencies

Owens Community College has exceeded mandated efficiency goals for two fiscal years. The combined efficiencies achieved totaled to \$2.5 million for FY 2008 and FY 2009.

Enrollment

As noted in the Board's resolution, Owens Community College is among Ohio's ten most populated institutions. For this Fall Semester 2009, the College experienced a 16 percent growth in FTE. Preliminary student head count is 23,606. This exceeds the College's projected goal of 21,715 for the University System of Ohio's accountability metrics.

Due to the College's Success Scholarship program, modeled after the Kalamazoo Promise with the Owens Foundation seeking private donations and grants, the College's enrollment surge is from high school graduates of the urban Toledo Public Schools District, Washington School District and Findlay School District. In addition, the College is marketing to adult workers, displaced and unemployed workers for retraining. These student populations need student support in developmental education, mentoring, orientation, and technology. The enrollment growth has seen an increase in online, weekend and evening courses and the need to hire more adjunct faculty.

Contact Information

On behalf of the Owens Community College, Board of Trustees, thank you for your consideration of this tuition modification.

Christa Adams, Ph.D.
President
Office 567-661-7210

John Satkowski
Executive Vice President/CFO/Treasurer
Office 567-661-7233

Attachments

Resolution
Table 1

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**MODIFICATION OF OWENS COMMUNITY COLLEGE TUITION
(13TH AND 14TH CREDIT HOURS)
RESOLUTION 2009-09-08-14**

WHEREAS, in compliance with the Governor's Higher Education Compact, Owens Community College has kept tuition increases in abeyance and tuition has remained unchanged since Fall Semester 2006; and

WHEREAS, for more than a decade, Owens Community College has maintained the lowest per credit hour tuition rate in the State of Ohio without having the support of a property tax levy; and

WHEREAS, Owens Community College is among Ohio's ten most populated institutions of higher education, and the College is currently experiencing a 16 percent growth in FTE student enrollment for the Fall Semester 2009; and

WHEREAS, Owens Community College is the only public institution in Ohio with an open tuition window for full-time students enrolled between 12 and 18 credit hours; and

WHEREAS, the Board of Trustees Finance Committee has researched "closing the tuition window" since 2006; however, legislative tuition caps have prevented the Board of Trustees from taking action; and

WHEREAS, the multiplier effect of past and pending cuts of State Share of Instruction earnings and the freeze on tuition combined with increasing expenditures of operations, technology, student support services, salaries and benefits challenges the College as a high-growth, low-cost institution of higher education; and

WHEREAS, the Treasurer and the President recommend modifying the tuition schedule by charging the per credit hour rate for the 13th and 14th credit hours; and

WHEREAS, the modification will affect about 18 percent of the entire student population; and

WHEREAS, the College's tuition will continue to be among the most affordable in the State of Ohio, and revenue earned will support the College in its mission of quality education and training while serving and graduating more students;

NOW, THEREFORE, BE IT HEREBY RESOLVED that tuition is modified to apply the per credit hour rate for instructional and general fees for credit hours 1 through 14; and, the instructional and general fees for full-time enrollment of 15 to 18 credit hours is the same as the 14 credit hour calculation be approved by the Board of Trustees; and

BE IT FURTHER RESOLVED that the Board of Trustees authorizes the President and the Treasurer to respectfully request the Chancellor of the University System of Ohio to sanction or to recommend this tuition modification in accordance with the intent of Section 321.20.90 of Am. Sub. H.B. 1 and the Chancellor's directive.

SECRETARY'S CERTIFICATE

I, Patricia M. Jezak, Secretary to the Board of Trustees, Owens Community College, a state-supported institution of higher education, as recognized under Ohio Revised Code Section 3358, do hereby certify that the above is a true and correct copy of a resolution of the Board of Trustees adopted by majority vote of such Trustees at a meeting duly noted and held September 8, 2009. Such resolutions have not been amended, modified or revoked and are in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have signed this certificate this September 8, 2009.

A handwritten signature in black ink that reads "Patricia M. Jezak". The signature is written in a cursive, flowing style.

Patricia M. Jezak
Secretary to the Board of Trustees
Owens Community College

COMPARISON OF ANNUAL FULL-TIME UNDERGRADUATE FEES
FOR TWO YEAR COLLEGES
OWENS CC TUITION BASED ON CREDIT HOUR CHARGES

09/08/09

TABLE 1

INSTITUTION	2008-2009
1 SINCLAIR CC	\$2,025 (1)
2 LORAIN COUNTY CC	\$2,400 (1)
3 CUYAHOGA CC	\$2,416 (1)
4 JEFFERSON CC	\$2,700 (1)
5 LAKELAND CC	\$2,726 (1)
 6 OWENS CC (Charge for 12 per Semester/24 per Year-Current Policy)	\$2,972
 6 OWENS CC (Charge for 13 per Semester/26 per Year)	\$3,220
7 SOUTHERN STATE CC	\$3,390
8 EDISON STATE CC	\$3,450
 OWENS CC (Charge for 14 per Semester/28 per Year)	\$3,467
9 RIO GRANDE CC	\$3,482
10 HOCKING TECH.	\$3,485
11 CLARK STATE CC	\$3,503
12 COLUMBUS STATE CC	\$3,555
13 WASHINGTON STATE CC	\$3,555
14 CENTRAL OHIO TECH.	\$3,600
15 TERRA CC	\$3,610
16 NORTH CENTRAL TECH	\$3,634
17 MARION TECH	\$3,660
18 BELMONT TECH.	\$3,784
19 STARK STATE TECH	\$3,810
20 ZANE STATE, MUSKINGUM	\$3,849
21 CINCINNATI STATE CC	\$3,867
22 NORTHWEST STATE CC	\$4,140
23 J.A. RHODES TECH, LIMA	\$4,229

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DATA FROM THE OHIO BOARD OF REGENTS FALL SURVEY OF STUDENT CHARGES 2008, TABLES 9 & 10.