

REVENUE STEP METHODOLOGY CHANGE

There are two major inconsistencies between the formula and actual practice. First, the revenue step applies the same rate (i.e. 20%) to formula costs generated by undergraduates as it applies to costs generated by graduate students. This means that since graduate students generate two to three times as much cost in the formula, the revenue step deducts two to three times as much for a graduate student as for an undergraduate. However, in South Carolina (as elsewhere) graduate student fees are the same as for undergraduates. Thus, the revenue step is not in keeping with the actual fee structures. For example, an undergraduate generates in the range of \$5,000 per FTE while a graduate student generates in excess of \$10,000 per FTE. Using the revenue step deduction of 20%, the current revenue step deducts \$1,000 for an undergraduate and in excess of \$2,000 for a graduate student. However, actual fees charged for graduates are the same as for undergraduates. Therefore, institutions with a substantial number of graduate students have a disproportional share of revenues deducted.

Second, in calculating the out-of-state percent in the revenue step headcounts are used. However, since in fact part-time students pay less in tuition and fees than full-time students, it would be preferable to use FTE's or an approximation of FTE's when calculating the percent of out-of-state students.

EDUCATION AND GENERAL TUITION AND FEES

South Carolina's tuition and required fees for a resident graduate student ranks third highest among the 15 SREB states (See Attachment 2). South Carolina tuition and required fees for non-resident students are the lowest of the SREB states. According to an article in the State of Washington's report, Tuition and Fees, titled "1988-89 National Comparison of Resident and Non-Resident Graduate Fees", South Carolina is the only state where non-resident graduate students are not required to pay out-of-state differential (See Attachment 3).

SUMMARY

In conclusion, the results from the surveys show that, (1) the majority (68%) of South Carolina peer institutions have some type of policy for waiving the out-of-state differential, (2) the criteria for establishing residency for the purpose of tuition and fees, for SREB states, are similar to South Carolina criteria, and (3) South Carolina is the only state in the nation where it's non-resident graduate students are not assessed an out-of-state differential.

POLICIES FOR WAIVING OUT-OF-STATE TUITION AND FEES

	<u>YES</u>	<u>NO</u>	<u>POLICY</u>
1. Univ. of Alabama	+		Graduate Teaching/Research Assistance
2. Univ. of N. Alabama		+	
3. Auburn	+		Graduate Teaching/Research Assistance
4. Jacksonville State		+	
5. Georgia Tech	+		Graduate Teaching/Research Assistance
6. Georgia Southern		+	Grad Asst. pay a flat fee \$25.00 for tuition (Resident & Non-Resident)
7. Univ. of Georgia	+		
8. Medical Univ. of Ga.	+		
9. Augusta College		+	Grad Teaching/Research Asst. pays \$25.00
10. Kennesaw State		+	
11. UNC - Chapel Hill	+		Graduate Teaching/Research Assistance
12. UNC - Charlotte	+		
13. UNC - Asheville		+	
14. UNC - Wilmington	+		
15. Western Carolina	+		Graduate Teaching/Research Assistance
16. Mississippi State	+		

	<u>YES</u>	<u>NO</u>	<u>POLICY</u>
17. Univ. of Tenn.-Chatt.	+		
18. Univ. of Tennessee	+		
19. Univ. of Tenn. Hth. Ctr.	+		Employment Status
20. Univ. of Texas-Galvstn	+		M.S. & Ph.D. in Medical Science
21. Texas A&M	+		
22. James Madison Univ.	+		Graduate Teaching/Research Assistance
23. Va. Poly. Inst. & Univ.		+	Graduate Teaching/Research Assistance
24. Va. Military Inst.			
25. Univ. of Kentucky	+		No Graduate Students
			Graduate Teaching/Research Assistance

**NATIONAL COMPARISON OF RESIDENT AND NON-RESIDENT GRADUATE FEES
SREB STATES
1988-89**

	<u>RESIDENT</u>	<u>NON-RESIDENT</u>
1. VIRGINIA	\$2,526	\$6,336
2. MARYLAND	2,366	4,046
3. SOUTH CAROLINA	2,228	2,228
4. LOUISIANA	1,840	5,040
5. MISSISSIPPI	1,790	2,972
6. TENNESSEE	1,744	4,478
7. ARKANSAS	1,700	3,600
8. KENTUCKY	1,680	4,680
9. ALABAMA	1,642	4,056
10. FLORIDA	1,594	4,593
11. GEORGIA	1,581	4,101
12. WEST VIRGINIA	1,515	3,805
13. OKLAHOMA	1,146	3,386
14. NORTH CAROLINA	872	4,826
15. TEXAS	584	2,664
	<u>584</u>	<u>2,664</u>
SREB AVERAGE	<u>\$1,654</u>	<u>\$4,054</u>
NATIONAL AVERAGE	<u>\$2,088</u>	<u>\$5,016</u>

3

**NATIONAL COMPARISON OF RESIDENT AND NON-RESIDENT GRADUATE FEES
1988-89 RANKING BY NON-RESIDENT**

	<u>RESIDENT</u>	<u>NON-RESIDENT</u>
1 MICHIGAN	5,191	10,715
2 VERMONT	3,656	10,706
3 ILLINOIS	3,286	7,966
4 NEW HAMPSHIRE	2,709	7,889
5 WISCONSIN	2,616	7,761
6 PENNSYLVANIA	3,850	7,694
7 COLORADO	2,294	7,604
8 OHIO	2,679	6,768
9 WASHINGTON	2,601	6,474
10 VIRGINIA	2,526	6,336
11 DELAWARE	2,560	6,300
12 CALIFORNIA	1,711	6,217
13 CONNECTICUT	2,670	6,150
14 MASSACHUSETTS	4,486	5,798
15 MAINE	2,206	5,746
16 IOWA	2,020	5,720
17 INDIANA	2,121	5,664
18 MINNESOTA	2,985	5,659
19 NEW JERSEY	3,701	5,051
20 LOUISIANA	1,840	5,040
21 ARIZONA	1,278	4,866
22 NORTH CAROLINA	872	4,826
23 NEW MEXICO	1,412	4,712
24 MISSOURI	1,804	4,700
25 KENTUCKY	1,680	4,680
26 NEW YORK	2,222	4,672
27 FLORIDA	1,594	4,593
28 RHODE ISLAND	2,203	4,515
29 TENNESSEE	1,744	4,478
30 HAWAII	1,437	4,477
31 GEORGIA	1,581	4,101
32 ALABAMA	1,642	4,056
33 KANSAS	1,619	4,049
34 MARYLAND	2,366	4,046
35 NORTH DAKOTA	1,682	3,878
36 WEST VIRGINIA	1,515	3,805
37 OREGON	2,369	3,734
38 ARKANSAS	1,700	3,600
39 UTAH	1,320	3,594
40 OKLAHOMA	1,146	3,386
41 NEBRASKA	1,538	3,383
42 IDAHO	1,382	3,382
43 NEVADA	1,000	3,200
44 MONTANA	1,250	3,068
45 MISSISSIPPI	1,790	2,972
46 ALASKA	1,350	2,700
47 TEXAS	584	2,664
48 WYOMING	833	2,605
49 SOUTH DAKOTA	1,547	2,567
50 SOUTH CAROLINA	2,228	2,228
NATIONAL AVERAGE	<u>2,088</u>	<u>5,016</u>

***FTE GRADUATE STUDENT ENROLLMENT
SOUTH CAROLINA COLLEGES AND UNIVERSITIES**

FALL 1988

	IN STATE	OUT OF STATE	TOTAL	% OUT OF STATE
	[1]	[2]	[3]	[4]
CLEMSON UNIVERSITY	989.33	947.33	1,936.66	48.92%
COLLEGE OF CHARLESTON	193.00	0.33	193.33	0.17%
FRANCIS MARION COLLEGE	106.33	4.67	111.00	4.21%
LANDER COLLEGE	39.33	0.33	39.66	0.83%
MEDICAL UNIVERSITY OF S.C.	940.33	223.33	1,163.66	19.19%
S.C. STATE COLLEGE	215.33	4.33	219.66	1.97%
THE CITADEL	407.00	9.33	416.33	2.24%
U.S.C. COLUMBIA	4,117.33	1,807.67	5,925.00	30.51%
WINTHROP	325.33	175.00	500.33	34.98%
TOTAL	7,333.31	3,172.32	10,505.63	30.20%

FALL 1989

	IN STATE	OUT OF STATE	TOTAL	% OUT OF STATE
	[1]	[2]	[3]	[4]
CLEMSON UNIVERSITY	1,192.67	997.67	2,190.34	45.55%
COLLEGE OF CHARLESTON	226.33	0.00	226.33	0.00%
FRANCIS MARION COLLEGE	70.00	3.67	73.67	4.98%
LANDER COLLEGE	11.00	0.67	11.67	5.74%
MEDICAL UNIVERSITY OF S.C.	940.00	253.67	1,193.67	21.25%
S.C. STATE COLLEGE	170.67	0.67	171.34	0.39%
THE CITADEL	450.67	12.00	462.67	2.59%
U.S.C. COLUMBIA	3,884.00	1,983.33	5,867.33	33.80%
WINTHROP	337.00	162.33	499.33	32.51%
TOTAL	7,282.34	3,414.01	10,696.35	31.92%

* FTE's are calculated by adding full-time graduate headcount enrollment plus one-third (1/3) part-time graduate headcount enrollment.