

**MEETING OF THE BUSINESS AFFAIRS COMMITTEE  
OF THE BOARD OF TRUSTEES  
Community College of Philadelphia  
Wednesday, April 18, 2012 - 9:00 A.M.**

TO: Business Affairs Committee of the Board of Trustees  
FROM: Thomas R. Hawk *TH*  
DATE: April 12, 2012  
SUBJECT: **Committee Meeting**

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A meeting of the Business Affairs Committee of the Board of Trustees will be held on **Wednesday, April 18, 2012 at 9:00 a.m. in the College's Isadore A. Shrager Boardroom, M2-1.**

**AGENDA – PUBLIC SESSION**

**(1) Tuition and Credit Card Payment Convenience Fee Recommendation for the 2012-13 Year (Action Item):**

Financial planning for the 2012-13 fiscal year began with a projected revenue shortfall of \$8.346 million. The \$8.346 million shortfall is created by several factors: projected salary and fringe benefit costs for the 2012-13 year based upon the College's final contract offer to the Faculty Federation; a projected decrease in State funding equal to \$1.2 million; no increase in City funding; and a projected 4 percent decrease in credit student enrollments. The projected enrollment decline reflects the expected impacts of the growing restriction on Pell funding, as well as the impact of improving economic opportunities in the workforce.

To achieve a viable budget, a combination of expense reductions, revenue enhancements, and use of carry-over funds is required. A comprehensive 2012-13 budget will be presented to the Business Affairs Committee at the May 23, 2012 meeting. In order to complete the budget plan for the 2012-13 year, the Board must approve tuition and fee charges for the year. The following schedule provides the proposed revenue plan to address the \$8.346 million revenue shortfall initially projected for the 2012-13 year:

Base Budget Expense Reductions	\$2,350,000
Tuition Increase	3,571,000
Fee Increases	430,000
Initially Projected Use of Carry-over Funds	
From Prior Fiscal Years	<u>1,995,000</u>
Total Required New Revenues	\$8,346,000

(a) Tuition Increase

The recommended tuition increase is 10 dollars per credit. This represents a 5.6 percent increase over the 2011-12 average tuition charge per credit of \$177.15

Virtually all CCP students have access to one or more opportunities to assist them in the payment of the College's tuition and fee charges. The majority of the College's students are eligible for Federal and State financial aid programs. Middle-income family students are eligible for Federal tax credits for educational expenditures. Figures 2A through 3B show the 2012-13 net cost impact for students receiving aid or the education tax credit. Figure 1 provides a history of tuition and fee charges at the College since 1995.

(b) Credit Card Payment Convenience Fee

The College currently accepts Master Card, Visa, Discover and American Express credit cards. Of these cards, Visa is used in about 50 percent of the payments. The credit card companies keep a portion of payments made by credit cards resulting in lost tuition revenues of approximate \$300,000 each year for the College.

A majority of colleges and universities have responded to this issue by charging a credit card payment fee. Staff are proposing to introduce a \$12 Credit Card Payment Convenience Fee for credit card payments made beginning on July 1, 2012.

As a preliminary step to mitigate the potential impact of this charge, in spring 2012, the College introduced the capacity for students to make ACH (Automated Clearinghouse) payments to the College. The ACH payment mechanism is available at no cost to either the student or the College. Students who prefer not to pay the Credit Card Payment Convenience Fee can elect this payment mechanism. Either approach, using the ACH payment mechanism or paying the \$12 Credit Card Payment Convenience Fee, will have the same positive financial impact on the College.

Staff request that the Committee recommend to the full Board that the tuition charge be increased by \$10 per credit from \$138 to \$148 effective for the fall, 2012 semester; and that a \$12 Credit Card Payment Convenience Fee be implemented with all credit card payments made July 1, 2012 and thereafter.

**(2) Proposed New Student Processing Fee (Action Item):**

The College currently charges students three one-time fees: Application Fee - \$20; ID Card Fee - \$10; and Graduation Fee - \$30. Staff propose to eliminate these three fees and introduce a new fee – New Student Processing Fee with a

value of \$60. Students will pay this fee only once at the time they first enroll in credit courses.

The purposes for this change are related to the College's enrollment management goals. For some students, paying the Application Fee represents a barrier to applying to the College. It is an out-of-pocket expense not covered by financial aid. Additionally, administratively the Application Fee is difficult to manage in Banner Admissions system. The current Graduation Fee is charged at the time the student is planning to graduate. Some students, who are planning to transfer, elect not to pay the Graduation Fee and therefore do not officially graduate. In addition, there is significant staff time involved in the collection and recording of the Graduation Fee. Similarly, the separate management of the collection of the ID Card Fee makes demands on staff time resources.

The proposed fee consolidation will increase the efficiency of the College's administrative procedures, will eliminate one potential barrier to applying to the College, and is expected to enable the College to increase the number of annual graduates from the College. The financial impact of the proposed change will be to modestly increase the amount of fee revenue. The estimated impact of this fee change will be to increase student revenues by approximately \$130,000.

Staff request that the Committee recommend to the full Board that staff be authorized to implement a New Student Processing Fee with a value of \$60 and eliminate the Application, ID and Graduation fees effective for the fall, 2012 semester.

**(3) Implementation of DegreeWorks Software - \$67,800 (Action Item):**

As a key goal in the Academic Program Assessment and Enrollment Management Plans, the need to provide students with on-line degree progress information has been an issue since the initial implementation of the Banner Student System. Currently, the Banner CAPP (Curriculum Advising Program Planning) module does not have the functionality deemed essential by College staff. To address this issue, staff are recommending the purchase of a new software tool, DegreeWorks, at a one-time cost of \$67,800. DegreeWorks will provide self-service functionality to students for monitoring their academic progress and support students' degree-completion planning with a real-time, on-line tool. Students and their advisors will be able to review past, present, and future academic coursework in order to evaluate which degree requirements are complete and which degree requirements are remaining. Wrong course selections by students should be greatly reduced. This will reduce the average time that students take to graduate.

Staff request that the Committee recommend to the full Board that the College be authorized to purchase DegreeWorks at a cost of \$67,800. Funding for this software purchase is available within the 2011-12 capital budget.

**(4) Additional Capital Cost for Oracle Enterprise-level License Agreement - \$140,570 and Increased Annual Oracle Software Lease - \$30,925 (Action Item):**

The College was recently required to "true-up" the Oracle Campus Enterprise-level License agreement. The process involved providing Oracle with the fall 2011 headcount for full- and part-time students, faculty and staff. The current headcount of students and staff is 21,063. This exceeds the headcount on the original Campus Agreement, 18,892. As a result, the College is out of compliance with the Oracle Campus Agreement. The increase in headcount requires an additional one-time licensing fee of \$140,570. In addition, the College will incur an additional software lease cost of \$30,925. The software support lease cost of \$30,925 will be an annually-reoccurring cost.

Staff request that the Committee recommend to the full Board approval of the one-time \$140,570 capital expense for the expanded Oracle Enterprise-level license agreement and approval of a \$30,925 increase in the College's 2011-12 software support lease. Funding for this expenditure is available in the 2011-12 capital budget.

**(5) Construction Projects Update (Information Item):**

Mr. Bixby will summarize progress to date on current construction projects. This will include an update on minority and women business owner participation in the Main Campus construction projects. An update will be provided on the ongoing contract dispute issues associated with Five Star and Burt Hill.

**(6) Next Meeting:**

The next meeting date of the Committee is scheduled for **Wednesday, May 23, 2012 at 9:00 A.M.** in the College's Isadore A. Shrager Boardroom, M2-1. At that time, the proposed 2012-13 College Budget will be presented to the Committee.

TRH/lm

Attachments

c: Ms. Varsovia Fernandez  
Dr. Stephen M. Curtis  
Ms. Jody Bauer  
Mr. Gary Bixby  
Dr. Samuel Hirsch  
Mr. Gim Lim  
Mr. James P. Spiewak

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# **ATTACHMENT A**

## **BACKGROUND INFORMATION FOR 2012-13 TUITION AND FEE PROPOSAL**

**FIGURE 1**  
**Community College of Philadelphia**  
**Tuition and Fee Charges History**

Year	Per Credit Tuition	Per Credit General Fee	Per Credit Technology Fee	Average Course Fee per Credit*	Average Total Cost per Credit	Average Dollar Increase	Percent Increase	Average Full-time Tuition and Fees per Academic Year
1994-95	61	3		0	64			1,524
1995-96	66	3		0	69	5	7.9%	1,644
1996-97	69	3	3	0	75	6	8.8%	1,788
1997-98	69	3	3	0	75	1	0.7%	1,800
1998-99	72	3	4	0	79	4	5.3%	1,896
1999-00	74	3	6	0	83	4	5.1%	1,992
2000-01	76	3	6	0	85	2	2.4%	2,040
2001-02	79	3	6	0	88	3	3.5%	2,112
2002-03	83	3	10	0	96	8	9.1%	2,304
2003-04	87	3	14	0	104	8	8.3%	2,496
2004-05	97	4	18	5.25	124.25	20.25	19.5%	2,982
2005-06	104	4	22	6.26	136.26	12.01	9.7%	3,270
2006-07	112	4	26	6.48	148.48	12.22	9.0%	3,564
2007-08	115	4	28	6.65	153.65	5.17	3.5%	3,688
2008-09	115	4	28	6.53	153.53	-0.12	-0.1%	3,685
2009-10	122	4	28	6.39	160.39	6.86	4.5%	3,849
2010-11	128	4	28	6.31	166.31	5.92	3.7%	3,991
2011-12	138	4	28	7.15	177.15	10.84	6.5%	4,252
<i>2012-13</i>	<i>148</i>	<i>4</i>	<i>28</i>	<i>7.15</i>	<i>187.15</i>	<i>10.00</i>	<i>5.6%</i>	<i>4,492</i>

\* Course fees, where charged, currently range from 75 to 300 dollars per course.

**FIGURE 2A**  
**IMPACT OF PROPOSED TUITION INCREASE**  
**ON STUDENTS RECEIVING PELL GRANTS**  
**(For Students Not Selecting Courses**  
**Requiring Payment of a Course Fee)**

The maximum Pell award for the 2012-13 award year is \$5,550. Shown below is a comparison of what the current balance check is for a maximum Pell award, and what the balance check will be for the proposed charges of \$148 per credit for tuition, \$28 per credit for the Technology Fee, and \$4 per credit for the General College Fee.

<b>2011-2012 YEAR<sup>(1)</sup></b>		<b>2012-2013 YEAR<sup>(1)</sup></b>	
Max Pell - 12 Credits	\$2,775	Max Pell - 12 Credits	\$2,775
Tuition/Fees	\$2,040	Tuition/Fees	\$2,160
Balance Check Per Term	\$ 735	Balance Check Per Term	\$615
Max Pell - 9 Credits	\$2,081	Max Pell - 9 Credits	\$2,081
Tuition/Fees	\$1,530	Tuition/Fees	\$1,620
Balance Check Per Term	\$ 551	Balance Check Per Term	\$461
Max Pell - 6 Credits	\$1,388	Max Pell - 6 Credits	\$1,388
Tuition/Fees	\$1,020	Tuition/Fees	\$1,080
Balance Check Per Term	\$ 368	Balance Check Per Term	\$308
Max Pell - 3 Credits	\$ 694	Max Pell - 3 Credits	\$694
Tuition/Fees	\$ 510	Tuition/Fees	\$540
Balance Check Per Term	\$ 184	Balance Check Per Term	\$154

(1) Includes tuition, technology fee, and general College fee.

**Note:** This chart does not consider the impact of other forms of student aid such as PHEAA grants, SEOG, private scholarships, and employer-paid tuition and fees.

**FIGURE 2B**  
**IMPACT OF PROPOSED TUITION INCREASE**  
**ON STUDENTS RECEIVING PELL GRANTS**  
**(Typical Pattern for Students Selecting**  
**Courses with Fees)**

The maximum Pell award for the 2012-13 award year is \$5,550. Shown below is a comparison of what the current balance check is for a maximum Pell award, and what the balance check will be for the proposed charges of \$148 per credit for tuition, \$28 per credit for the Technology Fee, and \$4 per credit for the General College Fee. The calculation for this table includes the assumption that the student pays one or two course fees.

<b>2011-2012 YEAR<sup>(1)</sup></b>		<b>2012-2013 YEAR<sup>(1)</sup></b>	
Max Pell – 12 Credits	\$2,775	Max Pell – 12 Credits	\$2,775
Tuition/Fees (Two Course Fees: \$150, \$75)	\$2,265	Tuition/Fees (Two Course Fees: \$150, \$75)	\$2,385
Balance Check Per Term	\$ 510	Balance Check Per Term	\$ 390
Max Pell - 9 Credits	\$2,081	Max Pell - 9 Credits	\$2,081
Tuition/Fees (Two Course Fees: \$150, \$75)	\$1,755	Tuition/Fees (Two Course Fees: \$150, \$75)	\$1,845
Balance Check Per Term	\$ 326	Balance Check Per Term	\$ 236
Max Pell - 6 Credits	\$1,388	Max Pell - 6 Credits	\$1,388
Tuition/Fees (One Course Fee: \$75)	\$1,095	Tuition/Fees (One Course Fee: \$75)	\$1,155
Balance Check Per Term	\$ 293	Balance Check Per Term	\$ 233
Max Pell - 3 Credits	\$ 694	Max Pell - 3 Credits	\$ 694
Tuition/Fees (One Course Fee: \$75)	\$ 585	Tuition/Fees (One Course Fee: \$75)	\$ 615
Balance Check Per Term	\$ 109	Balance Check Per Term	\$ 79

(1) Includes tuition, technology fee, general College fee, and representative course fees.

**Note:** This chart does not consider the impact of other forms of student aid such as PHEAA grants, SEOG, private scholarships, and employer-paid tuition and fees.



**FIGURE 3A**  
**IMPACT OF TUITION INCREASE**  
**ON DEPENDENT AND WORKING STUDENTS**  
**ELIGIBLE FOR THE AMERICAN OPPORTUNITY TAX CREDIT<sup>(3)</sup>**  
**(For Students Not Selecting Courses**  
**Requiring Payment of a Course Fee)**

<b>Category</b>	<b>2011-12 Tuition and Fees<sup>(1)</sup></b>	<b>2011-12 Cost After Tax Credit <sup>(3)</sup></b>	<b>Proposed 2012-13 Tuition and Fees<sup>(2)</sup></b>	<b>2012-13 Cost After tax Credit <sup>(3)</sup></b>	<b>Net Increase 2011-12 to 2012-13</b>
Part-Time Student (3 Credits)	\$510	\$510	\$540	\$540	\$30
Part-Time Student (6 Credits)	\$1,020	0	\$1,080	0	0
Part-Time Student (9 Credits)	\$1,530	0	\$1,620	0	0
Full-Time Student (12 Credits)	\$2,040	\$30	\$2,160	\$120	\$90
Full-Time Student (Enrolled for 24 Credits)	\$4,080	\$1,580	\$4,320	\$1,740	\$160

(1) Includes the following fees: Tuition \$138 per credit; General College Fee, \$4 per credit; and Technology Fee, \$28 per credit.

(2) Includes the following charges: Tuition \$148 per credit; General College Fee, \$4 per credit; and Technology Fee, \$28 per credit.

(3) The American Opportunity Tax Credit covers 100% of the first \$2,000 of eligible expenditures and 25% of the second \$2,000 for any student enrolled half time in at least one semester.

In addition to tuition and fees, the tax credit can be applied toward the cost of textbooks and course materials. There is also a direct federal payment of up to 40 percent of the American Opportunity Tax Credit amount to low-income students paying tuition and fees who do not have a federal tax liability for the year.

**FIGURE 3B**  
**IMPACT OF TUITION INCREASE**  
**ON DEPENDENT AND WORKING STUDENTS**  
**ELIGIBLE FOR THE AMERICAN OPPORTUNITY TAX CREDIT<sup>(3)</sup>**  
**(Sample Pattern for Students Selecting Courses with Course Fees)**

<b>Category</b>	<b>2011-12 Tuition and Fees<sup>(1)</sup></b>	<b>2011-12 Cost After Tax Credit <sup>(3)</sup></b>	<b>Proposed 2012-13 Tuition and Fees<sup>(2)</sup></b>	<b>2012-13 Cost After tax Credit <sup>(3)</sup></b>	<b>Net Increase 2011-12 to 2012-13</b>
Part-Time Student (3 Credits) (One Course Fee: \$75)	\$585	\$585	\$615	\$615	\$30
Part-Time Student (6 Credits) (One Course Fee: \$75)	\$1,095	0	\$1,155	0	0
Part-Time Student (9 Credits) (Two Course Fees: \$150, \$75)	\$1,755	0	\$1,845	0	0
Full-Time Student (12 Credits) (Two Course Fees: \$150, \$75)	\$2,265	\$198.75	\$2,385	\$288.75	\$90
Full-Time Student (Enrolled for 24 Credits) (Four Course Fees: Two at \$150, Two at \$753+)	\$4,530	\$1,897.50	\$4,770	\$2,077.50	\$180

(1) Includes the following fees: Tuition \$138 per credit; General College Fee, \$4 per credit; Technology Fee, \$28 per credit; and course fees of \$75 and \$150.

(2) Includes the following charges: Tuition \$148 per credit; General College Fee, \$4 per credit; Technology Fee, \$28 per credit; and course fees of \$75 and \$150.

(3) The American Opportunity Tax Credit covers 100% of the first \$2,000 of eligible expenditures and 25% of the second \$2,000 for any student enrolled half time in at least one semester.

In addition to tuition and fees, the tax credit can be applied toward the cost of textbooks and course materials. There is also a direct federal payment of up to 40 percent of the American Opportunity Tax Credit amount to low- income students paying tuition and fees who do not have a federal tax liability for the year.

**FIGURE 4****TUITION AND FEES AT AREA COLLEGES AND UNIVERSITIES**

COLLEGE	TUITION AND FEES			2011-12	2011-12
	2009-10	2010-11	2011-12	\$ CHANGE	% CHANGE
LA SALLE	\$32,700	\$33,700	\$35,240	\$1,540	4.6%
DREXEL	\$31,865	\$33,005	\$34,405	\$1,400	4.2%
ARCADIA	\$31,260	\$32,720	\$34,150	\$1,430	4.4%
CABRINI	\$31,030	\$32,084	\$33,176	\$1,092	3.4%
ROSEMONT	\$25,000	\$27,450	\$29,050	\$1,600	5.8%
EASTERN	\$23,820	\$24,600	\$25,850	\$1,250	5.1%
HOLY FAMILY	\$22,460	\$23,520	\$24,640	\$1,120	4.8%
TEMPLE	\$11,764	\$12,424	\$13,596	\$1,172	9.4%
WEST CHESTER	\$7,211	\$7,680	\$8,274	\$594	7.7%
CHEYNEY	\$7,360	\$7,836	\$8,404	\$568	7.2%
COMMUNITY COLLEGE OF PHILADELPHIA (based on 24 credits)	\$3,696	\$3,840	\$4,080	\$240	6.3%

(1) Based upon 24 credits

Source: <http://chronicle.com/premium/stats/tuition/results.php>  
Chronicle of Higher Education, April 10, 2012

**FIGURE 5  
PENNSYLVANIA COMMUNITY COLLEGES\*  
2011-12 TUITION AND FEES**

		Allegheny	Beaver	Bucks	Butler	Delaware	Harrisburg	Lehigh Carbon	Luzerne	Montgomery	Northampton	PA Highlands	Philadelphia	Reading	Westmoreland
<b>Per Credit Fees</b>															
Tuition	Sponsored	95.50	95.00	111.00	88.00	101.00	136.50	91.00	84.00	103.00	82.00	98.00	138.00	91.00	80.00
	Non-Sponsored	191.00	190.00	222.00	176.00	202.00	189.00	182.00	168.00	208.00	164.00	192.00	276.00	182.00	160.00
	Out-of-State	286.50	285.00	333.00	264.00	303.00	283.50	273.00	252.00	309.00	246.00	288.00	414.00	273.00	240.00
	Other						30.00	136.50			139.00	168.00			
Universal	Capital - Non-Sponsored	6.50	20.00	10.00		3.00	5.00	9.00	11.00	10.00	64.00	14.00	10.00	2.00	6.00
	Capital - Out-of-State	6.50	40.00	20.00		6.00	10.00	18.00	21.00	20.00	93.00	14.00	20.00	2.00	6.00
	Capital - Other							9.00			19.00	6.00			
	Technology	12.00	16.00	30.00		35.00	16.00	12.00	8.00	15.00	16.00		28.00	24.00	11.00
	Activity College/Comprehensive/General Student Services/Academic	4.20		3-12		2.00	3.50	5.00		3.00			4.00	3.00	3.00
	International Student		11.00		18.00		10.00		13.00	4.00	15.00	35.00		19.00	3.00
		2.00			4.00										
Academic	Credit by Exam					123-315	68.25			51.50	41.00				35.00
	Distance Learning				15.00										10.00
	Laboratory		10.00								15-80				
	Experiential Learning Health Careers Course Fee	20.00					68.25			103-309					

<b>Full-Time Fees</b>															
Tuition	Sponsored		1,425.00		1,320.00			1,365.00	1,260.00			1,450.00		1,365.00	1,200.00
	Non-Sponsored		2,860.00		2,640.00			2,730.00	2,520.00			2,900.00		2,730.00	2,400.00
	Out-of-State		4,275.00		3,960.00			4,095.00	3,780.00			4,350.00		4,095.00	3,600.00
	Other							2,047.50				2,550.00			
Universal	Capital - Non-Sponsored	78.00						135.00	165.00			210.00		30.00	
	Capital - Out-of-State	78.00						270.00	315.00					30.00	
	Capital - Other							135.00				90.00			
	Technology							180.00	120.00					360.00	
	Activity College/Comprehensive/General	50.40						75.00						45.00	
								195.00			540.00		285.00		

**FIGURE 5  
PENNSYLVANIA COMMUNITY COLLEGES'  
2011-12 TUITION AND FEES**

	Allegheny	Beaver	Bucks	Butler	Delaware	Harrisburg	Lehigh Carbon	Luzerne	Montgomery	Northampton	PA Highlands	Philadelphia	Reading	Westmoreland
<b>Fixed Fees</b>														
Universal	Application College/Comprehensive/General		0.00	25.00	25.00	35.00			25.00	25.00	20.00	20.00		15.00
Academic	Course Fees	50-900	10-450			10-800		10-185		10-608		75-300		
	Distance Learning	20.00						40.00				35.00	30.00	
	Laboratory	10.00			25.00					15-80	10-950		405.00	10-25
	Assessment						95.00						45.00	
	Credit by Exam	95.50	75.00	60-102	15.00							138.00	74.00	30.00
	Experiential Learning		60.00						103.00		30.00	138.00	22.00	75.00
	Independent Study					50.00								75.00
	ATI Testing Materials	98-128					45.00							
	Accident Insurance	4.16												
	Malpractice Insurance	7.70		15.00	20.00	25.00				10-70			23.00	
Other	ID Card											10.00		
	Replacement ID Card	10.00	3.00			5.00	5.00		5-20	10.00		10.00	5.00	5.00
	Replacement of Higher One Card			20.00		20.00				20.00				
	Registration Deposit	500.00 <sup>1</sup>						50.00						
	Admission Deposit									50-200				
	Matriculation Fee	25.00												
	Re-registration	25.00								10.00				
	Late Registration	25.00	25.00	25.00	20.00		5.00	15.00	10.00		50.00	30.00		
	Schedule Revision	5.00						10.00						
	Drop Fee						5.00				5.00			
	Withdrawal Fee							15.00						
	Transcript	4.00	5.00	2.00	4.00			5.00	5.00	6-33		3.00	3.00	
	Graduation	20.00	25.00	20.00	40.00	25.00		50.00				30.00	40.00	20.00
	Processing Fee					5-20		2.00						
	Record Reproduction							25.00						
	Tuition Payment Plan	25.00	50.00	25.00		30.00	30.00	25.00	35.00	35.00	35.00	35.00	15.00	35.00
	Payment Plan Late Fee	15.00	100.00			15.00			25.00	25.00				
	Late Payment								15.00					
	Returned Check	25.00	25.00	25.00	20.00	25.00	20.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
	Check Stop Payment Fee	20.00						25.00						

<sup>1</sup> Air Traffic Control program