



Tuesday, September 9, 2014

11 The proposals selected for submission to the Board of Governors come from the College of Business:

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- x Executive Master of Accounting 1
- to the Board pending full Board approval. 1

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FISCAL IMPLICATIONS 1

It is anticipated that these market rate programs will generate more than \$2 million for Fiscal Year 2015,16. 1

Supporting Documentation:

2014 Market-Rate Program Proposals
Florida Board of Governors Regulation 7.001

Presented by: Dr. Gary Perry, Interim Provost
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Master of Science in
International Business
52.1101
Yes
No
No

Master of Taxation
52.1601
Yes
No
No

Master of Accounting
52.0301
Yes
No
No

N/A

N/A



State University System
Florida Board of Governors
Request to Establish Market Tu

State University System
Florida Board of Governors
Request to Establish Market Tuition Rates Regulation 7.001(15)

Identify any proposed restrictions, limitations, or conditions to be placed on the policy:
There will not be any proposed restrictions, limitations, or conditions placed on the policy.

Accountability Measures

State University System
Florida Board of Governors
Request to Establish Market Tuition Rates Regulation 7.001(15)

anticipated revenue collection, how the revenue will be spent, whether any private vendors will be used, and which budget entity the funds will be budgeted.

The proposal will enable the University to provide students greater access to programs, increase the number of degreed graduates, and improve visibility through increased advertising.

It is expected that the market rate Master of Accounting will generate \$1,700,000 FY

State University System

State University System
Florida Board of Governors
Request to Establish Market Tuition Rates – Regulation 7.001(15)

and Out of State students.

Mission Alignment

Describe how offering the proposed program at market tuition aligns with the mission of the university and the Board strategic plan:

The Mission Statement of Florida Atlantic University is: Florida Atlantic University is a multi-campus public research university that pursues excellence in its missions of research, scholarship, creative activity, teaching, and active engagement with its communities.

The Masters of Taxation program aligns well with the mission of the University to pursue excellence in teaching and engagement with the community. The market rate tuition contributes to the strategic goal of enriching the educational experience by strengthening and expanding graduate programs at FAU, as well as meeting professional and workforce needs.

As the Southeast Florida region continues to grow as a hub of international commerce, so has the need for accountants and auditors in the financial services sector. Enterprise Florida Inc. (EFI) has designated Accounting/Auditing as an industry targeted for growth and predicts for 2014-2015 a need for nearly 1,200 additional advanced degree professionals in the field in FAU's service area, including the counties of St. Lucie, Martin, Palm Beach, Broward, and Dade.

There has been an increased focus on accounting and auditing as a response to corporate scandals and recent financial crises. Stricter laws and regulations, particularly in the area of

State University System
Florida Board of Governors
Request to Establish Market Tuition Rates – Regulation 7.001(15)

Accountability Measures

Indicate how the university will monitor the success of the policy. Provide specific metrics that will be used.

- **Number of cohorts initiated:** The cohort structure reinforces timely graduation rates. In the cohort arrangement, the same group of students takes the same courses throughout the duration of the program. This arrangement differs from the alternative flexible structure in which students select the course/s they take in any given semester. Since the latter staggered approach is less efficient for the College and less effective for student success, each market rate program will be a cohort program. The number of cohorts run for each program during each calendar year will be reported.
- **Number of students enrolled:** The number of students enrolled in each cohort will vary. Enrollment is a function of market tuition and economic conditions in the state, as well as a prospective student's self assessment of their time and availability to commit to a program. An appropriate range of students in each cohort is important to sustain a high level of student interaction and ensure sufficient contributions from each student.
- **Students satisfaction:** An overall satisfaction score will be reported for each program. This score will be a composite of items intended to measure student assessment of the program content, pedagogical effectiveness of the professor, and administrative services provided to the student.

Course Availability

Explain how the university will ensure that sufficient courses are available to meet student demand and facilitate completion of each program submitted for consideration. Will any similar E&G courses be eliminated or scaled back if this program is implemented?

The market rate Masters of Taxation program will be managed in a cohort format, which will ensure that a sufficient number of courses are available to meet student demand and facilitate completion of each program. The schedules of the programs are finalized well in advance and the School of Accounting Executive Programs will work with the School of Accounting to ensure sufficient faculty staffing for all programs.

FAU's College of Business currently offers a Traditional E&G funded Masters of Taxation program. This program will not be eliminated or scaled back.

State University System
Florida Board of Governors
Request to Establish Market Tuition Rates – Regulation 7.001(15)

The proposal will enable the University to provide students greater access to programs, increase the number of degree graduates and improve visibility through increased advertising.

It is expected that the market rate Masters of Taxation will generate \$300,000 FY2015-2016.

Revenues will be spent to cover direct and indirect instructional costs, program administration, student support services, career services, advertising, renovation of classrooms and facilities, technology upgrades for program delivery, professional development for faculty and staff, and to support College and University initiatives.

Private vendors will not be utilized for direct delivery and administration of the program; however, private approved university vendors such as food caterers, textbook publishers, media outlets for advertising, technology and material providers will be used to support the program.

Funds will be budgeted through the School of Accounting Executive Programs as a self-supporting auxiliary unit within the College of Business.

Other Information

Provide any additional information if necessary, and complete the attached supplemental form. Indicate additional degrees that may be produced by going to market tuition and how the university will assist the students with employment or career advancement.

State University System
 Florida Board of Governors
 Request to Establish Market Tuition Rates – Regulation 7.001(15)

University: Florida Atlantic University

Proposed Market Tuition Program: Master of Science in International Business

Date	
University Board of Trustees approval date:	September 9, 2014
Proposed Implementation Date (month/year):	08/2015
Graduate online or Graduate Continuing Ed. Course:	Graduate Online and Graduate Continuing Education
CIP Code:	52.1101
Description of the Program and the Market Tuition Rate Process	

Describe the program and explain the process used to determine market tuition.

The College of Business at Florida Atlantic University requests market rate pricing for Master of Science in International Business (MSIB) offered to working

State University System
Florida Board of Governors
Request to Establish Market Tuition Rates – Regulation 7.001(15)

Mission Alignment

Describe how offering the proposed program at market tuition aligns with the mission of the university and the Board strategic plan:

The Mission Statement of Florida Atlantic University is: Florida Atlantic University is a multi-campus public research university that pursues excellence in its missions of research, scholarship, creative activity, teaching, and active engagement with its communities.

The MS in International Business program aligns well with the mission of the University to pursue excellence in teaching and engagement with the community. The market rate tuition contributes to the strategic goal of enriching the educational experience by strengthening and expanding graduate programs at FAU, as well as meeting professional and workforce needs. The demographics of the region and the increasing growth of SE Florida as an international commerce hub, especially with Latin America and the Caribbean, will increase the demand for highly skilled individuals who are able to manage a wide range of global business entities throughout the region. International business and trade is a significant driver of the

State University System
Florida Board of Governors
Request to Establish Market Tuition Rates – Regulation 7.001(15)

- Number of cohorts initiated: The cohort structure reinforces timely graduation rates. In the cohort arrangement, the same group of students takes the same courses throughout the duration of the program. This arrangement differs from the alternative flexible structure in which students select the course/s they take in any given semester. Since the latter staggered approach is less efficient for the College and less effective for student success, each market rate program will be a cohort program. The number of cohorts run for each program during each calendar year will be reported.
- Number of students enrolled: The number of students enrolled in each cohort will vary. Enrollment is a function of market tuition and economic conditions in the state, as well as a prospective student's self assessment of their time and availability to commit to a program. An appropriate range of students in each cohort is important to sustain a high level of student interaction and ensure sufficient contributions from each student.
- Student satisfaction: An overall satisfaction score will be reported for each program. This score will be a composite of items intended to measure student assessment of the program content, pedagogical effectiveness of the professor, and administrative services provided to the student.

Course Availability

Explain how the university will ensure that sufficient courses are available to meet student demand and facilitate completion of each program submitted for consideration. Will any similar E&G courses be eliminated or scaled back if this program is implemented?

The market rate MS in International Business program will be managed in a cohort format, which will ensure that a sufficient number of courses are available to meet student demand and facilitate completion of each program. The schedules of the programs are finalized well in advance and the Department of Executive Education will work with department chairs to ensure sufficient faculty staffing for all programs. Historically, FAU's Executive Education degree programs offered to working professionals under Continuing Education BOG Regulation 8.002, have always provided a sufficient number of courses to meet student demand.

FAU's College of Business does not currently offer a Masters of International Business program; the curriculum for it was established in 2000, but the program has been dormant since 2006.

State University System
Florida Board of Governors
Request to Establish Market Tuition Rates – Regulation 7.001(15)

Revenues will be spent to cover direct and indirect instructional costs, program administration, student support services, career services, advertising, renovation of classrooms and facilities, technology upgrades for program delivery, professional development for faculty and staff, and to support College and University initiatives.

Private vendors will not be utilized for direct delivery and administration of the program, however private approved university vendors such as food caterers, textbook publishers, media outlets for advertising, technology and material providers will be used to support the program.

Funds will be budgeted through the Executive Education auxiliary department within the College of Business.

Other Information

Provide any additional information if necessary, and complete the attached supplemental form. Indicate additional degrees that may be produced by going to market tuition and how the university will assist the students with employment or career advancement.

(8) Registration shall be defined as the formal selection of one or more credit courses approved and scheduled by the university and tuition payment, partial

fee amount. The block tuition policy can only be implemented beginning with the fall term.

be continued or modified. The university board of trustees shall submit its findings to the Board.

(14) As a component of the annual university Work Plan, a board of trustees may submit a proposal to the budget committee of the Board of Governors by May 31 of each year to establish an increase in the undergraduate tuition differential to be implemented with the fall academic term. The tuition differential shall promote improvements to undergraduate education and provide financial aid to undergraduate students who have financial need. University boards of trustees shall have flexibility in distributing need-based financial aid awards according to university policies and Board of Governors' regulations.

(a) The aggregate sum of tuition and tuition differential can not be increased by more than 15 percent of the total charged for the aggregate sum of these fees in the preceding fiscal year.

1. The tuition differential may be assessed on one or more undergraduate courses or all undergraduate courses and may vary by campus or center location.
2. The sum of undergraduate tuition and associated fees per credit hour may not exceed the national average undergraduate tuition and fees at four-year degree granting public post secondary educational institutions.
3. Students having prepaid contracts in effect on July 1, 2007, and which remain in effect, are exempt from paying the tuition differential.
4. Students who were in attendance at the university before July 1, 2007, and maintain continuous enrollment may not be charged the tuition differential.

(b) The university board of trustees' proposal shall be submitted in a format designated by the Chancellor, and include at a minimum:

1. The course or courses for which the tuition differential will be assessed.
2. The amount that will be assessed for each tuition differential proposed.
3. The purpose of the tuition differential.
4. Identification of how the revenues from the tuition differential will be used to promote improvements in the quality of undergraduate education and to provide financial aid to undergraduate students who have financial need.
 - a. For the purposes of the following subsection,
 - i. "Financial aid fee revenue" means financial aid fee funds collected in the prior year.
 - ii. "Private sources" means prior-year revenue from sources other than the financial aid fee or the direct appropriation

for financial assistance provided to state universities in the
General Appropriations Act.

3. Licensure pass rates for completers of appropriate undergraduate programs.
4. Number of undergraduate course offerings.
5. Percentage of undergraduate students who are taught by each instructor type.
6. Average salaries of faculty who teach undergraduate courses.
7. Undergraduate student-faculty ratio.
8. Other university specific measures identified by the boards of trustees pursuant to subparagraph (14)(b)5.
9. Number of need-based financial aid awards provided, average award, and median award.

(d) The budget committee shall review each proposal and advise the university board of trustees of the need for any additional information or revision to the proposal. The budget committee will make a recommendation to the Board of Governors at the next scheduled meeting.

(e) The Board of Governors will act upon the budget committee recommendation at the next scheduled meeting. If a university board of trustees' proposal is denied, within five days the university board of trustees may request reconsideration by the Board's Tuition Appeals Committee, which shall consist of the Chair of the Board and the Chair of each Board committee. The Tuition Appeals Committee will meet within ten days after the Board of Governors denial to consider a university board of trustees request for reconsideration.

(f) Each university board of trustees that has been approved to assess a tuition differential shall submit the following information to the Board of Governors General Office in a format and at a time designated by the Chancellor, so that such information can be incorporated into a system report that will be submitted to the Governor and Legislature by January 1.

1. The amount of tuition differential assessed.
2. The course or courses for which the tuition differential was assessed.
3. Total revenues generated.
4. Number of students eligible for a waiver as outlined in Regulation 7.008(20), number of these students receiving a waiver, and the value of these waivers.
5. Detailed expenditures (submitted as a part of the August operating budget).
6. Detailed reporting of financial aid sources and disbursements sufficient to meet the requirements in subparagraph (14)(b)4.
7. Data on indicators outlined in subparagraph (14)(c).

(g) Universities must maintain the need-based financial aid revenue generated from the tuition differential in a separate Education and General account, with the revenue budget in the Student and Other Fee Trust Fund.

(h) If, after approval by the Board of Governors, a university determines that modifications need to be made to the monitoring and implementation of the proposed undergraduate improvement programs, the university shall notify the Chancellor.

(15) A university board of trustees may submit a proposal for market tuition rates for graduate-level courses offered online or through the university's continuing education unit when such courses constitute an approved degree program or college credit certificate program. Proposals shall be submitted to the budget committee for consideration by the committee during a November meeting.

(a) Proposals to charge market tuition rates for degree programs and college credit certificate programs shall be considered by the Board only if documentation is provided that demonstrates:

1. The programs have been approved JTJ 0.0001 Tc do D 2 leadget 24it-14.lice Tc7.

The university findings shall include, but not be limited to, program enrollments, degrees produced, and enrollments in similar state funded programs. The budget committee will then make any appropriate recommendations to the Board for changes of market tuition rates programs.

(c) The proposal for market tuition rate programs shall be submitted in a format designated by the Chancellor and include at a minimum:

1. A description of the program and its compliance with the requirements outlined in (15)(a).
2. An explanation of the process used to determine the market tuition rate and the tuition at similar programs from at least five other institutions, including both private and public.
3. A description of similar programs offered by other state university system institutions.
4. An estimate of the market tuition rate to be charged over the next three years. Any annual increase shall be no more than 15 percent over the preceding year.
5. A description of how offering the proposed program at market tuition rate is aligned with the mission of the university.
6. An explanation and declaratory statement that offering the proposed program at market tuition rate does not increase the state's fiscal liability or obligation.
7. An explanation of any differentiation in rate between resident and non-resident students paying market tuition rate.
8. An explanation of any proposed restrictions, limitations, or conditions to be placed on the program.
9. A description of any outcome measures that will be used to determine the success of the proposal.
10. In addition, the following information will be included with the proposal:
 - a. An explanation of how the university will ensure that sufficient courses are available to meet student demand and facilitate completion of each program submitted for consideration.
 - b. A baseline of current enrollments, including a breakout of resident and nonresident enrollment, in similar state-funded courses.
 - c. An estimation of the economic impact that implementation of the proposal will have on the university and the student by identifying the incremental revenue the university anticipates collecting if the proposal is approved.
 - d. A description of how revenues will be spent, including whether any private vendors will be utilized, and which budget entity the funds will be budgeted.

(d) The Board of Governors will act upon the budget committee recommendation at the next scheduled meeting. If a university board of trustees' proposal is denied, within five days, the university board of trustees may request reconsideration by the Board's Tuition Appeals Committee, which shall consist of the Chair of the Board and the Chair of each Board committee. The Tuition Appeals Committee will meet within ten days after the Board of Governors' denial to consider a university board of trustees request for reconsideration.

(e) If a university charges a market tuition rate for a course within an approved program, preference shall be given to Florida residents in the admission process for similar state funded programs.

(f) Enrollments and degrees granted in market tuition rate program cohorts shall be reported in a manner to be determined by the Chancellor.

(g) Credit hours generated by courses in market tuition rate program cohorts shall not be reported as fundable credit hours and all costs shall be recouped