BOARD OF REGENTS BRIEFING PAPER Handbook Revision, Elimination of Good Neighbor Tuition Discount

BACKGROUND & POLICY CONTEXT OF ISSUE:

Under current Board policy, a graduate of a designated high school or community college in a state bordering Nevada may be charged a discounted tuition rate in lieu of non-resident tuition when enrolling as an undergraduate or graduate student at the universities, state college, or the community colleges. For example, a full-time non-resident student attending a university will be charged per credit registration fee <u>and</u> non-resident tuition (\$142.75 per credit registration fee plus \$13,290 non-resident tuition charge for academic year 2010-11). A student classified as a "good neighbor" will pay the per credit registration fee and the discounted per credit Good Neighbor tuition and will not pay the non-resident tuition (\$142.75 per credit registration fee plus \$157.00 per credit Good Neighbor tuition for academic year 2010-11). The Good Neighbor tuition discount would save a full-time undergraduate university student \$8,580 – assuming 30 credits over an academic year. Under the same assumptions for an NSC and community college student, the savings is \$7,958 and \$5,215 for an academic year. These savings represent foregone revenue to the institution.

In response to the required budget reductions, the Chancellor recommends elimination of the Good Neighbor tuition discount. A similar tuition discount for the children of alumni was eliminated last year in response to a recommendation of the Tuition and Fees Committee.

The extent to which the Good Neighbor discount has been utilized is noted in the following chart that indicates the number of students at each institution receiving the discount in Fall 2009 and Fall 2010.

equates to the registration fee plus 60 percent at the state college and community colleges and 110 percent at the universities.

 \emptyset The list of high schools and community colleges in the Board Handbook has not been updated in a number of years and is currently incomplete.

POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

Ø For some institutions, the Good Neighbor discount is an effective recruiting tool for students who live in nearby counties and want to attend a Nevada institution. In difficult financial times the institution will have great difficulty replacing this tuition offset with scholarships for students they want to recruit.

ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

Retain the Good Neighbor tuition discount.

COMPLIANCE WITH BOARD POLICY:

- £ Consistent With Current Board Policy: Title #____ Chapter #____ Section #_
- X Amends Current Board Policy: Title 4, Chapter 17, Sections 1, 9 and 12; Title 4, Chapter 15, Section 8
- X Amends Current Procedures & Guidelines Manual: *Chapter 7, Section 1*
- £ Other:_
- X Fiscal Impact: Yes_X___ No_

Elimination of the Good Neighbor tuition discount will result in some additional revenue for each institution, although it is likely to be less than the \$6.5 million that is estimated based on Fall 2010 Good Neighbor enrollments across the NSHE as some students who will no longer have the option of the discount will not enroll. (The \$6.5 million figure assumes full-time enrollment over an academic year.)

POLICY PROPOSAL TITLE 4, CHAPTER 17, SECTION 9

Good Neighbor Classification

Additions appear in *boldface italics*; deletions are [stricken and bracketed]

[Section 9.

Owens Valley High School Lone Pine High School

b. Those high schools and community colleges, located in areas of Northern California bordering Nevada for which a town or city in Nevada provides a significant source of goods and services include the following:

Modoc County, California Modoc High School Surprise Valley High School Warner High School

Lassen County, California Credence High School Herlong High School Lassen High School Render High School

Lassen Community College

Plumas County, California Almanor High School Beckworth High School Chester Jr-Sr High School Greenville Jr-Sr High School Indian Valley High School Portola Jr-Sr High School Quincy Jr-Sr High School Sierra High School

Feather River Community College

<u>Sierra County, California</u> Downieville Jr-Sr High School Loyalton High School Nevada County, California Tahoe Truckee Jr-Sr High School

<u>Placer County, California</u> North Tahoe High School Sierra High School

Sierra College

<u>El Dorado County, California</u> Mt. Tallac High School South Tahoe High School Lake Tahoe Community College

<u>Alpine County, California</u> Includes residents of the designated high school or community college districts in El Dorado or Mono Counties.

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Mono County, California Coleville High School Lee Vining High School Mammoth High School

Inyo County, California Big Pine High School Bishop High School Palisade High School]

SECTION 9 – DELETED IN WHOLE

RENUMBER SECTIONS 10 THROUGH 25 AS SECTION 9 THROUGH 24

GRANDFATHERING PROVISION

All students receiving the discount at the time the Good Neighbor policy is eliminated in Fall 2011 will be grandfathered and may therefore continue to receive the discount so long as they are continuously enrolled.

POLICY PROPOSAL TITLE 4, CHAPTER 17, SECTION 12 (in part)

Special Reduced Fees

Additions appear in *boldface italics*; deletions are [stricken and bracketed]

Section 12. Special Reduced Tuition and Fees

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6. Federally funded teacher training programs will carry an exception to in-state and out-of-state fee and tuition rates for contiguous[,] *and* WICHE [and Good Neighbor States] *states*, and may be offered at a reduced per-credit fee. Additionally, all NSHE institutions may offer professional development teacher training programs at a reduced per-credit fee when funded by Nevada school districts and/or the State of Nevada through non-NSHE funds, if collaborative agreements are in place. All course offerings will be approved and delivery overseen through the usual academic processes.

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POLICY PROPOSAL TITLE 4, CHAPTER 15, SECTION 8 (in part)

Reclassification of Nonresident Status - Good Neighbor

Additions appear in *boldface italics*; deletions are [stricken and bracketed]

Section 8. <u>Reclassification of Nonresident Status</u>

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6. Because residence in a neighboring state other than Nevada is a continuing qualification for enrollment in the [Good Neighbor or institu96 0 u .pf Tc -

NSHE Procedures and Guidelines Manual CHAPTER 7, SECTION 1 (in part)

Registration Fees - Good Neighbor Tuition

Additions appear in *boldface italics*; deletions are [stricken and bracketed]

Section 1. <u>Registration Fees and Non-Resident Tuition Rates</u>

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Good Neighbor Tuition

(Rates are assessed in addition to registration fees)

	2009-10	2010-11	2011-12	2012-13
Good Neighbor	\$149.50/	\$157.00/	\$172.50/	\$172.50/
Tuition, Universities	per credit	per credit	per credit	per credit
(undergraduate)				
Good Neighbor	\$239.50/	\$263.50/	\$263.50/	\$263.50/
Tuition, Universities	per credit	per credit	per credit	per credit
(graduate)				
Good Neighbor	\$59.00/	\$62.00/	\$68.00/	\$68.00/
Tuition, NSC	per credit	per credit	per credit	per credit
(undergraduate)				
Good Neighbor	\$96.25/	\$105.75/	\$105.75/	\$105.75/
Tuition, NSC	per credit	per credit	per credit	per credit
(graduate)				-
Good Neighbor	\$59.00/	\$62.00/	\$68.00/	\$68.00/
Tuition, GBC, CSN,	per credit	per credit	per credit	per credit
WNC (upper division)				
Good Neighbor	\$36.00/	\$37.75/	\$41.50/	\$41.50/
Tuition, Community	per credit	per credit	per credit	per credit
Colleges				

Effective P 28.1