Fiscal Estimate - 2007 Session

Original Update	d Corrected Supplemental
LRB Number 07-3644/2	Introduction Number AB-0792
Description Increasing fees at technical colleges for co	llegiate transfer programs
Fiscal Effect	
Appropriations Decrease Existing	Increase Existing Revenues Decrease Existing Revenues The proof of the
Permissive Mandatory	5.Types of Local Government Units Affected Towns Village Cities Counties Others Permissive Mandatory 5.Types of Local Government Units Affected Towns Others Counties Others School WTCS Districts
Fund Sources Affected GPR FED PRO PRS	Affected Ch. 20 Appropriations SEG SEGS
Agency/Prepared By WTCS/ Conor Smyth (608) 266-2991	Authorized Signature Date Morna Foy (608) 266-2449 2/19/2008

Fiscal Estimate Narratives WTCS 2/19/2008

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Description						
Increasing fees at technical colleges for collegiate transfer programs						

Assumptions Used in Arriving at Fiscal Estimate

Section 38.24(1m)(a), Wis. Stats. requires the WTCS Board to establish program fees (tuition) for liberal arts collegiate transfer programs to recover a minimum of 31% of the statewide average operational costs of such programs. The WTCS Board set the actual collegiate transfer recovery rate at 37.9% for 2007-08. Collegiate transfer tuition is currently \$124.70 per credit, or \$3,741 annually for a full-time student (30 credits per year).

Assuming all other factors in calculating collegiate transfer tuition remain unchanged, increasing the statutory cost recovery rate to 42% would increase collegiate transfer tuition by at least \$13.75 per credit, or by \$412.50 per year for a full-time student. Increasing the cost recovery minimum to 50% would increase collegiate transfer tuition by at least \$40 per credit, or by \$1,200 per year for a full-time student. Actual increases could be greater if colleges' operational costs increase.

Long-Range Fiscal Implications

Tuition costs are an important factor in student access and enrollments. A significant increase in tuition adds barriers to access, particularly for low-income students, at a time when WTCS students have significant unmet financial need.

Long-range effects of increasing tuition could be to decrease collegiate transfer enrollments, thus further increasing tuition for remaining students who must cover the same proportion of operational costs. WTCS districts' revenues may decrease over the long-term if enrollments decline.