

Fiscal Estimate Narratives
WTCS 2/19/2008

LRB Number 07-3644/2	Introduction Number AB-0792	Estimate Type Original
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.