

Investing in Master of Public Administration Student Success through Differential Tuition

The Financial Context

Since 2009 CUNY has experienced \$289 million in cuts to New York State funding. Thus, even as we continue to strive to provide our students with rigorous and rewarding programs of study and the academic support necessary for success in these programs, John Jay College is facing our share of these budget cuts and experiencing their negative effects on retention and graduation rates. In this context of declining public funding for higher education, the College and University must develop and pursue a more diversified portfolio of revenue generating activities in order to maintain and enhance the quality of programs and the achievement of our students. The implementation of retention strategies, the development of new majors and new master's programs, the potentialities identified by the Year Round College and the Distance Learning Task Forces, the growth in funded research, and the increased attention to the pursuit of private support are some of the revenue generating efforts currently underway. Despite these efforts, however, it is likely that in the near future, support for master's programs will continue to be challenged by the need to restore cuts to the overall college budget and meet ongoing operating expenses. The master's programs at John Jay, like all other units, will need to consider revenue generating strategies to support their mission.

Among graduate programs at John Jay, only the Master of Public Administration has an opportunity to generate revenue through the mechanism of a differential tuition, that is, tuition outside the standard tuition rate that applies only to specific degree programs. According to CUNY policy, differential tuition can be imposed only when all "like" degree programs in the University agree to it. So for example, all the social work degrees at CUNY agreed last year to implement a differential tuition (approved by the Board of Trustees on November 22, 2010). Currently, the University's nursing programs are planning to do the same. The University has three MPA programs--at Baruch, John Jay, and City College. Thus, if all three agree, a differential tuition can be enacted (Appendix A).

Differential tuition should be pursued only if substantial revenue can be raised and used in ways that would significantly benefit the program's students. John Jay, Baruch, and City College propose a 15% differential tuition (\$146 per course) for their MPA degrees. Even with this increase in place, tuition for CUNY MPA programs will continue to be well below that of most comparable programs (Appendix B). Each campus will be responsible for effectively utilizing the funds it derives from the differential tuition. At John Jay, if enrollment remains stable, the potential revenue will be approximately \$613,665.

Why Invest in the MPA Program?

The College's support of its master's students should reflect our core values of providing excellent and affordable education to a diverse student body whose goals reflect the public service mission of the College. However, the College's master's programs have traditionally been underfunded. They would all benefit from investment in appropriate services and resources for their students. Program directors have been particularly frustrated by on-going deficiencies in funding for such critical areas as student research (including both materials and travel), cutting edge technology for the classroom, and dedicated career services. The proposed differential tuition would provide a program-specific opportunity to invest in the MPA program, a program whose students account for much of the diversity in our master's programs and who, according to the *2009 Online Graduate Student Survey*, are more likely to consider the program to be a pathway to professional advancement.

MPA faculty have worked hard to revise the curriculum to create a more coherent program of study whose learning objectives better prepare students for academic and professional success. Indeed, four-year graduation rates have improved over the past decade, rising from a mere 25.5% for students entering in 1999 to a high of 62.8% for the 2004 cohort. However, the 4-year graduation rate has fallen back to 50.7% and remains below the John Jay and CUNY averages. (Appendix C). More needs to be done to provide services that help support student success in the classroom and beyond.

To guide the College's deliberations on the issue of a differential tuition, John Jay's MPA students were asked to participate in an extensive survey. Not surprisingly, most students surveyed were not in favor of paying higher tuition. However, even those opposed to the differential tuition could identify additional services that they would value. Their clear preferences conform to the best practices identified in the limited literature on master's student retention and completion. The uses of differential tuition that received the most favorable responses from students surveyed and those who participated in meetings with the President and the Dean include scholarships (merit and need-based), digital textbooks, dedicated career services, advisement, SPSS labs, and funding of student travel to conferences. These are precisely the kinds of support that address financial concerns, integration of technology, and more robust advisement practices that are likely to increase retention. The prominence of career services in their responses not only reflects the current service limitations (only one dedicated graduate career advisor), but also the growing emphasis on career advisement as an essential service for the long term success of graduate students.

The Plan for Investment

If approved by the CUNY Board of Trustees at its June 2011 meeting, the differential tuition will become effective in the fall 2011 semester and will be paid by all students enrolled in programs leading to the MPA degree including baccalaureate/master's students once they enroll for their 120th credit and begin to pay graduate tuition. The implementation of differential tuition will be consistent with all other CUNY tuition policies and New York State Law.

In the current fiscal year, there are 4,196 enrollments in the MPA program. If MPA enrollment remains constant in the first year of implementation of the differential tuition, 4,196 enrollments charged a \$146 in differential tuition per course would generate additional (differential) revenue of \$613,665 to be spent on program enhancements (Appendix D).

The College makes a commitment to its MPA students and faculty that investment of these funds will conform to the following principles:

1. New revenue generated by differential tuition collections will be dedicated for exclusive investment in the MPA programs.
2. Differential tuition revenues will be collected and disbursed through the College's regular enrollment management and business systems. The College will publish an annual report detailing revenues and expenditures of the differential tuition.
3. Differential tuition revenues will be used (1) to enhance instructional resources (e.g., digital textbooks, statistics labs, etc.) and (2) to augment services to MPA students (e.g., dedicated career development services, advising, travel to professional conferences, etc.), and (3) to enhance the general quality of the MPA programs.
4. All MPA students entering or continuing in fall 2011 will be eligible for financial aid or tuition waiver, at least up to the amount of the differential tuition, if the effect of the differential tuition is to increase the student's unmet need. Such assistance will be provided for no fewer than 2 years, i.e., at least through summer of 2013. Going forward, the allocation of funds to financial aid will be subject to the assessment of the impact of the differential tuition on such factors as program enrollment and diversity.
5. Differential tuition revenues may be set aside to invest in merit-based scholarships for new and continuing MPA students. Such scholarships would be administered by the College Scholarship Committee.
6. Differential tuition revenues will enhance investment in the MPA program and shall not be used to supplant existing funding or any future funding provided for all graduate programs or for College-wide services.

7. The College will assess the differential tuition policy annually. The College will create a Differential Tuition Planning and Oversight Committee to evaluate the effectiveness of differential tuition revenue expenditures and propose an annual budget to the Provost. The Committee shall be comprised of four faculty, designated by the MPA faculty, and three students, designated by the MPA Student Association, with appropriate staff appointed by the Provost.

Implementation Considerations and Risk Management

Although there have not been significant reductions in enrollment in response to previous smaller general tuition increases, the student survey indicates that there may be greater sensitivity to the larger price increase presented by the differential tuition. Of the current MPA students surveyed, 30.6% indicated that they would take fewer courses, 5.9% would drop out, and 15.6% would seek lower cost alternatives. MPA admissions have been trending upward, but the impact of a differential tuition on incoming students is unknown. The risk is that of a net reduction in MPA enrollment which would reduce tuition revenue to the College.

Although the survey response may be somewhat overstated, the College will mitigate this risk in a number of ways.

- ◆ The College will use a portion of the differential tuition revenue to provide financial aid to students with demonstrated need and thereby mitigate the impact on them. The availability of this financial aid will be widely publicized. It is not the intention of the proposal to price out current or prospective students.
- ◆ Information on the continued relative affordability of the program will be widely disseminated. Despite the 15% differential tuition, the CUNY MPA tuition will remain well below that of most comparable programs.
- ◆ In the longer run, the funded improvements in the program must also be widely publicized, visible, and effective so that it is clear to students, alumni, and prospective employers that the value of the program has been enhanced.

Consultation

The consultation that has informed the development of this proposal has engaged a broad spectrum of participants. It has included discussions among the Presidents, Provosts, and other administrators of Baruch, City College, and John Jay College as well as consultation between administrators and their respective program directors and faculties. At John Jay, the MPA

program directors have consulted at weekly meetings with the Provost, Graduate Dean and other administrators. The MPA faculty has discussed the differential tuition at length and expressed its concerns in a number of resolutions and a proposal. MPA students expressed their opinions in an on line survey and at a well-attended Town Hall for MPA students hosted by the President. MPA Student Association members met with the Dean of Graduate and Professional Studies. The Committee on Graduate Studies discussed the matter, expressing interest in the concept, but also concern with respect to possible negative impact on MPA enrollment and College revenues. The Faculty Senate will also review and comment on the proposal and other relevant materials. This extensive consultation has resulted in a proposal that is focused on meeting critical student needs and reflecting the principles of transparency and accountability.

Governance

Tuition and fees are administrative decisions determined by the University. A joint resolution will be submitted to the Board of Trustees on behalf of Baruch College, the City College of New York, and John Jay College of Criminal Justice. The resolution will indicate the amount of the tuition increase requested and its general purposes. Within that framework, each campus will be responsible for effectively utilizing the funds it derives in a manner consistent with the resolution.

Appendix A

CUNY MPA Degree Programs

MPA Degree Programs at John Jay College of Criminal Justice

1. MPA in Public Policy and Administration (#02533)
2. MPA in Inspection and Oversight (code TBA)
3. BS/MPA in Public Administration (#02531)
4. BS/ MPA in Criminal Justice Management and Public Policy and Administration (#20703)
5. BS/MPA in Criminal Justice Management and Inspection and Oversight (Code TBA)
6. BS MPA in Public Administration and Inspection and Oversight (Code TBA).

MPA Degree Programs at Baruch College

1. MPA in Health Policy and Administration (#01953)
2. MPA in Public Administration (#01966)
3. MS/MPA in Nursing and Public Administration (#30003)
4. BA/MPA Economics and Public Administration (#33692)

MPA Degree Program at City College of New York

1. MPA in Public Service Management (Code #32355)

Appendix B

Current and proposed tuition rates

Tuition	Fall 2010	Spring 2011	Differential tuition	Fall 2011 with Differential
Tuition per credit	\$310	\$325	\$49	\$374
Tuition per Course	930	975	146	1121
Full-time semester (4 courses)	3,680	3,865	580	4,445
Program (14 courses)	13,020	13,650	2048	15,698
Nonresident per credit	575	605	91	696
Non-resident per course	1,725	1,815	272	2,087
Nonresident program (14 courses)	24,150	25,410	3,812	29,222

The proposed tuition rates generate a 15% tuition increase of \$580 per semester from full-time resident tuition; \$ 146 per course for part-time resident tuition; and \$272 per course for full and part-time non-resident tuition in programs leading to the Master of Public Administration degree.

Tuition Comparisons

Institution/Residency Variable	Per Credit	Program
CUNY In-state	\$374	\$4,445
CUNY Out-of-state	696	29,222
Rutgers University In-state *	617	25,914
Rutgers University Out-of-state	956	40,152
Columbia University—SIPA ¹	3,189	76,544
Long Island University	982	47,136
New York University—Wagner*** ²	1,114	66,840
Pace University	818	36,810
Seton Hall University	946	36,894

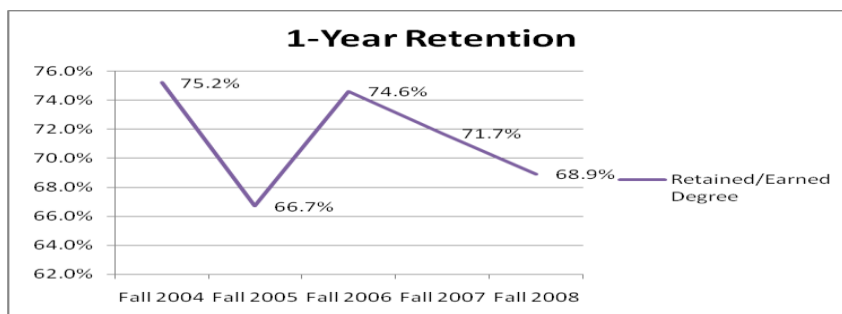
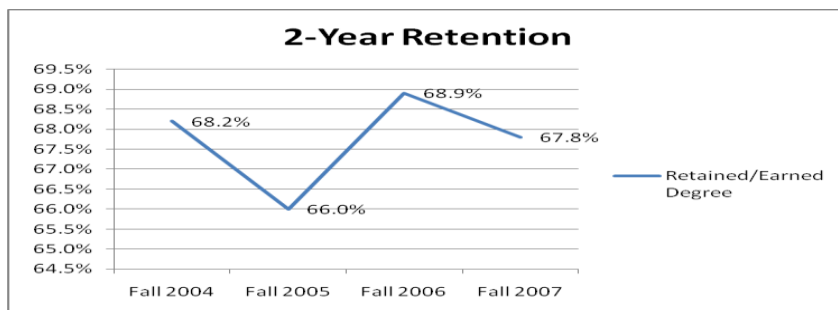
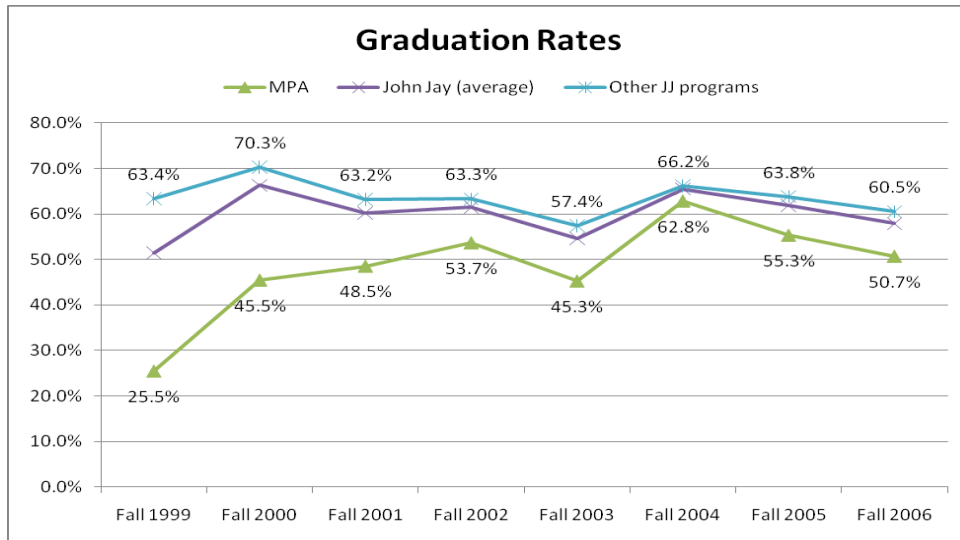
*Rutgers' semester fees range from \$351 for a student taking only 3 credits to \$420.38 for a full time student (12 credits or more). John Jay graduate fees are \$95.38 for part time students and \$145.38 for full time students.

John Jay's fees are significantly lower than its competitors, widening the gap between our total costs and theirs. Fees are not trivial, amounting in some cases to thousands of additional dollars per student each year.

¹ Students are only accepted to SIPA full-time, so the per credit-hour fee applies primarily to SIPA non-matriculants. FT tuition is discounted against the per-credit charge, however, SIPA imposes an addition \$3,773 in fees above Columbia base fees for a degree-cycle addition of \$7,546, which is not included here

² The Wagner figure includes a \$60 per-credit "registration fee" but does not include the first-credit fee of \$409 or any other NYU fees.

Appendix C



Appendix D

Examples of Expenditure & Financial Risk Scenarios

	Scenario A	Scenario B	Scenario C
Differential tuition rate	15%	15%	15%
Enrollment change (%)	0	-1%	-5%
Registrations	4,196	4,154	3,986
Tuition per course	975	975	975
Total tuition revenue	4,091,100	4,050,189	3,886,545
Tuition differential	146	146	146
Total Differential tuition revenue	613,665	607,528	582,982
Expenditures			
Evaluation, auditing and administration	12,000	12,000	12,000
Student support (scholarships and waivers)			
Offsets for FAFSA eligibles (60%)	<u>368,199</u>	<u>364,517</u>	<u>349,789</u>
Net Available for Program enhancements	233,466	231,011	221,193
Program Enhancements			
Digital Textbook project	50,000	50,000	50,000
MPA Career Advisor (65K plus fringe)	87,000	87,000	87,000
MPA Career Services Expenses	15,000	15,000	15,000
Advising College Assistant	20,000	20,000	20,000
Saturday MPA services	10,000	10,000	10,000
Off-site programs (361 enrollments -- 8%)	18,677	18,481	17,695
Other projects	<u>32,789</u>	<u>30,530</u>	<u>21,497</u>
Total program enhancements	233,466	231,011	221,193
Summary			
Evaluation, auditing, administration	12,000	12,000	12,000
Student support	368,199	364,517	349,789
Program Enhancements	<u>233,466</u>	<u>231,011</u>	<u>221,193</u>
Differential Tuition revenue	613,665	607,528	582,982
 General Tuition Gain (Loss)	 0	 (40,911)	 (204,555)