

Proposal Bachelor of Professional Studies Differentiated Tuition

Given the data below that captures tuition levels from peer and competitive institutions, we have recommended that the Bachelor of Professional Studies be offered at a 25% per credit hour discount. The data analysis on the following page provides the financial impact of discounts between 15- 40% for your discussion.

Offering this reduced tuition rate is based on the following:

- Lower tuition increases access to adult students who do not have the same access to financial aid as traditional undergraduate students.
- Lower tuition acknowledges the many other financial obligations adult learners typically encounter and increases the likelihood of persistence to degree completion.
- Adult students in general use fewer university resources.
- Competitive marketplace (see chart below)

School	Type of Program	Location / Delivery	Cost per Credit Hr.	Trad. Cost	Discount
College of Charleston	Degree Completion	Charleston	\$396	\$522	24%
Columbia College	Traditional degrees for adults	Online, hybrid, campus	\$395	\$650	39%
Liberty University	Degree Completion/ Traditional degrees for adults	Online	\$455	\$815	44%
Pfeiffer University	Degree Completion	Charlotte	\$460	\$700	34%
Queens University	Degree Completion/ Traditional degrees for adults	Charlotte/online	\$480	\$1434	66%
USC Palmetto	Degree Completion/ Traditional degrees for adults	Online	\$433	\$433	---
USC Upstate	Degree Completion/ Traditional degrees for adults	Greenville	\$467	\$467	---
Wingate University	Traditional degrees for adults	Wingate	\$395	\$1175	66%

BPS Tuition Reduction Analyses for Potential Enrollments

Base Assumptions for Revenue Projections

Current In-state Tuition / Credit Hour	\$ 639.00
Average Load	6
Indirect/Margin	30%

Enrollment	2020	2021	2022	2023	2024
Spring	15	50	70	95	115
Summer	-	15	30	35	50
Fall	35	60	85	105	165
Total	50	125	185	235	330
Anticipated Tuition Revenue	\$ 191,700	\$ 479,250	\$ 709,290	\$ 900,990	\$ 1,265,220

**Revenue calculations based on in-state tuition only (lowest potential revenue)*

Costs

I. Instruction

Program Director + Benefits	\$ 98,750	\$ 98,750	\$ 103,750	\$ 108,750	\$ 108,750
Outreach / Student Service Coordinator	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000
Additional Student Support	\$ -	\$ -	\$ 20,000	\$ 40,000	\$ 40,000
<i>Subtotal Instruction</i>	<i>\$ 143,750</i>	<i>\$ 143,750</i>	<i>\$ 168,750</i>	<i>\$ 193,750</i>	<i>\$ 193,750</i>

II. Other Direct Costs

Marketing and Promotion	\$ 35,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
-------------------------	-----------	-----------	-----------	-----------	-----------

Total Direct Costs	\$ 178,750	\$ 193,750	\$ 218,750	\$ 243,750	\$ 243,750
---------------------------	-------------------	-------------------	-------------------	-------------------	-------------------

III. Indirect (Institution/Margin)	\$ 57,510	\$ 143,775	\$ 212,787	\$ 270,297	\$ 379,566
---	------------------	-------------------	-------------------	-------------------	-------------------

Total Costs	\$ 236,260	\$ 337,525	\$ 431,537	\$ 514,047	\$ 623,316
--------------------	-------------------	-------------------	-------------------	-------------------	-------------------

Annual Profit / Loss	(\$44,560)	\$141,725	\$277,753	\$386,943	\$641,904
-----------------------------	-------------------	------------------	------------------	------------------	------------------

Cumulative Profit / Loss	(\$44,560)	\$97,165	\$374,918	\$761,861	\$1,403,765
---------------------------------	-------------------	-----------------	------------------	------------------	--------------------

What If Analysis	Enrollment Level	Discount Level (Off In-State Rate)					
		15%	20%	25%	30%	35%	40%
<i>Net profit and loss at different enrollment and tuition levels (indirect and marketing costs included). Based on the information used, the BPS will be in the black in Year 2 even at a 40% tuition discount level. We have recommended a discount of 25%, but please see chart for one-year impact of various discounts and enrollment levels.</i>		\$543	\$511	\$479	\$447	\$415	\$383
	50	(\$64,689)	(\$71,398)	(\$78,108)	(\$84,817)	(\$91,527)	(\$98,236)
	70	(\$19,064)	(\$28,457)	(\$37,851)	(\$47,244)	(\$56,637)	(\$66,030)
	85	\$15,155	\$3,748	(\$7,658)	(\$19,064)	(\$30,470)	(\$41,876)
	100	\$49,373	\$35,954	\$22,535	\$9,116	(\$4,303)	(\$17,722)
	115	\$83,591	\$68,160	\$52,728	\$37,296	\$21,864	\$6,432
	130	\$117,810	\$100,365	\$82,921	\$65,476	\$48,031	\$30,586
	140	\$140,622	\$121,836	\$103,049	\$84,262	\$65,476	\$46,689
	150	\$163,435	\$143,306	\$123,178	\$103,049	\$82,921	\$62,792