




Joan Y. Davis
Interim Chancellor

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MEMORANDUM #2009-EXE-159

DATE: October 23, 2009
TO: Presidents, Alabama Community College System
FROM: Joan Y. Davis, Interim Chancellor 
RE: Tuition Rate Adjustment

The State Board of Education at its October 22, 2009 meeting authorized an adjustment of the tuition rate for community and technical colleges to \$85 per credit hour for Spring Semester 2010, a \$5 per credit hour tuition adjustment to \$90 for Fall Semester 2010, and a \$2 per credit hour increase annually for Fall Semester 2011 and beyond. Attached is a copy of adopted Action Item VII.A.2 for your files. Distance education is included in the tuition rate adjustment.

Please recall, nevertheless, that the Alabama State Board of Education approved a March 26, 2009 resolution mandating the Colleges in the Alabama Community College System to issue scholarship waivers for tuition increases to PACT participants until the end of the 2012 academic year.

DE/ay

Attachment

cc: Business Managers

education works.

ALABAMA STATE BOARD OF EDUCATION
ALABAMA COMMUNITY COLLEGE SYSTEM

RECOMMENDATION FOR ACTION

October 22, 2009
Date of Board Meeting Action

Action Item Number VII.A.2.
Chancellor's Recommendation
Source

ACTION ITEM TITLE

ALABAMA COMMUNITY COLLEGE SYSTEM
Tuition Rate Adjustment

RECOMMENDATION

It is recommended "That the Alabama State Board of Education authorize an adjustment of the tuition rate for community and technical colleges to \$85 per credit hour for Spring Semester 2010, a \$5 per credit hour tuition adjustment to \$90 for Fall Semester 2010, and a \$2 per credit hour increase annually for Fall Semester 2011 and beyond."

FISCAL CONSIDERATION

The proposed tuition adjustment would produce \$21,521,535 in additional revenue for 2009-10.

RATIONALE

At a time when America's community colleges are called upon to serve as the engines of economic recovery for a nation in crisis, state funds have diminished significantly while enrollment demands are escalating. In fact, during the history of the Alabama Community College System, never before has proration reached current multi-year levels, resulting in a *total cumulative loss of state funding to the Alabama Community College System of \$92,623,480.*

It is predicted that Alabama will face severe economic challenges during the next two years. The cuts the state has made this year won't be enough to sustain government operations over the next two years. The state budget for the fiscal year starting October 1 was spared some pain because of \$3 billion the state got in federal stimulus money.

The Rainy Day Fund is depleted; the Proration Prevention Account is also depleted; and tax collections are expected to remain flat or decline. The Alabama Community College System has not increased tuition and fees since 2004, and its member institutions have rapidly approached dangerously low levels of available funds to meet basic needs. It is obvious that no additional funding will be available for the Alabama Community College System for four to five years or more.

Given the declared 7.5% proration for 2009-2010, dire economic projections, absence of federal stimulus funds for the future, and projections that state funds available to postsecondary education will continue to decline, the urgency of need has reached epic proportions to minimally adjust tuition within the Alabama Community College System. The core mission of the Alabama Community College System is endangered by the lack of adequate funding to support access for students most in need of the education provided by the System.

