

**2022-2023 Tuition Review Advisory Committee**

**Agenda**

**Friday, September 30, 2022**

**10:00 am – 12:00 pm**

Zoom

1. Approval of minutes from previous meeting [Committee] 5 minutes
2. Premium Tuition Requests
  - a. Previously Approve and Being Submitted to BOG (reminder only, no presentation) [Arden] 5 minutes
    - i. MS in Foundations of Data Science (first request for premium, BOT approved premium in 2018, but degree program was just approved in 2022)
    - ii. Master of Microbial Biotechnology (first request for premium, BOT approved in 2021)
    - iii. Doctor of Veterinary Medicine (existing premium increase request, BOT approved in 2021)
  - b. MS in Biomedical Engineering, MedTech Innovation and Entrepreneurship (concentration only) [David Zarahoff] 15 minutes
  - c. Master of Accounting [Frank Buckless] 15 minutes
  - d. Master of Business Administration [Frank Buckless] 15 minutes
  - e. Master of Management [Frank Buckless] 15 minutes
3. Discussion: TRAC's recommendation regarding Premium Tuition Request [Committee] 20 mins
4. Preliminary testing of different tuition rate scenarios/discussion [Jennifer Coltrane and Committee] 20 mins

**Next Meeting:**

**Thursday, October 6: 1:00 pm – 2:30 pm, via Zoom**

**2022-2023 Tuition Review Advisory Committee**

**Meeting Minutes**

**Friday, September 23, 2022**

9:00 am – 10:30 am

Zoom Meeting

- I. Introductions and review of committee charge [Warwick Arden, McKenzy Heavlin]
  - a. Introductions were made. Our objective is to make recommendations to the Chancellor in four categories. Resident and non-resident for both undergraduate and graduate students. We will discuss Premium Tuition later. When authorized we can also discuss special fees. There are two committees. The TRAC committee co-chaired by myself and SBP Heavlin. Then there is a fee committee chaired by VC and Dean Doneka Scott and SSP Calzini. Together we make a recommendation to the Chancellor. Then he makes a combined recommendation to the BOT at the November meeting. Then that is forwarded to the System Office where they will review our request along with other institutions. Usually BOG will vote on these around March or April. Tuition and Fee does not become part of budget decision. We listen to all points of view here. I have no interest in NC State being a high tuition institution. We have to balance that for us to continue to do what we do, move the institution forward and provide services; however, we do need additional revenues. Of the revenues, enrollment growth and tuition are the new revenues that allow us to do innovative initiatives across the university.
  
- II. Discussion of historical Campus Initiated Tuition Increase including (CITI), tuition premium and peer review [W. Arden]
  - a. Materials provided show 5 years of data including the current year in place. This is in four categories as mentioned before. The reason you see undergrad resident in two buckets at the top is that once a student comes in, there is fixed tuition throughout their time at the institution. Tuition really only applies to those new students coming in to the institution. This is our 6<sup>th</sup> year now of no increases for in-state undergraduates. That is a significant amount of money we no longer can receive. We understand the desire to keep tuition low but there is only so long that we can continue to do this. In most years there has been an increase allowed for undergrad non-residents.
  - b. Next data was reviewing how the tuition revenue we receive is spent. Four categories: need based financial aid, GSSP, faculty salaries and benefits, and improve quality and accessibility. For many years we were not able to put any money in need based financial aid due to the cap. What Krista will tell you is that is not enough money to hold harmless the financial aid needs. GSSP, same, we try to hold harmless the GSSP. This is the plan used to pay grad students on fellowship or assistantship. We have a reserve there or account if you will. Faculty salaries and benefits are very specific. These are the salary increases for those promoted through the RPT process for both tenure track and professional track. 6% and 8% bump in salary. Then there is quality and accessibility. This is what we have for seats and sections, innovative programs, advisors, etc. Programs that truly benefit the students. This is the amount leftover to benefit all students at the university.
  - c. Peer data was quickly reviewed to show where we are in relation to our peers on tuition.

- III. Review of 2022-2023 request and other communications received from the System Office [W. Arden]
  - a. Provost reviewed instructions with the committee. For our purposes no increase in tuition for undergrad residents. They will consider premium tuition proposals. Those are the main factors.
  
- IV. NC State Student Body perspective [M. Heavlin]
  - a. SBP Heavlin stated he is Fortunate to do this a second time. Student body is very aware of tuition right now. I'm sure that undergrad will be excited to hear that no increase for residents. Would like to keep graduate residents increases lower and balancing that with the nonresident increases for both undergrad and grad students. Last year we fixed that differential between graduate and under grad nonresidents.
  
- V. Review of Graduate Student Data & Graduate Student Support Plan Projections [Peter Harries]
  - a. Overview of what GSSP is about and why we should support it in context of CITI increase.
  
- VI. Review of Financial Aid data & Financial Aid projections for 2023-24 [Krista Ringle]
  - a. Overview of financial aid presentation given.

Next Meeting:

Friday, September 30: 10:00 am – 12:00 pm, via Zoom

## Introduction

In 2017-2018, the Joint Department of Biomedical Engineering (JBME) requested and received approval for premium tuition (\$2150 per semester) to help establish a new M.S. Biomedical Engineering concentration focused on medical device design and innovation. This professionally-focused program, now called **MedTech Innovation + Entrepreneurship**, teaches medical device development from concept to commercialization. The mission of the MedTech I+E program is to train the next generation of medical technology innovators and entrepreneurs for the state of North Carolina. It should be noted that the original concentration name, Translational Innovation and Entrepreneurship, was changed in 2022 to emphasize the program's focus on medical technology. It should also be noted that the existing premium tuition and the proposed increase request apply only to the MedTech I+E concentration and not other subplans or concentrations within the M.S. Biomedical Engineering degree.

Since launching in Fall 2019, the MedTech I+E concentration has graduated 29 innovators who have formed 5 companies, filed 4 patent applications and raised \$122,000 in funding. Ninety-two percent of MedTech I+E graduates have secured a job within 6 months of graduation. That number increases to 100% at 1 year post-graduation. In accordance with our mission, 70% percent of our graduates have accepted positions in North Carolina.

These successes have come at a significant cost to the JBME which has subsidized the MedTech I+E program approximately \$80,000 to \$90,000 per year – an unsustainable investment. The subsidy is necessary as the costs to administer the MedTech I+E program have been considerably greater than initially anticipated. In particular, the program relies on (and benefits from) significant instructional support from highly-trained medtech industry professionals and guest speakers in order to teach current industry best practices in medical device development. In addition, our unique clinical immersion series requires that all students complete a costly and time-consuming credentialing process prior to participation in area hospitals. Furthermore, limited revenue available for recruitment activities has constrained program expansion and visibility.

Because MedTech I+E is a one-year program, our current students were not consulted directly as they will not be affected by the proposed premium tuition increase. However, in conversations with prospective students, including some who have matriculated in the current cohort, it is clear that most are aware that the total tuition and fees for our program, even with the premium increment, is significantly lower than competitor programs (as discussed in section B). It should also be noted that recent alumni surveys indicate an overall high satisfaction with the program. No concerns about the cost of tuition were raised when feedback was sought.

In summary, the current premium tuition rate has fueled the early success of the MedTech I+E program, however, additional tuition revenue is needed to gain stability and to further improve the quality of the program. JBME is now requesting a \$1,850 /semester increase in premium tuition for the MedTech I+E program. The total premium tuition cost for the one-year program, including the increase, will be \$4,000 (Fall) + \$4,000 (Spring) + \$1,777.78 (Summer) = \$9,777.78. The additional revenue generated will be used to achieve our goal of establishing a nationally-recognized program in medtech innovation and entrepreneurship. Specific details on the use of the increased premium tuition dollars are delineated in subsequent sections of this proposal.

## A. The anticipated impact of the proposed tuition premium on program quality

The MedTech I+E program is off to a strong start with 29 graduates forming 5 companies and raising \$122,000 since 2019. However, the cost of administering the program far exceeds the revenue generated by current premium tuition levels. Although expensive, the use of industry professionals as instructors is a key differentiator for our program. Student exit interviews uniformly praise our instructors and guest speakers for bringing their experiences and network connections into the classroom. It would be counterproductive to save money by re-assigning existing tenured/tenure track JBME faculty who have limited medical device industry experience. Thus, an increase in premium tuition is needed just to maintain our industry-focused pedagogy.

In addition, we have identified five investment opportunities to significantly raise the quality of the MedTech I+E concentration. First, we will establish an annual **showcase event** for student teams to present their prototypes and business plans to Triangle medical device industry professionals and venture capitalists. In May 2022, we held a modest event at the North Carolina Biotechnology Center. Feedback from the 55 alumni, physicians, entrepreneurs and industry representatives in attendance was overwhelmingly positive. The increased premium tuition will help us establish a premier event with 200-300 attendees to provide students with greater opportunities to network with industry leaders and explore startup ventures with local investors.

Second, increased premium tuition will be used to hold quarterly **networking events** with alumni, current students and stakeholders in effort to strengthen relationships between these groups. Feedback from exit interviews revealed that more than half of our students received career opportunities through network connections made through the MedTech I+E program. As our alumni population grows, more frequent interactions will benefit both current and former students. For both showcase and networking events, premium tuition funds will be used to cover the costs associated with venue rentals, program printing, signage, name tags and other related meeting accessories. Departmental discretionary funds and/or industry sponsorships will be used to pay for food and drink at these events.

Third, the quality of the program can be enhanced through **improved recruitment** of larger, more diverse cohorts of students. To date, our recruitment activities have been limited by financial constraints. We have relied primarily on low/no cost activities, including websites, email campaigns using limited student directories and word-of-mouth. The reach of our recruiting efforts appears to have reached a plateau as the volume of student applications has not significantly increased in the past two years. In order to expand the applicant pool, premium tuition will be used to invest in recruitment activities, including travel to conferences/ universities, on-campus recruitment visits, nominal gifts (water bottles, shirts, notebooks, etc.), and application waivers. Regarding the diversity of our students, we are proud that our 2022-23 cohort is comprised of 64% female and 36% black female students. As we strive to increase our cohort size, it is important to redouble our efforts to recruit underrepresented minorities (URMs). We have been fortunate to recently win a small grant from the VentureWell foundation that will fund a one-day hackathon/recruiting event for NC A&T students this September. Premium tuition will be used to support future recruiting events for URMs at NC A&T as well as other UNC system schools.

Fourth, the MedTech I+E program does not have **dedicated staff** to support application management, student onboarding, ordering of project supplies, event planning, guest speaker

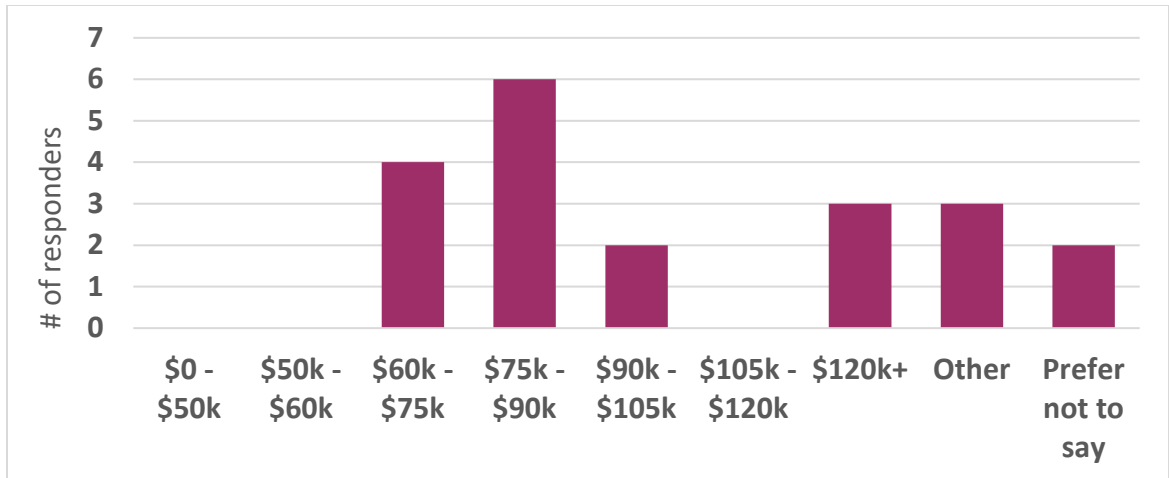
logistics, etc. Existing BME staff have absorbed these tasks along with their regular duties. One task that is unique to the MedTech I+E program and in urgent need of additional support is hospital credentialing for clinical immersion activities. Hospital credentialing is a process by which students are cleared to be observers in local hospitals by completing immunization requirements, criminal background checks, drug screening and compliance training. The verification of completing these tasks and corresponding with hospital compliance officers is cumbersome and has been spread among faculty, leading to inefficiencies and delays in our students gaining hospital access. Another initiative that we have not implemented due to lack of administrative support is the development of a part-time internship program for our students. Several of our local medtech industry partners have indicated a willingness to host our students as *paid* interns. Internships would help students apply knowledge gained in the classroom to real-world scenarios. Students would also receive a stipend from host companies that would help offset tuition and other costs of attendance. The premium tuition increase will be used to secure dedicated administrative support to facilitate credentialing, internships and other unique tasks associated with the MedTech I + E program.

The fifth and final aspect that will be improved with the proposed premium tuition increase is course **instruction**. As alluded to above, our instructors have more than four decades of industry experience in medical device development. We further supplement instruction with guest speakers who are subject matter experts in medtech, intellectual property, FDA regulatory affairs, device manufacturing, entrepreneurship, etc. The increase in premium tuition will improve the quality of instruction by providing stability to our current lecturers and allowing us to expand the number and quality of our guest speakers.

## **B. The projected impact of increased tuition on access for North Carolina residents**

The proposed increase in premium tuition adds \$4,522 to the total Tuition & Fees for the one-year MedTech I+E program. For NC residents, Tuition & Fees will increase from \$21,389 to \$25,911. A recent survey of alumni indicated that starting salaries ranges from \$60k to more than \$120k (**Fig. 1**). The nature of these survey data makes it difficult to compute a median salary, however, we can infer based on the data that the median is within the \$75k - \$90k range. Assuming a median salary of \$82.5k, the premium tuition increase represents only about **3 weeks of salary** after graduation.

Furthermore, as we establish the internship program discussed in section A, students are likely to benefit financially from the premium tuition increase by collecting a stipend or salary at their internship. Local medtech and design firms have already expressed a willingness to pay our MS students for their work during an internship. Altogether, the proposed increase in premium tuition is expected to be either recovered quickly with competitive starting salaries or pay for itself via paid internships.



**Figure 1 – Salaries of MedTech I + E Alumni**

Relative to peer programs, particularly Duke’s Master of Engineering in MedTech Design and Georgia Tech’s Master of Biomedical Innovation and Development (MBID) which are regional competitors, even with the increase in premium tuition, the MedTech I+E program is significantly more affordable (**Table 1**). Looking beyond the southeast U.S., our tuition is by far the lowest of similar programs. For North Carolina residents in particular, the MedTech I+E program, with the proposed tuition increase, is a remarkable value.

	Tuition & Fees	
	In-State	Out-of-state
Duke – MEng MedTech Design	\$92,823	\$92,823
Georgia Tech – MBID	\$35,307	\$54,149
Johns Hopkins – MS in Bioengineering Innovation and Design	\$60,480	\$60,480
University of Minnesota – MS in Medical Device Innovation	\$45,900	\$59,728
University of Southern California – MS in Medical Device and Diagnostic Engineering	\$60,480	\$60,480
Keck Graduate Institute – MS in Medical Device Engineering	\$64,698	\$64,698
NC State – MS Biomedical Engineering – MedTech I+E concentration ( <i>current</i> )	\$21,389	\$44,863
NC State – MS Biomedical Engineering – MedTech I+E concentration ( <i>w/ increase</i> )	\$25,911	\$49,385

**Table 1 – Tuition and Fees for MedTech I+E relative to peer programs**

### C. The availability of student financial aid for students with economic need and of tuition remission

Students with economic need are encouraged to apply for financial aid through the Office of Scholarships and Financial Aid. MedTech I+E does not provide financial aid; however, our students have been very resourceful in obtaining assistantships, work-study jobs and other part-time work. Although we are sensitive to the economic needs of students, particularly those from disadvantaged backgrounds, we do not anticipate using premium tuition to provide financial aid. Even with an increase in premium tuition, the revenue generated will be absorbed by existing and planned program costs (see the Form A spreadsheet).

A more effective use of premium tuition is the establishment of a paid internship program as discussed in [section A](#). Not only does a paid internship provide a salary to offset the cost of the degree, but it also increases the probability of successful career placement upon graduation.

### D. The extent to which current and prospective students can afford increases in tuition

According to the Office of Scholarships and Financial Aid, only about a third of our students demonstrate financial need. Most students appear to have the financial backing to afford the current degree. Therefore, an increase in \$4,522 is not likely to make the degree unaffordable for most students.

For the MedTech I+E students who obtain loans, the increased tuition is recovered quickly. As discussed in [section B](#), starting salaries of MedTech I+E graduates are very competitive. The tuition increase of \$4,522 represents a few weeks of salary. Given the investments outlined in [section A](#) that will be used to improve program quality, networks connections, and employment prospects, we expect the additional premium tuition increase to be returned many-fold over the course of an MedTech I+E graduate's career.

It should be noted that financial data only tell part of the story when it comes to return on investment. Students are drawn to our program because they are interested in **medtech entrepreneurship**. There are only a handful of other programs in the country that offer a similar education and these programs are substantially more expensive (**Table 1**). Some of our graduates, including a handful of recent alums, will continue to pursue their MS projects while working full-time. Other graduates will start or join new entrepreneurial ventures based on different ideas. Our program teaches the unique skills that allow these trailblazers to pursue their passions.

### E. The relationship between projected tuition revenue to institutional and/or program costs

After successfully graduating our first three classes, we are now in a better position to understand the costs of running MedTech I+E than we were three years ago when the initial premium tuition request was approved. With the increase in premium tuition, we will be able to absorb all anticipated increases in costs including new initiatives outlined in [section A](#). The increase in premium tuition enhances the sustainability and quality of the MedTech I+E program and does not unduly increase institutional and/or program costs.



**F. Tuition and fees, net of remissions and waivers, charged by peer institutions or programs as compared to tuition and fees, net of remissions, for the program (the public subsidy received by students at public institutions or programs in the peer set, including the program in question, will also be identified as part of the comparison)**

As demonstrated in **Table 1**, the current and proposed tuition and fees for the MedTech I+E program are significantly less than tuition plus fees or similar programs at peer institutions. Because we are not proposing to use premium tuition for tuition remission, scholarships or waivers, the data in **Table 1** for the MedTech I+E program are net totals. Even without tuition assistance, our program offers tremendous value.

Data regarding tuition remissions/waivers at peer institutions are not publicly available, however, previous applicants to our program have mentioned that they received scholarship offers from our immediate competitors, Duke and GaTech. The value of these scholarships is not known. In some instances, the scholarship influenced the applicant to matriculate elsewhere, while in other instances, the applicant joined our program despite an outside scholarship offer. Overall, scholarships are important for recruitment of high-achieving students. However, like financial aid, we believe revenue from premium tuition is better focused on initiatives that raise the overall program quality rather than helping a few students. In particular, implementation of an internship program that helps all students both professionally and financially is expected to reap greater benefits than a limited scholarship program.

**G. A plan for the intended use of additional tuition receipts (e.g., needed improvements to the educational program, funding for competitive salary increases, financial aid, etc.)**

As described in sections A & E, we have a clear understanding of the costs of our program and what it will take to significantly raise the quality and visibility of MedTech I+E. As illustrated in Form A, 6.2% of the revenue from the increased premium tuition will be used to support an annual MedTech showcase and new networking events. New recruiting efforts to increase both the size and diversity of our applicant pool will account for 11.7% of the premium tuition revenue. Our instructional support, which accounts for most of the premium tuition expenditures (60.4%) will be stabilized with modest salary increases and additional guest speakers. The remaining 21.6% will be used for dedicated administrative support to streamline credentialing processes and organize internship initiatives. With these investments, MedTech I+E will become a nationally-recognized program and an engine for the medtech/biotech economy of North Carolina.

**H. Assistantships or grant support for graduate students**

The MedTech I+E program does not currently offer assistantships or grant support. However, our students have applied for and have obtained assistantships both within and outside of the JBME department. We do not anticipate using premium tuition to support assistantships or grants. Given the limited revenue generated by premium tuition, a more effective use of funds is to establish an internship program that will not only provide a salary that can be used toward tuition, but also improve career placement opportunities following graduation.

**TUITION INCREASE REQUEST FORM  
FOR PROFESSIONAL SCHOOLS  
FY 2023-24**

**NCSU**

<b>College of Engineering, MS Biomedical Engineering concentration in MedTech Innovation + Entrepreneurship CIP Code - 14.0501</b>
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	<b>FY 2023-24 Annual</b>
<b>Requested School-Based Tuition Increase</b>	
Graduate Residents	\$3,700.00
Graduate Nonresidents	\$3,700.00
	<b>FTE</b>
Graduate Residents	9.78
Graduate Nonresidents	9.78
<b>Total</b>	<b>19.56</b>
 <b>Projected Revenues</b>	
Graduate Residents	\$36,177.78
Graduate Nonresidents	\$36,177.78
<b>Total</b>	<b>\$72,355.56</b>
 <b>Projected Expenditures</b>	
<i>Instructional Support, including guest speaker honoraria</i>	\$43,730.56
<i>Administrative Support</i>	\$15,625.00
<i>Recruitment Expenditures</i>	\$8,500.00
<i>Showcase and Networking Events</i>	\$4,500.00
<b>Total</b>	<b>\$72,355.56</b>

Does your campus intend to charge students in this program the requested graduate CITI plus the SBTI? (respond yes or no in the box)

Yes
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# **Masters in Accounting (MAC) Premium Tuition Request for FY24 increase**

## **Introduction**

### **Background for the program necessary for placing the premium tuition proposal**

The Jenkins MAC is a premiere online and face-to-face professional graduate degree program that contributes to the development of a highly skilled workforce in North Carolina. Its quality and success has been globally recognized by numerous ranking organizations who frequently list the Jenkins MAC with programs at other prestigious universities. Jenkins MAC has been ranked No. 4 among top online master's of accounting degrees (*University HQ*, 2022) and among top 20 master's accounting programs overall (*Public Accounting Report*, 2019).

Various factors contribute to the delivery of an exceptionally high-quality program. These include specialized programs that help to complement the technical skills (and classroom instruction) of students with "soft" skills such as communication, professionalism, and leadership. These skills are often provided by complementing regular faculty teaching with activities that include mentoring and networking events, influential corporate speakers, and engagement with external agencies for specialized skill development. Several of the MAC students (especially those in the online program) are different from traditional students in that they are working professionals who do classwork on evenings/weekends with very limited time. This requires that we invest in supporting these students with specialized staff for advising and professional career counseling and the like. Further, the MAC program is geared toward helping students obtain professional licensure (CPA), and that again requires specialized support and training.

Programming such as this is provided by all top-ranked schools. At NC State, we have paid for these activities using funds generated by premium tuition. The programming described above is currently supported by a premium tuition rate that was set in the 2017-2018 academic year. Over the last few years, we have seen the costs of each of the above activities increase significantly, consistent with the current inflation rate of 9.1%. Similarly, wages have risen significantly as a result of state increases and labor market pressures (almost 5% in the last ten months, according to the Bureau of Labor Statistics). These wage increases impact the MAC program directly because the salaries of staff serving MAC students, as well as the salaries of some specialized faculty, are paid directly from premium tuition and not from state appropriations. We have had to absorb these wage increases with our premium tuition revenue, and this has created a significant challenge for us to maintain the high level of support that is necessary for a top-ranked MAC program.

Given the above challenges, we are requesting an increase in the premium tuition charged in the Masters of Accounting program. We request an increase of \$1,570 per academic year for graduate residents and an increase of \$1,632 for non-resident graduate students. This differential increase will align the resident and non-resident premium tuition charges to \$14,632 per academic year.

**A brief description of what has created the need for premium tuition**

In recent years, the costs of delivering our internationally ranked MAC degree have increased significantly as we have made necessary market-driven investments in course delivery, integration of technology, and career and student services. At the same time, inflation and salary adjustments have increased our baseline costs. Specifically, since the latest premium fee was established in 2017, the total increase in prices has been 22.2%, according to the Bureau of Labor Statistics. In addition, the wages and associate benefits of our MAC program staff have increased by 8.6%. All of these expenses have been covered by a flat tuition rate, but now our ability to continue delivering our highly ranked MAC program is being significantly impacted. If we do not get the tuition increase, we will need to dramatically reduce our services which will impact student success, student salaries, and potentially time to degree.

**A brief description of what the program will use the premium tuition for**

The premium tuition increase will be used to continue providing services to students in the following ways:

1. **Career Support**– Given the specialized and unique path in the accounting profession, the MAC Program has dedicated resources to help prepare students for the recruiting process. In order to provide career opportunities for students, the dedicated career services function maintains relationships with approximately 35 firms throughout the year and facilitates opportunities for the firms to interact with students. 100% of the students who graduated in the 2021-22 class were able to find employment within three months of graduation. In addition, staff members focus on providing dedicated internship support through the Accounting Internship Recruitment (AIR) program.

2. **Transitional Support Program** – As we have moved to increasingly diversify the students admitted into the MAC Program, there are several students with high potential whose overall preparation to succeed in the MAC program is weak. This may occur because of prior preparation in the colleges they attended or based on when they took the program (Accounting systems and norms change rapidly) or for example their choice of majors/minors during their undergraduate degree. A transitional support program is run for such students to address the “gap” in their previous education experience. The program has demonstrated the ability to help at-risk students successfully complete the program.

3. **Personal academic advising, professional training, and mentoring** – Given the diversity in the MAC program, each student receives one-on-one advising to ensure they take classes that are consistent with their career aspirations. In addition, every student is assigned a faculty

mentor so that the student stays connected to the program. In addition (and especially as the diversity of students in the program has increased) students are provided professionalism training by staff and alumni that helps them onboard better into their careers.

**4. Support of faculty in class development** – The MAC Program is delivered through a combination of in-person and online classes. To ensure classes are maximizing the capabilities of current pedagogy and technologies, each faculty in the MAC Program is provided staff support to review the learning objectives and to explore the best way to present and assess the material. This helps to ensure consistency across the MAC curriculum.

**5. MAC Organization** - All students are members of the MAC Organization (a student club). The MAC Organization is responsible for providing service/community activities and social activities and provides a sense of community for MAC students. It also helps monitor and improve the mental health of the students. Community service activities underscore the importance of giving back. The social activities help the students develop deep relationships with students and faculty that will extend beyond their time in the MAC Program. Success of the MAC Organization depends on MAC faculty and staff providing direction (salary supported by premium), oversight and support to the student leaders.

**6. CPA Exam Preparation** – One of the main reasons students enroll in the MAC Program is to meet the requirements to obtain their CPA license. To obtain a CPA license, applicants need to complete the four-part CPA exam successfully. While preparing for the CPA exam is a key objective of the MAC Program, it is not the only objective of the MAC Program. To properly balance the need to prepare for the CPA exam with other needs of the accounting profession, the MAC Program provides students with a CPA Preparation Course produced by Becker for no charge to the students. Most MAC programs include CPA preparation elements. Poole College's program creates significant differentiation by offering this strong support through a third party. We will be renewing the contract next year and are aware that these costs will increase.

### **The anticipated impact of the proposed tuition premium on program quality**

The MAC Program is a top choice for students and contributes significantly to the business environment of North Carolina. Our ability to offer the differentiators listed above is a key contributor to the success of this program. In the absence of the increase in premium services, we will need to eliminate or cut back on the above differentiators leading to a significant decline in program quality and student success.

The success of the program is evidenced by the fact that 100% of the students are placed in top organizations that include EY, Deloitte, KPMG, PwC, BDO, Cherry Bekaert, Forvis (formerly, DHG), Grant Thornton, RSM, and CohnReznick. Even more noticeable is that the vast majority of our graduates stay on in North Carolina (close to 90%), thus significantly adding to the state's talent pool and economic growth.

Rankings:

- No. 4 in [top 50 online master's accounting colleges](#), *University HQ*, 2022
- No. 7 among [best online master's in accounting](#), *Academic Influence*
- No. 14 among [best master's in accounting degrees](#), *College Choice*, 2021
- Top 20 among master of accounting programs, *Public Accounting Report*, 2019 (among business schools with 24+ accounting faculty)
- No. 9 master of accounting program in the South, *Public Accounting Report*, 2019
- No. 11 among [25 best master's in accounting degrees](#), *Great Business Schools*, 2020
- No. 4 among [best schools for a master's in accounting](#), *Grad Reports*, 2018
- No. 8 among [top affordable master's in accounting](#), *Master's in Accounting Degrees*, 2014
- No. 34 [top accounting program](#), *TFE Times*, 2020

**The projected impact of increased tuition on access for North Carolina residents**

The table below shows the comparative in-state tuition of MAC programs that are similar or aspirational to the Jenkins MAC program. Even with the increase in premium tuition, the Jenkins MAC Program will be comparable to or lower than other schools. The short-term benefit of the MAC Program is it satisfies the educational requirements to sit for the CPA exam. More importantly, the longer-term impact of the MAC Program is that it opens up more career opportunities in the accounting profession that would not be available without a graduate degree.

University/School	Format	In-State Tuition of Total Program
Syracuse University/Whitman School of Management	Full-time	\$70,278
University of Miami/Miami Herbert Business School	Full-time	\$69,300
University of Southern California/USC Marshall School of Business	Full-time	\$63,468
University of North Carolina at Chapel Hill/Kenan-Flagler Business School	Online	\$60,747
Boston College/Carroll School of Management	Full-time	\$60,360
Wake Forest University/WFU School of Business	Full-time	\$52,954
University of California, Irvine/Paul Merage School of Business	Full-time	\$51,480
University of California, Irvine/Paul Merage School of Business	Part-time	\$51,480
University of Notre Dame/Mendoza College of Business	Full-time	\$46,900
University of North Carolina at Chapel Hill/Kenan-Flagler Business School	On-Campus	\$45,490
Michigan State University/Eli Broad College of Business	On-Campus	\$40,000

University/School	Format	In-State Tuition of Total Program
<b>Poole College of Management (with proposed increase)</b>	<b>Online</b>	<b>\$39,545</b>
Penn State University/Smeal College of Business	On-Campus	\$37,639
Elon University/Martha & Spencer Love School of Business	Full-time	\$37,620
University of Texas-Dallas/Jindal School of Management	Full-time	\$36,000
Temple University/Fox School of Business	On-Campus	\$34,260
Syracuse University/Whitman School of Management	Online	\$32,436
Auburn University/Harbert College of Business	Online	\$32,400
University of Pittsburgh/Joseph M. Katz Graduate School of Business and College of Business Administration	Full-time	\$30,880
Arizona State University/W.P. Carey School of Business	Full-time	\$29,608
University of Louisville/UofL College of Business	Evening	\$25,000
<b>Poole College of Management (with proposed increase)</b>	<b>Full-time</b>	<b>\$23,727</b>
University of Washington, Seattle/Foster School of Business	Full-time	\$22,899
Auburn University/Harbert College of Business	On-Campus	\$22,733
Indiana University/Kelley School of Business	On-Campus	\$20,130
Clemson University/Wilbur O. and Ann Powers College of Business	On-Campus	\$16,000
University of North Carolina-Greensboro/Bryan School of Business and Economics	All Programs	\$16,000
University of Florida/Warrington College of Business	Full-time	\$15,921
University of North Carolina at Charlotte/Belk College of Business	All Programs	\$13,782
Colorado State University/CSU College of Business	Full-time	\$10,834
Eastern Carolina University/ECU College of Business	Full-time	\$9,864
Appalachian State University/Walker College of Business	On-Campus	\$8,065

### **The availability of student financial aid for students with economic need and of tuition remission**

Most of the increase in the premium tuition will be used to cover our ongoing services. A small amount (about 10%) will be used to ensure that our MAC classes continue to remain representative of the demographics of North Carolina.

### **The extent to which current and prospective students can afford increases in tuition**

The MAC Program job placement at graduation has averaged 98% for the past three years, followed by 100% within three months after graduation. In 2022, the average starting salary was \$60,000. We expect to continue improving this with the tuition increase and plan to invest in coaching and mentoring for our online MAC students.

We held focus group discussions with a subset of our MAC students. During these meetings the students understood the rationale behind the fee increase. They emphasized that the services provided by the program were a key reason they chose to pursue the MAC program at NC State. However, the students also expressed concerns about the costs that would be incurred by the students in the context of rising inflation and rising interest rates on student loans. They asked us to strongly consider using part of the revenues to provide additional scholarships to the students.

### **The relationship between projected tuition revenue to institutional and/or program costs**

All increased costs associated with the premium tuition generating programs will be covered by the increased tuition.

### **Tuition and fees, net of remissions and waivers, charged by peer institutions or programs as compared to tuition and fees, net of remissions, for the program (the public subsidy received by students at public institutions or programs in the peer set, including the program in question, will also be identified as part of the comparison)**

As shown in the table above, even with the increase in premium tuition, the Jenkins MAC Program will be comparable to or lower than other schools.



**A plan for the intended use of additional tuition receipts (e.g., needed improvements to the educational program, funding for competitive salary increases, financial aid, etc.)**

Our increase request is driven by state-mandated salary increases, competitive salary increases, as well as inflation across all of our operational areas, as already mentioned. In addition, a portion of the increased revenue will be used for student scholarships. The below table outlines the projected expenditures. Revenue calculations can be found on [form a](#).

<b>Projected Expenditures</b>	
<i>Salary</i>	\$150,000.00
<i>Benefits (estimated at 30%)</i>	\$45,000.00
<i>Operational Increases due to inflation across all functional areas of the program</i>	\$11,747.00
<i>CPA exam prep cost increase</i>	\$10,000.00
<i>Student Scholarship increases</i>	\$24,083.00
<b>Total</b>	<b>\$240,830.00</b>

**Assistantships or grant support for graduate students**

Not applicable.

**TUITION INCREASE REQUEST FORM  
FOR PROFESSIONAL SCHOOLS  
FY24**

**NCSU**

***Poole College of Management, Master of Accounting***

***CIP Code(s): 52.1301***

<b>Requested School-Based Tuition Increase</b>	<b>FY24 Annual</b>
Graduate Residents	\$1,570.00
Graduate Nonresidents	\$1,632.00
	<b>FTE</b>
Graduate Residents	143.00
Graduate Nonresidents	10.00
<b>Total</b>	<b>153.00</b>
<b>Projected Revenues</b>	
Graduate Residents	\$224,510.00
Graduate Nonresidents	\$16,320.00
<b>Total</b>	<b>\$240,830.00</b>
<b>Projected Expenditures</b>	
<i>Salary</i>	\$150,000.00
<i>Benefits (estimated at 30%)</i>	\$45,000.00
<i>Operational Increases due to inflation across all</i>	\$11,747.00
<i>CPA exam prep cost increase</i>	\$10,000.00
<i>Student Scholarship increases</i>	\$24,083.00
<b>Total</b>	<b>\$240,830.00</b>

**Does your campus intend to charge students in this program the**

**Yes**

# MBA Premium Tuition Increase Request for FY24

## Introduction

### Background and context for the premium tuition proposal

The NC State Poole College of Management Jenkins MBA is a premiere online and face-to-face professional graduate degree program that contributes to the development of a highly skilled workforce in North Carolina and beyond. Its quality and success has been globally recognized by numerous ranking organizations who frequently list the Jenkins MBA with programs at other prestigious universities. Jenkins MBA has been ranked No. 1 in diversity (*Bloomberg Businessweek*, 2022), No. 6 in employability (*QS Online MBA Rankings*, 2021) and No. 8 in MBA programs with the best return on investment (*Poets & Quants*, 2018).

Various factors contribute to the delivery of an exceptionally high-quality MBA program. These include specialized activities that help to complement the technical skills (and classroom instruction) of students with “soft” skills such as communication, professionalism, ethics, leadership and negotiation. These skills are often provided by activities that include mentoring and networking events, influential corporate speakers and engagement with external agencies for specialized skill development. The typical MBA student is very different from a traditional student in that many MBA students are working professionals who complete classwork and assignments on evenings/weekends with very limited time. This requires investment in supporting these students with professional staff for advising and career counseling.

Programming such as this is provided by all top-ranked schools. At NC State, we have paid for these activities using funds generated by premium tuition; however, our current premium tuition rate was set five years ago in the 2017-2018 academic year. Over the last few years, we have seen the costs of each of the above activities increase significantly, consistent with the current inflation rate of 9.1%. Similarly, wages have risen significantly as a result of state increases and labor market pressures (almost 5% in the last ten months, according to the Bureau of Labor Statistics). These wage increases impact the MBA program directly because the salaries of our MBA program staff, and the salaries of some specialized faculty, are paid directly from premium tuition and not from state appropriations. We have had to absorb these wage increases with our premium tuition revenue, and this has created a significant challenge for us to maintain the high level of support that is necessary for a top-ranked MBA program.

Given the above challenges, we are requesting an increase in the premium tuition charged in the MBA program. We request an increase of \$1,700 per academic year for graduate residents and an increase of \$1,215 for non-resident graduate students. This differential increase will align the resident and non-resident premium tuition charges to \$15,825 per academic year.

### **A brief description of the need for a premium tuition increase**

In recent years, the costs of delivering our internationally ranked MBA degree have increased significantly as we have made market-driven investments in course delivery, integration of technology, and career and student services. These changes are necessary in order to meet the needs of employers and ensure strong placement outcomes. Further, students have a choice of a variety of MBA programs both from within the state and outside. Our ability to provide these services and to ensure strong employment outcomes is critical in keeping our program competitive, especially with respect to out-of-state schools that are increasingly courting North Carolina Students.

Our ability to offer many of the above services has been negatively impacted by inflation and salary adjustments that have increased our baseline costs. Specifically, since the latest premium fee was established in 2017, the total increase in prices has been 22.2%, according to the Bureau of Labor Statistics. In addition, the wages and associate benefits of our MBA program staff have increased by 8.6% (and continue to increase as we try to retain our workforce in these turbulent times. We have had to add more faculty to teach the growing demand of the program and to meet the more specialized needs of our students. These increased expenses have negatively impacted our ability to deliver our highly ranked MBA program.

### **A brief description of what the program will use the premium tuition increase for**

The premium tuition charged has historically paid for all student development activities and services and for the salaries of staff supporting the program. The increase in premium tuition will be used to ensure that we can continue to provide these services at a level necessary for the quality of our program. Without an increase in premium tuition, we will have to significantly reduce the services we provide, which will reduce student learning and development and, ultimately, student outcomes. These reductions in program quality will result in a decline in our rankings and national reputation, which, in turn, will lead to a decline in enrollments. In our competitive market, it is incredibly hard to rebuild reputation once it is lost.

1. Superior student outcomes. The Full-Time MBA program's success is measured by the quality of its placements. The starting salary of our graduates is amongst the highest of our peer schools. Ensuring such outcomes requires that we constantly engage in corporate outreach to ensure a match between employer needs and the skills of our students. It requires significant efforts to ensure that we are developing our students for success in both placement and post-placement careers. The efforts to mentor the students and help them with interviewing skills, job selection, onboarding training and so on are intensive. We also make significant efforts to showcase the talent of our students. With respect to our Part-Time MBA students, since they already have jobs, our focus is on mentoring them for success and growth within their organization or for an alternative organization. This requires us to engage in coaching and development. Such efforts, consistent with the best practices for top-ranked MBA programs, are done in a high-touch and labor-intensive way.

2. Mentoring, advising, and student development. An important aspect of our program is the active partnership between program leadership and student representatives to develop and deliver programming and initiatives that support and enhance the overall student experience. In-house events developed from this partnership include the Innovative Women's Conference, Rise Against Hunger and the Krispy Kreme Challenge. External opportunities include helping our students participate in high-profile global MBA events such as case competitions and MBA Games. We provide students with high-touch advising to ensure they choose paths appropriate to their skills and aspirations and that they complete their program on time.
3. Create flexibility for students. Given the diverse nature of our student population, we have worked to create significant flexibility for our students. This flexibility is manifested in multiple ways, including format, program length, location and course delivery. For instance, there is stackability in the program as students can obtain certificates in addition to their degree, or a certificate may count toward credit hours for an MBA degree. Similarly, we offer dual degree programs like the JD/MBA program. We also allow our part-time students to switch between online and in-person classes depending on their personal and work needs. These factors create customized learning for our students but also require considerable staff effort in advising and relationship management with students and with external partners.
4. Signature experiential events. To ensure hands-on learning that allows students to apply their knowledge and acquire global skills, we offer several experiential signature events in the MBA program. These include residencies where online students come to campus to work and collaborate as a cohort (this is a significant competitive advantage for our program). At least one residency every year is held overseas (for instance, at the Prague Center this year) to couple the experiential content with global learning. All students in the MBA program have to participate in a practicum and our faculty and staff work to design innovative and relevant practicum experiences. Finally, we offer a leadership series and certificate where students planning to take on leadership roles in organizations can acquire appropriate soft skills. These factors, which are very resource intensive, allow us to invest significantly in our students and further their job success.
5. Emphasis on the continuous improvement of courses. Because many of our courses are online, we invest significantly in the creation and delivery of these courses to ensure that they foster outstanding learning in our students. These investments include course refreshes (needed for online course delivery) and course enhancements (e.g., guest speakers, the use of simulations and technology tools etc.). The tuition increase will facilitate the development of relevant new courses and the continued enhancement of our existing courses.

6. Increase diversity in our classes. We plan to use a portion of the premium tuition increase to enhance our recruitment of minority students by adding scholarships and/or targeted recruitment. Increasingly top organizations are looking for graduates that can lead and excel in a multicultural environment. Having a high-quality, diverse student body in our program helps us to prepare our graduates to lead and excel in such an environment. Our program was ranked No.1 for diversity, we will need to invest more in this area to maintain our competitive edge.

### **The anticipated impact of the proposed tuition premium on program quality**

Over the years, the MBA program has provided a unique value add to our graduates. Students have had excellent outcomes with respect to graduation and with respect to employment and career growth. Several innovative features made these outcomes possible (as described in the preceding section). Because of inflation and wage increases, our ability to offer the above services has been negatively impacted. The increased tuition will allow us to keep providing services that have been a huge value-add to our programs. If we do not get the tuition increase, we will need to dramatically reduce our services which will impact student success, student salaries, and potentially time to degree.

Indeed, the increase in premium tuition will allow us to continue to provide the student learning and development that contributes to the above outcomes. The quality of the program is evidenced in the summary of rankings of the program provided below.

- [No. 1 in Diversity](#), *Bloomberg Businessweek*, 2022
- [No. 6 in employability and No. 27 overall](#) among professional evening MBA programs, *QS Online MBA Rankings*, 2022
- [No. 7 among online MBA programs](#), *The Princeton Review*, 2020
- [No. 10 Among Supply Chain Graduate Programs](#), *Gartner*, 2020
- [No. 11 best online MBA programs for veterans](#), *US News & World Report*, 2020
- [No. 12 among online MBA programs](#), *The Princeton Review*, 2021
- [No. 13 in best Online MBA Programs](#), *Poets & Quants*, 2022
- [No. 15 among online MBA programs](#), *US News & World Report*, 2020
- [No. 16 among online MBA programs](#), *US News & World Report*, 2021
- [No. 24 among online MBA programs globally](#), *QS Online MBA Rankings*, 2021
- [No. 36 – top 25 among U.S. public universities](#) – among full-time MBA programs worldwide, *The Economist*, 2021
- [No. 44 among full-time MBA programs](#), *Bloomberg Businessweek*, 2022

## Specific Economic Impacts of the Tuition Increase.

### The projected impact of increased tuition on access for North Carolina residents

The table below shows the comparative in-state tuition of MBA programs that are similar or aspirational to the Jenkins MBA program. Even with the proposed increase in premium tuition, the Jenkins MBA will be comparable to or lower cost than similar schools. Rough estimates indicate that, without taking in account work experience, students who complete their MBA receive approximately 85% higher salary. Taking work experience into account, students receive approximately 71% salary once earning their MBA.

University/School	Format	In-State Tuition of Total Program
University of Southern California/USC Marshall School of Business	In-person	\$131,796
University of North Carolina at Chapel Hill/Kenan-Flagler Business School	Online	\$125,589
Boston College/Carroll School of Management	Online/Part Time MBA	\$114,684
University of California, Irvine/Paul Merage School of Business	In-person, Hybrid	\$106,515
Syracuse University/Whitman School of Management	Online	\$97,308
Boston University/Questrom School of Business	All Programs	\$94,566
Duke University/Fuqua School of Business	Accelerated full-time	\$91,600
University of Maryland/Robert H. Smith School of Business	All MBA programs	\$90,828
Emory University/Goizueta Business School	Full Time	\$88,093
Wake Forest University/WFU School of Business	Online/Part Time MBA	\$79,975
University of Virginia/Darden School of Business	Full Time	\$72,200
University of Virginia/Darden School of Business	Online/Part Time MBA	\$72,200
Duke University/Fuqua School of Business	Full Time	\$71,750
University of Pittsburgh/Joseph M. Katz Graduate School of Business and College of Business Administration	Online/Part Time MBA	\$69,697
University of Pittsburgh/Joseph M. Katz Graduate School of Business and College of Business Administration	Full Time	\$69,697
Georgia Institute of Technology/Scheller College of Business	Online/Part Time MBA	\$61,128

University/School	Format	In-State Tuition of Total Program
Virginia Polytechnic Institute and State University/Pamplin College of Business	Online/Part Time MBA	\$59,500
Penn State University/Smeal College of Business	Online	\$59,328
Arizona State University/W.P. Carey School of Business	Online/Part Time MBA	\$57,716
<b>NC State (Poole) Tuition with proposed increase)</b>	<b>Online/Part Time MBA</b>	<b>\$55,378</b>
University of North Carolina at Chapel Hill/Kenan-Flagler Business School	Full Time	\$51,500
<b>NC State (Poole) Tuition with proposed increase)</b>	<b>Full time</b>	<b>\$49,830</b>
University of Florida/Warrington College of Business	Full Time	\$49,205
Colorado State University/CSU College of Business	Online/Part Time MBA	\$48,840
Indiana University/Kelley School of Business	Online/Part Time MBA	\$48,006
University of Texas-Dallas/Jindal School of Management	Flex	\$47,565
University of Texas-Dallas/Jindal School of Management	Online	\$47,565
University of Texas-Dallas/Jindal School of Management	Evening	\$44,360
Colorado State University/CSU College of Business	Live Online (Full Time Online)	\$42,615
Temple University/Fox School of Business	Online/Part Time MBA	\$42,288
Elon University/Martha & Spencer Love School of Business	In-person	\$42,237
Michigan State University/Eli Broad College of Business	Online	\$32,700
University of Louisville/UofL College of Business	In-person	\$32,000
Clemson University/Wilbur O. and Ann Powers College of Business	Part Time	\$27,200



## **The availability of student financial aid for students with economic need and of tuition remission**

While most of the additional revenue will be used to fund ongoing operations, a portion of the increased revenue will be used to increase financial aid to ensure that the class remains diverse and representative of the diversity inherent in North Carolina. It should be noted, however, that we already do offer significant tuition assistance to students. For instance, in the previous years, \$208,230 was used to support students through scholarships.

## **The extent to which current and prospective students can afford increases in tuition**

Over the last three years, the full-time MBA programs have had an average placement rate of about 95% three months after graduation. The average starting salaries have ranged between \$85,000 and \$103,000, as seen in Table 1 below. In the part-time programs, the outcomes are not measured as easily, but exit surveys indicate that the coaching provided to students leads to faster career promotions for our students in their organizations. We hope to improve these metrics using funds from the increased premium tuition. Clearly, students are achieving strong outcomes that allow them to recover the tuition they pay, and given the comparatively low cost of the Jenkins MBA program (even after tuition increases), we believe that students will find it of great value and be able to repay in a relatively short time frame.

Apart from the overall affordability of our program, it should be noted that over 89% of the students in our MBA programs are in the part-time program. These students are employed, usually at well-paid positions in key organizations (Table 2 below shows a sample list of companies where our students are employed). Apart from the fact that many of the students can afford the tuition, as of Summer 2022, over 60% of our students received reimbursement from their employers (partial or full) for their MBA tuition.

Table 1: Starting Salaries in the Full-Time MBA Program

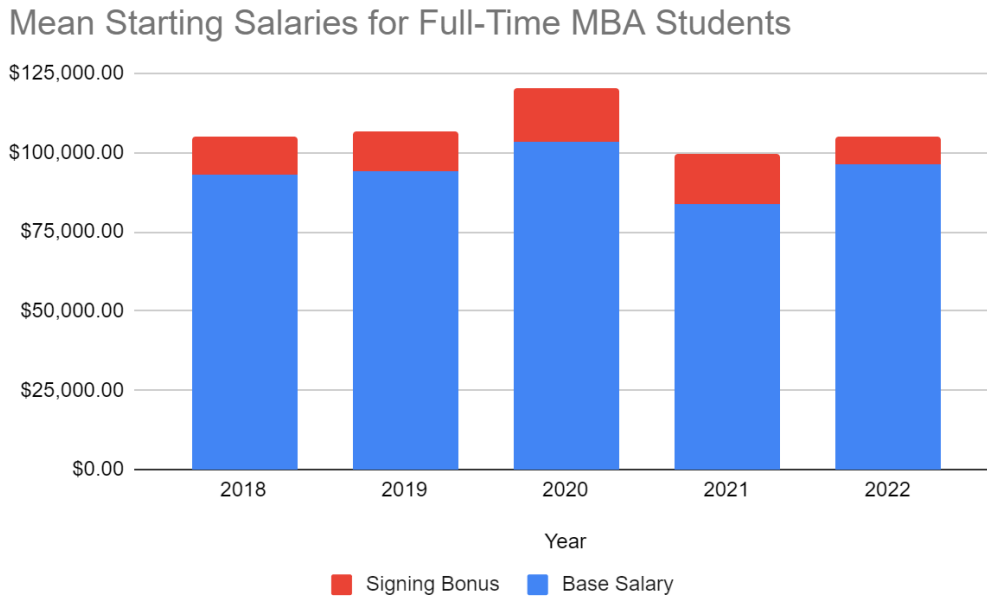


Table 2: Sample Employers of the Part-Time MBA students.



**The relationship between projected tuition revenue to institutional and/or program costs**

All cost increases associated with the premium tuition generating programs will be covered by the increased tuition.

**Tuition and fees, net of remissions and waivers, charged by peer institutions or programs as compared to tuition and fees, net of remissions, for the program (the public subsidy received by students at public institutions or programs in the peer set, including the program in question, will also be identified as part of the comparison)**

[This table](#) as outlined above shows the comparative in-state tuition of MBA programs that are similar or aspirational to Poole MBA program. Even with the increase in premium tuition, the Poole MBA will be comparable to or lower than that of other similar schools.

**A plan for the intended use of additional tuition receipts (e.g., needed improvements to the educational program, funding for competitive salary increases, financial aid, etc.)**

Our increase request is driven by state-mandated salary increases, competitive salary increases, as well as inflation across all of our operational areas. In addition, a portion of the increased revenue will be used for student scholarships. The below table outlines the projected expenditures. Revenue calculations can be found on [form a](#).

<i>Salary</i>	\$350,000.00
<i>Benefits (estimated at 30%)</i>	\$105,000.00
<i>Operational Increases due to inflation across all functional areas of the program</i>	\$4,168.00
<i>Course enhancement/improvement</i>	\$58,500.00
<i>Development of new courses</i>	\$52,000.00
<i>Increasing recruitment efforts of minority students</i>	\$50,000.00
<i>Student Scholarship increases</i>	\$68,852.00
<b>Total</b>	<b>\$688,520.00</b>

**Assistantships or grant support for graduate students**

Not applicable.

**Input from students**

We shared the amount of the tuition increase with select students in person and surveyed the rest of the students. In the survey, we explained the increase and asked students for their thoughts and reactions. Based on the responses received (and based on the focus group interactions, about 70% of the students indicated that they understood the reasons for the increase and were supportive. However, they suggested that we use part of the increased tuition to provide scholarships based on financial need.

**TUITION INCREASE REQUEST FORM  
FOR PROFESSIONAL SCHOOLS  
FY24**

**NCSU**

<b><i>Poole College of Management, Master of Business Administration</i></b>
<b><i>CIP Code(s): 52.1301</i></b>

<b>Requested School-Based Tuition Increase</b>	<b>[Fill in Fiscal Yr] Annual</b>
Graduate Residents	\$1,700.00
Graduate Nonresidents	\$1,215.00

	<b>FTE</b>
Graduate Residents	385.00
Graduate Nonresidents	28.00
<b>Total</b>	<b>413.00</b>

<b>Projected Revenues</b>	
Graduate Residents	\$654,500.00
Graduate Nonresidents	\$34,020.00
<b>Total</b>	<b>\$688,520.00</b>

<b>Projected Expenditures</b>	
<i>Salary</i>	\$350,000.00
<i>Benefits (estimated at 30%)</i>	\$105,000.00
<i>Operational Increases due to inflation across all</i>	\$4,168.00
<i>Course enhancement/improvement</i>	\$58,500.00
<i>Development of new courses</i>	\$52,000.00
<i>Increasing recruitment efforts of minority students</i>	\$50,000.00
<i>Student Scholarship increases</i>	\$68,852.00
<b>Total</b>	<b>\$688,520.00</b>

Does your campus intend to charge students in this program the

Yes

# **Masters of Management (MM) Premium Tuition Increase Request**

## **Introduction**

### **Background and context for the premium tuition proposal**

The Master of Management (MM) program is a premiere online and face-to-face professional graduate degree that recently introduced two new concentrations (marketing analytics and risk analytics) that will contribute to the development of a highly skilled workforce in North Carolina. The two new concentrations of this degree will build on the strengths that NC State and Poole College already demonstrate in the area of analytics. The marketing analytics concentration had its first class in fall of 2021 and the risk analytics concentration will have its first class in fall 2022. We expect these to be top programs in the country over the next few years. The MM program used to offer a concentration in Global Luxury Management that has since been discontinued. The premium tuition assessed for the two new concentrations is the same that was set for the Global Luxury Management concentration in 2017.

Our market research as well as student feedback indicates that we will need to provide significant support to this degree both in terms of effectively developing our students and to match what other comparable schools are providing. These include career support efforts, initiation of new and continuous updates of courses, personal advising, development of tailored practicums and running summits with key employers.

Programming such as this is provided by all top ranked schools. At NC State, we have paid for these activities using funds generated by premium tuition. The programming described above is currently supported by a premium tuition rate that was set in the 2017-2018 academic year, and when these specialized concentrations did not exist. Over the last few years we have seen the costs increase significantly, consistent with the current inflation rate of 9.1%. Similarly, wages have risen significantly as a result of state increases and labor market pressures (almost 5% in the last 10 months according to the Bureau of Labor Statistics). These wage increases impact the MM program directly because the salaries of staff serving the students as well as the salaries of some faculty are paid directly from premium tuition and not from state appropriations. Our ability to provide these services is constrained without an increase in our premium tuition.

Given the above challenges, we are requesting an increase in the premium tuition charged in the Masters of Management program. We request an increase of \$1,700 per academic year for graduate residents and an increase of \$1,215 for non-resident graduate students. This differential increase will align the resident and nonresident premium tuition charges to \$15,825 per academic year.

### **A brief description of the need for a premium tuition increase**

We had anticipated providing services and program enhancements that are typical for graduate programs in business. Historically, we funded these through the premium tuition receipts. This premium fee was established in 2017 and we have discovered that our ability to provide those enhancements and services has been impacted as costs and staff salaries have risen significantly since then. Specifically, since the latest premium fee was set in 2017, the total increase in prices has been 22.2% according to the Bureau of Labor Statistics. In addition, the wages and associate benefits of our program staff have increased by 8.6%. All of these expenses have been covered by a flat tuition rate, but now our ability to continue delivering services that are required for the success of this program is being significantly impacted. If we do not get the tuition increase, we will need to dramatically reduce our services which will impact student success, student salaries, and potentially time to degree.

### **A brief description of what the program will use the premium tuition for**

The premium tuition increase will be used to enhance the MM program in the following ways:

1. Greater emphasis on continuous improvement of courses, in addition to the development of new courses. The two MM concentrations are relatively new and are embedded in emerging professional fields (Marketing Analytics and Risk Analytics). Knowledge and tools in these domains are continuously evolving. This creates a need for continued course refreshes/enhancements for on-campus and online classes. These include the incorporation of leading teaching methods and the use of emerging teaching technologies. It will also be used to develop new courses that are relevant to today's environment (e.g., data analytics and emerging technologies (such as blockchain)). In addition, as these are new programs, we have to increase the number of courses as the programs become stabilized.
2. Superior focus on student outcomes. The MM students have been seeking greater coaching and mentoring opportunities. In addition, we will need to publicize these programs to potential employers better as they are new programs. For the risk analytics concentration, we need to provide access to the students to attend key roundtables given the specialized nature of the program. Since the concentrations are brand new we will need to publicize the student skills to potential employers.
3. Given the nature of the two concentrations, we will need to incorporate practicums and other experiential learning activities in the curriculum. We will need to support the staff and faculty who manage these initiatives.
4. Increasing the diversity of students in the MM Program. The increased premium revenue will be used to increase diversity in the program which will better meet the needs of employers who recruit MM students. We intend to use the increased premium tuition to better recruit minority students by increasing the availability of scholarships.

## The anticipated impact of the proposed tuition premium on program quality

We have just introduced the marketing analytics concentration in the MM program in fall 2021. and the risk analytics program commences in the Fall of 2022. While we do not have data from previous cohorts, benchmarking with other programs indicates that investing in the above activities will lead to superior learning and career outcomes. Additionally, with our top ranked MBA and MAC programs, we know what it will take to make these two concentrations thrive.

## The projected impact of increased tuition on access for North Carolina residents

The table below shows the comparative in-state tuition of MM programs that are similar or aspirational to the Jenkins MM program. Even with the increase in premium tuition, the Jenkins MM Program will be comparable to or lower than other schools. Given that we have not graduated a cohort yet and our students are mostly already employed, we are unable to calculate the time to recover the cost of tuition.

University/School	Format	In-State Tuition of Total Program
Syracuse University/Whitman School of Management	Full-time	\$70,278
University of Miami/Miami Herbert Business School	Full-time	\$69,300
University of Southern California/USC Marshall School of Business	Full-time	\$63,468
University of North Carolina at Chapel Hill/Kenan-Flagler Business School	Online	\$60,747
Boston College/Carroll School of Management	Full-time	\$60,360
Duke University/Fuqua School of Business	Full-time	\$59,300
Wake Forest University/WFU School of Business	Full-time	\$52,954
University of California, Irvine/Paul Merage School of Business	Full-time	\$51,480
University of California, Irvine/Paul Merage School of Business	Part-time	\$51,480
University of Notre Dame/Mendoza College of Business	Full-time	\$46,900
University of North Carolina at Chapel Hill/Kenan-Flagler Business School	On-Campus	\$45,490
Michigan State University/Eli Broad College of Business	On-Campus	\$40,000
Penn State University/Smeal College of Business	On-Campus	\$37,639
Elon University/Martha & Spencer Love School of Business	Full-time	\$37,620

University/School	Format	In-State Tuition of Total Program
University of Texas-Dallas/Jindal School of Management	Full-time	\$36,000
Temple University/Fox School of Business	On-Campus	\$34,260
Syracuse University/Whitman School of Management	Online	\$32,436
Auburn University/Harbert College of Business	Online	\$32,400
University of Pittsburgh/Joseph M. Katz Graduate School of Business and College of Business Administration	Full-time	\$30,880
Arizona State University/W.P. Carey School of Business	Full-time	\$29,608
University of Louisville/UofL College of Business	Evening	\$25,000
<b>Poole College of Management (with proposed increase)</b>	<b>Part-time</b>	<b>\$24,920</b>
University of Washington, Seattle/Foster School of Business	Full-time	\$22,899
Auburn University/Harbert College of Business	On-Campus	\$22,733
Indiana University/Kelley School of Business	On-Campus	\$20,130
Clemson University/Wilbur O. and Ann Powers College of Business	On-Campus	\$16,000
University of North Carolina-Greensboro/Bryan School of Business and Economics	All Programs	\$16,000
University of Florida/Warrington College of Business	Full-time	\$15,921
University of North Carolina at Charlotte/Belk College of Business	All Programs	\$13,782
Colorado State University/CSU College of Business	Full-time	\$10,834
Eastern Carolina University/ECU College of Business	Full-time	\$9,864
Appalachian State University/Walker College of Business	On-Campus	\$8,065

**The availability of student financial aid for students with economic need and of tuition remission**

A portion of the increased revenues (30%) will be used to provide tuition assistance to students with financial need. The previous program provided limited student support.



## **The extent to which current and prospective students can afford increases in tuition**

The MM programs are new and the first set of students have not yet graduated. Based on discussions with students (most of whom have jobs), there is a need to provide more mentoring and coaching from the career center to ensure that the students can leverage the MM degree for professional success.

The initial applications and the first cohort for the two concentrations indicate that virtually all admitted students hold well paid full-time jobs. In addition, a substantial percentage of students receive reimbursement from their employers for tuition.

The average starting salaries for students of peer schools that have similar programs range from \$51,000 to \$110,000 which indicates that their higher earnings potential provides them with the ability to pay back their costs relatively quickly.

## **The relationship between projected tuition revenue to institutional and/or program costs**

This program is currently supported by the Zelnak funds as well as the Poole Endowment to help it launch. No new expenses will be added to the support required and this increase will help offset the expenses currently being covered by our gift projects.

## **Tuition and fees, net of remissions and waivers, charged by peer institutions or programs as compared to tuition and fees, net of remissions, for the program (the public subsidy received by students at public institutions or programs in the peer set, including the program in question, will also be identified as part of the comparison)**

The table provided above shows the comparative in-state tuition of MM programs that are similar or aspirational to the Jenkins MM program. Even with the increase in premium tuition, the Jenkins MM Program will be comparable to or lower than other schools.

## **A plan for the intended use of additional tuition receipts (e.g., needed improvements to the educational program, funding for competitive salary increases, financial aid, etc.)**

As mentioned, the premium tuition for this program was established prior to the development of the two new concentrations. This means the fee was not set with the current needs of

developing these programs. In addition, a portion of the increased revenue will be used for student scholarships. The below table outlines the projected expenditures. Revenue calculations can be found on [form a](#). An important note is without formal enrollment data for the risk and analytics program, revenue projections may be lower than actual. However, all revenues will be used towards making the programs self-sustainable and reducing costs on our gift funds.

<b>Projected Expenditures</b>	
<i>Salary</i>	\$12,000.00
<i>Benefits (estimated at 30%)</i>	\$3,600.00
<i>Operational Increases due to inflation</i>	\$1,571.00
<i>Student Scholarship increases</i>	\$7,359.00
<b>Total</b>	<b>\$24,530.00</b>

**Assistantships or grant support for graduate students**

Not applicable.

**TUITION INCREASE REQUEST FORM  
FOR PROFESSIONAL SCHOOLS  
FY24**

**NCSU**

***Poole College of Management, Master of Management***

***CIP Code(s): 52.1301***

<b>Requested School-Based Tuition Increase</b>	<b>FY24 Annual</b>
Graduate Residents	\$1,700.00
Graduate Nonresidents	\$1,215.00
	<b>FTE</b>
Graduate Residents	13.00
Graduate Nonresidents	2.00
<b>Total</b>	<b>15.00</b>
	<b>Projected Revenues</b>
Graduate Residents	\$22,100.00
Graduate Nonresidents	\$2,430.00
<b>Total</b>	<b>\$24,530.00</b>
	<b>Projected Expenditures</b>
<i>Salary</i>	\$12,000.00
<i>Benefits (estimated at 30%)</i>	\$3,600.00
<i>Operational Increases due to inflation</i>	\$1,571.00
<i>Student Scholarship increases</i>	\$7,359.00
<b>Total</b>	<b>\$24,530.00</b>

**Does your campus intend to charge students in this program the**

**Yes**