

**Compensation Committee  
Tuition Remission Options**

**February 18, 2007**

Last year the schools participating in the Associated Colleges Tuition Remission Exchange Program (TREP) decided to alter the conditions of participation. Through this year qualified dependents have been receiving full tuition remission if accepted at participating colleges including CC. Some schools bore greater burdens than others under this plan and urged revision. The new plan, adopted last year, provides that “importing schools” will forgive 50% of tuition, and exporting schools and parents will be responsible for the other half of tuition. The share of the importing schools will drop from 100% in the fall of 2006 to 75% in 2007, 60% in 2008, and 50% in the fall of 2009 and beyond. Exporting schools must provide at least 30% of tuition but may leave students and their parents responsible for as much as 20%.

Colorado College, which forgives 100% of tuition for qualified dependents of employees, decided to fund the full 25% of tuition for students exported under the TREP program in the fall of 2007 and the full 40% for the fall of 2008. Students entering under the exchange program under these conditions will receive the same consideration for as much as four years of eligibility from their school of choice and from Colorado College.

The President and the Faculty Executive Committee asked the Compensation Committee to examine Colorado College policy toward tuition remission and assistance in the light of the ACM decision. We have done that and come up with two options we think are worthy of consideration by the college community. We believe these options to be equivalent in cost to the current policy, described above, as it is applied in the fall of 2009 and beyond. The accompanying table, based on numbers of students enrolled in 2006-07, demonstrates this equivalency. Any change in the current program would, of course, alter incentives and potentially affect the choices made by students and their parents. Any policy change would not take effect before the fall of 2009.

**Current Plan:** CC forgives 100% of tuition for dependent children accepted at the college. If the plan is continued into 2009 and beyond, the college would pay the full 50% of tuition for dependent children accepted at participating ACM colleges, who would forgive the other 50%. Dependent children attending non-participating schools receive tuition assistance payments of \$500 per semester.

**Option One:** CC forgives 90% of tuition for dependent children accepted here. The college pays 40% of tuition at participating ACM colleges. Partial tuition assistance would rise to \$3,250 and increase with inflation. This plan would be more advantageous than the current plan for the families of dependents now attending public schools instate, or other modestly priced institutions.

**Option Two:** CC forgives 85% of tuition for dependent children accepted here. The college pays 35% of tuition at participating ACM colleges. Partial tuition assistance would be raised to 10% of CC tuition (currently \$3,212) or full tuition at the other institution, whichever is lower. The burden of the next 15% of CC tuition at non-participating schools would fall to parents and students. Beyond that, the college would pay as much as an additional 25% of CC tuition. At the current rate of CC tuition, tuition assistance would reach as much as \$11,243. This plan would help not just the families of dependents in modestly priced schools but also those who are sending students to high priced schools outside the ACM.

The accompanying tables project the cost of these options and offer illustrations of the cost of sending dependents to various institutions under these plans.

**Tuition Remission  
& Parital Tuition Assistance**

CC Tuition= \$32,124  
ACM Average= \$26,575

Category	Actual Number 2006-07	Current Plan Hypothetical Cost	Option One CC pays 90% More Partial	Option Two CC Pays 85% Most Partial
CC Tuition Remission	23	\$738,852	\$664,967	\$628,024
ACM Import	10	\$160,620	\$160,620	\$160,620
ACM Export	15	\$199,313	\$159,450	\$112,434
Partial Assistance	44	\$44,000	\$162,500	
Minimal	31			\$99,584
Maximal	12			\$134,921
<b>Total Cost</b>		<b>\$1,142,785</b>	<b>\$1,147,537</b>	<b>\$1,135,583</b>

**Plans**

Current Plan

Option One

Option Two

**Provisions**

CC provides 100% tuition remission for CC children. 50% for imports. New ACM TREP plan.

CC pays 50% of tuition for exported students. Partial assistance at \$1,000 a year.

CC reduces support to 90% of tuition internally, 40% for exports to ACM. **Partial assistance to \$325**

CC pays 85%, 35% in TREP (ACM). **Partial assistance from 10% to max of 35% of CC tuition.**

In ACM TREP program, parents/student would pay 15% of receiving school's tuition.

**Cost to parents/student of attending CC with tuition remission**

	Current	Option One	Option Two
Full room and board, books, personal expenses	\$10,000	\$10,000	\$10,00
Tuition	\$0	\$3,212	\$4,81
<b>Total</b>	<b>\$10,000</b>	<b>\$13,212</b>	<b>\$14,81</b>

**Cost to parents/student at ACM institutions participating in TREP**

	Current	Option One	Option Two
Full room and board, books, personal expenses	\$10,000	\$10,000	\$10,00
Travel	\$1,000	\$1,000	\$1,00
Tuition (based on average tuition of participating schools)	\$0	\$2,658	\$3,98
	\$11,000	\$13,658	\$14,98

**Cost to parent/student attending University of Colorado, Boulder**

	Current	Option One	Option Two
Room and Board, books, personal expenses	\$10,000	\$10,000	\$10,00
Tuition (less CC tuition assistance)	\$4,700	\$2,450	\$2,48
<b>Total</b>	<b>\$14,700</b>	<b>\$12,450</b>	<b>\$12,48</b>

Tuition = \$5,700

**Cost to parents/student attending UCBS, living at home**

	Current	Option One	Option Two
Books	\$1,000	\$1,000	\$1,00
Tuition (less CC tuition assistance)	\$3,500	\$1,250	\$1,28
<b>Total</b>	<b>\$4,500</b>	<b>\$2,250</b>	<b>\$2,28</b>

Tuition= 4,500

<b>Cost to parents/students attending PPCC, living at home</b>	Tuition = \$2,500		
	<b>Current</b>	<b>Option One</b>	<b>Option Two</b>
Books	\$1,000	\$1,000	\$1,00
Tuition (less CC Tuition Assistance)	\$1,500	\$0	\$
<b>Total</b>	<b>\$2,500</b>	<b>\$1,000</b>	<b>\$1,00</b>

<b>Cost to parent/student of attending Ivy League School</b>	Tuition = \$40,000		
	<b>Current</b>	<b>Option One</b>	<b>Option Two</b>
Room and Board, books, personal expenses	\$13,000	\$13,000	\$13,00
Travel	\$1,000	\$1,000	\$1,00
Tuition (less CC tuition assistance)	\$39,000	\$36,788	\$28,75
<b>Total</b>	<b>\$53,000</b>	<b>\$50,788</b>	<b>\$42,75</b>

**None of these estimates takes account of need-based scholarships for which some students would be eligible.**  
Note that students applying to ACM schools MUST apply for federal or other non-institutional aid for which they might be eligible.

If CC pays 100% of tuition, any such aid granted to offset tuition goes to the importing school.

If CC pays less than 100%, such external aid would go first to parents and/or students.

## Participants in Tuition Remission Programs

	2002-03	2003-04	2004-05	2005-06	2006-07	AVG.
CC Tuition Remission		10	25	22	23	20
Partial Tuition Assistance		43	62	50	44	50
Instate, public					32	
Other					12	
ACM TREP Exports					15	
ACM TREP Imports	13	10	16	8	10	11

### Year of Graduation

	2007	2008	2009	2010	2011
CC Tuition Remission	6	8	3	5	1
ACM TREP Imports	2	5	1	2	

## Institutions where dependents are using partial tuition assistance, 2006-07:

### Relatively low tuition

Colorado State University	6
Pikes Peak Community College	6
University of Colorado - Boulder	4
University of Colorado - Colorado Springs	4
Colorado Christian University	2
Colorado School of Mines	2
Fort Lewis College	2
Mesa State College	2
Colorado Mountain College	1
Colorado State University - Pueblo	1
University of Northern Colorado	1
<b>Total</b>	<b>31</b>

### Relatively high tuition

Stanford University	3
Wesleyan University	2
Concordia College	1
Hampshire College	1
South Dakota School of Mines & Technology	1
Whitman College	1
Truman State University	1
University of Denver	1
University of Wyoming	1
<b>Total</b>	<b>12</b>