

To: Gossa Tsegaye, Faculty Council Chair  
Carole Hughes, Staff Council Chair

Cc: James Malek, Provost  
Carl Sgrecci, Vice President for Finance and Administration  
Howard Erlich, Dean, School of Humanities and Sciences

From: Humanities and Sciences Faculty Senate

Date: 2/6/2007

Re: Tuition Remission Benefits

The H&S Faculty Senate received a request in Spring 2006 to examine the issue of a Tuition Remission Benefits Program at Ithaca College. Since then, we have been researching the history, viability, and concerns associated with developing such a program. Our first attempt to engage other stakeholders in a discussion of the issue encountered resistance -- we surmise this might have been due to concerns that Tuition Remission would place an unpredictable new financial strain on the College. We have since delved further into the matter and our research makes it clear that such a program could be phased in gradually enough to allow the institution to predict and control costs. Attached to this memo is a report on our most recent findings, along with several recommendations that address the issue of the Program's potential expense.

We are once again putting this issue forward because we believe that such a program offers great advantages to the institution, both in the recruitment and retention of faculty, and in the cultivation of an engaged student body. As a matter of fact, the Institutional Plan of Ithaca College specifically addresses a desire to "Ensure that Ithaca College is seen as a first-choice employer" and promises to "Explore the cash award and tuition remission benefits program or private arrangements with selected institutions for faculty and staff whose children attend another college."

Thank you for your consideration of this report. We hope that it will reopen the discussion of instituting a Tuition Remission Benefits Program here at Ithaca College. Please feel free to contact Sharon Stansfield, Senate President, if you would like any further clarification of our research. We look forward to your feedback on this issue.

## **Tuition Exchange Benefit Analysis H&S Faculty Senate**

The H&S Faculty Senate began researching the history and facts around tuition exchange as part of our effort to reopen discussion with IC administration in spring 2006. Our report is partly based on an April interview with Bob Morris, the program manager for tuition exchange in the northeast (we think that is his title), communications with Cheryl Freer, and Senate discussions.

### **What is Tuition Exchange?**

Tuition Exchange is a consortium of 580 Colleges and Universities that coordinates the exchange of tuition benefits to children of faculty and staff. Ithaca College was formerly a member of this non-profit organization.

### **How it Works**

In essence, Ithaca College agrees to grant a certain number of tuition scholarships to faculty/staff children from member institutions, and in turn, the same number of Ithaca College faculty/staff children are certified eligible for tuition scholarships at participating institutions. All students involved have to pass through the normal college application procedures. The tuition exchange managers ensure the general distribution of the pool of opportunities; IC and the member institutions grant applicants as part of the regular admissions process. Ithaca College would need to:

- Decide how many scholarships it is willing to grant annually to outside candidates
- Determine a process for granting our faculty/staff children “tuition exchange certification” for the same number of students each year. Options include:
  - lottery
  - seniority
  - merit evaluation

### **Why should IC re-join the program?**

We propose that there are many compelling reasons for IC to re-join the Tuition Exchange for the Northeast.

- IC was an original member of the program from the mid 1952 to 1976.
- This is a significant benefit that can be added to remuneration packages, aiding in the recruitment and retention of faculty.
- Of 20 peer institutions in ANAC (Associated New American Colleges), Ithaca College is one of only two institutions not part of a tuition exchange program.
- Regionally, Syracuse University, Wells College, Hobart William Smith and Elmira College are members of tuition exchange.
- Anecdotally, we know there are talented students of faculty/staff from other institutions who are accepted at Ithaca, but choose to attend elsewhere because we do not participate in a tuition exchange program.
- The Ithaca College Institutional Plan states that it is committed to ensuring that “Ithaca College is seen as a first-choice employer” and promises to “Explore the cash award and tuition remission benefits program or private arrangements with selected institutions for faculty and staff whose children attend another college.”

## **Current Tuition Benefit Uptake**

Estimates provided to Hugh by Deb Fitzpatrick are that 100 offspring students are currently in IC and 60 are taking the \$500/semester to go elsewhere. This would imply on the face of it that up to 60 students may take advantage of the exchange program if it were offered. However the number would be somewhat less than 60, for the following reasons:

- Eligible student's receipt of more comprehensive scholarship and aid money without the program
- Preferred school outside exchange program
- Tuition benefit through other parent's job

## **Problems to Address.**

The college has expressed concerns around the unknown costs that might be incurred to Ithaca College through participation in the program. Currently, Ithaca only offers tuition remission scholarships to IC faculty/staff offspring. While there is no, or minimal, cost associated with having others come in when our own children are going out in equal numbers, the number of scholarships/spaces provided for faculty children would increase if participation in the new program had the overall effect of increasing the number of students who take advantage of IC's tuition benefit program.

## **Options for addressing these concerns.**

Participating in tuition exchange will increase costs, but the increase can be limited and managed. From our discussion with the tuition exchange, we identified a number of possible ways to control unexpected growth in a tuition benefit program.

- Entry into this program is not a free-for-all; Ithaca, like other schools, would set a target number of participants and could adjust this number as needed to respond to demand or lack there-of. Ithaca might, for example, start by setting a limited number of slots per year, thus guaranteeing our ability to account and plan for the associated virtual costs. This initial number could be set to grow in a controlled manner over time to address demand.
- Some of the IC faculty/staff children slots will likely be filled by students who otherwise might have chosen to attend IC; thus the net addition of new scholarships needed might actually be less than the set number budgeted for.
- The tuition benefit can also be limited by number of semesters; typically 8.
- Within IC mechanisms such as lottery, merit system, or seniority can be used to award the scholarship eligibility certification.
- Fears of a rush on such a new program may be greatly exaggerated. Many of our faculty and staff already find that *tuition*-limited scholarships such as those associated with tuition remission and tuition exchange do not favorably compare with other financial aid and scholarship programs that offer broader support.

H&S Faculty Senate  
October 2006