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Winthrop University

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Parents Told of Fall Tuition Cap

ROCK HILL, S.C. - Winthrop University officials want students and their parents to know two things: Despite a national and state economic situation that is more troubling than any encountered in decades, Winthrop is setting its own cap on tuition and fee increases for Fall 2008. Those costs will increase no more than 8.7 percent. The actual rate will be set next month, in time for formal bills to be mailed to students and families July 7-15.

Also, tuition and fee increases continue to be a direct result of further declining support from state legislators. Winthrop’s allocation from the state for next year will be less than it received in 2000-2001, with no adjustment for inflation or Winthrop’s larger current enrollment.

A full 8.7 percent increase would cost commuting in-state students $444 more ($5,549) per semester. S.C. students living on campus – which includes most freshmen and sophomores – would pay a 7.67 percent increase in their overall costs, including room and board. Each tenth of a percent administrators can shave off the increase will save students about $10 a year – but such reductions are a tough challenge when the state’s fiscal support continues to drop at the same time that fuel costs, energy costs, food costs, etc., are going up for Winthrop, just as they are for families.

“In 1990, when most of this year’s entering freshmen were born, the state provided about 44 percent of Winthrop’s funding,” noted President Anthony DiGiorgio, who became president that same year. “This year,” he added, “we’ll be receiving only 18 percent of our funds from the state.”

Data compiled from the Southern Regional Education Board shows that South Carolina provides institutions just $4,767 per full-time student, while North Carolina provides $9,237 and Georgia provides $7,736 – and that was before recent S.C. cuts in support are factored in. South Carolina higher education officials say that differential accounts for higher tuition costs to families.

Board Chairman Karl Folkens, an alum whose daughter graduated from Winthrop last year, said he recognizes parents’ desire to know “something specific for their own family budgeting purposes,’ yet he also knows parents expect administrators “to examine every potential way to trim costs without damaging what students experience when they get to campus.” Taking a little longer to finalize the fee structure will be worth the wait, he predicted.

While cuts to Winthrop and other colleges and universities had been shaping up throughout the legislative session in Columbia, the university had asked legislative leaders to not impose further cuts if previous structural funding inequities could not be rectified in this budget. Not only were those inequities not fixed, administrators say, Winthrop also received the same reductions to its operating base as other institutions – a new 3.13 percent loss. That means the budget now in preparation has to address the state’s growing structural inequality, plus the new cuts, inflation, unfunded state-mandated expenditures, and three major needs that are classified as “mission-critical.”

The university is dealing with the fact that vendors soon will no longer be providing support service for the aging campus administrative computing system – the system that supports student registration, academic records, and accounts, as well as Winthrop’s business systems, such as purchasing, accounting, personnel records, and other “mission-critical” operations. Winthrop has been setting aside some funds annually toward eventually replacing the 16-year-old system, but now
will have to do so ahead of schedule. That will take $895,000 in capital costs and $350,000 in annual support service fees.

Given the urgency of those expenses, Winthrop will draw on a capital reserve account – maintained as a contingency fund for construction projects and emergency major repair needs – to cover that expense, without imposing a tuition/fee increase for that purpose. Similarly, those funds will be tapped to replace an unpatchable leaky roof on the campus library.

That will allow all the tuition and fee charges to be dedicated to covering the state cuts (including virtual elimination of state support for the statewide electronic library,) inflation impacts, and an unfunded state mandate to provide a 1 percent salary increase to all eligible Winthrop employees. The amount the state provides toward that increase falls about $286,000 short of full funding.

In addition, DiGiorgio said he and the board are concerned that the small size of the state’s salary increase does not address inflation’s drain on employee earnings, making it more difficult for Winthrop to retain talented individuals at every level of university operations.

DiGiorgio indicated that in the private sector, human resource firms that track such things are reporting an average 3.8 percent increase in 2008 salaries among 1000 leading firms across the U.S. – and that’s still below the inflation rate for the year. The federal government in January announced a national average salary increase for civil servants of 3.5 percent, with those residing in metro areas that have higher relative costs receiving an extra percent.

“A higher education enterprise is largely organized around personnel services, with high quality expectations,” DiGiorgio said. “The Winthrop team exceeds those expectations routinely, so I have recommended to the board that our budget plan include tuition resources necessary to support an additional 2 percent salary increase at mid-year, so that Winthrop employees don’t fall too far behind on the inflationary curve. My preference would be that we provide that increase sooner, but doing so would not be prudent in these circumstances.”

DiGiorgio will not benefit from the increase himself, since all state agency heads’ salary reviews involve a multi-step process. While the Winthrop Board has given DiGiorgio the highest possible ratings and salary recommendations in the past two ratings cycles, State Budget and Control Board members blocked all agency head increases recommended at the end of the last fiscal year in a controversial vote in November 2007. This year’s recommendation has yet to be acted on in Columbia as well.

For more information, contact Rebecca Masters, assistant to the president for public affairs, at 803/323-2225. To check for tuition and fees costs on Winthrop’s Web site at http://www.winthrop.edu, click here