

Submitted: January 9, 2008 (Revised January 29, 2008)

Approved: March 11, 2008

Recommendation #37: Methodology for the distribution of state appropriation to support student and instructional activities of colleges.

Issue number: T-12

Background

The Budget Model Review and Implementation Committee (BMRIC) recommended that a portion of the general state appropriations be distributed to partially fund student recruitment, advising, retention, and instructional activities of colleges. The BMRIC recommended that the tuition revenue distribution models for each level of education (undergraduate, professional and graduate) be used as a basis for distributing these funds to the colleges. Because the tuition revenue distribution model differs for each level of education, it will need to be determined how these state appropriated funds will be applied to each tuition revenue distribution model.

According to the tuition revenue distribution method as prescribed by the Resource Management Model, twenty-five percent of net tuition revenue (net of the discount adjustment for non-collection and student financial aid) generated from undergraduate students is distributed to the college based on the student's undergraduate major. Seventy-five percent of net undergraduate student tuition is pooled (SCH tuition pool) and distributed to colleges based on the student credit hours taught by each college. The SCH tuition pool distribution is based on the college's proportion of total student credit hours and reflects average revenue per student credit hour rate, regardless of the residency.

According to the tuition revenue distribution method as prescribed by the Resource Management Model, the net tuition revenue (net of the discount adjustment for non-collection) generated from a graduate student and the net tuition revenue (net of the discount adjustment for non-collection and student financial aid) for a professional veterinary medicine student is distributed entirely to the "home" college of the student. When a graduate or professional veterinary medicine student enrolls in a course that is offered outside their home college, revenue will be transferred from the student's home college to the college offering the course.

Recommendation

Since the instructional support needs may vary by college and by discipline, a formula approach to the distribution is not well suited to the objectives of the Resource Management Model. Recognizing and supporting colleges' student recruitment, advising, retention, and instructional activities is one of the factors outlined by the Provost as a factor in the Resource Management Fund distribution decisions. Therefore, the RMM Operations Team recommends that the instructional support component of the state appropriation as recommended by the Budget Model Review and Implementation

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Committee be folded into the Resource Management Fund distribution decisions and not be distributed based on the same distribution methodology as tuition revenue.