To: Mary Catherine Gaisbauer, Mike Ludwig
From: Jamaal L. Smith
Through: Kim Hoebel
Date: August 27, 2012
Re: Graduate Fee Remission Calculations

Attached are the final graduate fee remission calculations for your review and approval. The documents provided are as follows:

2011-12 Graduate Employee Fee Remission Annual Report
2012-13 Graduate Fee Remits Granted, Recovered, and Projected Rates

For fiscal year 2012-13 calculations, the projections for future years were based on graduate student enrollment of 8100, 1% increase in headcount per pay period, 3.5% increase in tuition each year, and an 2.3% increase in the number individual remits granted per year. It has been decided to phase out the student paid portion of the graduate tuition over four years. The phase out of the general service fee started in 2008-09 and is scheduled to end in 2012-13. The BOT approved a tuition increase of 3.5% for 2011-12 and 2012-13. The current rate shows an increase of $65 from the previous year charge rate of $790.

Due to a less than 5% increase in the tuition, the actual calculated rate is $855. The difference between the budgeted rate ($861) and the calculated rate ($855) is material, I recommend adjusting the rate that was put into effect in July 2012. A rate of $855 causes a projected over recovery of $14,859. This is less than the over recovery of $332,381 if the rate of $861 is used.

The following table outlines the current and proposed charge rates as well as projected charge rates for use in budgeting future year expenditures on sponsored programs:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Rate Type</th>
<th>Charge Rate (per pay period)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td></td>
<td>$722</td>
</tr>
<tr>
<td>2011-12</td>
<td>Previous Year</td>
<td>$790 / $861 (eff 7/12)</td>
</tr>
<tr>
<td>2012-13</td>
<td>Current</td>
<td>$855</td>
</tr>
<tr>
<td>2013-14</td>
<td>Budget</td>
<td>$897</td>
</tr>
<tr>
<td>2014-15</td>
<td>Budget</td>
<td>$940</td>
</tr>
</tbody>
</table>

* 2011-12 budgeted rate of $861 was put into effect in July 2012. We are now adjusting the rate to $855.
The Graduate Fee Remissions charge rate implementation process has been updated so that the new budget rate will be immediately implemented as of the beginning of the fiscal year and then adjusted for any material differences when the analysis is complete. The 2012-13 budget rate of $861 was put into effect as of July 1, 2012. However the calculated rate of $855 will be implemented for 2012-13. The Graduate Fee Remissions analysis will be conducted after the end of the 2012-13 fiscal year and the budget rate will be adjusted for any material difference.

Your consideration and approval of this request would be greatly appreciated. If you have questions related to the information provided, please contact me at smith42@purdue.edu.

Approved:

Mary Catherine Gaisbauer,
Comptroller

Attachments

c: Mike R. Ludwig