Differential Tuition Q&A

1. What is differential tuition?

Differential tuition is an additional tuition charge over and above what the university charges. The funds will be used for significant enhancements to the learning experience of business majors.

2. When does this take effect?

The program begins in the Fall of 2014.

3. How much is differential tuition?

Beginning in the fall of 2014, students would pay an extra $50 per credit hour for designated business classes.

4. Will the cost for out-of-state students be higher than this?

The cost for all students, both in state and out of state, will be $50 per credit hour for designated business classes.

5. How will the money raised from differential tuition used?

◆ New and enhanced professional development opportunities for students, including stronger employer relations activities focused on emphasizing the importance of internships and early career development
◆ Resources to retain current and attract new talented faculty who will continue the tradition of providing an exceptional relevant and engaging learning experience for our students
◆ Revenue to ensure students experience state-of-the-art technology, such as the Capital Markets Lab
◆ Assistance for students seeking leadership, study abroad, service-learning, and related co- and extra-curricular opportunities that both enhance the classroom experience and position our students for even greater success as professionals and global citizens

6. Why is CoB doing this?

The use of differential tuition for some courses at JMU and the use of differential tuition for a number of majors at other institutions is not new. About two-thirds of business programs at
public institutions accredited by The Association to Advance Collegiate Schools of Business (AACSB) incorporate differential tuition including UVA, VCU and William & Mary. Indeed, Governor McDonnell has repeatedly encouraged institutions to strategically consider this approach in tight budgetary times to keep overall tuition increases at more modest levels.

The use of differential tuition is part of the university’s strategic efforts to continue to be able to provide quality educational programs to all students. Differential tuition seeks to place the significantly greater cost of offering some programs on the students who, because of greater potential for immediate employment with higher than usual starting salaries, benefit from these programs. This nuanced approach of targeted additional tuition versus increased tuition for all students is designed to make sure that other majors continue to be affordable and attractive. Redirecting these costs through differential tuition allows the limited budget of the Academic Division to go further in addressing the programmatic and curricula needs of other programs.

Enrollment in the business school has increased 15% since 2002. However, budgets for faculty and staff have not kept pace. Enrollment (demand) has increased but the number of qualified faculty (supply) is declining. The CoB has higher instructional costs than other colleges. Without additional resources to recruit and retain top faculty, the quality of a JMU business degree is threatened. Also, business school graduates tend to command a higher salary upon graduation than other majors. They have the opportunity to earn back the entire cost of the differential tuition in as few as eight months on the job.

Specific benefits include:

- Increased CoB engagement and partnership activities with recruiting organizations, resulting in more internship/job placement opportunities
- Opportunity for more students to engage in experiential learning trips, such as professional networking/educational visits to Washington, D.C. and New York City.
- Funding for continued operation of College of Business learning labs and centers

7. Will there be another increase?

This is hard to predict. We don’t control state funding and the state budget is very tight. We can’t promise that there will not be an additional increase sometime in the future. Our focus is on our mission to deliver an outstanding business education to our students.

8. What about private funding?

The CoB works diligently to obtain private funding. The college has two development officers, who work to attract and engage alumni and encourage them to reconnect with the college.
9. How are you communicating this change to the student body and parents?

The CoB has communicated to students via email. The change will also be communicated via the Website, Linked In, Facebook, Google+, and Twitter.

10. Do other colleges charge differential tuition?

A growing number of universities have differential tuition rates in place. The supplemental tuition is most often applied to business, engineering, nursing, and architecture programs. A recent national study from Georgetown University’s Center on Education and the Workforce shows that students who study engineering and business earn a higher salary than other majors.

11. Describe the approval process for differential tuition.

After months of meetings and careful deliberations, on April 5, 2013, the Finance & Physical Development Committee approved the concept of differential tuition. As part of the research process, discussions were held with a number of different groups, including President Alger’s listening tour audiences, Academic Council, CoB Student Advisory Council, and the SGA/Board of Visitors student member. The differential tuition proposal was presented to the Board of Visitors at its June 2013 meeting, and approved by the members.

The university will continue to engage with multiple groups on campus in meaningful, intentional and productive discussions on the impact of differential tuition on our campus, and to work with campus partners to make modifications and plan as needed to achieve its goals.

12. What is the CoB doing to help students pay for the cost of higher education, including differential tuition?

The CoB offers a number of different scholarships to qualified applicants. The CoB also works closely with the students to provide them paid internship opportunities. For additional information, please contact Joyce Guthrie, office phone: 540/568-3255

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