



Office of the President
211 Montana Hall
P O Box 172420
Bozeman MT 59717-2420

Telephone (406) 994-2341
Fax (406) 994-1893

To: Dick Crofts, Commissioner
Montana University System

FROM: Geoffrey Gamble
President

DATE: October 25, 2002

**RE: Information Item for November 21-22 Board of Regents Meeting
Reduction of Spring Semester Tuition Surcharge
Montana State University-Bozeman**

Following the two budget reductions that occurred over the course of this past summer, our campus calculated and presented a proposal for a Tuition Surcharge in Fall 2002 and Spring 2003. We did this to meet the Board of Regents' goal of recovering no more than 50% of the mandated budget reductions through added tuition revenue.

Our Fall Semester enrollment was greater than we anticipated in our budget plans, and that will lead to a greater than anticipated enrollment in the Spring. As a result, our Fall Semester Surcharge revenue was greater than expected – and our total Surcharge revenue will be more than originally budgeted unless we reduce our rate.

In order to be consistent with the Board of Regents' goal, we are reducing our Spring Semester Surcharge rate by \$1.50/credit, to \$13.15/credit, or a total of \$157.80 for 12 credits or more.

We believe that we have an agreement with the Regents, and with our students, to recover no more than 50% of our FY03 budget reduction through the imposition of the Tuition Surcharge.

That is why we are reducing our Spring Surcharge rate. It's the right, and fair, thing to do.