

## **COST AND REVENUE PROJECTIONS NARRATIVE**

### **Introduction**

For students enrolled in the MUD program, standard tuition and fee rates will apply. For the current academic year (2019-2020), residential tuition and segregated fees total \$6,024.93 per semester for a full-time student enrolled in 8-12 credits per semester. Of this amount, \$5271.28 is attributable to tuition and \$753.65 is attributable to segregated fees. Nonresident tuition and segregated fees total \$12,641.17 per semester for a full-time student enrolled in 8-12 credits per semester. Of this amount, \$11,860.52 is attributable to tuition and \$753.65 is attributable to segregated fees.

Differential tuition is charged for students enrolled in the Department of Architecture courses. The differential tuition fees are set at \$11.55 per credit for all courses at the 100-level, and \$43.00 per credit for all courses the 200- through 800-level. Differential tuition enhances the quality of education in the School of Architecture and Urban Planning.

The cost and revenue projections are based on a very conservative scenario that all MUD students are WI residents. As a result, the actual tuition revenue could be higher than this conservative projection.

### **Section I – Enrollment**

It is expected that 3 students will be enrolled in the first cohort (starting 2021), and the student enrollment increases gradually, by 1 more student every year. Because of the high anticipated average retention rate of the MUD program, we expect that by year 5, all students enrolled will complete their MUD degrees within a year. Therefore, in each academic year, there are only new student enrollment.

### **Section II – Credit Hours**

All students will complete the 30-credit requirement of the MUD program. The total credit hours are calculated based on the student FTE \* 30 credits per student.

The revenue projection assumes that each student takes 15 credits, i.e. 50% of the 30 credits, from the Department of Architecture courses, and the other 15 credits from the Department of Urban Planning courses. For the Architecture courses, additional differential tuition of \$43 per credit is charged. The estimated tuition revenue reflects the differential tuition.

### **Section III – Faculty and Staff Appointments**

There is no additional faculty/staff FTE.

### **Section IV – Program Revenues**

#### **Tuition Revenues**

The tuition revenue is estimated based on a very conservative scenario that are MUD students are WI residents, paying \$12,049.86 (\$10542.56 in tuition and \$1507.30 in segregated fees) in one academic year (Spring and Fall semesters).

The estimated tuition revenue also includes the differential tuition, \$43 per credit, of Architecture courses. It is assumed that 50% of the total credits are taken from the Department of Architecture courses.

Program/Course Fees:

N/A

**Section V – Program Expenses**

Expenses – Salary and Fringe:

There is no additional faculty/staff FTE thus no additional salary or fringe. There are no new courses in the curriculum.

Other Expenses:

There is no other expense.

**Section VI – Net Revenue**

Positive net revenue will be reinvested in the School of Architecture and Urban Planning (SARUP) to meet needs in any of SARUP's academic degree programs, including student recruiting for the MUD program, recruiting for other SARUP degree programs, adding more faculty (adjunct) or appointing graduate assistants to strengthen recruitment into the MUD program.

Decisions about the use of positive net revenue will be recommended by the MUD faculty to the Department of Architecture and the Department of Urban Planning. Departmental recommendations will be forwarded to the dean for decision, which will consider the comparative needs of the programs at the time that the positive revenue is generated. Since the proposed MUD program requires no additional faculty/staff FTE, we anticipate that the program will generate net revenue with the first student to enroll in the program.

The plan for the use of positive net balances in the MUD program will be subject to expenditure limits imposed under UWM's current budget model.