Per-Credit Tuition Model — a resource for Faculty Advisors

IUP is moving to a per-credit tuition pricing program for undergraduate students who domicile in Pennsylvania starting in the fall 2016 semester. This is not a tuition increase; tuition rates are established by the Board of Governors (BOG) for all PASSHE universities annually in July. All summer and winter courses, and graduate courses, are already offered under a per-credit tuition model.

As part of the move to the per-credit tuition model, IUP has created a model of Financial Incentives/Assistance for all qualifying students. The model provides for a multi-level implementation model. Details include:

- Based on the tuition rate set by PASSHE BOG, IUP will discount the per-credit tuition rate across the board for all undergraduate students who reside in Pennsylvania in the first three years:
  
  |--------------------------|---------------------------|--------------------------|

- An Academic Success Initiative (ASI) has been created to recognize strong academic performance. In addition to providing financial support, ASI is an incentive for current students to maintain or strengthen academic performance and to choose classes strategically to avoid withdrawals, maintain 30 academic credits in two semesters thus making progress toward graduation. Students do not need to apply for the ASI, the awards will be automatically applied to their billing statement.

<table>
<thead>
<tr>
<th>Scenario</th>
<th>CGPA</th>
<th>Withdrawals</th>
<th># Credits</th>
<th>ASI Scholarship</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td>3.5 and greater</td>
<td>No course withdrawals in the last 2 semesters</td>
<td>30 credits earned over the last 2 semesters</td>
<td>Equivalent to 2 credits of tuition for the academic year</td>
</tr>
<tr>
<td>#2</td>
<td>3.0 to 3.49</td>
<td>No course withdrawals in the last 2 semesters</td>
<td>30 credits earned over the last 2 semesters</td>
<td>Equivalent to 1 credit of tuition for the academic year</td>
</tr>
</tbody>
</table>

- Students with unmet financial need also qualify for a Need-Based Grant of two credits of tuition for the academic year. Students do not need to apply for the Needs-Based Grant, but they must submit a FAFSA and maintain satisfactory academic progress.

Students can qualify for both the ASI and the Needs-Based Grant for a total of four credits of tuition for the academic year. A variety of other scholarship and IUP grant programs are available for students based on the number of credits earned and CGPA. Approximately 88% of IUP undergraduate students already receive some kind of institutional financial assistance and that level of support will continue.
Why A New Tuition Model?

- IUP's per-credit tuition model increases fairness — students pay for the credits that they take. Student behaviors have changed, and we need a new and more equitable model to meet the needs of both our current and future students.
- The additional revenues generated by this plan — projected to be about $4 million — is part of a three-pronged approach to securing IUP’s financial future. But this is not just about raising additional revenues:

  **Equity:** This system will increase fairness, as students will pay for what they take;
  **Flexibility:** Students who choose to be/need to be part-time or even full-time at 12 credits will pay significantly less under the current (flat rate) model;
  **Accountability and Agency:** This model addresses the issue of withdrawals and unused seats, encouraging accountability and economic savvy by students and discouraging the “shopping” behavior, which takes seats away from students who need those courses to make progress towards their degree.

- More than 7,083 credit hours each semester go unearned because of withdrawals.
- Approximately 2,400 seats each semester, paid for by students, become available through withdrawals. These seats are then unavailable to students who needed to be in those classes to move forward for graduation.
- This inefficiency drives up costs for students, and costs IUP more than $3 million per year.

FAFSA Facts to Aid Advisors When Directing Students to Financial Aid Resources

- **Encourage ALL students to complete the annual FAFSA (Free Application for Federal Student Aid) by April 15 each year that they are enrolled in a degree-seeking program at IUP.** Students can complete this free form at the FAFSA website. Sometimes students don’t think they will qualify for federal or state aid, so they choose not to complete the FAFSA. Unfortunately, a person’s financial situation can change during the course of the year, and it may become necessary to apply for student loans in order to continue enrollment at the university. If the FAFSA is already on file, the affected student will not experience any delays in accessing federal funds.

- **Withdrawing from a class during the course of the semester may impact current and future financial aid eligibility.** Students who are considering withdrawing from a class should contact the Financial Aid office at either financial-aid@iup.edu or 724-357-2218 to discuss the impact on their financial aid package.

- **Continued eligibility for federal and state aid is typically reviewed at the end of the spring semester.** For federal aid purposes, both undergraduate and graduate students are expected to successfully complete at least 67 percent of all attempted credits, including transfer credits. Students may only receive federal financial aid funding for 150 percent of the “required” credits needed to complete their degree. Federal funding for a four-year bachelor’s degree program, which requires 120 credits, ends at 180 credits.

- **E-mail is the primary means of communication for the Financial Aid Office.** Students must check their university e-mail and MyIUP regularly to ensure that they do not have any outstanding requirements for additional information which may prevent the disbursement of their financial aid.

- **IUP students interested in summer school should contact the Financial Aid Office at either financial-aid@iup.edu or 724-357-2218.**