

## **Weighted Average Tuition Recommendation**

### **Background**

Since the inception of the BEST Prepaid Plan, the board has adopted a Weighted Average Tuition (WAT) for purposes of establishing the per unit payout value. The calculation of the WAT is set forth in the statute and rules governing the program. The tuition, mandatory fees, and the number of full-time equivalent (FTE's) students utilized in the calculation of the WAT are derived from the tuition and fees cost for Tennessee's nine four-year public universities which are. Each participant in the program will receive 1% of the WAT for each unit held by the participant in the program.

The rules governing the program define tuition as the charges imposed to attend an institution of higher education as an undergraduate, graduate, or professional student and all mandatory fees required as a condition of enrollment, for all students attending the institution of higher education in which the beneficiary is enrolled. Fees which are considered to be mandatory fees are defined by the institution of higher education in which the beneficiary is enrolled. The tuition and mandatory fees is based on a 15 credit hour semester.

### **Weighted Average Tuition Recommendations**

The tuition and mandatory fees information for the 2018-2019 academic year was provided by the Tennessee Higher Education Commission (THEC). THEC also provided the FTE's based on the Fall 2017 enrollment data.

It is recommended that the board approve the Weighted Average Tuition (WAT) and per unit payout value for the 2018-2019 academic year as set forth in the attached exhibit. The calculation yields a per unit payout value of \$98.64. This per unit payout value is effective for units held by participants who are authorized under T.C.A., Section 49-7-824 to maintain their contracts under the program and who have provided documentation or requested a tuition payment to prove the beneficiary is eligible to remain in the program under the statute.