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May 16, 2012

TO: Directors of Student Financial Aid,
Institutions Participating in the Tuition Equalization Grant Program

FROM: Dan Weaver

SUBJECT: Calculating TEG Maximum Awards for FY2013: Tuition Differential

An individual student's Tuition Equalization Grant (TEG) award cannot exceed his/her financial need, the program maximum ($3,518 for 2012-2013 ordinary need; $5,277 for 2012-2013 exceptional need[1]) or the student's tuition differential (the difference between the student's tuition at the independent institution and what he/she would pay at a public institution).

Because tuition charges at some public universities have recently risen to levels close to charges of the lower-priced private institutions, we need to give institutions guidance on how to calculate tuition differentials. The Southern Association of Colleges and Schools (SACS) classifies institutions by the highest levels of degrees they offer. We have used SACS levels to identify "comparable" institutions for the purpose of calculating tuition differential. SACS levels are as follows:

Level 1 – Associate	Level 4 – Master's Degree and Ed. Specialist Degree
Level 2 – Baccalaureate	Level 5 – 3 or fewer Doctoral Degrees
Level 3 – Master's	Level 6 – 4 or more Doctoral Degrees

According to this approach:

1. Charges for the two independent 2-year institutions (Jacksonville and Lon Morris) should be compared to public community college charges (Level 1)
2. Southwestern Christian College, a level 2 institution that awards TEG to Associate Degree students, should compare its charges to those of public community colleges (Level 1)
3. Levels 2, 3, 5 and 6 independent institutions (other than Southwestern Christian College) should compare their charges to the average charges of public institutions at the same levels.

The table on page two of this memo shows average undergraduate tuition charges for public institutions at various SACS levels for the 2012-2013 academic year. Please use these numbers to derive the tuition differential for your students.

[1] Remember, exceptional need awards can only go to undergraduate students.

Graduate and Law School Students

The tuition differential limit on student awards also applies to TEG awards for students pursuing graduate or professional studies. The table below shows the average public institution tuition charges for undergraduate and graduate studies.

SACS Level	**Undergrad** tuition for **30** hours	**Undergrad** tuition for **24** hours	**Undergrad** tuition for **18** hours		**Graduate** tuition for **20** hours
1 + SWCC	$1,457	$1,166	$874		n/a
2	$1,800	$1,440	$1,080		n/a
3	$5,113	$4,090	$3,068		$4,218
5	$4,641	$3,713	$2,785		$4,394
6	$6,309	$5,047	$3,785		$5,830

The average public institution tuition rates for law school students are as follows:

- Law student (resident): $886 per semester hour
- Law student (non-resident): $1,242 per semester hour

Adjusting Awards, if Necessary

If your institution's tuition for the relevant number of hours, minus the public institution tuition is less than $3,518 for an undergraduate student taking 30 hours (or less than $5,277 for an undergraduate student with exceptional need), you must adjust the student's TEG award so it will not exceed that difference in tuition. If the student is taking a course load of less than 30 hours you will need to prorate the charges for your school and comparable public institutions and recalculate the tuition differential for the relevant number of hours. The table above includes the undergraduate calculations for 24 and 18 hours.

Examples:

SACS level	TEG Institution **30**-hour Tuition	Public **30**-hour Tuition	**30**-hour Tuition Differential		TEG Institution **24**-hour Tuition	Public **24**-hour Tuition	**24**-hour Tuition Differential
3	$13,950	$5,113	$8,837		$11,160 (24/30*$13,950)	$4,090	$7,070
2	$8,000	$1,800	$6,200		$6,400 (24/30*$8,000)	$1,440	$4,960

At 24 hours, the **Level 3** student's tuition differential is $7,070. The student may receive the ordinary award of up to $3,518 if he/she has enough need, or an exceptional need award of up to $5,277 if the student is an undergraduate, his/her need is at least $5,277, and his/her EFC is $1,000 or less.

At 24 hours, the **Level 2** student's tuition differential is $4,960. The student may receive $3,518 if he/she has enough need, or an exceptional need award of up to $4,960 if the student is an undergraduate, he/she has enough need, and his/her EFC is $1,000 or less. The student cannot receive the full $5,277 because that would exceed his/her tuition differential.

The enclosed table shows calculations based on the tuition rates reported by TEG institutions. If you have any questions, please contact us at TEG@thecb.state.tx.us.

Enclosure

TEG Tuition Differential Calculations for the 2012-2013 Academic Year

SACS Level	Institution	UNDERGRADUATE Indep Inst Tuition for 30 SCH	UNDERGRADUATE Public Tuition for 30 SCH	UNDERGRADUATE TD at 30 SCH	UNDERGRADUATE Indep Inst Tuition for 24 SCH	UNDERGRADUATE Public Tuition for 24 SCH	UNDERGRADUATE TD at 24 SCH	UNDERGRADUATE Indep Inst Tuition for 18 SCH	UNDERGRADUATE Public Tuition for 18 SCH	UNDERGRADUATE TD at 18 SCH	GRADUATE 20 SCH Grad Tuition	GRADUATE Public Tuition for 20 SCH	GRADUATE TD at 20 SCH
1	Jacksonville College	$6,300	$1,457	$4,843	$5,040	$1,166	$3,875	$3,780	$874	$2,906	n/a	n/a	n/a
1	Lon Morris College	$13,000	$1,457	$11,543	$10,400	$1,166	$9,235	$7,800	$874	$6,926	n/a	n/a	n/a
2	Huston-Tillotson University	$11,020	$1,800	$9,220	$8,816	$1,440	$7,376	$6,612	$1,080	$5,532	n/a	n/a	n/a
2	Jarvis Christian College	$10,090	$1,800	$8,290	$8,072	$1,440	$6,632	$6,054	$1,080	$4,974	n/a	n/a	n/a
2	Southwestern Christian College	$6,284	$1,800	$4,484	$5,027	$1,440	$3,587	$3,770	$1,080	$2,690	n/a	n/a	n/a
2	Southwestern University	$34,410	$1,800	$32,610	$27,528	$1,440	$26,088	$20,646	$1,080	$19,566	n/a	n/a	n/a
2	Texas College	$7,992	$1,800	$6,192	$6,394	$1,440	$4,954	$4,795	$1,080	$3,715	n/a	n/a	n/a
2	Texas Lutheran University	$24,860	$1,800	$23,060	$19,888	$1,440	$18,448	$14,916	$1,080	$13,836	n/a	n/a	n/a
2	The College of Saint Thomas More	$12,000	$1,800	$10,200	$9,600	$1,440	$8,160	$7,200	$1,080	$6,120	n/a	n/a	n/a
2	Wiley College	$8,970	$1,800	$7,170	$7,176	$1,440	$5,736	$5,382	$1,080	$4,302	n/a	n/a	n/a
3	Austin College	$32,665	$5,113	$27,552	$26,132	$4,090	$22,042	$19,599	$3,068	$16,531	$28,410	$4,218	$24,193
3	Concordia University Texas	$23,600	$5,113	$18,487	$18,880	$4,090	$14,790	$14,160	$3,068	$11,092	$10,300	$4,218	$6,083
3	East Texas Baptist University	$20,670	$5,113	$15,557	$16,536	$4,090	$12,446	$12,402	$3,068	$9,334	$12,852	$4,218	$8,635
3	Houston Baptist University	$25,245	$5,113	$20,132	$20,196	$4,090	$16,106	$15,147	$3,068	$12,079	$6,288	$4,218	$2,071
3	Howard Payne University	$21,200	$5,113	$16,087	$16,960	$4,090	$12,870	$12,720	$3,068	$9,652	n/a	n/a	n/a
3	LeTourneau University	$24,050	$5,113	$18,937	$19,240	$4,090	$15,150	$14,430	$3,068	$11,362	$12,800	$4,218	$8,583
3	Lubbock Christian University	$16,350	$5,113	$11,237	$13,080	$4,090	$8,990	$9,810	$3,068	$6,742	$6,600	$4,218	$2,383
3	McMurry University	$23,305	$5,113	$18,192	$18,644	$4,090	$14,554	$13,983	$3,068	$10,915	$14,400	$4,218	$10,183
3	Schreiner University	$20,940	$5,113	$15,827	$16,752	$4,090	$12,662	$12,564	$3,068	$9,496	$10,800	$4,218	$6,583
3	Southwestern Adventist University	$17,400	$5,113	$12,287	$13,920	$4,090	$9,830	$10,440	$3,068	$7,372	$14,500	$4,218	$10,283
3	Southwestern Assemblies of God University	$15,750	$5,113	$10,637	$12,600	$4,090	$8,510	$9,450	$3,068	$6,382	$10,800	$4,218	$6,583
3	St Edward's University	$30,710	$5,113	$25,597	$24,568	$4,090	$20,478	$18,426	$3,068	$15,358	$21,160	$4,218	$16,943
3	Trinity University	$32,568	$5,113	$27,455	$26,054	$4,090	$21,964	$19,541	$3,068	$16,473	$27,140	$4,218	$22,923
3	Wayland Baptist University	$13,650	$5,113	$8,537	$10,920	$4,090	$6,830	$8,190	$3,068	$5,122	$8,200	$4,218	$3,983
5	Abilene Christian University	$26,770	$4,641	$22,129	$21,416	$3,713	$17,703	$16,062	$2,785	$13,277	$17,840	$4,394	$13,446
5	Dallas Baptist University	$20,910	$4,641	$16,269	$16,728	$3,713	$13,015	$12,546	$2,785	$9,761	$14,140	$4,394	$9,746
5	Hardin-Simmons University	$21,450	$4,641	$16,809	$17,160	$3,713	$13,447	$12,870	$2,785	$10,085	$14,300	$4,394	$9,906
5	Our Lady of the Lake University	$22,920	$4,641	$18,279	$18,336	$3,713	$14,623	$13,752	$2,785	$10,967	$15,120	$4,394	$10,726
5	Parker University	$7,720	$4,641	$3,079	$6,176	$3,713	$2,463	$4,632	$2,785	$1,847	$18,616	$4,394	$14,222
5	Saint Mary's University	$23,600	$4,641	$18,959	$18,880	$3,713	$15,167	$14,160	$2,785	$11,375	$13,320	$4,394	$8,926
5	Texas Chiropractic College	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	$20,600	$4,394	$16,206
5	Texas Wesleyan University	$18,722	$4,641	$14,081	$14,978	$3,713	$11,265	$11,233	$2,785	$8,449	$29,750	$4,394	$25,356
5	The University of Dallas	$29,140	$4,641	$24,499	$23,312	$3,713	$19,599	$17,484	$2,785	$14,699	$13,500	$4,394	$9,106
5	University of Mary Hardin-Baylor	$21,900	$4,641	$17,259	$17,520	$3,713	$13,807	$13,140	$2,785	$10,355	$15,000	$4,394	$10,606
5	University of St Thomas	$26,550	$4,641	$21,909	$21,240	$3,713	$17,527	$15,930	$2,785	$13,145	$19,800	$4,394	$15,406
6	Baylor University	$30,586	$6,309	$24,277	$24,469	$5,047	$19,422	$18,352	$3,785	$14,566	$28,028	$5,830	$22,198
6	South Texas College of Law	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	$27,000	$5,830	$21,170
6	Southern Methodist University	$37,050	$6,309	$30,741	$29,640	$5,047	$24,593	$22,230	$3,785	$18,445	$30,960	$5,830	$25,130
6	Texas Christian University	$34,500	$6,309	$28,191	$27,600	$5,047	$22,553	$20,700	$3,785	$16,915	$21,600	$5,830	$15,770
6	University of the Incarnate Word	$22,800	$6,309	$16,491	$18,240	$5,047	$13,193	$13,680	$3,785	$9,895	$13,590	$5,830	$7,760
6	William Marsh Rice University	$36,610	$6,309	$30,301	$29,288	$5,047	$24,241	$21,966	$3,785	$18,181	$36,610	$5,830	$30,780

okay for $3,518; not for $5,277 — graduate rate not okay for $3,518 — not acceptable for either amount