



## MEMORANDUM

**TO:** President Pemberton

**FROM:** Compensation Review Committee  
Members: Julie Crea, Leif Hoffmann, Lorinda Hughes, Angela Meek, Cindy Patterson, Jeannette Seward, Vikki Swift-Raymond, and Dovie Willey

**DATE:** March 5, 2020

**SUBJECT:** Dependent Fee Tuition Proposal

The Compensation Review Committee received campus feedback in 2018 requesting an employee's second dependent receive a tuition discount. Currently, only one dependent receives a 50% discount at a time, and this is restricted to one dependent per household.

Excerpt from LCSC Policy 3.130 Educational Privilege / Dependent Fee Discount:

5.B The discount for a dependent is a 50% reduction in current resident and nonresident tuition and fees. No other fees are waived by this benefit. Any applicable course, lab, and other fees will apply.

5.E. Only one dependent fee discount for one child will be allowed per semester per family. If both parents work for the college, only one child will be permitted to utilize the dependent fee discount. Complete the Dependent Child Fee Discount form on the Human Resource Services website.

Sister Idaho institutions and one surrounding state institution only allow one dependent per household to receive the fee reduction benefit at a time, and the reductions range from 50% to 65%. In one institution, two dependents are provided a discount if both parents work at the institution. LCSC's allowance of two dependents will position LCSC to be more competitive within Idaho and the northwest regarding employee benefits and will be used as a recruitment and retention tool for new employees.

Over the last three years, 29 of the 32 employees that utilized the dependent fee reduction would have benefited by a second dependent discount. In several cases, the employee's second child attended another College or University due to the lack of an additional incentive to attend LCSC. However, the majority attended LCSC. Using the FY 2020 resident tuition rate, the yearly loss of revenue per dependent per year equates to \$3,491 for those who would have attended regardless of the discount, the gain in revenue per year also equates to \$3,491 for each student who would have otherwise attended another institution.

Example One Year Impact on Tuition Revenue:

If an estimated ten (10) second dependents who would have attended at full price now pay a reduced rate (10 students x \$3,491 each = -\$34,910), and two dependents who would have attended other institutions now attend



LCSC at the reduced rate (2 students x \$3,491 each = \$6,982), then LCSC's net yearly loss in this scenario is -\$27,928 (10 students x \$3,491 reduction in tuition revenue plus a gain of 2 students x \$3,491).

The scenario does not consider employees that may have remained employed had this benefit been an option or the potential to attract more seasoned professionals that have college-age dependents. The committee believes this additional incentive will position LCSC to be more competitive regionally with regards to employee benefits for purposes of recruitment and retention; therefore, the benefits outweigh the estimated potential loss of revenue.


President's Decision

Requested Revision:

5.E. Two ~~Only one~~ dependent fee discounts for ~~one~~ children will be allowed per semester per family. If both parents work for the college, only ~~one~~ two children will be permitted to utilize the dependent fee discount. Complete the Dependent Child Fee Discount form on the Human Resource Services website.

Approve a policy revision to allow two dependents to receive a 50% discount on tuition

Approve  
 Deny

  
Signature

3/6/2020  
Date