Assistantships and University Revenue

Information presented by Tod Porter and Sal Sanders

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The goal of this exercise is to estimate the effect of changing the number of assistantships on the University's net revenue.

The first point to make is that students on assistantships generate revenue by paying fees and helping to maintain the state subsidy. The cost of stipends for teaching assistants are partially offset by reduced expenditures on part-time faculty.

For illustration, the table below shows the revenue from a student without an assistantship and a student with a teaching assistantship. Both students are assumed to be in-state residents pursuing a degree outside of STEM:

	No Assistantship	**Teaching Assistantship**
Tuition	$10,785	$0
General Fee	$1,367	$1367
Information Service	$240	$240
Transportation	$230	$230
State Subsidy*	$3,940	$3,940
Replacement of PT Faculty**	$0	-$548
New Student Scholarship	$-2000	$0
Revenue + PT Offset	**$14,562**	**$5,229**

* Estimated by Marilyn Ward

** Assumes that the teaching assistant replaced a part-time faculty member with a master's degree who taught 9 semester hours. The number is the amount the part-time faculty member would cost including fringe benefits ($8,640) minus the TA stipend and fringe benefits ($9,188)

The University obviously generates more revenue when the student is not receiving an assistantship. However, students who are not offered an assistantship may not attend YSU, in which case the University would receive zero revenue. Assume that five assistantships of this type are eliminated; the table below shows the effect on revenue given the number of students who attend without an assistantship. Depending on how reductions in assistantships affect enrollment the University's revenue could rise or fall.

Number who attend w/o TA	0	1	2	3	4	5
Change in revenue + offset	-$26,145	-$6,354	$13,437	$33,228	$53,019	$72,810

There are a number of additional complicating factors in estimating the impact on changes in the number of assistantships on revenue. These include:

- Approximately 10 percent of all graduate students pay out-of-state tuition. The estimated revenue for students not receiving assistantships was adjusted upward to reflect the additional tuition paid by out-of-state students.
- Students in STEM disciplines receive higher stipends; this was adjusted for in the final estimates. The estimates were calculated using the distribution of assistantship reductions implemented in fiscal year 2017.
- Students receiving graduate assistantships do not reduce part-time expenditures but they do contribute to the University in a variety of ways. It was assumed that the average annual value generated by a graduate assistant was equal to $6,000, which represents 20 hours of work per week for 30 weeks at $10 per hour.
- It was assumed that sufficient excess capacity existed so that marginal changes in enrollment would not result in changes in the number of sections offered, and therefore no changes in staffing costs.

Given the assumptions listed above, the table below shows the estimated effect on revenue of the elimination of 40 assistantships in fiscal year 2017 dependent on the number of students who chose to attend without an assistantship.

Number who attend w/o GA, TA	0	10	20	30	40
Change in Revenue + offset	-$145,899	$42,696	$231,290	$419,885	$608,480

The decline in graduate enrollment between fall 2016 and fall 2017 suggests that at least some students chose not to attend because of the reduction in assistantships, which would have at least partially offset any savings from the reduction.