

**SHEEO Query RE Tuition Setting Policies
April 2016**

Query of SHEEO Members and Finance Officers:

Members: Iowa is considering whether to adopt a multi-year tuition plan to provide more predictability to lowans regarding undergraduate tuition rates at that state’s three public universities. In order to provide some background information for our member, Bob Donley, and other Iowa leaders to use in making their decisions, we are asking that you answer the following questions.

1. Does your system or do any of your public universities set rates for undergraduate tuition for more than one year? If so, for how many years? Are any adjustments to these rates allowed and, if so, under what conditions or using what factors?
2. Has your system or your public universities frozen tuition rates at any time since FY 2013? If so, over what period of time?
3. Has your system or have any of your public universities ever offered a program where tuition was fixed for a cohort of undergraduate students for the full expected length of the program (e.g., four years)? What were the benefits and drawbacks of that program? If the program was terminated, what were the reasons?

Summary of Responses

| | |
|------------|---|
| California | <ol style="list-style-type: none"> 1. No the CSU does not set rates for multiple years. 2. Yes. Per an agreement with the State of California, the CSU's tuition has been frozen since the 2011-12 academic year. They will have been at the same rate from 2011-12 through 2016-17. No plan has been made one way or another for 2017-18. 3. No |
| Colorado | <ol style="list-style-type: none"> 1. System wide no, but institutions can set multi-year tuition rates (within any statutory restrictions). In fact, the University of Colorado board of regents recent adopted a multiyear tuition plan for CU-Boulder. Beginning in the fall 2016 semester, resident incoming freshman will see a one-time increase of up to 5 percent in their tuition and mandatory fees, which will then remain locked in for four years. Since 2005-06 CU-Boulder has offered a guaranteed tuition rate table for four calendar years. 2. No 3. Since 2005-06 CU-Boulder has offered a guaranteed tuition rate table for four calendar years for nonresident undergraduate students. |
| Florida | <ol style="list-style-type: none"> 1. No. Each year the legislature decides undergraduate tuition. The system board sets tuition for graduate/professional and out-of-state tuition. 2. Legislative leadership and the Governor have not increased undergraduate tuition since 2013. Universities have been STRONGLY encouraged not to raise other tuition or fees. 3. A couple of universities have done that. We do not have any data on the benefits/drawbacks of doing that. |
| Georgia | <ol style="list-style-type: none"> 1. No 2. The Board approved to keep the FY17 tuition rates at the same level as the FY16 tuition rates (zero percent tuition increase), however, generally decisions regarding tuition rates/increases are decided annually. 3. Yes, In FY 2007 the University System of Georgia implemented a “Fixed-for-Four years” tuition plan that the current entering freshmen cohort class would have tuition frozen at the approved rate for 4 years. Each new cohort of freshmen classes was offered the approved rate for that entering year until FY 2010, when the program was discontinued for the new entering freshmen cohort classes. The benefits of this program was that is gave the student and families more certainty in pricing for the student’s college education and tried to encourage the student to graduate in 4 year. The drawbacks were that the institutions were bound to fixed revenue streams and could not adjust to the declines in other revenue streams. |

| | |
|----------|---|
| | <p>In FY 2009, the State of Georgia was impacted by diminishing revenue collections due to the Great Recession and State support for Higher Education was cut significantly. State Support to higher education was uncertain due to the economic downturn. To be able to provide the same quality of education and support to the students and to offset the cuts imposed by the State, the Board needed to be able to review and change tuition rates on an annual basis. The program was terminated effective FY 2010. Students previously enrolled in the Fixed-for-Four program prior to FY2010 were grandfathered in and continued to pay the fixed rate for the appropriate duration of time.</p> |
| Hawaii | <ol style="list-style-type: none"> 1. For 15+ years we have done multi-year tuition schedules, primarily for the reason noted. It also provides some framework for financial planning. We have done as long as 5 years but right now we are working on a 3-yr schedule for 2017-2020. When we have done 5-year schedules we committed to a midterm review to understand any impacts on access and to assess financial conditions. Last year we actually lowered the previously approved increases for the final 2 years of our current 5-year tuition schedule. 2. Not a freeze, but our current 3-year proposal includes some years with 0 increase for some units. 3. No, but we've talked about it. |
| Idaho | <p>During this year's Legislative session (January-April 2016), Idaho's Governor proposed a "tuition lock" initiative for the public four year institutions which would have locked in the Fall 2016 tuition rates for full-time, resident, degree seeking students, but the measure died in the Legislature in the scramble to find additional funds. The state would have set aside \$10M to hold participating colleges harmless as tuition rates for non-cohort students rose approximately 3% each year. Nevertheless, one institution, Idaho State University, has been given permission to conduct its own tuition lock initiative commencing in Fall 2016. See answers below.</p> <ol style="list-style-type: none"> 1. No—tuition rates are set by the State Board for the upcoming year only (set in April—today in fact—for academic year 2016-2017). 2. No—no freezes on record going back at least to 2000 and before. 3. One institution—Idaho State University—received permission to conduct a trial of a tuition freeze for the four year period starting this coming fall. Students must be residents, first-time, degree seeking students who average at least 15 credits per semester and maintain a 2.0 GPA. Students must be enrolled continuously over 4 years, but exceptions will be made for religious missions and military service. Presumed benefits are increased enrollment and better completion rates within 4 years, but no benefits or drawbacks have yet been verified. Program begins in August 2016. |
| Illinois | <ol style="list-style-type: none"> 1. Yes – Illinois has a Truth in Tuition Law stipulating that students are guaranteed a fixed rate of tuition for the first academic year of enrollment, for 4 years, and then guaranteed the rate for the academic year following the year the student first enrolled for a fifth or sixth year. 2. Illinois has not instituted a universal tuition freeze for its public universities. Each individual university decides whether this is the appropriate action they wish to take. 3. Not to our knowledge. |
| Indiana | <ol style="list-style-type: none"> 1. Yes. Two years. The Commission makes tuition and fee recommendations. The boards of trustees of each institution set tuition rates. 2. Yes. Differing periods of time for each institution. Purdue is a good example of a multiyear freeze. 3. Both public and private institutions have employed differing methodologies, creating "up front pay" models, freezing tuition provided a student remains full time, as well as creating MOUs where students agree to pay a percentage of their future income for a period of time after graduation. The drawbacks are some being cost prohibitive for families, reduced scheduling flexibility, and investor risk in the three examples listed. |

| | |
|-------------|--|
| Kansas | <p>1. Kansas public universities have set rates for undergraduate tuition one year at a time.</p> <p>2. No, Kansas has not frozen tuition rates at any time since FY 2013. In FY 2016 and FY 2017, the Kansas Legislature enacted a provision in the budget to limit the rate at which the Board may increase universities' tuition rates at all Regents universities, except Fort Hays State University (which charges a rate among the lowest of public institutions in the country). The other universities were limited to the rate of the prior year's inflation (CPI-U) plus two percentage points. The Board of Regents elected to interpret the provision more widely to cover all institutions and to also cover student fees. In FY 2016, this tie to CPI-U resulted in a tuition rate cap of 3.6 percent and is anticipated to limit FY 2017 rates to growth of 2.1 percent.</p> <p>3. Yes, in 2007 the University of Kansas created an option for a four-year guaranteed tuition rate, referred to as "compact tuition." The compact offers first-time freshmen the opportunity to choose a fixed tuition rate for four full years. The compact tuition rate does not increase over the four years, although the compact rate is set slightly higher than the standard tuition rate. If a student requires more than the four years to complete, the tuition rate charged after the compact is the higher standard tuition rate.</p> |
| Maine | <p>1. No.</p> <p>2. Yes, tuition is still currently at the 2012 level for all of our institutions.</p> <p>3. No.</p> |
| Michigan | <p>1. NO on all accounts.</p> <p>2. NO. But the universities have kept their tuition increases under a state-incentivize cap in recent years, with just a couple of exceptions (and those schools paid a price...)</p> <p>3. The only experience in Michigan in the past decade was at Central Michigan University. They ended up abandoning their "Fixed-for-Four" tuition plan. There were simply way too many uncertainties regarding key factors that play a role in setting tuition prices, first and foremost being state funding levels. For that reason alone, short of receiving some type of multi-year funding guarantee from the state, I personally don't advocate for multi-year pre-set tuition rates. I think it's a better policy approach to advocate for sufficiency, consistency and sustainability with respect to state funding of higher education – this will in turn lead to greater predictability of tuition prices.</p> |
| Minnesota | <p>Minnesota State Colleges and Universities</p> <p>1. The Board of Trustees sets tuition rates on an annual basis when approving the system's operating budget. Even when undergraduate tuition rates were frozen by the legislature, the Board of Trustees approved tuition rates each year during the freeze.</p> <p>2. Yes, tuition rates were frozen at all universities in the MnSCU system during FY2014 & FY2015. Although tuition rates were increased in FY2016, university rates are again frozen next year (FY2017). During the years tuition rates were frozen, enrollment declined each year by just over 2% each year at the universities. Enrollment changes were impacted more by an improving state economy and fewer high school graduates than tuition rates being frozen.</p> <p>3. Fixed tuition rates have not been implemented for a cohort of undergraduate students.</p> |
| Mississippi | <p>1. Yes. We aim to set tuition for 2-3 years out. Adjustments would be rare to the base tuition rate, however we have allowed for the addition of mandatory fees such as Capital Improvement and Student Activity fees.</p> <p>2. No. Although two of our institutions have had flat tuition for 2-3 years, we have not actually frozen any tuition rates.</p> <p>3. No.</p> |

| | |
|---------------|---|
| Missouri | <p>On behalf of Missouri, we are aware of no initiatives or programs in the public four-year sector that either set tuition for more than one year, or fix tuition for the undergraduate cohort, nor are we aware of any that have been discontinued.</p> <p>On a couple occasions during the current Governor’s administration (since 2008), the institutions have agreed to freeze tuition and fees for a year (at least for resident undergraduates) in exchange for a certain increase in state appropriations. I don’t believe there have been any such freezes from FY 2013 through 2016, but one is on the table for FY 2017, and the budget is progressing through the legislature. There is legislation in Missouri generally limiting tuition increases to CPI, so they’ve been very low for a couple years just because CPI has been close to zero, but there’s been no additional formal agreement.</p> |
| Montana | <ol style="list-style-type: none"> 1. Undergraduate tuition rates are set every two years by the Board of Regents for Montana University System campuses. For the past ten years resident undergraduate tuition has mostly been frozen. In some cases, it has increased by 3-5% at the Flagship campuses only. In the case of non-resident undergraduate tuition, campuses are given a wider range of flexibility to recommend tuition increased based on market demands. 2. Yes. Rates have been frozen for the past 10 years at 2-year colleges, 8 out of 10 at regional 4-year campuses, and 6 of 10 at doctoral/research campuses. 3. No. |
| Nebraska | <ol style="list-style-type: none"> 1. The Nebraska State College System (NSCS) sets tuition rates for just one year at a time -- after the legislative session is completed each year. For the University of Nebraska, the Board of Regents approved two years’ worth of tuition increases for the first time as President Bounds believes setting tuition rates for multiple years is an approach that puts students and families first, allowing them to plan more effectively for the cost of their education. If so, for how many years? Two years. Are any adjustments to these rates allowed and, if so, under what conditions or using what factors? The Board of Regents continues to annually approve the operating budget, and at that time, could make adjustments to the rates if necessary. 2. Yes. In-state undergraduate tuition rates were frozen at the University of Nebraska and NSCS for both the 2013-14 and 2014-15 academic years. To help offset the tuition freeze, the Legislature provided a 4% increase in appropriations each year to the University of Nebraska and the state college system. 3. Neither the NSCS nor the University of Nebraska have offered any programs that fix the tuition for the length of a program. |
| Nevada | <ol style="list-style-type: none"> 1. LONG STANDING NSHE PRACTICE HAS BEEN TO SET RATES (TUITION FOR OUT OF STATE STUDENTS AND REGISTRATION FEES FOR ALL STUDENTS) FOR A BIENNIUM AT A TIME, COINCIDING WITH NEVADA'S BIENNIAL BUDGET PROCESS. HOWEVER IN RESPONSE TO STUDENT CONCERNS ABOUT PREDICTABILITY AND THE NEED TO PLAN FINANCIALLY, THE NSHE BOARD OF REGENTS APPROVED A 4 YEAR FEE PLAN FOR THIS BIENNIUM AND NEXT. CHANGES TO THOSE APPROVED RATES WOULD NEED BOARD APPROVAL AND WOULD ONLY BE CONSIDERED UNDER EXTREME FINANCIAL CIRCUMSTANCES. (Must show extraordinary change in circumstances to change rate. Has not happened.) 2. NO 3. NEVADA HAS HAD OCCASIONAL PRELIMINARY DISCUSSIONS ON THIS BUT HAS NOT OFFERED THIS TYPE OF PROGRAM. Too costly to implement |
| New Hampshire | <ol style="list-style-type: none"> 1. Not typically; the only exception was during the prior biennium (FY 14-15) when in response to the Governor and Legislature providing a substantial restoration of appropriation support that had been slashed in the previous session, the USNH agree to freeze in-state tuition for two years. 2. Yes, FY14 and FY15. 3. No, that approach has not been attempted within the USNH. |

| | |
|-----------------------|--|
| <p>North Carolina</p> | <p>I have attached the most recent four-year tuition plan approved for our system. It covers school years 2015 through 2019. It sheds more light on question #1 below. SEE ATTACHMENT AT END OF SUMMARY.</p> <p>Here is some more background to the questions.</p> <ol style="list-style-type: none"> 1. Yes. We now do tuition and fee recommendations for two year cycles rather than annually. It helps with family and student planning as well as saves a great deal of staff time on campuses and the system. We love it!! It also includes some language around when adjustments are allowed. 2. Yes. This is not in the attached plan, but we did freeze undergraduate resident tuition rates in school year 2014-15. Our average tuition increase across the system over last 5 years hovers around 3% annually. 3. No, but it has been discussed at the system and been introduced as legislation by our General Assembly. It has a lot of support among our Board of Governors and legislators. It is generally described as a Guaranteed Tuition and Fee program for resident undergraduate students. Your tuition and free rate would be frozen at same rate for 5 years when you enter as a freshman. These rates could be increased up to 5% each year, meaning each class of students would have a different rate. Not sure where this is going but the conversation continues. The main push back comes from campuses; it ties their hands to this particular revenue source. |
| <p>North Dakota</p> | <ol style="list-style-type: none"> 1. NO – The State Board of Higher Education sets the rates for the 11 public institutions on an <u>annual</u> basis. 2. NO, however the ND Legislature froze tuition, at the FY2009 rates, for the 5 public 2-year campuses for 4 years, from FY2010 through FY2013 3. NO |
| <p>Oklahoma</p> | <p>Our institutions fulfill the requirements under law for the guaranteed tuition lock program. For FY2014, there were 31,307 freshman students who were eligible to receive guaranteed tuition rates. Of this amount, 145 (or 0.5%) elected to participate in the guaranteed tuition program.</p> <ol style="list-style-type: none"> 1. Yes, please see Title 70 - Chapter 50 - Article II - Section 3218.8 - Subsection D: <ol style="list-style-type: none"> 1. Beginning with the 2008-2009 academic year, each comprehensive and regional institution within The Oklahoma State System of Higher Education shall offer to resident students enrolling for the first time as a full-time undergraduate a tuition rate that will be guaranteed for a period of not less than four (4) consecutive academic years as provided for in this subsection. Students shall have the option to participate or not participate in the guaranteed tuition rate program and shall indicate their election at the time of enrollment. Each institution shall provide students with the following information prior to enrollment: a. the annual tuition rate charged and the percentage increase for the previous four (4) academic years, and b. the annual tuition and percentage increase that the nonguaranteed tuition rate would have to increase to equal or exceed the guaranteed tuition rate for the succeeding four (4) academic years. 2. Except as otherwise provided for in this subsection, for a student who elects to participate in the guaranteed tuition rate program, who is a resident of the state, and who enrolls for the first time as a full-time undergraduate student at an institution in the state after the 2007-2008 academic year, the amount of undergraduate resident tuition charged to the student for four (4) consecutive academic years at a comprehensive and regional institution shall not exceed the amount that the student was charged at the time of first enrollment, nor shall it exceed one hundred fifteen percent (115%) of the nonguaranteed undergraduate tuition rate charged to resident students enrolling for the first time as undergraduate students at the same institution for the same academic year. 3. If the normal time of completion for an undergraduate program is more than four (4) years, as determined by the institution, the amount of resident tuition charged to students in that program who have elected to participate in the guaranteed tuition rate program shall not increase during the normal completion period of the program. 4. If a student who has elected to participate in the guaranteed tuition rate program is a member |

of the United States Armed Forces including the Army and Air National Guard, the Army, Navy, Air Force, Marine Corps, and Coast Guard Reserves, or any other component of the Armed Forces, and when ordered by the proper authority to active or inactive duty or service is required to withdraw from an institution for military or other national defense emergencies, the amount of resident tuition the student is required to pay upon reentering the institution shall not exceed the amount the student was charged at the time of withdrawal.

5. If a student who has elected to participate in the guaranteed tuition rate program transfers to another institution or transfers from a constituent agency of an institution to another constituent agency or the institution after initial enrollment, the student shall be charged the amount of resident tuition charged to other students enrolling for the first time at that institution or constituent agency.

6. If a student who has elected to participate in the guaranteed tuition rate program changes majors or transfers to another campus of the same institution after initial enrollment, the tuition charged to the student shall equal the amount the student would have been charged had the student been admitted to the changed major or enrolled at the new campus when the student first enrolled. This paragraph shall not apply if a student transfers from a constituent agency of an institution to another constituent agency of the institution.

7. A student who elects to participate in the guaranteed tuition rate program shall maintain full-time enrollment during the guaranteed four-year period. For purposes of this subsection, full-time enrollment shall be the number of credit hours as determined by the State Regents for Higher Education to be full-time enrollment for each institution.

- There has not been a system-wide public university tuition freeze after FY2013. However, several institutions have held tuition rates flat during certain time periods, including the state's flagship research institutions:

| | FY13 Cost for 30 Credit Hours | FY14 Cost for 30 Credit Hours | FY15 Cost for 30 Credit Hours | FY16 Cost for 30 Credit Hours |
|---|--|--|--|--|
| University of Oklahoma | \$3,957 | \$3,957 | - | - |
| Oklahoma State University | \$4,425 | \$4,425 | \$4,425 | - |
| Western Oklahoma St College (a 2-year community college in Altus, OK) | - | \$2,118 | \$2,118 | \$2,118 |

- The tuition lock program, outlined in question one, is the state-wide mechanism for offering fixed tuition at public universities. The lock program gives parents and students the option to budget a fixed amount over four years which can be beneficial for planning purposes. The drawback is that tuition rates may not rise as quickly as the guaranteed rate, but for some the benefit of a fixed rate may outweigh the risk of paying more in the long-term.

Pennsylvania

- 1.a. No, tuition is set annually by publicly supported institutions in Pennsylvania.
- b. This year an adjustment was considered with the budget impasse and when appropriations were in question. This had never been considered in PA before.
2. a. Pennsylvania has frozen tuition rates this past year (2015-16) as a response to the Governor's commitment to increase cuts to appropriations over the past several years.
3. a. One of the universities in the Pennsylvania State System of Higher Education (PASSHE) is considering this model. Below is some information on the pilot Mansfield University has proposed.

Mansfield University of Pennsylvania

Per-Credit Tuition Pilot—Freeze Individualized Tuition (FIT) Model

Concept: To charge tuition on a per-credit basis for all undergraduate students, beginning in the fall 2016 semester, and freeze that tuition rate for eight consecutive fall and spring semesters. This pilot program is based on a four-year plan; a student's tuition will not increase for eight semesters (excluding summer or winter terms) or until the first degree is conferred, whichever occurs first.

This pilot program will replace the current hybrid model in which students enrolled in 12–18 credits are charged a flat rate, and students who are not full-time are charged on a per-credit basis. At the time of implementation, per-credit tuition for all students with less than 90 credits earned to date will be frozen for subsequent academic semesters. Students with 90 or more credits will have the option either to pay the System's per-credit rate or participate in Mansfield's cohort frozen tuition rate.

When the Board of Governors approves 2016/17 tuition rates, all incoming and returning undergraduate students (with less than 90 credits earned) will form a single cohort and pay tuition at one percent above the System's 2016/17 per-credit undergraduate tuition rate. The cohort will continue to pay that same rate for up to the next eight semesters, or until the first degree is conferred, whichever occurs first. For fall 2017 incoming students, a new cohort will be formed; those students will pay tuition at one percent above the System's 2017/18 per-credit tuition rate as approved by the Board in July 2017. The cohort will continue to pay this same per-credit tuition rate for up to the next eight semesters.

Students who withdraw from the university for a period of no more than one year may, upon readmission, return to the same tuition rate in place at departure and use the remaining eligibility of their eight semesters (not to exceed five years from initial start date). Students readmitted after one year will pay the tuition rate in effect at the time of readmission.

Students will have five years to use the eight semesters at the frozen rate. If students exhaust their eight semesters prior to graduation, they may pay either the current Board-approved tuition per-credit rate or they may reset their eligibility for eight additional semesters by paying the newest cohort rate. (If students need more than one additional year to complete their degree, it is in their best interest to pay the newest cohort rate.)

This program does not apply to graduate students. Summer, winter, and online courses will not be a part of this program.

Justification/Rationale: In accordance with Mansfield University's strategic plan, this pilot is focused on assisting the university in increasing enrollment while also increasing retention, student persistence, academic profile, and four-year graduation rates.

Mansfield's proposal seeks to limit student debt by freezing tuition over four years and encourages students to complete their program within that period. Students who maintain satisfactory academic progress and take 15 credit hours per semester will be able to graduate in four years without an increase in tuition. Transfer students will also benefit from this program, as they also will have tuition frozen for eight semesters or until first degree is conferred. *Board of Governors' Meeting Agenda – Page 103*

| | |
|--------------|--|
| | <p>The average Mansfield undergraduate in-state student takes 14.3 credits each semester. In order to assist financially needy students taking more than 12 credits, Mansfield will set aside 25 percent of the additional revenue raised for need-based financial aid. This set-aside equates to approximately \$1.0 million, enough to cover 2.3 credits for each student who has unmet financial need (based on fall 2014 records).</p> <p>Cost/Benefit Analysis: After inception in fall 2016, each annual student cohort will have the Mansfield per-credit tuition rate frozen for eight semesters. Approximately 66 percent of Mansfield’s students graduate with 120–124 credits. Under this cohort-based, per-credit tuition model, these Mansfield students should be able to complete their degree without experiencing an increase in their tuition rate.</p> <p>Although Mansfield University has undertaken new efforts to increase undergraduate enrollment over the next several years, this pilot will generate a significant increase in tuition revenue based on current enrollment and will assist Mansfield in meeting fiscal requirements. With no enrollment growth, the pilot will generate \$3 million to \$4 million annually, after meeting need-based student aid. If enrollment growth targets are met, the increase in net tuition revenue (net of institutional need-based financial aid) is estimated at \$4 million to \$5 million annually. The university has reviewed scenarios with reduced credit generation that still reflect a positive net revenue gain for the university.</p> <p>Timeline: Fall 2016 through spring 2019, applicable to fall and spring semesters only.</p> <p>Assessment Goals</p> <p>Enrollment—Mansfield’s overall enrollment will increase.</p> <p>Access—The university is committed to providing access to all students, especially those with exceptional financial need, by providing need-based scholarship assistance to qualified students within this pilot program. Access will be evaluated to maintain at least a similar undergraduate profile of the university’s Pell grant recipients and underrepresented minority students throughout this pilot program.</p> <p>Tuition Revenue—Tuition revenue is expected to increase approximately 15 percent over the System’s current hybrid model for undergraduate students, with 25 percent of the revenue set aside for need-based financial aid. The tuition revenue net of financial aid is estimated at \$3.1 million in the first year of implementation.</p> <p>Program Viability—If the program is unsuccessful at the end of the pilot period timeline, the university is committed to returning to charging the System’s full-time undergraduate resident tuition rates.</p> |
| Rhode Island | <ol style="list-style-type: none"> 1. No, we set rates each year. 2. We have frozen tuition rates in recent years. Tuition was frozen in 2014 and 2015 for the two 4-year institutions in the system. (Both institutions asked for very small increases in fees, however.) At the Community College, tuition was frozen in 2012 (which predates this request) but was frozen again in both 2014 and 2015. In this budget year for fiscal 2017, tuition will be frozen once again. 3. No, RI has never offered a program where tuition was fixed for a designated cohort. |
| South Dakota | <ol style="list-style-type: none"> 1. We do not. 2. We have frozen tuition twice in the last three years. The freeze has been funded by the legislature 3. We have not. |

| | |
|------------|--|
| Tennessee | For Tennessee the answer to all 3 questions is 'no.' |
| Utah | The Utah System of Higher Education responds with "No" for all three questions. |
| Vermont | University of Vermont 1. No 2. No, tuition has not been frozen. 3. We have not. |
| Virginia | 1. The Board of the University of Virginia had two \$1,000 step increases in tuition for in-state incoming freshman of fall 2015 and 2016 over the tuition other students pay in each year. 2. No. 3. (a) The College of William and Mary offered a guaranteed tuition plan for all in-state incoming freshman with a fixed tuition for four years in fall 2013. The outcomes of this plan are too soon to generate at the moment. For more information, please contact Sam Jones, Senior Vice President for Finance and Administration, sejone@wm.edu . (b) The University of Virginia offered an optional guaranteed tuition for in-state incoming freshman with a fixed tuition for four years in fall 2015. The outcomes of this plan are too soon to generate at the moment. For more information, please contact Colette Sheehy, Senior Vice President for Operations, cc@eservices.virginia.edu |
| Washington | 1: In Washington State, resident undergraduate tuition setting authority was returned to the legislature a few years ago, after two years in the control of the six public baccalaureate institutions. Technically, the tuition policy in the biennial budget sets tuition increase (or decrease) amounts for a two year period, but this is subject to change in the supplemental budget, so this does not meet the test of a true multi-year tuition policy. Tuition is officially set by the Boards of Regents each year. Current law in Washington provides for tuition growth capped at the growth in the state's median wage, or around 2.5%. This policy is set to take effect in FY 2018. In practice, the legislature retains the ability to set aside policies like this if revenues decline, so again, I would say that while this policy is current law, it falls short of the kind of multi-year tuition setting that I believe you're asking about. 2: Washington's tuition was frozen for fiscal years 2014 and 2015. This was done in the budget bills. Technically, the legislature froze tuition, meaning the Operating and Building Fees. Institutions added some minor dedicated fees during this period. For the current budget period, the legislature has reduced tuition in two steps: a small 5% reduction in 2016 (the current year) and a larger reduction in 2017, with some differentiation by sector. 3: The idea of cohort pricing came up from time to time, and was considered briefly about 10 years ago, but was never implemented for undergraduate students. The legislature had tuition setting authority from the 1990s through 2011, and opted not to experiment with this policy. However, institutions retained some tuition authority for graduate programs, beginning in the early 2000s. I believe some professional schools operated versions of this; the University of Washington's Business School is an example. While we are proud of tuition reduction, we are also cognizant of the steep rise in tuition and related expenses during the great recession in Washington. Like most other states, finding ways to address affordability remains a key issue going into the 17-19 session. |

| | |
|-----------|--|
| Wisconsin | <ol style="list-style-type: none">1. The University of Wisconsin System sets tuition on an annual basis. We are currently in the process of reviewing our tuition setting policies for the future and would be very interested in receiving a copy of the feedback that you get from others.2. The governor and the legislature have frozen resident undergraduate tuition for four years – 2013-14, 2014-15, 2015-16 and the upcoming 2016-17 fiscal years.3. The UW System does not utilize cohort tuition pricing at this time. |
| Wyoming | <p>Wyoming Community College Commission</p> <ol style="list-style-type: none">1. No, not currently. However, that is something we're considering as part of our long-term tuition setting policies.2. Technically, no. However, the Commission didn't increase tuition for the current academic year. Commissioners did vote in favor of an increase for the upcoming year.3. No. However, that is another option currently being considered as part of our long-term policies. |

THE UNIVERSITY OF NORTH CAROLINA

Tuition and Fees: A Four-Year Plan for Academic Years 2015-16 through 2018-19

Background and Context

A fundamental goal of the University of North Carolina is to place a world-class education within reach of every qualified state resident. That has been our charge since 1789, when the very first General Assembly proclaimed that the benefits of a University of North Carolina education should “be rendered as diffusive and universal as possible.” It remains our obligation today, with a constitutional mandate that “higher education, as far as practicable, be extended to the people of the State free of expense.” If the University is to continue as the state’s economic engine and a beacon of opportunity for North Carolinians, it must remain accessible to all those who earn admission.

Through a balance of ongoing state investment, expanded private fundraising, and modest tuition revenue, UNC campuses continue to serve the state and provide low-cost, rigorous higher education to its people. After several years of constrained public funding and an accompanying focus on increased efficiency, the University has emerged from the Great Recession with a stable financial profile and unshaken confidence in the lasting value of public higher education. UNC remains a strong, globally respected, and competitively funded institution, fortunate to have earned the support and trust of state leaders. It is imperative that we retain that trust by continuing to provide an affordable high-quality education for our students.

Tuition-Setting Framework

The tuition policy of the Board of Governors provides a framework for the Board's annual review and action on proposed adjustments in tuition and fees. Through this process, the Board fulfills its responsibility under General Statute 116-11(7), which states in part that "The Board (of Governors) shall set tuition and required fees at the institutions, not inconsistent with actions of the General Assembly." The Board has sought to exercise its statutory authority in an objective, transparent manner that (1) ensures affordability for students; (2) provides predictability for both students and the constituent institutions; and (3) allows the constituent institutions to retain tuition and fee receipts for designated uses.

Since 2006, the Board has adopted four-year plans that set parameters for campus proposals seeking annual adjustments in tuition and/or fees. This updated four-year plan will provide guidance to the campuses during academic years 2015-16 through 2018-19. At the end of this next four-year period, the plan will again be evaluated and modified by the Board as it deems appropriate.

Calculation of Tuition and Fees Cap

During the covered plan period (2015-16 through 2018-19), the maximum rate of increase in campus-initiated tuition rates for resident undergraduate students shall be 5% per year. Revenues generated from these adjustments will be used to cover general operating inflationary increases and significant changes in fixed personnel costs, as well as strategic investments that improve student outcomes. This cap will remain in place unless significant changes in appropriations per resident FTE occur during the plan period.

The Board of Governors recognizes, however, that institutions vary appreciably in their missions, program mix, and overall funding availability. In compelling circumstances, the Board may

consider variances to this cap when setting annual tuition rates for individual campuses. Reasons for which a campus might be permitted to deviate from the cap include, but are not limited to (1) dealing with significantly higher than anticipated increases in inflationary or fixed personnel costs; (2) evaluating resources and programs provided by peer institutions; and (3) other unforeseen circumstances.

Allowable increases in student fees required for all students, other than debt service fees, are also capped at 5% annually. Changes in state appropriations per resident FTE do not impact student fees. Debt service fees are not included in the cap because the capital projects financed by the indebtedness are repaid from these fees and are evaluated on their individual merits through a separate process. For those projects to be funded from debt service fees, the Board will consider the total financial impact on students from these charges (both debt service and operating charges), as well as the institution's ability to repay the debt, as demonstrated by a financial analysis to be submitted by the campus when proposing the fee. The Board will also review the utilization of similar existing campus space to gauge the need for additional facilities. For added transparency, debt service fees supporting athletic facilities shall be presented separately from other debt service fees.

Adjustments to Tuition and Fees Cap

While tuition is necessary as a secondary source of funding, the General Assembly has the principal responsibility for supporting the University. For years in which the General Assembly is able to provide sufficient resources, the need for tuition increases should be lessened. Conversely, the need for tuition increases may be greater in years in which the General Assembly is not able to provide sufficient resources. Recognizing that the General Assembly's capacity to fund the University varies from year to year, the 5% cap on annual campus-based tuition increases will be adjusted as follows:

- ✓ For any year in which the General Assembly provides a recurring increase in operating appropriations per resident FTE that is in excess of 5%, the tuition cap shall be lowered commensurately until the cap is reduced to 0%. For example, if the General Assembly provides a recurring 6% increase in operating appropriations per resident FTE, the following year's campus-based tuition increase cap would be reduced by 1.5%. Since appropriations are a larger share of the University's budget than tuition, a 1% increase in appropriations generates sufficient funding to offset 1.5% in tuition revenues.
- ✓ Likewise, if appropriations per resident FTE are nominally reduced year over year, the tuition cap may increase as needed to offset the reduction in state resources.

Fee-supported activities do not receive appropriations. The 5% fee cap is unaffected by changes in appropriation per resident FTE.

Maximum Amount of Tuition Revenues Set Aside for Need-Based Financial Aid

The Board's five-year strategic plan outlines a renewed UNC compact with the citizens of North Carolina. It affirms that UNC will maintain low tuition and fees and provide adequate financial aid to students who are academically prepared to succeed. This four-year plan strengthens that compact by setting a 15% cap on total tuition dollars that may be used for need-based financial aid. Campuses that exceed this threshold are frozen at their current need-based financial aid amount until their total percentage is below the 15% cap. Campuses under the threshold may continue

setting aside additional tuition revenues for need-based financial aid so long as they stay under the 15% cap.

Other Tuition and Fees Parameters

The Board continues to require that combined tuition and fee rates for resident undergraduates remain within the bottom quartile of each institution's public peers, as approved by the Board of Governors.

Combined rates for nonresident undergraduate students should continue to be market driven, and campuses are expected to submit rates that reflect the full cost of providing nonresidents with a quality education. To maintain market-driven rates, each campus shall set a goal over the plan period to charge a combined rate that is at or above the third quartile of each institution's approved peers. Nonresident students in the University must be quality students who contribute significantly to the overall educational experience of the entire student body.

Graduate and professional schools shall continue to establish rates consistent with each program's unique market and academic requirements. Programs with differential school-based tuition rates are not subject to the 5% cap on annual increases or 15% cap on total tuition dollars that may be used for need-based financial aid.

Summary of Process

All campus proposals for adjusting tuition and fee rates must be accompanied by explicit justification plans. Additional tuition revenues proposed to cover general operating inflationary and fixed personnel cost increases shall be presented as individual items for review and approval. These may include, but are not limited to, faculty and staff salary and benefit changes, utilities, and purchased supplies or materials. Increases recommended for strategic investments that improve student outcomes shall also be presented as discrete items for review and approval. These may include, but are not limited to, reductions in class size, increases in sections offered, compensation adjustments needed to reach market rates, improved library and counseling services, and financial aid assistance. Revenues may also be used to offset extraordinary increases in fixed costs. Increases proposed to offset reductions in appropriations per FTE shall be presented as offsets to specific budget cuts.

During this four-year plan period, tuition and fee rates will be set by the Board of Governors on a biennial basis. Rates (both tuition and fees) for academic years 2015-16 and 2016-17 will be set in the winter of 2015, and rates for 2017-18 and 2018-19 will be set in the winter of 2017. Significant changes in appropriations by the General Assembly per resident FTE would require that the Board revisit the 5% cap and previously approved rates in the second year of the biennium.

Since debt service fees are project-based, any changes in these fees will continue to be evaluated annually. Where appropriate, separate school-based tuition rates for new graduate and professional programs will be reviewed and established as those programs are considered for approval by the Board of Governors.