

Appendix A

The 1992-93 SHEEO Survey on State Tuition Policies

The following questionnaire was distributed to State Higher Education Executive Officers (SHEEOs) in late 1992. Responses were received from all fifty states prior to February 1993. In most cases, the respondent was the State Higher Education Finance Officer (SHEFO) within a statewide coordinating or governing board. In cases where one organization or individual could not respond for all sectors of public higher education, responses were sought (and generally received) from the appropriate organizations dealing with each sector. For example, responses for several states were provided by one agency for four-year public institutions and another statewide agency for two-year community colleges, in order to reflect the structure of institutional governance and state policy in the state. These responses were combined in the analysis, indicating the differences across sectors as necessary. In some instances, questionnaire responses were augmented through additional communications or with more recent materials.

Raw data tables and summaries are available from the SHEEO office. These include frequency tables and common statistics for numerical questions, as well as lists of states for alternative-choice questions. For non-numerical questions and responses, some coding was done in the analysis of data. In other instances, the raw data files include verbatim comments or a summary of the responses.

The raw data files are available either for specific questions or for the entire questionnaire. For additional information or ordering information contact the SHEEO Office at (303)-299-3686.

STATE HIGHER EDUCATION EXECUTIVE OFFICERS SURVEY ON STATE TUITION POLICIES

This survey solicits information on state-level policies and procedures governing public higher education tuition and other student charges. Questions on four topics are included:

1. The underlying philosophy or set of principles for setting public institution tuition, and the governmental authority under which tuition rates are set.
2. Economic and cost factors taken into account in setting tuition rates.
3. Policies that differentiate tuition levels for different categories of students and govern the granting of waivers.
4. Treatment of tuition revenues in the budgetary process, and the use of tuition revenues for student financial aid and other purposes.

Some questions are intended to update and clarify information collected through the last SHEEO survey on this topic in 1988. Other questions are new or expanded to reflect the changing financial and political circumstances in which tuition rates are set. This is not a survey of the actual rates or amounts of current tuition, since there are already several sources for these data.

For simplicity, the term "tuition" as used in this survey includes all standard student charges (including required "education fees" in states that prohibit tuition per se). To the extent possible, this generic "tuition" category should include all mandatory fees used to support education functions and facilities (e.g., fees dedicated to academic facilities debt repayment), but not those used to support optional or non-academic services (e.g., health services, recreation facilities, athletic programs and

dormitories). Several clarifying questions solicit information on the proportion of tuition and fee revenues used to support operating budgets, capital budgets, auxiliary enterprises, or programs. Recognizing that these practices vary across states and institutions, the intent of this survey is to gather information on the major and most general student charges. "Tuition policies" in this context may include constitutional or statutory provisions, governing or coordinating board policies or procedures, and less formal practices within the appropriations, budget review, or formula funding systems that affect tuition charges within the state.

Tuition Philosophy

1. Below are five statements which characterize different philosophies or approaches used in setting tuition levels. Please indicate the single "best" characterization for each of the three major public sectors (research universities, state colleges and regional universities, and community colleges), or characterize in your own words the philosophy or approaches used.
 - a. Tuition in this sector reflects a "low-tuition" philosophy, with student charges as close to zero as possible in order to maximize access.
 - b. Tuition in this sector reflects a "moderate tuition" or proportional cost-sharing philosophy in which the state provides a stable proportion equal to more than one-half of education costs. (Indicate the approximate "proportions" in explanation.)
 - c. Tuition in this sector reflects a "high-tuition" strategy, with tuition levels increasing more rapidly than state support in the belief that students who have the ability to pay should bear a larger proportion of their education costs.
 - d. Tuition in this sector is set in relation to tuition levels in other states or at peer institutions, or is "indexed" to specific economic variables (e.g., consumer price index, state personal income).
 - e. Tuition in this sector is guided by institutional-level philosophy or budgetary needs, and there is no guiding philosophy or approach at the state level.

2. For each governmental body listed below, please indicate the sector(s) over which it exercises a direct role in establishing tuition rates. In the explanation, indicate whether this is a legal responsibility, a functional responsibility (e.g., implementing recommendations or decisions of other bodies), or some combination of roles.

	Public Research Universities	State Colleges and Regional Universities	Public Community Colleges	No Direct Role
A. State Legislature				
B. State Coordinating Board				
C. Statewide Governing Board				
D. Multi-institutional Governing Board				
E. Single Institution or Local District Board				
F. Other (specify)				

3. Please describe briefly your perception of the direction of tuition policies in your state, and what factors will shape the underlying philosophy and policies in the next several years. Please comment on the following factors and others, as appropriate:

- private-public sector tuition differentials.
- the national research and debate over high tuition/high financial aid strategies.
- growing public concern over high education costs and accountability, and
- student and public reactions to tuition increases.

Please attach additional pages, if necessary, and relevant printed materials.

Economic and Cost Factors

4. Please indicate the extent to which the following financial factors are taken into account in setting tuition rates or increases. Indicate whether there is a direct linkage ("indexing") between the factor and the tuition level or increase; an indirect relationship in which the factor is generally taken into consideration; or the factor is not taken into account. Indicate sector (research universities, state colleges, community colleges) when necessary.

	Indexed	Indirect	Not Taken Into Account
A. Consumer Price Index (CPI)			
B. Higher Education Price Index (HEPI)			
C. State personal income or disposal income			
D. Cost of education or instructional costs (Briefly define terms and relationship.)			
E. Peer group or other inter-institutional comparisons (Briefly define method.)			
F. State general fund appropriations for higher education			
G. Other (specify)			

5. Please estimate the proportion of the cost of undergraduate education met by tuition for each of the three major sectors.

a. Tuition at research universities meets ____% of instructional costs.

b. Tuition at state colleges and regional universities meets ____ % of instructional costs.

c. Tuition at community colleges meets _____ % of instructional costs.

6. At any time since January 1, 1988, have revenue shortfalls or legislative recisions result ed in tuition surcharges, mid-year increases or other mid-year tuition adjustments?

Yes No

If yes, briefly describe the circumstances and extent of the mid-year changes in chronological order.

Tuition Categories and Waivers

7. Does your state have explicit tuition/fee policies (legislation, rules, written guidelines) or practices with respect to the following? If yes, briefly describe. (Answers should reflect policies for four-year institutions, unless otherwise indicated.)

a. Non-resident undergraduates (e.g., full-cost or as a multiple of resident rates)
 Yes (Describe.) No

b. Graduate/professional students
 Yes (Describe) No

c. Foreign nationals
 Yes (Describe) No

d. Level or program differentiation for undergraduates (lower, upper division, different schools)
 Yes (Describe) No

e. Mandatory non-instructional fees (e.g., student services, athletics, health, etc.)
 Yes (Describe) No

f. Special, non-traditional programs (e.g., on-site, mid-career, professional develop ment)
 Yes (Describe) No

g. Other (Please describe):

8. Do public institutions in your state provide tuition waivers for any of the following cate- gories of students? Please indicate the extent and limits for these waivers (e.g., 100 percent tuition waiver, credit hour limits, etc.)

	Yes, Under State Statutes or Policies	Yes, Based on Institutional Discretion	No
A. Dependents of deceased police officers, firefighters, or other public servants			
B. Faculty/staff members Describe:			
C. Dependents of faculty/staff			
D. Graduate teaching assistants			
E. Public service programs (e.g., Campus Compact)			
F. Student athletes			
G. Veterans, National Guard			
H. Students who qualify for need-based aid			
I. Students who qualify for merit-based aid (academic scholarships)			
J. Senior citizens			
K. State employees or dependents			
L. Other (specify)			

9. Has your state considered or implemented any of the following tuition or student assistance options?

	Under Consideration	Implemented	Terminated	No
A. Tuition prepayment plans				
B. Tuition savings plans				
C. State-based work/study programs				
D. Loan forgiveness programs for targeted fields				
E. Community/public service with some tuition benefits				
F. Merit-based scholarships				
G. Taylor plans/Eugene Lang programs (waivers guaranteed at early age on condition of successful high school completion)				
H. Other (specify)				

Please provide brief explanation or include descriptive materials.

10. Does your state have undergraduate tuition reciprocity agreements with other states?

Yes No

If yes, please briefly explain type and extent of reciprocity agreements.

11. Which statement below best describes control over public institution tuition revenues in your state? Please indicate only one for each sector and note exceptions below.

- a. Revenues from tuition are retained at the campus or institution level.
- b. Revenues from tuition are retained at the state-level under the control of a multi-institution governing or coordinating board.
- c. Revenues from tuition are held in separate state tuition accounts from which all funds must be appropriated prior to expenditure for higher education purposes.
- d. Revenues from tuition are deposited in the state general funds, with their return to higher education only inferred.

A. At research universities, statement ____ best characterizes our approach.

B. At state colleges and universities, statement ____ best characterizes our approach.

C. At community colleges, statement ____ best characterizes our approach.

12. Below are three statements that characterize state funding approaches for higher education. Please indicate the single "best" characterization for each major public sector in your state, or explain the approach used.

- a. We use a formula funding approach for budget development and allocations that incorporate various workload factors (such as expected enrollments, student-faculty ratios, standard costs) and some mission or program differentiation. Tuition revenues enter this process indirectly through estimated enrollments.
- b. We use a formula or guidelines for budget development and resource allocation that, in addition to workload factors, also take into account estimated or actual resources available from various sources, including tuition revenues.
- c. We use an institution-based budgeting approach, in which the revenues and expenditures of each institution are reviewed by some state-level agency (governing/coordination board, state budget office or legislature). Tuition revenues are examined in the context of projected enrollments and institutional budgets.

A. At research universities, statement ____ best characterizes our approach.

B. At state colleges and universities, statement ____ best characterizes our approach.

C. At community colleges, statement ___ best characterizes our approach.

Treatment of Tuition Revenues

13. Please describe briefly when and by whom actual revenues from tuition are checked against estimates, and adjustments made for additional collections (carry-over) or short-falls, and if these affect general fund support. Indicate any differences in these procedures for public research universities, state colleges and regional universities, and community colleges.
14. Which statement below best characterizes the relationship between public institution tuition and student financial aid in your state? In particular, indicate in your response the proportion of tuition revenues dedicated to offsetting tuition increases for financially-needy students.
- A. State student financial aid programs explicitly take into account public institution tuition levels and increases. If yes, briefly explain this relationship (e.g., the proportion of tuition revenues or increases earmarked for student aid, full funding of calculated student "need," etc.)
 - B. Student financial aid at public institutions is governed by policies or guidelines established at the state level, but funded and implemented at the institution level. If yes, indicate types of policies and how effectively these operate.
 - C. Student financial aid is provided by institutions without significant guidance or support from the state level.
 - D. Other (please explain):
15. Do you have state policies on the use of tuition revenues for capital expenditures, auxiliary enterprises, athletic/recreational programs or facilities, or other non-Education and General (E&G) or non-instructional expenditures?

Yes No

If yes, please describe briefly: