

December 1, 2009

MEMORANDUM

To: President Bill Powers
From: Tuition Policy Advisory Committee
Subject: Tuition Recommendations – Academic Years 2010-11 and 2011-12

Executive Summary

The Tuition Policy Advisory Committee (TPAC) is submitting tuition recommendations for the two-year period 2010-11 and 2011-12, which are as follows:

- TPAC recommends a **Tuition** increase for all undergraduate and graduate student programs, excluding professional schools, of 3.95% per year for 2010-11 and 2011-12.
- The students voted in a 2006 student-wide referendum to institute a new **Fee** of \$65 per semester beginning in 2010-11 to pay for the Student Activity Center (SAC) presently under construction.
- The combined effect is to increase the weighted average per semester **Total Cost of Education** for a resident undergraduate student by \$241 (5.40%) to \$4,709 in 2010-11 and by \$186 (3.95%) to \$4,895 in 2011-12. For a resident graduate student it is an increase of \$218 (5.62%) to \$4,100 in 2010-11 and \$162 (3.95%) to \$4,262 in 2011-12.

TPAC has reviewed in detail the financial forecast for the University. As a result of a composite decline in the University's net funding sources, without a tuition increase the University will have to cut its current budget by a minimum of -\$17.3 million in 2010-11 and -\$14.2 million in 2011-12 (**Table 2**). Such reductions would be necessary to simply balance the budget. Cutting the University's budget will put at risk the University's ability to continue to provide high quality education and maintain a reasonable level of student services. It is for this reason that TPAC believes it is necessary to increase tuition. The modest increases recommended by TPAC will avoid an overall budget reduction; however, they will not generate incremental funding for such items as salary increases, faculty hiring or increasing graduate student support. Tuition increases on the order of nearly 18% per year over the next two years would be required to fund the critical priorities that would progress the University. However, TPAC feels that its tuition recommendations are within what can reasonably be expected of students and parents financially, given the context of the current economic realities, expectations of tuition affordability and the

legislative policy constraints under which the University must operate. These recommendations provide cost predictability for students and their families, provide transparency in pricing and accountability, maintain accessibility to the University, and encourage timely progress toward degrees.

Upon submission to you, these recommendations will be made available to the University community for review and comment through January 31, 2010, when your final recommendations are due to the University of Texas System. TPAC will host open public forums on campus January 20 and January 26, and will meet with individual student governance groups to discuss these recommendations and receive comments. The comments received during this period will help inform your final recommendations to the UT System and the Board of Regents.

Tuition Recommendations

TPAC recommends that the flat rate tuition for all undergraduate and graduate student programs for 2010-11 and 2011-12 increase by 3.95% each year. For the average resident undergraduate student, this is an increase of \$176 per semester in 2010-11 and an increase of \$186 per semester in 2011-12. For the average resident graduate student, this is an increase of \$153 per semester in 2010-11 and an increase of \$162 per semester in 2011-12.

Additionally, the Provost Office recommends that tuition for professional programs be increased as follows:

- Law – Resident student tuition is proposed to increase 3.95%-5.00% in years 2010-11 and 2011-12 depending on the year first enrolled.
- Business – No tuition increase is proposed for MPA students; resident MBA student tuition is proposed to increase 5.86% in 2010-11 and 7.11% in 2011-12.
- Pharmacy – PharmD program resident student tuition is proposed to increase 5.84% in 2010-11 and 5.68% in 2011-12.

In accord with policy, 20% of the flat rate tuition increase for resident undergraduate students and 15% for resident graduate students will be set aside to provide financial aid grant assistance to Texas residents. The Office of Student Financial Services will be responsible for administering these grant funds.

In February 2006, the student body passed a referendum (67.7% in support) to create a new Student Activity Center (SAC) on campus and pay for the associated capital and operating costs of the SAC by instituting a new fee to all students of \$65 per semester upon its completion. This fee will continue to be charged each semester thereafter. The facility will be completed during the

2010-11 academic year. Accordingly, an SAC fee of \$65 per semester for full-time students (prorated for part-time students) will begin to be assessed at the beginning of the 2010-11 academic year. Student fees are not subject to the aforementioned 20% financial aid set-aside. The treatment of this charge as a new fee rather than a tuition increase is in accord with the *U. T. System Principles and Guidelines for Setting Tuition and Fee Rates at U. T. System Academic Institutions, Academic Years 2010-2012*, which excludes fees approved by a vote of the students through the referendum process.

The combined effect of the recommended tuition increase and of the new SAC fee will cause the weighted average total cost of education at UT Austin for a resident undergraduate student to increase from \$4,468 per semester in 2009-10 to \$4,709 in 2010-11. The increase is composed of \$176 in tuition (3.95%) and the \$65 (1.45%) new student-initiated SAC fee, representing a 5.40% increase in the total cost of education. For 2011-12, the total cost of education will increase from \$4,709 to \$4,895, a difference of \$186 or 3.95%. For a resident graduate student it is an increase of \$218 (5.62%) to \$4,100 in 2010-11 and by \$162 (3.95%) to \$4,262 in 2011-12.

TABLE 1

| | Resident Student Weighted Average Cost Data | | | | | |
|----------------------|--|---------|------------------|---|-------|---|
| | Total Cost per Semester to Attend 2009-10 | | | Total Cost per Semester to Attend 2010-11 | | Total Cost per Semester to Attend 2011-12 |
| | Tuition Increase | SAC Fee | Tuition Increase | Tuition Increase | | |
| Undergraduate | | | | | | |
| Dollars | \$176 | \$65 | \$186 | \$186 | \$186 | \$4,895 |
| Percent | 3.95% | 1.45% | 5.40% | 3.95% | 3.95% | |
| Graduate | | | | | | |
| Dollars | \$153 | \$65 | \$162 | \$162 | \$162 | \$4,262 |
| Percent | 3.95% | 1.67% | 5.62% | 3.95% | 3.95% | |

Budget Forecast Discussion

In order to fully understand the financial consequences of its tuition recommendations, TPAC reviewed in detail a projection of the revenues needed over the next two years to permit the University to continue its pursuit of becoming one of the best public institutions of higher education in the nation. This priority expenditure budget, together with a realistic projection of income generated from all sources, including the TPAC recommended tuition increase of 3.95% each year, is included in this document as **Appendix 1**.

Projected Income Sources

Table 2 sets forth an estimate of the University budget reduction required, assuming no increase in tuition, and the projected new income or deficit to pay for University operations including TPAC's recommended increase in tuition.

| TABLE 2 | | |
|--|----------------------|---------------------|
| <u>Projected New Income / - Deficit to Pay for Operations - by Source</u> | | |
| (in millions) | | |
| | <u>2010-11</u> | <u>2011-12</u> |
| Change in: | | |
| State appropriations to University | \$1.7 | -\$4.6 |
| Available University Fund Endowment | -5.9 | -9.6 |
| University cash balances available | -13.1 | 0.0 |
| Budget reduction required | | |
| assuming no increase in tuition | <u>-17.3</u> | <u>-14.2</u> |
| Recommended Tuition Increase | | |
| Gross monies generated | 20.4 | 21.3 |
| Less required financial aid set-aside | <u>-3.2</u> | <u>-3.2</u> |
| Net tuition monies available | 17.2 | 18.1 |
| Projected new - deficit / income for operations | | |
| including TPAC recommended tuition increase | <u>-\$0.1</u> | <u>\$3.9</u> |
| NOTE: The table excludes approximately \$6.5 million resulting from the student initiated SAC fee which is fully dedicated by referendum to paying the capital and operating costs of the new center. | | |

The following is an explanation of certain line items included in **Table 2**:

- State appropriations for 2010-11 of \$1.7 million were appropriated to the University in the last legislative session. The reduction of -\$4.6 million in 2011-12 consists of a projected increase in general appropriations of \$8.1 million (determined at the University's historical average increase which is 1.8%), fully offset by a projected decline in State appropriated incentive and supplemental funding of -\$12.7 million.
- Available University Fund Endowment reductions are projections provided to the campus by the University of Texas Investment Management Company (UTIMCO) on behalf of the Board of Regents in August 2009, and reflects the financial environment at that time.
- The current 2009-10 budget was partially funded by the use of available University cash balances. Because the cash balances will be spent by the next fiscal year, and the associated costs paid for by the balances will

continue, the University will have -\$13.1 million less available cash in 2010-11 to fund its budget.

- The monies generated from increasing tuition will provide the University approximately \$17.2 million in 2010-11 and \$18.1 million in 2010-11 after deducting the legally required set-aside for additional student financial aid. As was the case for 2008-10 tuition income projections, tuition income for 2010-11 and 2011-12 is based on an enrollment of 49,700 students. Any increase or decrease in the University student population will impact the amount of money generated from tuition. This periodic and unpredictable change is non-recurring and is not included as funding available for the recurring budget of the University.

Table 2 illustrates that without a tuition increase the University will have to cut its budget by a minimum of -\$17.3 million in 2010-11 and -\$14.2 million in 2011-12 simply to balance the budget. TPAC believes that cutting the University's budget will put at risk its ability to continue to provide high quality education and maintain a reasonable level of student services. Therefore, TPAC recommends a tuition increase principally to minimize the negative impact to students and the University that might result from significantly cutting the budget.

Steady-progress Budget

The steady-progress budget is a realistic projection of the priority funding increases needed by the University to continue to make modest progress towards its goal of being one of the finest public institutions of higher education in the nation. The key priority areas of need mirror those identified and funded in recent institutional budgets (see **Appendix 1** for full details) and include:

- Increased funding for Undergraduate Studies, graduate fellowships, teaching assistants and student services;
- Hiring 30 new faculty positions over replacements each year to reduce the student to faculty ratios;
- Funding for college-based initiatives;
- A 2% merit-based salary pool for faculty and staff for 2010-11 and a 3% merit-based salary pool for 2011-12; and
- Funding for specific programs and efforts to recruit and retain talent (students, faculty and staff).

The level of new funding required to accomplish the steady-progress budget is considerably more than the projected new income for each of the next two years. TPAC's recommended tuition increase would essentially avoid cutting the University's budget in 2010-11 and 2011-12, but it produces no additional income with which to fund the priorities included in the steady-progress budget. TPAC estimates that an additional \$56.1 million in new funding would be required to

fully fund the 2010-11 steady-progress budget compared to the shortfall of $-\$0.1$ million after the recommended tuition increase. For 2011-12, TPAC estimates that an additional $\$60.8$ million in new funding would be required to fund the steady-progress budget compared to the $\$3.9$ million of new funding including the recommended tuition increase. These very large budget needs reflect the reality that the University's total academic budget is determined primarily by salaries of highly-trained professionals and by the cost to acquire and maintain sophisticated equipment and facilities.

Including the 3.95% tuition increase recommended by TPAC, the projected annual budget deficit of $-\$0.1$ million and income of $\$3.9$ million (**Table 2**) for the next two years fall far short of the levels required to fund the steady-progress budget. Put in context, tuition would have to increase on the order of nearly 18% per year over the next two years to fully fund the key priority objectives that comprise the University steady-progress budget. However, given the context of the current economic realities, expectations of tuition affordability and the legislative policy constraints under which the University must operate, TPAC will only recommend the maximum allowable tuition increase of 3.95%.

Budget Realities

The impact of limited State support, capped income from tuition, and a decline of funds from the Availability University Fund Endowment reflected in the significant funding shortfalls for the projected steady-progress budget highlight the challenges facing the University as it looks toward the next two years. To achieve a balanced budget for the next two years, that is, to match income with expenditures, the University must make significant reductions to the projected steady-progress budget. At a minimum, these reductions will:

- Eliminate new funding for merit salary increases for both years;
- Reduce the new faculty positions from 30 to 15 in 2010-11;
- Significantly reduce programs and efforts to recruit and retain talent; and
- Provide no funding for college initiatives.

These changes are summarized in **Appendix 1**, and even with these very significant reductions, TPAC estimates that the remaining budget priorities for 2010-11 would require an additional $\$11.6$ million in new funding over the projected deficit of $-\$0.1$ million in new income. For 2011-12, an additional $\$16.8$ million in new funding would be required over the projected new income of $\$3.9$ million. Clearly, even more expenditure reductions or internal budget reallocations must be made in each of the next two years to balance the University's budget.

President Bill Powers

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Students and the University community at large should be made aware that even with prudent management the result of this constrained tuition policy could include the following:


- Reduced course availability;
- Reduced numbers of teaching assistants, assistant instructors, lecturers faculty and staff;
- Reduced equipment and technology availability; and/or
- Reduced academic and student services availability (e.g. academic and career advising; tech support; libraries).

While TPAC encourages the University to make every attempt to minimize the possible negative impacts on students and the University community, it also recognizes that it is not possible to continue “business as usual” given current funding limitations, including a constrained tuition policy.

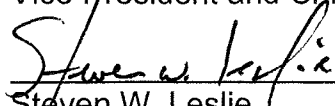
Conclusion

For The University of Texas at Austin to continue as a premier institution of higher education and to move toward its goal of being one of the best public institutions in the nation, it must be funded at a level competitive with its peers. If this is not achieved, the University will face a steady decline in educational quality due to its inability to recruit and retain talent. TPAC believes that such a decline is not acceptable to the students, faculty and staff of the University nor is it in the best interest of the people of the State of Texas.

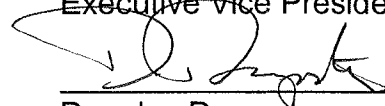
Respectfully submitted,



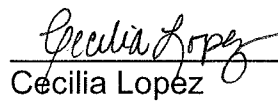
Kevin P. Hegarty
Vice President and Chief Financial Officer, Co-Chair



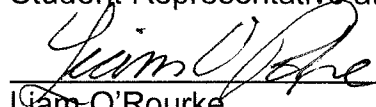
Steven W. Leslie
Executive Vice President and Provost, Co-Chair



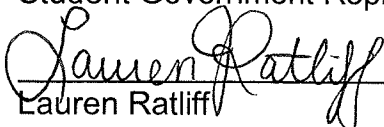
Douglas Dempster
College of Fine Arts, Dean




Cecilia Lopez
Student Representative at Large



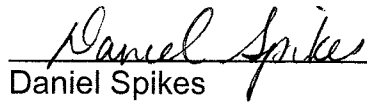
Liam O'Rourke,
Student Government Representative



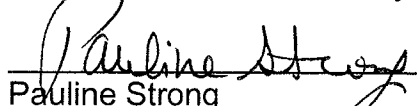
Lauren Ratliff
Senate of College Councils Representative



Victoria E. Rodriguez
Vice Provost and Dean of Graduate Studies



Daniel Spikes
Graduate Student Assembly Representative



Pauline Strong
Chair of the Faculty Advisory Committee on Budgets

Appendix 1: Operating Forecast for 2009-10 to 2011-12

Steady- Progress Budget

| (\$ in millions) | Budget 2009-10 | Forecast 2010-11 | Forecast 2011-12 | Change | |
|--|-------------------|---------------------|---------------------|-----------------------------|-----------------------------|
| | | | | FY 2009-10 to FY 2010-11 | FY 2010-11 to FY 2011-12 |
| ACADEMIC CORE BUDGET SOURCES | | | | | |
| State General Revenue (GR) | 333.0 | 335.4 | 343.5 | 2.4 | 8.1 |
| State General Revenue (GR) - NON RECURRING | 13.4 | 12.7 | 0.0 | -0.7 | -12.7 |
| <i>Subtotal General Revenue</i> | <i>346.4</i> | <i>348.1</i> | <i>343.5</i> | <i>1.7</i> | <i>-4.6</i> |
| AUF System Estimate | 160.7 | 154.8 | 145.2 | -5.9 | -9.6 |
| Indirect Cost | 68.5 | 68.5 | 68.5 | 0.0 | 0.0 |
| Other Revenue | 38.2 | 38.2 | 38.2 | 0.0 | 0.0 |
| Balances | 17.1 | 4.0 | 4.0 | -13.1 | 0.0 |
| <i>Subtotal Budget Sources</i> | <i>630.9</i> | <i>613.6</i> | <i>599.4</i> | <i>-17.3</i> | <i>-14.2</i> |
| Flat Rate Tuition | 515.0 | 535.4 | 556.6 | 20.4 | 21.3 |
| Required Financial Aid Set-Aside | | -3.2 | -3.2 | 3.2 | 3.2 |
| <i>Net Tuition Available</i> | <i>515.0</i> | <i>532.2</i> | <i>553.4</i> | <i>17.2</i> | <i>18.1</i> |
| Student Activity Center | 0.0 | 6.5 | 6.5 | | |
| Total Budget Sources | 1,145.9 | 1,152.3 | 1,159.3 | -0.1 | 3.9 |
| ACADEMIC CORE STATUS QUO USES | | | | | |
| Texas Tomorrow shortfall | 7.5 | 7.8 | 8.1 | | |
| TPEG | 12.2 | 12.2 | 12.2 | | |
| Personnel Costs--Salaries | 590.3 | 590.3 | 588.5 | | |
| Personnel Costs--Medical Benefits | 63.1 | 63.1 | 62.6 | | |
| Personnel Costs--Retirement, OASI, Longevity | 89.7 | 89.7 | 89.7 | | |
| Post-retirement Benefits | 20.7 | 20.7 | 20.7 | | |
| Utilities (excluding personnel costs) | 53.7 | 53.9 | 53.9 | | |
| Transfers for Capital Projects | 21.6 | 17.5 | 19.2 | | |
| Transfers for Debt Service | 35.5 | 40.4 | 39.7 | | |
| Financial Aid (incl grandfathered students) | 27.7 | 23.7 | 23.4 | | |
| THECB Incentive Funding | 2.4 | 2.3 | 0.0 | | |
| Law School Clinical Program | 0.2 | 0.2 | 0.0 | | |
| MSI - Estuarine Hold Harmless | 0.7 | 0.0 | 0.0 | | |
| Other Operations | 220.5 | 219.1 | 219.1 | | |
| Other Operations - NON RECURRING | 0.0 | 0.0 | 0.0 | | |
| Total Status Quo Uses | 1,145.9 | 1,140.9 | 1,137.1 | | |
| Total Budget Sources Minus Status Quo Uses | | 11.4 | 22.2 | | |
| REQUIRED INCREASES | | | | | |
| Prior Year Recurring Required Increases | | 0.0 | 14.7 | | |
| Baseline Fringe Benefit Increases (Prem Sharing) | | 5.4 | 5.9 | | |
| Additional Financial Aid (TPEG, TX Tomorrow, etc.) | | 2.2 | 4.1 | | |
| New Space Maintenance and Utilities | | 7.1 | 2.6 | | |
| Prior Faculty Commitments (Incl fringes) | | 0.0 | 0.0 | | |
| New Capital Project Debt Service | | 0.0 | 5.1 | | |
| <i>Subtotal Required Increases</i> | | <i>14.7</i> | <i>32.4</i> | | |
| Status Quo Uses Minus Required Increases | 0.0 | -3.3 | -10.2 | | |
| PRIORITY INCREASES | | | | | |
| Prior Year Recurring Priority Increases | | 0.0 | 36.8 | | |
| Targeted Salary Pool (incl fringe) | | 13.6 | 20.8 | | |
| New Faculty Positions (15 posns 10-11, incl fringes, 30 posns) | | 2.3 | 2.3 | | |
| Undergraduate Studies | | 1.4 | 0.0 | | |
| Graduate Fellowships | | 1.0 | 2.0 | | |
| Graduate Teaching Assistant Salary Support (Incl fringes) | | 2.6 | 2.6 | | |
| Three new Admissions Offices (at \$325k each, Incl fringes) | | 0.4 | 0.0 | | |
| Undergraduate Scholarships | | 1.0 | 0.0 | | |
| Facility Condition Index | | 4.0 | 3.0 | | |
| Faculty Research Leaves - Tenured Professor | | 4.0 | 0.0 | | |
| Faculty Research Leaves - Assistant Professor | | 1.0 | 1.0 | | |
| Copyright Clearance Center | | 0.3 | 0.0 | | |
| Provost Reserve (Incl fringes) | | 3.3 | 3.3 | | |
| Administrative Commitments (incl fringes) | | 1.1 | 1.1 | | |
| Student Services Increase (+ associated fringes) | | 0.3 | 0.3 | | |
| Library Acquisitions | | 0.5 | 0.5 | | |
| Faculty Travel Grant | | 0.0 | 2.0 | | |
| <i>Subtotal Priority Increases</i> | | <i>36.8</i> | <i>75.6</i> | | |
| Minus Priority Increases | 0.0 | -40.1 | -85.9 | | |
| COLLEGE INITIATIVES | | | | | |
| Prior Year Recurring College Increases | | 0.0 | 16.0 | | |
| College Increase (+ associated fringes) | | 15.0 | 15.0 | | |
| Liberal Arts Building - Phase II | | 0.8 | 0.0 | | |
| Communications Building | | 0.2 | 0.0 | | |
| <i>Subtotal College Initiatives</i> | | <i>16.0</i> | <i>31.0</i> | | |
| Minus College Initiatives | 0.0 | -56.1 | -116.9 | | |
| Remaining Surplus / (Deficit) | 0.0 | -56.1 | -116.9 | -56.1 | -60.8 |

Appendix 1: Operating Forecast for 2009-10 to 2011-12 (continued)

Budget Realities

| (\$ in millions) | Budget 2009-10 | Forecast 2010-11 | Forecast 2011-12 | Change | |
|--|-------------------|---------------------|---------------------|-----------------------------|-----------------------------|
| | | | | FY 2009-10 to FY 2010-11 | FY 2010-11 to FY 2011-12 |
| ACADEMIC CORE BUDGET SOURCES | | | | | |
| State General Revenue (GR) | 333.0 | 335.4 | 343.5 | 2.4 | 8.1 |
| State General Revenue (GR) - NON RECURRING | 13.4 | 12.7 | 0.0 | -0.7 | -12.7 |
| <i>Subtotal General Revenue</i> | 346.4 | 348.1 | 343.5 | 1.7 | -4.6 |
| AUF System Estimate | 160.7 | 154.8 | 145.2 | -5.9 | -9.6 |
| Indirect Cost | 68.5 | 68.5 | 68.5 | 0.0 | 0.0 |
| Other Revenue | 38.2 | 38.2 | 38.2 | 0.0 | 0.0 |
| Balances | 17.1 | 4.0 | 4.0 | -13.1 | 0.0 |
| <i>Subtotal Budget Sources</i> | 630.9 | 613.6 | 599.4 | -17.3 | -14.2 |
| Flat Rate Tuition | 515.0 | 535.4 | 556.6 | 20.4 | 21.3 |
| Required Financial Aid Set-Aside | | -3.2 | -3.2 | 3.2 | 3.2 |
| <i>Net Tuition Available</i> | 515.0 | 532.2 | 553.4 | 17.2 | 18.1 |
| Student Activity Center | 0.0 | 6.5 | 6.5 | | |
| Total Budget Sources | 1,145.9 | 1,152.3 | 1,159.3 | -0.1 | 3.9 |
| ACADEMIC CORE STATUS QUO USES | | | | | |
| Texas Tomorrow shortfall | 7.5 | 7.8 | 8.1 | | |
| TPEG | 12.2 | 12.2 | 12.2 | | |
| Personnel Costs--Salaries | 590.3 | 590.3 | 588.5 | | |
| Personnel Costs--Medical Benefits | 63.1 | 63.1 | 62.6 | | |
| Personnel Costs--Retirement, OASI, Longevity | 89.7 | 89.7 | 89.7 | | |
| Post-retirement Benefits | 20.7 | 20.7 | 20.7 | | |
| Utilities (excluding personnel costs) | 53.7 | 53.9 | 53.9 | | |
| Transfers for Capital Projects | 21.6 | 17.5 | 19.2 | | |
| Transfers for Debt Service | 35.5 | 40.4 | 39.7 | | |
| Financial Aid (incl grandfathered students) | 27.7 | 23.7 | 23.4 | | |
| THECB Incentive Funding | 2.4 | 2.3 | 0.0 | | |
| Law School Clinical Program | 0.2 | 0.2 | 0.0 | | |
| MSI - Estuarine Hold Harmless | 0.7 | 0.0 | 0.0 | | |
| Other Operations | 220.5 | 219.1 | 219.1 | | |
| Other Operations - NON RECURRING | 0.0 | 0.0 | 0.0 | | |
| Total Status Quo Uses | 1,145.9 | 1,140.9 | 1,137.1 | | |
| Total Budget Sources Minus Status Quo Uses | | 11.4 | 22.2 | | |
| REQUIRED INCREASES | | | | | |
| Prior Year Recurring Required Increases | | 0.0 | 14.7 | | |
| Baseline Fringe Benefit Increases (Prem Sharing) | | 5.4 | 5.9 | | |
| Additional Financial Aid (TPEG, TX Tomorrow, etc.) | | 2.2 | 4.1 | | |
| New Space Maintenance and Utilities | | 7.1 | 2.6 | | |
| Prior Faculty Commitments (Incl fringes) | | 0.0 | 0.0 | | |
| New Capital Project Debt Service | | 0.0 | 5.1 | | |
| <i>Subtotal Required Increases</i> | | 14.7 | 32.4 | | |
| Status Quo Uses Minus Required Increases | 0.0 | -3.3 | -10.2 | | |
| PRIORITY INCREASES | | | | | |
| Prior Year Recurring Priority Increases | | 0.0 | 8.3 | | |
| Targeted Salary Pool (incl fringe) | | 0.0 | 0.0 | | |
| New Faculty Positions (15 posns 10-11, Incl fringes, 30 posns) | | 1.2 | 2.3 | | |
| Undergraduate Studies | | 1.4 | 0.0 | | |
| Graduate Fellowships | | 0.5 | 1.0 | | |
| Graduate Teaching Assistant Salary Support (Incl fringes) | | 0.0 | 0.0 | | |
| Three new Admissions Offices (at \$325k each, Incl fringes) | | 0.4 | 0.0 | | |
| Undergraduate Scholarships | | 0.0 | 0.0 | | |
| Facility Condition Index | | 0.0 | 0.0 | | |
| Faculty Research Leaves - Tenured Professor | | 0.0 | 0.0 | | |
| Faculty Research Leaves - Assistant Professor | | 0.0 | 0.0 | | |
| Copyright Clearance Center | | 0.3 | 0.0 | | |
| Provost Reserve (Incl fringes) | | 3.3 | 3.3 | | |
| Administrative Commitments (Incl fringes) | | 0.5 | 0.5 | | |
| Student Services Increase (+ associated fringes) | | 0.3 | 0.3 | | |
| Library Acquisitions | | 0.5 | 0.5 | | |
| Faculty Travel Grant | | 0.0 | 2.0 | | |
| <i>Subtotal Priority Increases</i> | | 8.3 | 18.2 | | |
| Minus Priority Increases | 0.0 | -11.6 | -28.5 | | |
| COLLEGE INITIATIVES | | | | | |
| Prior Year Recurring College Increases | | 0.0 | 0.0 | | |
| College Increase (+ associated fringes) | | 0.0 | 0.0 | | |
| Liberal Arts Building - Phase II | | 0.0 | 0.0 | | |
| Communications Building | | 0.0 | 0.0 | | |
| <i>Subtotal College Initiatives</i> | | 0.0 | 0.0 | | |
| Minus College Initiatives | 0.0 | -11.6 | -28.5 | | |
| Remaining Surplus / (Deficit) | 0.0 | -11.6 | -28.5 | -11.6 | -16.8 |

Appendix 2: Tuition Rates per Semester for 2010-11 and for 2011-12

UNDERGRADUATE STUDENTS

Rates shown are for undergraduate students taking a full load of 12 or more semester credit hours (SCH) for one long semester.

2010-11 (Fall semester only)

2011-12 (Fall semester only)

| RESIDENCY | COLLEGE | FALL 2009 FLAT-RATE TUITION | PROPOSED TUITION INCREASE | STUDENT ACTIVITY CENTER FEE | FALL 2010 PROPOSED FLAT-RATE TUITION | FALL 2010 PROPOSED FLAT-RATE TUITION | PROPOSED TUITION INCREASE | FALL 2011 PROPOSED FLAT-RATE TUITION |
|---|------------------|-----------------------------------|---------------------------------|--------------------------------------|---|---|---------------------------------|---|
| RESIDENT | ARCHITECTURE | 4,505 | 178 | 65 | 4,748 | 4,748 | 185 | 4,933 |
| | BUSINESS | 4,904 | 194 | 65 | 5,163 | 5,163 | 201 | 5,364 |
| | COMMUNICATION | 4,407 | 174 | 65 | 4,646 | 4,646 | 181 | 4,827 |
| | EDUCATION | 4,414 | 174 | 65 | 4,653 | 4,653 | 181 | 4,834 |
| | ENGINEERING | 4,662 | 184 | 65 | 4,911 | 4,911 | 191 | 5,102 |
| | FINE ARTS | 4,567 | 180 | 65 | 4,812 | 4,812 | 188 | 5,000 |
| | GEOSCIENCES | 4,598 | 182 | 65 | 4,845 | 4,845 | 189 | 5,034 |
| | LIBERAL ARTS | 4,260 | 168 | 65 | 4,493 | 4,493 | 175 | 4,668 |
| | NATURAL SCIENCES | 4,421 | 175 | 65 | 4,661 | 4,661 | 182 | 4,843 |
| | NURSING | 4,730 | 187 | 65 | 4,982 | 4,982 | 194 | 5,176 |
| SOCIAL WORK | 4,465 | 176 | 65 | 4,706 | 4,706 | 183 | 4,889 | |
| UNDERGRAD STUDIES | 4,477 | 177 | 65 | 4,719 | 4,719 | 184 | 4,903 | |
| CONTINUING NONRESIDENT Entered Spring 2004 or earlier. | ARCHITECTURE | 10,325 | 408 | 65 | 10,798 | 10,798 | 424 | 11,222 |
| | BUSINESS | 10,733 | 424 | 65 | 11,222 | 11,222 | 441 | 11,663 |
| | COMMUNICATION | 10,169 | 402 | 65 | 10,636 | 10,636 | 418 | 11,054 |
| | EDUCATION | 10,194 | 403 | 65 | 10,662 | 10,662 | 419 | 11,081 |
| | ENGINEERING | 10,362 | 409 | 65 | 10,836 | 10,836 | 425 | 11,261 |
| | FINE ARTS | 10,332 | 408 | 65 | 10,805 | 10,805 | 424 | 11,229 |
| | GEOSCIENCES | 10,654 | 421 | 65 | 11,140 | 11,140 | 437 | 11,577 |
| | LIBERAL ARTS | 10,118 | 400 | 65 | 10,583 | 10,583 | 415 | 10,998 |
| | NATURAL SCIENCES | 10,208 | 403 | 65 | 10,676 | 10,676 | 419 | 11,095 |
| | NURSING | 10,729 | 424 | 65 | 11,218 | 11,218 | 441 | 11,659 |
| SOCIAL WORK | 10,801 | 427 | 65 | 11,293 | 11,293 | 444 | 11,737 | |
| UNDERGRAD STUDIES | N/A | N/A | N/A | N/A | N/A | N/A | N/A | |
| INTERMEDIATE NONRESIDENT Entered after Spring 2004 and before Summer 2006. | ARCHITECTURE | 10,898 | 430 | 65 | 11,393 | 11,393 | 447 | 11,840 |
| | BUSINESS | 11,281 | 446 | 65 | 11,792 | 11,792 | 463 | 12,255 |
| | COMMUNICATION | 10,711 | 423 | 65 | 11,199 | 11,199 | 440 | 11,639 |
| | EDUCATION | 10,736 | 424 | 65 | 11,225 | 11,225 | 441 | 11,666 |
| | ENGINEERING | 10,899 | 431 | 65 | 11,395 | 11,395 | 448 | 11,843 |
| | FINE ARTS | 10,878 | 430 | 65 | 11,373 | 11,373 | 447 | 11,820 |
| | GEOSCIENCES | 11,220 | 443 | 65 | 11,728 | 11,728 | 461 | 12,189 |
| | LIBERAL ARTS | 10,669 | 421 | 65 | 11,155 | 11,155 | 438 | 11,593 |
| | NATURAL SCIENCES | 10,750 | 425 | 65 | 11,240 | 11,240 | 441 | 11,681 |
| | NURSING | 11,307 | 447 | 65 | 11,819 | 11,819 | 464 | 12,283 |
| SOCIAL WORK | 11,357 | 449 | 65 | 11,871 | 11,871 | 466 | 12,337 | |
| UNDERGRAD STUDIES | N/A | N/A | N/A | N/A | N/A | N/A | N/A | |
| NEW NONRESIDENT Entered Summer 2006 or later. | ARCHITECTURE | 15,339 | 606 | 65 | 16,010 | 16,010 | 630 | 16,640 |
| | BUSINESS | 16,430 | 649 | 65 | 17,144 | 17,144 | 675 | 17,819 |
| | COMMUNICATION | 14,738 | 582 | 65 | 15,385 | 15,385 | 605 | 15,990 |
| | EDUCATION | 14,767 | 583 | 65 | 15,415 | 15,415 | 606 | 16,021 |
| | ENGINEERING | 15,515 | 613 | 65 | 16,193 | 16,193 | 637 | 16,830 |
| | FINE ARTS | 15,278 | 603 | 65 | 15,946 | 15,946 | 627 | 16,573 |
| | GEOSCIENCES | 15,568 | 615 | 65 | 16,248 | 16,248 | 639 | 16,887 |
| | LIBERAL ARTS | 14,327 | 566 | 65 | 14,958 | 14,958 | 588 | 15,546 |
| | NATURAL SCIENCES | 14,787 | 584 | 65 | 15,436 | 15,436 | 607 | 16,043 |
| | NURSING | 16,116 | 637 | 65 | 16,818 | 16,818 | 662 | 17,480 |
| SOCIAL WORK | 15,052 | 595 | 65 | 15,712 | 15,712 | 618 | 16,330 | |
| UNDERGRAD STUDIES | 15,017 | 593 | 65 | 15,675 | 15,675 | 617 | 16,292 | |

Appendix 2: Tuition Rates per Semester for 2010-11 and for 2011-12 (continued)

GRADUATE STUDENTS

Rates shown are for graduate students taking a full load of 9 semester credit hours (SCH) for one long semester.

2010-11 (Fall semester only)

2011-12 (Fall semester only)

| RESIDENCY | COLLEGE | FALL 2009 FLAT-RATE TUITION | PROPOSED TUITION INCREASE | STUDENT ACTIVITY CENTER FEE | FALL 2010 PROPOSED FLAT-RATE TUITION | FALL 2010 PROPOSED FLAT-RATE TUITION | PROPOSED TUITION INCREASE | FALL 2011 PROPOSED FLAT-RATE TUITION |
|---|------------------|-----------------------------------|---------------------------------|--------------------------------------|---|---|---------------------------------|---|
| RESIDENT | ARCHITECTURE | 4,154 | 164 | 65 | 4,383 | 4,383 | 171 | 4,554 |
| | BUSINESS | 3,449 | 136 | 65 | 3,650 | 3,650 | 142 | 3,792 |
| | COMMUNICATION | 3,981 | 157 | 65 | 4,203 | 4,203 | 163 | 4,366 |
| | EDUCATION | 3,688 | 146 | 65 | 3,899 | 3,899 | 151 | 4,050 |
| | ENGINEERING | 4,207 | 166 | 65 | 4,438 | 4,438 | 173 | 4,611 |
| | FINE ARTS | 4,129 | 163 | 65 | 4,357 | 4,357 | 170 | 4,527 |
| | GEOSCIENCES | 3,848 | 152 | 65 | 4,065 | 4,065 | 158 | 4,223 |
| | INFORMATION | 4,325 | 171 | 65 | 4,561 | 4,561 | 178 | 4,739 |
| | LIBERAL ARTS | 3,547 | 140 | 65 | 3,752 | 3,752 | 146 | 3,898 |
| | NATURAL SCIENCES | 3,665 | 145 | 65 | 3,875 | 3,875 | 150 | 4,025 |
| | NURSING | 4,170 | 165 | 65 | 4,400 | 4,400 | 171 | 4,571 |
| PHARMACY | 4,005 | 158 | 65 | 4,228 | 4,228 | 164 | 4,392 | |
| PUBLIC AFFAIRS | 3,922 | 155 | 65 | 4,142 | 4,142 | 161 | 4,303 | |
| SOCIAL WORK | 4,120 | 163 | 65 | 4,348 | 4,348 | 169 | 4,517 | |
| CONTINUING NONRESIDENT First enrolled in Spring 2004 or earlier AND enrolled in their current graduate or professional program prior to Summer 2008. | ARCHITECTURE | 7,213 | 285 | 65 | 7,563 | 7,563 | 296 | 7,859 |
| | BUSINESS | 6,486 | 256 | 65 | 6,807 | 6,807 | 266 | 7,073 |
| | COMMUNICATION | 6,959 | 275 | 65 | 7,299 | 7,299 | 286 | 7,585 |
| | EDUCATION | 6,742 | 266 | 65 | 7,073 | 7,073 | 277 | 7,350 |
| | ENGINEERING | 7,269 | 287 | 65 | 7,621 | 7,621 | 298 | 7,919 |
| | FINE ARTS | 7,187 | 284 | 65 | 7,536 | 7,536 | 295 | 7,831 |
| | GEOSCIENCES | 6,927 | 274 | 65 | 7,266 | 7,266 | 284 | 7,550 |
| | INFORMATION | 7,453 | 294 | 65 | 7,812 | 7,812 | 306 | 8,118 |
| | LIBERAL ARTS | 6,618 | 261 | 65 | 6,944 | 6,944 | 272 | 7,216 |
| | NATURAL SCIENCES | 6,771 | 267 | 65 | 7,103 | 7,103 | 278 | 7,381 |
| | NURSING | 7,249 | 286 | 65 | 7,600 | 7,600 | 298 | 7,898 |
| PHARMACY | 7,025 | 277 | 65 | 7,367 | 7,367 | 288 | 7,655 | |
| PUBLIC AFFAIRS | 7,005 | 277 | 65 | 7,347 | 7,347 | 288 | 7,635 | |
| SOCIAL WORK | 7,294 | 288 | 65 | 7,647 | 7,647 | 299 | 7,946 | |
| NEW NONRESIDENT First enrolled after Spring 2004 OR enrolled in their current graduate or professional program after Spring 2008. | ARCHITECTURE | 7,739 | 306 | 65 | 8,110 | 8,110 | 318 | 8,428 |
| | BUSINESS | 6,941 | 274 | 65 | 7,280 | 7,280 | 285 | 7,565 |
| | COMMUNICATION | 7,550 | 298 | 65 | 7,913 | 7,913 | 310 | 8,223 |
| | EDUCATION | 7,232 | 286 | 65 | 7,583 | 7,583 | 297 | 7,880 |
| | ENGINEERING | 7,755 | 306 | 65 | 8,126 | 8,126 | 318 | 8,444 |
| | FINE ARTS | 7,709 | 305 | 65 | 8,079 | 8,079 | 317 | 8,396 |
| | GEOSCIENCES | 7,513 | 297 | 65 | 7,875 | 7,875 | 308 | 8,183 |
| | INFORMATION | 7,942 | 314 | 65 | 8,321 | 8,321 | 326 | 8,647 |
| | LIBERAL ARTS | 7,096 | 280 | 65 | 7,441 | 7,441 | 291 | 7,732 |
| | NATURAL SCIENCES | 7,284 | 288 | 65 | 7,637 | 7,637 | 299 | 7,936 |
| | NURSING | 7,760 | 307 | 65 | 8,132 | 8,132 | 319 | 8,451 |
| PHARMACY | 7,678 | 303 | 65 | 8,046 | 8,046 | 315 | 8,361 | |
| PUBLIC AFFAIRS | 7,526 | 297 | 65 | 7,888 | 7,888 | 309 | 8,197 | |
| SOCIAL WORK | 7,667 | 303 | 65 | 8,035 | 8,035 | 315 | 8,350 | |

Appendix 2: Tuition Rates per Semester for 2010-11 and for 2011-12 (continued)

PROFESSIONAL PROGRAMS

Rates shown are for professional students taking a full load of semester credit hours (SCH) for one long semester.

2010-11 (Fall semester only)

2011-12 (Fall semester only)

| PROGRAM RESIDENCY | FALL 2009 FLAT-RATE TUITION | PROPOSED TUITION INCREASE | STUDENT ACTIVITY CENTER FEE | FALL 2010 PROPOSED FLAT-RATE TUITION | FALL 2010 PROPOSED FLAT-RATE TUITION | PROPOSED TUITION INCREASE | FALL 2011 PROPOSED FLAT-RATE TUITION |
|-------------------------|-----------------------------------|---------------------------------|--------------------------------------|---|---|---------------------------------|---|
| LAW (14 SCH) | | | | | | | |
| RESIDENT GROUP 1 | 11,280 | 446 | 65 | 11,791 | 11,791 | 463 | 12,254 |
| RESIDENT GROUP 2 | 13,257 | 524 | 65 | 13,846 | 13,846 | 544 | 14,390 |
| RESIDENT GROUP 3 | 13,257 | 663 | 65 | 13,985 | 13,985 | 696 | 14,681 |
| RESIDENT GROUP 4 | N/A | N/A | N/A | N/A | 13,985 | 1,114 | 15,099 |
| CONTINUING NONRES | 18,476 | 730 | 65 | 19,271 | 19,271 | 759 | 20,030 |
| INTERMEDIATE NONRES | 18,919 | 747 | 65 | 19,731 | 19,731 | 777 | 20,508 |
| NEW NONRESIDENT | 20,885 | 825 | 65 | 21,775 | 21,775 | 858 | 22,633 |
| MPA (13 SCH) | | | | | | | |
| RESIDENT | 10,152 | 0 | 65 | 10,217 | 10,217 | 0 | 10,217 |
| CONTINUING NONRES | 16,549 | 0 | 65 | 16,614 | 16,614 | 0 | 16,614 |
| NEW NONRESIDENT | 17,040 | 0 | 65 | 17,105 | 17,105 | 0 | 17,105 |
| MBA (15 SCH) | | | | | | | |
| RESIDENT | 12,595 | 738 | 65 | 13,398 | 13,398 | 952 | 14,350 |
| CONTINUING NONRES | 19,819 | 1,126 | 65 | 21,010 | 21,010 | 930 | 21,940 |
| NEW NONRESIDENT | 20,276 | 1,152 | 65 | 21,493 | 21,493 | 951 | 22,444 |
| PHARMD (12+ SCH) | | | | | | | |
| RESIDENT | 6,612 | 386 | 65 | 7,063 | 7,063 | 401 | 7,464 |
| CONTINUING NONRES | 16,726 | 786 | 65 | 17,577 | 17,577 | 817 | 18,394 |
| NEW NONRESIDENT | 17,818 | 829 | 65 | 18,712 | 18,712 | 862 | 19,574 |

RESIDENCY DEFINITIONS (Law only):

- RESIDENT GROUP 1: First enrolled in law Spring 2008 or earlier.
- RESIDENT GROUP 2: First enrolled in law after Spring 2008 and before Summer 2010.
- RESIDENT GROUP 3: First enrolled in law after Spring 2010 and before Summer 2011.
- RESIDENT GROUP 4: First enrolled in law after Spring 2011.
- CONTINUING NONRES: First entered Spring 2004 or earlier AND enrolled in law prior to Summer 2008.
- INTERMEDIATE NONRES: First entered after Spring 2004 AND enrolled in law prior to Summer 2008.
- NEW NONRESIDENT: First enrolled in law after Spring 2008.

RESIDENCY DEFINITIONS (Excluding law):

- CONTINUING NONRES: First enrolled Spring 2004 or earlier AND enrolled in their current graduate or professional program prior to Summer 2008.
- NEW NONRESIDENT: First enrolled after Spring 2004 OR enrolled in their current graduate or professional program after Spring 2008.

Appendix 3: Cost of Education Comparison with Peer Institutions

2009-10 Cost of Education at Peer Institutions for Undergraduate Residents

| Institution | 2009-10 Annual Tuition | 2009-10 Rank |
|---|---------------------------|-----------------|
| University of Illinois-Urbana/Champaign | 12,508 | 1 |
| University of Michigan-Ann Arbor | 12,400 | 2 |
| Michigan State University | 11,383 | 3 |
| University of Minnesota-Twin Cities | 11,293 | 4 |
| University of California-Berkeley (1)(3) | 10,334 | 5 |
| University of California-Los Angeles (2)(3) | 9,736 | 6 |
| University of Texas-Austin (4)(5) | 8,936 | 7 |
| Ohio State University-Main Campus | 8,706 | 8 |
| Indiana University-Bloomington | 8,613 | 9 |
| University of Wisconsin-Madison | 8,314 | 10 |
| University of Washington | 7,692 | 11 |
| University of North Carolina-Chapel Hill | 5,625 | 12 |

NOTE:

Undergraduate tuition and fees are based on 30 credit hours enrolled per academic year or full-time tuition as defined by the institution.

- 1) University of California-Berkeley undergraduate fees include a waivable health insurance fee of \$1,396.00.
- 2) University of California-Los Angeles undergraduate fees include a waivable health insurance fee of \$885.00.
- 3) The 2009-10 tuition and fee figures for UC-Berkeley and UCLA include a proposed mid-year fee increase of \$585 for resident undergraduates.
- 4) UT Austin undergraduate rates represent the average academic year cost for an undergraduate student taking exactly 15 semester credit hours per semester.
- 5) UT Austin undergraduate resident tuition figures for the 2009-10 academic year are based on actual tuition cost data from fall 2009.

Sources:

Association of American Universities Data Exchange (AAUDE) Annual Academic Year Tuition and Required Fees report, 2009-10.
Email and telephone survey of NCG institutions.