

VII. STANDING COMMITTEES**A. Academic and Student Affairs**

in Joint Session with

B. Finance, Audit and Facilities**Background Information Related to Proposed Tuition Increases for Academic Year 2011-12****INFORMATION ITEM:**

The proposed FY 2012 Operating and Capital Budgets will be discussed in the May 2011 joint meeting of the Finance, Audit and Facilities Committee and the Academic and Student Affairs Committee. This May 2011 tuition information item accompanies the Operating and Capital Budgets and previews the tuition changes proposed for the 2011-12 and 2012-13 academic years. Tuition changes will again be discussed at the June 2011 Board of Regents, and presented as an action item at the July 2011 meeting.

This document will provide the following information:

1. Discussion of factors leading to the tuition proposals for the 2011-12 academic year
2. Tuition background and comparison information
3. The proposed tuition structure and increases for the 2011-12 and 2012-13 academic years

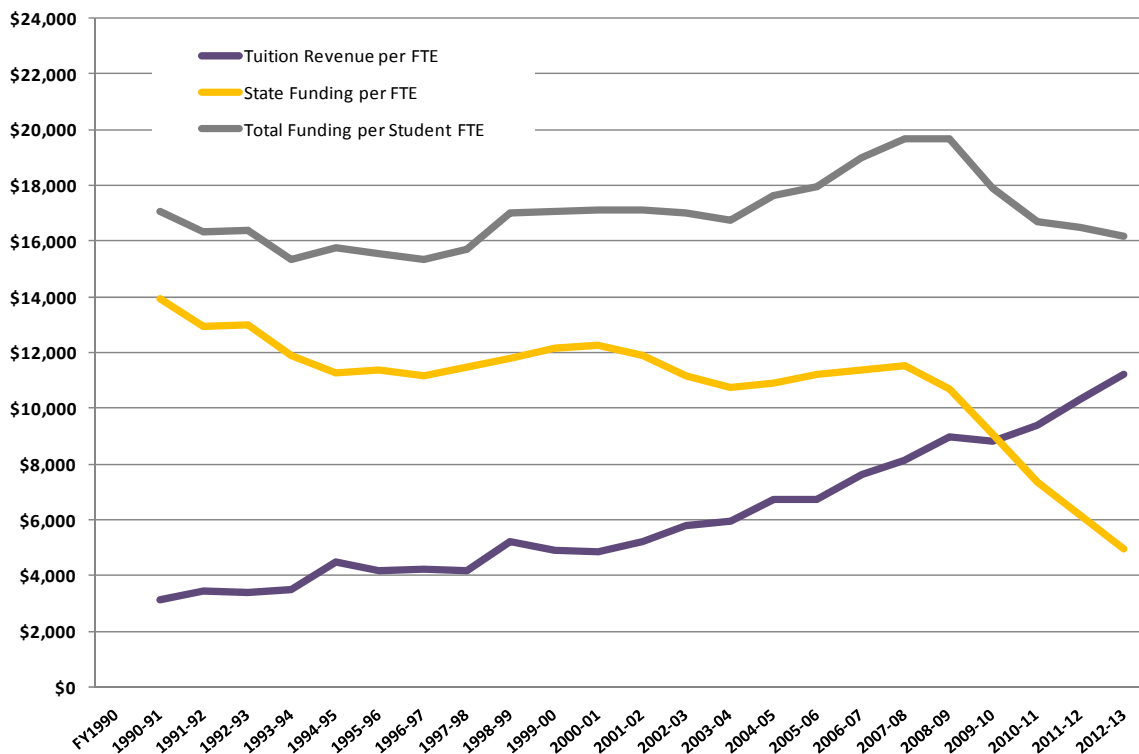
Attachment

Executive Summary – Tuition Setting for the 2011-12 Academic Year

Executive Summary – Tuition Setting for the 2011-12 Academic Year

The effect of the ongoing economic crisis on the Washington State budget has produced dramatic changes in public higher education funding as state financial support decreases and the student contribution increases. For the University of Washington (UW), the 2009-10 academic year marked the first time that student tuition revenue exceeded state support in the UW's operating resources budget.

State and Tuition Funding per FTE, Including the Governor's Budget for FY 2012 and FY2013 (in 2013 Dollars)



Source: Office of Planning & Budgeting

Resident Undergraduate Tuition

Declining state appropriations have resulted in increasing tuition. **Appendix 1** provides a five-year comparison of tuition and fees from universities between the Higher Education Coordinating Board 24 (HECB24) peer group and the University of Washington. This flagship university peer group provides insight to nationwide tuition and funding trends. At the UW, in spite of relatively large tuition increases, resident undergraduate tuition continues to be significantly below the HECB 24 peer average.

A graduating senior in the 2010-11 class paid tuition that is 36 percent higher than the rate paid upon entrance to the UW four years earlier (from \$6,384 in 2007-08 and to \$8,701 in 2010-11). Despite

increasing by \$2,316 over four years, annual undergraduate tuition at the UW remains well below peer institutions (\$8,702 compared to \$10,204).

Structural Changes in Graduate Tuition

Graduate tuition categories, on the other hand, have seen many changes with substantially higher increases.

The current tuition structure for the 2010-11 academic year provided in **Appendix 2** displays all tuition categories with details about the academic programs that reside within Tiers I, II, and III. Recent years have seen many changes in tuition categories as colleges and schools have felt pressure to differentiate their programs and majors with “stand alone” tuition categories. For example in 2010-11 Medicine and Dentistry became separate categories, and this year’s proposal, provided in **Appendix 3**, moves two more programs, Master of Social Work and Master of Laws (LLM) (previously Asian Law), out of the tier structure. Additionally, two programs will transfer or begin the transfer process to fee-based status (Master of Health Administration and Master of Library Science).

Student Cost and Debt Burden

Concerns over student indebtedness and affordability are ever present and growing as students continue to bear a greater share of responsibility for the cost of their education. **Appendix 4** shows tuition waivers, often referred to as foregone revenue, amounting to \$78,861,826 in 2009-10 compared to \$75,286,138 in the previous academic year. A five year trend illustrates the important role waivers play in softening the impact of increasing tuition for many students.

Student debt at graduation is another important indicator of tuition affordability. **Appendix 5** provides a comparison of student loan debt over the last five years (2004-05 to 2009-10). The median loan debt for graduating seniors increased by \$2,996 while the number of students graduating with debt decreased by 3.7 percent.

Tuition Approval for the 2011-13 Biennium

Appendix 6 provides tuition for both years of the 2011-13 biennium for Regental approval.

Tuition Comparison: HEC Board 24 and University of Washington

Higher Education Coordinating Board 24 and University of Washington Tuition Comparisons

2006-07 through 2010-11 Academic Years

Data includes tuition and mandatory fees

		RESIDENT					NONRESIDENT				
		Academic Year					Academic Year				
TUITION CATEGORY		2006-07	2007-08	2008-09	2009-10	2010-11	2006-07	2007-08	2008-09	2009-10	2010-11
Undergraduate	HEC BOARD 24 Average	7,532	8,093	8,665	9,297	10,204	20,764	22,065	23,137	24,997	26,568
	University of Washington	5,985	6,385	6,802	7,692	8,701	21,283	22,131	23,219	24,367	25,329
	Gap	1,547	1,708	1,863	1,605	1,503	(519)	(66)	(82)	630	1,239
Graduate	HEC BOARD 24 Average	9,059	9,420	10,043	10,755	11,648	19,862	20,489	21,302	22,720	23,980
	University of Washington	8,818	9,417	10,047	10,727	11,449	20,641	21,464	22,519	24,064	24,789
	Gap	241	3	(4)	28	199	(779)	(975)	(1,217)	(1,344)	(809)
Master of Business	HEC BOARD 24 Average	17,590	18,611	20,528	22,434	24,260	27,950	29,119	30,626	33,141	36,083
	University of Washington	17,825	19,843	21,782	23,917	25,099	27,525	29,543	32,452	35,657	37,419
	Gap	(235)	(1,232)	(1,254)	(1,483)	(839)	425	(424)	(1,826)	(2,516)	(1,336)
Pharmacy	HEC BOARD 24 Average	14,436	15,319	16,376	18,423	20,304	27,682	28,763	30,157	32,966	35,312
	University of Washington	12,262	13,454	14,754	16,187	18,389	23,757	26,098	28,663	31,487	33,659
	Gap	2,174	1,865	1,622	2,236	1,915	3,925	2,665	1,494	1,479	1,653
Law	HEC BOARD 24 Average	17,711	19,192	20,990	23,762	25,784	29,550	31,297	33,597	36,557	38,784
	University of Washington	16,255	17,846	19,585	22,267	24,339	23,878	26,231	28,809	32,777	37,299
	Gap	1,456	1,346	1,405	1,495	1,445	5,672	5,066	4,788	3,780	1,485
Dentistry	HEC BOARD 24 Average	22,397	24,230	27,084	29,427	31,485	40,626	42,792	46,702	49,735	52,460
	University of Washington	15,872	17,425	19,122	20,997	23,869	37,694	41,429	45,527	50,037	50,049
	Gap	6,525	6,805	7,962	8,430	7,616	2,932	1,363	1,175	(302)	2,411
Medicine	HEC BOARD 24 Average	22,739	24,478	26,243	28,635	30,214	39,263	40,912	43,381	46,819	49,131
	University of Washington	15,872	17,425	19,122	20,997	23,049	37,694	41,429	45,527	50,037	52,029
	Gap	6,867	7,053	7,121	7,638	7,165	1,569	(517)	(2,146)	(3,218)	(2,898)

Appendix 2

Current 2010-11 Tuition Category Structure

Tuition Categories	
Undergraduate	All campuses
Graduate Tier I	All campuses
Graduate Tier II	All campuses
Graduate Tier III	All campuses
Information School	Master of Library and Information Science
Evans School of Public Affairs	Master of Public Affairs (cohort model)
College of Built Environments	Masters of Architecture, Landscape Architecture, Urban Planning, Real Estate, Construction Management
Foster School of Business	Master of Business Administration (cohort model)
School of Nursing	Nursing Master and Doctor of Nursing Practice
School of Pharmacy	Doctor of Pharmacy
School of Law	Law Master and Professional (<i>JD</i>)
School of Medicine	Medical Professional (<i>MD</i>)
School of Dentistry	Dental Professional (<i>DDS</i>)

In the Business Administration Master and Nursing Master categories, there are some differences in tuition levels across the Seattle, Bothell and Tacoma campuses. The Board of Regents also establishes tuition rates for post baccalaureate and non-matriculated students.

The current graduate tuition “tier” categorizations are listed below. The tier categorizations for some masters programs recognize differences in the cost of some programs and in the personal value of the degree to the graduates.

Tier I	
All colleges/schools	PhD programs not specified below
All colleges/schools	Master degrees not specified below
Tier II	
College of Education	All masters
College of the Environment	Forest Resources masters Ocean & Fishery Sciences masters [<i>Master of Marine Affairs, (GTTL) and Master of Marine Affairs</i>]
School of Medicine	Nonprofessional masters
UW Bothell	Master of Nursing, Master of Policy Studies
UW Tacoma	Master of Nursing
Tier III	
College of Engineering	All master and doctorate (PhD) degrees
School of Nursing	Master of Science and PhD in Nursing Science
UW Tacoma	Master in Computing and Software Systems

Appendix 3

Proposed 2011-12 Tuition Category Structure

New Tuition Rate Increases						
	Resident			Nonresident		
Tuition Category	Percent Increase	Dollar Increase	Total Tuition	Percent Increase	Dollar Increase	Total Tuition
Undergraduate (under Senate proposal)	16.0%	1,300	9,422	7.5%	1,860	26,606
Graduate Tier I	11.0%	1,200	12,070	3.0%	730	24,940
Graduate Tier II	10.5%	1,200	12,610	3.0%	730	25,480
Graduate Tier III	10.0%	1,200	13,140	3.0%	730	26,010
SPH Master of Science and Ph.D.	Currently Tier I, Moving to Tier III					
Ph.D. of Social Work	Currently Tier I, Moving to Tier II					
New Tuition Categories/Pricing Proposals						
	Resident			Nonresident		
Tuition Category	Percent Increase	Dollar Increase	Total Tuition	Percent Increase	Dollar Increase	Total Tuition
Master of Library and Information Science (moving to Educational Outreach FY13)	7.0%	870	13,220	7.0%	1,900	28,930
Master of Public Affairs (incoming)	15.0%	2,070	15,860	15.0%	4,090	31,320
Master of Public Health	10.0%	1,300	14,240	10.0%	2,630	28,910
College of Built Environments	14.0%	1,940	15,770	14.0%	4,240	34,500
Dental Professional (year 1)	14.0%	3,270	26,560	0.0%	-	49,470
Dental Professional (years 2,3,4)	10.0%	2,330	25,620	0.0%	-	49,470
Nursing Master and Doctor of Nursing Practice	12.0%	2,090	19,480	12.0%	4,130	38,550
Doctor of Pharmacy	12.0%	2,140	19,950	12.0%	3,970	37,050
Medical professional	10.0%	2,250	24,720	4.4%	2,250	53,700
Law (JD) (note title change)	8.5%	2,020	25,780	8.5%	3,130	39,850
Master of Laws (LLM) (formerly Asian Law at Tier III)	25.0%	2,990	14,930	25.0%	6,320	31,600
Master of Business Administration (incoming)	4.0%	990	25,510	2.0%	740	37,580
Master of Social Work	22.0%	2,400	13,270	8.0%	1,940	26,150
Programs Newly Transitioning to Educational (EO)						
	Resident			Nonresident		
Tuition Category	Percent Increase	Dollar Increase	Total Tuition	Percent Increase	Dollar Increase	Total Tuition
Master of Health Administration						
Bothell and Tacoma						
	Resident			Nonresident		
Tuition Category	Percent Increase	Dollar Increase	Total Tuition	Percent Increase	Dollar Increase	Total Tuition
Master of Nursing, Bothell	Remaining at Tier II					
Master of Business Admin Bothell (incoming)	4.0%	840	21,720	2.0%	560	28,330
Master of Nursing, Tacoma	Remaining at Tier II					
Master of Business Admin Tacoma (incoming)	4.50%	790	18,150	0.0%	-	31,570
Other Categories						
	Resident			Nonresident		
Tuition Category	Percent Increase	Dollar Increase	Total Tuition	Percent Increase	Dollar Increase	Total Tuition
Post Baccalaureate/Non-Matriculated taking undergraduate courses only	16.0%	1,300	9,422	7.5%	1,860	26,606
Post Baccalaureate/Non-Matriculated taking graduate courses only	10.0%	1,200	13,140	3.00%	730	26,010

Appendix 4

Waivers Representing Foregone Revenue

Waivers Representing Foregone Revenue by Category and Student Level	2005-06	2006-07	2007-08	2008-09	2009-10
Undergraduates					
3% Need, 1% Merit	\$10,100,256	\$5,494,787	\$6,269,220	\$7,128,561	\$7,894,332
TA/RA Res Op Fee	\$19,349		\$3,700	\$3,048	
TA/RA Nonresident	\$18,238				
ICA Gender Equity	\$2,917,391	\$1,571,036	\$1,704,677	\$1,843,732	\$2,006,551
Achievement Award	\$462,664	\$252,500	\$116,502	\$10,834	\$20,000
International Exchange	\$1,100,023	\$554,884	\$612,624	\$744,756	\$523,492
Fac/Staff Nonresident	\$9,120	\$9,758		\$9,423	
Child/Spouse of Fac/Staff NR	\$9,118	\$9,758	\$5,022	\$26,745	\$37,240
Child of Deceased Police/Fire	\$42,318	\$39,064	\$34,056	\$28,135	\$14,315
<u>Veteran's</u>	<u>\$422,320</u>	<u>\$583,304</u>	<u>\$985,467</u>	<u>\$1,253,360</u>	<u>\$1,188,932</u>
Total	\$15,100,797	\$8,515,091	\$9,731,269	\$11,048,595	\$11,684,860
Graduate and Professional Students					
3% Need, 1% Merit	\$5,172,795	\$3,137,060	\$3,612,070	\$4,352,212	\$4,544,980
TA/RA Res Op Fee	\$27,352,533	\$14,723,015	\$15,572,568	\$17,357,634	\$16,416,303
TA/RA Nonresident	\$52,369,713	\$29,176,136	\$29,944,842	\$32,218,852	\$33,733,391
Graduate/Professional NR	\$1,696,921	\$1,352,684	\$2,151,920	\$2,849,822	\$4,062,710
WWAMI	\$6,585,432	\$3,621,622	\$4,162,690	\$4,925,832	\$5,959,593
WICHE	\$107,829	\$54,053	\$41,507	\$133,115	\$160,088
Over 18 Hour Exemption	\$364,838	\$205,025	\$217,599	\$627,831	\$530,828
International Exchange	\$1,956,149	\$1,184,855	\$1,276,576	\$1,148,558	\$1,192,608
Fac/Staff Nonresident	\$180,909	\$109,407	\$149,668	\$106,848	\$49,165
Child/Spouse of Fac/Staff NR	\$27,326	\$52,396	\$29,335	\$14,864	\$30,165
<u>Veteran's</u>	<u>\$0</u>	<u>\$31,888</u>	<u>\$301,048</u>	<u>\$501,975</u>	<u>\$497,135</u>
Total	\$95,814,445	\$53,648,141	\$57,459,823	\$64,237,543	\$67,176,966
All Students					
3% Need, 1% Merit	\$15,273,051	\$8,631,847	\$9,881,291	\$11,480,772	\$12,439,312
TA/RA Res Op Fee	\$27,371,882	\$14,723,015	\$15,576,268	\$17,360,682	\$16,416,303
TA/RA Nonresident	\$52,387,951	\$29,176,136	\$29,944,842	\$32,218,852	\$33,733,391
Graduate/Professional NR	\$1,696,921	\$1,352,684	\$2,151,920	\$2,849,822	\$4,062,710
ICA Gender Equity	\$2,917,391	\$1,571,036	\$1,704,677	\$1,843,732	\$2,006,551
Achievement Award	\$462,664	\$252,500	\$116,502	\$10,834	\$20,000
International Exchange	\$3,056,172	\$1,739,740	\$1,889,200	\$1,893,314	\$1,716,100
WWAMI	\$6,585,432	\$3,621,622	\$4,162,690	\$4,925,832	\$5,959,593
WICHE	\$107,829	\$54,053	\$41,507	\$133,115	\$160,088
Over 18 Hour Exemption	\$364,838	\$205,025	\$217,599	\$627,831	\$530,828
Fac/Staff Nonresident	\$190,029	\$119,165	\$149,668	\$116,272	\$49,165
Child/Spouse of Fac/Staff NR	\$36,444	\$62,154	\$34,357	\$41,609	\$67,405
Child of Deceased Police/Fire	\$42,318	\$39,064	\$34,056	\$28,135	\$14,315
<u>Veteran's</u>	<u>\$422,320</u>	<u>\$615,191</u>	<u>\$1,286,515</u>	<u>\$1,755,335</u>	<u>\$1,686,067</u>
Total	\$110,915,242	\$62,163,233	\$67,191,092	\$75,286,138	\$78,861,826

Appendix 5

Loan Debt at Graduation

	2004-05		2009-10		CHANGE	
	Percent with Debt	Dollars Median Debt	Percent with Debt	Dollars Median Debt	Percent with Debt	Dollars Median Debt
Undergraduate	50.2%	13,356	46.5%	16,352	-3.7%	2,996
Graduate	48.0%	30,224	54.0%	38,555	6.0%	8,331
Medicine	94.5%	110,205	81.0%	152,205	-13.5%	42,000
Dentistry	94.3%	133,273	85.7%	159,519	-8.6%	26,246
Law	79.5%	64,400	81.3%	95,020	1.8%	30,620
Nursing	43.3%	30,930	53.0%	49,591	9.7%	18,661
MBA (Business)	40.8%	37,218	49.8%	41,000	9.0%	3,782
Pharmacy	77.5%	68,709	65.3%	95,169	-12.2%	26,460

A few comments on interpreting the Loan Debt information are needed. It is important to look at both the average loan debt and the percentage of students who graduate with debt in a particular degree category. For example, while the median debt for MBA students was \$41,000 in 2009-10, less than half of these students graduated with debt.

For undergraduate students receiving degrees at the end of the 2009-10 academic year, median loan debt is increasing after several years of with relatively little change; interestingly the percentage of students graduating with debt has been decreasing slightly. Students receiving degrees in most graduate and professional tuition categories have experienced significant increases in median loan debt in the 2009-10 academic year.

Appendix 6

Tuition Rates to be Approved

2011-12 and 2012-13 Tuition Rates to be Approved								
Tuition Category	2011-12				2012-13			
	Resident		Nonresident		Resident		Nonresident	
	Percent Increase	Annual Tuition	Percent Increase	Annual Tuition	Percent Increase	Annual Tuition	Percent Increase	Annual Tuition
Undergraduate								
Undergraduate	16.0% *	9,422	10.00%	27,230	16.0% *	10,930	10.0%	29,950
Graduate Tiers								
Graduate Tier I	11.0%	12,070	3.0%	24,940	11.0%	13,398	3.0%	25,688
Graduate Tier II	10.5%	12,610	3.0%	25,480	10.5%	13,938	2.9%	26,228
Graduate Tier III	10.0%	13,140	3.0%	26,010	10.1%	14,468	2.9%	26,758
Other Graduate								
Master of Library and Information Science (moving to Educational Outreach FY13)	7.0%	13,220	7.0%	28,930	moving to fee based (EO)			
Master of Public Affairs (incoming)	15.0%	15,860	15.0%	31,320	15.0%	18,240	15.0%	36,020
Master of Public Affairs (continuing)		13,790		27,230		15,860		31,320
Master of Public Health	10.0%	14,240	10.0%	28,910	10.0%	15,660	10.0%	31,800
College of Built Environments	14.0%	15,770	14.0%	34,500	14.0%	17,980	14.0%	39,330
Dental Professional (year 1)	14.0%	26,560	0.0%	49,470	14.0%	30,280	0.0%	49,470
Dental Professional (years 2,3,4)	10.0%	25,620	0.0%	49,470	10.0%	28,190	0.0%	49,470
Nursing Master and Doctor of Nursing Practice	12.0%	19,480	12.0%	38,550	12.0%	21,820	12.0%	43,180
Doctor of Pharmacy	12.0%	19,950	12.0%	37,050	10.0%	21,950	10.0%	40,760
Medical professional	10.0%	24,720	4.4%	53,700	10.0%	27,190	4.6%	56,170
Law (JD) (note title change)	8.5%	25,780	8.5%	39,850	8.0%	27,850	8.0%	43,030
Master of Laws (LLM) (formerly Asian Law at Tier III)	25.0%	14,930	25.0%	31,600	5.0%	15,680	5.0%	33,180
Master of Business Administration (incoming)	4.0%	25,510	2.0%	37,580	5.0%	26,790	5.0%	39,460
Master of Business Administration (continuing)		24,520		36,840		25,510		37,580
Master of Social Work	22.0%	13,270	8.0%	26,150	10.0%	14,600	3.0%	26,940
Master of Nursing, Bothell (remaining at Tier II)	10.5%	12,610	3.0%	25,480	10.5%	13,938	2.9%	26,228
Master of Business Admin Bothell (incoming)	4.0%	21,720	2.0%	28,330	5.0%	22,810	5.0%	29,750
Master of Business Admin Bothell (continuing)		20,880		27,770		21,720		28,330
Master of Nursing, Tacoma (remaining at Tier II)	10.5%	12,610	3.0%	25,480	10.5%	13,938	2.9%	26,228
Master of Business Admin Tacoma (incoming)	4.5%	18,150	0.0%	31,570	5.0%	19,060	5.0%	33,150
Master of Business Admin Tacoma (continuing)		17,360		31,570		18,150		31,570
Category Changes								
School of Public Health								
Master of Science and PhD (from Tier I to Tier III)	8.9%	13,140	4.0%	26,010	10.1%	14,468	2.9%	26,758
School of Social Work								
PhD of Social Work (from Tier I to Tier II)	4.5%	12,610	2.0%	25,480	10.5%	13,938	2.9%	26,228
Post Baccalaureate								
Post Baccalaureate/Non-Matriculated taking undergraduate courses only	16.0%	9,422	7.5%	26,606	16%	10,930	7.50%	28,610
Post Baccalaureate/Non-Matriculated taking graduate courses only	10.0%	13,140	3.00%	26,010	10.1%	14,468	2.9%	26,758

*16% resident undergraduate tuition increases are representative of the Senate budget only. These rate increases may change.

Note: Cohort model tuition allows students to pay the same tuition from program entry until graduation (assuming the student has continuous attendance)