

U. T. System Tuition and Fee Proposals 2010-2012

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U. T. System Board of Regents' Meeting
March 3, 2010



THE UNIVERSITY of TEXAS SYSTEM
Nine Universities. Six Health Institutions. Unlimited Possibilities.

The University of Texas System - *An institution of the first class*

- Advance Competitiveness and Excellence
 - Recruit and retain best faculty and students
 - State-of-the-art facilities, increased teaching, and research capacity
- Outstanding educational experience for students
- *Closing the Gaps*
- Excellence and strength in teaching, scholarship, research



Being first class means operating efficiently

- Creating incentives for timely graduation
 - Opportunity cost for not graduating on time
- Cost containment initiatives and savings
 - Shared Services, Purchasing Alliances, Prudent and Farsighted Finance, and Debt Management
- 5% General Revenue budget reduction proposal



Graduation Incentives

- Innovative approaches
 - flat-rate tuition
 - guaranteed four-year tuition rates
 - rebates linked to timely graduation
 - discounts for off-peak-hour courses
 - guaranteed financial aid programs
 - work-study programs
 - encourage on-campus housing



Education is a shared responsibility

- A partnership
 - Institutions, students, families, Legislature
- An investment in higher education and health care is an investment in the future of Texas
 - An educated, healthy citizenry
 - Knowledge-based, research-driven economic development
 - Quality of education and health care determines the quality of life and vibrancy of our great state

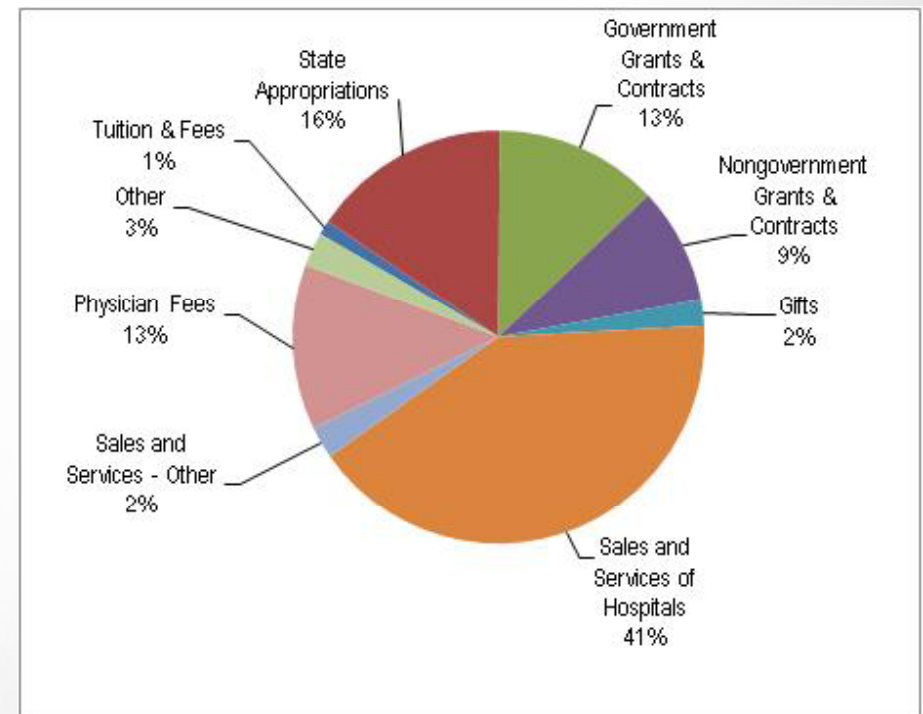
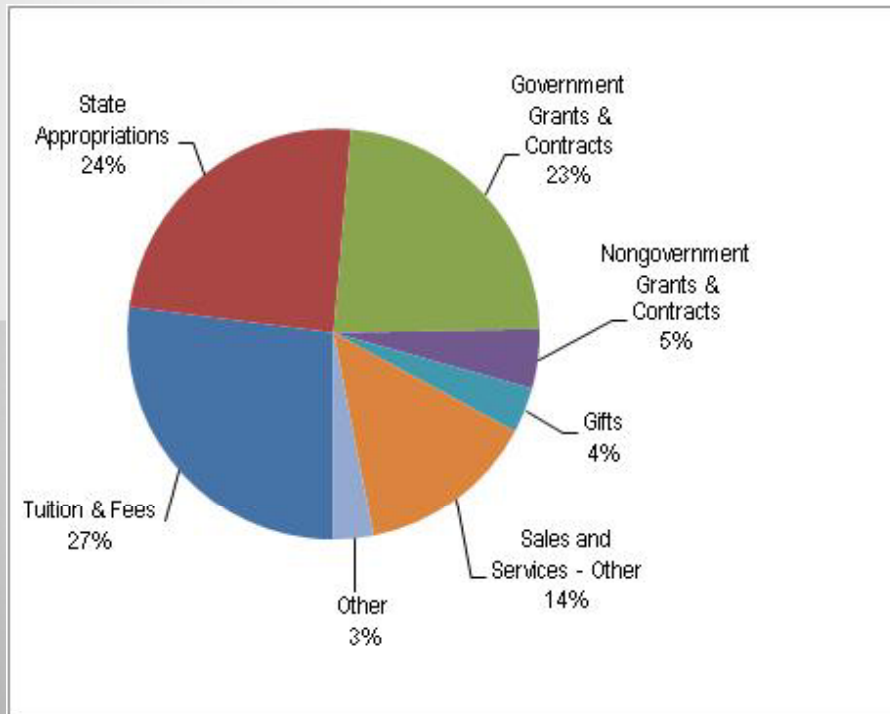


Higher Education Funding: Revenue Streams

The University of Texas System Revenues by Source, FY 2009

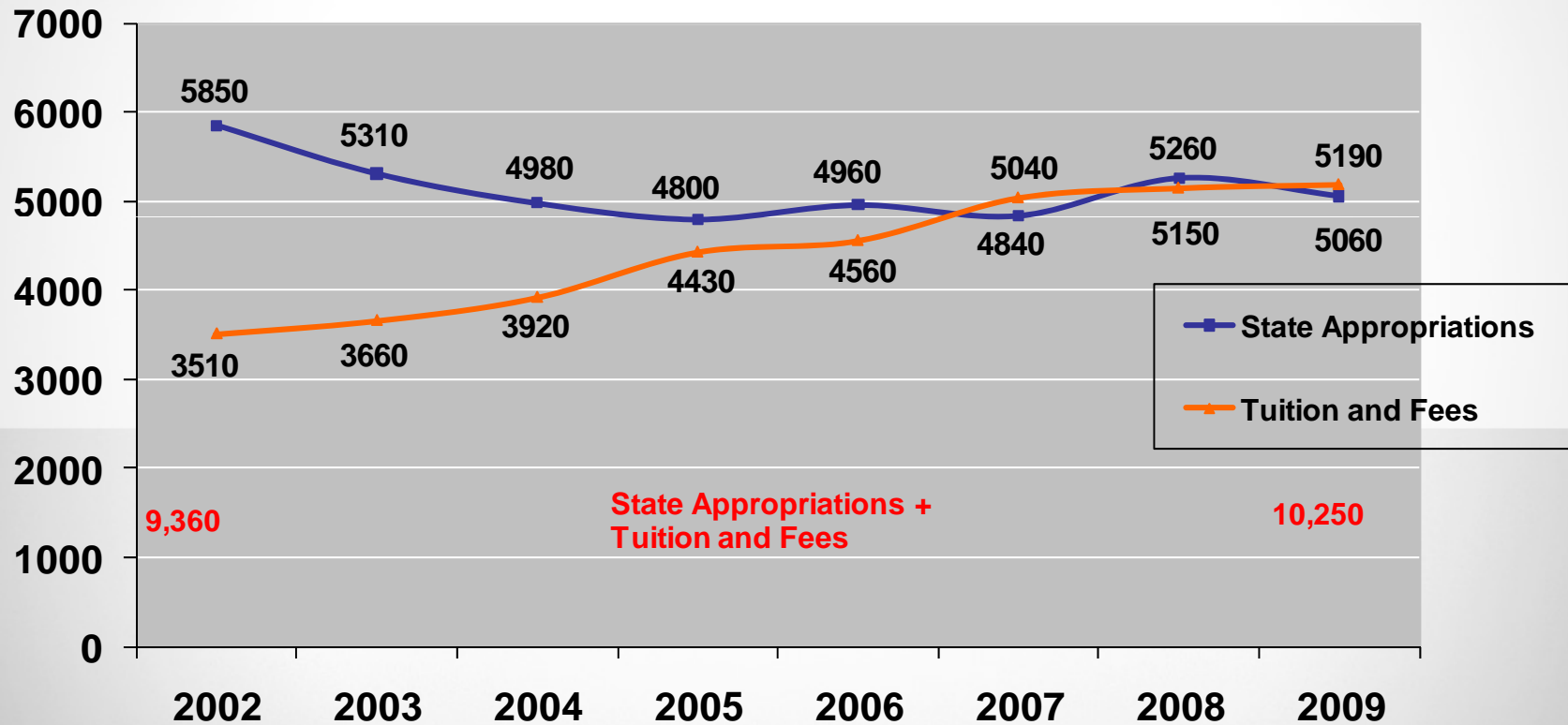
Academic: \$3.8 billion, FY 2009

Health: \$7.6 billion, FY 2009



State Appropriations vs. Tuition and Fees

Revenue Trends by Source per Full-Time Equivalent Student
U. T. System Academic Institutions
(Inflation-Adjusted Dollars)
Fiscal Years 2002 – 2009



Tuition and Required Fees at Major Public Institutions in the 10 Most Populous States (2008-09) for Residents

State	Institution	Undergraduate	
		Tuition & Fees	Rank
California	University of California-Berkeley	\$8,932	4
Florida	University of Florida	3,777	10
Georgia	University of Georgia	6,030	8
Illinois	University of Illinois-Urbana/Champaign	12,106	2
Michigan	University of Michigan-Ann Arbor	11,738	3
New York	University at Buffalo, State University of NY	6,285	7
North Carolina	University of North Carolina-Chapel Hill	5,397	9
Ohio	Ohio State University-Main Campus	8,679	5
Pennsylvania	Pennsylvania State University-Campus	13,706	1
Texas	The University of Texas at Austin	8,508	6



U. T. Austin Peer Comparison

Institution	State Approp + Tuition & Fees / FTE Student (FY08)	w/operating funds from AUF
U of N. Carolina-Chapel Hill *	\$29,120	
U of Michigan-Ann Arbor *	\$27,810	
U of California-Los Angeles *	\$26,180	
U of Minnesota-Twin Cities *	\$24,660	
U of California-Berkeley	\$23,340	
Michigan State U *	\$20,090	
U of Wisconsin-Madison *	\$19,250	
Indiana U-Bloomington	\$18,960	
U of Washington-Seattle *	\$18,730	
Ohio State U *	\$17,650	
U of Illinois at Urbana-Champaign	\$16,130	
U. T. Austin	\$15,500	\$18,630

* Includes a medical school.

Sources: Integrated Postsecondary Education Data System (IPEDS) reports



Institutional Financial Aid Programs

- Important to offer assistance to low- and middle-income families
- Examples of Guaranteed Financial Aid Programs
 - U. T. Arlington Maverick promise
 - UTPAdvantage
 - UTEP Promise
- U. T. Austin's "UT Grant" Award



Average Net Academic Cost and Average Percentage Discount

AY 2008-2009, Academic Institutions

	Full-time Students with Need-Based Grant Aid				All Full-time Students		
	Average in-state total academic cost	% receiving need-based grant aid	Average need-based grant aid	Average net academic cost	Average percent discount	Average net academic cost	Average percent discount
U. T. Arlington	\$8,142	42.6%	\$5,670	\$2,472	69.6%	\$5,726	29.7%
U. T. Austin	8,508	32.2	7,617	891	89.5	6,052	28.9
U. T. Brownsville	5,434	70.0	5,434	0	100.0	1,628	70.0
U. T. Dallas	9,294	42.2	5,068	4,226	54.5	7,154	23.0
U. T. El Paso	5,988	49.0	5,988	0	100.0	3,055	49.0
U. T. Pan American	5,196	74.2	5,196	0	100.0	1,339	74.2
U. T. Permian Basin	5,450	34.1	4,247	1,203	77.9	4,001	26.6
U. T. San Antonio	7,658	45.5	5,069	2,589	66.2	5,354	30.1
U. T. Tyler	5,926	41.9	5,899	27	99.5	3,456	41.7
System Average	\$7,471	44.7%	\$5,902	\$1,569	79.0%	\$4,830	35.3%



Institutional Financial Aid Programs

- Financial Aid Assistance to Middle Class Students
 - Earning between \$45,000 and \$100,000
- U. T. System Report (after tuition flexibility in 2003)
 - Number of first time, full-time students has increased by 8.9% and the number of freshmen receiving financial aid increased by 19.1%.
 - In fall 2007, 53.2% of the entering freshmen received financial aid.
 - The socioeconomic background of freshmen students has changed very little since tuition deregulation; and,
 - The average grant received by freshmen students has increased 35%.



Tuition-setting process

- Inclusive and consultative processes
- Tuition Policy Advisory Committees (TPACs)
 - Identifying needed resources
 - TPACs conduct open public forums
 - TPACs consult with leaders of campus constituency groups – students, faculty and staff
- President conducts public hearings
- Proposals submitted for Board of Regents' approval by the Chancellor and Executive Vice Chancellors



Tuition and Fee Guidelines – 2010 - 2012

- U. T. System academic institutions have brought forward proposals limiting increases in total academic costs at the greater of 3.95% or \$280 per academic year, excluding student-initiated fees
- Total academic costs include tuition, mandatory fees, and average course and academically-related fees
- Mandatory 20% set-aside for student financial aid



Student-initiated Fees for 2010 – 2012

- Five U. T. System academic institutions also include student fees authorized through student-driven referenda
 - U. T. Arlington
 - U. T. Austin
 - U. T. El Paso
 - U. T. Permian Basin
 - U. T. San Antonio



Health Institution Proposals

- Tuition and Fees represent 1% of all revenues for U. T. health institutions which oversee hospitals; 4% of revenues for institutions which do not oversee hospitals
- U. T. System medical schools remain well below national average for tuition and fee costs at public institutions
 - UTMB – 60 percent
 - UT Southwestern – 62 percent
 - UT Health Science Center – Houston – 47 percent
 - UT Health Science Center – San Antonio – 64 percent



The University of Texas System

U. T. System

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