

Approved by the Board of Trustees
January 16, 2020

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Board Meeting
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APPROVE TUITION RATES, ACADEMIC YEAR 2020-2021

Action: Approve Tuition Rates for Academic Year 2020-2021

Funding: No New Funding Required

Tuition adjustments are made in order to meet inflationary cost demands, to address critical operating needs, and, ultimately, to sustain the quality of academic programs offered across the University of Illinois System. A crucial consideration in setting tuition levels is protecting affordability for students. For the past few years, the U of I System has had to balance student affordability with the financial demands corresponding to the challenging fiscal environment in the state of Illinois. Taking these factors into account, leaders at the system and university levels made a commitment to freeze undergraduate base rate tuition for resident undergraduate students for the past five years, the longest such freeze in five decades. During this same period, there were modest, targeted increases for non-resident and international students as well as for specific graduate and professional programs. Inflation, as measured by the Consumer Price Index (CPI), averaged 1.8 percent per year and the Higher Education Price Index (HEPI) averaged 2.6 percent per year over the same timeframe.

Following extensive review and discussion with the Chancellors/Vice

Presidents and Provosts at each university, and with the concurrence of the Executive Vice President and Vice President for Academic Affairs and the Vice President/Chief Financial Officer and Comptroller, the President recommends an increase of 1.8 percent for the general tuition rate for Illinois resident undergraduate students admitted to the fall 2020 class at Urbana-Champaign and Chicago and a 1.0 percent increase at Springfield.

The University of Illinois at Urbana-Champaign will increase the general undergraduate rate for non-resident and international students by 1.8 percent. Additionally, Urbana is seeking a new undergraduate program differential of \$1,800 per semester for entering students in the B.S. Information Sciences degree to cover costs associated with the program for specialized software and hardware, and to support convertible learning spaces and smaller classrooms sizes. Urbana also will shift the tuition rate assessed for students enrolled in study abroad exchange programs, excluding faculty-led programs, from Range IV to Range III tuition assessments effective spring 2021. Approximately 1,000 students participate in the study abroad exchange program each year and the additional revenue will be used to provide program support across colleges and will provide new scholarships targeting need-based and underserved populations.

The University of Illinois at Chicago will increase the general undergraduate rates for non-resident and international students by 3.5 percent and its UIC merit rate by 1.8 percent. The University of Illinois at Springfield will increase non-resident undergraduate tuition rates by 1.0 percent.

The new tuition rates for Academic Year 2020-2021 will apply to the cohort

of undergraduate students who enter in May of 2020 or after. To comply with the tuition guarantee mandate found in Section 25 of the University of Illinois Act, 110 ILCS 305/25, the rates will hold steady for four years for these students. Because of this guarantee, all continuing undergraduate students will be subject to tuition charges appropriate for their cohort of matriculation.

As per the undergraduate financial aid policy and guidelines, each university is encouraged to utilize some of the incremental tuition and fee revenue for financial aid programs that serve Illinois resident undergraduates, within the constraints of available resources. Currently, more than one-half of all undergraduate students enrolled across the U of I System receive some form of financial aid.

The President also recommends tuition increases for several graduate and professional programs, online programs, and full cost recovery programs at the three universities. Graduate, professional, online, and full cost recovery programs are responsive to competitive demand, market forces, and expenses associated with providing high-quality advanced degrees in particular fields. All increases at Urbana-Champaign are at or below 2.6 percent with the majority under 2.0 percent for graduate, professionals and online programs. At Chicago, all resident graduate and online program increases are at or below 2.0 percent with higher increases for non-resident students between 2.5 and 5.3 percent. Most professional programs at Chicago will see increases of 2.5 percent. However, medicine, nursing, and pharmacy rates were adjusted based on market analysis. Medicine will lower its rate for domestic non-resident students and begin assessing an international surcharge, the Doctorate of Nursing Practice program will move from range

tuition rates to a per credit hour assessment, and Pharmacy will move to a single rate regardless of residency. Graduate and online programs at Springfield are all proposed to increase by 1.0 percent.

All tuition recommendations are summarized in the attached tables.

The Board action recommended in this item complies in all material respects with applicable state and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.