

APPROVE TUITION RATES, ACADEMIC YEAR 2018-2019

Action: Approve Tuition Rates for Academic Year 2018-2019

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 by the University of Illinois System. A crucial consideration in tuition adjustments is protecting affordability for students. In each of the last three academic years, the U of I System has balanced the need to protect 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 have made a commitment to freeze undergraduate base rate tuition for resident students, while approving targeted increases for nonresident and international students as well as for specific graduate and professional programs. At the same time, the U of I System continues to increase its commitment to need-based student aid.

Following extensive reviews and recommendations from 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 Interim Vice President/Chief Financial Officer and Comptroller, all of whom expressed

strong concerns about college affordability for Illinois residents and the University's competitive position for students, the President recommends that there be no change in the general tuition rate for Illinois resident undergraduate students admitted to the fall 2018 class. These tuition rates apply to students who will be enrolling for the first time in the general undergraduate degree programs; the rates will hold steady for four years for these students to comply with the tuition guarantee mandate found in Section 25 of the *University of Illinois Act*, 110 ILCS 305/25, which ensures that an incoming student will pay a fixed tuition rate for four years. Because of this guarantee, all continuing undergraduate students will be subject to tuition charges appropriate for their cohort of matriculation.

The new tuition rates for Academic Year 2018-2019 apply to the cohort of undergraduate students who enter in May of 2018 or after. Concurrent with the recommended tuition changes, as per the revised Board policy, each university may allocate additional funds to need-based student aid. Currently, more than one-half of all undergraduate students enrolled across the U of I System receive some form of need- or merit-based aid.

The University of Illinois at Chicago will increase the base rate for nonresident undergraduate students by 1.5 percent, the UIC merit rate (formerly UIC grant rate) by 1.4 percent, and the international rate by 1.6 percent of the total rate. Additionally, Chicago will increase one online undergraduate program credit hour rate for new students. The University of Illinois at Urbana-Champaign will increase the general undergraduate rate for non-resident and international students by 1.6 percent

and will add a new \$750 per semester international differential for students with a Liberal Arts and Science major who are not already paying a program specific international differential. One-half of the revenue raised from this surcharge will be used for programmatic initiatives and one-half will be used to provide scholarships for first-generation, under represented, and high need resident students. There will be no increase to the University of Illinois at Springfield nonresident undergraduate tuition rates.

The President also recommends tuition increases for several graduate and professional programs, online programs, and full cost recovery programs at Urbana-Champaign and at Chicago. Two new graduate program rates and one professional rate will be established at Urbana-Champaign, and one new graduate program rate at Chicago. Graduate and online programs at Springfield will not increase. 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 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.