

Board Meeting
 May 20, 2010

APPROVE TUITION AND FEE INCREASES,
 COST RECOVERY, OFF-CAMPUS, AND AVIATION PROGRAMS,
 FISCAL YEAR 2011

Action: Approve Tuition and Fee Increases for Cost Recovery, Off-Campus, and Aviation Programs, Fiscal Year 2011

Funding: No New Funding Required

I

The Urbana-Champaign campus provides several academic programs on a “full cost recovery” basis, i.e., all costs are met through a combination of tuition and fee charges. Tuition and fee requirements for each of these programs are reviewed and adjusted annually to ensure that adequate revenues are available to operate each program.

For Fiscal Year 2011, the following actions are proposed for Cost Recovery

Programs:

| PROPOSED ANNUAL TUITION AND FEES FY 2011 | | | |
|---|-----------------|-----------------------------|-----------------------------|
| <u>EXECUTIVE MBA PROGRAM*</u> | | | |
| | <u>FY 2010</u> | <u>Proposed FY 2011</u> | <u>FY 2011 Increase</u> |
| Tuition | \$80,000 | \$54,500 | |
| Program Fees | 6,500 | 35,000 | |
| TOTAL | \$86,500 | \$89,500 | \$3,000 |

*Program cost for five-term program

| <u>MASTER OF SCIENCE IN FINANCE</u> | | | |
|--|----------------|-----------------------------|-----------------------------|
| | <u>FY 2010</u> | <u>Proposed FY 2011</u> | <u>FY 2011 Increase</u> |
| Tuition | \$32,750 | \$36,975 | |
| Program Fees | 7,725 | 4,500 | |
| TOTAL | \$40,475 | \$41,475 | \$1,000 |
| <u>MASTER OF SCIENCE IN TECHNOLOGY MANAGEMENT</u> | | | |
| | <u>FY 2010</u> | <u>Proposed FY 2011</u> | <u>FY 2011 Increase</u> |
| Tuition | \$28,950 | \$32,700 | |
| Program Fees | 8,250 | 6,150 | |
| TOTAL | \$37,200 | \$38,850 | \$1,650 |
| <u>MASTER OF SCIENCE IN POLICY ECONOMICS*</u> | | | |
| | <u>FY 2010</u> | <u>Proposed FY 2011</u> | <u>FY 2011 Increase</u> |
| Tuition | \$25,800 | \$25,800 | |
| Program Fees | 8,400 | 8,400 | |
| TOTAL | \$34,200 | \$34,200 | \$0 |
| *Total program cost includes Fall, Spring and Summer terms. | | | |
| <u>MASTER OF SCIENCE IN ACCOUNTANCY</u> | | | |
| | <u>FY 2010</u> | <u>Proposed FY 2011</u> | <u>FY 2011 Increase</u> |
| Tuition | \$31,750 | \$32,750 | |
| Program Fees | 6,000 | 5,000 | |
| TOTAL | \$37,750 | \$37,750 | \$0 |
| <u>MASTER OF SCIENCE IN TAXATION (Chicago) (UIUC in Chicago)</u> | | | |
| | <u>FY 2010</u> | <u>Proposed FY 2011</u> | <u>FY 2011 Increase</u> |
| Tuition | \$35,000 | \$30,000 | |
| Program Fees | 0 | 5,000 | |
| TOTAL | \$35,000 | \$35,000 | \$0 |

The **Executive MBA Program** is a five-semester program including one summer. Thus, the tuition increase recommended for FY 2011 will affect only the

students in the entering class of 2011. Total tuition revenue available for FY 2011 will be sufficient to cover all projected academic program costs.

The **Policy Economics, Finance, Business Administration, and Accountancy** programs are specially designed, intensive programs of study leading to a Master of Science degree in a business related discipline. They are intended for promising international administrators in government and private institutions who need additional training in areas of economic analysis and quantitative techniques. Additional funds are required in FY 2011 to provide for normal cost increases for these programs.

II

The unique costs associated with instructional requirements in the **Institute of Aviation** are addressed by specific charges for individual courses. Charges differ based upon the type of equipment required, the frequency of its use, the instructional mode (classroom, flight simulator, aircraft, etc.) and so on. Annual reviews of aircraft and simulator operating expenses and other equipment training needs are conducted along with projected wage requirements for the next year. Corresponding adjustments are then made in course charges. For the academic year 2011, current rates have been adjusted for materials, labor, insurance, fuel prices, and flight time.

Aviation course charges proposed for FY 2011 are specified below:

| Course | FY 2010 | Proposed FY 2011 | FY 2010 Increase |
|---------|---------|---------------------|---------------------|
| Avi 090 | \$3,289 | \$3,420 | \$131 |
| Avi 101 | 3,882 | 4,036 | 154 |
| Avi 120 | 5,014 | 5,214 | 200 |
| Avi 121 | 2,414 | 2,510 | 96 |
| Avi 130 | 4,509 | 4,692 | 183 |
| Avi 140 | 4,772 | 4,966 | 194 |
| Avi 200 | 6,465 | 6,741 | 276 |
| Avi 210 | 6,418 | 6,692 | 274 |
| Avi 320 | 4,083 | 4,256 | 173 |
| Avi 322 | 2,203 | 2,291 | 88 |
| Avi 324 | 3,380 | 3,517 | 137 |
| Avi 380 | 5,209 | 5,420 | 211 |
| Avi 381 | 1,251 | 1,305 | 54 |
| Avi 391 | 4,398 | 4,573 | 175 |
| Avi 392 | 7,754 | 8,065 | 311 |
| Avi 393 | 1,016 | 1,058 | 42 |

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

These changes have been reviewed and are recommended for approval by the chancellors and by the Vice President for Academic Affairs and the Vice President/Chief Finance Officer and Comptroller.

The President of the University concurs.