

Board of Trustees
 April 11, 2006

TUITION AND FEE INCREASES,
 COST RECOVERY, OFF-CAMPUS, ON-LINE, AND AVIATION PROGRAMS,
 FISCAL YEAR 2007

Action: Approve Increases for Cost Recovery, Off-Campus, On-Line, and Aviation Programs, Fiscal Year 2007

Funding: No 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 2007, the following actions are proposed for Cost Recovery Programs:

PROPOSED ANNUAL TUITION AND FEES FY 2007			
<u>EXECUTIVE MBA PROGRAM</u>			
	<u>FY 2006</u>	<u>Proposed FY 2007</u>	<u>FY 2007 Increase</u>
Tuition	\$23,500	\$37,000	
Program Fees	13,500		
TOTAL	<u>\$37,000</u>	<u>\$37,000</u>	<u>\$0</u>

<u>MASTER OF SCIENCE IN FINANCE</u>			
	<u>FY 2006</u>	<u>Proposed FY 2007</u>	<u>FY 2007 Increase</u>
Tuition	\$29,000	\$30,000	
Program	7,500	7,500	
Fees			
TOTAL	<u>\$36,500</u>	<u>\$37,500</u>	<u>\$1,000</u>
<u>MASTER OF SCIENCE IN BUSINESS ADMINISTRATION</u>			
	<u>FY 2006</u>	<u>Proposed FY 2007</u>	<u>FY 2007 Increase</u>
Tuition	\$24,000	\$25,300	
Program	7,300	7,632	
Fees			
TOTAL	<u>\$31,300</u>	<u>\$32,932</u>	<u>\$1,632</u>
<u>MASTER OF SCIENCE IN POLICY ECONOMICS</u>			
	<u>FY 2006</u>	<u>Proposed FY 2007</u>	<u>FY 2007 Increase</u>
Tuition	\$17,800	\$18,360	
Program	4,600	4,760	
Fees			
TOTAL	<u>\$22,400</u>	<u>\$23,120</u>	<u>\$720</u>
<u>MASTER OF SCIENCE IN ACCOUNTANCY</u>			
	<u>FY 2006</u>	<u>Proposed FY 2007</u>	<u>FY 2007 Increase</u>
Tuition	\$25,500	\$27,000	
Program	5,500	5,500	
Fees			
TOTAL	<u>\$31,000</u>	<u>\$32,500</u>	<u>\$1,500</u>
<u>MASTER OF SCIENCE IN ACCOUNTANCY-TAX (Chicago)</u> (UIUC in Chicago)			
	<u>FY 2006</u>	<u>Proposed FY 2007</u>	<u>FY 2007 Increase</u>
Tuition	\$35,000	\$35,000	
TOTAL	<u>\$35,000</u>	<u>\$35,000</u>	<u>\$0</u>

The Executive MBA Program is a five-semester program. Thus the tuition increase recommended for FY 2007 will affect only the students in the entering class of 2007. Total tuition revenue available for FY 2007 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 2007 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 2007, current rates have been adjusted for materials, labor, insurance, and flight time.

Aviation course charges proposed for FY 2007 are specified below:

Course	FY 2006	Proposed FY 2007
Avi 101	\$3,189	\$3,423
Avi 090	2,741	2,909
Avi 120	4,124	4,422
Avi 121	2,168	2,129
Avi 130	3,723	3,980
Avi 140	3,939	4,212
Avi 200	5,356	5,719
Avi 210	5,319	5,678
Avi 320	3,380	3,598
Avi 322	1,817	1,945
Avi 324	2,844	3,043
Avi 380	4,324	4,588
Avi 381	1,053	1,107
Avi 391	3,651	3,887
Avi 392	6,413	6,823
Avi 398	860	901

These changes have been reviewed and are recommended for approval by the Chancellors and by the Vice President for Academic Affairs.

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.

The President of the University concurs.