Approved by the Board of Trustees

January 20, 2022

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 Board Meeting

 January 20, 2022

## APPROVE TUITION RATES, ACADEMIC YEAR 2022-2023

**Action:** Approve Tuition Rates for Academic Year 2022-2023

**Funding:** No New Funding Required

 Universities make tuition adjustments to meet inflationary cost demands, to address critical operating needs, and ultimately, to sustain the quality of their academic programs. An equally crucial consideration is to maintain affordability for students. It is for this reason that all three universities of the U of I System froze the undergraduate base rate tuition for resident undergraduate students for six of the past seven years, from 2015 to 2019 and 2021, to protect affordability even during periods of declining state appropriations and significant additional expenses incurred to deal with the pandemic. Tuition rates for non-resident and international undergraduate students and for graduate and professional students were only increased modestly. Inflation, as measured by the Consumer Price Index (CPI), has averaged 2.6 percent per year over the past four years, including a 7.0 percent over the past 12 months.

 Following extensive discussions at each university, the Chancellors recommend a modest general tuition increase of 1.8 percent at UIUC and UIC and 1.5 percent at UIS for Illinois resident undergraduate students admitted to the fall 2022 class. All three universities are also proposing increases between 1.5 percent and 2.5 percent for the majority of non-resident and international undergraduate students. These recommendations acknowledge the financial needs of the colleges after a long period of tuition freeze while being mindful of the need to maintain access and affordability for students.

 A new differential rate is proposed for the program in Economics and Econometrics at UIUC and the current course fee of $200 per semester in Kinesiology will be replaced by a differential tuition of the same amount. In addition, UIUC is also proposing a new international differential of $750 per semester for Information Sciences and a new non-resident differential of $1,250 per semester in Engineering.

 These proposed undergraduate tuition rates for Academic Year 2022-2023 will apply to the cohort of undergraduate students who enter in May of 2022 or after. In compliance with the tuition guarantee mandate found in Section 25 of the University of Illinois Act, 110 ILCS 305/25, the proposed 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 maintain an appropriate level of funding for financial aid programs that serve Illinois resident undergraduates, within the constraints of available resources. Currently, more than 65 percent of all Illinois undergraduate students enrolled across the U of I System receive some form of financial aid.

 Most graduate programs across the system will increase between 1.5 percent and 2.5 percent. One new program differential in Predictive Analytics and Risk Management at UIUC and one in Physiology for Therapeutic Development at UIC are proposed.

 Professional programs, online programs, and full cost recovery programs at the three universities have proposed inflationary increases generally of 2.5 percent or less. 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.

 The Interim Executive Vice President/Vice President for Academic Affairs and the Interim Vice President/Chief Financial Officer and Comptroller concur with these recommendations.

 The President of the U of I System recommends approval.