

Approved by the Board of Trustees
January 21, 2021

Board Meeting
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APPROVE TUITION RATES, ACADEMIC YEAR 2021-2022

Action: Approve Tuition Rates for Academic Year 2021-2022

Funding: No New Funding Required

Tuition adjustments are made 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 across the system made a commitment to freeze the undergraduate base rate tuition for resident undergraduate students for five years in row, from 2015 to 2019. 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), has averaged 1.7 percent per year over the past four years and more specifically has increased by 1.2 percent over the past 12 months. Last year, the U of I System finally approved a modest 1.8 percent inflationary increase for resident undergraduates, but then covered that increase because

of the COVID-19 pandemic.

Considering the financial impact of the pandemic on our students and following extensive discussion with the Chancellors/Vice Presidents and Provosts at each university, the Executive Vice President and Vice President for Academic Affairs and the Vice President/Chief Financial Officer and Comptroller, the President recommends no increase for the general tuition rate for Illinois resident undergraduate students admitted to the fall 2021 class.

In addition, all three universities are proposing no increase in rates for non-resident or for international undergraduate students. One new undergraduate online completion program in Social Work is being added at Urbana and the online RN Completion program at Chicago is decreasing the per credit hour assessment 30.5 percent after a market analysis.

These proposed undergraduate tuition rates for Academic Year 2021-2022 will apply to the cohort of undergraduate students who enter in May of 2021 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 60 percent of all Illinois undergraduate students enrolled across the

U of I System receive some form of financial aid.

Only two graduate program tuition rate changes are recommended. Urbana is proposing a decrease of 3.0 percent in the Master of Science in Management rate for resident students and an increase of 33.1 percent in the non-resident rate. Chicago is proposing a 13.4 percent decrease in the MA in Museum & Exhibition Studies rate for residents and a decrease of 7.8 percent for non-residents. All other graduate tuition rates will remain flat. One new graduate programmatic rate is being recommended at Urbana.

Only a select few professional programs, online programs, and full-cost recovery programs at the three universities have proposed inflationary increases. 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. At Chicago, one new professional and one new graduate/professional online rates are recommended.

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

The President of the U of I System recommends approval.