

Board Meeting
March 23, 2011

APPROVE TUITION AND FEE INCREASES, COST RECOVERY,
OFF-CAMPUS, AND AVIATION PROGRAMS, FISCAL YEAR 2012

Action: Approve Increases for Cost Recovery Programs and Aviation Programs

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 2012, the following actions are proposed for Cost Recovery

Programs:

PROPOSED ANNUAL TUITION AND FEES FY 2012			
<u>EXECUTIVE MBA PROGRAM*</u>			
	<u>FY 2011</u>	<u>Proposed FY 2012</u>	<u>FY 2012 Increase</u>
Tuition	\$54,500	\$55,500	
Program Fees	35,000	38,500	
TOTAL	\$89,500	\$94,000	\$4,500
*Program cost for five-term program			
<u>MASTER OF SCIENCE IN FINANCE</u>			
	<u>FY 2011</u>	<u>Proposed FY 2012</u>	<u>FY 2012 Increase</u>
Tuition	\$36,975	\$38,269	
Program Fees	4,500	4,500	
TOTAL	\$41,475	\$42,769	\$1,294
<u>MASTER OF SCIENCE IN TECHNOLOGY MANAGEMENT</u>			

	FY 2011	Proposed FY 2012	FY 2012 Increase
Tuition	\$32,700	\$33,350	
Program Fees	6,150	6,650	
TOTAL	\$38,850	\$40,000	\$1,150
<u>MASTER OF SCIENCE IN POLICY ECONOMICS*</u>			
	FY 2011	Proposed FY 2012	FY 2012 Increase
Tuition	\$25,800	\$27,000	
Program Fees	8,400	8,500	
TOTAL	\$34,200	\$35,500	\$1,300
*Total program cost includes Fall, Spring, and Summer terms.			
<u>MASTER OF SCIENCE IN ACCOUNTANCY</u>			
	FY 2011	Proposed FY 2012	FY 2012 Increase
Tuition	\$32,750	\$33,000	
Program Fees	5,000	5,000	
TOTAL	\$37,750	\$38,000	\$250
<u>MASTER OF SCIENCE IN TAXATION (Chicago)</u> (UIUC in Chicago)			
	FY 2011	Proposed FY 2012	FY 2012 Increase
Tuition	\$30,000	\$30,000	
Program Fees	5,000	5,500	
TOTAL	\$35,000	\$35,500	\$500

The **Executive MBA Program** is a five-semester program including one summer. Thus the tuition increase recommended for FY 2012 will affect only the students in the entering class of 2012. Total tuition revenue available for FY 2012 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 2012 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 Fiscal Year 2012, current rates have been adjusted for materials, labor, insurance, fuel prices, and flight time.

Aviation course charges proposed for FY 2012 are specified below:

Course	FY 2011	Proposed FY 2012	FY 2012 Increase
Avi 090	\$3,420	\$3,553	\$133
Avi 101	4,036	4,191	155
Avi 120	5,214	5,416	202
Avi 121	2,510	2,606	96
Avi 130	4,692	4,876	184
Avi 140	4,966	5,160	194
Avi 200	6,741	6,996	255
Avi 210	6,692	6,944	252
Avi 320	4,256	4,418	162
Avi 322	2,291	2,379	88
Avi 324	3,517	3,656	139
Avi 380	5,420	5,632	212
Avi 381	1,305	1,358	53
Avi 391	4,573	4,751	178
Avi 392	8,065	8,377	312
Avi 393	1,058	1,101	43

These changes have been reviewed and are recommended for approval by the Vice Presidents/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.