

March 19, 2014

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Tuition Increases for 2014-15 (1st- and 2nd- tier)

Issue

The Board of Regents holds statutory responsibility for setting tuition rates for Utah's public colleges and universities. Regents are asked to review and finalize first- and second-tier tuition increases, differential increases, plateau changes, and new schedules for the upcoming year 2014-15, for all institutions.

Background

Regents are asked to consider a number of factors when setting tuition, such as state funding levels, institutional need, Consumer Price Index, Higher Education Price Index, regional tuition rate increases, and comparisons of tuition and fee levels at western higher education institutions. As part of a long standing agreement with the legislature, tax-funded compensation increases are partially matched with tuition. Additionally, institutions rely in part on tuition for costs not covered by the legislature. Attachments one and two summarize undergraduate and graduate proposed tuition by residency for each USHE institution.

First-tier Increases - By Regent policy, first-tier tuition rate increases shall be uniform for all institutions, shall be implemented at the same time, shall be based on evaluations of current data on inflation, and use national and regional tuition increases to justify specific needs in the Utah System of Higher Education (R510-3.1).

For the upcoming year, the Utah System of Higher Education is recommending a first-tier tuition increase of 4.0%. Revenue generated from first-tier tuition will be used to fund the required match for compensation and insurance, and for other necessary personnel-related costs (see attachment 3).

Second-tier Increases - Each institutional president, with the approval of the institutional Board of Trustees, may recommend a second-tier of tuition rate increases to meet specific institutional needs. Second-tier tuition rate increases may apply to all programs equally or they may be different for specific programs (R510-3.2). As part of second-tier increase requests, institutions are required to hold a "Truth in Tuition" hearing to provide an explanation of the reasons for the proposed tuition increase, an explanation of how the revenue generated by the increase will be used and an opportunity for public comment from students.

Institutions proposing second-tier increase are University of Utah (UU), Utah State University (USU), and Snow. Increases range from 1.5% – 2.0%, with additional revenue used for compensation; scholarships, student and academic support (see attachment 3).

Differential Tuitions - Utah Valley University (UVU) is requesting an increase in differential tuition for graduate courses in the Masters of Business Administration program. UVU is also requesting eliminating differential tuition in the Masters of Nursing program. The UU is requesting a differential tuition increase for upper-division level courses in undergraduate business programs.

Plateau Tuitions - Utah State University is requesting the expansion of tuition plateau rates for resident and non-resident students from 13-18 to 12-18, and incorporating resident students taking online course credits participation within the regular tuition plateau, rather than a flat rate charge per credit hour.

Summary Attachments - The Commissioner's staff has prepared eight other attachments providing benchmark and comparative data regarding tuition rates, with additional information on tuition schedules, restructuring, and proposed differential increases/decreases.

- Attachment 4: Charted resident tuition comparison with WICHE and rocky mountain states
- Attachment 5: Charted non-resident tuition comparison with WICHE and rocky mountain states
- Attachment 6: Benchmark inflation and regional tuition increases
- Attachment 7: 2013-14 undergraduate tuition by credit hour load
- Attachment 8: UU request for tuition for the Asia Campus (Songdo, South Korea)
- Attachment 9: USU request for plateau and online restructure
- Attachment 10: UVU request for differential tuition for Masters of Business Administration
- Attachment 11: UVU request for elimination of differential tuition for Masters of Nursing
- Attachment 12: UU request for differential tuition increase for upper-division business programs

Commissioner's Recommendation

The Commissioner recommends that the Regents approve tuition rates for 2014-15 by:

- Finalizing the first-tier tuition increase at 4.0 percent for all USHE institutions
- Approving the second-tier tuition increase proposals
- Approving undergraduate and graduate tuition for Asia Campus at UU
- Approving plateau and online tuition restructure at USU
- Approving graduate differential tuition for Masters of Business Administration at UVU
- Approving the elimination of graduate differential for Masters of Nursing at UVU
- Approving undergraduate upper-division level differential tuition for business programs at the UU

David L. Buhler
Commissioner of Higher Education

2014-15 Tuition Proposal (Combined 1st & 2nd Tier Increases) - Resident Undergraduate & Graduate Students

Utah Resident Undergraduate Students					
Institution	Type of Student	Current 2013-14 Annual Tuition (Fall & Spring Semesters)	Proposed Tuition Increase (1st & 2nd Tier)	Proposed 2014-15 Annual Tuition (Fall & Spring Semesters)*	Proposed Percentage Change
UU	Utah Resident Undergraduate (Lower Div.)	\$6,511	\$378	\$6,889	5.8%
USU	Utah Resident Undergraduate (Logan/RCDE)	\$5,273	\$290	\$5,563	5.5%
WSU	Utah Resident Undergraduate	\$4,159	\$167	\$4,326	4.0%
SUU	Utah Resident Undergraduate	\$5,208	\$208	\$5,416	4.0%
Snow	Utah Resident Undergraduate	\$2,830	\$169	\$2,999	6.0%
DSU	Utah Resident Undergraduate	\$3,648	\$146	\$3,794	4.0%
UVU	Utah Resident Undergraduate	\$4,368	\$174	\$4,542	4.0%
SLCC	Utah Resident Undergraduate	\$2,924	\$116	\$3,040	4.0%

Annual tuition amount based on 15 credit hours per semester for two semesters

Utah Resident Graduate Students					
Institution	Type of Student: Utah Resident Graduate	Current 2013-14 Annual Tuition (Fall & Spring Semesters)	Proposed Tuition Increase (1st & 2nd Tier)	Proposed 2014-15 Annual Tuition (Fall & Spring Semesters)*	Proposed Percentage Change
UU	Resident Graduate (Base Rate)	\$5,689	\$330	\$6,019	5.8%
USU	Resident Graduate (Base Rate)	\$4,938	\$272	\$5,210	5.5%
WSU	Resident Graduate (MED)	\$4,200	\$168	\$4,368	4.0%
SUU	Resident Graduate (MED)	\$5,298	\$212	\$5,510	4.0%
UVU	Resident Graduate (MED)	\$4,900	\$200	\$5,100	4.1%

Annual tuition amount based on 10 credit hours per semester for two semesters

Generally, graduate tuition rates vary by program at each institution

The graduate tuition rates listed above are the lowest graduate tuition rates at each institution

Programmatic tuition increase proposals, above the standard institutional tuition increase rate, will be presented as a request for differential tuition rates

2014-15 Tuition Proposal (Combined 1st & 2nd Tier) - Non-Resident Undergraduate & Graduate Students

Non-Resident Undergraduate Students					
Institution	Type of Student	Current 2013-14 Annual Tuition (Fall & Spring Semesters)	Proposed Tuition Increase (1st & 2nd Tier)	Proposed 2014-15 Annual Tuition (Fall & Spring Semesters)*	Proposed Percentage Change
UU	Non-Resident Undergraduate (Lower Div.)	\$22,790	\$1,322	\$24,111	5.8%
USU	Non-Resident Undergraduate (Logan/RCDE)	\$16,976	\$934	\$17,910	5.5%
WSU	Non-Resident Undergraduate	\$12,480	\$500	\$12,980	4.0%
SUU	Non-Resident Undergraduate	\$17,186	\$688	\$17,874	4.0%
Snow	Non-Resident Undergraduate	\$10,332	\$620	\$10,952	6.0%
DSU	Non-Resident Undergraduate	\$11,664	\$466	\$12,130	4.0%
UVU	Non-Resident Undergraduate	\$13,538	\$536	\$14,074	4.0%
SLCC	Non-Resident Undergraduate	\$10,176	\$406	\$10,582	4.0%

*Annual tuition amount based on 15 credit hours per semester for two semesters

Non-Resident Graduate Students					
Institution	Type of Student: Non-Resident Graduate	Current 2013-14 Annual Tuition (Fall & Spring Semesters)	Proposed Tuition Increase (1st & 2nd Tier)	Proposed 2014-15 Annual Tuition (Fall & Spring Semesters)*	Proposed Percentage Change
UU	Non-Resident Graduate (Base Rate)	\$20,082	\$1,165	\$21,247	5.8%
USU	Non-Resident Graduate (Logan/RCDE)	\$17,284	\$951	\$18,235	5.5%
WSU	Non-Resident Graduate (MED)	\$12,603	\$504	\$13,107	4.0%
SUU	Non-Resident Graduate (MED)	\$17,480	\$700	\$18,180	4.0%
UVU	Non-Resident Graduate (MED)	\$14,980	\$600	\$15,580	4.0%

*Annual tuition amount based on 10 credit hours per semester for two semesters

Generally, graduate tuition rates vary by program at each institution

The graduate tuition rates listed above are the lowest graduate tuition rates at each institution

Programmatic tuition increase proposals, above the standard institutional tuition increase rate, will be presented as a request for differential tuition rates

Utah System of Higher Education - 1st-Tier Tuition Increase Proposal

Institution	Proposed Use of Revenue	Revenue Required	1st-Tier % of Total
All USHE Institutions	Compensation	\$24,906,769	99.7%
	Other Mandated Costs	\$82,500	0.3%
	Total 1st-Tier Tuition	\$24,989,269	100.0%

Institutional 1st-Tier Tuition Increase Proposal

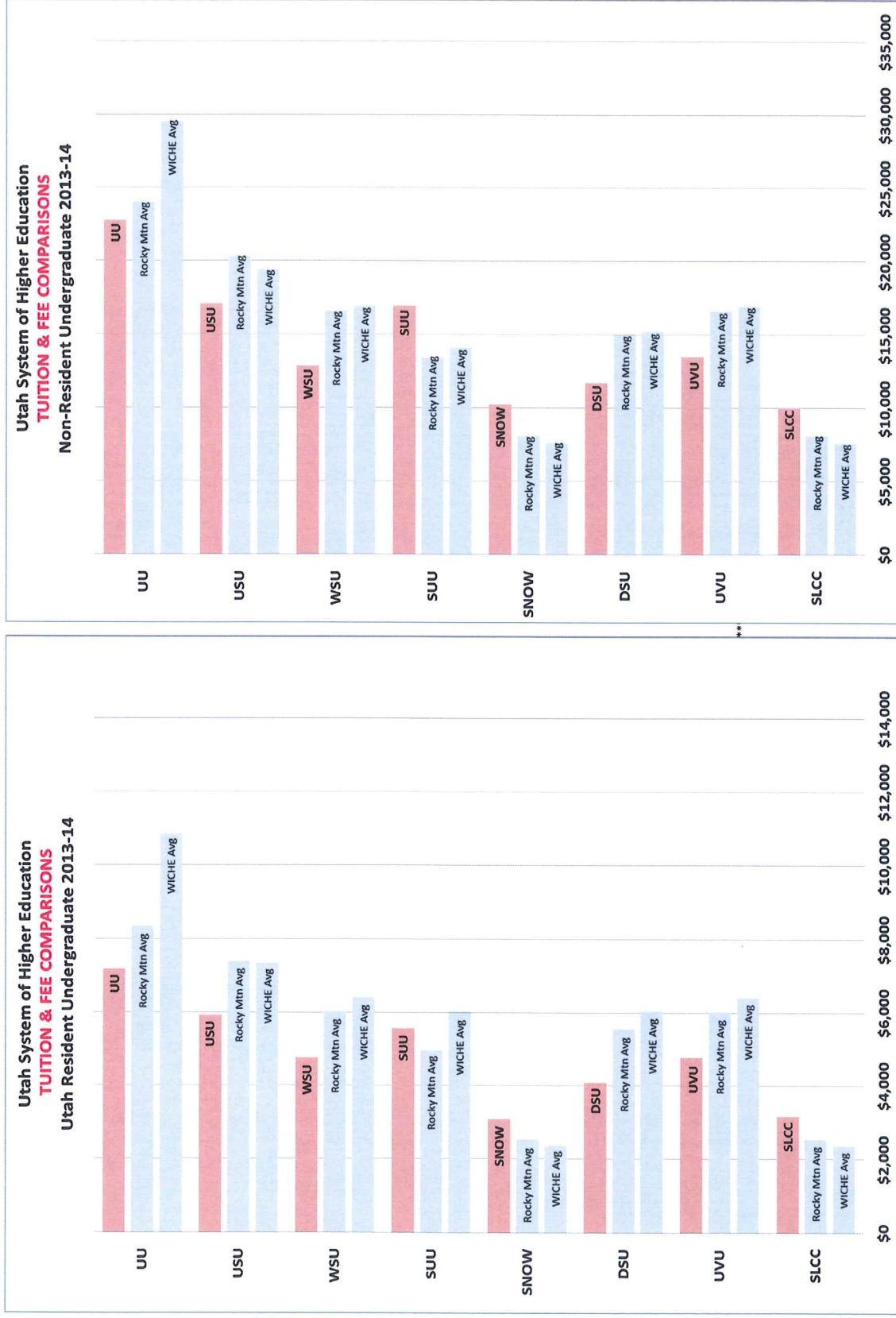
Institution	Proposed Use of Revenue	Revenue Required	1st-Tier % Increase
UU	Compensation	\$5,800,000	2.4%
	Faculty, Staff Equity, Retention	\$2,800,000	1.2%
	Faculty Cluster Hires	\$1,000,000	0.4%
	Total U of U 1st-Tier	\$9,600,000	4.0%
USU	COLA	\$763,000	0.7%
	Promotion & Tenure	\$893,300	0.8%
	Salary Initiative	\$2,755,700	2.5%
	Total USU 1st-Tier	\$4,412,000	4.0%
WSU	Student Support	\$49,500	0.1%
	Compensation	\$2,472,500	3.8%
	Other Mandated Costs	\$50,000	0.1%
	Total WSU 1st-Tier	\$2,572,000	4.0%
SUU	Compensation	\$655,000	2.2%
	Health Insurance Benefits	\$300,000	1.0%
	Faculty Rank Advancements	\$94,600	0.3%
	Student Retention and Completion Initiates	\$164,400	0.5%
	Total SUU 1st-Tier	\$1,214,000	4.0%
Snow	Employee Compensation & Benefits	\$476,269	4.0%
	Total Snow 1st-Tier	\$476,269	4.0%
DSU	1.25% COLA	\$85,000	0.4%
	Medical and Retirement Rate Increases	\$55,000	0.2%
	Faculty Rank and Tenure	\$85,000	0.4%
	Instructional Capacity and Critical Salary Equity	\$675,000	3.0%
	Total DSU 1st-Tier	\$900,000	4.0%
UVU	Compensation and Related Issues	\$3,815,000	4.0%
	Total UVU 1st-Tier	\$3,815,000	4.0%
SLCC	Employee Compensation	\$1,967,500	3.9%
	Internal Service Fund (Insurance)	\$32,500	0.1%
	Total SLCC 1st-Tier	\$2,000,000	4.0%

Utah System of Higher Education - 2nd-Tier Tuition Increase Proposal

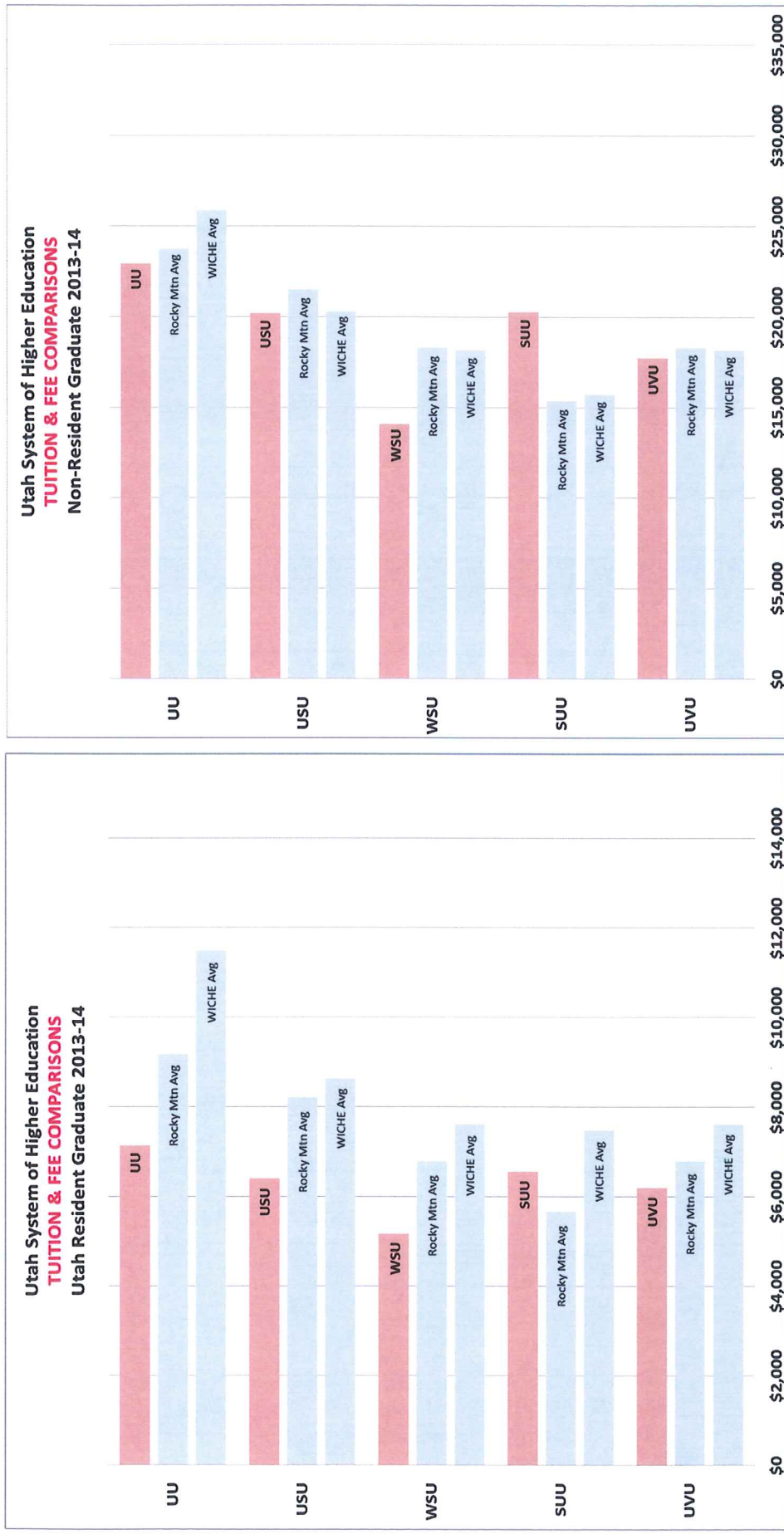
Institution	Proposed Use of Revenue	Revenue Required	2nd-Tier % of Total
All USHE Institutions	Compensation & Targeted Salary Increases	\$1,696,000	23.7%
	Student Support & Initiatives	\$1,750,000	24.4%
	Academic Support & Initiatives	\$2,366,000	33.0%
	Utilities & Maintenance	\$1,000,000	14.0%
	Scholarships	\$350,000	4.9%
	Total 2nd-Tier Tuition	\$7,162,000	100.0%

Institutional 2nd-Tier Tuition Increase Proposal

Institution	Proposed Use of Revenue	Revenue Required	2nd-Tier % Increase
UU	Student Support Services	\$1,250,000	0.5%
	Academic Support	\$1,820,000	0.8%
	Medical School Student Support	\$300,000	0.1%
	Utilities, Maintenance	\$1,000,000	0.4%
	Total UU 2nd-Tier	\$4,370,000	1.8%
USU	Promotion and Tenure	\$66,000	0.1%
	Scholarships	\$350,000	0.3%
	Student Initiatives	\$200,000	0.2%
	Academic Initiatives	\$546,000	0.5%
	Targeted Salary Increases	\$380,000	0.4%
	Total USU 2nd-Tier	\$1,542,000	1.5%
WSU	Total WSU 2nd-Tier	\$0	0.0%
SUU	Total SUU 2nd-Tier	\$0	0.0%
Snow	Strategic Plan Initiatives: (e.g. faculty retention)	\$1,250,000	2.0%
	Total Snow 2nd-Tier	\$1,250,000	2.0%
DSU	Total DSU 2nd-Tier	\$0	0.0%
UVU	Total UVU 2nd-Tier	\$0	0.0%
SLCC	Total SLCC 2nd-Tier	\$0	0.0%



*WICHE states include Alaska, Hawaii, Washington, Oregon, California, Idaho, Nevada, Arizona, New Mexico, Utah, Colorado, Wyoming, Montana, North Dakota and South Dakota
 **Rocky Mountain states include Idaho, Nevada, Arizona, New Mexico, Utah, Colorado, Wyoming & Montana
 *** Resident undergraduate tuition and fees based on 15 credit hours per semester for two semesters



*WICHE states include Alaska, Hawaii, Washington, Oregon, California, Idaho, Nevada, Arizona, New Mexico, Utah, Colorado, Wyoming, Montana, North Dakota and South Dakota
 **Rocky Mountain states include Idaho, Nevada, Arizona, New Mexico, Utah, Colorado, Wyoming & Montana
 *** Non-resident undergraduate tuition and fees based on 15 credit hours per semester for two semesters

Benchmark Inflation and Tuition Increase Information

Consumer Price Index, July 2004 to December 2013

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
	189.4	195.4	203.5	208.3	220.0	215.4	218.0	225.9	229.1	230.3
	194.5	202.9	208.4	218.8	215.7	218.0	225.7	229.5	233.5	231.9
Academic Year Increase	2.7%	3.8%	2.4%	5.0%	-1.9%	1.2%	3.5%	1.6%	1.9%	
Most Recent 12-months (January to December)										0.7%

Source: Bureau of Labor Statistics. Consumer Price Index—Urban (Not Seasonally Adjusted) June to July: March 2013 (www.bls.gov).

Higher Education Price Index, July 2004 to June 2013

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
	231.7	240.8	253.1	260.3	273.2	279.3	281.8	288.4	293.2
	240.8	253.1	260.3	273.2	279.3	281.8	288.4	293.2	297.8
Academic Year Increase	3.9%	5.1%	2.8%	5.0%	2.2%	0.9%	2.3%	1.7%	1.6%

Source: HEPI, Research Associates of Washington and Common Fund Institute. Higher Education Price Index.

WICHE Region Tuition & Fee Increases at Public Institutions, 2004-05 to 2013-14

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Public Four-year Institutions										
Resident Undergrad.	10.0%	8.6%	6.6%	8.4%	6.4%	12.5%	7.7%	13.7%	4.1%	3.1%
Resident Graduate	12.3%	9.7%	7.1%	6.0%	8.6%	10.8%	4.7%	12.7%	4.2%	3.1%
Nonresident Undergrad.	10.6%	5.0%	5.8%	3.2%	5.2%	6.7%	5.3%	7.5%	4.0%	2.3%
Nonresident Graduate	11.3%	4.7%	3.2%	4.4%	5.7%	4.7%	3.2%	7.3%	6.2%	2.5%
Public Two-year Institutions										
Resident	9.0%	8.5%	5.8%	4.1%	3.9%	6.4%	7.1%	14.7%	5.5%	2.6%
Nonresident	3.1%	9.0%	2.5%	0.9%	6.8%	2.1%	2.5%	2.8%	3.1%	1.8%

2004-05 through 2013-14 Sources: WICHE. Tuition and Fees in Public Higher Education in the West 2013-14.

*WICHE states include Alaska, Hawaii, Washington, Oregon, California, Idaho, Nevada, Arizona, New Mexico

Utah, Colorado, Wyoming, Montana, North Dakota and South Dakota

Table 5. Tuition Increase History

USHE Undergraduate Resident and Nonresident Tuition Increases, 2004-05 to 2013-14

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Resident Increases										
UU	10.0%	7.9%	9.5%	7.5%	6.0%	9.5%	9.5%	7.8%	6.0%	5.0%
USU	7.0%	9.8%	8.0%	7.0%	6.0%	5.5%	7.5%	9.0%	6.0%	5.0%
WSU	10.1%	9.8%	8.5%	7.0%	5.5%	6.5%	6.0%	6.0%	5.0%	5.0%
SUU	11.0%	9.5%	8.0%	7.0%	7.0%	6.5%	12.5%	11.0%	6.5%	5.0%
Snow	9.1%	9.5%	9.0%	5.5%	4.5%	9.5%	9.5%	7.0%	7.0%	5.0%
DSU	7.6%	5.1%	31.1%	9.0%	6.5%	8.1%	11.4%	11.8%	5.5%	5.0%
UVU	14.5%	8.8%	9.0%	6.7%	6.3%	8.7%	6.0%	7.4%	4.5%	6.0%
SLCC	8.0%	7.4%	4.0%	6.0%	5.4%	4.0%	6.0%	5.0%	4.5%	6.0%
USHE Average ⁽¹⁾	9.4%	8.3%	10.6%	6.6%	5.7%	7.5%	8.7%	8.1%	5.6%	5.3%
USHE First-tier only ⁽²⁾	3.0%	3.5%	4.0%	4.0%	3.5%	1.0%	1.5%	5.0%	4.5%	5.0%
Nonresident Increases										
UU	10.0%	7.9%	9.5%	7.5%	6.0%	9.5%	9.5%	7.8%	6.0%	6.3%
USU	7.0%	9.7%	8.0%	7.0%	6.0%	5.5%	7.5%	9.0%	6.0%	5.0%
WSU	10.0%	9.8%	8.5%	7.0%	0.0%	3.5%	3.0%	3.0%	5.0%	3.5%
SUU	11.0%	9.5%	8.0%	7.0%	7.0%	6.5%	12.5%	11.0%	6.5%	5.0%
Snow	3.0%	9.5%	4.0%	5.5%	4.5%	0.0%	9.5%	7.0%	7.0%	5.0%
DSU	7.8%	5.1%	23.6%	4.0%	6.5%	8.1%	11.4%	11.8%	-14.2%	5.1%
UVU	14.5%	8.8%	9.0%	6.7%	4.3%	3.2%	2.9%	5.8%	4.5%	5.3%
SLCC	8.0%	7.4%	4.0%	6.0%	5.4%	4.0%	6.0%	5.0%	4.4%	6.0%
USHE Average ⁽¹⁾	8.7%	8.3%	9.2%	6.1%	-1.1%	5.5%	8.0%	7.6%	3.2%	5.2%
USHE First-tier only ⁽²⁾	3.0%	3.5%	4.0%	4.0%	3.5%	1.0%	1.5%	5.0%	4.5%	5.0%

(1) Simple Average.

(2) The systemwide first-tier increase is shown for 2004-05 through 2013-14. This amount applied to all institutions. Institutional amounts include both first and second-tier increases.

(3) Percentages represent increases that apply to greatest number of students at the institution, and do not include differential increases for some students or programs.

Utah System of Higher Education

Attachment 7

USHE 2013-14 Tuition by Semester Credit Hour Load for Resident Undergraduate Students

	UofU ¹	USU ²	WSU	SUU	Snow	DSU	UVU	SLCC
1	\$694.76	\$461.63	\$374.43	\$408.00	\$125.00	\$151.75	\$336.00	\$120.00
2	877.67	642.85	544.96	652.00	191.00	303.50	504.00	242.00
3	1,060.58	824.07	715.49	896.00	504.00	455.25	672.00	364.00
4	1,243.49	1,005.29	886.02	1,140.00	634.00	607.00	840.00	486.00
5	1,426.40	1,186.51	1,056.55	1,384.00	764.00	758.75	1,008.00	608.00
6	1,609.31	1,367.73	1,227.08	1,628.00	895.00	910.50	1,176.00	730.00
7	1,792.22	1,548.95	1,397.61	1,872.00	1,025.00	1,062.25	1,344.00	852.00
8	1,975.13	1,730.17	1,568.14	2,116.00	1,155.00	1,214.00	1,512.00	974.00
9	2,158.04	1,911.39	1,738.67	2,360.00	1,285.00	1,365.75	1,680.00	1,096.00
10	2,340.95	2,092.61	1,909.20	2,604.00	1,415.00	1,517.50	1,848.00	1,218.00
11	2,523.86	2,273.83	2,079.73	2,604.00	1,415.00	1,669.25	2,016.00	1,340.00
12	2,706.77	2,455.05	2,079.73	2,604.00	1,415.00	1,821.00	2,184.00	1,462.00
13	2,889.68	2,636.27	2,079.73	2,604.00	1,415.00	1,821.00	2,184.00	1,462.00
14	3,072.59	2,636.27	2,079.73	2,604.00	1,415.00	1,821.00	2,184.00	1,462.00
15	3,255.50	2,636.27	2,079.73	2,604.00	1,415.00	1,821.00	2,184.00	1,462.00
16	3,438.41	2,636.27	2,079.73	2,604.00	1,415.00	1,821.00	2,184.00	1,462.00
17	3,621.32	2,636.27	2,079.73	2,604.00	1,415.00	1,821.00	2,184.00	1,462.00
18	3,804.23	2,636.27	2,079.73	2,604.00	1,415.00	1,821.00	2,184.00	1,462.00
19	3,987.14	2,817.49	2,250.26	2,848.00	1,415.00	1,821.00	2,352.00	1,584.00
20	4,170.05	2,998.71	2,420.79	3,092.00	1,415.00	1,821.00	2,520.00	1,706.00
21	4,352.96	3,179.93	2,591.32	3,336.00	1,546.00	1,972.75	2,688.00	1,828.00
22	4,535.87	3,361.14	2,761.85	3,580.00	1,676.00	2,124.50	2,856.00	1,950.00
23	4,718.78	3,542.36	2,932.38	3,824.00	1,806.00	2,276.25	3,024.00	2,072.00
24	4,901.69	3,723.58	3,102.91	4,068.00	1,936.00	2,428.00	3,192.00	2,194.00
25	5,084.60	3,905.80	3,273.44	4,312.00	2,066.00	2,579.75	3,360.00	2,316.00

Utah System of Higher Education

USHE 2013-14 Tuition & Fees by Semester Credit Hour Load for Resident Undergraduate Students

	UofU ¹	USU ²	WSU	SUU	Snow	DSU	UVU	SLCC
1	\$985.64	\$760.72	\$480.68	\$451.00	\$125.00	\$161.75	\$389.00	\$176.00
2	1,181.57	955.02	682.13	730.00	191.00	313.50	608.00	315.00
3	1,377.50	1,149.32	883.58	1,009.00	561.00	465.25	827.00	454.00
4	1,573.43	1,343.62	1,085.03	1,288.00	710.00	757.15	1,046.00	593.00
5	1,769.36	1,537.92	1,286.48	1,567.00	864.00	937.65	1,265.00	732.00
6	1,965.29	1,732.22	1,487.93	1,846.00	1,014.00	1,118.12	1,484.00	871.00
7	2,161.22	1,926.52	1,689.38	2,125.00	1,163.00	1,299.99	1,703.00	1,010.00
8	2,357.15	2,120.82	1,890.83	2,404.00	1,312.00	1,478.66	1,871.00	1,149.00
9	2,553.08	2,315.12	2,092.28	2,683.00	1,461.00	1,658.93	2,039.00	1,288.00
10	2,749.01	2,509.42	2,293.73	2,962.00	1,610.00	1,839.00	2,207.00	1,427.00
11	2,944.94	2,703.72	2,495.18	2,962.00	1,610.00	1,990.75	2,375.00	1,549.00
12	3,140.87	2,898.02	2,495.18	2,962.00	1,610.00	2,142.50	2,543.00	1,671.00
13	3,336.80	3,092.32	2,495.18	2,962.00	1,610.00	2,142.50	2,543.00	1,671.00
14	3,532.73	3,092.32	2,495.18	2,962.00	1,610.00	2,142.50	2,543.00	1,671.00
15	3,728.66	3,092.32	2,495.18	2,962.00	1,610.00	2,142.50	2,543.00	1,671.00
16	3,917.94	3,092.32	2,495.18	2,962.00	1,610.00	2,142.50	2,543.00	1,671.00
17	4,107.22	3,092.32	2,495.18	2,962.00	1,610.00	2,142.50	2,543.00	1,671.00
18	4,296.50	3,092.32	2,495.18	2,962.00	1,610.00	2,142.50	2,543.00	1,671.00
19	4,485.78	3,286.62	2,665.71	3,206.00	1,610.00	2,142.50	2,711.00	1,793.00
20	4,675.06	3,480.92	2,836.24	3,450.00	1,610.00	2,142.50	2,879.00	1,915.00
21	4,864.34	3,675.22	3,006.77	3,694.00	1,741.00	2,294.25	3,047.00	2,037.00
22	5,053.62	3,869.51	3,177.30	3,938.00	1,871.00	2,446.00	3,215.00	2,159.00
23	5,242.90	4,063.81	3,347.83	4,182.00	2,001.00	2,597.75	3,383.00	2,281.00
24	5,432.18	4,258.11	3,518.36	4,426.00	2,131.00	2,749.50	3,551.00	2,403.00
25	5,621.46	4,453.41	3,688.89	4,670.00	2,261.00	2,901.25	3,719.00	2,525.00

(1) Lower division (freshman & sophomore) rate only. Differential rates for upper division (junior and senior) may apply.

University of Utah Asia Campus

	<u>Undergraduate Programs</u>	<u>Graduate Programs</u>
Degrees Offered	Communication – B.A./ B.S. Social Work – B.S.W. Psychology – B.A./ B.S.	Public Health – M.P.H
Admissions	Same requirements as Main Campus	Same requirements as Main Campus
Program Length	4 years – <ul style="list-style-type: none"> • 3 years at Asia Campus • 1 year at Main Campus 	2 years <ul style="list-style-type: none"> • 1 year at Asia Campus • 1 year at Main Campus
Credit Hours per Semester	15 hours	Varies between 9-12 hours
General Education	1st year students will participate in Global Citizenship Block U	Not applicable
Tuition and Fees (While attending classes at Asia Campus)	\$20,000 annually including tuition and fees	\$20,000 annually including tuition and fees
Tuition and Fees (While attending classes at Main Campus)	Subject to tuition and fees applicable to Main Campus	Subject to tuition and fees applicable to Main Campus

MEMORADUM

TO: Brian Shuppy, Assistant Commissioner Budget & Planning
Utah System of Higher Education

FROM: Whitney Pugh, Executive Director of Budget & Planning
Utah State University

DATE: March 14, 2014

RE: 2014-15 Tuition & Fees

For the record kept at the Board of Regents' office, USU needs to inform the Regents of two other tuition issues which are both for the purpose of restructuring the tuition tables, not for the purpose of increasing rates or generating revenue.

Issue 1: Plateau Restructure

The university will be changing the structure of its plateau. USU Eastern is not involved in this change; it only affects Logan and the RCDE system. Currently, the plateau ranges from 13 to 18 credits. The new plateau will range from 12 to 18 credits.

This is in part a response to a statewide effort to bring consistency to plateau ranges at all institutions. The university believes there are additional benefits of the change, including: lessening confusion with financial aid, since most scholarships require 12 credits; giving students an incentive to take more credits; and helping students graduate faster.

The university will insure that no revenue is lost in this change, and that the overall impact to both E&G and RCDE is as revenue neutral as possible. However, It is anticipated that the E&G budget will experience some revenue growth because of this change.

Issue 2: Online Tuition Schedule Restructure

In March, 2008, the Regents approved a separate tuition schedule for online courses at USU. A flat, per-credit rate has been the basis of that schedule. Undergraduates pay one rate; graduates, another. Residency is not a factor. USU wishes to adjust its tuition structure beginning with the summer, 2014 term.

The original online tuition schedule has allowed the university to attract many students to USU programs, especially students who take 100% online courses. USU online programs have been very successful at providing access to quality academic degrees. More recently, USU has seen an increase in the number of students taking both online courses AND traditional (or broadcast

courses). The traditional (or broadcast) courses qualify for the tuition plateau benefit. However, online course credits (with the online tuition schedule) are currently not compatible with the plateau. An increasing number of students would like to apply their online course credits to the plateau. The university wants to address student concerns, but needs to maintain an online tuition schedule in order to protect enrollments in several of its programs. The following changes will be implemented:

1. For students living in the state, and taking 100% online courses, they will be charged according to the tuition and fee table as they would for traditional (or broadcast) courses. Both the resident and non-resident tables will apply along with the plateau tuition benefit. For students living out-of-state, and taking 100% online courses, they will continue to be charged according to the current flat-rate online tuition schedule (non plateau). In some cases, USU may choose to waive student fees in order to maintain competitiveness for its online credits.
2. For students who take both online and traditional (and broadcast) courses all credits will be applied to the regular tuition and fee table with the plateau benefit. If out-of-state students enroll in online courses AND a traditional (or broadcast) course, they will be charged the current online flat rate for the online credits and the tuition and fee table rate for the traditional (or broadcast) credit(s).



UTAH VALLEY UNIVERSITY

VICE PRESIDENT *for* PLANNING, BUDGET, & HUMAN RESOURCES

March 14, 2014

Commissioner David L. Buhler
Board of Regents Building, The Gateway
60 South 400 West
Salt Lake City, UT 84101

Dear Commissioner Buhler,

In 2010, UVU implemented a Master of Business Administration (MBA) program. Beginning in Fall 2013, newly enrolled MBA students are required to complete an international experience as part of their program of study. The increased cost to the university for this requirement is \$4,000 per student.

During this past year, newly enrolled MBA students had this requirement while the continuing MBA students were completing their program under previous MBA requirements. Thus, during 2013-14, UVU implemented a course fee for the newly enrolled MBA students. Beginning in Fall 2014, all MBA students will be required to complete the international experience.

To facilitate communication with students regarding program costs and improve the efficiency of administrative processes, UVU requests an increase to the MBA graduate scale of \$111 per credit per semester beginning Fall 2014. The \$320,000 projected annual revenue from this increase will be used exclusively to support the coordination of and participation in an international experience for MBA students.

Attached is a comparison of 2013-14 MBA tuition rates (10 semester hours per semester) within USHE.

Please let me know if you have questions or require additional information.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Linda Makin', written over a horizontal line.

Linda Makin

Vice President for Planning, Budget and Human Resources

Attachment

2013-14 MBA Tuition Comparison
Per Semester, Resident, 10 credit hours

Institution	2013-14 Rate
University of Utah	\$7,556
Utah State University	\$5,959
Weber State University	\$4,107
Southern Utah University	\$3,992
Utah Valley University (without international experience differential)	\$4,280
Utah Valley University (with international experience differential)	\$5,390



UTAH VALLEY UNIVERSITY

VICE PRESIDENT *for* PLANNING, BUDGET, & HUMAN RESOURCES

March 17, 2014

Commissioner David L. Buhler
Board of Regents Building, The Gateway
60 South 400 West
Salt Lake City, UT 84101

Dear Commissioner Buhler,

In 2008, UVU implemented a Master of Science in Nursing (MSN) program. At that time, UVU proposed and the Regents approved a differential tuition for students enrolling in the program.

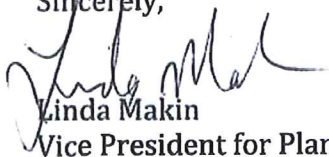
The MSN program is undergoing a program review. As part of that review, a comparison of tuition rates for Master of Science in Nursing programs within USHE was conducted. Unlike Weber, UVU has been charging a differential graduate tuition rate rather than UVU's base graduate tuition rate. Based on the program review and the tuition comparison, UVU proposes eliminating the differential tuition for its MSN program. Beginning Summer 2014, students in UVU's MSN program would be charged UVU's base graduate tuition and fees.

2013-14 MSN Tuition Comparison
Per Semester, Resident, 10 credit hours

Institution	2013-14 Rate
University of Utah	\$4,669
Weber State University (base graduate tuition)	\$3,242
Utah Valley University (with current differential)	\$3,920
Utah Valley University (without current differential; base graduate tuition)	\$2,450

Please let me know if you have questions or require additional information.

Sincerely,



Linda Makin

Vice President for Planning, Budget and Human Resources

University of Utah

Request for Differential Tuition Increase for Undergraduate Programs in Business

In support of its objective to provide a top quality education to students in their undergraduate business program, the University of Utah's David Eccles School of Business proposes to increase the differential tuition currently charged on upper-division courses in undergraduate programs in the School by an amount in addition to the general University tuition increase. The School's upper-division undergraduate students directly benefit from implementation of this differential by means of greater interaction with research faculty in undergraduate courses and improved flexibility in course offerings. The school's performance on AACSB-accreditation-required faculty coverage metrics will also be enhanced, assuring continued accreditation status. The impact of this differential tuition increase will be tempered by a simultaneous increase in externally-raised undergraduate scholarship and research assistantship dollars of \$692,000.

Proposal Summary

Undergraduate students in the David Eccles School of Business currently pay a tuition differential of \$112.47 per credit hour for upper-division undergraduate courses. This differential increases annually by the same amount as the University's base tuition. In addition to the annual University tuition increase, we propose to increase the tuition differential paid by students in business upper-division undergraduate courses by an additional \$20 per credit hour beginning in 2014-15 followed by an additional \$20 per credit hour in 2015-16 and again in 2016-17. As seen in Table 1 below, the current annual upper division tuition and fees are \$10,584¹. The increases would bring total annual upper-division tuition, differential, and fees in 2014-15 to \$11,064 (exclusive of changes in the University's general tuition rates). Upon full implementation it would impact approximately 1,900 students and generate approximately \$2,600,000 in revenue per year.

	Cumulative Change in Baseline Differential	Total Tuition, Differential and Fees	Change in Tuition, Differential, and Fees Due to Proposal	% Change Due to Proposed Differential Increase
2013-14	\$0	\$10,584	+\$0	
2014-15	+\$20/credit hour	\$11,064	+\$480	4.5%
2015-16	+\$40/credit hour	\$11,544	+\$960	4.3%
2016-17	+\$60/credit hour	\$12,024	+\$1440	4.2%

Table 1: Differential Tuition Proposal Impact on Annual Tuition, Differential, and Fees

¹ Assuming an annual load of 30 credits, 24 of which are upper division within the David Eccles School of Business

Rationale

If we hope to uphold our promise of providing a top-tier quality undergraduate business education to our students we must have the resources to restructure our programs and compete regionally and nationally for the talent to bring these programs to fruition.

The revenue from this differential tuition increase directly supports our upper-division students by resourcing strategic initiatives related to undergraduate education. We will be expanding our Business Scholars program from a freshman cohort experience to a four-year cohort program. We will also be implementing an upper-division business core redesign focusing on a cohort model. Finally, we need to build the capacity to grow our programs in order to meet increasing demands.

A task force at the University of Utah has been exploring student retention and progress towards graduation. It has been noted that retention rates are improved for certain university-wide cohort and learning community programs – LEAP, Honors, etc. The committee has focused on how to replicate and scale the success of these programs to improve overall student success.

Within the School, our original Business Scholars program was designed to provide a high-touch cohort experience for freshmen. Students take a year-long course which combines case-study introductions to business disciplines along with travel and volunteer experiences outside the classroom. This program has been very successful, with a retention rate from freshman year to sophomore year that is slightly higher than that for students across the University.

	First-Time Full-Time Freshman Retention Rate	
	Business Scholars	University of Utah²
2011-12	89.7%	87.6%
2012-13	89.8%	88.4%

Table 2: Freshman Retention Rates

The Business Scholars program has grown from an initial cohort of 41 in 2011-12 to 108 students in 2013-14, and we are on pace for an entering class of 150 in Fall 2014.

The success of the first-year experience in Business Scholars has led to the development of a full four-year Business Scholars plan. The cohorts will be kept together each year as they progress through their academic programs by taking exclusive Business Scholars sections of certain upper-division core courses. These sections, which will be smaller than average to maintain the high-touch experience, have been approved for the 2014-15 academic year. Future plans are to grow this program to an entering class of 300+ students each year.

² The University of Utah Office of Budget and Institutional Analysis web site, <http://www.obia.utah.edu/>

Building on this success, DESB faculty approved a series of enhancements to the undergraduate upper-division business core. Six courses have been identified to be taught in three pairs, with a goal of having students take one pair in a given semester. Syllabi will be coordinated between the courses so that topical coverage will align and a series of common assignments or case studies will reinforce the commonalities. These curricular changes have been approved, with implementation planned for Fall 2015, assuming we are able to overcome the challenges of available capacity.

Since the 2009-10 academic year, student credit hours (SCH) in undergraduate business courses have grown at an annualized rate of 6.29%, as we see from Figure 1 below. In particular, our lower division SCH has grown at an annualized rate of over 10% per year, even during 2012-13 to 2013-14 when overall enrollment at the University of Utah dropped. There is high demand for the school's business programs, and we are planning for future growth of 4% per year.

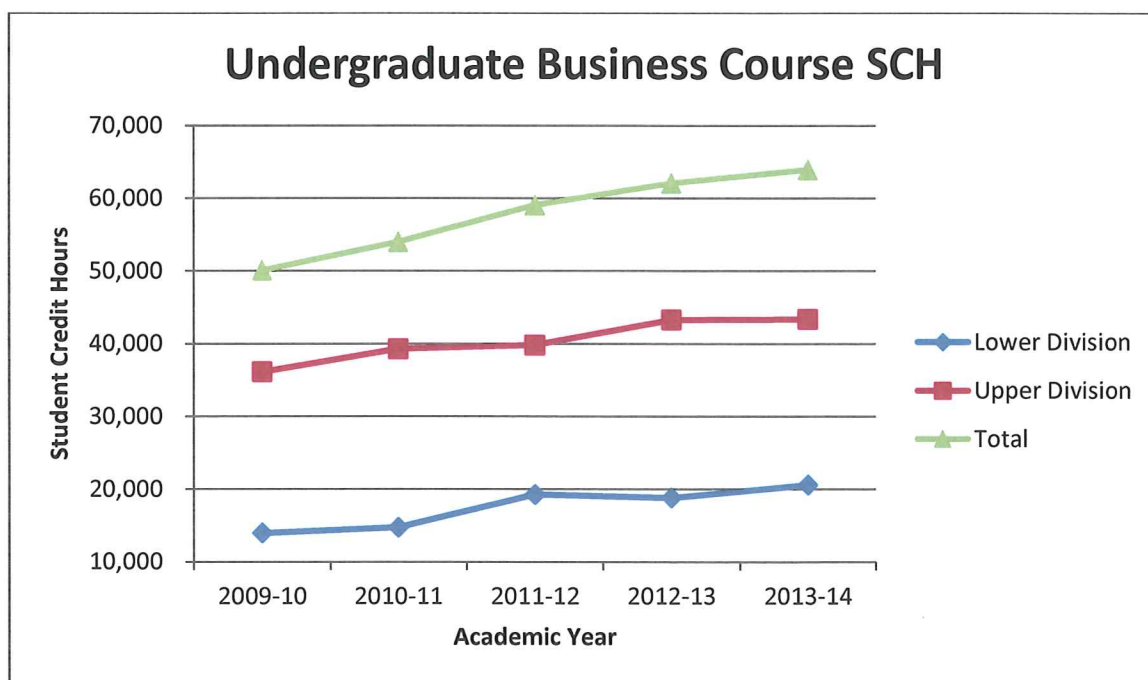


Figure 1: Undergraduate Business Course Student Credit Hour Growth

The school has thus far absorbed this growth through increased efficiency. Growth in our tenured/tenure-track faculty positions has not kept up with this program growth, as seen in Figure 2 below. In spite of hiring four to five new faculty each year, these hires have been offset by faculty departures, who are frequently leaving for academic jobs that pay substantially more.

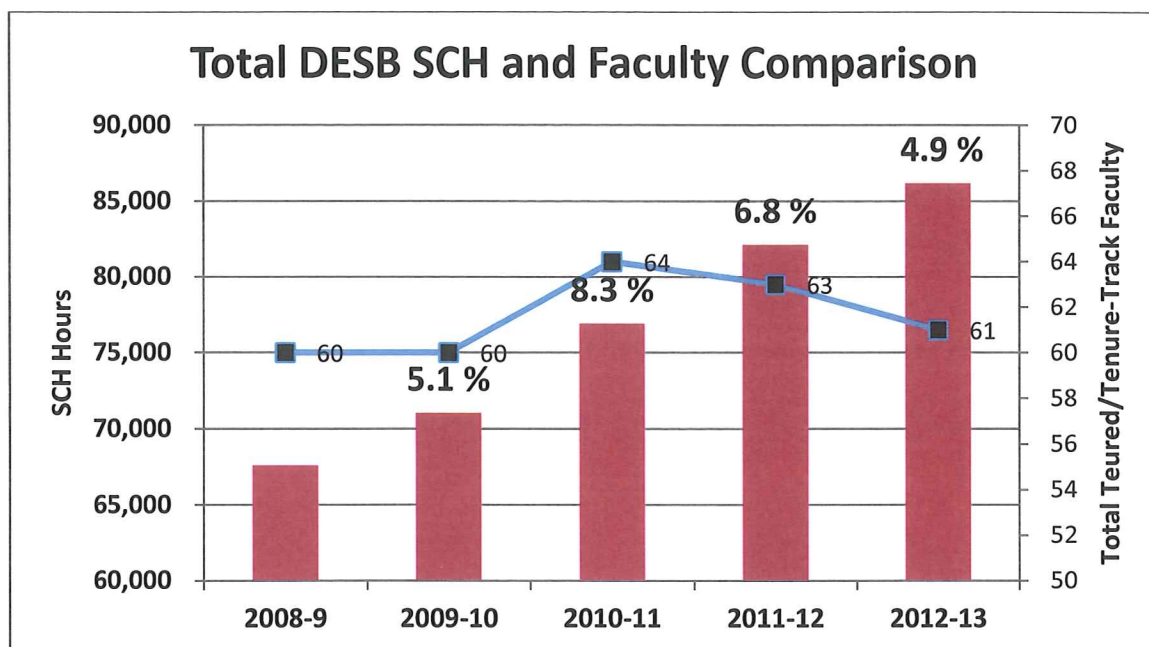


Figure 2: Total SCH and Tenured/Tenure-Track Faculty comparison

The majority of the growth has been absorbed by using more adjunct faculty and by increasing class sizes. The average class size has increased by over 8% since the Fall 2010 semester. At an average class size of 85.5, we are running out of physical space to house such classes.

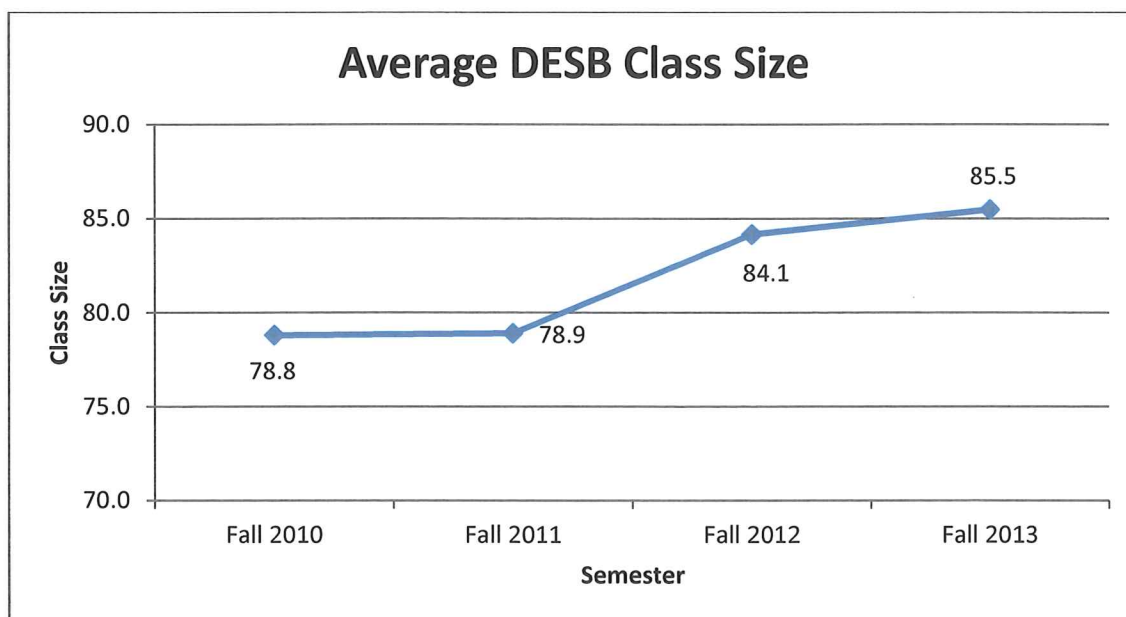


Figure 3: Average DESB Class Size

Although we have been extremely efficient in absorbing increasing student demand for our programs, we have pushed the boundaries with respect to our AACSB accreditation

requirements. Accredited institutions must maintain at least 50% coverage for tenure-track (or other academically qualified) faculty. As a PhD-granting institution, the expectation is that we will achieve closer to 75%. We are currently hovering near the minimum 50% coverage rate. Thus, unless we are willing to reduce the number of undergraduate students in the school, we must hire more tenure-track faculty. With an accreditation visit coming in January 2015, we need to make progress towards this coverage metric. We have already hired seven faculty for 2014-15, including three full professors who bring highly respected teaching and research pedigrees to the school.

The differential tuition increase will help us overcome our capacity constraint and allow us to increase our level of service to our undergraduate students. Additional staff will also be required as Business Scholars continues to grow into a four-year program.

As we strive to provide a top quality education to our students, we are carefully balancing the financial needs of such an educational program with the impact on students. Even with our current differential of \$112.47 per credit hour, tuition and differential in the David Eccles School of Business is among the lowest in the nation for business schools at state-supported research universities. In particular, we see in Figure 4 that our tuition is between \$1,000 and \$4,000 per year less than our peer state-supported research universities in the PAC-12. This becomes a challenge as we strive to compete for faculty against other PAC-12 schools with more financial resources.

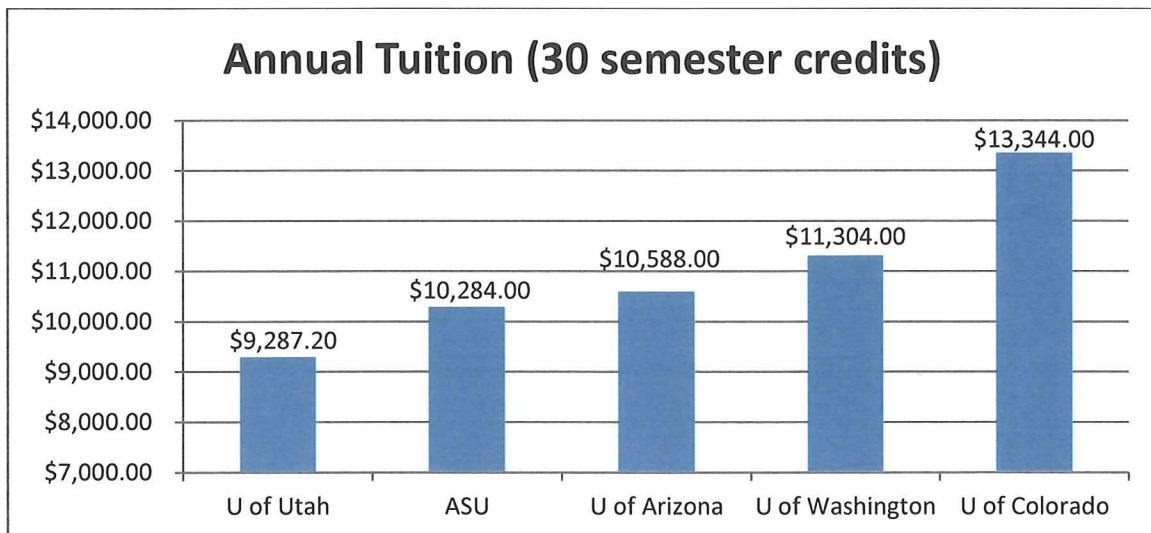


Figure 4: Annual Tuition and Differential normalized to 30 Semester Credit Hours

With the proposed differential tuition increase schedule, the school's upper-division tuition costs in three years will be approximately the same as the *current* tuition at Carey (Arizona State University), still behind the current tuition of other PAC-12 state-funded research universities.

The School's renewed dedication to its undergraduate programs has led to significant improvement in the average salary of graduates, as we can see in Figure 5 below. Over the last year, the average rose 6.7%; and since the beginning of the economic recovery in 2011, the average has increased 13.3%. An undergraduate business degree from DESB has leads to well-paying jobs.



Figure 5: Average Salary for Undergraduates

We have discussed this proposal with student leadership from Business Leaders, Inc. (BLInc), which serves as the DESB undergraduate student advisory committee. While not overjoyed with a tuition increase, all students were supportive. Several commented that high-quality education comes at a cost. One was so bold as to ask,

"Is the increase sufficient to move our undergraduate program forward, or should you ask for more?"

We are quite sensitive to our students' ability to pay for a business education. In addition to our Business Scholars program, scholarship opportunities exist for first generation and financially disadvantaged students through our Opportunity Scholars program – a vibrant external relations department raises other targeted scholarship money each year.

Table 3 outlines actual undergraduate scholarship dollars spent in 2012-13 and 2013-14, with projections for 2014-15 through 2016-17. An additional funding source will become available in Fall 2016 with the opening of the Lassonde Institute Live and Learn Center. \$150,000 increasing to \$225,000 will be available for undergraduate research assistants and scholarships. Over the next few years, we are projecting to more than double the amount of undergraduate scholarship money – a total increase of \$692,000. Additionally, a recent exercise undertaken by our scholarship administrator indicated

that many students are not utilizing Pell Grant opportunities, which can provide a student up to \$4500 per year. We will provide financial aid training to incoming students to insure that they are utilizing all resources available to them. Thus, the actual tuition increase to students will be offset with an increase in scholarships.

	2012-13	2013-14	2014-15	2015-16	2016-17
Scholarships	\$633,272	\$713,365	\$1,050,000	\$1,173,500	\$1,255,645
Lassonde					\$150,000
Total	\$633,272	\$713,365	\$1,050,000	\$1,173,500	\$1,405,645

Table 3: Undergraduate Scholarships

We work in public education because we are deeply committed to the principle that is at the foundation of the University of Utah: a world-class education for all who qualify, regardless of means. Without increases in differential tuition, we will be in danger of not delivering on this quality promise. By raising scholarships and training our students to obtain dollars for which they are eligible, we pledge to enable all of our students to receive an education they can afford.

The proposal presented here requests an increased differential for the upper-division business courses at the undergraduate level.

The specific proposal is the following:

- 2014-15 Increase upper-division business differential by \$20 per credit hour (in addition to University increases in base tuition)
- 2015-16 Increase upper-division business differential by \$20 (in addition to University increases in base tuition)
- 2016-17 Increase upper-division business differential by \$20 (in addition to University increases in base tuition)