

2016-17 Tuition Proposals

TO: Arizona Board of Regents
FROM: UA President Ann Weaver Hart
DATE: March 4, 2016
SUBJECT: 2016-17 Tuition Proposals

Enclosed is the University of Arizona's tuition proposal for the 2016-2017 academic year. In developing this proposal we used the strategic business portion of the UA's Never Settle Plan as our guide. We remain focused on maintaining predictability for UA students and their families. Key tenets of the plan are:

- ⊗ No increase in tuition and fees for the vast majority of UA students, including the 78% of continuing undergraduate resident students who are currently enrolled in the tuition guarantee program.
- ⊗ Continue using a collaborative approach in the UA internal process for tuition setting that involves student leadership.
- ⊗ Use the Never Settle plan to guide institutional priorities and investment.

The Tuition-Setting Process

Student leaders from the Associated Students of the University of Arizona (ASUA) and the Graduate and Professional Student Council (GPSC) were actively involved in helping craft this tuition recommendation. In addition, the UA South Student Body President participated in both the general discussions and those focused specifically on UA South tuition.

Consultation with student leaders began on January 12 at the UA Senior Leadership meeting where the UA's senior team and I met with the students to provide state and university context for tuition-setting and to discuss the priorities of the university and the process for setting tuition. The next day, the student leaders spent two hours at the UA Finance Team meeting where Senior Vice Presidents Andrew Comrie and Gregg Goldman reviewed in detail the UA budget, including trends of cuts, tuition and fees, state support, enrollment, peer institutional data and institutional investment needs.

From January 26 through February 18 five meetings were held with student leaders and SVPs Comrie and Vito to review various budget scenarios. These meetings focused on advancing the Never Settle plan as our guide. During these meetings, student leaders reviewed in detail last year's revenue and expenditures, proposed revenue and expenditures for next year, peer institutions' tuition and fees and projected enrollment mix. They also examined a number of modeled tuition scenarios.

Student priorities included maintaining the guarantee for undergraduate students and, when setting the guaranteed tuition and fees for incoming first-year students, creating a balance between the affordability of a modest increase over last year's guarantee while ensuring enough of an increase to cover rising costs during the guaranteed period. Student leaders support using the Never Settle plan to guide investments.

The UA proposal addresses each of these priorities. Below are the key elements of the plan:

- ⊗ Mandatory fees will continue to be part of the guarantee.
- ⊗ For entering freshmen, the cost of the four-year guarantee including mandatory fees and tuition together will be higher than last year by 3.20% (\$366) for residents and 7.20% (\$2,337) for non-residents. By definition, this cost will not increase over the four years of the guarantee.
- ⊗ For current undergraduate students who chose not to opt into the guarantee program (around 22% of undergraduate students), the change in mandatory fees and tuition together will be a 2.80% (\$299) increase for residents and a 5.80% (\$1,745) increase for non-residents.
- ⊗ For graduate students the change in mandatory fees and tuition together will be a 2.80% (\$355) increase for residents and a 5.80% (\$1,765) increase for non-residents. A pilot tuition guarantee program was offered last year to selected Master's degree students at the request of student leadership. No students chose to enroll in this program.

The 2.80% increase in tuition and fees for students who chose not to opt-in to the guaranteed tuition program will amount to a total of \$2.6 million in revenue change. For the 78% of continuing students who are enrolled in the tuition guarantee plan, there is no change in tuition and the University will gain no new revenue per student FTE.

Any other increase in tuition revenue will not come from an increase in tuition rate but from enrollment growth or a change in the mix of resident and non-resident students.

The Never Settle plan will continue to provide strategic guidance in the allocation of resources so that the University remains successful in its core mission. We are proud that this plan not only promises zero tuition and fees increase to current students enrolled in the tuition guarantee for the rest of their four years, but that it also extends that zero percent increase guarantee in both tuition and fees to all incoming resident and non-resident undergraduate students at the new rate.

[Arizona University System President's Recommended 2016-2017 Base Tuition and Mandatory Fees \(http://president.arizona.edu/sites/default/files/ua_tuition_and_fee_requests_fv_2017_binder.pdf\)](http://president.arizona.edu/sites/default/files/ua_tuition_and_fee_requests_fv_2017_binder.pdf)

[UANews: UA Announces Tuition Proposal \(https://uanews.arizona.edu/story/ua-announces-tuition-plan-for-2016-2017\)](https://uanews.arizona.edu/story/ua-announces-tuition-plan-for-2016-2017)