Tuition and Financial Aid, Academic Year 2014-2015

UNIVERSITY OF ILLINOIS

URBANA-CHAMPAIGN•CHICAGO•SPRINGFIELD

Prepared for presentation to the
Audit, Budget, Finance and Facilities Committee
January 13, 2014

Board of Trustees Tuition Policy

- Approved January 2011
- Supplements 1995 guidelines
- Pertains to undergraduate tuition

Key elements:

- Sustain academic quality
- Support crucial operating needs
- Address impact of changes in state appropriations to the U of I
- Consider inflation in tuition adjustment
- Honor four-year guarantee

Guaranteed Tuition Program

- Since July 2003, it's the law
- Guarantees four-year tuition rate for each incoming cohort
- Undergraduate programs only
- Predictability to parents for college education costs
- Incentive to graduate in four years
- 5th and 6th year move into following year cohort
- Does not include fees or room and board

Early Approval of Tuition

- Target: January Board of Trustees meeting
- Helps in recruitment of students
  - Firms up financial aid planning and packaging
  - Allows families more planning time
- Aids University financial planning

Key Considerations in Setting Tuition

- Protect access and affordability
- Sustain and enhance quality
- Recognize financial challenges and uncertainty

Proposed Guaranteed General Tuition for Undergraduate Illinois Residents

	AY 2013-2014	AY 2014-2015	Dollar Change	Percent Change
UIUC	$11,834	$12,036	$202	1.7%
UIC	$10,406	$10,584	$178	1.7%
UIS[1]	$9,248	$9,405	$157	1.7%

Rates shown are per Academic Year

[1] per credit hour basis, 15 credit hours/semester

Proposed Student Fees

	AY 2013-2014	AY 2014-2015	Dollar Change	Percent Change
UIUC	$2,916	$2,984	$68	2.3%
UIC	$3,010	$3,062	$52	1.7%
UIS	$1,892	$1,970	$78	4.1%

Rates shown are per Academic Year

Note: Does not includes health insurance.

Proposed Room and Board Rates for Undergraduate Housing

	AY 2013-2014	AY 2014-2015	Dollar Change	Percent Change
UIUC	$9,979	$10,180	$201	2.0%
UIC	$10,261	$10,518	$257	2.5%
UIS	$10,350	$10,650	$300	2.9%

Rates shown are per Academic Year

Proposed AY 2014-15 Guaranteed Tuition, Fees, Room & Board Rates

- Rates are per academic year for new Illinois-resident undergraduate students
- Tuition rates for these students remain constant for four years

	Urbana			Chicago			Springfield		
	AY 2013-14	AY 2014-15	Change	AY 2013-14	AY 2014-15	Change	AY 2013-14	AY 2014-15	Change
Tuition	$11,834	$12,036	$202 1.7%	$10,406	$10,584	$178 1.7%	$9,248	$9,405	$158 1.7%
Fees	3,424	3,492	68 2.0%	3,932	3,984	52 1.3%	2,528	2,606	78 3.1%
Tuition + Fees	15,258	15,528	270 1.8%	14,338	14,568	230 1.6%	11,776	12,011	236 2.0%
Room & Board	9,979	10,180	201 2.0%	10,261	10,518	257 2.5%	10,350	10,650	300 2.9%
Total	$25,237	$25,708	$471 1.9%	$24,599	$25,086	$487 2.0%	$22,126	$22,661	$536 2.4%

Fees include refundable fees, and health insurance at AY13-14 rate

Summary

- Second consecutive year of 1.7%, lowest rate of tuition increase in 19 years
- Tracks with inflation
- Recognizes financial challenges facing families
- Helps us be competitive in student recruitment
- Allows for necessary investment in essential academic quality
- Enables us to sustain effective financial aid programs and honor our commitment to accessibility

Additional Considerations

- Four-year tuition guarantee limits our ability to react nimbly to funding changes
  - 1.7% tuition increase will be in place for four years
  - Last year's 1.7% increase in effect for three more years
- Level of direct State support remains uncertain
  - Effects of pension legislation; normal costs
  - State income tax sunset; other financial issues
- Small increase requires that we closely contain costs
  - UA's revised campus budget process
  - UA Units Review: budget allocation process & efficiencies
  - Campus strategic plans: focus on resource management
  - Academic unit UA-based and campus-based reviews
  - Reallocation programs on all three campuses