LEXINGTON, Ky. (June 12, 2018) – The $3.9 billion budget for 2018-19 that the University of Kentucky Board of Trustees will consider in June proposes the smallest tuition and fee increase for students in more than 20 years.

And as a further sign of commitments to student success, access and affordability, UK President Eli Capilouto is asking the Board to support two years of tuition and mandatory fees that would represent the lowest successive rate increases in more than 30 years – in other words, in more than a generation of UK students.

Specifically, the Board of Trustees is considering a 2.5 percent increase in tuition and mandatory fees for the 2018-2019 academic year. An increase of 2.4 percent would be on the table for the following year, Capilouto said. The state Council on Postsecondary Education has granted institutions the authority to raise tuition and fees by 6 percent over the next two years, with a cap of 4 percent in any one year.

“We put students first – period,” Capilouto said of the proposed budget. “And even in times of significant budgetary constraint, we are finding ways to lower costs for students, particularly those who need that assistance the most. The board is considering a budget that sends a powerful message about the importance of student success and the workforce we seek to create for the Commonwealth. It underscores, too, the commitment we have to creating a community of belonging for everyone who calls this special place home.”

Details of proposed budget for 2018-2019 include:

- Tuition and mandatory fees for fall 2018 for in-state, first-year students would total $6,035, up from $5,886 last year. In 2019, the amount would be $6,180 per semester.
- In Fall 2018, UK will be among a small number of universities in the country to not have an athletics fee. UK, under the direction of Capilouto and Athletics Director Mitch Barnhart, has been phasing out the fee for the last three years.
- As a result of UK’s efforts to constrain tuition and fee costs, in-state students coming to the university from families with a median income of less than $20,000 annually have seen their net out-of-pocket cost for tuition and mandatory fees decrease over the last two years – from $465 per semester to $204 per semester.
- Currently, retention rates are approaching 85 percent. The six-year graduation rate is nearing 65 percent and projected to go higher in the future. Both are record highs as part of a five-year push in the strategic plan to reach graduation rates of 70 percent and retention rates of 90 percent.
- The proposed budget includes a 1.5 percent salary increase for UK faculty and staff – the sixth straight year under Capilouto that employees have received
raises. UK HealthCare is working to determine pay increases for its employees; that will be decided as part of UK HealthCare’s October budget cycle.

- Debt service – the amount of money allotted each year to pay off debt on new facilities – is only 2.8 percent of UK’s operating expense budget.
- UK HealthCare’s annual budget of $1.712 billion is an increase of $118 million over last year’s $1.594 billion. The continued growth of the health care enterprise is driving the growth of UK’s overall budget.
- UK Athletics’ annual budget would be $150.9 million – about $5.9 more than last year and a reflection of the program’s continued success as among the Top 10 in the country.

“We are an institution with momentum,” Capilouto said. “It is fueled by the efforts of an outstanding faculty and staff and reflected in the achievements of a student body whose success is at the center of everything we do. We have more work to do; we always do. We have to prove ourselves every day, but we are committed to the journey. And even in the face of continued financial headwinds, we are proving that we are the university for Kentucky.”

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