

# FCR 13

Office of the President  
March 19, 2013

Members, Board of Trustees:

## PROPOSED 2013-14 TUITION AND MANDATORY FEES SCHEDULE

Recommendation: that the Board of Trustees approve the attached 2013-14 tuition and mandatory fees schedule and authorize the President to submit the schedule to the Council on Postsecondary Education. The tuition and mandatory fees schedule reflects a three percent increase for resident students and a six percent increase for most non-resident students.

### Background:

#### **Council on Postsecondary Education**

Pursuant to KRS 164.020, the Council on Postsecondary Education has the statutory authority to determine tuition for Kentucky's public colleges and universities. For the purposes of this statute, the Council includes mandatory fees in the definition of tuition. On February 8, 2013, the Council approved the 2013-14 Tuition and Mandatory Fee Policy and the 2013-14 Tuition Setting Timeline. The tuition and mandatory fee policy outlines five fundamental objectives for the Council to consider when establishing parameters including tuition and mandatory fee ceilings. The objectives include:

- Funding Adequacy. The Council, in collaboration with the institutions, seeks to balance the affordability of postsecondary education for Kentucky's citizens with the institutional funding necessary to accomplish the goals of the Kentucky Postsecondary Education Improvement Act of 1997 (House Bill 1) and the Council's Strategic Agenda.
- Shared Benefits and Responsibility. The Council and the institutions believe that funding postsecondary education is a shared responsibility of the state and federal government, students and families, and postsecondary education institutions.
- Affordability and Access. The Council and the institutions work collaboratively and pay careful attention to balancing the cost of attendance with students' ability to pay by considering (1) students' family and individual income; (2) federal, state, and institutional scholarships and grants; (3) students' and parents' reliance on loans; (4) access to all postsecondary education alternatives; and (5) the need to enroll and graduate more students.
- Attracting and Importing Talent to Kentucky. It is unlikely that Kentucky can reach its 2020 postsecondary education attainment goals by focusing on Kentucky residents alone. The Council and the institutions are committed to making Kentucky's institutions financially attractive to non-resident students while recognizing that non-resident, undergraduate

students should pay a significantly larger proportion of the full cost of their education. However, the policy on non-resident tuition and mandatory fees should also be evaluated based on its potential impact on attracting and retaining students that enhance diversity and Kentucky's ability to compete in a global economy.

- Effective Use of Resources. The Council and the institutions are committed to using the available financial resources as effectively and productively as possible to advance the goals of HB 1 and the Council's strategic agenda including undergraduate and graduate education, engagement and outreach, research, and economic development initiatives. The institutions are responsible for demonstrating good stewardship of limited public resources and report on their efforts to contain costs; improve efficiencies and productivity; and reallocate existing resources to high priority activities.

The Council's parameters for setting tuition and mandatory fees normally contain the following conditions:

- a maximum percentage increase for resident undergraduate tuition and mandatory fees for each sector (i.e., research universities; comprehensive universities; and KCTCS)
- a requirement that non-resident undergraduate tuition and mandatory fees must be at least two times the resident undergraduate rate and,
- tuition and mandatory fee rates for graduate and first-professional students are to be market competitive.

In accordance with the established timeline, the Council will set the tuition and mandatory fee parameters on April 18, 2013. The institutions are to submit proposed 2013-14 tuition and mandatory fee rates in May. The Council is expected to take action on each institution's proposed 2013-14 tuition and mandatory fee rates on June 20, 2013.

The University's recommended tuition and mandatory fees are expected to comply with the Council's parameters.

### **University of Kentucky Process**

In winter 2011, President Capilouto expanded the standard annual budget development process for FY 2012-13 to include planning elements for FY 2013-14. The University's FY 2012-13 budget reflected a 6.4 percent reduction in state appropriations; a decrease in spending distributions from endowments; a decline in research funding; and increases in fixed costs. A significant reallocation of General Funds within the University and a six percent increase in tuition and mandatory fees were implemented to balance the budget and fund critical strategic investments. Another reallocation of General Funds for FY 2013-14 was also planned.

In spring 2012, the Board of Trustees discussed the unsustainability of large tuition and mandatory fees rate increases in the future and the President proposed to limit the 2013-14 tuition and mandatory fee increases for resident students to three percent. The proposed resident rates reflect the lowest annual percentage rate increase since 1997.

In November 2012, the President announced that due to improved revenue projections and in response to comments received on the preliminary FY 2013-14 budget, the General Funds

reallocations would be reduced from 6.4 percent to 5.0 percent for administrative units and from 4.2 percent to 2.1 percent for academic units. The FY 2013-14 budget recommendation continues to be refined and is expected to be presented to the Board for consideration on June 11, 2013.

The university administration recommends that the Board approve the proposed 2013-14 rates at this time so that scholarships and student financial aid awards can be finalized much earlier than in prior years. The early award letters should have a positive impact on student recruitment.

**Recommended Tuition and Mandatory Fees**

The following tuition and mandatory fees schedule reflects a recommended three percent increase for resident students and six percent for most non-resident students. Due to market pressures, the non-resident rate increases for Pharmacy, Dentistry, and Medicine have been held to three percent. As in the past, the College of Medicine’s rates are ‘locked in’ by entering class – the tuition and mandatory fee rates do not change during the four-year program.

A three percent (\$16 per semester) increase in mandatory fees has been distributed based on a recommendation from the Student Fees Committee. A separate schedule of the changes in mandatory fees is also provided. The University’s recommended tuition and mandatory fees are expected to comply with the Council’s parameters.

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Action taken:     Approved     Disapproved     Other \_\_\_\_\_

**2013-14 TUITION AND MANDATORY FEES SCHEDULE<sup>1</sup>**  
**Effective Fall 2013**

	<b>Per Semester Full-Time Fee<sup>2</sup></b>		<b>Part-Time and Interessions Per-Credit-Hour Fee<sup>3</sup></b>	
	<b><u>2012-13</u></b>	<b><u>2013-14</u></b>	<b><u>2012-13</u></b>	<b><u>2013-14</u></b>
<b>Undergraduate</b>				
<i>Lower Division</i>				
Resident	\$4,838.00	\$4,983.00	\$389.00	\$401.00
Non-Resident	\$9,932.00	\$10,526.00	\$813.00	\$862.00
<i>Upper Division</i>				
Resident	\$4,978.00	\$5,127.00	\$400.00	\$413.00
Non-Resident	\$10,065.00	\$10,677.00	\$824.00	\$874.00
<b>Graduate</b>				
Resident	\$5,229.00	\$5,386.00	\$552.00	\$568.00
Non-Resident	\$10,773.00	\$11,419.00	\$1,168.00	\$1,239.00
<b>Master in Business Administration (MBA)</b>				
<i>Evening and part-time students</i>				
Resident	\$6,044.00	\$6,225.00	\$642.00	\$662.00
Non-Resident	\$12,857.00	\$13,631.00	\$1,399.00	\$1,485.00
<b>Master of Arts in Diplomacy and International Commerce</b>				
Resident	\$5,482.00	\$5,646.00	\$580.00	\$597.00
Non-Resident	\$11,022.00	\$11,683.00	\$1,195.00	\$1,268.00
<b>Master of Science in Physician Assistant Studies</b>				
Resident	\$5,633.00	\$5,802.00	\$597.00	\$615.00
Non-Resident	\$11,172.00	\$11,842.00	\$1,212.00	\$1,286.00
<b>Master of Science in Radiological Medical Physics</b>				
<b>Master of Science in Health Physics</b>				
<b>(College of Health Sciences, Division of Radiation Sciences)</b>				
Resident	\$6,086.00	\$6,269.00	\$647.00	\$667.00
Non-Resident	\$11,593.00	\$12,289.00	\$1,259.00	\$1,335.00

	<b>Per Semester Full-Time Fee<sup>2</sup></b>		<b>Part-Time and Interessions Per-Credit-Hour Fee<sup>3</sup></b>	
	<b><u>2012-13</u></b>	<b><u>2013-14</u></b>	<b><u>2012-13</u></b>	<b><u>2013-14</u></b>
	<b>Law</b>			
Resident	\$9,702.00	\$9,993.00	\$947.00	\$975.00
Non-Resident	\$16,809.00	\$17,826.00	\$1,658.00	\$1,759.00
<b>Pharm. D.*</b>				
Resident	\$11,466.00	--	\$941.00	--
Non-Resident	\$20,850.00	--	\$1,723.00	--
<b>Professional Doctoral (Nursing, Public Health and transitional part-time Physical Therapy)</b>				
Resident	\$6,817.00	\$7,022.00	\$728.00	\$750.00
Non-Resident	\$14,878.00	\$15,776.00	\$1,624.00	\$1,723.00

	<b>Annual Full-Time Fee<sup>4</sup> Effective July 2013</b>	
	<b><u>2012-13</u></b>	<b><u>2013-14</u></b>
	<b>Doctor of Pharmacy*<sup>5</sup></b>	
Rates by Professional Year (PY) of instruction		
<b>PY 1</b>		
Resident	--	\$25,672.00
Non-Resident	--	\$46,614.00
<b>PY 2</b>		
Resident	--	\$25,046.00
Non-Resident	--	\$45,451.00
<b>PY 3</b>		
Resident	--	\$23,795.00
Non-Resident	--	\$43,126.00
<b>PY 4</b>		
Resident	--	\$17,528.00
Non-Resident	--	\$32,027.00

\*Beginning July 2013, the tuition and mandatory fees for the Doctor of Pharmacy will change from per semester to annual rates.

**Annual  
Full-Time Fee<sup>4</sup>  
Effective July 2013**

<u>2012-13</u>	<u>2013-14</u>
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**Medicine<sup>6</sup>**

*Students - entering class of fall 2009*

Resident	\$29,233.00	\$29,233.00
Non-Resident	\$53,639.00	\$53,639.00

*Students - entering class of fall 2010*

Resident	\$30,110.00	\$30,110.00
Non-Resident	\$55,248.00	\$55,248.00

*Students - entering class of fall 2011*

Resident	\$31,907.00	\$31,907.00
Non-Resident	\$58,533.00	\$58,553.00

*Students - entering class of fall 2012*

Resident	\$32,889.00	\$32,889.00
Non-Resident	\$60,272.00	\$60,272.00

*Students – entering class of fall 2013*

Resident	--	\$33,870.00
Non-Resident	--	\$62,073.00

**Dentistry<sup>7</sup>**

Resident	\$28,458.00	\$29,307.00
Non-Resident	\$58,085.00	\$59,822.00

**Master in Business Administration (MBA)<sup>8</sup>**

*Full-time students in the “Day” Program*

Resident	\$11,165.00	\$11,495.00
Non-Resident	\$22,237.00	\$23,560.00

**Doctorate of Physical Therapy**

Resident	\$16,966.00	\$17,470.00
Non-Resident	\$37,112.00	\$39,350.00

NOTES:

<sup>1</sup>Rates include mandatory student fees. Students taking all courses at off-campus locations (including distance learning classes) outside of Fayette County and its contiguous counties may have mandatory fees waived. However, if a student who is eligible for this waiver wants to participate in any activity supported by these fees, the student must pay the total mandatory fees. Pursuant to the Memorandum of Agreement with the Kentucky Community and Technical College System, students enrolled at the Bluegrass Community and Technical College have the opportunity to selectively choose services from the list of mandatory fees.

<sup>2</sup>The full-time rate is charged to undergraduate students enrolled for 12 credit hours or more, graduate and professional doctoral students enrolled for 9 credit hours or more, and law students enrolled for 10 credit hours or more.

<sup>3</sup>Students enrolled part-time and in intersessions (e.g. summer and winter terms) are charged on a per-credit hour basis. Students considered full-time for financial aid and reporting purposes, but with less than full-time credit hours, (i.e., graduate students in residency status) will be assessed on a per-credit hour basis.

<sup>4</sup>The annual rates for Medicine, Dentistry, MBA (“Day Program”), and the Doctorate of Physical Therapy include mandatory fees for 2012-13 and 2013-14 of \$1,241 and \$1,273, respectively. Due to the transition of Pharmacy rates from per semester to annual, the 2013-14 annual rates for Pharmacy PY 1 - 3 include mandatory fees of \$1,273 and the 2013-14 annual rates for Pharmacy PY 4 include mandatory fees of \$1,098.00.

<sup>5</sup>A half-time 2013-14 tuition and fee rate of \$13,472.50 for resident students and \$23,943.50 for non-resident students is established for those pharmacy students who have been approved by the Dean of the College of Pharmacy to have a reduced curriculum load.

<sup>6</sup>The College of Medicine tuition and mandatory fee rates are ‘locked in’ for each entering class cohort. The rates do not change while students are enrolled in the program. A half-time 2013-14 tuition and fee rate of \$17,571.50 for resident students and \$31,673.00 for non-resident students is established for those medical students who have been approved by the College of Medicine Student Progress and Promotion Committee to have a reduced curriculum load.

<sup>7</sup>A half-time 2013-14 tuition and fee rate of \$15,290.00 for resident students and \$30,547.50 for non-resident students is established for those dental students who have been approved by the Dean of the College of Dentistry to have a reduced curriculum load.

<sup>8</sup>The 2013-14 rates for the Master of Business Administration ‘Day’ Program are effective June 1, 2013.

**2013-14 MANDATORY FEES SCHEDULE**

	<b>Per Semester Full-Time Fee<sup>2</sup></b>		<b>Part-Time and Intersessions Per-Credit-Hour Fee<sup>3</sup></b>	
	<b>2012-13</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2013-14</b>
	<u>2012-13</u>	<u>2013-14</u>	<u>2012-13</u>	<u>2013-14</u>
Athletics	\$19.00	\$19.00	-	-
Environmental Stewardship	\$3.00	\$3.00	-	-
International Study Abroad	\$6.00	\$6.00	-	-
Johnson Center	\$74.00	\$79.00	\$7.40	\$7.80
Student Activities	\$15.50	\$15.50	-	-
Student Center	\$92.00	\$98.00	\$9.40	\$9.70
Student Government Association	\$11.50	\$11.50	-	-
Student Health	\$175.00	\$175.00	-	-
Student Involvement	\$21.00	\$25.00	\$2.10	\$2.40
Student Services	\$12.00	\$13.00	\$1.20	\$1.30
Technology	\$99.00	\$99.00	\$9.90	\$9.90
WRFL Student Radio	\$5.00	\$5.00	-	-
<b>Total</b>	<b>\$533.00</b>	<b>\$549.00</b>	<b>\$30.00</b>	<b>\$31.10</b>