FCR 9

Office of the President
June 22, 2018

Members, Board of Trustees:

ACADEMIC YEAR 2018-19 TUITION AND MANDATORY FEES SCHEDULE

Recommendation: that the Board of Trustees approve the attached Academic Year 2018-19 Tuition and Mandatory Fees Schedule and authorize the President to submit the schedule to the Council on Postsecondary Education. The recommended tuition and mandatory fees reflect a 2.5 percent increase for most resident students and a 3.8 percent increase for most non-resident students.

Background:

Council on Postsecondary Education
Pursuant to KRS 164.020(8), the Council on Postsecondary Education has the statutory authority to determine tuition for Kentucky's public colleges and universities. The Council considers any required fees charged to a majority of students as subject to the statute.

On April 27, 2018, the Council adopted two-year resident undergraduate tuition and fee ceilings for the public universities. The universities may increase rates no more than six percent (6.0%) over the next two years, with no more than a four percent increase (4.0%) either year. The public universities and the Kentucky Community and Technical College System (KCTCS) are to submit Board approved tuition and mandatory fee rate recommendations for the Council's consideration.

The Council's Tuition and Mandatory Fee Policy stipulates that each institution shall manage its tuition and mandatory fee rates and price discounting for non-resident undergraduate students so that tuition and fee revenue, less institutional scholarships, equals or exceeds the cost of direct instructional and student services per student. The public universities also are to recommend for Council approval market competitive tuition and mandatory fee rates for graduate and professional students.

The recommended 2018-19 rates comply with all the Council's tuition and mandatory fees parameters.

Recommended Tuition and Mandatory Fees
Tuition and fees revenue and state appropriations are the primary funding sources for the University's instructional and support functions. The recommended tuition and mandatory fee rates reflect a 2.5 percent increase for resident undergraduate students and a 3.8 percent increase for non-resident undergraduate students. The majority of the graduate rates reflect similar percentage increases.

As in the past, the College of Medicine's rates are 'locked-in' for each entering class, i.e. the annual tuition and mandatory fees amount does not change during the four-year program. Due to market pressures, the recommended resident and non-resident rate increases for select professional practice programs including the College of Medicine's incoming 2018 class and the colleges of Pharmacy and Law are 1.1 percent and 2.4 percent, respectively. In addition, the increase in the non-resident rated for the Doctorate of Physical Therapy will be limited to 2.4 percent. Attachment I reflects the combined tuition and mandatory fees.

Generally, the recommended full-time resident rates reflect a three percent increase in tuition rates and a one percent decrease in mandatory fees for a net increase of 2.5 percent. Similarly, the recommended full-time non-resident rates reflect a four percent increase in tuition rates and a one percent decrease in mandatory fees for a net increase of 3.8 percent.

For full-time students, mandatory fees are recommended to decrease by $7.00 per semester because of the elimination of the Athletics fee. Beginning with Academic Year 2016-17, the $19.00 per semester Athletics fee has been phased-out over three years. Each year, the Student Fee Allocation Committee of the Student Government Association solicits and reviews proposals for changes in mandatory fees. Given concerns with affordability, the Committee did not propose any increases in mandatory fees. The recommended mandatory fees presented in Attachment II are included in the rates shown on Attachment I.

The recommended program, course, and administrative fees for Academic Year 2018-19 are included in FCR 10, <u>Fiscal Year 2018-19 Operating and Capital Budget.</u>

Action taken: ☑ Approved ☐ Disapproved ☐ Other ______________________