

President Johnsen will lead a discussion on the proposed tuition rate increases for AY2019 and AY2020.

POLICY CITATION

Regents' Policy 05.10.010 states, "Recognizing that state general fund support is not sufficient to pay the full cost of education and that students have a responsibility to contribute to the cost of their higher education, tuition and student fees will be established to the extent practicable in accordance with the following objectives: (1) to provide for essential support to the university's instructional programs; (2) to make higher education accessible to Alaskans who have the interest, dedication, and ability to learn; and (3) to maintain tuition and student fees at levels which are competitive with similarly situated programs of other western states. Tuition revenues will be used primarily to maintain and expand the educational opportunities provided to students, to preserve and improve the quality of existing programs and support services, to respond to enrollment trends, and to implement new programs."

DISCUSSION

Alaska continues to face severe economic challenges, which negatively impact the University of Alaska's (UA) operating budget. As a result of declining state investment in the university, we must continue to reduce costs and increase revenues, including tuition, if we are to maintain and continuously enhance our high quality in teaching, service and research.

In spring with the prospect of an even greater reduction to our general fund allocation, I was prepared to request the Board of Regents amend the AY2018 tuition rates to commence in Spring 2018. However, with an allocation of just over \$317 million and after consulting with the Chancellors, I will not request the mid-year increase.

Looking ahead at the possibility that state support will not improve, I plan to propose an increase to tuition for AY2019 and AY2020. The proposal will be to increase tuition by 5% per year - except at KOC and PWSC. KOC and PWSC tuition will increase by 10% in AY2019 and 9.5% in AY2020. This is to meet the BOR's directive that all campuses assess the same lower division rate of tuition over the next two years. This tuition proposal will be made at the November BOR meeting.

While university tuition is low compared to our peers and to other universities in the western states, our tuition for Career and Technical Education (CTE) programs is high. We continue to explore ways across the system to reduce tuition for CTE courses. Possibilities include a focused, pilot program that would test the effects on enrollment in specific CTE programs if tuition were reduced to repurposing some financial aid programs specifically for CTE students.

This level of increase keeps UA's tuition below the average published in-state tuition and fee prices at public master's and public doctoral universities, thus ensuring affordability and access for our students.¹

The following table provides already approved AY2018 and proposed rates of tuition for AY2019 and AY2020.

	Approved	<i>Proposed</i>	
	AY2018 (Fall 2017 and Spring 2018)	<i>AY2019 (Fall 2018 and Spring 2019)</i>	<i>AY2020 (Fall 2019 and Spring 2020)</i>
	Tuition Rates increase of +5% for all rates	<i>Tuition Rates increase of 10% for KOC and PWSC and 5% for all others</i>	<i>Tuition Rates increase of 9.5% for KOC and PWSC and 5% for all others</i>
Lower Division			
PWSC	185*	204*	223*
Kodiak	185*	204*	
All Others	202	212	
Upper Division	244	256	269
Graduate	466	489	491
Non Resident Surcharge	513	539	566

- Prince William Sound College (PWSC) and Kodiak College (KOC) will move to the same lower division tuition rate as all other UA campuses within two academic years. *

¹ Trends in College Pricing 2016, College Board