

MEETING SUMMARY

Of the

UW SYSTEM TUITION-SETTING POLICY TASK FORCE

Held at 1820 Van Hise Hall,
1220 Linden Drive
Madison, Wisconsin

Wednesday, July 22, 2016
8:30 a.m.

Introductions and Discussion of Prior Meetings

Regent Higgins welcomed task force members, staff, and guests and invited everyone present to introduce themselves.

After providing an overview of the items on the agenda, Regent Higgins provided a brief recap of the prior meeting. He highlighted that task force members agreed to the addition of a new principle, Principle J, addressing entrepreneurial programs and programs targeted to nontraditional students. He asked if anyone had any comments or suggestions regarding any of the tuition principles or the recommendation. Hearing no feedback, he continued recapping the prior meeting noting that the task force discussed new information provided regarding the per-credit and plateau strategies, and requested additional information that would be shared at today's meeting. The task force also discussed additional information provided regarding cohort tuition and concluded it was not a viable option for the UW System. In addition, task force members and staff discussed quality, access and affordability as well as institutional considerations for tuition setting, which were used to develop the tuition request template that would be reviewed and discussed later in the meeting. He concluded the recap by noting that after a brief discussion of tuition remissions, task force members agreed that no changes would be recommended to the existing policies, other than to possibly update statutory references.

Review of Tuition Request Template

Regent Higgins noted that the task force has had many discussions regarding principles, affordability, changing demographics, quality, greater autonomy for institutions in setting certain types of tuition, and many other issues. He said he asked staff to prepare a document that brings these concepts together in the form of a template, that institutions would be required to use when annually requesting and setting tuition rates. Regent Higgins explained that by the conclusion of today's discussion, he hoped that task force would have a template that accurately reflects what each institution will consider when developing and requesting tuition rates, and that will provide the System President, the Board of Regents, and all of UW System's stakeholders with the information necessary to understand, explain, and justify changes in tuition rates. He then

invited Associate Vice President Freda Harris to provide task force members with an overview of the contents of the template.

Harris reviewed each section of the template, responding to questions and comments from task force members. Examples of the comments and suggestions included:

- The template should include a question about what the revenues will be used for.
- Since affordability means different things to different institutions and is different for different student populations, the template should ask the institutions to define affordability.
- Should questions about market and state needs be separated?
- Language should be sharpened if an institution elects to include tuition for financial aid as a mean to address affordability.

Harris indicated that the template will be revised to incorporate the specific and general suggestions offered. Regent Higgins asked task force members to do mock-up requests using the template. Rob Cramer, Patrick Guilfoile, and Greg Summers agreed to complete the template with sample program and institutional requests for review by the task force.

Cost Approach Subcommittee Recommendations

Regent Higgins invited Vice Chancellor Bob Hetzel and other members of the Cost Approach Subcommittee to share their recommendations with the group. Hetzel explained that subcommittee members refined and expanded upon the cost-related questions from the Institutional Considerations for Tuition Setting document discussed at the prior meeting, using NACUBO cost categories. Task force members discussed how to incorporate the recommended cost considerations into the template and agreed to include the questions as an attachment to the template.

Task force members and staff also discussed the limitations of only considering tuition and instructional costs when focusing on affordability, noting that institutions continue to manage funds in silos, even though additional flexibility to transfer money between funds is desired. Steve Wildeck and Greg Summers agreed to develop draft recommendation language related to this issue for consideration by the task force at their next meeting.

Market Considerations

Regent Higgins invited Assistant Provost Gesele Durham to share information on market considerations and institutional competitors. Durham addressed how UW institutions determine peers or competitors, and the different types of competitors (i.e., for enrollment purposes, those with a similar mission, curricular structure, or for specific degree programs, athletic conferences or “aspirant schools,” or for other purposes such as submitting IPEDS data, human resources comparisons, recruitment strategies, etc.). Durham also discussed market considerations given to determining the appropriate price point, including but not limited to the impact on students’ ability to pay, the impact of tuition increases on enrollment, distance from home, availability of

degree programs, etc. She identified several questions which Regent Higgins suggested incorporating into the market considerations section of the template attachment.

Per Credit and Plateau Tuition Strategies

Adrienne Eccleston, UW System Office of Budget and Planning, shared per-credit and plateau modeling information requested at the prior meeting. She noted that based on current enrollment data, 58% of students are taking less than 15 credits per semester. Eccleston also noted that moving to a per-credit or 15-18 credit plateau would likely lead to low-income students paying more out-of-pocket as financial aid awards would not increase from the current levels. Various administration considerations were also discussed. Task force members and staff discussion focused on the following:

- UW System priorities include reducing time to degree, as a means of reducing costs for students and families, but more than half of UW System students are not on track to complete their degree in four years based on their current credit load.
- There is no strong evidence that the tuition plateau encourages students to take 15 credits; tuition may not be an effective tool for impacting student behavior. Other activities such as targeted advising and information campaigns to encourage students to take at least 15 credits per semester has had an impact.
- The existing 12-18 credit plateau might be more effective at impacting student behavior if it were modified to a 15-, 14-, or 13-18 plateau.
- Stricter policies that discourage students from dropping credits and a less generous refund policy might also encourage students to complete more credits each semester.
- Should all institutions within the UW System use a similar tuition strategy, or should each institution be allowed to choose between a per-credit strategy, a plateau strategy, or a modified plateau strategy? The existing “patchwork” of tuition rates has led the UW System to an uncomfortable place.
- Moving to a per-credit strategy will increase costs for students who take 15 credits.
- Are there other ways to reward students for taking 15 credits per semester, such as banking credits?
- Low income students who are working likely take fewer credits each semester than higher income students who are not working. Therefore the plateau may be benefitting wealthier students with the ability to pay while allowing part time students who may be less financially able to subsidize full time students. More background information is needed to determine if this is the case.
- A per-credit system may lead to administrative efficiencies and reduce the number of employees needed for fee corrections.

- The current plateau structure means that part time students are subsidizing those with 12 or more credits. In addition, the existing plateau may not be sustainable if moving away from stratified tuition.

Regent Higgins asked whether task force were ready to make recommendation on tuition strategies. Task force members indicated they were not. Regent Higgins then suggested that task force members identify the additional information they need to be able to choose between per-credit and plateau strategies, and whether the strategy should be implemented on an institution-by-institution basis, or systemwide.

Upcoming Meetings

Regent Higgins noted that the next meeting of the task force is scheduled for August 25.

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