




Board of Regents

1860 Van Hise Hall
1220 Linden Drive
Madison, Wisconsin 53706
(608)262-2324

DATE: September 9, 2015

TO: Regent Tim Higgins, Chair, Tuition-setting Policy Task Force

FROM: Regent President Regina Millner 

RE: Tuition-setting Policy Task Force Charge

Although resident undergraduate tuition in the UW System is not subject to increase for some time, we must take steps to ensure that our processes for setting tuition in the future result in rational, data-based decisions about tuition rates. Tuition rates should be clear and understandable to students and families, legislators and others. We owe our various constituencies a defensible, transparent tuition-setting process.

In the interest of clarity, President Cross has already addressed the timing of tuition decisions. Beginning in spring 2015, he asked the Board of Regents to consider tuition increases – for selected non-resident and graduate tuition rates only -- earlier than in the past. As a result, this year the Board considered these rates in April, rather than in July. Now we must go beyond timing, to develop strong, supportable underpinnings for future tuition calculations.

I ask that the Tuition-setting Task Force develop recommendations for consideration by the Board of Regents as it revises its policies on tuition setting and tuition increases. In so doing, the following are suggested areas of analysis:

I. Review current UW System policies on tuition and tuition-setting.

- A. What are the relevant Board of Regents policies?
 - B. What relevant UW System Financial and Administrative Policies exist?
 - C. What additional policies exist?
- (See attached list for a starting point.)

II. Review relevant literature, pricing models and other background data.

- A. What tuition-setting models and strategies are employed in other systems and at peer institutions?
- B. What are the demographic trends affecting higher education in Wisconsin?

III. Analyze alternative tuition-setting strategies or models.

- A. What other strategies should be considered (e.g., tuition stratification, peer midpoint, tuition plateau, selected discounts, reciprocity)?
- B. How would the application of alternative strategies affect current pricing?

IV. Analyze the cost of delivering the educational experience to UW students.

- A. How should the cost be determined and analyzed? (e.g., systemwide? by institution? by program, by course?)
- B. How should costs be documented?

V. Review trends in the higher education marketplace.

- A. Who are UW institutions' competitors? How should competitors be identified?
- B. How should competition be considered? (e.g., at the institutional level, school or college level, and/or program level?)
- C. What is the price of a comparable educational experience elsewhere?
- D. What is the appropriate price point with respect to competitors?

VI. Analyze how the needs and priorities of the state should influence the tuition-setting process.

- A. How should the needs of the state be determined?
- B. In what disciplines, career fields or programs do needs exist?
- C. How realistic is it that UW institutions can meet these needs?
- D. How do population trends affect the System's ability to meet the identified needs?
- E. How should tuition incentives be used, if at all, to attract students to programs that will help meet the state's needs?

VII. Analyze the relationship between tuition and the affordability of a university education.

- A. What is the relationship between tuition and overall cost of attendance?
- B. How does financial aid affect affordability?
- C. When tuition increases are considered, what should be the relationship between tuition and average household income in the state?
- D. What other sources of revenue affect affordability at UW institutions?

Based on the task force's analyses, the task force will be expected to provide principles and recommendations that would guide and be part of a future tuition-setting model. Included would be:

- The broad principles that should inform the tuition-setting process.
- Factors to be considered in a future tuition-setting model (e.g., plateau structure, a cap on increases, institution-specific factors, differentials).
- Possible ways in which Board policy should address nonresident or graduate tuition, if at all.
- Possible ways in which Board policy should address tuition remissions, if at all.

We will expect the group's recommendations by the summer of 2016. Thank you for your willingness to participate in this important effort.

Regent Tim Higgins
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cc: Members of the Tuition-setting Policy Task Force
 Members of the Board of Regents
 UW System President Ray Cross
 President's Cabinet
 Chancellors
 Provosts
 Faculty Representatives
 Academic Staff Representatives
 University Staff Representatives
 Student Representatives

University of Wisconsin System
Tuition-Related Policies*

Regent Policy Documents:

- Tuition Policy Principles (RPD 32-5)
- Academic Student Fee Structure (RPD 32-3)
- Tuition Structure: 12-18 Credit Plateau (RPD 32-4)
- Delegation of Authority Regarding Residence Classification (RPD 32-1)
- Delegation of Authority to Establish Graduate Resident Tuition Remissions (RPD 32-6)
- Non-Resident Tuition Remission Delegated to Chancellors (RPD 32-2)
- Student Involvement in Differential Tuition Initiatives (RPD 32-7)]

UW System Financial and Administrative Policies:

- Tuition and Fee Policies for Credit Instruction (F44)
- Extramural Support for Instructional Programs (F22)
- Special Course Fees (G29)
- Study Abroad Programs (F45)
- Summer Short Courses (G35)
- Student Technology Fee Expenditures (F49)
- Cooperative Educational Fee Schedule (G30)]

Other Policies:

- Definition of Institution-Wide Differential Tuition (Budget and Planning)
- Definition of Program Specific Differential Tuition (Budget and Planning)
- Differential Tuition Process Timelines (Budget and Planning)
- Policy Regarding Offering of On-Site Undergraduate and Graduate and Other Instruction Programs Beyond the Boundaries of the State by UW System Units (Academic and Student Affairs)
- Programming for the Non-Traditional Market in the University of Wisconsin System (Academic and Student Affairs)]

*May not be an all-inclusive list.