
Docket Item:

University Tuition Setting Process

Summary:

The following is a summary of the tuition review process for the public universities for academic year 2020-2021. This affects public universities that may exceed the statutory threshold of a 5% increase in resident undergraduate tuition and fees, requiring HECC review. We are not certain at this time if any will exceed the 5% review threshold.

Docket Material:

All of the public universities have begun the tuition setting process for the upcoming academic year. HECC staff continues to monitor these processes. The institutions are guided by the requirements established by HB 4141 (2019) which spells out the membership of an advisory body and related expectations.

We expect most, if not all, of the public universities' Boards of Trustees to adopt tuition rates for 2020-21 in March or April. Given that timeline, HECC consideration of any increases greater than 5% could occur at the May 2020 meeting. HECC staff will be in contact with institutions to see if they anticipate exceeding the 5% review threshold. If so, staff will attend or observe meetings of their tuition review process as they have done in the past.

HECC staff anticipates using the same review criteria as last year for reviewing any increases, as outlined in the appendix. At the May 2020 meeting, HECC staff will provide a thorough review of findings and recommendations. Stakeholders will then be provided a comment period to address any questions or concerns.

Staff Recommendation:

This is an informational and discussion item only.

Appendix

Tuition Criteria:

There are three focus areas and two sub criteria for each focus area.

Focus Area One: Fostering an Inclusive and Transparent Tuition-Setting Process

Goals: Inclusion, Transparency

Criteria for this Focus Area:

- A. The institution can demonstrate that students had multiple opportunity to engage in the tuition-setting process including, but not limited to, participation on the institution's tuition advisory committee.

Fulfillment of this criterion: The Commission determines that engagement with students occurred throughout the tuition-setting process and that student input was fully considered in the institution's final tuition recommendation.

- B. The institution demonstrates that information about the tuition setting process was easily accessible, that the tuition-setting process was transparent and in compliance with House Bill 4141 (2018).

Fulfillment of this criterion: Information on the institution's process is available and accessible and meets or exceeds the requirements of HB 4141. Data that can be used to support this determination include: Tuition advisory committee structure; differing student outreach strategies that were undertaken at each institution with a particular focus on outreach to underrepresented student groups; extent of information available to tuition advisory committee members, particularly students; and how dissenting comments are reflected and incorporated into official tuition deliberations and/or recommendations.

Focus Area Two: Safeguarding Access and Support for Degree Completion by Historically Underrepresented Students

Goals: Mitigate impacts of tuition increase, Plan for use of additional state resources

Criteria for this Focus Area:

- A. Demonstration of impacts, with and without a tuition increase of more than 5%, on remission programs and support services that bolster retention and completion of underrepresented students.

Fulfillment of this criterion: The institution demonstrates that it reduced or mitigated impacts on underrepresented students under the proposed increase. Specific examples should be provided as related to programs that support these students, especially resident students.

- B. The institution has a plan for reducing tuition costs if the PUSF exceeds the funding level upon which the tuition increase is predicated.

Fulfillment of this criterion: Completion of a schedule linking PUSF increases, above the level upon which the tuition increase is based, with tuition decreases.

Focus Area Three: Financial Conditions Demonstrating the Need for Resident, Undergraduate Tuition to be Increased More than 5%

Goals: Explanation of cost drivers and revenue dynamics triggering tuition increase, Demonstrated consideration of alternatives, Implementation of cost containment efforts and long-term sustainability of the university.

Criteria for this Focus Area:

- A. The institution demonstrates that current and projected financial conditions compelling the need for the increase request to meet the critical portions of its HECC-approved mission or goals set in the HECC's strategic plan, including documentation that alternatives to raising tuition above 5% were considered.

Fulfillment of this criterion: A clear explanation, backed up with appropriate quantitative evidence, that the institution's increase in excess of 5% is necessary to support the long-term need to meet the institution's core mission or its ability to meet the HECC's strategic plan.

- B. The institution demonstrates that it has considered and implemented cost containment efforts for those costs that are within their control.

Fulfillment of this criterion: The institution has a demonstrable history of cost control efforts, including engaging in a systematic review of cost efficiencies. In addition, these efficiency reviews and the resulting data/monitoring have been incorporated into an institution's budgetary decision-making process for an institution's cost control efforts to receive a passing analysis under this criterion.

When determining if an institution's tuition increase is warranted, staff will consider the whole of an institutions' submission before making its recommendation. Therefore, shortcomings, or successes, in regards to any one criterion do not necessarily determine the staff's recommendation to the Commission.