

Contact: Patrice Sayre

### **PROPOSED SPRING FY 2010 SURCHARGE**

**Action Requested:** Consider approval of a Temporary Surcharge of \$100 per full-time student effective for the Spring semester of FY 2010.

**Executive Summary:** On October 7, the Governor announced a 10% across-the-board reduction in FY 2010 state appropriations effective immediately in response to the Revenue Estimating Committee's forecast. The loss of \$58.1 million in state appropriations to the Regents public universities as the academic year is well underway puts a significant strain on education operating budgets.

Surcharge funds would be committed to sustaining a quality teaching and learning environment. These additional revenues would help offset the need for further collegiate salary and personnel reductions over the next eight months which may otherwise be needed to meet the immediate state appropriation reversion for the general education fund.

The effect of a \$100 surcharge on enrollment is expected to be minimal.

#### **Surcharge Details**

The proposed surcharge is expected to generate \$5.9 million if applied to all three universities for the second half of the FY 2010 academic year and is equivalent to recovering 10% of the lost state appropriations. These revenues would be used to help ensure that adequate resources are made available to support teaching and student needs and relieve a portion of the academic burden now occurring.

The surcharge will only be applicable to students enrolled during the Spring term and would be prorated for part-time students based on the number of credit hours taken. Funds will not be used for tuition set-aside as all three universities have met or exceeded the minimum requirement. Financial aid will be available for eligible students, including Pell Grant Recipients.

The Universities believe the additional surcharge resources would allow them to ensure an instructional environment that is conducive to student learning.

#### **Notification/Compliance**

Iowa law requires the Board to publish the estimated total cost of attending the Regent universities, including room and board, and other costs. Based on the previously approved tuition, fees, and room and board, the following table estimates the total cost of attendance for a resident undergraduate student.

**2009-10 Academic Year  
Resident Undergraduate  
Estimated Costs of Attendance**

	<b>Tuition &amp; Fees</b>	<b>Room &amp; Board</b>	<b>Other</b>	<b>Surcharge</b>	<b>Totals</b>
<b>SUI</b>	6,824.00	7,376.00	4,574.00	100.00	18,874.00
<b>ISU</b>	6,650.70	7,204.00	4,630.00	100.00	18,584.70
<b>UNI</b>	<u>6,636.00</u>	<u>6,960.00</u>	<u>4,461.00</u>	<u>100.00</u>	<u>18,157.00</u>
Average	6,703.57	7,180.00	4,555.00	100.00	18,538.57

**Regent Tuition and Mandatory Fees and Proposed Surcharge  
Academic Year 2009-10**

<b>UNDERGRADUATE</b>	<b>Previously Approved</b>		<b>Proposed</b>	<b>Total</b>
	<b>Base Tuition</b>	<b>Mandatory Fees</b>	<b>Temporary Surcharge</b>	
<b>UNIVERSITY OF IOWA</b>				
Resident <sup>1</sup>	5,782.00	1,042.00	100.00	6,924.00
Nonresident	21,156.00	1,042.00	100.00	22,298.00
<b>IOWA STATE UNIVERSITY</b>				
Resident	5,756.00	894.70	100.00	6,750.70
Nonresident	16,976.00	894.70	100.00	17,970.70
<b>UNIVERSITY OF NORTHERN IOWA</b>				
Resident	5,756.00	880.00	100.00	6,736.00
Nonresident	14,020.00	880.00	100.00	15,000.00

<b>UNDERGRADUATE Division Differentials</b>	<b>Previously Approved</b>		<b>Proposed</b>	<b>Total</b>
	<b>Base Tuition</b>	<b>Mandatory Fees</b>	<b>Temporary Surcharge</b>	
<b>UNIVERSITY OF IOWA</b>				
<b>Nursing sophomores &amp; juniors</b>				
Resident	7,782.00	880.00	100.00	8,762.00
Nonresident	23,156.00	880.00	100.00	24,136.00
<b>IOWA STATE UNIVERSITY</b>				
<b>Business upper division</b>				
Resident	6,256.00	934.70	100.00	7,290.70
Nonresident	17,476.00	934.70	100.00	18,510.70
<b>Engineering upper division</b>				
Resident	7,630.00	1,110.70	100.00	8,840.70
Nonresident	18,812.00	1,110.70	100.00	20,022.70
<b>UNIVERSITY OF NORTHERN IOWA</b>				
<b>Business upper division</b>				
Resident	6,256.00	880.00	100.00	7,236.00
Nonresident	14,520.00	880.00	100.00	15,500.00

<b>GRADUATE</b>	<b>Previously Approved</b>		<b>Proposed</b>	<b>Total</b>
	<b>Base Tuition</b>	<b>Mandatory Fees</b>	<b>Temporary Surcharge</b>	
<b>UNIVERSITY OF IOWA</b>				
Resident	6,840.00	1,023.00	100.00	7,963.00
Nonresident	20,444.00	1,023.00	100.00	21,567.00
<b>IOWA STATE UNIVERSITY</b>				
Resident	6,716.00	848.70	100.00	7,664.70
Nonresident	17,816.00	848.70	100.00	18,764.70
<b>UNIVERSITY OF NORTHERN IOWA</b>				
Resident	6,716.00	880.00	100.00	7,696.00
Nonresident	15,172.00	880.00	100.00	16,152.00

<sup>1</sup> Most undergraduate students are in the College of Liberal Arts & Sciences

<b>Proposed Surcharge for Part-time Students</b>											
<b>Semester Hours</b>											
	0-2	3	4	5	6	7	8	9	10	11	12
Undergraduate	\$ 18	\$ 27	\$ 36	\$ 45	\$ 54	\$ 63	\$ 72	\$ 81	\$ 90	\$ 99	\$ 100
Graduate	\$ 24	\$ 36	\$ 48	\$ 60	\$ 72	\$ 84	\$ 96	\$ 100			