Tuition Task Force Meeting
August 7, 2017
Outline

- Objectives and Principles
- Quantify quality
- Recent history of expenses and revenues
- Building a revenue/tuition model for the future
Strategic Objectives

• Focus on student success
  – Diversity and inclusion
  – Campus vitality
  – Community engagement

• Intentional focus on applied learning

• Enhance the quality of the education we deliver
Revenue Principles

- Hold fiscal year expenses to inflation adjusted 2008 levels
- Establish revenue so that tuition increases can be reasonable and predictable for families
- Revenue directly impacts Quality
High Quality Education

• UNI emphasizes accessibility

• UNI outperforms projected expectations
  - 6-year graduation rate 8 points higher than expected
  - Student success rating 9 points higher than expected

• UNI graduates are at or above peer and competitor medians in salary measures 10-years after entry
Top Value Institution

• UNI is in top 3rd of all US institutions in Money Magazine’s Best Colleges for your Money 2017

• UNI is in top 100 for all universities in The Washington Monthly College Guide and 38th on their list of Master’s universities that are the “Best Bang for the Buck.”

• UNI median debt at graduation is below peers by more than $1,000
Educating Iowa Students

- Iowa Residents: 88%
- Out-of-State Residents: 7%
- International: 5%
Budget Assumptions—FY18 through FY22

- Hold fiscal year expenses to inflation adjusted 2008 levels
- Enrollment growth to 12,350 by academic year 2022
- Faculty/staff increases to cover needs
- Additional expenses in maintenance
  - Currently at CPI, which is low for expected cost
- Health care cost increases
  - Estimated based on recent past increases (significantly above CPI)
- Increase in student financial aid, currently quite low
- Salary increases at CPI (1.75%)
- Did not include: Emergency contingencies (e.g. IT, classroom updates, utilities)
General Fund Budget History

General Funds Expense w. CPI
FY08 thru Modeled FY22

![Chart showing General Fund Budget History from FY08 to Modeled FY22, with expenses in millions and adjusting for CPI.]
General Fund Budget History

General Education Fund
Budget History w. Budget Modeling thru FY 2022
(with CPI increases to tuition and appropriations)
UNI Tuition—Reasonable and Predictable

Tuition Revenue if Tuition increases at 2% per student

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Total Tuition Revenue (in Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed FY18</td>
<td>83.2</td>
</tr>
<tr>
<td>Model FY19</td>
<td>86.0</td>
</tr>
<tr>
<td>Model FY20</td>
<td>88.6</td>
</tr>
<tr>
<td>Model FY21</td>
<td>92.0</td>
</tr>
<tr>
<td>Model FY22</td>
<td>95.4</td>
</tr>
</tbody>
</table>
UNI Tuition—Reasonable and Predictable

Tuition Revenue if Tuition increases at 2% per student
## State Appropriation Scenarios

<table>
<thead>
<tr>
<th>Appropriation Scenario</th>
<th>Tuition Increase per Scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY19</td>
</tr>
<tr>
<td>State Appropriation that increases with Inflation (+1.75%/year)</td>
<td></td>
</tr>
<tr>
<td>State Appropriation Flat</td>
<td></td>
</tr>
<tr>
<td>State Appropriation Decrease of 3.2% for FY 2019, then Flat</td>
<td></td>
</tr>
</tbody>
</table>
UNI Tuition Scenario 1

Tuition Need with Appropriation 1.75% estimated CPI

![Graph showing total tuition revenue in millions from Proposed FY18 to Model FY22. The revenue increases from $83.2 million in FY18 to $94.7 million in FY22.]
UNI Tuition Scenario 2
Tuition Need with Appropriations Flat

Total Tuition Revenue (in Millions)

- Proposed FY18: $83.3
- Model FY19: $89.5
- Model FY20: $94.8
- Model FY21: $99.8
- Model FY22: $104.4
UNI Tuition Scenario 3

Tuition Need with a 3.2% FY19 Appropriation Cut

Total Tuition Revenue (in Millions)

- Proposed FY18: $83.3
- Model FY19: $93.1
- Model FY20: $98.4
- Model FY21: $103.4
- Model FY22: $108.0
# State Appropriation Scenarios

<table>
<thead>
<tr>
<th>Appropriation Scenario</th>
<th>Tuition Increase per Scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY19</td>
</tr>
<tr>
<td>State Appropriation that increases with Inflation (+1.75%/year)</td>
<td>3.90%</td>
</tr>
<tr>
<td>State Appropriation Flat</td>
<td>6.70%</td>
</tr>
<tr>
<td>State Appropriation Decrease of 3.2% for FY 2019, then Flat</td>
<td>11.70%</td>
</tr>
</tbody>
</table>
## State Appropriation Scenarios

### Undergraduate Resident Tuition Rates

<table>
<thead>
<tr>
<th>Appropriation Scenario</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Appropriation that increases with Inflation (+1.75%/year)</td>
<td>$7,747</td>
<td>$7,956</td>
<td>$8,095</td>
<td>$8,237</td>
</tr>
<tr>
<td>State Appropriation Flat</td>
<td>$7,955</td>
<td>$8,369</td>
<td>$8,679</td>
<td>$8,948</td>
</tr>
<tr>
<td>State Appropriation Decrease of 3.2% for FY 2019, then Flat</td>
<td>$8,328</td>
<td>$8,736</td>
<td>$9,042</td>
<td>$9,304</td>
</tr>
</tbody>
</table>

FY17 tuition = $7,098  
FY18 tuition = $7,457
Summary

- Enhance/protect the quality of education offered at UNI
  - Student success a priority
  - Intentional focus on applied learning
  - Maintain national prominence

- Hold fiscal year expenses to inflation adjusted 2008 levels

- Establish revenue so that tuition increases can be reasonable and predictable for Iowa families
  - Our tuition is near the median of our Peers and above the median of competitors
  - Importance of Non-resident students
Thank You! Questions?
Iowa High School Graduates*

* Data from the Western Interstate Commission for Higher Education (WICHE), 2016.
State Appropriations

Appropriations with CPI Comparison
FY08 thru FY17

DRAFT
Tuition History

Tuition History with CPI comparison
FY08 thru FY17

- Actual FY08
- Actual FY09
- Actual FY10
- Actual FY11
- Actual FY12
- Actual FY13
- Actual FY14
- Actual FY15
- Actual FY16
- Actual FY17

Legend:
- Tuition
- CPI w FY08 base yr
High Quality Education

• Quality learning environment
  – 17:1 student-to-faculty ratio
  – Small class sizes (Average 26; 93% under 50)
  – 99% of classes taught by faculty

• Applied learning opportunities
  – Undergraduate research
  – Internships
  – Live client projects
  – Community engagement
## Resident Tuition and Fees at Regent Universities and Comparators, 2016-17

<table>
<thead>
<tr>
<th>University of Iowa</th>
<th>Iowa State University</th>
<th>University Northern Iowa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illinois</td>
<td>$15,698</td>
<td>Penn State</td>
</tr>
<tr>
<td>Michigan</td>
<td>$14,402</td>
<td>Illinois</td>
</tr>
<tr>
<td>Minnesota</td>
<td>$14,142</td>
<td>Minnesota</td>
</tr>
<tr>
<td>UCLA</td>
<td>$12,920</td>
<td>Michigan State</td>
</tr>
<tr>
<td>Arizona</td>
<td>$11,769</td>
<td>UC - Davis</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>$10,488</td>
<td>Wisconsin</td>
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<tr>
<td>Indiana</td>
<td>$10,388</td>
<td>Ohio State</td>
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<tr>
<td>Ohio State</td>
<td>$10,037</td>
<td>Texas A&amp;M</td>
</tr>
<tr>
<td>Texas</td>
<td>$10,144</td>
<td>Purdue</td>
</tr>
<tr>
<td>North Carolina</td>
<td>$8,834</td>
<td>NC State</td>
</tr>
<tr>
<td>Iowa</td>
<td>$8,676</td>
<td>Iowa State</td>
</tr>
<tr>
<td>Avg w/o SUI =</td>
<td>$11,882</td>
<td>Avg w/o ISU =</td>
</tr>
</tbody>
</table>

*Non-resident tuition and fees at Iowa’s Regents universities are also below comparator averages*
Summary

- Enhance/protect the quality of education offered at UNI
- Establish revenue so that tuition increases can be reasonable and predictable for families
- Hold fiscal year expenses to inflation adjusted 2008 levels
- Focus on student success
  - Diversity and inclusion
  - Campus vitality
  - Community engagement
- Strategic focus on applied learning
- Enhance the quality of the education we deliver
- Our tuition is near the median of our Peers and above the median of competitors