

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Preliminary Tuition and Fees
Date: October 6, 2003

Major Memorandum Components:

- Attachment A:** Tuition (page 8)
Attachment B: Mandatory Fees (page 25)
Attachment C: Surcharges (page 34)
Attachment D: Tuition-Related Miscellaneous Charges (page 45)
Attachment F: Detailed Tuition and Mandatory Fee Table (page 46)

Recommended Actions:

Consider the following proposals for the 2004-05 academic year tuition and fees, effective with the summer session 2004:

- | | |
|---------------------------------------|--|
| TUITION | 1. As included in Attachment A: <ol style="list-style-type: none"> a. A base annual tuition increase of \$360 for resident undergraduate students and \$720 for nonresident undergraduate students. b. A base annual tuition increase of \$450 for resident graduate students and \$900 for nonresident graduate students. c. A differential tuition increase requested by the University of Iowa for its students in the College of Medicine MD and physical therapy programs and in the College of Pharmacy PharmD program for both resident and nonresident students at the resident graduate student rate increase, which is proposed at \$450. |
| STUDENT FINANCIAL AID | 2. Maintenance of the minimum 15% student financial aid set-aside of gross tuition revenues, with an emphasis on need-based aid. |
| MANDATORY FEES | 3. In addition to the proposed base tuition increase, changes to mandatory fees as outlined in Attachment B that include: <ol style="list-style-type: none"> a. Final transition of all designated tuition allocations. (UNI only; SUI and ISU previously completed transition.) b. Proposals for increased mandatory fees. c. Deferral of the athletics fee discussion to include it with the tuition policy discussion in February of 2004. |
| SURCHARGES | 4. In addition to the proposed base tuition increases, the graduate and professional program surcharges proposed by the University of Iowa outlined in Attachment C. |
| TUITION-RELATED MISCELLANEOUS CHARGES | 5. Tuition-related miscellaneous charges with specific changes requested by the University of Iowa, included in Attachment D. |

Executive Summary:

PROPOSED TUITION & MANDATORY FEES

The recommended increases for undergraduate base tuition plus mandatory fees for the 2004-05 academic year are as follows:

**TUITION PROPOSAL
Resident Undergraduate Rates**

	2003-04 Base Tuition	Proposed 2004-05 Base Tuition	Dollar Increase	2003-04 Total Tuition & Fees*	Proposed 2004-05 Total Tuition & Fees*	Dollar Increase
SUI	\$4,342	\$4,702	\$360	\$4,993	\$5,396	403
ISU	4,342	4,702	360	5,028	5,426	398
UNI	4,342	4,702	360	4,916	5,387	471

**TUITION PROPOSAL
Nonresident Undergraduate Rates**

	2003-04 Base Tuition	Proposed 2004-05 Base Tuition	Dollar Increase	2003-04 Total Tuition & Fees*	Proposed 2004-05 Total Tuition & Fees*	Dollar Increase
SUI	\$14,634	\$15,354	\$720	\$15,285	\$16,048	763
ISU	13,684	14,404	720	14,370	15,128	758
UNI	11,300	12,020	720	11,874	12,705	831

**TUITION PROPOSAL
Resident Graduate Rates**

	2003-04 Base Tuition	Proposed 2004-05 Base Tuition	Dollar Increase	2003-04 Total Tuition & Fees*	Proposed 2004-05 Total Tuition & Fees*	Dollar Increase
SUI	\$5,038	\$5,488	\$450	\$5,689	\$6,182	\$493
ISU	5,038	5,488	450	5,686	6,172	486
UNI	5,038	5,488	450	5,612	6,173	561

**TUITION PROPOSAL
Nonresident Graduate Rates**

	2003-04 Base Tuition	Proposed 2004-05 Base Tuition	Dollar Increase	2003-04 Total Tuition & Fees*	Proposed 2004-05 Total Tuition & Fees*	Dollar Increase
SUI	\$15,072	\$15,972	\$900	\$15,723	\$16,666	\$ 943
ISU	14,214	15,114	900	14,862	15,798	936
UNI	12,112	13,012	900	12,686	13,697	1,011

*Dollar costs and increases for students majoring in Business Administration, Engineering, and Pharmacy at SUI and for students majoring in Engineering, Computer Science & Management Information Systems at ISU are slightly higher, as previously approved by the Board. The 2004-05 proposal includes a differential computer fee, as requested by SUI for its students in the College of Public Health.

BOARD STRATEGIC PRIORITIES In fulfilling its mission and aspiring to achieve its vision of improving the quality of life, the Board of Regents, State of Iowa, and its institutions serve Iowa, its citizens, and the world by being a recognized leader in these priorities:

1. Ensuring high-quality educational opportunities for all our students.
2. Discovering new knowledge through research, scholarship, and creative activities.
3. Providing needed service and promoting economic growth.
4. Demonstrating public accountability and effective stewardship of resources

The Regent universities provide teaching, research, and services for over 70,000 students and nearly 3 million Iowans.

The top priority for the Regents, in accordance with its strategic plan, is to provide a quality education. The Board's discussions on tuition are a vital component for maintaining educational quality.

TUITION POLICY At its September 2003 meeting, the Board directed the institutions and its staff to study tuition policy alternatives, on a revenue neutral basis. Results will be brought to the Board for discussion in February 2004.

CONSIDERATIONS In developing this tuition proposal, the Board staff considered numerous issues.

Reductions in State Support The recent tuition increases have not nearly "made up" for the appropriations reductions and underfundings of salary needs imposed by the state over the last five years. The state's economic circumstances are not likely to allow for restoration of the previous levels of appropriations in the short-term.

The Board approved requests from the state for full funding of incremental salary and additional priority operating needs at its September meeting. The assumption is that the state will meet its obligation to fund incremental salary needs in FY 2005, the Board's highest priority appropriations request.

Enrollments The current changes in the enrollment of students outlined in G.D. 4, Fall Enrollment Report – Part I, indicates that undergraduate student enrollment, especially freshmen enrollment, has decreased. Graduate enrollment, however, has increased. Therefore a lower increase for undergraduates is recommended.

Market-Competitive Tuition Rates Even with the recent tuition increases, Iowans are receiving a valuable education from the Regent universities at a reasonable price.

- The 2002-03 average Regent undergraduate tuition and fees were below the national average.
- The University of Iowa's and Iowa State University's resident and nonresident tuition and fees for 2003-04 were below the average of its respective peer group; the University of Northern Iowa's resident undergraduate rate was slightly above and its nonresident rate was under its peer group average.

- In a November 2003 release by Kiplinger, all three Iowa public universities were in the top 50 of the best values in public colleges across the country.

Therefore, Iowa's public universities can remain competitive in the marketplace with a moderate increase in tuition.

Affordability and Accessibility

Since the Board's mission includes serving Iowans and the Board has expressed concerns about access, the Board staff recommends a lower rate of increase for resident students, half the amount of the nonresident rate, on both the undergraduate and graduate levels.

Currently data show that Regent tuition rates are reasonable in comparison with national statistics and peer group information.

- Iowa's 2002-03 tuition and fees were at 88.6% of the national average. Iowa's per capita income was at 91.3% of the national average. Lower rate of increase for Iowa residents for both undergraduate and graduate.
- Compared to other states; Iowa's tuition and fees as a percentage of per capita income have increased slightly.
- The Regent 2002-03 tuition and fees as a percentage of Iowa's per capita income for 2002 (14.7%) are less than the percentages for regional and peer states (which average 16.8%) and the national average (15.2%).

As a tool to promote access to academically qualified students with the greatest need for financial assistance, the Board has directed that a significant portion of tuition revenues be set aside by the universities for student aid. The Board staff will monitor and review student financial aid set aside with continuing emphasis on needs-based aid.

Return on Investment

The impact of a four-year degree on lifetime earnings is substantial. The U.S. Census Bureau recently published 2001 data that showed the average salary of an individual increases significantly with each additional level of education.

For example, a person with a high school degree earned an average annual salary of \$34,390 compared to \$62,775 with a bachelor's degree. Over a lifetime, that equates approximately an additional \$1 million. The return on investment is even more compelling when considering higher levels of education such as master, doctoral, or professional degrees.

The state benefits from the increased economic activity and revenue generated by a greater number of college graduates in the workforce.

A moderate increase in tuition will still provide a good return on student investment.

Tuition Proceeds The proposed tuition increases for undergraduate and graduate rates, net of surcharges, for the 2004-05 academic year would provide the following additional revenues:

Gross Tuition Proceeds	\$27.9 million
Financial Aid Set Aside (at current levels)	\$ 4.6 million
Net Tuition Proceeds	\$23.3 million

Use of Tuition Proceeds Tuition proceeds are expected to be used in accordance with the universities' strategic initiatives developed and explained during the Board's budget deliberations in July and September of 2003.

College of Medicine and Pharmacy (SUI) The Dean of the Carver College of Medicine and the Dean of the College of Pharmacy propose that the increase in tuition for both their resident and nonresident students be equal to the dollar increase for resident graduate students. In CCOM, this would apply to MD and physical therapy students, and in the College of Pharmacy, this would apply to PharmD students. Based on the proposed tuition increases, this would result in a \$450 tuition increase for these students.

MANDATORY FEES

In the early 1990's, the Board established mandatory fees to provide distinct resources to respond to specific needs of students.

In October 1999, the Board made a fundamental change in the structure of tuition and fees, approving a request of the University of Iowa to establish new mandatory fees for certain student activities and student services rather than using designated tuition revenues.

In November 2002, the Board directed the universities to phase out all allocations of tuition and establish them as mandatory fees, simplifying student fees. Designated-tuition will be completely eliminated by the 2004-05 academic year.

The University of Iowa and Iowa State University have completed the transition of designated tuition to mandatory fees during the 2003-04 academic year. The University of Northern Iowa is in its final year that includes an \$88 increase in the proposed Student Services fee for the 2004-05 academic year.

University
Proposals

The universities' proposals are outlined on the following table. Each includes inflationary and other adjustments as well as new fees. Attachment B, beginning on page 30, details each of the proposed changes for mandatory fees.

Mandatory Fees

	Actual 2003-04	Proposed 2004-05	Proposed Dollar Increase
SUI*	\$ 651	\$694	\$ 43
ISU*	686	724	38
UNI	574	685	111

* Certain computer fees at SUI and ISU are higher than the regular computer fees.

The significant increases proposed by the universities include:

SUI

- Student Activities fee increase of \$12 (30.8%), including the new campus-wide readership program.
- Computer fee increase for Public Health MS and PhD student of \$150 (79.8%)

ISU

- Student Services fee increase of \$20 (12.6%) which will enable all students to ride the bus free.

UNI

- Summer fees increases ranging from 25% to 37.5% to align summer session fees more closely with the semester fees.

SURCHARGES

University of Iowa
Incremental Surcharges
2004-05 Academic Year

	<u>Resident</u>	<u>Nonresident</u>
College of Dentistry	1,000	1,000
College of Law	250	250
College of Nursing – Master of Science Programs	2,700	2,700
College of Public Health – Master of Health Administration	1,000	1,000
College of Public Health – Master of Public Health	1,000	1,000

Tuition surcharges represent earmarked amounts for specific colleges and purposes. Students enrolled in specific colleges pay the surcharge in addition to the university's base tuition and receive the benefits of additional resources. Once a surcharge is implemented, it becomes part of the base tuition for the following years.

Base tuition and base tuition increases are not earmarked for special academic units, but are part of the overall general university fund budgeting process.

TUITION-RELATED MISCELLANEOUS CHARGES

Miscellaneous charges include both tuition-related and non-tuition-related charges. In each category, students pay only the miscellaneous fees and charges that apply to them; these charges vary depending on each student's program, needs, and interests.

Tuition-related fees include items such as continuing education courses and workshops. These fees are adjusted commensurate with the increase in tuition.

The University of Iowa has requested variances from standard procedures for tuition related charges for its MBA program and for its RN to Bachelor of Science in Nursing (BSN) program. Details are included in Attachment D.

ESTIMATED COST OF ATTENDANCE

Iowa Code §262.9(18) requires the Board to publish the estimated total cost of attending the Regent universities, including room and board and other costs, at the same time that it publishes final tuition and mandatory fees.

Based on the above tuition proposal and university projected increases for room, board, and other costs, the following table estimates the total cost of attendance for a resident undergraduate student.

Other costs, as quantified for financial aid calculations, include the universities' estimates of student costs for books, supplies, transportation, and personal expenses.

**TUITION PROPOSAL
2004-05 Academic Year
Estimated Cost of Attendance
Resident Undergraduate**

	Tuition & Fees*	Room & Board**	Other Costs**	Estimated Totals**	Incr. from 2003-04	
SUI	\$5,396	\$6,150	\$3,760	\$15,306	\$902	6.3%
ISU	5,426	6,121	3,777	15,324	871	6.0%
UNI	5,387	5,287	3,780	14,454	952	7.1%
Average	\$5,403	\$5,853	\$3,772	\$15,028	908	6.4%

* Proposed.
** Estimated.

STUDENT NOTICE

Iowa Code §262.9(18) requires the Board, when increasing tuition or mandatory fees, to take action no sooner than 30 days after notification of the proposed increase to presiding officers of each student government organization at each affected institution and to take action no later than November preceding the fiscal year in which the increase would apply.


Pamela M. Elliott

Approved: 
Gregory S. Nichols

TUITION

BACKGROUND

University Resources

Financing of higher education is complex. Securing sufficient resources is critical to the quality and success of the state of Iowa's three public universities.

These public universities need resources to maintain and improve quality in general education, as well as student academic and support services. Adequate resources allow the universities to provide the appropriate number of faculty, library resources, instructional equipment, experiential learning opportunities, student access, class size, technology, and classroom improvements that are essential for a quality education.

The universities' general education units are primarily funded by:

- State appropriations.
- Tuition revenues.

Board Funding Actions

The Board, through its strategic plan, challenges its institutions to be the best enterprise of public education in the United States through unique teaching, research, and outreach programs. The Board strives to assure adequate funding for the public universities that is diverse and fairly consistent by:

- Seeking state appropriations for salaries, operating, and capital improvements needs (such as requests approved in September 2003).
- Establishing tuition and fees annually to support aspirations for excellence.
- Encouraging the institutions to increase funding from private sources and external research grants and contracts.
- Requiring the institutions to reallocate general operating funds annually.
- Promoting broad access for Iowa residents to the Regent institutions through admissions policies, financial aid, and competitive tuition rates.

State Appropriations

The Board and the Regent universities rely heavily on state appropriations. Funding from the state is fundamental to sustaining educational services at the universities since state appropriations normally provide base operating dollars, incremental salary funding, and a component for incremental strategic investments.

The incremental salary funding is extremely essential because salaries comprise almost 75% of the universities' general education expenditures. Since the mid 1970's, the state has separately appropriated dollars for salary increases based on a state determined salary policy that included salaries for the Regent universities.

State appropriations have historically funded a large portion of the universities' educational costs. In FY 1981, state appropriations financed 77.4% of the universities expenditures. In contrast, the state funding for FY 2004 provides only half of the resources for the state's three public universities while the enrollment has increased by 16.9% since 1981.

Fiscal Year	General Education Funding for Regent Universities		University Enrollment
	Appropriations as % of Expenditures	Tuition Revenue as % of Expenditures	
1980-81	77.4%	20.8%	60,388
1990-91	67.8%	27.8%	66,022
1997-98	64.9%	30.1%	66,363
1998-99	64.8%	29.9%	67,619
1999-00	64.5%	30.0%	68,509
2000-01	63.7%	30.6%	68,930
2001-02	58.9%	34.7%	70,661
2002-03	54.4%	39.2%	71,521
Budgeted 2003-04	50.1%	43.2%	70,566

Tuition Revenues The basic premise in the Board's tuition setting practice has been stable funding from state appropriations for educational operations of the universities. The Board has established tuition at levels to support its aspirations for excellence in education.

Tuition revenues represent an ever-growing component of the overall educational resources needed by the universities.

Tuition Policy Iowa Code §262.9(23) requires the Board to have a policy for the establishment of tuition rates that provides some predictability for assessing and anticipating changes.

The Board's tuition policy (Regent Policy Manual §8.02A) complies with the law, is intended to recognize the aspirations of the Board and its institutions, and provides:

Resident undergraduate tuition at the Regent universities shall be set annually to keep pace with the Higher Education Price Index (HEPI) and to provide support to finance university programs at levels sufficient to implement the Board's aspirations for excellence as outlined in the Board's strategic plan.

Chronology of Funding As identified in the tuition policy memorandum presented to the Board in September, the timing associated with the primary funding sources raises concerns for the Board and the universities.

- State law establishes when the Board is to set tuition.

Iowa Code §262.9(18) requires the Board to set tuition no later than the November preceding the academic year in which the increase would apply.
- The state legislature and the Governor do not determine

appropriations until months later (April, May, or June).

Iowa Code §2.1 states that each annual session of the general assembly shall commence on the second Monday in January of each year.

- The universities' fiscal years begin on July 1 of each year.
- The Board does not have the flexibility to adjust tuition rates to compensate for significant changes in state appropriations.

Due to the sequencing of events, the Regents can neither predict nor react in a timely manner to significant changes in state appropriations.

Analysis:

Recent Appropriations Shortages

The state cut base operating appropriations to the Regent institutions and underfunded the Regent salary need from state appropriations in each of the last five years.

**State Shortages
Of Regent Institutions**

	Appropriation Reductions	Salary Underfundings	Total
FY 2000	\$(3.4 million)	\$(1.6 million)	\$(5.0 million)
FY 2001	(2.7 million)	(16.7 million)	(19.4 million)
FY 2002	(81.9 million)	(7.0 million)	(88.9 million)
FY 2003	(42.6 million)	(8.0 million)	(50.6 million)
FY 2004	(17.9 million)	(33.3 million)	(51.2 million)

Regent Share of State General Fund

Not only have the state appropriations to the Regent institutions been reduced, but the Regent share of the state's general fund appropriations has declined. From FY 1992 through FY 2001, the Regent share ranged from 14.7% to 15.3%, but for FY 2003 it was about 14.0% and lower yet for FY 2004 at 13.3%.

Tuition Increases

Since the Board established tuition to support educational excellence, it had not specifically addressed tuition increases to counteract state reductions. During the tuition rate discussions for the previous two years, the Board considered the implications of the significant state reductions when approving the unusually high tuition rate increases.

The following table identifies the actions taken by the Board on tuition over the last several years with the associated net tuition revenues from undergraduate and graduate. The proposed tuition increase and resulting net tuition revenues for the 2004-05 academic year are also included.

<u>Academic Year</u>	<u>% Incr.</u>	<u>\$ Incr.</u>	<u>Estimated Net Tuition Revenues</u>
1999-00	4.5%	\$120	\$ 8.9 million
2000-01	4.3%	\$120	9.0 million
2001-02	7.2%	\$210	16.2 million
2002-03	18.5%	\$576	44.0 million
2003-04	17.6%	\$650	39.0 million
Proposed 2004-05	8.3%	\$360	23.3 million

Proposed Tuition Rate and Fee Increases

Proposal The following tables summarize the proposed increases in tuition and mandatory fees for each of the universities for both resident and nonresident students as well as undergraduate and graduate.

UNDERGRADUATE	Base Tuition				Mandatory Fees				Total Base Tuition and All Mandatory Fees			
	03-04	04-05	Incr	% Incr	03-04	04-05	Incr	% Incr	03-04	04-05	Incr	% Incr
UNIVERSITY OF IOWA												
Resident	4,342	4,702	360	8.3%	651	694	43	6.6%	4,993	5,396	403	8.1%
Nonresident	14,634	15,354	720	4.9%	651	694	43	6.6%	15,285	16,048	763	5.0%
IOWA STATE UNIVERSITY												
Resident	4,342	4,702	360	8.3%	686	724	38	5.5%	5,028	5,426	398	7.9%
Nonresident	13,684	14,404	720	5.3%	686	724	38	5.5%	14,370	15,128	758	5.3%
UNIVERSITY OF NORTHERN IOWA												
Resident	4,342	4,702	360	8.3%	574	685	111	19.3%	4,916	5,387	471	9.6%
Nonresident	11,300	12,020	720	6.4%	574	685	111	19.3%	11,874	12,705	831	7.0%

GRADUATE	Base Tuition				Mandatory Fees				Total Base Tuition and All Mandatory Fees			
	03-04	04-05	Incr	% Incr	03-04	04-05	Incr	% Incr	03-04	04-05	Incr	% Incr
UNIVERSITY OF IOWA												
Resident	5,038	5,488	450	8.9%	651	694	43	6.6%	5,689	6,182	493	8.7%
Nonresident	15,072	15,972	900	6.0%	651	694	43	6.6%	15,723	16,666	943	6.0%
IOWA STATE UNIVERSITY												
Resident	5,038	5,488	450	8.9%	648	684	36	5.6%	5,686	6,172	486	8.5%
Nonresident	14,214	15,114	900	6.3%	648	684	36	5.6%	14,862	15,798	936	6.3%
UNIVERSITY OF NORTHERN IOWA												
Resident	5,038	5,488	450	8.9%	574	685	111	19.3%	5,612	6,173	561	10.0%
Nonresident	12,112	13,012	900	7.4%	574	685	111	19.3%	12,686	13,697	1,011	8.0%

Enrollment Data As noted in G.D. 4, Fall Enrollment: Part I, undergraduate headcount enrollment has declined by 1,531 students, of which 1,016 were resident students. In particular, new freshman enrollment was down by 503 students. The drop in freshmen may be particularly significant given the potential effect that this may cause in future years.

Graduate enrollment, in contrast, increased overall by 388 students with an increase of 65 resident graduate students.

In addition, full-time equivalent (FTE) enrollment, while down 455 students, shows that 90% of the headcount students are full-time equivalent.

Tuition Differential for Professional Students (SUI) The University of Iowa’s Dean of the Carver College of Medicine and the Dean of the College of Pharmacy propose that the increase in tuition for both their resident and nonresident students be equal to the dollar increase for resident graduate students.

In CCOM, this would apply to MD and physical therapy students, and in the College of Pharmacy, this would apply to PharmD students.

Economic Indicators

State General Fund Data	<p>A state report based on September 2003 state general fund receipts indicated that these receipts show a negative 0.6% growth, notably less than the official estimate for a 2.7% growth for FY 2004.</p> <p>The state's Economic Revenue Estimating Conference is scheduled to meet again on October 10 and reevaluate the estimated growth.</p>
Economic Forecasts	<p>The Institute for Economic Research at the University of Iowa, in an August 2003 release, reported that the consensus of the Blue Chip Economic Indicators for the national economy forecasted a decrease in disposable personal income growth from its March 2003 forecast for calendar year 2004 from 3.9% growth to 3.6% growth.</p> <p>For Iowa, the Institute also forecasted a decrease in Iowa's personal income growth from its March estimates for both 2004 and 2005, which are now projected at 4.36% and 4.42% growth, respectively. Iowa's real personal income growth percentages for 2004 and 2005 are also down from the March estimate and are expected to be 2.79% and 2.73%, respectively.</p>
Inflation Measures	<p>Inflation is generally discussed using price indexes that measure how the rate of inflation affects buyers (comparing increases in prices for the same goods and services). Price indexes, such as the Consumer Price Index, have been widely used by economists for many years to measure the purchasing power for consumer goods.</p> <p>Consumer-based indexes, such as the Consumer Price Index, are limited in what they measure and therefore often are not appropriate to measure the substantially different mix of goods and services purchased by distinct economic sectors or commercial enterprises. Specialized sector indexes have been developed to measure more accurately the effects of inflation on enterprises that purchase goods and services which are significantly different than those purchased by consumers.</p> <p>The education sector has long utilized specialized indexes.</p>
Board Tuition Policy	<p>The Board's tuition policy includes a component which requires tuition to keep pace with the Higher Education Price Index (HEPI).</p>
Higher Education Price Index	<p>HEPI measures the average relative level in the prices of a fixed market basket of goods and services purchased by colleges and universities through current fund educational and general expenditures excluding expenditures for research. HEPI documents inflation affecting the higher education industry, allowing colleges and universities to specifically determine the increase in funding required each year to maintain real investment.</p> <p>The U.S. Department of Education published the first HEPI in 1975 to quantify the effects of inflation on the operations of colleges and universities. The U.S. Department of Education no longer calculates and publishes HEPI.</p> <p>Research Associates of Washington, a private research organization, periodically prepares and publishes values for the HEPI for various fiscal years. The publication reports distinctive education price information for school and college current operations, university sponsored research, academic and public library operation, tuition pricing, building construction, and capital equipment.</p>

Inflation
Projections

Since the Board determines tuition increases well in advance of the actual expenditure of funds, the Board has utilized inflation projections. The Institute for Economic Research at the University of Iowa prepares these projections, which include a range for HEPI.

	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>
HEPI Projections*	3.0 – 4.6%	3.1 – 3.9%	2.1 – 3.7%
HEPI Actuals	2.5%	NA	NA

* Forecasted ranges during the time the Board sets tuition.
NA Not available.

Higher Education Costs

Estimated Funding

In the following table, the first two increments represent 10 year periods while the remaining segments represent one-year periods. The fiscal years prior to FY 2004 are based on actual reported general education expenditures. The FY 2004 percentages are based on Board-approved FY 2004 budgets. The state did not fund any salary increases for the universities for FY 2004.

Since general tuition revenues can only be allocated to the main educational appropriations units, the estimated FY 2005 percentages are based on the following information pertaining just to those units:

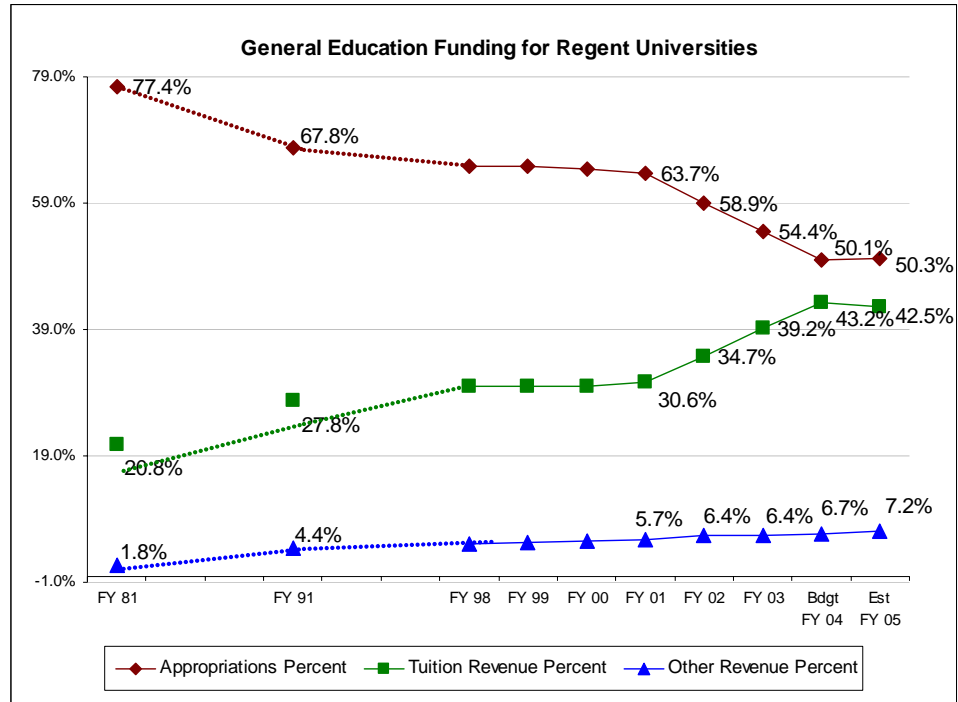
- Total anticipated salary increases, for which the state is requested to fund about 93% of the general university need.
- Increases in non-salary expenditures based on an average HEPI projection of 2.9% (\$7.2 million).

Given the state’s negative outlook for revenue, the FY 2005 estimates are optimistic and include:

- Full funding for the state’s share of the Regent salary need.
- Estimated increases in tuition revenue are realized.
- Enrollment is steady.
- State funding is provided for restoration of faculty positions, the formal Regent request of \$12 million
- No state funding is provided for the Regent contingent request of \$26 million.
- Other sources can be increased.

Based on these assumptions, the state’s share of public university higher education expenditures in FY 2005 would be 50.3%.

If the state funds salary increases at less than the amount requested and/or does not fund the request to restore faculty positions, the state share will further decrease.



Unit Cost of Instruction versus Tuition Charged

The Regent universities compile information regarding the cost of instruction per student (“unit cost”) on a biennial basis. The most recent unit cost study covered FY 2001 and was presented to the Board in June 2002. It has been Board policy that nonresident students pay, at a minimum, the full cost of their education at Regent universities.

The unit cost represents the general fund supported cost of instruction of a full-time equivalent student at a given level and is calculated making certain assumptions relative to instructional costs at the various student levels (i.e., lower division undergraduates, upper division undergraduates, graduate, professional).

Costs such as building repairs, public service, scholarships and fellowships, auxiliary enterprises, health care units, indirect cost recovery, and capitals have historically been excluded from the unit cost calculations.

Estimates are made to determine if tuition is expected to cover the unit cost of instruction.

The following table compares Regent resident and nonresident undergraduate tuition with actual unit costs from the FY 2001 report and estimated unit costs of instruction for FY 2004.

The FY 2004 unit cost estimates are based on FY 2001 unit cost data adjusted for general fund budget and enrollment changes. The tuition for nonresident undergraduates exceeds the computed unit costs at all three universities for FY 2004.

University of Iowa	FY 2001	FY 2004
Resident Undergraduate Tuition Only	\$2,906	\$4,342
Nonresident Undergraduate Tuition Only	\$10,668	\$14,634
Undergraduate Unit Costs	\$9,432	\$9,769*
Iowa State University	FY 2001	FY 2004
Resident Undergraduate Tuition Only	\$2,906	\$4,342
Nonresident Undergraduate Tuition Only	\$9,748	\$13,684
Undergraduate Unit Costs	\$8,402	\$9,378*
University of Northern Iowa	FY 2001	FY 2004
Resident Undergraduate Tuition Only	\$2,906	\$4,342
Nonresident Undergraduate Tuition Only	\$7,870	\$11,300
Undergraduate Unit Costs	\$8,132	\$9,105*

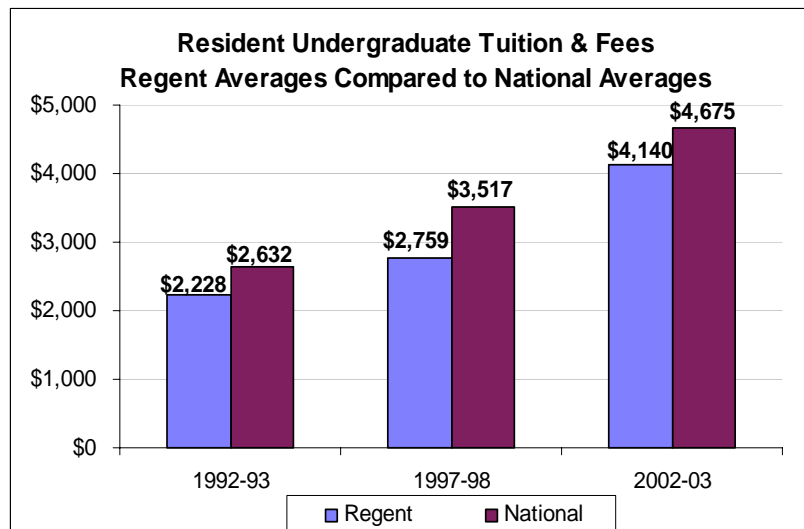
* Projected.

Market Price

These data compare the national average resident undergraduate tuition and fees dollar amounts for public universities with those of the Regent universities tuition and fees over the last 10 years, 5 years and most recent available academic year.

National Comparisons

The national trend continues to be an increase in the average tuition and fees. The national tuition and fees have increased 77.6% since the 1992-93 year. While the Regent tuition and fees have increased 85.8% in those same 10 years, they are still less than the national average.



Source: "2002-2003 Tuition and Fee Rates, A National Comparison," Washington State Higher Education Coordinating Board, December 2002.

Peer Groups

The following table and those on the next two pages represent comparative analyses with the Board-established peer groups; ten other universities are represented in each of the Regent universities peer comparison groups.

Resident and nonresident undergraduate tuition and fees at the University of Iowa and Iowa State University are below the average tuition and fees of their established peer university comparison groups. The University of Northern Iowa undergraduate tuition and fees are above the average of its peer group while the nonresident is below the average.

Regent Undergraduate Tuition and Fees 2003-04 Academic Year		
	Resident	Nonresident
University of Iowa	\$4,993	\$15,285
SUI Peer Group Average *	5,867	17,477
\$ from Peer Group Average	874	2,192
% of Peer Group Average	85.1%	87.5%
Iowa State University	\$5,028	\$14,370
ISU Peer Group Average *	5,745	16,762
\$ from Peer Group Average	717	2,392
% of Peer Group Average	87.5%	85.7%
University of Northern Iowa	\$4,916	\$11,874
UNI Peer Group Average *	4,785	13,004
\$ from Peer Group Average	(131)	1,130
% of Peer Group Average	102.7%	91.3%

* Averages exclude Regent institutions.

While the base tuition percentage increases of the past three years have been higher at the Regent institutions than in the past, the dollar increases for SUI and ISU have been below the average dollar increases of their peer groups. The tables on the following pages rank peer group comparisons of undergraduate resident and non-resident tuition and fees for the 2003-2004 academic year.

Iowa State University has gained one position within the group since the 2002-2003 academic year. The University of Iowa and the University of Northern Iowa both remain in the same relative position within their peer groups.

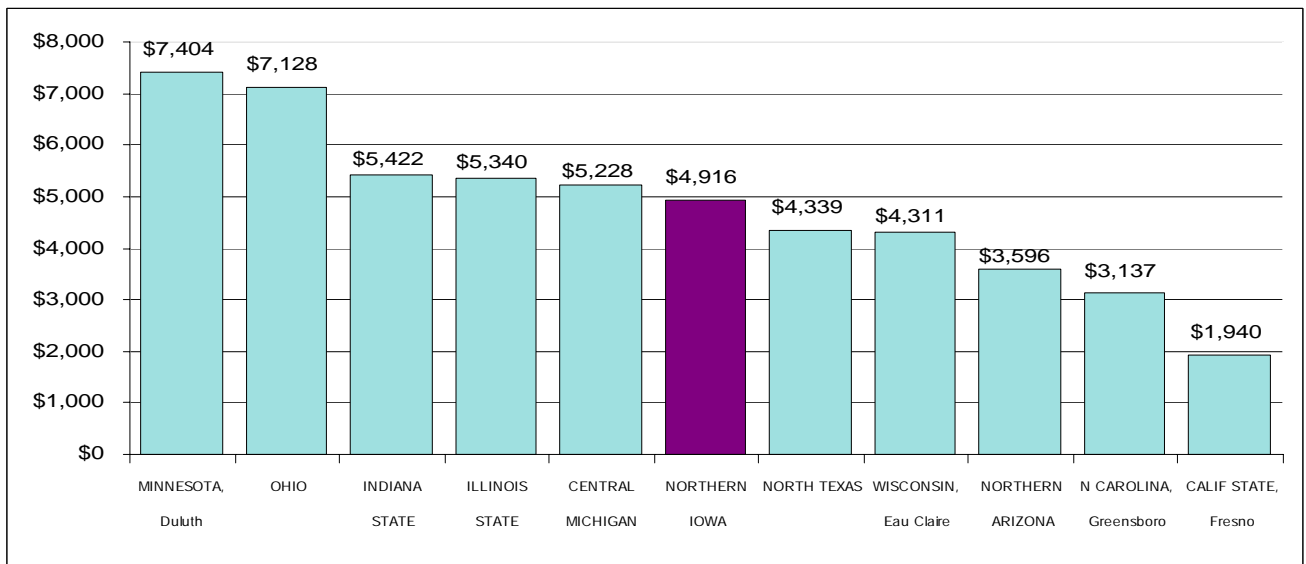
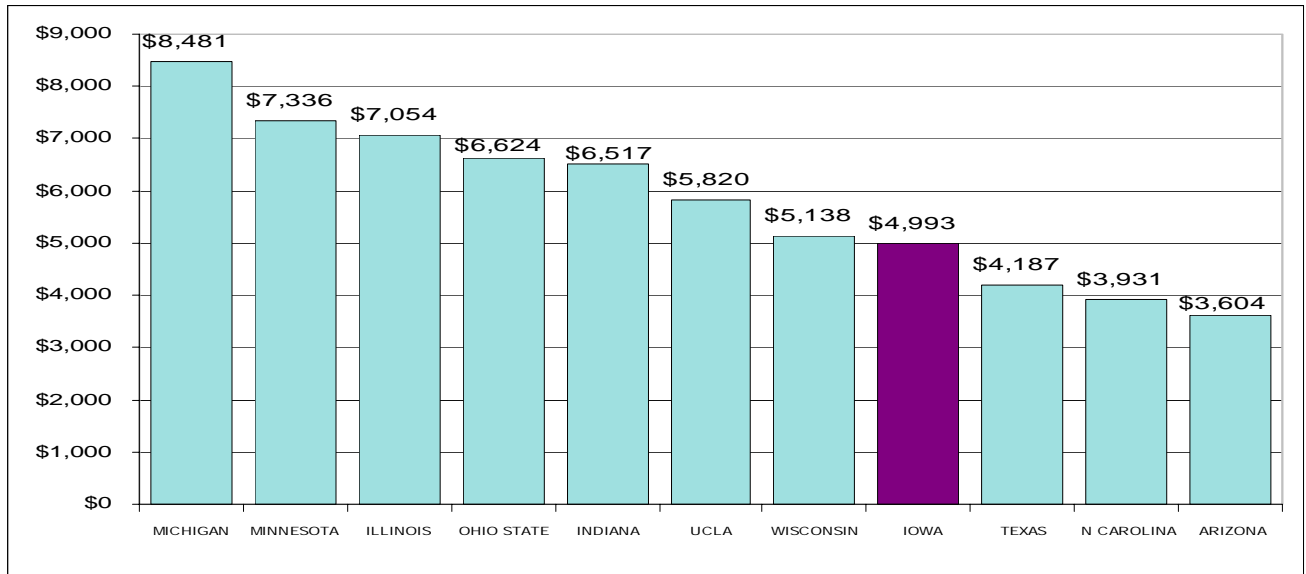
Some of the peer institutions have established two levels of tuition – one for new students and one for continuing students. The tables reflect the cost to a new student.

Iowa Private
Colleges

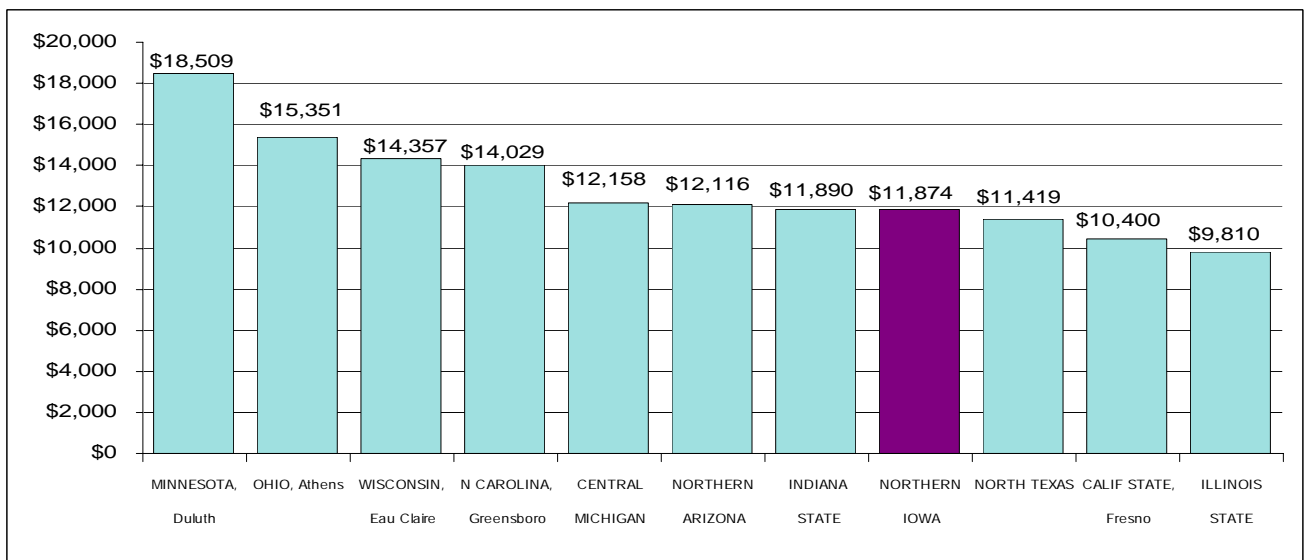
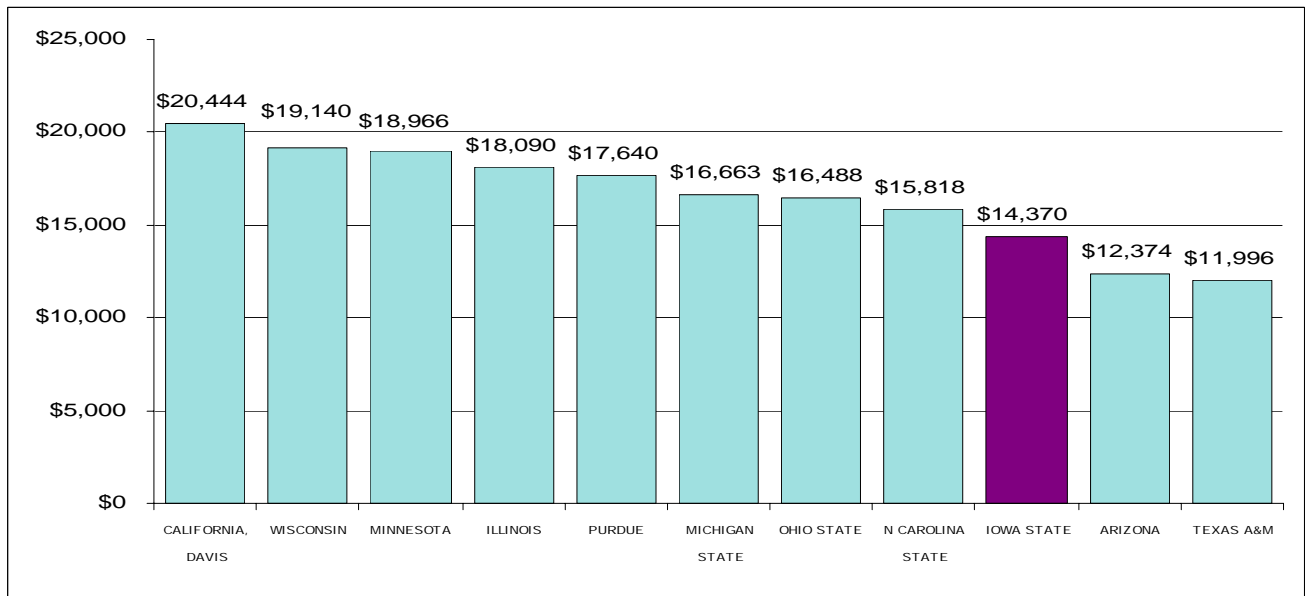
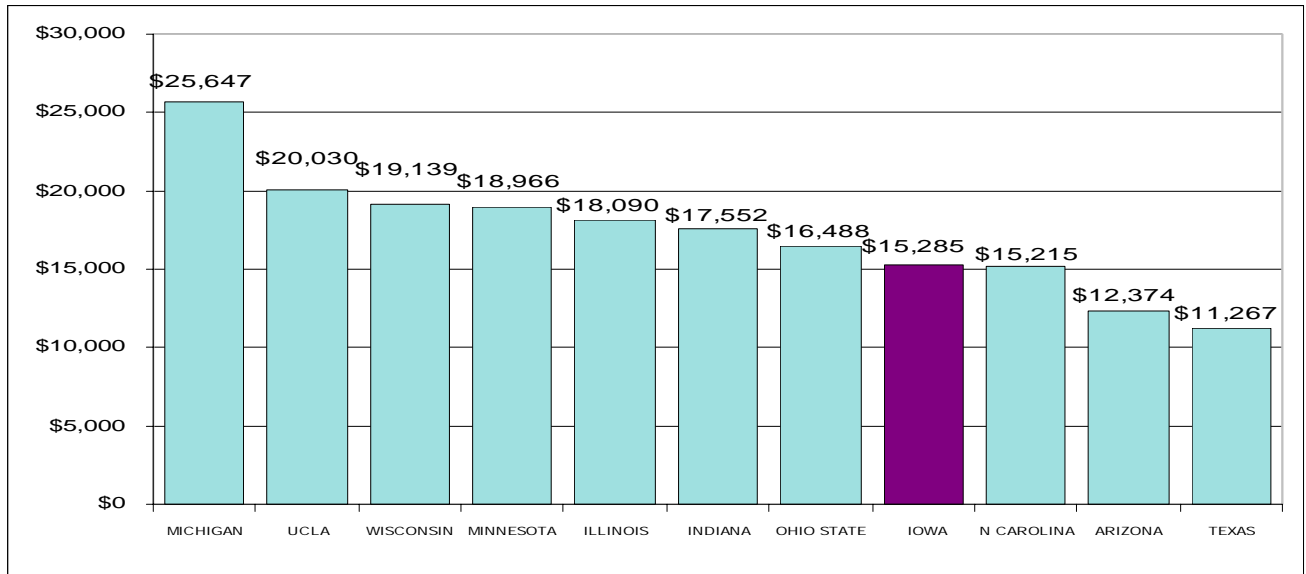
The average tuition and fees of Iowa's independent colleges and universities is 3.5 times higher than the average of the Regent institutions.

24 Iowa Independent Colleges and Universities Average Tuition and Fees Comparison 2003-04 Academic Year	
Regent University Average Resident Tuition & Fees	\$4,979
Independent's Undergraduate Average	17,518
Regent \$ from Independents Average	12,539
Regent Tuition & Fees as % of Independents Average	28.4%

Peer Group Comparisons of 2003-04 Undergraduate Resident Tuition and Fees



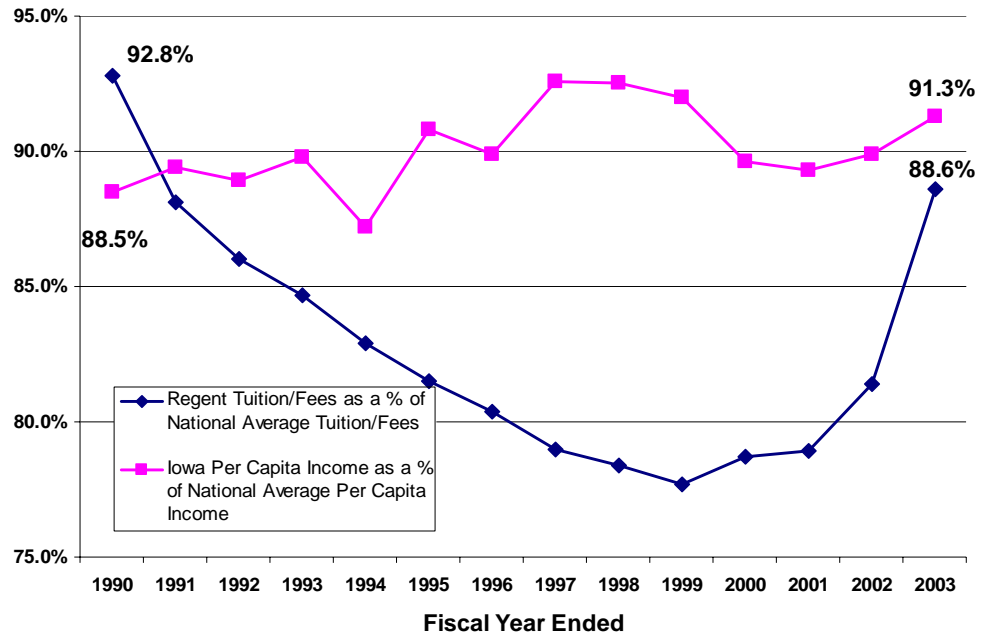
Peer Group Comparisons of 2003-04 Undergraduate Nonresident Tuition and Fees



Accessibility

Percentages of National Averages

The following chart shows the Regent tuition and fees as a percent of the national average of tuition and fees compared to the Iowa per capita income as a percent of the national average.



Sources: Washington State Higher Education Coordinating Board, State Tuition and Fee Rates, December 2002 and US Department of Commerce, Bureau of Economic Analysis, July 2003.

Iowa's per capita income of \$28,141 in 2002-2003, as published by the US Department of Commerce was 91.3% of the national average of \$30,832. Regent average tuition and fees of \$4,140 for 2002-2003 were 88.6% of the national average of \$4,675.

Iowa's per capita income percentage of the national average has been higher than the percentage for tuition and fees for many years. The recent tuition increases have narrowed that gap.

State
Comparisons

The table below lists the ten states represented in the Regent universities peer comparison groups, along with other states contiguous to Iowa, and shows:

- Average public university resident undergraduate tuition and fees charged in each state as a percentage of each state's per capita personal income, comparing the relative amount of income paid toward tuition.
- Tuition and fees ranking within the United States, with one being the highest tuition and 50 being the lowest.
- Per Capita Income ranking within the United States with one being the highest per capital income and 50 being the lowest.

	Tuition and Fees as % of Per Capita Income		Tuition and Fees Ranking	Per Capita Income Ranking
	<u>2001-02</u>	<u>2002-03</u>	<u>2002-03</u>	<u>2002-03</u>
	IOWA	12.7%	14.7%	27
Arizona*	9.6%	9.6%	48	38
California	12.6%	12.8%	25	10
Illinois	17.4%	20.1%	6	8
Indiana	17.2%	18.8%	17	31
Michigan	23.4%	24.8%	4	18
Minnesota	16.7%	18.5%	8	7
Missouri	17.3%	19.3%	13	26
Nebraska	13.0%	14.0%	28	23
North Carolina*	11.8%	14.0%	33	34
Ohio	16.7%	18.6%	15	25
South Dakota	13.7%	14.5%	32	36
Texas	14.8%	18.8%	16	30
Wisconsin	14.1%	14.7%	23	21
Average of above excluding Iowa	15.2%	16.8%		
NATIONAL AVERAGE	14.0%	15.2%		

Sources: Washington Higher Education Coordinating Board, Tuition and Fee Rates, A National Comparison, December 2002 and US Department of Commerce, Bureau of Economic Analysis, July 2003.

* Certain states, such as Arizona and North Carolina, have constitutional restrictions on tuition.

Regent tuition and fees as a percentage of Iowa per capita personal income is less than the average of the peer group states and other Midwestern states, as well as the nation as a whole. Iowans are paying less of their income toward tuition than other states.

Student Financial Aid

The universities, during recent years, have expended significant effort to increase student financial aid from institutional and private sources. These efforts help to ensure affordability and support access.

Total student financial assistance for FY 2003 from all sources was \$608.5 million and encompassed more than 175,000 awards. (Note: the number of awards does not reflect the number of students. A student may receive more than one award.)

FY 2003 Student Financial Assistance

	<u># of Awards</u>	<u>Value of Awards</u>	<u>Mean Award</u>
Grants/Scholarships	63,970	\$153,592,073	\$2,401
Loans	76,309	337,125,985	4,418
Employment	<u>35,380</u>	<u>117,742,679</u>	3,328
Total	175,659	\$608,460,737	\$3,464

All students who apply for need-based financial assistance must use the Free Application for Federal Student Assistance (FAFSA). The institutions, through a combination of grants/scholarships, loans, and employment, address each student's needs individually.

Regent Tuition Set-Aside Policy

To accomplish the Board's priority of ensuring high-quality educational opportunities for all students, a mix of need-based aid and merit aid from the tuition set-aside is necessary. It is essential that the universities attract quality students as well as provide affordable higher education.

During its tuition discussion in November 2002, the Board directed the universities to distribute at least 15% of gross tuition revenue annually for student financial aid with a focus on need-based aid.

The following table shows the total student aid that is set-aside from tuition in the FY 2004 budgets. All of the universities have exceeded the minimum requirement established by the Board in November 2002.

FY 2004 Budget Information

	<u>Tuition Revenues</u>	<u>Student Aid Set-aside</u>	<u>Student Aid as % of Tuition</u>
SUI	\$199,091,993	\$33,816,110	17.0%
ISU	161,309,266	35,309,605	21.9%
UNI	56,100,000	10,100,000	18.0%

The following table shows the FY 2003 student aid set-aside by institution and the percentage that is merit and need-based. In many cases, a student who receives merit-based financial assistance could have also qualified for need-based aid. The footnotes identify the portion of the merit-based aid that reflects the need-based component.

FY 2003 Tuition Set-Aside Student Financial Aid

	<u>Student Aid Set-Aside</u> ¹	<u>% Need-Based</u> ²	<u>% Merit</u> ²
SUI	\$28,048,710	70.0%	30.0% ³
ISU	28,100,481	46.2%	53.8% ⁴
UNI	8,200,708	44.7%	55.3% ⁵

¹ All educational levels.
² Undergraduates.
³ 41% demonstrated need.
⁴ 48% demonstrated need.
⁵ 50% also had demonstrated need.

		Regent Financial Aid by Funding Source				
		FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Grants						
Federal		\$38,460,623	\$37,855,786	\$41,329,761	\$49,153,189	\$54,104,464
State		3,477,959	3,511,674	4,169,543	4,501,290	4,720,675
Institutional		<u>63,881,800</u>	<u>69,384,752</u>	<u>72,504,865</u>	<u>80,098,760</u>	<u>94,766,934</u>
		<u>\$105,820,382</u>	<u>\$110,752,212</u>	<u>\$118,004,169</u>	<u>\$133,753,239</u>	<u>\$153,592,073</u>
Loans						
Federal		\$199,506,283	\$205,414,062	\$210,035,578	\$237,685,903	\$269,829,175
State		-	40,500	69,000	220,412	435,960
Institutional		1,668,715	1,888,966	1,842,990	1,896,988	1,871,975
Private		<u>22,696,441</u>	<u>29,935,179</u>	<u>40,235,364</u>	<u>51,305,851</u>	<u>64,988,875</u>
		<u>\$223,871,439</u>	<u>\$237,278,707</u>	<u>\$252,182,932</u>	<u>\$291,109,154</u>	<u>\$337,125,985</u>
Employment						
Federal		\$5,644,976	\$5,320,322	\$5,355,745	\$5,463,820	\$6,212,585
State		2,164,233	2,454,183	1,949,945	-	-
Institutional		<u>101,852,009</u>	<u>105,546,031</u>	<u>106,271,205</u>	<u>110,851,287</u>	<u>111,530,094</u>
		<u>\$109,661,218</u>	<u>\$113,320,536</u>	<u>\$113,576,895</u>	<u>\$116,315,107</u>	<u>\$117,742,679</u>
Totals						
Federal		\$243,611,882	\$248,590,170	\$256,721,084	\$292,302,912	\$330,146,224
State		5,642,192	6,006,357	6,188,488	4,721,702	5,156,635
Institutional		167,402,524	176,819,749	180,619,060	192,847,035	208,169,003
Private		<u>22,696,441</u>	<u>29,935,179</u>	<u>40,235,364</u>	<u>51,305,851</u>	<u>64,988,875</u>
		<u>\$439,353,039</u>	<u>\$461,351,455</u>	<u>\$483,763,996</u>	<u>\$541,177,500</u>	<u>\$608,460,737</u>

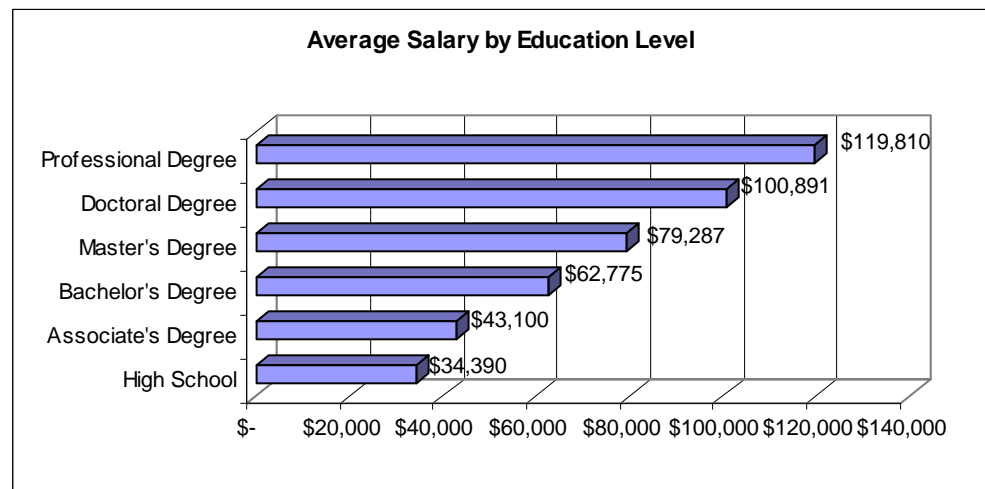
		Regent Financial Aid by Aid Type				
		FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Grants						
Need-based		\$40,335,709	\$40,193,123	\$42,073,027	\$57,972,418	\$69,887,143
Need/Merit		36,965,533	40,392,826	42,859,452	26,003,650	27,042,052
Merit only		26,125,526	27,930,597	30,279,350	47,834,075	54,056,880
Other		<u>2,393,614</u>	<u>2,235,666</u>	<u>2,792,340</u>	<u>1,943,096</u>	<u>2,605,998</u>
		<u>\$105,820,382</u>	<u>\$110,752,212</u>	<u>\$118,004,169</u>	<u>\$133,753,239</u>	<u>\$153,592,073</u>
Loans						
Need-based		\$112,451,593	\$109,610,891	\$109,551,554	\$119,569,184	\$136,898,270
Other		<u>111,419,846</u>	<u>127,667,816</u>	<u>142,631,378</u>	<u>171,539,970</u>	<u>200,227,715</u>
		<u>\$223,871,439</u>	<u>\$237,278,707</u>	<u>\$252,182,932</u>	<u>\$291,109,154</u>	<u>\$337,125,985</u>
Employment						
Need-based		\$7,809,209	\$7,774,505	\$7,305,690	\$5,463,820	\$6,212,585
Other		<u>101,852,009</u>	<u>105,546,031</u>	<u>106,271,205</u>	<u>110,851,287</u>	<u>111,530,094</u>
		<u>\$109,661,218</u>	<u>\$113,320,536</u>	<u>\$113,576,895</u>	<u>\$116,315,107</u>	<u>\$117,742,679</u>
Totals						
Need-based		\$160,596,511	\$157,578,519	\$158,930,271	\$183,005,422	\$212,997,998
Need/Merit		36,965,533	40,392,826	42,859,452	26,003,650	27,042,052
Merit only		26,125,526	27,930,597	30,279,350	47,834,075	54,056,880
Other		<u>215,665,469</u>	<u>235,449,513</u>	<u>251,694,923</u>	<u>284,334,353</u>	<u>314,363,807</u>
		<u>\$439,353,039</u>	<u>\$461,351,455</u>	<u>\$483,763,996</u>	<u>\$541,177,500</u>	<u>\$608,460,737</u>

Return on Investment

Value of a College Education

The value of education can be measured in many ways. Unquestionably, higher education improves the quality of life, increases individual opportunities, and provides numerous benefits for the individual student and society.

With each additional level of education, the average salary an individual can earn increases significantly. The following table demonstrates the economic benefits of higher education using 2001 data from the United States Census Bureau. With each additional level of education, the average salary an individual can earn increases significantly.



Source: U.S. Census Bureau, Current Population Surveys, March 2002.

Student's Return on Educational Investment

The significant increases in salaries by educational attainment compound over a lifetime.

The following example is provided to demonstrate the value of higher education to an individual and the substantial return on investment. The analysis is simple and therefore does not take into consideration inflation, wage or cost increases, or promotional opportunities.

Wage/Salary Differential

- The difference in average earnings between individuals with only a high school diploma versus those with a bachelor's degree is annually \$28,385 (82.5% of the wages of a high school graduate) for calendar year 2001.

Cost of Education

- The average undergraduate resident tuition and fees at a Regent University for academic years 2001-02 through 2003-04 was \$4,196 per year for an estimated four-year cost of \$16,784.

Opportunity Cost

- If an individual goes to college for four years instead of earning an average salary with a high school diploma of \$34,390 for four years, the opportunity cost (or lost wages) during that four-year period would be \$137,560.

Pay Back Period

- To pay back the average tuition required to achieve the four-year degree, it would take 1.7 years at the average bachelor's degree wage (excluding wages that would have been earned with a high school diploma).
- It would take an additional 4.8 years to recover the opportunity cost.

Added Value

- Assuming that the student works until a projected retirement age of 68, he/she will have earned a salary that was at least 82.5% higher for the remaining 39.5 years (46 years less 1.7 years and 4.8 years identified above) of his/her working life after accounting for the years in the pay back period.
- The remaining 39.5 working years would provide additional value in compensation of at least \$1,120,145.

Return on Investment

- The net added value return on investment for tuition paid to earn a bachelor's degree is about \$67 for every tuition dollar spent.
- The return on investment is even more compelling when considering higher levels of education such as master, doctoral, or professional degrees.
- Individuals with each level of higher education would have more disposable income to contribute to the economy.

MANDATORY FEES

Executive Summary:

Mandatory fees provide a distinct resource to respond to the specific needs of students.

Summary	Mandatory Fees			
	<u>Actual</u> 2003-04	<u>Proposed</u> 2004-05	<u>Dollar</u> <u>Increase</u>	<u>Percentage</u> <u>Increase</u>
SUI*	\$651	\$694	\$43	6.6%
ISU*	686	724	38	5.5%
UNI**	574	685	111	19.3%

* Computer fees vary by program at SUI and ISU.

** Includes final year of redirection of designated tuition to mandatory fees.

SUI The University of Iowa's proposal for the 2004-05 academic year includes:

- Sizeable increases in:
 - General computer fee of \$18 (9.6%).
 - Computer fee for Public Health MS and PhD students of \$150 (79.8%).
 - Student activities fee of \$12 (30.8%), which includes \$2 for inflation and \$10 for a new campus-wide newspaper readership program.
- Inflationary increases for health, student services, and student union fees.
- No increase in the health facility and building fees.

ISU Iowa State University's proposal for the 2004-05 academic year includes:

- Sizeable increases in:
 - Student services fee of \$20 (12.6%) including the CyRide bus and intercollegiate athletics.
 - Health fee of \$10 (6.3%).
- Inflationary increases for all computer fees.
- No increase in the health facility, student activities, and building fees.

UNI The University of Northern Iowa's proposal for the 2004-05 academic year includes:

- The final year of its multi-year redirection of designated tuition to mandatory fees that includes an \$88 increase in the Student Services fee.
- Sizeable increases in:
 - General computer fee of \$15 (10%).
 - Health fee of \$8 (6.9%).
- Significant increases in summer fees as part of a plan to increase summer fees to 75% of the fees for the academic year.
- No increase in the health facility and building fees.

The Board staff recommends that universities be reminded that the mandatory fees are to be used for the purpose approved by the Board.

Background:

**Mandatory Fees
History**

During the early 1990's, the Regents approved three types of mandatory fees, which were in addition to tuition - health fees, computer fees, and health facility fees. Mandatory fees provide a distinct resource to respond to the specific needs of students.

The student health fee was approved for FY 1991, after several months of study. This fee eliminated the existing voluntary health fee and created a mandatory student health fee to benefit all students.

The computer fee was initiated in the fall of 1990 for FY 1992. The institutions were charging numerous, miscellaneous computer fees for courses/programs. The Board consolidated these miscellaneous computer fees into a comprehensive fee to improve computer education and access for all students. The mandatory computer fee continues to serve the purpose for which it was established, providing a distinct resource to respond to computer infrastructure and technology needs to support instructional initiatives and programs.

The health facility fee was initiated at Iowa State University for FY 1994 to be applied to debt service obligations on a bond sale that funded the relocation and improvements of facilities for the Student Health Service. This was followed by the initiation of health facility fees to support improvements to student health facilities.

**Student Fee
Committee**

During the 1992 General Assembly, legislation was enacted providing students the authority to participate in the allocation decisions for student fees.

Per Iowa Code §262.34B, a student fee committee at each university, composed of five students and five university employees, is required to make recommendations for the student fee allocations to the university president by April 15 for the subsequent academic year.

The university president, in turn, makes a recommendation to the Board and the Board makes the final decision on the allocations of student fees. This process allows student input into the decisions of how the student fees are allocated.

**Redirect of Tuition
to Mandatory Fees**

In October 1999, the Board made a fundamental change in the structure of tuition and fees, approving a request of the University of Iowa to establish new mandatory fees for certain student activities and student services rather than using designated tuition revenues. The change took tuition revenues that had been designated historically for student activities and student services, and established them as separate and distinct mandatory fees.

In October 2000, the Board made a similar redirection of tuition to new mandatory fees for Iowa State University and the University of Northern Iowa so that an additional portion of tuition revenues could be utilized for academic programs.

Consequences	<p>As a result of this redirection from tuition to mandatory fees produced the following:</p> <ul style="list-style-type: none">• Tuition dollars became available for academic areas and needs.• Students paid mandatory fees rather than tuition to support specific programs that promote student activities and services.• Students continued to pay the same amount for tuition, plus any base tuition increase approved by the Board for next year (i.e. students continued to pay the same level of tuition, but the funds were spent for different purposes).
Continued Student Involvement	<p>In approving this redirection to mandatory fees, the Board required the universities to return to the Board for specific approval of any increase in fees and to:</p> <ul style="list-style-type: none">• Consult with students regarding the proposed expenditures of the newly available tuition revenues released by redirection of tuition to fees.• Report to the Board on revenues and expenditures for all tuition and fees generated by this proposal (including the disposition of unallocated funds).• Address the applicability of mandatory fees for part-time students, off-campus students, and summer session students.
Elimination of Designated-Tuition Fees	<p>There has been a mix of mandatory fees and designated-tuition fees on a per student basis. In certain cases, a particular student need was funded from both sources which often caused confusion.</p> <p>In November 2002, the Board directed the universities to phase out all allocations of tuition and establish them as mandatory fees, simplifying student fees. Designated-tuition fees will be completely eliminated by the 2004-05 academic year. During the 2003-04 academic year, only UNI had designated-tuition fees.</p>
Athletics	<p>In June of this year, the Board directed the Board Office and the universities to evaluate, prior to the establishment of tuition and fees for the 2004-2005 academic year, the following funding sources for athletics:</p> <ul style="list-style-type: none">• Student fees used for athletics and propose, for Board consideration, a policy setting an appropriate maximum amount to be devoted to intercollegiate athletics at each institution.• Institutional educational (general university) funds used for athletics and propose, for Board consideration, a policy setting a proportional maximum amount of general university funds to be devoted to intercollegiate athletics at each institution. <p>The Board Office is recommending that this be deferred to the February meeting and included with the tuition policy discussion.</p>

University of Iowa

	Mandatory Fees			
	2003-04	2004-05 Proposals		
	Actual	Proposed	\$ Increase	% Increase
Computer*	\$188	\$206	\$18	9.6%
Health	159	166	7	4.4%
Health Facility	10	10	0	0.0%
Student Activities	39	51	12	30.8%
Student Services	51	53	2	3.9%
Student Union	85	89	4	4.7%
Building Fee	<u>119</u>	<u>119</u>	<u>0</u>	0.0%
TOTAL	\$ 651	\$ 694	\$ 43	6.6%

* Computer fees for students in Business, Engineering, and Law are higher than the proposed computer fees. The proposed 2004-05 computer fee for Public Health MS and PhD students is higher as well.

Computer

	Actual	Proposed	Increase	
	<u>2003-04</u>	<u>2004-05</u>	\$	%
All students except Business, Law, Engineering and Public Health, (and Public Health in 2005)	\$188	\$206	\$18	9.6%
Law students	330	350	20	6.1%
Business students	420	440	20	4.8%
Engineering students	480	490	10	2.1%
Public Health MS and PhD students	188	338	150	79.8%

New revenues generated would be approximately \$387,000.

The University allocates the collegiate share of its general student computing fees based on the number of students in the colleges. Each college also supports central computing services on a pro-rata basis. The central services support general student computing labs, technology classrooms, student help desk, and off-campus Internet access.

The University indicates that the colleges will continue to include students in the decision making process for funding allocations, with oversight of the computer fees provided by the university-wide faculty/student advisory committee.

The University proposes to utilize the increased computer fees as follows:

General – to fund inflationary increases, in costs of licenses and support staff, upgrades to web-based course management systems and a specific set of initiatives selected from student priorities.

Business – to fund inflationary increases and additional new services.

Law – to finance the College’s continuing commitments to provide student-accessible databases, both cost increases in existing databases and due to new sources.

Engineering – to fund inflationary increases in existing services.

Public Health (MS and PhD) – The College of Public Health is requesting a distinct computer fee for all MS and PhD students. The University states that these students have technology needs similar to those enrolled in Business and Engineering. The College plans to use the additional fees to support student computer needs including hardware, software, and technical support staff.

The College is also requesting a \$1,000 surcharge for all first year Master of Public Health students. (See pages 41 through 44.)

The University has not yet been able to assess student reaction, but does not anticipate any significant student concern.

Health The University requests a \$7 increase for the Student Health Service to generate approximately \$225,000 to support the operating expenses of the Student Health Clinic, which provides a full range of primary health care services as well as emphasis on disease prevention, health education, gynecology, and psychiatry services.

The University indicates that 72% of the student health center income is from the health and health facility fees. Another 18% is from service fees, and the remaining 10% is from a University allocation.

Health Facility The University does not propose changes to the health facility fee.

Student Activities The University proposes a \$12 increase (30.8%) for the 2004-05 academic year in the student activities fee. This includes a \$2 inflationary increase and a new program fee of \$10. The University of Iowa Student Government (UISG) supports the inflationary increase of \$2 and proposed a campus-wide newspaper readership program for students which would be funded by the increase of \$10. The UISG is conducting a pilot program September 2 – October 3.

Student Services The University proposes a \$2 increase (3.9%) for the 2004-05 academic year in the student services fee. This fee supports CAMBUS, the *Daily Iowan*, and recreational services. The University reports that Student Government leaders concur with the increase.

Student Union The University proposes a \$4 increase (4.7%) for the 2004-05 academic year in the student union fee. This fee supports the operations of the Iowa Memorial Union (IMU), which is an integral part of student life. The University reports that Student Government leaders concur with the increase.

Building Fee The University does not propose changes to the building fee.

Iowa State University

	Mandatory Fees			
	2003-04	2004-05 Proposals		
	Actual	Proposed	\$ Increase	% Increase
Computer*	\$188	\$196	\$8	4.3%
Health	160	170	10	6.3%
Health Facility	16	16	0	0.0%
Student Activities	57	57	0	0.0%
Student Services	159	179	20	12.6%
Building Fee	<u>106</u>	<u>106</u>	<u>0</u>	0.0%
TOTAL	\$ 686	\$ 724	\$ 38	5.5%

* Computer fees for students in Computer Science, Engineering, and Management Information Systems are higher than the above proposed computer fees.

Computer

	Actual	Proposed	Increase	
	<u>2003-04</u>	<u>2004-05</u>	\$	%
All undergraduate students except Computer Science & Management Information Systems and Engineering students	\$188	\$196	\$ 8	4.3%
Computer Science & Management Information Systems students	\$322	\$334	\$12	3.7%
Engineering students	\$404	\$420	\$16	4.0%
Graduate students (at 80% of undergrad rate)	\$150	\$156	\$6	4.0%

Iowa State University proposes inflationary increases in all categories of computer fees. The University estimates that the additional fees will generate approximately \$246,000 for the 2004-05 academic year.

Iowa State University splits the generated fees between a Central Pool and a College Pool.

- The Central Pool funds are used for projects such as laptops that can be checked out by students for developing class projects and presentations; wireless access points in classrooms and other public areas; and the development of an ePortfolio system for students. Funding also supports student instructional computing facilities and services, micro computing, print services, short courses, and other computer training opportunities.
- The College Pool is allocated to colleges based on student credit hours and the number of majors in each college. It provides operating support for facilities including hardware maintenance, hardware and software upgrades, student laboratory monitors, and printing supplies.

Health	The University proposes an increase of \$10 (6.3%) in its student health fee. The University reports that the additional fee would generate approximately \$250,000 to continue to provide stable funding for the operations of the Student Health Center which enables it to keep user fees at a reasonable rate.
Health Facility	The University does not propose changes to the health facility fee.
Student Activities	The University does not propose changes to the student activities fee.
Student Services	<p>The University proposes an increase of \$20 (12.6%) in its student services fee, which is estimated to provide \$500,000 in additional revenue. This includes a \$3 increase for intercollegiate athletics, \$2.80 for inflationary adjustments, and \$14.20 for the CyRide bus. The increase for the CyRide provides the final amount to fully implement a plan to make access to the bus system free to all students.</p> <p>The University reports that the special student fee committee concurred in the spring with this recommendation.</p>
Building Fee	The University does not propose changes to the building fee.

University of Northern Iowa

	Mandatory Fees			
	2003-04	2004-05 Proposals		
	Actual	Proposed	\$ Increase	% Increase
Computer	\$ 150	\$ 165	\$ 15	10.0 %
Health	116	124	8	6.9 %
Health Facility	26	26	0	0.0 %
Student Services*	102	190	88	86.3 %
Building Fee	<u>180</u>	<u>180</u>	<u>0</u>	0.0 %
TOTAL	\$ 574	\$ 685	\$ 111	19.3 %

* Includes final year of redirection of designated tuition to mandatory fees.

Computer

The University of Northern Iowa proposes a \$15 (10.0%) increase per academic year in computer fees. The University estimates that the additional fee would generate approximately \$177,000 additional revenues for the 2004-05 academic year.

UNI reported that computer fees are used for any technology-related expenditure that will directly benefit students. Students are expected to use e-mail, electronic resources, and the Internet. Faculty increasingly use multimedia to enhance their teaching and provide discipline-specific computer experiences for students.

A portion of the computer fee funds proposals developed by numerous sectors of the University. Campus technology advisory committees and student computer advisory committees review the proposals and provide input. Funding awards are made on a competitive basis.

Historically, these funds have been used for expansion of discipline specific computer support including laboratories, multimedia, presentation classrooms, and demonstration stations for students and faculty. The fee is also used to replace obsolete computer equipment in student labs, support interdisciplinary curriculum development, expand networking for access to existing software resources, create student ID cards, and improve the library access system.

Last year funds were used to support technology in large classrooms and, with continuing education students now paying the fee, to upgrade ICN rooms.

Health

The University proposes an \$8 (6.9%) increase in its student health fee. The increase would result in new income of \$21,300 for the 2004-05 academic year. The fee primarily supports university medical services to students. The fee also enables the health system to respond to individual and public health needs and to provide counseling, disability, and health promotion services for students.

The University states that this increase will cover the cost of regular increases in staff salaries, equipment and technology support, and funds for an emergency epidemic immunization reserve.

The University reports that this increase has been discussed with student government leaders and the student health advisory board.

Health Facility The University does not propose changes to the health facility fee.

Student Services The University is in the final year of its multi-year redirection of tuition to mandatory fees that includes an \$88 increase in student services fee. In the current year, the University had \$90 of tuition designated to fees so most categories of fees either remained the same or decreased slightly.

The University reports that the Student Activity Fee committee has recommended these changes.

Building Fee The University does not propose changes to the building fee.

Summer Fees The summer session at UNI is now three fourths of the length of the regular semester. Last November, the University proposed to gradually move the amount assessed for summer fees to three fourths of the semester rates. The Board authorized the University to modify its assessment of mandatory fees for summer and charge 60% of the semester fees for the 2003-04 academic year.

For the 2004-05 academic year, the University proposes to increase the mandatory fees for the summer session to 75% of the semester amount. The following table identifies the increases for each fee.

Summer Session (per student)				
	Actual 2003-2004	Proposed 2004-2005	Dollar Change	Percent Change
Computer Fee	\$90.00	\$123.75	\$33.75	37.5%
Health Fee	69.60	93.00	23.40	33.6%
Health Facility Fee	7.80	9.75	1.95	25.0%
Student Services Fee	57.50	71.25	13.75	23.9%
Building Fee	54.00	67.50	13.50	25.0%
Total	278.90	\$365.25	\$86.35	31.0%

SURCHARGES

Background

Tuition surcharges represent earmarked amounts for specific colleges and purposes. Students enrolled in specific colleges pay the surcharge in addition to the university's base graduate tuition and receive the benefits of additional resources. Base tuition and base tuition increases are not earmarked for special academic units but are part of the overall general university fund budgeting process.

The following table represents the proposed surcharges:

University of Iowa Incremental Surcharges 2004-05 Academic Year		
	<u>Resident</u>	<u>Nonresident</u>
College of Dentistry	1,000	1,000
College of Law	250	250
College of Nursing – Master of Science in Nursing	2,700	2,700
College of Public Health – Master of Health Administration	1,000	1,000
College of Public Health – Master of Public Health	1,000	1,000

On the following pages, each of the surcharge proposals includes identification of the surcharge, the related tuition and mandatory fee amounts, and details on the planned uses of the new surcharge revenues. The universities will basically set aside student financial aid dollars for surcharges in the same percentage as tuition.

**University of Iowa
College of Dentistry**

Academic Program The Dentistry program is a four-year academic program for students seeking a Doctor of Dental Surgery (D.D.S.) degree.

For the first two years, course work integrates the basic sciences with preclinical and clinical disciplines. The second year includes additional patient-treatment experiences in the dental clinics. Third-year students rotate through a series of eight clinical disciplines. Fourth-year students are involved in the delivery of comprehensive dental care that simulates private dental practice.

The D.D.S. program prepares professionals to serve the oral health needs of the citizens of Iowa and of the nation. No further residency training or education is required.

Proposal The University of Iowa is proposing a new annual tuition surcharge of \$1,000 for resident and nonresident first-year College of Dentistry D.D.S. students enrolling in the fall of 2004.

The University does not expect the proposed surcharge to impact enrollment. A total of 76 new students are anticipated for the fall of 2004.

Charges Charges for the program, which also include the proposed annual tuition increases, are as follows:

	<u>Resident</u>			<u>Nonresident</u>		
	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>
Base Tuition / Surcharge	\$15,934	\$17,385	9.1%	\$30,899	\$32,800	6.2%
Mandatory Fees	<u>651</u>	<u>694</u>	6.6%	<u>651</u>	<u>694</u>	6.6%
Total	\$16,585	\$18,079	9.0%	\$31,550	\$33,494	6.2%

Tuition minus the base graduate tuition equals the total surcharge that students pay each year.

	<u>Resident</u>			<u>Nonresident</u>		
	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>
Tuition	\$15,934	\$17,385	9.1%	\$30,899	\$32,800	6.1%
Graduate Tuition	<u>(5,038)</u>	<u>(5,488)</u>	8.9%	<u>(15,072)</u>	<u>(15,972)</u>	6.0%
Total Surcharge	\$10,896	\$11,897	9.2%	\$15,827	\$16,828	6.3%

Uses of New Surcharges

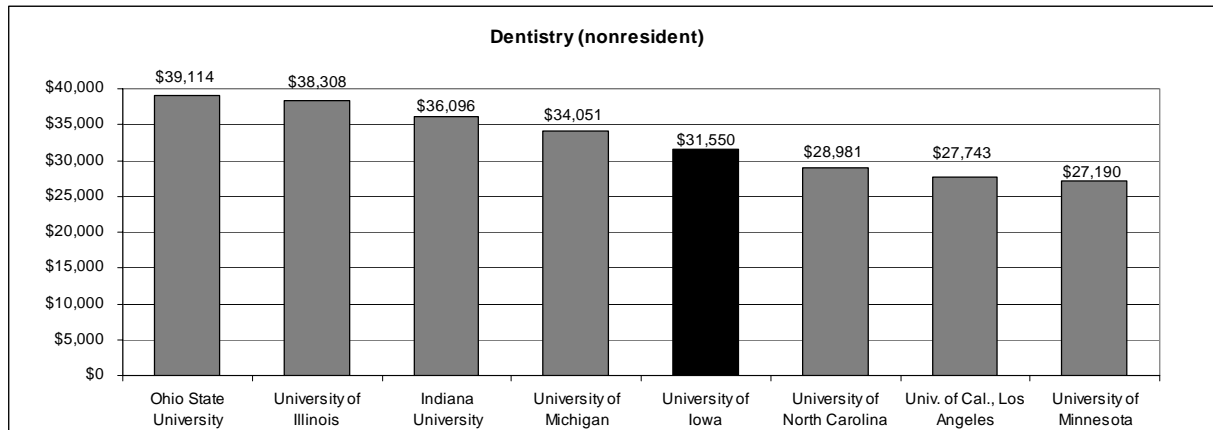
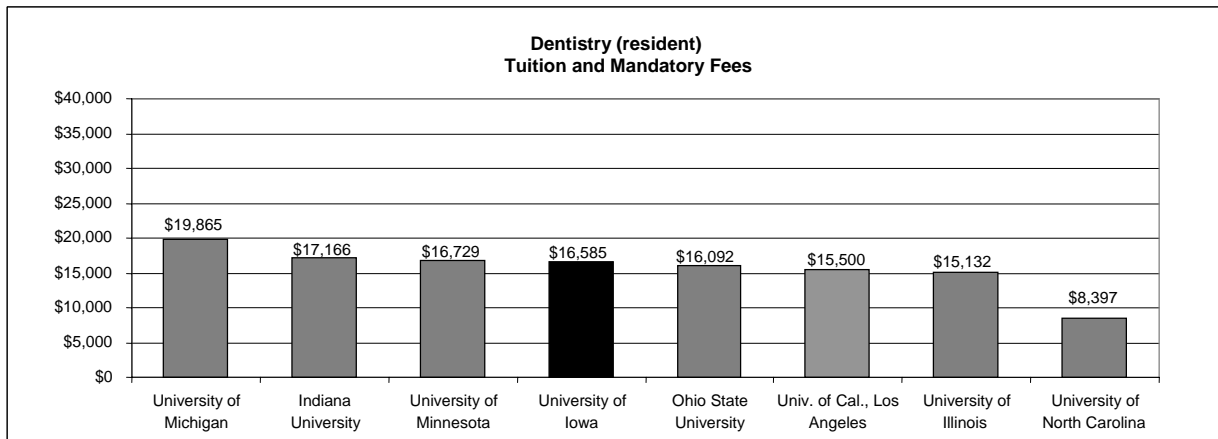
The University reports that it plans to utilize the \$76,000 in additional revenues generated from the proposed surcharge to keep current with industry standards including digital imaging and electronic patient records. The revenue would be spent in the following ways:

Amount	Expenditure Category	Descriptions
\$51,000	Faculty Salaries	Funds will be used to support faculty recruitment and retention in the areas of restorative and geriatric dentistry.
\$12,840	Professional and Scientific Salaries	Funds will be used for faculty and staff expertise in the development of Digital Imaging and Electronic Patient Records.
\$12,160	Student Financial Aid (16%)	Aid will be based on merit and need.
\$76,000		

Peer Comparisons 2003-04 Data

Resident tuition and fees in the College of Dentistry program at the University of Iowa are close to the middle of the peer group and are just over the average costs of \$15,554. Nonresident tuition and fees at the University of Iowa are close to the middle of the peer group and are less than the average of \$33,069.

Peer comparison numbers were provided by the University of Iowa. The graphs reflect 2002-03 data for the University of Illinois; 2003-04 data was not available at the time of submission.



University of Iowa - College of Law

Academic Program The College of Law is a three-year academic program for students seeking a Juris Doctorate (J.D.) degree. Law school policy does not allow for less than full-time attendance.

For the first year, students complete a set of required courses which explore fundamental legal concepts. During the year, students are under close supervision of full-time faculty and learn how to analyze facts, construct legal arguments, conduct research, and perform a variety of legal writing tasks.

For the second and third years, students plan their own courses of study from many specialties within the legal profession. During these two years, students may follow professional interests and focus on a particular specialization, write for one or more student-edited law journals, pursue joint degrees in law-related graduate programs, or obtain a wide exposure to the legal landscape.

Proposal The University of Iowa is proposing a tuition surcharge of \$250 for all resident and nonresident students in the College of Law.

The University does not expect the proposed surcharge to have a negative impact on enrollment. A total of 750 students are anticipated in the fall of 2004.

Charges Charges for the program, which also include the proposed annual tuition increases, are as follows:

	<u>Resident</u>			<u>Nonresident</u>		
	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>
Base Tuition / Surcharge	\$10,810	\$11,510	6.5%	\$24,568	\$25,718	4.7%
Mandatory Fees	___793	___838	5.7%	___793	___838	5.7%
Tuition and Fees	\$11,603	\$12,348	6.4%	\$25,361	\$26,556	4.7%

Tuition minus the base graduate tuition equals the total surcharge that students pay each year.

	<u>Resident</u>			<u>Nonresident</u>		
	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>
Tuition	\$10,810	\$11,510	6.5%	\$24,568	\$25,718	4.7%
Graduate Tuition	<u>(5,038)</u>	<u>(5,488)</u>	8.9%	<u>(15,072)</u>	<u>(15,972)</u>	6.0%
Total Surcharge	\$5,772	\$6,022	4.3%	\$9,496	\$9,746	2.6%

Uses of New Surcharges

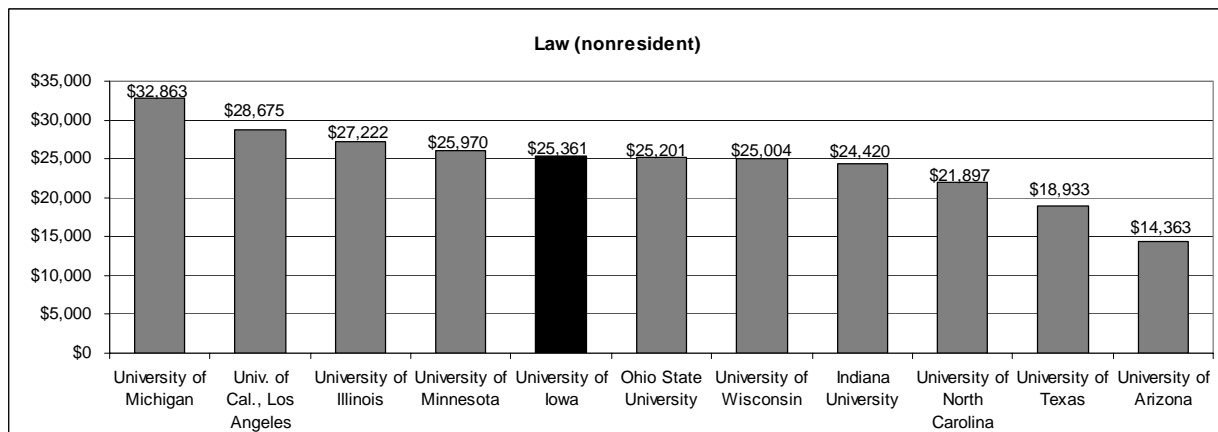
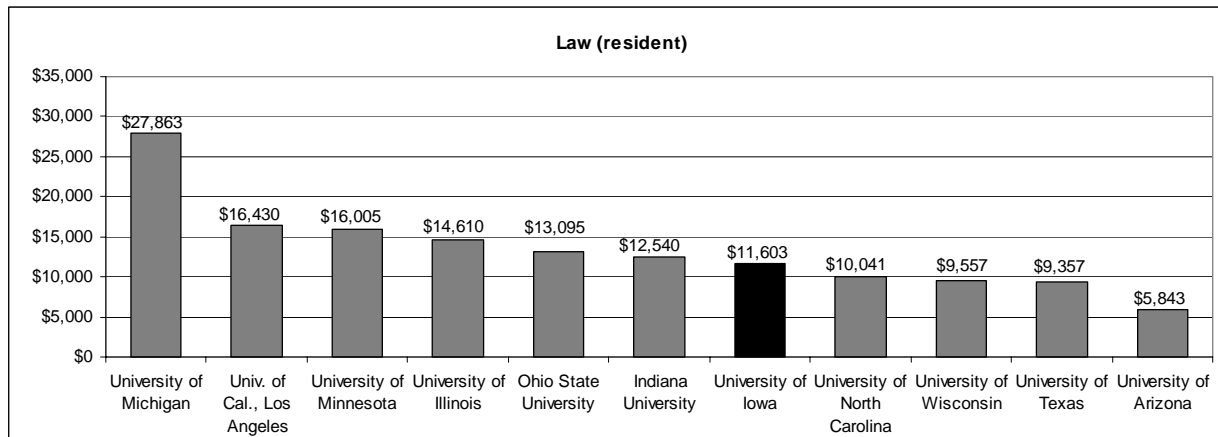
The University reports that it plans to utilize the new \$187,500 in revenues generated from the proposed surcharge to benefit students by improving the intensity and quality of the educational services and professional opportunities. The revenue will be spent in the following ways:

Amount	Expenditure Category	Descriptions
\$67,500	Graduate Assistant Salaries	Funds will support increased funding for Law Research Assistant positions to assist faculty with research and to supervise lawyer skill-training exercises in student-run, co-curricular programs.
\$50,000	Professional and Scientific Staff Salaries	Funds will provide for staff support in the Writing Resource Center to continue innovative emphasis on writing.
\$40,000	Merit Staff Salaries	Funds will provide for a full-time clerk/secretary to serve the credit-granting student programs that currently have no support.
\$30,000	Student Financial Aid (16%)	Aid will be based on merit and need.
\$187,500		

Peer Comparisons 2003-04 Data

Resident tuition and fees in the Law program at the University of Iowa rank in the bottom half of the University's peer group and are less than the average of \$13,534. Nonresident tuition and fees are close to the middle of its peer group and are just over the average cost of \$24,455.

Peer comparison numbers were provided by the University of Iowa. The 2002-03 data were used for the University of Arizona; 2003-04 data was not available.



University of Iowa
College of Nursing – Masters of Science in Nursing

Academic Program The Masters of Science in Nursing (MSN) program takes between 2 – 2 ½ years to complete and allows students to specialize in one of the following areas:

- Adult / Gerontological Health Nursing
- Anesthesia Nursing
- Basic MSN (Masters for Clinical Leadership)
- Child Health Nursing
- Community Health Nursing
- Genetics Nursing
- Gerontological Nursing Education
- MSN / MBA Joint Degree Program
- MSN / MPH Joint Degree Program
- Nurse Practitioner (Pediatric, Adult / Gerontological, or Family Nurse Practitioner)
- Nursing Informatics
- Nursing Service Administration
- Occupational Health Nursing
- Psychiatric / Mental Health Nursing
- School Health Nursing

Proposal The University of Iowa is proposing charging a \$2,700 surcharge for all students in Masters of Science in Nursing (MSN) programs. For 2003-04, the Board approved a \$2,700 surcharge only for the Basic MSN program (Masters for Clinical Leadership). The University proposes a similar surcharge for all of the MSN programs.

The University does not expect the proposed surcharge to impact enrollment. A total of 48 students are anticipated to begin in January 2004. Although the program runs on a calendar year basis, the surcharge will be applied to student beginning the summer of 2004.

Charges Charges for the program, which also include the proposed annual tuition increases, are as follows:

	<u>Resident</u>			<u>Nonresident</u>		
	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>
Base Tuition / Surcharge	\$5,038	\$8,188	62.5%	\$15,072	\$18,672	23.9%
Mandatory Fees	<u>651</u>	<u>694</u>	6.6%	<u>651</u>	<u>694</u>	6.6%
Total	\$5,689	\$8,882	56.1%	\$15,723	\$19,366	23.2%

Tuition minus the base graduate tuition equals the total surcharge that students pay each year.

	<u>Resident</u>			<u>Nonresident</u>		
	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>FY 2004 actual</u>	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>FY 2005 proposed</u>
Tuition	\$5,038	\$8,188	62.5%	\$15,072	\$18,672	23.9%
Graduate Tuition	<u>(5,038)</u>	<u>(5,488)</u>	8.9%	<u>(15,072)</u>	<u>(15,972)</u>	6.0%
Total Surcharge	\$0	\$2,700		\$0	\$2,700	

Uses of New
 Surcharges

The University reports that it plans to utilize the \$108,000 in new revenues generated from the proposed surcharge in the following ways:

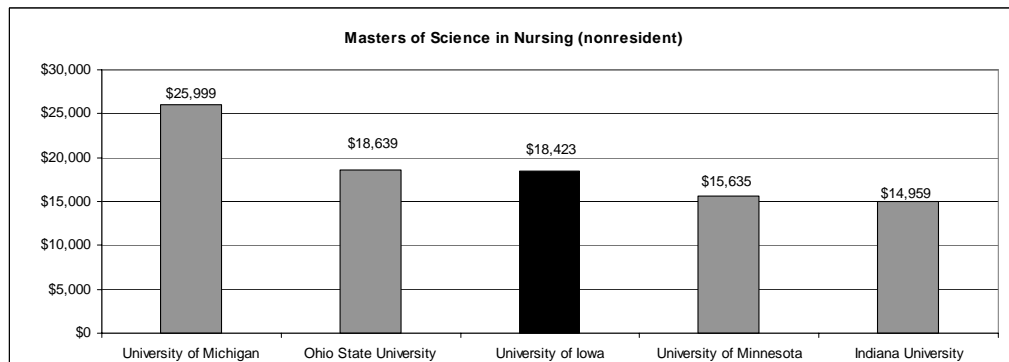
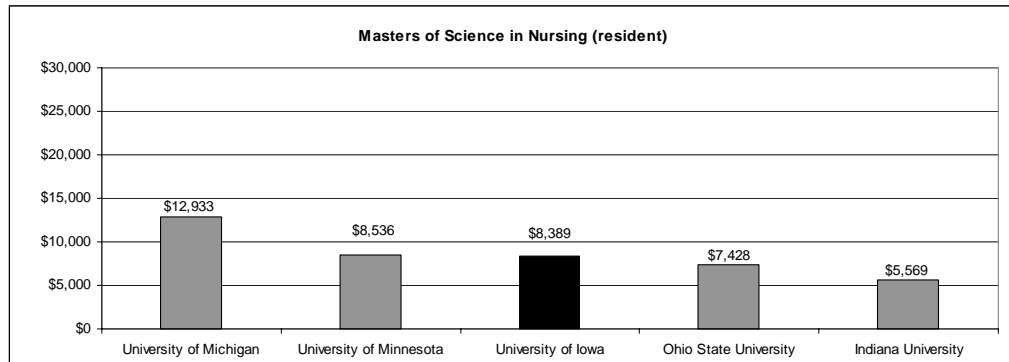
Amount	Expenditure Category	Descriptions
\$75,200	Salaries and Benefits	Funds will be used for faculty or staff to recruit students.
\$17,280	Student Financial Aid (16%)	Aid will be based on merit and need.
\$15,520	General Expense	Funds will be used for marketing and travel associated with recruiting.
\$108,000		

Peer
 Comparisons
 2003-04 Data

Resident tuition and fees in the Masters of Science in Nursing program at the University of Iowa are in the middle of the institutions in the University's peer group and are just under the average of \$8,617. Nonresident tuition and fees at the University of Iowa are in the middle of the peer group and are just under the average cost of \$18,808.

Resident and nonresident tuition and fees for the MSN program are currently charged at the graduate level.

Peer comparison numbers were provided by the University of Iowa.



University of Iowa – College of Public Health – Master of Health Administration

Academic Program The College of Public Health’s Master of Health Administration (MHA) degree requires a total of 60 semester hours of graduate credit (generally 21 months of full-time study) to complete the program. The MHA is designed for those students seeking managerial positions in health care or health-related organizations.

First-year students study the social, political, economic, and financial environments of health care organizations as well as managerial decision making, planning, and control. Second-year students study in-depth management concepts and develop skills relating to their special interests and career objectives.

The University reports that MHA Alumni lead major health systems, hospitals, and group practices in all 50 states. Graduates from the program are employed in health care organizations, health insurance companies, consulting firms, professional associations, and government agencies.

The *2003 U.S. News and World Report* ranked the Iowa MHA Program 11th among similar graduate programs.

Proposal The University of Iowa is proposing the third of three annual tuition surcharges of \$1,000 for resident and nonresident students in the Master of Health Administration (MHA) program.

The University does not expect the proposed surcharge to negatively impact enrollment. A total of 20 students are anticipated for the fall of 2004.

Charges Charges for the program, which also include the proposed annual tuition increases, are as follows:

	<u>Resident</u>			<u>Nonresident</u>		
	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>
Base Tuition / Surcharge	\$7,038	\$8,488	20.6%	\$17,072	\$18,972	11.1%
Mandatory Fees	<u>651</u>	<u>826</u>	26.9%	<u>651</u>	<u>826</u>	26.9%
Total	\$7,689	\$9,314	21.1%	\$17,723	\$19,798	11.7%

Tuition minus the base graduate tuition equals the total surcharge that students pay each year.

	<u>Resident</u>			<u>Nonresident</u>		
	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>
Tuition	\$7,038	\$8,488	20.6%	\$17,072	\$18,972	11.1%
Graduate Tuition	<u>(5,038)</u>	<u>(5,488)</u>	8.9%	<u>(15,072)</u>	<u>(15,972)</u>	6.0%
Total Surcharge	\$2,000	\$3,000	50.0%	\$2,000	\$3,000	50.0%

Uses of New Surcharges

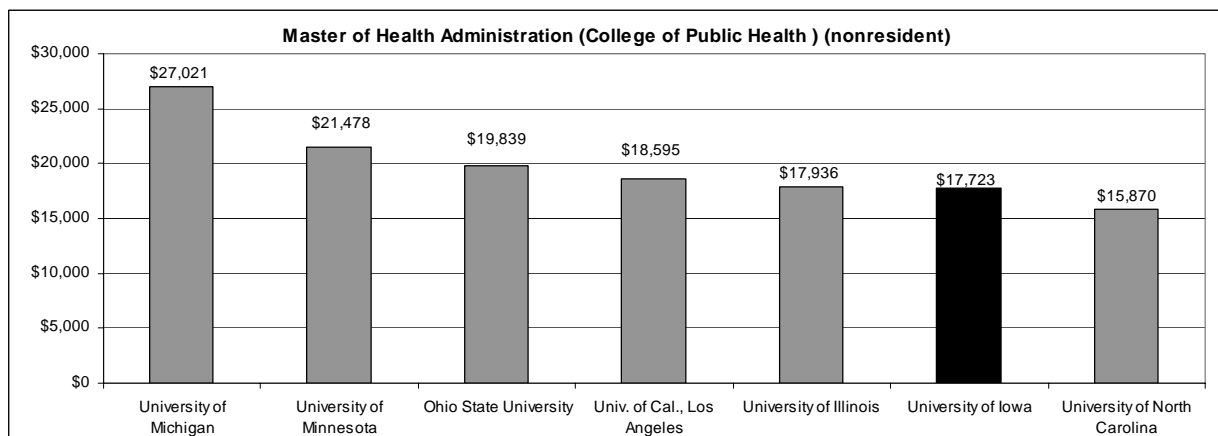
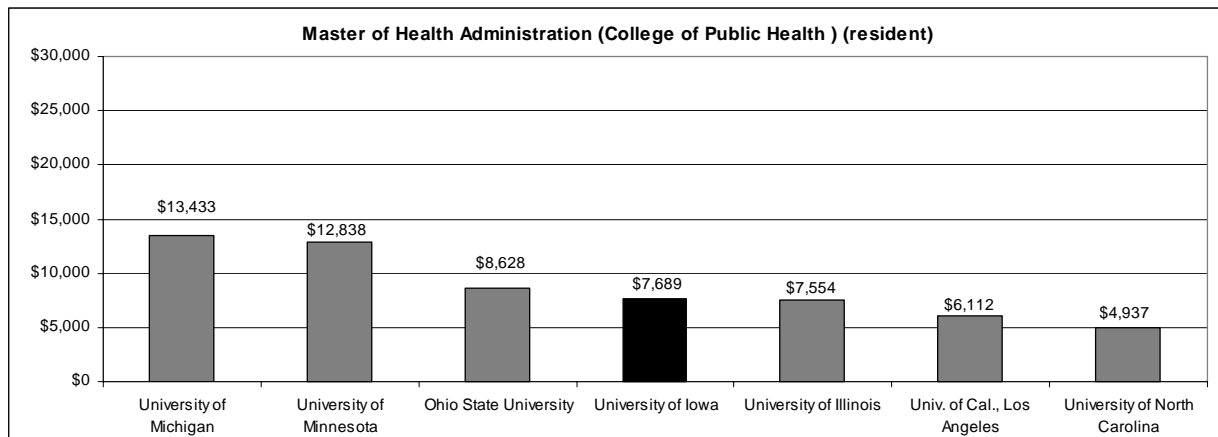
The University reports that it plans to utilize the new \$20,000 in revenues generated from the proposed surcharge in the following ways:

Amount	Expenditure Category	Descriptions
\$8,000	Health services management simulation, laboratory support, instructional design, and course delivery.	Funds will be used to purchase software, databases, and computer hardware for use in Simulation Laboratory and support for incorporating new software and analytic techniques in several courses.
\$4,000	Professional Development Activities	Funds will be used for conferences, travel and fee support, site visits to healthcare organizations outside the Iowa market, and staff support for internship and post-graduate fellowship placement services.
\$3,800	Student Recruitment	Funds will be used for marketing, support, and web site updating, etc.
\$3,200	Student Financial Aid (16%)	Aid will be based on merit and need.
\$1,000	Program Accreditation	Funds will be used to support the maintenance of current accreditation and beginning preparation for re-accreditation.
\$20,000		

Peer Comparisons
2003-04 Data

Resident tuition and fees in the MHA program at the University of Iowa are in the middle of the institutions in the University's peer group and are less than the average of \$8,917. Nonresident tuition and fees in the MHA program are in the lower half of the University's peer group and are less than the average of \$20,123.

Peer comparison numbers were provided by the University of Iowa. UCLA and the University of Illinois offer MS degree programs within their Schools of Public Health, however, not specifically an MHA.



University of Iowa – College of Public Health – Master of Public Health

Academic Program The Master of Public Health is a 2 – 2 ½ year program that prepares students to draw on knowledge and skills from a variety of disciplines to define, critically assess, and resolve public health problems.

The program teaches students the five core disciplines of public health and exposes them to practice settings where these disciplines are applied. The five core discipline areas are:

- Biostatistics;
- Epidemiology;
- Health services administration;
- Health education / behavioral science; and
- Environmental science.

The focus of the degree is flexible to allow the student to tailor the program to suit their career needs.

Proposal The University of Iowa is proposing a tuition surcharge of \$1,000 for all resident and nonresident students entering the Master of Public Health program in the fall of 2004.

The University does not expect the proposed surcharge to have a negative impact on enrollment. A total of 30 students are anticipated in the fall of 2004.

Charges Charges for the program, which also include the proposed annual tuition increases, are as follows:

	<u>Resident</u>			<u>Nonresident</u>		
	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>
Base Tuition / Surcharge	\$6,038	\$7,488	24.0%	\$16,072	\$17,972	11.8%
Mandatory Fees	<u>651</u>	<u>826</u>	26.9%	<u>651</u>	<u>826</u>	26.9%
Total	\$6,689	\$8,314	24.3%	\$16,723	\$18,798	12.4%

Tuition minus the base graduate tuition equals the total surcharge that students pay each year.

	<u>Resident</u>			<u>Nonresident</u>		
	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>	<u>2003-04 actual</u>	<u>2004-05 proposed</u>	<u>Percent increase</u>
Tuition	\$6,038	\$7,488	24.0%	\$16,072	\$17,972	11.8%
Graduate Tuition	<u>(5,038)</u>	<u>(5,488)</u>	8.9%	<u>(15,072)</u>	<u>(15,972)</u>	6.0%
Total Surcharge	\$1,000	\$2,000	100.0%	\$1,000	\$2,000	100.0%

Uses of New Surcharges

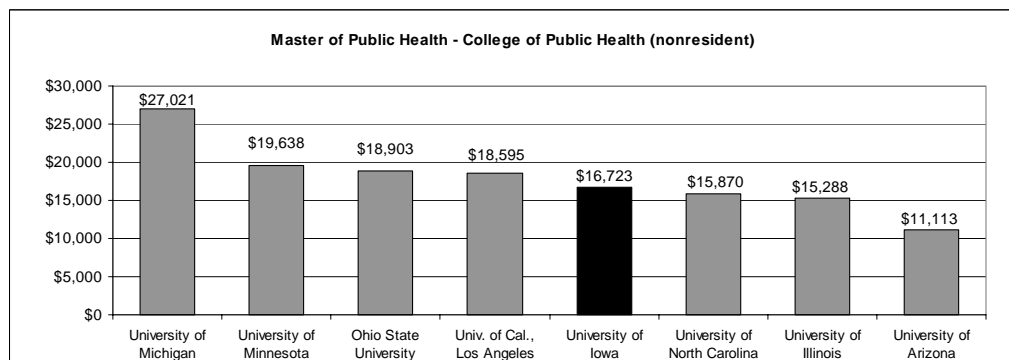
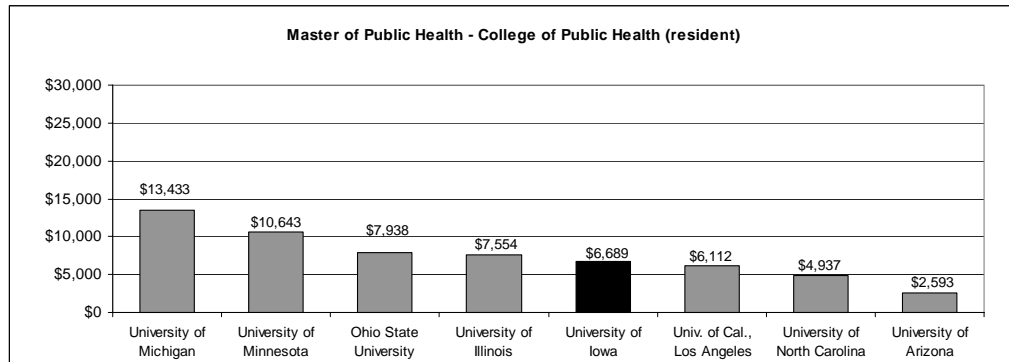
The University reports that it plans to utilize the new \$30,000 in revenues generated from the proposed surcharge in the following ways:

Amount	Expenditure Category	Descriptions
\$12,600	Administrative Support	Funds will be used for support of administration including admissions, advising, monitoring, and enrichment activities.
\$6,750	Instruction	Funds will be used for the purchase of computer software and hardware which will be used to develop and deliver coursework and provide technical support for faculty and enrichment activities for students.
\$4,800	Student Financial Aid (16%)	Aid will be based on merit and need.
\$4,500	Student Recruitment	Funds will be used to prepare and distribute marketing materials, provide support, update the web site, and recruit at regional and national meetings, especially those related to minority students.
\$1,350	Administrative Costs	Funds will be used to manage student databases and report to the program's accrediting body.
\$30,000		

Peer Comparisons
2003-04 Data

Resident and nonresident tuition and fees in the MPH program at the University of Iowa are in the middle of the institutions in the University's peer group and are less than the average of \$7,601 and \$18,061 respectively.

Peer comparison numbers were provided by the University of Iowa. The graphs reflect 2002-03 data for the University of Arizona; 2003-04 data was not available.



TUITION-RELATED MISCELLANEOUS CHARGES

Requirement	The Regent <u>Policy Manual</u> specifies that the Board has authority over all institutional or college wide fees over \$1 per semester and all department fees over \$10 per semester. Review and approval of miscellaneous fees and charges is consistent with the Board's strategic plan to provide effective stewardship of institutional resources while advocating for resources needed to provide access to educational, research, and service opportunities.
Types of Miscellaneous Fees	Miscellaneous fees and charges include both tuition-related and non-tuition-related charges. In each category, students pay only the miscellaneous fees and charges that apply to them; these charges vary depending on each student's program, needs, and interests. Non-tuition related charges are presented to the Board in the spring of the year.
Tuition-Related	Tuition-related fees include items such as continuing education courses and workshops. These fees are adjusted commensurate with the increase in tuition.
University of Iowa Proposal	<p>The University of Iowa has requested variances from standard procedures for tuition related charges.</p> <ul style="list-style-type: none"> For its MBA program, SUI requested an increase from \$409 per credit hour to \$425 per credit hour rather than increasing the rate by the actual percentage increase resulting from tuition. The proposed tuition increase for the MBA course results in a 4.4% increase which would have resulted in a \$427 per credit hour charge. The University's request is reflected in the following table. SUI has requested to combine the Board-approved <u>off-campus delivery charges</u> of \$60 per credit hour for the RN to Bachelor of Science in Nursing (BSN) program with the per hour undergraduate charge of \$196 (as proposed) for a single Extension Course/Continuing Education charge per hour for a total charge of \$256.

TUITION-RELATED MISCELLANEOUS CHARGES									
ACTUAL FY 2004 and PROPOSED FY 2005									
Tuition-Related Miscellaneous Charges	University of Iowa			Iowa State University			University of Northern Iowa		
	FY 2004	Propsd FY 2005	% Chg	FY 2004	Propsd FY 2005	% Chg	FY 2004	Propsd FY 2005	% Chg
Correspondence Study (per semester hour)							\$140	\$153	9.3%
Extension Courses/Continuing Education (per credit)									
Undergraduate	\$181	\$196	8.3%	\$181	\$196	8.3%	\$181	\$196	8.3%
Graduate	\$280	\$305	8.9%	\$280	\$305	8.9%	\$280	\$305	8.9%
MBA Program	\$409	\$425	3.9%	\$365	\$397	8.8%	\$365	\$397	8.8%
RN to BSN Program*	\$241	\$256	6.2%						
Hospital Certificate Technology Programs (per year)	\$692	\$754	9.0%						
Lakeside Lab (5 weeks)									
Undergraduate (per credit)	\$181	\$196	8.3%	\$181	\$196	8.3%	\$181	\$196	8.3%
Graduate (per credit)	\$280	\$305	8.9%	\$280	\$305	8.9%	\$280	\$305	8.9%
Law -- Special 10 Week Summer Session									
Resident	\$3,608	\$3,843	6.5%						
Nonresident	\$8,188	\$8,573	4.7%						
Open Credit (per project)							\$364	\$394	8.2%
Workshops/Telecourses (per semester hour)									
Undergraduate	\$181	\$196	8.3%	\$181	\$196	8.3%	\$181	\$196	8.3%
Graduate	\$280	\$305	8.9%	\$280	\$305	8.9%	\$280	\$305	8.9%

* The combined charges for FY 2004 include the undergraduate extension course charge of \$181 and a Board-approved delivery charge of \$60 per credit hour which total \$241.

**Board of Regents
 Proposed Tuition and Mandatory Fees
 Academic Year 2004-05**

	TUITION		MANDATORY FEES								TOTALS		
	Base Tuition & Surcharge		Computer Fee	Health Fee	Health Facility Fee	Student Activities Fee	Student Services Fee	Student Union Fee	Building Fee	Total Mandatory Fees	Tuition & Mandatory Fees	% Increase in Tuition & Mandatory Fees	Total Dollar Increase In Tuition & Fees
UNIVERSITY OF IOWA													
Undergraduate Resident	\$ 4,702		\$ 206	\$ 166	\$ 10	\$ 51	\$ 53	\$ 89	\$ 119	\$ 694	\$ 5,396	8.1%	\$ 403
Undergraduate Resident - Business	4,702		440	166	10	51	53	89	119	928	5,630	7.8%	405
Undergraduate Resident - Engineering	4,702		490	166	10	51	53	89	119	978	5,680	7.5%	395
Undergraduate Resident - Medical	4,702		206	166	10	51	53	89	119	694	5,396	8.1%	403
Undergraduate Nonresident	15,354		206	166	10	51	53	89	119	694	16,048	5.0%	763
Undergraduate Nonresident - Business	15,354		440	166	10	51	53	89	119	928	16,282	4.9%	765
Undergraduate Nonresident - Engineering	15,354		490	166	10	51	53	89	119	978	16,332	4.8%	755
Undergraduate Nonresident - Medical	15,354		206	166	10	51	53	89	119	694	16,048	5.0%	763
Graduate Resident	5,488		206	166	10	51	53	89	119	694	6,182	8.7%	493
Graduate Resident - Engineering	5,488		490	166	10	51	53	89	119	978	6,466	8.1%	485
Graduate Resident - Physical Therapy (enrolled fall 2001)	7,088		206	166	10	51	53	89	119	694	7,782	6.8%	493
Graduate Resident - Physical Therapy (enrolled fall 2002 & 2003)	8,438		206	166	10	51	53	89	119	694	9,132	5.7%	493
Graduate Nonresident	15,972		206	166	10	51	53	89	119	694	16,666	6.0%	943
Graduate Nonresident - Engineering	15,972		490	166	10	51	53	89	119	978	16,950	5.8%	935
Graduate Nonresident - Physical Therapy (enrolled fall 2001)	17,082		206	166	10	51	53	89	119	694	17,776	2.9%	493
Graduate Nonresident - Physical Therapy (enrolled fall 2002 & 2003)	18,432		206	166	10	51	53	89	119	694	19,126	2.6%	493
Master of Accountancy Resident (enrolled fall 2003)	8,882		206	166	10	51	53	89	119	694	9,578	5.4%	494
Master of Accountancy Nonresident (enrolled fall 2003)	19,334		206	166	10	51	53	89	119	694	20,028	4.9%	944
Master of Information System Resident	7,816		206	166	10	51	53	89	119	694	8,510	6.1%	493
Master of Information System Nonresident	18,268		206	166	10	51	53	89	119	694	18,962	5.2%	943
Master of Nursing and Healthcare Practice Resident	8,188		206	166	10	51	53	89	119	694	8,882	5.9%	493
Master of Nursing and Healthcare Practice Nonresident	18,672		206	166	10	51	53	89	119	694	19,366	5.1%	943
Master of Science - Nursing Resident	8,188		206	166	10	51	53	89	119	694	8,882	56.1%	3,193
Master of Science - Nursing Nonresident	18,672		206	166	10	51	53	89	119	694	19,366	23.2%	3,643
Master of Health Administration Resident (enrolled fall 2003)	7,488		338	166	10	51	53	89	119	826	8,314	8.1%	625
Master of Health Administration Resident (enrolled fall 2004)	8,488		338	166	10	51	53	89	119	826	9,314	21.1%	1,625
Master of Health Administration Nonresident (enrolled fall 2003)	17,972		338	166	10	51	53	89	119	826	18,798	6.1%	1,075
Master of Health Administration Nonresident (enrolled fall 2004)	18,972		338	166	10	51	53	89	119	826	19,798	11.7%	2,075
Master of Public Health Resident (enrolled prior to fall 2004)	6,488		338	166	10	51	53	89	119	826	7,314	9.3%	625
Master of Public Health Resident (enrolled fall 2004)	7,488		338	166	10	51	53	89	119	826	8,314	24.3%	1,625
Master of Public Health Nonresident (enrolled prior to fall 2004)	16,972		338	166	10	51	53	89	119	826	17,798	6.4%	1,075
Master of Public Health Nonresident (enrolled fall 2004)	17,972		338	166	10	51	53	89	119	826	18,798	12.4%	2,075
Other Public Health PhD Resident	6,488		338	166	10	51	53	89	119	826	7,314	9.3%	625
Other Public Health PhD Nonresident	16,972		338	166	10	51	53	89	119	826	17,798	6.4%	1,075
MBA Resident	10,500		206	166	10	51	53	89	119	694	11,194	4.6%	493
MBA Nonresident	19,262		206	166	10	51	53	89	119	694	19,956	5.0%	943
Dentistry Resident (enrolled fall 2001)	13,384		206	166	10	51	53	89	119	694	14,078	3.6%	493
Dentistry Resident (enrolled fall 2002 & 2003)	16,384		206	166	10	51	53	89	119	694	17,078	3.0%	493
Dentistry Resident (enrolled fall 2004)	17,385		206	166	10	51	53	89	119	694	18,079	9.0%	1,493
Dentistry Nonresident (enrolled fall 2001)	28,800		206	166	10	51	53	89	119	694	29,494	3.3%	943
Dentistry Nonresident (enrolled fall 2002 & 2003)	31,800		206	166	10	51	53	89	119	694	32,494	3.0%	944
Dentistry Nonresident (enrolled fall 2004)	32,800		206	166	10	51	53	89	119	694	33,494	6.2%	1,943
Law Resident	11,510		350	166	10	51	53	89	119	838	12,348	6.4%	745
Law Nonresident	25,718		350	166	10	51	53	89	119	838	26,556	4.7%	1,195
Medicine Resident	18,288		206	166	10	51	53	89	119	694	18,982	2.7%	493
Medicine Nonresident	36,756		206	166	10	51	53	89	119	694	37,450	1.3%	493
Pharm. D. Resident	11,728		206	166	10	51	53	89	119	694	12,422	4.1%	493
Pharm. D. Nonresident	25,882		206	166	10	51	53	89	119	694	26,576	1.9%	493

**Board of Regents
 Proposed Tuition and Mandatory Fees
 Academic Year 2004-05**

	TUITION		MANDATORY FEES								TOTALS		
	Base Tuition & Surcharge		Computer Fee	Health Fee	Health Facility Fee	Student Activities Fee	Student Services Fee	Student Union Fee	Building Fee	Total Mandatory Fees	Tuition & Mandatory Fees	% Increase in Tuition & Mandatory Fees	Total Dollar Increase In Tuition & Fees
IOWA STATE UNIVERSITY													
Undergraduate Resident	\$ 4,702		\$ 196	\$ 170	\$ 16	\$ 57	\$ 179	\$ -	\$ 106	\$ 724	\$ 5,426	7.9%	\$ 398
Undergraduate Resident - Engineering	4,702		420	170	16	57	179	-	106	948	5,650	7.7%	406
Undergraduate Resident - Comp Sci & MIS	4,702		334	170	16	57	179	-	106	862	5,564	7.8%	402
Undergraduate Nonresident	14,404		196	170	16	57	179	-	106	724	15,128	5.3%	758
Undergraduate Nonresident - Engineering	14,404		420	170	16	57	179	-	106	948	15,352	5.3%	766
Undergraduate Nonresident - Comp Sci & MIS	14,404		334	170	16	57	179	-	106	862	15,266	5.3%	762
Graduate Resident	5,488		156	170	16	57	179	-	106	684	6,172	8.5%	486
Graduate Resident - Engineering	5,488		420	170	16	57	179	-	106	948	6,436	8.4%	496
Graduate Resident - Comp Sci & MIS	5,488		334	170	16	57	179	-	106	862	6,350	8.4%	492
Graduate Nonresident	15,114		156	170	16	57	179	-	106	684	15,798	6.3%	336
Graduate Nonresident - Engineering	15,114		420	170	16	57	179	-	106	948	16,062	6.3%	946
Graduate Nonresident - Comp Sci & MIS	15,114		334	170	16	57	179	-	106	862	15,976	6.3%	942
Veterinary Medicine Resident (enrolled prior to fall 2002)	9,526		196	170	16	57	179	-	106	724	10,250	5.0%	488
Veterinary Medicine Resident (enrolled 2002 & 2003)	10,300		196	170	16	57	179	-	106	724	11,024	4.6%	488
Veterinary Medicine Nonresident (enrolled prior to 2002)	25,162		196	170	16	57	179	-	106	724	25,886	3.8%	938
Veterinary Medicine Nonresident (enrolled 2002 & 2003)	27,262		196	170	16	57	179	-	106	724	27,986	3.5%	938
UNIVERSITY OF NORTHERN IOWA													
Undergraduate Resident	\$ 4,702		\$ 165	\$ 124	\$ 26	\$ -	\$ 190	\$ -	\$ 180	\$ 685	\$ 5,387	9.6%	\$ 471
Undergraduate Nonresident	12,020		165	124	26	-	190	-	180	685	12,705	7.0%	831
Graduate Resident	5,488		165	124	26	-	190	-	180	685	6,173	10.0%	561
Graduate Nonresident	13,012		165	124	26	-	190	-	180	685	13,697	8.0%	1,011