

GROWTH, QUALITY, AND ACCESS UNDERGRADUATE DIFFERENTIAL TUITION UW-LA CROSSE

EXECUTIVE SUMMARY

BACKGROUND

In its *Study of the UW System in the 21st Century*, the Board of Regents approved flexibilities for tuition setting. UW-La Crosse proposes establishing an undergraduate differential tuition to provide more Wisconsin residents access to UW-La Crosse in order to earn a college degree, hire additional faculty and staff to enhance quality and academic excellence, and ensure that cost is not a barrier for students to attend UW-La Crosse.

REQUESTED ACTION

The Board is asked to approve a differential tuition for all new undergraduate students at UW-La Crosse beginning in the 2008-09 academic year. Tuition will increase \$250 per semester (\$500 per year) for the 2008-09 academic year and an additional \$250 per semester (\$500 per year) for 2009-10 academic year, for a total differential tuition of \$1,000. The differential will be applied to full-time students and prorated for part-time students. Beginning with the 2010-11 academic year, the differential tuition rate will increase annually by an amount sufficient to cover the general salary and fringe benefit percent increases utilized by the Board of Regents in setting general resident undergraduate tuition. The percent that the differential tuition rate increases each year would not be expected to be larger than the percent that resident undergraduate tuition increases. The proposed differential tuition will be assessed and evaluated on an annual basis by a campus oversight committee comprised of students, faculty, and staff. In addition, the outcomes of the proposed differential tuition initiative will be presented to the Board of Regents after five full years of implementation.

DISCUSSION AND RECOMMENDATIONS

UW-La Crosse has a time-honored record of enrolling, retaining and graduating talented individuals. The campus is uniquely positioned to be able to attract a larger and more able student body, thereby graduating even more students. For example, the number of applicants to UW-La Crosse has steadily increased to the point that more than two applications are received for every place available in the freshmen class. More impressively, the academic profile for incoming freshmen consistently ranks first amongst the UW System Comprehensives.

In order to capitalize on its reputation for high quality programs and market position, UW-La Crosse proposes a differential tuition plan that promotes Growth, Quality, and Access with the goals of:

1. Allowing more Wisconsin residents access to UW-La Crosse in order to attain a college degree by growing the undergraduate enrollment of the university by at least 500 additional students over the next three to five years;
2. Hiring at least 75 additional faculty and 20 additional staff over the next five years in order to improve academic quality and enhance the undergraduate experience; and
3. Ensuring that cost is not a barrier for students, particularly those from Wisconsin's lower and middle income families by increasing need-based financial aid to students from lower and middle income families.

The proposed differential tuition plan will increase undergraduate tuition by \$250 per semester (\$500 per year) for all new UW-La Crosse students beginning in the fall semester of 2008 followed by an additional increase of \$250 per semester (\$500 per year) for the 2009-2010 academic year. This will result in a total tuition differential of \$1,000. Students enrolled at UW-La Crosse prior to Fall 2008 who remain continuously enrolled will not be subject to the differential tuition. Beginning in the Fall of 2010, the differential tuition rate will increase annually by an amount sufficient to cover the general salary and fringe benefit percent increases utilized by the Board of Regents in setting general resident undergraduate tuition. The percent that the differential tuition rate increases each year would not be expected to be larger than the percent that resident undergraduate tuition increases. By the fifth year of implementation, the tuition plan will generate approximately \$10 million in new financial resources which will be used to hire additional faculty and staff, and purchase instructional supplies and equipment.

The Growth, Quality, and Access differential tuition will be in addition to the Academic Excellence Initiatives differential tuition currently assessed to UW-La Crosse undergraduate and graduate students. The Academic Excellence Initiatives differential tuition was approved by the Board of Regents beginning in the Fall of 2003 in order to provide direct financial support for undergraduate research, advising, diversity and international education. For 2007-08, this differential is currently \$28.41 per semester (\$56.82 per year) and increases by 3 percent annually.

As a result of the investment of new differential tuition dollars into the academic quality of UW-La Crosse, it is expected that new student demand for access to the university will maintain at its current rate or even increase. It is also anticipated that UW-La Crosse will sustain its freshman retention rate of 86 percent and six-year graduation rate of 63 percent. Although the differential plan increases UW-La Crosse's tuition by \$1,000 over a two-year period, the campus will remain below the average tuition and academic fees for its Midwestern Comprehensive Universities peer group.

In an effort to reduce the impact of the differential tuition and maintain access to UW-La Crosse for students from lower and middle income families, the university is developing a plan for trailer legislation, which proposes using all of the \$664,800 in new GPR funding that was allocated to UW-La Crosse in the recently completed state budget process as need-based financial aid. This aid will be targeted to provide support for lower and middle income students. UW-La Crosse will also continue its efforts to enhance the diversity of the UW-La Crosse student population by intensifying recruiting efforts in Wisconsin's inner-city high schools.

The local communities and many organizations have voiced strong support for the UW-La Crosse Growth, Access, and Quality initiative, and recognize the benefits that the proposed plan

brings in terms of increasing access to UW-La Crosse for students from the region as well as the economic benefits of having a larger student enrollment and increased number of faculty and staff.

The proposed differential tuition is a reflection of the priorities of UW-La Crosse students and their commitment to enhancing access and academic quality. On November 7, 2007, the UW-La Crosse Student Senate passed a motion to approve the proposed differential tuition initiative by a vote of 34-0-1. In addition, the Student Senate initiated an on-line survey to solicit the input of students regarding the differential tuition proposal. There were approximately 1,496 respondents to the survey (approximately 15 percent of UW-La Crosse's headcount enrollment), of which 65.4 percent favored the Growth, Quality, and Access differential tuition proposal.

An oversight committee will be established with representation from students, faculty, and staff to evaluate the differential tuition annually and make on-going recommendations about the UW-La Crosse differential tuition initiative. In addition, the outcomes of the proposed differential tuition initiative will be presented to the Board of Regents after five full years of implementation.

RELATED REGENT POLICIES

Study of the UW System in the 21st Century (June 1996)