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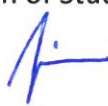


UNIVERSITY  
of ALASKA  
*Many Traditions One Alaska*

## MEMORANDUM

Date: October 28, 2016

To: Board of Regents, Coalition of Student Leaders, System Governance Council

From: James Johnsen, President 

Re: Tuition Adjustment Notice AY2018 (Fall 2017 and Spring 2018)

The State of Alaska faces economic challenges that negatively impact UA's budget. Since FY2015, our state allocation has been cut from \$375M to \$325M. In response UA continues to reduce costs and look for increased revenues from all sources, including tuition, to achieve our mission as the state's primary provider for higher education and workforce training.

In April, when our budget outlook was particularly grim, I was prepared to request the Regents amend AY2017's already approved tuition rates to help offset the general fund shortfall. However, our general fund allocation was raised from \$300M to \$325M, making the tuition adjustment less urgent. I also heard from students and families that introducing a mid-year tuition increase would be a hardship. So, I put that option aside for AY2017.

With the possibility that state support will decrease yet again in 2018, I will propose a modest tuition increase of 5% for all rates of tuition for the Academic Year 2018 (Fall 2017 and Spring 2018) at the November Board of Regents meeting. This level of increase keeps UA's tuition below the average published in-state tuition and fee prices at public master's and public doctoral universities, thus ensuring affordability and access for our students.<sup>1</sup> The current and proposed rates can be found in the table on the following page.

In addition, I have accepted the recommendations from the Tuition Task Force that met last spring. I will include the following in the AY2018 tuition proposal to achieve consistency across the system.

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<sup>1</sup> Trends in College Pricing 2016, College Board

- Prince William Sound College (PWSC) and Kodiak College (KoC) should move to the same lower division tuition rate as all other UA campuses within two academic years. \*
- The non-resident surcharge should be the same for both graduate and undergraduate levels and the undergraduate non-resident rate applied. \*\*

Assuming we receive an adequate allocation from the state, we will develop a plan to offset the effects of this tuition increase on some career and technical education (CTE) programs. However, unless a significant subsidy to replace the lost tuition revenue that would result can be identified, UA cannot afford to offer such an adjustment at this time. Given the general fund reductions UA may see this year, I am deferring any action on tuition rate reductions until the university's fiscal picture is clearer. I would note that tuition for lower division courses, including our CTE programs, currently is 20% under the upper division rate.

Thank you.

JRJ

cc: Tom Case, UAA Chancellor  
Rick Caulfield, UAS Chancellor  
Morgan Dufseth, System Governance Executive Officer  
Dana Thomas, UAF Interim Chancellor

Tuition rates effective for the respective academic year, fall through summer semesters, are as follows:		
	<b>Current</b>	<b><i>Proposed</i></b>
	AY2017	AY2018
		<i>5% increase</i>
Lower Division:		
PWSC*	168	185*
Kodiak*	169	185*
All Other	192	202
Upper Division	232	244
Graduate	444	466
Nonresident Undergraduate Surcharge	489	513**
Nonresident Graduate Surcharge	463	