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President  
Philip O'Bryan Montgomery, Jr., M.D. Distinguished  
Presidential Chair in Academic Administration

Professor of Internal Medicine  
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December 21, 2010

Kenneth I. Shine, M.D.  
Executive Vice Chancellor for Health Affairs  
The University of Texas System  
601 Colorado Street, Suite 205  
Austin, TX 78701

Dear Dr. Shine:

Attached you will find the tuition and fee draft proposal for fiscal year 2012 reflecting increases in the designated tuition and application fee. In December of 2009, the Student Leadership Council was presented with a tuition increase proposal for academic years 2011 and 2012. The council played a critical role in the preparation of the proposal and was asked to contribute their thoughts, ideas, and concerns. Both internal and external data regarding long term trends in instructional costs, State funding, and peer institution tuition were analyzed and presented. Attached is a copy of last year's student resolution outlining and endorsing the process related to this two year proposal.

The proposed increase in designated tuition will result in an additional \$1.1 million per year net of mandatory and voluntary set-asides for financial aid. These funds will partially mitigate the potential loss of General Revenue for the next biennium and will support the instructional programs and infrastructure maintenance for classrooms. Tuition costs at UT Southwestern Medical Center fall below both the national average and 25<sup>th</sup> percentile of public medical schools. This coupled with reduced State funding and increased instructional costs requires increasing tuition rates in order to stay competitive with other medical institutions and the continuation of providing superior instruction to students.

UT Southwestern is also proposing an increase in the application fee from \$10 to \$50 charged to School of Health Professions and Graduate School applicants. This increase will result in additional revenue of \$85 thousand per year. The proposed increase not only brings UT Southwestern in line with the average application fees being collected by both general academic and health professions programs, it will help to defray both the application processing and associated credit card processing fees.

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In addition to tuition set-asides as required by statute, UT Southwestern has voluntarily committed increased grant and scholarship resources commensurate with the requested tuition and fee increase that will be made directly available to eligible students.

As a result of comparatively low tuition and fees, prudent fiscal responsibility that is instilled in the students receiving financial aid, and appropriate awarding of grant and scholarship resources, UT Southwestern Medical School graduates accumulate a significantly lower medical school debt than the public medical school counterparts around the US (35% below the national average). It is expected that these increased grant and scholarship resources will offset the impact of institutional affordability, particularly for students of modest means.

Please do not hesitate to contact me if you have any questions or require further information.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Podolsky', with a stylized flourish at the end.

Daniel K. Podolsky, M.D.

Enclosure

**UT Southwestern Medical Center at Dallas  
Student Resolution for Tuition and Fee Proposal  
For Academic Years 2011 and 2012**

Since the middle of November of 2009, the Student Leadership Council met multiple times with Mr. John Roan, executive vice president for business affairs, and Mr. Wes Norred, vice president for student & alumni affairs, to discuss a possible increase in designated tuition for the 2011 and 2012 academic years.

These meetings had four components:

1. To give the administration the opportunity to provide background information about the UT Southwestern budget including both sources of funds and expenditures.
2. To learn from student leaders what information would enable them to best participate in a discussion regarding a tuition or fee increase.
3. To engage in a discussion in which the administration can describe noteworthy expenses in the past two years with direct or indirect benefits, the financial and operational justification for consideration of a tuition increase, as well as the cost saving steps taken to keep such an increase to a minimum.
4. To solicit student input to inform a decision about a tuition increase and to identify priorities for funding in subsequent years.

Tuition increases are not undertaken lightly and both the administration and the Student Leadership Council together made a concerted effort to give this full consideration. The amount of the increase was proposed by the administration. The Student Leadership Council was not asked to vote on the amount but was asked to endorse the process. The administration made a focused effort to work with the Student Leadership Council and was responsive to questions and suggestions.

Approved by consensus of the Student Leadership Council  
January 26, 2010

**Annual Cost to a Full-Time Resident Student**

	UT Southwestern Medical School (37 hours per year)		UT Southwestern Graduate School and School of Health Professions Masters Program (24 hours per year)		UT Southwestern School of Health Professions Physician Assistant Masters Program (45 hours per year)		UT Southwestern School of Health Professions Physical Therapy Doctorate Program (40 hours per year)	
	Actual 2010-11	Proposed 2011-12	Actual 2010-11	Proposed 2011-12	Actual 2010-11	Proposed 2011-12	Actual 2010-11	Proposed 2011-12
<b>Statutory Tuition</b>	\$ 6,550	\$ 6,550	\$ 1,200	\$ 1,200	\$ 2,250	\$ 2,250	\$ 2,000	\$ 2,000
<b>Differential Tuition (1)</b>	-	-	1,200	1,200	2,250	2,250	2,000	2,000
<b>Designated Tuition</b>	7,660	8,660	2,664	2,952	4,995	5,535	4,440	4,920
<b>Mandatory Fees</b>	1,430	1,430	1,310	1,310	1,356	1,356	1,310	1,310
<b>Total Cost:</b>	<u>\$ 15,640</u>	<u>\$ 16,640</u>	<u>\$ 6,374</u>	<u>\$ 6,662</u>	<u>\$ 10,851</u>	<u>\$ 11,391</u>	<u>\$ 9,750</u>	<u>\$ 10,230</u>
<b>Year-Over-Year Change in Total Co</b>	\$1,000 6.8%	\$1,000 6.4%	\$264 4.3%	\$288 4.5%	\$495 4.8%	\$540 5.0%	\$2,440 33.4%	\$480 4.9%

Notes:  
(1) Differential Tuition applies to Biomedical Engineering courses only.

**UT Southwestern Medical Center at Dallas  
Proposed Tuition and Fees  
For Academic Years 2011 and 2012**

School / Program	Approved FY 2011 Rates (\$)	Proposed FY 2012 Rates (\$)	Proposed FY 2012 vs Proposed FY 2011	
			Increase \$	%
Graduate School and School of Health Professions: Application Fee	10	50	40	400.00%