

# Cigarroa: Affordability, excellence should guide tuition rates

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## By Francisco Cigarroa

Few public priorities capture as much attention as college tuition, so it should surprise no one that the topic has garnered ample play on news and editorial pages across Texas.

It's a matter that touches each person in the state because everyone has a stake in higher education, not to mention a responsibility to share in its advancement. The state needs higher education because it serves a public good and because Texas benefits from the economic and societal benefits it provides; students and their families have a stake because higher education serves a private good for them intellectually and economically; and universities have a responsibility to be affordable, accessible and to provide a quality education at a fair cost.

The University of Texas System Board of Regents understands its tuition-setting responsibility and has acted prudently. The current tuition-setting process has allowed our institutions to develop creative programs that meaningfully reduce costs while encouraging undergraduates to graduate on time. Had it not been for tuition deregulation, such innovative approaches to incentivize student success would have been difficult to establish.

It's also worthy to note that increases in academic costs have moderated since 2005

(less than 5 percent or \$300 per year at most UT System institutions in 2008 and 2009). Because of the guaranteed financial aid programs our academic campuses offer, those increases have had little impact on students who come from households of modest means.

The average UT System undergraduate on financial aid can expect to have more than 75 percent of his or her tuition and fees covered; and the average discount among all undergrads is 37 percent. Middle-class families also benefit. At UT-Austin, families with incomes between \$60,000 and \$80,000 have paid tuition and fee increases of 5.7 percent per year since tuition was deregulated in 2003. Compared with peer universities across the nation, UT institutions still offer an outstanding value, and tuition and fees in Texas continue to be below the national average.

As lawmakers debate the various bills aimed at curtailing tuition costs, there are some important facts that bear pointing out. Even before governing boards were setting tuition, the state's share of college education costs began to decline. And as the state's share of the costs per student diminished, the students' share increased. Keep in mind this has been playing out against a backdrop of climbing enrollment.

There is an inherent relationship between state appropriations and academic

costs, and the challenge is to strike the right balance without sacrificing excellence. Student government leaders tell us that, while they prefer lower tuition, they do not want to imperil academic quality.

Therefore, we believe any legislative change regarding tuition should consider the level of funding for higher education and be based on total academic costs for resident undergraduates. A tuition freeze would only benefit students in the short term, delaying what potentially could be significant future increases to the state or the students and their families.

Additionally, a fundamental platform for maintaining and expanding Tier One institutions in Texas is our ability to retain and recruit outstanding faculty and staff to teach and provide academic support for our students.

On a related note, proposals that would guarantee tuition costs for four years, while offering the advantage of certainty, must be carefully tailored to provide the needed resources for universities – and to address student needs.

These are challenging economic times and the Legislature is faced with many funding priorities, but we know Texas will be defined by how well it prepares today's students for tomorrow's global, competitive marketplace. Investing in our students – and in higher education indeed is wise. And it is a

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responsibility all Texans  
should share.