



1. **U. T. Pan American: Discussion and appropriate action regarding request to revise Mission Statement**

**RECOMMENDATION**

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cárdenas that proposed changes to the U. T. Pan American Mission Statement as set forth below be approved by the U. T. System Board of Regents and forwarded to the Texas Higher Education Coordinating Board for approval.

**Revised Mission Statement**

The University of Texas - Pan American (UTPA) serves the higher education needs of a rapidly growing, international, multicultural population in the South Texas Region. The University preserves, transmits and creates knowledge to serve the cultural, civic, and economic advancement of the region and the state. The University provides students advanced instruction in academic programs offered through innovative delivery systems that lead to professional certification, and baccalaureate, master's and doctoral degrees. Through teaching, research, creative activity and public service, UTPA prepares students for lifelong learning and leadership roles in the state, nation and world community.

**Current Mission Statement**

The University of Texas - Pan American is a comprehensive general academic component of The University of Texas System established to serve the higher education needs of South Texas. The University is committed to excellence in instruction, student performance, research, scholarly accomplishment, and professional service, and to expansion of international emphasis in all major areas of institutional endeavor.

The University of Texas - Pan American is committed to providing an environment of academic freedom in which faculty engage in teaching, research, and service. Students learn from faculty scholars who engage in research and creative activity to promote excellence in teaching, to develop and maintain scholarship, and to extend human knowledge. The results of that research and creativity are shared with the general public through performance, presentation, publication, and public service activities.

The University of Texas - Pan American strives to fulfill its responsibilities by providing a variety of quality academic programs in social and behavioral sciences, science and engineering, arts and humanities, health sciences and human services, education, and business administration leading to degrees at the undergraduate and graduate level and to certification in selected professions. These programs are grounded in the liberal arts and emphasize competency, multicultural understanding, and high ethical standards.

The University of Texas - Pan American is committed to maintaining an admissions policy that recognizes the complex educational needs of its students and that provides access to qualified applicants. The University pledges itself to the fullest development of its students by seeking financial assistance, providing appropriate developmental and support services, and offering enriched programs. In addition, the University is committed to providing appropriate and current library, information technology, computer, laboratory, and physical resources to support its academic programs and to evaluating consistently and responsibly the effectiveness of its instructional programs.

The University of Texas - Pan American seeks to complement the instructional programs of the institution by:

- reflecting and responding to the international, multicultural, multilingual character of the Pan American community;
- providing a wide range of extracurricular activities and experiences which enhance the region's intellectual, cultural, civic, social, economic, and physical environment;
- maintaining services that accommodate and fulfill personal needs and that enrich the academic and social development of students;
- involving the institution in the community by providing services, programs, continuing education, cultural experiences, educational leadership, and expertise to the community-at-large;
- encouraging the community-at-large to contribute to the effectiveness of their University; and
- cooperating with other institutions, schools, communities, and agencies to maximize educational opportunity and effectiveness through resource sharing and collaborative efforts.

Approved by Texas Higher Education Coordinating Board 7/30/97

### BACKGROUND INFORMATION

The process to arrive at this revised mission statement followed U. T. Pan American's *Handbook of Operating Procedures* (HOP) policy 4.6.1, Policy for Revising and Approving the Institutional Mission Statement. First, the mission statement was reviewed online during the Compact development process. The comments derived from the online survey were reviewed by the Institutional Assessment Committee (IAC) and Strategic Planning Committee (SPC) at two retreats to produce a statement that was presented to various councils and committees on campus for comment. These included the President's Council, Council of Deans, Faculty Senate, Staff Senate, and

the Student Government Association. Feedback from these groups was integrated into a further revision, which was submitted online to a vote of all faculty and approved by 87% of those who voted. This mission statement was previously approved by the U. T. Board of Regents at the October 7, 1994 meeting.

2. **U. T. System: Discussion and appropriate action regarding proposed tuition and fee plans for U. T. Arlington and U. T. Dallas**

RECOMMENDATION

Chancellor Yudof and Executive Vice Chancellor Sullivan will lead a discussion on proposed tuition and fee plans. Chancellor Yudof will present his recommendations to the U. T. System Board of Regents at the meeting. The U. T. System Board of Regents will be asked to take appropriate action regarding the proposed tuition and fee plans for U. T. Arlington and U. T. Dallas. Plans for these two institutions were not considered during the March 10, 2005 Special Called Meeting of the U. T. Board of Regents to consider other tuition and fee plans.

BACKGROUND INFORMATION

House Bill 3015 passed by the Texas Legislature during the 78th Regular Session modified *Texas Education Code* Section 54.0513 to grant authority to boards of regents to set an appropriate charge to students designated as tuition (Designated Tuition) in addition to tuition rates set by the Legislature and other charges set by boards of regents as previously authorized. The statutory changes also gave boards of regents increased latitude to implement innovative charge structures.

These proposals for tuition and fee plans for Academic Year 2005-2006 (as set forth on white pages following this page) for U. T. Arlington and U. T. Dallas are submitted for consideration and action by the U. T. System Board of Regents. Fee submissions were included and approved in the Docket for the March 10, 2005 U. T. System Board of Regents' meeting.

**THE UNIVERSITY OF TEXAS SYSTEM**  
**The University of Texas at Arlington**  
**Analysis of Tuition Proposal**

The University of Texas at Arlington engaged in a consultative process to arrive at a tuition proposal. President Spaniolo proposes a 4.95% increase in total tuition and mandatory fees for students taking 15 SCH. If the students meet certain minimal conditions, described below, the increase will only be 1.18%. Designated Tuition will vary by SCH in order to maintain a 5% increase throughout a range of semester credit hours taken by students. The rates are slightly higher in the 10-13 SCH range in order to encourage more students to take 15 semester credit hours per semester. The Designated Tuition increase is subject to the required financial aid set asides mandated by the 79<sup>th</sup> Legislature. These financial aid set asides total \$877,310 of the \$5,137,281 Designated Tuition increase. A slight increase in the Student Service fee, \$ .48 per SCH included in the percentage increase above, is also proposed with a maximum of \$115.20. UT Arlington will continue the program of enhanced Designated Tuition for Engineering with the current increments of \$10 for upper division undergraduate SCHs and \$20 per graduate SCH above the campus Designated Tuition rate. The School of Nursing undergraduate enhanced tuition increment will remain at \$10 per SCH and the graduate-level increment will increase by \$10 to \$20 per SCH. UT Arlington plans to continue the successful \$3 per SCH Designated Tuition discount for full payment by the published due date. We also propose a new "on time graduate" rebate of \$200 per year (\$800 maximum) for any student who successfully completes 30 SCH in the combined Fall and Spring semesters while maintaining at least a 2.25 GPA.

The UT Arlington proposal addresses the following strategic objectives:

Improve academic quality: The increased revenue will be used to provide a modest salary increase pool for faculty and staff, to hire 15 new faculty and to provide additional debt capacity. Enhanced Designated Tuition will continue to be directed toward the Nursing and Engineering programs, which are more expensive to deliver but also lead to higher than average wage returns to education.

Provide more efficient and effective class planning: Prior to the \$3 per SCH Designated Tuition discount only about 25% of UT Arlington's students paid in full on time; with the discount the on-time payment rate is over 40%. Early payment helps UT Arlington finalize its course schedule and faculty assignments at an earlier date, leading to improved use of resources.

Increased retention and graduation rates: The proposed \$200 annual rebate will also increase retention as well as accelerate graduation rates by providing students with an incentive to take a full 15 SCH.

## **THE UNIVERSITY OF TEXAS AT ARLINGTON PROPOSED TUITION PLAN**

**April 1, 2005**

### **1. Summary of tuition review process used on campus:**

In order to ensure an inclusive and consultative tuition review process, UTA organized a Tuition Review Committee (TRC) composed of the Student Congress president, representatives for each campus constituency council, representatives from the Graduate Student Senate, Faculty Senate, Undergraduate Assembly, Graduate Assembly, Staff Advisory Council, Alumni Association (one from community and one recent graduate), UTA's Chief Financial Officer and Chief Student Affairs Officer. The TRC met on three occasions to discuss tuition structure and develop a recommendation. Student representatives from the committee met with students from all of the colleges and schools for further discussion and input. A TRC proposal was finalized and approved at the third and final meeting on December 1, 2004. Additionally, the proposal was presented and discussed at the Staff Advisory Council and the Fall Faculty Senate meeting.

The TRC submitted its recommendations to President Spaniolo on December 2, 2004. The TRC's general consensus was that without a Designated Tuition increase there would not be sufficient funds to provide for the needs of the university. An increase in the Student Service Fee was approved and proposed by the TRC. This increase amounts to an additional \$ .48 per SCH to \$10.08 with a \$115 maximum.

### **UTA Tuition Plan for Fall 2005:**

- Designated Tuition will vary by semester credit hour and range from \$79.75 per SCH to \$91 per SCH.
- Continue the program of enhanced Designated Tuition for engineering and nursing, increasing the increment at the graduate level for nursing from \$10 per SCH to \$20 per SCH.
- Continue the \$3 per SCH discount for full payment by published due date
- Provide a \$200 per year (\$800 maximum) rebate for any student who successfully completes 30 SCH in the combined Fall and Spring semesters and maintains at least a 2.25 GPA

- Increase Student Service Fee 5% from \$9.60 per SCH to \$10.08 (maximum \$115)

**2. Use of planned tuition changes to meet strategic objectives:**

Increasing designated tuition is tied to the strategic objective of **providing high quality educational programs**. The revenue generated by increased tuition will be used primarily to provide merit based scholarships, provide increased debt capacity, provide modest merit based faculty and staff raises, hire 15 new faculty, and fund additional lease payment and utilities for the Information Technology and SIS Building. Salary increases are needed to offset decreases in health care benefits and real declines in salary, and thereby reduce attrition.

The program of enhanced Designated Tuition for Engineering and Nursing is tied to strategic objectives of **student access and academic excellence**. Both Engineering and Nursing have higher than average instructional costs. In order to maintain academic quality and to ensure that organized courses and labs are available to accommodate all students, significant investments in new faculty and laboratory equipment and supplies must be made. Engineering and Nursing also have higher than average wage returns to education; thus these degrees remain sound investments in the future for students who pursue them.

The three dollars per SCH discount for the on time payment is tied to the strategic objective of **effective and efficient class scheduling**. On time payment is valuable to UTA in that it enables us to finalize the course schedule and faculty assignments at an earlier date. Additionally we propose a \$200 rebate for students who successfully complete 30 hours in the combined fall and spring semesters while maintaining at least a 2.25 GPA. The discount and rebate will apply to the subsequent semester's tuition. This accomplishes additional strategic objectives, **continuous enrollment, shorter time to graduation, and higher graduation rates**.

Financial aid set asides will also be used to meet strategic objectives. Providing a 20% set aside at the undergraduate level and a 15% set aside at the graduate level will address the strategic objective of **providing an affordable education**.

In addition, a portion of the graduate set aside will continue to fund dissertation fellowships. Currently, doctoral students at research universities, including UTA, take too long to complete their degrees. For a variety of intellectual, psychological, and familial reasons, many doctoral students often drop out at the dissertation state. Consequently, many research universities have dissertation fellowship plans that pay selected students' tuition and living expenses for one year, thus enabling them to complete their degrees sooner. Such a dissertation fellowship program will benefit students and also enable UTA to pursue a **critical strategic goal of increasing PhD degree conferrals.**

University of Texas at Arlington

Fall 2004		Amount for 6 SCHs	Amount for 7 SCHs	Amount for 8 SCHs	Amount for 9 SCHs	Amount for 10 SCHs	Amount for 11 SCHs	Amount for 12 SCHs	Amount for 13 SCHs	Amount for 14 SCHs	Amount for 15 SCHs
Charge	Rate										
Statutory Tuition	\$48 per SCH	\$ 288.00	\$ 336.00	\$ 384.00	\$ 432.00	\$ 480.00	\$ 528.00	\$ 576.00	\$ 624.00	672	\$ 720.00
Designated Tuition	\$73 per SCH	\$ 438.00	\$ 511.00	\$ 584.00	\$ 657.00	\$ 730.00	\$ 803.00	\$ 876.00	\$ 949.00	1022	\$ 1,095.00
Computer/Technology	\$26 per SCH	\$ 156.00	\$ 182.00	\$ 208.00	\$ 234.00	\$ 260.00	\$ 286.00	\$ 312.00	\$ 330.00	330	\$ 330.00
ID Card	\$10 per term	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	10	\$ 10.00
International Education	\$1 per term	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	1	\$ 1.00
Intercollegiate Athletics	\$8.50 per SCH	\$ 51.00	\$ 59.50	\$ 68.00	\$ 76.50	\$ 85.00	\$ 93.50	\$ 102.00	\$ 110.50	115	\$ 115.00
Library Services	\$15 per SCH	\$ 90.00	\$ 105.00	\$ 120.00	\$ 135.00	\$ 150.00	\$ 165.00	\$ 172.50	\$ 172.50	172.5	\$ 172.50
Medical Services	\$38.50 per term	\$ 38.50	\$ 38.50	\$ 38.50	\$ 38.50	\$ 38.50	\$ 38.50	\$ 38.50	\$ 38.50	\$ 38.50	\$ 38.50
Recreational Facilities	\$9 per term	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00
Registration	\$5 per term	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Student Services	\$9.60 per SCH	\$ 57.60	\$ 67.20	\$ 76.80	\$ 86.40	\$ 96.00	\$ 105.60	\$ 115.20	\$ 115.20	\$ 115.20	\$ 115.20
Student Union	\$39 per term	\$ 39.00	\$ 39.00	\$ 39.00	\$ 39.00	\$ 39.00	\$ 39.00	\$ 39.00	\$ 39.00	\$ 39.00	\$ 39.00
		\$ 1,183.10	\$ 1,363.20	\$ 1,543.30	\$ 1,723.40	\$ 1,903.50	\$ 2,083.60	\$ 2,256.20	\$ 2,403.70	\$ 2,529.20	\$ 2,650.20

Fall 2005		PROPOSED	PROPOSED	PROPOSED	PROPOSED						
Charge	Rate										
Statutory Tuition	\$50 per SCH	\$ 300.00	\$ 350.00	\$ 400.00	\$ 450.00	\$ 500.00	\$ 550.00	\$ 600.00	\$ 650.00	\$ 700.00	\$ 750.00
<b>Designated Tuition</b>	<b>varies by SCH</b>	<b>\$ 482.40</b>	<b>\$ 561.75</b>	<b>\$ 641.60</b>	<b>\$ 720.90</b>	<b>\$ 837.50</b>	<b>\$ 957.00</b>	<b>\$ 1,092.00</b>	<b>\$ 1,137.50</b>	<b>\$ 1,120.00</b>	<b>\$ 1,196.25</b>
Computer/Technology	\$26 per SCH	\$ 156.00	\$ 182.00	\$ 208.00	\$ 234.00	\$ 260.00	\$ 286.00	\$ 312.00	\$ 330.00	\$ 330.00	\$ 330.00
ID Card	\$10 per term	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00
International Education	\$1 per term	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Intercollegiate Athletics	\$8.50 per SCH	\$ 51.00	\$ 59.50	\$ 68.00	\$ 76.50	\$ 85.00	\$ 93.50	\$ 102.00	\$ 110.50	\$ 115.00	\$ 115.00
Library Services	\$15 per SCH	\$ 90.00	\$ 105.00	\$ 120.00	\$ 135.00	\$ 150.00	\$ 165.00	\$ 172.50	\$ 172.50	\$ 172.50	\$ 172.50
Medical Services	\$38.50 per term	\$ 38.50	\$ 38.50	\$ 38.50	\$ 38.50	\$ 38.50	\$ 38.50	\$ 38.50	\$ 38.50	\$ 38.50	\$ 38.50
Recreational Facilities	\$9 per term	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00
Registration	\$5 per term	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
<b>Student Services</b>	<b>\$10.08 per SCH</b>	<b>\$ 60.48</b>	<b>\$ 70.56</b>	<b>\$ 80.64</b>	<b>\$ 90.72</b>	<b>\$ 100.80</b>	<b>\$ 110.88</b>	<b>\$ 115.20</b>	<b>\$ 115.20</b>	<b>\$ 115.20</b>	<b>\$ 115.20</b>
Student Union	\$39 per term	\$ 39.00	\$ 39.00	\$ 39.00	\$ 39.00	\$ 39.00	\$ 39.00	\$ 39.00	\$ 39.00	\$ 39.00	\$ 39.00
		\$ 1,242.38	\$ 1,431.31	\$ 1,620.74	\$ 1,809.62	\$ 2,035.80	\$ 2,264.88	\$ 2,496.20	\$ 2,618.20	\$ 2,655.20	\$ 2,781.45

<-retain last year's cap

<b>Increase-----&gt;</b>	\$ 59.28	\$ 68.11	\$ 77.44	\$ 86.22	\$ 132.30	\$ 181.28	\$ 240.00	\$ 214.50	\$ 126.00	\$ 131.25	<b>W/Rebate:</b>
<b>Percent Increase--&gt;</b>	5.01%	5.00%	5.02%	5.00%	6.95%	8.70%	10.64%	8.92%	4.98%	4.95%	1.18%

Rebate \$200 (\$100 for 15 SCHs)  
requires completion of 30 SCHs w/2.25 gpa



OFFICE OF THE PRESIDENT

## THE UNIVERSITY OF TEXAS AT DALLAS

P.O. BOX 830688 RICHARDSON, TEXAS 75083-0688  
(972) 883-2201 FAX (972) 883-2237

March 17, 2005

Dr. Teresa Sullivan  
Executive Vice Chancellor for Academic Affairs  
The University of Texas System  
601 Colorado Street  
Austin, Texas 78701

Dear Dr. Sullivan:

I forward for consideration of the officers and Regents of the U. T. System the proposal of The University of Texas at Dallas for its tuition and fee structure for FY 2005-06. The specific recommendations for the total aggregate tuition and fee costs for each number of student credit hours of enrollment are listed in the attached Tables I and II. This new proposal incorporates modifications of our proposal of last fall that results in lower total costs to students for tuition and fee payments. These modifications reflect the improved outlook for state funding of higher education, and the concerns on the part of state leaders that student access to excellent education be minimally impacted by tuition and fee increases.

Our current proposal retains our innovation of instituting a uniform price for undergraduate enrollment in a given number of Student Credit Hours, regardless of the student's major or class selection. This reform should obviate much of the on-going controversy about the transparency, or the lack thereof, associated with university tuition and fee charges. We have not, on the other hand, been able to retain our proposal to move to a flat-rate tuition and fee policy.

We have, however, provided some significant incentives for full-time students to increase their class loads up to at least 15 SCH per semester, and thereby expedite their progress to graduation. This has been accomplished by reducing the cost increases per SCH for higher levels of enrollment, moving all the way to zero percent increased costs for 16 SCH and greater enrollments. At the same time, we have held the percentage increases for part-time students, who do not have the flexibility to move to full-time enrollment, to five percent.

Our modified proposal for graduate student tuition continues to incorporate a two-component structure that differentiates between students pursuing graduate studies in the professional fields such as engineering and management that are more costly to support, and those in liberal arts and sciences areas. The recommended increases for most levels of enrollment in graduate classes are higher than for corresponding levels of undergraduate enrollment. This reflects the facts that we increased graduate resident

Dr. Sullivan  
March 17, 2005  
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designated tuition less than undergraduate designated tuition in the previous adjustments of designated tuition, and that we have instituted policies that hold significant numbers of graduate student harmless from any increase in tuition and fees.

Sincerely,

A handwritten signature in black ink, appearing to read "Franklyn G. Jenifer". The signature is written in a cursive style with a large, sweeping initial "F".

Franklyn G. Jenifer  
President

Table II. Proposed Graduate total tuition and fee costs at UTD for FY 06									
# SCH taken	minimum cost for each # of SCH for Fall 2004 at UTD for graduate enrollment	Average cost for each # of SCH for Fall 2004 at UTD for group 1	Average cost for each # of SCH for Fall 2004 at UTD for group 2	Prop. Grad. T&F for FY 06 for group 1	Prop. Grad. T&F for FY 06 for group 2	% T&F increase over FY 05 for group 1	% T&F increase over FY 05 for group 2	\$ T&F increase over FY 05 for group 1	\$ T&F increase over FY 05 for group 2
1	\$410.60	\$411	\$436	\$450	\$475	9.5%	8.9%	\$39	\$39
2	\$654.20	\$654	\$704	\$720	\$775	10.1%	10.1%	\$66	\$71
3	\$897.80	\$898	\$973	\$1,020	\$1,105	13.6%	13.6%	\$122	\$132
4	\$1,141.40	\$1,141	\$1,241	\$1,300	\$1,410	13.9%	13.6%	\$159	\$169
5	\$1,385.00	\$1,385	\$1,510	\$1,575	\$1,720	13.7%	13.9%	\$190	\$210
6	\$1,628.60	\$1,629	\$1,779	\$1,855	\$2,025	13.9%	13.8%	\$226	\$246
7	\$1,872.20	\$1,872	\$2,047	\$2,095	\$2,290	11.9%	11.9%	\$223	\$243
8	\$2,115.80	\$2,116	\$2,316	\$2,350	\$2,570	11.1%	11.0%	\$234	\$254
9	\$2,359.40	\$2,359	\$2,584	\$2,600	\$2,850	10.2%	10.3%	\$241	\$266
10	\$2,586.40	\$2,586	\$2,836	\$2,830	\$3,100	9.4%	9.3%	\$244	\$264
11	\$2,813.40	\$2,813	\$3,088	\$3,050	\$3,345	8.4%	8.3%	\$237	\$257
12	\$3,040.40	\$3,040	\$3,340	\$3,230	\$3,550	6.3%	6.3%	\$190	\$210
13	\$3,267.40	\$3,267	\$3,592	\$3,420	\$3,750	4.7%	4.4%	\$153	\$158
14	\$3,494.40	\$3,494	\$3,844	\$3,620	\$3,980	3.6%	3.5%	\$126	\$136
15	\$3,721.40	\$3,721	\$4,096	\$3,721	\$4,096	0.0%	0.0%	\$0	\$0
16	\$3,948.40	\$3,948	\$4,348	\$3,948	\$4,348	0.0%	0.0%	\$0	\$0
17	\$4,175.40	\$4,175	\$4,600	\$4,175	\$4,600	0.0%	0.0%	\$0	\$0
18	\$4,402.40	\$4,402	\$4,852	\$4,402	\$4,852	0.0%	0.0%	\$0	\$0
19	\$4,629.40	\$4,629	\$5,104	\$4,629	\$5,104	0.0%	0.0%	\$0	\$0
21	\$4,856.40	\$4,856	\$5,381	\$4,856	\$5,381	0.0%	0.0%	\$0	\$0

Table I. Proposed Undergraduate total tuition and fee costs at UTD for FY 06						
# SCH taken	Minimal cost for each # of SCH for Fall 2004 at UTD	Average cost for each # of SCH for Fall 2004 at UTD	Cost for n SCH in FY 06 at UTD	\$ increase over FY 05 T&F	% increase over FY 05 T&F	
1	\$374.60	\$389	\$408	\$19	5.00%	
2	\$582.20	\$604	\$634	\$30	5.00%	
3	\$789.80	\$819	\$860	\$41	5.00%	
4	\$997.40	\$1,035	\$1,087	\$52	5.00%	
5	\$1,205.00	\$1,250	\$1,313	\$63	5.00%	
6	\$1,412.60	\$1,465	\$1,538	\$73	5.00%	
7	\$1,620.20	\$1,681	\$1,765	\$84	5.00%	
8	\$1,827.80	\$1,896	\$1,991	\$95	5.00%	
9	\$2,035.40	\$2,112	\$2,218	\$106	5.00%	
10	\$2,226.40	\$2,310	\$2,472	\$162	7.00%	
11	\$2,417.40	\$2,508	\$2,734	\$226	9.00%	
12	\$2,608.40	\$2,706	\$3,004	\$298	11.00%	
13	\$2,799.40	\$2,904	\$3,165	\$261	9.00%	
14	\$2,990.40	\$3,102	\$3,257	\$155	5.00%	
15	\$3,181.40	\$3,300	\$3,416	\$116	3.50%	
16	\$3,372.40	\$3,499	\$3,499	\$0	0.00%	
17	\$3,563.40	\$3,697	\$3,697	\$0	0.00%	
18	\$3,754.40	\$3,895	\$3,895	\$0	0.00%	
19	\$3,945.40	\$4,093	\$4,093	\$0	0.00%	
20	\$4,136.40	\$4,291	\$4,291	\$0	0.00%	
21	\$4,327.40	\$4,489	\$4,489	\$0	0.00%	
22	\$4,518.40	\$4,687	\$4,687	\$0	0.00%	
23	\$4,709.40	\$4,886	\$4,886	\$0	0.00%	
24	\$4,900.40	\$5,084	\$5,084	\$0	0.00%	
25	\$5,091.40	\$5,282	\$5,282	\$0	0.00%	
26	\$5,282.40	\$5,480	\$5,480	\$0	0.00%	

**Tuition and Fees at The University of Texas at Dallas for the Fall 2005, Spring 2006 and Summer 2006 Semesters**

Submitted by the committee appointed by President Franklyn Jenifer and charged to study and develop recommendations regarding the optimum tuition and fee structure for The University of Texas at Dallas to implement for FY 06.

Hobson Wildenthal, Chair  
Executive Vice President and Provost

Hasan Pirkul  
Dean, School of Management

Darrelene Rachavong  
Interim Vice President for Student Affairs

Sheila Amin Gutierrez de Pineres  
Associate Dean for Undergraduate Studies, School of Social Sciences

Robert Nelsen  
Associate Professor of Literary Studies and Speaker of the UTD Faculty

Laura Rashedi  
UTD Student Body President

Victoria Neave  
UTD Student Body Vice President

Erin Dougherty  
Graduate Student representative, appointed by the Student Government Association

## Context

The University of Texas at Dallas obtains funding to support its basic instructional activities from appropriations of tax dollars by the Legislature of the State of Texas and from payments by its students of tuition and fee charges. Other sources of support, such as gifts, endowment income and indirect costs charged against external grant and contract expenditures, amount to only a few percent of the total support for instructional and research activities. As UTD commences planning for the next fiscal year, FY 06, available revenue from these two primary sources of support will determine the extent of the university's progress toward enhanced quality and productivity.

For many decades, Texas public higher education was supported primarily by legislative appropriations. However, over the past decade a greater and greater fraction of the costs of university operations has been funded by tuition and fee payments. Most of these funds have come from increases in "Designated Tuition and Designated Fees" (as distinct from the legislatively regulated "Statutory Tuition.") For the current FY 05 budget year, legislatively appropriated dollars account for about 40 percent of the university's budget for support of instructional and support activities, with dollars from student payments accounting for about 60 percent.

Replacement of the "buying power" of legislatively appropriated revenue with revenue generated from student payments of designated tuition and fees requires about \$1.30 in added student costs for every \$1.00 reduction in state appropriations. This \$0.30 differential arises because university expenditures are predominantly for salaries, and the fringe benefits of employees whose salaries are funded with appropriated funds are concurrently funded by the state from a separate account, and not deducted from the university's direct appropriations. However, the fringe benefits of employees whose salaries are funded with "Designated" funds must be paid from these same "Designated" sources. This situation creates an additional burden on these revenues amounting to from 10 to 35 percent of salary costs. In addition to this fringe benefit burden, 15 percent, and in some cases 20 percent, of the revenues generated from both Statutory and Designated tuition must be set aside for need-based student financial aid by legislative mandate. Hence, in the current 40 percent-60 percent mix of income supporting educational operations at UTD, the "buying power" of the two components is approximately equal.

**Why does UTD need additional funding for next year, FY 06, over and above the funding level provided by the combination of state appropriations and student tuition and fee payments that is in effect for FY 05?**

1. Additional funding is required to reverse the steady three-year long deterioration of the faculty/student ratio. The faculty/student ratio is one of the two defining material indices of excellent universities, the other being the university's total expenditures per student. These material indices are not the only determinants of excellence in higher education, thank goodness. Intelligence, dedication, and extra effort can and do compensate for material shortfalls. However, in the long run, no organization - business, military, or educational - can over time succeed against larger, better-equipped competition.

The reductions in legislative support for FY 04 and FY 05 were partially, but far from completely, offset by last year's large increases in Designated Tuition. The resulting net reduction in operating funds and UTD's continued enrollment growth have together brought about a 15 percent decline, down to 1/23, in the number of Full-Time Equivalent (FTE) faculty per FTE student in FY 05. This ratio should be measured against the 1/20 ratio that UTD's students enjoyed in FY 03, a ratio that is the minimum standard for high-quality, high-reputation universities. Hence, a first priority is to add at least 45 net new members (10 percent) to the UTD faculty so that, even with the projected four percent continued growth in UTD enrollment, this ratio can be improved to 1/22 for FY 06. This will require an **additional \$4.0 million** of annual funding, given the disciplinary, seniority and professional distinction profiles required of the added faculty.

2. It is natural and appropriate to focus on numbers of faculty members relative to numbers of students when evaluating university quality. However, faculty and students do not pursue learning and research in a vacuum. Additional students and additional faculty require significant numbers of non-faculty staff to sustain university operations. External auditors have warned that, in attempting to maintain academic programs at the highest possible quality levels, UTD has permitted its critical business operations to become vulnerable to potential catastrophic breakdowns due to pervasive understaffing of support functions and the deferral of urgently needed business system investments. Strengthening the UTD staff and business infrastructure to remove these vulnerabilities will require an **additional \$3.5 million** of annual funding.
3. UTD is a partner in a unique public-private initiative, led by Texas Instruments, the State's three highest ranking political leaders, The University of Texas System and community supporters. As its share of this endeavor, formally known as the Jonsson School Research Enhancement Initiative, UTD has committed to hire 40 nationally distinguished research engineers and scientists and add 400 doctoral students in the fields of engineering and the physical and computational sciences, over and above the restoration of the base-line FY 04 faculty/student ratio. The prorated commitment for

FY 05 is thus eight researchers and 80 graduate students. Fulfilling this commitment will require an **additional \$2.7 million** of annual funding.

4. Strengthening a university faculty entails not only hiring ever more outstanding individuals but also retaining the proven leaders of the current faculty. Both of these tasks require that UTD's compensation schedule be competitive with those of peer universities. Providing outstanding current faculty and productive support staff with competitive merit salary increases for FY 06, in the range of two to three percent on average, will require an **additional \$2.8 million** of annual funding.

UTD's crucial, highest-priority needs for FY 06 thus require an **additional \$13 million** of annual funding, and even after these top priorities are addressed, there will remain the challenge of returning the faculty/ratio to the 1/20 touchstone of excellent universities and redressing the pervasive deterioration of the UTD physical plant.

What are possible sources of the critically needed additional revenue? The projected four percent increase in Student Credit Hours (SCH) for FY 06 should yield approximately an additional **\$2.5 million** from increased tuition and fee payments. Other than this source, the only meaningful sources of additional revenue are increased rates of tuition and fee payments and increased support for higher education by the State of Texas. There is considerable uncertainty regarding the upcoming legislative session, but no one predicts that the current funding levels for higher education are going to improve in the near future. Hence, the only remaining avenue for generating the additional revenue that is crucial to sustaining university operations is to increase the level of tuition and fee payments.

Even though educational charges for UTD students increased by approximately 25 percent between Fall 2003 and Fall 2005, further increases in student costs for FY 06 appear to be the only way to avert a major decline in UTD's competitive stance, both on the national front and relative to leading Texas universities. Hence, UTD has the challenge of developing a plan for carefully tailored increases in student charges that generates the operating support necessary to sustain university operations while stimulating progress toward important educational and community goals.

**What strategies for restructuring UTD tuition and fee policies can best address the priorities of the university, its students, and our larger constituencies?**

The UTD administration has conferred with UTD students and other interested and concerned groups in a comprehensive, interactive process to identify an optimum tuition and fee structure for FY 06. The goal has been to generate the minimal necessary increases in revenue required to staunch deterioration in UTD's educational quality while simultaneously making major contributions to the educational progress of students and to the goals of the State of Texas. The tuition and fee structure we propose for consideration by the President features some meaningful innovations that make pricing of higher education to students and parents transparent, while it will generate approximately 40 percent of the needed **\$13 million** of new funding.

Our innovations are designed to provide maximum clarity and ease in grasping the costs of higher education. We propose to take advantage of the opportunity provided by tuition deregulation in order to make it possible for every student to determine at a glance how much a semester's enrollment will cost. The first stage of this reform is the elimination of many program and course-specific fees. The second and final stage is the aggregation of Statutory tuition with all remaining fee and variable amounts of Designated tuition to create a common price for enrollment in a given number of SCH, independent of the choice of specific individual courses and fields of study. With this reform, students will incur no further charges beyond these basic prices other than the costs for optional recreational sports classes and for optional field trips and off-campus experiential education.

The proposed pricing structure for undergraduate students, presented in detail in Table I, provides incentives for full-time students to take 15 or more SCH a semester while it minimizes the impact of increases on UTD's large number of part-time, working students. This proposed pricing strategy positions UTD students to pay significantly lower tuition and fee bills than students at U. T. Austin will pay for enrolling for the corresponding classes.

The proposed pricing strategy for post-baccalaureate and graduate students, presented in Table II, entails two parallel price structures analogous to the undergraduate structure, rather than only one. The additional fees currently charged to students pursuing Masters degrees in the School of Management, the Erik Jonsson School of Engineering and Computer Science, the Public Affairs Program and the Communication Disorders Program have been aggregated into a price profile for those students that is uniformly higher than that for students in other graduate programs.

### **Consequences of this Proposal for UTD Students and UTD Programs**

The proposed structure of undergraduate tuition and fees for FY 06 is projected to yield approximately **\$3 million** of new revenue on an annual basis, and the graduate tuition and fee structure about **\$2.5 million**. Of this gross **\$5.5 million** of new revenue, approximately **\$0.5 million** will automatically be channeled into the Texas Public Education Grants (TPEG), the B-on-Time Program and the Designated Tuition Set-Aside Program for need-based financial aid. The remaining **\$5 million** of new revenue would be available to address the priorities noted in the first sections of this document.

**UTD Programs:** The \$5 million of net additional tuition and fee revenue from this modest increase in student payments amounts to less than 40 percent of UTD's projected FY 06 needs. Since we do not recommend that UTD students pay for all of the necessary FY 06 funds, it follows that increased funding from the State of Texas is thus crucial if the university is to move forward. Any reductions in the current level of state funding would of course widen the gap between the requirements of sustaining basic operations and available resources. To the degree that state funding for the FY 06-07 biennium leaves a gap between resources and needs, the university will have to make hard decisions about what priorities are deferred or abandoned.