

WESTERN WASHINGTON UNIVERSITY

ITEM SUBMITTED TO THE BOARD OF TRUSTEES

TO: Members of the Board of Trustees

FROM: President Sabah Randhawa on behalf of:
Richard Van Den Hul, Vice President for Business and Financial Affairs

DATE: April 13, 2018

SUBJECT: Tuition Framework and Approval of 2018 Summer Session Tuition and Fees

PURPOSE: Discussion and Action Item

Purpose of Submittal:

The purpose of this item is to reacquaint the Board members with the complexities of the tuition setting process, in preparation of requesting the Board's approval of the 2018 Summer Session Tuition and Fees and the request forthcoming in June for the 2019 state-supported Tuition and Fees. This discussion will include the tuition types and levels of students, a review of the tuition setting processes for each of the tuition types, a preliminary discussion on state-supported tuition rates for FY2019, followed by a request to approve the 2018 Summer Session Tuition and Fees.

Overview of Tuition Types and Levels

Western has three tuition types: 1) State-funded/state-supported tuition, 2) self-sustaining tuition, and 3) Summer Session tuition. In addition, Western has ten levels, or categories, of students that are potentially charged the three tuition types:

- Resident Undergraduate
- Non-Resident Undergraduate
- Resident Graduate
- Non-Resident Graduate
- Resident MBA
- Non-Resident MBA
- Resident Audiology
- Non-Resident Audiology
- Resident Speech Pathology
- Non-Resident Speech Pathology

There are several factors that determine the tuition types and rates. Background information for each tuition type is included in Attachments A-C. They are intended to aid in the discussions that follow.

Process Review

Tuition rates are annually reviewed and approved by the Board. State and self-sustaining tuition rates are generally set in June when the Legislature finishes on time or in July if they finish late. Summer Session rates are generally set in December or February. President Randhawa has asked for a review of the tuition setting process to ensure there is adequate opportunity for campus input and to see if we can improve understanding of each type and level of tuition and

how they support Western's goals for student access, success and affordability, and educational quality.

The process for setting state-supported tuition for FY2019 has been modified to include discussions with the Associated Students (AS), the Graduate Student Advisory Council, and the Board prior to the budgeting process (Attachment D). The broader study of tuition and related processes will be done during fall quarter.

Preliminary Discussion on FY2019 State-Supported Tuition Rates

In June the Board will set state-supported tuition rates to support the FY2019 budget. Resident undergraduate increases are limited by the Legislature to the increase in the 14 year average annual percentage growth in the median hourly wage for Washington. For FY2019 that amount is 2%. In the other categories the Board has more discretion.

During the review of tuition rates for the FY2018 university budget process it became more apparent that Western is lagging other Washington public universities in other tuition categories. In the past, tuition was adjusted incrementally. It appeared that we needed a deeper review of the tuition levels. This review became timely as we move ahead with additional international students.

Two immediate areas of focus are the undergraduate non-resident tuition and non-resident MBA graduate tuition, though we will be evaluating other areas over the next 12 months. We reviewed our tuition and fee costs to institutions with which we compete for non-resident students. The review indicates that we are behind the market particularly given the quality of our institution (Attachment E). The recommendation under consideration is to slowly increase non-resident undergraduate tuition levels until we are priced near the 28th percentile as shown in Attachment F. This would target a price position between Washington State University and Eastern Washington University. The recommendation would include a 5% annual increase in non-resident undergraduate tuition until we achieve the target. Depending on increases at other universities, it may require 5-7 years to achieve the target. The target will be reviewed annually during the tuition setting process.

Working with the College of Business and Economics, we reviewed the positioning of non-resident MBA tuition. Again, the comparison shows a sizeable lag to our competitors (Attachment G). A price point was selected to be closer to our competitors, as shown in the lower table in Attachment G. It should be noted that historically we have had few non-resident MBA students. The recommendation will be for new students coming into the program.

As pointed out earlier, the tuition process will include a review with the AS Board and the Graduate Council. Final recommendations will be sent to the campus for comment in May and ultimately the Board for approval in June. We welcome your questions and comments today.

Summer Session 2018 Tuition

Purpose of Submittal:

The Board of Trustees annually approves Summer Session tuition. Summer Session 2018 tuition is submitted for approval.

Proposed Motion:

MOVED, that the Board of Trustees of Western Washington University, on recommendation of the President, approves the recommended Summer Session Tuition for 2018: specifically, that resident undergraduate tuition will remain unchanged at \$250 per credit; resident graduate tuition will rise to \$309 per credit; and non-resident undergraduate and graduate tuition will increase to \$391 and \$450 per credit, respectively. Tuition rates for programs with unique tuition amounts will match the approved rates from the academic year: \$358 per credit for resident graduate and \$715 for non-resident graduate for the MBA program; \$472 per credit for resident graduate and \$872 for non-resident graduate for the Speech Pathology Program; and \$636 per credit for resident graduate and \$949 for non-resident graduate for the Audiology Program. The \$45 per credit "Non-resident Fee" applied to both undergraduate and graduate non-residents will be added to the tuition. Student tuition will be charged on a per credit basis for Summer Session.

Points to Consider:

The proposed increases are necessary to cover increasing Summer Session operational costs, including salaries, benefits, and other expenses.

Washington Resident Undergraduate Tuition

If this motion is adopted, there would be no increase in Summer Session 2018 tuition for resident undergraduates, which accounted for 85% of the Summer Session 2017 population.

Central Washington University, Eastern Washington University, Washington State University, and The Evergreen State College have determined that they will not increase their rates for resident undergraduates for Summer Session 2018. The University of Washington will increase resident undergraduate tuition by 2.7%.

Washington Resident Graduate Tuition

If this motion is adopted, Summer Session 2018 resident graduate tuition will rise 3.5% to \$309 per credit, to keep pace with what resident graduate students are paying during the current 2017-2018 academic year.

Central Washington University, Eastern Washington University, and Washington State University tuition will remain unchanged. The University of Washington increased graduate tuition by less than 1% and The Evergreen State College increased graduate tuition by 5.8%.

Non-Resident Undergraduate and Graduate Tuition

Washington's six public four-year institutions are divided in their respective approaches to establishing non-resident Summer Session tuition rates. This year, Central Washington University, The Evergreen State College, the University of Washington, and Western will propose differential Summer Session rates for non-resident students. Two institutions, Eastern Washington University and Washington State University, have adopted a single Summer Session tuition rate.

The proposed motion continues Western's practice of charging differential non-resident undergraduate and graduate tuition. If adopted, the tuition rate for non-resident undergraduates will increase to \$391 per credit, and the tuition rate for non-resident graduates will rise to \$450 per credit. The change in non-resident undergraduate tuition reflects a 3.5% increase plus the amount formerly assessed by the non-resident fee (\$45). The non-resident fee (formerly \$45 per credit) would be eliminated. These specific increases are necessary to maintain the previously

established relationships between resident and non-resident tuition and between undergraduate and graduate tuition.

The proposed motion is consistent with the Board’s previous authorization of differential state-supported tuition during the academic year for select graduate programs - Audiology, MBA, and Speech Pathology - and extends the approved tuition rates for the prior academic year to Summer Session.

Source of Funds: Self-Supporting Dedicated Revenue

Supporting Information:

Summer Session 2017 (Ordered by Resident Undergraduate Rates)									
Undergraduate					Graduate				
Resident		Non-Resident			Resident		Non-Resident		
Institution	Tuition per credit	Institution	Tuition per credit	Non-Res Fee	Institution	Tuition per credit	Institution	Tuition per credit	Non-Res Fee
WSU ¹	\$ 494.00	WSU ¹	\$ 494.00		WSU ¹	\$ 509.00	WSU ¹	\$ 509.00	
UW	\$ 323.10	UW	\$ 1,125.57		UW	\$ 723.13	UW	\$ 1,298.55	
CWU	\$ 264.70	CWU	\$ 397.05		CWU	\$ 310.59	CWU	\$ 465.89	
TESC	\$ 251.00	TESC	\$ 720.00		TESC	\$ 294.00	TESC	\$ 705.90	
WWU	\$ 250.00	WWU	\$ 335.00	\$ 45.00	WWU	\$ 299.00	WWU	\$ 384.00	\$ 45.00
EWU	\$ 235.00	EWU	\$ 235.00		EWU	\$ 364.13	EWU	\$ 364.13	

Summer Session 2018 - Proposed (Ordered by Resident Undergraduate Rates)									
Undergraduate					Graduate				
Resident		Non-Resident			Resident		Non-Resident		
Institution	Tuition per credit	Institution	Tuition per credit	Non-Res Fee	Institution	Tuition per credit	Institution	Tuition per credit	Non-Res Fee
WSU ¹	\$ 494.00	WSU ¹	\$ 494.00		WSU ¹	\$ 509.00	WSU ¹	\$ 509.00	
UW	\$ 331.78	UW	\$ 1,149.88		UW	\$ 723.81	UW	\$ 1,296.82	
CWU	\$ 264.70	CWU	\$ 397.05		CWU	\$ 310.59	CWU	\$ 465.89	
TESC	\$ 251.00	TESC	\$ 761.50		TESC	\$ 310.40	TESC	\$ 823.40	
WWU	\$ 250.00	WWU	\$ 391.00		WWU	\$ 309.00	WWU	\$ 450.00	
EWU	\$ 235.00	EWU	\$ 235.00		EWU	\$ 364.13	EWU	\$ 364.13	

1 – WSU Operates on the Semester System

Attachments:

- A: State Funded/State-Supported Tuition
- B: Self-Sustaining Tuition
- C: Summer Session Tuition
- D: FY2019 State Support Tuition Process
- E. Non-resident Undergraduate Tuition/fee comparisons
- F. Non-resident Graduate MBA Tuition/fee comparisons
- G. Non-resident Tuition considerations

State-Funded/State-Supported Courses/Tuition

As the name implies, state funding is provided to support the cost of these courses. Defined by the State Administrative & Accounting Manual (SAAM) as meeting **all** of the following conditions:

1. The course is taken for credit,
2. The course is degree-applicable or required for a student to make progress toward a degree,
3. Regular resident or non-resident tuition fees per RCW 28B.15.067 and RCW 28B.15.100 are charged, and
4. The course is not defined as self-sustaining.

State-Funded Tuition 2017-18 Per Credit Rates*		
	Resident	Non-Resident
Undergraduate	\$208	\$692
Graduate	\$309	\$664
MBA	\$358	\$715
Speech Language Pathology	\$472	\$872
Clinical Audiology	\$636	\$949

Credit Hours / Revenue

State-funded/state-supported student credit hours in FY17	569,994
Percentage of state-funded credit hours to all credit hours generated	89.0%

State-funded/State-supported revenue generated in FY17	\$86.3 million
Percentage of state-funded revenue to all tuition revenue	84.0%

Tuition Setting Timeline

Tuition rates are set after the annual legislative session is completed and during the budget building process for the subsequent fiscal year. All rates are market driven with the exception of Resident Undergraduate tuition, which is set by the Legislature.

The tuition rates are annually scheduled for approval at the June Board meeting unless the legislative session does not finish in time.

* Rates listed do not include the Service and Activity (S&A) Fee or other fees
Banded tuition is applied to 10-18 credit hours

Self-Sustaining Courses/Tuition

Self-sustaining courses are those for which the University receives no state support. Tuition is intended to cover the cost of instruction. These courses are defined by the State Administrative & Accounting Manual (SAAM) as meeting **all** of the following conditions:

1. The course is taken for credit, and
2. The direct costs of the course are entirely funded by dedicated local funds, external funds, or by a combination of the two.

Self-Sustaining Tuition 2017-18 Per Credit Rates*		
	Resident	Non-Resident
Undergraduate	\$250-\$281	\$264-\$281
Graduate	\$266-\$335	\$335
MBA	\$625	\$625

Credit Hours / Revenue	44,149
Self-sustaining student credit hours in FY17**	
Percentage of self-sustaining credit hours to all credit hours generated**	6.9%
Self-sustaining revenue generated in FY17**	\$8.9 million
Percentage of self-sustaining revenue to all tuition revenue**	8.7%

Tuition Setting Timeline

Self-sustaining courses/tuition rates (also referred to as Other Academic Program Fees) are reviewed and evaluated annually by the Academic Fee Committee, the University Fee Committee, and the President's Cabinet prior to being submitted to the Board for approval. This tuition type is assessed to students participating in Continuing Education programs and courses as well as degree programs via Extended Education.

Annually scheduled to be approved at the June Board meeting.

* Rates listed do not include the Service and Activity (S&A) Fee or other fees
Different programs charge different per credit rates

** Excludes Summer Session

Summer Session

Defined by the State Administrative & Accounting Manual (SAAM), all summer enrollments are self-sustaining except for certain state-funded courses that have prior approval from the Office of Financial Management. Western has no summer session state-funded/state-supported courses.

This tuition type is reserved for those courses that during the academic year are state-funded/ state supported courses, but convert to self-sustaining activities during the summer months. Historically, the tuition rates for this subset of self-sustaining tuition was equivalent to the academic year state-funded/state-supported tuition, until the College Affordability Act of 2015 bought back recent years tuition increases with newly appropriated state funds. Because the self-sustaining programs received no "buyback," summer session tuition for resident undergraduate students has remained at the 2014-2015 tuition rates to cover expenditures of the programs.

Summer Session Tuition 2017-18 Per Credit Rates*		
	Resident	Non-Resident
Undergraduate	\$250	\$335
Graduate	\$299	\$384
MBA	\$299	\$384

Credit Hours / Revenue	26,366
Summer Session student credit hours in FY17	
Percentage of Summer Session credit hours to all credit hours generated	4.1%
Summer Session revenue generated in FY17	\$7.5 million
Percentage of Summer Session revenue to all tuition revenue	7.3%

Tuition Setting Timeline

Summer session rates are reviewed and evaluated annually, and compared to the other institutions of higher education in the state. A recommendation is made to the Provost, and if approved, the recommendation is subsequently moved to the Board for approval.

Annually scheduled to be approved at the December or February Board meeting.

* Rates listed do not include the Service and Activity (S&A) Fee or other fees

FY2019 State Support Tuition Process

- April: Meeting with students identified by the AS Executive Committee to discuss undergraduate tuition and possible 2018-19 tuition increases.
- April: Meeting with the Graduate Student Advisory Council (GSAC) to discuss graduate tuition and possible 2018-19 tuition increases.
- April 13: Presentation to the Board of Trustees (BOT) to include an overview of tuition types and levels, broader review of tuition and recommendations currently under consideration for certain types of tuition.
- May 8: VP/Dean recommendations for FY2019 budget (including tuition increases) submitted to the Budget Office and provided to campus for comment.
- Feedback Loops:
 - President's Cabinet; inclusive of faculty, staff and student representatives. Meets on May 8, 2018
 - UPRC; inclusive of faculty, staff and students representatives. Meets on May 9, 2018
 - Via online Budget Forum. Open to faculty, staff and students through May 18, 2018
- Final President's recommendation to BOT posted on the Budget Office website and mailed to the BOT on June 4, 2018 as an action item for approval at the June 14-15, 2018 meeting
- BOT meeting June 14-15, 2018 – includes public comment period

2017-2018 Non-Resident Student Costs

	Institution	ST	Control	Tuition + Fees	Room & Board	Total Cost
1	Chapman Univ	CA	Private	\$ 50,594	\$ 14,910	\$ 65,504
2	Whitman Coll	WA	Private	\$ 49,780	\$ 12,524	\$ 62,304
3	Univ Redlands	CA	Private	\$ 48,072	\$ 13,862	\$ 61,934
4	Lewis Clark Coll	OR	Private	\$ 48,988	\$ 12,096	\$ 61,084
5	Univ Puget Sound	WA	Private	\$ 48,090	\$ 12,120	\$ 60,210
6	Willamette Univ	OR	Private	\$ 48,308	\$ 11,880	\$ 60,188
7	Univ Portland	OR	Private	\$ 44,026	\$ 14,824	\$ 58,850
8	Univ Calif Davis	CA	Public	\$ 42,396	\$ 16,136	\$ 58,532
9	Seattle Univ	WA	Private	\$ 42,885	\$ 12,072	\$ 54,957
10	Pacific Univ	OR	Private	\$ 42,594	\$ 12,164	\$ 54,758
11	Univ Colorado Boulder*	CO	Public	\$ 39,128	\$ 13,998	\$ 53,126
12	Gonzaga Univ	WA	Private	\$ 41,330	\$ 11,550	\$ 52,880
13	Whitworth Univ	WA	Private	\$ 41,086	\$ 11,496	\$ 52,582
14	Pacific Lutheran Univ	WA	Private	\$ 40,722	\$ 10,520	\$ 51,242
15	Seattle Pacific Univ	WA	Private	\$ 38,940	\$ 10,824	\$ 49,764
16	Univ Hawaii Manoa	HI	Public	\$ 33,764	\$ 13,673	\$ 47,437
17	Univ Washington Seattle	WA	Public	\$ 34,791	\$ 11,691	\$ 46,482
18	Univ of Oregon	OR	Public	\$ 34,611	\$ 11,450	\$ 46,061
19	Univ Washington Bothell	WA	Public	\$ 34,473	\$ 11,259	\$ 45,732
20	Univ Washington Tacoma	WA	Public	\$ 34,473	\$ 10,650	\$ 45,123
21	Univ Calif Santa Cruz	CA	Public	\$ 28,014	\$ 16,071	\$ 44,085
22	Colorado State Univ Ft Collins	CO	Public	\$ 29,140	\$ 12,208	\$ 41,348
23	Oregon State Univ	OR	Public	\$ 29,457	\$ 11,445	\$ 40,902
24	Portland State Univ	OR	Public	\$ 26,130	\$ 12,831	\$ 38,961
25	Washington State Univ	WA	Public	\$ 25,770	\$ 11,356	\$ 37,126
26	Eastern Washington Univ	WA	Public	\$ 24,594	\$ 11,638	\$ 36,232
27	Univ Utah	UT	Public	\$ 25,198	\$ 10,566	\$ 35,764
28	Northern Arizona Univ	AZ	Public	\$ 24,841	\$ 9,944	\$ 34,785
29	The Evergreen State Coll	WA	Public	\$ 24,963	\$ 9,681	\$ 34,644
30	Calif Polytec St Univ SLO	CA	Public	\$ 21,312	\$ 13,116	\$ 34,428
31	Univ Montana Missoula	MT	Public	\$ 24,943	\$ 9,178	\$ 34,121
32	Western Washington University	WA	Public	\$ 22,445	\$ 11,400	\$ 33,845
33	Montana State Univ Bozeman	MT	Public	\$ 24,300	\$ 9,250	\$ 33,550
34	Central Washington Univ	WA	Public	\$ 21,956	\$ 10,684	\$ 32,640
35	Univ of Idaho	ID	Public	\$ 23,812	\$ 8,670	\$ 32,482
36	Boise State Univ	ID	Public	\$ 21,530	\$ 7,566	\$ 29,096

WWU Percentile Rank	6.6%	36.7%	10.3%
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*CU-Boulder has differential tuition by academic college; information here is for engineering rate:

Non-Resident Student Costs - Long Term Target Area					
Institution	ST	Control	T+F	H&D	Total Cost
1 Chapman Univ	CA	Private	\$ 50,594	\$ 14,910	\$ 65,504
2 Whitman Coll	WA	Private	\$ 49,780	\$ 12,524	\$ 62,304
3 Univ Redlands	CA	Private	\$ 48,072	\$ 13,862	\$ 61,934
4 Lewis Clark Coll	OR	Private	\$ 48,988	\$ 12,096	\$ 61,084
5 Univ Puget Sound	WA	Private	\$ 48,090	\$ 12,120	\$ 60,210
6 Willamette Univ	OR	Private	\$ 48,308	\$ 11,880	\$ 60,188
7 Univ Portland	OR	Private	\$ 44,026	\$ 14,824	\$ 58,850
8 Univ Calif Davis	CA	Public	\$ 42,396	\$ 16,136	\$ 58,532
9 Seattle Univ	WA	Private	\$ 42,885	\$ 12,072	\$ 54,957
10 Pacific Univ	OR	Private	\$ 42,594	\$ 12,164	\$ 54,758
11 Univ Colorado Boulder*	CO	Public	\$ 39,128	\$ 13,998	\$ 53,126
12 Gonzaga Univ	WA	Private	\$ 41,330	\$ 11,550	\$ 52,880
13 Whitworth Univ	WA	Private	\$ 41,086	\$ 11,496	\$ 52,582
14 Pacific Lutheran Univ	WA	Private	\$ 40,722	\$ 10,520	\$ 51,242
15 Seattle Pacific Univ	WA	Private	\$ 38,940	\$ 10,824	\$ 49,764
16 Univ Hawaii Manoa	HI	Public	\$ 33,764	\$ 13,673	\$ 47,437
17 Univ Washington Seattle	WA	Public	\$ 34,791	\$ 11,691	\$ 46,482
18 Univ of Oregon	OR	Public	\$ 34,611	\$ 11,450	\$ 46,061
19 Univ Washington Bothell	WA	Public	\$ 34,473	\$ 11,259	\$ 45,732
20 Univ Washington Tacoma	WA	Public	\$ 34,473	\$ 10,650	\$ 45,123
21 Univ Calif Santa Cruz	CA	Public	\$ 28,014	\$ 16,071	\$ 44,085
22 Colorado State Univ Ft Collins	CO	Public	\$ 29,140	\$ 12,208	\$ 41,348
23 Oregon State Univ	OR	Public	\$ 29,457	\$ 11,445	\$ 40,902
24 Portland State Univ	OR	Public	\$ 26,130	\$ 12,831	\$ 38,961
25 Washington State Univ	WA	Public	\$ 25,770	\$ 11,356	\$ 37,126
26 Western Washington University - Target	WA	Public	\$ 25,279	\$ 11,400	\$ 36,679
27 Eastern Washington Univ	WA	Public	\$ 24,594	\$ 11,638	\$ 36,232
28 Univ Utah	UT	Public	\$ 25,198	\$ 10,566	\$ 35,764
29 Northern Arizona Univ	AZ	Public	\$ 24,841	\$ 9,944	\$ 34,785
30 The Evergreen State Coll	WA	Public	\$ 24,963	\$ 9,681	\$ 34,644
31 Calif Polytec St Univ SLO	CA	Public	\$ 21,312	\$ 13,116	\$ 34,428
32 Univ Montana Missoula	MT	Public	\$ 24,943	\$ 9,178	\$ 34,121
33 Montana State Univ Bozeman	MT	Public	\$ 24,300	\$ 9,250	\$ 33,550
34 Central Washington Univ	WA	Public	\$ 21,956	\$ 10,684	\$ 32,640
35 Univ of Idaho	ID	Public	\$ 23,812	\$ 8,670	\$ 32,482
36 Boise State Univ	ID	Public	\$ 21,530	\$ 7,566	\$ 29,096

WWU Percentile Rank	28.5%	37.1%	28.5%
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**CU-Boulder has differential tuition by academic college; information here is for engineering rates*

2017-2018 Non-Resident MBA Student Costs

	Institution	Program Type	Control	Tuition	Fees	Total Cost
1	University of Washington	Traditional	Public	\$ 47,541	\$ 1,065	\$ 48,606
2	Seattle University	Traditional	Private	\$ 30,600	\$ 795	\$ 31,395
3	Eastern Washington University	Traditional	Public	\$ 27,515	\$ 2,541	\$ 30,056
4	Colorado State University	Online	Public	<i>not available</i>		\$ 29,858
5	Oregon State University	Traditional	Public	<i>not available</i>		\$ 29,616
6	Western Washington University	Traditional	Public	\$ 21,438	\$ 1,683	\$ 23,121
7	California State University - Monterey	Online	Public	<i>not available</i>		\$ 20,800
8	Washington State University	Online	Public	<i>not available</i>		\$ 18,600

Non-Resident MBA Student Cost - Target

	Institution	Program Type	Control	Tuition	Fees	Total Cost
1	University of Washington	Traditional	Public	\$ 47,541	\$ 1,065	\$ 48,606
2	Seattle University	Traditional	Private	\$ 30,600	\$ 795	\$ 31,395
3	Eastern Washington University	Traditional	Public	\$ 27,515	\$ 2,541	\$ 30,056
4	Colorado State University	Online	Public	<i>not available</i>		\$ 29,858
5	Western Washington University	Traditional	Public	\$ 28,000	\$ 1,683	\$ 29,683
6	Oregon State University	Traditional	Public	<i>not available</i>		\$ 29,616
7	California State University - Monterey	Online	Public	<i>not available</i>		\$ 20,800
8	Washington State University	Online	Public	<i>not available</i>		\$ 18,600