

Executive Summary

- Florida maintains low resident undergraduate tuition compared to most other states.
- Florida resident undergraduate students pay approximately 30% of the cost of their education.
- Florida does not have a policy on the percentage students should pay towards the cost of their education. Repealed statutes limited a resident undergraduate student's cost to 25%.
- The percentage students pay toward the cost of their education varies among states. In the states reviewed, the percentage ranged from 25% to 52%.
- The Board's 2005-2006 Legislative Budget Request only includes a request for state appropriations. It assumes the state will contribute 75% of the cost of enrollment growth.
- The authority for setting tuition varies among states. Approximately 32% of the states give this authority to individual institutions.
- The policies used to set tuition vary among states. Twenty states indicated that tuition should be low or moderate, while 17 states indicated that tuition policies are guided by institutional philosophy / budgetary needs or that no statewide philosophy exists.

Students' contribution towards the cost of their education:

Section 240.209, Florida Statutes, stated that the resident undergraduate tuition was to be no more than 25% of the cost of education. This section was repealed as a part of the school code rewrite which went into effect January 7, 2003.

In the funding model adopted by the Board in May 2004, the assumption is made that students should pay 25% of the cost of their education.

As reflected in the October 2004 Information Brief on Who is Paying for a Florida Student's Education?, resident undergraduate students are paying approximately 30% of the cost of their education.

Board of Governors Legislative Budget Requests (LBR):

The Board's LBRs have only dealt with a request for state appropriations. Tuition policies and increases have not been a part of previous LBR discussions. The following provides information on the two LBRs that the Board has adopted.

2004-2005 LBR

1. In July 2003, the Board adopted the 2004-2005 LBR. The LBR included only a request for state appropriations and no recommendation was made regarding tuition increases.
2. In January 2004, the Governor recommended a 7.5% tuition increase for resident undergraduate students and a 12.5% tuition increase for all other students. The Board concurred with the recommended increases at the January 22 meeting.
3. For the 2004-2005 fiscal year, the Legislature approved a 7.5% tuition increase for resident undergraduate students and a 12.5% tuition increase for all other students. The Legislature also gave University Boards of Trustees the authority to increase non-resident students' tuition up to an additional 2.5%.

2005-2006 LBR

1. At the May 2004 meeting, the Board adopted a new funding model. The model assumes that students pay 25% of the cost of their education.
2. In July, the Board approved the 2005-2006 LBR. The LBR included only a request for state appropriations and no recommendation was made regarding tuition increases. One of the issues included in the LBR was for enrollment growth:

- a. This issue was based on the new funding model adopted in May.
- b. This funding model generated a request of \$78 million in state funds to support an additional 7,292 full-time equivalent students. These funds reflect 75% of the cost of educating these students. It is assumed that tuition would pay the remaining 25% of the cost.

Tuition Setting - Other States

A study released in 2003 by the State Higher Education Executive Officers provides information on the tuition philosophy of other states (excerpt attached. The full report can be found at <http://www.sheeo.org/finance/tuitionfee.pdf>.)

The following information was obtained after contacting some of the states identified in the SHEEO report:

- Georgia
 - For 2003-2004, ranked 35th in the country in resident undergraduate tuition among flagship institutions and 39th among comprehensive institutions.*
 - Governed by a Board of Regents
 - Regents set tuition
 - Tuition is set in April after the Legislative session ends
 - An "informal agreement" is in place between the University System of Georgia, the General Assembly leadership, and the Governor's Office that undergraduate resident tuition would be held at or very close to 25% of the cost of education. With reductions in state funding and tuition increases, students are actually paying about 30% of their cost of education.
- Nevada
 - For 2003-2004, ranked 50th in the country in resident undergraduate tuition among flagship institutions and 45th among comprehensive institutions.*
 - Governed by a Board of Regents
 - Regents set tuition
 - Tuition is set after the Legislative session ends
 - Tuition is based on the median tuition as determined by the Western Interstate Commission on Higher Education
- North Carolina
 - For 2003-2004, ranked 36th in the country in resident undergraduate tuition among flagship institutions and 40th among comprehensive institutions.*
 - Governed by a Board of Governors
 - Governors set tuition, although Legislature has the final say
 - Tuition is set in February before the Legislature meets. If the Legislature changes the tuition set by the Board, the rates are not finalized until September.
 - On average a resident undergraduate student pays approximately 25% of their cost of education.

- Tennessee
 - For 2003-2004, ranked 29th in the country in resident undergraduate tuition among flagship institutions and 24th among comprehensive institutions.*
 - Governed by a Board of Regents
 - Regents set tuition
 - Tuition is set in June after the Legislative session ends
 - Resident undergraduate students should pay 30% of their cost of education. With recent stagnant state funding and increases in tuition, students are actually paying about 43% of their cost of education.
- Washington
 - For 2003-2004, ranked 25th in the country in resident undergraduate tuition among flagship institutions and 28th among comprehensive institutions.*
 - Governed by a Coordinating Board for Higher Education
 - Legislature sets maximum for resident undergraduate tuition
 - University governing boards set resident undergraduate tuition within the maximum established by the Legislature
 - University governing boards sets tuition for all other students
 - Tuition is set in May after the Legislative session ends
 - Beginning in 1995 Washington went away from keeping undergraduate student tuition at a set percentage cost of their education. It is estimated that for 2004-2005 students at research universities will pay approximately 52% and students at comprehensive universities will pay 40% of their cost of education.
- Pennsylvania
 - For 2003-2004, ranked 4th in the country in resident undergraduate tuition among flagship institutions and 4th among comprehensive institutions.*
 - Governed by a Board of Governors
 - Governors set tuition
 - Tuition is set in July after the Legislative session ends
 - Establishes one resident undergraduate tuition rate, based primarily on the financial requirements of the System and the Commonwealth's commitment toward meeting those requirements. The Chancellor may adjust the undergraduate resident tuition rate to allow the State System to establish partnerships with other institutions. Resident undergraduate students pay approximately 52% of their cost of education.

* per the Washington Higher Education Board's *2003-04 Tuition and Fee Rates: A National Comparison*. Florida ranks 49th among flagship institutions and 38th among comprehensive institutions.