

  
ARIZONA STATE UNIVERSITY

**MEMORANDUM**

March 14, 2018

TO: Arizona Board of Regents

FROM: Michael M. Crow



RE: Tuition/Fee Proposal for FY19

For the third year in a row, ASU has been named the most innovative university in the country, ahead of Stanford and Massachusetts Institute of Technology. The entire university, through the combined efforts of its faculty, staff and students, continues advancing the charter of ASU. A few of the past year's achievements are highlighted:

- Increased ASU's faculty earning of the world's highest awards to include: 5 Nobel laureates, 6 Pulitzer Prize winners, and 3 MacArthur fellows.
- Barrett, The Honors College, outperforms Duke, UC Berkeley and others in Fulbright Scholars success rates, while also producing prestigious Marshall, Rhodes and Churchill scholars.
- ASU was named, by Times Higher Education, a top-10 university for graduate employability ahead of MIT, Columbia and UCLA.
- ASU is a top-10 university for Silicon Valley careers among schools with the most undergraduate and graduate alumni hired by the 25 biggest Silicon Valley employers in the last year, ahead of Harvard, Yale, Princeton, Columbia and UCLA.
- ASU was named one of the nation's top 25 universities for commercializing technology.
- Fiske Guide to Colleges named ASU a 'best buy' for excellence and value.
- Tooker House brings innovation to engineering residential experience.
- Among the top 2017 awards in athletics: NCAA titleholder for women's golf: Monica Vaughn; NCAA titleholder for women's hammer throw: Maggie Ewen; No. 1 in the country, triathlon; Missy Farr-Kaye, WGCA National Coach of the Year; NCAA Division I champion in women's golf; and women's tennis earned a perfect Academic Progress Rate for the 12<sup>th</sup> consecutive year.
- ASU's U.S. Department of Energy SunShot Awards total \$4.3 million in grants which rank ASU first among recipients in Photovoltaics Research for two years in a row, ahead of MIT, Stanford and UC Berkeley.

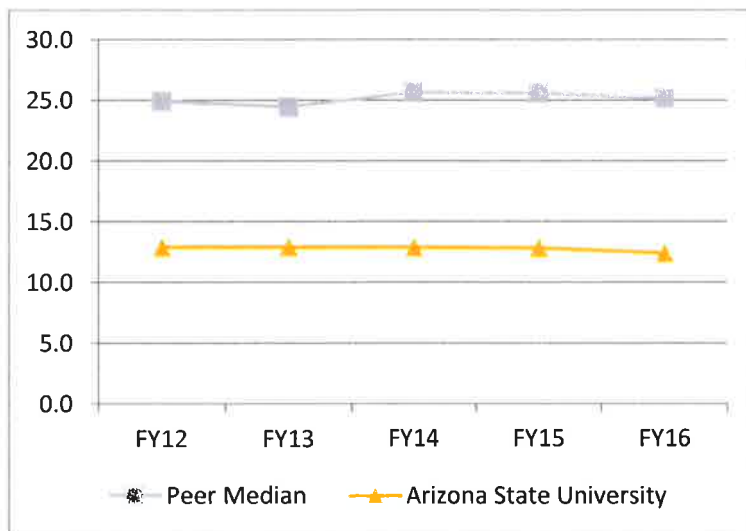
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As I stated in January, we will continue to pursue efficiency as a core tenet of our responsibility to the citizens of the state. A recent report by the national accounting and audit firm Grant Thornton found that ASU’s cost-per-student – a common measure of efficiency – is 38 percent below the average of its peer institutions, and 21 percent below an average of all four-year research universities. And the efficiency is on the rise: Grant Thornton found a decrease in the cost-per-student of more than \$800 since 2008.

Through a combination of cost discipline and strategic use of partnerships to control costs, ASU has consistently operated with about half the staff per 100 students as its peers:

	FY12	FY13	FY14	FY15	FY16
Arizona State University	12.91	12.93	12.92	12.85	12.42
Florida State University	15.33	15.81	16.10	16.05	16.14
Indiana University-Bloomington	20.11	20.53	20.07	20.77	20.35
Michigan State University	22.75	21.47	21.29	21.59	21.92
Ohio State University-Main Campus	24.34	22.97	23.02	22.92	22.70
Pennsylvania State University-Main Campus	28.58	28.79	28.75	29.04	29.61
Rutgers University-New Brunswick	23.01	23.90	25.67	24.98	24.72
The University of Texas at Austin	28.77	32.77	26.00	26.70	27.38
University of California-Los Angeles	27.35	26.67	28.43	26.37	26.94
University of Connecticut	26.92	28.08	28.32	27.59	27.19
University of Illinois at Urbana-Champaign	24.25	24.44	25.14	25.23	25.18
University of Iowa	23.22	23.32	23.50	24.08	24.22
University of Maryland-College Park	24.91	25.75	26.00	27.37	25.47
University of Minnesota-Twin Cities	29.62	30.30	30.85	31.24	31.56
University of Washington-Seattle Campus	25.60	24.44	25.29	25.60	21.70
University of Wisconsin-Madison	26.42	26.85	26.91	27.59	27.48
Peer Median	24.91	24.44	25.67	25.60	25.18



As always, ASU will continue to fulfill its responsibilities under our charter and the constitution and we will continue to work with the state as a partner in our efforts to do so.

Six years ago, I promised, for a 10-year cycle, that the resident tuition would not increase more than 3% in any given year. Going into the seventh year based on that promise, I propose NO increase in Arizona resident undergraduate student tuition; NO increase in undergraduate class fees and NO increase in undergraduate academic program fees.

For resident graduate students, the modest increase would be 1.5% or \$166.

For out-of-state undergraduate students, the base tuition increase would be 3.5% or \$934. Non-resident graduate students would also see an increase of 3.5% or \$1,022.

International student tuition, at both the undergraduate and graduate level, is proposed to increase by 3.5% or \$1,010 for undergraduate and \$1,098 for graduate students.

		<b>Current Tuition/Surcharge (FY18)</b>	<b>Proposed Tuition/Surcharge (FY19)</b>	<b>\$ Net Increase</b>
Resident Undergraduate students	All research campuses except as noted for Polytechnic School and New College	\$10,104	\$10,104	\$0
Resident Graduate students	All research campuses	\$11,240	\$11,406	\$166
Resident Freshmen and Sophomore Majors in Polytechnic School and New College	Polytechnic and New College	\$9,122	\$9,122	\$0

		<b>Current Tuition/Surcharge (FY18)</b>	<b>Proposed Tuition/Surcharge (FY19)</b>	<b>\$ Net Increase</b>
Non-Resident Undergraduate students	All research campuses except as noted for Polytechnic School and New College	\$26,684	\$27,618	\$934
International Undergraduate Students	All research campuses	\$28,824	\$29,834	\$1,010
Nonresident Freshman and Sophomore Majors in Polytechnic School and New College	Polytechnic and New College	\$24,016	\$24,858	\$842
International Freshman and Sophomore Majors in Polytechnic School and New College	Polytechnic and New College	\$26,156	\$27,072	\$916
Non-Resident Graduate students	All research campuses	\$29,176	\$30,198	\$1,022
International Graduate Students	All research campuses	\$31,336	\$32,434	\$1,098

		<b>Current Tuition/Surcharge (FY18)</b>	<b>Proposed Tuition/Surcharge (FY19)</b>	<b>\$ Net Increase</b>
Resident Undergraduate	ASU Eastern Arizona College	\$6,176	\$6,176	\$0
Resident Undergraduate	ASU Colleges Lake Havasu City	\$6,646	\$6,646	\$0
Non-Resident Undergraduate	ASU Colleges Lake Havasu City	\$9,848	\$9,848	\$0

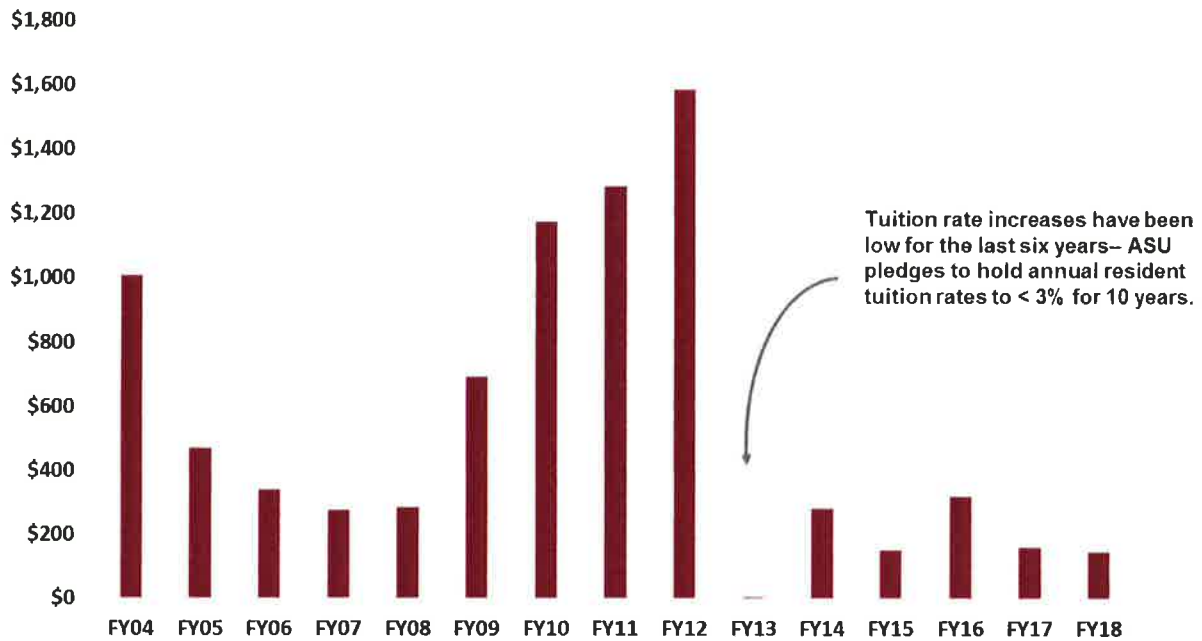
ASU Online base credit hour will increase 2% for both undergraduate and graduate students. This is in line with Board policy to set online course charges based on market and other relevant factors. The on-line tuition proposed increase is 2.0% or \$10 per credit hour. Arizona resident students in online degree programs taking more than 12 credit hours in a semester will pay the same tuition as the Arizona full-time immersion student rate during the fall and spring semesters.

There will not be any additional increases in undergraduate differential tuition.

In addition, Associated Students proposes a \$15 per semester increase for the student health fee that will enable the service hours to be extended; have the opportunity for increased specialized medical care; implement a Telehealth platform and provide the addition of insurance and referral navigators. We support this proposal.

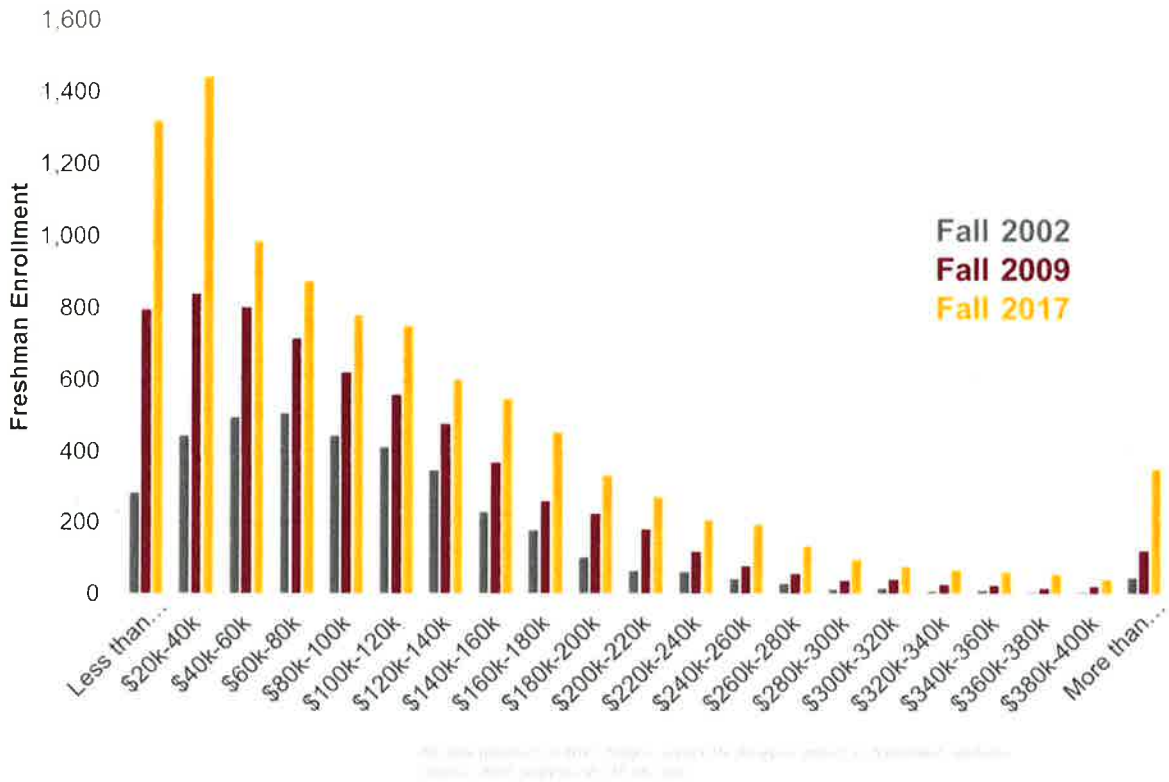
The following tables highlight the modest tuition and fee increase for the last six years.

## Annual Resident UG Tuition and Fee Increases Actual FY04 to FY18



ASU has become far more accessible and attractive to students from families with lower and modest incomes during a period of tuition increases. This has been achieved at the same time that ASU has become a school of choice for students for whom affordability is not an issue.

## ASU First-Time Full-Time Freshmen Enrollment by Adjusted Family Income



Even as we propose zero to modest increases, we do this knowing we had major negative impact to the budget that was unanticipated.

For many years, the Health Insurance Trust Fund (HITF), intended to fund State and University employee health care expenditures, was used as a source of funding for unrelated purposes. That practice, combined with flat employee insurance premium contributions during the Great Recession, resulted in HITF being short of the funding required to pay for employee health care expenses. To address this, the State Department of Administration increased required employer contributions with little notice, after tuition and State investment in higher education had been set, effectively cutting ASU's general purpose funds by over \$10 million in fiscal year 2018. The Governor's budget for fiscal year 2019 proposes to reduce further the general fund support for this expense, effectively increasing the net annual impact to \$12 million. The majority of these funds come from student tuition payments. This needs to be solved this year or an additional surcharge may be necessary.

The current resident surcharge remains as the university is still underfunded. We will continue to work on achieving state investment equivalent to 50 percent of the cost to educate a student.

The following are the proposed graduate program and class fee requests.

## **ASU Graduate Program Fee Proposals**

### **College of Health Solutions**

#### **Speech and Hearing Science – Auditory and Language Neuroscience MS – new degree**

\$500/semester

The proposed master's degree in Auditory & Language Neuroscience will provide students with intensive training in neuroscience approaches as they relate to auditory and language processing and human communication. Students will receive training in both basic and applied research techniques. They will complete lab rotations and conduct research projects to gain expertise in neuropsychology, neurophysiology, neuroimaging, biological signal processing and psychoacoustic approaches to speech, language and hearing science research. Graduates of the proposed master's program will be highly competitive for careers in academic research, clinical research, and technology settings, as well as for more advanced doctoral programs in neuroscience, communication sciences and disorders, psychology, bioengineering, and related fields. This is a new program and the fees will be used to enhance direct research experience with neuroscience equipment and techniques.

#### **Speech and Hearing Science – Multicultural Multilingual Communication Certification – new certificate**

\$300/semester

This is an add-on certificate that students will take while enrolled in the Master's program in Communication Disorders. The revenue will be used to partially support faculty clinical supervision in additional multicultural settings beyond the requirements of the Master's degree.

The additional skills gained by students who complete this certificate will greatly enhance their competitiveness in the job market after graduation. The certificate will provide formal recognition of their additional training in multicultural settings, which many employers look for in speech-language pathologists.



## **School for the Science of Health Care Delivery – Graduate Certificate in Science of Health Care Delivery – new certificate**

\$350/credit hour

Outside of ASU there are no other certificate programs in health care delivery offered nationally, therefore this graduate certificate provides a novel learning opportunity for the healthcare workforce to gain new skills and knowledge to meet the growing needs of the dynamic healthcare landscape. Change in the healthcare system has accelerated and will continue to do so as it transforms from one based on volume to one based on value. Conversations with pharmaceutical companies and with healthcare delivery systems seeking to attract and keep medical residents, fellows and their allied health professional workforce, reinforce that there is a pressing need for anyone involved in the healthcare system to understand better its intricacies and to learn methods to maintain effectiveness in performing their work as the environment continues to change.

The program fee requested for the graduate certificate is commensurate with the graduate degree. It reflects the additional work needed to monitor students' progress and provide the highest level of service for students. Specifically, the revenue will be used to support the quality of the program through investments in curriculum delivery, faculty development, student services, technology and facilities. Additionally, experts in the medical/health/health care arena will lead several of the courses/seminars and will immerse students in real life situations through case-based studies.

Allowing students the opportunity to learn from industry leaders will enhance their learning experience and will provide real-world case studies. Graduates of the certificate program may utilize the skills obtained to gain positions in higher level healthcare administration, particularly in the area of quality and safety, informatics and patient experience.

## **Thunderbird School of Global Management**

### **Master of Applied Leadership and Management – new degree**

\$498/credit hour

The Master of Applied Leadership & Management Program is new. As such fees will initially be used to help build course content and offer student services. On an ongoing basis the fees will fund program components that positively impact the student experience. These include: enhancements to the curriculum through investments in faculty, a high level of student services, advanced technology, supplies, and academic partnership costs. These courses, services, and other benefits will allow graduates to increase their earning potential as they upskill, participate in networking activities, and learn from Thunderbird's world-class faculty members.

There are very few programs in applied leadership and management in the marketplace, and ours is competitively priced compared to similar online programs delivered both domestically and abroad by U.S. institutions. Based on the experience and education students will receive, we are confident that graduates will see a significant value compared to peer institutions offering similar degrees.

### **W.P. Carey School of Business**

#### **School of Accountancy – Master of Accountancy**

\$1,000/semester program fee increase

The Master of Accountancy (MACC) program prepares students to excel in highly competitive industries. The MACC delivers in-depth knowledge of advanced accounting challenges and equips student to provide specialized advisory services. The Graduate Career Center and Student Services team prepares students for success: nearly 100 percent of domestic graduates are employed within 90 days of graduation and successfully complete requirements for CPA exam and licensure in Arizona and California. The fee also funds a dedicated career placement service at the School, which is especially important for a program whose graduates may also be looking for their first jobs. The School will also facilitate networking opportunities to ensure the best placement outcomes for the students.

Revenues directly benefit students through support for student services advisory and technology staff; investments in faculty, technology, facilities and other student services such as career counseling.

#### **School of Accountancy – Master of Taxation**

\$1,000 program fee increase

Master of Taxation (MTax) program prepares students to excel in highly competitive industries. The MTax program equips students to provide tax and business advice and administer tax laws, as well as delivers in-depth knowledge of advanced accounting challenges related to taxation. The Graduate Career Center and Student Services team prepares students for success: Nearly 100 percent of domestic graduates are employed within 90 days of graduation and successfully complete requirements for the CPA exam and licensure in Arizona and California. The fee also funds dedicated career placement services at the School, which is especially important for a program whose graduates may also be looking for their first jobs. The School will also facilitate networking opportunities to ensure the best placement outcomes for the students.

Revenues directly benefit students through support for student services advisory and technology staff; investments in faculty, technology, facilities and other student services such as career counseling.

**Department of Finance – M.S. in Finance**

\$1,000/semester program fee increase

Master of Science in Finance (MSF) prepares students to excel in a highly competitive marketplace for talent with advanced knowledge of finance. The curriculum is designed to ensure that students have a solid understanding of statistics and modeling tools essential in today's financial industry. The program fee increase is a response to the competitive market place for this degree. Revenues directly benefit students through support for student services advisory and technology staff; investments in faculty, hardware equipment for labs and instruction; improved meeting rooms to promote team-based learning; and other student service features such as career counseling. MSF students also benefit from dedicated career services at the School, which is especially important for a program whose graduates may be looking for their first jobs.

**ASU Graduate Class Fee Proposals**

**Mary Lou Fulton Teachers College**

**Division of Educational Leadership and Innovation – SPE 580 – new practicum**

\$500/credit hour

The proposed fee will enable ASU's Teachers College to provide students in the MEd, Curriculum & Instruction: Applied Behavior Analysis program and other non-degree students with an Intensive Practicum and experience hours required for BCBA® certification. The fee will benefit students by allowing the College to offer an Intensive Practicum that provides a more affordable alternative than independent supervision of their fieldwork and formally connects students' university coursework to their fieldwork experience, thus providing a stronger learning experience in preparation for the BCBA® exam and the profession. The College will coordinate one of three practicum options for students depending on their area of residence and professional status: 1) remote, 2) local + remote, 3) supervision through their place of employment.

If you have any questions, feel free to contact me.

Attachments