A recent statewide perspective on rising college costs:

The Balance Wheel

A Report on Tuition, Appropriations and the Affordability of Texas Public Higher Education

Presentation to the Texas A&M University System Board of Regents
December 7, 2007

“From 1986-2007, spending for basic educational operations by the public universities grew by 5.5% a year without adjustment for inflation.

This was . . .

• Lower than the combination of inflation plus state population growth—about 6% a year.
• Lower than the average spending growth at public universities nationally.
• Lower than state budget growth of 7.5% a year

Adjusting for inflation, basic educational operations grew by 1.9% a year.”

If all this is true, why does tuition continue to go up?
State appropriations per student for basic educational operations have been essentially flat since 2002 . . .

. . . while tuition and fees have risen to fill the gap.  

Figures are per full-time student.
Where Do We Stand on Tuition and Fee Cost?

- How does our rate of increase compare statewide?
  - Since 2002 our total tuition and fee cost for 30 hours has risen from $3,568 to $5,540, an increase of 58%
  - Our rate of increase is the 8th lowest among the 35 public universities in Texas

- How does our current tuition and fee cost compare statewide, and to our main competitor institutions?
  - Currently our tuition and fee rate of $5,540 is below the state average of $5,708
  - Our tuition and fee rate compares favorably to UT-San Antonio at $6,848, and Texas State at $6,518
University-wide Budget Priorities for Next Year

- Create a salary pool for merit and equity-based salary increases for current faculty and staff ($1,400,000)

- Add faculty and staff positions in critical areas ($118,000)

- Increase student financial aid ($450,000)

- Expand student recruiting and retention efforts ($150,000)

- Total: $2,118,000 additional funds needed to fund University-wide budget priorities
What are we facing for next year?

- **Currently unknown factors beyond our control:**
  - Employee health care and property insurance cost increases
  - Increasing technology support costs

- **Budget planning assumptions:**
  - Flat legislative funding for next year
  - No increase in enrollment
Designated Tuition Proposal

• Designated tuition increase proposal:
  – The Texas A&M University System Board of Regents will review designated tuition increase authorization requests in March.
  
  – We will be requesting authority from the Board of Regents to increase designated tuition between $7 and $10 per credit hour for the 2008-09 Academic year.
We will do all we can to keep student tuition and fees as low as possible, while maintaining our commitment to providing the best possible educational experience for our students.