

informational
paper #35



university of wisconsin tuition

legislative fiscal bureau
state of wisconsin
january 2021

University of Wisconsin Tuition

Prepared by

Erin Probst

Wisconsin Legislative Fiscal Bureau
One East Main, Suite 301
Madison, WI 53703
<http://legis.wisconsin.gov/lfb>

University of Wisconsin Tuition

Introduction

Higher education benefits both the student and the state. The student benefits primarily through increased knowledge and future earnings while the state benefits through greater tax revenues, increased economic development, and decreased spending on health and social programs, among other less tangible benefits. The precise amount of these benefits that accrue to the state, as opposed to the student, cannot readily be determined. As a result, the amount of state support for higher education and subsequently the amount of tuition charged to students is a matter of public policy. Factors that may be considered in setting tuition include: whether or not students are paying their fair share; whether higher education is affordable for state residents; how tuition levels compare to those of similar institutions in other states; and whether the amount of the state subsidy is consistent with the perceived priority of public higher education in the larger context of the state's needs. This paper provides information related to tuition rates, instructional costs, Regent tuition authority and limits on resident undergraduate tuition, the relationship between tuition levels and the state budget, past tuition increases and the causes of those increases, tuition revenues, segregated fees, and comparisons to tuition charged in other states.

Tuition Rates

Table 1 shows the amount of tuition and segregated fees charged by each UW institution in 2020-21.

Prior to 1993-94, the Board of Regents set three resident undergraduate tuition rates: one for Madison and Milwaukee, one for all other four-year UW institutions, and one for the UW

Colleges. In 1993-94, UW-Madison implemented a technology fee which separated tuition at that campus from tuition at UW-Milwaukee.

Beginning in 1997, the Regents have had the ability to charge differential tuition. Differential tuition is an amount charged on top of base tuition to support additional services and programming for students at a particular institution. Differential tuition can be charged to all students enrolled at a particular institution, to a particular category of students, such as all undergraduates, or only to students enrolled in certain programs. Program-specific differential tuitions are usually charged for programs that have high operating costs such as the health sciences and engineering.

Differential tuition may be set at a dollar amount or as a percentage of base tuition. Individual students may be charged multiple differential tuitions. For instance, a resident undergraduate engineering student at UW-Madison is charged both the undergraduate differential (\$1,000) and the School of Engineering differential (\$1,400). Additional revenues generated by a differential tuition are retained by the campus or program that generates them.

Differential tuition charged to all undergraduate or all undergraduate and graduate students are reflected in Table 1. For example, resident undergraduate students at Eau Claire are charged base tuition of \$6,298 plus a differential tuition of \$1,063 for a total of \$7,361 while undergraduate students at Stevens Point are charged base tuition of \$6,298 plus a differential tuition of \$400 for a total of \$6,698.

Table 2 shows differential tuition charged in 2020-21 and the year in which each differential tuition was implemented. As shown by the table,

Table 1: UW System Consolidated Schedule of Annual Tuition and Segregated Fees – from Fall of 2020-21

	<u>Tuition</u>		Segregated Fees Paid by all Students	<u>Total Tuition and Fees</u>	
	Residents	Nonresidents		Residents	Nonresidents
DOCTORAL					
Undergraduate					
Madison	\$9,273	\$37,161	\$1,469	\$10,742	\$38,630
Milwaukee	8,091	19,956	1,163	9,254	21,119
Milwaukee at Washington County	4,750	12,321	332	5,083	12,654
Milwaukee at Waukesha	4,750	12,321	340	5,090	12,661
Graduate					
Madison	10,728	24,054	1,469	12,196	25,523
Madison -- Business	23,365	47,013	1,469	24,833	48,482
Law	26,235	44,932	1,469	27,704	46,400
Medicine	38,143	54,319	1,469	39,612	55,788
Veterinary Medicine	31,430	50,678	1,469	32,899	52,147
Milwaukee	10,701	24,132	1,163	11,864	25,295
Milwaukee -- Business	13,384	28,178	1,163	14,547	29,341
COMPREHENSIVE					
Undergraduate					
Eau Claire	7,361	15,637	1,369	8,730	17,005
Eau Claire - Barron County	4,750	12,321	485	5,236	12,807
Green Bay	6,298	14,516	1,575	7,873	16,091
Green Bay, Manitowoc Campus	4,750	12,321	229	4,980	12,550
Marinette Campus	4,750	12,321	229	4,980	12,550
Sheboygan Campus	4,750	12,321	229	4,980	12,550
La Crosse	7,585	16,404	1,401	8,986	17,805
Oshkosh	6,422	13,995	1,295	7,717	15,290
Oshkosh, Fond du Lac Campus	4,750	12,321	513	5,263	12,834
Fox Cities Campus	4,750	12,321	513	5,263	12,834
Parkside	6,298	14,568	1,146	7,444	15,714
Platteville	6,418	14,693	1,205	7,623	15,898
Platteville- Baraboo Sauk County	4,750	12,321	541	5,291	12,862
Richland	4,750	12,321	597	5,347	12,918
River Falls	6,428	14,001	1,462	7,890	15,464
Stevens Point	6,698	15,402	1,472	8,171	16,874
Stevens Point at Marshfield	4,750	12,321	193	4,944	12,515
Wausau	4,750	12,321	193	4,944	12,515
Stout *	234	499	43	277	542
Superior	6,535	14,108	1,605	8,140	15,713
Whitewater	6,519	15,391	1,047	7,566	16,437
Whitewater at Rock County	4,750	12,321	382	5,132	12,703
Graduate					
Eau Claire	8,027	18,061	1,369	9,396	19,430
Green Bay	7,996	17,551	1,575	9,571	19,126
La Crosse	8,651	18,637	1,401	10,052	20,038
Oshkosh	7,949	17,449	1,295	9,244	18,743
Parkside	8,028	17,622	1,146	9,174	18,768
Platteville	7,640	16,771	1,205	8,845	17,976
River Falls	7,640	16,771	1,462	9,103	18,234
Stevens Point	8,066	17,706	1,472	9,539	19,179
Stout *	398	859	59	457	918
Superior	7,640	16,771	1,605	9,245	18,376
Whitewater	8,270	18,153	1,047	9,317	19,199

* UW-Stout charges tuition and segregated fees on a per credit basis. In addition, UW-Stout charges all students a laptop fee which is excluded from the amounts shown in the table.

Table 2: UW System Schedule of Differential Tuitions for the 2020-21 Academic Year

Institution	Program	Amount	Year Implemented
Eau Claire	All Undergraduates	\$163 per year.	1997
Stout	Customized instruction	Charges market rates for customized programs, certificates, and courses typically offered during the summer, evenings, or weekends.	1999
Stout	All Students	5% of resident undergraduate and graduate tuition, \$11.70 per credit for undergraduates and \$19.40 per credit for graduates in 2020-21.	1999
Whitewater	All Undergraduates	3.5% of resident undergraduate tuition, \$221 per year in 2020-21.	2002
La Crosse	All Students	\$140 per year in 2020-21.	2003
Oshkosh	All Undergraduates	\$124 per year in 2020-21.	2003
Superior	All Undergraduates	\$237 per year.	2003
Milwaukee	Peck School of Arts	\$21.80 per credit for undergraduate courses other than those satisfying general education requirements.	2004
Milwaukee	College of Engineering and Applied Science	\$21.63 per credit for all undergraduate and graduate courses.	2004
Milwaukee	School of Business Administration	\$21.22 per credit for all 200 to 600 level courses.	2004
Milwaukee	College of Nursing	\$31.52 per credit for undergraduates enrolled in clinical major courses.	2004
Milwaukee	School of Architecture and Urban Planning	\$43 per credit for undergraduate and graduate 200 to 800 level courses, \$11.55 for 100 level courses.	2006
Madison	School of Business	\$1,000 per year for students enrolled in bachelor's degree program, \$300 per year for students enrolled in certificate program.	2007
River Falls	All Undergraduates	\$130 per year in 2020-21.	2007
Madison	School of Engineering	\$1,400 per year for students enrolled in bachelor's degree programs.	2008
La Crosse	All Undergraduates	\$1,146 in 2020-21.	2008
Platteville	All Undergraduates	1.9% of resident undergraduate tuition, \$120 per year in 2020-21.	2008
Madison	All Undergraduates	\$1,000 for resident students and \$3,000 for nonresident students.	2009
Eau Claire	All Undergraduates	\$900 in 2020-21.	2010
Superior	Department of Natural Sciences	\$12 per credit.	2011
Stevens Point	All Undergraduates	\$400 per year for all undergraduates.	2016

the amount of a differential tuition can vary widely. For instance, all undergraduates at Oshkosh are charged a differential tuition of \$124 per year in 2020-21 compared to \$1,286 at La Crosse. Currently, 11 of the 13 four-year campuses (Eau Claire, La Crosse, Madison, Milwaukee, Oshkosh, Platteville, River Falls, Stevens Point, Stout, Superior, and Whitewater) charge differential tuition.

Due to the tuition freeze imposed by the 2013-15 biennial budget on resident, undergraduate tuition and the 5.5% cap on tuition increases under the 2011-13 biennial budget, the Regents did not approve any new differential tuition during the 2011-13 and 2013-15 biennia. The 2015-17 biennial budget provided an exception to the tuition freeze for resident undergraduate students to allow a new differential tuition at UW-Stevens Point. The Regents approved a new differential tuition for undergraduates at that institution in December, 2015. Again, due to the tuition freeze on resident, undergraduate tuition established under the 2017-19 and 2019-21 budgets, the Regents did not approve any new differential tuition during the 2017-19 or 2019-21 biennia.

Reciprocity Tuition

Under the Minnesota-Wisconsin Higher Education Reciprocity Agreement, Minnesota residents can attend UW institutions without paying nonresident tuition. Instead, Minnesota students attending UW institutions are charged a "reciprocal fee" equal to the higher of the resident tuition charged at the institution in which the student is enrolled and resident tuition at a comparable institution in the student's home state. Most Minnesota students are charged the Minnesota resident tuition rate, which is generally higher than the resident tuition rate at a comparable UW institution. However, UW institutions only retain an amount of tuition equal to what a comparable Wisconsin resident student would have paid. Any tuition paid by Minnesota students in excess of the resident tuition rate is deposited in the state's general fund as

GPR-earned. As a result, UW institutions do not receive any more tuition revenue from a Minnesota resident student than from a Wisconsin resident student.

In fall, 2018, 13,362 Minnesota residents attended UW institutions under the reciprocity agreement. The agreement does not cover medical and veterinary students.

In addition to the Minnesota reciprocity program, which is statewide, UW-Marinette also has a reciprocity agreement with two community colleges in Michigan. This reciprocity agreement covers only students who are residents of specified Wisconsin and Michigan counties. In fall, 2020, 82 Michigan resident students attended UW-Green Bay under this agreement, including 40 at the Green Bay Campus and 42 at the Marinette Campus.

Additional details on these agreements are contained in the Legislative Fiscal Bureau's informational paper entitled, "Education and Income Tax Reciprocity Agreements."

Nonresident Tuition

Nonresident students not covered by a reciprocity agreement are charged higher tuition than resident students. In 2020-21, nonresident undergraduate students paid \$27,888 more than resident undergraduates at UW-Madison, \$11,865 more at UW-Milwaukee, between \$7,573 and \$8,819 more at the comprehensive institutions, and \$7,571 more at the UW Colleges. Tuition paid by these students exceeds the cost of educating them and can be used to subsidize resident students.

Nonresident tuition has not been subject to any statutory limits and, in past budgets, has been used as a source of additional revenues. However, increases in nonresident tuition are limited by the amount nonresident students and their families are willing to pay. The UW System competes with other regional and, in some cases, national and international institutions for nonresident students.

Setting nonresident tuition at a level that is not competitive with the rates charged by these institutions may result in decreases in nonresident enrollment and related revenues.

Special Programs for Nonresidents

There are several special programs that allow non-Minnesota nonresidents to attend UW institutions without paying full nonresident tuition. Through these programs, nonresident students may receive a remission of nonresident tuition, may be exempted from paying nonresident tuition, or may be charged a differential tuition that is less than the full nonresident rate.

By statute, the Board of Regents can remit the nonresident portion of tuition to nonresident undergraduate and graduate students on the basis of merit or if the Board judges that the student is otherwise deserving of relief. In addition, statutes permit the Regents to remit nonresident and resident tuition to athletes and to graduate students who are employed by the University as assistants or instructional academic staff with appointments of at least 33% or who are fellows. Additional information regarding tuition remissions is provided in the Legislative Fiscal Bureau's informational paper entitled, "Student Financial Aid."

Statutes also permit the Board of Regents to exempt up to 300 nonresident juniors and seniors enrolled at UW-Parkside and 225 nonresident students enrolled at UW-Superior from nonresident tuition through the Tuition Award Program (TAP). To be eligible for TAP, students must be enrolled in programs that have been identified as having surplus capacity. In 2019-20, 283 students enrolled at Parkside and 26 students enrolled at Superior through the TAP program.

In addition to these remissions and exemptions, there are three differential tuition programs that allow nonresident students to pay less than the full nonresident tuition rate. The Return to Wisconsin program, which began in fall, 2004, is

a differential tuition pilot program for nonresident undergraduate students who are the children or grandchildren of a specific institution's qualifying alumni. Under the program, the nonresident student must be a legal resident of a state other than Wisconsin or Minnesota. The differential rate is equal to the nonresident tuition rate less 25%. Participating institutions include Eau Claire, Green Bay, La Crosse, Oshkosh, Parkside, River Falls, Stevens Point, Stout, and Whitewater. In fall, 2019, 109 students attended UW institutions through the Return to Wisconsin program.

In 2005, Wisconsin joined the Midwest Student Exchange Program (MSEP). This program allows undergraduate and graduate students from participating states, including Illinois, Indiana, Kansas, Michigan, Minnesota, Missouri, Nebraska, and North Dakota, to attend select colleges and universities in other participating states at a tuition rate of no more than 150% of resident tuition. All four-year UW institutions except Madison and Platteville currently participate in MSEP as do the Branch campuses of UW Green Bay- Marinette and UW Whitewater - Rock County. In fall, 2019, 4,052 undergraduate students and 331 graduate students attended UW institutions through MSEP.

Finally, in the fall of 2005, UW-Platteville implemented the Tri-State Initiative (TSI) which was designed to increase enrollment by 2,000 undergraduate students in 10 years. Through TSI, nonresident undergraduate students from Illinois and Iowa who have been admitted to certain programs of study are charged the resident tuition rate plus a premium of \$4,700 per year. In fall, 2019, 1,352 students enrolled in Platteville through the Tri-State Initiative.

Nonresident Enrollment

Table 3 shows the total number of nonresident students and the number of those students who were reciprocity students, received remissions, enrolled through a special program for

Table 3: Nonresident Students by Tuition Status (Fall 2019)

	Number of Nonresident Students	Nonresident Students			Paying Full Nonresident Tuition
		Reciprocity Students*	Receiving Remission	Enrolling Through Special Programs**	
Undergraduate					
Madison	14,400	2,771	852	65	10,712
Milwaukee	3,025	242	139	1,806	838
Comprehensives	<u>18,822</u>	<u>9,899</u>	<u>2,539</u>	<u>3,914</u>	<u>2,470</u>
Subtotal	36,247	12,912	3,530	5,785	14,020
Graduate and Professional					
Madison	7,481	203	5,214	15	2,049
Milwaukee	1,516	37	853	185	441
Comprehensives	<u>2,598</u>	<u>457</u>	<u>222</u>	<u>126</u>	<u>1,793</u>
Subtotal	11,595	697	6,289	326	4,283
TOTAL	47,842	13,609	9,819	6,111	18,303

*Includes Minnesota and Michigan reciprocity students. Michigan residents represent less than 1% of the reciprocity students.

** Includes the Midwest Student Exchange Program, the Return to Wisconsin program, the Tri-State Initiative, the Tuition Award Program, and the Veterans Choice Program.

nonresidents, or paid full nonresident tuition in fall, 2019. Of the 36,247 nonresident undergraduate students who were enrolled in the UW System in fall, 2019, 39% paid nonresident tuition. Of those nonresident undergraduate students who did not pay full nonresident tuition, 58% were Minnesota or Michigan residents enrolled under a reciprocity agreement, 26% enrolled through a special program for nonresident students, and 16% received a remission of nonresident tuition.

Compared to nonresident undergraduate students enrolled at UW comprehensive institutions, nonresident undergraduate students enrolled at Madison and Milwaukee are more likely to be charged full, nonresident tuition. This is because a smaller percentage of nonresident students enrolling at Madison and Milwaukee are Minnesota reciprocity students than at the comprehensive institutions (17% versus 53%). Madison also does not participate in the MSEP which accounts for 19% of the nonresident students enrolled at Milwaukee and the comprehensive institutions.

By contrast, a smaller fraction of nonresident graduate students at Madison and Milwaukee pay full, nonresident tuition than at the comprehensive institutions. This is due to the large proportion of Madison and Milwaukee graduate students who receive nonresident tuition remissions in exchange for work as teaching and research assistants.

Tuition Rates for Special Programs

Students enrolled in certain courses or programs may be charged a tuition rate that is different than the general tuition rate charged by the institution shown in Table 1. Tuition for certain programs targeted to adult and graduate students may be set using "service-based pricing." These courses are priced to cover the direct cost of instruction such that students do not receive any institutional subsidy. Per-credit tuition charges for these programs are generally above the resident tuition rate. Because many service-based programs charge one rate to all students, tuition charged to nonresidents is often less than the

general nonresident tuition rate.

Students enrolled in online courses or programs may also be charged a higher tuition rate. Unlike service-based programs, distance education programs are not required to be self-supporting and may receive an institutional subsidy. Institutions can price distance education programs based on market and a variety of other factors. Some institutions charge an online surcharge or fee that is applied on a per credit or per course basis.

Students enrolled in certain courses may be charged special course fees in addition to the tuition charged for the course. Special course fees may be used to pay for instructional costs that are not covered by the institution's regular instructional budget. Examples of these costs include transportation and admission fees for field trips, materials for projects that are retained by students, and lessons provided to non-music majors. The UW System is required to submit a report annually by October 15 that shows tuition and fees charged for all programs including for service-based pricing programs, distance education programs, and special course fees.

UW Flexible Option

Beginning in January, 2014, students have been able to enroll in self-paced, competency-based degree and certificate programs through the UW Flexible Option. UW Flexible Option programs do not use the traditional semester-based calendar and do not award credits. Instead, students enroll in three-month "subscription periods" and make progress towards a degree or certificate by demonstrating mastery of competencies.

Students enrolled in UW Flexible Option programs have two tuition options. The first, known as the "all-you-can-learn" option, allows students to complete as many competencies as they can during a three-month period for a flat rate of \$2,250. The second option allows students to

complete a single competency set during a three-month period at a cost of \$1,125. For some programs, only the "all-you-can-learn" option is available.

Other Tuition Policies

With the exception of UW-Stout, UW System institutions charge students tuition using a "plateau system." Under this system, undergraduate students taking 12 to 18 credits are charged a flat, full-time rate and students taking less than 12 credits are charged a per credit fee equal to 1/12 of the full-time rate. Students taking more than 18 credits are charged per-credit for each additional credit.

Under the plateau system, part-time students generally pay more per credit than students enrolled full-time. For example, a full-time undergraduate student taking 15 credits will pay 20% less per credit than a part-time student enrolled in six credits.

Many graduate programs also charge tuition using the plateau system. In most cases, graduate students at Madison and Milwaukee pay the same price for eight or more credits while graduate students at the comprehensive institutions pay the same price for nine or more credits. The number of credits at which professional school students are charged full-time tuition varies.

Since 2002-03, UW-Stout has charged students on a per-credit basis. The Stout program was designed to be revenue neutral to the institution and most full-time students. Under the Stout program, part-time students do not pay more per credit than full-time students. Six additional institutions (Eau Claire, Green Bay, Oshkosh, Platteville, River Falls, and Superior) charge graduate students a per credit tuition rate during the summer session. The School of Veterinary Medicine at UW-Madison also charges a per credit tuition rate during summer session.

Since fall, 2004, the Regents have charged

Wisconsin resident undergraduates with excess cumulative credits a tuition surcharge. Students who have accumulated more than 165 credits are charged double the resident undergraduate per-credit rate for each additional credit. If the minimum credits required to complete an academic program exceeds 135, the tuition surcharge is not assessed until the cumulative credit total exceeds the minimum by more than 30 credits. This policy applies only to resident undergraduate students pursuing their first bachelor's degree and only to credits earned at UW institutions or transferred from Wisconsin technical colleges.

Under state law, Wisconsin residents who are 60 years old or older may audit a course at no cost if there is space available in the course and the instructor approves. Students who audit a course attend course meetings but do not earn credit towards a degree.

Instructional Cost Per Student

Tuition typically supports only the "instructional" portion of the UW budget. Instructional costs include faculty salaries and fringe benefits, which comprise the largest portion of instructional costs, supplies and services, administration, libraries, student services, and support costs. Tuition and state general purpose revenue (GPR) fund the majority of the UW's instructional budget.

The cost per student calculation is based on standard accounting procedures that identify direct and indirect student-related costs funded by GPR and tuition. The calculation includes the direct costs of instruction, student services, and academic support. Other activity costs, such as physical plant, institutional support, and fringe benefits, are included in the cost per student calculation with costs allocated based on the teaching mission's share of those costs. In those

instances where a faculty or staff member performs research as part of his or her educational responsibilities, only those costs directly related to instruction are included in the cost per student calculation.

Prior to the 1980-81 academic year, the Board of Regents established tuition rates by applying a set percentage to the total cost per student. This percentage varied by student class (undergraduate or graduate), residency status, and, in some years, the type of institution. In general, resident undergraduate tuition was set at 25% of total cost per student and nonresident undergraduate tuition was set at 100% of cost. Resident graduate tuition rates ranged from 20% to 22% of cost while nonresident graduate tuition was set at 70% of cost. As these percentages were not statutorily fixed, there was some variance in the percentages used from year to year.

Beginning in 1980-81, the percentage of cost per student that is funded through tuition has increased incrementally. This happened as the Board of Regents increased tuition to offset GPR budget reductions, the Legislature funded certain instructional items entirely through tuition revenues, and tuition revenues increased as the result of higher enrollments without subsequent increases in the amount of GPR funding.

Table 4 shows instructional cost per full-time resident student and tuition as a percentage of that cost by institution and student level for 2018-19. The instructional costs shown in Table 4 include only costs funded by state GPR and tuition. Total instructional costs, which may include other revenues such as gifts, federal funds, and other program revenues, would be higher.

As shown in the table, the instructional cost per student varies considerably by both institution and student level. Systemwide, the average cost per undergraduate student was \$12,279 and ranged from \$8,531 at Platteville to \$14,911 at Superior, a difference of 75%. Some of the

Table 4: 2018-19 Instructional Cost Per Resident Student and Percent of Cost Paid by Tuition

	Undergraduate Resident		Cost Per Student					Graduate Resident		Cost Per Student		
	Tuition		Freshman/Sophomore	Junior/Senior	All Levels		Tuition		Master's	Ph.D.		
Madison*	\$9,273	\$14,250	65.1%	\$20,548	45.1%	\$18,111	51.2%	\$11,988	\$31,849	37.6%	\$28,983	41.4%
Milwaukee	8,091	9,047	89.4	13,581	59.6	11,495	70.4	10,387	22,418	46.3	27,441	37.9
Doctoral Average	8,806	12,193	72.2	18,275	48.2	15,763	55.9	11,606	28,763	40.4	28,739	40.4
Eau Claire	7,361	9,387	78.4	11,476	64.1	10,398	70.8	7,831	12,210	64.1		
Green Bay	6,298	9,965	63.2	11,020	57.2	10,449	60.3	7,793	17,357	44.9		
La Crosse	7,585	8,993	84.3	10,724	70.7	9,851	77.0	8,567	15,031	57.0		
Oshkosh	6,422	9,279	69.2	12,100	53.1	10,844	59.2	7,640	13,628	56.1		
Parkside	6,298	11,151	56.5	13,909	45.3	12,666	49.7	7,870	15,027	52.4		
Platteville	6,418	8,101	79.2	8,943	71.8	8,531	75.2	7,640	16,037	47.6		
River Falls	6,428	7,851	81.9	10,675	60.2	9,172	70.1	7,640	14,585	52.4		
Stevens Point	6,698	9,409	71.2	11,650	57.5	10,554	63.5	7,870	20,390	38.6		
Stout	7,020	9,227	76.1	11,999	58.5	10,677	65.7	7,756	16,433	47.2		
Superior	6,535	13,569	48.2	15,800	41.4	14,911	43.8	7,640	19,220	39.8		
Whitewater	6,519	8,054	80.9	11,017	59.2	9,570	68.1	7,949	15,723	50.6		
Comprehensive Average	6,774	9,061	74.8	11,389	59.5	10,265	66.0	7,880	15,493	50.9		
Branch Campuses Average	\$4,750	\$10,872	43.7	\$8,146	58.3	\$10,739	44.2					
System Average	\$7,417	\$10,222	72.6	\$14,199	52.2	\$12,279	60.4	\$10,112	\$23,758	42.6		

* Master's cost per student includes law students; doctoral cost per student excludes medical and veterinary students.

possible reasons for variations in instructional costs amongst the institutions include economies of scale (the smaller comprehensive campuses are more expensive), array of course offerings, use of academic staff as instructors, and mix of students.

Because tuition is not set at a percentage of instructional costs, students at different institutions pay differing percentages of their instructional costs. Students at the institutions where instructional costs are the lowest, such as Oshkosh, Platteville, River Falls, Stevens Point, and Whitewater, pay a greater share of their educational costs than students at institutions with the highest instructional costs, including Madison, Parkside, and Superior. For example, while undergraduate students at Superior paid 44% of the cost of their education in 2018-19, students at Whitewater paid 68%.

Instructional costs also vary by student level. On average, instructional costs for juniors and seniors are 16% higher than for freshmen and sophomores. As a result, freshman and sophomore students typically pay a higher portion of their instructional costs through tuition than upper-level students. Upper-level students, especially at the doctoral campuses, tend to have smaller classes and are more often taught by faculty rather than teaching assistants or academic staff, which results in higher instructional costs. In addition, instructional costs also vary by discipline. For example, costs per credit are higher for health sciences courses than for humanities and social sciences courses. Nonresident students are charged tuition in excess of their instructional costs. These students provided a subsidy for resident undergraduate students.

Regent Tuition Authority and Limits on Resident Undergraduate Tuition Increases

The Board of Regents of the University of Wisconsin System is delegated the authority to set

tuition under s. 36.27 of the statutes. The statutes permit the Regents to set separate rates for different classes of students, for residents and nonresidents, and for extension courses, summer sessions, and such other studies and courses of instruction as the Regents deem advisable.

Prior to the 2011-12 year, the Board of Regents could only increase resident undergraduate tuition by an amount sufficient to fund all of the following: (a) the amount shown in the statutory appropriation schedule for academic student fees; (b) the pay plan approved by the Legislature's Joint Committee on Employment Relations for UW employees; (c) the projected loss of revenue caused by a change in the number of enrolled undergraduate, graduate, resident, and nonresident students; (d) state imposed costs not covered by state general purpose revenue as determined by the Board; (e) distance education, nontraditional courses, and intersession courses; and (f) differential tuition.

During the five most recent biennia, the Legislature has included provisions in the biennial budget act that have limited the amount by which the Regents could increase resident undergraduate tuition rates. Under 2011 Act 32, the Regents were prohibited from increasing tuition for resident undergraduate students by more than 5.5% annually in 2011-12 and 2012-13. The following four budget acts (2013 Act 20, 2015 Act 55, 2017 Act 59, and 2019 Act 9) froze resident undergraduate tuition for the 2013-15, 2015-17, 2017-19, and 2019-21 biennia. An exception to the resident undergraduate tuition freeze under 2015 Act 55 allowed the Board of Regents to approve a differential tuition at UW-Stevens Point that increased resident undergraduate tuition at that institution over three fiscal years.

Unless modified by the Legislature during the 2021-23 session, there will be no limits on the Regents' authority to set resident undergraduate tuition beginning in the 2021-22 academic year under current law. While the 2011-13, 2013-15,

2015-17, 2017-19, and 2019-21 biennial budgets restricted the Board of Regents' ability to set tuition for resident undergraduate students, the Board retained the authority to set tuition levels for all other students. The Board opted to freeze nonresident and graduate student tuition during the 2013-15 biennia but approved tuition increases for some nonresident and graduate students at some institutions during the 2015-17, 2017-19 and 2019-21 biennia.

Consistent with past biennia, there will also be no restrictions on the amount of tuition increases the Regents may impose on graduate, nonresident, and other students during the 2021-23 biennium unless the Legislature modifies current law.

Tuition and the State Biennial Budget

While the five recent biennial budgets specifically limited resident undergraduate tuition increases, other state budget acts have affected tuition rates in a less direct manner. The UW's instructional budget is funded primarily through a combination of GPR funds and tuition revenues. Changes in the level of GPR support for the University, as well as changes in costs and other factors, have resulted in changes in tuition. The Legislature may influence tuition rates through the biennial budget process by determining the level of GPR support provided for the University and, in previous biennia, the University's tuition revenue expenditure authority.

The budget process begins with the UW System's biennial budget request which is approved by the Regents in August of even-numbered years. In past biennia, most requests for instructional funding included in the UW System's budget request reflected a sharing of costs between tuition and state GPR. Following the Regent tuition policy principles, which are shown in the appendix to this paper, the Regents generally

request that 65% of instructional and related items be funded with state GPR and the remaining 35% be funded with tuition (academic student fees). This is known as the GPR/fees split. Because this cost-sharing is not statutory, the Regents are free to propose changes in the ratio of tuition to GPR and have done so in prior budgets. However, the Regents have not included any requested changes to the GPR/fees split in recent biennial budget requests.

Historically, the Regents have not included a proposed percentage increase in resident undergraduate tuition in their budget request. One reason for this is that compensation adjustments for UW employees are approved by the Joint Committee on Employment Relations (JCOER) through a process separate from the biennial budget process. Due to the manner in which UW employee salaries are funded, increases in UW employee compensation and fringe benefit costs typically contribute to tuition increases. Without knowing the amount by which salary and fringe benefit costs will increase, the Regents are not able to estimate the amount by which tuition would have to increase to fund those costs.

During the budget process, the Governor and Legislature may either approve the GPR/fee split requested by the Regents by providing the amount of GPR funding requested or alter the split by providing a different level of GPR support. Due to the relationship between tuition and GPR support, when the amount of GPR provided is less than requested, or is reduced, increases in tuition may be higher. Conversely, if the amount of GPR provided is greater than requested by the Regents, tuition increases may be smaller.

The UW System can carryover unexpended tuition revenues from one year to the next creating a tuition revenue balance. Beginning in 2014, the Board of Regents has been required to report the tuition revenue balances held by each institution and those balances as a percentage of each institution's state GPR and tuition expenditures less

GPR debt service. As of June 30, 2020, tuition revenue balances held by UW institutions totaled \$227.3 million. This represents a decrease of \$324.2 million from June 30, 2013, when the UW System's tuition balance peaked at \$551.5 million. Table 5 shows tuition revenue balances by institution and those balances as a percentage of each institution's GPR and tuition expenditures less GPR debt service. [Further information on tuition and other program revenue balances held by the UW System can be found in the Legislative Fiscal Bureau's informational paper entitled, "University of Wisconsin System Overview."]

2000-01 to 2020-21. Annualized increases in tuition and CPI are shown for the entire 20-year period as well as the periods from 2000-01 to 2010-11 and from 2010-11 to 2020-21 at the bottom of the table. Tuition rates shown in Table 6 include differential tuitions charged to all resident undergraduate students. Differential tuitions charged only to certain students are excluded.

As shown in the table, tuition increases for resident undergraduate students at UW-Madison, UW-Milwaukee, and the comprehensive institutions exceeded increases in CPI in every year except 2000-01 and 2013-14 through 2020-21 when the Legislature froze tuition. In addition, annualized tuition increases for all UW System institutions except the Colleges over the twenty-year period shown were more than twice the annualized increase in the CPI. The table also shows that, in general, tuition increases have been smaller in the most recent 10 years than in the prior 10 years. This difference is largely the result of above average tuition increases during the 2003-05 biennium and the tuition freeze during the 2013-15, 2015-17, 2017-19, and 2019-21 biennia.

Historic Tuition Rates and Tuition Increases

Table 6 shows annual tuition for full-time resident undergraduate students enrolled in UW institutions, annual tuition increases, and annual increases in the Consumer Price Index (CPI) from

Table 5: Tuition Revenue Balances by Institution as of June 30, 2020

	Tuition Revenue Balance	Balance as a % of GPR and Tuition Expenditures*
Eau Claire	\$15,073,508	12.8%
Green Bay	12,330,905	18.1
La Crosse	4,824,596	4.0
Madison	50,063,458	4.2
Milwaukee	29,117,215	8.2
Oshkosh	10,818,647	9.7
Parkside	8,642,480	16.5
Platteville	7,795,609	8.4
River Falls	9,530,542	15.1
Stevens Point	7,079,863	7.5
Stout	-133,181	-0.1
Superior	4,873,078	13.3
Whitewater	2,908,572	2.3
UW System admin	1,530,754	16.7
UW Systemwide	<u>62,809,739</u>	149.5
UW System Total	\$227,265,785	8.8

*Excludes GPR debt service.

Table 6 also shows resident undergraduate tuition as a percentage of the instructional cost per student. As shown in the table, tuition as a percent of instructional cost has risen from between 34% and 38% in 2000-01 to between 44% and 70% in 2018-19, the most recent year for which data is available.

Tables 7 and 8 show undergraduate and graduate student tuition for resident and nonresident students, excluding tuition for the professional schools of law, medicine and veterinary medicine and for pharmacy and business master's students, from 2010-11 to 2020-21. As shown in Table 8, resident graduate tuition has been frozen at Madison and Milwaukee since 2013-14. Tuition for nonresident graduate students has been frozen since 2010-11 at Madison and was frozen from 2010-11 to 2014-15 at Milwaukee.

Table 9 shows resident and nonresident tuition charged by the professional schools of law, medicine, veterinary medicine, and pharmacy, all of which are located at UW-Madison, from 2010-11 to 2020-21.

Primary Causes of Resident Undergraduate Tuition Increases

In the decade prior to the implementation of the tuition freeze in 2013-14, increases in resident undergraduate tuition were primarily attributable to increases in salary and fringe benefit costs for faculty and academic staff and reductions in GPR funding for the UW System. However, the large percentage increases in undergraduate resident tuition in 2003-04 and 2004-05 reflect the policy decision by the Governor and Legislature to authorize the UW System to offset a portion of reductions in GPR funding (\$110 million in 2003-04 and \$140 million in 2004-05) with tuition revenue.

The salaries of most UW employees whose duties are related to the University's instructional mission are funded through a combination of state GPR and tuition revenues. In general, when salary increases are approved for these employees or there are increases in the cost of fringe benefits provided, GPR is provided to fund a portion of the cost of the increase. The remainder of the cost of the increase must be funded by additional tuition revenues resulting in tuition increases.

Due to the tuition freeze, the Regents could not increase resident undergraduate tuition to generate the tuition portion of the pay plan approved for UW employees or estimated increases in fringe benefit costs during the 2013-15, 2015-17, and 2017-19, and 2019-21 biennia. Under 2017 Act 59, 2% general wage adjustments were provided

on July 1, 2018, and January 1, 2019. Under 2019 Act 59, another 2% general wage adjustments were provided on July 1 2020, and January 1, 2021. Additional information on faculty and academic staff compensation is contained in the Legislative Fiscal Bureau's informational paper entitled, "University of Wisconsin System Overview."

Four of the last six most recent biennial budget acts made significant reductions to the UW System's GPR base budget. During the 2009-11 and 2011-13 biennia, the Board of Regents increased tuition to partially offset GPR base reductions. Under 2009 Act 28, the UW System's GPR base budget was reduced by approximately \$60 million annually. Tuition was increased to generate \$35 million in 2009-10 and an additional \$15.5 million in 2010-11 to partially offset this reduction. During the 2011-13 biennium, the Board of Regents was permitted to increase resident undergraduate tuition by 5.5% annually. These increases allowed the University to generate approximately \$37.5 million in 2011-12 and an additional \$34.5 million in 2012-13 in tuition revenues to partially offset GPR base budget reductions of \$125 million annually.

Due to the tuition freezes, the Regents have been unable to increase resident undergraduate tuition to offset the \$32.8 million annual GPR reduction included in the state's 2013-15 biennial budget or the \$125 million annual GPR reduction included in the 2015-17 biennial budget.

Additional factors also contributed to increases in resident undergraduate tuition from 2003-04 to 2012-13. During that period, resident undergraduate tuition was also increased to fund fuel and utility costs, instructional and other initiatives, and veterans' tuition remissions.

Table 6: Annual Tuition for Resident Undergraduate Students

Year	Madison		Milwaukee		Comprehensives*		Colleges		% of Instructional Cost				Change in CPI-U 2000 thru 2020
	Amount	% Increase	Amount	% Increase	Amount	% Increase	Amount	% Increase	Madison	Milwaukee	Comp.	Colleges	
2000-01	\$3,290	0.0%	\$3,194	0.0%	\$2,616	0.0 %	\$ 2,264	0.0 %	38.3%	37.0%	35.1%	34.4%	3.4%
2001-02	3,568	8.4	3,462	8.4	2,799	7.0	2,422	7.0	39.7	40.9	37.1	38.3	2.8
2002-03	3,854	8.0	3,738	8.0	3,039	8.6	2,700	11.5	44.9	40.7	38.1	40.4	1.6
2003-04	4,554	18.2	4,438	18.7	3,558	17.1	3,200	18.5	47.6	49.8	45.9	49.6	2.3
2004-05	5,254	15.4	5,138	15.8	4,071	14.4	3,700	15.6	52.3	58.5	49.5	57.3	2.7
2005-06	5,618	6.9	5,494	6.9	4,356	7.0	3,977	7.5	54.0	62.9	53.3	56.6	3.4
2006-07	6,000	6.8	5,868	6.8	4,647	6.7	4,268	7.3	53.9	65.6	54.3	57.2	3.2
2007-08	6,330	5.5	6,191	5.5	4,906	5.6	4,268	0.0	53.4	66.3	55.1	53.7	2.8
2008-09	6,678	5.5	6,531	5.5	5,241	6.8	4,268	0.0	52.4	65.3	58.1	55.1	3.8
2009-10	7,296	9.3	6,890	5.5	5,573	6.3	4,268	0.0	53.7	66.2	62.5	57.2	-0.4
2010-11	7,933	8.7	7,269	5.5	5,941	6.6	4,268	0.0	58.0	71.2	65.1	55.4	1.6
2011-12	8,592	8.3	7,669	5.5	6,310	6.2	4,503	5.5	64.8	78.9	70.4	63.7	3.2
2012-13	9,273	7.9	8,091	5.5	6,686	6.0	4,750	5.5	66.7	79.8	72.1	66.2	2.1
2013-14	9,273	0.0	8,091	0.0	6,698	0.2	4,750	0.0	67.6	82.5	70.3	61.8	1.5
2014-15	9,273	0.0	8,091	0.0	6,704	0.1	4,750	0.0	69.8	76.9	67.7	59.9	1.6
2015-16	9,273	0.0	8,091	0.0	6,715	0.2	4,750	0.0	69.3	82.4	72.6	62.7	0.1
2016-17	9,273	0.0	8,091	0.0	6,766	0.8	4,750	0.0	64.7	82.2	71.5	57	1.3
2017-18	9,273	0.0	8,091	0.0	6,767	0.0	4,750	0.0	60.8	75.1	69.1	49.7	2.1
2018-19	9,273	0.0	8,091	0.0	6,780	0.2	4,750	0.0	51.2	70.4	66.0	44.2	2.4
2019-20	9,273	0.0	8,091	0.0	6,797	0.3	4,750	0.0	NA	NA	NA	NA	1.8
2020-21	9,273	0.0	8,091	0.0	6,787	0.1	4,750	0.0	NA	NA	NA	NA	0.8

Annualized Rate of Change

	Tuition				CPI-U
	2000-01 thru 2020-21	2000-01 thru 2010-11	2010-11 thru 2020-21	2000-01 thru 2020-21	
	5.3%	9.2%	1.6%	4.8%	2.1%
				8.6%	2.4%
				1.1%	1.7%
				5.0%	
				8.5%	
				3.8%	
				6.5%	

* Weighted average for new freshmen. Although resident undergraduate tuition was frozen from 2013-14 through 2020-21, average tuition increased slightly due to changes in enrollments.

Table 7: Tuition for Undergraduate Students

Year	Madison				Milwaukee				Comprehensives			
	Resident		Nonresident		Resident		Nonresident		Resident*		Nonresident**	
	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change
2010-11	\$7,933	8.7%	\$23,183	5.2%	\$7,269	5.5%	\$16,998	2.3%	\$5,941	6.6%	\$13,466	2.5%
2011-12	8,592	8.3	24,342	5.0	7,669	5.5	17,398	2.4	6,310	6.2	13,803	2.5
2012-13	9,273	7.9	25,523	4.9	8,091	5.5	17,820	2.4	6,686	6.0	14,158	2.6
2013-14	9,273	0.0	25,523	0.0	8,091	0.0	17,820	0.0	6,698	0.2	14,154	0.0
2014-15	9,273	0.0	25,523	0.0	8,091	0.0	17,820	0.0	6,704	0.1	14,145	-0.1
2015-16	9,273	0.0	28,523	11.8	8,091	0.0	18,265	2.5	6,715	0.2	14,422	2.0
2016-17	9,273	0.0	31,253	9.6	8,091	0.0	18,499	1.3	6,766	0.8	14,590	1.2
2017-18	9,273	0.0	33,523	7.3	8,091	0.0	19,371	4.7	6,767	0.0	14,636	0.3
2018-19	9,273	0.0	35,523	6.0	8,091	0.0	19,370	0.0	6,780	0.2	14,648	0.1
2019-20	9,273	0.0	36,333	2.3	8,091	0.0	19,661	1.5	6,797	0.3	14,800	1.0
2020-21	9,273	0.0	37,161	2.3	8,091	0.0	19,956	1.5	6,765	-0.5	14,929	0.9
Total % Increase		16.9%		60.3%		11.3%		17.4%		13.9%		10.9%
Annualized Increase		1.6%		4.8%		1.1%		1.6%		1.3%		1.0%

*Weighted average for new freshmen. Although resident undergraduate tuition was frozen from 2013-14 through 2020-21, average tuition increased slightly due to changes in enrollments. The increase in 2016-17 is largely attributable to the implementation of a differential tuition at UW-Stevens Point. Most recent year data is preliminary.

Table 8: Tuition for Graduate Students

Year	Madison				Milwaukee				Comprehensives*			
	Resident		Nonresident		Resident		Nonresident		Resident		Nonresident	
	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change
2010-11	\$9,887	4.1%	\$24,054	0.0%	\$9,565	4.1%	\$22,852	0.0%	\$7,048	4.5%	\$15,959	2.5%
2011-12	10,296	4.1	24,054	0.0	9,965	4.2	22,852	0.0	7,362	4.5	16,523	3.5
2012-13	10,728	4.2	24,054	0.0	10,387	4.2	22,852	0.0	7,690	4.5	16,793	1.6
2013-14	10,728	0.0	24,054	0.0	10,387	0.0	22,852	0.0	7,693	0.0	16,793	0.0
2014-15	10,728	0.0	24,054	0.0	10,387	0.0	22,852	0.0	7,694	0.0	16,794	0.0
2015-16	10,728	0.0	24,054	0.0	10,387	0.0	23,424	2.5	7,776	1.1	16,950	0.9
2016-17	10,728	0.0	24,054	0.0	10,387	0.0	23,424	0.0	7,889	1.5	17,211	1.5
2017-18	10,728	0.0	24,054	0.0	10,387	0.0	23,424	0.0	7,945	0.7	17,410	1.2
2018-19	10,728	0.0	24,054	0.0	10,387	0.0	23,424	0.0	8,007	0.8	17,619	1.2
2019-20	10,728	0.0	24,054	0.0	10,543	1.5	23,775	1.5	8,151	1.8	17,782	0.9
2020-21	10,728	0.0	24,054	0.0	10,701	1.5	24,132	1.5	8,239	1.1	17,873	0.5
Total % Increase		8.5%		0.0%		11.9%		5.6%		16.9%		12.0%
Annualized Increase		0.8%		0.0%		1.1%		0.5%		1.6%		1.1%

*Weighted averages. Most recent year data is preliminary.

Table 9: Tuition for Professional School Students

Year	<u>Law</u>				<u>Medical</u>				<u>Veterinary</u>				<u>Pharmacy</u>			
	<u>Resident</u>		<u>Nonresident</u>		<u>Resident</u>		<u>Nonresident</u>		<u>Resident</u>		<u>Nonresident</u>		<u>Resident</u>		<u>Nonresident</u>	
	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change
2010-11	\$16,995	10.3%	\$36,532	3.4%	\$22,967	1.7%	\$33,704	0.0%	\$17,085	2.3%	\$24,769	0.0%	\$13,618	5.5%	\$26,075	2.8%
2011-12	18,604	9.5	37,732	3.3	23,376	1.8	33,704	0.0	17,494	2.4	24,769	0.0	14,367	5.5	26,824	2.9
2012-13	20,235	8.8	38,932	3.2	23,807	1.8	33,704	0.0	17,925	2.5	24,769	0.0	15,157	5.5	27,614	2.9
2013-14	20,235	0.0	38,932	0.0	23,807	0.0	33,704	0.0	17,925	0.0	24,769	0.0	15,157	0.0	27,614	0.0
2014-15	20,235	0.0	38,932	0.0	23,807	0.0	33,704	0.0	17,925	0.0	24,769	0.0	15,157	0.0	27,614	0.0
2015-16	20,235	0.0	38,932	0.0	26,117	9.7	36,013	6.9	19,676	9.8	29,769	20.2	16,521	9.0	30,100	9.0
2016-17	20,235	0.0	38,932	0.0	28,650	9.7	38,546	7.0	21,626	9.9	34,769	16.8	18,008	9.0	32,809	9.0
2017-18	21,235	4.9	39,932	2.6	31,429	9.7	42,285	9.7	25,626	18.5	41,269	18.7	19,773	9.8	36,024	9.8
2018-19	22,235	4.7	40,932	2.5	34,478	9.7	46,387	9.7	29,626	15.6	47,769	15.8	21,711	9.8	39,554	9.8
2019-20	24,235	9.0	42,932	4.9	36,266	5.2	50,201	8.2	30,515	3.0	49,202	3.0	23,711	9.2	41,554	5.1
2020-21	26,235	8.3	44,932	4.7	38,143	5.2	54,319	8.2	31,430	3.0	50,678	3.0	25,711	8.4	43,554	4.8
Total % Increase Annualized		54.4%		23.0%		66.1%		61.2%		84.0%		104.6%		88.8%		67.0%
Increase		4.4%		2.1%		5.2%		4.9%		6.3%		7.4%		6.6%		5.3%

Tuition Revenues

In 2020-21, the UW System's budget includes \$1,574.8 million in tuition revenues. This includes one-time use of program revenue tuition balances. These tuition revenues account for 24.1% of the UW System's \$6.54 billion all funds budget. Table 10 compares budgeted tuition revenues, state GPR, and the UW System's total all funds budget from 2012-13 to 2020-21. As shown in the table, tuition revenues have exceeded state GPR for the UW System since 2012-13. Tuition revenues increased by 23.3% from 2012-13 to 2020-21 while state GPR for the UW System increased by 4.2% and the UW System's total budget increased by 10.8%. As tuition revenues have increased at a faster rate than the total budget, tuition revenues made up a greater proportion of the UW System's total budget in 2020-21 than in 2012-13.

Table 11 shows 2019-20 tuition revenues less remissions by student level and resident status. Tuition received from Minnesota reciprocity students is included in the "Residents" column. While non-reciprocity, nonresident undergraduates made up only 16.2% of the undergraduate

population systemwide based on fall, 2019, enrollment, these students generated 25.8% of undergraduate student tuition revenues. At Madison, these students represent approximately 34.8% of the undergraduate population but generated 48.8% of undergraduate tuition revenues. These figures demonstrate the relative importance of out-of-state students, particularly those at Madison, to tuition revenues. Madison, with its relatively high tuition levels and nonresident enrollment, generates an estimated 50.7% of total systemwide tuition revenue despite enrolling only 26.8% of all students in the UW System.

When collected, tuition revenues are pooled with state GPR funds and certain other revenues. These pooled funds make up the University's base budget. Tuition generated by increased enrollment, self-supporting programs, and differential tuition is excluded from this pool of funds.

Segregated Fees

In addition to tuition charges, all students are assessed segregated fees which are used to finance a wide variety of student activities and

Table 10: UW System Budget by Fund Source, 2012-13 through 2020-21*

	Budgeted Tuition	State GPR	Total All Funds Budget	Tuition as a As a % of Total Budget	State GPR As a % of Total Budget
2012-13	\$1,277,395,079	\$1,135,221,084	\$5,904,419,864	21.6	19.2
2013-14	1,318,901,215	1,151,402,700	5,997,076,252	22.0	19.2
2014-15	1,348,961,629	1,178,197,283	6,097,870,862	22.1	19.3
2015-16	1,526,945,474	1,029,650,900	6,194,179,374	24.7	16.6
2016-17	1,537,059,240	1,048,705,300	6,256,551,185	24.6	16.8
2017-18	1,510,041,163	1,063,550,300	6,223,796,354	24.3	17.1
2018-19	1,534,122,225	1,123,105,633	6,348,527,703	24.2	17.7
2019-20	1,547,964,974	1,155,479,534	6,381,724,700	24.3	18.1
2020-21	1,574,822,074	1,182,465,899	6,539,257,586	24.1	18.1
Percent Change	23.3%	4.2%	10.8%		

*Includes one-time use of tuition revenues.

Table 11: Estimated Tuition Revenues Less Remissions, 2019-20*

	Tuition Revenue	% Paid by:	
		Residents**	Nonresidents
Madison			
Undergraduate	\$550,833,144	51.2%	48.8%
Graduate	147,602,201	84.8	15.2
Milwaukee			
Undergraduate	142,842,737	92.5	7.5
Graduate	27,584,961	90.0	10.0
Comprehensive Institutions			
Undergraduate	468,955,983	94.9	5.1
Graduate	38,975,395	96.9	3.1
TOTAL	\$1,376,794,421	76.0%	24.0%

*Includes Summer 2019, Fall 2019, Intersession, and Spring 2020, excludes differential tuition, self-supporting programs and distance education fees.

**Includes Minnesota reciprocity students.

services including student unions and student centers, student health services, student activities and organizations, intercollegiate and recreational sports, parking and transportation services, and child care.

The total segregated fee amount paid by the student consists of allocable fees and nonallocable fees. According to Board of Regents policy, allocable fees are those fees that constitute substantial support for student activities such as student organizations, concerts, lectures, and bus passes. By statute, the disposition of the allocable portion of the segregated fee is determined by the students of each institution in consultation with the chancellor and subject to the final confirmation of the Board of Regents.

Nonallocable fees are defined as fees that support fixed obligations and programs that require stable funding such as debt service, base operating funds for student unions, and minimum student health services. Chancellors, following consultation with the students of their institutions, are responsible for the development of budgets and expenditures for the nonallocable portions of the segregated fee.

Unlike tuition rates, segregated fees are determined on an institution-by-institution and campus-by-campus basis. In 2020-21, annual segregated fees at the four-year institutions range from \$1,047 at Whitewater to \$1,605 at Superior. Table 12 shows segregated fees charged at each of the four-year institutions from 2010-11 to 2020-21. The table also compares annualized increases in segregated fees charged to annualized tuition increases. At most institutions, segregated fees have increased at a faster rate than tuition.

In general, institutions with larger increases in segregated fees have had large, segregated fee-supported building or renovation projects within the last decade. These institutions include Eau Claire and Superior, both of which built new student unions, and River Falls, which built a new student union and a new student recreational facility.

In addition, 10 of the four-year UW institutions require freshmen and sophomore students to live in residence halls. This requirement does not apply to students who live with a parent or guardian, are married, are veterans, or if there is insufficient space. Students living in residence halls must pay room and board charges in addition to tuition and segregated fees. Table 13 shows these room and board rates by institution for 2010-11 to 2020-21.

Comparative Statistics

Peer comparisons are frequently used in evaluating tuition charged at UW System institutions. The public universities belonging to the Big Ten conference are generally cited when comparing tuition at UW-Madison to that of similar institutions while the peer group commonly used for UW-Milwaukee consists of other urban institutions across the nation. The peer group for the UW comprehensive institutions includes other public

universities in the Midwest.

Historically, UW-Madison's resident undergraduate tuition and fees have been lower than resident tuition at all other public Big Ten universities except the University of Iowa. However, with the implementation of a \$1,000 differential tuition charged to all resident undergraduate students between 2009-10 to 2012-13 and the inclusion of Rutgers University and the Universities of Maryland and Nebraska in the Big Ten conference, UW-Madison resident undergraduate tuition and fees are now ranked tenth out of the 13 public Big Ten institutions.

Table 14 shows tuition and fees charged to resident and nonresident undergraduate and graduate students at each public Big Ten university in 2019-20 and 2020-21. While resident undergraduate tuition and fees at UW-Madison ranked tenth out of the 13 public Big Ten universities in 2020-21, nonresident undergraduate tuition ranked fourth.

For 2020-21, resident graduate tuition and fees ranked ninth of 13 and were \$6,329 below the peer midpoint while nonresident graduate tuition and fees ranked thirteenth, at \$7,887 below the midpoint.

Table 15 shows increases in tuition and fees for resident undergraduate students at public, midwestern Big Ten universities in both percentage and dollar terms from 2014-15 to 2020-21. As shown in the table, resident undergraduate tuition and fees at those institutions, excluding Wisconsin, increased by an average of 10.0% over the last six years. Tuition changes at individual institutions ranged from -0.1% to 18.9%. The total tuition increase at UW-Madison was well below the peer average in dollar terms and in percent terms. This is because tuition charged by UW-Madison has been frozen by law during this time period. Tuition and fee increases have moderated in recent years; as shown in Table 14, resident undergraduate tuition and fees increased by an average

of 1.1% in 2020-21 at UW-Madison's Big Ten peers.

Tables 16 and 17 compare undergraduate tuition and fees charged by UW-Milwaukee and the UW comprehensive institutions to tuition and fees at their respective peer institutions. As shown in Table 16, Milwaukee's resident undergraduate tuition ranked fifteenth of the 15 institutions in its peer group and was \$2,870 below the peer midpoint in 2020-2021. Meanwhile, nonresident tuition and fees ranked eleventh of 15 and were \$7,233 below the peer midpoint in that year. Table 17 indicates that the tuition and fees charged to resident and nonresident undergraduates at each UW comprehensive institution is lower than the peer average and peer midpoint. Resident undergraduate tuition at UW-La Crosse, which is the highest amongst the comprehensive institutions, is lower than 25 of the 34 peer institutions shown. Nonresident undergraduate tuition charged by UW-La Crosse, which is also the highest amongst the comprehensive institutions, is lower than that charged by 16 of the institutions shown. Resident undergraduate tuition and fees charged by UW-Parkside, which are the lowest amongst the comprehensives, is lower than the resident undergraduate tuition and fees charged by all of the peer institutions.

Cross-state comparisons are often used as benchmarks or justifications for establishing tuition levels. It could be argued, however, that resident tuition charged in other states is not relevant to the tuition setting process in this state. Students generally qualify for resident tuition in only one state and, consequently, resident tuition in other states should not affect the decisions of students in this state. In addition, different states may have different human capital needs, goals, and strategies. Tuition decisions made in other states may not be consistent with this state's budgetary priorities, educational and workforce needs, or broader education policies.

Table 12: Segregated Fees by Campus, 2010-11 to 2020-21

	Madison	Milwaukee	Eau Claire	Green Bay	La Crosse	Oshkosh	Parkside	Platteville	River Falls	Stevens Point	Stout*	Superior	Whitewater
2010-11	\$1,050	\$832	\$1,053	\$1,314	\$918	\$905	\$960	\$864	\$1,020	\$1,050	\$782	\$1,300	\$831
2011-12	1,073	1,006	1,095	1,312	951	905	960	887	1,063	1,040	849	1,329	863
2012-13	1,105	1,090	1,128	1,350	987	929	989	897	1,129	1,071	877	1,363	859
2013-14	1,130	1,209	1,146	1,378	1,010	979	1,018	901	1,149	1,109	908	1,411	906
2014-15	1,137	1,300	1,180	1,460	1,036	1,015	1,028	908	1,176	1,189	953	1,459	923
2015-16	1,142	1,338	1,261	1,526	1,073	1,065	1,043	915	1,357	1,193	979	1,501	956
2016-17	1,215	1,402	1,272	1,580	1,332	1,122	1,069	911	1,396	1,282	1,016	1,552	966
2017-18	1,260	1,474	1,290	1,580	1,337	1,165	1,090	963	1,424	1,341	1,069	1,574	978
2018-19	1,282	1,497	1,309	1,580	1,348	1,199	1,090	1,153	1,434	1,390	1,098	1,591	1,008
2019-20	1,452	1,507	1,339	1,575	1,368	1,234	1,123	1,205	1,442	1,420	1,218	1,597	1,010
2020-21	1,469	1,538	1,369	1,575	1,401	1,295	1,146	1,205	1,462	1,472	1,299	1,605	1,047
Total % Increase	39.9%	84.9%	30.0%	19.9%	52.6%	43.1%	19.4%	39.5%	43.3%	40.2%	66.1%	23.5%	26.0%
Annualized Increase	3.4	6.3	2.7	1.8	4.3	3.6	1.8	3.4	4.5	3.4	5.2	2.1	2.3
Tuition													
Total % Increase	16.9%	11.3%	20.2%	11.3%	11.4%	11.2%	11.3%	11.3%	12.2%	18.4%	11.4%	11.4%	11.1%
Annualized Increases	1.6	1.1	1.9	1.1	1.1	1.1	1.1	1.1	1.2	1.7	1.1	1.1	1.1

*UW-Stout charges tuition and segregated fees on a per credit basis. Segregated fees shown are for 30 credits.

Table 13: Room and Board Fees by Campus, 2010-11 to 2020-21

	Madison	Milwaukee**Eau Claire*	Green Bay	La Crosse*	Oshkosh*	Parkside*	Platteville*	River Falls*	Stevens Point	Stout*	Superior*	Whitewater*	
2010-11	\$7,435	\$7,018	\$5,770	\$5,450	\$5,630	\$5,976	\$5,974	\$5,208	\$5,530	\$5,760	\$5,560	\$5,330	\$5,402
2011-12	7,724	8,182	5,947	5,700	5,930	6,128	6,192	6,042	5,715	6,002	5,844	5,420	5,554
2012-13	8,024	8,594	6,182	5,950	6,000	6,248	6,382	6,440	5,957	6,158	6,054	5,610	5,786
2013-14	8,287	8,836	6,465	6,200	5,950	6,460	6,572	6,770	6,198	6,238	6,234	5,780	5,900
2014-15	8,546	8,894	6,775	6,200	5,910	6,702	6,696	7,050	6,384	6,390	6,434	6,085	6,144
2015-16	8,828	9,178	7,167	6,200	5,850	6,826	6,852	7,130	6,424	6,883	6,504	6,085	6,214
2016-17	9,074	9,326	6,985	6,320	6,025	7,030	6,938	7,130	6,525	7,089	6,624	6,265	6,326
2017-18	9,350	9,606	7,506	7,030	6,206	7,282	7,114	7,130	6,526	7,293	6,744	6,450	6,442
2018-19	9,971	10,178	8,189	6,609	6,341	8,004	6,826	7,580	6,513	7,595	7,022	7,006	6,601
2019-20	11,067	10,409	8,002	7,214	6,465	8,034	7,567	7,995	6,526	7,512	6,834	6,566	6,918
2020-21	11,217	10,463	8,210	7,245	6,637	8,178	7,663	8,150	6,786	7,630	6,998	6,566	7,039
Total % Increase	50.9%	49.1%	42.3%	32.9%	17.9%	36.8%	28.3%	56.5%	22.7%	32.5%	25.9%	23.2%	30.3%
Annualized Increase	4.2	4.1	3.6	2.9	1.7	3.2	2.5	4.6	2.1	2.9	2.3	2.1	2.7

*These institutions require freshmen and sophomore students to live in residence halls unless the student is living at home with a parent or guardian, is married, is a veteran, or there is insufficient space to accommodate all freshmen and sophomore students in university housing.

**UW-Milwaukee requires freshmen to live in residence halls unless the student is living at home with a parent or guardian, is married, is a veteran, or there is insufficient space to accommodate all freshmen students in university housing.

Table 14: Annual Tuition and Fees at Midwestern Public Big Ten Universities (Including Segregated Fees)*

	Undergraduate			Graduate		
	2019-20	2020-21	% Change	2019-20	2020-21	% Change
Resident Students						
Pennsylvania State	\$18,450	\$18,450	0.0%	\$22,994	\$22,994	0.0%
Illinois	16,210	16,862	4.0	17,420	18,192	4.4
Michigan	15,558	15,948	2.5	24,218	24,772	2.3
Rutgers	15,407	15,205	-1.3	19,983	19,853	-0.7
Minnesota	15,027	15,027	0.0	19,221	19,221	0.0
Michigan State	14,460	14,460	0.0	18,858	18,858	0.0
Ohio State	11,084	11,518	3.9	12,425	12,425	0.0
Indiana	10,948	11,221	2.5	10,873	11,193	2.9
Maryland	10,779	10,779	0.0	19,180	19,180	0.0
UW-Madison	10,725	10,742	0.2	12,179	12,196	0.1
Purdue	9,992	9,992	0.0	9,992	9,992	0.0
Iowa	9,606	9,606	0.0	11,666	11,656	-0.1
Nebraska	9,365	9,561	2.1	9,670	9,872	2.1
Average (excl. WI)	\$13,074	\$13,219	1.1	\$16,375	\$16,518	0.9
Mid-Point (excl. WI)	\$12,772	\$12,989		\$18,139	\$18,525	
UW Distance to Mid-Point	-\$2,047	-\$2,247		-\$5,960	-\$6,329	
Nonresident Students						
Michigan	\$51,200	\$52,266	2.1	\$48,532	\$49,548	2.1
Michigan State	39,766	39,766	0.0	37,056	37,056	0.0
UW-Madison	37,785	38,630	2.2	25,506	25,523	0.1
Maryland	36,891	36,891	0.0	40,636	40,636	0.0
Indiana	36,512	37,601	3.0	33,304	33,339	0.1
Pennsylvania State	35,514	35,514	0.0	38,728	38,728	0.0
Illinois	33,352	34,312	2.9	32,438	33,480	3.2
Minnesota	33,325	33,325	0.0	28,845	28,845	0.0
Rutgers	32,189	31,987	-0.6	32,391	32,261	-0.4
Ohio State	32,061	33,502	4.5	36,009	36,009	0.0
Iowa	31,569	31,569	0.0	30,613	30,613	0.0
Purdue	28,797	28,794	0.0	28,797	28,794	0.0
Nebraska	25,806	26,692	3.4	24,742	25,592	3.4
Average (excl. WI)	\$34,749	\$35,185	1.3	\$34,341	\$34,575	0.7
Mid-Point (excl. WI)	\$33,339	\$33,907		\$32,871	\$33,410	
UW Distance to Mid-Point	\$4,447	\$4,723		-\$7,365	-\$7,887	

* Tuition and fees charged to new students. Excludes differential tuition charged for certain programs.

Table 15: Increase in Tuition and Fees for Resident Undergraduates at Public Big Ten Universities in the Midwest (2014-15 to 2020-21)*

	Six-Year Increase	
	Amount	Percent
Michigan	\$2,462	18.3%
Iowa	1,527	18.9
Nebraska	1,491	18.5
Ohio State	1,481	14.8
Minnesota	1,467	10.8
Rutgers	1,392	10.1
Maryland	1,351	14.3
Illinois	1,260	8.1
Michigan State	1,260	9.5
Pennsylvania State	948	5.4
Indiana	833	8.0
UW-Madison	332	3.2
Purdue	-10	-0.1
Average (excl. WI)	\$1,204	10.0%
Mid-Point (excl. WI)	\$1,372	11.4%

* Tuition and Fees reflects tuition for new students.

Table 16: Undergraduate Tuition and Fees at UW-Milwaukee and Peers (2020-21)*

	Resident	Nonresident
Temple	\$16,970	\$29,882
U. of Illinois-Chicago	15,458	29,808
U. of Texas-Dallas	15,108	42,042
Rutgers-Newark	14,826	31,608
Wayne State	13,531	28,902
U. of Louisville	12,162	28,508
U. of Cincinnati	12,138	27,492
Cleveland State	12,109	17,274
U. of Akron	11,635	15,500
Georgia State	11,076	30,114
U. of Toledo	10,946	20,306
SUNY-Buffalo	10,526	28,196
U. of Missouri-Kansas City	10,146	25,186
U. of New Orleans	9,354	14,190
UW-Milwaukee	9,254	21,119
Average (Excl. WI)	\$12,570	\$26,358
Mid-Point (Excl. WI)	\$12,124	\$28,352
WI Distance to Mid-Point	-\$2,870	-\$7,233

* Tuition and Fees reflects tuition for new students enrolled in general education courses. Students enrolled in upper-division courses or certain programs may be charged higher rates at certain institutions.

Table 17: Undergraduate Tuition and Fees at UW Comprehensive Campuses and Peers (2020-21)*

	Resident	Nonresident
Illinois		
Northeastern Illinois	\$14,300	\$26,666
Univ. Illinois-Springfield	13,713	23,328
Eastern Illinois	12,063	14,374
Western Illinois	11,724	11,724
Chicago State	13,076	13,076
Governor's State	12,616	22,006
So. Illinois-Edwardsville	12,219	12,219
Indiana		
Indiana State	\$9,775	\$20,879
Purdue U.-Fort Wayne	8,730	20,961
Purdue-Northwest	7,940	11,523
Indiana Univ.-South Bend	7,767	20,626
Indiana Univ.-Northwest	7,767	20,626
Indiana Univ.-Southeast	7,767	20,626
Iowa		
U. of Northern Iowa	\$8,938	\$19,480
Michigan		
Michigan Tech.	\$16,436	\$36,738
Central Michigan	12,960	12,960
U. Michigan-Dearborn	13,552	27,520
Oakland	13,934	24,708
Ferris State	12,404	12,404
Grand Valley State	13,244	18,844
Western Michigan	13,017	16,039
Eastern Michigan	13,500	13,500
U. Michigan-Flint	12,250	23,896
Northern Michigan	11,606	17,102
Saginaw Valley State	10,480	24,639
Minnesota		
U. Minn.-Duluth	\$13,576	\$18,776
Bemidji State	9,076	9,076
Minnesota State-Moorhead	8,968	16,598
Winona State	9,231	15,421
St. Cloud State	8,891	17,432
Minnesota State-Mankato	8,455	16,748
Ohio		
U. Akron	\$11,635	\$15,500
Wright State	9,962	20,306
Youngstown St.	9,588	15,588
Wisconsin		
La Crosse	\$8,986	\$17,805
Eau Claire	8,730	17,005
Superior	8,140	15,713
Stevens Point	8,171	16,874
Green Bay	7,873	16,091
River Falls	7,890	15,464
Stout	8,310	16,260
Oshkosh	7,717	15,290
Platteville	7,623	15,714
Whitewater	7,566	16,437
Parkside	7,444	15,714
Average (Excl. WI)	\$11,240	\$18,586
Mid-Point (Excl. WI)	11,680	18,104

* Tuition and Fees reflects tuition for new freshmen students enrolled in general education courses. Students enrolled in upper-division courses or certain programs may be charged higher rates at certain institutions. Some institutions charge residents of neighboring states the resident tuition rate or some other discounted rate which reduces the amount of students charged full, nonresident tuition.

Another approach to evaluating tuition levels is to examine the relationship between tuition levels and state income measures, representing ability to pay. Table 18 compares resident undergraduate tuition and fees for public Midwestern Big Ten institutions in 2019-20 and median household incomes in those states. As shown in the table, UW-Madison's tuition and fees were equal to 16.7% of the state's median household income in 2019. Taken as a measure of affordability, this made UW-Madison the second most affordable public Midwestern Big Ten University behind only Iowa.

However, tuition and fees at these public institutions have been becoming less affordable over time as tuition and fees have increased at a faster rate than incomes. In 2005-06, tuition and fees at UW-Madison were equal to 13.3% of Wisconsin's median household income compared to 16.7% in 2019-20. To the extent that resident tuition is not affordable to all Wisconsin students, tuition rates

impact access to higher education and may increase the need for financial aid.

For more information on state-funded need-based financial aid and a comparison of the financial aid provided by this and other states, see the Legislative Fiscal Bureau informational paper entitled, "Student Financial Aid."

Table 18: Tuition and State Income Measures (2019-20)

Institution	Resident Undergraduate Tuition and Fees	Median Household Income*	Tuition as a % of Median Household Income
Michigan	\$15,558	\$59,584	26.1%
Michigan State	14,460	59,584	24.3
Illinois	16,210	69,187	23.4
Minnesota	15,027	74,893	20.1
Indiana	10,948	57,603	19.0
Ohio State	11,084	58,642	18.9
Purdue	9,992	57,603	17.3
UW-Madison	10,725	64,168	16.7
Iowa	9,606	61,691	15.6

*Data from the U.S. Census Bureau most recent American Community Survey 1-Year Estimates

APPENDIX

University of Wisconsin Board of Regents Tuition Policy

The current tuition policy, which was most recently revised by the Regents in 2004 with regard to competitive nonresident tuition rates, is as follows:

1. Tuition and financial aid in the UW System should balance educational quality, access, and ability to pay.

2. As a matter of fiscal and educational policy, the state should, at a minimum, strive to provide a GPR funding share of 65% of regular budget requests for cost-to-continue, compensation, and new initiatives, and fully fund tuition increases in state financial aid programs.

3. Nonresident students should pay a larger share of instructional costs than resident students should, and at least the full cost of instruction when the market allows. Nonresident rates should be competitive with those charged at peer institutions and sensitive to institutional nonresident enrollment changes and objectives.

4. Where general budget increases are not sufficient to maintain educational quality, supplemental tuition increases should assist in

redressing the imbalance between needs and resources.

5. Tuition increases should be moderate and predictable, subject to the need to maintain quality.

6. GPR financial aid and graduate assistant support should "increase at a rate no less than that of tuition" while staying "commensurate with the increased student budget needs of students attending the UW System." In addition, support should also reflect "increases in the number of aid eligible students."

7. General tuition revenue, to cover regular budget increases under a 65% GPR and 35% Fees split, should continue to be pooled systemwide. Special fees may be earmarked for particular institutions and/or programs increasing those fees.

8. When considering tuition increases beyond the regular budget, an evaluation of doctoral graduate tuition should consider impacts on multi-year grants and the need to self-fund waivers or remissions from base reallocation within departmental budgets.