

DIFFERENTIAL TUITION REQUEST

College/School: College of Arts and Science

Department/Program: N/A

Contact: Mark Peceny, Dean

Phone: 277-7381

Email: markpec@unm.edu

Level: Graduate

Proposed Differential to be applied as: by student type (major): X by course: __

Requested Differential Tuition (shown as amount per student credit hour):

Student Type	Current Differential	Proposed Differential	Increase/Decrease or New Differential
Residents	\$0	\$100	\$100
Non-Residents	\$0	\$100	\$100
Other	\$0	\$0	\$0

Effective Academic Year: AY2018-19

*If the differential tuition request is approved it will be applied in the following academic year **beginning in the fall semester.***

Rationale for Request: *Please provide a detailed explanation on the reasoning for the increase/decrease or new differential tuition. Please refer to policy **UAP 8210 2.2** for qualifying justifications for differential tuition.*

The College of Arts and Sciences produces the greatest number of student credit hours (SCH) as well as the most research of any main campus unit. As the College delivers the lion's share of common core and introductory courses for all units and students at the University, including its own 21 Departments, one School, eleven interdisciplinary Programs, and many more majors, a strong College of Arts and Sciences is essential for the success of every unit at UNM. It has always been difficult for the College to provide the high quality instruction on which every unit on main campus depends, given that the College has been chronically underfunded for years and provides a revenue subsidy to other units at UNM. The recent significant decline in state funding, following a nationwide trend of falling state government support for public higher education, has deepened the College's struggles to attract and retain the highest quality faculty, staff, advisors, and graduate students. UNM still offers one of the most affordable Carnegie Research 1 category educations in the nation, but must find ways to sustain the excellence in education our students deserve. Increasing tuition in ways that directly benefit the academic mission is a crucial part of how we must re-engineer UNM to accomplish this goal.

Graduate students in particular are attracted to the University by faculty with national and international stature, as well as the institution's commitment to, and support for, research.

Both the State and our students require greater transparency and accountability from the University, and justifiably so. They wish to know how their money is spent, and seek the best value in terms of quality outcomes for students. For graduate students quality means working with the best faculty, support for research, and opportunities to teach. While financial aid for graduate students often pays tuition, graduate students should still expect a tuition differential to go directly to increasing the quality of instruction and research, and they should have a say in how the money is allocated.

Graduate students provide invaluable services to the University. As a Carnegie Research 1 university, UNM relies heavily on graduate students to work with faculty on the cutting edge research done here. Graduate students are both students, taking courses from faculty, working with faculty, and being mentored by faculty, and also teachers. As teachers they are also mentors and role models for our undergraduates. Many graduate students in the College have Teaching Assistantships, while others are Graduate Assistants and Research Assistants. At current funding levels the College is unable to attract the most qualified and promising graduate students. We seek additional revenue to go directly to support graduate students with more awards, higher stipends, and greater teaching opportunities.

UNM Policy 8210 requires justification of differential tuition on a cost basis, and/or a value/benefit basis. Every department suffers the problem of not paying faculty competitive market salaries. The many departures of excellent faculty over recent years are testament to this problem. Our departments also cannot offer graduate students competitive support packages, and they lose the best applicants to our peer institutions. Many New Mexico students, having graduated from UNM, wish to remain in the state and pursue their graduate work at UNM, but are lured away by more attractive offers. Graduate education is costly to the institution, however it is key to UNM retaining its Carnegie Research 1 ranking. With respect to benefits and value, it is a fact that graduate degrees offer the highest rate of return to education, and that graduates can expect high starting salaries and high career earnings growth. All Arts and Sciences graduate degrees offer tremendous value for our students, not just those in STEM that might come to mind more easily.

The College is committed to allocate every dollar from differential tuition on graduate student credit hours to assist our students have the graduate education and research experience they expect, and deserve, from a Carnegie Research 1 university.

Market Analysis: *Please provide detailed information on whether the college/school or department/program cost of instruction is markedly higher than the university average program costs or market conditions warrant additional tuition.*

Graduate students in the College deserve to be taught by the best faculty we can hire and retain, and currently the College is unable to offer salaries competitive with peer institutions. They require adequate financial support and opportunities to assist faculty in research and opportunities to gain valuable teaching experience.

At the current funding level, the College is losing faculty to other institutions, and departments cannot hire their most preferred candidates with below-market salary and startup packages. The recent study by UNM's Provost Office of the CUPA data for 77 comparable institutions shows that 30% of UNM faculty are below the 25th percentile for salaries. The situation is worse in the College of Arts and Sciences. Six departments (English, American Studies, Chicano Studies, Economics, Foreign Languages and Literature, and Communications and Journalism) have significantly more than half their faculty below the CUPA median. Another four departments (Physics and Astronomy, Spanish and Portuguese, Earth and Planetary Science, and Biology) have approximately half their faculty below the CUPA median. The College has suffered significant losses of excellent faculty as a result. For example, 22 faculty have left the College in the last two years in part because of attractive offers we could not match, or even provide a preferred alternative to. Additional revenue from the tuition differential will allow us to be more competitive against our peers.

Graduate education is very expensive. Student to faculty ratios are very low, and all graduate students benefit from access to faculty mentors. Instructional costs per graduate student far exceed those of undergraduates. According to national data from the Delta Cost Project graduate degrees in Science are the most expensive to produce, (even more expensive than Engineering) with an average cost of \$100,000 per degree in 2013. From the same source, in general, every graduate degree in the College costs more on average than degrees in Business and Education.

The primary measure of the value of a degree is post-graduation earnings, and graduates with Masters and PhDs do extremely well compared to the standard high school diploma. The difference in earnings from higher degrees is called the wage premium, and the graduate degree wage premium is the highest for Biology and life sciences. The next largest wage premium accrues to graduate degrees in the Physical Sciences, then the Social Sciences. Other than for the Arts, the graduate wage premium is lowest for Architecture and Engineering. Not only do graduate students earn more over their work lifetime, but they generally accrue less debt thanks to the financial support they receive during their degrees. The College intends to allocate at least 70% of the graduate tuition differential to graduate student financial aid, to continue and expand the support of our students.

Student Consultation: *A preliminary request should be submitted to the Provost Office (Main Campus) or Chancellor's Office (Health Sciences Center) no later than October 1st. Per policy it should be posted to the unit's website no later than October 1st to allow for at least 30 days of constituent comment prior to final submission to the Provost or Chancellor by November 1st.*

The College is committed to extensive consultation with students regarding this Request. The following activities are already in progress:

1. Department forums with graduate students.

The College has 22 departments and 11 programs. Meetings are scheduled for the Dean to present the Request to groups of students from each department to allow for review, comment and questions.

2. Student survey.

The College will be conducting an online survey of all College majors in October to determine students' preferences regarding the allocation of the differential tuition funds if the Request is approved.

3. Student leadership presentations

The Dean has approached student-governing organizations to make presentations regarding the Request to student leaders.

4. Per the Policy requirements, the Request will be posted on the College website from October 1, 2017 and open for comments from all constituents for at least 30 days.

Accountability/Budget Information: *Please provide budgetary information about how the revenue generated will be expensed. It is highly encouraged to set aside a portion of the revenue generated by the differential for financial aid. (See policy UAP 8210 2.2.2)*

Financial Aid Set Aside Amount: Minimum 70%

Proposed Annual Revenue

Differential Tuition (per SCH)	\$100
Projected # of SCH (all student SCH taken by student majors in the program)	17,841
Total Revenue	\$1,784,129

Proposed Annual Expenditures (\$)

Financial Aid Set Aside (75%)	1,334,129
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Faculty Expense	250,000
Advising Personnel	150,000
Equipment and Lab Expenses	50,000
Administrative Expenses	0
Total Revenue	1,784,129

Please provide a detailed explanation on how the revenue will be used for this program:

All revenue from the tuition differential will go to improving the quality of instruction and the educational experience for all College graduate students. The money will be used to attract graduate students with competitive financial support packages. It will be used to retain and attract the highest quality faculty to instruct and work with our students in cutting edge research. Every dollar will be allocated to student success, and not one dollar will go to administration.

1. Financial Aid to students

In order to improve the graduate experience for our students, a minimum of 70% (estimate is actually 75%) of the tuition differential revenue will be used to support students. A significant proportion of the money will be used to pay tuition for student GAs and TAs, who are employed by departments to assist faculty and teach classes. These positions are the primary means, along with Research Assistantships, by which graduate students fund their education. In addition to tuition, the revenues will be used to increase stipends and allow us to offer more support for longer to our graduate students.

2. Student Advising

Some departments in the College do not have the personnel to offer graduate students support and advice. The College will use a portion of the differential tuition revenue to hire Graduate Program Coordinators in departments where there is need.

3. Faculty

The recent study from UNM's Provost Office of CUPA data clearly shows that faculty at UNM are underpaid relative to our peer institutions and nationally, and the faculty in the College fare poorly within the University. This fact has impacted the College of Arts and Sciences especially hard as we attempt to retain our best faculty, and attract the best new faculty to our ranks. Retention has become a major concern as faculty salaries have seen little or no growth over the last nine years. The College has suffered resignations over the last five years with many going to peer or similar institutions offering higher salaries, larger research support, and/or a lighter teaching load. In order to offer our students the highest quality instruction and research opportunities the College will use the tuition differential money to retain and attract the best faculty possible.

4. Equipment and Lab expenses

Some departments are in need of additional funds to offer graduate students state of the art facilities that are much needed but beyond the capacity of current funding. For example the Geography and Environmental Studies department wishes to offer their GIS graduate students access to the latest and most sophisticated equipment and software to ensure their degrees and certificates are competitive and valuable. A small fraction of differential tuition funds will be allocated to these kinds of expenses when there is a compelling need and a direct benefit to our graduate students.

5. Operating and Administrative expenses

Absolutely none of the tuition differential revenue will be allocated to cover operating or administrative expenses in the College.

Accountability and reporting

The College believes the students who pay the tuition differential not only deserve transparency and accountability, but also should have input as to how the money is allocated. This proposal uses the recently approved differential tuition levels for the School of Engineering as a benchmark, but we are now starting our consultation period with students and the allocation of resources in our final proposal could very well be amended based on the feedback we get from students. The College will provide an annual report of how the tuition differential was spent on its website. In addition, a Student Advisory Board will be established to review the annual report and advise the Dean regarding the allocation of the tuition differential.

Student Access and Affordability: *Please explain how student access and affordability will be addressed.*

UNM takes pride in being affordable and as shown below, our tuition is amongst the lowest of our peers. But affordability is more than the net tuition. For graduate students, affordability means getting a good value on an excellent education. And an excellent graduate education means higher quality instruction, opportunities to work with the best researchers, larger financial aid packages, and shorter times to graduation.

While differential tuition increases immediate costs, the majority of graduate students do not pay their own tuition. Tuition is paid for when they receive various financial support packages: GA-ships, TA-ships, and RA-ships. . Differential tuition improves the pass-through efficiency of tuition by reducing the implicit tax the UNM budget process imposes, and allows the College to target student needs. A minimum of 70% of the tuition differential will go to graduate students as financial aid.

Peer Comparison Chart: *Please complete the Excel peer comparison spreadsheet. If the peer institutions listed do not have a similar college/school or department/program add an institution that most closely resembles your unit. Please not this adjustment below.*

The table below provides comparisons to UNM’s 22 HED-approved peer universities. We follow the template provided by UNM Academic Affairs. Data for the 22 peer institutions were obtained from University websites in September 2017 for the current academic year. According to the template comparisons should be made for 9 credit hours per semester. At the proposed rate that is \$900 per semester. Finally, the completed template is based on resident graduate, but note that our request applies to both resident and nonresident graduates. For nonresidents, the differential tuition is the same increment and per SCH amount. Consistent across our peers, nonresident tuition is much higher than resident tuition.

As noted by Academic Affairs in their template, it is difficult to make apples-to-apples comparisons across universities. Many public universities have moved away from a single price (tuition) model and there is greater use of price discounting and price differentiation. Many of our peer institutions do not have a comparable College of Arts and Sciences. Consequently we made the most appropriate comparison of UNM’s tuition to each institution’s differential tuition and/or program fee. Footnotes are provided to explain in greater detail the choices made. Of those peer institutions charging a differential tuition or similar, many are greater than that proposed by the College of Arts and Sciences. And total tuition, including the differential charge, at UNM remains in the lower half of the tuition charged by our peer institutions.

The University of New Mexico

2016-17 Tuition with 2017-2018 Differentials/Program Fees Added

Arts and Sciences

Program: Arts and Sciences (all)

Graduate Resident

	Resident	Tuition (i)	Differential for Peer College/Program (ii)	FY 2016 Projected Tuition @ 2% Increase	Proposed Differential	Total Proposed Tuition
	University of New Mexico	\$4,443	n/a	n/a	\$1,800	\$6,243
	Peer Median	\$8,180	n/a	n/a	n/a	\$8,344
1	Arizona State University*	\$11,624	\$1,028	\$253	n/a	\$12,905
2	Florida International University*	\$8,202	\$-	\$164	n/a	\$8,366
3	New Mexico State University*#	\$7,689	\$-	\$154	n/a	\$7,843
4	Oklahoma State University*#	\$6,328	\$862	\$144	n/a	\$7,334
5	Texas A&M University*#	\$6,882	\$71	\$139	n/a	\$7,092
6	Texas Tech University*	\$7,390	\$-	\$148	n/a	\$7,538
7	The University of Tennessee	\$12,356	\$-	\$247	n/a	\$12,603
8	The University of Texas at Arlington*	\$8,710	\$808	\$190	n/a	\$9,708
9	The University of Texas at Austin**	\$8,402	\$1,942	\$207	n/a	\$10,551
10	The University of Texas at El Paso*	\$5,507	\$-	\$110	n/a	\$5,617
11	University of Arizona*	\$13,862	\$-	\$277	n/a	\$14,139
12	University of California-Riverside%	\$11,220	\$-	\$224	n/a	\$11,444
13	University of Colorado-Boulder**	\$12,262	\$-	\$245	n/a	\$12,507
14	University of Colorado-Denver**	\$6,408	\$-	\$128	n/a	\$6,536
15	University of Houston**	\$8,406	\$516	\$178	n/a	\$9,100
16	University of Iowa **	\$11,440	\$-	\$229	n/a	\$11,669
17	University of Kansas*	\$8,159	\$-	\$163	n/a	\$8,322
18	University of Missouri-Columbia*	\$13,096	\$720	\$276	n/a	\$14,092
19	University of Nebraska-Lincoln*	\$6,458	\$-	\$129	n/a	\$6,587
20	University of Nevada-Las Vegas*#	\$7,775	\$-	\$155	n/a	\$7,930
21	University of Oklahoma-Norman Campus*#	\$6,243	\$471	\$134	n/a	\$6,849
22	University of Utah**	\$6,721	\$-	\$134	n/a	\$6,855

(i) Tuition is based on full time status (9 credit hours for graduate tuition per semester) Fall and Spring semesters

(ii) Please indicate the peer's differential tuition based on the college/program your unit is comparing to.

*includes student fees

**rates vary depending on field
of study

indicates number is attempted correction from AA template, which appears to mistakenly be for just one semester;
corrected to Fall +Spring using 17/18 base value.

% indicates number is attempted correction by CAS from AA template, which appears to mistakenly treat a quarterly
system for a semester system; corrected for 3 quarters using 17/18 values.

& Peer Median Calculation, from AA template, was corrected to not include UNM.

Notes for Grad Peer comparisons (numbered by Peer Institution in Table)

1. CLAS - rough comparison to UNM A&S; Has 10 different graduate programs with annual differential tuition or program fees: Appl. Beh. Analysis MS (+\$5000); Biochemistry MS (+ \$600); Computational Bioscience (+\$1950); GIS MAS (+\$7200); Infant Family Practice MAS (+\$5200); Liberal Studies MLS (+\$3600); Marriage and Family Therapy (+8550); Urban and Environmental masters (+2500); Nanoscience PSM (+\$2000); and Transborder Studies MAS (+\$4500). The unweighted average of these was calculated as: \$4,110. Taking an assumed estimate that 20 percent of all graduate students in CLAS paid this average differential provided a value of : \$1028.
2. Only rough comparison to UNM A&S; FIU has College of Arts, Sciences and Education (e.g., includes Education but excludes C&J).
3. Only rough comparison to UNM A&S; their CAS includes the Fine Arts (e.g., Music and Theatre) but excludes Economics.
4. A&S comparison but does not include economics. Calculated value is \$47.90 per SCH for A&S (composed of \$10 program service fee and \$39.90 general program fee for A&S). Note: Economics has a \$6 per SCH program fee as part of business school.
5. No simple A&S comparison available; their Liberal Arts (CLA) does not include either Sciences, or Geosciences, which are separate colleges. Against a base annual tuition of \$6,881.5, the calculated comparison value ($\$71=6952.66-6881.5$) is unweighted average of the differences with: (i) \$6962 for Liberal Arts; (\$6936.64 for Sciences; and (ii) 6955.74 for Geosciences. This calculated value does not include additional program charges of: (i) \$3000 annually for MS in Economics, \$10,000 annually in MS analytics, or \$1334.07 annually in Bush School of Government.
6. Relatively close comparison to UNM A&S in their CAS, except excludes C&J and Applied Economics. C&J and Applied Economics both have a differential tuition vs CAS of \$270 annually, which is not listed above.
7. Loose comparison to UNM A&S excludes economics and C&J and social work.
8. No clear comparison to UNM A&S; their CLA excludes sciences, psychology, social work and economics, but includes some arts. Calculated value of \$808 annually include graduate program differential tuition and graduate program enhancement fee.
9. No clear comparison to UNM A&S; their CLA excludes separate colleges of: (i) Sciences; (ii) Geoscience; and (iii) Communication. For our calculated value (\$1942), we take the annual Business School graduate tuition and fees, annually of \$8,378 as the base, and then take the unweighted average of four annual differences: (i) CLA - \$212; (ii) Nat. Sci. - \$490; (iii) GeoSci - \$912; and (iv) Communications -\$1312.
10. No clear comparison to UNM A&S; their CLA excludes sciences and economics, but includes fine arts. For Masters in Economics there is a total tuition program cost of \$36,000 (assuming 30 sch, this is 1200 per SCH). For Masters in Public Administration there is a \$1000 cost per course.
11. No simple A&S comparison available. New collaborative College of Letters, Arts & Sciences. Separate colleges of (i) Sciences (ii) Social & Beh. Sciences, and (iii) Humanities. The absence of estimated value fails to account for the following annual differences: (i) \$2500 for Masters in Public Policy; (ii) \$1400 for Masters in GIS; (iii) \$1400 for Masters in Journalism; (iv) \$500 in Masters in Human Language; and (v) \$2500 - Masters in Public Administration.
12. College of Humanities, Arts and Social Sciences is closet comparison, but excludes natural sciences.
13. A&S rough comparison; does not include and C&J. Absence of estimated value fails to account for these annual differential tuition differences from base: (i) \$1584 –graduate in Media and Communication; (ii) \$7740 – Masters in Applied Mathematics; (iii) \$5520 Masters of Environment; and (iv) \$6714 – Strategic Communication.

14. Relatively close comparison to UNM A&S in their CLAS.
15. CLASS+ : rough comparison to A&S minus the phys. Sciences. The calculated value of \$516 is estimated as 2/3rds of \$774, which is the annual differential tuition of CLASS+ and the base tuition of Natural Sciences.
16. A&S comparison but does not include economics. Not listed in table above, but Economics has a \$3,596 differential relative UI A&S.
17. Comparison to CLAS, which is larger than A&S UNM in that it also includes the Arts.
18. Relatively close comparison to UNM A&S, except UM A&S includes Arts, Art History and Theatre, and excludes Journalism (which is its own separate school). Calculated value is for additional \$40 per sch college fee (9X2X\$40=\$720 annually) for all courses above 2000 level.
19. Close comparison to A&S.
20. No simple comparison to A&S available.
21. A&S, but no simple comparison to A&S available. The calculated program fee value of \$470.70 annually (\$26.15X18), does not include consideration of larger values for: (i) \$970 for Earth and Energy; (ii) \$882 for Atmospheric and Geosciences; and (iii) \$1381.50 for Communication and Journalism.
22. No simple A&S comparison available. Does not consider \$200 annual program fee of MS in GIS.

Unlike regular tuition dollars, which are subject to implicit taxation in moving through a university financial system and the inherent trade-offs in an annual budget process, differential tuition dollars go directly to the College, and due to administrative efficiencies, every dollar will go to instructional and student support.

Other Information: *Please provide any additional information that supports this request for differential tuition.*

Dean/Director Approval:

Printed Name: Mark Peceny



Signature:

Date: Oct. 1, 2017