

**BOARD OF TRUSTEES
UNIVERSITY OF THE DISTRICT OF COLUMBIA
UDC RESOLUTION NO. 2018 - 24**

**SUBJECT: NOTICE OF PROPOSED RULEMAKING, AMENDMENTS TO
CHAPTER 7, UPDATING TUITION RATES FOR AY 2019-2020**

WHEREAS, District of Columbia law (D.C. Official Code §38-1202.06(8)) provides for the Board of Trustees of the University of the District of Columbia (“University”) to fix tuition to be paid by resident and nonresident students attending the University; provided, that such tuition is adopted by the Trustees in accordance with the provisions of D.C. Official Code §2-505(a); and

WHEREAS, the University consists of a flagship urban land-grant university offering a broad range of academic and professional programs including a community college offering workforce development opportunities, academic certifications and academic associate degrees, and a law school whose mission is to recruit and enroll students from groups under-represented at the bar, provide a well-rounded theoretical and practical legal education that will enable students to be effective and ethical advocates, and represent the legal needs of low-income District of Columbia residents through the school’s legal clinics; and

WHEREAS, the University is trying to avoid sporadic, significant tuition increases and trying instead to maintain existing cost structure consistent with the rate of inflation by implementing consistent incremental increases; and

WHEREAS, a tuition rate increase of 2.5% for the Academic Year 2019-2020 will maintain the existing cost structure consistent with the rate of inflation.

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of the University of the District of Columbia hereby increases the tuition rates by 2.5% for all programs; and

BE IT FURTHER RESOLVED that the Board of Trustees of the University of the District of Columbia hereby takes proposed rulemaking action to amend Chapter 7 of the University Rules (Title 8B DCMR) to increase tuition to the rates indicated in the Notice of Proposed Rulemaking attached hereto as Appendix A; and

BE IT FURTHER RESOLVED that the General Counsel of the University is hereby directed to publish this Notice of Proposed Rulemaking in the D.C. Register as soon as is practicable for a comment period of not less than thirty (30) days, in accordance with the provisions of D.C. Official Code §2-505 (a).

Submitted by the Audit, Budget and Finance Committee

September 13, 2018

Approved by the Board of Trustees

September 26, 2018



Christopher Bell
Chairperson of the Board

**APPENDIX A
UNIVERSITY OF THE DISTRICT OF COLUMBIA**

NOTICE OF PROPOSED RULEMAKING

The Board of Trustees of the University of the District of Columbia, pursuant to the authority set forth under the District of Columbia Public Postsecondary Education Reorganization Act Amendments (Act) effective January 2, 1976 (D.C. Law 1-36; D.C. Official Code §§ 38-1202.01(a); 38-1202.06)(3),(13) (2012 Repl.) hereby gives notice of its intent to amend Chapter 7 (Admissions and Academic Standards) of Subtitle B (University of the District of Columbia) of Title 8 (Higher Education) of the District of Columbia Municipal Regulations (DCMR) in not less than thirty (30) days from the date of publication of this notice in the *D.C. Register*.

The purpose of the proposed rule is to adjust tuition rates for degree-granting programs beginning in the fall semester of 2019.

The Board of Trustees will take final action to adopt these amendments to the University Rules in not less than thirty (30) days from the date of publication of this notice in the D.C. Register.

Chapter 7, ADMISSIONS AND ACADEMIC STANDARDS, of Title 8-B DCMR, UNIVERSITY OF THE DISTRICT OF COLUMBIA, is amended as follows:

Subsections 728.1 -728.8 of Section 728, TUITION AND FEES: DEGREE-GRANTING PROGRAMS, are amended as follows:

728.1 The following tuition and fees have been approved by the Board of Trustees consistent with D.C. Official Code § 38-1202.06(8):

728.2 COMMUNITY COLLEGE ASSOCIATE DEGREE-GRANTING PROGRAMS

	<u>Per Credit Hour</u>
Washington, D.C. Residents	\$114.00
Metropolitan Area Residents	\$192.00
All Other Residents	\$324.00

728.3 FLAGSHIP BACCALAUREATE DEGREE-GRANTING PROGRAMS

	<u>Per Credit Hour</u>
Washington, D.C. Residents	\$316.00
Metropolitan Area Residents	\$365.00
All Other Residents	\$663.00

728.4 FLAGSHIP GRADUATE DEGREE-GRANTING PROGRAMS

	<u>Per Credit Hour</u>
Washington, D.C. Residents	\$500.00
Metropolitan Area Residents	\$562.00
All Other Residents	\$962.00

728.5 DAVID A. CLARKE SCHOOL OF LAW DEGREE-GRANTING PROGRAMS
FULL TIME PROGRAM STUDENTS (FALL & SPRING SEMESTERS ONLY)

	<u>Per Semester</u>
Washington, D.C. Residents	\$6,067.00
Metropolitan Area Residents	\$9,100.00
All Other Residents	\$12,133.00

728.6 DAVID A. CLARKE SCHOOL OF LAW DEGREE-GRANTING PROGRAMS
ALL OTHER STUDENTS

	<u>Per Credit Hour</u>
Washington, D.C. Residents	\$412.00
Metropolitan Area Residents	\$616.00
All Other Residents	\$822.00

728.7 SCHOOL OF ENGINEERING BACCALAUREATE DEGREE-GRANTING
PROGRAMS

	<u>Per Credit Hour</u>
Washington, D.C. Residents	\$337.00
Metropolitan Area Residents	\$390.00
All Other Residents	\$707.00

728.8 Definitions

- (a) **Full-Time Students.** Any undergraduate or community college student enrolled in at least twelve (12) credit hours per semester, or any graduate student enrolled in at least nine (9) credit hours per semester, shall be considered a full-time student for the purposes of calculation of tuition in accordance with this chapter. Full-time undergraduate and community college students shall be charged tuition for each semester in which they are enrolled in the amount of twelve (12) credit hours, regardless of the number of credit hours actually taken. Full-time graduate students shall be charged tuition for each semester in which they are enrolled in the amount of nine (9) credit hours, regardless of the number of credit hours actually taken.

- (b) **Metropolitan Area Residents.** Any individual who can establish residency in one of the following counties and cities shall be considered a Metropolitan Area Resident: Montgomery County, Maryland; Prince George's County, Maryland; Arlington County, Virginia; Alexandria County, Virginia; Fairfax County, Virginia; and City of Alexandria, Virginia. The standards used to establish residency shall be the same standards used to establish residency for District residents.

All persons desiring to comment on the subject matter of the proposed rulemaking should file comments in writing not later than thirty (30) days after the date of publication of this notice in the *D.C. Register*.

Comments should be filed with the Office of General Counsel, Building 39- Room 301-Q, University of the District of Columbia, 4200 Connecticut Avenue, N.W., Washington, D.C. 20008.

Comments may also be submitted by email to karen.hardwick@udc.edu. Individuals wishing to comment by email must include the phrase "Comment to Proposed Rulemaking: Tuition and Fees: Degree-Granting Programs " in the subject line.



FISCAL IMPACT STATEMENT

TO: The Board of Trustees
FROM: Managing Director of Finance *David A. Franklin*
DATE: August 31, 2018
SUBJECT: UDC Tuition Rate Increase for AY2019-2020

Conclusion

In conclusion, the tuition rate increase for AY 2019-2020 is expected to result in a positive fiscal impact to the University of the District of Columbia's revenue stream assuming level FTE student enrollment due to the increased tuition charges paid by resident and non-resident students attending the University.

Background

By Resolution 2017-17, the Board of Trustees designated the Higher Education Price Index (HEPI) as the benchmark for use in setting annual tuition rates. The most recent HEPI data show that inflation for colleges and universities was 3.7% for FY2017, more than doubling the 1.8% rate reported for FY2016. There are eight cost factors that contribute to the HEPI regression calculation: faculty salaries, administrative salaries, clerical salaries, service employee salaries, fringe benefits, miscellaneous services, supplies and materials, and utilities. For FY2017, costs rose in seven of the eight categories tracked by HEPI, the only exception being a one-half percentage point decline in the cost of supplies and materials; a year ago, costs rose in six of the eight categories, the two exceptions being utilities and supplies and materials.

Relying on a HEPI plus 1% formula, the proposed tuition rate increase would result in a 4.7% increase over AY 2018-2019 tuition rates with an estimated increase in tuition revenue of \$1,357,286. In keeping with the spirit of the Board of Trustees resolution to increase tuition gradually, the administration is providing an option of 2.5% increase with an estimated tuition revenue increase of \$765,183. The projected increases in tuition rates will have a positive impact on tuition revenue for the Academic Year 2019-2020 assuming flat enrollment projections.

Financial Impact

Projections indicate that the increase in tuition rates would lead to an increase in tuition revenue to the University. Per the HEPI report operation cost have increase in 7 of the 8 major expense categories for university. The University should expect to have the same increase in operating

cost as predicted in the report. This request has been approved based on information provided. There are no anticipated risks at this time.

Risk Assumptions	Impacts
Higher tuition rates may negatively impact enrollment	Research indicates low to moderate fiscal impact on the correlation of tuition increase and decline in enrollment and retention.