

Contact: Pam Elliott Cain

PROPOSED 2006-07 TUITION AND FEE RATES

Action Requested:

Consider the university-proposed tuition levels and related fees for the 2006-07 academic year. Board action will not be taken until December 6, 2005, at the Board meeting in Cedar Falls.

Executive Summary:

At its September 2005 meeting, the Board adopted a new tuition policy for FY 2007 through FY 2009, consistent with its Partnership Plan for Transformation and Excellence. The new policy provides each university president with the flexibility to recommend differential levels of tuition and fees. The benchmark for evaluating university proposals, as established in the policy, is the inflationary percentage range of the projected Higher Education Price Index (HEPI), which is 3.4% to 4.5%.

For FY 2006, undergraduate tuition makes up approximately 70.2% of total tuition revenues at SUI; 81.6% at ISU; and 90.6% at UNI. Resident tuition accounts for 50.6% of total tuition revenues at SUI; 49.8% at ISU; and 86.1% at UNI.

Each university submitted tuition and fee proposals for the 2006-07 academic year.

General Undergraduate Tuition Increase Proposals				
	Resident		Nonresident	
SUI	\$220	4.5%	\$1,058	6.5%
ISU	\$196	4.0%	\$600	4.0%
UNI	\$196	4.0%	\$500	4.0%

Both the University of Iowa and Iowa State University proposed an additional tuition increment for upper division (juniors and seniors) engineering students of \$500 per student per academic year. This proposal plus the general increases requested translate into total tuition increases for resident engineering students at SUI of 14.7% and at ISU of 14.2% (tuition only). For nonresident engineering students, the overall increases are 9.6% at SUI and 7.3% at ISU.

General Graduate/Professional Tuition Increase Proposals				
	Resident		Nonresident	
SUI	\$258	4.5%	\$748	4.5%
ISU	\$228	4.0%	\$630	4.0%
UNI	\$228	4.0%	\$542	4.0%

The University of Iowa requested application of the 4.5% increase for all other graduate and professional tuitions, both resident and nonresident, as well as the following:

- Master of Public Health students, both resident and nonresident, additional tuition of \$1,000 per academic year for students enrolling for the first time in Fall 2006.
- Law students, both resident and nonresident, additional tuition of \$500 per academic year.

Iowa State University, for its Veterinary Medicine students, requested a 16% (\$1,912) tuition increase for residents and a 12% (\$3,664) increase for nonresidents.

**Proposed Regent Tuition and Mandatory Fees
Academic Year 2006-07**

UNDERGRADUATE	Base Tuition		Mandatory Fees		Total Base Tuition and All Mandatory Fees			
	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	\$ Incr	% Incr
UNIVERSITY OF IOWA								
Resident	4,890.00	5,110.00	722.00	755.00	5,612.00	5,865.00	253.00	4.5%
Nonresident	16,276.00	17,334.00	722.00	755.00	16,998.00	18,089.00	1,091.00	6.4%
IOWA STATE UNIVERSITY								
Resident	4,890.00	5,086.00	744.00	774.16	5,634.00	5,860.16	226.16	4.0%
Nonresident	14,980.00	15,580.00	744.00	774.16	15,724.00	16,354.16	630.16	4.0%
UNIVERSITY OF NORTHERN IOWA								
Resident	4,890.00	5,086.00	712.00	826.00	5,602.00	5,912.00	310.00	5.5%
Nonresident	12,502.00	13,002.00	712.00	826.00	13,214.00	13,828.00	614.00	4.6%

UNDERGRADUATE ENGINEERING UPPER DIVISION	Base Tuition		Mandatory Fees		Total Base Tuition and All Mandatory Fees			
	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	\$ Incr	% Incr
UNIVERSITY OF IOWA								
Resident	4,890.00	5,610.00	1,017.00	1,063.00	5,907.00	6,673.00	766.00	13.0%
Nonresident	16,276.00	17,834.00	1,017.00	1,063.00	17,293.00	18,897.00	1,604.00	9.3%
IOWA STATE UNIVERSITY								
Resident	4,890.00	5,586.00	977.00	999.16	5,867.00	6,585.16	718.16	12.2%
Nonresident	14,980.00	16,080.00	977.00	999.16	15,957.00	17,079.16	1,122.16	7.0%

GRADUATE	Base Tuition		Mandatory Fees		Total Base Tuition and All Mandatory Fees			
	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	\$ Incr	% Incr
UNIVERSITY OF IOWA								
Resident	5,708.00	5,966.00	716.00	743.00	6,424.00	6,709.00	285.00	4.4%
Nonresident	16,612.00	17,360.00	716.00	743.00	17,328.00	18,103.00	775.00	4.5%
IOWA STATE UNIVERSITY								
Resident	5,708.00	5,936.00	702.00	730.16	6,410.00	6,666.16	256.16	4.0%
Nonresident	15,720.00	16,350.00	702.00	730.16	16,422.00	17,080.16	658.16	4.0%
UNIVERSITY OF NORTHERN IOWA								
Resident	5,708.00	5,936.00	712.00	826.00	6,420.00	6,762.00	342.00	5.3%
Nonresident	13,532.00	14,074.00	712.00	826.00	14,244.00	14,900.00	656.00	4.6%

Unit Cost of Instruction versus Tuition

Board policy requires that tuition for nonresident undergraduate students should, at a minimum, cover the full cost of their education at each Regent university. The Board has historically utilized university compiled information regarding the cost of instruction per student ("unit cost") to measure compliance.

The unit cost represents general fund supported cost of instruction of a full-time equivalent student at a given level and includes certain assumptions relative to instructional costs at the various student levels (i.e., lower division undergraduates, upper division undergraduates, graduate, and professional). Costs such as building repairs, public service, scholarships and fellowships, auxiliary enterprises, health care units, indirect cost recovery, and capitals are excluded from the unit cost calculations.

The most recent unit cost study, based on FY 2003 expenditures, was presented to the Board in May 2004. The study based on FY 2005 expenditures is expected to be presented to the Board in the spring/summer of 2006. Tuition for nonresident undergraduates exceeds the projected unit costs of instruction at all three universities.

	FY 2006 Undergraduate Tuition Only		Estimated Undergraduate Unit Cost
	Resident	Nonresident	
SUI	\$4,890	\$16,276	\$9,651
ISU	\$4,890	\$14,980	\$9,816
UNI	\$4,890	\$12,502	\$9,827

Projected Tuition Revenue Increases

The Board's tuition policy mandates that a minimum of 15% of gross tuition proceeds be set-aside for student financial aid, a mix of need-based aid and merit-based aid. This combination of aid is essential for the universities to attract high achieving students as well as provide affordable higher education.

The proposed set-aside percentages for student financial aid for FY 2007 are: SUI at 17.77%; ISU at 15%; and UNI at 18%. Each university has exceeded the minimum requirements during the last several years.

Based on enrollment at Fall 2005 levels, the combined additional revenues from the proposed undergraduate and graduate/professional tuition rate increases are expected to provide the following for the 2006-07 academic year:

	Estimated Incremental Gross Tuition	Incremental Tuition Set-Aside	Estimated Incremental Net Tuition
SUI	\$ 12.0 million	\$ 2.1 million	\$ 9.9 million
ISU	8.6 million	1.3 million	7.3 million
UNI	2.3 million	0.4 million	1.9 million
Totals	\$ 22.9 million	\$ 3.8 million	\$ 19.1 million

Mandatory Fee Increases

Mandatory fees, charged to each student, provide a distinct resource to respond to specific needs of students. Each University proposed increases for most of the various mandatory fees. The majority of the requested increases were within the HEPI range. Fee proposals for the 2006-07 academic year above the identified range (unless due to rounding) are highlighted below:

University of Iowa

- ♦ College of Business computer fee increase proposal of \$37 (8.1%) would provide funding for expanded computer classroom space by offering a mobile laptop cart system. The incremental fee is expected to generate \$50,000.
- ♦ College of Liberal Arts (CLAS) computer fee represents a premium of \$50 on the general computer fee to generate resources to replace aging equipment and provide additional technology support staff. The proposed fee increase for CLAS students is \$60 (27.9%). The incremental fee is expected to generate \$789,000.
- ♦ College of Law computer fee proposal is an increase of \$60 (15.4%) for student-accessible databases and funding for law library computer staff salaries. The incremental fee is expected to generate \$42,200.

- ♦ Career Services fee increase proposal, charged only to undergraduates, would double the current fee from \$6 to \$12. The increased fees would provide \$120,000 to support student tuition assistance, residence assistance, internship stipends, marketing, administrative costs, and faculty supervision.

Iowa State University

- ♦ Computer Sciences computer fee increase proposal of \$54 (15.6%) would provide additional funding for adequate technical support, hardware, or software upgrades, as indicated by a recent accreditation report. The increase would provide an additional \$23,271.
- ♦ Student Services fee increase proposal of \$13 (6.9%) would provide an additional \$637,000 to support the CyRide bus system and recreation services on campus.

University of Northern Iowa

- ♦ Computer fee proposal would increase the fee from \$116 to \$178. However, the University requested a decrease in its computer fee for the 2005-06 academic year (from \$165 to \$116) to stay within the overall Board-mandated range of 4% for tuition and fees; the University anticipated full funding of the state appropriations request in line with the Regent Transformation Plan, which did not materialize. The increase would provide about \$623,000.
- ♦ Building fee increase of \$34 (17.17%) was proposed to provide additional revenue of \$338,610 to meet the bonding requirement for the renovation and expansion of Maucker Union and debt service for the repair of the UNI-Dome roof.

Mandatory Fee Proposals												
	SUI				ISU				UNI			
	Actual	Proposed	Increase		Actual	Proposed	Increase		Actual	Proposed	Increase	
	2005-06	2006-07	\$	%	2005-06	2006-07	\$	%	2005-06	2006-07	\$	%
Computer ⁽¹⁾	215	225	10	4.7%	204	212.00	8.00	3.9%	116	178	62	53.4%
Health	172	180	8	4.7%	170	178.00	8.00	4.7%	144	152	8	5.6%
Health Facility	10	10	-	0.0%	16	16.00	-	0.0%	32	33	1	3.1%
Student Activities	53	55	2	3.8%	60	61.16	1.16	1.9%	-	-	-	-
Student Services	55	58	3	5.5%	188	201.00	13.00	6.9%	222	231	9	4.1%
Student Union	92	96	4	4.3%	-	-	-	-	-	-	-	-
Building	119	119	-	0.0%	106	106.00	-	0.0%	198	232	34	17.2%
Career Services	6	12	6	100.0%	-	-	-	-	-	-	-	-
Totals	722	755	33	4.6%	744	774.16	30.16	4.1%	712	826	114	16.0%
¹ Dollar costs and increases for students majoring in Business Administration, Engineering, College of Liberal Arts (proposed) and College of Public Health at SUI and for students majoring in Engineering, Computer Science & Management Information Systems at ISU are higher. The 2006-07 proposals continue to include differential computer fees detailed below.												
	SUI				ISU				UNI			
	Actual	Proposed	Increase		Actual	Proposed	Increase		Actual	Proposed	Increase	
	2005-06	2006-07	\$	%	2005-06	2006-07	\$	%	2005-06	2006-07	\$	%
Computer												
General	215	225	10	4.7%	204	212	8	3.9%	116	178	62	53.4%
Business	458	495	37	8.1%	-	-	-	-	-	-	-	-
CLAS	215	275	60	27.9%	-	-	-	-	-	-	-	-
Engineering	510	533	23	4.5%	437	437	-	0.0%	-	-	-	-
Public Health MS/PhD	515	539	24	4.7%	-	-	-	-	-	-	-	-
Law	390	450	60	15.4%	-	-	-	-	-	-	-	-
Pharm D	488	510	22	4.5%	-	-	-	-	-	-	-	-
Computer Science	-	-	-	-	347	401	54	15.6%	-	-	-	-
MIS	-	-	-	-	347	361	14	4.0%	-	-	-	-
Graduate	-	-	-	-	162	168	6	3.7%	-	-	-	-

Estimated Cost of Attendance

Iowa Code §262.9(18) requires the Board to publish the estimated total cost of attending the Regent universities, including room and board and other costs, at the same time that it publishes final tuition and mandatory fees.

Based on the preceding tuition proposal and university projected increases for room, board, and other costs, the following table estimates the total cost of attendance for a resident undergraduate student.

Other costs, as quantified for financial aid calculations, include the universities' estimates of student costs for books, supplies, transportation, and personal expenses.

2006-07 Academic Year Resident Undergraduate Estimated Cost of Attendance						
	Tuition & Fees*	Room & Board**	Other Costs**	Estimated Totals**	\$ Increase	% Increase
SUI	\$5,865.00	\$6,346.00	\$4,050.00	\$16,261.00	\$606.00	3.9%
ISU	5,860.16	6,379.00	4,199.00	16,438.16	656.16	4.2%
UNI	5,912.00	5,795.00	4,155.00	15,862.00	882.00	5.9%
Average	\$5,616.00	\$5,879.05	\$6,173.33	\$16,187.05	\$714.72	4.6%
* Proposed. ** Estimated.						

Tuition Related Miscellaneous Charges

Proposed increases are consistent with each university's request.

TUITION-RELATED MISCELLANEOUS CHARGES ACTUAL FY 2006 and PROPOSED FY 2007									
Tuition-Related Miscellaneous Charges	University of Iowa			Iowa State University			University of Northern Iowa		
	Actual FY 2006	Proposed FY 2007	% Chg	Actual FY 2006	Proposed FY 2007	% Chg	Actual FY 2006	Proposed FY 2007	% Chg
Correspondence Study (per semester hour)							\$159	\$166	4.4%
Extension Courses/Continuing Education (per credit hour)									
Undergraduate	\$204	\$213	4.4%	\$204	\$212	3.9%	\$204	\$212	3.9%
Graduate	\$318	\$332	4.4%	\$318	\$331	4.1%	\$318	\$330	3.8%
MBA Program	\$442	\$462	4.5%	\$413	\$430	4.1%	\$413	\$430	4.1%
Executive MBA Program (entering fall 2005 & 2006) 2-yr total	\$47,000	\$47,000	0.0%						
RN to BSN Program (off campus only)	\$266	\$278	4.5%						
College of Public Health (off campus only)									
Undergraduate	\$264	\$276	4.5%						
Graduate and Other Public Health MS and PhD	\$378	\$395	4.5%						
Master of Health Administration	\$550	\$575	4.5%						
Master of Public Health	\$493	\$568	15.2%						
Hospital Certificate Technology Programs (per year)	\$785	\$820	4.5%						
Lakeside Lab (5 weeks)									
Undergraduate (per credit hour)	\$204	\$213	4.4%	\$204	\$212	3.9%	\$204	\$212	3.9%
Graduate (per credit hour)	\$318	\$332	4.4%	\$318	\$331	4.1%	\$318	\$330	3.8%
Law -- Special 10 Week Summer Session									
Resident	\$4,112	\$4,458	8.4%						
Nonresident	\$9,036	\$9,606	6.3%						
Open Credit (per project)							\$410	\$427	4.1%
Workshops/Telecourses (per semester hour)									
Undergraduate	\$204	\$213	4.4%	\$204	\$212	3.9%	\$204	\$212	3.9%
Graduate	\$318	\$332	4.4%	\$318	\$331	4.1%	\$318	\$330	3.8%

**Board of Regents
Proposed Tuition and Mandatory Fees
Academic Year 2006-07**

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	MANDATORY FEES										TOTALS		
	TUITION	Base	Computer Fee	Health Fee	Health Facility Fee	Student Activities Fee	Student Services Fee	Student Union Fee	Building Fee	Career Services Fee	Total Mandatory Fees	Tuition & Mandatory Fees	\$ Increase in Tuition & Mandatory Fees
UNIVERSITY OF IOWA													
Undergraduate Resident	\$ 5,110	\$ 225	\$ 180	\$ 10	\$ 55	\$ 58	\$ 96	\$ 119	12	\$ 755	\$ 5,865	\$ 253	4.5%
Undergraduate Resident - Business	5,110	495	180	10	55	58	96	119	12	1,025	6,135	280	4.8%
Undergraduate Resident - CLAS	5,110	275	180	10	55	58	96	119	12	805	5,915	303	5.4%
Undergraduate Resident - Engineering	5,110	533	180	10	55	58	96	119	12	1,063	6,173	266	4.5%
Undergraduate Resident - Engineering (upper division)	5,610	533	180	10	55	58	96	119	12	1,063	6,673	766	13.0%
Undergraduate Nonresident	17,334	225	180	10	55	58	96	119	12	755	18,089	1,091	6.4%
Undergraduate Nonresident - Business	17,334	495	180	10	55	58	96	119	12	1,025	18,359	1,118	6.5%
Undergraduate Nonresident - CLAS	17,334	275	180	10	55	58	96	119	12	805	18,139	1,141	6.7%
Undergraduate Nonresident - Engineering	17,334	533	180	10	55	58	96	119	12	1,063	18,397	1,104	6.4%
Undergraduate Nonresident - Engineering (upper division)	17,834	533	180	10	55	58	96	119	12	1,063	18,897	1,604	9.3%
Graduate Resident	5,966	225	180	10	55	58	96	119		743	6,709	285	4.4%
Graduate Resident - CLAS	5,966	275	180	10	55	58	96	119		793	6,759	335	5.2%
Graduate Resident - Engineering	5,966	533	180	10	55	58	96	119		1,051	7,017	298	4.4%
Graduate Nonresident	17,360	225	180	10	55	58	96	119		743	18,103	775	4.5%
Graduate Nonresident - CLAS	17,360	275	180	10	55	58	96	119		793	18,153	825	4.8%
Graduate Nonresident - Engineering	17,360	533	180	10	55	58	96	119		1,051	18,411	788	4.5%
Master of Accountancy Resident	9,654	225	180	10	55	58	96	119		743	10,397	443	4.5%
Master of Accountancy Nonresident	21,014	225	180	10	55	58	96	119		743	21,757	933	4.5%
Master of Physical Therapy Resident	9,172	225	180	10	55	58	96	119		743	9,915	423	4.5%
Master of Physical Therapy Nonresident	20,034	225	180	10	55	58	96	119		743	20,777	891	4.5%
Master of Nursing Programs Resident	8,900	225	180	10	55	58	96	119		743	9,643	411	4.5%
Master of Nursing Programs Nonresident	20,294	225	180	10	55	58	96	119		743	21,037	901	4.5%
Master of Health Administration Resident	9,226	225	180	10	55	58	96	119		743	9,969	425	4.5%
Master of Health Administration Nonresident	20,620	225	180	10	55	58	96	119		743	21,363	915	4.5%
Master of Public Health Resident (entering fall 2005)	8,138	225	180	10	55	58	96	119		743	8,881	377	4.4%
Master of Public Health Resident (entering fall 2006)	9,138	225	180	10	55	58	96	119		743	9,881	1,377	16.2%
Master of Public Health Nonresident (entering fall 2005)	19,534	225	180	10	55	58	96	119		743	20,277	869	4.5%
Master of Public Health Nonresident (entering fall 2006)	20,534	225	180	10	55	58	96	119		743	21,277	1,869	9.6%
Other Public Health MS and PhD Resident	5,966	539	180	10	55	58	96	119		1,057	7,023	299	4.4%
Other Public Health MS and PhD Nonresident	17,360	539	180	10	55	58	96	119		1,057	18,417	789	4.5%
MBA Resident	11,412	225	180	10	55	58	96	119		743	12,155	519	4.5%
MBA Resident (entering fall 2005 and 2006)	12,510	225	180	10	55	58	96	119		743	13,253	567	4.5%
MBA Nonresident	20,934	225	180	10	55	58	96	119		743	21,677	929	4.5%
MBA Nonresident (entering fall 2005 and 2006)	22,948	225	180	10	55	58	96	119		743	23,691	1,015	4.5%
Dentistry Resident (entering fall 2003)	17,808	225	180	10	55	58	96	119		743	18,551	795	4.5%
Dentistry Resident (entering fall 2004)	18,894	225	180	10	55	58	96	119		743	19,637	841	4.5%
Dentistry Resident (entering fall 2005 & 2006)	20,984	225	180	10	55	58	96	119		743	21,727	931	4.5%
Dentistry Nonresident (entering fall 2003)	34,562	225	180	10	55	58	96	119		743	35,305	1,515	4.5%
Dentistry Nonresident (entering fall 2004)	35,648	225	180	10	55	58	96	119		743	36,391	1,563	4.5%
Dentistry Nonresident (entering fall 2005 & 2006)	37,738	225	180	10	55	58	96	119		743	38,481	1,653	4.5%
Law Resident	13,374	450	180	10	55	58	96	119		968	14,342	1,131	8.6%
Law Nonresident	28,818	450	180	10	55	58	96	119		968	29,786	1,797	6.4%
Medicine Resident	19,876	225	180	10	55	58	96	119		743	20,619	883	4.5%
Medicine Nonresident	39,946	225	180	10	55	58	96	119		743	40,689	1,747	4.5%
Pharm. D. Resident	12,748	510	180	10	55	58	96	119		1,028	13,776	589	4.5%
Pharm. D. Nonresident	28,130	510	180	10	55	58	96	119		1,028	29,158	1,251	4.5%

**Board of Regents
Proposed Tuition and Mandatory Fees
Academic Year 2006-07**

	TUITION	MANDATORY FEES									TOTALS		
	Base	Computer Fee	Health Fee	Health Facility Fee	Student Activities Fee	Student Services Fee	Student Union Fee	Building Fee	Career Services Fee	Total Mandatory Fees	Tuition & Mandatory Fees	\$ Increase in Tuition & Mandatory Fees	% Increase In Tuition & Mandatory Fees
IOWA STATE UNIVERSITY													
Undergraduate Resident	\$ 5,086	\$ 212	\$ 178	\$ 16	\$ 61.16	\$ 201		\$ 106		774.16	5,860	226	4.0%
Undergraduate Resident - Engineering (lower division)	5,086	437	178	16	61.16	201		106		999.16	6,085	218	3.7%
Undergraduate Resident - Engineering (upper division)	5,586	437	178	16	61.16	201		106		999.16	6,585	718	12.2%
Undergraduate Resident - Comp Science	5,086	401	178	16	61.16	201		106		963.16	6,049	272	4.7%
Undergraduate Resident - MIS	5,086	361	178	16	61.16	201		106		923.16	6,009	232	4.0%
Undergraduate Nonresident	15,580	212	178	16	61.16	201		106		774.16	16,354	630	4.0%
Undergraduate Nonresident - Engineering (lower division)	15,580	437	178	16	61.16	201		106		999.16	16,579	622	3.9%
Undergraduate Nonresident - Engineering (upper division)	16,080	437	178	16	61.16	201		106		999.16	17,079	1,122	7.0%
Undergraduate Nonresident - Comp Science	15,580	401	178	16	61.16	201		106		963.16	16,543	676	4.3%
Undergraduate Nonresident - MIS	15,580	361	178	16	61.16	201		106		923.16	16,503	636	4.0%
Graduate Resident	5,936	168	178	16	61.16	201		106		730.16	6,666	256	4.0%
Graduate Resident - Engineering	5,936	437	178	16	61.16	201		106		999.16	6,935	250	3.7%
Graduate Resident - Comp Science	5,936	401	178	16	61.16	201		106		963.16	6,899	304	4.6%
Graduate Resident - MIS	5,936	361	178	16	61.16	201		106		923.16	6,859	264	4.0%
Graduate Nonresident	16,350	168	178	16	61.16	201		106		730.16	17,080	658	4.0%
Graduate Nonresident - Engineering	16,350	437	178	16	61.16	201		106		999.16	17,349	652	3.9%
Graduate Nonresident - Comp Science	16,350	401	178	16	61.16	201		106		963.16	17,313	706	4.3%
Graduate Nonresident - MIS	16,350	361	178	16	61.16	201		106		923.16	17,273	666	4.0%
Veterinary Medicine Resident	13,860	212	178	16	61.16	201		106		774.16	14,634	1,942	15.3%
Veterinary Medicine Nonresident	34,198	212	178	16	61.16	201		106		774.16	34,972	3,694	11.8%
UNIVERSITY OF NORTHERN IOWA													
Undergraduate Resident	\$ 5,086	\$ 178	\$ 152	\$ 33		\$ 231		\$ 232		826	5,912	310	5.5%
Undergraduate Nonresident	13,002	178	152	33		231		232		826	13,828	614	4.6%
Graduate Resident	5,936	178	152	33		231		232		826	6,762	342	5.3%
Graduate Nonresident	14,074	178	152	33		231		232		826	14,900	656	4.6%

Additional Information:

Board Tuition Policy

The Board approved a new tuition policy at the September 2005 meeting, which includes, in part:

The Board will use, as a benchmark in evaluating university-proposed tuition and fee increases, an inflationary percentage range of the projected HEPI (Higher Education Price Index) as determined by the University of Iowa's Institute for Economic Research, in consultation with economists at Iowa State University and the University of Northern Iowa.

Higher Education Price Index

HEPI measures the average relative level in the prices of a fixed market basket of goods and services purchased by colleges and universities through current fund educational and general expenditures excluding expenditures for research. HEPI documents inflation affecting the higher education industry, allowing colleges and universities to specifically determine the increase in funding required each year to maintain real investment.

Since the Board determines tuition increases well in advance of the actual expenditure of funds, the Board has utilized inflation projections. The Institute for Economic Research at the University of Iowa prepares these projections, which include a range for HEPI.

HEPI Projections		
	<u>Range</u>	<u>Median*</u>
FY 2004	3.1 – 3.9%	4.7%
FY 2005	3.5 – 4.4%	3.5%
FY 2006	3.4 – 4.5%	4.0%
FY 2007	3.4 – 4.5%	4.1%
FY 2008	3.5 – 5.1%	4.3%
* FY 2004 and FY 2005 include the original projected range and the actual HEPI rate in the median column.		

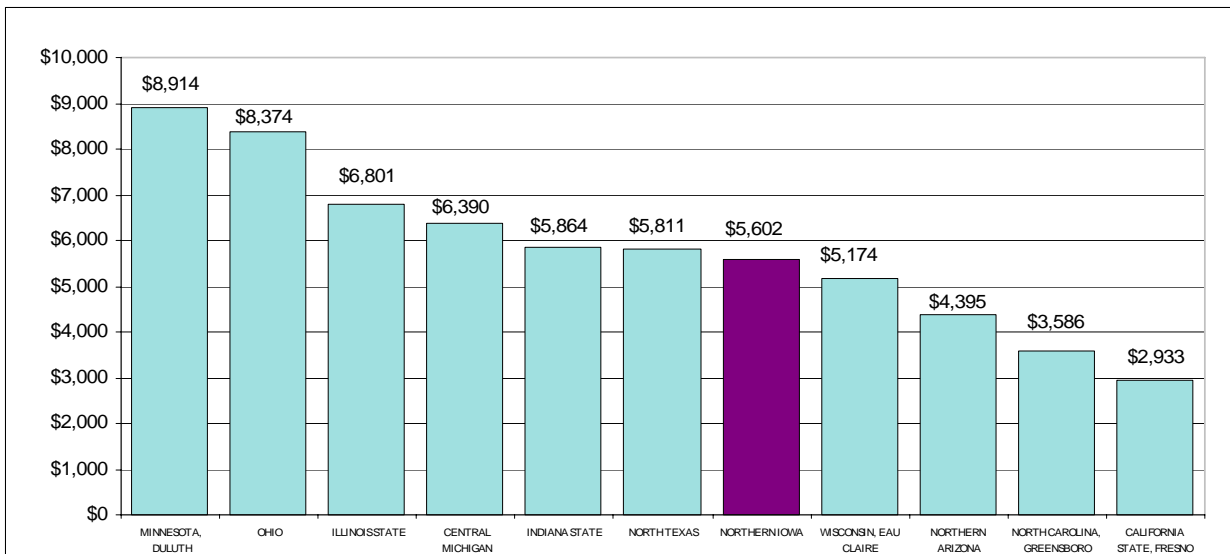
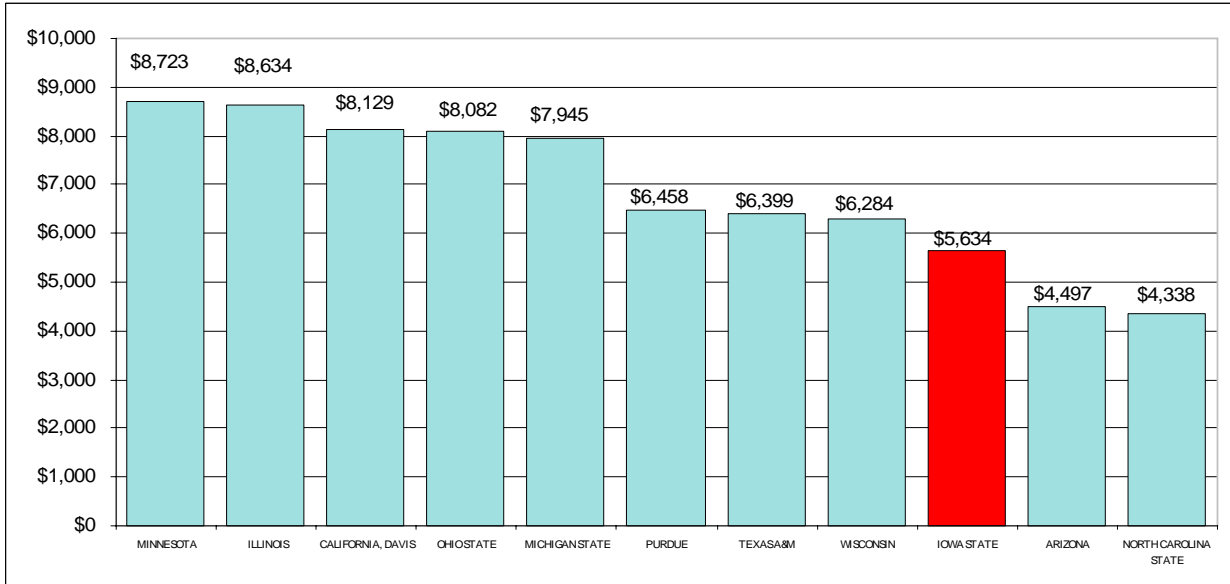
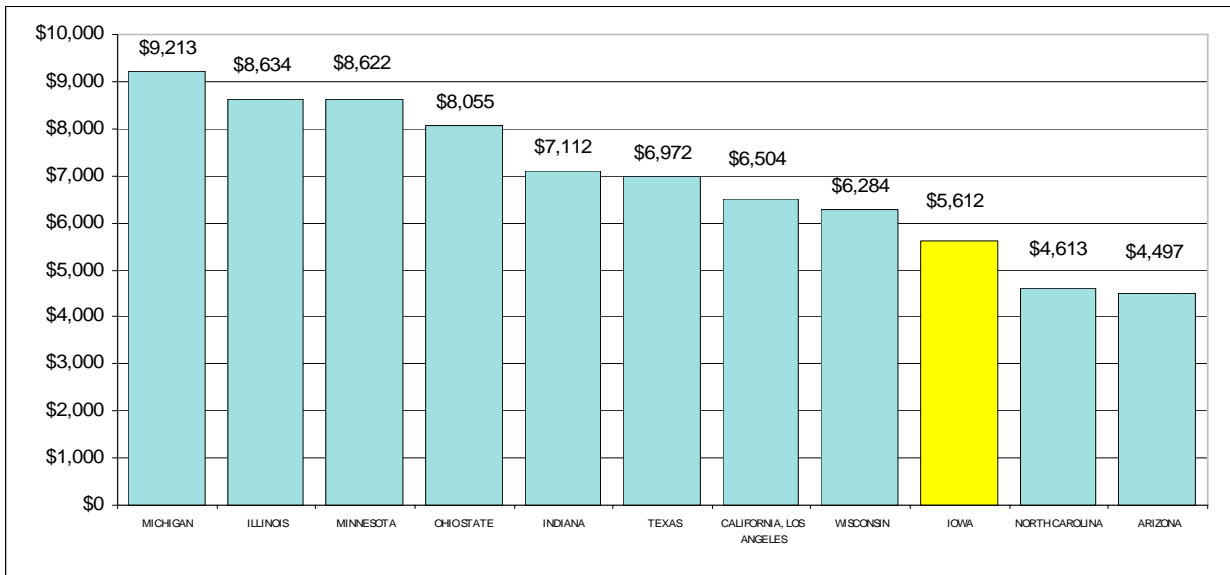
Peer Groups

The following table and those on the next two pages represent comparative analyses with the Board-established peer groups; ten other universities are represented in each of the Regent universities peer comparison groups.

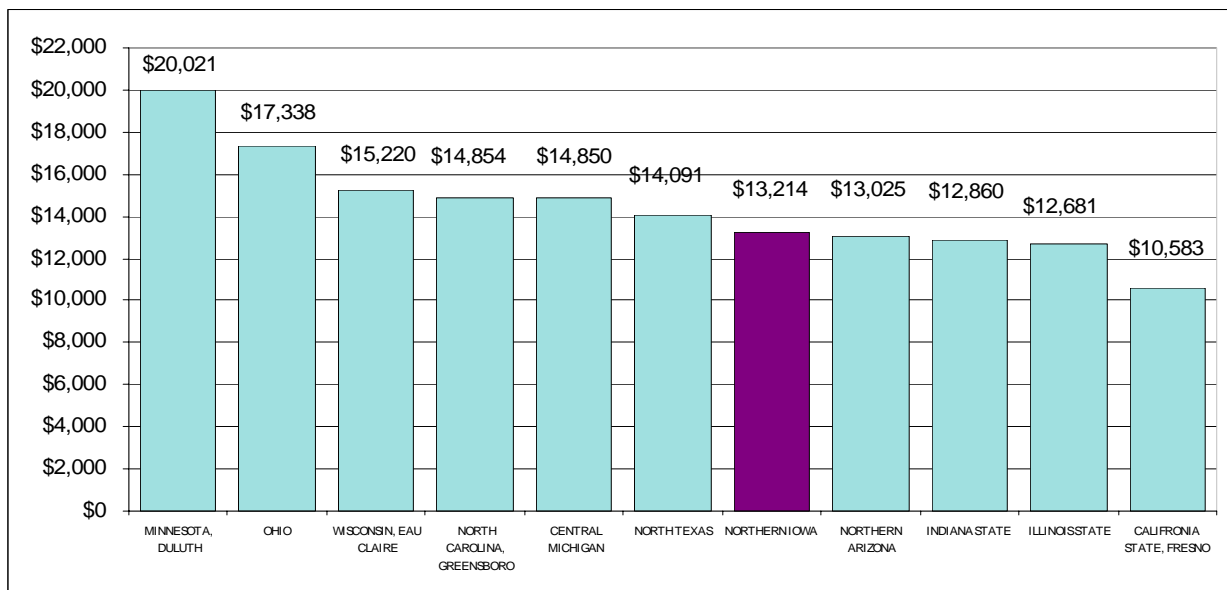
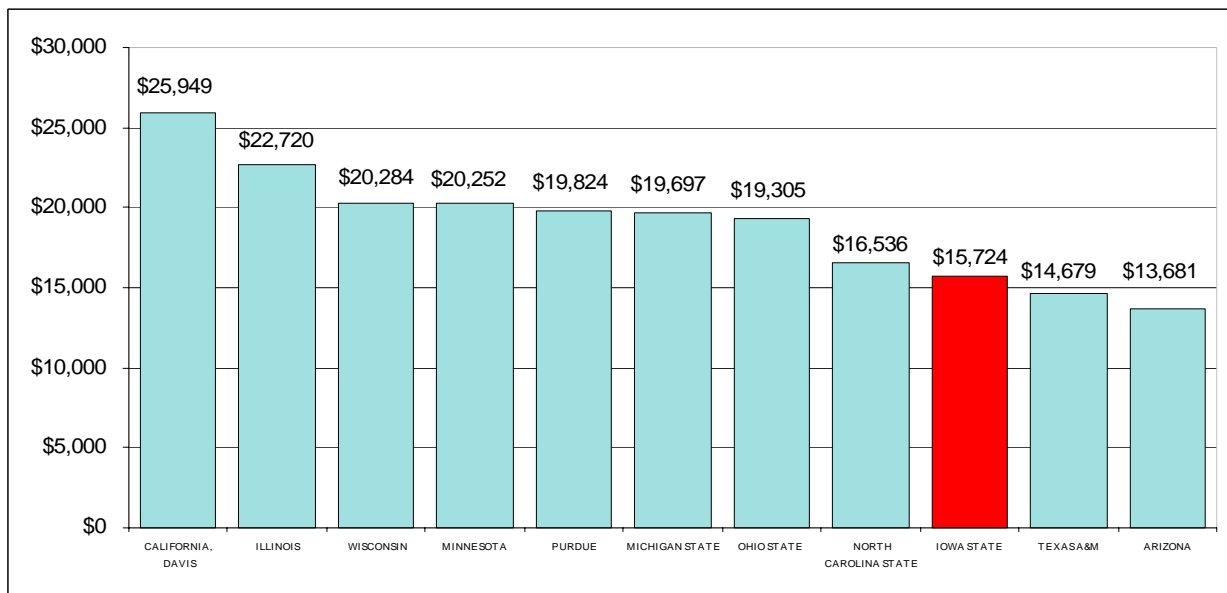
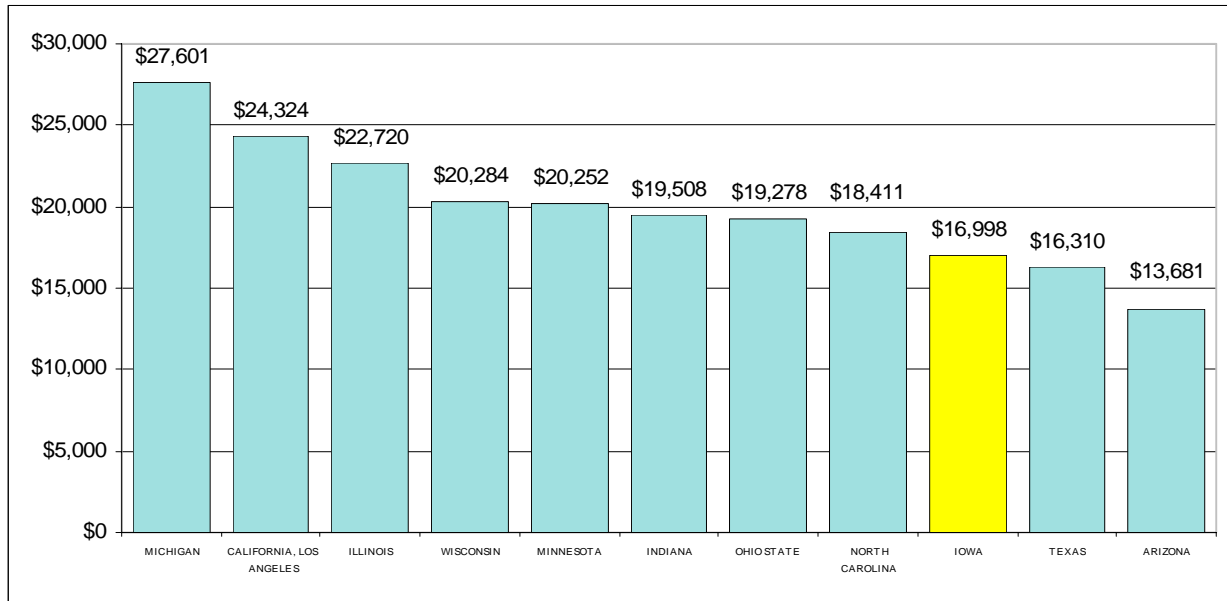
Regent Undergraduate Tuition and Fees 2004-05 Academic Year		
	Resident	Nonresident
University of Iowa	\$5,612	\$16,998
SUI Peer Group Average *	7,051	20,237
\$ from Peer Group Average	1,439	3,239
% of Peer Group Average	79.6%	84.0%
Iowa State University	\$5,634	\$15,724
ISU Peer Group Average *	6,949	19,293
\$ from Peer Group Average	\$1,315	3,569
% of Peer Group Average	81.1%	81.5%
University of Northern Iowa	\$5,602	\$13,214
UNI Peer Group Average *	5,824	14,552
\$ from Peer Group Average	222	1,338
% of Peer Group Average	96.2%	90.8%

* Averages exclude Regent institutions.

Peer Group Comparisons of 2005-06 Undergraduate Resident Tuition and Fees



Peer Group Comparisons of 2005-06 Undergraduate Nonresident Tuition and Fees



State Comparisons

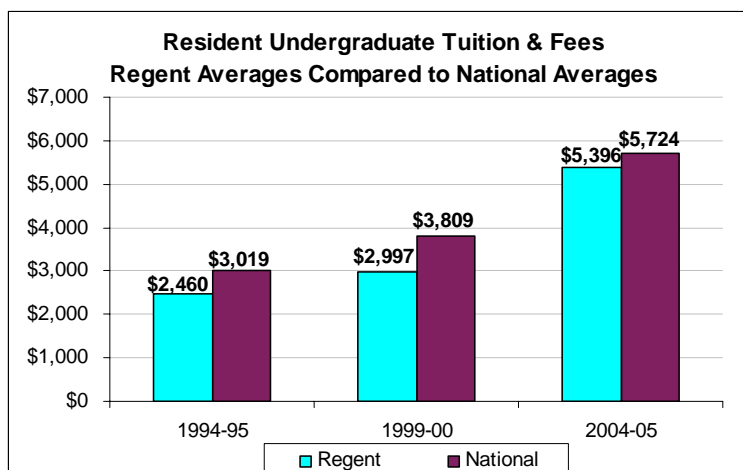
The table below lists the ten states represented in the Regent universities peer comparison groups, along with other states contiguous to Iowa, and shows:

- Average public university resident undergraduate tuition and fees charged in each state as a percentage of each state's per capita personal income, comparing the relative amount of income paid toward tuition.
- Tuition and fees ranking within the United States, with one being the highest tuition and 50 being the lowest.
- Per Capita Income ranking within the United States with one being the highest per capital income and 50 being the lowest.

	Tuition and Fees as % of Per Capita Income		Tuition and Fees Ranking	Per Capita Income Ranking
	<u>2003-04</u>	<u>2004-05</u>	<u>2004-05</u>	<u>2004-05</u>
IOWA	17.1%	17.4%	24	27
Arizona	13.4%	14.3%	42	38
California	15.6%	16.9%	20	11
Illinois	20.8%	22.9%	8	13
Indiana	20.0%	21.0%	18	33
Michigan	26.2%	25.6%	6	22
Minnesota	20.7%	22.2%	7	8
Missouri	22.4%	23.3%	12	31
Nebraska	15.5%	15.5%	28	20
North Carolina	14.4%	15.2%	36	36
Ohio	20.5%	23.9%	10	25
South Dakota	14.4%	14.5%	35	29
Texas	19.5%	18.7%	22	28
Wisconsin	16.6%	18.3%	21	21
Average of above excluding Iowa	18.5%	19.4%		
NATIONAL AVERAGE	16.5%	17.3%		

Sources: Washington Higher Education Coordinating Board, Tuition and Fee Rates, A National Comparison, January 2005, and US Department of Commerce, Bureau of Economic Analysis, September 2005.

National Comparisons



Source: "2004-2005 Tuition and Fee Rates, A National Comparison," Washington State Higher Education Coordinating Board, January 2005.