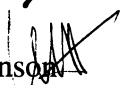




University of Connecticut
*Office of the Vice President and
Chief Financial Officer*

June 24, 2008

TO: Members of the Board of Trustees

FROM: Peter J. Nicholls 
Provost
Lorraine M. Aronson 
Vice President and Chief Financial Officer

**SUBJECT: FISCAL YEAR 2009 INSTITUTIONAL FEE ADJUSTMENTS FOR THE
UNIVERSITY OF CONNECTICUT, STORRS AND REGIONAL
CAMPUSES**

RECOMMENDATION:

That the Board of Trustees approve adjustments to the Institutional Fees for two Study Abroad programs for Fiscal Year 2009.

BACKGROUND:

Students participating in Study Abroad in UConn in Granada and UConn in Paris currently pay tuition at the following rates: in-state students pay in-state tuition and out-of-state students pay the New England Regional rate (175% of the in-state rate). In addition, they pay program specific fees. Beginning in fall 2008, we propose that UConn in Granada tuition no longer be charged to students. We also propose that only half of the in-state rate for in-state students and half of the New England Regional rate (175% of the in-state rate) for out-of-state students be charged to those students participating in UConn in Paris. Students will continue to pay the program specific fees. Eliminating tuition for UConn in Granada and reducing tuition for UConn in Paris will make studying abroad more accessible to students and bring us more in line with the practices of our peer institutions.

<u>Study Abroad Tuition</u>	<u>FY08 Current</u>	<u>FY09 Approved</u>	<u>FY09 Proposed</u>
Granada – In-State	\$3,408	\$3,600	\$0
Granada– Out-of-State	\$5,964	\$6,300	\$0
Paris – In-State	\$3,408	\$3,600	\$1,800
Paris– Out-of-State	\$5,964	\$6,300	\$3,150

See attached for a full summary of the proposed adjustment.

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University of Connecticut
Study Abroad Programs
Study Abroad Tuition Rate Recommendations
Fiscal Year 2009

Proposed Action:

1. Overview:

In an effort to prepare our students for the global challenges of the 21st century and in order to continue our upward trajectory toward becoming one of the finest universities in the United States and the world, we have made the development of global citizenship a high priority. One of the key strategies towards this goal is to provide every undergraduate student the opportunity for a high-quality, significant, and affordable international experience. The University of Connecticut has made dramatic strides in this area. Just four years ago, approximately 5% of UConn students graduated with a study abroad experience; today that percentage has increased to over 18%. We have been able to achieve this remarkable growth, far above the national average, because of innovative programming, new bilateral agreements with foreign universities, more aggressive fundraising, and tough price negotiations with international vendors. We have, however, set the ambitious goal of sending 30% of our students abroad annually by 2013. For us to achieve this goal, study abroad must be made more financially accessible to all students.

2. Description of Current Study Abroad Plans:

UConn Study Abroad offers more than 200 programs to its students, and they can be classified under five broad plans: 1) UConn-Administered Programs; 2) UConn Exchange Programs; 3) Direct Enrollment Programs; 4) Third Party Programs; and 5) Petitioned Programs.

UConn-Administered Programs comprise those study abroad opportunities that are organized wholly by the University of Connecticut. We make all of the arrangements, including hiring the faculty who teach courses, renting classroom and office space, organizing excursions, and managing the health and safety of students, etc. In these programs, students take courses with other UConn students in the program. Also, in these programs, such as UConn in Granada and UConn in Paris, students pay “Program Fees,” which support costs to run the specific program they are attending. The program fee is paid to UConn, and UConn pays the University of Granada. Because the program fees include instructional costs, and students also pay UConn tuition, these programs are expensive.

UConn Exchange Programs comprise the set of programs in which students study at a foreign university with which the University of Connecticut has entered into a bi-lateral undergraduate mobility agreement. Under this arrangement, each institution agrees to exchange a set number of students each year, usually over a five-year period, at which time the agreement is renegotiated. UConn has exchange programs with over 25 universities across the globe, and the number is growing each year. In exchange programs, UConn students pay UConn tuition and attend the foreign university; the foreign students pay their home tuition and study at UConn.

Direct Enrollment Programs are similar to exchange programs in terms of the curriculum, as students take courses at a foreign university with which UConn has developed an affiliation. The difference between Exchange Programs and Direct Enrollment Programs is in the pricing. Since Direct Enrollment Programs do not involve the exchange of students, UConn students participating in them must pay the tuition charged by

the foreign university at rates applicable to international students. In these cases, UConn does not charge UConn tuition.

Third-Party Programs are offered by outside organizations that appeal to US institutions and students across the country. Each study abroad organization provides something unique. UConn students participating in these programs pay the fees charged to them directly by the third party and do not pay UConn tuition.

Petitioned Programs Although UConn has over 200 approved study abroad programs, many students, for various academic reasons, want to participate in a program not previously approved. Usually students wish to enroll directly at another foreign university or participate in a different third party program. In order to petition successfully to participate in a program that has not been approved, students must explain their academic rationale and seek signature approval from their major advisor and the Director of Study Abroad. In these cases, students pay either the foreign institution tuition or the third party fees and they do not pay UConn tuition.

3. Recommended Revision:

Students participating in UConn in Granada and UConn in Paris currently pay UConn tuition at the following rates: in-state students pay in-state tuition, and out-of-state students pay the New England Regional rate (175% of the in-state rate). In addition, students in these **UConn-Administered Programs** pay the Program Fees described above. This rate structure has been in effect since 2006.

As part of the development of the FY10 tuition and fee package to be submitted to the Board this coming November, we are reviewing the feasibility of a standardized fee structure for **UConn-Administered Programs**, to wit: in-state students will pay UConn in-state tuition, out-of-state students will pay UConn out-of-state tuition, and participating students will pay a program fee that no longer includes instructional costs. However, the school year starting in Fall '08 must be treated as a transitional year because many students had already made plans. Thus, for FY09 only we request that only half of the in-state rate for in-state students and half of the New England Regional rate (175% of the in-state rate) for out-of-state students be charged to those students participating in UConn in Paris (explanation below). We also request that students paying the UConn in Granada fee (which includes instructional cost) not be required to pay UConn tuition as well.

4. Basis for Requested Revisions:

Students participating in UConn in Granada take all of their courses at the University of Granada, and the University of Granada tuition is included in the Program Fees that the students pay. Eliminating UConn tuition will make UConn in Granada more accessible to students and bring us more in line with the practices of our peer and aspirational peer institutions.

UConn in Paris is a hybrid program, combining a faculty-led program with an exchange agreement with the University of Paris. UConn's exchange agreement with the University of Paris is, however, asymmetrical, whereby for every two students UConn sends to the University of Paris, only one University of Paris student comes to UConn. This 2:1 exchange exists because our students only take half of their courses at the University of Paris, with the other half offered by either adjunct faculty hired by the University of Connecticut or taught by the UConn faculty member leading the program. For this reason, we recommend charging UConn students participating in this program half of the standard UConn tuition rates, i.e., half of in-state tuition for in-state students and half of New England Regional rate (175 % of the in-state rate) to out-of-state students. In addition to half tuition, students will still pay the Program Fees associated with UConn in Paris.

5. Students Affected:

In academic year 2008, 28 students participated in the UConn in Granada program, 4 of whom were out-of-state students. 32 UConn students participated in UConn in Paris in 2008, seven of whom were out-of-state students. We anticipate growing both programs moderately over the next few years. All of these students will be undergraduates.

Analysis:

1. Fiscal Need for Tuition Revision:

The University of Connecticut currently sends 18% of its total undergraduate students abroad, with just under 60% of these students participating for an entire semester or more (the remaining going in the winter intersession or summer). Study Abroad participation at our peer and aspirational peer institutions ranges from 15% to 35%, with a similar proportion traveling during the academic year. In order to be competitive we need to offer more affordable semester-long study abroad experiences, including **UConn-Administered Programs**, since this is one of the most popular genres of Study Abroad.

2. Impact on UConn-Administered Programs if recommendation is not approved:

If reconfiguring the pricing structures for UConn in Granada and UConn in Paris are not approved, these programs will become extinct as they will be too expensive for students to afford. Eliminating these popular programs would weaken the overall Study Abroad program at UConn.

3. Comparative Student Costs:

By reconfiguring the pricing structures for UConn in Granada and UConn in Paris, our UConn-Administered Programs will be more competitively priced with similar types of programs run by our peers and aspirational peers. Without tuition, UConn in Granada for academic year 2008-09 costs each student \$11,578 per semester, including a round-trip airline ticket and health insurance. In comparison, for comparable services, the University of North Carolina at Chapel Hill's Seville Program costs \$10,121, the University of Georgia's Valencia Program costs \$10,104, and the University of California's Granada Program costs \$10,730. With half tuition, UConn in Paris costs in-state students \$15,200. In comparison, the University of California's Paris Program costs \$14,723, and the University of North Carolina at Chapel Hill's Montpellier Program costs \$ 13,535.

4. Student Involvement in Fee Revision Proposal:

There has been no student involvement in this tuition revision proposal as institutional fees are set centrally.