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**Subject:** News and information about UW Global Challenge Peer Institutions

The final *Washington Learns* report, published in 2006, established the Global Challenge States (GCS). These include California, Colorado, Maryland, Massachusetts, New Jersey and Virginia. The University of Washington’s GCS peers include the public Research I institutions in those states that have an associated medical school. This brief provides an updated overview of each state’s higher education budget (note that several of these states have not yet finalized Fiscal Year 2011 budgets). In general, each state is struggling with budget deficits that have affected higher education via budget cuts and new tuition policies. Most states note their need to invest in higher education, but also note their inability to do so amidst continually growing revenue losses.

A description of each state’s higher education budget changes (either enacted or under discussion) for FY 2011 is included below, after a brief history of recent tuition rates for UW’s GCS peers.

**Tuition Rates for Global Challenge State Peers**

The University of Washington has consistently ranked the least expensive among Global Challenge State peers for resident undergraduate tuition.

	2008-09 Tuition & Fees	2009-10 Tuition & Fees	Percent Change	2010-11 <i>Estimated</i> Tuition & Fees	Percent Change
Rutgers University*	11,540	11,886	3.0%	12,361	4.0%
University of Massachusetts*	10,232	11,732	14.7%	11,732	0.0%
University of Virginia*	9,490	9,872	4.0%	10,628	7.7%
University of Connecticut	9,338	9,886	5.9%	10,416	5.4%
University of California Davis	8,639	9,943	15.1%	13,079	31.5%
University of California San Diego	8,056	9,377	16.4%	11,339	20.9%
University of California Irvine	8,050	9,303	15.6%	11,913	28.1%
University of Maryland College Park and Baltimore	8,005	8,053	0.6%	8,416	4.5%
University of California Los Angeles	7,554	8,851	17.2%	10,781	21.8%
University of Colorado Boulder and Denver	7,278	7,932	9.0%	8,571	8.1%
<b>University of Washington</b>	<b>6,802</b>	<b>7,692</b>	<b>13.1%</b>	<b>8,689</b>	<b>13.0%</b>

\*2010-11 tuition estimates are not available until July 2010 thus the displayed rates are based on news articles related to tuition in the state. Other estimates are based on institution websites or phone conversations with representatives in offices of the bursar or the registrar’s office.

**California (UCLA, UC Davis, UC San Diego, UC Irvine)**

The Governor’s revised budget for 2010-11 maintains current funding levels for higher education and even provides new funding for enrollment support. The Governor’s original and revised (released mid-May) budgets provide \$126 million to fund 2.2 percent enrollment growth. This revenue will fund an additional 26,000 full-time equivalent students among University of California (UC), California State University (CSU), and community colleges.

Note that the maintenance and slight increase in funding for public higher education in California is preceded by funding reductions over time and dramatic cuts taken during the recession. State funds for higher

education were cut 19 percent from FY 2008 to FY 2010 (not including one-time federal stimulus funds). As a result, tuition was increased over 30 percent last year in the UC system. In the May revised budget, the UC and CSU systems received funding increases of \$36 million and \$99.5 million respectively (increases of 1.20 percent and 3.5 percent). California has an annual budget process and the budget is supposed to be finalized by June 30, after the Governor's "revise" budget is released in mid-May.

### **Virginia (University of Virginia)**

Virginia higher education lost 10 percent of state funding from 2008 to 2010. Virginia's conference budget for the 2010-12 biennium was introduced March 16, 2010 and included more funding reductions. Higher education's base operations were reduced \$46.7 million in FY 2011, and general fund support was reduced nearly \$197 million in FY 2012. Faculty salaries will remain flat and funding is reduced for various financial aid programs. Perhaps most frustrating for public higher education in Virginia is the State Assembly's move to transfer \$7.2 million in interest earned by university accounts to the general fund in each of the years of the upcoming biennium. Institutions were preparing to cede 5 percent of campus auxiliary revenue per institution to the general fund (or \$18.8 million of cash balances across the system) but the Assembly overruled the Governor's budget and reduced this fund transfer to interest earnings only.

As a result of continued cuts and diverted resources, tuition increases are planned across public institutions in Virginia. Community college students will pay an extra \$225 of annual tuition and students at the university level will pay up to \$1,700 in additional tuition next year. Students at the University of Virginia will pay \$965 more in tuition, bringing their annual total to \$10,628.

### **Colorado (University of Colorado at Boulder)**

Colorado higher education suffered from \$150 million budget cuts in 2008-09 (losing a total of 12 percent of state funding from 2008 to 2010) and like most public institutions across the country, received some temporary relief in the last academic year from federal stimulus funds. The Colorado State Legislature passed an \$18.2 billion budget in April for the 2010-11 fiscal year that assumed new tax revenue of \$1 billion. However, there is speculation among lawmakers that the tax plan may not raise sufficient revenue to maintain funding for higher education and other areas of state government. Higher education could face a cut of \$300 million in the coming year if tax revenue remains flat.

Additionally, a transformative legislative proposal is on the table to allow institutions to increase tuition up to 9 percent per year with no restrictions starting in the 2011-12 academic year. Institutions could receive approval from the Colorado Commission on Higher Education (CCHE) to exceed the 9 percent cap. Additionally, each campus of University of Colorado and Colorado State University would be empowered to maintain access by determining their own financial aid policies. Each campus would be required to maintain a 2/3 majority resident student population but controversially, international students would not factor in-to the resident/nonresident enrollment quota but cannot exceed 12 percent of total enrollment at each campus. In exchange for this flexibility, Colorado institutions must submit plans to reduce state fund allocations by 50 percent to CCHE. These plans were largely supported and championed by University of Colorado system President Bruce Benson. Tuition flexibility pertains only to institutions within the UC and CSU systems.

**Massachusetts (University of Massachusetts)**

From 2008 to 2010, Massachusetts has decreased funding for higher education by 13 percent. In 2011, the Governor and Senate leadership wish to demonstrate dedication to higher education in the state and recognition that students and families have earned flat fee increases in the coming year.

Massachusetts has an annual budget process and is currently completing work on 2010-2011 budget appropriations to be finalized by June 30. The Governor, House and Senate have released budgets thus far but conference and final budgets are a few weeks away. The Governor and Senate released fairly similar budgets for the University of Massachusetts, which included sufficient funding to stave off dramatic tuition increases in the coming academic year. The House budget provided nearly \$60 million less than the Governor's and Senate budgets. UMASS leadership warned that if the House budget came to fruition, it would necessitate tuition increases.

**Connecticut (University of Connecticut)**

Faring better than other states, Connecticut higher education funding increased 1 percent in total state funding between 2008 and 2010 (not including any federal stimulus funds), compared to an average decrease of 5 percent across all states. However, cuts have become a reality, and the University of Connecticut notes that state funding has dropped \$22.8 million in the last year and a half and now represents 33 percent of its revenue, whereas tuition comprises 46 percent of revenue. The FY 2011 proposed tuition increases are estimated at 5.6 percent, despite continued pressure from state lawmakers to freeze tuition.

Connecticut has a biennial budget process with annual updates. The 2010-11 budget update reconciled continued revenue losses of about 2 percent per year and reduced appropriations to higher education by \$10.1 million. Specific line item reductions included those to minority advancement programs, AmeriCorps, grants for students at independent schools, and start-up initiatives which received funding in the prior biennium.

**New Jersey (Rutgers University)**

New Jersey higher education lost about 2 percent of its state funding between 2008 and 2010, faring better than universities in many other states. However, a new Governor and continuing fiscal distress are now threatening deep cuts. New Jersey has an annual budget process that must conclude by June 30, and while Governor Christie's draft budget is under continued scrutiny and debate, serious reductions to higher education are likely. The FY 2011 budget draft includes a \$173 million state reduction in direct support for universities (8.8 percent) as well as a \$10.9 million reduction to Tuition Aid Grant Programs (much like Washington's State Need Grant program).

Recently, the Governor made a public announcement to curry support for a 4 percent cap on tuition increases in the coming academic year.

**Maryland (University of Maryland at College Park)**

Maryland has thus far avoided the deep cuts to higher education plaguing most states, and the latest budget continues to protect higher education relative to budgets in other states. Maryland's Legislature reached a

conference budget deal April 9, 2010 for the 2010-11 annual budget cycle. Funding reductions and fund transfers allowed the legislature to build a \$32 billion budget, which largely protects higher education and holds public institution appropriations at 2010 levels. Higher education institutions will receive \$1.2 billion in appropriations for the coming fiscal year, largely targeted to hold tuition increases to a 3 percent cap, the first tuition increase in Maryland in four years due to the Governor's tuition freeze initiative. Community colleges and private colleges were also spared large cuts; appropriations for those sectors were also held to FY 2010 levels.

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