



April 29, 2024

To: Daniel M. White, Chancellor

From: Tuition and Fee Committee

Re: Recommendations for tuition rate changes (academic ~~year~~ 2026)

The Tuition & Fee Committee has met several times over the fall and spring to discuss the consolidated fee and tuition rates. We are pleased to submit the following recommendations for the fall 2025 semester.

The committee looked at the Higher Education Price Index (HEPI) as the basis for the 4 percent increase recommendation. The HEPI is an inflation index designed specifically for use by institutions of higher education. A more accurate indicator of cost changes for colleges and universities than the Consumer Price Index (CPI), HEPI is used primarily to project future budget increases required to preserve purchasing power. HEPI data shows that inflation for U.S. colleges and universities rose 4 percent in FY23, falling from 5.2 percent in FY22, but still more than double FY20 rate of 1.9 percent.

Per feedback from the community campus representative, the committee felt that a 4 percent increase to the community campus rate would be too high, as the current rate is already on the higher end of peer institutions.

UAF must reduce its reliance on state general funds; therefore, other revenue streams must be considered. Tuition and fees are UAF's and a modest increase helps cover inflation. For the academic year 2024-2025, tuition rates for all campuses remain flat, and flat rates essentially serve as a reduction because of inflationary factors. Without a modest tuition rate increase proposed for the academic year 2026, the university risks offering less service to students at the same rate and allowing inflation to continue to outpace any increases.

This modest increase has a direct positive impact on schools, colleges, financial aid and student services. It will assist in hiring more faculty, adding more course offerings, and strengthening student support. Tuition revenue is invested to ensure student success, equity in student success, and academic benefits. A modest increase ensures strengthened offerings of high-quality courses offered by world-renowned faculty, high-quality facilities and student-friendly spaces, hands-on research experience, empathetic advising and support services to help students succeed, and prestige and success that comes from learning from the best.

Tuition revenue is distributed on an 80/20 split: 80 percent of revenue goes back to the schools and colleges that generate it. It helps provide quality instruction through competitive faculty salaries and student employment, including TAs and TRAs. The remaining 20 percent supports units and student financial aid/waivers. Some financial aid or waivers are mandated by the Board of Regents and others include UAF student financial aid in the form of merit, need, C4(t)0912>S7t(c)5(i)

undergraduate rate at the campus. Under this plan, tuition is differentiated from the Troth  
Yedha' research campus and UAF's community campus