



ACADEMIC COUNCIL REPORT

SESSION:

Public
 Non-Public

ACTION REQUESTED:

Decision
 Discussion/Direction
 Information

TO: Academic Council

DATE: January 16, 2018

PRESENTED BY: Brad MacIsaac, AVP Planning & Analysis

SUBJECT: Tuition Setting 2019-20

The provincial government’s tuition fee framework regulates all publically funded programs and allows for tuition fee differentiation based on program and program year. It covers up to the 2018-19 year. It states tuition fees may increase within specified limits over the current fee while ensuring the overall tuition increase does not exceed 3.0%, excluding changes in enrolment.

Program Type	Maximum Allowable Annual Rate
Arts & Science and Other UG Programs	3.0%
Professional and Graduate Programs	5.0%
Institutional Average Tuition Increase Cap	3.0%

Due to the changes with the Ontario Student Assistance Program (OSAP) all Ontario institutions have begun setting tuition two years ahead of implementation. For UOIT we would normally go to the April Audit & Finance Committee of the Board of Governors to have our fees approved; but, at this time we have concerns we will not know the parameters of the next tuition framework. For this reason the enclosed is for illustrative purposes. The numbers may alter but the general direction will attempt to be maintained.

Discussion/Options

Raising tuition is one way the university increases its revenue in order to deliver on its mission. As Bowen’s law states, “Universities will raise all the money they can, and spend all the money they raise.” The Ontario system is currently in a corridor funding system with the government which means we will receive the same amount

of governmental grant funding for the duration of the SMA2 period (2017-2020). In order to help offset the increase in expenses that will be seen during this time, increasing tuition has become a necessity for the sustainability of the institution.

Even with the proposed increases UOIT remains below average on all domestic and international tuition rates. This point is particularly important to UOIT as we know that ~85% of our students participate in OSAP and our awards are still not able to provide as much minimum funding support as desired.

After a comparative review of fees charged by competing programs offered by universities in Ontario, we recommend increases as attached with a few discussion points:

- UNDERGRADUATE - Raise all year one rates the maximum and reduce continuing student rates to ensure we meet 3% threshold. The past few years we have increase arts less as we were above system average now that we are under we have ability to raise the funds more. The plus side to doing this is not increasing engineering rates as much as we have in past - although they are under system average. The downside is this would mean less tuition revenue as the percentage increase in Arts/Science is on a lower fee.
- GRADUATE – Raise tuition in the 1.5 – 2% range. The past few years UOIT tuition rates have not been going up as fast as permitted by the framework (~1% ARTS/SCI and 2% ENG) and our averages are under the system. However, we hear from faculty members when we raise these rates as it impacts their ability to attract students. The Senior Academic Committee asked the dean of Graduate and Postgraduate Studies to set-up a taskforce to review graduate scholarships with a report for Graduate Studies Committee by April 2018. Until that time we agreed scholarships would go up in 2018-19 as a factor of tuition. We have looked at a few methods and are proposing a ~50K increase to the scholarship budget (up to 700K) which means that ~40% of the revenue increase from graduate related tuition is going right back to students.
- INTERNATIONAL – Raise all year one rates in line with domestic. While rates are not mandated recently we have been raising the rates exactly same percentage as domestic – noting it is the same percentage on a higher dollar value. Rates are currently set for 2 years out like domestic but there is a push to have more clarity across the province for those entering programs. One idea is to use a general term that rates will not increase more than 5% a year for the next 4 years (ie duration of normal UG program).

Undergraduate Domestic

	2017-2018	2018-2019	2019-2020	2018-19 Increase
BA, BAsC, BEd, BHSc				
First Year	\$6,517.22	\$6,647.56	\$6,846.98	3.0%
Second Year	\$6,485.28	\$6,618.22	\$6,780.50	1.50%
BEng, BEng & Mgmt				
First Year	\$9,936.72	\$10,433.54	\$10,955.20	5.0%
Second Year	\$9,927.26	\$10,423.60	\$10,892.66	4.5%

Undergraduate International

	2017-2018	2018-2019	2019-2020	Increase
BA, BAsC, BEd, BHSc				
First Year	\$19,549.98	\$19,940.96	\$20,539.18	3.0%
Second Year	\$19,454.14	\$19,853.00	\$20,339.76	1.50%
BEng, BEng & Mgmt				
First Year	\$24,768.98	\$26,007.42	\$27,307.78	5.0%
Second Year	\$24,745.40	\$25,982.66	\$27,151.86	4.5%

Graduate Domestic

	2017-2018	2018-2019	2019-2020	Increase
MA, MHSc, MSc, PhD				
First Year	\$8,338.08	\$8,421.46	\$8,505.66	1.0%
Upper Year	\$8,338.08	\$8,421.46	\$8,505.66	1.0%
MEng, MAsC, PhD (Engineering)				
First Year	\$9,651.36	\$9,844.38	\$9,942.82	5.0%
Upper Year	\$9,651.36	\$9,844.38	\$9,942.82	5.0%

Graduate International

	2017-2018	2018-2019	2019-2020	Increase
MA, MHSc, MSc, PhD				
First Year	\$18,060.58	\$18,421.78	\$18,790.20	2.0%
Upper Year	\$18,060.58	\$18,421.78	\$18,790.20	2.0%
MEng, MAsC, PhD (Engineering)				
First Year	\$21,283.60	\$21,709.26	\$22,143.44	5.0%
Upper Year	\$21,283.60	\$21,709.26	\$22,143.44	5.0%