

A 33-year Trend in Tuition and Fees:
The Cost of Attending the University of Texas at Austin

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Tuition and Fees Since 1970

Tuition and fees at the University of Texas at Austin have risen dramatically since 1970. This report tracks tuition and fee increases in real dollar amounts as well as these increases adjusted for inflation. Totals are reported for the Colleges of Liberal Arts and Natural Sciences, as well as the Law School. This report also demonstrates the rise of the total revenue collected from students through tuition and fees. The total revenue has become an increasingly large share of the University's total income, and it has far outpaced increases in state appropriations. Furthermore, this report compares the increases in costs of attending the University with national and regional public four-year institutions.

The group prepared the report in response to concerns by UT Watch members and other students about the cost of attending the University. Based on information provided by the College Board showing that people from lower income quartiles have far lower five-year graduation rates than those from higher income quartiles, these increases in tuition and fees are bound to have a negative impact on struggling students at the University. This report was prepared with the hopes that a student body, better informed of historical trends in the costs of matriculation, will work to maintain an affordable education at the University.

In compiling this report, the group found that this information did not already exist in an accessible or straightforward manner. Figures regarding the cost of attending the University have not been made available by the UT administration. In order to compile this information, three sources, the General Information Bulletins, Course Catalogues, and Annual Financial Statements, had to be used. The General Information Bulletins and Course Catalogues provided data for estimated yearly tuition and fee rates. The Annual Financial Statements provided the figures for the revenue collected from tuition and fees and state appropriations. Other information not used in the graphs comes from the Office of Student Financial Services and the College Board's annual report, "Trends in College Pricing," for the 2001-2002 school year.

2001-2002 Estimated Cost of Education at
The University of Texas at Austin
UNDERGRADUATE STUDENTS

2001-2002 school year* (Costs are for the fall and spring semesters and assume full-time enrollment.)

	Tuition/Fees	Room/Board	Total
Resident On Campus	4,226	6,782	11,006
Resident Off Campus	4,226	7,382	11,606

From the Office of Financial Aid

*These figures do not take into account the additional fees such as Incidental fees, Program and Service related fees, and Course related fees that all students are required to pay for their respective colleges and schools. These fees range from about \$150 to several hundred dollars per semester.

UT tuition and fees and room and board estimated 2002-2003:

Liberal Arts:	11,802 per year on campus, 12,192 off campus
Natural Sciences:	12,096 per year on campus, 12,486 off campus.

National Average of Costs, 2001–2002

	Tuition/Fees	Room/Board	Total
Four-Year Public	3,754	5,254	9,008

Regional⁺ Average of Costs, 2001-2002

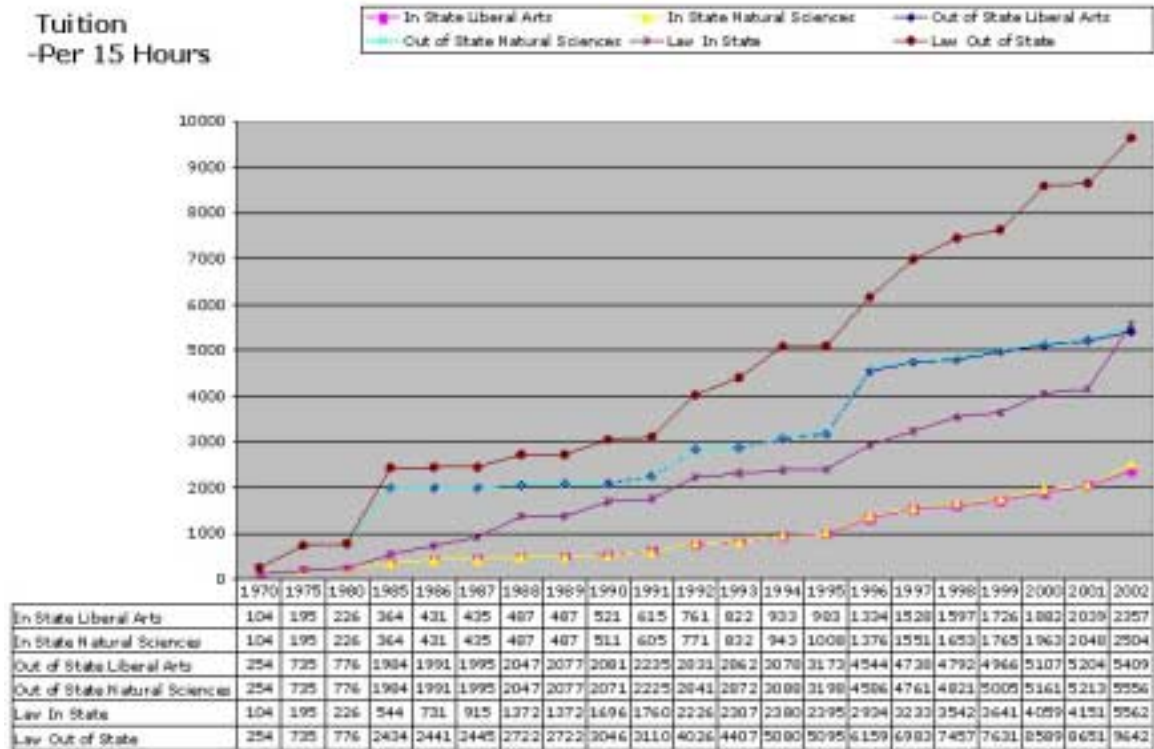
	Tuition/Fees	Room/Board	Total
Four-Year Public	3,170	4,728	7,898

⁺The Southwest Region includes Texas, Oklahoma, New Mexico, and Arkansas.

From College Board, Trends in College Pricing 2001-2002

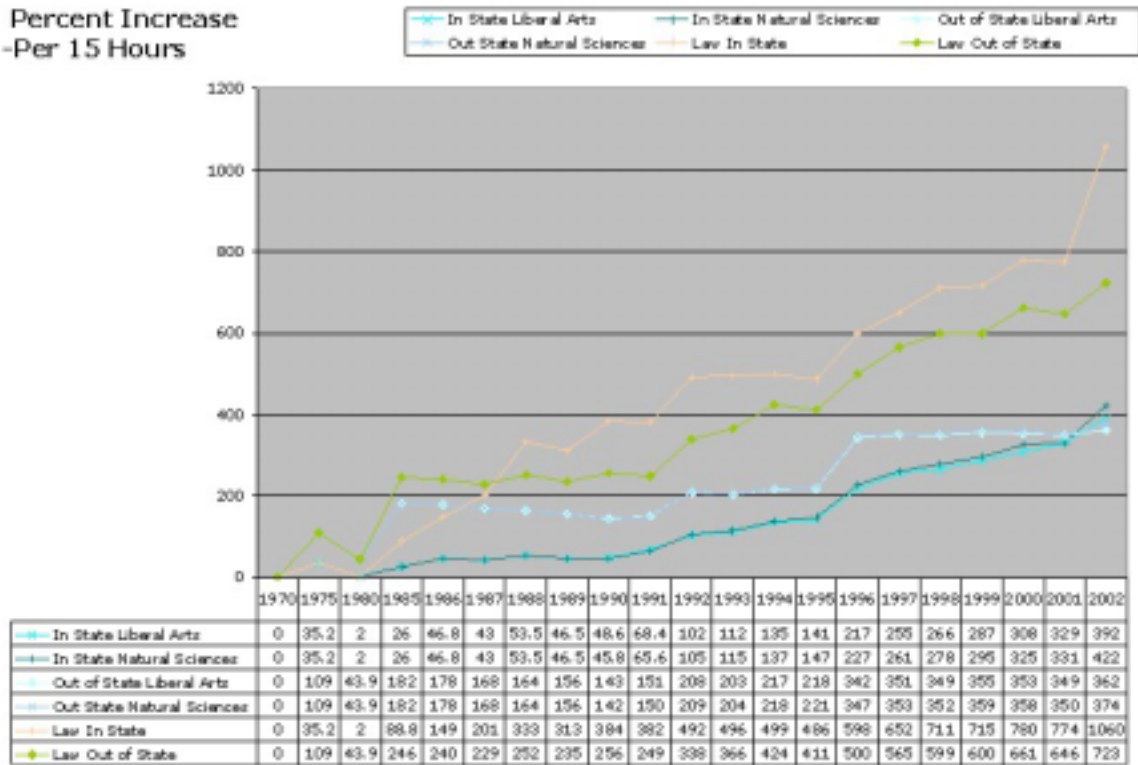
In 1970, the University charged far less than the amount it charges today; the increases have skyrocketed, even after adjusting for inflation. Despite an increase in state appropriations over the last fifteen years, and even when considering the upward trends in enrollment at the University, the 931 percent increase in revenue generated by tuition and fees is alarming. The following graphs will demonstrate that the University has become far less affordable over the years.

Tuition -Per 15 Hours

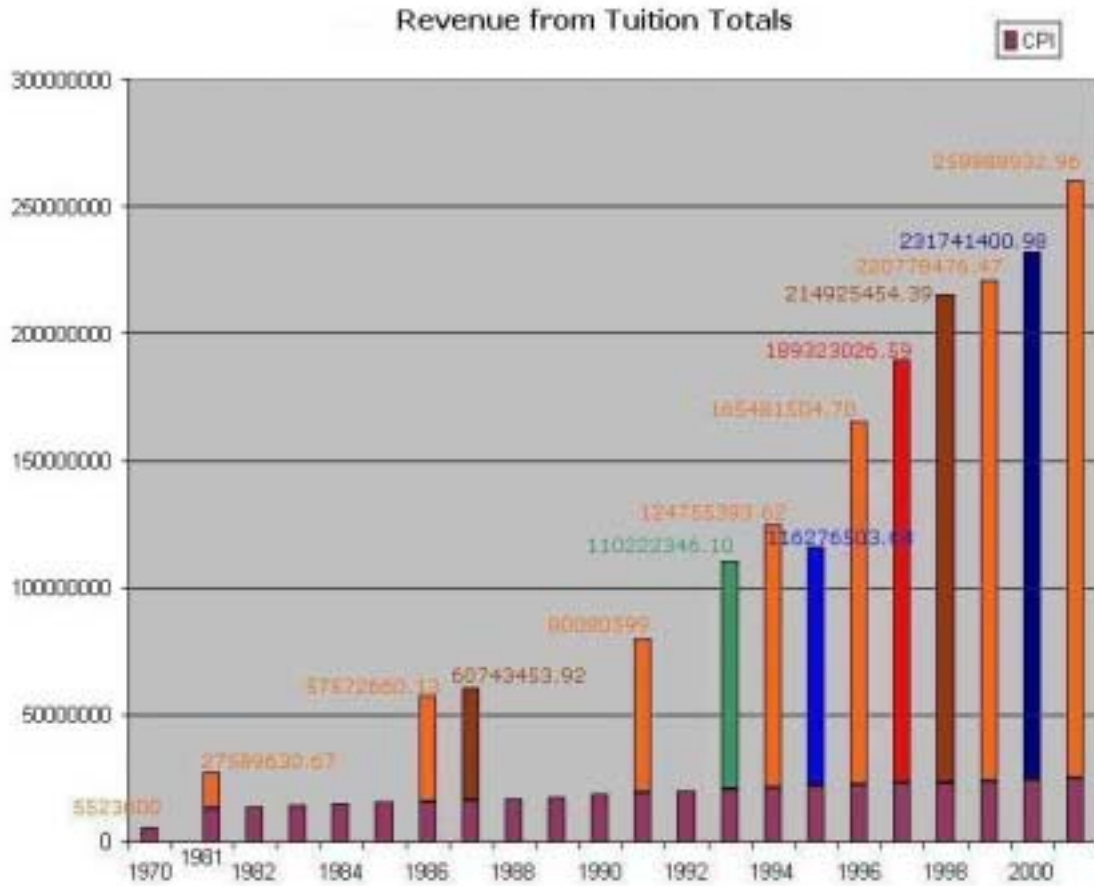


In this first graph, tuition and fees are recorded for the years 1970-2002. Each fee implemented over the last 33 years was computed into an outline (online at <http://www.utwatch.org/tuition/33yrstuition.pdf>). All the numbers in the outline were then computed to determine how much an individual would pay for taking 12 hours and 15 hours in the colleges of Liberal Arts and Natural Sciences and in the School of Law. It also documented the difference in cost for state residency or out-of-state residency. The numbers stand for the base-level amount that each student in their respective college or school has to pay. There are additional incidental fees along with any one-time fees that students, especially those in their first year, are required to pay, which are not taken into account for this graph.

Percent Increase
-Per 15 Hours



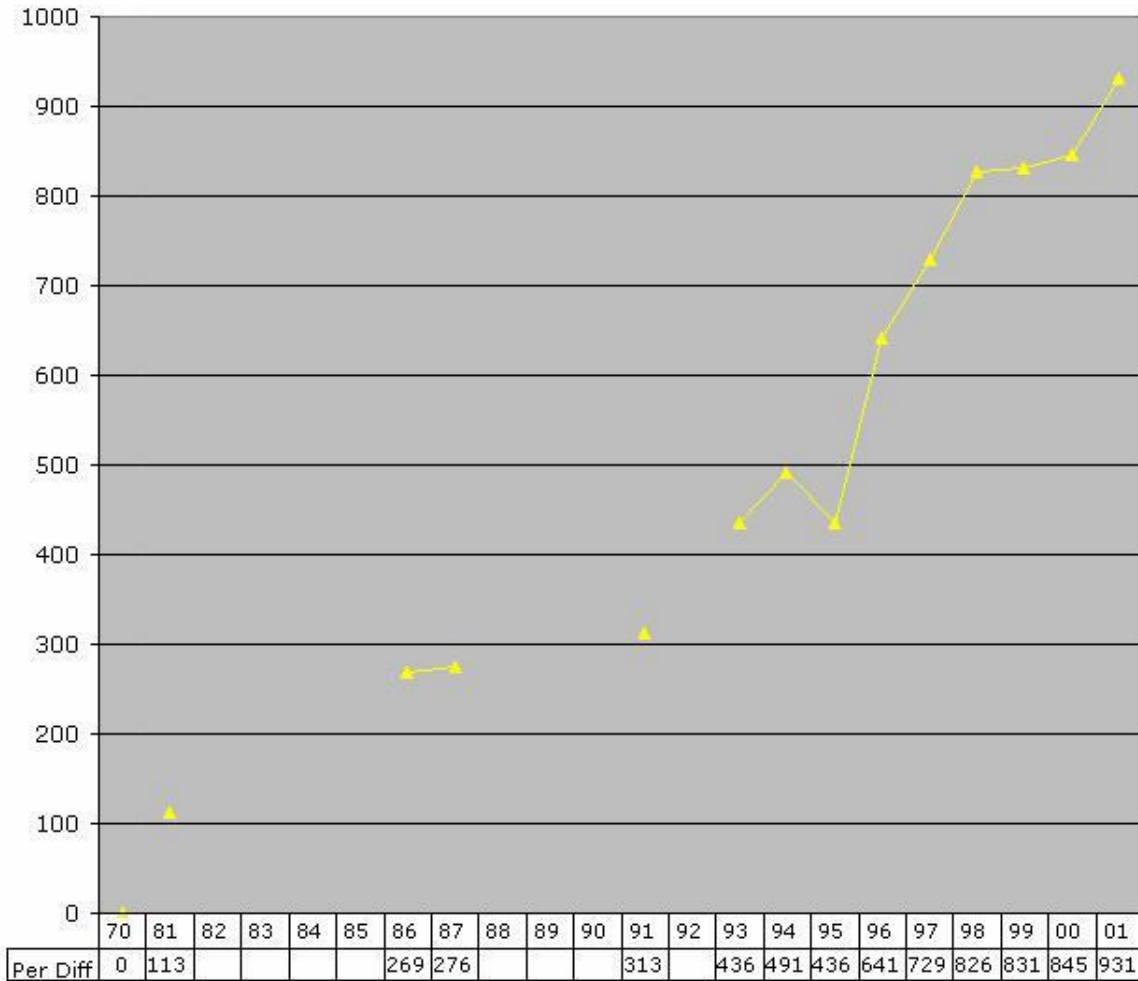
This graph contains the overall percent increase in tuition and fee costs since 1970. It demonstrates the cost for students who have taken 15 hours in the colleges of Liberal Arts, Natural Sciences, and the School of Law. This graph takes inflation into account, as computed by the Bureau of Labor Statistics. The chart used was the first one listed under Price Indexes on the official government website, <http://data.bls.gov/cgi-bin/surveymost?bls>. The data was then derived from the outline documenting tuition and fees since 1970.



This graph shows the raw data taken directly from UT's annual financial statements. This displays the revenue they receive from only tuition and fees for the years 1981, 1986, 1987, 1991, and 1993-2001. The financial statements for the other years were unavailable.

The bars are color-coded with the numbers for their respective year. The red bar at the base of each year total signifies the amount that would have been collected if costs were always kept with inflation. Inflation was computed in the same way listed above. The base year is 1970, and it uses the same inflation chart provided by the Bureau of Labor Statistics.

Percent Difference in Revenue from Tuition and Fees



This graph shows the percent increase in revenue from tuition and fees for each year listed. Using 1970 as the base year, it shows that by 2001, the revenue collected from students had increased 931 percent. Some years do not have a value because the financial statements for those years were unavailable. This graph is also adjusted for inflation; it uses the same chart used for the other graphs.

Perspective: Regional and National Trends

Tuition and fees have been rising across the nation for the past thirty years, according to the College Board's annual report, *Trends in College Pricing 2001-2002*. Yet both in dollar amounts and in percent increase, the University has surpassed regional and national averages.

The College Board reports that "for the 2001–2002 academic year, the average tuition* charged by public four-year colleges and universities is \$3,754, up from \$3,487 in 2000–2001, an increase of 7.7 percent." The University's estimate of tuition and fees for the 2001-2002 school year was – slightly more than the national average in the 2001-2002 school year.

The College Board reports that tuition and fees have increased by more than 231% since 1971, after adjusting for inflation. At the University, since 1970, the increase has nearly doubled that, ranging from 392% to 422% for Liberal Arts and Natural Sciences, respectively.

Cost of Living

Tuition and fees account for only a portion of the expenses associated with attending the University. Room and board are a substantial component of the cost of higher education. When added to tuition and fees, we found the University was between \$1,892 and \$2,400 more expensive than the national average for combined tuition, fees, room and board in 2001-2002, for Liberal Arts and Natural Sciences students, respectively. But when compared with the Southwest regional averages, the difference is even greater. For the 2001-2002 school year, the University was \$3,002 and \$3,602 more expensive than the average for the region. While the University is not at fault for the high costs of living in Austin, it is important to point out all expenses associated with attending this institution.

Who is this affecting?

To many, the University still appears to be reasonably priced, given its prestige and the quality of education it offers. Speaking of national costs of higher education, the College Board reports that "judging by tuition prices, college would appear to be in the affordable reach of most Americans, especially with the availability of more than \$74 billion in financial aid. However, trends in college financing present serious problems for low- and moderate-income families."

*The College Board uses the term "tuition" inclusively at times, to mean both tuition and fees.

A look at 5-year graduation rates by income quartile shows that an individual's chances of actually getting a college degree are substantially affected by his or her family income and race/ethnicity. Between 1989-1994, the graduation rate for college attendees from the highest income quartile was 41%; among the lowest income quartile the 5-year graduation rate dropped to a stunning 6%. Because minorities tend to occupy a higher percentage of lower income brackets than whites, this drop is particularly relevant to the issue of diversity. For whites, the chance of graduating in 5-years was 27%, for Hispanics it was 18% and for Blacks it was 17%. These are national averages.

Those being priced out of a college education comprise a growing proportion of American society. The College Board reports that "while tuition has run more than 100 percent ahead of the CPI since 1981, median family income has risen only 27 percent in real terms... moreover, median family income tells only part of the story, because incomes grew steadily less equal during the 1980s and 1990s. The share of family income required to pay total college expenses increased for many families, but it went up the most for those with low to moderate income."

Conclusions

Attending the University of Texas at Austin is becoming more of a dream than a reality for many in lower income brackets. Last year, one could expect to pay around \$11,000 to attend the University. This was compared to \$9,008 for national averages and \$7,898 for regional averages. The ability to attend, and more importantly to graduate, college is increasingly a matter of personal family income. In 2000, the cost of attending a four-year public university was about 60% of the average family income for people from the lowest income quartile, and about 5% of the average family income for those from the highest income quartile. Freezing current tuition and fees, and preventing tuition deregulation could help those who want to attend college, and help provide for their futures. The legislature is directed by the Texas Constitution to establish an institution, "of the first class," to be available "to male or female on equal terms without charge for admission... *whether rich or poor.*" The increases in the cost of attending the University contradict this mandate, and have already excluded many who cannot afford to attend the University.

Reversing the trends shown within this report should be a priority of the Texas state legislature, the University, its administrators, and the Board of Regents. In order for the University

to continue to be a first-rate institution of higher learning *and* offer an affordable education for all those qualified to attend, the exorbitant increase in the cost of tuition and fees cannot continue. UT Watch demands that students to be given an active role in the University's decision making processes, and should work to maintain an affordable education for future generations of Longhorns.