

BOARD OF REGENTS
BRIEFING PAPER

1. Agenda Item Title: 2015-2017 Tuition and Fees – UNLV School of Dental Medicine

Meeting Date: March 6-7, 2014

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

On a biennial basis the Board requests that proposals for future tuition and fees for the professional school be reviewed. Upon recommendation by the school and approval by UNLV President Donald Snyder, a proposal for 2015-2017 regular tuition and fees, as well as summer term tuition and fees, for the UNLV School of Dental Medicine has been finalized for Board of Regent consideration.

A reference document is attached providing detailed background in support of this recommendation.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

The UNLV School of Dental Medicine's (SDM) pre-doctoral program is requesting a 4% registration fee increase in each fiscal year of the 2015-17 biennium based on the information in the attached material.

4. IMPETUS (WHY NOW?):

Consistent with the biennial budget process.

5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- To not overburden future students with the cost of current students' education.
- To ensure the SDM remains competitive in the dental school applicant market.
- To continue to be financially viable for students to attend dental school at UNLV.
- To continue to be financially viable for students to practice in underserved and rural areas of Nevada upon graduation and/or attend advanced dental programs.
- Diploma value to ensure current and future alumni that their graduating institution maintains a reputation for quality education. This will benefit general dentists as well as students applying to advanced educational programs.

6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

- Federal financial aid offered to students may not be enough to cover the cost of their education effectively pricing many students out of the market. Any increase making it more difficult for students to pay could result in students dropping out of the program for financial reasons or defaulting on loans.

7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

- No tuition increase making it the responsibility of future students to absorb the cost of past students' education.

8. COMPLIANCE WITH BOARD POLICY:

- Consistent With Current Board Policy: Title #____ Chapter #____ Section #____
- Amends Current Board Policy: Title #____ Chapter #____ Section #____
- X Amends Current Procedures & Guidelines Manual: Chapter # 7 Sections # 5 and #20
- Other: _____
- X Fiscal Impact: Yes X____ No____
- Explain: Proposed increase would generate additional revenues of \$348,000 for FY16 and \$709,000 for FY17.

**UNLV School of Dental Medicine: Pre-Doctoral Dental Student Registration Fee
Increase Request for the 2015-17 Biennium
March 6th-7th, 2014**

I. Request for Registration Fee and Non-Resident Tuition Increase

The UNLV School of Dental Medicine's (SDM) pre-doctoral program is requesting a 4% registration fee increase in each fiscal year of the 2015-17 biennium. Since FY13, the pre-doctoral program's registration fees have not increased from the current \$23,840/semester (Table A). In order to maintain long-term sustainability of the current program, remain competitive with peer institutions, place tuition equity on students and advance the dental school's mission of providing dental care to underserved citizens of Nevada, it is necessary to incrementally increase tuition on students. The projected cumulative percent increase and total projected increase can be found in (Table B).

If tuition is not incrementally increased future students bear the burden of past students education expenditures when tuition increases are proposed. The cost of a 4-year DMD degree at the UNLV SDM has increased from \$122,467 in FY2001-02 to \$200,954 in FY2012-13 (Graph A) peer group comparison. The school believes an increase is needed so future students are not negatively impacted by bearing past student's cost of education. (Table C) depicts the proposed distribution of the increase.

According to the American Dental Association's (ADA), most recent survey data, average costs for resident students at private schools increased by 66.5% (an average of 5.8% per year) over the last ten years, from \$141,123 in 2001-02 to \$234,992 in 2010-11. At public schools, the average resident costs rose from \$62,239 to \$138,174 during that same period, a total increase of 122% (an average of 9.3% per year).

Table A: Tuition and Fees, UNLV School of Dental Medicine

	2012-13	2013-14	2014-15	2015-16	2016-17
Resident Registration Fees	\$23,840.00	\$23,840.00	\$23,840.00	\$24,794.00	\$25,786.00
Non Resident Tuition and Registration Fees	\$47,380.00	\$47,380.00	\$47,380.00	\$49,276.00	\$51,248.00
Student Surcharge (Note 1) (Sunset 06/30/2011)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Non-Resident Student Surcharge (Note 1) (Sunset 06/30/2011)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Note 1: at this time we are assuming the state budget for the next biennium will not reflect any further reductions, and at a minimum some inflation will return (i.e. unpaid leave days reinstated and salary reduction). If this assumption does not turn out to be accurate, the SDM will need to reconsider whether or not it would need to ask the Board for a higher percent increase in the student registration fee and tuition increase for the 2015-17 biennium.

Table B: Dental Tuition and Fees for Fall and Spring Semester (Shows Projected Cumulative Increase)

	2012-13	2013-14	2014-15	2015-16	2016-17
Registration Fees	\$7,390,400	\$7,461,920	\$7,485,760	\$7,785,316	\$8,096,804
Non Resident Tuition	\$1,177,000	\$1,177,000	\$1,200,540	\$1,248,582	\$1,298,562
Total Registration Fees & Non Resident Tuition	<u>\$8,567,400</u>	<u>\$8,638,920</u>	<u>\$8,686,300</u>	<u>\$9,033,898</u>	<u>\$9,395,366</u>
	Cumulative Percent Increase				
	Total Projected Increase	FY 16	4%	\$347,598	
	Total Projected Increase	FY17	8%	\$709,066	

Graph A: Peer Group Comparison

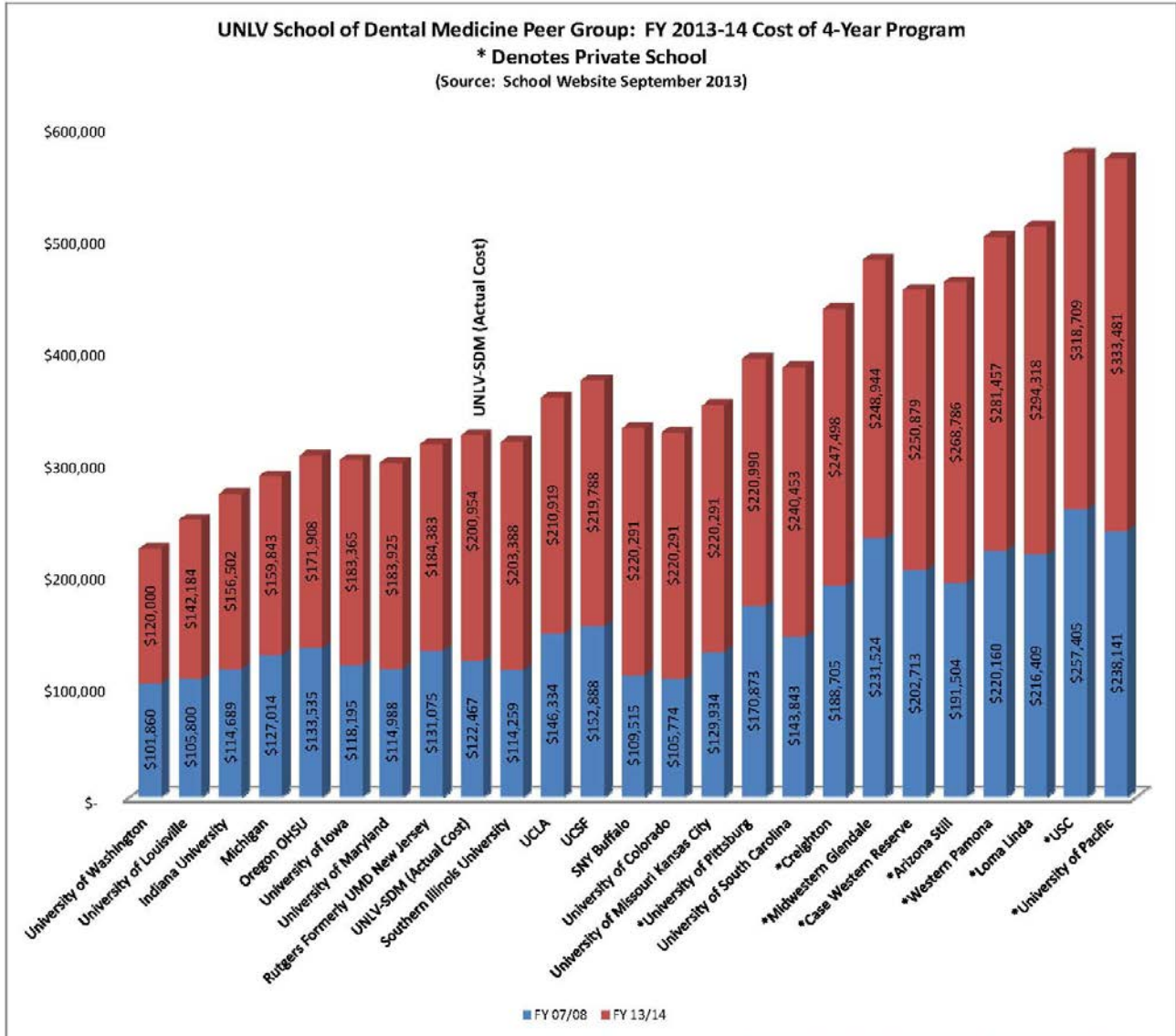


Table C: Proposed Distribution of Resident Fees and Tuition, School of Dental Medicine

REGISTRATION FEE	2014-15	2015-16	2016-17
Total General Fund	\$11,115.00	\$11,520.00	\$11,942.00
General Improvement	\$132.00	\$132.00	\$132.00
Capital Improvement	\$112.00	\$112.00	\$112.00
Activities & Programs	\$63.00	\$63.00	\$63.00
Student Access	\$483.00	\$483.00	\$483.00
Student Association	\$15.00	\$15.00	\$15.00
Student Surcharge	\$0.00	\$0.00	\$0.00
New Financial Aid Fee	\$0.00	\$72.00	\$146.00
Total Resident Registration Fee	\$11,920.00	\$12,397.00	\$12,893.00

Table C Continued: Summer Term Tuition and Fees

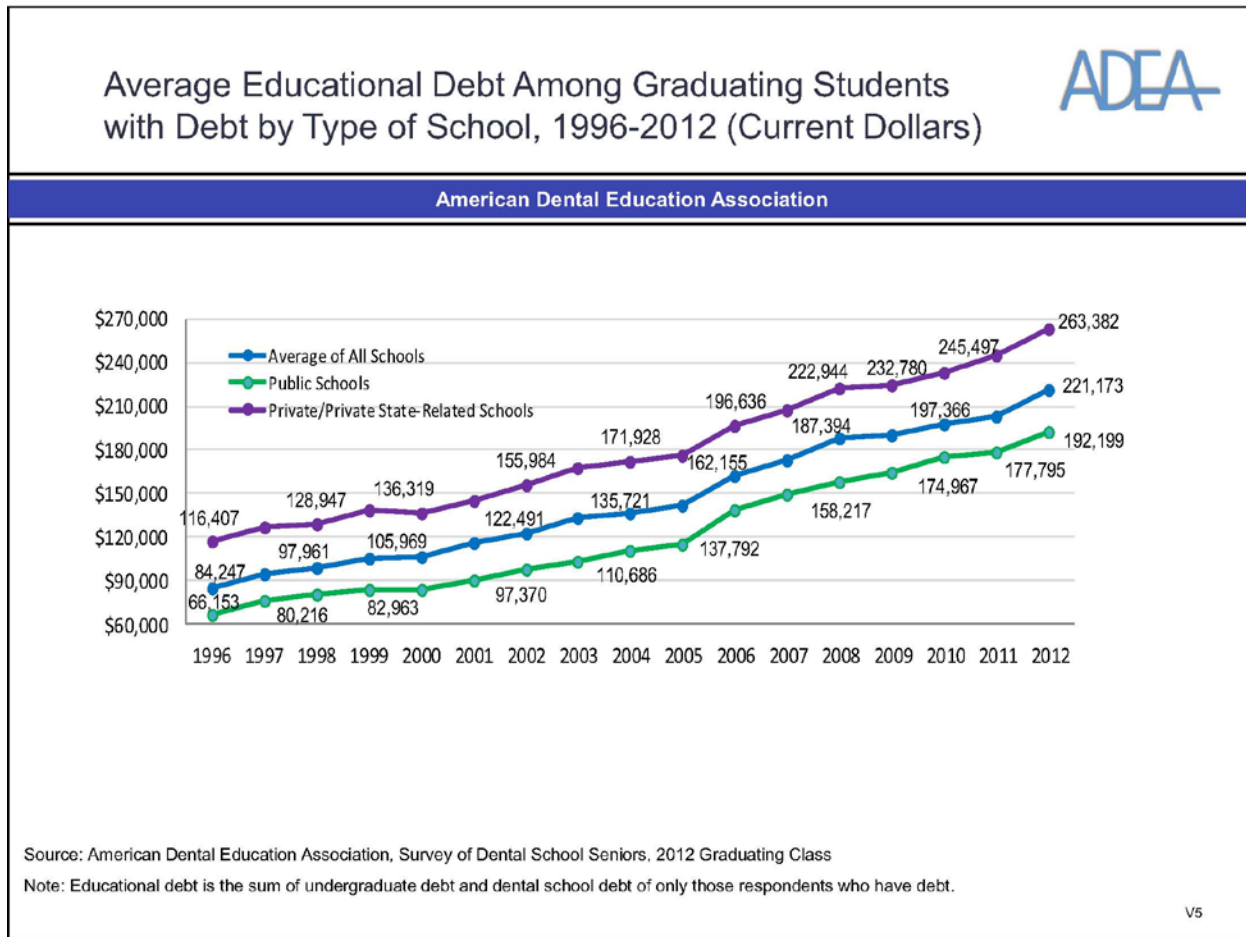
	Summer 2014	Summer 2015	Summer 2016
Dental School, Full Time			
Resident Registration Fees	\$11,920.00	\$12,397.00	\$12,893.00
Non-Resident Tuition and Registration Fees	\$23,690.00	\$24,638.00	\$25,624.00

The debt burden for the UNLV School of Dental Medicine graduating class of 2012 indebtedness is averaging \$225,940 (See Table D). When we compare our students average debt to the ADEA average debt our students take on an average 2% more debt (See Graph B).

Table D: UNLV School of Dental Medicine – Class of 2012 Indebtedness:

Lowest Amount Borrowed	\$0
Highest Amount Borrowed	\$333,250
Average Amount Borrowed	\$225,940
National Amount Borrowed Among Dental School Seniors (1996-2012)	See ADEA Chart Below (Graph A)

Graph B: National Amount Borrowed Among Dental School Seniors



In FY2010-11 the UNLV School of Dental Medicine (SDM) ranked in the top five of the peer group schools in ratio of applicants-to-available seats at 29:1 (See Table E and Graph C). The impact on the quality and number of applicants of the SDM's proposed registration fee increases for the 2015-17 biennium have yet to be determined. Even though the national trend of dental school applicants is downward, UNLV applicants remain on an upward trajectory. Possible contributing factors to this nationwide decrease are the opening of new dental schools in the Western states and increased registration fees. UNLV SDM continues to attract top talent in the state and across the nation.

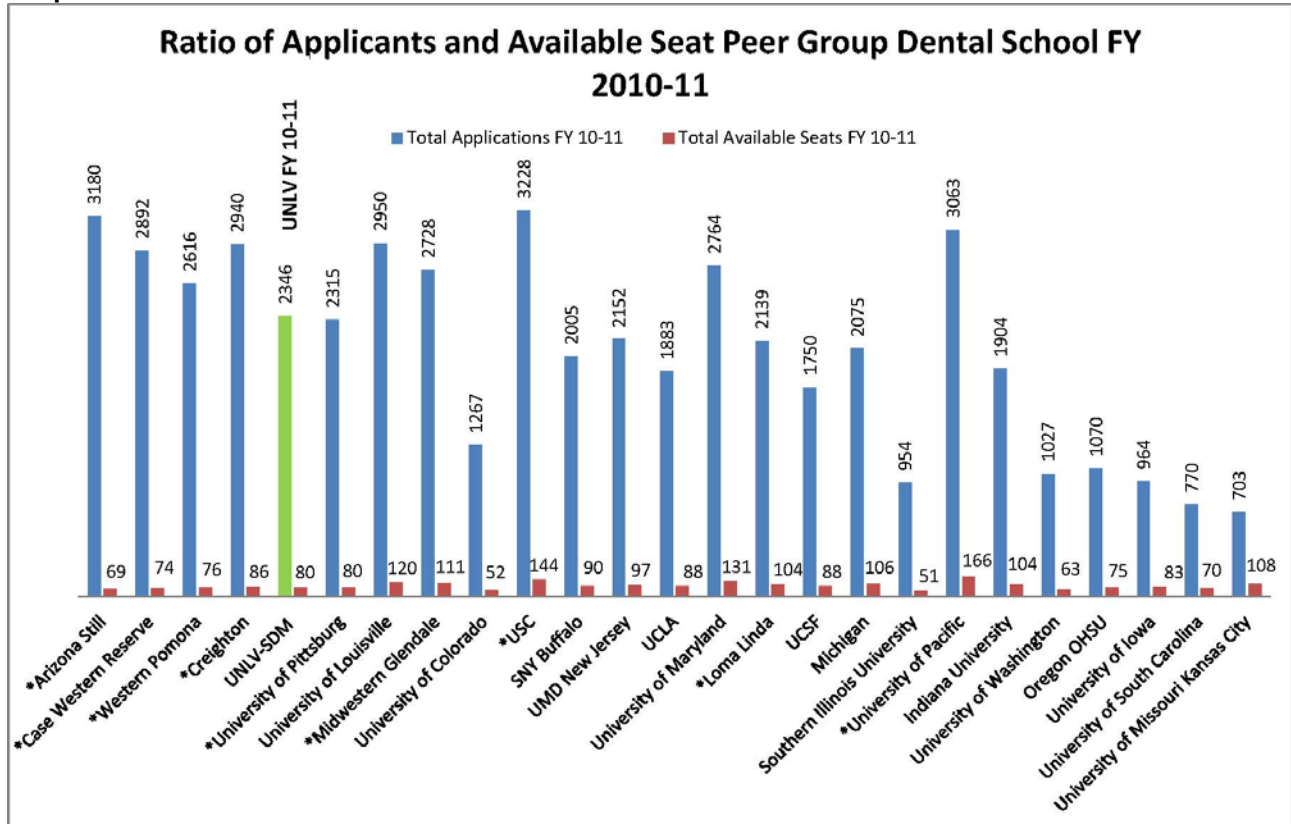
Table E
Ratio of Applicants and Available Seat Peer Group Dental School FY 2010-11

Dental School	Total Applications	Total Available Seats FY	Percent Applicants	Ratio Applicants
	FY 10-11	10-11	Accepted	to Seat
*Arizona Still	3180	69	2%	46.1
*Case Western Reserve	2892	74	3%	39.1
*Western Pomona	2616	76	3%	34.4
*Creighton	2940	86	3%	34.2
UNLV-SDM	2346	80	3%	29.3
*University of Pittsburg	2315	80	3%	28.9
University of Louisville	2950	120	4%	24.6
*Midwestern Glendale	2728	111	4%	24.6
University of Colorado	1267	52	4%	24.4
*USC	3228	144	4%	22.4
SNY Buffalo	2005	90	4%	22.3
UMD New Jersey	2152	97	5%	22.2
UCLA	1883	88	5%	21.4
University of Maryland	2764	131	5%	21.1
*Loma Linda	2139	104	5%	20.6
UCSF	1750	88	5%	19.9
Michigan	2075	106	5%	19.6
Southern Illinois University	954	51	5%	18.7
*University of Pacific	3063	166	5%	18.5
Indiana University	1904	104	5%	18.3
University of Washington	1027	63	6%	16.3
Oregon OHSU	1070	75	7%	14.3
University of Iowa	964	83	9%	11.6
University of South Carolina	770	70	9%	11.0
University of Missouri Kansas City	703	108	15%	6.5

*Indicates Private School

Source: 2010-11 ADA Survey

Graph C:



Impetus:

The proposed increases for 2015-17 biennium are necessary in order to ensure future students do not bear the cost of current students education, maintaining the current standard of dental education as healthcare education costs continue to rise, ensuring accreditation standing, providing quality infection control, and effectively competing for the excellent Nevada and national dental applicants.

However, looking forward to the 2015-17 Biennium, it is uncertain how the opening of new dental schools will impact the supply and demand of dental school applications at the UNLV SDM. There is concern by some scholars that political, economic and educational forces will threaten the future of higher education.

The school is cautious of pricing itself out of the market and proposes a 4% increase in each fiscal year of the biennium. Many of our students rely on financial aid to cover the cost of their dental education and balancing the need for tuition increases with the need to keep student debt low is challenging. This is why as part of the increase in revenue the school is proposing 15% be used to create a financial aid account so high performing future students can have additional help to lower the cost of their education. Additionally, we would like to utilize some of these funds to enhance and expand our outreach activities throughout the state.

The UNLV School of Dental Medicine’s mission is to provide dental services to the underserved citizens of both urban and rural areas of Nevada and to encourage students to establish private practices in the underserved areas of Nevada. As a relatively new school, the students have limited access to donor sponsored scholarships and financial assistance in comparison to students at established peer institutions. The SDM believes additional increases to the registration fees will help us expand our outreach efforts to the rural areas and help us fulfill our mission of providing care to underserved citizens in both rural and urban areas. These additional experiences will help motivate students to have the desire to open offices and practice in rural communities upon graduation.

It is proposed the distribution for the cumulative revenue increase for the School of Dental Medicine be distributed among financial aid, restoration of salaries, part time faculty salaries, and community outreach.

Table F: Uses of Projected Cumulative Revenue Increase in Table B

	FY 16	FY 17	Biennial Base
Projected Gross Incremental Income	\$347,598	\$709,066	\$1,056,664
Projected Uses of Incremental Income Distribution			
* Financial Aid	\$45,216	\$91,688	\$136,904
* Restoration of Salaries	\$128,584	\$262,844	\$391,428
* Part Time Faculty Salaries	\$86,899	\$177,267	\$264,166
* Community Outreach	\$86,899	\$177,267	\$264,166
Totals	\$347,598	\$709,066	\$1,056,664

Bullet Points to Support Request:

- To not overburden future students with the cost of current students education.
- To ensure the SDM remain competitive in the dental school applicant market.
- To continue to be financially viable for students to attend dental school at UNLV.
- To continue to be financially viable for students to practice in underserved and rural areas of Nevada upon graduation and/or attend advanced dental programs.
- Diploma value to ensure current and future alumni that their graduating institution maintains a reputation for quality education. This will benefit general dentists as well as students applying to advanced educational programs.

Potential arguments against the request:

- Federal financial aid offered to students may not be enough to cover the cost of their education effectively pricing many students out of the market. Any increase making it more difficult for students to pay could result in students dropping out of the program for financial reasons or defaulting on loans
- It is assumed the state budget for the next biennium will not reflect any further reductions, and at a minimum some inflation will return (i.e. unpaid leave days reinstated and salary reduction). If this assumption does not turn out to be accurate, the SDM will need to reconsider whether or not it would need to ask the Board for a higher percent increase in the student registration fee and tuition increase for the 2015-17 biennium.

Alternatives to what is being requested:

- No tuition increase making it the responsibility of future students to absorb the cost of past students education.

Fiscal Impact on State Budgets:

- Yes the proposed increase will generate \$136,904 in financial aid, \$655,594 for salaries, and \$264,166 for community outreach in the biennium.

PROPOSED REVISIONS – PROCEDURES & GUIDELINES MANUAL
CHAPTER 7, SECTION 5
Tuition and Fees, UNLV School of Dental Medicine

Additions appear in *boldface italics*; deletions are [~~stricken~~ and bracketed]

Section 5. Tuition and Fees, UNLV School of Dental Medicine

1. School of Dental Medicine Resident and Non-Resident

A. All full- time School of Dental Medicine resident and non-resident students shall be assessed annual tuition and registration fees as follows:

Dental School, Full-Time	2012-13	2013-14	2014-15	2015-16	2016-17
Resident Registration Fees	23,840.00	23,840.00	\$23,840.00	\$24,794.00	\$25,786.00
Non Resident Tuition and Registration Fees	\$47,380.00	\$47,380.00	\$47,380.00	\$49,276.00	\$51,248.00
Student Surcharge	\$1,500	\$0	\$0	\$0	\$0
Non-Resident Student Surcharge	\$3,000	\$0	\$0	\$0	\$0

F. Summer Term Tuition and Fees

Dental School, Full Time	Summer 2013	Summer 2014	Summer 2015	Summer 2015	Summer 2016
Resident Registration Fees	\$11,920.00	\$11,920.00	\$11,920.00	\$12,397.00	\$12,893.00
Non-Resident Tuition and Registration Fees	\$23,690.00	\$23,690.00	\$23,690.00	\$24,638.00	\$25,624.00

PROPOSED REVISIONS – PROCEDURES & GUIDELINES MANUAL
CHAPTER 7, SECTION 20
Tuition and Fees, UNLV School of Dental Medicine

Additions appear in *boldface italics*; deletions are [~~stricken~~ and bracketed]

Section 20. Distribution of Fees and Tuition, School of Dental Medicine

The following fee distribution for the University of Nevada, Las Vegas, School of Dental Medicine has been approved by the Board of Regents:

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>
REGISTRATION FEE						
Total General Fund	\$7,178.00	\$9,837.00	\$11,115.00	\$11,115.00	\$11,520.00	\$11,942.00
General Improvement	132.00	132.00	132.00	\$132.00	\$132.00	\$132.00
Capital Improvement	112.00	112.00	112.00	\$112.00	\$112.00	\$112.00
Activities & Programs	63.00	63.00	63.00	\$63.00	\$63.00	\$63.00
Student Access	150.00	306.00	483.00	\$483.00	\$483.00	\$483.00
Student Association	15.00	15.00	15.00	\$15.00	\$15.00	\$15.00
Student Surcharge	1,500.00	0	0			
Financial Aid Fee					\$72.00	\$146.00
Total Registration Fee	\$9,150.00	\$10,465.00	\$11,920.00	\$11,920.00	\$12,397.00	\$12,893.00

Tuition paid by or on behalf of a student of the School of Dental Medicine shall be revenue of the budget for the School of Dental Medicine.

(B/R 3/04; Added 6/05, A. 11/06, 4/08, 4/09, 6/09, 4/10, 6/11)