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UNIVERSITY SYSTEM TRUSTEES ASK STATE LAWMAKERS TO HELP REDUCE TUITION RATES

'Tuition Offset Plan' Would Lower Tentative Tuition Rate if State Increases Appropriation Beyond Governor's Proposed Level

BANGOR—Citing the direct, inverse relationship between tuition rates and State appropriation, the University of Maine System Board of Trustees on Monday appealed to State lawmakers to help the Board reduce tuition rates by increasing funding for Maine's public universities.

Meeting in Bangor, the Board "respectfully but strongly" urged legislators to support Chancellor Terry MacTaggart's proposed "Tuition Offset Plan," which he presented to lawmakers in March. The plan seeks additional State funding beyond the Governor's proposed \$5 million increase for FY08.

Under the plan, the additional funding would be used exclusively to lower tuition rates for the upcoming academic year. The plan also includes additional administrative cuts and cost-savings, which would be redirected to lower tuition and increase student financial aid.

As part of Monday's meeting, trustees approved a FY08 budget that includes a "tentative tuition rate increase" based on certain conditions: If the State's FY08 appropriation to the University System fails to exceed the Governor's proposed \$5 million increase, the System's weighted average tuition and fee increase would be set at 12.6 percent, which MacTaggart said would be "the lowest rate possible to ensure academic quality and integrity."

However, trustees authorized MacTaggart to "recalculate and lower the tentative tuition increase" should the State appropriation exceed the Governor's proposal, as requested in the Tuition Offset Plan.

"I must emphasize that this rate is tentative," MacTaggart stressed. "If our State policy makers succeed in funding part or all of the Tuition Offset Plan, the University of Maine System will immediately reduce the tentative tuition rate to the lowest level necessary to balance our FY08 budget."

He noted that a \$6 million increase beyond the Governor's proposal would lower the tuition rate increase substantially to seven percent.

In addition to adopting the tentative tuition increase as part of the FY08 budget, trustees unanimously approved a motion to send a formal appeal to legislators to adopt the Tuition Offset Plan.

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“State appropriations and tuition rates are the two largest variables in the University System budget calculation,” stated Margaret A. Weston, chair of the Board. “We look to the State to invest in our universities so that we can minimize the cost of tuition. We have a responsibility to students and to the public to treat tuition as the ‘revenue source of last resort’ when preparing the annual budget.

“Over the past 18 years, the State has failed to keep pace with the University System’s growth in enrollment, economic engagement, and service to the people of Maine,” she added. “The University of Maine System continues to pursue and adopt cuts, efficiencies, and cost-reductions in an effort to contain its expenses.”

She noted that \$2.7 million in cuts and cost-savings were made during the current year, with those savings redirected to university-based programs and services.

Established in 1968, the 34,200-student University of Maine System is the state’s largest educational enterprise. It features seven universities – some with multiple campuses – located across the state, as well as 11 University College outreach centers, a law school, and an additional 75 interactive distance learning sites. For more information, log onto www.maine.edu.