



UNIVERSITY OF MAINE SYSTEM TRUSTEES ADOPT TUITION RATES AND FY10 BUDGET

Tuition Rate Increase is the Smallest in Seven Years

Trustees Increase Student Financial Aid by Eight Percent to Help Offset Impact

BANGOR—Trustees of the University of Maine System today approved a 5.8 percent increase in the average tuition rates for full-time undergraduate students from Maine who will be attending one of the state's seven public universities in the 2009-10 academic year.

The new rates are the smallest percentage increase in tuition in seven years.

"The university presidents and I are extremely concerned about maintaining our universities' affordability and quality," System Chancellor Richard L. Pattenauade told the Board of Trustees during Monday's meeting, held in Bangor. "We have done everything possible and practical to minimize the financial burden on our students and their families. The new tuition rates are necessary to protect the quality and value of our educational offerings."

Pattenauade also noted that the university system is increasing, by eight percent, the amount of student financial aid it awards. According to Rebecca Wyke, the university system's vice chancellor for Finance and Administration, the increase, which will come from the university system's base budget, will help compensate for lower-than-projected revenues generated by endowments and gifts revenues as a result of the global economic crisis. Those endowment and gift revenues would have been used for student financial aid.

Pattenauade noted that the university system reduced its originally projected expenses by \$34.2 million during the current budget alone. Those cuts were necessary largely as a consequence of the global economic crisis and its effect on the State budget and on university investment income. Increased energy and healthcare expenses and demographic shifts affecting enrollment also made cuts necessary.

Based on Monday's action, the cost of tuition and mandatory fees for a full-time undergraduate student from Maine will range from \$9,626 at the University of Maine in Orono, the state's land-grant university, to \$6,700 at the University of Maine at Presque Isle. Differences in tuition rates reflect the distinct nature and missions of the seven universities, Pattenauade explained.

The 5.8 percent increase is the smallest tuition increase since the 2002-03 academic year, when the increase was 4.7 percent. Since then, increases have ranged from a low of 7.6 percent for the 2004-05 academic year to a high of 10.3 percent for the recently completed academic year.

Out-of-state tuition for a full-time undergraduate student will increase by 6.7 percent to \$19,765.

Along with the decisions on tuition rates and other student charges, trustees approved the System's overall budget for Fiscal Year 2010, which begins July 1. Excluding restricted-use funds such as those received through grants and contracts, the university system's FY10 budget proposed \$519.8 million in expenses. Of that total, 48 percent of the total will come from student tuition and fees, while 36 percent will come from the annual State appropriation.

In a related matter, a special task force appointed by Pattenaude to identify additional cost savings and efficiencies was scheduled to meet, following the conclusion of the Board meeting, with trustees and with university presidents to discuss its work. The task force, chaired by former Central Maine Power Co. President/CEO David T. Flanagan, is scheduled to submit a set of recommendations to Pattenaude by the end of next month. Pattenaude will consider the recommendations as part of a larger, multi-year financial sustainability plan which is expected to reduce university spending by an additional \$42.8 million.

In other business, trustees re-elected Lyndel J. Wishcamper of Freeport as chair of the board and elected Norman L. Fournier of Wallagrass as the Board's vice chair. Fournier succeeds Barry D. McCrum of Mars Hill, who is scheduled to complete his last year as a trustee at the end of May.

Trustees also approved a one-year extension of Pattenaude's appointment as chancellor, which as a result, will continue through July 2011.

Monday's meeting was the first for two new trustees who were recently nominated by Gov. John E. Baldacci and approved by the Maine State Senate: Eleanor M. Baker of Cape Elizabeth and Kevin P. McCarthy of Falmouth. Trustees are appointed to serve a five-year term and are eligible to serve one additional term if re-nominated and re-confirmed.

Established in 1968, the 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 10 University College outreach centers, a law school, and an additional 75 interactive distance learning sites. With an annual enrollment of nearly 45,000 students, it educates 68 percent of all students enrolled in Maine's public universities, community colleges and Maine Maritime Academy. Its student population represents 48 percent of all students enrolled in Maine's public and private postsecondary institutions combined. For more information, visit www.maine.edu.