



## Wyoming Community College Commission 2014 Tuition Review

### Tuition Policy

In October 2006, the Wyoming Community College Commission (WCCC) adopted a long-term tuition policy. This policy still guides the WCCC in establishing annual community college tuition rates. The guiding principles of this policy encompass five key areas relevant to cost: *accessibility, affordability, predictability, competitiveness, and cost-sharing.*

It is the intent of the Commission that tuition rates are commensurate with economic conditions in Wyoming and surrounding states. Given this intent, the WCCC authorizes a tuition increase of 5% or less<sup>1</sup> among Wyoming's seven community colleges, provided the following criteria are met:

1. Current average resident tuition for Wyoming colleges is 98% or less than the current average resident tuition in the WICHE<sup>2</sup> states (excluding California and including Nebraska),
2. The ratio of current average resident tuition to Wyoming's median household income is 98% or less than the average ratio for the WICHE states (excluding California and including Nebraska)

After the two above criteria are met, and in-state tuition rates are established, the tuition policy further stipulates that:

1. Full-time tuition is capped at 12 credit hours,
2. Tuition for distance education courses will be the same as for on-site courses,
3. Tuition for non-WUE<sup>3</sup>, out-of-state students will be 300% of in-state tuition, excepting Nebraska students will be 150% of in-state tuition,
4. Tuition for international students will be 300% of in-state tuition,
5. Tuition for students in WUE states will be 150% of in-state tuition

### Current Findings

Wyoming Community College Commission staff conducted an analysis of 2013-2014 tuition data from WICHE and 2011-2012 two-year average Median Household Income (MHI)<sup>4</sup> to determine if the aforementioned tuition policy criteria were, indeed, met. The following analysis concludes that Wyoming community college average tuition, and, tuition-to-income ratios are far below the 98% threshold. Table 1 lists income and tuition data, while Table 2 summarizes the

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<sup>1</sup> In the event that a tuition increase greater than five percent is recommended, the WCCC must formally vote to approve the increase.

<sup>2</sup> Western Interstate Commission for Higher Education (WICHE)

<sup>3</sup> Western Undergraduate Exchange (WUE)

<sup>4</sup> US Census Bureau 2010 American Community Survey 2-Year Estimates

WY/WICHE tuition ratio. Table 3 reflects the percentage of average MHI needed to fund full-time student tuition for 2 semesters, and Table 4 compares the WY tuition/income ratio to WICHE tuition/income ratio. These data will serve as a foundation for further analysis in accordance with the 2006-2011 Tuition Policy.

**Table 1: Median Household Income and Tuition Rates**

WICHE State	2-Year MHI '08-'09	2-Year MHI '09-'10	2-Year MHI '10-'11	2-Year MHI '11-'12	Average 2010-11 Tuition	Average 2011-12 Tuition	Average 2012-13 Tuition	Average 2013-14 Tuition
Alaska	\$67,092	\$63,254	\$59,775	\$61,140	\$3,810	\$3,990	\$4,260	\$4,380
Arizona	\$49,496	\$48,971	\$49,511	\$48,340	\$1,938	\$2,104	\$2,149	\$2,291
Colorado	\$62,431	\$61,479	\$61,643	\$58,555	\$2,732	\$2,991	\$3,179	\$3,354
Hawaii	\$62,589	\$61,219	\$61,491	\$58,272	\$2,640	\$2,910	\$3,030	\$3,180
Idaho	\$50,322	\$49,736	\$49,000	\$48,186	\$2,055	\$2,283	\$2,339	\$2,517
Montana	\$44,518	\$43,384	\$42,295	\$43,104	\$2,306	\$2,346	\$2,358	\$2,366
Nebraska	\$53,594	\$54,062	\$56,035	\$54,487	\$1,890	\$1,640	\$1,762	\$1,708
Nevada	\$56,720	\$54,421	\$50,972	\$47,680	\$1,890	\$2,078	\$2,265	\$2,535
New Mexico	\$45,754	\$47,080	\$45,195	\$43,142	\$1,100	\$1,221	\$1,243	\$1,263
North Dakota	\$53,266	\$53,384	\$55,626	\$56,653	\$3,107	\$3,147	\$3,187	\$3,256
Oregon	\$53,860	\$52,886	\$52,946	\$52,189	\$3,339	\$3,663	\$3,867	\$4,012
South Dakota	\$52,041	\$48,279	\$47,985	\$48,812	\$2,835	\$3,029	\$3,177	\$3,276
Utah	\$64,652	\$61,137	\$58,182	\$57,497	\$2,382	\$2,541	\$2,692	\$2,835
Washington	\$62,520	\$61,894	\$58,951	\$60,112	\$3,130	\$3,540	\$3,944	\$3,967
<b>AVERAGES</b>	<b>\$55,633</b>	<b>\$54,370</b>	<b>\$53,543</b>	<b>\$52,726</b>	<b>\$2,511</b>	<b>\$2,677</b>	<b>\$2,818</b>	<b>\$2,924</b>
Wyoming	\$56,523	\$55,473	\$55,310	\$56,580	\$1,632	\$1,704	\$1,800	\$1,896

**Table 2: Wyoming/WICHE Tuition Ratios**

Year	Ratio
2010-11	64.99%
2011-12	63.65%
2012-13	63.88%
2013-14	64.84%

**Table 3: Tuition/MHI Ratios**

WY		WICHE	
Year <sup>1</sup>	Ratio	Year <sup>1</sup>	Ratio
2010-11	2.89%	2010-11	4.51%
2011-12	3.07%	2011-12	4.92%
2012-13	3.25%	2012-13	5.26%
2013-14	3.35%	2013-14	5.55%

<sup>1</sup> Tuition represents 2010-2014 data, while MHI data lags

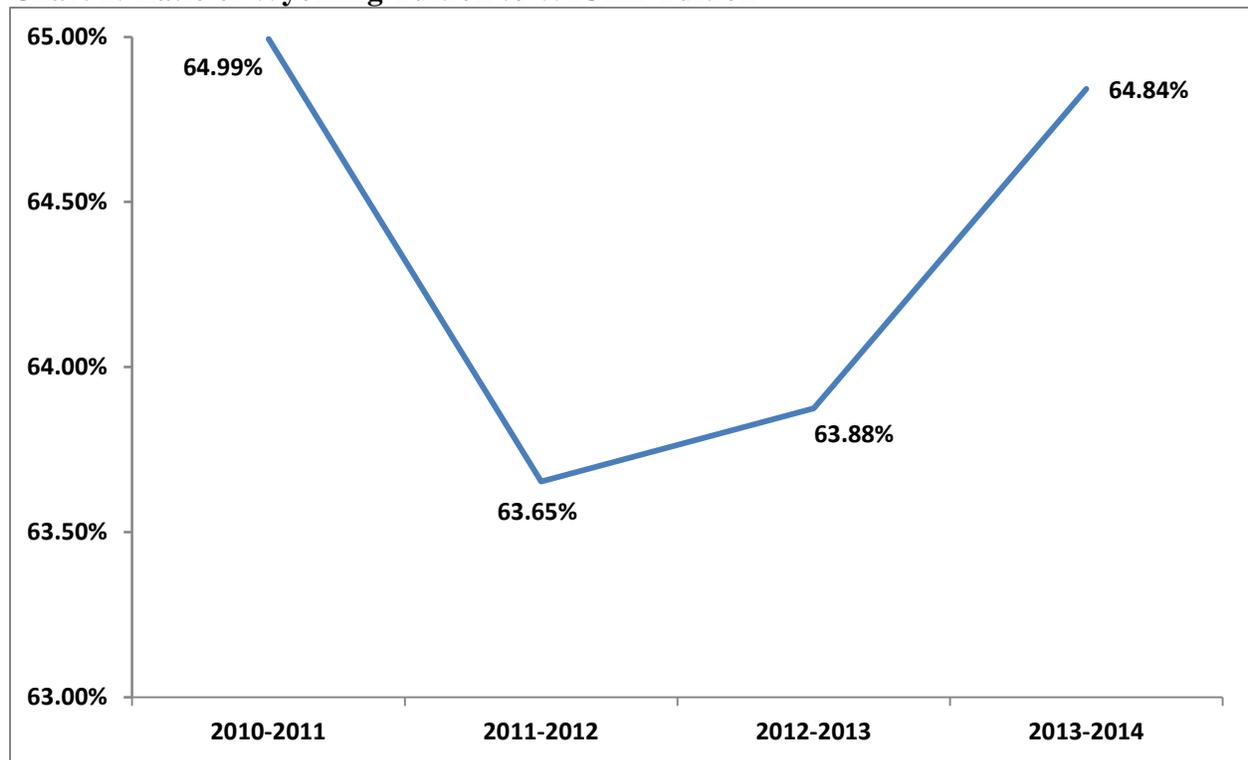
**Table 4: Affordability Ratios**

Year	Tuition/Income Ratio
2010-11	63.97%
2011-12	62.39%
2012-13	61.83%
2013-14	60.43%

**Ratio of Wyoming Tuition-to-WICHE Average Tuition**

A comparison of average Wyoming tuition to average WICHE tuition (excluding California and including Nebraska), for the 2013-2014 academic year, indicates that Wyoming community college students pay 64.84% of that of average WICHE state community colleges. This ratio has increased slightly for Wyoming from the 2012-2013 ratio of 63.88%. Chart 1 illustrates that the trend of Wyoming to WICHE tuition rates is increasing.

**Chart 1: Ratio of Wyoming Tuition to WICHE Tuition**



The average tuition for the two-year public WICHE institutions increased by 3.76% from 2012-13 to 2013-14, down from last year's increase of 5.35%. For the same period, the tuition for Wyoming's community colleges increased by 5.33%, which is slightly less than last year's increase of 5.63%.

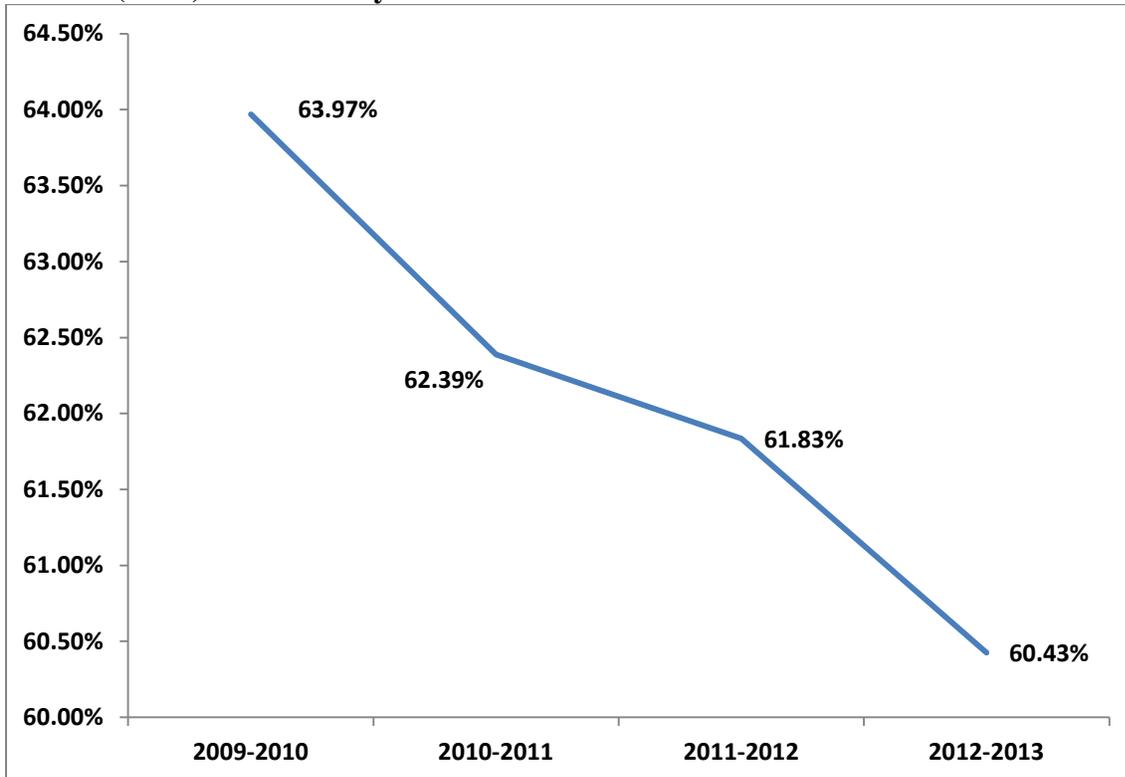
**Ratio of Tuition-to-Income Affordability**

In comparing the ratios of average tuition rates to median household income (MHI) for Wyoming to that of WICHE states (excluding California and including Nebraska) in 2011-12, the final ratio was 60.43%, a decrease from the 2010-11 ratio of 61.83%. This means that the

Wyoming to WICHE ratio of Tuition-to-Income Affordability gap is moving farther apart for the 2014 Tuition Study.

The average median household income of the WICHE states combined decreased by 1.53% from 2010-11 to 2011-2012. During the same period, median household income in Wyoming increased by 2.30%.

**Chart 2: Ratio of Wyoming Tuition-to-Income (MHI) Affordability to WICHE Tuition-to-Income (MHI) Affordability**



**Potential Wyoming Tuition Increase Study Scenario**

The above analysis indicates that the Wyoming community college tuition rate in 2013-2014 remains below that of the surrounding states in WICHE territory. For the 4 one-year periods examined in the analysis, Wyoming’s tuition and income ratios were less than those of the WICHE states. Wyoming’s tuition rates have increased 16.06% from 2010-11 to 2013-14, whereas WICHE’s tuition rates have increased 22.87% for the same period of time. Given this analysis, staff recommends a \$4 or 5.06% increase to current in-state Wyoming tuition, with commensurate tuition increases for WUE and non-resident students.

**Table 5: Historical Tuition Rates for Residents, WUE & Non-residents**

Residency Classification	2011-2012		2012-13		2013-14	
	Tuition Rate (/credit hour)	Annual Full-time Tuition Rate	Tuition Rate (/credit hour)	Annual Full-time Tuition Rate	Tuition Rate (/credit hour)	Annual Full-time Tuition Rate
Wyoming	\$71	\$1,704	\$75	\$1,800	\$79	\$1,896
WUE and Nebraska	\$107	\$2,568	\$112	\$2,688	\$119	\$2,844
Non-residents	\$213	\$5,112	\$225	\$5,400	\$237	\$5,688

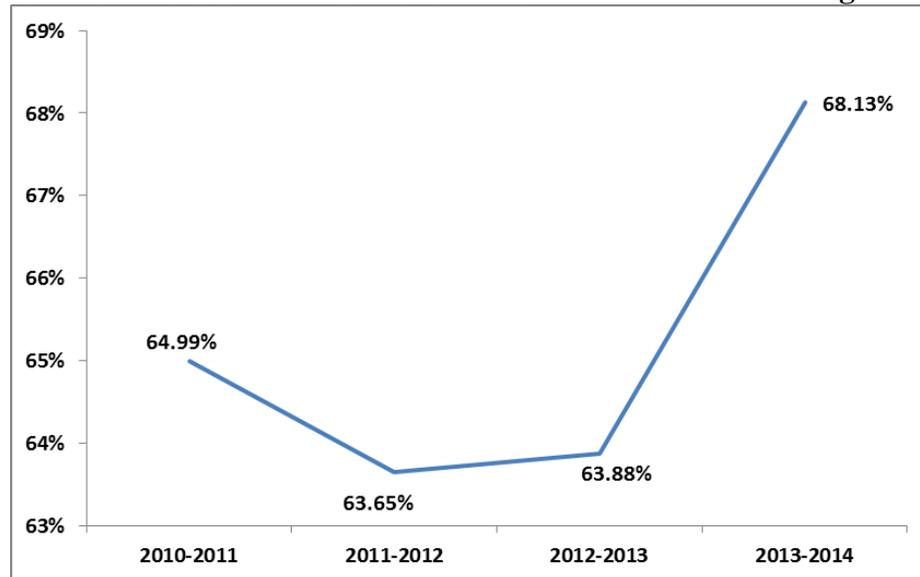
If the Commission were to increase Wyoming Community College tuition by \$4, students would pay an extra 5.06% as shown in Table 6.

**Table 6: Potential Wyoming Tuition Increase Scenarios**

Wyoming Tuition	Current	\$2 Tuition Increase	\$3 Tuition Increase	<b>\$4 Tuition Increase</b>	\$5 Tuition Increase
	Tuition Rate/Credit Hour	\$79	\$81	\$82	<b>\$83</b>
Annual Full-time Tuition Rate	\$1,896	\$1,944	\$1,968	<b>\$1,992</b>	\$2,016
% Increase	-	2.53%	3.80%	<b>5.06%</b>	6.33%

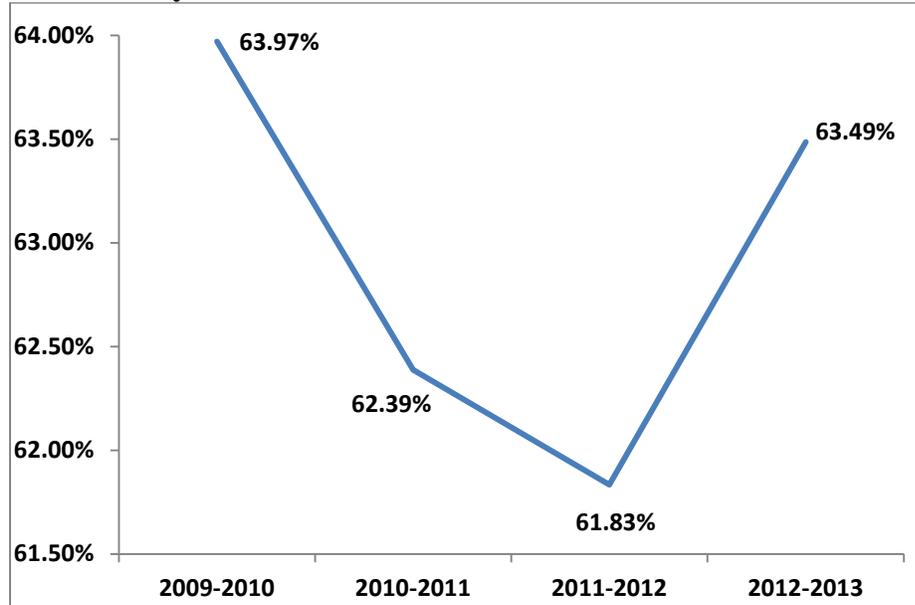
Wyoming’s tuition to WICHE tuition ratio has been much less for many years as the graphics above depict. This year the ratio is 64.84%, which is up from the year before, but still a fraction of the tuition of surrounding WICHE colleges. If the Commission approves a 5% tuition increase, the Wyoming to WICHE Tuition ratio would increase to a little over 68% as displayed in chart 3.

**Chart 3: Ratio of 5% Increase WY Tuition to WICHE Average Tuition**



The \$4 or approximately 5% tuition increase would cause the Tuition-to-Income Affordability of Wyoming to WICHE to trend upwards. This would mean that affordability in Wyoming would be closer to the affordability ratios of surrounding WICHE state’s tuition as illustrated in Chart 4.

**Chart 4: 5% Increase to Wyoming Tuition-to Income to WICHE Tuition-to-Income Affordability Ratio**



If tuition is increased by approximately 5%, Wyoming Community Colleges would have increased revenue of a maximum of \$941,128 which is \$744,799 for residents plus a maximum of \$196,329 for non-residents and international students based on 2012-2013 enrollment data<sup>5</sup>. This is a maximum amount because scholarships offered by the college, as well as other funding sources are not figured into this total dollar increase.

**Possible Credit Hour Cap Increase**

Below is an example of the effect of increasing the tuition cap from 12 to 15 semester hours on resident, WUE and non-resident students. If the cap were increased, the tuition rates would increase 25% for the current and previous academic years.

**Table 6: Changing the Tuition Cap**

Residency Classification	2012-13				2013-14			
	12-credit Method		15-credit Method		12-credit Method		15-credit Method	
	Tuition Rate (/credit hour)	Annual Full-time Tuition Rate	Tuition Rate (/credit hour)	Annual Full-time Tuition Rate	Tuition Rate (/credit hour)	Annual Full-time Tuition Rate	Tuition Rate (/credit hour)	Annual Full-time Tuition Rate
Wyoming	\$75	\$1,800	\$75	\$2,250	\$79	\$1,896	\$79	\$2,370
WUE and Nebraska	\$112	\$2,688	\$112	\$3,360	\$119	\$2,844	\$119	\$3,555
Non-residents	\$225	\$5,400	\$225	\$6,750	\$237	\$5,688	\$237	\$7,110

<sup>5</sup> 2012-2013 Enrollment data is for summer 2012, fall 2012 and spring 2013.