

**Annual Report to the Illinois General Assembly on
Public University Tuition and Fee Waivers**

Submitted by:

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Introduction

Public Act 92-0051 requires the Illinois Board of Higher Education (IBHE) to compile information annually concerning tuition and fee waiver programs provided by the public universities in Illinois and to submit its findings and recommendations concerning waiver programs to the Illinois General Assembly. This report presents information on the purposes and goals of waiver programs as well as data for fiscal years 2010 and 2011. Data on the number and value of waivers granted are presented in total and at the undergraduate and graduate levels. Detailed data by institution are presented at the undergraduate and graduate levels and are included in Appendix A.

In order to cope with college costs, students rely on various types of financial aid programs, such as grants, loans, and work-study, provided through federal, state, private and institutional sources. Tuition and fee waivers, a type of financial aid, exempt recipients from paying a portion of (or all) tuition and fee charges. Tuition and fee waivers typically are awarded at the undergraduate level to students with special talents or special financial needs. Graduate level tuition and fee waivers typically are awarded to students serving as teaching or research assistants.

Waivers serve multiple purposes: they provide access to higher education programs, promote scholarship, provide a recruitment tool, provide employee benefits, and enhance the educational environment by promoting a diverse student body. All Illinois public university waivers fall into one of two categories, mandatory or discretionary. Mandatory waivers are authorized and required by state statute, and discretionary waivers are determined at the institutional level. Mandatory waiver programs have requirements determined by statute and are not subject to limitations set forth by the IBHE or institutional policy. Discretionary waivers, on the other hand, are administered by public universities and are awarded at the discretion of each campus. With a few exceptions, these discretionary waivers are subject to IBHE limitations. Discretionary waivers are used by universities to provide access to higher education for students who possess specific academic or athletic talents and for special status students, such as out-of-state and foreign students.

The IBHE collects information annually from Illinois public universities on the number and amount of tuition waivers granted by student level, type of waiver (mandatory or discretionary), and specific waiver program. In fiscal year 2011, public universities issued a total of 49,157 waivers at a value of \$415.0 million, compared with 47,331 waivers issued in fiscal year 2010 at a value of \$390.3 million. Chart A reflects the total number of mandatory and discretionary waivers granted at both the undergraduate and graduate levels.

Chart A
Mandatory and Discretionary Tuition and Fee Waivers
by Level of Study - Fiscal Years 2010 and 2011

(in thousands of dollars)

| | Fiscal Year 2010 | | | Fiscal Year 2011 | | |
|----------------------|------------------|--------------|------------|------------------|--------------|------------|
| | Number * | \$ Value | % of Total | Number * | \$ Value | % of Total |
| Undergraduate | 19,234 | \$ 84,778.2 | 21.7% | 21,615 | \$ 98,960.9 | 23.8% |
| Mandatory | 9,299 | 42,928.7 | 11.0% | 8,853 | 54,477.8 | 13.1% |
| Discretionary | 10,293 | 41,592.5 | 10.7% | 12,979 | 44,483.1 | 10.7% |
| Graduate | 28,097 | \$ 305,539.0 | 78.3% | 27,542 | \$ 316,010.3 | 76.2% |
| Mandatory | 1,337 | 8,742.9 | 2.2% | 1,397 | 12,150.5 | 2.9% |
| Discretionary | 27,080 | 295,445.8 | 75.7% | 26,440 | 319,868.6 | 77.1% |
| Total | 47,331 | \$ 390,317.2 | 100.0% | 49,157 | \$ 414,971.2 | 100.0% |
| Mandatory | 10,636 | 51,671.6 | 13.2% | 10,250 | 66,628.3 | 16.1% |
| Discretionary | 37,373 | 337,038.3 | 86.3% | 39,419 | 364,351.7 | 87.8% |

* Unduplicated

The Standard Tuition and Fee Waiver Chart of Accounts (attached as Appendix B to this report) provides a complete description of each waiver category by program and by type and was developed in 1999 in response to a recommendation by the Office of the Auditor General. This description also provides the purpose, goals, and eligibility criteria of each program. Changes in the number and amount of total mandatory and discretionary waivers by category between fiscal years 2010 and 2011 are presented in Table 1.

The report includes the number and value of the unfunded or waived portion of the Illinois Veteran Grant, Illinois National Guard Grant, and MIA/POW Scholarship Program tuition and fee waivers that are funded through other state agencies (the Illinois Student Assistance Commission for the Illinois Veteran Grants and the Illinois National Guard Grants, and the Department of Veterans Affairs for the MIA/POW Scholarship Program). In total, Illinois public universities waived approximately \$28.7 million in tuition and fees during fiscal year 2011 for eligible military veterans after reimbursements are taken into account.

Undergraduate Waivers FY 2010 – FY 2011

Table 2 shows that the number of undergraduate waiver recipients increased 12.4 percent, from 19,234 to 21,615, between fiscal years 2010 and 2011. During this time period, the total value of undergraduate waivers increased 16.7 percent, from \$84.8 million to \$99.0 million. Undergraduate waivers accounted for 23.8 percent of the total value of all public university tuition waivers in fiscal year 2011.

In fiscal year 2011, of the \$99.0 million in total undergraduate waivers shown in Table 2, approximately \$54.5 million (55.0 percent) was mandatory and \$44.5 million (45.0 percent) was discretionary. The largest mandatory waiver programs, Veteran Grants and Scholarships, total \$22.3 million, or over 40.9 percent of undergraduate mandatory waivers in fiscal year 2011.

Of the \$44.5 million in discretionary waivers awarded in fiscal year 2011, \$22.5 million, or 50.7 percent, was awarded to students with athletic, academic, or other talent. Foreign Exchange waivers totaled \$9.0 million, Student Need waivers totaled \$5.3 million, Gender Equity waivers totaled \$4.1 million, and Civil Service waivers totaled \$1.7 million.

Graduate Waivers FY 2010 – FY 2011

Graduate students play an integral role in the educational missions of Illinois public universities and serve the universities in a number of important ways. Graduate students serve as instructors and teaching assistants for undergraduate course sections and provide valuable research assistance to faculty that enriches the educational environment for both students and faculty. These waivers also enable Illinois public universities to remain competitive in attracting the best graduate students.

Graduate waivers accounted for 76.2 percent of all public university waivers in 2011. Graduate assistant waivers, which consist primarily of waivers for graduate, teaching and research assistantships, accounted for 71.5 percent of the value of all public university graduate tuition and fee waivers granted in fiscal year 2011.

As seen in Table 3, public universities awarded 27,542 graduate waivers totaling \$316.0 million in fiscal year 2011. Of the total, approximately 96.2 percent, or \$303.9 million, was for discretionary waivers and of those, graduate assistant waivers totaled \$225.7 million. From fiscal year 2010 to fiscal year 2011, the value of graduate tuition waivers increased by 3.4 percent, from \$305.5 million to \$316.0 million while the number of graduate tuition waivers decreased by 2.0 percent, from 28,097 to 27,542.

Conclusion

Public university tuition and fee waivers enhance access to higher education for a large number of students from various backgrounds with diverse qualifications and talents. Mandatory waivers provide access to students and support statewide initiatives, while discretionary waivers allow institutions with varying missions to attract and retain a diverse student body. Both types of tuition waivers enhance the educational environment of public university campuses for all students. Graduate student tuition waivers account for the majority of waivers granted at Illinois public universities, with most of these being discretionary (i.e., teaching and research assistantships.)