

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Proposed Ann Arbor fiscal year 2017-2018 General Fund
Operating Budget and Student Tuition and Fee Rates

Action Requested: Approval

Background:

The attached document includes the fiscal year 2017-18 General Fund budget proposal for the Ann Arbor campus. This budget proposal incorporates the proposed 2017-18 student tuition and fee rates for the Ann Arbor campus as listed in the attached fee schedule.

It is recommended that the Board of Regents approve this General Fund operating budget effective July 1, 2017 for the period July 1, 2017 through June 30, 2018, and the schedule of tuition and required fees.

Respectfully submitted,



Paul N. Courant
Interim Provost and Executive Vice President
for Academic Affairs

June 15, 2017
Attachments

Executive Summary

Excellence and affordability are the key principles that guide the budget recommendation for the Ann Arbor campus of the University of Michigan in the coming year. The 2018 fiscal year general fund budget recommendation, presented here, is designed to achieve two overarching aims:

- Enhance the university's overall academic excellence.
- Increase student access and affordability.

Academic Excellence. The proposed budget aims to build on 200 years of excellence during which the university has come to be known for its prestige and breadth of quality programs. As we reflect on our past and assess our present, we take seriously our responsibility to preserve our substantial legacy of institutional excellence. Our FY18 budget proposes key investments in faculty, in student learning & the student experience, and in areas of excellence that cut across the campus.

Financial Aid. The budget recommendation makes a substantial new investment in aid. It upholds our long-standing policy of providing all in-state students with a financial aid package that meets 100 percent of demonstrated financial need, as well as our policy of meeting full demonstrated financial need for out-of-state students from families with incomes of up to about \$90,000 a year.

Additionally, the FY2018 budget proposes a bold, new initiative aimed to expand affordability and to distill our financial aid policy into a simple, clear message. We are calling it the Go-Blue Guarantee, and its terms are straightforward: Free tuition four years for Michigan students who come from families with annual income of up to \$65,000, the state's median income.

Fiscal Discipline. We continue our focus on cost containment. In addition to finding low-priority areas to discontinue, we promote strategic use of philanthropy to relieve general fund expenses. We also support enhancing our streams of alternative revenue, such as those from hybrid online learning and summer programs.

Our plans for investment strategically position UM to continue its leadership for its next 200 years. With a modest state appropriation increase of 1.9 percent, our proposed tuition plan is as follows: undergraduate tuition increase of \$424 a year – 2.9 percent – for in-state students. The increase for out-of-state undergraduate students would be 4.5 percent. Tuition for most graduate programs would increase 4.1 percent. A limited number of differential increases also are recommended for specific programs.

Introduction

Excellence and affordability are the key principles that guide the budget recommendation for the Ann Arbor campus of the University of Michigan in the coming year. The 2018 fiscal year general fund budget recommendation, presented here, is designed to achieve two overarching aims:

- Enhance the university’s overall academic excellence.
- Increase student access and affordability.

The budget accomplishes this by continuing the university’s long-standing practice of cost-containment efforts, strategic pursuit of alternative revenue and careful stewardship of resources. We are aided largely by an increase in state funding and a recommendation for a modest tuition increase. A substantial new aid investment and continuation of our long-standing financial aid policies will ensure that any increase in tuition will be fully covered for most in-state students with financial need.

Academic excellence: preserving our legacy & looking to the future

In 2017, our bicentennial year, U-M’s stature reflects 200 years of sustained investment and careful stewardship. We stand as one of the world’s leading teaching and research universities and an exemplar public institution nationally. Whether using objective performance metrics or reputational measures, U-M is consistently recognized as a top institution.

Excellence on key quality measures



Another hallmark of the university’s excellence is the variety of opportunities it offers students. This is a campus of nearly limitless opportunity, where each student can carve out a rich individualized experience tailored to his or her talents, passions and goals.

The breadth and scope of student opportunities

256+ areas of study	More than 600 Global Initiatives Worldwide 45% Participation	Over 100 Minors	Over 200 student arts organizations & programs
15:1 Student-to-faculty ratio	Undergraduate Research Opportunities 46% Participation	1,300+ student organizations	30 Club Sports terms, 31 Intramural sports
Civic & Community Engagement Opportunities 56% participation	Internships & Experiential Immersion Projects 80% Participation	13 Learning Communities	Over 30 student entrepreneur groups

As we reflect on our past and assess our present, we take seriously our responsibility to preserve our substantial legacy of institutional excellence. We aim to do more than maintain our present stature; good stewardship compels us to seek opportunities for bold, strategic investment that will serve as a foundation for the next 200 years of excellence.

With this as our context, the FY2018 budget recommendation includes resources for major initiatives that further enhance the university’s academic excellence. They include:

- Investments in faculty.
- Enhancements to undergraduate and graduate education and the student experience.
- Broad cross-cutting initiatives that support excellence across all areas.

Investments in faculty

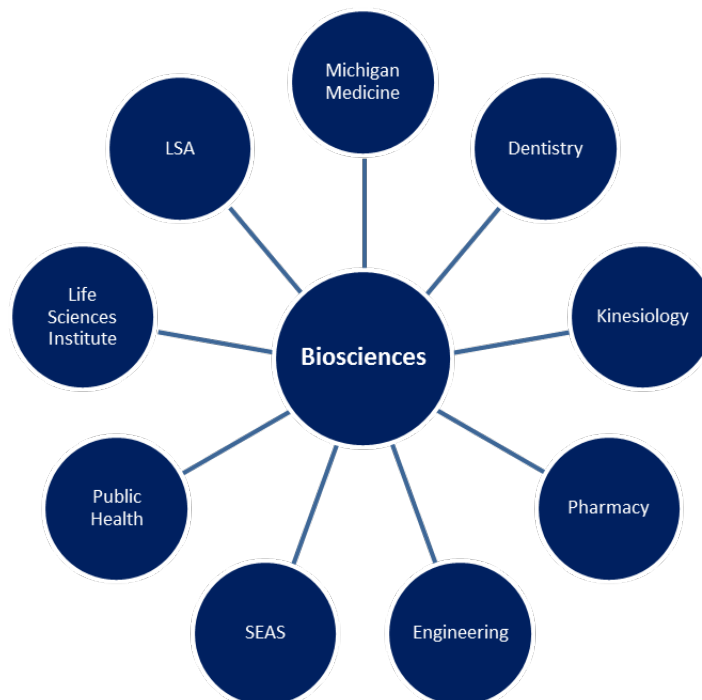
Universities are defined by the quality of the faculty, and U-M’s history reflects the extraordinary accomplishments of the faculty members who have built and sustained this institution. The proposed FY2018 budget makes important investments to advance faculty excellence through strategic hiring of top senior and promising junior scholars. It also directs resources to initiatives that leverage the strength and vitality of our faculty.

Faculty Hiring. By continuing to add high-quality faculty, we are able to offer more courses in a small-class format. In the past two years, U-M has added 591 sections of classes with less than 20 students. In FY2018 we continue this important effort, expanding access to small classes for freshmen in several well-subscribed introductory courses.

Expanding our faculty ranks also enables the university to maintain a favorable student-faculty ratio. This ensures that that despite enrollment growth, we preserve student access to the exceptional teaching, scholarship and mentoring they expect and tell us that they deeply value.

Biosciences. A common thread in our current faculty investments are the biosciences. Biosciences encompass numerous disciplines within the life sciences, spanning departments and schools across campus.

The span of biosciences



U-M’s leadership in the biosciences originated in our first century when we were the first university in the country to establish a chemistry laboratory for students and faculty, the first to own and operate its own hospital and the first to teach a course in forestry. Since that time, U-M has embraced the expanding reach of the biosciences, recognizing its centrality to the health and wealth of our word and generating discoveries with broad scientific, economic, sociological, and environmental impact. This budget’s investment creates far-reaching opportunities to leverage and enhance research and teaching across campus.

Public engagement of our faculty. President Henry Hutchins said that the university “belongs to the people and is always willing to work for the interests of the people.” Faculty contributions to the public good affirm this commitment more than 140 years later. Our faculty serve as important resources for organizations, agencies and governing

bodies grappling with a range of public concerns. Today, the need for evidence-based inquiry and rigorous fact-seeking in problems has never been more keen. The FY2018 budget recommendation directs resources that will further help U-M faculty experts bring their expertise to bear on some of the most pressing issues faced by humanity at the local, state, national and global levels.

Undergraduate and graduate experience

The university’s FY2018 budget directs significant investment towards strategic measures designed to enhance the university experience for students at all levels of study, whether they are undergraduates, graduates or professional students.



U-M offers an array of amazing opportunities for students as they explore academic interests, discover their passions, expand their horizons, confidently face intellectual challenges, and transform into capable citizens and workers. These opportunities enrich the campus experience; they also help students find their niche and build communities within the University that make a large campus feel smaller. The FY2018 budget reflects our belief in the deep value of these opportunities, value that is affirmed by students.

High-impact learning. High-impact, engaged learning activities remain a priority. The university ranks in the top five for the number of students who study abroad; student project teams like Solar Car have won multiple national titles; our Undergraduate Research Opportunity Program is regarded as a model program for student research engagement.

This budget devotes new funds to increase opportunities to collaborate with U-M's world-class researchers; undertake experiences to work, study and research in international settings; and obtain real-world experiential learning through internships, client-centered assignments and other immersive projects.

The College of Literature, Science, and the Arts is making a significant investment in its Opportunity Hub, which is helping undergraduate students use meaningful engaged learning experiences to develop competencies that integrate with their classroom learning during all four years of study. The hub will help match students with opportunities early in their academic careers, allowing them to pursue multiple internships or other experiential learning programs. Students also will have access to personal coaching, career exploration projects and networking with alumni, all with an aim to allow traditional study and engaged learning to augment, shape and inform each other.

Other units across campus are making similar investments in new and expanded engaged-learning offerings. They are too many to list, but they include additional funding for:

- The Wilson Center for student projects (Engineering): Team-based design projects, engineering competition teams, social entrepreneurship and human-centered design creating viable applications and products.
- Design Clinics (Information): Team-based problem solving to meet needs proposed by real-world clients.
- Increased Summer Study Abroad opportunities (cross-campus): Global engagement experiences that can be accommodated into any students' program.
- Living Business Model internships (Ross): Partnerships with senior management in existing enterprises where students will design, launch and operate a new business segment.

Foundational course initiative. Launching in FY2018 is the Foundational Course Initiative, a multiyear examination of large introductory courses taken by most undergraduates. The project leverages U-M's established leadership in learning analytics and promoting data-driven improvements in course delivery. The project will investigate how digital technology, evidence-based teaching methods and other approaches can increase student learning, boost performance and enhance engagement. Findings will help faculty transform these courses to be even better bases from which students can launch their intellectual careers. This promises to be a high-impact investment, because almost one third of the credit hours generated in any given semester are taken in large foundational courses.

Interdisciplinary courses. For graduate students, we offer new interdisciplinary courses that help bring together academic disciplines and professional fields to enhance the development and preparation of all participants. The Law School, for example, is expanding its highly successful Problem Solving Courses which were piloted in 2017. These courses bring together multidisciplinary approaches and students from across campus to tackle complex problems like human trafficking.

New majors and minors. The FY2018 budget also funds student access to our highly-regarded and sought-after professional programs. Students across the university - and the employers who seek to hire them upon graduation - are understandably interested in the practical, technical and applied skills offered by our professional schools. We have been responsive to this demand. The Stephen M. Ross School of Business continues to offer its popular business minor for students enrolled in other units. Undergraduates also have access to the School of Social Work's dynamic minor in Community Action and Social Change. After offering a number of highly-subscribed undergraduate courses, U-M's top-ranked School of Public Health will enroll the first undergraduate cohort in fall 2017, offering two undergraduate public health degrees.

Other student services. In FY2018, we also intend to make critical investments in student services that help U-M students attain success. This budget recommendation provides funds for additional staff in Counseling and Psychological Services to help meet the still-growing need for mental health services on our campus and to shorten wait times for appointments after initial consultation. Graduate students will have access to additional career services that are keyed to their unique needs and concerns.

Cross-cutting excellence

The proposed FY2018 budget includes investments in programs and initiatives that will broadly advance our excellence in research, interdisciplinary approaches, and inclusiveness.

Diversity, equity and inclusion. With the Fall 2016 launch of U-M's strategic Diversity, Equity and Inclusion (DE&I) plans, FY2017 saw a number of strategic investments in DE&I. These important initiatives continue. In FY2018 we seek to leverage those efforts with additional targeted investment in key areas. New funding this year prioritizes projects that leverage successful programs and best practices to further our goals of enhancing the learning and working environment for all on our campus. This includes more funding for community college outreach, making more U-M websites fully accessible for the visually impaired and improving the acculturation of international students.

Library and museum collections. Library and museum collections are fundamental to the development and continuation of all fields and disciplines. Our broad-reaching archives and collections, together with well-qualified librarians and curators, support and accelerate new discoveries. They also fulfill an essential mission of preserving our knowledge, our culture and the university's considerable intellectual heritage for future students and scholars.

The University Library is consistently ranked as one of the top 10 academic research libraries in North America, reflecting an unyielding commitment to maintaining intellectual infrastructure. In addition to nearly \$1 million in additional investment for

collections, in 2018 the library plans to undertake a comprehensive redesign of its websites. This effort will increase access to our expansive traditional collections as well as to the ever-increasing and complex array of available digital content.

Research infrastructure. Research endeavors continue to place U-M among the global leaders in new discovery, a distinction we have been known for since the presidency of Henry Tappan in the 1850s. U-M research and discovery firsts are too numerous to list. Today, our \$1.4 billion in total research expenditure places U-M as the top public research university in the nation. The FY2018 budget aims to make strategic, targeted investments that provide key infrastructure to sustain U-M's research strength into the future. This includes increased investment in research compliance, adding resources for improved export controls, data security and research ethics. We also will provide resources for a third cycle of the multidisciplinary MCubed research funding program, including a plan for increased external sponsorships.

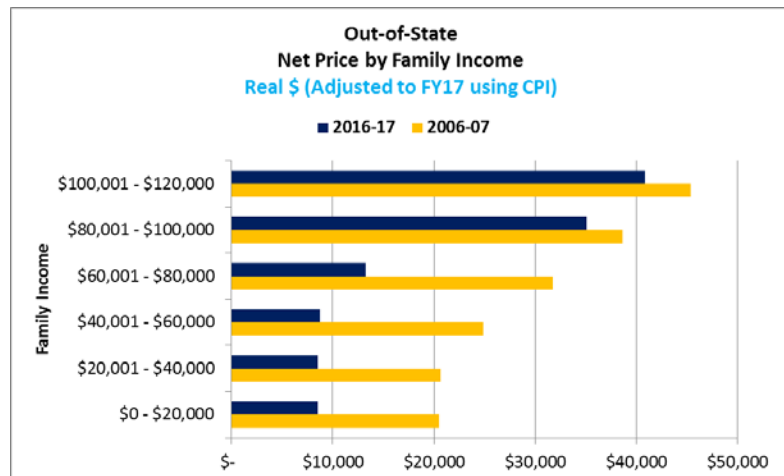
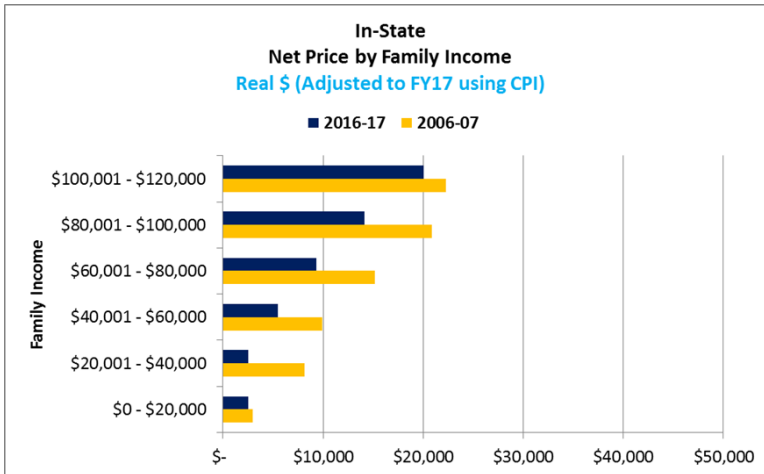
Interdisciplinary research. In FY2018, we hope to make continuing investments in major interdisciplinary areas of excellence including Data Science, Poverty Solutions and sustainability. Though diverse, these areas share a common bond: they each represent a key sphere of U-M excellence and an ideal target for the university to leverage its cross-disciplinary breadth. Each leverages our richly collaborative, multidisciplinary environment and brings together world-class scholars from numerous relevant areas of expertise.

Access and affordability

This budget proposal would again reinforce the university's longstanding commitment to making a U-M education accessible to all, regardless of financial means. All in-state students, regardless of their aid status, qualify for a heavily discounted resident tuition rate. This makes a world-class U-M experience an unparalleled bargain for Michigan families.

Financial aid extends this educational opportunity for those who need assistance. In the last decade, our central financial aid budget has seen a compound annual growth rate of over 10 percent, reducing the net cost of attendance for Michigan families with need. The success of this investment policy, and our long-standing policy of meeting full demonstrated need for in-state students, has had a striking effect on net cost over time. Factoring in inflation, the cost to attend the University of Michigan has actually declined for students with need. We have done this by replacing loan dollars – money that students must eventually repay – with grant dollars, which are not repaid. As a result, student debt burden at graduation has been decreasing.

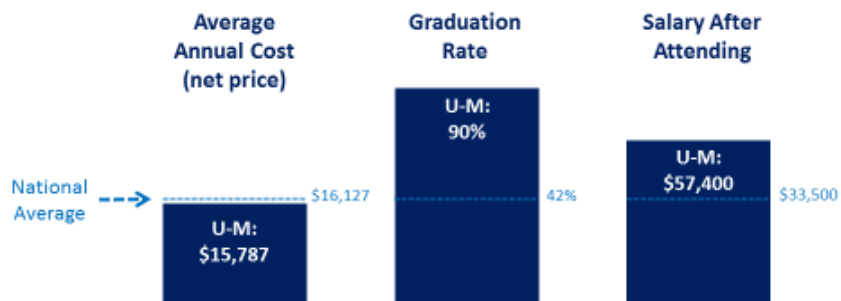
Students with financial need pay less for their U-M education today than 10 years ago



This budget recommendation continues our commitment to provide all in-state students with a financial aid package that meets 100 percent of demonstrated financial need, through a package of grants, loans and work-study jobs. With approval of this budget we also will be able to continue our policy of meeting full demonstrated financial need for out-of-state students from families with incomes of up to about \$90,000 a year.

With this budget we expect to extend our positive ratings for value, such as that published on the U.S. Department of Education’s College Scorecard. The average annual net cost of attendance is less than the national average, while the university’s six-year graduation rate is among the highest in the nation. The median salary of U-M graduates at 10 years after entering college also is higher than the national average.

Affordability & access: U-M an excellent value



Department of Education College Scorecard

Despite this substantial and sustained investment, and despite U-M’s high performance on national affordability measures, we have been unable to overcome a persistent misperception about cost. Too many Michigan residents believe that U-M is unaffordable for lower-income or moderate-income families. Too many well-qualified college-bound Michigan students rule out U-M before they even apply for admission.

With the passage of this budget, U-M will launch a bold, new initiative aimed to expand affordability and to distill our financial aid policy into a simple, clear message. We are calling it the Go-Blue Guarantee.

It builds upon the HAIL Scholarship pilot, which has provided compelling evidence that clear messaging corrects the mistaken assumption that a U-M education is out of reach for families of modest means.



The Go Blue Guarantee makes a new investment in aid and lays out our policy in simple terms: Free tuition for four years for Michigan students who come from families with annual income of up to \$65,000, the state’s median income. This sends a clear message to qualified students from half the state’s families that they can attend U-M tuition-free.

Our aim is to bridge the communications gap that has for too long discouraged some of our state’s top students from applying to U-M. If successful, we expect to enroll a greater number of these students. This stands to increase the socioeconomic diversity of our undergraduate student body and honors the legacy of U-M’s founding as a public university for the brightest sons and daughters of our state.

Fiscal discipline

The goals of this budget plan could not be attained without ongoing fiscal discipline. That includes controlling costs and reallocating savings, having clear guiding principles in developing the budget and balancing the need for investment with a commitment to affordability.

Cost containment. By remaining relentlessly focused on strategic cost containment, we have been able to make reductions without eroding academic quality or hurting the student experience. This also has allowed us to hold tuition down with increases that are both moderate and predictable, an important factor for our students and their families.

The FY2018 budget recommendation contains substantial savings realized through reductions and reallocations, shifting general fund expenses to other sources of income and cultivating new revenue streams. Individual efforts range in size and scope from closing a model factory within the Tauber Institute of Global Operations, for a savings of \$450,000, to the elimination of a conference to save \$12,000.

Philanthropic giving plays a critical role in providing units the flexibility to shift costs off the general fund. One valuable area has been student support, designated the No. 1 priority of the Victors for Michigan fundraising campaign. Generous donors have contributed money to fund increased engaged learning opportunities, to support need-based grant aid and to increase merit-based scholarships to help the university attract the very best talent to campus. Donor support will allow the School of Information to shift \$300,000 in engaged learning initiatives to gift funds, and allow LSA to cover another \$4 million of student financial aid. A task force on alternative revenue this year has laid important groundwork as the university explores new ways to increase revenue from a range of initiatives such as summer programs, hybrid online learning, language testing and other programs.

The university cannot cut its way to excellence, but through these strategic efforts schools and colleges across the campus identified \$24.2 million in funds to direct toward new, high-priority initiatives. This substantially reduces the pressure for higher tuition increases.

Establishing clear budget priorities: Excellence and affordability. The FY2018 general fund budget recommendation is built upon a commitment to maintain and enhance the academic excellence the university has attained over the past 200 years. It also reaffirms our commitment to President James Angell's vision of the university as place where a common man could attain an uncommon education by encouraging the enrollment of promising students regardless of financial circumstances.

It is a budget recommendation that reallocates financial resources and again stresses efficiency and cost containment to make good on that commitment. It invests in new strategic collaborative initiatives and continues to support programs that enhance the campus climate for students, faculty and staff from all backgrounds. It provides for continued investments in teaching innovations and promotes increased student access to the university's substantial educational opportunities. It ensures that we fully satisfy compliance requirements and it provides the resources necessary to offer modest salary increases for faculty and staff.

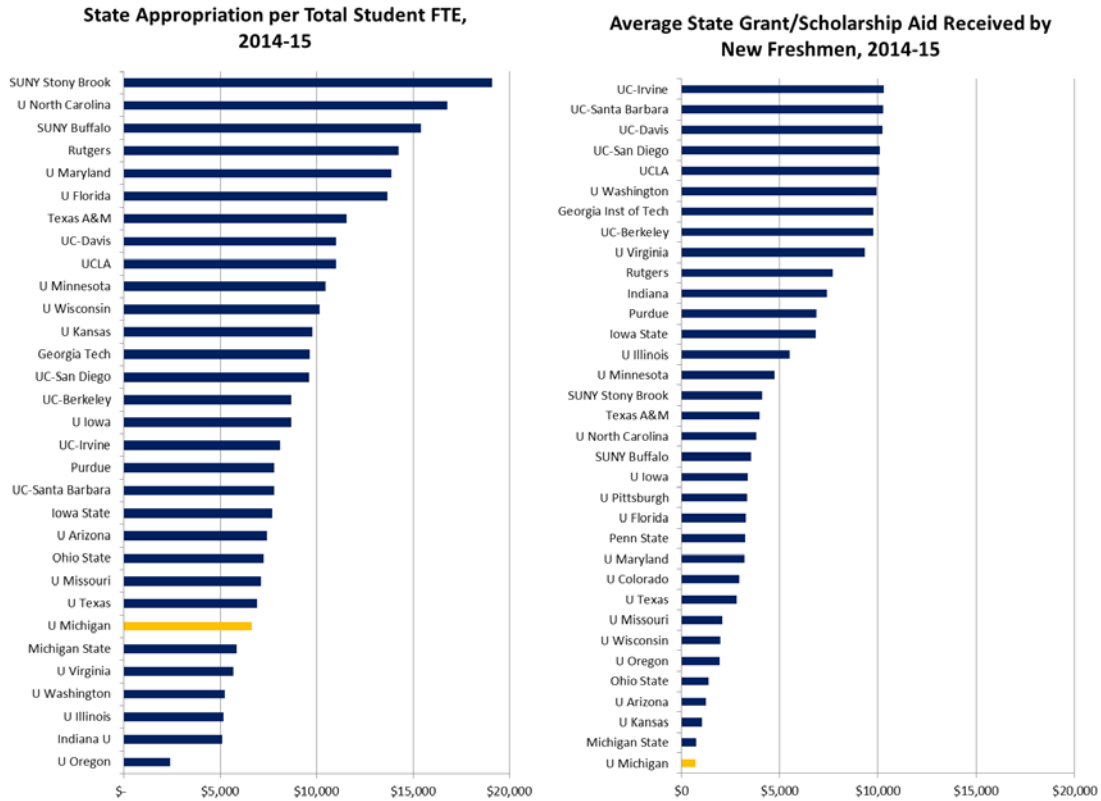
This proposed budget fulfills the university's commitment to access and affordability with a 9.5 percent increase in undergraduate financial aid. And it extends the university's more than decade-long commitment to fiscal discipline by trimming additional recurring expenses through a continued focus on operational efficiency, use of funding sources separate from the general fund and seeking alternative sources of revenue. Once implemented, this \$24.2 million in reductions will mean that since 2004, \$380.5 million in recurring expenses will have been trimmed from the general fund budget, allowing resources to be reallocated to higher priorities and constraining tuition increases.

Moderate increases in tuition. The budget recommendation for the Ann Arbor campus is a carefully balanced spending plan that provides the resources necessary to enhance the academic excellence of a world-class institution while maintaining access for a wide range of students.

Revenue to the general fund comes from three main sources: tuition, state appropriation and indirect cost recovery on sponsored research. Indirect cost recovery pays specifically for the indirect costs of research, making this funding not available for allocation on a discretionary basis. The revenue to pay for budget priorities for FY2018 would come mainly from increases in revenue associated with tuition and fees and an increase in the state appropriation, supplemented with resources made available through cost cutting and reallocated expenditures (see Table 1). Year-over-year change in tuition revenue is a function of enrollment growth, the proposed tuition rate increases and an incremental projected increase in the proportion of out-of-state students.

The university is planning on an FY2018 state appropriation of \$314.6 million, a 1.9 percent increase over FY2017 funding. In incremental terms, this provides an additional \$6 million in funds. We deeply value this support and are fiercely proud of our status as a public institution – the first public university founded in the Northwest Territories. That history has shaped the university’s vision and ideals over the past 200 years. However, state funding has been in long-term decline when measured in real dollars. This has put increasing pressure on our other sources of funding, including tuition.

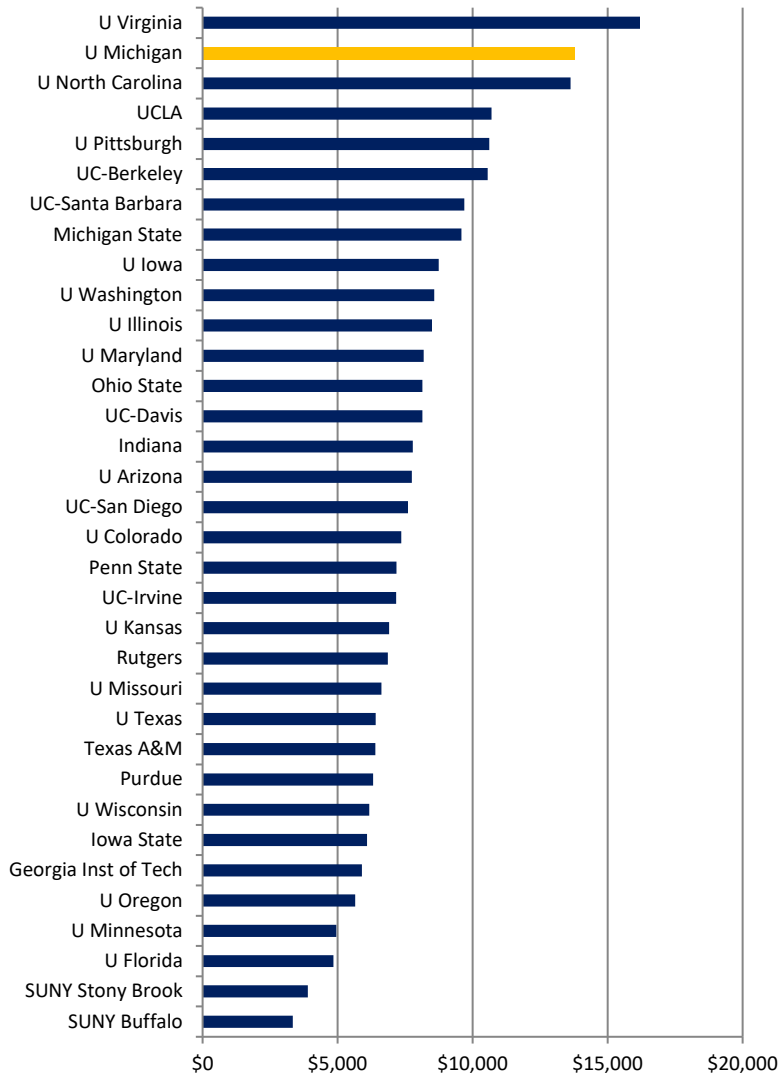
FY2018 BUDGET NARRATIVE



Source: Integrated Postsecondary Education Data System (IPEDS), U.S. Dept. of Education
 Note: Institutions are Public AAU members; Aid graph includes only students who received need-based aid

Compared to many of our peers, the university gets a modest amount of state support per student, meaning that we must rely on other sources to deliver excellence and provide the wealth of opportunities that we do. Students at U-M also get a relatively low amount of direct aid from the state, meaning that the university shouldered most of the burden of providing the financial aid that makes U-M affordable.

**Average Institutional Grant/Scholarship Aid
Received by New Freshmen, 2014-15**



Source: Integrated Postsecondary Education Data System (IPEDS), U.S. Dept. of Education
 Note: Institutions are Public AAU members; Aid graph includes only students who received need-based aid

The \$2.05 billion general fund budget, detailed in Table 1, is based on a state appropriation of \$314.6 million, an incremental \$24 million in cost containment and reallocation and a recommended lower-division, undergraduate tuition increase of \$424 a year – 2.9 percent – for in-state students. The increase for out-of-state undergraduate students would be 4.5 percent. Tuition for most graduate programs would increase 4.1 percent. A limited number of differential increases also are recommended for specific programs. (See Tuition and Fee Schedule)

Table 1: FY 2018 Proposed General Fund Budget

Table 1

**The University of Michigan - Ann Arbor
General Fund Budget
Fiscal Year 2017-18**

	FY 2017 Adjusted Budget **	Recommended Change	FY 2018 Budget	% Change	Average Annualized 3 Year % Change
Revenue Budgets					
State Appropriation	308,639,000	5,950,100	314,589,100	1.9%	2.1%
Tuition and Fees	1,395,166,026	94,875,280	1,490,041,306	6.8%	5.3%
Indirect Cost Recovery	226,543,000	12,506,970	239,049,970	5.5%	3.8%
Other Revenue	9,595,000	500,000	10,095,000	5.2%	8.0%
Total Revenues	1,939,943,026	113,832,350	2,053,775,376	5.9%	4.6%
Expenditure Budgets by Unit					
A. Alfred Taubman College of Architecture & Urban Planning	22,012,887	226,594	22,239,481	1.0%	5.3%
Penny W. Stamps School of Art & Design	12,648,736	181,686	12,830,422	1.4%	2.7%
Stephen M. Ross School of Business	94,529,942	9,355,850	103,885,792	9.9%	3.8%
School of Dentistry	32,966,852	1,850,810	34,817,662	5.6%	3.5%
School of Education	19,232,480	(626,560)	18,605,920	-3.3%	-1.3%
College of Engineering	201,234,254	24,685,409	225,919,663	12.3%	7.7%
School of Information	19,981,061	3,010,790	22,991,851	15.1%	5.7%
School of Kinesiology	16,512,093	(51,250)	16,460,843	-0.3%	7.7%
Law School	42,751,666	1,772,245	44,523,911	4.1%	2.3%
College of Literature, Science and the Arts	390,583,712	13,095,598	403,679,310	3.4%	2.8%
Medical School	84,018,252	869,708	84,887,960	1.0%	5.6%
School of Music, Theatre & Dance	37,696,205	1,423,288	39,119,493	3.8%	5.2%
School for Environment and Sustainability	12,889,566	1,094,562	13,984,128	8.5%	0.0%
School of Nursing	19,050,577	445,820	19,496,397	2.3%	1.2%
College of Pharmacy	15,851,479	2,315,862	18,167,341	14.6%	9.1%
School of Public Health	34,765,584	3,311,842	38,077,426	9.5%	4.3%
Gerald R. Ford School of Public Policy	12,180,265	673,871	12,854,136	5.5%	7.1%
School of Social Work	22,422,146	1,754,871	24,177,017	7.8%	4.3%
Horace H. Rackham School of Graduate Studies	9,702,169	280,265	9,982,434	2.9%	4.5%
University Academic Units	69,112,579	2,572,890	71,685,469	3.7%	3.1%
Research Units	3,643,427	(730,091)	2,913,336	-20.0%	-0.4%
Academic Program Support	86,901,675	10,416,862	97,318,537	12.0%	11.8%
Capital Renewal Fund	47,692,788	1,434,931	49,127,719	3.0%	3.0%
TOTAL ACADEMIC	1,308,380,395	79,365,853	1,387,746,248	6.1%	4.7%
President	2,292,312	64,756	2,357,068	2.8%	5.4%
Provost & Executive Vice President for Academic Affairs	35,056,935	1,553,813	36,610,748	4.4%	3.6%
Executive Vice President & Chief Financial Officer	118,164,143	5,138,070	123,302,213	4.3%	3.0%
Division of Public Safety & Security	10,718,077	633,653	11,351,730	5.9%	3.7%
Vice President for Communications	7,278,978	168,721	7,447,699	2.3%	2.3%
Vice President & General Counsel	3,960,481	408,736	4,369,217	10.3%	7.1%
Vice President for Government Relations	2,078,830	56,023	2,134,853	2.7%	2.8%
Vice President & CIO	51,416,738	2,815,516	54,232,254	5.5%	0.0%
Vice President for Research - Support Units	27,356,715	1,625,355	28,982,070	5.9%	5.7%
Vice President & Secretary of the University	808,018	21,052	829,070	2.6%	2.3%
Vice President for Student Life	18,952,397	1,430,839	20,383,236	7.5%	7.1%
TOTAL EXECUTIVE OFFICER AND SERVICE UNITS	278,083,624	13,916,534	292,000,158	5.0%	3.8%
General University Support	38,668,649	1,101,900	39,770,549	2.8%	-0.9%
Rackham Financial Aid	52,556,182	2,154,803	54,710,985	4.1%	2.9%
Undergraduate Financial Aid	161,439,310	15,285,641	176,724,951	9.5%	9.5%
Utilities	67,329,587	489,822	67,819,409	0.7%	0.2%
Insurance	9,780,073	(546,404)	9,233,669	-5.6%	1.4%
North Campus Research Complex	15,005,845	1,097,068	16,102,913	7.3%	3.8%
Legal and Professional Fees	369,031	0	369,031	0.0%	0.0%
Ceremonial and Presidential Events	730,330	67,133	797,463	9.2%	1.3%
Departmental Income	7,000,000	900,000	7,900,000	12.9%	9.6%
Staff Benefits Pool	600,000	0	600,000	0.0%	-18.3%
UNIVERSITY ITEMS	353,479,007	20,549,963	374,028,970	5.8%	4.8%
Total Expenditures	1,939,943,026	113,832,350	2,053,775,376	5.9%	4.6%

** Transfers between units are incorporated in the FY 2017 Adjusted Budget

FY 2018 Student Tuition and Fee Rates

**The University of Michigan- Ann Arbor
Tuition and Fees Schedule**

Current Rates Per Term	Proposed Rates Per Term -- Fall 2017			
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UNDERGRADUATE

Total Tuition & Required Fees *	Total Tuition & Required Fees *	Total \$ Change in Tuition and All Required Fees	Total % Change in Tuition and All Required Fees
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Resident

Lower Division **	\$7,201	\$7,413	\$212	2.9%
Stephen M. Ross School of Business	7,634	7,859	225	2.9%
Dentistry	7,334	7,550	216	2.9%
Engineering	7,701	7,928	227	2.9%
Kinesiology	7,595	7,819	224	2.9%
Music, Theatre and Dance	7,486	7,706	220	2.9%
Upper Division **	8,109	8,348	239	2.9%
Stephen M. Ross School of Business	9,629	9,913	284	2.9%
Dentistry	8,248	8,491	243	2.9%
Engineering	9,931	10,223	292	2.9%
Kinesiology	8,708	8,964	256	2.9%
Music, Theatre and Dance	8,393	8,640	247	2.9%
Nursing Accelerated Second Career Program	9,073	9,340	267	2.9%

Non-resident

Lower Division **	22,705	23,738	1,033	4.5%
Stephen M. Ross School of Business	23,089	24,139	1,050	4.5%
Dentistry	22,838	23,877	1,039	4.5%
Engineering	22,838	23,877	1,039	4.5%
Kinesiology	24,137	25,235	1,098	4.5%
Music, Theatre and Dance	23,007	24,053	1,046	4.5%
Upper Division **	24,299	25,404	1,105	4.5%
Stephen M. Ross School of Business	25,837	27,012	1,175	4.5%
Dentistry	24,438	25,549	1,111	4.5%
Engineering	25,628	26,794	1,166	4.5%
Kinesiology	26,361	27,560	1,199	4.5%
Music, Theatre and Dance	24,599	25,718	1,119	4.5%
Nursing Accelerated Second Career Program	27,151	28,386	1,235	4.5%

* Rates per term include \$185.00 Infrastructure Maintenance Fee; Health Service Fee of \$190.98 (\$186.87 in Fall 2016); \$80.00 Registration Fee; \$65.00 University Unions and Recreational Sports Facility Improvement Fee; \$9.19 Central Student Government Fee; \$8.50 Student Legal Service Fee; and a School/College Government Fee of \$1.50.

** Includes A. Alfred Taubman College of Architecture & Urban Planning; Penny W. Stamps School of Art and Design; Literature Science, and the Arts; Nursing; and Pharmacy. For upper division only, includes Education; Information; Medicine; Pharmacy (B.S.); Gerald R. Ford School of Public Policy; and Public Health.

**The University of Michigan- Ann Arbor
Tuition and Fees Schedule**

GRADUATE

Resident

	Current Rates	Proposed Rates Per Term -- Fall 2017		
	Per Term	Total Tuition & Required Fees *	Total \$ Change in Tuition and All Required Fees	Total % Change in Tuition and All Required Fees
A. Alfred Taubman College of Architecture & Urban Planning				
Master of Architecture	\$14,154	\$14,741	\$587	4.1%
All other programs	14,154	14,741	587	4.1%
Penny W. Stamps School of Art and Design	11,106	11,566	460	4.1%
Stephen M. Ross School of Business				
M.B.A.	29,839	31,314	1,475	4.9%
Master's of Accounting	22,564	23,314	750	3.3%
Pre-candidate	11,352	11,823	471	4.1%
Dentistry				
D.D.S.	12,863	13,396	533	4.1%
Pre-candidate	8,278	8,621	343	4.1%
Education	11,106	11,566	460	4.1%
Engineering				
Professional	12,723	13,251	528	4.1%
Pre-candidate	12,386	12,900	514	4.1%
Information	10,897	11,348	451	4.1%
Kinesiology	11,824	12,314	490	4.1%
Law	27,506	28,586	1,080	3.9%
Literature, Science & the Arts	10,897	11,348	451	4.1%
Medicine				
M.D.	17,189	18,040	851	5.0%
Master's of Health Professions Education**	8,010	8,342	332	4.1%
Pre-candidate	10,918	11,371	453	4.1%
Music, Theatre and Dance				
M.M. and Spec.M.	11,393	11,865	472	4.1%
M.A., M.F.A., and Pre-candidate	11,106	11,566	460	4.1%
Environment and Sustainability	10,754	11,200	446	4.1%
Nursing	11,231	11,697	466	4.1%
Pharmacy				
Pharm.D.	12,735	13,942	1,207	9.5%
Pre-candidate	10,897	11,348	451	4.1%
Public Health	13,521	14,082	561	4.1%
Gerald R. Ford School of Public Policy	12,322	12,833	511	4.1%
Rackham Interdepartmental Programs	10,897	11,348	451	4.1%
Social Work	13,042	13,583	541	4.1%

* Rates per term include \$185.00 Infrastructure Maintenance Fee; Health Service Fee of \$190.98 (\$186.87 in Fall 2016); \$80.00 Registration Fee; \$65.00 University Unions and Recreational Sports Facility Improvement Fee; \$9.19 Central Student Government Fee; \$8.50 Student Legal Service Fee; and a School/College Government Fee of \$1.50.

** This rate includes all fees listed above except Health Service at \$190.98 (\$186.87 in Fall 2016).

**The University of Michigan- Ann Arbor
Tuition and Fees Schedule**

	Current Rates Per Term	Proposed Rates Per Term -- Fall 2017		
GRADUATE	Total Tuition & Required Fees *	Total Tuition & Required Fees *	Total \$ Change in Tuition and All Required Fees	Total % Change in Tuition and All Required Fees
Non-resident				
A. Alfred Taubman College of Architecture & Urban Planning				
Master of Architecture	\$21,557	\$22,451	\$894	4.1%
All other programs	20,643	21,499	856	4.1%
Penny W. Stamps School of Art and Design	22,275	23,199	924	4.1%
Stephen M. Ross School of Business				
M.B.A.	32,339	33,814	1,475	4.6%
Master's of Accounting	25,064	25,814	750	3.0%
Pre-candidate	22,513	23,447	934	4.1%
Dentistry				
D.D.S.	20,024	20,855	831	4.1%
Pre-candidate	13,995	14,575	580	4.1%
Education	22,275	23,199	924	4.1%
Engineering				
Professional	23,531	24,507	976	4.1%
Pre-candidate	23,151	24,111	960	4.1%
Information	21,837	22,742	905	4.1%
Kinesiology	23,860	24,850	990	4.1%
Law	29,006	30,209	1,203	4.1%
Literature, Science & the Arts	21,837	22,742	905	4.1%
Medicine				
M.D.	26,354	27,447	1,093	4.1%
Master's of Health Professions Education**	8,738	9,100	362	4.1%
Pre-candidate	21,880	22,788	908	4.1%
Music, Theatre and Dance				
M.M. and Spec.M.	22,563	23,499	936	4.1%
M.A., M.F.A., and Pre-candidate	22,275	23,199	924	4.1%
Environment and Sustainability	21,146	22,023	877	4.1%
Nursing	22,527	23,461	934	4.1%
Pharmacy				
Pharm.D.	21,172	19,701	-1,471	-6.9%
Pre-candidate	21,837	22,742	905	4.1%
Public Health	22,238	23,160	922	4.1%
Gerald R. Ford School of Public Policy	22,275	23,199	924	4.1%
Rackham Interdepartmental Programs	21,837	22,742	905	4.1%
Social Work	20,800	21,663	863	4.1%

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** This rate includes all fees listed above except Health Service at \$190.98 (\$186.87 in Fall 2016).

**The University of Michigan- Ann Arbor
Tuition and Fees Schedule**

Current Rates Per Term	Proposed Rates Per Term -- Fall 2017			
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GRADUATE

Total Tuition & Required Fees *	Total Tuition & Required Fees *	Total \$ Change in Tuition and All Required Fees	Total % Change in Tuition and All Required Fees
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Candidate

A. Alfred Taubman College of Architecture & Urban Planning	\$5,932	\$6,178	\$246	4.1%
Stephen M. Ross School of Business	6,194	6,451	257	4.1%
Dentistry	5,906	6,151	245	4.1%
Education	5,988	6,236	248	4.1%
Engineering				
D.Eng.	8,627	8,982	355	4.1%
Ph.D.	7,100	7,394	294	4.1%
Information	5,875	6,118	243	4.1%
Kinesiology	5,875	6,118	243	4.1%
Law	7,146	7,442	296	4.1%
Literature, Science & the Arts	5,875	6,118	243	4.1%
Medicine	6,000	6,249	249	4.1%
Music, Theatre and Dance				
A.Mus.D.	7,270	7,571	301	4.1%
Ph.D.	5,988	6,236	248	4.1%
Environment and Sustainability	5,801	6,041	240	4.1%
Nursing	5,988	6,236	248	4.1%
Pharmacy	5,875	6,118	243	4.1%
Public Health	5,982	6,230	248	4.1%
Rackham Interdepartmental Programs	5,875	6,118	243	4.1%

* Rates per term include \$185.00 Infrastructure Maintenance Fee; Health Service Fee of \$190.98 (\$186.87 in Fall 2016); \$80.00 Registration Fee; \$65.00 University Unions and Recreational Sports Facility Improvement Fee; \$9.19 Central Student Government Fee; \$8.50 Student Legal Service Fee; and a School/College Government Fee of \$1.50.

**The University of Michigan- Ann Arbor
Tuition and Fees Schedule**

GRADUATE

Other Programs

Stephen M. Ross School of Business - Executive M.B.A.
Resident
Non-Resident

Fall 2016 Cohort	Proposed Rates -- Fall 2017		
	Total Tuition & Program Fees *	Total Tuition & Program Fees *	\$ Change
\$150,125	\$156,500	\$6,375	4.2%
155,125	161,500	6,375	4.1%

Summer 2016 - Spring 2017 Cohort

Stephen M. Ross School of Business - Master's of Management
Resident
Non-Resident

Summer 2016 - Spring 2017 Cohort	Proposed Rates -- Summer 2017 through Spring 2018 Cohort		
	Total Tuition & Program Fees *	Total Tuition & Program Fees **	\$ Change
\$45,223	\$46,723	\$1,500	3.3%
50,223	51,723	1,500	3.0%

Proposed Rates -- Fall 2017 Cohort

Stephen M. Ross School of Business - Master's of Supply Chain Management
Resident
Non-Resident

\$50,410			
55,410			

Proposed Rates -- Summer 2018 Cohort

Resident
Non-Resident

\$51,960	\$1,550	3.1%
56,960	\$1,550	2.8%

Distance Education

Engineering - Graduate
Resident
Non-Resident

Fall 2016 Rates per Credit Hour

Fall 2016 Rates per Credit Hour	Proposed Rates Per Credit Hour -- Fall 2017		
	Total Tuition & Program Fees *	Total Tuition & Program Fees *	\$ Change
\$1,465	\$1,525	\$60	4.1%
1,605	1,671	66	4.1%

Undergraduate: NCFD Dual Enrolled High School Students***

LSA Upper Division - Resident
LSA Lower Division - Resident

Fall 2016	Proposed Rates -- Fall 2017		
	Total Tuition & Program Fees *	Total Tuition & Program Fees *	\$ Change
\$8,109	\$7,413	-\$696	-8.6%

* Program fee includes tuition and fees, housing, meals, books and other course materials, a laptop computer, and other miscellaneous items, all over the entire length of the program.

** Rates per term include \$185.00 Infrastructure Maintenance Fee; Health Service Fee of \$190.98 (\$186.87 in Fall 2016); \$80.00 Registration Fee; \$65.00 University Unions and Recreational Sports Facility Improvement Fee; \$9.19 Central Student Government Fee; \$8.50 Student Legal Service Fee; and a School/College Government Fee of \$1.50.

*** Rates apply to NCFD Dual Enrolled High School Students only; Post-baccalaureate NSFD students to continue at LSA upper division rates. Future rate increases will be at LSA lower division resident rates.