Universities prepare for new tuition guarantee

By The Associated Press

URBANA, Ill. -- It sounds like a simple proposition: Guarantee that tuition won't rise during a university student's four years of school.

But officials at most public universities in Illinois already are starting to prepare for that guarantee which won't take effect until at least the fall of 2004, and they say there are many factors to consider.

"In order to pay for this guarantee, one would have to increase tuition a fairly high amount" in the first year, said Chester S. Gardner, vice president for academic affairs at the University of Illinois. He also wonders how students who change majors and students who don't complete their degree within four years would be affected.

"We have to ... take into account the various situations that we are going to face with our students and determine how to handle those in a way that's fair to the student as well as to the institution," he said.

Gov. Rod Blagojevich proposed the tuition guarantee when he delivered his budget this spring and it passed with only six dissenting votes in the House and one in the Senate. Blagojevich is expected to sign it into law this summer, said spokeswoman Abby Ottenhoff.

Guaranteed tuition is not a new concept in Illinois. Western Illinois University has been doing it successfully since 1999.

"A parent really does appreciate the fact that the costs are set the day you walk in. There is some comfort in that," said Michael H. Glowacki, WIU's budget director.

WIU also guarantees fees and room-and-board costs for four years, Glowacki said. The bill that passed the Legislature mandates only a tuition guarantee.

Students who plan to begin college in September 2004 might want to begin saving extra dollars.

"When students first get this guarantee, they'll be paying a higher tuition than they would have paid had they not had the guarantee. There is a premium," Gardner said.

A tuition boost of 10 percent or more could greet the first class of students to get the guarantee at the University of Illinois, but after that, increases for incoming students would be smaller, Gardner said.

"You do have to front load," said Blair M. Lord, vice president for academic affairs and provost at Eastern Illinois University. "In order for the enterprise to stay financially afloat, we do have to adjust our revenue stream somehow."

The first year Western Illinois had the guarantee, tuition went up 25 percent for students on a four-year degree track of 15 credit hours per semester, according to figures from the Illinois Board of Higher Education.
But once the program takes hold and a school's other revenue streams remain stable, the guarantee works well, Glowacki said.

"You're always dropping a class that's paying an old rate and adding a class that's paying a higher rate," he said.

Northern Illinois University officials are looking at how billing and financial aid would be affected by the guarantee, but planning is still in its early stage at the DeKalb campus, said Eddie Williams, executive vice president for business and finance.

"As we get closer to the implementation date, we'll look at the costs and the flow of students and what we anticipate we'll need to balance over the three or four years," Williams said.

Williams said the experience gained at Western Illinois will help clarify and explain the program for other schools.

"It's not like we're blindly going ahead. There is an example there that has been around for several years," he said.