Introduction

- President Obama’s State of the Union address on February 2, 2012 has increased attention on rising college costs. This has increased discussion of the issue in many public and higher education forums.
- It is important for members of the UD community, the University’s stakeholders and supporters to be informed about how UD measures up as higher education institutions come under increasing scrutiny. These pages summarize in-state student costs and trends.

National Trends, Regional Focus

- Declining state support for universities has been a nationwide trend over the past decade. According to Science and Engineering Indicators 2012, just released by the National Science Board (NSB), Delaware was one of only eight states that did not decrease its support per student to its public research universities between 2002 and 2010. State appropriations for UD peaked in FY2009 and subsequently decreased. The Governor’s proposed FY2013 state appropriation maintains the current level of state support.

- While it is pertinent to compare increases in tuition and fees over time with national averages and the national Higher Education Price Index and Consumer Price Index, it is also important to compare price increases regionally, as cost of living changes are greatly impacted by local and regional economies. For example, the cost of living in Newark, Del. is 20 percent higher than the national average according to 2010 Best Places to Live & Retire reports, and this is reflected in the University’s costs, since the biggest fraction of the UD budget is personnel. Also, public institutions in the mid-Atlantic region tend to be UD’s most important competitors for undergraduate students.

Where UD Stands

- Among the 15 public institutions in the greater mid-Atlantic region that UD tracks as competitors for undergraduate students, UD’s in-state (resident) tuition and fees are at the median, as shown in Figure 1.

Figure 1

Analysis based on data collected by UD’s Office of Institutional Research from peer and aspirational institutions of higher education as well as information from the Commonfund Institute, 2011 Update.
Since 1999, UD in-state costs have been at or below the median of this group. Between 2005 and 2009, because UD’s tuition and fees had not kept pace with area public institutions, the University was in the lowest third of this group – UD’s tuition increases in the past three years have resulted in the University’s resident tuition and fees being comparable to the median of this group where UD has historically been.

In the balance between costs borne by the state and costs borne by students, UD has achieved a better balance than many of its comparator universities, providing a quality education that doesn’t rely disproportionately on either lever—student tuition or state support, as shown in Figure 2.

As part of UD’s “Path to Prominence™” the University benchmarks itself not just against public institutions, but against public and private institutions that it regards as current and aspirational peers. Obviously the total costs of private institutions are higher than those for in-state students at public institutions, but trend comparisons demonstrate just how well UD has increased affordability relative to its academic peers.

The key measure of affordability is the net price to students, which takes into account the impact of financial aid decreasing the amount that students and their families need to contribute to the cost of education.

Among its comparator group, UD is one of only two schools to have reduced its net price for full-time beginning undergraduate students over the most recent period (academic years 2007-8, 2008-9, 2009-10) for which data are publicly available. The average net price for incoming in-state students at UD decreased by 3.5% over this period! (Figure 3, next page).
UD continues to increase its financial aid to in-state students by meeting full demonstrated financial need under its Commitment to Delawareans. This investment is estimated this coming year to provide over $10 million in grant aid, 32% more by the University since the Commitment began in Fall 2009. Even as economic challenges have increased, UD has improved its affordability for Delaware families.

The University of Delaware is Smart Money
- Outside organizations continue to validate the quality and affordability of UD.
- Kiplinger’s rates UD as 25th among “Best Values” in publically supported US universities. Only 16 schools above UD on Kiplinger’s best values list also rank above UD in the US News and World Report rankings based on quality metrics alone.

Fast Facts (2011-12)
- Undergraduate in-state tuition and fees: $11,192
- Undergraduate out-of-state tuition and fees: $27,462
- Full cost of a UD education: $29,947
- Percentage of in-state full cost covered by tuition and fees: 34%
- Percentage of in-state full cost covered by state appropriations, contracts and grants, endowment earnings and contributions: 66%
- Percentage of undergraduates receiving financial aid (grants/loans/work study): 72%
- Total percentage of undergraduates receiving grant aid: 51%
- In the last three years, grant and scholarship aid to UD undergraduates has climbed 40%
- Total UD institutional grant/scholarship aid: $41.5 million
- Commitment to Delawareans participation: 1,559 Delaware students; UD’s obligated funds: $7.8 million

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