



## Regarding the Cohort-Based Tuition Model Proposal

November 5, 2019

Dear University of California community:

On behalf of the University of California Student Association Board of Directors, I am writing this letter to **oppose** an across-the-board tuition increase as well as voice our strong concerns regarding the proposed implementation of a cohort-based tuition model at the start of the next academic year.

This new tuition and student fee model undoubtedly comes with good intentions: increasing the predictability of the cost of a UC education and ensuring that the UC remains in strong financial health. We nevertheless express the following concerns:

1. **The assumption of annual tuition increases.** The UCSA Board of Directors believes that predictability should never come at the expense of affordability. Even though annual tuition increases would eventually be tied to the Consumer Price Index (CPI), we believe that this neglects the fact that many Californian families' incomes remain stagnant. Though low-income Californian residents would be protected by Cal Grant, we are concerned that this proposal would make a UC education increasingly unaffordable for middle class Californian families.
2. **The challenges for non-resident affordability.** About 6 in 10 non-resident students come from low-income or middle-class families (families that make less than \$177,000). As it stands, even *before* accounting for institutional and state financial aid, the difference between a resident and non-resident's four-year cost of attendance is roughly \$120,000. Without the state financial aid and institutional aid packages that in-state students benefit from, the annual tuition increases assumed by a cohort-based tuition model would make it significantly harder for these non-resident families to afford a UC education. This could be especially difficult for international students, who have to contend with changing exchange rates. Over time, these tuition increases would harm our student body's diversity.
3. **The state's inability to guarantee multi-year funding.** The item presented to the Regents on cohort-based tuition in September 2019 states that CPI-based tuition increases be sufficient if the state increased General Fund support for the UC by 4% annually. These sorts of funding increases would be extremely difficult to maintain when state revenues begin to fall; in an economic downturn, the UC may be forced to increase tuition unfairly on incoming students, or abandon the model altogether.

4. **The differences in tuition between cohorts.** If adopted, certain groups of students would be paying more for the same education than other students — some, significantly more. We are concerned about this from the standpoint of fairness.
5. **The effect on student tuition and budget advocacy.** Because tuition increases currently affect all students, all students have a stake in ensuring that the state invests in the UC and keeps their education affordable. We are concerned that adopting this model would take away this incentive from current UC students, allow students to “benefit” from tuition increases they themselves are not paying, and compromise joint UC-UCSA budget advocacy efforts.

For all these reasons, and because we believe that a tuition increase would be premature this early in the budget cycle, we ask that the Regents adopt a budget that **does not** assume a tuition increase at the November Regents meeting and keeps tuition flat for the next academic year. We further urge the Regents to vote against any cohort-based tuition model proposal that does not address these concerns at the January Regents meeting.

Sincerely,

A handwritten signature in black ink, reading "Varsha Sarveshwar". The signature is written in a cursive, flowing style with a horizontal line underneath the name.

**Varsha Sarveshwar**

President

University of California Student Association