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Tuition just about always moves in the same direction: up. So wouldn't it be great if students could lock in tuition at their college and know they will pay the same amount for four years? Some colleges have tried the strategy only to find it hard to convince families that it's a good idea. Just last week, the Georgia Board of Regents voted to scrap guaranteed tuition at the state's public institutions, in part because budget cuts had made it unaffordable. Other colleges have had to increase tuition so drastically to pay for such a plan that it quickly became a marketing problem. That hasn't stopped colleges from trying. The University of Texas at Dallas began its Guaranteed Tuition Rate Plan in the fall of 2007, as a way to "provide simplicity, predictability, and clarity for students." Under the plan, incoming students are promised that their tuition and mandatory fees will remain the same for four years from the time they begin their studies. The Dallas campus's program began before the economy tanked, but it could be even better for families now. Many households don't expect their incomes to go up in the next year, and it would be especially helpful if their college expenses remained flat. Guaranteed tuition is a great idea in theory. But in reality, it is not so simple for colleges to market. For the past few years, tuition has increased by an average of 4.5 to 6.5 percent a year, depending on the type of institution. But if a college has a tuition guarantee, it won't have those year-to-year increases. To compensate, colleges must raise tuition significantly from one year's freshman class to the next. An incoming freshman at a college with fixed tuition may find herself paying 12 percent more than freshmen did the year before. That creates a marketing problem. Though families may be set up to save money over the long run with guaranteed tuition, they often don't look past the first-year price tag--which is likely to be higher than that of similar institutions. The biggest concern is, at least initially, families pay more. Paying more that first year, even if it means future savings, strikes many families as too risky. For that reason, the Dallas campus educates families about its program throughout the admissions process, helping them think through the cost of a whole college education rather than focusing on that first year.

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The reasons for the phenomenon of guaranteed graduation are considered, as are criticisms of this approach. Guaranteed graduation programs have resulted in part as a result of an attempt to address issues and concerns about the cost of a college education, articulation of coursework, time to degree, and competency. While guarantees are designed to promote retention and tracking of students, they also specify students' responsibilities to fulfill program requirements, promising free or fixed tuition if the university fails to provide courses needed for the degree. This approach is also effective in marketing and recruitment. Criticisms concern whether guarantee programs are necessary and whether part-time and transfer students are eligible to participate. The guarantee phenomenon may be directed especially toward public higher education institutions, which have lower undergraduate completion rates than do private institutions. Guarantee programs have been developed in response to pressures from state legislators, parents, and taxpayers; some of the universities and states which have adopted this practice are identified. Students must be fully informed before signing a contract of expectations and responsibilities in terms of a guarantee, and the institution must be aware of implications of guarantees, such as providing courses, curriculum requirements, and issues of advising. (SW)