Nonresident Enrollment Policy Briefing

BOR Policy, Chapter 5, Section 11b(7)

Campus ceilings for non resident (NR) enrollments are:
- 30% at baccalaureate campuses
- 15% at community colleges

The base for determining ceilings is projected campus headcount enrollment (excludes active duty military personnel stationed in Hawai‘i and their authorized dependents). (Oct. 18, 2002)
Reasons for Policy Review

- Compliance
- Student concern regarding NR preference
- Legislative interest: resolutions entertained
- BOR request

Policy Context

- First established in 1970’s Controlled Growth Policy
- Revised in 2002, as Section 11 in Academic Affairs, Admissions (cap unchanged)
- Differential admissions policies may be established for resident and NR students
- In establishing admissions criteria for NRs, the campuses shall utilize the following principles:
Principles

 A public university’s first responsibility is to provide higher education opportunities for qualified students from the community that supports it.
 No qualified resident applicant should be denied admission to the University system. Implementing this policy is a major responsibility of both the two- and four-year campuses.

Principles continued…

At all campuses, but particularly at the Community Colleges, programs established for the explicit purpose of educating and training students to meet state manpower needs have a special obligation to admit qualified residents who can reasonably be expected to remain in the state upon graduation.
Nonresident Enrollment Policy Briefing

Percent of Nonresidents—UHH

Nonresident Categories

- **Geographic origin**
  - Mainland, international, Pacific Island jurisdictions*

  Pacific Island jurisdictions include those that do not have baccalaureate granting public institutions (e.g., American Samoa, Northern Marianas, FSM, Palau, Marshall Islands, etc.).

- **Tuition status**
  - Full pay, exempt, 150%

  By BOR policy, exempt refers to East West Center, active duty military & dependents, Hawai‘i national guard & reservists, Native Hawaiians, UH faculty/staff who pay resident rates.

  150% refers to Pacific Islanders (BOR policy effective fall 2007) and Western Undergraduate Exchange (WUE) program who pay 150% of resident rates.

- **Academic level**
  - Undergraduate, graduate, first professional

  First professional schools include Law (JD), Medicine (MD), Architecture (DArch), and Pharmacy (PharmD).
Nonresident Enrollment Policy Briefing

Nonresidents by Geographic Origin, UHM and UHH

<table>
<thead>
<tr>
<th>Total NR Enrollment</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S. Mainland</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>28%</td>
<td>28%</td>
<td>28%</td>
<td>28%</td>
<td>20%</td>
<td>14%</td>
<td>13%</td>
</tr>
<tr>
<td>Pacific Island</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5%</td>
<td>6%</td>
<td>5%</td>
<td>14%</td>
<td>13%</td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td>International (Non-Citizens)</td>
<td>66%</td>
<td>66%</td>
<td>67%</td>
<td>67%</td>
<td>69%</td>
<td>69%</td>
</tr>
<tr>
<td>2006</td>
<td>6,753</td>
<td>6,588</td>
<td>6,579</td>
<td>1,340</td>
<td>1,239</td>
<td>1,184</td>
</tr>
<tr>
<td>2007</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>2008</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Nonresidents by Tuition Status, UHM and UHH

<table>
<thead>
<tr>
<th>Total NR Enrollment</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full Pay</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>29%</td>
<td>27%</td>
<td>22%</td>
<td>25%</td>
<td>18%</td>
<td>37%</td>
<td>38%</td>
</tr>
<tr>
<td>150%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exempt</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25%</td>
<td>26%</td>
<td>28%</td>
<td>35%</td>
<td>37%</td>
<td>38%</td>
<td></td>
</tr>
</tbody>
</table>
| Note: By BOR policy, exempt refers to East West Center, active duty military & dependents, Native Hawaiians, Hawaii national guard & reservists, UH faculty/staff who pay resident rates. 150% refers to Pacific Islanders (BOR policy effective fall 2007) and Western Undergraduate Exchange (WUE) program who pay 150% of resident rates. 12
Nonresidents by Academic Level, UHM & UHH

<table>
<thead>
<tr>
<th>Total NR Enrollment</th>
<th>Undergraduate</th>
<th>Graduate / First Professional</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>6,753</td>
<td>33%</td>
</tr>
<tr>
<td>2007</td>
<td>6,588</td>
<td>33%</td>
</tr>
<tr>
<td>2008</td>
<td>6,579</td>
<td>33%</td>
</tr>
<tr>
<td>2006</td>
<td>1,340</td>
<td>38%</td>
</tr>
<tr>
<td>2007</td>
<td>1,239</td>
<td>35%</td>
</tr>
<tr>
<td>2008</td>
<td>1,184</td>
<td>31%</td>
</tr>
</tbody>
</table>

Graduate and professional programs have a special responsibility to admit the most qualified students while demonstrating that every effort is made to enroll resident applicants who compete favorably in the admissions process.
Principles continued…

Professional programs at the four-year and graduate level must be cognizant of their responsibility to educate adequate numbers of resident professionals to serve state needs.

In addition to these numbers, qualified nonresidents who pay a higher tuition can enhance the mix.
Nonresident Enrollment Policy Briefing

Professional Schools, Fall 2008

<table>
<thead>
<tr>
<th>Total Enrollment</th>
<th>Resident</th>
<th>Nonresident</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business</td>
<td>460</td>
<td>54%</td>
</tr>
<tr>
<td>Education</td>
<td>1,129</td>
<td>76%</td>
</tr>
<tr>
<td>Nursing</td>
<td>166</td>
<td>79%</td>
</tr>
<tr>
<td>Architecture</td>
<td>110</td>
<td>78%</td>
</tr>
<tr>
<td>Law</td>
<td>313</td>
<td>78%</td>
</tr>
<tr>
<td>Medicine</td>
<td>428</td>
<td>79%</td>
</tr>
<tr>
<td>Pharmacy (UHH)</td>
<td>178</td>
<td>53%</td>
</tr>
</tbody>
</table>

Note: Includes graduate level data only.

Factors Relevant to NR Enrollment Policy

- Reciprocity (WUE)
- Revenue
- Capacity (Housing)
- Financial assistance
- Graduation & attrition
- Cost share
- Economic impact
- Other state policies
Western Undergraduate Exchange (WUE) Student Enrollment

<table>
<thead>
<tr>
<th>Year</th>
<th>From Hawai'i</th>
<th>To Hawai'i</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>-1,403</td>
<td>2,050</td>
</tr>
<tr>
<td>2006</td>
<td>-1,363</td>
<td>2,083</td>
</tr>
<tr>
<td>2005</td>
<td>-1,337</td>
<td>1,983</td>
</tr>
<tr>
<td>2004</td>
<td>-1,299</td>
<td>2,121</td>
</tr>
<tr>
<td>2003</td>
<td>-1,300</td>
<td>1,771</td>
</tr>
<tr>
<td>2002</td>
<td>-1,473</td>
<td>1,322</td>
</tr>
<tr>
<td>2001</td>
<td>-1,513</td>
<td>1,054</td>
</tr>
</tbody>
</table>

Housing Priorities, UH Mānoa

1. Regent/Presidential Scholars, student athletes, National Student Exchange Program, special needs, College Opportunities Program (res and NR)
2. All first-time freshmen (res & NR)
3. Continuing students who lived in housing the previous year (res & NR)
4. First-year undergraduate transfers (res & NR)
5. Neighbor island students
6. For O‘ahu residents, by distance from Honolulu
Housing Priorities, UH Hilo

1. All traditional age first-time freshmen (regardless of residency)

2. All students from rural Big Island and the neighbor islands

3. All students from the continental U.S. and non-U.S. countries

4. All students who reside in the Hilo vicinity

Residence Hall Occupancy by Residency, UHM & UHH

<table>
<thead>
<tr>
<th>Total Beds</th>
<th>2007</th>
<th>2008</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>UHM</td>
<td></td>
<td>UHH</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,773</td>
<td>3,008</td>
<td>623</td>
<td>620</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Resident</th>
<th>Nonresident</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007 UHM</td>
<td>44%</td>
<td>56%</td>
</tr>
<tr>
<td>2008 UHM</td>
<td>47%</td>
<td>53%</td>
</tr>
<tr>
<td>2007 UHH</td>
<td>45%</td>
<td>55%</td>
</tr>
<tr>
<td>2008 UHH</td>
<td>56%</td>
<td>44%</td>
</tr>
</tbody>
</table>
Six-Year Graduation Rates, UHM
First-Time, Full-Time Freshmen by Residency

Nonresident Enrollment Policy Briefing

Six-Year Graduation Rates, UHH
First-Time, Full-Time Freshmen by Residency

Nonresident Enrollment Policy Briefing
Attrition by Residency, UHM and UHH First-Time Freshmen

First-Time Freshmen
Fall 2005 cohort three years later (Spring 2008)

<table>
<thead>
<tr>
<th>Residency</th>
<th>UHM</th>
<th>UHH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resident</td>
<td>26%</td>
<td>48%</td>
</tr>
<tr>
<td>NR Full Pay</td>
<td>45%</td>
<td>46%</td>
</tr>
<tr>
<td>NR Exempt</td>
<td>43%</td>
<td>39%</td>
</tr>
<tr>
<td>NR 150%</td>
<td>68%</td>
<td>60%</td>
</tr>
</tbody>
</table>

Note: Counts exclude students currently enrolled or who have graduated. NR 150% refers to WUE only (predates PI policy revision).

n=1,386 n=338 n=76 n=222 n=270 n=74 n=23 n=77

Attrition by Residency, UHM and UHH Classified Undergraduate Transfers

Classified Undergraduate Transfers
Fall 2005 cohort three years later (Spring 2008)

<table>
<thead>
<tr>
<th>Residency</th>
<th>UHM</th>
<th>UHH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resident</td>
<td>31%</td>
<td>48%</td>
</tr>
<tr>
<td>NR Full Pay</td>
<td>36%</td>
<td>46%</td>
</tr>
<tr>
<td>NR Exempt</td>
<td>42%</td>
<td>57%</td>
</tr>
<tr>
<td>NR 150%</td>
<td>65%</td>
<td>36%</td>
</tr>
</tbody>
</table>

Note: Counts exclude students currently enrolled or who have graduated. NR 150% refers to WUE only (predates PI policy revision).

n=991 n=316 n=278 n=220 n=288 n=166 n=164 n=123
Economic Impact
Interstate Student Migration, 2006

Total: $101.8 billion

Source: Postsecondary Education OPPORTUNITY, July 2008
Note: Study based on students bringing into states $26k for their freshmen year of study.

Total Potential Revenue = $153m
If 100% NR = Full Pay

Fall 2007 Enrollment & AY 2007–08
Tuition Revenue by Residency, UHM

Total Enrollment = 20,051

Resident
13,463
67%

Nonresident
6,588
33%

Full Pay
3,093
15%

Exempt
1,780
9%

Resident
$68m
45%

Nonresident
$85m
55%

Full Pay
$36m
24%

Exempt
$26m
16%

Note: For purposes of this presentation, military has been included with residents. Totals may not tie due to rounding.
Nonresident Enrollment Policy Briefing

Estimated Revenues Less Exemptions, UHM, AY 2007–08

Total Potential Revenue (est) Less Exemptions

- $23m, 15% (Resident Full Pay)
- $26m, 16% (Exempt Full Pay)

Total Potential Revenue (est) $153m
NR Exemptions $27m
Total Tuition Charged (est) $126m

Nonresident Enrollment Policy Briefing

Estimated Revenues Less Scholarships & Waivers, UHM, AY 2007–08

Total Tuition Charged (est) $126m
- UH Scholarships $14m
- Tuition Waivers $11m
Net Revenue Collected (est) $101m

Net Revenue Collected (est) = revenue collected from students, parents, non-UH institutional scholarships (including UH Foundation scholarships), any third party (i.e., tuition benefit from parent’s company; grandparents; outside organization).
Summary: Tuition Revenue by Residency, UHM, AY 2007–08

Total Potential Revenue = $153m
If 100% NR = Full Pay

Net Revenue Collected = $101m
Net Revenue Collected = revenue collected from students, parents, non-UH institutional scholarships (including UH Foundation scholarships), any third party (i.e., tuition benefit from parent's company; grandparents; outside organization).

Total Enrollment = 20,051

Enrollment = 20,051

UHM, AY 2007–08
Resident Enrollment = 13,463 (67%)
Nonresident Enrollment = 6,588 (33%)

Resident Tuition Revenue = $68m (45%)
Nonresident Tuition Revenue = $57m (57%)

Total Potential Revenue = $22m
If 100% NR = Full Pay

Note: For purposes of this presentation, military has been included with residents. Totals may not tie due to rounding.
Estimated Revenues Less Exemptions, UHH, AY 2007–08

Total Potential Revenue (est) $22m  
NR Exemptions $4m  
Total Tuition Charged (est) $18m

Note: Totals may not tie due to rounding.

Estimated Revenues Less Scholarships & Waivers, UHH, AY 2007–08

Total Tuition Charged (est) $18m  
UH Scholarships $1.5m  
Tuition Waivers $1.2m  
Net Revenue Collected (est) $16m

Net Revenue Collected (est) = revenue collected from students, parents, non-UH institutional scholarships (including UH Foundation scholarships), any third party (i.e., tuition benefit from parent’s company; grandparents; outside organization).
Summary: Estimated Tuition Revenue by Residency, UHH, AY 2007–08

Enrollment = 3,573

Resident
2,334
65%

Nonresident
1,239
35%

Total Potential Revenue (est) = $22m
If 100% NR = Full Pay
Net Revenue Collected (est) = $16m

Net Revenue Collected (est) = revenue collected from students, parents, non-UH institutional scholarships (including UH Foundation scholarships), any third party (i.e., tuition benefit from parent’s company; grandparents; outside organization).35

Tuition as an Estimated Share of Cost
UH Undergraduate and Graduate, FY 2003–04 and FY 2011–12 (Projected)

<table>
<thead>
<tr>
<th></th>
<th>Resident FY04</th>
<th>Non-Resident FY04</th>
<th>FY12¹</th>
<th>FY12¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UHM</td>
<td>29%</td>
<td>20%</td>
<td>85%</td>
<td>144%</td>
</tr>
<tr>
<td>UHH</td>
<td>20%</td>
<td>34%</td>
<td>67%</td>
<td>104%</td>
</tr>
<tr>
<td>UHWO</td>
<td>23%</td>
<td>39%</td>
<td>77%</td>
<td>120%</td>
</tr>
<tr>
<td>UHCC</td>
<td>17%</td>
<td>26%</td>
<td>91%</td>
<td>78–130%</td>
</tr>
<tr>
<td>Graduate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UHM</td>
<td>21%</td>
<td>38%</td>
<td>51%</td>
<td>92%</td>
</tr>
<tr>
<td>UHH</td>
<td>27%</td>
<td>40%</td>
<td>64%</td>
<td>91%</td>
</tr>
</tbody>
</table>

¹ 'Projected cost per FTE' was calculated using FY03-04's cost per FTE and a HEPI average.
What Other States / Campuses Do

- Limit by statute or policy
  - 9 states or systems limit nonresidents
    - Caps range from 10% to 45% (e.g., AZ: 30% undergrad; NC: 18% freshman class)
    - Kentucky Revised Statutes: 15% of the entering class in medicine, dentistry, and law schools

- No policy, but in practice, limit numbers
  - Savannah State U: 9% undergrad; 14% grad
  - SUNY Purchase: 20–22%
  - U of S Carolina Aiken: state prefers 20%

- Share based on revenue goals
  - Colorado State U: currently 18%; goal 25% by 2015

- Enrollment management strategy
  - U of California: 3–8% undergraduates

Percent of First-Time Freshmen from Out-of-State Public Four-Year Institutions

Note: 2008 Hawai‘i data are preliminary
Source: NCES migration data
Four Policies Relevant to UH Admissions

- Nonresident enrollment
  - principles and the caps set by BOR policy

- Tuition policy
  - nonresident tuition rate set to cost of education

- Financial aid policy
  - share of tuition revenue used for nonresidents

- Housing policy
  - “to provide reasonable levels of accommodation for students who are residents of the state.” (BOR 7-5)

The purpose of the BOR admissions policy is “to provide for a mix of students while insuring preference for qualified Hawai‘i residents.” (BOR 5-11, 2002)

1. Do our current policies achieve the intended outcomes? i.e., the appropriate balance between resident and nonresident enrollments?

2. Are there other outcomes we wish to accomplish (e.g., maximize revenues)?

3. If so, what revisions to policy are needed to accomplish these outcomes?
Policy Alternatives

- Maintain policy as is
- Eliminate/raise cap (increase nonresidents)
- Lower cap (increase residents)
- Develop a policy that differentiates:
  - Between undergraduates and graduates
  - Among nonresidents (full pay, exempt, 150%)
  - Between graduate & professional schools
  - Eligibility for financial assistance

NR Enrollment Policy Revision Process

<table>
<thead>
<tr>
<th>Action</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conduct informational briefing to BOR</td>
<td>Oct 2008</td>
</tr>
<tr>
<td>Request BOR input</td>
<td>Oct / Nov 2008</td>
</tr>
<tr>
<td>Propose policy revision (if recommended)</td>
<td>Nov 2008</td>
</tr>
<tr>
<td>Consult with stakeholders</td>
<td>Dec 2008 / Jan 2009</td>
</tr>
<tr>
<td>Amend policy proposal</td>
<td>Feb 2009</td>
</tr>
<tr>
<td>Present final proposal to BOR for action</td>
<td>Mar / Apr 2009</td>
</tr>
</tbody>
</table>
Nonresident Tuition Exemptions, UHM AY 2007–08

Total Tuition Charged: $20.8M
Total Value of Forgone Tuition: $24.1M

- East West Center: $2.0m
- Faculty/Staff: $1.9m
- Military: $3.2m
- Native Hawaiian: $2.1m
- Pacific/Asian - Outstanding: $7.6m
- Student Exchange: $1.8m
- Pacific Island: $2.9m
- Western UG Exchange: $22.4m

Note: Military includes Hawai'i national guard and reserve.
Nonresident Enrollment Policy Briefing

Nonresidents Receiving Scholarships & Waivers, UHM, AY 2007–08

Total Received: $14.9m

- Achievement: $1.4m (10%)
- Athletics: $1.9m (13%)
- Centennial: $0.2m (1%)
- International Student: $1.4m (9%)
- Opportunity: $1.4m (10%)
- Employees: $0.7m (5%)
- Opportunities: $1.4m (10%)
- Pacific Islander: $0.1m (0%)
- Grad Assistants: $7.8m (52%)
- Note: Achievement includes merit and service.
- Tuition waivers refer include employees & their spouses, graduate assistants, and Native Hawaiians.

- Need based

APP: 10.23.08

Nonresident Tuition Exemptions, UHH AY 2007–08

Total Tuition Charged: $3.0m
Total Value of Forgone Tuition: $6.3m

- East West Center: $0.06m
- Faculty/Staff: $0.09m
- Military: $0.06m
- Native Hawaiian: $0.03m
- Student Exchange: $0.08m
- Pacific Islander: $0.01m
- Western UG Exchange: $0.16m

Note: Military includes Hawai'i national guard and reserve.

APP: 10.23.08
Nonresident Enrollment Policy Briefing

Nonresidents Receiving Scholarships & Waivers, UHH, AY 2007–08

Waivers

Need based

Native Hawaiians $0.002m 0%
Employees $0.02m 4%

Pacific Islander $0.07m 13%

International Student $0.06m 11%
International Exchange $0.08m 15%
Achievement $0.09m 15%
Athletics $0.23m 42%

Total Received: $0.56m

Note: Achievement includes merit and service.
Tuition waivers refer include employees & their spouses, graduate assistants, and Native Hawaiians.

APP: 10.23.08