



VIII-2.01 – POLICY ON TUITION

Approved by the Board of Regents June 11, 1993; Amended on December 19, 2003; June 23, 2004; June 22, 2005; April 15, 2016; May 1, 2020; December 15, 2023; November 22, 2024

PREAMBLE

The University System of Maryland (“the System”) is committed to ensuring that qualified Maryland residents have access to its institutions and quality education at affordable costs. Students benefit from the education they receive and, therefore, have a responsibility to pay a reasonable share of the costs through tuition. Maryland benefits from having an educated citizenry, thus the State has a responsibility to bear a substantial portion of the costs through its support.

The University System of Maryland also has a responsibility to maximize the efficiency of its operations in order to minimize costs to taxpayers and students. Tuition revenue at an institution, combined with state appropriations, is expected to support quality academic instruction, educational services, and the attainment of national eminence.

The principles set forth in the System's founding legislation include:

- The people of Maryland deserve high quality in all aspects of public higher education.
- Public higher education should be accessible to all who seek and qualify for admission.
- Adequate state funding is critical to ensure access to high-quality public higher education.

To identify the responsibilities of students and the State in funding public higher education and to ensure that the University System of Maryland fulfills its legislative mandates, the System leadership has established a tuition policy. This policy is designed to:

- Ensure that students receive a quality education and enable the System to achieve and sustain national eminence.
- Enhance the State's understanding and appreciation of the significant role state revenues play in supporting the System's goals and providing access to high-quality education.
- Allow the System and its institutions to plan, budget, and allocate resources effectively.
- Keep tuition increases manageable, predictable, and enable students to plan for their educational expenses.
- Provide access to the System institutions for the range of qualified students.
- Recognize and support the individual institutional missions.

I. DEFINITIONS

Tuition: The rate approved by the Board paid by a student to cover their share of credit-based educational instruction and services. It may be published as an annual rate or per credit hour.

State Appropriations: General funds provided annually to an institution, including those from the Higher Education Investment Fund.

Fees: Additional costs beyond tuition, including mandatory and non-mandatory fees for specific programs, activities, or self-funded operations and auxiliary enterprises. Fees support various services and activities essential for institutional operations and community enhancement. See VIII-2.50—Policy on Student Tuition, Fees, and Charges.

Modality: The way students interact with course material, instructors, and other students (e.g., in-person, hybrid, fully online).

Residency: Criteria for assessing in-state resident tuition charges, based on permanent Maryland residency or legislative exceptions. See VIII-2.70—Policy on Student Classification for Admission and Tuition Purposes.

II. TUITION CHARGES

A. General Provisions

Tuition rates will vary by institution and specified student groups based on factors such as mission, program offerings, state appropriations, enrollment, facilities, and other relevant factors. Tuition for each category of student at an institution will be established either as an annual cost or specified as a cost per credit hour. Institutions must seek Board approval for tuition levels based on the following criteria:

1. Residency

- a. Maryland resident students shall benefit primarily from the State’s contribution intended to subsidize their education. In-state tuition rates shall not exceed out-of-state rates.
- b. Institutions are encouraged to enroll students from other states and countries to maximize operations and enhance the institutional community. Non-resident tuition should be set at market levels, and non-resident students should pay additional tuition to offset the State’s contribution for Maryland residents.

2. Attendance Status

- a. Full-time students should pay an annual or term tuition rate, covering the minimum credit hour registration required for full-time status up to the maximum credit hour registration as set by the institution. Additional credit hours beyond this maximum will be charged at a per-credit hour rate.
- b. Part-time students will pay a per-credit hour rate based on their course load.

3. Student level

- a. Undergraduate tuition and credit hour rates may differ from those of graduate and professional programs.
- b. Generally, undergraduate tuition and credit hour rates within an institution should not vary by discipline or cohort.
- c. Graduate and professional programs may set tuition and credit hour rates at market levels based on the discipline or program.

B. Special Criteria for Differential Tuition Rates

Institutions have the option to seek Board approval for differential tuition rates based on the following special criteria:

1. Undergraduate Academic Program Specific Rates

- Certain undergraduate academic programs may have higher costs or specific accreditation standards that justify additional tuition. Institutions may propose a tuition differential for these programs to the approved undergraduate tuition and credit-hour rates.

2. Modality

- Academic programs or courses delivered in different modalities (e.g., in-person, online, hybrid) may have varying costs. Institutions may propose a tuition differential based on the method of delivery.

3. Military, Federal, and Private Contracts

- a. Institutions may set tuition rates for specific groups covered by arrangements with public and private entities.
- b. These rates may not be lower than the corresponding resident tuition rate, except for arrangements with the United States government or where such arrangements are significant to the Institution's mission or when the business plan demonstrates significant financial benefits. Any tuition rate offered under these arrangements should be justified by the specific benefits they bring to the institution and its mission.
- c. The authority granted to an Institution in this section does not apply to increases in the general tuition rates set annually by the Board of Regents.

4. Geographic Considerations

- a. In certain circumstances, institutions may offer reduced tuition rates to students from out-of-state but contiguous counties, specific border-state locations, or other designated geographic areas to promote regional collaboration, enhance student opportunities, and increase educational access.

- b. An institution may define and request eligible counties or locations based on its unique geographic and strategic considerations.
- c. The reduced tuition rates must be justified by the institution based on factors such as regional economic impact, student recruitment goals, and community partnerships.

III. FINANCIAL AID

Institutions should strategically address both need-based and non-need-based institutional financial aid with the goal of maximizing access for all qualified students. This approach should aim to reach specific student populations and enhance enrollment opportunities under the approved tuition rates. See VIII-2.41—Policy on Institutional Student Financial Aid for Undergraduate Students.

IV. IMPLEMENTATION

Upon implementation, Institutions must provide the public with easily accessible information on tuition and total costs. Institutions must ensure transparency and accountability by clearly communicating tuition rates and any differential rates applicable to specific programs or delivery modalities.

- A. The Board of Regents shall approve institutions' tuition rates before implementation. Typically, the Board will approve tuition rates for an academic year during the prior academic year. The University System of Maryland reserves the right to make changes in tuition, fees, and other charges, as necessary.
- B. The Chancellor, following consultation with the Presidents and the Board, shall propose guidelines for tuition. Each President shall recommend tuition within the established guidelines in alignment with the annual operating budget. Institutions will update their tuition plans annually based on guidance and a format provided by the Chancellor.
- C. Institutions proposing to implement tuition differentials under section II.B.1. must provide detailed explanations and justifications as part of their request for Board approval.
- D. Contractual arrangements under section II.B.3. that occur outside the annual Board approval cycle, or those offering rates lower than the approved in-state rates, require pre-approval from the Chancellor.
- E. Institutions proposing to implement reduced tuition rates under section II.B.4. must submit a request to the Chancellor, who will then recommend it to the Board for approval. The proposal should include a detailed rationale, expected benefits, and potential financial implications.

V. REPORTS

To ensure accountability to the Regents and the State, each president of an institution with differential tuition for approved undergraduate academic programs, modalities, and contracts must provide periodic reports in a format and timeline as prescribed by the Chancellor.

- A. For each approved differential tuition rate in section II.B., the report must include:
 1. Baseline data prior to implementation.
 2. The most recent five-year trend following the implementation for all expected outcomes included in the institution's proposal.
 3. Verifiable outcomes, which may include revenue increases directed to institutional aid, increased enrollment, new faculty hires, revenue directed to salary increases, any student socioeconomic or demographic shifts, and changes in student success.
 4. Comments on any negative outcomes, unexpected changes, and required adjustments.
 5. A copy of the current institutional policy and/or guidelines published for students.
- B. Institutions authorized to offer contractual rates lower than the approved in-state tuition rates, under section II.B.3., must periodically report on these activities to the Finance Committee.