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Office of the President

TO MEMBERS OF THE COMMITTEE ON EDUCATIONAL POLICY:

DISCUSSION ITEM

For Meeting of November 14, 2012

UNDERGRADUATE NONRESIDENT ENROLLMENT

The Report of the Commission on the Future included a recommendation that campuses increase the number and proportion of undergraduate nonresident students and that the President monitor systemwide enrollment so the proportion does not exceed ten percent and report annually to the Board. The Regents endorsed the principles of the Report in December 2010. Provost and Executive Vice President Dorr and Executive Vice President Brostrom will provide an update on the enrollment of nonresident undergraduates at the University of California.

Until recently, UC enrollment of undergraduate nonresidents has been less than seven percent of total undergraduate enrollments across the system. UC's public peer institutions typically have much higher enrollments of nonresident students. For example, at the University of Michigan and the University of Virginia, more than one-third of undergraduates are nonresidents. Just as other forms of diversity enhance the educational experiences of students, California's dependence on an increasingly global society and economy requires geographic diversity among the student body. Nonresident students are essential to the University, contributing to the academic quality and educational experience of all students and enhancing the diversity of backgrounds and perspectives on the campuses at which they enroll. Their contributions help prepare all UC students to live and work effectively in an increasingly global world. Nonresident enrollments also help grow and sustain the University's global reach, promoting new opportunities for students and faculty.

Nonresident undergraduates pay approximately $23,000 more than California residents in Nonresident Supplemental Tuition, providing extra revenue that enables UC to improve educational programs for all students. Among other things, Nonresident Supplemental Tuition is used to help recruit and retain high quality faculty, mount additional courses that help lower class sizes and expand the breadth of offerings, expand library collections and services for students, renew instructional equipment and technology, and otherwise ameliorate the dilution of quality that is a result of recent budget cuts.

Many nonresident students choose to stay in California after graduation from UC. The state itself reaps benefits from the contributions to California industries of talented and highly qualified nonresident UC graduates. Nonresidents who stay in California after earning their degree at UC

bolster the pool of educated workers in California and make significant contributions to the state economy.

All UC undergraduate campuses have experienced nonresident enrollment increases, with a systemwide total of about 15,300 undergraduate nonresidents estimated for 2012-13, an increase of about 3,000 over the prior year. This would bring systemwide undergraduate nonresident enrollment to 8.8 percent of the total undergraduate population.

If the proportion of new nonresident students stabilizes at the current level, the proportion of nonresident students at UC is projected to reach ten percent in 2014-15. If the proportion of new nonresident students increases again next fall, that level could be reached in 2013-14. At a special retreat meeting of the Regents in September 2012, the Regents discussed a number of "out-of-the-box" ideas for reducing costs or generating new revenue, including the possibility of increasing the enrollment of nonresident students. The increased revenue would be an important element in the success of achieving UC's goals for reinvesting in the quality of the academic program, while the additional nonresident students would enhance the educational experience for all the reasons described above.