

## Differential Tuition at the University of Nebraska

The proposed 2011-12 operating budget for the University of Nebraska incorporates n

Even with the increases, in-state and out-of-state undergraduate tuition in both the business and

## National Context

A growing number of universities have differential tuition rates in place. According to published reports, about 57 percent of public research universities in the country use differential tuition. These include all institutions in the Big Ten and all of UNL's Board-approved peers, as well as a number of UNO and UNK peer institutions.

A 2008 analysis on the use of differential tuition nationally found that:<sup>1</sup>

Differential tuition rates were most often applied to business, engineering, nursing and architecture programs, in that order.

The most common rationale for implementing differential tuition rates was to cover higher costs of offering a given program. Other reasons included quality enhancement, revenue generation and the potentially higher salaries of graduates in fields such as engineering and business.

Institutions said that differential tuition rates added to their revenue. Moreover, none reported a negative impact on enrollment.

In addition, a new national study shows that students who study engineering and business have significantly higher earning potential than students who major in other areas<sup>2</sup>. The report, from Georgetown University's Center on Education and the Workforce, found that median earnings for full-time, full-year workers with a bachelor's degree in engineering were \$75,000 – the highest by far among the 15 academic groups studied. The median earnings for business graduates was \$60,000, which was tied for third-highest.

The study also showed that engineering majors accounted for seven of the top 10 highest

