

## **Resolution Encouraging Use of Banded Tuition as a Strategy for Student Success and Completion**

August 14, 2014

**WHEREAS**, only three in 10 Hoosiers finish a four-year degree on time and only one in 10 finishes a two-year degree on time;

**WHEREAS**, an additional year of college can cost a Hoosier student more than \$50,000 in tuition, lost wages and related costs;

**WHEREAS**, students must complete a minimum of 30 credits per year to stay on track to graduate on time;

**WHEREAS**, recent state financial aid changes make it critical that students complete 30 credits each academic year to continue receiving the maximum state funding;

**WHEREAS**, long-term costs of extended time to degree are not always apparent to students but short-term tuition charges are;

**WHEREAS**, tuition charged by the credit hour creates a financial disincentives for students to take more courses in a particular semester;

**WHEREAS**, some students elect to take 12 credits per semester instead of 15 when they are charged additional tuition for the fifth course despite the long-term costs;

**WHEREAS**, seven in 10 students at Indiana public institutions that charge banded tuition take 15 credits in a semester compared to two in 10 at institutions that charge by the credit hour;

**WHEREAS**, evidence in Indiana and other states suggests that converting to banded tuition is a promising strategy for increasing student success and on-time completion;

### **NOW THEREFORE BE IT RESOLVED,**

- I. The Commission identifies banded tuition as a critical component of Indiana's on-time completion agenda.
- II. The Commission encourages Indiana's public institutions that currently charge tuition by the credit hour to consider a banded tuition structure.
- III. The Commission urges institutions that do convert to banded tuition to select a tuition rate that does not unnecessarily raise tuition for students currently taking 12 credits.