

# Overview of Professional Degree Supplemental Tuition at the University of California

University of California Office of the President  
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Professional Degree Supplemental Tuition (PDST) plays a key role in the University of California's ability to provide students with high-quality graduate professional degree programs in both traditional and emerging disciplines. This report provides a broad overview of PDST at the University of California, including information about how PDST revenue is used; how PDST levels are established; financial aid and student debt repayment assistance, particularly for students pursuing lower-paying careers in public service; and other topics of interest to The Regents, students, and other University stakeholders.

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***PDST provides critical support for graduate professional degree programs.***

Over 90% of students enrolled in the University's graduate professional degree programs are assessed Professional Degree Supplemental Tuition (PDST) in addition to other student charges of Tuition, the Student Services Fee, campus-based fees, and, if applicable, Nonresident Supplemental Tuition. (Among the graduate professional degree programs that did *not* charge PDST as of fall 2015, over 80% of students were enrolled in Education and Library Science programs.)

The revenue provided by PDST is critical to the viability and success of those graduate professional degree programs. Programs in disciplines such as Business, Law, Medicine, Dentistry, Veterinary Medicine, Public Policy, and other professional disciplines rely on PDST revenue to help provide the faculty, instructional resources, and student services that are necessary to train future generations of highly skilled professionals. PDST revenue also provides substantial levels of financial aid that allow programs to provide targeted grant and scholarship assistance to achieve their goals of student access and affordability.

The resources provided by PDST have become exceptionally important for enhancing program quality and expanding access in an era of limited resources from other sources – e.g., State support (which continues to remain below 2007-08 levels) and Tuition (which has remained flat since 2011-12). Since the establishment of the PDST Policy, the number of programs that assess PDST has grown from 18 programs in five disciplines in 1994 to 66 programs in 38 disciplines in 2016.

PDST may not be assessed by programs that award a Doctor of Philosophy degree, a Master's degree on a path to a Doctor of Philosophy degree, or a Baccalaureate degree.

***Programs’ use of PDST revenue reflects program priorities.***

Professional programs are largely supported by a combination of fund sources, including State general funds, tuition revenue, and PDST revenue, among others. Pursuant to policy, PDST is assessed to sustain and enhance the quality of a graduate professional degree program's instructional program and services. Using expenditure categories provided by UCOP, programs submit multi-year plans for how they expect to use new revenue generated by PDST to sustain program quality, including the rationale for PDST revenue and the benefits accorded to students in the program.

Although expenditures vary by program, year-to-year uses of PDST revenue remain relatively consistent in the aggregate. PDST revenue is expended to provide additional student financial aid (as required by Policy), retain and increase faculty, and maintain and expand programmatic offerings and services, including expanding instructional support staff and purchasing instructional equipment. Display 1 shows the use of new PDST revenue as submitted in multi-year plans.

**Display 1: Reported Expected Expenditures of PDST Increase Revenue, 2015-16**

<b>Expenditure Category</b>	<b>Share of Revenue 2015-16</b>
Providing Additional Student Financial Aid	37.2%
Faculty/Instructor Salaries	22.5%
Program Enhancements (Including Student Services, Instructional Equipment, and Instructional Support Staff)	13.6%
Benefits and UCRP Contributions	10.2%
Facilities and Other Non-salary Costs	16.5%
<b>Total</b>	<b>100.0%</b>

Source: PSDT Program Multi-year Proposals

***Students graduate with manageable debt in light of their expected earnings and loan repayment/forgiveness programs.***

UC programs that assess PDST commit substantial amounts of resources to grants and scholarships, which reduce the amount that students must pay from their own resources. Even with this support, however, student loans are often a necessary component of many financial aid packages.

Display 2 provides information about the debt burden for students in selected PDST programs; burden is expressed as the percentage of the average gross salary among program graduates that would be required to repay the average level of student loan debt among program graduates who have debt.

There is a wide range in the extent to which graduates of programs charging the PDST finish with debt, ranging from 37% to 93%. As at other

institutions, students in Medicine, Dentistry, and Law borrow more than do students in degree programs where graduates expect lower earning potential. In general, given the anticipated average salaries of graduates, the debt remains manageable despite the increase in debt burden.

**Display 2: Percent of Graduates with Debt, Average Debt, Estimated Average Salary Five Years After Graduation, and Debt Burden for Students in Selected Professional Degree Programs with PDST**

Professional Degree Program with PDST	Est. Avg. Salary 5 Years after Graduation <sup>1</sup>	% of Graduates With Debt	Average Student Loan Debt at Graduation	Est. Percentage of Gross Salary for Debt Repayment <sup>2</sup>		
				10-yr Plan	25-yr Plan	PAYE <sup>3</sup> Plan
<b>Business</b>	\$148,490	37%	\$73,513	7%	4%	n/a
<b>Dentistry</b>	\$120,991	89%	\$196,924	23%	14%	9%
<b>Law</b>	\$142,752	74%	\$127,498	13%	8%	9%
<b>Medicine<sup>4</sup></b>	\$112,964	84%	\$134,061	17%	10%	8%
<b>Nursing</b>	\$119,227	68%	\$66,109	8%	5%	n/a
<b>Optometry</b>	\$74,251	93%	\$103,125	20%	12%	8%
<b>Pharmacy</b>	\$152,437	93%	\$113,022	10%	6%	9%
<b>Public Health</b>	\$108,391	45%	\$41,455	5%	3%	n/a
<b>Public Policy</b>	\$102,925	50%	\$44,203	6%	4%	n/a
<b>Theater, Film, and TV</b>	\$54,028	63%	\$121,960	32%	19%	7%
<b>Vet Med</b>	\$91,787	87%	\$138,680	21%	13%	8%

Source: UCOP Student Financial Support, Employee Development Department Quarterly Wage Data, and UCOP Student Data

<sup>1</sup> Only PDST programs with a sample size greater than 100 were used. EDD Quarterly Wage data are adjusted for inflation in 2014 dollars and exclude graduates who are self-employed, partners in professional practices, independent contractors (rather than employees of a firm or organization), and federal employees, as well as those employed outside of California. As a result, earnings data may inaccurately reflect estimated salary, particularly, for graduates in professions such as Medicine and Dentistry with higher proportions of self-employment.

<sup>2</sup> Figures represent the percentage of the average gross salary among program graduates that would be required to repay the average level of student loan debt among program graduates assuming a 6.84% student loan interest rate and either a 10-year or 25-year repayment plan.

<sup>3</sup> Figures represent monthly payments under the federal Pay As You Earn (PAYE) income-based repayment plan. Those shown as "n/a" represent scenarios where a student's payment under PAYE would be higher than the student's payment under a standard 10-year payment plan. In such cases, the student would be better off with a standard 10-year repayment plan and would not be eligible for PAYE.

<sup>4</sup> M.D. program graduates typically participate in residency training programs lasting several years; their average salaries increase markedly between five and ten years after graduation. Specifically, UC graduates with M.D. degrees have an estimated average salary of \$295,810 ten years after graduation, resulting in a much lower percentage of salary required for loan repayment than the percentages shown here.

A variety of mechanisms are now available to make it possible for graduates who wish to pursue lower-paying careers in public service to do so even if they have had to take out loans to afford the degree program. Until recently, resources to assist such students were limited. UC law schools have, for many years, offered loan repayment assistance programs that make loan payments on behalf of eligible graduates who are employed in qualifying positions. (Such programs also help to recruit outstanding students who are interested in public service.) Programs in the health sciences, while not offering such assistance themselves, cite various federal programs that provide loan repayment assistance to

physicians and other health practitioners who serve medically underserved populations. A limited number of state and federal loan repayment benefits are also available for educators.

Since 2012, however, the federal government has provided much more robust assistance for graduate student loan repayment; it is available to all students, regardless of their discipline. Under the “Pay As You Earn” (PAYE) repayment plan (one of several income-driven repayment plans offered), borrowers pay no more than 10% of their discretionary income (defined as their gross income in excess of 150% of the federal poverty level) towards their student loans. The payment amount is based entirely on the student’s income – not the student’s level of indebtedness. Any remaining indebtedness is forgiven after 20 years, although the amount forgiven is currently taxable. However, borrowers can have 100% of their outstanding debt forgiven on a tax-free basis after having worked ten years in a public service career (including government employment and employment with a 501(c)(3) organization). Although PAYE is not always the most appropriate repayment option for all student borrowers, this plan and other income-driven repayment plans offer critical loan repayment relief for borrowers who have large cumulative debt levels or who choose to pursue lower-paying careers.

UCOP reviews PDST proposals to ensure that program graduates are made aware of PAYE as well as other loan repayment options.

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***Professional degree programs help UC meet the State’s workforce needs.***

The industries that will be driving California's longer-term economic competitiveness will be knowledge-based industries. In the early 1980s, professionals and managers held one-fourth of all jobs in California. Today, that fraction has grown to one-third of all jobs.

Many of these positions require technical and specific skills beyond those that can be acquired at the undergraduate level or from a typical graduate academic degree program. The University is well positioned to provide these skills through a series of rigorous graduate professional degree programs. As Display 3 demonstrates, UC programs that assess PDST currently offer training for seven of the ten largest growing occupations in the state where the minimum level of education required is a Master’s, Professional, or Doctoral degree.

**Display 3: The 10 Largest Growing Occupations<sup>1</sup> in California Based on New Jobs and Replacement Needs Requiring Master’s, Professional, or Doctoral Degree**

Occupational Title <sup>2</sup>	Estimated Employment (2012)	Projected Employment (2022) <sup>3</sup>	Projected Growth	Served by UC PDST Program
Lawyers	87,400	97,300	9,900	Yes
Medical Scientists (except epidemiologists)	28,000	33,000	5,000	Yes
Physical Therapists	16,400	21,100	4,700	Yes
Pharmacists	26,900	31,000	4,100	Yes
Educational, Guidance, School, and Vocational Counselors	32,700	36,700	4,000	No
Healthcare Social Workers	13,200	16,400	3,200	Yes
Rehabilitation Counselors	13,900	16,400	2,500	No
Education Administrators, Postsecondary	15,800	18,300	2,500	Yes
Clinical, Counseling, School Psychologists	24,900	27,300	2,400	No
Art, Drama, and Music Teachers, Postsecondary	12,300	14,300	2,000	Yes

<sup>1</sup> Occupations are listed in order from largest to smallest projected employment growth between 2012 and 2022.

<sup>2</sup> Source: California Employment Development Department. “California Occupational Employment Projections Between 2014 and 2016.” Labor Market Information Division, April 2015.

<sup>3</sup> Source: California Employment Development Department. “California Occupational Employment Projections (2012-2022).” Labor Market Information Division, 2015.

***Most graduates of PDST programs work in California after graduation.***

Graduates of UC’s PDST programs typically remain in California after graduation where they contribute to the State’s economic wellbeing. Based on data from the California Employee Development Department (EDD), UC estimates that, at a minimum, about two-thirds of California resident students and one-half of domestic nonresident students who graduated from UC PDST programs remained in California for five years or longer after graduation.

As Display 4 below demonstrates, over 80% of California residents who graduate from UC’s Nursing programs and over 65% of California residents who graduate from UC’s Pharmacy, Social Welfare, Optometry, Law, Business, and Veterinary Medicine programs remain working in California five years after graduating. Additionally, about 60% of domestic nonresident students graduating with degrees in Medicine and Business remain working in the state five years post-graduation.

The actual percentage of graduates employed in California is higher but cannot be precisely known, since EDD figures do not include self-employed workers and federal employees working in the state.

**Display 4: Proportion of PDST Program Graduates Employed in California**

PDST Program	CA Resident				Domestic Nonresident			
	Years After Graduation				Years After Graduation			
	2	3	4	5	2	3	4	5
Applied Econ and Finance	81%	77%	75%	71%	80%	80%	80%	100%
Business	72%	70%	70%	68%	66%	67%	63%	59%
Dentistry	47%	46%	51%	52%	20%	24%	25%	29%
Environmental Design	75%	72%	63%	60%	62%	62%	58%	55%
Law	70%	70%	69%	67%	54%	50%	48%	47%
Medicine	49%	49%	53%	53%	54%	56%	61%	57%
Nursing	84%	83%	82%	81%	66%	59%	55%	53%
Optometry	74%	71%	71%	74%	33%	29%	24%	23%
Pharmacy	66%	68%	68%	69%	60%	61%	59%	55%
Public Health	64%	63%	63%	62%	52%	49%	44%	40%
Public Policy	69%	70%	65%	66%	40%	39%	34%	32%
Social Welfare	86%	84%	83%	75%	79%	72%	58%	56%
Theater, Film, and TV	66%	62%	68%	65%	68%	66%	66%	66%
Urban Planning	67%	63%	64%	63%	73%	67%	55%	78%
Veterinary Medicine	72%	70%	68%	67%	44%	43%	44%	41%

Source: EDD quarterly wage data and UCOP student data. Figures reflect graduating cohorts from 2006 through 2013. International students are excluded because they cannot be reliably matched between the University’s records and those provided by the EDD since EDD primarily collects data on domestic students. Because EDD data exclude both self-employed workers (i.e., sole proprietorships) and federal employees working in California, the figures shown understate the percentage of PDST program graduates who remain in California after graduation. The actual percentage of graduates who remain in California is higher, although it cannot be precisely known.

***The Regents policy on PDST has evolved over time.***

The original Regents policy that established PDST (then referred to as the “Fee for Selected Professional School Students”) in 1994 had three provisions:

- a list of factors to be considered when assessing PDST (the resources needed to sustain academic quality, the ability of the University to remain competitive with other institutions, the cost of education for each program, the average fees charged by comparable public and private institutions, overall State General Fund support for the University, and “other market-based factors”);
- the expectation that PDST be phased in over time so that a student’s total fees are “similar to the average fee charged for that program by comparable, high-quality institutions,” and
- a requirement that at least one-third of PDST revenue be used for financial aid, with the remainder to be retained by the professional program to sustain and enhance the quality of the program and student services and to fund instructional costs.

In 2007, several substantive changes to the Regents policy were made, which are now reflected in the current Regents Policy 3103: Policy on

Professional Degree Supplemental Tuition. Programs were required to propose PDST levels within the context of a multi-year plan that “effectively advances the program’s mission and strategic academic plan.” Programs were required to describe the programmatic reasons for a requested increase, as well as how they will ensure or enhance access and inclusion in the face of rising charges. Also, new requirements regarding student and faculty consultation were introduced. Lastly, each program’s total tuition (including PDST) and fees for California resident students were effectively capped at the average total tuition and fees “charged by comparable degree programs at other comparable public institutions.”

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***Programs are subject to constraints when setting PDST levels.***

The single largest constraint on the level of PDST that programs can charge is the competitive environment in which the University’s graduate professional degree programs must function. UC’s programs compete with both public and private institutions to enroll a talented and diverse student body. As a result, the level of PDST that a program can charge – when combined with Tuition, the Student Services Fee, campus-based fees, and Nonresident Supplemental Tuition (if applicable) – is constrained by a program’s ability to remain competitive in light of students’ other opportunities.

The influence of the marketplace on the PDST levels charged by UC’s PDST programs was acknowledged in PDST policy originally adopted by The Regents in 1994 and continues to be acknowledged in the policy as it exists today. (See the section titled “The Regents policy on PDST has evolved over time” for more information.)

In 2007, The Regents adopted a further policy constraint: programs are also required to ensure that their total in-state charges are at or below the average total in-state charges for comparable public programs. As a result of this policy change, a program that successfully competes with both public and private institutions and that meets every policy requirement related to the proposed use of funds, financial aid and affordability, outreach strategies to enroll a socioeconomically diverse student body, and student and faculty consultation may nonetheless be prevented from introducing even a relatively modest PDST charge – or from proposing a modest increase to an existing PDST charge – if comparable programs at other public institutions have a lower “sticker price” for in-state students.

This policy provision has had several unintended consequences. Inadequate revenue from PDST and other fund sources directly impacts a program’s ability to maintain quality, from faculty hiring and retention to curriculum development and modernization. Programs with insufficient resources, for example, are less able to incorporate new developments in a professional discipline into the training and instruction provided to students, or to make necessary improvements to facilities and instructional equipment, or to provide the supervised practice essential to performance in some fields.

A continued decline in a graduate professional degree program's quality can lead to a decline in its rankings and reputation, which then may indirectly impact the reputation of the campus as a whole. Some graduate professional degree programs may freeze admittance of new students into their program in response to insufficient PDST revenue to maintain program quality. In some cases, campuses may reduce funding support of other programs or services by shifting funds to maintain the quality of their most at-risk graduate professional degree programs.

In light of these consequences, on several dozen occasions, The Regents have approved proposals to begin assessing PDST for a particular program, or to increase an existing PDST charge, as exceptions to this policy provision. In these cases, the proposed PDST levels were determined to be essential to maintaining program quality, and the programs had met all other policy requirements.

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***PDST programs  
dedicate significant  
resources for financial  
aid.***

As part of their multi-year plans, PDST programs must demonstrate a commitment to providing students with grant and scholarship support in order to attract and enroll a highly talented and socioeconomically diverse student body, consistent with the financial aid policy goals first articulated by The Regents in 1994. Whenever a program increases PDST, the program must supplement its financial aid sources by an amount equivalent to at least 33% of new PDST revenue, or provide financial aid in an amount equivalent to at least 33% of all of the program's PDST revenue.

The University's commitment to providing financial aid to students in programs that assess PDST has contributed to the University's success in enrolling a significant number of students from low-income backgrounds into these programs. (See the section titled "PDST programs enroll a significant number of students from low-income backgrounds.") It has also helped mitigate the impact of PDST on student debt at graduation (see the section titled, "Students graduate with manageable debt in light of their earnings and loan repayment/forgiveness programs.")

The University does not, as a matter of policy, restrict eligibility for financial aid only to graduate professional students who are California residents – and, as noted elsewhere in this report, significant numbers of nonresident students in PDST programs remain in California and contribute to the State's economy after they graduate. Even after taking financial aid into account, however, costs are higher for nonresident students because, unlike California resident students, they are also assessed Nonresident Supplemental Tuition in addition to other charges (PDST, Tuition, the Student Services Fee, and campus-based fees).

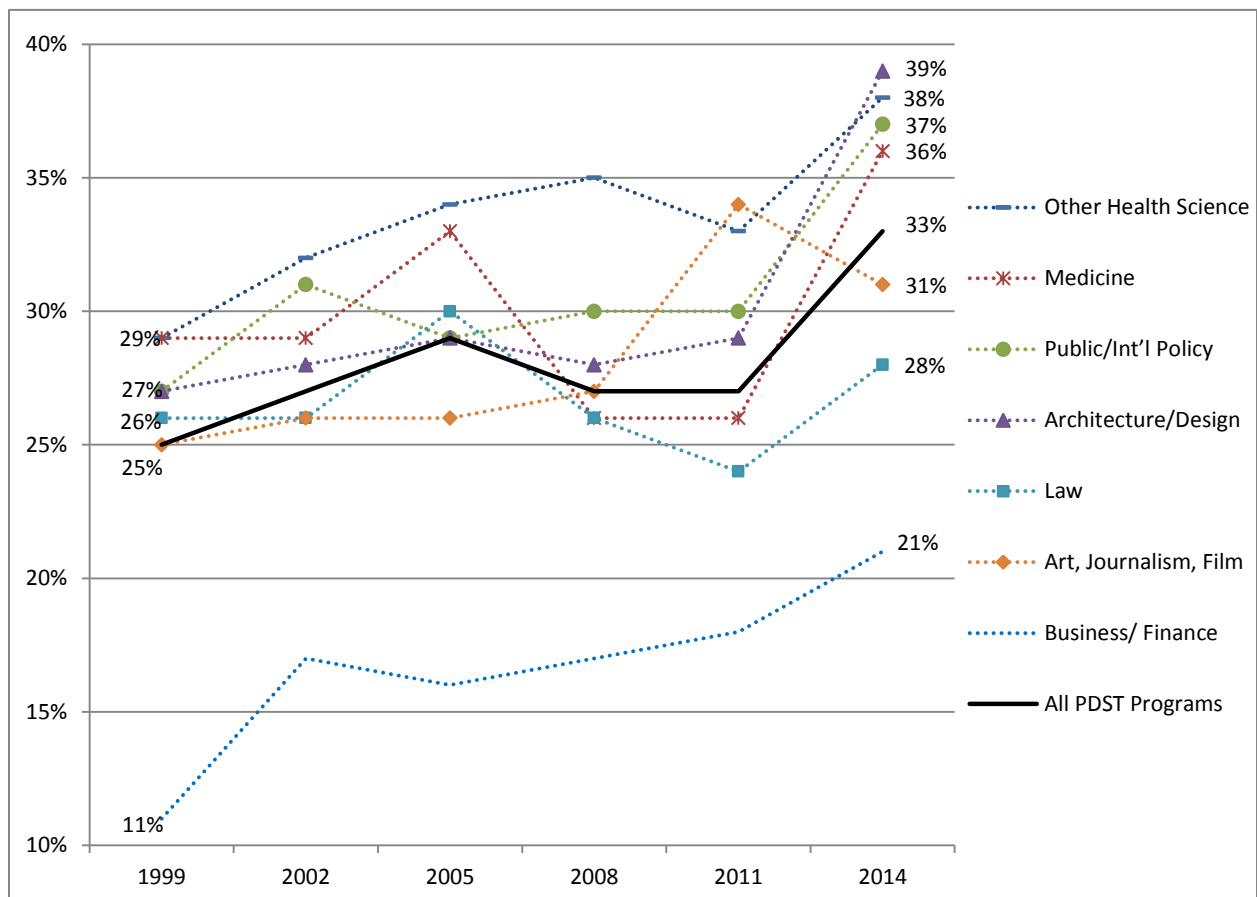
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**PDST programs enroll a significant number of students from low-income backgrounds.**

One of the most striking measures of UC’s success in providing access for students from low-income backgrounds is the proportion and number of graduate professional degree students who as undergraduates received Pell Grants. Pell Grant recipients generally come from families with incomes of \$60,000 or less. Display 5, below, shows 15-year trend data on first-year domestic students who are in PDST programs and who received Pell Grants as undergraduates. For all PDST programs combined, during this period, the proportion has increased from one-quarter to one-third and for six of the seven broad disciplines it has clearly increased – even as PDST levels increased during the same period. In 2014, the range of low-income students across the seven broad disciplines was 21% to 39% and the average was 33%.

**Display 5: Percentage of First-Year Domestic Students in PDST Programs with Pell Grants as Undergraduates by Broad Discipline**



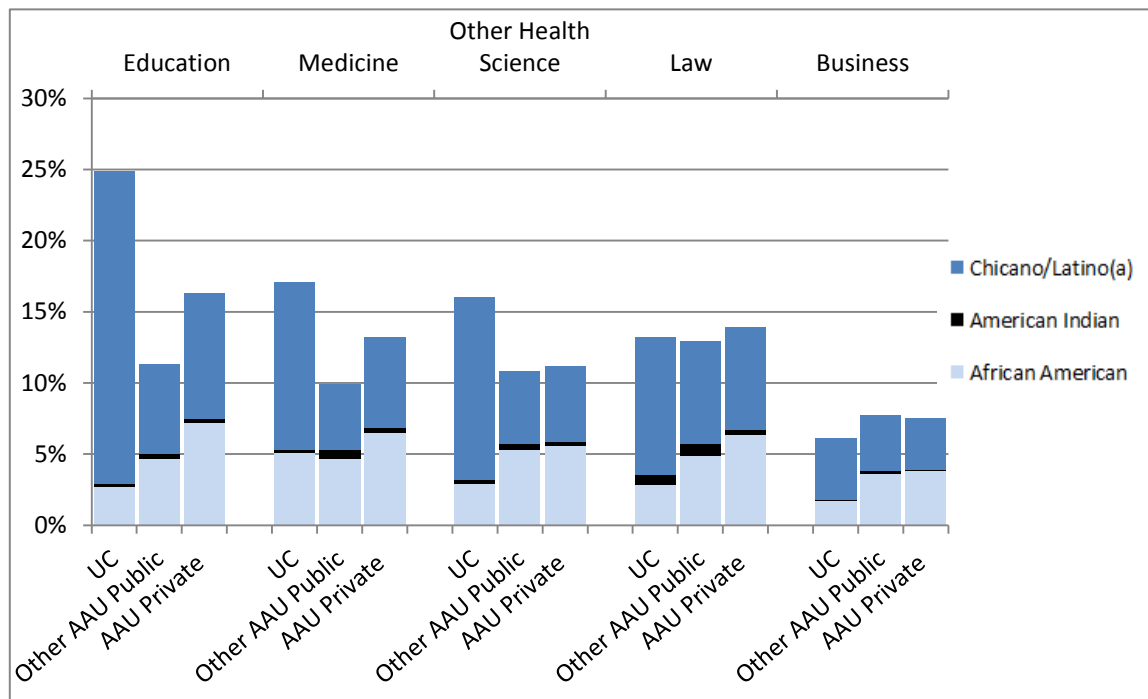
Source: Compiled by UCOP Student Financial Support

**Enrollment of students from underrepresented minority backgrounds varies by PDST program and generally exceeds enrollment at other universities.**

The proportion of students from underrepresented racial/ethnic groups enrolled in UC’s professional degree programs varies widely; however, in all but one case UC’s record exceeds that of its AAU public and private peers. UC awards a greater share of its Education, Medicine, and Other Health Science professional degrees to students from underrepresented racial/ethnic groups than its AAU peers, and a somewhat smaller share of its Business degrees (see Display 6).

The disciplines vary in their racial/ethnic composition, with Business having the smallest percent of underrepresented minorities and Education, the largest. Compared to fall 1999, students from underrepresented minorities enrolled in fall 2015 make up a larger proportion of students in graduate professional degree programs. For example, for graduate professional programs in Law, Education, and Medicine, the proportion of students from underrepresented groups has grown by 7%, 10%, and 4%, respectively. As noted earlier, 90% of students enrolled in the University’s graduate professional degree programs are assessed PDST. Among these students, for all disciplines combined, the percentage from underrepresented groups has increased from 11% in 2006 to 17% in 2015; the increase for African Americans is 2% and the increase for Chicano/Latino(a)s is 3%.

**Display 6: Percentage of Underrepresented Students Receiving Graduate Professional Degrees at UC and at Other AAU Public and Private Universities, 2013-14**

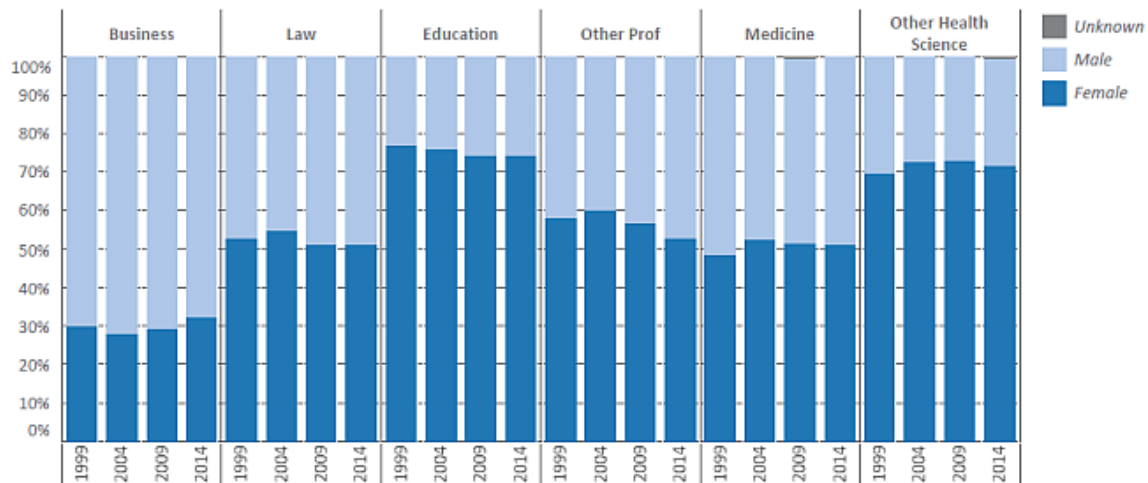


Source: IPEDS

**Diversity by gender varies by PDST program and has changed little in recent years.**

UC recognizes that diversity by gender needs to be monitored for graduate students, postdocs, and faculty and that the different disciplines vary in terms of gender representation. The proportion of women enrolled in graduate professional degree programs varies by discipline as shown in the display below, with women representing over 70% of the student population in Education and Other Health Science programs and about 30% in Business. There is little evidence of consistent or meaningful change from Fall 1999 to Fall 2014. Across all programs that charge PDST, 60% of students are women and there is virtually no change in their representation in the 10 years from 2005 through 2015.

**Display 7: Gender Distribution of Graduate Professional Degree Students by Discipline, Fall 1999 to Fall 2014 (selected years)**



Source: UCOP Student Data

**Programs use multiple strategies to achieve and enhance diversity.**

UC is committed to achieving true diversity for its students, faculty, and staff. Graduate professional degree programs share this commitment, and diversity efforts relevant to these degree programs are implemented at the program, school, and campus level independent of whether a PDST is charged. Nonetheless, a program’s PDST applications are expected to address diversity and to ensure that the PDST level does not create a barrier to the enrollment and degree completion of students from underrepresented income and racial/ethnic groups.

Efforts to promote diversity occur at all stages of the academic pipeline:

- early outreach to inform pre-college students of career options afforded by a given professional school and to encourage the necessary academic preparation for such careers;
- immediate outreach to college students to encourage and prepare students to apply;
- "yield work" to encourage admitted applicants to enroll; and
- support services to ensure that matriculants receive the attention they need to master the program and graduate.

Examples of strategies to increase diversity include the following:

- social media presence and website development;
- networking and outreach through professional and civic societies;
- summer programs for K-12 students; cultivation of alumni “ambassadors;” attendance at recruiting events and activities;
- summer institutes, workshops, and events like “Visit Day;”
- diversity organizations’ outreach, “Visit Day” travel scholarships;
- working with applicants to pursue outside scholarships;
- a pre-semester “Start Up” program;
- providing scholarships and fellowships;
- participation in minority career fairs;
- strategic partnerships with other colleges and universities; and
- workshops for undergraduates.

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***Student and faculty consultation are required when setting PDST levels.***

Professional degree program leadership is required to consult with program faculty and students when proposing to establish or increase a PDST level for the following year. Programs use a variety of approaches in seeking consultation and generally discuss the following in soliciting community feedback, either written or oral, as provided by students and faculty: the rationale for the proposed PDST level, the impact on program quality of that choice, and how any potentially adverse consequences of PDST levels will be mitigated. Each submission to UCOP includes a description of efforts to solicit student and faculty input on the PDST proposal for the next year and confirms that the plan has been shared with the graduate student government leader and, when possible, a professional school student organization leader.

Solicitation of faculty feedback is typically carried out through direct email, town-hall meetings, and discussion during regularly scheduled faculty meetings. UCOP staff review the consultations described in all proposals. Display 14 lists the various approaches programs employed to ensure meaningful consultation with students and faculty.

**Display 8: Summary of Consultation Strategies for Multi-Year PDST Plans Submitted in 2015-16 for Implementation in 2016-17**

	<b>Pct. of Programs</b>
<b>Consultation with Program Students</b>	100%
Town-Hall Style Meetings	45%
Focus Groups	26%
Electronic Communications	34%
Other Consultation Efforts <sup>1</sup>	26%
<b>Consultation with Program Faculty</b>	100%
Town-Hall Style Meetings	13%
Focus Groups	17%
Electronic Communications	53%
Other Consultation Efforts <sup>2</sup>	38%
<b>Review by Campus Graduate Student Body President</b>	100%
<b>Review by Campus Graduate Dean</b>	100%
<b>Endorsement/Approval by Campus Chancellor</b>	100%

Source: PDST Program Multi-year Plans

<sup>1</sup> E.g., meetings with student government officers.

<sup>2</sup> E.g., faculty retreats or other routine faculty meetings.

In recent years, students for the most part understand and anticipate the increases, rather than actively support them. Faculty members are generally more positive and supportive. Both faculty and students want to be affiliated with high-quality graduate professional degree programs and tend to share similar views as to what sustaining or enhancing quality entails. They also share similar concerns about the potential impact of tuition and fees and the high cost of living around many campuses on both (a) a program's ability to enroll a socioeconomically diverse student body and (b) the ability of program graduates to repay their student loan debt – particularly those graduates who choose relatively lower-paying careers, such as many careers in public service. Students also tend to urge the University to reduce administrative costs and provide additional financial aid in order to minimize the impact of PDST levels on the most vulnerable students.

Discussion of these matters during consultation with program students and faculty can result in outcomes such as a decrease in the proposed PDST level; agreement the proposed level is needed and reasonable; expanded plans for fundraising; greater allocation of PDST funds to financial aid; recognition that UC's costs are comparable to (and often lower than) those of other programs that students would also find attractive; and adjustments to the proposed uses of the PDST.

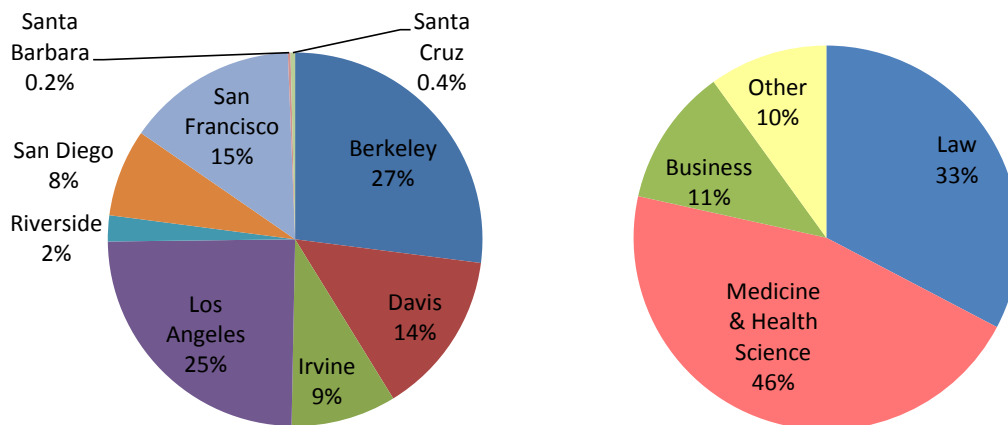
The elected leader of the campus graduate student organization is expected to review the plans for all proposed PDST levels that need

approval by The Regents or by the President. The plans and PDST levels are also reviewed by the Graduate Dean and approved by the Chancellor before they are submitted to UCOP for review and the proposed PDST levels are submitted for approval by The Regents or the President.

**The revenue generated by PDST varies by discipline and campus**

In 2015-16, PDST is expected to generate approximately \$260 million in revenue. PDST revenue remains on the campus for use by the program that generated it. Display 9 depicts the distribution of PDST revenue across the system. As noted earlier, the Merced campus has no PDST programs. PDST programs at the Berkeley and Los Angeles campuses collectively generate over half of all PDST revenue. Roughly one-half of the revenue generated by all nine campuses combined will support programs in the Health Sciences disciplines, one-third will support Law programs, and the remaining one-sixth will support Business and all other PDST programs.

**Display 9: Estimated PDST Revenue by Campus and Broad Discipline, 2015**



Source: UC Corporate Student System

**UC programs consider charges at both private and public institutions when setting their PDST levels.**

Policy requires that graduate professional degree programs use marketplace analysis, as well as program quality, in pricing their programs, taking into consideration the tuition and fees charged by comparator institutions. Most programs consider both public and private comparators in their marketplace analyses. Programs often select comparator institutions by identifying those that compete for the same faculty and students, have admitted student pools of similar quality, have similar student-faculty ratios, and/or have similar national rankings. Programs may also select aspirational peers, or programs they seek to emulate, as comparators. UC programs may not include in their multi-year plans other UC programs as comparators. Display 10 lists the five most frequently used public and private comparison institutions for PDST programs.

Regents Policy 3103 recognizes that UC’s graduate professional degree

programs generally are and should be comparable to similar programs in both public and private institutions of higher education, and that prospective students typically choose between both public and private institutions. The policy calls upon programs to consider total charges at both public and private comparison institutions in setting their PDST levels. A policy change in 2007 also effectively caps a program's total in-state charges at the average in-state charges among comparable programs at public institutions, which has further constrained the resources available to some programs. (See the section titled "Programs are subject to constraints when setting PDST levels" for more information.)

**Display 10: Five Most Frequently Used Public and Private Comparison Institutions for Graduate Professional Degree Programs Charging PDST**

Ranking	Public Comparison Institution	Number/Percentage of PDST Programs Using Comparison Institution
1	U. of Michigan - Ann Arbor	41 / 62%
2	U. of Washington	25 / 38%
3	U. of Pittsburgh	10 / 15%
3	U. of North Carolina - Chapel Hill	10 / 15%
5	Oregon Health & Science University	9 / 14%
5	U. of Minnesota	9 / 14%
5	U. of Virginia	9 / 14%

Ranking	Private Comparison Institution	Number/Percentage of PDST Programs Using Comparison Institution
1	University of Southern California	29 / 44%
2	Stanford University	21 / 32%
3	University of Pennsylvania	19 / 29%
4	Columbia University	17 / 26%
5	Harvard University	16 / 24%

Source: Most recent Multi-Year Plan submitted by each PDST Program

***Nonresident students have higher total charges than resident students, and their enrollment varies by program.***

For students in the same PDST program, total charges paid by nonresident students always exceed total charges paid by California residents. In most programs, the differential is equal to Nonresident Supplemental Tuition (NRST), which is charged only to nonresident students. For 2016-17, NRST for students in PDST programs students is \$12,245.

Some graduate professional degree programs take the additional cost of NRST into account when they establish their PDST level for nonresident students in order to ensure that a program's total charges for resident and nonresident students are appropriate given competitive pressure from

other institutions. In some cases, for example, a program may charge a somewhat lower PDST to nonresident students compared to resident students in consideration of the additional cost of NRST that nonresidents must also pay. Even in such cases, however, nonresidents still have higher total charges than California resident students, but the difference will be less than \$12,245.

In fall 2015, approximately 80% of students in PDST programs were California residents; the remaining 20% were domestic nonresident and international students, in roughly equal numbers. Nearly all domestic nonresident first-year students become California residents after one year; this option is not available to international students, who remain classified as nonresidents for their entire degree program.

California residents represent the majority of students in programs in Education, Law, Public Policy, and the health sciences (over 90% of students in Dentistry, Medicine, Nursing, Optometry, and Pharmacy programs are California residents). In contrast, PDST programs in science, technology, and engineering disciplines, which enroll about 10% of the total PDST student population, tend to enroll a greater proportion of international students.

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***Proposals to assess PDST are carefully reviewed by the Office of the President.***

Proposals to assess PDST for a particular program or to increase the level of an existing PDST charge are submitted to the Office of the President and are considered within the context of a multi-year plan. Each plan is submitted to the Provost for review and approval. Reflecting the University's tripartite mission and commitment to access, affordability, and quality, the multi-year plan is reviewed by the Office of the President for the following information:

- the amount of resources required to sustain quality at, and enrollments in, the particular graduate professional degree program;
- the intended uses and justification for PDST revenue, including the educational benefits that will be provided to students;
- the tuition and fees for comparison programs at public and private institutions of higher education;
- the program's affordability goals, financial aid strategies, and student loan debt trends;
- the program's racial, ethnic, and (when available) socioeconomic student enrollment trends and diversity strategies; and
- the views of the program's student body and faculty on the proposed PDST levels.

During the intensive plan review process, campuses must demonstrate that proposed PDST levels will not adversely affect the University's commitment to access, inclusion, and opportunities for students to pursue lower-paying public interest careers. The Provost also ensures that each



program complements its proposed multi-year plans for PDST levels with financial aid measures, including scholarships, grants, and/or loan repayment assistance programs, to adequately meet these goals. In addition, the appropriateness of each program's selection of comparator programs in public and private institutions is examined, and its total tuition and/or fees compared to those of its comparators. Pursuant to the current policy, programs are expected to demonstrate that their total in-state charges are at or below the average of the total in-state tuition and/or fees charged by comparator degree programs at other public institutions. Programs that submit multi-year plans that do not include sufficient information are required to submit revised proposals in order for their plan to be considered.

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***PDST proposals must be approved by The Regents or, as delegated, by the President***

Pursuant to Regents Policy 3103: Policy on Professional Degree Supplemental Tuition, proposals to begin assessing PDST for a program or to increase a program's PDST level are subject to approval by The Regents. In November 2014, The Regents delegated authority to the President to approve PDST increases of 5% or less for programs already authorized by The Regents to assess PDST. This authority extends through 2019-20.

PDST levels approved for 2016-17 are shown in Attachment A, along with their increase (if any) over 2015-16 levels.

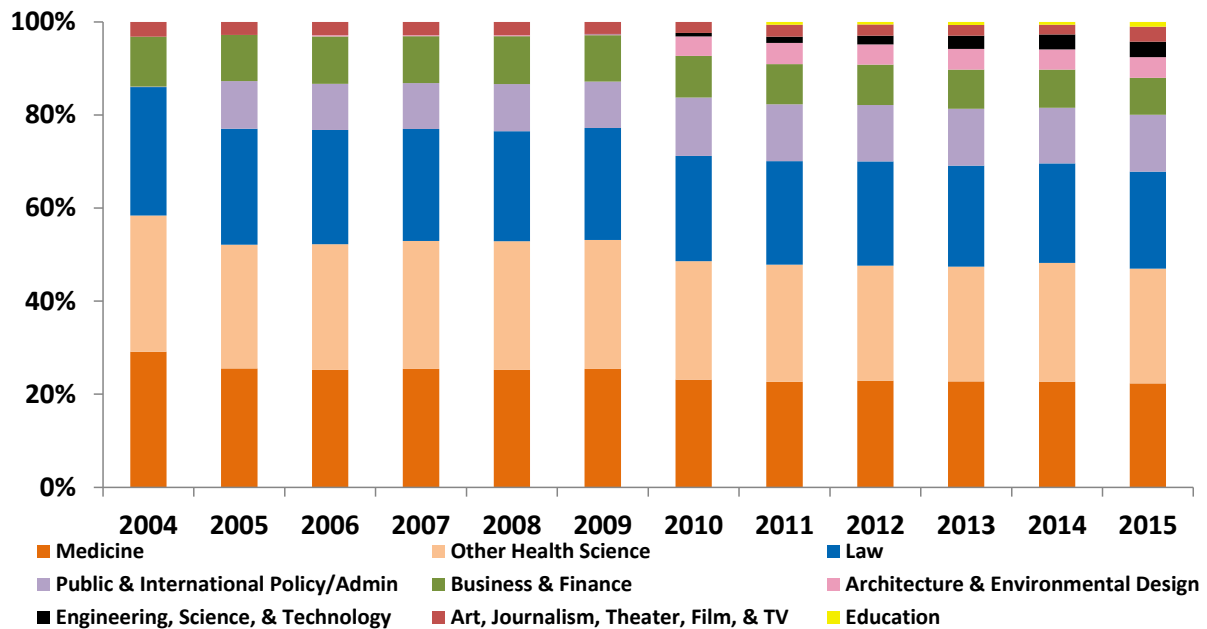
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***PDST is particularly important to programs in the health sciences.***

Instructional support costs for graduate professional degree programs in the health sciences, where supervision of students engaged in direct patient care is almost always necessary, are generally higher than they are in other programs. Health sciences programs, for example, typically require lower student-faculty ratios, which reflect the intensity and requirements of both basic sciences and clinical instruction. Hiring clinical faculty is expensive, as is maintaining national accreditation standards with respect to clinical training and supervision of trainees. UC campuses have also had to revise their curricula and build new and improved facilities for teaching in order to adapt to ongoing changes in the organization and delivery of health services. For example, health sciences programs have moved away from lecture halls to small group instruction and ambulatory care settings in order to better prepare students for the conditions under which they will eventually practice.

Around half of all students enrolled in PDST-charging programs, as Display 11 demonstrates, are typically in health science fields (Medicine, Nursing, Optometry, etc.). Given this high level of enrollment, and the complexity of funding health sciences instruction, roughly one-half of the revenue generated by all nine PDST-charging campuses combined supports programs in the health sciences disciplines. For additional information about the distribution of PDST revenue, see the section titled, "The revenue generated by PDST varies by discipline and campus."

Display 11: Enrollment in PDST Programs by Broad Discipline, 2015 <sup>(a)</sup>



Source:

- (a) Individual PDST programs are grouped into the following broad disciplines:
- **Architecture & Environmental Design:** includes Architecture at Los Angeles, Environmental Science & Engineering at Los Angeles, Environmental Design at Berkeley, and Urban Planning at Los Angeles
  - **Art, Journalism, Theater, Film, & TV:** includes Art at Los Angeles; Journalism at Berkeley; and Theater, Film, TV, and Social Media at Los Angeles
  - **Business and Finance:** includes Applied Economics and Finance at Santa Cruz and the five Business programs at Berkeley, Davis, Irvine, Riverside, and San Diego
  - **Education:** includes Educational Leadership/Administration at Berkeley and Davis and Teacher Education at Berkeley
  - **Engineering, Science, & Technology:** includes Biotechnology Management at Irvine, Engineering at Berkeley, Engineering Management at Irvine, Games and Playable Media at Santa Cruz, Information Management at Berkeley, Product Development at Berkeley, Statistics at Berkeley, Technology and Information Management at Santa Cruz, and Technology Management at Santa Barbara
  - **Law:** includes the four Law programs at Berkeley, Davis, Irvine, and Los Angeles
  - **Medicine:** includes the seven Medicine programs at Berkeley, Davis, Irvine, Los Angeles, Riverside, San Diego, and San Francisco
  - **Other Health Science:** includes Dental Hygiene at San Francisco; Dentistry at Los Angeles and San Francisco; Genetic Counseling at Irvine; Health Informatics at Davis; the four Nursing programs at Davis, Irvine, Los Angeles, and San Francisco; Optometry at Berkeley; Pharmacy at San Diego and San Francisco; Physical Therapy at San Francisco; Preventative Veterinary Medicine at Davis; Translational Medicine jointly offered at Berkeley and San Francisco; and Veterinary Medicine at Davis
  - **Public & International Policy/Admin:** includes Development Practice at Berkeley; International Affairs at San Diego; the four Public Health programs at Berkeley, Davis, Irvine, and Los Angeles; the four Public Policy programs at Berkeley, Irvine, Los Angeles, and Riverside; and Social Welfare at Berkeley and Los Angeles.

**ATTACHMENT A**  
**Professional Degree Supplemental Tuition Levels for Graduate Professional Degree Programs**  
**Effective Fall Term 2016 or Summer Term 2016 for Programs whose Academic Year Starts in the Summer (a)**

**Professional Degree Supplemental Tuition Levels Approved by the President**

		Residents			Nonresidents				
		2015-16 PDST Level	Approved Increase (\$)	Approved Increase (%)	2016-17 PDST Level	2015-16 PDST Level	Approved Increase (\$)	Approved Increase (%)	2016-17 PDST Level
<b>Architecture</b>	Los Angeles	\$8,000	\$400	5.0%	\$8,400	\$8,000	\$400	5.0%	\$8,400
<b>Business</b>	Berkeley	40,476	2,024	5.0%	42,500	30,292	1,514	5.0%	31,806
	Davis	24,507	735	3.0%	25,242	24,507	735	3.0%	25,242
	Irvine	24,024	1,200	5.0%	25,224	19,854	993	5.0%	20,847
	Riverside	23,991	1,200	5.0%	25,191	23,991	1,200	5.0%	25,191
	San Diego	28,473	1,422	5.0%	29,895	20,748	1,035	5.0%	21,783
<b>Dental Hygiene</b>	San Francisco	13,866	693	5.0%	14,559	13,866	693	5.0%	14,559
<b>Dentistry</b>	San Francisco	28,401	852	3.0%	29,253	28,401	852	3.0%	29,253
<b>Environmental Design</b>	Berkeley	6,000	300	5.0%	6,300	6,000	300	5.0%	6,300
<b>Environmental Science and Engineering</b>	Los Angeles	7,560	138	1.8%	7,698	7,600	98	1.3%	7,698
<b>Games and Playable Media</b>	Santa Cruz	29,500	1,480	5.0%	30,980	29,500	1,480	5.0%	30,980
<b>Genetic Counseling</b>	Irvine	9,450	474	5.0%	9,924	9,450	474	5.0%	9,924
<b>Health Informatics</b>	Davis	6,612	198	3.0%	6,810	6,612	198	3.0%	6,810
<b>International Affairs</b>	San Diego	7,977	399	5.0%	8,376	7,977	399	5.0%	8,376
<b>Medicine</b>	Berkeley (Jt. M.D./M.S.)	20,511	615	3.0%	21,126	20,511	615	3.0%	21,126
	Davis	20,511	462	2.3%	20,973	20,511	462	2.3%	20,973
	Irvine	20,511	615	3.0%	21,126	20,511	615	3.0%	21,126
	Los Angeles	20,511	1,026	5.0%	21,537	20,511	1,026	5.0%	21,537
	Riverside	20,511	615	3.0%	21,126	20,511	615	3.0%	21,126
	San Diego	20,511	615	3.0%	21,126	20,511	615	3.0%	21,126
	San Francisco	20,511	615	3.0%	21,126	20,511	615	3.0%	21,126
<b>Nursing</b>	Davis	10,029	501	5.0%	10,530	10,029	501	5.0%	10,530
	Irvine	10,029	501	5.0%	10,530	10,029	501	5.0%	10,530
	Los Angeles	10,029	501	5.0%	10,530	10,029	501	5.0%	10,530
	San Francisco	10,029	501	5.0%	10,530	10,029	501	5.0%	10,530
<b>Pharmacy</b>	San Diego	20,226	606	3.0%	20,832	20,226	606	3.0%	20,832
	San Francisco	20,226	606	3.0%	20,832	20,226	606	3.0%	20,832

(a) Note that the rates shown for California resident students also apply to any nonresident student who is exempt from Nonresident Supplemental Tuition under Regental policy.

**Professional Degree Supplemental Tuition Levels Approved by the President (cont.)**

		Residents			Nonresidents				
		2015-16 PDST Level	Approved Increase (\$)	(%)	2016-17 PDST Level	2015-16 PDST Level	Approved Increase (\$)	(%)	2016-17 PDST Level
<b>Physical Therapy</b>	San Francisco	\$12,597	\$378	3.0%	\$12,975	\$12,954	\$387	3.0%	\$13,341
<b>Product Development</b>	Berkeley	23,100	1,154	5.0%	24,254	16,800	840	5.0%	17,640
<b>Public Health</b>	Berkeley	7,594	380	5.0%	7,974	7,594	380	5.0%	7,974
	Davis	7,416	222	3.0%	7,638	7,886	235	3.0%	8,121
	Irvine	5,895	294	5.0%	6,189	5,895	294	5.0%	6,189
<b>Public Policy</b>	Berkeley	8,422	420	5.0%	8,842	8,948	446	5.0%	9,394
	Irvine	6,249	312	5.0%	6,561	6,249	312	5.0%	6,561
	Los Angeles	7,653	381	5.0%	8,034	8,163	408	5.0%	8,571
<b>Social Welfare</b>	Berkeley	4,200	198	4.7%	4,398	4,200	198	4.7%	4,398
	Los Angeles	5,901	294	5.0%	6,195	6,334	317	5.0%	6,651
<b>Statistics</b>	Berkeley	15,750	788	5.0%	16,538	15,750	788	5.0%	16,538
<b>Technology Management</b>	Santa Barbara	32,004	966	3.0%	32,970	32,004	966	3.0%	32,970
<b>Theater, Film, and Television</b>	Los Angeles	10,011	501	5.0%	10,512	10,011	501	5.0%	10,512
<b>Translational Medicine</b>	Berkeley (Jt. San Francisco)	31,542	1,260	4.0%	32,802	31,542	1,260	4.0%	32,802
<b>Urban Planning</b>	Los Angeles	6,249	312	5.0%	6,561	6,711	336	5.0%	7,047

**Professional Degree Supplemental Tuition Levels That Continue at Their Current Approved Levels (a)**

		Residents			Nonresidents				
		2015-16 PDST Level	Increase (\$)	Increase (%)	2016-17 PDST Level	2015-16 PDST Level	Increase (\$)		Increase (%)
<b>Applied Economics and Finance</b>	Santa Cruz	\$8,001	\$0	0.0%	\$8,001	\$8,001	\$0	0.0%	\$8,001
<b>Art (M.F.A.)</b>	Los Angeles	8,478	0	0.0%	8,478	5,298	0	0.0%	5,298
<b>Biotechnology Management</b>	Irvine	12,600	0	0.0%	12,600	11,718	0	0.0%	11,718
<b>Dentistry</b>	Los Angeles	25,368	0	0.0%	25,368	22,173	0	0.0%	22,173
<b>Development Practice</b>	Berkeley	18,600	0	0.0%	18,600	18,600	0	0.0%	18,600
<b>Educational Leadership</b>	Davis (Ed.D.)	4,410	0	0.0%	4,410	4,410	0	0.0%	4,410
	Berkeley (M.A.)	6,000	0	0.0%	6,000	6,000	0	0.0%	6,000
<b>Engineering Management</b>	Irvine	12,600	0	0.0%	12,600	12,600	0	0.0%	12,600
<b>Engineering (M.Eng.)</b>	Berkeley	33,700	0	0.0%	33,700	24,700	0	0.0%	24,700
<b>Information Management</b>	Berkeley	7,140	0	0.0%	7,140	7,140	0	0.0%	7,140
<b>Journalism</b>	Berkeley	7,500	0	0.0%	7,500	7,500	0	0.0%	7,500
<b>Law</b>	Berkeley	35,164	0	0.0%	35,164	26,870	0	0.0%	26,870
	Davis	34,182	0	0.0%	34,182	31,188	0	0.0%	31,188
	Irvine	31,755	0	0.0%	31,755	26,004	0	0.0%	26,004
	Los Angeles	31,755	0	0.0%	31,755	26,004	0	0.0%	26,004
<b>Optometry</b>	Berkeley	17,258	0	0.0%	17,258	16,436	0	0.0%	16,436
<b>Preventive Veterinary Medicine</b>	Davis	5,886	0	0.0%	5,886	6,351	0	0.0%	6,351
<b>Public Health</b>	Los Angeles	7,200	0	0.0%	7,200	7,656	0	0.0%	7,656
<b>Public Policy</b>	Riverside	5,952	0	0.0%	5,952	5,952	0	0.0%	5,952
<b>Teacher Education</b>	Berkeley	6,000	0	0.0%	6,000	6,000	0	0.0%	6,000
<b>Technology and Information Management</b>	Santa Cruz	23,000	0	0.0%	23,000	14,000	0	0.0%	14,000
<b>Veterinary Medicine</b>	Davis	15,594	0	0.0%	15,594	15,594	0	0.0%	15,594

(a) Note that the rates shown for California resident students also apply to any nonresident student who is exempt from Nonresident Supplemental Tuition under Regental policy.

**New Programs Approved by The Regents in May 2016**

**2016-17 PDST Levels**

		<u>Residents</u>	<u>Nonresidents</u>
<b>Biomedical and Translational Science</b>			
	Irvine	\$10,491	\$10,491
<b>Public Policy</b>			
	San Diego	8,376	8,376