

[News](#)

Grand Canyon University freezes tuition, hopes to attract students

by **Alyson Zepeda** - Apr. 17, 2011 12:00 AM

Cronkite news

Recommend

Be the first of your friends to recommend this.

2

PHOENIX - At Arizona's public universities, incoming resident students will pay from \$8,474 to \$9,716 a year in tuition and fees come fall because of state [funding](#) cuts. That's an increase of 45 percent to 72 percent since the 2008-09 school year, depending on the university.

But at Grand Canyon University, a private Christian institution, tuition, although higher at \$16,500 a year, isn't changing and hasn't since 2009.

For Brian Mueller, the school's CEO, freezing tuition isn't so much an attempt to lure students away from state universities as a way to attract high-school graduates who would normally leave the state to attend a public or private school.

However, Mueller said he can see the possibility that Grand Canyon University will draw some students who might have attended Arizona State University, the [University of Arizona](#) and Northern Arizona University.

"Really, we are now competitive, room, board, tuition and fees with state universities, which are heavily tax subsidized," he said.

With the school's unique [business](#) structure as a publicly traded company and with revenue from 40,000 online students, a virtual student body dwarfing the 3,000 students on campus, there was just no need to raise tuition, he said.

Mueller said that in the end, both groups of students are benefiting from low tuition, and the additional revenue is pumped back to investors and into the physical campus.

"Lower-class and middle-class Americans can go to a private university and do it for about a third of the cost of what it would cost to go to most private universities," he said.

Jamie Mones, a freshman nursing student from Saudi Arabia, said that Grand Canyon University recruited her and offered her a scholarship to offset some of the costs. If tuition had increased for next year, Mones said she might not have been able to stay at the school.

"Most likely, if I knew it would be difficult for me to find other scholarships that could help me stay here, then yeah, maybe I'd just start looking somewhere else," she said.

Recently, Grand Canyon and other for-profit universities came under fire for recruitment practices.

The school's parent company, Grand Canyon Education Inc. based in Phoenix, recently paid \$5. million to settle a lawsuit alleging that the university violated U.S. Department of Education regulations by tying recruiter compensation to the number of students they enroll.

However, Ron Gunderson, an economics professor at Northern Arizona University, said Grand Canyon University may be an example of a narrowing gap between public and private universities.

As students attending public institutions are increasingly asked to pick up a greater share of tuition costs, he said, the price difference between private schools and public schools shrinks.

"As a result, I think we might find more students considering . . . private education as a viable alternative where they couldn't do that before," he said.