



# MEMORANDUM

November 9, 2022

## **2023-24 Guidelines for the Review and Recommendation of Tuition and General Fee Adjustments by Institutional Boards of Trustees**

The Utah Board of Higher Education sets tuition and general fee schedules for USHE institutions each spring. The Board asks institutional boards of trustees to review institutional requests and recommend tuition and fee adjustments that are reasonable, justifiable, and ensure affordability for all Utah students. Each institution's board of trustees chair will present recommendations to the Board as part of tuition and fee deliberations on March 16, 2023.

The Office of the Commissioner proposes the attached guidelines for trustees, including general principles and directions for submitting written reports to the Board.

### **Commissioner's Recommendation**

The Commissioner recommends the Committee review and adopt the proposed guidelines and forward to the full Board for final approval and direct the Office of the Commissioner to distribute them to institutional boards of trustees.

### **Attachment**

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Each institution's board of trustees chair will present recommendations to the Board as part of tuition and fee deliberations on March 16, 2023. Written trustee reports should be submitted to the Office of the Commissioner no later than March 2, 2023.

### **Tuition**

#### General Principles

1. Tuition increases may occur for three reasons: 1. to match legislative funding for compensation and other mandatory costs; 2. as an offset for a reduction in student fees; and 3. to increase revenue for specific institutional needs.
2. Tuition increases for institutional needs should be rigorously scrutinized to ensure they meet specific institutional needs, are justifiable, and are affordable.
3. All alternative funding sources should be considered before increases to tuition are proposed.

#### Institutional Proposal

Presidents who wish to adjust their institution's tuition rate must submit a formal, written proposal to the Board of Higher Education that includes the following:

1. The total tuition adjustment in both dollars and percentage increase or decrease;
2. A detailed list of how the institution plans to use the additional tuition revenue, which may include tuition adjustments required to meet Legislative funding matches for compensation and internal service fees, faculty promotion and tenure adjustments, and other operating needs identified by the institution;
3. The anticipated impact of the proposed tuition adjustment on student access, retention, and completion rates;

4. Rationale and justification for why the tuition rate adjustment is necessary, including reference to the institution's efforts to fund the proposed uses with existing resources through internal reallocation or institutional efficiencies;
5. Documentation that shows support from the Board of Trustees; and
6. Documentation that shows students were advised of the proposed tuition rates through Truth-in-tuition Hearings, and at degree-granting institutions, Student Body Leadership Councils.

### Trustee Review and Report

Boards of Trustees should scrutinize proposals to increase tuition rates and provide a written recommendation to the Board that details:

1. **Justification:** does the institution provide adequate detail and description of the need and uses of the new revenue, and does the institution adequately justify the need to increase tuition?
2. **Alternative Funding:** has the institution explored other funding sources for the need before proposing a tuition increase?
3. **Affordability Impact:** how will a tuition increase affect the affordability for Utah students in the institution's service region?
4. **Underserved Impact:** how will a tuition increase affect the ability of underserved Utah students in the institution's service region to attend the institution?
5. **Compliance with Policy:** do tuition charges and recommendations comply with Board Policy R510, *Tuition*, and R511, *Tuition Disclosures and Consultation*?

## **General Fees<sup>1</sup>**

### General Principles

1. General student fees are institution-wide mandatory fees assessed to students upon registration to benefit students broadly and to support student inclusion, enrichment, and success as a campus community.
2. Institutions may not use revenue from general student fees to fund instruction, academic support, general administrative expenses, or other expenses that should reasonably be covered with state appropriations or tuition.
3. All alternative funding sources should be considered before new fees, or fee increases are proposed.

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<sup>1</sup> This section applies to degree-granting institutions; technical colleges are not authorized to charge general student fees (R516, *General Student Fees*)

4. Student fee requests should be rigorously scrutinized to ensure they are justifiable, reasonable, and benefit students. Boards of Trustees should particularly assess how general student fees support diversity, equity, and inclusion

### General Student Fee Advisory Board

Each institution's general student fee advisory board shall require an annual report from each student fee program manager that:

1. Reviews institutional enrollment projections and enrollment impact on general student fee revenue,
2. Examines whether each general student fee may be proportionally adjusted with enrollment change, and
3. Assesses fund balances.

The general student fee advisory board shall provide a report of their annual review of each general student fee, including any recommendations for revision or repeal, to the board of trustees, which shall review the information and may make recommendations for revision or repeal of a general student fee.

### Trustee Review and Report

Boards of Trustees should scrutinize proposals to increase general fees and provide a written recommendation to the Board that details for each fee:

1. **Justification:** does the institution provide adequate detail and description of the need and uses of the new revenue, and does the institution adequately justify the need to increase the fee? For new fees – is the fee for a service that should reasonably be covered by state appropriations or tuition?
2. **Alternative Funding:** has the institution explored other funding sources for the need before proposing a fee increase?
3. **Affordability Impact:** how will the fee increase affect the affordability for Utah students in the institution's service region?
4. **Underserved Impact:** how will the fee increase impact underserved Utah students in the institution's service region? What is the impact on equity, diversity, and inclusion?
5. **Compliance with Policy:** do general fee charges and recommendations comply with Board Policy R516, *General Student Fees*?

Trustees should also assess the adequacy of individual general student fee fund balances and approve multi-year budgets for large expenditures or reserves needing multi-year revenues.

### Approval of General Student Fees for Facility Construction

Institutions proposing new general student fees for student-approved facility construction or renovation projects are required by Board Policy R516, *General Student Fees*, to conduct a vote of the student body. Boards of trustees are asked to consider the results of the student body vote, including the percentage of the student body who voted in the election and the percentage of students who voted in favor of the proposal. Regardless of the outcome of the student vote, institutional boards of trustees are asked to evaluate the need for the fee in their annual recommendation to the Board of Higher Education.

### 5-year Comprehensive Review

Beginning in 2020-21 and every five years thereafter, the general student fee advisory board and the board of trustees shall comprehensively review all general student fees and determine whether each fee should be retained, transitioned to tuition or state appropriations, or repealed. Boards of trustees shall submit a report of their comprehensive review, including the justification for each fee, to the Utah Board of Higher Education.

### **Office of the Commissioner of Higher Education**

The Office of the Commissioner will work with institutions to provide boards of trustees with information to aid in the tuition-and-fee-setting process, including:

- Current and proposed tuition and fees
- Tuition and fee comparisons with peers
- State appropriations for instructional expenses
- Enrollment and completion metrics
- Affordability measures