



UTAH SYSTEM OF
HIGHER EDUCATION

MEMORANDUM

November 9, 2022

Update on Technical College Tuition Alignment

During the Fall of 2021, the internal auditors for the Utah System of Higher Education performed an audit of technical colleges regarding fees. An audit of Technical College Courses and Program Fees was released in October 2021. This audit was foundational in preparing the technical colleges for the transition to credit-based tuition and re-set the methods used in developing fees. The audit provided guidance to the technical colleges regarding the newly adopted Board policy R517, *Course and Program Fees*, and the efforts that would be required for the technical colleges to comply with this new policy. Board policy R517 was initially adopted in May 2021, providing certain temporary exceptions for technical colleges. These temporary exceptions were intended to allow time for the technical colleges to develop new fee strategies and methodologies.

On May 25, 2022, the Commissioner's Office held the first in-person meeting with technical college presidents and finance officers to begin the process of developing a new credit-based tuition model. This meeting was attended by representatives from the eight technical colleges and included the three degree-granting institutions with a technical education mission. Having those degree-granting institutions present was very beneficial as this process began. They provided unique perspectives as institutions that already use credit-based tuition models and technical education using a membership hour-based model. During this meeting, the following accomplishments were made:

- Established guiding principles for developing a credit-based tuition model
- Established a roadmap of how to move to a credit-based tuition model
- Determined that the new model would include standard tuition, differential tuition, and course fees
- Determined that general student fees would not be charged to students at technical colleges but that any existing general student fees would be rolled into tuition in the new model
- Reviewed Board policy R517, *Course and Program Fees*, and determined that this new policy and the new tuition methodology would require changes in existing fee practices
- Discussed timelines for tuition development and implementation.
- Reviewed an estimate of future institutional credit hours based on current membership hours
- Studied an initial calculation for each technical college of credit-based tuition, which included current general student fees

In the September 16, 2022, Board meeting, the Utah Board of Higher Education approved revisions to several Board policies that needed modification for the technical colleges to move forward with credit-based tuition and comply with Board policies. The policies that were revised include the following:

- R510, *Tuition*
- R511, *Tuition Disclosures and Consultation*
- R512, *Determination of Resident Status*
- R514, *Refunds of Tuition, Fees and other Student Charges*
- R516, *General Student Fees*
- R517, *Course and Program Fees*

Since the initial meeting in May, several meetings have been held, and numerous emails have been exchanged to develop and refine this process. Several iterations of credit-based standard tuition rates have been developed, examined, clarified, and refined. Each institution has been involved, and efforts have been made to develop a standard tuition rate comparable to but not identical to technical colleges throughout the state. While efforts have been made to standardize the process, each institution offers a different set of programs in areas of the state with different economies and growth patterns. Each institution has a different mix of a standard tuition rate, differential tuition, and various course fees. The standard of a rigorous, system-level, analysis of a change in tuition rates has been met.

The result is a range of proposed standard tuition rates for credit-based tuition at technical colleges. Most of the technical colleges have estimated a standard credit-based tuition rate of between \$95 and \$105 per credit hour. General student fees have been eliminated and rolled into tuition. Several course fees have been reduced or eliminated altogether, and rolled into tuition. In many cases, while proposed tuition rates have increased, the increase is offset by a reduction of general student fees and/or course fees. Therefore, in many cases, the net cost to students, overall, has not changed. This methodology should meet the transparency objectives requested by the State Auditor.

Southwest Technical College is holding a truth-in-tuition hearing on October 28, 2022, and plans to present its request for a credit-based tuition rate and differential tuition rates in the November 18, 2022, meeting of the Board of Higher Education.

March is the normal cycle for tuition rate approvals. All institutions will plan to present tuition rates for FY 2024 in the March Board meeting. All technical colleges will need to bring forward their membership hour-based tuition rates for approval. These rates will still apply to students who began their program before the approval of credit-based rates and to all students at institutions that have not yet moved to credit. It is anticipated that there will be no increase in those membership hour-based rates from the rates approved for FY 2023.

Also, in March, those technical colleges ready to implement credit will need to bring forward their credit-based tuition rates for FY 2024. All institutions will be encouraged to bring these rates forward in March. Those institutions which are not yet ready will be allowed to bring forward those rates throughout the year when they are ready.

Commissioner's Recommendation

This is a discussion item only; no action is required.