

**FLORIDA BOARD OF GOVERNORS
NOTICE OF PROPOSED REGULATION AMENDMENT**

DATE: September 30, 2009

REGULATION NUMBER AND TITLE: 7.001 - Tuition and Associated Fees

SUMMARY: The changes include updating the undergraduate tuition per credit hour based on action taken by the Board in May, including tuition differential requirements pursuant to Legislative action and the August action of the Board on need-based financial aid, and finally some technical clarifications.

FULL TEXT OF THE REGULATION IS INCLUDED WITH THIS NOTICE.

AUTHORITY TO AMEND REGULATION(S): Section 7(d), Art. IX, Fla. Const.; BOG Regulation Development Procedure dated March 23, 2006.

THE BOARD OF GOVERNORS' OFFICIAL INITIATING THE PROPOSED AMENDMENT TO THE REGULATION: Tim Jones, Chief Financial Officer

COMMENTS REGARDING THE PROPOSED AMENDMENT SHOULD BE SUBMITTED WITHIN 14 DAYS OF THE DATE OF THIS NOTICE TO THE CONTACT PERSON IDENTIFIED BELOW. The comments must identify the regulation on which you are commenting:

General Counsel, Board of Governors, State University System, 325 W. Gaines Street, Suite 1614, Tallahassee, Florida 32399, (850) 245-0466 (phone), (850) 245-9685 (fax), or generalcounsel@flbog.edu.

7.001 Tuition and Associated Fees

(1) All students shall pay tuition and associated fees, unless waived pursuant to Regulation 7.008, as authorized by the Board of Governors or its designee.

(2) Tuition shall be defined as the basic fee assessed to students for enrollment in credit courses at any of the state universities. Non-resident tuition shall be defined as the basic fee and out-of-state fee assessed to non-resident students for enrollment in credit courses at any of the state universities. The out-of-state fee is the additional fee charged to a non-resident student. The non-resident tuition must be sufficient to offset the full instructional cost of serving the non-resident student. Calculations of the full cost of instruction shall be based on the university average of the prior year's cost of programs using the expenditure analysis.

(3) Effective with the Fall 2009~~8~~ term, undergraduate tuition shall be \$88.59~~\$82.03~~ per credit hour.

(4) Each university board of trustees may set tuition for graduate, including ~~and~~ professional, programs.

(5) Each university board of trustees may set out-of-state fees for undergraduate ~~and~~, graduate, including ~~and~~ professional, programs.

(6) Associated fees shall include the following fees and other fees as authorized by the Board of Governors:

- (a) Student Financial Aid Fee;
- (b) Capital Improvement Fee;
- (c) Building Fee;
- (d) Health Fee;
- (e) Athletic Fee;
- (f) Activity and Service Fee;
- (g) Non-Resident Student Financial Aid Fee, if applicable;
- (h) Technology Fee; and
- (i) Tuition Differential.

(7) Students shall pay tuition and associated fees or make other appropriate arrangements for the payment of tuition and associated fees (installment payment, deferment, or third party billing) by the deadline established by the university for the courses in which the student is enrolled, which shall be no later than the end of the second week of class.

(8) Registration shall be defined as the formal selection of one or more credit courses approved and scheduled by the university and tuition payment, partial or otherwise, or other appropriate arrangements for tuition payment (installment payment, deferment, or third party billing) for the courses in which the student is enrolled as of the end of the drop/add period.

(9) Tuition and associated fees liability shall be defined as the liability for the payment of tuition and associated fees incurred at the point at which the student has completed registration, as defined above.

(10) Tuition and associated fees shall be levied and collected for each student registered in a credit course, unless provided otherwise in Board regulations.

(11) Each student enrolled in the same undergraduate college-credit course more than twice shall pay tuition at 100 percent of the full cost of instruction and shall not be included in calculations of full-time equivalent enrollments for state funding purposes. Students who withdraw or fail a class due to extenuating circumstances may be granted an exception only once for each class pursuant to established university regulations. The university may review and reduce these fees paid by students due to continued enrollment in a college-credit class on an individual basis contingent upon the student's financial hardship. For purposes of this paragraph, first-time enrollment in a class shall mean enrollment in a class fall semester 1997 or thereafter. Calculations of the full cost of instruction shall be based on the system-wide average of the prior year's cost of undergraduate programs in the state university system using the expenditure analysis.

(12) Each FAMU student enrolled in the same college-preparatory class more than twice shall pay 100 percent of the full cost of instruction to support continuous enrollment of that student in the same class, and shall not be included in calculations of full-time equivalent enrollments for state funding purposes. Students who withdraw or fail a class due to extenuating circumstances may be granted an exception only once for each class pursuant to established university regulations. Calculations of the full cost of instruction shall be based on FAMU's average of the prior year's cost of remedial undergraduate programs using the expenditure analysis and adjusted by the percentage budget increase in the current year appropriation.

(13) The university board of trustees may submit a proposal to the Budget, Finance, and Business Operations (BFBO) Committee of the Board of Governors by May 31 of each year to establish an undergraduate tuition differential ~~tuition~~ to be effective with the fall academic term. The tuition differential shall promote improvements to undergraduate education and provide financial aid to undergraduate students who have financial need. University boards of trustees

shall have flexibility in distributing need-based financial aid awards according to university policies and Board of Governors' regulations.

(a) The aggregate sum of tuition and tuition differential can not be increased by more than 15 percent of the total charged for the aggregate sum of these fees in the preceding fiscal year.

1. The tuition differential may be assessed on one or more undergraduate courses or all undergraduate courses and may vary by campus or center location.

2. The sum of undergraduate tuition and associated fees per credit hour may not exceed the national average undergraduate tuition and fees at four-year degree granting public postsecondary educational institutions.

3. Students having prepaid contracts in effect on July 1, 2007, and which remain in effect, are exempt from paying the tuition differential.

4. Students who were in attendance at the university before July 1, 2007 and maintain continuous enrollment may not be charged the tuition differential.

(b) The university board of trustees' proposal shall be submitted in a format designated by the Chancellor, and include at a minimum ~~under the~~ following criteria:

1. The course or courses for which the tuition differential will be assessed.

2. The amount that will be assessed for each tuition differential proposed.

3. The purpose of the tuition differential.

4. Identification of how the revenues from the tuition differential will be used to promote improvements in the quality of undergraduate education and to provide financial aid to undergraduate students who have financial need.

a. For the purposes of the following subsection,

i. "Financial aid fee revenue" means financial aid fee funds collected in the prior year.

ii. "Private sources" means prior-year revenue from sources other than the financial aid fee or the direct appropriation for financial assistance provided to state universities in the General Appropriations Act.

b. At least thirty percent of the revenue shall be expended to provide need-based financial aid to undergraduate students to meet the cost of university attendance.

i. Universities shall increase undergraduate need-based aid over the prior year by at least thirty percent of the tuition differential.

ii. This expenditure shall not supplant the amount of need-based aid provided to undergraduate students in the preceding fiscal year from financial aid fee revenues, the

direct appropriation for financial assistance provided to state universities in the general appropriations act, or from private sources.

iii. If a university's total undergraduate need-based awards does not meet or exceed the sum of the prior year's undergraduate need-based awards plus thirty percent of new tuition differential funds, the university may still be considered in compliance. However, the university shall provide detailed documentation demonstrating that the difference is attributed to a decrease in financial aid fee collections (Regulation 7.003(20)), tuition differential collections, the direct appropriation for student financial assistance in the General Appropriations Act, and/or a decrease in foundation endowments that support undergraduate need-based aid awards.

c. The remaining revenue shall be expended on undergraduate education.

5. Indicate how the university will monitor the success of the tuition differential in achieving the purpose for which the tuition differential is being assessed.

(c) The BFBO Committee will examine data gathered as part of the University Annual Reports instituted pursuant to Regulation 2.002 to inform members' deliberations regarding institutional proposals for tuition differential increases. At a minimum, the Committee will review:

1. Undergraduate retention and graduation rates.
2. Percentage of students graduating with more than 110 percent of the hours required for graduation.
3. Licensure pass rates for completers of appropriate undergraduate programs.
4. Number of undergraduate course offerings.
5. Percentage of undergraduate students who are taught by each instructor type.
6. Average salaries of faculty who teach undergraduate courses.
7. Undergraduate student-faculty ratio.
8. Other university specific measures identified by the boards of trustees pursuant to subparagraph (13)(b)5.
9. Number of need-based financial aid awards provided, average award, and median award.

(d) The BFBO Committee shall review each proposal and advise the university board of trustees of the need for any additional information or

revision to the proposal. The BFBO Committee will make a recommendation to the Board of Governors at the next scheduled meeting.

(e) The Board of Governors will act upon the BFBO Committee recommendation at the next scheduled meeting. If a university board of trustees' proposal is denied, within five days the university board of trustees may request reconsideration by the Board's Tuition Appeals Committee, which shall consist of the Chair of the Board and the Chair of each Board committee. The Tuition Appeals Committee will meet within ten days after the Board of Governors denial to consider a university board of trustees request for reconsideration.

(f) Each university board of trustees that has been approved to assess a tuition differential shall submit the following information to the Board of Governors General Office in a format and at a time designated by the Chancellor, so that such information can be incorporated into a system report that will be submitted to the Governor and Legislature by January 1.

1. The amount of tuition differential assessed.
2. The course or courses for which the tuition differential was assessed.
3. Total revenues generated.
4. Number of students eligible for a waiver as outlined in Regulation 7.008(20), number of these students receiving a waiver, and the value of these waivers.
5. Detailed expenditures (submitted as a part of the August operating budget).
6. Detailed reporting of financial aid sources and disbursements sufficient to meet the requirements in subparagraph (13)(b)4.
7. Data on indicators outlined in subparagraph (13)(c).

(g) Universities must maintain the need-based financial aid revenue generated from the tuition differential in a separate Education and General account, with the revenue budget in the Student and Other Fee Trust Fund.

(h) If, after approval by the Board of Governors, a university determines that modifications need to be made to the monitoring and implementation of the proposed undergraduate improvement programs, the university shall notify the Chancellor.

~~(a) A university that meets the Funding Level I definition outlined in section 1004.635(3), Florida Statutes may implement an undergraduate differential tuition that does not exceed 40 percent of the undergraduate tuition.~~

~~(b) A university with at least \$100 million in total research and development expenditures as reported annually to the National Science Foundation may implement an undergraduate differential tuition that does not~~

~~exceed 30 percent of the undergraduate tuition. This subsection does not apply to Funding Level I universities.~~

~~(c) The combination of the undergraduate tuition increase and the differential tuition increase may not be increased by more than 15 percent annually.~~

~~(d) The following categories of students are exempt from undergraduate differential tuition: students who were in attendance at a university before July 1, 2007 and who have maintained continuous enrollment and students who are beneficiaries of prepaid tuition contracts that were in effect on July 1, 2007.~~

~~(e) Each university establishing an undergraduate differential tuition shall annually report in the operating budget the revenue and detailed expenditures for improving direct undergraduate instruction and support services, as prescribed by the Board of Governors' General Office. The revenue generated from the differential tuition must be spent on direct undergraduate instruction and support services.~~

Authority: Section 7(d), Art. IX, Fla. Const.; History—Former BOR Rule 6C-7.001, Adopted 4-8-79, Renumbered 12-16-74, Amended 6-28-76, 7-4-78, 8-6-79, 9-28-81, 12-14-83, 7-25-84, 10-2-84, 10-7-85, Formerly 6C-7.01, Amended 12-25-86, 11-16-87, 10-19-88, 10-17-89, 10-15-90, 9-15-91, 1-8-92, 11-9-92, 7-22-93, 8-1-94, 11-29-94, 4-16-96, 8-12-96, 9-30-97, 12-15-97, 8-11-98, 9-30-98, 8-12-99, 8-3-00, 8-28-00, 8-12-01, Amended and Renumbered as 7.001 09-25-08, Amended _____.