FLORIDA BOARD OF GOVERNORS NOTICE OF PROPOSED REGULATION AMENDMENT

DATE: November 10, 2010

REGULATION NUMBER AND TITLE: 7.001 – Tuition and Associated Fees

SUMMARY: Pursuant to Section 1009.24(15)(a)(3), this regulation has been amended to establish a process for the submission of university proposals for market tuition for graduate level on-line courses and graduate level courses offered through continuing education.

The regulation excludes critical needs areas as identified in the Board strategic plan. These include certain education, health professions, and Security & Emergency Services programs. The university can request from the chancellor an exemption to submit a proposal in these areas if it can be demonstrated to increase the number of graduates.

There will be a pilot period of three years. During this time only five proposals per year may be submitted. After three years the university will provide a report on the success of these programs.

A university cannot take existing state-funded programs and replace those with market tuition programs.

FULL TEXT OF THE REGULATION ISINCLUDED WITH THISNOTICE.

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 general counsel @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 2010 term, undergraduate tuition shall be \$95.67 per credit hour.
- (4) Each university board of trustees may set tuition for graduate, including professional, programs.
- (5) Each university board of trustees may set out-of-state fees for undergraduate and graduate, including 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.

fee amount. The block tuition policy can only be implemented beginning with the fall term.

- (a) The proposal shall be submitted in a format designated by the Chancellor and include at a minimum:
 - 1. An explanation of the process used to determine the block tuition ranges.
 - 2. An explanation of how the university will ensure that sufficient courses are available to meet student demand.
 - 3. A description of how the policy is aligned with the mission of the university.
 - 4. A declaratory statement that the policy does not increase the state's fiscal liability or obligation.
 - 5. An explanation of any proposed restrictions, limitations, or conditions to be placed on the policy.
 - 6. A clear statement that any student that is a beneficiary of a prepaid tuition contract, purchased prior to the first fall term in which the block tuition is implemented, will not be included in any block tuition policy and will be billed on a per-credit-hour basis. The university shall work with the Florida Prepaid Board to determine how block tuition will be paid for <u>beneficiaries of students purchasing</u> prepaid tuition contracts after implementation of block tuition. The university shall report the final resolution to the budget committee.
 - 7. An estimation of the economic impact that implementation of the policy will have on the university and the student by identifying the incremental revenue the university anticipates collecting if this policy is implemented and the financial impact on the typical student subject to the policy.
 - 8. A description of any outcome measures that will be used to determine the success of the policy, including but not limited to, time to degree, course load impact, and graduation rates.
- (b) The Board of Governors will act upon the budget 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,

be continued or modified. The university board of trustees shall submit its findings to the Board.

- (14) As a component of the annual university Work Plan, a board of trustees may submit a proposal to the budget committee of the Board of Governors by May 31 of each year to establish an increase in the undergraduate tuition differential to be implemented 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:
 - 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

- 5. Percentage of undergraduate students who are taught by each instructor type.
- 6. A verage 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 (14)(b)5.
- 9. Number of need-based financial aid awards provided, average award, and median award.
- (d) The budget 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 budget committee will make a recommendation to the Board of Governors at the next scheduled meeting.
- (e) The Board of Governors will act upon the budget 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 (14)(b)4.
 - 7. Data on indicators outlined in subparagraph (14)(c).

(h) If, after approval by the Board of Governors, a university determines that modifications need to be made to the monitoring and implementation

- (d) The Board of Governors will act upon the budget 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.
- (e) If a university charges a market tuition rate for a course within an approved program, preference shall be given to Florida residents in the admission process for similar state funded programs.
- (f) Enrollments and degrees granted in market tuition rate program cohorts shall be reported in a manner to be determined by the Chancellor.
- (g) Credit hours generated by courses in market tuition rate program cohorts shall not be reported as fundable credit hours and all costs shall be recouped within the market tuition rate.
- (h) Programs and associated courses approved for market tuition rate shall not supplant existing university offerings funded by state appropriations.
- (i) Each university approved to offer market tuition rates shall provide an annual status report in a format designated by the Chancellor.