Tuition and Financial Aid Policy Review

Effective with the 2005-2006 Academic Year
Current Statutory Timing

October
- Latest date for tuition/fees recommendation to Board

November
- Board of Regents must set tuition/mandatory fees

December
- State’s Revenue Estimating Conference (REC) sets maximum state spending levels

January
- Legislative session begins and Governor’s budget presented
Current Statutory Timing

- March
  - REC re-evaluates state receipts

- April, May or June
  - State appropriations finalized

- May/June
  - Tuition rates effective for summer session

- July
  - Fiscal year begins
Statutory Timing Issues

- Current statutory tuition setting deadlines do not allow for consideration of official state spending levels when determining appropriate tuition rates.

- Flexibility is necessary to adjust tuition rates to address unforeseen negative actions regarding state appropriations, external funds, enrollments, or other financial factors.

- While a later date is advisable, a final date later than March would seriously compromise institutional budgeting and student financial aid awards.
Proposed Changes to Timing of Tuition Setting

- December/February with a March statutory deadline
  - Early December - REC sets official state spending levels
  - Mid-December - Recommendations for tuition/fees presented to the Board
  - Early February - Board approves tuition rates for the coming year
- Under unusual circumstances, Board could delay finalizing tuition until its March meeting
- Current statutory requirements for a 30-day notification of students should be retained
Current Mandatory Fees

- Computer Fee
- Health Fee
- Health Facility Fee
- Student Activities Fee
- Student Services Fee
- Student Union Fee
- Building Fee
Mandatory Fees Issues

- Mandatory fees determined when tuition is set
- Mandatory fees vary by university
- Students have a primary role
- Mandatory fees proposals determined on basis of anticipated costs
Proposed Changes to Mandatory Fees

Not seeking statutory changes

- Retain current statutory requirements for a 30-day notification of students
- Retain current statutory requirements for student fee committee input on allocation of fees

Clarifying Board policy

- Disclose the origination of the proposed fee
- Identify the basis for the fee
- Obtain documentation from the recognized student body governments indicating the extent of student support for the new fee.
- Require unexpended mandatory fees be used for original purposes
Miscellaneous Fees Issues

Timing
- Non-tuition-related miscellaneous fees approved by the Board each spring

Purposes
- Non-tuition-related miscellaneous fees represent 47 categories and almost 150 specific transaction fees such as fees for schedule changes, transcripts charges, and late fees

Variations
- Some fees exist at all universities, but not always at same amount
- Other fees have been created at a specific institution and do not exist at others

Threshold for Board review
- Board reviews all institutional or college-wide fees over $1 per semester and all department fees over $10 semester
Proposed Changes to Miscellaneous Fees

- **Timing**
  - Continue to review fees in spring

- **Purposes**
  - Continue to allow diverse purposes for miscellaneous fees consistent with best practices

- **Variations**
  - Re-emphasize the need for consistency in charges among institutions and between institutional units

- **Thresholds**
  - All new institutional or college-wide fees
  - Fees of $20 or more per occurrence
  - University presidents authorized to change fees as long as the fees remain below the $20 threshold per occurrence
Camp Adventure™ (UNI) Issues

- UNI contracts with U.S. Military
  - Funds full cost of instruction of Camp Adventure™ participants (college credits, living arrangements, and expenses)
  - Federal guidelines allow for waiving tuition
- Students pay $285 for 12 hours of continuing education credits, inconsistent with current Board policies
- Auditor of State recommended review and determination of tuition and credit policies for the program
Proposed Changes to Camp Adventure™ (UNI)

- UNI should continue to offer the program consistent with the following guidelines:
  - Charge the Board-approved resident or nonresident tuition rates to students enrolled for academic credit in the Camp Adventure™ program
  - Board policy does not and should not provide tuition waivers
  - Consider establishing a scholarship program for Camp Adventure™ students to provide for the relevant tuition charges
Current Tuition Set-Aside

- Mandated minimum of 15% of gross tuition revenues to be set aside for student aid

- Tuition aid set-aside for FY 2004 provides approximately $79 million for student financial aid

- For FY 2004, tuition set-asides range from 17.1% to 22.1% of tuition revenues
Tuition Set-Aside Issues

- Determine appropriateness of continuing minimum 15% set-aside of tuition revenues
- Confirm appropriateness of variations among universities in setting aside additional tuition revenues for student financial aid
- Evaluate benefits of specific minimum allocations to undergraduates, Iowa residents, and students with financial need
Proposed Changes to Tuition Set-Aside

- Continue the minimum set-aside rate of gross tuition revenues for student financial aid at 15%.

- Within the Board-mandated 15% tuition set-aside, no less that 50% of the dollars to be distributed to undergraduate students.

  - Of the undergraduate proportion of tuition set-aside, no less than 50% of the dollars to be distributed to resident students.

  - Of the undergraduate proportion of tuition set-aside, no less than 50% of the dollars to be distributed for aid to students with need.
Proposed Changes to Tuition Set-Aside

- Authorize each university to set aside additional tuition revenues for student aid
  - Up to an additional 10% of gross tuition revenues, not subject to the restrictions of the first 15%
- Authorize a transition period to ensure continuation of current financial aid commitments to students
Tuition Issues for Future Meetings

- Basis for charging tuition
- Budgeting processes
- Fees for athletics
- Lakeside Laboratory
- Miscellaneous fees (tuition-related)
- Surcharges (differential tuition)