

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 than 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)