

May 7, 2014

MEMORANDUM

TO: State Board of Regents
FROM: David L. Buhler
SUBJECT: Revision of Policy R511, Tuition Disclosures and Consultation

Issue

Policy R511, *Tuition Disclosures and Consultation* has been reviewed by the Office of the Commissioner as part of our on-going review of all Regental policies. During the review, OCHE staff, along with institutional representatives, determined that some clarification language would be helpful and obsolete language and references should be removed.

Background

Along with the deletions of references to UCAT and the timing of tuition decisions, are several reference clean-ups and the addition of a "Tuition Percentage" paragraph (section 4.1.1.). The language has been added to clarify the intent of the Utah Code that institutions shall disclose the aggregate percentage increase of first and second tier tuition and the dollar increase per semester. This addition also helps provide uniform and clarifying direction to institutions as regards to tuition disclosure reporting.

Commissioner's Recommendation

The Commissioner recommends that the Regents approve the revisions to policy R511, *Tuition Disclosures and Consultation*, effective immediately.

David L. Buhler
Commissioner of Higher Education

DLB/GLS/DAM
Attachment

R511-1. Purpose: To establish procedures (1) for institutions to consult with students prior to recommending tuition increases to the Board, (2) for the Board to consult with students prior to adopting projected tuition increases as part of the budget process, (3) for the Board to consult with students prior to approving increases of the tuition to be charged to the students at the institutions, and (4) for institutions to disclose to students the full cost of instruction and the amount of that cost that is covered by tuition.

R511-2. References

- 2.1. Utah Code §53B-7-101 (Combined Requests for Appropriations—Board review of operating budgets—Submission of budgets—Recommendations—Hearing request—Appropriation formulas—Allocations—Dedicated credits—Financial affairs.)
- 2.2. Utah Code §53B-7-101.5 (Proposed tuition increases—Notice—Hearings.)
- 2.3. Utah Code §53B-7-105 (Higher education cost disclosure.)
- 2.4. Policy and Procedures R510, Tuition and Fees
- ~~2.5. Policy and Procedures R513, Tuition Waivers and Reductions~~
- ~~2.6. Policy and Procedures R824, Tuition Remission Benefits~~

R511-3. Definitions

- 3.1. **Full Cost of Instruction** – As derived from a calculation that allocates functional overhead expenditure categories to instruction, excluding the amount spent directly on research and public service or the overhead allocated to research and public service. Overhead categories defined by the National Association of College and University Business ~~Officials~~ Officers include student services, institutional support, physical plant operation and maintenance, and academic support. Full cost of instruction is reported in the USHE Data Book for the most recently completed year.
- 3.2. **Tuition** – Board-approved amounts for a full-time undergraduate student (R510).
- 3.3. **General Student Fees** – Board approved amounts which are assessed to students directly, required to be paid with tuition, and are generally dedicated to specific purposes, such as building revenue bonds, extracurricular student activities, additional student services such as health clinics or computer labs, or athletics (R510). Fees for specific courses are not included.

R511-4. Disclosures for Tuition Increases – “Truth in Tuition”

- 4.1. **Institutional Consultation with Students:** Prior to recommending a tuition increase to the Board of Regents, the President or his or her designee shall hold a public meeting to provide an explanation that is consistent with the format prescribed by Utah Code §53B-7-101.5.(4) of the reasons for the proposed increase, ~~an explanation of~~ how the revenue generated by the increase will be used, ~~consistent with the~~

¹ Approved February 16, 2001, amended June 4, 2004.

~~format prescribed by Utah Code §53B-7-101.5(4)~~, and an opportunity for public comment from students. After consultation with student leaders, public notice of the time, place, and purpose of the public meeting shall be provided through an advertisement in the student newspaper or by other forms of written notification at least two times within the ten day period prior to the meeting date, consistent with the standards prescribed in Utah Code §53B-7-101.5(2) and (3).

[4.1.1. Tuition Percentage – Institutions shall disclose the aggregate percentage increase of first and second tier tuition \(R510.3.1 and 3.2\) and the dollar increase per semester.](#)

4.2. State Board of Regents Consultation with Students: The State Board of Regents, prior to adopting projected tuition increases as part of the budget process or prior to approving any increase in tuition, shall hold a public hearing as part of a regularly scheduled meeting of the Board. In the hearing the Board shall provide an explanation of the reasons for the proposed increase, an explanation of how the revenue generated by the increase will be used, and an opportunity for public comment from students. The Board shall provide written notice of the hearing to the members of the Utah Council of Student-body Presidents at least one week prior to the date of the hearing.

~~**4.3.— Frequency of Consultations:** The Board considers any projected tuition increase each Fall as part of the Board's request to the Governor and the Legislature for appropriations for the next fiscal year. This process is subject to consultations with students as provided herein. After the appropriations process is completed by the Legislature, the Board levies the tuition increases for the next fiscal year as they were projected in the Fall, or levies adjusted tuition increases, if necessary. Before the institution requests, or the Board levies a tuition increase different from what was projected in the Fall, the institution and/or Board must consult with students as provided herein.~~

R511-5. Disclosure of Tuition and Higher Education Costs

5.1. Disclosure of Tuition Relative to Full Cost of Instruction – Consistent with Utah Code §53B-7-105, each institution shall disclose to its undergraduate resident students at the time of registration, in dollar figures for a full-time equivalent student (a) the full cost of instruction, (b) the amount collected from student tuition and fees, and (c) the difference between the amounts for the full cost of instruction and the student tuition and fees, noting that the difference between the cost and tuition was paid by state tax funds and other monies.

5.2. Amounts Based on One Semester for the Current Year – ~~Except for the Utah College of Applied Technology (see 5.2.1),~~ The amounts for full-time equivalent student tuition and general student fees and estimated full costs of instruction should be based on 15 credit hours for one semester for the current academic year. Tuition and fee amounts which support the full cost of instruction, prior to any reductions for statutory tuition waivers (R513) or employee tuition remissions (R824), shall be used.

~~**5.2.1.— Utah College of Applied Technology Disclosure Based on Weekly Amounts**—For the Utah College of Applied Technology, tuition and fees and estimated full costs of instruction should be based on a weekly full-time student who enrolls for 30 membership hours per week.~~

5.3. Content of Cost Disclosure – Amounts for the full cost of instruction shall be estimated by the Office of the Commissioner of Higher Education in consultation with the institutions, relying on existing USHE cost study reporting practices. The content of the disclosure shall be in a statement with essentially the same content as the following:

Full-time undergraduate resident students at **[Institution Name]** paying a **[semester/weekly]** tuition and fee amount of **[tuition dollar amount]** (before any financial aid, scholarships, or waivers) contribute an estimated **[percentage]** percent to the full cost of instruction per full-time student of **[full cost dollar amount]**. The remaining support for the full cost of instruction is provided by **[tax funds dollar amount]** of state tax funds and **[other funds dollar amount]** of other institutional revenue sources.

5.4. Method of Cost Disclosure – Institutions may choose to disclose this information through a variety of methods, so long as the information is disclosed plainly and is readily available for students and other constituencies. These methods may include disclosure through (1) the course catalog, (2) the course schedule, (3) tuition invoices, (4) tuition receipts, (5) the cashier’s office window, or (6) other Internet and printed materials that list tuition schedules, tuition payment procedures and timelines, or other registration and tuition -related information.

R511-1. Purpose: To establish procedures (1) for institutions to consult with students prior to recommending tuition increases to the Board, (2) for the Board to consult with students prior to adopting projected tuition increases as part of the budget process, (3) for the Board to consult with students prior to approving increases of the tuition to be charged to the students at the institutions, and (4) for institutions to disclose to students the full cost of instruction and the amount of that cost that is covered by tuition.

R511-2. References

- 2.1. Utah Code §53B-7-101 (Combined Requests for Appropriations—Board review of operating budgets—Submission of budgets—Recommendations—Hearing request—Appropriation formulas—Allocations—Dedicated credits—Financial affairs.)
- 2.2. Utah Code §53B-7-101.5 (Proposed tuition increases—Notice—Hearings.)
- 2.3. Utah Code §53B-7-105 (Higher education cost disclosure.)
- 2.4. Policy and Procedures R510, Tuition and Fees

R511-3. Definitions

- 3.1. **Full Cost of Instruction** – As derived from a calculation that allocates functional overhead expenditure categories to instruction, excluding the amount spent directly on research and public service or the overhead allocated to research and public service. Overhead categories defined by the National Association of College and University Business Officers include student services, institutional support, physical plant operation and maintenance, and academic support. Full cost of instruction is reported in the USHE Data Book for the most recently completed year.
- 3.2. **Tuition** – Board-approved amounts for a full-time undergraduate student (R510).
- 3.3. **General Student Fees** – Board approved amounts which are assessed to students directly, required to be paid with tuition, and are generally dedicated to specific purposes, such as building revenue bonds, extracurricular student activities, additional student services such as health clinics or computer labs, or athletics (R510). Fees for specific courses are not included.

R511-4. Disclosures for Tuition Increases – “Truth in Tuition”

- 4.1. **Institutional Consultation with Students:** Prior to recommending a tuition increase to the Board of Regents, the President or his or her designee shall hold a public meeting to provide an explanation that is consistent with the format prescribed by Utah Code §53B-7-101.5.(4) of the reasons for the proposed increase, how the revenue generated by the increase will be used, and an opportunity for public comment from students. After consultation with student leaders, public notice of the time, place, and purpose of the public meeting shall be provided through an advertisement in the student newspaper or by other forms of

¹ Approved February 16, 2001, amended June 4, 2004.

written notification at least two times within the ten day period prior to the meeting date, consistent with the standards prescribed in Utah Code §53B-7-101.5.(2) and (3).

4.1.1. Tuition Percentage – Institutions shall disclose the aggregate percentage increase of first and second tier tuition (R510.3.1 and 3.2) and the dollar increase per semester.

4.2. State Board of Regents Consultation with Students: The State Board of Regents, prior to adopting projected tuition increases as part of the budget process or prior to approving any increase in tuition, shall hold a public hearing as part of a regularly scheduled meeting of the Board. In the hearing the Board shall provide an explanation of the reasons for the proposed increase, an explanation of how the revenue generated by the increase will be used, and an opportunity for public comment from students. The Board shall provide written notice of the hearing to the members of the Utah Council of Student-body Presidents at least one week prior to the date of the hearing.

R511-5. Disclosure of Tuition and Higher Education Costs

5.1. Disclosure of Tuition Relative to Full Cost of Instruction – Consistent with Utah Code §53B-7-105, each institution shall disclose to its undergraduate resident students at the time of registration, in dollar figures for a full-time equivalent student (a) the full cost of instruction, (b) the amount collected from student tuition and fees, and (c) the difference between the amounts for the full cost of instruction and the student tuition and fees, noting that the difference between the cost and tuition was paid by state tax funds and other monies.

5.2. Amounts Based on One Semester for the Current Year –The amounts for full-time equivalent student tuition and general student fees and estimated full costs of instruction should be based on 15 credit hours for one semester for the current academic year. Tuition and fee amounts which support the full cost of instruction, prior to any reductions for statutory tuition waivers (R513) or employee tuition remissions (R824), shall be used.

5.3. Content of Cost Disclosure – Amounts for the full cost of instruction shall be estimated by the Office of the Commissioner of Higher Education in consultation with the institutions, relying on existing USHE cost study reporting practices. The content of the disclosure shall be in a statement with essentially the same content as the following:

Full-time undergraduate resident students at [Institution Name] paying a [semester/weekly] tuition and fee amount of [tuition dollar amount] (before any financial aid, scholarships, or waivers) contribute an estimated [percentage] percent to the full cost of instruction per full-time student of [full cost dollar amount]. The remaining support for the full cost of instruction is provided by [tax funds dollar amount] of state tax funds and [other funds dollar amount] of other institutional revenue sources.

5.4. Method of Cost Disclosure – Institutions may choose to disclose this information through a variety of methods, so long as the information is disclosed plainly and is readily available for students and other constituencies. These methods may include disclosure through (1) the course catalog, (2) the course schedule, (3) tuition invoices, (4) tuition receipts, (5) the cashier's office window, or (6) other Internet and printed materials that list tuition schedules, tuition payment procedures and timelines, or other registration and tuition -related information.