

May 9, 2018

MEMORANDUM

TO: State Board of Regents
FROM: David L. Buhler
SUBJECT: Revision of Policy R513, *Tuition Waivers and Reductions*

Issue

The Board of Regents are asked to approve revisions to Regent Policy R513, *Tuition Waivers and Reductions*.

Background

At the July 2017 meeting, the Board received its annual report on the use of the statutory tuition waivers for both resident and nonresident students from the Commissioner's Office staff. Additionally, the Board heard from the University of Utah, Weber State University, and Dixie State University on the important role that tuition waivers play for their respective institutions including how waivers help to ensure a diverse student body population, maximize use of student housing and auxiliaries services, and augment tuition related revenue streams to enhance programs and services for all students – resident and nonresident. At that time, the Board asked that the Commissioner's Office staff prepare a follow up presentation to review how Utah tuition waiver practices compare to other states and to work with institutions to develop a course of action regarding tuition waivers for the Board to consider at a future meeting.

During the September 2017 meeting, the Board received its second presentation on tuition waivers from the Commissioner's Office staff focused on how Utah resident and nonresident tuition waivers compare to what is offered in other states. Additionally information regarding the percentage of Utah students receiving some type of student aid and how Utah compares to other states with respect to state based aid and total student aid was also provided. The Commissioner's Office staff recommended that the Board consider the following four recommendations:

1. Require USHE institutions to conduct annual graduation surveys that include questions for non-resident graduates specifically to help identify if nonresident students remain in the state after graduation – either as a resident who now works in the Utah market or is attending graduate school and to report on an annual basis the percentage of non-resident graduates that remained in Utah post-graduation.
2. Require institutions to actively engage in enrollment management efforts that include strategies on how to address need-based financial support for both resident and non-resident students and how tuition waivers can most effectively be used to achieve those strategies while maximizing completion rates and use of institutional resources.

3. Direct the Commissioner's Office to provide an annual report on the use of tuition waivers to the Board's Finance and Facilities Committee – which includes an overview of the impact of non-resident students on the Utah economy, based on institutional economic impact surveys.
4. Direct the Commissioner's Office to review the system's non-resident tuition differential surcharge and develop a recommendation for the Board to consider at a future meeting whether to change the nonresident differential surcharge.

There was no official action taken by the Board during the September meeting rather a request that the Commissioner's Office continue to work with the Council of Presidents on this issue.

In addition to the Board's interest in tuition waivers, the Higher Education Appropriations Subcommittee asked the Commissioner's Office to give a presentation on tuition waivers during its September 2017 interim meeting. The committee received a presentation based on the information that was shared with the Board at the July and September Board meetings. There was no follow up action or requests made of the Board or the Commissioner's Office from the legislative committee at that time.

During the 2018 Legislative Session the Higher Education Appropriation Subcommittee adopted a proposal from the Legislative Fiscal Analyst that recommended cutting state tax funds based on the USHE institutions utilization of tuition waivers as compared to the system average to calculate the budget reduction. The intent of the legislature was twofold by adopting this recommendation. First, to encourage institutions that have waived more nonresident tuition than other institutions to reexamine this practice, and reduce the amount waived in order to collect additional nonresident tuition revenue, with the hope that the additional revenue could be used to minimize the state tax funds budget reduction impact for the institution; and second to encourage the Board to take a more direct role in the management of tuition waivers offered at the USHE institutions, particularly as it relates to nonresident waivers.

As a result, during the course of the session it was recommended by the legislature to increase the Board's direct oversight related to the management of tuition waivers and new statutory language was added in HB300, *Higher Education Modifications* to allow the Board to establish policy that:

1. Develops definitions for meritorious and impecunious (need-based) as it relates to students who receive tuition waivers;
2. Establishes caps or limits on tuition waivers for both resident and nonresident tuition waivers;
3. Requires USHE institutions to regularly assess and report on how the institution's use of tuition waivers supports the Boards strategic goals and objectives.

Ultimately, the proposed budget cuts were restored by the Legislature.

In addition over the last several months, the Board's Affordability and Access Work Group has raised the importance of designating a portion of the Resident 10% tuition waivers for need based students in its discussions on college affordability and student aid.

The Commissioner's Office proposes revisions to Regent Policy R513, *Tuition Waivers and Reductions* to incorporate the statutory changes from HB300 and developed recommended percentages for institutions to use when awarding Resident 10% tuition waivers to impecunious students and meritorious nonresident

undergraduate tuition waivers moving forward. Institutions will be given until July 1, 2021 to realign its student financial aid efforts which use these specific tuition waivers to be compliant with the Regent policy.

Commissioner's Recommendation

The Commissioner recommends that the Board adopt the revised policy R513, *Tuition Waiver Reductions* and approve the following:

1. Direct the Commissioner's Office to conduct a study to examine the economic impact that nonresident students have on the institutions of higher education as well as the state of Utah as part of a more comprehensive review of tuition and student aid policies related to resident and nonresident students, and authorize the Commissioner to engage with a third-party consultant to assist with the study if necessary;
2. Effective immediately, recognize the WICHE WUE and WGRP programs as an authorized tuition rate rather than a tuition waiver, and ask that institutions continue to report the number of students that participate in the program;
3. Monitor the use of Alumni Legacy Tuition waivers and the transition of students receiving these waivers for the next 3 years to determine if removing the provision regarding residency helps to decrease the overall usage of these waivers. If there is not a significant impact (10% or more in three years) it is recommended that the Board consider establishing caps or limits on the use of these waivers at that time.

David L. Buhler
Commissioner of Higher Education

DLB/KLH
Attachments

Board of Regents Tuition Waiver Proposal
May 9, 2018

The Board of Regents asked the Commissioner's Office to work with the USHE institutions to develop a recommended course of action that would help to advance the following Board directives regarding the use of tuition waivers.

- The Board would like a tool to ensure that institutions use the Resident 10% tuition waiver to provide student aid support for both Impecunious (need-based) and Meritorious students.
- The Board requests a tool to manage the use of discretionary nonresident undergraduate tuition waivers across the system.

The Importance and Value of Tuition Waivers

All of the USHE institutions have strategic enrollment plans to ensure that they provide quality academic learning opportunities to promote cultural and economic development for the State of Utah. Utah higher education has always included resident, nonresident, and international students with the conviction that diversity of students makes our institutions and our state's economic and cultural capital stronger.

Tuition waivers are one component of ensuring strategic enrollment and student success at all USHE institutions. Waivers of tuition, nearly always partial waivers, play an important role:

- Tuition waivers attract academically prepared, talented students to Utah, many of whom remain in the state after college completion and strengthen our workforce in critical areas;
- Tuition waivers bring students from different backgrounds and with varied life experiences to our USHE institutions which produces a better learning environment; and
- Tuition waivers enhance the financial strength of USHE institutions, given that (a) the majority of waivers cover part of total tuition cost and the residual nonresident tuition paid remains well above average in-state tuition; and (b) the nonresident students may opt to not attend USHE institutions without some type of tuition reduction.

Tuition waivers are an essential tool in our institutions overall financial portfolio, but they are by no means the only tool. Scholarships, Pell grants, work-on-campus opportunities, and loans are also instrumental in ensuring access and supporting students to college completion. The full portfolio of financial tools allows our universities and colleges to support students through degree completion, and ensure that our institutions remain fiscally healthy.

USHE institutions must use these waivers strategically and judiciously but have enough flexibility to adapt to increasingly competitive national and international environments in order to provide strategic benefits to the state's economic and cultural capital.

Utah's year-over job growth stands at 3.3% (March 2017-March 2018). With such low unemployment and rapid job growth, an increase of in-migration of students to Utah colleges and universities will be an asset to our state.

Proposal Summary

In partnership with the USHE institutions, the Commissioner's Office staff has developed a tuition waiver proposal for the Board's consideration and action. The major elements of the proposal are highlighted in the following paragraphs.

- Direct the Commissioner's Office to conduct a study to examine the economic and broader impact that nonresident students have on the institutions of higher education as well as the state of Utah as part of a more comprehensive review of tuition and student aid policies.
- Revise of Regent Policy R513, *Tuition Waivers and Reductions*, to simplify the current policy framework, incorporate HB300 language changes, incorporate recommended caps and limit changes to specific waiver programs, and clarify reporting requirements.
- Implement the following Resident 10% Tuition Waiver Modifications
 - Create definitions for Impecunious and Meritorious as it applies to resident students
 - Identify a minimum set aside percentage of the Resident 10% tuition waivers to be dedicated to support impecunious student aid needs
 - Require that institutions develop a plan and associated goals on how to ensure that resident impecunious student needs are being supported and how the Resident 10% tuition waiver will help support their existing efforts.
 - Provide the institutions 3 academic years beginning July 1, 2018 to adjust their existing student financial aid policies and practices to be compliant with the policy no later than July 1, 2021.
 - Add a provision that allows for regular review by the Board every 3 years beginning July 2024.
- Nonresident Tuition Waiver Modifications
 - Remove WICHE WUE and WGRP from the annual USHE waiver report. These programs are part of the tuition agreement between Utah and the Western Interstate Commission for Higher Education.
 - Continue to require USHE institutions to monitor the number of students who participate in the WICHE program.
 - Monitor the use of Alumni Legacy Waivers for the next 3 years and track how many recipient students seek residency after the first year of the award.
 - If less than 10% of the recipients converts to residency, it is recommended that the Board set a cap on the use of these waivers moving forward.
 - Establish a cap/limit on the amount of tuition that an institution may waive for the Nonresident Merit Undergraduate tuition waivers.
 - Caps will be unique to each institution and reflect such factors as mission, location, enrollment management strategies, and existing tuition and student aid policies and practices.
 - Institutions would be given until July 2021 to adjust its financial aid awards practice to ensure that these percentages are not exceeded and are expected to be compliant with the policy for the 2022 Academic school year reports.
 - Not to exceed percentages will be reviewed initially in 2022 and then no longer than every five years thereafter by the Commissioner's office. If an institution would like to request a change before the five year review, a case can be made and presented to the Board for consideration.

Policy Revision Recommendation (R513 – Tuition Waivers and Reductions)

The Commissioner's Office recommends updating the tuition waiver policy to incorporate the new language changes associated with 2018 HB300 regarding tuition waivers, and realigning the policy to reflect resident vs. nonresident tuition waivers and overarching reporting requirements.

Resident 10% Tuition Waivers

As outlined in HB300 revisions, it is recommended that the Board adopt definitions of meritorious and impecunious students as it relates to tuition waivers in general, and more specifically the Resident 10% tuition waivers. The initial recommendation from staff is the following:

Impecunious Resident Student: A resident student whose demonstrated lack of financial resources presents a significant barrier to accessing higher education or completing a higher education degree or certificate.

Meritorious Resident Student: A resident student who has demonstrated exceptional academic and / or other achievements which qualify for recognition and reward.

The Board has asked that institutions be more strategic in their use of these waivers, and more specifically use these waivers to support not only meritorious students through "institutional scholarships" but also increase the amount of resident 10% tuition waivers offered to students who would qualify as impecunious.

To facilitate this change in practice the Board should consider the following course of action:

1. Adopt a system wide minimum standard of at least 10% of the Resident 10% tuition waivers to be designated to support impecunious/need based students. (In 2017, institutions reported using less than 1% of this waiver category to support students designated as impecunious and used 1% in 2016.)
2. Ask the institutions to develop a plan and associated goals to increase the use of these waivers for impecunious students to at least the 10% minimum by July 2021 for the AY2022 reporting cycle.
3. Review this minimum percentage after 3 years (end of AY2024) and every three years after that.

Nonresident Tuition Waivers

Both the Legislature and the Board of Regents have expressed concern about the dramatic growth in the use of nonresident tuition waivers in the last 3 years. When reviewing the usage of nonresident tuition waivers, there are 3 waiver categories that comprise over 75% of the tuition waived in a given year: WICHE WUE waivers, Alumni Legacy waivers, and Merit Nonresident Undergraduate waivers.

In addition to the following proposals for each of the highest utilized nonresident tuition waivers, it is recommended that the Board consider directing the Commissioner's Office to conduct a study to examine the economic and broader impact that nonresident students have on the institutions of higher education as well as the state of Utah as part of a more comprehensive review of tuition and student aid policies.

WICHE – Western Undergraduate Exchange (WUE) waivers

Effective immediately, the Board will no longer classify this program as a tuition waiver program but rather recognize it as a tuition rate. By participating in the WICHE compact, the state of Utah agrees to allow students that enroll as a WICHE student at USHE institution to pay 150% of resident tuition.

By making this change, the reported amount of tuition waivers will be reduced by approximately 15% each year. In 2017, the amount of WICHE WUE tuition waivers reported was \$15m of the \$91m in tuition waived (17% of the nonresident tuition waived). This program will no longer be included in the system report on tuition waivers, but the system will continue to track the number of students who receive this tuition rate at our USHE institutions.

Alumni Legacy Tuition Waiver/Scholarship

The Alumni Legacy Tuition Waiver program is the second most utilized nonresident tuition waiver program and it has seen dramatic growth in the last two years. This waiver was created in part to help provide a recruiting tool to assist USHE institutions offset enrollment decreases associated with the LDS missionary age change in 2012. As expected, this has been a very effective recruitment tool for several of the USHE institutions and has resulted in an increase in the nonresident students that enroll at their respective institution. In 2017, the amount of tuition waived associated with Alumni waivers was \$21m of the \$91m (23% of the nonresident tuition waived). Of the \$21m waived in 2017, \$19.8m was awarded by USU.

In identifying possible ways to manage the growth in this program, USU recommended that a statutory provision that prohibited students receiving this waiver to obtain residency in Utah be removed. As a result, Representative Val Potter ran HB349 in the 2018 Legislative session which strikes that provision from code so students that receive this waiver would be eligible to become a resident if they meet the qualifications. The actual impact of this change is yet to be determined and will depend on the number of students that seek residency moving forward and the number of students that seek and receive this award.

If USHE institutions were successful in converting at least 10% of the students to resident status, this would result in a decrease of \$2.1 million in the nonresident waivers immediately.

The recommended course of action for the Board to consider as it relates to this waiver is to:

1. Monitor and track the use of these waivers and the transition of students receiving these waivers for the next 3 years to determine if removing the provision regarding residency helps to decrease the overall usage of these waivers
2. If there is not a significant impact (10% or more in three years) it is recommend that the Board consider establishing caps or limits on the use of these waivers in the future.

Merit Nonresident Undergraduate Tuition Waivers

The most utilized nonresident tuition waiver program is the Merit Nonresident Undergraduate Tuition Waivers created by statute [53b – 8-101-\(2\)\(a\)](#). Regent policy R513-3.3 highlights the current expectations regarding the use of these tuition waivers. In 2017 these tuition waivers comprised \$31m of the \$91m in nonresident waived (34%). There has been significant growth in this tuition waiver since 2015 by approximately half of the USHE institutions.

In order to manage the use in the overall amount of nonresident tuition waivers awarded annually, it is recommended that the Board take specific action to cap or limit the amount of tuition that can be waived using this tuition waiver. Caps should be unique for each institution and reflect such factors as mission, location, enrollment management strategies, and existing tuition and student aid policies and practices.

The Board is asked to consider the following recommended course of action:

1. Revise Regent Policy R513 to specifically address merit nonresident undergraduate tuition waivers separate from the graduate and summer tuition waivers for nonresident students.

Proposed new language:

The president of each institution may waive all or part of the nonresident portion of tuition for meritorious nonresident undergraduate students to an amount not exceeding the designated percent of the total amount of tuition which, in the absence of the waivers, would have been collected from all nonresident students at the institution outlined in the chart below.

Institution	Not to exceed percentage
University of Utah	16%
Utah State University	13%
Weber State University	40%
Southern Utah University	35%
Snow College	27%
Dixie State University	30%
Utah Valley University	18%
Salt Lake Community College	10%

2. Institutions would be given 3 years from July 1, 2018 to adjust their financial aid awards practice to align with these percentages and would be asked to be compliant with the policy for the 2022 Academic school year reports.
3. The not to exceed percentages will be reviewed in 2022 and then no longer than every five years thereafter by the Commissioner's office. If an institution would like to request a change before the five year review, a case can be made and presented to the Board for consideration.

R513-1. Purpose: To establish procedures for Utah System of Higher Education (USHE) institutions to administer tuition waiver and reduction programs.

R513-2. References

- 2.1. Utah Code §53B-8-101, Waiver of Tuition—Resident—National Guard—Nonresident—Critical Occupations—Summer School—Graduate Students
- 2.2. Utah Code §53B-8-103, Partial Waivers Pursuant to Reciprocal Agreements
- 2.3. Utah Code §53B-8-104, Nonresident Partial Tuition Scholarships—Border7 Waivers
- 2.4. Utah Code §53B-8-104.5, Nonresident Tuition Scholarships
- 2.5. Utah Code §53B-8-106, Resident Tuition Scholarships—Requirements—Rules
- 2.6. Utah Code Title 53B, Chapter 9, Higher Education for Senior Citizens
- 2.7. Utah Code Title 53B, Chapter 8c, Police Officer's and Firefighter's Survivor Tuition Waiver
- 2.8. Utah Code Title 53B, Chapter 8d, Tuition Waivers for Wards of the State
- 2.9. Utah Code Title 53B, Chapter 8e, Tuition Waivers for Purple Heart Recipients
- 2.10. Utah Code §53A-15-101.5, Concurrent Enrollment Instruction in Mandarin Chinese
- 2.11. Policy and Procedures R510, Tuition and Fees
- 2.12. Policy and Procedures R512, Determination of Resident Status
- 2.13. Utah Code §53B-8-107, Scott B. Lundell Waiver of Tuition for Dependents of Military Members Killed in Action
- 2.14. Utah Code §53B-8-103.5, Alumni Legacy Nonresident Scholarships
- 2.15. Utah Code §53B-8-102, Definition of Resident Student

¹ Approved October 19, 2001, amended November 8, 2002, March 14, 2003, April 16, 2004, March 10, 2006, June 9, 2006 and June 8, 2007. Revisions approved by the Board of Regents on May 29, 2009, November 18, 2011, March 29, 2013, May 15, 2015 and May 20, 2016.

R513-3. Definitions:

3.1. Impecunious Resident Student: A resident student whose demonstrated lack of financial resources presents a significant barrier to accessing higher education or completing a higher education degree or certificate.

3.2. Meritorious Resident Student: A resident student who has demonstrated exceptional academic and / or other achievements which qualify for recognition and reward.

R513-4. Waiver of Resident Tuition:

4.1 10% Resident Tuition Waivers: The president of each institution may waive all or part of the tuition in behalf of meritorious or impecunious resident students to an amount not exceeding 10 percent of the total amount of tuition which, in the absence of the waivers, would have been collected from all Utah resident students at the institution.

4.1.1. Of the amount waived in 4.1, at least 10 percent of total amount shall be used to support tuition waivers for impecunious resident students.

4.1.1.1. Each of the institutions will develop and present a plan to the Board of Regents on how it expects to be compliant with 4.1.1. for the reporting cycle beginning July 1, 2021.

4.1.1.2. The Board shall review the percentage set aside for impecunious students every three years beginning July 1, 2024.

4.2 National Guard Set Aside: Of the amount waived for resident students under 4.1, 2.5 percent of the total amount shall be set aside by institutions for waivers reserved for members of the Utah National Guard.

4.2.1. To ensure timely processing, the Utah National Guard Administration will provide to the institutions a prioritized list of qualified candidates for tuition waivers no later than 60 calendar days prior to the start of an academic term. Candidates for Utah National Guard tuition waivers must be full-time students. To ensure the highest number of candidates receive a tuition waiver, institutions may adjust the waiver amount between partial and full amounts.

4.2.2. An institution may, at its discretion and within its established criteria, allow recipients to use tuition waivers toward self-supported courses.

4.2.3. Any National Guard tuition waivers set aside but not claimed 30 days prior to the beginning of the term may be used for other qualified students.

4.3. Partial Tuition Waivers for Critical Occupations: Upon recommendation of the Board of Regents, a president shall grant additional full or partial tuition waivers to encourage students to enroll for instruction in specifically identified occupations critical to the state for which trained personnel are in short supply.

4.4. Senior Citizens Audit Waivers: Utah residents age 62 and over shall be permitted to enroll on a space available audit basis in classes for which they are qualified, in any USHE institution, without regular tuition charges, but subject to payment of the following:

4.4.1. A minimum administrative fee shall be charged, for the institution's cost of registration, record keeping, and report preparation. The fee shall be at least \$10 per semester of registration.

4.4.2. Where applicable, specific course fees also shall be charged.

4.4.3. No credit shall be awarded to a senior citizen for a course taken pursuant to the senior citizens waiver in 3.4. To receive credit a senior citizen must pay regular tuition.

4.5. **Police Officer's and Firefighter's Survivor Tuition Waiver:**

4.5.1. **Definitions:** As used in this part:

4.5.1.1. **"Child"** means an individual who (a) is a natural or adopted child of a deceased peace officer or deceased firefighter; and (b) was under the age of 25 at the time of the peace officer's or firefighter's death.

4.5.1.2. **"Department"** means the Department of Public Safety.

4.5.1.3. **"Killed"** means that the peace officer's or firefighter's death is the direct and proximate result of a traumatic injury incurred in the line of duty.

4.5.1.4. **"Line of Duty"** means an action that a peace officer or firefighter is obligated or authorized to perform by rule, regulation, condition of employment or service, or law, including a social, ceremonial, or athletic function that the peace officer or firefighter is assigned to or compensated for by the public agency being served.

4.5.1.5. **"Occupational Disease"** means a disease that routinely constitutes a special hazard in, or is commonly regarded as concomitant of, the peace officer's or firefighter's occupation.

4.5.1.6. **"Traumatic Injury"** means a wound or the condition of the body caused by external force, including an injury inflicted by bullet, explosive, sharp instrument, blunt object, or other physical blow, fire, smoke, chemical, electricity, climatic condition, infectious disease, radiation, or bacteria, but excluding an occupational disease.

4.5.1.7. **"Tuition"** means tuition at the rate charged for residents of the state.

4.5.1.8. **"Utah Firefighter" or "Firefighter"** means a member, including volunteer members and members paid on call, of a fire department or other organization that provides fire suppression and other fire related services, of a political subdivision who is responsible for or is in a capacity that includes responsibility for the extinguishment of fires. This does not include a person whose job description, duties, or responsibilities do not include direct involvement in fire suppression.

4.5.1.9. **"Utah Peace Officer" or "Peace Officer"** means an employee of a law enforcement agency that is part of or administered by the state or any of its political subdivisions, and whose duties consist primarily of the prevention and detection of

crime and the enforcement of criminal statutes or ordinances of this state or any of its political subdivisions.

4.5.2. Tuition Waivers for Surviving Spouses and Children: Subject to the limitations below, a USHE institution shall waive tuition for each child and surviving spouse of a Utah peace officer or Utah firefighter who has been killed or is killed in the line of duty if the individual meets the following requirements:

4.5.2.1. applies, qualifies, and is admitted as a full-time, part-time, or summer school student in a program of study leading to a degree or certificate;

4.5.2.2. is a resident student of the state as determined under R512, Determination of Resident Status;

4.5.2.3. applies to the Department for a waiver of tuition under this chapter and provides evidence satisfactory to the Department that (a) the applicant is the surviving spouse or child of a peace officer or firefighter who was killed in the line of duty; (b) the course or courses for which the applicant is seeking a tuition waiver meet the requirements of 3.5.3; and (c) the applicant meets the other requirements of this part;

4.5.2.4. for a child of a peace officer or firefighter killed in the line of duty, applies under section 3.5.2 for the first time before the age of 25;

4.5.2.5. is certified by the financial aid officer at the institution as needing the tuition waiver in order to meet recognized educational expenses, with the understanding that if the applicant's family income, excluding any income from death benefits attributable to the peace officer's or firefighter's death, is below 400 percent of the poverty level under federal poverty guidelines, then the income from any death benefits accruing to the applicant as a result of the death may not be counted as family income in determining financial need under this 3.5.3.1;

4.5.2.6. maintains satisfactory academic progress, as defined by the institution, for each term or semester in which the individual is enrolled, which may be measured by the definition used for federal student assistance programs under Title IV of the Higher Education Act of 1965; and

4.5.2.7. has not achieved a bachelor's degree and has received tuition reimbursement under this chapter for less than 124 semester credits or 180 quarter credits at an institution of higher education.

4.5.3. Limited Term for Waiver: A child or surviving spouse of a peace officer or firefighter who was killed in the line of duty is eligible for a tuition waiver under this section of not more than nine semesters or the equivalent number of quarters.

4.5.3.1. **Waiver Only If Tuition Not Otherwise Covered:** Tuition shall be waived only to the extent that the tuition is not covered or paid by any scholarship, trust fund, statutory benefit, or any other source of tuition coverage available for a waiver.

4.5.3.2. Waiver for Required Courses Only: An institution shall waive tuition under this chapter only for courses that are applicable toward the degree or certificate requirements of the program in which the child or surviving spouse is enrolled.

4.5.3.3. Prior Approval by Department: Upon receiving an application under Utah Code 53B-8c-103(1)(c), the Department shall determine whether the applicant and the courses for which tuition waiver is sought meet the requirements of Section 53B-8c-103 and, if so, shall approve the application and notify the higher education institution that the application has been approved.

4.5.3.4. Department Cooperation: The institutions shall cooperate with the Department in developing efficient procedures for the implementation of this program and shall use the forms and applications provided by the Department.

4.6. Tuition Waivers for Wards of the State:

4.6.1. Definitions: As used in this part:

3.5.1.1 4.6.1.1. "Division" means the Division of Child and Family Services.

4.6.1.2. "Long-term Foster Care" means an individual who remains in the custody of the Division, whether or not the individual resides with licensed foster parents or in independent living arrangements under the supervision of the Division.

4.6.1.3. "State Institution of Higher Education" means those institutions designated in Section 53B-1-102 and any public institution that offers postsecondary education in consideration of the payment of tuition or fees for the attainment of educational or vocational objectives leading to a degree or certificate, including business schools, technical schools, applied technology centers, trade schools, and institutions offering related apprenticeship programs.

4.6.1.4. "Tuition" means tuition at the rate for residents of the state.

4.6.1.5. "Ward of the State" means an individual (a) who is at least 17 years of age and not older than 26 years of age; (b) who had a permanency goal in the individual's treatment plan, as defined in Sections 62A-4a-205 and 78-3a-312, of long-term foster care while in the custody of the Division; and (c) for whom the custody of the Division was not terminated as a result of adoption.

4.6.2. Tuition Waivers for Wards of the State: Subject to the limitations in 4.6.2.1, 4.6.2.2., and 4.6.2.3, a state institution of higher education shall waive tuition for each ward of the state applicant who meets the following requirements:

4.6.2.1. applies, qualifies, and is admitted as a full-time, part-time, or summer school student in a program of study leading to a degree or certificate;

4.6.2.2. is a resident student of the state as determined under R512, Determination of Resident Status;

4.6.2.3. provides the institution with documentation from the Division that the Division has verified: (a) applicant is at least 17 years of age and not older than 26 years of age; (b) applicant had a permanency goal in the Division treatment plan, as defined in Sections 62A-4a-205 and 78-3a-312, of long-term foster care while in the custody of the Division; (c) applicant's custody was not terminated as a result of adoption; (d) applicant was in the custody of the Division for an aggregate period of not less than 24 months; (e) applicant applied for the first time under this program before the age of 22; and (f) applicant has not achieved a bachelor's degree, and has received tuition reimbursement under this program for less than 124 semester credits (or 180 quarter credits) and for not more than nine semesters at an institution of higher education.

4.6.2.4. verifies that the course or courses for which the applicant is seeking a tuition waiver meet the requirements of 4.6.2.3;

4.6.2.5. is certified by the financial aid officer at the higher education institution as needing the tuition waiver in order to meet recognized educational expenses;

4.6.2.6. maintains satisfactory academic progress, as defined by the institution of higher education, for each term or semester in which the individual is enrolled, which may be measured by the definition used for federal student assistance programs under Title IV of the Higher Education Act of 1965; and

4.6.3. **Limited Term of Waiver:** A ward of the state is eligible for a tuition waiver under this section for not more than nine semesters.

4.6.3.1. **Waiver Only if Tuition Not Otherwise Covered:** Tuition shall be waived (a) after the individual has applied for financial assistance, including scholarships and Pell Grants; and (b) only to the extent that the tuition is not covered or paid by any scholarship, trust fund, statutory benefit, Pell Grant, or any other source of tuition coverage available for a waiver.

4.6.3.2. **Waiver for Required Courses Only:** An institution of higher education shall waive tuition under this chapter only for courses that are applicable toward the degree or certificate requirements of the program in which the student is enrolled.

4.6.4. **Reimbursement of Waivers by Division:** The institutions shall seek reimbursement from the Division for any tuition waived under this chapter.

4.7. Tuition Exemption for Teachers:

4.7.1. **Definitions:** As used in this part

4.7.1.1. **"Educator":** means an educator is a person currently employed in the Utah public school system who is a licensed educator in good standing or has been issued a letter of authorization permitting such employment under [Utah Code 53A-6-104](#), the Board Licensure section of the Educator Licensure and Professional Practices Act.

4.7.1.2. **"Tuition Waivers for Teachers"** means an educator who enrolls in a course of study determined by the State Board of Education to satisfy the professional development requirements of [§53A-6-104\(2\)\(b\)\(i\)](#) is exempt from the tuition

charges for a class taken as part of that course of study provided that the following conditions are met:

4.7.1.3. "Master's and Doctoral Degree Candidates" means because of the extensive involvement of faculty members in committees, mentoring, and counseling of master's and doctoral degree candidates, the concept of surplus space does not apply and such educators are not eligible for the exemption from tuition under this section.

4.7.2. Administrative Semester Registration Fee: The institution may charge an educator an administrative semester registration fee not to exceed \$100 per semester to cover the actual increased costs associated with registration, verification of educator status, identification of eligible courses, certification of space availability, and record keeping.

4.7.3. Surplus Space Enrollment: The educator may be enrolled on the basis of surplus space as determined by the institution under these rules and guidelines as follows:

4.7.3.1. If a principal or substantial reason for the institution to offer the class is to serve educators, then no educator enrolled in that class can be considered to be enrolled on the basis of surplus space, and therefore cannot be eligible for this exemption from tuition charges;

4.7.3.2. If the class meets the requirements of 53A-6-104(2)(b)(i) but does not have as a principal or substantial purpose to serve educators, then the institution shall define the optimum class size of the class in accordance with regular procedures and normal teaching loads in that space within the institution's approved budget. The number of surplus space enrollments available to educators is determined by subtracting from the optimum class size the number of tuition paying students enrolled in the class. The surplus space enrollments may then be filled by educators on a first come first served basis. However, in order to maintain the optimum class size, educators exempt from tuition may be bumped (last in, first out) by regular tuition paying students who later register for the class.

4.8. Tuition Reimbursement for Sequential Mandarin Chinese Course:

4.8.1. Extended Sequential Study for Difficult Languages: Difficult languages require extended sequences of study to acquire proficiency in listening, speaking, reading, and writing.

4.8.2. Mandarin Chinese Program: The Board and the State Board of Education, in consultation with the Utah Education Network, may develop and implement a concurrent enrollment course of study in Mandarin Chinese. The course shall be taught over EDNET to high school juniors and seniors in the state's public education system.

4.8.3. Tuition Reimbursement: Students who successfully complete the concurrent enrollment course in Mandarin Chinese offered under the part shall receive tuition reimbursement for a sequential Mandarin Chinese course they successfully complete with a "B" grade or above at an institution within the USHE.

4.9. Scott B. Lundell Waiver of Tuition for Dependents of Military Members Killed in Action:

4.9.1. Tuition Waiver: USHE institutions shall waive undergraduate tuition for surviving dependents of a Utah resident, as defined in Utah Code §53B-8-107, who, as a member of the

armed forces of the United States, including the Utah National Guard or a reserve component, was killed or died of wounds or injuries received while serving on federal active duty, under orders of competent authority and not as a result of the member's own misconduct.

4.9.1.2. The dependent must be accepted by the institution as a student in accordance with the institution's admission guidelines.

4.9.1.3. The dependent must be a resident student as defined by Utah Code §53B-8-102 and Regent Policy R512.

4.9.1.4. The dependent may not be excluded from the waiver if the dependent has previously taken courses at, or has been awarded credit by, a USHE institution.

4.9.2. **Certification by Adjutant General or Designee:** The adjutant general, after consultation with federal authorities if necessary, shall certify to the institution that the dependent is a surviving dependent eligible for the waiver. The adjutant general may delegate this responsibility to the Utah Department of Veterans Affairs.

4.9.3. **Definition of "Dependent":** For purposes of this policy, the term "dependent" shall include a surviving spouse.

4.9.4. **Limitations on Waiver:** The waiver is subject to the following limitations:

4.9.4.1. The waiver is not applicable if the dependent has already completed an undergraduate degree.

4.9.4.2. The waiver is applicable for undergraduate study only.

4.9.4.3. The dependent may only utilize the waiver for courses that are applicable toward the degree or certificate requirement of the program in which the dependent is enrolled.

4.9.4.4. The waiver is not applicable to fees, books, or housing expenses, and tuition shall be waived only to the extent that tuition is not covered by scholarships, Pell Grants, statutory benefit, or any other form of non-loan tuition coverage.

4.10. **Waiver of Tuition for Purple Heart Recipients:** USHE institutions shall waive undergraduate tuition for each Purple Heart recipient who is admitted as a full-time, part-time, or summer school student in an undergraduate program of study leading to a degree or certificate, provided that the student is a resident of the state as determined under Section 53B-8-102, and that the student submits verification from the Division of Veterans Affairs that the student has earned a Purple Heart award as a result of military service.

4.11. **When Verification of Lawful Presence is Not Required.** As provided by Utah Code Ann. §63G-12-402, verification of lawful presence in the United States is not required of a student who is a graduate of a high school located in Utah and (1) is exempt from paying the nonresident portion of total tuition under Utah Code Ann. §53B-8-106; or (2) applies for, and may be awarded, a privately funded scholarship that is administered by a USHE institution.

R513 – 5. Waiver of Nonresident Tuition:

5.1. Waivers for Nonresident Undergraduate, Graduate, or Summer School Students:

The president of each institution may waive all or part of the nonresident portion of tuition for meritorious nonresident undergraduate students to an amount not exceeding the designated percent of the total amount of tuition which, in the absence of the waivers, would have been collected from all nonresident students at the institution outlined in the chart below.

Institution	Not to exceed percentage
University of Utah	16%
Utah State University	13%
Weber State University	40%
Southern Utah University	35%
Snow College	27%
Dixie State University	30%
Utah Valley University	18%
Salt Lake Community College	10%

5.1.1. In determining which students are meritorious for purposes of granting a tuition waiver under 5.1, a president shall consider students who are performing above the average at the institution, including having an admissions index higher than the average for the institution, if an admission index is used.

5.1.2. A president may continue to waive the nonresident portion of tuition for a student described in 4.1 for as long as the student is enrolled at the institution.

5.1.3. In addition to waiving the nonresident portion of tuition for a meritorious nonresident undergraduate student under 5.1, a president may waive the resident portion of tuition after the meritorious nonresident undergraduate student completes a year of full-time study at the institution.

5.1.4. Institutions will be given until July 2021 to adjust their financial aid awards practice to align with these percentages and would be asked to be compliant with the policy for the 2022 Academic school year reports.

5.1.5. The Commissioner's office will review the percentages in 2022 and then no longer than every five years thereafter and recommend changes if appropriate and justified.

5.1.5.1. Institutions may also request an adjustment to these percentages for the Board's consideration outside of the five year review period.

5.1.6. A president may waive all or part of the nonresident portion of tuition for nonresident graduate students.

5.1.7. A president may waive all or part of the nonresident portion of tuition for nonresident summer school students

5.2. Nonresident Tuition Scholarships:

5.2.1. In addition to the "border waiver" scholarships authorized under Section 53B-8-104, USHE presidents are authorized to grant scholarships for a waiver of the nonresident portion of total tuition charged to nonresident students when the scholarships will:

5.2.1.1. assist in maintaining an adequate level of service and related cost-effectiveness of auxiliary operations; and

5.2.1.2. promote enrollment of nonresident students with high academic aptitudes.

5.2.2. **Policy Guidelines:** Nonresident tuition scholarships may be awarded at the institutions with the following provisions:

5.2.2.1. the amount of the approved scholarship may be up to 100 percent of the differential tuition charged to nonresident students for an equal number of credit hours of instruction;

5.2.2.2. 675 of the approved scholarships may be at a level of more than 50 percent of the differential tuition charged to nonresident students for an equal number of credit hours of instruction;

5.2.2.3. a nonresident scholarship may be awarded initially only to a nonresident student who has not previously been enrolled in a college or university in Utah and who has enrolled full time for ten or more credit hours; and

5.2.2.4. a nonresident student who receives a scholarship of greater than 50 percent of the differential tuition charged to nonresident students for an equal number of credit hours of instruction may not be counted against the funded target for the institution attended.

5.2.3. **Annual Number of Nonresident Tuition Scholarships:** Each academic year the president of the following institutions may award nonresident tuition scholarships as set forth below, not to exceed a total of 900 such scholarships in effect at any one time:

Institution	Differential Tuition Scholarships (up to 100%)	Differential Tuition Scholarships (up to 50%)	Total
University of Utah	24	14	38
Utah State University	330	112	442
Weber State University	55	15	70
Southern Utah University	96	25	121
Snow College	2	7	9
Dixie State University	161	44	205
Utah Valley University	0	0	0
Salt Lake Community College	7	8	15
USHE Total	675	225	900

5.2.3.1. Institutions shall determine award eligibility on a meritorious basis, considering measures such as grade point averages and test scores.

5.2.3.2. In determining eligibility for these scholarships, institutions may consider the impact of maintaining critical enrollment levels in academic programs.

5.3. Partial Waivers Pursuant to Reciprocal Agreements:

5.3.1. Partial Waiver of Nonresident Differential: The Board may grant a full or partial waiver of the nonresident differential in tuition rates charged to undergraduate students pursuant to reciprocal agreements with other states. In making the determination, the Board considers the potential of the waiver to: (A) enhance educational opportunities for Utah residents; (B) promote mutually beneficial cooperation and development of Utah communities and nearby communities in neighboring states; (C) contribute to the quality of educational programs; and (D) assist in maintaining the cost effectiveness of auxiliary operations in Utah institutions of higher education.

5.3.2. Dixie State University Good Neighbor Waiver: Dixie State University may offer a good neighbor full waiver of the nonresident differential in tuition rates charged to undergraduate students pursuant to the reciprocal agreements with other states or to a resident of a county that has a portion of the county located within 70 miles of the main campus of Dixie State University. A student who attends Dixie State University under a good neighbor tuition waiver shall pay a surcharge per credit hour in addition to the regular resident tuition and fees of Dixie State University. The surcharge per credit hour shall be based on a percentage of the approved resident tuition per credit hour each academic year. The percentage assessed as a surcharge per credit hour shall be set by the State Board of Regents. Dixie State University may restrict the number of good neighbor tuition waivers awarded. A student who attends Dixie State University on a good neighbor tuition waiver may not count the time during which the waiver is received towards establishing resident student status in Utah.

5.3.3. Reciprocal Agreements with Other States: Consistent with its determinations made pursuant to section 4.3, the board may enter into agreements with other states to provide for a full or partial reciprocal waiver of the nonresident tuition differential charged to undergraduate students. An agreement shall provide for the numbers and identifying criteria of undergraduate students, and shall specify the institutions of higher education that will be affected by the agreement.

5.3.4. Policy Guidelines: Each Utah institution affected by tuition waivers authorized by this part shall establish policy guidelines for evaluating applicants for such waivers.

5.4. "Border Waiver" Nonresident Partial Tuition Scholarships:

5.4.1. Border Waivers: An institution may grant a scholarship for partial waiver of the nonresident portion of total tuition charged by public institutions of higher education to nonresident undergraduate students, subject to the limitations provided in this part, if the institution determines that the scholarship will (a) promote mutually beneficial cooperation between Utah communities and nearby communities in states adjacent to Utah; (b) contribute to the quality and desirable cultural diversity of educational programs in the institution; (c) assist in maintaining an adequate level of service and related cost effectiveness of auxiliary operations in the institution; and (d) promote enrollment of nonresident students with high academic aptitudes.

5.4.2. Policy Guidelines: The institution shall establish policy for the administration of any "border waiver" partial tuition scholarships authorized under this part and for

evaluating applicants for those scholarships. The institutional policy shall include the following provisions:

5.4.2.1. The amount of the approved scholarship may not be more than ½ of the differential tuition charged to nonresident students for an equal number of credit hours of instruction;

5.4.2.2. a "border waiver" nonresident partial tuition scholarship may be awarded initially only to a nonresident undergraduate student who has not previously been enrolled in a college or university in Utah and who has enrolled full time for ten or more credit hours, whose legal domicile is within approximately 100 highway miles of the USHE institution at which the recipient wishes to enroll, or within such distance or such designated eligible communities or regions as the Board may establish for each institution;

5.4.2.3. the total number of "border waiver" nonresident partial tuition scholarships granted by the institution may not exceed a total of 600 such scholarships in effect at any one time as provided in the table below; and

5.4.2.4. the institution shall determine eligibility for "border waiver" nonresident partial tuition scholarships on the basis of program availability at the institution and on a competitive basis, using quantifiable measurements such as grade point averages and results of test scores.

Institution	Number of Scholarships
University of Utah	30
Utah State University	290
Weber State University	35
Southern Utah University	74
Dixie State University	157
Utah Valley University	10
Snow College	0
Salt Lake Community College	4
USHE Total	600

5.5. Exemption for Certain Students with Utah High School Graduation: A student, other than a non-immigrant alien within the meaning of paragraph (15) of subsection (a) of Section 1101 of Title 8 of the United States Code, shall be exempt from paying the nonresident portion of total tuition if the student:

5.5.1. attended high school in Utah for three or more years;

5.5.2. graduated from a high school in this state or received the equivalent of a high school diploma in Utah; and

5.5.3. registers as an entering student at a USHE institution not earlier than the fall of the 2002-03 academic year.

5.5.4. In addition to the requirements of R513-13, a student without lawful immigration status shall file an affidavit with the USHE institution stating that the student has filed an application to legalize his or her immigration status, or will file an application as soon as he or she is eligible to do so.

5.5.5. For the purposes of this section, "entering student" means a student whose first matriculation in any institution of higher education is in a public institution of higher education within the Utah System of Higher Education.

5.6. Exemption of Nonresident Tuition for Certain Foreign Nationals: A student shall be exempt from paying the nonresident portion of total tuition if the student

5.6.1. is a foreign national legally admitted to the United States;

5.6.2. attended a Utah high school in Utah for three or more years; and

5.6.3. graduated from a Utah high school or received the equivalent of a high school diploma in Utah.

5.7. Alumni Legacy Nonresident Scholarships:

5.7.1. **Alumni Legacy Nonresident Scholarships:** In addition to other nonresident tuition scholarships, USHE presidents may waive an amount up to the full nonresident portion of tuition for alumni legacy nonresident scholarships when the scholarship will:

5.7.1.1. assist in maintaining an adequate level of service and related cost-effectiveness of auxiliary operations in institutions of higher education; and

5.7.1.2. promote enrollment of nonresident students with high academic aptitudes;

5.7.1.3. recognize the legacy of past graduates and promote a continued connection to their alma mater.

5.7.2. **Policy Guidelines:** The institution shall establish institutional procedures for the administration of any Alumni Legacy Nonresident Scholarships authorized under this part and for evaluating applicants for those scholarships. The institutional procedures shall include the following criteria and provision:

5.7.2.1. enroll at an institution within the USHE for the first time; and

5.7.2.2. have at least one parent or grandparent who graduated with an associate's degree or higher from the same institution in which the student is enrolling.

4.1.1.1 ~~17.2.3.—A student who attends an institution within the USHE on an Alumni Legacy Nonresident Scholarship may not count the time during which the scholarship is received towards establishing resident student status in Utah.~~

5.8. Exemption of Nonresident Tuition as Athletic Scholarships: Pursuant to §53B-8-102. In addition to the waivers of nonresident tuition available to each institution under Utah Code Ann. § 53B-8-101 et seq., and this policy (R513), each institution may, at its discretion, grant as athletic scholarships full waiver of fees and nonresident tuition, up to the maximum number allowed by the appropriate athletic conference, and as recommended by the president of each institution.

R513-6. Annual Tuition Waiver Reporting Requirements:

6.1. Institutions shall annually submit to the Board a report that provides the following data:

6.1.1. An assessment of how the institutions use of tuition waivers support the goals established by the Board;

6.1.2. The total amount of all waivers established under this policy that each institution granted stated in gross totals and as a percentage of total tuition revenue that, in the absence of waivers, the institution would have collected.

6.1.3. The amount waived for each individual waiver established under this policy, stated in gross totals and as a percentage of total tuition revenue that, in the absence of waivers, the institution would have collected.

6.1.4. The number of tuition waivers awarded by student type for each waiver awarded.

6.2. The Board of Regents shall provide an annual report to the general Legislature and the Legislature's Higher Education Appropriations Subcommittee containing the following information:

6.2.1. A report and financial analysis of any waivers of tuition authorized under this part as part of the budget recommendations of the board for the USHE; and

6.2.2. A budget appropriation request for each institution, which include requests for funds sufficient in amount to equal the estimated loss of dedicated credits realized by tuition wavier type.