

**FLORIDA BOARD OF GOVERNORS
NOTICE OF PROPOSED AMENDED REGULATION**

DATE: June 30, 2022

REGULATION NUMBER AND TITLE: 7.001, Tuition and Associated Fees

SUMMARY:

Senate Bill 7044 added to statute the constitutional requirement from section 7(e), Article 9 of the State Constitution, that any proposal by a university to raise, impose, or authorize any fee, must be approved by at least nine affirmative votes of the Board of Trustees and 12 affirmative votes of the Board of Governors. The bill also adds new requirements for the noticing of any proposed changes to tuition and fees.

FULL TEXT OF THE REGULATION IS INCLUDED WITH THIS NOTICE.

AUTHORITY TO PROPOSE REGULATION(S): Section 7(d), Art. IX, Fla. Const.; Board Regulation Development Procedure dated March 23, 2006.

THE BOARD OF GOVERNORS' OFFICIAL INITIATING THE PROPOSED REGULATION: Tim Jones, Vice Chancellor Finance and Administration

COMMENTS REGARDING THE PROPOSED REGULATION 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 generalcounsel@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) Undergraduate tuition per credit hour shall be established pursuant to law.
- (4) All tuition and fees described in this section, and any proposed changes to such tuition and fees, must be prominently posted on the state university's website in an area that is transparent and easily accessible. Each state university shall publicly notice and notify all enrolled students of any proposal to change tuition or fees at least 28 days before its consideration for a vote taken at a board of trustees meeting. The notice must:
 - (a) Include the date and time of the meeting at which the proposal will be considered.
 - (b) Specifically outline the details of existing tuition and fees, including how such tuition and fees are expended, the rationale and necessity for the proposed change, and how the funds from the proposed change will be used.
 - (c) Be posted on the university's website and issued in a press release, which must also be enclosed in an e-mail sent to all enrolled students.
- (3)(5) Pursuant to section 7(e), Article IX of the State Constitution, any proposal or action of a constituent university to raise, impose, or authorize any fee, as authorized by law, except for tuition, must be approved by at least 9 affirmative votes of the members of the board of trustees of the constituent university, if approval by the board of trustees is required by law, and at least 12 affirmative votes of the members of the Board of Governors, if approval by the Board of Governors is required by law, in order to take effect.
- (4)(6) The Board of Governors may establish tuition for graduate and professional programs and out-of-state fees for all programs pursuant to law.
 - (a) The university board of trustees may submit a proposal to establish tuition or increase tuition for existing graduate and professional programs, or out-of-state fees pursuant to law. The proposal shall be in a format and submitted by a deadline designated by the Chancellor, and include at a

minimum:

1. The program or programs for which the proposed tuition rate will be assessed;
2. The current and proposed tuition rate for the program or programs;
3. The purpose of the proposed tuition rate;
4. The estimated revenue to be generated as a result of the proposed tuition rate; and
5. Identification of how the revenues from the proposed tuition rate will be utilized to support students and the mission of the university.

~~(5)~~(7) Associated fees shall include the following fees:

- (a) Student Financial Aid Fee;
- (b) Capital Improvement Fee;
- (c) Health Fee;
- (d) Athletic Fee;
- (e) Activity and Service Fee;
- (f) Non-Resident Student Financial Aid Fee, if applicable;
- (g) Technology Fee;
- (h) other fees approved by the Board of Governors pursuant to Regulation 7.003(24); and
- (i) Tuition Differential.

~~(6)~~(8) 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.

~~(7)~~(9) Registration shall be defined as the formal selection of one or more credit courses approved and scheduled by the university and tuition payment, partial or otherwise, or other appropriate arrangements for tuition payment (installment payment, deferment, or third-party billing) for the courses in which the student is enrolled as of the end of the drop/add period.

~~(8)~~(10) Tuition and associated fees liability shall be defined as the liability for the payment of tuition and associated fees incurred at the point at which the student has completed registration, as defined above.

~~(9)~~(11) Tuition and associated fees shall be levied and collected for each student registered in a credit course unless provided otherwise in Board regulations.

~~(10)~~(12) Each student enrolled in the same undergraduate college-credit course more than twice shall pay tuition at 100 percent of the full cost of instruction

and shall not be included in calculations of full-time equivalent enrollments for state funding purposes. Students who withdraw or fail a class due to extenuating circumstances may be granted an exception only once for each class pursuant to established university regulations. The university may review and reduce these fees paid by students due to continued enrollment in a college-credit class on an individual basis contingent upon the student's financial hardship. For purposes of this paragraph, first-time enrollment in a class shall mean enrollment in a class fall semester 1997 or thereafter. Calculations of the full cost of instruction shall be based on the systemwide average of the prior year's cost of undergraduate programs in the state university system using the expenditure analysis.

- (a) A university board of trustees may submit a proposal for a block tuition policy to the budget committee for consideration. The proposed block tuition policy for resident undergraduate or graduate students shall be based on the per-credit hour tuition amount. The proposed block tuition policy for nonresident undergraduate or graduate students shall be based on the per-credit-hour tuition and out-of-state fee amount. The block tuition policy can only be implemented beginning with the fall term. 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 who 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 beneficiaries of 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 calendar days, the university board of trustees may request reconsideration by the Board of Governors 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.
- (c) Every five years, the university board of trustees shall review the policy to determine if it has met its intended outcomes and whether the policy should be continued or modified. The university board of trustees shall submit its findings to the Board of Governors.

~~(11)~~(13) _____ As a component of the annual university work plan, a board of trustees of a university that has been designated as a preeminent state research university may submit a proposal to the Board of Governors budget committee 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 cannot be increased by more than 6 percent of the total charged for the aggregate sum of these fees in the preceding fiscal year. The tuition differential may be increased if the university meets or exceeds performance standard targets for that university established annually by the Board of Governors for the following performance standards, amounting to no more than a two percent increase for each performance standard: an increase in the 6-year graduation rate for full-time, first-time-in-college students, as reported annually to the Integrated Postsecondary Education Data System; an increase in the total annual research expenditures; and an increase in the total patents awarded by the U.S. Patent and Trademark Office for the most recent three-year period.
 - 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:
1. 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.

"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 General Appropriations Act.
 - b. At least thirty percent of the revenue shall be expended to provide need-based financial aid to undergraduate students to meet the cost of university attendance. If the entire tuition and fee costs of resident students who have applied for and received Pell Grant funds have been met and the university has excess funds remaining, the university may expend the excess portion on undergraduate education.
 - i. Universities shall increase undergraduate need-based aid over the prior year by at least thirty percent of the tuition differential.
 - ii. This expenditure shall not supplant the amount of need-based aid provided to undergraduate students in the preceding fiscal year from financial aid fee revenues, the direct appropriation for financial assistance provided to state universities in the general appropriations act, or from private sources.
 - iii. If a university's total undergraduate need-based awards does not meet or exceed the sum of the prior year's undergraduate need-based awards plus thirty percent of new tuition differential funds, the university may still be considered in compliance. However, the university shall provide detailed documentation demonstrating that the difference is attributed to a decrease in financial aid fee collections (Regulation 7.003(18)), tuition differential collections, the direct appropriation for student financial assistance in the General Appropriations Act, and/or a decrease in foundation endowments that support undergraduate need-based aid awards.
 - c. The remaining revenue shall be expended on undergraduate education.
- (c) 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.

- (d) The Board of Governors will act upon the budget committee recommendation at the next scheduled Board of Governors meeting. If a university board of trustees' proposal is denied, within five calendar 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 of Governors committee. The Tuition Appeals Committee will meet within ten calendar days after the Board of Governors' denial to consider a university board of trustees request for reconsideration.
- (e) 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 annually to the Governor and Legislature by February 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(4)(b), 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 ~~1312~~.
- (f) Universities must maintain the need-based financial aid revenue generated from the tuition differential in a separate Education and General account, with the revenue budget in the Student and Other Fee Trust Fund.
- (g) If, after approval by the Board of Governors, a university determines that modifications need to be made to the monitoring and implementation of the proposed undergraduate improvement programs, the university shall notify the Chancellor.

~~(12)~~(14) Differential Out-of-State Fee - Each university board of trustees is authorized to submit a proposal in accordance with subsection ~~64~~ for Board of Governors approval to implement a differential out-of-state fee for the following students:

- (a) A student from another state that borders the service area of the university;
- (b) A graduate student who has been determined to be a non-resident for tuition purposes pursuant to section 1009.21, Florida Statutes, and has a .25 full-time equivalent appointment or greater as a graduate assistant, graduate research assistant, graduate teaching assistant, graduate research

- associate, or graduate teaching associate; or
- (c) A graduate student who has been determined to be a non-resident for tuition purposes pursuant to section. 1009.21, Florida Statutes, and is receiving a full fellowship.

~~(13)~~(15) A university board of trustees may submit a proposal for market tuition rates for graduate-level courses offered online or through the university's continuing education unit in accordance with Board of Governors Regulation 8.002.

Authority: Section 7(d), Art. IX, Fla. Const.; History—Formerly BOR Rule 6C-7.001, Adopted 4-8-79, Renumbered 12-16-74, Amended 6-28-76, 7-4-78, 8-6-79, 9-28-81, 12-14-83, 7-25-84, 10-2-84, 10-7-85, Formerly 6C-7.01, Amended 12-25-86, 11-16-87, 10-19-88, 10-17-89, 10-15-90, 9-15-91, 1-8-92, 11-9-92, 7-22-93, 8-1-94, 11-29-94, 4-16-96, 8-12-96, 9-30-97, 12-15-97, 8-11-98, 9-30-98, 8-12-99, 8-3-00, 8-28-00, 8-12-01, Amended and Renumbered as 7.001 09-25-08, Amended 12-10-09, 11-04-10, 01-20-11, 9-15-11, 11-6-14, 9-22-16, 8-31-17, ~~X-X-2022~~.