

**MINNESOTA STATE COLLEGES AND UNIVERSITIES  
BOARD OF TRUSTEES**

**Agenda Item Summary Sheet**

**Committee:** Finance and Facilities

**Date of Meeting:** April 19, 2011

**Agenda Item:** Proposed Amendment to Board Policy 5.11 Tuition and Fees – *Second Reading*

Proposed Policy Change       Approvals Required by Policy       Other Approvals       Monitoring  
  
 Information

**Cite policy requirement, or explain why item is on the Board agenda:** Changes to Board policies require approval by the Board of Trustees.

**Scheduled Presenter(s):** Laura M. King, Vice Chancellor and Chief Finance Officer  
Judy Borgen, Associate Vice Chancellor Budget

**Outline of Key Points/Policy Issues:**

The proposed amendments to this board policy serve to specifically identify within policy the Board approved tuition categories; move language that defines each tuition category and subsequent approval requirements to the related system procedure 5.11.1; and add policy language governing Revenue Fund fees.

Additionally, these amendments seek to reorganize and modify existing language for clarity and to reflect common formatting conventions used throughout Board policies

**Background Information:** As part of the Chancellor’s continuous improvement initiative, Board policies and procedures are regularly reviewed and amendments are proposed as appropriate. Finance division staff began reviewing this policy in the Spring of 2010 and found that there was a need to propose amendments to current policy language.

Through the course of this review, the statewide student groups met with staff several times to provide input, and campus constituency groups were given multiple opportunities to comment and suggest changes.

**BOARD OF TRUSTEES  
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

*Second Reading*

**BOARD ACTION**

**Proposed Amendment to Board Policy 5.11 Tuition and Fees**

**BACKGROUND**

As part of the Chancellor's continuous improvement initiative, Board policies and procedures are regularly reviewed and amendments are proposed as appropriate. Finance division staff began reviewing this policy in the Spring of 2010 and found that there was a need to propose amendments to current policy language and to draft proposed language to govern the Revenue Fund fees.

On-going conversations with the statewide student associations and the colleges and universities identified areas of concern that existed within this policy. The need to address a lack of language governing the assessment, collection and disbursement of Revenue Fund fees was evident to all parties, and the initial focus of the conversation.

In coordination with the proposed policy amendments, the conversations have included suggested changes to the related system procedures. Pending approval of the proposed policy amendments, system procedure modifications have been disseminated to the colleges, universities and the statewide student associations for review and final commentary.

**CONCLUSION**

As a result of these on-going conversations, the following changes are proposed to Board Policy 5.11 Tuition and Fees:

- Reorganize and modify existing language for clarity and to reflect common formatting conventions used throughout Board policies;
- Specifically identify within policy the approved tuition categories;
- Remove Subparts A and B under Part 2, Tuition, which divide tuition into categories (Board approved and market driven);
- Craft language that defines each tuition category and subsequent approval requirements for inclusion in related system procedure 5.11.1; and
- Add policy language governing Revenue Fund fees.

**RECOMMENDED COMMITTEE ACTION:**

The Facilities/Finance Policy Committee recommends that the Board of Trustees adopt the following motion:

The Board of Trustees approves the changes in Board Policy 5.11 as noted in Attachment A.

**RECOMMENDED MOTION:**

The Board of Trustees approves the changes in Board Policy 5.11 as noted in Attachment A.

*Date Presented to the Board of Trustees: April 20, 2011*

**BOARD OF TRUSTEES  
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

<b>BOARD POLICY</b>	<b>5.11</b>
Chapter 5      Administration	
Section 5.11    Tuition and Fees	

1  
2 5.11 Tuition and Fees

3  
4 **Part 1. Authority.**

5 Minnesota Statutes [§ 136F.06](#), Powers and Duties, [and Minnesota Statutes § 136F.70](#),  
6 [Tuition; Fees; Activities Funds provide](#) states that the board shall set tuition and fees and  
7 adopt suitable policies for the ~~institutions~~ [colleges and universities](#) it governs. [All](#)  
8 [colleges and universities shall charge tuition and fees consistent with Minnesota Statutes,](#)  
9 [board policies, and system procedures. The Board shall approve the tuition and fee](#)  
10 [structure for all colleges and universities. The chancellor or designee is authorized to](#)  
11 [make any necessary technical adjustments to the tuition rates and fees. Technical](#)  
12 [adjustments are defined as changes in tuition and fee rates which are deemed a correction](#)  
13 [or the addition of a program rate for a new program established in the interim.](#)

14  
15 **Part 2. Tuition.**

16 Tuition shall be charged by all colleges and universities. [The tuition categories are:](#)

- 17     1. [per credit](#)  
18     2. [differential course and program](#)  
19     3. [banded and](#)  
20     4. [market driven.](#)

21  
22 [Any tuition category may include resident and nonresident rates.](#) All tuition must be  
23 identified separately on a tuition and fee statement.

24 **~~Subpart A. Board approved tuition~~**

25 ~~The Board of Trustees shall approve the tuition structure for all colleges and~~  
26 ~~universities. All colleges and universities shall charge tuition consistent with~~  
27 ~~Minnesota statutes, board policies, and system procedures. The chancellor is~~  
28 ~~authorized to make any necessary technical adjustments to the tuition rates.~~

29 **~~Subpart B. Market driven tuition~~**

30 ~~Colleges and universities may set and charge market driven tuition for customized~~  
31 ~~training, continuing education, distance learning, non credit instruction, and contract~~  
32 ~~post secondary enrollment options programs.~~

37 **Part 3. Approval and Notice Fees.**

38 **Subpart A. Approval of Mandatory and Optional Fees.**

39 ~~Three~~ Four categories of fees shall be applied to students by Minnesota State  
40 Colleges and Universities. No fee shall be charged unless authorized by the Board.

41 ~~a. Mandatory~~ 1. Mandatory fees are in statute or policy and are required to be  
42 charged by all colleges and universities.

43 ~~b. Optional~~ 2. Optional fees are established by the ~~board~~ Board and adopted at  
44 campus discretion.

45 ~~e. Personal~~ 3. Personal property charges and service charges are  
46 established ~~authorized~~ by the Board, adopted at campus discretion, and include  
47 items that are retained by the student or services that are on the student's  
48 behalf.

49 4. Revenue Fund fees are established in accordance with ~~authorized by statute,~~  
50 policy, or bond indenture.

51 ~~No fee shall be charged unless authorized by the board. All fees must be identified~~  
52 ~~separately on a tuition and fee statement.~~

53 Subpart B. Notice required. All fees must be identified separately on a tuition and  
54 fee statement. On an annual basis, colleges and universities shall publish all fees that  
55 are charged to their students.

56  
57 **Part 4. Fees.**

58 **Subpart A. Mandatory fees**

59 There are five mandatory fees:

60 1. Senior citizen fee in lieu of tuition

61 2. Parking fee

62 3. Late fee

63 4. Payment plan fee ~~and s~~

64 5. Statewide student association fee.

65 All colleges and universities shall charge these fees consistent with Minnesota  
66 Statutes, board policies, and system procedures (see related documents below).

67 ~~The chancellor is authorized to make any necessary technical adjustments to the fee~~  
68 ~~rates.~~

69 **Subpart B. Optional fees**

70 The ~~board~~ Board approves the optional fee maximums. Colleges and universities may  
71 establish policies to charge fees not to exceed the maximum amount approved by the  
72 ~~board~~ Board.

73 The authorized optional fees are:

74 1. Application fee

75 2. Credit for prior learning assessment fee

76 3. Student life/activity fee

77 4. Athletics fee

78 5. Health services fee

79 6. Special events fee

80 7. Residential learning community fee

81 8. Technology fee

82

**Subpart C. Personal property ~~fees~~ charges and service charges.**

Colleges and universities may charge students the actual cost of property and services. The ~~fee~~ charges shall be for items that become the personal property of a student and have an educational or personal value beyond the classroom or for services for or on the behalf of the students. The actual cost shall be the allowable maximum charge.

**Subpart D. Revenue Fund Fees**

Adequate fees shall be charged for the use of revenue fund facilities to meet the requirements of Minnesota Statutes §§135F.93 and 136F.95 and the Master Indenture of Trust. The fees must be sufficient to cover debt, operating cost and all repair and replacement costs, and reserves. ~~The Board approves revenue fund related student fees.~~

1. Revenue Fund Fees. For facilities that were constructed, renovated or acquired using revenue bonds or facilities that the Board designated as part of the revenue fund, revenue fund fees shall be charged, and include, but are not limited to:

- a. Room and board fees.
- b. Student union facilities fees.
- c. Wellness center and ~~outdoor~~ recreation fees.
- d. Parking ramp and surface lot fees.

2. Optional Revenue Fund Fees. Colleges and universities may charge optional revenue fund fees for revenue fund facilities, which shall be reported to the Board as part of the annual operating budget. On an annual basis, colleges and universities shall publish all optional fees that are charged to their students. Optional revenue fund fees include but are not limited to room or facility usage fees, service charges, and equipment charges. The president of the college or university shall have final approval on all optional fees and subsequent rates.

**Part 4-5. Student Consultation**

All tuition and fees are subject to student consultation requirements as defined by Board Policy 2.3, Student Involvement in Decision Making.

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*Date of Implementation: 08/15/07*

*Date of Adoption: 06/21/00*

*Date & Subject of Revisions:*

*04/xx/11 – Addition of language to govern Revenue Fund fee administration*

*08/15/07 - Amended Part 3, by adding two additional mandatory fees: late fees and payment plans fees and deleted the same two fees from the optional fees list (see July 20, 2005 Board Meeting minutes)*