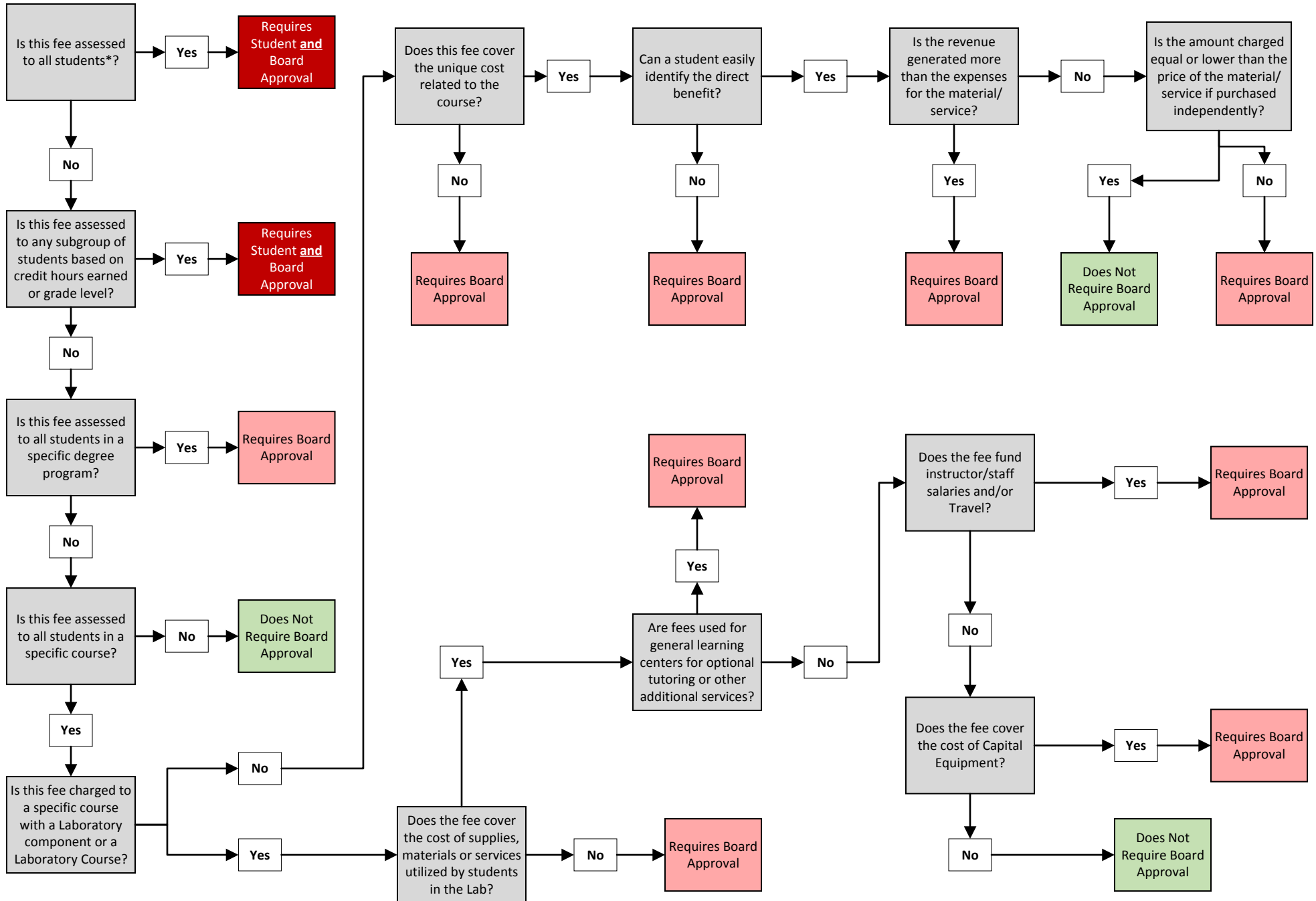


Elective Fees and Special Charges (Miscellaneous Fees)

Does The Fee Being Charged Require Additional Approval?



*NOTE: "All students" is defined as students currently enrolled in instructional courses and can exclude distance learning/online students.

More information can be found in Section 24 of the Board of Regents Business Procedures Manual: http://www.usg.edu/business_procedures_manual/section24/

ELECTIVE FEES AND SPECIAL CHARGES REQUIRING BOARD APPROVAL FREQUENTLY ASKED QUESTIONS (FAQS)

- 1) Why did the Board of Regents change Board policy to require Board approval of certain elective fees?
The Board historically has always had oversight of elective fees, and has generally delegated approval of most elective fees to USG institution presidents. The Board policy changes adopted in February 2015 regarding elective fee oversight and approval were made to further clarify the circumstances under which elective fees require Board approval and ensure consistency in how elective fees are applied.

- 2) Under what circumstances does an elective fee require Board of Regents approval?
Elective fees requiring Board of Regents approval come under the following categories:
 - Any elective fee or special charge that is required to be paid by any standard subgroup of students based on grade level or previous credit hours earned (e.g. all freshman); or
 - Any elective fee or special charge that is required to be paid by all students in a specific degree program or in a specific course, with the exception of laboratory fees and supplemental course material fees.

- 3) If an elective fee requiring Board approval receives such approval, for how long is the Board's approval of this elective fee effective?
Board approval is effective for only the fiscal year for which it was approved. Board approval must be requested annually should the institution wish to continue the fee beyond the fiscal year for which it was approved.

- 4) How do a degree program fee and a course fee differ, and does it matter?
A degree program fee is a fee assessed to all students enrolled in that particular degree program on a one-time, semester or annual basis. A course fee is a fee levied to all students enrolled in that specific course. Annual Board approval is required for degree program fees. Course fees may or may not require Board approval depending on whether or not they meet the criteria to be considered a lab fee or a "supplemental course fee".

- 5) What are the criteria for determining whether a course fee can be considered a "supplemental course fee"?
 - The fee must cover specific costs, such as art materials, course packets/kits, museum admissions, travel to off-campus learning sites, safety equipment, software/videos, and special equipment. Another specific cost which the fee could cover would be the cost of a professional examination/certification, required as a part of the class, and procured by the institution under a group purchase where the fee in this instance would be essentially a pass-through fee, assessed with a very strict focus, in a limited manner.
 - The material or service is integral to the course in order for each student to reach the intended learning objectives.

- The student can easily identify the direct benefit he or she is receiving from the fee.
- The fee rate is equivalent to or lower than what the student would expect to pay for the material or service if purchasing independently at market price.
- Upon an in-depth review of the fee, the revenue received from the fee would directly align with the institution's expenditures on the material or service provided.

A course fee not satisfying any of the above conditions would not be considered a "supplemental course fee" and would require Board approval.

- 6) Can a "supplemental course fee" be charged for funding services such as tutoring?
Yes, in very limited cases. However, in keeping with the guidance above, the tutoring sessions should be considered an integral or required component of the class, the tutoring services should be obtained for the specific course for which the fee is assessed, and the payment to the tutor should align with the fee revenue. Under these circumstances the fee would be classified as a "supplemental course fee" and not require Board approval.
- 7) Are course fees funding a tutoring facility or general learning center permitted?
No. Fees used to fund a tutoring facility or general learning center are not permitted. Tutoring facility or general learning center expenditures should be funded through the institution's general operating budget with tuition or state funds.
- 8) If an elective fee contains the word "lab" in its title, is it exempt from the Board approval requirement?
No. The title of the elective fee has no bearing on whether or not it requires Board approval. Regardless of its title, an elective fee must still satisfy the criteria used in determining the fee's review status and if it should be Board approved. A laboratory fee may be assessed in a laboratory course or course with a lab component to cover the cost of supplies, materials, and services utilized by students in a lab. The lab must be specific to a course and attendance required as a part of the course.
- 9) Can revenue from a laboratory fee be used to cover travel expenses for faculty/staff travel to a laboratory class located on a satellite campus?
No. Laboratory fees may only be assessed to cover the cost of supplies, materials, and services utilized by students in a lab.
- 10) Are the student lab assistants mentioned in the Business Procedures Manual (BPM) Section 24 paragraph regarding laboratory fees and their use the same as Graduate Research or Graduate Teaching Assistants?
No. Student lab assistants in this context refer to part-time or full-time hourly institution student employees who as part of their job duties spend a portion of their time cleaning and restocking the lab classroom(s). As such, lab fee revenue can be used to cover only the time student lab assistants spent attending to that specific lab.

- 11) Is Board approval necessary for student teaching fees and/or education field experience fees?
Yes. These fees usually cover student teacher related expenditures for faculty travel to the student teacher's site, printing of course materials, seminars and other items associated with the student teacher. Since these fees are not for a specific material or service, but for several direct and indirect expenditures pertaining to the oversight and instruction of the student teacher Board approval is required.
- 12) Does an elective fee covering professional certification/licensing testing or other testing by a third party and/or other related professional services require Board approval?
Board approval is not required in instances when the fee covers only the cost of a professional examination/ certification, required as a part of the class, and procured by the institution under a group purchase. These fees should be essentially pass-through fees, assessed with a very strict focus, in a limited manner, and should have the following features:
- The material or service is integral to the course in order for each student to reach the intended learning objectives.
 - The student can easily identify the direct benefit he or she is receiving from the fee.
 - The fee rate is equivalent to or lower than what the student would expect to pay for the material or service if purchasing independently at market price.
 - Upon an in-depth review of the fee, the revenue received from the fee would directly align with the institution's expenditures on the material or service provided.
- 13) Must an elective fee requiring Board approval also be submitted to our institution's mandatory student advisory fee committee for review and/or approval?
It depends on the type of elective fee involved:
- Elective fees required to be paid by any standard subgroup of students based on grade level or previous credit hours earned (e.g. all freshman) **must** follow the same process as mandatory student fees including being presented to the institution's mandatory student advisory fee committee for review and approval before being submitted to the Board of Regents for approval.
 - However, elective fees required to be paid by all students in a specific degree program or a specific course do **not** have to be reviewed by the institution's mandatory student fee advisory committee before being submitted to the Board of Regents for approval.
- 14) Are all elective fees and special charges subject to review by the University System Office?
Yes.
- 15) Are housing and food service fees included in the elective fee review?
Yes. A change in Board policy, which the Board is scheduled to adopt at its January 2017 meeting, requires the USG's Chief Fiscal Officer to approve all housing and food service fees.

- 16) Is a course fee connected to furnishing a student an online textbook permissible, and if so, would it require Board approval?

Supplemental course fees may **not** be assessed for purposes of general student support services, textbooks, course development, salaries, travel or other intangible costs.

- 17) Do elective or miscellaneous fees such as application, graduation, transcript fees or parking fines require Board approval?

No, provided these and other similar miscellaneous fees are charged for specific purposes and used to support the services charged. In the case of a graduation fee, that fee should support activities related to graduation (e.g. commencement ceremonies and mailing of diplomas), while a transcript fee would cover the expense of furnishing an official transcript. Likewise, parking fines should support the provision of parking services. Miscellaneous fee revenue should be accounted for in the fund in which expenditures related to the specific activities triggering the fee occur.