

Policy Number: 4-104	Policy Name: Procedure for Setting and Distributing Tuition and Fees
Policy Revision Dates: 04/2011, 8/2006, 1/03, 4/02, 3/01, 1/96, 3/95, 12/90, 2/90, 2/88, 12/87, 1/84	Page 1

#### 4-104 Procedure for Setting and Distributing Tuition and Fees

- A. Procedures for setting all tuition and fees that require Board approval
1. At least one week prior to any board meeting at which the Board is asked to approve any increase in tuition or fees, the Board will conduct at least one public hearing on proposed increases broadcast through a multi-site video conference to at least one location at each Arizona university and other locations throughout Arizona.
  2. At least ten days prior to the public hearing, a notice of the date, time and location of the hearing will be published in general circulation newspapers in Maricopa, Coconino and Pima counties as required by statute. Notice will also be posted on the Board's website and distributed state-wide.
  3. At least ten days prior to the public hearing, each university will publicly disclose recommended increases to any tuition or fee.
  4. Any final Board action setting tuition or fees will be taken by roll call vote.
  5. Prior to requesting any tuition, mandatory fee, or program fee increase, the universities will engage in student consultation, which must include:
    - a. Notification of and consultation with elected student representatives concerning the proposed tuition, mandatory fee, or program fee increase; and
    - b. Consideration of student fee referenda or of organized opinion-gathering from students that are likely to be assessed the tuition, mandatory fee, or program fee.
- B. Differential tuition, online tuition and fees, off-cycle program tuition, distributed program tuition, accelerated program tuition program fees, and class fees

Policy Number: 4-104	Policy Name: Procedure for Setting and Distributing Tuition and Fees	
Policy Revision Dates: 04/2011, 8/2006, 1/03, 4/02, 3/01, 1/96, 3/95, 12/90, 2/90, 2/88, 12/87, 1/84	Page 2	

1. Differential tuition:
  - a. Must allow access for qualified students who cannot afford the differential tuition amount;
  - b. Must include a financial aid plan with a minimum of 14 percent of the differential tuition set aside for need-based aid; and
  - c. Will be administered as one total sum out of which the standard deductions for the qualified tuition reduction program and need-based financial aid will be subtracted in the same way these are deducted from base tuition at each university.
  - d. Any differential tuition request must be brought to the Board in accordance with the Board guidelines for requesting differential tuition and program fee additions and modifications.
  
2. Online, off-cycle, distributed programs, and accelerated programs
  - a. The Board may set tuition on a per credit hour basis for online, off-cycle, distributed, and accelerated programs.
  - b. Based on market rates and other factors, the Board may set tuition for online, off-cycle, distributed, and accelerated programs at a higher rate than the base tuition established for each university.
  
3. Program fees:
  - a. Each university request for a program fee will describe the relevant considerations, including market conditions, in support of the fee.

Policy Number: 4-104	Policy Name: Procedure for Setting and Distributing Tuition and Fees	
Policy Revision Dates: 04/2011, 8/2006, 1/03, 4/02, 3/01, 1/96, 3/95, 12/90, 2/90, 2/88, 12/87, 1/84	Page 3	

- b. Any request for a program fee must be brought to the Board in accordance with the Board guidelines for requesting differential tuition and program fee additions and modifications.
  - c. Program fees:
    - (1) Are not included as a part of the base tuition;
    - (2) Program fees will be billed in the same fashion as other tuition and fees;
    - (3) Must be used for Board-approved purposes.
    - (4) Must allow access for qualified students who cannot afford the program fee. Each proposal for a program fee must include a financial aid plan with a minimum of 14 percent of the program fee set aside for need-based aid;
    - (5) Program fees are not subject to waivers except as required by law. Each university may choose to offset the extra cost of a program fee with deductions for the qualified tuition reduction program and need-based financial aid set aside.
  - d. A master list of program fees shall be maintained at each university indicating the programs for which fees are paid, the fee amount, and the account where the funds are credited.
  - e. Each university must audit program fee expenditures to ensure that any fees are used for Board-approved purposes.
4. Class fees

Policy Number: 4-104	Policy Name: Procedure for Setting and Distributing Tuition and Fees	
Policy Revision Dates: 04/2011, 8/2006, 1/03, 4/02, 3/01, 1/96, 3/95, 12/90, 2/90, 2/88, 12/87, 1/84	Page 4	

- a. Class fees may be imposed only for the items included in the Board guidelines on class fees. Class fees will be charged in accordance with those guidelines.
- b. Class fees may not be charged for the cost of graduate research and teaching assistants who are instructors of record.
- c. Each university will maintain a master list of class fees indicating the classes for which fees are paid, the fee amount, and the account where the funds are credited.
- d. Class fees are to be published on all media used as part of each semester's schedule of classes. Classes for which fees must be paid are to be noted in the course listings.

C. Tuition and fee distribution

1. As part of its annual operating budget, each university will submit to the Board the calculated amount of tuition and fee revenue required to be retained locally and distributed for debt service on Board-authorized bonding obligations, plant funds, financial aid, local fund activities, and activities to improve the quality of educational operations as approved by the Board.
2. The operating budget submitted shall reference all of the activities and specific bond issuances for which each university anticipates using the retained funds.
3. All funds not retained locally must be deposited with the State Treasurer.