


THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
400 Golden Shore
Long Beach, California 90802-4275

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Date: August 23, 1996

To: Presidents

From: Barry Munitz 
Chancellor

Subject: Campus Fee Policy -- Executive Order No. 661

On May 15, 1996, the Board of Trustees approved a fee policy for The California State University. Enclosed is a copy of Executive Order No. 661 which describes your authority to adjust campus mandatory, user, and penalty fees where all applicable provisions of law and any revenue bond indentures which may be outstanding have been observed.

The enclosed Executive Order authorizes the continuation of all fees which have been duly established. Actions taken after the effective date of this Executive Order to adjust fees that are currently in effect should comply with provisions of this Executive Order.

In accordance with policy of The California State University, the campus president has the responsibility for implementing Executive Orders where applicable and for maintaining the campus repository and index for all Executive Orders.

BM:rp

Attachment

Distribution: Chancellor's Office Staff

THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
400 Golden Shore
Long Beach, California 90802-4275
(310) 985-2800

Executive Order No.: 661

Title: Fees, Rates, and Charges

Effective Date: August 23, 1996

Supersedes: Executive Order Numbers: 188, 231, 242, 243, 246, 252, 333, 360, 362, 363, 364, 379, 391, 397, 414, 429, 461, 473, 489, 494, 501, 506, 530, 539, 546, 549, 562, 566, 567, 570, 571, 574, 578, 588, 589, 592, 594, 596, 597, 604, 606, 608, 609, 612, 617, 619, 623, 625, 626, 627, 629, 633, 634, 635, 636, 637 (in part), 639, 642, 645, 647, 650, 651, 652, 653, 654, 655, 656, 657, 659, 660

This Executive Order is issued pursuant to resolution of the Board of Trustees of The California State University RFIN 05-96-06, a copy of which is included as Attachment 1.

Effective August 23, 1996, campus fees, which have been duly established pursuant to authority of the Board of Trustees or its designees and which are currently in effect shall continue in effect until adjusted or repealed pursuant to this Executive Order. The campus fees which shall continue unless adjusted or repealed as provided herein shall include the fees established or adjusted in the executive orders which are listed above as superseded by this Executive Order.

Effective August 23, 1996, campus fees shall be established, adjusted, collected, and refunded according to the policies contained herein and any applicable provisions of the law; statutes; Title 5, California Code of Regulations; Standing Orders of the Board of Trustees; and revenue bond indentures which may be outstanding. Attachment 2 of this Executive Order provides additional information which may be helpful in implementing this policy.

The policy delegates to the campus president the authority to adjust campus mandatory, user, and penalty fees. The policy requires that appropriate and meaningful consultation occur before adjusting campus fees or requesting the chancellor to establish a new fee.

The following are actions required of the campus to implement this Executive Order:

Establish a campus fee advisory committee. The fee policy requires each campus to establish a fee advisory committee to provide advice to the campus president regarding proposed fee actions for mandatory, user, or penalty fees. Members of the committee should include administrators, faculty and students. Students appointed by the campus associated students organization must constitute a voting majority on the committee. Executive Order No. 429 required the campus to maintain an instructionally related activities fee advisory committee to review instructionally related activity fees. This executive order supersedes Executive Order No. 429 eliminating the requirement that the campus maintain an instructionally related activities fee advisory committee.

Executive Order No. 661


A student health advisory committee will still be required in accordance with provisions of Executive Order No. 637 to provide advice to the president on campus health service programs. However, the requirement that a student health advisory committee provide advice on health services fees is superseded by this executive order.

Develop student fee referendum procedures. Prior to increasing campus mandatory fees or requesting the chancellor to establish a new campus mandatory fee, the fee policy requires that an advisory student referendum be conducted. Alternative consultation mechanisms are permitted if they can be demonstrated to be more effective in achieving appropriate and meaningful consultation. Alternative consultation mechanisms are not permitted in the following three instances: (1) before initially establishing a student body association fee, a student body organization is required to be approved by two-thirds favorable vote of the students; (2) before increasing a student body association fee, a fee referendum approving the increase is required; and, (3) before initially establishing a student body center fee, a fee referendum approving the fee by two-thirds favorable vote is required. A fee referendum may be conducted either by the campus associated students organization or by the campus as determined by the president. If the referendum is conducted by the campus, the campus is required to fund the cost of the referendum. Results of the fee referendum are advisory to the campus president.

Establish local financial aid programs. The fee policy requires the campus to use local financial aid grant, work study, and waiver programs to offer financial aid adequate to meet additional student need resulting from increases in campus mandatory fees or the establishment of new campus mandatory fees. Local financial aid programs need to be designed and implemented to accomplish this policy objective. The fee policy requires that local financial aid program budgets be increased permanently in the year the fees are adjusted or established by not less than an amount equal to one-third of the additional revenue resulting from an increase in campus mandatory fee levels. Fee waivers may be used, in lieu of financial aid budget increases, to help meet this financial aid requirement.

For example, if a student body center fee increase is approved by the president, after conducting a student referendum and after consideration by the student fee advisory committee, local financial aid programs would have to offer additional financial aid to students to meet the additional need resulting from the fee increase. One example of the type of financial aid that could be used to meet this financial aid policy requirement is a work-study program funded by the student union. The president could also choose to fund direct student grants or waive the additional fee for students that have demonstrated financial need.

Review existing fees to determine if fees can be eliminated or consolidated. The fee policy encourages campus presidents to evaluate existing fees to determine if fees can be consolidated or eliminated to simplify the administration of fees and to enhance the ability of students and their families to plan for the costs of higher education without impairing the ability of the campus to provide access to a high quality program. Consolidating existing fees can create additional funding flexibility for the campus by creating a revenue source from which a variety of services can be funded, including those funded in the past through specific fees. Graduation fees, diploma fees, miscellaneous course fees, and health facilities fees are examples of fees that could be consolidated into a single service fee.


Barry Munitz, Chancellor

Dated: August 23, 1996

COMMITTEE ON FINANCE

Student Fee Policy (RFIN 05-96-06)

RESOLVED, By the Board of Trustees of The California State University, that Attachment A to Agenda Item 2 of the May 14-15, 1996, meeting of the trustees' Committee on Finance, titled "The California State University Student Fee Policy" is approved and shall take effect immediately; and, be it further

RESOLVED, That the chancellor is directed to take all necessary action to implement the student fee policy in a manner consistent with existing statutes and provisions of bond indentures; and, be it further

RESOLVED, That the campus presidents are encouraged to evaluate all existing fees charged to students to determine if some fees can be consolidated or eliminated to simplify the administration of fees and to enhance the ability of students and their families to plan for the costs of higher education without impairing the ability of the campus to provide access to a high quality program.

The California State University Student Fee Policy

I. Definitions

- A. **Mandatory fees** – Fees that must be paid to apply to, enroll in, attend, or graduate from the university or to take a course offered through the state-funded instructional program.
- B. **Tuition** – Fees to pay the full cost of instruction required of some students by statute.
- C. **User fees** – Fees paid to receive non-instructional materials, services, or for the use of facilities provided by the university or to enroll in a course offered through a self-support instructional program.
- D. **Penalty fees** – Fees or deposits to reimburse the university for additional costs resulting from dishonored payments, late submissions, or misuse of property or as a security or guaranty.

II. Authority

- A. The Board of Trustees provides policy guidance for all matters pertaining to student fees.
- B. The board retains authority to establish, increase, decrease, or abolish systemwide mandatory fees.
- C. The chancellor is delegated authority to establish new campus mandatory, user, and penalty fees. The chancellor is not delegated authority to establish new systemwide mandatory fees.
- D. The president is delegated authority to increase, decrease, or abolish campus mandatory, user, and penalty fees. The president is not delegated authority to increase, decrease, or abolish systemwide mandatory fees.

III. Responsibility

- A. The president is responsible for assuring that appropriate consultation occurs prior to adjusting any fee and before requesting the chancellor to establish a new fee. This authority is subject to the accountability requirements described below in Section IV.
 - 1. The president shall establish a fee advisory committee comprised of student, faculty, staff, and administrative representatives to provide advice to the campus president.
 - 2. The president shall consult the committee before adjusting any fee and before requesting the chancellor to establish a new fee including a consolidation of existing fees.
 - 3. A statement of revenues and expenditures including a minimum of one year of actual costs and two years of projected revenue and expenditures for the fee revenue supported activity shall be developed by the campus chief financial officer and considered by the campus fee advisory committee prior to the campus president adjusting fees or requesting the chancellor to establish a new fee.
 - 4. Membership of the advisory committee shall be established in consultation with the campus associated students organization and the campus academic senate and shall include the president of the campus associated students organization and the chair of the campus academic senate or their designees.
 - 5. Students appointed by the campus associated students organization shall constitute a majority of the voting members of the committee.

Executive Order No. 661

ATTACHMENT I

Attachment A

Fin.—Agenda Item 2
May 14-15, 1996

6. The campus president shall appoint members to the committee excluding the student representatives who shall be appointed by the campus associated students organization. Faculty members shall be appointed consistent with normal campus processes for selecting faculty members to serve on similar committees.
 7. The president shall appoint the chair of the committee.
- B. Appropriate consultation with campus constituencies regarding charging fees and allocating fee revenue is critical to assure that the delegated authority is exercised in a manner that is consistent with policies adopted by the board.
1. Appropriate and meaningful consultation includes consultation with bodies such as the campus academic senate, the campus associated students organization and, to adjust or establish mandatory fees, an advisory student referendum.
 2. The policy presumes that a student referendum will be conducted before adjusting or establishing mandatory fees. However, the president may waive the referendum requirement if the president determines that a referendum is not the best mechanism to achieve appropriate and meaningful consultation. If a referendum is not conducted prior to adjusting mandatory fees or requesting the chancellor to establish a new mandatory fee, the president must demonstrate to the chancellor why alternative consultation methods selected were more effective in complying with this policy.
- C. An advisory student referendum is required prior to adjusting a campus mandatory fee or requesting the chancellor to establish a new campus mandatory fee and subject to the exception described in B-2 above. The referendum may be conducted by the campus or the associated students organization. For referenda conducted by the campus, the following shall apply:
1. The campus shall fund costs associated with the referendum.
 2. The results of the referendum shall be advisory to the committee and the president.
 3. The chancellor in consultation with the California State Student Association and the Academic Senate shall develop guidelines applicable to the student fee referendum process designed to assure that the referendum is open, fair, and objective. The guidelines shall include a code of ethics regarding student, faculty, and staff participation in elections. The guidelines shall be included in Title 5 of the California Code of Regulations.
 4. The results of a student fee referendum shall be considered favorable when a majority of students voting approve the fee action.
 5. The committee shall issue a voter pamphlet providing objective analysis of the proposed fee action and statements solicited by the committee for and against the proposed fee action.
 6. The committee shall determine the specific statements that shall be included in the pamphlet.
 7. Copies of the voter pamphlet and ballot and information regarding the dates, times, and polling locations shall be available to students and published in the campus newspaper at least thirty days prior to the referendum.
- D. Campuses shall use local financial aid grant, work study, and waiver programs to offer financial aid adequate to meet additional student need resulting from increases in campus mandatory fees or the establishment of new campus mandatory fees.

Executive Order No. 661

ATTACHMENT 1

Attachment A

Fin. — Agenda Item 2

May 14-15, 1996

1. The base budget for local campus financial aid grant, work study, and waiver programs shall be *supplemented permanently in the year the fees are adjusted or established from any appropriate funding source by an amount of not less than one-third of additional revenue resulting from an increase in campus mandatory fee levels.*
2. The federal financial aid eligibility methodology shall be used to determine student financial need.
3. Consistent with current policy and practice, all mandatory fees will be included in student financial aid budgets used to determine financial need according to the federal financial aid eligibility methodology.

IV. Accountability

- A. Total annual mandatory fees may not exceed one-third of the systemwide cost of education. The systemwide cost of education is defined as total support expenditures (State University Fee revenue and General Fund support appropriations) divided by the number of full-time equivalent students.
- B. Each campus shall report to the chancellor for the most recently completed fiscal year a complete inventory of all fees charged to students, the total revenue collected for each fee, and the amount of increased funding provided to local financial aid programs to meet additional student need resulting from adjustments to mandatory fee levels. The fee report will be presented to the board by the chancellor to allow the board to consider the level and range of fees charged to students.

I. Mandatory Fees

Fees that must be paid to apply to, enroll in, attend, or graduate from the university or to take a course offered through the state-funded instructional program.

Examples

Admission Application Fee (mandatory systemwide fee)
Campus Service (ID) Card Fee
Diploma Fee
Graduation Fee
Health Facilities Fee
Health Services Fee
Instructionally Related Activities Fee
Materials, Services, and Facilities Fee
Miscellaneous Course Fees
Special Test Materials Fee
State University Fee (mandatory systemwide fee)
Student Body Association Fee
Student Body Center Fee

Authority to establish and adjust

The Board of Trustees may establish and adjust mandatory systemwide fees.
The Chancellor may establish mandatory campus fees.
The president may adjust mandatory campus fees.

Process to establish mandatory campus fees

Consideration by the campus fee advisory committee is required.

A student referendum is required. The president may use alternative consultation mechanisms if the president determines that a referendum is not the best mechanism to achieve appropriate and meaningful consultation. However, a student body association fee must be established upon favorable vote of two-thirds of the students voting in an election held for the purpose of establishing a student body organization (Education Code §89300). A student body center fee may be established only after a fee referendum is held which approves by a two-thirds favorable vote the establishment of the fee (Education Code §89304).

Results of the referendum and the fee committee review are advisory to the campus president except as provided in Education Code §89300 and §89304, when establishing a student body association fee or a student body center fee.

Upon consideration by the campus fee advisory committee and the completion of a student referendum, the president may request the chancellor to establish the mandatory fee.

Process to adjust mandatory campus fees

Consideration by the campus fee advisory committee is required.

A student referendum is required. The president may use alternative consultation mechanisms if the president determines that a referendum is not the best mechanism to achieve appropriate and meaningful consultation. However, the campus president may increase the student body association fee only after the fee increase has been approved by a majority of students voting in a referendum established for that purpose (Education Code §89300).

Executive Order No. 661
Attachment 2

Results of the referendum and the fee committee review are advisory to the campus president. After consideration by the campus fee advisory committee and the completion of a student referendum, the president may adjust the fee.

Financial Aid

Local financial aid grant, work-study, and waiver programs must be used to offer financial aid adequate to meet additional student need resulting from increases in campus mandatory fees or new campus mandatory fees.

The federal financial aid eligibility methodology must be used to determine student financial need.

II. Tuition Fees

Fees to pay the full cost of instruction required of some students by statute.

Examples

Duplicate Degree Tuition
Nonresident Tuition

Authority to establish and adjust

The Board of Trustees may establish and adjust tuition fees.

The statute requiring the California State University to charge duplicate degree tuition sunsets August 31, 1996.

Process to establish

Resolution by the Board of Trustees.

Process to adjust

Resolution by the Board of Trustees.

Financial Aid

The fee policy does not require that financial aid be provided to meet student financial need associated with tuition fees.

III. User Fees

Fees paid to receive non-instructional materials, services, or for the use of facilities provided by the university or to enroll in a course offered through a self-support instructional program.

Examples

Alumni Placement Fee
American Dietetics Association Transcript Evaluation Fee
Bicycle Storage Fee
Campus General Catalog Fee
Conference, Short Course Institution Fee
Evaluation for Credential Candidate Fee
Extension Course Fee
External Degree Fee
Housing Fee
Installment Fee
Lock and Locker Fee
Music Studio Course (Extension/Summer) Fee

Musical Instrument Repair and Insurance Fee
Organ Practice Fee
Parking Fee
Recreation Facilities Fee
Special Examination Fee
Special Session Fee
Summer Session Health Facilities Fee
Summer Session Fee
Test Materials Fee
Thesis Binding Fee
Transcript of Record Fee

Authority to establish and adjust

The chancellor may establish new user fees.
The president may adjust user fees.

Process to establish

Consideration by the campus fee advisory committee is required. Results of the fee committee review are advisory to the campus president.

After consideration by the campus fee advisory committee, the president may request the chancellor to establish the user fee.

Process to adjust

Consideration by the campus fee advisory committee is required. Results of the fee committee review are advisory to the campus president.

After consideration by the campus fee advisory committee, the president may adjust the fee. Some user fees require frequent adjustment to accommodate changing market conditions (e.g., continuing education fees) which may not permit consideration in advance by the committee.

Financial Aid

The fee policy does not require that financial aid be provided to meet student financial need associated with user fees.

IV. Penalty Fees

Fees or deposits to reimburse the university for additional costs resulting from dishonored payments, late submissions, or misuse of property or as a security or guaranty.

Examples

Check Return Fee
Credit Card Transaction Voucher Dishonored Fee
Delayed Transmittal Fee
Enrollment Confirmation Deposit
Failure to Meet Administrative Appointment Fee
Item Lost or Broken Fee
Late Registration Fee
Library Fee

Executive Order No. 661
Attachment 2

Authority to establish and adjust

The chancellor may establish new penalty fees.

The president may adjust penalty fees.

Process to establish

Consideration by the campus fee advisory committee is required. Results of the fee committee review are advisory to the campus president.

After consideration by the campus fee advisory committee, the president may request the Chancellor to establish the penalty fee.

Process to adjust

Consideration by the campus fee advisory committee is required. Results of the fee committee review are advisory to the campus president.

After consideration by the campus fee advisory committee, the president may adjust the fee.

Financial Aid

The fee policy does not require that financial aid be provided to meet student financial need associated with penalty fees.