

## **Guidelines for Preparing a Request for a New Program Fee / Differential Tuition or Modifying an Existing Program Fee / Differential Tuition**

The deadline to submit requests for program fees or differential tuition to be effective 2019-2020 is **Friday, December 7, 2018**. Requests are expected to be formally presented to the Arizona Board of Regents during the Spring 2019 Tuition Meeting. We expect ABOR's deadline for submission of requests to be February.

### **NEW RULES**

- ❖ **No fixed-price fees will be accepted.** *The amount shown on the request must show only the program fee or differential tuition. (However, the fee could be marketed in ways that include the base tuition, mandatory fees and the program fee.)*
- ❖ *Tuition plus mandatory fees plus program fee or differential tuition must be equal to or greater than base tuition plus mandatory fees.*
- ❖ *Double majors will pay 100% of the program fee or differential tuition for each program except in cases for differential tuition that is in the same college.*
- ❖ *If more than one department or college will share the program fee or differential tuition, the percentage of revenue distribution needs to be shown for each department. Dual Degree pay a discount rate of 75% of the program fee or differential tuition for each program.*
- ❖ *No requests will be accepted for UAOnline.*

Download the **ABOR Form for the Program Fee Request or the Differential Tuition Request** and **UA Peer Comparison Chart** from the [University Fees](#) web page.

### **ABOR Form for Program Fee or Differential Tuition Request:**

- Starting 2018-2019 ABOR created fillable pdf forms. These forms are password protected and cannot be edited nor appended. If additional pages are needed; must be submitted separately.

### **Purpose**

Under purpose, please clearly define the purpose for the differential tuition/fee, by outlining the benefits that those who pay the tuition/fee should expect to obtain.

- Discuss how the request complies with Board Guidelines found in ABOR [Guidelines for Requesting Differential Tuition and Program Fee Additions and Modifications](#).

### **Justification**

Under justification, please clearly explain the costs of the items or services for which the tuition/fee is intended to pay, including whether the proposed rate will cover all or a portion of these costs, and specifying the benefit of those items or services. Also, include an explanation of the cost determination method.

- Ex: If the fee will cover additional advisors, include the number of advising FTE, the estimated personnel costs and the portion covered by the fee. Justification section should align with the proposed annual expenditures table.

## **Student Consultation**

Under student consultation, please outline the steps taken to obtain student input on this proposal as well as a summary of the input received.

- Document the extent to which the unit requesting the program fee or differential tuition consulted with students likely to be assessed the fee. *ABOR Policy 4-104: [Procedure for Setting and Distributing Tuition and Fees](#)* states this consultation 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.”
- Student consultation should take place prior to submitting the request by the due date.

## **Market Pricing**

Each row is not required to be filled. Enter the information on descending order from highest cost to lowest per institutions.

- Use the **UA Peer Comparison Chart** on the PFDT website to enter data comparing the cost of the requested fee to similar fees in peer institutions. Document similar program fees or differential tuition at UA Peer institutions, the elasticity of demand for the program offered, and the probability the program will lead to employment possibilities that are demonstrably worth the higher price.
- Detail the reasoning behind the variance in costs to be covered by the program fee or differential tuition with prevailing expenses. ABOR will consider whether the program has markedly higher expenditures or if market conditions warrant the program fee or differential tuition.
- If the peer institutions listed do not have a similar fee, it would be appropriate to add to the chart other institutions that do charge a similar fee and remove peer institutions that do not have the fee.

## **Budget**

- While the front page of the request form requests the fee amount per term or per unit, under the budget section, ABOR wants **annual** figures. Note that the information here is requested for **annual** revenue and **annual** expenditures. If revenue will be used for administration please breakout those costs separately.

### **Proposed Annual Revenue**

- *Annual Program Fee Amount.* Enter the annualized program fee amount.

- *Number of Students Enrolled Annually:* Enter the anticipated annual full-time equivalent of student enrollment.
- *Total Annual Revenue:* The form will calculate this for you; verify the amount is correct.

### **Proposed Annual Expenditures**

- *Financial Aid Set-Aside:* Enter “14%” on this field, and the form will calculate the total.
- *Institutional and Advising Personnel:* Enter expected amount to be paid for the program’s instructors, advisors, program coordinators; including cost and FTE, etc.
- *Support Staff Expense:* Enter expected amount to be paid for the program’s administrative staff, IT staff, etc.
- *Operating Expense:* Enter expected amount to be paid for office supplies, technology, etc.
- *Administrative Costs:* For FY2020, the cost is 15.88% from Net Revenue (Total Gross Revenue – FAS = Net Revenue). *“Consistent with all tuition and fees, a portion of the program fees and/or differential tuition will be allocated for administrative costs in accordance with the procedures described by the University’s responsibility center budget model.”*
- *Total Program Cost:* The form will calculate this field. The total Revenue should = Total Program costs.

**For dual degree programs, you must complete the fillable ABOR form and an additional “Dual Degree Form.” This is for UA internal use only.**

Email requests to Martha Sesteaga, [sesteaga@email.arizona.edu](mailto:sesteaga@email.arizona.edu), with a copy to Gail Burd, [gburd@email.arizona.edu](mailto:gburd@email.arizona.edu), by **Friday, December 7, 2018**. Senior Vice Provost Gail Burd will collaborate with units to finalize the request submitted to ABOR in April 2019. Please contact Martha at 621-3046 with questions.