

Standard Practice Guide Policies

Student Tuition and Fees

601.39

Applies to: All Departments and Units on the Ann Arbor Campus

I. UNIVERSITY OF MICHIGAN – OVERVIEW

Funds collected through U-M tuition, mandatory fees, and other general funds are distributed to units through the annual budget process. This supports a broad range of educational costs on campus, including faculty/staff salaries, instructional support, classroom and laboratory space, museums and libraries, computing services and IT infrastructure, advising, financial aid and access to scholarships, University Health Services and other forms of student support such as counseling, co-curricular programming, outreach and recruitment events, Student Life, University Unions, etc.

Pursuant to Regents' Bylaw Section 10.01 "Policies Governing Student Fees (revised April 2009): The Board of Regents shall determine the level of full program student fees and a schedule of such fees shall be published. All other student fees shall be fixed by the University Committee on Fees." This policy clarifies that the phrase "*full program student fees*" refers to tuition and mandatory fees applicable to all or most students. As the governing body of the University, the Regents of the university have the primary interest in and responsibility for setting the level of tuition and mandatory fees so that the university has sufficient funds to accomplish its mission while also ensuring affordability for students. Additional student fees fixed by the University Committee on Fees are expected to be nominal and narrowly tailored to address immediate and extraordinary expenses. The goals of this policy are to support affordability and access for diverse student participants, and to provide consistency and transparency of fees to students and the broader campus community.

Tuition and mandatory fees adopted by the Regents shall be developed through a regular budget process executed by the President and administered by the Provost and Executive Vice President for Academic Affairs, as the chief academic and budget officer for the Ann Arbor campus. Other Executive Officers, including the respective Chancellors of the Dearborn and Flint campuses, may develop proposals for mandatory student fees related to services or programs within their respective authorities, and shall coordinate these proposals with the

regular budget process. The Chancellors have the delegated authority under Regents' Bylaw Sections 2.02 and 2.03 to set policies and rates for other specific program, class, or lab fees for their respective campuses.

This SPG governs non-mandatory fees, such as class, lab, or program fees associated with individual student participation, regardless of the method of instruction, including in the event instruction occurs remotely or in alternative formats for any part of the academic year due to COVID-19. In the event non-mandatory fees are substantially unconsumed or unutilized for the 2020-21 academic year due to COVID-19, decisions for refunding such fees will be made on a case by case basis within the School/College.

Through the annual budget process, units receive their allocation of general funds and determine how to expend these funds to support faculty and staff, deliver courses and provide other educational opportunities for students. When there is clear documentation of extraordinary costs associated with conducting individual courses and programs on campus or delivering educational experiences off campus, a *class/lab fee or educational program fee* may be considered. Fees may also be considered to support pre-enrollment activities or services for prospective students. Such *class/lab fees or educational program fees* are directly associated with student participation in particular programs, classes, or experiences, as opposed to mandatory fees (and tuition), which are charged to all students or any students matching defined criteria for the provision of general educational or designated services. All *class/lab fees or educational program fees* should be set transparently and based on the demonstrable extraordinary costs attributed to the individual student participant. They should not be mandatory fees attributed to a broad class of students; such mandatory fees and tuition are the province of the Regents.

II. UNIVERSITY FEE COMMITTEE

In accordance with Regents' Bylaw Section 10.01, "... All other student fees [which are not 'full program student fees' reserved for the Board of Regents as defined in section I. of this Standard Practice Guide] shall be fixed by the University Committee on Fees."

The term 'fixed' means a fee approved directly or implemented through a delegated process established by this SPG or the University Committee on Fees.

The University Committee on Fees referenced in Regents' Bylaw 10.01 shall be commonly known as the "University Fee Committee."

The University Fee Committee may implement this standard practice guide and administer its fee approval authority through supplemental written procedures, guidelines, or delegated processes.

The University Fee Committee shall have a standing membership represented by the following offices:

Provost Office, Academic and Budgetary Affairs

Provost Office, Global Engagement

Provost Office, Enrollment Management, Office of the Registrar

Financial Operations, Student Financial Services

The Chair of the University Fee Committee shall be the Associate Vice Provost for Academic and Budgetary Affairs and Executive Director, Office of Budget and Planning. The Chair may ask for a committee vote or exercise approval authority for the committee over student fees or policies adopted by the committee, unless a member of the standing committee objects. In the case of an objection, the committee may vote to approve or disapprove the fee or policy, or revise the fee or policy before further consideration. A simple majority shall govern the action taken.

University Fee Committee meetings, discussions, votes, and actions will take place and will be documented by any common direct or electronic means.

III. CLASS/LAB FEES FOR PREDOMINATELY ON-CAMPUS INSTRUCTION

The allocation of general funds, including tuition and mandatory fees, through the regular annual budget process provides the primary resources necessary for faculty, staff, facilities, course instruction, IT, and academic program support for on-campus instruction. Additional student class or lab fees are only appropriate and shall only be approved for documented extraordinary and non-routine costs of consumables, materials, services, or external activity fees used exclusively in the classroom and/or for class instruction. Each such fee shall be documented, approved, and tracked on an individual course-by-course basis by the respective college or school, as further delineated in section VII. Unit Responsibilities

For the purposes of these guidelines, the terms course fee, lab fee, or class fee are synonymous.

A. Allowable class fee cost items are, generally, extraordinary marginal costs for:

1. Materials, supplies, devices, or equipment fully consumed within the class
2. Printed materials, licensing, or copyright fees (e.g. lab experiments, case studies)
3. Goods that are retained by the students (e.g. videos, reference materials, software)
4. Maintenance and repair of equipment or devices used exclusively for classroom purposes
5. Admission, entry, event, or participation costs for out-of-classroom experiences
6. Related travel costs to off-campus events or experiences
7. Direct pass-through charges for items similar to 1-6 listed above, which otherwise could be directly obtained by a student, if the educational experience or principles of student financial accountability support this. See the Detail Class Fee Guidelines.

B. Excluded costs that cannot be charged in a class fee include:

1. Regular instructional costs for on-campus learning, such as faculty or staff compensation
2. Facilities or IT infrastructure
3. Academic program support for on-campus instruction
4. Department administrative or operating overhead (e.g. communications, lights, etc.)
5. Incidental costs associated with running any class (e.g. copying exams, equipment not fully consumed within a class, research lab equipment, office equipment)

Items listed above are representative categories of allowable and excluded costs, but are not an exhaustive list. The following links provide the more detailed guidelines, criteria, procedures, and forms needed to obtain approval for a class or lab fee. These detailed policies and forms are approved, and may be revised periodically, by the University Fee Committee.

Detailed Class/Lab Fee Guidelines and Request Form (<https://ro.umich.edu/tuition-residency/tuition-fees/class-fees>)

The Office of the Registrar shall administer the class/lab fee request process, and shall approve, disapprove, or modify regular class and lab fee proposals according to the detailed class fee guidelines document. Student Financial Services shall assist with implementation and be responsible for student billing of approved class/lab fees.

The Office of the Registrar and/or Student Financial Services shall have the discretion and approval authority on behalf of the University Fee Committee to implement any other direct pass-through charges for materials, supplies, devices, events, or activities as permitted in the Detailed Class Fee Guidelines document.

The Office of the Registrar and Student Financial Services shall develop and document their internal procedures related to class fee and pass-through charge administration, approval, and student billing. The Office of the Registrar shall provide a report to the University Fee Committee at least semi-annually outlining all new or modified class fees that have been approved for the academic terms up to one year preceding the report date, or since its last reporting. Such reporting may coincide with a regular meeting of the University Fee Committee. The Office of the Registrar shall also maintain comprehensive lists of student tuition rates, mandatory fees, and class fees on its website.

The Office of the Registrar or Student Financial Services will refer complex, unusual, or exceptional requests to the full University Fee Committee or its chairperson for review and approval.

IV. PROGRAM FEES FOR PREDOMINATELY ON-CAMPUS INSTRUCTION

As with class fees, the allocation of general funds, including tuition, through the annual university budget process provides the predominant resources necessary for instructional costs and academic support for degree programs within the school or college units. Some

differentiation of tuition across programs and units, particularly at the graduate level, support a range of educational models and instructional costs associated with very diverse fields of study. However, it is recognized there may be unique situations with extraordinary costs for an on-campus educational program that: 1) accrue only to the program, 2) span a substantial portion of the program curriculum, and 3) are deemed appropriate to assess only to students receiving the direct benefits of the program. In these unique situations, the University Fee Committee, in consultation with the unit, may approve an on-campus program fee.

A. Allowable costs that may be supported by an on-campus program fee include:

1. Materials, supplies, devices, or equipment fully consumed within the program.
2. Printed materials, licensing, or copyright fees (e.g. lab experiments, case studies)
3. Goods that are retained by the students (e.g. videos, reference materials, software)

V. OFF-CAMPUS EDUCATIONAL PROGRAMS AND FEES

Off-campus educational opportunities are important components of the U-M experience. The University supports a diverse range of these engaged learning opportunities for students, including (but not limited to) internships, clinical placements, service learning, research, student projects and education abroad. These experiences may be for credit or not for credit.

The University recognizes that these valuable educational experiences may have associated extraordinary costs for individual student participation that are not covered by U-M tuition or mandatory fees. Educational program fees are an option for recovering such costs.

The policy detailed below defines basic institutional requirements for calculating off-campus costs and recovering expenses through educational program fees for Ann Arbor campus units. The overall goals of this policy are to support affordability and access for diverse student participants and to provide transparency of fees to students and the broader campus community.

Through this policy, the Provost's Office (including the Office of Budget and Planning and the University Fee Committee) describes requirements and delegates responsibility for determining educational program fees to the individual units managing these experiences. Schools, colleges, or business units may have additional procedures that support this overall policy. All educational programs outside the U.S. must also be compliant with SPG 601.31 on International Travel.

Units may elect to offer off-campus educational programs, which are supported by the general funds allocated through the annual budget process, as well as any gift funds or grants that may be available for these purposes. An *educational program fee* may be used to cover allowable costs (defined below) that are directly attributable to the costs of individual student participation in the off-campus experience, and which represent extraordinary

expenses owing to the off-campus location.

Allowable costs are contingent on whether U-M tuition is charged or not, as outlined in the following sections. When units elect to offer opportunities that do not charge U-M tuition, the unit is still assuming responsibility for all administrative costs associated with the program. Unit-level administrative fees or tuition supplements are not permitted, as these constitute tuition and mandatory fees that are set by the Regents.

All educational program fee expenses and expected material out-of-pocket expenses must be clearly communicated to participants as early as possible in the application process.

A. Allowable costs for *all* off-campus educational programs (programs that charge U-M tuition and programs that do not charge U-M tuition):

1. Materials, supplies, devices, or equipment fully consumed within the program.
2. Printed materials, licensing, or copyright fees (e.g. lab experiments, case studies)
3. Goods that are retained by the students (e.g. videos, reference materials, software).
4. Admission, entry, event, or participation costs for participants.
5. Classroom, facility and information technology expenses at host location.
6. Excursions, field visits and entrance fees that are part of the educational program.
7. U-M faculty or instructor travel, accommodation and meals.
8. U-M staff travel, accommodation and meals for direct supervision or logistical support.
9. Stipend for local staff for direct program supervision or logistical support.
10. Host institution or provider fees for non-instructional items and services.
11. Pre-departure orientation programs and materials.
12. On-site orientation programs and materials.
13. Student transportation to and from the program location.
14. Student accommodation at the host location.
15. Student hosting for group meals that are included in the educational program.
16. On-site transportation.
17. U-M travel abroad health insurance (for international programs only).
18. Currency conversion costs and wire transfer fees (for international programs only).

B. Additional allowable costs for off-campus programs that do *not* charge U-M tuition:

1. Cost of instruction for coursework, which may include host institution tuition, provider tuition, U-M faculty salary and benefits for direct instruction of the

program course(s) or stipend for local instructor on site.

C. Excluded costs for all educational program fees:

1. Costs for companions or dependents of U-M instructors/U-M staff who are on-site for the program.
2. Except where allowable in item V.B.1 above, costs or reimbursements of regular faculty or staff compensation expenses or supplemental stipends.
3. Cross subsidies for other unit-level educational programs.

Department administrative or operating overhead costs associated with providing off-campus educational programs. Examples include communications, future program development, outreach events, advising and other unit or campus-level services that are available to all students.

The following link provides useful forms/templates to document the purpose and component costs of an educational program fee. Request forms shall be submitted to Student Financial Services for appropriate student billing and fee accounting.

Request for International Education Program Fee and Sample Budget Template (<https://global.umich.edu/about/administrative-tools/>)

VI. PRE-ENROLLMENT FEES

Pre-enrollment fees include any application, orientation, program participation, assessment, or academic or financial eligibility fee charged to prospective students and their associates up to a student's first enrollment. The Office of Enrollment management shall develop, propose, administer, and clearly communicate pre-enrollment fees. Communication shall include websites, and any other preferred media or methods.

- A. Pre-enrollment fees or changes in fee amounts shall be developed during the regular annual university budget process. Any new or revised fee proposals shall be communicated to the Associate Vice Provost for Academic and Budgetary Affairs and Executive Director, Office of Budget and Planning in her/his dual role as a key coordinator of the annual budget process and chair of the University Fee Committee. This position shall exercise fee committee approval of the proposed pre-enrollment fees after advice and consultation with the Vice Provost for Academic and Budgetary Affairs and Vice Provost for Enrollment Management.

VII. UNIT RESPONSIBILITIES

School/College units have the primary responsibility for developing and proposing class fees and educational program fees that comply with this policy for allowable and excluded expenses. All proposed and implemented fees must be supported by a Dean's Office or Budget Administrator's approval.

New or changed class/lab fee proposals shall be developed by school/college units and submitted to the Registrar's Office for approval. The Registrar will exercise

approval/disapproval for standard class/lab fee requests, or refer complex requests to the full University Fee Committee for consideration.

For predominantly on-campus program fees, which are expected to be very infrequent, units have the responsibility for developing and submitting a request for approval to the University Fee Committee.

For predominantly off-campus program fees, school/college units have the authority to develop and establish program fees that adhere strictly to these guidelines. Fees that seek to cover costs that are not addressed in this guideline must be submitted to the University Fee Committee for approval. Units must document their unit-level approval process and procedures for setting the fees, including the detailed cost items that make up the fee. Authority to establish a fee includes the authority, in coordination with Student Financial Services, to set a refund, partial refund, or cancellation fee and policy related to a student's withdrawal from a program. A withdrawal or cancellation fee shall not exceed the fee to participate in the program. The University Fee Committee may promulgate sample templates to assist units in this documentation process.

Units shall clearly communicate any fees related to their academic programs on their school/college websites, and through any other preferred media or methods.

The Dean's Office for each unit shall be responsible for compliance with this Standard Practice Guideline. Units are responsible for establishing appropriate chartfields and financial control processes for class/lab and educational program fees consistent with this policy and other standard practice guidelines that define their financial and internal control responsibilities. Student fee documentation should outline the steps in the process; define key roles and responsibilities; and describe the controls and reporting practices for monitoring and reconciling activity associated with the fees. Project Grants designated for class/lab fees or educational program fees should only have allowable revenue and expense activity based on this policy. The University Fee Committee may establish additional chartfield or other financial guidelines to promote consistent tracking and auditing of student fees.

Unit developed class/lab fees, and unit managed educational program fees, and their related financial management and control, are subject to review and audit by Audit Services, the University Fee Committee, the Controller, or the Executive Vice President and Chief Financial Officer. At the direction of the Provost and the Vice Provost for Academic and Budgetary Affairs, the Office of Budget and Planning may conduct sample audits of student fees and related unit documentation and financial control to verify consistency and compliance with these guidelines.

VIII. BILLING ON STUDENT ACCOUNTS

Class/lab fees, educational program fees, and any other direct pass-through educational charges must be billed directly to U-M student accounts. Student Financial Services shall consult with units, the University Fee Committee, and the committee's member offices to

maintain charge coding and item types, and establish payment deadlines. Utilizing U-M student accounts provides consistency and convenience to students and ensures that all class fees and educational program fees are available for other U-M business purposes (e.g. financial aid, scholarships, etc.).

Student Financial Services shall provide a report to the University Fee Committee at least semi-annually outlining all new or modified program fees that have been approved and assessed for the academic terms up to one year preceding the report date, or since its last reporting. Such reporting may coincide with a regular meeting of the University Fee Committee. This requirement is analogous but additional to the class fee approval reporting required in section III from the Office of the Registrar.

Pre-enrollment fees may be charged by an appropriate unit-based process in situations where a student account does not exist or a charge involves a non-student third party participant such as parent or guardian.

Notes

Tuition and Fees (Office of the Registrar) (<https://ro.umich.edu/tuition-residency/tuition-fees>)

Class Fees (Office of the Registrar) (<https://ro.umich.edu/tuition-residency/tuition-fees/class-fees>)

Global Engagement and Education Abroad (<https://global.umich.edu/about/global-engagement-team/>)

UM-Dearborn Policy on Assessing Course, Lab, & Program Fees (<https://umdearborn.edu/about/policies-and-procedures/instruction-research-services-policies-and-procedures/ucdc-policy-assessing-course-lab-program-fees>)

UM-Flint Tuition & Fees (<https://www.umflint.edu/tuition>)

For Further information about this SPG, email the Office of Budget and Planning:
obpbudget.umich.edu

Direct Requests to the University Fee Committee, email: FeeComm@umich.edu
(<mailto:FeeComm@umich.edu>)

File Attachments

Printable PDF of SPG 601.39, Student Tuition and Fees (<https://spg.umich.edu/sites/default/files/policies/601x39.pdf>)

Hard copies of this document are considered uncontrolled. If you have a printed version, please refer to the University SPG website (spg.umich.edu) for the official, most recent version.

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All Departments and Units on the Ann Arbor Campus

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Related Policies:

Fiscal Responsibilities (/policy/500.01)

International Travel Policy (/policy/601.31)

Related Links:Regents Bylaw 10.01 (<https://regents.umich.edu/governance/bylaws/chapter-x-fees-and-charges/>)Regents Bylaw 2.02 (<https://regents.umich.edu/governance/bylaws/bylaws-chapter-02/>)Regents Bylaw 2.03 (<https://regents.umich.edu/governance/bylaws/bylaws-chapter-02/>)Application Fees (<https://admissions.umich.edu/costs-aid/costs>)Campus Day Fee (<https://admissions.umich.edu/apply/admitted-students/freshman-next-steps/campus-day-0>)Enrollment Deposit Fee (<https://admissions.umich.edu/apply/admitted-students/freshmen-next-steps>)CSS Profile Fee (<https://cssprofile.collegeboard.org/getting-started-your-css-profile-application>)