

UNIVERSITY of HOUSTON
MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES

SECTION: Funding and Budgets
AREA: Tuition and Fees

Number: 11.03.01

SUBJECT: Tuition, Fees and Charges

I. PURPOSE AND SCOPE

This document outlines and defines the fees and other charges for which statutory authority is provided to the University. Such fees and charges are outlined in more detail at [Student Business Services' website](#). This document further provides the requirements and process for approval of fees and charges under this authority, roles and responsibilities of persons involved in the process, the budget allocation process, and restrictions on expenditure of the fees. The provisions of this document apply to all tuition, fees and charges imposed by the university on students, employees and the public, in accordance with Chapters [54](#) and [55](#) of the Texas Education Code.

II. POLICY STATEMENT

The Texas Education Code places restrictions on tuition, mandates that certain fees be charged and allows certain other fees to be charged with the Board's approval. The statutes further state that no institution of higher education may collect from students attending the institution any tuition, fee or charge of any kind except as permitted by law.

All fees and charges or amendments of fees and charges under this authorization require the approval of the Board through the process outlined in this document **prior** to being assessed. Revenues from the approved fees shall be budgeted and expended in accordance with the guidelines provided in this document.

III. DEFINITIONS

- A. Consumables: Those tangible items that are consumed or lose usefulness within one year, or that are made of glass and therefore cannot be guaranteed to remain useful for one year.
- B. Compulsory fees ([54.5061](#)): Those fees charged to all students enrolled in the university (e.g., Student Service Fee).
- C. Discretionary fees: Those fees provided by the Texas Education Code that the Board "may" levy; i.e., the law allows the fees, with the Board's approval.
- D. Fees and charges: For the purpose of this document, every fee and charge imposed by the University of Houston or any university unit on students, employees or the public. Charges between departments within the university are not included in this definition.
- E. Laboratory: Work other than class work, such as experimentation and practical application in a laboratory or studio space that is scheduled at a separate meeting time apart from the time spent in the lecture.
- F. Mandatory fees: Those fees and charges provided by the Texas Education Code that the Board "shall" assess; i.e., those fees and charges that are mandated by law.

- G. Materials and supplies: Consumables.
- H. Voluntary fees ([54.5061](#)): Those fees charged only to those students who use the service for which the fee is established.
- I. Incidental Fees ([54.504](#)): A fee that may be charged to students or prospective students to cover the cost of providing materials or services which are not the subject of a charge under any other statutory authorization. Incidental fees may be course related or non-course related.

IV. FEES AND CATEGORIES OF FEES AUTHORIZED UNDER TEXAS LAW

- A. Tuition: Articles [54.051](#) and [54.008](#) of the Texas Education Code establishes tuition rates and sets limits related to tuition that may be charged by Texas institutions of higher education.

Designated Tuition: [Article 54.0513](#) of the Texas Education Code allows for the assessment of Designated Tuition in an amount that the Board considers necessary for the effective operation of the University. Funds collected under this statute are considered institutional funds as defined by [Section 51.009](#) of the Texas Education Code and are accounted for as designated funds.

- B. Fees: The articles of the Texas Education Code cited in parenthesis in this section provide for the following fees and categories of fees. Effective with the fall 2012 term, the University consolidated tuition and mandatory academic fees into a single per semester credit hour rate. The following fees were consolidated in 2012: supplemental instruction fee, ~~international education fees,~~ and the majority of incidental fees.

1. Supplemental instruction fee ([54.051111](#)): The tuition statute states that students registered for a course or courses in art, architecture, drama, speech or music, where individual coaching or instruction is the usual method of instruction, shall pay a fee for the individual coaching or instruction, in addition to regular tuition.
2. University Center Fee ([54.526](#)) (now known as Student Center Fee): The statute allows a fee not to exceed \$150 per student for each regular semester (or \$75.00 per summer session) to be set for financing, constructing, operating, maintaining, and improving the University Center. The Board has approved this mandatory fee. This fee is subject to the review of the Student Fee Advisory Committee. An increase in this fee from one academic year to the next must be approved by a majority vote of the student government or by a majority vote of the students voting in an election called for that purpose.
- ~~3. International education fees ([54.5132](#)): The statute allows, and the Board has approved, a fee of not less than \$1 and not more than \$4 for each semester or summer session. The fee may be increased only if the increase is approved by a majority of the students at the institution participating in an election called for that purpose. Fees collected under this section shall to be deposited into an international education financial aid fund to assist students participating in international student exchange or study programs. The fee may be increased (up to a \$4 maximum) only if approved in a student election for that purpose.~~
43. Recreational Facility Fee ([54.528](#)): A fee, customarily referred to as the Recreation and Wellness Center Fee at the University, in an initial amount which was not to exceed \$75 per semester (may be pro-rated for summer) may be charged to each student to finance, construct, operate, maintain, or improve the

student wellness and recreation facilities. The Board may increase the fee, but may not increase the amount by more than 10 percent from one academic year to the next unless the increase is approved by a majority vote of those students voting in a general student election called for that purpose. The University has increased this fee following approval of the Student Government Association, President, and the Board of Regents.

54. Laboratory fees (54.501): The University shall set and collect a laboratory fee in an amount sufficient to cover the general cost of laboratory materials and supplies used by a student. The institution may charge a laboratory fee in an amount that is not less than \$2 nor more than \$30 for any one semester or summer term for any student in any one laboratory course.

This fee is limited to laboratories, as defined by the Texas Education Code to be associated with laboratory courses, and the amount of the fee shall not exceed the cost of actual materials and supplies used by the student in the laboratory.

65. Incidental fees (54.504): A fee may be charged to students or prospective students to cover the cost of providing materials or services which are not the subject of a charge under any other statutory authorization. Incidental fees may be course related or non-course related. Most academic voluntary fees are covered by the incidental fee statute.

The rate of the fee should reasonably reflect the actual cost to the university for the materials or services for which it is collected; balances of incidental fees may only accrue to the extent considered reasonable in the business cycle of the college or department, or to provide sufficient funds for replacement of equipment and furnishings on a regular, but not annual basis. Balances held at the colleges that accrue as a result of enrollment variances or fluctuations in the cost of materials or services will be expended for the purpose for which the funds were collected, and that use will be stated in an annual report on the use of incidental fees. Funds accruing for the replacement of equipment and furnishings will be accounted for in a manner in which the balance can be readily identified.

76. Student Services Fee (54.503 and 54.5061): These statutes allow the university to charge fees to cover the cost of student services that the Board considers necessary or desirable in carrying out the educational functions of the university. The fees may be approved as either compulsory or voluntary; the maximum allowable for all compulsory fees is \$150 per semester or summer session (unless approved by a majority vote of the students voting in an election called for that purpose or by a majority vote of the student government at the institution.) The University has established a new cap of \$270 for the Student Services Fee following an agreement between the Student Government Association and the President.

Student services, under this statute, cover textbook rentals; recreational activities; health, hospital, and other medical services; group hospitalization; intramural and intercollegiate athletics; artists and lecture series and other cultural entertainment; debating and oratorical activities; student publications; student government; student fees advisory committees; student transportation services; and any other student activities and services specifically authorized and approved by the Board, except those authorized by any other section of the Education Code.

87. Rentals, rates and charges (55.16): The Board is authorized by this statute to impose rentals, rates and charges upon students and others for the occupancy, services, use, and/or availability of all or any of its property, buildings, structures, activities, operations, or other facilities, in such amounts and in such manner as may be determined by the Board.
- The Board is not required to charge students enrolled in different degree programs at the institution the same rentals, rates and charges.
98. Extended Access Fee: The Board has authorized this fee to support distance education and off-campus instructional programs.
409. Fees and charges for services to the general public (54.506): The Board must approve schedules of minimum fees and charges for services performed by any department or unit of the university for students and the public. The schedule shall conform to the fees and charges customarily made for like services in the community. Examples of such services include the Optometry Clinic, the Speech and Hearing Clinic, or reading and other clinics.
4410. Fees for continuing education courses (54.545): In accordance with Section 54.545 of the Texas Education Code, the Board delegates authority to the Chancellor, or his/her designee, to set fees for each continuing education course at each institution in an amount sufficient to permit the institution to recover the costs of providing the course. Fees will be charged only for a course for which the institution does not collect tuition or receive formula funding, including an extension course, correspondence course, or other self-supporting course. Information regarding fees charged for continuing education courses shall be on file in the Office of the President.
4211. Vehicle registration and other fees related to parking and traffic (54.505): The Board is authorized by this statute to charge reasonable fees to students, faculty, and staff for registration of vehicles. The Board is also authorized to charge reasonable fees for parking facilities, enforcement and administration of parking and traffic regulations. These fees are voluntary.

V. REQUEST, REVIEW AND APPROVAL OF NEW TUITION, FEES AND CHARGES OR AMENDMENT OF EXISTING FEES AND CHARGES

Any new tuition, fee or charge or amendment of tuition, fees or charges requires the approval of the Department Head, the Dean or Director, the College/Division Administrator, the responsible Vice President, President, Chancellor and the Board. Board approval may be delegated to the Chancellor for certain fees, as specified in Board policy. Designated tuition or a fee may be charged at a rate lower than the approved rate if approved by the Chancellor or designee.

All requests for new tuition rates, fees and charges will be presented to the Board for approval, as required either annually or biannually, by the Senior Vice President for Administration and Finance. All tuition, fees and charges made under these statutes shall be requested and approved in accordance with this document and budgeted and expended under the restrictions outlined below.

Under Texas law, tuition and fees may not be increased after the student has registered for the semester or summer term for which the tuition or fee is in effect. To the extent practical, the biannual tuition and fee approval process should be completed prior to the first opportunity for pre-registration for the first semester for which the tuition and fee changes are to take effect.

Tuition, fees, and charges, except for the Student Services Fee, are reviewed and recommended to the President by the Tuition and Fee Committee annually or biannually. The Tuition and Fee Committee is comprised of the [Senior Vice President for Administration and Finance](#); [Senior Vice President for Academic Affairs and Provost](#); [Vice President for Student Affairs and Enrollment Services](#); ~~faculty; and students~~ [President of the Faculty Senate; and President of the Student Government Association \(SGA\)](#). This committee considers changes to consolidated tuition and fee rates and student mandatory fees, except for the Student Services Fee, and recommends approval to the President as part of the budget process. Final approval is requested from the Board.

In special circumstances when tuition and fee changes are necessary outside the annual/biannual timeline, a subcommittee of representatives from Academic Affairs and Administration and Finance reviews and recommends approval to the [Senior Vice President for Administration and Finance](#) and the [Senior Vice President for Academic Affairs and Provost](#). The [Senior Vice President for Administration and Finance](#) and the [Senior Vice President for Academic Affairs and Provost](#) recommends approval to the President. Upon approval from the President, the changes are presented to the Board for final approval.

Recommendations for new or changes to academic voluntary fees that are under the incidental fee statute are reviewed and recommended to the President by the [Senior Vice President for Academic Affairs and Provost](#) and the [Senior Vice President for Administration and Finance](#). Upon approval from the President, final approval is requested by the Board.

The Board may delegate to the Chancellor authority to approve certain fees, as specified in Board policy. Academic voluntary fees may be charged at a rate lower than the approved rate if approved by the Chancellor or designee.

The following advisory committees have a role in the review and recommendation process for fees and charges:

[Student Fee Advisory Committee \(SFAC\)](#):- SFAC received its authority via the Texas Administrative Code (Education Code; [Chapter 54](#); [Section 54.5062](#)). SFAC is made up of students, faculty and one non-voting advisor. SFAC reviews and reports on the budget for the Recreational Facility Fee, University Center Fee, and Student Services Fee. SFAC also recommends the level and funding allocations for Student Services Fee to the Vice President for Student Affairs and Enrollment Services for review and approval prior to submission to the President. The President shall duly consider the recommendations of SFAC during the budget process.

[Student Housing and Residential Life \(SHRL\) Advisory Committee](#):- This committee advises and makes recommendations to the Student Housing and Residential Life department regarding the housing policies, rates, and services. This committee's recommended changes to residential housing rates and charges are submitted to the Vice President for Student Affairs and Enrollment Services for review and approval prior to submission to the Tuition and Fee Committee.

[Transportation and Parking Advisory Committee \(TPAC\)](#):- TPAC is a standing committee reporting to the Office of the [Senior Vice President for Administration and Finance](#). TPAC provides advice and assistance regarding plans for the development of parking facilities, parking enforcement issues, parking fees and fines, shuttle bus operations and transportation and parking issues to the Associate Vice President for Administration. The Associate Vice President for Administration is responsible for submitting TPAC recommended changes to transportation and parking rates and charges to the [Senior Vice President for Administration and Finance](#) for review and approval prior to submission to the Tuition and Fee Committee.

Food Service Advisory Committee (FSAC):- FSAC serves in an advisory capacity to the Senior Vice President for Administration and Finance and the Associate Vice President for Administration regarding the University's retail and residential food/beverage and vending programs. FSAC is comprised of students, faculty and staff. FSAC serves as a conduit for the exchange of information and ideas between the University community, the food service provider(s) and University management, as well as providing advice and assistance on other related matters as requested by University management. Recommended changes to food service rates and charges are submitted to the Senior Vice President for Administration and Finance for review and approval prior to submission to the Tuition and Fee Committee.

VI. BUDGETING AND EXPENDITURE RESTRICTIONS (General guidelines for state and non-state ~~[(local)]~~ funds are provided in MAPP 04.01.01 - Purchase of Goods, Materials, and Supplies through the Purchasing Department.)

A. Tuition and "Designated Tuition":

1. Tuition is allocated during the annual budget preparation process and is accounted for as education and general funds. Tuition is subject to the expenditure restrictions of state funds.
2. Designated Tuition is accounted for as designated funds and is allocated as a part of the annual budget preparation process. These funds are expended as designated (local) funds.

B. Fees and charges:

1. Supplemental instruction fees are accounted for as education and general funds and are subject to the expenditure restrictions of state funds.
2. University Center Fee revenues are budgeted into auxiliary cost centers. University Center fee revenues may be expended, subject to the recommendation of the Student Fee Advisory Committee and the final approval of the President and the Board, for necessary expenditures related to the operation, maintenance and capital improvement of the University Center.
- ~~3. International education fees are deposited into a designated account. Funds are used to provide scholarships for study abroad programs, as provided by state law. Scholarship recipients are determined by a committee administered by the Office of the Senior Vice President for Academic Affairs and Provost.~~
- ~~43.~~ Laboratory fees shall be budgeted and accounted for as educational and general funds.

Funds collected as laboratory fees shall be expended only for consumable supplies and materials actually used in the laboratories, such as paper, copying, chemicals, art materials, etc. used in the laboratories.
- ~~54.~~ Incidental Fees shall be budgeted and accounted for as other designated funds.

The revenues from incidental fees must only be used to provide materials, equipment, furnishings and services specifically for the purpose assessed.
- ~~65.~~ Student Services Fee revenues are budgeted into auxiliary cost centers. Student service fee revenues may be expended, subject to the recommendation of the Student Fee Advisory Committee and the final approval of the President and the

Board, for necessary expenditures in support of the student service for which they are allocated.

76. Recreational Facility Fees: Are deposited into auxiliary cost centers and expended for purposes related to the student wellness and recreational facilities.
87. Rentals, rates and charges: Revenues from rentals, rates, and charges shall be deposited into designated cost centers or auxiliary cost centers, and expenditures shall be restricted to the purpose for which the rental or charge is assessed. Where the charge is for rental of university space for which Education and General funds are received, the state must be reimbursed for utilities and maintenance costs.
98. Fees and charges to the general public: Revenues from fees and charges to the general public are deposited into designated or auxiliary cost centers and expended to provide the good or service for which the charge is assessed.
409. Fees for continuing education courses shall be deposited into designated cost centers created for that purpose and shall be expended to cover the costs of the courses.
4410. Vehicle registration fees and other fees related to parking and traffic shall be deposited into auxiliary cost centers. The revenues from these fees shall be expended for the purpose for which assessed including registration of vehicles, building and maintenance of parking lots and facilities enforcement of parking restrictions, traffic signs and markings, towing, and other expenses related to parking and transportation.

VII. NOTIFICATION AND IMPLEMENTATION OF BOARD-APPROVED ACTION

The Office of the Senior Vice President for Academic Affairs and Provost shall be responsible for timely notifying the appropriate staff within Academic Affairs of Board action or presidential action concerning tuition and academic fees. The Office of the Senior Vice President for Administration and Finance shall be responsible for timely notifying the appropriate staff within Finance of Board action or presidential action concerning consolidated tuition and fees and mandatory student fees. The Associate Vice President for Administration shall be responsible for timely notifying the appropriate staff within Administration of Board action or presidential action concerning meal plans and transportation and parking. The Office of the Vice President for Student Affairs and Enrollment Management shall be responsible for timely notifying the appropriate staff within Student Affairs of Board action or presidential action concerning residential housing.

The Bursar will implement Board-approved consolidated tuition and fees and mandatory student fees upon receipt of an approved Board agenda item and supporting documentation from the Senior Associate Vice President of Finance. The Office of the Senior Vice President for Academic Affairs and Provost will implement Board-approved voluntary academic fees and lab fees. The Executive Director for ~~Residential Life and Housing~~Student Housing and Residential Life will implement Board-approved changes to housing rates and charges. The Director of Parking and Transportation will implement Board-approved changes to parking rates.

Each area responsible for implementing Board approved tuition, fees, or charges shall develop, implement and document, generally through written procedures, business processes to ensure compliance with Board-authorized tuition, fee, and charge actions.

VIII. BILLING AND PAYMENT

- A. All instruction-related fees and charges shall be billed through the student billing system, which is under the responsibility of Student Business Services, to the extent practicable. Similarly, wherever possible, other significant regular fees and charges (such as transcript fees) shall be billed through the student billing system and payments made through Student Business Services.
- B. Those charges and fees handled by the college or division are subject to [MAPP 05.01.01](#) on cash handling.

IX. BUDGETING

The budgeting of tuition and fee revenues and associated expenditures shall be incorporated into the annual budgeting process of the university.

X. MONITORING

The Office of the Senior Vice President for Academic Affairs and Provost shall monitor expenditures of revenues from instruction-related academic fees through the annual fee reporting process.

Year-end equity balances from voluntary fees (Fund 2170) will not exceed 25 percent of total revenue collected during the fiscal year.

The Office of the Senior Vice President for Administration and Finance shall monitor fee income and expenditure as a part of the monthly university budget to actual reports. The Office of the Senior Vice President for Academic Affairs and Provost shall monitor instruction-related academic fees at the college level for appropriate expenditure rates based on revenues.

XI. RECORD RETENTION

Any changes to tuition and fee rates must be supported by an approved Board agenda item and supporting documentation. The Board Office will be the official office of record for the maintenance of approved tuition and fee changes via the approved agenda item.

All divisions responsible for the implementation of Board-approved tuition, fees, and charges will maintain documentation in sufficient detail to support the rates and fees charged in any semester.

XII. REVIEW AND RESPONSIBILITY

Responsible Party: Senior Associate Vice President for Finance
Senior Vice President for Academic Affairs and Provost

Review: Every ~~three~~five years on or before August 31

XIII. APPROVAL

Jim McShan
~~Interim-Senior~~ Vice President for Administration and Finance

Renu Khator

President

Date of President's Approval: December 4, 2015

XIV. REFERENCES

Texas Education Code, Chapters [54](#) and [55](#)[MAPP 04.01.01 – Purchase of Goods, Materials, and Supplies through the Purchasing Department](#)[MAPP 05.01.01 – Cash Handling](#)**REVISION LOG**

Revision Number	Approved Date	Description of Changes
1	05/02/2001	Initial edition
2	06/01/2004	Applied revised MAPP template to meet current documentation standards. Changed Student Service Fees Advisory Committee to Student Fee Advisory Committee in Section IV.B.3 and throughout document. Changed documentation of fees in Section IV.B.4 on International Education Fees. Added Section IV.B.5 on Recreational Facility Fee. Changed documentation in Section IV.B.7 on Incidental Fees. Changed documentation in Section IV.B.11 on Fees for Continuing Education Courses. Changed information in Section V.A. on Administrative and Auxiliary Fees and Section V.B. on Academic Fees. Simplified definitions of Tuition and Designated Tuition in Section VI.A. Changed definition of Incidental Fees in Section VI.B.6. Added Section VI.B.8 on Recreational Facility Fees. Added information on the annual fee reporting process to Section X. Added Senior Vice President for Academic Affairs and Provost to Responsible Party. Changed review period from every August of legislative years to every three years on or before August 31

Revision Number	Approved Date	Description of Changes
3	12/04/2015	Applied revised MAPP template and added new Revision Log. Added links to documentation as applicable. Added roles and responsibilities of persons involved in the process to Section I. Removed Section III.H on Course-related or Instruction-related Fees, and Added Section III.I on Incidental Fees (54.504). Revised Section IV.A and B regarding Tuition and Designated Tuition; added information on the consolidated tuition and mandatory academic fees in the Fall 2012 term in Section IV.B, Fees. Removed Section IV.B.2 regarding General Property Deposit. Added information to Section IV.B.3 on fee increase process for International Education Fees. Added the process for increasing Recreational Facility fees in Section IV.B.4. Also added the process for increasing Student Service fees in Section IV.B.7. Complete rewrite of Section V with an emphasis on the various advisory committees with a role in fee and charge changes. Removed Section VI.B.2 on general property deposit funds. Removed most of the documentation in Section VI.B.6 on incidental fees. Rewrote Section VII on notification and implementation of board-approved actions. Changed and rewrote Section XI on records retention. Added two references to Section XIV. Changed title to Vice President for Administration and Finance throughout text. Removed Index Terms
<u>4</u>	<u>TBD</u>	<u>Corrected links and titles as applicable. Removed Sections IV.B.3 and VI.B.3 on International Education Fees. Added information to Section X on year-end equity balances from voluntary fees (Fund 2170) not exceeding 25% of total revenue collected during the fiscal year. Changed review period from every three years to every five years on or before August 31</u>