

Date: November 2, 2011

Subject: Fee Definitions, Fee Setting Authority

University of Washington fees are varied not only in definition and application, but also in the process used to set or increase them. While a number of fees exist to penalize inaction (parking tickets, library fines, etc.) or charge for goods and services (patient fees, parking fees, food sales, etc.), this brief covers educational, academic fees exclusively, and the process by which those fees are established or changed.

Fee Definitions

Fees Related to Academic Activities

Fees that relate to the academic program at the UW include tuition (and its component parts: operating and building fees), services and activities fees, technology fees, course fees, application fees, fees for credit courses and/or degree programs offered through UW Educational Outreach, etc.

Below are fee categories, linked with statutory definitions, approval procedures, and general funding purposes. Asterisks denote that the fee is included in the calculation of Guaranteed Education Tuition (GET) unit prices.

Name (*denotes GET state-mandated fee)	Purpose	Approved by	Statutory Definitions
*Operating Fee (primary component of core tuition fee)	Fee charged to students to cover expenses related to instruction	Board of Regents after consultation with President, Provost, Deans, and Planning & Budgeting	Operating fees are meant to cover <i>educational</i> expenses, <i>but not expenses</i> for: <ul style="list-style-type: none"> • short courses, • self-supporting degree credit programs and courses, • marine station work and experimental station work, • correspondence or extension courses, • individual instruction, • student deposits or rentals, • disciplinary and library fines, <i>which colleges and universities shall have the right to impose,</i> • laboratory, gymnasium, health, technology and student activity fees, or fees, charges, rentals, • other income derived from any or all revenue producing lands, buildings and facilities of the colleges or universities heretofore or hereafter acquired, constructed or installed, including but not limited to income from rooms, dormitories, dining rooms, hospitals, infirmaries, housing or student activity buildings, vehicular parking facilities, land, or the appurtenances thereon, • or such other special fees as may be established by any college or university board of trustees or regents from time to time.
*Building Fee (secondary component of core tuition fee)	Fee designated to pay for bonds, preventative maintenance, etc.	Board of Regents	By statute, a specific percentage of operating fees, which is credited to the UW building account and <i>shall be</i> used exclusively for the purpose of erecting, altering,

			maintaining, equipping, or furnishing buildings, and for certificates of participation.
*Services & Activities Fee	Pays for RSOs, Hall Health services, other student services	Board of Regents, in consultation with Provost, Planning & Budgeting, and student leadership	In statute, S&A fees are meant to recover expenses for: <ul style="list-style-type: none"> • funding student activities and programs of their particular institution, or • the payment of bonds heretofore or hereafter issued for, or other indebtedness incurred to pay, all or part of the cost of acquiring, constructing or installing any lands, buildings, or facilities.
Technology Fee	Money designated to pay for technology services/software etc on campus	Board of Regents, Student Technology Committee	Revenue from this fee must be used exclusively for technology resources for general student use. Fee revenue is distributed by Student Technology Committee.
Application Fee	Charged to students applying to the University of Washington undergraduate or graduate programs	Board of Regents, in consultation with Admissions	Application fees may be waived in a case-by-case basis and are considered ‘other academic fees’ expressly unrelated to the expense encumbered by the university to provide instruction.
IMA Bond Fee, UPASS Fee	Fees charged for debt service or specific expense	Students, Board of Regents approval	Allowed under Services & Activities statute (see above).
Course Fees	Fees directly related to the cost of operating a specific course	If > \$50, the fee is approved by the President, who has designated course fee approval to the Office of Planning & Budgeting If <\$50, approved by the dean of the department	In 2011, course fees ranged from \$5 to \$3,173; the average fee was \$85. About 4% of classes have course fees. There is an element of “cost recovery” associated with this fee type.

General Fee Setting Authority Granted to the Board of Regents by the Legislature

State law gives the UW Board of Regents broad authority to set various fees that are necessary to run the University. However, any fee that would apply to all students is within the statutory definition of tuition **unless** it is within one of the specific categories of charges that are expressly excluded from that definition (such as the Services and Activity fee, the Technology fee, and others as noted above). As a practical matter, this means that any fee imposed on all students has to be explicitly approved by the Legislature.

As part of their budget submissions to OFM and the legislature, **higher education institutions must submit proposed percentage increase limits for various fees, by category**. Language authorizing the Board of Regents to increase various categories of fees is included in the operating budget bill; this language authorizes Regents to increase fees by amounts that the Board determines to be “reasonable and necessary.” The Regents approve the general fee increase limits proposed by the UW as part of its approval of the university’s state budget request; these fee increase limits are also approved by the Board of Regents as part of its approval of the UW’s annual budget.

UW Policy Context for Fee Setting and Course Fee Protocol

Both the establishment of new academic fees and increases to existing fees are governed by two considerations. First, the Board of Regents has reserved the authority to approve certain fees; these include: tuition rates for tuition-subsidized academic programs; services and activities fees; technology fees; Summer Quarter tuition; residence hall and family housing rates; and other fees intended to cover instructional costs (with “instructional costs” in this context defined as faculty or teaching assistant time). Essentially all other fee approvals are delegated to the president, who has traditionally delegated fee approvals to the provost, to deans and to vice presidents.

There is an official UW Administrative Policy Statement (APS 33.1 – User Fee Approval Policy) that specifies both who has the authority to approve certain fees and what costs can be recovered with various fees. In general, the president approves “university wide” fees, and a number of specific fees are enumerated. The provost approves any course fee greater than \$50/quarter and various “instructional related fees” not tied to specific courses (such as fees to cover immunizations for various health sciences students who perform clinical work in hospitals as part of their education). Deans are authorized to approve course fees of less than \$50/quarter.

In 2011, there were 816 recorded course fees billed through Student Fiscal Services; about 4 percent of courses have course fees associated with them. The dollar amount of course fees ranges from \$5 to \$3,173 and in FY11, the average course fee was \$85. All of the revenue generated by these fees goes directly to the college/department charging the fee.

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