

Section Title: Financial Policies

Policy Title: Tuition and Fees

Policy Number: F2.0

2.0.10 **Scope and Purpose.** Since the passage of its enabling legislation, the Commission has engaged with state leaders, institutions, and consumers to advance access and affordability in the higher education sector. The Focus On College and University Success (FOCUS) Act of 2016 augmented the Commission’s responsibility and authority in the financing of higher education in Tennessee, including granting the Commission binding authority on tuition and fee policy.

2.0.20 **Authority.** As the coordinating body for higher education in Tennessee, the Commission is empowered by statute to develop a comprehensive strategic financial plan, focusing on student tuition and other charges; operate an outcomes-based funding formula, which considers the impact of tuition, maintenance fees, and other charges assessed by each institution; promulgate and adopt rules concerning residency, fee waivers, and tuition discounts; and develop and approve tuition policies binding upon all state institutions of higher education.

2.0.30A **Procedures.** The Commission shall review the tuition and institutional fee rates for all state institutions of higher education on an annual basis.

2.0.30B The Commission shall annually develop and approve a tuition and fee policy applicable to tuition and fees charged to in-state, undergraduate students, commonly referred to as “in-state tuition” or “maintenance fees.” This policy shall be binding upon all state institutions of higher education.

2.0.30C The Commission shall have no authority to set a tuition and fee policy applicable to non-resident or graduate students.

2.0.30D The Commission’s tuition policy shall include two (2) approved ranges of allowable percentage adjustment, including:

- 1) One (1) range for any proposed modification to the current tuition rates; and
- 2) One (1) range for any proposed modification to the combined total amount of tuition and all mandatory fees assessed.

Institutions may adopt tuition and fee adjustments within the Commission's approved policy range(s), but no increase shall exceed the Commission's approved maximum percentage adjustment. An institution may, however, reduce tuition and fees if approved by its respective governing board.

2.0.30E Commission staff shall annually produce a comparison of fees with the Southern Regional Education Board, peer institutions, and other states for presentation to the Commission and appropriate executive and legislative officials.

2.0.30F The Commission shall determine the number of non-resident students who meet requirements for admission to a Tennessee community college that may be charged in-state tuition rates, provided that those non-resident students charged in-state rates:

- 1) Do not exceed three percent (3%) of the institution's full-time equivalent (FTE) enrollment; and
- 2) Have a bona fide place of residence in a county adjacent to the Tennessee state line that is also within a thirty-mile (30) radius of the city in which the institution is located.

The Commission shall make necessary adjustments to this number every three (3) years.

2.0.30G The Commission shall develop and adopt rules and regulations concerning the implementation and operation of tuition and fee discount, waiver, and credit programs, as applicable by statute.

Approved: April 22, 1988

Revised: May 11, 2017

Applicable Statute

T.C.A. § 8-50-114, tuition waiver for public employees

T.C.A. § 8-50-115, tuition reduction for children of state employees

T.C.A. § 49-7-116, tuition-free courses for full-time university and college employees

T.C.A. § 49-7-119, tuition discount for children of public school teachers

T.C.A. § 49-7-202, strategic financial plan, tuition and fees, funding formula

T.C.A. § 49-7-211, financial disclosure of student activity fees

T.C.A. § 49-7-2303, tuition credits or refunds during military service

T.C.A. § 49-8-102, residency classification for tuition and fees

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2.0.10 **Scope and Purpose.** Since the passage of its enabling legislation, the Commission has engaged with state leaders, institutions, and consumers to advance access and affordability in the higher education sector. The Focus On College and University Success (FOCUS) Act of 2016 augmented the Commission's responsibility and authority in the financing of higher education in Tennessee, including granting the Commission binding authority on tuition and fee policy. The Commission shall review fees and make recommendations on an annual basis.

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2.0.2+0A **Authority.** As the coordinating body for higher education in Tennessee, the Commission is empowered by statute to develop a comprehensive strategic financial plan, focusing on student tuition and other charges; operate an outcomes-based funding formula, which considers the impact of tuition, maintenance fees, and other charges assessed by each institution; promulgate and adopt rules concerning residency, fee waivers, and tuition discounts; and develop and approve tuition policies binding upon all state institutions of higher education.

Comment [TO1]: TCA 49-7-202 (f, m, n)

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~~The Commission's tuition and fee policies are general guidelines, and institutions and governing boards should have flexibility in setting fees and using fee revenue to address the highest priority needs.~~

2.0.3+0AB **Procedures.** The Commission shall review the tuition and institutional fee rates for all state institutions of higher education and make recommendations on an annual basis.

Comment [TO2]: TCA 49-7-202(n)(1)

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~~2.0.30B The Commission shall annually develop and approve a tuition and fee policy applicable to tuition and fees charged to in-state, undergraduate students, commonly referred to as "in-state tuition" or "maintenance fees." This policy shall be binding upon all state institutions of higher education.~~

Comment [TO3]: TCA 49-7-202 (n)(2)

~~2.0.30C The Commission shall have no authority to set a tuition and fee policy applicable to non-resident or graduate students.~~

Comment [TO4]: TCA 49-7-202(n)(5)

~~2.0.30D The Commission's tuition policy shall include two (2) approved ranges of allowable percentage adjustment, including:~~

Comment [TO5]: TCA 49-7-202(n)(3)

- ~~1) One (1) range for any proposed modification to the current tuition rates; and~~

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2) One (1) range for any proposed modification to the combined total amount of tuition and all mandatory fees assessed.

Institutions may adopt tuition and fee adjustments within the Commission's approved policy range(s), but no increase shall exceed the Commission's approved maximum percentage adjustment. An institution may, however, reduce tuition and fees if approved by its respective governing board.

To ensure continued access to higher education opportunities for students from all economic levels, student financial aid availability from state and federal sources should be considered in conjunction with annual increases in tuition and fees.

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Comment [T06]: TCA 49-7-202(n)(4 and 6)

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2.0.10C Fees for institutions with broadly similar missions and fees for students enrolled in similar professional programs (law and medicine) should be the same. The following groups should be used:

Group 1:	UT Knoxville
Group 2:	University of Memphis
Group 3:	All other Universities
Group 4:	Community Colleges and Technical Institutes
Group 5:	Technology Centers

2.0.10D For resident students, a tuition indexing approach consisting of a ratio or percentage (fees divided by state appropriations) should be used. The tuition indexes should be considered as general goals and implementation for any category should not, with possible exceptions for medicine and veterinary medicine, exceed the average for the Southern Regional Education Board (SREB) region and peer institutions unless appropriations reach this level.

1. For Tennessee residents enrolled in universities, the tuition index should be 40%.
2. For Tennessee residents enrolled in two year institutions, the tuition index should be 35%.
3. For medicine, veterinary medicine, dentistry, and technology centers, the tuition index should be 15%.
4. For other graduate programs including law, fees should be at a level 50% higher than undergraduate fees.

2.0.10E Out of state fees should be recommended at the same level as the average for other southern states.

2.0.10F30E Commission staff shall annually produce a cComparison of fees with the Southern Regional Education Board, peer institutions, and other states should be made on an annual basis and for presentationed to the Commission and appropriate executive and legislative officials.

2.0.10G30F The residency classification guidelines for students should be the same at all institutionsThe Commission shall determine the number of non-

Comment [T07]: TCA 49-8-102(c)

resident students who meet requirements for admission to a Tennessee community college that may be charged in-state tuition rates, provided that those non-resident students charged in-state rates:

- 1) Do not exceed three percent (3%) of the institution's full-time equivalent (FTE) enrollment; and
- 2) Have a bona fide place of residence in a county adjacent to the Tennessee state line that is also within a thirty-mile (30) radius of the city in which the institution is located.

The Commission shall make necessary adjustments to this number every three (3) years.

2.0.30G The Commission shall develop and adopt rules and regulations concerning the implementation and operation of tuition and fee discount, waiver, and credit programs, as applicable by statute.

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Comment [T08]: Multiple citations included in Applicable Statute section.

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