

# UNIVERSITY FEE COMMITTEE

## Guidance for Managing Accumulated Non-Mandatory Class/Lab or Program Fee Balances

To assist university units in addressing findings from the recent audit on Non-Mandatory Student Fees and ensuring compliance with SPG 601.39, the University Fee Committee provides this interim guidance on managing and reducing accumulated fee balances.

In accordance with SPG 601.39, the University Fee Committee reminds units that non-mandatory fees developed and approved for class/lab and program fees are intended to be narrowly tailored, established, and adjusted periodically to closely match the extraordinary educational expenses they are intended to provide resources for. To the best of the unit's ability, fee revenues should be set to match the class/lab or program expenses they are approved to cover. The University Fee Committee recognizes that exact matching is rarely possible in any given term, and that some accumulated balances may occur. With accumulated balances, the committee also recognizes the impracticality of attempting to return class/lab or program fees to past students who paid the fee.

The intent of the following recommendations is to establish the principle that accumulated surpluses from such fees should, wherever possible, be used to reduce other educational or engaged learning costs that would otherwise be directly assessed to current students. The recommendations below should be considered a preferentially ordered list of remediating actions. To manage an accumulated surplus, the unit should:

1. Reduce or cease current fees for the course/lab where surpluses accumulated until the balances are depleted.
2. If the course/lab that generated the surplus is no longer active, or the curriculum has changed such that a fee is no longer required, the balances should be used to support another course or lab for which a fee is currently being charged. Such other course fee(s) should be reduced or eliminated until balances are depleted. Document this transfer clearly, including its purpose, in your class fee records. If there is no other course or lab fee that can be reduced or temporarily supported with prior surplus balances, the unit should use the surpluses for a departmental subsidy of other engaged learning activities for which a student program fee is or will be developed and charged, such that the program fee that would otherwise be charged to students to cover the activities' costs is reduced.
3. For program fee surpluses, subsidize similar future student experiences or experiential learning activities.
4. If none of the above options are feasible, surplus balances may be used to offset operational costs. Prioritize expenditures that provide direct student support services or activities. Balances may also be used for academic program development, marketing, and outreach. Operational use of surplus balances should be documented in your class/lab fee repositories as a repurposed use of the surplus, including noting the transfer of surplus to another chartfield(s).