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November 22, 2000

CHANCELLORS

Dear Colleagues:

I am writing to summarize how the University intends to proceed with regard to the fee structure for an expanded summer program. This will amend the Guidelines Governing Summer Session Operations issued March 14, 1975 with respect to setting summer session fees for UC matriculated students.

As we have discussed, the University will need to employ a number of strategies to accommodate the additional 63,000 FTE students projected to enroll by 2010-11. While the majority of these students can be accommodated under the campuses' existing Long Range Development Plans, substantial increases in summer enrollments also will be necessary. The 2000 Budget Act provided \$13.8 million to the University to reduce summer session fees for UC students beginning in Summer 2001. We are confident that the State will provide the University with the remaining funds needed to meet the increased enrollment demand.

There are three clear policies for general campus programs that we want to implement in the long run with regard to summer. There will be no change to current practice for programs in the health sciences. The three policies for general campus programs are:

- First, with full State funding, summer course offerings will be comparable in quality to those provided during the regular academic year.
- Second, student fees for summer instruction will be the same in structure as those charged during the regular academic year, although they will be charged on a per-unit basis.
- In addition, at least one-third of the revenue from mandatory summer fees (equivalent to the Educational Fee and the University Registration Fee) paid by UC students will be rolled into the systemwide pool of need-based student support funds, i.e., the University Student Aid Program (USAP).

However, it is also clear from your written comments and our discussion at the Council of Chancellors meeting on November 1, along with comments of the Academic Council, that a transition period is needed during which time summer fees can be treated flexibly in order to encourage students to attend during the summer and enable campuses to develop an appropriate level of student services. Accordingly, we will proceed as follows for the next several years during the transition to full State funding:

- Campuses may not charge summer fees that exceed an amount equivalent to a per-unit fee level comparable to that charged during the regular academic year, but as an incentive to encourage summer enrollment campuses may, on a temporary basis, charge fees lower than the appropriate per-unit fee level. Some examples include:
 - charging a summer fee that does not include Nonresident Tuition in order to encourage nonresident UC students to attend;
 - charging a summer fee that does not include a professional school's differential fee in order to encourage students in those schools to attend; or
 - charging resident fees that are lower than the Universitywide fee levels.
- If a campus chooses to reduce summer fees as an incentive, it should simply charge the fee at the reduced level rather than charging the full fee and then waiving a portion. Ordinarily the waived amount would have to be funded from other sources. Under the new plan, any loss of revenue experienced by the campus as a result of the reduced fees will not be replaced by other fund sources.
- A campus that has received full State summer funding will return at least one-third of summer fee revenue to an interim systemwide summer need-based aid pool. If a campus that has received full State summer funding implements incentives that reduce fees, its return-to-aid amount from summer fee revenue will be correspondingly reduced. Campuses that have not received full State funding will not contribute to the interim systemwide summer aid pool.
- During the transition period, campuses will charge a consolidated summer fee rather than separate Educational and University Registration Fees to allow campuses flexibility in the uses of student fee revenue. Chancellors will be responsible for determining the nature and level of student services necessary for summer operations.

Campuses will be asked to report annually on the transition period strategies for expanding summer enrollment including information on the academic programs offered, the number and academic rank of the faculty teaching during the summer, the fee strategies employed, and the amount of foregone revenue due to implementation of incentives.

In the annual report, we will also want to know what fee incentives you anticipate implementing for the coming summer so that we can share this information across campuses, to encourage the development of expanded summer programs while minimizing intercampus competition.

The University will evaluate these transitional strategies on an ongoing basis and it is anticipated that the permanent fee policies will be implemented in 2005-06. Both the transition and long-term policies will apply only to fees charged to UC students. Campuses may continue to set fees for non-UC students as they have in the past.

The attached document describes the summer session fee policies in more detail. Any questions on these policies should be directed to Assistant Vice President for Planning and Analysis Sandra Smith at (510) 987-9147.

Sincerely,

A handwritten signature in black ink, appearing to read "Dick" with a long horizontal line extending to the right.

Richard C. Atkinson
President

Attachments

cc: Members, President's Cabinet
Provost King
Academic Council Chair Cowan
Academic Vice Chancellors
Assistant Vice President Smith

**UNIVERSITY OF CALIFORNIA
Fee Policies Related to Expanded Summer Instruction¹**

Applicability of These Policies

The policies stated in this document apply only to fees charged in general campus programs. There will be no change to current practice for programs in the health sciences.

These policies, both transitional and long-term, will apply only to fees charged to UC students. Campuses may continue to set fees for non-UC students as they have in the past, consistent with the 1975 *Guidelines Governing Summer Session Operations* (<http://www.ucop.edu/ucophome/coordrev/da/da0499att.html>).

Long-term Intent

Three policies for general campus summer instruction are to be implemented over the long run:

- First, with full State funding, summer course offerings will be comparable in quality to those provided during the regular academic year.
- Second, student fees for summer instruction will be the same in structure as those charged during the regular academic year, although they will be charged on a per-unit basis. Examples of how summer instruction fees would be calculated are described in the attached Chart.
- At least one-third of the revenue from mandatory summer fees (fees equivalent to the Educational Fee and the University Registration Fee) paid by UC students will be added to the systemwide pool of need-based student support funds, the University Student Aid Program (USAP).

Transitional Period Policies

A transition period will be in effect as the University moves to full State funding, during which time summer fees can be treated flexibly in order to encourage students to attend during the summer and enable campuses to develop an appropriate level of student services.

1. Summer fee levels

Campuses may not charge summer fees that exceed an amount equivalent to a per-unit fee level comparable to that charged during the regular academic year,

¹ Replaces that portion of the 1975 "Guidelines Governing Summer Session Operations" that apply to setting summer session fees for UC matriculated students.

but as an incentive to encourage summer enrollment, campuses may, on a temporary basis, charge fees lower than the appropriate per-unit fee level.

If a campus chooses to reduce summer fees as an incentive, it should simply charge the fee at the reduced level rather than charging the full fee and then waiving a portion. Ordinarily the waived amount would have to be funded from other sources. Any loss of revenue experienced by the campus as a result of the reduced fees will not be replaced by other fund sources.

Campuses will charge a consolidated summer fee rather than separate Educational and University Registration Fees to allow flexibility in the uses of student fee revenue. Chancellors will be responsible for determining the nature and level of student services necessary for summer operations.

2. Financial aid funding from fee revenue

A campus that has received full State summer funding will return at least one-third of summer fee revenue to an interim systemwide summer need-based aid pool. If a campus that has received full State summer funding implements incentives that reduce fees, its return-to-aid amount from summer fee revenue will be correspondingly reduced. Campuses that have not received full State funding will not contribute to the interim systemwide summer aid pool.

3. Capping summer fees

The fee structure for summer will be capped at 12 units for graduate students and 15 units for undergraduates, as it is now during the regular academic year, with the maximum dollar amount that may be assessed equal to the amount charged during the previous spring quarter.

4. Application fee for summer enrollment

UC students enrolling in summer session at their home campuses will not be charged an application fee.

UC students enrolling at a UC campus other than their home campus may be charged a modest fee by the host campus to cover the administrative costs of admission and registration. Students will continue to pay the transcript fee for subsequent transfer of credit to their home campus.

At the campus's option, an application fee may be charged to non-UC students.

5. Course materials fees for summer courses

Chancellors have been delegated authority for establishing course materials fees and such fees can be established at the discretion of a Chancellor within the University's *Guidelines for Implementing Course Materials Fees* issued May 13, 1996 (<http://www.ucop.edu/ucophome/coordrev/da/da2115.html>).

6. Applicability to summer of the \$10 inter-institutional enrollment fee

California law specifies the conditions under which a student enrolled at a California public institution of higher education may concurrently enroll in one course at another such institution without formal admission and, except for payment of a \$10 administrative fee, without payment of additional fees. Currently, summer session courses are not available to students participating in this program because they are not State-supported.

When State support for summer instruction is implemented, participants in this program will be eligible to enroll concurrently in courses carrying UC credit. Participants would be limited to enrollment in one course and would have to meet the same conditions of eligibility as required in the current program. Participants in the program will not be eligible to enroll in summer courses that do not carry UC credit.

Participation in the cross-enrollment program during the regular academic year is modest and little change in participation rates is expected as a result of expanded summer instruction.

7. Existing fee waiver and exemption programs

Existing student fee waiver or exemption programs will apply to the summer term as they do to the regular academic year. Examples of such programs include the Cal-Vet Fee Exemption program and fee reductions provided to employees and annuitants.

8. Mandatory campus-based fees

It is anticipated that each campus will examine the programs and services that are funded from campus-based fees to determine those that are essential to the operations of summer session or are in high demand during the summer. Each campus should determine whether services not now provided are needed during the summer and whether additional fee revenue from the campus-based fees is needed to support those services. If additional services or programs are necessary, the campus should calculate an appropriate prorated fee level to be charged during the summer term. Depending on the original Regental actions for these fees, campuses may need to seek approval from The Regents to charge prorated campus-based fees.

Currently, some campuses charge a summer session registration fee. This fee should not be confused with the University Registration Fee. Campuses may choose to continue to collect a summer registration fee in lieu of charging prorated campus-based fees (including debt-financed facility fees), but not in lieu of the portion of the consolidated fee that is equivalent to the University Registration Fee.

9. Mandatory student health insurance fees

Campuses must ensure that student health insurance is provided for enrolled students for the full academic year regardless of how the fees are assessed to the students. Currently, the campuses assess students for 12 months of health insurance coverage using the campuses' existing term billing structure. For example, the Berkeley campus includes one-half of the student health insurance fee in the fall fee bill and the remaining half in the spring fee bill. Campus billing practices should be reviewed and new procedures developed as needed to ensure that students enrolled during the summer have the required insurance.

10. Summer fees for non-UC students

The subsidy from State-funded summer instruction will not be available to non-UC students, but these students may continue to enroll in summer session courses. The summer session fees charged to non-UC students will continue to be determined by the campuses. As in the past, summer session fees for non-UC students will need to cover the full cost of instruction and associated services.

11. Calculation of Summer Fee Levels

Summer fee levels will be calculated according to Chart 1 (attached).

12. Transition period reporting and evaluation

Campuses will report annually on their transition period strategies for expanding summer enrollment including information on the academic programs offered, the number and academic rank of faculty teaching during the summer, the fee strategies employed, and the amount of foregone revenue due to implementation of incentives. In addition, the annual report will include information on the fee incentives to be implemented for the coming summer so that this information can be shared across campuses, to encourage the development of expanded summer programs while minimizing intercampus competition.

The University will evaluate these transitional strategies in 2005-06 to determine when the full fee policy may be implemented.

Chart 1

Calculation of Summer Fee Level(s)

Summer systemwide fee levels will be charged on a per-unit basis to ensure comparability to fees charged during the regular academic year. Summer fees for resident students will be calculated using the following formula:

the total annual mandatory systemwide fees (Educational Fee and University Registration Fee) for the previous academic year divided by the number of average annual FTE units

Examples of this calculation are:

A. Mandatory Systemwide Fees for resident undergraduate students.

$$\begin{aligned} \$3,429 / 45 &= \$76 \text{ per quarter unit (residents)} \\ \$3,429 / 30 &= \$114 \text{ per semester unit (residents)} \end{aligned}$$

B. Mandatory Systemwide Fees for resident graduate academic students.

$$\begin{aligned} \$3,609 / 36 &= \$100 \text{ per quarter unit (residents)} \\ \$3,609 / 24 &= \$150 \text{ per semester unit (residents)} \end{aligned}$$

A similar methodology will be used to calculate mandatory systemwide fees for graduate professional and nonresident students who pay a higher level of fees:

C. Mandatory Systemwide Fees for graduate professional students and nonresident students.

Nonresident undergraduates:

$$\begin{aligned} \$3,799 / 45 &= \$84 \text{ per quarter unit} \\ \$3,799 / 30 &= \$127 \text{ per semester unit} \end{aligned}$$

Graduate professional students and nonresident graduate academic students:

$$\begin{aligned} \$3,799 / 36 &= \$106 \text{ per quarter unit} \\ \$3,799 / 24 &= \$158 \text{ per semester unit} \end{aligned}$$

When nonresident tuition and the fees for graduate professional students are charged, a similar methodology will be used to calculate them:

D. Nonresident tuition

Undergraduate students:

$$\$10,244 / 45 = \$228 \text{ per quarter unit}$$

$$\$10,244 / 30 = \$341 \text{ per semester unit}$$

Graduate students:

$$\$10,244 / 36 = \$286 \text{ per quarter unit}$$

$$\$10,244 / 24 = \$427 \text{ per semester unit}$$

In addition, nonresident students would pay a fee equivalent to mandatory systemwide fees.

E. Fees for Selected Professional School Students

The calculation below for resident MBA students is based on average annual tuition and fees of \$9,799 for 2000-01 (\$3,799 in mandatory systemwide fees and an average \$6,000 Fee for Selected Professional School Students):

Example: first year MBA student

$$\$9,799 / 36 = \$272 \text{ per quarter unit (residents)}$$

$$\$9,799 / 24 = \$408 \text{ per semester unit (residents)}$$