

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, and the majority of incidental fees.
 - 1. Supplemental instruction fee ([54.05111](#)): 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. 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.
 - 4. 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.

5. 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.

6. 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 \$300 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.

7. 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.

8. Online Education Fee: The Board has authorized this fee to support the costs associated with the delivery of online courses.
9. 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.
10. 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 or other self-supporting course. Information regarding fees charged for continuing education courses shall be on file in the Office of the Senior Vice President for Academic Affairs and Provost.
11. 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 Senior Vice President for Administration and Finance, the Senior Vice President for Academic Affairs and Provost, and the Vice President for Student Affairs and Enrollment Services. Tuition, fee, and charge recommendations are based on guidance from personnel within Academic Affairs, Administration and Finance, and Student Affairs, including that from established advisory committees. Tuition, fee, and charge recommendations are presented to the President of the Faculty senate and the President of the Student Government Association.

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. 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.

4. 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.

5. 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.
6. Recreational Facility Fees: Are deposited into auxiliary cost centers and expended for purposes related to the student wellness and recreational facilities.
7. 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.
8. 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.

9. 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.
10. 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.

Student Business Services 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 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.

The Office of the Senior Vice President for Administration and Finance shall monitor fee income and expenditure as a part of the quarterly 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: Associate Vice President for Finance
Senior Vice President for Academic Affairs and Provost

Review: Every five years

XIII. APPROVAL

/Raymond Bartlett/

Senior Vice President for Administration and Finance

/Renu Khator/

President

Date of President's Approval: April 20, 2021

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](#)