

**CALIFORNIA COMMUNITY COLLEGES
CHANCELLOR'S OFFICE**

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Memorandum

December 2, 2015

Fiscal Services Memo 15-14
Via E-mail Only

TO: Chief Business Officers
Chief Instructional Officers

FROM:  Mario Rodriguez, Assistant Vice Chancellor
College Finance and Facilities Planning

SUBJECT: 2016-17 Nonresident Fees need to be established by February 1, 2016

SYNOPSIS: Education Code (EC) Section 76140 requires each district governing board to establish the nonresident tuition fee not later than February 1 for the succeeding fiscal year.

Nonresident Tuition Fee. For determining your district's 2016-17 nonresident tuition fee, the 2014-15 statewide average expense of education was **\$6,068** per full time equivalent student (FTES). The projected increase in the United States Consumer Price Index (USCPI) as determined by the Department of Finance is 2.0% for the 2015-16 fiscal year and 2.1% for 2016-17, for a compound factor of 1.041 against the 2014-15 statewide average expense of education (\$6,068) yields an Average cost of **\$6,316** per FTES for the tuition year, or **\$211** per semester unit for a 30 unit semester term academic year. For districts on the quarter system, the 45 unit quarter term academic year results in **\$140** per quarter term unit.

Nonresident Tuition Fee Options. EC 76140(e) enumerates seven options for a district to choose in setting its nonresident tuition fee. These options are reflected in the enclosed worksheet as the "basis for adoption." Options 1-3 are generally well understood, but for Option 4 ("No more than contiguous district") and Option 5 ("No more than district, no less than statewide cost"), please keep in mind the following specifics:

Option 4 'No more than contiguous district'. A review of the legislative history when this option was adopted confirms that this amount **must be within** the:

- **Fee (not cost)** adopted by a contiguous district (**Maximum** amount for Option #4);

AND

- **Cost** of the lesser of (1) your district's average **cost** OR (2) the statewide average **cost** (**Minimum** amount for Option #4).

Option 5 'No more than district, no less than statewide cost'. The *maximum amount* for this option is the district average cost, and the *minimum amount* for this option is the statewide average cost. **Only** an amount **between** these maximum and minimum amounts is allowed under this option.

Option 6 'Highest Years Statewide Average Tuition'. (EC 76140(e)(1)(B)). Use the greater of the succeeding year, the current year or any of the four prior year's statewide average nonresident tuition fee calculation, which is **\$211 per semester unit** or **\$140 per quarter unit** from 2014-2015.

Option 7 'No more than 12 Comparable States Average Tuition'. (EC 76140(e)(1)(E)). No greater than the 2013-14 average nonresident tuition fee of public community colleges in a minimum of 12 states comparable to California in cost of living. This average is calculated to be **\$397 per semester unit** or **\$265 per quarter unit**.

Nonresident Capital Outlay Fee. Pursuant to EC Section 76141 a district **may** also charge to any nonresident student a capital outlay fee. The amount of the nonresident capital outlay fee has to be the lesser of:

- the amount that was expended by the district for capital outlay in the preceding fiscal year divided by the total full-time equivalent students of the district in the preceding fiscal year; **OR**
- 50% of the 2015-16 nonresident tuition fee adopted pursuant to EC 76140.

Processing Fee for Students from Foreign Countries. Pursuant to EC 76142 a district **may** charge each nonresident applicant a processing fee not to exceed the lesser of (1) the actual cost of processing an application and other documentation required by the federal government **OR** (2) \$100, which may be deducted from the tuition fee at the time of enrollment.

Exemptions to these fees. Various exemptions to these fees are provided in the law. Please click on the following web links to EC Sections 76140-76143 and a related legal opinion to learn more about these exemptions:

<http://Ed Code Non-Res>

<http://AB540 and Non-Res Capital Outlay Fee>

Tuition Fee Worksheet. A worksheet for computing the nonresident tuition and capital outlay fees is enclosed. The comparable information for all districts used to derive the statewide average expense of education per FTES for 2014-15 is also enclosed for your reference.

ACTION/DATE REQUESTED: Please complete and return by **February 15, 2016** a copy of the enclosed worksheet and provide information on the 2016-17 nonresident tuition and capital outlay fees adopted by your district governing board by February 2016.

CONTACT: If you have any questions or comments regarding this memorandum, please contact Mike Yarber at (916) 327-6818; or myarber@cccco.edu. The office fax number is (916) 323-3057.

California Community Colleges

2016-17 NONRESIDENT FEES WORKSHEET

NONRESIDENT TUITION FEE CALCULATIONS FOR OPTIONS 1 THROUGH 7

2016-17 NONRESIDENT TUITION FEE (EC 76140)	(Col. 1) Statewide	(Col. 2) District	(Col. 3) 10% or More Noncredit FTES
A. Expense of Education for Base Year (2014-15 CCFS 311, Expenditures by Activity Report, AC 0100-6700, Cols: 1-3)	\$7,172,481,662	\$ _____	\$ _____
B. Annual Attendance FTES (Recal 2014-15)	<u>1,181,923</u>	_____	_____
C. Average Expense of Education per FTES (A ÷ B)	\$ <u>6,068</u>	\$ _____	\$ _____
D. U.S. Consumer Price Index Factor (2 years)	x <u>1.041</u>	x <u>1.041</u>	x <u>1.041</u>
E. Average Cost per FTES for Tuition Year (C x D)	<u>\$6,316</u>	\$ _____	\$ _____
F. Average Per Unit Nonresident Cost – Semester (Qtr)	<u>\$211 (\$141)</u>	\$ _____	\$ _____
G. Highest year Statewide average – Semester (Qtr)	<u>\$211 (\$141)</u>	\$ _____	\$ _____
H. Comparable 12 state average – Semester (Qtr)	<u>\$397 (\$265)</u>	\$ _____	\$ _____

Annual Attendance FTES includes all student contact hours of attendance in credit and noncredit courses for resident students, and nonresident students; Round tuition fee to the nearest dollar.

Column 3 is an option for use by a district with ten percent or more noncredit FTES (*Section 76140(e)(1)(A)*). If your district qualifies, then fill out this column with noncredit FTES and noncredit expense of education data excluded.

NONRESIDENT TUITION FEE CALCULATIONS FOR OPTIONS 6 OR 7

Option 6. The greater amount of the calculations of statewide nonresident tuition for 2011-12 through 2014-15 is \$211 per semester unit or \$141 per quarter unit (2014-15).

Option 7. The average of the nonresident tuition fees of public community colleges in 2014-15 of no less than 12 states comparable to California in cost of living is \$380 per semester unit or \$253 per quarter unit.

Requirement for Use of Option 6 or 7: The additional revenue generated by the increased nonresident tuition permitted under options 6 or 7 shall be used to expand and enhance services to resident students (*EC 76140(e)(2)*). Districts meeting one or more criteria below shall be considered in compliance with the requirements of *EC 76140(e)(2)*. Please check all that apply:

- Revenue from nonresident tuition was less than 5% of total general fund revenue.
- Actual resident FTES was greater than funded resident FTES.
- Percent expenditures for counseling and student services were greater than statewide average (AC 6300 plus 6400 divided by AC 0100-6700, Cols. 1-3).
- Percent expenditures for instructional services were greater than statewide average (AC 0100-5900 divided by AC 0100-6700, Cols. 1-3).

Continue to next page ►

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The district governing board at its _____, 20____ meeting adopted a **nonresident tuition fee** of \$ _____ per semester unit or \$ _____ per quarter unit.

Basis for adoption is (*place an X in one box only*).

- | | |
|--------------------------|--|
| <input type="checkbox"/> | 1. Statewide average cost, per column 1. |
| <input type="checkbox"/> | 2. District average cost, per column 2. |
| <input type="checkbox"/> | 3. District average cost with 10% or more noncredit FTES, per column 3. |
| <input type="checkbox"/> | 4. Contiguous district. _____ . (<i>Specify district and its fee</i>). |
| <input type="checkbox"/> | 5. No more than district average cost (Col. 2 or 3); no less than statewide average cost. |
| <input type="checkbox"/> | 6. Statewide average cost, from 2014-15 (\$211 per semester unit; \$141 per quarter unit). |
| <input type="checkbox"/> | 7. No more than average tuition of 12 states with cost of living comparable to California. |

NONRESIDENT CAPITAL OUTLAY FEE (EC 76141)

For districts electing to charge a **capital outlay fee** to any nonresident student, please compute this fee as follows:

- a. Capital Outlay expense for 2014-15 \$ _____
- b. FTES for 2014-15 _____
- c. Capital outlay expense per FTES (*line a divided by line b*) _____
- d. Capital Outlay Fee per unit:
1. Per semester unit (*line c divided by 30 units*) _____

OR

2. Per quarter unit (*line c divided by 45 units*) _____
- e. 2016-17 Nonresident Student Capital Outlay Fee (not to exceed *the lesser of line d OR 50% of adopted 2015-16 Nonresident Tuition Fee*) _____

The district governing board at its _____, 20____ meeting adopted a **nonresident capital outlay fee** of \$ _____ per semester unit or \$ _____ per quarter unit.

Upon adoption of nonresident tuition and/or capital outlay fees by your district governing board by February 1, 2016, please submit a copy of this report by February 15, 2016 to:

**California Community Colleges Chancellor's Office
Fiscal Services Unit
1102 Q Street, 4th Floor
Sacramento, CA 95811-6549 FAX (916) 323-3057**

District _____

Contact Person _____

Phone Number & email _____

CALIFORNIA COMMUNITY COLLEGES
 2016-17 Nonresident Tuition Fee
 Based on 2014-15 Actual Expense of Education from CCFS-311
 (AC 0100-6700, columns 1-3)

District Code	District	2014-15 Expense of Education*	2014-15 Total FTES**	2014-15 Expense Per FTES
610	Allan Hancock	54,932,943	9,639.27	5,698.87
620	Antelope Valley Joint	66,488,399	11,381.72	5,841.68
910	Barstow	14,130,553	2,641.35	5,349.75
110	Butte-Glenn	87,733,676	10,890.82	8,055.75
410	Cabrillo	66,569,416	11,159.54	5,965.25
810	Cerritos	94,828,720	18,177.01	5,216.96
480	Chabot-Las Positas	106,771,157	17,553.08	6,082.76
920	Chaffey	89,757,893	14,937.14	6,009.04
820	Citrus	61,642,124	12,135.20	5,079.61
830	Coast	194,892,521	32,817.01	5,938.77
710	Compton	32,871,230	5,309.28	6,191.28
310	Contra Costa	181,283,452	26,849.93	6,751.73
970	Copper Mountain	12,996,572	1,432.30	9,073.92
930	Desert	49,659,775	8,370.03	5,933.05
720	El Camino	115,377,411	20,111.90	5,736.77
120	Feather River	15,563,057	1,978.23	7,867.16
420	Foothill-DeAnza (quarter system)	195,669,106	32,157.68	6,084.68
440	Gavilan	33,319,514	5,331.87	6,249.12
730	Glendale	91,355,588	16,330.51	5,594.17
20	Grossmont-Cuyamaca	117,093,374	18,976.84	6,170.33
450	Hartnell	43,711,895	7,260.02	6,020.91
30	Imperial	41,736,379	6,918.52	6,032.56
520	Kern	111,110,367	20,097.34	5,528.61
220	Lake Tahoe (quarter system)	14,187,000	1,843.85	7,694.23
130	Lassen	12,439,498	1,900.07	6,546.86
840	Long Beach	113,516,514	21,100.88	5,379.71
740	Los Angeles	642,888,577	108,551.06	5,922.45
230	Los Rios	303,013,978	52,956.38	5,721.95
330	Marin	50,421,931	3,966.10	12,713.23
140	Mendocino-Lake	22,334,491	3,124.81	7,147.47
530	Merced	59,387,484	9,941.31	5,973.81
50	Mira Costa	89,021,273	11,485.25	7,750.92
460	Monterey Peninsula	39,464,540	6,681.81	5,906.26
850	Mt. San Antonio	160,061,503	31,545.75	5,073.95
940	Mt. San Jacinto	59,113,755	10,897.88	5,424.34
240	Napa Valley	37,047,727	5,715.61	6,481.85

District Code	District	2014-15 Expense of Education*	2014-15 Total FTES**	2014-15 Expense Per FTES
860	North Orange County	185,313,617	36,784.26	5,037.85
430	Ohlone	51,003,967	8,760.50	5,822.04
950	Palo Verde	13,763,631	1,934.15	7,116.11
60	Palomar	120,516,863	20,196.27	5,967.28
770	Pasadena	145,752,367	24,598.62	5,925.23
340	Peralta	143,094,765	21,041.93	6,800.46
870	Rancho Santiago	169,208,241	29,464.33	5,742.82
160	Redwoods	29,264,940	4,180.73	6,999.96
880	Rio Hondo	79,744,453	12,774.32	6,242.56
960	Riverside	164,554,974	28,266.94	5,821.46
980	San Bernardino	90,283,968	15,078.41	5,987.63
70	San Diego	249,240,504	43,509.92	5,728.36
360	San Francisco	189,224,696	25,011.05	7,565.64
550	San Joaquin Delta	92,363,665	16,045.20	5,756.47
470	San Jose-Evergreen	99,897,179	12,690.61	7,871.74
640	San Luis Obispo County	51,739,480	7,251.39	7,135.11
370	San Mateo County	141,704,901	18,850.85	7,517.16
650	Santa Barbara	105,353,406	17,164.01	6,138.04
660	Santa Clarita	82,186,776	15,712.13	5,230.79
780	Santa Monica	162,268,047	26,319.44	6,165.33
560	Sequoias	53,462,752	9,469.55	5,645.75
170	Shasta-Tehama-Trinity	42,170,338	7,136.22	5,909.34
270	Sierra Jt.	81,460,208	15,128.16	5,384.67
180	Siskiyou Jt.	17,582,046	2,678.34	6,564.53
280	Solano	52,327,945	6,999.15	7,476.33
260	Sonoma	118,146,042	17,709.11	6,671.48
890	South Orange County	160,467,439	29,570.94	5,426.52
90	Southwestern	96,636,517	15,716.43	6,148.76
570	State Center	165,140,911	27,922.83	5,914.19
680	Ventura	155,024,923	26,389.67	5,874.45
990	Victor Valley	67,789,941	9,078.77	7,466.86
580	West Hills	35,928,455	5,314.43	6,760.55
690	West Kern	25,231,253	2,598.80	9,708.81
490	West Valley	93,519,559	13,917.71	6,719.46
590	Yosemite	110,838,949	16,764.43	6,611.55
290	Yuba	47,880,551	7,725.93	6,197.38
Totals		\$7,172,481,662	1,181,922.88	\$6,068

* "Expense of Education" is defined in the Budget and Accounting Manual as including all General Fund expenditures, restricted and unrestricted, for all objects of expenditure 1000 through 5000 and all expenditures of activity from 0100 through 6700. For the purposes of calculating the Nonresident Tuition Fee, Expense of Education is different than the 50% Law "current expense of education".

** Includes FTES for resident, nonresident, credit, noncredit.