

**CALIFORNIA COMMUNITY COLLEGES
CHANCELLOR'S OFFICE**

1102 Q STREET, 4TH FLOOR
SACRAMENTO, CA 95811-6549
(916) 445-8752

<http://www.cccco.edu>



Memorandum

December 16, 2013

Fiscal Services Memo 13-10
Via E-mail Only

TO: Chief Business Officers
Chief Instructional Officers

FROM: Frederick E. Harris, Assistant Vice Chancellor
College Finance and Facilities Planning

SUBJECT: 2014-15 Nonresident Fees need to be established by February 1, 2014

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 2014-15 nonresident tuition fee, the 2012-13 statewide average expense of education was **\$5612** per full time equivalent student (FTES). The projected increase in the U.S. Consumer Price Index (USCPI) as determined by the Department of Finance is 1.2% for the 2013-14 fiscal year and 1.9% for 2014-15, for a compound factor of 1.031 against the 2012-13 statewide average expense of education (\$5,612) yields an Average cost of **\$5,786** per FTES for the tuition year, or **\$193** 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 **\$129** 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 **\$193 per semester unit** or **\$129 per quarter unit** from 2012-2013.

Option 7 ‘No more than 12 Comparable States Average Tuition’. (EC 76140(e)(1)(E)). No greater than the 2012-13 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 **\$388 per semester unit** or **\$259 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 2013-14 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 2012-13 is also enclosed for your reference.

ACTION/DATE REQUESTED: Please complete and return by **February 14, 2014** a copy of the enclosed worksheet and provide information on the 2014-15 nonresident tuition and capital outlay fees adopted by your district governing board by February 2014.

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

2014-15 NONRESIDENT FEES WORKSHEET

NONRESIDENT TUITION FEE CALCULATIONS FOR OPTIONS 1 THROUGH 7

2014-15 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 (2012-13 CCFS 311, Expenditures by Activity Report, AC 0100-6700, Cols: 1-3)	<u>\$6,447,535,542</u>	\$ _____	\$ _____
B. Annual Attendance FTES (Recal 2012-13)	<u>1,148,862</u>	_____	_____
C. Average Expense of Education per FTES (A ÷ B)	<u>\$5,612</u>	\$ _____	\$ _____
D. U.S. Consumer Price Index Factor (2 years)	x <u>1.031</u>	x <u>1.031</u>	x <u>1.031</u>
E. Average Cost per FTES for Tuition Year (C x D)	<u>\$5,786</u>	\$ _____	\$ _____
F. Average Per Unit Nonresident Cost – Semester (Qtr)	<u>\$193 (\$129)</u>	\$ _____	\$ _____
G. Highest year Statewide average – Semester (Qtr)	<u>\$193 (\$129)</u>	\$ _____	\$ _____
H. Comparable 12 state average – Semester (Qtr)	<u>\$388 (\$259)</u>	\$ _____	\$ _____

Annual Attendance FTES includes all student contact hours of attendance in credit and noncredit courses for resident students, nonresident students and apprentices; however apprentice hours are divided by 525 to compute an FTES equivalent. 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 2010-11 through 2014-15 is \$193 per semester unit or \$129 per quarter unit (2012-13).

Option 7. The average of the nonresident tuition fees of public community colleges in 2012-13 of no less than 12 states comparable to California in cost of living is \$388 per semester unit or \$259 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 ►

► Continued from previous page

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*).

- 1. Statewide average cost, per column 1.
- 2. District average cost, per column 2.
- 3. District average cost with 10% or more noncredit FTES, per column 3.
- 4. Contiguous district. _____ . (*Specify district and its fee*).
- 5. No more than district average cost (Col. 2 or 3); no less than statewide average cost.
- 6. Statewide average cost, from 2012-13 (\$193 per semester unit; \$129 per quarter unit).
- 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 2012-13 \$ _____
- b. FTES for 2012-13 _____
- 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. 2014-15 Nonresident Student Capital Outlay Fee (not to exceed *the lesser* of line d **OR** 50% of adopted 2013-14 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, 2014, please submit a copy of this report by February 14, 2014 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
 2014-15 Nonresident Tuition Fee
 Based on 2012-13 Actual Expense of Education from CCFS-311
 (AC 0100-6700, columns 1-3)

District Code	District	2012-13 Expense of Education*	2012-13 Total FTES**	2012-13 Expense Per FTES
610	Allan Hancock	48,357,657	9,451.77	5,116.25
620	Antelope Valley Joint	60,131,670	10,736.00	5,600.94
910	Barstow	13,649,947	2,524.64	5,406.69
110	Butte-Glenn	73,006,924	11,137.48	6,555.07
410	Cabrillo	63,192,602	11,129.94	5,677.71
810	Cerritos	85,717,916	16,364.99	5,237.88
480	Chabot-Las Positas	95,780,823	16,584.25	5,775.41
920	Chaffey	78,209,734	12,497.15	6,258.21
820	Citrus	58,858,407	11,124.33	5,290.96
830	Coast	171,959,254	31,420.95	5,472.76
710	Compton	29,322,936	6,085.80	4,818.25
310	Contra Costa	162,241,054	29,581.89	5,484.47
970	Copper Mountain	11,731,875	1,664.49	7,048.33
930	Desert	42,854,926	7,491.96	5,720.12
720	El Camino	105,382,505	19,122.59	5,510.89
120	Feather River	13,123,203	1,741.89	7,533.89
420	Foothill-DeAnza (quarter system)	185,072,443	32,124.20	5,761.15
440	Gavilan	32,103,692	5,174.50	6,204.21
730	Glendale	83,410,910	15,594.86	5,348.62
20	Grossmont-Cuyamaca	101,056,331	17,780.45	5,683.56
450	Hartnell	37,265,562	6,805.66	5,475.67
30	Imperial	38,980,061	6,098.41	6,391.84
520	Kern	99,688,804	18,765.17	5,312.44
220	Lake Tahoe (quarter system)	12,387,598	1,510.68	8,200.01
130	Lassen	12,277,326	1,651.73	7,433.01
840	Long Beach	101,866,229	20,134.83	5,059.20
740	Los Angeles	563,389,164	101,073.33	5,574.06
230	Los Rios	287,506,193	51,050.47	5,631.80
330	Marin	47,261,998	4,816.55	9,812.42
140	Mendocino-Lake	22,089,791	3,157.06	6,996.95
530	Merced	55,183,661	9,374.62	5,886.50
50	Mira Costa	81,558,061	11,241.64	7,255.00
460	Monterey Peninsula	35,010,173	7,040.97	4,972.35
850	Mt. San Antonio	143,518,535	29,356.98	4,888.74
940	Mt. San Jacinto	50,929,571	10,169.62	5,008.01
240	Napa Valley	33,855,508	5,467.74	6,191.87

District Code	District	2012-13 Expense of Education*	2012-13 Total FTES**	2012-13 Expense Per FTES
860	North Orange County	167,275,390	33,127.90	5,049.38
430	Ohlone	46,173,496	8,337.32	5,538.17
950	Palo Verde	11,985,230	1,612.95	7,430.63
60	Palomar	110,752,724	19,052.14	5,813.14
770	Pasadena	119,895,822	22,937.09	5,227.16
340	Peralta	122,153,404	19,469.05	6,274.24
870	Rancho Santiago	151,445,233	28,617.18	5,292.11
160	Redwoods	29,673,385	4,565.69	6,499.21
880	Rio Hondo	68,122,891	12,705.22	5,361.80
960	Riverside	147,581,041	25,631.06	5,757.90
980	San Bernardino	72,606,766	13,438.64	5,402.84
70	San Diego	217,449,400	40,323.53	5,392.62
360	San Francisco	202,185,002	34,971.67	5,781.39
550	San Joaquin Delta	82,341,384	15,825.98	5,202.92
470	San Jose-Evergreen	83,005,580	13,764.20	6,030.54
640	San Luis Obispo County	48,518,479	8,115.23	5,978.69
370	San Mateo County	126,354,350	20,092.54	6,288.62
650	Santa Barbara	94,481,028	16,837.24	5,611.43
660	Santa Clarita	71,024,946	14,339.51	4,953.09
780	Santa Monica	144,996,316	25,314.46	5,727.81
560	Sequoias	50,429,529	8,712.60	5,788.11
170	Shasta-Tehama-Trinity	39,106,023	7,414.03	5,274.60
270	Sierra Jt.	74,517,245	14,942.90	4,986.80
180	Siskiyou Jt.	16,861,585	2,625.56	6,422.09
280	Solano	46,579,735	7,054.91	6,602.46
260	Sonoma	102,309,929	18,870.07	5,421.81
890	South Orange County	150,242,731	29,192.35	5,146.65
90	Southwestern	83,870,529	14,929.84	5,617.64
570	State Center	146,997,221	26,380.60	5,572.17
680	Ventura	135,695,879	25,386.38	5,345.22
990	Victor Valley	48,570,983	9,496.55	5,114.59
580	West Hills	38,096,343	5,157.70	7,386.30
690	West Kern	21,193,210	2,604.99	8,135.62
490	West Valley	86,565,605	16,024.82	5,401.97
590	Yosemite	103,917,995	16,315.56	6,369.26
290	Yuba	46,626,089	7,625.77	6,114.28
Totals		\$6,447,535,542	1,148,862.82	\$5,612

* "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 and apprenticeship.