California Community Colleges

TO: Chief Business Officers
Chief Instructional Officers

FROM: Wrenna Finche, Director
Fiscal Standards and Accountability Unit

RE: 2019-20 Nonresident Tuition and Capital Outlay Fees

Education Code section 76140 requires each district governing board to establish the nonresident tuition fee for the succeeding fiscal year. Recent legislation, AB 3255, signed into law September 18, 2018, extended the adoption date for the nonresident tuition fee from February 1 to March 1. In this memorandum, the options, which previously have been titled Option 1 through 7, have been renamed to align with existing statutes.

Nonresident Tuition Fee

Education Code section 76140 specifies seven options to determine the nonresident tuition fee. The options are described below:

- Option A.1 - District Average Cost

  The district expense of education in the preceding fiscal year increased by the projected percent increase in the Consumer Price Index divided by district total FTES in the preceding fiscal year.

- Option A.2- District Average Cost with 10 Percent or More Noncredit FTES

  If noncredit FTES is equal to or greater than 10 percent of total FTES, the district expense of credit education in the preceding fiscal year increased by the projected percent increase in the Consumer Price Index divided by district total credit FTES in the preceding fiscal year.

- Option B.1 - Statewide Average Cost

  The statewide expense of education in the preceding fiscal year increased by the projected percent increase in the Consumer Price Index divided by statewide total full-time equivalent students (FTES) in the preceding fiscal year.

- Option B.2 – Highest Statewide Average Cost

  The highest amount calculated pursuant to Option B.1 for the succeeding fiscal year, current fiscal year, or past four fiscal years.

- Option C – Contiguous District

  An amount not to exceed the fee established by the governing board of any contiguous district.

- Option D – Between Statewide Average Expense of Education and District Expense of Education

  Fees adopted must be greater than statewide average expense of education and less than the district expense of education.

- Option E – Comparable States Average

  No greater than the 2017-18 average nonresident tuition fees of public community colleges in at least 12 states comparable to California in cost of living.

As a reminder, if a district chooses to adopt Options B.2 or E, existing law requires districts to use the additional revenue generated by the increased nonresident tuition to expand and enhance services to resident students. In no event shall the admission of nonresident students come at the expense of resident enrollment.

Nonresident Capital Outlay Fee

Pursuant to Education Code section 76141, a district may charge a capital outlay fee to nonresident students, other than those with exemptions for nonresident fees pursuant to AB 540. The nonresident capital outlay fee is calculated as the lesser of (1) the district capital outlay expenditures in the preceding fiscal year divided by total FTES or (2) fifty percent of the nonresident tuition fee adopted pursuant to Education Code section 76140.

Processing Fee for Students from Foreign Countries

Education Code section 76142 states a district may charge nonresident applicants who are both citizens and residents of a foreign country 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. This fee may be deducted from the tuition fee at the time of enrollment.

Exemptions

There are various exemptions to the fees described above. To learn more about these exemptions, refer to Education Code sections 76140 through 76143, the document titled Residency For Tuition Purposes- General Overview (revised September 5, 2018), and the Chancellor's Office's Legal Opinion 04-15 and Legal Advisory 18-02 .

Tuition Fee Worksheet

The attached worksheet provides data for the computation of the nonresident tuition and capital outlay fees. This year, the worksheet has been converted to an Excel format.

Action Requested/Contact Information

Submit the attached worksheet to the Chancellor's Office by **Friday March 15, 2019** via email to fiscalstandards@cccco.edu. If you have questions about this memo, please contact fiscalstandards@cccco.edu.

ATTACHMENT: FS18-09 Supplement 2019-20 Nonresident Fee Worksheet