

EXECUTIVE SUMMARY

Item Name: Report on Each University's CY 2024 Sunset Review of Fees

☐ Action Item

Requested Action: The board office submits the CY 2024 sunset review of fees report for Arizona State University (ASU), Northern Arizona University (NAU), and the University of Arizona (U of A), as described in this executive summary.

Background/History of Previous Board Action

- During the 2018 legislative session, legislation passed (Laws 2018, Chapter 107) that amends A.R.S. § 15-1626 requiring the board to broaden its approval of fees to approve via a roll call vote any changes to academic fees or online program tuition rates.
- In January 2018, the Arizona Auditor General issued its audit of the *Universities Fee-Setting Processes*. The Auditor General's audit concluded that ABOR and the universities have established fee-setting processes consistent with best practices but could further enhance the process. For example, the audit found that ABOR should review its fee-setting policies and guidance to require a periodic review of the universities' fee-setting processes.
- At its November 14 – 16, 2018 meeting, the board approved a new section of policy that requires a sunset review process. ABOR Policy 4-105.F requires the board to review and approve each academic fee at least once every 10 years based on a plan developed and implemented by each university.
 - At its June 12 – 14, 2019 meeting, the board approved each university's plan to review each of their existing academic fees over the next 10 years.
 - At its February 8 – 10, 2023 meeting, the board amended its tuition and fees policies. As result of these revisions, all fees in effect on November 17, 2022, remained in effect until June 30, 2024 and must comply with board policy by July 1, 2024 or sunset. In addition, the tuition and fee setting calendar was moved from the spring to the fall beginning in calendar year 2023.
 - As a result of these policy amendments, the 10-year sunset review plans approved by the board at its June 12–14, 2019 meeting were modified by the universities in last year's CY 2023 report.

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Discussion**Fees Reviewed in Prior Years**

- The board reviewed the following fees for Arizona State University (ASU), Northern Arizona University (NAU), and the University of Arizona (U of A) over the prior four years:

Academic Fees Reviewed in Prior Years			
<u>Year</u>	<u>ASU</u>	<u>NAU</u> ^{1/}	<u>U of A</u>
2020	245	482	N/A ^{2/}
2021	6	260	241
2022	2	N/A	20
2023	20	N/A	25
^{1/} NAU conducted its entire fee review process in a 2-year period (CY 2020 and CY 2021).			
^{2/} U of A was granted a one-year extension in CY 2020.			

Current Year Fee Review

- Each university is required to report the academic fees reviewed in CY 2024 along with the result of the review and recommendation on the continuation of the fees.
- In CY 2024, ASU reviewed 42 fees, and U of A reviewed 10 fees. NAU reviewed all their fees in CY 2020 and CY 2021. As a result, there weren't any fees remaining for NAU to review in CY 2024.
 - Forty-two ASU fees were reviewed as a part of this Sunset Review. Each of the responsible academic units submitted a report that addressed the purpose, enrollment, and fee revenue. As well, each unit was asked to recommend whether the fee should be continued as approved, changed, or disestablished.
 - U of A annually reviews its academic fees on a per-college basis. This review encompasses all academic fees for the selected college(s), including any newly introduced fees that fall within the review cycle. This process has led to the establishment of a Sunset Review Board (SRB). The board comprises at least one ex officio representative from the Office of Budget and Planning, the Financial Services Office, the Office of the Provost, the Graduate & Professional Student Council, and the Associated Students of U of A. This year's review was particularly unique due to the

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transition to undergraduate college fees. According to our sunset review schedule, the College of Agriculture, Life, and Environmental Sciences (CALES) was slated for review. At the beginning of the 2024 calendar year, CALES had ten program fees. However, as part of the Tuition and Fees simplification project, all ten program fees were set to be eliminated effective Fall 2024 to comply with the ABOR FY 2025 policy requirements. During this review, CALES self-evaluated the activities associated with these fees from the past year and provided the necessary data in the attached spreadsheet. The review also included an assessment of whether any fees should be reactivated or if any new fees should be introduced. Ultimately, it was determined that U of A will maintain the existing college fee model. In light of the significant reduction in fees, U of A also proposes to complete the comprehensive review process for the remaining active academic fees within the next two years.

- The following table summarizes the total number of academic fees that the universities reviewed in CY 2024.

Total Academic Fees Reviewed in CY 2024							
	# of Fees Unchanged	# of Fees Reduced	# of Fees Eliminated	# of Total Fees Reviewed	Range of Fee Amounts	FY24 Total Enrollment	FY24 Total Revenue
ASU	42	0	0	42	\$25 - \$17,000	2,974	\$42,575,900
NAU ^{1/}	N/A	N/A	N/A	N/A	N/A	N/A	N/A
U of A	0	0	10	10	\$0-2,798	0 ^{2/}	\$1,215,386
^{1/} NAU conducted its entire fee review process in a 2-year period (CY 2020 and CY 2021). ^{2/} U of A did not report enrollment because the program fees were no longer active in Fall 2024. However, revenue is reported because of past-due balance charges that students made payments on over the summer term							

- The first table in each university's attachment individually identifies each academic fee that was reviewed by them in CY 2024.
- The second table in each university's attachment individually identifies the reduced or eliminated college fees by each university. ABOR Policy 4-105.F.2 allows a university president to reduce or eliminate a college fee without board approval, and this policy requires each university to include in this report a list of those college fees that have been reduced or eliminated in CY 2024.

Fees for Future Review

- Based on the modified fee revision schedule, ASU and U of A plan on submitting the remaining fees for review in the following years:

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Academic Fees for Future Review			
<u>Year</u>	<u>ASU</u>	<u>NAU</u> ^{1/}	<u>U of A</u> ^{2/}
2025	26	N/A	19
2026	35	N/A	20
2027	12	N/A	N/A
2028	43	N/A	N/A
2029	39	N/A	N/A
^{1/} NAU conducted its entire fee review process in a 2-year period (CY 2020 and CY 2021).			
^{2/} U of A intends to finish its entire fee review process in CY 2026.			

Statutory/Policy Requirements

- ABOR Policy 4-105 “Fees”

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Academic Fees Reviewed in CY 2024

Fee Name	Fee Type	Fee Amount	Purpose	Univ. Date Established	ABOR Date Established	Most Recent ABOR Action	Prior Year Actual		Current Year Estimate		Result and Recommendation
							Student Enrollment	Fee Revenue	Student Enrollment*	Fee Revenue	
BS Nat Resources Program Fee	Program Fee	\$150	The proposed program fees were used to support student services and engagement opportunities inside and outside the classroom. We paid a 0.5 FTE academic advisor out of our discretionary funds to support the majors as they progressed through the degree programs. We wanted to enhance the role of our advisors by having them spend more time with at-risk students, as well as expand their role in helping to retain and increase diversity within our major. Discretionary funds were also used for classroom enhancements, poster printing services, student clubs, and general IT support. Program fees enabled us to address emergent needs deriving from steady SNRE program growth and an aging pedagogical infrastructure in one of our buildings. Funds were required to enable internships and improved student engagement in research, enhanced methods of instruction, securing and maintaining upgraded technology and applications, increased laboratory sections for key courses, provision of laboratory computer lab refresh and staff support, and increased availability of field trips, including a field-based summer capstone course. The use of special equipment, technology, and field studies in SNRE presented demonstrably higher costs of instruction delivery. Advising and educational improvements boosted undergraduate retention and competitiveness for positions.	Fall 2021	Fall 2021	Fall 2021	589	\$87,115	0	\$383	All 10 of the program fees in this list were eliminated in order to establish the undergraduate college fee model effective Fall 2024 as part of the Tuition and Fees simplification project to meet the ABOR FY 2025 policy requirements.
Fashion Industry Science and Technology	Program Fee	\$250	Program fees were directly tied to professional development resources, courses, software, and opportunities students had once they reached advanced standing. First, a professional academic advisor was hired to support the majors as they progressed through the degree program. Second, since the curriculum relied heavily on technology and developing technical skills, the fee endorsed the acquisition of essential equipment and labs. To ensure that our graduates were digitally competent, the fee was used to build and maintain computer, fabrication, and output systems (e.g., printers, plotters, 3D printers, laser cutters, and digital routers) along with an array of professional software.	Spring 2021	Spring 2021	Spring 2021	100	\$24,750	0	\$750	
FamStud/Retail/ConsSci SpecTuition-UnGR	Program Fee	\$200	This program fee enhanced student hands-on, career preparation, and leadership experiences in the Family Studies and Human Development (FSHD) major. The proposed program helped us not only continue the current career services but also to expand those experiences to ensure that our students became top candidates in the national job market for those seeking a job and/or in higher education for those who sought a professional or graduate degree. The faculty leadership team, faculty, and student leaders participated in the discussion and developed the proposal.	Fall 2010	Fall 2010	Fall 2010	314	\$62,965	0	\$200	
CALS Nutr Sci UG Prog Fee	Program Fee	\$250	The proposed fee added to the student experience by funding additional advising staff to counsel on dietetic internship preparation and post-graduate education and career planning through multiple venues. Advising staff facilitated experiential learning opportunities in an attempt to reach the 100% engagement goal outlined in the Never Settle strategic plan through the development of various educational materials and programs for students in the Nutritional Sciences (NSC) major. Additionally, to prepare the most competitive, employable graduates, the undergraduate program aimed to increase offerings of specialized instruction in more diverse areas of nutrition. Along with this specialized instructional space, equipment, computer technology (hardware and software), and trained technical staff were required. There was a high demand for Nutritional Sciences graduates in the food, supplement, and pharmaceutical industries, community nutrition programs, government and public policy, research, academia, and the medical field. Many of these positions were specialized and required specialized education, credentials, and undergraduate preparation to be eligible at the entry-level, which necessitated additional advising and training at the undergraduate level.	Fall 2015	Fall 2015	Fall 2015	579	\$143,686	0	\$813	

CALS/Career & Academic Services UG Progr	Program Fee	\$75	The program fee supported the College of Agriculture and Life Sciences (CALES) Career Center and enhanced career readiness for undergraduates across the diverse majors in CALES. National surveys of employers in the agriculture and life sciences industries revealed growing demand (60,000 job openings per year) for new employees with STEM backgrounds and expertise in food, agriculture, renewable natural resources, and the environment. Yet a recent APLU survey of employers in these industries noted a great need for advanced career skills among our graduates, specifically effective communication (oral and written) in a business environment, teamwork, and networking in a cross-disciplinary setting in order for them to make significant contributions as new hires. With hiring opportunities on the rise, we created the CALES Career Center to offer programs that included one-on-one coaching to produce the most employable graduates in the country for entry into agriculture, bio-sciences, commerce, and related careers. Graduates from CALES were able to use the career center for at least one year after graduating.	Fall 2016	Fall 2016	Fall 2018	5,016	\$372,398	0	\$2,798
CALS/SWES/BS in Environmental Science PF	Program Fee	\$350	Program fees addressed emergent needs deriving from steady ENVs program growth and an aging pedagogical infrastructure. Funds were required to enable improved student engagement in research, enhanced methods of instruction, securing and maintaining upgraded technology and applications, increased laboratory sections for key courses, provision of laboratory staff support, and increased availability of field trips. Funds enabled the replacement of obsolete teaching lab equipment, undergraduate research projects, the creation of a field-based summer capstone course, and student travel to professional meetings. The use of special equipment, technology, and field studies in Environmental Science presented demonstrably higher costs of instruction delivery. Educational improvements enhanced graduate competitiveness for higher salaried positions. Funds were also used for advising "at-risk" students and mentoring to retain/grow diversity and increase access.	Fall 2016	Fall 2016	Fall 2016	217	\$75,250	0	\$700
Retail and Consumer Sci PF	Program Fee	\$250	This program fee enhanced student hands-on, career preparation, and leadership experiences in the Retailing and Consumer Sciences major. The proposed program fee helped us not only continue the current career services but also expand those experiences to ensure that our students were top candidates in the national job market for those seeking a job and/or in higher education for those who were seeking a professional or graduate degree. The faculty leadership team, faculty, and student leaders participated in the discussion and developed the proposal.	Fall 2010	Fall 2010	Fall 2010	252	\$63,835	0	\$563
BS Nutrition and Food Systems	Program Fee	\$250	This fee supported advising staff to counsel on post-graduate education. Advising staff also facilitated student placement in experiential learning opportunities. This fee was also applied towards the Student Nutrition Advising Center (SNAC), including discipline-specific reading materials, software, and access to technology such as computers, printing, and collaborative workspaces. Access to advising and SNAC was highly impactful for student retention and success. To prepare the most competitive graduates, this program also aimed to increase course offerings by providing instruction on diverse topic areas beyond the existing scope of the Department of Nutritional Sciences, which required new equipment, resources, and field experiences, imposing an additional cost to instruction.	Fall 2018	Fall 2018	Fall 2018	29	\$7,000	0	\$0
Personal and Family Financial Planning	Program Fee	\$250	This program fee was used to support student services and engagement opportunities outside the classroom. A professional academic advisor was hired to support the majors as they progressed through the degree program. In addition, a lecturer was hired to teach professional development and leadership courses. Finally, rich opportunities existed outside the classroom. The proposed fees helped support students as they participated in those activities.	Fall 2018	Fall 2018	Fall 2018	81	\$20,778	0	\$0
Animal & Vet Sci Program Fee	Program Fee	\$250	These program fees were directly used towards the purchase and usage of non-ACBS-owned animals. In addition, fees were used for feed, medical/maintenance, supplies, equipment, and off-site field-specific costs associated with animal instruction. Providing hands-on instruction for students utilizing live animals and modern equipment and supplies increasingly prepared students for professions within the animal and veterinary sciences.	Fall 2022	Fall 2022	Fall 2022	1,450	\$357,609	0	\$2,274

* No enrollment is reported because the program fees were no longer active in Fall 2024. However, revenue is reported because of past-due balance charges that students made payments on over the summer term.

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College Fees Decreased or Eliminated in CY 2024

<u>Fee Name</u>	<u>Fee Amount</u>	<u>Amount of Decrease</u>	<u>Eliminated Fee</u>	<u>Purpose</u>	<u>Univ. Date Established</u>	<u>ABOR Date Established</u>	<u>Most Recent ABOR Action</u>	<u>Reason for Decrease/Elimination</u>
N/A								

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