

**CALIFORNIA COMMUNITY COLLEGES
CHANCELLOR'S OFFICE**

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Memorandum

December 14, 2016

Fiscal Services Memo 16-11
Via E-mail Only

TO: Chief Business Officers
Chief Instructional Officers

FROM: Elias Regalado, Director
Fiscal Standards and Accountability

SUBJECT: 2017-18 Nonresident Fees need to be established by February 1, 2017

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 2017-18 nonresident tuition fee, the 2015-16 statewide average expense of education was **\$6,762** 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 1.8% for the 2016-17 fiscal year and 2.0% for 2017-18, for a compound factor of 1.038 against the 2015-16 statewide average expense of education (\$6,762) yields an Average cost of **\$7,019** per FTES for the tuition year, or **\$234** 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 **\$156** 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 **\$234 per semester unit** or **\$156 per quarter unit** from 2015-2016.

Option 7 ‘No more than 12 Comparable States Average Tuition’. (EC 76140(e)(1)(E)). No greater than the 2015-16 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 **\$425 per semester unit** or **\$283 per quarter unit**.

Nonresident Capital Outlay Fee. Pursuant to EC Section 76141 a district **may** also charge to any nonresident student ([except nonresident students having AB 540 status](#)) 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 student (FTES) of the district in the preceding fiscal year; OR
- 50% of the 2016-17 nonresident tuition fee adopted pursuant to EC 76140.

Processing Fee for Students from Foreign Countries. Pursuant to EC 76142 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, 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 2015-16 is also enclosed for your reference.

ACTION/DATE REQUESTED: Please complete and return by **February 15, 2017** a copy of the enclosed worksheet and provide information on the 2017-18 nonresident tuition and capital outlay fees adopted by your district governing board by February 1, 2017.

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) 323-8245.

California Community Colleges

2017-18 NONRESIDENT FEES WORKSHEET

NONRESIDENT TUITION FEE CALCULATIONS FOR OPTIONS 1 THROUGH 7

2017-18 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 (2015-16 CCFS 311, Expenditures by Activity Report, AC 0100-6700, Cols: 1-3)	\$8,024,141,296	\$ _____	\$ _____
B. Annual Attendance FTES (Recal 2015-16)	1,186,716	_____	_____
C. Average Expense of Education per FTES (A ÷ B)	\$6,762	\$ _____	\$ _____
D. U.S. Consumer Price Index Factor (2 years)	x 1.038	x 1.038	x 1.038
E. Average Cost per FTES for Tuition Year (C x D)	\$7,019	\$ _____	\$ _____
F. Average Per Unit Nonresident Cost – Semester (Qtr)	\$234 (\$156)	\$ _____	\$ _____
G. Highest year Statewide average – Semester (Qtr)	\$234 (\$156)	\$ _____	\$ _____
H. Comparable 12 state average – Semester (Qtr)	\$425 (\$283)	\$ _____	\$ _____

Annual Attendance FTES includes all student contact hours of attendance in credit and noncredit courses for resident 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 2012-13 through 2015-16 is \$234 per semester unit or \$156 per quarter unit (2015-16).

Option 7. The average of the nonresident tuition fees of public community colleges in 2015-16 of no less than 12 states comparable to California in cost of living is \$397 per semester unit or \$265 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 2015-16 (\$234 per semester unit; \$156 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 2015-16 \$ _____
- b. FTES for 2015-16 _____
- 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. 2017-18 Nonresident Student Capital Outlay Fee (not to exceed *the lesser of line d **OR** 50% of adopted 2017-18 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, 2017, please submit a copy of this report by February 15, 2017 to:

**California Community Colleges Chancellor's Office
Fiscal Services Unit (attn. Michael Yarber)
1102 Q Street,
Sacramento, CA 95811-6549 FAX (916) 323-8245**

District: _____

Contact Person: _____

Phone Number & email: _____

CALIFORNIA COMMUNITY COLLEGES
2017-18 Nonresident Tuition Fee
Based on 2015-16 Actual Expense of Education from CCFS-311
(AC 0100-6700; Objects of Expenditure 1000-5000)

District Code	District	2015-16 Expense of Education*	2015-16 Total FTES**	2015-16 Expense Per FTES
610	Allan Hancock	60,117,623	8,618.74	6,975.22
620	Antelope Valley Joint	73,079,130	11,776.40	6,205.56
910	Barstow	15,328,943	2,566.09	5,973.66
110	Butte-Glenn	116,471,860	11,185.38	10,412.87
410	Cabrillo	76,244,354	9,573.67	7,963.96
810	Cerritos	105,517,954	18,133.89	5,818.83
480	Chabot-Las Positas	121,610,255	18,048.39	6,738.01
920	Chaffey	103,204,112	16,166.50	6,383.83
820	Citrus	67,618,972	12,482.27	5,417.20
830	Coast	211,321,454	34,845.39	6,064.55
710	Compton	38,633,898	6,100.30	6,333.11
310	Contra Costa	196,852,250	32,387.44	6,078.04
970	Copper Mountain	13,996,031	1,490.22	9,391.92
930	Desert	56,343,590	9,463.87	5,953.55
720	El Camino	123,081,242	20,410.27	6,030.36
120	Feather River	16,131,716	1,943.64	8,299.74
420	Foothill-DeAnza (quarter system)	222,684,676	31,945.62	6,970.74
440	Gavilan	37,486,052	4,881.81	7,678.72
730	Glendale	99,286,955	14,986.00	6,625.31
20	Grossmont-Cuyamaca	127,374,375	19,604.07	6,497.34
450	Hartnell	49,057,359	7,355.89	6,669.13
30	Imperial	47,374,420	6,860.16	6,905.73
520	Kern	121,191,488	21,000.69	5,770.83
220	Lake Tahoe (quarter system)	15,406,504	1,836.92	8,387.14
130	Lassen	13,935,713	1,542.87	9,032.33
840	Long Beach	131,040,515	19,369.43	6,765.33
740	Los Angeles	724,713,314	111,386.04	6,506.32
230	Los Rios	340,038,855	48,496.53	7,011.61
330	Marin	56,628,073	3,927.51	14,418.31
140	Mendocino-Lake	24,314,855	2,663.27	9,129.70
530	Merced	64,137,957	9,317.30	6,883.75
50	Mira Costa	102,780,770	11,793.63	8,714.94
460	Monterey Peninsula	45,263,911	6,432.22	7,037.06
850	Mt. San Antonio	188,638,456	32,333.24	5,834.20
940	Mt. San Jacinto	70,522,106	11,980.93	5,886.20
240	Napa Valley	39,148,026	5,675.45	6,897.78

District Code	District	2015-16 Expense of Education*	2015-16 Total FTES**	2015-16 Expense Per FTES
860	North Orange County	216,883,793	36,590.69	5,927.29
430	Ohlone	54,993,115	7,655.21	7,183.75
950	Palo Verde	15,856,446	2,069.02	7,663.75
60	Palomar	125,121,664	17,109.75	7,312.89
770	Pasadena	158,133,087	25,221.33	6,269.82
340	Peralta	162,968,586	21,250.59	7,668.90
870	Rancho Santiago	188,492,054	29,582.70	6,371.70
160	Redwoods	29,264,940	3,889.69	7,523.72
880	Rio Hondo	91,414,545	13,030.14	7,015.62
960	Riverside	190,575,442	29,339.16	6,495.60
980	San Bernardino	97,256,518	15,471.53	6,286.16
70	San Diego	284,568,512	44,623.36	6,377.12
360	San Francisco	201,548,621	23,213.38	8,682.43
550	San Joaquin Delta	104,509,538	16,510.98	6,329.70
470	San Jose-Evergreen	110,942,034	12,238.45	9,065.04
640	San Luis Obispo County	57,177,246	8,506.12	6,721.90
370	San Mateo County	156,743,858	18,539.86	8,454.43
650	Santa Barbara	109,715,223	15,802.10	6,943.08
660	Santa Clarita	97,332,789	16,464.90	5,911.53
780	Santa Monica	180,465,778	26,770.72	6,741.16
560	Sequoias	56,932,947	9,532.44	5,972.55
170	Shasta-Tehama-Trinity	47,321,261	6,298.71	7,512.85
270	Sierra Jt.	90,603,559	15,311.74	5,917.26
180	Siskiyou Jt.	22,303,499	2,968.75	7,512.76
280	Solano	55,283,008	8,417.24	6,567.83
260	Sonoma	132,201,693	19,914.87	6,638.34
890	South Orange County	185,921,846	25,162.24	7,388.92
90	Southwestern	106,890,615	14,098.10	7,581.92
570	State Center	187,240,775	29,677.44	6,309.20
680	Ventura	172,478,418	26,851.75	6,423.36
990	Victor Valley	73,977,369	9,559.06	7,738.98
580	West Hills	39,396,251	5,479.32	7,189.99
690	West Kern	26,858,427	2,632.84	10,201.31
490	West Valley	100,104,257	13,874.83	7,214.81
590	Yosemite	122,172,350	16,748.77	7,294.41
290	Yuba	53,913,468	7,726.17	6,978.03
Totals		\$8,024,141,296	1,186,716	\$6,762

* "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 credit and noncredit FTES for resident and nonresident students.