**ARIZONA BOARD OF REGENTS**
POLICY MANUAL

# 4-104 Procedure for Setting Tuition and Fees

Revision Dates

11/19/2026, 2/9/2023, 11/16/2018, 4/7/2011, 8/11/2006, 1/24/2003, 4/26/2002, 3/2/2001, 1/12/1996, 3/10/1995, 12/14/1990, 2/16/1990, 2/19/1988 (effective 12/5/1987), 3/12/1983 (adopted; effective 5/1/1983)

A. Procedures for Setting Multi-Year Maximum Growth Rates for Tuition and Academic Fees:

1. The board shall adopt Growth Rate(s) for resident undergraduate tuition, resident graduate tuition, and Academic Fees that serve to limit the rate of annual increases.

2. The board adopts Growth Rate(s) for a four-year period, known as a Growth Rate Period.

    a. The Growth Rate(s) may be the same rate for tuition and Academic Fees or unique rates for each.

    b. The board may adopt a single Growth Rate(s) for all the universities or unique rates for each university.

    c. The Growth Rate(s) will apply during the Growth Rate Period, unless a different Growth Rate(s) is fixed by the board during that period.

    d. Two years into each Growth Rate Period (every four years), the board will adopt Growth Rate(s) for the subsequent Growth Rate Period.

    e. Growth Rate(s) are subject to Section F of this policy.

3. Universities shall submit proposals for Growth Rate(s) that meet the following parameters:

    a. In the second year of each Growth Rate Period, each university shall propose its Growth Rate(s) for tuition and Academic Fees for the subsequent four-year Growth Rate Period.

    b. Each proposal will include supporting background information addressing the factors relevant to the proposal, including but not limited to:

i. Budget and Financial position;

ii. Enrollment history and projections;

iii. Price indices and benchmarks;

iv. Affordability and access; and

v. Peer and market comparisons

c. Fee proposals shall include information required by ABOR Policy 4-105.

d. Proposals will be submitted in a format established by the Board's Executive Director or designee.

B. Procedures for Establishing New Tuition or Academic Fees

1. Universities periodically propose new tuition and Academic Fees in response to new or changing programs or instruction and operating costs.

2. Proposals should include the following parameters:

a. Financial Analysis

b. Affordability and Access

c. Peer and market comparison

3. Fee proposals shall include information required by ABOR Policy 4-105.

4. Prior to submitting proposed new tuition or Academic Fees, the university will consult with Elected Student Representatives regarding the proposed rates.

5. New tuition and Academic Fees are subject to Section F of this policy.

6. Once a new tuition or Academic Fee is approved, it is governed by the relevant board-approved Growth Rate that is in effect.

7. At the discretion of the University President:

a. A university may charge an Annual Published Tuition rate that is less than the Maximum Tuition fixed by the board including for programs for high school students, provided the Annual Published Tuition is set as provided by ABOR Policy 4-104.

b. A university may charge tuition or Academic Fees different than the Annual Published Tuition or Published Fees for education services provided through a contract with a third party.

c. A university may charge a per unit tuition rate for student taking fewer credit hours than required for a full-time rate. The per unit rate shall be prorated based on the full-time rate and may vary by student level, residency, school, or college.

C. Procedures for Setting Annual Published Tuition and Fees

1. Prior to proposing the Annual Published Tuition and Academic Fees for the next academic year, Presidents shall consult with and/or review written comments from Elected Student Representatives on proposed changes to the Annual Published Tuition and Academic Fees.

2. The board office will provide a timeline to the University Presidents regarding the submission and publication of Annual Published Tuition and Academic Fees to the Board and public.

a. Universities will publish tuition and Academic Fees to their websites no later than December 31.

b. The Board will publish the Annual Published Tuition and Published Fees for the next academic year for each university. The board office will also publish the Maximum Tuition and Academic Fees for the following year.

3. Any proposal for Annual Published Tuition and Published Fees must comply with the following:

a. Resident undergraduate tuition, resident graduate tuition, and any currently existing Academic Fees must be set equal to or less than the Maximum Tuition and/or Maximum Fee, as calculated by the Growth Rate(s) as fixed by the Board.

b. Resident undergraduate and resident graduate online tuition and Academic Fees must comply with the following:

i. Presidents shall publish a per-credit-hour tuition that does not exceed the prorated full-time resident undergraduate or resident graduate tuition of the published per semester tuition of one that is in accordance with a board approved program range tuition schedule.

ii. Full-time resident undergraduate online student's tuition will be no more than the Annual Published Tuition for on-campus resident undergraduate students.

iii. All Academic Fees charged to online students will follow the same procedures as on-campus Academic Fees.

c. For on-campus non-resident and international students, the tuition cannot exceed four times the Published Maximum Tuition for resident on-campus undergraduate students.

4. Midcycle Changes to Annual Published Tuition and Published Fees

a. If the state increases general fund appropriations for ongoing general operations or ongoing university student financial aid or a combination of the two in excess of 2.5 percent of total gross tuition and Academic Fees revenue, the President shall not increase the published resident undergraduate or graduate tuition for the applicable fiscal year.

b. If in any given year, the state reduces the total general fund appropriation for ongoing general operations and university student financial aid, after notification to the Board, the President may set the published resident undergraduate and graduate tuition rate in excess of the maximum Growth Rate in an amount to offset the reduction in state funding.

c. A President may propose for Board Approval other mid-cycle changes to Annual Published Tuition or Published Fees when circumstances warrant reconsideration of rates previously established under this policy.

d. Any proposed mid-cycle increase that exceeds the applicable Growth Rate shall require Board approval in accordance with the procedures established in Section E.

D. Procedure for Setting Annual Housing and Meal Plan Rates

1. The Board delegates to the University Presidents the ability to set annual housing and meal plan rates. Each university will develop proposed housing rates and meal plan rates for both privately operated Third-Party Projects and university-operated auxiliary enterprises.

2. Prior to submitting proposed annual housing and meal plan rates, the university shall consult with Elected Student Representatives regarding the proposed rates.

3. Each proposal will include supporting background information addressing the factors relevant to the proposed annual housing and meal plan rates, which may include, but not be limited to:

    a. Applicable economic indices;

    b. Peer and market comparison;

    c. Contractual obligations under the applicable agreement, including any contractual rate escalators;

    d. Changes in utility and other operating cost changes;

    e. Facility and service modifications and improvements; and

    f. Any other factor the university considers relevant to the proposed rates.

4. Each university will provide its proposed annual housing and meal plan rates, to the board office with supporting background information and the consultation summary.

5. Each university will publish housing and meal plan rates, by property/type/location no later than December 31 as part of Section C(2) of this policy.

E. Procedures for Setting Tuition and Academic Fees that Exceed the Maximum Tuition and Maximum Academic Fees

1. The Board may set tuition and Academic Fees at any time, provided it provides the notice and comment opportunities as required by applicable law and Section F of this policy.

2. University Presidents may request increases to tuition and fees that exceed the Maximum Tuition or Maximum Academic Fees amount for good cause.

3. Proposals for tuition will be submitted in a format as established by the Executive Director on terms outlined in Section B of this Policy.

4. Proposals for an increase in Academic Fees must comply with ABOR Policy 4-105.

F. Process for Conducting Tuition and Fee Hearings

1. The Board will host public tuition and Academic Fee hearings per A.R.S.

§15-1626(A)(6) as part of their consideration of proposals to establish new tuition or Academic Fees, to establish multi-year Growth Rates, and/or to consider university requests for exceptions to the established Growth Rates.

2. At least one week prior to any board meeting at which the Board is asked to approve Growth Rate(s) and/or new fees, the Board will conduct at least one public hearing.

3. At least ten days prior to the public hearing, a notice of the date, time, and location of the hearing will be published in general circulation newspapers as required by statute. Notice will also be posted on the Board's website and as otherwise required by law.

4. At least ten days prior to the public hearing, each university will publicly disclose recommended increases to any Growth Rate(s), tuition, or Academic Fees.

5. Any final board action setting tuition or Academic Fees must be taken by roll call vote.

6. After final board action, the Board and each university shall make a public disclosure of the Growth Rate(s), tuition, or Academic Fees for that university.

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Policy History

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| 3/12/1983 | The Policy Manual was adopted by the Board to be effective 5/1/1983. |
| 12/5/1987 | Policy revision approved by the Board on first reading with immediate implementation. |
| 2/19/1988 | Policy revision approved by the Board on second reading. |
| 2/16/1990 | Policy revision approved by the Board on second reading. |
| 12/14/1990 | Policy revision approved by the Board on second reading. |
| 3/10/1995 | Policy revision approved by the Board on second reading. |
| 1/12/1996 | Policy revision approved by the Board on second reading. |
| 3/2/2001 | Policy revision approved by the Board on second reading. |
| 4/26/2002 | Policy revision approved by the Board on second reading. |

1/24/2003 Policy revision approved by the Board on second reading.

8/11/2006 Policy revision approved by the Board on second reading.

4/7/2011 Policy revision approved by the Board on second reading.

11/16/2018 Policy revision approved by the Board on second reading.

2/9/2023 Policy revision approved by the Board on second reading.

11/19/2026 Policy revision approved by the Board on second reading.

Related Information

See 3/12/1983 meeting minutes.