

# Tuition Differential Fee Report

January 2021







## Table of Contents

Executive Summary	Page 3
Background	Page 4
Tuition Differential Fee Proposals and Approval Process	Page 5
2019-20 Tuition Differential Fee Summary	Page 5
2020-21 Tuition Differential Fee Summary	Page 7
Performance Accountability	Page 12

Note concerning data accuracy: The Office of the Board of Governors believes that the accuracy of the data it collects and reports is paramount to ensuring accountability in the State University System. Thus, the Board Office allows university resubmissions of data to correct errors when they are discovered. This policy can lead to changes in historical data. The data in this document is based on university file submissions as of December 2020.

## Executive Summary

The tuition differential fee was created in statute in 2007 and was first charged by five state universities in the 2008-09 academic year. The statute was modified in 2009 to include all state universities. The 2009 tuition differential fee statute includes specific provisions for need-based financial aid and performance accountability, and it set an upper limit of all tuition and fees at the national average<sup>1</sup> for public universities. The universities are to use the funds generated by the tuition differential fee to invest in undergraduate instruction and undergraduate student support services.

The Board of Governors implemented the tuition differential fee throughout the State University System and is monitoring university implementation and performance.

- The Board's tuition and fee Regulation 7.001 defines the process for proposing, approving, and monitoring the success of each university's tuition differential fee. This regulation includes requirements for use of financial aid funds generated by the fee to ensure that undergraduate need-based aid increases at least as much as the law envisions.
- The Board continues to monitor the fiscal and programmatic uses of the tuition differential fee revenue.

During the 2014 Legislative Session, legislation reduced the tuition differential increase from 15 percent to 6 percent. Only a university that "is designated as a preeminent state research university by the Board of Governors pursuant to section 1001.7065" is eligible for future increases. The following language was included on eligibility criteria:

The tuition differential may be increased if the university meets or exceeds performance standard targets for that university established annually by the Board of Governors for the following performance standards, amounting to no more than a 2-percent increase in the tuition differential for each performance standard:

- An increase in the 6-year graduation rate for full-time, first-time-in-college students, as reported annually to the Integrated Postsecondary Education Data System.
- An increase in the total research expenditures.
- An increase in the total patents awarded by the United States Patent and Trademark Office for the most recent years.

Only three institutions have preeminent designation, University of Florida, Florida State University, and the University of South Florida and none pursued an increase in tuition differential.

In 2019-20, each state university charged a tuition differential fee, with rates ranging from \$35.14 to \$52.29 per credit hour and reported 2019-20 revenues of \$288.1 million. The funds provided need-based financial aid and support for undergraduate education through investments in faculty and advisors, course offerings and course sections, and other undergraduate educational resources.

For the current (2020-21) academic year, the tuition differential fee rates have not changed. These funds will contribute an estimated \$280.4 million for institutional need-based financial aid and undergraduate educational services.

---

<sup>1</sup> As determined by the College Board's *Annual Survey of Colleges*



## Background

The tuition differential fee was first created in statute in 2007. The charge was levied for the first time starting in fall 2008 by the five universities authorized to do so by the Board of Governors at that time (FIU, FSU, UCF, UF, and USF). Chapter 2009-98, *Laws of Florida*, expanded the tuition differential to allow the Board of Governors to consider proposals from all state universities.

The 2009 law codified a process by which each university board of trustees may annually propose to the Board of Governors (the “Board”) a tuition differential fee to improve undergraduate instruction. To balance these quality improvements with affordability, 30 percent of tuition differential revenues are to be set aside for undergraduate need-based financial aid. The law limited the annual increase in the aggregate sum of tuition and the tuition differential fee to 15 percent growth per year, and it set a cap on in-state, undergraduate tuition and fees at the national average of four-year public institutions. The law also requires an annual report from the Board to the Legislature regarding the impacts of these new revenues on the State University System (the “System”). This report provides a summary of Board and institutions’ implementation of the tuition differential statute.

In the 2010 legislative session, the Legislature amended this statute to include explicitly the recipients of STARS prepaid scholarships as “students who exhibit financial need” and therefore qualify for tuition differential-funded need-based aid. The statutory change also clarified that waivers of the tuition differential fee granted to students receiving need-based awards may be counted toward the 30 percent need-based aid requirement.

In the 2011 legislative session, the Legislature amended this statute again, stating that if the tuition and fee costs of resident students who have applied for and received Pell Grant funds have been met and the university has excess funds remaining from the 30 percent that would have been used for students with financial need, the university may expend the excess portion for other undergraduate education needs.

During the 2014 Legislative Session, legislation reduced the tuition differential increase from 15 percent to 6 percent. Only a university that “is designated as a preeminent state research university by the Board of Governors pursuant to section 1001.7065” is eligible for future increases. The following language was included on eligibility criteria:

The tuition differential may be increased if the university meets or exceeds performance standard targets for that university established annually by the Board of Governors for the following performance standards, amounting to no more than a 2-percent increase in the tuition differential for each performance standard:

- An increase in the 6-year graduation rate for full-time, first-time-in-college students, as reported annually to the Integrated Postsecondary Education Data System.
- An increase in the total research expenditures.
- An increase in the total patents awarded by the United States Patent and Trademark Office for the most recent years.

Only University of Florida, Florida State University, University of South Florida are designated as preeminent but none of the institutions have pursued an increase in tuition differential.

Universities currently charging a tuition differential fee at the time of the 2014 legislation were allowed to maintain the fee at the current approved rate.

## Tuition Differential Fee Proposals and Approval Process

Legislation passed during the 2014 Legislative Session only allows institutions designated as preeminent to be eligible to tuition differential increases. At this time only University of Florida, Florida State University and University of South Florida are eligible, however, none of the institutions have pursued an increase.

### Board Review and Approval

The review and approval process are detailed in Board Regulation 7.001.

## 2019-20 Tuition Differential Fee Summary

In 2019-20, all state universities charged a tuition differential fee except FL Poly. In total, universities generated \$288.1 million from the tuition differential fee, \$86.4 million in need-based financial aid and \$201.1 million to support undergraduate education.

Institutions	Per Credit Hour Fee	Actual Revenue
FAMU	\$36.38	\$7,808,784
FAU	\$40.13	\$23,377,014
FGCU	\$36.38	\$11,195,560
FIU	\$52.29	\$54,310,675
FL Poly*	\$0	\$0
FSU	\$49.59	\$34,621,112
NCF	\$40.13	\$742,204
UCF	\$44.20	\$59,618,759
UF	\$44.17	\$36,483,293
UNF	\$37.63	\$11,508,722
USF-Tampa	\$46.88	\$32,007,210
USF-St. Petersburg	\$35.14	\$3,134,546
USF-Sarasota/Manatee	\$35.14	\$1,855,359
USF-HSC	\$46.88	\$3,810,644
UWF	\$38.88	\$7,671,912
<b>TOTAL</b>		<b>\$288,145,794</b>

Source: Board of Governors 2020-21 Operating Budget Schedule 625

\*Florida Polytechnic University (FL Poly) does not charge the tuition differential fee.

Seventy percent of the tuition differential fee revenue must be spent on undergraduate education. The universities reported that these revenues were used to retain and hire additional undergraduate faculty and academic advisors and to preserve or increase course offerings.

## Staffing and Course Sections

University	Adjuncts / Faculty Hired and/or Retained	Advisors Hired and/or Retained	Course Sections Added and/or Saved
FAMU	27	13	625
FAU	204	51	973
FGCU	62	8	354
FIU	234.15	147	2,292
FL Poly*	0	0	0
FSU	289	40	2,498
NCF	3	2.5	16
UCF	540	0	6,113
UF	198	3	2,961
UNF	272.5	0	1,090
USF-Tampa	328	84	3,366
USF-St. Petersburg	16	6	67
USF-Sarasota/Manatee	90	0	188
UWF	52	1	511
<b>SUS TOTAL</b>	<b>2,316</b>	<b>356</b>	<b>21,054</b>

Source: Board of Governors 2020-21 Operating Budget Supplemental Schedule

\*Florida Polytechnic University (FL Poly) does not charge the tuition differential fee

The statute also requires that 30 percent of revenue be spent on undergraduate need-based financial aid and contains an additional non-supplanting provision regarding those funds.<sup>2</sup> The Board's Regulation 7.001(13)(b)4 outlines for universities the parameters by which to determine compliance with that statute, and universities submitted to the Board office in August 2016 the information necessary to monitor statutory compliance.

The Board monitors compliance with this and other state financial aid-related statutes using data and narratives submitted by universities in the latter part of the calendar year.

The \$86.4 million allocated to need-based financial aid provided scholarship awards to over 48,517 students.

<sup>2</sup> Section 1009.24(16)(a), Florida Statutes includes the following: "This expenditure for need-based financial aid shall not supplant the amount of need-based aid provided to undergraduate students in the preceding fiscal year from financial aid fee revenues, the direct appropriation for financial assistance provided to state universities in the General Appropriations Act, or from private sources."

## 48,517 Students Received a Financial Aid Award

University	# of Students Receiving an Award	Minimum Awarded	Maximum Awarded
FAMU	2,096	\$94	\$5,938
FAU	4,523	\$9	\$9,199
FGCU	1,502	\$2,000	\$2,000
FIU	10,335	\$18	\$12,633
FL Poly*	0	\$0	\$0
FSU	4,082	\$109	\$7,500
NCF	88	\$245	\$5,916
UCF	14,858	\$300	\$5,650
UF	1,075	\$93	\$15,129
UNF	1,691	\$225	\$5,500
USF-Tampa	5,794	\$78	\$6,941
USF-St. Petersburg	565	\$66	\$4,850
USF-Sarasota/Manatee	361	\$84	\$4,050
UWF	1,547	\$125	\$4,500
<b>SUS TOTAL/AVERAGE</b>	<b>48,517</b>	<b>\$265</b>	<b>\$6,908</b>

Source: Board of Governors 2020-21 Operating Budget Supplemental Schedule

\*Florida Polytechnic University (FL Poly) does not charge the tuition differential fee and is not included in the average award amounts

## 2020-21 Tuition Differential Fee Summary

In 2020-21, eleven state universities are charging a tuition differential fee. The fee ranges from \$35.14 to \$52.29 per credit hour, which have not changed from the prior year. In total, SUS institutions estimate \$280.4 million will be generated from the tuition differential fee. These funds will contribute an estimated \$84.1 million to institutional need-based financial aid and an additional \$196.3 million in undergraduate educational services.

The data submitted with university operating budgets provided the following preliminary information detailing the estimated revenues and the planned expenditures of those revenues. These planned uses continue during the 2020-21 year.



## Planned Uses of the Tuition Differential Fee Revenues

University	Uses
FAMU	Positions with a combination of tenure track and visiting positions in the core critical academic disciplines (Math, English, Biology, Criminal Justice, Allied Health, Business and Chemistry) will continue to be supported. In addition, adjuncts will continue to be hired to address the class size and remote teaching issue. We will continue to support the Counselor/Advisors in the areas of Allied Health, Criminal Justice/Sociology, Engineering, Biology, Business, Psychology/Social Work, Nursing, Journalism and for the following initiatives – On-line Academic Advancement Module, Career Development, Student Debt and Testing initiatives developed and implemented to assist in decreasing the Student/Advisor ratio.
FAU	To ensure access, degree completion, meet student demand, continue FTE goals and augment advising. FTE production is estimated to be increased by 2%
FGCU	Hire and retain faculty and staff to keep pace with enrollment, provide needed services, add breadth and depth to academic programs; and enhance student advising. Provide additional need-based aid to students. Tuition differential income remains nearly flat, but the university has restricted its funding mechanisms to establish a base level of support from tuition differential, therefore there is now uniformity in the award amounts. Increased the number of students receiving need-based financial aid. This is a continuation of funding allocation started several years ago. Since that time, the funding is continued to be used to support faculty hiring and course offerings. Student FTE growth for the year is estimated at 1.00% and these funds will contribute to supporting that growth.
FIU	Undergraduate Faculty hires and retention to improve graduation and retention rates. Disability Services to increase resources for deaf and hearing-impaired students. Undergraduate Studies Office to strengthen undergraduate experience and academic components. Undergraduate Tutoring Support - Writing Center - to strengthen student's communications skills. Student Support and Success – Improving student experience with advisors, One-Stop Shop & Graduation Success Library - Undergraduate Scholarly Journals and Database. Continue to improve quality of instruction and minimize impact of budget reduction to course offering and maintain enrollments. Continue to maintain advisor to student ratio, subscriptions and

	offset increased costs, and to support the writing center and resources for the One-Stop Shop.
FL Poly*	NA
FSU	Enhance the undergraduate experience by retaining faculty and advisors; Hiring and retaining faculty to meet course demand is critical to timely graduation for our students; Enhanced academic advising and student mapping through the addition and retention of advisors.
NCF	Revenue earned was used to support the Quantitative Resource Center, the Writing Resource Center, the Pritzker Marine Biology Program, the Gender Studies Program, the Environmental Studies Program, Library faculty, the Off-Campus Study Program, and adjunct faculty. The QRC held over 458 peer tutoring sessions with students addressing applied statistics, computer science, mathematics, physics, chemistry and biology. The Writing Resource Center provided 1140 individual writing conferences to 314 students. Pritzker Marine Science Program provides wet labs, aquaria, and curricula to support student learning and research about marine organisms and marine systems as well as marine science community outreach.
UCF	Hire and retain faculty positions to maintain and/or increase undergraduate course offerings. Faculty funded by tuition differential support university initiatives that directly enhance the overall undergraduate experience and improve retention and graduation rates. Maintain and/or increase undergraduate course offerings. Available tuition differential funds enabled colleges to hire and retain faculty with instructional effort toward over 6,000 undergraduate lower and upper division course sections.
UF	To fund faculty and advisor positions, off-set the budget reductions from FY13, support various undergraduate programs, and need-based financial aid. Departments have been provided funds to support various undergraduate programs. Such as but not limited to: Cost share the HHMI - With funding from the Howard Hughes Medical Institute the Science for Life Program has a mission "to strengthen and transform undergraduate research and interdisciplinary laboratory education in the life sciences" at the University of Florida and our partner institutions. Administered through the Office of the Provost, SFL will enhance early undergraduate research, faculty recognition and opportunities, and transform laboratory teaching in the life sciences. Fund Summer Preview and partial support of UF's Innovation Academy. Additional college instructors and advisors. Colleges

	have been provided funds to support undergraduate programs.
UNF	To provide additional faculty FTE and increase course sections to support our culture of completion initiatives.
USF-Tampa and HSC	Retained faculty supporting undergraduate programs; Enhanced academic advising through the development of career ladder for advisors; provided greater professional development opportunities for advisers; implemented a tracking system to support at-risk students and promote first year retention efforts. We are utilizing a contracted external party to implement predictive analytics platform and deploy sophisticated academic advising tool. Use peer educators to promote financial literacy and provide students with personal financial management skills through group and one-on-one financial education sessions.
USF-St. Petersburg	Cost-efficient utilization of instructional technology and innovation, along with investments in faculty and professional staff to enhance timely college completion rates, attainment, and career placement through activities such as: Need-Based Financial Aid: Expand access for students; and accelerated path to graduation. Provide much needed financial support for talented students with limited income. Undergraduate Education: Retain/hire faculty to teach undergraduate courses and enhance undergraduate degree programs. Academic Advising: Enhanced academic advising through technology and additional professional staff; focus on goal setting, time-to-degree, improved graduation rates, reducing excess hours. Improved tracking of students and graduates.
USF-Sarasota/Manatee	Enhance timely college completion rates. To provide high quality professors and academic advisors to enhance instruction and learning to help students stay on track for timely graduation. Maintain our need based grant funding commitment to make USF affordable and provide access to low income students. We were able to continue our strategies to support the recruitment and retention of access students and provide targeted funding for Pell recipients pursuing summer study abroad.
UWF	To support undergraduate initiatives including hiring new and retaining existing full-time faculty to teach undergraduate courses and to provide enhanced funding for need-based financial aid. Retained full time faculty. Enhanced support for the Marine Services Center. Staff positions (one advisor) is funded with these resources. This position is critical to undergraduate student retention and success.

Source: Board of Governors 2020-21 Operating Budget Supplemental Schedule

\*Florida Polytechnic University (FL Poly) does not charge the tuition differential fee

**2020-21 Tuition Differential Fees and Estimated Revenues**

<b>Institutions</b>	<b>Per Credit Hour Fee</b>	<b>Estimated Revenue</b>
FAMU	\$36.38	\$7,300,000
FAU	\$40.13	\$23,844,554
FGCU	\$36.38	\$10,590,045
FIU	\$52.29	\$51,067,364
FL Poly*	\$0	\$0
FSU	\$49.59	\$32,494,691
NCF	\$40.13	\$642,633
UCF	\$44.20	\$57,338,104
UF	\$44.17	\$36,230,000
UNF	\$37.63	\$11,553,629
USF-Tampa	\$46.88	\$32,525,000
USF-St. Petersburg	\$35.14	\$3,130,000
USF-Sarasota/Manatee	\$35.14	\$1,725,000
USF-HSC	\$46.88	\$3,822,858
UWF	\$38.88	\$8,156,296
<b>TOTAL</b>		<b>\$280,420,174</b>

Source: Board of Governors 2020-21 Operating Budget Schedule 625

\*Florida Polytechnic University (FL Poly) does not charge the tuition differential

## Performance Accountability

Universities' annual accountability plans, which is approved by the Board each June, include performance metrics related to undergraduate education that are specifically identified in the tuition differential statute. In addition, university tuition differential fee reporting will allow the Board to monitor more specifically the impact of the tuition differential fee at each university based on how the university has elected to spend those revenues. The tuition differential proposals approved by the Board may also include additional metrics individual universities identify in order to track more specifically the impact of the institution's particular uses of the tuition differential fee revenues.

The Board's Annual Report will contain these statutory performance measures and additional data and narratives.

### Statutory Performance Measures

Section 1001.706(b) and (c), Florida Statutes, lists a set of measures that universities shall report to the Board.

“Include performance metrics and standards common for all institutions and metrics and standards unique to institutions depending on institutional core missions, including, but not limited to, student admission requirements, retention, graduation, percentage of graduates who have attained employment, percentage of graduates enrolled in continued education, licensure passage, average wages of employed graduates, average cost per graduate, excess hours, student loan burden and default rates, faculty awards, total annual research expenditures, patents, licenses and royalties, intellectual property, startup companies, annual giving, endowments, and well-known, highly respected national rankings for institutional and program achievements..”

The universities began charging the tuition differential fee in the fall 2009 term, ten years of data are now available for reviewing any impact initiatives have had on various performance measures. In addition, some universities have been very focused on the use of the tuition differential fee revenue, such as, hiring more advisors.

Please refer to the Board of Governors 2020 Accountability Plans, the Board of Governors Strategic Plan and individual institution reports for data and measures related to items identified in Statute.





# STATE UNIVERSITY SYSTEM OF FLORIDA





**Board of Governors**  
**State University System of Florida**

325 West Gaines Street, Suite 1614

Tallahassee, Florida 32399

Phone: (850) 245-0466

*[www.flbog.edu](http://www.flbog.edu)*