



Manual of Policy and Procedures

Title SYSTEM ANNUAL OPERATING BUDGET - STUDENT TUITION AND FEES	Number 403-C	Page 1 of 2
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PURPOSE

The Vermont State Colleges exist *for the benefit of Vermont*. The primary work of the system is to educate Vermonters in meaningful ways. Student revenues in the form of tuition, fees, room, and board are the lifeblood of each institution. This policy establishes the process by which student revenues are set, along with the procedures for receiving and managing these revenues.


STATEMENT OF POLICY

1. **Published Tuition, Fees, Room, and Board.**

- A. The Board is responsible for approving not-to-exceed maximum tuition rates, room and board program charges, and selected fees based on a review of a recommendation from the Chancellor. This affirmative act occurs annually, and is required regardless of the actual size of the increase proposed.
- B. Each institution may propose individual tuition rates, room and board program charges, and selected fees at or below the approved maximum rates to the Chancellor. Each proposal will be considered in light of a supporting financial analysis presented by the institution.
- C. The actual published tuition for each institution will be included in each institution's annual budget proposal.

- 2. **Institutional Discounting.** It is the Board's expectation that institutional aid shall be used strategically to increase affordability, improve access to education, and maximize net student revenue. All approaches to institutional discounting should balance these needs. Where there is a conflict, maximizing net student revenue shall take precedence.

- A. For the purposes of unified understanding, institution discounting is comprised of aid not funded by institutional endowments, state or federal government, and outside agencies. This includes but is not limited to waivers and discounts occurring as reductions to revenue and expenses charged to scholarships and fellowships.
 - B. Each institution may propose waivers, merit aid programs, and need-based financial aid to the Chancellor that is best designed to maximize net student revenue and support overall enrollment. Each proposal will be considered in light of a supporting financial analysis presented by the institution and the means by which the proposal increases affordability for lower income students, improves accessibility, and maximizes net student revenue. Major changes to discounting strategies must be reviewed and approved by the Finance and Facilities Committee in advance of awarding for the upcoming fiscal year.
3. **Ownership of Student Revenue.** Each Institution will retain all student tuition & fees the Institution generates annually. During each year, student revenues available to each Institution will be as actually generated, whether below or above budgeted levels.
- A. **Under-Realized Enrollments.** Each Institution is responsible for addressing the financial impacts from under-realized budgeted student enrollments. As soon as practicable, the President shall consult with the Chancellor or Chief Financial Officer how this under-realized revenue shall be addressed.
 - B. **Over-Realized Enrollments.** Each Institution is responsible for reporting and forecasting additional revenues from over-realized student enrollments as part of the quarterly reporting process. As soon as practicable, the President shall consult with the Chancellor or Chief Financial Officer to determine how these funds can be used.


 Signed by: _____
 Sophie Zdatny, Chancellor

Date	Version	Revision	Approved By
1/23/2023	1.0	Adopted	VSCS Board of Trustees