

**TO:** Chief Business Officers  
Chief Instructional Officers

**FROM:** Natalie Wagner, Director  
Fiscal Standards and Accountability Unit

**RE:** 2022-23 Nonresident Tuition and Capital Outlay Fees

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Education Code section 76140 requires each district governing board to establish the nonresident tuition fee for the succeeding fiscal year by March 1.

### **Nonresident Tuition Fee**

Education Code section 76140 specifies seven options to determine the nonresident tuition fee.

- Option A.1 – District Average Cost

The district expense of education in the preceding fiscal year increased by the projected percent increase in the Consumer Price Index divided by district total FTES in the preceding fiscal year.

- Option A.2 – District Average Cost with 10 Percent or More Noncredit FTES

If noncredit FTES is equal to or greater than 10 percent of total FTES, the district expense of credit education in the preceding fiscal year increased by the projected percent increase in the Consumer Price Index divided by district total credit FTES in the preceding fiscal year.

- Option B.1 – Statewide Average Cost

The statewide expense of education in the preceding fiscal year increased by the projected percent increase in the Consumer Price Index divided by statewide total full-time equivalent students (FTES) in the preceding fiscal year.

- Option B.2 – Highest Statewide Average Cost

The highest amount calculated pursuant to Option B.1 for the succeeding fiscal year, current fiscal year, or past four fiscal years.

- Option C – Contiguous District

An amount not to exceed the fee established by the governing board of any contiguous district.

- Option D – Between Statewide Average Expense of Education and District Expense of Education

Fees adopted must be greater than statewide average expense of education and less than the district expense of education.

- Option E – Comparable States Average

No greater than the preceding fiscal year average nonresident tuition fees of public community colleges in at least 12 states comparable to California in cost of living.

If option E is desired, the district must complete and return the attached *Comparable States Average Option Instructions and Form* to the Chancellor's Office along with the Nonresident Fee Worksheet form.

As a reminder, if a district chooses to adopt Options B.2 or E, existing law requires districts to use the additional revenue generated by the increased nonresident tuition to expand and enhance services to resident students. In no event shall the admission of nonresident students come at the expense of resident enrollment.

### **Nonresident Capital Outlay Fee**

Pursuant to Education Code section 76141, a district may charge a capital outlay fee to nonresident students, other than those with exemptions for nonresident fees pursuant to AB 540. The nonresident capital outlay fee is calculated as the lesser of (1) the district capital outlay expenditures in the preceding fiscal year divided by total FTES or (2) fifty percent of the nonresident tuition fee adopted pursuant to Education Code section 76140.

### **Processing Fee for Students from Foreign Countries**

Education Code section 76142 states, 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. This fee may be deducted from the tuition fee at the time of enrollment.

### **Exemptions**

There are various exemptions to the fees described above. To learn more about these exemptions, refer to [Education Code sections 76140 through 76143](#), the document titled

Residency For Tuition Purposes- General Overview (revised April 19, 2021), and the Chancellor's Office's Legal Advisory 18-02

### **Tuition Fee Worksheet**

The attached worksheet provides data for the computation of the nonresident tuition and capital outlay fees. This year, the worksheet has been converted to an Excel format.

### **Action Requested/Contact Information**

Submit the attached worksheet to the Chancellor's Office by **Friday, March 11, 2022** via email to [fiscalstandards@cccco.edu](mailto:fiscalstandards@cccco.edu). Districts that wish to calculate their fee using Option E – Comparable States Average will need to submit a completed analysis using the attached *Nonresident Tuition Fee- Comparable States Average Option Instructions and Form*. If you have questions about this memo, please feel free to contact us at [fiscalstandards@cccco.edu](mailto:fiscalstandards@cccco.edu).

ATTACHMENT: FS22-01 Supplement 2022-23 Nonresident Fee Worksheet

ATTACHMENT: Nonresident Tuition Fee- Comparable States Average Option Instructions and Form