



TO: Chief Business Officers
Chief Instructional Officers

FROM: Lorena Romero, Director
Fiscal Standards and Accountability Unit

RE: 2024-25 Nonresident Tuition and Capital Outlay Fees

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. Districts choosing this option may consult with contiguous districts regarding adopted fees and may use a contiguous district's fee adopted in the current or prior year. For example, if a district chooses to base their 2024-25 fee on that of a contiguous district, the district may use the contiguous district's fee applicable to the 2023-24 academic year or 2024-25 academic year.

When using this option, districts may not set their fee amount less than the districts actual cost or the statewide average cost, whichever is less. For additional information, please see [Legal Opinion O 07-01 – Options for Setting Nonresident Tuition](#).

The Chancellor's Office may request additional documentation if a district chooses Option C.

- 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.

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.

Graduate, Moderate, and Predictable Fee Increases

The California Education Code establishes the methods available to community college districts to calculate nonresident tuition fees and states that increases in these fees "shall be gradual, moderate, and predictable," presumably to mitigate the potential for financial hardships disrupting educational progress. In the event that the nonresident tuition fee calculation would result in a significant year-over-year increase, districts should consider adopting the fee along with a reasonable, phased implementation plan to meet the "gradual, moderate, and predictable" requirement. Districts may also implement installment payments as a strategy for making fee increases more manageable.

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

Community college district **may** exempt from all or parts of the fee any person described in paragraph (1), (2), (3), or (6) below:

- 1) All nonresidents who enroll for six or fewer units. Exemptions made pursuant to this paragraph shall not be made on an individual basis.
- 2) Any nonresident who is both a citizen and resident of a foreign country if the nonresident has demonstrated a financial need for the exemption. Not more than 10 percent of the nonresident foreign students attending any community college district may be so exempted. Exemptions made pursuant to this paragraph may be made on an individual basis.
- 3) (A) A student who, as of August 29, 2005, was enrolled, or admitted with an intention to enroll, in the fall term of the 2005-06 academic year in a regionally accredited institution of higher education in Alabama, Louisiana, or Mississippi, and who could not continue the student's attendance at that institution as a direct consequence of damage sustained by that institution as a result of Hurricane Katrina.
(B) The chancellor shall develop guidelines for the implementation of this paragraph. These guidelines shall include standards for appropriate documentation of student eligibility to the extent feasible.
(C) This paragraph shall apply only to the 2005-06 academic year.
- 6) (A) A student who attends Lake Tahoe Community College and who has residence, pursuant to subparagraph (B), in one of the following communities in Nevada:
 - i. Incline Village

- ii. Kingsbury
- iii. Round Hill
- iv. Skyland
- v. Stateline
- vi. Zephyr Cove

(B) Residence shall be determined pursuant to Article 5 (commencing with Section 68060) of Chapter 1 of Part 41 of Division 5. A person shall have residence in one of the communities listed in subparagraph (A) if the person has lived in the community for more than one year immediately before seeking the fee exemption pursuant to this paragraph.

(C) The governing board of the Lake Tahoe Community College District shall adopt rules and regulations for determining a student's residence classification and for establishing procedures for an appeal and review of the residence classification. No more than 200 students shall be exempted from payment of a nonresident tuition fee under this paragraph in any academic year.

Community college district **shall** exempt from all of the fee any person described in paragraph (4), (5), or (7) below:

- 4) A special part-time student, other than a person excluded from the term “immigrant,” for purposes of the federal Immigration and Nationality Act ([8 U.S.C. Sec. 1101](#)), pursuant to paragraph (15) of [subsection \(a\) of Section 1101 of Title 8 of the United States Code](#), admitted pursuant to [Section 76001](#), [76003](#), or [76004](#).
- 5) A nonresident student who is a United States citizen who resides in a foreign country, if that nonresident meets all of the following requirements:
 - (A) Demonstrates a financial need for the exemption.
 - (B) Has a parent or guardian who has been deported or was permitted to depart voluntarily under the federal Immigration and Nationality Act in accordance with [Section 1229c of Title 8 of the United States Code](#). The student shall provide documents from the United States Citizenship and Immigration Services evidencing the deportation or voluntary departure of the student's parent or guardian.
 - (C) Moved abroad as a result of the deportation or voluntary departure specified in subparagraph (B).
 - (D) Lived in California immediately before moving abroad. The student shall provide information and evidence that demonstrates the student previously lived in California.
 - (E) Attended a public or private secondary school, as described in Sections 52 and 53, in the state for three or more years. The student shall provide documents that demonstrate the student's secondary school attendance.

(F) Upon enrollment, the student will be in the student's first academic year as a matriculated student in California public higher education, as that term is defined in [subdivision \(a\) of Section 66010](#), will be living in California, and will file an affidavit with the institution stating that the student intends to establish residency in California as soon as possible.

7) (A) A nonresident student who enrolls in a credit English as a second language (ESL) course at a California Community College and who is any of the following:

(i) A recent immigrant, as defined in Section 1101(a)(15) of Title 8 of the United States Code.

(ii) A recent refugee, as defined in Section 1101(a)(42) of Title 8 of the United States Code.

(iii) A person who has been granted asylum by the United States, as defined in Section 1158 of Title 8 of the United States Code.

(B) This exemption shall apply only to individuals who, upon entering the United States, settled in California and who have resided in California for less than one year.

(C) This exemption shall apply only to the tuition fee for credit ESL courses.

To learn more about these exemptions, refer to Education Code sections 76140 through 76143, the [Residency For Tuition Purposes- General Overview \(revised May, 2023\)](#) document, 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 1, 2024**, via email to fiscalstandards@cccco.edu. If you have questions about this memo, please feel free to contact us at fiscalstandards@cccco.edu.

ATTACHMENT: FS 24-01 Supplement 2024-25 Nonresident Fee Worksheet