

PERMANENT MEMORANDUM 43 STUDENT FEES

POLICY DIGEST Monitoring Unit: Office of Finance & Administration Initially Issued: January 19, 2024

I. PURPOSE

This policy is set forth to provide legal background for fees assessed by any Louisiana State University institution; to define the various types of student fees; and to provide guidelines for the administration of fee revenue.

A. Defining Legislation

Article VII. Section 2.1. (A) of the Louisiana Constitution states:

Any new fee or civil fine or increase in an existing fee or civil fine imposed or assessed by the state or any board, department, or agency of the state shall require the enactment of a law by a two-thirds vote of the elected members of each house of the Legislature.

B. Interpretation of the Legislation

In Louisiana Public Facilities Authority v. All Taxpayers, Property Owners, *et al.*¹, the First Circuit Court of Appeal determined "the legislature has evidenced no intent to have oversight over "fees" with respect to LSU, other than those fees directly connected with LSU's principal governmental function of providing higher education to the citizens of this state." The court concluded the price charged by LSU for admission to football games in Tiger Stadium is not a "fee" requiring legislative approval under La. Const. art. 7, Section 2.1.

The First Circuit Court of Appeal adopted the reasoning from two Attorney General Opinions in reaching this decision, La. Atty. Gen. Op. No. 96-353 (October 9, 1996) and La. Atty. Gen. Op. No. 01-165 (May 4, 2001). These two Attorney General opinions, and a third attorney general opinion issued to the Louisiana Legislative Auditor, La. Atty. Gen. Op. No. 06-293 (June 14, 2007), should be used as primary guidance for the approval of fees. The Opinions are summarized below:

1. Atty. General Opinion No. 96-353 defines fees by stating: "Charges which are assessed by

¹ <u>Louisiana Public Facilities Authority v. All Taxpayers, Prop. Owners, Citizens of State of La. & Nonresidents Owning Prop. or Subject to Taxation Therein</u>, 2003-2738 (La. App. 1 Cir. 12/23/03), 868 So. 2d 124, 136, ______, 2004-0213 (La. 3/11/04), 869 So. 2d 801.

The AG Opinion further states that LSU "is created and exists for the sole purpose of providing public higher education to the citizens of this State. This is its governmental function. Those charges which are assessed for the provision of higher education to LSU students would be considered fees for purposes of Article 7, Section 2.1. Any charges which are for services or products which are not directly a part of the delivery of an education are not considered fees."

For purposes of Article 7, Section 2.1, the word fee does not include charges for "student housing, food services, book store merchandise, medical or veterinary services, and admittance to extracurricular eventsgherpini ceanc ch -ookeri0 (i)6 (ni)0.1 ()86.52 0 Td()T26..385

- areas, activities, and services. These fees require approval by the Board of Supervisors (BOS). Examples include campus yearbook, newspaper, etc.
- 2. University Self-Assessed Fee a type of required fee that is not initiated through a campus-wide referendum to support various service functions to students. These fees require approval by the BOS.
- B. Course Fees an additional charge for supplies and/or services to students applied at the course level for consumable expenses directly related to students' participation in a course and are intended to pay for specified course-related costs. A course fee should be based on plausible estimates of the anticipated costs or previous records of actual costs and should be kept as low as possible.

There are two categories of course fees as defined below:

- 1. Supply/Service Fee a type of course fee assessed which (1) provides tools, equipment, or products that have a continuing value to the student; (2) provides for pooled purchase of services not normally provided by the institution; (3) provides for consumable supplies, such as art supplies; or (4) for services or products provided by a vendor external to the university that are subsequently provided to students as a requirement of a course. These fees require two-thirds vote by the Legislature.
- 2. Trip Fee a type of course fee for required travel expenses for students to visit off-campus sites as part of a course. These fees require approval by the institution's chief academic officer and chief financial o

person classroom instruction in accordance with <u>La. Rev. Stat. 17:3351.17</u>, <u>Act 426 of the Regular Legislative Session</u>.

Program fees assessed to students in a particular curriculum (excluding academic degree programs offered entirely through distance education) require approval by a two-thirds vote of the Legislature.

Tuition and fees assessed to students enrolled in an academic degree program offered entirely through distance education (i.e., LSU Online degree programs) as defined by SACSCOC when such program is comparable to a program offered through traditional in

Documents related to the request, approval (including legislative or BOS approval, if applicable), change, or reaffirmation of a student fee should be maintained by each institution. Documents may be maintained in electronic form provided they are housed on a secure network drive.

IV. SOURCES

- A. Article VII. Section 2.1. (A) of the Louisiana Constitution
- B. Atty. General Opinion No. 96-353
- C. Atty. General Opinion No. 01-165
- D. Atty. General Opinion No. 06-0293
- E. La. Rev. Stat. 17:3351.17, Act 426 of the Regular Legislative Session

V. APPENDCIES

LSU Fee Approval Matrix

LSU Alexandria Approval Matrix

LSU Eunice Approval Matrix

LSU Shreveport Approval Matrix

LSU Health Sciences Center - New Orleans Approval Matrix

LSU Health Sciences Center - Shreveport Approval Matrix