



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 a governmental entity for the purpose of defraying the costs of providing a governmental service or the costs of regulating a particular area would be considered fees. Those fees or charges for non-governmental functions or products and/or services not in the control of the governmental entity at issue would be exempt from legislative review.”

¹ *Louisiana Public Facilities Authority v. All Taxpayers, Prop. Owners, Citizens of State of La. & Nonresidents Owning Prop. or Subject to Taxation Therein*, 2003-2738 (La. App. 1 Cir. 12/23/03), 868 So. 2d 124, 136, *writ denied*, 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 events.”

2. [Atty. General Opinion No. 01-165](#) determined that a charge for the cost of utilities is comparable to a charge for student housing, food services, etc. considered in La. Atty. Gen. Op. No. 96-353. Therefore, higher education management boards may impose a utility surcharge without an approval by a two-thirds vote of the Legislature.
3. [Atty. General Opinion No. 06-0293](#) determined the following:
 - a. Fees imposed prior to the enactment of La. Const. art. VII, § 2.1 in 1995 may continue without the approval of the Legislature unless the fees are increased.
 - b. Fees which were imposed prior to the enactment of La. Const. art. VII, § 2.1 in 1995 and which would require two-thirds vote of the Legislature after the enactment of La. Const. art. VII, 2.1 in 1995, may be renewed and continue without the approval of the Legislature unless the fees are being increased.
 - c. The Building Use Fee, authorized by Act No. 619 of the 1954 Regular Legislative Session and amended by Act No. 15 of the 1967 Regular Legislative Session, is a fee on all students attending institutions of higher education to “construct, acquire, extend, repair or improve any academic facilities suitable for use as classrooms, laboratories, gymnasiums, libraries, student infirmaries, and related facilities.” The Building Use Fee was imposed prior to the enactment of La. Const. art. VII, § 2.1 in 1995; as such, the Building Use Fee may continue to be imposed by a university as long as there is a need for the creation of academic buildings or for repairs to existing infrastructure Act 15 of the 1967 Regular Legislative Session prohibits an increase of this fee.

It is important to note that other court decisions, statutes, and AG opinions may be relevant to the assessment and administration of certain fees and should be taken into consideration on a case-by-case basis.

II. DEFINITIONS & GENERAL POLICY

- A. Required Fees – part of the general tuition and required fees charged to all full-time students, and in some cases, to all part-time students. These fees are included in the university’s tuition and fee schedules and are charged to the general population regardless of the degree program in which a student is enrolled. These fees typically require two-thirds vote by the Legislature. Examples include the academic excellence, technology, and operational fee.

There are two categories of required fees that are not considered a direct part of the delivery of an education and do not require legislative approval. The distinction between the two categories is due to the method by which the fees are approved:

1. Student Self-Assessed Fee – a type of required fee initiated by Student Government or another group of students and approved through a campus-wide referendum to support

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 officer.

An overall goal is to have a minimal number of courses charging an additional course fee. Course fees will be allowable in limited circumstances and only to recover the cost of materials and services consumed during the progress of the course or for items that students take away with them at the end of the course.

General costs related to the development, instruction, and assessment of offering a course are expected to be borne by the department and college, including materials related to the mechanics of teaching the course, such as course outlines, syllabi and similar handouts, exams, and the purchase, maintenance, and replacement costs of instructional and other capital equipment. The department is also expected to bear the costs of staffing courses, including personnel employed to aid in the course, such as teaching assistants and guest speakers. Course fees are not intended to replace general operating costs, which are to be paid from the general university tuition and fee revenue.

Course fees charged to students must be set to cover not more than the cost of the goods and/or services provided. Course fees, when approved, must be separate, unique, and used solely for support of the course involved and for the purposes specified to create the fee. Collection of course fees in the classroom or by faculty is not permitted. Billing and payment of course fees must be through standard university business practices (e.g., bursar/treasurer). Students must be made aware of course fees prior to registration.

- C. Program Fees – additional fees assessed to students in a particular curriculum (i.e., MBA Professional Program Fee) or tuition and fees for students enrolled in an academic degree program offered entirely through distance education (i.e., LSU Online degree programs) as defined by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) when such program is comparable to a program offered through traditional in-

person classroom instruction in accordance with [La. Rev. Stat. 17:3351.17, Act 426 of the Regular Legislative Session](#).

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-person classroom instruction in accordance with [La. Rev. Stat. 17:3351.17, Act 426 of the Regular Legislative Session](#) require approval by the President.

- D. Special Service Fees – a type of fee that is not part of required fees or course fees assessed to students for various services including, but not limited to, graduation, diploma, transcript, late fees, and payment plan fees. These fees require approval by the President.
- E. Optional Service Fees – a type of fee that is not part of required fees or course fees for services a student may voluntarily choose. This includes but is not limited to housing, meal plans, admission to extracurricular activities, and parking. These fees must be approved by the institution’s chief academic officer and chief financial officer.

III. PROCEDURES

Each campus must establish and publish procedures for requesting and approval of student fees. (See Appendix for Campus Approval Matrices.)

A. Reaffirmation of Course and/or Program Fees

Course and/or program fees should be evaluated and reaffirmed during the Academic Program Review process. These program reviews may be scheduled to coincide with the program’s external reaccreditation process but should occur no less than every seven years.

B. Changes to Student Fees

Increases or reinstatement of fees must be submitted for approval in accordance with the prescribed approval process based on the type of fee (See Definitions & General Policy Section). Reaffirmation or decreases of current fee levels do not require administrative or legislative approval.

C. Administration of Course and Program Fee Revenue

The oversight and management of course and/or program fees are the responsibility of the college/department. Course/program fee revenue and related expenses should not be commingled with other activities of the academic department. To the greatest extent possible, each course/program fee should be accounted for separately in the financial system. The intent of course fees is to cover not more than the cost of the goods or services provided. Significant balances should not accumulate from course fees. The academic department should review significant balances and an assessment of a reduction in the fee should be completed. Course and/or program fee accounts should not be in an overdraft status.

D. Records Retention

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. APPENDICIES

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