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MEMORANDUM

DATE: January 4, 2013

FROM: Douglas Knowlton, Vice Chancellor for Academic and Student Affairs


TO: Presidents
Chief Academic Officers
Chief Student Affairs Officers

SUBJECT: ASA-2013-01 Charging Fees to PSEO Students

A recent exchange of e-mails on the Postsecondary Enrollment Options (PSEO) listserv revealed that there is a certain level of uncertainty about when PSEO students may be charged for course fees, and consequently there may be some lack of uniformity in charging these fees across the system. The following information is provided in the hope that it may help institutions to determine when PSEO students may be charged a course fee and when course fees should not be charged.¹

Generally speaking, PSEO students may not be charged for tuition or course fees. However, there are three statutory provisions that must be considered in determining whether a student may be charged a fee, M.S. 124D.09, Subd. 19 (Fees; textbooks; materials); M.S. 123B.37 (PROHIBITED FEES); and, 123B.36 (AUTHORIZED FEES).

M.S. 124D.09, Subd. 19 is the general provision regarding fees:

***Subd. 19. Fees; textbooks; materials.** A postsecondary institution that receives reimbursement for a pupil under subdivision 13 may not charge that pupil for fees, textbooks, materials, support services as defined in section [135A.16](#), or other necessary costs of the course or program in which the pupil is enrolled if the charge would be prohibited under section [123B.37](#), except for equipment purchased by the pupil that becomes the property of the pupil. An institution may require the pupil to pay for fees, textbooks, and materials for a course taken for postsecondary credit.*

Note that the last sentence in this subdivision allows an institution to charge a PSEO student tuition and fees if a student is taking a course for postsecondary credit only. **The word “only” is omitted in the language, but is understood to be there. There are probably very few students who would fall into this category.**

¹ Fees in a concurrent enrollment situation are different and governed by the agreement between the college or university and the school district. Minn. Stat. § 124D.09, Subd. 16.

M.S. 123B.37 provides a listing of the types of charges that are prohibited:

123B.37 PROHIBITED FEES. SUBDIVISION 1. BOARDS SHALL NOT CHARGE CERTAIN FEES.

(a) A board is not authorized to charge fees in the following areas:

- (1) textbooks, workbooks, art materials, laboratory supplies, towels;*
 - (2) supplies necessary for participation in any instructional course except as authorized in sections [123B.36](#) and [123B.38](#);*
 - (3) field trips that are required as a part of a basic education program or course;*
 - (4) graduation caps, gowns, any specific form of dress necessary for any educational program, and diplomas;*
 - (5) instructional costs for necessary school personnel employed in any course or educational program required for graduation;*
 - (6) library books required to be utilized for any educational course or program;*
 - (7) admission fees, dues, or fees for any activity the pupil is required to attend;*
 - (8) any admission or examination cost for any required educational course or program;*
 - (9) locker rentals;*
 - (10) transportation to and from school of pupils living two miles or more from school.*
- (b) Notwithstanding paragraph (a), clauses (1) and (6), a board may charge fees for textbooks, workbooks, and library books, lost or destroyed by students. The board must annually notify parents or guardians and students about its policy to charge a fee under this paragraph.*

The intention here is that if a school board may not charge a K-12 student for certain items, then a college or university may not charge a PSEO student for those items.²

Finally, M.S. 123B.36 provides a listing of instances in which a PSEO student may be charged:

123B.36 AUTHORIZED FEES. SUBDIVISION 1. SCHOOL BOARDS MAY REQUIRE FEES.

(b) A school board is authorized to require payment of fees in the following areas:

- (1) in any program where the resultant product, in excess of minimum requirements and at the pupil's option, becomes the personal property of the pupil;*
- (2) admission fees or charges for extracurricular activities, where attendance is optional and where the admission fees or charges a student must pay to attend or participate in an extracurricular activity is the same for all students, regardless of whether the student is enrolled in a public or a home school;*
- (3) a security deposit for the return of materials, supplies, or equipment;*
- (4) personal physical education and athletic equipment and apparel, although any pupil may personally provide it if it meets reasonable requirements and standards relating to health and safety established by the board;*
- (5) items of personal use or products that a student has an option to purchase such as student publications, class rings, annuals, and graduation announcements;*

² "All textbooks and equipment provided to a pupil, and paid for under subdivision 13, are the property of the pupil's postsecondary institution. Each pupil is required to return all textbooks and equipment to the postsecondary institution after the course has ended." Minn. Stat. § 124D.09, Subd. 20.

- (6) fees specifically permitted by any other statute, including but not limited to section [171.05, subdivision 2](#); provided (i) driver education fees do not exceed the actual cost to the school and school district of providing driver education, and*
- (ii) the driver education courses are open to enrollment to persons between the ages of 15 and 18 who reside or attend school in the school district;*
- (7) field trips considered supplementary to a district educational program;*
- (8) any authorized voluntary student health and accident benefit plan;*
- (9) for the use of musical instruments owned or rented by the district, a reasonable rental fee not to exceed either the rental cost to the district or the annual depreciation plus the actual annual maintenance cost for each instrument;*

The list continues with instances related to transportation which probably do not apply to any of our institutions. Note that, **in most of the instances listed above, the charges are for personal items or for activities that are optional and not required as part of a course.**

There is no provision in the statutes for charging a student a portion of a fee or establishing an institutional policy that a PSEO student may be charged fees up to a certain amount. A fee is either allowable under the provisions of M.S. 123B.36 or 123B.38 as listed above, or it may not be charged at all. If a course has a fee attached to it that may not be charged to a PSEO student, an institution has two choices. It may either allow the student to take the course and forgo the fee, or it may flag the course as not being available to PSEO students.

I hope that this guidance is helpful to you as you proceed to develop plans to enroll more PSEO students. Please know that we are partnering with the Minnesota Department of Education in support of their biennial budget request for additional funds to offset the costs of educating PSEO students and to pay the costs of textbooks and other materials. If you have any questions about PSEO, please feel free to contact Mike López (Mike.Lopez@so.mnscu.edu or 651-201-1673).

c: Mike López
Karen Hynick