

**Introduction**

Given the current funding situation in the state, and in consideration of the fee action before the Board at this meeting, we feel it only reasonable, and responsible, to make a clear statement on the preferred mandatory fee policy from this point forward. The CSU worked closely with CPEC, student representatives, and the other segments over the last year to formulate a fee policy that would be fair to all constituencies.

The policy principles below reflect the consensus of that work. The Chancellor is requested to bring back to the Board, after consultation with the appropriate groups, a strategy for development of a workable long-term fee policy and fee-setting methodology that reflects the objectives of the principles below.

**Principles**

The total cost of a public postsecondary education shall be a shared responsibility of students, families, and the State of California;

In order to keep resident undergraduate student charges at the State's public universities as low and affordable as possible, it is expected that the State shall bear the preponderance of responsibility for funding postsecondary education;

Any changes in resident student charges should be, to the extent possible, gradual, moderate, and predictable - recognizing both the total cost of educating a student as well as published indices reflecting families' ability to pay;

Adequate notice should be given to students regarding fee levels and changes during the annual State budget process;

Any potential adjustments in resident student charges should take into consideration available State General Fund revenues to ensure that the quality, access, and affordability of CSU are not adversely affected;

Student fee and financial aid policies should encourage and promote the timely completion of the requirements necessary for degree attainment;

To ensure that financially needy students are provided assistance in managing the total cost of their university attendance, financial aid programs – including institutional aid – should be aligned with the needs of CSU's student populations and student charges;

Students enrolled in academic courses or programs that focus on greater personal returns (such as graduate or professional programs) may be assessed higher student charges;

Revenues derived from student charges should remain within the CSU to benefit the students enrolled within the system.