



OFFICE OF THE STATE AUDITOR

News Release

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Office of the State Auditor Releases a Report Identifying Concerns with Mandatory Fees in the Utah System of Higher Education

Salt Lake City, UTAH –

The Office of the State Auditor (Office) announced today the release of a Report on Mandatory Fees in the Utah System of Higher Education (USHE). Nationwide, university Mandatory Fees continue to increase and pose a significant cost of attending college. Those fees are often unexpected, as they are not included in tuition.

In evaluating Mandatory Fees for public colleges and universities in Utah, the Office found most Mandatory Fees appear to fail a reasonable fee test. The Office also found the approval process for increasing fees or fee changes does not provide meaningful transparency and accountability to students and the public. The following findings are included in the report:

1. USHE mandatory fees fail the reasonable fee test.
2. USHE institutions fail to comply with fee setting policy.
3. Truth-in-Tuition requirements not followed.
4. The Truth-in-Tuition process fails to provide expected transparency and accountability.
5. Fee boards lack transparency.
6. Regents failed to adequately implement prior audit issues and recommendations.
7. Regents unnecessarily tie fee approval to tuition approval process.

The reasonable fee test expects fees to provide a proportional benefit to fee payers and should not provide a service normally paid by the university's general fund. For example, the University of Utah charges a Study Abroad fee to all students, but only a small proportion of students will ever participate in the study abroad program. As such, that Study Abroad fee fails the proportionality test.

State Auditor John Dougall said of his concerns, "All mandatory fees should be re-evaluated by each college and university as well as the newly formed Utah Board of Higher Education to determine whether each fee meets the reasonable fee test. Fees that fail to meet this test should be eliminated. Students should receive a direct benefit for each fee they pay. Also, students should receive a partial refund of those fees for services they were unable to access during the COVID-19 closures."

The issued report may be found on the Office's website at auditor.utah.gov and specifically at: Report on Mandatory Fees in the Utah System of Higher Education, Report No. CAU-19-SP-01 – <https://reporting.auditor.utah.gov/servlet/servlet.FileDownload?file=0151K0000040znaQAA> .

About the Office of the State Auditor

The Office of the State Auditor provides Utah taxpayers and government officials with an independent assessment of financial operation, statutory compliance, and performance management for state and local government.

Specific activities of the Office include performing financial audits, conducting Federal funds compliance audits, providing local government oversight, conducting agency and program performance audits, performing fraud and compliance audits, and operating the State Auditor Hotline for citizens to report suspected financial issues or improprieties. These capabilities strengthen Utah State Government and help taxpayers have confidence in the integrity of Utah's government agencies.

The Office also provides interactive graphical tools to help taxpayers and policymakers gain greater insight into governmental financial activities.

The State Auditor is a Constitutional Officer of the State of Utah, elected directly by the state's citizens every four years. The role of the State Auditor is authorized in Article VII, Section 15 of the Utah Constitution. For more information, see auditor.utah.gov.

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