

Purpose: Guidelines for establishing laboratory fees, reviewing allowable expenditures from fees collected, and fee usage review authority are outlined in this document.

Authority for establishing lab fees is provided by Texas Education Code (TEC) Chapter 54 Tuition and Fees, Section 501 and reads as follows:

Sec. 54.501. LABORATORY FEES. (a) An institution of higher education shall set and collect a laboratory fee in an amount sufficient to cover the general cost of laboratory materials and supplies used by a student. An institution other than a public junior college may charge a laboratory fee in an amount that is not less than \$2 nor more than \$30 for any one semester or summer term for a student in any one laboratory course, except that the amount of the laboratory fee may not exceed the cost of actual materials and supplies used by the student.

Below are some additional guidelines on the use, review, and analysis of lab fees.

General Guidance on usage of lab fees:

1. Lab supplies and materials used by students as part of a lab course curriculum are eligible to be purchased with laboratory fees. Common examples include chemicals, gloves, biological specimens, art supplies, food for nutrition labs, and glassware.
2. The following expenditures cannot be paid from laboratory fee funds: salaries and wages, equipment, maintenance.

Review of Expenditures and Balances

1. Laboratory Fee Cost Centers are numbered with the 22-xxx cost center series and are considered Education and General (E&G) funds.
2. Throughout the year, cost center reconcilers and college financial officers must review laboratory fee expenditures to ensure compliance with TEC Sec. 54.501. Any non-compliant expenditures must be moved to appropriate (e.g., instructional support) cost centers.
3. Conversely, review of expenditures in non-lab fee cost centers should occur to identify purchases of lab materials and supplies that should be costed to the lab fee cost center if funding is sufficient. Expense corrections must be submitted timely and before fiscal year end.
4. The balance of each lab fee must be reviewed throughout the year and especially at the end of each fiscal year. Large balances (over 20% of annual revenue) and all deficits must be addressed. A large balance may indicate that the fee is set too high and/or that eligible expenditures are being paid elsewhere.

Updates to Lab Fee Rates

1. The Office of Planning & Analysis (P&A) will review the current official course inventory each year to identify new laboratory courses to consider and to identify courses where lab contact hours have been removed. P&A will communicate these findings with the appropriate college for further action.
2. Changes to lab fee rates are proposed following the non-mandatory fee approval procedure set forth in HOP [STU 05-101](#). It is recommended to combine lab fee proposals into one submission per college with an attachment providing course and rate detail. All requests must be substantiated with cost data that is kept on file in the college to support the rates requested.
3. P&A will review the requests and package for final approval by the President and UT System. Approved changes are generally effective starting with registration for the next Fall semester. Although non-mandatory fee increases are typically considered each year, there is always a possibility that fee increases will not be considered in a particular year.
4. The following lab fee changes will not require UT System approval and can be expedited: removals, reductions, course renumbering.