



BENCHMARKING ANALYSIS

Overload and Excess Credit Hour Strategies

January 2023

In the following report, Hanover Research presents the results of a benchmarking analysis of excess credit hour policies and outcomes, as well as a broader analysis of the relationship between credit hours and tuition.



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RECOMMENDATIONS

Based on an analysis of excess credit hour policies, Hanover recommends the institution:

REVIEW THE IMPACT OF CREDIT HOUR POLICIES ON FOUR-YEAR COMPLETION RATES AND REVENUE BEFORE REVISING POLICIES

Research trends indicate that policies that center on student success, as indicated through four-year graduation rates, are strongly beneficial to both students and institutions. However, excess credit hour policies do not appear to substantially impact four-year graduation rates. While institutions may receive revenue from excess credit hour surcharges, institutions should review the balance of this revenue relative to four-year graduation rate percentages and costs for the fifth and sixth years of study. At least three profiled institutions found that excess credit hour policies were not having the intended influence of increasing four-year graduation rates.

CONSIDER EXPANSION OF CREDIT HOUR POLICIES THAT FOCUS ON ADVISING AND FLEXIBILITY

Expanding exemption policies can help make extended semester credit loads available to more students. For example, raising semester tuition band caps, offering a wide variety of exemptions for students in specific areas of study, or offering tuition incentives or fee exemptions for students graduating in four years are all strategies to make policies more accessible and inclusive for students, particularly students from marginalized groups. Research trends suggest that implementing proactive advising policies to encourage students to enroll in 15 credits from their first semester and ensuring that overcharge alert systems are in place to notify students while they still have time to adjust their credit hour enrollment have a positive influence on student success and persistence.

KEY FINDINGS

Research suggests that four- and six-year graduation rates are significantly impacted by interrelated policies relating to student support services and course load. Proactive and early advising can help students plan an effective degree pathway, while a generous course load policy can provide the flexibility for students to complete degree requirements in tandem with personal interests.

Tuition pricing strategies can provide course load flexibility to support motivated or marginalized students. Raising the maximum on tuition bands, eliminating course overload or excess credit hour fees, or providing tuition rebates for students who graduate in four years all provide students flexibility in taking the number of courses in the schedule they may need.

Encouraging students to take 15 credits per semester increases student success and persistence. Students experienced higher GPAs and retention rates and low-income students were more likely to persist.

Research shows excess credit hour (ECH) policies do not encourage on-time graduation for students. Instead, these policies increase student debt burden. In response to these outcomes, states have been repealing ECH policies and offering surcharge rebates for students who graduate in four years.

INTERRELATED STUDENT SUCCESS POLICIES

Research suggests that institutions can increase four- and six-year graduation rates by setting tuition pricing models that encourage students to complete more credit hours per semester. There are two primary interrelated strategies that appear to strongly impact “on time” graduation:

Encourage students to complete 15 credits per semester

Enact policies that offer flexible course load maximums

Student support services and course load policies typically [work together](#) to improve time-to-degree. Tuition pricing strategies can also have a strong impact on course load policies.

Strategies to encourage on-time graduation to [benefit](#) both students and institutions. Students save money by completing their degrees in four years, while institutions reduce costs spent on students in their fifth or sixth years. In addition, an increase in four- and six-year graduation rates can improve an institution’s ranking and potentially funding.

STUDENT SUPPORT PROGRAMS



15 to FINISH

Complete College America runs an information campaign called [15 to Finish/Stay on Track](#) that encourages students to take 15 credits per semester starting in their first year in order to graduate with 120 credits in four years. The program encourages institutions to develop advertising and public relations campaigns, engage closely with student advisors, and implement supportive policies and practices.

A 2017 [study](#) of institutions involved in the initiative found the following trends for students who took 15 credits in their first semester:

- Students had **higher GPAs and higher retention** rates, even students with lower high school GPAs.
- Low-income students (**Pell grant holders**) were “**seven percent more likely to persist** and had an end-of-year GPA that was 0.12 points higher than their Pell recipient peers who averaged only 12-14 credits per term in the first year.”
- Students were **more likely to continue to complete 15 credit hours** per semester, with an average of 15.9 credits per semester for their remaining college careers.



TUITION INCENTIVES

Tuition rebates for students who graduate in four years appear to be relatively uncommon, however, some institutions offer tuition-related incentives:

- [Howard University](#) implemented a tuition rebate in 2016 to refund 50 percent of the final semester tuition payments to students who graduate in four years or less. In the first year, Howard rebated approximately \$250,000, but university leaders predicted the program would “decrease the millions of dollars in grants that go to students who take one or two years extra to graduate”.
- [Florida Gulf Coast University](#) (FGCU) launched “Soar in 4,” a completion incentive program that provides four-year graduates who enter a job in Florida a rebate on first-year tuition. However, FGCU is reconsidering the program, as its costs have increased significantly. The program has no long-term financial support and improved student success initiatives have increased the four-year graduation rate from 22 to over 41 percent, resulting in higher rebate costs.

TRENDS SUMMARY

COURSE LOAD MAXIMUMS

Extending semester course load maximums and adjusting tuition bands to cover a large number of credits can increase student persistence and improve graduation rates. In fact, a 2015 [study](#) found that institutions that charge a base rate tuition and use a tuition band had a five percent higher four-year graduation rate than institutions charging per credit.

FLEXIBILITY - Allowing students to complete course overloads can provide important [flexibility](#) necessary for some students to complete their desired course of study, including:

- Students who want to take 12 credits one semester to focus on a difficult course.
- Students who need to take multiple courses worth four credit hours (such as studio or laboratory courses).
- Students pursuing a minor or double major.
- First-year students who have to take non-credit courses and make up required courses in following semesters.
- Students who need to repeat courses.
- Students seeking to [graduate](#) early.

PERFORMANCE - A 2020 [study](#) found “no evidence that high course loads have a negative impact on student grades, even for students at the low end of the performance distribution” at one regional four-year university with a high average time-to-degree.

ENROLLMENT INCREASE - Making [marginal cost changes](#) can also impact enrollment. For example, in fall 2015, Kent State University extended the tuition band from a maximum of 16 to 18 credits per semester covered by full tuition. During that semester, approximately five percent more of the student body (over 1,000 students) chose to enroll in 17 or 18 credit hours. This increase may not directly correlate to the policy change but does suggest student interest in expanded credit hour options.



SPOTLIGHT: CREDIT HOUR CAPS

GEORGE WASHINGTON UNIVERSITY

In 2018, George Washington University extended its maximum credit hour [cap](#) from 17 to 18 credits per semester, thus eliminating a \$1,575 per credit fee. The [student association](#) had lobbied for this increase in order to provide an additional sixth course option for all students and eliminate financial burdens for low-income students and for students with no financial aid. While the institution was initially concerned about financial impact, institutional data showed that approximately two-thirds of all students were “already receiving waivers to enroll in a free 18th credit” and students in certain degree programs could already take more than 17 credits for free.

UNIVERSITY OF DELAWARE

In 2018, the [University of Delaware](#) (UD) removed its maximum limit on the number of semester credit hours covered by full tuition. Previously, the tuition band was set at 12-17 credits per semester. UD expected this change to make a “significant difference” for students, particularly “first-generation, low-income students” and those who need to take non-credit remedial courses, repeat a course, or take a sixth course one semester to catch up.

The new policy was part of the Blue Hen Success Collaborative a program to encourage students to finish their degree in four years. During New Student Orientation students and parents were reminded of the importance of taking 30 credits each year, including 15 credits in the first semester in order to graduate on time. This action resulted in a 2.9 percent increase in bachelor’s degree students enrolling in 30 credits and a 21.8 percent increase for associate’s degree students.

EXCESS CREDIT HOUR POLICIES

EXCESS CREDIT HOUR POLICIES SUMMARY

EXCESS CREDIT HOUR POLICIES

Establishing a maximum limit on the number of credit hours per semester that are included in a tuition band can help encourage students to complete degree requirements early in order to graduate without additional fees. However, if not administrated effectively, excess credit hour (ECH) policies can increase student debt burden and adversely impact marginalized students. A 2017 [study](#) of excess credit hour policies identified nine state university systems that have implemented an excess credit hour policy and surcharge, although this number is down to six states in 2022.

“The Costs and Consequences of Excess Credit Hours Policies”

Although many of these policies have been in place since the 1990s and early 2000s, few institutions or organizations appear to have conducted publicly available research on longitudinal outcomes of these policies. Secondary research is limited to a much-publicized study, [“The Costs and Consequences of Excess Credit Hours Policies,”](#) published in Educational Education and Policy Analysis in 2017. The authors tracked data over 14 years (2000-2013) for public four-year institutions in order to “estimate the effect of ECH policy adoption on institution graduation rates and student debt burdens four to six years after policy adoption.” The study controlled for “institutional factors and state-level economic and political conditions” that could impact graduation and student debt. The study’s findings are highlighted to the right.

The study notes that these findings may be due to a lack of communication to students about policy requirements and timing of the surcharge, which typically impacts students once they have crossed the excess credit hour threshold and it is too late to change enrollment decisions.

IMPACT ON GRADUATION RATES



- There is **“no significant relationship”** between ECH policies and overall four- or six-year graduation rates or total degree conferrals.
- ECH policies appear to **increase six-year graduation rates for Hispanic/Latino students**, with a 2.5-3.4 percent increase.
- Marginal evidence from the study suggests that ECH policies **decrease six-year graduation rates for African-American students**, with a 3.5-4.2 percent decrease.

IMPACT ON DEBT LOAD



- Four years after ECH policy adoption, **overall median student debt increased** between 5.7 to 7.2 percent.
- Debt increase was **concentrated among low- and middle-income students**.
- **High-income students saw no significant increase** in debt after ECH policy adoption, while low-income students experienced a median debt increase of 4.1-5.1 percent and middle-income students experienced an increase of 5.3-5.6 percent.
- **Bachelor’s degree-granting institutions were most impacted** by ECH policies while attending doctoral degree-granting institutions appeared to decrease the median debt load. This is likely due to additional financial resources and institutional grants available at doctoral degree-granting institutions.

EXCESS CREDIT HOUR POLICY CHALLENGES

ADMINISTRATIVE BURDEN

A 2020 [study](#) from Southern Methodist University found that Texas state ECH policies “exacerbated administrative burden and cost” for students in navigating the policy and understanding compliance, in addition to ECH surcharges. This is primarily due to a lack of current standards for administrating the statewide ECH policy, including consistent unit housing, lack of connection between registrars and financial administrators and knowledge of the policy, notification of status for students, compliance costs and responsibility of identifying students, and waiver and appeals systems. In addition, the study found a particularly significant lack of policy information at four-year HBCU institutions in Texas.

To address administrative needs, [Northern Arizona University's](#) ECH policy document outlines the process for identification, notification, and billing relating to administrating ECH in each semester.

- Institutional Research and Analysis identifies students approaching the ECH threshold and contacts the registrar.
- Office of the Registrar records the information and notifies students “in a timely manner.” The office also encourages them to work with their advisor to plan their remaining degree pathway.
- Advisors work to “ensure students are aware of ECH surcharge requirements.”
- Student and Departmental Account Services properly bills identified students.
- Students may submit an Excess Credit Hours Re-Evaluation Request Form to the registrar, who performs a re-evaluation and informs students of the results in a timely manner.

PERFORMANCE FUNDING – Some states tie ECH policies to [performance-based funding](#), including Florida (see profile). The percentage of students who complete a degree with a minimum of or no ECHs can provide an additional measurable metric or outcome related to on-time graduation. However, tying ECHs to performance-based funding can potentially lead to punitive systems for students, such as denying students financial aid if they take too few credits one semester (resulting in excess credits in a following semester).

STUDENT AWARENESS – [Communication](#) about ECH policies is essential for student success. Students who are nearing the threshold for ECH may not be aware of institutional policies or additional fees until it is too late to change course enrollment plans. Many institutions have [email](#) notifications, but research also shows that this channel is not effective. Having informational campaigns and clear communication channels targeting both students and academic advisors about ECHs can help students avoid surcharges and fees.

To address student communication needs, [Florida State University](#) creates a digital excess credit hour counter for each admitted student that is housed on a student’s intranet account. The counter automatically updates to reflect enrollments in each semester and “follows [a student] throughout [their] academic career with FSU.” The registrar’s website provides a comprehensive overview of how to read and understand the counter and how different types of credits (transfer, AP, etc.) are included in the counter.

For example, if you enroll at FSU immediately after high school, and you have 6 hours of AP credit and 6 hours of dual-enrollment credit, your student record looks like this:

Hours Attempted	Hours Earned	Excess Credit Counter
12	12	0

BENCHMARKING PROFILES

BENCHMARKING SUMMARY

PEER INSTITUTION TRENDS

POLICY PREVALENCE



In 2017, nine states enacted statewide ECH policies for state institutions. Since 2019, three states have repealed their ECH policies and surcharges and one has implemented a surcharge rebate program, noting that the policies do not support student on-time graduation and instead contribute to an undue burden for students. This suggests decreasing confidence in the efficacy of these policies.

ECH THRESHOLDS



Four states set the ECH threshold at a percentage of average degree credit requirements (from 120-150 percent). Two states (North Carolina and Wisconsin) set the threshold at a specific number, 140 and 165 respectively for four-year degree programs.

SURCHARGE RATES



All states set the surcharge rate as a percentage of per-credit tuition. Resident and non-resident students pay their respective rates. Utah and Wisconsin, however, exempt non-resident students from paying ECH surcharges.

PARTICIPATION RATES

Data from peer institutions suggests potentially low numbers of students paying ECH surcharges and impacts on students from marginalized groups.

- In Arizona, early data from 2006 showed that only 281 students across all system institutions qualified for the surcharge, only 11.6 percent of the total number of students who earned ECHs.
- In the Florida state system, its single HBCU institution has by far the highest percentage of students graduating with ECHs, although there is no indication of the number of students paying an ECH surcharge.
- A 2020 study of Utah's ECHs found that transfer students and students who had changed major were most likely to hold ECHs, but again, there was no indication of how many students paid the surcharge.

REVENUE IMPACT

Wisconsin was the only state to provide information on revenue from ECH surcharges. Between 2019 and 2021, nine state institutions earned a total of \$271,875. During the 2019-2020 school year, 1,257 students were charged the surcharge for a total of \$79,598. Low revenues were one reason Wisconsin cited for eliminating the ECH policy.

ARIZONA

Policy	Section 15-661
Date Implemented	2005
Governing Body	Arizona State Legislature

In Arizona, ECH [policy](#) was described as “involving students that are viewed by many legislators as accumulating too many unnecessary course credits, and therefore, moving inefficiently toward the completion of a baccalaureate degree.”

➤ Excess Credit Hour Threshold

The ECH threshold was established by the state legislature and is consistent across all campuses and areas of study.

Dates Active	Excess Credit Hour Threshold
2006-2007	155
2007-2008	150
2008 - present	145

➤ Excess Hour Surcharge Rates

Rates are calculated independently by each state university (see chart to the right). Notably, the University of Arizona has differential fees for regional campuses.

Campus Surcharge Rates

Institution	Surcharge Rate	Surcharge Credit Cap
Arizona State University	<ul style="list-style-type: none"> Resident - \$157 per credit hour Non-Resident - \$250 per credit hour Online - \$110 per credit hour 	<ul style="list-style-type: none"> Resident - 7 c.h. Non-Resident - 12 c.h. Online - 12 c.h.
University of Arizona	Main Campus: <ul style="list-style-type: none"> Undergraduate Resident - \$160 Undergraduate Non-Resident - \$297 Sierra Vista Campus: <ul style="list-style-type: none"> Undergraduate Resident - \$127 Undergraduate Non-Resident - \$281 	<ul style="list-style-type: none"> 12 c.h.
Northern Arizona University	<ul style="list-style-type: none"> Not listed 	

PARTICIPATION

A 2006 [memo](#) from the Arizona Board of Regents noted the number of students that exceeded the credit hour threshold in the Fall 2006 semester (displayed below). Notably, 89 percent of students with ECHs fell under an exemption category, with only 11.6 percent of students paying the tuition surcharge.

	ASU	NAU	UA	System
Headcount exceeding 150 credit hours	1,427	194	797	2,418
Headcount exceeding 150 after exemptions	192	17	72	281

FLORIDA

Policy	Florida Statutes, Section 1009.286
Date Implemented	2009
Governing Body	Florida State Legislature

In Florida, the tuition surcharge policy is intended to provide “incentives for efficient baccalaureate degree completion.”

➤ **Excess Hour Threshold**

- Calculated for each student based on the number of credits required for their major.
- The threshold will be adjusted if students change to a major requiring a greater number of credits.

➤ **Rebates**

- If a first-time-in-college student completes a bachelor’s degree within four years of initial enrollment, the university will refund excess hour surcharges up to 12 credit hours.

➤ **Excess Hour Surcharge Rates**

Dates Active	Surcharge Rate	ECH Range
2009-11	50% of the tuition rate	Each credit hour over 120% of required hours
2011-12	100% of the tuition rate	Each credit hour over 115% of required hours
2013-2019	100% of the tuition rate	Each credit hour over 110% of required hours
Summer 2019 - Present	100% of the tuition rate	Each credit hour over 120% of required hours

FLORIDA, CONT.

Between 2014 and 2020, the State University System of Florida tied excess credit hour participation to [performance-based funding](#). The system tracked the “Percent of Bachelor’s Degrees Awarded without Excess Hours” across the state’s 12 public institutions. The metric was identified as the “Board of Governors Choice Metric” but was [replaced](#) for the 2021-2022 school year with two new metrics (“Two-year graduation rates for FCS associate in arts transfer students” and “Six-year graduation rate for students who are awarded a Pell Grant in their first year”). The chart below shows the percentages and improvements in the ECH metric between 2014 and 2020 for each institution. Almost all institutions saw an increase in bachelor’s degrees awarded without ECHs, but there is no indication of a correlation between ECH policies and improved rates.

Percent of Bachelor’s Degrees Awarded Without Excess Hours

Institution	2020-21		2019-20		2017-18		2014-13	
	% Awarded	% Improved	% Awarded	% Improved	% Awarded	% Improved	% Awarded	% Improved
Florida A&M University	53.5%	2.1%	51.4%	9.8%	28.3%	-0.7%	31%	NA
Florida Atlantic University	80.0%	2.9%	77.1%	2.0%	73.2%	-1.3%	63%	NA
Florida Gulf Coast University	78.6%	2.5%	76.1%	0.4%	75.6%	-0.4%	74%	NA
Florida International University	78.6%	3.9%	74.7%	2.5%	69.1%	0.1%	70%	NA
Florida State University	85.6%	3.5%	82.1%	0.4%	--	--	--	--
New College of Florida	87.0%	4.1%	82.9%	0.2%	--	--	--	--
University of Central Florida	79.0%	1.2%	77.8%	1.4%	66.3%	-2.9%	60%	NA
University of Florida	85.3%	1.7%	83.6%	1.5%	--	--	--	--
University of North Florida	81.5%	-1.6%	83.1%	2.8%	71.7%	-0.2%	71%	NA
University of South Florida	84.7%	4.0%	80.7%	2.4%	75.6%	9.8%	56%	NA
University of West Florida	82.9%	1.8%	81.1%	0.9%	80.5%	4.7%	65%	NA

NEVADA

Policy	Procedures and Guidelines Manual, Section 2
Date Implemented	2014 - 2021
Governing Body	Nevada Board of Regents

In Nevada, the excess credit fee was [established](#) in 2012 and implemented in 2014 to encourage students to graduate on time and discourage students from changing their major multiple times. The Vice Chancellor of Academic and Student Affairs also noted that a number of states were enacting similar policies and that the policy was “reinforcing a message that’s been sent through federal financial aid” of the importance of on-time graduation.

During the 2011-12 school year, 62 students at the University of Nevada-Las Vegas had reached the excess credit hour threshold (180 credits), but the majority of these students were honors students pursuing multiple degrees. In 2012, the University of Nevada – Reno had 242 students with more than 180 credits.

➤ Excess Hour Threshold

The ECH [threshold](#) was established by the Nevada Board of Regents and is set at “150 percent of the credits required for the student’s program of study.”

➤ Excess Hour Surcharge Rates

For all degree-seeking undergraduates, the excess credit fee is set at 50 percent of per credit tuition.

➤ Communication

The policy requires institutions to publicize the Excess Credit Fee policy and to include a prepared statement regarding the policy on all “appropriate institutional materials, including course catalogs and websites.”



Repeal of the Excess Credit Fee Policy

In 2021, the Nevada System of Higher Education (NSHE) office submitted a briefing paper recommending that the Board of Regents [eliminate](#) the Excess Credit Fee.

Although the policy was revised and clarified in 2013 and 2018, “through the life of the policy NSHE **institutions have expressed ongoing concerns** regarding the fee, questioning its efficacy in supporting student success.” In addition, NSHE was motivated to recommend the elimination of the fee by the 2017 AERA report and its findings that excess hour fees increase median student debt, particularly for students from marginalized backgrounds.

NSHE believes that eliminating the fee will support statewide strategic goals to “increase student success” and “close the achievement gap among underserved student populations.”

NSHE highlights the following concerns with the Excess Credit Fee policy:

- ❑ The fee is a **punitive policy** toward degree completion and removing it will allow for more supportive models to close the achievement gap.
- ❑ The fee is a **potential barrier** for “students already faced with inequalities in successfully completing a degree.”
- ❑ The fee impacts students at a point that is **too late** to make substantive changes to degree plans and may dissuade students from completing a degree.

However, repealing the fee will have a fiscal impact by eliminating that “stream of revenue for the institutions that have been used to support student advising and counseling services.”

NORTH CAROLINA

Policy	G.S. 116-143.7
Date Implemented	1993-2019 (amended 2010)
Governing Body	General Assembly of North Carolina

In North Carolina, the original ECH policy was enacted in 1993, but was amended in 1994 to exempt students who graduated in four years from the tuition surcharge. In 2010, the policy was amended again to increase the ECH surcharge from 25 percent to 50 percent of the per-credit tuition cost. The full policy was repealed in 2019, however, many UNC system institutions still include information about the policy on their websites. The information below reflects the most recent [policy](#).

➤ Excess Hour Threshold

The ECH threshold was set by the Board of Governors of the University of North Carolina at 140 credit hours for a four-year degree or 110 percent of credit hours for a five-year degree.

➤ Excess Hour Surcharge Rates

For all degree-seeking undergraduates, the surcharge equals 50 percent of per credit tuition costs, either resident or non-resident rates.

No surcharge is assigned to any student who “exceeds the degree credit hour limits within the equivalent of four academic years of regular term enrollment” or five years for a five-year degree program.



Repeal of the Tuition Surcharge Policy

In 2019 the General Assembly of North Carolina signed a new [bill](#) repealing the tuition surcharge for ECHs in the UNC System. The original policy was [intended](#) to help motivate students who were not completing their degrees in a timely manner. However, the policy created hardships for certain demographics of students. Some particular concerns mentioned by lawmakers include:

- ❑ Negative impact on students who **transferred** to four-year institutions from community colleges
- ❑ Negative impact on students who had to **take time off** from their degree program due to family reasons
- ❑ Created a **barrier for many motivated students**

UTAH

Policy	Section R510
Date Implemented	2013 (amended 2018)
Governing Body	Utah Board of Regents

In Utah, the ECH surcharge [policy](#) is intended to incentivize students to “complete their degrees in a timely manner.” In 2013, when the full policy was enacted, the ECH surcharge was part of a larger statewide goal to have 66 percent of adults hold a post-secondary degree or certificate. Prior to 2013, the ECH threshold was set at 135 percent of credit hours required for graduation, although the “policy was vague and seldom applied.”

➤ Excess Hour Threshold

The ECH [threshold](#) was established by the Utah Board of Regents and is set at “125 percent of a student’s program of study.”

➤ Excess Hour Surcharge Rates

For residents, the per credit surcharge [rate](#) is “double the current year’s resident tuition rates” for each institution. Non-resident students do not pay ECH surcharges.

➤ Communication

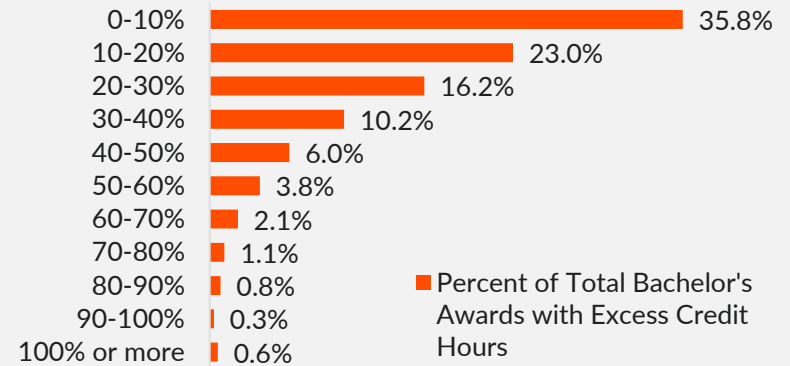
Utah state institutions are also required to [communicate](#) the ECH policy to students:

- Each institution must notify students of the policy upon enrollment.
- Institutions must pursue “strategies to assist student completion,” including encouraging students to establish a program completion plan and meet with an advisor before or when reaching 125 percent of degree completion.

Excess Credit Hours at Graduation

A [2022 study](#) from the Utah System of Higher Education (USHE) found that students receiving a bachelor’s degree in 2020-21 had an average of 20.9 percent “more credit hours than required for their degree.” Over half of students had 20 percent or fewer excess credits. There is no indication if these students reached the ECH threshold or paid a surcharge.

Percent of Excess Credit Hours Earned, by 10% Interval



Certain degree components and demographics of students more commonly hold excess credit hours, including:

- **Transfer students** had a higher amount of ECHs than non-transfer students. On average, transfer students (across both associate’s and bachelor’s degrees in USHE institutions) had 37.5 percent excess credits compared to 29.8 percent excess credits for non-transfer students.
- **Changing majors** “generally results in increased excessive credit hours.” The median ECHs for all bachelor’s areas of study in USHE institutions was 15.8 percent. Students in the physical sciences and engineering had the highest percentage of excess credits.

WISCONSIN

Policy	Regent Policy Document - 4-15
Date Implemented	2004-2021
Governing Body	UW System Board of Regents

In Wisconsin, the ECH [surcharge](#) initially “originated as part of a [state] legislative proposal to deal with a budget shortfall in 2001” but was also implemented as a policy to improve student outcomes. Individual institutions could set their own assessment metrics to accommodate students.

➤ Excess Hour Threshold

The ECH [threshold](#) was established by the UW System Board of Regents and was set at 165 credits or 30 credits more than required for a degree program, whichever is greater.

➤ Excess Hour Surcharge Rates

For resident undergraduates, the excess credit hour surcharge was equal to 100 percent of per credit resident tuition rates. Non-resident and Minnesota reciprocity students were not subject to the surcharge.

➤ Communication

The policy required institutions to review requirements for any degree program requiring more than 130 credits and to “develop a process to identify and counsel students” who may be nearing the excess credit threshold.



Repeal of the Excess Credit Policy

In 2021, the University of Wisconsin System Board of Regents rescinded the Excess Credit Policy document and eliminated the UW System excess credit surcharge. The University of Wisconsin-Madison (UW-Madison) was exempted and allowed to retain an excess credit surcharge. The Board noted the following concerns with the excess credit surcharge policy:

- ❑ Citing the 2017 AERA study that surcharges **do not improve graduate outcomes and increase debt**
- ❑ Surcharge provided **minimal revenue** for institutions
- ❑ Surcharge could be a **significant barrier for individual students**
- ❑ **Graduate outcomes were improving** (and continue to improve) before the policy was implemented in response to student support programs

However, the Board also recognized the “importance of implementing effective approaches for ensuring students graduate in a timely manner” and retained language directing the UW System President and UW Chancellors to continue to:

- “Review the number of credits required of degree programs and implement approaches to reduce time- and credits-to-degree.”
- “Identify and counsel students who are at risk of accumulating excess credits.”

UW – Madison Excess Credit Policy

[UW – Madison](#) retains the excess credit surcharge policy, although notes that it is “not widely applied.” For resident undergraduates, the policy assesses a 100 percent tuition surcharge on any credits earned over 165. UW-Madison officials note the following [benefits](#) of the policy for their institution:

- “Incentive for students to complete degrees in a timely manner”
- “Push to those students who might be avoiding completion of their studies”

WISCONSIN, CONT.

Bachelor's Degree Graduates with Excess Credits

A total of 1,267 bachelor's degree students graduate with excess credit in 2020, a decline of 34 percent since the adoption of the ECH surcharge. Over 62 percent of students with excess credit are enrolled at the Milwaukee, Oshkosh, Platteville, and Whitewater campuses. The table below shows the number of graduates with excess credit.

Total Graduates with Excess Credit – All UW System Institutions	
2017-18	1,452
2018-19	1,254
2019-20	1,257
Percent Change	-13.4%

However, the number of graduates with excess hours does not “reflect the actual number of students who could be subject to the ECH surcharge.” Limitations include:

- Data includes students who are enrolled in high-credit degree programs and are subject to a higher ECH threshold.
- Data includes only graduates who have accumulated excess credits during their academic career and not during the final semester of study (as students are assessed the surcharge in the semester following the ECH).
- Data does not include students who do not graduate who are still subject to the surcharge.

ECH Surcharge Revenue

UW System campuses have seen a steady decrease in surcharge revenue since 2019. The following table displays revenue amounts for the nine system institutions that collected revenue in the past three years.

Institution	2019	2020	2021	Total	Percent of Total
Whitewater	\$55,774	\$46,636	\$47,237	\$149,647	55.0%
Milwaukee*	\$60,368	\$13,181	\$1,346	\$74,895	27.5%
La Crosse	\$5,905	\$1,314	\$6,364	\$13,583	5.0%
Green Bay	--	\$11,022	--	\$11,022	4.1%
River Falls	\$268	\$4,821	\$2,411	\$7,500	2.8%
Oshkosh	\$2,362	\$2,624	\$1,575	\$6,561	2.4%
Madison	\$5,416	--	\$689	\$6,105	2.2%
Stout	\$1,468	--	--	\$1,468	0.5%
Eau Claire	\$1,094	--	--	\$1,094	0.4%
Total	\$132,655	\$79,598	\$59,622	\$271,875	100.0%

*UW-Milwaukee waived the fee for FY 2020 and 2021.

UW Student Outcomes

In the decade prior to the implementation of the ECH surcharge, the number of graduates with excess credit declined from 3,300 to 1,900 (42.4 percent). This decline is attributed to a 1995 UW System initiative to reduce degree requirements, expand advising, review transfer policies, and improve course availability. An ECH surcharge was considered, but ultimately rejected, during this initiative.

Although the number of graduates with excess credit hours continued to decline under the ECH surcharge policy, the UW System believes that much of that decline can be attributed to a decline in the number of education degree graduates, a program of study that requires the largest number of credit hours.



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