

## The Division of Business & Finance Annual Survey of Fees 2011 - 2012

### Background Information and Timelines

On July 23, 2002, the Division of Business and Finance issued a memorandum regarding the "New State Board Policy Regarding Fees" (see CC02-150). This memorandum was an attempt to explain the rules governing the collection and use of a new "Computer Use and Technology Fee", and the collection and use of specific, student activity and parking fees. The new policies gave great flexibility to local college Trustees and Presidents in the retention and expenditure of the receipts generated from the fee charges.

1E SBCCC 700.99(c) states in part "*The president<sup>1</sup> shall report any optional fee established by the board of trustees to the System Office's Division of Business and Finance Division on an annual basis.*" Optional fees are defined as specific, student activity, computer use and technology and parking fees.

### Current Procedures

State Board policy regarding all four types of optional fees permits the retention and expenditure of receipts collected locally. Because receipts are held in colleges' institutional accounts, the Division cannot obtain this information without surveying the colleges. Local boards of trustees and their presidents have the authority to levy fees not inconsistent with the parameters established by the State Board.

### Survey Results

#### Fee Types

As noted, there are four types of fees that local boards may charge under current State Board policy. They include:

1. Computer Use and Technology Fee
  - a. Curriculum (\$16 per semester maximum)
  - b. Continuing Education (\$5 per course maximum)
2. Student Activity Fee (\$65 per year maximum)
3. Parking Fee (no maximum)
4. Specific (Course) Fees (no maximum)

#### Executive Summary

Note: Many of the year-to-year CHANGES are noted in Parenthesis ().

1. Computer Use and Technology Fee
  - a. Curriculum:
    - 52 colleges (90%) charge a fee. This is an increase of two from fiscal year 2010-11.
    - Of the 52 that charge a fee, 27 charge up to the \$16 per semester maximum permitted, while another 14 charge \$1 per credit hour up the \$16 maximum. Six of those 52

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<sup>1</sup> Clarification: The President of a local community college

colleges waive the fee for the summer term. No colleges charge more than the \$16 per semester maximum.

- For the fiscal year, colleges expended \$3,823,944 (+\$1,551,379) and had on-hand a cash balance of \$14,509,546 (+\$1,817,737).
- The cash balance may be used for the procurement, operations and repair of computer and other instructional technology, including supplies and materials that support the technology.
- The receipts collected from the fee charge must be for the benefit of the students who paid the fee, not for administrative purposes.

b. Continuing Education:

- 35 colleges (60%) charge a fee. This is no change from fiscal year 2010-11.
- Of the 35 that charge a fee, 21 (-3) charge the \$5 per course maximum permitted, while another five charge up to \$3. One college waives the fee for the summer term. No colleges charge more than the \$5 per course maximum.
- For the fiscal year, colleges expended \$41,659 (-\$22,203) and had on-hand a cash balance of \$702,463 (+\$163,253).
- The cash balance may be used for exactly the same purposes noted for Curriculum.

2. Student Activity Fees

- All 58 of the colleges charge a student activity fee during the fall and spring semesters. Nine (16%) charge up to the \$65 maximum permitted. 29 (50%) don't charge a fee during the summer term. One college charges more than the \$65 per year maximum. The System Office is working with that college to remedy the situation.
- For the fiscal year, colleges expended \$8,816,075 (+\$473,054) and had on-hand a cash balance of \$7,225,381 (+\$1,004,616).
- The receipts that are collected from the fee shall be used to support student activities.
- Student activities include the Student Government Association, scholarships, student functions and events, athletics, clubs, graduation expenses, I.D.'s, and student publications.
- Of the funds expended in fiscal year 2011-12, 34.4% were for student functions and events, 19.1% for the SGA, 17.6% for staff salaries, 18.2% for athletics, and 10.7% among other student purposes.

3. Parking Fees

- 31 colleges (53%) charge a parking fee. This is a decrease of one college from FY 2010-2011. Of the 31 colleges, three waive this fee during the summer term.
- While there is no maximum that can be charged, as State Board policy leaves this up to the local Board of Trustees, the range charged was from \$1 to \$80 per semester. The most common charges were between \$5 and \$15 per semester.
- Those colleges with significant to severe parking problems had higher charges. Colleges are also appropriately charging parking fees to cover the need for increased security in parking lots, especially at night.
- Expenditures for the fiscal year totaled \$5,144,512 (+\$419,106), and the funds balance at year-end was \$14,202,408 (+\$3,268,570). Of the funds expended, Paving/Resurfacing (10.5%), Security (77.4%), and Other (12.1%) were the major categories of expenditures.

4. Specific (Course) Fees

- Specific fees are used for the purposes for which they are charged and collected, including consumables expended in the instructional process, including tools, uniforms, lab supplies, live projects, patrons, etc.
- In the survey, colleges were asked to provide a list, to be retained by the Division of Business and Finance, of the fees charged. There is no significant rationale for keeping the balances of these fees, as they are turned over with the classes or activities offered.