

STATE BOARD OF COMMUNITY COLLEGES
Technology Fee Maximum

Background:

G.S. 115D-5(a) states, “That State Board shall have the authority with respect to individual institutions: . . . to establish student tuition and fees within policies for tuition and fees established by the General Assembly”. Neither the General Statutes, nor Session Laws establish any further policies associated specifically with student technology fees. Per 1E SBCCC 700.99(c)(3) authorizes community colleges to charge students a “Computer Use and Technology Fee”. This rule states that “(t)his fee shall not exceed the maximum established by the State Board”.

On July 19, 2002, the State Board adopted a maximum technology fee of \$16 per semester for curriculum and \$5 for Occupational Continuing Education classes. On February 21, 2014, the State Board initiated rule-making to repeal the existing SBCCC Chapter E. “Student Tuition and Fees” and adopt a revised set of rules for Chapter E. The proposed re-write of Chapter E maintains the technology fee maximums that are currently in force. At its February 19, 2014 meeting, the NC Association of Community College Presidents voted to request that the State Board remove the maximums placed on technology fees.

In addition to technology fees, colleges are currently authorized to charge students three additional types of fees as a condition of enrollment:

- **Student activity fees:** Colleges are currently authorized to charge up to \$65 per year. Under the proposed re-write of Chapter E, colleges would be authorized to charge up to \$35 per academic term.
- **Parking fees:** The State Board has not established a maximum for this fee.
- **Required specific fees:** While the State Board has not established a maximum for these fees, the proposed re-write of Chapter E would require colleges to set these fees based on the estimated cost of providing the academic good or service that is required for a course.

Summary of Computer Use and Technology Fee Surveys:

NCCCS has gathered data on the Computer Use and Technology Fee from two survey sources: an “Annual Survey of Fees Report” that is presented to the State Board each January; and a “Technology Fee Survey” which was administered to the colleges in April 2014.

The following data came from the “Annual Survey of Fees Report” that was presented to the State Board in January 2014:

Curriculum Computer Use and Technology Fee:

- 52 colleges (90%) charge a fee. There was no change from fiscal year 2011-12.
- Of the 52 that charge a fee, 28 charge up to the \$16 per semester maximum permitted, while another 13 charge \$1 per credit hour up the \$16 maximum. Four of those 52 colleges waive the fee for the summer term. No colleges charge more than the \$16 per semester maximum.
- For the fiscal year, colleges expended \$3,744,991 and had on-hand a cash balance of \$16,548,354.
 - \$9,419,415 (57%) of the cash balance is held by 8 colleges.
 - \$848,447 (5%) of the cash balance is held by 18 colleges
 - \$6,280,492 (38%) of the cash balance is held by the remaining 26 colleges

- 2 colleges had negative cash balances and one college had a zero cash balance.
- 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.

Continuing Education Computer Use and Technology Fee:

- 34 colleges (58%) charge a fee.
- Of the 34 that charge a fee, 29 charge the \$5 per course maximum permitted, while another five charge up to \$3. Two colleges waive the fee for the summer term.
- For the fiscal year, colleges expended \$128,265 and had on-hand a cash balance of \$708,767.
 - \$422,433 (60%) of the cash balance is held by 4 colleges.
 - \$154,621 (24%) of the cash balance is held by 7 colleges
 - \$131,714 (16%) of the cash balance is held by the remaining 23 colleges
- The cash balance may be used for exactly the same purposes noted for Curriculum

The following data was gathered from the Computer Use and Technology Fee Survey that was administered in April 2014:

Colleges were asked if the curriculum student technology fee cap was lifted, what dollar amount would your college charge per term. Colleges answered:

19 colleges – no change
34 colleges - \$17-\$50
4 colleges - \$51-\$100
1 college -\$101-200

Colleges were asked if the continuing education student technology fee cap was lifted, what dollar amount would your college charge per course. Colleges answered:

No change 26
\$6-\$10 24
\$11-\$15 5
\$16-\$20 1
\$20 or more 2

These two questions show that colleges are customer and cost conscious when taking into the account the total cost of education (tuition, fees, and books) and would keep their fees reasonable.

Colleges were asked in the survey to provide the purpose(s) for why they have saved funds in excess of their FY 2012-13 student technology fee revenues. Colleges answered that they were saving funds for the following purposes:

- To upgrade computers, laptops, software, and audio-visual equipment in student computer labs and classrooms -21 colleges
- Funds were saved from previous years with the knowledge that our FY 2013-14 and future years budget were going to be reduced because of declining enrollment and state budget cuts so that we

would be able to continue to meet our student technology needs during lean budget years – 6 colleges

- Technology projects, such as improving Student Network infrastructure, implementation of virtual desktops, and implementation of a Student Support System for tutoring – 6 colleges
- To buy equipment and software for new computer labs and other student areas in buildings under construction – 4 colleges
- Distance Education Upgrades, such as Blackboard – 2 colleges

Colleges were asked in the survey how they would expend any additional revenues received if they were allowed to increase technology fees. Colleges listed the following type of expenditures as their top priorities/needs that they would address if they were allowed to increase technology fees:

- Replace instructional computers and printers more often than their current replacement cycle allows – 22 colleges
- Increase staffing for technology support positions; such as open lab monitors, help desks, and on-line tutoring – 12 colleges
- Increase wireless access for students – 9 colleges
- Increase student success by creating a better learning experience and collaborative environment for students to share and discuss group assignments by document sharing, implement virtual desktop and application delivery environments, video conferencing – 8 colleges
- Expand on-line offering for learning and advising – 5 colleges
- Expand the capabilities of their student email system – 5 colleges
- Install additional computer labs – 3 colleges
- Increase the number of classrooms having smart boards – 3 colleges
- Improve connectivity between campuses by having additional information highway classrooms – 3 colleges
- Purchase IPADS for student use – 2 colleges
- Increase our program offerings to include programs having extensive technology equipment needs – 2 colleges

The responses for the last 2 questions suggest the following:

- Most colleges are using these fees to purchase lab computers, printers, and software and that it is very difficult to keep their computers and software up to date.
- Colleges want to improve their student success and completion rates by providing a better learning experience, providing more on-line opportunities, offering more student services, such as on-line advising and tutoring, and having lab monitors and help desks available for students at all times.

Options:

The State Board could consider the following options:

1. Maintain the existing policy of authorizing colleges to charge students technology fees up to \$16 per academic term and \$5 per continuing education course.
2. Modify the State Board's rule to increase the maximum technology fee authorized.
3. Modify the State Board's rule to authorize a college to charge a technology fee above a certain maximum only if specifically approved by the State Board.
4. Remove the maximum on technology fees from the State Board's rule and allow colleges to set technology fee rates at whatever level the local Board of Trustees chooses. (The NCAACCP has voted to support this option.)