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Student Technology Fees

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Overview

Finding sufficient funds to support an institution's information technology infrastructure is a significant challenge. Earmarking dollars to support student computing may be an even greater challenge in light of the multiple demands made on IT budgets. To augment institutional support of student computing, many institutions have implemented student technology fees. These focused fee structures provide targeted allocations for student-related technology activities.

The prevalence and level of student technology fees vary by institution type. Nearly 70 percent of public universities have a mandatory student technology fee; fewer than 25 percent of private institutions have them; and more than 50 percent of community colleges have such fees.[1]

Given the rapid changes in technology, student demand for computing facilities, and the inability of campus IT budgets to support all needs, student technology fees provide a steady, guaranteed stream of revenue for purposes that range from hardware to help-desk support. The higher education budget cuts anticipated in most states will likely lead to more institutions requiring student technology fees or increasing existing fees. This Research Bulletin explores how institutions set, allocate, and account for student technology fees.

Highlights of Student Technology Fees

There is tremendous variation in how student technology fees are determined, the amount of the fees actually charged, the expenditures for which fees may be used, the process for allocating fees, and the accountability measures used to protect the fee process. As institutions explore existing (or future) student technology fees, a series of processes and policies may help guide decisions.

Rationale for Student Technology Fees

The rationale for implementing or not implementing a student technology fee varies. Some institutions believe a technology fee (or any other fee) should not be levied on students. This may stem from the notion that already high tuition costs should cover students' technology needs and that the total cost of attendance should not be increased through fees. In other institutions, the resistance to a student technology fee may derive from the belief that the allocation of tuition revenues to various activities is more flexible than fee-generated revenues targeted to defined purposes.

However, a majority of higher education institutions do have student technology fees. Appendix 1 indicates some of those institutions and includes links to descriptions of their fees.[2] Many institutions explain that, one way or another, students pay for campus technology, whether from tuition dollars, from an additional fee charged to all students, or from a fee assigned to specifically identified technology-driven courses. Whether to collect an additional dollar through tuition versus through a fee often rests on a campus' internal fiscal procedures and flexibilities. Tuition dollars usually go into the general

campus fund, the allocation of which students cannot usually influence easily. Fees, however, are usually earmarked for specific purposes. In many institutions, students are actively involved in determining how student technology fees are spent. The rationale is that if students will be "taxed" for information technology, it should be through a vehicle that allows students some voice over how the funds will be used.

Several additional factors explain why an institution might choose to implement student technology fees:

- The cost of a technology fee is lower than the cost of each student purchasing a personal computer.
- The fee allows the college or university to keep pace with technology.
- The fee makes a visible statement that the institution cares about technology.
- The existence of a fee implies that technology will be used in classes.[3]

Level of Student Technology Fees

Based on results of the 2001 Campus Computing Survey, the highest student technology fees are assessed by private universities and the lowest by community colleges; however, more public than private institutions have such a fee (see Table 1).

Table 1. Breakdown of Fees by Institution Type

Institution Type	Percent with Mandatory Fees	Average Fee
Public universities	68%	$197
Private universities	23%	$197
Public 4-year colleges	67%	$245
Private 4-year colleges	40%	$282
Community colleges	52%	$164

An informal survey conducted on the EDUCAUSE CIO listserv in 2001[4] generated responses from more than 100 institutions. Some institutions assess a flat fee; others base the fee on credit hours. Institutional policies vary on whether fees are prorated for part-time students.

Methodology for Determining Fee Level

In the best situation, student technology fees would be based on an estimate of the needs to be met by this funding source. In reality, most institutions have set fees at a level that was politically feasible relative to the other costs paid by students, or within a set of guidelines established by the institution.

Once a student technology fee is established, a process should be defined to provide guidelines for when fees can be increased (or decreased) as well as any annual cap on increases (for example, no more than 5 percent per year). In many states, fee increases are limited to a certain percentage, often set by a system office, trustees, or a higher education coordinating board. Beyond the amount of allowable increases, other variables that should be defined include whether fees can be increased every year, the kind of justification that must accompany a requested fee increase, and who approves fee increases. These types of questions must be answered explicitly. Lack of clarity about fees can result in the type of financial impact experienced by the Dallas County Community College District, which has been forced to repay $11 million in fees.[5]

Making Decisions about Fee Allocations

How institutions make decisions about the distribution and use of technology fees is important, and the range of options for making such decisions is broad. The authority for deciding how funds will be used might rest with an office (such as the provost), student government, or some combination. Some institutions have formal policies for using technology fees, while others solicit requests for proposals (RFPs). Many institutions have a technology fee committee composed of students and faculty who determine how funds will be allocated and establish the expenditure rules. Table 2 identifies several of these strategies and the advantages of each.

Table 2. Options for Deciding How Technology Fees Are Spent

Decision-Making Process	Advantages
Fees distributed by college/university office	Centralizes decision making
Policies determine allocation	Ensures consistent distribution of funds
Base allocation and one-time allocations	Ensures predictable fund level for units while providing some fiscal flexibility
RFPs solicit projects	Funds can be directed to high-priority and/or new projects
No decisions made: fees go to general fund	All fees are allocated according to an overall institutional plan

At institutions where committees determine fee use, representation is often broad. For example, North Carolina State University includes representatives from each academic college, the IT organization, and members of student government. The committee is facilitated by a member of the provost's office. In a few cases, student technology fees are folded into the institution's general funds. Manhattan College, for example, returns a portion of the funds to the provost. The remaining funds were earmarked for debt service on capitalized technology projects; now that the debt service has been satisfied, a portion of the fees are available for new capital expenditures. In other cases, the IT

office receives the student technology fees and uses them to offset part of the overall cost of IT.

The essential aspect of a successful decision-making process is the inclusion of a broad base of constituents who have vested interests in the technology fee allocation. Even if there is a central fee committee, it is important for the central committee representatives to be informed through local level involvement. For example, the college representative on a central committee may employ a local college committee of faculty, students, and technology staff to drive the technology needs assessment for that college. For students, there may be a tuition and fees committee of student government that assists the student representatives on the central committee.

Distribution of Funds

Frequently, a certain portion of student technology funds are distributed to divisions on campus. On what basis should these fees be distributed? Options include disbursing funds based on headcount, student credit hours generated, or intensity of technology use in courses. Distributing funds based on tangible measures such as headcount or student credit hours is relatively straightforward. However, neither approach ensures that support is provided to the units that use technology most intensively or have emerging or evolving disciplines that require significant technology investments. If the desire is to provide support based on how much technology is used, the institution may need to define a course technology use taxonomy (such as "technology intensive," "low technology," and so on) and allocate funds accordingly.

Many institutions entertain requests for how to spend student technology funds. In these cases, institutions often use an RFP that allows those units with unique needs to put forward a proposal that can be evaluated by a selection committee.

Often, a combination of policies and RFPs is used to distribute funds. Distribution policies ensure a consistent approach, while RFPs accommodate special requests, unique situations, and innovative projects. A sampling of policies guiding the distribution of technology funds includes the following:

- Fee is divided into thirds: 1/3 for technology support, 1/3 for labs/smart classrooms, 1/3 returned to departments
- Twenty-five percent allocated to building infrastructure, 25 percent for administrative computing, 25 percent for academic computing, 12.5 percent for the Academic Vice President to allocate, 12.5 percent to support third shift of lab staff
- Fifteen percent allocated to student labs, 85 percent to individual divisions
- Service units receive 30 percent of allocation; 70 percent is directed to instructional units[7]

Use of Funds

How student technology fees are used depends on the institution. Some general categories of fee use include

- hardware/software
- network infrastructure
- personnel
- facility renovation
- overall IT budget

Almost all institutions allow technology funds to be used for hardware and software. This is consistent with students' desire to see tangible evidence of how their dollars are being used to support their educational experiences. An engaging approach with students is essential to tie together the amount of the fee, the fee allocation process, and fee expenditures. One simple way to make these ties overt is to contact student leadership and provide a tour and overview of how the fee impacts their departments, divisions, or colleges. This should be an ongoing dialogue. Some institutions even put a sticker on computing equipment purchased with student technology funds, clearly identifying that the computer was purchased with student funds, such as "Your technology dollars at work."

Not all institutions allow student technology fees to be used for technology-related personnel. The rationale is that the institution should be covering personnel costs through tuition dollars or state appropriations. In other cases, a certain percentage of the student technology fee can be used for personnel expenditures (such as 6 percent or a set salary and benefits total equal to the salary of a defined number of support technicians). As budgets have tightened, some institutions are relaxing their restrictions on the use of funds for personnel, at least temporarily. Given that technology support is so important to students and to the quality of instruction, many believe that such support cannot be allowed to slip below a baseline level. Postponing the purchase of new or replacement equipment, however, might be seen as acceptable during tough budget times.

In non-personnel areas, guidelines may limit use of technology fees. For example, the costs of classroom renovations and furniture, or expenditures for faculty equipment for use in classroom instruction, might not be permitted. However, expenditures may be permitted that add value to and enhance the student's educational experience through the use of technology, such as minor renovations necessary to the functioning of computing labs or multimedia improvements within the classroom or laboratory, laboratory furniture, and Americans with Disabilities Act equipment.

Accounting for Fee Use

Many institutions have a process in place that requires those who receive student technology funds to account for their use. This may be as straightforward as itemizing expenditures. In other cases, it involves a qualitative and quantitative approach.

At North Carolina State University, for example, units that receive funds from student technology fees are required to provide quality/service narratives each year. The narratives explain how the expenditures helped maintain or improve the students' educational experience. For example, "The chemistry lab has been upgraded with 24 new computers. The new computers allowed students to use new molecular modeling software. The lab is open 60 hours a week, with an average of 120 students using the lab each day." In cases where personnel were hired using student technology fees, the narrative might relate that "20 students were hired at a rate of $10 per hour to staff the biology computing lab between the hours of 6:00 and 10:00 p.m. Monday through Friday." These narratives are shared with student government and posted on the Web.

There are other steps institutions may take to show the value of student technology fees. For example, each year student senators and student leadership groups can be provided with a tour of facilities as well as an overview of how student technology fees affect their programs. The typical reaction on such tours is, "I didn't know the fee was spent on that." It is important to remember that leadership in student government and clubs turns over every year, so this educational process must occur at least once a year. A tradition of openness, candor, inclusion, and education will serve administrators well as the leadership changes in student government.

Accounting for Fees and Other Technology Issues

Soliciting feedback from students on the quality of computing labs and services provided from student technology fees is important. But accounting for fees alone is not enough. The connection between the broader technology environment and the fee is a necessary component of accountability and service. For example, clear service expectations and future trends or changes should be built into the fee allocation and accountability process and discussions. Four examples of this follow.

- *Student ownership of computers:* If your campus does require students to own computers, then an update to the student as to what the future may hold is important. How would such a requirement potentially impact the technology fee? If your institution has a campus-wide or discipline-specific requirement, then how does it affect the current and future fees?

- *Computing lab hours:* A list of the current hours of campus-wide or department-sponsored computing labs should be available and discussed. How does the fee impact the current level of access and service in the lab?

- *Assessing computing lab use and service needs:* The institution or departments should conduct regular assessments of lab usage and assess the service needs of their students using a Web-based survey, paper survey, or interviews with users. Usage assessments should include measures of day and time of use as

well as equipment needs. The results of these assessments should be linked to how the fee currently supports these needs or might in the future.

- *General student use of labs versus classroom use of labs:* Departments should have a process to determine the availability of computing labs for general student use versus when labs are reserved for class use. Discussion with students of these two competing demands for lab use and how the fee impacts each is a part of the accountability process of administering the fee.

What It Means to Higher Education

The cost of IT and its rapid obsolescence ensure there will always be a need for more funding. Colleges and universities also realize that the quality of technology available to students can impact student recruitment and retention and the quality of the educational experience. With funding constraints common, finding sufficient funds to devote to student computing is an ongoing challenge. As a result, more and more colleges and universities have instituted student technology fees.

The advantage of a student technology fee is that it provides institutions with a defined, reliable source of funds to be invested in technology to maintain or improve the quality of student computing. The drawbacks include the administrative overhead of administering the fee and the fact that institutions will never generate enough funds from a student technology fee to address all needs.

For institutions that do not have a student technology fee or that do not have a well-defined process, it is advisable to create a working group that represents the IT expertise on campus, student government, and academic affairs. The group should review the current costs of IT on campus, as well as the categories of these costs (hardware, software, maintenance, personnel, network). For those who are not familiar with IT, this experience will lay the groundwork for better understanding and participation. The working group should also discuss the issues associated with providing IT support and services. Questions the group may want to consider range from how much a particular service costs to who should bear the cost. The group may also engage in a visioning exercise, considering what they would like student technology to be, comparing that with the current environment and developing a strategy to close the gap.

As institutions consider whether or not to adopt a student technology fee or how to administer an existing fee, the following questions can be useful:

- Would a student technology fee increase the quality of student computing?
- Do we have well-defined policies and procedures for how to set fees?
- Is there a well-defined, well-communicated process for how funds are allocated? Is it clear what categories of use are appropriate and which are inappropriate?

- Are the appropriate groups involved in setting policies and determining allocations?
- Are students educated about the costs of technology, how their fees are used, and the benefits they receive?

Endnotes

1. *The 2001 Campus Computing Survey* (The Campus Computing Project, October 2001) <http://www.campuscomputing.net/pdf/2001-CCP.pdf>.

2. Additional information about student technology fees is available from the Association of College and University Policy Administrators, Policy Rap Sheet, <http://www.umd.edu/acupa/projects/summaries/Technology_Fees/index.html>.

3. James Wetzel, Dennis O'Toole, and Michael W. Little, "Technology Fees Can Be Used to Improve Marketing Strategies in Public Urban Universities," *Journal of Marketing for Higher Education*, 10 (1), 2000, pp. 1–12.

4. See <http://listserv.educause.edu/cgi-bin/wa.exe?A2=ind0105&L=cio&P=R7829>.

5. Jamilah Evelyn, "Dallas Community-College District Ordered to Repay $11-million in Student Fees," *Chronicle of Higher Education*, August 21, 2002. <http://chronicle.com/daily/2002/08/2002082102n.htm>.

6. See <http://listserv.educause.edu/cgi-bin/wa.exe?A2=ind0105&L=cio&P=R7829>.

About the Author

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Appendix 1
Examples of Student Technology Fee Policies and Procedures

Institution	URL
Amarillo Community College	http://archives.actx.edu/pdf/plans/techmastplan.pdf
Augusta State University	http://www.aug.edu/avpaa/techfee/
California Polytechnic State University, San Luis Obispo	http://www.calpoly.edu/~inststdy/cp_plan/index.html http://www.fees.calpoly.edu/docs/CFAC_Background2.pdf
Georgia State University	http://www.gsu.edu/techfee/
North Carolina State University	http://www.ncsu.edu/provost/budget/etf/index.html
Southwest Missouri State University	http://www.smsu.edu/oit/scuf/FYSCUFAllocations/FY02SCUFAllocations.htm
Texas Wesleyan University	http://www.ict.txwes.edu/helpdesk/tech_fee/tech_fee.html
University of Maryland	http://www.inform.umd.edu/ACUPA/projects/summaries/Technology_Fees/index.html
University of Minnesota	http://www1.umn.edu/oit/newsletter/02/0402_itn/thanks.html http://education.umn.edu/SPS/techfee.html
University of Northern Iowa	http://www.uni.edu/its/ad/policies/