

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Budget and Finance Committee
June 21, 2012**

SUBJECT: 2012-13 Capital Improvement Fee

PROPOSED COMMITTEE ACTION

Review and take action on universities' request to increase the capital improvement fee effective with the fall 2012 semester.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution and Regulation 7.003

BACKGROUND INFORMATION

Pursuant to Regulation 7.003 (16) university boards of trustees may submit capital improvement fee increase proposals for consideration. The fee cannot exceed 10 percent of tuition for resident students or 10 percent of the sum of tuition and out-of-state fees for non-resident students. The fee for resident students shall be limited to an increase of \$2 per credit hour over the prior year. The regulation also requires a fee committee to meet and make recommendations, with approval by the university board of trustees, and ultimately the Board of Governors.

The Capital Improvement/Building Fee was initiated in the fall of 1982 at \$3.76 per credit hour. The fees increased to \$4.76 in the fall of 1988. The fees, paid by students, and remitted to the state by each university, historically funded projects such as student unions, student wellness centers, student recreational facilities, etc. Once sufficient funds are accumulated, approval is requested from the Legislature to issue bonds for the construction of university projects.

The ability to construct new facilities has diminished over the last several years as the fee has remained flat and the cost of construction has increased. Thus, the issuance of bonds has increased from just a couple of years to five or six years, with the last issue being in 2008. The next issue is planned for 2013.

For a number of years there has been an attempt to increase this fee. Most recently the Board included this as a legislative issue in 2007, 2009, 2010 and 2011. However, efforts to get the statutory revisions necessary were not successful. For the 2012 session, the Florida Student Association (FSA) took this issue on as one of their legislative priorities, with the Board supporting their attempts. The FSA was successful in their attempts to get the statute revised.

At the February 17, 2011 meeting the Board approved a Student Life Survey Report in response to a directive from the 2010 Legislature to conduct a needs assessment survey of student life facilities and develop recommendations to address unmet renovation or new facility needs. One of the recommendations in the attached report is to increase the Capital Improvement Fee to no more than 10 percent of tuition.

In addition, the Board’s Facilities Task Force is looking at other options for the construction and maintenance of facilities.

Nine universities have requested a \$2.00 per credit hour increase, while one university has requested an increase of \$1.38 per credit hour.

	Current Per Credit Hour Fee	Proposed Increase Per Credit Hour	Total Per Credit Hour
FAMU	\$4.76	\$2.00	\$6.76
FAU	\$4.76	\$2.00	\$6.76
FGCU	\$4.76	\$2.00	\$6.76
FIU	\$4.76	\$2.00	\$6.76
NCF	\$4.76	\$1.38	\$6.14
UCF	\$4.76	\$2.00	\$6.76
UF	\$4.76	\$2.00	\$6.76
UNF	\$4.76	\$2.00	\$6.76
USF	\$4.76	\$2.00	\$6.76
UWF	\$4.76	\$2.00	\$6.76

Supporting Documentation Included: 1. CITF Increase Request Summary (SUS)
2. CITF Increase Requests (by University)
3. 2011 Student Life Survey Report

Facilitators/Presenters: Governor Perez