

University Comments on Proposed Changes to the Regulation on New Fees – 7.003

1. UF comments on 7.003 – New Fees:

(24)(h) states, “The fee cannot be used to support services or activities that have been paid for with education and general funds.”

Comment: Up to now, without statutory authorization for a fee funding a support service, campuses have had to use educational and general funds for important support services. As E&G funding shrinks, there will come a time when a campus must either give up a support service or find a new funding source for it. It seems reasonable at that point to consider authorizing a fee. A campus could be asked to give a good rationale for it.

Example: we support a "tutoring center" on campus at a substantial cost. At some point, as E&G funding shrinks, we may not be able to continue that service. At that point, would it not be reasonable to consider a student fee to continue supporting the tutoring center?

(24)(i) states, “The fee should support a service or activity in which a majority of students is able to participate or from which derive a benefit.”

Comment: Some fees may not be designed to provide services that a majority of students are able to participate in or derive benefit from, but nevertheless are reasonable and compelling. Here is an example: it may be reasonable to assess a fee on the entire student body to fund student disability services. We are required by federal law to provide those services and it has been noticed nationally that demand for those services, and associated costs, are increasing dramatically. However, only students with a certified disability would benefit from those services.

2. UNF Comments on 7.003 – New Fees:

One of the frustrating complications that universities have is restrictions on the various colors of money. By law or reg, universities must spend red money on red things, blue money on blue things, etc. Private universities have few such restrictions – they pretty much pour all their revenue items into one big pot and spend it as they see fit. (Except for federal money and that which is restricted by a donor or to pay off bonds. But even with the latter two, money is pretty fungible).

What we were after was the ability of each university to focus on some shortcoming, or to enhance some existing function by the creation of a new and specific fee. When we were working on it and discussing it with the Legislature, we were NOT thinking that the new fee would be as restricted as it is being made. We felt that it may well be to

enhance funding for research, or to add faculty lines, or to augment pay, or to augment student life, or to start a football team (which could be paid for by the current athletic fee—in other states it is pretty common for schools to be granted authority to create a new fee to help add a football program). All of these could and are funded by existing income streams.

Under the new language, a new fee couldn't be created for anything, as virtually anything we want to do can be funded by an existing color of money. Certainly, each university can spend operating money on "green" initiatives—those that were just approved could have been paid for by re-prioritizing existing revenue streams. And since revenue has been so restricted for 4 years now, we both felt that a new fee could be created to help make up shortcomings or to enhance an existing program.

3. FSU comment on 7.003(24)(h) - New Fees:

Appears difficult to operationalize. For example, given the current criterion, most of the new fees established would not be allowed. E&G funds are often used for campus sustainability, test preparation, etc. In any case "normally" is likely ambiguous and difficult to assess in the evaluation of some new fees.

- i. Suggest changing (24)(h) as follows: "The fee cannot be used to support services or activities that have been ~~are normally~~ paid for with educational and general funds for extended periods of seven years or more."