

BACKGROUND ON PROPOSAL FOR A STUDENT TECHNOLOGY FEE

At the request of the University of Hawaii Council of Chancellors (CoC), the UH system-wide Distributed Learning Advisory Council (DLAC) finalized this document in January, 2005 and presented it to the CoC. After substantial and substantive discussion, the CoC accepted the recommendations to be included in the UH tuition proposal with certain refinements and modifications noted below.

The University of Hawaii tuition proposal now being discussed calls for the establishment of a uniform student technology fee of \$10/credit/semester at all campuses beginning in Spring, 2006. The revenue would split 80% / 20% for technology support that is best provided at the campus and system levels respectively. In addition, the Chancellors recommended that the technology fee be waivable by a campus based on student financial need.

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DISCUSSION PAPER & RECOMMENDATION

UNIVERSITY OF HAWAII INFORMATION TECHNOLOGY FEE

Background

UH has been seeking resources for a number of years to provide a modern information technology infrastructure with appropriate support services in order to enhance the quality of students' learning environments. One approach is the establishment of dedicated information technology (IT) fees assessed to all students. Such fees are a common means of generating revenue to improve student access to information technology in public higher education. National data indicates that about 70% of public universities, 4-year colleges and community colleges have student IT fees, with that number increasing as more institutions adopt such fees.

The appeal of information technology fees, relative to reliance on overall tuition revenue, is that the fees are earmarked to a specific purpose that is generally recognized as critical to students and institutions but difficult to fund when placed into head-to-head competition for budget dollars with other needs (faculty positions, repairs & maintenance, salary increases). Technology is widely recognized as a "new" requirement and therefore considered a more reasonable candidate for support from a new funding stream, i.e., a dedicated information technology fee.

While common, this approach to revenue enhancement is not without its challenges. In a time of significant budget pressures it may be a challenge to ensure that the imposition of a student IT fee will result in improved facilities and services for them. In addition, there may be some concern that a plethora of fees may be "nickel and diming" students rather than simply being straightforward about the actual cost of attendance, especially during a period of tuition increases. Successful IT fees are generally managed independent of tuition or other general funding sources in order to distinguish the imposition of the IT fee from a general tuition increase that supports the overall cost of educational and general services. An alternative to a dedicated information technology fee may be a firm commitment to allocate additional resources for information technology out of general operating funds or tuition.

UH was specifically authorized by the Legislature to implement an information technology fee through the following language, enacted in 1996:

§304-8.9 Systemwide information technology and services special fund. There is established a special fund to be known as the systemwide information technology and services special fund, from which all moneys shall be used in support of systemwide information technology and services including personnel, equipment costs, and other expenses, as well as, planning, design, and implementation of information technology infrastructure within the university. All moneys for the fund shall be provided from revenues collected from users of information technology and services and any information technology user fee established pursuant to section 304-4. [L 1985, c 188, pt of §2; am L 1993, c 280, §42; am L 1995, c 163, §1

History of IT Fee Discussions at UH

Prior to 2004, previous discussions around establishing an IT fee at UH have never resulted in consensus to move forward for the following reasons:

- 1) During the very large tuition increases of the mid- and late-90s, it was not deemed reasonable to also “pile on” new fees.
- 2) There was a lack of agreement about whether a fee should be assessed per credit hour (Community College view) or per student (Manoa view). These are the two most common implementation approaches, with per-credit fees more common in both public research universities and community colleges.
- 3) While tuition increases have been modest since 2001, there was an early statement during budget discussions by the 2001-2004 administration that the cost of attendance would not be increased beyond the existing BOR tuition schedule.

During Spring 2004 the system-wide Distributed Learning Advisory Committee (DLAC) recommended consideration of an IT fee as an approach to addressing the increasing support costs at receive sites that are increasingly challenged to support more distance learning students but have no revenue base of their own. The DLAC proposed:

Establishment of a new system-wide per-credit Technology Fee, as is common practice in higher education and authorized in Hawaii Statute: The DLAC recommends this be collected by the System at the point of registration but allocated to the campus providing physical support for the student. This fee would need to be tightly earmarked if it is to have the intended effect. If there is support for this approach, the details would need to be developed in consultation with the many affected constituencies.

In mid-December, 2004 the UH Council of Chancellors asked the DLAC to prepare a recommendation for implementation of an IT fee at UH. Based on extensive discussions within the DLAC, the following recommendations are provided for consideration by the Chancellors, System Administration and Board of Regents as appropriate.

DLAC Recommendations – January 2005

- UH should establish a student IT fee using a uniform systemwide approach. Uniformity is important, since many students attend multiple campuses.
- UH should use a per-credit hour approach to charging rather than a head-count approach. Although the fee will represent a larger portion of total cost of attendance for community college students, the cost of IT support for those students is comparable to that at other campuses and needs are as great.
- The IT fees should only be used to visibly and meaningfully enhance student-oriented technology and support. It should not be used for institutional information systems, faculty development or general IT services as at some other colleges and universities. Similarly, technology support in on-campus residences should be supported by residence hall charges. The primary uses of the IT fee would be classroom technology to support improved teaching & learning, e-portfolios for students, lifetime email forwarding for students, computer labs for students, printing in campus labs, wireless capability in classrooms and student areas, student assistants to provide technical support for students, software site licenses for students, etc.
- Based on the uses of the IT fees, the fee revenues should be split between the system and the campuses so that the variety of support needed can be most cost-effectively provided. E.g., e-

portfolios, site licenses or a shared 24x7 student Help Desk might be most cost-effectively provided by the system, while classroom technology and labs are more appropriately handled at the campus level including by individual colleges, schools and departments. The DLAC recommends allocations be in the range of 50% campus – 50% system to 80% campus – 20% system.

- Per the DLAC recommendation of Spring 2004 noted above, the campus allocation would be further assigned for IT support at the UH site(s) providing actual IT support for distance learning students. This recognizes that distance learning students on other islands use little campus-based IT infrastructure. E.g., the campus portion of the UH-Hilo IT fees would also provide IT support for UH-Hilo students on Molokai and in Kona who would not be using UH-Hilo classrooms or labs. Similarly, a portion of the UH-Manoa campus allocation would support Manoa students at other physical locations.
- There must be participatory processes, including students, to determine both standing and annual projects appropriate for support with IT fees.

The attached revenue projections are provided for information only, to assist in understanding the level of revenue that might be generated through some different per-credit levels of fees. DLAC recommends consideration of a fee in the range of \$10/credit/semester, which is under the mean for public community colleges as well as research universities. DLAC recommends that this be established for the Fall 2005 semester. The DLAC recognizes that this may be difficult given the broader tuition discussions just initiated, but is skeptical that the informal allocation of a percentage of tuition for IT support will be effective given the pressure for other uses of any unrestricted funds.

Per-Credit Hour Student Technology Fee Revenue Projections - Per Semester, Using Fall 2003 Data

	Basis: Credit Hour																				
Amount:	\$5	\$6	\$7	\$8	\$9	\$10	\$11	\$12	\$15	\$17	\$20										
Manoa - SSH	226,357	1,131,785	1,358,142	1,584,499	1,810,856	2,037,213	2,263,570	2,489,927	2,716,284	3,395,355	3,848,069	4,527,140									
Hilo - SSH	41,169	205,845	247,014	288,183	329,352	370,521	411,690	452,859	494,028	617,535	699,873	823,380									
WestOahu - SSH	7,150	35,750	42,900	50,050	57,200	64,350	71,500	78,650	85,800	107,250	121,550	143,000									
Hawaii - SSH	22,461	112,305	134,766	157,227	179,688	202,149	224,610	247,071	269,532	336,915	381,837	449,220									
Honolulu - SSH	36,724	183,620	220,344	257,068	293,792	330,516	367,240	403,964	440,688	550,860	624,308	734,480									
Kapiolani - SSH	64,616	323,080	387,696	452,312	516,928	581,544	646,160	710,776	775,392	969,240	1,098,472	1,292,320									
Kauai - SSH	9,924	49,620	59,544	69,468	79,392	89,316	99,240	109,164	119,088	148,860	168,708	198,480									
Leeward - SSH	54,783	273,915	328,698	383,481	438,264	493,047	547,830	602,613	657,396	821,745	931,311	1,095,660									
Maui - SSH	24,883	124,415	149,298	174,181	199,064	223,947	248,830	273,713	298,596	373,245	423,011	497,660									
Windward - SSH	16,699	83,495	100,194	116,893	133,592	150,291	166,990	183,689	200,388	250,485	283,883	333,980									
SYSTEM-WIDE TOTAL PER SEMESTER	2,523,830	3,028,596	3,533,362	4,038,128	4,542,894	5,047,660	5,552,426	6,057,192	7,571,490	8,581,022	10,095,320										

SOURCE:

SSH from IRO MAPS Course Registration Report, University of Hawaii, Fall 2003, Table 1 (April, 2004)