



DIRECTIVE

_____, 2009

Re: PROCEDURES FOR MODIFICATION OF IN-STATE UNDERGRADUATE INSTRUCTIONAL AND GENERAL FEES FOR EXCEPTIONAL CIRCUMSTANCES

Section 371.20.90 of Am. Sub. H.B. 1 of the 128th General Assembly provides as follows:

“The boards of trustees of state-assisted institutions of higher education shall restrain increases in in-state undergraduate instructional and general fees. Each state-assisted institution shall not increase its in-state undergraduate instructional and general fees more than 3.5 per cent over what the institution charged for the preceding academic year.

These limitations shall not apply to increases required to comply with institutional covenants related to their obligations or to meet unfunded legal mandates or legally binding obligations incurred or commitments made prior to the effective date of this section with respect to which the institution had identified such fee increases as the source of funds. Any increase required by such covenants and any such mandates, obligations, or commitments shall be reported by the Chancellor of the Board of Regents to the Controlling Board. These limitations may also be modified by the Chancellor of the Board of Regents, with the approval of the Controlling Board, to respond to exceptional circumstances as identified by the Chancellor of the Board of Regents.”

The section permits the Chancellor, with Controlling Board approval, to make modifications to the limitations placed on increasing in-state undergraduate instructional and general fees in response to exceptional circumstances, as determined by the Chancellor. It is recognized that sustained periods of restraint in overall increases in in-state undergraduate instructional and general fees can create isolated financial realities that can negatively impact the ability of an institution to provide necessary support for specific identifiable needs. Addressing such circumstances need not be contrary to the overall goal of affordability. The purpose of this directive is to provide guidance to state institutions of higher education that are considering making a request for an increase in instructional or general fees for reason of exceptional circumstances.

In order to comply with the intent of Section 371.20.90 of Am. Sub H.B. 1, and to permit institutions to continue to expand and provide additional services to students, the college or university must be prepared to offer the following:

- A resolution by the board of trustees of the institution setting forth the need for the increase in the fees. The resolution may encompass the following points (or may direct the president to): provide an analysis of tuition and fees, including restraints and other efforts to keep tuition and fees low, and enrollment trends over the previous ten years. The institution may include any other information the institution considers relevant;

- Comparisons to current fee and tuition rates at similar Ohio public institutions;
- Detailed explanation of the proposed increase, the date the fee was previously increased, the amount of funds that the increase is expected to generate, the intended use of the additional funds, the duration of the proposed fee and whether the institution anticipates any further increases in the proposed fee or any other fees within the next two biennium;
- Evidence of student support for any non-instructional fee increase. Evidence of student support may include, but would not be limited to, a resolution on behalf of the student government or a student referendum. Institutions may confer with the Chancellor to determine how to provide other evidence of student support.
- Summarize the degree to which the institution has committed to and implemented efficiency efforts;
- Demonstrate extraordinary circumstance that supports the request and why it should be granted given the stated intent of the Governor and the General Assembly to keep tuition costs affordable for Ohioans.

Actions taken by a college or university in accordance with this Directive must be by resolution of the college or university's board of trustees. Upon adoption of the resolution, the board of trustees may submit a request in writing (electronic submission acceptable) for a modification due to exceptional circumstances to the Chancellor's staff as provided on the regents' web site. The Chancellor's staff may request additional information determined to be necessary to evaluating the merits of the request. A submission shall not be considered to be complete until all such requests have been answered.

Once the submission is complete, the Chancellor's staff will make a recommendation within seven business days and post the request for public comment on the agency web site. Following the required two week public comment period, the Chancellor may approve the request and submit it for Controlling Board approval. An Institution with a modification request before the Controlling Board is required to attend the Controlling Board meeting.

This directive does not affect the procedures previously established for a request to pledge student fees in support of a debt issuance.

This directive will take immediate effect and continue so long as the exception exists in law, unless the directive is rescinded or superseded.

Eric D. Fingerhut
Chancellor, Ohio Board of Regents