

Those Hidden College Fees

By ROCHELLE SHARPE NOV. 3, 2016

The parade of fees on college campuses never seems to end. There are extra charges to start college, such as orientation fees and freshman fees, and extra charges to finish, such as senior fees and commencement fees. There are nickel-and-dime fees, like \$8.50 at Indiana University to drop a class after two days, and large ones, like \$3,049 to major in digital media and animation at Alfred State College, State University of New York.

Then there are all the mandatory charges rolled into the published “tuition and fees,” including a slew of euphemistically named fees for costs that used to be covered by tuition, like the annual \$814 “student success fee” at California Polytechnic State and the \$3,324 “academic excellence fee” for entering students at the University of Oklahoma. Both go mainly toward faculty recruitment and salaries.

Bursars are tacking more and more charges onto your bill, raising revenue for their underfunded colleges and causing all kinds of financial headaches for unsuspecting students.

“This is a way to try to disguise the actual price of college,” said Richard Vedder, an Ohio University professor and director of the Center for College Affordability and Productivity. Some colleges respond to the public outcry over soaring costs by freezing or capping tuition. But far fewer restrict fee increases. So with tuition unable to cover costs, thanks to freezes and budget cuts by state legislatures, many public colleges are using fees to help pay for core instruction.

Since 1999, mandatory fees have risen 30 percent more than tuition has, said Robert Kelchen, an assistant professor at Seton Hall University who has studied the issue. The average fee at four-year public colleges was almost \$1,700 in 2015-16. That’s nearly 20 percent of the tuition and fee average.

Some families are stunned by the hundreds — sometimes thousands — in extra dollars they are suddenly required to pay. Supplemental fees are usually disclosed but are often buried on the college’s website.

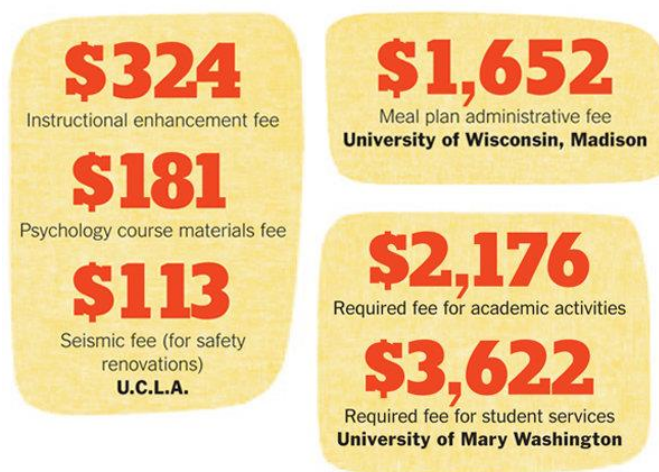
“Every time you got a bill, you opened it with some trepidation,” said Tim Roach, father of two University of Dayton graduates and one current student. He was frustrated by how the university would “play games with tuition.” Dayton sympathizes. Only when it began researching complaints did it realize how often departments were charging fees for course labs and other materials.

In 2012, students paid \$1,400 in mandatory fees as well as, on average, \$700 in supplemental fees. About 8 percent paid more than \$12,000 over the course of their college careers, said Jason Reinoehl, vice president of enrollment management. The university eliminated all fees in 2013, deciding it had a moral obligation to do something different, he said.

While mandatory fees are covered by financial aid, course fees may not be. After all, students receive their aid package before they register for classes. Experts advise: Petition your financial aid office.

Scholarships might also cover only tuition, leaving recipients who don't read the fine print with a surprising balance. That's what happened to Valerie Innis: When she won a full-tuition scholarship to the University of Massachusetts, she thought she was going to college free — until she received an ominous email sophomore year. "Check your balance," it said, and when Ms. Innis looked at her account, she discovered an outstanding bill of \$16,000.

The University of Massachusetts has been doing some fancy bookkeeping for decades to insulate itself from cuts to the state education budget. In-state tuition last year was just \$1,714, while fees cost more than seven times that much: \$12,457. That's largely because of its hefty curriculum fee, created in 1989. While the university had to turn tuition over to the state, it could keep all fee revenue — an arrangement that ended this summer under a new state law that allows it to retain tuition revenue. Curriculum fees are gone, as is the full-tuition scholarship, now replaced with one valued at \$1,714.



"If I had known I wasn't going to college for free, I would have started at a community college," said Ms. Innis, who graduated last spring \$35,000 in debt.

Unexpected fees can wreck family finances.

"Many, many people are really budgeting down to the dime to make it possible to go to school," said Patti Demoff, a founder of the College Circuit counseling service in Los Angeles. She said she spent hours analyzing financial aid with one family to figure out if

Boston University could be affordable. Shortly after the young woman enrolled, she was notified of its \$265 fee for mandatory orientation. Each parent would cost another \$130, not counting airfare from California and other expenses.

"I was outraged," Ms. Demoff said. "For these kids, \$1,000 is enormous."

Students occasionally protest over fees. At the University of Arizona, more than 8,000 students signed a petition in 2014 on Change.org complaining of a 2.5 percent convenience fee to pay bursar's bills with a credit card. Another complaint: a \$300 fee tacked onto sociology courses, primarily to pay for tutoring, a basic educational service.

But their wrath is aimed more at state government than administrators. Arizona slashed \$99 million from the university system's budget last year. In an article entitled "Course Fees a Necessary Evil" in The Arizona Daily Wildcat, a student railed against the "harsh (and slimy) political realities of our state leadership."

So where does all this money go?

At Rutgers, the local teachers union got hold of budget records detailing what happened in recent years with the university's \$170 dance appreciation course fee.

The fee was supposed to help defray the costs of visiting artists and performance tickets, but one year \$125,685 went toward building renovations, and another year \$399,000 was used to buy and improve equipment. Only about \$36 of each \$170 fee was spent on performances between 2012 and 2014, according to David M. Hughes, the union president.

“The purpose of the course fee is not to accumulate a slush fund,” Dr. Hughes said, calling the fees “backdoor tuition.”

A 2015 audit found that some fee money had been “used too broadly,” a Rutgers spokesman acknowledged. But, he said, new policies would prevent future problems. The fee in 2016, meanwhile, was reduced to \$100.

New Jersey’s comptroller audited three state universities where fees made up about a third of tuition and fee charges. He found that some money subsidized payroll expenses, and suggested that the universities be more transparent. Administrators countered that, with state funding cuts of 29 percent over the last decade, they are forced to use fees to make up for budget shortfalls and pay for construction projects.

At the University of Oklahoma, Norman, fees increase proportionally more than tuition. The reason, according to Matt Hamilton, vice president for enrollment and student financial services, is to make sure students receiving full-tuition scholarships shoulder some of the financial burden. The university’s fees are now \$3,803 — 45 percent of its total tuition and fee charges. Mr. Hamilton is quick to add that students voted in favor of this approach.

It isn’t unusual for universities to leave it to students to vote on whether to raise fees or create new ones. That sounds nice, Dr. Vedder says, but he believes universities use students “for cover.” They know most will vote to improve their campuses, he said, rather than worry about their parents’ budgets.

After an official at California Polytechnic State said that its financial situation had caused “the most volatile, unpredictable environment” ever, students voted for the success fee, now \$814, to reduce class size. That’s on top of a \$1,147 campus academic fee, a \$694 university union fee, a \$307 instructionally related activities fee, and a \$314 associated student fee. More than 100 new teachers have been hired using success fees. Tuition at Cal Poly and other California State campuses has been frozen for five years.

“You can mandate freezes all you want,” said Tom Allison, a director at Young Invincibles, a national research group that helps expand economic opportunity for young adults. “But the money has to come from somewhere.”

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