



RESOLUTION

concerning

RENAMING AND INCREASE OF THE ADMISSION BINDER FEE

October 5, 2000

WHEREAS, Pursuant to the provisions of Section 10a-99 of the Connecticut General Statutes, "...the Board of Trustees of the Connecticut State University System shall fix fees for tuition and shall fix fees for such other purposes as the board deems necessary at the university, and may make refunds of the same," and

WHEREAS, Students admitted to a CSU university for the first time must pay a nonrefundable Admission Binder Fee, applied to the tuition charge, and

WHEREAS, The Binder Fee is used to pay for the administrative processes that come into play when a student commits to the university, and to discourage frivolous commitments by prospective students, and

WHEREAS, Since 1983, the amount of the Binder Fee has been \$90, and

WHEREAS, Because of the effect of inflation over the years, the \$90 Binder Fee does not appear to discourage these frivolous commitments as it once did, and

WHEREAS, Based on a poll of eight universities, the majority charge \$150 or more for their Admission Binder Fee, therefore be it

RESOLVED That BR #2000-63 is amended to increase the Admission Binder Fee from \$90 to \$150, effective commencing with students admitted to the university for Academic Year 2001-02, and be it further

RESOLVED That the Admission Binder fee be known hereafter as the "Confirmation Deposit".

A Certified True Copy:

William J. Cibes, Jr.  
Chancellor

**ITEMS**

Renaming and Increase of the Admission Binder Fee

**BACKGROUND**

The Board of Trustees pursuant to the provisions of Section 10a-99 of the Connecticut General Statutes, "...shall fix fees for tuition and shall fix fees for such other purposes as the board deems necessary at the university, and may make refunds of the same."

**ANALYSIS**

Students admitted for the first time to a CSU university are required to pay a nonrefundable Admission Binder Fee. This fee is applied to the tuition charge, and does not increase the student's overall cost to attend the university. Since 1983, the amount of the Binder Fee has been \$90. However, in discussions during last year's Tuition and Fee request process and this year's spending plan process, it was pointed out that consideration should be given to raising the Binder Fee. One reason for a Binder Fee is to discourage frivolous commitments by prospective students; however, because of the effect of inflation over the years, the threat of losing \$90 does not appear to discourage these frivolous commitments as it once did. Numerous discussions were held among the Presidents, Vice Presidents for Finance and Administration and others, and it was unanimously suggested that the Binder Fee be raised to \$150.

At the July 7, 2000 Finance and Administration Committee meeting, it was proposed that this Admission Binder Fee be increased from \$90 to \$150. The Finance and Administration Committee approved this proposal, and it was brought to the full Board of Trustees on July 14, 2000 as part of the refund policy. However, during the Board of Trustees meeting, concern was expressed that increasing the fee would place a burden on students and limit access to the CSU universities, and this portion of the refund policy was tabled. Research was requested as to whether there were alternatives to raising the fee, and whether one fee should be charged for the entire system rather than a fee for each university. In addition, further benchmarking information was requested regarding the amount that other universities charged for this fee.

Further research has revealed that there is no practical alternative to raising the Binder Fee. Aside from attempting to discourage frivolous commitments, the purpose of the Binder Fee is to pay for administrative processes that come into play when a student commits to the university, such as registration and financial aid processes, and to hire faculty to teach the students who commit. These are real expenses and must be paid. Since these expenses are incurred individually by each university, it is recommended that the Admission Binder Fee continue to be charged by university, rather than as a System.

As mentioned previously, another purpose of the fee is to induce the student to abide by his or her commitment, since this commitment deprives other potential students the opportunity to enroll. Last year, 649 individuals paid the Admission Binder Fee, but did not

enroll at the university. Consequently, 649 other prospective students were theoretically not able to attend a CSU university.

Research has revealed that of eight universities polled, the majority charge \$150 or more for their Admission Binder Fee.

Given all of the above, it is proposed that the Admission Binder Fee be increased from \$90 to \$150, effective commencing with students admitted to the university for Academic Year 2001-02.

In addition, it was found that other universities refer to this fee by different names, some of which are clearer than others as to the intent of the fee. Because the term "Admission Binder Fee" is not clear, and is easily confused with the Application Fee, it is proposed that the Admission Binder fee be known hereafter as the "Confirmation Deposit".

**CHANCELLOR'S RECOMMENDATION**

The proposed name change and increase to the Admission Binder Fee be approved.