

Board of Trustees Agenda Item

Board Meeting Date: May 7, 2012

Title of Item: Approval of Student Health Fee Increase

Background and Analysis:

On April 3, 2012, the California Community Colleges Chancellor's Office notified districts that the health fee could be increased by \$1.00 for 2012-13 (see attached). These increases are triggered by changes in the Implicit Price Deflator Index for State and Local government Purchase of Goods and Services. The Board is requested to approve the \$1.00 increase to be effective summer session 2012.

This fee increase is an offset to inflation as calculated under Ed. Code 76355. If the District wishes to keep offering the same health services, it is necessary to pass on these inflationary adjustments or be forced to cut current programs and services accordingly. Additionally, if the District does not charge the health fee maximum, that difference will be deducted from the District's unfunded mandated claim as the State Controller's Office will always assume a district will charge the maximum before a claim can be filed for unfunded excess costs. While the unfunded dollars do not flow in a predictable manner, they are eventually distributed to districts and those incremental dollars not charged will be deducted from our claim.

Recommendation: Vice Chancellor of Business Services Kevin McElroy recommends that the Board approve an increase in the student Health Fee to \$16.00 per quarter effective Summer Quarter 2012.

Submitted by:	Kevin McElroy, Vice Chancellor of Business Services
Additional contact names:	
Is backup provided?	Yes

**CALIFORNIA COMMUNITY COLLEGES
CHANCELLOR'S OFFICE**

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Memorandum

April 3, 2012

Fiscal Services Memo 12-01
Via E-mail Only

To: Chief Business Officers
Chief Student Services Officers
Health Services Program Directors
Financial Aid Officers
Admissions and Records Officers

From: Frederick E. Harris, Assistant Vice Chancellor
College Finance and Facilities Planning

Subject: Student Health Fee

Education Code Section 76355 provides the governing board of a community college district the option of increasing the student health services fee by the same percentage as the increase in the Implicit Price Deflator for State and Local Government Purchase of Goods and Services. Whenever that calculation produces an increase of one dollar above the existing fee, the fee may be increased by \$1.00.

Based on calculations by the Financial, Economic, and Demographic Unit in the Department of Finance, the Implicit Price Deflator Index has now increased enough since the last fee increase of 2011 to support a one dollar increase in the student health fees. Effective with the Summer Session of 2012, districts may begin charging a maximum fee of \$19.00 per semester, \$16.00 for summer session, \$16.00 for each intersession of at least four weeks, or \$16.00 for each quarter.

For part-time students, the governing board shall decide the amount of the fee, if any, that the student is required to pay. The governing board may decide whether the fee shall be mandatory or optional.

The governing board operating a health services program must have rules that exempt the following students from any health services fee:

- Students who depend exclusively upon prayer for healing in accordance with the teachings of a bona fide religious sect, denomination, or organization.
- Students who are attending a community college under an approved apprenticeship training program.

All fees collected pursuant to this section shall be deposited in the Student Health Fee Account in the Restricted General Fund of the district. These fees shall be expended only to provide health services as specified in regulations adopted by the board of governors. Allowable expenditures include health supervision and services, including direct or indirect medical and hospitalization services, or the operation of a student health center or centers, or both. Allowable expenditures exclude athletic-related salaries, services, insurance, insurance deductibles, or any other expense that is not available to all students. No student shall be denied a service supported by student health fee on account of participation in athletic programs.

If you have any questions about the fee increase, please contact Michael Yarber at 916.327.6818 or myarber@cccco.edu.