Memorandum to Presidents

Date: June 14, 1990

From: Office of the Senior Vice Chancellor
Division of Administrative Affairs

Subject: Dormitory Telecommunications Policy

To: Presidents, State-operated Campuses

The advance of technology in the area of telecommunications, combined with the changes brought by residence halls self-sufficiency, indicates a need to clarify the University's policy and procedures concerning the mechanisms for charging students for telecommunications services in the residence halls at the State-operated campuses.

Board of Trustees' Resolution 71-187 authorizes the Chancellor "to take all steps necessary and proper to discontinue subsidization by State University of the costs of telephone service in student dormitory rooms..." and further authorizes the Chancellor to "take such measures as the Chancellor shall deem necessary and proper to discontinue, limit or otherwise modify the system by which telephone service is made available in dormitory rooms...."

Since that policy was originally adopted, it has been interpreted and applied in a way that recognizes that modern telecommunications combine a broad range of potential services, including television, video, and data transmission, as well as telephone services; thus, it is desirable to make this appropriate extension of the Trustees' policy more explicit so the University can remain abreast of technological change. The administrative procedure has also been updated to provide three choices of structure and method for charging for telecommunications services: the Dormitory Income Fund Reimbursable (DIFR) Program; the Income Fund Reimbursable (IFR) Program; or contracts between individual students and either the campus-based Auxiliary Service Corporation (ASC) or directly with commercial service providers.

The policy and procedural clarifications below were circulated to you for comment as an attachment to my memorandum #498 on July 27, 1989, and discussed at length with the campus business officers at their January 1990 meeting. Comments offered in the course of this review have been incorporated.

Policy

A. Telecommunications services provided in student dormitory rooms located in residence halls may be charged to students in one or more of the following ways:
1. by utilizing the Dormitory Income Fund Reimbursable (DIFR) program;

2. by utilizing the Income Fund Reimbursable (IFR) program;

3. by contract between individual students and the campus-based Auxiliary Services Corporations (ASC);

4. by contract between individual students and commercial service providers such as the local telephone company, cable television company, or other commercial provider.

These options are largely independent of the type of entity actually providing the service. Furthermore, a campus may use different options for charging students (and for providing the service) for different types of telecommunication services.

B. When a telecommunications service is charged to students in dormitory rooms through the Dormitory Income Fund Reimbursable (DIFR) program, the following principles will apply, regardless of the type of actual service provider:

1. Campuses will be responsible for developing an equitable policy for recovering the costs of telecommunications services provided to the students in the residence halls.

2. The campus will establish a separate account to record the expenses incurred relating to the provision of telecommunication services in the residence halls. Other accounting procedures will be implemented as needed to assure the accurate recording of revenue collected from residence hall students for telecommunication services.

3. Charges to students for telecommunications services should recognize the difference in student usage patterns and requirements, e.g., as differentiated from those of administrative staff and faculty.

4. In general, telecommunications service rates should not exceed the costs for comparable services that students could obtain in the residence halls by contracting (as individuals) with a private vendor such as the local telecommunications service.

5. Campuses may include in the basic room rate equitable charges for providing telecommunications services throughout the residence halls. These charges should include consideration of the amortization costs for the acquisition and installation of networks or distribution systems, including switching equipment, conduit, cables, wiring and associated electronics.

6. If general cost-savings benefits to students or technical requirements warrant, and if supported by an appropriate consultation process with the residence hall students, campuses may
include the costs of the telephone instrument and/or basic local telephone services in the dormitory room charge. Otherwise, telephone instruments and basic local service should be provided to students as an option in connection with appropriate charges and billing procedures.

C. When a telecommunications service is charged directly to individual students in dormitory rooms utilizing the Income Fund Reimbursable (IFR) program, the following principles will apply, regardless of the type of actual service provider:

1. Such telecommunications services will be provided and charged solely at the option of the individual student.

2. Campuses must ensure and be able to document that, in charging for such services, students do not incur any duplication of charges which have been included in residence hall room rates for start-up, development, installation or operating costs of telecommunication services.

D. When a telecommunications service in student dormitory rooms is charged through contracts between individual students and either the campus-based auxiliary service corporation (ASC) or commercial service provider(s), the following principles will apply, regardless of the type of service provider:

1. Each campus will work with the ASC or local telephone company representative to define the specific procedure and requirements to implement this policy, including the following:

   a. The campus will be responsible for making arrangements with the ASC or telecommunication service company for disconnecting and reconnecting student rooms when such services are activated or deactivated for groups of rooms.

   b. The campus will provide the ASC or telecommunication service company with sufficient information to permit the billing and collecting for telecommunication service, including lists of student dormitory room assignments and subsequent room changes.

2. Students who desire these services will be expected to arrange individually for such service with either the ASC or the contracted service provider (e.g., the local telephone company).

3. The ASC or contracted provider will be solely responsible for billing and collecting charges for services directly from the individual student.

4. Campuses will not include these charges in the basic room rental rate or collect for contracted services on behalf of the ASC or commercial company.
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The above policy should be observed in developing budgets and room rate schedules for 1991-92 residence halls operations. Thank you for your cooperation and assistance in the development of this revised policy.

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