



Office of the State Comptroller

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FOR IMMEDIATE RELEASE

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N.J. State Colleges and Universities Make Some Progress, but Have More Work to Do in Ensuring Transparency of Mandatory Student Fees, OSC Follow-up Report Finds

TRENTON – A follow-up report released today from the Office of the State Comptroller (OSC) finds that some New Jersey state colleges and universities have more work to do when it comes to transparently developing and managing mandatory student fees.

OSC's original audit found that William Paterson University (WPU), Kean University, and The College of New Jersey (TCNJ) did not have written policies or procedures for the management and development of the mandatory student fee process. Two of the schools raised student fees without documentation to justify the increases and without separate funds to track spending.

Those 2016 findings prompted the New Jersey State Legislature to enact new legislation that required all public and for-profit institutions of higher education adopt OSC's recommendations around mandatory student fees. The new law took effect last month, July 2020.

OSC's follow-up review, which examined Fiscal Years 2017-2019, found that all three schools have implemented policies to make college fees more transparent and now publicly disclose that they use mandatory fees to cover expenses like payroll.

The review also found that TCNJ did not consistently apply its policies. Specifically, TCNJ raised two of its college fees at the same rate as tuition and lacked documentation of the justification for the increases. TCNJ also failed to maintain separate funds for each mandatory fee.

“Since OSC's initial audit report and the passage of new legislation, most of the schools under our review have made strides to ensure students understand the true cost of attending college,” said **Acting State Comptroller Kevin Walsh**. “Our follow-up review revealed that TCNJ needs to do more to ensure transparency in how it assesses and manages the mandatory student fees. New Jersey's students and their

families deserve to know how schools are spending a significant portion of what they pay to get a college education.”

These fees represented about one-third of all enrollment costs, or roughly \$30 to \$45 million in annual revenue for each school that OSC reviewed in its 2016 audit report.

The new state law, *N.J.S.A. 18A:3B-6a*, requires colleges and universities to develop written policies and procedures for mandatory student fees. The law requires colleges and universities to assess and increase each fee on an individual basis, and is now in effect for the upcoming 2020-2021 school year.

Read OSC’s full follow-up report, along with the three schools’ responses, [here](#).

Read OSC’s original 2016 audit [here](#).

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