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AUDITOR GENERAL

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News for Immediate Release

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Auditor General DePasquale: State Universities Should Establish Process for Refunding Room & Board for Students Sent Home

Will monitor schools' plans to ensure students, families are treated fairly

HARRISBURG – Auditor General Eugene DePasquale today urged Pennsylvania's 14 state-owned universities, shuttered due to COVID-19, to start creating a process for refunding students for room and board services they did not receive.

"Our state universities did the correct thing by quickly closing down in order to protect public health," DePasquale said. "Suddenly cash-strapped families are wondering if they'll be refunded for the unused portion of their room and board charges."

DePasquale praised the Pennsylvania State System of Higher Education (PASSHE) for quickly assembling a COVID-19 response team and helping state universities switch to online instruction. Because each school manages its own finances, decisions about refunds rest with university administrators.

According to PASSHE, housing plans range from \$3,144 to \$11,380 and board plans range from \$1,780 to \$4,924 per year.

"A pro-rated refund could add up to thousands of dollars," DePasquale said. "I encourage our universities to find a way to minimize the financial pinch that so many Pennsylvania students and families are feeling as a result of the COVID-19 situation."

DePasquale has been focused on the problem of mounting student loan debt. Because some students use loans to cover the full cost of attending school, they could end up paying interest for years on loans for room and board services they never received.

DePasquale said his department will monitor how each university intends to handle requests for room and board refunds, calling it a matter of simple fairness.

"State-owned universities have asked for more than a half-billion dollars in Pennsylvania's next state budget," DePasquale said. "As recipients of tax dollars, these schools have a responsibility to manage refunds in a way that treats students and families fairly."

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