

## **SAN DIEGO STATE UNIVERSITY PROPOSED STUDENT SUCCESS FEE**

Shall a new mandatory Student Success Fee be established effective Fall 2014? The proposed fee level per semester, if this fee is approved, will be determined through a series of public forums and consultations with interested regularly-enrolled students at San Diego State University, except those exclusively attending Imperial Valley Campus.

### **Open Forum Times**

Dates, times and locations for open forums will be available in late January.

### **Background**

In response to several recent years of severe reductions in state-support for SDSU, the administration is developing a new financial model for the university. This includes pursuing multiple ways to enhance campus resources. One example is the successful comprehensive campaign that has provided significant funds for student scholarships.

Last year the students, faculty and staff embarked on a strategic planning process that culminated in the "Building on Excellence" plan. Focusing on three broad institutional goals of: Student Success, Research and Creative Endeavors, and Community and Communication, this plan sets forth ambitious initiatives for our campus. Building on Excellence identifies initiatives and objectives for each of the institutional goals. A primary initiative in both Student Success and Research and Creative Endeavors is the need to increase tenured/tenure-track faculty by investing significant resources when funding is available. Resources available to support instruction were greatly impacted by the campus reductions, resulting in a significant decrease in the number of faculty (approximately 238 tenured/tenure-track faculty since 2008). Faculty are essential to SDSU's mission, they provide for the intellectual growth of our students, attract external grants, and contribute to the prestige to the San Diego State University degree and overall educational value.

### **Uses of Student Success Fee Revenue**

This alternative consultation process seeks student input regarding the proposed implementation of a Student Success Fee, effective fall 2014, between \$200 and \$500 per semester (see Financial Analysis). This new fee will allow the University to hire additional tenure-track faculty and provide funds to the colleges for enhancing student success through expanded academic related programs.

Increasing the number of faculty would result in a net gain of course sections available to students and contribute to their educational experience. In Fall 2007, there were 3762 course sections offered to students compared to Fall 2012 where only 3062 were available. A portion (10%) of the fee would be dedicated to enhancing student success at the college level through expanded academic related programs. Guidelines for allowable academically-related uses will be recommended by a student majority Student Success Fee Advisory sub-committee of the Campus Fee Advisory Committee (CFAC) and allocations will be reviewed annually.

## Summary of the Issue

A Recommendation in favor of the proposed fee increase means:

1. The frequency and number of course sections offered to enable students to complete their degrees within four years will be increased.
2. The number of tenured/tenure-track faculty who provide the leadership for SDSU's academic programs will be increased.
3. Funding to support new or expand existing academically-related programs or initiatives at the college level will be increased.

A Recommendation in opposition to the establishment of the proposed Student Success fee increase means:

1. Revenues from a student success fee will not be available to support an increase in course sections offered at SDSU.
2. Revenues from a student success fee will not be available to support new tenured/tenure-track faculty positions.
3. Revenues from a student success fee will not be available to support new or expand existing academically-related programs or initiatives.

## Financial Analysis

The State of California has undergone a transformational shift in how higher education is funded. Since 2008, SDSU's state appropriation has been reduced from \$221 million to \$143 million, a reduction of \$78 million. Currently, the state appropriation represents less than 20% of the overall operating budget for San Diego State University. This loss of funding has greatly impacted the opportunities that are available for students. Revenues from the proposed Student Success Fee will generate significant funding to increase the number of faculty members, as well as the number of course sections offered at SDSU.

The proposed student success fee, if adopted, will impose a new fee on San Diego State University students, except those exclusively attending the Imperial Valley Campus, equal to \$200, \$300, \$400, or \$500 per semester and adjusted annually by the Higher Education Price Index beginning Fall 2018. The exact level of the fee will be determined based on feedback collected by this alternative consultation process. The fee will be phased in over a four-year period as shown in the table below.

## Fee Implementation Schedule

<b>\$200 per semester</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	
Fee Summer	-	25	50	75	100	[a]
Fee Fall	50	100	150	200	206	
Fee Spring	50	100	150	200	206	

<b>\$300 per semester</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	
Fee Summer	-	38	75	113	150	[a]
Fee Fall	75	150	225	300	309	
Fee Spring	75	150	225	300	309	

<b>\$400 per semester</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	
Fee Summer	-	50	100	150	200	[a]
Fee Fall	100	200	300	400	412	
Fee Spring	100	200	300	400	412	

<b>\$500 per semester</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	
Fee Summer	-	63	125	188	250	[a]
Fee Fall	125	250	375	500	515	
Fee Spring	125	250	375	500	515	

[a] Annual fee increase based on Higher Education Price Index starting in Fall 2018 (figures shown are an estimated amount).

## Fee Revenues

For example, a fee of \$200 per semester is estimated to generate approximately \$12.5 million in additional revenue. Ninety percent of these new funds will be used to hire approximately 80 additional tenure-track faculty and approximately 360 additional course sections. The remaining ten percent of the revenue will be allocated to the colleges to fund academically related programs. The following table provides the estimates of the additional revenues generated by other fee levels and the impact on faculty hiring and course sections.

	<b>\$200 per semester</b>	<b>\$300 per semester</b>	<b>\$400 per semester</b>	<b>\$500 per semester</b>
Total Revenue	\$12,487,500	\$18,734,500	\$24,975,000	\$31,222,000
Est. Faculty (cumulative)	80	120	160	200
Est. additional Course sections annually	360	540	720	900
Academic related programs (10% estimated)	\$1,249,000	\$1,873,000	\$2,498,000	\$3,122,000

Prepared by the Campus Fee Advisory Committee