

CAMPUS FEE ADVISORY COMMITTEE

May 13, 2005

MINUTES

ATTENDEES

Members: Chris Manigault Bill Boyd
Raymond Pita David Ely (Chair)
Jarad Sanchez Glen McClish
Kim Reilly
Linda Stewart

Alternates: Arlene Hady Sydney Covey
Michelle Halimi
Dennis Kramer
Matt Keipper

Non-Voting Member: Ellene Gibbs

Guests: Scott Burns
Dan Cornthwaite
Sheryll Foye
Tom Wilson

Meeting was called to order at 2:05 p.m. by Chair, David Ely. The agenda was approved with no additions or corrections. **A MOTION was made by Kramer and seconded by Covey to approve the minutes from the April 22 meeting. MOTION PASSED unanimously.**

ACTION ITEMS

Tom Wilson from Student Health Services spoke about the following fees:

1. Continuing Care Fee Amendment. Amends the current per-visit fee from \$20 to \$15 for recent graduates. The time of eligibility would be extended from one month to one semester and would create the option of paying the SHS semester fee in lieu of a per-visit fee. Regarding the risk management issue of treating patients who are technically "non" students, Wilson said that he spoke with Charlene Minnick of the Chancellor's Office, and she said that the students are covered students up to one semester after graduation. **A MOTION was made by Stewart and seconded by McClish to approve the continuing care amendment. MOTION PASSED unanimously.**
2. Individual Visit Fee. Amend the per-visit fee from \$20 to \$15 for non-enrolled students between semesters. The main reason for allowing students between semesters to have the option of paying a per visit fee is that the majority of students are only on campus briefly and then are gone for the semester, unlike enrolled students that either reside here or are attending classes and are on campus regularly. The per-visit fee of \$15 was calculated by assuming a visit would be 15 minutes with a clinician costing \$63/hour. The student would still have the option of paying the SHS semester fee. **A MOTION was made by Manigault and seconded by Pita to approve the individual visit fee. MOTION PASSED unanimously.**
3. Pricing Adjustment Formulas. Rather than seeking CFAC approval for price adjustments to augmented health services, SHS would employ a formula that accounts for cost changes related to lab, immunization and especially pharmacy. Executive Order 740 states that fees charged for augmented health service range from \$9 to \$600. Proposed formula for pharmacy would be actual cost of material/pharmaceutical + 8% administrative recharge fee + preparation/dispensing fee. Proposed formula for lab/immunization would be actual cost of service and/or materials + 8% administrative recharge fee. **A MOTION was made by McClish and seconded by Pita to approve the pricing adjustment formulas with the**

condition of reporting back to this committee. Reilly asked, if the EO lists a range from \$9 to \$600, why would CFAC need to approve the price adjustments. Gibbs said that she tended to think that a CFAC vote wasn't necessary as long as the fee didn't go higher than \$600. Some checking would be done and if this was the case, this approval would be redundant.
MOTION PASSED unanimously.

4. Summer Semester Fee. Change the Summer Health Fee from a per-unit fee of \$6 per unit (not to exceed \$63) to a fixed fee of \$60. Because the summer term is about 70% as long as fall and spring semesters, this fee would be based on 70% of the current fall/spring semester fee of \$85. The \$60 would cover the whole summer term (May – August). A question was asked whether a referendum would be needed in order to change to a flat fee. Wilson referred to an e-mail from Ken Perry where he indicates that a referendum would not be necessary to make an adjustment to an existing mandatory fee. **A MOTION was made by Sanchez and seconded by Pita to change the summer health fee from a per-unit fee to a fixed fee effective Summer, 2006.** Cornthwaite asked about other Category I fees that fall under the same situation and wondered at Perry's interpretation. Gibbs said it's an issue of conforming an existing fee to summer now that we have YRO and suggested that Cornthwaite and she should discuss applicability to AS fees. **MOTION PASSED unanimously.**

ACTION ITEM

Stewart spoke regarding the proposed parking fee increase including the overnight fee as outlined in the material distributed at the April 22 meeting. Anticipated revenues from the fee increase implemented in 2004/05 are not expected to satisfy the bond covenants for Parking Structure 5 and 6 in 2005/06. Projections indicate that the fee will need to be increased in 2005/06 to generate enough revenue to meet the income test. Parking revenues are significantly down, with operating costs up, especially utilities. Stewart has tried to project the increase as conservatively as possible. She provided the following information requested at the last meeting:

Overnight permits distributed:

Spring, 2004 - 2,021 of which 1,417 were residence hall students

Fall, 2004 - 2,021 of which 1,490 were residence hall students

Spring, 2005 - 2,028 of which 1,537 were residence hall students

Parking fees from several other campuses were reviewed.

Burns addressed turnover of spaces and how parking is managed as a whole. The whole financial model of the parking operation is based on the notion of a daily 2.5 vehicle turnover; and when residence hall tenants leave their cars parked 24 hours, it impacts the amount of turnover and space available for commuter students. The revenue requirement as Stewart has calculated is cast in stone since debt service and bond covenants must be met. We're left with 3 options—either (a) 20,000 students subsidize 1,500 that are “garaging” their cars 24 hours a day, (b) build it into the residence hall rates which would mean that the 1,500 students who don't bring cars would be subsidizing those that do, or (c) residence hall students pay the fee if they park their car overnight.

A MOTION was made by Manigault and seconded by Pita to approve the parking fee increase including the overnight fee. Reilly stated it is her understanding we are prohibited from allowing free parking to anyone. She said that she thought the parking increase was a separate issue from the overnight permit. Gibbs said that Reilly was referring to a Parking Fund audit that was conducted a few years ago that states that the fund must be self supporting with no help from or subsidy to other funds and there should be a fair costing back. The fund has to stand on its own with no other funds subsidizing it. For example, if there's a general fund activity, general fund should buy parking time. Sanchez asked if it was reasonable to assume that we may be in the same situation next year considering the addition of the trolley. Stewart said there is no way to know at this time what impact the trolley will have on revenues, but that the timing of the trolley is critical to the fact that we're talking about an overnight fee. Not bringing a car to campus is now a more feasible option. Kramer asked why parking spots are not built into the residence halls like other campuses. Burns said that if that's what the residence halls want, they could lease two floors of parking structure 6 and build the related amount of the debt service into the rent. The argument against that is many students don't bring cars

so in effect all residence hall students would be subsidizing those who bring cars. This could also have an impact on the occupancy rate of the residence halls.

Cornthwaite asked about the bond rates. Stewart replied that the rates are low and the Chancellor's Office has reviewed the bonds related to SRB and has decided they should stand alone. Gibbs wanted the group to realize that the amount of discretion the campus has is fairly limited in terms of what the outcome is going to be. This bond covenant is a legal contractual requirement that we cannot afford to miss. Stewart said that she would pursue all other alternative sources of revenue to minimize future student parking fee increases.

Reilly asked the students if they would rather have all the students subsidize the residence halls overnight passes. Manigault said this is a tough issue with no easy answer. Kramer said no, but he still thought that all avenues should be pursued so that parking increases don't happen in the future.

Halimi stated that she has been a student staff member who would have had to pay the overnight fee. Her biggest concern is that \$78 is a huge increase and suggested that maybe it could be increased gradually.

Boyd said that it's not so much asking the residence hall people to pay more for a service that they are going to get, but it's asking everyone else to pay more for something they're not going to get. We as a group have an obligation to keep the costs as low as possible.

McClish asked about faculty/staff parking and the likelihood of an increase. Stewart said that she was going to pursue this, but it is all part of collective bargaining. A lot of campuses in the CSU have the same issue where students pay more than faculty/staff.

The MOTION was called and the vote was 6 in favor, 5 against and 1 abstaining. MOTION PASSED.

OTHER

It was **MOVED** by McClish and seconded by Pita to adjourn. **MOTION PASSED UNANIMOUSLY** and the meeting adjourned at 3:10 P.M.

Respectfully Submitted by

Rosemary Patrick
Business & Financial Affairs