March 16, 2023

Interim Chancellor Jolene Koester
The California State University
401 Golden Shore
Long Beach, CA 90802-4210

Dear Jolene,

In accordance with CSU Student Fee Policy (Executive Order 1102), this is to request approval of a new Category II mandatory fee for Out of State and International (Non-Resident) Students up to the amount of $1,500 per semester (implemented over three years) effective Fall 2023 for new incoming freshman, transfer and graduate students for the purpose of reliably funding financial aid, research, and academic support. Effective Fall 2026, the fee would increase marginally based on the Higher Education Price Index (HEPI) inflationary factor and annually thereafter.

Almost a third of the revenue would be directed specifically towards helping our most financially vulnerable students. Middle-income students do not qualify for comprehensive state and federal aid and as a result are the single most student loan-burdened population across California. So too, our indigenous students and students participating in our Elymash Yuuchaap Indigenous Scholars program do not qualify for most state or federal aid. Both populations are core to SDSU’s mission and charter to serve local and Californian students. In total, the level of direct financial aid to students from a proposed fee is unprecedented on our campus. At the same time, we have taken every effort to minimize its overall impact to future non-resident students by keeping the proposed amounts well below the average non-resident tuition for California, and targeting only future non-residents, rather than any continuing students. Approximately 79% of SDSU’s non-resident population have incomes above $100k annually, with an average non-resident income over $200k annually, more than twice the average income of our target population who would receive the additional financial aid. (SDSU California residents have a median income of just $47,328, with middle-income students (students with EFCs over the Pell cutoff for aid, but under $15,000) have a median income of $73,911.)

For transparency to our community and to provide the ability to adjust as may be needed, the fee is recommended to be implemented in a three-year phased cohort approach, beginning at $500 per semester.
Though any student fee is far from ideal, the absence of any new ongoing resources from the state above and beyond those necessary to match fixed costs greatly restricts our ability to provide additional financial support to these vulnerable students in other ways.

Just as important to the purpose and needs of the SDSU community, this fee also includes direct supports for undergraduate, graduate, and faculty scholarship and research. Engagement in active research is well documented to be one of the highest impact experiences a student can have, that transforms their outcomes following graduation—with high placement rates in graduate programs and in high paying careers. The proposed fee would support undergraduate student research in particular, as well as institutionalizing faculty assigned time for research, core research facility development and safety staffing, and staff support for research-related infrastructure.

The remaining new revenue would directly support 40 new academic staff support positions, including academic advisors, departmental support coordinators, and long overdue instructional support technicians. These supports are essential for both students and faculty, and past investments in these areas as supported by both GI2025 funding and previous student fee initiates supported by our campus have led to tangible increases in student success.

The university conducted an alternative consultation process as the mechanism for appropriate and meaningful consultation for the proposed Out of State and International Student Fee. This process included 21 student forums held over the three-week period of February 13 through March 4 in which students were provided with a presentation on the proposed fee and then engaged in dialogue before completing a feedback form. There were over 500 students in attendance at the forums, matching the student engagement in the previous fee referendum. Half the students in attendance did not submit any written feedback, and of those that did approximately 40% supported the purpose of the fee as proposed. The open forums offered students an opportunity to ask questions, and one of the consistent questions was why aid for undocumented students was not also considered. Other common themes from those who voted both in favor and opposition of the fee were that the fee should have included benefits for out of state and international students and that all students should be required to pay the fee.

On March 13, 2023 the Campus Fee Advisory Committee (CFAC) voted on a motion to de-recommend the proposed new category II Out of State and International Student fee as originally described with 10 in favor and 5 opposed. A number of students who identified as out of state students spoke at the meeting during open comment, against the fee. Approximately 25-30 students who identified as undocumented and indigenous attended the meeting but indicated they did not feel comfortable speaking in the space during open comment following the non-resident student opening comments.

In the days following the CFAC meeting, we have begun receiving letters from students of color including undocumented or indigenous students and student allies requesting that we advance forward
with the fee. We have also begun receiving letters from faculty, expressing their disappointment in the CFAC recommendation, and requesting we advance forward with the fee.

The leadership team is considering all feedback at this time, including the possibility of amending the fee structure per the qualitative and quantitative student feedback to include students who may identify as undocumented as a direct beneficiary, as well as to include middle-income non-resident students as part of the eligible student population to receive financial aid as generated by this fee.

In consultation with the Council of Vice Presidents and with thoughtful consideration of these student-voiced concerns, this request seeks approval for a revised fee proposal with the financial aid component being expanded to other key populations in-need, to include undocumented students and middle-income non-resident students. In conjunction with the implementation of the fee, the campus will engage in a financial aid/price optimization study to determine the most advantageous use of financial aid awards in order to enhance campus diversity while continuing to enroll highly qualified students.

Enclosed please find documentation of the alternative consultation process and results, information pamphlets and forum presentation along with the advisory recommendation and meeting minutes from the Campus Fee Advisory Committee, including a review of the qualitative feedback from students. This recommendation, summarized above, also follows from the unanimous support and recommendation from my Council of Vice Presidents.

If you need any additional information, please let me know.

Approved_________________________ Date: ____________
Interim Chancellor Jolene Koester

Sincerely,

Adela de la Torre
President

Enclosures