



P.O. Box 757920, Fairbanks, Alaska 99775-7920

April 29, 2020

To: Daniel M. White, Chancellor

From: Tuition and Fee Committee

Re: UAF Fee Structure Recommendation

Thank you for your feedback on the consolidated fee recommendation submitted by the UAF Tuition and Fee Committee on January 15, 2020. Please accept this revised proposal, which addresses the questions and concerns from the campus community.

Upon further discussion, the Tuition and Fee Committee recommends that UAF move to a consolidated fee model starting in the Fall 2020 semester but with an alternative from the original consolidated fee amount proposed. We continue to propose \$50 per credit for courses through Fairbanks main campus, the Community and Technical College (CTC) and Summer Sessions & Lifelong Learning but uncapped and \$20 per credit for courses through the College of Rural and Community Development (CRCD), uncapped. The facilities fee will be a separate charge on the student bill and will not be part of the consolidated fee. There are no course, lab, self-support, or network fees considered in this proposal.

The committee chose to change the fee amount proposed after closer evaluation of the current climate impacting UAF. Our initial proposal also included an oversight on the proposed revenue generation amount. While the correction still demonstrates that the consolidated fee would generate an increase in revenue, it is less than anticipated. One of the goals of this consolidated fee is to bring about an extra amount of support that could be dedicated to expanding student services. This increased amount will ensure that we provide these services while continuing growth for the other dependent departments.

The fees that would be consolidated in this new model include the student government fee (ASUAF), recreation, sustainability, health center, student activities and services, libraries & digital resources, transportation, summer sessions, technology, eCampus tech fee and distance delivery. There are no course, lab, self-support, or network fees considered in this proposal. With the new consolidated fee, students will see three charges for non-course related fees on their accounts; one for the consolidated fee, one for the network charge, and one for facilities fee.

Currently, there are numerous course sections where fees are applied differently. For example, TechPrep courses (through CRCD and CTC) have billable hours, but all fees waived. Co-sponsored and off-campus location (military installations or high schools) courses pay libraries & digital resources, network, and facilities fees, but all other fees are waived. Professional development courses have no billable hours but pay libraries & digital resources and facilities fees. These courses would not fall under the consolidated fee.

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Benefits & Impact to Students

Under the new consolidated fee structure, all students will see the same charges and have access to the same services (expanded access to student mental health services, access to ASUAF benefits, additional student programming, etc.), which will make eligibility transparent for all students. Details about the fee structure and breakdown of distribution will be published in the Registration Guide, Catalog, and on all tuition and fee schedules.

The benefits of a consolidated fee include, but are not limited to:

- Increased student success by modeling fees equitably
- Predictable and competitive cost (easier for cost comparisons)
- Reduced confusion for students, faculty, and staff
- Periodic review of the fee makes departments more conscientious of the student impact when the fee is increased
- Departments can better estimate revenue based on enrollment
- Aligns with fee structures at UAA & UAS, promoting a sense of cohesion (UAA consolidated fee, excluding Facilities, is \$38.50 per credit for Anchorage courses & UAS Juneau consolidated fee is \$47 per credit; UAS Sitka & Ketchikan is \$25 per credit)

Under the consolidated fee model, courses taken through Fairbanks main campus will see savings between 3 and 12 credits and CTC will see savings between 3 and 9 credits. Appendix A shows a detailed breakout of all the current fees charged per credit for each course location compared to the proposed fee model.

Table 1. Student Savings from Consolidated Fee versus Current Fee Structure

Course Offered Through	Billable Credit Hours				
	3	6	9	12	15
Fairbanks - Current Fee per credit	\$219	\$564	\$624	\$684	\$699
Proposed Fee - \$50 per credit	\$150	\$300	\$450	\$600	\$750
Fairbanks Courses Savings	\$69	\$264	\$174	\$84	-\$51
CTC - Current Fee per Credit	\$182	\$467	\$527	\$587	\$602
Proposed Fee - \$50 per credit	\$150	\$300	\$450	\$600	\$750
CTC Courses Savings	\$32	\$167	\$77	-\$13	-\$148

Revenue & Distribution

In FY19, the fees under consideration for consolidation generated approximately \$5.2 million in revenue, not including the libraries and digital resources fee implemented in fall 2019. Based on FY19 conditions, this fee would have generated approximately \$713,000, for an estimated \$5.9 million total of the considered fees. If the consolidated fee was to be implemented in the same conditions, it would total \$6.3 million revenue instead, a \$430,000 increase.

Billable credit hours were utilized as the basis for this calculation as not all student credit hours (SCH) are charged fees. Based on AY18-19 activity, UAF generated 145,434 billable credit hours, compared to SCH of 145,961 over that same period. Approximately 12,200 billable hours were generated through courses with alternative fee charges in FY19.

Table 2. Calculation of Estimated Revenue

Courss Offered Through	FY19 Billable Hours	Alternative Fee Hours	Adjusted Hours	Consolidated Amount	Proposed Revenue
Fairbanks, CTC, eCampus	131,992.20	10,500.00	121,492.20	\$50	\$6,074,610
CRCD	13,442.20	1,700.00	11,742.20	\$20	\$234,844
Grand Totals	145,434.40	12,200.00	133,234.40		\$6,309,454

Using these conditions, the initial distribution would be based on what percent of the total revenue these fees would have received. Table 3 illustrates what percent these fees would have received in FY19, including the estimation for libraries and digital resources, and what these fees would have received under the consolidated method instead.

Table 3. FY19 Estimated Percent of Total and Distribution by Consolidated Revenue

Fee	FY19 Revenue per Fee	% of Total	Proposed	
			\$50/\$20 Fee	Change in Revenue
eCampus Distance Delivery	\$1,082,720	18.4%	\$1,162,092	\$79,372
Health Center	\$970,450	16.5%	\$1,041,592	\$71,142
Recreation	\$798,173	13.6%	\$856,686	\$58,513
Est. Libraries & Digital Resources ¹	\$712,892	12.1%	\$765,153	\$52,261
Athletics	\$676,210	11.5%	\$725,782	\$49,572
Technology	\$390,086	6.6%	\$418,682	\$28,596
Student Activities & Services	\$389,565	6.6%	\$418,123	\$28,558
ASUAF	\$305,122	5.2%	\$327,490	\$22,368
eCampus Tech Fee	\$212,225	3.6%	\$227,783	\$15,558
Transporation	\$174,130	3.0%	\$186,895	\$12,765
Sustainability	\$159,220	2.7%	\$170,892	\$11,672
Summer Activities Fee	\$7,718	0.1%	\$8,284	\$566
Total	\$5,878,511	100.0%	\$6,309,454	\$430,943

¹The libraries & digital resources fee was not implemented until fall 2019 (FY20). The value represented in the table is an estimation of what this revenue may have been based on FY19 billing hours.

Appendix B shows the revenue potential of two other fee scenarios compared to the proposed and the distribution using the same methodology. Scenario one is \$48 per credit for courses through Fairbanks, CTC, and Summer Session with \$18 for courses through CRCD. Scenario two is \$52 per credit for courses through Fairbanks, CTC, and Summer Session with \$20 for courses through CRCD.

Reviews and Increases

The committee recommends a 5% increase to the consolidated fee in fall 2021, rounded to the nearest dollar, and then a review every three subsequent years to align with increasing expenses. By limiting the increase to every third year, many students will only experience one increase in their time at UAF.

The annual fee review consists of a questionnaire submitted by departments that receive revenue via the mandatory fees. The questionnaire provides information regarding fee revenue earned during the fiscal year, what it was spent on, and how these activities support UAF's mission. The purpose of this annual review is to ensure that departments that earn revenue from mandatory fees are using these dollars to promote continual growth and aid to the students and the university.

CRCD Consideration

CRCD maintains six (6) of UAF's nine (9) budget allocations: Rural College (RC), Bristol Bay (BBC), Chukchi (CC), Interior-Alaska (IAC), Kuskokwim (KUC) and Northwest (NWC). Each campus is designated a separate authorized operating budget/state appropriation. Student credit hour, headcount and 100% of tuition and fee revenues are retained at each respective campus to support activities to support and deliver programming. CRCD serves students that fit into multiple distinct categories, including:

- A. Rural campus based students who do not take any eCampus, UAA, or UAS courses.
- B. Rural campus based students who also take eCampus, and/or UAA and UAS courses.
- C. Rural College students who do not take any eCampus, UAA, or UAS courses.
- D. Rural College students who also take eCampus, UAA, or UAS courses.
- E. CRCD Fairbanks based students who may or may not live on campus.

It is not feasible for our community based student population to use most Fairbanks based services. A thorough analysis and structural conversation will be needed to gauge these complexities. Recommendations should be evaluated on how a consolidated fee model would properly serve the needs of the community based students and the realities of the services needed to support them.

CRCD has concerns on the increased price from \$18 to \$20 per credit. CRCD recommends further discussion on the proposed amount and that this effort be part of continuing structural conversations in FY21 in response to the broader issue of budget reduction.

eCampus Consideration

The change from a fee revenue model tied directly to eCampus SCH generation and growth (\$25/eCampus SCH) to a fee revenue model tied to all SCH generation (18.4% of all fee revenue) will likely have adverse consequences on eCampus over time. UAF's traditional enrollment pathways are not projected to be strongly positive for some time. However, strong growth opportunities continue to exist for eCampus. Linking eCampus fee revenue to overall campus growth will likely negatively impact eCampus' ability to respond to and serve these emerging opportunities.

Over the past six years, eCampus SCH generation (and supported students, courses and faculty) has grown over 40%. Over the same period, UAF lost about 20% of overall enrollment. Had eCampus fee revenue been tied to net fee revenue over this time period, eCampus would not have been able to grow by 40%.

Going forward, eCampus seeks to sustain double-digit annual growth in the service of UAF's students, faculty, and programs, as well as to support the financial health of the entire institution. The ideal future model will closely and proportionately support the addition of new courses and programs, as well as associated students and faculty to optimize growth opportunities. At the same time, the new model will optimize the collective benefits of eCampus growth for the entire campus community.

Detailed Breakout of Current Fees Charged per Credit
Appendix A

Fee ¹	Credits	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
ASUAF				42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42
Athletics	10	20	30	40	50	60	70	80	90	100	110	120	120	120	120	120	120	120	120
Health Center						150	150	150	150	150	150	150	150	150	150	150	150	150	150
Libraries & Digital Resources			15	20	25	30	35	40	45	50	55	60	65	70	75	75	75	75	75
Recreation						135	135	135	135	135	135	135	135	135	135	135	135	135	135
Technology/eCampus Tech Fee	5	10	15	20	25	30	35	40	45	50	55	60	60	60	60	60	60	60	60
Transportation			22	22	22	22	22	22	22	22	22	22	22	22	22	22	22	22	22
Student Activities & Services			75	75	75	75	75	75	75	75	75	75	75	75	75	75	75	75	75
Sustainability			20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
eCampus Distance Delivery	25	50	75	100	125	150	175	200	225	250	275	300	325	350	375	400	425	450	450
Summer Session	2	4	6	8	10	12	14	16	18	20	22	24	26	28	30	32	34	36	36
Fairbanks - Current Fee per credit	15	30	219	239	259	564	584	604	624	644	664	684	689	694	699	699	699	699	699
CTC - Current Fee per Credit	15	30	182	202	222	467	487	507	527	547	567	587	592	597	602	602	602	602	602
eCampus - Current Fee per credit	30	60	105	140	175	210	245	280	315	350	385	420	450	480	510	535	560	585	585
Summer - Current Fee per Credit	7	14	46	58	70	182	194	206	218	230	242	254	261	268	275	277	279	279	281
PROPOSED FEE - \$50	50	100	150	200	250	150	350	400	450	500	550	600	650	700	750	800	850	900	900
CRCD - Current Fee per Credit	5	10	30	40	50	60	70	80	90	100	110	115	120	125	130	130	130	130	130
PROPOSED FEE - \$20	20	40	60	80	100	120	140	160	180	200	220	240	260	280	300	320	340	360	360

¹Bottom line fee totals will not line up with all amounts listed, as certain course locations pay different amounts.

Comparison of Three Potential Revenue Distributions
Appendix B

Fee	FY19 Revenue per Fee	% of Total	\$42/\$18 Fee	Change in Revenue	\$50/\$20 Fee	Change in Revenue	\$52/\$20 Fee	Change in Revenue
eCampus Distance Delivery	\$1,082,720	18.4%	\$1,065,613	(17,107)	\$1,162,092	\$79,372	\$1,313,672	\$230,952
Health Center	\$970,450	16.5%	\$955,117	(15,333)	\$1,041,592	\$71,142	\$1,177,454	\$207,004
Recreation	\$798,173	13.6%	\$785,562	(12,611)	\$856,686	\$58,513	\$968,429	\$170,256
Est. Libraries & Digital Resources ¹	\$712,892	12.1%	\$701,628	(11,264)	\$765,153	\$52,261	\$864,957	\$152,065
Athletics	\$676,210	11.5%	\$665,526	(10,684)	\$725,782	\$49,572	\$820,450	\$144,240
Technology	\$390,086	6.6%	\$383,923	(6,163)	\$418,682	\$28,596	\$473,294	\$83,208
Student Activities & Services	\$389,565	6.6%	\$383,410	(6,155)	\$418,123	\$28,558	\$472,662	\$83,097
ASUAF	\$305,122	5.2%	\$300,301	(4,821)	\$327,490	\$22,368	\$370,207	\$65,085
eCampus Tech Fee	\$212,225	3.6%	\$208,872	(3,353)	\$227,783	\$15,558	\$257,494	\$45,269
Transporation	\$174,130	3.0%	\$171,379	(2,751)	\$186,895	\$12,765	\$211,273	\$37,143
Sustainability	\$159,220	2.7%	\$156,704	(2,516)	\$170,892	\$11,672	\$193,183	\$33,963
Summer Activities Fee	\$7,718	0.1%	\$7,596	(122)	\$8,284	\$566	\$9,364	\$1,646
Total	\$5,878,511	100.0%	\$5,785,632	(92,879)	\$6,309,454	\$430,943	\$7,132,438	\$1,253,927

¹The libraries & digital resources fee was not implemented until fall 2019 (FY20). The value represented in the table is an estimation of what this revenue may have been based on FY19 billing hours.