**Updated Fee Request to TFAB
Impact of transition of EMU budget from the Incidental Fee to the Student Union Fee**

After extensive discussions, Vice President for Student Life Kevin Marbury and ASUO President Isaiah Boyd reached an agreement to transition the Erb Memorial Union (EMU) off the Incidental Fee (I-Fee). This change will reduce the Incidental Fee and increase the Student Union Fee by an amount per student per term needed to offset the EMU’s current Incidental Fee allocation. President Schill, who must approve the change, has indicated he is in support of the change and asked us to proceed.

This change is necessary due to the fact that EMU funding obligations are requiring more and more of each year’s Incidental Fee increase go to the EMU, which dramatically reduces available funds for other ASUO programs and services. By moving the EMU to the Student Union Fee, a more moderate increase in the I-Fee nets more money for ASUO programs and services.

By way of example, the current Incidental Fee is $268.25. In order to meet reserve, overhead and current service level (CSL) obligations, the ASUO must raise the Incidental Fee by 3.5% and after the EMU is funded, a 3.5% increase leaves only $32,593 to allocate for the rest of the ASUO budget. On the other hand, if the EMU were not being funded by the Incidental Fee, that same 3.5% increase would generate $301,664 to allocate on programs and services.

The current model requires the ASUO to raise the I-Fee higher and higher in order to cover both the EMU and have enough money left for other programs and services. The chart below shows that by moving the EMU to the Student Union Fee, a more moderate increase in the I-Fee nets more money.

|  |  |  |  |
| --- | --- | --- | --- |
| With EMU on Incidental Fee | I-Fee % Increase | Amount generated by raising I-Fee | $ available to allocate beyond the EMU |
| $452,911 (EMU Dec Request)  | 5.0% | $861,096 | $273,872 |
|  | 4.0% | $688,877 | $113,019 |
|  | 3.5% | $602,767 | $32,593 |
|  | 3.0% | $516,658 | -$47,834 |
| Without EMU on Incidental Fee | I-Fee % Increase | Amount generated by raising I-Fee | $ available to allocate beyond the EMU |
|  | 5.0% | $430,949 | $430,949 |
|  | 4.0% | $344,759 | $344,759 |
|  | 3.5% | $301,664 | $301,664 |
|  | 3.0% | $258,570 | $258,570 |

This change will be implemented beginning with the 22-23 academic year as follows:

**Guaranteed Tuition Undergraduate Cohort 2020 (FY21) and 2021 (FY22)**

As the name suggests, we will not change the Administratively Controlled Mandatory Fees (ACMF) established and previously approved for the first two Guaranteed Tuition cohorts. However, in order to correctly fund both the EMU and ASUO budgets, we will make a funding adjustment after the fees have been collected in BANNER by moving some funds collected under the Incidental Fee to the EMU while the rest go to the ASUO.

The per-student-per-term amount of the current Incidental Fee that supports the EMU budget is $134. That amount will be locked in for both cohorts. The Incidental Fee has and can be increased going forward, as it is not part of the guaranteed tuition program. For budgeting and calculation purposes, the current Incidental Fee of $268.25 will be reduced by $134.00 to $134.25 to reflect the post-transition starting point. Once the ASUO decides on its fee recommendation for next year, the *ASUO portion* of Incidental Fee will increase accordingly. Again, the students in these two cohorts will not see any change on the administratively controlled fees; we will move the revenue to the appropriate unit once fees are collected through a budget transfer in BANNER.

The chart below shows this in more detail. Future amounts in the tables are a projection, for illustration purposes. Projections in the charts below assume a 3% annual increase for the I-Fee. The exact increase will be determined each year through ASUO budgeting process.

|  |
| --- |
| **Fall 2020 Cohort (FY21)** |
| Fee | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 |
| Building  |  $ 45.00  |  $ 45.00  |  $ 45.00  |  $ 45.00  |  $ 45.00  |
| Health Service |  $ 233.25  |  $ 233.25  |  $ 233.25  |  $ 233.25  |  $ 233.25  |
| Rec Center |  $ 120.88  |  $ 120.88  |  $ 120.88  |  $ 120.88  |  $ 120.88  |
| Student Union |  $ 78.54  |  $ 78.54  |  $ 78.54  |  $ 78.54  |  $ 78.54  |
| Technology |  $ 50.00  |  $ 50.00  |  $ 50.00  |  $ 50.00  |  $ 50.00  |
| Total ACMF |  $ 527.67  |  $ 527.67  |  $ 527.67  |  $ 527.67  |  $ 527.67  |
|  |  |  |  |  |  |
| Incidental Fee |  $ 271.75  |  $ 268.25  |  $ 272.25  |  $ 276.40  |  $ 280.67  |
|  |
| Locked I-Fee Amount in for EMU |  $ 134.00  |  $ 134.00  |  $ 134.00  |  $ 134.00  |
| Annual I-Fee Amount (goes up) |  $ 134.25  |  $ 138.25  |  $ 142.40  |  $ 146.67  |
|  |  |  |  |  |  |
| Total All Fees |  $ 799.42  |  $ 795.92  |  $ 799.92  |  $ 804.07  |  $ 808.34  |

|  |
| --- |
| **Fall 2021 Cohort (FY22)** |
| Fee | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 |
| Building  |  $ 45.00  |  $ 45.00  |  $ 45.00  |  $ 45.00  |  $ 45.00  |
| Health Service |  $ 236.25  |  $ 236.25  |  $ 236.25  |  $ 236.25  |  $ 236.25  |
| Rec Center |  $ 133.00  |  $ 133.00  |  $ 133.00  |  $ 133.00  |  $ 133.00  |
| Student Union |  $ 81.75  |  $ 81.75  |  $ 81.75  |  $ 81.75  |  $ 81.75  |
| Technology |  $ 51.50  |  $ 51.50  |  $ 51.50  |  $ 51.50  |  $ 51.50  |
| Total ACMF |  $ 547.50  |  $ 547.50  |  $ 547.50  |  $ 547.50  |  $ 547.50  |
|  |  |  |  |  |  |
| Incidental Fee  |  $ 268.25  |  $ 272.25  |  $ 276.40  |  $ 280.67  |  $ 285.07  |
|  |  |  |  |  |  |
| Locked I-Fee |  $ 134.00  |  $ 134.00  |  $ 134.00  |  $ 134.00  |  $ 134.00  |
| Annual I-Fee  |  $ 134.25  |  $ 138.25  |  $ 142.40  |  $ 146.67  |  $ 151.07  |
|  |  |  |  |  |  |
| Total All Fees |  $ 815.75  |  $ 819.75  |  $ 823.90  |  $ 828.17  |  $ 832.57  |

**Undergraduate Students Who Started Before 2020**

Continuing undergraduates who started at the UO before 2020 also have a guarantee. They were promised Administratively Controlled Mandatory Fees would not increase more than 3% a year. This agreement will also stay in place. The same methodology (splitting the I-Fee into two parts, one locked in (EMU portion) and one that could increase (Incidental Fee portion). As we noted above, the students in this group will not see any change on the Administratively Controlled Mandatory Fees; we will move the associated revenue to the appropriate unit once fees are collected through a budget transfer in BANNER. The chart below shows this in more detail. Projections in the charts below assume a 3% annual increase for the I-Fee. Exact increase will be determined each year through ASUO budgeting process.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **FY2022** | **FY2023** | **% Increase** |
| **Fee** | **Rates** | **Rates** | **over Prior Year** |
| Building |  $ 45.00  |  $ 45.00  | 0.00% |
| Health Service |  $ 236.25  |  $ 244.75  | 3.60% |
| Rec Center |  $ 118.50  |  $ 122.00  | 2.95% |
| Student Union |  $ 80.00  |  $ 82.50  | 3.13% |
| Technology |  $ 51.50  |  $ 53.00  | 2.91% |
| ***Total AMCF*** |  ***$ 531.25***  |  ***$ 547.25***  | ***3.01%*** |
|  |  |  |  |
| Incidental Fee |  $ 268.25  |  $ 272.25  | 1.49% |
|  |  |  |  |
| Locked I-Fee |  $ 134.00  |  $ 134.00  | 0.00% |
| Annual I-Fee |  $ 134.25  |  $ 138.25  | 2.98% |
|  |  |  |  |
| **All Mandatory Fees** |  ***$ 799.50***  |  ***$ 819.50***  | ***2.50%*** |

**Graduate Students**

Current and incoming graduate students will pay Mandatory Fees that reflect this transition. The Student Union Fee will be higher than last year but offset by the lower Incidental Fee (new students may not notice this). Once we reset the two fees to the transition rate (the current Student Union Fee plus $134 and current Incidental Fee minus $134) we then applied a 3.03% increase to the Student Union Fee for graduate students. This is 0.1% lower than the percentage previously presented by Kevin Marbury to TFAB (3.13%). While the shifting of fees results in a sizable percentage increase on the Student Union Fee and the Administratively Controlled Mandatory Fees, the percentage increase across all Mandatory Fees is similar to past years. Projections in the chart below assume a 3% annual increase for the I-Fee. The exact increase will be determined each year through ASUO budgeting process.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **FY2022** | **Adj Fee** | **FY2023** | **% Increase** |
| **Fee** | **Rates** | **Rates** | **Projected Rates** | **over Prior Year** |
| Building |  $ 45.00  | $ 0.00 |  $ 45.00  |  0.00% |
| Health Service |  $ 236.25  | $ 0.00 |  $ 244.75  |  3.60% |
| Rec Center |  $ 121.25  | $ 0.00 |  $ 124.75  |  2.89% |
| Student Union |  $ 80.00  | $ 214.00 |  $ 220.50 |  3.03%\* |
| Technology |  $ 51.50  | $ 0.00 |  $ 53.00  |  2.91% |
| ***Total ACMF*** |  ***$ 534.00***  | ***$ 668.00*** |  ***$ 688.00***  |  ***2.99%*** |
| *\* Transition rate calculation increase from $80 to $220.50 is 175.63%* |
|  |
| *(cont. from above)* | **FY2022** | **Adj Fee** | **FY2023** | **% Increase** |
| **Fee** | **Rates** | **Rates** | **Rates** | **over Prior Year** |
| Incidental Fee |  $ 268.25  | $ 134.25 |  $ 138.25  | 2.98%\*\* |
| *\*\*Transition rate calculation increase from$268.25 to $134.25 is -48.46%* |
| ***All Mandatory Fees*** |  ***$ 802.25***  |  |  ***$ 826.25***  |  ***3.00%*** |

|  |  |  |  |
| --- | --- | --- | --- |
| Total ACMF (before adjustment) | $ 534.00 | $ 550.00 |  3.00% |
| Total ACMF (after adjustment) | $ 534.00 | $ 688.00 |  28.84% |

**Incoming** **Guaranteed Tuition Undergraduate Cohort 22 (FY23)**

Incoming undergraduate students will also pay Mandatory Fees that reflect this transition. Again, the Student Union Fee will be higher than last year but offset by the lower Incidental Fee (new students may not notice this). Once we reset the two fees to the transition rate (the current Student Union Fee plus $134 and current Incidental Fee minus $134) we then applied a 4.06% increase to the new cohort. This is 0.53% lower than the percentage increase previously presented by Kevin Marbury to TFAB (4.59%). While the shifting of fees results in a sizable percentage increase on the Student Union Fee and the Administratively Controlled Mandatory Fees, the percentage increase across all Mandatory Fees is similar to past years. The chart below shows this in more detail.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2021 Tuition Cohort (FY22)** | **Adj Fee** | **2022 Tuition Cohort (FY23)** | **% Increase** |
|  | **Rates** | **Rates** | **Rates** | **over Prior Year** |
| Building |  $ 45.00  | $ 0.00 |  $ 45.00  |  0.00% |
| Health Service |  $ 236.25  | $ 0.00 |  $ 246.00  |  4.13% |
| Rec Center |  $ 133.00  | $ 0.00 |  $ 138.50  |  4.14% |
| Student Union |  $ 81.75  | $ 215.75 |  $ 224.50  |  4.06% |
| Technology |  $ 51.50  | $ 0.00 |  $ 53.00  |  2.91% |
| ***Total ACMF*** |  ***$ 547.50***  | ***$ 681.50*** |  ***$ 707.00***  |  ***3.74%*** |
|  |  |  |  |  |
| Incidental Fee |  $ 268.25  | $ 134.25 |  $ 138.25  |  2.98% |
|  |  |  |  |  |
| All Mandatory Fees |  ***$ 815.75***  |  |  ***$ 845.25***  |  ***3.62%\**** |

*\*If the Incidental Fee recommendation is higher than 3%, the total Mandatory Fee percentage increase will be higher.*

|  |  |  |  |
| --- | --- | --- | --- |
| Total ACMF (before adjustment) | $ 547.50 | $ 568.00 |  3.74% |
| Total ACMF (after adjustment) | $ 547.50 | $ 707.00 |  29.13% |