

COMMITTEE ON FINANCE

May 20, 1999

B. ESTABLISHMENT OF STUDENT FACILITIES AND CAMPUS ENHANCEMENTS FEE, DAVIS CAMPUS

The President recommends that the Committee on Finance recommend to The Regents that effective Fall Quarter 1999, all registered students at the Davis campus, with the exception of students in the School of Law, be assessed a mandatory Facilities and Campus Enhancements Fee as follows:

- (1) Effective Fall Quarter 1999, \$5.00 per student per quarter.
- (2) Effective Fall Quarter 2000, an increase from \$5.00 per student per quarter to \$11.00 per student per quarter.
- (3) Effective Fall Quarter 2003, an increase from \$11.00 per student per quarter to \$126.00 per student per quarter.

Thereafter, the fee would be subject to an annual adjustment for inflation.

BACKGROUND

In February 1999, elections were held by the Davis campus Associated Students and the Graduate Student Association to seek approval of a new fee to improve campus recreation facilities. When fully implemented, the proposed fee is expected to provide funding for the following: (1) an activities and recreation center to complement the existing Recreation Hall; (2) recreational equipment and physical improvements to the Recreation Hall; (3) a new aquatics complex, containing an Olympic-size competition pool and diving facilities; (4) a portion of the cost of a new multi-use stadium; (5) enhancements for the Equestrian Center; and (6) a recruitment/retention center to assist and support student-led outreach and retention efforts. In addition, a specified portion of the fee revenue, estimated to be at least \$1.5 million annually beginning in 2003-04, would be used for financial aid to help offset the impact of the fee for needy students. A copy of the student referendum language is attached (Attachment).

The table on the next page displays the proposed uses and implementation schedule for the new Fee:

	Fees per student per quarter				
	1999-00	2000-01	2001-02	2002-03	2003-04
Recruitment/Retention Center	\$2	\$5	\$5	\$5	\$5
Sports Clubs/Intramural Sports	1	1	1	1	1
Equestrian Center Enhancements	1	4	4	4	4
Recreation Hall Improvements and	1	1	1	1	1
Aquatics Complex					11
Multi-Use Stadium					18
Activities and Recreation Center					68
Financial Aid Grant Funds					18
	\$5	\$11	\$11	\$11	\$126

6/1/99
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Fees would be collected only when the service, program, or facility becomes available for use by the students paying the fees. If the capital projects were not completed and available to students within the timetable outlined above, assessment of the portion of the fee related to the capital projects would be delayed accordingly.

Campus referendum procedures provide that voter turnout must be equal to or greater than the average of the four previous student government presidential elections. For this referendum, the campus determined that a minimum voter turnout of 3,795 students was required for the referendum results to be valid. The campus regulations also require that a majority of those voting must vote in favor of the fee to approve it. Of the 24,362 eligible students, 5,380 (22%) voted and 3,625 (67%) of those voting voted to approve the fee. These results met the campus' voter turnout and approval requirements.

(Attachment)

**Facilities And Campus Enhancements (F.A.C.E.) Initiative
Graduate and Professional Student**

1998

★ ★ Official Ballot ★ ★

Do you support a student fee which would include all of the following:

- **Free Graduate and Professional Student Access** to Recreation Hall and Intramural Sports effective Fall Quarter, 1999, excluding special events. Graduate/Professional Students will also have free admission to regular season UC Davis athletic events (such as soccer, football, basketball, etc.) at that time and thereafter.
 - A state-of-the-art **Activities and Recreation Center** (to complement Recreation Hall) designed to address the following:
 - Meeting and practice/performance spaces and a dance studio for student organization use;
 - Spaces for recreational and IM student use;
 - Instrument and equipment storage and changing space for the Cal Aggie Marching Band-Uh!;
 - Space for open recreational activities like indoor soccer, volleyball, basketball, floor hockey, badminton, etc.;
 - Lounge, art gallery and computer access space;
 - Space for weights and aerobics, plus mat space and 4-wall courts;
 - Locker rooms, showers, storage space and office space.
 - **Funding for Sport Clubs and/or Intramural Sport Programs;**
 - **Recreation Hall** improvements and equipment;
 - A **Recruitment/Retention Center**, consisting of facilities, staff support and programming to assist and support student-led outreach and retention efforts;
 - A new **Aquatics Complex** containing an Olympic-size competition pool and diving facilities;
 - Partial funding for a **Multi-Use Stadium** (the balance of funding will come from non-student-fee sources), with fixed seating for 8,000-10,000 expandable to 20,000;
 - Enhancements to the **Equestrian Center**, including health and safety improvements and a new covered arena;
- ⇒ **Financial Aid Grant Funds** - This fee will provide funding available in 2003-04 (and thereafter) of at least \$1.5 million annually to support first those students with the greatest financial need (those who are eligible for support from Pell Grants). Second, any balance of the financial aid grant funds will be allocated by the Financial Aid Office based on student need.

YES _____ NO _____

The student fees will be collected as described below:

Service Supported by Fees	Fees per quarter*				
	1999-00	2000-01	2001-02	2002-03	2003-04 and beyond
Sport Clubs/Intramurals	1	1	1	1	1
Recruitment/Retention Center	2	5	5	5	5
Equestrian Center Enhancements	1	4	4	4	4
Recreation Hall Improvements	1	1	1	1	1
Aquatics Complex					11
Multi-Use Stadium					18
Activities and Recreation Center					68
Financial Aid Grant Funds					18
Total	\$5	\$11	\$11	\$11	\$126

*Above current 1998-1999 quarterly fees. A portion of the fees will be adjusted 2004-2005 and beyond as described in the "Adjustment of Fees" section of the "F.A.C.E. Assumptions and Principles." The fees will be allocated as described above, subject to the "Uncommitted Funds" section of the "F.A.C.E. Assumptions and Principles." Passage of this initiative obligates the parties to the "F.A.C.E. Assumptions and Principles."

Facilities And Campus Enhancements (F.A.C.E.) Initiative Assumptions & Principles

- **Voting** - The minimum voting pool has been determined in accordance with campus regulations. If at least 3,795 students vote, a simple majority vote of those students who vote on this initiative will determine the outcome.
- **Planning and Oversight** - The planning stage for construction of the capital projects in the initiative will run through the balance of 1999, during which time any student can participate (through selection by ASUCD and GSA) on the planning committees. Similarly, students will participate during the design stage of each project. When the facilities are completed the oversight of these facilities will be through a body comprised of broad student representation, and chaired by a student where students constitute the voting majority. The composition of this oversight body will be determined by representatives from ASUCD and GSA in conjunction with Student Affairs.
- **Activities and Recreation Center Principles of Operation** - Student usage shall be the first priority with an emphasis on broad-based student access, open recreation and intramural activity.
- **Timing of Fee Increases** - It is the general intention that fees will not be collected until the service can be delivered to the students paying the fees. This is certainly true of the fees collected for the Activities and Recreation Center (by far the largest fee) which is expected to open in the Fall Quarter of 2003. No fees for the ARC would be collected until it is open to students.
- **Financial Aid Grant Funds** - This fee will provide funding available in 2003-04 (and thereafter) of at least \$1.5 million annually to support first those students with the greatest financial need (those who are eligible for support from Pell Grants). Second, any balance of the financial aid grant funds will be allocated by the Financial Aid Office based on student need.
- **Earned Interest Income** - All interest income earned from fees generated by this initiative will be made available to spend on the projects described in the ballot.
- **Uncommitted Funds** - Should a project bid come in under budget, any fee proceeds not required to fund the estimated long-term debt payments and debt service reserve for that project shall be returned to a fund controlled by the oversight body. The oversight body may redirect these funds to other projects named in the initiative or related sports and activity/recreation facilities, subject to UC Office of the President policies regarding capital projects. All changes in project scope and cost will be accomplished in accord with University policy.
- **Fields and Facilities** - Any field or facility displaced by construction of new facilities will be replaced at a reasonable campus location consistent with the campus Long Range Development Plan and paid for by project funds.
- **SASI-Supported Programs** - Support for basic operation and maintenance of the sports clubs/intramural sports, the equestrian center, and Recreation Hall is funded and will continue to be funded in part by the Student Activities and Services Initiative (SASI) Fee. The proposed F.A.C.E. fee will support enhancements of these programs and facilities that cannot be funded within their current operating budgets.
- **Adjustment of Fees** - More than 75% of these fees are collected to fund capital projects. Project scope and cost will be adjusted as necessary to insure that these fees will cover the debt financing for these capital projects. The balance of these fees will fund operating expenses that are expected to change over time. The portion of the fees collected for operating expenses will be tied to an appropriate consumer price index to be determined by the oversight body and may be adjusted accordingly (up or down) on an annual basis by the oversight body. The portion of fees collected for financial aid will be adjusted as necessary to maintain a minimum of \$1.5 million annual revenue. No adjustments shall be made prior to the 2004-2005 academic year.

Statement in Favor of the Facilities And Campus Enhancements Initiative:

(submitted by Phil Rogers, Graduate Student)

Dear Graduate and Professional Students,

Are you:

- Tired of paying \$5 per quarter to use the Rec Hall or play IM sports, or having to pay every time you want to go to a UCD home game? Tired of fighting huge crowds to use any of the fitness equipment at Rec Hall, or of not being able to use the Rec Hall because some "special event" is happening?
- In a student organization and frustrated by the lack of meeting space? In a dance or other performing arts group and unhappy about the poor practice facilities?
- Interested in using the Equestrian Center but can't stand the mud during winter quarter?
- A swimmer who hates paying \$30 or more per month in Davis for lap swimming because it's not available on-campus?
- Concerned about the impact of Proposition 209 on the diversity of the UCD campus? Interested in recruitment and retention for current and future graduate students from groups impacted by 209?

If you answered 'YES' to any of these questions, then look again at the ballot and see what the Facilities and Campus Enhancements Initiative has to offer you: *Free* graduate and professional student access to the Rec Hall, IM sports, and athletic events; the new Activity/Recreation Center for recreational, IM, and student organizational use; year-round lap swimming in a heated pool available to all students (at the Aquatics Complex and/or Hickey Pool); equipment improvements to the Rec Hall and a new covered arena for the Equestrian Center; finally, a recruitment and retention center aimed at promoting student-led outreach, peer-counseling, and other programming for undergraduate, graduate, and professional students.

Don't forget - you won't pay a cent of any new fee until the service is available for you to use. In addition, any fee waiver you receive (from TAship, RAship, fellowship, etc.) will also apply to these fees. I know the final price tag looks high, but think about what you (if you'll be here in 2003-2004) and all future UCD students will get from this.

Vote 'YES' on the Facilities And Campus Enhancements Initiative!

Statement in Opposition to the Facilities And Campus Enhancements Initiative:

(submitted by Jane Beal, Graduate Student/T.A., External Chair, Graduate Students' Association)

Saving FACE? Not at all - **VOTE NO.**

FACE sounds like a good deal at first, but it's really not. Eventually graduate students will pay \$126 more *per quarter*-- that's \$378 per year-- for services most of us won't use. That cost is in addition to our current fees of \$1,555 per quarter, or \$4,665 per year, so that when it's all added up, it comes to a whopping \$5,037 per year. That's without the other fee increases the U.C. Regents are planning for us. *Do you want to pay more?*

We won't have to pay the full amount, however, because the fees rise gradually, year by year. But future graduate students will. *Is it right to vote a tax onto people who aren't even here?*

Ironically, FACE will probably pass. If every grad votes no, and only 1/5 of the undergrads votes yes, grads will have to pay! That's because the U.C. Administration has worked it out so that graduates are in the same voting pool as undergraduates, which means that it's about 3,000 graduates versus about 22,000 undergrads. Plus, the Administration put FACE on the ballot without ever asking grads. GSA didn't vote on it; grads didn't sign petitions. *Do you think that's a fair deal?*

The U.C. could build new buildings with other financial resources, but why should it if we are going to keep taxing ourselves? The U.C. loves it when students volunteer to pay for things it has an obligation to pay for itself... like the retention center. Of course the U.C. Admin supports FACE! Later, it will claim that we don't care about more fees—and then it'll add some more. *Do you want to vote in a tax that helps justify future fee hikes?*

If you said no to any of the above questions, **VOTE NO ON FACE.**

Rebuttal to Statement in Favor of the Facilities And Campus Enhancements Initiative:

(submitted by Jane Beal, Graduate Student/T.A., External Chair, Graduate Students' Association)

If you think \$5 for the Rec Hall is bad, imagine \$126! Why should everyone pay for the things only a few people use? **VOTE NO ON FACE.**

Rebuttal to Statement in Opposition to the Facilities And Campus Enhancements Initiative:

(submitted by Phil Rogers, Graduate Student)

Picture the UC Davis campus today. Now take away the MU. And the Silo. And the Rec Hall. Hmm... not much left besides the classrooms, is there? What do these buildings have to do with FACE? *They were all built by students who chose to raise their fees to support them!*

I don't like fee increases any more than the next person. But there's a difference here: *the fee increases in FACE will support new and improved facilities--* you're not paying more each year to just to maintain the status quo. Keep that in mind when you place your vote.

Maybe you don't currently use Rec Hall, swim, participate in student orgs, use the Equestrian Center or get involved in outreach efforts. But ask yourself: would you do any of these things if there were more (or better) facilities available? Would you work out or play IM sports if the Rec Hall wasn't overcrowded every day after 3pm? Would you join a student org if you had better places to meet and/or rehearse? Would you swim if you could do it on campus at convenient hours? Would you participate in outreach and retention efforts if such programs were available? FACE makes all of these options available to you (if you're here long enough) and to future graduate and professional students.

The debate could rage endlessly (and probably will) about whether the U.C. Administration should fund such facilities, but the harsh, historical fact is that the U.C. has *not* funded buildings that are not "academic". Not here, not at UCLA, not at UCB, not anywhere, not ever. Is that "fair"? Maybe not. Is it *reality*? Yes. *If you want to see any improvements within the time you are here as a student, then FACE (or something like it) is the only way to make it happen.*

VOTE YES ON FACE!

Attachment A
FACE/LEEAP Statement of Principles

The following interpretation of FACE/LEEAP referendum language may be useful when assigning categories of costs against referendum sources.

- Where the referendum provides for operating and program expenses (specifically Intramurals/Sports Clubs, Student Recruitment & Retention Center, Recreation Hall), costs that are appropriate may include:
 - o Program expenses (event expenses, publications, promotions, etc.)
 - o Program staff
 - o Facility improvement
 - o Other operating expenses (supplies, equipment etc.) related to the programs or facility

- Where the referendum provides for capital and maintenance costs (specifically Activities & Recreation Center, Schaal Aquatics Center, Equestrian Center, Multi-Use Stadium and aspects of the Student Recruitment & Retention Center), costs that are appropriate include:
 - o Building construction and facility improvement
 - o Debt service related to building construction/acquisition or facility improvement
 - o Building maintenance, utilities and custodial (OMP expenses paid to Facilities Services based on square footage)
 - o Other maintenance costs to protect the investment in the building and to provide for its safe operation and upkeep, such as student custodians, facility managers, building systems renewal expense etc.

Examples of expenses that may not be appropriate for FACE/LEEAP funding (for the projects listed above) include programmatic expenses (such as program instructors, operations managers, event managers, administrative staff, etc.) and other operating expenses not related to the upkeep and operation of the building.

- Where the referendum provides for Financial Aid funds, expenses charged to the FACE/LEEAP accounts may only be used to financially support first those students with the greatest financial need (those eligible for Pell Grants) and then other students based on need. No administrative or operating costs may be included.

- The definition of costs that are appropriate for FACE/LEEAP funding may change over time as usage and maintenance patterns develop over time. Any revisions proposed for the use of referendum funds would require review and approval by the FACE/LEEAP Oversight Committee.

**Legal Education Enhancement and Access Program (L.E.E.A.P.)
OFFICIAL BALLOT**

Do you support the institution of a phased-in student fee as elaborated below to support law school student services, recruitment, retention, outreach, law school recreation, and campus recreational facilities enhancement?

YES _____

NO _____

The fee would be collected as follows:

Services Supported by Fee	Fees per semester				
	1999-00	2000-01	2001-02	2002-03	2003-04 and beyond ¹
Law School Recreation and Intramurals Fund	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00
Recruitment, Retention and Outreach	\$ 5.00	\$ 7.50	\$ 7.50	\$ 7.50	\$ 7.50
Law School Financial Aid	\$ 4.50	\$ 9.00	\$ 12.00	\$ 15.00	\$ 20.00
Recreation Hall Enhancements	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50
Activities and Recreation Center					\$ 102.00
Aquatics Complex					\$ 16.50
Multi-Use Stadium					\$ 27.00
Equestrian Center Enhancements	\$ 1.50	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00
Total per semester	\$ 15.50	\$ 27.00	\$ 30.00	\$ 33.00	\$ 183.50

- A new fund to provide King Hall student organizations with resources to conduct student recruitment, outreach, and retention.
- A new fund to significantly augment the King Hall Loan Repayment Assistance Program, which is administered by the King Hall financial aid office and provides assistance to graduates employed in low-income public interest jobs.
- Support of the King Hall Legal Foundation's (KHLF) Summer Grants Program.
- Free Law Student Access to Recreation Hall and Intramural Sports effective Fall Semester, 1999, excluding special events. Graduate/Professional Students will also have free admission to regular season UC Davis athletics events (such as soccer, football, basketball, etc.) at that time and thereafter.
- A state-of-the-art Activities and Recreation Center (to complement Recreation Hall) designed to address the following:
 - Meeting and practice/performance spaces and a dance studio for student organization use;
 - Spaces for recreational and IM student use;
 - Instrument and equipment storage and changing space for the Cal Aggie Marching Band-Uh!;
 - Lounge, art gallery and computer access space;
 - Space for weights and aerobics, plus mat space and 4-wall courts;
 - Locker rooms, showers, storage space and office space.
- Funding for Sport Clubs and/or Intramural Sport Programs, including maintaining free access to equipment for the King Hall softball league.
- Recreation Hall improvements and equipment.
- A new Aquatics Complex containing an Olympic-size competition pool and diving facilities.
- Partial funding for a Multi-Use Stadium (the balance of funding will come from non-student-fee sources).
- Enhancements to the Equestrian Center, including health and safety improvements and a new covered arena.

THE COMPLETE SUMMARY OF PROVISIONS, INCLUDING ACCOUNTABILITY, PARTICIPATION OF THE OFFICE OF THE DEAN, AND PLANNING AND OVERSIGHT IS POSTED ON THE DAILY BOARD AND THE LAW STUDENTS ASSOCIATION BOARD.

¹ Note the inflationary adjustment provided for in the paragraph "Adjustment of Fees" located on page 2.

**Facilities And Campus Enhancements (F.A.C.E.) Initiative
Graduate and Professional Student**

★ ★ Official Ballot ★ ★

Do you support a student fee which would include all of the following:

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- ⇒ **Financial Aid Grant Funds** - This fee will provide funding available in 2003-04 (and thereafter) of at least \$1.5 million annually to support first those students with the greatest financial need (those who are eligible for support from Pell Grants). Second, any balance of the financial aid grant funds will be allocated by the Financial Aid Office based on student need.

YES _____ NO _____

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Facilities And Campus Enhancements (F.A.C.E.) Initiative Assumptions & Principles

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- **SASI-Supported Programs** - Support for basic operation and maintenance of the sports clubs/intramural sports, the equestrian center, and Recreation Hall is funded and will continue to be funded in part by the Student Activities and Services Initiative (SASI) Fee. The proposed F.A.C.E. fee will support enhancements of these programs and facilities that cannot be funded within their current operating budgets.
- **Adjustment of Fees** - More than 75% of these fees are collected to fund capital projects. Project scope and cost will be adjusted as necessary to insure that these fees will cover the debt financing for these capital projects. The balance of these fees will fund operating expenses that are expected to change over time. The portion of the fees collected for operating expenses will be tied to an appropriate consumer price index to be determined by the oversight body and may be adjusted accordingly (up or down) on an annual basis by the oversight body. The portion of fees collected for financial aid will be adjusted as necessary to maintain a minimum of \$1.5 million annual revenue. No adjustments shall be made prior to the 2004-2005 academic year.