



Financial Analysis for the UC Davis TGIF Renewal Referendum 2022

Overview:

The Green Initiative Fund (TGIF) is a campus program that offers students the opportunity to develop and launch innovative sustainability projects within the UC Davis campus community. Revenue from the TGIF fee is used to promote sustainable development by providing necessary funding to the UC Davis community. TGIF involves and educates students of all backgrounds by empowering them to develop, propose, and enact sustainable projects and initiatives on campus.

TGIF was established in 2016, with a flat fee of \$3.00 per student per academic year quarter (no fees are collected during the summer), beginning in Fall Quarter 2016. TGIF fee collection continued through Spring Quarter 2021 under the previous referendum. This initial measure did not include a cost of living adjustment or other inflation increase during the 2016-2021 period. The measure sunsetted at the end of Spring Quarter 2021, at which point fee collection ceased, but grant awards continued to be issued due to availability of carryforward funds.

A Spring 2022 referendum is proposed to renew the TGIF fee established in 2016 and allow the TGIF Committee, composed of a majority of undergraduate students, hosted by the UC Davis Office of Sustainability, and overseen by the Council on Student Affairs and Fees (COSAF), to continue awarding sustainability grants at UC Davis.

Existing Measure – Background and Current Status

The current measure collected fees for the full 2016-17 academic year while the new committee was formed of a majority of students and developed guidelines for operating a grant program. A year of carryforward surplus thus accumulated.

After the subsequent majority student TGIF Committees began to award grants, the amount of funds granted to campus sustainability projects continued to grow as the new program was successfully communicated to the campus community and the number of grant applications submitted increased.

During the 2020-21 AY continued implementation for a number of projects was halted or significantly slowed due to the global pandemic, concomitantly slowing down the use of TGIF funds. In addition, fewer grant applications were received during Fall Quarter 2020 and Winter Quarter 2021. Some tentative applicants shared that they were not ready to apply while we were still in a period of pandemic response and remote instruction, because their project ideas required in-person activities (such as volunteer efforts), or they preferred to conduct in-person events, rather than online- based events. The TGIF Committee anticipated pent-up application demand once the campus is able to return to more in-person activities and instruction and, indeed, in Spring 2021 grant application numbers returned to near normal.

In general, however, the TGIF Committee consistently received increasing numbers of project grant applications, with increasingly large funding amounts, over the two years

October 22, 2021



prior to the impact from COVID response and off-campus learning. This is attributed to growing awareness of the program on campus, increased social media marketing and outreach activities, and improved communications about the program.

Proposed Measure – Fee and Timeline

Due to the general trend of an increasing demand for funds for sustainability projects, in addition to the general cost of project activities, labor (student and staff), and operating expenses increasing, the TGIF program is requesting to place on the ballot a measure that includes a modest fee increase.

In specific, the measure calls for a ten year extension of TGIF and a \$1.50 total annual increase in the fee thereafter until the sunset of the ten year measure.

Total fee collection per student at UC Davis under the proposed referendum would increase by \$0.50/quarter to \$10.50/year in 2022-23, and increase \$1.50/year/student each year thereafter, through 2031-32, when total fee collection per student would be \$24.00/year/student.

The TGIF Program participates in Return-to-Aid, with 25 percent of collected student fees for the TGIF program being returned for student aid. TGIF at UC Davis applies only to undergraduate students at this time. No graduate or professional students are assessed the program fee. Again, fees are collected only during fall, winter and spring quarters, and are not collected during the summer.

Explanation of Fee Increase and Planned Uses

The UC Davis TGIF Program incurs several expenses annually, for the following uses:

- Return-to-Aid, at 25 percent
- Grant awards (the by-far majority use of the remaining funds after Return-to-Aid)
- Stipends for the student member of the TGIF Committee
- Student Assistant, at SAIII hiring level
- Grant Manager, 50% career staff position
- Benefits for student and career staff
- Operating expenses, such as outreach materials, room rentals or event booth fees for tabling and grant advising activities, and similar program expenses.

The fee increase would be applied to the following uses:

- Award more grants as grant applications increase, which is expected since demand currently outstrips available funds
- Award larger grants, as project costs rise and projects become more ambitious (currently, projects are capped at applying for \$20,000; many grant applications are already requesting the maximum amount of funds)
- Meet inflationary rise in costs for operating expenses
- Meet required increase in student assistant wages to meet minimum wage increase
- Cover rise in benefits costs for student and career staff
- Cover any merit increases or other salary increases for staff



Assumptions:

- Student hourly wage increasing for minimum wage to \$15.25 in 2022-23, and then increasing to \$15.50 in 2025, and \$15.75 in 2028. Assumes that a student employee works, on average, 6 hours per week.
- Student benefit rate at 1.9 percent through 2025; rising to 2.1 percent in 2026.
- Staff Manager salary starting \$37,500 and rising 3 percent annually (typical historical merit increase at UC Davis) in FY 2023-24.
- Staff Manager benefits rate of 51.2 percent through FY 2024-25; increasing to 52.30 percent in FY 2025-26.
- TGIF operating expenses escalator of 2.5 percent for FY 2022-23 and 2023-24; and then back to 3 percent annual COLA starting in FY 2024-25.
- Annual expenses estimated at \$5,000 and then escalated as above.
- Projected Enrollment Growth: 1 percent per year through 2024; 0 percent growth from 2025 on, to ensure alignment with the current UC Davis Long Range Development Plan.
- Return-to-Aid percentage fixed at 25 percent all years.

Projections are shown on the next page in the following tables:

- Table 1: UC Davis TGIF Fee Projections, Fiscal Years 2021-22 through 2031-32
- Table 2: UC Davis TGIF Fee, Breakdown Between Return-to-Aid and TGIF Funds by Quarter, Fiscal Years 2022-23 through 2031-32



UC Davis TGIF Referendum (10 Year Proposed Extension with Fee Increase as Delinieate)

Table 1: UC Davis TGIF Fee Projections, Fiscal Years 2021-22 through 2031-32

Year	Underlying Financial Assumptions											Projected Enrollment (UG only)	Total Fee Income (Fee/Student/Qtr x 3 Qtrs x Projected Enrollment)	Return-to - Aid (25%)	TGIF Wages, Benefits, and Expenses	Funds/Year Available for TGIF Grants
	Annual Student Committee Member Stipends	Student Assistant Hourly Wage	Student Hours/Year (6 hrs /week x 11wks/quarter; 13wks/summer)	Student Benefits Rate	Staff Manager salary (50%)	Staff Manager Wage Increase	Staff Manager Benefits Increase	Fee per Student per Quarter	TGIF Expenses Escalator	TGIF Expenses (escalated)	Projected Enrollment Growth (UG only)					
2022-23	\$7,425.00	\$15.25	276.00	1.90%	\$37,500.00	0.00%	51.20%	\$3.50	0.00%	\$5,000.00	1.00%	30,152	\$316,596.00	\$79,149.00	\$73,413.97	\$164,033.03
2023-24	\$7,425.00	\$15.25	276.00	1.90%	\$38,625.00	3.00%	51.20%	\$4.00	2.50%	\$5,125.00	1.00%	30,454	\$365,448.00	\$91,362.00	\$75,239.97	\$198,846.03
2024-25	\$7,425.00	\$15.50	276.00	1.90%	\$39,783.75	3.00%	51.20%	\$4.50	3.00%	\$5,278.75	0.00%	30,454	\$411,129.00	\$102,782.25	\$77,216.06	\$231,130.69
2025-26	\$7,425.00	\$15.50	276.00	2.10%	\$40,977.26	3.00%	52.30%	\$5.00	3.00%	\$5,437.11	0.00%	30,454	\$456,810.00	\$114,202.50	\$79,638.32	\$262,969.18
2026-27	\$7,425.00	\$15.50	276.00	2.10%	\$42,206.58	3.00%	52.30%	\$5.50	3.00%	\$5,600.23	0.00%	30,454	\$502,491.00	\$125,622.75	\$81,673.68	\$295,194.57
2027-28	\$7,425.00	\$15.75	276.00	2.10%	\$43,472.78	3.00%	52.30%	\$6.00	3.00%	\$5,768.23	0.00%	30,454	\$548,172.00	\$137,043.00	\$83,840.56	\$327,288.44
2028-29	\$7,425.00	\$15.75	276.00	2.10%	\$44,776.96	3.00%	52.30%	\$6.50	3.00%	\$5,941.28	0.00%	30,454	\$593,853.00	\$148,463.25	\$85,999.88	\$359,389.87
2029-30	\$7,425.00	\$15.75	276.00	2.10%	\$46,120.27	3.00%	52.30%	\$7.00	3.00%	\$6,119.52	0.00%	30,454	\$639,534.00	\$159,883.50	\$88,223.98	\$391,426.52
2030-31	\$7,425.00	\$15.75	276.00	2.10%	\$47,503.88	3.00%	52.30%	\$7.50	3.00%	\$6,303.10	0.00%	30,454	\$685,215.00	\$171,303.75	\$90,514.80	\$423,396.45
2031-32	\$7,425.00	\$15.75	276.00	2.10%	\$48,501.46	3.00%	52.30%	\$8.00	3.00%	\$6,492.20	0.00%	30,454	\$730,896.00	\$182,724.00	\$92,650.74	\$455,521.26

Table 2: UC Davis TGIF Fee, Breakdown Between Return-to-Aid and TGIF Funds by Quarter, Fiscal Years 2022-23 through 2031-32

Year	Fee per Student per Quarter	Return-to-Aid (25%)	TGIF Funds per Quarter
2022-23	\$3.50	\$0.88	\$2.63
2023-24	\$4.00	\$1.00	\$3.00
2024-25	\$4.50	\$1.13	\$3.38
2025-26	\$5.00	\$1.25	\$3.75
2026-27	\$5.50	\$1.38	\$4.13
2027-28	\$6.00	\$1.50	\$4.50
2028-29	\$6.50	\$1.25	\$4.00
2029-30	\$7.00	\$1.75	\$4.88
2030-31	\$7.50	\$1.88	\$5.25
2031-32	\$8.00	\$2.00	\$6.00