



FY2022-23 CFAC Review Commencement Fee Increase Proposal

Effective Fall FY2023-24

Agenda

1. Background of Commencement Fees
2. Cat II Overview
3. Commencement Fee Financial Trend
4. Commencement Proposed Fee Increase with Projection (2 years)
5. Commencement Fee Programming
6. Next Steps



Commencement Fee Background

- Supports graduate and ID cards
- Fee components (per semester rates)

Consolidated Fee (Doc Fee) *	<u>Per Sem</u>
Campus ID Fee (Portpass)	\$ 1.25
Campus Doc Fee	\$ 2.75
Graduation Fee	<u>\$11.00</u>
	\$15.00

- Includes 5 to 8 transcript over their lifetime for free



Commencement Fees are a CAT II FEE

- Campus-based **mandatory fees** required for enrollment
- Chancellor approves establishment
- Presidents approve changes
- **Fee Referendum** for all changes expected
- Or **Alternative Consultation**

CATEGORY II FEES - <i>Campus mandatory fees that must be paid to enroll in or attend the university.</i>	USE OF FEE	OBJECT CODE	CSU FUND
HEALTH FACILITIES FEE	Charged to support a health center facility	504007	452
HEALTH SERVICES FEE	Charged to all students, to make a basic concert of campus based health services available	501005	485
ASSOCIATED STUDENT BODY FEE - Can be used by CSU Monterey Bay and Maritime Academy Only.	Ed Code 89300 - collected for and controlled by the ASI	501101	461
UNIVERSITY UNION FEE	Fee paid to help support the university union.	504008	534
MATERIALS SERVICES AND FACILITIES FEE (when mandatory)	Mandatory fee that covers various services, facilities or materials made available to all students as a part of the overall university experience	501111	485
INSTRUCTIONALLY RELATED ACTIVITIES FEE	Ed Code 89230; 89721 - for Instructionally related activities as authorized by the trustees	501102	463
ORIENTATION FEE (if mandatory)	Charged when a student first enrolls, and is mandatory for registration.	501111	485
ANY OTHER MANDATORY FEE (athletics, recreation, transit etc.)	Any other mandatory fee required to enroll or attend the university.	501111	485

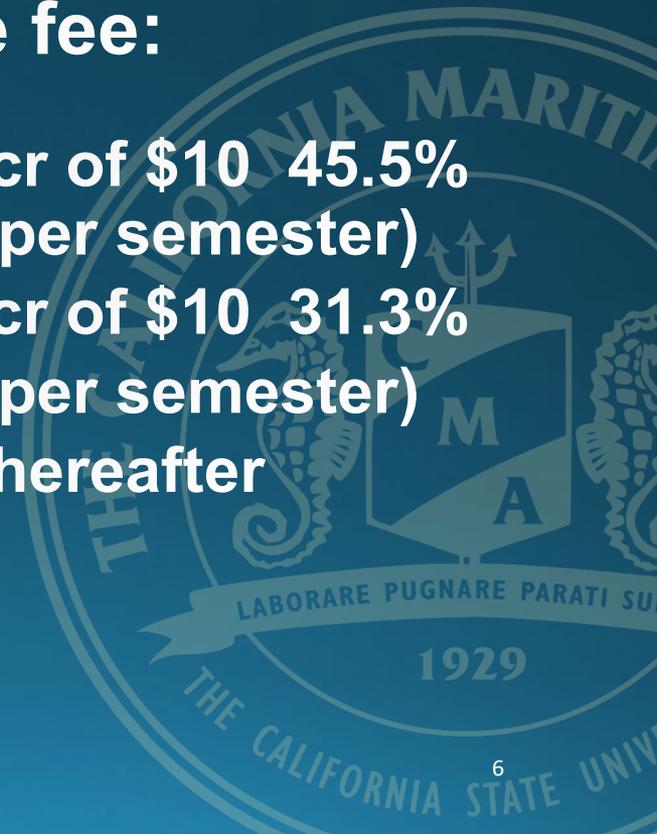
Commencement Financial Trend

Department 34700 - Commencement

Account Description	2015	2016	2017	2018	2019	2020	2021
Revenue							
Document Fees Collected	41,407	42,253	40,463	42,683	39,790	31,302	31,299
580090 - Other Operating Revenue		1,000	1,599	1,744	1,934	1,032	1,639
Total Revenue	\$41,407	\$43,253	\$42,062	\$44,427	\$41,724	\$32,334	\$32,938
Expense							
605090 - Other Utilities						420	
606001 - Travel In State		7,907	576	9,650	-		
606002 - Travel Out of State							829
613001 - Contracted Services	14,205	7,435	5,536	-	11,000	10,606	2,776
616001 - I/T Communications	15,582	-	600				
616003 - IT Software	395	964	395				
617001 - Services from other Funds/Agcy					12,811	10	2
617903 - ENTP Services fr Other Fnds				7,017		1,314	
660001 - Postage	104	991					65
660002 - Printing	14,890	6,550	5,804	9,967	2,849	3,808	121
660003 - Supplies and Services	23,378	57,126	63,357	63,361	9,719	60,707	79,936
660010 - Insurance Expense				1,379			675
660017 - Advertising and Promotional Ex					158		
660061 - R&M - Building Maintenance							252
660064 - R&M - Landscape & Grounds							4,209
660090 - Other Expenses			-				
660592 - Awards Student				9,000			12,000
660903 - Hospitality Expense	7,650	7,751	9,019	190	2,770	481	13,307
Total Expense	\$76,203	\$88,723	\$85,286	\$100,564	\$39,307	\$77,345	\$114,173
Net Balance	(\$34,796)	(\$45,470)	(\$43,224)	(\$56,138)	\$2,417	(\$45,012)	(\$81,235)

Commencement Fee Fee Increase Proposal

- Commencement Fees have not increased from \$22 annually in 19 years
- Proposed annual change to the fee:
 - FY23-24 Commencement fee incr of \$10 45.5%
(otherwise stated \$5 per semester)
 - FY24-25 Commencement fee incr of \$10 31.3%
(otherwise stated \$5 per semester)
 - And annual HEPI adjustments thereafter



HEPI Historical Data

PERSPECTIVES | INDEX

Higher Education Price Index (HEPI) Forecast August 2022

SEPTEMBER 1, 2022 | SHARE: [f](#) [t](#) [in](#)

Commonfund Institute today announced that the latest forecast for the Commonfund Higher Education Price Index (HEPI) indicates inflation for U.S. colleges and universities is forecasted **to rise to 5.2 percent in fiscal year 2022, based on data available year-to-date through August 19, 2022.** The HEPI estimate is calculated with available year-to-date data points coupled with a forecast of remaining numbers based on historical data.

[Download estimated data now.](#)

HEPI is an inflation index designed specifically for use by institutions of higher education. Compiled from data reported by government agencies and industry sources, HEPI measures the average relative level in the price of a fixed market basket of goods and services purchased by colleges and universities each year through current fund educational and general expenditures, excluding research. A more accurate indicator of cost changes for colleges and universities than the CPI, HEPI is used primarily to project future budget increases required to preserve purchasing power.

With compilations dating back to 1961, HEPI offers nearly 60 continuous years of higher education inflation data. It is an essential tool enabling schools to determine increases in funding necessary to maintain both real purchasing power and investment. In 2005, Commonfund Institute assumed responsibility for the index and the proprietary model used to calculate HEPI's values from Research Associates of Washington, D.C.

Fiscal year (July 1 - June 30)	College and university operations	
	HEPI Index Value 1983 = 100	Yearly % Change
1996	173.0	2.90%
1997	178.4	3.20%
1998	184.7	3.50%
1999	189.1	2.40%
2000	196.9	4.10%
2001	208.7	6.00%
2002	212.7	1.90%
2003	223.5	5.10%
2004	231.7	3.70%
2005	240.8	3.90%
2006	253.1	5.10%
2007	260.3	2.80%
2008	273.2	5.00%
2009	279.3	2.30%
2010	281.8	0.90%
2011	288.4	2.30%
2012	293.2	1.70%
2013	297.8	1.60%
2014	306.7	3.00%
2015	312.9	2.00%
2016	317.7	1.50%
2017	327.4	3.00%
2018	336.1	2.60%
2019	346.0	3.00%
2020	352.7	1.90%
2021	362.3	2.70%
2022	381.1	5.20%

Compound Annual Growth Rate (1996 - 2022): **3.08%**

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THE CALIFORNIA STATE UNIVERSITY

Commencement Fee Increase Proposal Financial Projection

	Fiscal Year	Actuals	Actuals	Budget	Projection		Notes
		2020	2021	2022	FY23-24	FY24-25	
Consolidated Fee (Doc Fee) *	Per Sem			FY22-23	FY23-24	FY24-25	
Campus ID Fee (Portpass)	\$ 1.25			\$ 2.50	\$ 2.50	\$ 2.50	
Campus Doc Fee	\$ 2.75			\$ 5.50	\$ 5.50	\$ 5.50	
Commencement/Graduation	\$ 11.00			\$ 22.00	\$ 32.00	\$ 42.00	
	\$ 15.00			\$ 30.00	\$ 40.00	\$ 50.00	
Fee Increase		\$ -	\$ -	\$ -	\$ 10	\$ 10	
% Fee Increase		-	-	-	45.5%	31.3%	
Commencement Fee Headcount		\$ 22	\$ 22	\$ 22	\$ 40	\$ 50	
					850	850	
Revenue							
Document Fee Collections		31,302	31,299	30,000	34,000	42,500	
Revenue Total		31,302	31,299	30,000	34,000	42,500	
Expense							
605090 - Other Utilities		420					
606001 - Travel In State							
606002 - Travel Out of State			829				
613001 - Contracted Services		10,606	2,776	60,000			
616001 - I/T Communications							
616003 - IT Software							
617001 - Services from other Funds/Agcy		10	2				
617903 - ENTP Services fr Other Fnds		1,314					
660001 - Postage			65				
660002 - Printing		3,808	121	10,000			
660003 - Supplies and Services		60,707	79,936	9,719			
660010 - Insurance Expense			675				
660017 - Advertising and Promotional Ex							
660061 - R&M - Building Maintenance			252				
660064 - R&M - Landscape & Grounds			4,209				
660090 - Other Expenses							
660592 - Awards Student			12,000				
660903 - Hospitality Expense		481	13,307	2,770			
660090 - Other Expense							
Expense Total		77,345	114,173	82,489	83,000	83,000	\$83K avg annual expenditure over past 7 years Allocation to Program Expense lines TBD
Grand Total		(46,043)	(82,874)	(52,489)	(49,000)	(40,500)	



Commencement Fee Benefits

- Fee increases will benefit commencement programming as follows:
 - Move of location to Bodnar Field and new costs involve labor for dunnage placement
 - Addition of improved AV technology and video streaming costs



Next Steps

- Presentations and Referendum
 - ACSMA, Faculty Senate, Town Hall
 - Preparation of the Referendum Pamphlet
 - Official Cadet Ballot Voting



The End

