

**GEORGIA INSTITUTE OF TECHNOLOGY
MANDATORY FEES REQUESTED FOR FISCAL YEAR 2014**

Mandatory Fee: Health Services

Current Fee Level FY13: \$154 Fall/Spring - Summer \$103

Proposed Fee Level FY14: \$160 Fall Spring - Summer \$107

FY 2012 Revenue: \$7,535,028

Fee Review Organization: Student Health Advisory Committee

Current Uses of Revenue:

Health Services is an outpatient ambulatory center that provides healthcare and health education to students and their spouses/domestic partners. Our state-of-the-art, 40,000-square-foot facility within the Joseph Brown Whitehead Building, provides primary care, women's health, psychiatry, travel, immunization and allergy care. There is on-site pharmacy, laboratory and radiology as well as nutrition services. Our medical staff consists of board certified physicians, certified nurse practitioners and physician assistants. Our professional staff also includes registered nurses, medical assistants, pharmacists, health educators, and laboratory and radiology technologists. Appointments are required for most services.

General Services Covered by the Health Fee

- Unlimited visits to a clinician in Primary Care and Women's Health. Limited visits to Psychiatry.
- Other services include
 - X-ray/interpretation by radiologist
 - Consultations with a pharmacist
 - EKG
 - Travel Clinic consultations
 - Urgent care & first aid
 - Flu shots
 - Some lab tests
 - Pregnancy testing
 - Health Promotion services
 - Blood pressure screening

The health fee allows the following services to be offered at a low cost:

- Psychiatry Clinic
- Laboratory testing
- Allergy Clinic
- Prescriptions
- HIV testing
- Gynecological testing
- Medical/orthopedic supplies

- Nutrition consultations
- Travel medications

Students may receive services based on enrollment at Georgia Tech and payment of the health fee or on a fee-for-service basis. Students taking 4 hours or more are automatically assessed this fee and are eligible upon registration. Students taking less than 4 hours, taking a semester off from class or participating in a cooperative program may receive services by paying the health fee or on a fee-for-service basis. Students' spouses and domestic partners are also eligible with payment of the health fee or on a fee-for-service basis.

Explanation of FY2014 Fee Request

Health Services has an excellent track record of financial stewardship and providing high quality care to students at affordable rates. Last year the MSFAC approved increased funding of \$6, but the increase was not approved by the Board of Regents (BOR). The BOR also stated that Health Services should use money from reserves to cover increasing costs. The FY2014 budget will use \$274,048 from reserves. Health Services is proposing a \$6 fee increase for FY2014. This fee increase is needed for the following:

1. Staffing and operating expenses related to opening a new medical clinic and increased hours in psychiatry. This will allow for increased availability of appointments to meet the growing needs of the student population.
2. Increases in operating costs incurred from our suppliers for services, supplies and technical support.

Consequences if Request for Fee Increase is Not Approved

If MSFAC does not approve an increase in funding it will be necessary for Health Services to cost share with patients for the above services and limit or eliminate ongoing and planned initiatives.

**GEORGIA INSTITUTE OF TECHNOLOGY
MANDATORY FEES REQUESTED FOR FISCAL YEAR 2014**

Mandatory Fee:	Athletic Association
Current Fee Level FY13:	\$127 Fall/Spring - Summer \$40
Proposed Fee Level FY14:	\$133 Fall/Spring - Summer \$40 (Request Not Approved)
FY2012 Revenue:	\$4,937,616
Fee Review Organization:	Georgia Tech Athletic Association

Current Uses of Revenue:

The Georgia Tech Athletic Association currently receives (for FY 2013) an athletic fee from the students that funds approximately 8.44% of the total athletic operating budget of \$58,233,000. Athletic fee funding is essential to assuring that the Athletic Association produces student athletes who succeed on and off the field of competition.

The Athletic Association currently provides free general admission to all athletic events for GT students and works closely with student government to insure access by all students to as many of these events as possible. There was no athletic fee increase in FY 2013. In FY 2012, the athletic fee increased \$4 per semester. There was no increase in the athletic fee in FY 2011.

Explanation of Fiscal 2014 Fee Request:

Each fiscal year the GTAA must overcome financial challenges inherent to a program competing at the highest level of intercollegiate athletics. These challenges include the existence of several expense categories projected to grow as a result of factors outside the control of the Athletic Association. Scholarship costs rise as a result of state mandated tuition increases which are projected to grow significantly in the next several years. As a result of age and usage, Bobby Dodd Stadium incurs maintenance and upkeep expenses that range from \$300,000 to \$1 million annually. Deferring or reducing these expenses risks compromising the safety of customers attending athletic events. Finally, debt service is a fixed cost in the athletic budget that will increase annually for the next thirty years.

Competitive challenges limit the Athletic Association's ability to continue minimizing growth in areas such as personnel expenses. In order to compete successfully Georgia Tech must provide salaries consistent with those paid by peer institutions. As a result, contracted salary growth is projected to produce increasing annual salary and benefit expenses.

While many of the expenses that GTAA incurs are fixed, long term and growing, the resources that GTAA utilizes to fund these costs are variable and in some cases decreasing. Ticket revenue, following a national trend, has decreased in recent years. In even number years, when

Georgia, Virginia Tech and Clemson are not on the home football schedule, ticket and premium seating revenues decrease as much as 20% versus prior year. In addition, the economic downturn has increased the volatility in revenues associated with fund raising.

Stable, growing funding sources are needed to counter the presence of volatile funding sources existing in the GTAA budget. For many of Georgia Tech's peer institutions, athletic fee revenues provide this needed stable funding. A study completed in October 2011 by the Georgia Tech Decision Support Group indicates that Georgia Tech's athletic fee is \$31 (12%) below the market average paid by students of other ACC schools. Because Georgia Tech's enrollment is smaller than that of many ACC schools, Georgia Tech's student athletic fee revenue as a percentage of all athletic revenues is among the lowest in the conference. While Virginia's athletic fee revenue exceeded \$13 million in 2011-12 and Maryland's topped \$11 million, Georgia Tech's revenue of \$4,747,005 was higher than only the amounts received by Miami and Clemson (among the conference's nine public fee receiving institutions).

The fee increase requested for 2013-14 will help Georgia Tech move closer to the conference average and provide stable funding to support a budget projected to exceed \$63 million. Not approving this requested increase will create a \$221,000 funding shortfall during a year when the GTAA will already be facing ticket and premium seating revenue challenges resulting from the reasons outlined above. For the GTAA to confront its financial challenges and compete successfully against conference peers, athletic fee funding must increase by a measurable amount annually.

Consequences If Request Not Approved:

In the short term, not approving the fee increase requested here will create the potential for the GTAA to reduce the amount of programs and services offered. For the long term, not approving the \$6 per semester increase proposed here would increase the need for more dramatic athletic fee increases to be implemented in future years. If the requested increase is not approved for FY 14, this would mark the third time in the previous four years that the GTAA received no increase in the athletic student fee. This would cause a funding shortfall that the GTAA would have to take action to correct. The most likely course of action would be to increase the football reserve seat price. Increasing the price from \$7 to \$10 per game could generate \$126,000 in additional revenue for the GTAA (if the entire inventory was sold out). Another measure that would have to be considered is reducing the number of courtside seats available to students at Men's Basketball games. The value of those seats is approximately \$200,000 per year (\$1,000 x 200 seats). **The GTAA strongly prefers not making either of these changes and would only consider it if the recent pattern of zero increases in student fees continues.**

Note: This fee request was not approved by the MSFAC. Therefore the Athletic fee will remain at the current level.

**GEORGIA INSTITUTE OF TECHNOLOGY
MANDATORY FEES REQUESTED FOR FISCAL YEAR 2014**

Mandatory Fee:	Transportation
Current Fee Level FY13:	\$81 Fall/Spring – Summer \$51
Fee Level FY14:	\$81 Fall/Spring-Summer \$54 Summer (2/3's of \$81)
FY 2012 Revenue:	\$4,060,942
Fee Review Organization:	Parking and Transportation Advisory Committee

Current Uses of Revenue:

Fee revenue and other income from transportation operations are used for the day-to-day operation of the Tech Trolley, the Stinger Bus, and Stingerette services. The Stinger and Trolley offer multiple routes with 13 buses and 8 trolleys to transport people to various locations on campus, Technology Square, NARA/TEP, MARTA and Georgia Tech facilities along 14th Street.

Stinger service provides 10 continuously running buses (with 3 spares) operating Monday through Friday from 7:00 a.m. until 10:07 p.m. Shuttle service to Publix-Atlantic Station is provided from 10:10 a.m. to 5:45 p.m., Saturdays and Sundays. The Stingerette Van Escort Service provides after-hours call-in campus transportation for students, operating daily from 6:00 p.m. until 7:00 a.m. Disability transport service is available Monday through Friday from 7:30 a.m. to 6:00 p.m.

The Tech Trolley provides 6 continuously running trolleys (with 2 spares) operating Monday through Friday from 5:45 a.m. until 10:14 p.m.; from 10:00 a.m. to 6:38 p.m. on Saturdays; and from 3:00 p.m. to 9:50 p.m. on Sundays, providing service between the new Trolley HUB (adjacent to the Student Center) and the Midtown MARTA Station. The Tech Trolley also provides daily service to the Midtown Publix. The Midnight Rambler provides nighttime transit service seven days a week from 8:54 p.m. to 3:21 a.m., connecting west to east campus. The Rambler provides two trolleys on the route and includes convenient stops at the new Clough Undergraduate Learning Center and the North Avenue Dining Hall. The Midnight Rambler is in service during fall and spring semesters only.

Fees are also used for capital expenses such as vehicle replacement, communication equipment, and transit shelters.

Transportation receives two major sources of revenue which include Student Fees and Institute Allocation dollars. This revenue represents approximately 93% of the department's total revenue.

Trolley and Stinger services are currently provided through a contract with a private vendor - Groome Transportation, and Stingerette services are staffed by Parking and Transportation employees.

The current annual service hours are approximately 21,400 for the Trolley and Midnight Rambler, 26,300 for the Stinger service and 18,300 hours for the Stingerette.

Explanation of Fiscal 2014 Fee Request:

Transportation Services is not requesting a fee increase for FY2014.

GEORGIA INSTITUTE OF TECHNOLOGY
MANDATORY FEES REQUESTED FOR FISCAL YEAR 2014

Mandatory Fee:	Technology Fee
Current Fee Level FY13:	\$107 per semester
Proposed Fee Level FY14	\$107 per semester
FY2012 Revenue:	\$4,599,719
Fee Review Organization:	Technology Fee Committee

Current Uses of Revenue:

The Technology Fee was implemented at Georgia Tech in fiscal year 1997. Tech was one of only four institutions in the university system to be granted approval for the fee at that time. The fee was initiated to help meet the ever-increasing demand and need for technological funding, as it became evident that traditional sources of funding could not keep pace with the need for technology expenditures. All units of the University System now have a technology fee in place.

The Technology Fee is used:

"to fund refurbishment of existing technology-based education equipment and innovative projects for the use of technology in education in the 21st century. Funds for refurbishment of technology should be made available on a broad, equitable basis to ensure modern technology for all students. Simultaneously, funds to develop new applications of new technologies enhancing education in the future should be funded through a competitive proposal process." (Technology Fee Policy)

Recommendation: The Technology Fee Committee while recognizing the steadily increasing technology needs for all programs, especially for basic classroom technology, a request will not be made for an increase in this fee for FY2014 in consideration of other fee increases requested.

**GEORGIA INSTITUTE OF TECHNOLOGY
MANDATORY FEES REQUESTED FOR FISCAL YEAR 2014**

Mandatory Fee:	Student Activity Fee
Current Fee Level FY13:	\$123 Fall/Spring – Summer \$62
Proposed Fee Level FY14:	\$123 Fall/Spring – Summer \$62
FY 2012 Revenue:	\$4,911,491
Fee Review Organization:	Student Government Association

Current Uses of Revenue:

The Student Activity Fee (SAF) is used to support various organizations benefiting students, such as the Campus Recreation Center (CRC), the Student Center, Student Publications, Intramurals and student-run organizations. The student activity fee is administered through the Student Government Association (SGA).

Over the past six years the number of students enrolled at Georgia Tech has increased steadily starting at 16,000 students in the fall of 2005 to the current enrollment of over 20,000 students. This increase in enrollment correlates directly to an increase in the use of the primary facilities that the SAF supports, particularly the CRC and the Student Center.

There has also been an increase in the number of student organizations on campus. For the past several years SGA has received well over \$5 million in funding requests annually. The SAF, which is the only source of funding for such requests, reached its highest level of funding in Spring 2009, generating \$4,369,838 in allocations.

Recommendation: No fee increase is recommended for FY2014.

**GEORGIA INSTITUTE OF TECHNOLOGY
MANDATORY FEES REQUESTED FOR FISCAL YEAR 2014**

Mandatory Fee:	CRC Facility Fee
Current Fee Level FY13:	\$54 Fall/Spring - Summer \$36
Proposed Fee Level FY14:	\$54 Fall/Spring- Summer \$36
FY2012 Revenue:	\$2,260,021
Fee Review Organization:	Student Government Association

Current Uses of Revenue:

The Recreation Facility fee is used to help cover the debt service for the Campus Recreation Center.

Recommendation: No fee increase is recommended for FY2014.

GT Budget Office

01/29/2013