

Student Activity Fee

**Mandatory Student Fee Presentation
Fiscal Year 2023 Request**

Long Story Short

1. 10,000-foot view of SAF

2. Where the fee goes

3. RSO Policy

4. FY23 Request
 - Benefits & Impacts
 - Expansion
 - Historic View

5. Increase, Unmoving or Decrease



John Graves

johngraves@gatech.edu

\$40 Per Semester

\$1.7 - \$1.9 million generated each fiscal year



Registered Student Organizations

Annual Budget Process: \$1.8 Million

Supplemental Bill Process: \$1.5-\$1.8 Million

SCPC, ORGT, Student Publications, Club Sports, Competitive Engineering, and many more



Professional Development

Annual Allocation: \$120,000

Two Funds: Graduate Conference Fund & Career Development Fund

Graduates and Undergraduates



Mental Health Initiatives

Current Allocation: \$309,000

Separate Allocation Process and Criteria

WellTrack App, Intercollegiate Mental Health Conference, Prevention Programs, and more

First “Normal” Year of New Policy

As of FY21 the Student Activity Fee is being allocated under the Registered Student Organization Policy at the Institute level and no longer at the SGA level



Shift in Procedures,
Expanded Access



Massive Reduction
in Liability



More accountability
across the board



Stronger basis and
enforcement

Fundamental Impacts



- **Direct Community Building**

- **Professional Development**

- **Outside of Classroom Learning**



- **Traditions**

- **Mental Health**

- **Alumni Support**

Short Run Effects

These benefits are seen instantaneously when the Student Activity Fee is allocated through the various modes of dispersion. Additional examples and sources can be attached in supporting documentation

Community Building

- Provides outlets, inclusive spaces, social opportunities, & gets students active
- Creates the college experience
- Helps Tech to be Tech

Professional Development

- Funds to conferences & professional competitions
- Resume building with proven impacts
- Training ground for professional life & ability to build/prove skills

Applications of Education

- Hands-on enactment of lessons draw students to campus
- Improved classroom performance
- Competitive Engineering teams, Student Publications, etc.

Expansion Beyond Classroom

- Greatly broadens students' horizons
- Permits the pursuit of hobbies & possible interests
- Soft skills generation with management & collaboration

Long Run Effects

These long-term benefits can be tracked back to the activities and opportunities supported by the Student Activity Fee. Additional examples and sources can be attached in supporting documentation

Support & Growth of Traditions

- Funds traditions: Midnight Breakfast, Mini 500, Homecoming, and more
- Student publications track Georgia Tech history
- Encourages RSOs to start new ones

Improvements to Mental Health

- Funding directly provides sense of belonging to students
- Initiatives are supported to further betterment of Mental Health
- Supports outlets for stress

Increase Alumni Support

- Provides points of engagement & involvement
- Studies find increased support from students who were involved
- Additional communication with alumni

Sizable Developments

- Growing Number of Organizations

- Large Increase in Number of Requests

- Inflation and Increasing Costs of Operation

Growing Number of Student Organizations

In the past three years there have been almost 150 new student organizations appearing on-campus, increasing the vibrancy and diversity. The new RSO Policy has helped spur this growth

522
Student Organizations
(as of start of this FY)

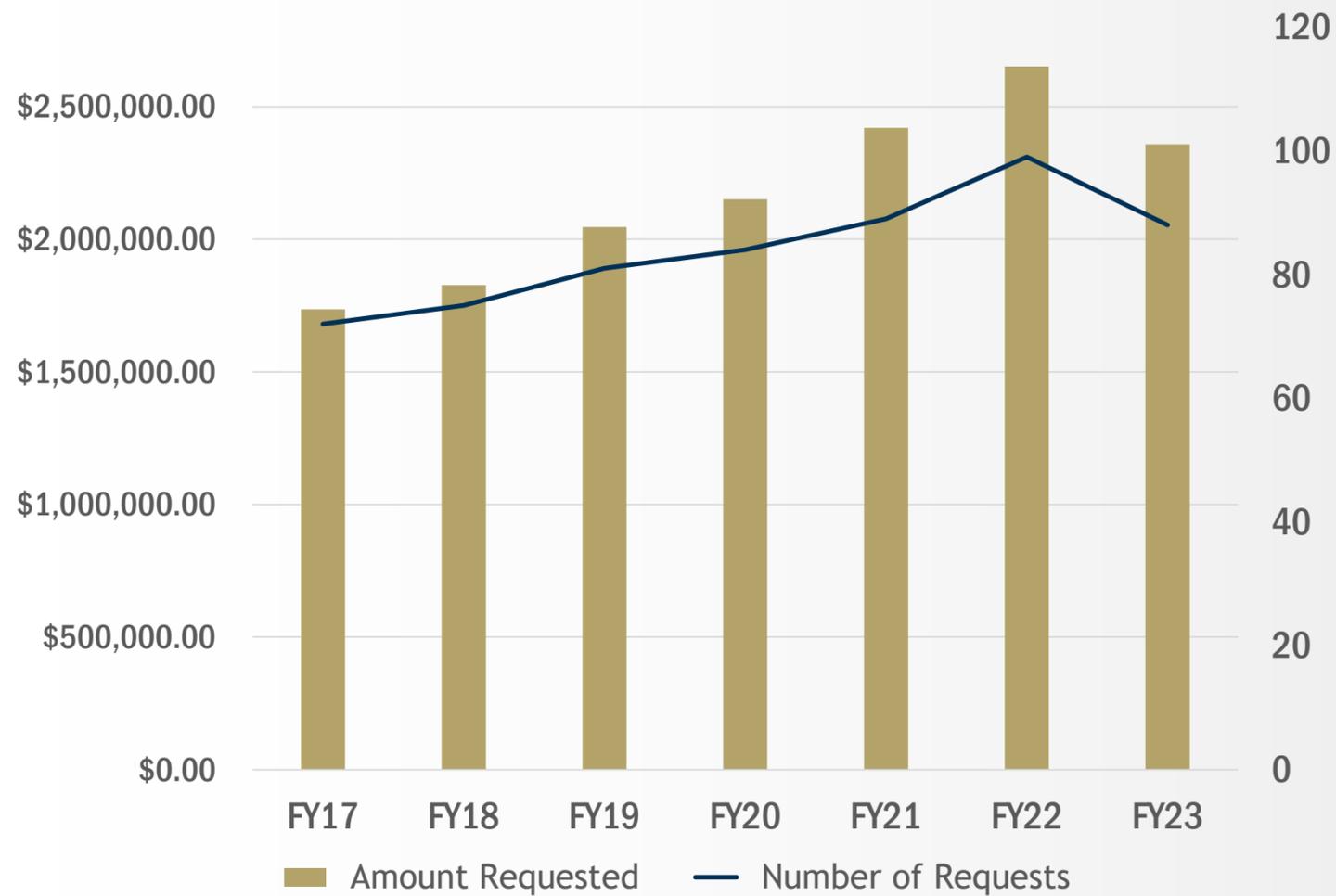
45
Organizations Registered
to Charter

28
Actively Chartering
Organizations

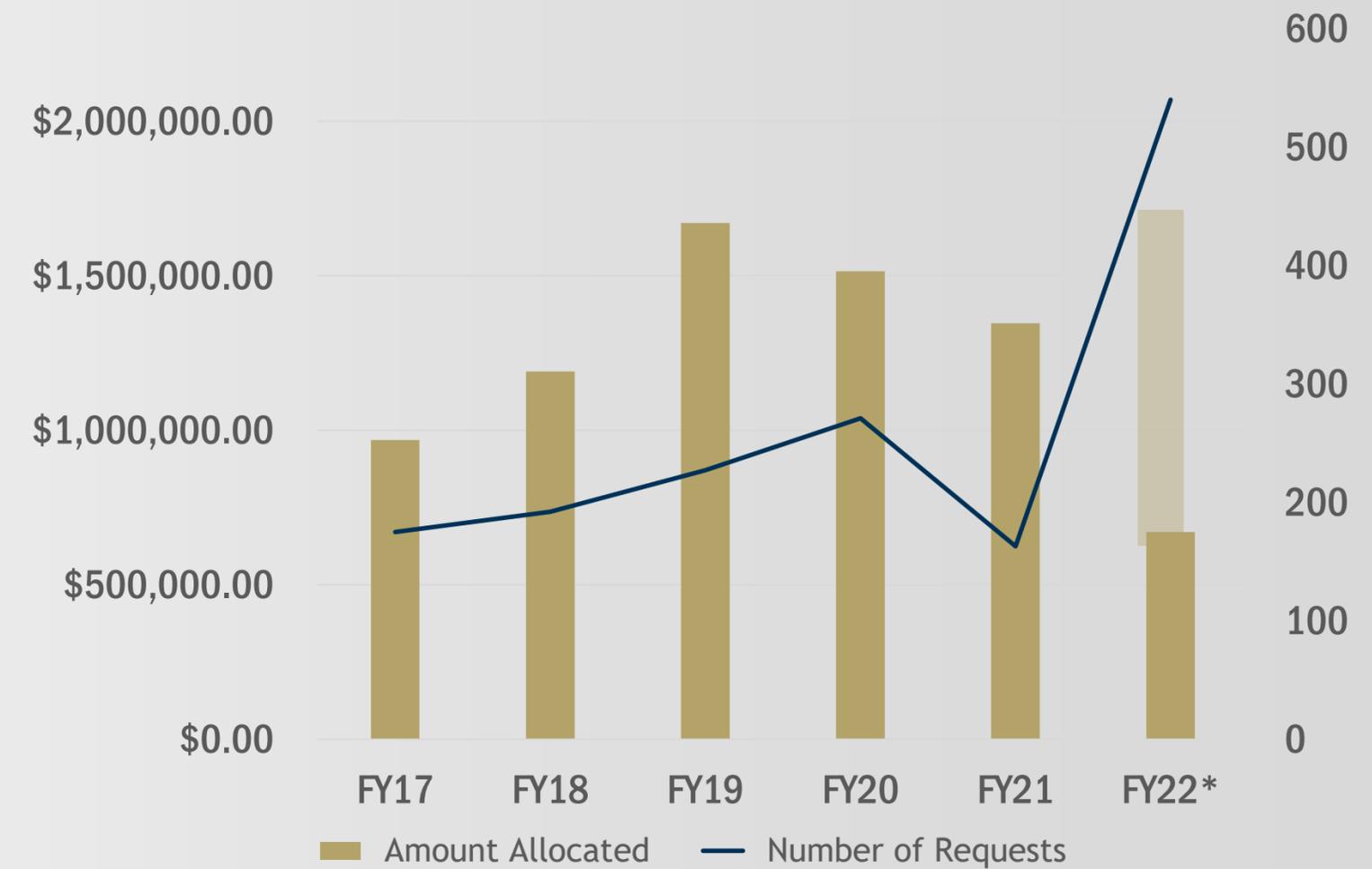
Increasing Requests

In the past 5-6 fiscal years, the Student Activity Fee has seen growth not only in the amount being requested but the number of organizations requesting funds

Annual Budget Request Overtime



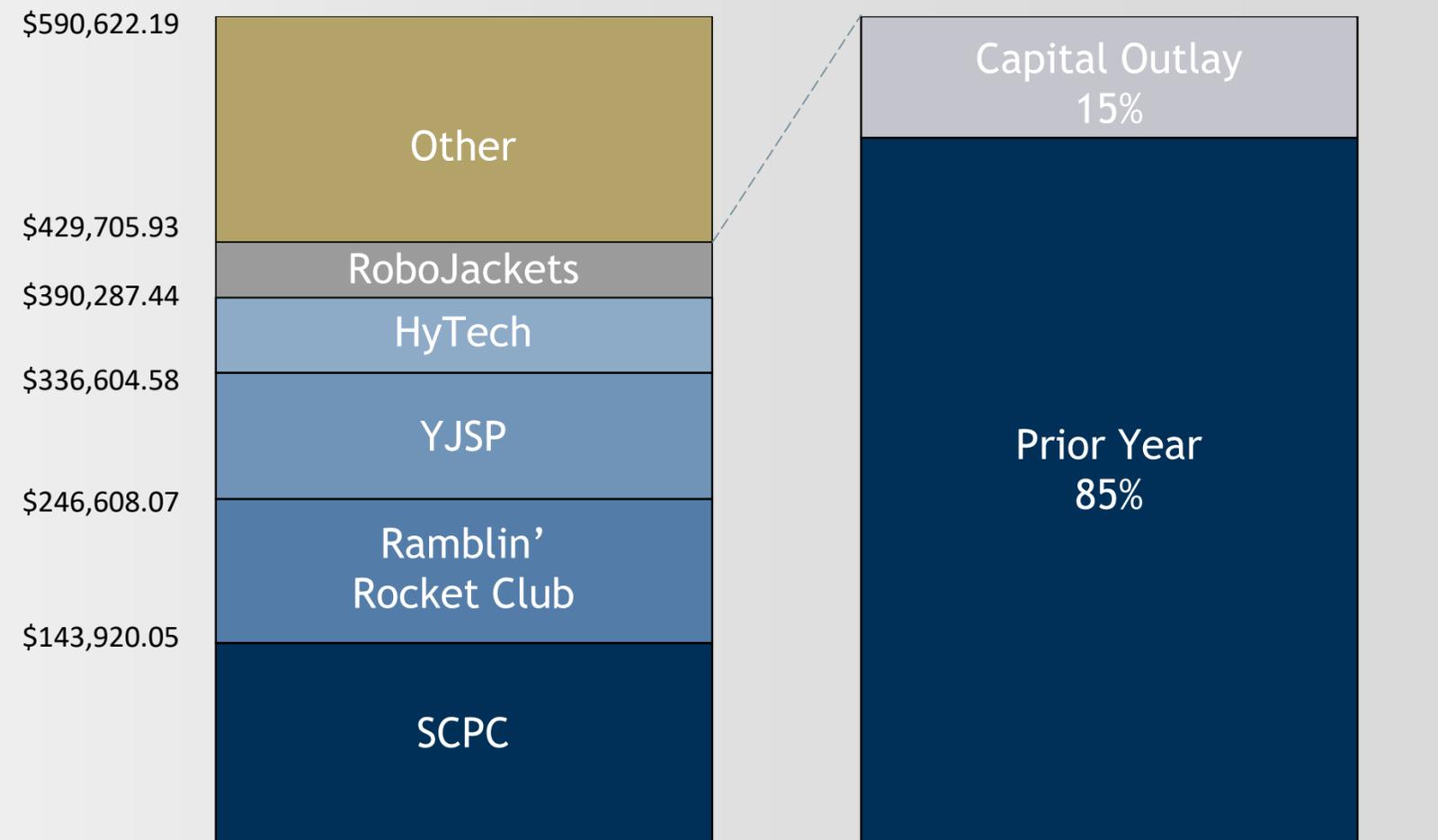
Annual Supplemental Requests Overtime



* Projection based on current rate of allocations

Increasing size of supplemental requests

Five RSOs have accounted for almost 75% of allocations in FY22. 85% of these allocations were not capital expenditures, meaning they are likely not one-time allocations



Under pressure to Stay Competitive

While the diversity of on-campus organizations and opportunities is increasing, two sectors centered on competition are growing at a rapid pace. These sectors put GT on the map and act as major drawing factors for new students

Club Sports

41.99%
5-year Funding Annual Growth*

*Excluding FY21

- Registration costs trending upwards – 2% to 5% growth per event per year
- Equipment and venue rental increasing in cost due to inflation and current economic environment

Competitive Engineering

58.92%
5-year Funding Annual Growth

- Equipment, raw materials, and components are more expensive due to global supply chain issues
- Teams are growing in membership and level of competitions
- Major selling point for GT

Unmoving Fee

- Long-term Stagnation

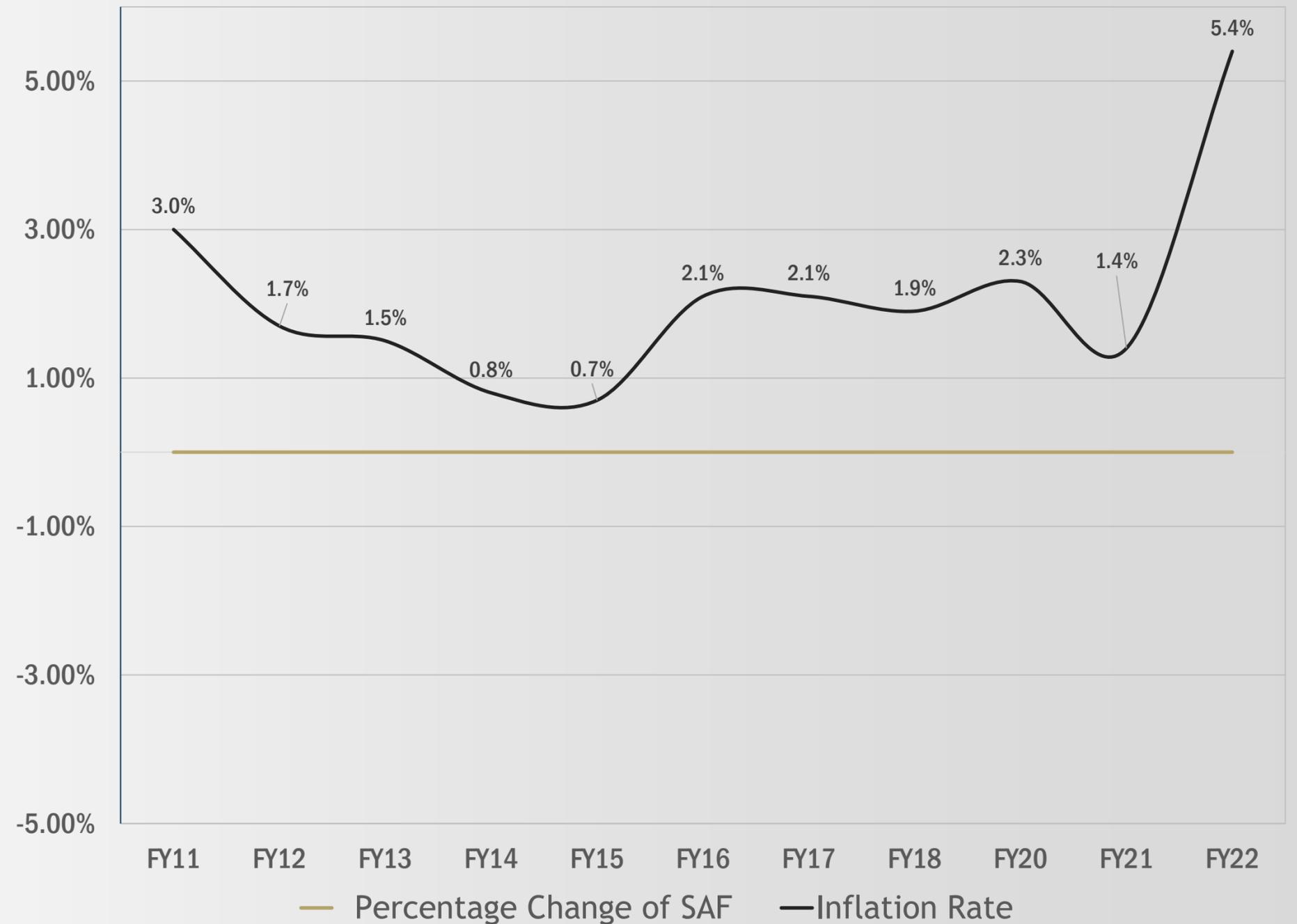
- Expenditure Growth

- Impact on Reserves

- Singular Point of Revenue

Complete Stagnation Through Inflation

The Student Activity Fee has not changed for eleven fiscal years. It should be noted that in FY18 the fee split into three to result in the Student Activity Fee we have today as well as the Student Center and Campus Recreation Fee



Detrimental Impact on Reserves

Due to the increase in costs and expansion of Georgia Tech's student community, Net Asset Reserves have been used to support the fee

-19.8%

Average Annual Reserve Shrinkage in the Past Three Fiscal Years

- **FY22 projected to spend all available funds**
- **Confidently expecting expense trends to accelerate into FY23**
- **Evidence that new RSO Policy exposes SAF to unprecedented level of expenditures**

Only Revenue Stream

The Student Activity Fee plays a shared role in the campus funding ecosystem but is the only point of revenue for several key areas

Heavily funds and supports the Student Organization Finance Office

- Incredible amount of work needed to maintain student organization funding and payment beyond SAF
- Operational model under increased stress

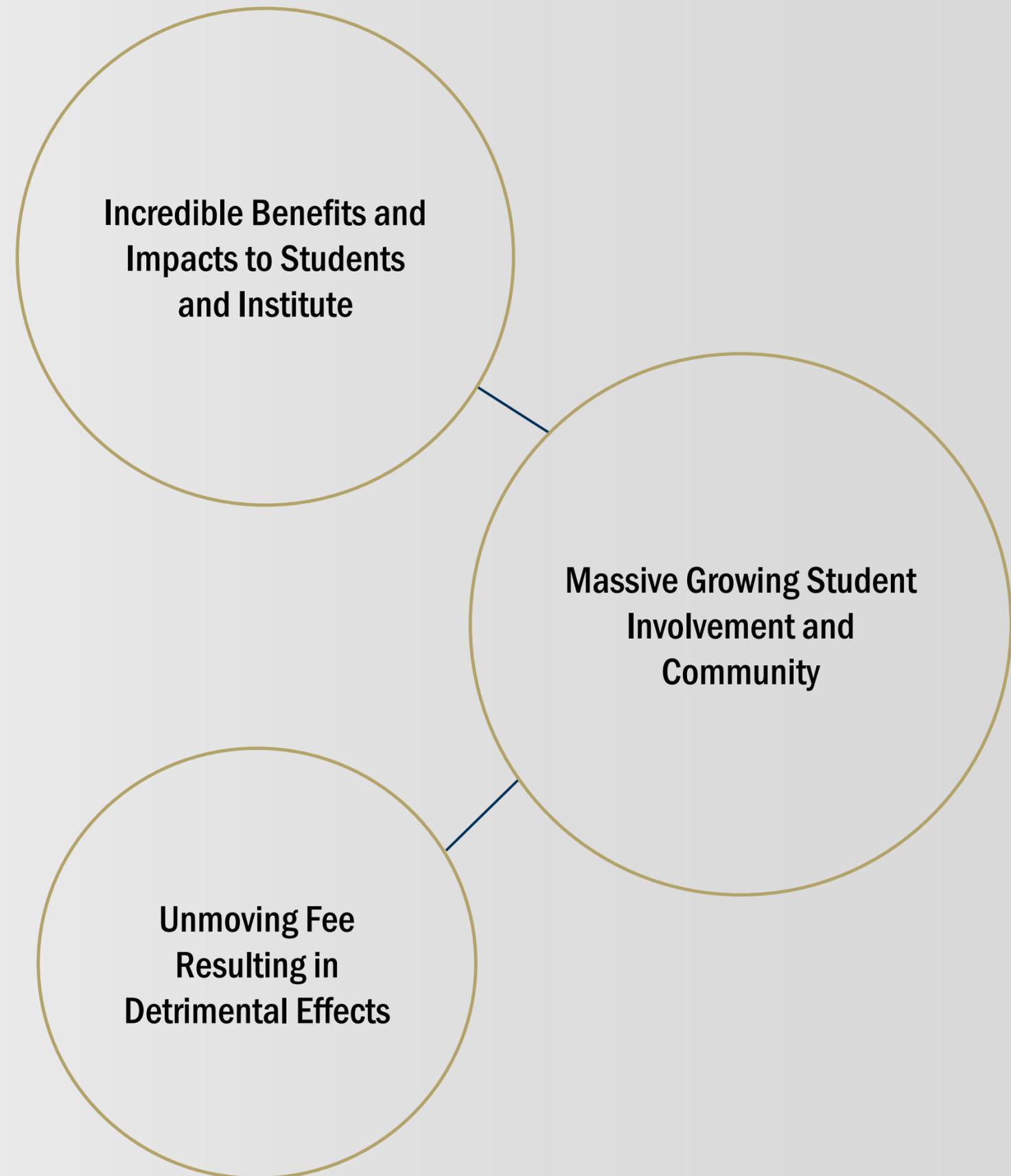
~~Further supports the Center of Student Engagement~~

- Directly supports student organizations and resource to groups trying to charter

~~Restricted on revenue creation directions/possibilities by USG policy~~

Main point of funding for many RSOs and students on-campus

Summation



Fiscal Year 2023 Fee Request

\$10 Increase per Semester*

\$50 Total per Semester

* Reallocation from other fees

Alternate Scenarios

Differences in scenarios where the FY23 Student Activity Fee is increased to the requested level versus increased to half of the requested level

\$10 increase

- No shut down of the supplemental funding process
- RSO Budgets would only be cut to meet the funding policy
- Increase to professional development funds
- Competitive compensation for staff
- No need to pull from capital reserves
- Creation of paid positions in Joint Finance Committee

\$5 increase

- Shut down of supplemental funding process during FY24
- RSO Budgets would see a 15%-20% reduction
- Stagnation of professional development funds level
- Slight increase in restrictions for travel and events for all RSOs
- Projected ~\$50,000 FY23 budget deficit overall

No Change to the Fee Scenario

If nothing were to happen to the Student Activity Fee, increase or decrease, these are the projected impacts based on the current standing and health of the fee



Shutdown of Supplemental Funding Process in January/February of FY23



Currently projecting 35%-40% reduction to all RSO Budgets



Reduction of Mental Health Initiatives and Career Development funds



Drastic reduction in allowable expenses for student organizations



Preliminary estimated ~\$300,000 FY23 budget deficit overall



Community

Growth

Experiences

Involvement

Opportunity





Questions?

johntraves@gatech.edu



Appendix

Reduction Scenarios

Playing out the instances where the Student Activity Fee is reduced in some way, neither lead to beneficial outcomes for students or the Institute

\$5 reduction

- Shut down of supplemental funding process mid-FY23
- RSO Budgets would see a 50% expected reduction
- Reduce professional development funds by at least 30%
- Increase restrictions on travel, hard cap on all events, and introduce harsh cuts to departmental supported student groups
- Possible reduction to staff compensation
- Possible pull from capital reserves

\$10 reduction

- Shut down of supplemental funding process for almost all of FY23
- RSO Budgets would see a 60%-70% reduction
- Reduce professional development funds by at least 50%
- Cut off funding for all departmentally supported groups
- Switch from a prohibited allocation model to acceptable allocation model - greatly reducing all allocations
- Reductions to staff compensation
- Pull from capital reserves

Identical Movement With Enrollment

As fee paying enrollment grows so does expenditure growth. The Student Activity Fee is attempting to support a student body that needs more resources than what are available.

