

January 31, 2013

To: H&R Fee Student Advisory Board  
From: Harry McDermott, MD, M.P.H., Executive Director Campus Health Services  
Lynn Zwaagstra, Director of Campus Recreation  
RE: Fee Implementation Overview

### **Brief History**

In March of 2010, the Arizona Board of Regents (ABOR) approved a proposal from UA President, Dr. Robert Shelton, to phase in a new mandatory Health and Recreation Fee (H&R Fee) over a two-year period beginning in FY2011 to help support the UA Campus Health Service and Department of Campus Recreation. In April of 2011, ABOR approved a revised second phase of the Health and Recreation Fee, approving the fee for year round implementation. The initial fee assessment was set by the University of Arizona Provost, resulting in Campus Health Service receiving \$79.50 for the fall and spring semester and Campus Recreation receiving \$70.50 for the fall and spring semester.

The institution of a mandatory Health and Recreation Fee directly resulted from the need to move from a less predictable funding model associated with State and Retained Fees to a UA student (main campus) enrollment based fee model to ensure funding stability. Both UA students and parents of UA students were surveyed and supported (64% and 78% respectively) the institution of the H&R Fee. Additionally, this funding model ensures that Health and Recreation services are available to all students in perpetuity.

Fee implementation was administered according to discussion with ASUA and GPSC, with agreement to implement the fee beginning with fall and spring semester. Student Affairs agreed to hold off on implementing the H&R fee during the first summer after its approval. With sound fiscal management, including diversifying revenue sources and closely managing expenses, Campus Health Service and Campus Recreation have exceeded expectations by operating for 2 years with no off fall/spring fee assessment.

### **Mandatory Fee Comparison**

Most other UA mandatory fees, such as AFAT, KAMP, SERVICE, REC BOND and ITL fees are assessed in the fall and spring, as well as being assessed at a prorated rate during other sessions (winter, summer I, summer II, pre-session, carry-over and dynamically dated – collectively called “off fall/spring”). These fees are only assessed to students who are taking classes on the main campus and not to students who are at satellite campuses (e.g., UA South or the Phoenix Biomedical campus) or those taking online classes only (with the exception of the ITL fee). In point of fact, the only fees not assessed during the “off fall/spring” sessions are the H&R Fee and currently the Rec Program fee.

### **Scope of Student Use**

Campus Health Service

The following represents unique student use of Campus Health Services averaged over the past three-years:

- 16,118 unique Undergraduate students or 52% of Undergraduate enrollment
- 3,414 unique Graduate students or 48% of Graduate enrollment
- 933 unique Professional students or 62% of Professional enrollment

## Campus Recreation

As reported in a recent campus wide survey, the following represents unique student use of Campus Recreation facilities, programs and services:

- 81% of Undergraduate students
- 69% of Graduate students
- 70% of Professional students

Fall semester 2012 recreation center scan in data (\*Note: this is not total participation):

- 20,199 unique Undergraduate student visits or 64% of the Undergraduate enrollment
- 3321 unique Graduate/Professional student visits or 38% of the Graduate/Professional enrollment

## **Current Situation**

The H&R Fee was implemented utilizing a graduated schedule, resulting in less revenue than projected. Both Campus Health Service and Campus Recreation adjusted budgets accordingly for FY2012 and FY2013. At this time, rising costs such as minimum wage, ERE, health care costs and operating expenses, combined with increasing demand for services make it necessary to pursue implementation of the H&R fee for the “off fall/spring” sessions.