



Student Fee Board

MEETING MINUTES

Date: 2/12/23

Topic: Public Meeting

Present:

- **Voting members:** Lawrence Miller, Xiaoru (Tony) Shi, Jada Quinland, Yidi Wang, Brian Johnson, Conor Kelly, Ava Philips, Najee Rodriguez, Sydney Gibbard, Dallas Zebrowski, Cierra Chandler
- **Nonvoting members:** Alexa Clayton, Zander Golden, Jolinda Wilson, Barry Bram

Absent:

Agenda:

I. Call to Order and Opening Roll Call

Meeting called to order at 3:00 p.m.

II. Adoption of the Agenda

Motioned, seconded.

III. Adoption of the Minutes (February 10th, 2023)

Motioned, seconded.

IV. Public Comment

V. New Business

A. 3:00 p.m. - 3:45 p.m. - UHS Hearing

Bruce: Senior Director of UHS

Becky: Assistant Director for Business and Finance

Rebecca: UHS Medical Director

Bruce: Listened to as many key constituents and key stakeholders as much as we could. Focus groups include UPUA, UP advisory board, and a parent's council.

Focuses include: removing barriers and improving accessibility for all students. Why institute a student health fee? Meet students where they are with what they need for today and tomorrow.

UHS provides clinical services, EMS, health information management, laboratory services, pharmacy, physical therapy, case management, and more.

Established fee for funding and central funding - allows us to provide these services. Insurance billing will never completely cover the costs of all services we use. Priorities of insurance industry with respect to student health not always aligned with Penn State priorities. Modest student health fee. Lower student health fee than most of our peers, but ability to offer robust and novel health resources to student resources.

Becky: Graph shows total number of visits. Increase in nursing visits. Projected overall increased number of visits compared to last year. We communicated with Big 10 institutions with student health fee. 80% have student health fee, but varies widely among institutions. Proposed health fee is \$32 for Penn State. For Northwestern, \$260. For temple, \$60. Funding we receive from university is close to \$3.9. Self-generated income includes physical therapy services, lab services, EMS, and more - \$24M.

Bruce: UHS has a lab of moderate complexity. Quite a number of tests are performed. Some more simple and don't require a lot of complexity. Others more complex. We are not designated as preferred lab - reserved for large, commercial labs like Quest and LabCore. When tests

performed at UHS, instead of preferred, insurance often will not cover as much of the expense, shift more cost to patients, who have larger out of pocket expenses. We are the most convenient lab for most students. Lab work includes strep tests, mono testing, thyroid testing. We often provide timeliest results. **Student usage '21-'22 was 16,971. Estimated student fee assessed per semester is \$22.16. Fee annual request is \$2,100,000.**

Next is EMS - non-transport, wages, and training and uniforms. Roots go back to 1956, when students raised \$10,500 it took to purchase ambulance to facilitate emergency services for students on campus. 24/7 operation, saved countless lives. Tremendous student learning opportunity. If not, use township services, creating delays. Also want to ensure financial aspects of calling 911 doesn't affect decision. Fee attached to non-transport event. This would remove that out of pocket expense. **Student usage '21-'22 was 580. Estimated student fee assessed per semester is \$3.93. Fee annual request is \$372,700.**

Community health - providing clinical programming and tabling events to clubs, society, residence halls on a topic of their choosing. Still in infancy, but part of larger strategic initiative, partnering Health Promotion & Wellness. Partnered with Fraternity and Sorority Life. **Estimated student fee assessed per semester is \$3.69. Fee annual request is \$350,000.**

Case management - assist students in navigating timely access to healthcare services and their financial implications. Healthcare services where case management is often involved: HEALS (healthy eating and living support) and gender diverse care and identify resources for mental health. **Student usage '21-'22 was 1,256. Estimated student fee assessed per semester is \$1.09. Fee annual request is \$103,500.**

Medical clearance physicals, administrative form review, international travel consultation visit. These costs are often out of pocket for all students. **Student usage '21-'22 was 1,856. Estimated student fee assessed per semester is \$0.93. Fee annual request is \$88,380.**

In summary, total fee annual request is \$3,014,580, with estimated student fee assessed per semester \$31.80. STI testing is covered in another proposal.

Values include accessibility, accountability & transparency, and environmental sustainability. Also fairness, equity & inclusion, and justice. Community outreach, partnerships with Student Affairs marketing. Many medical supplies packaging is recycled properly, avoid single-use disposable. Each person in UHS has goal in performance review - foster sense of belonging and support DEI.

UHS embraces values of UPSFB. Enhancing our programs and services to support the needs of all students is our highest priority.

Rebecca: Request for \$370,000 to provide STI testing at no additional out of pocket cost to UP students - gonorrhea/chlamydia, and syphilis. Removes important barrier, allows more students to access care and treatment. Sexual and reproductive health at UHS available to all eligible PSU students. Self STI testing program since 2015 - don't need clinician appointment. Exists for gonorrhea and chlamydia. Other STI testing offered with clinician appointment - herpes, trichomonas. This request is just for gonorrhea, chlamydia, and syphilis.

UHS partnered with CDC and found self-testing option increased STI test uptake. Indicated self-testing may be an efficient and effective way to provide STI testing for students. Lower cost.

In Fall 2019, UHS secured equipment for gonorrhea and chlamydia specimens to be tested in house, rather than sending them to a reference lab. Better able to control costs. Without insurance, would cost students > \$200.

2022-2023 utilization numbers YTD - 5,700. If we continue at same rate, will surpass numbers from last year. Believe this program enhances student life out of classroom. Cost elimination

removes chance that student confidentiality may be compromised, empowers students to seek care for treatable infections.

Lawrence: Numbers for per cost - are they for UP students?

Becky: For UP.

Cierra: Curious on case management. Would that go to a case manager or software management?

Bruce: More dedicated personnel with increased volume of students needing someone to get them from point A to B. Other tools as well important for making proper referrals.

Sydney: Wait times at UHS is a big concern. Potentially providing these new services, would that increase accessibility of existing services.

Bruce: Yes, taking out billing, get faster processing times for other services. Increase timely access.

Najee: Students within PA Commonwealth with Medicaid or no insurance, would they have access to healthcare at UP with this proposal?

Becky: Some programs offered to all students, regardless of insurance. Physicals, form review. Lab resources.

Tony: Talking about accessibility, I noticed UHS said on their website that they're not open on Sunday. If students having emergency on Sunday, how can they access UHS from there? And UHS by appointment only.

Rebecca: Biggest caveat is that emergency health - should go to hospital or emergency room. In terms of walk-ins, changed since COVID-19. Better able to use schedule with appointment only. More organized clinic, can't be rushed or haphazard.

Bruce: EMS service is 24/7. Emergency responders going around campus. 24 hour advice nurse.

Alexa: If we pass, students would have to pay \$64 per year?

Bruce: \$32 per semester.

Alexa: What's average spend at UHS for a student?

Becky: Don't have specific information, depends on student.

Bruce: High degree of variability in coverage.

Dallas: From a strategic point of view, is there a reason STI testing can't be combined with general health fee? Further down the road.

Becky: Yes, that would make more sense.

B. 3:45 - 4:00 - Conversation with Sara Thorndike

Sara: CFO of the University

Sara: We are moving as a university to a budget that is a year ahead. To do that, we have to do 2 years of budgets we're asking trustees to include - tuition, room & board, and all fees, including student fee. For fiscal year 24-25.

Couple reasons: students coming to Penn State don't know what they're going to pay until a couple weeks before Fall. Because we can't set budget rates until clearing it with state. Working with Zack Morris's government, if we get a year ahead, then that will not be a concern nor a conflict with the state. Shared with legislators, and they were extremely supportive. Sensitive to student cost of attendance, want students to know sooner.

Know difficult to predict what needs are 2 years ahead. We just need to know what to put forward to the Board as for the rates of the fees. If you need more or less, we will be doing FY '26 in the Fall, so another adjustment.

Zander: Accuracy of the budget. How much do you actually value it being correct, given budget may change.

Sara: Care about what you want us to put out for students. More important is how the university will be spend. University will set a budget. Supportive of SFB if they want to make adjustments later. Rate is the same, but may change distribution. Some universities will have a longer timeframe.

Lawrence: The University has already decided on 2-year budget plan?

Sara: Yes.

Lawrence: Late in the year we are getting this news. How does that work with transfer of fee board to new board members?

Sara: If I were approaching this, ask what is our current fee, and how much would we change it percentage wise? Let next group decide how much that money will be used.

Najee: If we transition to new model of funding projections, what can the board do, given increase of work associated? What guardrails do you suggest for accountability for units we fund? For example, they're using 2-year budget responsibly.

Sara: University budget is under stress. Money we get from the state is less than 12 years ago, making tuition more important to us. Importance of valuing access is high. We're tightening budgets. Asking units to look into revenue-producing areas. Also working with state to increase state-funding. Don't know if we'll make much traction right now, given changes in legislature. Will not be doing 2-year budgets every year. Also 2-year budget is not that unusual compared to others outside of PA.

My advice is to let them know that's what the SFB is committing to for coming year. Planning is critical for them.

Najee: Dependent on extra year we'll have, what is likelihood of moving money around internally? How accurate have you seen conversations with legislators go with how precise they want the amount?

Sara: Legislators won't get involved in that. Board of Trustees need to know. Whatever you propose, we have to stick to. But can change distribution, should to let units know what they can/cannot rely on.

Sydney: Trying to wrap my head around what would happen this year and next year. This year, we would make recommendations for this year and next year in terms of the total dollar amount. But will we be making recommendations 2 year in advance?

Sara: Up to you. I just need total dollar amount. University doing more budget cuts than additions. Units will have opportunity to make some changes, but it would be helpful to know

what can be planned. University has \$8.6B. Focus more on totals than pieces that are changing for example.

Sydney: If we recommend \$270,000 for 24-25, do we have to fulfill that \$270,000 or can we come under that? That flex that we are not spending, can we use somewhere else?

Sara: We will charge, so you have the flexibility to not use it all. Can go into reserve, no different than facility fee.

Zander: Since it's so difficult to predict, is it appropriate to set a multiple on previous total dollar amount? Also speak to financial situation of the University?

Sara: That's how I would approach it. What percentage you want to increase? University does not increase based on inflation. Contrary to access and affordability mission. We will very likely to a tuition increase below inflation. Increasing student fee by inflation not as impactful as increasing tuition by inflation.

PA is 48/50 in terms of state endowment. Vermont and Colorado lower. Amount of state funds is rather small relatively. State funds the state-relateded's - Apache, Temple. Penn State gets lower amount than the rest per student. Reason is 1960's, all got certain amount, but Penn State grew at a faster rate and never got more. Penn State is in a state with lower funding. What we've done historically is increasing tuition year after year. Can't do that anymore. And great competition for students now. Number of college-aged students decreased substantially. Tuition flat and state appropriations decreasing - but enrollment down 20% in Commonwealth, enrollment gone up a bit at UP, so overall enrollment fairly flat. Great amount of money is restricted and can't be used for operations.

Dallas: From a strategic point of view, is this just momentary “deal with it now,” so that in long-run we can provide better financial quality of education? Not sure how SFB will fund pilot programs, which wouldn't fit into 2-year budget.

Sara: We've asked state to put into same funding as Temple. \$150M more a year. University will have to look at every way we do business - how we fundraise, sponsorships with corporations, eliminating vacant positions. Challenge is this is how it's going to be, but we need state to align with land-grant affordability mission.

Lawrence: Are we setting a tuition per student or a block?

Sara: How much we'll bill each student.

Lawrence: Any extra money, is it possible to get it approved to a certain wiggle room?

Sara: No, we need a dollar amount. Any extra amount will go to reserve.

VI. Topics of Discussion

A. Review of Conversation with Sara Thorndike

Lawrence: Should ask - will we get semi-accurate projections of tuition costs as well? General thought - I think this goes against mission of fee board.

2008 - economy was bad, less kids. So dip in enrollment. Demographic cliff. Lack of college-going students.

Alexa: Are we going to budget for increases?

Lawrence: Yeah, will need tuition numbers.

Najee: Bringing up demographic cliff, that is a statistic that is unavoidable, but I was opposed to idea of general cushion money for pilot programs by an extra year. I think we should account fact that students in future will have less incoming revenue, given lack of college-aged population. Because not seeing big proposals every year.

Lawrence: Goal is to be as accurate as possible. Also, one of the problems is what do we do about pilot programs? Maybe do a pilot fund.

Sydney: Mission of SFB - we'll still use money as same year as it's collected, we're just recommending rate for next year too. Perspective is it's responsible to align how tuition is being recommended because they'll have to make budgets 2 years in advance and they need to know how much money they'll receive from student fee. I think long-term there are some benefits in terms of letting students know what fee they'll pay. SFB charges a certain amount of money, not all is spent. Bunch of offices didn't pay for positions, and leftover money. Are there any reserves we can be using? Can we use facility reserve to support non-facility projects?

Jolinda: Facility reserves designed just for facilities. Doesn't mean you can't have reserves in future. Current carry-forward is sitting with Student Affairs and available for your use. \$1.5M to use for space of projected amount. Could be more since we just moved \$10M to facilities reserve earlier this year.

Dallas: Just to confirm, 24-25 FY would be the only 2-year budget cycle? Are we creating too much risk that we are a recommendation board, not an allocating board?

Barry: Right.

Lawrence: Can't block this if we tried.

Dallas: If we approved every fee increase, wouldn't we increase by high number? Are we locking to high number in next 2 years, then dropping?

Lawrence: Could subsidize some money with carry-forward. Number we set for Sara plus carry-forward.

Barry: Sara met with Commonwealth Fee Board as well.

Zander: Suggestion is sum of parts. Get total cost or revenue by taking increases and sum.

Lawrence: Can just ask offices to do themselves.

Tony: Not entirely sure about asking offices to do a prediction of their programming. How is university going to help predict programming increases? Increase in request is based on how much programming they're currently requesting for. For SFB, how much buffer are we going to have? How are we going to prepare for this uncertainty?

Lawrence: Final recommendation happens early March, can we push it back?

Barry: We can look at May. Going to Tony's question, think about what percentage is reasonable?

Jolinda: Could help with modeling and projections.

Najee: Basic idea is this isn't a choice. Interesting in future is what things can be done proactively.

VII. Chair Report

Lawrence: Not this Friday, for next Friday, if you have the time, I'm going to send a Calendar invite to meet from 10-11 to see if we can figure out a solution. Maybe ask Aashka and Kara if

they want to jump in too. That will be optional. Response to Sara and moving forward. Need to set up next year's board.

VIII. Comments for Good of the Order

Sydney: What are next steps for a fee request?

Lawrence: New fee requests all have Calendly link - all on Fridays. Everything else should be standard. All new fee requests already past those respective committees.

IX. Closing Roll Call

Meeting adjourned at 4:49 p.m. ...