

REVISED

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Office of the President  
May 11, 1988

TO MEMBERS OF THE COMMITTEE ON FINANCE:

ITEM FOR ACTION

For Meeting of May 19, 1988

CONTINUATION OF STUDENT CENTER FEE, BERKELEY CAMPUS

The President recommends that the Committee on Finance recommend to The Regents: That The Regents approve continuation of the Student Center fee of \$6.00 per student per semester on the Berkeley campus beginning Fall Semester 1988, subject to the following conditions:

1. that 70% (approximately \$266,000) of the funds collected \* annually be apportioned, beginning in the year of the first principal and interest payment, to pay a portion of the debt service for the renovation of the Dining Commons;
2. that 30% (approximately \$114,000) of the funds collected annually be apportioned, during the same period as in 1., above, for maintenance of Martin Luther King, Jr., Student Union and Eshleman Hall;
3. that after 27 years, at which time the loan will be repaid, all revenue from the Student Center fee shall be allocated to the Associated Students of the University at Berkeley; and
4. that the University [campus] will not request any additional student fee funds [assessments] for construction of the Lower Sproul or Central Glade Structure.

BACKGROUND

The Berkeley campus is engaged in an ongoing effort to provide improved, integrated, and accessible student service programs. Currently, student service units are scattered throughout the campus, which makes use difficult and time-consuming, and some are located in the T-buildings constructed during World War II as temporary barracks. The campus plan calls for student services eventually to be housed in three locations: the Dining Commons (in space being released by Food Services), Sproul Hall, and another location yet to be determined.

To provide improved space for student services, there is a renovation plan which includes upgrading the portion of the Dining Commons facilities which would remain food service areas and relocating other food service facilities elsewhere on the campus for more convenient access by patrons. As a result, additional space will be made available in the Dining Commons area for student services units.

\*Change

The estimated cost of the renovation project is \$6,496,000, a portion of which would be funded from \$700,000 in Student Center fee reserves. The remainder would be funded from a \$5,796,000 loan. The estimated annual debt service and related costs of the loan are \$578,000 and is proposed that this debt service be paid from University Registration Fee reserves or funds available to the Chancellor (\$234,000), Student Center Food Services net revenues (\$79,000), and 70% of the revenue raised from continuation of the Student Center fee (\$265,000).

Student Center Fee Increase

In 1958, The Regents approved establishment of a student center bond fee of \$12 per student per year on the Berkeley campus to be used to pay the debt service on construction of a student union and cafeteria. By referendum, the students approved the establishment of the fee. The indenture was designated generally as the "University of California Student Center Revenue Bonds of 1958" and had a term of 30 years. The bonds for which the fee was established have been retired and fee would expire at the end of Spring Semester 1988.

In March 1988, Berkeley campus students held a referendum and approved continuation of the student center bond fee. The referendum proposed that the Student Center fee be continued permanently and that the revenue from the fee be apportioned as follows: 70% or approximately \$266,000 for debt service of financing the renovation of the Dining Commons for Student Services units, and 30% or approximately \$114,000 to be used by the ASUC for maintenance of Martin Luther King, Jr., Student Union and of Eshleman Hall. The referendum further proposed that at the end of 27 years, all fee revenue would be provided to the ASUC and that "the University will not request any additional student fee funds for construction of the Lower Sproul or Central Glade Structure".

In the campuswide election, 6,575, or 21% of all eligible voters cast ballots, and 5,232, or 80% of those voting favored the continuation of the fee with the conditions specified above. Approved campus criteria require that a 20% vote of the student body with a simple majority is necessary for passage of a referendum.

Related items concerning amendment of the 1987-88 Budget for Capital Improvements and the 1987-90 Capital Improvement Program and financing for this project are being presented to this Committee and the Committee on Grounds and Buildings at today's meetings.



# University of California Student Association

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## RESOLUTION ON FUNDING FOR STUDENT SERVICE FACILITIES

WHEREAS: Student services (e.g. career centers, student activities, counseling centers) are crucial to the quality of the University experience and student life; and

WHEREAS: Quality student service programs require sufficient, well-designed, and safe space in accessible locations on campus; and

WHEREAS: Student service facilities at many campuses are inadequate, overcrowded, and deteriorating, and University projected enrollment growth at many campuses will compound these conditions; and

WHEREAS: State and Regents' student fee policy limits new Registration and Educational Fee revenue for major capital projects; and

WHEREAS: Increased campus-based mandatory fees to pay for construction of student service facilities would violate the spirit and intent of the long term student fee policy; therefore be it

RESOLVED: That the University of California Student Association urges the University campus administrations to seek state funding for student service facilities by placing such facilities on campus capital outlay priority requests; and be it further

RESOLVED: That the University of California Student Association urges the University Office of the President to include campus requests for student services facilities in the University Budget for Capital Improvements and to actively seek funding from the state for such facilities; and be it further

RESOLVED: That the University of California Student Association urges the University to seek other non-student funding for student services facilities, in addition to state funding, including private gifts and donations; and be it finally

RESOLVED: That UCSA, in the course of its normal lobbying activities with state legislators, will further the cause of student service facilities being funded by Capital Outlay for Public Higher Education funds as integral elements in the quality of student life.