

Purple Paper

Ancillary Fees: Discovering the True Cost of Education

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Introduction

In Ontario, the continuing rise tuition cost and subsequent increase in ancillary fees has stirred interprovincial debate. Constituting for more than one seventh of post secondary education (PSE) payments, ancillary fees play an increasingly significant role in the affordability of the university system. Western's per capita ancillary fee is \$1198.70 for 2012/2013. This has increased 45% from 2003/2004 (Appendix A) leading students to ask, what is the true cost of education and what is the value-added of the services ancillary fees provide?

This policy paper provides an overview of students' position on ancillary fees at Western University by exploring the themes of student control, transparency, accountability and distribution of funding responsibility. The greatest concern is that without adequate oversight, ancillary fees have become a mechanism for increasing the proportion of institutional costs that students must bear (OUSA 2010). Using principles from the OUSA policy paper on ancillary fees, several recommendations have been provided to address issues concerning ancillary fees at Western University.

Concerns

Increasing tuition and ancillary fees combined with stagnation in per-student funding has meant that students are becoming ever more concerned about the financial burden of education. At Western, ancillary fees have increased by 15% since the 2011/2012 academic year. The largest increases have been the creation of new services for students such as the inclusion of a USC Dental Plan, the addition of late night busing, full year bus pass and international student service. A significant increase in the copyright access fee (\$20.59 per student) contributed to the hike in fees. While ancillary fees represent a significant cost to students, 19% of fees can be opted out of. However the services that they fund are often vital programs such as student health services; this helps to explain the increase in fees despite student control.

Since 1994, obligatory non-tuition related ancillary fees have been controlled by students, either through referenda or in accordance with protocol outlined by the USC and Board of Governors. While there is a student presence on the Board of Governors there is a low ratio of student to non-student members in decision-making processes.¹ Moreover, students have very little control over fees once they are collected. Concern lies in the lack of oversight when funds are allocated to their respective services and the value-added when increases in funding are granted.

It is important to note that there are variations by faculty in terms of additional fees paid: the Ivey School of Business pays significantly more than any faculty council with \$400 in additional fees, the affiliates pay on average \$312.30 per student, and the faculty councils contribute between \$50-100 (Appendix C).²

¹ The provincial average of student representation is 8% on Boards and 16% on Senate. UWO currently has 10% and 44% representation respectively.

² For a complete breakdown of fees per faculty for 2011/2012, please see: <http://deansoffice.ssc.uwo.ca/donation/>

While a majority of the fees goes to the faculty itself in the form of income, a portion of the fees is allocated to the faculty council. The inconsistencies in oversight and allocation within each faculty should be considered.

Western students have historically contributed to institutional capital projects in addition to the instituted operating costs. Facilities that provide student services and supports such as Student Health Services, the Student Development Centre and Student Recreation Centre, rarely receive the levels of public and private donor support of academic buildings. Moreover, these buildings are considered “ancillary facilities” in that they do not support core academic activity and thus, are ineligible for provincial government funding (OUSA 2011). Although Western is within the \$70 average annual cost of Ontarian students to support facility costs, students are the only contributors to construction and maintenance of these facilities.

Finally, there is a concerning lack of knowledge and financial literacy surrounding student fees. Western University should make information on ancillary readily accessible to students and to avoid a lack of transparency surrounding the distribution of ancillary fees.

Recommendations:

The Ontario Undergraduate Student Alliance (OUSA) believes that all willing and qualified students must be able to access higher education in Ontario; that compulsory fees associated with PSE must contribute to a system of responsible cost-sharing, administered by bodies that are accountable and transparent; and that remain in the hands of students. Most significantly, they believe that all of the costs borne by students for academic instruction should be paid for through current tuition fees.

Based on these principles are the following recommendations:³

1. Compulsory fees must be regulated by the provincial government and in student control (OUSA 2010).
 - Protocol policies must affirm the right of students to assess and collect compulsory, non-tuition related ancillary fees.
 - Western University must prioritize spending on student supports to reduce the dependence on ancillary fees.
 - Student representatives should oversee spending on these supports in an accountable and transparent manner. Where possible, compulsory non-tuition related ancillary fees should be in the control of student governments, regardless of the date they were initially implemented.
2. Core functions of the university should not be downloaded onto students such as building maintenance and essential service provision run by the university itself.
 - When ancillary fees are levied for the purpose of funding a building or facility, the university should match the contributions of students with government or private funding. Opt-out options are important considerations and should be expanded for more excludable services.

³ Adapted from the Policy Paper entitled “Ancillary Fees” by OUSA in 2010.

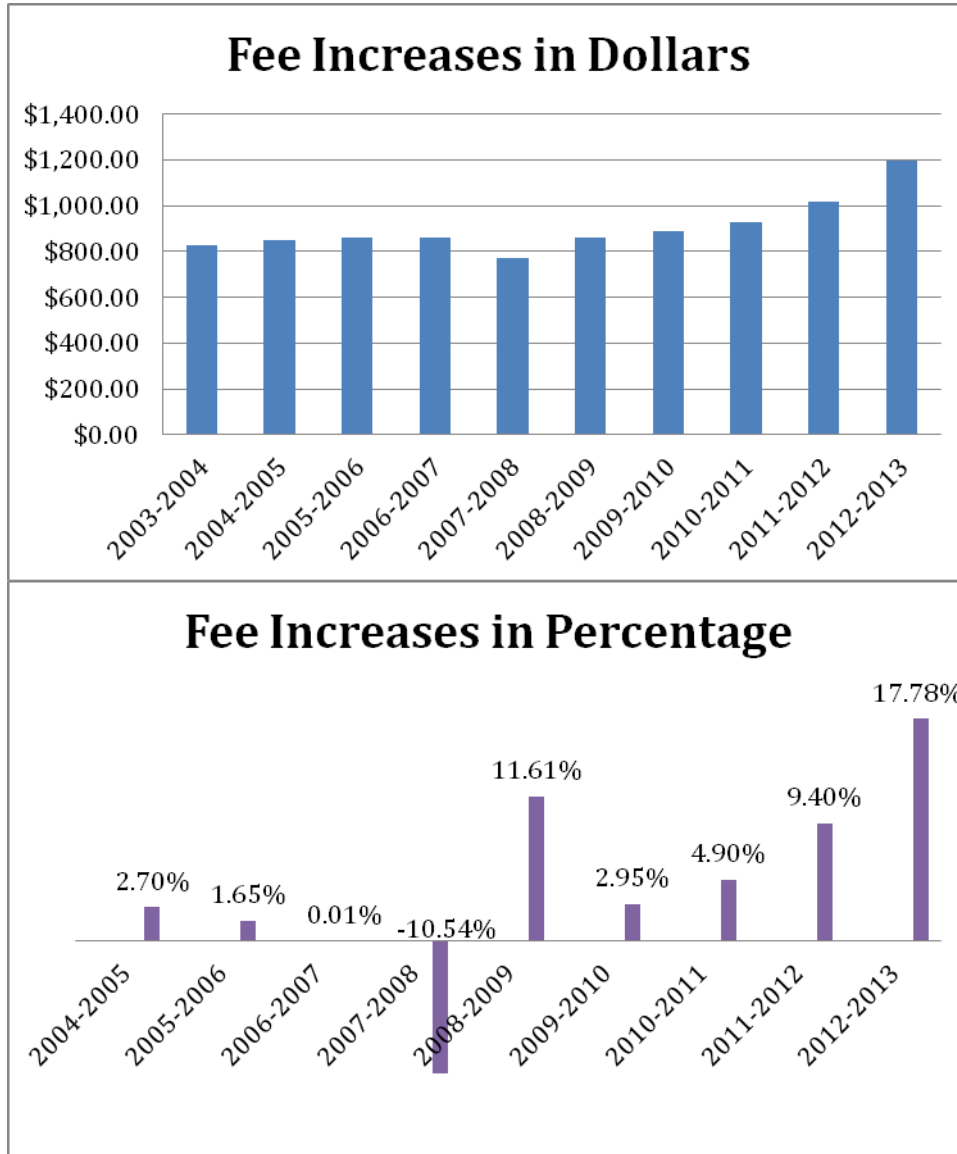
3. Increases in student fees must be matched by the availability of non-repayable student financial assistance.
 - While tuition costs and ancillary costs continue to rise, it is only logical to match increases to mandatory costs with increases in the amount of financial aid available to students.
 - Fee increases must also be accompanied by student literacy of fees and accessibility of information. More accessible information on student fees in a centralized location, particularly a breakdown of the Student Council Organizational Fee and a more detailed breakdown of faculty spending is necessary to ensure transparency and accountability.

Conclusion

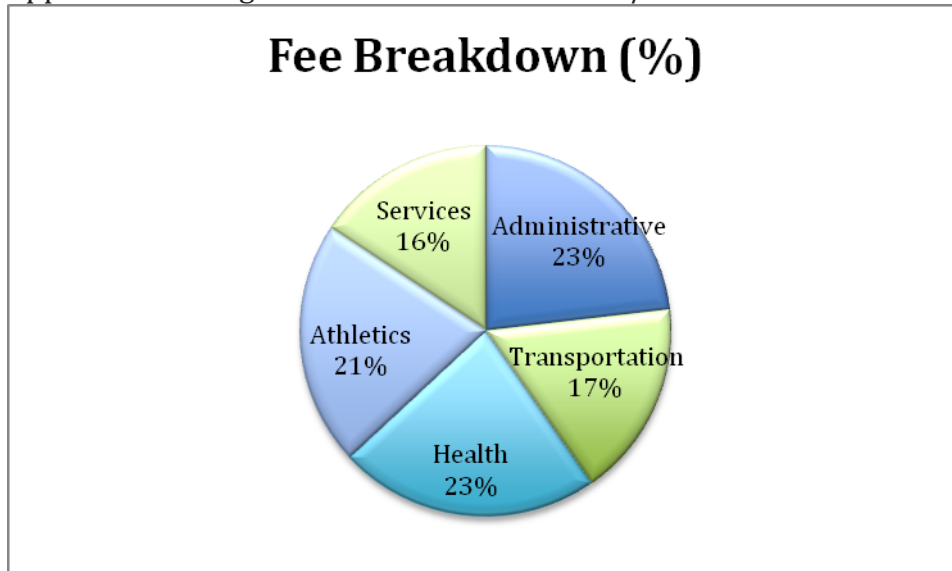
Given that student services that are essential to the growth and development of students and our campus; given that services being run by the university itself are entirely funded by student ancillary fees; given that the proportion of student service costs borne by students has increased due to the institutional pressures to focus primarily on functions such as teaching and research; and given that increasing costs of non-tuition related fees and need for vital services such as mental health provisions, students are particularly concerned. The university administration will continue to be instrumental in ensuring the transparent and equitable distribution of ancillary fees.

Appendices

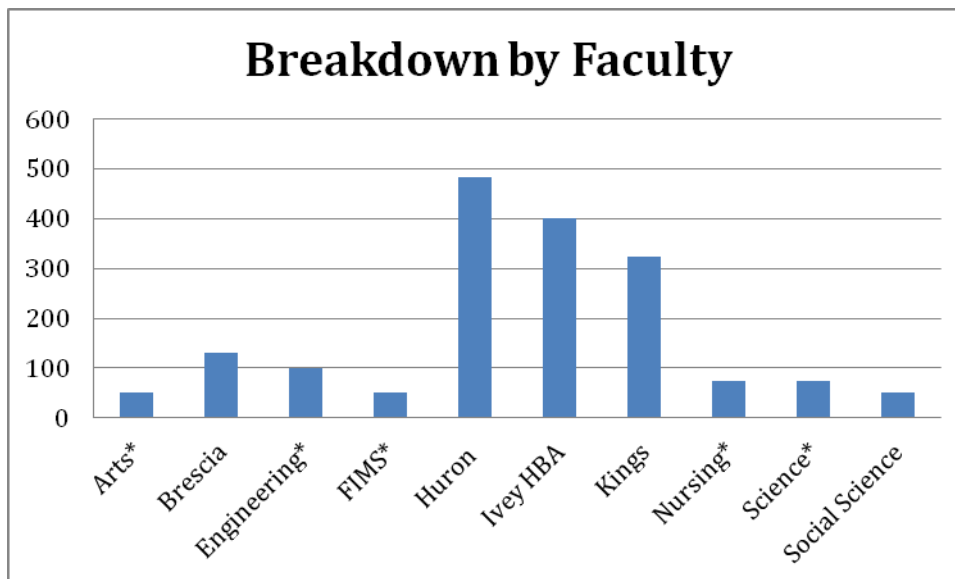
Appendix A: Ten-Year Trend in Total Ancillary Fees



Appendix B: Categorical Fee Breakdown 2012/2013



Appendix C: Fee Breakdown by Faculty 2012/2013



*Asterisks indicates that a fee can be opted out of