GSO Senate Resolution 24.04

A Resolution to Increase the Graduate Student Activity Fee to Correct for Inflation

Author(s): Daniel J. Kimmel (GSO President & CEO); CJ Arnell (GSO Vice President of Internal Affairs & Chair of the GSO Senate); Melissa Alvisi (GSO Comptroller)
Sponsor(s): Becca Vinciquerra (GSO Vice President of External Affairs), Abiodun Adeoye (GSO Recording Secretary), Aditee S. Malviya (GSO Financial Secretary), Kalaya Sibley (GSO Communications Secretary)
Date(s): 6 December 2023 (Introduced)
Action(s):Passed (36 Yes, 16 No, 2 Abstain)
Chair of the Senate: CJ Arnell
President Pro Tempore of the Senate: Roger Rosena
Parliamentarian: R. Luke VanderSchaaff
President of the Student Body: Daniel J. Kimmel

Whereas, the graduate student activity fee is currently \$50 per semester (\$100 per fiscal year) and has not been raised since Fall 2016;[1] and,

Whereas, due to inflation, \$100 in 2016 is equivalent to \$127 in 2023;[2] and,

Whereas, a modest increase of \$10 per semester (\$20 per fiscal year) combined with reasonable fiscal regulations would begin to, though not entirely, correct for inflation;[3] and,

---

[1] See **GSO Senate Resolution 17.06**, "A Resolution to Increase the Graduate Student Activity Fee" (2016).
[2] Per the U.S. Bureau of Labor Statistics' CPI Inflation Calculator. Inflation has required GSO budget allocations for Service Providers, the PAC Grant, Registered Graduate Student Organizations (RGSOs), Special Programming and other vital budget line items to increase in kind, stretching current revenue beyond its limits. Contrary to best practice, this recurring situation has required the GSO to draw on its limited carry forward funds for several years in a row, indicating that a modest fee increase combined with sensible fiscal regulations is required.
[3] If the GSO does not raise the graduate student activity fee to correct for inflation, services and programs core to the GSO's mandate to serve and uplift graduate students at SU and ESF, especially the PAC Grant Program, will need to be cut to balance the GSO's annual budget in the fiscal years to come, starting next fiscal year.

Whereas, the GSO Senate, as the representative graduate student government, has the sole power and responsibility to modify the graduate student activity fee as needed;[4] so be it,

Resolved, that the graduate student activity fee is raised to $60 per semester ($120 per fiscal year), effective next fiscal year (2024-2025); and be it,

Resolved, that the GSO President and Executive Board will coordinate with the Dean of the Graduate School and other necessary parties in upper administration to implement the fee increase; and be it,

Resolved, that the GSO President and Executive Board will seek out a proportionally comparable increase in the ESF graduate student activity fee; and be it,

Resolved, that the current GSO Executive Board and Senate will pursue other reasonable fiscal cuts and regulations, as forecast in (though not limited to) the GSO President's legislative agenda delivered on 4 October 2023, to ensure that another fee increase is not required for at least the next five years.

---

[4] **GSOC Article I, Section 13(r)**: "The Senate shall have the power to… (f) Raise or lower the graduate student activity fee, adhering to reasonable timing requirements on fee changes imposed by the University…"

Appendix

Narrative of the Budget Through the Years:

The fiscal maneuvers of the Graduate Student Organization (GSO) at Syracuse University have traditionally hinged on the utilization of carryforward funds to pad the annual budgetary allocations. This reliance on carryforward funds was notably pronounced in the budgeting process leading up to FY16. The FY15 Finance Committee at the time took an assertive stance by earmarking $74,344.36 from the carryforward to cover the substantial discrepancy between the anticipated revenues of $413,637.63 and the expenditures of $487,991.99, an approach detailed in GSO SR15.20.

The budgetary approach of the FY16 Finance Committee was also notably bold, deliberately crafting a budget with a $123,513.08 shortfall. This led to a planned reduction of the carryforward funds to a concerning low of $51,971.37, a decision detailed in GSO SR16.06. The FY17 ended with a carryforward of $83,133.00, after a deficit of $93,016.00 materialized. This outcome was partly due to revenue exceeding expectations by $17,013.37 and expenditures falling $12,943.71 below the projected figures. Despite these variances, FY17 recorded the most significant deficit in the organization's documented history.

This pattern of financial decision-making reflects a series of optimistic, albeit risky, strategies that prioritized immediate expenditure over long-term fiscal stability. The continued escalation of service offerings in FY16 and FY17 compounded to immense financial strain, prompting the GSO to raise the per-semester student fee from $40 to $50 (GSO SR17.06); FY18 marked the first instance of a balanced budget within available records. However, this fiscal prudence was not sustained. In the subsequent year, FY19, the Finance Committee reverted to deficit spending, planning to spend $40,000 beyond their means, an intention that remains under review due to inconsistencies in the documentation (GSO SR18.18 or GSO SR19.00).

The FY20 financial plan mirrored this deficit approach, but an unexpected surplus of $73,096.34 emerged as the global pandemic significantly curtailed operational costs. The initial FY21 budget, crafted with a $100,000 deficit in mind, underwent a mid-year revision to target a $41,573 surplus in light of the pandemic's enduring financial implications. The fiscal year concluded with a more modest surplus of $10,882.45, a 3.51% positive variance.

In FY22, although the budget was ostensibly balanced, it ultimately resulted in a $55,321 deficit, which is equivalent to a 13.80% shortfall. This outcome underscores the challenges of financial planning during a global crisis, where conventional forecasting models can falter. Traditionally, the GSO did not factor inflation into its budgets, as it was typically minimal, around 2% annually, and fell within acceptable error margins. However, the pandemic period witnessed a sharp inflation increase to 14.35% between July 2020 and July 2022, which likely contributed to the observed deficit in FY22. In the subsequent fiscal year, even with meticulous expense tracking and cutbacks in GSO programming, the organization still faced a deficit of $27,751.51, or 6.45%. This shortfall can be partially attributed to the total inflation increase of 27.04% from the start of FY17 in July 2016—when the GSO approved a hike in the graduate student activity fee—to the commencement of FY24 in July 2023.

Such financial planning, while adhering to past practices, raises questions about the efficacy of the strategies employed by the GSO's Finance Committees over the years. The reliance on carryforward funds, the reactive adjustments to unforeseen economic pressures, and the absence of inflation consideration in budgetary planning reveal a pattern of fiscal management that, while resourceful in the short term, may have compromised long-term financial resilience.

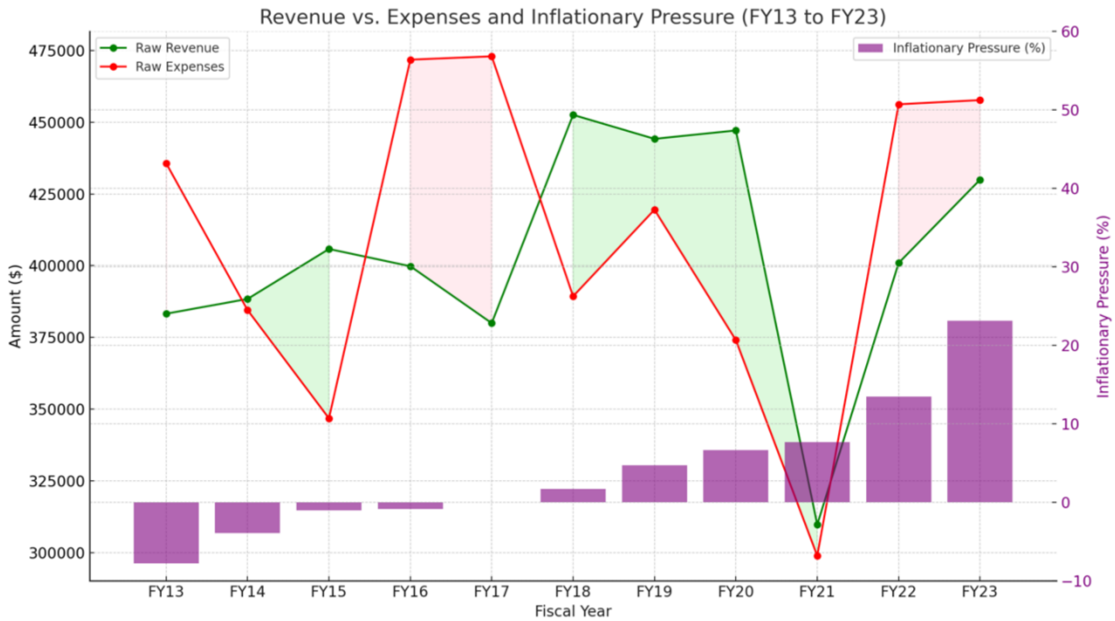

Figure 1. Dual-Axis Comparison of Revenue, Expenses, and Inflationary Pressure from Fiscal Year 2013 to 2023. The primary y-axis on the left represents the amount in US dollars, displaying the trends of 'Raw Revenue' (green line) and 'Raw Expenses' (red line) across the fiscal years. The secondary y-axis on the right represents the 'Inflationary Pressure (%)' (purple bars) from the perspective of FY17, indicating the annual inflation rate impacting the financial figures. The x-axis enumerates the fiscal years from FY13 to FY23. Shaded areas behind the 'Raw Expenses' line highlight notable fluctuations in expenses. This figure illustrates the relationship between an organization's revenue and expenses in the context of economic inflationary factors.

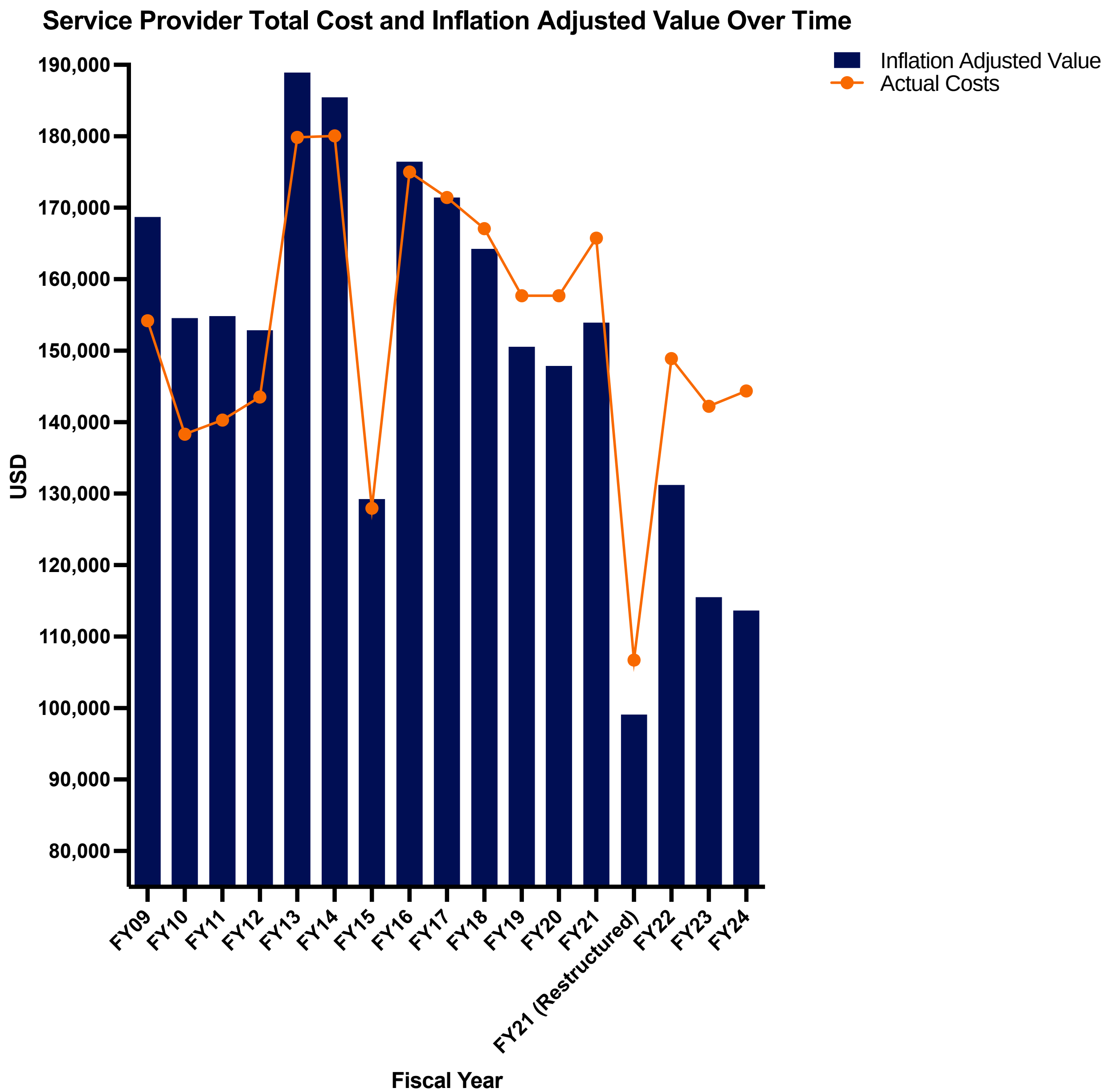

Figure 2: Comparative Analysis of Service Provider Costs and Inflation-Adjusted Values (FY09-FY24) through the lens of FY17. This graph illustrates the annual total costs incurred by a service provider alongside the inflation-adjusted values of those costs over a sixteen-year period. The vertical bars represent the actual costs in US dollars (USD) for each fiscal year, as indicated on the x-axis, while the orange line graph depicts the inflation-adjusted value of these costs, providing a sense of the real economic impact over time. The y-axis quantifies the monetary figures, allowing for an assessment of cost trends and the effect of inflation on the purchasing power of the dollars spent. This visual comparison helps in understanding the financial trajectory of the service provider in the context of inflationary economic conditions.

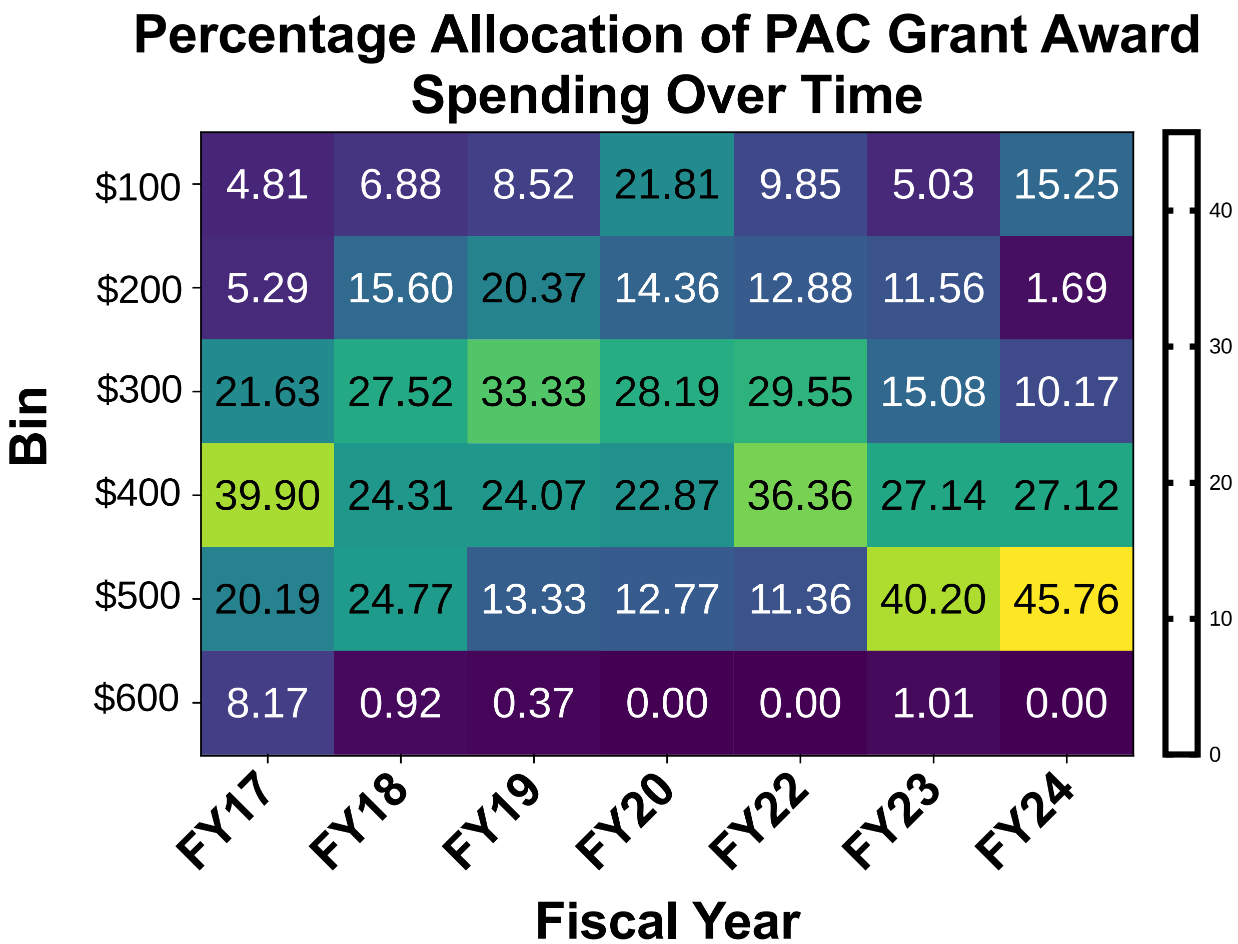

Figure 3. Percentage Allocation of PAC Grant Award Spending Over Time. This chart illustrates the allocation of PAC grant spending binned according to reimbursments over a span of fiscal years from FY17 to FY24. The y-axis represents the percentage of the total grant amount allocated to each category, ranging from $100 to $600, depicted in distinct segments. The x-axis shows the fiscal years FY17 through FY24. Each category's percentage allocation is represented across the fiscal years, indicating the trends and changes in spending priorities over time. There is a trend towards higher award values in FY23 and FY24.

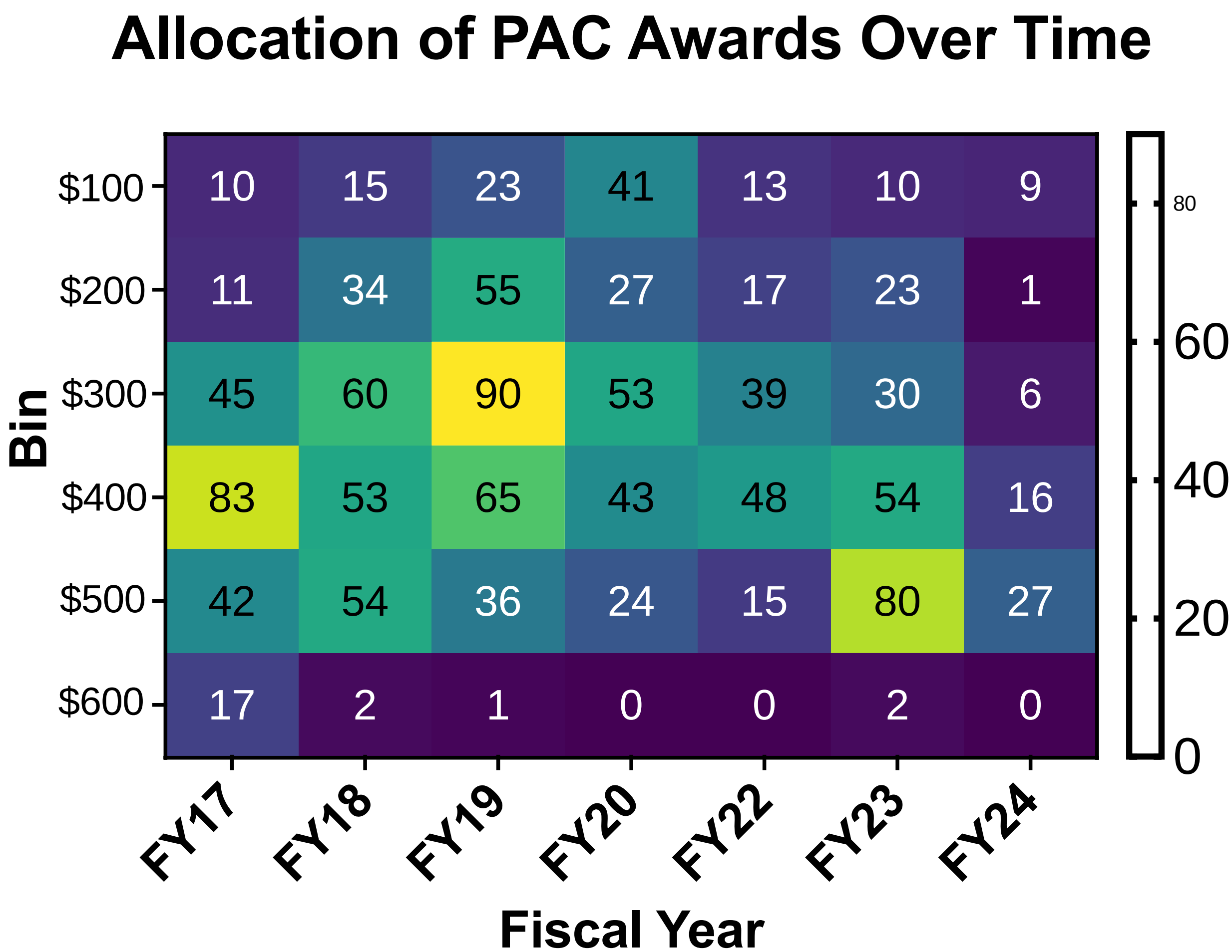

Figure 4. Allocation of PAC Awards Over Time. This chart displays the numerical distribution of PAC awards over several fiscal years, from FY17 to FY24. Each row represents a different award amount, ranging from $100 to $600, with the corresponding allocation numbers for each fiscal year listed horizontally. The x-axis indicates the fiscal years (FY17 through FY24), and the y-axis represents the number of awards allocated. The data shows the variation and trends in the number of awards given at each monetary level across the fiscal years, providing insights into the changing patterns of award distribution over time.

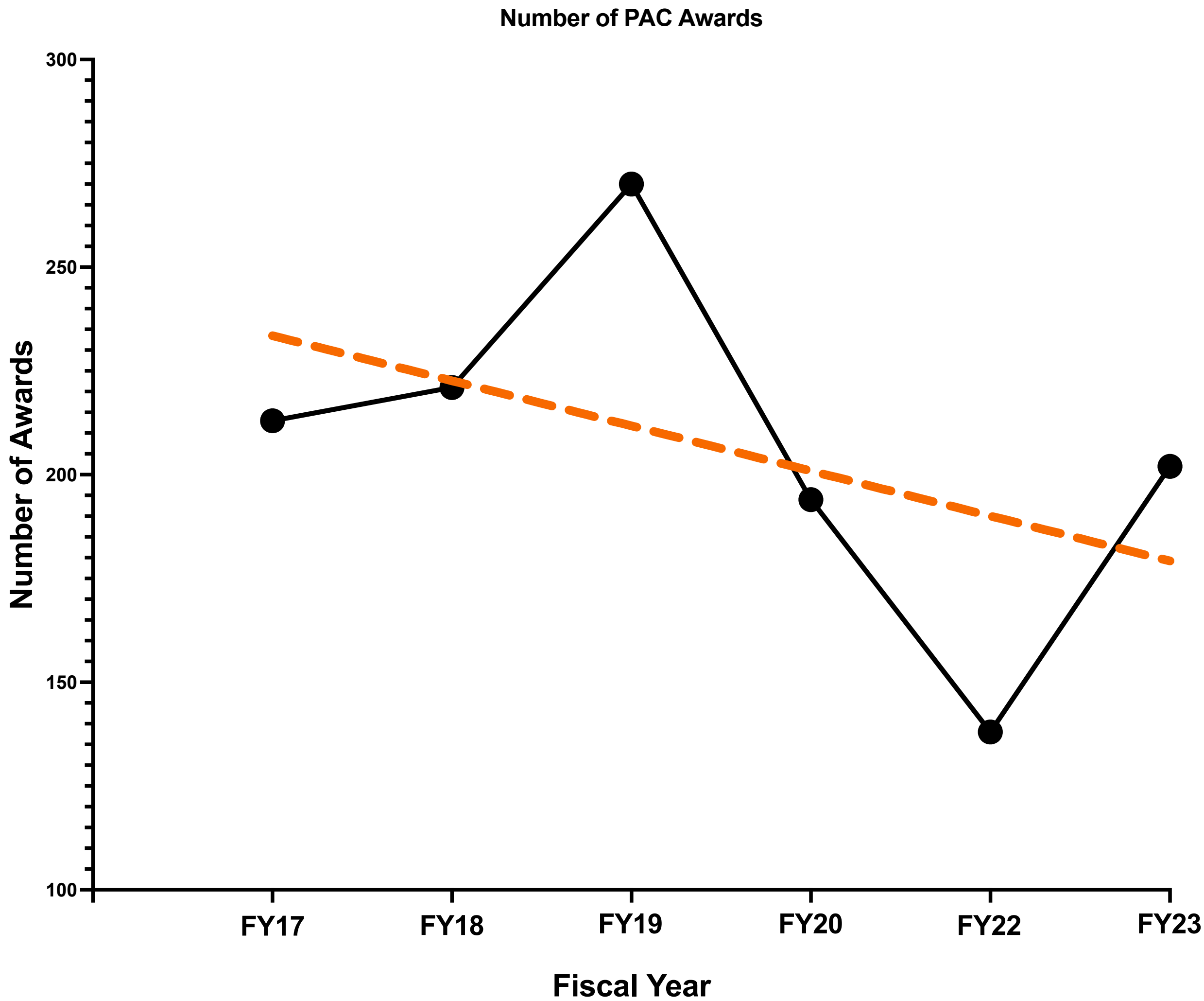

Figure 5. Number of PAC Awards That Were Reimbursed Over Fiscal Years. This chart demonstrates the annual trend in the number of PAC Awards from FY17 through FY23. The x-axis represents the fiscal years, ranging from FY17 to FY23. The y-axis, on the left side of the chart, indicates the number of awards, with a scale from 0 to 300. Each fiscal year's data point shows the total number of PAC Awards granted in that year, allowing for an analysis of trends and changes in the number of awards over time. The orange dashed line represents the trend of awards depicting a downward trend. This visualization provides a clear overview of the fluctuation in the number of awards across different fiscal years.

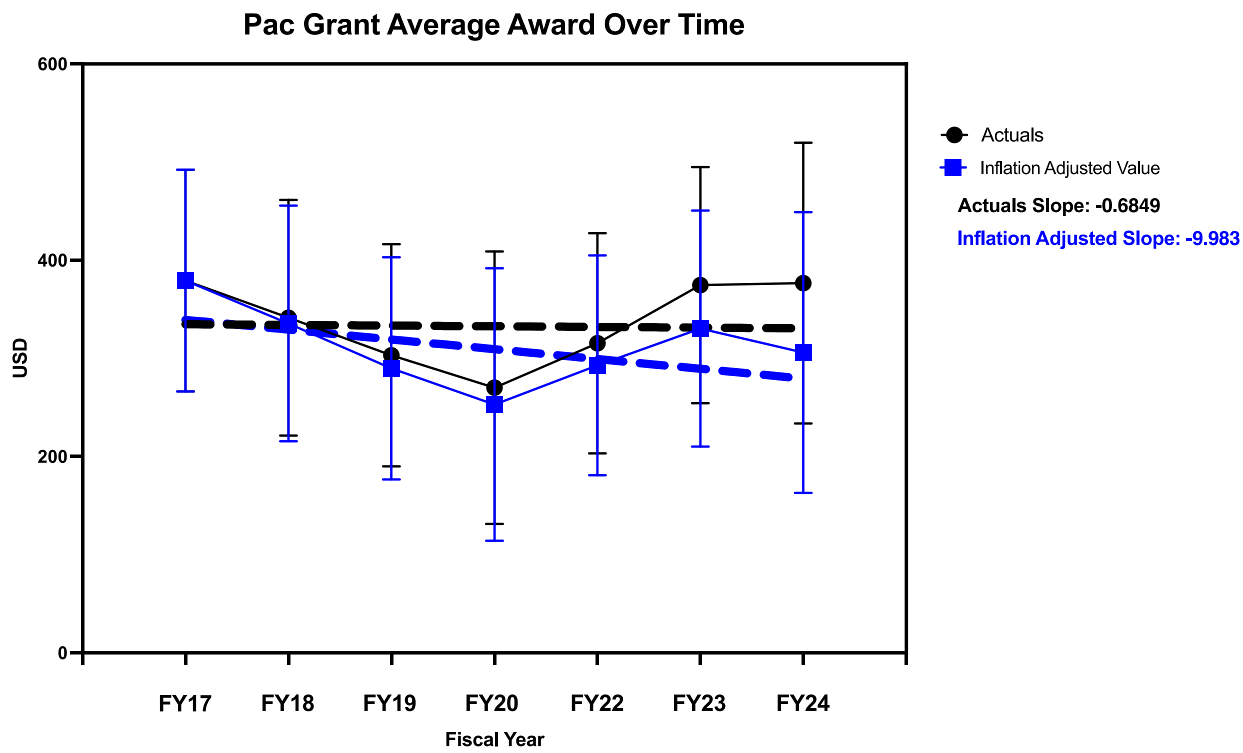

Figure 6. PAC Grant Average Award Over Time with Standard Deviation. This line graph depicts the trend in the average amount of PAC grant awards from FY17 to FY24. The fiscal years are plotted along the x-axis, and the average award amounts in USD are plotted along the y-axis. The graph includes two key lines: one for the actual average awards and another for the inflation-adjusted average awards. Error bars represent the standard deviation, indicating the variability around the mean award amount each year. While the actual average awards show a slight decrease over the observed period, it is noteworthy that since FY20, there has been an ascending trend in the average award amount, signifying an increase in grant value. The upward shift in the average, despite the slight overall decrease, suggests a strategic focus on the quality of awards. The inflation-adjusted line further highlights efforts to preserve the awards' purchasing power amid inflationary pressures. This detailed visualization serves as a vital tool for analyzing the PAC grant program's health and guiding future budgetary and funding decisions.

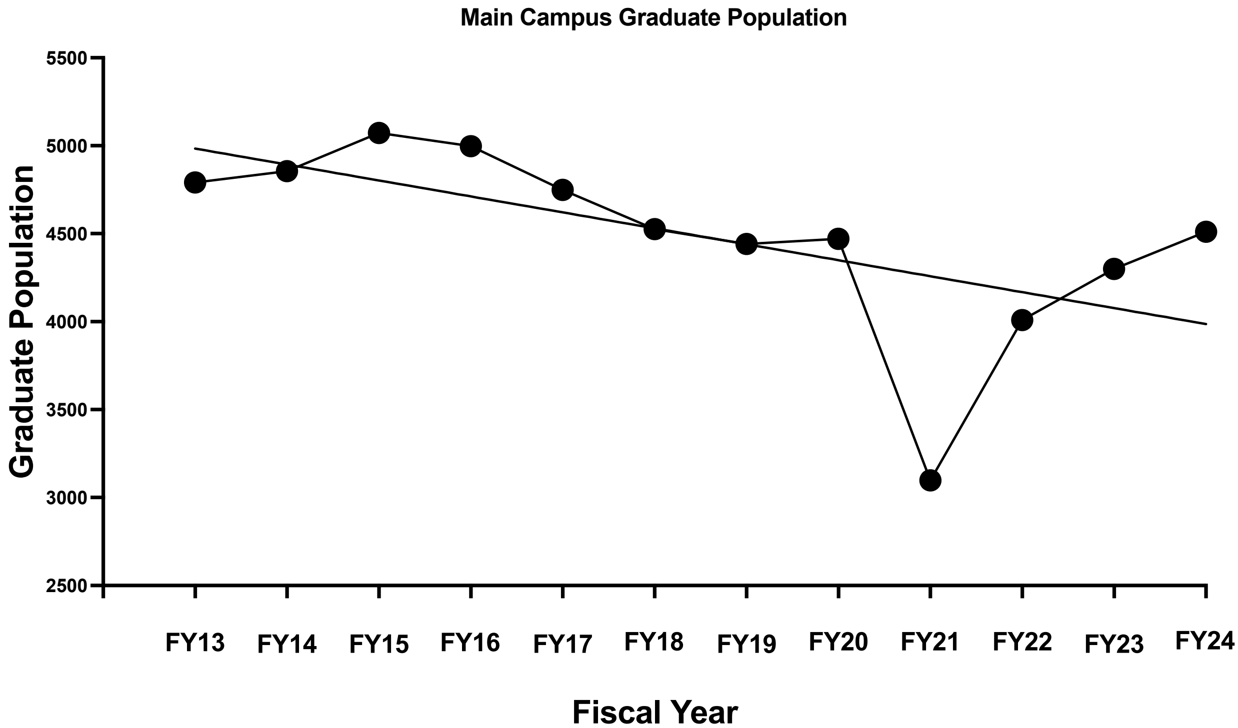

Figure 7. Graduate Population Over Time and Its Impact on GSO Revenue. The chart illustrates the graduate student population trends at the main campus from FY13 to FY24. The x-axis specifies the fiscal years, while the y-axis quantifies the graduate population, varying from 2,500 to 5,500 students. The reliance of GSO's revenue on the graduate student fee makes this a significant metric. Noteworthy is the fee increase in FY18 from $40 to $50 per semester per student. The graph points serve as proxies for population estimates based on total revenue. The GSO's steady endowment, averaging $2,482.04 each fiscal year, supplements this revenue, alongside additional income from selling golf and Empire Park Passes during FY15-FY17, averaging $8,666.67. This supplemental income's minor variance was not excluded from population estimations due to its negligible impact. Nonetheless, the apparent rise in population from FY15-FY17 may not represent actual growth but an artifact of this extra revenue. The true population trend is likely more aligned with the established trend line, reflecting a more accurate fiscal narrative and informing GSO's strategic financial planning.