

Graduate Task Force on Stipends and Benefits

Draft Report

May 8, 2019

DRAFT

Overview

In October 2018, the Graduate School, along with the United Government of Graduate Students (UGGS) and the Office of Budget and Fiscal Planning, formed the Graduate Task Force to examine graduate student stipends and benefits. The task force was charged with engaging in a substantive examination of the current state of CU Boulder graduate student compensation and benefits, and making recommendations to the campus on areas that need more attention and investments that will have the most impact. The task force was also charged with looking into how CU Boulder stipend rates and benefits compare with our Association of American Universities (AAU) public peers.

Graduate Student Funding at CU Boulder

Data

Approximately 59% (2,730) of eligible graduate students have a student faculty appointment and receive financial support in the form of stipends, tuition coverage based on the percentage of appointment, and a contribution to the cost of student health insurance. Of those students on appointment, 88% receive full tuition coverage. Total compensation in AY18/19 for graduate students receiving university support as graduate teaching assistants, graduate part-time instructors, and research assistants averages \$33,128 for Colorado residents and \$46,363 for nonresidents (Figure 1). The university's AY 18/19 investment in graduate student support is \$35.2 million for stipends (including benefits), \$29 million for graduate tuition remission and \$4.3 million for health insurance, for a total of approximately \$68.5 million.

Figure 1

Resident Student

Stipend – Average 50%, Nine-month Appointment ¹	\$22,000
Insurance Contribution ²	\$3,630
Average Resident Tuition ³	\$7,940
Total Compensation	\$33,128

Non-resident Student

Stipend – Average 50%, Nine-month Appointment	\$22,000
Insurance Contribution ¹	\$3,630
Average Non-resident Tuition	\$20,733
Total Compensation	\$46,363

Background

During the last four years, the Graduate School has worked closely with the student-elected United Government of Graduate Students (UGGS) representatives and campus leadership to address graduate student financial concerns. Several key investments have been made during that time:

- Invested more than \$6 million in annual funding to increase base stipend rates, with an additional \$2.1 million investment in fall 2019.
- Eliminated course and program fees starting in fall 2018.
- Eliminated the athletic fee for graduate students starting in fall 2018.

¹ Amount includes RA stipends

² Represents a 91% contribution toward plan cost

³ Average tuition amount is inclusive of all colleges and schools

- Covered the expense for summer RTD transit passes for graduate students on summer student faculty appointments starting in summer 2018.
- Increased the university subsidy to the student gold health insurance plan for eligible students from 70% to 91% of total cost.
- Adjusted the payment schedule for students on appointment so that they receive their first paycheck of the academic year at the end of August instead of the end of September starting in fall 2017.

Graduate Student Priorities

After gaining an understanding of the national landscape as well as the investments that have been made during the past several years to enhance graduate student support, UGGS leadership provided a set of priorities that was informed by the UGGS general assembly.

Identified priorities for the task force in order of importance are as follows:

1. **Mandatory student fees: Reduce and/or remit fees to alleviate graduate students' financial burden.**
2. **Health care services: Expand health care services to increase access and coverage and reduce the cost of health care services with particular emphasis on mental wellness.**
3. **Graduate student faculty stipends: Increase stipends to bridge any existing gap between cost of living and stipends.**
4. **Workload norms: Examine differences in workloads for graduate student workers.**

Note: Although the issue of workload norms was outside the scope of this task force, the task force recommends an examination of workload norms, comparison to Graduate School policies, and the development of better articulated workload guidelines for TAs and GPTIs, taking into consideration factors such as disciplinary differences and differences in course type. The Graduate School will follow-up on this priority.

After UGGS priorities were put forward, subject matter experts provided insights into the history of these issues and the exploratory work already undertaken to address them. In addition, they provided feedback on the cost and feasibility of various proposals.

Priority 1 – Mandatory Student Fees

AAU Peer Comparison

Data were gathered from 33 of CU Boulder's AAU public peers⁴ through web research and direct contact to compare CU Boulder's mandatory graduate student fees and how other universities handle fees for

⁴ Michigan State University, University of Minnesota - Twin Cities, University of Oregon, University of Florida, Purdue University, University of Pittsburgh, Ohio State University, University of Arizona, Georgia Institute of Technology, Indiana University, Pennsylvania State University, University of Kansas, University of Washington, University of Michigan - Ann Arbor, University of Missouri – Columbia, Iowa State University, University of Wisconsin – Madison, University of California - Los Angeles, University of Iowa, University of Maryland - College Park, University of Colorado Boulder, University of California - San Diego, State University of New York - Stony Brook, University of North Carolina - Chapel Hill, University of California – Irvine, University of California - Santa Barbara, University of California – Davis, Rutgers, State University of New Jersey, State University of New York – Buffalo, University of California – Berkeley, University of Virginia, Texas A&M University, University of Illinois - Urbana

students on appointment.

Mandatory student fees ranged from \$328 to \$3,058 with an average of \$1,525; CU's fees, at \$1,762, are 9% above the average of this group.

Of the 33 AAU public peers:

- Twelve universities (36%), including CU Boulder, do not pay any portion of fees for students on appointment.
- Nine universities (27%) provide partial to full coverage of fees, depending on percentage of appointment.
- Six universities (18%) pay a set percentage of fees, ranging from 50% to 93%.
- Six universities (18%) pay full fees for students on appointments of 25% or above.

Fee Options

The task force considered two primary options for addressing mandatory student fees for graduate students.

Option 1: Reduce mandatory fees for all students (graduate and undergraduate).

- For every \$1 million that the university could apply toward the incremental buy down of mandatory fees, it would save each student about \$13 per term. For examples, an investment of \$3 million would reduce mandatory fees by \$39 per term.
- A financial analysis to determine the financial impact of eliminating fees that are charged to support the provision of indirect services found the following: SIS Fee (\$527,000/year to eliminate), Computing Fee (\$4.7 million/year to eliminate), Career Services Fee (\$779,000/year to eliminate) and the Arts & Cultural Engagement Fee (\$732,000/year to eliminate).

Option 2: Remit fees for graduate students on appointment.

- The annual cost to remit 100% of mandatory fees for graduate students on appointments funded by general fund sources would be an estimated \$3.3 million (based on AY18/19 amounts). This would include graduate students on any level of appointment. For graduate student faculty enrolled in seven or more credit hours per term, this would have saved \$881.22 per term for academic year 2018/2019.
- Alternatives to fully implement this option over time would include: a) uniformly scale up from zero percent remission to incrementally higher percentages each year, regardless of level of appointment; or b) create a graduated scale wherein lower levels of appointment (e.g., 25%) receive proportionately less fee remission than higher levels of appointment. Either model could scale up as funds become available.

Recommendation

Addressing mandatory student fees was identified as the top priority for implementation by the task force. The task force recommends the following:

- Dependent on budget availability and beginning with AY 2020-21, move to 100% remission of mandatory fees for all eligible graduate student faculty (those with appointment of 20% or greater).
 - This recommended coverage for all eligible students on appointment is intended to mitigate funding equity issues that may exist across disciplines and programs. This may

require a phase-in period of two-to-four years to fully implement due to budget constraints.

- Consider the feasibility of implementing a separate fee structure for graduate students to better reflect their usage and reliance on the services provided by the fee proceeds.

Priority 2 – Health Care Services

AAU Peer Comparison

Information regarding health insurance was gathered through the annual AAU Data Exchange (AAUDE)⁵. Twenty AAU public universities provided data for AY 2017-18.⁶

Of the 20 AAU public peers:

- CU Boulder contributes \$3,630 (91%) to the cost of the student gold health insurance plan.
- Eleven universities (55%) provide varying coverage of health insurance premiums, ranging from 72% to 95%.
- Nine universities (45%) cover 100% of health premiums for graduate assistants.

Campus Considerations

In order to maintain the most competitive rates, it is important to note that the campus does not bifurcate graduate students from undergraduate students as insurance parity laws state that different rates cannot be charged for different populations. In making decisions regarding insurance costs and coverages, the entire needs of the entire student population must be considered.

In the past, the CU Boulder student gold health insurance plan provided additional dental options, as well as options for dependents/spouses. However, both were discontinued (dental in AY16/17 and dependent care in 15/16) due to low utilization, increases in premium costs to the plans, and limited options for in-network providers. With the creation of the Affordable Care Act in 2014 as well as the insurance exchange, it was determined that there were additional support services/offerings for non-student populations.

The task force recognizes that given the unique needs and challenges experienced by graduate students, mental health services are a crucial component of their health and wellness. The campus must work to provide the best possible array of services and support for graduate students in this area.

In review of dental options, the campus found that dental coverage does not have great value for the cost, and, as a result, students are often disappointed. However, there are two options for consideration, which include mandatory or voluntary dental plans.

⁵ AAUDE is a public service organization whose purpose is to improve the quality and usability of information about higher education. Membership is comprised of AAU institutions that support this purpose and participate in the exchange of data/information to support decision-making at their institution.

⁶ Purdue University, Indiana University, University of Nebraska-Lincoln, University of Florida, Texas A&M University, Michigan State University, University of Illinois at Urbana-Champaign, The Ohio State University, The University of Kansas, The University of Iowa, Iowa State University, The University of Arizona, University of Minnesota, Twin Cities, The Pennsylvania State University, The University of Wisconsin-Madison, University of Michigan, University of Oregon, University of Colorado Boulder, University of Pittsburgh, University of Maryland, College Park

- **Option 1: Mandatory Dental Plan** – all students enrolled in student gold health insurance plan would have the plan so the spread of risk is broader and premium collection higher. The mandatory inclusion is the better option when considering cost and wait times. A mandatory dental plan ranges in cost, averaging about \$240 annually.
 - The low limit of coverage (\$1,500 maximum) and increase in premiums make including this benefit in the plan less than ideal. Typically, the undergraduate demographic is less interested in the benefit than the graduate students.
 - Major restorative work is only covered at 50%, and a max overall limit of paid benefits extends to \$1,500.
- **Option 2: Voluntary Dental Plan**
 - Delta Dental has three plans that range in price from \$33 to \$69 per month, with an annual limit of paid benefits that range from \$1,000 to \$2,000 maximums.
 - Voluntary dental plans have high coinsurance and lengthy waiting periods that range from three to nine months.
 - In the past, less than 3% of the total population of those insured purchased voluntary dental plans.

Recommendation

Regarding health and wellness, the task force recommends the following:

- Explore options to expand dental coverage of major dental work in addition to preventive care. Examine all feasible options to expand this benefit at the lowest possible cost to the student, balanced against financial feasibility of such an offering.
- Expand and improve mental health services for graduate students, including but not limited to the following:
 - Increase access to services at Counseling and Psychiatric Services (CAPS) and in the community.
 - Increase graduate student specific groups and workshops.
 - Expand the location of services and times to accommodate graduate student schedules.
 - Hire additional staff specializing in graduate student care.
- Each year, as part of the university insurance evaluation process, examine the feasibility of offering spousal/dependent care. To make a recommendation for offering this coverage, the plan would need to:
 - Be at a lower cost than what is available on the Colorado insurance exchange.
 - Not lead to an increase in the insurance premium for all students.

Priority 3 – Graduate Student Faculty Stipends

AAU Peer Comparison

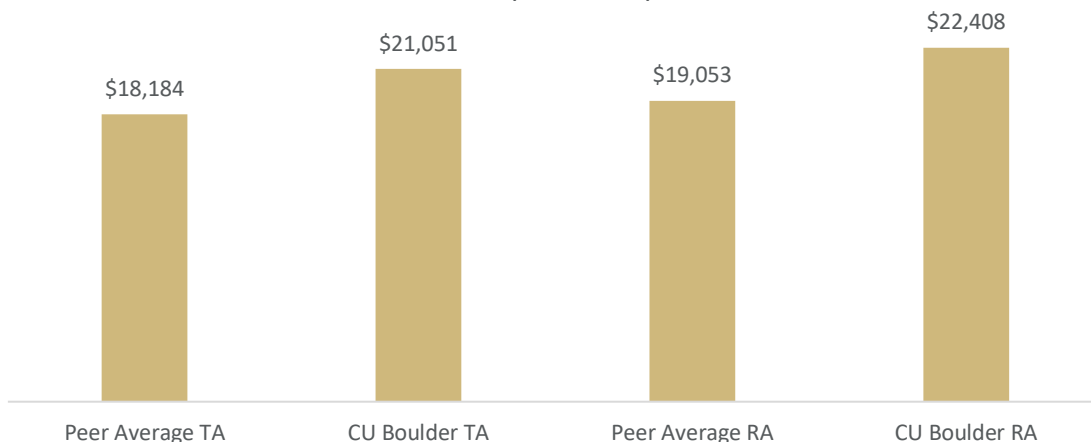
Information regarding stipends was gathered through the annual AAU Data Exchange (AAUDE). Twenty public AAU universities provided data for AY 2017-18⁷. Average graduate student salaries use full academic year, 20 hours per week salaries.

⁷ Information for AY 2018-19 will be available in summer 2019

Compared with the 19 AAU public peers (Figure 2):

- In AY 2017-18, CU Boulder's was \$2,839, or 16%, above the average base TA stipend.
- In AY 2017-18, CU Boulder was \$3,371, or 18%, above the average for RA stipends.

Figure 2
AY 17/18 Stipend Comparison



The task force recognizes that no comparison of graduate assistant compensation is complete without factoring in differences in cost of living (COL). Cost of living information was gathered through the MIT Living Wage Calculator⁸, and the comparisons provided are with the 19 peer institutions that provided the stipend information included above.

Compared with the 19 AAU public peers:

- Boulder's cost of living in 2018 was 23% above the average (Figure 3).
- CU Boulder TA stipend for AY 2017-18 adjusted for Boulder's 2018 cost of living (Figure 4).

Figure 3
2018 Cost of Living
Comparison

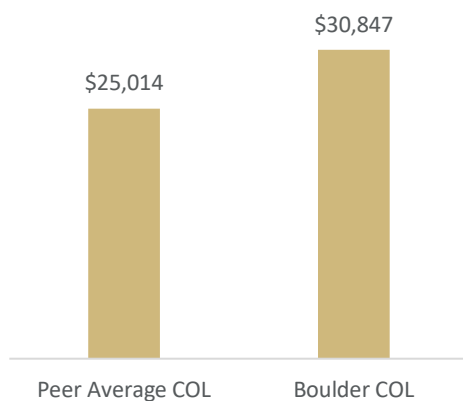
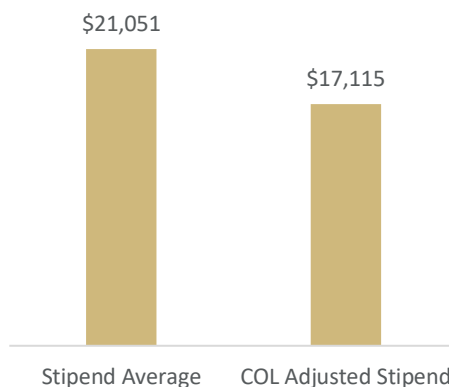


Figure 4
AY 17/18 Boulder TA Stipend
Adjusted for 2018 COL

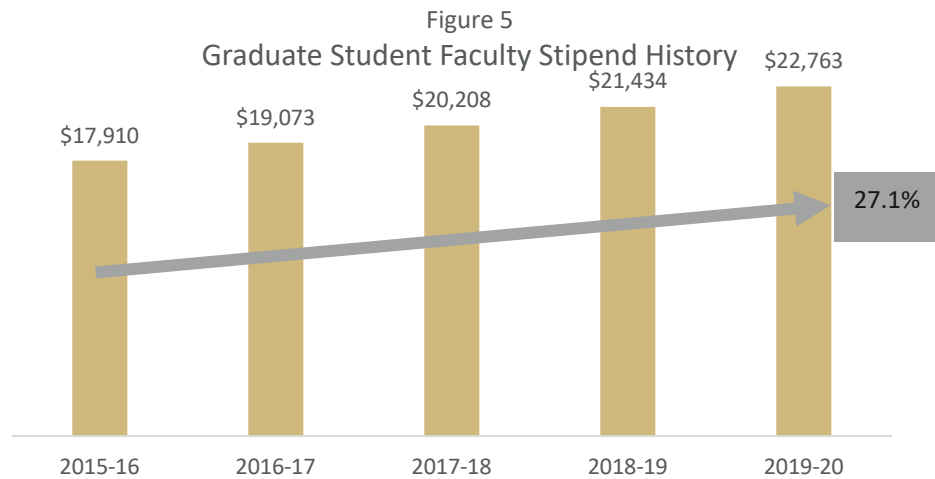


⁸ <http://livingwage.mit.edu/>

Benchmarking the Stipend

University administration and UGGS leadership worked together in 2016 to set a benchmark for the graduate student faculty stipend that resulted in four years of expanded annual increases, totaling a 27.1% increase overall. The 2016 benchmark analysis considered three primary elements:

- 1) cost of attendance determinants including mandatory fees, books and supplies, rent, food, transportation, health insurance and personal expenses;
- 2) comparison of graduate student faculty pay to ranked faculty pay to ensure an increase to the stipend would not result in graduate student faculty earning more than regularly appointed faculty; and
- 3) the appropriate time frame over which students' cost of attendance may span (increasing from nine months to 10 months).



A current evaluation of the cost of attendance determinants and updating amounts based on more recent costs, would result in revising the stipend benchmark for AY 2019-20 to \$23,805 vs. \$22,763, a 4.58% difference (Figure 6). The estimated cost to implement the revised stipend based on updated costs would be \$1.7 million.

Figure 6

Expense Category (stipend amount)	AY2017	AY2018	AY2019	AY2020	AY2020 Updated
Health Insurance	339	347	356	365	350
Mandatory fees (estimate)	1,773	1,817	1,863	1,909	1,732
Books & Supplies	1,800	1,845	1,891	1,938	1,800
Rent (1-bedroom)	9,960	10,209	10,464	10,726	11,950
Food	2,950	3,024	3,099	3,177	3,140
Transportation	0	0	0	0	-
Personal	1,720	1,763	1,807	1,852	1,910
Taxes	2,596	2,661	2,727	2,795	2,923
Stipend, with adjusted costs	21,138	21,666	22,208	22,763	23,805
Stipend, for implementation (pending Board approval)	19,073	20,208	21,434	22,763	22,763

Recommendation

Regarding graduate student faculty stipends, the task force recommends that the university reset the benchmark utilizing the current cost of living and education expenses while recognizing internal equity considerations as compared with ranked faculty.

It is also noted that the stipend benchmark already factors in costs associated with mandatory fees, and it may be necessary to consider whether a revised benchmark should include those costs if a fee remission is implemented.

Summary

The peer comparison provided a broad insight into what other AAU institutions are offering to graduate students. However, it is important to note that CU Boulder faces unique financial challenges when compared with AAU peer institutions, receiving less than 5% of its funding from the state of Colorado and remaining highly dependent on student enrollment for its funding of education and general fund costs. Additionally, funding for mandatory-fee funded services, graduate student stipends, and tuition remission for graduate students on appointment are largely distributed and reside within individual units.

The decentralized funding model for graduate student appointments does not enable the Graduate School to make strategic decisions about the use of these funds in support of graduate student success and ensure the optimal allocation of these funds. While the charge of this task force did not include these financial considerations, these are important issues that will need to be addressed in the future.

This task force was convened to examine graduate student stipends and benefits. We recognize the financial challenges faced by graduate students and the unique financial constraints of the university, and have provided prioritized suggestions for investment. We recognize, too, that immediate implementation of all recommendations may be limited by fiscal realities; however, the task force believes CU Boulder will benefit from further investments allowing us to recruit and retain the best graduate students.

Timeline and Next Steps

After Senior Vice Provost for Academic Resource Management Ann Schmiesing acknowledges that she has received the task force draft report, it will be posted on the Graduate School's task force webpage for a 60-day comment and review period. Comments by students, faculty, and staff are encouraged and can be made through the input form provided on the webpage.

Following this review and input period, the task force will make any necessary additions and modifications and then submit the final report to Senior Vice Provost Schmiesing for her consideration and next steps.

Committee Members

(Chair) Leslie J. Reynolds, interim dean of the Graduate School (replaced Ann Schmiesing)
Gretchen O'Connell, senior assistant dean of the Graduate School
Juan García Oyervides, president, United Government of Graduate Students (UGGS)
Sarah Fahmy, vice president of external affairs, UGGS
Varsha Rao, vice president of internal affairs, UGGS (replaced Jesse Niebaum)

Luke Anderson, assistant vice chancellor, Budget and Fiscal Planning
Robert Stubbs, director, institutional research, Office of Data Analytics (replaced Stephen Vassallo)

Acknowledgements

The task force would like to thank Student Affairs team members Jennifer McDuffie and Jessica Doty for providing information and insights related to health benefits. We would also like to thank those graduate students who responded to surveys, which helped to inform our recommendations and set priorities. Finally, we recognize that the continued collaboration and partnership between the Graduate School and UGGS is essential to enhance the graduate student experience.

—CU—

DRAFT