Student Services Fees Committee
2011-2012 and 2012-2013 Final Recommendations
Administrative Units

Unit: Learning Abroad Center
Fiscal Year: 2011-2012
Vote: N/A, this unit need only provide an off-year update

Rationale:
The Learning Abroad Center is on budget with its projected spending from last year’s fees request and has taken steps towards improving their unit. The implementation of PeopleSoft has helped them manage their student application and advising process, allowing more students to be helped faster. They have also increased workspace to allow for additional advising services. Overall the Committee is satisfied with the update.

Recommendation:
However the Committee recommends that in future years, the Learning Abroad Center provide an all-funds budget in their fees request. As student services fees only represent 3% of the overall budget for the Center, it would be beneficial to view the total budget to gain perspective and insight into how student services fees should be allocated.
Student Services Fees Committee  
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Administrative Units  

Unit: Radio K  
Fiscal Year: 2011-2012  
Vote: N/A, this unit need only provide an off-year update  

Rationale:  
Overall, the Committee is very impressed with Radio K and its off-year update as well as the professional and educational nature of the station.  

Radio K demonstrated a commitment to improving the professional quality of the radio station. This was clear through an investment in more professional and current radio equipment and facilities. The changes have also facilitated in reducing costs from an energy and administrative standpoint. Technological advancements were appreciated on the website where Radio K is clearly evolving and adapting its services to a more technologically literate and engaged student population. The website improvements seem to support and make possible additional sponsorship revenue, which the Committee looks favorably on the investment by student service fees appears to be paying off with increased jobs and reasonable requests. In addition to controlling travel costs, the Committee is impressed with Radio K’s financial accountability and management.  

The Committee is particularly impressed with Radio K’s ability to translate these technological improvements into a professional educational experience. Particularly, the Committee appreciates Radio K’s efforts to increase exposure at other campus venues. In addition, the number and diversity of volunteer and paid student positions at the station was appreciated by the Committee as it appears that Radio K is truly drawing on diverse student populations for talent and audience.  

The Committee is impressed with the station’s programming, including more professional and diverse on-air sets that embrace a larger campus audience. In addition, the high school program provides yet another way for student employees/volunteers to give back to the station and local community.  

There were no particular comments at the public hearing or in communications that specifically addressed Radio K, thus in final deliberations the Committee agreed with previously recommended funding for Radio K.
Student Services Fees Committee
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Administrative Units

Unit: Northrop Concerts and Lectures/Summer Cultural Programs
Fiscal Year: 2011-2012
Amount Requested for Reinstatement: $75,000.00
Initial Recommendation: $56,000.00
Vote: 5-0-0

**Majority Rationale:**
The majority of the Committee felt that the Northrop Concerts and Lectures/SCP do show some promise in the future and would like to see the next two years as a pilot for the new program. With this in mind, the Committee felt it necessary to have two years of funding in order to try the new schedule and partnership with other campus units such SUA. The Northrop Concerts and Lectures/SCP also did well by starting up the student advisory board to involve students in a majority of the decisions made. However, the Committee felt there were missed opportunities in relationship to marketing, sponsorship, and alternative funding sources. Lastly, we hope that Northrop Concerts and Lectures/SCP can come up with a better way to assess the benefit to students that are paying the fee.

**Minority Rationale:**
The minority of the Committee is concerned that Northrop does not have a quantifiable way to determine who was going to the summer concerts. The main concern is if fees-paying students are not going; this is a higher cost program for students in the summer. There needs to be a system in place so that Northrop can do a count of the student attendance at the different concerts and events they host.

The other main concern is regarding the student advisory board. The 2010-2011 Fees Committee recommended the formation of this board and this Committee is unsure if said board is working to its full capacity to meet the needs of students and plan events this summer. It is the recommendation of this Fees Committee to maintain and build relationships with the students and student groups on the advisory board to reach more students. Additionally, this Committee recommends that Northrop Concerts and Lectures/SCP more effectively market their programs to reach the summer fees paying students on campus.
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Administrative Units

Unit: Student Conflict Resolution Center
Fiscal Year: 2011-2012
Vote: N/A, this unit need only provide an off-year update

Rationale:
The Student Conflict Resolution Center is providing a valuable service to the students of the University of Minnesota. They are on budget according to their off-year presentation and are working to improve their services to students.

Recommendation:
The main concern from the Committee was student awareness of the services that the Student Conflict Resolution Center provides. It seems that a good number of students are unaware of the resources available at the SCRC. We recommend that the SCRC work to create innovative ways to promote their services to students.
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Administrative Units

Unit: Aurora Center for Advocacy and Education
Fiscal Year: 2011-2012
Amount Requested: $238,266.00
Initial Recommendation: $238,266.00
Vote: 5-0-0

Rationale:
The Committee expressed its gratitude and appreciation for this much needed service. The Committee expressed that students have been fortunate not to have to pay for this great service in the past due to the generous support of grants and assistance from the Office of Student Affairs. However, the grant’s expiration after ten years marks the time when students will need to begin to pay the costs. The Committee feels that Aurora’s services are vital to the student body’s best interests because Aurora offers an alternative to traditional counseling or legal options for students, especially those who find themselves in vulnerable situations and in need of sensitive support.

The Committee appreciates Aurora’s efforts to minimize student burden without diminishing support through a strong volunteer program as well as grant writing initiatives. Thus, the amount requested of $238,266 for the 2011-2012 fiscal year was voted unanimously with the exception of one member who abstained due to potential conflicts of interest.

In final deliberations, the Committee reflected on broad comments expressed at the public hearing in regards to the “pushover” of funding from the Aurora Center to student service fees. The Committee wants to put on record that the Aurora Center was fortunately funded through an external federal grant where neither the University nor students had to pay for this necessary service. The Committee was grateful to the University and OSA who absorbed costs of the program over the last year when the grant funding ended. The Committee felt that it was now time for the student services to absorb this cost, albeit minimal and conservative. The Aurora Center also represented at the public hearing expressing their gratitude as well as several stories of the volunteer engagement and leadership that the center provides students on campus, only furthering the Committee’s support of this service. The final recommendation remained unchanged from the initial recommendation.
Unit: Aurora Center for Advocacy and Education
Fiscal Year: 2012-2013
Amount Requested: $243,031.00
Initial Recommendation: $243,031.00
Vote: 5-0-0

Rationale:
The Committee expressed its gratitude and appreciation for this much needed service. The Committee expressed that students have been fortunate not to have to pay for this great service in the past due to the generous support of grants and assistance from the Office of Student Activities. However, the grant’s expiration after ten years marks the time when students will need to begin to pay the costs. The Committee feels that Aurora’s services are vital to the student body’s best interests because Aurora offer an alternative to traditional counseling or legal options for students, especially those who find themselves in vulnerable situations and in need of sensitive support.

The Committee appreciates Aurora’s efforts to minimize student burden without diminishing support through a strong volunteer program as well as grant writing initiatives. Thus, the amount requested of $238,266 for the 2011-2012 fiscal year was voted unanimously with the exception of one member who abstained due to potential conflicts of interest.

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Student Services Fees Committee  
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Administrative Units

Unit: Boynton Health Service  
Fiscal Year: 2011-2012  
Amount Requested: $8,284,508.00  
Amount Recommended: 8,284,508.00  
Vote: 4-0-1  

Fiscal Year: 2012-2013  
Requested (FY13): 8,450,776.00  
Recommended (FY13): 8,450,776.00  
Vote: 4-0-1  

Rationale:  
The issue that the Committee discussed was the Mental Health Co-pay. The Committee has asked Boynton to model different funding options in terms of the Mental Health co-pay. The issue of the co-pay was split pretty evenly on the Committee. Some Committee members felt that $10.00 per visit was an appropriate co-pay and argued that in the scheme of mental health costs, $10.00 is very reasonable price (especially when all other co-pay fees have been waived). The Committee members against charging the $10.00 co-pay felt that it may be a prohibitive factor to those who really need help and may not to come in because of the cost. Another issue the Committee discussed is that Boynton mental health services seem to be at capacity right now. If the co-pay is waived can the clinic handle the additional demand? The other issue the Committee discussed is that if the co-pay is eliminated, then the 10-visit maximum needs to be maintained. It is the overall consensus of this Committee that mental health services contribute to the success of students in both undergraduate and graduate programs.

This operating budget is cognizant of the financial situation that the University is facing at this time and that increases are due to covering salary, fringe benefits and cost pool allocations which are all fixed costs.
Student Services Fees Committee
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Administrative Units

Unit: Boynton Health Service—Gopher Chauffer
Fiscal Year: 2011-2012
Amount Requested: $58,825.00
Initial Recommendation: $58,825.00
Vote: 5-0-0

Fiscal Year: 2012-2013
Amount Requested: $60,002.00
Initial Recommendation: $60,002.00
Vote: 5-0-0

Rationale/Recommendation:
The Committee believes that the Gopher Chauffer is a good service that contributes to student safety on campus while being available to all students. The Committee also sees how the need for a third vehicle is warranted based on the wait times and amount of calls the service is receiving. The Committee would have liked more information on the time of calls and its relation to the hours of service and times that different venues close for the night. Overall, the whole Committee saw the needs and benefits of such a service to University students.
Student Services Fees Committee
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Administrative Units

Unit: Department of Recreational Sports – Facility Support Fee
Fiscal Year: 2011-2012
Amount Requested: $2,478,409.00
Initial Recommendation: $2,478,409.00
Vote: 5-0-0

Fiscal Year: 2012-2013
Amount Requested: $2,653,409.00
Initial Recommendation: $2,653,409.00
Vote: 5-0-0

Rationale:
The Committee believes that the Department of Recreational Sports provides a valuable service that is necessary and beneficial to a large percentage of students. We understand that the Recreation Center has lost some of its funding and this is a cost that the Department cannot absorb.

Recommendation:
The Committee would like to recommend that the Recreation Center continue to be frugal with their budget and continue to be imaginative in creating income to help offset fees and costs to students.
Student Services Fees Committee
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Administrative Units

Unit: Department of Recreational Sports – Operational Fee and Advancement Program
Fiscal Year: 2011-2012
Amount Requested: $2,710,856.00
Initial Recommendation: $2,710,856.00
Vote: 5-0-0

Rationale:
In an attempt to obtain additional future funding, the Department of Recreational Sports has requested student services fee funding to support two new advancement positions which will serve to secure alumni donations for the Department. The Committee believes that there is potential for success with this endeavor, and has agreed to fund the positions as they may later alleviate some of the burden on student services fees. However, the Department believes it will take between 4-5 years before the positions to become self-funding.

The Department will face a reduction in the University cost pool allocation and the Committee has recognized that this is an unavoidable gap in funding that cannot be absorbed by the department.

Recommendation:
The Committee would like the advancement positions to be a separate line item for future review. This will enable future Committees to determine if the positions are achieving their goal of becoming self-sustaining within the 4-5 year period discussed. The Committee feels that if they are not bringing in income at least on par with their salaries within that time frame, the positions should no longer be funded by student services fees. This Committee urges future Committees to review and consider the relative gain by the addition of these two advancement positions.
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Administrative Units  

Unit: Department of Recreational Sports – Operational Fee and Advancement Program  
Fiscal Year: 2012-2013  
Amount Requested: $3,409,337.00  
Initial Recommendation: $3,359,337.00  
Vote: 5-0-0  

Rationale:  
The Committee recognizes the need for the Department to grow to keep up with student attendance and demands. The Department will add a bubbled field at the Bierman Complex to help meet this increased demand. The Committee finds this to be a useful resource and has agreed to allocate additional funding for this purpose. In addition the Committee believes that the bubbled field could be a potential source of income in the winter months through hosting various recreational events.  
The Committee approved the University-directed salary increases at 2% and the additional estimated cost pool expenses. These are unavoidable expenses that the Department cannot absorb.  
The Committee also approved increased staffing for the Recreation Center Expansion, which will provide additional facilities and space for student recreation and should alleviate the excessive demands on the current facilities. The Committee specifically did not approve the $50,000 for an additional support staff position for the Advancement Program.
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Unit: The Minnesota Daily
Fiscal Year: 2011-2012
Requested: 550,000.00
Recommended: 505,000.00
Decision: 3-2-0

Majority Rationale/Recommendations:
At this time the Committee realizes that the MN daily is a very high-quality, award winning newspaper. We also recognize that the MN Daily has adjusted their production, running only four days a week, to help with budget shortfalls.

We had asked the MN Daily to provide us information with the amount of reserves of comparable university newspaper organizations. The information given showed that other comparable newspaper organizations had six to twelve months reserves. We understand that there are other factors that may be included, like if those comparable organizations have a similar rental agreement as the Daily has with the University of Minnesota of one dollar per year, or if the comparable newspaper organizations replace equipment in similar quantities with similar values, etc.

Despite these previous issues needing to be addressed by future Committees in order to fully be accountable for the use of student monies for a seemingly high reserve account, the MN Daily did provide what information was requested of them and showed that they are in a comparable range with other university newspapers of having a six month reserve account. Until this issue of what is a sufficient reserve amount is for this specific unit is, the Committee felt that the same amount that was approved last year is sufficient enough for the time being.

We also recommend that the MN Daily create an equipment replacement plan on a yearly basis rather than replacing a majority of equipment every four or five years, or using the reserve account to pay for it, than requesting money for their reserve account to be replenished. This will ease the burden of the students, and create a more consistent budgetary request over the years to come.

Minority Rationale:
The Committee minority would like to express the continued concern over the excessive amount of money in operating reserves. It is the Committee’s minority opinion that because of
the annual turnover in staff on both the Student Fees Committee and the Daily executive staff, prior suggestions have been lost in the transition to new staff. For several years the fees Committees have asked the Daily to cut reserves and to establish an equipment replacement plan. Past Committees have referred to the Daily’s large reserves as “unrealistic and reckless when it comes to spending student’s money.” The 2010-2011 Fees Committee went as far as designing a model to assist the Daily in establishing realistic operating reserves.

The Daily disregarded the Student Services Fees Committees’ past recommendations and asked for an increase in funding for FY12. The Daily requested $550,000 and budgeted a gain in net income of $15,319 for FY12. The Daily requested $550,000, even after completing FY10 with an increase in net income of $86,026. In FY10 and FY09, the Daily invested $172,771 and $28,490, respectively, bringing total investments to $829,626. In addition to the excessive reserves, the Daily held $346,524 and $418,248 in cash at the end of FY10 and FY09.

In the document provided during the FY12’s Fees Request presentation to the Student Services Fees Committee, the Daily was asked to identify what action it would take if the Daily faced a 10% cut in Student Services Fees. The Daily showed proposals to cut student salaries and eliminate positions as well as current programs. The Daily made no indication that reserves would be used to cover the difference. The Daily’s FY12 Fees Request documentation showed that in FY10 a management position was eliminated, which decreased growth opportunities for students; the Daily shelved what was considered to be “major and necessary re-investment in brand-new multimedia equipment”; and the Daily also decreased the pay of some of the employees. The Daily claimed that these severe measures were necessary due to the FY10’s cut of $45,000 from the Daily’s original fees request of $556,412. It is the minority opinion of the Committee that the Daily’s decision to invest $172,771 and cut students’ pay and eliminate employment opportunities, is not using student fees for the intended purpose. In FY10 alone, the Daily invested an amount that equates to 30% of their Student Fees allocation.

The Daily continues to request a relatively level amount from student fees regardless if external funding sources are more favorable than expected. Because the Daily requests fees annually, unlike other Administrative Student Services which request fees every two years, the Daily has a quicker reactionary time. The annual request reduces the need to hold large reserves for a catastrophic event. In addition, the Daily holds a $2 Million insurance policy on personal property; computer and media; business income and extra expense incase anything catastrophic should occur.
For several years the Daily has expressed concern over the rising cost of printing and the harsh financial situation for major newsprints. The Daily’s FY12 Fee Request showed that printing and distribution costs have been decreasing since 2006 as a result of the Daily’s change in the number of distribution days during the school year and during the summer months. In addition, the Daily has made spending cuts over the past few years and the trend of their total operating expenses continue to go down.

For several years the Student Fees Committee has recommended the Daily spend down their reserves and follow prudent business practices of establishing an equipment replacement plan.

**The Student Fees Committee for 2006-2007** recommended an equipment replacement plan so that purchases of equipment take place over several years instead of all at once.

**The Student Fees Committee for 2007-2008** felt that the reserves the Daily was keeping were far in excess of what is recommended for student fees units. The Committee understood that corporate advisors recommended a larger reserve, but the Committee discouraged the Daily from comparing itself to larger, metropolitan newspapers. The Committee felt that these comparisons created goals and ideas that were “unrealistic and reckless when it comes to spending student’s money.” The Committee felt that if something “catastrophic” were to occur, it would warrant a special circumstance. The Committee felt that building massive reserves to prepare for huge disasters is not the intent of the Student Services Fee.

**The Student Fees Committee for 2010-2011** generally did not agree with the Daily’s justification for their reserve amount. The Student Fees Committee for 2010-2011 went as far as to provide the Daily with a model to assist the Daily to determine an appropriate level of reserves.

The 2010-2011 module suggests that the Daily’s revenue be separated between fixed and variable income. The 2011-2012 Committee minority agrees with this model because it takes into consideration that most businesses do not have the backing of fixed revenue such as the student fees, faculty subscriptions, and university trade. These revenue sources account for approximately $885,000 in annual revenue. If the module provided by the Student Fees Committee for 2010-2011 was applied against the Daily’s last audited numbers, the Daily would have an operating reserve of $510,625. An additional $100,000 could also be justified as a capital reserve. With a proposed total reserve of $610,625, the Daily would be $219,001 over reserved. In addition, if the amount of the Daily’s cash were also considered part of the
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reserves (similar to other student service groups, where cash is the only reserve) the Daily would be $565,525 over reserved.
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Administrative Units

Unit: Student Unions and Activities—Operating Request
Fiscal Year: 2011-2012
Amount Requested: $5,376,855.00
Initial Recommendation: $5,376,855.00
Vote: 5-0-0

Fiscal Year: 2012-2013
Amount Requested: $5,467,735.00
Initial Recommendation: $5,467,735.00
Vote: 5-0-0

Rationale/Recommendation:
SUA’s programs and services impact students directly and their operations play an influential role in student’s lives. The Committee also made a point that the second floor office space should not be frozen indefinitely due to the nature of the issue and the need to find a long-lasting solution in the near future. We believe it is imperative to find a solution to this problem as quick as possible. Overall, the Committee awarded the SUA the full amount based on their programming and impact to the student life.
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Administrative Units

Unit: Student Unions and Activities—Bond Repayment
Fiscal Year: 2011-2012 and 2012-2013
Amount Requested: $3,716,516.00
Initial Recommendation: $3,716,516.00
Vote: 5-0-0

Rationale:
The Committee did not discuss the topic at length due to the nature of the request. SUA has an obligation to repay their bond.
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Administrative Units

Unit: Student Unions and Activities—Capital, Depreciation, and Maintenance Request
Fiscal Year: 2011-2012
Amount Requested: $724,207.00
Initial Recommendation: $724,207.00
Vote: 5-0-0

Fiscal Year: 2012-2013
Amount Requested: $724,207.00
Initial Recommendation: $724,207.00
Vote: 5-0-0

Rationale:
The Committee decided to fully approve the request for this budget. The Committee was happy with how conservative the request was in terms of thinking about student services fees and how SUA had not asked for an increase in several years.
Student Services Fees Committee
2011-2012 and 2012-2013 Final Recommendations

Administrative Units

Unit: University Student Legal Services
Fiscal Year: 2011-2012
Amount Requested: $1,076,000.00
Initial Recommendation: $1,076,000.00
Vote: 5-0-0

Fiscal Year: 2012-2013
Amount Requested: $1,076,000.00
Initial Recommendation: $1,076,000.00
Vote: 5-0-0

Rationale:
The Committee believes University Student Legal Services provides a unique and extremely beneficial service to the students. The service that the USLS provides has the ability to a lifelong effect for the students that utilize this service. The USLS is frugal with their budget, make good decisions and maximize each dollar that comes from student services fee.

Recommendations:
The Committee would like to recommend that the USLS be innovative in developing new promotions to make their services more known to the student body. We would also like to see an outreach aimed toward transfer students and international students as well, and believe an effective outreach program is essential to the continued success of the USLS. The Committee urges the USLS to continue to be proactive by going to fraternities/residence halls and offer educational opportunities for students to attend so they understand their rights and know of the services that USLS provides. We would like to see more interaction with law students and even undergraduates who may be interested in a career in law to gain experience from the USLS. We are against the suggestion that a percentage of student settlements going to the USLS in form of payments, and we as a Committee are in favor of collecting negligible co-pays to cover the costs of some services.