Student Services Fees Committee
Administrative Units Committee

Initial Recommendations
for 2009-2010 and 2010-2011 Funding

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Please direct questions to:
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Student Services Fees Committee
2009 Initial Recommendations

Unit: Boynton Health Services
Fund: Operating
Fiscal Year: 2009-2010
Amount Requested: $7,882,090
Initial Recommendation: $7,830,857
Vote (Yes/No/Abstain): 7/0/0

Majority Rationale:
For fiscal year 2009-2010, Boynton Health Services requested Student Service Fee funding of $7,882,090. The Fees Committee initial recommendation is $7,830,857. This amount reflects the committee’s decision to not fund the requested portion of the 5-8% reduction in Operations and Maintenance. The committee has not funded this cost in other administrative budgets and in keeping with consistency did not fund this expense. The committee did approve the request of $45,000 for the MSA Express. MSA Express will explore expanding service to other areas that will serve a larger population of both undergraduate and graduate students.
Student Services Fees Committee
2009 Initial Recommendations

**Unit:** Boynton

**Fund:** Operating

**Fiscal Year:** 2010-2011

**Amount Requested:** $8,209,626

**Initial Recommendation:** $8,087,421

**Vote (Yes/No/Abstain):** 7/0/0

**Majority Rationale:**

For fiscal year 2010-2011, Boynton Health Services requested Student Service Fee funding of $8,209,626. The Fees Committee initial recommendation is $8,087,421. This amount reflects the committee’s decision to not fund the requested portion of the 5-8% reduction in Operations and Maintenance. This amount also reflects the committee’s decision to not fund the MSA Express. The requested amount for FY 2010-2011 is $45,000 and the committee believed that this service should be reviewed following the initial FY 2009-2010 funding.
Student Services Fees Committee
2009 Initial Recommendations

Unit: Boynton Health Service

Special Decision: Continue Year-Round fee funding mechanism?

Fiscal Year: 2009-2011 (decision holds for two years)

Decision Requested: Yes

Initial Decision: Yes

Vote (Yes/No/Abstain): 7/0/0

Majority Rationale:

The committee decided at last year’s deliberation to allow the Year Round Fee on a trial basis. Boynton Health Service was permitted to try the Year Round Fee as long as they showed that the total costs would not increase because of the year round fee. Also, they needed to show statistics on how many students used the service in the summer compared to previous years, and if improvements in efficiency were gained as well as the summer usage of the Student Health Benefit Plan. Boynton presented data for the Year Round Fee which proved to be more efficient and also showed to benefit students as a whole. We decided as a committee that the Year Round Fee was beneficial to the student body and that it would be continued for fiscal year 2009-2011.
Student Services Fees Committee
2009 Initial Recommendations

**Unit:** Learning Abroad Center

**Fund:** Supplementary

**Fiscal Year:** 2009-2010

**Amount Requested:** $14,622

**Initial Recommendation:** $0* (see note)

**Vote (Yes/No/Abstain):** 7/0/0

**Majority Rationale:**

The Learning Abroad Center’s budget is approved every two years. The last approved request was for fiscal years 2008-2009 and 2009-2010. The Learning Abroad Center now requests that this Committee approve an additional amount. This type of supplementary request is rarely awarded. Such requests are awarded only for extenuating circumstances. The committee did not find extenuating circumstances to justify approving this supplementary request.

The Learning Abroad Center (“the Center”) is requesting this additional amount for a position which was filled in the middle of fiscal year 2008-2009. However, the Center is unfortunately tied to a hiring pause at this time. During a hiring pause, a program may not hire civil servants without approval from the program’s administration. The position in question is usually filled by a civil servant. The administration did not approve the civil servant hire. The Center then chose instead to hire a graduate assistant to fill the position, because the hiring pause does not prevent the hiring of graduate assistants. The $14,622 supplementary request represents the difference in pay between a civil servant and a graduate assistant. The Center requests the committee award the Center this difference. The committee declines to do so.

The Committee is pleased to see open positions being filled by students. The committee encourages and applauds student-hires for all units. Nevertheless, the Committee cannot approve the $14,622 request for several reasons.

First, the Committee will only approve supplementary requests for special circumstances. This was not such a situation. The program’s administration did not find the filling of this position to be a priority. The Committee respects the administration’s decision, as they are in the best position to assess such hiring situations. If the administration does not find this hire to be a priority, the Committee is inclined to likewise find that this situation is not extenuating, as required to approve supplementary requests.

Second, the Center over-stepped the purpose of the hiring pause: to save money. By hiring a graduate assistant, the Center is not saving money, but spending $14,622 more. This is troubling considering the state of the University’s budget and the state of our economy. These times, more so than others, warrant the most fiscally conservative behavior.
Third, the Center filled this position without first informing the Committee that such action would require additional funds. The Committee is concerned with such actions. The Committee is reluctant to award supplementary requests to units who decide to spend money they don’t have. It is not in the Committee’s best interest to fund after-the-fact expenses.

Fourth, the filling of this new position was an operating preference. The preference was taken in the middle of an already approved fiscal year. Accordingly, the Center should re-allocate funds to support this preference instead of requesting the Committee to award additional funds. Units should work efficiently with their already approved budgets.

Finally, this Committee does not want to set precedent for approving Supplementary requests unless extraordinary circumstances exist. These requests should rarely, if ever, be given. If they are given, it is because special circumstances warrant it. The committee does not believe the current circumstances warrant this request.

*Note: As a result of this decision, the Learning Abroad Center will receive $106,422 in student fee funding for fiscal 2009-2010. This funding represents the amount approved for FY10 by the 2008 Fees Committee with no additional funding.*
Student Services Fees Committee
2009 Initial Recommendations

Unit: Minnesota Daily
Fund: Operating
Fiscal Year: 2009-2010
Amount Requested: $600,00
Initial Recommendation: $566,500
Vote (Yes/No/Abstain): 6/1/0

Majority Rationale:

The Committee denies the Minnesota Daily’s (“the Daily”) request of $600,000, and initially recommends $566,500 in student service fees for 2009-2010. The $566,500 amount represents a 3 percent increase on the 2008-2009 student services fees allocation of $550,000.

The Committee rejected the Daily’s proposed increase of $50,000 on the prior fiscal year in part because the Daily did not clearly illustrate how the newspaper arrived at the dollar total or how specifically the money would be spent.

The Committee would have appreciated a more concrete description of the impact of a 10 percent reduction in fees allocation in the Daily’s student service fees request. Accurate impact descriptions are necessary to help the Committee understand an administrative unit’s financial position.

The Committee was troubled by the large increase in student services fees as a percentage of the Daily’s operating budget. Over the past 7 years student services fees accounted for, on average, 20 percent of the Daily’s total budget. This year, the $600,000 request would have represented 30 percent of the Daily’s total budget. We recognize that this increase stems in part from the Daily’s overall budget reduction. However, with future advertising revenue uncertain, the Committee wonders if 30 percent is the new benchmark for the role of student services fees in the Daily’s budget.

While the Committee recognizes the Daily’s efforts and progress in restructuring compensation packages, the Committee still believes that the Daily’s current staff compensation is excessive. The Daily’s highest pay rate is $16.09 per hour capped at thirty hours per week. This totals $24,135 per 50-week year. The Committee understands that even this compensation package is a substantial decrease from past packages which also included discretionary bonuses. In justifying the relatively high wages, it is misleading for the Daily to compare the compensation levels of undergraduate students working part-time to the compensation levels of degree-holding, full-time professionals. The Committee recommends that future compensation restructuring occur in a more progressive manner. For example, a 5 percent across-the-board salary cut is more progressive than a $0.50 per hour wage cut which has a disproportional impact on Daily staff who are paid the lowest wages.
The Committee also raises questions about the Daily’s $549,149 reserve account. This reserve account represents approximately 28 percent of the Daily’s projected 2009-2010 operating expenses. The Committee voiced the same concerns about the large reserve account during its final recommendations in 2007-2008. The University of Minnesota Board Of Regents stipulates that student services fees-receiving organizations have operating reserves: “Maintained at no more than 10 percent of the proposed operations budget of the organization. Any amount in excess of 10 percent would be used to reduce the next operating budget.”\footnote{Student Services Fees Request Handbook for Administrative Units, 13.} The Committee recognizes that the 10 percent rule, established by the Board of Regents in 1978, may deserve to be reconsidered. However, the Daily’s 28 percent reserve account is by far the largest of any student fees-receiving administrative unit. Accordingly, the Committee advises the Daily to use some of its reserve funds to bridge the newspaper until its business outlook improves.

For all these reasons, and with full respect to the expense reductions that the Daily has already undertook, and in acknowledgement of the vital role that the Daily holds in the University of Minnesota student community, this committee recommends a 3 percent inflationary increase in student services fees allocation to a total of $566,500.

As a post-script, the Committee recommends that the Daily work for greater continuity in leadership for the purposes of requesting student services fees. We respect the Daily’s democratic process of rotating through publishers annually. However, that arrangement does not build the experience in applying for student service fees that other fee-receiving administrative units enjoy.
Minority Rationale: (For Minnesota Daily decision)

The entire Committee appreciates Minnesota Daily’s efforts at cutting costs. Fiscally conservative behavior is encouraged and applauded. Engaging in such behavior keeps student service fees reasonable; this is beneficial for all students who pay the fee.

Nevertheless, the minority respectfully dissents from the majority’s decision to award $566,500. The minority recommended the Committee award Minnesota Daily $550,000. This amount was sufficiently justified; $566,500 was not.

The Minnesota Daily failed to demonstrate why they were asking this committee for $50,000 more than they requested last year. The Committee should not award any amount requested by a unit without sufficient justification by the unit. It is not, and should not be, the Committee’s duty to speculate as to why specific amounts are justified. An effective presentation would clearly identify the amounts requested and why such amounts are appropriate, reasonable and justified.

Minnesota Daily failed to clarify the $50,000 increased request. During their presentation, in the materials given to the committee, and upon being asked by the committee, Minnesota Daily did not sufficiently justify the increase. Unlike the majority, which approved a portion of the $50,000 increase, the minority would not approve any portion. This is because no portion of the $50,000 increase was sufficiently justified by Minnesota Daily.
Student Services Fees Committee
2009 Initial Recommendations

Unit: RadioK

Note: Off-Year budget review only; no vote involved.

Overview:

The committee has reviewed the second year of this unit’s two-year request. They did not request additional funds for special projects or circumstances. The unit has also been fiscally prudent, keeping variance in check. The committee continues to support the previously approved funding request of $219,458 for fiscal 2009-2010.

General Comments:

The Committee appreciated the way RadioK emphasized the results of its recent initiatives. For example, the unit showed how its graphic designer position has improved the unit’s marketing efforts. The committee is also pleased that the unit discussed the positive effects of the StudioK refurbishment, a renovation project that was funded by previous student fees committees.

In 2008, the Committee approved new funding for RadioK to support travel to conferences. The Committee appreciated the report about RadioK’s attendance at conferences, which included information on the type conferences attended, the cost of attendance, the activities at the conference, the type of training provided, and the benefit to students. The committee requests that RadioK provide this level of detail next year as well.
Student Services Fees Committee  
2009 Initial Recommendations

**Unit:** Recreational Sports  
**Fund:** Operational Fee  
**Fiscal Year:** 2009-2010  
**Amount Requested:** $2,307,456  
**Initial Recommendation:** $2,307,456  
**Vote (Yes/No/Abstain):** 6/0/1

**Majority Rationale:**

For fiscal year 2010, the Department of Recreational Sports requested $2,307,456 for its operating budget, which the committee decided to fund in full. The $200,000 decrease from fiscal year 2009 represents $200,000 for the U of M cost pool that moved to the Facility Support budget.

The committee believes that Recreational Sports provides a great variety of programs and opportunity for involvement for the student body. They employ over 500 students annually and return over 55% of student fees money back to the students through employment. Over the years, the proportion of the total budget that comes from student fees has continued to decrease.

In addition to helping build a sense of community on campus, Recreational Sports has come up with innovative ways to generate income, such as starting the donor recruitment program. The committee appreciates their extra effort they have taken to secure funds to supplement their income. The committee values Recreational Sport’s concern for the effect of the economic times on students and therefore not asking for an increase in funding from the students.
Student Services Fees Committee
2009 Initial Recommendations

Unit: Recreational Sports
Fund: Operational Fee
Fiscal Year: 2010-2011
Amount Requested: $2,340,856
Initial Recommendation: $2,340,856
Vote (Yes/No/Abstain): 6/0/1

Majority Rationale:

For fiscal year 2011, the Department of Recreational Sports requested $2,340,856 for its operating budget, which the committee decided to fund in full. This represents an increase of $33,400. This amount is 44% (the proportion of their budget supported by student fees) of a projected 2% salary/fringe benefit increase.

The committee felt this increase was justified. Recreational Sports is only asking for 44% of the proposed budget increase from student fees. The organization has been fiscally responsible and worked hard to generate income in a multitude of ways.
Student Services Fees Committee
2009 Initial Recommendations

Unit: Recreational Sports
Fund: Facility Support Fee
Fiscal Year: 2009-2010
Amount Requested: $2,275,000
Initial Recommendation: $2,275,000
Vote (Yes/No/Abstain): 6/0/1

Majority Rationale:
For fiscal year 2010, the Department of Recreational Sports requested $2,275,000 for its facility support budget, which the committee decided to fund in full. This represents a $200,000 increase from fiscal year 2009, which is merely a shift of the U of M cost pool cost from the operational budget to the facility budget to the operational budget, and thus does not represent a net increase in funding.

The committee believes that Recreational Sports has been exploring all options to keep costs low for students and appreciates not charging students an increase in its facility fee to be used towards annual capital repair and improvements. Recreational Sports is planning for capital improvements that are not yet underway and looking to secure funds well in advance as to ask for the minimal amount possible from the students when it comes time to begin their projects, which the committee appreciates.
Student Services Fees Committee
2009 Initial Recommendations

Unit: Recreational Sports
Fund: Facility Support Fee
Fiscal Year: 2010-2011
Amount Requested: $2,303,409
Initial Recommendation: $2,303,409
Vote (Yes/No/Abstain): 6/0/1

Majority Rationale:

For fiscal year 2011, the Department of Recreational Sports requested $2,303,409 for its facility support budget, which the committee decided to fund in full. This represents a $28,409 increase from fiscal year 2010. This increase accounts for 44% of the projected cost pool increase for fiscal year 2011. The committee believes this increase is justified.
Student Services Fees Committee
2009 Initial Recommendations

**Unit:** Student Conflict Resolution Center

**Note:** Off-Year budget review only; no vote involved.

**Overview:**

The committee has reviewed the second year of this unit’s two-year request. They did not request additional funds for special projects or circumstances. The unit has also been fiscally prudent, keeping variance in check. The committee continues to support the previously approved funding request of $235,000 for fiscal 2009-2010.

**General Comments:**

The presentation provided ample evidence that students believe the SCRC provides a valuable service on campus. The surveys reviewed by the committee indicate that students who use the SCRC give it very favorable ratings. The SCRC closed 607 cases in 2007-2008 and is also working on an academic civility initiative which will benefit all students.

Financially, the unit is currently spending down part of its reserves to pay for its operations. While reserves are sufficient for the coming year, future committees are advised to work closely with this unit to ensure that reserves remain adequate.
Unit: Student Unions and Activities
Fund: Operating
Fiscal Year: 2009-2010
Amount Requested: $5,276,092
Initial Recommendation: $5,226,557
Vote (Yes/No/Abstain): 7/0/0

Majority Rationale:

The Committee was unanimous in its opinion that Student Unions and Activities (SUA) was being responsible with its operating budget, and reasonable in its fiscal outlook. SUA showed it has taken steps to increase its visibility on campus, as well as effectively advertise and promote the multitude of benefits and services it provides to students.

The Committee felt that the FY10 fees request from SUA was acceptable and justified, except for their request that student fees fund 100% of the increase in FY10 Fringe Benefits (FB) Rates. The Committee was first set to vote on the full amount requested, but during pre-vote discussion it was pointed out that SUA was asking for student fees to cover the full amount of their FY10 FB expense increase, equaling $101,093. Because student fees account for 51% of the SUA budget, it was decided that this percentage should apply to the FB cost increase. Thus 51% ($51,558) of the FB increase was taken and substituted into the Operating Fees.

The Committee therefore approves a total of $5,226,557 for the Student Unions and Activities Operating Fee in FY10. This is the full amount requested, sans 49% of the Fringe Benefit Rate Increase.
Student Services Fees Committee  
2009 Initial Recommendations  

Unit: Student Unions and Activities  
Fund: Operating  
Fiscal Year: 2010-2011  
Amount Requested: $5,371,873  
Initial Recommendation: $5,322,388  
Vote (Yes/No/Abstain): 7 Yes, 0 No, 0 Abstain  

Majority Rationale:  
The Committee believes the Student Unions and Activities (SUA) Operating budget is a fiscally responsible one. The Committee also believes that the services and amenities provided by SUA are important to the University of Minnesota’s student population.  

The Committee deducted $49,535 from the FY10 SUA Operating Fees allocation to fund the Fringe Benefit Rate increase at what was voted an appropriate level. Because the prior year base allocation is used as a starting point for SUA Operating Fees budget request, the FY11 request began $49,535 less than originally planned.  

Thus the Committee approves a total of $5,322,388 for the Student Union and Activities Operating Fee in FY11. This is the full amount requested for FY11, minus the adjustment from FY10.
Student Services Fees Committee
2009 Initial Recommendations

**Unit:** Student Unions and Activities

**Fund:** Capital, Depreciation and Maintenance

**Fiscal Year:** 2009-2010

**Amount Requested:** $724,207

**Initial Recommendation:** $724,207

**Vote (Yes/No/Abstain):** 6/0/1

**Majority Rationale:**

The Committee voted to fund the full amount requested from Student Unions and Activities for capital, depreciation and maintenance. The Committee understands the need for funds to keep Student Unions and Activities’ facilities and equipment in a high state of repair. The Committee appreciates that Student Unions and Activities has not raised the amount they ask for in this category for many years, though some concern was expressed that Student Unions and Activities does not fully depreciate all of its assets, and therefore this amount may not be enough to cover all repairs and replacements in the future.

Committee members also expressed concerns about some of the items on the Capital Request List provided for 2010. The Committee members understand that upgrades to certain technologies are necessary, especially for areas that are rented out to earn income for Student Unions and Activities. However, Committee members questioned the replacement of some technologies that are only a few years old and not used for highly technical purposes, such as the installation of LCD TVs in the elevator lobbies. The Committee understands that it is not our place to interfere with the operational decisions of the administrative units, but asks that Student Unions and Activities consider the Committee’s and other university students’ opinions as to the necessity of certain capital expenditures during this difficult financial time.
Student Services Fees Committee  
2009 Initial Recommendations  

**Unit:** Student Unions and Activities  
**Fund:** Capital, Depreciation and Maintenance  
**Fiscal Year:** 2010-2011  
**Amount Requested:** $724,207  
**Initial Recommendation:** $724,207  
**Vote (Yes/No/Abstain):** 6/0/1  

**Majority Rationale:**

The Committee voted to fund the full amount requested from Student Unions and Activities for capital, depreciation and maintenance. The Committee understands the need for funds to keep Student Unions and Activities’ facilities and equipment in a high state of repair. The Committee appreciates that Student Unions and Activities has not raised the amount they ask for in this category for many years, though some concern was expressed that Student Unions and Activities does not fully depreciate all of its assets, and therefore this amount may not be enough to cover all repairs and replacements in the future.

Committee members also expressed concerns about some of the items on the Capital Request List provided for 2010. The Committee members understand that upgrades to certain technologies are necessary, especially for areas that are rented out to earn income for Student Unions and Activities. However, Committee members questioned the replacement of some technologies that are only a few years old and not used for highly technical purposes, such as the installation of LCD TVs in the elevator lobbies. The Committee understands that it is not our place to interfere with the operational decisions of the administrative units, but asks that Student Unions and Activities consider the Committee’s and other university students’ opinions as to the necessity of certain capital expenditures during this difficult financial time.
Student Services Fees Committee
2009 Initial Recommendations

Unit: Student Unions and Activities
Fund: Bond Repayment
Fiscal Year: 2009-2010
Amount Requested: $3,716,516
Initial Recommendation: $3,716,516
Vote (Yes/No/Abstain): 7/0/0

Majority Rationale:

Given that the Committee can only alter this funding request amount under extraordinary circumstances, the Committee has voted to approve the amount requested in full.

Note: See Regents policy for “Student Services Fees,” Sec. IV, Subd. 6, “Capital Improvements.”
Student Services Fees Committee  
2009 Initial Recommendations

**Unit:** Student Unions and Activities  
**Fund:** Bond Repayment  
**Fiscal Year:** 2010-2011  
**Amount Requested:** $3,716,516  
**Initial Recommendation:** $3,716,516  
**Vote (Yes/No/Abstain):** 7/0/0

**Majority Rationale:**

Given that the Committee can only alter this funding request amount under extraordinary circumstances, the Committee has voted to approve the amount requested in full.

*Note: See Regents policy for “Student Services Fees,” Sec. IV, Subd. 6, “Capital Improvements.”*
Student Services Fees Committee
2009 Initial Recommendations

**Unit:** Summer Cultural Programs

**Note:** Off-Year budget review only; no vote involved.

**Overview:**

The committee has reviewed the second year of this unit’s two-year request. They did not request additional funds for special projects or circumstances. The unit has also been prudent in coping with various fiscal concerns. The committee continues to support the previously approved funding request of $75,000 for fiscal 2009-2010. In addition, the Committee wishes to provide some comments/recommendations related to the unit’s fiscal position.

**Background:**

The Office of Evening Classes and Summer Session provides oversight of the unit. SCP receives student fee funding only from students enrolled in a summer term. Variations in the summer enrollment multiplier mean that the amount of fee revenue actually received can vary significantly each year from what was approved.

**Fiscal Comments:**

- The Committee appreciates the unit’s efforts to cope with reduced revenue. These efforts have included a renegotiation with Northrop Auditorium, and supplementary funding from the Office of Student Affairs.

- The unit recently purchased a new bandstand, which accounts for their current low level of reserves. Level of reserves have been a concern to past committees.

- Future committees are advised to work closely with SCP in finding a cost-effective storage solution for their equipment while Northrop undergoes renovation.

- The committee asks SCP to investigate the possibility of charging a fee to other units/colleges that benefit from SCP’s services. For example, colleges are currently not charged for using SCP’s tents at graduation ceremonies.
Student Services Fees Committee
2009 Initial Recommendations

Unit: University Student Legal Service (USLS)
Fund: Operating
Fiscal Year: 2009-2010
Amount Requested: $1,076,000
Initial Recommendation: $1,076,000
Vote (Yes/No/Abstain): 7/0/0

Majority Rationale:

The Student Fees Committee appreciates the University Student Legal Services attempt to provide more services at less of a cost to students. The Committee voted unanimously to fund the USLS for the full amount, $1,076,000, requested for the 2009-2010 fiscal year. Also, the committee appreciates the efforts of USLS to be fiscally responsible, in this economic climate it is a refreshingly responsible approach to business.
Student Services Fees Committee
2009 Initial Recommendations

**Unit:** University Student Legal Service (USLS)

**Fund:** Operating

**Fiscal Year:** 2010-2011

**Amount Requested:** $1,076,000

**Initial Recommendation:** $1,076,000

**Vote (Yes/No/Abstain):** 7/0/0

**Majority Rationale:**

The Student Fees Committee appreciates the University Student Legal Services attempt to provide more services at less of a cost to students. The Committee voted unanimously to fund the USLS for the full amount, $1,076,000, requested for the 2010-2011 fiscal year. Also, the committee appreciates the efforts of USLS to be fiscally responsible, in this economic climate it is a refreshingly responsible approach to business.