Date: March 20, 2009

To: Joseph Alutto, Executive Vice President for Academic Affairs and Provost
    William Shkurti, Senior Vice President for Business and Finance

From: Ralph Boerner, Chair, Senate Fiscal Committee

Re: Proposed increase in the Student Activity Fee

Senate Fiscal discussed at its meeting of February 17, 2009 the proposal to increase the Student Activity Fee (SAF) from the current $15 per quarter to $25 per quarter, effective Autumn Quarter 2009. The Committee compiled a list of questions and concerns and forwarded them to Ms. Kerry Hodak of the Council on Student Affairs (CSA), the initiating unit.

On March 3 the Committee met with Ms. Hodak, Ms. Tracy Stuck, Assistant Vice President for Student Life, and Mr. David Wiseley, Associate Director of the Ohio Union and discussed the written materials that Ms. Hodak had sent to the committee in response to the questions developed by the Committee during the meeting of 17 February (Note: both the Committee’s questions and Ms. Hodak’s responses are posted on the Senate Fiscal web site). The discussion developed into a broad exploration of issues of timing, programming, staffing, and feasibility.

The discussion was continued during the Committee meeting of March 17, and was enriched by information gained through further discussions with Mr. Ben Anthony of SFC and USG, Dr. David Stetson of CSA, and Vice President Javaune Adams-Gaston. It became clear that two separate issues were conflated in this proposal: (1) the desirability of raising the Student Activity Fee to $25 per quarter at this time, and (2) the manner in which Student Activity Fee revenues are administered.

There was considerable enthusiasm among the Committee members for the programming that the CSA has produced with the current SAF funding, as well as a general appreciation of the need to ameliorate the effects of five years of losses of buying power to inflation; however, this enthusiasm was tempered by concerns that included assessment of existing programming, prioritization, and timing, none of which were, in the opinion of the majority of the Committee, adequately addressed in the proposal.

One area of concern expressed by a number of Committee members was the assumption that the only way to enhance programming was by increasing funding. The Committee asked if CSA had considered whether there were events/activities that could
be eliminated based on impact, efficacy, utility, attendance, priority, etc. that could free up funds for new programs. In the same vein, the Committee asked if a prioritized list of initiatives (both current and proposed) could be provided. Perhaps such an effort might be undertaken either by CSA or by a joint effort between CSA and the Office of Student Life effort, with the goal of finding economies? Although both Ms. Hodak and Mr. Anthony assured the Committee that all programs are evaluated on an annual basis, no specifics were offered in the proposal. The CSA proposal would have been strengthened considerably by inclusion of data indicating the outcome of careful assessment and prioritization.

Given the state and national economic situation and the strong support for a continued freeze on student fees in the legislature, the Committee was concerned that any increase in fees, no matter how modest, would run counter to the spirit of the freeze, even if a special legislative exception for the SAF were offered. In the absence of such an exception, an increase in the SAF would have to come at the expense of other General Fund budget lines, and this was not considered desirable by the Committee. Although our guests from CSA and USG assured us that the proposal would not go forward if the increase in the SAF were to come at the expense of other units, this was not clearly stated in the proposal. Given that students face the possibility of future increases in the RPAC fee, a new Ohio Union fee, a possible opt-in fee for legal services (to replace a more modest service now covered by the existing fee structure), and an expanding suite of technology, laboratory, and other academic fees, and given the need for time for the new Vice President for Student Life to complete her planning process, an increase in the SAF at this time seemed perhaps premature. In response to these concerns, the Committee moved and approved the following motions at its meeting of March 17:

**SFC recommends that there be no increase in the Student Activity Fee for Fiscal Year 2010** (Vote: 10 in favor, 3 opposed, and no abstentions).

**SFC recommends that a revised proposal for an increase in the Student Activity Fee be considered during the 2009-2010 academic year for implementation in Fiscal Year 2011** (Vote: 12 in favor, none opposed, and 1 abstention).

Please note that the Central Services Subcommittee of SFC included the Office of Student Life in the list of units they suggested be invited to submit proposals for additional central funding in the upcoming round of budget discussions. If Vice President Adams-Gaston should find some or all of the projects outlined in the CSA proposal to be sufficiently meritorious, she might consider including such items in Student Life's submission to CSS for central funding next month, thereby avoiding (at least temporarily) a fee increase.

There was general confusion among the Committee members about the administrative and fiscal arrangements that involve the SAF, CSA, the Ohio Union, and the Office of Student Life, particularly with respect to the allocation of fiscal authority and fiscal responsibility. According to Ms. Hodak and Mr. Anthony, the existing Memorandum of Understanding (MOU) for the administration of the SAF limits the use of SAF funds to programming and other direct student uses. As a result, the considerable staffing needs of this program were initially met, and continue to be met, by delegating the responsibility for oversight, fiscal management, and logistics of the SAF-funded initiatives to permanent staff members and GAAs employed by the Ohio Union. At
present, all or part of the responsibilities of six Ohio Union staff members and two GAAs are devoted to these programs.

It is reasonable to anticipate that the move into the new Ohio Union facility will put additional responsibilities on the Ohio Union staff, and any budget reductions that might be necessitated by the current economic situation would only exacerbate this. In recognition of this situation, the CSA proposal requested funding to hire additional regular staff to help operate the SAF-funded programs.

If the SAF is increased from $15 to $25, it will necessitate the development of a new MOU that permits SAF funds to be used to pay directly for administrative personnel. Developing this new MOU would offer the opportunity to put the staffing contributions of the Ohio Union offices to SAF-funded programming on a more clearly defined footing. In this spirit, Senate Fiscal recommends that the current informal staffing arrangements between the Ohio Union and CSA be replaced by a clear and specific detailing of the range of tasks and responsibilities that the Ohio Union offices will supply to CSA from the current Ohio Union budget, as well as the duties, responsibilities, and reporting lines of the additional staff to be hired with new SAF funds. The lines of responsibility for staff hiring, supervision, and evaluation should also be spelled out specifically in the new MOU.

The relationship among the 900-1000 student organizations that receive SAF funds, the CSA, and the Office of Student Life was also unclear to the Committee. The CSA perspective seemed to be based on the Office of Student Life having delegated all spending authority for the SAF and considerable staff oversight to CSA; thus, proposals from student groups for funding would be reviewed and decided upon by CSA, and spending authorizations forwarded by CSA for implementation by the Ohio Union staff under the supervision of CSA. The Ohio Union staff thus assumes responsibility for fiscal management and accountability, while spending authority resides in CSA. This perceived arrangement was a concern to the Committee, as it suggested that fiscal authority resided in a student-led standing committee of the Senate (CSA) whereas fiscal responsibility resided in an administrative unit (Ohio Union/Office of Student Life).

Vice President Adams-Gaston had a different interpretation of the relationships among these units, one in which authority flows downward from the Office of Student Life through the Ohio Union, and on to CSA, whereas fiscal responsibility flows in parallel in the opposite direction. This arrangement seemed much more desirable to the Committee, and we urge CSA to incorporate a clear description of the flow of funds, spending authority, and fiscal responsibility in the MOU that is to be crafted for the future.

In closing, I want to reiterate the enthusiasm of the Senate Fiscal Committee for the current range and diversity of student programming offered by CSA and the Office of Student Life. We understand that both changing priorities and chronic inflation have contributed to the need for enhanced funding for student programming. Having said that, the majority of the Committee also felt strongly that the current economic and political climate in Ohio, and the somewhat confused/confusing fiscal arrangement for the SAF that has developed over time, made recommending such an increase undesirable, at least for the immediate future. The majority of the Committee feels it is important to permit Vice President Adams-Gaston time to develop her strategic vision for the Office of Student Life before major fiscal changes, such as an increase in the
Student Activity Fee, are made. We also strongly recommend that the proposal we hope the Council on Student Affairs will bring forth next year will include careful, well-documented assessment of current programs as part of its justification for increased funding.

Cc: Dr. Javaune Adams-Gaston, Vice President for Student Life
    Ms. Kerry Hodak, Council on Student Affairs