Reform of the ASSU Undergraduate Funding System

Executive Summary

Every student at Stanford University is a member of the ASSU. As such, we each buy into a system that pays for the activities, events, and initiatives that help to maintain the high quality of student life at this institution. The ASSU charges multiple fees to its members, and then these fees are distributed to the various organizations that try to make our campus a better place through programming, social activities, and community service. This makes up the core of the ASSU Funding System.

Last year, over the course of 9 months, a coalition of ASSU representatives inspected our student group funding system, and proposed a series of constitutional amendments and bylaw changes, known as “Student Activities Fee (SAFE) Reform” as a way to “decrease the student fee, cut ASSU bureaucracy, stabilize the funding system, eliminate unused fee money, create more flexible funding opportunities, and still give student groups the opportunity to access exactly as much money as they can today.” In the 2014 Spring Quarter Election, SAFE Reform received 51% undergraduate support, failing the 2/3 threshold necessary to amend our Constitution, but demonstrating a concrete support for fixing our system from the student body.

This proposal uses SAFE Reform as a skeleton, with the contentious points of the previous proposal removed. The opponents of SAFE Reform wrote that even though SAFE was not the answer, our current funding system needed to be re-evaluated. To that end, this proposal was crafted to address all of the concerns written about SAFE Reform by various students and student groups, but keeps the core commitment to funding flexibility intact.

The ASSU Constitution is democratic, and was therefore designed to be changed according to the needs of the student body. The time for changing the Constitution has come, as the currently existing funding system does not meet the needs of the student body. SAFE Reform was the first iteration, and this funding reform proposal seeks to improve on that to make the system work more effectively for everyone. The problems of the ASSU were created by students, and they can be solved by students. This is our chance for a solution.

Sincerely,

John-Lancaster Finley ‘16
ASSU Undergraduate Senate

Elizabeth Woodson ‘15
ASSU President

Logan Richard ‘15
ASSU Vice President

On Behalf of the 16th ASSU Undergraduate Senate and the Executive Funding Reform Team.
What’s wrong with our current system?

- **We have unspent student money sitting around, but we somehow still can’t fund General Fee student groups.** Currently, the ASSU is sitting on about $300,000 in General Fee Reserves, a $700,000 Undergraduate Buffer Fund, and right around $1,400,000 in Special Fee Reserves. Yet every single week, the Senate Appropriations Committee has been cutting student group budgets in an attempt to fairly allocate a $350,000 General Fee to hundreds and hundreds of different student groups, because these additional funds can’t be accessed under the current system (and the General Fee can’t be raised until the next fiscal year). Student Groups aren’t happy about it, and the ASSU isn’t happy about it either. The primary role of the Undergraduate Senate is to distribute the general fee in a fair and responsible way to maintain the high quality of life at this University. *The current system isn’t getting the job done for General Fees.*

- **The Special Fees funding system is totally inflexible, and is an excessive burden on everyone.** The process of applying for Special Fees is a nightmare for student groups, because it forces group members and financial officers to accurately predict their expenses for an entire year in one budget, without giving them opportunities to access more funding throughout the year. With the significant leadership turnover in groups from year-to-year, and the extreme variability of expenditures in any given year, this process has become inappropriately burdensome for our current situation. Furthermore, Special Fees are a nightmare for the Senate Appropriations Committee, as we are hit with an overwhelming amount of enormous funding requests to review in February, and we have just as hard of a time being able to accurately recommend expenditures for an entire year in a single request. This provides an incentive for groups to overestimate in their applications, and the Senate isn’t able to avoid wasting student money. *The current system isn’t getting the job done for Special Fees.*

- **The funding system in the Constitution and Senate Bylaws is convoluted, confusing, and contradictory.** There are several problems with the way finances are currently spelled out in the governing documents of the ASSU – so much so that only a select group of people on this campus ever fully understand the system. For example, the current system creates multiple individual “fees”, and is unclear about to which accounts those fees should be assigned, or who has oversight over each one. This knowledge barrier hurts our campus democracy, and isn’t because students don’t want to learn. It’s because we have a system that is inherently difficult to understand, and the documents that attempt to explain it frequently don’t make any sense, or are incredibly unclear. This causes student groups and the ASSU to simply rely on passing down their own institutional knowledge (or rather, lack thereof), which in itself is a big problem when financial officers or managers with experience graduate or disengage. *The current system isn’t getting the job done for elected representatives, appointed officials, or student group leaders.*
Why This Reform Proposal, and Why Now?

This proposal seeks to address the above problems by increasing the total amount of money available in our system, removing the archaic inflexibility of Special Fees budgeting, and concisely defining the funding process in the governing documents of the Association. Through adapting SAFE Reform, this funding reform proposal attempts to balance the unique needs of our student groups that contribute so heavily to our campus culture with a commitment to fiscal responsibility and sustainability. In short, the ASSU is trying to create a way to actually do its job fairly and effectively – and that benefits everyone.

The ASSU Senate called a Special Election this quarter to decide this, because if this proposal were placed on the Spring Ballot, then it would not be able to take effect until Fall 2016. The ASSU believes that is too long to wait to fix the egregious problems in the current system, and wants to make a concentrated effort to repair things before they get even more out of hand. Furthermore, a Special Election could not be called Winter Quarter, because Special Fee groups need certainty in knowing which system to budget for, as both systems require them to budget in the Winter.

How is this different from SAFE Reform?

This proposal was specifically written to address the concerns of SAFE Reform. Particularly, the previously established “Funding Board” has been removed entirely, the cap on the Undergraduate Fee has been removed entirely, and the “application to hold reserves” has been removed entirely.

Furthermore, this proposal was created specifically through collaboration with, outreach to, and feedback from multiple student groups. From MEChA, to Stanford in Government, to the Black Pre-Law Society, and many others, multiple groups were involved in the creation of this funding reform proposal. This is not an internal ASSU financial effort, but rather, it is a student initiative, spearheaded by elected officials, to fix the problems plaguing the student funding system for undergraduates.
How Will It Work? An Objective Explanation

This Funding Reform proposal replaces the current General Fees and Special Fees for undergraduates with a new system of **Annual Grants** (given in Spring Quarter), **Standard Grants** (given every month), and **Quick Grants** (given last-minute if a group needs it). Here are some of the most important facts:

- **The system of Annual Grants replaces Special Fees**: a group requests a large budget for expenses that can be predicted far in advance, and that request is placed on the Spring Quarter ballot. Groups requesting Annual Grants need not petition the student body, unless they are unhappy with the Grant the Senate recommends to the ballot and want their own.

- **The system of Standard Grants replaces most General Fees**: a group requests a budget for expenses that can be predicted in advance, and the Senate gives these grants out at the first meeting of every month. The budget for these grants, and by extension, the portion of the Undergraduate Fee that will go toward them, is set in a budgetary process of the ASSU during Spring Quarter by the Financial Manager and the Senate.

- **The system of Quick Grants is newly created**: a group can request a budget for expenses that can’t be predicted in time for Annual or Standard Grants, and the Senate Appropriations Committee can give Quick Grants of under $6,000 (with unanimous approval) out at any time of the year, with the important caveat that if one member dissents, it must go to the full Senate for approval.

- **Unspent money will no longer go into inaccessible accounts**: if a group has a currently existing reserve account, the money currently sitting in there will not be touched. If money allocated in an Annual Grant is unspent at the end of the fiscal year, it will be taxed at a rate set by the Senate if that group’s reserve account exceeds 80% of their total budget. If money allocated in a Standard or Quick Grant is unspent at the end of the fiscal year, it will be added to the allocable amount for next year. Furthermore, excess money charged by the ASSU to guard against fee waivers will no longer sit in the Undergraduate Buffer Fund, and will instead go to the allocable amount for Standard and Quick Grants for the next fiscal year.

- **All individual General and Special Fees are consolidated into the “Undergraduate Fee”**: The base amount for the Undergraduate Fee is set at $150 per student, per quarter. This amount changes from year to year (over inflation) first through the approval of Annual Grants by the student body, and then through the approval of a budget by the ASSU Financial Manager and the Undergraduate Senate for Standard and Quick Grants.

- **Class Presidents receive discretionary funding from the ASSU**: Instead of using a Traditions Fund to pay for class-sponsored events such as Full Moon on the Quad and Mausoleum, the Senate will make discretionary funds available to Class Presidents either through an Annual Grant or through Standard Grants for events they wish to put on, including (but not limited to) FMOTQ and Mausoleum.

- **The Publications Board is dissolved, and their reserve funds are disbursed over two years**: $50,000 will be transferred to augment funding for groups in Spring Quarter, and the remaining funds in the Publications Board reserve will be added to the allocable amount for Standard and Quick Grants at the end of next fiscal year.

- **The General Fee Reserve is disbursed over two years**: $140,000 will be transferred from the Reserve to augment funding for groups over the course of the 17th Senatorial term (Spring Quarter ‘15 – Spring Quarter ‘16), and the remaining funds in the General Fee Reserves will be added to the allocable amount for Standard and Quick Grants at the end of next fiscal year.