To Whom It May Concern,

This letter serves to address any concerns with the Student Organization Funding (SOF) process. It has come to my attention that MUSG members have concerns with the SOF procedures and brought forward charges to the Judicial Administrator regarding my handling of the process, specifically how the SOF allocation decisions were made. I would like to note that a few of the Senators who brought forward the charges did not serve on the SOF Committee during the fall semester, nor were around for the SOF changes that occurred in Fall 2014. Additionally, before these charges were brought to the Judicial Administrator, I was never approached about any concerns which makes me question the motives and timing of these specific Senators. Regardless, I look forward to addressing your questions and concerns in this letter.

Beginning with historical context; in Fall 2014, President Kyle Whelton and Executive Vice President Natalie Pinkey introduced a set of 9 Amendments to overhaul the SOF process. These changes came after a semester-long Lean/Six Sigma audit and review of the procedures. I have attached President Whelton’s Executive Order establishing the SOF External Review and the finalized Student Organization Funding (SOF) Committee Lean/Six-Sigma Audit.

After passing Senate, the changes were immediately implemented in Spring 2015. EVP Pinkey hosted the first set of SOF Trainings and opened the SOF application for bulk funding. Aliya Manjee was the first Executive Vice President to review the SOF applications from the new system; the new process was a success, but a learning experience for all involved. I began my experience on the SOF Committee in the Fall of 2015, where we reviewed applications for Spring 2016 events and officially began chairing the Committee when I was elected Executive Vice President in April of 2016.

The MUSG Governing Documents that includes the Financial Policies outlines the role of the Executive Vice President and the SOF Committee. In the *Constitutional By-Laws Article VII, Section 2*, it states,

*“The Executive Vice President shall:*

*A. Serve as chair of the Student Organization Allocations Committee (as defined in the Financial Policies).*

*B. Provide training to all members of the SOF Committee on the SOF Process.*

*C. Be responsible for duties as assigned by the President.*

*D. Be present at all meetings of the Senate. In the case of absence, the Executive Vice President shall arrange for a member of the Executive Council to attend.*

*E. Assist the President in the coordination of all areas of MUSG.*

*F. Assume all duties of the President in case of a leave of absence.*

*G. Report to the President and to the Executive Board.”*

In the Financial Policies it states that the Executive Vice President serves as Chair, but it makes it very clear that the Chair is an equal voting member along with the Financial Vice President, Program Board Representative, two academic senators, and two residential senators. This includes Financial Vice President Cameron Vrana, Program Board Representative Emma Garry, Academic Senators Allie Bitz and Blake Ruppe, and Residential Senators Samantha Dorow and Madison Hicks. Julie West or another MUSG adviser was present for all SOF bulk funding meetings, and no concerns were raised by them throughout the process. After reviewing the governing documents, I found no section that identifies that the Executive Vice President holds more power in the SOF committee than any other member, except that it’s expected that the EVP serves as liaison to the student organizations and is responsible for hosting the trainings. The MUSG Governing Documents also do not outline how an SOF meeting is run except that a “recommended allocation receiving four of seven possible affirmative votes from members of the Committee shall be considered approved for funding.”

We often talk about precedents and best practices in MUSG and the SOF process, but based on our constitution, there are no outlined and concrete precedents or best practices. However, we do utilize attributes/criteria when considering funding decisions that includes, but is not limited to, “Benefit to Marquette Community, Fully Planned Events, Outreach and Publicity Strategy to Marquette Community, and Organization Contributing to Monetary Expenses.” It is not stated in our constitution that these are the required attributes/criteria nor is there any objective way that the committee considers these attributes. In the *Financial Policies,* *Section III – Funding for Recognized Student Organizations*, it outlines our policies for the funding that we can and cannot provide to student organizations. Nowhere does it dictate or demand that the SOF Committee allocate or utilize a practice in one particular way. During each allocation period it is up to the discretion of the committee on how to review SOF applications while following the policies outlined in the Governing Documents.

In Fall 2016, we had a record number of organizations and record number of requests. MUSG has never seen anything like it before. I attribute our success due to organizations finally having a strong understanding of the SOF process, and our repeated efforts to reach out to organizations individually and encourage them to apply. During the SOF application process I met with or communicated via email with over 50 student organizations to assist or answer questions about SOF.

For reference, there were 18 club sports and 33 non-club sports that requested funding for Spring 2016 events. There were 26 club sports and 46 non-club sports for Spring 2017 events, an increase of 8 club sports and 13 non-club sports. Out of the 26 club sports who requested funding, there were 275 individual requests totaling an amount of $148,447.57. Out of the 46 non-club sports who requested funding, there were 147 individual requests totaling an amount of $184,338.89. Keep in mind that we had a total of $36,230 and $25,945 to allocate to non-club sports and club sports, respectively. The committee ended up over allocating non-club sports to a total of $53,092.33 and club sports to a total of $56,245.72 (before percent reduction), given historical reimbursement rates.

When the committee reviewed the SOF applications in the first round, we allocated solely based on the merits of the requests without attention to the total available funds. After the first round completed, the committee looked at how much was allocated versus the budget and then make reduction decisions based on attributes.

After the SOF committee finalized their first round of reviews of the applications we concluded that we over allocated way past the above-mentioned numbers, and the committee had to decide how to get down to a reasonable amount which was our final allocations of $53,092.33 and $56,245.72 for non-club sports and club sports, respectively. We seriously considered a percent reduction before a second review of the applications, but would have to do a percent reduction of at least 70% to be on budget or even close to the final allocated number. The committee unanimously agreed that this wasn’t feasible. For example, if a non-club sport organization requests $10,000 for an event and we allocate them $5,000 because that’s all their documentation allowed, and then did a 70% reduction, the organization would have received $1,500 for an event that costs $10,000. The likelihood that group then putting on an event or purchasing a capital good with only 15% of the funds requested would be very low; likely it would not happen at all. This then leads to a low reimbursement rate and having allocated funds go unused. The committee made decisions based on what would help student organizations be successful in the spring and have the SOF funds available be utilized. That being said, we did agree to a percent reduction for club sports. A percent reduction for club sports is common and a practice they are used to, and many club sports have dues and/or host tournaments that brings in revenue for their organization, something not common for non-club sports.

In the past, percent reductions have been used when the amount allocated was larger than what was available in budget. While this practice seems like a fair way to make reductions in allocations, one could also argue that it’s arbitrary and out of practice. It’s not constitutionally mandated and reductions have been handled in different ways throughout the years based on the discretion of the SOF Committee. Justification for why or how reductions have been made in different ways, however, is not documented in any of the MUSG records available.

Since a percent reduction wasn’t preferable, the committee had to be creative – In late October and early November I took the counsel of the MUSG advisers Jen Reid, Julie West and Corey Lansing, Financial Vice President Cameron Vrana, and former President Zack Wallace and EVP Manjee. We concluded that the only way to be on budget was to do a second review of the applications and re-evaluate by focusing strongly on the attributes that we had previously considered a bit more loosely. As a result, many organizations received less than what the original allocation was, but as I previously stated, this was the only solution that was considered to be effective and allow us to stay on budget.

At the November 14, 2016 Senate meeting, MUSG approved the allocations over $2,500 and at that time no concerns or questions were raised regarding the process or how the funds were allocated. Only now, 4 months later, have questions or concerns been raised. Additionally, every SOF member saw the final allocations and agreed on the decisions. I do not have any documentation about concerns brought to my attention by any member of the SOF Committee or Senator prior to now.

I highly encourage all of you to reach out to Executive Vice President Cameron Vrana or Financial Vice President Bridget Ryan, if you have any questions or concerns about the current SOF process.

I believe that there are potential areas of improvements to be made within the SOF process, and I look forward to working with each of you to identify those solutions. Please reach out if you have any additional questions or concerns.

Sincerely,

Adam Kouhel

President

Marquette University Student Government