

PFC spending patterns stir controversy, dissent

CON

OUR OPINION:
The committee's lack of forecasting created a budget season that has looked more like a comedy of errors

The ASUO Programs Finance Committee has a tough job. Its seven members are responsible for close to \$2 million in student incidental fees, and must endure more than 3 months of budget hearings for almost 100 student programs.

Even after its initial job is over, the board's final budget is subject to intense scrutiny. After the ASUO Student Senate analyzes and approves the final amount and line items, the budget is sent before the ASUO President and Vice President, then to President Frohnmayr, the state chancellor and finally to the Oregon State Board of Higher Education for final approval.

If the PFC makes a mistake in its allocations, it will no doubt find out about it. And almost two months away from submitting its final budget, this year's PFC has already made its share of mistakes.

After an initial error in preparation and research before the budget season began, the PFC has been unable to adapt to its own incompetence. Now, it is essentially trapped in mediocrity and any effort to escape will only make the situation worse.

The nightmare began in November when the PFC submitted its benchmark request to the senate. It was here that the committee was supposed to forecast programs' needs for the coming year and submit a total amount for allocation. In all fairness, circumstances didn't make it easy for the board. With the minimum-wage increase and a required ten percent raise in printing costs, all program budgets were expected to jump considerably.

Unfortunately for the committee, it didn't bother to find out exactly how much the wage increase and other mandated increases would affect the programs whose budgets it was in charge of. The PFC knew its benchmark would need to be raised by a fair amount, but had no exact numbers to justify doing so. Not surprisingly, the senate gave the PFC a three percent benchmark, significantly less than the five percent the committee requested.

Armed with a benchmark it did not want, the PFC began budget hearings in January and seemed to ignore the standard the senate had given it. Fifteen of the first 25 groups who came before the board received increases above and beyond the seemingly forgotten three percent mark. The PFC seemed more



focused on its goals of standardizing group stipends and allocating more money to smaller programs than keeping costs down.

Soon enough, the mandated increases the committee was so worried about just months before came back to haunt the board. The wage increase, printing costs and other required raises were calculated as a 2.7 percent increase alone, without any program growth and definitely no standardized stipends.

Despite this new revelation, the PFC continued to follow its own ambitions. Nothing changed until the over-giving finally reached its climax a few weeks ago. The PFC's giving averaged out to a 7.5 percent increase, a gargantuan sum in light of the three percent benchmark. To put the amount in perspective, any total allocation over seven percent must be voted on by the students on the spring ballot.

In response to criticism and perhaps the realization of just how far it had strayed, the PFC does seem to be wising up. Its giving is currently at a six percent increase and is projected to be at five percent by the end of the budget season.

Despite its change in heart, the PFC's conduct

this year cannot be ignored. The board likes to cite its original request for a five percent benchmark as justification for overspending. While this request was probably accurate, it was really just a guess. The PFC had no clear idea of how much the mandated increases would affect its benchmark.

And even if the board did know, the senate gave them a three percent benchmark that the committee was obligated to follow. PFC members like to describe the benchmark as a "guideline," but it's really more than that. It's a requirement.

The PFC's goals of stipend standardization and giving money to smaller groups are indeed gallant, but glaringly impractical — especially with such stringent budget requirements.

The PFC also likes to claim that it never gives out less money to groups at the end of the budget process. In some years, this may be true. This season, however, it seems almost impossible. With a current six percent increase, and pressure from senators to lower that as much as possible, giving less money seems almost inevitable.

A overall decrease in PFC allocation will no doubt come from small requests by the ASUO Executive and ASUO Child Care in coming weeks, but the pressure for more cuts is still high. Unless the PFC wants to be torn apart when its budget goes before the senate on April 15, some changes will have to be made — and some programs could suffer.

Even if some measures are taken to lower the allocation amount, the PFC will have a hard time before the senate. Already, many senators have expressed concerns over the board's spending patterns. And after the senate, going before ASUO President Matthew Scotten and Vice President Glen Banfield may not be pretty either.

PFC Vice Chairwoman Michelle Johnston said the committee will probably hold a meeting to highlight potential changes Scotten and Banfield could make in the PFC budget, since the senate is unlikely to make specific modifications. Expect that meeting to be a long one. The PFC has plenty of work to do.

This editorial represents the opinion of the Emerald editorial board.

PROGRAMS FINANCE COMMITTEE FUNDING TRENDS

1996-97 budget season numbers, as of Feb. 26.

Money requested: \$1,455,875 +9.4% change from last year
Money allocated: \$1,411,514 +6.08%

ASUO Recommendation: \$1,402,652 +5.4 %
Benchmark: \$1,370,499 +3.0 %

SOURCE: ASUO Executive

PRO

ANOTHER VIEW: The finance board's actions are the product of a pro-student mentality

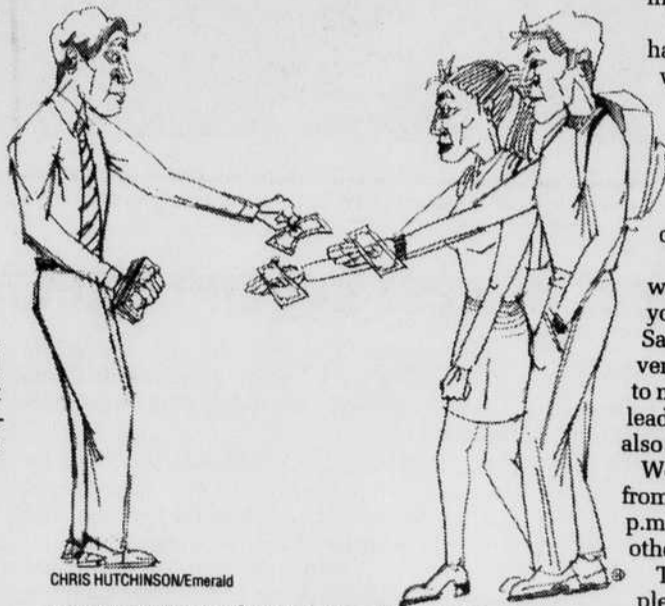
The ASUO Programs Finance Committee, nearing the end of its budget season, is confronted with some opposition to current spending levels. Although, when looking from the outside, the spending seems excessive, what follows is a justification of our spending.

Every fall, the ASUO Student Senate sets what is called a benchmark, or a potential spending proposal for next year. The PFC went to the senate to ask for a five percent increase. This would have allowed for stipend stabilization, greater funding for smaller groups and enough money to cover mandated increases.

What was passed in the senate was a three percent increase. The PFC has tried to do all it could to stay within this benchmark. During the budget process we realized that to stay within the benchmark meant to only fund the mandated increases and thus allow for zero percent program growth.

At the beginning of the process, this group decided unanimously that growth should not be stunted because of mandated increases. The benchmark is used by the PFC as a guideline for further funding. It is only a guideline, however, and thus it is the job of the student-elected PFC to use discretion for proper allocation.

The PFC is in charge of allocating student incidental fees to 96 student groups. However, groups can also take their budgets to the ballot, like OSP-IRG, KWVA and the Designated Driver Shuttle did last year. For the 1996-1997 fiscal year, ASUO



CHRIS HUTCHINSON/Emerald

programs received a total allocation of \$2,319,721 (a 1.8 percent decrease), which included funding from ballot measures.

Currently, our spending level, which is for the next fiscal year, is at a 6.02 percent increase. This is counting three percent for mandated charges, such as a ten percent increase in printing and du-

plication and the state mandated increase in the minimum wage.

By the end of the budget cycle, the PFC will have allocated about a five percent increase or what we first asked the Student Senate for.

However, the ASUO Executive and the Student Senate have the chance to veto this. If this happens, the PFC will be forced to make cuts in the present budget recommendations to meet the Senate and ASUO criteria.

We are representatives of the students, and we realize that our decisions directly impact your, and our, student fees. Groups such as Saferide, the Women's Center, Designated Driver Shuttle and the Oregon Daily Emerald, just to name a few, not only contribute to student leadership, involvement and programming, but also add to the college experience as a whole.

We conduct budget hearings every Monday from 7-10 p.m. and every Tuesday from 5:30-10 p.m. Furthermore, the PFC holds hearings every other Saturday from 10 a.m.-8 p.m.

These hearings are open to the public, so please feel free to come and give us your input. We can also be reached at pfc@gladstone.uoregon.edu, called at (541) 346-0623 or visited in our office in Room 28 of the EMU.

Michelle Johnston is the vice chairwoman of the ASUO Programs Finance Committee, and Bill Miner is a PFC Senator. Their views do not necessarily represent those of the newspaper.