

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

SUBJECT: 2011-2012 Fee Assessments for Michigan Student Assembly (MSA),
School/College Governments, and Student Legal Services (SLS).

ACTION REQUESTED: Approval of the following fee assessments:
\$7.19 per student per term for MSA (*no change from 2010-11*);
\$1.50 per student per term for School/College governments (*no change
from 2010-11*); and
\$8.50 per student per term for SLS (*\$2.50 change from 2010-11*).

Background: At the June 2010 Regents' Meeting, the Regents reauthorized a fee of \$7.19 per student per term for MSA, \$1.50 per student per term for School/College governments, and \$6.00 per student per term for Student Legal Services.

MSA, School/College Government Fees, SLS: This year, Michigan Student Assembly believes that the current fee structure will provide adequate funding for the coming fiscal year (see attached memorandum). We believe the school and college government organizations are adequately funded. Therefore, no increase is being requested for MSA or the School/College Governments.

The Division of Student Affairs believes that Student Legal Services will require an increase in resources for 2011-2012 and requests an increase in the student fee in the amount of \$2.50.

Recommendations: I recommend approval of the following fees for 2011-2012: \$7.19 per student per term for Michigan Student Assembly, \$1.50 per student per term for School/College governments, and \$8.50 per student per term for Student Legal Services.

Respectfully submitted,



E. Royster Harper
Vice President for Student Affairs

Attachment

June 2011

STUDENT LEGAL SERVICES
RATIONALE FOR PROPOSED FEE INCREASE

History of Student Legal Services:

Student Legal Services (SLS) was created in 1971 as Campus Legal Aid and funded by the Washtenaw County Legal Aid Society. In 1978, the Michigan Student Assembly spearheaded a student-led referendum to bring SLS to campus as a pre-paid legal aid service for students. In July 1978, the Regents approved an MSA student fee which included dedicated fees for Student Legal Services. In July 1996, the Regents approved a separate dedicated fee from MSA and asked the Division of Student Affairs to assume administrative oversight to ensure continuity and accountability. In FY1998 the fee was increased by \$0.11 and in FY2006 it was increased by \$0.50.

Purpose of Student Legal Services:

Student Legal Services has five full time attorneys who provide the necessary legal support to ensure that students who encounter legal difficulties may continue to focus on their academic goals and preserve their future career options. SLS provides legal services to U of M students through education, consultation, and representation on a wide range of cases, including civil and criminal, landlord-tenant disputes, and family law. SLS does not provide services for cases of student on student or student on University complaints.

Legal difficulties can have significant negative impacts on a student's ability to achieve academic goals, opportunities for graduate studies and future employment, and emotional health. Students are often unprepared to manage legal challenges and need support with landlord/tenant conflicts, credit card companies, employment grievances, misdemeanors, certain felonies, separations, divorces and custody issues.

SLS data suggest that many student clients cannot afford private attorneys and would not receive any legal support without SLS services. SLS attorney experience also suggests that, in many cases, students are not ready to share their legal challenges openly with parents or guardians. Relatively few student legal difficulties are due to poor choices; many occur due to naiveté or as a natural part of their developmental process. Thus, it is critical to provide legal support to students so that they may continue to pursue their academic goals.

Analysis Conducted:

External Review

DSA consulted the Office of the General Counsel, who recommended an external review of Student Legal Services. The Division of Student Affairs conducted the review under the guidance of the Office of the General Counsel, the Office of the Provost and the Vice President for Student Affairs. This external review was conducted with participation from students, prosecutors and judges of the Ann Arbor District Courts, the Department of Public Safety, the Office of Student Conflict Resolution, the Dean of Students, an attorney from the Office of the General Counsel and the Associate Provost for University Budgets.

Reviewers affirmed the strengths of current SLS operations in meeting its purpose by providing strong, student-oriented legal support and advocacy to U of M students and made three key recommendations:

1. Establish an advisory board to include students, a representative from the Office of the General Counsel, a faculty member from the Law School, and a representative from Legal Services of South Central Michigan. This recommendation was accepted and the first meeting of the advisory board was held in April of 2011.
2. Increase proactive educational programming targeting students and create opportunities for internships if funding is available. This recommendation was accepted and will be implemented in FY12.
3. Establish a sustainable funding model to support the activities of SLS. This recommendation was accepted and the proposed fee increase has been discussed with the Office of the Provost, supported in resolution by the Michigan Student Assembly (see Attachment B), and is now presented for approval to the Board of Regents.

Funding Model

Student Legal Services has been supported by a student fee of \$6.00 since FY2006. Additionally, for the last several years, SLS has been supported by one-time funding from the Office of the Provost and the Division of Student Affairs; this one-time funding is not sustainable.

In partnership with the Office of the Provost, the Division of Student Affairs conducted benchmarking of student legal services at thirty-nine other institutions. Benchmarking revealed a number of options including general fund allocation, fee for service, student fee increase, or multiple sources of funding. Analysis of the results with respect to services provided affirmed that a sustainable funding model should be based on single source funding derived from student fees.

The current student fee is inadequate to sustain services provided by SLS. The proposed fee increase will create a stable funding model until FY 2016. Financial analysis of the past three years, a projection of expenses, and the required fee increase are provided as Attachment C.

Recommendation:

The Division of Student Affairs proposes a fee increase of \$2.50 in FY 2012.



ASSEMBLY RESOLUTION F-11-002

A RESOLUTION TO SUPPORT A \$2.50 FEE INCREASE FOR STUDENT LEGAL SERVICES

- 2 WHEREAS, Student Legal Services provides important legal services to students in terms of family, civil, criminal, and property law¹; AND
- 4 WHEREAS, from 1978 until 1996 the Assembly maintained a dedicated fee for Student Legal Services which has since become their own administrative unit²; AND
- 6 WHEREAS, the Assembly passed a resolution supporting a \$1.50 increase in April 2009 which was subsequently not presented to the Board of Regents³; AND
- 8 WHEREAS, Student Legal Services has again formally drafted a proposal for the increase that will be presented to the Board of Regents; AND
- 10 WHEREAS, it is the opinion of Student Legal Services and the authors that an increase in the student fee will provide stable, sustainable funding for successful operation until fiscal year 2017; THEREFORE BE IT
- 12
- 14 RESOLVED, that the Assembly, recognizing the benefits that the service provides, fully support a \$2.50 fee increase for Student Legal Services; AND BE IT FURTHER
- 16 ORDERED, that a copy of this resolution be sent to the Board of Regents.

Authors

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 Speaker of the Assembly

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¹ <http://studentlegalservices.umich.edu/our-services>
² Handout provided at April 5, 2011 Meeting

³ <https://www.msa.umich.edu/>

President's Approval

DeAndree Watson
President

Presented to the Assembly for *First Reads* on _____
Presented to the Assembly for *Second Reads* on _____

Yes: _____ No: _____ Abs: _____ Date: _____

Signature Necessary: _____ Signature Received By _____: _____

Student Legal Services
Budget Comparison to Support Action Request FY12

| | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 |
|----------------------------|---------|---------|---------|------------|---------|---------|---------|---------|---------|
| | Actual | Actual | Actual | Projection | Budget | Budget | Budget | Budget | Budget |
| Carry Forward Balance | 63,398 | 24,384 | 8,453 | 1,666 | 4,219 | 36,405 | 56,799 | 56,599 | 37,998 |
| Income: | | | | | | | | | |
| Student Fees | 501,095 | 497,632 | 504,105 | 510,000 | 722,500 | 722,500 | 714,000 | 705,500 | 705,500 |
| Other Transfers & Income | 95,687 | 115,677 | 158,812 | 173,869 | 5,000 | 7,500 | 10,000 | 15,000 | 15,000 |
| Total Income | 596,782 | 613,309 | 662,917 | 683,869 | 727,500 | 730,000 | 724,000 | 720,500 | 720,500 |
| Expenses: | | | | | | | | | |
| Salaries & Fringe Benefits | 574,387 | 569,646 | 606,222 | 619,316 | 632,694 | 646,360 | 660,321 | 674,584 | 689,155 |
| Operating | 61,409 | 59,594 | 63,482 | 62,000 | 62,620 | 63,246 | 63,879 | 64,517 | 65,163 |
| Total Expenses | 635,796 | 629,240 | 669,704 | 681,316 | 695,314 | 709,606 | 724,200 | 739,102 | 754,318 |
| Surplus/(Deficit) | 24,384 | 8,453 | 1,666 | 4,219 | 36,405 | 56,799 | 56,599 | 37,998 | 4,180 |

| | | | | | | | | | |
|----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Student Fee / Proposed Fee | 6.00 | 6.00 | 6.00 | 6.00 | 8.50 | 8.50 | 8.50 | 8.50 | 8.50 |
| Based On Student Semesters | 83,516 | 82,939 | 84,018 | 85,000 | 85,000 | 85,000 | 84,000 | 83,000 | 83,000 |

Notes:

1. Merit program is assumed to be 2% with associated fringe of 0.162. This office has very little staff turnover.
2. This model also assumes no changes in permanent staff appointments.
3. Student semesters budgeted are per conversation with Office of Provost staff.