



ADVISORY OPINION

Allocation of Student Activity Fee for Exclusive Scholarships and Grants

Authored by Justices: Faith Briones, Hannah Williamsen, Emma Speer, Caleb Platt, Zoe Bergman, Riley Sadoski

18 October 2024

Introduction

This advisory opinion is issued by the Student Judicial Court (SJC) of the Undergraduate Student Government (USG) at the University of Iowa to provide clarification regarding the appropriate use of Student Activity Fee (SAF) funds. The request stems from discussions about whether SAF funds should be used for individual scholarships or grants directed toward specific groups of students. This opinion aims to address the potential challenges posed by such allocations and whether they align with the USG Constitution and Bylaws.

Background

Questions have arisen regarding the allocation of SAF funds for scholarships or grants targeted toward exclusive groups of students. These discussions have focused on whether such exclusions are appropriate and whether targeted financial awards are in keeping with the principles outlined in the USG Constitution and Bylaws. The governing documents of USG emphasize the importance of ensuring that SAF funds, contributed by the entire student body, benefit the broader student population through student organizations, services, and initiatives, rather than individual financial awards.

This advisory opinion seeks to clarify whether such uses of SAF funds align with the values of equal opportunity and broad student benefit.

Issue Presented

The issue presented surrounds the constitutionality of USG allocating SAF funds for the purpose of providing individual scholarships or grants to students based on specific eligibility criteria.

Analysis and Findings

SJC has gathered and listed all relevant policies, bylaws, and regulations regarding the appropriate allocation and use of Student Activity Fee (SAF) funds. These statements address concerns related to the inclusion of students, the limited accessibility of certain SAF-funded initiatives, and the outlined purpose and distribution of SAF funds.

The Student Activity Fee is defined as the following:

“Each year, all undergraduate and graduate students pay a \$75 Student Activity Fee. The University of Iowa Undergraduate Student Government and the Graduate and Professional Student Government are responsible for allocating this pool of money.

USG uses this money to fund student organizations, student services, and campus initiatives. The USG Finance Team allocates these funds to undergraduate groups and ensures student organizations are supported in their financial endeavors.”

SAF funds are gathered from 32,199 University of Iowa students, as of 2024 Fall enrollment. SAF funds are meant to broadly represent students, according to Executive and Legislative Bylaws: 1. Article V, Section A. Point 1.2:

“USG shall allocate student activity fees to fund student organizations and student services.”

Proposals that limit eligibility to specific groups—such as full-time students, certain exclusive classifications, and academic achievements—restrict access to a small percentage of the student population. While these qualifications may be well-intentioned, they exclude a significant portion of students, making such allocations inconsistent with the broad purpose of SAF funds.

The narrow focus of scholarships with limited eligibility not only conflicts with the purpose of SAF funds but also fails to address the needs of the majority of students who contribute to these fees.

In addition to the specific purpose and allotment of SAF funds, this type of purpose and allotment for SAF funds is broadly prohibited, per the Executive and Legislative Bylaws, Appendix A, item 26. In summary, this states that USG is to provide \$0 from any funds sourced from the Student Activity Fee for line items that are considered in the “giveaway” category. In this situation, “giveaway” is interpreted to include any item without an explicit student benefit (i.e., clothing, gift cards, trinkets, etc.) or the direct allocation of SAF funds for individual student use or to organizations intending to distribute the funds in this manner. However, according to the Executive and Legislative Bylaws: Article V, Section C.3.b, USG may pass a secondary bill through the Senate to allocate special funds if a proposed purchase does not align with the standard funding criteria:

Giveaways

\$0

Trophies, awards, pins, etc.

b) If USG would like to make a purchase that does not fit these funding standards, a secondary bill may be passed through the USG Senate to allocate special funds exceeding the line-item standard.

In considering the allocation of SAF funds, it is important to reference past decisions, such as 2023-2024 SSB 22 - Support for Love for Red Period Product Drive. This bill allocated \$300 from the Senate Programming account to Love for Red to fund prizes for an upcoming product drive. Notably, this funding was a singular commitment, and USG did not commit to ongoing funding. As prize funding is traditionally not allowed under Appendix A, item 26 of the USG Bylaws, this bill served as consent to allocate special funds exceeding the prize money line-item. Additionally, this competition was open to all students and student organizations.

This precedent highlights the necessity of ensuring that any similar allocation aligns with existing bylaws and policies governing the use of SAF funds.

Proposals must also include an inclusion statement that ensures equal opportunity for all students, regardless of race, creed, national origin, gender, and other classifications. This omission may make proposals exclusionary by creating a narrow eligibility criterion that favors a specific group of students, excluding others who do not fit within these parameters.

The absence of such an inclusion statement directly contradicts the USG Constitution, Article I, Section A.2, which mandates that no person shall be treated differently based on these classifications. USG is required to guarantee equal opportunity and access to all students in its programs, membership, and benefits:

“In no aspect of its programs shall there be any difference in the treatment of persons on the basis of race, creed, color, religion, national origin, age, sex, pregnancy, disability, genetic information, status as a U.S. veteran, service in the U.S. military, sexual orientation, gender identity, associational preferences, or any other classification which would deprive the person of consideration as an individual. The organization will guarantee that equal opportunity and equal access to membership, programming, facilities, and benefits shall be open to all persons. Eighty percent (80%) of this organization’s membership must be composed of UI students.”

In SJC’s research, it was also found that USG has also previously contributed SAF funds to the Division of Student Life for the Student Life Emergency Fund. This fund provides financial assistance to students who experience a financial emergency or catastrophic event which would

otherwise prevent them from continuing their education at the University of Iowa. This does set a precedence for SAF funds being allocated for private student use. However, these funds are distributed on an objective set of criteria and are first processed by the Division of Student Life. Additionally, all students at the University of Iowa are eligible to apply for these funds, and unlike a scholarship, there is no set limit on the number of students the fund can aid.

Furthermore, these funds are prohibited from being used for University of Iowa tuition or fees. This limitation ensures that SAF dollars are not being used to pay for another student's tuition. This limitation is in direct opposition to the purpose of a scholarship and does not create precedence for this type of allocation.

Limitations

SJC's stance is strictly in relation to scholarships, grants, and prizes that would be drawn from the SAF funds. This opinion should not be interpreted as opposition to initiatives aimed at providing support to membership, programming, facilities, and benefits that are *open to all persons*.

Additionally, it is important to highlight that scholarships that do not include an inclusion clause are not constitutional, which is a fundamental difference from the programs and initiatives USG has historically supported. Student organizations, programming events, and cultural houses like the MISSE centers are designed with inclusion in mind, explicitly inviting participation from all students, regardless of race, gender, culture, background, or any other identity. This inclusion clause ensures that these programs are accessible to the entire student body, aligning with the university's mission to create a welcoming and diverse campus environment.

In this context, the SJC emphasizes that its opposition to scholarships is not an objection to initiatives that help underrepresented students or support cultural houses and events. Rather, this advisory opinion is focused on maintaining the integrity of the USG Constitution and Bylaws, which do not support the use of student fees for scholarships or giveaways. In accordance with the clause in Executive and Legislative Bylaws: Article V, Section C.3.b., the Senate presents a second piece of legislation to clarify this stance. This distinction is crucial, as the USG's role is to ensure that its funds are distributed in a manner that benefits the entire student body and adheres to the principles of fairness and inclusion.

Ultimately, this advisory opinion is not intended to curtail USG's longstanding support of programs that enhance the academic, cultural, and social experience for underrepresented students. Instead, it seeks to ensure that any distribution of funds from the Student Activity Fee aligns with the principles of fairness and access for the broader student body.

Conclusion

SJC has determined that using SAF funds to support initiatives that limit eligibility to a narrow group of students does not align with the intended purpose of these funds. SAF funds, which are contributed by over 32,000 students, are meant to benefit the broader student population through student organizations, services, and initiatives, rather than being allocated for individual financial awards.

In any hypothetical situation where USG wishes to establish a scholarship, it must include an inclusion statement to ensure equal opportunity for all students. This would be in accordance with the USG Constitution, Article 1. Section A. 2, which mandates that all students, regardless of personal classifications such as race, creed, gender, or other factors, have equal access to programs and benefits supported by SAF funds.

Additionally, while SAF funds have been used for the Student Life Emergency Fund, this is not a precedent for scholarships. The Emergency Fund serves all students in crisis and prohibits the use of SAF dollars for tuition or fees. Scholarships also fall under the “giveaway” category prohibited by the Executive and Legislative Bylaws, Appendix A, item 26, which prevents the use of SAF funds for direct financial awards to individuals.

If USG wishes to pursue scholarships, a secondary bill must be introduced to the Senate for special fund allocation, as outlined in Article V, Section C.3.b of the Executive and Legislative Bylaws.

Recommendation

In light of the aforementioned analysis on the purpose and allocation of Student Activity Fee (SAF) funds, the following recommendations are proposed to ensure compliance with the Executive and Legislative Bylaws, particularly Appendix A, item 26, and to promote inclusivity and ethicality in funding practices:

1) Adherence to Prohibited Allocations

SJC recommends that USG strictly adheres to the established policy, which prohibits the use of SAF funds for expenditures classified as "giveaways" under Appendix A, item 26. Any allocation of SAF funds for purposes falling under this category should be expressly avoided to maintain compliance with the governing bylaws.

2) Secondary Funding for Non-Standard Purchases

In instances where USG seeks to make a purchase that does not conform to the funding standards outlined in the bylaws, a separate legislative process should be pursued based on Article V, Section C. 3. b. of the Executive and Legislative Bylaws. Specifically, a secondary bill may be introduced and passed through the Senate to allocate special funds exceeding the line-item restrictions. This process will allow for flexibility while ensuring all allocations remain within the bounds of proper legislative approval.

3) Ensuring Student Dollars Benefit the Student Body

When considering the creation of scholarships using SAF funds, it is recommended that the Senate considers the merits and ethicality of allocating SAF dollars for individual student use. As stated in Section A. 1. of the Executive and Legislative Bylaws, the SAF is to be used to fund student organizations and student services. When funds are distributed to these organizations, all students have the opportunity to benefit from the funds. When scholarships and grants are given, especially on a subjective basis, the SAF dollars benefit only a select number of students. The creation of USG-funded scholarships sets an adverse precedence of students' SAF dollars benefiting a select student rather than the entirety of the student body.

4) **Commitment to Inclusivity in Funding**

USG should prioritize the principle of inclusivity in all funding decisions, ensuring that SAF allocations benefit the entire student body without discrimination or exclusion. To that end, it is recommended that USG avoid funding scholarships, grants, or other financial incentives that are exclusionary in nature. All student organizations and initiatives funded by SAF should be inclusive and accessible to all students, regardless of race, gender, socioeconomic status, or other identities.

To reinforce this commitment, **USG should consider adopting an inclusion statement to be applied to all funding decisions, affirming that SAF resources are intended to promote equity and access for all University of Iowa students.** This will help ensure that the funds are distributed in a manner that reflects the diverse and inclusive values of the campus community.

By following these recommendations, USG will not only uphold the legal and procedural integrity of its financial practices but also foster a more inclusive and equitable environment, ensuring that the allocation of SAF funds benefits all students without bias or exclusion.

Compliance Statement

This advisory opinion was issued in accordance with the governing documents and procedures of the University of Iowa's Undergraduate Student Government (USG) and the Student Judicial Court (SJC). All relevant provisions of the USG Constitution and Bylaws, as well as the established procedures of the SJC, were followed in the issuance of this opinion.

Please note that this advisory opinion is non-binding but serves as guidance for decision-making purposes within the Undergraduate Student Government at the University of Iowa. For further assistance or clarification, please contact Chief Justice Faith Briones.

Thank you,

Faith Briones
Chief Justice

Hannah Williamsen

Deputy Chief Justice

Emmerson Speer

Senate Liaison

Caleb Platt

Campus Judiciary Liaison

Riley Sadoski

Assistant Student Elections Commissioner

Zoe Bergman

Student Organization Liaison