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# **BUDGET REFORM ACT II**

The purpose of this legislation is to create a more fair and realistic process of dealing with the financial needs of clubs and organizations. The Grant Fund is based on the idea that a club or organization may need to buy certain expensive items/equipment in order to function, but these purchases are not purchases that will need to be made on a regular basis and therefore should not be considered part of the club or organization's line budget. A line budget increase is called for due to several reasons, but a line budget increase is not called for when the additional money will not be needed every year. The Fall 2005 Budget Revision Process shall serve as a test of this process.

### **Article I Title**

The title of this bill shall be the "Budget Reform Act II".

#### **Article II The Grant Fund**

**Section 1** The Grant Fund should be seen as an abstract fund, since there is no money automatically placed into it. Rather, the Grant Fund is determined after the relevant budget is completed. Money given to clubs/organizations for one-time large purchases or events is labeled Grant money and therefore taken from the "the Grant fund". This money is not included in the line budget of the respective club/organization. There shall not be a pre-set proportion of Grant money taken from the general U.S.G. monies, rather the allotment of Grant money shall be done one a case by case basis.

**Section 2** The purpose of the Grant Fund and the Grant money label is to prevent clubs/organizations from receiving large increases to their line budget when the money is not necessary for anything other than large, one-time purchases or events.

**Section 3** There shall be a separate Grant Fund application.

**Section 4** Any club or organization shall be eligible to apply for a Grant, whereas a Grant is defined as money taken from the Grant Fund.

**Section 5** Any club or organization that applies for and receives a Grant shall be eligible to apply for another Grant in exactly two years from when they received the previous Grant.

**Section 6** The criteria for receiving a Grant shall be proven need of item(s)/equipment, proven knowledge of care and maintenance of item(s)/equipment, and that the lifespan of

the item(s)/equipment is at least two (2) years from the date of purchase, an event necessary for the club/organization to successfully achieve its stated mission/goals, as well as any other criteria deemed necessary by the Senate Budget committee.

**Section 7** The Grant Fund process shall occur concurrently with the Line Budget Increase/Maintenance/Decrease process.

# Article III The Line Budget Increase/Decrease or Maintenance Fund

**Section 1** This fund shall consist of U.S.G. monies and will be used exclusively for the increasing, maintaining or decrease (in the case of a club or organization that does not request an increase in its line budget) of a club or organization's line budget.

**Section 2** The monies in this fund are reserved for line budget increases, and not for one-time, large purchases.

**Section 3** The criteria for receiving a line budget increase, or maintenance of a current line budget shall be determined by the Senate Budget Committee.

**Section 4** The Line Budget Increase/Maintenance/Decrease process shall occur concurrently with the Grant Fund process.

## **Article IV Emergency Grant Fund**

**Section 1** If there is a surplus after the spring budget process, a certain portion of that shall be set aside and labeled as Emergency Grant Fund.

**Section 2** There shall be a separate Emergency Grant Fund application.

**Section 3** The criteria for receiving an Emergency Grant includes proven dire need of an item or event and other extenuating circumstances to be determined by the Budget committee.

## **Article V Experimental Aspect**

**Section 1** If passed, these reforms shall become law and have full force and binding for the fall 2005 Budget Revision process.

**Section 2** At the first meeting of the Senate during the spring 2006 semester the Senate Budget committee and the Vice-President of Clubs and Organizations shall report to the Senate on the success of the reforms and thereafter the Senate shall vote to either to make these reforms permanent or to repeal them.