A number of presidents have been asked to approve disbursements from the mandatory student fee for the benefit of various extramural eleemosynary groups, associations, and non-profit corporations. Because no two situations have involved precisely the same facts, a degree of confusion and inconsistency has occurred in our response of these applications. It seems timely and appropriate therefore to supplement an earlier and more general advisory on the subject. See Memorandum to Presidents, Vol. 74, No. 19, dated May 9, 1974.

The University may not lawfully impose charges or fees, as a condition of attendance, for the private purposes of extramural persons, groups, associations, or corporations -- however worthy. Nevertheless, the campus student government may properly submit a student activity budget proposal which includes expenditures for the procurement of goods and services from extramural sources in aid of an approved student activity. The expenditure, of course, must meet two threshold conditions. Firstly, the expenditure must be intended to aid a campus student activity to achieve its organizational purposes during the budget year and, secondly, that purpose must be within the Trustees guidelines governing the mandatory fee. Those terms having been met, the campus president must then exercise the discretion delegated to him by the Board of Trustees to approve or disapprove the student activity budget allocation.

In short, there is no legal objection to a contract between a student activity and an extramural organization which exchanges money drawn from the mandatory fee collection for goods or services rendered to the campus student activity. It would be improper, however, to transmit such funds to an extramural organization for the general purposes of such organization, whatever they might be,
wherever they might be carried out, and regardless of whether
State University students were involved in some socially or
educationally-related way. I attach an excerpt from an October
25, 1974 letter to then President Benezet which is illustrative.
I hope this advisory will prove helpful.

Walter J. Relihan, Jr.
Walter J. Relihan, Jr.

Attachment

This memorandum addressed to:

Presidents - State-operated Campuses
State University of New York
99 Washington Avenue
Albany, New York 12210

Office of the University Counsel
and Vice Chancellor for Legal Affairs

October 25, 1974

President Louis T. Benezet
State University of New York
1400 Washington Avenue
Albany, New York 12222

Dear Lou:

This will confirm our telephone conversation of yesterday and will also respond to Neil Brown's letter to me of October 21, 1974.

The proposal of the Central Council of the Student Association to appropriate $7,500 for the purposes of "NYPIRG staff"* raises a variant of the question posed to Vice Chancellor Spindler earlier this year. On that occasion, you'll recall, we advised that the services of University staff and the use of University facilities are not available to private organizations for the collection, custody, and transmittal of funds for private purposes.

It is well understood, however, that recognized student organizations may contract with outside organizations for the provision of goods and services to their student members and others in the campus community. Clearly, the nature of these goods and services must meet the criteria established by the Board of Trustees governing the expenditure of student fees for the benefit of the campus community.

On the facts contained in Neil's letter and its associated enclosures, it seems evident that the funds sought are not intended to be sent off campus to a private corporation for expenditure by that corporation in pursuance of its own private purposes.

On the contrary, the proposal contemplates that certain NYPIRG, Inc. personnel will be made available to students on campus "in planning and executing projects" sponsored by a recognized student group, that many students will receive a

*I assume that "NYPIRG staff" refers to officers or employees of NYPIRG, Inc., a New York Not-For-Profit Corporation.
direct educational benefit in terms of academic credit for the successful completion of such projects, and that all students involved in the projects will receive extracurricular educational benefits in terms of accumulated experience in conducting research, writing, and advocacy in connection with matters of civic concern.

Under the Trustee rules (8 NYCRR 302.14) and the Fiscal and Accounting Procedures of October 29, 1971 issued pursuant to those rules (see paragraph 4) it becomes the responsibility of the student organization and the campus president to supervise ". . . requisitions, orders, and contracts in support of an approved budget allocation. . . " in order to insure continued compliance with the rules. This, of course, would apply to the proposed allocation for expenditure by PIRG at SUNYA for the rendition of services by NYPIRG, Inc.

In the circumstances described by Neil, the involvement of NYPIRG, Inc. is collateral and supportive of a program wholly under the direction and control of a recognized student group. Assuming this clear preponderance of student involvement, the expenditure of funds otherwise available to the campus group (PIRG at SUNYA) for incidental professional assistance in the conduct of approved projects seems to me within the letter and spirit of the Trustee regulations.

Sincerely yours,

Walter J. Relihan, Jr.
University Counsel & Vice Chancellor for Legal Affairs

WJR:rb