

Imperial College Union
Annual Budgeting – Minimum Funding Levels
A paper by the Deputy President (Finance & Services)

Background

In the past there has been a funding model for MGs which guaranteed 80% of the previous year's funding, less their underspend, from that year. In 06/07 this changed to 75% and then in 07/08 it was changed back to 80%. In 08/09 and 09/10 CSB voted to keep the minimum funding levels at 80% despite each DPFS advising CSB to lower the level to 60%. In 10/11, CSB passed the decision onto the Executive Committee, who voted to maintain it at 80%, again despite the DPFS's recommendation to lower it to 60%. In 11/12 CSB voted to accept a minimum funding level of 70%, less underspend.

Three models are proposed for discussion: Model A guarantees 60%, Model B 70% and Model C 80%, all less their underspends.

Please note this is purely the percentage amount for minimum funding levels we are discussing, not the actual funding amounts.

Issues

The higher the minimum allocation percentage, the more difficult it is to adjust for any change. This is a problem if a particular MG is overfunded. A MG could be overfunded for many reasons, e.g. it has closed a number of clubs; similarly, a MG can be underfunded through the addition of many new clubs.

It is suggested to lower the minimum funding level to 60% (less underspend) and have the remaining 40% allocated in the CSB budgeting round, so that there can be flexibility in the allocations and to encourage robust budget applications.

Matters for Decision

- To accept one of the three proposed funding models: Model A (60%), Model B (70%) or Model C (80%)