

**STUDENT UNION BOARD OF DIRECTORS
FINANCE COMMITTEE MEETING**

Meeting Minutes

April 5, 2022

4:00 PM

This is a hybrid meeting.

In-person: Student Union Inc. Building, Conference Room 6

Telecommute meeting by Zoom Video Conference.

This meeting was facilitated in person and through an online Zoom format.

Voting Members Present: Charlie Faas, Peter Lee, Kathryn Blackmer Reyes, Dr. Sonja Daniels, Aarushi Sharma
Voting Members Absent: Soumya Trivedi
Updated Attendance: Soumya Trivedi was updated to present at 4:24 PM
Dr. Sonja G. Daniels was updated to absent at 4:58 PM
Non-Voting Members Present: Tamsen Burke, Ryan Fetzer, Timothy J. Banks

I. CALL TO ORDER

Director Sharma called the meeting to order at 4:02 p.m.

II. ROLL CALL

Director Sharma asked Kelly Goldsmith to take roll. Kelly Goldsmith completed a verbal roll call.

III. APPROVAL OF APRIL 5, 2022 MEETING AGENDA

Director Sharma asked for a motion to approve the agenda.

Director Daniels motioned to approve the April 5, 2022 agenda; Director Blackmer Reyes seconded the motion.

Vote on the Motion: 5-0-0 Motion Passed

IV. APPROVAL OF MARCH 8, 2022 MEETING MINUTES

Director Sharma asked for any changes to the minutes.

Regarding item VI.A. Fee Proposal: 2022-23 Campus Mandatory Fees, a request was made to remove the last sentence from the second paragraph.

Director Sharma asked for a motion to approve the minutes with the recommended change.

Director Daniels motioned to approve the March 8, 2022 meeting minutes with the recommended change; Director Faas seconded the motion.

Vote on the Motion: 4-0-1 Motion Passed

Abstain: Director Blackmer Reyes

V. DISCUSSION ITEMS

A. Review Fiscal Year 22-23 Assumptions & Budget Requests: First Read

Ms. Burke explained this is a preliminary review to discuss what is in the current budget and to address any questions the committee may have. As recommended, next year the budget process will start in November to allow more time for budgets to be completed. She discussed the budget process, how staff put their budgets together, and noted that some of the departments are still completing their assumptions and goals. Spartan Recreation and Aquatic Center (SRAC) opened spring 2018 and due to COVID, there is not a full year of actual operational expenses so assumptions from the first quarter of

2019 will be used to project a full year of costs.

The committee was presented with SRAC and Student Union overarching budgets. Staff are currently working on the actual operational expenses for the Event Center in order to complete that budget. Head count is not included but will be needed to make some correct assumptions regarding any increases to cost allocation from previous years. A recommendation was made to review the cost allocation memo that was sent last year to calculate preliminary assumptions for the 2022-2023 budget and use 3% as a placeholder.

Ms. Burke explained staff are also working on the cost of utilities and looking at the first six months of 2019 to extrapolate what the third and fourth quarter would potentially look like. Ms. Burke will speak with Ms. Ferdolage about providing a forecast for this year and an estimate for next year. Custodial, maintenance, and IT are listed in the wage lines but can be pulled out of the budget once there is a better understanding of the expenses of service agreements.

Ms. Burke provided an overview of the revenues and expenses. She explained that a recommendation was made to outline all of the expenses the Student Union (SU) have and will incur, associated with the three facilities. There are additional conversations needed regarding what expenses will be charged back to the university and what expenses will be paid by the SU. The return of student fees is calculated based on expenses and if expenses increase, the return of student fees will increase to get to a zero budget. The budget includes, areas of opportunity to make money as part of a revenue model, actuals for 2019-2020 and 2020-2021, and projections and actuals for 2021-2022. Payroll is projected to be \$3 million from \$2.7 million in 2019-2020. The biggest impacts on student wages was the minimum wage increase and estimated costs for SRAC for 2019. Ms. Burke reviewed the headcount for 2019-2020 and where those positions are for 2023. In the past the SU has consistently had 65 full time positions. There are 64 full time positions listed for 2023. Since 2019, based on the needs of the organization, there has been some elimination and realignment of positions. Some vacant positions were not filled which provided an opportunity to open other positions that were determined as a priority. The maintenance tech position and the operations custodial position are on hold based on ongoing conversations with the transition of Maintenance and Custodial to FD&O. Ms. Burke briefly discussed the cost of benefits and the increased costs associated with the additional positions. She explained that IRA (Instructionally Related Activities) revenue and expenses are required to be recognized separately and not necessarily as SU operational expenses, but specifically for the program that receives funding from SSETF (Student Success, Excellence and Technology Fee) IRA source.

Ms. Burke addressed questions from the committee which included clarification on rental revenues and charging outside groups directly and indirect reimbursements for campus rentals during the summer. There were eight positions open in 2019 that were needed but were never filled. The 2019 budget was approved based on positions that were filled. The budget did not include the eight open positions. These eight positions are still needed and are included in the 2022-23 budget. Headcounts have been centralized in the HR budget as per the recommendation of the corporation and its members. The committee requested adding a line listing the headcount for each department.

VI. MEETING ADJOURNMENT

Director Sharma asked if there were any objections to adjourning the meeting. Hearing no objections, the meeting was adjourned at 5:08 p.m.

The Student Union Board of Directors is a public body, and members of the public have a right to attend and participate in its meetings. This schedule is established as a best approximation of how long each scheduled meeting will take to complete its business. Depending on the length of the discussions, which are not possible to predict with precision in advance, the scheduled meeting times indicated may vary widely. The public is advised to take this uncertainty into account in planning to attend any meeting listed on this schedule.