


MEMORANDUM

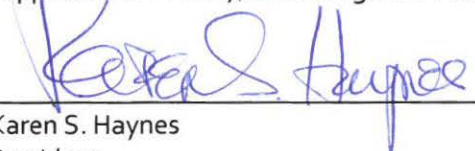
DATE: May 1, 2017
TO: Karen S. Haynes
President
FROM: Neal Hoss 
Vice President, Finance & Administrative Services
SUBJECT: FY2017/2018 Associated Students, Inc. Budget

On April 7, 2017, The Board of Directors of the Associated Students, In. of CSU San Marcos met and approved the 2017/2018 annual budget. The budget reflects the increased revenue and new or expanded programs related to the passage of the ASI Fee Increase Referendum which was approved in the fall semester. The budget document now includes a "narrative" that provides insight into the budget categories and dollar amounts. Highlights of this year's budget include:

- A 152% increase in funding for Student Activities. This includes funding for 24/5 library access, the ASI Food Pantry, student generated sustainability projects, large scale campus programs, Cougar pride initiatives and promotional items, and increased ASI Leadership Funding.
- A 47% increase in student salaries and benefits. This reflects additional student employment in all ASI operational areas, including new positions in the Food Pantry, and the expansion of the role of Chair and Chief of Staff.
- Operational expenses reflect increases necessitated by ongoing costs increasing, but have been kept to a minimum where possible.
- Additionally, ASI will be spending funds from its current reserves totaling \$174,000, which include the upfront costs associated with the Library's 24/5 Access Initiative (to be repaid over five years from the increased fee revenue); renovations to the ASI office space to make Student Organization Banking more customer service focused; replacement of all ASI computers, which are now 5 years old and out of warranty; and renovation to the Pride Center to ensure code compliance (additional door required for secondary egress).

ASI continues to maintain adequate reserves based on its current policy, but will be looking at the policy over the summer to ensure the reserve categories are reflective of increased revenue and operations.

I approve the FY 2017/2018 budget for Associated Students, Inc. of CSU San Marcos.



Karen S. Haynes
President

5/4/2017

Date

PROJECTED ASI BUDGET FY 2017/2018

Description	FY 16/17 Budget	FY 17/18 Budget	Percentage of Increase/Decrease
PROJECTED REVENUE	\$ 1,316,400.00	\$ 2,009,250.00	
TOTAL	\$ 1,316,400.00	\$ 2,009,250.00	52.5% Increase

PROJECTED EXPENSES

Student Activities	\$ 255,897.00	\$ 664,751.00	152% Increase
Student Salaries/Benefits	\$ 187,072.00	\$ 274,760.00	47% Increase
Professional Staff Salaries/Benefits	\$ 650,544.00	\$ 641,487.00	1.4% Decrease
Executive Director Salary/Benefits (50%)	\$ -	\$ 107,996.00	N/A
UARSCAAdministrative Charge of 8%	\$ 54,091.00	\$ 64,240.00	19% Increase
Professional Development and Travel	\$ 32,650.00	\$ 38,150.00	17% Increase
Office Equipment and Setup	\$ 25,116.00	\$ 28,198.00	12.3% Increase
Office Supplies and Printing	\$ 8,274.00	\$ 12,000.00	45% Increase
Membership/Insurance	\$ 11,933.00	\$ 12,668.00	6% Increase
Auditing/Tax Prep Services	\$ 19,500.00	\$ 20,000.00	2.5% Increase
Indirect Cost Recovery/SB8	\$ 131,923.00	\$ 145,000.00	10% Increase
SUBTOTAL	\$ 1,377,000.00	\$ 2,009,250.00	
GRAND TOTAL	\$ (60,600.00)	\$ -	

RESERVES

	FY 16/17 Budget	FY 17/18 Budget
	\$ 529,589.00	\$ 499,589.00
	\$ (30,000.00)	\$ (174,000.00) *
TOTAL	\$ 499,589.00	\$ 325,589.00

* This figure includes the following expenses:

Library Renovations	\$ 90,000.00	**
Front Office Renovations	\$ 10,000.00	
Pride Center Renovations	\$ 14,000.00	
Computers	\$ 60,000.00	
	<u>\$ 174,000.00</u>	

** Reserves repaid at \$18,000 per year for 5 years.

Approved by ASI Board of Directors, 4/07/2017

Associated Students, Inc.
California State University San Marcos
FY 2017- 2018 Projected Budget

Introduction

The Associated Students, Inc. (ASI) is a 501(C)(3) non-profit corporation and operates as a student-run auxiliary of California State University San Marcos (CSUSM). ASI's mission is concise yet impactful: To serve, engage and empower students. ASI is the official voice to express student opinions, foster awareness of student issues, and protect the rights and interests of students.

ASI is comprised of four primary functions: the ASI Board of Directors, the Campus Activities Board, the Gender Equity Center, and the LGBTQA Pride Center. A dedicated team of student employees and professional staff support these functions by providing programmatic, leadership, student development, and operational efforts.

As a primary entity of campus life and student advocacy, ASI affords students a variety of ways to serve their communities, engage in the diverse life of the University, and empower themselves as student leaders who leave their legacies at Cal State San Marcos. Students involved in ASI serve CSUSM students by engaging in lobbying for student concerns at local and state levels, planning and delivering social, educational, recreational, and cultural programming, participating in student leadership retreats, and advocating for social justice throughout our communities.

Budget Process

Each spring, ASI Executive Officers and professional staff submit programmatic and operational needs and budget information for the subsequent fiscal year based on an analysis of prior year expenditures, current programs and operations, proposed new initiatives, and anticipated growth. Additionally, they examine the impact of operational and staff changes. This information is compiled and reviewed by the Senior Director and the Financial Coordinator in consultation with the ASI Executive Vice President for review by the ASI Executive Director. The proposed budget package is presented to the ASI Internal Operations Committee for review and recommendation to the ASI Board of Directors. Upon approval by the ASI Board of Directors, the proposed ASI Budget is submitted by the ASI Executive Director to the CSUSM Vice President of Finance and Administrative Services for presentation and approval by the CSUSM President.

The proposed ASI Budget for Fiscal Year (FY) 2017-2018 was approved by the ASI Internal Operations Committee on March 10, 2017, for recommendation to the Board of Directors. The ASI Board of Directors approved the budget on April 7, 2017.

Budget Overview

Projected Revenue

Projected revenue is calculated by multiplying the "Student Body Fee" paid by all regularly enrolled and special session CSUSM students by the projected CSUSM headcount per semester. The Student Body Fee is \$75.00 per semester assessed to every matriculated student. The projected CSUSM headcount number is an estimation of the actual number of individual students enrolled in a given semester.

During the spring semester, the CSUSM Budget Office distributes the projected headcount for the subsequent fiscal year to all campus departments and auxiliaries. For FY 2017-2018, the projected headcount for Fall 2017 is 13,971 students and for Spring 2018 is 12,819 students.

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The projected revenue for FY 2017-18 is \$2,009,250. This represents a 52.5% increase from projected revenue in FY 2016-17, primarily the result of projected enrollment increases and a successful student fee referendum passed in December 2016, which increased the ASI fee from \$50.00 to \$75.00 per student per semester.

Projected Expenses

ASI's guiding budget principles, which were established during the 2014-15 budget cycle, were utilized to prioritize expenses for FY 2017-18. The three guiding principles are:

(1) Increase funding to student activities. The projected 152% increase in student activities funding includes the following:

- Funding all initiatives identified during the ASI fee referendum process:

Initiative	Projected Budget
24-hour Library access (5 days per week)	\$150,000
ASI Food Pantry	\$80,132
Student generated sustainability projects	\$20,000
Large-scale campus programs	\$125,000
Cougar Pride promotional items	\$13,251
ASI Leadership Funding (ALF)	\$39,500

- Increased funding for student activities, programs, and promotional items in the Board of Directors, Campus Activities Board, Design Team, Gender Equity Center, and LGBTQA Pride Center.
 - Ongoing cross-departmental student life initiatives, including Tukwut Life, LEAD Retreat, and the Social Justice Summit.
- (2) Maximize opportunities for student employment in ASI. The projected 47% increase in student salaries and benefits include:
- Increased student employment in Campus Activities Board, Design Team, Gender Equity Center, and LGBTQA Pride Center. Additionally, two student positions have been allocated to work in the Food Pantry.
 - Increased Executive Officer positions through expansion of the Chair & Chief of Staff role on the Board of Directors from 10 hours to 20 hours per week during the academic year.

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(3) Minimize increases to operational expenses, as noted below:

- Professional staff salaries and benefits decreased by 1.4% related to changes in staffing and processes in administration of student organization banking. Funding for potential reclassification and equity adjustments of key staff positions is provided for, to be determined based on organizational review of ASI.
- Salary and benefits for the Executive Director at 50% time base were incorporated, based on changes in organizational structure as of July 1, 2016.
- Increases in the following operational costs: Indirect cost recovery paid to the University (10% increase); administrative fees paid to our employer, University Auxiliary and Research Services Corporation (19% increase); auditing and tax preparation services (2.5% increase), memberships in professional organizations and insurance (6% increase).
- Cost of professional development and travel includes a projected increase of 17%, secondary to staff participation in required conferences and trainings of Auxiliary Organization Association (AOA) and California State Student Association (CSSA).
- Office equipment and setup increased by 12.3% due to the need for additional computers for staff and student use. Office supplies and printing increased 45% due to rising costs of toner/printer cartridges, both of which support free student printing in the ASI Community Centers. Additionally, office supplies and printing were significantly underfunded in the prior year's budget.

Reserves (Net Assets)

The ASI Reserve policy states that prior year balance is to be allocated to the following categories, based on target funding levels for each category: Working Capital and Current Operations, Capital Equipment Replacement and Acquisition, and Planned Future Growth

Per the FY 2016 audited financial statement, ASI began FY 2016-17 with net assets (prior year balance) of \$528,898. These funds are maintained in ASI Corporate Reserves.

During the FY 2016-17 budget allocation process, the Board of Directors approved withdrawal of \$60,600 from reserves to balance ASI's operating budget. As a result of the mid-year budget review process, it is estimated that no more than \$30,000 will need to be withdrawn from reserves to balance the FY 2016-17 operating budget. The projected reserve balance as of July 1, 2017 is estimated to be \$498,898. Anticipated expenditures from reserves during FY 2017-18 include purchases of computers as well as construction/renovation totaling \$174,000. This figure includes \$90,000 for renovations required for the 24-hour library access initiative, which will be repaid to ASI reserves from the operating budget at \$18,000 per year over a five-year period.

ASI will be revisiting its budget process as well as its reserve policies during FY 2017-18 to reflect the expanded initiatives and agreements it is entering into and to ensure ongoing transparency in use of funds.

ASI MASTER BUDGET 2017/2018

Description	OPERATIONS		STUDENT SERVICES											TOTAL	
	2121	2101	2110	2108	2116	2104	2107	2102	2103	2111	2118				
	University Cost Recovery	Operations	General Student Programs	Media and Marketing	Gender Equity Center	LGBTQ Pride Center	Campus Activities Board	BOD	President	Executive Vice President	VP Student & Univ Affairs	Chair & Chief of Staff	Food Pantry		
613808	Salaries: Prof Staff (without ED)		183,280	10,000	44,932	47,277	65,137	46,350	45,992						442,968
601201	Salary: Executive Director (50%)		76,902												76,902
	Benefits: Executive Dir (50%)		31,094												31,094
613808	Pro Staff Benefits (without ED)		90,702		17,973	18,911	26,055	18,540	18,397						190,577
613808	UARSC benefits: Temp Staff 12%			1,200											1,200
613808	UARSC education benefit		9,600												9,600
613808	Salaries-Student Assistants		19,331	6,000	34,856	41,154	41,154	52,493		15,000	14,000	14,000	13,000	13,205	264,193
613808	UARSC benefit SA 4%		773	240	1,394	1,646	1,646	2,100		600	560	560	520	528	10,568
613816	UARSC Admin charge 8%		12,148	1,395	7,932	8,719	10,719	9,559	5,151	1,248	1,165	1,165	1,082	1,099	61,382
660858	Professional Development		9,000												9,000
606001	Travel		7,500						8,500	4,000	1,000	7,150	1,000		29,150
660842	Student Activities		500	321,251	23,000	26,000	26,000	108,000	36,000	1,500	51,500	4,500	1,500	65,000	664,751
660835	Office Equip/computers		600	1,300	1,800	1,800	2,700	1,500	1,500	300	300	300	300	300	12,700
660835	Office Equip/copiers					3,249	3,249								6,498
604001	Telecommunications/Phones		6,000												6,000
613810	Auditing Expense		20,000												20,000
613814	Accounting,including ICR&SB8	145,000													145,000
660001	Postage/Mail		500												500
660003	Office Supplies		11,500												11,500
660010	Insurance-CSURMA		10,668												10,668
660041	Utilities/Custodial														0
660805	Membership Dues AOA/NACA		2,000												2,000
660822	Office Moves/relocation/setup		3,000												3,000
	REQUESTED EXPENSES	145,000	495,098	341,386	131,887	148,756	176,660	238,541	115,540	22,648	68,525	27,675	17,402	80,132	2,009,250

Projected Revenue 2,009,250
Projected Expenses 2,009,250
Remainder 0

Total Student Services Budget	1,369,151	68%
Total Operations Budget	640,098	32%
TOTAL	2,009,250	