

**STUDENT UNION BOARD OF DIRECTORS
FINANCE COMMITTEE**

**Special Meeting Minutes
March 14, 2024
8:30 AM - 9:30 AM**

In-person: Student Union Building, Conference Room 6

Voting Members Present: Kathryn Blackmer Reyes, Sara Bonakdar (BOD Designee),
Mari Fuentes-Martin, Ed.D., Jayeesh Tarachandani
Voting Members Absent: Ishan Sikka, Aditya Vishwakarma
Updated Attendance: Aditya Vishwakarma was updated to present at 8:41 AM
Mari Fuentes-Martin, Ed.D was updated to absent at 9:29 AM
Non-Voting Member Present: David Alves

I. CALL TO ORDER

Director Tarachandani called the meeting to order at 8:35 a.m.

II. ROLL CALL

Director Tarachandani asked Kelly Andriese to take roll calls. Kelly Andriese completed a verbal roll call.

III. APPROVAL OF MARCH 14, 2024 MEETING AGENDA

Director Tarachandani asked for any changes to the agenda.

Director Tarachandani asked for a motion to approve the agenda.

Director Fuentes-Martin motioned to approve the agenda; Director Blackmer Reyes seconded the motion.

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

IV. DISCUSSION

A. Fiscal Year 24-25 Budget Assumptions and Request - First Read

Mr. Alves presented the first read of the Fiscal Year (FY) 24-25 budget. There was a substantial increase in the budget due to an increase in expenses. The 24/25 budget reflects a request for student fees of \$14.7 million dollars.

The Student Union received a total of \$5 million dollars of student fee funding during the Fall semester, 2023, which included \$2 million in an advance and an additional \$3 million after the rebudget had been approved by the President in October. The Student Union also received an additional funding payment of approximately \$4.5 million dollars in the Spring semester. Even though the FY 23/24 student fee request budget was \$11.1 million, only \$9.5 million of student fee funding was received due to approximately \$1.5 million that was left over and applied from FY 22/23. The \$1.5 million will be added to the first half actuals for the second read to reflect funding to be used FY 23/24. The

second read will show a \$3.6 million variance instead of \$5.1 million due to the addition of \$1.5 million to the first half actuals.

Mr. Alves explained that the self-earned income is flat year over year at approximately \$1.2 million

One of the main drivers for the increase in expenses for FY 24-25 is full-time payroll and benefits due to budgeted headcount increases at the Student Union. During the September 2023 Committee meeting, it was brought to the attention of the Committee that there were 21 open positions and of those, 14 were filled during the first half of FY 23-24. A compensation study is being conducted by an outside service provider with an expected due date in April, 2024.

Mr. Alves reviewed the operating expenses which included an increase in the campus cost allocation of approximately \$440,000, representing the transition of Student Union IT to campus, pending MOU execution.

The Events and Programs budget reflects an increase of approximately \$650,000 due to an addition of events recommended by the BOD during Fall, 2023.

The small equipment budget reflects a \$263,000 increase for the proposed Esports lounge furniture and equipment. It was noted that the cost of the lounge will be reduced by one-third due to the reduction of computers that will be purchased. The original purchase was for 60 computers but only 40 will fit.

If the transition of the maintenance department to FD&O happens earlier rather than later, \$500,000 will be removed from the budget. Mr. Alves then touched on his meeting with Charlie Faas. In the meeting, concerns were brought up regarding the significant increase in payroll in relation to the amount of services the Student Union provides. To help clarify these concerns Mr. Alves will be providing Mr. Faas with a roadmap highlighting the hiring that Student Union has done to justify the increase. Lastly, Mr. Alves touched on the capital expenditure budget. A majority of the capital expenditure budget (\$854,000) is for improving the audio-visual in multiple conference rooms at the Student Union and SRAC. Ms. Bonakdar added that this is a fee trust request. The next read will be at the end of March.

V. MEETING ADJOURNMENT

Director Vishwakarma asked if there were any objections to adjourning the meeting. Hearing no objections, the meeting was adjourned at 9:52 a.m.