

Services and Activities Committee
Meeting Minutes
January 10, 2025

Called to order:

Eli called the meeting to order at 2:02 pm.

Attendance:

Erin Sargent, Mia Young, Nicholas Villa, Eli Alvarado, Ian Seymour, Robbi Goninan, Oscar Martinez

Absent: Yahir Calderon Sotelo, Nick Moreno

Guests: Verónica (Vero) Gómez-Vilchis, Genevieve Doshier, Patrick Stanton, Arik Spring

Agenda:

MOTION: Ian made a motion to approve the agenda from 01/10/25. Nick V seconded. Motion Carried. 3 (yes), 0 (no), 1 (abstentions)

Minutes:

MOTION: Ian made a motion to approve the minutes from 12/06/24. Nick V seconded. Motion Carried. 3 (yes), 0 (no), 1 (abstentions)

Reports

I. Chair:

a. None.

II. Advisors:

a. Erin noted that the advisors assembled the books for base funding. Their projections are still showing that there will be about \$6 million to allocate annually, which they will continue to keep updated. They had a total requested amount for about \$6.45 million, which is a little more than what the committee has available. There hasn't been any indication that what the advisors anticipated has changed.

III. ASCWU:

a. Nick V shared events:

i. Stir the pots with committees with committee members and chairs recruiting. This is soup base, so if you like miso soup it could be there.

1. Jan 22nd 9am-12pm

ii. Lobby day 11th and 12th

Communications Received

Mia stated that Yahir Calderon Sotelo is unable to attend S&A this quarter due to an internship opportunity. He won't be able to attend meetings this quarter but is still an S&A committee member.

Public Comment

- A. Erin wished everyone a happy new year and is welcoming them back to Winter Quarter. She is looking forward to seeing what they can accomplish this quarter.
- B. Eli appreciates the binders, which he sees as helpful and is excited to see what we do this quarter.

New Business:

A. Base Funding Request – Presentations

a. SURC Accounting/Student Funds Financial Manager

Presented by Erin Sargent

- Erin explained that this is an opportunity to train. There is up to 10 minutes to present then a 10 minute question period. If other questions occur during deliberation the committee can ask those areas for additional information. She recommends taking notes but do not take the notes/binders home as they are part of the public record.
- Erin reviewed the deliberation rubric, which is on the back of each section in the book. Each section starts with the base funding request and any additional documentation submitted.
- It shows their budget with the option of a 4 year budget, but the base funding is a flat rate, so this was not required. Next their organization chart if they have one. Then their Program Review, which is the current year. Next is their annual financial report, which is the financial information and how they spent their money. Finally, the base funding request deliberation rubric – this helps guide the committee’s questions while ensures that they are considering all the things that are relevant to the Killian outline. Whether they have base funding or additional funding outside of S&A.
 - Fore example, SURC Accounting is funded through S&A but they are also supported by the REC Fee and the SUB Fee. There are a lot of areas that are only partially funded by S&A
- Does it fit within the S&A funding priorities? The number one priority for S&A is the bond payment which is similar to paying a mortgage/rent.
 - How it aligns with the purpose of S&A funding.
 - Before COVID they in the previous cycle they had about \$7.5 million to allocate out to the areas. Enrollment taking resulted in the committee having a million and a half less
- How does this impact students? Assessing the amount compared to the impact to students
 - For example, if a department were to ask for \$2 million for 5 students it might not be as impactful as \$5 for 200 students
- Erin encourages the committee to wait on making an overall recommendation. The committee is not making decisions today (or when the groups present) but they are listening to the requests and

assess how it fits into S&A. Decisions regarding how to fund these groups will occur after the presentations have concluded.

- The bond payment is an exception because it is a contractual obligation that they must pay for the building
- i. SURC Accounting Office
 - a. Erin is presenting these together, but they are two separately funded areas
- ii. Provides budget and accounting services to all student clubs and organizations.
 - 1. Processes funding reimbursement for S&A supplemental requests
 - 2. Provides funding solutions to areas that have limited resources or access to traditional funding support
 - a. A group or individual without a CWU budget but has funds to pay for that they can accept a deposit and facilitate that purchase.
 - 3. Offers fiscal guidance for all S&A, Student Union, and Rec center departments
 - a. This includes the scheduling center
 - 4. Provides hands-on experience to student staff related to banking, customer service, cash handling, written and verbal professional communication, general office communication, and teamwork
 - a. They have 7 students employed in their office, which gives those students a unique skillset
- iii. Total request (\$104,401) for SURC accounting is down \$56,202, or 34.99%, from the last 4-year cycle
 - 1. This incorporates a reduction from the student funds financial manager budget that didn't have as much ability to take a reduction.
 - a. There are multiple funding sources such as REC Center money and student union, so S&A is partially funding it
 - 2. Supports
 - a. Professional staff – salaries and benefits for two full time fiscal positions
 - b. Student staff – as many as seven students employed to support clubs during the school year
 - c. Goods and services – office supplies, printer, mailing, etc.
- iv. Questions?
 - 1. None
- v. Student Funds Financial Manager is separate from SURC Accounting but historically presented together
 - 1. Is responsible for providing timely and accurate fiscal information relative to S&A fee as well as Student Union and Rec Center Fee.

- a. Ensures that those areas understand how to use their funds and providing guidance
 - 2. Provides advice on financial matters in relation to the S&A Fee committee as an advisor to the members. Provides information. Works closely with the VP for SES, other administrators, and program managers
 - a. Essentially a liaison for the committee and all the areas it supports.
 - 3. Areas of support include
 - a. Budget development, forecasting, application of budget policies, appropriate use of funds, budget reconciliation training, and manages SURC Accounting Office
- vi. Requested allocation is \$120,406, which is what was allocated last cycle. The reduction that did not happen occurred in SURC Accounting was taken by the other one (Student financial manager?). There was not enough programming present to reduce the 20%.
 - 1. Covers:
 - a. Professional Staff – the program covers the cost of salary and benefits for the Student Funds Financial Manager
 - b. Goods and services – to support the S&A committee as it relates to room rental, general supplies, etc.
- vii. Questions?
 - 1. Ian asked what would happen if they didn't have this position?
 - a. One of the primary functions is helping with the committee and providing those accounting budget and support areas for each area on campus. Supporting those areas on campus ensures that the university's finances are being monitored, and without the position the university would still have to provide that position, which would be a negative cost to S&A. There would be a 0 benefit. Defunding the position would increase the admin fee to fulfill the administrative functions.
 - b. SURC accounting supports the clubs and without that they wouldn't be able to do transactions and process those clubs
 - i. There are a couple hundred clubs. Although not all of them are active there are a lot of clubs that are being supported. Things change and there is a need to maintain active clubs.
 - ii. Support position for the S&A fee
 - Erin reviewed the program review and financial reports through the binder. When looking at the budget you can see that the requested amount should match what is in their budget. The S&A allocation is the first line then shows other funds received. SURC Accounting's shown on the second page and

shows they receive funds from the Student Union Building and the REC fee.

- The student payroll lines show all the student employees and permanent staff. This should be consistent throughout the areas because we had them all fill out the same thing. Lastly a little bit of goods and services.
- The committee reviews the Program Reviews every year and ensures that the way they used the funds is what it was intended to be for. There is a way they are using the funds that need to be intended for a specific thing. Sometimes those intentions change so it gives them the opportunity to make sure that what they are funding is what they really need
- Annual Financial Reports – explains what happens when positions are empty and keeps in mind that the money that was allocated was brought back and why.
- The SURC Accounting budget for the last 3 years shows some of the health for that fund. She explained how they allocated and rolled back funds, which is shown as a transfer. The department didn't spend that money and it rolled back into S&A funds. What they don't spend was reallocated to the next year's supplemental.
 - Some budgets will be in the negatives, which happens when spending is more than what they have.
- Erin encourages the committee to review and poke at the reports throughout the quarter from the S&A TEAMS channel.
 - They can write their questions prior
 - Although they are just a recommending body their recommendations go a long way up to the CFO and sometimes the BOT.

b. SURC Bond Payment

Presented by Erin Sargent

- i. The intent of the bond payment funding is to support the cost of the SURC. Prior to the construction of the student government, the committee pledged to spend \$850K annually for a 30 year period of time. This was intended to ensure the financial success of this project. This demonstrated to the BOT that they could operate the SURC and pay the early bond till they retired in 2034
- ii. This is a contractual obligation.
 1. If this did not get funded, it would go to arbitration and come back down to be reconsidered. The dispute resolution process would go to an arbitrator, and it would be their decision as to whether the bond is paid. There's a good chance that the committee would pay the bond.

- iii. The amount has been the same for the last 20 years
- iv. Questions?
 - 1. Eli asked if there's an interest rate.
 - a. Patrick noted that the annual payment for the whole bond which we sold one series of bonds to construct this building. The portion that was the REC Center, Student Union, Bookstore, and dining was \$60 million and the interest rate at that time was 3.5%. We refinanced in 2014, and all the payments and interest rates went down slightly. Because the annual payments are the same they won't go up or down, which means that each time they make a payment they pay a little less interest and a little for principal.
 - b. This is only a portion of the bond payment because there are partners operating in the building. A portion of the SUB, REC, Dining, and the bookstore all go to portion of the bond payment on top of S&A's contributions.
- c. CWU Administrative Fee
 - Presented by Patrick Stanton
 - i. The Admin Fee is very common and occurs in all the universities in the state of Washington
 - ii. When looking at the entire university's sources of funding, one can look at the State General Fund
 - 1. The state of Washington gives the university an operating appropriation, which is about \$70 million for this year.
 - 2. Tuition and these funds are grouped together to go towards supporting the University and its services.
 - 3. The money that the university gets has to go towards specific things.
 - 4. It's essentially an administrative overhead fee.
 - 5. The state has money coming in and the university has to size something as big as the payroll department. Dining may not want their own payroll and IT department, so the university needs one that is a little bit bigger. Housing, Dining, and Bookstore all pay an administrative fee, which pays for those basic services.
 - a. S&A has been paying into this too.
 - iii. S&A Fee Rules of the road
 - 1. The RCW's are part of the state constitution.
 - a. The S&A committee is in the state constitution.
 - b. S&A fee is for the funding of student activities but can also be used for the payment of bonds. Otherwise, where would you do the activities?
 - c. The legislature wrote this out in the 50s writing out that it's like the college version of ASB in High School, but everyone's paying it.
 - i. If the HS ASB fund went towards the principals wage it'd be weird.

- d. The committee proposes things, but the University administration and governing board has the obligation to choose and look out for the bigger university.
- iv. S&A can be a politically charged topic
 1. They tried to put in this admin fee saying that they were going to take a certain percentage of all the revenue and pay for a certain percentage of all the costs. This implied that they were paying a tiny portion of the presidents salary and landscaping
 2. In 2013 CWU was published in the Seattle Times for taking a certain amount of revenue to pay all the costs and
 - a. There was an audit and the auditors said that we were charging for groundskeeping and that's not right
- v. The Assistant Attorney General and State auditors helped clarify that they can't pay for general stuff for the whole University as it states in RCWs. Services with specific use tied to S&A. Guidelines of what we can and can't pay
 1. For example, Accounts Payable, processes all the travel, vouchers, and invoices and distributes payments for stuff that the S&A funded areas buy.
 2. One could count what portion of all the University transactions actually had something to do with S&A and it's 5%.
 3. They accounted for these calculations as it relates to the Administrative Support Cost Allocations for Accounts Payable & Travel, Human Resources, Information Technology Applications, Payroll, Purchasing, Business Services & Contracts, and Student Financial Services
- vi. The last cycle came up to \$454,745 total.
 1. When they add these things up and say that S&A is getting the benefit of 5.6% of the payroll office and 6% of purchasing. According to the somewhat agreed upon ratios they'd be asking S&A for \$591,000 but they know times are tough. Especially within the administrative portion.
 2. They are attempting to become more efficient and scale all these departments back annually. Ultimately, they are going to ask for the same as last time.
- vii. Admin Fee Summary
 1. Very common in Higher Ed
 2. All Washington State Schools have an Admin Fee
 3. Tied to specific services used
 4. Reviewed by State Auditor Recalculated on cycle Asking for the Same amount as prior
- viii. Erin noted that the original request for the last cycle was the \$454K, but the committee has been cutting down the allocation and so are currently at \$405K with the reduction.
 1. The current is less than what was last time due to the 10% reduction.

2. If they tried to increase this it's going to crowd out services to students. They need students to attend central, and they may be more likely to attend if there were more services instead of less.
- ix. Questions/Comments?
1. Oscar asked how much the admin fee is?
 - \$405,000. Housing and dining pay \$1.6 million. It's all based on the same thing so that they don't have their own travel desk and accounts payable, etc.
 2. Patrick offered to provide the excel sheets showing every voucher that was paid through accounts payable.
 3. Oscar asked if they anticipate any changes?
 - a. They don't contemplate any change for the next four years.
 4. Ian asked what happens if we don't fund it?
 - a. They are not sure.
 - b. Because of bond payments, the BOT signed a legal document stating the purchase agreement (binding all future trustees to this) to a certain amount. If they don't pay it then it would be bad and they could be sued. This would go to dispute resolution. All of this is drawn out in dispute resolution, which is drawn out in the committee bylaws.
 5. Arik asked if they cut funding, would it cut into staff?
 - a. Yes, the staff costs are in those areas something like 90 cents on the dollar. There would not be any way to take \$400,000 out of those areas without impacting staff.
 6. Nick V clarified that this benefits HR, payroll, etc.
 - a. Yes, like the cashiers office. One of things you can't see is the Information Technology, since some of it is making sure that all of the computers have Microsoft Office. There's also PeopleSoft stuff to consider that he is unsure of the exact percentage. He does know that 2.4% of the IT stuff at central would benefit.
 7. Patrick said to let him know if they have any more questions.

Old Business

- A. Supplemental Funding Request – Deliberation and Decision
 - a. 2509: Museum of Culture & Environment- \$12,000
 - i. The committee was no longer in quorum so deliberation and voting is not applicable for this meeting.
 1. The committee will have to table Deliberation and Decisions until the next meeting

Public Comment – Second Call

None.

Adjournment:

The chair adjourned the meeting at 2:59PM.

Our next meeting will be January 17, 2025 (SURC 301) at 2:00pm.
Check out our website at www.cwu.edu/services-activities