



# AS Finance Council

April 3, 2020 2:30 p.m. Teams Meeting

**Members: Present:** Nate Jo, Chair (AS Business Director), Lani Defiesta (AS President); Adah Barenburg (AS Student Senate Pro Tempore), Selome Zerai (VP for Activities), Nicole Ballard (Student Senator), Corey Griffis (student at-large), Keenan Kaemingk (Activities Rep), Christina Ngo (Resources Rep) **Absent:** Rachel Walsh (Central Services Rep)

**Advisors:** Leti Romo, Assistant Director for Representation & Governance  
Raquel Vigil, Business Manager

**Secretary:** Cindy Monger, Dean of Students Unit Fiscal Specialist

**Guests:** Linda Beckman, Division Director of Budget Administration for Enrollment & Student Services; Soumya Ayelasomayajula, ESC Assistant Director for Club Logistics; Jeff Bates, Publicity Center Manager; Dr. Fred Collins, Assistant Director for Viking Outdoor Recreation; Jenn Cook, AS Club Activities Manager; Joanne DeMark, Leadership Specialist; Karen Deysher, Student Advocacy & Identity Resource Center Coordinator; Jamie Hoover, KUGS General Manager; Assistant Director of Student Activities; Alicia Prokopenko, AS Assistant Director for Club Finances; Stephen Magnuson, Outdoor Center Programs Coordinator; Kiaya Wilson, AS Review

## MOTIONS

FC-20-S-01 Recommend that the Associated Students collect 15 % of their normal Services & Activities Fee Revenue for Spring 2020. *Passed*

*Nate Jo, chair, called the meeting to order at 2:33 p.m.*

### I. Call to Order

### II. Action Item

#### A. Recommendation for Services & Activities Fee Collection & the Spring 2020 AS Budget

Jo thanked the Budget Authorities, Vigil, Barenberg, Defiesta who have been scrambling to get a lot of data together in a short amount of time. Thank you for all of your contributions, quick work and trust in each other during this difficult time. Thank you to Linda Beckman, Division Director of Budget Administration from Enrollment & Student Services for attending the meeting to give updates.

Linda Beckman has been working with Alexander and others see how their budgets are sitting and try to give some relief to students this quarter. She is working with the Board of Trustees to keep them informed of what is happening with constituent groups and they will have a special meeting early next week to discuss student mandatory fees. The Task Force has shared that, so far, the Transportation Fee has been waived for spring quarter, people could buy their own pass if WTA begins taking funding again, but this fee will not be charged to students. In the Services & Activities fee (S & A) the Housing and Dining Bond will still need to be paid, as well as a few other fees with bond payments. The AS has talked about reducing their fee by utilizing some reserves and DRAC will take no funding this quarter. At this point they believe they could decrease the S & A Fee by about 33%.

Beckman shared a draft pie chart with all of the mandatory student fees and it would be a total of a 25.3% reduction in fees for Spring Quarter. It would be \$135 instead of \$228 for Services &

Activities. Rec Center is \$109, they are looking to reduce that by 31%, they cannot reduce more than this due to the construction bonds. Health Services is still needed in this kind of emergency to fund Drs, nurses, and counseling services. The Tech Fee must remain because of online classes and laptop checkouts. The Non-Academic Building Fee must stay as it is related to bonds, as well as the Multicultural Center. Alternative Transportation reducing and sustainability cut a few dollars off their fee as well. The fees would be reduced overall by 25.3%. The mandatory fees will be presented again to the Board of Trustees early next week in a special meeting due to trying to meet any refund deadlines.

Ballard requested the details about the fees be included in the information given to students to help people understand the fees, including fees that are reduced. Ballard thinks that some of the anger is happening because people don't know how the fees are spent and why they would be necessary to still pay them when they are not on campus to use the services. Beckman said that Vice President Huskey will be sending out a communication once the decision is made by the Board of Trustees and she will make sure it includes details.

Jo said there is a committee working on making information more accessible including an infographic to help people understand. Barenburg wondered if the \$1.75 print quota would be repurposed. Beckman said that she believes it is going to possibly purchasing more laptops, they did want to reduce the fee but after review realized it was needed. Alexander asked if people are reading the long emails from the Vice President, or if they feel that there is oversaturation. Zerai thinks that a breakdown of tuition and fees will be read by students because it impacts them. Ballard said that she thinks people will read this as well and thinks people are reading the emails that have been sent out and are wondering why fees haven't been addressed. Soumya Ayelasomayajula thinks that some of the financially related emails can be hard to read and encourages visuals along with just the text. Alexander suggested an executive summary at the beginning of the email with details below.

Vigil said that the work the Jo and the Executive Board has been doing on the S & A Fee has been extensive and wondered if the AS could make a decision about the fee level and it could be included. The AS is invested in looking at a reduction, but thought they had until the April 16<sup>th</sup> meeting. Beckman said they took the recommendations from the task force, but how those reductions happen within the AS can certainly be decided. Beckman is trying to help the Board of Trustees make this decision early to meet refund deadlines. Anything that the AS has completed by the meeting Beckman will be happy to include, as the chart is a draft. Jo said that the plan was to have things reviewed by the AS Exec Board and Student Senate, but any student input is better than none

Budget Authorities working on very hard for the last few days to re-estimate core expenses and programming for Spring 2020. Estimated expenses are \$700,000, this includes full hours for all students, excluding those that have informed they will not be working. Options were presented, including a 5% decrease in enrollment, were shown at collection rates of 0%, 25%, 50%. In light of the true gravity of what may happen not only this year but also next year due to the pandemic, Jo included preliminary numbers for Fiscal year 21 with a decrease in enrollment would look like. FY21 budgets include a 5% decrease in enrollment, no increase in the fee at this point, base budgets and no decision packages, with those numbers the amount the AS would be over budget is \$187,763. Vigil mentioned a mistake on the calculations because the fund balance includes all money that was left in the budgets, so a lot of the reductions are already included in the current operating balance. Magnuson estimated that it would actually be \$4,368. This brought the numbers down to about \$9,521 for the Outdoor Center. Jo adjusted these numbers during the meeting.

Three options were presented for collecting 0% of the fee, 25% of the Fee, and 50% with a 5% decrease in enrollment. There is one Reserve account and a multitude of different funds within this, there is a policy that dictates how funds are filled at the end of the year. Jo and Vigil decided it was easiest to only have it come out of the Operating Reserve. Jo had the council look at the budgets for spring quarter and be aware of next year because they may need to cover some of the budget next year out of reserves as well. The options were presented to the Council including the Operating Reserve balance after any needed to help cover AS costs for spring 2020. At 50% they would not need to use the Reserve due to the remaining balance available and collection of 50% of the fee.

Zerai thinks that they should not do 50% but maybe should look at 35% or 15% because they can choose whatever level they think is appropriate. Romo asked if additional expenses that weren't projected could be requested from AS Reserves. Jo said there will still be options available such as the Large Event Reserve and AS Grants. Romo asked if they could still access the Reserve balance to possibly give funds to support other student employees outside of the AS, such as the Resident Advisors, that don't have funding to continue employment. Vigil said that they have to proceed with caution because when S & A Fees have been allocated you can't transfer them into other funds for other purposes. Beckman said that there are RCWs specify the process under which those allocations get made in a full committee process. They cannot just transfer it into other funds without a committee review and open hearing. Alexander said that the Student Employment Center is looking into ways to migrate people from positions not needed in the current situations into other positions, such as Technical positions to support all of the online tech, that are in high demand. He thinks supporting the Student Employment Office is a good idea. But in terms of giving money from one fund to another, that is a little more challenging. Romo wants to be able to go into meetings next week with things that are options for support, because there is a want by some student representatives to find ways to support these students.

Walsh thinks that they should fine tune these numbers, right now she likes something around 25% it could be 15 or 35%. Ngo said at that as of now she would like to charge as little as possible because right now is a hard time and even \$80 is two weeks of groceries. Jo reviewed the decision-making frameworks that the council looked at in the beginning of the process: Utilitarianism, Distributive Justice, Cost/Benefit Analysis, and values. Jo asked the council to think about what decision students would make if every student knew the details about how the AS spends the fund. Jo feels that is what should be driving this conversation in representing what students would want. Jo added a 15% and 30% option to the calculations.

Zerai asked if they were to go online in the fall as well, how would this look in their budgets. Jo said that this would be a substantial impact. Zerai feels that they should put as much money in students' pockets as possible but wants to be aware of impacts and the AS Reserves capacity. Vigil said that this is a onetime strategic move to hear the concerns of students in this Covid-19 situation. If Western is still remote learning in the fall. She hopes that all AS students and staff are reviewing what that means for student activities, because students could start to make the argument again that they shouldn't have to pay all of the fees if they are not on campus. The AS would then discuss how they provide a sense community and student engagement, advocacy and representation so that these students feel like the fees that they are paying optimally represent an enhanced out of the classroom learning situation. What's happening today is happening today.

Zerai asked how much of a reduction was included in the chart in the beginning. Beckman said the numbers she was presenting on were based on a 63.2% reduction for the AS portion of the S & A fee or \$81.61 per student down to \$30. Griffis said that they brought up how what they do for Spring will impact next year as well given the uncertainty. He shares those concerns but realizes the further out you get the foggier you get. He thinks they should focus on what they can do to

help people right now and he is inclined towards something more significant. He believes they have to be cautious but do something substantial, such as a 25% collection will be something that they can do now, and it won't have an adverse impact in the future. Hayden is curious in a bigger picture of all the Reserves and what the balance would be, as it has taken years to build up the funds. Vigil has really considered only the funds in the Operating Reserves because most of the other funds are earmarked for specific use and it is justifiable to protect that if possible. If they dipped all the way in to the \$281,600, there are still places like AS Grants, and VU Reserves that will have funding left, due to the decreased programming for spring quarter they will not be using the amount of funds they have earmarked. Vigil said that they are not dipping into the fund at such a great level that she is concerned. She does feel if they have to dip in again in the fall then that is a different conversation, as it is not sustainable. Vigil said this is a onetime decision. She thinks that students should feel that they are getting an optimal amount from the fees that they are paying. Jo showed the current AS Reserves balances as of February. Vigil said that if the AS had the need to fund a special project, there is still money available in the AS Grants which has a balance of about \$400,000 if a request that falls within the RCWs and policies.

Jo broke it down by per student fees. The fee is now set at \$81.61 per student, estimates would be at 50% = \$40.50, 30% = \$24.30, 15% = \$12.15. Jo said as the percentage charged to students decreases, then the amount needed from reserves will increase. Jo included the FY'21 area to help bring greater perspective. The numbers are assuming a 5% decrease in enrollment and no increase in the fee. Based on that the AS would be over budget at the currently requested rates. If they didn't reduce their budget there is a possibility to use funding out of the AS Reserves to cover this amount needed. Vigil said that they want students to make an informed decision about spring quarter. The decision they make now could have a lasting impact because they believe that Covid-19 and the economic downturn will have a lasting impact. They currently have a deficit of \$187,000 for FY'21. If they collect no funding then they will cover this out of reserves, if they collect 15%, they are in a better situation, if they collect 30%, it's even better, if they collect 50% they actually may have funding left at the end of the year. If they collected 100%, they will have more than what they need and that is why they are hoping not to do this. They don't want to take more funding than they need.

Ayelasomayajula asked why they wouldn't want to be closer to charging no fees for the AS knowing that students don't want to pay this fee. Jo said that in the past they have been cautious about budgeting and spending from AS Reserves and this has left them with a very healthy AS Reserves balance. Now seems like a good time to budget a little bit tighter. Even the estimates from programming and personnel may be a little higher than they need. That's one point to consider, but the other is that they don't know. They are being asked to project for next year a 5% and a 10% decrease in enrolment. If there was a 10% decrease, they would be about \$350,000 over budget with the base budgets as requested. Griffis thinks an important factor to consider in the spring is how well do we think that AS Staff are going to be able to innovate in terms programming, especially if it remains online through the fall. He wonders if people will be able to justify the fee money more to students in the fall. He feels that with the added time it may be clearer to students how the money is spent. Jo said that decisions for spring do not have to lock the AS in to what may happen in the fall. They will also be able to better estimate online programming expenses after doing it for a quarter.

Alexander said that there is a need to focus on now and the AS has to see itself not in just one quarter, or even two quarters, but in the next year and the next five years. If this continues, they want to plan for the worst and hope for the best and somewhere in the middle is where it may end up. Alexander thinks that if they set a precedent for hearing students and offering a fee reduction, this expectation may be considered in the future if classes are still online for fall. This is a precedent setting time. If they plan on having the same services, then the reserves could be eaten

up in one or two quarters. Alexander said that people will have some grace for making a statement now, but they may also expect these great decreases in the future. Defiesta said that getting as close to 0% as possible, even if it is not zero. She doesn't think it is setting a bad precedent to help students now, since it is situational. Especially since they are not able to reduce tuition at this point. She thinks it might be better to look at 15% or at little bit less.

Jo said that this looks comfortable for spring 2020 in part because they have the \$340,071 beginning balance due to more revenue than expected, some vacancies, and other unexpected savings. This will not necessarily be the case next year. Jo is also working on a 10% model in the online document. Zerai thinks that this might go from October to November. She doesn't think they should charge 10% now and then 100% in the fall. Ballard wondered about student employment in terms of how long they can continue to employ this many people at their normal hours, and yet it would be hard to reduce these jobs as well. These jobs give students resources as a way to fund their schooling and living expenses She understands the want for no fee, but also weighing the down sides of that and thinking about now or until fall, maintaining student employment is important. Walsh dittoed. Griffis thinks that sometimes they have to make consequential decisions and he feels that there will be worries no matter what, in terms of reduction or caution. Ngo thinks they need to get this figured out because of the timeline. Zerai said that she is leaning between 0-30%. Ngo doesn't want the 30% collection and thinks they can remove collecting no fee as well. Walsh is also not considering zero or 30%. Jo removed collecting no fee and the 50% option. Ngo requested removing the 30% option as well. Walsh thinks they should collect something to help between 10-25% to set them up for success in fall. Jo clarified the AS Reserve use for each of the options: at 10% = \$255,541, at 15% = \$212,150, at 35% = \$125,366 out of the \$281,000 Operating Reserve.

MOTION FC-20-S-01 by Zerai

Recommend that the Associated Students collects 15 % of their normal Services & Activities Fee Revenue for Spring 2020.

Second: Ballard      Vote: 8 - 0 – 0      Action: Passed

## **VII. Other Business**

Jo thanked everyone for their critical engagement. Jo also thanked all who have worked so hard on this including Budget Authorities, DeFiesta, Barenberg, Vigil, Romo, Alexander, and all who worked on behalf of students in the background to make sure that students are heard and that the best action is taken for students.

## **VIII. Adjourn**

*The Meeting was adjourned at 4:11 p.m.*