**Past Philosophy and values for AS Budgets**

**20-21**

**19-20**

**Philosophical Structure:** Budget Authorities were informed of the significant budget constraints the AS faced this year primarily due to significant mandatory wage increases (this year minimum wage increased $1.50). They were provided with five years of actual spending, as well as the allocation from last year. Authorities were asked to look for possible reductions based on past spending to assist the AS in balancing the budget. Due to the budget constraints this year increases were allowed only to maintain current services. Expansion of services requests were only allowed if they came as the result of a restructure or AS Assessment. Some initiatives/programs currently funded as AS Grants were scheduled to end this year. If they assessed to show a need and desire to operationalize, they were included in the operational budget requests with a detailed description in the justifications. The Committee removed some of the larger requests and recommend continuing to fund them from reserves. These items would have added an additional $123,000 to the Operating Budget. The Committee also reduced in areas where funds have remained unspent, reducing the budget by about $8,000 from the proposals.

**Budget Committee Budget Priorities List:** In past years, the Board of Directors provided a Budget Priorities List to the AS Budget Committee to provide direction in order to hold both parties more accountable on their decisions. No list was identified by the current Board.

**18-19**

**Philosophical Structure:** Budget Authorities were informed of the significant budget constraints the AS faced this year primarily due to starting out with a deficit budget and significant mandatory wage increases. They were provided with four years of actual spending, as well as the allocation from last year. Authorities were asked as they created proposals to look for possible reductions based on past spending to assist the AS in balancing the budget. They were also asked to think about how the construction in the Viking Union might impact their budgets. Due to the budget constraints this year, decision packages were not entertained and increases were allowed only to maintain current services. Expansion of services requests were only allowed if they came as the result of a restructure or AS Assessment. Any currently funded AS Grants that ended, if assessed to show a need and desire to operationalize, were included in the operational budget requests with a detailed description in the justifications. The committee also hoped to ease the understanding of the budget and therefore updated the title of some budget areas to more accurately reflect their purpose. (e.g. Media Outreach now only contains KUGS budgets, renamed KUGS FM.)

**Budget Committee Budget Priorities List:** In past years, the Board of Directors provided a Budget Priorities List to the AS Budget Committee to provide direction in order to hold both parties more accountable on their decisions. No list was identified by the current Board.

**17-18**

**Philosophical Structure:** The Budget Process this year began with a zero base budget, however offices were encouraged to make requests based from past year actuals and allocations. Due to the large amount of mandatory increases, offices were asked to make conservative estimates and look at areas where they could spend less money. Requested increases above $200 were encouraged to be submitted via a decision package application. This format required extensive justification for any new expenses requested by offices.

**Budget Committee Budget Priorities List:** In past years, the Board of Directors provided a Budget Priorities List to the AS Budget Committee to provide direction in order to hold both parties more accountable on their decisions. No list was identified by the current Board.

**16-17**

**Philosophical Structure:** The Budget Process this year began with a base budget philosophy as well as very open to considerations to decision packages. Offices were asked to examine their past spending and look for areas to save on funding. All requested increases above $150, that were not mandatory salary increases, were submitted in a decision package format. This format required extensive justification for any new expenses requested by offices.

Same priorities as last year

**15-16**

**Philosophical Structure:** The Budget Process this year began with a carry forward proposal process, as an increase from the Services & Activities Fee was not expected. Offices were asked to examine their past spending and look for areas to save on funding. All requested increases were submitted in a decision package format. This format required extensive justification for any new expenses requested by offices.

Same priorities as last year

**14-15**

Philosophical Structure: same as 13-14

**Budget Committee Budget Priorities List:** In past years the Board of Directors have drawn up a Budget Priorities List to give the AS Budget Committee direction and to hold both parties more accountable on their decisions. No list was identified by the current Board since there was miscommunication in the Budget committee’s first meeting brainstorm of the budget process. Budget Committee instead utilized past priorities- including mandatory increases, Structure & Program Advisory Committee (SPAC) Recommendations and prioritizing student representation. They took strongly under advisement any recommendations from the Board on individual requests. The Budget Committee kept in mind that:

1) The AS values every student dollar. This means that allocations should reflect actual costs, this allowed Budget Committee to use historical context to compare proposals to past uses of budgets.

2) The AS values current operations. This means the Budget Committee will fund current obligations to levels of spending the past three years, before considering new ones. This allowed budget committee to carry forward many budgets.

**13-14**

Philosophical Structure: This budget process leaned heavily on the principles of strong business practices; meaning that accountable accountability & transparency were required in every step of the way. It was first determined that an audit trail was required to trace the origins of any expenditure. Within the first weeks of the fiscal year, an unofficial budget authority list was compiled. Their inclusion in this document makes those budgetary responsibilities officially written and traceable. Moving to the budget proposals, the Chairs (Vice President for Business & Operations/ Business Director) continued to build off list the prior year’s implementation of zero-based budgeting. However, there was an immense focus on strong justifications. The goal was that each budget proposal explained how it furthers the AS Mission and fulfills the AS Guiding Documents.

Board of Directors Budget Priorities List: To give the AS Budget Committee direction and to hold both parties more accountable for their decisions, the Board of Directors created a Budget Priorities list. They read:

1) The AS values every student dollar. This means that allocation should reflect actual costs, this allowed Budget Committee to use historical context to compare proposals to past uses of budgets.

2) The AS Values current operations. This means the Budget Committee will fund current obligations to their current levels before considering new ones. This allowed budget committee to carry forward many budgets in a time effective manner.

3 The AS Values sustainable operations. This allowed the VP for Business & Operations to create a “Grant Process”.

Grants: Grants are one time allocations to be expensed expended out of the AS Reserve “Discretionary Reserve Dollars”. The goals of grants are multifold:

1. Remove reserve dollars from the AS Operational Budget

2. Reduce the amount in the AS Reserves

3. Continually serve students through different & unique programs or opportunities

4. Sync the AS Assessment Process with the AS Budgeting Process

**12-13**

The Fiscal Year 2012-2013 Associated Students (AS) Budgeting Process had a significantly different tone as it began its work this year. As the financial climate appears to be moving towards stabilization, discussions in the Associated Students were not centered around the word ‘cuts’. This allowed the Associated Students Budget Committee to adopt a new attitude as budgeting for the next fiscal year began. We have provided a brief section on the intention and purpose of the new budgeting approach below. General Background o f Budget Process & Zero - Based Approach In past years, the AS has chosen to approach its budgeting process in a multitude of fashions. Last year, when developing the proposed budget for fiscal year 2012, the Budget Committee moved to a more or less “carry forward” model in which AS programs and services had the opportunity to present only variances versus past years based on the assumption that the “baseline” funding for the program or service had already been approved. Due to the financial constriction of budget cuts, the majority of programs either received the same level of funding as in fiscal year 2011 or experienced fairly significant reductions to their allocations. In the early months of preparing for the budgeting process this year, Budget Committee leadership identified a different method of budgeting, known as zero-based budgeting, which requires budget authorities to provide justifications for the various items included within their allocation so that the entirety of student dollars could be reviewed rather than simply reviewing requested changes to allocations. This form of review occurred for each budget that was submitted, regardless of whether the request was for an increased, decreased, or net-zero change allocation. The Notable Changes section below highlights the discussion and resulting proposals from the Budget Committee after reviewing the submitted budget requests and justifications throughout April & May of 2012. Please note that throughout the Itemized Budget section of the Budget Allocation Report, there may be areas that show changes (increases or decreases to an allocation) but they were not addressed in the Notable Changes section of this report. One of the implications of the zero based budgeting model is that budget authorities, upon further investigation of their own budgets, or the Budget Committee, upon review of the submitted budget request & justification, find areas where the current or proposed level of funding is no longer representative of the program or service needs. In some cases this may be that funding is inadequate to provide the valuable service to students, and in others it may be that there were places that possible savings 4 FY Ί2-Ί3 Budget Allocation Report were identified. The changes outlined in the Notable Changes section of this report convey discussions that occurred and decisions that were made and were considered to have considerable impact thus should be clearly delineated. All other changes came as a result of AS departments, budget authorities, or Budget Committee determining that adjustments could be made to a given area while still maintaining, or even enhancing, the quality of the AS programs or service.

**11-12**

The State of Washington is reducing its budget and support for higher education, which has brought Western Washington University unprecedented shortfalls in funding. As government support for the university dwindles, the Associated Students of WWU is attempting to use its financial resources to help mitigate the deleterious effects incurred by the underfunding of higher

education. This is happening in at least three different ways:

\_ Institutional Recharge—The University is again raising the rate it charges auxiliary campus entities for basic services.

\_ Services & Activities Fee pass through—The AS is voluntarily asking for less money from its chief source of revenue, the Services & Activities Fee, so money can be shifted around the university to benefit Academic Affairs.

\_ Student Affairs cuts—The University cut some of it’s funding in areas that were formerly jointly funded with the AS. These include, but aren’t limited to, the Ethnic Student Center, the Child Development Center, and Western Leadership Advantage. The AS conducted internal repurposing in order to save the areas that were cut.

Other factors that adversely affect the AS budget include, but aren’t limited to:

\_ Loss of bookstore revenue—The Bookstore did not turn an adequate profit last year. This source of revenue the AS projected it would receive never materialized.

\_ Inherited deficit—The AS Board of Directors last year approved a budget with a deficit.

All five issues listed above contributed to a combined AS budget deficit of $113,200. If this deficit had passed in the budget, it would have been the largest deficit ever recorded for the AS.

While the AS does have sufficient reserves to cover this large of a shortfall, it would have dwindled reserves, which hedge against decreased enrollment and therefore revenue. Furthermore, this record deficit would make the AS less able to both further assist the university and fund new and innovative projects in the future.

For these reasons, the Budget Committee instead felt it was our responsibility to eliminate this deficit and balance the budget. The Budget Committee asked every AS department to present a 7% reduction at a committee meeting, but not all departments did met that cut. Some areas were in definite need of budgetary increases, but the Budget Committee found decreases almost all across the board. In order to provide as much transparency as possible, we made the best efforts to inform departments of cuts we were proposing beyond their recommendations. As such, nothing in this budget proposal should come as a surprise to our department managers. During times of fiscal austerity, with only so much money to go around not everyone can get what they want, so the

Budget Committee was forced to make some tough decisions.

In analyzing our $2.4 million system for cuts, as a Budget Committee we set our decision-making criteria to entail protecting the quality of the programs and services our organization offers.

**10-11**

No priorities presented

**09-10**