

# POLICY

Effective Date: June 8, 2016

Revised Date: June 1, 2020 by motion ASB-20-S-21

Approved By: AS Finance Council

Cancels: POL-AS-FIN-03 Funding from AS Discretionary Reserves  
See Also: PRO-AS-FIN-01 Distributing Funds to AS Reserves

## **POL-AS-FIN-02                    DEFINING AS RESERVES**

*This policy describes AS Reserve accounts.*

### **Definitions:**

Associated Students (AS) - All currently enrolled students at Western Washington University.

AS Funds - Funds allocated to the AS by the Service & Activities Fee and any revenue generated by AS ~~Organizations~~Programs & Services.

AS Operating Budget - AS Funds allocated ~~by the AS Executive Board for for~~ the current fiscal year.

AS ~~Organization~~ Programs & Services - ~~AS Board-mandated functions~~ AS areas with operating budgets, programming funds, designated office space, and ~~salaried~~ student staff.

AS Reserves - ~~Non-operational a~~ Accounts established to ensure the continuous, safe, and efficient operation of Associated Student functions, funded from Residual Dollars. ~~accounts funded from Residual Dollars.~~

Designated Reserves - Reserve funds for specific areas, ~~Not available for AS Organization funding requests.~~ available for funding in line with the specific purpose of each area.

Discretionary Reserves - Reserve funds allocated at the discretion of specified groups available for funding requests that meet fund specifications.

Equipment - All items not considered basic building infrastructure or covered by other designated areas.

Financial Fund Manager - Position granted financial authority over the monies allocated to a fund; may delegate further to Budget Authorities.

Large Event - An event with an expected attendance of 100 or more.

Residual Dollars – Unspent and Unallocated AS Funds remaining in the AS Operating Budget at the end of the year, interest income, revenue generated by the sale of surplus equipment not required by any departmental Reserves, or funds specifically allocated for Reserves.

### **I. Approved Funds Must be spent in Accordance with AS Policies and Procedures.**

### **II. All Requests Must Fall Within the Mission of the AS ~~Organization~~.**

## **III. DESIGNATED RESERVES SPECIFICATIONS**

### **A. Computer Repair and Replacement**

1. Purpose: For consistent repair and replacement of AS computer equipment ~~for the organization~~.
2. Source: Funded yearly at \$35,000 in AS Reserves Distribution.
3. Approval: VU Information Technology Manager in consultation with Financial Fund Manager.

### **B. Equipment**

1. Purpose: For repairing, replacing, or purchasing new Equipment (as defined above).
2. Source: Funded yearly at \$50,000 in the distribution of residual dollars.

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3. Approval: Repair & Replacement and new equipment purchases require thes approval of the Financial Fund Manager; ~~New Equipment requires the approval of the AS Finance Council and Financial Fund Manager.~~

### C. Operating

1. Purpose: a safety net for sudden, unforeseen and catastrophic reductions in revenue (such as those caused by drops in enrollment).
2. Source: Funded yearly at 10% of the approved budget in Reserves Distribution, determined on an annual basis by the VU ~~Business Manager~~Assistant Director for Business Services & Planning.
3. Approval: Authorized by the Financial Fund Manager, and the in consultation with the AS Finance Council.

### D. Outdoor Center (OC) Rental Equipment

1. Purpose: For replacing rental equipment in the OC in accordance with the amortization plan.
2. Source: 40% of equipment rental fees, fees from rentals to OC employees, fees collected for un-returned rental equipment, and revenue from the liquidation of used rental equipment.
3. Approval: ~~Assistant Director for~~Viking Outdoor Recreation Manager in consultation with Financial Fund Manager.

### E. AS Vehicle Repair

1. Purpose: For expenses beyond normal wear or maintenance (e.g. accidents or minor system failures).
2. Source: Any balance remaining in FXXVEH at year-end and funds from the sale of surplus AS vehicles.
3. Approval: ~~Associate~~istant Director of VU Facilities & Services in consultation with Financial Fund Manager.

### F. OC Vehicle Repair

1. Purpose: For expenses beyond normal wear or maintenance (e.g. accidents or minor system failures).
2. Source: Any balance remaining in FXXOVH at year-end and funds from the sale of surplus OC vehicles.
3. Approval: ~~Assistant Director for~~Viking Outdoor Recreation Manager in consultation with Financial Fund Manager.

### G. AS/OC Vehicle Replacement

1. Purpose: For replacing AS and OC Vehicles.
2. Source: Funded at \$50,000 in the AS Reserves Distribution.
3. Approval: Financial Fund Manager in consultation with approver listed in section E or F. ~~Purchases are authorized by the Financial Fund Manager and AS Finance Council.~~

## III. DISCRETIONARY RESERVES SPECIFICATIONS

### A. Approved AS Grants-

1. Purpose: For funding previously approved AS Grants.
2. Funded per approved amount in the AS Reserves Distribution.

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### B. Large Events

1. Purpose: For funding events that will enhance the Western Student experience and are beyond the scope of the Programs & Services-organization's allocated Operating Budget.
2. Source: Funded yearly up to \$65,000 in the distribution of Residual Dollars.
3. Approval: AS Activities-Finance Council reviews requests and approves requests.

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### C. Student Enhancement Fund

1. Purpose: For supporting travel for students at-large in support of the mission of WWU, including the wages of the Student Enhancement Fund Coordinator.
2. Source: Funded yearly up to \$50,000 in the distribution of Residual Dollars.
3. Approval: Student Enhancement Fund Coordinator and ~~SEF-Student Opportunities Council Committee~~ review requests.

### D. AS Employee Development Fund

1. Purpose: for funding the professional development of AS student ~~staff-employees~~ and elected officials.
2. Source: Funded yearly up to \$20,000 in the distribution of Residual Dollars.
3. Approval: AS Personnel Director and ~~Personnel Committee~~ Student Opportunities Council review requests.

### E. Viking Union Organization

1. Purpose: For unique opportunities such as professional development, speakers, etc. or for items unforeseen in the budgeting process relating to professional staff such as statewide-required salary increases.
2. Source: Funded up to ~~15% of remaining Residual Dollars or~~ 5% of the approved FXXVU Budget, ~~whichever is larger.~~
3. Approval: Financial Fund Manager ~~and requests over \$3,000 require approval from the AS Finance Council and Financial Fund Manager.~~

### F. Grants (unallocated)

1. Purpose: For pilot programs (to allow assessment before becoming part of the AS Operating Budget) or onetime expenses unrelated to or in excess of other Reserve areas.
2. Source: Funded from all remaining Residual Dollars after all other targets have been reached.
3. Approval: The AS Finance Council for requests under \$520,000, ~~both the~~ AS Finance Council, AS Student Senate, and the AS Executive Board must approve requests over \$520,000.

# PROCEDURE

Effective Date: June 8, 2016

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Approved By: AS Finance Council

See Also: POL-AS-FIN-02 Defining AS Reserves

## **PRO-AS-FIN-01      DISTRIBUTING FUNDS TO AS RESERVES**

*This procedure describes of distribution of dollars to AS Reserves.*

### **Definitions:**

Accrual Period- Transactions for June posted after the cutoff date, corrections, or transfers that need to happen for the previous Fiscal Year are processed, this is completed by the end of July.

Associated Students (AS) - All currently enrolled students at Western Washington University.

AS Funds - Funds allocated to the AS by the Service & Activities Fee and any revenue generated by AS ~~Organizations~~Programs & Services.

AS Operating Budget- The amount allocated ~~by the AS Executive Board~~ for the current fiscal year.

AS ~~Organization~~ Programs & Services - ~~AS Board-mandated functions~~ AS areas with operating budgets, programming funds, designated office space, and ~~salaries~~ student staff.

AS Reserves - ~~Non-operational accounts~~Accounts established to ensure the continuous, safe, and efficient operation of Associated Student functions, funded from Residual Dollars.

Designated Reserves - Reserve funds for specific areas, available for funding in line with the specific purpose of each area. ~~Not available for AS Organization funding requests.~~

Discretionary Reserves - Reserve funds allocated at the discretion of specified groups; general funding requests can be made of these accounts.

Equipment - All items not considered basic building infrastructure or covered by other designated areas.

Fiscal Year - Western's fiscal year runs July 1 - June 30.

Large Event - An event with an expected attendance of 100 or more.

Peripherals- All computer accessories and network-based devices, including Monitors, Printers, and Mobile Devices, deemed necessary for the operations of AS ~~p~~Programs and ~~s~~Services.

Residual Dollars - Unspent and Unallocated AS Funds remaining in the AS Operating Budget at the end of the year, interest income, revenue generated by the sale of surplus equipment not required by any departmental Reserves, or funds specifically allocated for Reserves.

### **I. Designated Reserve Distributions are Performed by the ~~VU Business Manager~~VU Assistant Director for Business Services & Planning**

Prior to use of Residual Dollars, designated Reserve areas should be funded as described below.

#### **1. Vehicle Repair**

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- a) Any positive remaining balance in FXXVEH will be transferred to the AS Vehicle Repair Reserves.
- b) Any positive remaining balance in FXXOVH will be transferred to the OC Vehicle Reserve.

### 2. Outdoor Center (OC) Rental Equipment

The ~~Assistant Director of the~~ Viking Union for Outdoor Recreation ~~Manager~~ should ensure that 40% of Equipment Rental Fees, any fees from rentals to OC Employees, fees collected for unreturned rental equipment, and revenue from the liquidation for used rental equipment were automatically deposited from Operating to the OC Reserves.

## II. Distribution of Residual Dollars is Performed by the ~~Business Manager~~ VU Assistant Director for Business Services & Planning

After the closing of the Accrual Period, the ~~Business Manager~~ VU Assistant Director for Business Services & Planning begins the process of distribution, in consultation with the ~~Executive Director for Student Engagement~~ ~~Associate Dean of Student Engagement~~ Director of the Viking Union.

~~Funds are distributed~~ Distribution occurs in the following priority order and up to the levels stated for each fund:

### 1. Approved Grants

Funded Yearly/Cap: Equivalent amount needed to fund all grants approved by the ~~Board~~ AS Finance Council for the entirety of pilot programs and the total amount of one-time purchases not fulfilled.

### 2. Operating

Funded Yearly: Equivalent to 10% of the approved AS Budget.

### 3. Computer Repair & Replacement

Funded Yearly: \$35,000 for replacement cost of all AS computers and peripherals.

### 4. Equipment

Funded Yearly/Cap: \$50,000 for repairing, replacing, or purchasing new Equipment (as defined above).

### 5. AS/OC Vehicle Replacement

Funded Yearly: \$50,000 (equivalent to the cost of replacement for two vehicles).

### ~~6.1. Large Events~~

~~Funded Yearly/Cap: \$65,000.~~

### ~~7.6. Student Enhancement Fund~~

~~Funded Yearly: 15% of remaining Residual Dollars, up to \$50,000, after all other targets have been reached.~~

## PROCEDURE

### 8.7. AS Employee Development Fund

**Funded Yearly:** ~~15% of remaining Residual Dollars, up to \$20,000, after all other targets have been reached.~~

### 9.8. Viking Union Organization

**Funded Yearly:** ~~15% of the remaining Residual Dollars or~~ Up to 5% of the approved FXXVU budget, ~~whichever is greater.~~

### 9. Large Events

**Funded Yearly/Cap:** Up to \$65,000.

### 10. Grants

**Funded Yearly:** Remaining Residual Dollars, after all other target amounts have been reached.

**Special Condition:** ~~If Residual and/or Carry Forward dollars are unable to fill the previous priority Reserves, then these dollars may "backfill" those reserves until target balances reached.~~

**Cap:** There is no cap on this Reserve.