



AS Finance Council

May 10, 2023 1:00 p.m. Teams Online

Members: Present: Brandon Denny, Chair (AS Business Director), Sargun Handa, Vice Chair (AS President), Bella Bedard (Activities Rep), Madi Gilbert (Central Services Rep), Gabe Wong (Delegate for AS Student Senate President), **Absent:** MJ Manaois (ADEI Rep)

Advisor: Eric Alexander, Executive Director for Student Engagement & Director of the VU

Secretary: Sam Hughes, VU Business Services Program Support; Cindy Monger, VU Administrative Specialist

Guests: Casey Hayden, Assistant Director Student Activities & Media

MOTIONS

FC-23-S-09 Approve the minutes of May 3, 2023. **Passed**

FC-23-S-10 Approve the AS Productions Lawn Stock Large Event Reserve Request for \$18,000. **Passed**

Brandon Denny, chair, called the meeting to order at 1:08 p.m.

I. Call to Order

II. Approval of the Minutes- May 3, 2023

MOTION FC-23-S-09 by Handa

Approve the minutes of May 3, 2023

Second: Gilbert

Vote: 4-0-0

Action: Passed

III. Revisions to the Agenda

IV. Public Forum

V. Action Items

A. AS Productions Lawn Stock Large Event Reserve Request

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Wong asked if the \$7,000 VU Event Services item on the proposal is because Lawn Stock is a more intense event. Wong noted that the Outdoor Center Wellness Extravaganza Event proposal had a VU Event Services cost closer \$5,000. Hayden said that the cost is due to the additional days of work for setup and takedown for the event, as well as the full day of work on the day of Lawnstock which starts early in the morning and stops late at night around 1 a.m. Denny asked if the takedown of the event will happen the same night. Hayden said that most things are taken down the same night after the event ends, but the stage will likely stay overnight and be taken down the next day.

MOTION FC-23-S-10 By Wong

Approve the AS Productions Lawn Stock Large Event Reserve Request for \$18,000.

Second: Handa

Vote: 4-0-0

Action: Passed

Hayden left the meeting.

VI. Information Items

Wong said AS Productions (ASP) went from asking for 95% of their expected costs to asking for 100% of their expected costs. Wong said given that groups don't tend to use the entire allocated budget, would arbitrary budget cuts in some areas by 5% be possible? Monger said that all AS budgets with wages have already been reduced by a week of budgeted working hours as students don't work holidays. In ASP specifically, several positions also had weekly working hours reduced to match current usage. Alexander said for FY24 there have been decreases in some areas to try to balance budget more effectively, but student and pro-staff personnel limit the amount that can be reduced. For instance, with student personnel, there was a significant increase in minimum wage that was not accounted for last year. The projection was an increase of 4%, but there was actually an increase of closer to 9%. For next year, there is a projection of a 4% minimum wage increase as well. This increase countered reductions in hours, and as a budgeting tool a week of working hours were cut from all areas then added back in where needed (e.g. KUGS is a year round operation). Denny asked if the council wants to think about reductions or reallocations to certain areas within the AS. Wong thinks the budget is in a good place currently, and allocations have gone down in a reasonable way.

Wong wants to hear from the council about the proposed wage policy changes discussed last meeting, specifically the less aggressive option mentioned in the proposal. This would increase the wages of Program assistant 1A, 1B, and 2. Denny said the only thing that might throw a wrench in the proposal would be if the minimum wage increases again in 2024, or if the AS does not receive the full anticipated amount of the S&A fee due to enrollment drops. Denny wants to know the council's thoughts. Handa is in support of the wage increases. Handa also supports plan 1 on the proposal, but if plan 2 is more financially viable Handa supports that. Handa said that trying to afford rent and tuition as a college student earning \$15 an hour is not equitable or just, and being equitable is the whole goal of the organization. Handa said this proposal could be really helpful with that. Denny is worried about not receiving the full anticipated amount of the S&A fee due to lower enrollment. Denny doesn't want to grow the deficit too much, especially considering the minimum wage increases for next year are unknown. Denny wants to further analyze this proposal but is in support of the idea. Handa asked if this wage policy change could be approved for a different fiscal year, for example in two years, or if the wage policy changes can be approved contingent on if the budget deficit is \$100,000 or less. Denny said this warrants further analysis, but he is not against the idea.

Alexander said that the Finance Council is charged with reviewing, revising, updating, and approving any of the AS financial policies, including the wage policy. Alexander said at the end of the day, the budgets and the risks put into those budgets need to be approved. Doing projective work is plausible, and philosophically what everyone agrees on within Finance Council is what is important. The actual dollars and cents are something that needs to be assessed later. Alexander said currently, the organization is operating under the Washington state cost of living increases and standards of care. Washington currently has the highest minimum wage. Alexander said that there have been ongoing conversations about where the organization wants to be in terms of the differences between the lowest wage earner and the highest wage earner, for example the proposal will create compression. If the theory is to create less disparity between wage earners, then that is the theory that should be behind the wage policy. As the

council looks at the next fiscal year, that might be where there are discussions about those increases. Alexander said if the proposed wage changes align with what the council thinks is best for the AS, the council could add a clause that says to implement the changes next year, dependent on some factors that the council decides. If the threshold of factors is met, then the changes would pass.

Denny said it is possible that programs would reduce staff or hours based on the proposed wage policy changes. Denny asked how the council feels about having more student workers at a lower pay vs having less student workers with higher pay. Handa wishes there was a way to have AS employees vote on this. Handa said getting the opinion of people who have these lived experiences is important, as many members of the council are not in the bottom two tiers of wage earners but are making decisions for the people who are. Denny asked if these wage policy changes are a better approach to what the AS does and how the AS operates. Wong said his perspective is that the most valuable part of the AS is clubs, and looking at student engagement per dollar, clubs are the most valuable. Wong said that many AS programs specifically work to support clubs or collaborate with clubs. Wong thinks that programming is not as important as providing the support that clubs need and is comfortable with making reductions to certain events with variable costs. Denny said if the priority is focusing on clubs, wouldn't decreases in programming negatively affect clubs? Denny agrees that clubs are the backbone of the AS. Handa said there are thousands of people in clubs and only 20 or so people in the Senate and Executive Board. Handa said while someone in the Executive Board and Senate would advocate for student needs, the wage policy discussion is not focused on Senate and Executive Board members. Because of this Handa thinks that it is accurate to say that clubs are the most directly beneficial to the AS, but clubs also benefit from programming. Handa said that the council is between a rock and a hard place, where the council wants students to have more experiences, but also have more equitable wages.

Alexander said that the AS "levers" to pull for the budget include staff salary, student salaries, and program dollars. If one lever goes up, one typically needs to go down since there is not a large increase per year to the budget. AS of FY23, the number of clubs has risen from 150 clubs 2 years ago to 230 clubs currently. Another big element of engagement is the Outdoor Center (OC) and outdoor education. The OC has had 74 total trips this year with nearly 1,000 students on those trips and 812 students on waitlists for trips. Prior to the COVID-19 pandemic, the OC had 43 total trips with no waitlist. ASP, between large events and regular events, have had 3-5 programs per week that include the Underground Coffee House, speaker series, beginning and end of term events, the gallery, and large events. Alexander said these exist as an opportunity for students to find their home on campus and engage in spaces that help them feel connected to the campus and to learn and grow. Denny said that KUGS is also an area that may need more support and is operating at pre-pandemic levels of involvement again. Denny agrees clubs are vital but is worried that by prioritizing clubs over programming that clubs would grow and expand to a point where programming doesn't have the support to assist clubs accordingly or collaborate in the most effective manner.

Handa left the meeting.

Due to loss of quorum, the official meeting ended at 1:50pm but discussion continued.

Wong asked what the risk is with the current deficit in the budget and what would that look like if the deficit increased by a maximum of \$10,000. Denny said considering the

deficit and the impact of the proposed wage policy changes, it would not be a major concern due to the safety net of the reserves. But Denny would ideally like to move towards operationalizing the budget to match projected revenues. Wong said that since the council is looking at budgets with vague predictions and not real trends, is it the best idea to be trying to zero out the budget now? Wong asked if it would be better to wait another year to get a better idea of trends and see what enrollment looks like coming out of COVID-19 restrictions. Denny said there are national trends of enrollment drops for higher education. Denny said right now is important to focus on trying to decrease or maintain the current level of deficit. Monger said "I just added the financial summary as of the end of April. It shows the complete AS S&A fee allocation numbers, which were \$55,000 under what the AS expected to receive. However, I believe next year has been budgeted considering this information." Denny reviewed the current 2023 financial summary report document. Gilbert asked "I want make sure I'm reading this right. So the AS came in at \$55,000 below revenue and we still have \$738,000 that we haven't spent that the AS didn't allocate. Is that what I'm reading?" Monger said that is the actual fund balance at this point, keeping in mind that there are still large expenses left for the fiscal year. Alexander said by the end of the year they project there may be \$50,000 to \$80,000 left which is attributed to unfilled pro-staff positions and student government positions.

Alexander said there have been increases in the number of students applying to the college due to Western now accepting the Common Application, but there has not been a matching increase in the number of students attending Western. Enrollment levels have been relatively flat with a 1% to 2% decline. Denny reviewed the history of S&A Fee Projections and Allocations document. Alexander further discussed enrollment drops. Denny mentioned drops in student retention as well. Due to this, Denny is hesitant to grow the deficit by a significant amount.

For the proposed Wage policy changes, Wong wants to go ahead with the changes for January 1st, 2024 with stipulations to be reviewed by the next Finance Council. Denny is concerned that if this is implemented and then retracted by the Finance Council next year how that may affect student perspective of the AS. Alexander said there eventually needs to be a cost-benefit analysis, whatever happens going forward is only going to increase the deficit unless there is a large shift in the number of enrolled students. Alexander encouraged reaching out to other student employers on campus to see how wages in these areas compare to the AS positions for the same level of work.

VII. Other Business

VIII. ADEI Updates

IX. Adjourn

The meeting was adjourned at 2:26p.m.