



Finance & Budget Committee

2018-2019 Meeting Minutes

Friday, February 22, 2019, 11:30am
HUB 314: GPSS Board Table

PRESENT:

Robby Perkins-High – Treasurer; Committee Chair, Evans School
Ted Cohen – Vice Chair, GPSS Senator
Jasmine Chan – Budget Specialist, Staff
Shane Schrader – GPSS Senator
Varun Kao – GPSS Senator
Zhiyun Ma – GPSS Senator

NOT PRESENT:

Alex Thompson – GPSS Senator

Robby called the Meeting to order at 11:32am.

OVERVIEW

Jasmine gave each member a meeting packet with agenda, 2/15 minutes, special allocations application materials, and budget materials.

1. Approval of the Agenda

Varun moves to approve the agenda. *Shane* seconds. No objections. Motion passes.

2. Special Allocations Presentation: Korean Student Association: KSA x KSU Culture Night

Presentation

Presenters are requesting \$750 in funding for KSU x KSA Culture Night on April 20th from 4pm to 9pm. The purpose of the event is to promote and advertise Korean culture through traditional performances by community members. Some performances are martial arts, drum team, dancers, and performers. Traditional Korean food will be provided by sponsors that is paid for using ticket purchases. The event will use three rooms in Kane Hall, amounting to about \$5,000 room rental. Money requested from GPSS Special Allocations is to go entirely toward the room rental. Most audience members are undergraduate members. About 20% are graduate students or applying to graduate school. Two years ago 800 people attended; last year 1000 people attended. This year, presenters are hopeful that there will be 1200 people in attendance. For graduate and professional students in particular, the Consulate General of Korea is a sponsor of the event helping to bring a network of professionals to the event for graduate students to network. This is appropriate for all students, as these professionals speak both Korean and English.



Shane asks how the event will be marketed across campus and among other groups. *Presenter* says that KSA has a marketing team dedicated to Facebook outreach and posters. Facebook is the main advertising mechanism. There will also be advertisements in local newspapers and through other official means.

Varun inquires how KSA plans to attract more graduate students to the event. *Presenter* mentions there are a lot of corporate sponsors that will be looking at the event as a recruiting opportunity. KSA is hoping to advertise in bulletin boards of graduate departments.

Ted seeks clarification on fund contingency plans as some other sources did not fund the event. *Presenter* says KSA requested a large sum from the Consulate and expecting news about the amount funded by the end of the week. If GPSS funding does not go through, then KSA will talk about shortening the event or pulling from personal funds and applying to the sustainability fund. Kane Hall bumped up prices this year.

Robby asks about the participation of graduate students on KSA board. *Presenter* responds that there are no graduate students on the board but that there are senior advisers that help out who are UW undergraduate alumni.

Robby seeks clarification on the method of cosponsorship with KSU. *Presenter* clarifies that KSU is a cosponsor because they are the more dominant Korean-focused association on campus. KSU cosponsorship is to attract KSU members and KSU graduate students.

Robby asks how KSU and KSA differ. *Presenter* explains that KSA is focused on the Korean American population and KSU is focused on Korean international students.

Presenter inquires about the GPSS Diversity Fund and whether that is a presentation ahead of this Committee or another. *Robby* clarifies that the Diversity Fund is awarded through a different committee and that he will check in with them about scheduling.

Discussion

Ted is inclined to fund at \$500 because KSA seems to have other methods of funding the event and that the Committee is funding at a relatively high rate recently. *Varun* concurs.

Shane likes the big outreach to the community.

Robby mentions that his question about cosponsorship was to clarify that KSU was not also a main funder for the event, as there are restrictions in Special Allocations policy for funding multiple events from the same organization in one school year.

Varun inquires about the funding level for KSU. *Robby* references request and fund tracking internal document and states that the Committee funded KSU at \$313 to cover lighting.

Ted notes that networking opportunities aided by the Korean Consulate sounds like a really great opportunity.



Robby states that KSA has not the best and not the worst graduate student outreach, and is inclined to fund at a lower to mid level.

Shane mentions that when the main advertising medium is Facebook, participation of graduate students seems to drop significantly.

Varun asks if the Committee should fund lower than \$500 and asks for an update on funding available in Special Allocations.

Ted offers \$400 as a reasonable funding amount.

Varun moves to fund the KSA event at \$400. *Ted* seconds.

VOTE: *Varun, Ted, Shane, and Robby* vote YES. *Jasmine* abstains. *Zhiyun* is not yet present.

3. Special Allocations Presentation: Evans Student Organization: ESO Silent Auction and Talent Show

Robby states that both himself and *Jasmine* are members of the Evans Student Organization and will recuse ourselves from questioning.

Robby hands the Chairship to *Ted*, Vice Chair.

Presentation

Next Friday (3/1) is the annual Evans School Silent Auction and Talent Show. This is the biggest event that ESO puts on every year. As the name implies, the event has two parts: a talent show for Evans students, faculty, and staff to show their talents; and a silent auction of donated items from staff, faculty, and students. Bid amounts go to Student Interest Groups, also RSOs, and Evans Student Organization.

Varun asks how ESO is divvying up funding requested across the budget. *Presenter* specifies that GPSS funding will go toward HUB fees for Lyceum and HUB 214. *Jennifer Pope*, SAO adviser, suggested putting GPSS funds for this because of budget codes and taxes. *Ted* clarifies that Special Allocations funds are not permitted for use on food and alcohol. *Presenter* expresses understanding for this limitation and says that there are a lot of steep fees for the HUB.

Shane asks if the event is open to people across campus, as this is a fundraising event for operating activities. *Presenter* states that traditionally the event is for the Evans School, and occasionally, alumni attend. Participation in the talent show is generally limited to Evans-associated individuals, but there is participation from non-students as well.

Varun inquires about the size of the Evans School. *Presenter* states that there are fewer than 400 Master of Public Administration students, 20 to 30 doctoral students, and lots of



faculty. There is also an Executive Master of Public Administration program with about 40 students.

Varun seeks detail on marketing to students. *Presenter* states that flyers, weekly emails, and Eventbrite have been available for over a month. Eventbrite has over 100 people RSVP'd. Faculty participate in the event. There are typically 200 to 300 people in attendance.

Ted asks if there are contingency plans of the Committee funds at a level lower than requested or not at all. *Presenter* states that there is money from this event last year that is currently set to be used for the Spring Formal event.

Discussion

Shane states that considering the audience it is targeted for and that it is well-marketed, the turnout for the event should be as expected if not better. He likes that the event is directly for graduate students.

Varun comments that ESO has been marketing for a month and a half with over 100 people RSVP'd.

Ted wishes that this came as a Departmental Allocation request because there is a lot more money in that account. *Robby* states that he specifically asked about this and this funding request necessarily needed to be as a Special Allocation because ESO is an RSO and Departmental Allocations are reserved for capital purchases and academic retreats on state property.

Varun mentions that ESO has excess funds from last year's event, so it isn't necessarily a bad thing if the Committee does not fund at \$1000.

Ted states that ESO is over-requesting. *Jasmine* recalls correspondence with *Presenter* ahead of time wherein *Presenter* stated that Jennifer Pope told ESO that the maximum was \$1000 in funds. *Robby* mentions that Jennifer Pope did let him know that she was letting this application come through at a higher level.

Varun is inclined to fund at \$750 because the Special Allocations Fund is for events like this for graduate students only with good advertising to the target audience. While there are an excess of funds, he is not inclined to take away from those funds for future events.

Ted mentions that the purpose of the event is to fundraise for other events.

Shane inquires if ESO applies in one quarter, then are they eligible to request again. *Robby* states that the policy is that if an RSO is applying for multiple events during the school year, that the Committee funds at a maximum of \$400 per event. *Shane* wonders if the Committee funds below \$750 and ESO taps into spring event funds that ESO might request for funding again.



Jasmine provides a point of information that the spring event is typically off campus and therefore ineligible for GPSS funding.

Varun inquires if ESO has applied for funding in the past. *Robby* responds that ESO has not.

Robby mentions that the 15% kickback for fundraising events needs to be discussed. This can be waived at the discretion of the Committee.

Ted asks if there is a target for how much money ESO plans to make. *Jasmine* states that it is hard to guess this number, as it is based on what items are donated, the bid amounts, and the actual payments.

Zhiyun recalls the Committee had funded a fundraising event and inquires about the Committee's actions for that event. *Robby* clarifies that the event referenced was not a fundraiser.

Ted is inclined to fund at the \$750 level if the 15% net profit requirement is kept in place. He is open to lowering the 15% rate.

Varun agrees with the proposal.

Shane moves to fund at \$750, keeping in place the 15% net profit rule. *Varun* seconds.

VOTE: *Ted, Varun, and Shane* vote YES. *Zhiyun, Robby, and Jasmine* abstain.

Ted cedes the Chairship to *Robby*.

Robby moves to recess for 2 minutes. *Ted* seconds.

Robby calls the meeting back to order.

4. Approval of Minutes 2/15/2019

Robby states that Rene's last name is Singleton.

Ted moves to approve the minutes with the amendment to Rene's last name. *Varun* seconds. No objections. Motion passes.

5. Budget Talk

Robby states that barring a suspension of the bylaws, the Committee needs to have a proposed budget that is voted on by the end of next week (3/1). *Jasmine* and *Robby* talked prior to the meeting and have set a general goal for the Committee to work on a plan for spending down the General Fund to inform the amount in the budget.



Robby continues: The General Fund is larger than needed and is unassigned. Options are to spend the General Fund down through the annual budget or through a transfer to the Endowment. There are three proposals for what this would look like for the next ten years (references meeting item printout). Endowment money is locked forever, provides relatively steady money in the future, but at a lower access rate through distributions only. Putting General Fund dollars into the annual budget means more funds available, but once spent, the funds are gone.

Ted asks if the goal is to spend down the amount currently in the General Fund less the 25% of operating per the bylaws. *Robby* states that the General Fund is larger than reported on the options sheet.

Varun inquires if the amount available in the General fund is \$200,000. *Robby* clarifies that the General Fund balance is around \$390,000, but that we have to reserve about 25% of the annual budget in the General Fund. This amounts to about \$120,000 that must be kept in the General Fund at a minimum.

Ted is in favor of an option that contributes to the Endowment as a means to create a source of funding forever, as opposed to just over ten years. Unless there are exciting plans in using \$30,000 extra dollars over four years (referencing Option 2), *Ted* is in favor of Option 1.

Robby offers to provide context for the options. *Ted* says this would be helpful.

Robby states that Officers feel that GPSS is rounding a corner with building sustainable structures in the GPSS Office. By boosting the budget over the next couple of years, the organization can ensure that GPSS continues moving to a more sustainable future.

Varun asks how increasing the marketing budget would lead to sustainability. *Robby* clarifies that the vision from Officers and Exec Members is that GPSS is a resource for graduate students to come to directly for help or get redirected through GPSS. In order for GPSS to be this resource, students need to be aware of the organization and its purpose. Thus, increased marketing will increase brand awareness and engagement.

Ted mentions that using well-developed materials into the future beyond the next four years is reasonable but poses worry that future Executive Boards may not adhere to this plan.

Robby mentions that it is possible to achieve this without increasing the annual budget, as there are funds available in the General Fund. The process in this case would be to draft a marketing project and then get approval from Executive Senate and present to the Senate.

Ted states that it seems there should be a better process written in the bylaws for something as large as \$30,000. Perhaps if the requested amount exceeds \$10,000, the proposal must be heard by this Committee or the full Senate. *Robby* states that there is no existing policy before Brad (Treasurer '18-'19) wrote the current policy of requesting funds through Executive Committee. *Robby* advocates for a new policy to be written.



Varun asks why not spend the General Fund down to \$0 (save the bylaws-required amount). *Robby* states that having some amount in the General Fund is a way to extend dollars or if there is an emergency that needed to be addressed. Structurally, all the Committee can do is communicate the plan for General Fund spending to the next Officers and Executive Committee.

Varun states that he currently sees no plan to achieve the vision. *Robby* mentions that Officers and staff are talking about how to get to the vision, and the biggest item is the website.

Shane suggests hiring a contractor to do the website and pay for this out of the General Fund. *Robby* agrees and is advocating for this in terms of creating a sustainable basis.

Robby seeks additional thoughts regarding General Fund spending plans and also states that Endowment Distributions are not included in the options sheet.

Ted reiterates that he is in favor of Option 1, because the reality of structure of GPSS is that if a future Executive Committee wanted more money from the General Fund, it is good to set a low benchmark for pulling money from the General Fund and reset as necessary.

Varun states he is also in favor of Option 1.

Ted emphasizes that General Fund dollars should absolutely go into the Endowment.

Shane inquires if the Committee has thought about transferring to the Endowment in an amount above \$100,000. *Robby* responds that the Committee has not, but that this is an option that can be discussed.

Ted clarifies if the Distributions are about 5% of the endowment size. *Robby* confirms and states that currently there is \$100,000 in the Endowment. Adding another \$100,000 means that Distributions would jump to \$10,000.

Ted states that transferring \$100,000 to the Endowment translates to an extra \$5,000 in Distributions. *Shane* concurs and states that this is where he was heading with his comment about transferring over \$100,000 from the General Fund to the Endowment.

Robby proposes another option is to leave an amount for special projects as this prevents use in the operating budget. As a counterexample, if General Fund dollars are used for staffing and this isn't explicitly a temporary increase in staff budget, then once the dollars are spent, they are gone.

Ted comments that if a future GPSS spends out of the General Fund, then eventually GPSS would need to cut back on staffing. This has the potential for putting people into bad habits of spending from nonrenewable funds.



Varun proposes transferring \$150,000 into the Endowment. *Shane* states we would get \$7,500 more in Distributions that will not run out in a few years and is therefore more sustainable.

Ted entertains the idea of transferring \$200,000 to the Endowment for a total of \$15,000 in Distributions each year.

Shane favors a long-term solution rather than a short-term solution.

Robby reruns the numbers and states that this puts the maximum annual budget at \$487,000 with \$15,000 coming from Distributions. Currently, we have \$20,000 in unspent Distributions.

Ted refers to the actual budget and notes that 2017 was the last time GPSS spent above \$487,000. *Robby* states that SAF cut funding to GPSS between 2017 and 2018. *Ted* inquires if the SAF distribution cut hurt GPSS. *Robby* responds that GPSS cut a lot of items, including Travel Grants and Special Allocations Funds. *Ted* also notes that the Diversity Fund and Campus Partnerships also decreased in budgeted amounts. *Robby* states that the General Fund balance increased by a similar amount for the next year.

Ted wonders why GPSS is increasing the budget if we currently overbudget.

Ted returns to the General Fund transfer options stating that he is in more favor of transferring \$200,000 to the Endowment via \$100,000 this year and a strong suggestion for another \$100,000 next year. He clarifies that the transfer should not occur all in this year, because this is a permanent decision. *Shane* seeks clarification on *Ted*'s proposal whether the extra funds would be left in the General Fund. *Ted* states that this would be up to the future to decide.

Varun inquires if funds are untouchable after being moved to the Endowment. *Robby* confirms that this is the only irreversible move.

Ted repeats his inquiry about why GPSS is increasing spending this year given chronic underspending.

Varun seeks clarification on *Ted*'s proposal that \$100,000 will be transferred to the Endowment and for the Committee to write a policy that the additional \$100,000 will not be allowed to be spent. *Ted* states that for this year, transfer \$100,000 and the rest is up to next year to decide.

Robby states that we can write a policy to block General Funds being used for certain things.

Shane asks if this will affect SAF funding. *Robby* states that if we did not include a transfer from the General Fund, then we would be high or above last year's SAF request. We can also say we can cut the SAF request using General Fund transfer.



Varun asks if it would be hard to move SAF funding up after asking for a reduction. *Robby* states that this is a politically challenging move to increase SAF distribution after taking a cut. There is possibility that *Robby* could talk to the SAF chair directly and ask for confirmation.

Ted proposes transferring \$100,000 to the Endowment this year, spend \$5,000 from the General Fund in the annual budget for FY20, and leave it up to next year to decide how to proceed with the budget.

Varun asks why *Ted* proposes \$5,000 spent from the General Fund. *Ted* states that the combination of Distribution and General Fund at \$5,000 would match the Endowment Distribution if \$200,000 were transferred out of the General Fund to the Endowment.

Robby notes that as there seems to be rough agreement on transfer to the Endowment, the Committee can switch to talking about uses for next year's budget.

Shane inquires who is in charge of managing the Endowment. *Robby* states that there is a UW Endowment management group. He has not talked to him directly, but has talked with the VP of Student Affairs, Lincoln, to make sure that the Endowment holdings are in reasonable places.

Shane wonders if this is out of the scope of this discussion, but states that if the general markets don't do as well over the next 8 to 10 years, by securing more money into the Endowment would help GPSS for long-term sustainable funding. Perhaps a mini-recession would not impact GPSS as much. If there is some correction in the market that would affect campus funds, then it is good to have a bunch in Endowment for that scenario.

Varun inquires about the reason for the general fund ballooning. *Robby* states that GPSS struggles year-to-year consistency because of yearly turnover and poor year-over-year communication. Spending tracking is very difficult because of how the budget is set up and the tracking software. In addition, the budget has not been updated in a few years. The tuition waiver consistently is \$20,000 overbudget each year.

Varun requests additional details concerning contributions to the General Fund budget. *Robby* explains that the SAO checks each of our budget categories and everything gets zero'd out. If there is overspending, SAO takes money out of the General Fund. If there is underspending, SAO puts money into the General Fund. GPSS receives income investment returns on General Fund dollars.

Varun wonders if there was a previous scenario where GPSS has taken a large sum from the General Fund, and what that was for. *Robby* responds that the biggest single transfer out was to the Endowment. The GPSS Treasurer worked with the SAF Chair to make an Endowment to offset AF operating costs year over year.

Varun inquires whether the General Fund has an interest rate return. *Robby* responds in the positive. *Varun* questions whether the Endowment does as well. *Robby* responds that the Endowment does. *Varun* follows-up wondering if this is the same return rate.



Shane explains that typically short-term funds have lower gains because Endowment funds are less liquid and can therefore be tied in longer-term investments with higher gain.

Robby mentions that the SAF cut for FY17 was because of a change in state policy.

Ted returns to the budget issue at hand.

Robby responds that if there are any questions or desires for actuals, that these should be brought specifically to be provided for next week's information.

Ted notes that the Secretary Fund is doubling because of the Diversity Fund. Conference Travel is already approved and Marketing is agreed upon. The issue at hand is that the Diversity Fund is increasing by 50% but the Special Allocation Fund is increasing only by 15%. *Robby* explains that the Diversity Fund is increasing by \$2,000 but Special Allocations Fund is increasing by \$3,000. So while the percent increase is large for Diversity Fund, the dollar amounts are not.

Ted inquires whether the Diversity Fund ran down its funding. *Robby* says he will check on this.

Ted wonders if Special Allocations Fund should get more money considering that room reservation rates have increased, and wonders where that money should come from. He entertains the idea of moving \$1,000 from Diversity Fund to Special Allocations.

Shane inquires about whether Travel Grants are included for Officers travel. *Robby* states this is just for student applications. *Shane* asks whether that amount has been used in full. *Robby* says that the Travel Grants Fund is typically drawn to zero each year and that this year we are funding at a $\frac{1}{4}$ to $\frac{1}{3}$ rate with more that can be funded but are not chosen.

Varun asks about hourly staff and the staff schedule. *Robby* states that in the FY20 budget, staff hours are standardized now with the exception of external staff members working more during Winter Quarter while the Vice President of External Affairs is in Olympia. Generally, positions are at 15 hours. Senate Clerk is not. All Officers want their staff to have more hours, except Treasurer because Jasmine states she does not need more hours to accomplish her work. There is concern that the Events Director will not be allowed the requisite capacity to put on appropriate programming for GPSS. The plan as written has two weeks of training at normal hours. If you cut one week, there are four more hours to play with over the year.

Varun asks if two weeks of training is necessary.

Robby moves to extend the meeting by 3 minutes. *Varun* seconds. No objections. Meeting is extended.

Robby responds to *Varun* and states that in the past, there was no time for training. They attempted to have one week this year, but by the time hiring was complete, there was a



day-before training with about 1 month of learning on the job. Some staffers need more time upfront than others, but there are different ideas for how much training is necessary.

Ted would like to know if the Executive Senator stipend would be allowed or not. *Zhiyun* also wants to know this.

Zhiyun adds that if GPSS is allowed to give a stipend, then the mechanism must be thought through.

Robby states that there is no ability to pay a lump sum, so payment would have to be processed as hourly staff, which is 2.5 hours per week and 30 minutes of extra work every quarter. There are execution conflicts because if people hold another position at 19.5 hours per week, and this would not be possible.

Varun states that if they have a cap, especially for international students, then perhaps the stipend can be structured as a scholarship to deduct from annual fees. *Robby* agrees that there is probably some way around it, but *Rene* has thus far stated to process Executive Senator stipends as staff amounts.

Varun moves to adjourn the meeting. *Zhiyun* seconds.

The Meeting was adjourned at 12:50pm.