

## GPSS Finance and Budget Committee

### 2023 – 2024 Meeting Minutes

Friday, Feb 9, 2024 - 10:30am HUB 307

#### Present:

- Jon Choi: VP of Finance; Committee Chair
- Linh Pham: Budget Director
- Maleen Kidiwela: GPSS Executive Senator
- Joseph Rogge: GPSS Senator
- Franco R. Carlos: GPSS Senator
- Ardhra Sivasankaran: GPSS Senator
- Hannah Shipman: GPSS Senator
- Carrie Moore: GPSS Advisor, Ex-Officio
- Christina Coop: GPSS Advisor, Ex-Officio
- A.J. Balatico: GPSS President, Ex-Officio
- Trevor Hunt: HUB Associate Director

#### Not Present:

- Pratima K C: GPSS Executive Senator
- Tiya Farah: GPSS Senator
- Amanda Yapp: GPSS Senator

*VP of Finance called the Meeting to order at 10:30am*

#### Overview:

**VP of Finance gave each other the agenda. Quorum was reached.**

#### 1. Call to Order – Approval of Agenda

- Jon: Today's agenda is short as we do not have any presentations today. We received some special and departmental allocation requests, but none of the presenters got back to us on time, so we pushed them to next week
- Maleen: I motion to approve the agenda
- Joseph: I second
- Jon: Hearing no objections, the agenda is approved

#### 2. Approval of Minutes:

- Jon: Hopefully everyone has a chance to review the minutes from last time
- Joseph: I motion to approve the meeting minutes
- Maleen: I second
- Jon: Hearing no objections, the minutes is approved

#### 3. FY25 Budget Discussion

- Jon: Let's go through each of the section. Do you guys feel good in general with this budget? This is the portion that I hope the committee members will drive the discussion because as an officer, I am really interested in what you guys think

- Maleen: What do you think needs to be changed here?
- Jon: It's as easy as looking at the current version and saying everything looks good, we as a committee can approve it.
- Hannah: I have a question – could you remind me the programming discretionary line, is that for the Diversity committee to disperse?
- Jon: We have a few different funding sources, one of them is the GPSS discretionary fund that most of which we receive from the provost to use for food & alcohol at GPSS events.
- AJ: That's specifically for items that SAF money can go towards, primarily food
- Jon: Yeah, and that amount is covered under the Programming budget heading
- Franco: The file in the OneDrive is not updated yet. The total for the proposal in column B is \$608,000, but the one I am seeing is \$641,000
- Jon: Let me take a look. Franco, you can check – it is updated
- Joseph: What is the updated file we are looking at?
- Jon: For now, let's look at the one that said updated F&B recommendations
- Jon: Actually, Trevor is here – so Carrie, Trevor, and Coop do you want to talk about your agenda item?
- Trevor: Whatever works for you guys.
- Jon: Let's do that, order-wise it'd make more sense. You can share your screen Trevor
- Trevor: We want to make you aware of your financial overlook and use this to guide your next steps, what you present to the Senate and Executive Committee. So, we assembled the numbers from the past 5-6 years looking at your reserve balance, which is the money you typically do not spend that roll into your general fund and get carried over year over year. As you can see, starting FY 2022, we see reduction in your reserve, your debt is expanding, and it continued till now. By end of last FY, you all had overspent by \$144,000. I do recall there was a conversation previously about controlling the spending of GPSS reserve. We also see that spending has been incurred rapidly and revenue has not supported sum of the things that had been spent on, mainly personnel. You all are at a point where without balancing your budget, GPSS will run out of reserve funding sometime next year. We are here to make it clear that if you do not pass the balance budget that allows you to meet your operating expense with your operating revenue, about spring quarter next year, you all will not have enough funding to continue. What you all choose to present to the Senate and Executive Committee is not for us to tell you, we are not decision making authority, but we want to guide you through that process.
- Coop: What I say in my training to the undergrads is that we do not necessarily make decision on how they want to do their programming or what they want to spend money on, but if they don't have the money, we don't provide financial support for them. If you cannot create a sustainable budget with what SAF gives you, our office cannot provide you any sources of financial support, because you need to live within your needs. That's a hard thing to hear, but that's where you guys are at now. It's a hard decision you need to make
- Carrie: We are simply raising the concern because we do have fiduciary responsibility to let you all know, but the fact that the funding will dissolve next year is something we do not want to see it happen. So, we are here to support in whatever way we can as you navigate how you are going to manage your budget.
- Maleen: What is the minimum we need to reach?
- Trevor: That \$25,000 is your UW mandated liability insurance. The university is self-insured, and through agreement, your liability insurance is set to \$25,000.
- Jon: Trevor, the forecasted operating expenses for FY 25?

- Trevor: I pulled that from the spreadsheet you shared it with me the other day.
- Jon: That's just my own version. Realistically, we should go with the one the officers have said. \$584,000 is what you should type in
- Trevor: As you can see, without doing anything else, if you pass that budget today, you would fall below your minimum reserve threshold.
- Maleen: By how much we need to bring it down to in order to meet that minimum threshold of \$25,000?
- Jon: I believe we have to reduce it by \$7000 at least. But I think the point they are trying to say is that because actual expenses are variable to the budget that we set, we want us to lower it to allow for bigger margin of error. So even if we do exceed cost, we still have the buffer.
- AJ: I have to go, but Trevor, can you send us the expenditures as I assume most of this comes from the personnel, we can take a look at that.
- Jon: I think it'd be good if you guys can meet with the Executive Committee next week.
- Trevor: Let's say, if you budget it to have a total expenditure of \$584,000, you will run out of money by the end of the year.
- Maleen: Can you try type in \$560,00?
- Trevor: I want to caution you all that this is not just the number scheme. Budgeting is not an equation, it is priorities. You all need to decide what your priorities are as an organization that allow you to bridge that equation. You all need to talk about line items, program, etc, not just the numbers
- Coop: I'd say to look at your big picture trend here. You may decide you want to do this, but in FY 26, you might have the same conversation as now because you are still in a down trend. So, let's discuss how you can reverse this trend for long-term from now so that you guys live within your means – what SAF gives you, and making your programming mainly supported by Provost money.
- Hannah: What staff positions do we currently have?
- Jon: The other portion that we have to consider is the SAF funding.
- Maleen: We have authority as a committee on what numbers we want to present?
- Jon: My philosophy is to put in the numbers that align with the recommendations from the F&B and Executive committees. What you suggest will have influence on what I provide to SAF? But my goal is to make it align as much as possible
- Maleen: But SAF might not give you 100% of what you ask for right?
- Trevor: For planning purposes, I'd assume you will get no more than 3.68% increase
- Jon: When it comes to budget, it's a good practice to be on the conservative side. Trevor, you have a comment about having a reserve of about 6 months of operating expenses?
- Trevor: 6 months might be a bit too much, but I'd say 3 months minimum – about \$125,000.
- Jon: In any cases, I think it makes a lot of sense to recommend that we keep a reserve at least around \$100,000 plus another \$25,000 of the liability fund. If we assume 3.68% of SAF increase, the income for next year will be around \$500,000, and from there, as long as we can maintain our budget around that or less, we should be able to theoretically build up our reserve again
- Maleen: Assuming we'll get \$500,000 and we spend \$500,000, we're getting reserves from other income sources
- Carrie: You also have to account for the increase in minimum wages throughout time
- Jon: For now, I'll think we are still over the minimum wages for at least a couple of year, but we should probably increase it to adjust for the living cost, but legally we don't have to.

- Jon: If we assume the continuous 3.68% increase, this year's budget was \$630,000, but if we set our budget at or below this number, let's say \$500,000, we will receive more fundings than we are going to use.
- Carrie: You are assuming the committee is going to give you more than you ask for
- Maleen: You definitely need to ask more
- Jon: That's a big if, but what I am saying is if we get to a level where we are just at or slightly above, for fiscally conservative, we should be able to underspend that or hopefully build back our reserve
- Maleen: We need to ask more from SAF right?
- Jon: SAF right now because of the state law can only increase their fees charged to students by 4% annually and needs to round down. That's why he said realistically we only look at 3.68% increase in SAF fee on average. Right now in our budget request package to SAF, we can request up to 8% increase. The maximum amount we can request from SAF this year is \$523,000, and we probably will request up to that amount or our budget, whatever is higher.
- Carrie: The reality is that we will not give us fully 8% increase
- Jon: I know, I don't think they have ever done it before, because it means they are prioritizing us over others.
- Jon: At this point, I have another suggestion. There's another sheet I've played around with to see how we can make the budget work. Are you guys interested in seeing?
- Hannah & Maleen: Yes
- Jon: I basically play around with an extreme cost-cutting plan. I tried to cut down everything I think non-essential to providing the main mission of GPSS. You can see that the total money that would have to come from SAF and STF fund is \$516,000 – which is under the limit. That'd help us burn down significantly less of our reserve. After this, we basically have \$94,000 in our reserve. The way I got to that number is that we have to remove an officer role to save us \$22,000 plus \$20,000 plus reduction of benefits
- Maleen: VP Admin?
- Jon: No, I just removed a random one. And then accordingly, one of the executive senators will get removed.
- Maleen: That I agree with. Even right now, we are not utilizing all of the executive senators.
- Jon: But that's only under the assumption that we remove 1 officer, because the number of executive senators has to be at least 1 more than the number of officers. Again, reducing 3 staff roles – one idea is to combine the director of internal affairs and administration
- Coop: It'll play out in your employment accountability, you have a senate clerk, an event planner, an office staff – you currently have these positions, and if they are doing their work, they could be potentially reporting to a consolidated position, so this is where employee accountability makes sure personnel are doing what they are supposed to
- Hannah: I agree, I like the thought of consolidating some roles. We are proposing to cut 3 staff positions, right?
- Jon: yes, that's also suggested by the officers. What I added is to consolidate 1 role with another role. But I haven't done the administration or internal affair roles, I cannot really speak if it'd be a problem to consolidate. We can invite them to our next meeting to see what they think, but I want to point out this is my opinion, and I do not want it to affect what the committee thinks as a whole.
- Maleen: I understand

- Hannah: I appreciate your perspective, and I think the budget you just showed makes sense and will get it closer to save our reserve. I'll take a closer look, but it's reasonable
- Maleen: What are other staff positions that most closely resemble each other? I assume Finance & Budget is likely not to mixed with each other.
- Jon: Historically, we used to have only 4 officer positions – President, VP, Treasurer and Secretary. The VP got divided into External and Internal affairs. Secretary got converted to VP of Equity & Inclusion, and they created a staff role to handle the secretary tasks. We added the VP of Administration.
- Maleen: I think what we need to do is join Equity & Inclusion and Administration together
- Jon: In my opinion, the 2 roles that share the most resemblance are VP of Equity & Inclusion and Internal Affairs, or Internal Affairs with Administration
- Maleen: I like the second one better.
- Jon: Apparently, GPSS never really had event & programming, but there was a VP that came in one time, 10 years ago or so, who is really interested in event and programming.
- Carrie: yeah, your treasurer back then. She started a lot of funding for those social stuff, and it became routed in and an expectation that this is something you guys would do. That's also a story you can evaluate as well, there are a lot of graduate & professional student associations – there's a desire for the community connection. You can have a robust conversation about why don't we tap in existing communication & community network that graduate students create for themselves, and how we can enhance that. So that, we do not have to have 1 event planner trying to figure out all that while graduate students are already doing that themselves.
- Jon: This community has kind of seen that. Even in autumn and winter quarters, you guys have seen a lot of RSOs that provide events and programming for grad students, and just this quarter, we started cross-promotion between GPSS and RSO. That's the synergy Carrie and Coop talked about.
- Hannah: I have this thought – assume we are eliminating the event planning position and move the duties to the VP of Equity & Inclusion, and partner more closely with some graduate RSOs, that would give GPSS closer tie with graduate students without us having to do a lot of work maintaining.
- Coop: But what you are saying is shifting your culture – shifting officer's expectations and how people think about how they are doing their work. I don't say it's good or bad as organizations do that.
- Jon: In terms of the file, if you are interested in seeing what I just showed, feel free to look at that in the shared folder. It'd be great if you all can review these documents by next week, so that next Friday, we can discuss these more at length. It does seem like the conversation needs to shift away from reviewing in general to really looking at what we want our budget structure looks like next year, and what sacrifice we recommend so that we do not run out of money in the near future. Do you guys want me to create individual files so that you can play around with your own numbers?
- Franco: I downloaded it myself and have been playing around with it. You can add a folder saying individual proposals and we can put in when we finish. By next Friday, we upload our own interpretations of the budget and how we would like moving forward
- Jon: I'd appreciate that. If you guys have any questions about the numbers, you guys are free to contact me. Ideally, we want to finalize this by March 1, because March 8 is the last week of the quarter, and we are not meeting that day. March 1 would be our last meeting, when we can approve our final recommendations to send it to senate, and that'd give me time to take that into account and translate into the budget package I need to send to SAF by end of quarter.

- Maleen: What happens if we take out an officer position?
- Jon: The bylaws need to be changed
- Maleen: Before election?
- Jon: It's a long process
- Maleen: But we need to start as soon as process
- Hannah: As a part of the election committee, I can mention this possibility to them
- Maleen: Yeah, 2 of us are in the election committee.
- Jon: I'll ask the officers to see who would be available to come to speak with us next week. Next week schedule might be busy, so we need to keep this budget discussion tight, which means you guys need to come prepared.
- Coop: Regarding allocation reques, I'll be sending out an official email today. Our office is still short-staffed, we are at capacity with event & programming. We are letting you guys know that any further allocations are only for on campus expenses, we can't handle contracts or external purchasing for special allocations.
- Jon: I don't have the ability to discern what would be on campus expenses
- Carrie: Facility rental or on campus purchases, that's it.
- Jon: Ok, once I have the official email, I'll update the wording on our website. Is that for the rest of academic events?
- Coop: We're determining what we can accommodate, I'll have more information for you and GPSS events by next week.
- Jon: Franco, you said instead of consolidating just yet, can we put certain positions on an interim funding position with whole funding for a period of time, and bylaws would not have to be rewritten. I will do more research on that and get back next week.

#### 4. Adjournment

- Jon: Thank you Carrie & Coop & Trevor for coming to speak with us
- Coop: That was a fruitful conversation
- Jon: May I have a motion to adjourn?
- Hannah: I motion to adjourn the meeting
- Maleen: I second

The meeting was adjourned at 11:30AM. VP of Finance thanked everyone for joining.