

VII. STANDING COMMITTEE

A. Academic and Student Affairs Committee

Services and Activities Fee—University of Washington, Seattle: 2009–10
Operating and Capital Allocations

RECOMMENDED ACTION:

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve for the Seattle campus:

- 1) Raising the Services & Activities (S&A) Fee level for 2009–10 from \$108 per full-time student per quarter to \$113; and
- 2) Allocating \$11,823,182 for 2009–10 S&A Fee operating and capital funds.

BACKGROUND:

Each year, on the basis of recommendations by the administration and the S&A Fee Committee*, the Board of Regents approves annual S&A Fee allocations for the Seattle campus. Additional allocations may be approved during a given year.

The present recommendations grew out of S&A Fee Committee discussions over the course of the 2008–09 academic year—discussions that included at different times representatives of the units supported by S&A Fee income. The S&A Fee Committee submitted its written recommendations to the Vice President and Vice Provost for Student Life on May 29, 2009 (Attachment I). In addition, the Committee proposed that \$1 of the \$113 fee be set aside to offset lost revenue from Hall Health Primary Care Center and Housing and Food Services while the HUB and Hall Health are under construction. The administration concurred with the recommendation of the fee assessment level and all operating and minor capital allocations. (Attachment II).

The 2008 – 09 and recommended 2009 – 10 distributions of the quarterly S&A Fee are displayed below:

	Full-time 2008 – 09	Full-time 2009 – 10
Long Term Loan Fund	\$3.78	\$3.96
Facilities and Programming Account	<u>\$104.22</u>	<u>\$109.04</u>
Total	\$108	\$113

* By statute, recommendations of the Committee are determined by the votes of its student members—three and four of whom, respectively, represent the GPSS and the ASUW. The rules call for three administrators and two faculty members to serve on the Committee in nonvoting, advisory roles.

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A. Academic and Student Affairs Committee

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The 2008 – 09 and anticipated 2009 – 10 revenues and expenditures are displayed in Attachment III. The proposed operations and capital budgets for each program and a brief discussion of their rationale are detailed below.

Associated Students of the University of Washington (ASUW) – \$719,012 (Operations)

The recommended allocation would support ongoing functions, staff salaries and general operating costs of ASUW. The allocation represents a decrease of \$ 17,830 (2.4%) for operations over the last academic year.

Classroom Support Services - \$71,163 (Operations)

The recommended increase of \$1,133 (1.6%) would continue to support wages of student staff.

Counseling Center - \$247,438 (Operations)

The recommended increase of \$37,197 (17.7%) would allow the Counseling Center to continue to offer visits to the Center at no cost to students.

Ethnic Cultural Center/Theater (ECC/T) - \$582,275 (Operations)

This recommended allocation of \$582,275 would continue to support the ongoing functions, staff and general operations of the Ethnic Cultural Center/Theater at the same level as 2008 – 09.

Graduate and Professional Student Senate (GPSS) - \$272,300

The recommended decrease of \$9,994 (3.5%) would support ongoing functions, staff salaries and general operating costs of GPSS. There was not a significant change from last year's request; however there were increases to the travel budget portion. This will expand the Travel Grant program which funds graduate student travel to academic conferences.

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Services and Activities Fee—University of Washington, Seattle: 2009 – 10 Operating and Capital Allocations (continued, p. 3)

Hall Health Primary Care Center (HHPCC) - \$ 6,126,489 (Operations)

Hall Health Primary Care Center continues to provide excellent on-campus care for students, faculty, staff, and the community. This represents an increase of \$71,673 (1.2%) over the 2008 – 09 fiscal year.

Q Center - \$90,264 (Operations) and \$3,000 (Capital)

The recommended allocation of \$90,264 to the Q Center reflects support of the continued demands of students, faculty, staff, alumni and allies of the Center.

Recreational Sports Programs (RSP) - \$ 1,747,281 (Operations) and \$100,000 (Capital)

The recommended allocation will support wages and related increases for facilities staff and represents a \$121,769 (7.5%) increase in operating expenses. The capital allocation will provide the standard \$100,000 in maintenance funding necessary to keep RSP facilities functional.

Services & Activities Fee Committee - \$ 16,619 (Operations)

The recommended allocation provides for tuition and related fees for the Committee Chairperson and the salary of the SAF Coordinator; representing a decrease of \$23,878 (59%) due to the shift from a classified staff person to a temporary student staff person as SAF Coordinator.

Student Activities & Union Facilities (SAUF) - \$543,785 (Operations)

The recommended increase of \$6,320 (1%) will fund salaries for SAUF staff and operations costs for the Resource Center.

Student Legal Services (SLS) - \$139,929 (Operations)

The recommended allocation of \$139,929 will continue to maintain the essential operations of the office and the salaries of its staff.

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A. Academic and Student Affairs Committee

Services and Activities Fee—University of Washington, Seattle: 2009 – 10
Operating and Capital Allocations (continued, p. 4)

Student Parent Resource Center - \$947,815 (Operations) and \$11,507 (Capital)

This funding level represents an increase of \$7,713 (0.8%) over the operations level for 2008 – 09.

Student Publications - \$200,000 (Operations)

The recommended allocation of \$200,000 is consistent with last year's funding level.

ATTACHMENTS

- I. May 29, 2009 letter to Mr. Eric Godfrey, Vice President and Vice Provost for Student Life, from Mr. Matt York, Chair, Services and Activities Fee Committee
- II. June 1, 2009 letter to Mr. Matt York, Chair, Services and Activities Fee Committee, from Mr. Eric Godfrey, Vice President and Vice Provost for Student Life
- III. 2008 – 09 Budget and 2009 – 10 Services and Activities Fee Revenue and Expense Projections



Services & Activities Fee Committee Committee Recommendation

May 29, 2009

Mr. Eric Godfrey
Vice Provost for Student Life
University of Washington
Schmitz 476
Seattle, Washington 98195

Dear Mr. Godfrey

On May 22 the Services & Activities Fee Committee met to approve recommendations regarding the collection and allocation of the Services & Activities Fee for the 2009-10 academic school year. This recommendation is the result of a lengthy process involving orientation and budget hearings as well as thoughtful and critical analysis from a considerably bright committee membership. The recommendation is broken down into components: recommended operational allocations, recommended capital allocations, recommended implementation of the new Capital Expenditures Policy, and a fee level. The Committee believes that the Regents should adopt our recommendation; the Fee will optimally fund a broad array of services and activities for the students at the University of Washington.

This year was a particularly challenging year for the Committee. The Committee's projected revenue is dependent upon the number of full-time student enrollments (FTEs). While the deep budgets cuts at the University do not directly affect the Services & Activities Fee revenue, the Committee was instructed to plan for a 1,300 decrease in FTEs. This represents a significant decrease to the Committee's operating budget for the 2009 - 2010 fiscal year, forcing tough decisions.

Institutional memory is an invaluable asset for any committee, particularly for a budgeting committee with as complex a process as SAF. We have been extremely fortunate to have University advisers who carry knowledge of the budgeting process and historical information, but the voting bloc and driving force of the committee is the students. It is extremely important that the students understand the SAF process thoroughly, and there is no better way of learning the process than experiencing it. It is my hope that when making committee appointments for the 2009 - 2010 SAF Committee, a candidates ability and willingness to serve multiple terms is taken into consideration.

The Committee also approved three large capital projects: renovations of the Husky Union Building, Hall Health Primary Care Center, and the Ethnic Cultural Center. These recommendations will be sent in a separate letter.

Operational Allocation Recommendations

ASUW – \$719,012

ASUW reassessed their method of calculating earned income and SAF request. As a result, this year's request is a \$20,000 decrease from last years funding level. In addition to this decrease, the Committee recommends the ASUW spend down their fund balance by \$15,000 as a symbol of leadership during tough economic times.

Classroom Support Services – \$71,163

This amount continues to fund the wages of the students operating the valuable and widely used student technology loan program.

Counseling Center – \$247,438

The Committee understands the importance of mental health programs and recommends funding this increase in its entirety.

Mental Health programs are extremely important but severely under funded at the University of Washington; yet, SAF does not have the resources to solve the problem independently. The committee strongly urges that the Counseling Center, along with the University at large, continue to lobby support for increased state funding for such a vital service to students.

The Daily – \$200,000

This amount is consistent funding at last year's levels. While The Daily adjusts it's expenditures based on its lines of revenue, the committee encourages them to provide a more accurate earned income estimate for next year.

Ethnic Cultural Center / Theater – \$582,275

The ECC continues to foster one of the strongest, most passionate communities of students on the University of Washington campus. This recommended allocation would support the ongoing functions, staff and general operations of the Ethnic Cultural Center / Theater.

GPSS – \$272,300

While GPSS' request remained consistent with last year's request, the Committee recommends a decrease of \$10,000. Similar to ASUW, we recommend that GPSS spend down their fund balance by \$10,000 as a symbol of leadership during tough economic times.

Hall Health Primary Care Center – \$6,126,489

Hall Health continues to provide excellent care for students on campus as well as faculty, staff, and the community. HHPCC has demonstrated its commitment to keeping the costs of health care as accessible to students as possible. This amount reflects an increase of about \$70,000 over last years level, largely to offset the increased cost of the increased payroll loading rates.

Q Center – \$90,264

The Q Center continues to be an extremely effective program, and the Committee would like to see it grow. However, we do not feel that is the right time for growth given the economic climate. This amount represents funding at last year's level.

Recreational Sports Program – \$1,747,281

Growth in student use of Recreational Sports Program has greatly outpaced growth in SAF funding. The Program does a very good job of providing top quality service to students and needs increased funding to maintain its operations. This amount is a \$120,000 increase over last year's level.

S & A Fee Committee Operations – \$16,619

This amount funds the operations and tuition stipend of the SAF Chair position. This is a significant decrease from the previous year due to a shift in the committee support person from a classified staff position to a temporary student position.

Student Activities and Union Facilities – \$543,785

The Committee recommends funding at a level consistent with the previous year. This continues funding the student advisers, RSO Event Fund and Resource Center as well as the other excellent services students receive at the HUB.

The Resource Center is extremely valuable to all student organizations on campus, but is operating near capacity. If the efficiency cannot be improved with current resources, more funding may be needed in the future.

Student Legal Services – \$139,929

This level is consistent with the previous year. SLS provides a great, accessible, and affordable option for common legal issues among students.

Student Parent Resource Center – \$947,815

This amount represents funding at levels consistent with the previous year.

*Capital Allocation Recommendations***Q Center - \$3,000**

This would fund new library shelves for the Q Center office

Recreational Sports Program - \$100,000

This allocation will support a number of RSP capital maintenance projects.

Resource Center - \$4,305

This will cover table replacements for registered student organizations use.

Student Parent Resource Center - \$11,507

This amount is to fund office supplies and equipment for a relocation.

Capital Expenditures Policy

The Committee passed a new policy to more easily and responsibly plan for capital expenditures. Historically, the Committee coupled capital and operational funding for each unit, but due to large variance in capital expenditure requests from year to year, the increase in the fee would fluctuate along with surpluses and deficits. The intention of this policy is smoothen out this fluctuation and plan responsibly and accurately. There are key numbers to this new policy: the target amount of the general fund and the percentage of total available fee revenue to allocate towards the capital expenditure fund. As per the policy, both of these numbers must be reassessed by the 2013 - 2014 SAF Committee.

Target Amount of General Fund - \$5,500,000

After years of discussing and debating what an appropriate fund balance level would be, the Committee decided on \$5.5 million. This reflects the average level of our general fund over the past decade as well as the amount needed to fund SAF units at minimal operations for half a year. The Committee feels that this amount is sufficient to fund unforeseen costs that might arise. Once the fund balance reaches this target level, any additional revenues and surpluses will be rolled over into the capital expenditures fund. Our fund balance currently holds approximately \$6.7 million, thus the Capital Expenditures Fund will start with approximately \$1.2 million.

Capital Expenditures Fund Revenue - 3%

The Committee recommends that 3% of the total revenue be allocated toward the capital expenditures fund. This amount was carefully calculated using historical data as well as projected capital expenditures over the next decade (see attached workbook). At this level, the Committee should be able to fund all future capital maintenance costs while maintaining padding for capital improvements and unforeseen capital expenditures.

Fee Level Recommendation

The Services & Activities Fee Committee recommends the Fee be increased from \$108 to \$113. \$112 is for the committee's operational and capital recommendations, and the remaining \$1 goes toward the specific purpose of preparing for lost operational revenue during construction of the large capital projects. While the HUB and HHPCC are under construction, Housing and Food Services and HHPCC will realize lost revenues from limited and/or closed operations. The Committee is expected to cover this estimated \$3.6 million loss. After weighing the various options, the Committee found it fiscally responsible to begin preparing for this cost now. The Committee recommends \$1 of the \$113 be set aside for the specific purpose of preparing for this cost while \$112 will cover

the operational allocations and build the Capital Expenditure Fund. This provides an estimated \$11.7 million in operational funding, \$360,000 for the Capital Expenditures Fund, and \$100,000 to be saved for the future lost operational cost due to the capital projects.

Closing Comments

The committee believes that if the Regents adopt these recommendations, the units will be able to expand their services provided to students. These recommendations will also lay the groundwork for new or improved facilities that will positively impact the student life of our campus. We believe this funding, combined with the unique talents of the unit directors and staff, ensures a successful future for student services and activities.

Sincerely,

Matt York
2008 - 2009 Chair
Services & Activities Fee Committee



June 1, 2009

Mr. Matt York
Chair
Services and Activities Fee Committee

Dear Matt,

Thank you for your letter of May 29, 2009, providing the details of the allocations proposed by the Services and Activities Fee (S&A Fee) Committee for 2009 – 10. Of particular note, the proposal calls for a \$5 increase in the quarterly S&A Fee, from \$108 per full-time student to \$113. An adjustment of this level enables the committee to continue and enhance important programs and balance expenditures with revenues.

The Committee's recommended allocations are thoughtful and strategic. After careful review, the administration concurs in the recommendations for fee assessment levels and all operational and minor capital allocations.

The budget will be presented to the Board of Regents for its consideration and action at its meeting on June 11, information on which will be communicated to you in the near future. I look forward to making this presentation with you.

As always, your leadership and collaboration have been greatly appreciated.

Sincerely yours,

Eric S. Godfrey
Vice President & Vice Provost

ESG:mhk

cc: Provost Phyllis M. Wise w/enclosure
Members of the Services and
Activities Fee Committee
Mr. Anttimo Bennett w/enclosure
Mr. Jake Faleschini w/enclosure

	Actual 2001-2002	Actual 2002-2003	Actual 2003-2004	Actual 2004-2005	Actual 2005-2006	Actual 2006-2007	Actual 2007-2008	Projected 2008-2009	Projected 2009-2010
Fund Balance Beginning of Year	5,917,345	6,272,182	6,445,559	6,455,132	6,610,405	5,828,440	6,249,913	6,721,370	5,500,000
REVENUES									
SAF Fee Revenue	8,909,979	9,131,303	9,218,283	9,215,823	9,690,350	10,465,027	11,228,522	11,354,864	11,998,750
Interest	340,381	349,096	189,796	205,342	186,615	267,046	300,753	267,000	150,000
TOTAL REVENUE	9,250,360	9,480,399	9,408,079	9,421,165	9,876,965	10,732,073	11,529,275	11,621,864	12,148,750
Annual Debt Service	(673,509)	(610,609)	(639,691)	(95,504)	-	-	-	-	
TOTAL AVAILABLE REVENUE	8,576,851	8,869,790	8,768,388	9,325,661	9,876,965	10,732,073	11,529,275	11,621,864	12,148,750
EXPENSES									
Total Operating Expenses	8,064,205	8,408,374	8,873,292	9,020,931	9,860,864	10,264,426	10,928,950	11,485,809	11,704,370
Total Capital Expenses	157,809	238,039	52,402	149,457	179,402	176,600	195,660	141,317	118,812
Special Allocations						320,331			
TOTAL EXPENSES	8,222,014	8,646,413	8,925,694	9,170,388	10,040,266	10,761,357	11,124,610	11,627,126	11,823,182
NET INCOME	354,837	223,377	(157,306)	155,273	(163,301)	(29,284)	404,665	(5,262)	325,568
Childcare Center Match	-	(50,000)	-	-	-	-	-		
Adjustment			166,879	-	(618,664)	450,757	66,792		
Transfer to Capital Expenditure Fund								1,216,108	325,568
Operating Expenses									
ASUW	-	-	-	-	473,990	586,432	689,159	755,092	719,012
ASUW Night Ride	-	-	-	-	34,820	-	-	-	
Childcare Operations	74,046	73,193	68,713	72,483	72,214	72,214	87,379	96,741	98,557
Childcare Subsidy	697,475	707,035	720,390	727,214	746,030	746,030	773,256	793,361	849,258
Classroom Support Services	-	-	28,237	28,160	56,732	65,620	66,156	70,030	71,163
Counseling Center	-	-	-	-	40,000	154,423	179,746	210,241	247,438
Ethnic Cultural Center Operations	300,000	410,809	436,906	449,854	477,944	498,316	555,619	582,275	582,275
Friday Harbor Labs	-	-	4,200	-	-	-	-	-	
GPSS	-	-	-	-	217,049	241,463	252,188	282,294	272,300
Health Center Operations	5,249,345	5,414,606	5,522,898	5,583,650	5,583,650	5,583,650	5,901,380	6,054,816	6,126,489
Q-Center	-	-	-	-	35,000	49,250	55,498	90,264	90,264
Rec Sports Operations	1,366,924	1,404,992	1,601,747	1,629,810	1,607,880	1,527,985	1,580,478	1,625,512	1,747,281
RUCKUS	-	-	4,172	4,925	4,925	-	-	-	
SAFC Operations	10,708	22,611	11,546	25,141	10,236	41,326	31,869	40,497	16,619
SOURCE (Resource Center)	38,000	43,804	69,980	-	-	-	-	149,503	156,603
Student Activities and Union	184,330	184,553	269,837	349,613	369,530	376,515	420,297	387,182	387,182
Student Legal Service Operations	79,207	81,972	84,867	100,282	130,864	124,202	135,853	147,929	139,929
Student Publications	-	-	-	-	-	197,000	200,072	200,072	200,000
Students Orgs. Event Fund	15,000	15,000	-	-	-	-	-	-	
UW CARES Escort Service	49,170	49,799	49,799	49,799	-	-	-	-	
TOTAL OPERATING EXPENSES	8,064,205	8,408,374	8,873,292	9,020,931	9,860,864	10,264,426	10,928,950	11,485,809	11,704,370

	Actual 2001-2002	Actual 2002-2003	Actual 2003-2004	Actual 2004-2005	Actual 2005-2006	Actual 2006-2007	Actual 2007-2008	Projected 2008-2009	Projected 2009-2010
CAPITAL EXPENSES									
Childcare Capital	-	-	-	-	-	2,000	-	-	11,507
Counseling Center Capital	-	-	-	-	-	5,000	-	1,000	0
Ethnic Cultural Center Capital	60,000	54,031	4,577	4,460	44,602	28,300	13,403	5,810	0
Hall Health Center Capital	10,000	95,281	30,000	30,000	30,000	-	-	-	0
Q-Center Capital	-	-	-	-	-	4,000	5,147	-	3,000
Recreational Sports Capital	75,000	75,000	-	100,000	100,000	100,000	100,000	100,000	100,000
Resource Center	-	-	-	-	-	-	-	-	4,305
SAFC Operations Capital	-	-	-	-	-	2,500	12,000	-	0
SOURCE Capital	2,000	-	-	4,000	-	-	-	780	0
Student Activities and Union Capital	-	-	-	-	-	-	-	-	0
Student Legal Services Capital	10,809	13,727	17,825	10,997	4,800	4,800	5,110	3,727	0
Student Publications Capital	-	-	-	-	-	30,000	60,000	30,000	0
TOTAL CAPITAL EXPENSES	157,809	238,039	52,402	149,457	179,402	176,600	195,660	141,317	118,812
Fund Balance End of Year	6,272,182	6,445,559	6,455,132	6,610,405	5,828,440	6,249,913	6,721,370	5,500,000	5,500,000