

**STUDENT UNION BOARD OF DIRECTORS
FINANCE COMMITTEE**

**Special Meeting Minutes
March 20, 2025
1:30 PM - 2:30 PM**

In-person: Student Union Building, Conference Room 6

Voting Members Present: Mari Fuentes-Martin, Ed.D., Maureen Pasag (BOD Designee), Jayeesh Tarachandani,
Voting Members Absent: Aditya Vishwakarma
Non-Voting Member Present: Jon Tucker, David Alves
Guests: John Lawrence

I. CALL TO ORDER

Director Tarachandani called the meeting to order at 1:32 p.m.

II. ROLL CALL

A verbal roll call was completed. Quorum met.

III. APPROVAL OF MARCH 20, 2025 MEETING AGENDA

Director Tarachandani, asked for any changes to the agenda.

Director Tarachandani, asked for a motion.

Director Pasag motioned to approve the agenda; Director Fuentes-Martin seconded the motion.

Vote on the Motion: 3-0-0 Motion Passed

IV. DISCUSSION ITEMS

A. Fiscal Year 25-26 Budget Assumptions and Request - Second Read

David Alves provided an update on adjustments made since the first review on March 11, 2025. The funding request has been reduced by \$780,164 due to adjustments in expense accounts.

Regarding expense categories, salaries and benefits have been reduced by \$423,319. This reduction is attributed to a vacancy adjustment using a 12% vacancy rate, assuming positions take approximately four months to fill. The full-time wages line item reflects a \$223,438 reduction, and the full-time benefits line item is a function of the full-time wages. Student wages were also adjusted, with the removal of student assistant positions in the esports department due to the deferral of the esports lounge construction to fiscal year 2026-2027. Event Center student wages were reduced by approximately 25%. Mr. Tucker clarified that the esports budget reduction only impacts the lounge assistants, as the varsity program student wages remain. A question was raised regarding the eight full-time equivalent (FTE) additions and the 4% vacancy adjustment, to which it was clarified that this is a new flat-rate adjustment method based on historical vacancy data.

Supplies saw a decrease of \$15,838, primarily due to the removal of esports supplies and a \$10,000 decrease in building supplies. There were no changes to the IT cost allocation or communications budgets. Travel expenses were reduced by \$19,776. This reduction included adjustments to esports competitions stipends, audiovisual conference

attendances, and regional and national NIRSA conference adjustments. The travel budget adjustments align more closely with the current year's forecast.

Events and Programs budget was reduced by \$78,900 to align with the current fiscal year 2025 budget. The Student Union's Events and Programs budget will be \$850,000 for fiscal year 2026, plus the Student Involvement contribution of \$250,000, giving a total of \$1.1 million, consistent with the fiscal year 2025 budget. Small equipment expenses were reduced by \$238,313, primarily due to the deferral of the esports lounge, eliminating the need for gaming station purchases. Staff development expenses were reduced by \$4,018, reflecting the removal of conference registrations related to reduced travel.

In the capital outlay area, the \$2.5 million estimate for esports development/construction costs was removed, and \$150,000 for planning costs, such as an architectural review, was added. This results in a net reduction of \$2.35 million, leaving a flat \$3.2 million. This \$3.2 million includes other projects such as the Student Union conference room upgrades and SRAC updates.

The committee discussed input areas, specifically a 3% wage step increase, costing \$134,182, with a related benefit burden of \$56,356, totaling approximately \$190,000. The 3% step increase was recommended to align with campus policies. It was clarified that the campus is using a 1% step increase. The committee agreed to revisit this item with additional information.

The second discussion point was the esports player awards, totaling \$140,000. These awards aim to attract and retain players, with qualifying players potentially receiving \$2,000 per semester and non-starters receiving \$1,000. The committee discussed the potential for these to be scholarships. The discussion included how to handle the funds and whether it should go through financial aid. There was a consensus that a scholarship would be preferable for tax reasons. The committee explored the possibility of funding these scholarships from the Student Union operating budget. There was also a discussion on the programmatic standpoint of providing incentives to student players and the long-term goal of donor funding for these awards. There was a concern about the intersection of these awards with name, image, and likeness issues.

The committee agreed to leave the esports player awards in the budget, with the understanding that Ryan Fetzer and Gabriel Eckenroth will determine the best approach for disbursing the funds as scholarships. Mr. Alves will work with Mr. Tucker and others to navigate the budget and student implications. Gabriel Eckenroth is also exploring sponsorship opportunities to offset costs. The awards are not contingent on the esports lounge construction, but they are complementary.

The committee acknowledged the 5% reduction in the overall expenditure service charge (ESC) request and discussed the appropriateness of the \$15 million student fee request.

The next steps were outlined, including another budget review on April 8th before the board approval on April 17th. The process of CFO interaction and board presentation was clarified. The final review will include the step increase information and any differences between the current review and the approval version.

It was confirmed that the Finance Committee can approve the budget with specific changes, which will then be presented to the Board. The timeline for the audio-visual (AV) equipment replacement was discussed. The team has selected a vendor, but there is a three-month lead time, potentially pushing the completion of phase one to June 30th. It was noted that all phases should be completed by the same vendor to ensure seamless integration.

Mr. Lawrence mentioned that note three on page three of the budget document, which refers to esports lounge equipment, will be removed since the lounge construction is deferred.

V. MEETING ADJOURNMENT

Director Tarachandani asked for a motion to adjourn the meeting.

Director Fuentes-Martin motioned to adjourn the meetings; Director Pasag seconded the motion.

Vote on the Motion:

3-0-0

Motion Passed.

Meeting adjourned at 2:12 p.m.