


**STUDENT UNION OF SAN JOSE STATE UNIVERSITY
FY 24-25 BUDGET MEMORANDUM**

To: Dr. Cynthia Teniente-Matson, President
Mari Fuentes-Martin, Ed.D., Interim Vice President, Student Affairs
Charlie Faas, Vice President, Administration and Finance

From: Student Union, Inc., San Jose State University
Vicki Allen, Interim Executive Director 

RE: Student Union, Inc., 2024-2025 Budget [Request for Attestation and Approval]

Date: May 1, 2024


The purpose of this memo is to seek your attestation and approval of the 2024-2025 Student Union (SU) Fee Funding Budget Request Proposal, as reflected in the Executive Budget Summary on the following page.

The 2024-2025 Student Union Fee Funding Budget Request Proposal was reviewed and approved by the campus officials appointed to roles on the Finance Committee on April 15, 2024 and advanced to the Student Union Board of Directors (SUBOD) and approved on April 17, 2024.

Please complete your electronic signature via DocuSign which will automatically route a copy of this complete package to Dr. Cynthia Teniente-Matson, Mari Fuentes-Martin, Ed.D., Charlie Faas, Andrea Cabrera-Sanchez, and Vicki Allen.

Please feel free to contact us with any questions.


Attesting Signature:

DocuSigned by:

E680BDC943524BE...

Mari Fuentes-Martin, Ed.D., Interim Vice President for Student Affairs
5/2/2024

Date

Approving Signatures:

DocuSigned by:

A8A67319C3F8409...

Charlie Faas, Vice President for Administration and Finance
5/20/2024

Date

DocuSigned by:

BA56DA146800485...

Dr. Cynthia Teniente-Matson, President
6/20/2024

Date

Executive Summary

The most notable increase year over year in the Fiscal Year 2024-2025 operating budget is the full-time payroll. In a time where turnover is high and replacing people is difficult, it's important for the Student Union to prioritize stabilizing the FTE headcount and ensuring that people are motivated, well-trained, and most importantly, happy doing work that they enjoy. Throughout FY 2023-2024, department managers, supervisors and even directors have been taxed to cover for their open positions and are still spread thin on their existing responsibilities. This payroll budget has factored in realistic hiring timelines considering the hiring chill as well as SU hiring process timelines. The goal for this upcoming budget year is to stabilize the Student Union operation to improve upon the current level of services, programs, and space management while setting up to grow tremendously in the following years to come.

Student Union is currently developing an Esports Lounge in the SRAC with a planned opening during the Fall 2024 semester. The initial capital outlay for the lounge is approximately \$500K and includes \$275K for initial purchase and setup of computer equipment and related peripherals as well as gaming chairs, tables and supplies with the remaining \$225K dedicated for student assistant support. Ongoing cost for student supervision of the lounge is currently estimated at \$250K per year. Not included in the Student Union budget is cost of construction to outfit the space with necessary electrical and general construction needs as determined by FD&O. Student Union anticipates that the cost of construction will be funded by the Student Union Fee Trust held and managed by campus. Student Union is currently collaborating with FD&O on the project with an intent to have the lounge fully operational by Fall 2024.

The Student Union requests attestation and approval of its operating budget for Fiscal Year 2024-2025 of \$14,695,590 as follows:

Revenue Categories (See Appendix A)	FY 2024-2025
Student Union Fee Funding	\$13,477,639
Self-Earned Revenue	\$1,217,951
Total Revenues	\$14,695,590
Expense Categories (See Appendix B)	FY 2024-2025
Salaries, Wages, & Benefits	\$9,905,152
Operating Expenses	\$4,790,438
Total Expenses	\$14,695,590

Capital Expenditures Budget Allocation Proposal (See Appendix C)

The Student Union collaborates with Facilities Development, and Operations (FD&O) to evaluate on-going conditions of facilities, address deferred maintenance, and new concerns. The following includes projects that are managed in conjunction with FD&O to make improvements to the facilities Student Union uses for our students' programs and services.

- Student Union
 - SU Printer/Copier
 - SU A/V Technical Upgrades
 - Floor Cleaning Machines
- Event Center
 - EC Operations Office Buildout
 - EC Audio Project
- Spartan Recreation and Aquatic Center
 - Ice Machine (South Rec)
 - Tricep Press
 - Fly/Rear Delt Machine
 - Leg Extension Machine
 - Lateral Raise Machine
 - Shoe Rack for Equipment Checkout Desk

Budget Assumptions

Esports

- The plan is to develop a SU-funded lounge with the goal of providing student success in the form of social engagement
 - 3,000 students in the Spartan Gaming Discord server that are playing games from their dorm rooms that could be utilizing a new space for gaming
 - Consider tournaments and leagues after the lounge has been established
- Construction costs are not included in the operating budget

SRAC Programs

- Grow Fitness and Outdoor Adventures programs to provide additional student engagement opportunities both on and off campus
- Club Sports and Intramural funding to continue as in prior years

Student Union Programs

- Increase in program volume to meet increasing student demand due to an expected 20% increase in attendance in FY 24-25
- Continue collaboration with Campus Life

Events

- Support university events (e.g., commencements, graduation ceremonies, convocations, and orientations), and invoice for external services and overtime hours as applicable
- Continue to support external high school graduations

Operations

- I/T
 - I/T expected to migrate prior to 7/1/24
 - I/T supplies to be purchased by SU
- Maintenance
 - IVPSA has recommended that the Maintenance Service Agreement be executed and employees and vendor relationships transitioned to FD&O no later than 6/30/24
 - Expenses relating to maintenance staff and supplies are not included in the operating budget and are assumed to be charged to the Trust Account
- Custodial
 - Operating budget includes building supplies
 - Management of the CSG relationship by SU continues on a month-to-month basis
- Facilities-related project requests to be handled by FD&O and funded by the SU Fee Trust
- Liability and personal property insurance rate increase of 18% and 12% respectively based on CSURMA quote

Compensation

- Fill critical positions upon approval by President Teniente-Matson
- 5% COLA for FTEs
- Increase for anticipated City of San Jose minimum wage (Student Assistants) at 7/1/24 and compliance with FTE CA Exempt Minimum at 1/1/25
- Increase in CalPERS premium cost of 11% for 2025 (in line with 2024 rate increase)
- FTE benefit rate remains unchanged from prior year

New Opportunities

- Development and expansion of Campus Recreation programs including the new Esports Lounge, new Intramural sports, additional Outdoor Adventure trips, new small group Fitness training, and establishing expanded Climbing Wall hours
- Spring Music Festival allows students to engage with lesser-known artists and provide an opportunity for students to perform as openers

Potential Challenges

- Prioritizing Student Union and Event Center for student spaces, meetings, programs and events (including campus and external events), while supporting Division 1 Athletic programs
- Talent acquisition
 - Attracting qualified applicants
 - Maintaining FTE headcount levels during the hiring chill
- Upgrading AV Equipment and technology to meet increasing demand of Audio Visual (AV) Services and resources to support campus departments, athletics, and other events

General Overview & Summary

Student Programs, Events & Engagement

The Student Union is expecting the following number of programs, events, and increased services:

Student Union

- Over 30,000 average weekly users
- 26,700 scheduled hours of use
- Hosts over 3,000 events in the Ballroom, Theater and Meeting Rooms
- 60 programs with over 35,000 participants
- Operates 16 hours daily

Spartan Recreation and Aquatic Center (SRAC)

- Over 500,000 student users during the academic year
- Over 1,800 daily users during the academic year
- 1,400 fitness classes including new group fitness program; 800 intramural and club competitions, 25 Climbing Wall special events and Outdoor Adventure trips.
- Hosts 12 home Athletics matches for Water Polo and Swimming
- Operates 16 hours daily

Provident Credit Union Event Center

- Hosts 38 home Athletics competitions
- Special Events including Spartan Fest concert (4,000 participants), Club Sports/Intramural Sport Championships, SJSU Convocation and Commencements, Orientations - transfer and new students, Admitted Spartan Day, HS Graduations
- 14 club sports teams and 15 student organizations practice and hold competitions weekly

Student Training & Development

- Fall and Spring All Student Trainings: Title IX, Diversity, Equity, and Inclusion, Customer Service, Discrimination and Harassment
- Provide learning-based student assistant work experiences that support student readiness for post-college employment.
- Discover high-impact practices and retention strategies that influence student achievement and success through the Student Union Student Assistant Employment Program.

Strategic Priorities

- **Business, Operational Practices, and Facilities:** Grounded in the philosophy of continuous quality improvement and guided by assessment data, Student Union units offers programs, services, and facilities that are student/client-centered, effective, efficient, sustainable, collaborative in nature, and responsive to organizational and legal constraints.

- **Enrollment Management, Retention, and Advocacy:** Guided by assessment data, Student Union creates opportunities for student success. Student Union departments offer programs, services, and facilities that build a relationship between the student and the university while enhancing student capacity for academic and personal achievement. Student Union collaborates with other campus partners to address student needs and expectations which contribute to student engagement, retention, and timely graduation.
- **Maximizing Financial Resources:** Strive to supplement student fee funding by generating self-earned program revenue and minimizing operating expenses in order to maximize value from student fee funding and other resources as may become available.
- **Staff Development and Well-being:** The capacity of the Student Union to contribute to student and University success is directly linked to the capacity of the staff to perform at a high standard. Therefore, Student Union is committed to creating a work environment based upon clear and reasonable expectations in which performance evaluation is constructive and developmental, that provides an opportunity for continuous development of skills and abilities, that recognizes and expresses appreciation for the contributions of individuals and groups, and that encourages and facilitates physical, emotional, interpersonal, career, and spiritual well-being.
- **Student Learning and Development:** Student Union departments establish learning outcomes for their programs and services in which student assistants participate. These outcomes will, when appropriate, complement the outcomes established through a combination of the Student Union, Division of Student Affairs, and the Transformation 2030 priorities. Assessment of learning outcomes will occur and the results will be used to guide program, service planning and budget decisions.
- **Technology Advancement:** Utilize technology to improve access to information, facilitate access to business processes, create opportunities for program and service delivery, and to engage students in learning opportunities.

Mission Statement & Values

- **Mission**
The Student Union, Inc. of San Jose State University supports the development, growth, and well-being of students and the campus community by providing diverse programs, desired services, and quality facilities that enhance the collegiate experience.
- **Values**
 - Positive role-modeling in our work
 - Creativity and risk-taking are encouraged and supported
 - Committed to the excellence of the Student Union, Inc.
 - Live up to our commitments
 - Communicate directly, consistently, open/honestly
 - Acknowledge collaborative contributions and individual achievements

Appendix A: Revenue Summary

Student Union Inc. Consolidated Operations Budget 2025 Approved by SUBOD on 4/17/24

Item Description	Student Union	Event Center	SRAC	Budget Request FY24-25	Budget FY23-24	Actuals 1H FY23-24	Projected Actuals 2H FY23-24	Projected Total Actuals FY23-24	Difference Budget FY24-25 to Projected Actual FY23-24
Revenue									
Campus Funding									
Student Union Fee Funding Request	9,658,975	449,255	3,369,410	13,477,639	11,109,664	6,532,238	4,577,426	11,109,664	2,367,975
Rentals									
E. C. Arena	-	70,000	-	70,000	100,000	-	40,000	40,000	30,000
SRAC Rentals	-	-	10,450	10,450	10,630	5,135	10,500	15,635	(5,185)
Aquatic Pool Rentals	-	-	-	-	7,000	-	-	-	-
S.U. Event Services Rentals	15,000	-	-	15,000	13,714	17,295	-	17,295	(2,295)
Audio/Visual-All Areas	-	-	-	-	-	2,150	-	2,150	(2,150)
Programs									
Bowling Center	300,703	-	-	300,703	291,000	154,497	139,047	293,544	7,159
Campus Rec Programs	-	-	58,280	58,280	75,092	17,224	29,370	46,594	11,686
SRAC Memberships	-	-	379,011	379,011	326,860	175,033	193,441	368,474	10,537
SRAC Aquatic Instruction	-	-	12,000	12,000	12,000	830	4,000	4,830	7,170
SUI Reimbursed Expenses	49,108	10,000	12,400	71,507	86,922	26,909	23,003	49,912	21,595
Other									
Misc Income	1,000	-	-	1,000	3,000	245	2,755	3,000	(2,000)
Investment Income	300,000	-	-	300,000	300,000	276,984	57,000	333,984	(33,984)
Total Operating Revenues	10,324,785	529,254	3,841,551	14,695,590	12,335,882	7,208,540	5,076,542	12,285,082	2,410,508

Appendix B: Expense Summary

Student Union Inc. Consolidated Operations Budget 2025 Approved by SUBOD on 4/17/24

Item Description	Student Union	Event Center	SRAC	Budget Request FY24-25	Budget FY23-24	Actuals 1H FY23-24	Projected Actuals 2H FY23-24	Projected Total Actuals FY23-24	Difference Budget FY24-25 to Projected Actual FY23-24
PROJECTED HEADCOUNT AS OF JULY 1, 2024									
FULL-TIME	43	2	15	60	68	52	57	57	3
PART TIME & STUDENT ASSISTANTS (20 HRS/WK)	129	17	234	380	360	360	360	360	20
Expenses									
Payroll									
Student/Part Time Payroll Tax	31,058	-	32,088	63,146	200,493	28,980	35,607	64,587	(1,441)
Part Time/Contractor Wages	-	-	43,817	43,817	23,315	12,253	14,704	26,957	16,860
Student Wages	1,112,075	-	1,916,060	3,028,134	2,506,168	1,280,038	1,379,092	2,659,130	369,004
Full-Time Tax & Benefit	1,755,831	68,675	560,779	2,385,285	1,939,068	893,858	1,124,242	2,018,100	367,185
Full-Time Wages	3,125,862	137,350	1,121,558	4,384,770	3,658,618	1,785,434	2,121,212	3,906,646	478,124
Total Salaries & Benefits	6,024,825	206,025	3,674,302	9,905,152	8,327,662	4,000,563	4,674,857	8,675,420	1,229,732
Other Operating Expenses									
Supplies	175,279	300	176,823	352,401	346,903	136,873	189,665	326,538	25,863
Communications	595,415	27,694	207,703	830,812	376,895	190,340	187,736	378,076	452,736
Travel	60,195	-	34,102	94,297	26,154	8,752	37,303	46,055	48,242
Insurance	109,200	48,600	66,300	224,100	208,000	103,787	103,787	207,574	16,526
Repairs & Maintenance	26,948	-	500	27,448	243,686	108,091	130,099	238,190	(210,742)
Event/Program Costs	1,162,080	85,500	11,230	1,258,810	884,972	399,411	487,475	886,886	371,924
Small Equipment	48,664	-	187,368	236,032	56,667	7,637	50,917	58,554	177,478
Outside Agency Service	753,284	400	853,562	1,607,246	1,798,745	984,958	808,671	1,793,629	(186,383)
Staff Development	119,503	-	39,788	159,291	66,198	29,052	37,619	66,671	92,620
Total Operating Expenses	3,050,569	162,494	1,577,375	4,790,438	4,008,220	1,968,901	2,033,272	4,002,173	788,265
Total Payroll and Operating Expenses	9,075,394	368,519	5,251,677	14,695,590	12,335,882	5,969,464	6,708,129	12,677,593	2,017,997
Depreciation	200,000			200,000	450,000	196,500	165,729	362,229	(162,229)
Total Expenses	9,275,394	368,519	5,251,677	14,895,590	12,785,882	6,165,964	6,873,858	13,039,822	1,855,768
Operating Income/(Loss) Excluding Club Sport & Intramural Programs	1,049,391	160,735	(1,410,126)	(200,000)	(450,000)	1,042,576	(1,797,316)	(754,740)	554,740
Capital Expenditures	889,000	85,000	45,200	1,019,200	672,000	33,130	34,857	67,987	951,213
Total Operating & Capital Expenditures	10,164,394	453,519	5,296,877	15,914,790	13,457,882	6,199,094	6,908,715	13,107,809	2,806,981

Appendix C: Capital Outlay Budget**FY 24-25 Capital Expenditure Projects**

Project Description	Cost	Justification Notes
SU Printer/Copier	10,000	Admin Office Copier is slow and unsecure and a newer, more supported model should be purchased
SU A/V Technical Upgrades*	854,000	Audio-visual upgrades to SU building to improve technical quality of presentations and livestreaming
EC Operations Office Buildout	40,000	50% of the EC operations office space has been built-out during FY24; the remaining 50% to be completed in FY25
EC Audio	45,000	Replacing remaining speakers and processors that are beginning to fail. Last updated in 2010
Ice Machine	8,000	For south campus Recreation Field not utilized by Athletics
Ice Machine Installation Labor (FDO Project)	7,000	FDO labor for plumbing, electric work
Tricep Press	7,200	New machines based on student need for additional strength machines
Fly/Rear Delt	5,700	New machines based on student need for additional strength machines
Leg Extension	6,100	New machines based on student need for additional strength machines
Lateral Raise	5,700	New machines based on student need for additional strength machines
Shoe Rack for Checkout Desk	5,500	To keep climbing wall shoes organized and separated by size
Floor Machines (T5 & T7)	25,000	Equipment to clean event spaces in between meetings, not public spaces
	<u>1,019,200</u>	

*NOTE: Per Sara Bonakdar, Designee of the CFO, this project is to be handled in conjunction with FD&O and I/T and may be billed directly to the Student Union Fee Trust