SUFAC

Meeting Minutes for November 20, 2014

# Call to Order

SUFAC Chair Reed Heintzkill called the meeting to order at 5:15 pm.

1. **Roll Call**
	1. **Members Present:** Reed Heintzkill, Eric Kissinger, John Landrum, Bea Yang, Nikolas Austin, Kaitlin Skroch, Nicholas Toyne, Allison LeMahieu, Milton Byers, Sami Dannhauser, Marc Minani, Brandon Swanke, Penghan Yi, Karen Basulto, Jessica Murphy, Tyler Stier, Vanya Koepke, Samantha Braaden, Karen Basulto
2. **Recognition of Guests:**

**Office of Business and Finance**: Kelly Franz, Dick Anderson

**Athletics**:Brendan Gildea, Mary Ellen Gillespic, Mike Kline, Craig Sandlin

**SGA**:Trevor Matson, Ben Kiecher, Gretchen Kletstrad, Paul Ahrens, Jacob Werel

**Facilities**:Paul Pinkston

**Kress**:Jeff Krueger

1. **Approval of Agenda and Minutes:** Reed entertained a motion to approve the agenda. Allison motioned. Nick T. seconded. Voice Vote. Agenda passed.

Reed entertained a motion to approve the minutes from the last meeting. Han motioned. Brandon seconded. Voice Vote. Agenda passed.

1. **Reports**
	1. **OFO:** Contingency is $26,305.35 and small organization start up is $1400.
	2. **Liaison:** N/A
	3. **Senate:** N/A
	4. **SGA Exec:** We are finishing the exec evaluations so they can get their honorariums. We are working on improving the website so that the students can be more aware of what’s going on.
	5. **Vice Chair:** The submission is Sunday at 11:59pm for org budgets. SUFAC attendance is important as we go over the budgets over the next few weeks.
	6. **Chair:** We started receiving org budgets and we are looking at them just to make sure everything looks right. We usually reply back to the orgs informing them of any adjustments. Welcome to Brandon, Allison, and Sami as new members.
2. **At large member application: Jessica Murphy**

Jessica is joining us on the board but since we are at our full occupancy with 8 senators, she will be an at-large member. Jessica is a freshman this year and she is excited to be a member of SUFAC because she likes seeing a different aspect of SGA.

Reed entertained a motion to approve Jessica Murphy as an at-large member. Allison motioned. Sami seconded. Roll call vote. Motion passed.

1. **Budget Hearings**
	1. **KEC Maintenance (Paul Pinkston)**

We do general upkeep and maintenance of the building. We do cleaning and maintenance around the building using some SUFAC funds and the rest is from outside sources. Basically in the next fiscal year, we are requesting an increase of 3% in the previous budget in response to the fringe increases in the assumptions page that are in the next 5-6 years. We are not including any other special purpose dollars. Sometimes we have to depending on utility repairs. We try to keep a small balance of $50,000 just in case of any repairs required for the building in emergency situations. A lot of our people are third shift (11pm-7:00am) so that they can get into opposite gender bathrooms and team rooms. We are always overlapping and there is never a time when someone isn’t there. Ground maintenance work first shift and respond to various mechanical duties. We had a lot of turnover on third shift so we were always using the student LTE line. We just filled the supervisor position in September. We are trying to save some money in those areas now. Electricians and plumbing is generally covered under our own budget. Custodial is the largest component due to supplies. Future repairs include some pretty high priced things. We have some steam coils that are about $200,000 that have been repaired already due to mechanical failures. They should be fine but you never know when they will need repair again. We have recently had failures in some lighting so we have worked with intramurals to take out high priced fixtures and replace them with better illumination. Our fringe benefits are based on the 3% assumption and are expected to continue climbing in future years. The operating S&E is at a zero increase. We are trying to hold our balance at the $50,000 mark. It will be a little under at 2019-2021. We gave some back recently due to salary savings because there is a lot of turnover and transfers out.

 **Questions:**

Reed asked about the 3% increase in fringe benefits because it seems to be a 7% increase?

It is based on the general controller’s fringe increase and was plugged into the formula. We don’t control the fringe so it shouldn’t be 7% unless that is the same across the board for everyone else, such as the union. We can check with the controller and get back to the board about the 7%. We just want to keep that cash balance maintained because if we don’t have an increase, we will be at zero by 2018.

* 1. **Kress Recreation and Sports (Jeff Kreuger/Tim Helien)**

We hope all of you are using the Kress center or have been a part of intramurals. We had a really good year last year. An online publication placed us in the top 20 of recreational facilities. They identified us independently on that list so that is something we should all be proud of. We had a new record last year of Kress entries based on card swipes. Participation and usage in the building as continued to increase. We have had two awesome programmers that have excelled in serving student needs. Unfortunately one of them is leaving us tomorrow so we will work hard to fill that position. We had record intramural participation; we had over 14,000 users last year that beat last year’s record. Our last three years have been our best years of group fitness. We have hosted over 3000 events since the building opened, including special events outside of athletic activities.

Student development is huge for us. One of our student employees was identified last year for an award, which is a great honor. Our revenues are made up of 102 and 128. Memberships, seg-fee, Learn to Swim, facility rentals, etc. are our main sources of funding. Memberships and facility rentals are 102 funds while the rest are 128 funds. Sales are used to compensate for salary costs. We make the money in those two 102 areas, which saves SUFAC money on the fringes because the state covers those costs. There are 7 revenue sources: vending, concessions outside of athletic events, Learn to Swim, facility rentals, and miscellaneous. The total expenses include 128 and 102: our fringe benefits and staff salaries. If you compare back and forth, our expenses are exceeding our revenue. In the past, we have been asked not to request an increase. Our reserve has been depleted and we have been running a negative operating margin to avoid requesting an increase. Student salaries are 36% of our 128 budget, including our front desk staff, the pool lifeguards, fitness programming, intramural programming, web/graphic design for marketing, and climbing tower staff.

Last year, we thought we were going to ask for 3% but we also had some salary and fringe increases. This is the second time we have ever asked for an increasing and we are asking for a 5% increase now. There’s not a lot of reserve so there isn’t much interest income expected. We are figuring a 1% pay plan increase from 2015 to 2016, which has increased since the 2014-2015 projection. We are anticipating being full staffed. Our fringes have increased over the last three years and we are projecting at the 3% increase going forward. For our operating S&E, we were able to transfer off some additional revenues. There was some maintenance that didn’t happen that allowed for some savings. This year, we are planning on taking our wood floors down to bare wood. In April, we plan on fully sanding and redo that, which is much more labor intensive. Next year, S&E remains a little higher because we have the same thing planned for the Bennett Gym. In 2016-2017, it goes down because we don’t have any big budget items planned. Reed commented that the debt service is a separate line item so we will talk about that later.

Our operating margin is misleading because they build in that debt service. The years of running negative operating really catches up to us after some time. We are projecting out 5% increases for the next few years to maintain a marginal reserve. This is the best projection at this point but revenues could increase.

Reed commented that the 5% increase is one of the several different projections he had in mind. If we had it at a lower percent, we would have to increase it at 10% in the future to compensate so we thought that this was the best line of action.

 **Questions:**

Reed commented that there is a number of student orgs that are fitness related and use the Kress Center but occasionally they come to us with requests that we tend to deny based on the reasoning that we already fund the Kress Center. Therefore, if the Kress doesn’t deem these events necessary, we tend not to fund it.

Most club sports are both a blessing and a curse because of liability. Our S&E is prioritized for the Kress and we don’t have a lot of space for storage for clubs. The risk of the activity is also an issue. We sympathize but our hands our tied. Our S&E budget doesn’t have built in costs for clubs. We would like to address these needs in the future.

Reed commented that when some of these orgs are presenting, the board would like them present to consult.

They are happy to give us a building tour and show a behind the scenes look at the facilities so that the board can better understand our needs.

Reed asked if they have any projections about future capital items?

 We need to better develop our capital budget. There are some weight equipment needs, the turf in the gym, and other aged equipment. We didn’t build that in because that makes the budget look bleaker but we will need to look at these items in the future. We are trying to always rotate our equipment over so that the new students will still have the same new experience that current students had when they arrived on campus. We have to identify where the priorities are.

* 1. **Athletics Dept. & Sports Complex (Mary Ellen Gillespie/Brenden Gildea)**

We are a little different from other auxiliaries because of Horizon league rules. We are presenting for 2017-2018 in projecting our trends because 2015-2016 and 2016-2016 have already been presented. Our revenues encompass the 102 fund (state funds), 122 operating fund with a majority of our revenue and expenses, 172 fund, and 233 fund (gifts and grants). There was a 3% increase in the 2014-2015 year. The vast majority of the 102 fund goes to staff salaries. The 233 fund is used for student athlete needs. 128 revenues is the bulk of our activity. This is ticket sales, including soccer, basketball, and volleyball. This is a variable because last year, the men’s basketball team hosted two large ticket games that were sold out. We don’t have a repeat of that type of schedule so we won’t be able to match last year. The bigger Big 10 teams will pay a cash payment to teams to play in their house. This will happen again when we play Miami and we are focusing on increasing these revenues. There are also concessions sold at these athletic events. One of the priorities that we have set for this year is about our staff turnover, which has allowed us to restructure our staff. We have used salaries from people that left to hire fundraisers and positions focused on increasing revenue and marketing. We want to get improve in this area and we will help raise the money that we need to operate. We restructured our staff so that we can be a part of the solution.

For expenses, we are below our projected revenues for the year by about $9300. We have the lowest expense in the Horizon League. Last year we won 4 championships so we take pride in our accomplishments with what we have. Division I athletics is a very competitive industry so trying to recruit the right talent is a constant battle. The Oneida money that we have coming encapsulates some of the operating expenses, including the rental fees to the Resch center for the men’s basketball games. The rest is from state support and we have a lot of scholarships that we hand out. We had 29 semesters where they have been over a 3.0 GPA. We take pride in attracting good students and good athletes to represent UWGB. The equipment includes our uniforms and any other athletic gear. Our teams will recycle jerseys and we try to reuse as much as we can to avoid purchasing every year. The miscellaneous include printing, postage, etc. We try to figure out other ways of transportation since flying out of Green Bay is not always cost efficient. A lot of our teams take long bus rides to play in other states.

The seg fee is the same amount as this year but we have our revenues increasing as we become more externally focused. We are expecting some growth in the revenue side as we put that out there for the next few years. A lot of components, such as ticket sales, depend on the success of our teams. Fringe benefits are tough to project because of the large turnover in our staff so we are estimating the trends that the controller’s office sets for us. The operating S&E is staying even for the next few years. Over the next year or two, we will be able to put in some things that will save some costs then it will rise naturally with plane tickets or new jerseys. On the 128 cash balance line, it has been negative for the last few years. We are eliminating that negative so we’ve been running the deficit based on the idea that the Horizon league owes us.

Reed commented that because Athletic’s budget runs two years ahead of time, the actual budget request is in the 2017-2018 line. We are putting in a request for 3% based on salary increases and we will be able to stem that over the following years but after that we will be running in deficits and need to increase again.

 **Questions**

 Reed asked if they could characterize the relationship between tuition coming in and scholarship payments because it seems counterintuitive. We felt frustration in the past about the full budget being disclosed to us so we appreciate the big picture now.

 We have people getting above and beyond tuition such as housing and stipend depending on the level of competition. There has been some built in so that we can get the level of talent that we want out on our teams. We work with the financial aid office and the state funds will be allocated to us but that is in conjunction with the campus as a whole and the financial aid office.

 Sam asked if student athletes are paying seg-fees? The seg-fees are included. The expenditure as scholarships includes the seg fees coming into the campus. Kelly Franz commented that student athletes on scholarship do not pay seg-fees as a part of the waiver process.

 Milton asked if any of the seg-fee money from SUFAC is funding scholarships? Since we have the 128 funds, we don’t specifically say that the seg-fees pay for certain projects. We treat it all as one pool so we don’t specifically align certain expenses to certain revenues. We can’t say yes or no to your question. Our expenses are much greater than what we hand out so the seg-fees could be paying for any part of that.

 Brandon asked if the aid to individuals is just a pot? Yes.

 Allison asked if the scholarships in the 182 funds are specifically for recruiting?

 We don’t have an endless pot there so we have identified as a department what we need to do. It also accounts for the diversity goals on campus because we have a number of different countries represented in our department.

 Reed asked for the number of student athletes?

 About 250 students.

 Milton asked if it is possible to differentiate what the seg-fee money is being spent on so that students are paying for other students to come attend this school?

 Reed commented that it all comes out of the same place so what you are asking for is basically for none of the seg-fee money to be used to fund scholarships. They said they would probably need a separate fund in order to do that so it might be difficult.

 **Sports Complex Presentation (Mary Ellen Gillespie)**

The request for a turf soccer field and restrooms is about $900,000. The figures would spread over about 5 years. There were concerns about how long we would be expected to pay for this. The Chancellor guaranteed that whatever year we want the increase to end, it would end. There was also a concern about finances. A turf field versus a grass field, the maintenance is different. There is a cost savings from sprinklers, fertilizers, mowing, etc. for switching from natural grass to turf. There was also a concern about EcoU about the environmental impact analysis. There is very little construction involved in this project other than moving some dirt and installing the pieces of the turf field. All of the plumbing and lighting is always considered for environmental impact in the state of Wisconsin. We talked about student participation as well. There have been a high number of intramural games that were cancelled this year due to the condition of the grass field that would not have been the case with a turf field. Our average participant in intramural will play in about 4 different leagues. There is a direct correlation between student intramural use and student retention on campus. It is an important part of student life; it is very used and busy. Studies show that intramurals affect student retention rate. Student attendance increased for men’s soccer games about 19% while there was a 2% decrease in women’s soccer, which is due to bad weather and timing.

 **Questions**

Reed commented that the question was whether there is an adequate amount of student attendance. We are focusing on engaging students while partnering with student resident life and partnering with student organizations. We want a better partnership on campus to enhance this experience for students.

Paul asked where the demand for this soccer complex came from?

There was no formal survey taken from the student body.

 Allison said that she was under the impression that the current field will be turned into two fields?

The existing soccer field will also have two intramural fields, which allows intramurals to add some more teams and to play in the spring.

 Nik A. asked about the storm water retention?

Paul Pinkston commented that any type of construction requires a way to clean the water. The system takes out suspended solids so that they settle and the clean water will continue to run off, which is what we had to do for the Kress Center. It shows that there will be a retention system. The drainage goes from East to West from East Circle Dr. that feeds into our ponds.

 Nik A. asked if the tennis courts would need to be torn down in order to construct this system?

Yes, and we are not sure if they will be rebuilt yet. They are currently in a badly run down condition.

Sam asked where the money to maintain the complex will be after it is built?

It will be built into our maintenance budget and will become our responsibility according to our new revenue plan that will be distributed to our facilities.

 Reed asked if there are any statistics on the impact the Kress Center had on student retention?

 They will provide that information to the board.

 Vanya asked if part of this project would be another avenue in our enrollment strategy? Also, will there be opportunities for students outside of intramurals to use this field for concerts, etc.

The new facility will increase and improve the media coverage because we will be able to stream those channels from the field. It will become another opportunity to use for receptions and student rallies.

Nik A. asked if $5 million has been given to us in the form of donor money?

About $4million has been provided from private funds.

Milton asked if this project is going forward whether SUFAC votes yes or no?

It will go forward but it will not be a turf field.

Brandon asked how long the turf field lasts?

Generally about 10 years or 12 years if it is properly taken care of.

 Trevor asked about the quality of the turf field compared to other institutions?

 The state requires us to go to bid so we can’t say what company we would get. We want to do it right.

 Reed commented that we are at the highest proportion of seg-fees in our funding our athletics. It is about 50% of the seg-fee, which is higher than other schools, which raises the need for some explanation.

 We truly believe that we exist to help an institution grow and be stronger. We consider ourselves the most visible aspect of campus and we know that comes with a lot of responsibility. We believe we are a great engagement opportunity as well as for student pride. The Kress center is a big part of the campus tour, which generates a lot of interest as well as in bringing in events. Athletics doesn’t think its special but just different in how we work with admissions year round, which helps with the success of the institution. The Kress Center is a large center of student employment on campus, which helps with student enrollment. One of our biggest challenges is staying relevant. We believe that winning helps us to stay relevant and building successful programs. It helps catapult the institution and puts it in a national spotlight to encourage applicants.

1. **Action Items:**
	1. **BSU Food Request**

Reed entertained a motion to approve the BSU food request. Milton motioned. Brandon seconded.

Reed commented that this is going to be an educational program where they will discuss culture and tradition while also enjoying the dinner. Allison stated that the guidelines that nonstudents have to pay for the cost of the entire meal so they will have to charge $18 for nonstudents. Originally they were expecting about 75 nonstudents and charge $7 at the door so Allison asked if that means that the cost would go down? Reed said that he is not sure. Reed said that the options are to spend the extra money to fund it in full or to require them to charge more at the door. According to the guidelines, they do not break the guidelines for the maximum amount funded for food. Allison wants to fund $1100 and stick to the guidelines. Kaitlin said that it was possible to fund the difference with the AIC department.

 Allison motioned to friendly the request for $1100. Milton rejected.

 Roll call vote. Motion failed 4-8-1.

 Motion to approve the request according to the guidelines for $1100. Roll-call-vote. Motion passed 8-0-1.

* 1. **WOC Travel Reallocation**

Reed entertained a motion to approve the WOC travel reallocation. Karen motioned. Allison seconded.

This looks like a great conference but it goes against our guidelines being more than $40 per person per day. According to John, $840 has already been allocated so the request would almost be doubling that. Straw poll vote. People support adjusting the request to fit the guidelines. Technically, they are out of the Midwest but we decided to make an exception. The board would approve the request if it were adjusted to fit the guidelines so they would be expected to come up with $1575 on their own if we provided $1000.

Allison would like to friendly the motion to approve the request for $1000. Karen accepted.

Roll-call-vote. Motion passed 10-1-2.

1. **Announcements**

Next week we are off for Thanksgiving break. The meetings will only get longer from now on.

1. **Adjournment:** Reed entertained a motion to adjourn the meeting. Eric motioned. Allison seconded. Meeting adjourned at 8:09 pm.

Respectfully submitted by:

Sarah Batten

SUFAC Administrative Assistant