



Budget Increase Request Cover Sheet

To be completed annually by each department. Please attach Budget Request Forms for each proposed increase.

Department: Student Organization Finance Center

Account #: 214510

Department Budget History:

	FY 2009	FY 2010	FY 2011	FY 2012
Total Budget	\$336,359	\$347,054	\$362,004	
Total Current SSF Allocation	\$181,755	\$192,450	\$207,400	
SSF Increases Requested	\$0	\$69,370	\$14,950	\$15,538
SSF Increases Funded	\$8,522	\$10,695	\$14,950	
Total End-of-Year Reserve Balance Across All Operating Accounts	\$260,717	\$114,775	\$69,561	(Projected)

Please provide a reserve spending plan if ending FY11 reserves exceed University requirements.

Total Reserves Beginning FY 2011	\$147,231
Investment Income Shortfall FY 2011	(\$76,180)
FY 2011 Security Camera Fee	(\$1,490)
FY 2012 Anticipated Reserve Balance	\$69,561
Required 2 Month Operational Reserve	(\$60,334)
Sub Total Reserve Balance	\$9,227
Future Considerations	
Computer Equipment (3 year replacement)	(\$13,400)
FY 2012 Projected Investment Income Shortfall (Based on FY 2010 Deposits)	(\$77,391)
Calculating at 1.75% shortfall- 64,522.00	
Calculating at 1.5% shortfall- 77,391.00	
Calculating at 1.25% shortfall- 90,259.00	
Calculating at 1.00% shortfall- 103,128.00	
Calculating at .5% shortfall- 128,866.00	

SSF Increase Request History & FY 2012

Summary:

<i>Program, Service, or Operation Requested</i>	<i>Amount Requested</i>	<i>SSFAB Recommended? (y/n)</i>	<i>VPSA Approved? (y/n)</i>
FY 2010			
Business Coordinator III new position	\$53,200	No	No
Equity Pay for Training Specialist	\$6,670	Yes	Yes
Student Technician	\$9,500	No	No
Total Request FY 2010	\$69,370		
FY 2011			
New Graduate Assistant	\$14,950	Yes	Yes
Total Request FY 2011	\$14,950		
FY 2012 Proposal Summary (Prioritized)			
Equity Pay for Training Specialist	\$6,380		
Reclassifications for (2) Business Coordinator II	\$9,158		
Total Request FY 2012	\$15,538		

Annual Report (cont.)

Additional Questions: (to assist the Board when informing the student body about stewardship of the Student Service Fee)

Briefly, what recent programs/services have been successful? Which need work? Explain.

The SOFC advances student development by providing a supportive environment where what has been learned in the classroom may be applied through their involvement in various student organizations. The Training Specialist position plays an integral role in this development. Last year, this position presented approximately 280 training sessions to students. Students have reported that the training which was received through the SOFC has assisted them in their professional development.

In November, 2009, the SOFC began testing the online software to receive credit card payments and track inventory (known as Marketplace). During the Marketplace testing, five student organizations volunteered to process online credit card payments. These five groups processed 1,486 payments totaling \$182,560. In September, 2010, the Marketplace system became fully operational and was made available to all recognized student organizations. Since that time, 25 additional organizations have committed to utilizing the Marketplace software. Beginning November, 2010, Fish Camp will also join the ranks of the Marketplace users to enable their 1,116 Crew, Co-Chairs, and Counselors to make online payments.

Our newest position, a Graduate Assistant, was granted through the SSFAB process last year to help maintain the Marketplace program. She is in consultation with her advisor and the Office of Graduate Studies to gain class credit for her work in the SOFC. Her request is based largely on her responsibilities that deal with the complexities of Marketplace and Credit Card Payment processes.

A Credit Card Merchant Clearing Account was established for monthly collection and payment of the processing fees to the University and the credit card companies. During the Marketplace testing phase, the University advised the SOFC to charge 5% of their processed receipts, plus a \$.50 per transaction fee to student organizations, ensuring charges to the SOFC would be covered. However, when the testing phase concluded, an analysis initiated by the SOFC, determined that 3% of their processed receipts, plus \$.50 per transaction was

sufficient to cover all charges. This lower rate will make the credit card system more affordable for students and their organizations.

The SOFC utilized the travel credit card to facilitate the processing of 108 payments, totaling \$148,780. This method of payment was designed to assist students who travel as student organization representatives so that they would not have to pay the expenses personally and then ask for reimbursement. The SOFC has expanded the student travel credit card program for FY 11 and has renamed the program to the Credit Card Payment Request. This change was made so that student organizations may not only use the SOFC payment card for student travel expenses, but also for merchandise, supplies, registrations, and dues.

As a result of a System Audit review, findings reported to the Board of Regents resulted in the SOFC being required to perform a semi annual audit on the student organizations that process more than \$25,000 annually. These audits ensure that the organizations are completing and documenting monthly financial account reconciliations. At the time of the mandate, there were 54 organizations operating at that level. This year, the SOFC will be auditing 92 student organizations.

In FY 10, the SOFC exceeded processing goals by completing 28,519 documents, totaling \$17,296,905. This is an increase from FY 09 transactions which were 27,330 documents and \$16,443,181. In FY 09 the SOFC distributed 1,694 account statements each month. In FY 10, the SOFC distributed approximately 1,800 statements a month.

The SOFC is the gatekeeper and administrator of grants given by the Association of Former Students and scholarships awarded by various student organizations.

Last summer, Georgia Tech University selected the SOFC for a site visit to allow them to gather the information needed to implement an operation replicating the SOFC on their campus. This is an excerpt from an email received from them.

“The Vice President for Student Affairs, Dr. William D. Schafer has spoken about initiating a Georgia Tech University Student Finance Center for the past 2 years. Staff questioned how to start such an initiative. In December, Georgia Tech became a member of the Student Affairs Leadership Council (An Advisory Board Company from Washington D.C.) The Student Affairs Leadership Council completes research projects for its members. Georgia Tech’s first research project topic was How to Manage Student Organization Accounts. The Student Affairs Leadership Council reviewed universities across the nation and provided a list of 8 universities, based on 3 different models. Georgia Tech completed phone interviews with the 8 universities and narrowed the field to two, TAMU and the University of Colorado at Boulder.”

After Georgia Tech’s visit to Texas A&M SOFC, they said that our office most closely resembled their vision of how they want to support their student organizations.

Please list actions taken in FY11 that helped reduce the pressure of increased fees, e.g., eliminated vacant positions, program cuts, increased revenues, and development efforts.

The Finance Center continues to encourage vendors and students to receive payments through the on-line Automated Clearing House. Last year, the SOFC processed 4,539 ACH payments, saving approximately \$2,500 in postage, mailing supplies and labor costs.

The SOFC continues to share resources with University partners. Student organizations, MSC Committees, and Division Partners are utilizing the SOFC after hours drop to secure deposits. These deposits are then couriered to the bank for processing.

The SOFC continues to partner with the Texas A&M Development Foundation, marketing recognized student organizations to potential donors. Last year, student organizations received 614 gifts through the Development Foundation, totaling \$321,714.

What do you see as your department's financial priorities in the next 3 – 5 years (FY12-FY16)?

The present economy has negatively affected SOFC interest earnings, which make up about 43% of our annual budget. The SOFC will continue to maximize our current resources and continue to explore more streamlined, economical methods of processing financial documents. However, in light of our current reserve balance and the continued reduction of the investment income that this budget is reliant on, we foresee the possibility of requesting operational funding in the near future.

We will continue to seek student feedback through our customer service survey, suggestion box, and continuous communication with those we serve. The information gained informs our practice and guides our path to better service. Students frequently inquire about online bill pay and real-time account information. We will continue to explore options that will allow us the opportunity to meet these requests.

Additional comments, special considerations, etc.

SSFAB Comments/Notes:

STUDENT | SERVICE | FEE | ADVISORY | BOARD