



Student Service Fee Advisory Board

Annual Report/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 2010	FY 2011	FY 2012	FY 2013
Total Budget	\$347,054	\$362,004	\$379,001	
Total Current SSF Allocation	\$192,450	\$207,400	\$219,647	
SSF Increases Requested	\$69,370	\$14,950	\$15,538	\$68,432
SSF Increases Funded	\$10,695	\$14,950	\$15,538	
Total End-of-Year Reserve Balance Across All Operating Accounts	\$114,775	\$69,561	\$8,975	(Projected)

Please provide a reserve spending plan if ending FY12 reserves exceed University requirements.

Total Reserves Beginning FY 2012		\$87,856
Investment Income Shortfall FY 2012	(\$77,391)	
FY 2012 Security Camera Fee	(\$1,490)	
FY 2012 Anticipated Reserve Balance		\$8,975
Investment Income Shortfall FY 2013	(\$68,432)	
Required 2 Month Operational Reserve	(\$63,167)	
Sub Total Reserve Balance		(\$122,624)
Future Considerations		
Computer Equipment (3 year replacement)	(\$13,400)	
FY 2013 Projected Investment Income Shortfall (Based on FY 2011 Deposits)	(\$68,432)	
Calculating at 1.75% shortfall-	54,070.00	
Calculating at 1.5% shortfall-	68,432.00	
Calculating at 1.25% shortfall-	82,794.00	
Calculating at 1.00% shortfall-	97,156.00	
Calculating at .5% shortfall-	125,880.00	

SSF Increase Request History & FY 2013

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 2011			
New Graduate Assistant	\$14,950	Yes	Yes
Total Request FY 2011	\$14,950		
FY 2012			
Equity Pay for Training Specialist	\$6,380	Yes	Yes
Reclassifications for (2) Business Coordinator II	\$9,158	Yes	Yes
Total Request FY 2012	\$15,538		
FY 2013 Proposal Summary (Prioritized)			
Student Service Fees to Replace Investment Income	\$68,432		
Total Request FY 2013	\$68,432		

Annual Report (cont.)

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

Training: *The main purpose of SOFC training is to instruct staff and students on the financial policies and procedures that demonstrate best business practices within Texas A&M University. Students are offered a supportive environment where they are able to gain knowledge in conducting business relating to their student organizations. Last year, the SOFC staff presented one-to-one trainings to approximately 265 students. While students found this personal training very useful, the SOFC was requested to also provide this material in an on-line format. Recently, we launched an on-line module that offers general SOFC processing information. The students are using the on-line training for a self-review and to share with fellow organization members. More training modules may be added after an assessment of the initial on-line module is completed.*

Marketplace: *Marketplace was first offered to student organizations in 2009 and under the recommendation of Financial Management Operations, a fee of 5% plus \$.50 per transaction was established as a base rate. Since the implementation, due to the growing popularity and an increase in dollars transacted, we have been able to reduce the processing fees to 3% and \$.40 respectively. These fees are collected to offset the costs associated with doing business with the affiliated credit card companies. The G.A., who was funded in FY 2011 by Student Service Fees, serves as the Marketplace Administrator and has worked with 78 student organizations to create and maintain their storefronts under the SOFC Merchant Account. Through Marketplace, these groups deposited \$974,750 into their individual SOFC accounts. As the number of student organization users grow more Administrator time and oversight will be needed.*

Vendor Set Up: *Financial Management Operations is responsible for the University's compliance to US Department of Treasury regulations regarding vendor information files. In February, FMO terminated SOFC access to add vendors into the University's accounting system. The SOFC and FMO transitioned to a vendor set up process that supports FMO's vendor file maintenance; however, the new procedure has caused significant delays in our established processing timelines. During times with a recognized increase in the traffic pattern, the SOFC has experienced as much as a one week delay in completing student organization payments. We are proactively communicating with student organizations to inform them that the SOFC will complete their requests in the order in which they are received; which, in most cases, is in one business day.*

Payment Card: *There has been a continual increase in the number of purchases made on the SOFC Payment Card. This year 6% (873 transactions; \$539,244) of student organization purchases were processed with the SOFC payment card.*

Reconciliation Audit: *Student organization accounts are reviewed to determine which groups have transacted more than \$25,000 in the previous two years. These identified student organizations are required to complete and document timely SOFC account reconciliations. The SOFC assists student leaders in completing monthly account reconciliations and in developing appropriate written procedures for cash handling and inventory control. Last year we guided 93 organizations through the account reconciliation procedures, ensuring 100% compliance.*

Cash Advance: *Last year, the SOFC streamlined the Cash Advance Request process so that student organizations may immediately withdraw cash from their SOFC account. Prior to this change, cash withdrawals were processed with a 24 hour turn around. Students have communicated that this process is more convenient and better serves their needs.*

Foundation gifts: *In collaboration with the Texas A&M Foundation, we encouraged student organizations to acknowledge the gifts that were received by sending a note of appreciation to the donor. Last year, student organizations received 954 gifts, totaling \$423,353.*

Association of Former Students funding: *The SOFC is the gatekeeper and administrator of The Association's student organization funding process. Last year we processed and provided oversight to 98 different AFS funding grants, totaling \$52,917.60.*

Scholarships: *The SOFC assisted organizations in awarding 104 scholarships to TAMU students.*

Please list actions taken in FY12 that were necessary due to the budget cuts, and tell us how that impacted Student Service Fees that may not be being used for their original purpose.

We reduced our Student Service Fee Allocation by \$4,750.00 by redirecting a portion of Business Coordinator II's salary and benefits to another funding source.

What do you see as your department's financial priorities in the next 3 – 5 years (FY13-FY17)?

The primary concern over the next few years will be the financial security and stabilization of the SOFC operational budget. This dictates that we must ensure that the SSFAB allocation coupled with the investment income will be able to sustain the uncertain economic future we are faced with. Over the past few years, we have experienced a decline in the amount of interest received from the University Investment Pool which has caused instability within our operational budget. We have been and will continue to collaboratively work with the Vice President's Office and the University Budget Office to identify the resources needed to address this critical budgetary concern.

How many reclassifications did you have approved in FY11? N/A Total financial impact: \$0.00

How many equity adjustments did you have approved in FY11? N/A Total financial impact: \$0.00

How many one-time merit increases did you have approved in FY11? N/A Total financial impact: \$0.00

How many hiring adjustments did you have approved in FY11? N/A Total financial impact: \$0.00

How much money in salary savings did you acquire in FY11? \$5,892.00

Additional comments, special considerations, etc.

SSFAB Comments/Notes:

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