



San José State
UNIVERSITY

Student Union, Inc.

One Washington Square
San José, CA 95192-0155
E-mail: info@union.sjsu.edu
http://www.union.sjsu.edu

Student Union
211 South 9th Street
San José, CA 95192-0155
Voice: 408 924 6310
Fax: 408 924 6399

Event Center
290 South 7th Street
San José, CA 95192-0201
Voice: 408 924 6360
Fax: 408 924 6390

Spartan Recreation Aquatic
Center
290 South 7th Street
San José, CA 95192-0201
Voice: 408 924 6340
Fax: 408 924 6390

September 14, 2020

MEMORANDUM

TO: Charlie Faas
Vice President, Administration & Finance

CC: Patrick Day
Vice President, Student Affairs

FROM: Tamsen K. Burke 
Executive Director, Student Union Inc. of SJSU

SUBJ: Budget Proposal for Student Union, Inc. for FY 20-21

Attached is the Student Union, Inc. budget proposal for FY 2020-21 for your review and approval per the Financing & Treasury Office of the Chancellor.

The Student Union Board of Directors approved the following on Tuesday, September 8, 2020:

Approval of the Budget Request for FY 20-21 of \$14,174,077 (including \$1,135,816 in anticipated Cares Act loan forgiveness) in revenues and \$14,174,077 in total operational expenses. Included in the revenues is \$11,564,085 in Student Fees requested to be returned for operations.

Approval of \$533,800 in Special Projects. Local Reserve funds held by the Student Union will be used for Special Projects for FY 2020-21.

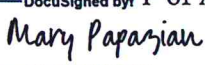
Enclosed is the Budget Proposal for FY 2020-2021 reviewed and approved by the Student Union Board of Directors at their September 8, 2020 Board Meeting. Please call me at 4-6371 if you have any questions regarding this request.

Thank you.

Enclosure(s)

DocuSigned by:

10/21/2020
A8A67319C3F8409...

Charlie Faas VP of Administration & Finance
DocuSigned by:

10/29/2020
30B22EE0A15D449

Mary Papazian President of San Jose State University

The California State University:
Chancellor's Office
Bakersfield, Chico, Dominguez
Hills, Fresno, Fullerton, Hayward,
Humboldt,
Long Beach, Los Angeles,
Maritime Academy, Monterey Bay,
Northridge, Pomona, Sacramento,
San Bernardino, San Diego, San
Francisco,
San Jose, San Luis Obispo,
San Marcos, Sonoma, Stanislaus.

STUDENT UNION AT SAN JOSE STATE UNIVERSITY
OPERATING BUDGET
FY20-21

	2018-19 APPROVED BUDGET	2019-20 APPROVED BUDGET	2019-20 APPROVED REVISED BUDGET	2019-20 FORECAST	2020-21 BUDGET REQUEST	Dollar Variance - FY 21 Request vs. FY20 Revised Budget	% Variance - FY 21 Request vs. FY20 Revised Budget
REVENUE							
Student Fees	\$9,376,313	\$11,564,085	\$11,564,085	\$11,564,085	\$11,564,085	\$0	0.0%
A.S. Lease	\$113,724	\$113,724	\$113,724	\$113,724	\$113,724	\$0	0.0%
Student Affairs Space	\$331,224	\$340,080	\$340,080	\$340,080	\$0	(\$340,080)	-100.0%
CPG (formerly CIES) Lease	\$441,636	\$452,676	\$452,676	\$452,676	\$463,994	\$11,318	2.5%
Aquatic Athletic Locker Lease	\$0	\$116,580	\$116,580	\$116,580	\$0	(\$116,580)	-100.0%
Aquatic Pool Rentals	\$0	\$130,000	\$130,000	\$123,977	\$0	(\$130,000)	-100.0%
ATM Rentals	\$28,740	\$28,740	\$28,740	\$33,773	\$46,320	\$17,580	61.2%
Spartan Shops Lease	\$489,466	\$489,466	\$489,466	\$489,466	\$489,466	\$0	0.0%
IDEA Lease				\$16,512	\$0	\$0	
S.U. Event Services	\$125,000	\$196,000	\$196,000	\$137,372	\$0	(\$196,000)	-100.0%
Audio/Visual-All Areas	\$18,500	\$18,500	\$18,500	\$18,209	\$0	(\$18,500)	-100.0%
Bowling Center	\$343,300	\$218,460	\$218,460	\$162,633	\$0	(\$218,460)	-100.0%
US Bank	\$25,056	\$25,056	\$25,056	\$25,181	\$0	(\$25,056)	-100.0%
EC ATM/Wireless	\$275,000	\$320,000	\$320,000	\$296,160	\$200,000	(\$120,000)	-37.5%
E.C. Arena	\$653,500	\$651,000	\$651,000	\$750,042	\$0	(\$651,000)	-100.0%
E.C. Box Office	\$30,225	\$30,200	\$30,200	\$22,185	\$0	(\$30,200)	-100.0%
EC Concessions	\$15,000	\$15,000	\$15,000	\$105,169	\$0	(\$15,000)	-100.0%
SRAC Rentals	\$75,000	\$65,000	\$65,000	\$40,800	\$0	(\$65,000)	-100.0%
Campus Rec Programs	\$54,185	\$84,008	\$84,008	\$45,210	\$0	(\$84,008)	-100.0%
SRAC Memberships	\$58,700	\$319,080	\$319,080	\$579,319	\$0	(\$319,080)	-100.0%
SRAC Aquatic Instruction	\$132,000	\$13,600	\$13,600	\$2,440	\$0	(\$13,600)	-100.0%
SUI Reimbursed Expenses	\$830,000	\$830,000	\$830,000	\$968,000	\$88,172	(\$741,828)	-89.4%
Misc Income				\$64	\$0	\$0	
Interest Income/Gains & Losses	\$275,000	\$275,000	\$275,000	\$173,850	\$72,500	(\$202,500)	-73.6%
Total Income from Cash Sources	\$13,691,569	\$16,296,255	\$16,296,255	\$16,577,507	\$13,038,261	(\$3,257,994)	-20.0%
PPP Loan Forgiveness, Estimated					\$1,135,816		
Total Income	\$13,691,569	\$16,296,255	\$16,296,255	\$16,577,507	\$14,174,077	(\$3,257,994)	-20.0%
EXPENSE							
Salaries/Wages/Benefits	\$7,239,378	\$8,560,925	\$9,390,925	\$8,213,856	\$7,631,235	(\$1,759,690)	-18.7%
SUI Reimbursed Expenses	830,000	830,000	830,000	\$620,518	\$0	(\$830,000)	-100.0%
Depreciation	750,700	\$750,700	\$750,700	\$700,000	\$800,000	\$49,300	6.6%
All Other Operating Expenses	4,871,491	6,154,631	6,254,832	\$4,852,649	\$5,742,842	(\$511,990)	-8.2%
Total Expenses	\$13,691,569	\$16,296,255	\$17,226,457	\$14,387,023	\$14,174,077	(\$3,052,380)	-17.7%
Operating Gain/(Loss)	\$	\$	\$ (930,202)	\$ 2,190,484	\$ (0)	\$930,202	-100.0%

STUDENT UNION, INC.							
OPERATING EXPENSE BUDGET							
FY20-21							
EXPENSE	2018-19 APPROVED BUDGET	2019-20 APPROVED BUDGET	2019-20 APPROVED REVISED BUDGET	2019-20 FORECAST	2020-21 BUDGET REQUEST	Dollar Variance - FY 21 Request vs. FY20 Revised Budget	% Variance - FY 21 Request vs. FY20 Revised Budget
Wages & Benefits							
Full-time Wages	\$ 3,429,528	\$3,915,333	\$3,915,333	\$3,510,816	\$3,465,323	(\$450,010)	-11.5%
Full Time Benefits	\$ 1,489,502	\$1,853,997	\$1,853,997	\$1,416,540	\$1,659,360	(\$194,637)	-10.5%
OPEB Obligation (GASB 75)	\$ 243,796	\$243,793	\$243,793	\$300,000	\$400,000	\$156,207	64.1%
Intermittent Wages	\$ 88,061	\$141,838	\$141,838	\$154,762	\$112,681	(\$29,157)	-20.6%
Student Assistant Wages	\$ 1,797,959	\$2,176,275	\$3,006,275	\$2,695,105	\$1,837,830	(\$1,168,445)	-38.9%
Benefits for Part-Time	\$ 190,532	\$229,689	\$229,689	\$136,633	\$156,041	(\$73,648)	-32.1%
Subtotal:	\$ 7,239,378	\$8,560,925	\$9,390,925	\$8,213,856	\$7,631,235	(\$1,759,690)	-18.7%
OPERATING EXPENSES							
Travel	\$ 77,250	\$101,624	\$101,624	\$17,881	\$0	(\$101,624)	-100.0%
Insurance	\$ 211,268	\$474,897	\$474,897	\$283,451	\$407,846	(\$67,051)	-14.1%
Supplies & Services	\$ 465,520	\$528,345	\$528,345	\$406,657	\$384,178	(\$144,167)	-27.3%
Communications	\$ 248,317	\$233,720	\$233,720	\$202,288	\$333,440	\$99,720	42.7%
Repair & Maint.	\$ 198,967	\$172,373	\$172,373	\$80,705	\$255,252	\$82,879	48.1%
Utilities	\$ 1,375,667	\$1,846,946	\$1,846,946	\$1,708,091	\$2,053,309	\$206,363	11.2%
Outside Agencies/Services	\$ 1,772,530	\$2,211,987	\$2,211,987	\$1,869,198	\$1,766,011	(\$445,976)	-20.2%
Student/Staff Cert.	\$ 97,292	\$102,203	\$102,203	\$33,539	\$86,992	(\$15,211)	-14.9%
SU Event/Program Cost	\$ 334,720	\$375,325	\$375,325	\$217,793	\$315,814	(\$59,511)	-15.9%
Equipment <5K (per cap policy)	\$ 89,960	\$107,210	\$207,412	\$33,045	\$10,000	(\$197,412)	-95.2%
COVID Related Supplies & PPE					\$130,000	\$130,000	
All Other Operating Expenses	\$ 4,871,491	\$6,154,630	\$6,254,832	\$4,852,649	\$5,742,842	(\$511,990)	-8.2%
SUI Reimbursed Expenses	\$ 830,000	\$830,000	\$830,000	\$620,518	\$0	(\$830,000)	-100.0%
Depreciation	\$ 750,700	\$750,700	\$750,700	\$700,000	\$800,000	\$49,300	6.6%
TOTAL EXPENSE	\$13,691,569	\$16,296,255	\$17,226,457	\$14,387,023	\$14,174,077	(\$3,052,380)	-17.7%

FY 2020/2021 Capital Projects Request:

SU DOOR REPLACEMENTS
SU HIGHBOY STOOLS IN DINING AREA
SU PLENUM REPAIR
PAINT, REPAIR, LED LIGHTING FOR ATM KIOSK
SU FIRE INSPECTION - SPRINKLER SYSTEM REPAIRS
SRAC XLERATOR HAND DRYERS
SRAC ADA DOORS (MAIN OFFICE, STAFF ENTRY, DIRECTOR DOOR)
SRAC OFFICE PRIVACY SCREENS

\$72,800
\$10,000
\$280,000
\$20,000
\$14,500
\$104,000
\$25,000
\$7,500
\$533,800

Ongoing-
University Held
Reserves

FY 2019/2020 Sport Club Approved Capital Project
ID #P17021593

2,000,000 1,667,844

Student Union, Inc. at SJSU 2020/21 Operating Budget

	Administration	Student Union	Event Center	SRAC	Total
Revenues					
Student Union Fees	\$11,564,085				\$11,564,085
Service Fees					\$0
Reimbursement of Event Costs			\$88,172		\$88,172
Interest Income	\$72,500				\$72,500
Rental Income		\$1,113,504	\$200,000		\$1,313,504
PPP Loan Forgiveness	\$1,135,816				\$1,135,816
Total Operating Revenues	\$12,772,401	\$1,113,504	\$288,172	\$0	\$14,174,077
Expenses					
Salaries and Wages	\$1,715,431	\$1,131,131	\$488,613	\$2,080,659	\$5,415,834
Staff Benefits	\$830,369	\$432,176	\$156,218	\$396,639	\$1,815,402
Total Salaries & Benefits	\$2,545,800	\$1,563,306	\$644,831	\$2,477,298	\$7,231,235
Operating Expenses & Equipment					
Travel	\$0	\$0	\$0	\$0	\$0
Risk Coverage/Insurance	\$322,603	\$425	\$31,925	\$52,893	\$407,846
Supplies	\$63,783	\$148,077	\$52,967	\$119,351	\$384,178
Communications	\$333,264	\$176			\$333,440
Repairs and Maintenance	\$200	\$64,873	\$65,999	\$124,180	\$255,252
Event Costs-(Reimb. Portion)			\$0		\$0
Programming Costs	\$73,700	\$198,611	\$2,900	\$40,603	\$315,814
Utilities		\$846,180	\$474,578	\$732,551	\$2,053,309
Small Equipment Purchases	\$10,000	\$0	\$0	\$0	\$10,000
Services from Outside Agencies	\$934,287	\$321,915	\$134,011	\$375,798	\$1,766,011
Staff Development & Other	\$33,107	\$11,622	\$4,685	\$37,578	\$86,992
Depreciation	\$800,000				\$800,000
OPEB Obligation	\$400,000				\$400,000
PPE		\$65,000		\$65,000	\$130,000
Total Operating Expenses	\$2,970,944	\$1,656,879	\$767,065	\$1,547,954	\$6,942,842
Total Expenses	\$5,516,744	\$3,220,185	\$1,411,896	\$4,025,252	\$14,174,077
Operating Income (Loss)	\$7,255,657	(\$2,106,681)	(\$1,123,724)	(\$4,025,252)	(\$0)
Local Reserves					
Funding of Capital Projects					<u><u>(\$533,800)</u></u> (a)
Net Position Beginning of Year (July 1, 2019)					
Increase/(Decrease) in Net Position					<u>\$1,969,929</u>
Net Position, End of Year (June 30, 2020)					<u><u>\$13,706,453</u></u>
Long Term Investment Funds (Unrestricted) at June 30, 2020					
Investment in Capital Assets at June 30, 2020					<u>\$10,379,250</u>
Board-Designated Funds at June 30, 2020					<u>\$2,829,383</u>
Net Position, June 30, 2020					<u>\$497,820</u>
SUBOD approved FY 20-21 Contribution to University Under California Education Code Title V, Section 42659					<u>(\$4,000,000)</u>
Projected Net Position, End of Year (June 30, 2021)					<u><u>\$9,706,453</u></u>

Footnote:

(a) FY 2020/21 Capital Projects

	<u>Project Costs</u>
SU Door Replacements	(\$72,800)
SU Highboy Stools in Dining Area	(\$10,000)
SU Plenum Repair	(\$280,000)
Paint, Repair, LED Lighting for ATM Kiosk	(\$20,000)
SU Fire Inspect. - Sprinkler System Repairs	(\$14,500)
SRAC Xlerator Hand Dryers	(\$104,000)
SRAC ADA Doors (Main Office Entry Door)	(\$25,000)
SRAC Office Privacy Screens	(\$7,500)
	<u><u>(\$533,800)</u></u>

STUDENT UNION AT SAN JOSE STATE UNIVERSITY

The Student Union of San José State University is a California State University auxiliary organization that began its operations in October 1969 and became incorporated in March 1982. Student Union, Inc. manages and operates three major facilities at SJSU: the Diaz Compean Student Union Building with its new East and West expansions, the Provident Credit Union Event Center Building, and the Spartan Recreation and Aquatic Center, opened in April of 2019. Students interact with the Student Union, Inc. on a daily basis through the use of facilities, participation in sponsored events, through Student Union, Event Center, and Spartan Recreation programs. The Student Union also acts as a bridge to the greater campus community, offering use of recreational facilities, diverse concerts and events on campus.

The Student Union is governed by a Board of Directors composed of eleven (11) voting members:

- Students – Six (6)
- Faculty – Two (2)
- Administrators – Two (2)
- Community Member – One (1)

Revenue sources include the mandatory Student Union fee, as well as revenues earned from various services offered, and rental of the facilities. These revenues support the costs of operating the facilities, major and minor capital projects, and the annual debt service payments. Revenues from the mandatory Student Union fee collected by the University on behalf of the Student Union are projected to be approximately \$23 million in 2020/2021. The balance of the collected student fees are held in trust by San José State University and will be used to pay for the debt related to the expansion/renovation of the Student Union and the new Spartan Recreation and Aquatic Center which is \$7,360,070 for 2020/2021.

Generating income from programs, services, and facility rentals continues to be a priority due to the increasing operational needs of the existing facilities. The Board-approved balanced budget for 2020/21 includes revenues and expenses totaling \$14,174,077 (including the return of \$11,564,085 in student fees from the University trust to fund operations) plus an additional amount of \$533,800 in capital projects.

Services listed below include the Diaz Compean Student Union, Spartan Recreation and Aquatic Center, Provident Credit Union Event Center, and the SU ATM Building:

STUDENT UNION BUILDING	EVENT CENTER/SPORT CLUB	SPARTAN RECREATION AND AQUATIC CENTER	ATM BUILDING
SU Ballroom SU Theatre Bowling and Billiards Center Union Square Food Court AS Print & Technology AS Government Offices Spartan Bookstore Student Involvement Veterans Resource Center Gender Equity Center PRIDE Center MOSAIC Cross-Cultural Center Cesar Chavez Community Action Center Chicano/Latinx Student Success Center African American/Black Student Success Center IDEA Lab US Bank Starbucks	Arena - Technical & AV Box Office/TM Outlet Event Center Operations Racquetball Courts Dance Studio Weight Room Auxiliary Gym Athletic Locker Rooms, Training Room Athletics – Basketball and Gymnastics	Club Sports Outdoor Adventures Intramurals Climbing Wall Spartan Recreation Department Recreation and Competitive Pools Multi - Activity Court (MAC) Weight Rooms Fitness Classes Wet-dry Classroom Running Track Three Court Gym Athletics – Swimming, Dive, and Waterpolo Athletic Offices, Training Room, Locker Rooms	Bank of America Bank of the West Wells Fargo Bank JP Morgan Chase Bank