

ASI & TSC
2018-2019
BUDGET

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EXECUTIVE SUMMARY

INTRODUCTION

The Associated Students, CSUF, Inc. (ASI) is a 501(c)3 nonprofit corporation and operates as an auxiliary organization of California State University, Fullerton. ASI consists of two major divisions, the Associated Students and the Titan Student Centers. All regularly matriculated students are members of ASI. At the time CSUF students enroll in classes, they are assessed the Associated Student Body fee (ASI) of \$78.12 per semester, which funds the operation of the Associated Students, and the Student Body Center fee (TSC) of \$141.45 per semester, which funds the operation of the Titan Student Centers. Funds of the two divisions are kept in separate ledgers, checking accounts, and are accounted for in separate audited financial statements.

As an auxiliary organization, Associated Students does not receive funding from state sources, with the exception of Children’s Center grants, and does not fund campus operations funded by state sources.

BUDGET PROCESS

Operating managers and supervisors prepare income and expense projections based on past experience, run-rate analysis, usage assumptions, and likely inflation. These projections then undergo management review prior to proposal to the respective governing committees and boards. The ASI Board of Directors ultimately approves the entire ASI Budget.

OVERVIEW

The Consolidated Operating Budget for Associated Students, CSUF, Inc. includes the operating budgets for the two divisions supported respectively by the ASI and TSC fees. The consolidated Associated Students operating budget was approved by the ASI Board of Directors March 20, 2018.



FEE REVENUE

Fee revenue projections for both divisions (ASI and TSC) are based on current year enrollment. For the 2018-2019 academic year, all mandatory student fees will increase by 3.7% over the previous year, adjusted for inflation based on the Higher Education Price Index, as set forth in the CSUF Student Success Initiative that took effect in Fall 2014.

ASSOCIATED STUDENTS FEE REVENUE

The 2018-2019 Associated Students fee will total \$78.12 for the Fall and Spring semesters, with \$23.22 of that allocated directly to Athletics. The fee for Summer Session is \$5.00 with no percentage designated for athletics.

ASSOCIATED STUDENTS ASI FEE REVENUE PROJECTION FY 2018-2019						
Non-Directed ASI Fee		Summer 2018		Fall 2018		Spring 2019
	Projected Students	8,133		40,235		39,745
	Less: Waivers	0		180		150
	Budgeted Student Headcount	8,133		40,055		39,595
	Non-Directed ASI Fee	\$5		\$54.90		\$54.90
	Budgeted Fees Available	\$40,665		\$2,199,020		\$2,173,766
				Total Non-Directed ASI Fees:		\$4,413,450
Athletics		Summer 2018		Fall 2018		Spring 2019
	Projected Students	8,133		40,235		39,745
	Less: Waivers	0		180		150
	Budgeted Student Headcount	8,133		40,055		39,595
	Athletic Fee			\$23.22		\$23.22
	Budgeted Fees Available			\$930,077		\$919,396
				Total Athletics Fees:		\$1,849,473
				Total Projected Fees:		\$6,262,923

TITAN STUDENT CENTERS FEE REVENUE

The 2018-2019 Titan Student Centers Fee will total \$141.45 for the fall and spring semesters. The fee for Summer Session is \$60.00.

TITAN STUDENT CENTERS TSC FEE REVENUE PROJECTION FY 2018-2019			
Campus/Student Union Fee	Summer 2018	Fall 2018	Spring 2019
Projected Students	8,133	40,235	39,745
Less: Waivers	0	180	150
Budgeted Student Headcount	8,133	40,055	39,595
Non-Directed TSC Fee	\$60.00	\$141.45	\$141.45
Budgeted Fees Available	\$487,980	\$5,665,780	\$5,600,713
		Total Projected TSC Fees	\$11,754,473



ASSOCIATED STUDENTS REVENUE FUND BALANCE

ASI fees are held by the university and transferred to ASI on an expense reimbursement basis. It is estimated the fiscal year will begin with a balance of \$153,511 and enrollment revenue will provide \$6,262,923.

ASI	2016-17 ACTUAL	2017-18 REVISED ESTIMATE*	2018-19 PROPOSED
ASB Depository Fund (TB001)			
Prior year fund balance	\$106,526	\$309,706	\$153,511
Depository fees	\$5,923,540	\$6,023,769	\$6,262,923
Interest Income	\$28,183	\$25,000	\$30,000
Sub-total	\$6,058,249	\$6,358,475	\$6,446,434
LESS: Budget	\$5,748,543	\$6,204,964	\$6,252,801
Ending Fund Balance	\$309,706	\$153,511	\$193,633

*Actual as of February 6, 2018



TITAN STUDENT CENTERS REVENUE FUND BALANCE

Student Union fees are held by the university and transferred to ASI at the beginning of each fiscal year. It is estimated the fiscal year will begin with a balance of over \$11,109,470 and enrollment revenue will provide \$11,754,473.

TSC	2016-17 ACTUAL	2017-18 REVISED ESTIMATE*	2018-19 PROPOSED
Revenue Fund (TCUOP)			
Prior year fund balance	\$8,683,694	\$9,815,170	\$11,109,470
Fee Revenue	\$11,132,115	\$11,111,697	\$11,754,473
Interest Income - Revenue Fund	\$98,375	\$94,976	\$100,000
Sub-total	\$19,914,184	\$21,021,843	\$22,963,942
LESS:			
Adjustments & return to operations	\$7,700,000	\$8,100,000	\$8,300,000
Net transfers to interest & redemption fund	\$2,350,800	\$1,778,797	\$2,308,150
General overhead expense	\$48,214	\$33,576	\$49,000
Transfers to repair & replacement fund (TCUMR)			\$2,000,000
Transfer to catastrophic fund			
Sub-total	\$10,099,014	\$9,912,373	\$12,657,150
Ending Fund Balance	\$9,815,170	\$11,109,470	\$10,306,792
*Actual as of January 2018			
Repair/Replacement Fund Balances Estimate (TCUMR)	\$703,593	\$709,336	\$2,709,336
Catastrophic Fund Balance Estimate (TCUCE)	\$2,452,009	\$2,469,901	\$2,469,901

ASI CONSOLIDATED BUDGET

Associated Students, CSUF, Inc. 2018-2019 Consolidated Budget			
Income	Consolidated ASI, CSUF, Inc.	Associated Students	Titan Student Centers
Parent/Staff/Faculty Fees	\$564,394	\$564,394	
Contract/Dept of Education	\$504,119	\$504,119	
Contract/CSU & Child Nutrition	\$106,780	\$106,780	
Fees Certified	\$29,586	\$29,586	
TSC Chargeback	\$1,834,974	\$1,834,974	
Fundraising/Interest	\$135,000	\$85,000	\$50,000
General Year End	\$153,260	\$123,060	\$30,200
Service Chargeback	\$429,252		\$429,252
Titan Rec Registration/Class Fees	\$512,712		\$512,712
Dining Commissions	\$168,000		\$168,000
General Merchandise	\$3,161		\$3,161
Facility/Equipment Rental	\$255,412		\$255,412
TBB Games	\$84,491		\$84,491
Discount Tickets Sales	\$36,400		\$36,400
Computer/Personnel Services	\$97,085		\$97,085
IRA Management Fee	\$212,000	\$212,000	
Retail Services	\$68,701		\$68,701
Total Income	\$5,200,328	\$3,459,913	\$1,740,414
Expenses	Consolidated ASI, CSUF, Inc.	Associated Students	Titan Student Centers
Staff Wages	\$4,608,710	\$2,573,604	\$2,035,106
Student Wages	\$2,289,800	\$882,800	\$1,407,000
Staff/Student Benefits	\$1,998,800	\$1,013,300	\$985,500
Contract Wages	\$144,000	\$144,000	
Student Leader Awards	\$418,924	\$377,674	\$41,250
Supplies/Merchandise	\$674,400	\$281,700	\$392,700
Printing/Advertising	\$157,100	\$132,700	\$24,400
Communication/Postal	\$85,700	\$33,500	\$52,200
Repairs/Maintenance Minor Construction	\$474,304	\$161,484	\$312,820
Travel	\$454,850	\$373,550	\$81,300
Contract/Fees/Rentals/Vehicle	\$5,081,030	\$1,532,680	\$3,548,350
Dues/Subscription	\$30,770	\$15,900	\$14,870
Staff Development	\$102,350	\$82,100	\$20,250
Insurance	\$269,000	\$159,000	\$110,000
Utilities	\$760,000	\$30,000	\$730,000
Research Grants	\$22,500	\$22,500	
Contingency	\$75,692	\$45,000	\$30,692
Titan Dreamers Scholarship	\$1,000	\$1,000	
Presidential Discretionary	\$750	\$750	
Athletics	\$1,849,473	\$1,849,473	
Total Expenses	\$19,499,153	\$9,712,715	\$9,786,438
Subsidy from Student Fees	(14,298,825)	(6,252,801)	(8,046,024)

BUDGET ASSUMPTIONS AND HIGHLIGHTS

STAFFING

Associated Students employs over 350 CSUF students during the academic year and as many as 400 during the summer session. State of California minimum wage increases will continue to impact ASI staffing costs. In addition, ASI employs over 60 full-time professional staff.

MANDATED BENEFITS

ASI pays unemployment and workers compensation insurance through the Auxiliary Organizations Risk Management Authority (AORMA). Unemployment insurance rates are expected to increase by 6% and workers compensation rates are expected to remain flat. Employer contributions for benefits remain at the existing rates for FICA (6.20%) and Medicare (1.45%) for a total of 7.65%.

DISCRETIONARY BENEFITS

ASI participates in CalPERS medical and retirement plans. Both current and future retiree medical contributions are funded by the post retirement VEBA established for this purpose. This long-term liability is on schedule for full funding in five to six years. Currently there are 19 retirees from the ASI fund and 11 retirees from the TSC fund for a total annual projected cost of \$243,000.

The proposed budget assumes continued participation in the CalPERS defined benefit pension plan. Associated Students, as employer, will contribute to the pension plan at an estimated rate of 12.76% for Tier 1 employees, 11.41% for Tier 2 and 7.37% for Tier 3, subject to Public Employee Pensions Reform Act (PEPRA). These factors include the amortization of the unfunded liability over 30 years.

BUDGET

ASSOCIATED STUDENTS FUND

The Associated Students Fund provides for student governance, students' role in shared governance of the university, programming of student activities, funding of campus organizations, and athletics.

In addition to leadership opportunities, ASI provides the campus community with social, cultural, and recreational programs and services. Associated Students encourages and supports the activities of all university-recognized student organizations.

Since 1971, ASI has operated a children's center that provides quality childcare services for the CSUF campus community. Childcare services are primarily provided to children of CSUF students.



A portion of the ASI fee is allocated directly to CSUF Athletics. These funds are used to provide scholarships and grants to CSUF athletes. Because of this fee, all CSUF students are admitted free to many on-campus athletic events.

Governance

Associated Students provides for the governance of ASI and students' role in shared governance of CSUF, advocating on behalf of student interests. Departments participating in these activities include:

- Executive Offices
- Board of Directors
- Elections

Programming

Associated Students provides programming for a variety of student interests including entertainment, culture, research, sports, and leader development and programming at both the Fullerton and Irvine campuses:

- Leader and Program Development
- Student Research Grants
- ASI Programming
- Camp Titan

Administration

Various departments provide essential services for Associated Students and the Titan Student Centers:

- Administration & Accounting
- Human Resources
- Marketing, Communication, and Design
- Children's Center



Campus Organizations

The Associated Students provides funding for activities and events of the following organizations:

Funded Campus Groups

- National Panhellenic Council
- Multicultural Greek Council
- Panhellenic
- Resident Student Association
- Inter-Fraternity Council
- Arboretum
- Athletics

Funding Groups and Interclub Councils

- College of Education
- College of Communications
- College of Business
- College of Engineering and Computer Science
- College of Natural Sciences and Mathematics
- College of Arts
- College of Health and Human Development
- College of Humanities and Social Sciences
- Sports Clubs Interclub Council
- Community Service Interclub Council
- Mesa Cooperativa
- Black Student Union



**Associated Students Budget
Fiscal Year 2018-2019**

Income	AS Total	Governance	Programming & Student Services	Admin	Funded Organizations
Children's Center Parent Fees	\$564,394			\$564,394	
Contract/Dept of Education	\$504,119			\$504,119	
Children's Center Certified Fees	\$29,586			\$29,586	
Contract/CSU & Child Nutrition	\$106,780			\$106,780	
Fundraising/Interest	\$85,000		\$50,000	\$35,000	
General Year End	\$123,060		\$120,000	\$3,060	
TSC Chargeback	\$1,834,974		\$162,266	\$1,672,708	
IRA Management Fee	\$212,000			\$212,000	
Total Income	\$3,459,913		\$332,266	\$3,127,647	
Expenses	AS Total	Governance	Programming & Student Services	Admin	Funded Organizations
Staff Wages	\$2,573,604	\$52,465	\$261,868	\$2,259,270	
Student Wages	\$882,800	\$21,519	\$121,925	\$739,356	
Staff/Student Benefits	\$1,013,300	\$19,408	\$88,403	\$905,489	
Contract Wages	\$144,000			\$144,000	
Student Leader Awards	\$377,674	-	\$377,674		
Supplies/Merchandise	\$281,700	\$15,600	\$70,200	\$157,050	\$38,850
Printing /Advertising	\$132,700	\$16,500	\$18,545	\$85,730	\$11,925
Communications/Postal	\$33,500	\$5,634	\$7,005	\$20,861	
Repairs/Minor Construction	\$161,484			\$161,484	
Athletics	\$1,849,473				\$1,849,473
Contracts/Fees/Rentals	\$1,532,680	\$37,850	\$746,911	\$431,791	\$316,128
Travel	\$373,550	\$41,600	\$44,683	\$52,317	\$234,950
Dues/Subscriptions	\$15,900		\$4,300	\$8,275	\$3,325
Staff Development	\$82,100			\$82,100	
Insurance	\$159,000		\$2,700	\$131,300	\$25,000
Utilities	\$30,000			\$30,000	
Research Grants	\$22,500		\$22,500		
Contingency	\$45,000	35,000		\$10,000	
Titan Dreamers Scholarship	\$1,000			\$1,000	
Presidential Discretionary	\$750	\$750			
Total Expenses	\$9,712,715	\$246,326	\$1,766,714	\$5,220,023	\$2,479,651
Subsidy from Student Fees	(\$6,252,801)	(\$246,326)	(\$1,434,448)	(\$2,092,376)	(\$2,479,651)

**AS Governance
Fiscal Year 2018-2019**

Expenses	Total	Executive Offices	Board of Directors	Elections
Staff Wages	\$52,465	\$52,465		
Student Wages	\$21,519	\$21,519		
Staff/Student Benefits	\$19,408	\$19,408		
Supplies/Merchandise	\$15,600	\$12,300	\$1,800	\$1,500
Printing/Advertising	\$16,500	\$14,650	\$1,050	\$800
Communications/Postal	\$5,634	\$4,834	\$800	
Contracts/Fees/Rentals	\$37,850	\$30,550	\$2,300	\$5,000
Travel	\$41,600	\$34,000	\$7,600	
Contingency	\$35,000	\$35,000		
Presidential Discretionary	\$750	\$750		
Total Expenses	\$246,326	\$225,476	\$13,550	\$7,300

**ASI Programming & Student Services
Fiscal Year 2018-2019**

Income	Total	Leader & Program Development	Student Research Grants	ASI Programming	Camp Titan
Fundraising/Interest	\$50,000			-	\$50,000
TSC Chargeback	\$162,266	\$162,266		-	
General Year End	\$120,000			\$120,000	
Total Revenue	\$332,266	\$162,266		\$120,000	\$50,000
Expenses	Total	Leader & Program Development	Student Research Grants	ASI Programming	Camp Titan
Staff Wages	\$261,868	\$261,868		-	
Student Wages	\$121,925	\$121,925		-	
Staff/Student Benefits	\$88,403	\$88,403		-	
Student Leader Awards	\$377,674	\$377,674		-	
Supplies/Merchandise	\$70,200	\$6,100		\$59,675	\$4,425
Printing/Advertising	\$18,545	\$1,500		\$15,270	\$1,775
Communications/Postal	\$7,005	\$4,640		\$1,620	\$745
Contracts/Fees/Rentals	\$746,911	\$97,200		\$576,596	\$73,115
Travel	\$44,683	\$21,483		\$8,500	\$14,700
Dues/Subscriptions	\$4,300	\$1,200		\$1,100	\$2,000
Insurance	\$2,700			-	\$2,700
Research Grants	\$22,500		\$22,500	-	
Total Expenses	\$1,766,714	\$981,993	\$22,500	\$662,761	\$99,460

**Administration
Fiscal Year 2018-2019**

Income	Total	Administration	Accounting	Human Resources	Marketing	Children's Center
Children's Center Parent Fees	\$564,394					\$564,394
Contract/Dept of Education	\$504,119					\$504,119
Children's Center Certified Fees	\$29,586					\$29,586
Contract/CSU & Child Nutrition	\$106,780					\$106,780
Fundraising/Interest	\$35,000		\$30,000			\$5,000
General Year End	\$3,060	\$3,060				
TSC Chargeback	1,672,708	\$449,145	\$363,139	\$394,082	\$466,342	
IRA Management Fee	\$212,000		\$212,000			
Total Income	\$3,127,647	\$452,205	\$393,139	\$394,082	\$466,342	\$1,209,879

Expenses	Total	Administration	Accounting	Human Resources	Marketing	Children's Center
Staff Wages	\$2,259,270	472,238	\$458,947	\$278,577	\$232,131	\$817,377
Student Wages	\$739,356	\$52,725	\$34,904	\$38,000	\$175,727	\$438,000
Staff/Student Benefits	\$905,489	\$144,507	\$174,940	\$92,735	\$124,207	\$369,100
Contract Wages	\$144,000		\$144,000			
Supplies/Merchandise	\$157,050	\$11,800	\$9,000	\$9,433	\$44,117	\$82,700
Printing/Advertising	\$85,730	\$750	\$500	\$7,000	\$75,230	\$2,250
Communications/Postal	\$20,861	\$2,380	\$5,763	\$5,000	\$2,718	\$5,000
Repairs/Minor Construction	\$161,484				\$2,125	\$159,359
Contracts/Fees/Rentals	\$431,791	\$9,000	\$127,100	\$222,000	\$39,022	\$34,669
Travel	\$52,317	\$19,092	\$8,100	\$11,900	\$10,225	\$3,000
Dues/Subscriptions	\$8,275	\$1,800	\$2,545	\$2,000	\$930	\$1,000
Staff Development	\$82,100	\$40,600	\$3,000	\$35,500	\$3,000	
Insurance	\$131,300	\$126,300				\$5,000
Utilities	\$30,000					\$30,000
Contingency	\$10,000	\$10,000				
Titan Dreamers Scholarship	\$1,000	\$1,000				
Total Expenses	\$5,220,023	\$892,192	\$968,799	\$702,145	\$709,432	\$1,947,455

**Campus Organizations
Fiscal Year 2018-2019**

Expenses	Total	Funded Campus Groups	Funding Groups & Interclub Councils
Supplies/Merchandise	\$38,850	\$25,900	\$12,950
Printing & Advertising	\$11,925	\$5,800	\$6,125
Athletics	\$1,849,473	\$1,849,473	
Contracts/Fees/Rentals	\$316,128	\$74,628	\$241,500
Travel	\$234,950	\$11,450	\$223,500
Dues and Subscription	\$3,325	\$2,825	\$500
Insurance	\$25,000		\$25,000
Total Expenses	\$2,479,651	\$1,970,076	\$509,575

**Funded Campus Groups
Fiscal Year 2018-2019**

Expenses	Total	National Pan-Hellenic Council	Multi-Cultural Greek Council	Panhellenic	Resident Students Association	Inter-Fraternity Council	Arboretum	Athletics
Supplies	\$25,900	\$500	\$4,400		\$17,000	\$4,000		
Printing/Advertising	\$5,800	\$100	\$500	\$3,000	\$200	\$2,000		
Grants	\$1,849,473							\$1,849,473
Contracts/Fees/Rentals	\$74,628	\$1,500	\$6,500	\$5,150	\$11,000	\$5,500	\$44,978	
Travel	\$11,450	\$750	\$2,200	\$1,500	\$5,000	\$2,000		
Dues/Subscription	\$2,825	\$200	\$500	\$1,500	\$150	475		
Total Expenses	\$1,970,076	\$3,050	\$14,100	11,150	\$33,350	\$13,975	\$44,978	\$1,849,473

**Funding Groups & InterClub Councils
Fiscal Year 2018-2019**

Expenses	Total	Education	Comm	Business	ECICC	NSM	Arts	HHD	HSS	SCICC	CS ICC	Mesa Coopera- tiva	Black Student Union
Supplies	\$12,950	\$400	\$700	\$1,350	\$150	\$750	\$600	\$1,200	\$150	1,650	\$700	\$2,500	\$2,800
Printing/Advertising	\$6,125	\$100	\$250	\$1,500	\$50	\$200	\$1,000	\$375	\$150	\$200	\$250	\$1,650	\$400
Contracts/Fees/ Rentals	\$111,000	\$2,500	\$5,500	\$20,000	\$2,500	\$10,000	\$19,000	\$7,600	\$8,000	\$13,000	\$5,500	\$13,500	\$3,900
Travel	7,500											\$3,000	\$4,500
Dues/Subscriptions	\$500												\$500
Insurance	\$25,000									\$25,000			
Program Funding	Total	Education	Comm	Business	ECICC	NSM	Arts	HHD	HSS	SCICC	CS ICC	Mesa Coopera- tiva	Black Student Union
Contracts/Fees/ Rentals	\$130,500	\$3,000	\$8,000	\$6,500	\$8,000	\$2,000	\$7,000	\$4,000	\$29,000	\$50,000	\$8,000	\$3,000	\$2,000
Travel	\$216,000	\$10,000	\$10,000	\$16,000	\$52,000	\$28,000	\$6,500	\$17,500	\$22,000	\$35,000	\$10,000	\$4,000	\$5,000
Total	\$509,575	\$16,000	\$24,450	\$45,350	\$62,700	\$40,950	\$34,100	\$30,675	\$59,300	\$124,850	\$24,450	\$27,650	\$19,100

TITAN STUDENT CENTERS FUND

The Titan Student Centers are a major component of the Associated Students, CSUF, Inc., and include the Titan Student Union, Student Recreation Center, and Irvine Campus Fitness Center and Lounge. Each regularly matriculated CSUF student pays a Student Body Center Fee. These student fees, \$141.45 per academic semester, \$60 for the summer academic session, together with locally generated revenue fund all operations of the Titan Student Centers. In addition, the fees satisfy bond obligations associated with construction of the student union and recreation center facilities, and fund reserves for future construction and maintenance. The CSUF Student Body Centers Fee is currently the lowest of any comparable program at a CSU campus offering similar facilities and services.

Administration

Services funded in this area provide for the general administration of the Titan Student Centers and include risk management, emergency preparedness, management and administrative support, and Information Technology.

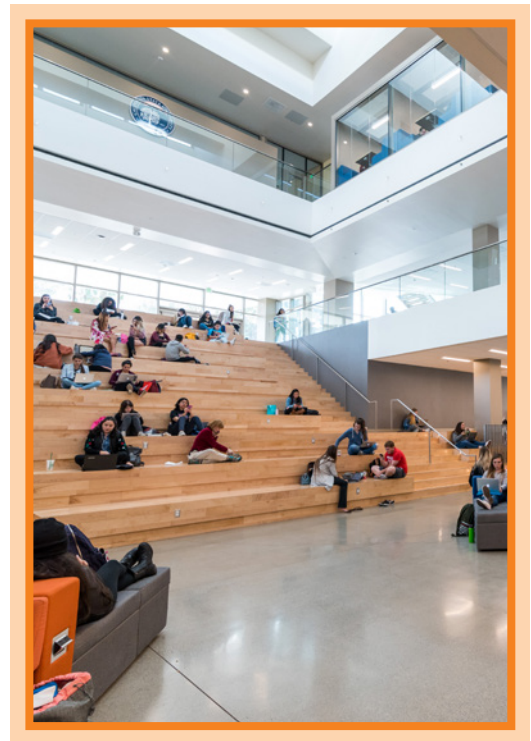
Building Engineering

Building Engineering provides maintenance and support services for the three facilities funded and operated by ASI: Titan Student Union, Student Recreation Center, and Children's Center. All facets of building operations are performed by this department, including heating, ventilation, and cooling systems (HVAC); mechanical, electrical, and plumbing systems; and landscaping. Support is also provided for specialized equipment and systems that support food services, Titan Bowl, and the aquatic center. TSC funds also cover utilities for all three facilities.

Titan Student Union

The Titan Student Union opened in 1976 and was first expanded in 1992. In response to higher enrollment and increased demand for services, the TSU expanded again in 2016, adding 26,000 square feet of public space and meeting rooms.

The TSU is the center of campus life and serves as the primary gathering and meeting place for the university community. In addition to event space, the TSU provides study space, a computer lab, student art galleries, and a game room that features bowling, billiards, and electronic gaming. The TSU is also the primary location for food service operations. ATM banking, ticket sales to campus events and area attractions, and other retail offerings are also available in the student union. ASI Executive Officers and administration, as well as the Dean of Students and Student Life and Leadership are all located in the TSU. On a typical academic day, more than 7,000 students visit the TSU.



Titan Recreation

The home of Titan Recreation, the Student Recreation Center opened in 2008. The SRC features a cardio floor, weight room, 35-foot high rock wall, indoor jogging track, outdoor swimming pool, and 22,000 square feet of gymnasium space. Titan Recreation offers a variety of programs including drop-in fitness classes, team and individual intramurals, informal recreation, a youth summer day camp, and a Learn to Swim program. The SRC employs 125 students per year and averages 4,000 visitors per day.

Cal Student Fullerton students who pay the student center fee receive access to the SRC and all of the programs offered by Titan Recreation. Memberships are also available to the campus community and Alumni for a fee.



**Titan Student Centers
Fiscal Year 2018-2019 Operating Budget**

Income	Total	Administration	Building Engineering	Titan Student Union	Titan Recreation
Titan Rec Registration/Class Fees	\$554,212				\$554,212
Dining Commissions	\$168,000	\$168,000			
Service Chargebacks	\$429,252	\$269,065	\$159,359	\$828	
General Merchandise	\$33,361	\$2,000		\$2,336	\$29,025
Retail Services	\$68,701	\$68,701			
TBB Games	\$51,491			\$51,491	
Facility/Equipment Rentals	\$251,912			\$238,000	\$13,912
Discount Ticket Sales	\$36,400			\$36,400	
Computer/Personnel	\$97,085			\$90,123	\$6,962
Interest Income	\$50,000	\$50,000			
Total Revenue	\$1,740,414	\$557,766	\$159,359	\$419,178	\$604,111
Expenses	Total	Administration	Building Engineering	Titan Student Union	Titan Recreation
Staff Wages	2,035,106	\$299,957	\$590,540	\$644,887	\$499,722
Student Wages	\$1,407,000	\$29,000	\$72,442	\$500,585	\$804,973
Staff/Student Benefits	\$985,500	\$96,405	\$307,585	\$316,353	\$265,157
Student Leader Financial Awards	\$41,250	\$41,250			
Supplies/Merchandise	\$392,700	\$29,353	\$150,235	\$76,860	\$136,252
Printing/Advertising	\$24,400	\$2,450		\$8,965	\$12,985
Communications/Postal	\$52,200	\$21,119	\$7,591	\$12,890	\$10,600
Repairs/Minor Construction	\$315,820	\$3,900	\$226,239	\$40,181	\$45,500
Contracts/Fees/Rentals	\$3,545,350	\$2,008,409	\$1,158,580	\$88,705	\$289,656
Travel	\$81,300	\$36,155	\$6,093	\$15,040	\$24,012
Dues/Subscriptions	\$14,870	\$6,025	\$350	\$2,745	\$5,750
Staff Development	\$20,250	\$3,450	\$5,000	\$9,550	\$2,250
Insurance	\$110,000	\$81,512			\$28,488
Utilities	\$730,000	\$730,000			
Contingency	\$30,692	\$26,412	\$1,280	\$3,000	
TSC Total Expense	\$9,786,438	\$3,415,397	\$2,525,935	\$1,719,761	\$2,125,345
Subsidy from Student Fees	(\$8,046,024)	(2,857,631)	(\$2,366,576)	(1,300,583)	(\$1,521,234)

Administration
Fiscal Year 2017-2018 Operating Budget

Income	Total	General Services	Administration	IT	Programming Support	Emergency Preparation
Dining Commissions	\$168,000	\$168,000				
Service Chargebacks	\$269,065	\$150,300	\$56,755	\$62,011		
Retail Services	\$68,701	\$68,701				
General Merchandise	\$2,000	\$2,000				
Interest Income	\$50,000	\$50,000				
Total Income	\$557,766	\$439,001	\$56,755	\$62,011		
Expense	Total	General Services	Administration	IT	Programming Support	Emergency Preparation
Staff Wages	\$299,957		\$128,051	\$171,906		
Student Wages	\$29,000		\$8,862	\$20,138		
Staff/Student Benefits	\$94,405		\$44,280	\$52,125		
Student Leader Financial Awards	\$41,250	\$41,250				
Supplies/Merchandise	\$29,353	\$1,200	\$3,350	\$9,000	\$10,805	\$4,998
Printing/Advertising	\$2,450		\$550	\$50	\$1,850	
Communications/Postal	\$21,119	\$16,920	\$1,224	\$2,435	\$540	
Repairs/Minor Construction	\$3,900			\$3,900		
Contracts/Fees/Rentals	\$2,008,409	\$1,823,089		\$45,300	\$134,000	\$6,020
Travel	\$36,155		\$10,603	\$1,500	\$24,052	
Dues/Subscriptions	\$6,025		\$5,775	\$250		
Staff Development	\$3,450			\$3,450		
Insurance	\$81,512	\$81,512				
Utilities	\$730,000	\$730,000				
Contingency	\$26,412	\$18,412			\$8,000	
TSC Total Expense	\$3,415,397	\$2,712,383	\$202,695	\$310,054	\$179,247	\$11,018

**Building Engineering
Fiscal Year 2018-2019 Operating Budget**

Income	Total	General Operations	Kitchen & Dining Rooms	TSU Building Services	SRC Building Services	Children's CTR Building SVS
Service Chargebacks	\$159,359					\$159,359
Total Income	\$159,359					
Expense	Total	General Operations	Kitchen & Dining Rooms	TSU Building Services	SRC Building Services	Children's CTR Building SVS
Staff Wages	\$590,540	\$590,540				
Student Wages	\$72,442	\$72,442				
Staff/Student Benefits	\$307,585	\$307,585				
Supplies	\$150,235	\$2,575	\$2,060	\$120,000	\$20,600	\$5,000
Communications/Postal	\$7,591	\$7,591				
Repairs/Maintenance	\$62,719		\$8,951	\$27,604	\$20,914	\$5,250
Minor Construction	\$160,520		\$3,399	\$97,125	\$39,996	\$20,000
Contracts/Fees/Rentals	\$1,158,580	\$11,000	\$27,816	\$638,383	\$352,272	\$129,109
Travel	\$6,093	\$6,093				
Vehicle Expense	\$3,000	\$3,000				
Dues/Subscriptions	\$350	\$350				
Staff Development	\$5,000	\$5,000				
Contingency	\$1,280	\$1,280				
TSC Total Expense	\$2,525,935	\$1,007,456	\$42,226	\$883,112	\$433,782	\$159,359

**Titan Student Union
Fiscal Year 2018-2019 Operating Budget**

Income	Total	University Conference Center	Titan Bowl & Billiards	Art & Exhibit Program	Mainframe Computer Lounge	Information & Services	TSU Operations
Service Chargebacks	\$828	\$375					\$453
General Merchandise	\$2,336		\$186			\$252	\$1,898
TBB Games	\$51,491		\$51,491				
Facility/Equipment Rentals	\$238,000	\$185,000	\$53,000				\$400
Discount Ticket Sales	\$36,400					\$36,400	
Computer/Personnel Services	\$90,123		\$5,600		\$7,300	\$1,250	\$75,973
Total Income	\$419,178	\$185,375	\$110,277		\$7,300	\$37,902	\$78,324

Expenses	Total	University Conference Center	Titan Bowl & Billiards	Art & Exhibit Program	Mainframe Computer Lounge	Information & Services	TSU Operations
Staff Wages	\$644,887	\$187,746	\$53,345			\$58,632	\$345,164
Student Wages	\$500,585	\$33,668	\$69,029	\$30,115	\$32,447	\$89,174	\$246,152
Staff/Student Benefits	\$316,353	\$99,433	\$13,609	\$683	\$415	\$22,374	\$179,839
Supplies/Merchandise	\$76,860	\$2,252	\$11,568	\$10,000	\$6,201	\$5,765	\$41,074
Printing/Advertising	\$8,965	\$974	\$2,800	\$1,778	\$105	\$3,007	\$301
Communications/Postal	\$12,890	\$2,943	\$1,565	\$460	\$468	\$4,773	\$2,681
Repairs/Minor Construction	\$40,181		\$15,906	\$1,700		\$400	\$22,175
Contracts/Fees/Rentals	\$88,705	\$18,847	\$4,230	\$9,000	\$1,630	\$25,435	\$29,563
Travel	\$15,040	\$4,820	\$1,745	-			\$8,475
Dues/Subscriptions	\$2,745		\$620	-	250		\$1,875
Staff Development	\$9,550	\$2,900	\$850	-			\$5,800
Contingency	\$3,000						\$3,000
Total Expenses	\$1,719,761	\$353,583	\$175,267	\$53,736	\$41,516	\$209,560	\$886,099

**Titan Recreation
Fiscal Year 2018-2019**

Income	Total	Operations	Programs	Sports & Swim Camps
Titan Rec Registration/Class Fees	\$554,212	\$261,478	\$62,938	\$229,796
General Merchandise	\$29,025	\$28,625		\$400
Facility Rental	\$13,912	\$13,912		
Computer/Personnel Services	\$6,962	\$5,962		\$1,000
Total Income	\$604,111	\$300,599	\$62,938	\$231,196
Expenses	Total	Operations	Programs	Sports & Swim Camps
Staff Wages	\$499,722	\$499,722		
Student Wages	\$804,973	\$235,037	\$434,939	\$134,997
Staff/Student Benefits	\$265,157	\$244,630	\$17,081	\$3,446
Supplies/Merchandise	\$136,252	\$71,950	\$42,710	\$21,592
Printing/Advertising	\$12,985	\$2,800	\$4,935	\$5,250
Communications/Postal	\$10,600	\$10,500		\$100
Repairs/Minor Construction	\$45,500	\$45,500		
Contracts/Fees/Rentals	\$289,656	\$89,450	\$135,550	\$64,656
Travel	\$24,012	\$24,012		
Dues/Subscriptions	\$5,750	\$5,000	\$750	
Staff Development	\$2,250	\$2,250		
Insurance	\$28,488		\$28,488	
Total Expenses	\$2,125,345	\$1,196,267	\$664,453	\$230,041

FINANCIAL STANDARDS

ASSOCIATED STUDENTS FINANCIAL STANDARDS

Basis for Financial Standards

Under the provision of the Education Code, Section 89904(b), each auxiliary governing board shall, “implement financial standards which will assure the fiscal viability of such various auxiliary organization. Such standards shall include proper provision for professional management, adequate working capital, adequate reserve funds for current operations and capital replacement, and adequate provisions for new business requirements.” In accordance, the following information is provided as part of the annual budget approval process.

ASI Reserves

ASI reserves have undergone several changes over the past few years. In fiscal year 2011-2012, the ASI Board of Directors established the Children’s Center reserve fund, and in 2013-2014 approved a transfer of \$1,000,000 to the Titan Student Union expansion project. In 2014-2015 over \$2,300,000 from unrestricted reserves was utilized to meet pension obligations. These transfers resulted in decreased unrestricted and working capital reserves. In an effort to meet the board-designated requirement of a working capital reserve balance of 15% of the operating budget, a total of \$775,900 will be reclassified from the Children’s Center Reserve fund. Following are the June 30, 2017 ASI board-designated and unrestricted reserves before and after the reclassifications.

ASI board-designated and unrestricted reserve funds as of June 30, 2017:

- Unrestricted Reserves\$ (275,278)
- Children’s Center Reserve Fund\$ 2,000,000
- Working Capital Reserve\$ 680,943
- Restricted Reserves\$ 61,151
- Total:.....\$ 2,484,816

Children’s Center Reserve Funds

In fiscal year 2011-2012, the ASI Board of Directors established the Children’s Center Reserve for future repairs and equipment replacement. Funds in this reserve are invested according to ASI Policy and governed by the Children’s Center Committee and the ASI Investment Committee. The policy establishing the fund stipulated that a minimum balance of \$1,000,000 be maintained. Because of the healthy status of reserves in 2012, a total of \$2,000,000 was set aside for the fund.

Per policy, the reserve fund is fully funded and should provide all future funding for repair and maintenance of the structures as well as acquisition of replacement furniture, fixtures, and equipment. This will ensure that no future AS fees will be needed to repair the Children’s Center facility.

Working Capital Reserves

ASI’s Working Capital Reserve is intended to show the ability to pay current liabilities with current assets. The 15% requirement covers approximately 1.8 months of Fiscal Year 2018-2019 expenses. As of June 30, 2017, ASI’s actual working capital covered 2 months of Fiscal Year 2018-2019 expenses.

Capital Replacement Reserves

The Associated Students has \$19,595 in capitalized equipment, net of depreciation. The majority of these assets are equipment, furniture, and fixtures with long, useful lives.

Associated Students prepares budgets for both capitalized and non-capitalized equipment. Given a seven year life for most equipment, estimated acquisition costs of over \$100,000 has an expected annual replacement costs of \$15,000 to \$18,000.

Plan for Reserves

The Associated Students 2018-2019 budget slightly exceeds estimated revenue by less than 2 percent. In order to achieve a balanced budget, ASI leadership assessed shared ASI/TSC expenditures and updated the allocation in each division.

TITAN STUDENT FINANCIAL STANDARDS

Basis for Financial Standards

The TSC follows the same expectations related to fiscal viability as outlined in the Education Code, section 89904(b).

Titan Student Centers Policy on Reserves

Under Executive Order 994, Critical Requirement - Reserves, the campus is responsible for developing reserve policies that, at a minimum, address major maintenance, renovation projects, working capital, capital development for new projects, and catastrophic events. Reserve funds, held in trust by CSUF, have been established:

- Revenue Fund
- Interest and Redemption Fund
- Repair and Replacement Fund
- Catastrophic Fund

In addition to the establishment of reserves, Executive Order 994 has as a critical requirement the maintenance of specified debt service coverage ratios that campuses must maintain.

Revenue Fund

This fund is, in essence, a holding account used to disburse student fees to other reserve accounts and to the Titan Student Centers (TSC) to support its annual operating budget. The safe level of reserves for this fund is one semester of Student Body Center (SBC) fee revenue. The balance in the Revenue Fund on June 30, 2017 was \$9,815,170.

The TSC receives student fees in one lump sum at the beginning of each academic year. By the end of August, fall semester fees have been collected and, when added to the minimum balance at the end of the fiscal year, a total of over \$11,700,000 will be available for the proposed return of \$8,300,000 to the TSC for operations and for \$2,308,150 to the Interest and Redemption Fund for repayment of bond obligations. The Revenue Fund balance meets current reserve standards.

Interest and Redemption Fund

Used for the repayment of debt obligations of the TSC, when bond repayments are due, funds are transferred from the Revenue Fund to the Interest and Redemption Fund. After the annual bond payments are made, the fund will not carry a balance.

The TSC has two bond obligations, both issued at five percent. The 1992 expansion of the Titan Student Union will be paid in full in 2021. Average annual repayment is \$737,750. The balance for the Student Recreation Center is amortized on average at less than \$1,702,750 annually. This bond obligation is scheduled to be retired in 2038. In total, the TSC currently debt obligation is \$2,440,500 annually through 2021, and will then decrease to \$1,702,350 annually.

The Titan Student Centers meets the requirement to exceed a 1.10 debt service coverage ratio (DSCR). Currently, the TSC DSCR for 2018-2019 is estimated at 1.44.

Repair and Replacement Fund

The Repair and Replacement Fund was established to provide for facility repairs and replacement of equipment. Much of the Titan Student Union's mechanical, electrical, and ventilation infrastructure underwent significant upgrades during the 2016 expansion project, greatly extending the life of the facility. Attention is now turning to interior cosmetic improvements in order to extend the aesthetic of the renovation into the existing areas of the building. Interior improvements have begun on the Student Recreation Center as well, which celebrated its ten-year anniversary in 2018.

Catastrophic Fund

The catastrophic fund's purpose is to provide funding in the event of unanticipated events that may negatively impact operation of the TSC. Such a catastrophe could be the result of a natural disaster to structures, or damage to campus infrastructure that could result in temporary reduction in enrollment. The catastrophic fund should be maintained at a level equal to approximately 10% of the value of ASI facilities, which would allow the organization to cover the deductible payment in case of a catastrophic event.

FISCAL VIABILITY

ASSOCIATED STUDENTS FISCAL VIABILITY

The ability to fund current operations is measured by net working capital. The Associated Students began the fiscal year with over \$2.98 million in working capital. This equals 30.7% of the operating budget. There is sufficient working capital to cover three months of operations.

Strengths

As of June 30, 2017 there is no longer a long-term liability for post-retirement health care. In 1999, ASI established a separate Voluntary Employee Beneficiary Association (VEBA) trust for the purpose of funding retiree medical insurance benefits. Both divisions of ASI, Associated Students and Titan Student Centers, budget annual contributions to the trust as determined by actuarial analysis. The trust is an actively-managed fund and is expected to be fully funded within five years. Promised retirement benefits are secure and this liability poses no threat to the Associated Students or Titan Student Centers funds.

ASI has no long-term debt and three long-term liabilities. The first is the unfunded post-retirement medical trust fund, currently estimated at \$445,244. ASI is making good progress toward the goal of a fully-funded post-retirement trust fund within five years. The trust is an actively managed fund expected to earn average returns of 5% to 6% over the long term. It consists of 60% equities and 40% fixed-income securities.

The second long-term liability is ASI's portion of the unfunded liability of the statewide CalPERS pension obligation. The reporting of this liability was required by AICPA pronouncement and GASB principle for the first time in 2014-2015. As of June 30, 2017 this obligation is \$2,908,923.

The third long-term obligation are Agency accounts, the funds held by ASI for recognized student organizations. These funds are managed and reported according to California State University policy and are included on ASI's audited financial statements.

The Student Success Initiative's increase in mandatory campus fees, as set by the Higher Education Price Index, began in Fiscal Year 2018-2019. This factor will provide some protection against inflation, as the fees will continue to increase incrementally.

Limitations

While ASI remains in a strong financial position, there is potential for negative impacts. The most significant is the passage of the minimum wage increase in the State of California. This will have impact over time of approaching a 50% increase in the operating expenses.

Another potential negative impact is further reduction in grants and contracts awarded to the Children's Center. The California Department of Education (CDE) grant funding is at a lower rate than in past years due to a decrease in students from low-income households.

Conclusion

The Associated Students is in a strong financial position. ASI will continue to meet its obligations and manage long-term liabilities, post-retirement health care, and pension liability.

ASI's defined pension benefits are administered by CalPERS, with contributions managed over time to meet the pension obligation. ASI pays the annual valuation amounts provided by CalPERS as a result of ASI opting for the thirty year amortization of this long-term liability.

Currently, Associated Students is not experiencing difficulty in funding existing programs and areas of operation. There is potential for serious impact on the current business model and delivery of student services depending on employment costs in both wages and benefits. The adoption of the HEPI index, an inflationary adjustment for student fees, will be a helpful mitigating factor for inflationary pressure on other operating expenses.

TITAN STUDENT CENTERS FISCAL VIABILITY

Working Capital

The Titan Student Centers maintains working capital in locally-held ASI accounts. Either checking accounts or the Local Agency Investment Fund, State of California are utilized for this purpose. With over \$3 million in working capital there is over three months of expenses covered, a good indicator of financial stability.

Since the Titan Student Centers receives the majority of its funding from the collection of the Student Body Centers fee which occurs ahead of the semester's operation, the current level of working capital is more than sufficient for the cash flow needs of the TSC operations.

Property and Equipment

Capitalized equipment of the TSC was acquired at a cost of \$1,977,103. Accumulated depreciation is \$1,494,002 indicating an equipment schedule that is aging. The threshold for capitalization is relatively low, at \$5,000.

Projection

A five-year projection was prepared showing the viability of the Titan Student Centers. The enrollment assumption behind the forecast of no student enrollment growth is conservative, with the TSC growing at an annual average rate of not more than 2.5% per year. Given this scenario, the TSC maintains the critical debt service coverage ratio above 1.10.

Assumptions and Limitations

The Titan Student Centers budget is heavily dependent upon enrollment, as the Student Body Center Fee accounts for over 80% of annual revenue. Maintenance of the debt service coverage ratio (DSCR) over this time period is dependent upon at least maintenance of the current enrollment and with the Titan Student Centers limiting increases in expenditures to 3.5% on average. This may be in jeopardy if minimum wage growth exceeds these amounts. When interest rates return to a higher level, there will be more interest income earned in the Revenue Fund and the TSC local funds, which will have a slightly positive effect on the DSCR.

The Student Success Initiative's HEPI fee increase will assist ASI in maintaining current levels of purchasing power in regard to operating expenses.

Conclusion

The Titan Student Centers currently is in a strong financial condition. There are adequate reserves to meet contingencies and to continue to fund facility projects.





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