

Thank you, Jahfree.

When I became the Treasurer 2 years ago, I began to understand a long and proud history of Student Activities Fee, with SAF Amendment that was passed in Spring 2006 being the focus of the Student Union agenda. The SAF Amendment was a great step towards a creating a system that would allow the Finance Board to allocate SAF to all clubs and organizations without any guaranteed funding.

Unfortunately, the Student Union finances had poor leadership, no consistency, no centralization, not enough knowledge, and daily operations including financial transactions not happening. The system was in so much trouble that I ended up dealing with some payments that dated back up to 2 previous semesters.

This does not sound too good. But, this was an opportunity for the Student Union Government to do something great for students. Because of so many evident downsides, I was able to realize the following very quickly:

- 1) That club leaders didn't really know our financial processes and its logistics
- 2) That clubs had many different accounts including off-campus bank account
- 3) The importance of serving club leaders and student body at large and their financial autonomy

Knowledge

Knowledge is power. Undoubtedly, the Student Union can be strong only when people have the right information. In order to be a financially successful club leader, one has to know the policies and regulations. During my first semester as the Treasurer, I quickly learned that the reality was that the majority of club leaders didn't know much about Student Union finances. It is unrealistic to expect all club leaders to know every single bit of information – at the end of a day, they are full-time students, and their roles as club leaders are simply extracurricular.

One step towards breeding knowledge involved a combination of the Treasurer's Manual and the website. At the beginning of Spring 2007 semester, I wrote the first ever

version of the Treasurer's Manual for club leaders. This manual included all procedures, regulations, and logistics on almost all financial information club leaders had to know.

This fiscal year, the Treasurer's Manual was extended. Club leaders were given a Treasury Packet which consisted of the Treasurer's Manual and the Sample Forms.

In addition, we created the website exclusively for finances. This website was designed to act as a one-stop resource in which club leaders could view how much money they had spent, full electronic versions of Treasury Packet, any press releases, and a calendar application, which lists all finance-related events and office hours. We recognized that person-to-person interaction is not always possible, and the website provided an opportunity for club leaders to seek whatever information they needed.

Accounts Including OCBA

The second lesson for me involved my noticing many different accounts held by clubs including numerous off-campus bank accounts. Each club and organization can have up to 3 accounts: their Finance Board Allocations Fund; their fundraising accounts; and their gift funds if donors ever donate to clubs.

Initially, the Treasurer and the Student Union oversaw only the Finance Board

Allocations Fund. Although many clubs had fundraising and gift accounts, it was not

really possible to see the bigger picture for 2 reasons:

1. There were numerous off-campus bank accounts
2. There was no centralized system and, as a result, payments for different clubs were done through different departments within the University

1. Numerous Off-Campus Bank Accounts

The existence of off-campus bank accounts was a problem. Some problems included

the following:

- In order to know financial status of clubs, the Treasurer should know all transaction data pertaining to clubs. With off-campus bank accounts, the Union lacked the resources for adequate oversight.
- Clubs were not reporting financial transactions made through their off-campus bank accounts

- The accounts were poorly monitored with retired club leaders having access to a club's funding
- Brandeis is exempt from sales tax and the best way to avoid paying it is to process transactions through the University

With so many funds not in-house, the Student Union finances could never be complete.

The only way to make sure that clubs are doing well financially is to see all available funds at once.

Thus, we began a long process of bringing all funds into the University system and I am happy to say that the cooperation club leaders showed was phenomenal.

However, the issue was not completely solved. The reality was that off-campus bank accounts provided wonderful flexibility and freedom for club leaders with their financial transactions.

To accommodate club leaders not having off-campus bank accounts, the Student Union was able to come up with alternative payment methods through negotiations with the administration.

We now have Procurement Cards known as P-Card for annually selected clubs and organizations. The P-Card works like a credit card and it is perhaps one of the favorite payment methods of clubs. For clubs that do not possess their own P-Cards, they can take advantage of the Treasurer's P-Card during his office hours.

This year was the first year for such program. Next fiscal year, we have decided to add one additional P-Card to the Office of the Treasurer, so that clubs without individual P-Cards can have more access to the program. This is our best effort to accommodate within the reality that we cannot possibly afford 250 individual P-Cards.

At the same time, when we got rid of off-campus bank accounts, we decided to keep 1 account open under the University oversight. This account could access both SAF and

non-SAF funds for all clubs. It had 3 purposes. First, we could use it for emergency checks in extreme circumstances. Second, we could use it as a loan system in which club leaders could take out cash and the amount gets deducted automatically from their respective accounts. Third, we could use its debit card to purchase materials that could not be bought with P-Card or as a back-up plan in case P-Card did not work. More recently, we relied on the debit card when many P-Cards were suspended after the Hannaford security breach.

So, we have advanced from a system with only conventional check payment option to 5 different payment options, allowing club leaders flexibility.

2. No Centralized System

With 250 clubs under a single chargeline with each club having up to 3 different accounts and different clubs going to different places to have their transactions executed, an accounting system in the Student Union or anywhere else could only represent a small portion of actual financial history. Additionally, this lack of centralization created more confusion for club leaders as there was no uniform protocol.

This problem encouraged me to come up with a concept called, "One-Destination." This concept requires that all funds be put into the Student Union treasury system.

Additionally, all financial transactions were required to go through the Student Union system.

This created a uniform system for everybody and streamlined the flow of financial transactions. Furthermore, now we are able to see every single transaction, which is an absolute must in any organization.

Rollover

As changes were being made which allowed our ability to see the bigger picture, we learned the amount of unspent funds, of which rollover played a significant role.

Rollover, which represents unspent SAF amount, is a unique Brandesian term, and is commonly known as "operating surplus budget" or "carry forward."

Unspent funds are financial assets that have not been spent. As of early April, there are approximately 436,000 dollars of unspent funds. This can be broken into 3 categories:

- The first is an "Unintentional Rollover." Unintentional rollover is an accumulation of the unspent portion of allocated funds to clubs and organizations. As of early April, it is approximately at 120,000 dollars.
- The second is an "Intentional Rollover." Intentional rollover currently is the Capital Expenditures and Emergency Fund, known as CapEx, which is capped at 150,000 dollars. This amount is called intentional because there is a specific purpose behind this fund. As of early April, it is approximately at 140,000 dollars.

Thus, the total rollover as of early April is about 260,000 dollars.

- The third is "Discretionary Fund." This fund is comprised of fundraising and gift accounts, which are non-SAF money and can be spent at a club's discretion.

Since this is a discretionary fund, the Student Union Government and the administration should not intervene in a club's decision on how to spend money from this fund. In addition, this is student earned money through events such as bake sales. We also need incentives for club leaders to deposit money. Once

club leaders fear that they have no autonomy over their funds, they will not deposit money and an equivalent situation to that of off-campus bank accounts will exist.

Therefore, we have 260,000 dollars of rollover we really have to worry about. This is why rollover amount is so large. Every semester, the Finance Board allocates money to clubs and organizations. At the end a semester, any unspent money reverts to the F-Board. Ideally, the F-Board, in the following semester, should allocate the SAF revenue + the rollover from the past semester. Unfortunately, the Finance Board has not done enough of this in the past. As a result, the amount accumulated to a huge sum over several semesters.

Ever since we realized this problem, the Student Union Government has been meeting with administrators to address the many issues and come up with solutions. There are both short-term and long-term solutions.

Short-Term Solutions

Initially, we wanted to spend current rollover over the course of a couple of semesters.

Instead of spending the entire rollover at once, we thought that it was more fiscally sound and responsible to spend it over time so that allocation towards clubs can be consistent. We still believe in the philosophy of not spending money for the sake of spending money.

However, we began to realize that this plan, although may sound ideal, had many x factors. We were concerned about leadership changes every year that may lead to inconsistencies in the strategy. Every Treasurer may have different beliefs and this may lead to several adjustments along the way. Also, this plan could possibly become very complicated because there is no guarantee that rollover would not accumulate even more over time.

With that said, we felt that it is our responsibility to the student body to cap the SAF for one year during fiscal year 2008 ~ 2009. Usually, SAF increases every year at a rate of increase in tuition. This will not be the case next year; rather, students will pay the same

amount they paid this fiscal year regardless of tuition change. This can be possible only because we have sufficient resources in current rollover to sustain the Student Union next year.

Moreover, we feel that the best way to spend the current rollover is to let undergraduate students decide how it should be spent. Undergraduate students are stakeholders of SAF. They should be able to determine how this large rollover should be spent.

Today, on behalf of the Student Union Government, I am pleased to announce that within the next few weeks, the student body will propose and decide on the most feasible ideas for spending rollover. Proposals can be made by any undergraduate student. It is my strong recommendation, however, that money be spent on infrastructure such as the renovation of Gosman Weight Room that can benefit the student body in the long-term. It is our hope that the current rollover will be dissolved at the end of this fiscal year.

The amount that will be put to student votes will be determined through subtracting the following from the current rollover amount:

- The extra amount of revenue we would have received had there not been a cap on SAF
- The amount for the Reserve Fund, which will be explained shortly
- The amount for SAF Management System which will be explained shortly

Long-Term Solutions

Rather than making treasury members deal with both short-term and long-term solutions at the same time, it made much more sense to have them focus solely on long-term solutions.

The most fundamental problem is that clubs are not spending all of their allocated funds. What we have to do is to make the ratio between club spending and F-Board allocation as close as possible to one. The following are components of this comprehensive plan:

1. We need to create incentives for clubs to plan better

We realize that there are clubs that are financially better managed than other clubs. For clubs with an excellent spending rate, we will give higher priority during the allocation process. For clubs with smaller spending rate, we will give lower priority during the allocation process.

I would like to ensure club leaders that this will only occur after having observed club finances for more than 1 semester. We find it unfair to punish or give incentives to clubs just based on one semester's performance. However, when clubs perform well or poorly for several semesters, it is not simply due to the leadership, but rather the financial culture of those clubs.

2. We need to change the allocation mechanism to a grant system from a line-item system

3 semesters ago, the Finance Board allocated funds to clubs on a very micro-level.

Clubs were given money based on line-item requests.

Beginning last semester, the F-Board began to allocate general grants through event requests. However, there were still multiple restrictions on how clubs spend money.

Effective for Early Marathon in Fall 2008, the F-Board will allocate a general grant for the entire semester with only 1 income line. Clubs will still have to request funds on a line-item basis to make sure that they are requesting the right amount of money. Upon receiving money, clubs can spend it as long as they have been approved by the F-Board. It is up to club leaders to allocate money within the given budget as long as these expenses have been approved by the F-Board. This is to prevent clubs from spending money for the sake of spending money. As much as we wish clubs spent all their money, we have to do everything possible to ensure that clubs spend their money appropriately.

3. We need an Appeal Request or “AR” meetings

Currently, club leaders request funds during Early Marathon, Regular Marathon, and Emergency Request Meetings. However, I feel that there needs to be a mechanism in which the F-Board members and club leaders should be encouraged to spend as much time as possible to study, consider, and review requests and allocations.

AR meetings will occur at the conclusion of every Early and Regular Marathon for clubs to appeal unsatisfactory decisions made by the Finance Board.

This will give club leaders a greater understanding of the reasons behind the F-Board decisions. Furthermore, this will give the F-Board more time to focus on individual allocations.

4. We need to take advantage of more payment methods

It is our hope that 5 different payment methods explained before are utilized to their maximum capability.

5. We need to develop the SAF Management System

The existing financial system requires the use of two different websites

(my.brandeis.edu and the Treasurer's website), entry of the data into QuickBooks

(which is the software the Student Union uses), manual report message into Microsoft

Excel, manual PDF generation of reports, manual report uploads to a website, re-entry

of data from QuickBooks reports into a custom Access database, and a manual

reconciliation process with PeopleSoft.

If you did not understand what I just explained, do not worry. I just wanted to prove that

the current system is ineffective, labor-intensive, inaccurate, and complicated.

The new system should consolidate all financial management into one system.

Additionally, the new system should allow club leaders to see detailed transaction lists

of all withdrawals and deposits that they have initiated, rather than simply viewing how

much total money is left. Information on the website also has to be updated 24/7, not

once a week. The new system also must provide easier methods for club leaders to fill

out forms so that financial transactions can occur much more quickly. Instead of having to learn complicated rules on how to fill out forms, club leaders should be able to follow user-friendly instructions on the website and have the necessary forms generated automatically.

Since January 2008, we have been working very closely with an outside vendor, Village Software. I am happy to inform you that we have recently gathered required information so that we can move onto the second phase, which is the actual building of the system.

There are 2 special people here tonight from Village Software – Keith McKay, Project Manager, and Adam Leffert, Senior Developer. They have been working with us closely and I have full faith in them to provide the best result possible for the convenience of club leaders and effectiveness and completeness of financial systems of Student Union treasury.

6. Lastly, we need to sustain the Office of the Treasurer

This position is extremely demanding. Club leaders of approximately 250 clubs want a piece of you. Whether it is breakfast at Einstein, dinner in Usdan, or at a party on Friday night, people always have questions for you. It is as if this job has a 24/7 mandate on your time. Managing over 1 million dollars and the accounts of approximately 250 clubs while being a full-time student is not an easy task. Oftentimes, it requires a lot of sacrifice on your personal life and may require a few sleepless nights.

With that said, one of the best things that happened this year was the creation of the Office of the Treasurer. Until last year, the Treasurer worked by him or herself and dealt with all financial aspects including financial transactions, completely alone.

But with an increase in the number of clubs and the size of existing clubs along with no off-campus bank account policy and the new one-destination concept, the Treasurer's responsibilities grew even more. Just to show you what I mean, there were 1,268 withdrawal transactions last fiscal year. This fiscal year, it is at 2,430 as of today.

Remember, the year has not ended yet. Last year, we had 191 deposit transactions

while we have 498 this year to-date. So, in total, we had 1,459 finance-related transactions last fiscal year while we have 2,928 transactions this fiscal year and we still have a month to go.

The results of the Office of the Treasurer are astounding. The most evident change is in the financial transaction process.

Last year, when I was by myself, the time it took between club leaders dropping off their forms and checks being produced at the Accounts and Payable Office usually took anywhere between 4 and 7+ business days. Last semester, which was the first semester of the Office of the Treasurer, this amount was reduced to between 1 and 4 business days. This semester, it was reduced to 24 business hours. This is called, "24-hour initiation." Although this 24-hour initiation has not been perfect, the performance has been very satisfactory and I can only hope that the process becomes much quicker with the SAF Management System.

The Office of the Treasurer alleviated my workload and allowed me to focus on policy aspects of the Treasurer position. Additionally, we have better and quicker communication with club leaders providing much more opportunity for one-on-one guidance. The Office of the Treasurer allows the Student Union Government to continuously function well and we must do everything possible to ensure that this office is sustained.

Along with sustaining the Office of the Treasurer, we must prepare for the vacancy in the Treasurer's position. Before my becoming the Treasurer, there have been 10 Treasurers in 5 years because they were so overwhelmed with the workload and the amount of pressure they received from the Student Union, club leaders, and the administration. Although I remained the Treasurer for 2 years, there is no guarantee that more Treasurers would not resign in the future.

It is crucial for daily financial operations to occur. Therefore, we need an established system in which someone can act as an Interim Treasurer until the next Treasurer is

elected. Because of specific skill sets that are required and the amount of time it takes to learn those skills, I am proposing a constitutional amendment in which designated members of the Office of the Treasurer become the Interim Treasurer based on a succession order that will be presented by the Treasurer to the Senate every year.

This will ensure that even with resignations, there are back-up plans so that daily financial operations can occur.

Results So Far

Some of solutions I have just explained have already been in effect since last semester.

Treasury members have been working very hard to achieve the ultimate goal of a one-to-one ratio between spending and allocation.

	Fall 2007	Spring 2008 (As of April 7, 2008)	Spring 2008 (At the End of Semester)
Revenue	186,096.32	250,197.30	
Requested	370,655.36	539,239.52	
Allocated	241,621.01	352,000.00	
Spent	204,128.52 <i>(84.48% of Allocation)</i> <i>(109.69% of Revenue)</i>	237,000.00	330,000 <i>(94% of Allocation)</i> <i>(133% of Revenue)</i>

CapEx

We also have to reform the CapEx fund. This intentional rollover is capped at 150,000 dollars. This fund was created 2 years ago so that clubs and organizations could request funds for non-recurring properties or emergency cases.

However, the reality is that 150,000 dollars will not end up being spent quickly enough. That is too much money. We also need to open up the scope and make it much more accessible to clubs.

Therefore, I am also proposing another constitutional amendment to change the CapEx Fund to the Reserve Fund.

While the CapEx Fund has a ceiling price, the Reserve Fund will have a floor amount of \$25,000. This gives the F-Board flexibility to increase the Reserve Fund if needed. The CapEx Fund has a minimum price for a single purchase of \$5,000 while that of the

Reserve Fund will be at \$2,500. Finally, while the CapEx Fund was mainly used for capital expenditures alone, the Reserve Fund will be used when clubs need extra funds.

Importance of Meeting the Demands of Club Leaders and the Student Body at

Large

Lastly, I have learned the importance of meeting the demands of club leaders and the student body at large, although demands of both groups may not be the same.

Through advocating to administrators, we have come up with programs that will be beneficial to students in long-term.

For instance, after 2 years of negotiation, the Athletics Department and the Student Union came to an agreement called, the "Club Sports Program." Instead of limited income going to clubs solely from the F-Board, this program enabled both the University and the F-Board to fund the 22 clubs that are under the program.

In fiscal year 2006 ~ 2007, those 22 clubs received approximately 120,000 dollars from the F-Board. This fiscal year, they received 113,000 dollars from the F-Board and 164,000 dollars from the Athletics, totaling up to 277,000 dollars, an increase of 231%.

We also have a responsibility to save as much money as possible without decreasing the quality of club operations. I have always stressed the importance of consolidating all publication groups on campus to sign an annual contract with one printing company.

Currently, different publication groups deal with different printing companies.

We need a media funding consolidation in which we go through an official University bidding process and select the most qualified printing company to print for all publication groups including *The Justice*. While ensuring that quality of finished products and services to publication groups are not diminished, we can save lots of money that can also be directed to other clubs.

These are just a few projects and advocacies the Student Union Government does for the student body.

Appreciations

As I look back on the past 2 years as the Treasurer, there are certain number of people I have to thank. Just to preface, I am sorry if I am not going to be able to mention your name tonight. There are so many people I want to thank, but with the amount of time given, I can only thank so much.

First, members of the Student Union Senate. Point of information. Is the Chair aware that the Senate has taught me the beauty of internal politics?

Members of the Finance Board – Max, Emily, Garrett, Tejas, Jordan, and Amanda – for always thinking big and for always being flexible to help clubs out all the time. It was an absolute blast to work with all of you. I still think we should have spent rollover to go to Cancun in 2 weeks. Anyways, you guys were great managers of SAF.

Members of the Free Admissions Review Committee – Jen, Andrew, and Tanya. Thank you for your unique insights. I know how hard you all worked along with Jahfree to study and analyze the best ticketing policy for the student body at large.

Members of the Executive Board – Alex, 2 infamous secretaries, Michael and Nelson, Kimberlee, Jenna, Christina, Sridatta, Brian, and Jason, the President-elect. Thank you for always listening to me and for being so passionate about what you do. It is because of you people that the Student Union can survive.

And, how can I forget 2 presidents I worked with – Alison Schwatzbaum and Shreeya Sinha. Presidents and Treasurers probably have the closest working relationships. I had a great experience working with both of them. But, I would like to take a moment and thank Shreeya for always being there for me, whether she thought or not. And thank you for always listening to me. As an incoming Executive Board member, you have successfully managed the E-Board and the Student Union Government. I know how

tough your job is in general, and with so many things that happened this year, it was even more difficult. Thank you so much for all your dedication.

Among so many administrators I have worked with, there are 3 people that I have worked on a daily basis. Steve Costa, Budget Analyst of Students & Enrollment Division, has helped me set up a very well structured money flow along with one-destination concept. He is an extremely talented employee and he is very quick at what he does. Steve, I am definitely going to miss working with you and seeing you every single day.

Also, 2 Assistant Vice Presidents of Students & Enrollment I have worked with – Keenyn McFarlane, who is now a Budget Director at Alcohol, Tobacco, and Firearms Bureau, and Frank Urso, who came from Harvard Business School. I must say that I have learned so many business concepts from both people. They have always encouraged me to think the bigger picture. Thank you for your mentorship.

And, lastly but not least, how can I not mention members of the Office of the Treasurer?

These people have always believed in what I did and been there for me unless they skipped their office hours. And, I really must emphasize that without them, there was no way I could have survived this year. They have sacrificed numerous hours a week to ensure that finances run smoothly. They have worked so hard not just for me, but for the entire student body. Thank you. And, you probably won't believe this is coming from a really strict and tough boss, but I love you all.

Before I conclude, I would like to introduce you to Max Wallach, the Treasurer-elect.

MAX SPEAKS

Conclusion

Thank you, Max.

Before I conclude, I would like to announce “Best Financially Managed Club of the Year” Award. This newly created award goes to clubs that have demonstrated the best planning, exceptional spending to allocation ratio, an excellent understanding of rules and logistics, and fiscal responsibility.

It was not easy to narrow them down to 1 club. Treasury members debated very much about this – at the end, we narrowed them down to 2 clubs. I am happy to inform you that treasury members have chosen Student Sexuality Information Service and Punk, Rock, n Roll to receive this year’s award. Congratulations. Please check your mailbox on this Friday to find out what the award is.

The Student Union finances have come a long way with so many changes. From a time without book keeping system, reporting procedures, and checks and balances, we now

embody a business-oriented system with significant daily operations. Moreover, clubs are beginning to evidence much more financial autonomy and independence.

Yet, there is always room for improvement and much more work to be done. There are 2 things I would like to mention.

First, next year has to see an outstanding ratio between spending and allocation. With this achievement, the SAF will hopefully be uncapped for the following year. Along with this, I would like to ask the Student Union and the administration to seriously consider whether SAF should rise at a tuition increase or at a Consumer Price Index growth level. I believe that next year is the best year to determine the true reflections on price changes.

Second, students, especially club leaders, need to seriously think about the possibility of hiring an additional full-time employee for Student Union financial transactions whose salary will come out of SAF. With the number of transactions, and for the need of

consistency, it is not a bad idea to hire a full-time employee. This is a similar model to Washington University in St. Louis, which uses its SAF for salaries of 2 full-time business managers and a receptionist.

One of the greatest defining hallmarks of the University's spirit has been the tremendous independence afforded to its students and the relative autonomy of its student clubs and organizations. Here at Brandeis University, students have the freedom to start a club and use it as an opportunity to get involved. With approximately 250 clubs, unique opportunities are provided in many aspects including social life. Instead of one or two organizations providing social life on campus, it is the collaboration of those 250 clubs that provide social life on campus. In this unique system, students decide what students want. And, finances of course play an integral role in sustaining those clubs and ensuring that Brandeis student body gets a fair share of their money.

I have full faith in Max and other treasury members that they will serve the student body to their best ability.

It has been an amazing journey. Thank you and have a good night.