



May 30, 2008

Dear Activities Board at Columbia,

Thank you again for your thoughtful F@CU packet as well as your informative presentation. We thank you all for amount of time you dedicate to ABC and, thus, the service you are providing to both the Columbia University community.

After careful consideration, F@CU has decided to give ABC a \$295,748.61 allocation for the 2008-2009 school year. While the amount allocated is a deduction from last year's allocation, the deduction does not represent dissatisfaction with ABC among the F@CU committee. The difference between our allocation and your request of \$379,910.78 is justified as follows:

First, we feel that every governing board should be permitted to have some amount of money left in their account at the end of the year as a contingency fund. This year, F@CU determined that 5% of allocation should be the permitted amount of surplus for this contingency. 5% of last year's allocation (\$363,016.65) is \$18,150.83, but this year's surplus amounted to \$123,555.18. In your request of \$379,910.78, you had subtracted \$93,555.18 of that surplus, thus requesting to keep \$30,000.00 for next year. We further subtracted \$11,849.17 from your request to bring the rollover down to 5% of your allocation, as previously justified. F@CU has made cuts to all governing boards with too much surplus and ABC falls into this category, as you are routinely failing to spend a substantial portion of your allocated funds. F@CU is experiencing a period of constrained budgets and enrollment and we need to ensure dollars are being spent as allocated. This change represents that effort toward fiscal responsibility. Therefore, we viewed your request as \$368,061.61.

From there, we made the following deductions:

- F@CU cut the \$10,000.00 expense for database construction. We applaud these ambitious plans, and sympathize with their rational origins in obvious efficiencies that could be gained in the workflow of the ABC system. However, given that Columbia is filled with intelligent computer scientists, we feel that this task could be completed by a student for little to no cost. If finding a student does not prove possible, F@CU would like to see a much more clear statement of work, project timeline and specific software implementation goals and delivery dates before we could ever fund something of this magnitude with any degree of confidence. Additionally, the naming of specific developers, their resumes and their full implementation strategies and justifications would be needed as well. F@CU appreciates the work gathering this information and those developers represents, but they would be the foundation on which we would build a justification to fund the project.
- F@CU cut the \$405.00 expense for meeting in the Dean's Conference Room because there is free meeting space in Lerner that can be used instead.
- F@CU cut \$1,758 from the from Manhattan Mini-Storage budget. We are very cautious about this idea from a security and workability standpoint, however we will support it. That said, we believe two storage rooms will be sufficient for the first year of this program.



- F@CU cut \$150 from the Allocation Board Dinner, thus making the expense inline you're your own guideline of \$5 per person for a sit-down dinner.
- Finally, F@CU cut \$60,000 from your request to fix what we feel is an overestimation of your operating expenses. First, it is important to realize that F@CU also make use of previous years' data when determining allocations each year. To do this, we must assume that governing boards use the same accounting principles from year to year. ABC started the 2007-2008 school year with about \$64,000.00 in surplus from the previous year. We allocated you \$363,016.65 for the year, yet you ended the year with even more than when you started, specifically, \$59,555.18 more. Your operating budget this year was therefore \$303,461.47 ( $\$64,000.00 + \$363,016.65 - \$123,555.18$ ), which is about \$60,000 less than what we allocated you. Assuming that you use the same principles when preparing your budget for the 2008-2009 school year, we were forced to assume that your methods, again, overestimate the amount of money you actually need. As stated before, we are not by any means stating that we do not approve of ABC's governing over its groups, nor do we want you to change the way in which you operate. On the contrary, we would like you to operate in a similar manner in the 2008-2009 school year, as you just did during the 2007-2008 year. F@CU has made this cut because the committee feels that without this \$60,000, your operations should leave you with 5% of your allocation left over at the end of the year. If, as the year progresses, you feel that this will not be the case, F@CU and ABC should meet to discuss what has happened, as well as our options.

All of these cuts sum to \$72,313.00, which, along with decrease in the retained surplus allotment, is the difference between your request and your allocation of \$295,748.61. ABC is an important part of the student life of the four undergraduate colleges. We believe that given the scale and scope of the ABC involvement on campus that the changes in allocation we've made are reasonable. Please let us know if you have any questions. We can be reached at [facu@columbia.edu](mailto:facu@columbia.edu).

Sincerely,

The F@CU Committee