

NJPIRG Students Concept Plan 2019
 Projected Income and Justification Addendum 1.30.19

Context: We have two sources of income: income from students at Rutgers University through the special funding process and return on investments that we have in Bank Certificates of Deposit. The projected income from our investments is explained in our Projected Budget 2019-2021. The projected income from Rutgers University is explained more fully here. In FY18, we received \$544,445.08 from students at Rutgers University. We are anticipating a projected income of \$550,000 for each of the next three years (FY19, FY20, FY21). This is slightly higher than what we are receiving now to account for a growth in student population. While we are intending to run our referendum for all available voting units at Rutgers University, we are anticipating that we will win the same divisions that we won in the 2016 referendum. The numbers for that are broken down below.

2016 Referendum Results:

Division Won	Total Student Enrollment (as of Fall 2016)	Students paying the fee (assuming the 55% pay rate that we've been getting)	Amount of money from that division per semester (# students paying x \$11.20)	Total amount of money from that division each year (previous column x 2)
Newark College of Arts and Sciences	3340	1837	\$20,574.40	\$41,148.80
(Newark) Rutgers Business School	2156	1186	\$13,280.96	\$26,561.92
(NEWK) Criminal Justice	680	374	\$4188.80	\$8377.60
(Newark) SPAA	172	95	\$1059.52	\$2119.04
(Newark) Law	684	376	\$4213.44	\$8426.88
New Brunswick School of Arts and Sciences	18,804	10,342	\$115,832.64	\$231,665.28
(New Brunswick) Engineering	3068	1687	\$18,894.40	\$37,788.80
(New Brunswick) Rutgers Business School	3420	1881	\$21,067.20	\$42,134.40
(New Brunswick) SEBS	2824	1553	\$17,393.60	\$34,787.20
Mason Gross	640	352	\$3942.40	\$7884.80
School of Pharmacy	828	455	\$5100.48	\$10,200.96
Camden Arts + Sciences	2192	1206	\$13,502.72	\$27,005.44
(Camden) Nursing	536	295	\$3304	\$6608
(Camden) Law	448	246	\$2759.68	\$5519.36
TOTAL	39,792	21,885	\$245,114.24	\$490,228.48

Accounting for population growth:

At the time of the 2016 referendum the population of the entire Rutgers community (all four campuses) was 62,229. We got this information from the financial office. However, according to the current Rutgers website, the population is now 70,876. We were not accounting for such a high population increase (14%) over three years. This increase in population accounts for the increase in our actual income, and the increase in our projected income over the next three years. To get to our projected income, we have to make some assumptions. Assuming that half of the 8,647 students who have come to the university are in divisions where our fee is assessed, and assuming that the pay rate stays consistent at 55%, that would mean that 2,378 more students are paying the fee, resulting in an additional \$53,265.52. This would bring our total projected income to \$543,494 for FY20, FY21, and FY22. We are rounding up to \$550,000 to account for an additional increase in population and an increase in pay rate, since we are always striving to reach more of the campus population and build our membership base.

Financial justification for the fee:

We think that our program and services require this type of fee because of how large our operating budget is. One of the biggest expenses that we have is paying staff salaries. Each year, we hire 4-6 staff (3-5 campus organizers and 1 organizing director). Our staff are invaluable to the recruitment and training of our student volunteers and interns, as well as to the long-term planning of our organization. This special funding mechanism allows us to have stability with our funding and allows us to be able to pay our staff consistently, knowing that we will have the income. Because of this, we are able to hire staff each year, knowing that we will be able to provide them with the salary that we have offered them.

Philosophical justification for the fee:

In addition to the financial need, ultimately we take pride in the democratic nature of our fee. The referendum process allows students to directly vote on whether or not they support our program and services, and whether they support it enough to keep the \$11.20 fee on their term bill. In the 2016 referendum, across the four Rutgers' campuses, 17,160 students cast their vote, and 14,554 voted yes to keep us student-funded. This is the largest student-only vote in the country, with more students voting on our fee than in any student government elections. In addition, students who are assessed the fee also have the option to waive the fee when paying their term bill. So even if 25% + 1 person from their division voted to keep us on their term bill, individual students still have the option to not pay our fee, whether because they don't see the value in our program or for financial reasons. As a student-run non-profit, we take pride in this, and think that this is the best way to engage as many students as possible in the process, get their input, and make sure that we are continually accountable to the students of Rutgers University.

A note on FY18 draft financials:

We will not have the independent audit for FY18 until May of this year, which is standard procedure. We have included here draft financial statements from FY18 instead. However, in FY18, our expenses were quite a bit lower than we were anticipating, in large part because we had an abnormally bad year for staff hiring and retention. We ended the year with only 1 campus organizer and 1 organizing director, when we had budgeted for 5 campus organizers and 1 organizing director. As you can see from FY15, FY16, and FY17, this is very much out of the norm for us and we do not anticipate any more staffing shortages in the coming three years. In this year (FY19), we have 1 organizing director and 4 campus organizers, and next year we are budgeting for 6 campus organizers and 1 organizing director.