



# WSBA

To: Section Chairs, Chair-Elects, and Treasurers

From: Tiffany Lynch, Finance Manager

Re: FY 2013 Section Per-Member Charge

Date: June 22, 2012

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At its April 27<sup>th</sup> meeting, the Board of Governors accepted the recommendation of the Budget and Audit Committee and voted to modify the policy on support of Sections' direct administrative costs so that the Section per-member charge covers 100% of the costs allocated to the "Sections Administration" cost center. The original estimate we provided to Sections was based on the FY 12 budgeted benefits and overhead, as well as current staff time allocations. Over the past few months WSBA staff has been working on preparing the FY 2013 budget that includes a reduction in overall expenses for salaries and benefits and a reduction in the total headcount for WSBA staff leading to lower staff-related expenses. For sections, we have reduced the total FTE count allocated to sections, held salaries relatively constant, and reduced benefits and overhead expense.

Based on the budgeted administrative costs associated with providing support to the WSBA Sections, the **Fiscal Year 2013 Per-Member Charge is \$17.75** which is an increase of **\$4.50** from the FY 2012 amount of \$13.25.

Below is the calculation of the 2013 Per-Member Charge based on budgeted salaries, benefits, overhead and direct expenses for Sections Administration:

**SALARIES AND BENEFITS**- The charge includes the salaries and benefits of all staff that directly support Sections. Benefits are calculated as a percentage of total salaries. The percentage is derived from the WSBA's total salaries and benefits budget for the fiscal year. Items included in employee benefits are employer federal taxes and insurance, medical coverage, retirement plan contributions, employee bus passes, and employee service awards and assistance plan.

<b><u>Direct Staff Support</u></b>	<b><u>FTEs</u></b>
Senior Sections Liaison (100%)	1.0
Sections Liaison (100%)	1.0
Sections Administrative Assistant (100%)	1.0
Associate Director for Publications and Professional Development (5%)	.05
Administrative Staff Time <sup>1</sup>	.10
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<b>Total FTEs</b>	<b>3.15</b>

<sup>1</sup> Includes cost of staff time for processing of accounts payable and production/mailing of section-related materials.

Salaries for 3.15 FTEs above	\$156,472
Benefits (31.65% of estimated salaries)	\$49,523
<b>Total Salaries and Benefits budgeted for Sections for FY13</b>	<b><u>\$205,955</u></b>

**OVERHEAD**- This charge includes expenses related to general operations attributable to all WSBA employees. Overhead cost is calculated based on a per-FTE (full-time equivalent) dollar amount which is derived by taking the total cost of all overhead and dividing it by the total number of WSBA FTEs. This generates a per-FTE cost which is multiplied by the total number of FTEs allocated to Sections. The FY 13 budgets for these costs are as follows:

- Rent	\$1,084,000
- Furniture, Maintenance, LH Improvements	\$ 20,000
- Office Supplies & Equipment	\$ 35,000
- Computer Software Depreciation	\$ 53,506
- Telephone/Internet	\$ 40,000
- Production Services	\$ 45,000
- Workplace Benefits	\$ 21,000
- HR Expenses	\$ 104,445
- Personal Property Taxes	\$ 19,500
- Furniture & Equipment Depreciation	\$ 342,114
- Computer Hardware Depreciation	\$ 78,875
- Insurance	\$ 55,000
- Professional Fees-Audit	\$ 42,000
- Bank Fees	\$ 14,000
- Information Technology Dept. Expenses	\$ 433,930
<hr/> Total	<hr/> \$2,388,370

Estimated total WSBA FTEs for FY 2013 = 140.7

Overhead per FTEs = \$2,388,370/140.7= \$16,975

**Estimated overhead to be charged to sections = \$16,975 x 3.15 FTEs = \$53,471.25**

**SECTIONS ADMINISTRATION EXPENSES**- these expenses are included in the WSBA's general fund budget and are mainly costs of administering sections unrelated to staffing costs. The total budget for FY 2013 is \$15,650.

**Items included in Sections Administration Expenses:**

- Dues Statements (paper, postage, and printing of annual Section membership dues statements)
- Credit card merchant fees (associated with membership payments made using credit/debit cards)
- Section Meetings Expenses (Fall & Spring Section Leaders meeting costs for food, supplies, and conference calls)
- Staff Travel (costs for Sections staff to attend Executive Committee meetings and other Section events)
- Staff Training & Development

**PER-MEMBER CALCULATION**

Total Salaries and Benefits =	\$ 205,995.00
+ Total Overhead =	\$ 53,471.25
+ Estimated direct expenses for Section Administration =	\$ 15,650.00
<b>Total Sections administration expenses FY13 budget =</b>	<b>\$ 275,116.25</b>
<b>Estimated total # of members for FY 2013 =</b>	<b>15,500 members</b>
<b><u>FY 2013 Per-member charge =</u></b>	<b><u>\$17.75/member</u></b>

**FY 2013 Budgets**

As a reminder, Section Budgets, Narratives, and Request to Change Dues are due on July 13<sup>th</sup>. If you have additional changes you would like to make to the budget after it has been submitted, you may do so up until August 13<sup>th</sup>. Please email all budget documents to [sectionbudgets@wsba.org](mailto:sectionbudgets@wsba.org) or mail to me at 1325 4<sup>th</sup> Avenue, Suite 600, Seattle WA 98101.

**Conclusion**

If you have any questions about any of the information contained in this memo or need additional information, please feel free to contact myself or your Section Leaders Liaison for assistance.

**Contacts**

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