

**UNIVERSITY STUDENT UNION
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
BOARD OF DIRECTORS
MARCH 11, 2019
GRAND SALON
MINUTES**

I. Call to Order

The regular meeting of the USU Board of Directors was called to order at 12:33 p.m. by Chair Bhernard Tila.

II. Roll Call

Present	Absent	Staff	Guests
Sharon Eichten	Frank Benkovic	Joanne Cowles	Stephanie Barboza
Maria Elizondo	Beverly Ntagu	Jimmy Francis	Patricia Carrillo
Stephanie Flores Temix	Michael Odino	Jeremy Hamlett	Asima Rahman
Marquita Gammage (<i>left at 1:30 p.m.</i>)		Joe Illuminate	Timothy Roberts
Debra Hammond (<i>left at 1:54 p.m.</i>)		Raymond Juarez	Brittany Swinson
Jazmin Hernandez (<i>left at 1:54 p.m.</i>)		Jonathan Navarro	Ronnie Veliz
Amber Perkins		Tim Rasmussen	
Shelley Ruelas-Bischoff		David Ross	
Tonee Sherrill		Freddie Sanchez	
Jesus Suarez (<i>left at 1:43 p.m.</i>)		Steven Wein	
Bhernard Tila			

III. Approval of Agenda

M/S (T. Sherrill/S: J. Suarez) Motion to approve the agenda for March 11, 2019.

M/S/P (J. Suarez/M. Gammage) Motion to amend the motion and move the 6&6 Second Quarter Budget Report (Action Item D) to Action Item C on the agenda.

The 6&6 Second Quarter Budget Report (Action Item D) was moved up on the agenda to accommodate Finance Committee Chair Jesus Suarez' schedule as the report's presenter.

Amendment passed 10-0-0.

Motion, as amended, passed 10-0-0.

IV. Approval of Meeting Minutes

M/S/P (A. Perkins/J. Hernandez) Motion to approve the minutes of the February 18, 2019 meeting.

Motion passed 8-0-2.

V. Open Forum

No report.

XI. Action Item

B. Form 990 Return of Organization Exempt from Income Tax (2017-18) – Time Certain 12:45 p.m.

Associate Director of Finance and Accounting Joe Illuminate introduced the Audit Committee's recommended motion to accept the USU's 2017-18 Return of Organization Exempt from Income Tax Information (Form 990). Sections of Form 990 that contain compensation-related information of board members was removed from the packet presented to the Board. The entire form would be available on the GuideStar website once it has been filed with the IRS. Form 990 was prepared by CohnReznick, the USU's audit and tax preparation firm. He then introduced, CohnReznick Senior Manager Lisa Cummings to present the Form 990 to the board via phone.

Cummings stated that all nonprofit organizations with gross receipts of more than \$25,000 per fiscal year are required to file Form 990 with the Internal Revenue Service (IRS). She said the form reports both the financial and non-financial activities of the organization, including fundraising, board structure, and organizational structure. She said the form is made available to the public and offers transparency to potential donors,

newspaper/media, and other charity organizations. It provides a snapshot of the organization's plans and procedures.

Cummings then reviewed the key sections of the Form 990 with the board. She reported that in the section that discloses the organization's governing body (Part VI, Section A.), the organization did make a significant change to its governing documents since the prior Form 990 was filed. Illuminate explained that this year's change was the addition of the student leadership development program that had been documented in the bylaws. Cummings reported that Form 990 was in order without any negative issues to report.

Motion passed 10-0-0.

VI. Chair's Report

Chair Tila reminded the directors to make their considerations for the BOD Committee Member of the Year Award and the Aida. C Salazar Award nominations. He said that the BOD elections filing period ended on March 4 and that 14 candidates would run for seats on the board. There was a mandatory candidates meeting on March 5. He thanked Vice Chair Flores Temix and Associate Director of Marketing and Programs Freddie Sanchez for presenting during the mandatory meeting. Candidate bios and photos will be posted on March 15. He encouraged directors to remind their constituents to vote on April 3 and 4. Tila said Directors Hammond, Ruelas-Bischoff, and Benkovic were attending the 2019 NASPA Annual Conference in Los Angeles. In addition the USU would present to the Campus Fee Advisory Committee (CFAC) on March 12 where the CFAC will receive the Referendum Voter's Guide and Referendum Language and provide recommendations and input to the USU. He also reminded the directors that Gradfest takes place on March 13 and 14.

VII. Vice Chair's Report

Vice Chair Flores Temix said that interviews were conducted two weeks ago to fill the open seats on the board. She said that it was a difficult decision for Chair Tila, BOD Project Assistant Jasmine Medina, and herself because there were a number of good candidates. She said they chose the best candidates for the positions. Fourteen candidates attended the mandatory BOD candidate meeting on March 4 and that all were engaged and attentive. The candidates had some knowledge about the resources offered by the USU, have visited the USU, and have been extensively involved on campus. She also said that the directors should have received the cards that were written during the Board orientation and that it should serve as a reminder of the purpose of their roles on the Board. She said the next BOD training would focus on referendum training to help the directors understand more about the project and provide them with the knowledge to help answer any questions they receive about the project and the referendum. The BOD training on April 29 would feature a de-stress program led by Oasis Wellness Center Manager Richard Cardona.

VIII. Executive Director's Report

Director Hammond said that there was no report today because there was an error in the report deadline schedule due to the scheduling change that was made for the March BOD meeting. She said she was attending the NASPA Annual Conference with colleagues and learning a lot, but that she would be back on campus to attend the CFAC presentation. She said she was continuing the meetings with the Cross Cultural Center Exploration Committee (CCCEC) and the ethnic studies department chairs. She has met with Africana Studies so far and that meetings with American Indian Studies and Asian American Studies have been scheduled.

IX. AS Report

No report.

X. Committee Report

- Diversity & Inclusion Committee: Chair Tila spoke on behalf of Committee Chair Benkovic and said the committee's next meeting would be on Monday, March 25 at 4:00 p.m. in the USU Conference Room. He said that the committee has started to review a scholarship opportunity for undocumented students that California State University, Long Beach has initiated on its campus and that the committee will continue to review it at the next meeting. He also said that three committee members and one former committee member were running for a seat on the Board. He said Melanie, Ruben, Kelly, and Matthew are all very active on campus and would bring a critical consciousness that would represent the student body.
- Facilities & Commercial Services Committee: Chair Jazmin Hernandez said that she had no formal updates.
- Finance Committee: Chair Jesus Suarez said the committee had extensive discussions about the second quarter budget report and the Equipment and Donations Policy at the last meeting. He will be reporting on the second quarter budget later in the meeting and the discussions regarding the Equipment and Donations Policy would continue at the next committee meeting.
- Personnel Committee: Chair Amber Perkins said the committee is on track with its goals. The committee will meet next to discuss more policy updates. Today, the committee will present an action item regarding student assistant employee performance review and merit increase eligibility.

- Retirement Committee: Chair Flores Temix said the committee's last meeting was on February 25. She thanked Director Odinlo for facilitating that meeting on her behalf. She said the committee discussed the 4th quarter retirement plan review. Current investments had declined with normal market declines. USU Financial Advisor Dennis DeYoung presented at the meeting to discuss retirement plan expense reduction efforts. DeYoung was able to reduce the asset base fee by .6% to save the participants a minimum of \$10,000 per year.

XI. Action Item

A. Board of Directors Appointment

M/S/P (A. Perkins/J. Suarez) Motion to approve the appointments of Stephanie Barboza, Timothy Roberts, and Asima Rahman as student representatives for the USU Board of Directors. Stephanie Barboza and Timothy Roberts will serve terms that will take effect on March 11, 2019 and will end June 2020. Asima Rahman will serve from March 11, 2019 until June 2019.

Vice Chair Flores Temix said it was a difficult decision as there were many great candidates, but they focused on which candidates could bring the critical voices of the students to the board. She said all three candidates presented different perspectives and opinions but shared a strong sense of commitment. Chair Tila added that Barboza showed an authentic interest in student leadership positions and had a great understanding of the USU as an organization. Rahman showed great enthusiasm. Roberts was professional and had an eagerness to learn about the organization. He said all three would be great assets to the Board. Each candidate introduced themselves.

Barboza said she is a sophomore studying marketing and ChicanX Studies. She said she currently serves on the BOD's Diversity and Inclusion Committee and is a member of Dreams to be Heard. She would like to be involved with the USU to bring the student voice of emerging communities.

Roberts said he is a senior majoring in kinesiology, minoring in Africana Studies. He said he could shed light on the CSUN student voices and would be glad to be part of the USU team.

Rahman said she is junior majoring in biochemistry. She would like to help student voices get heard and bring improvements to the CSUN community.

It was clarified that the appointments were chosen based on the availability of the candidates to finish the terms of the former board members

Motion passed 10-0-0.

Directors Barboza, Roberts, and Rahman took their seats on the Board.

Director Gammage left at 1:30 p.m.

Director Barboza left at 1:30 p.m.

C. 2018-19 Second Quarter (6&6) Budget Report

Motion from the Finance Committee to accept the 2018-19 Second Quarter Budget Report as presented.

Director Suarez said the USU does a thorough budget review every quarter. He explained that the report reflects the financial operations for the six-month period which ended on December 31, 2018. He said the optimal operating range is 50% of the yearly budget, although limits from 45% to 55% are acceptable. The percentage indicates the total amount of revenue received or the total amount of expenditures incurred for the quarter when compared to the budget. The USU's financial performance for the second quarter was strong. Both total revenues and expenditures were within the operating range. There was a surplus of \$549,728, approximately \$5.2 million in cash, and unallocated reserves of \$280,341.

Revenues

Total revenue is \$8,640,588 which is 50.4% of the revised budget of \$17,131,986.

- Food Service Commission (56.3%)
This category is slightly above the optimal range. The budget was reduced by \$20,000 because our food service commission budget was based on an incorrect total campus food sales forecast for the 2018-19 fiscal year. The revised commission budget reflects the correct total campus sales forecast.
- Summer Camp (47.4%)
A methodical and gradual decrease in enrollment is being implemented starting in summer 2019. As a result, the budget for Summer Camp revenue is being decreased by \$29,970. This is based on lower

enrollment for the three weeks of camp that will take place in June 2019 and based on decreased overall deposits that will be received in 2018-19 for camp sessions in July and August 2019.

- Grant Income (0%)
This revenue category is for Grant Income related to the USU's Campus Quality Fee (CQF) award for the WISDOM and Black Male Scholars (BMS) Programs. CQF procedures requires CQF award recipients (USU) to invoice Student Affairs in order to be reimbursed for the expenses incurred for these programs.
- Interest Income (94.4%)
This category is above the optimal range because the method for computing investment earnings for the System Wide Investment Trust Fund (SWIFT) was changed resulting in a higher amount of interest income being recorded at the beginning of the fiscal year. We will determine during the 9&3 budget process if the budget should be increased.

Expenditures

The total expenses for this period were \$8,090,860 which represents 47.2% of the revised budget of \$17,131,769.

- Benefits (49.9%)
The budget for this category was increased by \$74,231 which is primary attributable to an increase in expense related to the Retirement Health Benefits Plan (RHBP).
- General Operating Expense (53.3%)
The budget for this category was increased by \$26,888 for property insurance premiums charged by the campus for USU-occupied buildings. This premium was not included in the 2018-19 budget because the campus made the decision to pass the cost of property insurance to auxiliaries for the very first time after the 2018-19 budget process was completed.
- Supplies and Services (42.6%)
This category had transfers-in totaling \$203,238 during the quarter. Most of the amount was transferred from the Administration Contingency account for the following items:
 - SRC Program Review
 - CSUN Matador Grand Reunion
 - USU Renovation Consultant Fees (LPA & Brailsford & Dunlavey)

In addition, expenditures are slightly under the operating range due to Program Costs for the following reasons:

- Diversity & Inclusion Department – late October start in the implementation of the WISDOM and the Black Male Scholars Program.
 - Commercial Leased Department - \$35,000 allocated to support the Matador Involvement Center (MIC) is invoiced in spring.
 - Human Resources Department – \$20,000 allocated for the Year-End Celebration does not take place until May 2019.
- Repairs & Maintenance (46.6%)
This category had a transfer-in of \$40,506 to sandblast and seal the SRC pool deck.
 - Expendable Equipment (62.7%)
This category is significantly above the operating range because the Technology Support Services department has purchased the majority of its budget for Expendable Computers & Peripherals.

\$92,000 was spent in the first quarter and \$18,000 was spent in second quarter which leaves a remaining budget of \$30,000 for the rest of the fiscal year. First and second quarter purchases included the following:

- Dell Desktops & Laptop computers
- Mice and keyboards
- Scanners
- iPad replacement

- Hard drives
- Laptop cases, power supplies, batteries, and smartphone charging stations.

Statement of Changes in Financial Position

Total assets are \$6,116,038 of which \$5,184,273 is liquid cash. Total liabilities are \$3,544,558 of which \$2,339,230 is the estimate to pay for the projected medical expenses of current and future USU retirees who are participants in the Retirement Health Benefits Plan (RHBP). Total Net Assets is \$2,571,481.

Investment Summary

The USU has earned \$55,308 in interest income through its investment in the CSU Systemwide Investment Fund Trust (SWIFT) and the U.S. Treasury Cash Reserves money market account at Farmers & Merchants Bank.

Unallocated Reserves

During the second quarter, the Unallocated Reserves budget decreased by \$51,048, leaving a remaining budget of \$280,341. The Unallocated Reserves Budget has increased from \$250,000 to \$280,341 because Department Managers have identified savings in their budgets which are transferred to unallocated reserves. These additional reserves are repurposed for other USU priorities.

Designated Reserves

A total of \$77,201 of designated reserves was transferred to the operating budget during the second quarter for vacation advances, bonuses, and payroll tax expense. The remaining budget is \$34,072.

Capital Outlay

The capital outlay budget is \$252,966, with actual expenditures of \$70,307. All capital outlay projects are expected to be completed with the exception of the Games Room Renovation which is being deferred to 2019-20.

USU/CSUN Foundation

The USU Foundation account balance is \$261,297 of which \$197,377 is unrestricted and \$63,920 is restricted. There is \$15,000 remaining of a Board-approved gift to pay for Deferred Action for Childhood Arrivals (DACA) application fees that will be transferred to campus.

Work Study

The USU has received \$31,261 and expended \$7,825 leaving a balance of \$23,436.

Motion passed 9-0-2.

Director Suarez left at 1:43 p.m.

D. 2018-19 Capital Outlay Funds Reallocation

Motion from the Finance Committee to reallocate \$20,310 from the Games Room Renovation project to the Gender Inclusive Restroom – Sol Center project.

Assistant Director, Facilities Maintenance David Ross explained that the \$52,578 Games Room Renovation project has been delayed to the 2019-20 fiscal year which is the reason that the additional \$20,310 funding for the Gender Inclusive Restroom – Sol Center is available. He said the reallocation or transfer of funds between projects does not change the 2018-19 Capital Outlay Budget total amount of \$252,966. He stated that the revised cost estimate from the vendor KLD Construction to complete the restroom project is \$56,100 and adding a 10% contingency of \$5,610 brings the total cost to \$63,304. The Board approved a budget of \$42,944 for the restroom. He said an additional allocation of \$20,310 is needed for the project. The originally approved budget of \$42,944 did not include the fire alarm, sprinkler work, and additional lighting fixtures necessary to complete the project.

Motion passed 8-0-2.

E. USU Promotions and Publicity Posting Policy

Motion from the Facilities and Commercial Services Committee to approve the revisions of the USU Promotions and Publicity Posting Policy made by the Facilities and Commercial Services Committee.

Director Hernandez stated that the policy was originally approved by the Board in 2006. The revision was completed to remove the reference that postings must be consistent with the USU's mission and values. USU legal consultants made the recommendation to remove the statement prohibiting postings not consistent with the

mission and values of the USU from the Promotions and Publicity Posting Policy because of the concern of potential first amendment and free speech rights infringements.

Motion passed 7-1-2.

Director Hernandez left at 1:54 p.m.

Director Hammond left at 1:55 p.m.

F. Student Assistant Employee Performance Review and Merit Increase Policy

Motion from the Personnel Committee to approve updates to the Student Assistant Performance Evaluation and Merit Increase Policy effective February 28.

Director Perkins said that the Student Assistant Employee Performance Review and Merit Increase Policy was last updated in January 2013. The recommended changes to the policy include the elimination of the three-month informal performance review, the change in eligibility requirement for merit increase consideration from 12+ evaluation points (Meets Requirements) to be 16+ evaluation points (Exceeds Most Requirements), and the change in the merit increase percentage range from 2%-7% to 3%-5%. The three-month performance review was eliminated to increase efficiency. The change in eligibility requirement would increase the expectations standard. The adjustment to the percentage range for merit increases was made based on data that no previous merit increases have exceeded 6%. A score of 0 points in any of the 6 categories would disqualify the student from eligibility.

It was questioned whether the policy language pertaining to “requirements” should actually be “expectations” to be consistent with the language on the Student Assistant Employee Performance Evaluation Form. Human Resources Specialist Joanne Cowles explained that the language should be consistent in the two documents.

M/S/P (S. Eichten/T. Sherrill) Motion to amend the motion to approve the updates to the Student Assistant Performance Evaluation and Merit Increase Policy to include revisions that make the language of the Student Assistant Employee Performance Evaluation Form and the Student Assistant Employee Performance Review and Merit Increase Policy consistent, specifically to say, “Exceeds Most Expectations” and “Exceeds All Expectations.”

Motion passed 6-0-2.

Motion, as amended passed 6-0-2.

XII. Discussion Item

A. Executive Director Evaluation Process

Chair Tila said that there is an annual performance evaluation for the USU Executive Director. He said the review team, comprised of the BOD Chair, Personnel Committee Chair, and the Associate Vice President for Student Life, conducts the process to evaluate the performance of the USU Executive Director. He said it is a good opportunity to provide feedback, constructive criticism, concerns, as well as highlights and strengths of the Executive Director’s performance. He asked the directors to take the process seriously and return the completed forms to Director Ruelas-Bischoff by April 2. Director Ruelas-Bischoff added that the Executive Director appreciates the feedback from the Board in both the areas in which she excels and in the areas of improvement.

B. USU BOD Bylaw Membership and Organization Revision

Chair Tila said one of the BOD’s goals is to research and evaluate culturally inclusive leadership opportunities for CSUN undocumented students who do not meet the traditional employment eligibility requirements. One of the strategies to achieve this goal was to reevaluate the USU Bylaws Membership and Organization, Officers and Student Leadership Development section. Upon assessment and review with the Diversity and Inclusion Committee, it was concluded that more opportunities for marginalized students should be created. He said that the recent resignations of student representatives sheds light on the need for a smoother transition of leadership development. With the resignations, some committee co-chair and chair positions also were vacated. In an effort to provide a more sustainable board and mitigate the issue of transitional leadership positions while increasing culturally inclusive leadership opportunities Tila recommends revising the BOD Bylaws to increase the student representative seats from 10 to 12. He said this would alleviate the lack of back-up/support positions on each committee in the case of resignations. The additional members consistently would have attended committee meetings and could easily take over the positions of the committee co-chairs or chairs if necessary.

Discussion included the recognition that more student voices in the USU would be welcomed, but that it would be more difficult to achieve a consensus if there are too many voices. These recent resignations were also isolated and irregular events and would not necessarily be reoccurring. It was suggested that a succession plan

might be needed to replace the seats of committee chairs and co-chairs that have resigned from the Board, but that it might not be necessary to add two additional student representatives to the Board. It was made clear that not all committees have a BOD student representative on the committee, and that the added positions could allow for all committees to have a representative as an alternate in the case of resignations.

C. USU Renovation/Expansion Project Update

Associate Director, Marketing and Programs Freddie Sanchez said that Director Hammond, Associate Executive Director Jimmy Francis, Student Engagement Referendum Coordinator Dawn Joves, and Associate Director, Accounting and Finance Joe Illuminate would be presenting the Voter's Guide and Referendum Language to the Campus Fee Advisory Committee (CFAC) on March 12. The referendum will take place on May 1 and 2. Sierra Walk, the Campus Bookstore Lawn, and Arbor Grill have been determined as the polling locations. He said the Referendum Development Team meets on Tuesdays. Conversations with ethnic studies departments and the Cross Cultural Center Exploration Committee have continued. An outreach team of students has been created to assist in providing the project details and information to the campus.

Manager, Operations and Facilities Planning Jeremy Hamlett discussed the return on investments of the increase in social spaces and seating in the renovation project plan. The first floor return on investment would total 820 new seats compared to the 268 existing seats. The first floor would include the food services, entertainment, pub, shaded outdoor lounge, and support spaces. The second floor, consisting of the Event Center, meeting rooms, and support spaces, would create 105 new social space seating. The third floor, which would include the Cross Cultural Center, meeting rooms, and support spaces, would provide 355 new seats. Hamlett said there are currently 268 seats, but this proposed plan would result in 1,280 total new seats. He said other improvements would include the widening of Magnolia Walk, the outdoor walkway in front of the Computer Lab and International Exchange Student Center (IESC). The plan would increase the 15-foot walkway to 55 feet. With the recessed first floor, the walkway would actually be increased to 105 feet. Hamlett concluded the update with the exterior rendering scenes. He said the main entry renderings have been created, but many of the aspects could change with alterations to the performance space plans in the Plaza Del Sol. He showed the plans for an exterior stairway that is accessible without entering the building and the much anticipated shaded outdoor seating area located at the south façade of the structure.

XI. Announcements

- Director Elizondo said that the Pop-Up Pantry event would be taking place at Oviatt North, located across from Arbor Grill from 1:00 p.m. to 3:00 p.m. on March 12.

XII. Adjournment

Chair Tila adjourned the meeting at 2:52 p.m.

Respectfully submitted by,

Debra L. Hammond,
Executive Director