

**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
FEBRUARY 07, 2017  
MINUTES**

**I. Call to Order**

The meeting was called to order by Committee Chair, Michael Odinlo at 12:40 p.m.

**II. Roll Call**

<b>Present</b>	<b>Absent</b>	<b>Staff/Guests</b>
Khusbeen Dhillon, Student Representative (voting)	Debra Hammond, Executive Director (non-voting)	Tina Jensen Kronqvist, Student Administrative Assistant
Sharon Eichten, University Representative (voting)	Thelmari Raubenheimer, Board Chair (non-voting)	Scottie Schorn, Associate Director, Operations & Services
Brenda Flores, Student Representative (voting)		
Joe Illuminate, Executive Secretary (non-voting)		
Farhad Khorasani, Student Board Representative (voting)		
Michael Odinlo, Committee Chair (voting)		
Dr. Shelley Ruelas-Bischoff, Student Affairs Representative (voting)		
Aleyna Williams, Student Representative (voting)		

*Scottie Schorn arrived at 1:02 p.m.*

**III. Approval of Agenda**

M/S/P (K. Dhillon/F. Khorasani) Motion to approve the agenda for February 07, 2017.

*Main motion passes by general consensus*

**IV. Approval of Minutes**

M/S/P (F. Khorasani/A. Williams) Motion to approve the minutes for November 18, 2016.

*Main motion passes by general consensus*

**V. Chair's Report**

Committee Chair, M. Odinlo, welcomed the members back from the holiday break, and wished everyone a good year.

**VI. Discussion Items**

**A. Procurement Policy & Procedure**

M. Odinlo presented a PowerPoint presentation to the committee, explaining the major changes from the old Purchasing Policy to the updated proposed Procurement Policy. The policy needs changing because the current Purchasing Policy is over ten years old and has not kept up with the

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organization's actual procurement practices. Updating the policy to allow the use of corporate credit cards for low-value purchases will encourage and increase efficiency by eliminating purchase orders, accounts payable vouchers, and checks to multiple vendors.

Low-value purchases are defined as a single transaction of goods less than or equal to \$5,000 which includes related taxes and shipping costs. Travel-related expenses are exempt from the \$5,000 single transaction limit. The updated policy also has a section about emergency transactions which states that:

When an emergency involving the public health, welfare, safety, protection of USU property or programs requires the immediate issuance of a purchase order, contract, or service order without the formal issuance of bid limitations, a statement regarding the nature of the emergency will be attached to the requisition and signed by the requestor and the USU Executive Director/designee.

S. Eichten asked if "catastrophic events" needed to be added to this description, but J. Illuminate explained that this would already be considered an emergency according to the definition above.

The proposed policy has the following list of acquisitions and disbursements that do not require a purchase order:

- Acquisitions equal to or less than \$500 that do not require a contract
- Corporate credit card and payments
- Travel advances and reimbursements
- Petty cash replenishments and reimbursements
- Utility payments (telephone, electricity, gas, and water)
- Refunds of overpayments or deposits
- Employee payroll benefit-related payments
- All payments coded to general ledger accounts that begin with 2XXXX, 3XXXX, or 4XXXX.

S. Eichten suggested changing "corporate credit card payments" to "corporate credit card payments *and purchases*" since both payments and purchases are exempt from the purchase order requirement. The committee agreed on this change.

M. Odinlo also explained that in the updated policy, written quotations from three vendors are required for purchases of goods and services greater than or equal to \$10,000 but equal to or less than \$50,000. Acquisitions of goods and services estimated to be greater than \$50,000 and equal to or less than \$100,000 may be the result of an informal non-advertised solicitation process. The solicitation must be based on a written project scope documenting the requirements and characteristics the goods must possess in order for the proposal to be responsive. Written quotations based on the project scope must be obtained from at least three vendors. However, the requirement for three written vendor quotations may be waived for acquisitions of goods and services greater than or equal to \$10,000 and equal to or less than \$100,000 if written documentation is provided that shows that sufficient outreach and diligence was undertaken to obtain the quotations. J. Illuminate explained that the reason why this requirement can in some cases be waived is because

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either there may not always be three different vendors who are able to provide the requested goods or services, or vendors may not respond in a timely manner.

J. Illuminate pointed out that the Procurement Policy approval process and the roll out of the Concur software should occur at the same time because the encouragement of low dollar purchases using the corporate credit card will greatly increase the number of credit card transactions. The Concur software will automate the monthly corporate credit process by allowing online approval of individual credit card charges and by the creation of an extract file from Concur that will upload credit card charges into the PeopleSoft accounting software. It is recommended that the approval of the Procurement Policy contain a provision not to allow the policy to go into effect until the Concur software is implemented so that the expected increase in credit card charges can be handled efficiently.

S. Eichten suggested contacting other CSU auxiliaries that are already using Concur to inquire about any potential obstacles that they have encountered.

**B. Gift Cards Policy & Procedure**

M. Odinlo presented a PowerPoint presentation to the committee, explaining the purpose and the main points of the proposed Gift Card Policy and Procedure. The USU is creating the policy in order to encourage accountability in the gift card purchasing process. All procurement of gift cards must be approved by a member of the management team via the intranet Gift Card Purchase Request Order Form, which is a form developed by Michael Jardinico.

Gift cards must be delivered to the Accounting & Finance cashier office within one (1) business day after receipt for storage in the cashier office safe. Receipts verifying the quantity and dollar amount of the gift card purchase must be provided when the gift cards are delivered to the cashier office. The original receipt is required for gift cards purchased with petty cash or personal debit or credit cards, and a copy of the receipt is required for purchases made with a corporate credit card.

The Accounting Manager/designee will keep a perpetual inventory of all gift cards that are stored in the safe. The perpetual inventory is an Access Database spreadsheet that will keep track of the quantity of gift cards purchased, issued, and the physical stock on hand.

The cashier window is the authorized location where gift cards will be distributed to department representatives or gift card recipients. If the authorized gift card recipients are present at the Cashier window, they will sign a log evidencing that the gift card was received. The log will include the following:

- Department number
- Gift card recipient
- Signature
- Date received
- Gift card type
- Gift card quantity
- Gift card total dollar amount
- Gift card purpose

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Individuals who are designated to receive gift cards must show identification to verify that they are the authorized gift card recipient. If it is not feasible for the gift card recipient to be present at the cashier window, a department representative can sign the log evidencing that the gift card will be disbursed to the recipient. The department representative will complete a Gift Card Proxy form and the recipient will sign it upon receipt of the gift card. The form will then be turned into the cashier's office.

J. Illuminate asked Dr. Ruelas Bischoff and S. Eichten if either of them knew how the University keeps track of gift card purchases. They explained that the University rarely purchases gift cards, but said they would follow up on this to see if there are any formal procedures in place.

Subsequent to the Finance Committee meeting, Deborah Wallace, AVP Financial Services, responded that the campus does not have a separate policy to address the purchase of gift cards. Gift cards are allowed to be purchased with the campus purchase card but require preapproval and supporting documentation.

**VII. Action Items**

**A. Reallocation of Major Repair & Replacement Funds – Additional Banquet Chairs**

M/S/P (K. Dhillon/F. Khorasani) Motion to reallocate \$49,391 from the following approved Repair & Replacement Fund projects in order to purchase additional banquet chairs:

1. \$16,313 Grand Salon Audio System
2. \$8,605 Plaza Del Sol Performance Hall Audio Visual System
3. \$9,473 Student Recreation Center Strength Equipment Replacement
4. \$15,000 Maintenance Shop Renovation Feasibility Study

M. Odinlo explained that for fiscal year 2016-17, the Board of Directors approved the purchase of 1,100 banquet chairs at a total cost of \$244,831 for the Northridge Center and the Grand Salon. The base price of each chair is \$206.60. The decision was made to upgrade the chairs, which will add \$49,391 to the price bringing the total cost up to \$294,222.

The funds that will cover this extra cost are available for reallocation from the four projects listed in the table below because there are/will be funds leftover after the projects are completed, and therefore this will have no fiscal impact.

Banquet Chairs – approved allocation	\$244,831
Reallocate: Grand Salon Audio System	\$16,313
Reallocate: Plaza Del Sol Performance Hall Audio Visual System	\$8,605
Reallocate: Student Recreation Center Strength Equipment Replacement	\$9,473
Reallocate: Maintenance Shop Renovation Feasibility Study	\$15,000
<b>Total Proposed Allocation</b>	<b>\$294,222</b>

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J. Illuminate asked S. Schorn to explain the reasoning for the decision to purchase an upgraded chair. S. Schorn stated that the original quotation was just an estimate, because at the time of the original quotation, it was not certain which fabric and chair frame would ultimately be chosen. The chairs provided in the original quotation were for a standard chair with grade 4 upholstery. MTS, the banquet chair supplier, recommended using Grade 4 fabric for pricing purposes. According to MTS, Grade 4 fabric is very acceptable for the average priced chair.

The revised quotation (with the additional \$49,381 cost) adds the grade 9 upholstery; the satin nickel chrome finish; the integrated hand hold; and a retractable ganger to each Piper Banquet Stacking Chair. The upgraded chairs are more durable as the satin finish protects from scratches. This chair provides lumbar support for good posture and comfortable seating and flexes naturally with the movement of the seated guest. The chairs can also be easily stacked and moved around from one location to another due to the integrated hand hold. This is a crucial feature since the chairs will frequently be moved between the Northridge Center and the Grand Salon.

The upgraded Piper Banquet Stacking Chair was favored by 91.0% of CSUN students, staff, and guests who participated in a “sit down” test in the Sol Center lobby in December 2016.

***Main motion passes 6-0-0***

**VIII. Announcements**

Committee Chair, M. Odinlo, informed the committee that the Board of Directors elections are coming up. He also announced that committee member Ferny Arana has resigned his position on the committee due to competing priorities.

A. Williams informed the committee that she is developing a short course series of story sharing sessions this semester and that the members are encouraged to attend. The next session will be held on February 23, 2017 at 12:30 p.m. in the Panorama City Room and the topic is “How to Conquer your Fears”.

**IX. Adjournment**

The meeting was adjourned by Committee Chair, Michael Odinlo at 1:18 p.m.

Respectfully submitted by,

Joseph Illuminate  
Associate Director, USU Accounting & Finance