

UNIVERSITY STUDENT UNION
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
FINANCE COMMITTEE MINUTES
FRIDAY, MAY 31, 2024
MINUTES
SOL CENTER, EXECUTIVE BOARD ROOM, 3RD FLOOR

I. Call to Order

Co-Chair, M. Orantes, called the meeting to order at 9:13 a.m.

II. Roll Call

Present	Absent	Staff/Guests
Dayana Figueroa, Student Committee Member (voting)	Mishell De Leon, Committee Co-Chair (voting)	Lusine Dayan, Accounting Manager*
Debra L. Hammond, Executive Director (non-voting)	Dr. Freddie Sanchez, Assistant VP, Student Affairs, Equity & Inclusion (voting)	Jolee Innocent, Accounting & Finance, SASA II
Joseph Illuminate, Executive Secretary (non-voting)	Vyom-Vimalkumar Pathak, Student Committee Member (voting)	
Alexandra Martinez, Student Committee Member (voting)	Dr. Edith Winterhalter, AVP, Budget & Strategic Business Ops, Administration & Finance	
Luis Olmos, Student Committee Member (voting)*		
Marilyn Orantes, Committee Chair (voting)		
David Ramirez, Student Committee Member (voting)*		

**Zoom video participant*

III. Approval of Agenda

M/S/P (A. Martinez, D. Figueroa) Motion to approve the Agenda for May 31, 2024.

Main Motion approved by General Consensus

IV. Approval of Minutes

M/S/P (D. Olmos, D. Figuera) Motion to approve the Minutes for March 29, 2024.

Main Motion approved by General Consensus

V. Chair's Report

Chair M. Orantes expressed her gratitude to each member of the committee for their valuable contributions during the fiscal year. She emphasized the importance of their collective efforts in driving the committee's progress and achieving its goals.

The chair extended her sincere appreciation for the dedication and commitment shown by each member, recognizing their valuable input, and active participation in the discussions. She reiterated that their collective efforts were instrumental in advancing the committee's objectives, and she looked forward to continued collaboration and success in future endeavors

VI. Action Items

A. 2024-25 Operating Budget Allocation Proposal

Motion passes 4-0-0

B. 2024-25 Third Quarter Budget Report (9 & 3)

M/S/P (A. Martinez /D. Figueroa) Motion to recommend approval of the 2023-24, 9&3 Third Quarter Budget as presented.

The USU does a thorough budget review every quarter. The Third Quarter Budget Report is for the Third Quarter, ended March 31, 2024. The term "9&3" signifies that there are nine months of actual data and three months of projected data

Introduction

The purpose of this report is to summarize the financial position of the University Student Union as of March 31, 2024. The optimal operating range is 75% of the yearly budget, though limits from 70% to 80% are acceptable.

The operating range percentage for any particular revenue or expense category is computed by taking the actual revenue or expenditure amount and dividing it by the revised budget amount for that category. The percentage indicates the total amount of revenue received or the total amount of expenditures incurred fiscal year-to-date.

Statement of Activities

Revenue or Expense categories highlighted in yellow signify that the category is either above or below the optimal range or that the budget was increased or decreased by more than \$10,000 when compared to the previous quarter.

Revenues

Total Revenue is \$15,106,872 which represents 74.8% of the revised budget of \$20,198,831.

- **Rental Income: SRC Lockers & Towels (83.9%)**
This category is above the optimal range because most locker room services sales took place the week prior to the start of Spring semester. It is projected that this category will be within range by fiscal-year end.

- **Food Service Commission (50.0%)**
This category is below the optimal range. The third quarter commission invoice did not occur until the fourth quarter 2024.

- **SRC-Related Income (87.4%)**
This category is above the optimal range. The budget in this category includes income generated from the Memberships, Intramural Income, Pro Shop, and Personal Training Program Income.

Most memberships and intramural passes were purchased in the month of January and February for the Spring 2024 term. It is projected that this category will be within range by fiscal-year end.

- **Grants Income (55.1%)**
This category is below the optimal range. The budget for this category was reduced by \$44,967 for the DEIG Grant because no more DEIG events are planned for 23-24 so the balance will not be utilized. In addition, third quarter Campus Quality Fee (CQF) expense reimbursements were not invoiced until the fourth quarter. The USU anticipate' s that this category will be in the optimal range by fiscal-year end.

- **Interest Income (96.8%)**
This category is above the optimal range because the USU received the annual amount of \$139,956 investment income from the CSU Consolidated Investment Pool account in October 2023. As a result of a re-assessment at the third quarter review, the budget in this category was reduced by \$16,800, but will be within the optimal range at fiscal year- end.

- **Miscellaneous Income (81.2%)**

This category is above the optimal range. The budget for this category was increased by \$56,049 in the Indirect Cost Recovery line item to account for the reimbursement from Associated Students for the renovation of their subleased office space.

Expenditures

Total Expenditures are \$13,765,588 which represents 68.2% of the revised budget of \$20,198,430.

- **Hourly (69.8%)**

This category is below the optimal range. The budget for this category was increased by a net amount of \$32,832.

- Increases

- \$25,630 Marketing – Transfer from Staff Salaries to Hourly for temporary and emergency part-time appointments for a Multimedia Support Coordinator and a Marketing Support Assistant
- \$14,200 Accounting & Finance – temporary emergency appointment of an Accountant II
- \$9,592 Veterans Resource Center
- \$2,710 Summer Camp

- Decreases

- \$15,000 SRC Aquatics - change in SRC Aquatics operating hours and Plaza pool and SRC Recreation pool closures
- \$4,300 Oasis Wellness Center

- **Staff Salaries (71.1%)**

This category is within the operating range. The budget for this category was reduced by \$146,933 due to savings from partially vacant and vacant staff positions:

- \$38,509 Board of Directors - Administrative Support Coordinator
- \$54,630 Marketing
 - Multimedia Support Coordinator
 - Marketing Support Assistant

- \$20,324 Veterans Resource Center Supervisor
 - \$27,000 Facilities Maintenance HVAC Engineer
 - \$10,000 Reservations Planner
- **Student Wages (73.4%)**

This category is within the optimal range. The budget for this category was reduced by a net amount of \$119,907 due to unfilled student positions:

 - **Decreases**
 - \$40,000 USU Reservations & Event Services
 - \$25,331 Veterans Resource Center
 - \$21,408 DREAM Center
 - \$13,000 Marketing
 - \$12,700 Board of Directors
 - \$12,260 Human Resources
 - \$7,000 SRC Facilities
 - \$5,053 Diversity & Inclusion
 - \$5,132 Operations & Facilities Planning
 - \$3,028 SRC Administration
 - \$2,710 Summer Camp
 - **Increase**
 - \$27,882 Intramural Student Assistants
 - More funds needed for sport specific training and shadow training shifts for the Spring semester.
 - Increase in the number of weekends, evening events, practices, and tournaments requiring additional student staffing.
- **Cost of Goods Sold (85.3%)**

This category is above the optimal range. The budget in this category was reduced by \$5,213. Pro Shop inventory has been replenished in preparation for the Spring Semester and Summer Sessions. It is anticipated that this category will be within range by fiscal- year end.
- **General Operating Expenses (69.1%)**

This category is slightly below the optimal range. The budget in this category was increased by \$26,906:

- \$19,000 Marketing for marketing expenses for the Valera NEST and Heart of Campus campaigns
 - \$3,000 Hospitality
 - \$2,480 Subscriptions
 - \$36,342 Program Food Costs for Summer Camp meals and Recruitment of camp counselors
- **Supplies and Services (67.1%)**
This category is below the operating range. The expenditures listed below will take place in the fourth quarter.

Projects/Services

- \$49,149 Technology Contractual Services - Software/license renewals
- \$117,830 Professional Services
 - \$27,950 LPA - SRC Turf Field Replacement Study and the Plaza del Sol Performance Hall Ladder Code Review
 - \$89,880 Brailsford and Dunlavey - USU Renovation Project

Programs

- \$15,700 USU Co-Sponsorships
 - \$12,800 MSW Internship Field Instructor Support
 - \$16,073 Pride Center programs
 - \$20,500 Veterans Resource Center programs
 - \$7,222 Diversity & Inclusion programs
 - \$15,021 DREAM Center programs
 - \$36,000 USU Night Market
 - \$18,500 Art Jam
 - \$14,000 Crunch Time
 - \$15,000 Carnaval
 - \$18,000 Year-End Celebration
 - \$3,500 USU Contribution for the Associated Students/Board of Directors Elections
 - \$3,000 BOD Members Transition Ceremony
- **Travel (65.4%)**
This category is below the optimal range. The budget in this category was increased by \$11,294 to support anticipated expenses for travel prior to

fiscal year-end.

Travel expenses for the following conferences will be recorded in the fourth quarter:

- \$13,450 ACUI Annual Conference
- \$21,000 2024 NIRSA Annual Conference
- \$10,000 National Conference on Race & Ethnicity (NCORE) in Higher Education
- \$2,500 NASPA Student Affairs Administrators in Higher Education Annual Conference

- **Utilities (76.8%)**

This category is within the optimal range. The budget for this category was re-assessed and increased by \$29,140 based on the actual expenses of electricity, gas and water.

- **Repairs & Maintenance (60.5%)**

This category is below the optimal range. The budget for this category was increased by \$11,888. The University Student Union can anticipate that this category may be below the optimal range by fiscal-year end. The expenditures listed below are scheduled to occur in the fourth quarter:

- \$509,117 Payments for Custodial Services March-June 2024
- \$9,600 DREAM Center Flooring and Painting
- \$39,285 USU Reservations & Event Services Flooring, Painting, and Window Shades
- \$8,300 East Conference Center (ECC) Window Tinting
- \$3,000 A.S. Ticket Booth Signage
- \$16,000 Heating, Ventilation, and Air Conditioning (HVAC) Chiller Maintenance
- \$18,000 Hazardous Waste Removal

- **Fees and Charges (81.1%)**

This category is slightly above the optimal range because registration fees paid by credit card for Sunny Days Camp occurred in March 2024 when camp registration started. It is anticipated that this category will be within budget range by the end of the fiscal year.

- **Grants and Scholarships (67.1%)**

This category is below the optimal range. It is anticipated that this account will be within range by fiscal-year end after the budget is reduced for funds that will not be utilized.

- **Expendable Equipment (36.9%)**

This category is below the optimal range. The budget in this category was increased by \$70,897 for the expenditures listed below to take place in the fourth quarter:

- Zero-client devices
- GPS clock replacements
- Video surveillance cameras and other peripherals
- Sound equipment, lighting equipment, signage, stanchions and canopies
- Speedbags for boxing and workout plates.

Change in Net Assets (Net Surplus)

The budgeted surplus is \$401 whereas the actual surplus is \$1,347,284.

Due to the large surplus, the USU will invoice \$1 million less in student fees in June 2024 than budgeted in order to bring revenues in alignment with expenses. The \$1 million in student fees not invoiced will remain in the Revenue Fund to provide funding for the Valera Nest project.

Statement of Changes in Financial Position

- \$12,362,032 Total assets of which \$11,709,686 is cash.
- \$2,797,348 Total Liabilities of which \$1,562,049 is the estimate to pay for the projected medical expenses of current and future USU retirees who are in the Retirement Health Benefits Plan (RHBP).
- \$9,564,683 Total Net Assets

Investment Summary

Total investment income is \$151,988 of which \$139,956 is the annual investment income from the CSU Consolidated Investment Pool received in the second quarter. The remaining \$12,032 income is the investment in the Farmers & Merchants Bank US Treasury Cash Reserves fund and the American Capital Preservation fund.

Unallocated Reserves

The USU's financial strategy is to build up Unallocated Reserves by transferring unutilized funds identified during quarterly budget reviews to handle unexpected

economic events and any other financial contingency.

The total Unallocated Reserves balance is \$383,839. Budgeted funds returned to unallocated reserves during the third quarter included savings from staff salaries, hourly and student wages, and other operating expenses.

Designated Reserves

A total of \$41,190 of Designated Reserves was transferred to the operating budget during the third quarter for vacation advances and corresponding employer-paid payroll taxes. The available balance is \$261,669.

Capital Outlay

The Capital Outlay Budget is \$211,223 and the Budget Balance Available is \$56,945.

- The following Projects were cancelled because these projects are now included as part of the two 24-25, Major Repair & Replacement Requests to replace the F-Building Chiller and the Shell Wall around the Cooling Towers in the F-Building:
 - Heating, Ventilation, Air Conditioning (HVAC) Panel Upgrade
 - Heating, Ventilation, Air Conditioning (HVAC) Chiller Control Panel
 - Exterior Wall Shell

- The Board approved reallocating funds from the cancellation of the F-Building HVAC Panel Upgrade and HVAC Chiller Control Panel projects to purchase pool tables and USU Large-Customized Letters.
 - The pool tables were ordered in May 2024
 - The USU Large-Customized Letters are in production

Foundation Account Balances

The USU Foundation account has a cash balance of \$2,096,702 of which \$151,238 is unrestricted and \$1,945,465 is restricted.

Work Study

The USU received \$58,515 in work study payments and has expended \$16,575 which leaves a balance of \$41,940 available to spend. It is anticipated that funds will be expended by fiscal year-end or returned to the bottom line.

Motion passes 4-0-0

VII. Discussion Items

A. 2023-24 Committee Goals Year- End Review

Chair M. Orantes led the discussion on the progress the committee made towards completing it's goals for the 202-22 fiscal year. She also stated that goal three will not be continued to next year instead it will be taken into consideration. Please refer to the table below:

No.	GOALS	PROGRESS
1	Update and finalize the long-term financial plan for the USU Renovation for presentation to the USU Board of Directors and Campus Administration. (May 2024)	In Progress — the financial plan has been continually updated throughout the year. Will be presented to the BOD and Campus Administration in 2024-25.
2	Revise the Procurement Policy to incorporate justice, equity, diversity, and inclusion (JEDI) in order to provide underrepresented small businesses the opportunity to compete for business opportunities with the USU. (May 2024)	In Progress — a draft was completed, but needs to be updated due to revisions to the campus Procurement Policy. Intent is to complete the draft by December 2024.
3	Update the Fixed Asset Policy. (May 2024)	Not Started — time constraints and other priorities. This goal will not be carried forward to 24-25 as an official goal, but still could be revised by Accounting & Finance.

B. Committee Member Appreciation

Chair M. Orantes expressed gratitude to each member's service on the committee during the 2024-25 fiscal year by presenting a Certificate of Appreciation to each student and staff member.

VIII. Announcements

Chair M. Orantes articulated her indebtedness to each member of the committee with a few words of wisdom. In addition, she encouraged the committee that there are applications available to reapply for the upcoming term.

IX. Adjournment

The meeting was adjourned by Chair, Marilyn Orantes at 9:57 A.M.

Respectfully Submitted,



Joseph Illuminate
Associate Director, Accounting & Finance