

UNIVERSITY STUDENT UNION
 CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
 FINANCE COMMITTEE MEETING
 MONDAY, APRIL 20, 2020
 MINUTES

I. Call to Order

The meeting was called to order by Committee Chair, Tammy Rassamekiarttisak at 3:34 p.m.

II. Roll Call

Present	Absent	Staff/Guests
Czar Agcaoili Student Committee Member (voting)	Pavitra Kanse, Student Committee Member (voting)	Tyrone Carter, Chair, Board of Directors (non-voting)
Debra Hammond Executive Director (non-voting)	H. Landeros, Student Committee Member (voting)	Jasmine Medina, Accounting & Finance Administrative Support Assistant II
Joe Illuminate Executive Secretary (non- voting)		
Alberto Martinez, Committee Co- Chair (voting)		
Asima Rahman Student Committee Member (voting)		
Tammy Rassamekiarttisak Committee Chair (voting)		
Dr. Shelley Ruelas-Bischoff Student Affairs Representative (voting)		
Edith Winterhalter, Dir, Administrative Services Admin & Finance VP (voting)		

III. Approval of Agenda

M/S/P (A. Martinez, A. Rahman) Motion to approve the agenda for April 20, 2020.

Main Motion passes by general consensus

IV. Approval of Minutes

M/S/P (A. Martinez, A. Rahman) Motion to approve the minutes for March 09, 2020.

Main Motion passes by general consensus

V. Review of Minutes (No Quorum) – March 30, 2020

No discussion

VI. Chair's Report

T. Rassamekiarttisak mentioned that the USU will be having a virtual Year-End Celebration on Friday, May 1, 2020 at 3:30PM. Everyone should have received the invitation and she encouraged everyone to attend. We hope that our Finance Committee nominee will be named Committee

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Member of the Year!

VII. Action Items

A. Travel Policy

M/S/P (A. Martinez/A. Rahman) Motion to recommend approval the Travel Policy as presented.

The proposed Travel Policy was discussed at the November 06, 2019, November 20, 2019, February 24, 2020, March 09, 2020, and the March 30, 2020 Finance Committee meetings.




A change made to the policy since the previous meeting was that William Watkins, Vice President for Student Affairs has indicated that he **or** the Associate Vice President for Student Life may approve travel to prohibited states on behalf of the Division of Student Affairs. It is not necessary that both the Vice President for Student Affairs and the Associate Vice President for Student Life provide their approval. The signature approval lines on the Instructions for Approval of Travel to Prohibited States was updated to reflect this change.

A suggestion was made to add language to the procedures in regard to international travel for students.

Chair, T. Rassamekiarttisak explained the significant changes in the travel policy which are summarized in the table below:

CURRENT TRAVEL POLICY		PROPOSED TRAVEL POLICY
The "Definitions" section follows the Policy Section.	➔	The "Definitions" section precedes the Policy section.
The definition of "Concur" is not included in the policy.	➔	The definition of "Concur" is included in the policy [Definition No. 2].
The definition of "Out of Pocket" expenses is not included in the policy.	➔	The definition of "Out of Pocket" expenses is included in the policy [Definition No.3].
The fact that alcohol does not meet the definition of "Subsistence Expense" is not included in the policy.	➔	The fact that alcohol does not meet the definition of "Subsistence Expense" is now included in the policy [Definition No. 5a].
The requirement for travel to be pre-approved before travel takes place is not included in the policy.	➔	The requirement for travel to be pre-approved before travel takes place is included in the policy. Pre-approval takes place by the submission of Travel Request in Concur.
Travel reimbursements will be made on a travel expense claim form and will conform to USU Travel procedures.	➔	Travel for out of pocket expenses must be documented by the submission of Travel Expense Report in Concur.
The policy is silent on the requirement for international travel approval.	➔	International travel may occur as needed to advance skill development in the profession when no similar event occurs in the United States. All international travel must be approved by the Executive Director/designee in consultation with the Associate Vice President of Student Life.

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CURRENT TRAVEL POLICY		PROPOSED TRAVEL POLICY
All USU requests for travel to banned states will be reviewed on a case-by-case basis.		All USU requests for travel to banned states requires approval by the Executive Director/ designee, the Associate Vice President for Student Life or Vice President for Student Affairs and Dean of Students, and the Campus Chief Financial Officer.
Exceptions to the state travel ban did not include <ul style="list-style-type: none"> • Enforcement of California or Federal Law • Litigation 		Exceptions to the state travel ban now includes <ul style="list-style-type: none"> • Enforcement of California or Federal Law • Litigation
The policy did not include a statement that the Executive Director may make limited exceptions to the Travel Policy.		The policy now includes a statement that the Executive Director may make limited exceptions to the Travel Policy.

Motion passes 6-0-0

VIII. Discussion Items

A. 2020-21 Operating Budget

J. Illuminate explained that Accounting & Finance is currently preparing the 9&3 Budget Report. This report will reflect the projected decrease in revenue and expenses as a result of the COVID-19 pandemic. The expectation is that expenses will decline more than revenue. We may be able to use some of the savings from this current fiscal year to increase our reserves budget in 2020-21.

Department Managers turned in their 2020-21 budgets in March. Final budgets were due by April 10, 2020. The Finance Committee was supposed to consider the proposed budgets on May 06, 2020. The consolidated budget totals \$18.4 million.

Stay at Home Orders will require revision of the 2020-21 budget to reflect the new financial realities. Summer instruction will be virtual which means our summer student union fees will be drastically reduced. Student headcount, which accounts for 85% of the USU’s operating budget, could decline in fall anywhere from 10%-20%. The projected loss in revenue from a reduction in summer and fall student union fees could total \$5 million. If fall instruction goes virtual, the financial impact could even be more severe.

A decline in student fee revenue would bring our Debt Service Coverage Ratio below 1.25, the minimum acceptable level. The way to bring the DSCR above 1.25 would be to reduce the amount of student fees transferred to our operating budget from the Revenue Fund which means a reduction in the 2020-21 operating expense budget. This will impact staffing and the provision of student services.

The annual budget meeting that was scheduled for May 06, 2020 is being rescheduled to May 28, 2020 to provide sufficient time to update the 2020-21 budget.

One positive occurrence is that the USU was approved to receive a \$2.1 million loan from the Small Business Administration as part of the Paycheck Protection Program (PPP). The loan is expected to

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be funded on April 23, 2020. These funds will be used to continue to pay employees and utilities. If the USU uses at least 75% of the loan proceeds for salaries and benefits, the entire loan could be forgiven.

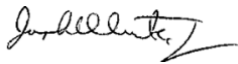
IX. Announcements

None

X. Adjournment

Committee Chair, Tammy Rassamekiarttisak adjourned the meeting at 4:19 p.m.

Respectfully Submitted By,



Joseph Illuminate
Associate Director, USU Accounting & Finance