

**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
FRIDAY, MARCH 11, 2022  
MINUTES**

**I. Call to Order**

Chair, Charlie Rodriguez-Salazar called the meeting to order at 3:01 P.M.

**II. Roll Call**

<b>Present</b>	<b>Absent</b>	<b>Staff/Guests</b>
Charlie Rodriguez-Salazar, Committee Chair (voting)	Debra Hammond, Executive Director (non-voting)	Stefanie Guarino, Interim Executive Administrative Analyst
Mishell De Leon, Committee Co-Chair (voting) <b>3:06 pm arrival</b>		
Joseph Illuminate, Executive Secretary (non- voting)		
Thalia Fernandez, Student Committee Member (voting)		
Taylor Ketterling, Student Committee Member (voting)		
Adrian Mejia-Flores, Student Committee Member (voting)		
Mia Armendariz, Student Committee Member (voting)		
Karen Zavala, Student Committee Member (voting)		
Dr. Shelley Ruelas-Bischoff, Student Affairs Representative (voting) <b>3:09 pm arrival</b>		
Dr. Edith Winterhalter, Associate VP for Budget & Strategic Business Operations, Administration and Finance (voting)		

**III. Approval of Agenda**

M/S/P (T. Ketterling/E. Winterhalter) Motion to approve the Agenda for March 11, 2022.

**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
FRIDAY, MARCH 11, 2022  
MINUTES**

***Main Motion approved by General Consensus***

**IV. Approval of Minutes**

M/S/P (M. Armendariz /T. Ketterling) Motion to approve the Minutes for February 18, 2022.

***Main Motion approved by General Consensus***

**V. Ice Breaker**

Chair, Charlie Rodriguez-Salazar, requested that committee members share their plans for spring break.

**VI. Chair's Report**

Chair, Rodriguez-Salazar informed the committee that teleconferencing for Zoom meetings will continue through next month.

They then stated the AS election period closed on Monday, March 7, 2022 and the USU election period for BOD closes Friday, March 11, 2022.

They encouraged participation in BOD elections due to lack of competition. They also encouraged students to apply for the vacant positions.

**VII. Discussion Items**

**A. 2021-22 Second Quarter (6&6) Budget Report**

Chair, Rodriguez-Salazar presented the Budget Report.

The purpose of this report is to summarize the financial results of the University Student Union on December 31, 2021. The optimal operating range is 50% of the yearly budget, although limits from 45% to 55% are acceptable.

As a result of the campus remaining mostly virtual during the fall semester, the net surplus was \$2,058,692. The USU collected 100% of the budgeted student fees during the quarter, but total expenditures were below the optimal range. We anticipate that the rate of expenditures will increase during the spring semester as more students return to campus.

**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
FRIDAY, MARCH 11, 2022  
MINUTES**

In February 2022, the Board of Directors approved to allocate \$1.7 million of the December 2021, \$2.1 million surplus to fund the following four critical Major Repair & Replacement projects:

1. Sub-Pub Elevator
2. Associated Students Athletics Space Renovation
3. Sol Center Roof Repair
4. Thousand Oaks Room Window Repair

Although this approval occurred during the third quarter, it is included in this report because this allocation has had a significant impact on the projected operating surplus.

**Revenues**

Total Revenue is \$8,920,955 which represents 49.1% of the revised budget of \$18,184,357.

- **Grant Income (29.8%)**  
This category will run below the optimal range until the fourth quarter because Campus Quality Fee invoices for the Black Student Success Initiative, HEAL Project, and the DREAM Center are billed quarterly.
- **Interest Income (99.4%)**  
This category is above the optimal range because, per campus practice, the USU receives the total annual estimated amount of investment income from the CSU Consolidated Investment Pool account in the first quarter.
- **Miscellaneous Income (69.2%)**  
This category is above the optimal range. The budget for this category was increased by \$119,083 including a \$105,000 transfer to Indirect Cost recovery for Federal 941 Tax credits and Pension adjustment, and \$13,913 for reimbursement from CSUN Student Affairs for a furniture purchase for the Basic Needs offices in the Sol Center.

**Expenditures**

Total Expenditures are \$6,862,263, which represents 38.1% of the revised budget of \$17,991,973.

**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
FRIDAY, MARCH 11, 2022  
MINUTES**

- **Hourly (30.3%)**

The budget for this category was reduced by \$66,568 due to the Recreation Center pool closure during the SRC locker room renovation, and a lower number of scheduled Fitness Programs and Oasis art classes than was expected.
  
- **Staff Salaries (46.3%)**

This category is within the optimal range. The budget for this category was reduced by \$55,425 due to savings from staff positions.

  - \$29,400 SRC Facilities
  - \$9,970 SRC Fitness Programs
  - \$9,932 Diversity & Inclusion
  
- **Student Wages (40.8%)**

The budget for this category was reduced by \$184,111 due to unfilled student positions and students not working their total scheduled hours:

  - \$85,000 USU RES
  - \$25,900 Computer Labs
  - \$20,000 SRC Fitness & Wellness
  - \$13,628 Guest Services
  - \$8,389 SRC Fitness Programs
  - \$6,500 Veterans Resource Center
  - \$5,000 Accounting & Finance
  - \$4,670 SRC Administration
  
- **Cost of Goods Sold (63.7%)**

This category is above the optimal range because orders of various retail items for the ProShop were placed during the first and second quarters to replenish out of stock items.
  
- **General Operating Expenses (38.2%)**

This category is below the operating range due to the following:

  - Other Rentals – copier usage in the Sol Center has been reduced greatly due to our hybrid work environment in the first and second quarters.
  
  - Program Food Costs – no meals were provided to Summer

**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
FRIDAY, MARCH 11, 2022  
MINUTES**

Camp participants due to COVID in summer 2021. The remaining funds will be used for meals during summer 2022.

- Staff employee recruitment – only 19.9% of the \$10,055 budget has been utilized.
- Marketing expenses - only 15.5% of the \$41,350 budget has been utilized.

The budget for this category will be monitored and re-assessed at the next quarterly review for any potential reductions to the budget.

○ **Supplies and Services (27.9%)**

This category is below the operating range due to the following:

Projects/Services

- Amtech Elevator Services – payments processed in February
- Student Board Member Office Construction
- Professional Services – USU expansion & renovation

Programs

- \$4,000 Cultural Welcomes
- \$4,500 Black LGBTQIA+ Month
- \$4,600 QTPOC Program
- \$4,500 Black History Program
- \$5,000 Steps Towards Implementing Institutional Change I
- \$5,400 Responsive Programs
- \$6,000 Spring Fest
- \$6,000 All That Art
- \$6,800 Noontime Concert
- \$9,000 Craft Corner
- \$10,000 Crunch Time
- \$12,000 Passive Engagement
- \$13,000 Anti-racism training Part I
- \$15,000 Carnaval
- \$15,000 USU Co-Sponsorships
- \$18,000 Training on Equity Program Part I
- \$18,000 Training on Equity Program Part II

**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
FRIDAY, MARCH 11, 2022  
MINUTES**

- \$24,000 Influencer Series
- \$30,000 Anti-racism training Part II
- \$36,000 USU Night Market

The budget for this category will be monitored and re-assessed at the next quarterly review for any potential reductions to the budget.

○ **Travel (10.3%)**

This category is significantly below the optimal range. The budget for this category was reduced by \$22,451. Travel for the Auxiliary Organization Association annual meeting (AOA) was cancelled. Travel expenses for the Association of College Unions International(ACUI) conference were incurred in January 2022. Travel is subject to approval based on COVID-19 travel protocols put in place by the campus.

○ **Repairs & Maintenance (34.4%)**

This category is below the optimal range. There was a reduction of \$323,575 due to savings from custodial services. The expenditures listed below will take place prior to fiscal year end. The budget for this category will be monitored and re-assessed at the next quarterly review for any potential reductions to the budget.

- Games Room Restroom Countertops
- Lindley Irrigation line
- Freudian Sip Window
- Chlorine Hopper System for chlorine control for the swimming pools
- Gas Line Main Valve Regulator

○ **Fees and Charges (22.1%)**

This category is below the optimal range because registration fees paid by credit card for Sunny Days Camp will not occur until February 2022 when camp registration begins.

In addition, University Department Support invoices for the Matador Involvement Center (MIC) advising services are billed quarterly which means the expense for the second quarter is billed in the third quarter.

○ **Grants and Scholarships (42.0%)**

This category is below the optimal range due to two vacant Board of Directors positions which will be filled in February 2022.

**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
FRIDAY, MARCH 11, 2022  
MINUTES**

○ **Expendable Equipment (35.9%)**

This category is below the optimal range. Funds will be used for purchases to update sound equipment, lighting equipment, signage, stanchions, and canopies.

The budget for this category will be monitored and re-assessed at the next quarterly review for any potential reductions to the budget.

**Statement of Changes in Financial Position**

Total assets are \$11,624,335 of which \$10,855,236 is cash. Total liabilities are \$4,298,876 of which \$3,215,753 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). Total Net Assets are \$7,325,459.

**Investment Summary**

Total investment income is \$59,629 of which \$59,617 is from our investment in the CSU Consolidated Investment Pool. The balance of \$13 is from the investment in the US Treasury Cash Reserves at Farmers & Merchants Bank.

**Unallocated Reserves**

During the second quarter Unallocated Reserves increased by \$798,528. This is due to the following reasons:

- Reduction in salaries and wages due to vacant positions
- Reduction in Employee Benefits budget
- Transfer of Administrative Contingencies to Unallocated Reserves
- Reduction in janitorial and building maintenance expense, travel, marketing, and other operating expenses

**Designated Reserves**

A total of \$39,010 of Designated Reserves was transferred to the operating budget during the quarter for vacation advances and corresponding employer-paid payroll taxes.

**Capital Outlay**

The capital outlay budget is \$29,550. No capital outlay expenditures were incurred during the second quarter although the Microsoft Hub was received. In addition, the construction of the Student Board Member Office took place in February 2022.

**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
FRIDAY, MARCH 11, 2022  
MINUTES**

**Foundation Account Balances**

The USU Foundation account has a cash balance of \$407,460 of which \$173,143 is unrestricted and \$234,317 is restricted.

Unrestricted donations can be used for any purpose within the USU mission. Restricted funds must be used in accordance with the specifications of the donor. For example, funds donated for the Veterans Resource Center can only be used for the Veterans Resource Center

Dr. Edith Winterhalter raised a question about the balance of the Foundation account. The average balance has been in the \$350,000 range depending on the timing of receiving and expending the donations.

**Work Study**

The USU received \$16,626 in work study payments and has expended \$7,257 which leaves a surplus of \$9,369.

**VIII. Action Items**

**B. Hospitality Policy**

M/S/P (T. Ketterling/S. Ruelas-Bischoff ) Motion to recommend the approval of the revisions to the Hospitality policy as presented.

Chair, Rodriguez-Salazar presented this Action Item. They reminded the committee that the Hospitality Policy was discussed at the meeting held on February 18, 2022.

The changes to the Hospitality Policy that the committee recommended for approval are listed in the table below.

Previous	Recommended
The definition of 'Continuous Service' was not included.	<b><u>Definitions now Include</u></b> <b>Continuous Service: The employee's service is continuous without any break in service.</b> <b>Continuous service includes employment status as student assistant, hourly, or staff employee.</b>



**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
FRIDAY, MARCH 11, 2022  
MINUTES**

<p><b>Employee Recognition Events:</b> Memorial services, celebrations of retirement, and farewell gatherings for employees separating with at least five years of service.</p>	<p><b>Employee Recognition Events:</b> Memorial services, celebrations of retirement, and farewell gatherings for employees separating with at least five years of <b>continuous</b> service.</p>
<p><b>The sentence</b> “The Executive Director/designee is authorized to make limited exceptions to this policy” <b>was not included previously.</b></p>	<p><b>The following sentence is now included at the end of the Fiscal Policy</b></p> <p><b>The Executive Director/designee is authorized to make limited exceptions to this policy. The reason for the exception must be documented in writing.</b></p>

***Motion Passes 7-0-0***

**C. Major Repair & Replacement Fund Allocation and Deallocations**

M/S/P (M. De Leon/T. Ketterling) Motion to recommend the approval to allocate an additional \$333,762 to the East Conference Center Renovation Project, offset by a deallocation of \$449,092 for the projects outlined in the table below.

Major R&R Project Name	Amount	Allocation/ Deallocation
East Conference Center (ECC) Renovation (Various Sightlines Projects)	\$333,762	Allocate
East Conference Center (ECC) Meeting Room Chair Purchase	\$341,234	Deallocate
Student Recreation Center (SRC) Turnstiles Replacement	\$35,374	Deallocate
All-In-One Desktop	\$34,939	Deallocate
Laptop Replacement	\$2,164	Deallocate
Server Host Replacement (USU-Wide)	\$(7,489)	Deallocate
vMware vSphere/vCenter Virtual Server	\$(31,639)	Deallocate
Server Host Addition for VDI (Computer Lab)	\$18,831	Deallocate
Aruba Wireless Access Points	\$(489)	Deallocate
Alcatel Lucent Network Switch Replacement	\$4,617	Deallocate
SRC Locker Room Bench Replacement	\$50,750	Deallocate
SRC Locker Room Epoxy Floor Replacement	\$800	Deallocate

***Motion Passes 7-0-0***

**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
FRIDAY, MARCH 11, 2022  
MINUTES**

**D. Announcements**

Chair, Rodriguez-Salazar invited committee members to Dr. Becks Investiture Ceremony and Afternoon Kick Back on Monday, March 14, 2022 at 3 pm. They will be speaking along with BOD member, Fredy Perez.

Chair, Rodriguez-Salazar encouraged everyone to attend the Big Show on Saturday, March 12, 2022.

**E. Adjournment**

The meeting was adjourned by Chair, Rodriguez-Salazar at 3:37 P.M.

Respectfully submitted by,



Joseph Illuminate  
Associate Director, USU Accounting & Finance