

**UNIVERSITY STUDENT UNION
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
FINANCE COMMITTEE MEETING
NOVEMBER 04, 2016**

UNOFFICIAL MINUTES DUE TO LACK OF QUORUM – FOR INFORMATION ONLY

The following minutes are unofficial due to a lack of quorum at the Finance Committee Meeting held on November 04, 2016.

I. Call to Order

Since quorum could not be achieved, the meeting was not called to order, but for informational purposes, the meeting began at 2:20 p.m.

II. Roll Call

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

III. Approval of Agenda

There was no approval of the agenda.

IV. Approval of Minutes

There was no approval of the minutes.

V. Chair’s Report

None

VI. Action Items

None

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VII. Discussion Items

A. Procurement Policy & Procedure

The Purchasing Policy was a discussion item at the previous Finance Committee meeting on October 14, 2016.

J. Illuminate explained that a draft of the new policy has been developed and the recommendation is to change the name from “Purchasing Policy” to “Procurement Policy” in order to be consistent with the terminology the campus utilizes.

Even though the Finance Committee votes on policies and not procedures, the procedure is being presented to the committee in order to receive feedback. The draft policy and procedure has been sent to the management team and Accounting & Finance staff to obtain their feedback too.

J. Illuminate explained that this draft policy was developed by reviewing related campus policies.

The proposed USU Procurement Policy encompasses the following fundamental principles:

1. Commitment to the maintenance of high standards of performance based on fair, ethical, and professional business practices.
2. Recognition that the development of purchasing policies is to establish efficiencies, transparencies, and safeguards for obtaining the best value in the acquisition of goods and services.
3. Recognition that policies will be in accordance with sound business judgement and practices.
4. Ensure all procurement activities are in compliance with regulations applicable to procurement regarding ethnicity, race, gender, sexual orientation, personal use of information, conflict of interest, advance payments, restrictive specifications, and prohibition of labor abuse.

A key component of the new policy is the encouragement to develop methods for reducing the costs of low-value purchases where little or no value is added by processing the transaction through the standard procurement process e.g. purchase orders. The principal method would be to increase the usage of the corporate card for procurement of low-value items in order to reduce the number of purchase orders, invoices, and checks.

J. Illuminate contacted Deborah Flugum, the Director of Purchasing & Contract Administration for the campus, to determine what the definition of a low-value purchase is since the campus policy does not provide such a definition. The campus policy does not define a specific dollar amount as a low-value purchase so that each entity has the flexibility to determine a threshold that best accommodates their own procurement practices.

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The campus dollar limit for an authorized low-value purchase is \$10,000. The recommended low-value purchase dollar limit for the USU is \$5,000 since any purchase greater than \$5,000 would require three vendor quotations. A \$5,000 low-value dollar limit would require a change in the Corporate Credit Card Policy to increase the individual corporate credit card transaction limit from \$3,500 to \$5,000.

Student Representative, Aleyna Williams, agreed to present the Procurement Policy & Procedure to both the committee and Board of Directors.

B. Gift Card Policy & Procedure

The Gift Card Policy & Procedure was a discussion item at the previous Finance Committee meeting on October 14, 2016.

The following changes to the policy were recommended or discussed at today's meeting:

1. Reverse the decision to only allow the purchase of gift cards with the corporate credit card based on management team feedback. This decision created the unintended consequence of requiring the cardholder to physically go to the retail outlet to purchase the cards causing an unnecessary inconvenience.
2. Development of a Gift Card Purchase Request Order Form on the intranet which is required to be completed and approved before a gift card purchase can be made.
3. Add the requirement that copies of receipts for gift card purchases made on the corporate credit card must be provided to the cashier office when the gift cards are turned in to the cashier office for safekeeping.

Student Representative, Brenda Flores, agreed to present the Gift Card Policy & Procedure to the committee and Board of Directors.

C. Long Term Financial Plan

J. Illuminate educated the student committee members on the components of the long-term financial plan so that they will be prepared to evaluate if there are sufficient reserves in the plan when it is updated for the following elements:

1. The increase in staff salaries and benefits based on the forthcoming Employers Group report.
2. The costs of future renovation projects based on the forthcoming Brailsford & Dunlavey report.
3. Potential decreases in student fee revenue due to potential decreases in student headcount.

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One of the Finance Committee’s 2016-2017 goals is to update the long-term financial plan to ensure there are sufficient reserves in the plan for the items listed above.

VIII. Announcements

Aleyna Williams reminded the members about the Short Course Video Series that are being held and encouraged them to attend.

IX. Adjournment

The meeting ended at 3:40 p.m.

Respectfully submitted by,

Joseph Illuminate
Associate Director, USU Accounting & Finance