

**THE UNIVERSITY CORPORATION**  
**Executive Committee**  
**February 7, 2023**

A meeting of The University Corporation (TUC) Executive Committee was called to order by Chairman Dr. Erika Beck at 3:02 p.m. on Tuesday, February 7, 2023 via Zoom Conference Call at California State University, Northridge. A quorum was present.

**Members Present via computer video and audio:** Erika Beck, Colin Donahue, Paige Hajiloo, Michael Phillips, Ben Yaspelkis

**Members not Present via computer video and audio:** None

**Staff Present via computer video and audio:** Heather Cairns, Rick Evans, Michael Lennon, Philia Militante, Cindy Ruan, Freny Shah, Grace Slavik, Linda Turner, Kathryn Weeks

**Others Present via computer video:** Robert Carlson, Bryn Hagfors, Bella Newberg, Lih Wu

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**ITEM 1. APPROVAL OF DECEMBER 16, 2022 EXECUTIVE COMMITTEE MINUTES**

**MSP (Donahue/Yaspelkis): That the minutes of the December 16, 2022 Executive Committee meeting be approved as circulated.**

**ITEM 2. FINANCIAL STATEMENTS**

Rick Evans, Executive Director -TUC, reviewed the Net Cash Generated schedule as of December 31, 2022. Mr. Evans reported that the actual Net Cash Generated is at about \$146,000 and that TUC is performing better than budget by about \$120,000. He provided a quick update of each division's financial status starting with the Campus Store which is right on budget. Food Services is significantly off budget, but if the \$640,000 of foodservice non-cash depreciation is added back, it brings back the division to a \$500,000 cash surplus. Real Estate is right on budget. He mentioned that General Administration is about \$115,000 better than budget but he cautioned that this is not sustainable as it is mostly due to understaffed salary savings. He regarded that the RSP Post-Award division is the real hero of this report since it has an almost \$400,000 better than budgeted Indirect Cost return, as well as a \$112,000 in salary savings. He noted that the having the almost \$300,000 positive Net Cash generated and that this is \$210,000 better than budget, it will allow TUC to start funding the Reseda Annex Reserve to almost \$50,000, as well as the University's Special Projects reserve to almost \$100,000.

Heather Cairns, Associate Executive Director - TUC, reported that a rough fall opening, lower foot traffic, the decrease in retail sales and the low catering sales (thus less commission) contributed to the Foodservices' Year-to-Date loss. She mentioned that although the meal plan is strong and that the program is profitable, the margin is smaller and TUC still have other costs to cover in this division. She echoed Mr. Evans' earlier statement that the division's number will end up positive at \$500,000 after adding back the

non-cash depreciation. She stated that TUC will continue to work with Chartwells to improve these numbers.

CSUN Finance and Financial Planning and Insurance professor Michael Phillips pointed out that the Foodservices' numbers were compared to Fiscal Year 2019 when student enrolment was higher. Dr. Phillips asked Ms. Cairns given that there may be less students on campus as some of his classes are still in a hybrid schedule, were there any analysis on the potential of real population purchasing items on campus. To clarify further, he suggested that to get the target sales number for this fiscal year, it is useful to look at the ratio between the number of people parking on campus and the volume of sales in 2019. Mr. Evans acknowledged Dr. Phillips' suggestion and indicated that TUC will work with the campus and Chartwells on this type of analysis.

Freny Shah, Director of Business and Finance – TUC, presented the Balance Sheet as of December 31, 2022. Ms. Shah reported that the Net Assets grew by \$1.6 million during the last six months. There has been a drop of about \$650,000 in cash and a drop of \$1.3 million in short term investments which are both due to paying bills and the purchase two Single-Family properties in total of \$2.5 million. She indicated that overall, TUC's Balance Sheet performed better than the previous year month end. Ms. Shah then reported on the Long-Term Pool Investment which consists of the Student Managed Investment and the Regular Investment. Both investments performed well and the net position grew by \$200,000. There has been a slight dip on the Public Safety building at about \$271,000 due to the payments made for the first six months of the fiscal year. Overall, the Long-Term Investment grew by about \$34,000 in the last six months. Ms. Shah also stated that the Short-Term Investment grew from \$9.41 million to \$9.46 million.

### **ITEM 3. FACULTY STAFF HOUSING – DEVONSHIRE DOWNS UPDATE**

Mr. Evans reminded the committee that the Faculty Staff-Housing -Devonshire Down project is technically not a TUC but a North Campus Development Corporation (NCDC) project. For a variety of reasons, it is still important to keep the TUC Board apprised on the progress of this project. He recalled that in the last Board meeting, it was reported that the project is not currently financially viable under the self-development model due to the increase in the cost of production and the unprecedented interest rates. Nonetheless, TUC continued to work with AC Martin over the last several months on preparing the documents, a master plan amendment, and other project related issues. He also shared that TUC has also been working on investigating what other models that can be pursued to get the project built. The P3 model approach has generated some focused interest and is now seen as the most viable path forward. This model utilizes tax-exempt financing where a 501c3 Project Specific entity serves as the project owner. Mr. Evans referred to the flowchart attached in the meeting packet to illustrate the structure and the process involved in a P3 approach. Mr. Evans noted that NCDC nor TUC would not be the owner of the project, however, ownership of the apartments would return to NCDC in 35-40 years which is considered a shorter time period as compared to other models. He added that P3 projects require much more vetting by the Chancellor's Office and involve more system-wide oversight committees and their respective reviews than a self-development. A timeline will not be available at the moment but Mr. Evans hoped to update the Board at its March meeting.

#### **ITEM 4. EQUITABLE ACCESS UPDATE**

Mr. Evans recalled that during the October Board meeting, the formation of an ad hoc exploratory committee, comprised of TUC's faculty and student board members was authorized. The goal of the committee was to explore the feasibility of CSUN adopting a comprehensive undergraduate Equitable Access Program. Several meetings were held from October through December. Mr. Evans shared that on January 30 he presented the work to the President's cabinet which included the recommended goal to make Equitable Access available to all undergraduates for the fall 2024 semester. The Cabinet has authorized TUC to take the next several months to familiarize the campus with the notion of implementing an Equitable Access program and obtain valuable input along the way. He indicated that TUC will report back to the Cabinet before formally rolling-out the program. He emphasized that it is very important to get a significant level of campus feedback and buy-in prior to implementation. As a first task, the team will start scheduling meeting with dozens of key campus groups.

CSUN Kinesiology professor Ben Yaspelkis commented that this is going to be a wonderful program. Dr. Yaspelkis mentioned that MyCSUNDigital Access (MCDA) program is available in his classes and that his students find it very convenient to use and appreciate that the resources are accessible to them starting day one of classes. Mr. Evans mentioned that a survey on MCDA was done with students who opted-out and the results indicated that students find the opt-out process easy. More significantly, the professors who were also surveyed responded that the program allowed their class planning more effectively knowing that 90% of their students had all their materials on the first day of class, as opposed to struggling to obtain materials during the first week of classes.

#### **ITEM 5. RESEARCH AND SPONSORED PROGRAMS REPORT (AUGUST, SEPTEMBER, OCTOBER, NOVEMBER, DECEMBER 2022)**

Grace Slavik, Associate Director of Research and Sponsored Programs - TUC, reported that as of December 2022, the post-award activities total is higher by 21% as compared to budget and 30% more than last year's activities. Aside from beating the budget for overall Research and Sponsored Programs (RSP) expenditures by \$2.9 million, the indirect cost recovery is also higher than expected at 20.3% as compared to budget. Ms. Slavik explained that the increase in indirect cost recovery is due, in part, to the increase of the federal indirect cost rate for research activities over the last two years from 45% to 47%.

Ms. Slavik stated that on the pre-award side, the level of grant submissions and grants awarded decreased from August to December, however, the overall dollar amount stayed the same. Although, the number of awards decrease during this timeframe, the overall dollar amount for the awarded grants stayed the same. This can be attributed to faculty targeting larger dollar grants. Ms. Slavik noted that during the funding period, multiple faculty members received grants under a new mechanism offered under National Institute of Health (NIH) called Support for Research Excellence – First Independent Research (SuRE-First). The purpose of SuRE-First is to support research grants for faculty investigators who have not had prior independent external research grants. SuRE is a research capacity building program designed to develop and sustain research excellence in U.S. higher education institutions that receive limited NIH research support and serve students from groups underrepresented in biomedical research with an emphasis on providing students with research opportunities and enriching the research environment at the applicant's institution. Finally, Ms. Slavik shared that RSP pre-award is fully staff as an office.

Mr. Donahue suggested that it is a good strategy to pay attention to providing undergraduates research opportunities (i.e. STEM). He said that if students know that they come to CSUN and have a better chance of getting into a lab, it will make a lot of difference in the world. CSUN President Dr. Erika Beck expressed her thanks to the whole team for facilitating these grants and congratulated the Principal Investigators for a job well done. Dr. Beck stressed that recruitment is a real priority for the Cabinet, especially this time when the enrollment landscape has dramatically changed. She described that the campus can intentionally shape the incoming classes and align them with the interests and opportunities that CSUN faculty provide to students.

**ITEM 6. HUMAN RESOURCES POLICY UPDATE**

Associate Director, Human Resources Kathryn Weeks reported that there is a minor edit on the HR Policies, specifically on clarifying the normal retirement age as “defined by the Social Security Administration”. This update will require an approval from the committee.

**MSP (Phillips/Yaspelkis): That the revisions proposed on the Human Resources Policies be approved.**

**ITEM 7. ANNOUNCEMENTS**

The open meeting ended at 3:50 p.m. The Executive Committee moved into executive session to discuss legal matters.

Respectfully submitted,



02/20/2023

Colin Donahue, Recording Secretary