THE UNIVERSITY CORPORATION
Board of Directors
June 6, 2023

A meeting of The University Corporation (TUC) Board of Directors was called to order by Chair Dr. Erika Beck at 3:02 p.m. on Tuesday, June 6, 2023 via Zoom Conference Call at California State University, Northridge. A quorum was present.

Members Present via computer video and audio:	Josephine Anderson, Erika D. Beck, Mechelle Best, Harvey Bookstein, Colin Donahue, Ronald Friedman, Carlos Fuentes, Paige Hajiloo, Hamid Johari, Mitul Kalra, Dave Moon, Jerald Schutte, Eden Shashaoua, Michael Tejax, Ben Yaspelkis
Members Absent:	Shayan Moshtael, Michael Phillips
Staff Present via computer video and audio:	Heather Cairns, Rick Evans, Mike Lennon, Philia Militante, Cindy Ruan, Grace Slavik, Alexandra Stahl, Linda Turner,
Others Present via computer video and audio:	Amy Berger, Omar Galvez, Mike Moore, Emily Porter, Ashlie Singleton, Samantha Thuotte, Lih Wu

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ITEM I APPROVAL OF MARCH 7, 2023 MINUTES

MSP (Donahue/Yaspelkis): **That the minutes of the March 7, 2023 Board of Directors meeting be approved as circulated.**

ITEM II RECEIPT OF MAY 2, 2023 EXECUTIVE COMMITTEE MINUTES

Dr. Erika Beck stated that agenda item is included for informational purposes.

ITEM III APPOINTMENT TO THE BOARD OF DIRECTORS

Faculty:

The terms of Hamid Johari and Dave Moon will expire on June 30, 2023. The University President has made the following appointments:

Hamid Johari	Three-year term (2023-2026) (reappointed)
Dave Moon	Three-year term (2023-2026) (reappointed)

Community:

The term of Carlos Fuentes will expire on June 30, 2023. The University President has made the following appointment:

Carlos Fuentes Three-year term (2023-2026) (reappointed)

Students:

The terms of Paige Hajiloo, Shayan Moshtael and Eden Shashoua will expire on June 30, 2023. The University President has asked the newly-elected Associated Students President, Paige Hajiloo, to present a list of nominees to fill the vacancies. The Vice President for Student Affairs will review the nominees, and in the next several weeks, the University President will appoint two students to serve two-year terms and one student to serve the remainder of Michael Tejax's term. Per TUC By-laws, the incoming Associated Students' President has the option to nominate his or herself to the Board. Ms. Hajiloo has decided to nominate herself and will continue to serve in the Board.

ITEM IV NOMINATING COMMITTEE REPORT AND ELECTION OF OFFICERS

Dr. Yaspelkis presented the following recommendations for officers: *Chair* – Erika D. Beck; *First Vice President* – Ben Yaspelkis; *Second Vice President* – Paige Hajiloo; *Treasurer* – Michael Phillips; and *Recording Secretary* – Colin Donahue.

MSP (Fuentes/Yaspelkis): **That the recommendations of the nominating committee for officers of The University Corporation be approved as presented, one-year terms to begin July 1, 2023.**

ITEM V CSUN READY: AFFORDABLE COURSE MATERIALS FOR UNDERGRADUATES UPDATE

Rick Evans, Executive Director, TUC, presented a progress update on the upcoming Equitable Access program, CSUN Ready: Affordable Course Materials for Undergraduates. Mr. Evans reminded the Board that this program will work by automatically providing all students with all of their required class materials by the first day of class at a low price point, with an easy option to opt-out if desired. The goal is to implement CSUN Ready by fall 2024. As recommended by the exploratory committee, TUC is focusing on building student and faculty awareness, ensuring the opt-out feature is clearly communicated, and ensuring transparency across the entire program, but especially the price point. To that end, the initial objective to familiarize the campus with the program is being accomplished by a series of presentations for faculty and students across departments. These presentations will continue through the summer and fall. Mr. Evans stated that TUC will return to the Cabinet in the fall for final approval. Coordination with CSUN IT and Follett IT for the technical side of implementation is also underway. Implementation of the marketing plan is in progress and updates will be provided at the next board meeting.

Mr. Evans then offered a reminder about the history of Equitable Access. UC Davis was the first to implement an Equitable Access program after finding that only 30% of their students had all of their learning materials, while now more than 80% have all their learning materials. Within the CSU system, San Diego launched their Equitable Access program in fall 2022, while Pomona, San Bernardino, and Sonoma are all preparing to implement such programs as well.

Mr. Evans reminded the Board that while the general notion is that these programs promote access, affordability, convenience, and sustainability, there is also growing evidence that they can also improve grades, increase retention and reduce the equity gap. To discuss that point further, Mr. Evans shared the results of the poll conducted after the “Free Course Materials for FTF” program. In this poll, the vast majority of respondents agreed that the program helped them prepare for class, improved their ability to complete class assignments, and improved their grades. Mr. Evans then introduced Dr. Mike Moore to further discuss the impact that CSUN Ready could have on the students.

Dr. Moore discussed his background in both the bookstore industry and as a research scientist specializing in course material interventions. He stated that he has conducted four studies on Inclusive Access and Equitable Access. Dr. Moore discussed that there are three major outcomes of Equitable Access; reduced costs, increased access, and increased student outcomes. Dr. Moore’s research demonstrates that these programs all show an increase in course completion rates, especially in underrepresented student groups. While the increase was as low as 1% in some studies, Dr. Moore emphasized that even that small increase represents hundreds of students that would not have completed their courses otherwise.

Mr. Evans thanked Dr. Moore for his time and offered the suggestion that based on Dr. Moore’s research; Equitable Access could potentially increase completion rates even more than his findings are possibly showing for a four-year institution like CSUN? Dr. Moore agreed that it is possible, but more research is needed. Mr. Evans then opened the floor to questions. Carlos Fuentes asserted that for traditionally underserved students, this program will also have an unquantifiable positive impact on student confidence and wellbeing, as well as on their entire family. Dr. Moore concurred that these are the positive, qualitative and enhancing aspects of equitable access that need to be discussed more often.

ITEM VI 2023/2024 OPERATING BUDGET

Mr. Evans provided a general overview of the budget, focusing on the highlights in the executive summary. The highlights included; An over 30% drop in parking structure traffic from 2019, which he believes correlates to the same percentage drop in campus foot traffic; an expectation that Food Service will not generate similar revenue as in past years, but TUC and Chartwells are committed to providing quality food service options; preparation towards a fall 2024 launch for “CSUN Ready: Affordable Course Materials for Undergraduates”; hiring more staff to ensure TUC has capacity to support CSUN’s sponsored research activity; and finally, continuing to pursue development of a faculty and staff housing project with The North Campus Development Corporation (NCDC).

Mr. Evans then relayed the summary of the fiscal year’s overall initial budget versus the latest projections for FY 22/23. He reported that Net Cash Generated from Operations to replenish reserves is projected to be $2,151,000. TUC will be funding the University Special Projects Reserve by $260,000 and funding the Faculty/Staff Housing Project Operational Reserve by $545,000. This leaves a net cash generation of $1,208,000 to replenish other TUC reserves.

Mr. Evans then moved on to the FY 23/24 budget, where the Net Cash Generated from Operations to replenish reserves is projected to be $1,705,000. TUC plans to fund the University Special Projects Reserve by $260,000 and funding the Faculty/Staff Housing Project Operational Reserve by $382,000. This leaves a net cash generation of $963,000 to replenish other TUC reserves. Mr. Evans noted that the net cash generated for FY 23/24 is expected to be roughly $250,000 less than FY 22/23 but that he does not expect that to be a continued downward trend, due to growth in Research & Sponsored programs and a projected flattening out of the decline in campus store revenue by FY 24/25.

Mr. Evans then enumerated the major assumptions that went into the FY 23/24 budget;

1) Anticipated foot traffic will remain similar to FY 22/23 levels, over 30% lower than pre-pandemic levels,
2) Expected reduction in commission from Follett from $850,000 to $768,000 in FY 23/24,
3) A general salary increase of 5%,
4) One administrative position will be added back, resulting in a net of two fewer full-time administrative positions compared to pre-pandemic staffing,
5) Licensing activities will continue to bounce back to pre-pandemic operations. Mr. Evans noted that this last point was written just before the writer's strike, so it is yet to be seen how that will affect film shoots on campus.

Mr. Evans moved on to the major items for FY 23/24, starting with Food Services, which will not generate as much revenue as in the past, but when the non-cash depreciation expense is added back, the net surplus is still almost $1.2 million. Moving onto the campus store, the highlight is CSUN Ready, which was discussed earlier in the meeting. Regarding Research and Sponsored Programs (RSP), TUC is close to being fully staffed with the capacity to meet CSUN's continual growth in sponsored research activity. In addition, for RSP, the 50% Indirect Cost Recovery to Academic Affairs is anticipated to be a record of over $3.3 million. For Real Estate, TUC bought two single-family homes in FY 22/23, strategically located in the Halstead area at the northwest corner of campus, and a 3.5% increase in rents is planned. Finally, the highlight in reserves is TUC's Faculty & Staff Housing Operational Reserve, which combined with the North Campus's contribution to their reserve for the same purpose – together they will total $3.4 million

Mr. Evans then discussed the Net Cash Generated schedule, which is basically a nutshell budget overview in spreadsheet format. Mr. Evans pointed out that on the bottom-line Net Cash Generated to replenish TUC's other reserves there is a quarter of a million drop this coming year from the prior year. He then reiterated that he believes that this is not a trend and will either flatten out in FY 24/25 or actually increase. Mr. Evans then moved on to the bottom-line summary for each division budget. Starting with the Campus Store, there is an almost $110,000 deficit compared to prior years caused by decreased commission to Follett, increased insurance costs, and one time consulting costs, although there's still an overall surplus of over $850,000 for FY 23/24. Food Services is slightly negative at $36,000 but is relatively flat, and there is an over $50,000 net increase in Real Estate. The biggest negative delta is in General & Administrative (G&A) due to the 5% GSI increase, the additional administrative hire as well as other miscellaneous costs. Mr. Evans commented that TUC's goal is to rebuild the G&A team to better support the growth in RSP. Moving on to RSP, the net line for RSP is slightly negative at $32,000, but that is only due to efforts to catch up from an operational perspective with the significant growth in Sponsored activity. That growth in RSP can be seen on the sheet, where the IDC grows from $2.4 million in FY 21/22 to $3.4 million in FY 23/24. With that, Mr. Evans concluded his presentation on the budget and opened the floor for questions.

Jerald Schutte questioned the depreciation schedule that shows from the budget from FY 22/23 to what is projected for FY 23/24, there's a drop of almost 25%. Cindy Ruan looked into this and replied later that it is caused by the $116,000 total depreciation cost saved from the fully depreciated assets in FY 22/23, which net against the depreciation cost on new assets to be acquired in FY 23/24, including the two real properties purchased. The net change between the two fiscal years is a decrease of $19,000 in the annual depreciation expense. She added that we only depreciate on the building value, not on the land value.

Ron Friedman asked about the 30% drop of traffic on campus and wanted to know what's being done to encourage students to come back to campus full time, voicing his own concerns with finding new college graduates who are willing to work in the office full time. President Beck replied that students are looking for balance in their campus and personal lives and that effort is being made to build community and bring students back to campus. She cautioned that campus life will likely always be different from pre-pandemic times. Paige Hajiloo, AS President, added that the pandemic forced many students to enter the workforce early, necessitating a change to their availability on campus. She said that flexibility in engaging campus life is a focus of student leadership, and that they are working on creating a more accessible and equity driven environment. Colin Donahue added that the demand for student housing is very high, indicating that many students are eager to return to pre-pandemic on-campus life

Jerald Schutte brought up CA Senate bill SB640, which he estimated would raise food prices on campus by at least 15%, and wanted to know if TUC or the CSSA has a position on the bill. Rick Evans replied that it would not directly impact campus for at least 7 years due to existing contracts if it does pass, but that it certainly would eventually have a large impact on food service. Ms. Hajiloo replied that more research needs to be done before she and the CSSA can take a stance on this particular bill, but that they will look into it.

MSP (Donahue/Schutte): **That The University Corporation Board of Directors approve the 2023/2024 operating budget as proposed.**

ITEM VII CHARTWELLS HIGHER EDUCATION UPDATE

Heather Cairns, Associate Executive Director at TUC, provided an update on highlights in food service in conjunction with Chartwells for the past spring semester as well as shared plans for the upcoming fall semester. Ms. Cairns began with a reminder that Associated Students (AS) in fall 2022 conducted a dining survey and that since then TUC, Chartwells, and AS have partnered to discuss dining challenges and possible remedies. In hindsight, however, Mr. Cairns stated that it would have been better to form this partnership sooner, since the survey was conducted when there were still so many post-pandemic challenges at play, especially low foot traffic.

Moving on to the past spring semester, Ms. Cairns reported that TUC, Chartwells and AS worked together to conduct a series of focus groups with the goal to dig deeper into the initial survey results. Ten total focus group sessions were conducted and 34 students participated. Chartwells then organized the data and is currently developing an action plan that will be reviewed internally to determine which items are feasible to move forward with.

Ms. Cairns then introduced the new catering team. She acknowledged the turnover in this department but asserted that the new team is in a good place despite only being in place for three weeks at the time of this meeting. The catering team has been working on service improvements such as enhancing the standard operating procedures, enhancing the catering website, and improving methods of communication. They will also be promoting a lower cost catering program which is designed for quick drop offs as opposed to full-service catering. Finally, Ms. Cairns mentioned that Chartwells will be returning focus to their Student Success internship program, which, in partnership with the college of HHD, will recruit a catering intern for fall semester.

Samantha Thuotte, Chartwells' Resident District Manager, shared an update on Chartwells' sustainability goals. Chartwells is a member of the Association for the Advancement of Sustainability in Higher Education (AASHE) and recently received a gold star within the CSU system from AASHE. Going forward, Chartwells is focusing on attaining a Green Certification by improving their food recovery efforts, partnering with fair trade businesses, and sourcing products locally and sustainably.

Ms. Thuotte then shared some highlights from spring 2023 dining, focusing on updates to the Sierra Marketplace. Though there were several management changes, Chartwells has been focused on revamping the dining options available. She shared that the surveys conducted with AS revealed that there was not enough focus on promoting the "Cheap Eats" options on dining menus, so Chartwells will be promoting that program more heavily going forward. Ms. Thuotte also shared that spring 2023 saw the return of sushi offered by Wild Blue at the Sierra Marketplace, which has been a campus favorite.

Ms. Thuotte then moved on to Chartwells' plans for fall 2023. Chartwells will begin recruitment efforts for hourly staff starting in July instead of August. They will also be working with AS on setting up the Foodservice Advisory Committee. Another priority is realigning their Retail Management Model by increasing management staff, the goal being to have one manager for each of the dining concepts, with a Director of Operations overseeing them all. Ms. Thuotte said that this approach will be able to support the campus better, as their management staff was spread too thin across campus previously. Enhancing and differentiating the menus of each dining location is also on the agenda, as results from the AS survey suggested that students felt that each location had the same sort of menu. Finally, the full renovation of the Sierra Marketplace has been pushed back to being a fall 2024 project. The project scope includes minor facility updates as well as upgrading dining options. A new concept, Halal Shack, will be incorporated into the space. Ms. Thuotte then opened the floor for questions.

Josephine Anderson, AS Vice President, raised a question about requesting food trucks for an AS activity, and if anything was being done to speed up the process for response times. Omar Galvez replied that the new catering team will be more responsive and that wait times should be minimized going forward.

Paige Hajiloo inquired as to why the Sierra Marketplace renovations have been pushed back to fall 2024. Omar Galvez replied that it is largely due to city permitting at the moment causing construction delays, as well as supply chain issues. Mr. Galvez did say that design pre-work has already begun, but that any project will take a minimum of 18 months at the moment. Rick Evans added that they also need to be careful with the remaining budget that can be allocated to this project, but that the current direction is very good.

Ms. Hajiloo continued with a follow up question about there being any availability for Halal dining options prior to the Sierra Marketplace remodel. Mr. Galvez responded that there were efforts to bring a Halal option to campus sooner, but that the brand they had been working with did not pass Chartwells safety standards. While there is no Halal option set currently, Chartwells is working on providing one as soon as possible.

ITEM VIII THANK YOU TO OUTGOING DIRECTORS

Dr. Beck thanked the outgoing directors and complimented their effectiveness throughout their term. She also noted that a small token of appreciation will be sent to all outgoing directors.

ITEM IX ANNOUNCEMENTS

There being no further business, the meeting adjourned at 4:14 p.m.

Respectfully submitted,

Colin Donahue, Recording Secretary