

THE UNIVERSITY CORPORATION
Board of Directors
March 13, 2024

A meeting of The University Corporation Board of Directors was called to order by Chair Erika Beck at 3:02 p.m. on Wednesday, March 13, 2024 via Zoom Conference Call at California State University, Northridge. A quorum was present.

Members Present via computer video and audio:	Golden Bachelder, Erika D. Beck, Colin Donahue, Ronald Friedman, Carlos Fuentes, Paige Hajiloo, Hamid Johari, Mitul Kalra, Dave Moon, Michael Phillips, Jerald Schutte, Lois Shelton, Nicholas Tivy, Allison Walker, Ben Yaspelkis
Members Absent:	Josephine Anderson, Harvey Bookstein
Staff Present via computer video and audio:	Heather Cairns, Rick Evans, Mike Lennon, Philia Militante, Cindy Ruan, Grace Slavik, Alexandra Stahl, Linda Turner, Kathryn Weeks
Others Present via computer video and audio:	Amy Berger, Bob Carlson, Sue Duits, John Fischer, Omar Galvez, Charlene Manzueta, Bella Newberg, Rick Stockton, Samantha Thuotte, Lih Wu

ITEM I APPROVAL OF OCTOBER 4, 2023 BOARD OF DIRECTORS MINUTES

MSP (Johari/Shelton): That the minutes of the October 4, 2023 Board of Directors meeting be approved

ITEM II RECEIPT OF FEBRUARY 7, 2024 MINUTES

The minutes from the February 7, 2024 Executive Committee meeting were received as informational.

ITEM III RESEARCH AND SPONSORED PROGRAMS OVERVIEW

Rick Evans, TUC Executive Director, gave an overview of TUC’s Research and Sponsored Programs (RSP) activities. Much of TUC’s activities are directly related to supporting faculty research grants and contracts, though this is rarely discussed at the Board level. Mr. Evans explained that RSP is comprised of Pre-Award, which is administered prior to when a faculty researcher, or Principal Investigator (PI), receives a grant, and Post-Award, which is administered after a PI receives a grant. At CSUN, Pre-Award is managed by CSUN Academic Affairs, while Post-Award is managed by TUC. While these two agencies are separate, both Pre- and Post-Award work together closely in a seamless partnership. Mr. Evans proceeded to illustrate how each department within TUC (RSP, Human Resources, Accounting, Real Estate, and General Administration) supports RSP in various ways. TUC is largely an RSP focused auxiliary and has become increasingly so as time goes on.

Mr. Evans explained why it is that TUC manages Post-Award RSP. CSUN is approaching \$40 million in annual sponsored research, among the highest of any institution in the CSU system. Such volume requires a focused agency dedicated to the success of CSUN’s RSP activities; requiring multiple departments. TUC

has a core staff of around 30 individuals and approximately 80% of TUC staff efforts are focused on RSP. Concentrating on RSP to this degree allows TUC to offer flexible services to PIs, such as policies and procedures that are tailored to support PIs, while stateside has to follow more broad policies and procedures. For example, TUC's HR department, of which 90% of its activities are focused on RSP, allows for a much quicker hiring process, which allows TUC to provide PIs with hundreds of grant employees quickly and efficiently. Additionally, TUC is able to pre-fund 90% of sponsored projects and manage any audits of those projects, which is easier for TUC to handle than stateside. Moving on, Mr. Evans shared projections on how RSP activities are likely to grow, showing an increase from \$29 million in FY 20/21 to a projected \$40 million in FY 25/26, which would put CSUN in the top 5 of CSU campuses. To support this growth, TUC is positioning and restructuring for growth within the company.

Mr. Evans then turned to Grace Slavik, Associate Executive Director, Financial Services, to discuss more details of the operation. Ms. Slavik began by explaining the difference between direct costs and indirect costs (IDC) in RSP. While "IDC Rate" refers to the negotiated rate CSUN has with granting agencies, there is also the "IDC Recovery Rate." Ms. Slavik then shared a graph that showed the CSUN IDC Recovery rate over the past ten years, which was 13% in FY 13/14 compared to 21% projected for FY 23/24, a big improvement on collecting CSUN's fair share of overhead in RSP. A following graph showed how much recovered IDC other CSU campuses distribute to fund their post award operations, the average of which is 60%, compared to TUC receiving 50%.

Ms. Slavik then moved on to TUC's 'PRO-PI' customer service program, which was launched to provide better customer service for PIs by easing administrative processes, assigning them a liaison as a main point of contact, and, as of last year, combining Accounting, Accounts Payable, Payroll, and RSP into one division (Financial Services) to create a 'One Stop Shop' for PIs when they have questions or need assistance. To continue to support this program, TUC is looking into hiring/promoting an RSP Supervisor/Manager to provide oversight in RSP, conducting a customer service survey, and conducting an NCURA peer-review of TUC RSP program to identify areas that need improvement. Finally, Ms. Slavik shared a complimentary comment from the Chancellor's office after TUC's most recent audit, and turned back to Mr. Evans who opened the floor for questions.

David Moon, CSUN Professor, Department of Art, raised a question about how grants are secured and advertised to faculty, and if TUC is or should be involved in that process. Mr. Evans stated that while Advancement does a great job promoting grants to the campus community via various publications, there is always room for improvement. CSUN President Erika Beck added that Perrine Mann, CSUN's Public Information Officer, has been doing a great job with pushing out this information in press releases and other publications. Dr. Beck herself is also involved in liaising with granting agencies directly to secure more grants for CSUN. Colin Donahue, CSUN Vice President, Administration and Finance, added that the Matador Success and Inclusion center will include the Office of Undergraduate Research (OUR), which will also need promotion to prospective students. Carlos Fuentes affirmed the need to market CSUN's RSP activities more aggressively, which in turn will bring more revenue to TUC.

Nick Tivy, AS Senator, raised a question about the minimum wage for TUC's student employees, many of which work in TUC's RSP programs. Mr. Evans stated that the minimum wage for TUC student employees will be increasing to \$16.78 per hour, though TUC will continue to follow the minimum wage regulations set by the State to not set a precedent of following County or the City minimum wage ordinances, which TUC is not required to do.

ITEM IV CSUN READY: AFFORDABLE COURSE MATERIALS FOR UNDERGRADUATES UPDATE

Mr. Evans gave an update on the current state of the CSUN Ready program, which has shifted into implementation phase. He began by playing an overview video with an introduction from Dr. Beck that explained how the program works and how it benefits students. He shared that TUC has met with over 50 campus groups to introduce and discuss the program, which has provided valuable feedback as the CSUN Ready program prepares to launch in the fall, joining several other CSU campuses that have already launched analogous programs. In the various presentations TUC's team have given, affordability, support for OER (Open Educational Resources), access to materials before the first day of class, and the ease of access to all students have been important topics to cover. Additionally, the presentations have stressed how this courseware access can improve grades, increase retention, and reduce the equity gap. Now, with CSUN Ready going live in the fall [note: this implementation date is deferred for the foreseeable future]. Mr. Evans turned to Heather Cairns, TUC Associate Executive Director, Administrative Services, to share further details.

Ms. Cairns reiterated that the many meetings TUC had with campus groups prepared the team for the implementation phase, which has been ongoing since the program received approval last October. One of the first meetings since receiving approval was with the Campus Fee Advisory Committee, which confirmed that this was a Category IV fee and will allow the \$17.50 per credit unit charge to be posted on student accounts, with financial aid available to pay the charge if possible. Marketing was also a priority since shifting into implementation, especially communicating with faculty. Ms. Cairns detailed faculty outreach efforts including an email from the Provost, upcoming spots in CSUN community publications, virtual training sessions, lunch & learn events, and continued meetings with college administrative councils. Marketing to students included developing a website for the program, targeted emails and social media campaigns, as well as presence at campus events and road shows. Alexandra Stahl, TUC Executive Assistant, gave further details and visual aids relating to the website, social media, email graphics, and planned physical signage across campus to raise awareness about the program.

Mr. Moon expressed support for the program and asked if the team has also reached out to the various campus clubs to help inform students and amplify the message. Ms. Cairns replied that yes, reaching out to clubs and student organizations is on the agenda. Paige Hajiloo, AS President, also added that Associated Students is planning outreach as well and is available to collaborate on this.

Golden Bachelder, AS Attorney General, raised a question about pricing for this program, and if the fee charged would be adjusted down if a student's materials cost less than the per credit charge of \$17.50 for a given semester. Mr. Evans replied that while that charge could not be adjusted, the convenience of CSUN Ready could be worth the extra cost to a student, and that if not they always have the option to opt out of the program quickly and easily. Mr. Bachelder followed up with a question on if zero-cost classes could be automatically removed from the cost calculation, or if the program could be opt-in instead of opt-out. Mr. Evans replied that unfortunately, both of these options would result in the per credit charge increasing significantly.

Lois Shelton, CSUN Professor, Department of Management, commented that she appreciates the freedom CSUN Ready would give her to choose higher cost materials that she feels are truly higher quality without unduly burdening her students with the financial cost of those materials.

ITEM V ACCESSORY DWELLING UNITS (ADUs)

Mr. Evans shared an update on the ADU Development Project. Last year, the Board authorized \$2 million for Phase I of the project, which was based on internal estimates prior to hiring experts, designers, and contractors. Since then, TUC has added those experts to the project and it does appear that a budget increase to \$2.2 million or \$2.4 million will be necessary, which will be formally presented at the BOD meeting in June. That said, even with the increase, TUC still believes that this will be a very worthwhile investment to increase the housing stock by four units to make available to faculty and staff. Since receiving authorization, the last few months have been spent assembling a team of consultants and designers, starting with Rick Stockton of Stockton Architects. With Mr. Stockton, the schematic design phase was recently completed, allowing the project to transition into the design development phase along with actual construction documents that a contractor can actually use to begin building.

Mr. Evans then shared the layout site plan of the four homes to be built, consisting of a duplex of two 1200 sq ft units with three bedrooms and two bathrooms, one 1000 sq ft ADU with two bedrooms and two bathrooms, and one 800 sq ft ADU with one bedroom and one bathroom. Each unit will have two assigned side-by-side parking spaces. The units will be thoughtfully designed with private yards for each unit and landscaped for curb appeal to blend in with the surrounding neighborhood and enhance community property value. Mr. Evans also shared an in-progress rendering of how the completed homes will look, with both street facing units having distinct but cohesive appearances to create visual interest. The landscaping plan is not yet completed, but will be drought tolerant and match the look and feel of the neighborhood. Parking is located towards the back of the units, which allows the front facing units to have a direct connection with the community. Finally, Mr. Evans shared a detailed floor plan of each of the four units, showing the amenities of each home, notably a porch on the front facing ADU home.

Bella Newberg, TUC Housing Consultant, then shared an update on the project schedule and timeline. A lot of work is now completed, and case management meetings with the City of LA to ensure that the project will meet all City requirements have begun. The current plan is to submit the building permit in April or May and then issue the construction bid sometime between May or August depending on when the City gives approval. Construction would then start between August and October with a completion date of October 2025. This schedule is subject to refinement as development continues.

Ronald Friedman, Marcum LLP, Partner inquired about the other empty lots and contiguous properties owned by TUC in the area surrounding Phase I. Mr. Evans replied that after the completion of Phase I, TUC would look into developing similar projects on the empty lots and potentially building ADUs on the other properties in this area that already have houses on them. Mr. Friedman additionally inquired if notification to the neighbors would be required prior to construction. Mr. Stockton replied that no notification is technically required. Mr. Evans will be informing the chair of Northridge East Neighborhood Council of the development prior to construction, with a probable community meeting, in order to go the extra mile to be good neighbors.

ITEM VI ACQUISITION OF CITRONIA HOUSE

Mr. Evans shared with the Board that TUC has recently purchased a new house, due to TUC's Real Estate policy allowing the corporation to acquire real property in a nimble fashion. TUC was alerted by the owner of this home located at 18215 Citronia that they were looking to sell, and while the initial offer price was

\$1.7 million, the final price paid by TUC after extensive negotiation was \$1,473,000. This price is actually on the lower end for this type of property in the area and the home actually already has an ADU, allowing this one purchase to increase TUC's housing stock immediately by two units. Most importantly, this new house is contiguous to TUC's other owned home on Citronia, thus increasing TUC's footprint in this area that includes the ADU Phase I project discussed earlier.

Mr. Evans then turned to Linda Turner, TUC Associate Director, Real Estate, to share further details of this home. Ms. Turner stated that the sellers have completed general upgrades to the interior of this house, so TUC will not need to complete an extensive interior upgrade, unlike other houses purchased in the past. That said, typical code upgrades and some plumbing work will need to be completed before it is ready to rent out. The main house has 4 bedrooms and 3 bathrooms in approximately 2,600 sq ft while the ADU is about 450 sq ft. The lot is large at 18,600 sq ft, bringing TUC's overall contiguous land ownership in the Halsted area to a little more than 2.5 acres. Ms. Turner then showcased the highlights of this home, including a pool, a gazebo with outdoor barbecue, grill, television, and refrigerator, an open kitchen and dining room in the main house, and a large living room and family room with a fireplace. This purchase is an excellent addition to TUC's properties.

ITEM VII CHARTWELLS HIGHER EDUCATION UPDATE

Ms. Cairns gave an update on Chartwells operations and the Sierra Marketplace renovation project. The Sierra Marketplace has not had a significant refresh since 2003, so it is important to focus improvements on this location. The renovation will be funded by an allocation of \$1.4 million from the capital budget in the Chartwells contract, meaning that it will not be coming out of TUC's budget. Ms. Cairns then gave a quick walkthrough of the new dining concepts coming to this space: Baba's Pizza, which offers build your own artisan style pizza, Halal Shack, which offers Mediterranean wraps, salads and bowls, Pueblo, which offers Mexican fare like tacos and burritos, and Wild Blue, which offers sushi and Asian style bowls. The timeline has construction beginning in early May with completion in early August to allow time for training, hiring, and testing before the space opens on the first day of the fall 2024 semester.

Ms. Cairns then reminded the Board about the cross divisional Foodservice Advisory Committee, comprised of TUC and Chartwells leadership, as well as student leaders, faculty, staff, and administration. This group meets twice per semester for regular discussion, which has proven extremely helpful in improving foodservice across campus. Ms. Cairns then turned to Samantha Thuotte, Chartwells Resident District Manager, and Omar Galvez, Chartwells Southern California District Manager, to discuss further foodservice updates.

Ms. Thuotte shared that breakfast options have been added at Fry Shack, which has been very well received by the campus. Additionally, the Sierra Mercado market has opened recently and has been doing well. Mr. Galvez discussed inflation in the dining sector and stated that while inflation has begun to level out, there was still a 5% increase over this past year, resulting in an overall 32% increase since pre-pandemic. He stated that labor inflation has also increased by 4.2% over the past year, contributing to difficulties in staffing and retention. Finally, he discussed CA Assembly Bill 1228, which will increase the minimum wage of almost all fast-food restaurant workers to \$20 per hour as of April 1st. At CSUN, this directly affects Panda Express, El Pollo Loco, and Subway, which will see price increases of 8%-10% in response to this bill.

ITEM IX ANNOUNCEMENTS

Mr. Evans announced that this will be the last BOD meeting for Omar Galvez, as he will be leaving Chartwells at the end of the month and moving to a new position in Chartwell's parent company, Compass group.

Dr. Beck announced that the newest building on campus, Maple Hall, is now open and students will be attending classes there after spring break. This is the first State funded academic building at CSUN in nearly 15 years.

There being no further business, the meeting adjourned at 4:42 p.m.

Respectfully submitted,



Colin Donahue, Recording Secretary