

**UNIVERSITY STUDENT UNION, INC.  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
APRIL 19, 2013  
MINUTES**

**I. Call to Order**

The meeting was called to order by Chair, C. Johnson at 2:15 p.m.

**II. Roll Call**

<b>Present</b>	<b>Absent</b>	<b>Staff/Guests</b>
Breanne Acio, Student Representative (voting)	Nicole Riley, BOD Chair Representative (non-voting)	Jack Raab, Associate Director, Operations & Services
Shoorideh Asgari, BOD Student Representative (voting)		
Sharon Eichten, University Representative (voting)		
Debra Hammond, Executive Director (non-voting)		
J. Illuminate, Executive Secretary (non-voting)		
Collin Johnson, Committee Chair (voting)		
David O' Neill, Student Representative (voting)		
Sahireny Ortega, Student Representative (voting)		
Dr. Shelley Ruelas-Bischoff, Student Affairs Representative (voting)		
Sven Saaretalu, Student Representative (voting)		

*S. Eichten arrived at 2:16 p.m. S. Asgari arrived at 2:23 p.m. D. O'Neill left at 3:15 p.m. and S. Eichten left at 3:18 p.m.*

**III. Approval of Agenda**

M/S/P (S. Saaretalu/S. Eichten) motion to approve the agenda for April 19, 2013.

M/S/P (B. Acio/S. Saaretalu) motion to add Discussion C- USU Scholarships.

*Amendment passed by General Consensus*

*Main Motion, as amended, passed by General Consensus*

**IV. Approval of Minutes**

M/S/P (B. Acio/S. Eichten) motion to approve the minutes for March 22, 2013.

*Motion approved by general consensus*

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**V. Chair's Report**

None

**VI. Action Items**

**A. SSU Feasibility Study**

M/S/P (S. Saaretalu/S. Ortega) motion to approve the allocation of \$126,000 from the Repair & Replacement (DBMER) fund to conduct a feasibility study for design, construction, and remodeling of the SSU.

D. Hammond and Jack Raab led the discussion in regards to the feasibility study. Debra Hammond explained that the Satellite Student Union (SSU), located at the corner of Zelzah and Lassen, has experienced diminished use of the college union services over the last five years. This has been due to several factors including:

- TUC expansion of Geronimo's Food Service into the Shoshone Room, projected for 2015
- Addition of suite style housing that includes shared common spaces, limited kitchen facilities and other ancillary student union services (computer labs, community rooms and games rooms etc.)
- Addition of a Freudian Sip, projected for 2015
- Possible expansion of La Tienda to carry additional items to support the residence halls

As part of the USU's Strategic Priority to determine the best use of the Satellite Student Union in order to maximize use of organizational financial resources, the USU, in cooperation with Housing, would like to explore the feasibility of converting the current two-story building of the SSU into office space for occupation by Housing.

Due to the factors cited above, there is a need for Housing to consolidate and move their staff support out of the residential apartments. USU and Housing have had several discussions regarding the viability of converting this space to a more appropriate and functional space that would better suit Housing's needs. The feasibility study will allow the USU to determine the scope of the project, including potential costs, upgrades, remodeling and other associated costs before committing to this project. This would also enable the USU to project out the long range cost recovery and payment schedule for Housing's eventual long-term lease or transfer of ownership of the SSU Facilities, allowing the USU to plan its cash-flow projections more accurately.

***Motion approved 6-0-0***

**B. East Conference Renovation Project**

M/S/P (D. O' Neill/S. Ortega) motion to approve the East Conference Renovation at an estimated cost of \$2,671,000.

Debra Hammond explained that the purpose of the East Conference Renovation is to provide the following:

- Development of 5 meeting rooms that will also be used to support the relocation of the Summer Camp Program.
- Relocation of the prayer/meditation/reflection space

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- Development of a new foot-washing space adjacent to the prayer space
- Creation of a new lactation room
- Relocation of the paint room & permanent storage space for summer camp materials
- Development of a new student lounge

Based on our financial plan, the USU is able to complete this project within the scope of the current long-term financial plan. It was noted that actual costs and timelines are subject to change based on actual construction.

*Motion approved 6-0-0*

**C. Wellness Center Renovation Project**

M/S/P (S. Eichten/B. Acio) motion to approve the Wellness Center Renovation at an estimated cost of \$4,143,000.

Debra Hammond explained that the purpose of the Wellness Center Project is to provide the following:

- Development of new student lounge space, sleeping areas, office spaces, student support spaces, meeting spaces, therapy and consultation rooms, and space for peer mentors, etc.
- Provide new outdoor areas for specific uses including meditation, small classes, water feature, reflection, healing garden, etc.
- New restrooms
- A new elevator to address ADA issues
- New fan or air conditioner to address the noise from the DWP sub-station
- A new grand staircase

Based on the long-term financial plan, the USU would be able to complete this project within the scope of the current long-term financial plan. It was noted that actual costs and timelines are subject to change based on actual construction.

The Wellness Center would not commence until the East Conference Renovation is completed.

*Motion approved 5-0-0*

**VII. Discussion Items**

**A. 2013-14 Capital Outlay and Reserves Budget**

The USU is proposing a total of \$112,488 of capital outlay and a reserves budget of \$744,272 consisting of both designated and unallocated reserves.

Since the last Finance Committee meeting when this was discussed, two more fixed assets were added to the capital outlay budget: Table top media displays and rolling media displays for the innovation technology lounge. It was out noted that the video surveillance system does not include the cost of the 40 individual cameras that will accompany the system since the unit price is under the \$5,000 fixed asset threshold. The cost of the cameras is included in the operating budget.

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The proposed reserves budget of \$744,272 includes \$274,272 in salaries and benefits for staff bonuses; staff reclassifications; and 2.5% staff and student merit increases. \$470,000 is unallocated reserves utilized for unusual and extraordinary circumstances, unexpected price increases, and to fund new programs.

**B. 2013-2014 Operating Budget**

Chair, Collin Johnson gave the committee a preview of the proposed 2013-14 budget first by commenting that the budget is to change

Total budgeted revenues and expenses for 13/14 are \$12,629,632. The increase in revenue is 3.4% or \$411,863 and the increase in expenses are 5.5 % or \$656,386.

In regards to proposed revenues, student fees account for 86.3% of the total. The total percentage of student fees to total revenue has typically been in the 85% range. SRC Income is 3.38% of total revenue; Rental Income is 5.13%; and Program income is 3.87% of the total revenue budget.

In regards to proposed expenditures, wages and benefits account for approximately 58.4% of the total expense budget. Student wages are projected increase by 3.73% or \$94,880. The SRC-related departments, Computer Labs, and USU RES have the largest student wage budgets. A total of 269,850 student assistant hours at an average of \$9.52 per hour

Repairs & Maintenance make up about 16.5% of the total expense budget since the USU has many buildings, equipment, and landscaping to maintain. Supplies & Services which includes the costs of providing student programs accounts for 10.5% of the budget.

In regards to individual department budgets, the most notable change is with the SRC Facilities; Maintenance; and Satellite Student Union (SSU) departments. All the budgets for utilities and janitorial services were transferred from the SRC Facilities and SSU budgets to the Maintenance. It is more efficient to administer these expenses in budget instead of three different budgets.

The Maintenance department budget comprises 23.7% of the total expense budget. Business Services comprises 8.33% of the budget followed by Administration at 7.55%.

**C. USU Student Scholarships**

One of the Finance Committee Goals for the 2012-13 fiscal year was to determine the feasibility of the USU offering scholarships to students. Breanne Acio volunteered to research and brought back information for the committee's consideration.

The committee actively discussed the merits of offering scholarships. The committee considered the following unanswered questions:

1. Is the USU allowed by the Education Code to offer scholarships? If so, what is the total dollar amount of scholarships that should be offered?
2. What should be the funding source for the scholarships?
3. How many scholarships should actually be offered and what should the amount of each individual scholarship be?
4. What should the criteria be in order to receive a scholarship?

Breanne noted that she received a \$2,000 scholarship from Associated Students which had a positive impact on her ability to pay tuition.

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The discussion of the USU offering scholarships to students will be discussed at the next meeting.

**VIII. Announcements**

None

**IX. Adjournment**

The meeting was adjourned by Chair, C. Johnson at 4:10 p.m.

Respectfully submitted by,

Joseph Illuminate  
Associate Director, Finance & Business Services