

**UNIVERSITY STUDENT UNION
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
FINANCE COMMITTEE MEETING
OCTOBER 02, 2015
MINUTES**

I. Call to Order

The meeting was called to order by Board Student Representative, Adrianna Natalie Esparza, at 2:09 p.m.

II. Roll Call

Present	Absent	Staff/Guests
Ferny Arana, Student Representative (voting)	Khusbeen Dhillon, Student Representative (voting)	
Adrianna Natalie Esparza, Student Board Representative (voting)	Sharon Eichten, University Representative (voting)	
J. Illuminate, Executive Secretary (non-voting)	Debra Hammond, Executive Director (non-voting)	
Michael Odinlo, Student Representative (voting)	Shahtaj Khan Board Chair (non-voting)	
Dr. Shelley Ruelas-Bischoff, Student Affairs Representative (voting)	Sara Yousuf, Committee Chair (voting)	
Lele Situ, Student Representative (voting)		

III. Approval of Agenda

M/S/P (M. Odinlo/F. Arana) Motion to approve the agenda for October 2, 2015.

Main motion passes by general consensus

IV. Approval of Minutes

M/S/P (S. Bischoff-Ruelas/L. Situ) Motion to approve the minutes for May 08. 2015.

Main motion passes by general consensus

V. Chair's Report

None

VI. Action Items

A. 2015-16 Finance Committee Goals

M/S/P (F. Arana/M. Odinlo) Motion to approve the 2015-16 Finance Committee Goals as presented.

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J. Illuminate presented the following goals to the committee:

No.	Goal
1	Create a Hospitality Policy (November 2015)
2	Revise the following policies and procedures: <ul style="list-style-type: none"> • Conflict of Interests Policy (September 2015) • Petty Cash Policy (September 2015) • General Fund Policy (September 2015) • Purchasing Policy (April 2016) • Fixed Assets Policy (April 2016) • Gift Card procedure (May 2016) • Signature Authorization Policy (November 2015)
3	Develop a financial plan for the Northridge Renovation Construction Project utilizing a feasibility study as the basis for the financial plan. (May 2016)
4	Revise the financial plan to incorporate repair and replacement funding figures from the revised 30-Year Major Repair & Replacement Plan prepared by Sightlines, facility asset management consultant. (December 2015)
5	Implement a P-Card (purchase card) program (May 2016)

M/S/P (F. Arana/M. Odinlo) amendment to the main motion to accept the 2015-16 Finance Committee goals with the following changes:

1. Make the following changes to Goal No. 2:
 - a. Change the “Conflict of Interests Policy” to “Conflict of Interest Policy”
 - b. Change “General Fund Policy” to “General **Change** Fund Policy”
 - c. Change the projected goal completion dates from September 2015 to October 2015 for the following policies and procedures:
 - Conflict of Interest
 - Petty Cash
 - General Change Fund
 - d. Change the projected goal completion date from November 2016 to October 2016 for the Signature Authorization Policy.

Amendment to the main motion passes 4-0-0

Main motion, as amended, passes 4-0-0

VII. Discussion Items

A. Conflict of Interest Policy & Procedure

J. Illuminate explained that USU practice was to obtain conflict-of-interest statements from every student Board member and every new non-student Board member. If a non-student Board member continued their service in a subsequent year, a conflict-of-interest statement was not obtained.

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The internal compliance audit took place during the months of June and July 2015. One observation made by the auditor was that the “*USU did not require continuing non-student Board members to sign an annual conflict-of-interest statement.*” The auditor’s recommendation was that USU obtain annual conflict-of-interest statements from all continuing non-student Board members. For 2015-16, the USU has obtained statements from all Board members.

The Legal Issues & Conflicts of Interest Policy & Procedure was created to establish standards of conduct to ensure that all statutory requirements involving Board member legal issues and conflicts of interest have been addressed and that Board members have established guidelines applicable to their activities and dealings on behalf of the USU.

It was noted that the fourth point in the procedure section was worded incorrectly. The correct language is “*The member will return the signature page of the signed memorandum to the Administrative Assistant to the Executive Director, who will file the original set for audit purposes.*”

Also, some committee members were not clear on the meaning of California Education Code Sections 88907 Exception and 89908 Certain Provisions not Applicable. The meaning of these sections will be clarified at the next meeting.

B. Petty Cash Policy & Procedure

J. Illuminate explained that the current petty cash fund is \$5,000. The following items were discussed:

1. Increase the petty cash fund from \$5,000 to \$7,500 due to recent experience where the petty cash fund has been depleted before the petty cash fund can be reimbursed. The fund has been depleted during times when a large event such as Matador Nights is taking place or when there are several student programs occurring within a short period of time.
2. Maintain the current individual petty cash limit at \$250.00 (based on the Cashier’s experience).
3. Change the reason for the Executive Director/designee to approve petty cash requests greater than \$250.00 from being “an emergency” to a routine matter in order to meet the recurring business needs of the USU when use of the corporate credit card is not practical or cannot be used.

The one notable change to the procedure was to increase the deadline to close out open petty cash requests from three (3) business days to five (5) business days due to the Cashier’s experience indicating that that the three day deadline is frequently missed.

It was emphasized that the petty cash fund is secured in a heavy duty safe located behind a second locked door in the Cashier’s office. The Cashier’s office is also under 24 hour video surveillance.

C. General Change Fund Policy & Procedure

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J. Illuminate explained that general change fund should be reduced from \$3,000 to \$1,800 based on the recommendation of the internal compliance auditor in June 2015.

The purpose of change funds is for USU departments to have sufficient cash on hand in order to give change to customers who purchase goods and services from the USU. The total amount of designated change funds throughout the USU is currently \$1,087. Therefore, a \$1,800 change fund leaves \$713 (\$1,800 - \$1,087) to establish future change funds. Cash not currently allocated to a change fund is secured in the Cashier's office safe.

Currently, there are designated change funds in the Games Room, Student Recreation Center, Oasis Wellness Center, and USU Reservations & Events.

D. Check Signature & Electronic Payment Authorization Policy & Procedure

J. Illuminate explained that this policy was previously revised in January 2007. It requires revision to take into account authorizations for electronic disbursements such as wire transfers and Automated Clearing House (ACH) payments.

The following updates were made to the policy:

1. The name of the policy is to be changed from the "Signature Authorization Policy" to the "Check Signature & Electronic Payment Authorization Policy" in order to accurately reflect the subject matter of the revised policy.
2. Definitions were provided for "ACH Payment" and "Wire Transfer."
3. The SRC Director and Associate Director positions were added as authorized USU check signers for the general and payroll checking accounts.
4. The titles of campus accounting officials (who are authorized to countersign USU checks) were updated.
5. The dollar amounts for required authorizations for both check payments and ACH payments were added to the policy.
6. The authorization protocols for wire transfers were added to the policy.

VIII. Announcements

None

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IX. Adjournment

The meeting was adjourned by Student Board Representative, Adrianna Natalie Esparza, at 3:24 p.m.

Respectfully submitted by,

Joseph Illuminate
Associate Director, Finance & Business Services