

**UNIVERSITY STUDENT UNION
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
FINANCE COMMITTEE MEETING
TUESDAY, JUNE 01, 2021
MINUTES**

I. Call to Order

The meeting was called to order by Committee Chair, J. Akopnik at 3:01 P.M.

II. Roll Call

| Present | Absent | Staff/Guests |
|--|---|--|
| Jacob Akopnik, Committee Chair (voting) | Fernando Ortiz, Student Committee Member (voting) | Reshini Ekanayake, Student Administrative Support Assistant, Accounting & Finance |
| Jasmine Guerrero, Committee Co-Chair (voting) | | Jonathan Navarro, Manager, Accounting & Finance |
| Debra Hammond Executive Director (non-voting) | | Charlie Rodriguez-Salazar, USU Student Board Member |
| Joe Illuminate, Executive Secretary (non-voting) | | |
| Saul Maldonado, Student Committee Member (voting) | | |
| Juan Martinez, Student Committee Member (voting) | | |
| Sara Pelayo, Student Committee Member (voting) | | |
| Dr. Edith Winterhalter, Associate VP for Budget & Strategic Business Operations, Administration and Finance (voting) | | |
| Dr. Shelley Ruelas-Bischoff, Student Affairs Representative (voting) | | |

- *J. Martinez logged out at 2:05 P.M. and logged back in at 2:16 P.M.*

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- *C. Rodriguez-Salazar left at 2:08 P.M.*

III. Approval of Agenda

M/S/P (S. Maldonado/S. Pelayo) Motion to approve the Agenda for June 01, 2021.

Main motion passes by General Consensus

IV. Approval of Minutes

M/S/P (J. Guerrero/S. Pelayo) Motion to approve the Minutes for April 23, 2021.

Main motion passes by 5-0-1

V. Chair's Report

Committee Chair, J. Akopnik welcomed all the committee members to the last Finance Committee Meeting for the fiscal year and thanked everyone for being at the meeting on time.

VI. Action Items

A. 2021-22 Budget Allocation Proposals

M/S/P (S. Maldonado/ S. Pelayo) Motion to recommend the approval of the 2021-22 Budget Allocation Proposals.

J. Akopnik and J. Guerrero co-presented a PowerPoint summarizing the 2021-22 Budget Message.

Introduction

The purpose of the Budget Message is to provide an overview of the Budget Allocation Proposals. The budget is the means by which the organization implements its strategic priorities and allocates resources to student programs, services, and facilities. These proposals reflect our commitment to our students and the campus community by maintaining financial viability and integrity within the constraints of available resources.

The USU is Re-Opening

The Student Recreation Center (SRC) has been approved to re-open in a limited capacity, with an anticipated re-opening on June 01, 2021. Lap swimming, workout equipment, group exercise classes, and personal training will all be available in-person. The Oasis Wellness Center is scheduled to re-open on June 21, 2021.

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Sunny Days Camp will be hosted this summer, with a total of 70 campers per week. The Computer Lab is now open at 40% capacity.

The USU anticipate receiving approval in Summer 2021 to re-open study and lounge spaces, and East Conference Center Services in a limited capacity (Meditation/Prayer/Reflection Room, Foot Washing Room, Lactation Room). For Fall 2021, it is anticipated that the following areas will re-open in some limited capacity:

- DREAM Center
- Pride Center
- Veteran's Resources Center
- In-person programming and meeting

Some staff and student employees will be returning to work using a hybrid work model or using staggered work shifts. Some employees will return to office full time.

The USU is evolving

Social injustice experienced during the pandemic provided inspiration to review the heart and soul of who we are and what the USU does as an organization.

The USU Internal Diversity, Equity & Inclusion Work Team embarked on a journey to review and redraft the USU Mission Statement. In May 2021, the Diversity & Inclusion Committee approved and recommended to the Board of Directors the following language for the revised Mission Statement:

The University Student Union, as the heart of campus, uplifts and empowers students to achieve educational, personal and professional goals by providing leadership development, meaningful employment, and innovative programs, services and facilities. We promote equity, inclusion and well-being, while encouraging social justice advocacy to help Matadors feel heard, respected and connected to CSUN.

This Mission Statement encapsulates the overall purpose of the USU and its impact on student success.

The new Mission Statement reflects the importance of diversity, inclusion,

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equity, and well-being. The USU continues to grow its diversity, equity, inclusion, and well-being initiatives, programs, and services. Diversity, equity, inclusion and well-being are at the forefront of what we do at the USU.

1. In 2020-21, the DREAM Center became the newest center to be operated by the USU.
2. In Spring 2021, the USU launched the HEAL Project, which connects CSUN at-promise students with resources they need to thrive and promote student success.
3. In partnership with University Counseling Services (UCS), the USU conducted healing spaces supporting students, faculty and staff on various social issues, including the impact of police brutality on the Black community and the increase of violence on Asian American and Pacific Islander Community.
4. In partnership with UCS, the USU also launched the Essential Talks Program: Creating Brave Spaces. The program created a partnership between various California State Universities: Dominguez Hills, Los Angeles, Northridge, and Pomona.
5. The USU Board of Directors approved creating the following funds at the Foundation for the benefit of CSUN students:
 - a. Emergency funding for the LGBTQIA+ and Undocumented student communities.
 - b. Endowments to provide scholarships to students served by the Pride Center, the DREAM Center, and the Veterans Resource Center.
 - c. The Quentin Thomas Endowment to provide student scholarships for formerly incarcerated foster youth.
6. In the 21-22 academic year, additional programs will be added to serve students, including a mentorship program in the Pride Center, additional support for undocumented students through a leadership program, and continued cross-campus collaborations that strengthen supportive services for students.

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Student Employment Update

Prior to the pandemic, the USU employed approximately 350 student workers in various positions throughout the organization. The USU was able to retain just over 25% of those positions once the pandemic hit. Now that we are repopulating in anticipation of re-opening, student employment positions are once again available.

Our recruitment strategy has been to reach out to all student assistants who were previously laid off and are still eligible for employment in a student position (i.e., they are CSUN students). Those students interested in returning to USU employment are in the process of being rehired.

For positions where we're still seeking workers, we have opened up recruitment and advertised to the campus through both the Handshake app and word of mouth to those who are in positions where they have regular contact with students. Applications are coming in, and we expect to be able to fill most of our position openings.

USU Renovation Project Update

The USU is continuing the planning of the "New Heart of Campus" project although the pandemic has created fiscal challenges for our Project due to the delay in the scheduled opening date.

Due to cost escalation, the projected cost of the Renovation has increased by \$12.7 million, from \$130.1 million to \$142.8 million. We have been proactively adjusting the scope of the project and scaling back renovations in order to maintain the \$130.1 million project budget and the \$125.00 per semester student fee approved in the student fee referendum. Under no circumstances will the \$125.00 per semester fee increase as a result of increased project costs.

The pandemic provided an opportunity to reimagine the scope of the project. During the pandemic it became evident that many students were experiencing food, housing, and economic insecurity.

This realization inspired the addition of a Basic Needs Suite to the Project scope. The Basic Needs Suite will be the home for the CSUN Food Pantry, a Community Kitchen, Matty's Closet, and office space for Basic Needs Coordinators.

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The \$4 million contribution towards the development of the Basic Needs Suite will be funded by CSUN from the Higher Education Emergency Relief Fund (HEERF). The cost of the Basic Needs Suite is not included in the \$130.1 million project cost because our architect firm is creating blueprints and the general contractor is developing cost estimates for the suite.

State of California Budget

Due to a one-time \$15 billion windfall, the 21-22 State of California budget is fiscally sound. However, the State is projecting fiscal deficits for the next three years since the state will be spending more money than it is bringing in. State budget deficits could imply less funding for the CSU and CSUN. However, just because the state and CSUN may have less funding, it does not necessarily mean the USU will have less funding because the USU's funding depends on student headcount.

CSU Budget

The Governor has shown support for the CSU by allocating more funding in the CSU Budget than the CSU requested. In addition, the CSU received \$144.5 million in recurring funding, \$225 million in one-time funding, and a restoration of the \$299 million cut from the CSU 20-21 Budget.

CSUN Student Headcount

The USU is projected to receive 88% of its 21-22 budget from student fees. Student fee revenue is based on student headcount (enrollment).

The campus projected a 10% reduction in headcount in 20-21 due to the pandemic. The USU's projected 20-21 headcount, with the 10% reduction, was 32,159 students. As a result, the USU cut its 20-21 budget by \$2 million. However, the actual 20-21 headcount was 36,743 students!

The projected headcount for 21-22 is 36,826 students which is in alignment with the projected/actual 20-21 headcount and in alignment with the 36,260 projected headcount in the USU's long-term financial plan.

Financial Strategies

The USU has implemented various strategies to ensure that we have the ability to withstand economic downturns and maintain our long-term financial viability.

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Strategy 1: Financial Plan

Our first strategy is to ensure that total revenues and expenditures in the operating budget proposal align with the corresponding revenues and expenditures in the financial plan. We are continuing to work closely with our consultants Brailsford & Dunlavey to continually update the plan with the latest financial information.

Strategy 2: Debt Service Coverage Ratio (DSCR)

The second strategy is to maintain the Debt Service Coverage Ratio (DSCR) above 1.25 which means there is always \$1.25 of net student fee revenue available for every \$1.00 of annual debt service.

Strategy 3: Unallocated Reserves

The third strategy is to retain Unallocated Reserves to handle unexpected economic events and any other financial contingency.

The USU is proposing Unallocated Reserves in the amount of \$250,000. Unallocated Reserves are included as a part of the Operating Budget Proposal.

In 21-22, we will continue our successful strategy of increasing Unallocated Reserves levels by transferring unutilized funds identified during quarterly budget reviews to Unallocated Reserves.

Strategy 4: Administrative Contingencies

The fourth strategy is to retain a reserve for one-time Administrative Contingencies purchases. Administrative Contingencies are included as a part of the Operating Budget Allocation Proposal.

The 21-22 proposed budget for Administrative Contingencies is \$154,504 which is an increase from the 20-21 budget proposal of \$79,909. The details of Administrative Contingencies are in the table below:

| | | | |
|-------|---|-----------|----------------|
| 31350 | Reserve for Technology Purchases | \$ | 25,000 |
| 33030 | PeopleDoc Software Implementation | \$ | 15,800 |
| 33030 | Fulgent Therapeutics COVID Testing Kits | \$ | 29,631 |
| 33030 | Human Resources Campus MOU Potential Price Increase | \$ | 2,038 |
| 35030 | Reserve for COVID Supply Purchases | \$ | 22,035 |
| 35050 | Semi-Permanent Tenting Solution for the South Patio | \$ | 60,000 |
| | Total | \$ | 154,504 |

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Budget Allocation Proposals

Capital Outlay Allocation Proposal

Capital Outlay, also known as fixed assets, is defined as a single item purchase or project greater than \$5,000 that is used in a productive capacity in the USU for more than one year.

We requested an allocation totaling \$16,680 which is a reduction from the 20-21 allocation proposal of \$45,589. The Board approved this allocation request on May 03, 2021.

The table below provides the total and the justification for the one item in the proposal:

| No. | Dept No. | Dept Name | Requestor Name | Item Description | Fixed Asset Type | Qty | Base Cost | Contingency | Total Cost |
|-----------------------------|----------|-----------|----------------|---------------------------|----------------------|-----|------------------|-----------------|------------------|
| 1 | 31350 | TSS | A. Gonzales | Microsoft Surface Hub 2S* | Computer Peripherals | 1 | \$ 15,164 | \$ 1,516 | \$ 16,680 |
| Capital Outlay Total | | | | | | | \$ 15,164 | \$ 1,516 | \$ 16,680 |

| JUSTIFICATIONS | |
|----------------|---|
| 1 | <ul style="list-style-type: none"> • Interactive Whiteboard for Project Collaboration <ul style="list-style-type: none"> <input type="checkbox"/> Users can share files that they are working on and make instant revisions. <input type="checkbox"/> Great for brainstorming ideas – users can write directly on the screen using the Surface Hub 2 Pen and saving the notes. It will convert the handwritten notes into text which can be edited at a later date. • Movable – this unit is mobile so it can be moved to different meeting room locations. • Meetings – users can be either at their office or a remote location. <ul style="list-style-type: none"> <input type="checkbox"/> Remote meeting participants have the sensation that they are in the room because the Hub Camera captures the room and conference participants in a full 100 degree view. |

**Note: This item was approved in 2020-21 fiscal year but was not purchased due to employees working remotely and not being able to utilize this device.*

Major Purchase, Repair, & Maintenance Allocation Proposal

The Major Purchase, Repair & Maintenance fund is administered by the campus on behalf of the USU. This fund is used for major purchases, repairs, and replacements exceeding a total of \$100,000. The Board approved this allocation proposal on May 03, 2021.

We requested an allocation totaling \$174,130 which is a reduction from the 20-21 allocation proposal of \$362,551. The annual transfer to the Repair & Replacement Fund from the Revenue Fund for 21-22 is projected to be \$1.25 million.

Table below provides the totals and justifications for each item requested in the

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proposal.

| No. | Dept No. | Dept Name | Requestor Name | Item Description | Base Cost | Contingency (10%) | Total Cost |
|------------------------------|----------|-----------------|----------------|-----------------------------------|-------------------|-------------------|-------------------|
| 1 | 31071 | SRC Facilities | G. Rosales | Locker Room Bench Replacement | \$ 117,500 | \$ 11,750 | \$ 129,250 |
| 2 | 31071 | SRC -Facilities | G. Rosales | Replacing Epoxy Floors in the SRC | \$ 40,800 | \$ 4,080 | \$ 44,880 |
| Major R & R Total | | | | | \$ 158,300 | \$ 15,830 | \$ 174,130 |

| Justifications | |
|----------------|---|
| 1 | The current SRC locker room benches were installed before the facility opened in 2012 and needs to be replaced. Due to the frequent use of the locker rooms, there is visible chipping and delamination damage on the men's & women's locker room benches. Due to the design of the bench being one solid piece, the issue cannot be addressed without removing and replacing material for the entire bench. After meeting with LPA (Original architect for the facility), it was learned that this project involves removing the locker cabinets, de-installing the existing bench material, installing the new bench material, and re-installing the existing locker cabinets. |
| 2 | The epoxy flooring in the Student Recreation Center (SRC) locker rooms were installed during the construction of the facility in 2012. The epoxy in the shower area was replaced in 2017. This proposal is to replace the remainder of the of the epoxy outside of the shower area. Now, there is a visible delineation in the epoxy that separates the shower area from the rest of the locker rooms. The epoxy flooring in the locker room area shows obvious discoloration from the original to the newer flooring, This project also includes replacing the epoxy flooring in the Gender inclusive/family locker room. |

Designated Reserves Allocation Proposal

The Board of Directors sets aside Designated Reserves for a specific purpose. We are requesting an allocation of \$787,540 which is an increase from the 20-21 proposal of \$520,683.

The table below provides the details of the Designated Reserves Allocation Proposal.

| Designated Reserve Category | Amount | Description |
|--|-------------------|-------------------------------------|
| Salaries & Wages | \$ 360,000 | General Salary Reserve* |
| Employer Paid Payroll Taxes - Staff Salaries | \$ 27,540 | Employer-Paid Payroll Tax Reserve** |
| Retirement Health Benefits Plan Funding | \$ 400,000 | RHBP Funding*** |
| Total Reserves | \$ 787,540 | |

*The General Salary Reserve includes funds for potential salary reclassifications and bonuses as well as accrued vacation taken as cash (vacation advances).

**The Employer-Paid Payroll Tax Reserve is used to pay taxes on salaries and wages funded by the General Salary Reserve.

***The Retirement Health Benefits Plan (RHBP) provides USU retirees reimbursement for approved healthcare-related expenses. This reserve does not increase the overall 2021-22 expenditure budget because the expense has already been incurred in previous fiscal years.

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Operating Budget Allocation Proposal

The University Student Union’s 21-22 Budget Allocation Proposal totals \$17,966,035. The USU is proposing abreakeven Operating Budget which means that the total budget for revenue equals the total budget for expenditures.

Where the Money Comes From

The projected increase in revenue is \$1,594,962 or 9.7%. Student union fees provide 88% of the operating revenue budget and non-student fee revenue accounts for 12% of the operating revenue budget.

All revenue categories are projected to increase with the exception of Rental Income. The decrease is attributable to the reduction in sublease revenue from campus entities that rent spaces in the USU. The Department of General Services (DGS) rent per square foot declined from \$2.55 per square foot to \$2.04 persquare foot.

To be conservative, we are not projecting Food Service Commissions for 21-22 because there may not be anyfoodservice units open in the USU.

Student fee income is based on the most recent student headcount forecast made available by the campus. Decreases in student headcount have an adverse financial impact on student union fees. Decreases in student headcount have an adverse financial impact on student union fees. Decreases in student fees are managed by realigning expenditures with revenues during quarterly budget reviews. The following table summarizes the dollar and percentage variances in each Revenue category:

| REVENUE | 2020-21 Adopted Budget | 2021-22 Proposed Budget | \$ Variance | % Variance |
|--------------------------|------------------------|-------------------------|---------------------|-------------|
| Student Union Fees | \$ 14,614,076 | \$ 15,905,060 | \$ 1,290,985 | 8.8% |
| Food Service Commissions | \$ - | \$ - | \$ - | - |
| Rental Income | \$ 637,812 | \$ 565,876 | \$ (71,936) | -11.3% |
| Program Income | \$ 260,293 | \$ 311,936 | \$ 51,643 | 19.8% |
| SRC Income | \$ 168,213 | \$ 280,458 | \$ 112,245 | 66.7% |
| Interest Income | \$ 69,549 | \$ 84,516 | \$ 14,967 | 21.5% |
| Grant Revenue | \$ 480,598 | \$ 657,100 | \$ 176,502 | 36.7% |
| Miscellaneous Income | \$ 170,533 | \$ 191,089 | \$ 20,556 | 12.1% |
| Total Revenues | \$ 16,401,074 | \$ 17,996,035 | \$ 1,594,962 | 9.7% |

Where the Money Goes

The projected increase in expenditures is \$1,594,962 or 9.7%. Salaries & benefits comprise 65% of the expenditure budget and Operating Expenditures comprise 35% of the expenditure budget. Staff employees will not be receiving a general

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salary increase in 21-22 although Student Assistants employees will be eligible for merit increases.

The 20-21 Operating Budget was reduced by 10% due to the pandemic. The 21-22 Expenditure Budget essentially restores the 10% cut from 20-21. A 10% increase in expenditures is reasonable since the campus is in the process of implementing its repopulation plan. The following table summarizes the dollar and percentage variances in each Expenditure category:

| Expenditure Category | 2020-21 Adopted Budget | 2021-22 Proposed Budget | Variance \$ | Variance % |
|-----------------------------|---------------------------------------|------------------------------------|---------------------|-------------------|
| Cost of Goods Sold | \$ 6,500 | \$ 6,500.00 | \$ - | 0.0% |
| Salaries | \$ 4,996,960 | \$ 5,215,350 | \$ 218,389 | 4.4% |
| Hourly | \$ 150,608 | \$ 194,906 | \$ 44,298 | 29.4% |
| Student | \$ 3,154,664 | \$ 3,593,834 | \$ 439,170 | 13.9% |
| Benefits | \$ 2,751,093 | \$ 2,797,454 | \$ 46,361 | 1.7% |
| General Operating Expenses | \$ 318,610 | \$ 330,237 | \$ 11,627 | 3.6% |
| Supplies & Services | \$ 1,680,657 | \$ 2,079,042 | \$ 398,385 | 23.7% |
| Travel | \$ 3,475 | \$ 156,030 | \$ 152,555 | 4390.1% |
| Utilities | \$ 1,089,580 | \$ 1,174,055 | \$ 84,475 | 7.8% |
| Repairs & Maintenance | \$ 1,625,243 | \$ 1,709,848 | \$ 84,605 | 5.2% |
| Fees & Charges | \$ 64,697 | \$ 69,404 | \$ 4,707 | 7.3% |
| Reserves | \$ 329,909 | \$ 404,504 | \$ 74,595 | 22.6% |
| Grants & Scholarships | \$ 74,424 | \$ 75,099 | \$ 675 | 0.9% |
| Expendable Equipment | \$ 99,781 | \$ 94,689 | \$ (5,092) | -5.1% |
| Amortization & Depreciation | \$ 153,976 | \$ 164,065 | \$ 10,090 | 6.6% |
| Pension Related Charges | \$ (99,103) | \$ (68,981) | \$ 30,122 | -30.4% |
| Total Expenditures | \$ 16,401,074 | \$ 17,996,035 | \$ 1,594,962 | 9.7% |

J. Akopnik and J. Guerrero encouraged the committee members to vote on all the proposals as presented.

Main motion passes by 6-0-0

A. 2020-21 Third Quarter Budget Report (9 & 3)

M/S/P (S. Pelayo/ Dr. Ruelas-Bischoff) Motion to recommend the approval of the 2020-21 Third Quarter (9 & 3) Budget Report.

The purpose of this report is to summarize the financial results of the University Student Union for the nine-month period ended on March 31, 2021. The Optimal operating range is 75% of the yearly budget, although limits from 70% to 80% are acceptable.

Statement of Activities

1. The operating range for Revenues is 74.7% to budget and 57.2% to budget for Operating Expenditures. In a virtual University

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environment, student fee revenue has remained constant while expenditures are significantly below the operating range.

- a. The actual Change in Net Assets (net income) has increased from \$2,210,679 to \$2,790,319 from 12/31/20 to 3/31/21.
- b. With the announcement that the Campus and the USU is gradually moving towards repopulation, we anticipate an increase in expenditures in the fourth quarter to fund the expected increase for in-person programs and services offered to students in the Student Recreation Center, Oasis, and Computer Lab.
- c. The following table summarizes the variances in the budget from 12/31/20 to 3/31/21:

| Financial Category | Amount |
|-----------------------------------|---------------|
| Total Revenue | \$4,050 |
| Salaries, Wages, and Benefits | \$484,041 |
| Operating Expenses | \$(494,709) |
| Subtotal – Operating Expenditures | \$(10,667) |
| Change in Net Assets | \$14,718 |

2. Revenue

- a. \$4,050 net increase in the Revenue budget:
 - i. \$49,167 reduction in Summer Camp revenue due to lower than number of anticipated in-person campers expected to participate in Sunny Days Camp.
 - ii. \$48,902 increase in Grant Revenue:
 - \$34,500 for a grant awarded on behalf of the President’s Commission on Diversity & Inclusion. The grant is for *Essential Talks: Providing Brave Spaces for the CSUN Campus Community*.
 - \$4,000 additional Campus Quality Fee funding for the Black Student Success Initiative.

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- \$10,402 additional Campus Quality Fee funding for the DREAM Center.

3. Salaries, Wages, and Benefits

a. \$40,543 decrease in Staff Salaries:

- i. \$10,402 DREAM Center staff salary savings.
- ii. \$11,090 transferred from Staff Salaries to Supplies & Services for Brailsford & Dunlavey project management services.
- iii. \$6,067 transferred from Staff Salaries to Supplies & Services to purchase the rights to use the Mazevo reservations system.
- iv. \$3,700 transferred from Staff Salaries to Supplies & Services for a remote monitoring and management system to maintain audio control in meeting rooms.
- v. \$10,700 transferred from Staff Salaries to Expendable Equipment for the purchase of Modesty Panels for meeting room tables and Campfire Personal Tables. The personal tables are used in lounge spaces to enable physical distancing.

b. \$97,751 increase in Student Wages due to the anticipated partial re-opening of the Student Union.

c. \$427,061 increase in the budget for Unemployment expense in order to offset a negative balance in the USU's Unemployment Insurance account. Unemployment expense has skyrocketed due to the large amount of unemployment claims filed by Student Assistants employees who were released in January 2021 due to the pandemic.

4. Operating Expenditures

a. The budgets for the following Operating Expenditure categories were reduced:

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- i. \$7,345 General Operating Expenses
 - ii. \$46,903 Repairs & Maintenance attributable to Custodial Services.
 - iii. \$856,147 Reserves which includes Unallocated Reserves and Administrative Contingencies.
 - Please refer to the Unallocated Reserves section in this report for a detail breakdown of the \$804,062 reduction.
 - iv. \$753,514 Postretirement Related Charges attributable to the increase in the discount rate from 2.72% to 3.01% based on the latest Retiree Medical Final Disclosures for June 30, 2021 completed in April 2021 by Demsey-Filliger.
- b. The budgets for the following Operating Expenditure categories increased:
- i. \$68,776 Supplies & Services:
 - \$7,035 Tangram consultation project with Tangram to reconfigure our lounge spaces for physical distancing and redesign concept of the Sol Center second floor administrative area.
 - \$51,095 for Bradford & Dunlavey project management services.
 - \$6,700 transferred from Staff Salaries to purchase the rights to use the Mazevo reservations system.
 - \$4,000 transferred from Staff Salaries for a remote monitoring and management system to maintain audio control in meeting rooms.
 - ii. \$4,407 Travel

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- iii. \$39,410 Utilities for internet reimbursements for qualifying employees with a telecommute agreement.
- iv. \$1,017,667 Fees & Charges for donations of surplus student fees to campus entities approved by the Board in November 2020 (Phase 1 funding), January 2021 (Supplemental Phase 1 funding) and March 2021 (Phase 2 funding).
- v. \$38,939 Expendable Equipment
 - \$6,092 for an iMac computer for the Marketing department.
 - \$10,500 for Tangram furniture to reconfigure the SRC Aquatics office.
 - \$4,961 to purchase hammocks for the Oasis.
 - \$10,700 transferred from Staff Salaries for the purchase of Modesty Panels for meeting room tables and Campfire Personal Tables. The personal tables are used in lounge spaces to enable physical distancing.

5. Total Expenditures

- a. \$10,667 reduction in the Total Operating Expenditures budget.

6. Unallocated Reserves

- a. \$832,352 reduction in Allocation Reserves from 12/31/20 to 3/31/21 which \$804,062 is attributable to Phase 2 donations of surplus student fees:
 - i. \$50,000 LGBTQ Student Emergency Relief Funding
 - ii. \$50,000 Undocumented Student Emergency Relief Funding
 - iii. \$50,000 Pride Center Scholarship Endowment
 - iv. \$50,000 Veterans Resource Center Scholarship Endowment

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- v. \$50,000 DREAM Center Scholarship Endowment
- vi. \$15,000 Temporary Emergency Housing Fund
- vii. \$40,000 Justice Award Endowment
- viii. \$73,606 Fit Kit for CSUN Student Home Workouts
- ix. \$250,000 Bookstore Grants
- x. \$174,400 Crisis & Basic Needs Services
- xi. \$2,356 Phase 2 Allocation Contingency

7. Designated Reserves

- a. \$30,509 reduction in Designated Reserves in the third quarter:
 - i. \$28,926 Vacation Advances
 - ii. \$2,213 Employer-Paid Taxes for Vacation Advances

Statement of Changes in Financial Position

- a. \$10,324,970 Total assets of which \$9,569,008 is liquid cash.
- b. \$4,922,585 Total liabilities which \$3,296,166 is the liability to pay for the projected medical expenses of current and future USU retirees who are in the Retirement Health Benefits Plan (RHBP).
- c. \$5,402,386 Total Net Assets

Investment Summary

\$81,604 Total investment income which of \$81,491 is from our investment in the CSU Systemwide Investment Fund Trust (SWIFT).

Capital Outlay

The capital outlay budget is \$45,589. No capital outlay expenditures were incurred during the second quarter although there is activity to report:

- a. The Oasis Outdoor and Canopy Umbrella Covers were ordered and are expected to be installed in late May 2021.
- b. The Fiberglass Scaffolding has been received.

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Foundation Account Balances

\$370,959 Foundation account balance of which \$177,143 is unrestricted and \$193,816 is restricted.

Work Study

\$4,577 received and \$7,968 expended \$7,968 which leaves a deficit of \$3,392. Work Study funds received in the fourth quarter are anticipated to offset the \$3,392 deficit.

Main motion passes by 6-0-0

VII. Discussion Items

A. 2020-21 Committee Goals Year-End Review

J. Akopnik led the discussion on the progress the committee made towards completing its goals for the 2020-21 fiscal year. The goals that were discussed are in the table below:

| No. | GOAL | PROGRESS |
|-----|---|--|
| 1 | Revise and update the USU long-term financial plan. (Ongoing throughout the Fiscal Year). | COMPLETED Discussed at the Finance Committee on 10/02/20 |
| 2 | Update the following policies: | COMPLETED |
| | a. Petty Cash/Cash Advance Policy | Approved by the Board in January 2021 |
| | b. The Accounts Receivable Management Policy | Approved by the Board in January 2021 |
| | c. Cash Handling Policy | Approved by the Board in March 2021 |
| | d. Revisions to the Contracts Policy | Approved by the Board in May 2021 |
| 3 | Develop recommendations, cost cutting strategies, business efficiencies to mitigate financial challenges associated with the pandemic. (Ongoing throughout the Fiscal Year). | COMPLETED Discussed at the Finance Committee on 10/02/20 and 10/23/20. |
| 4 | Provide the committee a basic understanding of how student union fees support the University Student Union (December 2020) | COMPLETED Discussed at the Finance Committee on 02/19/21. |

B. Committee Member Appreciation

Chair, J. Akopnik, and Co-chair, J. Guerrero expressed gratitude for their service on the committee for the 2020-21 fiscal year by providing a Certificate of Appreciation to each student and staff member.

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VIII. Announcements

Committee Chair, J. Akopnik informed the committee of the upcoming Board Meeting on June 7, 2021 and encouraged the members to be at the meeting in order to witness the Board consider the approval of Budget Allocation Proposals and the acceptance of the Third Quarter Budget report.

IX. Adjournment

Committee Chair, J. Akopnik adjourned the meeting at 2:41 P.M.

Respectfully Submitted by,

Joseph Illuminate
Associate Director, USU Accounting & Finance