

**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
WEDNESDAY, FEBRUARY 20, 2020  
MINUTES**

**I. Call to Order**

The meeting was called to order by Committee Chair, Tammy Rassamekiarttisak at 3:01 p.m.

**II. Roll Call**

<b>Present</b>	<b>Absent</b>	<b>Staff/Guests</b>
Czar Agcaoili Student Committee Member (voting)	Debra Hammond Executive Director (non-voting)	Nicholas Echeverri, Computer Lab Coordinator
Sharon Eichten Associate VP, Budget Planning & Management (voting)		Jonathan Navarro, Accounting Manager
Joe Illuminate Executive Secretary (non- voting)		
Pavitra Kanse, Student Committee Member (voting)		
H. Landeros, Student Committee Member (voting)		
Alberto Martinez, Committee Co- Chair (voting)		
Asima Rahman Student Committee Member (voting)		
Tammy Rassamekiarttisak Committee Co-Chair (voting)		
Dr. Shelley Ruelas-Bischoff Student Affairs Representative (voting)		

*Czar Agcaoili arrived at 3:30 p.m.*

**III. Approval of Agenda**

M/S/P (A. Martinez/A. Rahman) Motion to approve the agenda for February 24, 2020.

*Motion passes by general consensus*

**IV. Approval of Minutes**

M/S/P (A. Rahman/A. Martinez) Motion to approve the minutes for November 20, 2019.

*Main Motion passes 5-0-1*

**V. Icebreaker**

Chair, Tammy Rassamekiarttisak, led the icebreaker called “two truths and a lie”. The purpose of the icebreaker was for everyone to get know each other personally in order to develop positive working relationships.

UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
WEDNESDAY, FEBRUARY 20, 2020  
MINUTES

**VI. Chair's Report**

- A. Chair, Tammy Rassamekiarttisak welcomed everyone to the first Finance Committee meeting of the spring 2020 semester. She introduced to new members to the committee, Pavitra Kanse and H. Landeros.

**VII. Action Items**

**A. 2019-20 Capital Outlay Re-allocation Request**

M/S/P (A. Martinez/A. Rahman) Motion to recommend the approval of the reallocation of \$17,000 from the completed Plaza del Sol Performance Hall Lights Replacement and Villager Club Car Projects in order to purchase and install a redesigned reception desk for the Computer Lab.

Computer Lab Coordinator, Nick Echeverri, led the discussion. He stated that this reception desk would replace the current Computer Lab reception desk. This desk will resolve four main issues with the arrangement of the current reception desk:

1. The position of the current desk is impeding the ability to provide excellent customer service.
  - a. The location impedes good traffic flow, creating a consistent clustering of people near the entrance of the lab.
  - b. There is a consistent line that wraps around two sides of the desk, preventing patrons from getting assistance, adding to the clustering issue at the front of the desk.
2. The current reception desk setup negatively impacts employee feelings of having a safe working environment due to being overly exposed.
  - a. There are no privacy panels or raised counter tops that create a natural separation from the patron and the employee who is sitting at the desk. Good examples of reception desks are the Sol Center and the SRC front desks with raised counters and panels.
  - b. The lack of separation creates instances of awkward and uncomfortable interactions between guests who sometimes are too close to employee workspaces.
  - c. Employees feel they do not have their own personal workspace due to the lack of boundaries between patrons and the employee.
3. The current reception desk setup does not provide adequate working conditions for the employees.
  - a. There is only one workstation chair and machine at the desk, yet there are three employees working at any given time. This causes the Computer Lab Technicians to stand for the majority of their five-hour shift. They have reported concerns about tired backs, legs and calves. To address the concern, a second chair was added with a laptop on the backside of the desk so the third Computer Lab Technician can sit further away from the desk among the patron computers.
4. The proposed reception desk enables future service direction of the lab.
  - a. The proposed reception desk will have a back counter dedicated for helping patrons with using software/applications on their personal electronic devices, like laptops, tablets and cellphones, reflecting the Apple Store genius bar. Today's generation of students prefer using their own device over using public computers.

**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
WEDNESDAY, FEBRUARY 20, 2020  
MINUTES**

- b. It proposed reception desk will have the other standard benefits of a proper reception desk:
- i. Improved look and feel.
  - ii. Better experience for patrons to seek assistance.
  - iii. Better use of the space and reduction of traffic jams in the high traffic areas.

The goal is to maintain a consistent aesthetic appearance throughout the organization so Tangram was selected as the vendor. Tangram has been a USU furniture vendor for many years from whom the USU has purchased furniture that is currently in use throughout the organization.

Tangram provided three designs with slight differences in price. The recommended option is Option 3 with a total cost of \$16,419.54.

***Main Motion passes 7-0-0***

**B. Second Quarter Budget Report**

M/S/P (A. Rahman/A. Martinez) Motion to recommend the acceptance 2019-20 (6&6) of the Second Quarter Budget Report as presented.

Jonathan Navarro, Accounting Manager, presented the Second Quarter Budget Report to the committee.

**Financial Summary**

The overall financial condition of the USU is solid. The USU's budget is operating within the optimal range for both revenue and expense (50.4% and 45.8%). The USU reported a surplus of \$851,169 and a \$5.8 million cash balance.

**Revenues**

Total revenue is **\$9,272,218**, which represents **50.4%** of the revised budget of **\$18,400,173**.

○ **Rental Income: SRC Lockers & Towels (59.1%)**

It is typical for this category to be above the operating range at this time because SRC members renew their semester-long rental services for the spring semester in December 2019. This category is expected to be within the optimal range by fiscal year-end.

**SRC-Related Income (57.5%)**

This category is above the optimal range due to the receipt of payment for TUC staff memberships. In addition, SRC members are able to renew their spring semester memberships in December resulting in revenue exceeding the optimal range. This category is expected to be within the optimal range by fiscal year end.

○ **Grant Income [Campus Quality Fee] (0%)**

There was no Grant Income received as of December 2019 because the USU will be submitting its first Campus Quality Fee reimbursement request in February or March. In addition, revenue was reduced by \$28,460 because the amount awarded was less than the approved budget of \$74,000.

○ **Interest Income (95.6%)**

This category is above the optimal range because the interest earnings in the System Wide Investment Fund Trust (SWIFT) were distributed at the beginning of the fiscal year. We expect this category to be within the range by fiscal year-end.

**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
WEDNESDAY, FEBRUARY 20, 2020  
MINUTES**

**Expenditures**

Total expenditures are **\$8,421,048**, which represents **45.8%** of the revised budget of **\$18,400,173**.

- **Staff Salaries (48.2%)**  
The budget for this category was reduced by \$35,439 due to the vacancies in the Assistant Director positions in both Diversity and Inclusion and SRC-Fitness & Wellness.
- **Student Wages (49.0%)**  
This category had a decrease of \$30,352 primarily due to the reduction in the work schedules for Computer Lab Assistants. Patron traffic in the Computer Lab has been less than anticipated.
- **Benefits (48.8%)**  
The budget for this category decreased by \$133,259 mostly in health-related insurance for staff employees.
- **Supplies and Services (38.8%)**  
This category had transfers in of \$32,116 for architectural services for the SRC turnstile replacement project.

The remaining funds will be spent on the following programs and projects:

- Consulting services for the renovation project
- Year-End Celebration
- VRC Reception
- Rainbow Celebration
- USU Night Market
- **Travel (29.8%)**  
This category is below the optimal range because major conferences such as ACUI, AOA and NIRSA conference take place in the second half of the fiscal year.
- **Utilities (50.8%)**  
This category had an increase of \$52,663 because of higher costs in utilities than anticipated. The projected budget is based on a rolling twelve month forecast of actual expenditures.
- **Repairs & Maintenance (45.6%)**  
This category had transfers in from administrative contingencies in the amount of \$90,005 for the re-upholstering of furniture in the Sol Center and East Conference Center.
- **Fees and Charges (18.3%)**  
This category is significantly below the optimal range because Sunny Days camp registration begins in February. Most camp payments are made online by credit card which results in the USU incurring credit card processing fees. This category is expected to be within the optimal range by fiscal year end.
- **Reserves**  
Please reference the Reserves Summary included as part of this package for further information.
- **Expendable Equipment (74.1%)**  
This category had transfers in the amount of \$50,141 for the following items:
  - Oasis signage

**UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
WEDNESDAY, FEBRUARY 20, 2020  
MINUTES**

- Re-felting of the pool tables in the Games Room
- Equipment for organization-wide camera upgrade project

This category is significantly above the operating range and is expected to be within the optimal range by year-end. The Technology Support Services department purchased the vast majority of their budget for expendable equipment in the first quarter. The purchases included the following:

- Dell Desktops and Laptops
  - Mac Minis
  - Cisco Desktop phones
  - Hard drives and memory upgrades
- **Postretirement Related Charges (50.0%)**  
This category had a negative adjustment of \$117,993. Adjustment to this category is made based on periodic updates to the USU's actuarial valuation report prepared by Demsey-Filliger. Adjustments, either positive or negative, can be significant depending on changes in the discount rate.

**Statement of Changes in Financial Position**

Total assets are \$6,697,767 of which \$5,892,525 is liquid cash. Total liabilities are \$4,050,204 of which \$2,973,492 is the estimate to pay for the projected medical expenses of current and future USU retirees who are eligible for the Retirement Health Benefits Plan (RHBP). Total Net Assets are \$2,647,563 which includes the surplus of \$851,169.

**Investment Summary**

The USU continues to yield positive returns in funds invested in the CSU Systemwide Investment Fund Trust (SWIFT). The USU has earned \$90,615 in interest income.

**Unallocated and Designated Reserves**

The unallocated reserves balance is \$338,096, an increase of \$43,590 for the quarter. The approved budget for unallocated reserves was \$250,000 which signifies that staff is identifying and transferring budgeted funds that will not be utilized to unallocated reserves. This strategy allows the USU to repurpose these funds for other organizational priorities.

A total of \$56,853 of designated reserves was transferred to the operating budget during the second quarter for vacation advances and staff bonuses.

**Capital Outlay**

The capital outlay budget is \$168,147; no expenditures were incurred during the second quarter. Please reference the Capital Outlay summary for the status of the remaining projects.

**Foundation Funds**

The USU Foundation account balance is \$299,815. The balance is comprised of \$194,571 in unrestricted funds and \$105,244 of restricted funds. Of the \$50,000 gift approved by the Board to pay for DACA application fees, \$15,000 remains for transfer to the Division of Student Affairs upon request.

**Work Study**

The USU has expended \$8,889 as of December 2019. The first work-study payment is expected to be received in the late February to early March timeframe.

***Main Motion passes 7-0-0***

UNIVERSITY STUDENT UNION  
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE  
FINANCE COMMITTEE MEETING  
WEDNESDAY, FEBRUARY 20, 2020  
MINUTES

**VIII. Discussion Items**

**A. USU Renovation Financial Plan**

The review of the Renovation Financial Plan is a 2019-20 Finance Committee goal.

J. Illuminate explained that the financial plan was sent to the Chancellors Office for review in January 2020 for review. The financial plan was conditionally accepted by the Chancellors Office in February 2020 pending some additional information to be provided by the USU, the Campus Budget Office, and the Campus Facilities Development and Operations department.

He explained the key elements of the financial plan to the committee:

- a. Transfers into and out of the Revenue Fund
- b. The significance of the Debt Service Coverage Ratio (DSCR)
- c. Annual Debt Service
- d. The USU Operating Fund
- e. The Major Repair & Replacement Fund

**B. Travel Policy**

J. Illuminate explained that the Travel Policy was discussed at the November 06, 2019 and November 20, 2019 committee meetings.

Additional revisions were proposed by the committee which will be incorporated into the policy will be reviewed at the March 09, 2020 meeting. The goal is to recommend the Travel Policy for acceptance at the March 30, 2020 meeting.

**C. Spring 2020 Finance Committee Meeting Schedule**

There was mutual agreement to change the start time of the committee meetings from 3:00 p.m. to 3:30 p.m. in order to accommodate student members. In addition, the annual budget meeting committee meeting was changed from May 11, 2020 to May 06, 2020 due to finals occurring on May 11<sup>th</sup>.

**IX. Announcements**

1. Committee Chair, Tammy Rassamekiarttisak announced that the Asian American Studies Pathways Project event- Querenica Effect. Open Mic is scheduled for Thursday, February 27th at 6:30pm at the Omatsu House.
2. Dr. Shelley Ruelas-Bischoff announced that federal government is hiring temporary workers for the 2020 Census.

**X. Adjournment**

Committee Chair, Tammy Rassamekiarttisak adjourned the meeting at 4:41 p.m.

Respectfully Submitted By,

Joseph Illuminate  
Associate Director, USU Accounting & Finance