

**UNIVERSITY STUDENT UNION, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
BOARD OF DIRECTORS
December 5, 2011
MINUTES**

I. Call to Order

The regular meeting of the USU BOD was called to order at 12:31 p.m. by Chair Lizzie Awad.

II. Roll Call

Present	Absent	Staff	Guests
Elizabeth Awad	Tonee Sherrill	Robert Bice	Malek Al-Marayati
Clarissa Cervantes		Kristie Godfrey	David Haygood
Adrian Boluarte-Chong		Alexander Gonzales	Ahmed Khan
Sharon Eichten		Jeremy Hamlett	Amira Mohtheshum
Debra Hammond		Joe Illuminate	Muhammad Rai
Vahan Khodanian (<i>arrived at 12:35 p.m.</i>)		Aida Johnson	Ella Ruzov
Marianne Link		Sharon Kinard	
Sabrina Locky		Shannon Krajewski	
Raquel Padilla		Kaila Lavin	
Kristina Payton		Samantha Liu	
Chenice Rand		Kevin Lizarraga	
Zachary Roof		Sarina Loeb	
Ryan Roope (<i>left at 2:17 p.m.</i>)		Jonathan Navarro	
Shelley Ruelas		Carol Nardini	
Sally Spencer		Jason Wang	
Demontae Thompson			

III. Approval of Agenda

M/S/P (C. Rand/K. Payton) Motion to approve the agenda of December 5, 2011.

M/S/P (Z. Roof/S. Locky) amendment to change the order of the agenda. Action Item D will now be heard first as Action Item A due to a request for a time certain by the USU auditing firm of NSBN. Action Item E will become Action Item I; Action Item F will become Action Item J.

Amendment passed 14-0-0.

Motion, as amended, passed 14-0-0.

Director Khodanian arrived at 12:35 p.m.

IV. Approval of Minutes

M/S/P (S. Locky/C. Cervantes) Motion to approve the minutes dated November 21, 2011.

Motion passed 14-0-0.

V. Open Forum

- Malek Al-Marayati introduced himself to the board and asked that they vote in favor of the Interfaith Reflection Room Proposal.

VI. Chair's Report

Director Awad said that the Student Recreation Center (SRC) will open on January 26. She wished all the students good luck during finals week and also wished everyone happy holidays. Student board members should send Ella Ruzov, Graduate Assistant to the Board, their class schedules for spring 2012 as soon as possible. Committee Chair reports will be due at the January 23, 2012 meeting. The mid-year report form will be sent to the committee chairs this week.

VII. Vice Chair's Report

Director Roof read from his report and said that he and Sarina Loeb, Special Assistant for Diversity Initiatives, traveled to Cal State Fullerton to visit their Veterans Resource Center. They conducted a brief focus group with the veterans and gained valuable insight. Roof attended an interior design class with Director Hammond regarding proposed designs for the Wellness Center. He thanked the board for a wonderful year.

VIII. Executive Director's Report

Director Hammond referred to her report saying the USU has contracted with the firm of Demsey-Filliger to prepare an updated actuarial study in order to propose alternatives to the current postretirement plan. The plan must be comparable to the University's plan. Ella Ruzov was selected to serve as one of the student representatives to the ACUI Regional Leadership Team. California, Hawaii and Nevada are a part of Region 15. As reported last month, the USU suffered an underground boiler water leak which necessitated the shutdown of the heating system in the Sol Center, Pub and Buildings B, C, and E. The heat should be back on this week. The USU will take possession of the SRC December 20. A number of walk-throughs have been conducted recently to target any problems with the outside and inside of the SRC and then resolved with the contractors.

IX. A.S. Report

Director Khodanian congratulated the board on the SRC. AS will hold its "Final Flip" event December 7 from 9:00 p.m. to midnight in front of the Oviatt Library.

X. Committee Reports

- Facilities and Commercial Services Chair Director Lockey referred to her report saying the committee had a good semester and has two items on the agenda today.
- Finance Committee Chair Director Cervantes said that the committee has an item on the agenda today. She thanked Director Thompson for his service to the committee.
- Personnel Committee Chair Director Payton said the committee held its last meeting this morning and has a number of items on the agenda. She thanked Director Padilla for her service to the committee.

XI. Action Items

A. USU Form 990 Information Return (Time Certain: 12:45 p.m.)

M/S/P (C. Cervantes/Z. Roof) motion to accept the USU 2010-2011 Return of Organization Exempt from Income Tax information return.

Jonathan Navarro, Accounting Supervisor, introduced David Haygood, Manager, NSBN. Mr. Haygood said that all nonprofit organizations with gross receipts of more than \$25,000 per fiscal year are required to file Form 990 with the Internal Revenue Service (IRS). Best practice dictates that nonprofit organizations adopt a process to ensure that each voting member of the organization's governing body is provided a copy of the final Form 990 prior to it being filed with the IRS.

Mr. Haygood briefly reviewed Form 990 and the attachments. He thanked Joe Illuminate, Associate Director, Finance and Business Services, and his team for their help. Haygood said that multiple reviews were conducted by his office to ensure its accuracy.

Motion passed 14-0-0.

B. Fusion Technology and CSUN Data Downloads Policy and Procedures

M/S/P (S. Lockey/Z. Roof) motion to approve the Fusion Technology and CSUN Data Download Policy.

Sharon Kinard, Manager, Administration and Communications, addressed the board and said that over the past several months, she and Technology Support Services Manager, Alexander Gonzales, have been meeting with InnoSoft Fusion Technology, WTS (SRC Consultants) and various departments on the CSUN campus (IT, Admissions & Records and Human Resources). The purpose of these meetings was to launch and maintain the biometrics enrollment system for the SRC while ensuring that the data downloads are properly maintained according to CSU standards of protected data levels.

The process has been successfully tested and all parties are in agreement with the policy and procedures as written and contained in this document.

Director Hammond noted that the USU Board of Directors is responsible for approving the policy statement only. The procedure has been developed by staff to comply with the policy and is included for reference only.

Discussion ensued and clarifying questions were asked regarding why an outline of the hand is the process being used in identifying people and what would happen if someone broke their hand. Everyone must register

in this way. It is a faster and more efficient way to identify people and the students can enter the SRC by the scan of their hands – no other form of identification will be necessary. The shape of the hand will not change and if someone broke their hand, CSUN ID's would be sufficient to gain entrance to the SRC. Once registered, all the information for that person is maintained forever. CSUN also keeps information on everyone forever and we are held to the same standards. The information can also assist us when we begin doing assessments about the impact of the SRC on retention and health.

M/S/P (Z. Roof/S. Spencer) amendment to the motion to vote on the policy only.

Amendment passed 14-0-0.

Motion, as amended, passed 13-1-0.

C. SRC Membership and Facility and Access Policy

Motion from the Facilities and Commercial Services Committee to approve the SRC Membership and Facility Access Policy as presented.

Directors Lockey and Hammond outlined the various categories of membership and facility access policies related to the Student Recreation Center. The policy, as recommended by the Facilities and Commercial Services Committee, need to be amended to include membership access to the student members who have paid the USU fee or have received a fee waiver. Various categories of students including dependents, employees (in various bargaining units) and special admits (see attached chart) pay the total USU fee, a reduced USU fee, \$1.00, or no USU fee. Since the cost of waivers to the USU is less than \$200,000 annually, it is recommended that these students also be granted membership in the SRC.

Discussion included that further research will be done regarding the issue of retirement. Changes to the policy were reviewed and were indicated on the policy itself.

M/S/P (Z. Roof/R. Padilla) amendment to change the language as follows: under Definitions, paragraph 1, the words "in full" were removed and the words: "or received a fee waiver" were added to the end of the sentence. It now reads "*A Student Member is defined as a student who has paid the USU fee (undergraduate or graduate) or received a fee waiver.*"

In the second paragraph of the Policy, the first sentence was removed:

"Any student who receives a fee waiver based on University policies will need to pay the membership fee, equivalent to the current portion of the USU fee associated with the SRC for students in order to obtain a membership to access the SRC."

The paragraph now reads as follows:

"Students not enrolled as continuing students in the summer term who wish to utilize the SRC will be required to pay a fee which is equivalent to the SRC summer fee. Students who are enrolled as continuing students in the summer term and who pay the USU fee through the Extended Learning or California State University, Northridge, are eligible for membership in the SRC."

Amendment to motion passed 14-0-0.

Motion, as amended, passed 14-0-0.

D. Interfaith Reflection Room Proposal

Motion from the Facilities and Commercial Services Committee to allocate the former 64 square foot Information (ATM) kiosk for use as an Interfaith Reflection Room.

Director Lockey said that the closure of the Multi-Faith Center in July 2011 created a vacancy of an open access prayer/meditation room. This proposal seeks to provide a peaceful environment for students who would like to practice meditation, prayer or reflection on campus during their regular schedules.

Discussion included that the room will hold nine people. Surveys were conducted and found that the average number of people in the current interfaith room at the same time was five. The room is needed now and is the only acceptable space available in the USU at this time.

Motion passed 14-0-0.

E. Bonus Policy – Regular/Temporary Staff

Motion from the Personnel Committee to approve the Bonus Policy for Regular employees.

The CSU offers a staff bonus program for employees in bargaining Units 2, 4, 5, 6, 7 and 9 for criteria which includes performance, critical skills, recruitment, retention and "other." The USU is proposing a comparable program in the form of a Bonus Policy. The estimate for 2011-2012 bonuses amount to \$116,726 and are to be funded from unallocated reserves. These funds were not approved by the Board in the 2011/12 budget process.

However, these funds are included in the USU's long-term financial plan which was presented to and recommended by the Finance Committee at their December 2, 2011 meeting.

Discussion took place and comments made that regular staff at the USU have not received a pay increase in four years. The bonus policy would be a morale incentive. Director Eichten said that the University has not received the 2012-13 budget, but it is expecting a \$13 million deficit. It could be another year without raises. It was also said that the money comes from student fees and the board needs to remember that and that there could be some resistance from campus faculty/staff regarding this. It was also noted that departments with available funds are currently still awarding bonuses for various employees.

M/S/P (K. Payton/S. Lockey) amendment to the motion to change the first sentence of the last paragraph of the policy by removing the words: "*between three percent (3%) and ten percent (10%).*" The sentence shall read as follows: "*Bonuses shall be up to five percent (5%) of an employee's annual salary and are paid in one-lump sum payment.*"

Amendment passed 14-0-0.

Motion, as amended, passed 14-0-0.

F. Bonus Policy – Student Assistant Employees

Motion from the Personnel Committee to approve the USU Bonus Policy for Student Assistant Employees.

Director Payton reviewed the policy saying that this is the third year in a row that USU student assistant employees have not received merit increases. The USU desires to be in solidarity with the University about the granting of increases but also recognizes the hardship that this places on our student assistant employees. In order to recognize and continue to motivate our student assistant employees, it is recommended that the USU approve a bonus policy that would grant bonuses in years when merit increases are not available. As noted in the policy, the bonus criteria for student assistants will be based on an overall performance rating as indicated on the most recent six (6) month performance review. Student Assistants must have received a minimum of two six (6) month performance reviews to be eligible for a bonus. The award of a bonus is at the recommendation of the immediate supervisor and/or area manager with concurrence from the appropriate management team member and ultimate approval from the Executive Director. An employee may not request a bonus. The failure to receive a bonus may not be grieved in any manner. An employee may receive no more than one bonus in a fiscal year.

Discussion included comments on the tax implications and salary rates. Bonuses work as a thank you and are a good incentive. The board also discussed the USU's current system of evaluation where supervisors as well as employees are required to complete an evaluation. This process assists in performance improvement, development and a more accurate self-analysis.

Director Roope called the question.

M/S/P (K. Payton/R. Roope) amendment to the fifth paragraph, second sentence of the policy, to change one six (6) month performance review to two six (6) month performance reviews. The sentence will read as follows:

"Student assistants must have received a minimum of two six (6) month performance reviews to be eligible for a bonus."

Amendment passed 13-0-1.

Motion, as amended, passed 13-0-1.

Director Roope left at 2:17 p.m.

G. Meeting Rate Policy

Motion from the Personnel Committee to approve the Meeting Rate of Pay Policy.

Director Spencer left at 2:22 p.m.

Director Payton said that compensation for Group Exercise Instructors is based on certification relative to their role as "instructor". A meeting rate of pay is typically applied for employment-related activities that fall outside the employee's "instructor" role. The USU is recommending a meeting rate of pay at 50% of the Group Exercise Instructor's "instructor" rate. Group Exercise Instructors typically teach no more than 5/hours/week maximum (most teach 2-3 hours/week) and are compensated at \$20 or \$25 per hour.

Motion passed 12-0-0.

H. Holiday Pay Policy

Motion from the Personnel Committee to approve the Holiday Pay Policy as presented.

Director Payton said the policy will go into effect January 1, 2012. The current cost of providing holiday benefits to approximately 100 students assistant employees averages \$27,576 annually. Anticipating 150 new student hires could increase that cost to \$68,940 annually. The USU is the only employer on campus that pays students for holidays. We began the practice to entice students to work for the USU but now need our policy to be more comparable to the University.

Motion passed 12-0-0.

I. Student Recreation Center Refund Policy

Motion from the Finance Committee to approve the Student Recreation Center Refund Policy as presented.

Director Cervantes said that the purpose of the policy is to define the rules and procedures for SRC related refunds for memberships and merchandise.

Motion passed 12-0-0.

J. Long Term Financial Plan – Reduction in USU Operational Fee Increase

Motion from the Finance Committee to approve the following motion:

1. Reduce the one-time USU operational fee from \$15.00 to \$2.00 (effective the fall semester of academic year 2013/14) and implement a \$2.00 per academic year inflation adjustment (effective the fall semester of academic year 2013/14).
2. If student headcount falls below an average of 36,448 for three consecutive academic years, the Student Fee Advisory Committee (upon a recommendation from the USU Board of Directors) will consider an increase to the annual inflation adjustment to recover any ending net assets as a result of the lower than projected headcount.

President Jolene Koester approved a onetime USU \$15.00 operational fee adjustment (effective 2012/13) and a \$2.00 per academic year inflation adjustment (effective 2013/14) in a letter signed and dated October 08, 2009. These fee adjustments were necessary in order to maintain the Debt Service Coverage Ratio (DSCR) above the minimum requirement of 1.25 for the USU's long-term financial plan. The Chancellor's Office would not have approved financing for the SRC without the President's approval of these fee adjustments.

Due to favorable SRC project financing (lower than anticipated interest rates) and Build America Bonds (BABs) interest subsidies, the USU is proposing to decrease the onetime USU \$15.00 operational fee adjustment to \$2.00 and delay it until 2013/14. The \$2.00 per academic year inflation adjustment would take effect in 2013/14 as originally approved by President Koester.

We believe the \$2.00 onetime operational fee adjustment with the \$2.00 inflation adjustment is sensitive to the financial needs of students in a time of rising tuition yet provides sufficient financial resources to provide the programs and services at the level students expect.

If this recommended plan is approved, it is projected that no other overall student union fee increase would be necessary through June 30, 2019 (as long as student headcount remains at an average of 36,448 each fall and spring academic year and 5,500 each summer term) with the exception of any proposed student fee referendum.

Discussion included that if the board approves this today, the issue will go before the Student Fee Advisory Committee. The Vice President of Student Affairs and the Vice President for Administration and Finance, must then review/sign and then forward it to the University President for approval.

Motion passed 12-0-0.

XIII. Announcements

- Chair Awad thanked the board for all their questions and input on the issues. She wished everyone good luck on their finals, a wonderful winter break and a great new year.
- Shannon Krajewski said that the SRC pre-registration is going well, 1,300 people have registered. She distributed flyers and stress balls. She reminded the board about craft corner this Thursday and to take a look at the SRC Web site.
- Director Thompson said he is writing an inspirational biography on Facebook "Razed from Scratch" and asked everyone to take a look.

XIII. Adjournment

The meeting was adjourned by Chair Awad at 2:48 p.m.

Respectfully submitted by,

Debra L. Hammond,
Executive Director