



California State University, Sacramento
University Union Operation of CSUS Inc.
6000 J Street • Sacramento, CA 95819-6138
T (916) 278-6744 • www.csus.edu/union

Union WELL Inc. Budget and Finance Committee

Minutes

March 10, 2021

7:30am, Zoom Meeting

1. The meeting was called to order at 7:32 am by Kaur
 - a. Present: Shubh Kaur, Arturo Ambriz, Missy Anapolsky, Rose McAuliffe, Jasmine Lopez
 - b. Also present: Jill Farrell, Bill Olmsted, Tori Butler, Amy Jacobsen
2. Public Comment: None
3. Approval of Minutes of February 18, 2021, **(MSP: McAuliffe, Anapolsky)**
4. 2021-2022 Strategic Plan Project List, Olmsted/Farrell: **(MSP: Anapolsky, Ambriz)**
 - a. Olmsted explains the strategic planning process which includes ten overarching corporate goals that align with campus imperatives. Each department then chooses three to four of the corporate goals to focus on with their team and determine performance measures. He presents the project lists for Corporate Administration and Facilities & IT (Information Technology), explaining that the University Union and WELL strategic plans are presented to their respective advisory groups, and then all plans are presented to the Board of Directors (BOD). Corporate Administration includes the Business Office and project highlights include overseeing project management and financial management of the WELL expansion as well as TBU01 and TBU04 projects, onboarding a new University Union director, supporting the effort towards cashless operations as well as updating/replacing the WELL's membership management software.
 - i. Anapolsky asks if the search for a new Director has begun. Olmsted states that the position should be posted at the end of March and it will be a national search. The hope is to have a Director in place in July.
 - ii. McAuliffe asks if central IRT will be involved with the new membership management software. Olmsted explains that IRT will assist with vetting and ensuring that proper documentation is in place as required by the security office, but the organization will contract on their own with an outside entity.
 - b. Olmsted discusses Facilities and IT project highlights, which consists of Administration, IT, Facility Services, and Maintenance and Facility Operations. Administration will be taking the lead on the corporate website consolidation plan and will focus on preparing facilities for reopening. He adds that the plan is to fully open both facilities on August 1. IT will be planning for a greater level of student development opportunities for student IT assistants, aligning with campus on multi factor

identification (duo) with the organizations intranet system, Confluence, increasing storage for security cameras, and migrating out of outdated Windows servers to the latest server operating system. Facility Services plans to implement a custodial feedback system for restrooms and other accessible areas in both buildings, add a student assistant position as Facility Services is the last area that does not have one, and issue new RFP for the custodial contract which occurs every few years to ensure the best pricing, vendor and services possible. Maintenance and Facility Operations will focus on getting systems that were shut down by the COVID-19 pandemic back online, exploring more professional development opportunities, replacing old HVAC pneumatic systems and convert to digital. Also, after a few failed searches due to candidate dissatisfaction with pay resulting in a compensation study which supported adjusting pay ranges, Maintenance will be posting overdue full-time positions again.

- i. Kaur asks how the customer feedback system would work. Olmsted explains that signage will be posted with a QR code to solicit feedback. Visitors will be able to give direct feedback and possibly pull up a page that shows cleaning frequencies and protocols.

5. 2020-2021 TBU01 & TBU04 updates, Olmsted/Farrell (**MSP: Anapolsky, McAuliffe**)

- a. Olmsted shares the TBU01 and TBU04 project lists and discusses the new additions for TBU01 that require approval. Both are flooring projects that were planned for other budget cycles, however in order to avoid creating further disruption to students in the future, the request is to complete them now. This includes re-staining and re-polishing the concrete floor in the University Union Redwood Room at a cost of \$30,582. In the WELL, replacing the Mondo flooring in the Cardio Suite and the first-floor free-weight area has been discussed for years. The team would like to move the project up and perform the work now since equipment has all been removed and a contractor will be on site installing similar flooring in other areas of the building. The original packet reflected a request of \$320,000, however adjustments were made in the last week and the revised packet that was sent out reflects a request for \$400,000. Olmsted assures the committee that the organization has the capacity to fund the projects. Farrell adds that if the committee approves the request it will then go to the BOD at next week's meeting.
- b. Farrell refers to the carry over project list and explains that, initially, there was not enough room in the project to carry Group II WELL Expansion purchases. Approval was received from BOD in spring 2019 to fund \$500,000 from TBU01 which was split between two projects; \$100,000 for the Engagement Center and \$400,000 for furniture and fixtures. The final cost for the Engagement Center was \$52,601 resulting in savings of \$47,399. The request is to transfer the savings to the budget for the WELL expansion furniture and fixtures.

6. 2020-2021 Year End Projections, Olmsted/Farrell

- a. Farrell reviews year-end projections (YEP) and reminds the committee that when the 20-21 budget was cast, the plan was for the buildings to be open in the spring which did not happen. There was a big impact to the revenue budget since operations did not occur, no room rentals, no programs, no Games Room, no contract lease with food services. Interest income continues to be under budget. Ultimately revenue is about \$1 million under budget.
- b. Farrell then discusses expenditures. She explains that UNIQUE Programs makes up the bulk of the event contracts, rentals, supplies and advertising lines. There are no artists coming on site and events are only being held virtually, causing savings in these accounts. Overall, there were fewer program areas open and less was spent on supplies, custodial, and office supplies. Under the guidance of auditors, it was decided to record all COVID-19 & outdoor PS3 fitness expenses into the maintenance supplies account, most of which were for supplies to run outdoor fitness. This resulted in the account going over budget by about \$420,000, however, program supplies are

expected to be \$193,000 under budget. The largest variances are related to staff wages due to a total of nine open positions for full time staff members, and many unfilled student positions since buildings did not open for fall or spring. The combination of wages, benefits and the UEI fee are under budget by approximately \$3 million. Utilities also have a large variance since the University Union did not open and, although partially open, there was not as much usage in The WELL as budgeted. Farrell explains that the VEBA (Voluntary Employee's Beneficiary Association) account will fund medical benefits for retired employees, in the unlikely event that the organization was no longer in business, to fulfill the obligation of providing the benefit to vested employees. The MOU to pay the organization's underfunded amount in full outlined a schedule to pay the remaining amount over three years, at \$140,000 per year. However, the decision was made to pay all three payments totaling \$420,000 in the 2020-2021 fiscal year. The budget for campus cost allocations for services provided by campus such as IRT, public safety, accounting, mail services, etc. is under budget with the biggest variance in IRT at \$44,000. Overall, the original budget predicted a \$945,999 surplus and YEP is predicting a surplus of approximately \$3.5 million, the bulk of which is from savings in wages, benefits, and utilities.

7. The meeting was adjourned at 8:41am

Respectfully Submitted:


Shubhkawanpr Kaur (Mar 30, 2021 14:14 PDT)

Authorized Signature

Mar 30, 2021

Date