



California State University, Sacramento  
University Union  
6000 J Street • University Union • Sacramento, CA 95819-6017  
T (916) 278-6744 • www.csus.edu/union

**Board of Directors Meeting Minutes**  
**April 19, 2017**  
**Foothill Suite, 3<sup>rd</sup> floor: University Union**

1. **The meeting was called to order at 7:33 a.m. by Alyssa Trejo, Chairperson**  
Members Present: Alyssa Trejo, Missy Anapolsky, Ed Mills, Kindra Begley, Kisanet Woldeyohannes, Chandler Bender, Justin Reginato, David Rolloff, Bill Macriss, Lindsay Vampola, Juan Arroyo  
Also Present: Bill Olmsted, Dean Sorensen, Kate Smith, Jill Farrell, Tori Butler  
Guests: Christy Norton from KCOE Isom, Mark Montalvo, Humberto Perez, Daisy Yopez
2. **Public Comment: None**
3. **Seating New Board Member:**
  - A. Kindra Begley (WELL Advisory Group)
  - B. Justin Reginato (CFO Designee)
4. **Time Certain: 7:35am 990 Tax Form Presentation: Christy Norton, Principal; KCOE & Isom (Action Requested) Anapolsky, Vampola**
  - A. Norton reviewed the 990 tax form for the 2015-2016 fiscal year, which was included in the handout. She begins on page one with total revenue, which was \$11,493,841 compared to \$9,439,378 the previous year. She then states that total expenses increased to \$9,924,393; increasing about \$500,000 compared to the previous year. Norton notes that this increase is mostly due to payroll and benefits, as well as new positions. In addition, total net assets, came in at \$11,442,698, which is an increase of \$1,569,448 compared to the previous year. Norton then moves on to Part X Balance Sheet on page eleven, directing attention to total net assets of \$11,442,698 as previously discussed during page one review. Norton notes that the net revenue of \$1.6 million is mostly due to increase in cash and low liability. Lastly, she reviews 990T and explains that if the organization is supporting its mission as stated on page 2 of the document, then membership and room rental revenue are non-taxable income. Other activities, such as non-student memberships and rentals to outside organizations, are not directly supporting the mission or students and are taxable, resulting in \$107,004 taxable income. Expenses from salary, repairs maintenance and utilities go against revenue, resulting in a net loss of \$329. A slight tax loss carries as a net operating loss; therefore, there are no taxes due on this return.
    - i. Sorensen asks how the corporation is doing. Norton states that the corporation is doing very well and adds that she appreciates the management team and the work put forth by everyone, noting that the team is always great to work with.
    - ii. Anapolsky mentions the \$10.00 payment to the state and asks if this was taxes due. Norton explains that the payment was for a processing fee.
5. **Consent Calendar: (Second item 3 on agenda; re-numbered to correct sequence)**
  - A. Approval of Board of Directors Minutes – March 15, 2017 (MSP: Woldeyohannes, Bender)
  - B. Approval of Joint Advisory Group Minutes – April 12, 2017 (MSP: Begley, Anapolsky)

- i. Olmsted explains that beginning this year the Board of Directors will approve Joint Advisory Group minutes, since that group only meets once per year.

**6. Old Business: (Second item 4 on agenda; re-numbered to correct sequence)**

**A. Budget 2017-18: Olmsted/Farrell (Action Requested)**

- 1) Operating
- 2) Capital
- 3) Repair and Replacement
- 4) Capital Repair and Replacement (TBU01)
- 5) Reserves

- i. Olmsted begins by showing a comparison of the 16-17 budget including year-end projections (YEP), and the proposed budget for 17-18. He discusses major impacts on revenue including room closures, 3% rate increase on room reservations on University Invoice, tenant lease revenue, and changes to WELL membership rates. Then he reviews expenses and major variance factors including utilities, cost allocations, personnel, salary and benefit increases, and minimum wage increase. Next, Olmsted shows a slide detailing what costs are included in campus cost allocations, some of which are IRT, public safety, payroll, and HR. Total cost allocations proposed budget is \$402,990.
  - (a). Mills asks how the room closures and rate changes are communicated to campus. Olmsted states that closures are communicated through the reservation system. Sorensen adds that sometimes notifications are also sent to regular customers. Mills encourages communicating the closures to campus and broadening the audience for planning purposes. Olmsted states that he will explore means of communicating to masses, at which point Mills offers himself as a resource. In response to his question regarding fees, Farrell states that every year documents are sent to the Budget Office and Bursars Office for approval. They review, confirm, and give us the ok to adjust rates, so the decision is made in collaboration with campus.
  - (b). Macriss asks about payroll services, noting that the payroll budget YEP was higher than budgeted, yet next year is being budgeted the same as previous year. Farrell explains that this is based on transactions, and due to Leslie's retirement, there were additional transactions related to her separation. While it is not known what the exact fee will be, it is presumed that we may be charged for a partial year. She also notes that Bill Olmsted is a UEI employee, so we won't have Executive Director transaction charges in that area next year.
- ii. Olmsted shows a list of Capital and Local Repair & Replace projects including both major and minor pieces of equipment, noting that Repair & Replacement has more projects and that fitness equipment is the largest expense for replacement. He then reviews the Capital Repair & Replacement (TBU01) projects, which is the stateside list that includes major projects such as the Ballroom AV update and Hinde Auditorium carpet and chair replacement.
- iii. Farrell presents on the long-range financial plan, which is included in the handout, as well as the summary sheet, and explains how they tie to the long-range plan. She states that the headcount from the Bursar's Office is also utilized to calculate the long-range plan and revenue, noting that no increase is projected in enrollment figures from 16-17. Next, Farrell reviews reserve levels and discusses reserve policy requirements. She notes that we exceed policy requirements and discusses why reserve levels are where they are; including potential projects such as an additional staircase at the Union. She then discusses designated reserves projections for repair and replacement fund (local) and capital repair

and replacement (TBU01). Lastly, she shows graphs reflecting reserve projections year by year from 15-16 to 17-18 including the current reserve level.

**Budget 2017-2018**

Events	\$ 233,250
Insurance	\$ 57,263
Supplies	\$ 967,224
Services	\$ 39,785
Contracts	\$1,575,955
Utilities	\$ 663,309
Travel	\$ 91,241
Wages	\$4,430,907
Benefits	\$1,532,089 (Includes \$50,000 for VEBA Funding)
Capital	\$ 46,035
Repair & Replace (Local)	\$ 501,174
Capital Rep & Replacement (TBU01)	\$1,023,765

**Undesignated Reserves**

Revenue Fund (Projected)	\$11,902,648*
Local Reserves (Projected)	<u>\$ 10,810,045</u>
Total Undesignated Reserves	\$22,712,693

BOD Policy Requires: 1 yr. debt coverage =	\$ 4,779,414 and
6 Mo. Operating =	<u>\$ 5,677,867</u>
Total BOD Policy Requirement:	\$10,457,281
Avail Undesignated Reserves:	\$12,255,412

**Designated Reserves**

Repair and Replacement Fund (Projected, Local)	\$ 2,428,072
Capital Repair and Replacement (Projected, TBU01)	\$ 2,083,438

\*Represents a debit of \$5,500,000 for capital expansion

Approval Operating Budget 2017-2018: (MSP: Anapolsky, Macriss)

Approval Capital and Plant Fund 2017-2018: (MSP: Anapolsky, Begley)

Approval Capital Repair and Replacement 2017-2018 (TBU01): (MSP: Vampola, Bender)

Approval Long Range Plan 2017-2018: (MSP: Begley, Anapolsky)

Approval Reserve Levels 2017-2018: (MSP: Vampola, Woldeyohannes)

B. Expansion Update: Olmsted (Information)

- i. Olmsted shows a picture of the current view of the Union construction site from the camera on Riverside Hall noting that demolition is complete, and the next phase is laying the foundation for the new part of the building. He reminds the group that by the end of semester, campus will shut down staff lot 4. He then moves on to discussing the WELL expansion project and states that it has been put on a project list for the Chancellors office

to finalize the financial plan. Sorensen elaborates on the Union expansion noting that the noise level has diminished but there are still crews running around in safety vests and hard hats surveying and working on strategies for tying in the old parts of the building with the new and making it seamless. He states that the building has been sealed up to protect from rain and prevent leaks and adds that he is very happy with the contractor and architects as they have been very responsive as challenges arise.

- C. **Elections for Chair of the Board, 2017-18 (Action Requested) (MSP: Anapolsky, Mills)**
  - i. Olmsted opens floor for nominations and self-nominations for Chair of the Board 2017-2018.
    - a. Woldeyohannes nominates Alyssa Trejo. Trejo accepts the nomination

**7. New Business: (Item 5 on agenda; re-numbered to correct sequence)**

- A. **Summer Operating Committee: Olmsted (Action Requested) (MSP: Bender, Begley)**
  - i. Olmsted explains that the Summer Operating Committee is a group of board individuals who convene if business comes up during the summer break. Bylaws state that the committee must include the board chair, vice chair, secretary treasurer, and advising member of staff. However, the board does not have a vice chair and will not elect one until fall. Olmsted proposes Trejo - Chair, Woldeyohannes - Secretary Treasurer and Mills - Chief Student Affairs Officer.
- B. **Audit Committee 17-18 Appointment: Olmsted (Action Requested) (Motion postponed)**
  - i. Olmsted states that he is still compiling names for this committee, as members cannot have affiliation with other groups. He will ask the Summer Operating Committee to approve individuals when the time comes.
- C. **Policies: (Action Requested)**
  - i. **Travel Policy (MSP: Woldeyohannes, Begley)**
    - a. Farrell reviews the travel policy changes and explains that it the majority of the revisions are for clarification purposes. The first change clarifies that corporate credit card holders must use their corporate cards for travel, not personal credit cards. Next, since people sometimes extend business travel for personal purposes, the policy now requires the employee to provide specific documentation for comparison of travel costs with and without personal time, to prove that the cost of travel is the same, otherwise the employee will pay for the difference. In addition, questions came up as to what level of airport parking would be reimbursed. Therefore, the policy now specifically states what level and amount would be reimbursed. The policy was also updated to reflect that the Executive Director is the only person who can authorize exceptions to the policy. Lastly, while the policy was being updated, the mileage reimbursement rate was updated to match campus.
  - ii. **Purchasing Policy (MSP: Anapolsky, Begley)**
    - a. Olmsted explains that the revised Purchasing Policy would raise the limit for requiring an RFP (request for proposal) from \$25,000 to \$50,000, noting that the campus threshold is \$50,000. The update also included cleaning up language and removing the Associate Executive Director title.
      - 1. Mills asks to clarify that purchases under \$50,000 only require three written bids. Olmsted confirms.
  - iii. **Time, Place, and Manner: Public Conduct, Individual Expression, and Group Activism in the University Union & The WELL (MSP: Begley, Anapolsky)**
    - a. Olmsted states that this policy is new for the organization, although campus has had this policy in place for some time. While there have been discussions

about how the campus policy relates to Union WELL Inc. operations, the ability to have leeway from the campus policy to govern our buildings is necessary, and this policy grants that leeway. Sorensen states that a lot of events are held in the Union and the WELL which people might decide to protest. The policy covers safety concerns, ensuring business is not impeded, and that the event will not be interrupted. He adds that a revised campus policy came out in the fall during the elections, and the organization didn't have a specific policy at that time but he personally went out and dealt with protests and worked out situations. He notes that the proposed policy lays out guidelines for handling these situations. However, the policy is not all about protests; the buildings are not commercial buildings therefore a policy is necessary to lay out a process regarding public activity because when a policy is not in place, it makes it difficult to control situations. Smith adds that the WELL will follow campus policy more strictly due to being a membership-controlled operation, but the policy covers the apron of WELL and addresses safety, not blocking exits, not impeding operations, etc.

1. Mills states that the campus policy review for the update was lengthy, and that the policy allows for peaceful protests. Anapolsky asks if the campus policy is a public document. Mills states that it is, and that it can be found under University Policy. He notes that protest reservations are not required since Sacramento State is a public campus, however if a group makes a reservation and two opposing groups show up, then the group with a reservation gets primacy and campus will help the other group relocate.
2. Macriss states that, with the level of protests going on involving media attention, he would like to know if the policy addresses chain of communication with violent protests. Mills states that University Police would get involved and notes that the protests at other campuses, such as UC Berkley and UC Davis, involved outside bodies and groups. Mills adds that he is impressed with Sacramento State students and their ability to protest peacefully.
3. Arroyo states that he agrees with the policy and protecting students, and then mentions protests that occurred in the Union a while back. He feels that, for the safety of Hispanic students, groups like ICE (Immigration and Customs Enforcement) should not be allowed on campus to prevent fear from undocumented students. Anapolsky asks why ICE was on campus. Sorensen answers that it was for a career fair but that it was not ICE but rather Customs and Boarder Protection (CBP). He adds that the group who hosted the event consists of primarily Latino students, and that he didn't find out until the morning of that there was even a concern. He states that he personally agrees that certain groups shouldn't be allowed, but campus policy delves more into this and ensures that a variety of opinions can be heard. Mills explains that as a CSU, we will not cooperate with ICE, but as a public campus, anyone can come on campus. He states that campus worries about students feeling safe around University Police, so police are working on a statement saying that they will not cooperate with immigration. He also states that ICE can serve two types of subpoenas, so campus is working on training

frontline staff on how to handle the different types of subpoenas requesting student info.

- (a). Trejo asks if the Union administration would like to be notified with career fair participants. Mills states that it would be appreciated so that boundaries can be set, such as not arriving in uniform or in marked vehicles to prevent triggers of fear among students.

**8. Reports and Comments (Item 6 on agenda; re-numbered to correct sequence)**

**A. Board Members**

- i. Woldeyohannes announces that UNIQUE Programs is hosting a concert on Thursday, April 20<sup>th</sup>. Trejo reminds the group that board members are allowed free tickets for themselves and a guest.

**B. Interim Executive Director: Olmsted**

- i. Olmsted reminds the group that the Union WELL Inc. Thank You luncheon is being held on Friday, May 5<sup>th</sup> and announces that the venue will be 33<sup>rd</sup> St Bistro. More information to follow later this week.
- ii. Chimes are back in the Union. The old system has been replaced.

**9. Information: Activity Reports (Item 7 on agenda; re-numbered to correct sequence)**

**A. The WELL: Smith**


- i. Smith mentions highlights from the full report that was distributed. The current WELL membership base consists of 96% students, which is the highest since opening. AV equipment in the Terrace Suite is being updated resulting in a weeklong closure in May. The Big Red Shoe is currently in the WELL lobby, bringing awareness to Sexual Violence Awareness month and Next Wednesday is National Denim Day, also in support of Sexual Violence Awareness month; both are in collaboration with SHCS. Smith reminds the group that volunteers are still being accepted for the Sac State 5k. Lastly, free group fitness starts May 15, which was one of the recent changes to the WELL membership.

**B. University Union: Sorensen**

- i. Sorensen mentions highlights from the full report that was distributed. Including redesigned chair carts for the new banquet chairs, which were designed in collaboration with the manufacturer to ensure that they worked for the new design of the chairs. Room reservations beyond Aug 18 have been held off in preparation for a fire sprinkler retrofit project; Sorensen notes that he will work on communicating that to campus. The Union will provide free coffee in the main lobby, goody bags and designated study spaces during exams week, in collaboration with UEI. Sorensen makes a correction regarding the blood drive next week and clarifies that it takes place Mon-Wed, and not Mon-Thurs as stated on the report.

**10. The meeting was adjourned at 9:24a.m. (Item 8 on agenda; re-numbered to correct sequence)**

Respectfully submitted:

  
\_\_\_\_\_  
Authorized Signature

09/13/2017  
\_\_\_\_\_  
Date