



Union WELL, Inc. Board of Directors Meeting
Wednesday, April 24, 2024, 7:30am
Green and Gold Boardroom, University Union, 3rd Floor

Minutes

1. The meeting was called to order at 7:37am by Raya, Chairperson

Present: Ariana Ochoa, Shawki Moore, Sebastian Raya, Gabriel Conejo Gallegos, Bill Hébert, Randy Solorio, Marina De La Cruz Ramirez, Christine Flowers, Deborah Williams, Drew Harris, Jennifer Harris

Also Present: Bill Olmsted, Jill Farrell, Andrew Reddish, Andrew Singletary, Tori Butler, Zenia LaPorte

2. Public Comment

a. None

3. Consent Calendar: (MSP: Moore, Ochoa)

a. Approval of Audit Committee Meeting Minutes — September 6, 2023

b. Approval of Board of Directors Meeting Minutes — March 13, 2024

i. Date correction; the date on meeting agenda was March 14, 2024

4. New Business:

a. 2023–24 Capital, and Repair and Replacement Updates: (MSP: J. Harris, Flowers)

i. Olmsted reviews the capital repair and replacement (RR) project list for 2023–24 totaling \$1.26 million, which is \$10,000 less than projected. He notes that some purchases have seen savings. Approval is requested for the purchase of a large format printer for \$6,454 to replace the one that has failed in the Design office and cannot wait until the next budget cycle.

1. J. Harris asks what the threshold is to bring purchases to the Board of Directors (BOD) or other governing body. Olmsted says the policy changes being proposed would set the threshold at \$5,000.

b. Reserve and Fund Level Policy Update: (MSP: Moore, D Harris)

i. Olmsted discusses the proposed policy, developed in coordination with the campus budget office and approved by the Budget and Finance Committee (B&F) in March. Updates include clarifying the language, title changes, references to the auxiliary's name which have changed since the last policy update, and the policy name itself, from Reserve Policy to Reserve and Fund Level Policy. The current policy requires maintaining a fund level that is 50% of the current value of all capitalized assets. Language has been updated and simplified to reflect that the fund be based on the total current value of all capital assets and inventory items, and also acknowledges expenditure items. This results in a larger list to consider but a smaller percentage to replenish the fund. Farrell adds that the clarity of language aligns the Reserve and Fund Level Policy with the guidelines used for the Property Management Policy for which acquisitions need to be added to the asset and inventory records and additionally which acquisitions will be capitalized.

ii. Olmsted says the policy update also adds authorization for the Executive Director to make purchasing decisions outside of the BOD or B&F, up to \$5,000. He then refers to a handout that illustrates the proposed changes by applying the current policy and proposed policy to the current year's budget for comparison. Under the current policy, 50% of the value of capital assets is required, whereas the proposed policy reduces this to 25% and includes the value of inventory items. The net difference in the comparison is approximately

\$22,000. Farrell adds that, if approved, the fund would also include \$150,000 for acquiring expendable items specified by language in the Property Management Policy.

1. Flowers asks what kinds of items would typically be replaced. Farrell says any item that needs repair or replacement from computers to water damage. All items on the capital repair and replacement list are examples.

c. 2024–25 Budget:

i. Operating Budget, including Capital, Repair and Replacement, and Art Expenditures (**MSP: D Harris, Ochoa**)

1. Olmsted presents a summary of the proposed 2024–25 budget, offering a comparison to the 2023–24 budget and highlighting the variance between them. A large part of the revenue is reflected in the return of surplus, which are funds that come from the mandatory student fee and are deposited into a stateside account. Each year, the amount needed to fund the budget is assessed. In the present year, a reduced amount was withdrawn to maintain a balance in the stateside account, anticipating significant upcoming projects, with local reserves filling the gaps. Next year, there is no necessity to retain funds, so a larger surplus return than last year is planned. The variance amounts to \$4.8 million, aligning more closely with typical withdrawal patterns. Recreation rental revenue shows another variance resulting from a change that is baked into the approval of the budget related to The Games Room (GR) in the University Union (UU), which traditionally charged for its services. Other programs, like Group Fitness (GF) and the Relaxation Station (RS), don't involve additional fees and it's being proposed that students no longer be charged for use of GR beginning next academic year. Revenue projection for the GR for the current year was less than \$80,000 and Olmsted feels the change is a good investment in students. Farrell adds that fees would still be charged if a group rents space in GR since it takes the space offline.
 - a. Hébert asks if time limits for use by students will change, noting students may play longer since it's free. Olmsted says the same time limit will apply, which is one hour of play.
2. Olmsted discusses the variance in the recreational sports fee, which is a mandatory student fee that supports Intramural Sports (IM) and aspects of The WELL, as well as campus Sports Clubs (SC). Currently, the fee split is 76.5% for UWI and 23.5% for SC. After reassessment, it was agreed upon to adjust the split to 60/40, with SC receiving 40% of the fee. This adjustment significantly benefits SC and enables their program to grow. Both the proposed alterations to the GR use fee and the recreational sports fee split are included in the budget proposal, and subject to approval by BOD.
 - a. Moore supports adjusting the split and asks how the percentages were determined. Olmsted explains that various percentage scenarios were evaluated, and the decision was based on what best suited UWI needs while still providing a significant increase for SC. Farrell mentions other emerging issues that could possibly affect UWI's budget in the near future, but despite those uncertainties, the decision was made with an understanding of the necessity and a commitment to collaboration.
 - b. Hébert feels the proposed increase in SC's share will be a very positive move, noting its significance in moving from 23% to 40%. Olmsted agrees and mentions the renovation of the north fields on campus will provide opportunities to expand both programs and says a growth analysis will be conducted in the future.
 - c. Flowers asks about the frequency of revisiting the Memorandum of Understanding (MOU). Olmsted responds that the current MOU does not have a specified timeframe, but the proposed change would take effect starting July 1. Farrell adds that the MOU is continuous and does not have a predefined review schedule.
3. Olmsted reviews the proposed expenditures for 2024–25 and discusses variances in event accounts, insurance, dues fees and subscriptions, custodial, utilities, wages and benefits, and campus cost allocations. All of which are noted in the packet.

4. Olmsted states that the total proposed expenditures for 2024–25 amount to \$18.6 million, slightly higher than the \$17.8 million allocated for the current year. Projected revenue is estimated at \$18.9 million, yielding a small surplus of \$282,000. This contrasts with the current year, where a deficit budget was strategically planned. Farrell notes that the deficit was planned to ensure that the north field project could be funded.

ii. **TBU01 and TBU04 Expenditures (MSP: Ochoa, Flowers)**

1. Olmsted discusses proposed expenditures in the TBU01 and TBU04 accounts, which are stateside accounts designated for maintaining funds for large capital projects. The list includes previously approved projects totaling several million dollars allocated for projects and equipment. Projects for 2024–25 include two original broiler replacements and carpeting in the UU south corridor lounge, totaling \$600,000, plus additional funds for the UU HVAC modernization, with all three previous projects now consolidated under one "modernization" project heading. Consequently, some long-standing projects on the list were reevaluated and canceled, resulting in credits being applied to TBU01 and TBU04. Considering the required \$600,000 and \$2.2 million, along with the applied credits, the total requested amount comes up to \$794,147.

iii. **Long Range Plan (MSP: Moore, De La Cruz Ramirez)**

1. Olmsted presents and discusses the long-range plan and refers to a proforma guide created for ease of reading the sheet.

iv. **Reserve and Fund Levels (MSP: Flowers, Conejo Gallegos)**

1. Olmsted presents the projected revenue fund and local reserves, totaling approximately \$30 million in undesignated reserves for the coming year. The BOD policy requires setting aside six months of operating cost and 1-year debt coverage at all times, which amounts to \$16.9 million. The final undesignated reserve amount is \$13.4 million. Other designated funds include Capital, Repair and Replacement, and Art funds, and TBU01 and TBU04 which will help sustain project price increases or changes.

d. **2024–25 Proposed Annual Corporate Project List: (MSP: Ochoa, Hebert)**

- i. Olmsted reminds the group that the corporate project list was shared as informational in March to allow members time to review and there have been no changes but he welcomes questions.

e. **Election of the 2024–25 Board of Directors Chairperson: (MSP: D Harris, Moore)**

- i. Three students expressed interest in the chairperson role at the March meeting, which was narrowed down to two, D. Harris and Williams. Students are asked to speak to why they are interested in the role. Then Olmsted asks them to step outside the room while a vote occurs. After the vote, Olmsted announces Williams as the BOD chairperson for next year.

f. **Delegation of Authority to the Executive Committee: (MSP: J Harris, De La Cruz Ramirez)**

- i. Olmsted explains that the Executive Committee (EC) consists of the BOD chairperson, vice chairperson, and secretary-treasurer. BOD is asked to delegate authorization to approve small items to EC during the summer, for continuity's sake. If something major needs approval, effort would be made to bring the full group to a special meeting.

5. Reports and Comments

a. **Board Members**

- i. None.

b. **Executive Director: Olmsted**

- i. Olmsted acknowledges a good year and is honored to have worked with BOD and the other committees. He expresses gratitude for the commitment shown and is impressed with the questions and level of engagement. He thanks Raya for his service as chairperson and congratulates him on his graduation.
- c. Information Technology and Facilities: Singletary
 - i. Singletary mentions IT updates from the full departmental report in the packet. The WELL's member management system, CSI, is migrating to Innosoft Fusion with cutover occurring in July, including a new app that will function as a facility access tool. The organization's business impact analysis and disaster recovery plans are being studied by an outside consulting group to remain in line with moving landscape. Lastly, the team is working to get the auxiliary in line with the video surveillance policy that came out June 2020. The facilities have been running CCTV since 2005 and has 180 cameras, so the switch is a big undertaking.
 - 1. Flowers asks if there will be more coverage or if there's too much coverage. Singletary explains that the policy requires oversight from campus PD who will also review requests for cameras that are to be added or moved.
- d. Marketing: LaPorte
 - i. LaPorte announces that Marketing is hiring new student photographers, marketing assistants, and design interns. UNIQUE Programs held its annual yoga night event, an ongoing collaboration with The WELL, and had over 150 in attendance. A sound bath was hosted immediately afterwards with almost 115 participants. A blood drive is being held from 10am to 4pm in the ballroom and is taking walk-ins. UU and WELL are participating in Admitted Students Day by tabling and hosting tours. The design team won 12 design awards in the ACUI Steal This Idea competition with various categories for student and professional staff.
- e. The WELL: Reddish
 - i. Reddish provides updates for The WELL who is hosting the annual Sac State 5k Fun Run with 1,235 runners registered, which is the highest number in the race's history. IM sports has 1,388 athletes participating on 179 teams over nine sports. GF had 1,971 participants in March. RT hosted an Adaptive Sports Sampler showcasing wheelchair basketball and rugby, sit volleyball, etc. in collaboration with RPTA and the City of Sacramento. WELL facility check-ins average 3,500 per day Monday through Friday, with almost 20,000 per week. He then shares testimonials from members on their involvement in the WELL and its impact on their college experience as well as mental and physical health.

6. The meeting was adjourned at 9:07am

Respectfully Submitted:


Authorized Signature


Date