



Union WELL, Inc. Board of Directors Meeting
Wednesday, September 11, 2024, 7:30am
Terrace Suite, The WELL, 2nd Floor

Minutes

- 1. The meeting was called to order at 7:35a.m. by Williams, Chairperson**

Present: Deborah Williams, Marina De La Cruz Ramirez, Jennifer Harris, Aniesha Mitchell, Marisol Flores, Randy Solorio, Christine Flowers, Alina Nadeem, Bill Hébert, and Drew Harris

Also Present: Bill Olmsted, Jill Farrell, Andrew Singletary, Zenia LaPorte, Tori Butler, Andrew Reddish, Norma Sanchez, Erica Wood (via Zoom)

Guests: Michael Eldridge and Hoan Nguyen (via Zoom) from ASI. From CLA, Brenda Scherer and Liz Cook (via Zoom)
- 2. Public Comment**
 - a. None
- 3. Consent Calendar: (MSP: Solorio, J. Harris)**
 - a. Approval of Joint Advisory Group/Budget & Finance Committee Meeting Minutes — April 17, 2024
 - b. Approval of Board of Directors Meeting Minutes — April 24, 2023
 - c. Approval of Executive Committee Meeting Minutes — July 17, 2024
 - d. Approval of Audit Committee Meeting Minutes — September 4, 2024
 - e. Approval of Special Board of Directors Meeting Minutes — September 4, 2024
- 4. Audit Presentation: CLA (CliftonLarsonAllen LLP)**
 - a. Acceptance of 2023–24 Audit: (MSP: Nadeem, Solorio)
 - i. Olmsted introduces Brenda Scherer and Liz Cook from CLA (CliftonLarsonAllen), attending via Zoom.
 - ii. Scherer begins the presentation of the 2023–24 audit by outlining the scope and process used, which focuses on the organization’s financial statements and internal controls. The audit is conducted using a risk-based approach, identifying risks in financial statements rather than performing 100% testing. Key areas of focus included internal control, cash, property equity, etc. The audit opinion was unmodified, indicating the highest level of assurance provided by the auditors, with no material weaknesses or additional recommendations reported.
 - iii. Cook summarizes the governance letter, noting that there were no changes in scope for the audit. A graph illustrating changes in net assets over the last five years was shared, indicating an increase in 2023, with a planned loss for the current year. A revenue composition chart showed that the student activity fee is lower in 2024 but projected to rise again in 2025. Other revenue streams, including investment income, program service fees, and contract and lease payments, all increased in 2024 compared to 2023. Expenses also rose due to additional payments to outside services and payments to UEI in 2024. Overall, spending remained consistent, with 44% allocated to programs and services. The audit is ready for issuance pending BOD (Board of Directors) approval. A representation letter will be sent for electronic signatures before final reports are distributed.

- iv. J. Harris inquires about testing for internal controls to assess risk. Cook explains that the audit includes a review of internal control memos and processes, with walkthroughs performed for specific areas to determine whether controls are appropriate and being followed as designed.
- v. Olmsted clarifies that for student fees, a strategic decision was made to retain a surplus to allocate funds for major projects such as the north field and events center.
- vi. Farrell discusses internal controls related to the purchasing policy, emphasizing that scrutiny is applied to all expenditures, ensuring compliance with established policies.
- vii. J. Harris acknowledges that this was not an internal control audit and clarifies her desire to understand the external audit firm's role in ensuring adherence to organizational policies, particularly in light of recent scrutiny of other campus operations.

5. New Business:

a. 2024–25 TBU01 and TBU04 Updates: **Information**

- i. Olmsted reports that there are no changes to the current project list. The focus is on progressing older projects and reevaluating those that are no longer priorities. He highlights specific projects, including the University Union (UU) HVAC modernization project, which has been underway for several years and involves three individual projects combined into one, with a current budget of \$4.8 million. Olmsted expresses concern about increasing costs from the Chancellor's Office for major capital projects, and anticipates that this project, along with others, will continue to rise in cost. The UU Relaxation Station project, which was anticipated to be in construction at this point, is still moving through Fire Marshal approvals. The hope is to begin construction this semester.

- 1. J. Harris raises a question regarding the 2-7 form, noting the 2023 version shows a rate of 17.1%, while the current form reflects 15.5%. She expresses curiosity about the trends Olmsted is observing. Olmsted explains that Facilities informed him that the percentage can vary based on project classification and is not a fixed rate. He acknowledges the need for a better understanding of this process and considers bringing in someone from Facilities to provide further clarification.

b. 2024–25 Capital, Repair & Replacement, and Art Expenditures additions: **(MSP: Flowers, Hebert)**

- i. Olmsted presents the Capital, Repair & Replacement, and Art Expenditures list, noting that changes occurred over the summer and further adjustments are expected throughout the year. New items are indicated on the form, and the projects already approved by the Executive Committee in July are also noted. BOD approval will be requested for the remaining items in the amount of \$86,460. Olmsted notes that items approved by the Executive Director (ED) are typically due to missed shipping and tax costs or other minor adjustments, and acknowledges that one project was out of the norm for ED approval but needed to be done immediately. An urgent issue arose with a major plumbing line near the locker room area in the WELL, which backed up twice during operation and required emergency repair.

- 1. J Harris expresses appreciation for the detailed updates and the absence of surprises.

c. Authorizing Resolution for 2024–25, Resolution 24-01: **(MSP: J Harris, Solorio)**

- i. The Authorizing Resolution specifies who has the authority to sign off on expenditures or contracts on behalf of UWI (Union WELL, Inc.) The list of individuals eligible to sign typically includes Executive Director and Directors within the organization. In cases where individuals are unavailable, or timing issues arise, the first point of contact after their own organization is the Director of Finance for ASI.

- Olmsted emphasizes that no funds are expended by the corporation without BOD oversight. Efforts are made to bring requests for approval before the BOD whenever possible; however, some items may at times need to be presented informationally after the fact.
- ii. Farrell mentions that, in her experience, the ASI Director of Finance has never signed contracts. Their approval has been requested twice in 15 years for checks over \$10,000 that require multiple signatures. She adds that contracts remain within the organization until they are reviewed and authorized by the appropriate UWI staff member.
- d. Appointment of Legal Counsel for 2024–25, Resolution 24-02: **(MSP: Nadeem, Flowers. Mitchell abstains)**
- i. Olmsted explains that the appointment of legal counsel is also formalized by a resolution each year. As an auxiliary, UWI does not utilize the CSU Office of General Counsel and is required to use outside legal counsel. Thatch and Hooper, LLP has served in this capacity for several years.
 1. J. Harris asks if Thatch and Hooper are on retainer or paid upon services rendered. Olmsted clarifies that they are paid upon services rendered.
- e. Time, Place, and Manner Policy: **(MSP: J Harris, Hebert. Flowers abstains)**
- i. Olmsted explains that, as an auxiliary, UWI has always maintained a time, place, and manner (TPM) policy. Over the years, various caveats have emerged to address activities occurring within the building. A new system-wide TPM policy has been implemented for all CSU campuses, and each campus has its own addendum to address specific items. The UWI policy will be formally replaced with the university's new TPM guidelines. Moving forward, all departments—whether campus-based or auxiliary—will adhere to the campus's general policy regarding activities or groups wishing to protest.
 1. Flowers states that she believes it's a good idea, although she has not yet reviewed the new policy. Olmsted explains that the policy is lengthy so it wasn't included in the handout, but notes that UWI's policy has always tightly aligned with the campus policy. J Harris adds that she does not believe there's a risk to the organization in stating its adherence to the system-wide campus policy.
- f. Banking and Signature Card Policy: **(MSP: Solorio, Nadeem)**
- i. Olmsted presents the updated banking and signature card policy, which outlines who has signing authority for the UWI auxiliary. With the addition of new directors last year, the list has been updated to reflect all needed changes. It was noted that the Vice-Chair and Secretary/Treasurer of the BOD were not included previously, and the titles for the Vice President and CFO have been corrected to reflect proper wording. The title of the policy has also been changed, and the language has been updated to refer to a signer as a "signatory." Olmsted emphasizes that this policy works in conjunction with the authorizing resolution.
- g. Purchasing Policy: **(MSP: Nadeem, D Harris)**
- i. Olmsted explains that the purchasing policy has been in place since UWI became an auxiliary in the 1970s. The current updates include modest changes such as title adjustments and punctuation corrections. Item 3 under Guidelines and Procedures outlines the limit for purchases, which has been increased from \$5,000 to \$10,000 to align with the \$10,000 credit card limit. Item 5 regarding purchase order payments approved by the Executive Director has been revised to reflect the actual business practices. The entire section on petty cash has been removed, as UWI no longer handles cash transactions.
- h. Committee and Advisory Group Charges: **Information**

- i. Olmsted explains that the Committee and Advisory Group Charges document outlines the membership and roles of the Board, advisory groups, and other governing committees for UWI. A modest wording change was submitted to the executive committee section over the summer.

- i. Meeting Dates for 2024–25: **Information**

- i. Olmsted presents the meeting dates for the upcoming academic year and notes that calendar invites have been sent out. Meetings typically take place in the Green & Gold Room in the UU. He will inform members of any changes to the location beyond today.

6. Reports and Comments

- a. Board Members

- i. None

- b. Executive Director: Olmsted

- i. None

- c. Facilities and I.T.: Singletary

- i. Singletary highlights updates from his report included in the packet. He reports that the WELL carpet project is nearly complete. The UU South carpet project is in the early planning stages and is expected to start next summer. The UU West bathroom renovation is ongoing and will take until February to complete. He discusses the Habit Burger project, which is in collaboration with UEI and Aramark, who holds the construction contract. Olmsted mentions that UWI has certain responsibilities on the project, as well as ensuring that the building infrastructure is maintained, including the items approved by the BOD for infrastructure work.

1. Flowers inquires about the general contractor's inspector. Singletary explains that campus Facilities has a contract with an outside agency to provide inspection services for all university projects.

2. J. Harris asks if UWI is losing rental revenue. Olmsted confirms, adding that some loss was anticipated, but that it has extended longer than expected. Farrell points out that the rent is \$2,445 per month, totaling \$29,350 annually, and J. Harris adds that the BOD will understand the full financial shortfall by year-end.

- ii. Singletary shares that this summer UWI launched Innosoft Fusion to replace CSI as the member management software for the WELL, Relaxation Station (RS), and Games Room (GR). They are currently addressing post-implementation challenges on the backend. Lastly, they are partnering with campus IRT and University Communications to find a centralized digital signage solution, having narrowed it down to two options currently undergoing feasibility testing.

- d. University Union: Sanchez

- i. Sanchez highlights key points from her report. The UU is currently fully staffed in full-time Event Services positions and are in the process of hiring a new Coordinator of Union Services and Special Projects. There are thirteen solid candidates, with interviews starting soon. Phlagleblast is reported as a significant success, despite a slight decrease in attendance over the previous year. The UU is hosting Sac State football watch parties in collaboration with Athletics and ASI, as directed by the campus administration, to boost student involvement and to further engage resident students. The next event is scheduled for this Saturday, expecting 160 attendees with free pizza and soft drinks.

- ii. The RS temporary location continues to thrive, although it is challenging to keep up with demand. There is eagerness to open the new space soon. Now that the GR play is free, numbers have increased and

engagement levels are high. Event Services remains busy and is proud of successfully organizing multiple large events.

1. Flores shares her positive experience attending Phlagleblast, commending the event's organization and enjoyment.

e. The WELL: Reddish

- i. Reddish announces the launch of the Union WELL Connect app this past summer which utilizes a streamlined enterprise package with Fusion that allows for push notifications. The WELL remains popular, recording approximately 4,000 daily visits during first week of school, a number that includes the student health center. The daily average check-ins on the fitness and recreation side of the building since then has been approximately 3,400 on weekdays. Reddish then shares testimonials from student members about their positive experiences.
- ii. As part of the transition to Fusion, IM implemented FusionPlay, aligning with the member management software, and shifting from a team-based model to an "all-you-can-play" player pass for the semester. A total of 27 new pieces of cardio equipment were installed over the summer. The Climbing Wall saw nearly 500 climbers during the first week of school, with Reddish highlighting Hornet Hill, an introductory climbing route featuring a hive at the top
- iii. The WELL participated at the Western Regional Accessible Proctoring Conference hosted at Sac State by the Disability Access Center, where they provided an informational and hands-on session. Upcoming programs include Hornet Wellness Week in collaboration with campus and SHCWS, featuring a scavenger hunt on campus. Lastly, the 14th annual WELLcome Back open house is scheduled for September 20.

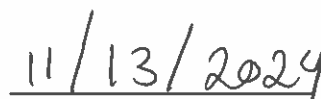
f. Marketing: LaPorte

- i. LaPorte announces the hiring of a fourth full-time graphic designer, who started last week. The new designer previously worked as a design intern and graduated in 2023.
- ii. UNIQUE is hosting the WeUsI music festival and vendor fair on September 13. The event will feature live music, student vendors from the Stinger Expo, food trucks, and a special WeUsI drink from Starbucks. There will also be tabling, giveaways, and activities. This is a free, family-friendly event. The Gallery is collaborating with the Political Science Department for an interactive art show titled "Why We Vote." Submissions are currently being accepted. The long-standing collaboration with the ASI Children's Center includes the gallery exhibit "More Than Scribbles," which is currently on display. A reception held last Thursday attracted 175--200 attendees.
- iii. The Design, Marketing, and IT teams are working on three new websites for the University Union (UU), the WELL, and UWI. Although each site will remain distinct, they will be more closely integrated. Site launch is tentatively slated for late fall or early spring.

7. The meeting was adjourned at 8:52am

Respectfully Submitted:


Authorized Signature


Date