ASSOCIATED STUDENTS OF CALIFORNIA STATE UNIVERSITY, CHICO
BOARD OF DIRECTORS MEETING MINUTES

Wednesday, April 27, 2016 8:30 a.m. BMU 205

Members Present: Deanna Jarquin, Vu Nguyen, Matt Zaleski, Michael Pratt, Andrew Roberts, Teddy Delorenzo, Drew Calandrella

Members Absent: Nick Howell (excused), Lori Hoffman

Others Present: David Buckley, Karen Bang (recording), Jamie Clyde, Thang Ho, Leah Railey, Shar Krater, Curtis Sicheneder, Jon Slaughter, Colette Young, Linda Osuna

I. CALL TO ORDER – The meeting was called to order at 8:30 a.m. by the Chair, Jarquin.

II. AGENDA – Motion to approve the 4/27/16 agenda (Pratt/Roberts) 6/0/0 MSC.

III. MINUTES – Minutes of the 4/13/16 regular meeting. Motion to approve the minutes of the 4/13/16 regular meeting (Pratt/Zaleski) 6/0/0 MSC.

IV. ANNOUNCEMENTS – Jarquin said the Museum of Northern California at 25 Main Street will be featuring Chico State’s Diversity Art Show today through Friday, from 11 a.m. to 5 p.m.

V. PUBLIC OPINION – None

VI. OPINION – None

VII. STANDING COMMITTEE REPORTS – Action items forwarded to the Board of Directors from the standing committees stand approved unless overturned by a 2/3 + 1 Board action.

A. Government Affairs Committee
   1. GAC Actions of 4/26/16 – Nguyen reviewed the items with the Board and also said the time capsule burial was yesterday. Council/Committee appointment applications should be set up by May 9 and International Festival is this Saturday.
      a. Approved the 4/26/16 meeting agenda.
      b. Approved DAC allocation in the revised amount of $845 for the Noche de Cervantina event presented by The Expresiones Literarias, artisticas, y culturales de Chico on May 3, 2016 in BMU 210 from 6:30 to 8 p.m.

B. Bell Memorial Union Committee
   1. BMUC Actions of 4/21/16 – Andrews reviewed with the Board.
      a. Approved the 4/21/16 meeting agenda.
      b. Approved the minutes of the 4/7/16 regular meeting.
      c. Approved Student Union Budget, estimated results 2015-16 and proposed budget 2016-17, as presented.
      d. Consent Agenda – Sustainability Fund Allocation Committee Meeting 4/15/16
         1) The following were approved to proceed to funding allocation deliberation:
            a. Free Year-Round Student Shuttle Program.
            b. Sacramento Valley Strong Photo Essay.
         2) The following was not approved to proceed to funding allocation deliberation:
            a. Sustain Table – The Future of Sustainable Furniture Project
         3) The following were approved for funding:
            a. Free Year-Round Student Shuttle Program in the revised amount of $43,114.
            b. Sacramento Valley Strong Photo Essay in the revised amount of $4,107.90.
            c. Solar Power for Student Films Project in the amount of $4,993.
            d. The Stratigraphy of Crime: Archaeological Law Project in the revised amount of $400.
            e. Approved Free Year-Round Student Shuttle Program in the amount of $43,114.
            f. Approved Dining moving forward with retail options for the old Conference Services space, BMU 102.
C. Associated Students Businesses Committee
   1. ASBC Actions of 4/25/16: None. Zaleski said at the next meeting ASBC will be voting regarding the old Conference Services space. Retail Manager interviews have been held (Calandrella joined the meeting at 8:37 a.m.)

VIII. BUSINESS

A. Action Item: Approval of Associated Students Budget (including Pay Schedule), estimated results 2015-16 and proposed budget 2016-17. **Motion to approve Associated Students Budget (including Pay Schedule), estimated results 2015-16 and proposed budget 2016-17, as presented (Roberts/Nguyen).** There were no questions. 7-0-0 MSC.

B. Action Item: Revisions to Associated Students Corporate Code Book – Procurement, Purchasing and Accounts Payable Policy. **Motion to approve revisions to Associated Students Corporate Code Book – Procurement, Purchasing and Accounts Payable Policy, as presented (Pratt/Delorenzo) 7-0-0 MSC.**

C. Action Item: Revisions to Associated Students Corporate Code Book – Signature Policy. **Motion to approve revisions to Associated Students Corporate Code Book – Signature Policy, as presented (Nguyen/Calandrella) 7-0-0 MSC.**

D. Information Item: Student Officer non-hourly compensation – Slaughter presented this item to the Board as follow-up to a presentation that was done approximately six weeks ago. He explained that current base non-hourly compensation amounts were established in May 2008 and became effective in FY 2008-09. There has been 6.2% adjustment since 2008-09. There are 10 elected positions currently compensated at varying levels. Slaughter said elected officers are paid over a 12 ½ month term. Pay is adjusted annually by same percentages received by the AS career staff. He said GAC approved compensating the 7 Senators as of 2016-17 FY. Slaughter said there’s a desire to move Non-hourly compensated positions “further away” from a payroll process as they are not AS employees and they would like to make all elected positions eligible for as many students as possible. He said they are investigating moving all officer compensation to a scholarship/grant/award through Financial Aid so that those who are not eligible for employment in CA would be eligible for running and holding office. Slaughter stated who is on the review team for this subject. He said currently all elected officer compensation has been approved to adjust by 2% as of 2016-17, same as AS employees. He said in 2008 when compensation was established, there was a formula to come up with compensation. Slaughter said the challenge we have, looking at that model 8 years later, is that a lot has changed regarding elected officers. He also noted challenges in comparing to other campuses due to disparate governing structures, incongruent titling, dissimilar compensation procedures and changes in comparable institutions used in previous benchmarking. Slaughter said they are suggesting establishing a new compensation increase formula. This formula would be based on a percentage of the Campus Cost of Attendance published annually by the Chancellor’s Office, would be specific to Chico, compensation would keep up and adjust with any annual increases in costs (tuition, fees, supplies, etc.), and would no longer be tied to career employee adjustments. Slaughter said for FY 2015-16 Campus Cost of Attendance for CSU, Chico with 2% adjustment included is $22,258. Proposed percentages for 2016-17 officer compensation were next reviewed. Slaughter noted there has been some conversation over the past couple of years that the Director of University Affairs and Director of Legislative Affairs compensation should be closer to those of the EVP and VP’s. Slaughter said total cost of additional compensation based on the new formula is $14,036 above the 2% initial adjustment, which was just approved, and also includes senators. He said 90% of the expense will be within the Activity Fee Fund Budget and noted there’s a set-aside in the budget for this that was just approved for 2016-17. He said there would be slight budget adjustments needed in GAC Shared Costs and in the wages for VPFS and VPBF within their respective home budgets. Slaughter said using the new proposed percentages the AS President will receive $13,355 for the 12.5 month term of office. Student Program Directors currently receive $10.71 per hour in their positions (CAVE, CLIC, FLO, GSEC and KCSC). CLIC is currently the only AS program that runs year round. Delorenzo said this is a great proposal because it allows a broader participation in elected positions. She said it also gives a percentage that is now tied to an objective measure that we don’t have control over and is a good neutral way to do that. Calandrella said this helps the Board and student Board members avoid the appearance of conflict of interest. Slaughter said a lot of campuses are now tying to cost of living.

E. Information Item: Distribution of Student Officer Compensation – Slaughter led the discussion regarding moving compensation to a Financial Aid Award. He said this would further distance Elected Officer
Compensation from AS employee payroll, increase opportunities for more students to hold elected office (e.g. Dreamers), possibility of starting 7/1/16 for upcoming term of office. He noted they would need to establish disbursement procedures and schedule. Slaughter noted that those who receive financial aid are somewhat concerned regarding timely distribution. Per discussions with Railey, he said the AS would have the ability to disburse payments, and wouldn’t have to mirror exactly what Financial Aid does, Fall and Spring disbursements. He said we could have a more consistent distribution throughout the year. Railey said if we disburse the payments students would not be eligible for fee deferral. If disbursed by Financial Aid, she said they can do fee deferral. Calandrella said if the AS disburses, Financial Aid will look at this as other revenue resource for students. He said Financial Aid needs to be contacted to see if they need to check on disbursements. Slaughter said the Financial Aid impact could be different for every officer and that it’s difficult for us to make general sweeping comments about how this will affect officers. He said it depends individually on what someone might be receiving at the current moment. Jarquin asked if Railey could get examples of how this would affect students’ Financial Aid packets. Railey said she would follow up with Terrell Murphy of Financial Aid regarding this. Roberts said this will affect everyone differently and expressed concern that when someone gets elected, wants to hold office, but it affects their Financial Aid, then they can’t continue as an AS officer. He said if any funds are received it affects Financial Aid. Jarquin said ongoing guidance would need to be provided in regards to people receiving scholarships in the middle of the year. Discussion was held and it was suggested having Terrell Murphy provide a couple of samples so those at this table can see the impact of this kind of resource. Krater said in meeting with new officers and doing paperwork, their first paycheck will be May 25. She said she has been questioned if it moves to a scholarship, how long before they’d receive a disbursement. Delorenzo asked if any other campuses go through Financial Aid and how they handle this. Slaughter said at Sacramento State, the AS Executive Director sits down with the individuals and has a bit of knowledge to say based on what your package is, this is the impact that this officer compensation will have. Delorenzo asked if students opted out due to this, and Railey said not to her knowledge. Buckley said at least ¾ of other Associated Students organizations are on scholarships, and this is discussed at AOA each year. Calandrella said at the other campus he worked at, they gave the money to Financial Aid to disburse and it was up to students to figure out how to handle the money. Roberts asked Krater if this is regarding summer months and she said yes. Krater said she’s letting students know they may not be getting paid twice a month if this is passed. Delorenzo said when the subcommittee met, they talked about splitting out the summer, and it would come from us, until the Financial Aid process is set up. Summer sessions were discussed and Jarquin asked if we could do a three month disbursement at the end of the year for the summer, as this is non-state supported during the summer.

F. Information Item: AS Advisory Measure – Jarquin asked for Zaleski’s response from ASBC. He said there wasn’t a definitive choosing of which side to stand on. He said a lot of their concerns were, from a parent’s standpoint, that they don’t want to see kids sent to a school that doesn’t sell water, only sugary drinks. Also, if we sell plastic water bottles, we still make efforts to have them recycled. He said a lot of comments were pretty neutral. Calandrella said there is the perception that the AS is doing this to sell Klean Kanteens. Zaleski said Klean Kanteens weren’t discussed, and noted that people can buy cups for 25 cents to fill up with water at the soda fountains in the Marketplace. Jarquin suggested doing a pilot program in one of the areas on campus to see the financial effects to the AS. Clyde said she talked with our Pepsi sales rep yesterday and they were pretty upset about it as this has a financial impact to them. She said the way the Pepsi contract is set up, we get reimbursement money back for cases sold, which funds AS and Athletics. According to their estimate that could affect 20% of their margin, and since they’re contractually obligated to give us the money, we’d be backing out of the contract, and they would not honor and allow us to do a test pilot. This could be possibly be addressed at the next contract. Jarquin said the Board received Jeff Carter’s response. Buckley reminded that Carter didn’t address that the contract with Glyn Pye Vending is up on June 30. If the Board wants to honor the spirit of the Advisory Measure, there would be a $12,000/year loss if water is removed from vending machines. Delorenzo said she is in favor conceptually, including limiting of using of plastic but at same time we also need to be fiscally responsible as a Board. She said even though we have one contract that comes up soon, we need to be more thoughtful and deliberate and not make a quick decision. She said it’s a delicate balance between a policy of protecting and being sustainable vs. jumping into something without deliberating longer regarding it and reviewing the necessary information. She said it’s an intricate issue and would like further discussion and information because it’s an Advisory Measure. She said she wants to be respective to the will of the students, but needs to be a responsible Board member and think of long term impact. She said free water has always been available, and we are responsible for recycling. Jarquin suggested changing the contract from three year to one year and Calandrella said it’s often harder to get a one year contract and they’re often not as lucrative. He suggested talking with Anita Barker regarding this and noted it’s hard enough to get Pepsi to stay on because we’re not a Division 1 campus and it’s possible that we may not get a bid next time. Roberts said from the Board’s perspective we could do more to increase signage regarding getting water in the Marketplace for free. He agreed with Delorenzo that we need to make an educated, but not reactive decision. Jarquin said
resources could be allocated for “bring your bottle” campaign as an intermediate step. Roberts said he could take this to Jake Jacobs as a possible SFAC project in the fall. Calandrella said it also needs to be factored in for those that come to visit, such as May through September, that it’s hot in Chico and they may need to purchase water. Buckley said prior to this Board leaving he’ll need some direction in regards to the vending contract. He said he could probably set up another one year agreement. Jarquin asked if there was any specific information the Board would like to see, and Roberts said he would like to see numbers on vending machines, and C-stores. Buckley explained that the way it works with Pepsi is that we made an agreement with the University that when the RFP goes out, that part of the RFP was that the vendor had to bid what sort of contribution they'd give to Athletics, then marketing money to the AS to use, then price for cases of water, Pepsi, etc. He said approximately $40,000 goes to Athletics, $20,000 to the AS. If sales drop, and next time we do RFP prior to December of 2017 they'll want to see what our sales are. They may then reduce their contribution. Buckley advised that the last few times when we've sent RFP’s out, Coca Cola has not been aggressive in their bids. Clyde said we also get a certain amount of cases of water and soda for free and they are used for programs that are specific to GAO, supporting student programming, and that would also be reduced. This free water has also been used for Summer O, Labor Day, etc. Zaleski said the main intent of the Advisory Measure is to reduce plastic. If water is removed, something will need to be put on the shelves to replace it.

G. Information Item: Revisions to Associated Students Corporate Code Book – Student Academic Senate Code – Pratt reviewed with the Board, noting the addition of two non-voting members: a student representative from University Housing and Food Service and a student representative from the Student Veteran Organization. Jarquin said she will be negatively voting for this because of the fact that there’s no policy or procedure to add people as non-voting student members; however, she said she’s not, not in favor of adding. Delorenzo questioned if meetings are open and Pratt confirmed they are.

H. Information Item: Revisions to Associated Students Corporate Code Book – Duties for the College of Engineering, Computer Science and Construction Management Senator – Pratt reviewed all three with the Board, noting changes in the Duties section of each. Discussion was held.

I. Information Item: Revisions to Associated Students Corporate Code Book – Duties for the College of Agriculture Senator – Included in Item VIII. H.

J. Information Item: Revisions to Associated Students Corporate Code Book – Duties for the College of Natural Sciences Senator – Included in Item VIII. H.

K. Information Item: 3/31/16 Activity Fee, Student Union, Auxiliary Activities and Corporate Services Fund Capital Expenditures Reports – Buckley reviewed each area with the Board.

L. Director of University Affairs Report – Pratt said the College of Business Student Academic Council has been formed, and their first meeting is this morning. He said The College of Communication and Education is forming their new constitution, and figuring how to include their student academic senator in the process, codify the senator within their own constitution, and making sure they’re balancing students, faculty, staff and administration.

M. Director of Legislative Affairs Report – Howell was absent. Jarquin said In District Advocacy is next week.

N. University Vice Presidents' Reports – Calandrella remarked regarding the quick budget approval this morning. He said Dead Week is coming up soon and also this is the time when a lot of stress is showing up, and suggested referring students to appropriate places for help (Delorenzo left the meeting at 9:45 a.m.).

O. Executive Director's Report – Buckley said he’s still waiting to see if President Obama plans signs into Federal Law the $55,440 requirement to be an exempt employee. He noted this has to happen before May 16. Buckley said there was an assault in the Marketplace yesterday and commended UPD and AS staff for handling the situation so quickly and well.

P. President’s Report – Jarquin said she’s wrapping up things for the year. She said she will be working with the City of Chico regarding fund raising for the safety cameras on the bike path.

IX. ANNOUNCEMENTS – None
X. PUBLIC OPINION – Krater said Pratt is being recognized at the Conversations on Diversity Awards at noon today. Nguyen said CCLC, in conjunction with the Office of Diversity and Inclusion, is doing Asian Pacific Islander Awareness Week.

XI. OPINION – None

XII. ADJOURNMENT – The meeting was adjourned at 9:47 a.m. by the Chair, Jarquin.