

***This meeting is being facilitated via an online Zoom format, consistent with the Governor's Executive Order N25-20, suspending certain open meeting law restrictions***

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

**Thursday, June 4, 2020**

**3 p.m.**

**Via Zoom**

**Members Present:** Bre Holbert, Ann Sherman, Anthony Ruiz, Kaylee Biedermann, Tracy Butts, Jennifer Mendoza, Austin Lopic, Ella Snyder

**Members Absent:** Sandy Parsons-Ellis

**Others Present:** Jamie Clyde, Karen Bang (recording), Jon Slaughter, Susan Jennings, Tom Rider, Katie Peterson, Sarah Fenton, Kiley Kirkpatrick, Nicole Geiger

- I. CALL TO ORDER** – The Chair, Holbert, called the meeting to order at 3:05 p.m.
- II. AGENDA** – There were no changes to the agenda.
- III. ANNOUNCEMENTS** - None
- IV. CLOSED SESSION** – Pursuant to Education Code Section 89307(b)(1) – Legal Matter. The Board went into Closed Session at 3:05 p.m. The Board came out of Closed Session at 3:23 p.m. and **Holbert announced that during Closed Session the Board approved to join the Common Interest Agreement of the CSU.**
- V. ANNOUNCEMENTS** – Ruiz said he and Holbert have been attending CSSA meetings via Zoom and hopefully next semester the meetings will be held in person. He said CSUnity will be held via a virtual format and suggested this would be a great opportunity for other student officers to take part in now that there would be no travel fees. He also noted that the CSSA Board recently elected started on June 1. Holbert agreed with his suggestion.

Clyde reported on changes and updates regarding the pandemic. She said some of the things they are looking at for next year, including the mandatory fees that have been discussed, the hugest piece is head count, which is critical to the AS because that's how the we are funded. All the money used for services and operations, other than Dining, come from those mandatory fees. She said a budget was produced last year anticipating going into our reserves, based on a 14,500 head count. They are now anticipating the head count being even lower, which will force the AS to go further into reserves than what was originally budgeted for. Clyde said when they have a better idea of what that looks like, this information will be brought back to the Board for them to vote on. She said the Board has given authority on one level for both the Activity Fee and Union. She said approval will be needed for new numbers. Clyde said they know that the AS will be in worse shape than originally thought, due to the lower head count. She said before they come back with updated numbers, she wanted to provide additional information regarding the things they are looking at. Clyde said she has talked with both VP Parsons and Sherman and noted there is no one area that we can pull from that makes this all better. Reduction will have to come from many different areas, and they want to make it as far as possible and want to keep the organization intact as much as possible. She said the strategy she and the directors are all looking at is taking what we have and shrinking it down, so that when enrollment starts coming back and we get through the pandemic, we will have the ability to flex and move. She said one of the things they have looked at is people and 26 Dining Services staff were laid off. They have been working on a plan for next year and coming back in a particular capacity. For those that attended yesterday's Town Hall meeting, Clyde said they heard the President speak about the different plans for Athletics, Housing and Dining. She said Chancellor's Office approval is needed before moving forward with those plans. Clyde said Housing is looking to reduce about half, which causes a very significant reduction to Dining. She said the hope is to bring back half of our AS Dining employees if the Chancellor's Office approves the plans. The other half would remain laid off at this time. Clyde said this has been a very challenging time for the AS, and we're the only area on campus that has had to make these types of cuts at this point. She said other areas that they're looking at are services, such as operational hours. She explained that if the AS does anything outside of the virtual world, such as hours of building operations and services that we provide, such as Recycling, which is a program, proper approval will be required. Programs such as Recycling, are also services but look different, including contract programs. She said they will be looking at making cuts to all those areas and everyone will feel this on some level. She said to give an idea of the dollar impact we're looking at with head count that is being reduced, it's about \$1 million off of the last budget, we were already going into the reserves by around \$4 million. She said this is regarding Union and Activity Fee specifically. Jennings said for Activity Fee, they were originally budgeted going into reserves at 14,000 flat for enrollment. They ended up going into reserves in the amount of approximately

\$250,000. She said the most recent reduction they received in head count, to 13,091, would go into reserves around \$612,000 for Activity Fee for just next year. Jennings said for the Union it's much more substantial at \$3,960,000 In Student Union reserves for just next year. Clyde said Dining is somewhat easier because no students in Housing and no students on campus means no dollars. She noted there isn't a large reserve for Dining Services. There is a significant reserve with the Union as well as some Activity Fee reserves.

Clyde said they are working with the EOC to get some approvals of what the fall will look like. She noted that this won't be a one-year decline in enrollment; however, she's hopeful that this will be our worst year. She explained that there are less high school students graduating and less attending universities and this is happening all across the CSU system. She said for the AS to keep expenses as is and services for 17,000 students, wouldn't be the right decision either. She said they'll be hearing her use the term "right sizing," regarding what does it look like based on the number of students we have. Biedermann asked where all the cuts that are being made fall in the reserves. Clyde said essentially it doesn't necessarily go anywhere and that when a budget is put together they're preparing a budget based on the money they hope will come in. She said head count is always a guess and they anticipate x amount of dollars coming in and make a budget that makes sense of those services. When the head count falls below what was expected, that money never existed, and we will not receive that money, and therefore, the services that were allocated to those dollars would have to be reduced as well. She said the flip side is that if suddenly the head count went up, then those are dollars that we would receive on the plus side. She said they have been very conservative with the estimates, but no one anticipated a world pandemic so this is uncharted territory. Clyde said our business looks very different than most areas on campus, noting the campus has to worry about head count but they also receive state funding. She said they aren't experiencing the same types of drastic number changing that the AS is. She said this hits us much harder because we're a much smaller organization. Clyde said the drastic swing in head count from 17,000 students last year, down to 13,500 this year; each of those students essentially costs us \$1,000, and what it costs to maintain our buildings doesn't change. She said with head count going down we're getting less money but still have to pay the same out, which is a challenging spot to be in. Sherman said the AS gets their income primarily through those fees. In similar fashion, the University gets about half of their income from tuition and fees. She said the other approximate 42% is from state allocation, and the AS doesn't get a state allocation. Sherman said a 10% reduction in enrollment is a 10% decrease in AS overall revenue, but only a 5% decrease in overall revenue for the University because it's only about half the money. She said the University is also getting a 5% decrease on the state allocation side, so they're also at about a 10% reduction. Holbert asked if President Hutchinson has sent the plan to the Chancellor and if the AS is included in it. Sherman said the plan went in on Monday and the only portion of the AS plan in it is the part that's related to Dining. Holbert asked who makes the decision regarding the rest of the plan. Sherman said the Chancellor's Office was only concerned with Curriculum, Housing, Dining and Athletics. She said Clyde did a really good job of explaining how all the AS opportunities could be leveraged through the fall, for example at the WREC, offering BMU conference rooms to assist with social distancing, childcare, etc. She said the campus is abiding by the Butte County Public Health rules regarding some of this. Sherman said once the campus gets approval, or not, from the Chancellor's Office regarding their fall opening plan, they will delve deeper into the information that Clyde has provided.

Sherman said she has been involved with President Hutchinson's meetings with the City of Chico and they are anxious for us to be fully back on campus. She noted that at a Town and Gown meeting held last week, comments from the public were split 50/50, some wanting all the students back, and others concerned about students coming from out of the area, causing additional spread of COVID-19. She said the emphasis that they're taking and presenting at the City Council Meetings will be talking about what it looks like for campuses overall. It's estimated right now that there is about a \$30.6 million reduction in the CSU overall budget due to the decline in state allocations and decline in enrollment. She said they will be trying to help the city understand what the impact might be as they're concerned about their budget as well. She said there is hope for Federal stimulus money that could come to municipalities but at the moment that's being held up by Federal Senate. Discussion was held regarding the pros and cons of students returning to campus.

**VI. PUBLIC OPINION** – Limited to three minutes per speaker, five minutes for entire topic - None

**VII. ADJOURNMENT** – The Chair, Holbert, adjourned the meeting at 3:54 p.m.