

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

Wednesday, November 7, 2018

8 a.m.

BMU 205

Members Present: Alisha Sharma, Sam Akinwande, Trevor Guthrie, Zach Scott, Milton Lang, Alex Williams, Teddy Delorenzo, Jeni Kitchell

Members Absent: Jared Geiser (excused)

Others Present: David Buckley, Karen Bang (recording), Jamie Clyde, Shar Krater, Curtis Sicheneder, Leah Railey, Tom Rider, Jon Slaughter, Colette Young, Nani Teves, Katrina Robertson, Elaine Kramer, Steve Novo, Thang Ho

- I. **CALL TO ORDER** – The Chair, Sharma, called the meeting to order at 8 a.m.
- II. **AGENDA** – Sharma added as new Information Item C: EBT Update. **Motion to approve the 11/7/18 revised agenda (Akinwande/Scott) 8/0/0 MSC.**
- III. **MINUTES** – Minutes of the 10/10/18 and 10/24/18 regular meetings. **Motion to approve the Minutes of the 10/10/18 and 10/24/18 regular meetings (Guthrie/Akinwande 8-0-0 MSC).**
- IV. **ANNOUNCEMENTS** – None
- V. **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 – Sharma reviewed the items with the Board. The Safety Walk is this Thursday.
 1. GAC Actions of 10/30/18
 - a. Approved the 10/30/18 agenda.
 - b. Approved Minutes of the 10/23/18 regular meeting.
 - c. 2018-19 Associated Students Committee/Council Appointments
 - Confirmation of appointment to Diversity Affairs Council (DAC)
 - Executive Vice President Appointment: Abraham Eze
 - Confirmation of appointment to Event Funding Allocation Council (EFAC)
 - Commissioner of Student Organizations and Programs Appointment: Sandra Martinez
 - Confirmation of appointments to Legislative Affairs Committee (LAC)
 - Commissioner of Community Affairs Appointment: Elizabeth Snyder
 - Executive Vice President Appointment: Tyra Burks
 - Commissioner of Sustainability Affairs Appointment: Rebecca Solis
 2. GAC Actions of 11/6/18
 - a. Approved the 11/6/18 agenda.
 - b. 2018-19 Associated Students Committee/Council Appointments
 - Confirmation of appointment to Diversity Affairs Council (DAC)
 - Executive Vice President Appointment: Freya Laguna
 - Commissioner of Sustainability Affairs Appointment: Martin Morales
 - Confirmation of appointment to Event Funding Allocation Council (EFAC)
 - Commissioner of Student Organizations and Programs Appointment: Dianna Radilla
 - d. Approved EFAC allocation by DAC for \$812 for the 'EGSC 18th Annual Fall Symposium' event by the English Graduate Student Council to be held 12/6/18 in the Arts Building at 6 p.m., as presented.
 - B. Bell Memorial Union Committee – Scott reviewed the items. SFAC meets this Friday at 2 p.m.
 1. BMUC Actions of 11/6/18
 - a. Approved the 11/6/18 agenda.
 - b. Approved Minutes of the regular meetings of 10/9/18 and 10/23/18, as presented.
 - C. Associated Students Businesses Committee – Williams reviewed the items with the Board.
 1. ASBC Actions of 10/29/18
 - a. Approved the 10/29/18 agenda.
 - b. Approved Minutes of the 10/8/18 Special meeting, 10/15/18 regular meeting and 10/22/18 Special meeting.
 2. ASBC Actions of 11/5/18
 - a. Approved the 11/5/18 agenda.

VI. BUSINESS

- A. Information Item: Compensation Study update – Buckley said the Board allocated \$30,000 last spring for a Compensation Study. He advised that a RFP was sent out a few weeks ago and distributed the RFP Compensation Review that Railey had prepared for comparison purposes between the two companies. Buckley said they're recommending going with Employer's Group, even though Richard Lane did a good job previously. Buckley said the goal is to receive the data by early spring before the budget is prepared. He said this study will provide information regarding what the market is showing right now compared to private, non-profit sectors, and University systems. Buckley noted that the AS does not have to accept their suggestions as it will depend on what we think is affordable. He noted this study will provide information so we can get an idea regarding what's going on with
- B. Information Item: Follett contract – Buckley advised that the AS contract with Follett ends on June 30, 2019. He distributed a Wildcat Store Operational Summary and noted that the contract has three, two-year extensions. He explained that the Board will need to decide whether to extend the contract, or do a RFP and see what else the market would bear. He said Follett and Barnes & Noble are the primary bookstore operators in the country. Another option is that the AS takes back running of the bookstore. Buckley explained the commission that Follett pays us is based on their sales. He explained that they anticipated that Follett's sales would drop because of trends we were seeing. He showed where money comes in and where it goes out. Actual and projected commissions were reviewed. He said when money comes in, there is other income as well, such as the one-time bonus from Follett, amortized out. Buckley reviewed the various income items. He next reviewed expenses, including Dining giving the University \$500,000. He said rent is paid back to the Student Union. Regarding Net Income before Transfers, when we operated the bookstore, the bookstore paid around \$300,000 in Corporate Overhead. Buckley said when we lost the store, it had to be decided where those costs would go. He also noted that when Foundation pulled away from the Financial Services Office, a number of employees in that area were let go, so the FSO expenses would be reduced. He said \$233,000 is transferred back out to Student Union (SU), Activity Fee (AF) and Dining Services (DS). He said funds available for Reserves will eventually go to negative and then the cost will go up for SU, AF and DS. Costs are split 20% AF, 40% each SU and DS. He noted each area loses when the commission goes down. Regarding Follett Projections, Buckley said Jennings took actual sales then projected on trends to show what the contribution would be. He said he talked with the VP for Follett recently and let them know we have concerns about this. He noted that she's sending him some information regarding a couple of options they're looking at. He also noted the inability of Follett to get Discover Program on campus via University IT and this may not happen until fall 2019. He explained that although they don't know how much sales would go up, they can assume that this technology would help students know more about what is available to them. He said the Follett VP will also send him information on what Northridge implemented; they went to a program where there is a book fee attached to certain classes and Follett could buy in large volume so students would have books for their first day of class. Buckley did note that larger campuses are also facing textbook problems; however, they sell a lot when it comes to apparel based on the volume of students. He said a recommendation will be brought back to the Board so a decision can be made by the first spring Board meeting. Discussion was held. Novo said that some campuses have shown a 20% increase in income when set up with the Discover Program as it provides a direct link to the bookstore for students regarding their classes. He explained that students would be able to shop for books by authors, instead of classes, which would be much simpler. Lang said he would see what he could do to help. The initial \$175,000 signing bonus was discussed.
- C. Information Item: EBT Update – Buckley said he was waiting for final confirmation from Board members to see if they were ok with signing the EBT agreement. He said he had a discussion with high-level people from the U.S.D.A. and they said we could go forward with filling the form out as a Not for Profit, and have one person take responsibility. He said if we could do that, that would be the way to go as he wouldn't have to have the Board sign each year. Buckley said two people could be listed, such as him and Rider, or him and Clyde. He said they will proceed with trying to move forward.
- D. Information Item: 9/30/18 Activity Fee Fund Budget vs. Actual – Sharma said the benchmark is 25%. She noted Revenues at 49%, Expenses at 12.45% of budget.
- E. Information Item: 9/30/18 BMU and WREC/AO Combined Budget vs. Actual Summary – Scott said the Student Union expensed 19.68% of budget and generated 46.16% of projected income.

- F. Information Item: 9/30/18 Wildcat Store Financials – Williams said income was \$109,656, expenses and transfers at \$97,084. Net decrease of \$12,571 for the month. Commission income was \$293,049 YTD.
- G. Information Item: 9/30/18 Dining Services Financials – Williams said revenue was 0.26% less than budget, total operating expense 33.05% less than budget, net income 24.17% more than budget.
- H. Information Item: 9/30/18 Corporate Services Budget vs. Actual Income and Expenses – Buckley reviewed this report which covers the Financial Services Office, HR, Administration, IT, and Corporate Insurance. Income at 23.47%, expenses at 30.74%.
- I. Director of University Affairs Report – Akinwande reported that 9 applicants applied for the Senator of BSS and they will be interviewed this Friday. Krater noted one student has too many units, so there are only 8 applicants.
- J. Director of Legislative Affairs Report – Guthrie's report was included in the agenda packet. In addition, he said he, Sharma and Akinwande held a CSSA forum last night and although only three students attended, they had a good conversation and students provided topics to discuss at CSSA.
- K. University Vice Presidents' Report – Lang had nothing to report. Kitchell said November is a big budget month for the CSU and at the Board of Trustees (BOT) meeting next week they'll be voting on a budget request for the CSU to put forward to the state. She said they are asking for \$450 million, and asking the state to give us permanent new base funding for this amount. She reviewed further details regarding the budget request. Kitchell said the state statute regarding the process to talk about possible tuition increases requires conversation to start very early. She explained the process, noting a written proposal is being drafted to put forth to CSSA even though they are not anticipating a tuition increase.
- L. Executive Director's Report – Buckley said Kitchell sent him an email noting that the Chancellor's Office has been working on the banning of plastic water bottles, plastic straws and plastic bags. He said they reached out to Auxiliary Executive Directors regarding the financial impact to their businesses. Buckley said it appears they're going forward with this policy, and as of 2023 there will be a total ban on plastic water bottles, straws and bags. Current contracts with Coke and Pepsi would be honored until their contracts terminate. He said it is unclear about large-scale events such as graduation and the ban doesn't say it precludes boxed water. It also doesn't mention single source water. Buckley said this will eventually have an effect on money that Pepsi or Coke would provide, and also effects money for Athletics. He noted there would be a financial ripple effect on entire campuses. Kitchell said campuses could perhaps ask for exclusions such as graduation and large athletic events.
- M. President's Report – Sharma said the current Commissioner of Student Organizations and Programs is graduating, and that position has been opened up. She said they hope to fill the position by the end of the semester. • Sharma said CSSA is this weekend and conversations are continuing regarding executive compensation salary. She said the BOT is having their first discussion since July about it, after CSSA meets. Sharma said CSU safety as a whole is also going to be discussed as well as what CSSA needs to advocate for. • Sharma said the Basic Needs monthly meeting and Hunger and Homeless Awareness Week are next week. All are invited next Wednesday to stuff giving bags at the food pantry between 11 a.m. and 6 p.m. • Sharma said all senators sit on college committees for CFAC, and all college committees have been approved. She said she'll be sitting on the Student Fees Committee. Sharma said GI 2020 discussions are still being held. In addition, the Veterans Day event is today at 10:30 a.m. in Colusa Hall. Sharma advised that AS Board meetings will be held at 2 p.m. on Wednesdays next semester.
- VII. ANNOUNCEMENTS** – Lang said Whitney Branham, Women's basketball player, was nominated for the NCAA Woman of the Year award, and she made the top 30! He said on a national level this is something to be proud of. Delorenzo said on Monday she went to the swearing in of the Butte County Commissioner, Corie Caraway, the first woman of color on the Butte County bench. She said there are 11 Chico State alumni sitting on Superior Court benches, all but one in California.
- VIII. PUBLIC OPINION** – Limited to three minutes per speaker, five minutes for entire topic – Krater gave a shout out to Guthrie for tabling for voter encouragement event on campus yesterday. Sicheneder said a WREC survey is being done.
- IX. ADJOURNMENT** – the Chair, Sharma, adjourned the meeting at 9:23 a.m.