

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

**Wednesday, April 25, 2018**

**3:30 p.m.**

**BMU 205**

**Members Present:** Alisha Sharma, Taylor Rogers, Danie O'Donnell, Karla Camacho, Teddy Delorenzo, Robbi Stivers, Milton Lang, Zach Scott

**Members Absent:** None

**Others Present:** David Buckley, Karen Bang (recording), Jamie Clyde, Thang Ho, Shar Krater, Susan Jennings, Leah Railey, Curtis Sicheneder, Jon Slaughter, Katrina Robertson

**I. CALL TO ORDER** – The Chair, Sharma, called the meeting to order at 3:31 p.m.

**II. AGENDA** – **Motion to approve the 4/25/18 agenda (Camacho/Scott) 6-0-0 MSC.**

**III. MINUTES** – Minutes of the 4/11/18 meeting. **Motion to approve the minutes of the 4/11/18 regular meeting, as presented (Scott/O'Donnell) 6-0-0 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.

1. GAC Actions of 4/16/18

- a. Approved the 4/16/18 agenda.
- b. Approved Minutes of the 4/9/18 regular meeting.
- c. Approved the Activity Fee Fund Budget, including Activity Fee Administration, Capital Expenditures, Government Affairs Office and Elections Budget, estimated results 2017-18 and proposed budget 2018-19, as presented.
- d. Approved a \$1,000 increase to the current \$5,000 DAC allocation to the Office of Diversity and Inclusion to support Cultural Graduation Celebrations at CSU, Chico, as presented.

2. GAC Actions of 4/23/18 – Sharma noted that the DAC allocation amount was approved by DAC for \$2,070.50 and the EFAC allocation was approved by EFAC for \$3,650. (Stivers and Lang joined the meeting at 3:33 p.m.). (At the 5/2/18 Board meeting, it was noted that the DAC allocation amount was actually in the amount of \$2,700.50).

- a. Approved the 4/23/18 agenda.
- b. Approved DAC allocation for ~~\$4,000~~ ~~\$2,070.50~~ \$2,700.50 for the 'Spring Renewal' event by the Native American Heritage Society to be held 5/10/18 in Trinity Commons from 9 a.m. to 4 p.m., as presented.
- c. Approved EFAC allocation for ~~\$3,850~~ \$3,650 for the 'Constitution Day 2018' event by Pi Sigma Alpha to be held 9/27/18 in Laxson Auditorium at 6 p.m., as presented.

B. Bell Memorial Union Committee – Scott reviewed the items with the Board.

1. BMUC Actions of 4/17/18

- a. Approved the 4/17/18 agenda.
- b. Approved the Minutes of the 3/27/18 and 4/3/18 regular meetings.
- c. Sustainability Fund Allocation Committee (SFAC) Report – 4/13/18
  - Approved the agenda.
  - Approved the Minutes of the 12/1/17 meeting.
  - The following projects were approved to proceed to funding allocation deliberation:
    - 1) Closing the Loop: Utilizing waste to produce high quality animal feed and vegetables.
    - 2) Compost Display Area Greenhouse.
    - 3) LeanPath – Food Waste Tracking and Reduction Software and Hardware.
    - 4) Smart LED Fixtures for Parking Meters.
    - 5) This Way to Sustainability Conference.
    - 6) Free Year-Round Student Shuttle Program.
    - 7) CAPtalks 2018.
    - 8) The Big Chico Creek Ecological Reserve accessibility for environmental education and sustainability.
  - Motion failed for the following project, so did not proceed to funding allocation deliberation:

## 1) Green Waste Reduction.

The following projects under \$5,000 were approved for funding:

- 1) Compost Display Area Greenhouse for \$3,500, as presented.
- 2) CAPtalks 2018 in the revised amount of \$2,000 due to omitting of everything but marketing.
- 3) The Big Chico Creek Ecological Reserve Accessibility for Environmental Education and Sustainability in the revised amount of \$3,809.38 for kiosks and/or driveway repair.

- The following projects over \$5,000 were approved at SFAC, pending additional approval by BMUC:

- 1) Closing the Loop: Utilizing waste to produce high quality animal feed and vegetables for \$8,000, as presented.
  - 2) LeanPath – Food Waste Tracking and Reduction Software and Hardware for \$14,756, as presented.
  - 3) Smart LED Fixtures for Parking Meters in the revised amount of \$7,138.30, due to removing cost of fall/winter installation labor.
  - 4) This Way to Sustainability Conference in the revised amount of \$14,494, due to omitting food and reception.
  - 5) Free Year-Round Student Shuttle Program in the revised amount of \$20,000.
- d. Approved Student Union Budget (including Capital Expenditures), estimated results 2017-18 and proposed budget 2018-19, as presented.
  - e. Approved funding Closing the Loop: Utilizing waste to produce high quality animal feed and vegetables project for \$8,000, as presented.
  - f. Approved funding LeanPath – Food Waste Tracking and Reduction Software and Hardware project for \$14,756, as presented.
  - g. Approved funding Smart LED Fixtures for Parking Meters project for \$7,138.30, as presented.
  - h. Approved funding This Way to Sustainability Conference project for \$14,494, as presented.
  - i. Approved funding Free Year-Round Student Shuttle Program project for \$20,000, as presented.

## C. Associated Students Businesses Committee – Rogers reviewed the items with the Board.

1. ASBC Actions of 4/16/18

- a. Approved the 4/16/18 agenda.
- b. Approved Minutes of the 4/2/18 and 4/9/18 regular meetings.
- c. Approved Associated Students Auxiliary Businesses Budget – Dining Services (including Capital Expenditures), estimated results 2017-18 and proposed budget 2018-19, as presented.

2. ASBC Actions of 4/23/18

- a. Approved the 4/23/18 agenda.

**VI. BUSINESS**

- A. Action Item: Approval of Associated Students Budget (including Pay Schedule), estimated results 2017-18 and proposed budget 2018-19. **Motion to approve Associated Students Budget (including Pay Schedule), estimated results 2017-18 and proposed budget 2018-19, as presented (O'Donnell/Scott).** There were no questions. Stivers said he vetted the budget and believes it is appropriate. Camacho thanked Jennings for putting together the budget packet. **8-0-0 MSC.**
- B. Information Item: Resolution for removal of 401(k) Plan Trustee, Pedro Douglas – Jennings said there are two plans, one for exempt employees and one for non-exempt employees. She explained that since Pedro Douglas has retired, he is being removed as a Plan Trustee. This now leaves Buckley, Jennings and Cindy Haws as Plan Trustees. Buckley said since the plans are being terminated June 30, 2019, and there are no decisions to be made, they feel they don't need to have a University representative on the committee as a Trustee. Lang requested that if things change, to let the Board know.
- C. Information Item: Audit Committee recommendation regarding award of audit and tax services to Aldrich CPAs + Advisors LLP for fiscal years ending June 30, 2019 through June 30, 2021, with the option to extend the agreement an additional three years, through fiscal year ending June 30, 2024 – Stivers said it was good to embark upon this process in order to evaluate the accounting firm that has been used for so many years. He also noted that after five years or so, it's prudent to move to a new company, who is Aldrich. Stivers said the Audit Committee recommends changing to this new firm, although they had no problems with K•COE ISOM. Jennings explained that they received 8 responses from firms that had already been qualified by the Chancellor's Office. She noted that Aldrich's cost was in line and said this item will come back next week for the Board's approval. Sharma said she sits on the Audit Committee and also agreed with the decision.

- D. Information Item: Authorization to process a payment to CalPERS, not to exceed \$1,800,000, to be applied to the Associated Students' estimated unfunded pension liability, dependent upon prior approval being received from the CSU Chancellor's Office – Jennings said the Board has discussed multiple times paying down the unfunded liability that the AS has with CalPERS. She said the AS would save approximately \$700,000 over the life of the 30-year amortization. She explained that we have the cash in order to do so and this would put us in a good funded position with CalPERS. Jennings also noted that CalPERS is recommending not using a 30 year amortization schedule anymore. She said they would make similar adjustments each year. Jennings said they are requesting approval to make a \$1.8 million payment before the end of the fiscal year. She also noted that yesterday she received word from the Chancellor's Office, via the campus, that this will work. Jennings said they would amortize the cost over a five-year period and explained that this was built into the budgets as part of net assets and also comes out of cash. Jennings said each year in the fall, an actuarial study is done, and then we can base our decision on the study each year. She said they hope to pay this off each year in order to avoid interest costs. Jennings explained that the AS was originally in a non-pooled employee plan; however, when we dropped below 100 employees, we became part of a pooled plan. She said that is when CalPERS started requiring the AS to make a payment against our unfunded liability. Jennings said we pay approximately \$400,000 for those benefits; by doing this, we save \$700,000 over a long time period. Buckley said he has been investigating this for a number of months and agrees with Jennings that this is a fiscally responsible move on the Board's part. This item will be brought back for approval at next week's Board meeting.
- E. Information Item: Review results of the June 30, 2018 postretirement benefit plan actuarial study – Jennings said they talked with the Board previously about the postretirement benefit plan. She explained that the current plan offers \$200/month to employees who have reached age 60 and have 10 years of service. She noted that every three years an actuarial study is done for that plan. Among other things, the study projects retirement rate, projects how many they think will go on this plan, and is a complex evaluation. Jennings said at the end of the last fiscal year we had \$1.2 million on the books for estimated benefit obligation (liability). The draft report from the Actuary has been completed. At the time of the evaluation there were no retirees set up for this plan as there are cheaper plans than ours. She said this explains why Estimated Benefit Obligation (Liability) went down to \$406,143 for this fiscal year. Jennings said the prior study built in 67% likelihood that someone would join the plan and stay on at 65; however, we dropped to 25% as we had no one on the plan. Jennings said we now have a couple of employees who have paid on our plan. At 65, they are expected to drop off and pick a less expensive plan. She said we are adding a liability for CalPERS and paying it off would be a reduction of liability that helps our net assets by \$793,548. She said they are looking at a possible bridge plan, then at 65, retirees would drop off the plan. This would make the calculation much simpler. Jennings noted that the information provided is for the plan as it currently exists. She said in the fall they might come back with a recommendation after figuring out the full impact to employees and retirees. Buckley said they do not want to rush this through, that's why they're talking about bringing it back this fall.
- F. Information Item: 3/31/18 Follett Wildcat Store Financials – Rogers reviewed the financials with the Board. He noted a 3/31/18 total of \$293,466, a negative 5% variance to 2017.
- G. Director of University Affairs Report – Camacho reminded that her report is in the Board packet. She said the Shared Governance Reception was held for Student Academic Senate recently.
- H. Director of Legislative Affairs Report – O'Donnell said she has been training new LAC members as well as her successor for next year.
- I. University Vice Presidents' Reports – Lang said the Critical Response Team Policies and Procedures are close to being finalized and almost ready to be shared with the Cabinet and President Hutchison. He said this document provides protocol for campus during an incident and will also allow campus to begin preparing for upcoming events. This document will be shared with Cabinet regarding how to respond and work with those internally and externally. Lang said the Diversity Inclusion Awards were held today. He is volunteering to help move diversity forward on campus and throughout the community. He said he will be working with this body and others to see what we can highlight. Lang said it has been a tough two months and they have been tabling following the recent tragic incidents. They will continue tabling to help students move forward to finals. He said the Critical Response Incidence Report will be out after commencement. • Stivers said he recently returned from a meeting with CFO's across the system. He said there was more discussion about the budget and heard encouraging words about the possibility of getting more money from the state; however, will have to wait and see. Otherwise, unpopular adjustments may need to be made in order for this campus to live within their means.

- J. Executive Director's Report – Buckley said regarding the IT budget and the AS not providing IT support to Research Foundation, that Ho has been in discussions with the RF Interim Director about this and will keep us posted. Buckley said Clyde and Railey recently did a presentation to the Board about conversations with employees, and they will be presenting two items to the Board at their next meeting regarding WREC membership and increasing tuition reimbursement. Buckley said the Dining Director applicant did not work out, and they will not be moving forward with either of the other two candidates. He will come back with a plan on how to move forward due to another failed search. Buckley said he and Clyde had a very positive conversation with Annabelle Grimm, Connie Huyck and Kathleen Moroney about our contract with Housing. He said they are looking at a one year agreement that works for both Housing and the AS. Buckley said the bigger issue they are looking at is the room and board rate for the next three to five years, as well as minimum wage increases.
- K. President's Report – Sharma said the Chancellor's Office announced last week that they will not be increasing tuition. She said AS Elections were held last week, with a successful orientation held over the weekend. She explained that starting Monday, until May 15, is the transition period. The new officers will be shadowing their predecessors. The transition period will conclude with an Induction Ceremony on May 11 at the Wildcat statue. Sharma said the Wildcat statue unveiling was very successful. Sharma reminded that the proposed fee referendum vote is today and tomorrow. They are continuing to table to push students to vote in the referendum. Lang thanked all for their advice regarding the fee referendum and consultation process, as well as their outreach efforts to inform students of this process. He said this was a robust approach to engage students regarding this process.

**VII. ANNOUNCEMENTS** – Rogers said that on Monday Dining Services went strawless and they are already almost sold out of stainless steel straws. Krater said International Festival is Saturday from 11 a.m. to 4 p.m. Lang questioned the number of Board meetings left and Sharma said two, with the last being the transition meeting.

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

**IX. ADJOURNMENT** – The Chair, Sharma, adjourned the meeting at 4:18 p.m.