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

Tuesday, August 26, 2014  4 p.m.  BMU 205

Members Present: Taylor Herren, Kory Masen, Nicole Lung, Jovan Smith, Michael Pratt, Darion Johnston, Teddy Delorenzo, Drew Calandrella, Lori Hoffman

Members Absent: None

Others Present: David Buckley, Karen Bang (recording), Susan Jennings, Leah Railey, Jon Slaughter, George Rankin, Rick Scott, Sally Parenti, Kaitlin Tillett, Sarah Foisy

I. CALL TO ORDER – The meeting was called to order at 4:04 p.m. by the Chair, Herren.

II. AGENDA – Motion to approve the agenda (Johnston/Pratt) 9/0/0 MSC.

III. MINUTES – Minutes of the 5/5/14 regular meeting, 5/12/14, 8/13/14 and 8/18/14 Special meetings. Motion to approve the minutes of the 5/5/14 regular meeting, 5/12/14, 8/13/14 and 8/18/14 Special meetings. (Masen/Johnston) Smith noted that Masen was listed as Acosta in Section II. of the 5/5/14 minutes. Minutes to be revised to replace Acosta with Masen. 7/0/2 MSC.

IV. ANNOUNCEMENTS – None

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 – Masen said they’re in the process of appointing councils and the first GAC meeting of the semester is this Thursday at 8 a.m.

B. Bell Memorial Union Committee – Smith said BMUC hasn’t met yet. Regarding the new Wildcat Leadership Center, Smith said they are planning a soft opening for staff, and then a week-long Grand Opening during Chico Experience Week.

C. Associated Students Businesses Committee – Lung said she will be looking at student applications for ASBC this Thursday.

VIII. BUSINESS

A. Action Item: Approval of Resolution for Establishing Time and Location for Associated Students Board of Directors meetings for fiscal year 2014-15. Motion to approve Resolution for Establishing Time and Location for Associated Students Board of Directors meetings for fiscal year 2014-15, as presented (Johnston/Lung). – Masen questioned if this resolution would be incorrect if the meeting location is changed back to BMU 205. Bang explained that she listed both locations on the resolution. (9/0/0) MSC.

B. Information Item: Revisions to Associated Students Corporate Code Book – Investment Code – Herren reviewed the suggested revisions. Delorenzo questioned why Item VI. C. was removed and Herren said it was a clean-up to the code. Jennings said she worked with Jaycob Arbogast last semester regarding these clean-up changes.

C. Information Item: Revisions to Associated Students Corporate Code Book – Investment Policy – Herren reviewed changes and explained these are also clean-ups. In regards to Section VI., Jennings noted that Chancellor Office guidelines have changed from one document to another.

D. Information Item: Chico State Wildcat Store discounts for employees and alumni – Buckley said when they transitioned to the Wildcat Store lease with Follett, as part of the contract they are looking at discounts given to the employees. He said alumni discounts have historically been 10%, which last year cost $1,000.
He said they haven’t stopped the alumni discount due to concern about pulling this discount from them without giving any notice. Buckley questioned if the Board wants to continue allowing AS employees to continue with discounts, and/or also allowing faculty/staff discounts. He said in the past they didn’t give University discounts to faculty/staff/departments. Buckley noted that the percentage of discounts varied between Wildcat Store departments, ranging from no discount, 10% discount, and 20% discount. He said there was a $17,000 value that AS employees received last year with their store discount. Buckley noted that based on the agreement with Follett, Follett will give discounts but deduct this amount from their yearly payment to the AS, approximately $17,000/year. He said he is still talking with the University regarding how to split the money received from Follett. Buckley explained that of the money the AS receives, a portion could go to pay back debt to the Student Union, a portion could be used to pay for overhead store costs, a portion could be used for payment to the University, with the money left over to possibly be used for discounts. He said all of this hasn’t been worked out yet. Buckley next reviewed the estimated net commission to the AS from Follett, noting the numbers are conservative. He explained that if the Board approves discounts, there will be less money to allocate towards other areas. He said he and Herren are OK with the alumni piece and explained that whatever amount is agreed upon in the Operating & Lease Agreement to be paid to the University, the $1,000 would be deducted from the payment. Hoffman explained that the AS Board has approved budget increases when the University employees were getting increases, and this is because the AS tries to keep comparable to the University. She said if the AS is offering discounts to their employees, then University staff and faculty discounts should also be provided, but the University would have to pay for these. Hoffman proposed not continuing with an AS employee discount because the AS is no longer running the Wildcat Store. Herren said the $17,000 amount is strictly from AS individuals, not departments. She said they are continuing to honor alumni discounts, mostly because of the handbills that went out to graduates. She said AS Wildcat Store discounts are currently not available to staff. Delorenzo questioned if the amount of $17,000 is fairly consistent and Buckley said yes. She said if the amount fluctuates and we’re still thinking about offering a discount, she would like to see what that would cost us over time. Buckley reminded that the amount of $17,000 reflects all discounts by the bookstore for employees only. He said there were also discounts for programs/departments, which is different. Delorenzo asked what the feeling is among employees about taking this discount away. Buckley said he hasn’t heard anything from employees. Slaughter said there wasn’t an assumption that once Follett started, that the discount would continue; however, there have been questions from departments in regards to their operating budget. Masen said that while working with Summer Orientation, he got a lot of comments that student employees thought they would get textbook discounts. Hoffman said that a current student can become alumni by paying $40, which would allow them to get a 10% discount. Calandrella noted that in order to become alumni, CSUC students have to complete at least one semester. Johnston suggested perhaps considering offering a discount just to student employees. She asked if faculty/staff have said anything to Hoffman about discounts. Hoffman said once they figure this out, and the fact that the AS is no longer running the Wildcat Store, they’ll want everyone to get a discount, or no one to get a discount. It was noted that AS employees receive discounts for the dining area and the WREC. Calandrella said they have to question if it’s a good business decision for the AS. He said alumni discounts should not be at the expense of the AS. Herren expressed concern that the AS could go in to the red due to discounts at a later date. She noted two reasons for having this discount: 1. It offers an incentive to employees, and 2. It keeps morale up in recognition of employees and the good work they do. She said if they decide to not provide the Wildcat Store discount, they should do employee appreciation days and this was discussed. Herren said at the next Board meeting the Board will vote on both the alumni and employee discounts. Buckley explained that in the contract, if the Board decides they want to provide Wildcat Store discounts, they have to take action. Smith asked about AS program discounts and Buckley said there is no discount currently given to programs at the Wildcat Store. Herren said program discounts would be discussed at the next Board meeting. Discussion was held regarding program discounts. Masen said he would like a discussion to be held regarding alternatives to having a discount.


F. Information Item: Executive Order 2014-12 – Herren reviewed this Executive Order with the Board.

G. Director of University Affairs Report – Pratt reported that the Student Academic Senate meetings will be held Fridays at 2 p.m. starting in September. He said he has been meeting with the Transfer Advisory Board for Region 1 and they have been discussing current transfer degree issues. Pratt said he has been meeting with the University Academic Planning Committee regarding student lifelong success. Regarding shared governance, Pratt said he has developed a uniform reporting process and forms so that when the AS appoints students to University committees, they will be reporting back to the AS. Pratt said he is
Director of Legislative Affairs Report – Johnston said CSSA is developing their policy agenda. She said the Student Involvement Representation Fund (SIRF) passed last year at the CSSA Board of Directors, and is basically a fee that is being called a fund. She explained there would be an opt out fee for students, cost would be $2 each semester, ultimately to go to CSSA for state-wide funding. She said before the Board of Trustees passes this, they’ll be provided a line by line item of what the money is to be used for. Herren said this was very controversial at CSSA, and the proposal moved on to the Board of Trustees (BOT). Herren said her focus has been on rules and procedures. She said this went to the BOT as an Information item in May and it will probably be an Action item on the November BOT agenda. Hoffman questioned why students aren’t being called on for a system-wide vote. She said the BOT has been reluctant to go forward with any kind of new fee, and questioned why the CSSA students think it’s ok to move this forward without a student vote. Johnston said they seem to think it’s ok because they’re calling this voluntary. Herren said there’s also concern about even being able to get it on a ballot at 23 different campuses. Hoffman said unless some type of module was developed in PeopleSoft, this would not be a simple process and that this was a concern at this Board’s table last semester. Calandrellla said at $2/student, this creates a huge budget, and expressed concern regarding the fact that no budget has been planned. He said it’s likely students will miss the opt-out option. He questioned if this is the new way fees are being presented to students. He questioned if fees will be coming from the legislature and Herren said no. Herren said Chancellor White is in support of this. She recommended adding this item to the next Board of Directors agenda as an Information item. She said she would address concerns and questions raised here, and would bring them to the CSSA Board. Slaughter said when the door is opened to opt out of fees, then students will want to opt out of other fees. Buckley said when increased fees are needed on this campus, the increase has to go to a vote by the students. He said this is kind of an alternative consultation, which the students didn’t like previously, so it makes it difficult to justify this. Calandrella noted that not so many years ago some of the AS organizations from several campuses refused to pay CSSA fees because they weren’t supportive of the campuses. Johnston said these are things that the CSSA student leaders aren’t thinking about. She said that’s why Herren and some others are being diligent. Hoffman questioned if the whole campus can opt out, or if our BOD would like to support CSSA in its current annual membership base. • Johnston reported CSSA is working on trying to boost up lobbying efforts, and in regards to the campus sexual assault issue is going to Washington, DC. She said CSSA is hoping to be involved in the conversation, both system-wide and legislative aspect of it. Johnston said the voter registration effort is big right now and explained a website that will track how many students are registering to vote, based on outreach efforts. Herren said they’ll be attending CSSA on September 5-7 in Fullerton. She said CSUnity and CSSA were held at Sonoma State last month.

University Vice Presidents’ Report – Hoffman said the Arts and Humanities building is in on time and on budget and that classes should be able to be held in the new building by fall of 2016. She said the ADA walkway from Selvesters to the Physical Sciences building is completed and the next phase will be bridges. She said ADA access will continue across campus. Hoffman said there is a signage project happening this term on buildings in the core of campus, as well as campus maps. In addition, new bike racks are being installed on the west side of campus. Hoffman said 95 R1 decals were sold to students. She said they will continue this each semester. Hoffman explained that 53 additional parking spaces in the west Sacramento lot were provided to accommodate for housing students. In addition, FSG spots were given to students. Masen asked about updated bathroom signs and Hoffman said they are being included in the signage program. • Calandrella said it appears we have had a smooth and good transition to the new semester. He said they had a good Wildcat Welcome and residence halls move in. He noted this is the second year that alcohol will be banned on the river, and that it will always be. He said Safe Place is something the system wants to adopt and Chico is pioneering that trail.

Executive Director’s Report – Buckley introduced Leah Railey, the new AS HR Director. • It was noted that CSU bargaining units are looking at a 3% salary increase. Buckley explained that last year the BOD approved a 2% increase, assuming that the University would provide a 2% increase. He said he would talk with the BOD in the future to see about increasing, after waiting to see how this plays out. • Buckley said that in March of 2013 the AS submitted a request to the IRS to change our not for profit status from classification 2 to 3, in regards to being allowed to stay in PERS and have been approved as a 509(a)3. • Buckley provided an update on the Wildcat Store, noting a total net loss of $371,308 at 2013-14 year-end. He said this includes $287,000 in markdowns at the very end when selling off inventory. He explained that as of June 30, 2014 the Wildcat Store has $765,000 in credits due and explained the vendor credit process. He said the Board will have to decide what to do with this cash.
K. **President's Report** – Herren echoed Calandrella that Wildcat Welcome was a successful week. She noted that Wildcat Way will start on Thursday. She explained they are challenging Chico State to do the ALS ice bucket challenge on Monday at 1 p.m. at the WREC. Herren said the AS is going to be hosting CSUnity here next year: August 7-9, 2015. Herren said Operating & Lease Agreement negotiations are continuing and they hope to sign it by October. Herren said conversations have restarted about the Wildcat statue and the Alumni Association is interested in partnering with us for this. Herren said a Town & Gown meeting will be held tomorrow, and they'll be held the fourth Wednesday of each month in City Council Chambers, room 1 at 5:30 p.m.

IX. **ANNOUNCEMENTS** – Herren thanked all for being here and welcomed everyone to the fall semester.

X. **PUBLIC OPINION** – None

XI. **OPINION** – None

XII. **ADJOURNMENT** – The meeting was adjourned at 5:26 p.m. by the Chair, Herren.