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

Tuesday, September 9, 2014  4 p.m.  BMU 205

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

Members Absent: Kory Masen (excused).

Others Present: Karen Bang (recording), David Buckley, Susan Jennings, Leah Railey, Jon Slaughter, Rick Scott, Sally Parenti, Jimmy Smith, Sue Anderson, Octavio Hernandez

I. CALL TO ORDER – The meeting was called to order at 4:01 p.m. by the Chair, Herren.

II. AGENDA – Motion to approve the agenda (Johnston/Smith) 8/0/0 MSC.

III. MINUTES – Minutes of the 8/26/14 regular meeting. Motion to approve the minutes of the 8/26/14 regular meeting, as presented (Calandrella/Johnston) 8/0/0 MSC.

IV. ANNOUNCEMENTS – None

V. PUBLIC OPINION – Jimmy Smith, President of the Student Veterans Organization, introduced himself.

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 – Slaughter reported the action items in Masen’s absence.
   1. GAC Actions of 8/28/14
      a. Approved the 8/28/14 meeting agenda.
      b. Approved the minutes of 5/5/14.
      c. Approved Resolution for establishing Time and Location for Government Affairs Committee meetings for the fiscal year 2014-15.
   2. GAC Actions of 9/4/14
      a. Approved the 9/4/14 meeting agenda.
      b. Approved the minutes of 8/28/14.
      c. Approved revisions to the Associated Students Corporate Code Book – Community Affairs Council Code

B. Bell Memorial Union Committee – No meetings held. Smith said all applicant appointments should be made by the end of this week. Three hundred dollars was raised for ALS during the Chico State ice bucket challenge. Herren said the story was covered in USA Today.

C. Associated Students Businesses Committee – No meetings held. Lung said appointments to ASBC will be made soon.

VIII. BUSINESS

A. Action Item: Approval of revisions to Associated Students Corporate Code Book – Investment Committee Code. Motion to approve revisions to Associated Students Corporate Code Book – Investment Committee Code, as presented (Hoffman/Johnston) 8/0/0 MSC.

B. Action Item: Approval of revisions to Associated Students Corporate Code Book – Investment Policy. Motion to approve revisions to Associated Students Corporate Code Book – Investment Policy, as presented (Calandrella/Pratt) 8/0/0 MSC.

C. Action Item: Approval of 10% discount for CSU, Chico alumni in Chico State Wildcat Store, as presented. Motion to approve 10% discount for CSU, Chico alumni in Chico State Wildcat Store, as presented (Lung/Pratt). Herren reminded that the University has committed to reimburse the AS for these discounts. 8/0/0 MSC.
D. Action Item: Approval of AS employee discounts in Chico State Wildcat Store, as presented. **Motion to approve AS employee discounts in Chico State Wildcat Store, as presented (Johnston/Pratt).**

Johnston said it’s important to make sure AS money is being used properly in regards to reserves; however, she liked the idea of continuing to provide the discount. Hoffman noted that last year the amount came to $17,000 and said that at the last Board meeting she said she would not support this due to the perception that AS employees receive discounts and University employees don’t. She said raises are more important than discounts, or perhaps a 5% discount instead for less of a hit to the budget. Delorenzo confirmed employees will still receive the Dining Services discount. She asked how many employees used this discount; however, that information was not available at this time. Buckley explained the discounts that employees previously had in the Wildcat Store. Delorenzo noted that the longer this discount continues the more trouble the AS would get in to financially. Smith agreed with Hoffman that if the discount is offered the percentage should be reduced. Lung asked about the Employee Appreciation Day which Sarah Foisy had said Follett does and Buckley said he did not receive confirmation of this from her. Buckley said they could offer one day where employees can get a discount in the store, or each department could allocate a certain amount of money that they’d expend a discount on. Or, he said, they could work on employee morale, and do something that has nothing to do with the discount and allocate for this in the budget each year. Buckley also said that later in the meeting he would be explaining some additional upcoming expenses. Herren said when we owned the business it was different for us to offer a discount within our operation. She also expressed concern that funds aren’t going back to the students. Herren suggested tabling this item until the next meeting so that information can be provided regarding the number of employees previously using those discounts. **Motion to table the motion (Delorenzo/Pratt). 8/0/0 MSC.**

E. Information Item: Revisions to Associated Students Corporate Code Book – Signature Policy – Herren and Jennings reviewed the changes with the Board.

F. Information Item: AS Contribution to Wildcat Statue – Herren explained that conversations are starting up again regarding a Wildcat statue and a meeting regarding the statue will be held this Friday from 12 to 1 p.m. in the Government Affairs Office. She said she’d like the Board to consider potentially increasing the contribution to the statue, noting that a $10,000 contribution from BMUC had been decided previously. Herren explained that statues are currently costing $80,000 to $200,000 and suggested making an increased contribution to this statue from the funds from Follett. Hoffman said a RFP would come out of the Campus Public Arts Committee and they could do a Request for Information (RFI) in order to obtain costs from other campuses. She said the artist is going to charge what they want; however, if we have an idea of materials, that would help in working on this. Delorenzo questioned if they could do a “Gofundme” in order to raise funds and Anderson said this would have to be discussed with University Advancement. She said there are probably a number of options for fund raising. Anderson said this is agendized for discussion at their Alumni Board meeting on September 20. She said the Alumni Board supports the concept of a Wildcat Statue. Consensus of the AS Board was to move forward with this item.

G. Information Item: Student Involvement Representation Fund (SIRF) – Herren said she was asked by CSSA to lead the Rules and Procedures Committee in relation to SIRF. She noted CSSA had a meeting last weekend and other campuses also expressed concerns regarding AS role and oversights. She said ways to increase accountability were discussed. Herren noted they are going to review campus oversight, look at the Executive Director review process, the Executive Team review to evaluate executive officers, as well as the dissent policy. Hoffman said she would like her to look at opt out options as a campus. Johnston said they brought this up at CSSA and some other campuses were in favor of this. She explained that some campuses were in favor of student votes to opt out, or campus administration and the AS could opt out for the campus. Herren suggested preparation of a resolution by this Board that she can bring to CSSA. She said she could bring a resolution to this Board as an information item at the next Board meeting and it could then be finalized. Delorenzo said the current SIRF Proposal seems very general, and Herren said it has been updated further since then and she will forward. Delorenzo asked if there will be year-end audit and reports, and Herren said they already do this. Johnston expressed concern regarding the huge increase in money that the fee brings in, from $600,000 to over $1.5 million. Hoffman suggested amortizing the funds on a revenue stream, such as starting with $1 per semester, increasing yearly. She said this would give them more money and several years to prepare rules and procedures of handling this money. Herren noted that CSSA has said they still want money from the Chancellor’s Office in case they don’t get all the money they want from the students. Calandrella expressed concern regarding a whole new paradigm of fee creation and collection and warned that students’ opting out is a slippery slope. He also reminded that a few years ago campuses didn’t pay their annual CSSA dues because they weren’t happy with CSSA. He
again reminded that CSSA is bypassing the referendum process, which is not allowed for any other fees. Herren said she will keep the AS Board updated and will begin working on the resolution with Johnston and Pratt.

H. Information Item: Proposed University charge for IT services – Buckley said he recently met with Mike Schilling, the Vice Provost Information Resources, who reports to Belle Wei, Provost and Vice President for Academic Affairs. Schilling told him that he made a proposal to the Cabinet about increasing his budget to take care of IT needs and to accomplish that, costs would be increased throughout the University. Buckley said in the past, except for a small amount, the AS, Housing, Research Foundation and University Foundation have not paid for infrastructure of the campus system. Buckley explained that EO 1000 came out a number of years ago and talked about auxiliaries having to pay their fair share and couldn’t be supported by the general fund. Based on this discussion, the Cabinet approved Schilling’s proposal to move forward with this cost allocation. Buckley said there is a proposed increase to the AS regarding email, security, applications, website, approximately six or seven different functions. He said the proposal for the AS would be $68,446 for years 14-15 and 15-16, increasing to a fully allocated amount of $82,000 in 2016-17. Buckley said since this is an increase to the budget, it will be brought back as an Action Item. The possibility of the AS opting out and having their own network system was discussed; however, Hoffman said it would probably cost the AS three times as much. Buckley said he’d have to do an analysis to see what that would cost. Calandrella said IT and their role on campus is much larger than 10 years ago and costs have gone up to operate.

I. Director of University Affairs Report – Pratt said there will be an Academic Conference taking place November 13-14 and President Zingg is paying for two students to attend. • Pratt noted that CSSA has done all state-wide committee appointments and Ariel Alvero is on one of the committees. • Pratt said during the Academic Senate Roundtable at CSSA, MERLOT was discussed and the whole process has been stopped until they work out the kinks. Also at CSSA, he said they discussed the mandate to have a certain percentage of a text book used before an instructor can make them required. He said another major issue in the CSU, including Chico, is that professors have been stripping chapters from textbooks, repackaging them and selling them for profit. Hoffman said they found this was happening at Chico State several years ago and believes they stopped that. Pratt said he contacted Student Academic Senators and they have noticed several professors doing this in nearly all the colleges on campus. Hoffman asked to be provided with further information as she said this is not OK. Pratt said Academic Senate at the state level will also be talking about it and perhaps pushing it on to the Chancellor’s Office and Board of Trustees (BOT). • Pratt said regarding Student Success fees, the BOT is looking at putting a cap on this to stay consistent. Hoffman said she is not an advocate of Student Success fees, and explained there are three phases to this fee and that if a cap is put on, the rich will get richer and the poor will get poorer. • Pratt said there is not enough room for incoming transfers at all CSU’s and being able to obtain their courses. Discussion was held. • Pratt said the tuition freeze ends 2016-17 and trustees are already starting conversations regarding this. • Pratt said the Student Academic Senate will soon be meeting on Fridays at 3 p.m. Slaughter said they’re affirming eligibility for senators. • Pratt said the Academic Planning Committee met for the first time last week and he encouraged students to attend as more of their input is needed.

J. Director of Legislative Affairs Report – Johnston said CSSA is working on SB 967, the Affirmative Consent Bill, which would affect college campuses and is regarding what consent would look like. She said this has passed and is now on the Governor’s desk. In conjunction with this bill, she said she’ll be attending the DC Advocacy Trip next week which will be focused on sexual assault on college campuses. She said the audit of CSU’s and UC’s regarding this subject that was released in June is very representative of the nation. • Johnston said Bill 1233 is also being promoted by CSSA, noting it passed at Legislature and is sitting on the Governor’s desk. She said it’s for $50 million to be spread among the CSU’s for one time projects. She said they are asking for input from campuses. Hoffman said they can’t wait for the state to help anymore as they have important projects that need to be taken care of. She said life safety issue is what they need to focus on. • Johnston said at CSSA they discussed democratization of student body members. BMUC would be the example of that here at Chico State; having mostly students on this committee. They also discussed a proposed quarter to semester conversion and how to make best practices for that. Johnston updated the Board regarding voter registration efforts.

K. University Vice Presidents’ Reports – Hoffman had nothing to report. Calandrella commended Herren, student officers and staff for a successful Labor Day transition.
L. Executive Director’s Report – Buckley advised that per the agreement with Follett, they offer $15,000 per year in textbook scholarships and how it’s spent is at the Board’s discretion. He said they could work with Financial Aid to allocate or could give as special gift promotions. He suggested Herren put together an ad-hoc committee and come back with some recommendations for annual allocations. Herren said Lung could work with the Wildcat Store on the business component. • Buckley said the new software and partnership with Research Foundation (RF) fell apart because Sungard wouldn’t sign the agreement regarding warranties and they would now need to look at other vendors. He explained that RF has identified that they’re concerned about their own costs and they’re looking at all costs. Buckley said he met with Katy Thoma, the RF Executive Director, regarding her concern about how to move forward and they may want to possibly start doing their own financial services separately. She said she would be meeting with the RF Executive Committee soon, and then their Board will be meeting around September 29. She said there is a possibility that they may recommend to go their own way. If they decide to do that Buckley said we would need to make reductions as the AS can’t incur an additional $700,000 in expenses. He said we would have to look at how we would move forward in the IT Department, Financial Services and Human Resources since those are the major components for our overhead costs. Buckley said our software system is limping along right now and we have serious adjustments that need to be made to our server by July of 2015 as well as concerns regarding staying on IFAS. He said the AS has to move forward with some new software solutions soon but are in limbo at this time until Foundation makes a decision. Hoffman asked about the AS contracting their server with IRES and Buckley said they have considered this. Buckley said if Foundation decides to pull away from the AS that this will have a severe impact on the AS. • Buckley said he’s holding off on the proposed salary increase until the other financial increases costs are settled. In addition, he said he wants to talk further with staff directors regarding increasing the salaries from 2% to 3%. • Buckley said last year the Board approved the budget which included the Wildcat Store. He said Jennings will make some adjustments for overhead costs that the Wildcat Store was paying for and provide the new information to the Board.

M. President’s Report – Herren said on October 9 the AS, along with Kevin Killion, will be presenting to University Foundation materials regarding divestment. • Herren said Chico State is going to be bidding to host the California Sustainability Student Coalition Conference. She said AS Sustainability is having that conversation. • Herren said she is convening an ad hoc committee to begin talking about CSUnity which will be held here in August of 2015. • Herren said she has been sitting on interview panels for the Wildcat Leadership Institute Director. • Herren said the Campus Fee Advisory Committee meetings are held on Mondays at 4 p.m.

IX. ANNOUNCEMENTS – Slaughter announced that a good-bye reception for Eli Goodsell will be held this Friday from 1 to 3 p.m. in BMU 304. He also said that Jody Strong will be leaving in October.

X. PUBLIC OPINION – Smith said it has been very interesting to see all the different kinds of things that go in to these meetings and good to see them taking care of the students. Hernandez expressed his unhappiness about not being allowed to use chalk in the WREC weight room as well as being charged student fees of $350 for the WREC.

XI. OPINION – Herren said she has met with Hernandez at least six times and is willing to meet with him again. She also noted that he had met with Railey, Buckley and Scott regarding his complaint. She explained that the AS has rules and policies that they expect students to follow. Regarding fees, she said it’s a state law and the AS doesn’t have the ability to refund his fee. Herren explained the various services the AS fee covers. She said they do their very best to be diligent with student dollars. Herren said she’s open to continue to having conversations with him regarding this; however, as a member of the Board and also personally, she supports Scott and his decision as well as the weight room policy.

XII. ADJOURNMENT – The meeting was adjourned at 5:43 p.m. by the Chair, Herren.