

**STUDENT UNION BOARD OF DIRECTORS
Meeting Minutes
May 16, 2017 at 4:00 pm in SU Meeting Room 5**

Voting Members Present: Sonja Daniels, Charlie Faas, Jared Garcia, Ellen Middaugh, Hector Perea, Joseph Sandoval-Rios, Sameer Saran, Denice Serna
Non-Voting Member Present: Cathy Busalacchi
Voting Members Absent: Eve Allums, Rose Lee, Emily Wughalter
Guests: Amy Guerra-Smith, Terry Gregory, Kristin Kelly, Kim Hagens, Cedric Woolfork

1. CALL TO ORDER

Sameer Saran called the **May 16, 2017 Student Union Board of Directors meeting to order at 4:04 pm** in Meeting Room 5.

2. ROLL CALL

Sameer Saran asked Amy Guerra-Smith to do a roll call. Amy Guerra-Smith noted that she did a **visual roll call**.

3. APPROVAL OF MEETING AGENDA FOR MAY 16, 2017

Sameer Saran asked for any changes to the **MAY 16, 2017 STUDENT UNION BOARD OF DIRECTORS MEETING AGENDA**. Cathy Busalacchi requested to add an information item, Personnel Changes, during the closed session. Hector Perea requested to correct action item A. 3d. to read “Approval of Return of Local Reserves for FY 2017-18 Capital Projects” Sameer Saran asked for a motion to approve the MAY 16, 2017 STUDENT UNION BOARD OF DIRECTORS MEETING AGENDA with the requested changes.

Hector Perea moved to approve the MAY 16, 2017 STUDENT UNION BOARD OF DIRECTORS MEETING AGENDA with the requested changes.

Joseph Sandoval-Rios seconded the motion.

VOTE ON THE MOTION: 7-0-0 MOTION PASSED.

4. APPROVAL OF APRIL 18, 2017 MEETING MINUTES

Sameer Saran asked for any changes needed to the **APRIL 18, 2017 STUDENT UNION BOARD OF DIRECTORS MEETING MINUTES**. Seeing no changes needed, Sameer Saran asked for any objections to approve the APRIL 18, 2017 STUDENT UNION BOARD OF DIRECTORS MEETING MINUTES as presented. Seeing no objections, Sameer Saran noted that the **APRIL 18, 2017 STUDENT UNION BOARD OF DIRECTORS MEETING MINUTES as presented by unanimous consensus.**

5. PUBLIC FORUM

No one present for public forum.

6. EXECUTIVE DIRECTOR'S REPORT

Charlie Faas arrived.

Cathy Busalacchi gave the Board Members an update on several items that are happening this summer. Ms. Busalacchi noted that Salas O'Brien has submitted a pre-bid of \$402,000 to complete work relating to HVAC issues for Spartan Shops areas in Subway, Starbucks, warming kitchen, and various offices. The Student Union was informed that an awning cannot be put in front of Subway unless a sprinkler system is installed. The Student Union is looking into another mechanical awning system. The Student Union is working with campus to issue a "proceed to work" for Salas O'Brien engineering for the various work needed for the HVAC issues for Spartan Shops areas in Subway, Starbucks, warming kitchen, and various offices. The Student Union is working with Thyse Design to update the wayfinding signage to be the correct height. New signage with backlighting is installed on the south main building and east wing.

Cathy Busalacchi noted that the Bowling Center is currently installing electrical rough-ins and runways in order to begin pulling electrical for the project. Ms. Busalacchi also noted that the Spartan Recreation Center construction site has steel being delivered so the campus should be seeing steel structure begin to form soon. Ms. Busalacchi noted that CIES space is coming along and that Thyse Design has installed some of the graphics for the CIES project. The Student Union is working on the fire alarm programming and a walk through with the fire marshal needs to happen.

Ms. Busalacchi noted that the Student Union has completed three successful searches. Cedric Woolfork is the new Associate Director for Accounting and Finance. The new Accounts Payable position will start on May 17, 2017 and the new Student Union Night Manager will be on June 1, 2017.

Ms. Busalacchi noted that the Student Union will host an all-staff retreat centered on the Student Success Initiatives 2025 on August 22, 2017.

Ms. Busalacchi informed the Board Members that she has been in discussion with the Vice President for Student Affairs, Reggie Blaylock, and the Associate Vice President for Campus Life, Sonja Daniels, regarding the Operating Agreement between the Student Union and the Trustees which expires on June 30, 2017. Ms. Busalacchi noted that this lease needs to include intramurals and all of campus recreation. Reinstitution of subleases with all departments using space within the Student Union. Evaluation of the rent for Spartan Shops in the Student Union building. Ms. Busalacchi also noted that a year ago the Student Union committed to contribute \$2.5 million toward the South Campus Track and Field project with the condition that the Club Sports program and intramurals would be able to the field for all their practices and competitions as agreed upon by a schedule. This year a conversation took place with the AD of Athletics and the Student Union Executive Director that the Student Union is willing to put up \$5 million dollars now, (\$2.5 million dollars for the Student Union's contribution and the \$2.5 million dollars loan to Athletics) in order for construction to begin. A meeting to discuss this further is taking place on May 26, 2017.

Ms. Busalacchi also noted that a meeting regarding potential prospects for the naming of the Spartan Recreation and Aquatic Center is planned to happen on May 26, 2017.

Ms. Busalacchi noted that there is currently a discussion regarding the cost for the renovation of the current CIES space. Ms. Busalacchi noted that in 2007 the IES space was part of the initial construction cost of the Student Union project. The project paid for the infrastructure, data, lighting. Ms. Busalacchi noted what was not included was carpet, and the actual build out of walls for offices on level one. When Spartan Bookstore moved in temporarily, the

Student Union project paid for the changes that were needed for the bookstore. There is now discussion of who should pay for the renovation of this space, though PAF was signed stating CIES would pay for the renovation because the design has changed due to the increase in staff going into the space and costs have gone up due to the time delay.

7. AGENDA ITEMS

A. Finance Committee

1. Tax Form 990 Filing for YE June 30, 2016

Denice Serna noted that the Student Union electronically filed the Tax Form 990 on May 15, 2017. Ms. Kelly added that Amy Guerra-Smith emailed the Board Members the tax form as well as the password to access the Tax Form 990.

2. Presentation and Approval of Direct Overhead Cost Recovery for Events in the Student Union

Denice Serna noted that the Finance Committee members were presented with the direct overhead cost recovery for events in the Student Union sheet. Ms. Busalacchi explained how the Student Union has not increased the direct overhead charges since opening and operating the new building. Ms. Busalacchi indicated that now that the Student Union building has been operating for over a year, Student Union management can now calculate, more accurately, the direct overhead costs. Ms. Busalacchi noted that the direct overhead costs are calculated for the square footage the Student Union oversees directly. Ms. Busalacchi went on to explain that with the Student Union is asking to increase the direct overhead cost charges to: \$80 per hour for the Ballroom, \$56 per hour for Ballroom AB or BC operations, \$36 per hour for Ballroom B Operations, \$22 per hour for Ballroom A or C operations, and \$37 per hour for the Student Union Theater operations.

Sameer Saran asked for a motion to approve the Direct Overhead Costs for Events in the Student Union as presented.

Ellen Middaugh moved to approve the Direct Overhead Costs for Events in the Student Union as presented.

Jared Garcia seconded the motion.

VOTE ON THE MOTION:

8-0-0

MOTION PASSED.

3. Presentation and Approval of Final Budget Proposal for FY 2017-18

a. Approval of Revenues & Expenses for FY 2017-18

Cathy Busalacchi explained the line items that affected the slight changes in the 2017-2018 FY Final Budget noting that because the Student Union is requesting less in Student Fees due to the negative Net Income for YE 2016 as well as the Student Union not asking for Student Fees for Special Projects for FY 2017-18. There is less revenue due to the AS Print Shop merging with the AS Technology Center. The Student Union anticipates rent from CIES. Ms. Busalacchi noted that there is a potential of rent increase to be negotiated with Spartan Shops. IRA Fees for Campus Recreation have been deposited into a separate checking account. Ms. Busalacchi noted that expenses have increased due to budgeted full-time positions not filled until third or fourth quarter. Also affecting the expenses was the seating and branding projects not capitalized as of March 31, 2017 and lastly the OPEB Valuation came in higher than

budgeted. Ms. Busalacchi noted that the Student Union is requesting the approval of \$11,390,887 in Revenues and \$11,390,887 in Expenses for FY 2017-18.

Sameer Saran asked for a motion to approve \$11,390,887 in Revenues and \$11,390,887 in Expenses for FY 2017-18 as presented.

Ellen Middaugh moved to approve \$11,390,887 in Revenues and \$11,390,887 in Expenses for FY 2017-18 as presented.

Hector Perea seconded the motion.

VOTE ON THE MOTION: 8-0-0 MOTION PASSED.

b. Approval of the Capital Projects Proposed for FY 2017-18

Ms. Busalacchi noted that the Proposed Capital Projects for FY 2017-18 remains unchanged from initial presentation. The Student Union is requesting the Board approve the Capital Projects Proposed for FY 2017-18.

Sameer Saran asked for a motion to approve the Capital Projects Proposed for FY 2017-18 as presented.

Sonja Daniels moved to approve the Capital Projects Proposed for FY 2017-18 as presented.

Joseph Sandoval-Rios seconded the motion.

VOTE ON THE MOTION: 8-0-0 MOTION PASSED.

c. Approval of the Return of Student Fees for FY 2017-18 Operations totaling \$7,774,169

Sameer Saran asked for a motion to approve the Return of Student Fees for FY 2017-18 Operations totaling \$7,774,169 as presented.

Joseph Sandoval-Rios moved to approve the Return of Student Fees for FY 2017-18 Operations totaling \$7,774,169 as presented.

Hector Perea seconded the motion.

VOTE ON THE MOTION: 8-0-0 MOTION PASSED.

d. Approval of Return of Local Reserves for FY 2017-18 Capital Projects

Cathy Busalacchi explained that the total expense for the Capital Projects for FY 2017-2018 is \$455,170 which will be paid from Local Reserves.

Sameer Saran asked for a motion to approve the return of Local Reserves in the amount of \$455,170 for FY 2017-2018 Capital Projects as presented.

Hector Perea moved to approve the Return of Local Reserves in the amount of \$455,170 for FY 2017-18 Capital Projects as presented.

Jared Garcia seconded the motion.

VOTE ON THE MOTION: 8-0-0 MOTION PASSED.

B. Audit Committee

1. Approval of Audit Committee Chair and Vice Chair Recommendation

Sameer Saran noted that the Audit Committee recommends the Board approve the recommendation of Sameer Saran as the Audit Committee Chair and Ninh Pham-Hi as Audit Committee Vice-Chair.

Hector Perea moved to approve the recommendation of Sameer Saran as the Audit Committee Chair and Ninh Pham-Hi as Audit Committee Vice-Chair as presented.

Jared Garcia seconded the motion.

VOTE ON THE MOTION: 8-0-0 MOTION PASSED.

2. Approval and Review of RSM US LLP Engagement Letter for FY 2016-17 Financial Audit

Sameer Saran informed the Board members that the Audit Committee met with the Auditors who presented the Audit committee with an engagement letter to conduct the Financial Audit for 2016-2017. Mr. Saran noted that the cost to conduct the audit is \$46,000 which is up slightly from the previous year. Sameer Saran asked for a motion to approve the RSM US LLP Engagement Letter for FY 2016-17 Financial Audit as presented.

Denice Serna moved to approve the RSM US LLP Engagement Letter for FY 2016-17 Financial Audit as presented.

Hector Perea seconded the motion.

VOTE ON THE MOTION: 8-0-0 MOTION PASSED.

C. Personnel Committee

1. Approval of Personnel Committee Chair and Vice Chair Recommendation

Sameer Saran noted that the Personnel Committee met and recommend the Board approve the recommendation of Joseph Sandoval-Rios as Chair and Ellen Middaugh as Vice-Chair for the remained of 2016-2017 Academic Year as well as for the 2017-2018 Academic Year.

Denice Serna moved to approve the recommendation of Joseph Sandoval-Rios as Chair and Ellen Middaugh as Vice-Chair for the remained of 2016-2017 Academic Year as well as for the 2017-2018 Academic Year as presented.

Hector Perea seconded the motion.

VOTE ON THE MOTION: 8-0-0 MOTION PASSED.

2. Approval of Dental Benefits for Retirees

Cathy Busalacchi noted that this was presented to the Board members back in Fall 2016. Ms. Busalacchi noted that dental insurance is included in the University's retirement plan but not for the Student Union. Cathy Busalacchi noted that the cost is minimal cost to the Student Union budget at \$5,500 per year. Cathy Busalacchi indicated that this has already been included in the budget. Sameer Saran asked for a motion to approve the Dental Insurance for Retirees.

Denice Serna moved to approve the Dental Insurance for Retirees as presented.

Sonja Daniels seconded the motion.

VOTE ON THE MOTION: 8-0-0 MOTION PASSED.

3. Approval of Updates to the Personnel Manual

Cathy Busalacchi informed the Board Members that the Student Union has updated the Full-Time Staff Personnel Manual. Ms. Busalacchi noted that the changes have been reviewed and approved by the Student Union's legal representation. Ms.

Busalacchi noted that the changes are updates to the following sections: Equal Employment Opportunity policy, the Harassment Policy, as well as the Whistleblower policy. Sameer Saran asked for a motion to approve the Changes to the Personnel Manual as presented.

Ellen Middaugh moved to approve the updates to the personnel manual as presented.

Joseph Sandoval-Rios seconded the motion.

VOTE ON THE MOTION: 8-0-0 MOTION PASSED.

Sameer Saran asked for a motion to move the meeting into Closed Session

Ellen Middaugh moved to approve to the meeting into closed session.

Joseph Sandoval-Rios seconded the motion.

VOTE ON THE MOTION: 8-0-0 MOTION PASSED.

8. CLOSED SESSION ACTION ITEMS

A. Personnel Committee

1. Personnel Changes (Closed Session)

Sameer Saran reported to Amy Guerra-Smith that Cathy Busalacchi informed the Board Members of some personnel changes.

2. Presentation and Approval of the Executive Director's Annual Performance Review (Closed Session)

Sameer Saran reported to Amy Guerra-Smith that during Closed Session Board Members were presented with the Executive Director's Annual Performance Evaluation. Sameer Saran noted that he asked for any changes needed to the Executive Director's Annual Performance Evaluation. Sameer Saran noted that he asked for a motion to approve the Annual Performance Review for the Executive Director as presented.

Denice Serna moved to approve the Executive Director's Annual Performance Evaluation as presented.

Jared Garcia seconded the motion.

VOTE ON THE MOTION: 8-0-0 MOTION PASSED.

Sameer Saran asked for a motion to approve to move the meeting to regular session.

Ellen Middaugh moved to approve to move the meeting to regular session.

Joseph Sandoval-Rios seconded the motion.

VOTE ON THE MOTION: 8-0-0 MOTION PASSED.

9. MEETING ADJOURNMENT

Sameer Saran asked for any other business to discuss. Seeing no other business to discuss, Sameer Saran noted that the **May 16, 2017 Student Union Board of Directors Meeting was adjourned at 4:51pm by unanimous consensus.**