

Student Union, Inc. of SJSU Board of Directors Meeting Minutes

For the Meeting of: May 7, 2019 at 4:20pm
Student Union Meeting Room 5

Voting Members Present: Zachary Birrer, Sonja Daniels, Charlie Faas, Rose Lee, Ariadna Manzo, Ellen Middaugh, Joseph Sandoval-Rios, Emily Wughalter

Voting Members Absent: Katrina Festejo, Jeanne Trang

Non-Voting Member Present: Cathy Busalacchi

Guests Present: Terry Gregory, Kim Hagens, Amy Guerra-Smith

1. CALL TO ORDER

Joseph Sandoval-Rios called the May 7, 2019 Student Union Board of Directors Meeting to order at 4:23pm in Student Union Meeting Room 5.

2. ROLL CALL

Joseph Sandoval-Rios asked Amy Guerra-Smith to do a roll call. Amy Guerra-Smith noted that she completed a visual roll call.

3. APPROVAL OF MEETING AGENDA FOR MAY 7, 2019

Joseph Sandoval-Rios asked for any changes to the MAY 7, 2019 BOARD OF DIRECTORS MEETING AGENDA. Ms. Lee requested to add an update on the Student Union Executive Director Search.

Mr. Sandoval-Rios asked for a motion to approve the agenda with the requested changes.

Rose Lee moved to approve the May 7, 2019 Board of Directors Meeting Agenda with the requested changes.

Charlie Faas seconded the motion.

VOTE ON THE MOTION:

8-0-0

MOTION PASSED.

4. APPROVAL OF MARCH 19, 2019 MEETING MINUTES

Joseph Sandoval-Rios asked for any changes to the MARCH 19, 2019 BOARD OF DIRECTORS MEETING MINUTES. Seeing no changes needed, Mr. Sandoval-Rios asked for any objections to approve the meeting minutes as presented. Seeing no objections, Joseph Sandoval-Rios noted that the **March 19, 2019 Board of Directors Meeting Minutes were approved as presented by unanimous consensus.**

5. PUBLIC FORUM

No one was present for public forum.

6. EXECUTIVE DIRECTOR'S REPORT

Cathy Busalacchi informed the members of the Board of various highlights from the different departments within the Student Union noting that the Spartan Recreation and Aquatic Center (SRAC) is open and as of this date, there have been over 300 memberships sold, mostly to faculty and staff and a few community memberships. Ms. Busalacchi noted that the SRAC staff continue to navigate new construction issues like the pool chemical monitoring program malfunctioning, the mondo flooring discoloring issue, and the climbing wall installation to name a few. Ms. Busalacchi also discuss the plan to start renovations in the former Sport Club space, now being referred to as the SRAC Annex. Cathy also noted that the Student Union is close to receiving a letter of intent for the naming of the Event Center Arena from the company. The Student Union hopes the packet of required information will be ready for the Trustee meeting in July.

Cathy also noted that the Student Union has completed and disbursed all the necessary lease and sub-lease agreements but as of this day, there is no word on the status of said agreements. Ms. Busalacchi noted that this was a finding against the Student Union from the CSU Audit.

7. AGENDA ITEMS

1. Update on Investment Portfolio & Market Outlook Presentation

Cathy Busalacchi informed the Board that Larry Van Steenhuyse from UBS attended the Finance Meeting in April and presented the Finance committee with the investment portfolio as well as an outlook on the market.

2. Tax Form 990 Filing for YE June 30, 2019

Kim Hagens informed the members of the Board of Directors that the Student Union is getting the Tax Form 990 ready to file and that when the form is ready for the members of the Board to view the form Amy will send it out along with the necessary password to access the form.

3. Approval of Proposed Reserve Policies

Cathy Busalacchi presented the Board of Directors with the proposed reserve policy noting that the Finance Committee was presented the policy last week. Ms. Busalacchi is asking the Board to approve the Reserve Policy presented. Ms. Busalacchi noted that the absence of a reserve policy was a finding against the Student Union from the CSU Audit.

Mr. Faas indicated that the language of the policy should be adjusted to reflect that the Student Union recommends or desires however, Mr. Faas noted that the Student Union does not get to dictate what the University does with the University reserves. Ms. Busalacchi noted that she agrees that the policy could be adjusted to read "approved by the Student Union Board of Directors with the recommendation to the University". The Board of Directors held a lengthy conversation about the purpose of reserves and the use of student fees versus state appropriated money. Ms. Lee also indicated that the Student Union buildings and buildings funded by student fees are not covered by the state appropriation for maintenance because it is presumed that the buildings are covered by fees. Ms. Busalacchi also added that this is why the implementation of a reserve policy is critical.

Joseph Sandoval-Rios asked for a motion to approve the Proposed Reserve Policies.

Ariadna Manzo moved to approve the Proposed Reserve Policy as presented.

Zachary Birrer seconded the motion.

VOTE ON THE MOTION: 7-0-1 MOTION PASSED.

4. Approval of Final Budget for FY 2019-2020

a. Approval of Revenues & Expenses for FY 2019-2020

b. Approval of the Return of Student Fees to Support Operations for FY 2019-2020

c. Approval of the Capital Projects for FY 2019-2020 from Local Reserves

Cathy Busalacchi presented the Board of Directors with the final proposed budget noting that the budget has been presented to the Finance Committee twice. Ms. Busalacchi asked if there were any questions regarding the budget. Seeing no question, Ms. Busalacchi noted that the Student Union requests the Board take separate action on the three items listed.

Joseph Sandoval-Rios asked for a motion to approve \$16,296,255 in Revenues and Expenses for FY 2019-2020 as presented.

Emily Wughalter moved to approve \$16,296,255 in Revenues and Expenses for FY 2019-2020 as presented.

Sonja Daniels seconded the motion.

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

Joseph Sandoval-Rios asked for a motion to approve the Return of Student Fees of \$11,564,085 to Support Operations for FY 2019-2020 as presented.

Rose Lee moved to approve the Return of Student Fees of \$11,564,085 to Support Operations for FY 2019-2020 as presented.

Emily Wughalter seconded the motion.

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

Joseph Sandoval-Rios asked for a motion to approve the special projects for 2019-2020 and the request of \$290,491 from Local Reserves for these projects as presented.

Ariadna Manzo moved to approve the special projects for 2019-2020 and the request of \$290,491 from Local Reserves for these projects as presented.

Zachary Birrer seconded the motion.

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

5. Approval of RSM US LLP Fees for FY 2018-2019 Financial Audit

Rose Lee informed the members of the Board that the Audit Committee met with the Auditors who presented the committee members with the engagement letter for the FY 2018-2019 Financial Audit which included the fees of \$50,000. Ms. Lee noted that the Audit Committee is recommending the Board approve the RSM US LLP Fees of \$50,000 for the FY 2018-2019 Financial Audit as presented.

Joseph Sandoval-Rios asked for the motion to approve the Audit Committee recommendation to approve the RSM US LLP Fees of \$50,000 for the FY 2018-2019 Financial Audit as presented.

Emily Wughalter moved to approve the Audit Committee recommendation to approve the RSM US LLP Fees of \$50,000 for the FY 2018-2019 Financial Audit as presented.

Ellen Middaugh seconded the motion.

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

6. Approval of Required Restatement of Student Union, Inc. 403(b) Plan

Cathy Busalacchi noted that the Student Union was notified that the Student Union asks the Board of Directors approve the restatement of the Student Union, Inc. 403(b) Plan. This will not change the plan in any way, but rather a formality.

Joseph Sandoval-Rios asked for a motion to approve the required restatement of the Student Union, Inc. 403(b) Plan.

Emily Wughalter moved to approve the required restatement of the Student Union, Inc. 403(b) Plan as presented.

Ellen Middaugh seconded the motion.

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

7. Approval of Student-at-Large Recommendation(s)

Joseph Sandoval-Rios notified the Board of Directors that the Personnel Committee met and interviewed a student for the student-at-large position. Mr. Sandoval-Rios noted that the Personnel Committee recommends the Board of Director approve Ms. Cynthia Fernandez-Rios.

Joseph Sandoval-Rios asked for a motion to approve the Personnel Committee recommendation of Cynthia Fernandez-Rios as a student-at-large representative of the Student Union Board of Directors.

Emily Wughalter moved to approve the Personnel Committee recommendation of Cynthia Fernandez-Rios as a student-at-large representative of the Student Union Board of Directors as presented.

Rose Lee seconded the motion.

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

8. Update on Student Union Executive Director Search

Emily Wughalter informed the board of Directors that the Search Committee was presented with eight candidates for the Student Union Executive Director position. After conducting phone interviews, the committee agreed that there was only one viable candidate. Ms. Wughalter noted that because of this reason, the search will be paused to allow for additional candidates.

8. MEETING ADJOURNMENT

Joseph Sandoval-Rios asked for any other business to discuss. Seeing no other business to discuss, Mr.

Sandoval-Rios noted that the **May 7, 2019 Student Union Board of Directors Meeting was adjourned at 5:15 pm by unanimous consensus.**