



**STUDENT UNION BOARD OF DIRECTORS
SPECIAL MEETING**

**Meeting Minutes
December 14, 2021
4:30 PM - 5:00 pm**

**This is a hybrid meeting.
In-person: Student Union Inc. Building, Conference Room 6**

Telecommute meeting by Zoom Video Conference.
This meeting was facilitated in person and through an online Zoom format.

Voting Members Present: Isaiah Andrews, Kathryn Blackmer Reyes, Hoon Cho, Charlie Faas, James Figueroa, Peter Lee, Aarushi Sharma, Soumya Trivedi
Voting Members Absent: Dr. Sonja G. Daniels, Anoop Kaur, Joshua Reyes
Non-Voting Member Present: Tamsen Burke
Guests Present: Traci Ferdolage

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Tamsen Burke 2/18/2022
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I. CALL TO ORDER

Director Andrews called the meeting to order at 4:34 p.m.

II. ROLL CALL

Director Andrews asked Kelly Goldsmith to take the roll. Kelly Goldsmith completed a verbal roll call.

III. APPROVAL OF DECEMBER 14, 2021 AGENDA

Director Andrews asked for a motion to approve the agenda.

Director Cho motioned to approve the agenda; Director Trivedi seconded the motion.

Vote on the Motion: 8-0-0 Motion Passed

IV. DISCUSSION/ACTION ITEM

A. Approve \$2.4M Funding from SU, Inc Reserves for Operating Expenses 2021/2022*

Ms. Burke reviewed the Cash Flow Analysis document which was also presented to the Finance Committee. She explained that the long term reserves currently have a balance of \$7.6 million dollars. Based on the memorandum received from the University President, the threshold for our reserves will be \$5.25 million dollars. She asked the Board to approve \$2.4 million dollars from the long term reserves for the January expenses and partial expenses in February, pending approval of the Operation Agreement.

Ms. Burke explained that the January forecast included the intake of the \$2.4 million dollars and some additional income. Income is contingent on the facilities being open for service. We anticipate the Student Union buildings will be open for services January 2. Payroll and benefits will go up due to the increase in minimum wage and a 1.5% increase in benefits from the previously budgeted amount. There are positions that are still open that are currently being recruited, in committee review, and several position offers being extended with projected start dates by February 2. She anticipates similar patterns of operating expenses but is waiting on the Operating Agreement for a clear understanding

of responsibility. The University sent out their cost allocation memorandum two weeks ago. We are waiting on quarter 1 and quarter 2 cost allocation billing. She briefly reviewed the February and March forecast and stated that she is hopeful that the Special Committee for the Operating Agreement, the University, and the Board, will come to a resolution on the Operating Agreement but requested to use \$1 million dollars from student fees to supplement February and the same request for March.

The Board discussed the possibility of needing \$1 million dollars in February if the Operating Agreement is not signed and the Reserve Policy limits. Director Faas stated that the Reserve Policy will need to be revised after the Operating Agreement has been signed and that the Board does have some flexibility with the policy now. Ms. Burke stated that the Board needs to determine if they are willing to be below the threshold that has been established and below the Reserve Policy.

Ms. Burke reiterated that if the Student Union has to spend funds from the reserves that bring the reserves below \$5.25 million dollars, the University will replenish the SU, Inc. reserves back up to \$5.25 million. This was stated at the Finance Committee meeting. Mr. Faas clarified that this would happen after the Operating Agreement was signed.

Ms. Burke explained that the Board will need to review the Operating Agreement before they give her authority to sign the agreement. Director Andrews stated that all the Board Members need to review the proposed Operating Agreement. Director Blackmer Reyes encouraged the Board to also review the proposal and to provide recommendations and comments to Director Andrews in January rather than accepting the proposed agreement as given.

Director Andrews asked for a motion to approve \$2.4 million funding from SU, Inc reserves for operating expenses 2021/2022 that was recommended for approval by the Finance Committee.

Director Cho motioned to approve; Director Trivedi seconded the motion.

Vote on the Motion: 8-0-0 Motion Passed

Director Blackmer Reyes motioned to approve using \$1 million dollars from the reserves for the February 2022 budget contingent on the approval of the Operating Agreement.

Director Blackmer Reyes motioned to approve; Director Andrews seconded the motion.

Vote on the Motion: 8-0-0 Motion Passed

V. MEETING ADJOURNMENT

Director Andrews asked for a motion to adjourn the meeting.

Director Faas motioned to adjourn the meeting; Director Blackmer Reyes seconded the motion.

Vote on the Motion: 8-0-0 Motion Passed

Meeting adjourned at 4:58 p.m.

**The Student Union will be required to utilize its reserves to meet 2021/22 operational needs until it reaches the reserve threshold (\$5.25M). Broken down into \$4.5M in reserves for operating expenses (3 months of the approximately \$15M operating budget), plus \$750K for furniture & fixtures needs). In future years, a similar approach will ensue with any excess reserves first utilized prior to requesting budget funding from the SJSU Student Fee Trust Account.*