

**BYLAWS  
OF THE  
HUMBOLDT STATE UNIVERSITY CENTER  
BOARD OF DIRECTORS**

**ARTICLE I**  
Purpose and Powers

- Section 1. The corporate powers of the Humboldt State University Center shall be vested in the *Humboldt State University Center, Board of Directors*.
- Section 2. The purpose of the *Humboldt State University Center, Board of Directors* is to provide students of Humboldt State University with services, conveniences, and amenities requisite to the daily life of the campus. These services, conveniences, and amenities will also be provided to the campus consisting of faculty, administrators, staff and alumni, guests of the student body or campus community, as well as the general public, as long as such provisions will result in direct or indirect benefits to the students of Humboldt State University. Should conflicts arise between the aforementioned service groups, priority shall be given to students, campus community members, and the general public in descending order.
- Opportunities to experience and grow in areas outside of the academic classroom are provided through organized recreational, cultural, and educational offerings; the bookstore, dining services, and other support operations and facilities. The overall purpose of the *Humboldt State University Center, Board of Directors* is the development of persons as well as intellects.
- Section 3. The Board shall formulate and administer the policies for the development, financing, and operation of the University Center subject to the final approval of the University President.
- Section 4. It shall further be the purpose of the Board that the net earnings will be used for the benefit of the students of Humboldt State University, and that no part of the net earnings will inure to the benefit of any private individual.

**ARTICLE II**  
Membership

- Section 1. Membership on the Board shall be as follows:
- A. Three (3) ex-officio members consisting of the Associated

- Students President or designee; the Residence Hall Association President or designee, and one student appointed from the membership of the Student Union Committee\*.
- B. One (1) faculty member shall be nominated by the University Senate Appointments and Elections Committee and shall be seated on the Board by a simple majority vote.
  - C. The Humboldt State University Controller.
  - D. One (1) community member, currently not employed by Humboldt State University, shall be nominated by the Humboldt State University President and shall be seated on the Board by a simple majority vote.
- Section 2. The term of office of the faculty, and community members shall be for two (2) full years with reappointment upon recommendation of the body (University Senate Appointments and Elections Committee, or University President) that nominated the member, with approval by the Board.
- Section 4. In the event that a non-student or ex-officio student vacancy occurs before a term of office expires, the body (University Senate Appointments and Elections Committee, Associated Students Board of Directors, Residence Hall Association, Student Union Committee\*, or University President) that nominated the member whose vacancy is to be filled shall nominate a person to complete the term.
- Section 5. The replacement members filling vacancies that occur during the academic year shall be seated as soon as possible.
- Section 6. At the first meeting of Spring semester (February), the Chair of the Board shall request the names of Board members who will not be returning to the Board for the next academic year.
- Section 7. No member or members shall have the power to designate a proxy.
- Section 8. The Executive Director of the University Center shall serve as the Board advisor.

### **ARTICLE III**

#### **Officers**

- Section 1. The officers of the Board shall be a Chair, Vice Chair, and a Secretary/Treasurer. The HSU Controller shall serve as Secretary/Treasurer. The term of office shall be one (1) year. The Board Chair and Vice Chair shall be elected by the Board at the September Board meeting of the

academic year following the seating of all new Board members.

- Section 2. The Chair shall preside at meetings, provide notification of meetings, and carry out other duties assigned by the Bylaws or by action of the Board.
- Section 3. The Vice Chair shall be responsible for assuming the above duties in the temporary absence of the Chair.
- Section 4. In the event that a Chair or Vice Chair vacancy occurs before a term of office expires, the Board shall hold a special election at the next regularly scheduled meeting to fill the vacancy. The successor shall serve the un-expired portion of the term of office.
- Section 5. Election of officers shall take place during the annual meeting of the Board in September, following the seating of new members. Those elected shall assume office at the meeting of which they are elected. Nominations may also be made from the floor and voting shall be by secret ballot. A simple majority of the votes cast shall determine election. (There shall be a run-off election if neither of the two candidates receiving the most votes has a clear majority.)
- Section 6. The Chair and Vice Chair shall be student members of the Board.

#### **ARTICLE IV**

##### Resignation and Removal

- Section 1. Any member of the Board may resign from the Board at any time by giving written notice to the Chair or Executive Director of the corporation. The acceptance of such resignation shall not be necessary to make it effective. The written notice of resignation is effective upon receipt, unless the notice specifies a later effective date.
- Section 2. Members of the Board may be removed for non-performance of duty by a majority vote of the membership of the Board of Directors, provided the grievance against such member be given in writing to each member at least one meeting prior to the vote.
- Section 3. A Board member is allowed one (1) unexcused absence per semester. It is the Board members' responsibility to notify the Board Chair or the UC Administrative Coordinator of the absence prior to the meeting. It is the responsibility of the Board Chair to notify the Board if a member exceeds their number of unexcused absences.

## **ARTICLE V** Meetings

- Section 1.       Calendar of Meetings
- A.   The Executive Director shall submit to the Board a tentative meeting schedule for the academic year no later than the May Board meeting. Approval must occur no later than the September Board meeting. Meeting dates and times will be as consistent as possible.
- Section 2.       A simple majority of the total membership shall constitute a quorum. Action not otherwise provided for shall be accomplished by a simple majority vote of the quorum.
- Section 3.       Any member may participate and vote through the use of conference telephone, electronic video screen communication or electronic transmission provided: all members participating in the meeting are able to hear one another; members can communicate concurrently with one another; and members are meant to participate in all matters before the Board.
- Section 4       Notice of meetings
- A.   Written notice of every Board meeting shall be given to each member of said body at least seven (7) days before each meeting and posted in a prominent, public location. Notice may be delivered personally, by mail or by e-mail to the last known physical or e-mail address of the addressee, and if mailed or e-mailed, is complete upon being sent. Written notice of any meeting shall also be given pursuant to this subsection to any person who requests such notice in writing.
- B.   An agenda listing the matters to be considered at each meeting shall be included in the notice for the meeting.
- Section 5.       Special meetings may be called at the initiative of the Chair or upon the signed request of four (4) members of the Board. The written notice of the special meeting must contain the time, place, and reason for the meeting, and must be posted in a prominent location at least seven (7) days prior to the meeting. No other business may be considered at these meetings.
- Section 6.       The Chair may call an emergency meeting of the Board with 24 hours public notice. An emergency condition, for the purposes of this section, is any condition that if not addressed by the Board, in the Chair's opinion, may result in detriment to the Humboldt State University

Center, Board of Directors.

- Section 7. If at least five (5) Board members are available to meet during the summer, they shall act for the Board during the summer, and shall report to the Board at the next scheduled Board meeting. Notice of the time and location for summer Board meetings shall follow the guidelines established in Article V, Section 3A, Board Bylaws.
- Section 8. All meetings of the Board shall be open and public, and all persons shall be permitted to attend any meetings of the Board; provided, however, that the Board may hold closed sessions during any meeting to consider those matters that may lawfully be considered in such sessions under Article 2 (commencing with § 89920) of Chapter 7 of Part 55 of the Education Code.
- Section 9. In matters for which no Bylaws provision exist, the parliamentary code for the Board shall be Robert's Rules of Order, most current edition.
- Section 10. No final action may be taken on any issue or item at a meeting of the Board or one of its committees without the issue or item being publicly posted for at least one week, unless otherwise permitted by California statute and these Bylaws (California Education Code § 89924).
- Section 11. All new Board members must be advised of all current meeting laws applicable to the Board by the Executive Director during the Board Orientation Meeting.

## ARTICLE VI Finances

- Section 1. The Board shall make provisions and establish policies necessary to ensure that the Humboldt State University Center is operated on a sound financial basis.
- Section 2. The Board shall develop and approve long-range financial plans and the operating budget for each fiscal year in cooperation with those responsible for the daily operation of the Humboldt State University Center.
- Any consideration of an adjustment in the mandatory University Center student body fee shall follow CSU and HSU campus policy and procedures.
- Section 3. The Board shall review and approve the semi-annual financial statements. All financial records shall be audited on an annual basis, and an annual financial report shall be available for Board members within

ninety (90) days after the conclusion of each fiscal year.

## **ARTICLE VII**

### Humboldt State University Center Executive Director

Section 1. The Executive Director is a CSU employee whose employment is controlled by CSU pursuant to the Management Personnel Plan ("MPP") and other applicable law. The Executive Director is an Officer of the corporation and shall be the corporation's General Manager and Chief Executive Officer responsible for managing, directing, and supervising the day-to-day operations of the corporation and, is vested with the authority to enter into agreements on behalf of the corporation in their capacity as Executive Director. The Executive Director is required and has the right to attend every Board meeting, unless specifically excused by the Board. CSU shall evaluate and determine the compensation and working conditions of the Executive Director in accordance with the MPP and other applicable law. In the event that a new Executive Director is to be employed, the UC Board shall be able to provide input and participate in the hiring process conducted by CSU.

## **ARTICLE VIII**

### Committee

Section 1. Standing Committee of the Board:

A. Audit Committee

1. The purpose shall be to report to the Board concerning:

a. Audit matters

- 1) Recommendations on the engagement (or disengagement) of independent auditing firms;
- 2) Consultation with auditor to satisfy committee members that the organization's financial affairs are in order;
- 3) Review of the annual independent audit report, and any other financial audits of the University Center;
- 4) Whether the audit(s) should be accepted;
- 5) Approving the performance of any non-audit service provided by the auditing firm.

2. The composition shall be the Chair of the Board of Directors; the Vice Chair of the Board of Directors; the Secretary/Treasurer of the Board of Directors; and one (1) faculty member. The Executive Director shall be a non-voting advisor of the Committee.
3. No member of the committee shall have a material financial interest in any entity doing business with the corporation.

Section 2. The Board may establish by resolution a committee or committees to perform operational functions as determined necessary by the Board. Such committee or committees, and each respective member, will serve at the pleasure of the Board. No committee will have less than two Board members.

Section 3. As determined necessary by a majority vote of the Board of Directors, and within the limits of the law, the Board may delegate its authority to a committee to act on the behalf of the Board, provided the committee's actions are within the scope and circumstance of its granted authority and the authority of the committee members.

Section 4. The Board of Directors will retain ultimate authority over all functions delegated to any of its committees.

## **ARTICLE IX**

### **Indemnification of the Directors of the Humboldt State University Center**

Section 1. The *Humboldt State University Center, Board of Directors* will defend any member who is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the corporation) by reason of the fact that such member is or was an agent of the corporation, and will indemnify any such member against expenses, judgment, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if such member acted in good faith and in a manner such member reasonably believed to be in the best interests of the corporation and, in the case of a criminal proceeding, if such member had no reasonable cause to believe was unlawful.

## **ARTICLE X**

### **Adoption and Amendment of Bylaws**

Section 1. The Bylaws become effective upon adoption by a majority of the membership of the Board of Directors.

Section 2. These Bylaws may be repealed, altered, or amended by written presentation at one regular meeting and voted approval at the next following regular meeting of the Board of Directors by a majority of the membership of the Board of Directors.

**ARTICLE XI**  
Dissolution

Section 1. Upon the winding up and dissolution of the corporation after paying or adequately providing for the debts, obligations, and liabilities of the corporation, all net assets, other than trust funds, shall be distributed to a successor approved by the President of Humboldt State University, and by the Chancellor of the California State University. Such successor shall have tax-exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States internal revenue law) and under Section 23701d of the California Revenue and Taxation Code, or the corresponding section of any future California revenue and tax law.

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Presented to the  
**HUMBOLDT STATE UNIVERSITY CENTER**  
**BOARD OF DIRECTORS**  
April 15, 2021

**HUMBOLDT STATE UNIVERSITY CENTER  
BUDGET DRAFT  
2021-2022**

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## MEMORANDUM

April 15, 2021

To: University Center Board of Directors

From: Wendy Sotomayor  
Interim Executive Director

RE: University Center 2021-22 Budget Draft

The 2021-22 University Center (UC) Budget draft consists of an Operating Budget composed of three columns: the 2020-21 Budget, projected 2020-21 Actuals, and proposed 2021-22 Budget. These comparisons have been provided to facilitate your evaluation of the changes and/or trends in individual budget line items.

Due to the termination of the Operating Agreement between California State University and Humboldt State University Center (2018-2028) on January 8, 2021, UC's operations into the future will be in a much different capacity. UC will no longer be providing commercial services to HSU Dining and will no longer receive student fee monies to operate student programming areas such as UC General Operations, CenterArts or Center Activities. UC will remain a good standing auxiliary within the CSU to continue to support long term pension and OPEB liabilities due former UC employees as well as to provide annual student support monies to HSU.

Significant areas of emphasis on the 2021-22 proposed budget include:

- The 2021-22 budget assumes the UC will invest \$7M in a long term investment by the end of current fiscal year 2020-21.
- The proposed budget assumes that the only revenue to be earned ongoing will be investment earnings, projected at 4.5% net of administrative fees of 1.5%, and LAIF interest, earning less than 1%.
- The proposed budget assumes that the UC will have a new Operating Agreement with CSU in effect July 1, 2021 and in exchange for the transfer of remaining UC capital assets, HSU will provide ongoing accounting, space, and IT services needed to maintain the business operations of the UC.
- The proposed operating budget does not include anticipated pension or OPEB related changes as a result of annual valuations performed by CalPERS and OPEB actuary studies.
- The UC intends to transfer monies to HSU Facilities Management to honor UC's commitment made in the 2020-21 budget to complete deferred maintenance projects including \$172,500 for refurbishing the service elevator in the UC Building and \$750,000 for the costs associated with the UC Building roof replacement. After that time, UC will not continue to fund any capital replacement projects.

To increase transparency of the University Center's financial picture, a schedule of reserves is also included with this budget package.

- Reserve Funds – This is a statement of cash flow within the four reserve fund categories which are: Working Capital, Current Operations reserves, Capital Replacement and Planned Future Operations. These funds are intended to cover cash flow, operational needs, and to finance new and/or planned initiatives. As UC is expected to no longer have any capital investments as of June 30, 2021, these monies set aside have been transferred to the Planned Future Operations Reserves. *The UC Board will need to review and update its Reserve Policy to reflect the change of UC operations into the future.*

The Finance Committee is charged with reviewing the complete budget draft and developing a recommendation for the Board at the May meeting. The University Center Board of Directors and HSU President, Tom Jackson, Jr., must both approve this budget document before it becomes our ratified 2021-2022 operating budget.

I want to emphasize that I value your input and involvement in developing the 2021-2022 budget. I am more than happy to assist you with any questions you may have and provide further analysis if needed. It is essential to address all of your questions and concerns before the Board approves the budget.

**HUMBOLDT STATE UNIVERSITY CENTER  
OPERATING BUDGET SUMMARY  
2021-22 FISCAL YEAR**

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**REVENUES**

Investment earnings	\$ 420,000
VEBA investment income	250,000
Interest revenue	<u>2,500</u>
<b>TOTAL REVENUES</b>	<b><u>672,500</u></b>

**EXPENSES**

Investment fees	105,000
Student support	50,000
Auxiliary enterprises:	
Pension costs	164,500
OPEB costs	250,000
Outside professional services (legal, audit & other)	28,000
Insurance	5,000
Bank services	2,000
Miscellaneous	2,500
Board of Directors	<u>500</u>
<b>TOTAL EXPENSES</b>	<b><u>607,500</u></b>

<b>INCREASE IN RESERVES</b>	<b><u><u>\$ 65,000</u></u></b>
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**HUMBOLDT STATE UNIVERSITY CENTER  
OPERATING BUDGET COMPARISON DETAIL  
2021-22 FISCAL YEAR**

	<b>BUDGET 2020-21</b>	<b>PROJECTED ACTUALS 2020-21</b>	<b>PROPOSED BUDGET 2021-22</b>
<b>REVENUES</b>			
Student Fees	\$ 840,000	\$ 406,158	\$ -
UC Fund Investment Earnings	-	-	420,000
VEBA Investment Earnings			250,000
Interest Revenue	200,000	67,060	2,500
Bookstore Commission	50,000	40,102	-
Bus., Admin. & IT Service Fee - NHRPD	71,870	47,920	-
HSU Dining Revenues, less cost of sales	1,800,500	1,173,345	-
Center Activities Program Revenue	66,750	10,947	-
Center Arts Program Revenue	-	3,702	-
Other & Miscellaneous	25,000	29,098	-
	<u>3,054,120</u>	<u>1,778,332</u>	<u>672,500</u>
<b>TOTAL REVENUES</b>			
<b>EXPENSES</b>			
<b>Personnel</b>			
Full-Time Wages	2,039,750	1,187,490	-
Payroll Taxes, Employee and Retiree Benefits	1,017,100	962,601	414,500
<b>Total Personnel</b>	<u>3,056,850</u>	<u>2,150,091</u>	<u>414,500</u>
<b>Facilities &amp; Equipment</b>			
Rent and Facilities Use	715,300	373,012	-
Utilities	192,800	81,765	-
Depreciation	254,370	188,421	-
Building Maintenance & Custodial	125,200	42,536	-
Equipment Purchase, Repair & Maint.	68,200	42,062	-
Computer Hardware & Software	153,550	117,035	-
Vehicle Operation & Transportation	17,200	4,041	-
<b>Total Facilities &amp; Equipment</b>	<u>1,526,620</u>	<u>848,872</u>	<u>-</u>
<b>General &amp; Administrative</b>			
Investment Fees	-	-	105,000
Supplies & Services	144,700	48,454	-
Bank Services & Credit Card Fees	46,880	24,271	2,000
Insurance	54,720	53,634	5,000
Mtgs, Prof. Training & Staff Development	7,450	279	-
Services Provided by HSU	199,520	143,327	-
Legal, Audit & Other Professional Services	68,150	140,885	28,000
Communications	49,550	23,272	-
Advertising, Promotion & Printing	4,700	2,610	-
Dues & Subscriptions	9,250	5,350	-
Artist & Instructor Fees	25,000	1,273	-
Contributions to HSU	50,000	238,231	50,000
Board of Directors	1,000	960	500
Other & Miscellaneous	24,430	10,573	2,500
<b>Total General &amp; Administrative</b>	<u>685,350</u>	<u>693,119</u>	<u>193,000</u>
	<u>5,268,820</u>	<u>3,692,082</u>	<u>607,500</u>
<b>TOTAL EXPENSES</b>			
<b>OPERATING INCOME (LOSS)</b>	<u>\$ (2,214,700)</u>	<u>\$ (1,913,750)</u>	<u>\$ 65,000</u>

**HUMBOLDT STATE UNIVERSITY CENTER  
SCHEDULE OF RESERVES  
PROJECTED 6/30/2021 AND BUDGETED 6/30/2022**

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	<u>WORKING CAPITAL</u>	<u>CURRENT OPERATING RESERVES</u>	<u>CAPITAL REPLACEMENT</u>	<u>PLANNED FUTURE OPERATIONS</u>	<u>TOTAL</u>
<b>Balance 7/01/2020</b>	\$ 1,129,292	\$ 1,693,940	\$ 3,245,063	\$ 3,245,063	\$ 9,313,358
<b>2020-21 Projected Activities</b>					
Operating income (loss)	(1,913,750)	-	-	-	(1,913,750)
Change in investment in net assets, net of loss on disposals	(4,892)	-	-	-	(4,892)
CalPERS pension and OPEB related changes	(727,998)	-	-	-	(727,998)
UC service elevator	-	-	(172,500)	-	(172,500)
UC roof replacement	-	-	(750,000)	-	(750,000)
Year end allocation	1,582,888	(1,595,630)	(2,322,563)	2,335,305	-
<b>Projected Reserve Balance 6/30/2021</b>	<u>\$ 65,540</u>	<u>\$ 98,310</u>	<u>\$ -</u>	<u>\$ 5,580,368</u>	<u>\$ 5,744,218</u>
<b>2021-22 Budgeted Activities</b>					
Budgeted revenues over expenses	-	-	-	65,000	65,000
CalPERS pension and OPEB related changes	-	-	-	(500,000)	(500,000)
<b>Budgeted Reserve Balance 6/30/2022</b>	<u>\$ 65,540</u>	<u>\$ 98,310</u>	<u>\$ -</u>	<u>\$ 5,145,368</u>	<u>\$ 5,309,218</u>

Allocations to reserves are made after the annual closing process per the University Center's Reserve Policy.



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## UNIVERSITY CENTER BOARD OF DIRECTORS BOARD MEETING CALENDAR 2021-22

Thursday, September 16, 2021      Thursday, February 3, 2022  
Thursday, October 14, 2021      Thursday, April 14, 2022  
Thursday, November 18, 2021

Meetings of the University Center Board of Directors are held at **5:15 p.m.**, online via **Zoom**. Once approved, the Zoom Meeting link and ID will be noted and remain the same for all the meetings of the year and that location will be noted on each Agenda.

Should scheduling conflicts arise during the academic year, the Board may take action to change a Board meeting date or time at least one month prior to the scheduled meeting.

Agendas of all Board and committee meetings are posted on the University Center website at <https://uc.humboldt.edu/governance/board-meetings> seven days prior to the scheduled meetings.