



HUMBOLDT STATE UNIVERSITY

Office of the President

September 24, 2020

By US Mail

Humboldt State University
University Center
1 Harpst Street
Arcata, California 95521

Re: Failure to Comply with Operating Agreement

Dear University Center Board of Directors:

After consultation and concurrence from Chancellor Timothy White, I write to provide the Humboldt State University Center (“UC”) notice of the termination of the Operating Agreement between the Board of Trustees of the California State University (“CSU”) and the UC (“Agreement”) pursuant to Section 22 of the Agreement, effective December 23, 2020, due to the UC’s failure to comply with the Agreement (Attachment 1).¹

I. On October 1, 2019, the UC Authorized a \$300,000 Line of Credit to the North Humboldt Recreation and Park District in Violation of Section 2, Section 4, and Exhibit A of the Agreement.

In August 2020, it came to my attention that the UC had issued a \$300,000 line of credit to the North Humboldt Recreation and Park District (“NHRPD”)—a local special district that runs the Arcata Community Pool—pursuant to an operating agreement that runs from October 1, 2019 to September 30, 2020 (Attachment 2). According to the operating agreement between the UC and NHRPD, the purpose of the line of credit was “to allow NHRPD to pay expenditures related to approved and accepted construction projects of which reimbursements are delayed due to contractual agreements.” (Attachment 2 at p. 1.)

The issuance of this line of credit violates Title 5, CSU policy, and the Agreement, as follows:

¹ Section 22 of the Agreement states: “CSU may terminate this agreement upon Auxiliary’s breach of or failure to comply with any term of this agreement by providing Auxiliary with a minimum of ninety (90) days advance written notice.”

- 5 C.C.R. § 42665: Auxiliaries must be “engaged in activities which are essential and integral to the mission and purpose of the California State University system.”
- Executive Order 1059: “Campus auxiliary organizations are . . . operated solely for the benefit of the campus”
- Section 2 of the Agreement: “Auxiliary agrees to receive and apply exclusively the funds and properties coming into its possession toward furthering [its contracted functions] for the benefit of CSU and the Campus.”
- Section 4 of the Agreement: “Auxiliary agrees to maintain and operate its organization in accordance with all applicable laws, regulations and CSU and Campus rules, regulations and policies.”
- Section 11.2.1(a) of Exhibit A to the Agreement: Auxiliary “[e]xpenditures must further the CSU educational mission and comply with trustee and campus policy.”

II. The UC Transferred \$100,000 to the NHRPD in Violation of Section 2, Section 4, and Exhibit A of the Agreement.

On February 12, 2020, the UC transferred \$100,000 to the NHRPD via wire transfer pursuant to the operating agreement between the UC and NHRPD (Attachment 3).

This payment violates Title 5, CSU policy, and the Agreement, as follows:

- 5 C.C.R. § 42665: Auxiliaries must be “engaged in activities which are essential and integral to the mission and purpose of the California State University system.”
- Executive Order 1059: “Campus auxiliary organizations are . . . operated solely for the benefit of the campus”
- ICSUAM 03103.02
 - “Payments greater than or equal to \$50,000 require second level review and approval.”
 - “ACH payments must be processed in accordance with standard Payment procedures, including dual control and be reasonably secured from erroneous or fraudulent manipulation.”
- Section 2 of the Agreement: “Auxiliary agrees to receive and apply exclusively the funds and properties coming into its possession toward furthering [its contracted functions] for the benefit of CSU and the Campus.”
- Section 4 of the Agreement: “Auxiliary agrees to maintain and operate its organization in accordance with all applicable laws, regulations and CSU and Campus rules, regulations and policies.”

- Section 11.2.1(a) of Exhibit A to the Agreement: Auxiliary “[e]xpenditures must further the CSU educational mission and comply with trustee and campus policy.”

III. The UC Transferred \$50,000 to the NHRPD for Operating Costs in Violation of Section 2, Section 4, and Exhibit A of the Agreement.

The operating agreement between the UC and NHRPD provides that the line of credit “funds are not intended to supplement general operational needs of NHRPD.” (Attachment 2 at p. 1.)

The UC issued a payment to the NHRPD for operating costs that fall outside the scope of the operating agreement with the NHRPD. In July 2020, the UC transferred \$50,000 to the NHRPD pursuant to the operating agreement for insurance premiums, workers’ compensation annual premiums, UC’s accounting and management services fee (see section IV), operating expenses, and payroll² (Attachment 4; Attachment 5).

This payment violates Title 5, CSU policy, and the Agreement, as follows:

- 5 C.C.R. § 42665: Auxiliaries must be “engaged in activities which are essential and integral to the mission and purpose of the California State University system.”
- Executive Order 1059: “Campus auxiliary organizations are . . . operated solely for the benefit of the campus”
- ICSUAM 03103.02
 - “Payments greater than or equal to \$50,000 require second level review and approval.”
 - “ACH payments must be processed in accordance with standard Payment procedures, including dual control and be reasonably secured from erroneous or fraudulent manipulation.”
- Section 2 of the Agreement: “Auxiliary agrees to receive and apply exclusively the funds and properties coming into its possession toward furthering [its contractual functions] for the benefit of CSU and the Campus.”

² To date, the NHRPD has drawn \$150,000 on the line of credit and currently owes the UC \$75,000.

- Section 4 of the Agreement: “Auxiliary agrees to maintain and operate its organization in accordance with all applicable laws, regulations and CSU and Campus rules, regulations and policies.”
- Section 11.2.1(a) of Exhibit A to the Agreement: Auxiliary “[e]xpenditures must further the CSU educational mission and comply with trustee and campus policy.”
- Section 5.0 of Exhibit B to the Agreement: “Perform procurement activities in a consistent manner in accordance with external and internal requirements.”

IV. The UC Entered into a Business Services Agreement with the NHRPD in Violation of Sections 2 and 4 of the Agreement.

The UC entered into a “Business and Accounting Services Agreement” with the NHRPD for the period commencing July 1, 2018 and ending June 30, 2021 (Attachment 6). Through this agreement, the UC provides accounting and business services and management consultation services to the NHRPD (Attachment 6 at pp. 1, 4–6).

The UC’s participation in this agreement does not fall within the approved functions of an auxiliary identified in Title 5 (5 C.C.R. § 42500) or the functions of the UC identified in Section 2 of the Agreement. In addition, the UC’s participation in this agreement is in violation of Executive Order 1059, which provides, in relevant part, that “[c]ampus auxiliary organizations are . . . operated solely for the benefit of the campus” Therefore, the UC’s participation in this agreement violates both Section 2 and 4 of the Agreement.

V. The UC Failed to Provide the University with Annual Letters of Attestation, Annual Reports of Internal Controls and Proper Segregation of Duties, and Quarterly Financial Statements in Violation of Section 3 of the Agreement.

Section 3 of the Agreement provides that the UC must provide the University the following documents:

- Letter of Attestation, attesting to their compliance with the CSU Auxiliary Organizations Compliance Guide and CSU Auxiliary Organizations Sound Business Practice Guidelines annually, on or before July 1st
- Review of both internal controls and proper segregation of duties to be reported to the Campus President or designee and the Auxiliary’s Board of Directors; annually, on or before July 1st
- Quarterly financial statements with supporting transactional data to the Campus chief financial officer or designee

The UC has breached this Section by not providing these documents to the University.

VI. The UC Violated Sections 3 and 4 of the Agreement When Members of the Board Refused to Participate in the President's Review of UC Programs.

Title 5 provides, in relevant part:

[F]or the president to exercise his responsibility over the entire campus program, he shall require that auxiliary organizations operate in conformity with policy of the Board of Trustees and the campus. To execute this authority, the president shall require that each auxiliary organization submit its programs and budgets for review at a time and in a manner specified by the president.

(5 C.C.R. § 42402.) In accordance with this authority, I announced a review of UC programs in August 2020. In response to this announcement, multiple members of the Board refused to participate in this review.

This conduct violates CSU policy and the Agreement, as follows:

- Executive Order 1059: “Campus auxiliary organizations shall not operate outside the regulation and oversight of the campus.”
- Section 3 of the Agreement: “Auxiliary agrees to assist the Campus CFO or designee in carrying out the compliance and operational reviews required by applicable CSU Executive Orders and related policies.”
- Section 4 of the Agreement: “Auxiliary agrees to maintain and operate its organization in accordance with all applicable laws, regulations and CSU and Campus rules, regulations and policies.”

* * *

For all the reasons stated herein, the University finds that the UC has failed to comply with the Agreement. The University is invoking its right under Section 22 of the Agreement to terminate the Agreement with 90 days' notice. In accordance with the Agreement, the UC may use the 90 advance notice period to cure the breaches of the Agreement (Attachment 1, § 22).

Humboldt State University
University Center
September 24, 2020
Page 6

Per Section 19 of the Agreement, this notice was mailed to:

Humboldt State University
University Center
1 Harpst Street
Arcata, California 95521

The University reserves the right to supplement this notice, as appropriate.

Sincerely,

A handwritten signature in black ink that reads "Tom Jackson, Jr." with a stylized flourish at the end.

Tom Jackson, Jr., Ed.D.
President

cc: T. White, Chancellor, California State University
D. May, University Counsel, California State University
S. Gordon, Vice President for Administration & Finance, HSU
J. Meriwether, Vice President for Enrollment Management, HSU

**University Center Board of Directors
Meeting: October 22, 2020**

**Questions for HSU Acting President Dr. Meriwether and Interim Vice President
for Administration & Finance Sherie Cornish Gordon**

1. Does HSU want the UC to cure the alleged breaches and continue to have an operating agreement with CSU for the same primary functions serving HSU?
2. **Alleged Violation No. 1: On October 1, 2019, the UC authorized a \$300,000 Line of Credit to the North Humboldt Recreation and Park District in Violation of Section 2, Section 4, and Exhibit A of the Agreement.**

- a. The Notice of Termination indicates that the UC violated Section 4 of the Agreement, which provides that “[the UC] agrees to maintain and operate is organization in accordance with all applicable laws, regulations and CSU and campus rules, regulations and policies.” Section 4 further states that “[f]ailure of [the UC] to comply with any term of this agreement may result in the removal, suspension or probation of Auxiliary as an auxiliary organization in good standing. Such action by CSU may result in the limitation or removal of Auxiliary's right to utilize the CSU or campus name, resources and facilities (CCR tit.5, §42406).”

Assuming that the UC’s operations were not compliant, why did HSU/CSU seek to terminate the Operating Agreement pursuant to Section 22, rather than probation or suspension?

- b. Assuming that the line of credit issued by the UC to the Arcata Community Pool was a breach, and with the understanding that the Pool’s ability to draw on the line of credit expired on September 30, 2020, what does the UC need to do to satisfactorily “cure” this alleged violation?
 1. If the Pool was required to repay the entire line of credit by September 30, 2020, what would the impact be if the Arcata Community Pool asks for an extension on the repayment of the outstanding balance due on the line of credit? Specifically, would HSU allow the UC to re-negotiate a repayment plan that extends to the end of this fiscal year, June 30, 2021?
 2. What would be the impact on the UC’s deadline to cure the alleged breaches under the Notice of Termination if the Arcata Community Pool defaults on its repayment obligations? For instance, would the University provide an extension to the deadline of December 23, 2020, in order for the UC to initiate settlement discussions with or collections actions against the Arcata Community Pool?
3. **Alleged Violation No. 2: The UC Transferred \$100,000 to the NHRPD in Violation of Section 2, Section 4, and Exhibit A of the Agreement.**

Assuming the UC violated a provision of statute, regulation, policy, or its Operating Agreement with the CSU by transferring \$100,000 to the NHRPD as a draw on the line of

credit provided by the UC to the Arcata Community Pool, what must the UC do to adequately and appropriately cure this alleged violation in whole?

4. **Alleged Violation No. 3: The UC Transferred \$50,000 to the NHRPD for Operating Costs in Violation of Section 2, Section 4, and Exhibit A of the Agreement.**

- a. The Notice of Termination indicates, in part, that this transfer violated Integrated CSU administrative Manual (ICSUAM) 3103.02, which provides that “[p]ayments greater than or equal to \$50,000 require second level review and approval” and “ACH payments must be processed in accordance with standard Payment procedures, including dual control and be reasonably secured from erroneous or fraudulent manipulation.” While it is expressly applicable to HSU and other California State University campuses, under what authority does HSU contend that ICSUAM 3103.02 is applicable to campus auxiliary organizations?
- b. Assuming that the UC violated a provision of statute, regulation, policy, or its Operating Agreement with the CSU by transferring \$50,000 to the NHRPD for the operating costs associated with the Community Pool, what must the UC do to adequately and appropriately cure this alleged violation in whole?

5. **Alleged Violation No. 4: The UC Entered into a Business Services Agreement with the NHRPD in Violation of Sections 2 and 4 of the Agreement.**

- a. Assuming that the UC violated a provision of statute, regulation, policy, or its Operating Agreement with the CSU by entering the Business Services Agreement with NHRPD, what must the UC do to adequately and appropriately cure this alleged violation, in whole?
- b. The Business Services Agreement with NHRPD is set to expire on June 30, 2021.
 - i. Does the expiration of the NHRPD Operating Agreement cure this alleged violation?
 - ii. If the UC agrees to not enter another Business Services Agreement, will HSU allow the UC to complete its contractual obligations under the Business Services Agreement?
 - iii. The Business Services Agreement requires that the UC provide 90-days’ notice to the Arcata Community Pool before terminating the business services agreement. If the UC provided 90-days’ notice, from today’s date, and the Business Services Agreement is pending termination on December 23, 2020, will this be sufficient to cure the alleged breach knowing that the termination of the NHRPD Operating Agreement will become effective shortly thereafter?
 - iv. What else must the UC do to adequately and appropriate cure this alleged violation in whole?

6. **Alleged Violation No. 5: The UC Failed to Provide the University with Annual Letters of Attestation, Annual Reports of Internal Controls and Proper Segregation of**

Duties, and Quarterly Financial Statements in Violation of Section 3 of the Agreement.

- a. Assuming that the UC violated its Operating Agreement with the CSU by failing to submit **letters of attestation** to the campus president by July 1, 2019 and July 1, 2020, how does the UC satisfactorily cure this breach? If the UC provides each of the overdue letters of attestation within a reasonable date determined HSU, will this cure the breach?
- b. Assuming that the UC violated its Operating Agreement with the CSU by failing to report the UC's "review of both **internal controls and proper segregation of duties**" to the campus president or designee by July 1, 2019 and July 1, 2020, what must the UC do to adequately and appropriately cure this alleged breach in whole?
 - i. What information must be included in the UC's "report" to the campus president regarding the UC's "review of both internal controls and proper segregation of duties"?
 - ii. Please clarify what standards or criteria are required for the segregation of duties to be considered "proper" by HSU and/or the CSU in order for the UC to remedy the alleged breach?
- c. Assuming that the UC violated its Operating Agreement with the CSU by failing to submit **quarterly financial statements with supporting transactional data** to the HSU CFO or designee, what must the UC do to satisfactorily cure this alleged breach of the Operating Agreement? Will providing a copy of the quarterly financial statements with supporting transactional data remedy this alleged breach?

7. **Alleged Violation No. 6: The UC Violated Sections 3 and 4 of the Agreement When Members of the Board Refused to Participate in the President's Review of UC Programs.**

The Notice of Termination indicates that the campus president "announced a review of the UC programs in August 2020" and that "multiple members of the Board refused to participate in this review." In reviewing the Zoom recordings and minutes from the August 27, 2020, board meeting of the UC Board of Directors, it appears that the "review and audit" was to be conducted by the CSU's Office of Audits and Advisory Services. Additionally, it appeared that HSU contracted with Dr. Aaron Hart of HigherEd Connections to review the student services provided to HSU students by the University and its auxiliaries and the use of student fees. According to the UC Board minutes of August 27, 2020, Dr. Hart was to "start conducting his interviews" the following day, August 28, 2020.

- a. For clarification purposes, was Dr. Aaron Hart designated as the HSU President's representative for the review of UC programs and expenditures under Section 42402? Is this expressed in any formal document? If so, can it be produced?
- b. For clarification purposes, is it HSU's contention that the non-participation of three directors constitutes a violation of Section 3 ("Campus Oversight and Operational Review") and Section 4 ("Operational Compliance") of the Operating Agreement,

given that all other individuals, directors and employees of the UC who were asked to participate did so by attending and participating in the interviews conducted by Dr. Aaron Hart?

- i. Some board directors were unable to attend due to scheduling conflicts. Was this taken into consideration by CSU/HSU?
- ii. If Board members are now able and willing to participate in the “interviews” conducted by Dr. Hart, would they be allowed to participate and would this be sufficient to cure the alleged breach of statutory, regulatory and/or contractual obligations that the UC owes to the University and/or CSU?
- iii. Were individual board directors warned that the failure to attend at the time that HSU assigned would be presumed a refusal to comply with the President’s directive, without regard for any time conflicts that the director had with the assigned time?
- iv. Were board directors warned that any individual director’s failure to participate in the meeting would be imputed on to the entire UC organization and cause the UC to violate its Operating Agreement with the CSU, as well as any statutory or regulatory provisions requiring the UC to “submit its programs and budgets for review” by the president.
- v. How much advance notice was provided to the UC and/or each individual board director regarding their obligation to attend this “review” by the President regarding the UC’s programs?

8. **Public Allegations During University Senate Meeting on October 13, 2020**

On October 13, 2020, during a public meeting of the University Senate, you explained that HSU believed that there were “serious fiscal improprieties,” which appear to include “refunds with receipts” (Transcript, 1:14:22), and “a serious amount of money that’s missing without paperwork and without documentation that moved around outside of the process of the controller...[and] outside the process of purchasing and...apparently outside the scope of the board.” (Transcript, 1:14:29-1:14:40.) You further indicated that that, for these reasons, an audit and other investigations were called for. (Transcript, 1:14:49.)

- a. Are all of the above statements of concern addressed in the Notice of Termination?
- b. Are there any allegations of improprieties of which you are aware that are not addressed in the Notice of Termination? If so, what are those and what does HSU intend to do to address these concerns?
- c. No amount of money was indicated as “missing” in the Notice of Termination. However, during a discussion with the University Senate regarding the Notice of Termination issued by HSU to the UC, you appeared to indicate that the Notice of Termination was instigated by or significantly related to “a serious amount of money” that was or is missing. (Transcript, 1:16:25-1:17:14.) Is it HSU’s contention that any money is “missing?” If so, how much and under which allegation of the Termination Notice does this belong?

HSU Dining RFP – DRAFT TIMELINE
 (Proposition if the UC Board decides to move forward with RFP process)
2020-2021

October 22	UC Board to discuss RFP process and potential outsourcing of Dining Services
November 5	UC Board to take action on RFP process and potential outsourcing of Dining Services; delegate to Business Enterprise Committee
November 6-19	Solicit student participation; consider consultant for RFP process
November 19	Confirm Business Enterprise Committee structure for RFP process (additional students and/or professional staff); select consultant if desired
>>Fall Break November 21 – 29<<	
November 20	December 2 -- Develop RFP timeline, including town hall input session/survey of campus needs regarding Dining Services
December 3	Confirm RFP timeline
December 4	UC announcement of RFP timeline
December - January	Campus visits (virtual or in person) to see facilities and construct RFP qualifiers
>>Winter Break December 19 – January 18<<	
January 21	Finalize RFP
January 22 - March 1	Post RFP
February	Housing/meal plan contracts for 2021-2022 posted on website
March - April	RFP review and campus presentations
May 6	UC Board to select RFP or maintain self-op
May 7	UC announce selected vendor or decision to remain self-op
May 16 – August 14	<i>If vendor is selected, vendor transition to campus for Fall 2021 semester</i>

>>Summer Break May 16 - August 22<<

Dates in blue are UC Board regular meetings
 Dates in red acknowledge academic breaks

HSU Dining Services Hours of Operations Fall 2020

Regular Hours

The J

- M-F 7:30am-9:00pm
 - Breakfast, lunch, dinner
- S,S 10:00am-9:00pm
 - Brunch and dinner

College Creek Marketplace

- M-F 7:30am-9:00pm
 - Breakfast, lunch, dinner
- S,S 2:00pm-9:00pm
 - Brunch and dinner

Possible Hours after F2F ends

The J

- Every day 10:00am-8:00pm
 - Brunch and dinner

College Creek Marketplace

- M-F 9:30am-9:00pm
- S,S 2:00pm-9:00pm

Fall Break Hours

The J

- Closed

College Creek Marketplace

- M-F 11:00am-4:00pm (closed Thanksgiving Day)
- S,S 2:00pm-7:00pm

Possible Hours AFTER Fall Break

1. If UNDER 250 student residents*

The J

- Closed

College Creek Marketplace

- M-F 11:00am-4:00pm
- S,S 2:00pm-7:00pm

2. If 250-400 student residents*

The J

- Closed
- College Creek Marketplace
 - M-F 9:30am-7:00pm
 - S,S 11:00am-7:00pm

3. If 400-550 student residents*

The J

- Every day 10:00am-8:00pm
 - Brunch and dinner

College Creek Marketplace

- M-F 9:30am-7:00pm
- S,S 2:00pm-7:00pm

*Student-to-hours of operations ratios based on Covid-limited transaction capacity—see below

Transactions/Sales

College Creek Marketplace in a “normal” year, services anywhere from 20-200 transactions per hour. If the example of 200 per hour is used, divided by 60, that is 3 transactions per minute when all four registers are in operation. With only two registers in operation, it can be assumed that transactions are reduced to 1.5 per minute. Transaction capacity during Covid is estimated to be 90 per hour or 22.5 every 15 minutes. Transactions fall well under capacity with the highest transaction rate hitting 55 between the hours of 2-3pm on weekends.

The J in a “normal” year, services anywhere from 20-400 transactions per hour. If the example of 400 per hour is used, divided by 60, that is roughly 7 transactions per minute when all four registers (including J Grill) are in operation. With only one register in operation, it can be assumed that transactions are reduced to just under 2 per minute. Transaction capacity during Covid is estimated to be 105 per hour or 26 every 15 minutes. Indeed, transactions peak at 110 between the hours of 4:30pm-6:30pm.

Currently there are 775 students residing on campus with roughly 600 meal plans. The J is averaging 600 transactions per day while College Creek Marketplace is averaging 300 transactions per day for a total of about 900. Not all transactions are from students—staff use the dining facilities also—and some transactions are duplicate individuals returning for multiple meals.

Housing estimates that as much as 70% of student residents will not return after Fall Break. If we apply that to daily transactions, we could see a reduction of 420 at The J, leaving only 270, and a reduction of 210 at College Creek Marketplace, leaving only 90 for a total of 360 for both locations. When applied to peak transactions, we could see a reduction at The J to only 32 per hour and College Creek Marketplace only 17 per hour, both far below capacity.

Shifting all transactions to College Creek Marketplace, assuming 70% reduction in meal plans, the estimated peak transactions would be 48 per hour. If there is only a 50% reduction, estimated peak transactions would be 80 per hour. With either assumption, peak transactions still fall under max capacity for College Creek Marketplace.

Context: in a “normal year” there are 2,100 students living on campus with roughly 1,700 meal plans. There are six Dining Services locations in operation—The J, Depot, Giant’s Cupboard, Library Café, Windows, College Creek Marketplace.

Operating Hours

Current Covid operating hours equal 171 per week, with 89 at The J and 82 at College Creek Marketplace. Proposed operating hours after face-to-face instruction ends equal 142, with 70 at The J and 72 at College Creek Marketplace, based on the assumption that we lose 25% of transactions.

Fall Break hours are based on traditional closure of The J that week with limited hours for College Creek Marketplace on M-W; however, this year we have added the weekends and the Friday following Thanksgiving.

Proposed operating hours after Fall Break are broken into three scenarios:

1. 70% reduction in student residents, or under 250
2. 50% reduction in student residents, or between 250-400
3. 25% reduction in student residents or between 400-650

Over 650 student residents reverts back to Regular Hours. The proposed scenarios roughly translate into a 75%, 50%, and 25% reduction in operating hours respectively. That puts Scenario 1 at 35 hours per week, Scenario 2 at 61 hours per week and Scenario 3 at 128 hours per week compared to Regular Hours at 169 hours per week.

Staffing

The changes to operating hours does not necessarily result in a corresponding reduction in staffing levels. There are bare minimums for opening and running each location. Full-time employees have paid time off accrued that would be paid out, and benefits would still be an expense. Students have been told that they are guaranteed jobs. There are cleaning projects and other tasks that need to get done before closing for the winter break. If we determined to lay off employees, there would be increases to unemployment insurance. There is also the issue of retaining talent. We've already lost more than 100 years of institutional knowledge since August, making it difficult to run operations as efficiently as in the past. Salaried managers would still be paid, but their time would be devoted to the foundation rebuilding that has not gotten done due to many curve balls thrown since August (Aladdin came in, then Aladdin left 4 weeks later, SJSU came in, then left over one week later, concerns over UC viability, audits, etc.).