

HUMBOLDT STATE UNIVERSITY CENTER
BOARD OF DIRECTORS

Meeting on Thursday, March 8, 2018

The Humboldt State University Center Board of Directors met on the above date in the University Center Banquet Room, at Humboldt State University, Arcata, California. Chair, Casey Park, called the meeting to order at 5:15 p.m.

Directors Present: Dana Carrillo, Chant'e Catt, Gregg Foster, T. Mike Kirakosyan, Nicole Laureano, Steve Martin, Destiny Mendoza, Joey Mularky, Casey Park, Armeda Reitzel, Mark Rizzardi, Sylvia Shively, Sarah Spurlock

Directors Absent: W. Wayne Brumfield (excused)

Staff Present: Roy Furshpan, Dave Nakamura, Linda Pereira, Ron Rudebock, Wendy Sotomayor, Ruth Sturtevant

M I N U T E S

SUBJECT: Approval of Agenda

MOTION: It was moved (Reitzel) and seconded (Catt) to approve the Agenda.

ACTION: The Agenda was approved.

SUBJECT: Approval of Minutes

MOTION: It was moved (Catt) and seconded (Reitzel) to approve the Minutes of the Board Meeting on February 15, 2018.

ACTION: The motion was approved.

SUBJECT: Public Comment

There was no public comment.

SUBJECT: Chair's Report – Casey Park, reporting

Student-at-large Elections – Application packets for two 1-year and one 2-year student positions are available in the UC Administrative Office. Applications to run for a seat are due on Monday, April 2. The Student Selection Screening Committee will meet with the candidates during the mandatory orientation meeting on Wednesday, April 4, at 5:00 p.m. The elections take place beginning Tuesday, April 17, through Thursday, April 19. Board members were encouraged to invite students to apply.

Executive Director's Annual Performance Appraisal Process – The Executive Director's evaluation is conducted on a yearly basis. As part of the appraisal process, Interim Vice President of Student Affairs, W. Wayne Brumfield, will invite feedback from Board members in April regarding the Executive Director's performance over the past year. The information will be used to formulate a written summary, which will be presented to the Executive Committee for review. During the May meeting in closed session, Board members will receive the information as an action item.

2018-19 Board Approved Goals & Objectives – A copy of the University Center's 2018-19 Goals & Objectives approved by the Board in February was enclosed in the meeting packets.

Student Selection Screening Committee – This committee is composed of student Board members and will meet with the student-at-large candidates to provide information about the University Center and elections process. Student Board members interested in serving on the committee were encouraged to contact Chair Park.

SUBJECT: Executive Director's Report – Dave Nakamura, reporting

HSU Budget Update – Copies of the University Cabinet's "Outline of Budget Reduction Decisions" report were distributed. Executive Director, Dave Nakamura, reported that the campus has held a number of budget forums over the past few months and developed Phase 1 and Phase 2 budget reduction options to consider. On February 22, 2018, the University Cabinet sent the budget reduction decisions memo to the campus community. The document outlines actions the Cabinet plans to undertake to reduce HSU's budget deficit.

An item under consideration in the Phase 2 options was to consolidate the auxiliary organizations on campus, something HSU has proposed doing in the past. The Cabinet's memo indicates consolidating auxiliary organizations is not an action that will be taken at this time. However, there are two other items in the document that directly affect the University Center.

The first is to increase self-support/auxiliary reimbursements to the General Fund. The campus is developing a cost allocation model to determine the amounts, if any, that auxiliaries and other self-support operations should reimburse the State for facilities, information technology, UPD, and accounting services. The UC has reached an agreement with HSU IT to reimburse the campus for internet and campus network services. The allocation for facilities and other services is still being determined at this time.

The second piece cited in the Cabinet's report proposes to "Integrate UC business operations in the State business operations to have a single business operation (e.g., accounting, payroll, human resources, accounts payable) with

infrastructure and common systems to support the whole campus, inclusive of auxiliary organizations. Target conversion: July 1, 2019.”

The UC Business Office provides full-service accounting, human resources, payroll processing for more than 400 full-time and part-time employees, and cashiering functions for Dining Services, CenterArts, Center Activities, and General Ops. It is a significant operation handled by eight full-time employees. The staff is cross-trained in different areas (e.g., A/R, A/P, payroll) and the office runs very efficiently for the volume of work that is involved. They also work closely with the UC management team.

The Cabinet’s decision on integrating the UC’s business services was made without consulting with staff or the Board and did not provide any analysis as to how this would reduce HSU’s budget deficit. There was considerable Board discussion on this item. It was noted that the UC and HSU have separate budgets and the organization doesn’t receive any State funding. Board members have a fiduciary responsibility to the University Center, not to HSU. Questions were brought forth such as how does merging UC business operations reduce HSU’s budget deficit? How does this integration improve the organizational strength, efficiency, or mission of the University Center? How is this going to result in an increase in efficiency or cost savings to the UC? The Board felt it needed a formal and legitimate analysis done to assess whether it’s going to result in any cost savings to the University or any increased efficiency to either HSU or the UC. At the conclusion of the discussion, the Board agreed to draft a resolution addressing these points for the Executive Committee to review, and directed staff to place this item on the April meeting agenda for action.

Housing Project Update – The campus is reviewing potential sites for a future housing project and has engaged the services of Brailsford & Dunlavey (B&D), a consulting firm, to assist with the process. The location of the project will be important for Dining Services. Recently, B&D sub-contracted the consultants that conducted a Dining Services assessment four years ago and is well-versed in Dining’s operations and the campus. The consultants will perform density and demand studies because the location is dependent on foot traffic patterns, proximity to classrooms, and other factors. Staff has had a good working relationship with the dining consultants and are providing information to assist with their analysis. It is anticipated that the new housing project will be about four or five years down the line.

SUBJECT: Executive Committee Report – Casey Park, reporting

CalPERS Public Agency Review Finding #6, Administrative Hearing Update – The Executive Committee met on March 6, 2018, with Dave Nakamura and Administrative Coordinator, Linda Pereira. This finding refers to the membership status of certain University Center management staff who are employed by the CSU. CalPERS took issue with this employment relationship. A conditional settlement has been reached with CalPERS, and one of the

stipulations is for the University Center to amend its Bylaws to reflect the current employment arrangement of the Executive Director.

University Center Bylaws Amendments – The Committee reviewed a first draft of the amendments prepared by staff. Additional information is provided under New Business.

Student Center Fee Adjustment Update – The Committee received an update on the fee adjustment process from staff. Additional information on this item is provided under Old Business.

MOTION: It was moved (Foster) and seconded (Mularky) to accept the Executive Committee report. The motion carried.

SUBJECT: Old Business

Student Center Fee Adjustment – Dave Nakamura reported that the Student Fee Advisory Committee has approved the fee increase moving forward. Staff is currently working on the ballot language to fulfill advertisement requirements for the fee referendum. Other materials being put together include FAQ's, and objective and rationale statements that will be posted on the UC's website. He has presented information about the fee adjustment to the Residence Hall Association and will appear before the AS Board of Directors and Sports Clubs following spring break.

Follett Higher Education Group Bookstore Management Contract – The seven-year contract arrangement with Follett Higher Education Group to manage the HSU Bookstore expires on June 30, 2018. The Bookstore operating agreement provides the option to renew the contract for three additional one-year terms. A consultant engaged by the University Center who was involved with the original contract negotiations strongly recommends extending the agreement for at least one extra year because the terms are very favorable at this time. The Business Enterprise Board discussed this option with staff and agreed by consensus to recommend extending the contract for an additional year.

MOTION: It was moved (Kirakosyan) and seconded (Spurlock) to extend the term of the Follett Bookstore Management Agreement to June 30, 2019.

ACTION: The motion was approved.

SUBJECT: New Business

University Center Bylaws Amendments – Board members were referred to a marked-up copy of the University Center's Bylaws with proposed amendments prepared by staff and reviewed by the Executive Committee. A majority of the revisions are housekeeping items such as updating titles and organizational names. Other items include stipulating the Vice Chair is a

student to maintain continuity on the Executive Committee and reflect historical practice; adds a provision allowing for Board member participation through the use of teleconference equipment; and clarifies the Executive Director's employment relationship with the CSU to address CalPERS' Finding #6. The amendments also replace the Business Enterprise and Programs and Facilities sub-boards with the Business Enterprise Committee and Programs & Facilities Advisory Committee, and renames the Student Selection Screening Committee the Student Election Committee.

During the ensuing Board discussion, it was noted that the amendment addressing the Executive Director's employment relationship with the CSU is silent on the Board's input and participation in the hiring process and directed staff to include language to that effect. The Executive Committee will meet again to further review, make any refinements, and formulate a recommendation for Board action at the April meeting.

University Center 2018-19 Budget Draft and Pay Schedule – Copies of the budget draft was distributed. As outlined in the budget timeline adopted in December, this draft presentation is part of the process to ratify the 2018-19 University Center Budget. Following adoption, the document will be sent to the HSU President for final approval, at which point it becomes the ratified 2018-19 operating budget.

The budget draft assumes that the Student Union Fee remains unchanged; an enrollment drop of 4% which will reduce the amount of student fees returned to the University Center; wage pressure due to increases in the minimum wage and rising costs of benefits; and a break-even year for the organization. The CenterArts and Center Activities budgets have a decrease in student fee support which will affect levels of programming, services, and staffing. The Dining Services budget assumes a static number of meal plans for the year as Housing is working toward a high level of occupancy despite the decline in enrollment. The University Center will continue to work with HSU Facilities Management to plan for projects related to deferred maintenance. The clock tower elevator on the UC Quad is slated to be rebuilt this summer.

This item was referred to the Finance Committee who will meet to review the budget draft in depth and develop a recommendation for the April Board meeting.

SUBJECT: General Board Comments

There was a brief conversation about ways to eat affordably on campus.

SUBJECT: Announcements

Chant'e Catt announced that the second annual Zero to Fierce Festival celebrating women in our community takes place March 5 – 11 in Arcata with

