

**HUMBOLDT STATE UNIVERSITY CENTER  
BOARD OF DIRECTORS**

Meeting on Thursday, May 7, 2020

Teleconference Zoom Meeting: <https://humboldtstate.zoom.us/j/410701999>

ID#: 410701999

5:16 PM

*This meeting is facilitated through an online Zoom format, consistent with the CA Governor's Executive Order N25-20, suspending certain open meeting law restrictions.*

Members Present: Jourden Lamar, Armeda Reitzel, Lynne Sandstrom, Chant'e Catt, Eboni Turnbow, Steve Martin, Lizbeth Cano Sanchez, Jeremiah Finley, Mark Rizzardi, Amanda Hubacek, Armeda Reitzel

Also Present: Dave Nakamura, Scott Gerving, Wendy Sotomayor, Roy Furshpan, Doug Dawes, Jenessa Lund, Melanie Bettenhausen

Members Absent: Dana Lopez, Breannah Rueda, Sean Donohue, Gregg Foster

**MINUTES**

SUBJECT: Approval of the meeting agenda – **Action Item**

MOTION: It was moved (Reitzel) and seconded (Catt) to approve the meeting agenda for May 7, 2020 with the amendments:

- New Business: Discussion of the PPP Loan – Action Item
- Add a Closed Session at the end of the meeting to discuss the Executive Director's Performance Appraisal

Roll Call Vote: Armeda Y, Amanda Y, Chant'e Y, Eboni Y, Jeremiah Y, Jourden Y, Liz Y, Lynne Y, Mark Y, Steve Y. Y=10, N = 0, A = 0

ACTION: The motion was approved.

SUBJECT: Approval of the April 9, 2020 meeting minutes.

MOTION: It was moved (Catt) and seconded (Reitzel) to approve the minutes from the April 9, 2020 Board meeting.

Roll Call Vote: Armeda Y, Amanda Y, Chant'e Y, Eboni Y, Jeremiah Y, Jourden Y, Liz Y, Lynne Y, Mark Y, Steve Y. Y=10, N = 0, A = 0

ACTION: The motion was approved.

SUBJECT: Public Comment - *none*

SUBJECT: Official reports

SUBJECT: Board Chair Reports

SUBJECT: UC Student-at-Large Election Results

Board member Finley was elected as the two-year Student-at-Large member seat; however, his election as the AS President supersedes that role and he will be an ex-officio member on the University Center Board of Directors.

Chair Lamar was elected as Vice President of Student Affairs for AS, which is also an ex-officio member on the University Center Board of Directors.

Due to these election results, University Center will start the fall semester with three open seats: one two-year seat, and two one-year seats. Those will be filled with a “call for interested parties” in the Fall and the Board will vote on those that apply.

SUBJECT: UC Executive Director Annual Performance Appraisal

Please get all your appraisals in as soon as possible. At the end of the meeting, the Board will go into a closed session and the notes will be forwarded on to the University Vice President.

SUBJECT: Executive Director Reports

SUBJECT: COVID-19 Report

Semester is ending as a virtual campus and there is about 250 students present in the resident halls. This summer, all activity on campus will be cancelled through August 14<sup>th</sup>. August 15<sup>th</sup> is typically move-in date for on-campus housing.

Currently, HSU is planning to reopen in the fall, business as normal; however, campus and CSU will proceed depending on what the Governor decides.

Announcements and decisions for fall semester will be made within the next couple of weeks. This will affect everything top-to-bottom, including University Center. There will be more addressed during the Budget conversation.

SUBJECT: Finance Committee – **Action Item**

Chair Sandstrom provided a recap of the Finance Committee Meeting, which met on April 30<sup>th</sup>. The committee discussed the VEBA withdrawal, where UC has decided to hold-off on withdrawing from that trust, as it has dropped about 10-11%. If there is a recovery in the balance of the trust, then UC will go ahead with the withdrawal.

Also discussed is the Budget. During the last BOD meeting, it was discussed not updating the budget, but management thought it was prudent to have a revised budget moving forward into the 2020-21 FY.

**MOTION:** It was moved (Reitzel) and seconded (Catt) to approve the Finance Committee report.

Amanda Y, Armeda Y, Chant'e Y, Eboni Y, Jeremiah Y, Liz Y, Lynne Y, Mark Y, SteveY. Y = 9, 0 = N, 0 = A

**ACTION:** The motion was approved.

**SUBJECT:** University Center 2020-21 Budget – **Action Item**

Nakamura provided an update on the Budget process. UC Management worked to revise the previously created budget in regards to COVID-19 and decreasing enrollment. Based on current projections, the budget dropped to a 25% decline in enrollment—which affects the amount of fees collected, students in housing, purchased meal plans, etc. With that decline, UC is expecting about a \$1 million gap in revenue. Management took a detailed look at department expenditures, especially those related to labor. As such, there were 8 layoffs, 3 retirements, a number of furloughs, and a reduction of hours to all full-time employees built into this revised budget in an attempt to break even. This is subject to change depending on what happens during the fall semester.

Sotomayor provided a detailed overview of the revised budget presented to the Finance Committee on April 30<sup>th</sup>. Of note, the original budget revenue line was \$12.9 million and the revised budget now expects a reduction of \$3 million in revenue. For dining meal plans, based on 60% occupancy in the residents halls, there is a \$2 million reduction on the food line, \$200,000 reduction in student fees line, and a reduction in the interest line (due to unknowns).

Of note, the reduction of student fees affects the budgets of Center Arts and Center Activities drastically. Student fees are first allocated to pay off the Bond for all buildings UC operates and then to everything else. On expenditures, there's a reduction of half a million dollars, due to reduction in food sales. Labor costs (salaries and benefits) were significantly reduced by \$1.7 million. The original budget projected Dining to make money; however, now there's a projected deficit. It was very important not to cut everything, as UC still wants the campus to be attractive to students and provide student services.

For General Operations, UC is proposing to close the Info Counter and moving those services to the Center Arts Ticket Office. There is a reduction in custodial costs by having students do the majority of the cleaning instead of a private company.

For Center Activities, this budget proposes keeping SRC open, while SRC-West will remain closed for the year. The HBAC will not staff the front counter except during events and facility rentals and will have limited programming. There is one full time employee layoff and a proposed reduction of student part time hours. There is also a reduction from HSU support for the HBAC building. Center Activities is not able to break even, but asking to go into a \$24,000 deficit. Management is asking to use fewer reserves now than the previous budget, due to the nature of COVID-19 and how it affects activities. This is a more conservative budget.

Center Arts Budget assumes students return to campus in the fall and there will be some level of programming. For now, Management is holding off on booking shows until further guidance on how campus will operate in the fall. The AS presents agreement is now \$0 because AS does not have the funds to support this line item. There is one full time employee layoff and a reduction in part time wages (Ticket Office and a reduction of shows). Management is asking for a deficit of \$88,000 from reserves to subsidize this year's budget.

For Dining, Management believes there will be an increase in food costs due to COVID-19 in the fall, but will work with students to still offer reasonable prices.

Dining sees the largest change in all the department areas. Management proposes closing Windows Café. The Library Café, College Creek Marketplace, Giants Cupboard, The Depot, and The J will remain open. The Depot will be different, however, as Management proposes closing the Depot kitchen and having food prepared at the J for grab-and-go. Muddy Waters will remain open for coffee and beer. Also proposing to move the rice bowls and other popular Depot offerings to The J. There is a reduction in wages, benefits, and part time labor—while still offering as many services to the students as possible.

Board discussion and Management clarification about changes to The Depot, Windows Café, and reduction of student part-time labor ensued.

The Reserves will have a loss of \$1.6 million due to continuation of student wages paid (from late-March through the end of the semester during the pandemic), refunded meal plans, returned Center Arts tickets, etc. University Center has budgeted to have the quad elevator replaced (currently under contract), the UC Building elevator replaced next year, and the UC roof replaced. The quad is a main ADA pathway between Founders Hall and Library Circle and cannot be neglected.

On the last page of the Revised Budget, funds held on Campus Union Trust (student fees) will drop due to a decline in enrollment.

MOTION: It was moved (Sandstrom) and seconded (Reitzel) to accept the Revised University Center 2020-21 Budget and send to HSU President Jackson for acceptance.

Vocal Vote: Amanda Y, Armeda Y, Chant'e Y, Eboni Y, Jeremiah Y, Liz Y, Lynne Y, Mark Y, Steve Y. Y=9, N=0, A=0.

ACTION: The motion was approved.

SUBJECT: University Center PPP Loan – **Action Item**

A description of the Paycheck Protection Program (PPP) Loan was presented by Nakamura and Sotomayor. University Center applied for the first round of PPP Loan funding back in April; however, the organization was unsuccessful in obtaining funds before the money ran out. UC applied for (and was approved) a \$1.13 million PPP Loan during the second round of funding, granted by the Small Business Administration (SBA), on May 6<sup>th</sup>. Many of the original parameters of the Loan were revised and Management expressed their hesitation in accepting and using the PPP Loan money. The UC audit team, attorney, and Treasurer Sandstrom were all consulted in regards to the PPP Loan and whether UC should accept the money. The Board discussed whether or not to accept PPP Loan funding.

MOTION: It was moved (Rizzardi) and seconded (Reitzel) to not accept the PPP Loan stated from the Finance Committee.

Voice Vote: Amanda Y, Armeda Y, Chant'e, Y Eboni (A), Jeremiah Y, Liz Y, Lynne Y, Mark Y, Steve Y=8, A=1, N=0.

ACTION: The University Center will not accept the PPP Loan as stated from the Finance Committee.

SUBJECT: General Board Comments

Dave thanked the Board for their continued support and involvement in the University Center Board of Directors. He presented certificates, caps, tassels, and gifts to those student members that will be graduating on May 16<sup>th</sup>.

SUBJECT: Executive Director's Performance Appraisal – **Closed Session**

MOTION: It was moved (Reitzel) and seconded (Finley) to go into a closed session to discuss the Executive Director's Performance Appraisal.

Voice Vote: Amanda Y, Armeda Y, Chant'e Y, Eboni Y, Jeremiah Y, Liz Y, Lynne Y, Steve Y, Mark Y. Y=9, N=0, A=0.

ACTION: The Board will meet in closed session for the Executive Director's Performance Appraisal and then Adjourn.

Minutes Submitted By:

K Burnham 9/12/2020  
Katie Burnham, Administrative Assistant Date

Minutes Approved By:

J. Lamm 9/11/2020  
Board Chair Date