

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

Meeting on Thursday, December 6, 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. Joshua Sales, called the meeting to order at 5:15 p.m.

Directors Present: Emily Adams, Ben Anderson, W. Wayne Brumfield, Chant'e Catt, Gregg Foster, Jourden Lamar, Destiny Mendoza, Armeda Reitzel, Mark Rizzardi, Joshua Sales, Amanda Hubacek, Jazmin Sandoval, Sylvia Shively

Directors Absent: Steve Martin (appeared via teleconference)

Also Present: Rob Christensen, Douglas Dawes, Roy Furshpan, Scott Gerving, Bridget Hand, Dave Nakamura, Casey Park, Ron Rudebock, Wendy Sotomayor, Ruth Sturtevant, Melinda Haynes Swank, Susan Wilke (via teleconference)

**M I N U T E S**

**SUBJECT: Approval of Agenda**

MOTION: It was moved and seconded to approve the Agenda.

ACTION: The Agenda was approved.

**SUBJECT: Approval of Minutes**

MOTION: It was moved and seconded to approve the Minutes of the Board Meeting on October 11, 2018.

ACTION: The motion was approved.

**SUBJECT: Seating of New Board Member**

A motion was called for from the floor to seat the following incoming Board member:

Amanda Hubacek, Alumni Representative, 2-year term

MOTION: It was moved and seconded to seat Amanda Hubacek. The motion carried.

**SUBJECT: Public Comment**

There was no public comment.

**SUBJECT Official Reports**

**Chair's Report – Joshua Sales, reporting**

Spring Class Schedules – Student and faculty Board members were asked to submit their spring 2019 class schedules to Administrative Coordinator, Rob Christensen, by the end of the meeting.

**Executive Director's Report – Dave Nakamura, reporting**

UC and HSU Business Operations Integration Research Update – This item will be discussed as an action item under Old Business.

IRS Form 990 Tax Return – Non-profit organizations are required to file this corporate tax return annually with the document made available to the organization's board of directors before it is filed with the IRS. Copies of the return for the 2017-18 fiscal year was included in the Board packets. It is also posted on the University Center's website as a transparency requirement. This item does not require action by the Board.

Other Reports – Discussion regarding the HSU Budget and enrollment projections. At this time enrollment projections are showing a potentially steep decline for Fall 2019.

**Program & Facilities Advisory Committee Report – Dave Nakamura, reporting**

A Programs & Facilities Advisory Committee meeting was scheduled for November 6, 2018. However, there was not a quorum in attendance. As a result, no official action could be taken.

An informal meeting was held that included:

Program Reports – Brief program reports were presented by Roy Furshpan, Director of CenterArts and Bridget Hand, Director of Center Activities.

Facilities Projects Report – The two major projects that are under development are the Clock Tower elevator rebuild and the Electrical Switches and Transformer work. Both of these were originally slated for last summer but were postponed due to delays in the design and bidding process. They are now slated for summer 2019. Facilities Management is expects the bidding process to be completed early in 2019.

Student Center Fee Adjustment – Staff provided an update on the process and the advance work and communication with the Student Fee Advisory Committee.

MOTION: It was moved and seconded to accept the Program & Facilities Advisory Committee report. The motion carried.

**Business Enterprise Committee Report – Jazmin Sandoval, reporting**

Follett Bookstore Contract – The Business Enterprise Committee met on November 13, 2018. The committee discussed the present contract and the need to potentially extend the agreement past Summer 2019. Executive Director, Dave Nakamura, is working with a Bookstore industry expert/consultant to assess the contract and will come back with a proposal in the spring.

Review of HSU Dining Services Assessment – February 2015 – Staff provided an overview of the Dining Services Assessment that was conducted in early 2015. The report contained an extensive top to bottom assessment completed by an outside consulting group, Webb Design. One of the principals on that work was Susan Wilkie who was present at this meeting.

HSU Dining Outsourcing – A comprehensive report on outsourcing was presented by Susan Wilkie from Webb Design. This presentation included material from the HSU Dining Services assessment conducted in 2014–15, and integrated with national trends and knowledge of the industry. As a result, Webb knows not only the Food Service industry, but also has extensive knowledge of the HSU campus, HSU Dining Services, and the challenges of operating in a remote location.

The rationale, pros and cons, and the unique aspects of HSU related to outsourcing versus self-operation were presented in detail. Following thorough discussion, the Committee voted to recommend to the Board that outsourcing of HSU Dining Services not be considered.

MOTION: It was moved and seconded to accept the Business Enterprise Committee Report. The motion carried.

**SUBJECT: Old Business**

Proposed Business Operations Integration between the UC and HSU – Melinda Haynes Swank provided a review of her comprehensive report documenting the results and findings of the investigation into a potential integration of UC Business Operations and HSU Business Services. The presentation at the meeting included a PowerPoint presentation and the complete report was disseminated to the Board.

The report included a description of the project scope, the process used, and the final results. The final monetary assessment concluded that an integration of UC and State Business Operations would cost both entities

more money due to the complexity and costs of merging two different business entities. The conclusion was to not recommend going forward with the merger.

Staff from the UC and the State were complimented on being very open and collaborative throughout the process. Melinda was also thanked for conducting a fair and honest assessment.

HSU Dining Outsourcing Proposal – Susan Wilkie, from Webb Designs, provided a report via teleconference summarizing the presentation that was discussed at the Business Enterprise Committee meeting on November 13. This included an explanation on outsourcing within the food service industry, advantages and disadvantages of outsourcing, and the financial performance specific to HSU Dining Services. The conclusion was that Dining is successful at HSU as a self-operated department and that outsourcing is not recommended.

There was a thorough discussion on the presentation, the process, and the recommendation of the Business Enterprise Committee.

**MOTION:** It was moved and seconded to not pursue outsourcing of HSU Dining Services.

**ACTION:** The motion was approved with one opposed.

University Center Fee Adjustment – Dave Nakamura provided an update on the UC's fee adjustment process. The Student Fee Advisory Committee (SFAC) has voted to approve moving the UC Student Fee Adjustment forward. Marketing materials, ballot mechanics, and further work with the SFAC will be done early in Spring semester with the goal of having a vote on the referendum in early March.

**SUBJECT: New Business**

CalPERS Resolution #49 Approving and Adopting a Publicly Available Pay Schedule Effective January 1, 2019 – Board members were referred to copies of a handout that contained background information about publically available pay schedules, CalPERS Resolution No. 49, and an updated schedule prepared by management staff. CalPERS, via the California Code of Regulations, requires pay schedules to be publicly available and duly approved and adopted by the agency's governing body. The regulation requires that pay schedules include the job title for each employee position; the pay rate for each position; the position's time base; and the effective date and date of any revisions. Additionally, the schedule must be posted at the office of the employer or on the employer's website, be retained for not less than five years, and not reference another document in lieu of disclosing the pay rate. On January 1, 2019, the California minimum wage increased from \$11.00 per hour to \$12.00 per hour. The increase in the minimum wage

impacts the pay schedule for certain part-time positions. The increases to the base hourly rate for any rates that were below \$12.00 have been updated.

MOTION: It was moved and seconded to adopt CalPERS Resolution #49, Approving and Adopting a Publicly Available Pay Schedule Effective January 1, 2019.

ACTION: The motion was approved unanimously.

Review and Approval of Amendment No.1 Humboldt State University Center Board of Directors FlexCash & Tax Advantage Plan -. In 2017, the University Center adopted the FlexCash & Tax Advantage Premium Plan. The plan provides tax advantaged options for employees to set aside money on a pre-taxed basis for Dependent Care and Medical Reimbursements.

The plan provides a benefit to employees by reducing their total taxable income and increasing their spendable/take home income. Funds set aside in flexible spending accounts are not subject to federal, state, or Social Security taxes. Therefore, the organization incurs tax savings from having a cafeteria plan due to paying reduced payroll taxes on participating employees.

The Amendment revises the current plan and reduces the number of deductions from each pay period to once per month. The amendment will re-establish the former schedule that the University Center had previously operated under the former Cafeteria Plan that had been established in January 1, 1993.

MOTION: It was moved and seconded to approve Amendment No.1 of the Humboldt State University Center Board of Directors FlexCash & Tax Advantage Plan.

ACTION: The motion was approved unanimously.

University Center 2019-20 Budget Timeline – Board members were referred to a copy of the budget timeline for the 2019-20 fiscal year. Dave Nakamura reported that the University Center’s management team is in the process of developing department goals and objectives. The report will be presented to the respective standing committees and sub-boards for discussion and review before the February Board meeting. This item is the first step in the budgetary process. After the Board approves the objectives, those that have financial impacts will be incorporated into the draft budget if funding is available. In March, the Board will receive the 2019-20 Budget Draft and refer it to the Finance Committee to review and formulate a recommendation. In April, the Board will receive the final budget for adoption, and then it is sent to President Rossbacher for final approval.

MOTION: It was moved and seconded to adopt the 2019-20 Budget Timeline.

ACTION: The motion was approved unanimously.

