

STUDENT UNION BOARD OF DIRECTORS
Meeting Minutes

September 8, 2020
3:30 pm

This meeting was a telecommuting meeting by Zoom Video Conference

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

Voting Members Present:	Nicholas Ayala, Antonio Bustamante, Sonja Daniels, Zobeida Delgadillo, Charlie Faas, Cynthia Fernandez-Rios, Ishan Gupta, Ellen Middaugh, Emily Wughalter
Voting Members Absent:	None
Non-Voting Member Present:	Tamsen K. Burke
Staff Present:	Amy Guerra-Smith*, David Alves*, Jerry Darrell*, Debbie Gairaud*, Ryan Fetzer*, Shawn Clark*, Chelsie Guzman*, Yavik Kapadia*, Erick Campos*, Kristina Hunt*, Dave Werner*, Kevin Kish*, Aaron Anderson*, Matthew Lee*, Diane Qin**, Kelsey Snook**, Leanne Lobue*, Katina Green*, Jeffery Toone*, Caryn Collopy*, Karyn Liensdorf**
Guests Present:	Vincent Del Casino*, Patrick Day*

* Zoom video participant ** Zoom call in participant

I. CALL TO ORDER

Cynthia Fernandez-Rios called the September 8, 2020 Student Union Board of Directors Meeting to order at 3:30pm.

II. ROLL CALL

Cynthia Fernandez-Rios asked Amy Guerra-Smith to do a verbal roll call. Amy Guerra-Smith completed a verbal roll call noting quorum (7) voting members present.

III. APPROVAL OF SEPTEMBER 8, 2020 MEETING AGENDA

Cynthia Fernandez-Rios asked for any changes needed to the SEPTEMBER 8, 2020 STUDENT UNION BOARD OF DIRECTORS MEETING AGENDA. Tamsen Burke requested to removed agenda item C. Approval of Removal of Director. Cynthia Fernandez-Rios asked for a motion to approve the September 8, 2020 Student Union Board of Directors Meeting agenda with the requested changes.

Ellen Middaugh motioned to approve; Emily Wughalter seconded the motion.

VOTE ON THE MOTION: 7-0-0 MOTION PASSED.

IV. APPROVAL OF AUGUST 7, 2020 MEETING MINUTES

Cynthia Fernandez-Rios asked for any changes needed to the AUGUST 7, 2020 STUDENT UNION BOARD OF DIRECTORS MEETING MINUTES. Seeing no changes, Cynthia

Fernandez-Rios asked for a motion to approve the August 7, 2020 Student Union Board of Directors Meeting Minutes as presented.

Nicolas Ayala moved to approve; Ellen Middaugh seconded the motion.

VOTE ON THE MOTION:

6-0-1

MOTION PASSED.

V. Executive Directors' Report

Tamsen Burke informed the Board of Directors that two out of the three Student Union facilities are opened with limited capacity. Ms. Burke noted that the SRAC pool is getting an average of 40 swimmers per day. The Student Union is working with Athletics and Kinesiology to accommodate classes and possibly open swim.

The Student Union East and West wings are operating on a limited capacity noting that in the West wing, the market and Panda Express are operating currently from 8am to 3pm, Monday through Friday. In the East wing, AS General Services, AS Print and Technology Center; Bookstore and Starbucks are operating with limited hours. Ms. Burke noted that the SU Ballroom has been designated as a "specialized instructional center" which is a student study space where students can study and use the WiFi connection. Ms. Burke noted that 6 students has been the highest usage rate as of date but will work with Marketing to help advertise availability for students' use.

Tamsen Burke informed the Board Members that the Event Center is working on some improvement projects and those projects will be reviewed during the budget presentation.

Ms. Burke noted that the Student Union successfully cross-trained the full-time employees to support the operations of the two opened facilities. Tamsen Burke noted that one SRAC staff member resigned due to the cost of living in the area and that the Box Office Manager is working with SRAC management to assist with the vacant position.

VI. ACTION ITEMS :

A. Approval of the Finance Committee recommendation to approve the Student Union, Inc. FY 2020-2021 Budget Request

Tamsen Burke presented the Board Members the proposed budget request for the Fiscal Year 2020-2021, noting the following highlights.

Ms. Burke noted that the budget request proposed is reflective of the current enrollment numbers, and outline enrollment numbers to date. She stated the Student Union is requesting the full amount of student fees \$11.5M to support the operations and services of the Student Union, Inc.

Ms. Burke noted that the Student Union incorporated into this budget request a balance of a reduction of expenses, loss of revenues due to the limited operation of the facilities and indoor programming/events.

Tamsen Burke indicated that the Student Union expended the \$1.5M in Cares PPP loan allocation, noting that the Student Union will begin work with Bank of America for forgiveness. Ms. Burke indicated that at this time the loan is anticipated to be fully forgiven however, the Student Union reserved funds to accommodate possible qualifying categories that may not forgiven.

Ms. Burke noted that the Student Union did significantly reduce the Outside Agency category and explained that the Outside Agency consists of two major buckets: (1) the University Cost Allocation and (2) custodial contracts for the Student Union facilities. Ms. Burke noted that the University Cost Allocation is estimated to be about \$1 million. Ms. Burke noted that the Student Union reduced the custodial services through December 2020 for Spartan Recreation and Event Center (currently closed). She anticipated re-instating the custodial contracts for Event Center in support of Athletics and basketball starting in the Spring semester.

Tamsen Burke noted that the repairs and maintenance number were not adjusted because the Student Union will continue to move forward with the repairs and maintenance projects as planned.

Ms. Burke noted that the request in the Wages and Benefits category was reduced due to seven full-time positions opened at the end of the year. The Student Union reduced open salaries to in anticipation of filling positions in 2021. The Student Union did receive notice the benefits will increase by 6%, \$24,000 effective January 1, 2021 the request has been adjusted to anticipate this increase.

Tamsen Burke indicated that Utilities is anticipated to be about \$2 million however, Ms. Burke noted that this could be reduced to \$1.7 million. Ms. Burke went on to explain that currently the lease agreements are written with the Student Union tenants paying for their utilities. Ms. Burke noted that the lease agreements with the university have been edited with the Student Union to pay for these utilities. Therefore, Student Union will request to keep the \$2 million.

Ellen Middaugh inquired if this is being negotiated? Tamsen Burke indicated that she is currently negotiation with the university contracts office and will keep the Board of Directors informed.

Ms. Burke noted the request for Staff Development supports staff required certifications for particular positions and required First Aid and CPR certifications. Ms. Burke went on to explain that Staff Development does not mean the employees are attending conferences. Tamsen Burke noted that the Student Union was asked to examine the insurance category. Ms. Burke noted that Alliant confirmed that there will not be any reductions in any of the property catastrophic event coverages, so the Student Union anticipates insurance to be \$407,000.

Tamsen Burke reviewed the capital projects that the Student Union is requesting to complete this year, noting that the request total is \$533,800 and explained the critical need for these projects to be completed.

Ms. Burke went over the details of the Student Union's current assets and reserve balances.

Cynthia Fernandez-Rios asked for a motion to approve the Finance Committee recommendation to approve the Student Union, Inc. FY 2020-2021 Budget Request as presented.

Nicholas Ayala moved to approve the Finance Committee recommendation to approve; Emily Wughalter seconded the motion.

VOTE ON THE MOTION:

9-0-0

MOTION PASSED.

B. Approval of the Finance Committee recommendation to approve the use of \$4 million of Student Union, Inc. Reserves to Support the University in Compliance with California Education Code, Title V. Section 42659

Tamsen Burke invited the Vice President for Student Affairs, Patrick Day, to speak to the University's request of the \$4 million of Student Union, Inc. Reserves to support the University. Patrick Day addressed the Board Members with the University's budget shortfall because of COVID-19, noting that the University is coming to the Student Union, Inc. in hopes that we can all work collectively to address the University's financial situation. Mr. Day noted that the University expects to endure multi-year budget cuts from the state but that SJSU has made commitments to keep courses available for students, maintain employment of the faculty and staff, and to continue to offer services and programs that students want and need. Patrick Day noted that the \$4 million request will be utilized in compliance with Title

V, Section 42659 and that those funds will not but used for anything outside the ten categories identified within Title V, Section 42659. Mr. Day responded that the \$4 million will assist in keeping the University's commitment for student access to classes and services, and employing faculty and staff required to support the University's mission.

Vincent Del Casino, Provost and Senior Vice President for Academic Affairs further explained that while the University has slowed down hiring in some areas, other areas are not as impacted as the need is critical to support student success. Mr. Del Casino noted that the University is being as strategic as possible to maintain the core mission of the institution and reiterated what Patrick Day mentioned, that we all must work collectively to move through the next several years.

Charlie Faas, Vice President for Administration and Finance presented the Board Members details of the University's FY 2020-2021 budget impact and the impact of COVID-19 on the University's reserves.

Board Members asked various questions with regards to how the funds will be used and reported back or will the Board of Directors have to approve each use prior?

- How are other auxiliaries contributing to the University?
- Will this \$4 million reduce the need for cuts or aid to ensure there are no additional cuts?
- And lastly, after the President approves the budget, when will the funds be withdrawn from the reserves?

Charlie Faas addressed each of the questions, noting that the funds will be used in compliance with Title V, Section 42659 and that the University will report back to the Board of Directors how the funds were used in the Spring semester. Mr. Faas noted that all auxiliaries and enterprises affiliated with SJSU are contributing similarly.

Charlie Faas explained that once the President approves the budget, the transaction will happen after the first half of student fees is deposited.

Cynthia Fernandez-Rios asked for a motion to approve the Finance Committee recommendation to approve the use of \$4 million of Student Union, Inc. Reserves to Support the University in Compliance with California Education Code, Title V. Section 42659 with the understanding that the University will be required to provide a detailed accounting report of the fund utilization.

Antonio Bustamante moved to approve; Emily Wughalter seconded the motion.
VOTE ON THE MOTION: 9-0-0 MOTION PASSED.

VII. Approval of the Removal of Director

This agenda item was removed from the agenda.

VIII. MEETING ADJOURNMENT

Cynthia Fernandez-Rios asked for a motion to adjourn the September 8, 2020 Student Union Board of Directors Meeting at 4:35pm.

Ellen Middaugh moved to approved to adjourn at 4:35pm; Sonja Daniels seconded the motion.
VOTE ON THE MOTION: 9-0-0 MOTION PASSED.