



**STUDENT UNION BOARD OF DIRECTORS
FINANCE COMMITTEE**

**Meeting Minutes
September 7, 2022
3:00 PM**

This is a hybrid meeting.

In-person: Student Union Inc. Building, Conference Room 6

Telecommute meeting by Zoom Video Conference.

Voting Members Present: Kathryn Blackmer Reyes, Andrea Cabrera-Sanchez, Dr. Sonja G. Daniels, Jeet Parekh, Kathleen Prunty (BOD Designee)
Voting Members Absent: James Figueroa, Peter Lee
Updated Attendance: Peter Lee was updated to present at 3:17 PM
Non-Voting Member Present: David Alves, Tamsen Burke

I. CALL TO ORDER

Director Cabrera-Sanchez called the meeting to order at 3:06 p.m.

II. ROLL CALL

Director Cabrera-Sanchez asked Kelly Goldsmith to take roll. Kelly Goldsmith completed a verbal roll call.

III. APPROVAL OF SEPTEMBER 7, 2022 MEETING AGENDA

Director Cabrera-Sanchez asked for any changes to the agenda.

Director Cabrera-Sanchez asked for a motion to approve the agenda.

Director Blackmer Reyes motioned to approve the agenda; Director Daniels seconded the motion.

Vote on the Motion: 5-0-0 Motion Passed

IV. APPROVAL OF MAY 3, 2022 MEETING MINUTES

Director Cabrera-Sanchez asked for any changes to the minutes.

Director Cabrera-Sanchez asked for a motion to approve the meeting minutes.

Director Parekh motioned to approve the May 3, 2022 meeting minutes as presented; Director Daniels seconded the motion.

Vote on the Motion: 4-0-1 Motion Passed

Astain: Ms. Prunty

V. DISCUSSION ITEMS

A. Students Union Reserves (UBS)

Director Cabrera-Sanchez discussed the balance in the Student Union long term reserve account as of July and the remaining balance after \$1.7 million dollars was withdrawn in

August. Mr. Alves explained that the Operating Agreement was approved by the Student Union board on September 2 and is now with the university for approval and signatures. Once the university has signed the agreement, there is an expectation that the long term reserves will be trueed back up to \$5.25 million dollars which the Student Union is required to maintain according to the President's memo from last fall. Ms. Burke's understanding is that \$2.6 million dollars has been agreed upon to be returned to the reserves as of June 30, 2022. Based on her conversation with the university, the Student Union will be able to use the money for operating expenses for July, August, and September, to true up the reserves to \$5.25 million dollars because another \$1.7 million has already been taken out of the reserves to pay for the operating expenses in July, August, and September.

The committee discussed if the return of student fees to the Student Union will be on a monthly basis versus quarterly or semesterly. Ms. Burke expressed concerns about the possibility of receiving funds monthly. Programming is not based on a month to month calculation but rather how those programs are scheduled throughout the entire year. There will be months that \$1.2 million dollars will not be enough to cover the costs. Ms. Burke will contact Patrick Day to discuss the approach that would work best based on how the Student Union finances are typically done.

B. Committee Goals for FY 22-23

~~Ms. Burke explained~~ Ms. Burke explained that this is a new item for committee work this year. She asked the committee to think about what goals they would like to accomplish this year as a finance committee. The committee meeting agendas are typically developed based on what needs to be approved and communicated. Ms. Burke would like the committee to help guide the outcomes that they want to achieve. Are there things that the committee wants to accomplish this year?

The committee discussed what their goals might be. Suggestions included

- (1) Learning operational processes and goals
- (2) City development assessment goals
- (3) How our finances are supporting the overall organization in those programming efforts. Educating the board on the budget development process. Making Qmm

the project to move forw

dollars for maintenance and custodial service contracts and if it should stay in the operating budget. There were conversations that the \$3 million dollars would be placed in the trust account. Ms. Burke explained that the \$3 million dollars is allocated throughout the entire budget and that it's not just a \$3 million dollar placeholder. As per the Operating Agreement, the Student Union has six months to enter into a service agreement. Until then, the Student Union will continue to pay individual salaries and benefits, and for all the custodial services, repairs and maintenance as it exists until the service agreement is agreed upon and signed. Ms. Burke recommended keeping the \$3 million dollars in the budget and for it to be discussed at the mid-year adjustment which would align with the six month timeline. For fiscal year 2023-2024 it would be appropriate for the Finance Committee and the Board to approve the model to have the \$3 million dollars automatically in the trust account rather than being in the operating budget. If the goal has not been attained due to the Operating Agreement not being executed and service level agreements not being executed, Ms. Prunty suggested that an argument could be placed before the CFO in the Student Union's budget request.

The committee agreed that it would make sense to leave the \$3 million dollars in the budget since the Operating Agreement has not been signed yet and the Student Union is continuing to cover the custodial and maintenance costs.

Ms. Burke explained that in the last approved budget, cost allocation was based on the preliminary accounting. Recognizing that insurance costs were going up, the budget included a 53% increase for insurance costs. The final cost allocation and exact cost of insurance will be provided in April. Cost allocation estimates were left in the budget based on the preliminaries but should be reviewed at mid-year when more information is provided by the university. Cost allocation is located in multiple lines because it pertains to several different areas including insurance and outside services.

The committee discussed the cost allocations and that there are no detentions will be p alleansscna there

