

ASC BOARD OF DIRECTORS

Minutes – Regular Meeting

via Zoom

3:30 pm :: March 25, 2021

Present: Ted Bremner, Amir Dabirian, David Forgues, Nicole Gillespie, Bob Hall, Theresa Harvey, Chuck Kissel, Gia Ly, Tonantzin Oseguera, Marcus Revelus, Greg Saks, Teresa Saldivar, Bey-Ling Sha, Steve Stambough, Carolyn Thomas, Justin Tucker, Fram Virjee, Sean Walker.

Absent: Christopher Carlsen, Rosalina Davis, Danny Kim, Marcia Lucas.

Staff: Kim Ball, Rosario Borromeo, Raul Castaneda, Sydney Dawes, Ann Ehl, Cindy Dowling Danielle Garcia, Hee Joon Kang, Tony Lynch, Mike Marcinkevicz.

Guests: Deborah Diep (CDR)

- I. CALL TO ORDER
Chair Bob Hall called the meeting to order at 3:35 pm. Quorum was present.
- II. APPROVAL OF MINUTES
Ms. Harvey moved to accept both the annual and regular meeting minutes of 12/17/21 with a single motion; Ms. Ly seconded and motion carried.
- III. PUBLIC COMMENT
There was no public comment.
- IV. PRESIDENT’S REPORT
Pres Virjee reported that last year, CSUF began a campaign with the inaugural Titan Day of Giving which led to \$240k by 663 donors from 30 states and five countries. Our second Titan Day of Giving was a couple weeks ago and raised nearly \$455K by 1405 donors in 40 states and five countries. We are 84% to our campaign goal of \$200m.

In other good news, CSUF will have a small, in-person commencement outdoors this year; by 04/01/21, those 50 years old and over will be eligible for the COVID vaccine and by 04/15/21 those 16 years old and older will be eligible. On 06/11/21, there will be an all-university virtual ceremony and as local guidelines allow, the in-person commencement will begin 06/12/21 with the class of 2020 (last year’s class). CSU finances also look better; the preliminary cut of \$299m (\$25m to CSUF) has been reinstated as of 07/01/21 by the governor with a possibility of a 1% to 3% increase. Also, no expected tuition/fees increase or furloughs within the CSU for the upcoming year. Additionally, we expect the sale of the Banting property to close soon.

Nationally, CSUF is #3 for social mobility. To be included in the ranking, universities must be more than 50% Pell students and more than half of these students must graduate within six years. Pell students are those whose household make less than \$50k/year. The real cost measure to live in Orange County is \$95k. Notably, 67% of CSUF Pell students graduate within six years. Average salary of these students upon graduation is \$51k; mid-career average salary is over \$100k.

In the University's diversity, equity and inclusion work, social justice awareness and training continue strong. This time last year, we sent an email condemning anti-Asian racism. Academic Senate unanimously passed a resolution condemning any form of racism. The campus stands together with the African-American, Latinx, LGBTQ, in addition to the AAPI, communities. Hate has no home at CSUF.

V. EXECUTIVE DIRECTOR'S & FINANCIAL REPORTS

Mr. Kissel reported that he expects to un-furlough all ASC staff as early as April. With respect to our strategic plan, COVID has postponed most work. ASC expects to close escrow on the Banting properties tomorrow. This will be discussed further in closed session. ASC's internal review work continues and expect to address remaining recommendations by the end of April.

Orange County is currently in COVID-19 red tier; as local news indicates, campus anticipates moving into orange tier in next 30 days. However, a lot of training for Dining Services' staff is needed before re-opening operations. Titan Shops is open for in-person shopping at 25% capacity as it continues to fill orders online.

Overall, ASC budgeted a net loss (of \$1.2m) to date, but are at (\$684k) which is a \$600k positive variance. Management anticipates an \$8m revenue loss over last year; currently at \$6.7m loss. Campus has received \$67m in Cares funding and ASC submitted a request of almost \$2m to offset COVID-related expenses.

ASC's actual net deficit for the period ending 02/28/21 is (\$684K), which was budgeted to be (\$1.35m), resulting in a \$668k variance. General & buildings also has a positive variance of \$407k. From a cash standpoint, ASC has about \$13.6m, most of which is program deposits. ASC currently has an operating cash shortage of \$1m. With December and January being ASC's lightest months, this number is expected to improve by June. ASC continues to have no funds in market investments.

VI. ACTION ITEMS

A. FORM 990

IRS form 990 was emailed to board last month. Management received one recommendation to change title of faculty member.

Ms. Harvey moved to approve IRS form 990, with the suggested title change; Prof. Stambough seconded and motion carried unanimously.

B. UNIVERSITY SERVICES – FY 19/20

The last two years, university contributions have been zero due to capital spending on Titan Hall. University contribution based on 2019-20 numbers is calculated to be \$226,060; this will go into the University's account within ASC. ASC has spent a little over \$17m on Titan Hall, above and beyond the purchase price of \$18m (of which UEE paid \$5m and \$13m was financed by ASC thru State Revenue Bonds). Western State College of Law leased-back \$4m which paid for seismic work. So, the initial plan to invest \$18m into Titan Hall, plus \$4m seismic, turned into \$40.7m. ASC pulled \$17.3m from its reserves to fund improvements of Titan Hall.

Prof. Walker moved to recognize ASC's cash investment of \$17.3m in Titan Hall and approve the University Services contribution in the amount of \$226,060 for the FY 19/20 period; Dean Sha seconded and motion carried unanimously.

VII. CLOSED SESSION: SALE OF REAL PROPERTY

The meeting went into closed session at 4:30 pm. Ms. Harvey moved, Prof. Walker seconded, and motion carried to authorize the Executive Director to sell real property pending approval from CSUF President on the final terms of the sale. Closed session ended at 4:55 pm.

VIII. REMINDERS

➤ Next Board meeting: Proposed for Mon 06/28/21, 3:30 pm.

IX. ADJOURNMENT

Mr. Hall adjourned the meeting at 4:57 pm.

Approved by the Board of Directors, June 28, 2021.



Rosalina Davis, Secretary