

ASC BOARD OF DIRECTORS

Minutes – Regular Meeting
via Zoom

3:30 pm :: September 30, 2021

Present: Ted Bremner, Ron Coley, Amir Dabirian, Rosalina Davis, David Forgues, Bob Hall, Theresa Harvey, Chuck Kissel, Gia Ly, Josh Mitchell, Tonantzin Oseguera, Greg Saks, Teresa Saldivar, Bey-Ling Sha, Steve Stambough, Carolyn Thomas, Justin Tucker, Fram Virjee, Sean Walker.

Absent: Marcia Lucas.

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

I. CALL TO ORDER

Chair Bob Hall called the meeting to order at 3:33 pm. Quorum was present.

II. APPROVAL OF MINUTES

Mr. Bremner moved to accept the regular meeting minutes of 06/28/21; Ms. Harvey seconded and motion carried.

III. PUBLIC COMMENT

There was no public comment.

IV. PRESIDENT’S REPORT

Pres Virjee reported that he gave the State of the University address at Convocation, which is available online. The campus has been focused on (i) the health and safety of its students, faculty and staff; (ii) complete access to education and degree completion; and (iii) redoubling commitment to diversity, equity and inclusion (DEI) and social justice(SJ). The campus is just shy of 65% of classes being in-person, a huge leap from 3% last year. Our return has been carefully planned: currently, 85% of the campus community have provided proof of vaccination or exemption. We continue to mandate masks indoors, while 50-60% continue to wear masks outdoors. The most recent results of the academic progress for Graduation Initiative (GI) 2025 show that four-year graduation rates for first-time freshmen (FTF) increased from 32% to 35%; six-year graduation rates for FTF went up from 68.7% to 71.4%; two- and four-year rates for transfer students also reached all-time highs.

We graduated more Black, Latinx, women and historically underrepresented students than any other time in CSUF history. We’re breaking records on so many fronts. In DEI+SJ, CSUF onboarded the most diverse, tenure-track faculty in its history. Today, more than ever, our faculty mirror our students. Our principles, decisions and actions will speak to these questions: will this enhance equitable learning? Will this expand intentional outreach? Will this amplify our designation as an HSI (Hispanic Service Institution)? Will it radiate an

identity of intersectionality and inclusion? Will it build a professoriate of leadership pipeline? Will it mentor and guide our professors along the way? Will we be a catalyst for change for where we want to go? Will this help us to create and affirm an anti-racist community on our campus, in Orange County and in California?

On campus, we finished new parking structure ahead of schedule; the second-floor work at McCarthy Hall should open in January; baseball and softball additions will be ready by spring; the new aquatic center should be ready by February/March; the Pollak library south tower renovation (which was closed for nine years) is now open. We were at 90% of our comprehensive capital campaign when we received the \$40M MacKenzie Scott contribution.

V. EXECUTIVE DIRECTOR'S & FINANCIAL REPORTS

Mr. Kissel reported that ASC took a measured, phased approach to reopening concepts and operations. Women's soccer recently brought in 7,000 – 8,000 fans which resulted in concessions opening earlier than planned. Reopening these concepts require renewed training by the franchises and are seeing challenges with hiring. We've had a very strong back-to-school, which is likely due to two years' worth of students being on campus for the first time, with last year's incoming freshman now coming to campus for the first time as sophomores. This translates to increased purchase of logo merchandise. We've had supply chain issues, with many items (apparel and food) stuck at ports.

At our June meeting, the Board took action on Tucker Wildlife Sanctuary, which closed escrow on 07/16/21. The deed and deed restrictions were given to Environmental Nature Center in Newport Beach. We have addressed all but two of our internal review recommendations. The two that remain are campus-related: alcohol policy and campus program cost recovery reimbursement. On another note, our single audit had a material deficiency related to asset management (ASC financial statements were clean). While the \$300K asset was tagged, accounted for and transferred to the university at grant completion, the campus had no process or mechanism for its inventory review. With respect to DEI+SJ, ASC has incorporated additional training, with 100% compliance. The campus program Center for Family Business, which was initially overdrawn by (\$149K) has reduced their deficit to (\$64K). After meeting with the dean, that deficit is expected to be made current by the next couple months.

On financials, ASC's net deficit for general, buildings and enterprises is (\$171K), a variance of \$415K. For other activities, net deficit is (\$497K), a variance of \$113K. The net deficit for campus programs is created by drawing down of their current balance. ASC's cash position shows that we have \$31.6M, of which program deposits are \$16.6M and ASC at \$14.4M.

VI. ACTION ITEMS

A. RESOLUTION: APPROVAL OF 2020-21 AUDIT

Mr. Kissel introduced Aldrich partner Andy Maffia and manager Kyle Miller. Two weeks ago, they met with ASC's audit committee to present this year's results. Aldrich is here today to present their review and results; this year's opinion is unmodified (a clean report), the highest rate given. They did not identify control deficiencies that

were considered significant deficiencies over financial reporting. Audit areas designated as greater than normal risk have been addressed and resolved to their satisfaction and they received full cooperation of management and staff throughout the process. They designed risk-based audits and reviewed areas that are most significant samples to test.

Ms. Harvey moved to accept the 2020-21 audit; Mr. Bremner seconded and motion carried.

B. APPOINTMENT: AUDIT COMMITTEE

Per ASC Bylaws, its Board of Directors appoints members to its committees. The audit committee currently has one vacancy, so the Board is being asked to make an appointment. This appointment will also serve as its chair. With his experience in banking, Ted Bremner has expressed interest in serving in that capacity. There was a call for additional nominations from the floor; there were none.

VP Coley moved to appoint Ted Bremner to the audit Committee; Pres. Virjee seconded and motion carried.

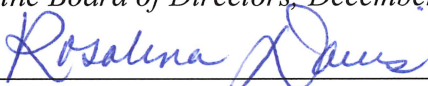
VII. REMINDERS

- Next Board meeting: Thursday 12/16/21, 3:30 pm.

VIII. ADJOURNMENT

Mr. Hall adjourned the meeting at 4:29 pm.

Approved by the Board of Directors, December 18, 2021.



Rosalina Davis, Secretary