



# CESAR CHAVEZ STUDENT CENTER

San Francisco State University

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## SAN FRANCISCO STATE UNIVERSITY STUDENT CENTER GOVERNING BOARD

### SCGB Minutes May 4, 2006

The Student Center Governing Board of San Francisco State University held a regular meeting on **Thursday, May 4, 2006 at 9:30 a.m. in the Delmy Rodriguez Room.**

The following members were present:

Evelyn Hooker	Lily Cortez	Maya Whearty
Chris Jackson	Cindy Morales	Amrah Salomon-
Johnson		
Guy Dalpe	Meredith Duke	
Isidro Armenta	Kit Bomar	
Arline Van Ness	Mirishae McDonald	

The following members were absent:

Richard Giardina  
Susan Alunan

The following guests were present:

Alejandro Rio  
Leigh Wolf  
Donna Tam  
Rob Journey  
Michael DeGroff  
Nham (illegible surname)

Recording Secretary: Aarti Shah

- i. The meeting was called to order by Cortez at 9:46 a.m.**
- ii. Agenda for May 4, 2006 approved by consensus**
- iii. Minutes for the meeting of April 20, 2006 were approved by consensus as amended:**

- On page three, the time that closed session started and ended should be noted
- It should be noted that the motions were made outside of closed session
- Any reference to “made a motion” should be replaced with “moved”
- All motions should in bold type.

**iv. Public Comment -**

**Wolf** expressed concern that the Student Center was closed on May 1<sup>st</sup>. He asserted that the resolution to close the building on May 1<sup>st</sup> in support of immigration violated many rules. He expressed frustration that the Governing Board showed bias towards a political stance. He requested that **Cortez** resign immediately and the Board offer a retraction of the resolution, as well as apologize for using student fees. He warned the Board if these demands are not met within one week, he would file a complaint with the IRS.

**I. Chair’s Report**

1. Faculty Appointment

**Cortez** announced that she spoke to Colvin. Colvin stated that she will immediately tend to the appointment. Cortez noted that she has not spoken to Colvin since then, but would contact her again.

2. Bookstore Lease

**Cortez** stated that there have been requests by the General Manager of the Bookstore to meet with the Bookstore Board of Directors to discuss their obligations and current lease. She informed the board that she is arranging this meeting or it would be addressed at a vendor services meeting.

3. Associated Student Rep

**Cortez** replied that **Fowler** had no news to report because Associated Students had not yet held their board meeting.

**Dalpe** noted that the Board has the authority to either recognize or not recognize those members of AS that were appointed last year. The Board could vote to recognize these members -- **Armenta, Whearty and Jackson** – until an official letter stating the new appointments is received from the AIS President.

**Salomon-Johnson moved to continue recognizing the ASI representatives until the ASI appoints new representatives. Seconded by Morales. Motion passed with two abstentions.**

**Van Ness** requested that **Cortez** contact **Fowler** before the next meeting and inquire when she plans to officially seat the ASI members.

**Cortez** agreed.

#### 4. Conflict of Interest

**Cortez** advised board members to sign the conflict of interest forms and return them to **Dalpe** by the end of the meeting.

**Dalpe** stated that for the Student Center to be in compliance with government regulations, the requirements of the CSU and our own Conflict of Interest policy, members must annually read and sign the conflict of interest form. He asked members to read the attached Conflict of Interest policy and sign individual signature form.

**Cortez** noted that a report detailing the costs of closing the Student Center on May 1<sup>st</sup> and the revised attendance policy should be items on the next agenda.

#### **II. Finals Week Community Relations (A)**

**Dalpe** noted that last year the Board approved that the Center host extended hours and provide testing materials and refreshments to students during final exams. He added that rooms that are usually used for conferences – such as T-160 and T-153 – be used as study areas. He noted that Community Relations Committee expressed interest in resuming this activity.

**Salomon-Johnson** asked if the Community Relations Committee has a plan to publicize this event should it pass.

**Dalpe** stated that flyers would be posted throughout the Center. He acknowledged that time-permitting there would be a small advertisement in the student newspaper regarding the event.

**Salomon-Johnson moved to approve the recommendations by Community Relations to provide extended hours, coffee, study space and testing materials in the building from May 16 – 19 and May 22 – 26. Seconded by McDonald.**

*Whearty and Fowler arrive at 10: 11 am.*

**Whearty** added that the additional study hours convey to students that the Center responds to their needs. She noted that the students are appreciative of the efforts.

**Bomar** asked if it was possible to note the number of students that participated in the event. He suggested that they track the number of students who use the services and receive feedback from students.

**Dalpe** answered that the building managers count the number of students in the building during the extended hours on a half-hourly basis.

**Bomar** noted that he supports these feedback measures if they do not require too many resources.

**Motion passed.**

### **III. Mid-year Adjustments**

**Salomon-Johnson** stated that the Finance Committee approved and recommended the mid-year adjustments.

**Singh** stated that the mid-year adjustments were approved at the Finance committee meeting in March, and now required board approval. He presented the attached line item summary sheet that detailed the proposed mid-year budget adjustments. He noted that adjustments were made regarding funds for the student assistant at the Information Desk. He added that a small adjustment was made by the Accounting department for Auxiliary Business Services. He stated that the net adjustment for expenses was zero, so the overall budget remained intact. He noted that net revenue adjustments were - \$56,000. He stated that the primary adjustments were made in relation to the vendors to account for capital credits provided by the Center.

**Van Ness** questioned if the approved rent reductions for vendors are reflected in the budget.

**Singh** replied in the affirmative, but reiterated that it would depend on the option that Board chooses for the West Plaza project. He stated that the details would be explained during his presentation on the budget.

**Dalpe** noted that agreements with vendors for rent credits for work completed during the recent renovations would be paid off this month.

**Armenta** asked if the budget assessment requires that excess funds to be shuffled to accounts with insufficient funds.

**Dalpe** replied in the affirmative.

*Cortez temporarily exists. Salomon-Johnson takes over as chair.*

**Hooker motioned to approve mid-year adjustments. Seconded by McDonald. Motion passed.**

### **IV. First Reading 2006 – 2007 Budget**

**Salomon-Johnson** expressed praise for the budget. She stated that the Finance Committee is working to lower expenses for the coming year, but still endorses the budget.

**Singh** began by discussing the various components of the Student Center budget. He then commented on the individual components. He stated that operating revenue for fiscal year 2006 – 2007 included 53 percent revenue from commercial services – which is primarily comprised of the Bookstore. He added that other operating revenue is derived from services such as ATMs. He pointed out that 12 percent of revenue comes from food and coffee vendors, 5 percent from the recreation center, 2 percent from the conference services, 28 percent was from the support services. He noted that support services includes phone, utilities, bussing, custodial, and other miscellaneous recharges to vendors. He indicated that the operating revenues is expected to remain flat during the fiscal year due to continuation of current contracts and rent abatements towards capital improvements.

**Singh** stated that management would request approximately about \$2.5 million in student fee dollars this year. He stated that the expected total fee to be collected during the FY 2006/2007 will be approximately \$4 million, up from the \$3.5 million collected this year. He said this reflected a fee increase in \$10 that will be effective in the fall. He emphasized that 63 percent of the revenue is expected from the student fee, and 37 percent from operating revenue.

**Singh** then discussed payroll related expenses. He stated for the next year 44 percent of the budget is allocated towards full-time employees and 4 percent for part-time employees. He continued that 27 percent of the payroll expenses related to student assistant positions, and noted that both the percent and the dollars allocated would be slightly higher this year due to the inception of the computer lab. He also noted that 25 percent of the payroll expenses includes medical and dental benefits. He advised that management was expecting a 9.5 percent increase in operating expenses, mostly to cover charges assessed by the university for supporting DPS. He informed members that the budget is projecting expenditures to be more than revenues for the proposed budget year, and that this would result in a negative net from operations.

**Singh** noted that a total \$99,619 was allocated in the proposed budget towards the new Computer Lab to support one student manager position and three student assistant positions. He indicated the operating expense of \$11,700 was the estimate for supplies, copying, printing and contract services for running the lab.

He informed the Board that the capital equipment & renovation (\$88,000) associated with project have been allocated in the Repair & Replacement fund for Pyramid I. He stated that approximately \$263,000 has been assessed by the University towards AS, Bookstore and the Student Center for supporting DPS. He noted that a total of \$112,000 has been allocated in the proposed budget to meet the Center obligations towards this new charge. He mentioned that a total \$74,000 has been allocated in our on-campus capital expenditures for the purposes of renovating and remodeling of Accounting & Administrative offices, and a total of \$44,000 has been allocated in the Center's on-campus capital expenditures for the purposes of the remodeling the Info Desk.

**Singh** informed members that management constructed two plans for the West Plaza project. Plan A is to work with the operator towards undertaking and completing the project. Plan B would require the Student Center to undertake the project and an allocation of approximately \$1.1 million has been made in the off-campus in fiscal years 07/08 and 08/09. He added that a total of \$976,000 has been allocated in the proposed budget to undertake the LCL Buildout. He emphasized that management is still on target for putting the project out to bid this summer.

**Singh** presented the 10-year cash flow and operating projection, beginning FY 04/05.

**Salomon-Johnson** recommended passing the budget with recommended changes. She added that there were certain areas where the committee felt there were additional cost cutting opportunities in the capital expenditure portion of the budget, but overall, the finance committee supported the budget.

**Bomar** noted that the 53 percent of operations revenue is generated from the Bookstore. He inquired about the length of time that this balance of revenue have been generated from the bookstore.

**Dalpe** estimated “at least” since 1994.

**Bomar** questioned if the 28 percent from food venues is the most that can be expected.

**Dalpe** stated that it is unlikely that the Center will see any significant increase in the 28 percent during the next five to 10 years.

**Singh** noted that there has been interest in increasing operating revenue and lessening our dependence on the fee revenue.

**Salomon-Johnson** implied there have been discussions to open other revenue-generating vendors that will continue this summer.

**Armenta** inquired about the amount of the 25 percent of funds for payroll benefits that would go to full-time staff.

**Singh** stated that nearly all of the benefits funding is for full and part-time staff because students do not receive many health or retirement benefits.

*Fowler departed at 11:15 a.m.*

**Duke** questioned if the time was too soon to consider the cost or saving for implementing the composting program by the ECO students.

**Salomon-Johnson** noted that that the ECO Students planned to use the revenue from the program to offset other costs, such as the purchase biodegradable cutlery.

**Dalpe** mentioned that the ECO Students were considering using grants. He acknowledged that it was too soon to consider its impact.

*Salomon -Johnson departed at 11:35 a.m.*

**Singh** noted that the West Plaza Project includes two options. Plan A assumes the Board will opt to finish the project, and Plan B assumes the Board will undertake the project itself.

**Van Ness** inquired if Plan A acknowledged both operators since there are currently two owners.

**Dalpe** replied to **Van Ness's** inquiry regarding the number of operators by stating that the budget acknowledges that there are currently two vendors that will be relocating to the finished West Plaza.

**Van Ness** expressed frustration the costs of these projects was continuing to increase. If the Board waits until Plan B is implemented the costs will climb to \$1.5 million or \$1.8 million. She advised the Board to continue with Plan A if the Center can survive with no revenue from the Taqueria.

**McDonald** asked what prevented the vendors from using with Plan A.

**Dalpe** stated that management was awaiting for the operators to complete a few orders of business, such as receiving a note from the bank that would allow the implementation of Plan A. He added that management needed a final confirmation from the University that Plan A was acceptable.

**Armenta** asked if it would be possible to freeze this project and focus on demolition, as well as erecting a whole new edifice.

**Dalpe** stated if the Board were to decide not to move forward with project, the Board would have to buy out the lease for the vendors on the West Plaza.

**Armenta** inquired about the number of years until the Board flatlines the debt for the other renovation.

**Dalpe** stated 20 years.

**Jackson moved to approve first reading of the 2006 – 2007 budget. Seconded by Whearty. Motion passed.**

The Board commended Singh for the Finance presentation.

**Dalpe** thanked the Finance Committee for their efforts. He requested the Board move to item VI. 1 because it was time-sensitive.

## **II. Managing Director's Report**

### 1. Retirement Health Benefits

**Berger** presented an overview of the CalPERS health benefit program from the attached text and entertained questions.

**Jackson moved to adjourn meeting. Van Ness seconded this motion.**

**Seconded by Morales. Motion passed.**

**Duke** commended the Board for the handling of public comment.

**Hooker** reiterated the praise of the board during the public comment.

## **III. Adjournment**

**Cortez** adjourned the meeting at 12:58 p.m.

Respectfully Submitted,

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Guy Dalpe, Managing Director

Date