

NOTE TO MINUTES: *The materials and reports briefly referenced in the following minutes are included in the meeting's Agenda Packet, available on the AOA website at the indicated page numbers.*

**AUXILIARY ORGANIZATIONS ASSOCIATION
OF THE
CALIFORNIA STATE UNIVERSITY**

Draft Minutes of the Executive Committee

**Meeting Held by Audit/Video Electronic Transmission
(There was no physical meeting location)**

June 23, 2020

Officers & Representatives

			<u>Present</u>
Kacie Flynn	President	Humboldt	Yes
John Griffin	Past President	San Bernardino	Yes
	Chair – Long-Range Planning Committee		
	Chair – Nominations Committee		
Monica Kauppinen	President-Elect	Sacramento	Yes
	Chair – Conference Planning Committee		
Richard Jackson	Secretary/Treasurer	AOA Headquarters	Yes
Heather Cairns	Elected Representative	Northridge	Yes
Sharleen Krater	Elected Representative	Chico	Yes
Teresa Loren	Elected Representative	San Diego	Yes
Maria Reyes	Elected Representative	Long Beach	Yes
Jonathan Navarro	Elected Representative	Northridge	No
Bella Newberg	Elected Representative	San Marcos	Yes
Todd Summer	Elected Representative	San Diego	Yes
Martiz Ware	Elected Representative	Long Beach	Yes

Designated Members

Rasheedah Shakoor	Chair – AS/Student Union/Rec Committee	Dominguez Hills	Yes
Cynthia Fenimore	Chair – Commercial Services Committee	San Marcos	Yes
Carlos Careaga	Chair – Bus. & Financial Services Comm.	San Diego	Yes
Kristen Pichler	Chair – Human Resources Committee	Northridge	Yes
Rachel Raynoha	Chair – Information Technology	San Diego	Yes
Diane Trujillo	Chair – Research Administration	San Bernardino	Yes
Dwayne Brummett	Chair – Risk Mgmt. & Insurance Programs	Cal Poly SLO	Yes
Michele Goetz	Chair – Past Presidents Committee	San Diego	Yes

Board Liaisons (Non-Voting)

Doug Dawes	CABO Liaison	Humboldt	Yes
Robyn Pennington	Business and Finance Liaison	Chancellor's Office	Yes
Lori Redfearn	Advancement Services Liaison	Chancellor's Office	Yes
Carrie Rieth	Office of General Counsel Liaison	Chancellor's Office	Yes

Guests: None

Agenda Item	Follow-Up Action
<p><u>President’s Convening Information</u> Kacie Flynn noted this remote meeting is the first Executive Committee meeting of the 2020 year, since the scheduled April 17th meeting was cancelled due to the COVID-19 pandemic crisis. All members and participants in the meeting are using the Zoom online platform indicated in the Agenda Packet emailed in advance of the meeting. AOA’s Bylaws authorize meetings by teleconference so long as participants can communicate concurrently with each other and participate fully in all matters.</p> <p>Flynn went over some meeting mechanics: the roll call of meeting participants and the voting on all action items will be conducted using the live “Chat” feature, which also creates a written historical record for the meeting minutes. She instructed the board in the use of the “hand-raising” feature to signal one’s desire to speak.</p> <p>A. CALL TO ORDER AND OPENING REMARKS</p> <p>Flynn called the EC meeting to order at 2:05 pm, and announced that it is being held virtually as authorized by Article IX, Section 4 of the AOA Bylaws. She requested members to sign-into the meeting using Zoom’s “Chat” feature, and reported that a quorum was present.</p>	
<p>B. APPROVAL OF AGENDA</p> <p><i>Action Taken: The meeting’s agenda was approved as presented (m/ Monica Kauppinen, s/ Sharleen Krater).</i></p>	
<p>C. APPROVAL OF 1/11/20 MEETING MINUTES (Agenda, pgs. 1-8)</p> <p><i>Action Taken: The minutes were approved as presented (m/ Martiz Ware, s/ Kristen Pichler).</i></p>	
<p>D. PUBLIC COMMENT PERIOD There was no public comment period at this meeting.</p> <p>E. OLD BUSINESS FOLLOW-UP (Agenda, pg. 9)</p> <p>Richard Jackson presented a status update on the unfinished business items and board tasks carried forward from prior meetings. A couple of the items were on the day’s agenda for updates, whereas the Bylaws Task Force and Long-Range</p>	

Planning meetings are on hold until representatives will be able to meet in person.	
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F. PRESIDENT'S REPORT

1. Updated 2020 AOA Leadership Roster (pg. 10)

2. AOA Officers Update and Plan for the Year

Flynn announced that the Officers met two weeks ago to discuss the EC meeting format and topics. They decided to keep the first virtual EC meeting under two hours, and then seek feedback before deciding on the August meeting's length and structure (maybe hold it over more than one day?). The August, November and January 2021 EC meetings will all be held virtually. It will be important for the Officers and Board to reflect on the future as we realize the full extent of how things are changing for auxiliaries, and do 3-5 year financial forecasting for AOA which will include changing staff structures, revenue and expense modeling, utilization of reserves, etc.

3. Website COVID-19 Resources for Our Membership

AOA built a page on the Website that consolidates in one location information and resources from various sources to assist auxiliaries in responding to pandemic challenges.

4. CSU 101 Update

The orientation usually held in the fall for new CSU business and finance employees, at which the AOA President and President Elect traditionally provide a PowerPoint overview on auxiliaries and AOA, was cancelled for this year.

5. Systemwide Video Security Camera Policy

Flynn emailed a copy of the new CSU policy to EDs on June 10 and will provide updates when available. We need to collect feedback from auxiliaries via Google Docs that we will forward to Mike Redmond, who is willing to meet with ED representatives on implementation guidance and the creation of FAQs as to how auxiliaries might work with the policy to also meet their needs. Those who wish to be part of the Google Docs feedback and subsequent discussion should let Flynn know.

6. Chief Procurement Officers – Auxiliary Leveraged Deals

CSU's CPOs have formed a workgroup and various subcommittees, including an auxiliary/AOA subcommittee, to work towards leveraging systemwide purchasing arrangements. The first task is to analyze the overall spend picture (e.g., what is being purchased and from whom) so a coordinated strategy can be developed. Unlike the campuses, auxiliaries have not usually shared purchasing and

<p>vendor information, so the first step is a conversation on gathering data from auxiliaries. AOA’s Commercial Services Committee Chair will play an important role.</p>	
<p>G. <u>SECRETARY-TREASURER’S REPORT</u> (Agenda, pgs. 11-19)</p> <p>1. <u>Projected Year-End Financial Report and Proposed Budget for FY 2020-21</u></p> <p>Richard Jackson reported that the 2020 Conference in San Diego was one of our most successful, with record Business Sponsor support and participant turnout, positive feedback from members, unusually good hotel staff support, and good net income.</p> <p>The 2021 Conference – a scaled-down version to be held virtually – is a wholly redesigned project in the preliminary stage of development and the budget at this point consists of placeholders in various revenue and expense categories. The largest unknown is whether we will have to pay a significant penalty for the cancellation of the contracted conference at the Hyatt Regency in Sacramento, which will depend on the whether the Force Majeure clause of the contract will come into play – an unknown at this point.</p> <p>The General Operations page of the financial report (which now incorporate the various Special Projects formerly listed in a separate budget) shows the projected year-end net income for EC operations which, when combined with the net income from the Conference financial report, totals \$39,521. This is more than the budgeted net income for the 2019-20 year (\$11,058).</p> <p>The General Operation budget for next year includes expanded and flexible support for Standing Committees (e.g., funding for experts, presenters or workshops as their members work through a new series of challenges). Also, provided is funding for a Website Manager to maintain our new site going forward. The budgeted positive net income for EC general operations for 2021-21, combined with a potential loss on the upcoming conference, presents a worse case scenario of a negative net income of \$97,031 for next year. Given the uncertainties and the rapidly changing landscape, the financial outlook for next year will need to be updated for the August meeting.</p> <p>The Total Net Assets analysis presented with the budget, shows that AOA has sufficient available Unrestricted Net Assets (about \$294K as of 6/30/20) to cover potential negative net income hits in the next couple years. The remainder of AOA’s Total Net Assets (of about \$586K) is \$292K in AOA’s three Restricted reserve accounts.</p>	

Provided for EC review was a **Transactions Detail Report**, which lists all income and expense transactions for the time period from 1/1/20 – 6/15/20.

Action Taken: The proposed budget for FY 2020-21 was adopted as presented (m/ Todd Summer, s/ Michele Goetz).

H. PRESIDENT-ELECT’S REPORT

1. 2021 AOA Virtual Conference Plan

Conference Chair Monica Kauppinen lamented the loss of an in-person gathering next January with its opportunities for interactions and to serve as a training ground for future leaders. The CPC’s original plan was to go to a scaled-down version of an in-person conference. However, given travel restrictions and impacted budgets, an early decision was made by the AOA leadership (in April) to go with a virtual format in January. This experience will be useful going forward as we build a virtual component into our future conferences for those AOA members unable to travel and enjoy the added benefits and richness of in-person attendance.

Kauppinen gave a high-level overview of the conference plan thus far, which is in the preliminary stages of development. We will be using the familiar virtual platform Zoom for the meetings, our usual EventsAir conference software for registration and payments, and are exploring a specialized platform for showcasing business sponsors. We are seeking the help of our partners at the CO to utilize the CSU’s Zoom license and their technical expertise, and utilize CSU’s studio to produce presentations from the CO (e.g., an address by EVC Steve Relyea and a CO Update Panel).

The CPC is considering a Monday-Wednesday schedule, but they will be partial (not full) days. The Standing Committee Chairs will be meeting with the CPC to discuss the heart of the conference (concurrent sessions and plenary topics to meet the needs of the members) and discuss the resources available to them to secure top-notch presenters. We need to ask ourselves, “What would our members pay to see?” and then find an expert to talk about that.

I. MEMBER RESOURCES

1. Website Content and Directory Management

Dixie Johnson provided a written update regarding her contract work on postings to the website, in coordination with the Long Beach staff, and the improved features currently available to members. She also provided an update on the work she does each year on updating the AOA membership Directory.

<p>Jackson reported that it is time to move ahead with engaging a professional third-party business to undertake the on-going management of the site and to develop new features we request. We have a preliminary proposal from a firm that works on the CSU website, but before we can move forward we need Long Beach to provide instruction and training on how to post content ourselves, and they also need to document the structural and coding changes they have made to the back-end that the next website manager will require. Long Beach is on a month-to-month contract to complete these tasks on an expedited basis.</p> <p>2. <u>2020 Mid-Session Bill Summary Update</u> Flynn reported that Robert Griffin put together a list of the major legislation impacting auxiliaries, which is included in the agenda packet. It includes SB 1444, requiring auxiliary organization operating agreements to include food service and hotel labor peace agreements. A survey soliciting auxiliary data and feedback on the legislation will be discussed at the August meeting.</p>	
<p>J. <u>NEW AND RETURNING BUSINESS ITEMS</u></p> <p>1. <u>Richard Jackson’s Service Provider Contract for 2020-21</u> (Agenda, pgs. 31-39) Jackson absented himself from the meeting for this discussion. Flynn presented his proposed Service Contract for 2020-21, which included the standard 3% inflationary increase annually provided to Service Providers.</p> <p><i>Action Taken: The Board unanimously approved Jackson’s contract as presented (m/ Sharleen Krater, s/ Todd Summer).</i></p> <p>2. <u>Robert Griffin’s Service Provider Contract for 2020-21</u> (Agenda, pgs. 40-45) Jackson presented Griffin’s contract renewal, which has the same scope of work and contract terms as last year:</p> <ul style="list-style-type: none"> • He provides current updates on major compliance issues, legislation, and CSU policy developments affecting auxiliaries at no cost to AOA; • He provides an <u>initial free hour</u> of consultation to auxiliary executives (similar to what Richard Bromley does regarding HR issues) on a range of subject matter: legislative or oversight issues, governance, compliance, policy development, management practices, etc. If an auxiliary needs assistance beyond that first hour, then the auxiliary would directly engage Griffin at a rate of \$150/hour. • He provides consultations with AOA leadership on governance, compliance, and business practices, and provides special projects services (e.g., research papers, monographs) at his hourly rate. 	

An example of the timely work Griffin does are his Issue Briefs related to the COVID-19 pandemic, which were posted to the AOA website.

Action Taken: The Board unanimously approved Griffin's contract as presented (m/ Monica Kauppinen, s/ Maria Reyes).

3. Revised AOA Recommended Model Governing Board Meeting Procedures

(Agenda, pg. 46)

Robert Griffin proposed corrections to the procedures previously adopted by the EC and posted on AOA and CSU webpages. It clarifies meeting notice requirements misunderstood and not practiced by some auxiliaries. The changes clarify that ALL meetings require one-week prior written public notice, including special meetings, whenever action is to be taken. This requirement is distinct from the special meeting requirement of at least 24-hour written notice of a meeting to board members and others affected by the meeting business. Some people have confused the 24-hour board notice for special meetings with the one-week public notice that applies to all meetings where action is to be taken.

Action Taken: The Board unanimously approved the proposed revisions to the AOA Model Governing Board Meeting Procedures for Auxiliary Organization (m/ Bella Newberg, s/ Heather Cairns).

3. 2020 Orientation Handbook for New EC Members

Jackson sent the annually updated Orientation Handbook to all Board members by email.

4. 2020 AOA Policy & Practices Manual

Jackson sent the annually updated AOA Policy & Practices Manual to all Board members by email.

K. BUILDING RELATIONSHIPS AND PARTNERS

1. CABO Liaison Report

Doug Dawes, this year's CABO representative to AOA, presented the following report:

- CARES Act will provide \$525M in funding for CSU. Half (\$262M) goes directly to students while the other half will go to campuses. Amounts were allocated federally and differ by campus. The Chancellor's Office (CO) has issued guidance which can be found in the CSU policy library.
- \$3B in CARES Act going to each state governor (\$355M for CA) for K-12 and higher education segments. Separate from \$525M CARES allocation.

- Technology Access Needs: Approximately 5500 laptops, 2400 wifi hotspots, and 2000 computer accessories and other equipment has been procured by the CO and sent to campuses for students/staff for virtual learning needs. This is beyond what campuses had already ordered.

- Systemwide contract with Adobe Sign for electronic signature of documents is available for use. For majority of CSU purposes an Electronic Signature is sufficient. Digital Signatures have additional costs and are only legally required in certain circumstances.

- CSU Partnership Development Process – See “CSU Systemwide Partnerships & Supplier Programs” memo.

- Significant discussions about fees and fee refunds surrounding COVID-19.

Waiting to hear what financial reduction the CSU may take in the State budget. Current thinking is \$398M which equates to about 10% of the CSU budget. Campuses are actively developing budget scenarios for State reductions and enrollment reductions. Campus reductions vary widely as some have little enrollment loss, while others have significant enrollment declines.

- The CSU went primarily to virtual instruction for the Fall. Exceptions to full virtual required a request from the campuses, which included why the need for face-to-face instruction and how the campus would put into place safety protocols for faculty, staff and students.

- Many of the Union contracts have been renegotiated with no salary or wage increases for the upcoming year.

- The CSU negotiated a “Systemwide Video Security Camera Policy.”

- The CSU, working with multiple campuses, continues to move forward with Procure-to-Pay (P2P) to allow for more streamlined procurement and additional rebates. A link was provided to the “P2P Presentation”.

2. CSU Business & Finance Liaison Report (Agenda, pgs. 47-48)

Robyn Pennington provided a written report on the agenda items of various Committees of the Board of Trustees at its last three meetings. In addition, she provided the following update:

COVID-19 Communications

Calstate.edu/coronavirus has been designed to communicate with the general public and with members of the CSU family who are looking for an aggregation of information about the coronavirus. The site contains information from the Chancellor's Office, as well as links to coronavirus web sites on each campus. Links to state and federal government sites are also included. Additionally, the site invites readers to submit questions.

CSU Policy Library

A reminder that a new CSU Policy Library went live last fall. The library provides a comprehensive way to quickly find CSU systemwide policies and is available at <https://www2.calstate.edu/policies>. This library replaces former Executive Orders, ICSUAM, SUAM, and Coded Memorandum repositories and lists.

To receive notifications from our CSU Policy Library listserv whenever policies are created, revised, or retired, just send an email to subscribe-csupolicylibrary@lists.calstate.edu to be added to the listserv.

Pennington also alerted members to the information on the CSU website regarding COVID-19, and to the memo from Steve Relyea regarding the prohibition on travel and conference attendance through June 30, 2021.

3. CSU Advancement Liaison Report (Agenda, pgs. 49-54)

Lori Redfearn provided the following Advancement update:

The CSU has expressed a support position on ACA 5 which would repeal provisions of Proposition 209 of 1996 that have had a negative impact on access to higher education for historically underserved students, particularly those in the African-American community. Removing the language that prohibits preference based on sex, race, color, ethnicity or national origin would permit the CSU to resume scholarships and student success efforts targeted to these populations and accept donations for those purposes. If passed by the legislature, the constitutional amendment will appear on the November ballot. The support letter is attached.

Fundraising programs have shifted to work from home like other university efforts. Several campuses had reached fundraising goals prior to March and others are anticipating a 10 percent decline in giving overall. CSU Monterey Bay closed the largest gift in the university's history providing an endowment that will distribute \$1 million annually for impoverished students.

The last update of auxiliary applications for the Payroll Protection Program was May 12 which is attached. Please forward any updates to Lori which is shared back to Kacie Flynn and used to respond to reports to the CA Department of Finance. Auxiliaries should consult with their campus CFO or the Chancellor's Office Treasury Office prior to

applying for any other loan programs as such debt may need to be approved by the CSU Board of Trustees due to impacts on the bond program. The Payroll Protection Program did not need Trustee approval because it has forgiveness provisions that give it the characteristics of a grant.

Redfearn also reported that the CSU was stepping back from auxiliary audits during this pandemic period of working from home. The audit staff is looking to expand its consulting service (e.g., a template for auxiliary reserve policies).

She commented that Advancement's Philanthropic Committee is interested in becoming a formal AOA Standing Committee.

4. CSU General Counsel Liaison Report (Agenda, pgs. 57-58)

Carrie Rieth made the following report:

Miller v. CSU and Rifat v. CSU—Auxiliary Common Interest Agreement

As the result of the COVID-19 pandemic, the CSU moved to virtual learning to protect students, staff and faculty and to ensure continuation of education services. Two lawsuits seeking class certification were filed against the CSU alleging that students are entitled to a refund of certain fees and tuition as the result of the virtual learning platform.

AOA requested that auxiliaries be consulted in the litigation because auxiliaries in receipt of fee monies are impacted by the lawsuit. CSU prepared a common interest agreement to achieve this.

COVID-19

- Contracts, Force Majeure clauses
- Interim CSU [Refund Policy for Tuition and Fees](#)
- Campus repopulation plans
 - CSU [Policy, Procedure and Considerations for 2020-2021 AY Planning](#) in the Context of COVID-19

CSU Policy Changes

- Systemwide [Video Security Camera Policy](#)
 - Applies to auxiliaries
 - University property does not include interior property which is solely managed and operated by a third party.
- CSU [Contracts and Procurement Policy](#)
- California State University [Sustainability Policy](#)
 - CSU will pursue sustainable practices in all areas of the university including:
 - business operations such as procurement; information technology; student services; food services; facilities operations; design and construction; and

- self-funded entities such as student housing, student unions, parking, children's centers, and auxiliary operations.

BEP Vending Facilities Program

The Business Enterprises Program (BEP) creates opportunities for qualified Department of Rehabilitation (DOR) consumers who are legally blind to become business owners in the food services industry. California Welfare and Institutions Code §19625 affords licensed blind vendors priority in the operation of vending facilities located on State property. DOR contends that campus vending machines are subject to this statute and that DOR is entitled to a commission for vending machines on CSU campuses. CSU contests that the statute applies to its campuses and denies that commissions are due.

Title IX

The Department of Education released its Final Rule under Title IX, which prohibits discrimination on the basis of sex in education programs or activities receiving federal assistance. Information about the regulations are included below.

- Title IX Regulations Addressing Sexual Harassment (Unofficial Copy) [PDF](#) (6M)
- Title IX: U.S. Department of Education Title IX Final Rule Overview [PDF](#) (553K)
- Title IX: Summary of Major Provisions of the Department of Education's Title IX Final Rule [PDF](#) (675K)
- Title IX: Summary of Major Provisions of the Department of Education's Title IX Final Rule and Comparison to the NPRM [PDF](#) (706K)
- [OCR Webinar](#): Title IX Regulations Addressing Sexual Harassment (Length: 01:11:29) 05/06/2020

Pending – DACA

If the United States Supreme Court releases the *Department of Homeland Security v. Regents of the University of California* opinion prior to the EC meeting, an update will be provided.

L. REPORTS

1. Long Range Planning Committee/Nominations Committee

(Agenda, pg. 59)

Chair John Griffin's written report was included in the agenda packet.

2. Human Resources Committee (Agenda, pgs. 60-61)

Chair Kristen Pichler's written report was included in the agenda packet.

3. Research Administration Committee (Agenda, pgs. 62-63)

Chair Diane Trujillo's written report was included in the agenda packet.

4. AS/Student Union/Recreation Committee (Agenda, pg. 64)

Chair Rasheedah Shakoor's written report was included in the agenda packet.

5. Commercial Services Committee (Agenda, pgs. 65-66)

Chair Cynthia Fenimore's written report was included in the agenda packet.

6. Business and Financial Services Committee (Agenda, pg. 67)

Chair Carlos Careaga's written report was included in the agenda packet.

7. Information Technology Committee (Agenda, pg. 68)

Chair Rachel Raynoha's written report was included in the agenda packet.

8. Past Presidents Committee

Chair Michele Goetz had no report for this meeting.

9. Risk Management Committee/AORMA Update

Chair Dwayne Brummett's written report was included in the agenda packet.

M. INFORMATION/ANNOUNCEMENTS

Flynn announced the scheduled dates for upcoming EC meetings, and said that the times would be finalized via a Doodle survey.

N. ADJOURNMENT

By acclamation, the Executive Committee was adjourned at 4:00 pm.

Respectfully Submitted,

Secretary/Treasurer