



Auxiliary  
Organizations  
Association

**EXECUTIVE COMMITTEE  
MEETING AGENDA  
January 11, 2022 – 10 am – 11:30 am**

**Virtual Zoom Connection:**  
<https://csus.zoom.us/j/82049105052>

Meeting ID: 820 4910 5052

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- A. CALL TO ORDER and ANNOUNCEMENTS – *Monica Kauppinen*
- B. APPROVAL OF AGENDA **Action Item**
- C. REVIEW and APPROVAL OF 11/19/21 MEETING MINUTES **Action Item** (pgs. 3-21)
- D. OLD BUSINESS FOLLOW-UP (pgs. 22-23)  
1. Status Report on Pending Items – *Richard Jackson*
- E. PRESIDENT'S REPORT – *Monica Kauppinen*  
1. Voting Results on AOA Election Ballot  
a. 2022 AOA EC Leadership Roster (pg. 24)  
2. 2022 AOA Conference Cancellation Topics and Rescheduling Plan  
a. General Remarks  
b. *Go to Conference Chair's Report*  
3. Annual Business Meeting Cancellation  
a. Annual Report to the AOA Membership – *Richard Jackson* (to be emailed)  
b. Recognition of Outgoing Members
- F. CONFERENCE CHAIR'S REPORT – *Martiz Ware*  
1. 2022 AOA Conference Report  
a. Rolling Conference Sponsorship and Registration Payments to Next Conference  
b. Planned Professional Development Webinar Series
- G. SECRETARY-TREASURER'S REPORT – *Richard Jackson*  
1. YTD AOA Financial Report (pgs. 25-26)  
a. Transactions Report: 11/1/21 – 1/10/22 (pgs. 27-29)  
2. Financial Impact of Conference Cancellation and Mitigations  
3. Acceptance of Audited Financial Statements and Report by Audit Firm (emailed) **Action Item**  
4. Acceptance of AOA Tax Returns – Forms Federal 990, State 199 and Attorney General RRF-1 (e-mailed) **Action Item**
- H. MEMBER RESOURCES  
1. Alert: Robert Griffin Issue Briefs – *Richard Jackson* (pg. 30)

- I. NEW AND RETURNING BUSINESS ITEMS (May Include Consent Items)
  - 1. Submission of Completed Conflict of Interest Documents – *Voting EC Members* (e-mailed/pg. 31)
  
- J. BUILDING RELATIONSHIPS AND PARTNERS  
No Reports at this abbreviated meeting.
  
- K. REPORTS
  - 1. Robert Griffin’s Annual Legislative & Compliance Update is posted to AOA website (pgs. 32-39)
  - 2. Standing Committee Chairs Annual Reports on committee accomplishments will be included in the Annual Report sent to the AOA Membership following the EC meeting. *If time permits, Committee Chairs may share Committee updates.*
    - a. *Long Range Planning – Kacie Flynn*
  
- L. BUILDING RELATIONSHIPS AND PARTNERS  
No Reports at this abbreviated meeting.
  
- M. INFORMATION AND ANNOUNCEMENTS
  
- N. ADJOURNMENT

**FUTURE MEETINGS**  
April 22, 2022 – Long Beach  
June 17, 2022 – Virtual Meeting  
August 19, 2022 – Sacramento  
November 18, 2022 – Sacramento  
January 7, 2023 -- Sacramento

**SECRETARY-TREASURER:**  
Richard Jackson  
Auxiliary Organizations Association  
P.O. Box 2177  
Chico, CA 95927-2177  
  
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**KNOTE 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 at the Hyatt Regency in Indian Wells  
and by Audio/Video Electronic Transmission**

**November 19, 2021**

**Officers & Representatives**

			<b><u>Present</u></b>
Monica Kauppinen	President	Sacramento	Yes
Kacie Flynn	Past President	Humboldt	Yes
	Chair – Long-Range Planning Committee		
	Chair – Nominations Committee		
Martiz Ware	President-Elect	Long Beach	Yes
	Chair – Conference Planning Committee		
Richard Jackson	Secretary/Treasurer	AOA Headquarters	Yes
Sandra Gallardo	Elected Representative	Sacramento	Yes
Sharleen Krater	Elected Representative	Chico	Yes
Teresa Loren	Elected Representative	San Diego	Yes
Rasheedah Shakoor	Elected Representative	Dominguez Hills	Yes
Jonathan Navarro	Elected Representative	Northridge	No
Bella Newberg	Elected Representative	San Marcos	No
Todd Summer	Elected Representative	San Diego	Yes
Nicole Lane	Elected Representative	Fresno	Yes

**Designated Members**

Iraida Venegas	Chair – AS/Student Union/Rec Committee	Long Beach	Yes
Aaron Neilson	Chair – Commercial Services Committee	Cal Poly Pomona	Yes
Djeneba Ahouansou	Chair – Bus. & Financial Services Comm.	Dominguez Hills	Yes
John Doeblar	Chair – Human Resources Committee	Northridge	Yes
Steve DeLuca	Chair – Information Technology	Northridge	Yes
Jennifer Sneed	Chair – Research Administration	San Diego	Yes
Monica Alejandre	Chair – Philanthropy	San Bernardino	Yes
Starr Lee	Chair – Risk Mgmt. & Insurance Programs	Monterey Bay	Yes
Michele Goetz	Chair – Past Presidents Committee	San Diego	Yes

**Board Liaisons (Non-Voting)**

Jonathan Bowman	CABO Liaison	Sacramento	Yes
Robyn Pennington	Business and Finance Liaison	Chancellor's Office	Yes
Lori Redfean	Advancement Services Liaison	Chancellor's Office	Yes
Carrie Rieth	Office of General Counsel Liaison	Chancellor's Office	Yes

**Guest Presenters:** Ed Hudson (Chancellor’s Office), Jeanne Tran-Martin (CSSA)

Agenda Item	Follow-Up Action
<p><b><u>President’s Convening Information</u></b>            Kauppinen welcomed everyone to the first <u>in-person</u> Executive Committee meeting of year. Some meeting participants are using the interactive Zoom connection provided with the agenda to participate remotely. 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>Kauppinen went over some meeting mechanics and noted that 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 virtual participants in the use of the “hand-raising” feature to signal one’s desire to speak.</p> <p><b>A. CALL TO ORDER AND OPENING REMARKS</b></p> <p>Kauppinen called the EC meeting to order at 8:30 am.</p>	
<p><b>B. APPROVAL OF AGENDA</b> (Agenda, pgs. 1-2)</p> <p><i>Action Taken: The meeting’s agenda was approved as presented (m/ John Doebler, s/ Sandra Gallardo).</i></p>	
<p><b>C. APPROVAL OF 8/20/21 MEETING MINUTES</b> (Agenda, pgs. 3-24)</p> <p><i>Action Taken: The minutes were approved as presented (m/ Kacie Flynn, s/ John Doebler).</i></p>	
<p><b>PUBLIC COMMENT PERIOD</b>            There was no public comment period at this meeting.</p> <p><b>D. OLD BUSINESS FOLLOW-UP</b> (Agenda, pg. 25)            Richard Jackson presented a status update on the unfinished business items and board tasks carried forward from the prior meeting. Most of the project initiatives will carry over to next year when there will be more opportunity for in-person meetings.</p>	

<p>Next year we will begin to implement the new program of continuing education and training to be delivered remotely to the membership over course of the year. We will start with programs delivered by Business Partners who have paid a premium conference sponsorship for this opportunity.</p>	
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<p><b>E. PRESIDENT’S REPORT</b></p> <p><b>1. <u>EC Leadership Update and Revised EC Roster</u></b> (Agenda, pg. 26)  Kauppinen noted that Jonathon Navarro has resigned from the Board due to accepting a state position, and that Bella Newberg has announced her resignation in mid-December. Both of these elected-representative positions are due to expire in January, 2022, so they will not be refilled. Sharleen Krater (ASI, Chico) has accepted Kauppinen’s appointment of her as 2021 President-Elect, filling the Officer’s slot vacated when Martiz Ware accepted his new state position. Rasheedah Shakoor will be standing for election in January as the nominated 2022 President-Elect and, if successful, will be vacating her elected-representative role, and next year’s President will need to appoint someone to complete the final year of her two-year term.</p> <p><b>2. <u>Voting Results on AOA Recommended Amended Bylaws</u></b>  Kauppinen announced that the EC approved by email ballot submitting the Recommended Amended Bylaws to the AOA membership, also via email ballot, for their adoption. Ten affirmative votes were required (a majority of the 19 current voting members), and we received 16. Richard sent the Bylaws to the membership on November 24, and we have received 18 responses so far: 44 affirmative responses are needed for adoption, 50% of the 87 CSU auxiliaries.</p> <p>Kacie Flynn clarified that the long-standing “management employee” language in Article IV, Section 7 is a generic term (derived more from the nonprofit sector and the FLSA exemption category) has always been interpreted to refer to professional status (not upper-level management) and certainty not as “management” is used in CSU’s MPP regime. It was not designed to be exclusionary.</p> <p><u>Additional Recommendations from the Bylaws Task Force</u>  Kacie Flynn reminded the board that the Task Force report presented at the last meeting included other recommendations requiring follow-up:</p> <p>That Long Range Planning Committee and AOA consider evolution in the purpose of AOA, and the need to evaluate the how/if AOA should create space for those managing <i>auxiliary functions</i> on the state-side as part of its service mission.</p>	
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Standing Committees have conversations about creating additional opportunities for AOA service would increase member participation at the committee levels and encourage support of all auxiliary functions regardless of where they reside (that is, as an auxiliary employee or state employee).

**3. AOA Officers Update**

The Officers meet last week to discuss the agenda topical issues and plans for the coming year involving the Long Range Planning Committee, the Past Presidents Committee and Conference Planning.

**4. Current Issues Affecting Auxiliaries (with CO Liaisons)**

Kauppinen reiterated to the CO Liaisons that auxiliaries were often excluded from the review process of some recent CO policies under consideration: AOA feels all parties benefit if auxiliaries are able to raise questions and provide input and opportunities for clarification at the design phase. One suggestion is for the CO to establish a way for AOA (Richard Jackson) to be automatically alerted of any policies in development or pending policy changes that affect auxiliaries so auxiliaries can participate in an open-comment period. For example, Brad Wells has a tickler list of policies up for review in the consultation process. On upcoming item is the establishment of the work group to look at construction costs (what’s driving them and sustainability requirements), and Lori Redfearn suggested requesting someone from AOA be part of it.

Redfearn also recommended that AOA work with the EVC for Human Resources to identify an CO HR Liaison to the EC. Also, AOA needs to return to it prior practice of the AOA Officers traveling to the Chancellor’s Office once a year and visiting with key staff there on issues of mutual concern.

**5. IT Consolidation**

Ed Hudson, CSU Chief Information Security Officer, joined the EC remotely to briefly answer questions about the IT Consolidation guideline sent out by Steve Relyea in April. The intent was not to be proscriptive about how IT is structured on campuses (whether distributed or centralized), but to make sure that we do a better job in ensuring that basic data security protections are met. The CIO and ISO are responsible by policy for ensuring best practices and to offer help where needed, and the Presidents need to decide what that structure looks like on their campuses. Steve DeLuca reiterated his recommendation that the Chair of the IT Committee be a formal representative on ISAC, a suggestion Hudson supports.

**F. SECRETARY-TREASURER’S REPORT (Agenda, pgs. 27-32)**

**1. AOA Financial Report**

Jackson reported that there are only four months of activity, and the results are skewed because we a lot of Conference income has been posted, but no

expenses as of yet. The come-back-in-person conference in Indian Wells is shaping up quite well. The numbers will be less than our peak years, but better than we might have expected as people get comfortable travelling again.

The Conference budget approved last spring was designed to expect a loss of about \$84K, but with all the possible uncertainty about new virus and travel concerns, who knows that to expect in terms of registrations/cancellations or possible hotel penalties. Last year AOA had net income of about \$160K, so that will help smooth things out if there is a large loss on the conference in January.

Overall, AOA is in good financial shape with \$766,783 in Unrestricted Net Assets as of 6/30/21.

For the Board's oversight review, Jackson provided a print-out of the small number of financial transactions so far in the new fiscal year.

AOA's auditors are close to completing their audit of AOA's June 30, 2021 Financial Statements, and draft copies will be emailed to the Board.

## **G. PRESIDENT-ELECT'S REPORT**

### **1. 2022 AOA Conference Report**

Conference Chair Martiz Ware reported that as of the conference registration deadline, AOA had hit its contract minimum room reservation with the Hyatt hotel in Indian Wells.

The conference theme is "Better Together," which both expresses the hope that we can recapture the energy and intimacy of the in-person experience. Even if we wanted to, doing a combination n of in-person and virtual participation is not feasible because of the very expensive technology and streaming costs. Conference participation is surprising good, given the circumstances with virus and travel concerns, both from Business Partners and auxiliary attendees.

The CPC is working with the hotel on security protocols and proof of vaccination/recent testing at the time of registration and a daily self-attestation of status, following both CSU and local guidelines. One of the registration gift-bag items is an AOA logo mask.

Ware has arranged for a celebrity speaker Ben Nemtin at Sunday's opening dinner, who will talk about how to maintain our mental health in challenging conditions. On Monday, he has enlisted Lisa Lee to discuss strategic ways to incorporate diversity and inclusion in our organizations. The conference schedule, including the content for about 7 concurrent sessions, will be going out the membership shortly.

Ware discussed the modified conference schedule for 2022 – eliminating the half-day on Wednesday, and ending the conference with a culminating banquet on Tuesday night that includes an interactive discussion by Chancellor Castro with a few auxiliary representatives. The opening Sunday night event includes a dinner and a spirited keynote speaker, to be followed by a festive casual social networking event with dessert stations, beverages, music and dancing.

## **2. Ongoing Educational Programming for AOA Members Following Conference**

It is an initiative of the CPC and Chair Martiz Ware that educational training sessions be expanded beyond the annual conference and offered throughout the year to AOA members as a live or recorded webinar. That way, we can offer virtual professional development opportunities for all members, not just those who can attend the annual conference. It could be a free service to members.

The CPC staff, who are close to content opportunities, can provide logistical assistance, but a project manager is needed to lead the effort: this could rest with the President-Elect, or it could be assigned to an EC elected representative to give them an active project role.

### **McKee Act Training**

It was suggested that, given turnover, it would be beneficial to offer refresher training on the McKee Act. This training by the CO would be a good kick-off to AOA proposed Professional Development Webinar Series. People need to understand that whenever the business of an auxiliary is conducted (including on a personal phone), that is a public record, and involves good recording-keeping protocols.

*Follow-up Action:* The Board consensus was that AOA coordinate a Professional Development Webinar on the McKee Act for viewing by the membership.

### **Business Partner Presentations**

Conference Service Provider Lorie Leethan said that Business Partners could be a beneficial source of educational sessions transmitted to the membership, whether it is content they already have or that could be developed and tailored/curated to AOA (e.g., revenue development, equitable access, emerging issues, wellness, abuse prevention, etc.). Perhaps AOA's partnership with NACAS would be expanded to include developing educational content.

## **H. MEMBER RESOURCES**

### **2. EC Report to the AOA Membership** (Agenda, pgs. 33-34)

Included in the agenda packet is a copy of the traditional Report to the Membership, alerting them to key topics before the EC and offering them the opportunity to engage by providing feedback and questions. Jackson said he received a few responses back and additional requests for information.



### **3. Website Content and Directory Management**

Dixie Johnson, Website Content Manager, is keeping the AOA Directory updated with current information on AOA members, as well as the listservs for auxiliary Executive Directors, CFOs, HR Directors, and Directory Administrators. She is actively working with individual Committee Chairs to assist their members in registering on the website and with their respective Groups – so they can use the Group Communications tool and post documents to their site (instead of using a separate manually created listserv, which doesn't capture everyone who has recently signed up for the Committee).

For members to be fully engaged in utilizing the website group communications, we need to make sure we make it as easy to use and useful as possible. Some EC members commented, as did Steve DeLuca at the prior meeting, that the user interface might be improved to more easily highlight/locate Committee resources and reducing the number of steps (clicks) to get there.

The agreement with the Dent Agency provides for regular website maintenance, including the posting and updating of items (provided by our Website Coordinator, Dixie Johnson), and for special projects for modifications or improvements to be undertaken at a specified hourly rate. Some initiatives have been proposed over the last year or so: e.g., added functionality so that the Standing Committees can identify subgroups (like Rec Centers or Child Care Centers for the ASSURE group), improving the user-interface accessing Standing Committee resources (discussed above), adding a strong search function, etc.

*Follow-up Action:* The Board consensus was that AOA (a Task Force?) look at our website analytics and develop a strategy to gain feedback on the use of the Website, and suggestions on how to improve its utility or ease of use for members. The Website Manager would be asked to comment on potential changes and the costs to implement them for further review by the EC.

### **4. CA Legislative Summary Update** (Agenda, pgs. 35-41)

Robert Griffin put together an update of major legislation impacting auxiliaries, which is included in the agenda packet. Kauppinen pointed to a few items of interest concerning HR/Covid protocols, the Public Records Act and alcohol-linked charitable contributions.

## **I. NEW AND RETURNING BUSINESS ITEMS**

### **5. Conference Provider Contracts for Next Year** (Agenda pgs. 42-86)

The Agenda Packet for the meeting includes extensive submitted documentation on the roles to be performed by the Service Providers in preparation for next year's (2023) conference at the Hyatt Regency in Sacramento. Here are the EC actions required to approve the proposed contract expenditures:

6. \$21,000 for Kasey Schoen’s proposed contract for Conference Administration (the same as last year).
7. For Dixie Johnson’s back-up role in support of Kasey Schoen’s Conference Administration duties, she will charge her hourly rate of \$31.67 on an as-needed basis.  
  
[For her separate contract work keeping the AOA Directory up to date, and as AOA Website Content Manager working in coordination with the Dent Agency (our professional Website Manager), Dixie will charge her hourly rate of \$31.67. The approved AOA budget for 2021-22 already includes an estimated \$6,000 for this role.]
8. \$37,080 for Lorie Leetham’s proposed contract for Conference Business Partner solicitation and management (same as last year, with the standard 3% annual increase authorized by the EC).
9. \$15,450 for Taren Mulhause’s proposed contract as Conference Session Planning Coordinator (same as last year, with the standard 3% annual increase authorized by the EC).

*Action Taken: The Service Provider Contracts were approved as presented (m/ Djeneba Ahouansou, s/ John Doeblor).*

**10. AOA Scholarship Committee 2022 Award** (Agenda pgs. 87-88)

Flynn presented the Scholarship Committee report and recommendations.

Each fall, the Executive Committee seeks nominations for the AOA Scholarship of Excellence Award. The purpose of the award is to recognize California State University students with scholarship funds for academic-related expenses. The basis for the scholarship award is a combination of academic excellence and service to the campus or community, particularly to a CSU auxiliary or a nonprofit organization.

This year, the amount of the scholarship award was budgeted at \$5,000, but the Committee recommends that the top two candidates (with the same scored ratings) both be awarded a \$5,000 scholarship – especially since last year no award was made.

AOA received 10 applications which were independently reviewed and scored. Based on the committee’s review, it recommends Julia Glorioso (CSU San Marcos) and Paola Galvez (CSU San Bernardino) both be named award recipients.

*Action Taken: The two proposed Scholarship were approved as presented (m/ Sandra Gallardo, s/Djeneba Ahouansou).*

### Scholarship Guidelines Changes

AS/SU/RE provided feedback regarding the current scholarship language which states that the award is 'limited to sophomores or juniors.' After discussion, in recognition of the changing demographics of the student population, as 5-year or 6-year graduation rates have become more standard and class standing labels may cause confusion or be misconstrued, the Board elected to change the language to include full-time undergraduates or graduates with at least one academic year remaining.

*Action Taken: The Board asked that the Committee provide specific revised language to the policy for EC action.*

### **11. Lifetime Honorary AOA Member Award Report**

Flynn reported that there were no award recommendations this year, as is sometimes the case.

## **J. BUILDING RELATIONSHIPS AND PARTNERS**

### **CSSA Update**

Executive Director Jeanne Tran-Martin provides an overview of CSSA's mission to advocate for students statewide and its staff structure, and its policy agenda and priorities (see <https://calstatestudents.org/cssa-2021-2022-policy-agenda/>).

### **1. CABO Liaison Update** (Agenda, pgs. 89-93)

Jonathan Bowman presented the following notes pulled from recent CABO meetings:

#### From August 11, 2021 Meeting:

Travel and Hospitality – Tips from the Auditors included: awareness of the “optics” of an expense should it become to public awareness; no per diem reimbursements, only actual costs; travel reimbursed based on the most economical mode to transportation or route.

CSU 2019 State Leadership Accountability Report (SLAA) – The focus is on reducing waste and strengthening internal controls, and includes auxiliaries.

Affordable Student Housing Items – Plans were reviewed for the 11% of students who live on campuses, 30% of whom are low income. What is meant by the term “affordable” varies by area. The State has offered \$2B to be split between the CSU, UC and Community Colleges.

Athletics & Use of Name Impacts -- The NCAA suspended its rules relating to name, image, and likeness (NIL), allowing student athletes to engage in NIL

activities consistent with the law of the state where their school is located. The California NIL law will go into effect in January 2023.

Public-Private Partnerships (P3) Refresher -- There are currently 54 operational P3s in the CSU, the majority of them involving energy. Legal issues and misunderstandings tend to occur around CSU's sovereignty and around prevailing wage.

From October 12 Meeting:

Campus Information Security Briefings – E.g., Cyber Hygiene Project

SB 169 – One time Facilities Programs -- Student Housing Grant Program: Grants for the construction of student housing or acquisition/renovation (commercial property) for affordable, low-cost student housing.

System wide Risk Management updates -- State of the Insurance Market

Audit and Advisory Services – Notable observations included vendor management, auxiliary organization financial controls and IT decentralized computing (campus oversight).

**2. CSU Business & Finance Liaison Report** (Agenda, pgs. 94-95)

Robyn Pennington presented her written report which included reports to the Board of Trustees in September and November of its various Committee activities. Full agendas and item write-ups can be found at:

[www.calstate.edu/bot](http://www.calstate.edu/bot)

**Recent Key Activities:**

**Divestment from Fossil Fuels in University Investment Portfolios and Funds**

*See: [California State University Will Not Make Future Fossil Fuel Investments in University Investment Portfolios and Funds | CSU \(calstate.edu\)](#)*

At the May 2021 Board of Trustees meeting, Chancellor Castro tasked the CSU's Investment Advisory Committee with reviewing the university's investments to ensure alignment between the university's fiduciary responsibility to prudently manage CSU investments and its commitment to sustainability and environmental responsibility. At the conclusion of its October 6th meeting, the committee shared its decision to divest from fossil fuels with the Chancellor, who agreed to adopt the committee's recommendations and has tasked staff at the Chancellor's Office with implementation.

The California State University's effort to transition from fossil fuels is focused on its own investment portfolios only. Auxiliary organizations are not obligated to adopt the recommendations of the Investment Advisory Committee and are free to pursue an investment strategy that best supports their own specific

mission. The chair of the board encourages auxiliary organizations and foundations to evaluate their investments in fossil fuels and take appropriate actions that represent their fiduciary responsibilities and the university's sustainability policies.

### **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. The landing page highlights new or newly revised policies as well as those accessed most frequently.

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

### **3. CSU Advancement Liaison Report** (Agenda, pgs. 96-105)

Lori Redfearn provided the following Advancement update:

Preliminary reporting indicates another record-breaking year in fundraising. Gift receipts topped half a billion for the first time in university history. This was largely driven by the MacKenzie Scott & Dan Jewett gifts to four campuses (Channel Islands, Fullerton, Northridge, and Pomona) that totaled \$135 million. Gift commitments were equivalent to last year's record-breaking year.

The aggregated endowment market value now exceeds \$2.4 Billion and the average investment return for endowments was 29%.

Division of University Relations and Advancement has hired a new Assistant Vice Chancellor, Marketing and Communications. Jim Poore comes to the CSU after serving 8 years as the chief creative officer at UCLA. He and his team work to enhance the CSU's reputation and build brand recognition.

Attached naming policy updates were approved by the Board of Trustees at their November meeting. The Naming Guidelines and Procedures are the administrative considerations prior to bringing a naming proposal to the Board of Trustees.

### **4. CSU General Counsel Liaison Report** (Agenda, pg. 106)

Carrie Rieth made the following report:

#### **COVID-19 Vaccination Interim Policy**

CSU released its COVID-19 Vaccination Interim Policy on 7/29/2021. See <https://calstate.policystat.com/policy/9779821/latest/>

Campuses may extend this policy to auxiliaries and contractors on campus.

#### Update to State Travel Ban

As a reminder, Assembly Bill 1887 added Section 11139.8 to the Government Code to prohibit travel to states with discriminatory laws. Specifically, the CSU is restricted from requiring employees to travel to states subject to the travel ban and is prohibited from approving state-funded or state-sponsored travel to these states.

Montana was recently added to the list of states subject to California's travel ban. States subject to the ban include: Alabama, Arkansas, Florida, Idaho, Iowa, Kansas, Kentucky, Mississippi, Montana, North Carolina, North Dakota, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, West Virginia. For the most current list see: <https://oag.ca.gov/ab1887>

For more information about these travel restrictions and exceptions see <https://calstate-co.policystat.com/policy/8536689/latest/>.

#### Real Property Development Projects

CSU updated the Real Property Develop Projects Policy on June 17, 2021. See <https://calstate.policystat.com/policy/9975730/latest/>. This policy applies to all projects, developments, and related contractual commitments by and between the California State University (CSU), its auxiliaries, and any private or public third-party entity involving the use or development of real property.

#### CalNAGPRA Compliance

In September 2020, the Governor approved Assembly Bill 275, which revised the California Native American Graves Protection and Repatriation Act ("CalNAGPRA"). See Cal. Health & Safety Code §§8010-30. As a result of AB 275, each CSU campus will need to prepare a detailed inventory of Native American human remains and associated funerary objects, as well as a preliminary summary of unassociated funerary objects, sacred objects, or objects of cultural patrimony in its possession by January 1, 2022. Research auxiliaries may be called upon to assist with this effort.

### **H. REPORTS**

#### **1a. Nominations Committee** (Agenda, pgs. 107-108)

Chair Kacie Flynn offered the following recommendations for the 2022 EC Leadership slate, to be put to a vote of the AOA membership by electronic ballot in December.

- Executive Committee Representatives (4 positions open):

**Cecilia Ortiz**, Executive Director

The Donald P. and Katherine B. Loker University Student Union, Inc.  
California State University, Dominguez Hills

Nominee's Area of Expertise: Student Unions, Risk Management

**Miles Nevin**, Executive Director

Associated Students Inc.,  
California State University Long Beach

Nominee's Area of Expertise: Associated Students, Student Unions, Human Resources, Recreation Centers, Children's Centers

**Maddison Burton**, Director of Human Resources

University Corporation  
California State University, Monterey Bay

Nominee's Area of Expertise: Human Resources

**Bessie Strategos**, Grants & Contracts Administrator

Long Beach Research Foundation  
California State University, Long Beach

Nominee's Area of Expertise: Research Administration

- 2022 President Elect:

**Rasheedah Shakoor**, Executive Director

Associated Students Inc.,  
California State University, Dominguez Hills

Nominee's Area of Expertise: Associated Students

- 2022 President :

**Sharleen Krater**, Associate Director of Training & Development

Associated Students  
California State University, Chico

Nominee's Area of Expertise: Associated Students / Human Resources

*Action Taken: The EC approved submitting the Committee's 2022 Leadership recommendations to a vote of the AOA membership (m/ John Doeblor, s/Michele Goetz).*

**1b. Long-Range Planning Committee** (Agenda, pgs. 109-110)

Kacie Flynn reported that the Long Range & Strategic Planning (LRSP) Committee continues to meet monthly by zoom. Discussions still focus around three identified options: 1) Service Provider Model - Independent Contractors, 2) Hired Staff – Paid Employees, and 3) Contracting with another Professional Organization – Exploring Partnerships.

At the September 29<sup>th</sup> meeting, they started reviewing costs supported by our current service provider model to understand what correlation the existing budget may have for an employee or third-party group to contract with.

Looking at current costs of each service provider position was helpful to understand the base budget. We started to group positions into 'related services' that could *potentially* be combined into a full-time equivalent employee(s) or revised contracted scope of work.

The group discussed the feasibility of identifying a firm/professional organization to contract with for these re-grouped functions vs. hiring an employee outright (either through an existing auxiliary or AOA itself as the employer of record). Those are still viable options we'll continue to explore at subsequent meetings.

There was a general consensus that *if* AOA ultimately decides to stay with the Service Provider Model, it would be prudent to craft a standing 'call for future service providers,' to create a pipeline of interested, soon to be retirees, looking to get involved. Further discussion is needed to define what exactly that call would be soliciting.

At the most recent October 29<sup>th</sup> meeting we took the Business Manager Scope and the Conference Admin Scopes and started to draft out new 'position descriptions' to review at our December LRSP meeting.

## **2. Human Resources Committee (Agenda, pg. 111-112)**

Chair John Doebler reported the Committee continues to meet monthly as a forum for members to ask questions, seek advice, share resources and hear from invited guests. Attendance at the meetings ranges from around 30 up to 50 members each month.

Topics included the Governor's announcement about requiring vaccinations for State workers and the Chancellor's Office announcement on mandatory vaccinations; COVID Testing policies/processes and how the auxiliaries are partnering with their campuses on implementing any mandatory testing and vaccination policies.

The Committee invited a paid special guest Rachel Shaw and her team to present on the topic of ADA Accommodations. The committee was encouraged to invite other auxiliary members outside of the committee membership to the presentation and we had several additional guests attend.

### **AOA Salary Survey**

The committee launched the salary survey project and a sub-committee has been working on the process with our vendor, Richard Lane.



**3. Research Administration Committee** (Agenda, pg. 113-118)

Chair Jennifer Sneed reported that the Fall 2021 Meeting took place in October in a virtual format and was a great success with a turn-out of about 114 RAC attendees at some points. The agenda included Pre-Award, Post Award and Compliance topics of great interest to the group, a CO Audit Update, and discussions on Export Control and Employee Recruitment, Morale and Retention.

**4. AS/Student Union/Recreation Committee** (Agenda, pgs. 119)

Chair Iraida Venegas reported on the topics discussed at their October meeting, including proposed revised wording for the AOA Scholarship criteria to insure returning students can apply, telecommuting policies among auxiliaries, background checks and vaccinations for Sport Club Coaches, position vacancies, and AOA conference topics.

**5. Commercial Services Committee** (Agenda, pg. 120-125)

Aaron Neilson reported that Commercial Services has been active with the following:

AOA Conference

The committee is planning session topics on the use of technology, contactless technology, quality retail experiences, and Affordable Learning Solutions.

Membership Survey

Data supports previous discussions surrounding the challenges of representing the diversity of operations under the umbrella of “Commercial Services.”

Center of Excellence 23C Food Service RFP:

A State and Auxiliary Procurement leverage effort: The final vendor being selected as we speak. 4 campuses and auxiliaries are participating, ranging from retail only, residential dining only, large, small, etc. Most participating campuses looking to start contract 1/2022. The RFP will be an “Opt-In” and strictly voluntary for those who wish to avoid the RFP process (Systemwide pouring rights is an example). Concerns include CSU requiring bidders to contribute capital to CSU potentially diverting capital away from individual campuses.

**6. Business and Financial Services Committee** (Agenda, pg. 126)

Chair Djeneba Ahouansou reported on topics discussed in April and October meetings: the impact of campus repopulation, automated service providers to facilitate internal processes, the implementation and impacts of GASB 74, Children’s Centers’ reopening, staff shortages, the VEBA trust and the increase in its administrative fee, and compliance audits.

Planned conference topics include Remote Auditing in a COVID Environment, Leveraging Campus Systems to Create Solutions, Identifying, Preventing and

Responding to Fraud, and Managing Costs: Card Acceptance Using a Service Fee Program.

**7. Information Technology Committee** (emailed)

Chair Steve DeLuca presented his written report, including issues discussed at the September meeting:

Improved AOA/CIO Connections

Members of the IT Committee met with Dr. Michael Berman, CSU Chief Information Officer (CIO). The purpose of the meeting was to discuss how AOA can stay engaged with the CSU CIO Council. The members of the Council consist of all CIOs throughout the CSU. Starting in 2022, the IT Committee Chair will attend Council meetings as invited.

AOA Website UI Refresh

CSUN USU Marketing has agreed to evaluate the User Interface for the CSU AOA website. CSUN USU Technology Support Services will be providing an update at our next meeting in December.

AOA IT Committee Membership

Many members of the IT Committee have transitioned to other opportunities, leaving several vacancies. There is a charge to recruit new IT Committee members.

**8. Philanthropy Committee** Agenda, pg. 127)

Chair Monica Alejandre reported on the October Committee meeting, which as over 20 individuals attending., which included a report on the virtual April meeting of over 21 folks at which the following were discussed:

AOA Conference Topics

Endowment Best Practices

Ian Hannah (Sonoma) facilitated a conversation on endowment best practices as it relates to frequency of endowment deposits into investment accounts, underwater endowment determination and approval of endowment distribution. Committee members discussed their processes and procedures for endowment deposits. In terms of underwater endowments, campuses had different practices. The important takeaway was to ensure processes and procedures are well documented and that campuses follow them. In terms of endowment distribution approval, some campuses had board and/or investment committee approval whereas other campuses abided by the spending policy.

Hannah also addressed the recent announcement by the Chancellor's Office that the CSU will not pursue any further investments in fossil fuels in the University's

three investment portfolio: Systemwide Investment Fund Trust (SWIFT), Intermediate Duration Portfolio (IDP), and Total Return Portfolio (TRP).

#### Board Authority

The Philanthropy Committee discussed board authority when it comes to unrestricted funds and gift acceptance. Lori Redfearn (CO) indicated that it's important for campuses to have an unrestricted fund/gift policy to ensure campuses have a decision flow when large, unrestricted gifts are given to the university.

#### **9. Past Presidents Committee** (Agenda, pgs. 128-134)

Chair Michele Goetz presented her written report, including:

The AOA Past President Committee meets annually at the conference or more frequently as needed at the request of the AOA President. The current committee is comprised of the following individuals:

Michele Goetz, SDSU (2008) - Chair  
Kacie Flynn, Humboldt (2020)  
John Griffin, San Bernardino (2019, 2015)  
Jim Reinhart, Sacramento (2018)  
Keith Kompsi, Fresno (2017)  
Christina Brown, SDSU (2016)  
Deborah Adishian-Astone, Fresno (2012)  
Dave Edwards, Fullerton (2010)  
Leslie Levinson, SDSU (2005)  
Richard Jackson, AOA (2003)

At the August meeting, the committee presented on the two requests for input from AOA President Monica Kauppinen – development of an Auxiliary Executive Director Toolkit and feedback/recommendation for hosting a second AOA Leadership Academy.

Although there has not been any request for follow-up action from the AOA leadership, the framework for the auxiliary briefing document was utilized by CSU Fullerton to create a campus leadership briefing document for the Associated Students, Inc which I have included in this report as an example of how the framework might be utilized. Also included is a brief one-page version generated by SDSURF to be utilized for a proposal submission.

#### **10. Risk Management Committee/AORMA Update** (Agenda, pgs. 135-139)

Chair Starr Lee referred to the report included in the agenda packet which included a summary of the funding and dividend information for FY 22/23 as approved by the AORMA Committee in September 2021.

The AORMA Liability Program has a self-insured risk pool layer of \$500,000. This means that all costs up to \$500,000 per occurrence are self-insured through CSURMA AORMA. The claim costs in excess of \$500,000 are insured through reinsurance and excess insurance. The AORMA Committee approved the FY 22/23 Liability Program total costs of \$6,702,561 which is a 40% increase compared to the contributions paid into the Liability Program for FY 21/22. However, in order to keep the percentage increase under 30%, the AORMA Committee approved a dividend of \$624,919 from the Liability Program to be used to lower members' contributions.

Over the last few years, the liability insurance marketplace has seen a mass exodus of insurance carriers, especially in the western states. The insurance industry continues to see significant increases in plaintiff demands, jury verdicts and high dollar claims. Claims that used to resolve for \$5M to \$10M are now costing public entities and their insurers \$20M to \$30M. The "social inflation" that has had a huge impact on these costs continue to deplete the insurance market's surplus, limiting the capacity and availability of insurers willing to write California public entity business.

The reinsurer providing the \$4,500,000 excess of \$500,000 coverage layer added a PFAS exclusion to its reinsurance agreement.

The AORMA Committee approved the FY 22/23 Workers' Compensation Program total costs of \$4,021,437, which is a 23% increase compared to FY 21/22. Costs are increasing because payroll is going up.

The AORMA Committee approved the FY 22/23 Property Program total costs of \$6,031,522 which is a 56% increase as compared to the contributions paid into the property program for FY 21/22. The Property Program funding includes costs for Cyber Liability, Pollution Liability and Limited Earthquake insurance. Extreme weather events (drought, extreme heat, extreme precipitation, hurricanes, tornadoes) and wildfires are causing billions of dollars of property damage across the country with a greater frequency than even a few years ago. These types of losses have led to rate increases across the country even for insureds without major losses. The CSURMA property programs (Campus and AORMA) have experience major property losses (in excess of \$1M) which is accelerating the program's rate increases.

Claims involving hacking, ransomware and loss of personal information continue to rise worldwide. Ransomware now accounts for 75% of all cyber insurance claims.

**L. INFORMATION/ANNOUNCEMENTS**

**M. ADJOURNMENT**

By acclamation, the Executive Committee was adjourned at 2:00 pm.

Respectfully Submitted,

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Secretary/Treasurer

**MEMORANDUM**

**To:** Executive Committee Attendees  
 Auxiliary Organizations Association

**Date:** January 5, 2022

**From:** Richard Jackson  
 Secretary/Treasurer

**File:**

**Subject:** Follow-Up Assignments from the August 20, 2021 Executive Committee Meeting

**cc:**

Below is a summary of items needing follow-up action, taken from the minutes of the November 11, 2021 Executive Committee Meeting, or carried over from a prior meeting. This list is intended to aid the responsible parties in their follow-up activities and their preparation of updates or agenda items for the next Executive Committee meeting on January 11, 2022.

Action	Responsible Individual	Notes on Status
Provide the EC with specific proposed revised language for the AOA Scholarship Guidelines for EC action	AS/SU/REC Committee	Pending
Offer a Professional Development Webinar on the McKee Act for viewing by the membership.	AOA President or Designee to work with Carrie Rieth	Pending
Develop strategy to get analytics/feedback on use of Website and how to improve its utility & ease of use for members.	Officers Group	Pending
Follow-up with the CO on a process for alerting AOA of policies in development and providing an open-comment period.	Monica Kauppinen	Pending
Launch year-round AOA Education and Training Webinar Series over the next year.	CPC Chair; CPC Business Partner Coordinator	In Progress
Develop a succession plan and financial model for AOA Executive Director/Business Manager and other Service Providers, and a strategic plan for the use of unallocated net assets.	Kacie Flynn, Chair of Long Range Planning Committee	In Progress – Update at EC meeting

Establish a working group to propose clarifying changes to the CO's Operating Agreement template.	Monica Kauppinen	Pending
Arrange for an auxiliary review process of proposed changes to the Compliance Guide.	Monica Kauppinen, Carrie Rieth	Pending
Schedule a virtual EC meeting in early June.	Richard Jackson	Pending



## 2022 AOA EXECUTIVE COMMITTEE ROSTER

### **ELECTED OFFICERS** <sup>1</sup>

Sharleen Krater	President	Associated Students, CSU, Chico
Monica Kauppinen	Immediate Past President	University Enterprises, CSU Sacramento
Rasheedah Shakoor	President-Elect	Associated Students, CSU Dominguez Hills

### **APPOINTED OFFICER** <sup>2</sup>

Richard Jackson	Secretary/Treasurer	AOA Executive Office
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### **ELECTED REPRESENTATIVES** <sup>3</sup>

Sandra Gallardo	Term expires 1/23	Associated Students, CSU Sacramento
Teresa Loren	Term expires 1/23	Research Foundation, San Diego State
Grace Slavik	Term expires 1/23	University Corporation, CSU Northridge
Vacant	Term expires 1/23	
Maddison Burton	Term expires 1/24	University Corporation, CSU Monterey Bay
Miles Nevin	Term expires 1/24	Associated Students, CSU Long Beach
Cecilia Ortiz	Term expires 1/24	University Union, CSU Dominguez Hills
Bessie Strategos	Term expires 1/24	Research Foundation, CSU Long Beach

### **STANDING COMMITTEE CHAIRS** <sup>4</sup>

Helen Alatorre	AS/Student Union/Rec	Associated Students, CSU Channel Islands
Alfredo Macias	Commercial Services	Forty-Niner Shops, CSU Long Beach
Yvette Marquez-Smith	Business & Financial Services	Associated Students, CSU Northridge
Rosa Hernandez	Human Resources	Forty-Niner Shops, CSU Long Beach
Matthew Sparks	Information Technology	University Union, CSU Sacramento
Monica Kauppinen	Long Range Planning	University Enterprises, CSU Sacramento
	Nominations	
Gillian Fischer	Research Administration	Sponsored Research, CSU Dominguez Hills
Caroline Johansson	Philanthropy Committee	SF State Foundation, San Francisco State
Starr Lee	Risk Management & Insurance Programs	University Corporation, Monterey Bay
Dave Edwards	Past Presidents	Associated Students, CSU Fullerton

### **DESIGNATED LIAISONS** <sup>5</sup>

Ann Sherman	CABO Liaison	CSU Chico
Robyn Pennington	Business & Finance Liaison	CSU Chancellor's Office
Lori Redfean	Advancement Services Liaison	CSU Chancellor's Office
Carrie Rieth	General Counsel Liaison	CSU Chancellor's Office
Tammy Kenber	Human Resources Liaison	CSU Chancellor's Office

\*\*\*\*\*

- 1) Elected by membership to one-year terms.
- 2) Appointed by Executive Committee to one-year term.
- 3) Elected by membership to staggered two-year terms.
- 4 Standing Committees are represented on the Executive Committee by the committee chairs who are appointed by their respective committees and are designated voting members of the Executive Committee.
- 5) Appointed by Executive Committee, these are designated liaisons and standing attendees, and are non-voting.



**Auxiliary Organizations Association**

**Profit and Loss Budget vs. Actual – January Conference**

Fiscal Year 2021–22

(As of 1/11/22)

		<b>January Conference</b>		
		FY 2021–22 YTD	2022 Conference Budget	Cancellation Impact YTD
<b>1</b>	<b>Income</b>			
<b>2</b>	50000 — Conference Registration Fees	\$200,325	\$255,000	\$0
<b>3</b>	52000 — Business Partner Income			
<b>4</b>	52100 — Business Partner Reg Fee	\$13,245		\$0
<b>5</b>	59000 — Other Conference Income (credit card fees)			
<b>6</b>	52000 — Business Partner Income – Other	\$255,250	\$240,000	\$0
<b>7</b>	Total 52000 — Business Partner Income	\$268,495	\$240,000	\$0
<b>8</b>	52300 — In-Kind Contributions			
<b>9</b>	Total Income	\$468,820	\$495,000	\$0
<b>10</b>				
<b>11</b>	<b>Expense</b>			
<b>12</b>	80000 — Conference Services			
<b>13</b>	80200 — Conf Contract Service	\$48,176	\$89,839	\$48,176
<b>14</b>	80500 — Service Provider Travel Expense			
<b>15</b>	80700 — Registration Area Support			
<b>16</b>	80000 — Conference Contract Services – Other			
<b>17</b>	Total 80000 — Conference Services	\$48,176	\$89,839	\$48,176
<b>18</b>	80800 — Bank Credit Card Fees		\$20,000	
<b>19</b>	82000 — Cnf Gifts and Awards Expense	\$4,705	\$6,000	\$0
<b>20</b>	83000 — Hotel Function & Meal Expense	\$300,820	\$300,000	\$361,639
<b>21</b>	83500 — Hotel Credit on Expenses			
<b>22</b>	83000 — Hotel Function & Meal Expense – Other			
<b>23</b>	Total 83000 — Hotel Function & Meal Expense	\$300,820	\$300,000	\$361,639
<b>24</b>	84000 — Marketing/Communication Exp	\$1,451	\$25,000	\$1,451
<b>25</b>	85000 — Non-Hotel Function/Meal Exp			
<b>26</b>	86000 — CPC Expenses			
<b>27</b>	86100 — CPC Travel Expense	\$1,839	\$4,000	\$1,839
<b>28</b>	86500 — CPC Meeting Expenses	\$3,594	\$6,000	\$3,594
<b>29</b>	86000 — CPC Expenses – Other			
<b>30</b>	Total 86000 — CPC Expenses	\$5,432	\$10,000	\$5,432
<b>31</b>	87000 — Speaker Contract Expenses	\$11,250	\$25,000	\$0
<b>32</b>	88000 — Web/Mobile App/AV Tech Expense		\$85,000	
<b>33</b>	NACAS Conference Bus Partner Marketing Expenses		\$5,000	
<b>34</b>	Complimentary Guest Rooms		\$13,000	
<b>35</b>	89000 — Donated Goods and Services			
<b>36</b>	89400 — Allowance for Bad Debt		\$0	
<b>37</b>	Total Expense	\$371,835	\$578,839	\$416,699
<b>38</b>				
<b>37</b>	<b>Net Income</b>	<b>\$96,985</b>	<b>\$ (83,839)</b>	<b>(\$416,699)</b>

**Auxiliary Organizations Association**

**General Operations Profit and Loss Statement: Budget vs. Actual**

Fiscal Year 2021-22  
(As of 1/5/22)

		<b>General Operations</b>		<b>Cancellation</b>
		<b>YTD</b>	<b>2021-22 Budget</b>	<b>Impact YTD</b>
1	<b>Income</b>			
2	40000 — AOA Dues	\$84,959	\$246,936	\$84,959
3	42000 — Standing Committee Income			
4	43000 — Scholarship Donations			
5	44000 — AORMA Dividend	\$555	\$555	\$555
6	45000 — Interest Income	\$0		\$0
7	46000 — Dividend Income	\$1,495	\$10,000	\$1,495
8	47000 — Realized Gain on Investments		\$5,000	
9	48000 — Unrealized Gain on Investments	(\$214)	\$10,000	(\$214)
10	45000 — Extraordinary Income	\$672	\$200	\$672
11	<b>Total Income</b>	<b>\$87,467</b>	<b>\$272,691</b>	<b>\$87,467</b>
12				
13	<b>Expense</b>			
14	70000 — Contracted Service – Business Manager	\$18,448	\$44,276	\$18,448
15	70500 — Sec/Treas Travel & AOA Office Expense	\$2,009	\$4,000	\$2,009
16	Compliance Consultant Analyses/Monographs	\$6,600	\$11,000	\$6,600
17	71500 — Legislative Liaison Travel Exp			
18	72000 — AOA Legal Counsel (requested services)			
19	73000 — Retainer- HR Legal Counsel		\$27,000	
20	73500 — AOA HR Legal Counsel Expenses		\$5,000	
21	74000 — Advocacy/Liaison Expenses			
22	75000 — Audit/Tax Prep Expenses	\$16,200	\$16,200	\$16,200
23	75300 — Insurance Expense	\$4,709	\$4,709	\$4,709
24	75500 — COGR Dues Expense	\$5,250	\$5,250	\$5,250
25	76000 — Executive Committee Travel Exp	\$8,632	\$11,000	\$8,632
26	76500 — Executive Committee Meeting Exp	\$11,850	\$14,000	\$11,850
27	AOA Leadership Academy		\$12,000	
28	77000 — AS/SU Committee Expenses			
29	77100 — Financial Services Com Expenses			
30	77200 — HR Committee Expenses	\$2,000		\$2,000
31	AOA Biennial Salary Survey	\$4,200		\$4,200
32	77300 — IT Committee Expenses			
33	77400 — Research Admin Com Expenses			
34	77600 — Commercial Services Committee Expenses			
35	77800 — Standing Committee Meetings/Programs		\$25,000	
36	97000 — Website Depreciation Expense		\$9,965	
37	78000 — Web Hosting/Maintenance Exp	\$15,483	\$40,000	\$15,483
38	78500 — Website Content/AOA Directory Updates	\$4,523	\$6,000	\$4,523
39	AOA Scholarship Program		\$5,000	
40	79000 — Gifts and Awards Expense		\$500	
41	79400 — Bad Debt Expense	\$1,283		\$1,283
42	Special Projects (Website Implementation)			
43	79500 — Miscellaneous Expenses	\$1,716	\$2,500	\$1,716
44	<b>Total Expense</b>	<b>\$102,904</b>	<b>\$243,400</b>	<b>\$102,904</b>
45				
46	<b>Net Income</b>	<b>(\$15,437)</b>	<b>\$29,292</b>	<b>(\$15,437)</b>
47				
48	<b><u>January Conference Summary</u></b>			
49				
50	<b>Income</b>	<b>\$468,820</b>	<b>\$495,000</b>	<b>\$0</b>
52	<b>Expense</b>	<b>\$371,835</b>	<b>\$578,839</b>	<b>\$416,699</b>
54	<b>Net Income</b>	<b>\$96,985</b>	<b>(\$83,839)</b>	<b>(\$416,699)</b>
55				
59				
60	<b>TOTAL AOA NET INCOME</b>	<b>\$81,548</b>	<b>(\$54,548)</b>	<b>(\$432,136)</b>
61				
62				
63	<b>Projected AOA Net Assets as of 6/30/22</b>			
64				
65	<b>Reserves:</b>			
66	Working Capital		\$121,700	\$121,700
67	Conference Contingency		\$127,625	\$127,625
68	Special Projects/General Contingency		\$50,000	\$50,000
69	<b>Total Reserves</b>		<b>\$299,325</b>	<b>\$299,325</b>
70				
71	<b>Unallocated Net Assets:</b>			
72	Beginning Balance 7-1-21		\$467,458	\$467,458
73	Add: Projected FY 21/22 income TYD		\$0	(\$432,136)
74	<b>Total Projected Unallocated Net Assets at 6/30/22</b>		<b>\$467,458</b>	<b>\$35,322</b>
75				
76	<b>Total AOA Net Assets Projected as of 6/30/22</b>		<b>\$766,783</b>	<b>\$334,647</b>

**Auxiliary Organizations Association (AOA)**  
 Custom Transaction Detail Report  
 November 2021 through June 2022

Type	Date	Num	Name	Memo	Account	Class	Clr	Split	Amount	Balance
Income										0.00
<b>Expense</b>										
<b>77250 — AOA Salary Survey Expense</b>										
Check	11/03/21	2709	Human Resources Strat...	Second payment...	77250 — AOA Salary Su...	General Op...		10000 — Checki...	2,100.00	2,100.00
Check	01/03/22	2737	Human Resources Strat...	Third payment ...	77250 — AOA Salary Su...	General Op...		10000 — Checki...	2,100.00	4,200.00
Total									4,200.00	4,200.00
<b>78500 — Website Content/Dir Management DJ</b>										
Check	12/06/21	2714	Dixie L. Johnson	Sept - Nov Web...	78500 — Website Conte...	General Op...		10000 — Checki...	79.96	79.96
Check	12/06/21	2714	Dixie L. Johnson	Sept - Nov Mem...	78500 — Website Conte...	General Op...		10000 — Checki...	476.63	556.59
Check	12/06/21	2714	Dixie L. Johnson	Sept - Nov Nom...	78500 — Website Conte...	General Op...		10000 — Checki...	833.34	1,389.93
Total									1,389.93	1,389.93
<b>86000 — CPC Expenses</b>										
<b>86100 — CPC Travel Expense</b>										
Check	12/06/21	2716	Martiz Ware	Martiz Ware 11/...	86100 — CPC Travel Ex...	January Co...		10000 — Checki...	388.29	388.29
Check	12/18/21	2732	CSU, Sacramento Univer...	R Dietzler CPC 1...	86100 — CPC Travel Ex...	January Co...		10000 — Checki...	503.05	891.34
Total									891.34	891.34
<b>86000 — CPC Expenses - Other</b>										
Check	12/08/21	2723	Richard Jackson	CPC dinner 11/...	86000 — CPC Expenses	January Co...		10000 — Checki...	223.49	223.49
Total									223.49	223.49
Total									1,114.83	1,114.83
<b>80000 — Conference Contract Services</b>										
<b>80450 — Cnf Contract Srv-Lorlie Leetham</b>										
Check	12/18/21	2728	Lorlie Leetham	3rd Qtr paymt ...	80450 — Cnf Contract S...	January Co...		10000 — Checki...	9,000.00	9,000.00
Total									9,000.00	9,000.00
<b>80300 — Conf Contract Service-Taren M</b>										
Check	11/03/21	2708	Taren Mulhause	3rd Qtr 2021 Se...	80300 — Conf Contract...	January Co...		10000 — Checki...	3,750.00	3,750.00
Total									3,750.00	3,750.00
<b>80500 — Service Provider Travel Expense</b>										
Check	12/06/21	2719	Taren Mulhause	T Mulhause CPC ...	80500 — Service Provid...	January Co...		10000 — Checki...	253.24	253.24
Check	12/06/21	2722	Dorothy Green	Dorothy Green ...	80500 — Service Provid...	January Co...		10000 — Checki...	660.36	913.60
Check	12/08/21	2723	Richard Jackson	RJ Travel Nov 20 ...	80500 — Service Provid...	January Co...		10000 — Checki...	557.78	1,471.38
Check	12/18/21	2728	Lorlie Leetham	Travel AOA Nov ...	80500 — Service Provid...	January Co...		10000 — Checki...	936.39	2,407.77
Check	12/18/21	2730	Taren Mulhause	T Mulhause #2 ...	80500 — Service Provid...	January Co...		10000 — Checki...	292.06	2,699.83
Check	12/18/21	2731	CSU, Long Beach Univer...	Aaron Elmelech...	80500 — Service Provid...	January Co...		10000 — Checki...	1,175.17	3,875.00
Total									3,875.00	3,875.00
<b>80200 — Conf Contract Service-D Johnson</b>										
Check	12/06/21	2714	Dixie L. Johnson	Dec 2021 Supp...	80200 — Conf Contract...	January Co...		10000 — Checki...	2,000.00	2,000.00
Total									2,000.00	2,000.00
Total									18,625.00	18,625.00

**Auxiliary Organizations Association (AOA)**  
 Custom Transaction Detail Report  
 November 2021 through June 2022

Type	Date	Num	Name	Memo	Account	Class	Clr	Split	Amount	Balance
<b>84000 — Marketing/Communication Exp</b>										
Check	12/18/21	2729	Public Identity	Second Crf Lap...	84000 — Marketing/Co...	January Co...		10000 — Checki...	1,451.09	1,451.09
Total 84000 — Marketing/Communication Exp										
<b>83000 — Hotel Function &amp; Meal Expense</b>										
Check	12/18/21	2724	Richard Jackson	Deposit for IW-H...	83000 — Hotel Functio...	January Co...		10000 — Checki...	70,000.00	70,000.00
Check	12/23/21	2734	Richard Jackson	Deposit #2 for l...	83000 — Hotel Functio...	January Co...		10000 — Checki...	70,000.00	140,000.00
Check	12/29/21	2735	Richard Jackson	Deposit #3 for l...	83000 — Hotel Functio...	January Co...		10000 — Checki...	70,000.00	210,000.00
Check	01/09/22	2739	Richard Jackson	Deposit #4 for l...	83000 — Hotel Functio...	January Co...		10000 — Checki...	75,820.00	285,820.00
Total 83000 — Hotel Function & Meal Expense										
<b>82000 — Crf Gifts and Awards Expense</b>										
Check	12/06/21	2721	I.D. Me Promotions	Tote bags at Re...	82000 — Crf Gifts and ...	January Co...		10000 — Checki...	1,958.06	1,958.06
Check	12/18/21	2727	I.D. Me Promotions	Masks for Regis...	82000 — Crf Gifts and ...	January Co...		10000 — Checki...	2,747.06	4,705.12
Total 82000 — Crf Gifts and Awards Expense										
<b>79500 — Miscellaneous Expenses</b>										
Check	11/15/21	2711	Richard Jackson	PayPal fee, 10/2...	79500 — Miscellaneous...	General Op...		10000 — Checki...	19.95	19.95
Check	11/15/21	2711	Richard Jackson	AWS fee, 10/3/...	79500 — Miscellaneous...	General Op...		10000 — Checki...	60.25	80.20
Check	11/15/21	2711	Richard Jackson	Owl purchase fo...	79500 — Miscellaneous...	General Op...		10000 — Checki...	1,101.40	1,181.60
Check	11/15/21	2711	Richard Jackson	AOA check stock	79500 — Miscellaneous...	General Op...		10000 — Checki...	146.90	1,328.50
Check	12/08/21	2723	Richard Jackson	PayPal fee, 11/2...	79500 — Miscellaneous...	General Op...		10000 — Checki...	19.95	1,348.45
Check	12/08/21	2723	Richard Jackson	AWS fee, 11/3/...	79500 — Miscellaneous...	General Op...		10000 — Checki...	62.49	1,410.94
Check	01/10/22	2740	Richard Jackson	PayPal fee 12/2...	79500 — Miscellaneous...	General Op...		10000 — Checki...	19.95	1,430.89
Check	01/10/22	2740	Richard Jackson	AWS Cloud fee 1...	79500 — Miscellaneous...	General Op...		10000 — Checki...	68.10	1,498.99
Total 79500 — Miscellaneous Expenses										
<b>78000 — Web Hosting/Maintenance Exp</b>										
Check	11/03/21	2707	Dent Agency LLC	Dent Agency Se...	78000 — Web Hosting/...	General Op...		10000 — Checki...	3,096.60	3,096.60
Check	11/15/21	2713	Dent Agency LLC	Dent Agency Oc...	78000 — Web Hosting/...	General Op...		10000 — Checki...	3,096.60	6,193.20
Check	12/18/21	2726	Dent Agency LLC	Dent Agency No...	78000 — Web Hosting/...	General Op...		10000 — Checki...	3,096.60	9,289.80
Total 78000 — Web Hosting/Maintenance Exp										
<b>76500 — Executive Committee Meeting Exp</b>										
Check	11/15/21	2711	Richard Jackson	Hyatt deposit fo...	76500 — Executive Co...	General Op...		10000 — Checki...	6,780.05	6,780.05
Check	12/08/21	2723	Richard Jackson	EC dinner 11/1...	76500 — Executive Co...	General Op...		10000 — Checki...	207.30	6,987.35
Total 76500 — Executive Committee Meeting Exp										
<b>76000 — Executive Committee Travel Exp</b>										
Check	12/06/21	2715	Granger	Kacie Flynn Aug...	76000 — Executive Co...	General Op...		10000 — Checki...	1,275.28	1,275.28
Check	12/06/21	2715	Humboldt State Sponsor...	Kacie Flynn Nov ...	76000 — Executive Co...	General Op...		10000 — Checki...	1,319.55	2,594.83
Check	12/06/21	2716	Martiz Ware	Martiz Ware 11/...	76000 — Executive Co...	General Op...		10000 — Checki...	388.30	2,983.13
Check	12/06/21	2717	CSU, Sacramento Associ...	S Gallardo Aug ...	76000 — Executive Co...	General Op...		10000 — Checki...	562.32	3,545.45
Check	12/06/21	2717	CSU, Sacramento Associ...	S Gallardo Nov ...	76000 — Executive Co...	General Op...		10000 — Checki...	730.16	4,275.61
Check	12/06/21	2718	CSU, Fresno Association...	Nicole Lane Aug ...	76000 — Executive Co...	General Op...		10000 — Checki...	1,001.81	5,277.42
Check	12/08/21	2723	Richard Jackson	RJ Travel Nov 20...	76000 — Executive Co...	General Op...		10000 — Checki...	557.78	5,835.20
Check	12/18/21	2733	San Diego State Univ. R...	Jennifer Sneed ...	76000 — Executive Co...	General Op...		10000 — Checki...	393.54	6,228.74
Total 76000 — Executive Committee Travel Exp										

**Auxiliary Organizations Association (AOA)**  
 Custom Transaction Detail Report  
 November 2021 through June 2022

Type	Date	Num	Name	Memo	Account	Class	Clr	Split	Amount	Balance
<b>75000 — Audit/Tax Prep Expenses</b>										
Check	11/15/21	2712	KCoe Isom, LLP	Partial 6/30/21 ...	75000 — Audit/Tax Pre...	General Op...		10000 — Checki...	6,000.00	6,000.00
Check	12/18/21	2725	KCoe Isom, LLP	Partial 6/30/21 ...	75000 — Audit/Tax Pre...	General Op...		10000 — Checki...	3,900.00	9,900.00
Total 75000 — Audit/Tax Prep Expenses									9,900.00	9,900.00
<b>71000 — Retainer - Legislative Liaison</b>										
Check	01/03/22	2736	Robert E. Griffin	RGriffin EC Cons...	71000 — Retainer - Leg...	General Op...		10000 — Checki...	3,450.00	3,450.00
Total 71000 — Retainer - Legislative Liaison									3,450.00	3,450.00
<b>70500 — S/T Travel &amp; AOA Office Expense</b>										
Check	11/03/21	2710	AT&T	10/19/21 - 11/...	70500 — S/T Travel & A...	General Op...		10000 — Checki...	221.64	221.64
Check	12/06/21	2720	AT&T	11/19/21 - 12/...	70500 — S/T Travel & A...	General Op...		10000 — Checki...	221.43	443.07
Check	01/03/22	2738	AT&T	12/19/21 - 1/1...	70500 — S/T Travel & A...	General Op...		10000 — Checki...	217.46	660.53
Total 70500 — S/T Travel & AOA Office Expense									660.53	660.53
<b>70000 — Contacted Service - Sec/Treas</b>										
Check	11/15/21	2711	Richard Jackson	Contract Pay, O...	70000 — Contacted Ser...	General Op...		10000 — Checki...	3,689.67	3,689.67
Check	12/08/21	2723	Richard Jackson	Contract Pay, N...	70000 — Contacted Ser...	General Op...		10000 — Checki...	3,689.67	7,379.34
Check	01/10/22	2740	Richard Jackson	RJ Dec 21 contr...	70000 — Contacted Ser...	General Op...		10000 — Checki...	3,689.67	11,069.01
Total 70000 — Contacted Service - Sec/Treas									11,069.01	11,069.01
Total Expense									366,390.39	366,390.39
Net Income									-366,390.39	-366,390.39

## **Two Revised Issue Briefs**

Auxiliary Board Emergency Powers, Meetings and Actions (2022 Revision)

Student Body Organization Board Emergency Meetings, Powers and Actions  
(2022 Revision)

*These revised Issue Briefs, one applying to Auxiliary Boards and one to Student Body Organization Boards, have been updated to reflect expanded nonprofit public benefit corporate emergency powers in AB 663 (Chen).*

*Effective January 1, 2022, governing boards have expanded emergency powers in anticipation of or during a declared emergency to take any action that it determines to be necessary or appropriate to respond to the emergency, mitigate the effects of the emergency, or comply with lawful federal and state government orders.*

*Bylaws may include provisions implementing the above emergency powers.*

*The potential impact of this Bill would enhance the ability of auxiliary organization governing boards to meet and take needed action in emergency situations.*

*The Revised Issue Briefs are available on the Resources Section of AOA Website.*

*Robert Griffin*

**Auxiliary Organizations Association**

**RELATED PARTY QUESTIONNAIRE & CONFLICT OF INTEREST CERTIFICATION**

1) Have you or any related party of yours had any interest, direct or indirect, in any of the following transactions in the period from January 1, 2021 to January 10, 2022 to which the organization was, or is to be, a party?

- |   | YES | NO  |
|---|-----|-----|
| • Sale, purchase, exchange, or leasing of property?   | [ ] | [ ] |
| • Receiving or furnishing of goods, services, or facilities?                                  | [ ] | [ ] |
| • Transfer or receipt of income or assets?  | [ ] | [ ] |
| • Maintenance of bank balances as compensating balances for the benefit of another?           | [ ] | [ ] |
| • Acting as a director, officer, partner, trustee, employee, or manager in a business entity? | [ ] | [ ] |
| • A direct or indirect investment in a business entity of at least \$1,000?                   | [ ] | [ ] |
| • Other transactions?   | [ ] | [ ] |

2) Do you or any related party of yours have any interest, direct or indirect, in any of the following pending or incomplete transactions to which the organization is, or is to be, a party?

- |   | YES | NO  |
|---|-----|-----|
| • Sale, purchase, exchange, or leasing of property?   | [ ] | [ ] |
| • Receiving or furnishing of goods, services, or facilities?                                  | [ ] | [ ] |
| • Transfer or receipt of income or assets?  | [ ] | [ ] |
| • Maintenance of bank balances as compensating balances for the benefit of another?           | [ ] | [ ] |
| • Acting as a director, officer, partner, trustee, employee, or manager in a business entity? | [ ] | [ ] |
| • A direct or indirect investment in a business entity of at least \$1,000?                   | [ ] | [ ] |
| • Other transactions?   | [ ] | [ ] |

3) Have you or any related party of yours been indebted to or had a receivable from the organization at any time in the period from January 1, 2021 to January 10, 2022? Please exclude amounts due for ordinary travel and expense advances.

YES [ ] NO [ ]

4) Do you know of any related party that has misappropriated assets or committed other forms of fraud against the organization?

YES [ ] NO [ ]

5) Do you know of any person or organization that should be receiving this questionnaire?

YES [ ] NO [ ]

6) Have you or any related party of yours had any interest, direct or indirect, in any transactions in the period from January 1, 2021 to January 10, 2022, or in any pending or incomplete transactions, to which any pension, retirement, savings, or similar plan provided by the organization was, or is to be, a party? Do not include payments to a plan or payments by the plan made pursuant to the terms of the plan.

YES [ ] NO [ ]

The answers to the foregoing questions are correctly stated to the best of my knowledge and belief. **I have received, read and will comply with the organization's Standards of Conduct Policy Statement and Conflict of Interest Procedures.**

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

## 2021 Legislative & Compliance Developments

Building upon the periodic legislative *Updates* for member-organizations and the Executive Committee, an expanded *2021 Annual Legislative & Compliance Report* is now available for the 2022 Annual Conference.

The *Report* includes key:

- California Legislature enacted bills;
- California regulatory changes;
- Governor Executive Orders;
- References to CSU policy revisions; and
- Developments at the Federal level.

A broad array of reliable sources make this *Report* a handy resource for staying abreast of fast-moving changes impacting auxiliary organizations.



# 2021 LEGISLATIVE & COMPLIANCE REPORT

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## for 2022 ANNUAL AOA CONFERENCE

Robert E. Griffin

### ***I. California Legislation*** (Enacted)

#### **Assembly:**

**AB 12** (Seyarto et al) -- Personal Information: Social Security numbers. Would require state agencies, as soon as is feasible, but no later than January 1, 2023, to stop sending any outgoing United States mail to an individual that contains the individual's social security number unless the number is truncated to its last four digits, except in specified circumstances. **Passed as Urgency Measure and signed by Governor. (effective when enacted) (10/5/21).**

**AB 473 & 474** (Chau) – Public Records Act Reorganized. Reorganizes, recodifies and make conforming changes to the California Public Records Act (PRA) based upon a California Law Review Commission study requested by the Legislature. Cross references to the PRA in The Richard McKee Transparency Act of 2011 would be updated (in Cal. Ed. Code §§ 89915.5, 89916, and 89919). Status: **Passed. Signed by Governor. Operative January 1, 2023 and contingent on enactment of AB 386, AB 562, and SB 823.**

**AB 488** (Irwin) -- Charitable organizations: charitable fundraising platforms and platform charities (amended). Expands application of the *Supervision of Trustees and Fundraisers for Charitable Purposes Act* to include a regulatory and reporting framework over charitable fundraising platforms and platform charities as charitable fund trustees under the AG. **Passed. Signed by Governor.**

**AB 663** (Chen) -- Corporate Board Emergency Powers/Actions (amended). Applies in relevant part, to all auxiliary organizations as nonprofit public benefit corporations (not CSSA).

The corporation governing board would have expanded emergency powers in anticipation of or during a declared emergency to take any action that it determines to be necessary or appropriate to respond to the emergency, mitigate the effects of the emergency, or comply with lawful federal and state government orders.

Bylaws may include provisions implementing the above emergency powers.

Requirements for board meetings by remote facilities updated.

The potential impact of this Bill would enhance the ability of auxiliary organization governing boards to take needed action in declared emergency situations.

Status: **Passed. Signed by Governor.**

**AB 900** (Reyes) – Charitable Trusts; Notice to AG. Would appear to apply to auxiliary organizations holding a charitable trust, as trustee, under an authorized function.

The applicable statutory definition of the term “charitable trust” is described in IRC § 4947(a)(1).

The Bill requires a trustee holding assets subject to a charitable trust to give written notice to the Attorney General at least 20 days before the trustee sells, leases, conveys, exchanges, transfers, or otherwise disposes of all or substantially all of the charitable assets.

This requirement would parallel the existing notice requirement for auxiliary organizations (as nonprofit public benefit corporations) before similarly disposing of all or substantially all its assets.

The impact of the notice requirement would seem to be nominal, but would entail an on-going awareness of the statutory requirement and appropriate transaction-processing time to include compliance with the notice. Status: **Passed. Signed by Governor.**

**AB 1267** (Cunningham) -- Alcoholic Beverages: Advertising or Promoting Proceeds Donation to Charitable Organization (amended). Would, as an exception to present prohibition, until January 1, 2025, authorize a winegrower, a beer manufacturer, a distilled spirits manufacturer, or a craft distiller to donate a portion of the proceeds from the sale of an alcoholic beverage to a nonprofit charitable organization, subject to certain limitations, including a prohibition on a promotion or advertisement of the donation that encourages, promotes, or otherwise references the consumption of alcoholic beverages. **Passed. Signed by Governor.**

**AB 1276** (Carrillo & L. Gonzalez) -- Single-use food accessories & service ware in food facilities & full-service restaurants (many amendments). Will:

- 1) prohibit a food facility or 3d party food delivery platform from providing consumer any single-use food accessories unless requested;
- 2) Require 3d party food delivery platform to provide ready-to-eat food vendors with to customize vendor menu listing single-use food accessories (condiments) offered for consumer to check, otherwise not provided;
- 3) effective 1/1/2023, require reusable food service ware and prohibit single-use service ware for consumer in a full-service restaurant (with adequate dishwashing capacity);
- 4) Require city and county level enforcement through officer designated by June 1, 2022; and
- 5) Specify violations framework.

NB: Major terms used are defined.

Campus food service auxiliary organizations (or out-sourced providers) would be required to comply with the above requirements at food facilities, including full-service restaurants and any 3d party (online) food delivery platforms offering ready-to-eat food via vendors. Increased costs or savings not known. Status: **Passed. Signed by Governor.**

**AB 1363** (L. Rivas) – Childcare – Dual Language Learner Program Enhancements (amended). Would amend the Child Care & Development Services Act to enhance standards and support for dual-language learner preschool programs. Status: **Passed. Signed by Governor.**

**Senate:**

**SB 95** (Skinner) – COVID-19 Supplemental Paid Sick Leave. Mandates that public or private California employers with more than 25 employees must provide employees with notice of the availability of (up to) an additional 80 hours of employer-paid COVID-19 sick leave (retroactive to January 1, 2021) under qualifying reasons.

Covered employees who are unable to work or telework due to qualifying reasons related to COVID-19. The paid sick leave is applicable if the employee is:

- subject to a COVID-19 quarantine/isolation period required by local, state, or federal order or guidelines (the longest minimum period will apply);
- advised by a health care provider to self-quarantine due to concerns related to COVID-19;
- attending an appointment to receive a COVID-19 vaccination;
- experiencing symptoms related to a COVID-19 vaccine that prevent the employee from being able to work or telework;
- experiencing symptoms of COVID-19 and seeking a medical diagnosis;
- caring for a family member is subject to a quarantine;
- caring for a child whose school or place of care is closed or otherwise unavailable for reasons related to COVID-19 on the premises.

**Enacted as urgency measure, effective March 29, 2021, retroactive coverage to January 1, 2021 and extended through September 30, 2021.**

**SB 389** (Dodd) -- Alcoholic beverages: retail on-sale license: off-sale privileges.

This Bill, as amended by the Assembly on 9/3/21, provides in pertinent part --

- 1) Allow alcoholic beverage on-sale license holders to exercise additional “off-sale” limited rights and privileges, including:
- 2) Sale of distilled spirits for off-sale consumption of beverages in manufactured-prepackaged containers ordered & picked up by consumer under specified conditions;
- 3) Sale of alcoholic beverages, except beer, for off-sale consumption when packaged with secure, sealed lid or cap; except
- 4) Wine sales limited to single-serve containers (as defined); and
- 5) Mixed drink and cocktail sales shall not exceed ½ ounce of distilled spirits;
- 6) Such sales only with “bona fide meal” (as defined) and 2-drink limit;
- 7) Containers clearly marked as containing alcoholic beverage; and
- (8) Premises-posted warning signs in prescribed content.
- (9) Licensee notice to ABC required w/ admin. appeals process.
- (10) This bill sunsets December 31, 2026.

**Passed. Signed by Governor.**

NB: Some auxiliary organizations operate or contract for campus restaurants, as “bona fide public eating places,” and may hold on-sale licenses. It is doubtful that such licenses include off-sale privileges. But if so, this bill would provide additional flexibility in selling off-site. Community opposition may arise if and when the additional privileges are exercised.

## II. California Regulations & Compliance Issues

### A. Attorney General – Public Charities (including registered auxiliary organizations)

Form 990 – Donor Information (Schedule B). The annual RRF-1 filing must include a copy of the most recent IRS Form 990, with schedules and attachments thereto included. However, effective **July 1, 2021**, the Registry of Charitable Trusts no longer requires filing of Schedule B to the IRS Form 990 as part of the registration and annual (RRF-1) reporting requirements. Conforming amended regulations are pending. The U. S. Supreme Court on July 1 struck down California’s requirement that charities and nonprofits operating in the California provide the state attorney general’s office with the names and addresses of their largest donors -- a 6-3 ruling in Americans for Prosperity Foundation v. Bonta.

#### Recent Regulation Changes

*Governmental Exemption*. Effective February 2, 2020, auxiliary organizations may be exempt from filing, registering and reporting as public charities with the AG’s Registry of Charitable Trusts. CCR title 11, § 300.2 now exempts public benefit corporation formed by governments, their agencies and subdivisions, if:

- The bylaws or articles show that the public benefit corporation was founded by government, to benefit government and its constituents, and that at dissolution all funds are transferred to the founding government,
- The bylaws or articles demonstrate that government has the right to nominate or appoint members of the board, and
- The founding government has the ability to prevent the loss of charitable assets through inspection rights, the right to conduct audits, or to obtain regular financial reports.

NB: Authority cited: §§ 12585 and 12587, *Government Code*. Reference: § 12583, *Government Code*.

#### Other Regulation Amendments

Several amendments to the AG’s regulations and forms were adopted in 2021, ensuring that basic financial information will become available to the donating public promoting transparency and allowing for prospective donors to research and assess the performance of charitable organizations, including how they spend their charitable revenue and assets.

The basic financial information will be available to the Attorney General to assess potential problems or evaluate the need for audits or investigations. The amendments also clarify ambiguous provisions and instructions in the forms, saving time for both registrants and Attorney General staff. Finally, amendments to the forms and instructions provide more information to the public concerning existing legal requirements and improve compliance through education.

See: <https://oag.ca.gov/charities/notice-prop-amend-regs>

### B. Secretary of State (Business Entities Branch)

#### Thinking about a Corporate Name Change?

**Changes to the Name Availability Service option.** The Name Availability Service is being renamed to Name Reservations. The Name Inquiry mail service is no longer being offered. A preliminary search of corporation, limited liability company and limited partnership names already of record with the California Secretary of State can be made online through the website: Business Search.

A name can be reserved for a period of 60 days. Fees and instructions for reserving a name are included on the [Name Reservation Request Form \(PDF\)](#).

### **C. Governor Executive Orders** (including COVID-19 Emergency Actions and Recissions)

Following the March 4 proclamation declaring a state of emergency, Governor Newsom issued over 50 pandemic-related emergency executive orders in 2020.

The Legislature passed several bills that built upon the Governor's executive actions in response to COVID-19. Some of the bills replaced certain executive orders entirely. Legislation superseded the following two salient executive orders, which have no further force or effect as of that legislation's effective date:

- Executive Order N-51-20 (paid sick leave) – superseded by AB 1867
- Executive Order N-62-20 (workers' compensation) – superseded by SB 1159

For up-to-date COVID-19 information and references, see: <https://covid19.ca.gov/>

### **C. California State University**

Board of Trustees Regulations – CCR Title 5. There were no amendments in 2021 to sections (41400-42667) pertaining to auxiliary organizations, student body organizations or student organizations.

Key Executive Orders – New & Revised. There were no new executive orders issued in 2021 that apply to auxiliary organizations.

The following pertinent EOs were revised during 2021:

EO 890, *Administration of Grants & Contracts in Support of Sponsored Programs* (2/22/21)

EO 1000, *Delegation of Fiscal Authority & Responsibility* (4/7/21)

EO 747, *Policy for Real Property Development Projects* (6/17/21)

EO 1096, *Policy and Procedures; Discrimination, Harassment, Retaliation, Sexual Misconduct, Dating and Domestic Violence, and Stalking against Employees and Third Parties* (10/12/21)

EO 1097, *Systemwide Policy Prohibiting Discrimination, Harassment & Retaliation, Sexual Misconduct, Dating & Domestic Violence, & Stalking Against Students & Procedure for Addressing* (10/1/21)

EO 1104, *Campus Reporting of Fiscal Improprieties* (1/7/21)

EO 1119, *Sales, Service, and Advertising of Alcoholic Beverages* (8/26/21)

#### Other Policies – New

COVID-19 *Vaccination Interim Policy* (HR 2021-3) (7/29/21)

#### Key ICSUAM – Revisions

ICSUAM 03601.01, *CSU Travel & Expense Reimbursements Policy* (10/5/21)

ICSUAM 13175.00, *Auxiliary Organization External Audit Firms Qualifications* (3/3/21)

**NB:** While some of the above policy revisions may be cosmetic, it is recommended that they, along with new policies, be downloaded and made a ready-reference, as appropriate. See *CSU Policy Library* at: <https://www2.calstate.edu/policies>

### **III. Federal Affairs**

#### **A. 2021 Key Legislation**

##### *Protecting Nonprofits from Catastrophic Cash Flow Strain Act of 2020*

The previously passed CARES Act (see below) required that nonprofits pay 50 percent of the cost of unemployment insurance to the state, while the federal government covers the other 50 percent. Guidance issued by the Department of Labor required states to collect 100 percent of unemployment insurance costs up front and reimburse them later, putting further strain on organizations already hit hard by COVID-19. This clarifies that nonprofits are only required to provide 50 percent in payments to the state up front.

See enacted bill: <https://www.congress.gov/bill/116th-congress/senate-bill/4209>

##### *The Coronavirus Aid, Relief, and Economic Security Act (CARES Act)*

The CARES Act was the “phase three” federal legislative response to the COVID-19 pandemic. The 880-page bill provides economic aid to individuals, businesses, and industries and additional support for hospitals, health care workers, and other elements of the health care system. Timely and effective implementation will play critical roles for the ultimate efficacy of the Act and its impact on the economic landscape as well as company and industry specific outlooks.

Copy of a comprehensive analysis here:

<https://www.grantthornton.com/-/media/content-page-files/tax/pdfs/CARES-act-analysis.ashx>

Implementation Guidance (NACUBO link): [COVID-19 Employer and Tax Resources](#)

##### *The Parking Tax Repeal*

The enacted FY20 federal budget included several tax amendments, including retroactive repeal of the infamous *parking tax* levied under the *2017 Tax Cuts and Jobs Act (TCJA)* on the parking and transportation benefits nonprofit organizations offer to their employees. See tax refund-related IRS guidance information below.

#### **B. Bills**

Left on the floor of the 116<sup>th</sup> Congress were a number of bills-of-interest relating to UBIT, Net Investment Income Tax, and Employer Provided Tuition Benefits and Student Facing Tax Credits. Look for these bills to be reintroduced in the current 117<sup>th</sup> Congress (January 3, 2021) – assuming their sponsors are still in office...and the creek don't rise -- or added to...

H.R. 5376 (Build Back Better Act), passed by House and now in Senate for uncertain life. This bill includes a provision what would lower the share of health-care premiums **employees** must pay for coverage deemed affordable and adequate under ACA, thereby potentially jeopardizing employer-sponsored health plans because of increased cost.

#### **C. Federal Regulations**

##### *Parking Tax Refund Guidance*

Tax-exempt organizations seeking refunds, credits, or adjustments for unrelated business income tax paid and reported on Forms 990-T for 2017 and 2018 should file an amended Form 990-T, according to a [January 21 post](#) on the IRS website.

NB: Clearly mark each revised return as “Amended Return – Section 512(s)(7) Repeal” at the top of the form. It directs filers to complete the returns as they normally would, along a few



additional line-by-line instructions specific to processing the refunds for tax years 2017 and 2018. The time limit for filing refund claims is whichever is later:

- Three years from the time the original Form 990-T was filed, or
- Two years from the time the tax was paid.

*Tax-Exempt Status for Limited Liability Company (LLC) IRS Guidance*

The IRS has finally gotten around to authoritative guidance on formation of tax-exempt LLCs. While few auxiliary organizations have attempted or succeeded in setting up such entities, the qualification criteria should be known. Notice 2021-56 only requires that four tests be met:

1. All members of the LLC must be charitable organizations, governmental units, or wholly owned government instrumentalities described in sections 501(c)(3) or 170(c)(1).
2. The LLC's governing document must include a statement setting forth the charitable purposes of the LLC and, in addition, a provision saying that, if the LLC dissolves, all of its net assets must be distributed for charitable purposes.
3. If the LLC is a private foundation, the governing document must assure compliance with the various private foundation operational restrictions set forth in Chapter 42.
4. The LLC must adopt a contingency plan (such as suspension of its membership rights until a member regains recognition of its section 501(c)(3) status) in the event that any LLC member ceases to be a charitable organization or other qualifying entity.

**D. Executive Order Rebounds**

The Biden Administration will move quickly to undo an array of Trump executive orders on labor, DACA, student loans, yada, yada, yada. Follow along with the CSU Federal Relations Shop:

<https://www2.calstate.edu/impact-of-the-csu/government/federal-relations/Pages/default.aspx>

Thanks to:

CSU Office of Advocacy & State Relations  
CSU Office of Federal Relations  
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Lori Redfern, CSU Systemwide Advancement  
National Association of University Business Officers  
College & University Tax Report  
&  
California Legislative Information Website