

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

**April 16, 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       | Yes                   |
| Bella Newberg     | Elected Representative                | San Marcos       | Yes                   |
| Todd Summer       | Elected Representative                | San Diego        | Yes                   |
| TBD               | Elected Representative                | xLong Beach      | N/R                   |

**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 Doeblor      | 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 |
| Dwayne Brummett   | Chair – Risk Mgmt. & Insurance Programs | Cal Poly SLO    | 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 Redfearn    | Advancement Services Liaison      | Chancellor's Office | Yes |
| Carrie Rieth     | Office of General Counsel Liaison | Chancellor's Office | Yes |

**Guests:** Dixie Johnson

| Agenda Item   | Follow-Up Action |
|---|------------------|
| <p><b><u>President’s Convening Information</u></b></p> <p>Kauppinen welcomed people to the first Executive Committee meeting of the 2021 year. 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>Kauppinen 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><b>A. CALL TO ORDER AND OPENING REMARKS</b></p> <p>Kauppinen called the EC meeting to order at 11:00 am, 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 subsequently reported that a quorum was present.</p> |                  |
| <p><b>B. APPROVAL OF AGENDA</b></p> <p><i>Action Taken: The meeting’s agenda was approved as presented (m/ Kacie Flynn, s/ Todd Summer).</i></p>  |                  |
| <p><b>C. APPROVAL OF 11/20/20 MEETING MINUTES</b> (Agenda, pgs. 1-16)</p> <p><i>Action Taken: The minutes were approved as presented (m/ Bella Newberg, s/ Teresa Loren).</i></p>   |                  |
| <p><b>PUBLIC COMMENT PERIOD</b></p> <p>There was no public comment period at this meeting.</p> <p><b>D. OLD BUSINESS FOLLOW-UP</b> (Agenda, pg. 17)</p> <p>Richard Jackson presented a status update on the unfinished business items and board tasks carried forward from prior meetings. A contract was signed with the Dent Agency for ongoing management of the AOA Website management. A report on the Bylaws Focus Group and the planned Long Range Planning Committee meeting are on this meeting’s agenda.</p>  |                  |

## **E. PRESIDENT'S REPORT**

### **1. AOA Orientation**

Primarily for the benefit of the new EC members, Kauppinen briefly discussed the mission of AOA and its primary activities and services, the roles and responsibilities of the governing body members, and the AOA website. She referred to the 2021 Orientation Handbook for New EC Members and the CSU Auxiliaries 101 PowerPoint newly revised by Kacie Flynn.

### **2. EC Member Appointments and Revised AOA Leadership**

#### **Roster** (Agenda, pg. 18)

Kauppinen reported that she appointed Sandra Gallardo with the AS at Sacramento to fill the two-year term vacated by the resignation of Jimmy Francis. She is still working on the appointment to the one-year term vacated when Martiz Ware became President-Elect.

### **3. AOA Officers Update and Plan for the Year**

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)**

#### **The HSU Union and ASI Situation**

When the HSU President exercised his right to terminate the Student Union's Operating Agreement for non-compliance, the AS/SU/RE group raised concerns about the President's actions and whether due-process was followed in dealing with a separate auxiliary operation, and wanted AOA to play an advocate role on behalf of the auxiliary. Kauppinen's conveyed the Officers' view that it was not AOA's role to intervene in campus politics, but rather to determine the facts of a situation and offer support and resource assistance as needed.

Carrie Rieth reported that the Chancellor's Office has been involved to ensure that the rights of the auxiliary are observed, despite the circulating misinformation on this issue. For example, the university has not in fact dissolved the auxiliary – it does not have that authority without the involvement of the separate auxiliary in determining its future role. Neither has the university taken the assets of the corporation – those are controlled by the Board, and there is a Title 5 process to be followed if an auxiliary is to be dissolved. That said, a better course of communications between the campus President and the auxiliary could have helped this from turning into a confusing and inflammatory issue. This situation illustrated the importance of an AOA program to on-board

|  |  |
|--|--|
| <p>new campus leaders (some from outside the system) to the special role of the auxiliaries in the CSU, and what role the President has in auxiliary oversight.</p> <p>Given the separate corporate status of auxiliaries and the value their flexibility provides to the university, it was suggested that there are opportunities to improve clarity in the Operating Agreement (OA) template provided by the CO, and some modifications may help in situations like this to avoid confusion and conflict. Parts of the OA template agreement seem one-sided. Rieth responded that the CO would be willing to consider changes and clarifications, but there is no flexibility regarding the Title 5 requirements. Kauppinen suggested a working group consider possible clarification modifications (not changing the intent of Title 5), which would be sent to the Officers group and potentially discussed with the CO.</p> <p>Kauppinen and Rieth also mentioned that a review of the Auxiliary Organizations Compliance Guide (last revised in 2017) is a couple years overdue. A draft revision is being finalized for review, and AOA will have the opportunity to review and comment.</p> | <p><b>Kauppinen:</b><br/>Establish a working group to propose clarifying changes to the CO's Operating Agreement template.</p> <p><b>Kauppinen &amp; Rieth:</b><br/>Arrange for an auxiliary review process of proposed changes to the Compliance Guide.</p> |
| <p><u>IT Centralization Memo</u></p> <p>EVC Steve Relyea sent a memo to campus presidents requesting they consider consolidation as a means of not duplicating IT services and staff on campus and thus control costs. Auxiliaries were not copied on the message. After talking with Steve, Robyn Pennington relayed to the Officers that, while presidents have ultimate authority over how to organize the campus (including IT), the memo was not intended as a mandate but to provide guidance by listing the potential benefits of consolidation for consideration. Each campus is different, and presidents needs to consider their different needs and cultures. Michael Berman, CSU's Chief Information Officer is available to have a clarifying discussion with AOA folks, or attend an EC meeting. And it is important that auxiliaries work with their campus CIOs.</p>   |  |
| <p><b>F. <u>SECRETARY-TREASURER'S REPORT</u></b> (Agenda, pgs. 19-21)</p> <p><b><u>AOA Financial Report</u></b></p> <p>For the benefit of new EC members, Jackson provided a brief overview of AOA's financial structure and financial standing, citing the three major revenue sources (Dues, Conference registrations, and Business Partner sponsorships) which fund AOA's general operations (Business Manager, Compliance Consultant, Legal Services, EC and Standing Committee meeting and program costs, website, etc.). The Conference income pays for the five Service Providers who put on the event, the hotel meals, complimentary room costs, content delivery platforms and tech support, CPC meeting and travel, speakers, graphics and marketing, etc.).</p>  |  |

The excess of income over expenses creates the annual net income, which falls to AOA's Total Net Assets. The projected net income at 6/30/21 is estimated at \$118,560 (due to cost savings on travel and meeting costs, postponed programs due to the pandemic, and larger than expected revenue on January's virtual conference). The accumulated Total Net Assets at 6/30/21 are projected to be \$743,966. \$312,111 of this amount is designated for AOA reserves, and \$431,855 are Unallocated Net Assets available for spending on resources and projects in support of the AOA membership.

**Proposed Budget for FY 2021-22**

Jackson presented the budget for the coming fiscal year, noting that the usual inflationary increase in Dues was put on hold this year, as was the usual 3% increase in the Business Manager's contract. The budget anticipates the usual schedule of in-person meetings and travel/meeting costs, creates a \$25K line-of-credit for Standing Committee meetings, presenters and resources (encouraging them to "think big" on their support for the members), adds the new annual contract with the Dent Agency for management of the AOA website, and funds Dixie Johnson's work as Website Content Manager and for keeping the AOA Directory up to date. Net income is projected at \$29,292.

Regarding the Conference budget, the projections for Business Partner sponsorships and Conference Registrations are conservative, since we don't know what to expect with respect to safety measures and auxiliary/CSU travel budgets. In addition to Service Provider costs and hotel meal/comp room expenses, we have provided a conservative amount for technical platform support – again, not knowing what to expect. Worse case scenario, we may expect a \$83K loss.

Even with the worst cast scenario of a \$54,548 loss for the combined General Operations and Conference budgets, we need to consider that we expect a large net income for FY 20-21 and we come out ahead on a two-year perspective. Plus, AOA has a large overall fund balance cushion against uncertainty to draw on as needed to support our ongoing programs.

*Action Taken: The FY 21-22 budget was approved as presented (m/ Todd Summer, s/ Teresa Loren).*

**2020-21 Year-to-Date Transactions**

Provided for the Board's oversight review are the AOA transactions so far for the new fiscal year.

### **3. Report on Officers Group Acceptance of the Audit of AOA Financial Statements for FY 19-20, and Approval to Submit AOA Tax Returns**

For the record, Jackson reported on the Officers approval, on behalf of the EC, of the annual Audit and Tax Returns prepared by AOA's audit firm – both of which were emailed in advance to the EC members for review and comment.

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

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

Conference Chair Martiz Ware expressed hope that we will be able to hold our Conference (again) at the beautiful Hyatt Indian Wells hotel – but are also prepared to hold a virtual conference if necessary. The conference theme is “Better Together,” which both expresses the hope that we can network in-person but, even if it's virtual, the emphasis is on how we can support and learn from each other.

Ware wants to go to another level with our conference sessions, and to that end has included the Committee Chairs in the planning process – which will both provide an additional professional development opportunity for a future AOA leadership role, and also elevate the professional manpower involved in designing keynotes and concurrent sessions that have a “wow!” impact.

Ware has proposed a 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 address by Chancellor Castro. He proposes an opening Sunday night event that 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. Revised Conference Presenters Policy** (Agenda, pgs. 27-28)

Jackson presented the CPC's recommended policy change for adoption, which is intended to contain the large number of costly complimentary registrations at the conference. 1) Concurrent Session presenters who only are only presenting at one session (and not otherwise participating in the conference or meals) will be entitled to a complimentary registration. Other presenters will need to register and pay for the days of attendance. 2) Presenters who are identified as current or potential business partners will need to commit to a business sponsor sponsorship. 3) Normally the conference will not cover travel expenses for concurrent session presenters, unless the CPC grants an exception, or a Standing Committee covered the cost from their AOA approved budget.

*Action Taken: The revised Conference Presenters Policy was approved as presented (m/ Monica Alejandre, s/ John Doebler).*

## **H. MEMBER RESOURCES**

**1. EC Report to the AOA Membership** (Agenda, pgs. 29-31)  
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.

**2. Website Content and Directory Management** (Agenda, pgs. 32-38)

Dixie Johnson, Website Content Manager, reported that her annual update to the AOA Directory is almost completed, as are updated versions of the AOA listservs for auxiliary Executive Directors, CFOs, HR Directors, and Directory Administrators. In her written report is a listing of the Website content, both that publicly available and that only available to registered members. She is actively working with individual Committee Chairs to assist their members in registering on the website and their respective Groups so they can use the Group Communications tool and post documents to their site (instead of using an outside manually created listserv, which doesn't capture everyone who has recently signed up for the Committee). The report gives an update on the number of Committee members who have registered on the Website.

**3. CA Legislative Summary Update** (Agenda, pgs. 39-43)

Robert Griffin put together an update of major legislation impacting auxiliaries, which is included in the agenda packet.

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

**1. Richard Jackson's Service Provider Contract for 2021-22**  
(Agenda pgs. 44-52)

Jackson was sent to a breakout room while Kauppinen presented his contract for renewal, which is the same as the prior year (with no increase in compensation, as with the other Service Providers for this pandemic year).

*Action Taken: Jackson's 21-22 Service Contract was approved as presented (m/ Djeneba Ahouansou, s/ Jennifer Sneed).*

**2. Robert Griffin’s Service Provider Contract for 2021-22**

(Agenda pgs. 53-58)

Jackson presented the Scope of Work included in Griffin’s proposed agreement, which pays him on an hourly basis for work performed, and includes:

- Keeping the EC and the member-organizations apprised of current major compliance and legislative issues and policy developments;
- Providing a free initial consultation with AOA leadership or with member organizations on governance, compliance and business management practices. Requested work beyond the first hour of consulting will be billed at his hourly rate of \$150;
- Undertaking Special Project Services, such as professional analyses and monographs of subjects relating to oversight, governance, corporate and policy compliance and business management issues.

*Action Taken: Griffin’s 21-22 Service Contract was approved as presented (m/ Dwayne Brummett, s/ Aaron Neilson).*

**3. 2021 AOA Policy & Practices Manual**

Jackson reported that the updated Manual (incorporating the approved policy and Committee guideline changes approved last year) was emailed to the EC and is on the website. In addition, existing documents were edited for clarity and consistency in terminology.

**J. BUILDING RELATIONSHIPS AND PARTNERS**

**1. CABO Liaison Report** (Agenda, pgs. 59-60)

Jonathan Bowman presented the following report:

1. CABO teams are looking into areas that could be centralized via shared services across campuses:

IT procurement

- Baseline data needs to be gathered; a survey will be drafted and distributed to CABO by March

Payroll

- Identified the reasons for why we want to enter into a shared services agreement for payroll: cost savings, efficiencies, improved services, aligning processes, addressing immediate needs, etc.
- Next steps to include: develop a survey to send to CABO members to get a better idea of campus priorities and interests and meet with University of California to discuss their shared services project.



Travel Management

- Team is working on developing matrix of current management systems

Title IX Investigations

- Determined that shared-service opportunities are primarily around specialized personnel including Hearing Officers and Investigators.
- Next steps include: engage with CSU and other campus Title IX stakeholders about sharing specialized personnel for feasibility and gain input from CABO via survey to determine the best stakeholder group to move this forward (i.e. Title IX isn't always in Administration and Finance).

2. Corporate Partnerships update:

- Phase 1 has been completed, includes 20 out of the 23 campuses
- CSU Chancellor's Office is working with ADC and Superlative
- 20+ categories prioritized
- Completed: Beverage contracts available with Coca Cola
- In Process: Fleet Services, Food Services, Janitorial/Sanitation/Maintenance Repair Operations
- Next Areas to be reviewed: Cell Towers/IT, Banking/Financial Services, Furniture
- Other areas to be considered: Airlines, Architects, Car Rental, Computers, Contractors, Engineers, Freight, Graduation/Bookstore, Hotel, Life Science & Pharmaceuticals, Media Services, Office Supplies

Next steps for the process:

- Define allocation methodology of benefits to campuses
- Define partnership activation and management structure

3. Cybersecurity Update

CSU CIO and CISO presented ways campuses can proactively respond to cyber security threats

- Implement multifactor authentication (Duo)
- Create self-evaluation framework to find most relevant vulnerabilities
- Consider CARES/HEERF as a potential source of funding, if appropriate

4. Capital Programs Update (as presented by Vi San Juan)

- Governor's proposed budget includes one-time deferred maintenance funding; \$175M for both CSU and UC
- This amount could change in the May budget revise
- Public Private Partnerships – CPDC has suite of document templates, process review being conducted by Audit and Advisory Services

5. Federal Aid Funds (as presented by Mary Ek on 2/12/21)

CARES Act (HEERF I) – Awarded Spring 2020

- Funds to be expended up to 12 months after award (prior to ~May X, 2020)
- Funds to be drawn from G5 system 12 months + 90 days (~August X, 2020)
- FY20/21 financial data will include HEERF I awards

CRRSAA (HEERF II) – Legislation signed December 2020

- Awards currently in process
- Campuses must draw down minimal amount to claim awards within 90 days of award
- Funds to be expended 12 months after award date
- Funds to be drawn from G5 12 months + 90 days
- Balances will be primarily reflected in FY21/22 financial data

HEERF III – In Process

- Potential Award \$750M

All HEERF funds can be reimbursed for expenditures back to March 2020

Finally – change is the only real constant right now. Stay flexible and adaptable.

- Campuses are working on what summer and fall semesters will look like for students
- Campuses are also working on what repopulating campus will look like for faculty and staff
- Timing on all of this is still a little unknown given the Governor’s recent announcement about California opening up on June 15th

**2. CSU Business & Finance Liaison Report** (Agenda, pgs. 61-62)

Robyn Pennington provided a written report on the agenda items of various Committees of the Board of Trustees at its January and March meetings. Full agendas and item write-ups can be found at: [www.calstate.edu/bot](http://www.calstate.edu/bot). In addition, she provided the following update on policies and guidance recently issued:

**Key Communications**

**2021-22 Budget and 2020-21 (Current Year) Budget Restoration**

See: *Statement on Governor’s 2021-22 January Budget Proposal | CSU (calstate.edu)*

See: *CSU Statement on Immediate Action Agreement for Relief to Californians Experiencing Pandemic Hardship | CSU (calstate.edu)*

## **Budget - Federal Funding**

*See: [CSU Statement on Higher Education Emergency Relief Fund | CSU \(calstate.edu\)](#)*

## **Chancellor's Remarks at Auxiliary Organizations Association Annual Conference**

*See: [Remarks by Dr. Joseph I. Castro - January 11, 2021 | CSU \(calstate.edu\)](#)*

## **Travel and In-Person Meetings**

*See: [Microsoft Word - SR-Presidents FY2020-21-Meetings 06-25-20 \(calstate.edu\)](#)*

The memo issued by Steve Relyea in June 2020 limiting travel and in-person meetings for the current fiscal year is still in effect unless until superseded or expired. Updates are expected about the lifting of restrictions, depending on guidelines. System-wide meetings will be on a case-by-case basis, and we can probably expect virtual meetings to replace some in-person meetings, so stay tuned.

## **COVID-19 Communications**

[Calstate.edu/coronavirus](https://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, send an email to [subscribe-csupolicylibrary@lists.calstate.edu](mailto:subscribe-csupolicylibrary@lists.calstate.edu) to be added to the listserv.

## **CABO**

*Recent and Upcoming CABO Meeting Dates:*

- February 12 (Virtual)
- April 14 (Virtual)

**3. CSU Advancement Liaison Report** (Agenda, pgs. 63-64)

Lori Redfearn provided the following Advancement update:

**Leadership Transition**

After serving the CSU Chancellor's Office with dedication for more than 12 years, Vice Chancellor **Garrett Ashley** will be leaving his leadership role as vice chancellor for University Relations and Advancement, effective April 30. Garrett will become senior advisor to Cal State Fullerton President Fram Virjee. In his new role, Garrett will provide advice and counsel on matters related to advancement, external relations and government relations. His experience as vice chancellor at the CO will provide strategic support to the president, vice president and Advancement Division in their continuing efforts to expand resources and achieve the strategic vision for Cal State Fullerton.

**Lawrence (Larry) Salinas** has been appointed interim vice chancellor of University Relations and Advancement. Larry is among the Chancellor's most trusted advisors, having served extremely capably on his cabinet at Fresno State, in support of the campus' government relations program. The Chancellor has known him for over 20 years and considers him to be among the most effective and strategic relationship builders and networkers in the state. His 35-plus years of experience "working the halls" in Sacramento and Washington D.C., and cultivating relationships with public and elected officials, policymakers, donors and members of the media, will be of great strategic benefit as leads UR & A.

A native of Austin, Texas, Larry has lived most of his life in the San Joaquin Valley, where he earned a Bachelor of Science in political science at Fresno State as a first-generation college student. Prior to joining me at the Chancellor's Office, Larry served between 2016 and 2021 as the principal government liaison between Fresno State and policy makers, at the local, state and federal levels. During that time, he also leveraged his professional relationships by inspiring strategic partnerships with Chevron and other organizations in support of the university's mission. In addition, he established his own named scholarship for students majoring in political science.

Before joining Fresno State, Larry served in various senior leadership roles at the University of California Office of the President and UC Merced (as a founding staff member), and as a lead staff member for a California assemblyman and lieutenant governor as well as for three members of Congress.

### **Diversity and Inclusion**

The Vice Presidents for Advancement, in their role as president of the philanthropic foundations, have been reviewing the diversity of foundation boards and discussing strategies for enhancing inclusion. California passed legislation in 2020 that will require publicly held corporate boards to achieve diversity by January 2023. Though nonprofit boards are not subject to the regulation, it serves as a benchmark for good practices. It states that a board of more than 9 members must have at least three directors from underrepresented communities defined as Black, African American, Hispanic, Latino, Asian, Pacific Islander, Native American, Native Hawaiian, Native Alaskan or who self-identifies as gay, lesbian, bisexual or transgender. Two years ago a similar regulation addressed gender equity requiring boards with more than 9 directors to have 3 female directors.

Current averages at CSU auxiliary foundations: 37% female, 63% male; 31% underrepresented groups; 46% alumni.

### **Cost Allocation/Reimbursement Plans**

The Vice Presidents for Advancement have expressed concern over inequitable fees and cost recovery charged for administrative services by third party auxiliaries. They are currently reviewing methodologies used and services provided for comparison purposes.

For foundations receiving services from the university, it is policy to ensure that costs incurred by the CSU Operating Fund for services, products, and facilities provided to CSU enterprise programs/activities/funds, auxiliary organizations and entities external to the university are properly and consistently recovered with cash and/or a documented exchange of value. Allowable direct costs incurred by the CSU Operating Fund shall be recovered based on actual costs incurred. Allowable and allocable indirect costs shall be recovered according to a cost allocation/reimbursement plan that utilizes a documented methodology for identification of indirect costs and a basis for allocation.

There are some activities that are integral to supporting the core educational objectives of a university, but which are not fully funded through the CSU operating fund. In some cases, Operating Fund resources are used to support those efforts. Those efforts are recognized as providing either tangible or intangible value that ultimately inures to the overall benefit of the university and its educational mission even though the activity might reside in an auxiliary organization or enterprise program/activity/fund. Two of the more common examples of such activities are fundraising and

externally sponsored research and grants. If a cost allocation/reimbursement plan incorporates such exchanges of value they must be well documented and clearly articulate the benefit to the overall educational mission.

### **Chancellor's Office Policies**

Alterations to the Naming Policy are on hold. Also, a working group has been established to expand the policy on exterior art work to include all artwork.

#### **4. CSU General Counsel Liaison Report** (Agenda, pg. 65)

Carrie Rieth made the following report:

##### **1. Update to International Agreement Policies**

The CSU International Agreement policies have been revised and are posted to PolicyStat. These policies now expressly apply to auxiliary organizations.

International Agreements (formerly Executive Order 1080)

- <https://calstate.policystat.com/policy/9428572/latest/>

Exchange Programs and Campus Activities Abroad (formerly Executive Order 1081)

- <https://calstate.policystat.com/policy/9428568/latest/>

International Students (formerly Executive Order 1082)

- <https://calstate.policystat.com/policy/9428570/latest/>

##### **2. Potential Claim to Class Action Settlement Monies**

Campuses and/or auxiliary organizations may be able to submit to recover monies in connection with settlements reached in a variety of class action lawsuits. The CSU works with the law firm Crowell & Moring to pursue these matters. Interested auxiliary organizations are able to retain Cromwell & Moring as well.

The following potential settlements may apply:

The first settlement concerns dairy products, specifically butter and cheese products, sold since 2008. A “direct purchaser” of butter and cheese can make a claim. A “direct purchaser” is someone who bought the product(s) directly from a defendant as opposed to from an intermediary or middleman like a vendor, retailer or wholesaler. The claim deadline is April 23.

The others are settlements of lawsuits concerning beef, chicken, pork and turkey sold since 2008. The covered products include not only the raw meats, but any products containing any of these meats. A direct purchaser as well as an “indirect purchaser” can make a claim. An “indirect purchaser” is someone who did not buy

the product directly from a defendant, but from an intermediary or middleman like a vendor, retailer or retailer. For example, if a campus bought a covered product from a food services vendor or supplier, it would be an indirect purchaser of that product. The earliest animal protein claim deadline is May 17.

## **H. REPORTS**

### **1. Long-Range Planning Committee/Nominations Committee**

(Agenda, pgs. 66-67)

Chair Kacie Flynn reported that the Bylaws Task Force needs time to do some additional work before bringing recommendations to the EC for discussion at the next meeting. She requested that the item be carried forward to the next agenda.

### **2. Human Resources Committee** (Agenda, pgs. 68-69)

Chair John Doebler reported the committee resumed its regular meeting schedule in February. The committee decided to change the frequency of our regular zoom-based meetings to a monthly schedule, with the understanding that we would begin meeting more frequently if needed.

At our February 2021 meeting, in addition to topics that were asked of Richard Bromley, the committee discussed many topics including compensating former independent contractors; HRIS systems that other members were utilizing; compensation practices for student employees who moved out of the area; and COVID-19 vaccination priorities, communications and policies.

Our March 2021 meeting was robust with discussion and questions that the membership asked their peers for guidance. We discussed the multiple topics including need for an updated Annual AOA Salary Survey; the new SB95 COVID-19 Supplemental Paid Sick Leave regulation that was signed into law retroactive back to 1/1/2021; additional discussion around COVID-19 vaccination policies; work from home expense allowances / reimbursements; telecommuting agreements; compensating individuals who do not qualify as independent contractors; CA Pay Data Reporting Requirements due on 3/31/2021; MOUs with the host university; and Affirmative Action Plan vendors.

The committee is requesting that the AOA Salary Survey be conducted in 2021 so that our auxiliaries will have the information as we begin/continue to repopulate our campuses and the associated hiring that will be required. Many committee members would also like the information so they can conduct internal salary range assessments against the marketplace and other auxiliaries.

**3. Research Administration Committee** (Agenda, pgs. 70-76)

Chair Jennifer Sneed reported that due to the move to working remotely in Spring 2020, RAC temporarily moved to a different meeting format for our normally scheduled Spring Meeting. The RAC Leadership Team put on a series of five (5), hour long “RAC Chats”. This format allowed RAC membership to stay in contact, keep ongoing conversations on hot topics moving forward, and keep everyone up to date on the changing landscape of research administration due to the pandemic. Some of the topic areas for our meetings were issues with working remotely, such as accepting electronic signatures and finding work/life balance. We also discussed Fringe Benefit Rates, Human Subjects/Research Participant Incentives, and DOE Foreign Source Reporting. The October Meeting Notes are provided in the agenda packet with additional details.

The priority topics for the RAC Committee for our Spring meeting in early May, 2021 will be updates from the CO’s office on CARES Act funding and Foreign Influence, a HERD Survey discussion, and a continuing discussion about paying faculty from other CSU Campuses.

The new RAC Leadership team is working to institute a new plan with our RAC meetings to keep a running list of pending items discussed to get back to all unanswered questions/topics so that we can provide as much closure/updates as possible to members. We are working on an idea for a newsletter to keep these topics, and the related answers, as part of an ongoing discussion for the RAC group.

We are also working on updating our membership lists between the AOA Website and our RAC Google Group to make sure everyone is getting transitioned over to the AOA Website as the main mechanism to reach everyone.

**4. AS/Student Union/Recreation Committee** (Agenda, pg. 77)

Chair Iraida Venegas reported AS/SU/RE Director’s Subcommittee met on Friday, March 19, 2021:

There was a conversation about what happened at the Humboldt State University Center; about reopening plans leading into fall 2021; around some of the issues SJSU University Union is facing with the campus, along with brief updates from each campus regarding ongoing issues and concerns.

An AS/SU/RE meeting is scheduled for April 30, 2021 from 9 a.m. There is typically no meeting scheduled in the spring (usually September), but due to current issues, we will meet to go over items on how to plan for the fall semester. We are looking forward to



hearing more about Governor Newsom's June 15, 2021 plan to re-open the state.

AOA President, Monica Kauppinen set-up a meeting with Carrie Reed and Dustin to go over the legal perspective regarding the Humboldt State University Center situation. Richard suggested doing a video tape or training to highlight what auxiliaries are and why they are formed and how they benefit the campuses. This can be presented to campus presidents and AVP's.

The CSU Auxiliary Organizations Compliance Guide is out of date. It was written several years ago, but AOA was not consulted. Carrie Reed agreed that the next revision process can be done in consultation with AOA.

There was also a conversation on how Student Affairs and the Office of General Counsel should be working together to operationalize the compliance guide. And a conversation regarding Viewpoint Neutrality (VPN) and the 32 minute video.

**5. Commercial Services Committee** (Agenda, pg. 78)

Aaron Neilson reported Commercial Services (CS) has been active with the following:

- Membership Survey (April/May 2021) regarding:
  - Potential development of subcommittees to address the individual concerns of various groups (real estate, housing, food, etc.)
  - Website/Listserve
  - Templates/Document repository
  - Identify what individuals look to AOA Commercial Service to provide
  - What should we do more of, less of, and what we should stop doing altogether
- AOA website CS discussions
  - Receiving requests for a more robust AOA Website UI for Discussion groups
    - Segmented by area (i.e., food service, bookstore, real estate, etc.)
  - 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: Activity surrounding a larger multi-campus foodservice

agreement is being developed. A handful of 3-4 campuses and auxiliaries are looking to use the RFP for and effective date January 2022 implementation.

- RFP will be an “Opt-In” and strictly voluntary for those who wish to avoid the expensive RFP process.
- Head of the project is Tawny Fleming (Procurement) from Humboldt with support from Arun Casuba and Superlative Group consulting from the CO’s office.
- Auxiliaries assisting in the development of the RFP document include those at Long Beach, SF State, Dominguez Hills, Bakersfield, Sonoma State, Fullerton, San Bernardino, Monterey Bay, Cal Poly SLO, and San Marcos.

**6. Business and Financial Services Committee** (Agenda, pgs 79-80)  
Chair Djeneba Ahouansou reported on the Committee’s conference calls:

March 11, 2021 –Steering Committee

The meeting focused on recapping the annual conference, plans for future meetings, and a board outline of projects and goals for the 2021 year. In order to establish a stronger connection between auxiliary professionals, the committee will work on a directory for all financial services professionals with a mailing list for foster communications. We discussed ways to improve networking among members during the virtual work environment.

Future planned meetings are for:

April 22, 2021 – Steering Committee

May 2021 – Members call

June 2021 – Steering Committee

In April, we will discuss the feasibility of a virtual mini-conference in October. In addition to Steering Committee calls, informal zoom calls amongst committee members who work at ASIs and Unions have occurred to share information and campus updates.

**7. Information Technology Committee** (Agenda, pgs. 81-82)

Chair Steve DeLuca made the following report:

Overview

The IT Committee has met once following the annual AOA Annual Conference. Due to COVID-19, the meeting was conducted via Zoom. The meeting was primarily to discuss ISAC, level-1 data processes, 3rd-party risk assessments, and two memos from the Chancellor’s Office. The meeting also touched on repopulation efforts for the Fall 2021 semester.

### ISAC

It was announced that CSU-wide Deloitte services are available for auxiliaries to take advantage of their products and services at CSU pricing. Risk management, including mitigations such as multi-factor authentication (MFA) was also discussed. Some campus ISOs are evaluating third-party risk assessment tools

### Level-1 Data Processes

The secure transfer of level-1 data has caused challenges for at least one auxiliary in the era of COVID-19 and the resulting minimal staffing mandates (“skeleton crews”). Auxiliaries tackled this issue with various solutions, depending on their campus resources and policies. The solutions include designated on-premise servers, Adobe Sign, Drop Box (one-way and HIPPA-compliant), OneDrive, and Google Spaces

### Third-Party Risk Assessments

Third-party cloud application risk assessment services are desperately needed throughout the auxiliaries. Steve DeLuca presented Privva to various groups, including ISAC and the AOA IT Committee. Privva independently presented their product to some CSU ISOs. Deloitte also offers a similar solution. Steve will discuss Deloitte’s third-party risk assessment solution with CSU ISO Ed Hudson

### IT Service Centralization Memo

A memo was circulated with considerations for CSU campus presidents to consolidate their IT services under a centralized umbrella. Several points were made in the memo, including the elimination of redundant hardware and software and the ability to trace the true costs of IT. Some auxiliaries are in the process of partial consolidation with their various campus counterparts. Auxiliaries at other campuses are expected or encouraged to operate as mostly independent entities with regard to their IT services. At the time of the March meeting, it appears that no auxiliary employees were converted to state employees

### ITAC Presence

A question was raised on whether AOA IT should have a presence at the Information Technology Advisory Committee (ITAC). The members of ITAC are the CIOs of each CSU

### Campus-Wide Video Security Camera Policy

A memo from the Chancellor’s Office regarding the video security camera policy was discussed and whether any auxiliaries faced challenges with the policy. Most auxiliaries consult with their respective campus police departments, which have varying levels of involvement. Some auxiliaries procure the hardware themselves and determine independently the number of cameras and their

placement, and simply provide their police department with access to the camera system. Other auxiliaries mention that they consult with their police department, who provide guidelines on camera placement and the number of cameras in an area. Overall, the new policy does not appear to have adverse effects on auxiliary IT departments

#### Fall Repopulation Planning

A question was asked on whether to host a Fall Workshop for the AOA IT Committee. It was decided that, due to probable ongoing repopulation events occurring simultaneously, a workshop should be held in a virtual environment and with a light agenda

#### **8. Philanthropy Committee** Agenda, pgs. 83-84)

Chair Monica Alejandre reported the Philanthropy Committee will host its annual meeting on Thursday, April 22 from 9am-10:30am via Zoom. The topic of recruiting a diverse foundation board as well as a presentation on CSU board demographic and term information will be discussed. The group reported how some boards will use their board chair to go out on visits and meet with potential members which has resulted in a diverse board. Johansson indicated that SFSU has a committee on directors and recently appointed two women of color to their board.

Potential discussions for future meetings will include a discussion on administrative services cost recovery, NACUBO findings, asset allocation including a discussion on recent student interest in the divestment of fossil fuels, and reviewing SRI investments.

AOA has offered a “line of credit” to expand on how the Philanthropy Committee can provide more programs or events this year. Possible suggestions included speakers for the Philanthropy Committee, training opportunities, or presentations on strategic planning and mission alignment for philanthropic boards.

#### **9. Past Presidents Committee**

Chair Michele Goetz noted that once former AOA Presidents leave the EC, there is no avenue to stay engaged. The Past Presidents Committee was created so that the expertise of these leaders can continue to be accessed in an advisory or resource capacity when requested. Looking to next year, the group can be help by Providing guidance on how auxiliaries can reach out and educate new CSU leadership, including campus presidents, CFOs, VPs of Research, etc. This could take the form of:

- Creation of Tool Kits providing the kind of information new CO or campus leaders need to know about auxiliaries and the role of AOA.

- Put on a periodic Leadership Academy to develop a pipeline of people for future AOA leadership positions.

The Committee will meet this summer and provide a report at the August meeting.

**10. Risk Management Committee/AORMA Update** (Agenda, pgs. 85-87)

Chair Dwayne Brummett's referred to the report included in the agenda packet.

Overall, *AORMA Liability Program* costs for FY 21/22 increased by only 2% as compared to the current year, FY 20/21.

Between FY 19/20 and FY 20/21, AORMA's reinsurance and excess insurance costs have increased dramatically due to the effects of catastrophic jury verdicts, settlements, police misconduct and sexual abuse claims.

UI claims increased dramatically within both FY 19/20 and FY 20/21. Fortunately, the UI claims for the quarter ending December 31, 2020 decreased by more than 50%. The UI claims for the quarter ending March 31, 2021 have been estimated to be similar to the December 31, 2020 claims. However, a new federal relief package was approved which extends UI benefits until the end of August 2021. This may increase claims, but this relief package will provide reimbursement of 75% of UI claims rather than the current 50%.

**L. INFORMATION/ANNOUNCEMENTS**

**M. ADJOURNMENT**

By acclamation, the Executive Committee was adjourned at 1:43 pm.

Respectfully Submitted,

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Secretary/Treasurer

