

Dear AOA Membership –

At the end of each calendar year, AOA submits an Annual Report to its auxiliary members. The attached **Report to the AOA Membership** includes the following:

1. The AOA President’s Report summarizing key AOA activities over the past year – *Rasheedah Shakoor, 2023 President* (pgs. 2-3)

2. An Annual Report by each of the ten Standing Committees of AOA:
 - ❑ AS/Student Union/Recreation Center Committee – *Jeffrey Rensel, Chair* (pgs. 4-5)
 - ❑ Commercial Services Committee – *Cyndi Farrington, Chair* (pgs. 6-7)
 - ❑ Business & Financial Services Committee – *Dena Flores, Chair* (pg. 8-9)
 - ❑ Human Resources Committee – *Maddison Burton, Chair* (pgs. 10-11)
 - ❑ Information Technology Committee – *Matthew Sparks, Chair* (pg. 12-13)
 - ❑ Long Range Planning Committee – *Sharleen Krater, Chair* (pg. 14)
 - ❑ Research Administration Committee – *Leslie Rodelander, Chair* (pgs. 15-16)
 - ❑ Philanthropy Committee – *Ian Hannah, Chair* (pgs. 17-18)
 - ❑ Risk Management & Insurance Programs – *Chuck Kissel, Chair* (pgs. 19-20)
 - ❑ Past Presidents Committee – *Keith Kompsi, Chair* (pg. 21)

3. The AOA Financial Report for the FY ending 6/30/23 – *Richard Jackson, Business Manager* (pgs. 22-24)

4. Robert Griffin’s Annual Legislative and Compliance Update (pgs. 25-32). It is available on the AOA Website: go to <https://csuaoa.org>, select the “Reports” tab, then “Legislative Reports.”

5. The AOA Executive Committee Leadership Roster for 2024 (pg. 33)

This report follows up on the in-person Annual Meeting of the AOA Member Organizations (that is, the Auxiliary Executive Directors/Chief Administrative Officers) on the first day of the January 2024 Conference in Indian Wells. If you have questions or comments, please address them to me at rtjackson@csuchico.edu.

Richard
AOA Business Manager

2023 AOA Accomplishments

Executive Committee

Annual Report

Orientation Manual for New Members - The executive committee identified the need to have new members understand the purpose, structure, and opportunities available through AOA. The new member orientation manual was developed to address this need. The manual was sent to the membership in early 2023. It is scheduled to be provided to new members during the 2024 conference.

AOA Leadership Academy - The 2023 cohort gathered for a meet and greet at the AOA Conference. The Past Presidents, Monica Kauppinen, and Kacie Flynn took the lead in creating a year long program for the cohort. The program included virtual meetings to discuss current topics, AOA history, and AOA leadership opportunities. The group met in a hybrid format at the AOA 2024 conference site in November. The cohort consisted of seven members from various campuses with multiple auxiliary positions represented. The group will be acknowledged at the 2023 conference.

AOA Policy and Procedures Manual Update - In the last few years there have been some changes made to our AOA operating procedures. Some changes have affected the way sub-committees are organized. These changes were made by their respective committees. Other changes noted allowed for electronic voting. The updated manual now includes all those changes and more. Please take a moment to review.

Legislation – SB 640 – Labor Peace Agreement - In early spring 2023 legislation was announced that had the potential for dramatic change in auxiliary business models. AOA Executive leadership and several campus auxiliary staff worked Eric Bakke, at the Chancellors office, to understand the implications of legislation and how best to advocate for auxiliary interests. With the help of Miles Nevin, Long Beach ASI, and Robert Griffin, AOA penned a letter to the governor in opposition. The Governor ultimately vetoed the legislation citing that there was no need for it at this time. Please note that this type of legislation could find its way to the floor in a future session.

CSU 101 - Heather Carins and I attended CSU 101 in Pismo Beach as faculty to provide an in-depth overview of auxiliaries in general and AOA in particular. We shared the importance of auxiliaries and our role as a vital partner in supporting the mission of our respective campuses and CSU.

AOA Administration – Conference Administrative Manager, Executive Officer/Secretary – The Executive Committee in consultation with Richard Jackson hired a service provider to oversee the conference administrative responsibilities. Patrick Bailey, Northridge ASI, has hit the ground running working with the Conference Planning Committee to build this year's program and secure the next three years of

future sites. The Executive Committee, in alignment with our AOA bylaws, established the Executive Officer/Secretary position to the committee. This year Grace Slavic served in the role taking immaculate minutes, reviewing the financial transactions and any officer duties as assigned.

Chancellor's Office (CO) Relationship – Review of policies – This year we continued to build on the lasting relationship with the Chancellor's office. Brad Wells, AVC, Business and Finance attended the April 2023 Executive committee meeting requesting feedback on the Auxiliary Operating Agreement. Christina Brown, San Diego ASI, reviewed. He also asks for AOA to provide a procedure on how the CO would communicate on such requests in the future. Moving forward the CO will reach out to Richard Jackson and the Officers' group to determine the best reviewer(s) on a case-by-case basis.

I am grateful for the help of the Chancellor's Office Liaisons Lori Redfearn, Carrie Reith, Robyn Pennington, Beth Ryan, and Brad Wells. It was a challenging year, but you made it easier. I am especially grateful to Deborah Wallace for serving as our CABO Liaison. To the Executive Committee, I truly appreciate everyone's efforts and commitment to our success. Thank you for taking time out of your day to volunteer for this important work. To the Conference Planning Committee, thank you for making all this look easy. I know it's a lot of work, but our members, including myself, really look forward to and enjoy the program you all put together every year.

It has been an honor to serve as the AOA President this year. As this role is a three-year commitment, I look forward to serving as the immediate past president in the coming year.

Kind Regards,

Rasheedah Shakoor
2023 AOA President



**Auxiliary Organization Association
Associated Students/Student Union/Recreation Committee
Annual Report 2023**

Submitted by Jeff Rensel, Chair
Director, Otter Student Union, CSU-Monterey Bay

AS/SU/RE Leadership 2023

Tonee Sherrill (San Francisco State University)
AS/SU/RE Chair: January 2023-June 2023

Jeff Rensel (Cal State Monterey Bay)
AS/SU/RE Vice-Chair: January 2023-June 2023
AS/SU/RE Chair: June 2023-December 2023

Alejandro Rios (San Francisco State University)
AS/SU/RE Vice-Chair: June 2023-December 2023

Ashley Fennell (CSU San Marcos)
AS/SU/RE, AS Advisors sub-committee

Joe Nino (CSULB) & Michael Cesena (CSU East Bay)
CSSA Liaisons

2023 AS/SU/RE Re-cap

The AS/SU/Rec Standing Committee held a Business meeting at the AOA Annual conference in January 2023. Elections were held to select new positions for the committee. Several goals were discussed during the meeting including 1) an update the AS/SU/REC Guidelines to reflect the committee's current structure, 2) establish a clearer practice for updating communication lists and ways of communicating to subcommittee, 3) develop transition handbook for future leadership, 4) continued Director subcommittee meetings, and 5) establish structure for the AS Advisors subcommittee.

In June 2023, the AS/SU/REC Committee held its summer meeting virtually on Monday, June 12th. Based on a feedback poll it was determined that a virtual meeting be held instead of an in-person meeting. The meeting provided an opportunity for networking, welcoming new members of the committee, and a review of general AOA updates. During the meeting, the AOA Standing Committee Operation Guidelines were discussed, with several updates, changes, and suggestions being made to the Standing Committee Operating Guidelines. A review of the committee operating guidelines was conducted and proposed amendments will be submitted to

the AOA executive committee for approval after review by the committee at the annual committee meeting.

During the meeting, it was announced that Tonee Sherrill would be stepping down as Chair and that Jeff Rensel (CSUMB), Vice-Chair would be serving in the Chair role for the remainder of the term. The committee selected Alejandro Rios (San Francisco State) to serve as the Vice-Chair for the committee.

At the 2024 AOA annual conference we hope to review and renew committee positions at the AS/SU/RE Standing Committee meeting. We will discuss adoption of the new operating guidelines and plan to discuss the structure and communication plan of each of the subcommittees including AS/SU/RE Executive Directors, CSSA, and AS Advisors. We also hope to adopt new goals for the committee for 2024.

CSSA/AS Advisors

The AS Advisors Summit was held on March 4, 2023 at the CSUnity Conference at CSU Sacramento. Advisor Topics included 1) Capacity of Student Leaders and Balance, 2) Budget/Inflation/ Lower Enrollment Constraints, 3) Effective Advising Frameworks, 4) Campus Student Conduct Expectation for student leaders.

CSSA hosted the CSUnity Conference at California State University, Dominguez Hills on August 13 & 14, 2023. The conference offered various workshops, a keynote address, and networking opportunities for student leaders across the state.

AS/SU/REC Directors Sub-Committee

The AS/SU/REC Executive Directors Subcommittee co-chaired by Helen Altaire & Miles Nevin hosted several meetings throughout the year. The committee will be working to update membership on the Executive Directors Subcommittee and develop additional meeting times for the group in the upcoming year.

Commercial Services Committee Report AOA Executive Committee Meeting- Annual 2023

2023 Commercial Services Leadership Team –

-Cyndi Farrington, Chair

Director, Bookstore Services
California State University Long Beach

-Michael Lennon, Vice Chair

Associate Director, Facilities and Operations
California State University, Northridge

2022/2023 Meeting Schedule-

AOA Conference Commercial Services Standing Committee Meeting- January 9, 2023

2022/2023 Updates Membership-

The Commercial Services Committee has struggled to increase its membership. Here is a portion of the email that was sent to the Executive Directors of each campus in August.

The Committee seeks to encourage collaboration among operators on best practices that will enhance CSU and campus relationship through technology, partnership and resources that will assist operations to be more effective and assist in enhancing the student, faculty, staff and visitor experience.

It is my goal as the chair of the committee to increase engagement and communication among the different commercial services at our campuses. AOA has recently transitioned to using the standing committee communications portal as their main communications vehicle, including the announcement of all Commercial Services standing committee meetings. I am asking for your assistance in sharing this information with your commercial services employees and encouraging them to join.

Despite this attempt and multiple discussions at the Executive Committee meetings we have only had one additional member join the committee. I hope to gain additional members at our in-person meeting at the annual conference.

2022/2023 Updates Legislations

There were three significant bills introduced this year. **SB640** would require the trustees, for each food service contract and participation in a hotel development project, to require the person contracting with the trustees and each food service employer or hotel employer, to be party to a labor peace agreement under that contract or participation with any labor organization that represents or seeks to represent the employees performing work under the food service contract or hotel employees at the hotel development project, as specified. The bill would extend that requirement to any food service contract or hotel development project in which the California

State University or the State of California has a proprietary interest and that is performed pursuant to a contract entered into or awarded by a California State University auxiliary organization. **The Governor vetoed this bill.**

AB607 - This bill would, commencing July 1, 2024, require each campus of the California Community Colleges and the California State University, and request each campus of the University of California, to prominently display the estimated costs for each course of all required course materials and fees directly related to those materials, for no less than an annually increasing percentage, up to 75% by January 1, 2028, of the total number of courses on the online campus course schedule for which a faculty member or course instructor has been assigned. The bill would define, for purposes of this requirement, "course materials" to include digital or physical textbooks, devices such as calculators and remote attendance platforms, and software subscriptions. **This bill was signed into law by the Governor.**

AB 1228 introduces substantial changes to the fast-food restaurant industry in California. Employers in this sector must be prepared to adapt to new minimum wage requirements, adhere to workplace health and safety standards, and avoid retaliatory actions against employees participating in council proceedings. The mandatory raise would apply to all fast-food restaurants in California that are part of a chain with at least 60 locations nationwide. The \$20 wage would start April 1 and a council would have the power to raise it each year through 2029. Although this bill does not specifically impact most of our operations, we feel the ripple effect from the community will put pressure on us to adopt. **This bill was signed into law by the Governor.**

Respectfully Submitted by Commercial Services Chair,

Cyndi Farrington
Director Bookstore Services
Beach Shops, California State University Long Beach
Cyndi.farrington@csulb.edu

Business and Financial Services Committee Annual Report

2023 Business and Financial Services Leadership Team

Dena Florez, Chair (Outgoing)

Associate Executive Director, Associated Students, Inc.
California State University, Los Angeles

Shailendra Baghel, Vice Chair (Incoming Chair)

University Research Foundation
California State University, San Jose

Maria Elena Najera-Neri, Mini Conference (outgoing)

University Student Union
California State University, San Bernardino

2023 Meeting Schedule – Meetings took place via Zoom

Date	Type	Who	Time
February 16, 2023	Zoom Meeting	BFS-Steering Committee	2:00 PM
April 20, 2023	Zoom Meeting	BFS-Membership	2:00 PM
July 20, 2023	Zoom Meeting	BFS-Steering Committee	2:00 PM
August 17, 2023	Zoom Meeting	BFS-Membership	2:00 PM
November 16, 2023	Zoom Meeting	BFS-Steering Committee	2:00 PM
January 2024	In Person	AOA Meeting	

February’s Meeting focused on:

- Thoughts on the AOA Annual Conference Business and Financial Services tract
- Vision for Committee for the 2023 Year
- Membership Recruitment
- Thoughts on a Mini Conference

April’s Meeting focused on:

- Suggestions for the AOA Annual Conference Business and Financial Service
- Get a survey from members to see what they by sending a survey to group to gather information for the conferences.
- Membership Recruitment ideas:
 - Reach out to Executive Directors.
 - Reach out to Dixie to see how we can access membership and get more information on FB and LinkedIn

July’s Meeting - we encountered challenges with the membership recruitment. Much of the database was outdated. We still planned to have the mini conference however we made the decision to keep it virtual. We worked together on topics for the mini conference.

August Meeting – The committee worked on additional topics for the mini-conference.

October Meeting - Due to timing, the committee decided to not host a virtual mini conference after all. We focused attention to the main conference session topics and how we can strengthen outreach to build the membership of the committee. We also discussed the sessions currently in place and delegated who would focus on which session.

November Meeting – We finalized the topic sessions for the AOA conference. The committee agreed to have elections for the upcoming year at the AOA Conference because we will have a larger group present. In the committee the Co-chair becomes the Chair for the upcoming year. The position(s) open will be the Co-Chair of the Business and Financial Services Committee and Mini-Conference Coordinator. We will discuss having a secretary added to the committee. The mini-conference coordinator will work with the chair to create sessions for the mini-conference that will be more detail focused and will provide broader sessions for the main conference. Also, at the AOA Conference we will take a few minutes to have attendees register on the portal for the Business and Financial Services Committee.

Respectfully Submitted by Business and Financial Services Chair,

Dena Florez
Associated Students, Inc.
California State University, Los Angeles
Email: dflorez3@calstatela.edu



Human Resources Committee Report

December 2023

ANNUAL REPORT

This year the Human Resources Committee continued to meet monthly. As a group we found that the virtual meetings and increased frequency were really welcomed by our colleagues. The Human Resource Committee has really used these meetings to create a forum for members to ask questions, seek advice, share resources and hear from invited guests. Just as important, this group has created an avenue. Attendance at the meetings has ranged from around 30 up to 50 members each month and the membership reflects the diverse auxiliaries and campuses within AOA organization.

COMMITTEE LEADERSHIP

Our leadership team consisted of:

- Maddison Burton- Human Resources Director, University Corporation at Monterey Bay
- Yvonne Bermudez- Sr. HR Generalist, Forty-Niner Shops at CSULB

2023 MONTHLY MEETINGS

- January 27, 2023
- February 24, 2023
- April 28, 2023
- May 26, 2023
- June 30, 2023
- July 26, 2023 - July 28, 2023 (mini-conference)
- August 25, 2023
- September 29, 2023
- October 27, 2023
- December 8, 2023

2023 KEY HIGHLIGHTS

Below is a brief summary of topics covered this year:

- a. Title IX
- b. Wage and Hour Laws
- c. Student Work Hours
- d. Student Unionization
- e. Hiring Undocumented Students
- f. CSU Strikes and Auxiliary Requirements
- g. 2024 Sick Leave Requirements
- h. COVID Mitigation and Changing Requirements
- i. Volunteers vs. Paid Student Employees
- j. Timekeeping Systems
- k. Recruitment and Retention Challenges
- l. Wellness Program and Mental Health Resources
- m. Employee Benefits

Below is a brief summary of presentations and special guests:

- During the May 2023 meeting, Alliant (Chloe Smith and Heather McCarthy) and an Anthem Employee Assistance Program (EAP) representative presented on this voluntary plan add-on. Unlike the Hartford Plan, which is offered for free, the Anthem EAP has a cost per member; however, the Anthem EAP offers more customized resources and up to ten hours of training per year.
- The mini HR conference was held in Long Beach, July 26th through 28th. There were about 55 attendees and various internal and external presentations.
- During the August 2023 meeting, Melinda Latas, Director of Systemwide Clery and Campus Safety Compliance from the Chancellor's Office presented on campus obligations under the federal Clery Act and shared the auxiliary HR requirements to ensure both state and auxiliary employees are informed of the responsibilities.
- During the September 2023 meeting, LaGina D. Jackson, Management and Program Analyst from the U.S. Citizenship and Immigration Services, presented to the group on the Department of Homeland Security's alternative procedure for examining I-9 documents.
- During the October 2023 meeting began with consultant Richard Lane presenting on the compensation study process, cost and timeline. We learned that there is a new safe harbor requirement of five responses per position. Thus, we formed a subcommittee of varying auxiliary HR staff to review the 2019 survey responses. The compensation study will begin in January 2024.
- During the December 2023 meeting, Aaron Rutschman from Constangy, Brooks, Smith & Prophete, LLP presented on the new sick leave law and the NLRB joint employer ruling.

COMMITTEE LEADERSHIP for 2024

The goal for 2023 was to build the membership and the support network. This goal was met as we saw our membership and involvement grow. HR leaders and they continue to rely on each other for professional guidance to best lead this area of their organization. In December our committee held an election for the 2024 year. We are excited to share that the following colleagues will be our HR committee leadership team:

- CHAIR: Yvonne Bermudez, Sr. HR Generalist- Forty-Niner Shops at CSU Long Beach
- VICE CHAIR: Ranjt Kaur, Director, Human Resources- SJSU Research Foundation
- SECRETARY: Andrea Bozant, Assistant Director of HR- University Corporation at Monterey Bay

Respectfully submitted by:

Maddison Burton

Chair, AOA HR Committee

Human Resources Director, University Corporation at Monterey Bay

AOA IT Committee Report

Dec. 2023

OVERVIEW

The IT committee chair attend the November ISAC meeting. A short description of this meeting will be provided to the IT group during our AOA roundtable session in January.

We held our latest IT committee meeting in on Nov 8, finalizing presentations for the January AOA meeting, discussed Succession of Committee chairs, ITAC Presence and tentatively scheduled the rest of our IT meetings.

2024's goals

ITAC Presence

To continue request an AOA IT presence at Information Technology Advisory Committee (ITAC). The members of ITAC are the CIOs of each CSU. We have received permission for the IT committee chair to attend both in person and zoom meetings.

Presentations for January

We will be holding 4 sessions, 3 on Monday:

- Information Technology Update from the CO CISO (Dave White, CO IT Audit Manager & Josh Callahan, CISO)
- Information Roundtable I -Hot Topics / Navigating the Future of Work: Harnessing Virtualization and Mobility for Success
- Chat-GPT/LLM Risks and Issues (Josh Callahan, CISO)

And one on Tuesday:

- Information Roundtable II -Hot Topics : CO Audit / Security Awareness / Centralization of IT Infrastructure and Personnel

Next IT Meeting

Our next IT meeting will be held at the AOA conference , and we will select a IT committee vice chair for 2024

Respectfully submitted:

Matthew Sparks
AOA IT Committee Chair &
IT Services Manager

Union/Well Inc.

California State University Sacramento.

Long Range Planning Committee Annual Report 2023

Meetings and Onboarding:

Conducted meetings in March and May, focusing on Committee Chairs' onboarding.

Planned a survey in August to evaluate Chair experiences and implement improvements.

Shared valuable documents, and language for the Operating Agreement was reviewed.

AOA Storage and Consultation Process:

June meeting with Dixie Johnson addressed current AOA storage.

Discussed legacy files for sharing, organizational concerns, and adherence to AOA Records Management Policy.

Explored options for setting up Officer groups in Google Docs.

Committee Interactions:

Meeting with Keith Kompsi in July discussed the Auxiliary Fact Sheet and the Executive Director Toolkit.

Planned an accuracy review of the Toolkit and explored potential changes.

Discussions with Kacie Flynn and Monica Kauppinen in July regarding the Leadership Academy.

Leadership Academy and Scholarship of Excellence:

Acknowledged the successful conclusion of the 2023 AOA Leadership Academy in November.

Participants to be recognized at the 2024 Conference, with appreciation for coordinators' dedication.

AOA Scholarship of Excellence:

Call sent out to the Executive Committee regarding the Scholarship of Excellence.

Jeff Rensel to take on duties with Cyndi Farrington as the Committee Chair.

Excitement for collaboration with the new system implemented through InfoReady.

AOA LRP Committee Final Meeting:

Final meeting on October 25th focused on central storage, training, onboarding, and succession planning.

Four Zoom meetings facilitated throughout the year.

Nominations Committee and Toolkit:

No revisions needed for the Executive Director Toolkit; plan to host it on the website with annual reviews.

Again, thank you to the members of the Long-Range Planning Committee, the AOA scholarship committee, Richard Jackson, Dixie Johnson, and all members of the Conference Planning Committee and Executive Committee. It's been a privilege to work alongside you all.

Respectfully submitted,

Sharleen Lowry Krater



Research Administration Committee

Annual Report for 2023 AOA Executive Committee Meeting

2023 RAC Leadership Team

Leslie Rodelander, Chair
Grant Analyst, Sponsored Programs Foundation
Cal Poly Humboldt

Chantal Ebarle, Vice Chair (incoming 2024 Chair)
Senior Pre-Award Specialist, Office of Research & Sponsored Programs
California State University, East Bay

Bessie Strategos, Secretary
Grants & Contracts Administrator, Office of Research & Economic Development
California State University, Long Beach

2023 RAC Meetings

January 8th – AOA Conference RAC Standing Committee Meeting, Sacramento, CA
May 31st & June 1st – Spring RAC, Joint meeting with CCRO, CSU Dominguez Hills
September 7th & 8th – Fall RAC, San José State University

Meeting Highlights

The RAC Standing Committee Meeting at the AOA Conference in Sacramento on January 8, 2023 was the first in-person meeting since the RAC Standing Committee Meeting at the AOA Conference in San Diego in January of 2020. With the exception of the introduction of the incoming Chair by the outgoing Chair, Gillian Fisher, and a call for nominations of a Vice Chair, there was not a formal agenda. Instead, the time was used to visit and bring up topics and questions informally.

The Spring RAC/CCRO meeting which took place at CSU Dominguez Hills on Wednesday, May 31st (RAC only) and June 1st (joint RAC/CCRO), was our first in-person RAC meeting since Fall of 2019 and our first hybrid meeting. There were over 90 attendees – 58 in person and as many as 40 attending remotely representing all 23 CSU campuses and the Chancellor's Office. CSU Dominguez Hills provided a new state-of-the-art meeting facility and wonderful hospitality. Although there were some tech issues, participation, both in-person and virtual, was enthusiastic. Virtual breakout rooms were a success and allowed for smaller group discussions by all attendees. Hot topics included "AOA – RAC Refresher", "CO Audit: Key Areas of Audit Interest", "Enhanced Inter-CCRO/RAC Interactions", and "Managing Faculty Conflict of Commitment at the CSU."

The Fall RAC meeting took place at San José State University on Thursday, September 7th and Friday, September 8th. Feedback from our Spring meeting supported the continuation of a virtual attendance option and hybrid meetings will likely continue to be the format of our Spring and Fall RAC meetings. We had 88 attendees – 44 in person and as many as 44 attending remotely representing all 23 CSU campuses and the Chancellor's Office. San José State University provided a lovely meeting facility in the MLK Jr. Library – a joint campus & community facility. Hot topics included “Revisiting Recommendations for Enhanced Inter-RAC/CCRO Interactions”, “Federal Research Security Updates”, and the “CO Update on Faculty Training and Professional Development Stipends (New Earnings ID.”

RAC greatly appreciates AOA's support of the professional development and networking of its members.

Respectfully submitted by Leslie Rodeland, 2023 RAC Chair & Grant Analyst at Cal Poly Humboldt Sponsored Programs Foundation

2023 Overview:

The AOA Philanthropy Committee experienced additional modest member/participation growth and a variety of presentations and informative meeting topics for discussion in 2023. The chair and vice-chair continued to lobby to increase participation as well as committee membership on the group portal, which resulted in an increase from 27 to currently 32 members on the portal. Important communications as well as invitations to committee meetings were sent to a larger group of affiliated folks (roughly 80-100 individuals), and informational invites are sent at least once a year to members of other CSU groups/listservs (ex. Adv Svcs, VP Adv, FDN Board Professionals, AVP Dev, Philanthropic Foundation CFOs) who may potentially be interested to participate. Following the annual meeting held at the AOA Conference in Sacramento in January 2023, the committee convened for three additional (1.5 hour long) virtual standing committee meetings in 2023: in April, August and October. Meetings typically consist of close to 30 participants and are attended by representatives from nearly all CSU campuses from positions ranging from those supporting philanthropic foundations, financial officers, board operations, Advancement Services, and systemwide advancement staff from the Chancellor's office who provided policy and procedural updates during meetings. At meetings, the Chair would also provide the committee with updates and information from the AOA Executive Committee meetings.

Officers/Leadership (2023 Term):

- Ian Hannah, Sonoma State – committee Chair (outgoing)
- Ericka Scott, Cal Poly SLO – Vice-Chair (incoming Chair)
- Donna Day, CSUSM – Conference Session Planner (outgoing; seeking replacement)
- Working Group of other key identified folks for guidance/feedback

2023 AOA Philanthropy Committee Meeting Schedule (all via Zoom except annual in-person meeting in January at annual conference):

- 4/28/23** - AOA Philanthropy Committee Meeting (Virtual)
- 8/23/23** - AOA Philanthropy Committee Meeting (Virtual)
- 10/25/23** - AOA Philanthropy Committee Meeting (Virtual)
- 1/7/24** AOA Philanthropy Committee Meeting in person at conference in Indian Wells, CA
- A working group of key folks (including CO systemwide Advancement staff, former Philanthropy Committee Chairs, and other identified folks) meets quarterly a couple of weeks prior to each of the above meetings to plan content and prepare the agenda and support materials.

Key Topics:

Following on hot topics that were identified throughout the year based on feedback from participants, the following subjects were presented to the committee during 2023 meetings:

- Board Management Systems** – Presentation by Aaron Moore (CO) and Ericka Scott (SLO) displayed benefits/drawbacks on use of AGB OnBoard with CSU Alumni Council and CSU Foundation and use of BoardEffect as a multi board platform for SLO Philanthropic Foundation and other boards at SLO. CSU ultimately signed a systemwide master pricing agreement with Onboard.
- Presentation on Structure of Board Reporting** – Presentation by Venesia Thompson-Ramsay (SFSU) and Ericka Scott (SLO). Lead the discussion and provided examples of structure at SFSU and SLO for comparison and to get the conversation going with examples of how handled and similarities/differences/ideas from other CSU campuses. Discussed meeting structure, financial reporting, committee reports, consent agenda, campus leaders/Deans attendance, in person vs. zoom vs. hybrid, etc.
- Endowment Accounting and Reporting using Fundriver** – Presentation by Nicole Forrest Boggs & Mary Ann Messing (CSULB) on endowment accounting and reporting (particularly to donors) using the Fundriver product at CSULB. Example slides were provided and explained. More than half of CSU campuses are now utilizing Fundriver software for endowment accounting and reporting. Evertrue (also the company that owns Thankview and Pledgemine) recently purchased Fundriver and offers multiple

products in this space: Balance, Impact, Odder. Balance is the core level product for moving from an Excel spreadsheet for a unitized endowment pool to use of a software program. CSUSB recently entered into a contract; SSU just signed and currently implementing Fundriver; CSUCI looking into it. Some campuses shared contract term challenges. Chancellor's Office is looking into potential for a systemwide master pricing agreement.

- **AOA Executive Committee and Conference Planning Committee updates**
- **Chancellor's Office/Systemwide Advancement Updates** – leadership transitions (Chancellor and various CSU campus Presidents); union/bargaining unit activity/negotiations; campaign contribution request for GO bond measure; Intentional Endowment Network (EIN) systemwide membership; AGB Leadership Forum, Jan 28-30 in LA (and related CSU Foundation sponsored luncheon); revised CA Non Profit Integrity Act Manual; additional Chancellor's Office transitions (including search for Vice Chancellor, Systemwide Advancement and other position recruitments supporting External Relations, Communications, Governmental Relations and Advancement)

Annual In-Person Meeting at Conference

The Philanthropy Committee will also be meeting on January 7th from 3:30-5:30pm and plans to address the following topics:

- Leadership/officer changes for 2024
- Review Committee Operating Guidelines & New Member Orientation Packet
- Interest Survey/Sheet to identify member engagement opportunities
- Hot topics or potential topics for 2024 committee meetings; breakout groups by area to brainstorm/discuss: (1) Foundation Board Engagement; (2) Operations; (3) Endowment Mgmt/Finance

Sessions for Philanthropy track at 2024 AOA Conference:

In addition to the committee meetings, there were multiple planning meetings for the Philanthropy track sessions for the AOA 2024 Conference, January 7-9, 2024 in Indian Wells. Ultimately the following session topics were selected:

- **Navigating the Naming Policy**
- **Is This the Real Life? Is This Just Fantasy? Unraveling the Myths of ChatGPT**
- **Best Practices for Corporate Governance, Open Meeting Laws and Records Access Laws**
- **Embracing Change: Adapting Investment Strategies Amidst Shifting Inflation, a Potential U.S. Recession, and Evolving Philanthropic Engagement**

Awards/Accolades:

Monica Alejandre (CSUSB) was nominated the AOA Outstanding Accomplishment Award (which was accepted by the AOA Executive Committee), recognizing her exemplary leadership in the development of the AOA Philanthropy Committee serving as its inaugural chair. She has also been active on the conference committees and participant as a conference presenter.

Lori Redfearn (CO) was nominated the Lifetime Honorary AOA Member Award (which was accepted by the AOA Executive Committee), recognizing her long-time service and contributions to AOA and 25 years of service to the Chancellor's Office. Not only has Lori served as a long-time member of the AOA Executive Committee as the Chancellor's Office liaison for Advancement, but she is also a key systemwide conduit for information sharing between AOA and all philanthropic auxiliaries across the CSU.

The AOA Philanthropy Committee owes a special thanks to Lori Redfearn. Aaron Moore plans to serve as CSU Advancement liaison to the AOA Executive Committee and plans to participate on both the working group and full Philanthropy Committee going forward.

Respectfully Submitted by:

*AOA Philanthropy Committee Chair (2023), Ian Hannah
AVP for Advancement Operations, Sonoma State University
COO, Sonoma State University Foundation
Email- ian.hannah@sonoma.edu*

CSURMA AORMA UPDATE FOR AOA - 2024

All major CSURMA AORMA (AORMA) coverage programs are renewed on July 1, 2023. Shown below is a summary of the AORMA Reinsurance and Excess Insurance renewal costs. Because the Member’s rates and premiums are finalized prior to Staff completing the marketing of the excess insurance policies, the year-over-year increases (excess of budget) are paid in arrears.

AORMA Excess Insurance Coverage				
Year-Over-Year Insurance Cost (as of July 1, 2023)				
Coverage	FY 22/23	FY 23/24	\$ Change	% Change
Liability Excess Insurance	3,549,547	4,236,814	687,267	19%
Property	5,635,210	9,271,779	3,636,569	65%
Workers' Compensation	2,583,138	2,488,482	-94,656	-4%
Cyber	185,700	207,600	21,900	12%
Aviation (Drone Liability)	62,436	62,450	14	0%
Fidelity	263,511	263,332	-179	0%
Total Cost:	\$12,279,542	\$16,530,457	\$4,250,915	35%

AORMA’s *excess liability* costs increased by 19% between FY 22/23 and FY 23/24. The commercial excess liability insurance market is expected to remain firm for California public entities and higher education as the effects of catastrophic jury verdicts, settlements, police misconduct, social inflation, and sexual abuse claims absorbed by insurers. As such, the AORMA committee did not declare dividends to members for Liability or Worker’s Compensation Programs for FY 24/25. The AORMA committee is currently monitoring 16 active cases.

Additionally, AORMA *property insurance* costs continue to increase. Property insurance costs increased by 65% between FY 22/23 and FY 23/24. Costs are increasing due to AORMA’s 10-year loss ratio of 159%, along with weather conditions across the United States and the globe. As storms and fires become more severe, the cost for property insurance will continue to rise. As continued increases to the AORMA Property Program are becoming unsustainable, the AORMA Committee along with Alliant Staff will begin the process of retooling the AORMA Property Program with the goal of minimizing year-over-year cost increases.

The AORMA Officers met in July and decided on three (3) long range action items for FY 23/24.

1. Redesign the AORMA Property Program to minimize future cost increases.
2. Coordinate with Alliant Risk Control Consulting to expand safety outreach.
3. Address the Auto Registration issue with DMV.

In September, Jared Ceja, Executive Director at The Cal Poly Pomona Foundation, Inc. was appointed to the AORMA Committee. In December, Rosa Hernandez, Associate Executive Director, Forty-Niner Shops, Inc. was appointed. Interested individuals and nominations for future seat vacancy consideration should be directed to the committee chair, Chuck Kissel at ckisse@fullerton.edu.

The following are the AORMA committee members:

Seat	Member	Position	Campus
Chair	Chuck Kissel	Executive Director	Fullerton
First Vice Chair	Bill Olmsted	Executive Director	Sacramento
Second Vice Chair	Leslie Levinson	Chief Financial Officer	San Diego
Seat 1	Nicole Lane	Director of Human Resources	Fresno
Seat 2	Jared Ceja	Executive Director	Pomona
Seat 3	Cecilia Ortiz	Executive Director	Dominguez Hills
Seat 4	Raven Tyson	Associate Director of Business Ops	San Diego
Seat 5	John Melikian	Executive Director	Sacramento
Seat 6	Rosa Hernandez	Associate Executive Director	Long Beach
Seat 7	Keith Crawford	Risk Manager	Chico

The committee reviewed and approved member allocation for Worker’s Compensation, Liability, Property, and Crime coverage programs for FY 24/25. Shown below is a summary of the AORMA coverage programs cost allocations. Due to the cost increases, dividends are unlikely for FY 24/25. As liability costs are anticipated to continue to rise, the committee has concerns of possible future assessments to members.

AORMA Coverage Programs – Year Over Year Comparison				
Coverage	FY 23/24	FY 24/25	\$ Change	% Change
Liability Program	6,993,086	8,437,452	1,444,366	21%
Workers’ Compensation Program	3,996,212	3,490,008	-505,772	-13%
Property Program	8,624,436	11,148,850	2,524,414	29%
Crime Program	504,810	477,981	-26,829	-5%
Total Cost:	\$20,118,544	\$23,554,291	\$3,435,747	35%

**AOA Past Presidents Committee
Annual Report to the Membership
December, 2023**

The purpose of the AOA Past Presidents Committee is to actively engage previous presidents of AOA in ways that attempt to keep them connected to the organization, while also allowing AOA to benefit from their expertise and leadership. The committee is intended to:

1. Serve in an advisory capacity to the President of AOA and Executive Committee and to provide historical context to current situations, challenges, and opportunities.
2. Advise and assist the AOA President, when requested, with special projects that contribute to the advancement of auxiliaries in the CSU.
3. Advocate on behalf of auxiliaries at the direction of the AOA President and the Executive Committee.

The AOA Past Presidents Committee meets annually at the conference or more frequently as needed at the request of the AOA President. Membership is comprised of all AOA past presidents currently employed in the CSU or by a CSU auxiliary. The current committee is comprised of the following individuals:

Keith Kompsi, Fresno (2017) – Past Presidents 2023 Committee Chair
Sharleen Lowry Krater, Chico (2022)
Monica Kauppinen, Sacramento (2021)
Kacie Flynn, Humboldt (2020)
John Griffin, San Bernardino (2019, 2015)
Christina Brown, San Diego (2016)
Deborah Adishian-Astone, Fresno (2012)
Dave Edwards, Fullerton (2010)
Michele Goetz, San Diego (2008)
Leslie Levinson, San Diego (2005)
Richard Jackson, AOA (2003)

Although our committee's resources have not been called upon this past year to work on specific projects, as chair, I participated in all Executive Committee meetings throughout the year. The Past Presidents Committee will be meeting during the January annual conference to meet with the outgoing AOA President and discuss hot topics relevant to the upcoming year.

Respectfully submitted,

Keith Kompsi, 2023 Chair
AOA Past Presidents Committee

Annual Financial Report to the AOA Membership

Dear AOA Members –

Each year, I provide a report to the membership on the organization’s financial position. The short version is:

- AOA received a clean audit report for FY 2022-23, and
- There has been a significant change the last couple years in the AOA’s Total Net Assets (the accumulation of net income over the years), due to the some \$450K in expenses and penalties related to the pandemic-related cancellation of the scheduled January, 2022 Conference in Indian Wells.

Key take-aways:

- AOA had Net Income of \$18,865 for 2022-23, which means that
- Following the decline AOA’s Total Net Assets from \$766,783 to \$310,396 last year, it increased to \$329,261 in 2022-2023.
- \$329,261 of that total has been designated by AOA policy to three safety-net reserve accounts (for Working Capital, for Conference Contingencies, and for Special Projects), which means there are no funds available this coming year for spending for discretionary spending on strategic needs.

Attached are:

1. A listing of the year’s Revenues, Expenses and Net Income (Change in Net Assets).
2. A detailed listing of the year’s Expenses, grouped by functional area, compared to the prior year.

Richard Jackson
AOA Business Manager

Auxiliary Organizations Association

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Years Ended June 30	2023	2022
NET ASSETS		
Revenues and Other Support		
Membership dues	\$ 233,255	\$ 234,518
Conference sponsorship	280,750	
Annual conference fees	277,475	
Interest and dividend income	11,919	18,213
Realized and unrealized gain (loss)	14,608	(55,252)
In-kind contributions	5,500	
Total Revenues and Other Support	823,507	197,479
EXPENSES		
Program services	722,557	561,786
Management and general	82,085	92,080
TOTAL EXPENSES	804,642	653,866
Change in Net Assets	18,865	(456,387)
Net Assets Without Donor Restrictions - Beginning of Year	310,396	766,783
Net Assets Without Donor Restrictions - End of Year	\$ 329,261	\$ 310,396

The accompanying notes are an integral part of these financial statements.

Auxiliary Organizations Association
Statement of Functional Expenses

Year Ended June 30, 2023	Program Services	Management and General	Total
Annual conference:			
Hotel and meals	\$ 258,493	\$ -	\$ 258,493
Speaker fees and other expenses	270,341		270,341
Preplanning	18,531		18,531
Executive committee:			
Meetings and travel	30,474		30,474
Committee meetings	4,852		4,852
Legislative liaison	16,163		16,163
Legal services:			
Personnel counsel	27,350		27,350
Audit fees		16,700	16,700
Accounting services		45,604	45,604
Insurance		5,842	5,842
Council on Governmental Relations dues	5,500		5,500
Website maintenance expense	57,757		57,757
Miscellaneous		13,939	13,939
Plaques and awards	16,350		16,350
Marketing and communications	2,325		2,325
Bank fees	8,921		8,921
Donated goods and services	5,500		5,500
Total Expenses	\$ 722,557	\$ 82,085	\$ 804,642

The accompanying notes are an integral part of these financial statements.

2023 LEGISLATIVE & COMPLIANCE REPORT

for 2024 ANNUAL AOA CONFERENCE

Robert E. Griffin

I. California Legislation

Assembly:

AB 8 (Friedman & Irwin) – Entertainment Ticket-Sellers. This bill as amended June 19 would replace, recast, and expand the broad regulatory framework over commercial entertainment ticket selling and resales. Passed Assembly; in Senate Appropriations Committee Held under submission (9/1). Parallel approach to SB 785 and 829. See below.

AB 418 (Gabriel & Wicks) – Food Product Safety. This bill as amended Jul 3 would prohibit food products for human consumption from containing the following specified additive substances containing potential toxicities, effective January 1, 2027:

- Brominated vegetable oil (CAS no. 8016-94-2)
- Potassium bromate (CAS no. 7758-01-2)
- Propylparaben (CAS no. 94-13-3)
- Red dye 3 (CAS no. 16423-68-0)
- Titanium dioxide (CAS no. 13463-67-7)

Campus auxiliary food services (direct and outsourced) would appear to be subject to this prohibition. Passed Legislature; signed by Governor (10/7).

AB 537 (Berman) – Short-term Lodging; Advertising Rates. This bill as amended would introduce a rate-transparency and enforcement/penalty regimen upon defined short-term lodgings (including hotels). Advertising must include all room taxes and fees to book or reserve lodging. I am aware of only one campus auxiliary organization that would be subject to this advertising restriction. Operative July 1, 2024. Passed Legislature; signed by Governor (10/13).

AB 546 (Villapudua) – Expanded Tied-House Alcoholic Beverage Licensing Restrictions. This bill as amended would expand and clarify an existing tied-house restriction that prohibits various licensees, or their officer, director, or agent, from, among other things, paying, crediting, or compensating with related things of value a retailer or retailers for advertising, display, or distribution service in connection with the advertising and sale of alcoholic beverages. Passed Legislature and signed by Governor (10/8).

AB 607 (Karla) – Course Materials Cost Disclosure. This bill as amended would, commencing July 1, 2024, require each campus of the California Community Colleges (CCC) and the California State University (CSU), and request each campus of the University of California (UC), to prominently display the estimated costs for each course of all required materials, and fees directly related thereto, for no less than 75% of the total number of courses on the online campus schedule. Passed Legislature and signed by Governor (10/10).

AB 840 (Addis) – Liquor License Tied-House Exceptions; Advertising; Certain CSU Campuses. This bill as amended June 28 would expand exclusions from some advertising practices under the “tied-house” restrictions by certain alcohol vendors at designated CSU campus facilities involving liquor licensee transactions in large venue sales, where the vendor wants to engage in exclusive advertising for venue events. Passed Legislature and signed by Governor (10/7).

AB 1228 (C. Holden) – Fast-Food Labor Reform. This bill, the Fast-Food Franchisor Responsibility Act, would:

- Impose joint civil liability upon both defined franchisor and franchisee for enumerated labor law violations.
- Subject franchisor to same enforcement as against franchisee and includes Notice and violation cure provisions.
- Proscribes franchisee waiver and indemnity agreements that attempt to circumvent the provisions of this Bill.

Campus food service auxiliary organizations are commonly in contractual relationships with fast-food restaurant franchisees who would fall within the scope of this proposed Act. Passed Legislature and signed by Governor (9/28).

Senate:

SB 59 (Skinner) – Menstrual Product Accessibility Act. This bill as amended March 16 would require all women’s restrooms, all all-gender restrooms, and at least one men’s restroom to be stocked with menstrual products, free of cost, at all hospitals that receive any state funding, at all buildings owned or leased by the state, and at all buildings owned by a local government if any state-funded safety net program is administered in that building. Held in Senate Appropriations Committee (5/18).

SB 234 (Portantino & Umberg) – Opioid antagonists: schools, college campuses, stadiums, concert venues, and amusement parks. This bill as amended July would require schools, college campuses, stadiums, concert venues, and amusement parks to, always, maintain unexpired doses of naloxone hydrochloride or any other opioid antagonist. Requires these entities to ensure that at least two employees are aware of the location of the naloxone or other opioid antagonist. Passed Legislature and signed by Governor (10/8).

SB 336 (Umberg) – State Grants Negotiated Indirect Cost Rates. This bill amended July 6 would require state agencies administering state-funded grants to reimburse awards the grantee’s indirect costs under the negotiated cost rate agreement. Passed Senate; Assembly Appropriations Committee Inactive file. (9/11).

SB 399 (Wahab) – Employer Communications; Intimidation. This bill as amended May 2 would prohibit an employer, except as specified, from requiring its employees to attend an employer-sponsored meeting or participate in any communications with the employer or its agents or representatives, the purpose of which is to communicate the employer’s opinion about religious matters, political matters, or rights guaranteed by the First Amendment to the United States Constitution or Section 2, 3, or 4 of Article I of the California Constitution. Passed Senate; in Assembly Appropriations Committee -hearing canceled (8/16).

SB 446 (Wilk) – Nonprofit Corporation; Ratification of Non-Compliant Actions. This bill would provide a means by which a board of directors can ratify or validate retroactively action that is otherwise lawful, but not in compliance with the Nonprofit Corporation Law, or the corporation’s articles or bylaws. A parallel means is set out in the General Corporation Law. Passed Legislature and signed by Governor (9/1).

SB 476 (Limon) – Food Safety; Food Handlers. This bill would require food facility employers to pay an employee for any cost associated with the employee obtaining a food handler card, including the time it takes for the employee to complete the training and certification program, and the cost of the food handler certification program. Passed Legislature and signed by Governor (10/8).

SB 497 (Smallwood-Cuevas) – Protected Employee Conduct. This bill as amended would:

- Create a rebuttable presumption in favor of an employee’s retaliation claim for violations related to wage claims, political and civic rights violations, and PAGA claims if an employer engages in certain conduct within 90 days of the employee’s protected activity.
- Increase the civil penalty for violating an employee’s political and civic rights to \$10,000 *per employee per violation* (instead of per violation); specifically makes the penalty payable to the employee; and expands the penalty to employers that are not corporations or LLCs. Thus, the political/ civic rights violation civil penalty would become like the civil penalty for failing to restore an employee who prevails on their general retaliation claim.
- Create a rebuttable presumption in favor of an employee’s retaliation claim related to prohibited discriminatory pay practices based on sex if an employer engages in certain conduct within 90 days of the employee’s protected activity.

Passed Legislature and signed by Governor (10/8).

SB 522 (Nieto) – Uniform Fiduciary Income and Principal Act. This bill, as amended, repeals the *Principle and Income Act*, and recasts, revises, and expands those provisions as the *Uniform Fiduciary Income and Principal Act* for similar purposes. Key provisions include:

- Provides expressly that UFIPA applies when this state is the principal place of administration of a trust or estate or the situs of property that is not held in a trust or estate, as specified, unless the terms of the trust or UFIPA provide otherwise.
- Makes various changes to the administration of a unitrust, such as providing that a unitrust rate may not be less than three percent or greater than five percent, unless the unitrust plan has been approved by a court, as specified.
- A fiduciary that in good faith takes or fails to take an action under the provisions governing unitrusts is not liable to a person affected by the action or inaction.

Passed Legislature and approved by the Governor (6/29).

SB 640 (Portantino) – CSU; Food Service Contracts & Hotel Development Projects. This bill as amended May 18 would prohibit the California State University (CSU) from entering into a food service contract or undertaking a hotel development project unless the food service employer or hotel employer is party to a labor peace agreement with a labor organization. The prohibition would extend to auxiliary organizations in such relationships, and to any proprietary interest in such a contract or project held by the CSU or an auxiliary organization. Passed Legislature, vetoed by Governor and in Senate for consideration of veto. (10/8).

SB 644 (Glazer) – Hotel/Private Residence Rental Reservation Cancellation; Refunds. This bill amended would require a hosting platform, hotel, third-party booking service, or short-term rental to allow a customer to cancel a reservation within 24 hours of making the reservation and provide for refund without penalty. Passed Legislature and signed by Governor. (10/10).

SB 683 (Glazer) – Hotels & Short-Term Rental; Advertised Rates; Mandatory Fees. This bill as amended would require, beginning July 1, 2024, advertised rates for hotel rooms and short-term rentals to include all mandatory fees in their advertising and that hotels and short-term rentals provide clear pricing disclosures, all subject to public enforcement. Passed Senate; in Assembly Appropriations Committee Inactive File (9/13).

SB 785 (Caballero). Entertainment Ticket-Sellers. This bill as amended June 28 would amend, recast, and expand the broad regulatory framework to others in the ticket-selling chain. See AB 8 above and SB 829 below. Passed Senate; in Assembly P&CP Committee (7/11)

SB 790 (Padilla) – Public Records; Goods or Services Contracts. This bill as amended:

- Specifies that any executed contract for the purchase of goods or services by a state or local agency, including the price and terms of payment, is a public record subject to disclosure under the CPRA.
- Provides that any written agreement that purports to exclude such a contract from disclosure by agreeing to consider it a confidential or proprietary record of the vendor is void and unenforceable as a matter of law.
- Provides that it does not require disclosure of a record that is otherwise exempt from disclosure or prohibited from disclosure pursuant to federal or state law.

Passed Legislature and signed by the Governor (7/13).

SB 808 (Dodd) – CSU Annual Report; Sexual Harassment Complaints/Reports. This bill as amended would require the California State University, on or before December 1 of each year, to submit a report to the Legislature on the investigations and outcomes of sexual harassment reports and formal sexual harassment complaints, as provided, and would require the California State University to post these annual reports on its internet website. Passed Legislature and signed by Governor (10/7).

SB 829 (S. Wilk) – Entertainment Ticket Sellers – Exclusivity Prohibited. This bill as amended would:

- Prohibit defined entertainment facility operators from contracting with primary ticket sellers on an exclusive basis.
- Prohibit threatening, attempting to enforce or penalize operators for entering into such exclusive contracts.
- Extend above prohibitions to contracted ticket sellers for any primary ticket seller.
- Make violation punishable as a misdemeanor.

NB: The scope of this measure would appear to extend to auxiliary organization entertainment forms and venues. The burden of the proposed expanded regulation falls on primary ticket seller contractors. Auxiliary organization-sponsored event ticket sales are exempt, but there is a need to be alert to this regulatory framework, if enacted. Passed Senate; in Assembly (6/29). See AB 8 and SB 785 above for parallel measures.

II. California Regulations & Compliance Issues

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

Charitable Fundraising Platforms and Platform Charities. The Department of Justice proposed regulations that implement Assembly Bill No. 488, amending *The Supervision of Trustees and Fundraisers for Charitable Purposes Act*, and establishes that effective January 1, 2023, charitable fundraising platforms and platform charities are subject to the Attorney General’s supervision.

The proposed regulations would regulate charitable fundraising platforms, platform charities, and persons and entities soliciting charitable donations on charitable fundraising platforms. The regulations also reorder and renumber existing regulations so that all regulations pertaining to the Act will be in Chapter 4, Cal. Code Regs., title 11.

This rulemaking is undergoing a 45-day public comment period. Any interested person or their authorized representative may submit written comments regarding the proposed regulatory action. The written comment period closes at 5:00 pm on January 2, 2024.

See: <https://oag.ca.gov/charities/regs/platforms>

Disposal of Charitable Assets Notice. Regulations implementing AB 900 requiring, among other matters, notice to the Attorney General of certain transactions involving all or substantially all assets of a charitable corporation or trust - defining “substantially all” assets to mean an asset or assets equal to or exceeding 75 percent of the value of all assets held at the time of the notice or at any time during the six-month period before submitting the notice.

On June 19, 2023, the Office of Administrative Law approved the regulations and filed them with the Secretary of State. The regulations became effective on October 1, 2023.

See: <https://oag.ca.gov/charities/regs/dca>

Nonprofit Raffles. Nonprofits are currently required to register with the Department of Justice by September 1. (Cal. Code Regs., tit. 11, § 417.) The registration fee is \$30. (*Id.*, § 418.) Nonprofits are currently required to file annual reports by October 1 of the following year. (*Id.*, § 420.)

The amended regulation modifies the registration deadline to January 1 and the reporting deadline to February 1 of the following year. It also clarifies that to conduct a raffle, an eligible organization must be registered and in good standing with the Nonprofit Raffle Program. The organization’s corporate and tax-exempt status must also be in good standing.

The amended regulation also clarifies that the Attorney General may impose penalties under Government Code section 12591.1 if a person or entity subject to *The Supervision of Trustees and Fundraisers for Charitable Purposes Act* (Gov. Code, § 12580 et seq.) submits false or misleading information, or fails to provide required information, in either the registration form or the raffle report. See: <https://oag.ca.gov/charities/regs/npr>

Reminder, Take 2: Form 990 – Donor Information Exclusion (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 Department of Justice has advised that the Registry of Charitable Trusts no longer requires filing of Schedule B to the IRS Form 990 as part of the registration and annual (revised RRF-1 now published) renewal-reporting requirements. Conforming amended regulations are pending. The U. S. Supreme Court 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 -- *Americans for Prosperity Foundation v. Bonta*. Reference: <https://oag.ca.gov/charities/renewals>

Recent Regulation Changes

Reminder: “Public Charity” Registration Exemption. Effective February 2, 2020, auxiliary organizations may be exempt from registering and reporting as public charities with the AG’s Registry of Charitable Trusts. CCR title 11, § 300.2 now exempts public benefit corporations 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: *Government Code* §§12585 and 12587; also see §12583.

Filing Extensions Honored by AG

The AG’s *Charities* website notes that the Registry of Charitable Trusts will honor all IRS extensions for annual renewal filing deadlines, including the filing of the Forms RRF-1, and IRS Form 990. The Registry will consider other extension requests on a case-by-case basis.

B. California State University Policies and Procedures

Board of Trustees Regulations – CCR Title 5. There were no amendments in 2023 to sections (41400-42667) pertaining to auxiliary organizations, student body organizations or student organizations.

Key Executive Orders – Revised

EO 0369, *Procedures for Preparation, Review and Approval of AS Budgets* (11/14/23)

EO 0994+RFIN/CPBG 11-14-01, *Financing and Debt Management Policy* (5/31/23)

EO 1102, *Student Tuition and Fee Policy* (11/15/23)

EO 1068, *CSU Risk Management Authority* (11/8/23)

EO 1095, 1096, 1097, *CSU Nondiscrimination Policy* (1/1/23)

EO 1104, *Campus Reporting of Fiscal Improprieties* (5/23/23)

Key ICSUAM – Revised

ICSUAM 01301.00, *Hospitality Policy* (6/27/23)

ICSUAM 03601.01, *Travel and Business Expense Payments* (1/1/24)

ICSUAM 11001.00, *Sponsored Programs Administration* [unchanged] (9/28/23)

ICSUAM 13175.00, *Auxiliary Organization’s External Audit Firm Qualifications* (10/4/23)

ICSUAM 15701.00, *Fundraising Events* (1/11/23)

Key Coded Memoranda – Revised

AA 2011-05, *Student Representation on Auxiliary Governing Boards* (11/14/23)

Other

URA, *University Endorsements* (11/15/23)

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

California Nonprofit Integrity Act Manual Revision

The CSU's handy *Nonprofit Integrity Act and Charitable Solicitation Manual* has been updated. Note that, in addition to important guidance regarding charitable solicitations, the *California Nonprofit Integrity Act* also addresses:

- Audit Committee regulations
- Compensation reviews
- Contracting requirements for Fundraising Counsel and Commercial Fundraisers, including registration requirements with the Attorney General.

Updates since the last version include recent DoJ regulations on Fundraising Platforms. The revised Manual is available in PDF from CSU Systemwide Advancement.

III. Federal Affairs

A. Federal Legislation

Corporate Transparency Act (CTA). The CTA, enacted in 2021 as part of the *National Defense Authorization Act*, requires certain types of businesses, including corporations, limited liability companies, and limited partnerships, to report information, beginning January 1, 2024, about their beneficial owners.

While the CTA applies to both domestic and foreign businesses that are registered or operate in the United States, statutory exemptions are broad: businesses with more than 20 employees; more than \$5 million in annual revenue; or that are already regulated by certain federal agencies, including tax-exempt entities under IRS oversight. **Auxiliary organizations are exempt from CTA reporting requirements.** See 31 CFR 1010.380(C)(2).

B. Federal Regulations

Final IRS Regulations on Supporting Organizations. The *Pension Protection Act of 2006* (PPA) made numerous changes to IRC Section 509(a)(3) supporting organizations, prompting a series of guidance projects over the past 17 years.

The IRS has finally issued final regulations that mostly adopt the 2016 proposed regulations on prohibited gifts to Type I and Type III supporting organizations from persons who control the organization it supports. The final regulations also adopt, with minor modifications, the proposed regulations on when a Type III supporting organization qualifies as functionally integrated by supporting a governmental organization, such as a public university.

Treasury Decision 9981, contains an excellent overview preamble, as well as the final regulations at <https://www.govinfo.gov/content/pkg/FR-2023-10-16/pdf/2023-22286.pdf>

Auxiliary organizations are (or should be) for the most part classified as section 509(a)(3)(Type III) supporting organizations.

IRS Issues Technical Guidance for Section 501(c) Organizations. IRS *TG-3-1: Overview, Applications, Exemption Requirements – IRC Section 501(c)* [9/8/23] offers a current and comprehensive guide to many the oversight requirements that apply to auxiliary organizations. See: <https://www.irs.gov/pub/irs-pdf/p5859.pdf>

IRS Final Regulations on Electronic Filing. The IRS has issued final regulations on electronic filing of returns including Forms 990 and 990-T.

The final regulations largely adopt the proposed regulations, with explanations provided in the preamble. The final regulations are generally effective for returns required to be filed during the 2024 calendar year, except that the e-filing requirements with respect to Forms 990 and 990-T continue to be governed by section 3101 of the *Taxpayer First Act*, which generally applied to taxable years beginning after July 1, 2019.

A copy of the final regulations at: <https://www.govinfo.gov/content/pkg/FR-2023-02-23/pdf/2023-03710.pdf>

DOL Proposed Worker Classification Rules

In October 2022, the Department of Labor published proposed regulations to determine whether a worker is an employee or an independent contractor under the *Fair Labor Standards Act*.

As compared to the general guidelines used by the IRS and the courts in making worker classification determinations for tax purposes, the proposed regulations lean more heavily in favor of classifying workers as employees.

Whether and to what extent these new DOL rules will impact worker classification for tax purposes is presently unclear, but it is worth noting that in connection with a National Labor Relations Board determination that certain hospital interns and residents were students and not employees, the IRS in Rev. Rul. 78-54 said: “The standards used for determining whether individuals are employees for purposes of labor relations are not the same as those used for purposes of Federal taxation.”

The new proposed DOL regulations can be found at: <https://www.federalregister.gov/documents/2022/10/13/2022-21454/employee-or-independent-contractor-classification-under-the-fair-labor-standards-act>

IRS 2023-2024 Priority Guidance Plan

The IRS 2023-2024 Priority Guidance Plan contains hundreds of guidance projects that are priorities for allocating the agency’s resources during the 12-month period from July 1, 2023, through June 30, 2024. The Plan does not provide project deadlines, and many of these projects are carryovers from previous years’ priority guidance plans. A copy of the 2023-2024 Priority Guidance Plan at:

<https://www.irs.gov/privacy-disclosure/priority-guidance-plan>

Thanks to:

CSU Office of Advocacy & State Relations, CSU Office of Federal Relations, Sherry Pickering, CSU Legal Reporting & Tax, Lori Redfern, CSU Systemwide Advancement, National Association of University Business Officers, College & University Tax Report, Independent Sector, & California Legislative Information Website.



2024 AOA EXECUTIVE COMMITTEE ROSTER

ELECTED OFFICERS ¹

Heather Cairns	President	University Corporation, CSU Northridge
Rasheedah Shakoor	Past President	Associated Students, CSU Dominguez Hills
Cecilia Ortiz	President-Elect	University Union, CSU Dominguez Hills
Grace Slavik	Secretary/Treasurer	University Corporation, CSU Northridge

ELECTED REPRESENTATIVES ²

Andrew Singletary	Term expires 1/25	Union WELL, CSU Sacramento
Annie Macias	Term expires 1/25	Associated Students, San Marcos
Liz Roosa Millar	Term expires 1/25	Associated Students, Cal Poly Pomona
Michelle Crawford	Term expires 1/25	Associated Students, Cal Poly SLO
Andrea Burns	Term expires 1/26	Cal Poly Corporation, San Luis Obispo
John Doebler	Term expires 1/26	Associated Students, CSU Northridge
Melinda Swearingen	Term expires 1/26	Research Foundation, San Diego State
Janelle Teminck	Term expires 1/26	Corporation, CSU San Marcos

STANDING COMMITTEE CHAIRS ⁴

Jeffrey Rensel	AS/Student Union/Rec	Otter Student Union, Monterey Bay
Cyndi Farrington	Commercial Services	Forty-Niner Shops, CSU Long Beach
Shailendra Baghel	Business & Financial Services	Research Foundation, San Jose State
Yvonne Bermudez	Human Resources	Forty-Niner Shops, CSU Long Beach
Alexander Gonzales	Information Technology	University Student Union, CSU Northridge
Rasheedah Shakoor	Long Range Planning	Associated Students, CSU Dominguez Hills
	Nominations	
Chantal Ebarle	Research Administration	Research & Sponsored Pgms, CSU East Bay
Ericka Scott	Philanthropy Committee	Cal Poly Corporation, San Luis Obispo
Chuck Kissel	Risk Management &	Auxiliary Services Corporation, Fullerton
	Insurance Programs	
Monica Kauppinen	Past Presidents	University Enterprises, Sacramento State

APPOINTED STAFF ⁴

Richard Jackson	Business Manager/CFO	AOA Executive Office
-----------------	----------------------	----------------------

DESIGNATED LIAISONS ⁵

Colin Donahue	CABO Liaison	CSU Northridge
Robyn Pennington	Business & Finance Liaison	CSU Chancellor's Office
Aaron Moore	Advancement Liaison	CSU Chancellor's Office
Carrie Rieth	General Counsel Liaison	CSU Chancellor's Office
Beth Ryan	Human Resources Liaison	CSU Chancellor's Office

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