



California State University, Stanislaus
UNIVERSITY STUDENT CENTER
BOARD OF DIRECTORS

Minutes

Thursday, September 28th, 2023

3:30pm

University Student Center – Board Conference Room (SC102)

- I. Call to Order** – Meeting called to order at 3:34 PM
- a. **Roll Call:** Anahi Lopez, Ellen Teung-Ouk, Cesar Gonzalez Quiroz, Jordyn Piro, Selena Mariscal, Dr. Edward Erickson, Dr. Heather Dunn Carlton, Cesar Rumayor, Katie Rotan
- Guest:** Erik Jimenez, Kamila Moreno, Dennette Dores, Clint Strode, Adrian Sanchez
- Absent:** Kelly Costa, Destiny Suarez, Rose McAuliffe, Alice Pollard, Gary Potter
- b. **Points report** –
- Cesar Gonzalez Quiroz – 4 Points Pending
 - Jordyn Piro – 1 Point Pending
- II. Approval of Agenda for Thursday, September 14th, 2023**
- Motion to approve the agenda was made and seconded.
 - Motion to approve the agenda by Selena., second by Ellen.
 - Motion approved 7-0-0.
- III. Approval of Minutes for Tuesday, August 31st, 2023**
- Motion to approve the minutes was made and seconded.
 - Motion to approve by Selena., second by Jordyn.
 - Motion approved 7-0-0.
- IV. Open Forum (public comment) - none**
- V. Presentation** – none
- VI. Action Items**
- a. **Approval of University Student Center Financial Audit**
- Motion to approve by Cesar G., second by Ellen.
 - Bobby LaCour starts his presentation of the University Student Center Financial Audit by thanking the board for the invite and allowing him to present.
 - Bobby LaCour presented to the board a report and disclaimed that it is a draft.
 - Bobby LaCour explained to the board the reason behind having an audit.

- *Bobby LaCour further explained that there are two reasons as to why there is an audit being done in the state of California. One being that any organization that generates more than \$2,000,000 in revenue is required to have an audit conducted. The second reason being that as an auxiliary organization of the California State University System, it is required to have an audit conducted.*
- *Bobby LaCour further elaborated the University Student Center along with the other three auxiliary organizations on campus, the campus, and the other 22 California State University campuses and their respective auxiliary organizations will all come together at one point to produce one significant California State University financial statement.*
- *Bobby LaCour states that the University Student Center is one of the building blocks in getting to the financial statement and as a result, the Chancellor's Office requires an audit to be conducted.*
- *Bobby LaCour states to the board that as part of the board's responsibility, the board is responsible to provide the oversight of financial reporting including the independent audit.*
- *Bobby LaCour stated that this is a serious matter that should be taken seriously as per the state of California.*
- *Bobby LaCour stated to the board that one of their responsibilities is to understand what the significant accounting policies are and what the internal controls are that are in place, and if there are any deficiencies in the internal controls or financial reporting.*
- *Bobby LaCour stated to the board that it is the board's responsibility that those matters are resolved.*
- *Bobby LaCour further explained to the board that they must understand their general policies and procedures and the fact that there is financial transparency that takes place.*
- *Bobby LaCour explained to the board that as part of their responsibility, they must understand the Conflict-of-Interest Policy and understand that there are no potential conflicts.*
- *Bobby LaCour began to present the key takeaways of the financial audit process.*
- *Bobby LaCour explained to the board that the key takeaways are rendering an unmodified opinion on the June 30th, 2023, financial statement. Bobby LaCour then began clarifying what an unmodified opinion is; Bobby LaCour explained that an unmodified opinion is otherwise known as a clean opinion, it is the highest level of assurance that can be provided on the financial statements.*
- *Bobby LaCour states that as part of the process, he and the company Aldrich Advisors work for the University Student Center and management. Bobby LaCour further elaborates that there are a variety of people that throughout the process need to be worked with to get the financial audit accomplished. Bobby LaCour shows his appreciation to all the people that work on the audit to get it completed.*
- *In terms of the responsibilities of the financial statements, Aldrich Advisors responsibility is the independent auditors report, management's responsibility lies in all the other financial information that is included in the University Student Center financial statements which includes supplemental information.*
- *Bobby LaCour elaborated that the supplemental information is not necessarily audited, but the information presented in the University Student Center's basic*

financial statements is aligned with that. Bobby LaCour further elaborated that the supplemental information is the piece that is required by the Chancellor's Office, and it takes the normal financial states and converts it into a format that is much more useable for them and becomes similar for every auxiliary organization and the campus system wide. It creates an alignment in terms of financial reporting as every organization does things a little differently and reports a little differently.

- *Bobby LaCour clarifies that Aldrich Advisors only audit the University Student Center's basic financial statements.*
- *Bobby LaCour continued with the presentation and stated to the board that the one new thing this year is that the University Student Center adopted a new financial statement standard, this new standard is regarding leasing, as non-profit and privately held businesses are required to adopt this new standard.*
- *Bobby LaCour stated that this is impactful because the University Student Center has facilities to utilize as part of their business and so there are aspects of these facilities that are rented and rented out.*
- *As part of the process of auditing, a development of understanding of the University Student Center's internal controls is needed. Bobby LaCour clarifies that they are not understanding every transaction that gets processed but are understanding the big picture, what are the things that are most significant to the business. Bobby LaCour further elaborated that as part of developing those understandings to the processes, they then take that understanding and assign specific risks to some of the areas. Bobby LaCour addressed that one of those areas of higher risk is leases as it is a new standard for the business, is new to the system, to many people, and to the organization.*
- *Bobby LaCour stated that the areas of higher risk have been addressed and feel that they are comfortable where they are.*
- *Bobby LaCour then explained that in relation to internal controls, Aldrich Advisors did not identify anything during their development of an understanding.*
- *Bobby LaCour stated to the board that the internal controls of the University Student Center operate at a level that they believe would catch any of those significant mistakes of the University Student Center's financial report.*
- *Bobby LaCour stated that in terms of the University Student Center's financial statement, anything that is not cash has some level of estimation. He further elaborated that it is difficult to estimate when an expense has been made, however, there has been no invoice.*
- *Othe University Student Center's end, the most significant estimate is pension cost and post-employment benefit cost. These are benefits that the University Student Center is providing to their employees for after they retire from the organization. These are things that cannot be necessarily controlled by a director; however, these things will impact the organization later in the future. Bobby LaCour explained to the board that some of most significant estimates as part of it are things such as interest rates, inflation, health care costs, the longevity of lives of people living and how the mortality rates look like. Bobby LaCour explained that there is no control as to how these will look like and are relying on the words of professionals and experts.*
- *Bobby LaCour states that Aldrich Advisors believe that the financial statement disclosures are neutral, consistent, and clear.*

- *Bobby LaCour stated that there are no uncorrected misstatements identified during the audit. Bobby LaCour further elaborated that if there was anything not significant during the audit process, they should then tell the University Student Center.*
- *Bobby LaCour then explained the last bullet point in this part of the presentation that with respect to the supplemental information accompanying the financial statements, they compared and reconciled the information to the underlying accounting records used to prepare the financial statements or those statements themselves. The information is appropriate and complete in relation to the audit of the financial statements.*
- *Bobby LaCour then began to go over the University Student Center's basic financial statements.*
- *Bobby LaCour clarifies that everything in the packet is management's responsibility apart from the one piece of information from the independent auditor's report.*
- *Bobby LaCour continued explaining that what is included in the packet indicate what management's responsibility is, both in terms of the accuracy in fair representation of information that is reported, and that management is required to ensure that the organization is going to be around for the next year.*
- *Bobby LaCour explained that in terms of financial reporting, there are a couple of new things being reported compared to last year's financial report, specifically related to the leases.*
- *Bobby LaCour pointed out that the financing lease right of use assets of about \$4,000,000. Bobby LaCour continued pointing out that the University Student Center has a corresponding obligation or liability in which is broken down into two parts; one being the amounts that will be needed to be paid over the course of the next year; the second part of the lease liability being the obligation to pay.*
- *Bobby LaCour explained that the University Student Center, according to their financial statements, has lease liabilities that extend out to several years. Bobby LaCour explained that the new lease standard is saying what is the amount over the course of the lease, that you will need to pay out. The new lease standard is said to bring all those future payments onto the financial statement. Bobby LaCour elaborated that the new lease standard does not want the University Student Center to just put this obligation on, the new lease standard wants the University Student Center to understand that they are getting a benefit from doing this because the University Student Center now has a facility to utilize.*
- *Bobby LaCour continued onto the statement of activities, otherwise be known as an income statement. Bobby LaCour explained that this statement provides information about where the money is coming from, revenue, and where the money goes to, expenses.*
- *Bobby LaCour explained that this year, as the University Student Center continues to come back online in terms of operations and getting back to a little bit of normalcy such revenue continuing to grow especially compared to how they were a few years back when being on campus was not possible, which is a positive thing.*
- *Bobby LaCour stated that the University Student Center's operating net income of about \$700,000 is a positive sign, it means that the University Student Center is in*

good financial footing and can continue to execute their mission, which is of utmost importance.

- *Bobby LaCour then continued onto the next financial statement that is included, the statement of functional expenses. Bobby LaCour explained that the items listed at the top are functional ways in which the University Student Center spent money by program or management in general that are not related to the mission of the University Student Center.*
- *Bobby LaCour then explained that the items listed down the sides are the natural classifications of how much is spent in payroll, interest, depreciation, etc. Bobby LaCour elaborated that this breakdown allows for the items to list out how their funds are being spent on an annualized basis.*
- *Bobby LaCour then presented and explained that the next financial statement is the statement of cash flows, which takes the University Student Center's basic financial statements and converts them to a cash basis, and it shows how much cash is being brought in or spent on an annual basis. Bobby LaCour stated that the statement reflects another positive sign, as the cash has increased by just around \$400,000.*
- *Bobby LaCour said the operations and daily things the University Student Center does are resulting in positive outcomes in terms of the income and cash at hand. Bobby LaCour elaborated that having cash at hand is imperative because it allows for the operations to continue operating.*
- *Bobby LaCour then pointed out that their financial statement reflects the adoption of the new lease standard.*
- *Bobby LaCour began to go over the University Student Center's financial statement Note One which explained that every other policy that the University Student Center has is similar in nature to what has been presented to in the past.*
- *Bobby LaCour then began to govern Note Two of the university Student Center's financial statement talks about and takes the University Student Center's financial statements and creates funds that is due to the board and organization by the University Student Center. These funds are set aside for when the occasion requires it, the board decides on how they want the funds to be set aside as it is one of their responsibilities.*
- *Bobby LaCour stated to the board that the University Student Center is in a good place regarding financial health and availability as the funds that the University Student Center has garnered, allows for the University Student Center to continue operating for 3 years if anything happened to it.*
- *Lastly, Bobby LaCour explained to the board what the University Student Center's lease arrangement footnote in which Aldrich Advisors identify what the lease standard is, why it is important, why it is impactful, what some of the key assumptions that may have been made in determining these leases. The footnote identifies what the leases are, what the obligations are, what the assets are, etc., the footnote holds all the information on the leases.*
- *Bobby LaCour then asked the board that he is happy to address any questions or concerns the board may have regarding the University Student Center financial audit.*
- *No questions were asked.*
- *Bobby LaCour thanks the board for having him present the University Student Center financial audit and for their time.*

- *Motion approved 7-0-0.*

b. Approval of Kamila Moreno for Student Director for the ‘23/’24 Board

- *Motion to approve by Selena, second by Ellen.*
- *Kamila Moreno presented and introduced herself to the board.*
- *Kamila explained to the board the reasoning behind her wanting to become part of the board.*
- *Kamila stated to the board that she hopes to become a part of the board as she believes that it is important to voice the concerns and needs of the students at the college campus community. Kamila continued stating that with the opportunity of becoming a University Student Center Student Director, she would like to work alongside the board for any goals, proposals, or plans for the year 2023 – 2024 to make sure the student campus life and campus community has all the operations they need.*
- *Motion approved 7-0-0.*

c. Approval of Erik Jimenez for Student Director for the ‘23/’24 Board

- *Motion to approve by Cesar G., second by Selena.*
- *Erik Jimenez presented and introduced himself to the board as well as thanking the board for their time.*
- *Erik Jimenez then began explaining as to why he wants to become a University Student Center Student Director. Erik explained that he wanted to become more involved within the university by becoming a Student Director. Erik continued explaining that by becoming a Student Director, he could voice the concerns of first-generation students, as he is a first- generation student. Erik further elaborated that by being a Student Director he can hear the concerns and voices of all students and hoping to provide for their needs with the services the University Student Center provides.*
- *Motion approved 7-0-0.*

VII. Discussion - none

VIII. Reports

a. SC Board of Directors – no report

b. ASI Representative, Destiny Suarez – no report (was absent)

c. SC Vice Chair of Finance, Cesar Gonzalez Quiroz

- *Cesar G. explains that the website regarding the University Student Center has updated the budget transparency sheet to show where student fees go. Cesar further elaborated that he hopes to have the budget transparency sheet posted onto social media.*
- *Cesar stated he is currently working on a budget presentation.*

d. SC Vice Chair, Ellen Teung-Ouk

- Ellen states that for one of her initiatives, they have purchased two suggestion boxes; both having been delivered. Ellen continues stating that they are currently working on the marketing for the suggestion box.
- Ellen elaborates that the suggestion box will be placed at the SC Front Service Desk with the purpose of having students place their opinions on the University Student Center.
- Ellen states that she is currently working with marketing to get the board apparel.

e. SC Chair, Anahi Lopez

- Anahi states that she has been continuing to work on her initiatives.
- Anahi states that for one of her initiatives regarding sustainability, ASI & SC will be having a “Vintage Rack,” in which professional staff and alumni will be asked to bring any old ASI & SC apparel they have so any student staff and/or student volunteers can get two to four items. Anahi elaborates that they are collecting items until October 12th.

f. ASI Leadership Manager, Katie Rotan

- Katie congratulates both Kamila and Erik for becoming Student Directors. Katie continues stating that she will be sending emails to them regarding the next steps they have to complete becoming a University Student Center Director such as paperwork and getting their student director email set up.
- Katie updates the board that they are still currently actively searching for the professional staff position, the SC Leadership Assistant, which helps oversee the University Student Center Board of Directors. Katie states to the board to spread the word to anyone who is interested in the position.
- Katie tells the board they will meet at the Stockton Campus on Thursday, October 26th. Katie continues by stating to the board to complete the RSVP form to know who will be needing transportation along with their Chick-fil-A order.
- Katie reminds the board about the Annual Halloween Social with the University President is October 16th. Katie reminds the board to fill out the RSVP form for the Annual Halloween Event to send the information of which guests will be attending to the President’s office by Friday, October 6th.
- Katie reminds the board of the Life Skills series that there is one workshop tomorrow, Friday, September 29th.
- Lastly, Katie updates the board on the incentives they will be receiving such as a parking permit, apparel, and warrior cash of \$100 that will be uploaded onto the warrior card. Katie continues explaining that they are running into some hospitality policy issues, so they are trying to figure out with the university if they are going to be able to provide that incentive this year. Katie updates the board that it is on pause and will hopefully be able to provide an update within the next week or so.

g. SC Executive Director, Cesar Rumayor

- Cesar R. states that they will begin fundraising for the University Student Center.
- Cesar states that he hopes to bring back the Senior Gift Donations, in which they ask graduating seniors to donate back to the university. Cesar elaborates that in past years, through this donation, they have been able to fund two murals within the University Student Center building.

- *Another donation Cesar hopes to bring back is working with university advancement to create a donation page for ASI & SC. Cesar elaborates stating that one question alumni have is where they can donate, not just to the university but to ASI & SC.*
- *Cesar explains to the board that they will begin looking into naming opportunities within the University Student Center.*
- *Cesar updates the board that they have posted two new student staff positions, a custodial position, and a conference & events position, as well as the student mascot position. Cesar tells the board that if they know anyone who is looking for a student staff position, to send them to the University Student Center website.*
- *Cesar updates the board that they are continuing to work on the skateboard, scooter rack, and provide locks for students as a possible service.*
- *Cesar states that they are currently working on creating signage for the Warrior Steps as it is one of the few places in the University Student Center that is not labeled.*

IX. Announcements - none

X. Adjournment

- *Motion to adjourn by Selena, second by Jordyn.*
- *Motion passed unanimously at 4:13pm.*

Minutes approved at a regularly scheduled meeting held on October 12, 2023.

Anahi Lopez
Anahi Lopez (Oct 13, 2023 12:18 PDT)

Anahi Lopez, Chair