



## **ASI Facilities & Operations Committee Minutes**

2014-2015:9 Friday, April 10, 2015 1:00PM - 3:00 PM, BSC, 2nd Floor, Perseus

### **I. PRELIMINARIES**

#### A. Call to Order

Taylor Young, Senator Pro-Tempore, Chair, called the meeting to order at 1:04pm

#### B. Attendance

##### *Voting Members:*

1. Taylor Young, Chair
2. James Cox, President – **Excused Absence**
3. Louis Harfouche, Vice President
4. Melanie Young, Business Senator
5. Benjamin Murdock, Senator-at-Large (SIC)
6. Kimberly Rotunno, Agriculture Senator
7. Zoi Givens, Student Representative – **Excused Absence**
8. Devon Graves, Student Representative – **Excused Absence**
9. Michael Adams, Student Representative
10. Vacant, Student Representative

##### *Advisors:*

1. Cora Culla – Executive Director
2. Barny Peake, Director of the BSC
2. Krista Smith, Director of Recreation
3. Lorena Marquez, University Advisor

##### *Non-Voting Liaisons:*

1. Andrea Cendejas, Attorney General
2. Vacant, Academic Senate Rep.
3. Vacant, Staff Council Rep.
4. Vacant, Alumni Association Rep.
5. Aaron Nielson, Foundation Rep.

#### C. Approval of Minutes

1. Minutes from March 6, 2015 were approved as written, by the chair

#### D. Agenda Changes

1. Taylor called an additional meeting on April 17<sup>th</sup>, 2015 from 1pm-3pm in the BSC, England Evans

#### E. Introduction of Guests

1. Thomas Cross, Bronco Animal Rights Networks (BARN) – Vice President
2. Ryan Hajeck, BARN - President
3. Gaston Lassalle, BARN - Member
4. Kendall Omagari, Japanese Student Association (JSA) – Touzan Taiko - Secretary
5. Yuriko Koba, JSA – Touzan Taiko - Treasurer
6. Joseph Lamano, JSA – Touzan Taiko – Director of Internal Affairs

7. Sheng Molly Thao, JSA – Touzan Taiko – President
8. Nathan Wong, JSA – Touzan Taiko – Asst. Creative Director
9. Atsushi Domyo, JSA – Touzan Taiko – Member
10. Azusa Honda, JSA – Touzan Taiko – Member
11. Ian Bello, AIAA – Events Coordinator
12. Cathy Neale, ASI – Staff
13. Diana Ascencio, MCC – Vice President

#### F. Reports

1. Krista reminded everyone one of the Splash into Spring event at the BRIC
2. Lorena announced an event to celebrate the 20<sup>th</sup> anniversary of the cultural centers opening and more details would be provided into the future
3. Taylor announced the vacancy for a student representative

#### G. Open Forum

1. Bronco Animal Rights Network representatives shared that as of April 9<sup>th</sup>, BARN has collected 800 signatures from students and faculty as a result of their campaign to stop the sale of SeaWorld tickets in the ASI Games Room. In the next couple of weeks, BARN will continue to collect signatures and put on events. BARN made some suggestions of things to look for, such as the orca's teeth and tank sizes, as some of ASI's staff and student leaders attended an informative trip to SeaWorld.
2. Sheng Molly Thao, from JSA - Touzan Taiko, spoke on behalf of JSA – Touzan Taiko giving a speech that demonstrated their position against the repurposing of Centaurus. (\*Please see attachment)
  - a. Taylor asked about the efforts and challenges they faced while making future reservations for rooms in the BSC
  - b. Representatives explained the Centaurus is the only space that they have been able to operate in effectively. The only other alternatives they could have would be Lyra; however the noise level produced by Taiko's practices right next to the student lounge would not be an ideal situation.
  - c. Taylor also asked about where the club stored their equipment and drums
  - d. Representatives explained that they keep in their own storage places including some of the clubs members houses or the village
  - e. Louis facilitated communication between Krista and Touzan Taiko to work on finding a possible space in the BRIC
  - f. Per Louis' question, Representatives explained that the requirements for the space for Touzan Taiko would be a large enough room to fit their drums, a room where they wouldn't receive noise complaints, and a room that they could use consistently 3 days of the week

## II. Action Item

- A. There were no action items.

## III. Information Item

- A. Habachi-San Update

1. Aaron provided a PowerPoint update about Habachi-San to provide more information to everyone regarding Habachi-San which is a restaurant concept by Panda Express. The Habachi-San coming to campus will include a tea bar with boba and milk teas, a fresh sushi program, a tempura and teriyaki line, and a customizable Poki bowl. Aaron also shared that they have restructured the restaurant to fit the space. After taking with the construction group, they project that Habachi-San will be ready to operate May 14<sup>th</sup>. Habachi-San will operate through Spring quarter to work on any kinks and they will then have a grand opening in the Fall.
2. Taylor pointed out that he did not see an alternative protein option such as tofu or an option to opt-out for a lower price.
  - (a) Aaron will follow up
3. Cora asked if they intended to promote Habachi-San as an extension of Panda Express
  - (a) Aaron explained that he strongly recommend they use the Panda Express brand as leverage to gain reliability and brand-recognition from the customers
4. Per Cora's question, Aaron shared that the menu and prices have been made available

#### **IV. Discussion Item**

##### **A. BSC/BRIC Budget (\*PowerPoint presentation attachment)**

*Barny and Krista led the presentation of the ASI 2015-2016 Proposed Budget including the BSC and the BRIC based off the following presentation points and areas of focus*

1. Mission Statement - Associated Students Incorporated, Cal Poly Pomona is a California State University recognized auxiliary organization and a nonprofit corporation that seeks to:
  - (a) Foster student advocacy, representation, engagement and academic success
  - (b) Establish opportunities for learning, leadership and development for students and its staff
  - (c) Create an environment that promotes collaborative partnerships, cultural diversity and campus pride
  - (d) Provide high quality facilities, programs and services to students, administrators, faculty, staff, alumni, and the off-campus community
2. Operating Agreement between CSU Trustees and ASI
  - (a) Student body organization programs, including Children's Center and physical fitness facility, (BRIC)
  - (b) Student Union Programs (Bronco Student Center)
  - (c) Instructionally Related Activities (IRA)
3. BSC Budget Purpose
  - (a) Direct funding support to cover bond indebtedness (principal and interest)
  - (b) Operations and maintenance of the BSC and BRIC
  - (c) Financial support for programs and services offered in the BSC and BRIC
4. BSC Budget Scope – Facility Support
  - (a) Staff salaries and benefits
  - (b) Supplies and equipment (IT, AV and facility-related)
  - (c) Building cleaning, repairs and maintenance
  - (d) Utilities (power, gas, phone, TV)

- (e) Insurance, services, safety
  - (f) Bank charges, fees, related business costs
5. BSC Budget Scope – Departments and Programs
- (a) ASI Programs, Weekend Events, Homecoming, etc.
  - (b) Art gallery program
  - (c) Campus Recreation programs including Adventures, Aquatics, Fitness, Intramurals Sports, and Sport Clubs
  - (d) Marketing for facilities and programs
  - (e) Training and professional development for student and non-student staff
  - (f) Office, facilities and program supplies
6. BSC Budget - Oversight to better understand the structure of a CSU Auxiliary Org.
- (a) OFF-CAMPUS\* (Managed by CPP, CSU & State)
    - \*Required transfers:
      - i. Interest and Redemption Fund
      - ii. Repair and Replacement (DBMER) Fund
      - iii. Construction Fund
      - iv. General Overhead
  - (b) ON-CAMPUS\* (Managed by ASI)
    - \*Recommended BSC Budget
      - i. Collected by the University
      - ii. Student fee income from prior year returned to campus and directly managed by ASI
7. Budget Goals for 2015-2016
- (a) Implementation of ASI Year 2 of Strategic Plan for 2014-19
  - (b) Collaboration with the University on update of Strategic Plan for the University
  - (c) Implementation of technology and system upgrades
  - (d) Continued partnership and collaboration with the campus on programs
  - (e) Sustained provision of quality facilities and programs
  - (f) Implementation of approved staffing changes
  - (g) Maintenance of compensation structure that is comparable and equitable
8. Debt Coverage Service Ratio
- (a) Barny explained the Debt Service Schedule which is a schedule determined by the Chancellors office that denotes which expenses have to be paid first off of the budget, by the revenue from students, focusing on the bonds to pay of the buildings (BSC and BRIC)
  - (b) Barny added that the CSU requires that they have a debt service ratio of 1.25 to ensure there is extra money on-hand from the budget and ensures that there is no over-spending and the necessary funds to pay of the bond are accounted for
  - (c) Louis asked about how the revenue was calculated
    - i. Barny explained that it was determined off of the projected enrollment and inflation as outlined in the Budget Assumptions section
  - (d) Louis also asked how the revenue was determined considering the BSC is paid for a year in advanced

- i. Cora explained that, like the ASI budget, after they receive the projected enrollment from the University for the next year, determine the BSC fees, and adjust for inflation based of the higher education price index, they can then calculate the quarterly totals and get the total revenue. Once determined, they will deflate the revenue total by 1.5% and use that total for the budgets.
- ii. Cora went on to answer Louis' second question by stating that there is a one year delay with the BSC budget unlike the ASI budget, where the fees collected are spent in that year. The system, through the oversight of the university, holds the revenue in the off-campus side of the equation, as described by Barny earlier. Out of the collection of BSC fees from last year, ASI requests a portion of that be returned to the campus, which is received at the beginning of the year. The fees projected in this current budget are the fees yet to be collected over the 2015-2016 school year. So there is a one year lag because the return of fees comes from the fee collection from last year, but when preparing the budget, ASI has to prepare it based off of the projected BSC fee revenue for the 2015-2016 year.
- iii. Additionally, Cora explained the amount subtracted for operating expenses covered by student fees does not exactly match the operating expenses in the budget because ASI can only ask for a limited amount in terms of return of fees to maintain the 1.25 debt service coverage ratio. So when preparing the budget, ASI can only ask for \$9.8 million even though the total operating expenses are over \$10 million.
- iv. Per Louis' question, Cora explained the additional necessary revenue is generated internally

#### 9. CSU Required Transfers

- (a) Barny highlighted the required transfers including the income from the operations and the interest income which brings the total revenue to \$10.6 million
- (b) Barny clarified that the interest comes from local investment agency funds
- (c) Cora added that over the course of the year ASI invests their surplus dollars in a local investment agency fund. So most of the funds that are in the budget are actually used for the day to day expenses. However, as the cash flow position allows financial services monitors ASI's cash position and determines if there are cash surplus resources, which can be invested in the local agency investment fund and that are the rate of return.
- (d) Barny reviewed the comparison of the different fiscal years as outlines on the CSU Required Transfers schedule and explained that the major change will be to include the BRIC into this year's budget

#### 10. Fiscal Year Comparisons Table

- (a) Barny gave a brief overview of the table which shows 3 different fiscals year and summarizes the major bottom line costs which are also shown on the bottom third of the CSU Required Transfers sheet

11. BSC Budget Timeline
  - (a) Krista reviewed the timeline for the BSC Budget as it moves through Facilities and Operations in April, then through the ASI Senate in May, and finally to the University CFO and University President for approval
12. 2015-2015 Proposed Income and Expenses
  - (a) Barny briefly explained a chart which showed the line items from the 2014-2015 proposed BSC budget on the left, the projected actual spending for this year in the middle, and the proposed budget on the right
  - (b) Barny went through the required costs that are in the budget:
    - i. Legal, Audit, and Professional Services
    - ii. University service fees
    - iii. Post-Retirement Benefits (FAS 158)
    - iv. Salary and benefits
    - v. Insurance
    - vi. Bank charges
    - vii. Building maintenance
    - viii. Safety
    - ix. Contracted services
    - x. Software systems
    - xi. Computer hardware
  - (c) Cora clarified that carryover, or projected surplus, would be distributed to the on-campus reserves which are outlined in the CSU Schedule
13. 2015-2016 Proposed Budget Line Item Breakdown - Explanations
  - (a) Krista and Cathy Neale gave clarification on the changes in the process of “invoicing” internal departments who receive services from Marketing, Design, and Public Relations (MDPR) such as Campus Rec., Games Room, etc.
    - i. Cora added that the change to eliminate the invoicing of internal departments will create more efficiency in the business done between ASI internal departments
    - ii. Cathy clarified that there will now be an expense account that MDPR will pull from when they perform internal projects for departments
    - iii. Jonathan provided further explanation that each department will have a marketing expense account that will be utilized for marketing projects
    - iv. Discussion ensued regarding how the accounts would be regulated across departments and how these accounts would affect the other ASI departments budgets
  - (b) Krista continued to go over line item 6881 which involved requests that dealt with FICA
  - (c) Barny explained line item 6890 which dealt with the weekend events programming fund
  - (d) Salaries and Benefits expenses increased as a result of increasing benefits, minimum wage increase, and the full 12 month operating of the BRIC
    - i. Per Andrea’s question, Cora explained one of the benefits provided to employees is to receive a fee waiver for further schooling up to \$500 if

their field of study is in relation to their position within ASI. In response to Louis' question, Cora added that this benefit can also apply to working towards certificates. Cora also explained the specific amount of the line item and added they could look at it further to determine why it is not divisible by \$500.

- (e) Krista outlined the operating expenses – small equipment line item 8215 which significantly increased as a result of campus recreation not previously requesting funds for small equipment.
- (f) Line item 8222 increased as well to ensure more consistency and tracking capabilities when dealing with computer equipment and hardware
- (g) Powell spoke about the utilities line item which increased as a result of the BRIC operating for a full 12 months in addition to the BSC utilities expense
  - i. Per Louis' question, Powell explained that utilities included electricity, chilled water, domestic water, gas, and sewage
  - ii. Per Andrea's question, Powell explained that the invoicing for the BRIC operating utilities will not be received for 3 months
- (h) Cathy explained the drop in the line item 8313 is attributed to the creation of line item 8310 as well as a lower expectation for external clients since the bookstore is now taking over University departments merchandising items
  - i. Discussion took place regarding the changing process of student clubs and organizations receiving merchandise from ASI

14. Question, answer, discussion session took place on topics including:

- (a) Line item 8507 increase – Cora explained that 5 departments had operating expenses that would be split 73/27 between the ASI Departments budget and the BSC budget, respectively
- (b) Line item 8271 increase – Cora explained that this covered the costs of consultants and experts brought in as decided on by PRC, Administration, or Senate. It also covered the costs of temporary employees if necessary.
- (c) Line item 8277 increase – Cora utilized the schedule that outlines the conferences, online classes, and attendees for each of those to explain the increase. The increase also was in the response to the change in faculty and increase of employees with the opening of the BRIC.
- (d) Professional development – who attends, what the results and benefits are to ASI, and how many people take part in these professional development opportunities
- (e) Line item 8271 – Jonathan explained that the line item is under the authority of the Executive Director because of the varying circumstances and to ensure ASI is budgeting adequately for resources necessary to research the Social Security component of FICA
- (f) Line item 8286 – Cora explained that this account pays for the costs of the ASI Fall Kick-Off, the year-end celebration, and activities that involve the training, recognition, or orientation of all ASI employees
  - i. Cora and Krista shared why the amount was increasing so greatly which included the increased internal training of Human Resources, the costs

- associated in training and certifying the first responders in the BRIC, the movement of some costs into this line item, and funds held for any unexpected events such as Ortiz' retirement which ASI collaborated on
- (g) Line item 8349 - as this is a celebration of the campus that involves several different entities on campus. This budget more accurately reflects the budgetary needs of the event and matches the contributions made by those other entities.
    - i. Discussion took place on next year's Homecoming plans and if those plans reflected the increase in the budget
  - (h) Line item 8279 – Cora clarified that this line item covered the scholarships for Facilities and Operations and pro-rated for ASI BEAT
  - (i) Line item 8610 increase – Krista, Jonathan, and Cora explained the increase can be attributed to the BRIC operating for 12 months and to the growth of the aquatics program
  - (j) Line item 8623 – Krista explained some of the contracted services have been distributed to more appropriate line items
  - (k) Per Taylor's question, Barny shared that upgrades to the Games Room will be done with some of this year's budget and improvements will continue to be made but the funds for these Games Room improvements. Games Room tables and chairs are included in a section of capital equipment. If carpet replacement was something being recommended, it would be under capital in the budget.
  - (l) Line item 8917 – Krista explained that this covers the permit fees associated with the adventure trip program where students can go to national and state parks
    - i. Students do still have to pay a fee for these tips because of transportation
  - (m) Line item 8900 – Cora explained that is for unanticipated maintenance issues that could take place throughout the fiscal year that require immediate attention
    - i. Line item 8380 – this item is different as it covers equipment warranties and custodial equipment
  - (n) Line item 8440 – covers grand ceremony costs, detail for campus recreation, and a lump sum amount for students who work in the BRIC or student center

## **V. Adjournment**

- A. Meeting was adjourned at 2:51pm
- B. Next Facilities and Operations Committee Meeting: April 17, 2015 - 1:00pm-3:00pm, BSC, 2<sup>nd</sup> floor, England Evans



To members of the Facilities and Operations Committee:

I am writing this in response to the proposed plan to convert the Bronco Student Center room, Centaurus, into offices for BEAT. I, along with a handful of student groups would be greatly devastated by this decision.

The Bronco Student Center is a facility designed for students and their needs, and for that reason, the rooms and spaces available should aim to maximize student utilization. Removing a room, or in this case a theatre, from general student use defeats the purpose the Bronco Student Center. It is in the name!

Initial quotes put the cost well over \$100,000 for this renovation project. Spending an alarming amount of money on removing space from the Bronco Student Center has no logical purpose. This is the Student Union of our University; it is not designed for nor will it ever be an administrative building with student and staff offices flooding the walls. Working around full-time faculty and staff should never be the goal of ASI, whose motto specifically states: "Students serving students." Not everyone at this school, student or faculty, are entitled to an office. It can be looked at from every different angle, students want offices because they are cool and represent power; or the increase in staff must be met with the increase of individual offices, thereby pushing student offices out of the shared or adjacent spaces and forced to seek another room. With Campus Recreation moving out of the Bronco Student Center, large amounts of space has become available for remodeling. The south side of the building had more potential to be remodeled for offices than a general student multipurpose room such as Centaurus.

Providing a safe, healthy environment should be a top priority for ASI. Removing the only indoor-theatre style room will no longer allow students to assemble and utilize such a versatile facility. Student groups will not only have to resort to other expensive alternatives for watching movies, but would also have to travel off campus and potentially engage in dangerous situations. Keeping students, especially the younger students of this University, engaged in on campus activities through student groups can also help raise alcohol awareness and prevent the underage drinking, the most common illegal activity among college students today. Not to mention the safe, home feeling students should have on campus compared some unsafe neighborhoods in the surrounding community.

The theatre is a unique group assembly setting that is utilized every single day. Whether it is by a musical group, a religious group, a Greek organization, an overflow room for a keynote speaker, or any student club less than 100 members, Centaurus remains a popular room that already has the equipment for 85% of the usage. From my observation, the Facilities and Operations department dedicates minimal labor costs in setting up and breaking down this room. As it was designed in the first place, the benefits far outweigh any issues with the space.

My group, Touzan Taiko, especially, has been subject to noise complaints from staff in the building, and it's time that students again start serving students not the staff. Offices adjacent to the karaoke stage and games room will have the same noise levels, which were previously unacceptable to office staff, but it now appears that staff will happily look the other way in favor of the idea of a pricey new office.

The demonstrated “need” for office expansion and relocation in the BSC is not essential and is based off of the wants of less 1%, not to mention the “need” is a very weak premise. If one of the strongest arguments for this proposal is that having BEAT offices easily accessible to students with somehow catapult student involvement, then we definitely need to back to the beginning. Take, for instance, the Senate offices in the center of the BSC: Clear windows and an unlocked door; it is one of the most inviting offices in the BSC. However out of more than 20,000 Broncos here, how many have the knowledge that that is where their elected senators are located, moreover, how many have actually stepped foot in there? A conservative bet would be less than a few percent.

There are locations within the BSC which have far less student and space utilization than Centaurus. For example, the senate chambers has plenty of free space due to a poor organization of desks. A renovation of that room would be inexpensive and maximize use of the space. Cora had even brought up an idea on Oct 31st where we could move ASI Student Government office and Senate Chambers into one shared suite. That move, albeit not popular, makes more sense than the proposed conversion of Centaurus.

But if office space is truly essential to the continuation of student government, student activities, staff, and student employees of ASI should also toy with the idea of expansion of the BSC or construction of another building. The Bronco Student Center has been rated one the top student unions in the country by at least one publication. How can students EAT, MEET, STUDY, and PLAY when offices are emerging right and left? Think about that and the thousands of students past and present who have or are currently benefiting from the use of Centaurus vs. the handful of students that will benefit from having office space to call their own.

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