

CI University Auxiliary Services, Inc.

Board of Directors Meeting Minutes

Thursday, February 16, 2023

Attendees: John Lazarus, David Press, Andrea Grove, Stephanie Bracamontes, Peter Maher, Bill Robe, Jacquelyn Hoffman, Jeff Kim, Minna Chang, Barbara Rex, Christina Salas, Marianne McGrath, President Yao. Minutes recorded by Bridget Donlon)

Welcome and call to order at 11:07am (Bill Robe)

Public comments on matters not on the agenda (Bill Robe) - President Yao asked to address the Board.

President Yao thanked the Board members for their time, commitment and participation and reiterated his goal to be more present at the UAS Board of Directors meetings.

He discussed the University's opportunities and strategic plans for Gateway Hall, Academic Master Plans, Early Childhood Education Curriculums, etc.

He outlined current challenges: CSU funding is determined by total number of full-time (equivalent) students. Decreased enrollment numbers are -7% CSU system-wide. CSUCI goal is 6,135 full time students; and actual is 4,630.

The expected 24% tuition deficit and reduced full-time student enrollment is expected to result in 5% (\$7.9 million) reduction in CSU funding per year for the next 3 fiscal years. ('24 – '27).

It is forecast that by 2033 there will be 18% fewer graduating seniors in Ventura County

President Yao outlined a few community outreach programs to help partner with local high schools and community colleges to engage future students including guaranteed admissions programs, scholarship opportunities, renewable 4-year Scholarships, subsidized housing.

Areas of greatest need include focus on admissions, recruitment and retention. He will be adding a marketing component to Admissions & Recruitment with a goal of engaging and enrolling local students.

Roxanne Tunc from Cal Poly SLO has been hired by Admissions and Recruitment to help increase enrollment yield.

John Extel has been hired as the new AVP of Admissions and Recruitment.

Communications & Marketing Department are starting a new marketing campaign to engage the local community.

Note: President Yao mentioned that data shows one of the biggest predictors of student success is student on-campus employment.

President Yao discussed the challenges UAS faces with declining meal plans and slow retail operations.

Bill Robe thanked President Yao for his insight and commended the President's approach to marketing the University to the community.

Discussion about how COVID has skewed the whole university experience for many students noting retention challenges now include the impact of post-COVID stress, anxiety and trauma on current students, faculty and staff.

ACTION ITEM: Bill Robe requested a motion to approve the November 17, 2022 meeting minutes.

Andrea Grove made the motion to approve, David Press seconded with the request to correct the spelling of "HEERF" in section IV.A.8. The minutes were unanimously approved as corrected.

INFORMATION ITEM: 22/23 Q2 Board Report presented by John Lazarus

UAS is still on track to lose \$1.2million for the fiscal year.

Meal plans have increased slightly from 1200 in the Fall to 1228 in Spring.

COGs is still being inaccurately calculated due to miscoding invoices among the various departments (Islands, Catering, SUB, Pizza, etc.).

Christina Salas has been hired as UAS Budget Analyst to help correct the coding and invoicing issues. She will also start taking the BOD meeting minutes at the next meeting.

DIRECTOR'S REPORT: John Lazarus updated the Board on the state of UAS Operations

Review of Financial Statements and Operations:

Lease asset and obligation are now reported on the Balance Sheet as of 6/30/22 per implementation of GASB87.

"Due from Campus" (net) resulted from John Lazarus' salary moving to State employment.

"Other Revenue" – the prior year amount includes HEERF lost revenue reimbursement.

Cost of Goods Sold – increase is largely due to increase in food service sales and 9.1% inflation compared to 4% inflation year prior.

Increase in Operations is also due to increased sales plus \$304k of management fee expense which was not recorded in the prior fiscal year.

Food/SUB: All Retail operations are still 20% of pre-COVID sales.

Pizza 3.14: Will lose approximately \$220k this year. David Press asked what the rent is. John Lazarus estimated \$36k/year indicating it may be more cost effective to stop operations limiting loss to the lease obligation.

Copier Program: Will never be pre-COVID numbers again.

Catering: Overperforming in report because COGs are off because Catering and Islands Café have formerly been under the same umbrella. Now that Catering is a separate department, invoices need to be coded accordingly, which Management is correcting. Will be accurate by the next Board Meeting.

Inflation is continuing to challenge operations. UAS has not increased prices since 2016. Total inflation since 2016 has been 26 – 28%.

Staffing: Staffing is low and there is a campus-wide hiring “chill”. Looking to hire more student staff.

Summer Conferences: '23 season is looking good. No exact estimates available yet but forecast expect increase over last year.

The Swipe Out Hunger program was a success with 511 total swipes donated.

CSU-wide ban on single-use plastic bottles. Retail sells only canned or boxed waters now.

Chef Peter is partnering with the library to do a chef's demonstration.

Student Board member Jacquelyn Hoffman thanked John and Chef Peter for the chef's specials and special themed days at Islands (like Valentine's Day).

Board Comments on Directors Report:

David Press asked if the Auditors caught the discrepancies in Catering/Islands Cafe reporting. Minna Chang answered no.

David Press asked about the Form 990 draft received from the Auditors. Minna Chang answered that it's expected by March 31st (target date).

Stephanie Bracamontes commented that Minna Chang has been an excellent addition to the Team and noted that the target date used to be May 31st. She thanked Minna Chang for bringing structure and organization and thanked the Interim CFO for approving her hire.

Islands Café: COGs is skewed by the Catering coding and will be corrected by the next meeting.

Board Comments

Bill Robe asked to step down as Chair when his term ends and would like to continue to participate as “just a director”. He congratulated the Board on its growth and improvement over the years.

Barbara Rex and John Lazarus thanked Bill Robe for his time and service.

Agenda Items for Next Meeting: None suggested

Next Board Meeting: Thursday, May 18, 2023

Meeting Adjourned by Bill Robe at 12:12pm