



Date: February 18, 2022
 Time: 12:00-2:00 pm
 Location: USU - Alhambra Room 305
 Attendees: Finance Committee, Special Public
 Type of Meeting: General

I. Organizational Items

- a. Call to Order by Josue Montenegro, Vice President for Finance, at (12:16pm)
- b. Roll Call (Quorum **Established**)

Josue Montenegro	Vice President for Finance	Present
Alexandra Kurokawa	Vice Chair for Finance	Present
	ASI President	N/A
	VP for Administration	N/A
	VP for Academic Governance	N/A
Analiz Marmolejo	VP for External Affairs & Advancement	Excused Absence
Anna Nguyen	Secretary Treasurer	Present
Andrew Klein	BOD Member	Present
	BOD Member	
	BOD Member	
	Student Committee Member	
	Student Committee Member	
	Student Committee Member	
	Student Committee Member	
Daniel Gonzalez	Associate Justice	Present
	University President Designee	N/A
John Tcheng	CFO Designee	Unexcused Absence
Barnaby Peake	Executive Director	Present
Dena Florez	Associate Executive Director	Present
Guest of the Gallery		Brandon

c. Approval of the Agenda for Friday, (February 18, 2022)

Motioned By:	Anna Nguyen	Seconded by:	Andrew Klein
Motion to approve the Agenda for Friday, February 18, 2022.			



Discussion: None						
All in Favor		Opposed		Abstained		Motion: Consensus Passed

d. Approval of the Minutes for Friday, (February 4, 2022)

Motioned By:	Andrew Klein	Seconded by:	Anna Nguyen			
Motion to approve the Minutes for Friday, February 4, 2022.						
Discussion: None						
All in Favor		Opposed		Abstained		Motion: Consensus Passed

- II. **Public Comment** – Public Comment is intended as a time for any member of the public to address the committee on any issues affecting ASI and/or Cal State LA
 - a. Any public comments- None

III. Information Items

- A. **Veterans Resource Center – The Veterans Resource Center will present their Funding request for 2022- 2023. Time Certain - 1:00 pm**

Cesar Gonzalez began presenting: Thank you so much guys. Good afternoon my name is Cesar Gonzalez, I'm the Director of the Veterans Resource Center and thank you once again for the invitation and for the opportunity to continue collaborating with ASI. The Veterans Resource Center is very important on campus, and we always love to work with ASI we are one of the few departments aside from the colleges that have a representative. So, Chyanne Casas is a ASI military connected representative, so we work very closely with Chyanne to make sure that we reach out to as many military connected students out there and make sure that we provide the services and the resources they deserve and need. Real quickly just out of curiosity how many of you know where the Veterans Resource Center is? Half-ways? ...**(Briefly inaudible)**...



Anna: Are you still in King Hall?

Cesar: We are in King Hall and (briefly inaudible) to the new building that first it was called B12 now it's Student Service building, I don't know what they're calling it. But we're not there, we remained in King Hall D-wing 147 so we are in the basement, and I call it "Lower Level" right? Because we don't want to say "basement". So, we are there so I know that before the semester started, Barnaby emailed us and to say, "Hey there might be a possibility that we needed some students down to the VRC. So, I hope that possibility still extends before the end of the semester because I know you were trying to do that in the Fall but things were different in the Fall and we were hoping things would be the Spring and so far, so "GOOD!" Students are back and I'd love to have you guys come to the VRC and I was listening to you guys were talking and I think one thing is our department asking for funds and assistance, right? And the other thing is for you guys to see where that assistance is going to right? Seeing it on paper is one thing but actually looking at it and *looking* at where these sources are going to be completely different because it's going to have a different experience for you guys as student leaders, you're going to see that this is going to our students. So, I submitted the 2022-20223 ASI funding proposal so it really didn't change much from the proposal of 2021-2022 but of course we were hoping that things would be better. We are continuing navigating this pandemic every time we take one step forward it looks like we are taking two steps back. But we are optimistic that things are going to continue to improve and our students will be more engaging in activities that we have on campus. Because we are noticing a little bit of resistance from students that they like the fact that they are here on campus but some of them are going straight home right after or maybe just going outside and not getting involved. So, I think it's just a matter of time that they gradually get into it and then going into the new academic year, with caution, we're going to start going full throttle. We want to continue to do the great programs and services that we do for our military connected students. For example, one of the biggest events that we really missed in collaborating with ASI *in this capacity* is having a reception right after our Veterans Day ceremony. Our Veterans Day ceremony takes place in November and we have it right literally right outside on that little stage. Of course, ASI in this



case, Chyanne is our M.C. for the event. This is how we continue to have the partnership with ASI and continue to have ASI representation at our events. Right after our Veterans Day ceremony, we have a reception. Back in 2019, before this pandemic, we had our first reception right after the Veterans Day ceremony and it was an amazing reception a lot of our students that attended the event went to the reception got some food, drinks, got to network you got to meet new people. Some students just got to meet veterans that they never knew were on campus so this is one of the big things I like about this partnership is that any opportunity we have to provide an environment for student to connect, know each other, and work with each other, and that's the goal of the university, right?

I'm looking forward to everything going well and we are going to provide that reception. In this past 2021, we did have our Veterans Day ceremony outside but we were not allowed to have a reception due to Covid. So, I'm hoping that restriction is lifted going into Fall 2022. And that usually the big event starting off our academic year. I rebranded an event that we have called the Coffee Hour at the VRC. Basically, it was an opportunity to bring all students to the Veterans Recourse Center and get updates on what's going on regarding Veterans benefits because sometimes our students don't look at their emails. It's an opportunity for them to come to our meetings that we have once a month called Coffee at the VRC and provide coffee and pastries and it's an opportunity to network and talk and listen to our students. Well again. Covid, we have to change it so I'm going to rebrand that and call it "Pizza at the VRC" that's going to entice people to come in if there is food involved, I'm there. Coffee at the VRC was okay, pastry and coffee, but I think if we replace with pizza, there will be more traffic. So, we are going to rebrand it and keep the same concept. It's an opportunity to engage, listen to our students, see how we can advocate. Of course, Chyanne is always there in those meetings taking notes and making sure if there's anything that they need to report to you guys. So, I'm not going to go through every single event but this is just a list of events that again we're highlighting in terms of the funds we are asking for assistance in collaboration for the next 2022-2023 academic year. And of course, the big one is the graduation banquet, that's always important, of course when you're talking about a banquet there's a lot of money involved, even on campus they charge you for everything even if you're an entity on campus. The food is expensive, the rental of the room is expensive,



everything's expensive and we try to also provide activities during the banquet like photobooths, so people can have fun and take photos for remembrance, sometimes we do bring a DJ with a dancing floor, it's a celebration. So, every year we try to do something different. We haven't had graduation banquet in two years. I'm knocking on wood that we are able to do it this April. So, I'm preparing now for it, but I'm also ready to pivot if we don't and part of that pivot is what I submitted in the 2022 ASI projection for this existing fiscal year because if we're not allowed to do the graduation banquet because they won't allow us to have food, then I'm going to turn around and use that remaining \$4500, and I'm talking about 2021-2022, into scholarships. I consulted with Dena and she made a great, excellent recommendation to say, "Hey, let's maybe consider doing this for scholarships" and I couldn't agree more with her. So, we are trying to get this funds as the scholarship money (\$500 scholarships up to 9 people). So, we're planning to do that. Now moving forward to 2022-2023, April or May of 2023, hopefully we're not going to be in that situation and we're going to have our banquet and students are going to have a positive experience during their graduation. My goal as not only a director but a former counselor, is that I want to give our students the best experience they possibly can because 5, 10, 20 years down the road, I want them to look back at Cal State LA, think about their presence here and really have a *smile* because I think about my college experience and it brings me a smile. So, I want that experience for our students too- and I graduated college thirty years ago. I want that for our students as well especially our students here at Cal State LA and when you look at the majority of students; students of color, first generation, same as me, I want that experience for them. So, this is just, again, a breakdown of some of the programming, the funds that we asked for. I kind of heard the tail end of your conversation; Mr. Chair with Dena about departments asking for the moon, we're not going to ask for the moon as far as the money for the VRC, we're mindful that you have so many other responsibilities as ASI. One thing I do want to share with the board here is that the Veterans Resource Center is that we follow your student life as the Division of Student Life but we're not funded through general funds, we are funded through what's called Student Success Fees (SSF). That amount is always challenging to guarantee that amount year, by year, by year. So, unlike general funds every year, for us, I have to submit a proposal for every year and say, "This is what I'm asking



and can we have some more?” And sometimes, the majority of the time, they say, “No, I’ll give you the bare minimum but I can’t give you anymore because that’s too much success fees so this type of collaboration with the ASI and this assistance makes a *huge* difference in us making that positive experience for our students through this academic year. So, that’s why I’m here I hope you take this into consideration. I welcome any of you to come to the VRC to experience our center, talk to our students, hopefully all of you know Chyanne and I keep her abreast to everything we do. We’re actually right now in preliminary talks to collaborate with the Career Center to do a photoshoot for our students to do a headshot, a professional headshot. We are calling it “Capturing Success” and we want to do that next month. I know it was a quick little thing but we want to take this opportunity now that students are back on campus and so we’re finding any way that we can collaborate with ASI and any entity because that’s going to bring more success for our students. That’s it!

Josue: Thanks so much Cesar, I really appreciate it. Does anybody have any questions for Cesar? Dena?

Dena: Mr. Chair if I may, for the committee, just to let you know how this works, we have several departments coming in and presenting their funding requests so you don’t take action individually. But what you do is we will put their ask in our 2022-2023 budget, and then once we start working with that budget, we’ll see what their request is.

Josue: Any other questions for Cesar?

Cesar: No! I’m good thank you so much once again I appreciate the opportunity to come and present to ASI and Finance Committee. Again, our doors are open so I hope we can work something so you guys can come in to tour the VRC. Have a great weekend!

Josue: And I know we have CohnReznick coming in at 1:30 so we have some time left over.

Barnaby: Recess? (Please see below, under line-item C for motion to recess)



IV. Discussion

V. Action Items

- A. ASI 990 Tax Return – The ASI 990 Tax Return will be presented for review and recommendation to the BOD. Time Certain – 1:30 pm
- B. Policy 201 - Finance Committee Code of Procedures – The committee will review and take action on the final draft of Policy 201.
- C. 6&6 Budget – The Committee will take action to approve the 6&6 Budget.

Barnaby: There are still a couple questions left. It went to the last Board meeting (December 9, 2021) It was an "Action" item and the Board passed it. But not all of the changes were made, we believe and there were still some questions that were not resolved. So, we are bringing this back down to Committee By Laws who looked at it this morning and passed it as written with no changes. So, it's really up to this committee to confirm this looks good, this has all the updated changes and revisions so, then we will send it to BOD next week to be finalized.

Updates and things needed to be cleaned up:

Under Article 1D, the V.P.F. position it said that the "position will call the meetings", however, it's really the committee that meets regularly so that was moved around. As well as some formatting like putting in periods to clean-up the appearance of titles.

One of the other changes that Dena did an evaluation of all the committees and as we don't have Board members on a lot of our committees, and we have a little bit of a conflict in that we require Board members to sit on one internal and one external, and we have more committee positions than we do students who can sit on them. So, we'll never fill our committee positions because we have conflicting statements. So, we're revising all of the committee membership to try and lower some of them. So, this says it requires three (3) Board members and we are lowering that down to two (2) so we are going to try and do that across the board as we edit the Codes of Procedures.



Andrew: So is that... when you say that we are never going to fill these ... (inaudible)

Barnaby: Even if we have a full board. We have more requirements for Board members to sit on internal committees than there are... So, what we need to do is not require one external and one internal. It's more important that we fill our committee with ASI members. That would help balance out the vacancies we have for Board members. We are going to bring it down to two (2) BOD members to make it more reasonable to fill in our committees. The quorum is the big one we discussed and the finalized language. We set a limit of at least five (5) members to avoid two (2) people having the ability to make thousands of dollars-worth of decision making. For internal controls.

B. Approval of Financial Policy 201:

Motioned By:	Andrew Klein	Seconded by:	Anna Nguyen
Motion to Approve the finalized version of Financial Policy 201:			
<u>Daniel Gonzalez:</u> was inquiring if we still need to change the quorum. Just wants to make sure how it is written in the document tracker is the finalized wording. Barnaby confirmed this is correct and it is the finalized wording.			
Discussion: None			
All in Favor		Opposed	Abstained
			Motion: Consensus Passed

Dena: The 6&6 Budget is as presented, when we presented it at the last Finance meeting was a balance of about \$62,000 which was in excess funds. So, nothing else change don here other than that-we did pull; Student Orgs had an original funding of \$120,000 we brought it back down to \$90,000 this Fall semester and \$5,000 was allocated. Josue did do a Funding Workshop; we're going to be more aggressive in doing more Funding Workshops, so the clubs know that we have funding out there for



them. But for now, we don't foresee \$90,000 being used. We brought the club funding back to the original back to the \$95,000 as you can see on the 2021/2022. The excess we put it in the student textbook reimbursement. Dena said she failed to get the numbers for that. She stated earlier this week we were already at \$19,000 and there are a lot of students. Dena said she will get that number. So that's what we did you can see the \$25,000 that they took out of the Student Organizations, and you can see \$25,000 the for the Textbook Reimbursement. So, for those of you who don't know how the Textbook reimbursement works: students will go and buy their textbooks and they can apply up to \$150 back and if they buy their textbooks from the Bookstore and get a \$25 gift card also in addition. This it's really a great program it got more traction than the original voucher program. Closes today, last day to apply.

Whatever is not used in the Textbook Reimbursement will be rolled over.

Andrew: (question inaudible)

Dena: \$19,000 for spring alone we have 175 application applications total, and applications will close tonight. We already reached \$20,251 so we'll be reimbursing the student and that's for 175 applications, and the application closes at midnight tonight.

Andrew: (question inaudible)

Josue: It started off at \$6,000 originally.

Andrew: (question inaudible) are we going to revert back to whatever it was originally- the \$6,000... (inaudible)

Barnaby: Good question. The reason we were able to do this was because there was so much unused funds from all the other budget areas. So that's why we were able to move this around and massage it. If we're back in the regular year though- it wasn't (originally) allocated. We had to pull things to that line so it's just \$12,000 this budgeted there. As we're developing the next fiscal year budget, if we want to fund it more



it's got to come from other areas because our fees haven't increased- we're not getting any more money so, we have to work with the current figures we currently have. So, to fund it to this level would take some financial maneuvering and pulling from other program areas probably.

Dena: So, Josue to answer your question, the \$49,000 is made up of \$12,000 from Fall 2021 and then \$37,000 would be for Spring 2022. As an added motion, \$20,000 already promised out if this budget gets approved therefore, \$17,000 will rollover to somewhere else in the 9&3.

Barnaby: The rest of the almost \$63,000 that you saw last time that was a bottom line of surplus. We approached Parking & Transportation to see if we can use that as a method to get the funds back to students. We know that it's been two (2) years since you all have had to commute to campus regularly whether you're using your own car, whether you're using Metrolink, UPass, whatever. But that's a cost that I'm sure you're already feeling a little bit. Gas prices are through the roof right now. Parking on campus; they've pro-rated parking rates. Usually its "x" amount of dollars and they knocked it down to like \$178 because the first three (3) weeks you weren't on campus, so they knocked it down. Then every week that goes by it drops down a little bit more, same thing with the UPass. Thinking about the concerns that students voiced in the Fall, they were complaining that "I only come to campus once or twice a week, and then I got to pay for parking- that doesn't make sense or paying for all these expenses."

We have this big chunk of change so if we can give it back to students in an area that is really essential for them to be coming to campus then that would be ideal. Because... we could throw a \$60,000 concert very easily but we're not ready due to the Pandemic to have 10,000 people in one area yet. We're kind of limited on what we can do so we approached Parking & Transportation asking about parking permits whether we could further reduce the cost of those also UPasses. So, if we could discount it further. Currently, the USU allocates \$30,000 to offset the full cost of the UPass. So, they do that every single year, so we're going to match what they do with an additional \$30,000 is what we're proposing. Then the other \$30,000 we're saying we could put towards parking. It's kind of tricky



how this is going to work. We are still working with Parking to figure out the details. What we are asking right now is that you approve this with that intent that we're going to work out something with Parking & Transportation to figure out how we can give money back to help support students to get to campus. Then we'll work on the details. Basically, what would happen is that we would put a program in place, and we are offsetting the costs. If there is money left at the end of the year, we could roll that into next year as well. Say there's \$10,000 left we could discount some parking permits or do something. We could keep it in that line item to use it for that. Parking is a self-support area meaning that they raise their own budget so they're not guaranteed a budget so they can keep funds in their accounts. So that's what we are planning and then the target that we are looking at is we would want to reduce the passes by \$10. Doesn't sound like a lot, but when you stretch it over thousands of students that eats up \$60,000 pretty quickly. Parking permits, UPasses, something else that Parking just mentioned is maybe Metrolink maybe too as an option to see how you can use that. We still have some Logistics to work out next week. Hopefully we'll have that for the Board presentation and have more details on that.

Josue: This is just for this semester correct Barnaby?

Barnaby: Yup, this is using, again, after Dena did all this work, we had \$63,000 here and the question was, "Well we don't want to have that just sitting there if we have the opportunity to give back to students in a meaningful way and that's programs, services..." How can we give it back to students? And so, this we thought was a great way to look at that.

Andrew: (Question inaudible)

Josue: (in response to Andrew's question) Yeah it think they mentioned 20% per year its going keep increasing right? In one of the meetings, they mentioned that 20% per year, the fees will keep increasing. (Josue wasn't sure where he heard this.)



Barnaby: Yeah, it did increase, they have to pay. They can't use state dollars...Taxpayer dollars to pay that off so the way that they pay that bond for the constructions is through parking permits, parking tickets...

Dena: There was originally \$10,000 in ...(briefly inaudible)... thinks the committee was the hot meals...(briefly inaudible)... so, what we did because it was originally \$10,000 in the Food Pantry. I spoke with Dean of Students, so we're paying I believe 1 ½ invoices of the Food Pantry. So, we're covering that, so that's the \$10,000 in there that was there originally. It speaks to what the committee said that they wanted it to go towards food.

And the other thing that Barnaby mentioned is that they (Parking) said is because they keep pro-rating it down, pro-rating it down, the other things is to reach out to students who do the *Daily Parking*. Some students who come to campus feel like... (briefly inaudible)... for twice a day may feel that it's cheaper for me to do that. But as pro-ration goes down, it seemed that there is a savings plus also parking per day limits you to Lot C whereas if you buy a permit, you're welcome to park anywhere in the parking area ... (Briefly inaudible).

Anna: allocated Brandon (Guest of the Gallery) to speak.

Guest of the Gallery (Brandon): Thank you. So, I understood the purpose of parking passes and it makes sense but it's like dropping a teaspoon of salt in an ocean. \$10 is not really going to make that much difference for entire student body to be honest when there are specific groups related to the campus or the university that can actually use these funds much better. One of the most is the Resource Center. So, as you guys know undocumented students really can't work. During the Pandemic one of the groups most affected were the undocumented students. When I'm talking about "*undocumented*" it's not only Hispanics, its Asians, Blacks, there are many stuck at home within the undocumented population, and I truly believe the best used of \$50,000 of student funds would be for the university services... (briefly inaudible).



Josue (in response to Brandon): You have a really good point and I'm all for it as well. But there's a difference between this so like the Dreamers Resource Center and Project Rebound have their own proposals. They come and speak to us and get their own budget. Last year when they presented, they asked for a specific budget and we told them that we love what they are doing, since the students don't get a lot of opportunities, so we tell them to request for more budgets. This specifically when we brought it up, we talked about that we wanted this to go for *all* of the students. So, I hear what you're saying but we already have funds that we specifically target them. They're going to propose this semester in the next couple of Finance meetings and they can propose for more money as well, we have money that's allocated for them, so this specifically is just for all Cal State La students who aren't in organizations or clubs. And again, I'm all for it but that's what the proposals that they come to Finance are for.

Dena: One of the things I want to say is that when you the Dreamers... (Briefly inaudible - but clarifies Josue's points further)... But valid point is one of the things is the Textbook Scholarship. We revamped the program so that it could serve- you have international students that can now apply, Dreamers, they can all apply through the program through a scholarship type thing. Prior to that it was only open to the regular Cal State LA students. So now applications are at 175 whereas before we barely got 20 people. So, we think that is one of the things the chair is looking at. Where it says "university programs" you can see the dollar amounts allocated.

Andrew: (allocated for Brandon- the Guest of the Gallery to speak)

Brandon: So absolutely I agree... (Briefly inaudible)... for the time I've been here not a lot of people understand what ASI is... (Briefly Inaudible)

Barnaby: So, one of the differences that we are also looking at for this additional funding is any area that doesn't have existing support. So, *Dreamers* has a budget that is supported to the university in addition to ASI, we already gave them some money. So, all those programs were fully



funded departments with staffing and budgets, so the public transportation isn't supported, that's all on the backs of students. Some of our initial conversation are trying to look at areas that currently have no budget allocated towards it. So how can we help in those areas that go straight back to students versus going into a budget for a department? Andrew probably has some more information than I do about this. But the state budget- what the governor just proposed is that the CSU system is going to get an influx- and this is more for next year, but the departments and the campuses are getting a lot more money in the coming budget cycle. So, we are looking for where the spaces that still need some support and student fees are high so parking and transportation to get to campus again that's what we are looking at "how can we help students across the board versus a smaller population?" And focusing on that because there is still a broader population that needs some help. So, I hear what you're saying, I know \$10 does not sound like a lot. But all students paid ASI fee for us to pick one group to allocate a significant portion means that everybody is paying for that one group to benefit so that's something we weigh as we allocate funds to programs and services. Does that make sense?

Barnaby (allocated for Brandon to speak again):

Brandon: (Briefly inaudible)...so helping those groups would be more impactful...

Barnaby: That's a great point and you're talking about equity. And yeah, you're right there are other people that will benefit more from that than others. That's true...

Andrew: Concerning the CSU budget, recently there's students who were (briefly inaudible) if we spoke to a number of assembly members and senators, describing the need distributing the funds to CSU, concerning both the student success needs or increasing the graduation rates, additional infrastructure for facilities, and additional money to hire faculty members. So that is something the CSU has addressed and briefly discussed ... (Briefly inaudible)...



Dena: And again, thank you for your very valid points. Just to give a little history, I'd be more than happy to guide you to your Vice President for Finance would love to sit down with you and go over the past history. But just to let you know that one of the things that we are trying to do is serving all students as opposed to one group. Know that in the year 2020 ASI allocated \$150,000 because we were remote. So, we didn't get to do a lot of our programming. So, we allocated \$150,000 to the students when they were doing the student scholarships -each student got up to \$500- we did that in 2020 and then we also did, in spring of 2021 we also did another \$150,000. We were very clear this is the one time we were doing this to support students that were in need of assistance during the Pandemic; so, we have done that. Again, you're Vice Chair for Finance would be more than happy to (briefly inaudible) we just try our best to get the money out to the students as best as we can.

Josue: Yeah, as I mentioned earlier all of these resource centers are going to come present their budgets for the next year... and correct me if I'm wrong; but this is what they request right, these amounts are what they come to us and request and in the past, we've told them... Dena has a saying what is it?

Dena: Ask for the world you might get a continent.

Josue: Yeah! Today the Veterans Resource Center is going to present their funding request for the next year the same way the Dreamers are, the same way Project Rebound will.

Basically, what I am trying to say, the \$62,000 when we brought it up it was specifically targeted for all students. It's a good point to bring it in.

Dena: If you go back to our previous Finance meeting from February 4, you'll see the Fall Reports of our support areas, so you can review those reports and see what they used their funding for.

Josue: Alright any other comments? So, we can get back to the 6&6; so, we were going over the... basically the student basic needs was at



\$10,000 now it's at \$72,000 so that's basically what was covered, the 30, 30...

Barnaby: Yup

Josue: I had a question earlier actually: So, you said that this was going forward and not to solidify yet? So how would that affect students that originally bought the parking passes and already paid the full price, would they get some type of reimbursement thing going on or?

Barnaby: That's something that we can't figure...If we did a reimbursement program, we might be able to do that. But right now, we are trying to see if we could implement this for the rest of the semester so that we are not trying to refund everybody. That's what we are still trying to work out though. It's a little tricky because if we again, the pay scale, we don't know how many more people are going to buy so there's a lot more that have been sold parking permits and UPasses just in the past week as everybody is coming back to campus, so we are trying to figure that out and of course we have to go through our approval process. We couldn't start anything until the Board approves it next Thursday so that's another week that goes by. So that is what we are trying to figure out... or do we just start with everybody, and do we use it as an incentive: instead of paying for your two days on campus individually, the parking permit makes more sense or use public transportation as an incentive to reduce it, but we are working on that.

Daniel: So, passing this, what exactly (Briefly inaudible)... possibly fall into this proposal?

Barnaby: You're right, what you're approving is allocating the \$63,000 into the *basic needs* line item so instead of sitting there as a surplus, we are going to allocate it towards that. So, once it's in there, we have some more time to figure out how we are going to utilize it as we develop because it is complex. This is not just us this is Parking & Transportation trying to figure out how to do this whole system. So, it's more on them and we are working very closely with them. But right now, the question before you



is just, "Does this budget look good in the sense that we're allocating the \$63,000 to the *basic needs* line item to be spent?"... And we'll provide additional details of how it gets spent as we go through.

Josue: Any other questions, comments? So, it is not set in stone but basically the allocation needs to go in there for us to be able to do something with it so that's what that is. I don't think there was any other changes besides what Dena went over the last Finance (meeting, Feb 4) so Dena went over all the changes for the 6&6 and for the 3&9 last finance. So, anything we covered today are additional changes so that's basically it and this action item, this budget still needs to go through BOD and that gives us more time.

C. Approval of the 6&6 budget:

Motioned By:	Andrew Klein	Seconded by:	Anna Nguyen
Motion to pass the 6&6 budget:			
Discussion: None			
All in Favor		Opposed	
		Abstained	
			Motion: Consensus Passed

Josue: So, this will get finalized in BOD next Thursday on the 24th. It's 1:01 right now and we have the Veterans Resource Center ... So, this is an informational item and we are going over the funding request for the 2022-2023 Veterans Recourse Center (Found above at line item "**III. Information Items:**")

Motioned By:	Andrew Klein	Seconded by:	Anna Nguyen
Motion to take a Recess (1:15-1:30pm):			
Discussion: None			
All in Favor		Opposed	
		Abstained	
			Motion: Consensus Passed



Motioned By:	Anna Nguyen	Seconded by:	Andrew Klein
Motion to resume meeting from Recess (1:30pm):			
Discussion: None			
All in Favor		Opposed	
		Abstained	
			Motion: Consensus Passed

Josue: Alright so let's move on to our Action Item so ASI 990 Tax Return. So, we can just jump right into it we're going to get a tax report or recommendations to the B.O.D. We're going to take this to B.O.D. after but we're going to take action today on this tax return so we can jump in. "Hello, Lisa"

Lisa Cummings(Representative from CohnReznick [Not-for-Profit sector]): Hi! How are you? Do you need me to share my screen? How do you want me to do this because I've got the 990 pulled up right now.

Barnaby: Yeah, that would be best if you could share.

Lisa: Okay, so I'll go ahead... First of all, I'll introduce myself I'm Lisa Cummings and I'm with CohnReznick I'm in the Tax Department in the not-for-profit practice. So, I live and breathe 990 so, it's my favorite topic. So, I'm going to be presenting the 990 for Associated Students for the fiscal year and 630, 2021. So, as I said before this is for the fiscal year ended June 30, 2021 which is considered a 2020 return it's a calendar year that ends with a fiscal year. Form 990 is required by most non-profit organizations to be filed on an annual basis. It's not really a tax return as much as it's an information return and what it shows, it's not just financial information, it pretty much delves into the organization's policies, procedures, and governance of things such as that. So, the 990 itself is twelve-four pages we call it the 4-990 and then there are schedules attached depending on how you answer certain questions. The first page here is just really this is a snapshot of the organization's financial position



and this section that I'm circling right here, this is all pulled from other sections in the 990 that we'll get to in a little bit... So, this is what we call the *Statement of Program Service Accomplishment*, you pretty much describe your mission statement obviously there's not a lot of room so it does flow over into Schedule O. Schedule O, is pretty much a catchall schedule then again, any disclosure that doesn't fit within the 990 will end up on Schedule O. The section here with 4a, b, and c; what's required here is your top three programs and then you describe the programs here. You'll see they have student government, government elections, community services, and other student services. Part four, this is a checklist of required Schedules and this is a section that really goes from Schedule A all the way through Schedule R and if you check a box, "Yes", then you are required to attach a Schedule. So, if you look through the section, each one of these "Yes" answers will require which you'll see a little later in the 990. Statement of IRS Filings and this is a little different because what it asks for is the number of 1099's that you've filed. And the IRS in this particular section you don't follow a fiscal year you follow a calendar year so this won't relate to 2020. Again, it's the calendar year that ends within your fiscal year. So, when they ask questions about how many W-2's you filed with 1096's, it would be again, based off 2020. This section right here this is section six (6) which it probes your governance, management, and disclosures and I always tell my audience really that it's one of the most important sections of the 990. Because the IRS is asking about first of all, your voting members and how many are considered *independent*. And I just want to point out as far as independence goes, if you receive even a dollar from the organization or a related organization, you are not considered independent. So, if you get a stipend or a scholarship or anything like that, you're not considered independent as a board member. That doesn't mean a bad thing, it's just something the IRS wants disclosed. This middle section is *Policies*, this is where you want to be what I call a "good governance model", you want to be able to check all these boxes "yes". Although there is no Federal statute that says that you must have these policies in place, the IRS is trying to drive behavior. What they want is they want you to have these in place because what it does is it prevents insider-type transactions which can lead to intermediate sanctions and in a worst-case-scenario you can use your exemption if we



have too many, what I call, "insider transactions" and that would be where somebody who is for example, an officer who is benefitting more than they should in dealings with the organization. So, you can see here that ASI checks all the right boxes; they have a conflict-of-interest policy, a whistleblower policy, and they have a policy for determining compensation. This is your list of officers, directors, trustees, etc. and they're typically listed in the...you have to check...some of them can have two boxes checked: they're either a trustee, or an officer, or both. And this is your list... this is a fiscal year list, if anybody serves even one day within the fiscal year they're listed here. And again, all of these listed did have some type of, we call, "remuneration", or scholarship, or any type of stipend so they're not considered independent on the board. This is your Statement of Revenue and again, I'm not going to spend a lot of time on the financial piece of it because the audit has already been approved and you got through that. So, the only thing different about the 990 is we grouped them a little differently, we have them related- we have columns we allocated the revenue to its *related* or its *unrelated* or it's *excluded* by IRS codes. And typically, that's something like that decimated and would be something that would be excluded under IRS codes. It's not considered unrelated as income, it's just excluded. We pulled this information directly from how the auditors allocate expenses, we may have little difference in how we categorize things line for line. Any difference in these numbers between the audit and our 990 is reconciled in a later schedule; Schedule D. Some of the things that may be different is *investment expenses*, typically the auditors will include that as a contra-revenue account, it will be included in your investment income and for 990 purposes, we have to show it as an expense. This is your Balance Sheet, again, tied pretty closely to your audit financial statements there may be slight variations in grouping. This section is a reconciliation between the revenue and basically amounts we pulled from the audit financial statements in this case, there's unrealized gains and losses for audit purposed as included as a revenue piece for 990 purposes it's a reconciled item, in other words we don't include it in the PNL. Our financial statement reporting, we just have to tell in this section, "Do you have an audit?" If you do is it separate or consolidated? And in this case ASI has both separate and consolidated financials. That's pretty much the



twelve pages that we call the "4-990". Then we get into Schedules. What's called a 501(c)(3) organization which is your charitable organizations, has to file a Schedule A. And they have to check a box telling the public how they are supported. Typically, when you filed for exemption, you file what's called an Application for Exemption form 1023. And you check the box on what you think you should be as an exempt organization. And the IRS typically will follow that and say, "Okay, yes" you're, and this case we call it a "Box-10" or you're just saying you normally received more than $33\frac{1}{3}\%$ of your support from the public, and from also service type revenue. So, once you check a box, then you must go and complete a section in the Schedule A to show you're passing the support test, in this case it's the section right here, you show your gross receipts from your program activities and then your investment income, and you'll see that ASI is 97% considered publicly supported- well above the $33\frac{1}{3}\%$ that is required. Some organizations can dip down as low as, they can go down to 10% and then you have to do what is called a "Facts and Circumstances" to tell the IRS why you think you're still publicly supported. These other sections you're going to file what you completed it just depends on what boxes you checked. That's Schedule A. Schedule D is pretty much a supplementary financial statements for the financial data that we have. Again, some sections the IRS wants to see a little more detail. In this case, land, building, and equipment, just a little more detail on your cost, and your accumulated depreciation, and in this particular section typically if you have other liabilities on your Balance Sheet, you'll have to put them more descriptive in this particular section above the liabilities. Here's a section that I referred to earlier, this is the Schedule D reconciliation between your audit statements and your 990. So we start with your audit numbers, your revenue, and then to reconcile back, you'll look on the 990. In this case, as we discussed earlier, there's net unrealized gains, your losses on investments, and then you see that we have donated services and used the facilities that comes out both on the first section and the bodied section. The IRS does not want to see these donated services on the 990 at all so we fact it out both on the revenue and expense side. Again, the expenses will reconcile back from the audit to the 990. This section here is what we call the "Fin 48" or "ASC 740 Footnote" its straight from your audit and financial statements. Again, a



requirement, the IRS wants to see this footnote and it is word-for-word from the audit and financial statements. This other adjustments we saw also in Schedule D, for reconciled between the AFS and 990, this is a reconciled item, won't include in the PNL but the audit does. Schedule I, these are grants in the systems either to an organization or in this case it's going to be to individuals. And obviously due to privacy laws we don't have to list all the individuals, we just need to list of the type of aid and the number of recipients and the amount, so that's what goes in this particular section. Schedule L, this is a transaction in what's called a "Interest of Persons" that means somebody that has influence over the organization. That typically means officers, directors, trustees, key employees, people such as that. So, in this particular case, these are the grants that are paid to board members and again, we're not required to list out names, we just list the amount and what type of assistance was provided. And there are different sections here depending on what type of transaction is going on. It can be loans, it can be grants, and then there can also be business transactions between an organization and their board members. For example, if you have somebody on the board whose an attorney, and you used their firm for services, you have to disclose that here. This is what I talked about, this is Schedule A what they call the "Perpetual Schedule" this is where if you don't have a lot of room to put in what you want to put in there in the core of the 990 then you use this, this is an overflow allotted in this case, overflow for your mission statement. Right here on 11b is where you describe how you make the 990 how you review it and make it available to the board members and everybody else before it finalized. 12c, this is where you talk about the Conflict-of-Interest policies, these are really, extremely important to have a Conflict-of-Interest policy in place to prevent insider type benefit. Which again, can really affect the organizations or group status. This is compensation, the IRS always says that if you have a policy to determine compensation then its called a "Rebuttable Presumption" that means that you're compensation is considered reasonable its up to the IRS to contest that, instead of the other way around. Line 19, this is where you tell how you make certain governing documents available to the public, again, that's transparency on the part of the organization. Schedule R stands for related, this is where you put down where you show that you're related to the Cal State



University campus, all you need to do is just disclose that information. This 990, that the end of the actual 4-990 itself. But I just want to show you that this document is a public document all of this is open to public inspection, if you had contributions that came in, we didn't have a Schedule B, but if you did have that, that is not open for public inspection. But this whole form including salaries if you have them and everything in it is open to public inspection and the organization is required to provide a copy if requested. And its also available on the website so the IRS puts it on their website. Are there any questions on, I hope I didn't go too fast, any questions on anything I've gone over in general or the 990 itself?

Josue: Dena?

Dena: Hi Lisa. Going back, and I'm sorry I don't know if I should have asked when it was there... But going back to the listing of the members, it looks like its part 7, 4-990 part 7. Why does it have 40 hours for Leti, Maleti, number seventeen? It has 40, I understand...

Accounting Guest of the gallery: Its for her work at the campus. So, the first line is for ASI directly, the second is for a related entity, Maleti is the VP over on the campus-side, I think. I think she has a position, right? Over there. I have to check my work papers but I think she has a position on the state-side and so we are recording the hours she works for the state-side.

Barnaby: She's faculty, I think.

Accounting Guest of the Gallery: Yeah, exactly.

Dena: Well, she's faculty now, this is for last year and she was not.

Accounting Guest of the Gallery: No but we have to... Okay... I'll talk to Lisa about it, I think its okay though.

Dena: This is for our...I'm sorry, this is for 2021, right? So, July 1, 2020 to June 30, 2021. Correct? She is faculty *now* full-time actually she just go this position maybe a couple weeks ago. At the time she was at ASI, I know



she worked over in the graduate assistance program but I don't think she was 40 hours as she was a student, and students are not allowed to work more than 20 hours on campus.

Accounting Guest of the Gallery: Okay, I'll correct it, I'll look into it yeah.

Dena: I guess for that matter I would say that we have some students who happen to now work in the union, which is okay, but I happen to have students that work in the union that are on here which should not be included also, which is just a thought but yeah...

Barnaby: Do the rest of you have any questions?

Lisa Cummings: So, will you get back to me on that as far as that 40 hours goes then?

Barnaby: Yeah.

Lisa Cummings: Okay.

Barnaby: So, the next steps, we're going to take this to the board next week so it gets reviewed there where we formally accept it and then is it just posted or is there any final edits or updates that we need to be doing?

Accounting Guest of the Gallery: Well, pending this, but that shouldn't affect much, but once we're approved, I'll let Lisa know, we'll get E-File forms over to you and you guys will receive a packet that needs to be mailed and the rest will get E-Filed.

Barnaby: Okay.

Lisa Cummings: And then we provide you with copies; we provide you with your own client copy and then we also provide you with a public inspection copy that has the stuff pulled that does not need to be shown and you can keep that and you can pull that whenever you need it.



Barnaby: Thank you so much Lisa!

Josue: Thank you so much Lisa, really appreciate it.

Lisa Cummings: Okay! Nice to meet you all, bye!

Josue: Since this is an approval and there's a change, do we motion to approve this, or do we wait since there might be a change on this?

Barnaby: We would change that for the board. You're basically recommending this so you're finance committee is reviewing it and the finalized will be at the BOD.

Josue: So, we just move forward with the motion then and go for the final approval at the next BOD.

A. Approval of the Associated Students Incorporated 990 Tax Return:

Motioned By:	Anna Nguyen	Seconded by:	Andrew Klein
Motion to approve the Associated Students Incorporated 990 Tax Return:			
Discussion: None			
All in Favor		Opposed	
		Abstained	
			Motion: Consensus Passed

VI. Reports

- a. ASI Vice President for Finance: **Josue Montenegro** - Needs to make sure new members apply by 6pm so they meet the deadline and to get them to the BOD. Already spoke to three that are interested. Also working on finalizing the 6&6 for the BOD as well. Wants to have another funding workshop. Josue wants to include in his Finance Workshop in mid-March



- b. ASI Vice Chair for Finance: **Alexandra Kurokawa**- working on catching up after reinstating my position and carrying out the Funding Workshop if needed as well as assisting in areas with needed support.
- c. ASI Executive Director – **Barnaby Peake**- Working on the 6&6 and wrapping that finances up on that. Will start working on details for next fiscal year budget.

VII. Adjournment

Motioned By:	Andrew Klein	Seconded by:	Anna Nguyen
Motion to Adjourn at (1:55pm):			
Discussion: None			
All in Favor		Opposed	
		Abstained	
			Motion: Consensus Passed

then Andrew did on a second round of input



CERTIFICATION

Official Minutes taken for the **Finance Committee** of the Associated Students, Inc. Cal State LA held on Friday, February 18, 2022. Consensus by the ASI Finance Committee on Friday, March 4, 2022.

Prepared by:

Alexandra Kurokawa, Vice Chair for Finance

Secretary/Treasurer