

**ASSOCIATED STUDENTS
CALIFORNIA STATE UNIVERSITY FULLERTON, INC.**

Finance Committee MINUTES March 22, 2018

CALL TO ORDER

Glaiza Julian, Chair, called the meeting to order at 1:17 p.m.

ROLL CALL

Members Present: Borjas, Jimenez Perez, Julian, Sheriff, Torres

Members Absent: None

Officers Present: Jakel, Lawrence

Officers Absent: None

Guests: Kaitlyn Joe, Carol McDoniel

* Indicates that the member was in attendance prior to the start of Unfinished Business, but left before the scheduled ending of the meeting. [According to the bylaws, a member of the Committee who does not remain until the scheduled ending of the meeting (2:30 p.m.) is considered not to be in attendance.]

** Indicates that the member was in attendance for a portion of the meeting, but not in attendance prior to the announcement of Unfinished Business. [According to the bylaws, a member of the Committee is not in attendance prior to the announcement of Unfinished Business is considered not to be in attendance.]

APPROVAL OF AGENDA

The agenda was approved as presented. (Borjas-m/Torres-s)

APPROVAL OF MINUTES

The minutes from the March 22, 2018 meeting were approved as presented. (Sheriff-m/Torres-s)

PUBLIC SPEAKERS

None.

TIME CERTAIN

None.

UNFINISHED BUSINESS

None.

NEW BUSINESS

**a. Contract Over \$5,000
Request - NSU**

FC 012 17/18 (Borjas-m/Torres-s) A motion was made and seconded to approve a contract over \$5,000 for the Nikkei Student Union's annual cultural event.

Kaitlyn Joe spoke about the request.

Sheriff asked what the expected attendance would be.

Joe stated that the first year the event was held in Little Tokyo. Attendance was about 300. Last year, attendance was 220, but there were the culture nights for ACS and JCC were held on the same night. Calendars have been coordinated this year, they hope to have higher attendance.

Torres asked when the event would be held.

Joe answered April 21st.

FC 012 17/18 (4-0-0) The motion was passed.

b. Discussion: Budget Policy Review

Julian stated that the Committee is going to review the budget policies and procedures.

Julian stated that the first policy to discuss was that any single expenditure equal or greater than \$5,000 needs approvals from the Finance Committee and Board of Directors.

Julian stated that she and Jakel have discussed only requiring contracts over \$5,000 to be approved by the Finance Committee. There have been several AICA contracts that needed to be approved by the Committee and Board during the spring semester. These events occur annually and has so for the past few years.

Jakel stated that the contracts over \$5,000 can still be approved by the Finance Committee. Any contracts over another higher amount, for example 7,500, could be forwarded to the Board of Directors for their approval. The full BOD is still involved at some point.

Sheriff asked if this change would only affect contracts over \$5,000 and not contingency requests.

Jakel stated that there is another policy that requires any contingency request over \$2,500 to also be approved by the Board of Directors.

Borjas asked how many contracts are over \$6,000 or \$7,000.

Jakel stated that there was one this year that was \$8,000.

Jakel stated that there is another policy that requires all programmed events to be held on campus, except Executive Senate banquets. The Executive VP and the Board of Directors Vice Chair-Treasurer can approve off campus events that are within 15 miles of campus and cost less than \$5,000. If not, the Finance Committee and Board of Directors have to approve these events. The two policies are closely related.

Jakel stated that the reasoning behind the possible policy change was that the recent approvals for contracts over \$5,000 have been approved first by a council and then the Finance Committee. It did not seem necessary to get a third approval for these events. The funds used have already been approved as part of the budget process.

Torres stated that they could consider setting the amount as a percentage of the council's total budget instead of the current \$5,000. They could set the number at 10%. For example, a council that has a \$100,000 budget would only have to need to have contracts over \$10,000 approved by the Finance Committee and Board of Directors.

Jakel stated that this was an innovative way to approach the policy. There would be challenges for council's that have smaller budgets. For example, if a council had a budget of \$9,000. They would have to bring contracts over \$900 to get the approvals of the Finance Committee and Board of Directors.

Torres stated that he did not have an issue with the Finance Committee and Board of Directors approving the contracts over \$5,000. It helps with oversight and helps the Board accountable to how funds are spent.

Borjas asked what the original intent of the policy was. The amount needs to be evaluated, but they need to know what the need is and what the intent of the policy is.

Borjas stated that they could add to the procedure how the requests would be approved. The first vote could be to approve the request. The second vote could be to approve if the request needed to be forwarded to the Board for approval.

Jakel stated that he was not sure if this was allowed according to Robert Rules of Order. It should also be at the discretion of the Board Chair if the request needed to be approved by the Board. It may be giving too much power to the Committee. They could give the Vice Chair-Treasurer and Board Chair that discretion. They do not write the bylaws and policies to make things more comfortable.

Lawrence stated that the Finance Committee is not approving the event. They are only approving that the council can proceed with the contract.

Jakel stated that some governing bodies use a consent calendar. It might be a way to give the Board of Directors oversight without taking up time to get approvals from the Finance Committee and Board.

Torres stated that he liked the idea of a consent calendar, but there might not be enough business for the calendar. If the Committee had 15 items this semester, the consent calendar would save time. Torres stated that he still liked the idea of holding the directors accountable.

Jakel stated that items can be pulled off the calendar and voted on, if needed. The calendar would allow groups' events to be approved, and there would be no need for the requests to come to the Board.

Sheriff stated that he preferred raising the dollar amount of what needs to be approved by the Board. There are already checks and balances in place. They could consider raising the amount to \$10,000.

Jakel stated that there are some councils that may not have a finance council that reviews and approves these types of requests. There needs to be levels of check-ins.

Torres stated that there have been past requests where the contract was over \$10,000, but these contracts were not for annual events.

Jakel stated that they could change the amount to have any request over \$10,000 to the Board.

Jakel stated that they still should consider a consent calendar. It would help with oversight but save time.

Torres stated that contingency requests should also be discussed. They could consider raising the amount that the Board has to approve. They could also include language that addresses requests by non-ICC member groups. There should be some limitations to these requests.

Jakel stated that the Board would have to approve raising the amount.

Torres stated that student clubs that are not members of an ICC do not have another student governed body reviewing the contingency request before the Finance Committee considers it.

Jakel stated that there are no requirements for student clubs to join a council. There are systems to join councils. There is no need to raise the current contingency amount

that needs to be approved by the Board. The amount of contingency has been changed over the years; the amount has been getting smaller and smaller.

Lawrence stated that it would be best to email the budget policies to the members. The members can review the document over spring break and continue the discussion at the next meeting.

McDoniel stated that there are also policy statements regarding finance that will be coming to the Committee at a later date. The current ASI budget policies document needs to be finalized into a policy statement.

ROLL CALL VOTES

	012
Borjas	Y
Jimenez Perez	Y
Sheriff	Y
Torres	Y
Results	4-0-0

REPORTS

a. Director of Financial Services

Lawrence reported that the Board did a great job on passing the budget for TSC and ASI. They are currently working on the budget narrative. The budget will be forwarded to the University President for approval. They hope to have the approval back before May.

b. Chair

Julian thanked the members for their efforts and work done this semester.

**ANNOUNCEMENTS/
MEMBERS' PRIVILEGE**

Jakel thanked everyone for their work. It was exciting to have a balanced budget.

Jakel stated that was a good discussion on the budget policies. He will be reviewing the policies over spring break.

Jakel stated that reports are due Friday by 5pm.

ADJOURNMENT

The meeting was adjourned at 2:14 p.m.



Glaiza Julian, Committee Chair



Deserita Ohtomo, Recording Secretary