

CHICO STATE **ENTERPRISES**

Board of Directors' Meeting Minutes

Monday, March 15, 2020, 2:00 – 4:30 pm

<https://csuchico.zoom.us/j/82194428347?pwd=K1dKVWtPSmZzdVphZlp6K2JlWDBNUT09&from=addon>

Telephone: US: +1 669 900 6833 - Meeting ID: 821 9442 8347

Passcode: 233772

MEMBERS PRESENT: John Unruh, Gayle Hutchinson, Debra Larson, Bob Kittredge, Angela Trethewey, Ben Seipel, Tom Lando, Tod Kimmelshue, Ann Sherman, John Carlon, David Stachura

MEMBERS ABSENT: Ahmad Boura, Bre Holbert,

ALSO PRESENT: Mary Sidney, Natalie Carter, Tim Sistrunk, Vance Kelly, Timothy Sailsbery, Kristin Gruneisen, Michele Flowerdew, Russell Wittmeier, Jerry Fieldsted, Phil Wilke, Coleen Stewart, Stephen Cummins, Tara Becraft, Sharon Maligie, Annabel Grimm, Gloria Quintero, Eli Goodsell, Rachel McBride-Praetorius

I. **Call to order** – Larson called the meeting to order at 2:02pm

II. **Approval of minutes from December 14, 2020**

Motion to approve the minutes from the Board of Directors meeting on October 12, 2020

(Lando/Kimmelshue)

Motion carried (9/0/0)

III. **Public comments and announcements** – Tim Sistrunk, Faculty member and member of the Academic Senate asked about the status of Foundation Executive Memorandums (EM's). Larson shared that the organization has been focused on rebuilding after the reorganization, and that upcoming goals include review of old RESP policies (F&A distribution, surplus practices, and the EM's). Sidney added that staff have been reviewing Human Subjects records, policies and procedures, as well as recruiting review committee members, in order to prepare to tackle the EM's. Kittredge asked for clarification of the issue. Larson explained that the Executive Memorandums are used to document a formal governance process that establishes important relationships and records important decisions. She added that the review of EM's had been out of date for some time before the reorganization, and that all EM's are available for review on the University President's website.

IV. **Reports**

A. **University President's Report** – Hutchinson shared that public health and student success have been a top priority. She shared that in the Fall semester, up to 50 percent

of classes will have an in-person component. Hutchinson added that classrooms have been upgraded to allow for remote students to attend the live classes. She continued, explaining that the on-campus presence will grow due to extracurricular, and co-curricular, and hopefully athletic activities. Hutchinson shared goals to increase the number of students in the area. Repopulation of the campus will begin after spring break on a voluntary basis, to be planned at the department level. In, addition the gymnasium is now open two days a week for free COVID-19 testing. Over 17,000 students have been accepted for Fall enrollment. She encouraged exploration of the new Science building on the Chico State website, and to look forward to a ribbon cutting in the fall, where the commons in front of the building and the foyer will be dedicated to the Mechoopda. Lastly, she shared about plans to demolish the old physical science building which according to the Master Plan will be the sight of a new Butte Hall, so that the existing location of Butte Hall can be used for on-site housing. Kittredge asked about plans with the City, which includes the Amphitheater, as well as 25/35 main street. She shared that the City and University are working together to develop ongoing plans.

- B. Board President's Report** – Larson welcomed Bre Holbert to the Board as the Student Member. She shared about plans for the upcoming TWTS conference, March 25th and 26th. She recognized the efforts of the Faculty Development Group and the teaching and learning program in supporting the monumental shift to a virtual environment.

Sherman shared about the recently signed Higher Education Coronavirus Relief Program which makes funding and support available directly to students, without requiring that students establish a need through an application process, but rather determining need based on existing data (i.e. Pell category). She added that funding award through the Pandemic has allowed the campus to build resilience and improve remote capabilities.

- C. Finance and Investment Committee Report** – Kelly shared the financial statements for the 2020-21 fiscal year as of December 31, 2021. Sharing the Budget to Actual, Kelly highlighted revenue and expenses that vary significantly from the budget projections. He noted that due to conservative estimates investment income was well above projections, and explained the sources of the “ARD Support; Other” income which includes temporary support from Academic Affairs to offset cost of the reorganization. Overall he shared that 86% of the years income had been realized. Looking at expenses, Kelly shared that the purchase of new computers and increase projected “Office operations” expenses, and that the timing of the billing for the audit explains the high percentage of realized expense for “Financial audit and tax services”. He noted that the increase in “Insurance” expenses resulted from catastrophic jury verdicts, settlements, and COVID increasing claims in the shared risk pool. He added that pending annual dividends could offset that expense.

Kelly reviewed the purpose of each CSE Funds:

General -CSE admin operations

Plant and Bond -Capital assets (Buildings, Land)

Board Designated -Professional Development, Program and College Accounts

Auxiliary Activities -Business Type Activities (Farm, NSPR, Gateway)

Sponsored Programs -*Grants and Contracts*

Campus Programs -*Camps, Workshops, Services (RCE, Nursing CE, Upward Bound)*

Kelly shared the Statement of Net Position for each Fund account. He noted that the “Unbilled revenue” shown on 6/30/2020 reflects the number from the audit. At the start of the fiscal year those funds are moved to the “Accounts receivable” category. He highlighted an increase in total assets of \$468,717. Reviewing liabilities Kelly notes a decrease in Accounts Payable, Accrued expenses, and long-term debt; resulting in a total decrease of \$1.2 million. Overall he highlighted an increase in Net Position of \$1.7 million. Lastly, Kelly shared the Statement of Revenue, Expenses and Changes in Net Position. Larson expressed appreciation for the positive shift in the organization’s financials from previous years.

D. NSPR

- 1. Update on Transition to CapRadio management** – Wilke shared that the Public Service Operating Agreement (PSOA) with CapRadio has been in effect for 5 months, during which time databases, personnel, and operational functions have been transitioning. He reviewed that the PSOA allows CSE to retain the FCC broadcast license, that local programming decisions remain in Chico, and that all revenue raised locally is reinvested directly into NSPR. Wilke shared that the transition resulted in the loss of all NSPR donors/members. All existing donor information was shared with NSPR, to allow for the reacquisition of donors, and currently about 50 percent of donors have been reacquired, thanks to support from CapRadio’s membership department. He shared plans for an upcoming week-long fund drive (the first since the start of the Pandemic) using Zoom in the coming weeks. Wilke highlighted the programming resources now available through CapRadio, (including special coverage), and that any infrastructure improvements are now funded through CapRadio. He shared that NSPR has hired new staff, welcoming back long-time NSPR news director, Sarah Bohannon, and added that NSPR had begun local staffing on Morning Edition.

Wilke shared that the KHSU radio station at Humboldt State University and CapRadio entered in to a PSOA to take over day-to-day operations. He explained that station currently broadcasts the raw NPR satellite broadcast, and music, without including any local content. The plan is for NSPR staff to create and share material relevant to the KHSU audience (news, weather, and NSPR shows), by inserting programming into the automated system. The hope is to start providing that programming in July of 2021. Lastly, Wilke highlighted funding from CapRadio and the Corporation for Public Broadcasting (CPB) to support equipment upgrades, database transfers, and member reacquisition. He noted that the collaboration with KHSU was instrumental in securing support from CPB, preventing a Public Radio desert, and demonstrating a model for preserving small stations that would otherwise lack operational and/or engineering capacity.

Larson and Sidney expressed appreciation and excitement relating to the

transition and partnership with CapRadio.

- 2. Review and approval of MOU between CSU Chico and CSE** – Sidney shared that the proposed MOU addresses the roles and responsibilities between Chico State and Chico State Enterprises, as it relates to the continued operation of NSPR.

Kittredge asked about CSE's responsibility to serve as the NSPR Board, and adhering to the FCC regulations. Sidney explained the compliance actions related to the agreement, ensuring that NSPR adheres to the contract guidelines for the CPB, and the FCC license. In practice this involves the same reporting that the Board has been overseeing and participating in already, in coordination with the staff at NSPR. Sidney offered to generate a list of FCC compliance actions. Kittredge continued, asking about an existing deficit in the NSPR account. Sidney shared that the deficit, was resolved by funds in the ARD (auxiliary revenue distribution) fund, and that the fund contains campus allocations.

Motion to approve MOU between CSU Chico and Chico State Enterprises (Kimmelshue /Kittredge)
Motion carried (11/0/0)

E. Ecological Reserves update (Eli Goodsell, Rachel McBride)

- 1. Update on Butte Creek property** – Goodsell shared that following up on a previous board item, the disposition of the Butte Creek property to the Mechoopda tribe has been explored with the California wildlife conservation board, as well as federal partners, and a law firm in Sacramento. Pending new legislation that would recognize the tribe as a legitimate entity to transfer contracts from the wildlife conservation board, allowing the transfer of property to move forward. The transfer would be a zero-dollar transfer. Goodsell reminded the Board that originally the property was purchased using grant funds, and the grant agreements, as well as the deed would be transferred to the Mechoopda. Goodsell shared the benefits of the transfer, a reduction in risks and liabilities, as well as an MOU to continue access to the property for education and research activities.

Motion to approve the disposition of the Butte Creek Ecological Preserve property to the Mechoopda tribe (Kittredge/Hutchinson)
Motion carried (11/0/0)

- 2. \$1 Million Gift for Big Chico Creek Ecological Reserve** – Goodsell shared about a recent gift to the Big Chico Creek Ecological Reserve, a million-dollar endowment gifted by Wes Dempsey and family in memory of son David P. Dempsey. Goodsell expressed the deepest gratitude for the Dempsey's gift not only recognizing the long-term sustainability it offers the program, but also as a

testament that the Reserves are going in the right direction, coming from the master ecologist, expert in his field, and former Biology professor. He also noted a recent increase in giving from the community, following the Dempsy's gift. Lastly, Goodsell shared a gift of land, 3,885 acres, connected to the Big Chico Creek Ecological Reserve, expanding it's borders to include some of the most amazing Blue Oak woodlands that he has ever seen. An exciting gift, full with possibilities.

Hutchinson and Larson expressed congratulations for the hard work being done by Goodsell and McBride to transfer the reserve property, and for the significant momentum developing at the reserves over recent years.

F. Chief Executive Officer's Report

- 1. Sale of property at 6th and Cedar** – Sidney shared that due to significant existing restrictions on the property, a previous offer of \$105,000 was negotiated down to \$65,000. Escrow closed at the end of February. The sale was a loss of \$33,000 from the original purchase price of \$98,000. Positively, the sale eliminates risk, as well as considerable ongoing costs associated with the property. Hutchinson extended congratulations and appreciation for the successful sale.

Kittredge asked about the remaining CSE property inventory. Kelly shared that a property on East 1st Street is a remaining CSE property currently used for parking, adjacent to the railroad property. There is ongoing discussion of transferring the property to the University in the future. Larson added the outstanding Eagle Lake Field Station property, which has encountered challenges with BLM in the transfer that would likely be resolved by pending legislation mentioned by Goodsell that would recognize tribes as legitimate entities to transfer contracts from the wildlife conservation board.

2. Technology updates

- **OneSolution** - Sidney shared about the ongoing implementation of OneSolution, as well as fixes and improvements. She updated the board that 11 of 16 fixes and improvements have been completed, directly impacting the administrative team. The effort has reached a turning point, where remaining efforts are targeted to impact external users. Staff is currently developing more useful and user-friendly financial reports which will be presented to SPAC for feedback in the coming months, while also seeking financial report priorities from the group.
- **Cayuse** – Sidney shared that proposal development, and the post-award sponsored programs teams are working to develop details needed for a successful implementation. An important component is the integration with OneSolution. Looking forward, Sidney shared that CSE staff, and a focus group of PIs, Chairs and Deans will get training to test and fine-tune the program. A

communications plan for a campus-wide roll-out will be developed following the initial testing.

Sidney shared that CAYUSE also offers an Institutional Review Board (IRB) module, which will support in the streamlining of a dated, cumbersome, and labor-intensive process. Focus sessions to review the module have been completed and, CSE IRB staff and committee members have received training. Initial feedback is that the module is user-friendly, intuitive, and ready for use.

Sidney shared plans for a campus-wide launch of CAYUSE (Proposal Development and Award and IRB) in Summer and Fall of 2021. Larson recommended consultation with Boura in development of the communications plan. Kittredge expressed appreciation for this long-awaited step in the right direction, meeting the goals of the reorganization, building capacity, and efficiency by creating a central repository for shared information.

V. Closed session at 4:03pm

VI. Meeting adjourned at 4:22pm

Respectfully submitted,



Mary Sidney, Secretary