



ASC EXECUTIVE COMMITTEE

Minutes – Regular Meeting

ASC Executive Conference Room 102

1121 N State College Blvd, Fullerton CA 92831-3014

February 21, 2019 • 4:00 pm

Present: Rosalina Davis, Bob Hall, Theresa Harvey, Danny Kim, Chuck Kissel, Sean Walker.

Absent: Amir Dabirian.

Staff: Raul Castaneda, Cindy Dowling, Ann Ehl, Hee Joon Kang, Tony Lynch, Mike Marcinkevicz.

- I. CALL TO ORDER
Chair Bob Hall called the meeting to order at 4:00 pm. Quorum was present.
- II. APPROVAL OF MINUTES
Prof. Walker moved, VP Kim seconded and motion carried to approve the minutes of the January 24, 2019 Executive Committee meeting.
- III. PUBLIC COMMENT
There was no public comment.
- IV. EXECUTIVE DIRECTOR & FINANCIAL REPORT
Chuck Kissel reported that the campus will take possession of and begin paying rent for Titan Hall on 04/01/19. While the State Fire Marshal found a couple more issues on the last walk, it is not expected to affect the schedule since some of the work will be ready for tomorrow's inspection. On the construction audit, the review went fairly well. One finding was for the lack of construction insurance during the work on Banting. The purchasing policy named in the audit will be addressed later this meeting.

On the financial report, there are two areas of concern: Campus Dining and Titan Shops. Tony Lynch reported that Picology and Hibachi San held their grand opening yesterday. Both were behind construction schedule due to State Fire Marshall delays. However, sales were up 125% over original budget in their first week, and have been consistent since opening. Catering is having challenges; the catering manager position remains vacant, keeping costs down. The position will be vacant until revenues increase. There was some discussion on OC Choice Catering and Aramark, and the campus' decision frequently to use the latter despite quality and price. On Titan Shops, Mr. Kissel reported little change in revenue (to budget) and cost of goods sold (as a percentage) is not in line with sales. There were changes made in bookstore payroll, but not enough to make a significant difference.

He also gave an update on the Investment Committee meeting held last month. Compared to last year, ASC is down (\$1.4M) in cash and cash equivalents; down (\$1.34M) in

investments; and down a total of (\$2.75M) in cash, cash equivalents and investments. With \$14.3M currently in cash and investments and \$15.1M in ASC program deposits, as anticipated by the Board, due to necessary Titan Hall improvements, ASC has an operational cash shortage of (\$1.8M). ASC management is taking every effort to mitigate the shortage over the upcoming months.

V. ACTION ITEMS

A. POLICY #145 – PURCHASING

Mr. Kissel noted that one of the findings of the Banting construction audit were issues with the purchasing policy; the revised policy in the packet addresses the findings. Ms. Harvey moved, Ms. Davis seconded and motion carried to approve Purchasing Policy #145.

B. RESOLUTION: WITHDRAWAL OF INVESTMENTS

Mr. Kissel noted that the Board approved capital outlay during the budget process last June. However, the approval did not specify from where those funds were to be drawn. This resolution clarifies that the withdrawal will be from investments. After some discussion, Prof. Walker moved, Ms. Harvey seconded and motion carried to approve the resolution Withdrawal of Investments.

VI. DISCUSSION ITEMS

Mr. Kissel stated that ASC does not expect to fill the CFO vacancy in the near future. As such, the Board-approved policies need to reflect that change. The red-lined policies address that change along with other adjustments to align with the change.

A. POLICY #102 – LOANS

The changes made here replace the “appropriate University” VP with that of “Administration and Finance.”

B. POLICY #105 – FIDUCIARY DESIGNATION

The change here adds “if applicable” when there is no ASC counsel.

C. POLICY #115 – INVESTMENTS

Most of the changes here replaces CFO with Executive Director.

D. POLICY #140 – FIXED ASSETS

The changes here replace “Accounting” with “Financial Services”.

E. POLICY #150 – RISK MANAGEMENT & PROPERTY & CASUALTY INS

The changes here replace CFO with other ASC directors and/or staff.

F. POLICY #155 – BUDGETING PROCESS

The changes here either remove or replace the CFO with the Executive Director.

G. POLICY #201 – EXECUTIVE COMPENSATION

The changes here remove the CFO.

H. POLICY #202 – WHISTLEBLOWERS

The changes here remove the particular ICSUAM section, and replace the initial reporting line from Executive Director to HR, and provide additional reporting lines.

I. POLICY #210 – AUTOMOBILE ALLOWANCE

The change here removes “Implementing Guidelines.”

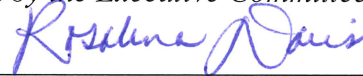
VII. ANNOUNCEMENTS

- Board Meeting: Thu 03/21/19, 3:30 pm
- ExComm Mtg: Thu 04/25/19, 4 pm

VIII. ADJOURNMENT

Mr. Hall adjourned the meeting at 5:55 p.m.

Approved by the Executive Committee, April 25, 2019.



Rosalina Davis, Secretary