



Annual and Regular Meeting of the Board of Directors

September 23, 2020 at 4:00 p.m. – 5:30 p.m.

Via Zoom: <https://csusm.zoom.us/j/7730311032>

Call-in: (669) 900-6833 Meeting ID: 773 031 1032

Sarah Villarreal
President's Designee
Chief of Staff to
President Neufeldt

Dr. Carl Kemnitz
Designated Member
Vice President for
Academic Affairs

Neal Hoss
Designated Member
Vice President,
Finance & Administrative Services

Dr. Charles De Leone
Administrative Member
Interim Dean, Graduate
Studies and Research

Dr. Cynthia Chavez Metoyer
Faculty Member
Office of Internships

Jason Schreiber
Administrative Member
Dean of Students

Dr. Ann Bersi
Community Member
Nevada State Tax Commission

Christopher D. Thibodeau, CPA
Community Member
White Horse, Inc

Michael Garrett
Student Member
ASI President

SPECIAL NOTICE

Based upon Executive Order N-25-20 by Governor Gavin Newsom issued on March 17, 2020 relating to the convening of public meetings in response to the COVID-19 pandemic, the CSUSM Corporation Board of Directors will convene this meeting by teleconference on an emergency basis pursuant to Corporations Code §§ 5141(n) and 5211(a)(6). **There will be no physical location for the public to view the meeting.**

Members of the public who wish to view the meeting remotely or make public comment should contact: Karla Frazee, (760) 750-4552, kfrazee@csusm.edu by 10:00 a.m., Monday, September 21, 2020.

Notice and Agenda authorized under Corporations Code § 5140 and Bylaws Article V.

REVISED AGENDA-Annual Meeting

- I. Convening of Annual Board Meeting** (*Chavez Metoyer*)
- II. Consent Agenda** (*Chavez Metoyer*)
 - a. Board Member Nominations 20/21 (Attachment A)
 - b. Board Officer Nominations 20/21 (Attachment B)
 - c. Committee Membership 20/21 (Attachment C)
 - d. Revised CSUSM Corporation Bylaws (Attachment D)
 - e. Revised Committee Charges:
 - i. Sponsored Projects Committee (Attachment E)
 - ii. Joint Audit Committee (Attachment F)
 - iii. Finance & Operations Committee (Attachment G)
 - iv. Innovation Hub Advisory Committee (Attachment H)
 - f. Executive Director Delegation (Attachment I)
- III. Closed Session** (Alternate Zoom link will be sent to the Board members for this closed session)
- IV. Adjournment of Annual Meeting** (*Chavez Metoyer*)

REVISED AGENDA-Regular Meeting

- I. Convening of Regular Board Meeting** (*Villarreal*)
 - a. Consideration of Minutes June 25, 2020 Regular Meeting (Attachment J)
- II. Special Guest Presentation** (*Villarreal*)
 - a. Sue DeRosa and Denise Bell from LOM



- III. Reports** (For review only, no reporting)
 - a. Investment Report 6/30/20 (Attachment K)
 - b. Year-End Financial Report/Administrative Operating Summary 6/30/20 (Attachment L)

- IV. Committee Reports and University Updates**
 - a. Joint Audit Committee Report (*Thibodeau*)
 - b. Finance and Operations Committee Report (*Hoss*)
 - c. Executive Committee Report (*Hoss*)
 - d. Administration Update (*Newberg*)
 - e. Student Housing Update (*Schreiber*)
 - f. University Update (*Villarreal*)

- V. Consent Agenda** (*Villarreal*)
 - a. Revised 2020-21 Budget (Attachment M)
 - b. Research Incentive Payments Policy (Attachment N)

- VI. Adjournment of Regular Meeting** (*Villarreal*)
Next Board of Directors Meeting will be November 12, 2020

ATTACHMENT A

Proposed Board Member Nomination



Proposed BOARD OF DIRECTORS 2020/2021

Sarah Villarreal

Chief of Staff to
President Neufeldt
Office of President, CSUSM
Designated Member - President's Designee

Neal Hoss

Vice President, Finance & Administrative
Services, CSUSM
Designated Member

Dr. Carl Kemnitz

Provost and Vice President
for Academic Affairs, CSUSM
Designated Member

Jason Schreiber

Dean of Students, CSUSM
Administrative Member

Michael Walsh

Product Owner
Viasat, Inc.
Community Member/Alumni

Dr. Denise Garcia

Professor, CSTEM Biology
Faculty Member

Dr. Kristin Stewart

Associate Professor, CoBA Marketing
Faculty Member

Dr. Cynthia Chavez Metoyer

Faculty Director,
Office of Internships, CSUSM
Faculty Member

Dr. Charles De Leone

Interim Dean, Graduate Studies and
Research
Administrative Member

Christopher Thibodeau

Director of Finance
White Horse, Inc.
Community Member

Dr. Ann Bersi

Member of the Nevada Tax Commission,
and Attorney
Community Member

Michael Garrett

ASI President
Student Member

Andrew Gamboa

VP Student & University Affairs, ASI
Student Member

Additional Community Member

Vacant

Pending approval at the Annual Meeting of the Board of Directors on 09/23/20

ATTACHMENT B

Proposed Officer Nominations



California State University
SAN MARCOS

CSUSM
Corporation

Proposed BOARD OFFICERS 2020/2021

Chair	Sarah Villarreal
Vice Chair	Ann Bersi
Secretary	Jason Schreiber
Treasurer	Neal Hoss

ATTACHMENT C

Proposed Committee Nominations



Proposed BOARD COMMITTEES 2020/2021

<p><u>FINANCE AND OPERATIONS COMMITTEE</u> CSUSM Corp Board Members (voting): <i>Neal Hoss, Chair</i> <i>Jason Schreiber, Vice Chair</i> <i>Sarah Villarreal</i> <i>Ann Bersi</i> <i>Denise Garcia</i></p> <p>Non-CSUSM Corp Board Members (voting) <i>Bella Newberg</i></p> <p>Staff (non-voting): <i>Cynthia Fenimore</i> <i>Deborah Davis</i> <i>Michelle Hinojosa</i> <i>Trina Beckwith</i> <i>Janine Prior</i> <i>Janelle Temnick</i></p> <p><u>JOINT AUDIT COMMITTEE:</u> CSUSM Corporation, CSUSM Foundation & Associated Students Inc.</p> <p>CSUSM Corp Board Members (voting): <i>Christopher Thibodeau, CSUSM Corp, Chair</i> <i>Michael Walsh, CSUSM Corp</i></p> <p>Non-CSUSM Corp Board Members (voting): <i>Kyle Casement, CSUSM Foundation</i> <i>Thomas Kenaya, CSUSM Foundation, Vice Chair</i> <i>Esther Phahla, CSUSM Foundation</i> <i>Caleb Standley, ASI</i> <i>Tim Pelayo, ASI</i></p> <p>Staff (non-voting): <i>Bella Newberg</i> <i>Deborah Davis</i> <i>Janine Prior</i></p>	<p><u>SPONSORED PROJECTS COMMITTEE</u> CSUSM Corp Board Members (voting): <i>Chuck De Leone, Chair</i> <i>Carl Kemnitz</i> <i>Cynthia Chavez Metoyer, Vice Chair</i></p> <p>Non-CSUSM Corp Board Members (voting): <i>Arun Sethuraman (Assistant Professor, CSTEM Biology)</i> <i>Gerardo Dominguez (Professor, CSTEM Physics)</i> <i>Sean Newcomer (Associate Professor, Kinesiology)</i> <i>Ana Hernandez (Associate Professor, School of Ed)</i> <i>Ivan Perez (CSUSM Student)</i> <i>Bella Newberg (Executive Director, CSUSM Corporation)</i></p> <p>Staff (non-voting): <i>Michelle Hinojosa</i> <i>Trina Beckwith</i> <i>Janine Prior</i></p> <p><u>EXECUTIVE COMMITTEE</u> <i>Neal Hoss</i> <i>Ann Bersi, Vice Chair</i> <i>Sarah Villarreal, Chair</i> <i>Jason Schreiber</i></p> <p>Staff (non-voting): <i>Bella Newberg</i></p>
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Proposed BOARD COMMITTEES 2020/2021

<p><u>STUDENT HOUSING ADVISORY COMMITTEE</u> <i>CSUSM Corp Board Members (voting):</i> <i>Jason Schreiber, Chair</i> <i>Andrew Gamboa</i></p> <p><i>Non-CSUSM Corp Board Members (voting):</i> <i>Malik Ismail (Director of Housing & Residential Education, CSUSM)</i> <i>Jeremy Williamson (Director of Facilities & Operations, COCM)</i> <i>Bella Newberg, Vice Chair</i> <i>Annabelle Hunt (CSUSM Student)</i></p> <p><i>Advisory (non-voting):</i> <i>Janelle Temnick</i></p>	<p><u>INNOVATION HUB ADVISORY COMMITTEE</u> <i>CSUSM Corp Board Members (voting):</i> <i>Chuck De Leone, Chair</i> <i>Neal Hoss</i> <i>Michael Garrett</i> <i>Carl Kemnitz</i> <i>Kristin Stewart</i></p> <p><i>Non-CSUSM Corp Board Members (voting):</i> <i>Sam Clarke, Vice Chair (Assistant Professor, CSUSM)</i> <i>Jill Litschewski (Director, Innovation Hub, CSUSM)</i> <i>Patricia Prado-Olmos (Chief Community Engagement Officer, CSUSM)</i> <i>Bella Newberg (Executive Director; AVP Business Development)</i></p>
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FINANCE AND OPERATIONS COMMITTEE

Neal Hoss, Chair
Jason Schreiber, Vice Chair
Sarah Villarreal
~~Cynthia Chavez-Metoyer~~
Ann Bersi
Denise Garcia

Non-CSUSM Corp Board Members (voting)

Bella Newberg

Staff (non-voting):

Cynthia Fenimore
Deborah Davis
Michelle Hinojosa
Trina Beckwith
Janine Prior
Janelle Temnick

JOINT AUDIT COMMITTEE:

CSUSM Corporation, CSUSM Foundation & Associated Students Inc.

CSUSM Corp Board Members (voting):

Christopher Thibodeau, CSUSM Corp, Chair
Michael Walsh, CSUSM Corp

Non-CSUSM Corp Board Members (voting):

~~LuAnne-Bas~~ Kyle Casement, CSUSM Foundation
Thomas Kenaya, CSUSM Foundation, Vice Chair
~~John Fortune~~ Esther Phahla, CSUSM Foundation
~~Mariana Rosales~~ Caleb Standley, ASI
~~Jaelyn Freeman~~ Tim Pelayo, ASI

Staff (non-voting):

Bella Newberg
Deborah Davis
Janine Prior

EXECUTIVE COMMITTEE

Neal Hoss
Ann Bersi, Vice Chair
Sarah Villarreal, Chair
Jason Schreiber

Staff (non-voting):

SPONSORED PROJECTS COMMITTEE

CSUSM Corp Board Members (voting):

Chuck De Leone, Chair
~~Ann Bersi~~, Vice Chair
Carl Kemnitz
Cynthia Chavez Metoyer, Vice Chair
~~Neal Hoss~~
~~Kenny Tran~~
~~Ranjeeta Basu~~

Non-CSUSM Corp Board Members (voting):

Arun Sethuraman (Assistant Professor, CSTEM Biology)
Gerardo Dominguez (Professor, CSTEM Physics)
~~Katherine A. Kantardjieff~~ (Dean, College of Math and Science)
Sean Newcomer (Associate Professor, Kinesiology)
Ana Hernandez (Associate Professor, School of Ed)
~~Keith Trujillo~~ (Director, Office for Training, Research & Education in the Sciences)
Ivan Perez (CSUSM Student)
Bella Newberg (Executive Director, CSUSM Corporation)

Staff (non-voting):

Michelle Hinojosa
Trina Beckwith
Janine Prior

STUDENT HOUSING ADVISORY COMMITTEE

CSUSM Corp Board Members (voting):

Jason Schreiber, Chair
~~Kenny Tran~~
Andrew Gamboa

Non-CSUSM Corp Board Members (voting):

Malik Ismail
Jeremy Williamson
Bella Newberg, Vice Chair
Annabelle Hunt (CSUSM Student)

Advisory (non-voting)

Janelle Temnick



<i>Bella Newberg</i>	
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BOARD COMMITTEES 2020/2021

<p><u>INNOVATION HUB ADVISORY COMMITTEE</u> <i>CSUSM Corp Board Members (voting):</i> <i>Chuck De Leone, Chair</i> <i>Neal Hoss</i> <i>Michael Garrett</i> <i>Carl Kemnitz</i> <i>Kristin Stewart</i></p> <p><i>Non-CSUSM Corp Board Members (voting):</i> <i>Sam Clarke, Vice Chair</i> <i>Jill Litschewski</i> <i>Patricia Prado-Olmos</i> <i>Bella Newberg</i></p>	
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ATTACHMENT D

Revised Corporation Bylaws

Adopted by the Board of Directors 09/29/87; revised 12/06/88, 02/27/90, 09/25/90; 03/03/93; 09/23/93; 02/24/94; 02/22/95; 12/19/96; 04/15/98 revised & adopted 08/24/00; revised and adopted 10/27/05; revised and adopted 09/30/08; amended per merger agreement, including name change and adopted 5/25/17. Pending approval of the Board of Directors at 9/23/20 meeting.

**AMENDED
BYLAWS
OF
CALIFORNIA STATE UNIVERSITY SAN MARCOS CORPORATION**

**ARTICLE I
OBJECTIVES AND PURPOSES**

This corporation has been formed under the California Nonprofit Public Benefit Corporation Law for the purposes stated in the Restated Articles of Incorporation.

This corporation's assets are irrevocably dedicated to public benefit and charitable purposes. No part of the net earnings, properties, or assets of the corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or to any director or officer of the corporation. On liquidation or dissolution, all properties and assets remaining after payment, or provision for payment, of all debts and liabilities of the corporation shall be distributed to a nonprofit fund, foundation, or corporation that is organized and operated exclusively for charitable purposes and that has established its exempt status under Internal Revenue Code §501(c)(3).

These amended bylaws provide a framework for governing the corporation in implementation of the Restated Articles of Incorporation (Articles), and consistent with the California Nonprofit Public Benefit Corporation Law and other applicable statutes and regulations. The Bylaws provide rules for matters not covered by statute or regulations, alter specific default rules that control by statute in the absence of contrary Articles or a bylaw, and, to a limited extent, restate or refer to governing laws and rules as a ready reference.

**ARTICLE II
CONSTRUCTION AND DEFINITIONS**

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

**ARTICLE III
BOARD OF DIRECTORS**

Section 1. Powers

(a) General Corporate Powers. The business and affairs of the corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors.

(b) Specific Powers. Without prejudice to their general powers, the Directors shall have the power to:

(i) Select and remove the Officers of the corporation; prescribe any powers and duties for them that are consistent with the law, with the Articles of Incorporation, and with these Bylaws; and fix their compensation, if any.

(ii) Change the principal executive office or the principal business office in the State of California from one location to another; cause the Corporation to be qualified to do business in any other state, territory, dependency, or country, and conduct business within or outside the State of California; and designate any place within or outside the State of California for the holding of any meeting.

(iii) Adopt, make, and use a corporate seal and alter the form of the seal.

(iv) Borrow money and incur indebtedness on behalf of the corporation and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt.

(c) Emergency Powers. In anticipation of or during an emergency, the Board may, in accordance with Corporations Code Section 5140(n)(1), take actions necessary to conduct the corporation's ordinary business operation and affairs.

Section 2. Number

The following University officials serve as designated Directors: the University President, or designee; the Vice President for Academic Affairs and the Vice President for Finance and Administrative Services.

The elected Directors shall be drawn from the region served by the University, or alumni (community Directors), and from faculty, students and the administration and staff of the University. The faculty member(s) shall hold a full-time, tenured or tenure-track, University appointment, and the student member(s) shall be enrolled for no less than six (6) units in each semester during which the student holds office. The composition of the Board shall comply with Section 42602(b)(2), Title 5, California Code of Regulations. The authorized number of elected Directors of the corporation's Board of Directors shall not be less than seven (7) or more than sixteen (16), until changed by amendment to these Bylaws.

All Board members, including designated directors, have full voting rights, consistent with the California Nonprofit Public Benefit Corporation Law. No Director shall vote by proxy.

Section 3. Nomination and Election

All Directors, except designated Directors, shall be nominated by a committee of the Board, ratified by the President of the University, and presented for election by the Board of Directors.

Section 4. Terms

The Board of Directors shall stagger the terms of office of elected Directors.

Unless earlier removed, elected Directors shall have the following terms: community and administrative and staff Directors---three years; faculty Directors—two years; student Directors—one year. The terms of office for elected Directors shall begin following the annual meeting of the Board at which they are elected.

Directors shall serve until the end of their terms or until they are re-~~elected~~ ~~appointed~~ or their successors are elected, whichever occurs later. Elected Directors shall serve no more than three (3) full consecutive terms.

Section 5. Removal of Directors

A Director shall automatically be removed from his or her Director position for failure to attend two (2) consecutive meetings of the Board of Directors without being excused in advance there from by the Chair of the Board of Directors.

Directors may be removed, with the consent of the President of the University, at any time by the vote of two-thirds (2/3) of the remaining Directors then in office.

Section 6. Vacancies

A vacancy or vacancies in the Board shall be deemed to exist in case of the death, resignation, or removal of any Director or if the authorized number of Directors is increased. No reduction of the authorized number of Directors shall have the effect of removing any Director before expiration of the Director's term of office. Any Director may resign from the Board at any time by giving written notice to the Chair or the Secretary of the corporation, and the acceptance of such resignation shall not be necessary to make it effective.

All vacancies in positions on the Board of Directors, except designated Directors, shall be filled in the manner described in Article III, Section 3. Vacancies occurring during a Director's term shall be filled as soon as possible. Directors elected to fill vacancies shall serve until the expiration of the term of the Director who vacated the position. Vacancies occurring through expiration of Director terms shall be filled at the annual meeting of the Board of Directors.

ARTICLE IV MEETINGS OF THE BOARD OF DIRECTORS

Section 1. Place of Meeting

All meetings of the Board of Directors shall be held at the principal office of the corporation or at such other place as may be designated for that purpose from time to time by the Chair or the Board.

Section 2. Regular Meetings

Regular meetings of the Board shall typically be held quarterly, at such times as the Board may fix by resolution from time to time, but at least annually.

Section 3. Annual Meeting

An annual meeting of the Board of Directors shall be held annually at a month set by the Board immediately prior to the regular meeting of the Board of Directors. Such meeting shall be for the purpose of electing Directors and electing or re-electing Officers of the corporation and for the transaction of such other business as may come before the meeting. All such Directors and Officers shall assume their offices at the beginning of the regular meeting that follows the annual meeting.

Section 4. Special Meetings

Special meetings of the Board for any purpose or purposes may be called at any time by the President of the University, the Chair of the corporation or by any three (3) Directors.

Section 5. Notice of Regular and Special Meetings

The corporation shall give notice and conduct all Board meetings in accordance with the requirements of Title 3, Division 8, Part 55, Chapter 7, Article 2 (Section 89920, et. seq.) of the California Education Code, or any subsequent law enacted which governs California State University auxiliary organizations. The Board of Directors may hold closed sessions during any regular or special meeting, as permitted by Education Code Section 89923.

Section 6. Quorum

A quorum is one-third of the authorized number of Directors, and composed of all categories required by Section 42602(b)(2), Title 5, California Code of Regulations, for the transaction of any business by the Board.~~The presence of a simple majority of the Directors then in office shall constitute a quorum for the transaction of business of the Board.~~ A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of a Director or Directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If a quorum is present, the affirmative vote of a majority of those present at the meeting shall be deemed the act of the Board unless a vote of a greater number is required by law or these Bylaws.

Section 7. Adjourned Meetings

A quorum of the Directors or, if there is no quorum, a majority of the Directors present may adjourn any Directors' meeting to meet again at a specified date, time, and place. Notice of the date, time, place and the business to be transacted at such meeting shall be given to any Directors who were not present at the time the meeting was adjourned.

Section 8. Meeting by Teleconference

Any board meeting may be held by conference telephone, video screen communication, or other communications equipment. Participation in a meeting under this Section shall constitute presence in person at the meeting if both the following apply:

(a) Each member participating in the meeting can communicate concurrently with all other members.

(b) Each member is provided the means of participating in all matters before the board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation.

ARTICLE V COMMITTEES

Section 1. Committees

The Board may appoint one or more committees, each consisting of two or more voting Directors, and delegate to such committees any of the authority of the Board except with respect to:

- (a) The filling of vacancies on the Board or on any committee;
- (b) The amendment or repeal of Bylaws or the adoption of any new Bylaws;
- (c) The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable;
- (d) The appointment of other committees of the Board or the members thereof; or
- (e) The approval of any self-dealing transaction, as such transactions are defined in Section 5233(a) of the California Nonprofit Public Benefit Corporation Law.

Any such committee must be created, given its charge, and the members thereof appointed, by resolution adopted by a majority of the Directors then in office, provided a quorum is present. The Chair of the Board will appoint the Chair of each committee.

Non-Board members may become voting members of committees, except those authorized to act on behalf of the Board; however, the total Committee Membership must consist of a majority of Board members.

Section 2. Committee Procedures

The Board shall have the power, consistent with applicable law, to prescribe the manner in which proceedings of any such committee shall be conducted. In the absence of such prescription, such committee shall have the power to prescribe the manner, not inconsistent with the Bylaws, in which its proceedings shall be conducted. Minutes shall be kept of each meeting of each committee.

Section 3. Removal of Members

The Board of Directors may remove at any time, with or without cause, a member or members of any committee.

Section 4. Executive Committee

(a) Executive Committee Composition: The members of the Executive Committee include the officers of the corporation and other Board members with the consent of the Board. In the event that the University Vice President for Finance and Administrative Services, as a designated Director, is not an officer, he/she shall be a member and Chair of the Executive Committee. The Executive Committee may select a nonvoting standing liaison to the Committee from management.

(b) When it is not convenient for the Board of Directors to act by Special Meeting, the Executive Committee shall have and exercise the authority of the Board in the management of the corporation, except the power and authority to adopt, amend or repeal these Bylaws, or such other powers as may be prohibited by law, by the Articles of Incorporation or by these Bylaws. The Executive Committee shall have such additional powers as the Board of Directors shall from time to time prescribe or direct; provided, however, the Executive Committee may not authorize the expenditure of more than ~~\$50,000~~ \$100,000 without the prior approval of the Board of Directors. In all cases, the Executive Committee shall promptly report to the Board any actions taken on behalf of the corporation.

Section 5. Audit Committee

At all times that this corporation is required by applicable law to have an independent audit, or at any time the corporation voluntarily chooses to do so, the corporation shall have an Audit Committee consisting of at least two Directors and which may include nonvoting advisors. Directors who are employees of the corporation or who receive, directly or indirectly, any consulting, advisory, or other compensatory fees from the corporation (other than for service as Director) may not serve on the Audit Committee. The Board Chair and Treasurer, if also Directors, may serve on the Audit Committee only if such persons are volunteers and are not compensated by this corporation. The Audit Committee shall perform the duties and adhere to the guidelines set forth from time to time by the Board. These duties include, but are not limited to: (i) assisting the Board in choosing an independent auditor and recommending termination of the auditor, if necessary, (ii) negotiating the auditor's compensation, (iii) conferring with the auditor regarding the corporation's financial affairs, and (iv) reviewing and accepting or rejecting the audit. Members of the Audit Committee shall not receive compensation for their service on the Audit Committee in excess of that provided to Directors for their service on the Board. If the corporation has a Finance Committee, a majority of the members of the Audit Committee may not concurrently serve as members of the Finance Committee, and the Chair of the Audit Committee may not serve on the Finance Committee.

Section 6. Advisory Committees

The Board may establish one or more advisory committees to the Board. The members of any advisory committee may consist of directors or non-directors. Advisory committees may not exercise the authority of the Board to make decisions on behalf of the corporation, but shall be limited to making recommendations to the Board or the Board's authorized representatives and to implementing Board decisions and policies. Advisory Committees shall be subject to the supervision and control of the Board.

ARTICLE VI OFFICERS AND MANAGEMENT

Section 1. Officers

The officers of the corporation shall be the Board Chair, Board Vice Chair, Secretary, and Treasurer. Any person may hold more than one office, except that the Board Chair may not serve concurrently as the Secretary or Treasurer. The corporation, at the discretion of the Board of Directors, may have additional officers.

Section 2. Election of Officers

The officers of the corporation shall be elected annually by the Board of Directors at its annual meeting and shall assume their offices following the annual meeting. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office for a term of one (1) year and until a successor shall have been elected, unless an officer shall sooner resign, be removed, or become ineligible to continue to serve in such capacity, or as a Director. Elected officers may serve as many successive one (1) year terms as the Board of Directors deems appropriate.

Section 3. Removal and Resignation

Any officer may be removed either with or without cause by a majority of the Directors then in office at any regular or special meeting of the Board. Any officer may resign at any time by giving written notice to the Board Chair or the Secretary of the corporation and the acceptance of such resignation shall not be necessary to make it effective. Should a vacancy occur in any office as a result of death, resignation, removal, disqualification or any other cause, the Board may delegate the powers and duties of such office to any officer or to any Director, except as provided in Section 1, until such time as a successor for such office has been elected.

Section 4. Board Chair

The Board Chair shall preside at all meetings of the Board, and shall have such other powers and perform such other duties as the Board of Directors may determine from time to time.

Section 5. Board Vice Chair

The Board Vice Chair shall perform the duties of the Board Chair in the Board Chair's absence, including presiding at meetings of the Board of Directors, and shall have such other powers and perform such other duties as may be specified by the Board of Directors.

Section 6. Secretary

The Secretary shall act, or designate one or more persons to act, as the clerk to the Board of Directors. The Secretary shall keep, or cause to be kept by delegation, a book of minutes at the principal office of all meetings of the Directors with the time and place of holding, whether regular or special, and if special how authorized, the notice thereof given, the names of those present at Directors' meetings and the proceedings thereof. The Secretary shall give, or cause to be given by delegation, notice of all the meetings of the Board of Directors required by these Bylaws or by law to be given and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors.

Section 7. Treasurer

The Treasurer shall be the corporation's Chief Financial Officer. The Treasurer shall keep and maintain, or cause to be kept and maintained by delegation, adequate and correct books and records of accounts of the corporation's property and business transactions. The Treasurer shall have such other powers and perform such other duties as are customarily vested in a corporation's Chief Financial Officer or as the Board of Directors may determine from time to time. In the absence or inability of the Secretary to perform his or her duties, the Treasurer is authorized to act in the place of the Secretary. Actions taken by the Treasurer on behalf of the Secretary will be reported in writing to the Board Chair, Board Vice Chair, and Secretary in a timely manner.

Section 8. Management: Executive Director

The Executive Director of the corporation shall be the corporation's Chief Executive Officer and shall supervise, direct, and carry out the programs of the corporation in accordance with and subject to the direction and control of the Board of Directors. The Executive Director shall have such other management authority and perform such other duties as the Board of Directors shall determine from time to time.

ARTICLE VII
INDEMNIFICATION OF DIRECTORS, OFFICERS,
EMPLOYEES AND OTHER AGENTS

Section 1. Right of Indemnification

This corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any action or proceeding by reason of the fact that such person is or was an Officer, Director, or agent of this corporation, or is or was serving at the request of this corporation as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, or other enterprise, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding, to the fullest extent permitted under the California Nonprofit Corporation Public Benefit Law.

Section 2. Approval of Indemnity

In determining whether indemnification is available to the Director, Officer, or agent of this corporation under California law, the determination as to whether the applicable standard of conduct set forth in Corporations Code Section 5238 has been met shall be made by a majority vote of a quorum of Directors who are not parties to the proceeding. If the number of Directors who are not parties to the proceeding is less than two-thirds of the total number of Directors seated at the time the determination is to be made, the determination as to whether the applicable standard of conduct has been met shall be made by the court in which the proceeding is or was pending.

The indemnification provided herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled, and shall continue as to a person who has ceased to be an agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 3. Advancement of Expenses

To the fullest extent permitted by law, expenses incurred by a person seeking indemnification under these bylaws in defending any proceeding covered by those Sections shall be advanced by the corporation before final disposition of the proceeding, on receipt by the corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the corporation for those expenses.

Section 4. Insurance

This corporation shall have the power and shall use its best efforts to purchase and maintain insurance on behalf of any Director, Officer, or agent of the Corporation, against any liability asserted against or incurred by the Director, Officer, or agent in any such capacity or arising out of the Director's, Officer's, or agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under Article VII, Section 1 of these Bylaws; provided, however, that the corporation shall have no power to purchase and maintain such insurance to indemnify any Director, Officer, or agent of the corporation for any self-dealing transaction, as described in Corporations Code Section 5233.

ARTICLE VIII RECORDS AND REPORTS

Section 1. Maintenance and Inspection of Articles of Incorporation and Bylaws

The corporation shall keep at its principal executive office, the original or a copy of the Articles of Incorporation and Bylaws, as amended to date, which shall be open to inspection by the Directors at all reasonable times during office hours.

Section 2. Maintenance and Inspection of Other Corporate Records

The accounting books, records and minutes of proceedings of the Board of Directors and any

committee(s) of the Board of Directors shall be kept at such place or places designated by the Board of Directors or, in the absence of such designation, at the principal executive office of the corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed or printed form. The minutes and accounting books and records shall be open to inspection by any Director at any reasonable time during usual business hours.

Section 3. Inspection by Directors

Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of every kind and the physical properties of the corporation and any subsidiary corporation. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

Section 4. Annual Reports and Financial Statements

The corporation shall engage a qualified certified public accountant to perform an annual audit to standards and reporting requirements set by the Chancellor's Office in conformity with California Education Code Section 89900.

Consistent with California Corporations Code Section 6210, the corporation shall cause to be sent to the Directors not later than 120 days after the close of its fiscal year, an audited report containing the following information in reasonable detail:

- (a) The assets and liabilities, including endowment funds, of the corporation as of the end of the fiscal year.
- (b) The principal changes in assets and liabilities, including endowment funds, during the fiscal year.
- (c) The revenue or receipts of the corporation for the fiscal year.
- (d) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year.

As well as any information required by Section 6322 of the California Corporations Code relating to annual statements of certain transactions and indemnifications.

The corporation shall otherwise fully comply with any mandatory disclosure requirements now or hereafter in effect under the California Nonprofit Public Benefit Corporation Law.

ARTICLE IX GENERAL PROVISIONS

Section 1. Execution of Contracts

The Board of Directors may authorize one or more officers, agents or employees to enter into any contract or to execute any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances and, unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement, to pledge its credit or to render it liable for any purpose or in any amount.

Section 2. Checks, Drafts or Other Orders for Payment of Money

All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable to the corporation and any and all securities owned or held by the corporation requiring signature for transfer shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by the Board of Directors.

Section 3. Compensation of Directors

No Director shall receive any salary or other similar compensation for any services as a Director; however, the Board of Directors may authorize in advance the reimbursement of actual and necessary expenses incurred by individual Directors for performing duties as Directors.

Section 4. Voting Shares

The corporation may vote any and all shares held by it in any other corporation by such officer, agent or proxy as the Board of Directors may appoint, or in default of any such appointment, by its Chair or by any Vice Chair and, in such case, such officers, or any of them, may likewise appoint a proxy to vote said shares.

Section 5. Fiscal Year

The fiscal year of the Corporation shall end on June 30.

ARTICLE X
LOANS AND FINANCIAL INTERESTS

Section 1. Loans to Directors and Officers

This corporation shall not lend any money or property to or guarantee the obligation of any director or officer without the approval of the California Attorney General, provided, however, that the corporation may advance money to a director or officer of the corporation for expenses reasonably anticipated to be incurred in the performance of his or her duties if that director or officer would be entitled to reimbursement for such expenses by the corporation.

Section 2. Restriction on Interested Persons as Directors

No more than 49 percent of the persons serving on the board may be "interested persons." An interested person is (1) any person compensated by the corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent

contractor, or otherwise, excluding any reasonable compensation paid to a director as director; and (2) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of this paragraph shall not affect the validity or enforceability of transactions entered into by the corporation.

Section 3. Standards of Conduct and Financial Interests

(a) Directors are held to financial interest standards relating to Board actions as set forth in Education Code Sections 89906-89909.

(b) Directors are held to the standards of conduct and the transaction self-dealing requirements set forth Corporations Code Sections 5230 and 5233 respectively.

ARTICLE XI SUPPORTING ORGANIZATION RESTRICTIONS

This corporation shall not accept any contribution from any “prohibited person.” For purposes of this Section, a “prohibited person” is (i) a person who controls, directly or indirectly, either alone or with persons listed described in (ii) and (iii) below, the governing body of this corporation or any successor organization pursuant to the Articles; (ii) a member of the family of an individual listed in (i) above; or (iii) a corporation, partnership, trust, or estate more than 35 percent of which is actually or constructively controlled by persons described in (i) or (ii) above. For purposes of this Section, a member of an individual’s family includes his or her spouse, ancestors, children, grandchildren, great-grandchildren, and spouses of children, grandchildren, and great-grandchildren, as well as the individual’s brothers and sisters, by whole or half blood, and their spouses

ARTICLE XII AMENDMENTS

These Bylaws may be adopted, amended, or repealed by a majority vote of the entire Board of Directors, with the written concurrence of the University President. ~~These Bylaws may be amended at any regular meeting by a majority of the total membership of the Board of Directors.~~

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify under penalty of perjury:

- 1. That I am the duly elected and acting Secretary of the California State University San Marcos Corporation, a California Nonprofit Public Benefit corporation; and
- 2. That the foregoing Bylaws, effective July 1, 2017, constitute the Bylaws of said corporation as duly amended at a meeting of the Board of Directors thereof duly held on the May 25, 2017.

IN WITNESS WHEREOF, I have hereunto subscribed my name on this __th day of _____, ~~20~~2017.

~~Graham Oberem~~
Secretary

ATTACHMENT E

Revised Sponsored Projects Committee Charge



Sponsored Projects Committee Charge

Background and Purpose

In order to provide appropriate levels of service and assistance to the University in seeking grant proposals and in administering grant awards, California State University San Marcos Corporation (CSUSM Corporation) establishes financial goals and policies for administration of grants. CSUSM Corporation works closely with the ~~University's Associate Vice President for Research~~ Dean of Graduate Studies and Research in establishing goals and policies and/or procedures, particularly when the policies and/or procedures require review by University administration.

Delegation of Authority and Responsibility

The Board delegates to the Sponsored Projects Committee the responsibility to recommend financial goals to the CSUSM Corporation Board of Directors for externally-funded projects and to periodically review policies and procedures which affect CSUSM Corporation and/or University in the areas of grants development or administration.

The Sponsored Projects Committee will review, with the assistance of CSUSM Corporation management and staff, the financial level of proposed and awarded externally-funded projects and the administrative policies and procedures affecting grant development and administration. The Sponsored Projects Committee will have at least one meeting per semester and will report and make recommendations at Board meetings.

Sponsored Projects Committee Membership

Membership will consist of at least three CSUSM Corporation Board members, the ~~University's Associate Vice President for Research~~ Dean of Graduate Studies and Research, the Executive Director of CSUSM Corporation, and may have at least two voting, non-Board members who are a faculty principal investigator, internal to the University. The non-Board voting members may serve two consecutive, 2-year terms. The committee will be staffed by CSUSM Corporation. The meeting quorum consists of 50% of the committee membership.

ATTACHMENT F

Revised Joint Audit Committee Charge

**California State University San Marcos Corporation
California State University San Marcos Foundation
California State University Associated Students Inc.**

Joint Audit Committee Charge

Background and Purpose

The Joint Audit Committee (~~“the JAC”~~) oversees internal financial control practices, corporate compliance activities, and outside auditors for the Boards of Directors of the California State University San Marcos Corporation (~~“CSUSM Corporation”~~), the California State University San Marcos Foundation (~~“Foundation”~~) and Associated Students Inc. of California State University San Marcos (~~“ASI”~~) respectively. The JAC has been formed by formal action of each Board to gain time and effort efficiencies, reduce audit costs and take advantage of common audit attributes.

Delegation of Authority and Responsibility

The respective Boards authorize JAC to:

- Review and assess the adequacy of the JAC ~~C~~harge ~~S~~tatement and recommend changes to the respective Boards for joint approval.
- Participate in the selection or discharge of the external auditor.
- Review policies and procedures as needed for the purpose of assuring the adequacy of internal controls and financial operating procedures.
- Review the annual audited financial statements with the independent audit firm, including any issues encountered in conducting the audit and make a recommendation to the respective Boards.
- Review the annual exempt organization returns (IRS Forms 990/990T), prepared by the independent audit firm in conjunction with the annual financial audit and make recommendations to the respective Boards.
- Review and discuss any management letter or any communication letters provided by the outside auditor and responses provided by management.
- Report to the respective auxiliary Boards and make recommendations to the Boards periodically on matters within the Charge Statement.
- Call closed meetings to discuss with independent audit firm representatives or any member of management of the participating organizations as may be required under circumstances within the Charge Statement.
- Report to any or all of the respective Boards as circumstances may require, such matters as conflict of interest, private inurement or other insider transactions, the use of the organization’s funds for illegal

payment, and any other questionable practices that may come to the attention of the JAC.

- Inform the respective Boards of developments in accounting principles that will affect the auxiliaries, as well as relevant rulings by the IRS and other regulatory bodies.

Audit Committee Membership

The JAC will be composed of at least six members: Two (2) Board members appointed from and by each respective Board. Board chairs and treasurers (including CFOs) may not serve on the JAC.

The JAC may include additional respective Board members or persons who are non-Board members, as the JAC may determine. Each Board shall appoint JAC members for terms specified by each participating organization.

The JAC Chair shall be a CSUSM Corporation Board member appointed by the CSUSM Corporation Board Chair. The JAC Chair may not serve simultaneously as a finance committee member of an appointing Board.

No JAC member shall be a member of a finance committee of respective Board. The JAC will not include members of a participating organization or University staff, although staff members are permitted to attend meetings.

Meetings

JAC meetings shall be conducted consistent with the open meeting law requirements of the respective Boards. The JAC may adopt implementing meeting procedures.

A quorum will consist of 50% of the total JAC membership.

The JAC will meet at least three times each fiscal year: prior to audit work beginning, to receive the annual financial audit reports and to review tax returns. Additional meetings will be held as required.

At the end of ~~each~~ meetings pertaining to audit, time will be provided in which the Committee may converse separately with audit firm representatives without the presence of staff.

Approvals:

By CSUSM Corporation: Board Meeting Minute Action on: September 14, 2017

By CSU San Marcos Foundation: Board Meeting Minute Action on: December 14, 2017.

By Associated Student, Inc. of CSU San Marcos: Board Meeting Minute Action on: November 3, 2017.

Pending approval at the Board of Directors meeting 9/23/20

Approved at the Board of Directors Meeting 091417

Revision to make name change and other updates **8/30/17**

Revision to remove UCorp only effective 8/12/14 on **01/20/16**

Revision for UARSC/ASI only approved by JAC Committee on 08/13/13, effective date tbd

Revision approved by JAC Committee on **08/13/13**

Revision approved by the CSUSM Foundation (philanthropic) Board of Directors on **6/9/10**

Revision approved by the UARSC Board of Directors on **5/27/10**

Revision approved by the ASI Board of Directors on **5/24/10**

Revision approved by the San Marcos University Corporation Board of Directors on **4/14/10**

Revision approved by the UARSC Board of Directors on **3/25/10**

Revision approved by the new CSUSM Foundation (philanthropic) Board of Directors on **3/12/10**

Name change revision only (CSUSM Foundation to UARSC) **7/09**

Revision approved by the CSUSM Foundation (UARSC) Board of Directors on **8/24/0**

Revision approved by the San Marcos University Corporation Board of Directors on **7/12/06**

Approved by the CSUSM Foundation (UARSC) Board of Directors on **5/26/05**

Approved by the San Marcos University Corporation Board of Directors on **4/20/05**

ATTACHMENT G

Revised Finance & Operations Committee Charge



Finance and Operations Committee Charge

Background and Purpose

The financial management of California State University San Marcos Corporation (CSUSM Corporation) requires that the Board institute accounting and reporting systems for proper management of business operations and implement financial standards which will assure the fiscal viability of the organization. This includes ~~proper~~ provision for professional management, adequate working capital, adequate reserve funds for current operations and capital replacements, adequate provisions for new business requirements, and investment of funds not required for daily operations, including but not limited to reserves and campus program funds.

The Finance and Operations Committee's primary purpose is to provide financial and investment oversight of CSUSM Corporation fiscal matters, ~~periodic~~ review of [the annual budget, the policies, Corporate Investment Policy, business plans](#), regular financial and investment reports to the Board, ~~and to make.~~ [Make](#) recommendations to the Board of Directors on financial and administrative operations of CSUSM Corporation.

Delegation of Authority and Responsibility

The Board delegates to the Finance and Operations Committee the authority to act as an extension of the Board to ensure the fiscal viability of CSUSM Corporation and to assist the Board in helping to fulfill the Board's fiduciary roles as trustee of invested funds and other liquid assets held by CSUSM Corporation .

The Finance and Operations Committee will review, with the assistance of CSUSM Corporation management and staff, the financial condition, administrative operations, and effectiveness of the Corporate Investment Policy and management practices of CSUSM Corporation in order to relieve the full Board from being involved in the ongoing evaluation process. The Board retains ultimate responsibility to make investment program policy decisions.

The Finance and Operations Committee will meet at least twice a year with additional meetings called as needed. The Committee will report and make recommendations at Board meetings.

Threshold for Board Action

In order to ensure efficient management of CSUSM Corporation, when funds are available for reallocation or expenditure within the parameters of the existing Operating Budget, and do not exceed \$100,000 in the aggregate, the Committee will report such reallocations or expenditures to the Board. Reallocations or expenditures above the \$100,000 threshold will be submitted to the Board for approval.

Finance and Operations Committee Membership

Membership will consist of the University's Vice President for Finance and Administrative Services, at least three other Board members, and the Executive Director of CSUSM Corporation as a voting non-Board member. The Committee will be staffed by CSUSM Corporation. A meeting quorum will consist of 50% of the Committee membership.

Pending approval at the Board of Directors Meeting 092320

Approved at the Board of Directors Meeting 091417

Revision Dates: 08/16/00; 01/29/09; 10/28/10, 9/14/17

Issue Date: 01/23/97

ATTACHMENT H

Revised Innovation Hub Advisory Committee Charge



Innovation Hub Advisory Committee Charge

Background and Charge

The auxiliary support functions of the CSUSM Corporation are expanding to include activities that assist faculty, students, staff and industry partners with a variety of innovative functions including research, business development, student start-ups, and commercialization of technology.

The Board of Directors has determined that a standing committee will provide needed advice relating to this important University support function.

The Innovation Hub Advisory Committee is charged to recommend to the Board space location(s), layout and function to support innovative activities; recommend steps to develop program, management and operations that support the implementation of innovative and creative practices.

Authority and Responsibility

The Innovation Hub Advisory Committee is established under CSUSM Corporation Bylaws Article V, Section 6. Advisory Committees. Regular meetings shall generally be held quarterly with special meetings called by the Committee Chair as needed. The Committee is responsible for compliance with applicable meeting procedures established by the Board, and making timely reports and recommendations to the Board through the Committee Chair.

Committee Composition, Chair & Meetings

The Board's Innovation Advisory Committee shall be composed of the following:

1. ~~At least three~~ **Four (4)** ~~m~~Members of the Board of Directors appointed by the Board;
2. **CSUSM** Corporation Executive Director;
3. Dean Graduate Studies and Research;
4. ~~At least T~~**wo (2)** ~~n~~Non-Board Members **internal to the University**

The Chair and Vice Chair of the Committee will be appointed by the Board. A meeting quorum for purposes of conducting business is a majority of the Committee membership.

ATTACHMENT I

Executive Director Delegation

**EXECUTIVE SERVICES AGREEMENT BETWEEN
CALIFORNIA STATE UNIVERSITY SAN MARCOS CORPORATION
AND
CALIFORNIA STATE UNIVERSITY SAN MARCOS**

This Executive Services Agreement (“AGREEMENT”) is made and entered into between the California State University Corporation (“AUXILIARY”) acting in its capacity as an authorized auxiliary organization, and the California State University San Marcos (“UNIVERSITY”), each as a “Party” and collectively the “Parties”, for assignment of a University employee for executive services to the AUXILIARY. This AGREEMENT is effective from the date of original assignment.

EXPLANATORY STATEMENTS

- A. The AUXILIARY is as a recognized auxiliary organization of UNIVERSITY and is authorized to provide various services to the UNIVERSITY pursuant to California Education Code §89900 et seq. and the California Code of Regulations (CCR) Title 5, § 42400 et seq.
- B. Pursuant to an Operating Agreement with UNIVERSITY, AUXILIARY has agreed to operate its organization in accordance with all applicable laws, regulations and CSU and Campus rules, regulations and policies.
- C. The UNIVERSITY Chief Financial Officer (CFO) or their designee is recognized as the delegated authority from the UNIVERSITY having responsibility to ensure AUXILIARY compliance with objectives stated in CCR Title 5, §42401, as well as CSU and UNIVERSITY policy.
- D. AUXILIARY, as a recognized auxiliary organization of UNIVERSITY, may contract with UNIVERSITY for services to be performed by state employees for the benefit of AUXILIARY pursuant to said Operating Agreement between AUXILIARY and UNIVERSITY.
- E. To ensure AUXILIARY compliance and effectively integrate the operations and activities of the AUXILIARY with the operations and policies of UNIVERSITY, AUXILIARY desires to contract with the UNIVERSITY to provide executive management services as necessary to carry out the duties and responsibilities of Executive Director and CEO of AUXILIARY (“Executive”).
- F. This AGREEMENT implements March 13, 2017 staffing arrangement guidance by the Executive Vice Chancellor and General Counsel.

NOW, THEREFORE, in respect to the foregoing Explanatory Statement, which are incorporated into and made a part of this Agreement, the AUXILIARY and UNIVERSITY, in consideration for the various obligations set forth in this AGREEMENT, agree to the following terms and conditions:

TERMS AND CONDITIONS

1. **Scope of Services.** UNIVERSITY shall assign a University executive employee (“Executive”) to act as and perform the duties of Executive Director of the AUXILIARY and cause Executive to provide management services in support of the AUXILIARY’s Board of Directors, the UNIVERSITY President, and the UNIVERSITY’s Chief Financial Officer, having responsibility for fiscal and administrative oversight of the auxiliary. The Executive Director is the key management leader of the AUXILIARY responsible for overseeing the administration, programs, and strategic plan of the organization. Also, as a key member of the UNIVERSITY’s management team, Executive will ensure effective integration of the operations and activities of the AUXILIARY with the operations and policies of UNIVERSITY in furtherance of the UNIVERSITY’s educational mission. Executive will perform their duties in conformity with the reasonable and appropriate directions of the Board. Executive will devote such time as necessary to effectively carry out the business and affairs of the AUXILIARY (the “Services”).

- 1.1. **Strategic Management and Board Governance.** Work with UNIVERSITY CFO and AUXILIARY Board of Directors to fulfill the mission of the organization. Provide advice on the practicality of the Board's vision based on knowledge of the AUXILIARY's budget, resources and staff expertise. Facilitate Board development including recommending and recruiting board members for approval and appointment by the UNIVERSITY President.
- 1.2. **Financial Performance and Viability.** Develop resources sufficient to ensure the financial health of the AUXILIARY. Responsible for fiscal integrity including submission to the Board of a proposed annual budget which accurately reflects the financial condition of the AUXILIARY.
- 1.3. **Auxiliary Operations.** Provide day-to-day management and execution of operational responsibilities including strategic decision making and oversight to ensure conformity with the AUXILIARY's mission and purpose, directives of the Board, and as required by its bylaws and policies.
2. **Official Assignment and Delegation of Duties.** It shall be the responsibility of the UNIVERSITY president, or their designee, in consultation with the AUXILIARY governing board, to make such assignment and delegation of Executive as required for a state employee to provide the Services contemplated under this Agreement.
 - 2.1. Supervision. It shall be the responsibility of UNIVERSITY to hire, retain, supervise, evaluate, set compensation, and otherwise determine how to fulfill the obligations of the UNIVERSITY to provide the Services.
 - 2.2. Assignment. Under the terms and conditions of the AGREEMENT, the University president assigns Bella Newberg as Executive to serve as the AUXILIARY Executive Director, together with the commensurate delegation of duties.
3. **Term.** The term of this agreement is ends June 30, 2025, the ("Term"). Upon expiration of the Term, this Agreement shall automatically renew on a month-to-month basis unless either Party provides thirty (30) days' notice of intent to terminate pursuant to Section 10 of this Agreement.
4. **Fee.** As the Fee for Services, ("Fee") AUXILIARY shall fully reimburse UNIVERSITY for all actual costs associated with appointment and retention of Executive providing the Services in accordance with CCR Title.5, §42502(f). Fees will be assessed monthly to AUXILIARY for the previous month, with payment due within 30 days of the invoice notice.
5. **Independent Contractor.** It is the express intention of the parties that UNIVERSITY is an independent contractor and neither UNIVERSITY nor Executive are employees of the AUXILIARY. UNIVERSITY reserves the right to determine the method, manner and means by which the Services will be performed. Unless specifically requested by the AUXILIARY, UNIVERSITY is not required to perform the Services on a fixed hourly or daily time basis.
6. **Insurance and Indemnification.** The AUXILIARY will maintain appropriate insurance coverage. The AUXILIARY will indemnify, defend and hold Executive and UNIVERSITY harmless against any claims, costs (including legal fees) or liabilities respecting Executive or UNIVERSITY actions on behalf of the AUXILIARY in carrying out the Services.
7. **Confidentiality of Information.** UNIVERSITY agrees that all confidential or proprietary information with respect to the activities and businesses of the AUXILIARY including, without limitation, personnel information, business plans, marketing plans, forecasts, strategies and information which have been or are learned by Executive in the course of its employment by the AUXILIARY (collectively, "PROPRIETARY INFORMATION") will be kept and held in confidence and trust by UNIVERSITY. UNIVERSITY will not use or disclose Proprietary Information except as necessary in the normal course of the business of the AUXILIARY for its sole and exclusive benefit, unless UNIVERSITY is compelled to disclose by law, in which case UNIVERSITY will first notify the AUXILIARY promptly after receipt of a demand to disclose. UNIVERSITY agrees and acknowledges that it will cause Executive to comply with the terms of Section 7 of

this Agreement.

8. **Amendments.** This Agreement may be modified or amended in writing signed by authorized signatories of the Parties, including changes altering, adding to, or deducting from the Agreement terms and conditions, provided that such changes are within the general scope of services contemplated under this Agreement.
9. **Waiver.** A waiver by either party of any terms or conditions, provisions, or covenants of this Agreement in any instance shall not be deemed or construed to be a waiver of any such term, condition, provision, or covenant for the future, or of any subsequent breach of same. All remedies, rights, undertakings, obligations, and agreements contained in this Agreement shall be cumulative and shall not be in limitation of any other right, remedy, undertaking, obligation, or agreement of either Party.
10. **Termination.** This agreement may be terminated by either Party upon thirty (30)-days' written notice to the other Party. Upon termination, the UNIVERSITY shall calculate the amount owed by the AUXILIARY through the date of termination based upon the Fees then due as stated in Section 4, plus any reasonable itemized closeout costs.
11. **Notices Required by Agreement.** Any notice, request, claim or other communication required or permitted hereunder will be in writing and will be deemed to have been duly given if delivered by hand, via campus mail, or if sent by US Mail to the following address:

TO AUXILIARY:
[Title]
[Address]

TO UNIVERSITY:
[Title]
[Address]
12. **Force Majeure.** Neither Party shall be in default by reason of any failure in performance of this Agreement in accordance with reasonable control and without fault or negligence on their part. Such causes may include, but are not restricted to, acts of nature or the public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, but in every case the failure to perform such must be beyond the reasonable control and without the fault or negligence of the party.
13. **Assignment.** This Agreement shall not be assigned, in whole or in part, by either Party without the written consent of the other Party; provided, however, that such consent shall not be unreasonably withheld.
14. **Counterparts.** This Agreement may be executed in counterparts all of which taken together shall constitute one and the same Agreement. The exchange of copies of this Agreement by electronic mail in "portable document format" (.PDF) form or by other similar electronic means shall constitute effective execution and delivery of this Agreement and shall have the same force and effect as copies executed and delivered with original signatures.
15. **Resolution of Disputed Claims.** Disputed claims between AUXILIARY and UNIVERSITY, for which prompt written notice has been given followed by adequate supporting data within a reasonable time, shall be settled by an informal conference to meet and confer for settlement of the issues in dispute.
16. **Entire Agreement.** This Agreement, together with any exhibits or amendments affixed hereto, constitutes the sole and entire agreement of the Parties to this Agreement with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.

THIS AGREEMENT is entered into by the AUXILIARY and UNIVERSITY as set forth by the terms and conditions herein.

CALIFORNIA STATE UNIVERSITY SAN MARCOS

By: _____

Date: _____

[Title]

CALIFORNIA STATE UNIVERSITY SAN MARCOS CORPORATION

By: _____

Date: _____

[Title]

DRAFT

ATTACHMENT J

Minutes of the June 25, 2020 Regular Meeting



Minutes of the Regular Meeting of the Board of Directors June 25, 2020

There was no physical location due to Executive Order N-25-20 issued March 17, 2020 relating to the convening of public meetings in response to the COVID-19 pandemic.

Attendees (All attendees attended via Zoom)

Members: Cynthia Chavez Metoyer, Sarah Villarreal, Neal Hoss, Jason Schreiber, Charles De Leone, Ranjeeta Basu, Ann Bersi, Michael Garrett, Christopher Thibodeau (@ 10:10)

Members Absent: None

Staff: Bella Newberg, Cynthia Fenimore, Deborah Davis, Janelle Temnick, Janine Prior, Michelle Hinojosa, Brenda Hovis

Guests: Malik Ismail, Marcia Agnew

Convening of the Regular Meeting

A quorum being present, Chair Chavez Metoyer called the meeting to order at 10:05 a.m. and welcomed the Directors, staff and guests.

Minutes of the February 27, 2020 Regular Meeting

A motion was made and seconded (Schreiber/Bersi) to approve the minutes of the Regular Meeting, February 27, 2020. Motion carried.

Correction noted, per De Leone, regarding the Consent Agenda, item IV. E. The Form 990 Tax Return FY 18/19 Ratification (Attachment G) was listed in error and removed. The CSUSM Corporation Form 990 Tax Return FY 18/19 was approved at the February 27, 2020 Regular meeting.

Reporting Items

Administration Update

Newberg reported on how Covid-19 has impacted CSUSM Corporation and what has taken place since the start of telecommuting. Newberg provided a Follett update regarding graduation sales, current on-line sales and on-line books. Planning is underway regarding how the Extended Learning Building can be utilized to support classes and labs. Newberg reported that the Office of Sponsored Projects continues to move forward successfully and that updates are being made to some Corporation forms and procedures to align with the campus.

University Update

Villarreal gave a budget update and reported that the Fall Plan CSUSM submitted to the Chancellors Office was approved. The approval provides a clear path forward on how the needs of our students, faculty and staff will be met.

Finance and Operations Committee Report

Hoss reported that the Finance and Operations Committee met in May and reviewed the items that were discussed. Hoss reported that in addition to being approved for the Paycheck

Protection Program loan CSUSM Corporation applied for, the University has received other Federal stimulus funds as follows, 8M for direct aid to students, 8M to help offset any Covid-19 related costs and 1M due to CSUSM being a minority serving institution.

Written Committee Reports (Attachment B)

Chavez Metoyer opened the meeting to any questions or concerns regarding the Innovation Hub Advisory Committee, the Sponsored Projects Committee or the Student Housing Advisory Committee written update reports that were sent prior to the meeting.

Consent Agenda

Chavez Metoyer explained that a Consent Agenda was included as Item IV in the meeting agenda and that the purpose of the Consent Agenda is to save time. Chavez Metoyer asked if anyone wanted to move an item from the Consent Agenda to the Regular Agenda.

There being none, *a motion comes moved and seconded (De Leone/Bersi) to approve the following:*

Forwarded from the Executive Committee

- a. Proposed Corporation Board Member Nomination (Attachment C)
- b. Proposed Board Vice Chair Nomination (Attachment D)
- c. Proposed Corporation Board Committee Nominations (Attachment E)
- d. SBA Loan Approval Resolution (Attachment F)

Forwarded from Joint Audit Committee

- e. Form 990 Tax Return FY 1819 Ratification (Attachment G) – **This item was listed in error and was removed from the Consent Agenda.**

Forwarded from the Finance and Operations Committee

- f. Investment Report 3/31/20 (Attachment H)
- g. Quarterly Financial Report & Summary 3/31/20 (Attachment I)
- h. Travel Policy Revisions (Attachment J)

Motion carried.

Action Item

FY20/21 CSUSM Corporation Operating Budget (Attachment K)

Newberg reported that along with the budget reports a written document was prepared to explain the impact Covid-19 has had and will continue to have on the financials of the Corporation. Prior reviewed the written document and the budget summaries sent prior to the meeting as attachment K. Newberg reported that the budget will be reviewed monthly due to the current situation related to Covid-19 being so fluid.

A motion was made and seconded (Bersi/De Leone) to approve the FY20/21 CSUSM Corporation Operating Budgets as presented. Motion carried.

Revised Procurement Policy (Attachment L)

Temnick reviewed the draft revised Procurement Policy highlighting the major revisions.

A motion was made and seconded (Bersi/Schreiber) to approve the draft revised Procurement Policy as presented. Motion carried.

Revised Hospitality Policy (Attachment M)

Temnick reviewed the draft revised Hospitality Policy highlighting the major revisions. CSUSM Corporation is revising several of their policies to more closely align with campus.

A motion was made and seconded (Schreiber/Bersi) to approve the draft revised Hospitality Policy as presented. Motion carried.

New Compensation Policy (Attachment N)

Hinojosa reviewed the draft Employee Compensation Policy sent prior to the meeting and stated that the new policy will replace the Compensation Guidelines. In the draft policy under section II, Retirement Benefits, Bersi asked for more clarity on what an executive employee would be and how retirement benefits would affect that person. After discussion, the Board decided an additional footnote stating that it is a requirement for all regular benefited employees to participate in the 403(b) contribution plan would suffice.

A motion was made and seconded (Bersi/De Leone) to approve the draft Employee Compensation Policy as amended adding the additional footnote. Motion carried.

Proposed FY20/21 Board Meeting Calendar

Chavez Metoyer asked if there were any concerns regarding the meeting dates on the proposed Board meeting calendar. There were none.

A motion was made and seconded (De Leone/Schreiber) to approve the proposed FY20/21 Board Meeting Calendar as presented. Motion carried.

Adjournment of Regular Meeting

Meeting adjourned at 11:33 a.m.

A motion was made and seconded (Schreiber/Bersi) to adjourn the June 25, 2020 regular Board of Directors meeting and move into a Closed Session. Motion carried.

Closed Session

A new Zoom link was created and sent only to the Directors to convene the closed session.

Jason Schreiber
Secretary

Date

ATTACHMENT K

Investment Report 6/30/20

**California State University San Marcos Corporation
Investment Activity for the Quarter Ended June 30, 2020**

CORPORATION ADMIN

TYPE	Beginning Investment Value 3/31/20	Income	Purchases	Maturities and Sales	Cash Withdrawal and Deposits	Change in Market Value	Ending Investment Value 6/30/20	%
CD's	\$ 1,438,244	\$ 11,668	\$ -	\$ (245,000)	\$ -	\$ 1,018	\$ 1,194,263	16%
Mutual Funds	5,814,414	30,584	260,000	-	-	209,350	6,314,349	84%
Cash	3,735	4	-	-	(3,332)	-	407	0%
TOTAL	\$ 7,256,394	\$ 42,256	\$ 260,000	\$ (245,000)	\$ (3,332)	\$ 210,368	\$ 7,509,018	100%

INCOME DETAIL

TYPE (see notes below)	Apr-20	May-20	Jun-20	TOTAL
CD's ⁽¹⁾	\$ 4,016	\$ 7,320	\$ 331	\$ 11,668
Mutual Funds - PIMCO ⁽²⁾	10,349	8,688	6,695	25,732
Mutual Fund - Federated Ultrashort Bond ⁽³⁾	1,784	1,612	1,456	4,852
Cash	0	1	2	4
	<u>\$ 16,150</u>	<u>\$ 17,621</u>	<u>\$ 8,484</u>	<u>\$ 42,256</u>

INVESTMENT EARNINGS SUMMARY

	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4 (thru April)	TOTAL
Income	\$ 79,590	\$ 82,957	\$ 45,599	\$ 42,256	\$ 250,402
Change in Market Value	(15,058)	(24,928)	(188,721)	210,368	(18,338)
CD's Accrued Interest	(9,960)	(4,347)	456	(2,977)	(16,827)
Total Investment Earnings	<u>\$ 54,572</u>	<u>\$ 53,682</u>	<u>\$ (142,665)</u>	<u>\$ 249,647</u>	<u>\$ 215,237</u>

Income Credited to:

Corporation Admin	\$ 55,934	\$ 53,391	(142,665)	\$ 248,292	\$ 214,952
EL/P3 Project	(2,476)	-	-	-	(2,476)
Sponsored Projects	1,114	291	-	\$ 1,356	2,761
Total	<u>\$ 54,572</u>	<u>\$ 53,682</u>	<u>\$ (142,665)</u>	<u>\$ 249,648</u>	<u>\$ 215,237</u>

\$ (0)

NOTES:

- (1) CD's have varying maturities from Aug 2020 - April 2021 and coupons from 2.75% - 3%
(2) Mutual Funds - PIMCO have one year hold from date of purchase; current yield ranging from 1.24% -1.65%
(3) Mutual Funds - Federated Ultrashort/Short Term - 30 day hold period; current yield approximately .82%

Mutual Fund Liquidity		
Liquid	Under Hold Period	Total
\$ 3,428,137	\$ 1,500,000	\$ 4,928,137
1,386,211	-	1,386,211
<u>\$ 4,814,349</u>	<u>\$ 1,500,000</u>	<u>\$ 6,314,349</u>

**California State University San Marcos Corporation
Investment Activity for the Quarter Ended June 30, 2020**

HOUSING

TYPE	Beginning Investment Value 3/31/20	Income	Purchases	Maturities and Sales	Cash Withdrawal and Deposits	Change in Market Value	Ending Investment Value 6/30/20	%
CD's	\$ 492,053	\$ 4,886	\$ -	\$ (245,000)	\$ -	\$ (975)	\$ 246,078	6%
Mutual Funds	\$ 4,787,378	\$ 20,235	\$ 252,000	\$ (1,495,000)	\$ -	\$ 125,865	\$ 3,690,478	94%
Cash	\$ 7,821	\$ 2	\$ -	\$ -	\$ (7,114)	\$ -	\$ 709	0%
TOTAL	\$ 5,287,253	\$ 25,123	\$ 252,000	\$ (1,740,000)	\$ (7,114)	\$ 124,890	\$ 3,937,266	100%

INCOME DETAIL

TYPE (see notes below)	Apr-20	May-20	Jun-20	TOTAL
CD's ⁽¹⁾	\$ 562	\$ 544	\$ 3,780	\$ 4,886
Mutual Fund - Federated Ultrashort Bond ⁽²⁾	\$ 7,845	\$ 7,073	\$ 5,318	\$ 20,235
Cash	\$ 0	\$ 0	\$ 2	\$ 2
	<u>\$ 8,407</u>	<u>\$ 7,617</u>	<u>\$ 9,100</u>	<u>\$ 25,123</u>

INVESTMENT EARNINGS SUMMARY

	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	TOTAL
Income	\$ 16,956	\$ 21,037	\$ 29,735	\$ 25,123	\$ 92,851
Change in Market Value	2,886	(4,575)	(151,723)	124,890	(28,523)
CD's Accrued Interest	2,059	(1,284)	(6,226)	(2,473)	(7,924)
Total Investment Earnings	<u>\$ 21,900</u>	<u>\$ 15,178</u>	<u>\$ (128,215)</u>	<u>\$ 147,540</u>	<u>\$ 56,404</u>

NOTES:

(1) CD's have maturity in August 2020 and coupon of 2.7%

(2) Mutual Funds - Federated Ultrashort/Short Term - 30 day hold period; current yield approximately .82%

Mutual Fund Liquidity		
Liquid	Under Hold Period	Total
\$ 3,690,478	\$ -	\$ 3,690,478
\$ 3,690,478	\$ -	\$ 3,690,478

TOTAL CORPORATION INVESTMENT TOTALS

	Beginning Investment Value 3/31/20	Income	Purchases	Maturities and Sales	Cash Withdrawal and Deposits	Change in Market Value	Ending Investment Value 6/30/20	%
Corporation Admin	\$ 7,256,394	\$ 42,256	\$ 260,000	\$ (245,000)	\$ (3,332)	\$ 210,368	\$ 7,509,018	65.6%
Housing	\$ 5,287,253	\$ 25,123	\$ 252,000	\$ (1,740,000)	\$ (7,114)	\$ 124,890	\$ 3,937,266	34.4%
TOTAL	\$ 12,543,647	\$ 67,379	\$ 512,000	\$ (1,985,000)	\$ (10,446)	\$ 335,258	\$ 11,446,283	100.0%

ATTACHMENT L

Year-End Financial Report
Administrative Operating Summary 6/30/20

California State University San Marcos Corporation
Administrative Operating Summary
7/1/2019 to 6/30/2020

	Annual Budget FY 19/20	Quarter 4 4/1/2020 to 6/30/2020			Fiscal Year To Date 7/1/2019 to 6/30/2020			Comparison of Prior FYTD Actual to Current FYTD Actual		
		Budget	Actual	Variance	Budget	Actual	Variance	Prior FYTD 6/30/2019	Current FYTD 6/30/2020	% Increase (Decrease)
Revenue										
Net Grant/Contract Admin Fees	\$ 1,028,918	\$ 285,359	\$ 285,359	\$ -	\$ 1,028,918	\$ 1,028,918	\$ -	\$ 880,000	\$ 1,028,918	17%
Admin Fees - Campus Programs	120,000	30,000	137,564	107,564	120,000	234,664	114,664	126,858	234,664	85%
Follett-Bookstore Commission	280,000	28,000	28,810	810	280,000	244,046	(35,954)	312,364	244,046	-22%
Sodexo Commission	134,000	31,250	-	(31,250)	134,000	95,381	(38,619)	136,754	95,381	-30%
Other Commercial Services Revenues	157,950	38,863	39,445	583	157,950	130,889	(27,061)	159,771	130,889	-18%
Housing	498,000	124,500	124,500	-	498,000	498,000	-	558,000	498,000	-11%
Summer Revenue	203,651	-	-	-	203,651	203,651	-	153,396	203,651	33%
Center for Children & Family (CCF)	256,500	64,125	66,341	2,216	256,500	265,361	8,861	95,570	265,361	178%
Investment Income	144,325	52,163	249,204	197,042	144,325	214,952	70,627	200,094	214,952	7%
Exchange of Value - CSUSM	293,223	73,306	73,306	-	293,223	293,223	-	300,972	293,223	-3%
Space Rental	3,250	-	-	-	3,250	3,250	-	3,250	3,250	-
Other Revenue	33,533	6,767	8,826	2,060	33,533	30,645	(2,888)	22,248	30,645	38%
Total Revenue	\$ 3,153,350	\$ 734,332	\$ 1,013,355	\$ 279,024	\$ 3,153,350	\$ 3,242,980	\$ 89,630	\$ 2,949,277	\$ 3,242,980	10%
Post-Retirement	\$ 4,795	\$ 1,199	\$ 1,199	\$ (0)	\$ 4,795	\$ 4,795	-	\$ 20,393	\$ 4,795	-76%
Expenses: Admin Operations	3,039,210	853,147	648,087	205,060	3,039,210	2,699,607	339,603	2,640,859	2,699,607	2%
Net Operating Revenues	\$ 109,345	\$ (120,014)	\$ 364,069	\$ 484,083	\$ 109,345	\$ 538,578	\$ 429,233	\$ 288,025	\$ 538,578	87%

ATTACHMENT M

Revised FY20-21 Budget



CSUSM CORPORATION BUDGET – FY20/21 HIGHLIGHTS

CSUSM Corporation Administration (Pages 3-4)

Budgeted Net Loss = (\$524,750), net of PPP Loan assistance offset

Revenue Assumptions:

- **Follett** - University Store remaining open mainly online capacity with limited in-store hours – projecting revenue of \$111k, 40% of prior year budget.
- **Sodexo** - No onsite dining operations, eliminating all corresponding commission revenue
- **Child Care Center** - Remains closed
- **Other Commercial** - Significant reduction in onsite vending, along with no anticipated catering activity - projected revenue of \$18k, 11% of prior year budget
- **Summer Conferences** - Projected to resume in June 2021, with minimal income for FY 20/21 = \$35k.
- **Sponsored Projects Cost Recovery** - The Corporation will retain IDC to cover all post-award department expenses and administrative support for Sponsored Project grants and contracts.

Expense Assumptions

- **Salaries & Benefits** - No general salary increases for FY 20/21.
- **Information Technology** – Includes \$145k for planned Sponsored Projects Cayuse software (Post-award administration system)
- **Commercial Operating Expense Sodexo** - Annual fixed capital improvement obligation of \$78k retained, along with \$6.6k for reduced GM support through mid-August. Assumes no voluntary meal plan expenses from Sodexo.
- **Campus Support (CCR Funding/Cost Recovery)**
 - CCR retained in the amount of \$50,000, for the President's Office only
 - Cost recovery to campus - \$125,000

Other

- **PPP Loan Assistance offset** – estimated gain from loan forgiveness specific to Corporation Admin operation, projected at \$ 237,750.

Reserves, Capital Expenditures & Loan Payable

- FY20/21 Year-end Reserve balance projected at \$2.7 million (inclusive of PPP Loan Assistance offset).
- Reflects utilization of \$239k in reserve funds to support Corporation Innovation Hub Operations in EL Building.
- Loan Payable Summary – Paycheck Protection Program
 - Loan Balance - \$2,082,042 – 24-week usage period, thru October 2020. Forgiveness application due to lender/SBA within 10 months after end of usage period.

CSUSM CORPORATION BUDGET – FY20/21 HIGHLIGHTS (cont.)

CSUSM Corporation Student Housing – UVA (Capstone On-Campus Management) (Pages 5-6)

Assumptions:

- **Occupancy** - 28.5%. 190 students
- **Expenses** - Corporation (UVA) covers all costs of Res Ed program and essentially all salaries and benefits of COCM staff, aside from small contribution from Quad.
- **CARES Funding** - Model reflects estimated CARES Act fund assistance for FY20/21 in the amount of \$2,056,724, to cover the projected net cash loss for the period. This is in addition to the \$893,858 in projected assistance related to the student refunds issued for Spring FY19/20, when students were released from the remainder of their housing obligation.

Reserves, Capital Expenditures & Projects

- Reflects utilization of \$180k in reserve funds for minimal required capital expenditures for UVA Building.
- Maintaining reserves is critical to ensure debt coverage, continued operations and capital improvements of a 17-year-old building.

CSUSM Corporation Extended Learning Building & Parking Operations (Page 7)

Extended Learning Building Operations

- Costs of facility are fully shared between CSUSM entities and developer partner North City University One, LLC.
- Expenses projected at \$320k less than prior year budget due to continued refinement of costs of operation and related budgeting on the part of Corporation and Campus team members.

Extended Learning Parking Operations

- Costs of facility are shared between North City University One, LLC (56%) and CSUSM Campus (44%).
- Expenses projected at \$93k less than prior year budget due to continued refinement of costs of operation and related budgeting on the part of Corporation and Campus team members.

CSUSM CORPORATION - ADMINISTRATION
FY 2020/2021 Budget - Revised August 2020

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Administration - Detailed Summary				
Account Category	FY20-21 Budget	FY19-20 Projection	FY19-20 Final Budget	Budget Variance (FY20- 21 vs FY19-20)
Revenues				
<u>Commercial Operations</u>				
Follett	111,500	244,046	280,000	(168,500)
Sodexo	-	95,381	134,000	(134,000)
CCF (Child Care Center)	45,000	265,361	256,500	(211,500)
Space Rental (Follett)	3,250	3,250	3,250	-
Other (Vending/Catering/ATM)	18,322	132,828	162,950	(144,628)
<u>Non- Commercial Operations</u>				
Summer Conferences / Summer Residents	35,000	203,651	203,651	(168,651)
Housing Fee (for Corporation Incurred Costs)	250,000	498,000	498,000	(248,000)
Overhead Admin Fee	50,000	234,663	120,000	(70,000)
Sponsored Projects - <i>Cost Recovery (IDC)</i>	1,250,000	1,028,918	1,028,918	221,082
EOV	274,242	293,223	293,223	(18,981)
Revenue from Investments	30,000	214,952	144,325	(114,325)
Miscellaneous	8,000	28,706	28,533	(20,533)
Total Revenues	\$ 2,075,314	\$ 3,242,979	\$ 3,153,350	\$ (1,078,036)
Operating Expenses				
Salaries & Benefits	\$ 1,601,104	\$ 1,485,747	\$ 1,636,949	\$ 35,845
Communications	10,000	9,477	10,000	-
Utilities	8,086	8,535	15,160	7,074
Travel	2,500	20,944	33,323	30,823
State Pro Rata Charges Group	6,090	5,913	6,105	15
Contractual Services Group	216,480	229,000	236,755	20,275
Information Technology Costs	163,655	23,066	92,480	(71,175)
Furniture/Equipment/Fixtures	-	47,939	33,792	33,792
Business Services Fees (Campus)	318,861	318,861	318,861	-
Commercial Ops Expenses - Sodexo	84,600	50,188	95,000	10,400
Commercial Ops Expenses - Other	-	36,533	62,500	62,500
Misc. Operating Expenses ^(a)	245,938	223,569	253,450	7,512
Transfer to EL Bldg Project - Corp Group II	-	114,024	114,024	114,024
Campus Support (CCR & Cost Recovery)	175,000	125,812	130,812	(44,188)
Total Operating Expenses	\$ 2,832,314	\$ 2,699,607	\$ 3,039,211	\$ 206,897
Net Income/(Net Loss) Before Post Retirement Expenses	\$ (757,000)	\$ 543,372	\$ 114,139	\$ (871,139)
Benefits Post Retirement Health	5,500	4,795	4,795	(705)
Net Income/(Net Loss) After Post Retirement Expenses	\$ (762,500)	\$ 538,577	\$ 109,344	\$ (871,844)
PPP Loan Assistance offset ^(b)	\$ 237,750	\$ -	\$ -	\$ 237,750
Net Income/(Net Loss) After PPP Loan	\$ (524,750)	\$ 538,577	\$ 109,344	\$ (634,094)

NOTES:

(a) Includes Insurance, Payroll Fees, Space Rental, Supplies, Postage, Maintenance

(b) Assumes Corp Admin staff only included (no Corp OSP) @ 75% forgiveness

CSUSM CORPORATION - ADMINISTRATION

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FY2020/2021 Budget - Reserves, Capital Expenditures & Loan Payable - Revised August 2020

Corporation Administration Reserves	FY20-21 Budget	FY19-20 Projection	FY19-20 Final Budget
Projected Beginning Reserve Balance (from previous Fiscal Year)	\$ 3,442,703	\$ 2,956,126	\$ 2,956,126
Add: Net Income	(762,500)	538,577	109,344
Add: Estimated PPP Loan Assistance	237,750	-	-
Less: Capital Expenditures & Projects (see below)	(239,000)	(52,000)	(900,000)
Projected Ending Reserve Balance	\$ 2,678,953	\$ 3,442,703	\$ 2,165,470

Summary of FY20-21 Capital Expenditures & Projects	FY20-21 Budget	FY19-20 Projection	FY19-20 Final Budget
Innovation Hub	\$ 239,000	\$ 52,000	\$ 450,000
Retail/Dining	-	-	450,000
Total	\$ 239,000	\$ 52,000	\$ 900,000

Loan Payable - Paycheck Protection Program

Loan Balance @ 6/30/20	\$ 2,082,042
24 week coverage (usage) period	May 6, 2020 - October 20, 2020
Interest Rate	1%
Payments	Deferred until 10 months after end of coverage period (any unforgiven portion)

CSUSM CORPORATION - STUDENT HOUSING

DRAFT

FY2020/2021 BUDGET - CONTINGENCY PLANNING - Revised August 2020

Student Housing - Detailed Summary

Account Category	FY20-21 Budget Occup = 190 (28.5%) UVA ONLY	FY 19-20 Projection	FY19-20 Budget	Budget Variance (FY20-21 vs FY19-20)
Revenues				
Rental income - UVA	\$ 2,081,040	\$ 4,601,282	\$ 5,399,140	\$ (3,318,100)
Rental income - Offsite Housing (Quad)	-	-	-	-
Operating Income	78,350	344,857	306,200	(227,850)
Total Revenues	\$ 2,159,390	\$ 4,946,139	\$ 5,705,340	\$ (3,545,950)
Operating Expenses				
Salaries & Benefits	727,648	638,707	692,801	(34,847)
Rental	9,950	27,221	33,150	23,200
Administrative	53,219	91,398	82,079	28,860
Common Area	190,094	181,485	211,606	21,512
Grounds	26,775	36,482	30,270	3,495
Utilities	492,960	602,904	602,284	109,324
Interior Unit	76,350	100,933	61,350	(15,000)
Maintenance	92,570	229,050	131,214	38,644
Taxes & Insurance	96,079	74,672	65,492	(30,587)
Bad Debt Expense	12,000	12,000	12,000	-
Total Operating Expenses	1,777,645	\$ 1,994,852	\$ 1,922,246	144,601
Fees				
Offsite Housing Cost (Quad)	-	-	-	-
Management Fee	64,782	219,807	178,660	113,878
Res Ed Allocation (UVA allocation)	364,795	367,155	367,155	2,360
Corporation Covered Expenses	250,000	498,000	498,000	248,000
Total Fees	679,577	\$ 1,084,962	\$ 1,043,815	364,238
Total Operating Expense & Fees	2,457,222	\$ 3,079,814	\$ 2,966,061	\$ 508,839
Net Operating Income - Operations	\$ (297,832)	\$ 1,866,326	\$ 2,739,280	\$ (3,037,111)
Less: Quad Dining Lease Obligation (11 mos - Start date 8/1/20)	(88,517)	-	-	(88,517)
Adj Net Oper Income (Loss) - Cash Available for Debt Service	(386,349)	\$ 1,866,326	\$ 2,739,280	\$ (3,125,628)
Debt Service Summary				
Bond Payable -Principal	\$ 1,035,050	999,628	\$ 999,628	
Bond Payable -Interest	635,325	674,997	674,997	
Total Debt Service	\$ 1,670,375	\$ 1,674,625	\$ 1,674,625	
Net Remaining from Operations after Debt Service	\$ (2,056,724)	\$ 191,701	\$ 1,064,655	
Projected CARES Act Funding	2,056,724	893,858		
Net After CARES Act Funding	\$ 0	\$ 1,085,559		
Other Charges				
Depreciation, Amortization				
Depreciation & Amortization	1,238,786	1,173,522	871,617	(367,169)
Adjusted Net Income after Depreciation, Amortization & Interest (excl CARES funds)	(2,260,460)	\$ 17,807	\$ 1,192,666	\$ (3,453,125)

CSUSM CORPORATION - STUDENT HOUSING

DRAFT

FY2020/2021 BUDGET - CONTINGENCY PLANNING - Revised August 2020

Reserves & Capital Expenditures

Student Housing Reserves	FY20-21 Budget Occup = 190 (28.5%) UVA ONLY	FY 19-20 Projection	FY19-20 Final Budget
Projected Beginning Reserve Balance (from previous Fiscal Year)	\$ 4,766,428	\$ 4,186,569	\$ 4,186,569
Add: Adjusted Net Operating Income	(386,349)	1,866,326	2,739,280
Add: CARES Act Funding	2,056,724	893,858	-
Less: Debt Service	(1,670,375)	(1,674,625)	(1,674,625)
Less: Campus Contribution	-	-	(500,000)
Less: Capital Expenditures & Projects	(180,000)	(505,700)	(1,781,000)
Projected Ending Reserve Balance	\$ 4,586,428	\$ 4,766,428	\$ 2,970,224

Summary of FY20-21 Capital Expenditures & Projects	FY20-21 Budget Occup = 190 (28.5%) UVA ONLY	FY 19-20 Projection	FY19-20 Final Budget
Capital Expenditures	\$ 180,000	\$ 230,700	\$ 806,000
Detail			
Fumigation (all buildings)	\$ 121,800		
Roof Repairs	\$ 9,400		
Contingency	\$ 48,800		
	\$ 180,000		
Master Plan		-	125,000
Residential Dining		275,000	850,000
Total	\$ 180,000	\$ 505,700	\$ 1,781,000

CSUSM CORPORATION - Extended Learning Building Operations FY2020/2021 Budget				DRAFT
EL Building Operations - Detailed Summary				
Account Category	FY20-21 Budget	FY 19/20 Projection	FY 19/20 Budget	Budget Variance (FY20-21 vs FY19-20)
Revenues				
Management Services (CSUSM Corp)	\$ 37,606	\$ 38,097	\$ 47,963	\$ (10,358)
Allocation to NCUO	7,400	6,333	14,890	(7,490)
Total Revenues	\$ 45,006	\$ 44,430	\$ 62,853	\$ (17,848)
Expenses				
Salaries & Benefits	\$ 112,000	\$ 112,000	\$ 112,000	\$ -
Utilities	294,600	267,000	420,252	125,652
Facilities Services - FDM	245,000	268,566	400,485	155,485
Contracted Services & Supplies	255,498	218,472	278,500	23,002
Information Technology Costs	136,346	136,346	135,296	(1,050)
Risk Management and Safety	9,000	16,525	22,753	13,753
Insurance	53,610	56,295	56,295	2,685
Property Tax	-	45,306	-	-
Subtotal Expenses	\$ 1,106,054	\$ 1,120,510	\$ 1,425,581	\$ 319,527
Less: Cost Recovery from EL/Campus	\$ (1,061,048)	\$ (1,076,080)	\$ (1,362,728)	(301,679)
Total Expenses Remaining after Cost Recovery	45,006	44,430	62,853	17,848
Net Operations	\$ (0)	\$ -	\$ -	\$ (0)

CSUSM CORPORATION - Extended Learning Parking Operations FY2020/2021 Budget				DRAFT
EL Parking Operations - Detailed Summary				
Account Category	FY20-21 Budget	FY 19/20 Projection	FY 19/20 Budget	Budget Variance (FY20-21 vs FY19-20)
Revenues				
Allocation to NCUO (56%)	\$ 147,280	\$ 142,034	\$ 199,545	\$ (52,265)
Total Revenues	\$ 147,280	\$ 142,034	\$ 199,545	\$ (52,265)
Operating Expenses				
Salaries & Benefits (PACS)	\$ 103,988	\$ 100,959	\$ 100,959	\$ (3,029)
Utilities	21,600	17,500	29,450	7,850
Facilities Services - FDM	23,000	7,967	81,730	58,730
Contracted Services & Supplies	61,699	76,986	85,657	23,958
Information Technology Costs	18,697	18,697	18,277	(420)
Insurance	34,016	31,524	40,258	6,242
Property Tax	-	12,175	-	-
Total Expenses	\$ 263,000	\$ 265,808	\$ 356,331	\$ 93,331
Less: Cost Recovery from Campus (44%)	(115,720)	(123,774)	(156,786)	(41,066)
Total Expenses Remaining after Cost Recovery	147,280	142,034	199,545	52,265
Net Operations	\$ -	\$ -	\$ 0	\$ (0)

ATTACHMENT N

Research Incentive Payments Policy



RESEARCH INCENTIVE PAYMENTS POLICY

PURPOSE:

To provide documentation and reporting guidance to University faculty/staff involved in processing payments to research subjects while still maintaining appropriate levels of confidentiality and minimizing administrative burden when possible.

SCOPE:

This policy establishes requirements for funded projects managed by CSUSM Corporation. This policy applies to research incentive payments to individuals participating as human subjects in research projects. Incentives, including cash payments and non-cash incentives, are collectively referred to as “incentives” in the remainder of this policy.

POLICY:

I. Participation Incentives

To compensate for participation in a research study, incentives may be provided to individuals if allowed by a contract or grant, or other CSUSM Corporation funding sources, and made in accordance with applicable laws, regulations, and all CSUSM Corporation policies and procedures. Incentive payments are not allowable for the exchange of services (wages, salaries) nor in lieu of grant-funded stipends or scholarships.

II. IRS Regulations

The IRS treats research subject payments – checks, cash, gift cards or other items of value – as taxable income to the recipient. IRS reporting requirements for CSUSM Corporation depend on the amount paid and the recipient’s tax status.

In the event of an IRS or sponsor audit/request, it is the responsibility of the Principal Investigator/Project Director (PI) and their unit to provide appropriate supporting documentation applicable to the payment method to support each payment. Documentation must be retained in accordance with the CSUSM Corporation Records Retention Policy.

III. Payments

Payments to research subjects must adhere to the CSUSM Cash Handling Policy and are required to keep all incentives carefully tracked and safeguarded while collecting the appropriate information and use the appropriate payment method/procedure.

a) Employee

The value of all incentives given to participants who are CSUSM or CSUSM Corporation employees (faculty, staff, and student employees), regardless of amount, must be reported to Payroll. All amounts will be added to the participant’s wages and reported on the participant’s W-2 with proper tax withholdings. Incentives to employees must comply with all policies, including those pertaining to compensation and conflict of interest.

b) Non-Employee

The value of certain incentives made to non-CSUSM or non-CSUSM Corporation employees may be reportable to the IRS. Incentives to any individual must be kept below \$600 in any calendar year in order to not collect the necessary information for IRS Form 1099 reporting.

RESEARCH INCENTIVE PAYMENTS POLICY

IV. Human Research Subjects Protocols

The approved IRB protocol is required prior to OSP approving research incentive payments.

REFERENCES:

[CSUSM Corporation Policies and Procedures](#)

[Uniform Guidance Frequently Asked Questions](#)

[CSUSM Corporation Gift Card Purchasing Procedures](#)

[CSUSM Cash Handling Policy](#)

[CSUSM Corporation Records Retention Policy](#)

[CSUSM Payments to Students Policy](#)

Research Incentive Payment Procedures (under development)