

CAL STATE L.A.  
UNIVERSITY AUXILIARY SERVICES, INC.  
**BOARD OF DIRECTORS MEETING AGENDA**

THE BOARD ROOM  
(ZOOM MEETING)  
THURSDAY, MARCH 18, 2021

BOARD MEETING.....11:30 AM – 12:30 PM

- I. CALL TO ORDER .....DR. GOMEZ
- II. APPROVAL OF 12/10/2020 MINUTES.....DR. GOMEZ
- III. FINANCIAL REPORTS.....MR. MARJI
- IV. EXECUTIVE DIRECTOR’S REPORT.....MR. MARJI
- V. PUBLIC FORUM
- VI. ANNOUNCEMENTS
  - A. NEXT BOARD OF DIRECTORS MEETING: MAY 20, 2021
- VII. ADJOURNMENT.....DR. GOMEZ

CAL STATE L.A.  
UNIVERSITY AUXILIARY SERVICES, INC.

**BOARD OF DIRECTORS MINUTES**

THE BOARD ROOM  
(ZOOM MEETING)  
THURSDAY, DECEMBER 10, 2020

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**Present:** Nancy Wada-McKee (Vice Chair), Joyce Williams (Secretary/Treasurer), Talia Bettcher, Ya-Chih Chang, Lisa Chavez, Annie Ekshian, Mohsen Eshraghi, Jeffrey Underwood, and Dale S. Zuehls

**Absent:** Jose Gomez (Chair), and Pamela Scott-Johnson

**Management:** Tariq Marji (Executive Director)

**Staff:** Ernesto Argumaniz

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**I. CALL TO ORDER**

Dr. Wada-McKee called the meeting to order at 11:33 am.

**II. APPROVAL OF 09/15/2020 MINUTES**

Ms. Williams moved, Ms. Chavez second and motion carried to approve the minutes of the September 15, 2020 minutes.

**III. EXECUTIVE DIRECTOR'S REPORT**

Mr. Marji stated that the PPP loan forgiveness application was submitted, and approved by the bank, it is pending the Small Business Administration final approval.

In Sponsored Programs, the submitted proposals amount was about \$10 million less compared to last year but awards is about \$6 million more than last year.

In ADP, the hiring process in the new system was implemented and phase 1 has completed one cycle. It has made the hiring process easier rather than using paper documents. In phase 2, working to make the hiring automated.

In Commercial Services, staff is working 5 days a week but will be reducing hours and still be able to provide services to campus. Dr. Jennifer Miller, Special Assistant to the VP for Student Life, submitted a proposal to the California Community Foundation that will provide food bags to student and the community. Commercial Services will assist in

preparing those food bags for the program.

LA BioSpace Building still on schedule. Expected to be completed in late January or early February. It has received grants to pay from staffing, start-up costs, STEM education, and equipment. In discussions with City of Hope to develop a Therapy Bio-Manufacturing Core. City of Hope would invest in tenant improvements and the building could have a long-term tenant for about 5 – 10 years.

Children's Center had a virtual teaching grant for students of age from 2 – 5.

#### **A. FINANCIAL REPORTS**

Mr. Marji presented the financial report as October 31, 2020.

In Cash and cash equivalent, \$6 million are with the Chancellor's Office for short term investment. The return distribution is 2.4%. The \$11 million are currently in two bank accounts, Union Bank and Wells Fargo. All funds will be transferred to the Wells Fargo account.

In Liabilities and Net Assets, the deferred revenue is \$7.6 million. It is all in Sponsored Programs. T. Marji stated that the issue UAS is facing is that Principal Investigators are not spending the award funds. Staff is communicating with PIs to assist them in hiring and resolving any issues they are having in not being able to spend the funds.

#### **B. CORPORATE TAX FORM 990 REVIEW**

The 2019 corporate tax report was completed, and it was presented to the Board.

### **IV. ACTION ITEMS**

#### **A. RESOLUTION, ESTABLISHING LOCAL AGENCY INVESTMENT FUND (LAIF)**

Mr. Marji stated that the \$11 million that are currently in the bank accounts are not accruing any interest. The LAIF account is a State Treasury account that is invested by the State with interest. There is an average 1.5% return on invest.

The resolution is to establish an account with LAIF. Funds can only be transferred from the LAIF account to the main banking account.

Mr. Zuehls motioned, Dr. Chang second and motioned was carried to approve resolution to Establish Local Agency Investment Fund (LAIF).

### **V. PUBLIC FORUM**

There was no public form at this time.

**VI. ANNOUNCEMENTS**

Next Board of Directors meeting is scheduled for Thursday, March 18, 2020.

**VII. ADJOURNMENT**

Ms. Chavez motioned, Ms. Ekshian second and motioned was carried to adjourn the meeting at 12:02 pm.

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*Approved by the Board of Directors, March 18, 2021*

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JOYCE WILLIAMS, SECRETARY  
UAS BOARD OF DIRECTORS



CAL STATE L.A. UNIVERSITY AUXILIARY SERVICES, INC.  
**Statement of Net Position**  
**As of February 28, 2021**

	Total Feb 28, 2021	Audited Total June 30, 2020	Increase (Decrease)
<b>ASSETS</b>			
Cash and cash equivalent			
On-hand and in commercial accounts	11,068,527	8,069,233	2,999,294
Short-term investments	6,047,329	5,943,028	104,300
Total cash and cash equivalents	17,115,855	14,012,262	3,103,593
Grants and contracts receivable	5,488,458	8,008,429	(2,519,970)
Less allowance for doubtful accounts	(246,901)	(246,901)	-
Net Grants and contracts receivable	5,241,557	7,761,528	(2,519,970)
Accounts receivable	917,829	498,630	419,199
Less allowance for doubtful accounts	(0)	8,026	(8,026)
Net Accounts receivable	917,829	506,656	411,173
Inventory	10,999	10,999	-
Prepaid expenses and other current assets	44,236	2,942	41,294
	973,064	520,597	452,467
Total current assets	23,330,477	22,294,387	1,036,090
Land and Land Improvement	639,000	639,000	-
Building	32,550,741	32,523,740	27,001
Building - Construction in Progress	14,517,393	14,448,428	68,965
Furniture, fixtures and equipment	10,722,012	10,722,012	-
Computer Software	95,723	95,723	-
Capital Assets	58,524,870	58,428,904	95,966
Less accumulated depreciation	(27,616,073)	(26,866,927)	(749,146)
Property and equipment, net	30,908,797	31,561,977	(653,180)
Deferred outflows - Other Post Employment Benefits	353,974	353,974	-
Total assets	54,593,248	54,210,336	382,914
<b>LIABILITIES AND NET ASSETS</b>			
Long-term Debt Obligations - Current	194,000	211,200	(17,200)
Capital Lease Obligation- Current	985,000	985,000	-
Accounts payable	2,034,203	4,583,721	(2,549,518)
Accrued expenses	2,012,039	1,633,226	378,813
Deferred Revenue	7,365,841	5,329,023	2,036,818
Reserve for Disallowances	1,326,552	1,247,659	78,893
Deposits held in custody for others	449,275	408,707	40,568
Total current liabilities	14,366,910	14,398,536	(31,626)
Long-term Debt Obligations	5,614,600	5,618,600	(4,000)
Long-term Debt Obligations Premium	145,193	156,361	(11,169)
Postretirement Benefits	1,820,520	1,699,811	120,709
Capital Lease Payable	15,825,000	15,825,000	-
Capital Lease Premium	1,562,401	1,651,681	(89,280)
Total long-term liabilities	24,967,714	24,951,453	16,261
Unamortized Gain on Refunding	519,430	549,112	(29,682)
Unamortized gain on sale of property	134,323	141,584	(7,261)
Deferred Inflows on Other Post Employment Benefits	722,098	722,098	-
Total other liabilities	1,375,851	1,412,794	(36,942)
Fund Balance	13,882,773	13,447,553	435,220
Total Net Assets	13,882,773	13,447,553	435,220
Total liabilities and net assets	54,593,248	54,210,336	382,915

**CAL STATE L.A. UNIVERSITY AUXILIARY SERVICES, INC.**  
**Statement of Cash Flows**  
**Eight Months Ended February 28, 2021**

**28-Feb-21**

**Cash flows from operating activities:**

Change in net assets 463,767

**Adjustment to reconcile change in net assets  
to net cash provided by operating activities:**

Change in Accumulated Depreciation 749,146

**Change in operating assets and liabilities:**

Accounts receivable and other assets 2,067,503

Accounts payable and other liabilities (2,284,014)

Deferred revenue and reserve for disallowance 2,115,711

**Net cash provided by (used in) operating activities** 3,112,113

**Cash Flow from capital and related financing activities:**

Acquisition of Capital Assets (95,966)

Proceeds from long-term debt -

Interest paid on capital debt and leases 137,195

Principal paid on capital debt and leases (21,200)

**Net cash provided by (used in) financing activities** 20,029

**Cash Flow from investment activities:**

Investment in CSU Pool 719

Reinvestment of Investment Income (105,020)

Proceeds from Interest Income and sale of investment -

**Net cash provided by (used in) investment activities** (104,300)

**Net increase/(decrease) in cash and cash equivalents** 3,027,842

**Cash and cash equivalents, beginning of year** 8,069,233

**Cash and cash equivalents, end of year** 11,097,075



**CAL STATE L.A. UNIVERSITY AUXILIARY SERVICES, INC.**  
**Statement of Revenue, Expenses and Change in Net Position**  
**Eight Months Ended February 28, 2021**

Description	FY 2019/20 As of 02/29	Current Year Budget	FY 2020/21 As of 02/28	Actual % of Budget As of Date
<b>Unrestricted</b>				
<b>REVENUE</b>				
Food & Catering Revenue	2,177,384	1,493,152	939,912	63%
Less: Cost of Goods	(817,916)	(512,332)	(201,691)	39%
	<u>1,359,468</u>	<u>980,820</u>	<u>738,221</u>	<u>75%</u>
Indirect Cost Revenue	1,368,399	1,795,987	1,314,246	73%
C&G Admin Recovery	103,987	164,694	-	0%
Commission Income	1,267,889	488,090	383,099	78%
Lease Income	1,332,965	1,713,136	1,187,258	69%
Interest Income	10,779	11,139	105,020	943%
Child Care Center Revenue	446,396	415,152	47,650	11%
Campus Program User's Fee	139,975	145,000	226,192	156%
LA BioLab Incubator	-	305,920	-	0%
Other Revenue	201,307	450,100	60,994	14%
<b>Total Revenue</b>	<u>6,231,165</u>	<u>6,470,038</u>	<u>4,062,681</u>	<u>63%</u>
<b>EXPENSES</b>				
Salaries and Wages	2,127,805	2,364,838	1,430,309	60%
Benefits	871,119	833,620	681,880	82%
Audit/Legal	137,281	52,680	29,595	56%
Contractual Services	440,603	542,819	315,579	58%
Supplies & Services	426,293	391,416	164,047	42%
Utilities & Telephone	308,326	363,000	179,565	49%
Insurance Premiums	47,846	110,000	80,070	73%
Interest on capital lease	514,319	910,750	487,414	54%
Bank Charges	82,267	81,202	28,133	35%
Repair & Maintenance	153,735	113,875	14,335	13%
Lease & Rental	30,191	112,320	3,595	3%
Other Operating Expenses	105,697	133,827	5,562	4%
<b>Total Operating Exp.</b>	<u>5,245,483</u>	<u>6,010,347</u>	<u>3,420,083</u>	<u>57%</u>
<b>Gross Operating Income/(Loss)</b>	<u>985,683</u>	<u>459,691</u>	<u>642,598</u>	<u>140%</u>
Campus Programs net, income/(expenses)	377,820	50,000	501,350	1003%
<b>Net Operating Income/(Loss)</b>	<u>1,363,503</u>	<u>509,691</u>	<u>1,143,948</u>	<u>224%</u>
<b>Non Cash Expenditures</b>				
Depreciation & Amortization	749,372	1,111,572	749,146	67%
Rongxiang Xu BioSpace Construction Pass-through**	(25,887)	-	(68,965)	0%
Reserve - Post Retirement Med		87,513	-	0%
<b>Net Income/(Loss)</b>	<u>640,019</u>	<u>3,971,236</u>	<u>463,767</u>	<u>12%</u>
<b>Restricted</b>				
Contracts & Grants Revenue	16,814,188	19,000,000	13,778,480	73%
Contracts & Grants Expenditure	17,044,985	19,000,000	13,778,480	73%
	<u>(230,797)</u>	<u>-</u>	<u>-</u>	<u>-</u>

**CAL STATE L.A. UNIVERSITY AUXILIARY SERVICES, INC.**  
**Lease & Commission Revenue Details**  
**Eight Months Ended February 28, 2021**

Description	FY 2019/20 As of 02/29	Current Year Budget	FY 2020/21 As of 02/28	Available Budget	Actual % of Budget As of Date
<b><u>Commission Income</u></b>					
Bookstore	459,974	250,500	382,102	(131,602)	153%
Starbucks	77,387	25,400	-	25,400	0%
Golden Eagle Express	3,840	1,990	-	1,990	0%
Metro	8,560	4,300	-	4,300	0%
Café 47	54,586	30,200	-	30,200	0%
Carl's Jr	74,370	34,000	-	34,000	0%
El Pollo Loco	74,631	31,000	-	31,000	0%
Johnny's Kitchen	37,912	15,100	-	15,100	0%
Kikka	39,231	14,300	-	14,300	0%
Juice It Up	39,577	16,900	113	16,787	1%
Sbarro's	62,970	32,300	-	32,300	0%
First Class Vending	37,117	15,200	599	14,601	4%
Every Table	52,165	16,900	-	16,900	0%
Misc. Commission	245,570	-	285	(285)	0%
<b>Total Commission Income</b>	<b>1,267,889</b>	<b>488,090</b>	<b>383,099</b>	<b>104,991</b>	<b>78%</b>
<b><u>Lease Income</u></b>					
Extended Education	351,660	468,900	312,587	156,313	67%
Service Center/One Card	47,693	63,600	42,394	21,206	67%
Pat Brown Institute	71,837	95,800	63,855	31,945	67%
Ballroom rental	293,907	394,759	261,251	133,508	66%
Room Rental - FCU	35,397	47,197	25,156	22,041	53%
ATM - FCU	16,323	21,382	14,828	6,555	69%
ATM - Bank of America	8,697	13,045	5,436	7,610	42%
ATM - Wells Fargo	10,591	12,895	9,650	3,245	75%
TVFM Building	423,186	423,178	376,166	47,012	89%
AT&T Cell Tower Lease	36,230	58,700	37,317	21,383	64%
T Mobile	32,809	58,880	38,621	20,259	66%
Verizon	4,635	54,800	-	54,800	0%
<b>Total Lease Income</b>	<b>1,332,965</b>	<b>1,713,136</b>	<b>1,187,258</b>	<b>525,878</b>	<b>77%</b>