

EXECUTIVE COMMITTEE MEETING

Wednesday, September 4, 2024

3:00 – 4:00 pm

Join via Zoom: <https://csudh.zoom.us/j/6862964425?omn=84904325412>

Or Dial-in: +1 669 900 6833 Meeting ID: 686 296 4425

MEETING MINUTES

Members Present: Chair Nicole Harper Rawlins, Dr. Thomas Parham, Mayla Rahman,
VP Deborah Wallace and Pat West

Staff Present: Tranitra Avery, Cherisse Ross, Amanda Dodd, Kelle Kain

- I. Call to Order – Chair Nicole Harper Rawlins
 - Chair Nicole Rawlins at 3:01pm. Roll Call followed. Members and guests could be heard clearly. Quorum met.
- II. Approval of Meeting Agenda
 - Myla Rahman moved; Pat West seconded. Motion carried.
- III. Public Comments
 - No one was present to represent the public.
- IV. Financial Reports Update Cherisse Ross, Controller
 - In a financial update meeting, Cherisse Ross summarized the preliminary June financials and July's financial projections. Initially, a loss of \$800,000 was expected, but the final estimate aligned closer to a \$1.2 million loss due to adjustments from Aramark and unrecovered accounts receivable. Tranitra Avery mentioned that the Finance and Investment Committee reviewed the financials and requested adjustments, which will be presented at the upcoming board meeting. The committee raised concerns about the large outstanding receivables, particularly the \$2.5 million in amounts over 90 days, and emphasized the need for a consistent review process moving forward. Nicole Harper Rawlins and Deborah Wallace highlighted the importance of clarifying responsibilities between TAP and OSRP for receivables and ensuring procedures are in place to recover funds. Avery confirmed that TAP is working on updates to the accounts receivable policy and clarified that specific roles have been assigned to manage collections. The conversation also touched on improvements in meeting structure, with committee chairs like Jeremy Brown and Pat West taking a more active role in presenting updates at future board meetings to streamline communication.
- V. Informational Item
 - A. Review and Approve of Employer Benefit Contribution Formula for Active Amanda Dodd, CHRO
 - In a presentation to the Executive Committee, Amanda Dodd provided an overview of TAP's employee benefit rate analysis. While TAP had budgeted for a 12% increase in benefits costs, the actual increase was closer to 9%, with medical benefits rising by 5.7%. TAP currently covers 90% of medical costs for HMO plans, with employees contributing 10%, while dental and vision benefits are fully covered by TAP. Dodd presented options for potential savings by adjusting the contribution rates, but this would significantly increase employee costs, up to \$227 per month. The committee expressed a preference to maintain the current contribution structure, citing the impact on employees and TAP's competitive benefits. Pat West

1000 E. Victoria Street, Cain Library Ste 3002, Carson, CA 90747 (310) 243-3306

and Nicole Harper Rawlins agreed that the savings achieved thus far, totaling \$87K, were sufficient without altering the employee contribution rates. Tranitra Avery and Deborah Wallace emphasized the need to monitor expenditures and ensure alignment with the overall budget to avoid tapping into investment funds unexpectedly. The committee concluded that TAP is moving in the right direction financially, with no immediate need to impose additional costs on employees.

B. Diesel Teck Litigation Update Tranitra Avery, Executive Director

- Tranitra Avery provided an update on the ongoing litigation with Diesel Tech, informing the Executive Committee that the case is progressing. As of August 13th, the court granted a motion to compel Diesel Tech's owners, Antonio and Anthony, to produce bank records within 45 days. The litigation may continue until June 2025. TAP is seeking to recoup approximately \$182,000, which includes past due rent, environmental cleanup costs, attorney fees, and collection expenses. However, only \$88,000 has been booked as accounts receivable, representing the outstanding rent. Additional amounts would be considered reimbursement for other accrued expenses. There is no indication that Diesel Tech has filed for bankruptcy, though the company has frequently changed its name, complicating the legal process.

C. Contract Servicing Update – OSRP

- Tranitra Avery provided an update on contract services, stating that TAP is in good standing with its business partners, including LSU, ASI, and the Philanthropic Foundation, with auto-renewals in place. TAP is still working on finalizing the contract for 2024-2025 with the Office of Research and Programs (OSRP), and discussions are ongoing. Avery has requested \$500,000 in deferred revenue to cover shared expenses but is awaiting a response from OSRP. Deborah Wallace added that OSRP is exploring becoming a separate auxiliary after receiving a \$1.3 million grant from the National Science Foundation to evaluate the feasibility of this transition. The process is lengthy and requires approval from the Chancellor's office. TAP will support OSRP during the evaluation, and the board will be kept informed throughout the transition. Dr. Thomas Parham reiterated that the grant is intended to study if the separation would improve OSRP's efficiency, but there remains a possibility the transition might not proceed if challenges arise.

D. Land lease updates

- Tranitra Avery provided an update on a potential land lease with LA Metro in preparation for the 2028 Olympics. LA Metro is seeking space to store 2,700 buses as part of efforts to create a carless Olympics and has identified land at the university's domestic sales area as a potential site. Avery, along with Yancey Modesto and Jessica Garcia, met with LA Metro to discuss leasing possibilities, including the Butler Building. The lease could generate up to \$40 million in both monetary and in-kind benefits for the university over four years. LA Metro would need to make infrastructure improvements to the land and the building to accommodate bus repairs. Further details and potential numbers are expected to be shared at the next board meeting.

VI. Other Items

None

1000 E. Victoria Street, Cain Library Ste 3002, Carson, CA 90747 (310) 243-3306

VII. Adjournment

The meeting was adjourned following a motion by Pat West, seconded by VP Wallace, with thanks to all attendees and the team at Cohn Reznick. Meeting end time: 4:11pm.