

Kansas State University  
K-State Student Union  
**Union Corporation Board 2022-2023**  
September 30, 2022 – 1:00pm  
Minutes

**I. CALL TO ORDER**

**Elliott** called the meeting to order at 1:01pm.

**II. ATTENDANCE:** Ashley Elliott, Payton Lynn, Sophia Palcic, Thomas Lane, Ethan Erickson, Anthony Warnick, Corey Williamson

**ABSENT:** Kevin Nalette

**RECORDER:** Jennifer Fabrizius

**PROXIES:** Ethan Erickson for Kevin Nalette

**GUESTS:** Jeff Clark, Deanna Defoor, Cindy Diederich

**III. OPEN FORUM**

**1. Introductions**

**IV. APPROVAL OF MINUTES**

**Elliott** called for a motion to approve the minutes.

**Ethan Erickson moved and Payton Lynn seconded the motion to approve the minutes from April 29, 2022. Voted and passed, 7-0-0.**

**V. NEW BUSINESS**

**1. Audit Report Review**

**Diederich** introduced April Swartz, Partner with Varney & Associates, conducted the required annual audit of the K-State Student Union. Swartz reviewed the communication letter and financial statements explaining the purpose of each document. She indicated the Union received a “clean” opinion, with no adjustments to the financials. One issue noted on the last page of the letter is a recommendation for reporting to be received by UCB from the central accounting area. For the audit itself, it is fairly stated.

For the actual financial statement, the overall change is that the K-State Student Union got back to normal operations, and everything has improved. Equipment and furnishings went down, which is simply due to cleaning up the depreciation schedule and removing obsolete items no longer being used.

Swartz also reviewed the statement of activities (Profit & Loss). Everything is up, simply because operations have returned to normal. Total support in student fees was \$2.6M, compared to \$2.5M last year. Total income was \$1.8M, compared to \$1.1M last year, due to increased sales and increased activity.

Swartz commented on the breakdown of expenditures by function, which is broken out across different programs and services provided. The area that increased the most was salary and wages (up approximately \$200,000), supplies and office expenses (up \$40,000), and occupancy due to people returning to work. Schwartz added there are no new footnotes this year. The notes are the same as the prior year, with just updated information.

Dr. Lane shared his kudos to Williamson and his staff. On behalf of the University, Erickson thanked the Union team for their efficiency, timeliness and smooth process. Williamson also recognized Cindy Diederich, Assistant Director/ Human Resources & Business Management, and Deanna Defoor, Comptroller, for their phenomenal job by taking the job extremely seriously.

**Elliott** requested a motion to accept the audit report as provided by Varney's and Associates.

**Thomas Lane moved and Ethan Erickson seconded the motion to approve the FY 22 Independent Auditor's Report. Voted and passed 7-0-0.**

## **2. Policy Review**

**Williamson** stated, over the last three years, the value and importance of reserves has become evident and is an area of focus and emphasis as a union, considering the challenges the Union has been through over the last couple of years in trying to replenish a reserve account. Based on recommendation from UCB and Erickson, a draft reserve policy was created for review.

### **a. PPM 3230: Operating Reserve Fund – New policy**

**Diederich** explained new policy PPM 3230 is to create and maintain financial reserves in order to be prepared for unforeseen shortfalls. The target is to have a minimum of six months operating expenses saved. If operating reserves are to be accessed, the Executive Director will identify and authorize that access, in consultation with the Union Corporation Board.

**Elliott** requested a motion to support the PPM 3230 Operating Reserve Fund Policy.

**Ethan Erickson moved and Payton Lynn seconded the motion to approve the policy for inclusion in the Union Policies and Procedures Manual. Voted and passed, 7-0-0.**

A question additionally posed was with regard to conversation with Student Services Fee Committee so as to understand the purpose of the operating reserve. Williamson stated no conversation has occurred to date, but going forward the committee will be kept informed of the approach.

### **b. PPM 4860: Leave (Time-Off), Holidays, and Other Absences – Revised policy**

**Diederich** stated current practices are being added to the policy so they are in writing. With turnover in HCS staffing, the institutional knowledge is gone, so this is effort is documenting what it is we are doing to be consistent. The following Union practices are being documented:

- i. Employees who separate from service and are re-employed (with the Union) will not have forfeited sick leave hours reinstated.
- ii. Payout for holiday credit may be made at the employee's voluntary separation from benefits eligible employment or retirement and that employees who are involuntary separated from Union employment are not eligible for payout of unused holiday credit.
- iii. Inclement weather credit is not paid out as termination, resignation, or retirement.

**Elliott** requested a motion to support the PPM 4860 Leave (Time-Off), Holidays, and Other Absences Policy revisions.

**Payton Lynn moved and Sophia Palcic seconded the motion to approve the change made to the Union Policies and Procedures Manual. Voted and passed, 7-0-0.**

**c. PPM 4866: Merit-Based Compensation – New policy**

**Diederich** explained new policy PPM 4866, which has been established as an incentive for employees going above and beyond on a daily basis. Each year, the Executive Director and leadership will determine if there are monies available to set aside in a pool for merit increases. If able to provide merit increases, the eligibility has been outlined of who is/is not eligible, which is based on President Linton's compensation from May 2022. The policy incorporates merit pay consideration for eligible employees based on:

- i. Length, frequency, and regularity of outstanding performance or unique contribution;
- ii. Overall significance or importance of the employee's work product to the Union's mission;
- iii. Whether the employee has acquired additional competencies which are specialized and critical to carrying out the position's functions and Union's mission.

**Elliott** requested a motion to support PPM 4866 Merit-Based Compensation Policy.

**Thomas Lane moved and Sophia Palcic seconded the motion to approve the policy for inclusion in the Union Policies and Procedures Manual. Voted and passed, 7-0-0.**

**3. Union Naming Space Resolution**

**Williamson** commented on Bill Muir's support and involvement with the K-State Student Union for approximately 27 years in some capacity and has been looking for ways to take this support to the next level and has identified an opportunity put forward a potential deferred gift to the Union. UGB has had an opportunity to review this resolution and acknowledge Muir's kindness and support. The opportunity would be a naming of a space within the Union, specifically Room 224, with a gift of \$100,000 to the Union's Excellence Fund and an additional \$40,000 for the Winter Scholarship for Union student leaders.

**Erickson** stated the Kansas Board of Regents reserves the right to approve any naming of a building with the major component of the building or any minor component. As such, today's vote would be a recommendation that the President take as an opportunity and request authority from the board to name the room in honor of Bill Muir. Williamson added the "be it resolved" section will reflect language upon approval to move forward.

**Elliott** requested a motion to forward the Union Naming Space Resolution to the Office of the President and Kansas Board of Regents for review and approval.

**Payton Lynn moved and Sophia Palcic seconded the motion to support the Union Naming Space Resolution. Voted and passed, 7-0-0.**

## **VI. OLD BUSINESS**

## **VII. EXECUTIVE DIRECTOR'S REPORT**

### **1. Annual Report Distribution**

**Williamson** distributed copies of the FY22 Annual Report and highlighted the strategic objectives and key results. Williamson noted the Union's mission is serving our students and campus community, with the primary focus of fostering a sense of well-being and belonging on campus. The Guiding Principles are to engage, educate and empower from the students' life cycle on campus. There are five focus points for strategic objectives – Student Development, Quality Service, Facility Improvement, Community Well-being, and Financial Stewardship. In reviewing page 5, it lays out what those objectives are in detail.

### **2. Strategic Objectives**

**Williamson** shared the Union has utilized an objectives and key results (OKR) strategic planning model to build out our plan over time and provided an overview of the OKR system from the book *Measure What Matters*, which is a very action-oriented approach to strategic planning. Williamson reported implementation was last year, and for each one of the objectives created, one key result was established.

**a. Student Development** – Enhance the K-State student experience by providing intentional opportunities that offer transferable knowledge, skills and abilities that support student readiness for post-college employment.

\* **Key Result** – Student employees will demonstrate improved work performance based on fall and spring employee evaluations.

\* **Outcome** – Observed a moderate/marginal improvement from one semester to the next with average weighted score and list of learning outcomes built into the review. Each learning outcome is assessed every semester, and there was a slight uptick in improved performance. The greatest improvement was in the customer service area. Credit to Jeff Clark for placing emphasis on customer services, where information was shared to our staff as well as Union partners and retail vendors in the building. There is still work to do regarding intentionality around student employment, as it is our greatest touchpoint with students.

**b. Quality Service** – The Union and all team members will commit to providing the highest quality services to ensure the experience of every person at the Union is positive and their unique needs are met to their satisfaction.

\* **Key Result** – Obtain and overall effectiveness rating (factor 12) of 75% or more on the Union Skyfactor benchmarking survey for the 2021-2022 academic year.

\* **Outcome** – The Skyfactor survey is conducted every other year on students' experience within the Union. The previous survey was completed just prior to COVID (Spring 2020), with the most recent survey completed this past spring (2022). The first year of the survey garnered 67.3%, with a mean rating of 5.04. In 2022, there was an increase to 71.2%, with a mean rating of 5.27. We did not necessarily accomplish the goal desired. However, with overall program effectiveness, they look at various other factors. Two areas with a lot of opportunity to improve include: 1) Factor 5/College Union Enhances Life and Leadership, and 2) Factor 9/Bookstore Items Variety and Price. Again, kudos to Jeff Clark, where Factor 6/Union Food Variety, Quality and Price, the K-State Student Union is consistently above our peers in each category. The food service model within the Union with a hybrid model where we are able to be flexible and respond to the needs of students (franchise, local, large brand, and campus entities), as well as Wildcat value concepts where we are able to match price points.

**c. Facility Improvement** – The Union will offer contemporary, safe, accessible and inclusive facilities to support the needs of the K-State campus community.

\* **Key Result** – Execute the replacement of three HVAC units to improve facility air quality by June 20, 2022.

\* **Outcome** – The Union was able to replace two HVAC units that support the Flinthills Room, Sunflower Rooms and Sunflower Kitchen (October 2021), as well as Main and West Ballrooms. We did not meet our primary goal, partially due to cutbacks received in the 2022 R&R Student Service Fee Funds this past year. The third HVAC is the focus this year, but there are still 11 additional 11 HVAC units to be replaced.

**d. Community Well-being** – The Union fosters community in physical and digital spaces where every person has the opportunity to build connections and make lasting contributions in a safe and secure environment.

\* **Key Result** – Establish a fully operations Esports facility within the Union Bowling Center by June 30, 2022.

\* **Outcome** – Williamson state how incredibly proud he is of the work that has taken place in the Bowling Center area. An official Esports Facility was opened with 24 computer gaming stations and three console stations. Recreation Services hired a fulltime Esports Coordinator. Kudos to Rec Services and Dr. Lane for their partnership. SGA's SCTE funding made this a true reality, with still more dollars to invest in the space. The community well-being key result was successfully achieved.

**e. Financial Stewardship** – Improve financial positioning of the Union to support the operational needs, preventative maintenance, capital renewal and future facility projects.

\* **Key Result** – Designate 10% (\$150,000) of self-generated revenue to be placed in reserves for future capital renewal and preventative maintenance needs by June 30 2022.

\* **Outcome** – Williamson stated the Union is in the position to actually transfer \$300,000 into the reserve account to support the emergency operational renewal and preventative maintenance needs. Due to doubling the amount, we successfully accomplished our goal. Williamson expressed how proud he is of the work the Union team has done, as it has been a very productive and effective year with reduced staff while producing double the work and production. Williamson also thanked UCB for their contribution to the conversation to challenge the Union to do the best we can for our students.

**Lane** expressed interest in the OKR framework and questioned if it is something that continues and what the overall structure look like ongoing. Williamson stated this year has been a pilot year with focus on one key result for each of the objectives. Williamson anticipates the objectives staying consistent over time due to the Union’s work, but the key results will continue to evolve. The Union’s leadership team and staff have brainstormed some other key results to review for the upcoming year, and we are currently in the process with UGB. Williamson anticipates three key results per strategic objective to accomplish (1-year calendar year cycle with quarterly check-in). For key results not met, they will be reconsidered for next year (i.e. HVAC unit by “X” date).

### **3. Food Retail Update**

**Williamson** provided an update on new concepts within the Union. Pretzelmaker opened in August with a lot of positive response from the student population, and Hunt Brothers Pizza will begin selling pizzas next week. Sushi was also brought into Union Station by JPs. Williamson expressed his excitement about providing the service but also the financial side. Hunts Brothers will be full autonomy operations, as is Chick-fil-A.

Jeff Clark commented on the reasons for Hunt Brothers Pizza to provide late night service for the students. Hunt Brothers staff were onsite for three days to set the kiosk up and training, while providing pizzas during the day and evening. The operation is simple, but they are very strong with their brand. Clark commented on the possibility of not allowing outside pizza brought into the Union.

### **4. Unique Venues Update**

**Williamson** provided an update on Unique Venues Consulting Group. Two meetings have been held with the group. The initial meeting was exploratory to look at the event services offered throughout the university in an attempt to help fill the void created when Global Campus no longer provided this service. This is a great opportunity to bring in subject matter experts to help provide guidance. Williamson stated this will be a divisional focus effort with the Division of Student Life.

The consultants are scheduled to be on campus October 18-19 with full day visits with 12 stakeholder groups, where Unique Venues will provide a strategic plan (3-year outlook, 5-year outlook and beyond) on the steps needed to take to build a quality, concise event

service operation on campus. Williamson anticipates, by January 2023, to have a more full update with a sense of direction.

#### **VIII. DISCUSSION, CONCERNS, ANNOUNCEMENTS**

#### **IX. ADJOURN**

**Payton Lynn moved and Sophia Palcic seconded the motion to adjourn the meeting at 1:59pm. Unanimous approval.**