



Faculty Student Association of DOWNSTATE Medical Center

Board of Directors Meeting Minutes Friday October 27, 2017 - 12:00 noon; Student Center Reading Room

Directors Present were:

Richard Bentley, Administration
Meg O'Sullivan, Administration
William Gerdes, Administration (proxy to Richard Bentley)
Lorraine Terracina, Administration
Joanne Katz, CHRP Faculty
Shirley Eisner, COM Faculty (proxy to L. Terracina)
Maria Rosario-Sims, CON Faculty
Julie Rushbrook, GS Faculty (proxy to Meg O'Sullivan)
Julie Parato, GS Student (proxy to Meg O'Sullivan)
Daniel Traver, CON Student
Krystal Ealy, COM Student
Kirsten Weisbeck, SPH Student
Zachary Feuer, COM Student (proxy to Meg O'Sullivan)

Directors Absent Were:

Charandy Jean-Baptiste, CHRP Student
(Two Vacant Administration Seats)

Invited Guests Present Were:

Bob Jahelka, FSA Interim Controller
Justin Alger, Director, Residential Life and Services
Deshawn Hilliard, Bookkeeper, FSA Business Office
Joe Izzo, Partner, PKF O'Connor Davies, auditing firm
Craig Plutner, auditor, PKF O'Connor Davies, auditing firm
Schuyler Hooke, Recording Secretary

- 1) **CALL TO ORDER:** Mr. Bentley called the meeting to order at 12:05 p.m. with quorum being present. There was a brief roundtable introduction as this is Mr. Traver's first meeting and several guests present.
- 2) **SECRETARY'S REPORT:**
 - a) Mr. Bentley reminded all that the [FSA BOD Handbook \(link\)](#), is updated to reflect most recent CON student elections and current budget and finance information, is on the FSA Forms and Documents webpage. Board members, especially new members are urged to read it and familiarize themselves with the role and responsibilities of a being a not-for-profit corporation board member.
 - b) **Prior Minutes:** The draft [Minutes July 12, 2107 \(link\)](#) that had been emailed following that meeting were reviewed.
MOTION: To approve the July 12, 2017 minutes as presented. Made by Ms. O'Sullivan, and seconded by Dr. Rosario-Sim. **Motion carried unanimously.**
 - c) **FSA Annual Officer Elections:** Mr. Bentley noted there remains two administrative appointees vacant on the Board, one of which to be nominated as Treasurer and past history that a student is elected as Vice-President. Both Kirsten Weisbeck (SPH), and Daniel Traver expressed interest in being nominated. Nominations of the following slate of all other officers was presented and moved by Ms. O'Sullivan, seconded by Dr. Katz:
President: Rich Bentley,
Secretary: Meg O'Sullivan,
Assistant Treasurers who serve as FSA account signatories: Avion Ambrose and Peter Ljutic (Bursar).
MOTION: To nominate, close nominations, and elect the slate of nominees to their respective FSA offices. **Motion carried unanimously.**
Ms. Weisbeck and Mr. Traver were both nominated for Vice President, and following their brief statements and discussion, a vote was held electing Kirsten Weisbeck. **Motion Carried.**
 - d) **2018 FSA Board Meeting Dates:** The following dates were proposed as meeting dates for 2018 in a motion made by Kirsten Weisbeck and seconded by Maria Rosario-Sim:
MOTION: To set the 2018 meeting dates as **January 17th, April 18th, July 18th and October 17th**; All Wednesdays at noon in the Student Center Reading Room.
Motion carries unanimously.

3. **PRESIDENT'S REPORT** Richard Bentley

- a. **Laundry Bid Recommendation-** See **Attachment 1**: Justin Alger and Deshawn Hilliard presented the bid process, proposal analysis and recommendation. The Request For Proposals (RFP) was established to change the current 'all coin' operated facilities into 2 modes: 440Lenox Rd (Nurses family-based Nurse tenants) will continue to run as a card operated per cycle consumer cost, whereas 811 and 825NYA (Student Residence Halls) will be built into Residence Hall room rates. FSA's prior net commission of \$15K/ per year will remain the same. 11 vendors serving the Brooklyn area were identified, 5 of whom toured the facilities and submitted proposals. Based on their financial proposals, the leading two companies were then evaluated in further detail: CSC Service –our current vendor since 2006, and TediMatts, with TediMatts as the recommended award. Questions included whether Residence Hall Student Council was in favor of this operating mode (yes). Residential life will implement monitoring to assure students use facilities for their own personal laundry and prevent non-residents from using facilities. Following discussion, Ms. O'Sullivan moved and by Ms. Ealy seconded that:

MOTION: Based on Residential Life and Services needs and result of proposals received, FSA authorizes the FSA President to negotiate a contract for Laundry Services at 811 & 825 NYA and 440 Lenox Rd to TediMatts for implementation as soon as practical. **Motion carried unanimously.**

- b. **Bookstore Update:** See **Attachment 2** submitted by Bookstore Manager Tim Stockmar. Mr. Jahelka presented in Mr. Stockmar's absence due to illness. Installing a new POS system and improving sale margins, elimination of low moving and dead stock have been the primary goals of the new management. Physical improvements included removing shelving to open patio windows to provide light, and a fresh coat of paint. One P/T staff position has been eliminated. New clothing lines are on order in production, with some generic DMC apparel, not program/college specific, as requested by DMC President Riley. Students raised concern since program specific apparel is popular. Board was reassured that sales of generic DMC merchandise will be tracked for analysis and will augment, not replace, the program specific items. While students can find similar merchandise cheaper on-line, the goal to reach financial sustainability requires on-going need that every effort must channel all sales for student groups and organizations through the store, or revert to consider closing the store.
- c. **Operations Report:** See **Attachment 3**. Mr. Jahelka introduced the auditors from PKF O'Connor Davies and highlighted activities since last Board meeting as noted in report. Pointed out at we're down \$127K, and that system upgrades that were required are an expense, even though they are a write-off. Bookstore loss, projected at\$40K was actually \$111K, but this primarily happened in the nine months of this year before the arrival of Mr. Stockmar; some are in relation to the retirement requirements of Mr. Carlton. Mr. Jahelka reminded all Board members that he is available to answer any questions.

4. **TREASURER'S REPORT:** Bob Jahelka

- a. **FSA Audit for Fiscal Year Ended 5/31/17** ([link](#)) , and **Auditor's Presentation** ([link](#)): Mr. Izzo and Mr. Plutner informed us that the audit was complete in August and they were able to present an unmodified opinion. One recommendation remains, referred to on page 9, for which there is no historical donor documentation. The fund of approximately \$17K was donated 40 or more years ago, long before Mr. Bentley's tenure has always been treated as restricted funds, but documentation search (Alumni Association, Dean's Office, Financial Aid,. etc.) has been ongoing for years to locate family or heirs. Ultimately the Attorney General office must approve its continued restricted classification in spite of having no original donor record.

MOTION: To accept the annual report as presented by the representatives of PKF O'Connor Davies, and Mr. Jahelka. Moved by Dr. Rosario-Sim and seconded by Ms. Weisback. **Motion carried unanimously.**

b. **Most current FYTD Income Statement:** See Attachment 4 ; Mr. Jahelka explained that in the previous year FSA requested subsidy of FSA's operating shortfall from the HSCB Foundation(HCSBF). This combined with the fact that the HSCBF shared the expense of the Business Office Controller since neither the FSA or HSCBF has the need for a full-time Controller, but together they do. FSA's subsidy from HSCBF in 2015-16 budget was \$104K. This year, without the shared expense, our shortfall is \$222K. The HSCBF is currently experiencing a lot of changes in reorganization as well as restatements of their last six years annual CPA audits which are getting HSCBF's primary attention. Ms. Terracina queried what will happen if the Foundation does not approve our request for the \$222K subsidy, and if that case measures will have to be taken, and be addressed as needed.

c. **Proposed Budget for 2017-2018:** See Attachment 5 Mr. Jahelka then presented the budget

MOTION: To approve the proposed budget as presented by Mr. Jahelka. Moved by Ms. O'Sullivan and seconded by Dr. Rosario-Sim. **Motion carried unanimously.**

Mr. Bentley then expressed his appreciation to Mr. Jahelka and his staff, and reminded the Board that he and Mr. Jahelka remain available to answer questions that arise after today's meeting.

5. **NEW BUSINESS:** A Vending Update and status will be planned at the next meeting.

6. **ADJOURNMENT:** With all business before the board concluded, Ms.O'Sullivan moved and Mr. Traver seconded that:

MOTION: The meeting be adjourned at 1:40 p.m. **Motion carried unanimously.**

Respectfully submitted by:



Meg O'Sullivan, Secretary

Reminder: Next Quarterly Board meeting will be on Wednesday January 17th, 2018 (noon; Student Center Reading Room)

Residential Life & Services

Top Two – Bottom Line

(adjusted CSC to equal desired RL&S machine count)

CSC Service Works (Plus
10 machines = 28)

- Annual commission to FSA \$7,200 or 51%
- Annual fee for 811/825 NYA \$12,000
- FSA Contract costs \$15,000
- Total for RL&S to pay \$20,400

TediMatts (Proposed 28
machines)

- Annual commission to FSA \$9,600 or 55%
- Annual fee for 811/825 NYA \$10,840
- FSA Contract costs \$15,000
- Total for RL&S to pay \$15,480

Residential Life & Services

Recommendation: TediMatts

- Higher guaranteed commission to FSA (\$2,400 more annually)
- Higher potential commission for FSA (51% vs. 55%)
- Lower cost per/machine rate for 811/825 NYA (\$30.00 vs. \$37.50)
- Local service network

Residential Life & Services

17-18 Budget

- RL&S is proposing utilizing available surplus funds to “fold” \$15,480 laundry costs into current costs of on-campus housing for residential students
- National best practice to include laundry. By living on-campus, residential students experience free laundry (no per-cycle fee)!



Faculty Student Association of DOWNSTATE Medical Center

10/24/17

Campus Store Update for FSA BOD Meeting October 27th, 2017

1. **POS System-** The in-store retail aspects of the Lightspeed POS system are up and functioning. Design work such as dashboard, design layout, content, marketing, and credit card access is being further customized by software tech support. My follow-up continued and expected to be ready for 'go-live' with online store purchases by 11/3/17. Bookstore system is ready for an expected imminent campus-wide audit on PCI compliance by NYS-OSC.
2. **Store Merchandizing-** President Riley requested that new downstate apparel (fleeces and shirts) that are just say Downstate- no longer program specific be procured and promoted, in an effort to be more DMC community-based rather than segmented. Concurrently, many students continue desired coordinated Bookstore efforts for designing their own class/program specific clothing that they help market and which does bring in much needed sales and customer foot traffic. Margins on all items in the store are now at what they should be to reduce prior financial loss.
The store has just been repainted, the shelving has been ripped out and windows are now bringing in light to the store. Next will be to reorganize the layout and bring in a newer modern look for displays.
3. **Marketing-** Once ecommerce store is up/running, marketing emails will be sent out to all DMC students and faculty. Banners will run.
4. **White Coat Ceremonies:** This was the first year that Bookstore has coordinated the white coats for CONursing that brought in an increase in sales close to \$8,000 and we're now planning with CHRP-PT for their ceremony in November. Again, these coordinated efforts are better tying the store into the fabric of the DMC community, improving store foot traffic and helping to reduce prior store financial losses.
5. **Inventory-** POS system now reflects accurate inventories. Ongoing in-store sales on items that have a large back stock to reduce inventory and enable more investment into items that sell the best.
6. **Staffing Change:** Frank Ward's last day was 10/26/17, based on a finances that can't support three salaries. While kept on payroll longer than initially projected, I felt was necessary to assist coverage during Marva's vacation, white coat ceremonies, and assisting store improvements that promote increased sales.

Summary: With new revenue streams being created, profit margins increased, marketing campaigns, and a salary reduction we are hoping to cut the lose by more than half. Over the last few months we have been on course with this task.

Sincerely,
Tim Stockmar, Manager



Faculty Student Association of DOWNSTATE Medical Center

October 20, 2017

FSA Board of Directors Operations Report for October 27, 2017

1. **Business Office Activities** –Since last BOD meeting on July 12, 2017:
 - a. **Blackbaud Financial Edge:** While the office continues to use and become fully acclimated to the new software, the HSCBF funded Blackbaud training has not been scheduled. We again hope to coordinate complete training on this new software very soon.
 - b. **SAF & TA Monthly Reports:** Have been issued for period June 1 through September 30, 2017. FSA Account holders can continue to obtain balances or specific transaction inquiries by contacting Deshawn Hilliard in the FSA Business Office.
 - c. **Paper Save** (program that scans payment supporting documents): We have encountered some technical difficulties using this software and Deshawn Hilliard, FSA Bookkeeper, is working with Paper Save to correct this situation. We anticipate this being rectified this quarter.
 - d. **FSA Office File Clean-up:** Again, the FSA Staff continues to do a great job in going through the file cabinets in the office to box up old documentation and move them to storage.
 - e. **Yearly Audit of FSA Financial Statements:** The May 31, 2017 Audit has been completed; Being presented by PKFOD.
 - f. **FSA 2018 Budget:** The proposed FYE 2018 budget presented at today's meeting, once approved by the FSA BOD will be presented to the HSCBF for approval of the annual Subsidy.
 - **Bookstore:** projects loss of \$40K. Prior FY budget loss was \$-44K, but actual prior loss was \$-111K. Tim Stockmar to comment
 - **FSA Office**
 - Increase in projected loss by ~\$120K
 - Reduction in gift shop income
 - Reduction in Salary Recovery from HSCBF – New Controller.
 - Subsidy requested from HSCBF \$222,011
 - **FSA Financial Statement Budget to Actual:** Overall fiscal year to date (YTD) 4-month period June 1st 2017 through September 30, 2017 shows a loss of \$45,490.
 - Bookstore profit of \$10,575 was offset by the FSA Office loss \$-56,065. Bookstore sales were better than budget by \$41,640 which resulted in a net profit better than budgeted by \$23,952
 - FSA Business Office sustained a larger loss for the 4 months than budgeted primarily due to the unbilled HSCBF Subsidy, which can't be billed until the 2017/2018 budget is approved and we meet with HSCBF regarding the subsidy.
2. **FSA Controller position:** DSJ continues to perform this role. We again recommend that recruitment be initiated as soon as possible for a full time on site Controller.

Respectfully submitted by,
Bob Jahelka CPA, Partner of DSJCPA
as Co-Interim Controller

Faculty Student Association of Downstate Medical Center (FSA)					
YTD 06/01/17 - 09/30/17 Income Statement (Business Office)					
		YTD Budget to Actual (06/01/17 - 09/30/17)			
		Proposed 2018 FSA Budget YTD 9/30/17	FSA Income Statement YTD 9/30/17		(Favorable) Unfavorable
00010 - FSA					
Revenues					
10-46001-100	CAFE 101 COMMISSION	6,600	7,334		(734)
10-46004-100	CANTEEN VENDING	25,500	28,335		(2,835)
10-46009-100	GIFT SHOP COMMISSION	1,800	1,770		30
10-46013-100	MACGRAY LAUNDRY COMM	4,500	4,756		(256)
10-46017-100	JPMORGAN CHASE COMMISSION	2,520	3,500		(980)
10-46021-100	STUDENT HEALTH INSURANCE COMMISSION	3,000	-		3,000
10-46025-100	VENDING PERMIT COMMISSION	-	385		(385)
10-46030-100	ZIP CAR COMMISSION	605	672		(67)
10-46033-100	GRAD IMAGES	270	-		270
10-46041-100	BOUNCED CHECK FEES	-	-		-
10-46045-100	MISCELLANEOUS INCOME	-	269		(269)
10-46049-100	SALARY RECOVERY	104,058	126,495		(22,437)
10-46050-100	REQUESTED SUBSIDY FROM HSCBF	74,004	-		74,004
10-46053-100	INTEREST INCOME	-	36		(36)
10-49001-100	STUDENT ACTIVITY FEE REVENUE	2,883	-		2,883
10-49002-100	FEES FROM TRUST & AGENCY	2,342	(50)		2,392
30-46037-008	FSAA A/R STUDENT ADVANCE FEES	-	367		(367)
30-46053-100	INTEREST INCOME	-	-		-
40-46053-100	INTEREST INCOME	-	35		(35)
	Total Revenues	228,082	173,904		54,178
		Proposed 2018 FSA Budget YTD 9/30/17	FSA Income Statement YTD 9/30/17		Favorable (Unfavorable)
Expenses					
10-60000-100	PAYROLL	55,500	12,963		42,537
10-60001-100	FICA EXPENSE	3,973	948		3,025
10-60002-100	NY STATE UNEMPLOYMENT	310	-		310
10-60003-100	FUTA EXPENSE	-	-		-
10-60005-100	HEALTH INSURANCE	12,567	8,772		3,795
10-60007-100	DISABILITY INSURANCE	175	-		175
10-50070-100	ADVERTISING EXPENSE	333	-		333
10-70020-100	AUDITING	12,000	11,000		1,000
10-70023-100	BANK FEES	6,000	7,621		(1,621)
10-70053-100	COMPUTER EXPENSE	4,000	-		4,000
10-70056-100	CONSULTANT	-	66,863		(66,863)
10-70064-100	DEPRECIATION EXPENSE	6,800	1,292		5,508
10-70087-100	DUES & SUBSCRIPTIONS	667	425		242
10-70120-100	HSCB FD. SALARY & BENEFIT	102,416	108,652		(6,236)
10-70124-100	INSURANCE	5,248	6,492		(1,244)
10-70128-100	LEGAL FEES	4,000	3,000		1,000
10-70135-100	MEETING EXPENSE	400	-		400
10-70138-100	MISCELLANEOUS EXPENSE	667	500		167
10-70144-100	OFFICE EXPENSE	3,000	1,406		1,594
10-70208-100	TELEPHONE	460	-		460
10-70217-100	TRAVEL & CONFERENCES EXPENSE	833	35		798
	Total Expenses	219,349	229,969		(10,620)
	FSA BUSINESS OFFICE NET SURPLUS/(DEFICIT)	8,733	(56,065)		(64,798)

Faculty Student Association of Downstate Medical Center (FSA)					
YTD 06/01/17 - 09/30/17 Income Statement (Bookstore)					
		YTD Budget to Actual (06/01/17 - 09/30/17)			
		Proposed 2018 Bookstore Budget YTD 9/30/17	Bookstore Income Statement YTD 9/30/17	(Favorable) Unfavorable	
00020 - Bookstore					
Revenues					
SUMMARY	SALES	121,167	155,290	(34,123)	
SUMMARY	COST OF GOODS SOLD	(94,854)	(85,792)	(9,062)	
	GROSS PROFIT	26,313	69,498	(43,185)	
10-46049-200	SALARY (PERSONNEL) RECOVERY	2,089	-	2,089	
10-46053-200	INTEREST INCOME	-	63	(63)	
10-48005-200	OTHER INCOME	-	481	(481)	
	Total Revenues	28,402	70,042	(41,640)	
		Proposed 2018 Bookstore Budget YTD 9/30/17	Bookstore Income Statement YTD 9/30/17	Favorable (Unfavorable)	
Expenses					
10-50074-200	SELLING EXPENSE	-	223	(223)	
10-60000-200	PAYROLL	28,269	31,872	(3,603)	
10-60001-200	FICA EXPENSE	2,163	2,438	(275)	
10-60002-200	NY STATE UNEMPLOYMENT	388	179	209	
10-60003-200	FUTA EXPENSE	-	-	-	
10-60005-200	HEALTH INSURANCE	7,065	13,074	(6,009)	
10-60006-200	PENSION EXPENSE	2,802	1,778	1,024	
10-70023-200	BANK FEES	-	3,073	(3,073)	
10-70053-200	COMPUTER EXPENSE	-	-	-	
10-70087-200	DUES AND SUBSCRIPTION	-	-	-	
10-70124-200	INSURANCE	1,092	4,416	(3,324)	
10-70144-200	OFFICE EXPENSE	-	2,414	(2,414)	
	Total Expenses	41,779	59,467	(17,688)	
	FSA BOOKSTORE NET SURPLUS/(DEFICIT)	(13,377)	10,575	23,952	
	GRAND TOTAL BUSINESS OFFICE & BOOKSTORE	(4,644)	(45,490)	(40,846)	

**FACULTY STUDENT ASSOCIATION
of Downstate Medical Center, Inc.
Proposed Budget for FY 2017 / 2018**

FSA BOD Minutes 2017-10-27 Attachment 5

Category Description	F.S.A.	Campus Store	Gift Shop	Vending Operations	Food Services	Laundry Operations	Chase ATM	Photo Image	ZIP Cars	Student Hlth Insur.	Program Exp	2017-2018 BUDGET
REVENUES:												
- Sales	-	380,000	-	-	-	-	-	-	-	-	-	380,000
- Cost of Goods Sold	-	(284,561)	-	-	-	-	-	-	-	-	-	(284,561)
- Commission on Sales	-	-	6,000	85,000	22,000	15,000	8,400	900	2,016	10,000	-	149,316
- G&A Distribution	134,385	-	-	-	-	-	-	-	-	-	-	134,385
- Fees From Student Activity	8,650	-	-	-	-	-	-	-	-	-	-	8,650
- Fees From Trust & Agency	7,025	-	-	-	-	-	-	-	-	-	-	7,025
- Recovery from HSCBF (Payroll & OTPS)	312,175	6,267	-	-	-	-	-	-	-	-	-	318,441
- Requested subsidy from HSCBF	222,011	-	-	-	-	-	-	-	-	-	-	222,011
Gross Revenue/Profit	684,245	101,706	6,000	85,000	22,000	15,000	8,400	900	2,016	10,000	-	935,267
EXPENSES:												
- Salaries	406,500	84,807	-	-	-	-	-	-	-	-	-	491,307
- Payroll Taxes & Employee Benefits	125,066	40,530	-	-	-	-	-	-	-	-	-	165,596
Payroll Subtotal	531,566	125,337	-	-	-	-	-	-	-	-	-	656,903
- Supplies	9,000	900	-	-	-	-	-	-	-	-	-	9,900
- Insurance	9,000	-	-	-	-	-	-	-	-	-	-	9,000
- Depreciation	20,400	-	-	-	-	-	-	-	-	-	-	20,400
- Telephone	1,380	-	-	-	-	-	-	-	-	-	-	1,380
- Other & Office Expenses	86,700	15,600	-	-	-	-	-	-	-	-	-	102,300
FSA Board Sponsored Programs	-	-	-	-	-	-	-	-	-	-	1,000	1,000
Total Direct Expenses	658,046	141,837	-	-	-	-	-	-	-	-	1,000	800,883
Excess Revenue Before Allocation of G&A Exp.	26,199	(40,131)	6,000	85,000	22,000	15,000	8,400	900	2,016	10,000	(1,000)	134,384
General and Administrative (G&A) Expenses	-	-	5,400	76,500	19,800	13,500	7,560	810	1,814	9,000	-	134,385
Excess (Deficiency) Over Operating Expenses	26,199	(40,131)	600	8,500	2,200	1,500	840	90	202	1,000	(1,000)	(0)

Proposed