BOARD OF DIRECTORS  
Thursday, June 19, 2014 – 3:00 P.M. 
University Enterprises Boardroom

Minutes

Members Present: Andy Bodman  
Lois Carson  
Dorothy Chen-Maynard  
Ron Fremont  
Monir Ahmed for Bob Gardner  
Yasha Karant  
Juan Herrera for Anthony Ochoa  
Tomás Morales  
Josephine Mendoza  
Valerie Zellmer  
Ed Teyber

Members Absent: Happy Almogela  
Bob Brown  
Brian Haynes

Others Present: Debbie Burns  
Lisa Iannolo  
Cara-Marie Pham  
Jeff Thompson  
Diane Trujillo  
Rachel Weiss

Dr. Ed Teyber called the meeting to order at 3:05 p.m.

A. Introductions/Welcome

Ed Teyber informed the Board that this was Juan’s last Board meeting. Juan has graduated and will be moving on to great adventures. Everyone thanked Juan for being a major participant and such a thoughtful and helpful student leader.
B. Welcoming Remarks

President Morales welcomed and thanked everyone serving on the University Enterprises Corporation’s Board of Directors. President Morales gave a brief overview of what is happening around campus. He informed the Board that during the past week there were approximately 2,500 graduates, including around 200 at the Palm Desert Campus. This year was the first year that commencement was not held on Sunday (Father’s Day). President Morales made the decision to have additional graduations on Saturday so that on Sunday people could be home with their families.

This past year, CSUSB signed agreements with five area school districts in an effort to reduce money that is being spent on remedial education. President Morales stated that this is an issue that is not only regional but national as well. He will be looking to work with other school districts in the near future.

President Morales stated that Time Magazine developed a formula to rate colleges and universities based on metrics such as graduation rate, average cost, and the percentage of students with Pell Grants. Where these three metrics were deemed to be for the highest importance, CSUSB ranked 37 out of 2500. President Morales is pleased at the direction that the university is going and will continue to go throughout the years.

C. Approval of the Minutes

The minutes of the March 13, 2014 meeting were reviewed and approved as written. (Herrera/Mendoza/Unanimous)

D. Approval of 2014/2015 Budget

UEC staff prepared an estimate of the revenues and expenditures for the 2014-2015 budget year. The budget estimates are based upon factual information of prior years’ performance and anticipated projections. The information is provided in summary form, along with notes to accompany any significant changes in the budget from the previous year. The format this year has been changed to reflect both the Sponsored Programs and the UEC budget. It is more consolidated and made since to have one budget for one entity.

Lisa Iannolo reviewed the proposed 2014-2015 FY combined budget summary with the Board. Lisa highlighted areas with significant differences between last year and this year. The budget reflects the reduction in commissions from Follett over the years, as textbook sales have declined. Originally, Follett guaranteed $900,000, then $750,000, and now it is based on the previous year’s net sales. Dining expenses have increased due to repairs and maintenance charges. Sodexo pays $50,000 each year for repairs and maintenance, but there is a lot of equipment that has reached the end of its life and is in need of being replaced. A significant expenditure for the 2014/2015 budget is the purchase of the Paylocity HRIS/Payroll system. Lisa stated that in 2014/2015 just under $500,000 is budgeted to be allocated back to campus.
It is recommended that the Board of Directors approve the proposed budget for FY 2014-2015. A motion was made to approve the combined UEC and the Sponsored Programs Administration budget. (Carson/Zellmer/Unanimous)

E. Approval of Board Membership

A proposed UEC Board of Directors membership list for 2014/2015 was provided to the Board for review. Currently, there are two positions that are vacant including a Staff Director and a Community Director. It was asked that if President Morales or any other Board Members have recommendations that they please share them with Debbie.

UEC Bylaws provide for the appointment of Board members. There are five named ex-officio positions in the current UEC Bylaws. President Morales recommended that a new ex-officio position be added to the Bylaws to include the position of the Vice President of Information Technology Services, Sam Sudhakar.

There was a motion to approve the additions to the UEC Board Membership and update the Bylaws to include the Vice President of Information Technology Services as an ex-officio position. (Chen-Maynard/Mendoza/Unanimous)

F. Proposed Meeting Dates for 2014/2015

It has been the practice that the Board of Directors approves the dates for meetings of the Board of Directors, Executive Committee, and Standing Committees in advance of the next fiscal year to assist Board and Committee members with calendar management.

There was brief discussion on the Board dates and it was recommended that the September 18, 2014 meeting date be changed because it lands on the date of the faculty retreat.

The Board approved the new 2014-2015 meeting dates for both the Board and the Standing Committees with the change of the September Board meeting. (Carson/Mendoza/Unanimous)

G. Executive Director Update

First, Debbie Burns announced to the Board that she intends to retire in July 2015. She stated that with her retirement one year away it might be beneficial to create a Strategic Task Force to determine the future direction and sustainability of UEC.

Debbie provided the Board with an Executive Director’s Report. She emphasized that Sodexo has contributed $871,000 in capital over five years, along with $697,000 in commissions. Over the summer, a new e-store will be installed next to SBS and Sodexo is looking into a pub refresh. Likewise, Follett has contributed $500,000 in capital and $4,350,000 in commissions over five years. Both the Sodexo and Follett contracts expire in June 2018. The Coke pouring rights contract expired in 2017.
Debbie stated that Paylocity, the new HRIS/Payroll system, is scheduled to “go live” on July 1, 2014. The VEBA trust fund as of 6/13/14 is at $996,887, growing significantly since the initial deposit of $646,401 in December 2012 for Postretirement Medical Benefit Obligations.

Jeff Thompson voiced concern about the funds being allocated back to campus from indirect cost recovered. He suggested that we evaluate the merits of the 2011 UEC reorganization within the campus. Debbie stated that UEC has evolved to become a research foundation, emphasizing that the focus has always been on how much money is returned to campus. It would benefit UEC if equal focus was placed on retaining funds for reserves, as well. Debbie Burns said Cal Poly Pomona requires that formal requests be made for any allocations to campus and they ensure that reserve levels are adequate.

H. Financial Review (Handout Only)

Lisa Iannolo, Director of Auxiliary Financial Services, provided UEC’s May 31, 2014 financial statement for the Boards review.

I. Committee Reports

In lieu of committee presentations to the Board, drafts of all minutes of Standing Committees are provided with this Board meeting package.

The meeting adjourned at 4:32 p.m.

Minutes approved by: [Signature]

Date: 9/17/14