Dr. Ed Teyber called the meeting to order at 3:10 p.m.

A. Introductions

Ed Teyber welcomed and introduced two new members to the Board. Alyssa Acosta, who was recommended to the Board by Dorothy Chen-Maynard and approved by Associated Students, Inc. (ASI), is our newest student member. Josephine Mendoza, a Computer Science & Engineering Professor, is our newest faculty member.
Ed congratulated Debbie Burns on her new title. Debbie is the Executive Director for University Enterprises Corporation at CSUSB ("UEC"), as well as the Assistant Vice President of Auxiliary & Business Services and Risk Management (a new department that was created on campus). Debbie's duties were expanded to include oversight of Parking Services, Event Scheduling, Environmental Health and Safety, and Risk Management.

Additionally, Lois Carson was recognized for her recent "Providing Help, Creating Hope" Catholic Charities award. The award recognized her outstanding leadership and assistance for families to get out of poverty and become more self-reliant. Lois has been a part of the University since the 1960's when she earned her bachelor's degree at CSUSB.

B. Welcoming Remarks

Dr. Albert Karnig, CSUSB President, welcomed the Board and provided a brief update on California State University, San Bernardino. Despite increasing tuition and fees, higher student/faculty ratios, greater staff responsibilities, and significant budget cuts, CSUSB remains one of the most affordable, prestigious, and growing universities in the United States. Dr. Karnig recognized some recent major achievements for the University. Four significant achievements include: CSUSB's Inland Empire Center for Entrepreneurship (IECE) named as the new host of the Inland Empire Small Business Development Center opening in January 2011; CSUSB's women's volleyball team hosted the NCAA and played all the way to the final game; the gift-funded Murillo Family Observatory opened in November 2011, and CSUSB's graduation rate is in the top 11% in the nation.

Dr. Karnig confirmed that this is his last year as President of CSUSB. He began his presidency in 1997 as the third President of Cal State San Bernardino. The Presidential search will begin in February 2012 and he will remain until a replacement is found.

C. Approval of Minutes

The minutes of the September 28, 2011 were reviewed and approved as written. (Chen-Maynard/Gardner/Unanimous)

D. Approval of New Board Members

The two newest members of the Board of Directors, Josephine Mendoza as a faculty member and Alyssa Acosta as a student member, were approved. (Chen-Maynard/Carson/Unanimous). In addition, Debbie Burns announced that Val Zelmer has agreed to chair the Audit Committee. With the newest
additions, the current slate of Board membership is now complete with no vacant positions at this time.

E. Policy Approval

Recommendation:

It is recommended that the Board approve the nine policies for University Enterprises Corporation at CSUSB: Conflict of Interest, Reserves, Risk Management and Insurance, Indirect Cost Funds, Transparency/Accountability & Public Record Request, Purchase Order, Record-Retention and Disposal, Surplus Property, and Form 990 Review.

Background:

These nine policies represent existing policies that have been updated to reflect UEC’s new name, as well as any new legal requirements.

While under separate reporting structures, both Auxiliary Accounting and Sponsored Programs Administration are updating their procedures and policies to ensure that CSUSB meets legal and audit requirements.

Discussion:

Debbie Burns reviewed the changes made to each policy. She informed the members that these nine policies represent all of the UEC policies. Some of the old policies are actually internal procedures and will be properly labeled as such. Auxiliary Accounting is in the process of creating standardized procedures for all the auxiliaries on campus. Likewise, Sponsored Programs Administration is reviewing and updating policies that will become procedures under Academic Research. Debbie stated that all of the UEC policies will be posted on the UEC website within the next week. All nine policies were reviewed and approved as written (Almogela/Chen-Maynard/Unanimous).

F. Executive Director’s Report

Debbie Burns, Executive Director, updated the Board regarding the status of UEC operations and other relevant matters. She started by reviewing the UEC website, emphasizing the attention to the corporate documents and transparency section. On January 1, 2012, the CSU Auxiliary Organizations Transparency & Accountability Act ("Act") will go into effect requiring that all CSU auxiliaries make their records available for public inspection. As such, many of UEC’s public documents have been placed on the website.
Additionally, Debbie updated the Board on current projects and upcoming events for 2012. The Land Observatory was built with gift funds and by June 30th the asset will be appropriately transferred to the state. Debbie is still exploring and researching the concept of having a weekend marketplace on campus. The Audit Committee will be tasked with issuing an Auditor RFP in 2012, subject to the Chancellor’s Office guidance on required qualifications. Finally, Debbie stated that the Chancellor’s Office will conduct an audit in spring, an audit that occurs every three years.

G. Financial Update

Lisa Iannolo, Director of Auxiliary Financial Services, provided the October 31, 2011 Financial Statements. The net income for October 31, 2011 showed a significant increase of approximately $194,000. Lisa also provided the START program debt status as of October 31, 2011. The UEC reserves were briefly discussed and a balance sheet was given to show what the funds have been set aside for. Debbie Burns was also pleased to report that the remainder of the dining debt should be paid off this year.

Diane Trujillo, Director of Sponsored Programs Administration, provided the committee a financial summary of Sponsored Programs Administration. She distributed a budget vs. actual comparison statement as of October 31, 2011. Diane also pointed out that $1,049,549 would be returned back to campus for the 2010/2011 fiscal year. A ten-year statistical report was provided showing that the effective recovery rate for 2010/2011 is 11.10%. Jeff Thompson, Associate Provost for Research, clarified that some projects have zero indirect so this is why the rates fluctuate so much throughout the years. Jeff indicated that of the 2011/2012 year Academic Research has received $9 million in new awards and expects to end the year with $30 million.

H. Committee Reports

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

The meeting adjourned at 4:46 p.m.

Minutes Approved By: [Signature]
Title: Secretary / Treasurer
Date: 3-15-12