

California State University, East Bay Foundation, Inc.
Board of Directors
May 25, 2006
2:30 p.m.
Minutes

PRESENT

Dr. Norma Rees, Director
Mr. Richard Metz, Director
Dr. James Kelly, Director
Mr. Robert Burt, Director
Dr. Nan Chico, Director
Mr. Steven Cox, Director
Mr. Thomas Hird, Director
Mr. Robert Sakai, Director
Dr. David Stronck, Director

ABSENT

STAFF

Dr. Curt Robinson
Ms. LaTanya Bellow
Ms. Marilyn Stager

GUEST

I. Call to Order

President Rees called the meeting to order at 2:30 p.m. with a quorum present.

II. Approval of Agenda

M/S/P (Stronck/Chico) The Agenda be approved as presented.

III. Consent Calendar

- A. Minutes of March 9, 2006
- B. Quarterly Financial Report- March 31, 2006

M/S/P (Metz/Anderson) The consent calendar be approved as presented.

IV. Committee Meeting

A. Finance and Personnel Committee Report.

1. Meeting of May 25, 2006

Dr. Robinson reported the CSURMA insurance rate would be decreasing by 3.4% due to workers compensation insurance declining for the foundation.

Dr. Robinson reported the disposition of surplus equipment from the Foundation & Bookstore warehouse as recommended by staff. Most of the outdated and broken equipment has been disposed of already.

V. 2006-2007 Fiscal Year Budget

A. Proposed Budget

Ms. Stager introduced the proposed budget to the committee which has been reformed and condensed to four pages. Page one recaps the board designated expenditures and the net budget summary. The second page recaps the four accounts that make up the operations for the Foundation. The third page summarizes book store operations and the fourth page summarizes the reserves and the definition of each.

The calculated value of the reserves for the 2006-2007 year is \$2,899,500 which is \$881,200 greater than our budget reflects. In November 2003, the board approved the current reserve policy and definitions and approved a five year plan to achieve the level of funding required to meet our policy. This year we have earmarked \$100,000 to be used to pay down a portion of our retiree health liability.

Dr. Rees expressed concern to the committee about funding for research for academic affairs. Dr. Robinson stated that there were not enough funds to allocate to research funds. He also pointed out that there is roughly \$1,100,000 still available in an account for research. Dr. Rees requested a meeting with Provost and the chair of LOP to discuss the research current funds.

M/S/P (Stronck/Hird) To accept the proposed budget.

B. Internal Bookstore Audit

Dr. Robinson expressed concern that the inventory is an accurate representation of the products within the store. He stated that the bookstore was going through inventory March 9 & 10 with a representative from McKenna at the Foundation's request to observe the inventory process.

C. Management Fees

Dr. Robinson introduced Ms. Stager to provide preliminary findings from the subcommittee comprised of Mr. Anderson, Mr. Metz, and Ms. Stager. A Revised fee structure of 5% 10% & 15% was proposed based on the level of service provided to each account. The subcommittee will meet again before providing a recommendation to the committee.

VI. New Business**A. PERS Update**

Dr. Robinson roughly 12 employees migrated from the foundation side to the university side reducing the post retirement health benefits liabilities. Roughly 20-25 employees that are currently employed by the Foundation that potentially could move over to the University side. He expressed hope that the Bookstore employees will move over to the university side thereby reducing the financial liability for the Foundation.

Dr. Rees asked expressed the desire to bring both the pros and cons of doing this to the board before making a recommendation.

M/S/P (Metz/Sakai) To adopt the conflict of interest form as revised to provide a yes/no option to the questions.

VII. Executive Director's Report**A. Financial Services Update**

Ms. Stager reported that a full-time employee in the accounting office retired. The position was filled with a part-time, non-benefited person and a student saving the cost of benefits while still being able to fulfill the job requirements.

B. Vending Services Update

The total commission earned from Golden State Vending for the fiscal year 2005-2006 year to date is \$26,845.45. The total commission for Pepsi Bottling Group for the fiscal year 2005-2006 year to date is \$29,476.11. There were talks of increasing revenue with campus vending commissions by identifying other areas on campus to place additional machines for accessibility.

C. Grants and Contracts Update

Revenue fell short from last year by \$33,000 due to the transfer of the employees to the state side. It has been taking a little more time because the state has to invoice the foundation and the foundation has to pay the invoice before the reimbursement request can be processed by the grantor. Concern was expressed over the RISE Grant not being renewed because the requirements for minority hiring were not met. There was a discussion on the need for a cost analysis of the SOAR Operation.

D. Pioneer Bookstore Update

Ms. Ehrhorn reported on the great success of the publishers' fair sponsored by the bookstore on April 11. Feedback from attending faculty was that it was a one-stop, extremely informative, and excellent opportunity to determine their course material for the fall quarter.

Two unemployment claims by student employees of the bookstore were challenged and subsequently not granted due to attendance at hearings by our staff. Bookstore student employees are advised that they are not eligible for unemployment benefits per CA Unemployment code 642.

VIII. Other Business

IX. Adjournment

M/S/P (/Chico) The meeting was adjourned at 3:25 p.m.

Minutes of the CSUEB Foundation Board of Director's Meeting for the May 25th meeting were adopted on

Secretary _____ Date _____

Executive Director _____ Date _____