

Minutes of the June 14, 2018 Board of Directors Meeting

PRESENT: Ellen Junn, Ralph Bucheli, Suzanne Espinoza, Chad Cummings, Richard Ronten
STAFF: Darrell Haydon, Amanda Nelson, Cara Kiely, Wendy Olmstead
TELECONFERENCE: Andrew Price

I. WELCOME AND CALL TO ORDER

The meeting was called to order by E. Junn at 9:10 a.m. Junn announced that Dr. Espinoza has accepted a position as Vice-President, Student Affairs, at CSU East Bay and thanked her on behalf of the board for her service.

II. APPROVAL OF MINUTES

A. Auxiliary and Business Services Board Meeting March 22, 2018 (*Attachment II-A*)

Motion to approve the minutes of the March 22, 2018 Auxiliary and Business Services Board Meeting (M/S/P, Bucheli/Ronten).

III. DISCUSSION & REPORTS

A. Morgan Stanley Smith Barney Investment Report as of March 31, 2018
(*Attachment III-A*)

A. Price summarized the capital markets and provided an explanation of the yields and variances of returns of the ABS corporate bond ladder and short term bond pool as of March 31, 2018. A discussion was held regarding the impact of trade disputes on markets and their potential effects on the portfolio.

B. Audit Committee Report

R. Bucheli reported that the Audit Committee reviewed and approved the 2017/2018 audit plan provided by Aldrich CPAs + Advisors LLP. Bucheli explained ASU No. 2016-14, a financial reporting standard for not-for profits, issued by the Financial Accounting Standards Board (FASB) in 2016, which simplifies and improves how not-for-profits classify net assets and present information about liquidity, financial performance, and cash flows to provide more relevant information to donors, grantors, creditors, and other users. He summarized the Audit Committee's discussion and decision to forego early adoption of ASU No. 2016-14 and shared that university accounting staff will review the requirements of the new standard and will prepare for how the financial statements and the systems and processes used to produce them will change.

Bucheli reported that the Audit Committee reviewed and approved the Financial Report for the Nine Months Ended March 31, 2018.

IV. ACTION ITEMS

- A. Resolution to Approve Election of Audit Committee Member and Chair (*Attachment IV-A*)
- D. Haydon presented the resolution to re-elect R. Bucheli as a member and chair of the Audit Committee for a one-year term (M/S/P, Cummings/Ronten).
- B. Resolution to Approve Amendment Eight to the Amended and Restated Food Service Agreement with Trustees of the State of California (*Attachment IV-B*)
- D. Haydon provided an explanation of the annual amendment to the Amended and Restated Food Service Agreement with Trustees of the State of California, which specifies board meal rates and dates and hours of service for campus food service locations (M/S/P, Ronten/Bucheli). Haydon explained the Request for Proposal process currently in progress to identify a new food service contractor to begin July, 2019.
- C. Resolution to Approve Amendment Nine to the Amended and Restated Food Service Agreement with Chartwells (*Attachment IV-C*)
- D. Haydon provided an explanation of the annual amendment to the Amended and Restated Food Service Agreement with Chartwells, which specifies board meal rates and dates and hours of service for campus food service locations (M/S/P, Ronten/Bucheli).
- D. Resolution to Approve Memorandum of Understanding with California State University Stanislaus for Distribution of Student Identification Cards (*Attachment IV-D*)
- D. Haydon explained the need to establish an MOU with the University Library to issue university identification cards due to the closure of the Service Desk in the University Student Union for the building of the new Student Center (M/S/P, Ronten/Bucheli).
- E. Resolution to Approve Exhaust System Cleaning Agreement with Mr. Portawash (*Attachment IV-E*)
- D. Haydon described the agreement including the need for more frequent cleaning of fume hoods in the Main Dining kitchen due to the closure of Warrior Grill (M/S/P, Bucheli/Ronten).
- F. Resolution to Approve Planned Maintenance and Appliance Repair Agreement with Commercial Appliance, Inc. (*Attachment IV-F*)
- D. Haydon described the commercial appliance preventive maintenance and appliance repair agreement and led a discussion regarding the need for renovations to Main Dining following the USU expansion to bring the venue up to current food service standards (M/S/P, Bucheli/Ronten).
- G. Resolution to Approve Operating Budget 2018/2019 (*Attachment IV-G*)
- C. Kiely summarized the operating budget for 2018/2019. A discussion was held regarding the sale of the bookstore to the university and costs associated with the temporary relocation of the bookstore during the USU expansion. The board requested, and staff will provide, a report summarizing the financial implications of the sale of the bookstore at the next meeting (M/S/P, Bucheli/Cummings).

H. Resolution to Approve Memorandum of Understanding for Administrative Management, Accounting, and Financial Systems Access Services (*Attachment IV-H*)

D. Haydon and A. Nelson provided an explanation of the MOU for accounting services and the implementation of a CSU system-wide accounting change regarding cost-recovery (M/S/P, Ronten/Bucheli).

V. **INFORMATIONAL ITEMS**

A. Financial Report for the Three Months Ended March 31, 2018 (*Attachment V-A*)

VI. **NEXT MEETING DATE:** Thursday, September 13, 2018 – 9:00 a.m. to 10:30 a.m.

VII. **ADJOURNMENT**

The meeting was adjourned at 10:30 a.m.

Respectfully Submitted,



Wendy Olmstead