

Minutes of the September 20, 2018 Board of Directors Meeting

PRESENT: Ellen Junn, Ralph Bucheli, Chad Cummings, Richard Ronten
STAFF: Darrell Haydon, Amanda Nelson, Dennette Dores, Wendy Olmstead
TELECONFERENCE: Andrew Price
ABSENT: Paz Oliverez

I. WELCOME AND CALL TO ORDER

The meeting was called to order by D. Haydon at 8:32 a.m.

II. APPROVAL OF MINUTES

A. Auxiliary and Business Services Board Meeting June 14, 2018 (*Attachment II-A*)

Motion to approve the minutes of the June 14, 2018 Auxiliary and Business Services Board Meeting (M/S/P, Bucheli/Cummings).

III. DISCUSSION & REPORTS

A. Morgan Stanley Smith Barney Investment Report as of June 30, 2018
(*Attachment III-A*)

A. Price provided a summary of dominant topics in the market commentary and an explanation of the yields and variances of return of the ABS corporate bond ladder and short term bond pool as of June 30, 2018 and since inception on May 1, 2012. A discussion was held regarding holding bonds to maturity and length of terms as well as future possibilities for adding yield via shorter or intermediate term funds.

B. Audit Committee Report

R. Bucheli reported that the Audit Committee met with R. LaCour, Aldrich CPAs + Advisors LLP, on September 13, 2018 to discuss the external auditor's report. Bucheli stated that the auditor has issued an unmodified opinion with no material weaknesses in internal controls and that LaCour provided clarifications of key financial information during a committee discussion of the auditor's report and audited financial statements. The Audit Committee reviewed and approved the the Audited Financial Statements as of June 30, 2018.

A discussion was held regarding the need to examine the auxiliary's liquidity, reserves, and investment policies during the next six months.

D. Haydon provided a summary of upcoming items related to ABS's commercial operations including the sale of the Bookstore to the University for operation by the University Student Union; Requests for Proposals for Dining Services and the Bookstore; the possibility of a new building for the Stockton campus; and ongoing discussions

regarding the purchase of The Vista by ABS. Haydon indicated that the purchase of The Vista may require a special board meeting and led a discussion regarding the financial benefits and advantages of additional student housing.

IV. INFORMATIONAL ITEMS

A. Audited Financial Statements for Fiscal Year Ended June 30, 2018 (*Attachment IV-A*)

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

VI. ADJOURNMENT

The meeting was adjourned at 9:23 a.m.

Respectfully Submitted,


Wendy Olmstead