



# SONOMA STATE UNIVERSITY

## Academic Foundation, Inc.

Board of Director's Annual Meeting

Tuesday, December 7, 2004

Agenda Item II – Approval of September 14, 2004 Minutes

I. Call to Order. Mr. Stuart Jones, Board President determined that a quorum was present (refer to Record of Attendance for September 14, 2004).

❖ Welcome and Farewell

- Acknowledged and welcomed new board members Messrs. Dan Lanahan and Mike Sullivan
- Acknowledged and thanked Dr. David Walls for his many years of service to the Foundation Board of Directors and as a member of the Finance Committee.

❖ Introduction of Dr. Jim Robertson, Dean, School of Business and Economics. Dr. Robertson provided a brief overview of his plans for the School including obtaining full accreditation from the Association to Advance Collegiate Schools of Business (AACSB) and an overall development plan for the school.

❖ University Update. Dr. Eduardo Ochoa, SSU Provost and Vice President for Academic Affairs provided the following comments.

- SSU has reduced its FY 2004/05 full-time equivalent enrollment approximately 3% from FY 2003/04 required by the current year budget plan for the CSU.
- SSU will soon implement year-round operations with the introduction of a summer semester, most likely in 2005.
- Based on the Higher Education Compact between the Governor, University of California and the CSU, enrollment will increase approximately 2.5% in budget year 2005/06 with funding also increasing at a 3% annual rate.
- All SSU divisions encountered significant general fund budget reductions with the Academic Affairs and Administration and Finance divisions taking the major reductions.

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- The temporary relocation of the School of Science and Technology faculty and staff to the Schulz Information Center has begun in anticipation of the start of the Darwin renovation project to begin in January 2005.
- The Student Union Recreation Center opened in late August 2004.
- The Western Association of Schools and Colleges (WASC) recently issued it's five year report that urged SSU to strengthen the ;
  - Alignment of Institutional Priorities with Mission,
  - Assessment of Educational Effectiveness,
  - General Education and the Uniqueness of the SSU student experience and
  - Institutional Commitment to Sustained Follow-up

Dr. Ochoa reviewed SSU strategies to address each of the above areas.

## II. Old Business

- A. Approval of the June 8, 2004 Board Minutes was given without correction.

## III. Action Items

A. Annual Conflict of Interest Presentation. Mr. Jeremy Olsan, SSUAF Counsel, presented and discussed his letter of September 14, 2004 to the Board describing the legal responsibilities of the members. This presentation is an annual requirement established by CSU Executive Order 732 – Compilation of Policies and Procedures of California State University Auxiliary Organizations dated March 6, 2000.

Resulting from the above discussion, Mr. Lanahan made inquiry as to the existence of an indemnity clause in the SSUAF Bylaws covering the members. There is no such clause.

It was agreed that such an indemnification provision is appropriate and that management, working with counsel, would propose a Bylaw revision incorporating same.

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IV. Development Report. Stuart Jones with Dr. Ochoa and Development Officers Judy Aquiline, Robin Draper and Mark Spaulding presented a briefing on current initiatives.

- ❖ Academic Fund Raising Initiative. This initiative is being developed with the goal of growing and enhancing the overall quality of academic programs at SSU. The initiative will address each of the five academic schools, Extended Education, the Library, and Enrollment and Advising Services.

A question and answer period followed in which members of the board sought clarification and offered suggestions.

- ❖ Green Music Center Project. A general briefing was provided on the re-conceptualization of the entire project that now includes the Donald and Maureen Green Music Center, a Music/Faculty Office building and a Conference Center, all connected to gain synergies in design and infra-structure efficiencies. The project is anticipated to cost approximately \$60 million. Additional funding in the amount of \$23 million is being secured through California State General Obligation Bonds and CSU Trustee Revenue Bonds, with the remaining \$37 million provided from donations.

Construction is scheduled to begin in late July 2005 and be completed in August 2007.

V. Finance Committee Report

A. Finance Committee Report. A written report was not submitted to the Board. Steve Wilson, Finance Committee Chair made the following comments.

- The Commonfund has been selected to manage the Foundation's endowment assets. The committee will be working with the Commonfund to develop an asset allocation strategy that maximizes growth in the endowment and attainment of a consistent annual income distribution to endowment beneficiaries.

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- FY 2004/05 Endowment Distribution. A total of \$305,000 in endowment earnings were distributed to endowment beneficiaries during August 2004. Although SSUAF's policy of distributing the equivalent to five percent (5%) of the individual endowment's 3 year rolling average pooled market value was not achieved for FY 2004, a distribution was made.

Endowments earning sources and uses for FY 2003/04 were:

Sources:

\$811,000 endowment earnings for 2003/04  
(329,600) less earnings deficit at 6/30/2003  
( 99,200) less 2003/04 investment fees  
( 77,200) less provision for earnings reserve  
\$305,000 available for FY 2004/05 distribution

Uses:

\$212,300 70% to support University departments  
91,200 30% to fund scholarships  
1,500 --% to grow individual endowments  
\$305,000 total FY 2004/05 Endowment Distribution

- Finance Committee meeting minutes of May 25 and June 29, 2004 were distributed.

B. June 30, 2004 Financial Summary was reviewed with board. Letitia Coate providing financial highlights of FY 2003/04.

Respectfully submitted,

Steve Wilson  
Vice President/Chief Operating Officer

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**Record of Attendance**  
 September 14, 2004

|           |            | <b>First</b>     | <b>Last</b>       | <b>In Attendance</b> |
|-----------|------------|------------------|-------------------|----------------------|
| <b>1</b>  | <b>Dr.</b> | <b>Ruben</b>     | <b>Armiñana</b>   | <b>Absent</b>        |
| <b>2</b>  | <b>Mr.</b> | <b>Stuart</b>    | <b>Jones</b>      | <b>Present</b>       |
| <b>3</b>  | <b>Mr.</b> | <b>Steve</b>     | <b>Wilson</b>     | <b>Present</b>       |
| <b>4</b>  | <b>Ms.</b> | <b>Letitia</b>   | <b>Coate</b>      | <b>Present</b>       |
|           |            |                  |                   |                      |
| <b>5</b>  | <b>Ms.</b> | <b>Jeannette</b> | <b>Anglin</b>     | <b>Present</b>       |
| <b>6</b>  | <b>Mr.</b> | <b>Herm</b>      | <b>Benedetti</b>  | <b>Present</b>       |
| <b>7</b>  | <b>Mr.</b> | <b>Sanford</b>   | <b>Bressick</b>   | <b>Present</b>       |
| <b>8</b>  | <b>Dr.</b> | <b>Jean Bee</b>  | <b>Chan</b>       | <b>Absent</b>        |
| <b>9</b>  | <b>Ms.</b> | <b>Anita</b>     | <b>Christmas</b>  | <b>Absent</b>        |
| <b>10</b> | <b>Mr.</b> | <b>John</b>      | <b>Comfort</b>    | <b>Absent</b>        |
| <b>11</b> | <b>Ms.</b> | <b>Debra</b>     | <b>Condiotti</b>  | <b>Present</b>       |
| <b>12</b> | <b>Dr.</b> | <b>Katharyn</b>  | <b>Crabbe</b>     | <b>Absent</b>        |
| <b>13</b> | <b>Dr.</b> | <b>Carmen</b>    | <b>Finley</b>     | <b>Present</b>       |
| <b>14</b> | <b>Ms.</b> | <b>Deborah</b>   | <b>Hatfield</b>   | <b>Absent</b>        |
| <b>15</b> | <b>Dr.</b> | <b>Alan</b>      | <b>Johnson</b>    | <b>Absent</b>        |
| <b>16</b> | <b>Ms.</b> | <b>Barbara</b>   | <b>Kohler</b>     | <b>Present</b>       |
| <b>17</b> | <b>Mr.</b> | <b>Dan</b>       | <b>Lanahan</b>    | <b>Present</b>       |
| <b>18</b> | <b>Mr.</b> | <b>Dan</b>       | <b>Libarle</b>    | <b>Absent</b>        |
| <b>19</b> | <b>Mr.</b> | <b>Wallace</b>   | <b>Lowry</b>      | <b>Absent</b>        |
| <b>20</b> | <b>Ms.</b> | <b>Delphine</b>  | <b>Newman</b>     | <b>Present</b>       |
| <b>21</b> | <b>Mr.</b> | <b>Randy</b>     | <b>Pennington</b> | <b>Present</b>       |
| <b>22</b> | <b>Mr.</b> | <b>Jim</b>       | <b>Perez</b>      | <b>Absent</b>        |
| <b>23</b> | <b>Ms.</b> | <b>Beth</b>      | <b>Robertson</b>  | <b>Present</b>       |
| <b>24</b> | <b>Mr.</b> | <b>Rick</b>      | <b>Rosa</b>       | <b>Absent</b>        |
| <b>25</b> | <b>Mr.</b> | <b>Irwin S.</b>  | <b>Rothenberg</b> | <b>Present</b>       |
| <b>26</b> | <b>Mr.</b> | <b>Michael</b>   | <b>Sullivan</b>   | <b>Present</b>       |
| <b>27</b> | <b>Mr.</b> | <b>Michael</b>   | <b>Troy</b>       | <b>Present</b>       |
|           |            |                  |                   |                      |

Members Present 16  
 Members Absent 11  
 Board Quorum 6 Article II, Section 1(a), Bylaws

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Guests:

Dr. David Wells – Retiring Board Member  
Ms. Judy Aquiline, Development Director  
Ms. Robin Draper, Development Director  
Mr. Jeremy Olsan, Foundation Counsel  
Mr. Mark Spaulding, Development Director

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