

SONOMA STATE ENTERPRISES, INC.

Minutes

March 19, 2004

MEMBERS PRESENT: Dr. Ruben Armiñana, Dr. Carlos Benito,
Ms. Letitia Coate, Dr. Victor Daniels,
Mr. Neil Markley, Mr. Alan Murray,
Mr. Ben Newman, Dr. Eduardo Ochoa,
Dr. Paul Porter, Mr. Floyd Ross,
Mr. Jason Spencer, Ms. Audrey Thorp,
Ms. Mary Wood

MEMBERS ABSENT: Mr. Yale Abrams

OTHERS PRESENT: Mr. Laurence Furukawa-Schlereth,
Ms. Lisa Andresen, Ms. Barbara Danelia,
Mr. Mark Dierkhising, Ms. Stephanie Larcher,
Mr. Walt Leonard, Mr. Dan O'Brien,
Mr. Talmadge Savage, Mr. Tim Tiemens

03.21 Call to Order

Dr. Armiñana called the meeting to order at 9:35 a.m.

03.22 President's Remarks

The Board of Trustee's accepted 3,500 acres of wildlife land in Mendocino County. Fred Galbreath donated the land.

With the passing of proposition fifty-five, the funds for the design and construction for the new faculty music office building will become available in 2005.

The Green Music Center bid is underway. There are currently four qualified bidders. Final approval must come from the Board of Trustees. It is anticipated that selection of the contractor will take place at the May or July Board of Trustee's Meeting.

The University will reduce enrollment in 2004/05 by 348 FTE. 2004/2005 will be a very difficult budget year for the CSU and Sonoma State. Organizations that rely on student fees and services like the ASI, Student Health Center, Sonoma

State Enterprises, and Student Union will be directly effected by the enrollment
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decrease. The CSU will be turning away 23,000 eligible students.

Dr. Armiñana expressed great concern over the upcoming budget reductions.

03.23 Approval of the Minutes

The board unanimously approved the minutes of December 12, 2003.

03.24 Chief Operation Officer's Report

In *Housing* with decreased enrollment there are fewer new, incoming students applying in the fall. This translates to more space for residents wishing to remain on-campus additional years.

Despite challenging economic times, sales continue to improve significantly in *Charlie Brown's Café* and the *University Club*.

Catering is in the process of rolling out a new concept called "Catering on the Run." This concept will address budgetary concerns.

Ameci's and *Toast* received Food Safety Recognition of Excellence Award from the Sonoma County Health Department. There are very few restaurants in the area that receive such recognition.

The *Marketplace* is scheduled for enhancements prior to the "Grand Reopening" after the spring break.

Zinfandel Dining held their annual Soul Food Dinner on February 24th with over 650 students in attendance.

Mr. O'Brien and Ms. Andresen attended training for the "Blackboard Transaction Processing System". Information Technology is currently testing the system that should be operational fall 2004.

Vending is currently out to bid. Recommendations will be brought to the board in May.

Reprographics is researching ways to expand business opportunities on campus. Ideas and suggestions from the campus community are welcomed.
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This spring the Bookstore and the Jean & Charles Schulz Information Center will be holding a two-week event featuring twelve faculty and two deans.

The *Bookstore's* used textbook sales were up 5% over spring 2003. This represents a savings of \$374,000 for students.

Mr. Robert Eckman, provided a very enlightening presentation on a textbook report entitled, "CalPIRG." Refer to handout.

03.25 Chief Financial Officer's Report

Ms. Coate presented the SSE, Inc. 12/31/03 Financial Reports. Refer to attachment. Mid-year review indicates SSE is on track to meet the budgeted net income.

Ms. Coate also presented the 12/31/03 fund balance analysis. Please refer to attachment.

03.26 Land Purchase Status Report

Negotiations are currently taking place for 90 acres of land. The due diligence process should be complete in June or July. If all concerns are satisfactory the land acquisition will be before the Board and Trustee's in September.

03.27 University Budget Status Report

Mr. Furukawa-Schlereth had no report, as Dr. Armiñana highlighted on this area in his report.

03.28 Other Non-Action Items

None

Letitia Coate

Barbara Danelia

Secretary/CFO

Recording Secretary