

SONOMA STATE ENTERPRISES, INC.
Minutes
October 10, 2003

MEMBERS PRESENT: Dr. Ruben Armiñana, Mr. Yale Abrams,
Dr. Carlos Benito, Ms. Letitia Coate,
Mr. Neil Markley, Mr. Ben Newman,
Dr. Eduardo Ochoa, Dr. Paul Porter,
Mr. Floyd Ross, Mr. Jason Spencer,
Ms. Audrey Thorp

MEMBERS ABSENT: Dr. Victor Daniels, Ms. Mary Wood

OTHERS PRESENT: Mr. Laurence Furukawa-Schlereth,
Ms. Lisa Andresen, Mr. Ken Brown,
Ms. Barbara Danelia, Mr. Mark Dierkhising,
Ms. Lauren Kettner, Ms. Linda Kauchi,
Ms. Stephanie Larcher, Mr. Dan O'Brien,
Mr. Jeremy Olsan, Mr. Talmadge Savage,
Mr. Tim Tiemens

03.00 Call to Order

Dr. Armiñana called the meeting to order at 9:30 a.m.

03.01 Seating of the Board

Dr. Armiñana introduced the new board members: Dr. Eduardo Ochoa, Dr. Paul Porter, Ms. Mary Wood, Mr. Ben Newman, Mr. Jason Spencer and Ms. Audrey Thorp.

03.02 Committee Appointments

Please refer to the attached 2003/2004 Executive Committee and Finance Committee roster.

03.03 Board Members Responsibilities

Mr. Murray introduced Mr. Jeremy Olsan, Law Firm of Anderson, Zeigler, Disharoon, Gallagher and Gray. Mr. Olsan distributed and highlighted the Board of Director's Requirements and Responsibilities to the Corporation. Primary attention was given to conflict of interest rules for board members.

03.04 Approval of May 23, Minutes

The board unanimously approved the minutes from the May 23, 2003 Board of Director's Meeting.

03.05 President's Remarks

The President commented on the continuing state budget problems and the effect on the CSU. The effect on the CSU is unknown and campus planning to meet the budget reductions is very challenging. There will be no increase in enrollment next year.

03.06 Chief Operation Officer's Report

In *Housing* with the addition of Beaujolais Village (phase I), the residential community now provides campus housing for 2,460 students.

In *General Services* Beaujolais Village's new postal substation is working well and has a positive response from the students in that area.

The *Bookstore's* "Back to School Textbook Sales" are up by 5.4%. The mix between new and used is 66% new and 34% used. The Textbook Reservation Program continues to grow. This fall 950 students participated; compared to 428 last fall.

Zinfandel Dining completed summer conference season on August 12th. It was a successful summer.

Zinfandel Dining has two new full-time staff members; Brian York and Joshua Roybal. Both were students at SSU and previously worked in Dining Services as student assistants.

Ameci's opened a Grab-n-Go program to better serve the students residing in Sauvignon Village.

Toast now features wraps for only \$2.00.

In *Charlie Brown's* due to popularity of the Ultimo and Classico, these items will remain constant on the menu. The pastries being offered are a high quality Artisan product.

The *Pub* has a new Coordinator, Steve Joyner. Steve recently introduced hot dogs to the menu.

The *University Club* has had the largest turnover with student staffing. You will see three familiar faces and the other staff members are all new.

Catering recently hired four students to become banquet captains; Ian Hannah, Tyson Hill, Allison Edwards and Kindra Kautz. These students will take a lead role in delivering quality products and service to the campus community and guests.

03.07 Chief Financial Officer's Report

Ms. Coate reported that year-end closing and audit preparation went very smoothly and finished ahead of schedule. The CMS system provided an efficient tool for closing and audit review.

03.08 ACTION ITEM - Audit

Sonoma State Enterprises' June 30, 2003 Financial Audit was presented to the board by Linda Kachiu, Partner; Zainer Rinehart Clarke DFK, CPA's. The associated independent auditor's report was issued with an unqualified opinion; financial information was fairly stated in all material respects. Please refer to the Sonoma State Enterprises, Inc. "Management's Discussion and Analysis and Financial Report" (June 30, 2003), distributed at the October 10, 2003 meeting.

ACTION ITEM: Mr. Ross moved and Mr. Abrams seconded the motion and the board unanimously accepted the audit.

03.09 ACTION ITEM - Budget

Ms. Coate presented the SSE, Inc. 2003/04 Budget for discussion and approval. Please refer to the budget distributed at the October 10, 2003 meeting.

ACTION ITEM: Mr. Murray moved, Mr. Ross seconded and the board unanimously accepted the 2003/2004 Budget.

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03.09 Other Non-Action Items

None

The meeting adjourned at 10:40 a.m.

Letitia Coate
Secretary/CFO

Barbara Danelia
Recording Secretary