

SONOMA STATE ENTERPRISES, INC.
Minutes
December 12, 2003

MEMBERS PRESENT: Dr. Ruben Armiñana, Mr. Yale Abrams,
Dr. Carlos Benito, Ms. Letitia Coate,
Dr. Victor Daniels, Mr. Neil Markley,
Mr. Ben Newman, Dr. Eduardo Ochoa,
Dr. Paul Porter, Mr. Jason Spencer, Ms. Mary Wood

MEMBERS ABSENT: Mr. Floyd Ross, Ms Audrey Thorp

OTHERS PRESENT: Mr. Laurence Furukawa-Schlereth, Ms. Lisa Andresen,
Mr. Ken Brown, Ms. Barbara Danelia,
Ms. Stephanie Larcher, Mr. Walt Leonard,
Mr. Dan O'Brien, Mr. Talmadge Savage,
Ms. Patricia Sinclair

03.15 Call to Order

Dr. Armiñana called the meeting to order at 9:40 a.m.

03.16 President's Remarks

Dr. Armiñana commented on the additional budget reduction facing the CSU and Sonoma State. Fee increases and enrollment reductions are likely.

With the budget decreases and changes in enrollment, the President has made the decision to delay construction on Beaujolais Village by one-year.

03.17 Approval of the Minutes

The board unanimously approved the minutes from the October 10, 2003 Board of Director's Meeting and the minutes from the meeting held on October 28, 2003.

03.18 Chief Operation Officers Report

Bookstore - faculty book orders for spring are slow. Textbook buybacks for the spring semester started on December 10th and will conclude on December 19, 2003.

Postal Services - the UPS Contract Postal Station is doing well after a mailing and placing posters throughout the campus. Holiday theme stamps have been ordered for the season.

Reprographics continues to send promotional material to the campus. A fulfillment agreement has been established with Ikon Business Solutions. This allows the University to compete more successfully with vendors like Kinko's.

Ameci's is showing approximately a 72% increase in sales over last year.

Charlie Brown's will be open for 24-hours of operation beginning Sunday, December 14, at 12 noon. Acknowledgement was given to Starbuck's Coffee and the Posh Bagel Company for supporting this program. These products are offered during the hours of 11:00 p.m. to 6:00 a.m.

Housing - with the higher vacancy rate in the local communities, students are reporting fewer problems with securing off-campus housing accommodations. With the assistance of Information Technology, the latest web version of the Resident Management System (RMS) has been integrated with PeopleSoft.

03.19 Chief Financial Officers Report

The Finance Committee met on December 3, 2003 and reviewed SSE's investment balances as of December 2, 2003. Total investments of \$4.4 million are diversified between money markets, bonds and stock. The portfolio is invested with Vanguard and Dodge and Cox Balanced Funds. Dodge and Cox is a new addition to SSE's investments.

The Finance Committee reviewed the October 31, 2003 financial report. Revenue and expenses were on target with budget.

The Reserve Policy was reviewed by the Finance Committee and they agreed to revise the current policy from 1993 per audit advice. The committee plans to bring a recommendation policy to the board in May 2004.

03.20 Other Non-Action Items

Mr. Markley updated the board on the land offer for the Faculty, Staff Housing Project. Full price was offered to the owners. As of today the offer has not been accepted due to some terms (Due Diligence for the Tiger Salamander). There will be a meeting today and possibly next Tuesday, to come to a resolution.

The meeting adjourned at 10:40 a.m.

Letitia Coate
Secretary/CFO

Barbara Danelia
Recording Secretary