



**Minutes of the Regular Meeting of the Board of Directors  
November 10, 2016**

Center for Children and Families Classroom

**Attendees:**

**Members:** Chuck De Leone, Linda Hawk (Chair), Brandon Losey, Sharon Whitehurst-Payne (Vice Chair), Graham Oberem, Jason Schreiber, DawnMarie Myers, Collin Bogie

**Members Absent:** Matthew Ceppi, David Chang, Regina Eisenbach

**Staff:** Bella Newberg, Cynthia Fenimore, Michelle Meeks, Karla Frazee, Justin Cox

**Convening of the Regular Meeting**

A quorum being present, Chair Hawk called the meeting to order at 4:00 p.m.

**Minutes of the September 8, 2016 Annual Meeting**

*A motion was made and seconded (Myers/Whitehurst-Payne) to approve the September 8, 2016 minutes. Motion carried.*

**Minutes of the September 8, 2016 Regular Meeting**

*A motion was made and seconded (Bogie/Myers) to approve the September 8, 2016 minutes. Motion carried.*

**University Updates and Committee Reports**

**Administration Update**

Newberg was happy to announce that UARSC issued ten (10) \$700 scholarships in the form of a gift card to the University Store. We worked with the Financial Aid and Scholarships Office to identify the recipients.

Newberg reported on the UARSC/SMCOR merger plan. The goal of the restructuring is to align programs that will support the future growth of the campus. Target date of completion is June 30, 2017 and shortly after completion there will be a name change. The newly merged auxiliary will maintain the UARSC corporate structure. Student Housing and Summer Conferencing will move to UARSC. Newberg reported that we are currently working on terms of a contract to hire Capstone to manage Summer Conferencing. ASI operations will expand to include all student fee funded operations. Foundation will remain unchanged. Robert Griffin, legal consultant with the AOA and Legislative & Compliance Advisor has been assisting with the many details involved. Revised documents, Bylaws and Articles of Incorporation will be presented to the Board for approval.

Newberg reported that a decision was made to cancel the RFIQ regarding the P3 Project due to obstacles proposed by the Chancellor's Office. Another opportunity presented itself via North City Partners. The project will include a 120,000 square foot building, parking structure and pedestrian bridge. Project site is the northeast corner of Barham Drive and Campus Way. The building will house Extended Learning, UARSC offices and campus operations. This Project is the University's best opportunity to obtain space for EL and the Campus. Newberg reviewed the details of the Letter of Intent, a non-binding agreement between UARSC and North City Partners (NCP). NCP will finance the construction of the building and parking structure. The Capital Lease will be a 30 year lease with ownership at the end of the lease. NCP will donate the land (2 acres) at the end of the term. UARSC will enter into a lease agreement with CSUSM for oversight of the Project. This Letter of Intent will allow us to engage in the details of the project. Next steps will be to meet with the Chancellor's Office, retain a real estate attorney and negotiate contract terms and conditions with NCP. Approval to move forward with the Letter of Intent will be voted on later in the meeting.

#### **Finance and Operations Committee**

Hawk reported. The Finance & Operations Committee met on November 1, 2016 and reviewed three items which will be considered for action later in the meeting.

#### **Joint Audit Committee**

Vice Chair Myers reported due to Chang being absent. The Joint Audit Committee of the three Auxiliaries (UARSC, Foundation, and ASI) met on September 21, 2016 to review Financial Audit Reports for 6/30/16. AKT Audit Team provided an overview of the audit process. The Joint Audit Committee took action to accept and move forward to their respective Boards, the Financial Audit Reports for the 3 Auxiliaries and the A-133 Compliance Report for UARSC. Overall UARSC received a clean opinion and there were no significant deficiencies, material weaknesses or compliance findings reported. A motion carried to move forward to the UARSC Board and recommend for acceptance, the Financial Audit Report and A-133 Compliance Report, 6/30/16.

#### **Sponsored Projects Committee**

Oberem reviewed the Q1 of 16/17 Proposal Report and Awards report provided prior to the meeting. The number of submissions is up and the number of dollars requested is up. Q1, FY 16/17 awards total \$10.5M in funding, up from last year. The campus continues to surge in both submissions and awards however, there are some concerns regarding low IDC grants. The Grand Proposal Seed Money program (GPSM) continues to be a very effective program.

#### **Investment Report**

Fenimore reviewed the Investment Report provided prior to the meeting. We have seen a gain in First Quarter earnings. Qt 1 investment income projected as flat. We continue to be conservative in our approach.

**University Update**

Hawk reported the campus has been quiet and the semester is humming along. Chancellor's Office is planning for FY 17/18 budget. A 5% tuition fee increase may be proposed if the University does not get the funding requested.

**Consent Agenda**

Hawk explained the purpose of the Consent Agenda is to save time. Hawk asked if anyone had any questions about the Consent Agenda process. There being none Hawk then asked if anyone wanted to move any items from the Consent Agenda to the Regular Agenda. There being none, *a motion comes moved and seconded from the Joint Audit Committee to approve Financial Audit Report & A-133 Compliance Report 6/30/16 (Attachment I) and the Finance and Operations Committee to approve Quarterly Financial Report & Summary 09/30/16 (Attachment F), New Risk Policy (Attachment G), UARSC Compensation Structure Revision - December 2016 & January 2017 (Attachment H). Motion carried.*

**Action Items****P3 Term Sheet**

Newberg requested approval to proceed with signing a Letter of Intent (P3 Term Sheet), a non-binding agreement between UARSC and North City Partners that was discussed earlier in the meeting. *A motion was made and seconded (Losey/De Leone) to approve the P3 Term Sheet as presented. Motion carried.*

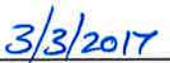
**Delegation of Authority**

Fenimore reviewed the revisions made to the Delegation of Authority document (Attachment J). *A motion was made and seconded (Whitehurst-Payne/Schreiber) to approve the Delegation of Authority document as presented. Motion carried.*

**Adjournment**

The Regular Meeting adjourned by acclamation at 5:07 p.m.

  
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Graham Oberem  
Secretary

  
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Date