



Minutes of the Regular Meeting of the Board of Directors

November 16, 2017

Center for Children and Families Classroom

Attendees

Members: Graham Oberem (Chair), Neal Hoss, Chuck De Leone, Cynthia Chavez Metoyer, DawnMarie Myers, Jason Schreiber, Rex Andrade @ 4:10

Members Absent: Xavier Martinez, Jennifer Williams, Charles Ragland

Staff: Deborah Davis, Bella Newberg, Cynthia Fenimore, Michelle Hinojosa, Trina Beckwith, Karla Frazee, Janelle Temnick

Guests: n/a

Convening of the Regular Meeting

A quorum being present, Chair Oberem called the meeting to order at 4:06 p.m.

Minutes of the September 14, 2017 Annual Meeting

A motion was made and seconded (Chavez Metoyer/De Leone) to approve the September 14, 2017 Annual Meeting minutes. Motion carried.

Minutes of the September 14, 2017 Regular Meeting

A motion was made and seconded (Chavez Metoyer/De Leone) to approve the September 14, 2017 Regular Meeting minutes. Motion carried.

Committee Reports

Administration Update

Newberg reported on staffing changes that have taken place within CSUSM Corporation. February 1, 2018 is target date for CSUSM Corporation's move back to Campus. We will no longer be leasing the basement at Carmel St. as of 12/31/2017. Newberg reported on the renegotiated terms of the QUAD Affiliation Agreement. The renegotiated terms include:

- a. A 24 year term
- b. Continue to provide Residential Education, Police and IITS on the property
- c. Priority period will not be renewed
- d. Considerations to include renovations to the QUAD
- e. Summer resident revenue
- f. Summer Conference revenue
- g. Campus master plan

The renegotiation places the Corporation in a much stronger position providing an end date as well as defining the terms more clearly. The renegotiated QUAD Affiliation Agreement will be voted on later in the meeting. Newberg reported CSUSM Corporation will enter into a separate 10 year lease for campus dining space within the QUAD.

Newberg reviewed the table of cost per square foot over the 10 years and the estimated revenue and expenses associated with Campus Dining. Target date for the opening of the Campus Dining facility is July, 2018 which is a very aggressive schedule. Moving forward with the Campus Dining facility gives CSUSM Corporation an opportunity to renegotiate our Sodexo agreement. The Campus Dining lease will be voted on later in the meeting.

EL/P3 Project Update

Newberg reported that the EL/ P3 project received approval from the City of San Marcos Planning Commission on October 16, 2017. The Project is on track to be presented to the Board of Trustees for final approval at the end of January, 2018.

Investment Portfolio Report

Fenimore reviewed the Investment Portfolio Report ended 9/30/17 provided prior to the meeting.

Joint Audit Committee Update

Myers reported. The Joint Audit Committee of the three Auxiliaries (UARSC, Foundation, and ASI) met on September 20, 2017 to review Financial Audit Reports for 6/30/17. Due to the merger of UARSC and UCorp, UCorp's final audit will be managed by the Joint Audit Committee as well. Aldrich Audit Team provided an overview of the audit process. The UARSC Compliance Report stated a significant deficiency in internal control over the schedule of expenditures of federal awards was found. Processes have been put in place for each new award received. Overall, UCorp received a clean opinion. The Joint Audit Committee took action to accept and move forward to their respective Boards, the Financial Audit Reports for the 4 Auxiliaries and the A-133 Compliance Report for UARSC. A motion carried to move forward to the CSUSM Board and recommend for acceptance, the UARSC Financial Audit Report and A-133 Compliance Report, 6/30/17 and the UCorp Financial Audit Report, 6/30/17.

Sponsored Projects Committee Update

Oberem reported two very worthwhile events have taken place this semester, the Celebration of Faculty Research and the Student Research Poster Session. There were 23 submissions totaling \$7.1M for Quarter 1. This is down from FY16/17. The decrease is attributed to not running the Grant Writing Boot Camp and also last year being an amazing banner year. It is anticipated that submissions will catch up to last year. The Grant Writing Boot Camp will resume. Regarding Post Award, Oberem reported that there was \$7.38M in new awards for Q1. Considering the awards that have come in this week the total is up to \$11.38M.

Awards Report

Oberem included the Awards Report in the Sponsored Projects Committee update. Beckwith added that moving forward she thought it would be helpful if the awards report distinguished between new and continuing awards, the Committee agreed.

Student Housing Advisory Committee Update

Schreiber reported that the Student Housing Advisory Committee not only deals with student housing but dining as well. Schreiber reviewed the mandatory meal plan options for incoming freshmen, RA's, faculty and staff. A dining exemption process is being developed for students with health, religious or financial concerns or for students who may have dietary restrictions. The City will need to approve the name of the facility once it's been decided on. Regarding student housing, Schreiber reported that the Committee is working on integrating billing with PeopleSoft, improving housing exemptions and future planning of housing needs and requirements.

University Update

Hoss reported on Executive Orders 1100 and 1110 issued by the Chancellor's Office. Provost Oberem submitted a requested on behalf of the University, with the President's endorsement, a blanket delay on implementing EO 1100. He has not received a reply from the CO as of yet. The Board of Trustees has adopted a support budget to move forward to the Governor. Indicators show the University will receive \$55M less than last year's starting point. Benefit cost will be passed on to the University and not funded by the State. Hoss reported on some awards and accolades that CSUSM had recently received. The University was ranked 50th among Western colleges in Washington Monthly's *Best Bang for the Buck* listing. CSUSM received the 2017 Higher Education Excellence in Diversity (HEED) award from *INSIGHT Into Diversity* magazine. *U.S. News and World Report* ranked CSUSM tied for 76th overall in Regional Universities West. Our Applied Behavior Analysis program was ranked among the 62 best in the nation by the independent publishing group *Applied Behavior Analysis EDU*. CSUSM was ranked 70th on *The Hispanic Outlook on Education* magazine's list of Bachelor's Degrees Granted to Hispanics.

Consent Agenda

Oberem explained that a Consent Agenda was included as Item III in the meeting Agenda. He explained the purpose of the Consent Agenda. Oberem asked if anyone had any questions about the Consent Agenda process. There being none Oberem 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 (De Leone/Chavez Metoyer) to approve the UARSC Financial Audit Report & Uniform Guidance Compliance Report (A-133) 6/30/17 (Attachment E) and UCorp Financial Audit Report 6/30/17 (Attachment F) moved forward from the Joint Audit Committee. Motion carried.*

Action Items

Quarterly Financial Report & Summary 9/30/17 (Attachment G)

Davis reviewed the Quarterly Financial Report & Summary 9/30/17 that was provided prior to the meeting. *A motion was made and seconded (Myers/Chavez Metoyer) to approve the Quarterly Financial Report & Summary 9/30/17 as presented. Motion carried.*

Revised Travel Policy (Attachment H)

Newberg reviewed the revised Travel Policy provided prior to the meeting. *A motion was made and seconded (Myers/Chavez Metoyer) to approve the revised Travel Policy as presented. Motion carried.*

QUAD Renegotiation Agreement

Newberg requested approval to proceed with the renegotiation of the QUAD Affiliation Agreement as presented during the Administration Update.
A motion was made and seconded (Hoss/De Leone) to move forward with the QUAD Affiliation Agreement renegotiation as presented. Motion carried.

Campus Dining Lease

Newberg requested approval to enter into a 10 year lease with UVSM to build a dining facility based on the costs per square foot reviewed during the Administration Update.
A motion was made and seconded (Chavez Metoyer/De Leone) to approve the Campus Dining lease with UVSM as presented. Motion carried.

Amendment to Manatt Agreement

Newberg requested approval to amend the Manatt agreement an additional \$265,000. Manatt, Phelps & Phillips is the legal firm retained to work on the EL/P3 Project. There are five outstanding documents that need to be prepared in preparation of the Board of Trustees Meeting in January, 2018. This amount is within the total originally intended to invest in the Project.
A motion was made and seconded (De Leone/Hoss) to amend the Manatt Agreement as presented. Motion carried.

Amendment to North City Partners Interim Agreement

Newberg requested approval to increase the North City Partners Interim Agreement \$1.5M. North City Partners is the developer and designer of the EL/P3 Project. The increase will allow the Project to continue to move forward. Currently the Project is operating under the Interim Agreement. The Purchase and Sale Agreement cannot be executed until final approval of the Project is given by the Board of Trustees.
A motion was made and seconded (De Leone/Myers) to amend the North City Partners Interim Agreement as presented. Motion carried.

Adjournment of Regular Meeting

The Regular Meeting adjourned by acclamation at 5:35 p.m.


Cynthia Chavez Metoyer
Secretary

5/31/18
Date