

THE CSU, CHICO RESEARCH FOUNDATION

California State University, Chico

Minutes for the Board of Directors

Monday, June 3, 2019, 1:30 – 4:00 pm

Kendall 207/209

MEMBERS PRESENT: Debra Larson, John Carlon, John Unruh, David Stachura, Ben Seipel, Angela Trethewey, Tom Lando, Tod Kimmelshue, Bob Kittredge, Ahmad Boura

MEMBERS ABSENT: Milton Lang, Alisha Sharma, Gayle Hutchinson, Ann Sherman

ALSO PRESENT: Jessica Bourne, Russell Wittmeier, David Hassenzahl, Michele Flowerdew, Pam Hollis, Clare Roby, Jennifer Morgan, Annabel Grimm, Eli Goodsell, Kristin Gruneisen, Kevin Hansen, Gloria Quintero, Vance Kelly

1. **Call to order and introductions** – Larson called the meeting to order at 1:32 PM and asked for introductions from the Board and gallery.
2. **Public comments and announcements** – Larson requested that the agenda be changed to add another corporate resolution to item 5a and change 5b from 2018-19 to 2019-20.
3. **Consent agenda**
 - a. **March 11, 2019 Minutes**
 - b. **Bylaws amendment, membership**

Motion to approve the consent agenda

(Lando/Kimmelshue)

Motion carried (10/0/0)

4. **Reports**
 - a. **Provost's Report** – Larson shared that the commencement ceremonies were successful despite the rain. Fall 2019 enrollment indicators were initially high, however, the intent to enroll is lower than expected which could impact the overall budget. Admissions will work to communicate with potential students to increase enrollment. The reorganization of the Research Foundation and the Office of Research and Sponsored Programs has been met by the employees with positivity and enthusiasm. It was announced on May 22 that David Hassenzahl will be acting as the interim CEO until a permanent one is hired, which is hoped to occur within 4 months. The Big Chico Creek Ecological Reserve's 20th anniversary gala event was successful. Campus approved the creation of the Center for Regenerative Ag and Resilient Systems which has enormous internal and external support.
 - b. **Audit Committee** – Kittredge shared that Audit Committee met with Bobby LaCour from Aldrich Advisors earlier in the day to review the scope and nature of the upcoming audit. Planning and schedules are in place to get the financial statements completed timely.
 - c. **Finance and Investment Committee** – Kimmelshue shared that the FY2019-20 RF

General Fund budget was discussed and will be reviewed in more detail later in the meeting. Accuracy of the financial statements and cash flow improvements were also discussed. Bourne added that a clean audit is expected and the 2018-19 budget is on track. Bank fees were also discussed and since the meeting, Kevin Hansen worked with Chase to get the earnings credit increased, saving the Research Foundation around \$20k annually. Carlon asked for clarification regarding financial statement accuracy. Bourne explained that revenue recognition is inaccurate throughout the fiscal year due to timing issues, however, this is anticipated to be correct by fiscal year-end. Once this challenge is alleviated, progress with the overall cash position can be made.

- d. **Management report** – Goodsell shared that work was done to clean up the Eagle Lake Field Station area before meetings with potential buyers took place. The RFP closes June 30, 2019 and a recommendation is expected to be presented to the Board at the September meeting. Proceeds from the sale would be treated as cost recovery first, and any remainder would go to the RF General Fund.

Bourne shared that discussions with 25/35 Main occupants regarding the cost allocations have been generally positive and the changes are reflected in the 2019-20 budget.

Insurance claims for damage caused by the Camp Fire are in progress, most of which stem from hazardous trees at the Butte Creek Ecological Preserve. These claims are hoped to be resolved before the December meeting.

The transition of IT services to ITSS on campus is in progress and should be completed by fiscal year-end.

Hassenzahl shared that the RFP for pre-award software returned two promising vendors which are being analyzed and a decision should be presented to the Board at the next meeting. Carlon asked if there is currently an approval process involved with a new grant proposal and if not, if the new software will offer that. Larson offered that while it might not offer that directly, it will provide for future informed discussions on the topic.

Bourne added that One Solution is working properly despite implementation challenges.

5. Business Items

- a. **Reorganization and renaming of RF/RESP** - Larson handed out a draft organizational chart of the new 501(c)3 post-merge and explained that everyone within the organization reports to the new CEO who would then report to Larson as President of the Board. Boura asked for clarification about decision making responsibilities regarding who sits in the CEO position. Larson explained that the Board will make recommendations and as President, she will make the final decision.

A list of three name change possibilities was reviewed and discussed. It was decided that Cabinet will choose two names at their next meeting and an electronic vote will be sent to Board members to make the final decision.

- i. **Corporate resolution 2019-01 – Motion to approve (Lando/Kimmelshue) (10/0/0)**

- ii. **Corporate resolution 2019-02 – Motion to approve (Lando/Kittredge) (10/0/0)**
- iii. **Corporate resolution 2019-03 – Motion to approve (Kittredge/Lando) (10/0/0)**

- b. **Fiscal year 2019-20 General Fund budget** – Kimmelshue shared that the Finance & Investment Committee reviewed the 2019-20 budget and recommends approval to the Board. Kittredge added that as part of the reorganization, moving employees previously employed by Campus to the new 501(c)3 will affect the budget and revisions may be necessary. Bourne highlighted pieces of the proposed budget. She also suggested that as she is no longer the Executive Director, that she no longer serve as the Secretary of the Board.

**Motion to approve the 2019-20 RF General Fund budget recognizing that future revisions may be necessary due to the reorganization
(Lando/Kimmelshue)
(10/0/0)**

- c. **North State Public Radio presentation** – Phil Wilke, General Manager of North State Public Radio, spoke about the station's programming and funding. He explained that the Board holds the FCC license which will be coming up for renewal in 2020. All other aspects of running the station fall under the management's purview.
- d. **Centers and Institutes Audit report** – Larson shared that progress is being made on the findings and a more in-depth update will be provided at the next meeting.
- e. **Master Plan presentation** – Michael Guzzi, Associate Vice President, Facilities Management and Services, presented the campus physical master plan which has been in progress in conjunction with the strategic master plan for about 18 months. Chico State is the second oldest campus in the CSU system and has the worst facilities condition assessment with an estimated \$345M in deferred maintenance as of 2016. Primary outcomes of the projects include reducing greenhouse gas emissions, giving the core of the campus to the students, moving student housing closer to campus, increase field space and provide improved bike access and security. The plan is hoped to be approved by the Board of Trustees by fall 2020 and finished by 2030.

6. Closed Session – 3:40 PM

7. Adjournment – 4:00 PM

Respectfully submitted,



David Hassenzahl, Secretary

