

The CSU, Chico Research Foundation

California State University, Chico

Minutes for the Board of Directors
Monday, June 22, 2015, 2:00 – 4:00 pm
BMU Rm 209

MEMBERS PRESENT:

Interim Provost, Susan Elrod; VP Student Affairs, Drew Calandrella; VP Business & Finance, Lorraine Hoffman; Community Member, Dan Hunt; and Community Member, Mike Wiltermood

ALSO PRESENT: Research Foundation (RF) staff Catherine Thoma, Jessica Bourne, Jesse Converse, Tyler Donnelley, Michele Flowerdew, Jamie Visinoni, and Patti Chezek

1. Call to Order – at 2:03 pm by Elrod. She welcomed all to the meeting. Thoma introduced Jamie Visinoni, new Reserves Manager, and Tyler Donnelley, new Controller for the RF. Elrod announced Dr. Kevin Kelley Ph.D. was appointed as the Interim Associate Vice President for RESP effective July 1, 2015.
2. Public Comments – Dr. Elizabeth “Betsy” Boyd Ph.D., Chair of EPPC – Boyd requested the board be expanded to have more faculty representation. She hopes that one or more faculty seats become available. Boyd would like to see the faculty representation follow that of many other campuses that provide as many as seven faculty seats.
3. Approval of the Minutes
Elrod asked for a motion to approve minutes of the March 26, 2015 regular board meeting. Motion was made and seconded. No discussion.
Move to approve the March 26, 2015 Meeting minutes (Hunt/Wiltermood)
Motion carried (5-0-0)
4. President’s Report – President Zingg was not in attendance as he just returned to campus from a three-month medical leave. He is phasing back into campus work and therefore was not able to attend.
5. Administration/Provost’s Report – Susan Elrod
Elrod reported the search continues for an Interim Director for Sponsored Programs. The first pool of applicants was not strong, so the position was re-posted. Once Dr. Kelley arrives on campus he will assist/facilitate the hiring Interim Director position.

Board Retreat – Elrod expressed she would like to get the Board together to think more deeply about the mission, vision, and connection to the University. The half-day retreat will also cover how the Board can better support the UF and its functions. Hunt suggested that another faculty and community member be brought on board before the retreat. Elrod suggested the retreat be scheduled after the next meeting in September after a bylaw change comes into effect.

As a final point, Elrod advised that a number of Dean searches are underway.

6. Business

a. Proposed Bylaw Amendment

Thoma presented corporate resolution 2015-1 to be voted on in the September 28, 2015 meeting. The resolution will:

- 1 - Add two (2) faculty members, which is an additional one (1) to the current bylaws;
- 2 - Appoint two (2) community members, which is also an additional one (1) to the current bylaws;
- 3 - Additionally propose to change the appointment time for a board member to serve two (2) consecutive three (3) year terms, have a three (3) year break, and then be able to serve another term of two (2) consecutive three (3) year terms;
- 4 - The student member appointment will not change.

Elrod clarified that all appointments are made at the discretion of the University President. Hoffman asked if outgoing board member Shapiro would be able to retain his faculty position with this change. Both Thoma and Elrod confirmed that yes he would. Elrod asked if there would be consideration for term staggering for faculty and community members. Thoma confirmed that term staggering had been discussed with the hope that if Shapiro is appointed to another three (3) year term, this would allow staggering with another faculty member appointment.

b. Audit Committee

Thoma explained that the bylaws require the board to appoint two (2) members to the Audit Committee. Historically, two members have been appointed annually with some members serving consecutive terms. The proposed resolution will not require annual appointments.

Thoma presented corporate resolution 2015-2 to appoint Calandrella and Shapiro to the Audit Committee. Elrod asked for a motion to approve this resolution. **Hoffman made the motion that Calandrella and Shapiro be appointed to the RF Audit Committee. Calandrella seconded the motion.** Elrod asked for discussion. Hoffman asked if it was appropriate to nominate Shapiro specifically as this meeting is his last under the current bylaws. Thoma advised the Audit Committee meeting is September 18, 2015. Hoffman offered an amendment to the motion; to exclude Shapiro's name and suggest the wording for the resolution motion be: appoint Calandrella and a second Faculty Board Member, as appointed by the University President, yet to be named, to the RF Audit Committee. Elrod suggested wording: **Therefore, let it be resolved that the Board of Directors hereby appoint a Faculty Member representative appointed by the University President yet to be named and Calandrella to the RF Audit Committee.**

Elrod called for a vote.

Motion to approve Resolution for two RF Audit Committee Board Members (Hoffman/Calandrella)
Motion carried (5-0-0)

c. Financial Report

1. Estimated Fiscal year 2015 Budget –Hoffman deferred to Bourne who reported on the financials of June 30, 2015. Bourne had to estimate the numbers due to hardware technical difficulties. The operating activity for fiscal year 2015 will end negatively due to expenses associated with 25/35 Main Street. It is expected that RESP will contribute significantly less net revenue next year. The scheduled transfer of the College Park houses to the state will generate a gain to the RF in the amount of \$320K. Hunt asked what happens when all the College Park properties transfers are complete and how the budget will be balanced. Bourne referred to handout page 11 and there

was further discussion on the collection of cost allocations made to 25/35 Main. She explained that there have been discussions for a number of years at the board level on how to collect cost allocations of 25/35 Main. RF Admin will be working on a plan to meet the cost allocations for fiscal year 2017. Hoffman suggested a discussion ensue regarding another source of revenue for the RF or looking at cutting expenses. The Research Taskforce is looking at the allocation of staffing within RESP; looking at what is State function and what is RESP. Elrod gave an update on the Taskforce stating Chair Randy Miller is working on a report. She reported meetings have been productive and the vision and mission are to be reviewed in the fall.

2. Fiscal Year 2016 Proposed Budget – Hoffman deferred to Bourne

Bourne explained how the accounting transition will effect current and next year budgeting since the RF will be fully responsible for all its accounting activity. Discussion ensued regarding RF-owned properties (College Park houses and 25/35 Main St.). Elrod said there are other campuses that use their properties in a more enterprising way and asked if there is a way the RF could be more enterprising. Thoma suggested this be a topic for the expected Board Retreat. Elrod asked for a **Motion to approve the 2015/2016 Proposed Budget.**

Motion to approve the 2015/2016 Proposed Budget (Calandrella/Wiltermood)

Motion carried (5-0-0)

3. Accounting Transition Update – Thoma

Thoma advised the transition is going as planned. The RF is pleased to report that several financial services employees from the Associated Students have joined the RF team.

4. Software Update – Thoma

The RF continues to run on circa 1997 software. The Board had allocated \$311,000 for software purchase. In previous contract negotiations with Sungard it was understood there were some issues with the “general conditions” and “supplemental conditions” as directed by the Chancellor’s office. Thoma is working through contract conditions/requirements with Sungard. The cost may not be as much as originally expected.

d. BCCER

1. Staffing – Thoma

Thoma introduced newly hired Reserve Manager Jamie Visinoni who gave an update on the work being conducted at the Reserve.

2. Deck Collapse – Thoma

Thoma advised the insurance company settled in mediation with a nearly \$4,000,000 payout. The insurance covered all of it. There are still two claims outstanding.

e. Research & Sponsored Programs – Flowerdew/Bourne

1. Facilities and Administration (F&A)

Bourne reported a contract of engagement has been signed with Maximus to prepare the F&A rate proposal. The proposal is due to HSS in December for consideration.

2. Omni Circular Update – Bourne/Flowerdew

Changes in OMB (Federal Office of Management and Budget) guidance has required a change to the accounting treatment of paid time off. Currently the RF has approximately \$300,000 in un-accrued vacation benefits. RF Admin and RESP will strategize how to minimize the liability.

7. Other Business

Provost Elrod asked if there was any other business. Thoma advised future Board meeting dates are:

Monday September 28, 2015

Monday December 14, 2015

Monday March 28, 2016

Monday May 23, 2016. This meeting was moved from June to May to accommodate the faculty board members.

No further business.

8. Closed Session – Interim Provost Elrod stated they would now be moving to the posted closed session and that only Board members would remain.

Report on closed session – The result of the executive session was to review personnel issues.

9. Adjournment – The meeting adjourned at 3:50 pm.

Respectfully submitted,



Catherine Thoma, Secretary