

ASC EXECUTIVE COMMITTEE

Minutes – Regular Meeting
ASC Conference Room @ CP 250
February 26, 2015 • 4:00 pm

Present: Ted Bremner, Rosalina Davis, Bob Hall, Danny Kim, Tariq Marji, Anil Puri, Ron Rangel.

Absent: Mildred García, Frank Mumford.

Staff: Kim Ball, Ann Ehl, Chuck Kissel, Tony Lynch.

- I. CALL TO ORDER
Chair Bremner called the meeting to order at 4:05 pm. Quorum was present.
- II. APPROVAL OF MINUTES
Mr. Marji moved, Mr. Hall seconded and motion carried to approve the minutes of the November 20, 2014 meeting of the ASC Board of Directors.
- III. OFFICERS REPORTS
 - A. TREASURER
Mr. Marji reported that the ASC's revenues were \$31.9M, with expenses at \$29.5M for January 2015. Net total income for this period was \$2.3M. General, Buildings and Auxiliary Enterprises activities were \$1.2M with variance at \$397K. Administrative operations came in at (\$862K), a variance of \$269K. This variance is allocated expenses that will be expensed in future periods.

The Bookstore had a net income of \$1.1M with a variance of (\$43K); Campus Dining's net income was \$200K, a variance of \$110K due to sales increases at Catering, Carl's Jr., Starbucks and Vending. In other activities, Extended Ed had a net income of \$530K, Campus Programs net income was \$341K and Designated Funds had a positive balance of \$284K.
 - B. EXECUTIVE DIRECTOR
Mr. Kissel reported on Mr. Mumford's behalf that ASC may offer the tenants of College Park-West (CP-W, formerly the Western State College of Law) the lease of 1 Banting. 1 Banting may also be offered to Saddleback College as a swing space while they build two buildings on their campus. At the Grand Central Art Center in Santa Ana, the HVAC study is complete. Four quotes have been received and we are drafting an amendment with the City to ensure that the ASC will be reimbursed for all capital outlay should the City terminate their lease early. Mr. Marji asked whether ASC needs to be in the middle of this issue since this is a campus project. Some discussion ensued with a suggestion that an MOU be drafted with the City.

We will begin work in March to upgrade electrical and irrigation at El Dorado Ranch. Also next month, we have a mediation meeting with the Elks on 03/16/15 to finalize outstanding issues. Lastly, AB1522, the bill to provide sick hours to all employees (accrued at three days/year for part-time), will go into effect 07/01/15. This could have an impact of up to \$180K to the ASC.

Mr. Marji asked the Executive Committee whether we need to reconsider the time for these meetings from 4:00 p.m. to earlier in the day. Dean Puri, VP Kim and Mr. Bremner all replied that 4:00 p.m. works best for them and to keep the meeting time as is.

IV. ANNOUNCEMENTS

- Next Board meeting: Thu 03/26/15
- Next Executive Committee meeting: Thu 04/16/15.

V. ADJOURNMENT

Mr. Bremner adjourned the meeting at 4:45 p.m.

Approved by the Executive Committee, May 21, 2015.



Robert C. Hall, Secretary

ASC BOARD OF DIRECTORS

Minutes – Regular Meeting

Titan Shops Conference Room / Senate Chambers

March 26, 2015 • 7:00 pm

Present: Gary Au, Michael Badal, Ted Bremner, Chris Brown, Rosalina Davis, Lori Gentles, Bob Hall, Theresa Harvey, Danny Kim, Zeke Luna, Tariq Marji, Olga Mejia, Frank Mumford, Barry Pasternack, Greg Saks, Sean Walker.

Absent: Harpreet Bath, Jose Cruz, Amir Dabirian, Berenecea Eanes, Mildred García, Anil Puri, Ron Rangel.

Staff: Jim Alexander, Kim Ball, Rosario Borromeo, Ann Ehl, Chuck Kissel, Tony Lynch.

I. CALL TO ORDER

Chair Bremner called the meeting to order at 7:00 pm. Quorum was present.

II. APPROVAL OF MINUTES

Ms. Harvey moved, Prof. Walker seconded and motion carried to approve the minutes of the December 18, 2014 meeting of the ASC Board of Directors.

III. PRESIDENT’S REPORT

In President García’s absence, VP Kim announced the CSU Board of Trustee’s approved the \$20M TSU expansion. The ground breaking is this summer, with construction scheduled to take two years and completion by summer 2017.

IV. OFFICERS REPORTS

A. TREASURER

Mr. Marji reported that General Fund, Buildings and Investments combined activities generated a net income of \$414K, a variance of \$882K for the period ending 02/28/15. ASC Enterprises had a \$1.16M net income, a variance of (\$68K). Bookstore net income decreased due to decline in textbook sales, while Campus Dining’s increased due to larger sales volume at Starbucks, catering and vending. UEE, Campus Support Programs, Designated Funds and Other combined net income was \$1.1M, a variance of \$715K. The Corporation’s revenues and expenses for this period were \$36.4M and \$33.7M, respectively.

Mr. Marji also gave an update on the Jordon Law Charitable Remainder Trust that terminated in January. Remaining funds of approximately \$175K were transferred to CSUF Philanthropic Foundation to be used by the Mihaylo College of Business to offer financial assistance to students of the Orangewood Children & Family Center.

B. EXECUTIVE DIRECTOR

Mr. Mumford stated that a policy regarding contribution to post retirement trust (VEBA, Voluntary Employee Beneficiary Association) was established last year. A full report with projections of future funding will be provided at the June meeting. He asked that board members review the California, unfunded, retiree healthcare obligations report. This report provides a serious and concerning look into employee benefits. On CP-West, structural engineering and design are almost complete. Formal space planning and design are now in campus-wide group and occupancy by ASC is expected for October 2015. While Western State College of Law asked for a lease extension last year (which the campus declined), we are negotiating a lease with them at 1 Banting (Irvine Campus) since the campus was not yet ready to take occupancy of that space. The structural retrofit on 1 Banting which began earlier this year was completed early this month. On other property matters, we'll begin installing an irrigation system and LED driveway lighting at El Dorado Ranch tomorrow.

Lastly, Mr. Kissel reported on University Gables (UG). We have closed escrow on two homes, with 28 potential buyers still on our waiting list. The home foreclosed by the bank at 55 Sycamore has been repurchased back from the bank. The home is currently being rehabbed and a buyer has been identified. The home will be ready for showing on 04/04/15. An audit of the homeowners at University Gables is presently being conducted to confirm that they are program eligible. At this point two owners have questionable eligibility.

V. ACTION ITEM: RESOLUTION, CP ELEVATOR IMPROVEMENT

Prof Walker moved, Prof. Brown seconded and motion carried unanimously to approve the College Park Elevator Improvement resolution (attached). While College Park opened in 1969 and has had upgrades and repairs, the 46-year old elevators have not seen any major renovations during this time. With more than one entrapment of students, faculty and staff this past year, it has become necessary to overhaul the mechanical and controls systems. The depreciation expense will be in the upcoming FY 2015-16 budget, but we plan the overhaul to begin soon after commencement to mitigate disruption and complete the project by fall semester.

VI. REPORTS

A. CAMPUS DINING

Mr. Lynch reported that the first week of the semester had an 8.7% increase in sales over last year. Also, Starbucks recently introduced Fizzio, their new carbonated beverage that is made to order. In partnership with Titan Athletics, OC Choice produced a brief commercial that will play on the scoreboard during baseball season. OC Choice (OCC) will also be sponsoring the Saturday 05/23/15 game against CSULB, where ASC Vice-chairman Ron Rangel is scheduled to throw first pitch. Ms. Harvey added that OC Choice catered last week's State of the City luncheon held at the Fullerton Community Center. She noted that she received compliments on the event's lunch.

B. TITAN SHOPS

Ms. Ball reported that Titan Shops experienced a decline in course material sales, which is not unique to CSUF. To reduce expenses, some students avoid purchasing any books, while more (65%) forgo purchasing one book of the many they need. Titan Shops hosted their second annual affordable course materials expo for faculty. This event had over 20 vendors and campus departments booths to give faculty affordable product and service options to students as well as provide educational sessions on various aspects of affordable course material. The expo was funded by the CSU and co-sponsored by the Academic Technology Center, Disability Support Services, FDC, IT, Pollak Library and Titan Shops.

Ms. Ball announced that Sidewalk Pro, a newer player in retail POS, will replace the current POS system. Installation, initially planned for this summer, will begin in the fall with full implementation completed by July 2016. Prof. Pasternack added that the statewide senate recently passed a resolution calling for all faculty to boycott John Wiley & Sons (publishers). Wiley decided to offer journals in bundled sets, forcing libraries to purchase unwanted journals. The Academic Senate of the CSU is urging all faculty, when appropriate, to avoid using Wiley textbooks and other course materials until Wiley provides affordable access for all CSU campuses.

Mr. Au asked what incentives or work has been done to increase submission rates of faculty who are reluctant to submit titles to Titan Shops. Ms. Ball replied that even providing student scholarships as an incentive, there are still some faculty holdouts. Prof. Pasternack added that if students are ADA and the bookstore doesn't carry the title, the faculty create a situation where students can sue the university, jeopardizing the campus' federal funding.

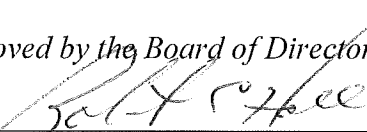
VII. ANNOUNCEMENTS

- Next Board meeting: Thu 06/11/15

VIII. ADJOURNMENT

Mr. Bremner adjourned the meeting at 7:50 p.m.

Approved by the Board of Directors, June 11, 2015.



Robert C. Hall, Secretary

ASC EXECUTIVE COMMITTEE

Minutes – Regular Meeting
ASC Conference Room @ CP 250
May 21, 2015 • 4:00 pm

Present: Ted Bremner, Tariq Marji, Frank Mumford, Anil Puri, Ron Rangel.

Absent: Mildred García, Rosalina Davis, Bob Hall, Danny Kim.

Staff: Jim Alexander, Kim Ball, Ann Ehl, Chuck Kissel, Tony Lynch, Sallee Wiedman.

I. CALL TO ORDER

Chair Bremner called the meeting to order at 4:02 pm. Quorum was present.

II. APPROVAL OF MINUTES

Dean Puri moved, Mr. Rangel seconded and motion carried to approve the minutes of the February 26, 2015 meeting of the ASC Board of Directors.

III. OFFICERS REPORTS

A. TREASURER

Mr. Marji reported that General Fund (Administration, Buildings & Investments), Auxiliary Enterprises (Bookstore, Campus Dining) and Other Activities (UEE, Campus Support & Designated Funds) combined generated a net income of \$2.6M, resulting in a budget variance of \$1.2M for 04/30/15. Grant activities are at the same level for the same period last year at \$17.2M. Investment activity ended the third quarter with \$11.4M, with unrealized gains of \$406K. Revenues for the Corporation during this period were \$44.5M and expenses were \$41.0M.

B. EXECUTIVE DIRECTOR

Mr. Mumford reported that the seismic plan for College Park-West is complete. Western State College of Law's (WSCL) lease for the two-story law library expires 10/01/15 and we are currently working on a lease for WSCL to take occupancy of 60,000 SF office space at 1 Banting. If the 1 Banting lease between WSCL and the ASC is signed, WSCL will withdraw their lawsuit against the ASC.

Mr. Kissel reported that ASC's strategic plan, developed at the ASC Executive Committee retreat last fall, is nearly finished. It is similar to and aligned with the University's and was shared with VP Kim last week. An open forum will be held to obtain additional feedback from the campus community.

Mr. Kissel also reported that at a recent division-wide forum with VP Kim, President Garcia said that she would like to see auxiliaries contribute 25% of the campus budget, up from its current levels. He added that such funding could be affected by

enrollment levels. However, given that Fullerton is expected to turn away more students than it can accept, we'll see a change in the caliber of students on campus rather than in enrollment. One suggestion was that ASC take on more entrepreneurial endeavors and make the case to the University that doing so will increase the bottom line. Another suggestion was that ASC use its cash to purchase a building (to mitigate Chancellor's Office requirements) and rent the space for income.

IV. ANNOUNCEMENTS

- 2015-16 ASC Board & ExComm Meeting Schedule
- next Board meeting – Thu 06/11/15, 5:45 PM
- next ExComm meeting – Thu 08/20/15, 4:00 PM

V. CLOSED SESSION


In accordance with ASC Policy #201, Executive Compensation, the Executive Committee went into closed session at 5:07 pm to perform their annual compensation review of the ASC Executive Director and Chief Financial Officer. The Committee reviewed salaries of ASC comparable CSU institutions, as well as results from the most recent AOA Compensation Study.

After deliberation, the Committee noted that the ASC positions were almost exactly on the AOA average compensation for our size CSU auxiliary and did not find any areas of concern.

VI. ADJOURNMENT

Mr. Bremner adjourned the meeting at 5:15 p.m.

Approved by the Executive Committee, August 27, 2015.



Robert C. Hall, Secretary

ASC BOARD OF DIRECTORS

Minutes – Regular Meeting

Titan Shops Conference Room / Senate Chambers

June 11, 2015 • 7:00 pm

Present: Michael Badal, Amir Dabirian, Rosalina Davis, Lori Gentles, Bob Hall, Danny Kim, Zeke Luna, Tariq Marji, Frank Mumford, Anil Puri, Greg Saks, Sean Walker.

Absent: Gary Au, Harpreet Bath, Ted Bremner, Chris Brown, Jose Cruz, Berenecea Eanes, Mildred García, Theresa Harvey, Olga Mejia, Barry Pasternack, Ron Rangel.

Guests & Staff: Kim Ball, Rosario Borromeo, Ann Camp, Ann Ehl, Chuck Kissel, Tony Lynch, Laura Romine.

I. CALL TO ORDER

Secretary Hall called the meeting to order at 6:58 pm. Quorum was present.

II. APPROVAL OF MINUTES

Mr. Mumford moved, Mr. Luna seconded and motion carried to approve the minutes of the March 26, 2015 meeting of the ASC Board of Directors.

III. PRESIDENT’S REPORT

In President García’s absence, VP Kim reported that the CSU Board of Trustee’s approved the \$20M TSU expansion. The ground breaking is this summer, with construction scheduled to take two years with completion by summer 2017.

IV. OFFICER’S REPORTS

A. TREASURER

1. FINANCIAL HIGHLIGHTS

Mr. Marji reported that General Fund, Buildings and Investments combined activities generated a net income of \$244K, a variance of \$788K for the period ending 04/30/15. ASC Enterprises had a \$1.36M net income, a variance of (\$132K). Bookstore net income decreased due to decline in textbook sales (13% over LY), while Campus Dining’s increased due to larger sales volume at Starbucks, catering and vending. UEE, Campus Support Programs, Designated Funds and Other combined net income was \$1.0M, a variance of \$575K. The Corporation’s revenues and expenses for this period were \$44.5M and \$41.0M, respectively.

Ms. Davis stated that catering sales have decreased noticeably; Mr. Marji replied that in the last couple years, Catering activity declined considerably from the President’s Office, while business increased from University

Advancement. Years ago, there was an exclusivity agreement that OC Choice catering would provide all on campus catering. However, that exclusivity no longer exists. Furthermore, TSU is often booked, forcing the President's office to schedule events at the Marriot, who then provides the catering. The lack of space is a major factor that affects catering. Notable complaints from faculty were that for small events, OCC is more expensive than other options.

2. INVESTMENT HIGHLIGHTS

Mr. Marji reported that the investment committee (CSUF finance professor Don Crane, Hall, Kim, Marji, Mumford and chaired by Bremner) held its quarterly meeting and discussed the performance of its managers. At that meeting, the committee focused on the alternative investment segment of the portfolio and realized that there could be missed opportunities in that segment. The committee agreed to expand the alternative investment range from 0-5% to 0-10% to give investment managers the opportunity to invest in that segment. Furthermore, the investment committee will continue to monitor and review the investment managers' performances to minimize risk.

Dean Puri asked whether and how the risk profiles differ. Mr. Hall replied that the more conservative investor had higher returns for the last three years. That particular investor was buying deeply discounted bonds (at \$0.50 on the dollar). But now, he's come back down while the other manager is more stable and growing at a slower rate. VP Kim added that both managers are operating within the asset allocation policy but the equity of one portfolio is significantly different than the other.

B. EXECUTIVE DIRECTOR

Mr. Mumford reported that at College Park (CP) West, structural engineering is complete and that we are working with Western State College of Law to structure a lease for them at 1 Banting. Their lawsuit has been suspended during lease negotiations and will be conditionally dropped once they take possession of their new space which is expected to be mid-December.

Regarding University Gables (UG), Mr. Kissel reported the one home that foreclosed was recently repurchased by a CSUF staff member. We also received an anonymous tip that one UG homeowner is renting out their home (homes must be primary residence). An audit is being conducted to determine homeowner eligibility. Homeowners need to meet certain employment criteria and carry minimum liability homeowners insurance. Of the 86 homes, three need clarification: one for insurance, the second for years of service, and the third may need to be terminated. We anticipate a low-income home to be available in the near future with another home to be made available shortly thereafter.

Regarding the ASC's strategic plan, Mr. Kissel reported that work began at last year's Executive Committee retreat with the discussion lead by Prof. Bob Mead. Prof. Mead assisted the university with their strategic plan a couple years prior. Two open forum were held and the strategic plan is similar to the campus' strategic plan.

V. ACTION ITEMS, RESOLUTIONS

A. FISCAL ACCOUNT AUTHORIZATION

Prof Walker moved to accept both this resolution and the Sale of Stock Authorization with a single motion; Dean Puri seconded and motion carried unanimously to approve the recurring fiscal resolutions (attached).

B. SALE OF STOCK AUTHORIZATION

C. APPROVAL OF 2015-16 BUDGET

Mr. Mumford moved, Prof. Walker seconded and motion carried unanimously to approve the 2015-16 Budget (attached).

D. APPROVAL OF PHOTOVOLTAIC INSTALLATION AT CP-WEST

Dean Puri moved, Prof. Walker seconded and motion carried unanimously to approve the purchase and installation of solar panels at CP-West (formerly, Western State College of Law) (attached).

VI. REPORTS

A. SPONSORED PROGRAMS ADMINISTRATION

In Ms. Bell's absence, Mr. Kissel reported that as of 05/31/15 there were 270 total grant submissions requesting \$84M (compared to 236 at \$66M LY). There were 123 proposal awarded \$22M (compared to 109 at \$21M LY).

B. 2015-16 MEETING SCHEDULE

Mr. Mumford asked Board members to review and calendar the meetings scheduled for 2015-16.

VII. REMINDERS

- Next ExComm meeting: Thu 08/20/15
- Next Board meeting: Thu 09/17/15

VIII. ADJOURNMENT

Mr. Hall adjourned the meeting at 7:50 p.m.

Approved by the Board of Directors, September 17, 2015.



Robert C. Hall, Secretary

ASC EXECUTIVE COMMITTEE

Minutes – Regular Meeting
ASC Conference Room @ CP 250
August 27, 2015 • 4:00 pm

Present: Ted Bremner, Bob Hall, Danny Kim, Tariq Marji, Frank Mumford, Ron Rangel.

Absent: Rosalina Davis, Mildred García, Anil Puri.

Staff: Rosario Borromeo, Ann Ehl, Tony Lynch.

I. CALL TO ORDER

Chair Bremner called the meeting to order at 4:05 pm. Quorum was present.

II. APPROVAL OF MINUTES

Mr. Mumford moved, Mr. Rangel seconded and motion carried to approve the minutes of the 05/21/15 meeting of the ASC Board of Directors.

III. OFFICERS' REPORTS

A. TREASURER

Mr. Marji reported that General Fund (Administration, Grants & Contracts), Auxiliary Enterprises (Bookstore, Campus Dining) and Building Fund combined activities generated a net income of \$5.3M, resulting in a budget variance of \$4.3M for 06/30/15. Revenues during this period were \$51.9M and expenses were \$45.5M.

ASC administration generated a budget variance in income of \$4.2M due to actuarial calculations. There was a change in the roll forward techniques used over the past three years; the new actuary and valuation of the postretirement medical plan generated a net gain of \$3.8M. On grants and contracts, there was a slight decrease over last year with IDC at \$847K. Building operations had a net income of \$1.7M. Cash ratio for the ASC was strong due to College Park-West and Irvine Campus income and limited spending.

Lastly, Mr. Marji reported that we have two audits running simultaneously. The financial audit is nearly finished, with the first draft to be ready next week. The second audit from the Chancellor's Office has been going on for four weeks, with next week being the last. So far, they have reported nothing major.

B. EXECUTIVE DIRECTOR

Mr. Mumford reported that in four months, Western State College of Law will end their lease at College Park West (CP-W) and begin their lease at 1 Banting (Irvine campus). Structural engineering and construction estimates are completed for CP-W and is scheduled to start in January. We anticipate campus move-in to CP-W so that

they are ready to begin the fall semester. Also at CP-W, the parking solar panels are expected to be completed by April-May 2016. We are assisting the campus with the installation of signage on the Eastside parking structure next to the 57 freeway. The outdated digital sign will also be replaced in the near future. At College Park, we are upgrading the major elevator components one car at a time. Each car takes six to eight weeks and is expected to be completed by year's end.

Chuck Kissel, ASC's Associate Executive Director, is currently on loan to CSU San Bernardino's auxiliary. University Enterprise Corporation's Executive Director retired before they could find a suitable replacement. Mr. Kiseel is expected to return to Fullerton in November after gaining some valuable experience. In his absence, Mr. Mumford reported on University Gables (UG). There are 31 people on the wait list, with three homes in escrow. The UG audit resulted in one homeowner not meeting requirements and will have their ground lease terminated.

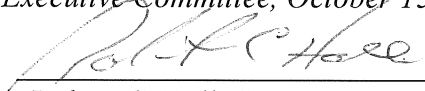
IV. ANNOUNCEMENTS

- Next Board meeting: Thu 09/17/15
- ExComm Retreat: Wed 10/07/15 to Fri 10/09/15

V. ADJOURNMENT

Mr. Bremner adjourned the meeting at 4:35 p.m.

Approved by the Executive Committee, October 15, 2015.



Robert C. Hall, Secretary

Investment Committee Meeting Agenda
ASC Conference Room (CP 250)
September 16 2015: 3:00 PM

- I. CALL TO ORDER.....Mr. Bremner
- II. INVESTMENT MANAGERS 1st QUARTER REPORTS
 - A. 3:00-3:20 PM: Private Management Group.....Mr. Robert Summers
- III. INVESTMENT PERFORMANCE REVIEW
- IV. ASC INVESTMENT REPORT 2nd QUARTER 2015.....Mr. Marji
- V. DISCUSSION ITEMS
- VI. OTHER BUSINESS
- VII. INFORMATION ITEMS
- VIII. OPEN FORUM
 - A. NEXT MEETING November 10, 2015: 3:00 PM
- IIX. ADJOURNMENT.....Mr. Bremner

ASC BOARD OF DIRECTORS

Minutes – Regular Meeting

Arboretum Classrooms

September 17, 2015 • 7:00 pm

Present: Michael Badal, Emily Bonney, Ted Bremner, Chris Brown, Amir Dabirian, Rosalina Davis, Berenecea Eanes, Mildred García, Lori Gentles, Bob Hall, Theresa Harvey, Zeke Luna, Tariq Marji, Frank Mumford, Anil Puri, Ron Rangel, Greg Saks.

Absent: Jose Cruz, Lori Gentles, Katy Johnson, Danny Kim, Olga Mejia, Laura Romine, Sean Walker.

Staff: Jim Alexander, Kim Ball, Denise Bell, Rosario Borromeo, Ann Camp, Ann Ehl, Chuck Kissel, Tony Lynch, Mike Marcinkevicz.

Guests: Patrick Guzman.

I. CALL TO ORDER

Chair Bremner called the meeting to order at 7:15 pm. Quorum was present.

II. APPROVAL OF MINUTES

Pres. García moved, Mr. Marji seconded and motion carried to approve the minutes of the June 11, 2015 meeting of the ASC Board of Directors. Prof. Brown abstained.

III. PRESIDENT'S REPORT

Pres. García reported that the semester began with nearly 39,000 students. At Convocation, she reported that the six-year graduation rates hit 61% (highest in CSUF history and a 20% improvement over the last three years) while also managing to graduate the largest class ever. They've also lowered the achievement gap from 12% to 9% for underrepresented students; raised \$17M thru University Advancement; and received WASC interim report accreditation. We begin the year with 67 new, tenure-track faculty; working with faculty leadership to move forward on the Master Plan; looking into high impact practices; and having created student success teams.

IV. OFFICERS REPORTS

A. TREASURER

1. FINANCIALS

Mr. Marji reported that General (Administration, Grants & Contracts), Auxiliary Enterprises (Dining Services, Bookstore) and Building funds combined activities generated a net income of (\$166K), resulting in a budget variance of (\$50K) for 07/31/15. Revenues during this period were \$5.21M and expenses were \$5.16M.

2. AUDIT UPDATE

Mr. Marji reported that the Chancellor's Office audit was recently completed and they had six items to discuss with potential findings. These include the lack of meeting minutes for the audit committee, open purchases for the bookstore, dining services controls (cashiers logged in as their manager, safe combination needs to be changed with staffing changes, food handler cards not current, vendor agreements not on file) and 3 of 15 project investigators (PI) not completing their PI orientation.

B. EXECUTIVE DIRECTOR

Mr. Mumford reported that Jim Alexander is busy at 1 Banting with construction for Western State College of Law's tenant improvements (TI); their move-in is expected at the end of the year. It will be a five-year lease with their lawsuit to be suspended and unconditionally dropped once they move-in. With this relocation, we hope to begin TI at College Park (CP)-West in January for ASC's move into the two-story library in the spring. Construction estimates that it will be fall 2016 for the four-story building to be ready for move-in. We are looking at solar panel options and hoping to lease instead of purchase, with installation during seismic renovation. With the panels, we expect to produce more energy than consume. President Garcia added that we consider a fund-raising, building-naming opportunity at CP-West.

At College Park-South, elevator 1 is almost complete. With each car taking 6-8 weeks to upgrade, we estimate six months (from beginning to end) to complete the CP elevator renewal project. Currently, our associate executive director Chuck Kissel is on loan to CSU San Bernardino as they continue their search for their executive director. Mr. Kissel will provide a brief report on University Gables (UG). Mr. Mumford directed his attention to Prof. Brown who recently received recognition from the City of Los Angeles for his work with the Southern California Cease Fire Committee. This group of law enforcement, gang interventionists, clergy and community activists work to tackle issues relating to gang violence in the greater LA area. He then reminded Board members that the December Board meeting will be held at the Grand Central Art Center.

Mr. Kissel reported that the homeowner who was reportedly renting out his UG home has sold it to a CSUF national hire faculty. Two other national hire faculty have recently closed escrow at University Gables. At this time, there are 33 people (five national hires) on the waitlist, with no homes available for sale.

V. ACTION ITEM: RESOLUTION, AUDIT APPROVAL

Ms. Harvey moved, Mr. Rangel seconded and motion carried unanimously to approve the 2014-15 ASC Audit Acceptance resolution (attached).

Mr. Guzman, ASC's auditor, reported that this was an unmodified opinion, which is considered a clean opinion. ASC's working capital (the difference between cash and current liabilities) is \$25M and that the respectable ratio is \$2.50 to \$1.00. Accounts payable and notes payable were both up a bit from last year, though long-term debt was down \$8-9M due to post-retirement health benefit down due to the change in actuary and

their experience. Guzman & Gray also issued the single audit which was again an unmodified (clean) opinion. The report on internal controls had no material deficiencies or significant weaknesses.

Mr. Guzman recommended that best business practices be implemented to include cost allocation (better documentation on post-retirement health benefit); an audit trail for PIs (who tend to use common sense internal control but miss documentation); a replacement reserve analysis for University Gables; record program fees timely; conduct bookstore inventory count near June, not in March; and reconcile payroll general ledger.

VI. REPORTS

A. CAMPUS DINING

Mr. Lynch reported that Tapingo, an online ordering and payment app, is now available to students. Since its launch, Tapingo has proven itself to be convenient and has minimized wait times and long lines. We are also participating in the Real Food Challenge. This program leverages the buying power of universities to source healthy, fair, humane and green food systems while purchasing perishable foods within our reach of 250 miles. Campus Dining is pledging to purchase 20% 'real food' by 2020. Theresa Harvey suggested that we might also look into Fullerton's Sunrise Growers, who provides a similar service to the Fullerton School District and St. Judes. Pres. García asked that with the TSU expansion, have we had any thoughts on adding fish or sushi? Another suggestion was California Fish Grill or Fish Friday. Michael Badal suggested 'meatless Mondays' to promote sustainability and promote fresh foods.

Mr. Lynch finished with Campus Dining's research into Oracle/Micros for a possible point of sales (POS) system. This would provide a more reliable, cloud-managed system with automatic, on-going upgrades to reduce downtime and current limitations.

B. TITAN SHOPS

Ms. Ball reported that there are a couple new programs for students this fall. Course materials are now available to students through manageable payment options to alleviate financial worry. The Titan Payment Plan is a \$15, interest-free program that allows students to purchase up to \$500 in course materials with two months to pay it off. This semester was a trial run which spread through word of mouth; the program will be promoted for the spring semester. This semester, Titan Shops also had their highest volume of online orders ever. While labor intensive, the demand is there. The second program geared toward Titan Tech, offers students \$2500 in tech gear, interest free for one year. The program is \$35 to set up. A similar program is offered to ASC staff, with payments made through payroll deduction. A board member asked if this could offer could be extended to alumni.

VII. ANNOUNCEMENTS:

- CONCERT UNDER THE STARS: SATURDAY 09/19/15
- EXCOMM RETREAT: WED 10/07/15 – FRI 10/09/15

- NEXT EXCOMM MEETING: THU 10/15/15
- NEXT BOARD MEETING: THURSDAY 12/17/15 @ GRAND CENTRAL ART CENTER

VIII. ADJOURNMENT

Mr. Bremner adjourned the meeting at 8:45 p.m.

Approved by the Board of Directors, December 17, 2015.



Robert C. Hall, Secretary



RESOLUTION

2014-15 ASC AUDIT ACCEPTANCE

WHEREAS, the CSU Fullerton Auxiliary Services Corporation (ASC) operates on a fiscal year beginning July 1 and ending June 30; and

WHEREAS, the ASC entered into a contract with the accounting firm of Guzman & Gray CPAs to conduct an audit for the fiscal year ended June 30, 2015; and

WHEREAS, Guzman & Gray CPAs certifies various other audit reports required by the CSU and the federal government; therefore

BE IT RESOLVED, that the Board of Directors of the CSU Fullerton Auxiliary Services Corporation accepts Guzman & Gray's audit reports of the CSU Fullerton Auxiliary Services Corporation for the fiscal year ended June 30, 2015.

* * * * *

I, Robert C. Hall, Secretary of CSU Fullerton Auxiliary Services Corporation, incorporated under the laws of the State of California, hereby certify that the foregoing is a true copy of a resolution duly adopted by the Board of Directors of said Corporation at a meeting duly held September 17, 2015, at which a quorum was present and voting, and that the same has not been repealed or amended, and remains in full force and effect and does not conflict with the Bylaws of said Corporation.

A handwritten signature in blue ink, appearing to read "Robert C. Hall", written over a horizontal line.

ROBERT C. HALL
SECRETARY

ASC EXECUTIVE COMMITTEE

Minutes – Regular Meeting
ASC Conference Room @ CP 250
October 15, 2015 • 4:00 pm

Present: Ted Bremner, Rosalina Davis, Bob Hall, Danny Kim (by phone), Tariq Marji, Frank Mumford, Anil Puri.

Absent: Mildred García, Ron Rangel.

Staff: Jim Alexander, Rosario Borromeo, Ann Ehl, Tony Lynch, Mike Marcinkevicz.

I. CALL TO ORDER

Chair Bremner called the meeting to order at 4:05 pm. Quorum was present.

II. APPROVAL OF MINUTES

Mr. Mumford moved, Mr. Hall seconded and motion carried to approve the minutes of the August 27, 2015 meeting of the ASC Board of Directors.

III. OFFICERS' REPORTS

A. TREASURER

Mr. Marji reported that General & Building Funds and Auxiliary Enterprises (Bookstore, Campus Dining) combined activities generated a net income of \$633K, resulting in a budget variance of \$108K for 08/30/15. Revenues during this period were \$13.0M and expenses were \$12.9M.

B. EXECUTIVE DIRECTOR

Mr. Mumford reported that between last week's Executive Committee Retreat and the next agenda item, there will be no report today.

IV. DISCUSSION ITEM: ANALYSIS OF FINANCIAL CONTRIBUTIONS

From a continued discussion from the Executive Committee Retreat, Mr. Mumford presented two financial scenarios regarding a proposed increase in the amount of University Services provided by the ASC. In the first (attachment A), ASC would contribute 50% of "net available", with a minimum of \$325,000. In the second (attachment B), ASC would make a minimum contribution of \$325,000 plus 50% of remaining net income (net income calculated after the \$325K payment). In either case, the university would receive \$325K even if the ASC operated at a net loss.

There was ample discussion. With both scenarios providing for \$325,000 even in lean years, Executive Committee members discussed the risk to ASC's financial position to fund other projects, capital improvements or reserves. VP Kim stated that the campus

needs \$150M in building upgrades and asked the ASC to consider assisting the campus to meet this need by dipping into its reserves.

Other considerations offered during this discussion include: (i) ASC contribute a minimum of \$325,000 plus 50% of net income above \$650,000, with stepped increases of contribution at higher net income levels; (ii) ASC pay itself first (e.g., fund \$250K in reserves) then provide contributions to the campus.

Executive Committee members present stated that as board members, they have a fiduciary responsibility to consider ASC's financial well-being first and foremost, understanding that the ASC was created to support the university. A majority of the members present favored the 50% of net income model and agreed that the levels of contribution be reviewed every two years.

This item will require further discussion before a policy can be determined.

V. ANNOUNCEMENTS

- ECONOMIC FORECAST – 10/29/15, 11:30, HOTEL IRVINE
- EXCOMM MEETING – THU 11/19/15, 4:00 PM
- BOARD MEETING – THU 12/17/15, 5:45 PM @ CSUF GRAND CENTRAL ARTS CENTER

VI. ADJOURNMENT

Mr. Bremner adjourned the meeting at 5:00 p.m.

Approved by the Executive Committee, November 19, 2015.



Robert C. Hall, Secretary

Investment Committee Meeting Agenda
ASC Conference Room (CP 250)
November 17, 2015: 3:00 PM

- I. CALL TO ORDER.....Mr. Bremner
- II. INVESTMENT MANAGERS 1st QUARTER REPORTS
 - A. 3:00-3:20 PM: Private Management Group.....Mr. Robert Summers
 - B. 3:25-3:45 PM: Legacy Capital Management.....Mr. Stephen Pincin
- III. INVESTMENT PERFORMANCE REVIEW
- IV. ASC INVESTMENT REPORT 3rd QUARTER 2015.....Mr. Marji
- V. DISCUSSION ITEMS
- VI. OTHER BUSINESS
- VII. INFORMATION ITEMS
- VIII. OPEN FORUM
 - A. NEXT MEETING: January 20, 2016: 3:00 PM
- IX. ADJOURNMENT.....Mr. Bremner

ASC EXECUTIVE COMMITTEE

Minutes – Regular Meeting
ASC Conference Room @ CP 250
November 19, 2015 • 4:00 pm

Present: Ted Bremner, Bob Hall, Danny Kim, Tariq Marji, Frank Mumford, Anil Puri, Ron Rangel.

Absent: Rosalina Davis, Mildred García.

Staff: Jim Alexander, Kim Ball, Denise Bell, Rosario Borromeo, Tony Lynch, Mike Marcinkevich, SalLee Weidman.

I. CALL TO ORDER

Chair Bremner called the meeting to order at 4:05 pm. Quorum was present.

II. APPROVAL OF MINUTES OF 10/15/15

Mr. Bremner moved, Mr. Mumford seconded and motion carried to approve the minutes of the October 15, 2015 meeting of the ASC Executive Committee.

III. OFFICERS' REPORTS

A. TREASURER

Mr. Marji reported that General & Building Funds and Auxiliary Enterprises (Bookstore, Campus Dining) combined activities generated a net income of \$760K, resulting in a budget variance of \$30K for 09/31/15. Revenues during this period were \$19.3M and expenses were \$19.4M.

B. EXECUTIVE DIRECTOR

Mr. Mumford reported that work on 1 Banting continues; the targeted move-in date is late December. College Park (CP)-West activities are starting to pick up; ASC's anticipated move-in date is April, with the campus moving in by early fall. The "energy plus" project is also moving forward. Energy plus is when the building produces more energy than it consumes; exactly how the excess energy will be used is yet undetermined. One possibility is that it is sold back to the 'grid'. The CP elevator upgrades continue, with the second car expected to be finished by year-end. The College Park-South project was presented to the President's Cabinet in late October. The Cabinet provided the go-ahead to inform the campus community, and then to proceed to the CSU Board of Trustees for concept approval. This project, if approved, is scheduled to take three years to complete.

Mr. Kissel reported that one detached home is in escrow at University Gables. There is currently a waiting list of 33 of whom five are national hire faculty. We continue to work with our attorney to terminate the ground lease of a non-qualified

homeowner. Mr. Kissel, who has been on loan to CSU San Bernardino's University Enterprise Corporation, will return to the ASC at the beginning of 2016.

Mr. Mumford continued that there is work being done at El Dorado Ranch; this includes renovation of a wall and the replacement of a planting area at fountain. At Grand Central Arts Center (the site of the next ASC Board meeting), the HVAC system has been approved and budgeted by the City of Santa Ana.

IV. RESOLUTION: ASC BENEFIT PLAN

Mr. Mumford moved and Mr. Bremner seconded to approve the 2015-16 ASC Benefit Plan resolution. Before a vote is taken, VP Kim asked for a cost comparison showing the amounts paid by campus/state employees and ASC employees. On another item, HR recommends that ASC reimburse its retirees the monthly cost of Medicare part B (\$104). At this time, 19 are eligible for this benefit. This resolution was tabled for December.

V. DISCUSSION ITEM: ANALYSIS OF FINANCIAL CONTRIBUTIONS

At the last meeting, Mr. Mumford presented two scenarios regarding the proposed increase to University Services. In the first, ASC would contribute 50% of "net available", with a minimum of \$325,000. In the second, ASC would make a minimum contribution of \$325K plus 50% of remaining net income (net income calculated after the \$325K payment). In either case, the university would receive \$325K even if the ASC operated at a net loss.

An additional scenario eliminates the minimum of \$325,000; ASC would contribute 100% of "net available" in years where net income less costs is \$325,000 or less. For years when net available amounts fall between \$325,000 and \$750,000, the split would be 60% ASC and 40% university, giving the ASC an opportunity to recover funds from mid-range of revenue. For years when net available amounts exceed \$750,000, the split would be 50/50. There would be no contributions when ASC operates at a net loss. Mr. Rangel asked if the starting point could be lowered to \$300,000 instead of \$325,000; VP Kim agreed.

Mr. Rangel moved; Mr. Bremner seconded, the motion carried to accept the new plan. Mr. Mumford and Mr. Marji will draft a policy to present to the Board.

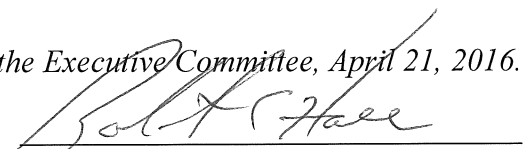
VI. ANNOUNCEMENTS

- BOARD MEETING – THU 12/17/15, 5:45 PM @ CSUF GRAND CENTRAL ARTS CENTER
- CAROL CANDLELIGHT – SUN 12/13/15
- EXCOMM MEETING – THU 01/21/16, 4:00 PM

VII. ADJOURNMENT

Mr. Bremner adjourned the meeting at 4:55 p.m.

Approved by the Executive Committee, April 21, 2016.



Robert C. Hall, Secretary

ASC BOARD OF DIRECTORS

Agenda – Annual Meeting

Location: Grand Central Arts Center

Drive to/Park at: 201 W 3rd St, Santa Ana

December 17, 2015

Social 5:45 p.m.
 Dinner 6:00 p.m.
 Board Meeting 7:00 p.m.

- I. CALL TO ORDER..... MR. BREMNER
- II. ELECTIONS.....MR. RANGEL
 - A. COMMUNITY MEMBERS
 - B. OFFICERS
 - C. EXECUTIVE COMMITTEE
- III. APPROVAL OF MINUTES OF 09/17/15 MR. BREMNER
- IV. PRESIDENT’S REPORT PRES. GARCÍA
- V. OFFICERS REPORTS
 - A. TREASURER.....MR. MARJI
 - 1. FINANCIAL STATEMENTS
 - 2. UNRESTRICTED NET ASSET ALLOCATION RESERVE
 - B. EXECUTIVE DIRECTOR MR. MUMFORD
- VI. ACTION ITEMS
 - A. RESOLUTION: BENEFITS 2015-16..... MR. MUMFORD
 - B. POLICY: UNIVERSITY SERVICES MR. MUMFORD
 - C. POLICY: RESERVES (REVISED)MR. MARJI
- VII. REPORTS
 - A. HR.....MS. BORROMEIO
 - B. IT.....MR. MARCINKEVICZ
- VIII. ANNOUNCEMENTS:
 - NEXT BOARD MEETING – THURSDAY 03/24/16
- IX. ADJOURNMENT MR. BREMNER



ASC BOARD OF DIRECTORS

Minutes – Regular Meeting

Titan Shops Conference Room / Senate Chambers

December 17, 2015 • 7:00 pm

Present: Michael Badal, Emily Bonney, Ted Bremner, Chris Brown, Amir Dabirian, Rosalina Davis, Mildred García, Katy Johnson, Danny Kim, Zeke Luna, Tariq Marji, Frank Mumford, Ron Rangel, Laura Romine, Greg Saks, Sean Walker.

Absent: Jose Cruz, Berenecea Eanes, Bob Hall, Theresa Harvey, Olga Mejia, Anil Puri.

Staff: Jim Alexander, Kim Ball, Denise Bell, Rosario Borromeo, Ann Camp, Ann Ehl, Chuck Kissel, Tony Lynch, Mike Marcinkevicz.

Guests: Tracey Gayer, John Spiak.

I. CALL TO ORDER

Chair Bremner called the meeting to order at 7:55 pm. Quorum was present.

II. ELECTIONS

Mr. Bremner reported that the Executive Committee, acting in its role as Nominating Committee (Bylaws Article IX, § 4), is presenting the following slate of nominees for community membership, officer and executive committee. Nominations from the floor were also accepted; there were none.

Mr. Mumford moved, Mr. Rangel seconded and motion carried to approve the following for Board membership, Board officers and the Executive Committee, respectively:

A. COMMUNITY MEMBERS

Ted Bremner, Rosalina Davis, Bob Hall and Theresa Harvey will serve another three-year term expiring 12/31/18.

B. OFFICERS

Chair:.....Ted Bremner
Vice-chair:.....Ron Rangel
Executive Director:Frank Mumford
Secretary:Bob Hall
Treasurer/Asst Secretary:.....Tariq Marji
(to serve one year terms)

C. EXECUTIVE COMMITTEE

The Executive Committee is composed of Board Officers, CSUF Vice President for Administration and Finance, and two (2) additional voting directors. The two voting directors:

Rosalina Davis and Anil Puri will serve a one-year term expiring 12/31/16.

III. APPROVAL OF MINUTES

Mr. Mumford moved, Prof. Bonney seconded and motion carried to approve the minutes of the September 17, 2015 meeting of the ASC Board of Directors.

IV. PRESIDENT'S REPORT

President García announced that this year's goal for Concert Under the Stars was to gross \$650K; the actual was over \$750K, exceeding expectations by \$100K. She thanked David Bowman for his service as interim Dean of Natural Sciences and Mathematics since January 2014; Marie Johnson will take the helm on 07/01/16. She also acknowledged Irene Matz, interim Dean of Communications since June 2014 and said Scott Paynton will succeed her in February; and appointed Gail Brookers, formerly the CSU's assistant vice chancellor of HR, to interim VP of HRDI as the search for a permanent VP continues by the seat vacated by Lori Gentles (who returned to county government). As a member of the Congressional Hispanic Caucus Institute's Board of Directors, she met with the Congressional Hispanic caucus recently in Washington DC. Last month, both CSUF's University Singers and University Symphony Orchestra were invited to perform at Carnegie Hall. She thanked Prof. Bonnie and Provost Cruz on their continued efforts to launch the Academic Master Plan. She, along with VP Kim, gave the fiscal state of the University to the Academic Senate; adding that with the power of advocacy, California's governor raised the CSU budget increase from \$119.5M to \$217M.

V. OFFICERS REPORTS

A. TREASURER

1. FINANCIAL STATEMENTS

Mr. Marji reported that General and Buildings (Administration, Grants & Contracts and Buildings), Auxiliary Enterprises (Bookstore, Campus Dining) and Other Activities combined activities generated a net income of \$239K, resulting in a budget variance of (\$702K) for 11/30/15. Revenues during this period were \$30.8M and expenses were \$30.6M.

2. UNRESTRICTED NET ASSET ALLOCATION RESERVE

The 2014-15 funds available for allocation is \$406K (the amount from unrestricted net assets after reserves, designated funds and non-operating activity of gains on post retirement obligation valuation are factored out). After the allocation was made to the four reserve accounts (working capital, current operating, capital replacement and venture capital/opportunity/other designated), ASC's unfunded reserves is now (\$5.1M), down from (\$5.5M).

B. EXECUTIVE DIRECTOR

Mr. Mumford, adding to the reserves item above, said that it will now take longer to fund all reserves than originally planned as ASC will share a larger portion of its income to increase university support. Regarding Western State College of Law, their tenant improvement of 1 Banting is slightly behind schedule, but is scheduled to

vacate 1111 N State College Boulevard next week and be ready to offer classes at the new site by spring. Here at College Park (CP), elevator upgrades continue. Work on car 1 is complete and inspection for car 2 is tomorrow. VP Kim has a goal for 2016 to increase revenues through diversifying the resource base to include ASC and its ability to develop off-campus housing to generate significant revenues. Current plans are to present the project for concept approval at the March CSU Board of Trustees. The RFP process for this is expected to take three years. On Monday, Chuck Kissel returns to the ASC after six months as CSU San Bernardino's Executive Director of their auxiliary, the University Enterprises Corporation (UEC). UEC has just completed their search for the permanent CEO. Lastly, all properties owned or managed by the ASC are now prepped and ready for the El Nino storms that are forecasted this season.

VI. ACTION ITEMS

A. RESOLUTION: BENEFITS 2015-16

Prof. Brown moved, Mr. Rangel seconded and motion carried unanimously to approve the Benefit Plan, Fiscal Year 2015-16 resolution (attached).

B. POLICY: UNIVERSITY SERVICES

Mr. Rangel moved, Pres. Garcia seconded and motion carried unanimously to approve the new University Services (contribution) policy.

C. POLICY: RESERVES (REVISED)

Prof. Brown moved, Prof. Walker seconded and motion carried unanimously to approve the changes made to the Reserves policy.

VII. REPORTS

A. HUMAN RESOURCES

Ms. Borromeo reported that of the ASC's 900+ employees, 551 are students who are employed part-time. As of 08/03/15, the ASC's background checks are 100% compliant with the CSU policy. ASC uses Accurate Background for criminal background and education verification; employment verification and reference checks are conducted in-house. The 2015 Affirmative Action plan executive summary had favorable results in all areas; HR continues to facilitate mandatory training such as AB 1825 (Affirmative Action and Data Security Awareness).

B. INFORMATION TECHNOLOGY

Mr. Marcinkevicz reported that IT is currently working on new payment devices, inventory and back office systems for the Titan Shops. This includes ApplePay and EMV cards. For Dining Services, the main project at the moment is Tapingo. Tapingo allows users to place orders thru their application ("the app") to one of Campus Dining locations, make an electronic payment and pick up the order when ready. There is no additional costs to the user and is expected to cut down on waiting times. The user would upload their bank card information to Tapingo, which then charges the order automatically. This will go live in January.

VIII. ANNOUNCEMENTS

➤ Next Board meeting: Thu 03/24/16

IX. ADJOURNMENT

Mr. Bremner adjourned the meeting at 9:03 p.m.

Approved by the Board of Directors, March 24, 2016.



Robert C. Hall, Secretary