

**THE UNIVERSITY CORPORATION  
Executive Committee  
May 7, 2014**

A meeting of The University Corporation Executive Committee was called to order by Chair, Dianne F. Harrison at 3:03 p.m. on Wednesday, May 7, 2014 in University Hall Room 250, California State University, Northridge. A quorum was present.

**MEMBERS PRESENT:** Dianne F. Harrison, Dan Hosken, Marbella Lupercio, Jennifer Matos, Ben Yaspelkis

**STAFF PRESENT:** Heather Cairns, Elizabeth Corrigan, Rick Evans, John Griffin, Elizabeth Kioussis, Michael Lennon, Linda Turner

**OTHERS PRESENT:** Jill Smith

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**ITEM #1 APPROVAL OF JANUARY 31, 2014 EXECUTIVE COMMITTEE MINUTES**

**MSP (Matos/Lupercio): That the minutes of the January 31, 2014 Executive Committee meeting be approved as circulated.**

**ITEM #2 JUDGE JULIAN BECK INSTRUCTIONAL IMPROVEMENT GRANTS**

Elizabeth Kioussis reported that thirty-two proposals were submitted; eleven projects, totaling \$56,620, were recommended for funding by the Center for Innovative and Engaged Learning Opportunities (CIELO) Advisory Board.

**MSP (Yaspelkis/Matos): That The University Corporation Executive Committee approve the Judge Julian Beck Instructional Improvement grants for 2014/15, as recommended by the CIELO Advisory Board.**

**ITEM #3 APPOINTMENT OF NOMINATING COMMITTEE**

A three-member committee is appointed annually to make recommendations for Chair, First Vice President, Second Vice President, Recording Secretary, and Treasurer. Recommendations will be presented at the June 3, 2014 Board of Directors meeting.

**MSP (Yaspelkis/Hosken): That the Chair appoint a nominating committee to make recommendations for Corporation officers, one-year terms to begin July 1, 2014.**

The Chair appointed Ben Yaspelkis (Chair), Dan Hosken, and Marbella Lupercio to serve on the Nominating Committee.

**ITEM #4 FINANCIAL STATEMENTS**

The information was received. Mr. Evans noted that the Corporation continues to perform better than budget.

**ITEM #5                                  POURING RIGHTS – REQUEST FOR PROPOSAL**

Mr. Evans introduced Michael Lennon, Associate Director of Retail Operations. Mr. Lennon advised that the Corporation's ten-year contract with the Pepsi Bottling Group will expire at the end of the year; a request for proposal (RFP) package is being prepared to solicit proposals for a new ten-year contract to commence January 1, 2015. Mr. Lennon added that in order to improve the sponsorship fees and additional support that the university receives under the contract, the Corporation will state in the RFP package the acceptable annual minimums. The deadline for bid submissions will be June 13, 2014.

**ITEM #6                                  2014/15 OPERATING BUDGET**

Mr. Evans reviewed the executive summary in detail, stating that presentations on individual divisional budgets will be made at the Board meeting. The Executive Director noted that the current fiscal year is projected to finish approximately \$400,000 better than budget, aided in part by the higher than anticipated enrollment. For 2014/15, enrollment is expected to decrease slightly and bookstore commissions will continue their downward trend, but food services are expected to continue growing. The budget includes an increase in the annual cash contribution to the university, from the current \$940,000 to \$1.25 million, as well as a new 'program and marketing' allocation to support joint marketing efforts and campus activities, with a focus on athletics. A moderately strong bottom line is projected.

Mr. Evans outlined other major items impacting the budget, including a 2.5% cost of living adjustment, an increase in the minimum wage to \$9 per hour as of July 1, 2014, and the first full year of extended benefits under the Affordable Health Care Act. The anticipated federal-sequester-related reductions in Sponsored Programs did not materialize; in 2013/14 Sponsored Programs exceeded budget by 7.9%, and 2014/15 is budgeted at close to current year. A six percent increase is budgeted for University Licensing.

Mr. Evans reviewed allocations to, and planned expenditures from reserves. For 2014/15, a \$100,000 allocation will be made to the Sierra Center Building Reserve and approximately \$350,000 will be expended from the same reserve to refresh exterior paint and restrooms, and to reconfigure Corporation offices so as to create a larger conference room and add two offices. A \$500,000 transfer will be made from the Undesignated General Reserve to the Real Estate Reserve, which has been depleted with the acquisition of two single-family homes in 2013/14. The reserve for future student housing-related projects will receive its final allocation, which will be \$1.25 million. The funding target for this reserve must increase from \$3 million to \$3.3 million.

**MSP (Matos/Hosken): That The University Corporation Executive Committee recommend that The University Corporation Board of Directors approve the 2014/15 operating budget as presented.**

**ITEM #7                                  FRAUD PREVENTION – ANNUAL REPORT**

The Board delegated to the Executive Committee oversight responsibility of the Corporation's fraud prevention program. Mr. Evans noted that this is the first annual report and asked Michael Lennon to describe the two most recent events. Mr. Lennon reported that continuous shortages in the cash drawer led to the termination of an Arbor Grill employee. At the Pub, security cameras recorded a supervisor taking cash from the safe and putting it in her pocket; the employee was terminated. The money was returned and the Corporation did not press charges.

Mr. Evans added that efforts to establish the desired corporate culture throughout the organization are ongoing. The Code of Professional Conduct has been shared with all employees, as well as with principal investigators, to use at their discretion with their staffs.

**ITEM #8                      RESEARCH & SPONSORED PROJECTS - AWARDS AND  
EXPENDITURE REPORTS (JANUARY, FEBRUARY, MARCH 2014)**

The information was received. Mr. Evans noted the increased number of submissions. John Griffin noted the increase in the indirect cost recovery rate.

**ITEM #9                      ANNOUNCEMENTS**

*Farewell to Dan Hosken.* Professor Hosken joined the Corporation Board in 2001 and has served continuously for thirteen years. His term expires June 30, 2014. Now that he has assumed the administrative position of Assistant Dean of the College of Arts, Media, and Communication, he can no longer hold a faculty seat on the Board. Mr. Evans thanked Professor Hosken and presented him with a parting gift.

The open meeting ended at 3:49 p.m., and the Executive Committee went into executive session to consider a personnel matter.

Respectfully submitted,



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Jennifer Matos, Recording Secretary