THE UNIVERSITY CORPORATION  
Executive Committee  
January 29, 2015  

A meeting of The University Corporation Executive Committee was called to order by Chair, Dianne F. Harrison at 3:03 p.m. on Thursday, January 29, 2015 in University Hall Room 250, California State University, Northridge. A quorum was present.

MEMBERS PRESENT: Dianne F. Harrison, Michael Spagna, Sonia Vaswani  
MEMBERS ABSENT: Jennifer Matos, Ben Yaspelkis  
STAFF PRESENT: Elizabeth Corrigan, Rick Evans, John Griffin, Elizabeth Kioussis, Georg Jahn, Tim Killops, Linda Turner  
OTHERS PRESENT: Scott Perez, Lauren Rife (Daily Sundial)  

ITEM #1  APPROVAL OF OCTOBER 9, 2014 EXECUTIVE COMMITTEE MINUTES  

MSP (Vaswani/Spagna): That the minutes of the October 9, 2014 Executive Committee meeting be approved as circulated.

ITEM #2  REAL ESTATE UPDATE  

Executive Director, Rick Evans asked Georg Jahn, Director of Sponsored Programs and Real Estate, to give the update on the Reseda Blvd office building acquisition. Mr. Jahn advised that escrow opened on November 21, 2014. The total project cost is $4.4 million, consisting of: a) $3 million purchase price; b) $1 million in landlord’s repairs/renovations; and c) $400,000 in tenant improvements to be undertaken by the university. At their March 2015 meeting, the California State University Trustees will consider the Corporation’s request to finance $3.4 million (exclusive of fees) with system-wide revenue bonds. Escrow will close on May 29, 2015; Corporation Management will apply for a property tax exemption thereafter.

ITEM #3  CONSTRUCTION PROJECTS IN SUPPORT OF UNIVERSITY HOUSING  

Mr. Evans asked Tim Killops, Associate Director of Facilities, to report on the Geronimo’s expansion project. Mr. Killops reported that the Corporation had retained the services of a construction estimator to assist in the planning process. The estimator did not include an escalation factor in his formula and all the bids received were significantly higher than anticipated. Primary impacting factors include: a) the project being too big for smaller firms to undertake; 2) an increase in construction activity; and 3) the escalating cost of building materials. Mr. Killops stated that SC Anderson, Inc. will be awarded the contract and is working with the designers to identify potential savings while retaining the design character of the project. An additional $650,000 is needed. Any savings will be used for contingencies.

Chief Financial Officer, John Griffin reviewed the sources of the additional funds, which would come primarily from operating surplus, with a small amount from long-term reserves.
MSP (Spagna/Vaswani): To recommend that The University Corporation Board of Directors approve an additional $650,000 to augment the budget for the Geronimo’s expansion project.

ITEM #4    SOCIALLY RESPONSIBLE INVESTING

Mr. Evans reported that social, environmental and governance considerations are increasingly being incorporated into investment strategy. The CSUN Foundation’s investments committee has already had discussions and will consider moving in this direction at its February meeting. The Corporation will track the Foundation and will likely follow its lead. Northern Trust manages the portfolios of both auxiliaries. The Chair encouraged committee members to read the articles included in the meeting packet, noting that it often makes sound business sense to invest in funds that can help make a difference. Michael Spagna concurred, adding that this is in line with the philosophy of making no profit at the expense of social benefit.

ITEM #5    FINANCIAL STATEMENTS

Mr. Evans briefly reviewed the ‘Net Cash Generated Schedule’ and noted that the Corporation is tracking very close to budget.

ITEM #6    RESEARCH & SPONSORED PROJECTS – AWARDS AND EXPENDITURE REPORTS (SEPTEMBER, OCTOBER, NOVEMBER, DECEMBER 2014)

Georg Jahn reviewed year-to-date information, noting that activity is down compared to budget. Scott Perez, Director of the university’s Office of Research and Sponsored Projects, added that submissions are down. The Chair reported that funded project data is now being developed at the system level and Northridge currently ranks fourth in the system.

Michael Spagna commented that under the current administration, the environment is much improved for submitting proposals, adding that hands-on experience is important to student success and the practical experience makes students more attractive to employers.

ITEM #7    ANNOUNCEMENTS

Farmers Market. The first on-campus weekly farmers market, an Associated Students effort, will open on February 3 and will include some prepared foods. The Corporation holds the contract with operator, Raw Inspirations.

There being no further business, the meeting adjourned at 3:40 p.m.

Respectfully submitted,

Michael E. Spagna, Recording Secretary