

Jiang stated the event is scheduled for September 16.

McDonald inquired whether the request was for a reimbursement or a waiver.

Van Ness noted that the after-hour charges for the Student Center are under review by the Rules Committee.

Cortez confirmed this. She instructed **Jiang** supply her with the details of her request.

ASI members left at 9:43 a.m.

Al Najjar informed the Board of his interest to serve on the Community Relations Committee.

I. Chairs Report

1. Faculty Appointment

Cortez announced that Professor Rebecca Toporek of the Counseling Department was appointed by the Academic Senate to fill the faculty position on the Board. She added that Rebecca is in the process of clearing her Thursday schedule in order to serve on the Board.

Van Ness requested that **Cortez** allow Rebecca until mid-September to determine if her schedule will allow her to serve on the Board. She stated that if Rebecca is unable to participate on the Board, Cortez should request that the Academic Senate appoint another candidate.

Dalpe, Duke, Donovan-Blood, and Salomon-Johnson entered the meeting at 9:45 a.m.

Bomar expressed concern that the Board has not received an official letter from the Academic Senate or the University President regarding the appointment.

Cortez replied that she would allow Rebecca one week to determine her status, and then would request another appointment if necessary.

2. Administrative Appointment

Cortez assured members that she would continue to contact people for the appointment, and noted that she had sent a memo to President Corrigan.

3. Mid-year Retreat

Cortez stated that September 30, 2006 and October 14, 2006 are the dates being considered for the retreat. She requested that all members indicate their preferred date to the Governing Board secretary via e-mail.

Fowler indicated that scheduling conflicts exist with some members on September 30, 2006 and others on October 14, 2006.

Cortez noted that the retreat would be held on the most convenient date for the majority of members.

McDonald inquired about the location of the retreat.

Dalpe stated he would contact **Susan Alunan** about reserving the meeting room at the Civic and Community Engagement Offices in Daly City.

Fowler inquired about the time of the event.

Cortez stated the retreat is typically a full-day event.

Dalpe mentioned the day would begin at 8:30 a.m. with a continental breakfast and continue until late afternoon.

4. Attendance Report- Tabled.

5. Special Meeting for Palestinian Mural

Cortez noted that the Board will hold a special meeting on Thursday September 14 to discuss issues regarding the Palestinian Mural.

Dalpe informed that a meeting between the Palestinian Mural Committee and the President scheduled for September 6 had been postponed by the Committee. He recommended the Board discuss how it wishes to proceed with this matter prior to the Committee or the Board rescheduling a meeting with President Corrigan.

Cortez expressed agreement.

Morales informed the Board that a Vendor Services Committee meeting is scheduled for September 14, 2006. She added that the committee would reschedule its meeting to accommodate the Board.

6. AS Representative

Cortez informed the members that she had received a letter from the President of the Associated Students indicating that Asella Donovan-Blood was replacing Isidro Armenta as an Associated Students appointee. She invited **Donovan-Blood** to introduce herself to the Board.

Donovan-Blood expressed enthusiasm to serve on the Board and requested to be added to serve as the chair on the Human Resources Committee.

II. Committee Chairships

Dalpe stated that members interested in resigning their current committee chairships should do so formally to avoid having to remove them through a two-thirds majority vote.

Cortez pointed out that it would be best to clarify the changes that have been made at the committee level. **She nominated Morales as chair the Rules Committee. Morales** accepted the nomination. Seeing no further nominations, **Cortez** closed nominations

Van Ness requested clarification on whether each chair position required a two-thirds majority of the vote. She inquired who about the current Rules Committee Chair.

*The Board indicated that **Morales** is the current Rules Committee Chair.*

Cortez inquired if the Rules Committee membership figure was sufficient.

Morales replied that the committee's current members are **Salomon-Johnson** and **Rios-Parada**.

Cortez asked whether the Rules Committee was able to meet quorum during its meetings.

Morales replied in the affirmative.

Salomon-Johnson mentioned that members from certain student organizations have inquired about joining the Rules Committee.

Cortez moved to approve Cindy Morales as Committee Chair. Seconded by Salomon-Johnson. 9 ayes. Motion passed.

Fowler called for a point of inquiry to state that there are two processes for committee chairs to resign. She indicated that **Dalpe** stated the required process if a committee chair resigned. She pointed out that as an alternate process the Board chair could open all the chairships and accept appointments for committee chairs.

Cortez requested feedback from the Board regarding the option they prefer.

Fowler added that it is clear that the Board is moving forward with the second option because the chair has declared all the positions vacant and was accepting nominations off the floor. She noted that this process requires only a majority vote.

Van Ness inquired whether 'option 1' was stated in the by-laws as a requirement.

Fowler indicated that it was not.

Dalpe called a point of order and stated that the by-laws indicate the board chair and committee chairs are selected at the annual Board meeting – which already occurred in 2006. He added that according the by-laws it is expected that these chairs serve one year. He noted that the by-laws do not give the Chair of the Board authority to vacate the committee chairships. He warned the

Board that if changes to committee Chairships continue without an official resignation or removal of the current Chair, the Board could be challenged at a later date for failing to follow its by-laws. This would mean that all future committee actions and recommendations could be challenged and determined to be null and void.

Salomon-Johnson recommended that the Board only discuss committee chairs that are currently vacant and table the remaining chairships until the next meeting.

Fowler suggested a five-minute recess for the Board to consult the by-laws.

Motion for a five-minute recess. Moved by Cortez. Seconded by McDonald. 10 ayes. Motion passed.

Board reconvened 10:12 a.m.

Singh entered at 10:12 a.m.

Cortez stated that any current committee chair that wishes to resign may do so to allow new people to step up.

Cortez nominated Asella Donovan-Blood as the chair of the Human Resources Committee. Seconded by Salomon-Johnson. Donovan-Blood accepted the nomination. Seeing no further nominations **Cortez** closed nominations.

Motion to approve Donovan-Blood as Committee Chair. Moved by Fowler. Seconded by Cardenas. 9 ayes. Motion passed.

McDonald resigned as Native American Mural Committee Chair.

Cortez accepted **McDonald's** resignation.

Cortez nominated Hector Jimenez Cardenas as the chair of the Native American Mural Committee. Seconded by McDonald. Jimenez Cardenas accepted the nomination. Seeing no further nominations **Cortez** closed nominations.

Motion to approve Cardenas as Committee Chair. Moved by McDonald. Seconded by Fowler. 9 ayes. Motion passed.

Dalpe announced that he wanted to take a moment to recognize the excellent work that **McDonald** had put into the Native American Mural Committee.

Cortez informed the Board that though Whearty was not at the meeting, she had informed the Chair of her intention to resign from the Chair of Community Relations.

Cortez moved to nominate Maire Fowler as chair of the Community Relations committee. Fowler accepted the nomination. Seeing no further nominations **Cortez** closed nominations.

Motion to approve Fowler as Committee Chair. Moved by McDonald. Seconded by Cardenas. Motion passed with one abstention.

III. Committee Memberships

Fowler announced that her committee members include: **Dalpe, Al Najjar, Whearty, and Elaskkar.**

Dalpe cautioned members that some guests at the committee meetings have been erroneously added as members. He suggested that the Board be mindful of the distinction.

Cortez expressed agreement.

Fowler invited other Board members to serve on the Community Relations Committee.

Donovan-Blood expressed interest.

Motion to approve Dalpe, Al Najjar, Whearty, Elaskkar and Donovan-Blood as members. Moved by McDonald. Seconded by Salomon-Johnson. Motion passed with one abstention.

Bomar pointed out that the attached Committee Chairship and Membership list did not include the Auditing Committee. He added that although the Auditing Committee meets infrequently, it is crucial to coordinate the annual audit with external financial auditors.

Van Ness reminded the Board that she would like the minutes to note the number of ayes, nays and abstentions, even for unanimous votes.

Motion to approve Ron Compesi to the Native American and Palestinian Mural Committee. Moved by McDonald. Seconded by Cardenas. 10 ayes. Motion passed.

Motion to approve Derek Aitken to the Audit Committee. Moved by McDonald. Seconded by Fowler. 9 ayes. Motion passed.

Salomon-Johnson expressed interest in resigning from the Finance Committee if another Board member were available as a replacement. She noted that if there were no board member interested in the chairship, she would continue in the position and also join the audit committee.

Bomar stated that the Audit Committee's particular concern is meeting with financial auditors from the external agency.

Cortez mentioned that no other Board members have expressed interest in serving as Finance Committee chair.

Motion to approve Salomon-Johnson to the Auditing Committee. Moved by McDonald. Seconded by Fowler. 9 ayes. Motion passed.

Dalpe noted that in meeting compliance requirements for the audit committee the Board has previously made an effort to keep members of the Finance Committee and Auditing Committee separate.

Salomon-Johnson announced that she would resign from the Auditing Committee.

IV. Student Fee Advisory Committee

Motion to approve Donovan-Blood to Student Fee Advisory Committee. Moved by Cortez. Seconded by McDonald. 9 ayes. Motion approved.

V. OSPLD Advisory Committee

Motion to approve Morales for the OSPLD Advisory Committee. Moved by Cardenas. Seconded by Donovan-Blood. 9 ayes. Motion approved.

VI. 3rd Quarter Investment

Salomon-Johnson informed the Board that the Finance Committee has reviewed and passed the 3rd Quarter Investment and Finance Reports. She added that any changes that were made by the Finance Committee have been incorporated into **Singh's** presentation.

Singh informed the Board that two investment accounts exist, one held with Merrill Lynch and the other with Charles Schwab. He added the Merrill Lynch account has four sub-accounts that are consolidated to total approximately \$1.42 million. He noted that the total in the Charles Schwab account is approximately \$587,000. He stated that the presented report (see attached) provides detail on the asset allocation of the two accounts. He directed Board members to the investment performance report that indicates that between December 30, 2005 and March 31, 2006 the Merrill Lynch account reported a return of 3.93 percent.

Van Ness inquired about the reason the Student Center's fixed income was the lowest since March 31, 2005. She asked whether the Board transferred the money to another account.

Singh explained that the Center's asset allocation process hinges on the discretion of the money manager, who moves funds depending on market conditions. Because of this dynamic fund movement the amount in any given classification may be greater or lesser in each reporting period. He noted that the money manager balances the portfolio with market conditions, while remaining within the parameters established within the Center's investment policy. He pointed out the index values for the purposes of assessing the value of the portfolio. He mentioned that he has listed the S&P 500, NASDAQ and the Dow Jones Industrial for each quarter, though the

recognized index for comparison purposes is the S&P. He pointed out that in the 3rd quarter the NASDAQ outperformed the Board's portfolio but the S&P 500 performed below the Center's portfolio. He noted that the Center's portfolio performed well. He noted that the final column details the amount of money placed in each account since its inception. He stated that on December 31, 1996 \$516,000 was invested in the Merrill Lynch account, and that has grown to slightly over \$1 million. He stated that \$500,000 was invested in the Charles Schwab account in December 2003 and it was now worth \$580,000. He informed the Board that members had requested that the report include a consolidated total for the two accounts and that this report provides that additional information, showing a total invested amount of \$1.6 million.

Donovan-Blood inquired if it is known what industries or companies Charles Schwab and Merrill Lynch have invested the Student Center's funds in.

Singh replied in the affirmative. He stated the Student Center receives monthly reports on its stocks and mutual fund investments.

Donovan-Blood asked if the companies are ones that the Board considers socially responsible.

Singh replied in the affirmative. He informed the Board that Merrill Lynch and Charles Schwab have been instructed to follow the Student Center's investment policy that indicates investment requirements and restrictions.

Dalpe pointed out that a list of the companies that the Student Center has invested in is available.

Aitken commended **Singh** on the asset allocation of the Student Center's funds.

Motion to approve the 3rd Quarter Investments. Moved by Van Ness. Seconded by Duke. 10 ayes. Motion passed.

VII. 3rd Quarter Financial (A)

Singh noted the report (see attached) covers the period December 2005 through March 2006. The first column represents the 2005 – 2006 fiscal year budget and the second column indicates the actual amount spent during the first 9 months of the year. The third column shows the percentage of the budget that the actual spent represents and the fourth column shows the actual spent during the first 9 months of the previous fiscal year for comparative purposes.

He stated that revenue figures over 75 percent of budgeted is considered satisfactory and revenue return below the 75 percent level warrants examination. He noted that expenses reporting above 75 percent of budgeted warrant examination. He pointed out that the food services (food vendors) reported revenue at 61 percent, but this decline was anticipated due to rent abatements that were negotiated with vendors for facility upgrades. He stated that rent abatements are expected to continue in the next year due to the renovation of the West Plaza. He highlighted that the interest return from investments was 133 percent, which was in line with rising interest rates.

He pointed out that the notes receivable was recorded at 50.9 percent. He added that for the purposes of this presentation he would focus on areas that warranted examination.

Singh explained that notes receivable is an obligation of the bookstore towards the Student Center through semi-annual payments. He stated this report showed the first payment. He noted that the second payment would be received in November. He stated that \$1.4 million was budgeted for operating revenues and at the end of the 3rd quarter the Center reported \$1.2 million in revenues. He noted that expenses after adjustments were at 61 percent, which was below anticipated expenses for the reporting period.

Motion to approve the 3rd Quarter Financial. Moved by Salomon-Johnson. Seconded by Fowler. 10 ayes. Motion passed.

Van Ness expressed appreciation for **Singh's** presentation.

Singh exited at 10:57 a.m.

VIII. Elections Packet

Duke noted that line 15 in the Election Packet was incorrect. She stated that she was not replacing **Bomar**, but is taking over **Fred Castro's** position.

Van Ness added that a line naming **Bomar** as a Board member should be included.

Bomar added that two vacancies positions should be added.

Fowler noted that line 4 should change **Chris Jackson** to **Cardenas**. She added that on line 5 **Isidro Armenta** should be replaced with **Donovan-Blood**.

Cortez noted that line 2 should state Co-Chair of Palestinian Committee. She noted that line 4 should state Chair of the Native American Arts Committee. She added that number 7 should state Chair of Elections.

Fowler asked whether it was prudent to request the full student identification number.

Dalpe stated that the last four digits used to be sufficient because the student identification number and the social security number were the same and the truncation was for security purposes. He noted that since the new student identification numbers are not related to the individual's social security number. He noted that the entire number is necessary to help avoid situations where the same student could vote more than once.

Fowler asked whether the committee would also serve as a judicial committee in case of violations to the elections code. She inquired because page 18 removed a reference that the Elections Committee must abide by the Open Meetings Act.

Dalpe stated that the committee does serve as the hearing body for grievances and disputes. He noted that the code does not advise members on how to handle grievances and disputes and that a guideline should be developed and approved by the Board. He indicated that the many changes to the code are intended to create a more solid guideline and a more usable document for the elections. He stated that one of the changes was that, in the future the elections code will not be revised by the election committee, but fall under the jurisdiction of the Rules Committee. Dalpe also stated that the reference to the Open Meeting Act was replaced by the more accurate and specific statement that they are open to the public and will comply with the elections code, the Student Center bylaws and the Education Code.

Bomar asked Board members about their experience with the election process. He inquired whether the required forms state the candidate's requirements and deadlines. He recommended that all the forms clearly indicate deadlines and a Student Center Governing Board staff contact to answer questions.

Salomon-Johnson reiterated **Bomar's** suggestion. She expressed frustration that miscommunication and deadline confusion existed during her election process.

McDonald expressed similar frustrations. She emphasized that contacting Board members with questions posed a great challenge during her election process.

Fowler noted that the location of the Election Committee meetings is stated in the packet on page 6. She suggested that contact information be listed on this page in bold print.

Salomon-Johnson reiterated that it must be clear which documents are required for candidates.

Cortez noted that page 2 stated that the Election Committee would select poll workers. She asked whether this process would be altered.

Dalpe stated that page 22 now identifies the way poll workers are to be selected.

Salomon-Johnson indicated that the document requires some modifications. She inquired a date for the Election Committee to meet and discuss the items.

Dalpe stated that, in order to provide enough time to meet the election deadlines stated in the packet the Board would need to approve the document by the special meeting on September 14.

Fowler exited at 11:13 a.m.

Bomar suggested those who have been through the elections recently suggest changes to the committee. He emphasized that timeline and contact redundancy should be a part of the forms. He recommended that some staff members be briefed on precise rules and regulations in case candidates have questions.

Cardenas asked for the members of the Elections Committee and their meeting times be stated.

Cortez stated that **Whearty** is the chair but there are currently no Board members.

Motion to create an ad hoc committee to review the Student Center Governing Board Elections Packet on Tuesday September 12, 2006 at 9:30 a.m. in lieu of having the Elections Committee meet to review the packet specifically. Moved by Cardenas. Seconded by Salomon-Johnson.

Salomon-Johnson added a friendly amendment, moving the meeting to 8:30 a.m. Seconded by Aitken. 9 ayes. Motion with ammendment passed.

Van Ness stated that the chair of Elections Committee should be a member of the ad hoc committee.

Duke asked whether the ad hoc committee would be open to all.

Cardenas stated it is the preview of the Board to create an ad hoc committee. He added that the committee members should be limited to the Board members and those interested should attend the meeting at the stated date.

Cortez noted that the September 14, 2006 special meeting would include the approval of the packet. She also stated it would refer going back to the official elections committee for approval.

Cortez noted that the elections committee needed at least one more Board member and solicited members to take on this responsibility. **Morales** stated she would becoming a member of the Elections Committee and the Board agreed to adding her to the member list.

Bomar commended **Morales**. He added that the creation of an ad hoc committee is necessary to address the timely issues related to the packet.

Fowler entered at 11:19 a.m.

IX. Menu Price Increases

Morales informed the Board the Vendor Services Committee approved management's recommendation to allow vendors to increase their prices at 3.0 percent weighted average, with a 3.7 percent ceiling on specific items.

Motion to approve Menu Item Price Increases as recommended by the Vendor Services committee. Moved by Morales. Seconded by Fowler. 10 ayes. Motion passed.

Van Ness expressed frustration that the presented memo was dated April 4, 2006, but placed on the September agenda. She noted the difficulty for vendors and students to raise prices after the semester has begun.

Dalpe stated the item was brought before the Board in the spring but it was postponed until the summer.

Salomon-Johnson stated it was postponed because the Board opted to wait until after the state budget decision on tuition increases for the fall had been determined to see what the impact would be for students.

Van Ness asked if vendors are aware of the reason for the delay and if they would be able to communicate this to disgruntled students.

Morales stated that the vendors do not plan to raise prices until after the winter break.

X. Palestinian Mural Final Art- Tabled (See i. Changes to the Agenda)

XI. Palestinian Mural Costs

Motion to raise the cap on mural supplies from \$1400 to \$2500. Moved by Salomon-Johnson. Seconded by Fowler.

Van Ness inquired as to what would happen if the new cap became outdated, and mural members demanded higher caps in the future.

Salomon-Johnson replied that the Finance Committee could revisit the issue if necessary.

10 ayes. Motion passed.

Whearty entered at 11:33 a.m.

Fowler exited at 11:35 a.m.

XII. Closed Session

The Board entered into closed session at 11:35 a.m.

The Board returned into open session at 11:59 a.m.

Motion to approve an increase of salary in the amount of 2.6% for the Managing Director for the fiscal year of 2005-2006, retroactive to July 1st 2005. Moved by Van Ness. Seconded by Cardenas. 4 ayes, 5 nays. Motion failed.

Motion that for the 2006-2007 fiscal year, the Board hire an outside consultant to make a professional evaluation of the Managing Director. Moved by Salomon-Johnson. Seconded by Cardenas. 9 ayes. Motion Passed.

XIII. Managing Director's Report

Morales exited at 12:02p.m.

Cardenas exited at 12:03 p.m.

1. Academic Qualifications

Dalpe stated that he had received confirmation from the Vice President of Student Services stating that all the members of the Board currently meet academic qualifications.

2. 2005/2006 Financial Statements

Dalpe referred members to the 2005/2006 Fiscal Year Financial Statements and the accompanying executive summary sheet in their packets. Noting that a more in depth review would be completed as part of the Finance Committee's review of fourth quarter investment and financial results, he informed members that the Student Center had a relatively successful year, with the performance reflecting the Centers continue commitment towards fiscal responsibility and effective allocation of resources towards achieving its objectives. He mentioned that the net of revenues over expenses for the year came in at \$105,000, which was swell above budgeted expectations. He indicated members should feel free to contact him about information concerning the Year-End Financial Report.

3. University Master Plan

Dalpe referred members to the Campus Physical master Plan drawings and discussed the Master Plan phases that concerned SFSU's campus appearance. Identifying key areas, he noted that it was anticipated that Phases 1-4 would be completed by 2011, Phase 5-9 by 2017, Phase 10-12 by 2028, and Phases 13+ would most likely be worked on concurrently with phases 1-12.

Morales entered at 12:07 p.m.

Bomar noted that one of the key elements of the plan was the green valley that stretched from 19th ave. down to Lake Merced Blvd. and the North/South bridges that would connect housing and facilities close to Stonestown Mall to the center of Campus. He indicated that there would be an open house in the Student Center on September 19, 2006 from 11am – 2pm, and September 20, 2006 from 4-7pm and that staff from Capital Planning Design & Construction would be on hand to provide details on the plan and answer any questions the campus community may have. He added that information about this topic could be found online at sfsumasterplan.org.

Morales exited at 12:12 p.m.

Salomon-Johnson interrupted the Managing Director briefly to update the members about the Finance Committee. She noted that the committee is recommending the purchase of an ad in the school newspaper to advertise what the Student Center is and does, and mentioned that the committee wanted to partner with Community Relations and Master Plan committees for this project. She concluded saying that they have an agenda item for the October 2006 Governing Board meeting, dealing with retirement for staff.

Salomon-Johnson exited at 12:17 p.m.

Van Ness exited at 12:17 p.m.

4. West Plaza Renovation

Dalpe continued his report noting that West Plaza renovation project was having more difficulties than had been foreseen in receiving a loan to finance the project, but hopefully everything would be on schedule in the third week of September, 2006.

5. LCL Restaurant Build Out (Soul Food)

Dalpe continued with a Soul Food update, noting that once the architects had received all the necessary approval stamps there would be a six week period for advertising the project and receiving bids from contractors for doing the work. He added that the timeframe had been stretched for this project in order to separate it into two distinct phases that would be bid and constructed separately in order to meet minor capital outlay requirements. He indicated confidence in the independent cost analyses that put each of the projects under the \$400,000 dollar cap but indicated the true test would be the opening of the bids in late November.

6. Pyramid I Amphitheatre

Dalpe noted that Allana Buick and Bers were developing the specifications for the repair work to the amphitheatre seating which they anticipate to complete in eight to nine weeks. He also noted that the Chancellor's Office has released Student Center project funds for this work. Once the specifications are complete Campus Capital Planning Design & Construction will work with the Center to schedule, advertise and receive contractor bids for completing the repairs.

7. Computer Lab

Dalpe noted that the timeline for the installation of the computer lab in Pyramid I was conditional on the completion of the repairs to the amphitheatre. He stated that the master plan committee was already moving forward with developing design options for the layout and furnishings of the computer lab/lounge space, using Jean Matheson of RMA for the design work. He also mentioned that the design elements included looking into making the lab a wireless computer network to reduce the wiring and cabling needs within the space.

Cardenas entered at 12:28 p.m.

McDonald exited at 12:28 p.m.

Quorum was lost.

Adjournment

The meeting was adjourned at 12:30 p.m.

Guy Dalpe, Executive Secretary Governing Board

Date