MEMBERS PRESENT:
Larry Furukawa-Schlereth, Chair    Ruth Burke
Chris Fadeff    Eduardo Ochoa
Alan Murray    Tim Tiemens
Rand Link    Neil Markley
Nate Johnson    Lori Heffernon
Richard Senghas    Perry Marker
Gloria Ogg    Jane Wright
Rich Marker    Sue Hayes
Katharyn Crabbe    Bruce Walker
Catherine Nelson    Rick Ludmerer
Katie Pierce    Melinda Barnard
Jim Christmann    Lynn McIntyre
Letitia Coate    Mike Kiraly
Rick Luttmann for Melanie Dreisbach    Janice Peterson
Jason Spencer    Robert McNamara
Nadir Vissanjy    Elizabeth Stanny
Sam Scalise    Brynn McCandless
Floyd Ross    Susan Kashack

MEMBERS ABSENT:
Edna Nakamoto    Steve Wilson

AGENDA
I: APPROVAL OF THE AGENDA
II: APPROVAL OF THE MINUTES: May 14, 2004
III: VICE-PRESIDENT’S REPORT
IV: CAMPUS FINANCIAL AFFAIRS
V: ADMINISTRATION AND FINANCE BUDGET 2004-2005
VI: GREEN MUSIC CENTER
VII: ONE CARD
VIII: FACULTY AND STAFF HOUSING
IX: COMMON MANAGEMENT SYSTEMS UPDATE
X: INFORMATION TECHNOLOGY
XI: UNIVERSITY STRATEGIC PLANNING
XII: ITEMS FOR THE GOOD OF THE ORDER
I: APPROVAL OF THE AGENDA

Larry Schlereth brought the meeting to order at 12:16 PM. Schlereth would like to tend the meeting at 3:00pm in order to attend the Scholarship Awards. Schlereth welcomed new members Chris Fadeff, Nadir Vissanjy, Elizabeth Stanny and Catherine Nelson. The Agenda was approved without objection.

II: APPROVAL OF THE MINUTES – May 14, 2004

Schlereth asked for a motion to approve the minutes of May 14, 2004. Nate Johnson moved and Katie Pierce seconded the motion. Johnson asked that the comment regarding Jenn Wong in the Items for the Good of the Order be changed to reflect her work in gaining Post recognition. No objections were heard. The minutes were passed unanimously with abstentions from those not in attendance at the May 14, 2004 meeting.

III: VICE-PRESIDENT’S REPORT

University Strategic Planning
The President has asked Eduardo Ochoa and Schlereth to co-chair a strategic planning group for the University. Schlereth will discuss this more in-depth later in the meeting.

Excess Units Task Force
This Committee has dissolved as the topics have been sent to the Statewide Academic Senate for discussion and action.

Year Round Operations
Year-round operations will commence in 2006. The Provost is leading the planning team for the transition. This will require many administrative functions to also transition.

Faculty Compensation – Summer School
The resolution to this issue is still in negotiation. The final cost could increase as the grievance now encompasses 2003 as well as 2004.

BDM Lawsuit
Schlereth announced the settlement of the lawsuit with BDM. This settlement will free $900,000 in funds that had been held for project retention.

Green Music Center Redesign
The redesign work on the Green Music Center is progressing. The academic building portion is on the list of funded projects and should successfully come to fruition.

Enrollment Growth Projections / Student Housing Expansion – Next Phase
Student Housing growth is linked to the size of the freshman class. The next phase of student housing has been placed on hold until strategic planning determines the size of the freshman class.

Audit Activity
Financial Services is currently managing five separate audits.
Vehicle Purchase – Department of General Services
Beginning January 1st, the State of California will require the CSU to purchase new vehicles through the Department of General Services. This process to purchase a vehicle may take up to one year.

Cities and Towns – Infrastructure Impacts
A bill in the legislature was recently defeated that would have required the University to participate in municipal projects. While this bill was defeated, this concept is still being pushed by the cities of Berkeley and San Luis Obispo.

SB 1262 – Non-Profit Integrity Act
SB 1262 recently passed requiring non-profit corporations to follow rules similar to those set forth by the Sarbanes-Oxley Act. These new rules will affect our auxiliary organizations.

Defensive Driving Class – Every Four Years
A new CSU mandate will require Sonoma State University employees who drive more than once a month will be required to take a defensive driving course every four years. Police Services currently conducts such classes for employees.

Sexual Harassment Training – Supervisors
A new CSU mandate will require Sonoma State University supervisors to take a sexual harassment training. This program is being planned. The CSU is currently examining whether department chairs would be considered a supervisor.

Student Union Budget Decentralization
The CSU has decentralized Student Union funds to be managed locally by the campus Chief Financial Officers.

Associate Vice-President Search / Senior Director for Entrepreneurial Activities Search
Steve Wilson and Alan Murray will be retiring at the end of the year. Searches have been launched for each of their positions.

CSU Investment Committee
Schlereth has been appointed to the CSU Investment Committee. He is awaiting specific duties.

New Catering Menu – Student Organizations
Dining Services, Conference, Events and Catering and the Associated Students have developed and launched a new low-cost menu for student groups. Schlereth announced that he will be covering room use and police services fees for student groups.

Schulz Center Hot Water Repair
The main heating line to the Schulz Information Center is leaking and will need repair. A short-term patch has been implemented while the $375,000 needed for repair is identified.

Carson Hall Sewer Repair (Heating and Hot Water)
Carson Hall requires a replacement of the heating and hot water system. This cost is likely to exceed $190,000 and could be a campus reserve item.

Campus Water Tank Leaks
The University’s two main water tanks are beginning to leak. The estimated cost to repair the tanks is $400,000 per tank.
Division Achievements 2003-2004
(Please see the October 15, 2004 Agenda Packet for this document)

Schlereth outlined the Division and Administration Finance accomplishments from the 2004-2004 academic year.

IV: CAMPUS FINANCIAL AFFAIRS
(Please see the October 15, 2004 Agenda Packet for this document)

2003-2004 Year-End Financial Reporting
Schlereth presented the 2003-2004 Year-End Financial Report. No reserve assessments were made. Each Division reported a cash balance at the end of the fiscal year, however much of the money had been committed before year-end. The Executive Office will roll its balance to assist the Development Office in the current fiscal year. Academic Affairs balances have been planned and committed by the schools for various needs. Student Affairs and Administration and Finance anticipate using their balances to cover current fiscal year reductions. University-Wide balances will be applied to 2004-2005 reserve items. Schlereth noted that excess utility charges had been refunded back to units.

2004-2005 Final Budget
Schlereth presented the Governor's final budget for fiscal year 2004-2005. The previously announced enrollment reduction of 338 FTES has been reduced to 224 FTES. This reduction totals $2,249,500 and has been distributed through the marginal cost formula. Schlereth noted that most of this money should return next year as enrollment increases due to the Governor's compact with the CSU.

Permanent reductions and new mandatory costs of $2,479,471 were made and assessed through the marginal cost formula. The Executive Office reduction has been covered by Administration and Finance. Academic Affairs $1,538,519 reduction was offset by a $1,200,000 one-time augmentation. This augmentation was a result of increased state university fee revenue, revenue from lower enrollment reduction from other Divisions, and reversal of reductions in EOP and Outreach. Ochoa thanked the other Divisions for assisting Academic Affairs with their reductions.

2005-2006 Budget Planning
Schlereth informed Members of the CSU System-Wide Budget Committee. This committee consists of representatives from all constituencies and is the system-wide consultative budget body. Dr. Armiñana is a Member of this committee. This Committee has been engaged in preliminary budget planning assuming the Governor’s compact remains intact. Most money in the budget is committed to enrollment growth and compensation. It is also expected that year-round operations should take care of most new growth on the campus.

V: ADMINISTRATION AND FINANCE BUDGET 2004-2005
(Please see the October 15, 2004 Agenda Packet for this document)

Schlereth presented the Administration and Finance budget for 2004-2005. Reductions include $369,592 in enrollment decreases and $882,340 in permanent reductions and mandatory costs. These reductions will be covered by suspension in services, one-time dollars and conversion of one office to self-support. Melinda asked that these reductions be presented in more detail to help others understand the magnitude of the reductions in Administration and Finance.
VI: GREEN MUSIC CENTER  
(Please see the May 14, 2004 Agenda Packet for this document)

Schlereth reviewed the revised Green Music Center project. The new project will create and utilize synergies between the concert hall, academic building and conference center. A gap of $744,607 still exists and will need to be found before the Board of Trustees will approve the project. A number of campus employees and off-campus resources are being utilized on the project administration. Schlereth is hopeful the project will complete in the Fall of 2007. Many components are missing from the project including: project management funds, facility site work/landscape, Concert Hall group-two equipment and ancillary group-two equipment. The Division anticipates all new enrollment growth funds through 2009 will be used for Green Music Center institutional support.
Rick Luttmann cautioned against charging a per car parking fee.

VII: ONE CARD  
(Please see the May 14, 2004 Agenda Packet for this document)
Deferred

VIII: FACULTY STAFF HOUSING  
(Please see the May 14, 2004 Agenda Packet for this document)
Deferred

IX: COMMON MANAGEMENT SYSTEMS UPDATE  
(Please see the May 14, 2004 Agenda Packet for this document)
Deferred

X: INFORMATION TECHNOLOGY  
(Please see the May 14, 2004 Agenda Packet for this document)
Deferred

XI: UNIVERSITY STRATEGIC PLANNING  
(Please see the May 14, 2004 Agenda Packet for this document)
Deferred

XII: ITEMS FOR THE GOOD OF THE ORDER  
(Please see the May 14, 2004 Agenda Packet for this document)
Deferred

Meeting was adjourned at 2:58pm.

Minutes prepared by Neil Markley