SONOMA STATE ENTERPRISES, INC.
Minutes
Friday, May 3, 2013

MEMBERS PRESENT:
Mr. Yale Abrams
Dr. Ruben Armiñana
Ms. Letitia Coate
Dr. Michael Cohen
Dr. Stephanie Dyer
Mr. Adam Gourley
Ms. Nicole Hendry
Dr. John Kunat
Mr. Neil Markley
Mr. Michael Ogg
Ms. Karen Paniagua
Dr. Andrew Rogerson

MEMBERS ABSENT:
Mr. Matthew McCann

OTHERS PRESENT:
Mr. Laurence Furukawa-Schlereth
Ms. Lisa Andresen
Mr. Shaun Dayton
Ms. Alicia Hodenfield
Ms. Kelley Kaslar
Ms. Kindra Kautz
Mr. Josef Keller
Mr. Eric Lee
Mr. Patrick Maloney
Mr. Peter Neville
Mr. Dan O’Brien
Ms. Anna Reynolds-Smith
Ms. Katie Robinson
Mr. Talmadge Savage
Ms. Amanda Visser

12.29 Call to Order
The meeting was brought to order at 9:33am by Dr. Armiñana. Mr. Eric Lee, newly appointed Executive Chef, and Mr. Shaun Dayton, newly appointed Executive Sous Chef, were welcomed and introduced to the Board.
12.30 Approval of the March 16, 2012 Minutes
The minutes were provided to the committee via email in advance of the meeting. There were no comments. The minutes were approved.

12.31 President’s Remarks
Dr. Armiñana began the meeting by thanking Ms. Paniagua and Mr. Gourley for their service to the Board as this is their last meeting as they are graduating this Spring. He remarked that they have both been wonderful student leaders and wished them luck in their future endeavors.

Dr. Armiñana reminded the Board that this was the last meeting of the year and commencement would be the following weekend. He briefly discussed commencement activities. Dr. Armiñana also discussed the State budget and noted that there are a significant number of conditions that the governor would like to impose. Dr. Armiñana also reminded the board of the many activities happening on campus this summer, including the completion and opening of the Student Center. He added that the Enterprises will play a prominent role in the operation of this building.

12.32 Report from SSU Vice President for Administration and Finance/Chief Financial Officer
Mr. Schlereth asked to report as the Executive Director for GMC and began by thanking the staff members of Enterprise, the Hospitality team and the GMC Guest Services staff. He noted that 23 concerts were hosted this year, as well as the programs of Santa Rosa Symphony, San Francisco Symphony and On Campus Presents. Mr. Schlereth continued his report by announcing the Mastercard Summer Concert series which opens with the return of the 4th of July Extravaganza and the Santa Rosa Symphony. He also noted some of the other artists scheduled to perform throughout the summer: Pink Martini, Russian National Orchestra, Josh Groban, San Francisco Symphony, El Gusto, Goat Rodeo Sessions and trumpet player Chris Botti.

12.33 Chief Operating Officer’s Report
Mr. Markley began his report by introducing the new Culinary team leaders, Shaun Dayton is the Executive Sous Chef for the campus, John Locher is the Executive Sous Chef for Prelude and GMC and Eric Lee will lead all as the Executive Chef.

Mr. Markley continued his report by noting that there is a lot going on in terms of planning for the Student Center and supporting GMC events. He noted that Prelude will continue to be open on concert dates and with a changing menu to cater to the different performances. In addition the lawn terraces front row seats will have a catered experience that will be included in the ticket price. As in the past, the normal concessions and boxed meals have been available. This summer SSE is partnering with Whole Foods to provide some different options. SSE will also be working with a local BBQ provider. In an attempt to staff Green events with student staff, SSE is working
with the Conference program to try to cross utilize staff. He noted that this is a challenge because it is hard to recruit students when can’t guarantee hours with only eight concerts.

Mr. Markley concluded his report by reflecting that it has been an incredible year with the GMC opening and preparation for the Student Center. He noted that the staff are stretched, but all are doing a fabulous job. Mr. Markley is anticipating another exciting and packed year next year with the opening of the Student Center.

12.34 Chief Financial Officer’s Report
Ms. Coate reviewed the Statement of Activity in detail with the Board (handouts were provided). Overall, she is anticipating a net income for the corporation. She reminded the Board that the Board gave the finance committee the authority to transfer unanticipated net income to Housing for the Student Center project. Therefore, the Finance Committee will review this in more detail and complete an analysis as year-end gets closer to determine if a transfer is appropriate, and if so, the transfer amount. Ms. Coate concluded her report by announcing that year-end is quickly approaching and following the year-end close will be the GAAP Audit.

12.35 ACTION ITEM: Recommendation and Selection of University Store Vendor (this item was moved to follow the President’s Remarks)
Mr. Markley provided a powerpoint presentation. Mr. Markley explained that the subcommittee worked with the campus Procurement office on the RFP process which is a confidential process. Once the vendor is selected and the process is completed, all information is available for review. Mr. Markley discussed the process for the review process conducted by the subcommittee. A subcommittee was formed about 5 months ago and included Mr. Markley, Mr. Abrams, Mr. Ogg, Ms. Stephanie Dyer, Ms. Pangiuia and Ms. Reynolds-Smith. The subcommittee developed an RFP for National and Local vendors. Two bids were received on/by 3/28/13, none were from local vendors. The subcommittee met with the vendors and selected two finalists Barnes & Noble and Follett. Once the final proposals were received, the committee scored them based on the following criteria: Marketing, Vision/Customer Service, Pricing/operations, and Financial Proposal/commission. Mr. Markley noted that the overall scores were very close. Scores were analyzed in a variety of ways to ensure that it was consistent. In the end, the score determined who the subcommittee is recommending to the Board for approval. Barnes & Noble is the recommended vendor to operate the Sonoma State University Store. In addition to their higher score rating, they have committed to making capital improvements, annual commission and scholarship payments, and while their financial package was slightly less than their competitor, they are providing a guarantee with no restrictions. The sales for the book industry have been declining, their guarantee provides for more stable returns for SSE.

The motion was brought forward by the sub-committee to enter into a ten-year contract with Barnes & Noble to operate the Sonoma State University Store. All were in favor and the motion passed unanimously.
12.36 ACTION ITEM: Discretionary and Public Relations Funds Policy
Ms. Coate introduced the item by explaining that this is coming forward as a recommendation from the Finance Committee (handouts provided). She noted that this is a requirement of the CSU and is not a departure from how SSE currently operates. Ms. Coate reviewed the policy in detail with the Board.

The motion was brought forward as a recommendation from the Finance Committee for approval. There were no questions or comments and the item passed unanimously.

12.37 Other Non-Action Items
The meeting was adjourned at 10:24am.

Letitia Coate
Chief Financial Officer/Secretary

Anna Reynolds-Smith
Recording Secretary