



*The Foundation for
California State University, San Bernardino*

**BOARD OF DIRECTORS ANNUAL
AND 1ST QUARTER MEETING
September 21, 2006 --- 4:00 p.m. *
Foundation Board Room**

PROPOSED AGENDA

CLOSED SESSION

A. Personnel Issue DeMauro

OPEN SESSION

B. Call to Order/Introductions Teyber

C. Welcoming Remarks Karnig

D. Convocation Video Karnig

ACTION ITEMS

E. Approval of Minutes from June 8, 2006 Directors Meeting Teyber

F. Election of Board Officers for 2006-2007 Teyber

G. Audit Report and Approval DeMauro

H. PERS Health Insurance Resolution Burns

I. Approval of Vending Contract Ruzak

J. Resolution to Change Employee Benefit Plan Burns

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| K. | Standing Committee Chair Selections and Membership – 2006-2007 | DeMauro |
| L. | Conflict of Interest Statement – 2006-2007 | Pella-Hartley |

INFORMATION ITEMS

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| M. | Treasurer’s Report | DeMauro |
| N. | Chancellor’s Office Auxiliary Organizations Audit Report | DeMauro |
| O. | Foundation Strategic Plan | Burns |
| P. | Committee Reports* | |
| | 1. Investment Committee | Gorian |
| Q. | Fundraising Activities | Aguilar |
| R. | Palm Desert Health Sciences Building Report | DeMauro |

* In lieu of committee presentations, minutes of Foundation Standing Committees are provided with the agenda.

Hors d’oeuvres will be served

Distribution: Aguilar, Bayless, Carson, Chen-Maynard, Conley, DeMauro, Fernandez, Fullerton, Gorian, Jackson, Karnig, Obershaw, Rincon, Savage, Stoner, Teyber, Ball, Burns, Calderon, Ruzak, Stanley, Iannolo, Takehara

Agenda Item A --- CLOSED SESSION

September 21, 2006

Personnel Issue

David DeMauro, Vice President for Administration and Finance/Treasurer of Foundation for CSUSB, will provide the Board with a report of a confidential personnel issue.

Agenda Item B --- CALL TO ORDER

Call to Order/Introductions

Dr. Ed Teyber, Board President, will conduct introductions of Board members and guests.

Agenda Item C --- WELCOME

Welcoming Remarks by Chairman Karnig

Chairman Karnig will provide a report to the Board on current issues regarding the Foundation and the University.

Agenda Item D --- CONVOCATION VIDEO

A short video highlighting the 2005/06 academic year was presented to the campus community at the annual Fall Convocation on September 18. This video will be shared with the Foundation Board of Directors.

Agenda Item E --- ACTION

Approval of Minutes of June 8, 2006 Directors Meeting

RECOMMENDATION:

It is recommended that the Board approve the attached minutes of the June 8, 2006 Board of Directors meeting.

Election of Board Officers for 2006-2007

RECOMMENDATION:

It is recommended that the following slate of officers be elected for 2006-2007:

President	-	Dr. Edward Teyber
Vice President	-	Robert Fullerton
Secretary	-	Charles Obershaw
Treasurer	-	David DeMauro

BACKGROUND:

Foundation Bylaws, Article VII, Section 2, Election and Terms of Office, state that all of the officers of the corporation shall be elected by the Board of Directors at its annual meeting. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as may conveniently be scheduled.

Agenda Item G -- ACTION

September 21, 2006

Audit Report and Approval

RECOMMENDATION:

It is recommended that the Board approve the annual audit completed by the audit firm of Vasin, Heyn & Company.

BACKGROUND:

Each year, an independent audit examination and report is completed by a firm hired by the Foundation. The firm completes the process by using both "Governmental Accounting Standards Board" (GASB) and "Financial Accounting Standards Board" (FASB) rules. This is required by the CSU system.

The Foundation Audit Committee met with the auditor prior to the audit process to discuss with the auditor any issues they identified of importance for the auditor to review. The audit, at the time of this writing, is being prepared for the Audit Committee to review prior to the September 21 Board meeting. The audit will be presented to the Board at the Board meeting.

PERS Health Insurance Resolution

RECOMMENDATION:

It is recommended that the Board approve the attached resolution continuing the 2006/2007 employer contribution rates.

BACKGROUND:

The Foundation's Health Insurance contract with PERS must be amended annually to reflect the new employer contribution rates paid by the Foundation. It has been the policy of the Board to maintain comparability with the University on this contribution. With this resolution, the Foundation's employee contributions for FY 2006-2007 will increase by 10% from the 2005/2006 rates. If adopted, the new rates will be effective on January 1, 2007.

Approval of Vending Contract

RECOMMENDATION:

It is recommended that the Board authorize Foundation management to enter into a five-year contract with First Class Vending, Inc., to provide vending services to the campus.

BACKGROUND:

A five-year contract with Take-a-Break for snack and beverage vending services has expired and was extended to June 30, 2006. A Request for Proposals was issued, and four vending companies responded. Comparative analysis of the bids has been completed, and it is recommended that the Board approve the proposal submitted by First Class Vending, Inc. First Class Vending offered the highest commissions, best service, and healthy food options.

Resolution to Change Employee Benefit Plan

RECOMMENDATION

It is recommended that the Board approve a change in the Foundation employee benefit plan to include: dental, vision, group life and accidental death and dismemberment, long-term disability, and optional life coverage.

BACKGROUND:

The Foundation has used broker, Keenan & Associates, for the past several years for employee benefits including dental, vision, group life and accidental death and dismemberment, long-term disability, and optional life coverage. The service provided by Keenan & Associates has deteriorated over the years, and insurance premiums are anticipated to increase 10% for 2006-2007. A new broker, LBL Associates, has been identified that will provide a higher level of service, a higher level of benefits, and a savings of \$2,102 per year.

The Executive Committee recommended via e-mail and telephone communication on June 26, 2006, to approve the changes to the Foundation Employee Benefit Plan effective August 1, 2006. The Board is being requested to ratify the Executive Committee's decision retroactive to June 26, 2006.

Agenda Item K -- ACTION

September 21, 2006

Standing Committee Chair Selections and Membership – 2006-2007

RECOMMENDATION:

It is recommended that the Board approve the proposed Standing Committees for 2006-2007.

BACKGROUND:

Each year, the Board reviews the chair and membership of the Standing Committees. Attached are the recommended chairs and members for 2006-2007.

Agenda Item L -- ACTION

September 21, 2006

Conflict of Interest Statement – 2006-2007

RECOMMENDATION:

It is recommended that the Board members review, sign, and return the attached Conflict of Interest statement for the period July 1, 2006, through June 30, 2007, to the Office of the Vice President for Administration and Finance by October 13, 2006.

BACKGROUND:

It is the Foundation's responsibility to ensure that all Board members sign a Conflict of Interest statement for the current year, in accordance with California Education Code, Sections 89906-89909.

Agenda Item M – INFORMATION

September 21, 2006

Treasurer's Report

BACKGROUND:

No action required. David DeMauro, Treasurer, will update the Board regarding the status of Foundation finances.

Agenda Item N – INFORMATION

September 21, 2006

Chancellor's Office Auxiliary Organizations Audit Report

BACKGROUND:

No action required. David DeMauro, Treasurer, will provide a summary report on the results of the recently completed Chancellor's Office audit of campus auxiliary organizations.

Agenda Item O – INFORMATION

September 21, 2006

Foundation Strategic Plan

BACKGROUND:

No action required. Deborah Burns, Foundation Human Resources Director, will provide a summary report of the recently completed Foundation Strategic Plan.

Agenda Item P – INFORMATION

September 21, 2006

Committee Reports

BACKGROUND:

George Gorian, Chair of the Foundation Investment Committee, will provide an update report on committee activities.

In lieu of standing committee reports to the Board of Directors, drafts of all minutes of all Foundation Standing Committees are provided with the agenda for review.

Agenda Item Q – INFORMATION

September 21, 2006

Fundraising Activities

BACKGROUND:

No action required. William Aguilar, Vice President for University Advancement, will provide an update on the status of development and fundraising activities.

Agenda Item R – INFORMATION

September 21, 2006

Palm Desert Health Sciences Building Report

BACKGROUND:

No action required. David DeMauro, Treasurer, will provide a report of the status of fundraising activities for the fourth building – the Palm Desert Health Sciences Building -- at the Palm Desert Campus.