

**UNIVERSITY AUXILIARY SERVICES AT ALBANY
BOARD OF DIRECTORS MEETING
Science Library Standish Room
OCTOBER 30, 2009, 11:45 A.M.**

President Garafola convened the meeting at 11:50 a.m. The following Directors were present:

Ms. Laurie Garafola	Mr. William McCann
Ms. Candace Merbler	Mr. Tremayne Price
Ms. Sophia Hammett Turner	Mr. Steven Berkowitz
Mr. Kevin Wilcox	Ms. Samantha Bernstein
Mr. Tom Bessette	Mr. Alex Pena
Dr. Richard Goldstein	Mr. Paul McCarthy
Mr. Joshua Sussman	Ms. Carol Anderson

Absent: Ms. Karen Acosta McNeill

Also in attendance: Mr. J. Eric Smith, UAS Executive Director; Ms. Michelle DiDonna, UAS Associate Executive Director; Ms. Karen Kettlewell, UAS Associate Executive Director; Ms. Cynthia Calautti, UAS Director of Communications; Mr. Scott Gorgas, UAS Director of Finance; Ms. Emily Tracy, UAS Human Resources Administrator

PUBLIC COMMENT

None at this time.

APPROVAL OF MINUTES

A motion was made to approve the minutes of the September 15, 2009 Board meeting by Mr. Bessette. This motion was seconded by Mr. Wilcox and approved. Ms. Merbler abstained, as she was not present at the last meeting.

EXECUTIVE DIRECTOR REPORT

Mr. Smith updated the board on the labor dispute between HERE UNITE and the Rochester Regional Joint Board (RRJB) of Workers United/SEIU that has workplace ramifications for over 200 Compass/Chartwells locations across the nation. The RRJB has been very active on campus with outreach to students and University administration, and HERE UNITE has stated its intention to send representatives to Albany as well. By contract, UAS may not direct Chartwells labor practices, though we are supportive of their position of neutrality until the legal issues surrounding this case are resolved. Mr. Jim Mancuso, University at Albany Director of Labor Relations, and Mr. Smith have spoken with representatives of both unions and with Compass' senior

corporate labor counsel, and will keep the board updated on any pertinent developments. Mr. McCarthy noted later that he had been approached by representatives of one of the labor unions who asked to meet with him to discuss the Chartwells situation. He noted that as a member of the UAS Board, he was not in a position to do so, but noted that Student Senate meetings were public meetings and that she was welcome to make her case as part of public comment there.

Mr. Smith explained that UAS has been approached to open numerous coffee and snack shops in various locations throughout the University at Albany campuses. Not all of the proposed locations would make sense from a business perspective. Mr. Smith reminded the Board that “loss leaders” of this variety directly result in higher meal plan prices for students, and asked for their support and understanding when he declines to have UAS or Chartwells take on additional venues if they do not make business sense. Mr. Smith reported that the new cafeteria at Husted Hall may help eliminate losses there, and that he is working with Chartwells and the University at Albany Foundation to see if we can develop a new model for food service operations at the East Greenbush campus that removes that cost center from the student meal plan pool. Finally, Mr. Smith noted that he and Ms. Kettlewell are working the University to properly develop a food service venue for the new School of Business that is outfitted properly to make a financial return.

Mr. Smith discussed recent issues related to bookstore operations, including a strong faculty perception that Barnes and Noble have intentionally under-ordered books to preclude financial loss from returns, and mentioned that the RFP will be going out in the middle of November. The bookstore committee will be supplemented this year with an *ad hoc* expanded bookstore committee that will include the corporate officers and a representative of the Provost’ office to facilitate review of the proposals received. This expanded bookstore committee will be dissolved upon the placement of the new bookstore contract. Meetings of the expanded bookstore committee will be considered to satisfy the statutory requirement for the bookstore committee to meet at least twice per semester. The Provost has appointed Stephen North to be her representative on the expanded bookstore committee. Mr. Wilcox reminded the Board to be vigilant about giving or receiving information or services that could undermine the sanctity and security of the procurement action in the months ahead. Mr. Smith stated that Barnes and Noble, Follett and Nebraska Book Company have already submitted qualifications, and that he has personally reached out to Mary Jane Books and the Book House at Stuyvesant Plaza, inviting them to submit their qualifications for consideration as well.

VISIONING EXERCISE

Mr. Smith stated that the Long Range Planning committee met recently to discuss their role in strategic planning for the organization. The last time a true strategic planning process took place was in the 1997-1998 academic year, when the current mission statement was created. At that time, the organization was run much differently. The committee made the recommendation to undertake another strategic planning process, using an outside consultant to provide a fresh perspective. Mr. Smith stated that the

planning process would involve everyone on the board, but most notably the Long Range Planning committee. Ms. Bernstein asked if the organization would plan on looking back in a few years to make sure that the processes were being followed through. Mr. Smith agreed that it would be extremely important to do that. The committee would like to get proposals from consultants and make a recommendation at the next meeting as to who to bring in the spring semester. As a way to assist the future consultants, Mr. Smith asked the board and management team to fill out a visioning exercise form, and committed to providing an analysis of information gathered back to the Board.

COMMITTEE REPORTS

Finance & Audit Committee – Mr. Wilcox, committee chair, reported that the committee met on October 29, 2009, and Mr. Berkowitz was elected co-chair. The committee went over the 2008 audited pension plan that was performed by UHY. Mr. Wilcox explained that UHY does not provide an opinion on the administration of the fund by TIAA-CREF, but instead offers suggestions on plan administration details within UAS. UHY's management letter identified small operational issues related to record keeping, and the committee plans to follow up with the UAS staff in the spring to ensure that changes have been made to preclude such issues in the future.

The committee also addressed the management letter for the financial audit. At UHY's suggestion, the UAS staff plans to implement memoranda of understanding with our affiliated corporations on campus to clarify terms and expectations between us. UHY also identified an issue related to the accounting presentation of the net assets of the organization, and how they compare to financial solvency standards set by SUNY Central via the UAS model contract. Mr. Wilcox noted that funds designated by the Board for equipment replacement cannot be touched by management without Board approval. There is currently \$2.3M in this category, but there only needs to be about \$1.8M to meet the SUNY guidelines. Mr. Wilcox stated that UAS does not meet some of the other SUNY solvency standards because of the large amount of cash spent on Indian and State Quad in the past year, though he still believes it was beneficial for the organization to not borrow money for those projects and incur related interest costs. Mr. Wilcox proposed, on behalf of the committee, that UAS right-size the equipment replacement fund to move us closer to compliance with other cash category standards. He also proposed providing the staff the discretion to move funds between categories in the future to ensure that UAS remains within SUNY's recommended guidelines, and presented a written resolution documenting these changes. A motion to approve the proposed changes was made by Mr. Sussman. The motion was seconded by Mr. Bessette and approved unanimously.

The committee also discussed the signatory regulations for check authorization. Currently, there are three people who can authorize the checks: Mr. Gorgas, Mr. Smith and Ms. Garafola. The committee stated that if one of the three is not present to sign, business could be slowed down. As opposed to giving Ms. Garafola specific signatory rights, the committee proposed giving the right to the "Office of the President," so that

when this position changes, the staff can move quickly to get signature cards updated, rather than waiting for the first Board meeting of the year to receive a formal resolution to change. A motion was made to approve the new signature regulations by Mr. Bessette, seconded by Ms. Merbler, and approved unanimously.

Mr. Wilcox announced that the finance committee would be reviewing the investment policies that were presented at the September 15 meeting in the upcoming month, and would be ready to discuss them at the December meeting.

Program Committee – Mr. Price, committee co-chair, reported that the committee met October 19, 2009, and Ms. Acosta-McNeil was elected committee chair. Another meeting is scheduled for Monday, November 2, 2009. The committee reviewed four applications this past week and there have been no problems thus far. Mr. McCann stated that the new tracking plan for the money should help the committee give close to 100% of the money away, and Mr. Smith stated that the committee should encourage all to apply for the funding, especially the faculty, as they have not historically applied for funding. Ms. Merbler asked what types of programs the faculty would come forward with. Mr. McCann stated that there are criteria for applications available on the UAS website, and that he believed academic departments could come up with programs and open them up to the university as a whole in order to apply for the funds.

Bookstore Committee – Ms. Anderson, committee chair, announced that the committee met on October 6, 2009, and Mr. Sussman was elected co-chair. The committee is preparing to put out the Bookstore RFP, and will begin reviewing the proposals in January.

Long Range Planning Committee – Mr. Pena, committee co-chair, reported that the committee met on October 22, 2009. Mr. Pena stated that most of the committee's concerns were already addressed during Mr. Smith's visioning exercise, and that the committee is looking forward to bringing in an outside management team to begin crafting the organization's new mission statement.

Dining & Services Committee – Mr. Bessette, committee chair, announced that the committee met twice since the last meeting and Mr. Price was elected co-chair. The committee recommended that Board approve catering price increases for the first time since the 2003-2004 academic years. Mr. Wilcox made a motion to approve the catering price increases, seconded by Mr. Price and unanimously approved. Mr. Sussman made a motion to propose the catering increases as of January 1, 2010, which was seconded by Mr. Wilcox and approved unanimously.

NEW BUSINESS

None at this time.

PUBLIC COMMENT

None at this time.

ADJOURNMENT

A motion was made by to adjourn the meeting by Mr. Sussman. Seconded by Mr. Bessette and unanimously adjourned at 1:21 pm.

Respectfully Submitted,

Alex Pena
Board Secretary