

STORE OPERATIONS BOARD MINUTES

February 14, 2006

Present: (Members and others)

Manny Buenrostro
Ron Coley
Tom Cordi
Anil Daryani

Barbara Davis
Victoria Harrison
Sunny Lu
Ray Miles

Lola Odusanya
Jillian Putnam-Smith
John Rolle
Rob Schechtman
Oliver Williamson

SUMMARY OF THE MEETING

This commenced the Spring Semester. It was called to order 4:17 p.m.

Committee Reports

For the Commercial Activities Committee report, the Gelateria Naia was scheduled to open Wednesday February 22. There will be a preview on the 21st, with 3-400 student leaders, people from the community, and Board members invited for free gelato. All but the upholstered furniture was in.

Regarding and the green café, Darryl Ross finally got a meeting with Capital Projects, and there will be an estimate of construction costs. Students will design the interior and Capital Projects will work on the exterior and the regulations.

For the Finance Committee, they received the mid-year report, and things looked good. Reserves were adequate, expenses were lower, and revenues were a little up.

Report from the Director

The Board met in executive session. Discussion was held on Art Studio staffing, the Cal Lodge and the Jupiter Pub.

By unanimous voice-vote, the Board authorized pursuit of a judgment against the previous Cal Lodge leaseholder, Kathy Wegner, on behalf of the ASUC and the ASUC Auxiliary.

By unanimous voice-vote, the Board approved moving forward with the lease option for the Jupiter Pub.

Regarding ASUC energy usage, the Board requested a look at this since it's a serious issue regarding expenses. Solar panels were in place and Phase 2 would go into effect at the end of the month. The solar

contribution was estimated at 6%. Lighting conversion, which the Auxiliary has substantially completed, was much more cost effective. It was recommended that the Auxiliary go to the second stage of energy efficiency and look at efficiencies in their HVAC system. As with solar panels and lighting conversion, HVAC work could be supported by PG&E rebates.

It was noted that if students pay for installation costs for solar, they should get the benefits rather than another department. If there was money for a new roof for the RSF, the Auxiliary might pay for and install a solar system, with the benefits to accrue to student fee-based units.

Auxiliary Director Search and Selection

Mr. Cordi will be leaving the Auxiliary, and a going-away party will occur on the 22nd, in the Multicultural Center. A recruiter was developing a recruitment plan for the job description and the announcement has been made. A nationwide search will be conducted. Mark Freiberg, Director of Environment, Health & Safety, will chair the Search Committee, which will include the two student body Presidents. Everybody will have an opportunity to meet the final candidates. The position will hopefully be filled as quickly as possible. A request was made for Board members to see the job description, and Mr. Coley will send it out.

For the interim, they'll operate as they do when Mr. Cordi is away. Mr. Coley should be contacted for anything that was atypical or out of routine.

Mr. Cordi thanked the Board for his eight years as Director. He promised his wife that if she got a tenured track position, he'd support her and follow her, and she received such a position at Florida State. Having been a grad student at Berkeley, Mr. Cordi has been on the Berkeley campus for many years. The Auxiliary had \$2,097,000 in reserves and every floor of the Student Union and Eshleman Hall has been renovated and more was being contributed to student organizations than ever before. Money that had come from student fees for advising for administration, \$500,000, was now covered by Auxiliary profits. In addition, the Auxiliary has shared residual with the students. There was a strong team in place.

It was noted that in response to pointed questions Mr. Cordi asked when a unit sought to impose a new fee on students, there will be a Cabinet-level committee that could give students a structural voice in allocating resources, from central campus fees to user fees. Mr. Cordi has been very helpful in giving advice and advocating for students. With no objection, the Board adopted a proclamation thanking Mr. Cordi.

Recreational Sports Facility

The RSF was open to the idea of converting lobby space into some sort of café. It was suggested that the Auxiliary might benefit if it provided revenue to renovate and lent its experience in developing leases. It was suggested that this be pursued with the RSF Director. There was a suggestion that the Auxiliary should not look at this to generate revenue, but to transfer intellectual capital, for student benefit.

The meeting adjourned at 5:31 p.m.

End summary of the meeting



This regular meeting of the Store Operations Board, commencing the Spring Semester, was called to order by Jillian Putnam-Smith at 4:17 p.m. in the ASUC Senate Chamber.

APPROVAL OF THE MINUTES

Ms. Putnam-Smith called for any changes to the December meeting minutes. A motion to approve was made and seconded by Mr. Daryani and Ms. Lu. THE MOTION TO APPROVE THE MINUTES OF THE DECEMBER 13, 2005 BOARD MEETING PASSED WITH NO OBJECTION.

APPROVAL OF THE AGENDA

Ms. Putnam-Smith said that with no objection, she would like to add one item to the agenda, to hear from Mr. Coley about the process of finding a new Director of the ASUC Auxiliary. That would be added to New Business. She called for a motion to approve the agenda. It was so moved and seconded by Ms. Odusanya and Mr. Coley and passed with no objection. THE MOTION TO APPROVE THE AGENDA, AS AMENDED, PASSED WITH NO OBJECTION.

REPORTS

Committee Reports

Report from the Commercial Activities Committee, Mr. Rolle said he just had some updates. Right before the meeting he met with Chris Tan, the owner of Gelateria Naia, and they went over what's going on. It's scheduled to open Wednesday February 22. Before that there will be a preview, on Tuesday, February 21. The Gelateria planned to invite 3-400 student leaders and people from the community for free gelato. Members of the SOB will receive an e-vite, and he would ask them to please come and enjoy some every gelato. As far as Naia went, permits will be completed on Friday and they'll just finish up. All the furniture was in, except for the upholstered furniture, which will be two weeks late. There were still plenty of room and seats available.

Regarding and the green café and Darryl Ross, Mr. Rolle said that Mr. Ross finally got a meeting with Capital Projects. It looked like they'll have someone go over construction costs and start to make an estimate. They'll have to work on figuring out how to go about setting up this business. Students will design the interior and Capital Projects will work on the exterior and the regulations. So that was one step forward for the green café.

Ms. Putnam-Smith asked about any updates from the Finance Committee. Mr. Miles said they received the mid-year report and at that time at least, things looked good. Reserves were adequate, expenses were lower, and revenues were up, although very little.

Mr. Cordi said everything was on target at that time. The report given to the Finance Committee was a six-month review.

Report from the Director

Mr. Cordi said he had an announcement that he wanted to make that would take a couple of minutes. Before doing that, he wanted to make sure the Board got through the four items that were on the list. He asked Mr. Rolle to speak on each of these issues. They might want to start with the informational items after which they could meet in closed session if the Board would like.

Mr. Rolle said the Art Studio staffing issue should be discussed in executive session, and was also informational. Hopefully members had a briefing. Mr. Cordi said he believed everybody present could be in executive session, and suggested meeting in closed session at that time. With no objection, this meeting entered into executive session to talk about Art Studio staffing issues. Also discussed was the Cal Lodge and the Jupiter Pub.

Back in open session, Ms. Davis said that just for the record, she wanted to thank Mr. Cordi for his leadership. From the very, very beginning, when the Store Operations Board was formed, he was there, and through the agonies and ecstasies, he's done a heroic job in terms of dealing with the Student Union, getting a good staff, and bringing the staff together. It's been really, really great, and they were all going to miss him. (Applause) Mr. Cordi said he wanted to thank them.

Ms. Putnam-Smith said they would vote based on the Cal Lodge discussion held in executive session. She called for a motion to seek judgment against Kathy Wegner. Mr. Buenrostro moved to vote on whether the ASUC lawyer should or should not sue the previous leaseholder of the Cal Lodge. The motion was seconded by Ms. Odusanya.

Mr. Schechtman asked for a friendly amendment, and moved to pursue a lawsuit. The motion was seconded by Mr. Daryani. Ms. Putnam-Smith called for any objection. **THE MOTION TO AUTHORIZE PURSUIT OF A JUDGMENT AGAINST THE PREVIOUS LEASEHOLDER, KATHY WEGNER, ON BEHALF OF THE ASUC AND THE ASUC AUXILIARY, PASSED UNANIMOUSLY BY VOICE-VOTE.**

Ms. Putnam-Smith called for a motion reflecting the discussion on the Jupiter Pub in executive session. Mr. Miles moved to pursue negotiations to renew the lease option for the Jupiter Pub. The motion was seconded by Ms. Odusanya. **THE MOTION TO MOVE FORWARD WITH THE LEASE OPTION FOR THE JUPITER PUB PASSED UNANIMOUSLY BY VOICE-VOTE.**

Regarding the next item, a report on ASUC energy usage, a report was distributed, "ASUC Auxiliary Energy Analysis." Mr. Rolle said that if people had questions, he'd be happy to answer them. The Board asked them to look at this since it's a very serious issue with regard to Auxiliary expenses. He was asked to prepare something for the Board so they could better understand the situation the Auxiliary faces with energy costs.

Mr. Schechtman asked if they could expect to see a decrease in expenses as a result of the solar panels, and if it seemed like that would somewhat offset increasing energy costs. Mr. Rolle said the solar panels were already in place. Mr. Cordi said the new Phase 2 of the solar panels will go into effect at the end of the month. Mr. Schechtman asked how much of an impact they could expect from that. Mr. Rolle said he would expect 2-3% of the building load. Right now, Phase I was carrying 3%, so Phase 2 would more or less almost double the current solar capacity, and put the solar contribution at 6%. Solar was monitored separately, so it was easy to figure out. In terms of actual bang for the buck, things like the lighting conversion program, which the Auxiliary has been working on, and has substantially completed, was much more cost effective. Mr. Rolle said he believed that the Auxiliary needed to implement the second stage of energy efficiency, where they take a good, hard look at their HVAC system and look for efficiencies there. Both the lighting conversion and HVAC work could be supported by PG&E rebates, as has their solar work. For lighting conversion, essentially all their materials were paid for by PG&E. Mr. Cordi said it was about a \$30,000 grant.

Ms. Odusanya said that all that contributed less than half for steam, about half for water, and half for sewage. But there was a lot less electricity. She asked if that was just based on total usage. Mr. Rolle said that in the negotiations for the current Follett contract, Follett gave the Auxiliary a one-time grant of \$500,000 to be applied for solar and, by extension, energy issues, in lieu of paying electrical costs. They pay the same rates for steam. Mr. Cordi said the \$500,000 was matched by a State grant, so it was really \$1 million contribution to solar. That was a decision made by the Board a year or so ago. Mr. Rolle said it does give them some pretty exciting areas in the solar area. He just touched on it briefly, but a complete solar system was being given to the campus, and they were in a position to fund the installation because they have the cash.

Mr. Schechtman said he didn't know how much control the Board had over this, but he and Mr. Buenrostro have talked about the extent that benefits would accrue back to students, that could go to a student fee-funded building if students pay the installation costs, rather than the department getting the benefits. Mr. Rolle said they would never do that. Output of the solar system was monitored irrespective of what building it was on. So any building it's on would get the money. The Auxiliary would never install it and not get the money. Mr. Cordi said it still made sense to do what was being suggested, and the RSF would be a good possibility if they could get the money to put on a new roof. If the Auxiliary could get the system and pay for the installation of that system on the RSF building, all the benefits would accrue to student fee-based units.

Mr. Coley said they explored that option, about three years ago, and Capital Projects was very heavily involved in two cycles. He had a hard time believing it, each time it was found that the state of the roof on the RSF was so poor that it couldn't do what the Auxiliary did on MLK.

Mr. Rolle said the Auxiliary did replace the roof at MLK, but at less expense. Essentially, if the Auxiliary owned the system, they'd sell electricity to the campus. It was exciting, but it hasn't really materialized. Mr. Rolle said they ought to promote this more and to get some political return from it, because they're probably one of the few campuses that has been as aggressive with this. It hasn't been the Administration that's done this, but the students. He thought they ought to be finding other ways to promote this green initiative. They haven't received a dime from the campus, and, in fact, the Auxiliary paid the campus all kinds of money for project managers.

Mr. Buenrostro said he heard different parts of campus were working on solar energy, and asked if that was still in line. Mr. Rolle said they're getting the panels, the hardware, and the inverter, and they're

looking for a site and the cash to install it. Mr. Cordi said it's basically a demonstration project for Southern California Edison. They need someone to pay for the shipping and the actual construction and implementation at another site. If someone would pay for it, they'd give 100 megawatts of solar panels to the campus. As soon as the Auxiliary heard about this, and realized the campus didn't have the money to do this, the Auxiliary said it may have the money. They asked how much it would cost, and thought that if they could afford it, they'd pay for it. If it could be put on a student fee-funded building, the Auxiliary would be interested in doing that. The Auxiliary talked with Harrison Fraker, the Dean of Environmental Design, and he was very interested in pursuing this. So that's where it things kind of stood at that time. He was afraid that they'd lose this to some other school if the campus didn't take the initiative.

Mr. Rolle said he thought it was done and said he'd have to look into that. Mr. Cordi said it's sitting there, but had to be packaged, picked up, shipped, and put on a building. Ms. Putnam-Smith called for any other questions on this issue.

NEW BUSINESS

Auxiliary Director Search and Selection

Mr. Coley said that Ms. Davis began the discussion, and perhaps they could begin the mourning at that time for Mr. Cordi leaving them. Mr. Coley said he would begin because he felt he would be very directly impacted, having worked with Mr. Cordi on all the things they've worked on side by side on behalf of the students, the ASUC, and the Auxiliary. Mr. Cordi will be leaving and as people were aware, a celebration will take place next Wednesday, the 22nd, from 2:00 to 4:00 in the Multicultural Center. Mr. Coley said he hoped everyone tries to make a special effort to attend so they could show clearly their appreciation.

Mr. Coley said people will also be interested in getting the position filled. Mr. Coley said he's already met with Mr. Buenrostro, and Ms. Odusanya got an invitation.

Ms. Odusanya said she e-mailed a request to part of the Selection Committee. She received an e-mail from Mr. Coley about keeping that in mind, but she hadn't received an e-mail. Mr. Coley said he specified that she was on the Selection Committee, as was Mr. Buenrostro. He extended an invitation to Mr. Buenrostro and to Ms. Odusanya that she apparently did not receive, to sit with him last week when they met with the recruiter from central Human Resources. Mr. Buenrostro was able to attend, and Mr. Daryani joined them as well. They sat and talked to the recruiter. Ms. Odusanya asked if he could send that back to her because she would like to trace back why she never received it. Mr. Buenrostro said that when he found out about the meeting, he gave Ms. Odusanya a phone call, because of the short timeframe. It was hard to set up that meeting time. He assumed she received it. Ms. Odusanya said she didn't. Mr. Buenrostro said he would apologize.

Mr. Coley said the point was the recruiter will develop a recruitment plan for the job description. Mr. Cordi has already prepared that with the announcement. The announcement has been made and there should already be advertisements for the job. There will be a nationwide search to try to get the absolute best candidate. Mark Freiberg, and Director of Environment, Health & Safety, will be the Chair of the

Search Committee. There will be six or seven or so people on the Committee, in particular, the two student body Presidents. They'll make sure that as they get deeper into the process, that everybody and anybody who was interested in interacting with the final candidates will have an opportunity to do so. It will be an opportunity for the candidates to get an up close and personal look at what being inside Berkeley was all about. They're looking at filling the position as quickly as possible, but not doing so in a way that would compromise the quality of the candidate pool, the quality of the selection process, or the ultimate person who was selected. Mr. Coley said he didn't have any preconceived notions about who will be in the position. All he was interested in was getting the person who fit best for the environment and produces the absolute best results. They have a very, very good benchmark. They know Mr. Cordi's profile and the kinds of things Mr. Cordi has brought to the table, and they could look to try to improve on that based on where they were at that time and where they're trying to go over the next five or ten years.

Mr. Williamson asked if there was a job description. Mr. Coley said there was, that Mr. Cordi wrote. Mr. Cordi said he was sure Mr. Coley could e-mail it to everybody on the Board. Mr. Miles said that would be useful. Mr. Coley said he would do that. People could ask him questions. It was in everybody's interest to be fully engaged in this because it was a very, very important position. Mr. Coley said he was saying that because he knew what was required of the position, in a very, very intimate way. This position was not of the scale of many other positions on campus, with big budgets and tons of staff, but it was as complex as any position on campus. Mr. Coley said he was absolutely convinced of that, and the person will need to have the political acumen to be able to deal with all of the various factions that were present, and to look downstream and see and participate, so they don't spend all their time reacting to problems that could have been avoided. The person filling the position will need to have excellent management, financial, and leadership skills, and they'd have to be a complete person for what the Auxiliary needed in this environment.

In terms of how they'll operate during this interim period, as he said, he hoped to get the position filled as quickly as he could. Mr. Coley said he was looking at it this in terms of when Mr. Cordi was away, where Mr. Rolle had responsibilities operationally, Ms. Wang has responsibilities financially, Ms. Crowder had responsibilities in student services, and Ms. Hsueh for the GA. BAS would love to have them continue just doing their things and have everybody do their responsibilities in a very responsible way. Mr. Coley said he would make it very clear that they should get it touch with him directly for anything that was atypical or out of routine, and he'd intervene. He planned to meet with them as a group once every two weeks, and will spend more time at the ASUC personally as he moved about. That was the general plan as he saw it at that time. He was very open to any input, counsel, or advice at that time as they go through the entire process.

Mr. Buenrostro said he thought he mentioned before about having somebody from the Alumni Association on the Search Committee. Mr. Coley said he asked Mr. Buenrostro to send him some names and they would move forward from there.

Mr. Buenrostro said he wanted to thank Mr. Coley for meeting with them and he would apologize to Ms. Odusanya for not receiving information about that. Mr. Buenrostro said he asked about the role of the Store Operations Board, and recalled revising the Charter, where at some point, the Board would have to approve the Auxiliary Director. So Board members should be aware that at some point they will have that involvement. But the final decision was Mr. Coley's. Mr. Coley said if anybody was interested in having their oar in the water, he would welcome them, and it was in the ultimate incumbent's best

interests that they have the clearest and strongest vetting possible. This was not an environment for the faint of heart, and they need to find that out upfront. He gets to hire a lot of people and he believed in truth in advertising, and with everyone he hires, there's a chance to talk about what people would be getting themselves into before they commit, to find out if people have the steel to be able to deal with this.

Mr. Cordi said he wanted to begin by thanking them all for giving him the opportunity to serve them and to work with the Board. He's had the pleasure of working on a daily basis with some of the best and brightest students at Cal in the past eight years he's been in this position. He could not thank the, for more fun and more challenges than he had over those eight years. He's had great faculty members on the Board, who have helped the Auxiliary over the years to become more professional as a Board, and to give them direction with regard to policy. They've had staffmembers who have served on the Board, such as Ms. Davis, for over eight years, and have come to these meetings and made contributions. And he has been so fortunate to work with his staff in the ASUC Auxiliary. The people there were absolutely dedicated to the students of the University of California, and they've had a tremendous team. He's had an opportunity to lead this team and to serve their students, and he's enjoyed every minute of it. Mr. Cordi said he would not be leaving if it wasn't for a greater good, and that was his wife, who he promised when she got a Ph.D. that if she got a tenured track position, he would support her and follow her there, figuring that he would get a job. He didn't have one at that time. Fortunately for his wife, and unfortunately for him, she got a tenure-track job the first time out, at Florida State, in Modern Languages and Linguistics there. She started in July and they've had a bi-coastal relationship all this time. It was just too much to continue like that and she wanted him home; and he was going there. Mr. Cordi said he was going there with much regret because he hated to leave Berkeley and Cal. He was a grad student there and has been there for so many years, and hated to think about how many years he's been on the Berkeley campus. And it has just been absolutely wonderful. Maybe some day, Berkeley will hire his wife back, or whatever, and they'll be back there at some point in time.

Mr. Cordi said he just wanted to end by thanking them all and telling the state of the union. He submitted a report on the revitalization of the Student Union. [See appendix.] the Auxiliary was in very good shape relative to where they were eight years ago. As of July 30, the end of the fiscal year, they had \$2,097,000 in reserves. He gave the Board a description of the revitalization of the MLK Student Union. They've completely renovated every floor of the Student Union and Eshleman Hall, and have invested \$6 million in capital improvements. They were now contributing more to student organizations than ever before in the history of the University of California. Money that had been spent out of student fees for advising for administration, \$500,000, was now covered by the profits of the ASUC Auxiliary every year. And in addition, the Auxiliary has been sharing as well residual with the students. They have a strong team in place, like Mr. Rolle and others, who are dedicated to Cal, and they'll do well. Mr. Cordi said he really felt good about the team that they had there. He just wanted to pledge his help, in any way, in making the transition, and would help in any way that he could. He wanted to thank them. (Applause)

Mr. Schechtman said that from the Graduate Assembly, he wanted to thank Mr. Cordi very much. Mr. Cordi sometimes didn't know the effects of his actions, and a year and a half ago, in a debate about how to respond to another unit's imposition of fees on students, Mr. Cordi asked a couple of questions which, a year and a half later, have basically started a snowball that has led to a Cabinet-level committee where it looked like, for the first time in Berkeley history, students may have a structural voice at the table in allocating resources, all the way from central campus fees down to user fees. That was based on very pointed questions that Mr. Cordi had about the student perspective, which gave students the wherewithal

to start this process in motion. So the students wanted to thank Mr. Cordi very much, and to thank him very much for his strong support of students' positions. Mr. Cordi said he wanted to thank him.

Mr. Buenrostro said that from the ASUC perspective, as he's told Mr. Cordi before, he felt they've really had the privilege and opportunity to build their relationship with Mr. Cordi through their different meetings. Mr. Buenrostro said he saw Mr. Cordi as a person he could go to for advice whenever he was trying to get something done in the Student Union or with any policy on campus. Mr. Cordi always asked questions that made people think about what they were doing. Mr. Buenrostro said he'll people on his staff who were working on different policies go to Mr. Cordi. Mr. Buenrostro said he wanted to thank Mr. Cordi for being such a strong advocate for the ASUC in general meetings they've had with other people and with the Administration. Last semester they tried to get the Cal 1 Card expanded, and Mr. Cordi was always there to defend the ASUC and make sure that the student voice was considered. They really appreciate that, and wanted to thank him. Mr. Cordi said he wanted to thank him.

Mr. Miles said this was an occasion that needed a proclamation and he wrote a very quick one that he would offer. He was sure it would be affirmed by all present.

“Whereas, Tom Cordi has provided exemplary service on behalf of the ASUC Auxiliary for the past eight years; and

“Whereas, he has done so with great skill and great humor; and

“Whereas, he will be sorely missed and welcomed back with pleasure;

We, the members of the Store Operations Board do sincerely thank him.”

(Applause)

Mr. Cordi said hopefully he'll be like the Good Humor Man and serve some of their own gelato at the party next week. He hoped that they could get it started by then. They'll be very close, with the opening sometime next week or the week after.

RECREATIONAL SPORTS FACILITY

Mr. Schechtman said he would like to add one short New Business item. He would like to request or suggest that the SOB and the ASUC Auxiliary approach the Recreational Sports Facility about potentially facilitating conversion of their new lobby into some sort of café space. People have talked with RSF management and he believed the RSF was open to the idea. To the extent that the Auxiliary might be able to mutually benefit, they might give it some revenue and also get some revenue if the Auxiliary was able to use its experience in developing leases. This might be a beneficial situation, although he didn't know if that was appropriate. Mr. Rolle said he didn't know, but they could certainly explore it. He said Mr. Coley was familiar with the RSF.

Mr. Coley said he would put on his other hat. All those things will be talked about. Rec Sports was a little timid in those spaces. They do have the sports shop. Mr. Schechtman said it's just a break-even

operation, and the RSF didn't see that as part of its business expertise. He thought the Board could bring that expertise to the table. Mr. Coley said he would suggest taking this to Mike Weinberger, and Mr. Coley said he would do what he could to try to stay out of this, as he was only one person and had conflicting responsibilities. Whatever made sense he would support.

Ms. Odusanya said that knowing the financial deficit of the RSF, she asked about the idea of the Auxiliary funding such a renovation. Mr. Coley said the RSF's first inclination was, if they could, to try to have a better revenue generating venture. The ASUC Auxiliary, quite frankly, was one of the richest on campus in terms of discretionary income, and the RSF was actually one of the poorest, and had a multi-million-dollar deficit. So the RSF's first decision would be whether or not they could turn that space into generating revenue that could offset costs.

Mr. Rolle said the model that they would use, and the model that Mr. Cordi instituted, which was very successful, was as a landlord to an independent operations. The Auxiliary wouldn't try to run the operation. It was a question of what the RSF wanted to do with the space, and if there could be an appropriate arrangement. It could be a mutually beneficial, but the Auxiliary didn't want them competing.

Mr. Coley said he thought the ASUC should probably not look in terms of generating revenue for itself, but transferring intellectual capital about how to run those so it's a business, so the RSF could generate revenue to help offset its problems, recognizing that these were two different places, but it was all for student benefit.

Ms. Putnam-Smith said that if there was no other business to address, with no objection, they could call that Valentine's Day meeting adjourned.

This meeting adjourned at 5:31 p.m.

These minutes respectfully submitted by,

Steven I. Litwak
Recording Secretary

APPENDIX

Mr. Cordi submitted the following:

REVITALIZATION OF THE MLK JR. STUDENT UNION

Since 1998, the MLK Jr. Student Union at Berkeley has undergone a quiet, but purposeful, revitalization. From the empty basement where a new textbook center has been built, to the new roof where Berkeley's first solar electric system has been installed, the Student Union has undergone major renovation. But unlike other Student Unions at Davis, Irvine, Riverside and San Diego, where major renovations and expansions have occurred with the help of hundreds of dollars in new student fee increases, the students have managed to invest over \$6,000,000 in capital improvements to the Student Union without raising student fees. Student fees remain the lowest of any UC campus. Unlike UCLA and other Unions, where students have had to repay bonds and service debt for years to come, the students at Berkeley have managed to renovate and refurbish a tired and worn mid-century Student Union without incurring any debt whatsoever.

In addition, the students have erased millions of dollars of debt to the University and private vendors. Students have accomplished a multi-million investment in capital improvements without asking the University for any financial help. Through strategic partnerships with private vendors such as Follett, CampusLink, STA Travel, Postal Annex and the restaurants of the Bear's Lair, and the investment of commercial revenue by student government, as well as some matching grants from the State of California for our solar electric system, the students have managed to develop a model of public and private partnership that is truly unique to Berkeley.

Many of these improvements are not visible to the eye, such as investments in HVAC and Energy Management Systems, new elevators, or the removal of thousands of dollars of asbestos and other health hazards, while other improvements are quite visible, such as the renovation and expansion of the Cal Student Store and the Bear's Lair Restaurants and Pub. With the installation of our solar electric system, and the development of an energy conservation system that includes computer controlled HVAC and replacement of hundreds of energy consuming lights and fixtures, waterless toilets, and the installation of R-14 roof insulation and new energy-saving curtains and drapes in the Pauley Ballroom, we have demonstrated that you can "Go Green" in a blue and gold world.

Allow us to take you on a virtual tour of a living work-in-progress. Let us begin with the Cal Student Store. When the University made the decision to outsource the ASUC Store to Follett, it did so with the promise from Follett that they would invest over \$ 3,000,000 in capital improvements. To date, we have created a state-of-the-art textbook center in the basement to replace an empty area where a bowling alley once stood. We have now expanded the Store to the Upper Sproul Level on the east side of the union where State Travel once stood before relocation to the renovated ASUC mall. In addition, we have renovated and refurbished the entire main floor of the Store. The Store had not been renovated since the fire in the 1980's, and it was very tired and worn. We have replaced all fixtures, carpeting, and lighting. the basement and second floors. We have added a comprehensive video surveillance system as well as a

We have painted and refreshed the entire store. Four new ADA-compliant restrooms have been added to new computer textbook management system. With the completions of these renovations during the Spring Semester 2005, the Cal Student Store has become one of the largest and best equipped in the nation.

The Bear's Lair has been completely renovated. Vendors have invested almost \$500,000 in capital improvements including new plumbing and fire prevention systems, making us EHS compliant for the first time in many years. New floors and furniture have been added to the common area. The Pub has been completely rebuilt thanks to the investment of Jupiter of Berkeley. Business has improved tremendously. With the completion of the gelato lounge and performance space in fall 2005, we will have completely refurbished the ASUC mall as well.

On the Upper Sproul level of the Union, we have added, with the financial assistance of CampusLink, a state-of-the-art information kiosk. This kiosk includes: nine public computers, telephones connected to campus departments, a campus map, and plasma screens scrolling campus and Union events, as well as a new information desk dedicated to Matt Lyon. With the help of the students, Gateway, and Sun Computers, we have added an Open Computing Center (OCF) with over 50 computers and file storage for students all over the campus. With the help of Chancellor and the ASUC, we have completely renovated the Heller Lounge including new carpets, refinished floors, paint and new furniture. This fall, we opened the first Multicultural Center in the Heller Lounge managed and operated by the Office of Student Affairs. Already we have had thousands of students celebrate multicultural events creating a true sense of community in the Student Union.

On the third floor, we have renovated the Pauley Ballroom including refinished floors, carpets, and new draperies, at a cost of over \$100,000.

On the fourth floor, we have renovated all meeting rooms and public lobbies. We have also renovated the fifth floor Tilden Room. By Spring Semester, we will have completed the renovation of the terrace areas as well as the installation of Phase II of our solar electric system with the installation of new PV's around the newly painted trellis system which circumvents the building.

In addition, we have added wireless internet service to MLK and Eshleman Hall, as well as a 100 Mb private network managed by the ASUC Auxiliary.

Finally thanks to student investment of commercial revenue, we have renovated each floor of Eshleman Hall, created a new Student Publication Center in the basement of Eshleman Hall. With the help of the Graduate Assembly, we have completed the renovation of Anthony Hall.

Although we have accomplished these goals quietly and without much campus awareness, we have great cause to celebrate. Students, in partnership with the private sector, have managed to almost completely renovate all student fee-funded buildings on the campus without incurring any debt or raising student fees. Although there is still much work to be done, with plans to rebuild lower Sproul in the works, the students can be justly proud of the revitalization of their Student Union.

DECISIONS OF THE BOARDProcedures

- December '05 Asked the Finance Committee to discuss with Internal Audit the ASUC's use of the BFS accounting system.
- December '05 Elected Ms. Putnam-Smith as Chair of the Board.
- June '05 Voted to have committees, after the August meeting, agree upon meeting times, during normal business hours, and for the Finance Committee to meet at least quarterly, and for each committee to have representation of faculty, staff, and students.
- June '05 Re-elected Mr. Cohen as SOB Chair and elected Ms. Putnam-Smith as Vice Chair.
- February '05 Mr. Miles and Mr. Williamson joined the Board.
- August '04 Formed an ad hoc committee to study increasing efficiency in information technology.
- July '04 Elected Elliot Cohen as Acting Chair of the SOB, for 2004-5.
- April '04 Considered and amended ASUC Auxiliary Budget Principles.
- January '04 Agreed to send another letter to the ASUC Senate and the GA asking to resolve the question of a GA representation on the Board.
- December '03 Voted to send a letter to the ASUC Senate asking to resolve the question of GA representation.
- October '03 Approved the establishment of ad hoc committees: Commercial Operations, Auxiliary Services, and Finance.
- August '03 Heard a report on the establishment of the Space Assessment Committee for Eshleman and MLK.
- June '03 Elected Ms. Quindel and Mr. Bucklin as Board Chair and Vice Chair, 2003-4.
- June '03 Formed a Subcommittee on Committees to determine a committee structure for the Board.
- June '03 Agreed to hold a Board member orientation by August 30.
- May '03 Agreed on the need for a Board member orientation to be held before the start of the school year.

Procedures

December '02 Enhanced Board minutes by adding "Decisions of the Board"

Vendors

Feb. '06 **Authorized pursuit of a judgment against the previous Cal Lodge leaseholder on behalf of the ASUC and the ASUC Auxiliary.**

Feb. '06 **Authorized the exercise of the lease option with the Jupiter Pub.**

Sept. '05 Authorized the Chair to write a letter to Associate Vice Chancellor LeGrande about the rate and usage of the Cal 1 Card.

Sept. '05 Approved use of an inspector suggested by the Alumni Association to inspect the Cal Lodge, to authorized pursuing an agreement for the Alumni Association to manage the Lodge.

May '05 Approved the further exploration with Darryl Ross of placing a green café at the southeast corner of the Student Union.

March '05 Heard a presentation by Darryl Ross and agreed to investigate the possibility of a "green" restaurant in the southeast corner of the Student Union.

Nov. '04 Approved a two-year lease extension, beginning Jan. 1, '05, to the Taqueria and Healthy Heavenly Foods.

Nov. 04 Approved the transfer of ownership of The Taqueria to the owner's nephew.

August '04 Decided to offer the Pub, after consulting with counsel, a reduction in rent, with conditions.

July '04 Heard a counter proposal from the Pub regarding a contract revision. Authorized the Director to seek legal counsel.

July '04 To advertise the Store, the ASUC worked to give Cal-SO counselors a \$5 gift certificate and RAs a 15% discount card.

June '04 Approved a five-year extension for the STA Travel lease.

June '04 Approved the Resolution In Support of Follett Contract Performance Review.

June '04 Approved changes to the terms of the Pub's lease.

Vendors (cont'd)

- April '04 Authorized negotiations for a 12-month contract with the current Bear's Lair tenant, and to terminate the lease if negotiations fail, and to issue an RFP.
- March '04 Agreed to a four-week pilot project for the New York Times Readership Pilot Project.
- March '04 Rejected contract proposals submitted by Pub management, called upon Commercial Operations to initiate a student survey on use of Pub space, and approved sending out an RFP for the space.
- March '04 Recommended signing the Follett contract, dated Feb. 26, '04.
- January '04 Agreed to publish a letter in the Daily Cal to the general campus community promoting Auxiliary businesses.
- January '04 Voted to send a letter of apology to the Bookstore manager for the content of a flier for the ASUC Bookswap.
- December '03 Heard from John Martin, operator of the Pub.
- November '03 The Daily Cal lease was signed, and printing of the ASUC government page began.
- November '03 Heard a presentation on Coca-Cola business practices in Colombia.
- August '03 Amended the Daily Cal lease to have a code of conduct for the paper discussed by the campus committee at-large.
- July '03 Approved a five-year lease with the Daily Cal.
- July '03 Authorized an engineering study of the Cal Lodge, for use in negotiations with the lessees.
- June '03 Formed a subcommittee to further consider the Daily Cal lease.
- May '03 Heard a presentation by Coca-Cola representatives on the Company's business practices in Colombia.
- December '02 Added a fair-trade coffee option into the lease of the Coffee Spot
- December '02 Authorized a letter to Coca-Cola expressing the Board's concerns with allegations of human rights abuses in Colombian bottling plants, and requested a company representative speak to the Board.

Student Union / Pauley Ballroom

- May '05 Voted to approve the LoSpro lounge proposal for the space in the Student Union occupied by the Bearcade.
- May '05 Voted to explore options for the expansion of the Art Studio.
- April '04 Heard a presentation by Ms. Terman, Manager, Art Studio, on expanding the Art Studio into the area used by the Bearcade.
- October '04 Authorized ASUC President Leybovich, with matching funds from H&D, to spend up to \$2,500 for a Student Union/food service survey.
- May '03 Approved agreement with the Chancellor's proposal on the multicultural lounge; to enter into negotiations on costs and the Auxiliary's role in managing the facility; and to approve a negotiating committee. Current Officers will negotiate, with new Officers to shadow them until current Officers leave.
- May '03 Approved having Mr. Cordi and Mr. Rolle submit a proposal to support student use of Pauley Ballroom by the June meeting.
- April '03 Received a proposal, as part of the 2003-2004 budget, to allocate \$20,000 for the Senate and the GA to use for Pauley Ballroom fee waivers.
- February '03 Approved a subcommittee to look into policies for Pauley Ballroom and for fee waivers.

Budget

- April '05 Approved the 2005-6 Auxiliary budget.
- September '04 Approved a motion to state that the Board alone had authority to shift funding; to determine 03-04 residual profit at \$103,208; and to transfer \$50,000 from residual profit to the Auxiliary Contingency Fund, making up for a transfer of that amount to the ASUC to balance its 04-05 budget.
- May '04 Approved a motion to urge the future SOB, 04-05, to consider as a high priority, fully funding one position for the OSA and a half position OSA position for the GA.

Student Union / Pauley Ballroom (cont'd)

- | | |
|--------------|--|
| April '04 | Approved the ASUC Auxiliary FY2004-2005 Budget, including a transfer to the ASUC of \$50,000 from the Auxiliary Contingency Reserves. |
| February '03 | Received "ASUC Auxiliary Revenue and Expense Report, July -December 2003." |
| June '03 | A committee was formed to balance the Auxiliary budget. The Subcommittee on Committees will determine if this should be an ad hoc committee. |
| May '03 | Unanimously approved the 2003-4 budget, and charged the Auxiliary Services Committee to determine cuts to balance the budget. Absent a recommendation by August 30, agreed to staff the security desk in Eshleman starting at 6 p.m., rather than 8 a.m. |

STORE OPERATIONS BOARD MINUTES

March 14, 2006

Present: (Members and others)

Ron Coley
Matt Dally
Anil Daryani

Victoria Harrison
Sunny Lu
Ray Miles

Jillian Putnam-Smith
John Rolle
Lena Wang
Oliver Williamson

SUMMARY OF THE MEETING

The meeting was called to order at 4:14 p.m.

Executive Session

The Board met in executive session to discuss Follett’s revenue accounting and a proposal from GPA Media to co-brand notebooks with the ASUC.

Jupiter Pub Lease Option

The original lease with the Jupiter Pub included an option to renew, and the Pub has decided to exercise the option, for five years. Sales were close to \$700,000. Sales were not at a point where the Auxiliary would get a percentage of sales, although that could become possible. The Auxiliary had no grounds to do anything other than approve the option.

The option was a key component in the original deal. The relationship has been challenging, but the Pub was now performing as they have talked about. Jupiter made lot of renovations.

By unanimous voice-vote, the Board approved a five-year lease renewal for the Jupiter Pub.

GPA Media/ASUC Co-Branded Notebooks

By unanimous voice-vote, the Board agreed, subject to further review, to approve a three-year contract with GPA Media for the ASUC to have co-branded notebooks in the Bookstore. This will come back to the Board.

Auxiliary Director Search

Student leadership has approved the members of the search committee. So things were progressing. A job description would be distributed to the Board. The position has been advertised to professional organizations and the notice was sent to all campuses in the UC System, the Cal State schools, and all campuses in the Pac-10, and of university publications. The position involved a lot of components.

The meeting adjourned at 5:02 p.m. [End summary.]

This regular meeting of the Store Operations Board was called to order by Jillian Putnam-Smith at 4:14 p.m. in the ASUC Senate Chamber.

APPROVAL OF THE MINUTES

Ms. Putnam-Smith said she would entertain a motion to adopt the minutes from the February meeting. It was so moved and seconded by Mr. Daryani and Mr. Miles. THE MOTION TO APPROVE THE MINUTES OF THE FEBRUARY 14, 2006 BOARD MEETING PASSED WITH NO OBJECTION.

APPROVAL OF THE AGENDA

Ms. Putnam-Smith said the agenda should show that the Board would meet in executive session for a discussion on Follett's revenue accounting.

Mr. Rolle said he would like to bring up a proposal, for co-branded notebooks with the GPA. He believed an action of the Board was needed. Ms. Putnam-Smith said they would discuss that in executive session. THE MOTION TO APPROVE THE AGENDA, AS AMENDED, PASSED WITH NO OBJECTION.

EXECUTIVE SESSION

Ms. Putnam-Smith said she would entertain a motion to meet in closed session. It was so moved and seconded by Mr. Miles and Mr. Daryani and passed with no objection. Ms. Putnam-Smith introduced Matt Dally, who was up for consideration as undergrad representative on the Board. She asked all non-Board members to please step outside. This meeting entered into closed session. The Board discussed Follett's revenue accounting and a proposal from GPA for co-branded notebooks.

JUPITER PUB LEASE OPTION

Back in open session, Ms. Putnam-Smith said she would entertain a motion to consider the issue of the Jupiter Pub lease renewal with the added addendum that the Board discussed.

Mr. Williamson asked if it was possible to put this in perspective, and asked what the property was worth. Mr. Rolle said the option existed in the original lease, and Jupiter decided to exercise the option. The Auxiliary really had no choice. Helen Levay, of Real Estate Services, examined this.

Mr. Williamson asked how long the option was for. Mr. Rolle said it's for another five years. Mr. Williamson said they could negotiate then, in five years. Mr. Rolle said that was correct.

Mr. Miles asked what the sales levels were. Mr. Rolle said sales were close to \$700,000. Mr. Miles said that meant the Auxiliary was getting nothing by way of percentage. Mr. Rolle said they weren't at that point, but that wasn't impossible. Mr. Miles said there was no way to break the contract. Mr. Rolle said the café at the Haas Business School tried to stop the exercise of an option and it didn't fly, and he OP was dead set against it. That was part of the conversation with Ms. Levay. She was asked what the Auxiliary could go in terms of re-negotiating, and Ms. Levay basically said there was nothing they could do.

Mr. Miles said he understood that the Pub has improved its operation and paid its back rent. Mr. Rolle said that was correct. Mr. Miles said the Auxiliary didn't have any grounds to do anything other than approve the option. Mr. Rolle said that was Ms. Levay's judgment.

Mr. Williamson asked if the option was a good thing to include at the outset. Mr. Rolle said it was probably required in order to have the tenant improvements made, but he didn't know. Mr. Coley said the option was a key component of the deal. What was more relevant to him was how challenging this relationship has been over these years, and how difficult it was to get the Pub upgraded. It's now performing the way they talked about, so there was a significant downside in trying to deny the option and trying to get something that was more profitable. Mr. Williamson said he wasn't suggesting that. They'll have deals in the future, and asked if everything was an ad hoc deal or if this was a structured way to approach things. Mr. Coley said the way they went into this, it was very structured. Mr. Rolle said it was a big deal because Jupiter was considered a very stable and successful business. A lot of renovations were made. Mr. Miles asked if Jupiter paid for them. Mr. Rolle said it did.

Mr. Miles said he agreed they need to be very thoughtful about this, but it appeared that the Board was thoughtful. Mr. Rolle said he would have liked to try to re-negotiate and Try to get a better deal, but that wasn't the recommendation.

Ms. Miles moved to approve the option. The motion was seconded by Mr. Daryani. **THE MOTION TO APPROVE THE FIVE-YEAR LEASE RENEWAL FOR JUPITER PUB PASSED UNANIMOUSLY BY HAND-VOTE.**

GPA MEDIA/ASUC CO-BRANDED NOTEBOOKS

Ms. Putnam-Smith said she would entertain a motion to discuss the issue of GPA Media co-branded notebooks, and to pursue this venture, and that the Board was not opposed to approving a three-year contract. Mr. Rolle said that was subject to requisite review by the copyright and contracts offices, and the Bookstore.

Mr. Williamson asked if this would come back to the Board. Mr. Rolle said it would. If time was of the essence, he would bring it back to them via e-mail.

THE MOTION TO APPROVE IN PRINCIPLE A THREE-YEAR CONTRACT FOR THE ASUC TO HAVE CO-BRANDED NOTEBOOKS WITH GPA MEDIA, PASSED UNANIMOUSLY BY VOICE-VOTE.

AUXILIARY DIRECTOR SEARCH

Mr. Coley said several people at the table were actually on the search committee for the Auxiliary Director. They've invited several people to participate. The position has been advertised. Mr. Buenrostro and Ms. Odusanya had an opportunity to approve the members on the search committee and were quite satisfied. So things were progressing. Some people have already responded. He didn't know how extensive the list was. Within the next week or so they could see what the applicants look like, and they'll start to call the committee together and start the interviews.

Mr. Coley said he hasn't given the job description to the Board, but it was given to committee members. He'd make sure the Board received a copy.

Mr. Coley said when the Board meets next month, he might be able to report that they have some candidates. He didn't know if they'd be far enough along to present people at the Board's next meeting.

Mr. Williamson asked how people will learn about the opening. Mr. Coley said they did some general advertising, but the target advertisements were in professional organizations. They sent the notice to all the campuses in the UC System, all the Cal State schools, and all the campuses in the Pac-10. These were all Associations Tom Cordi was involved in. They'll also advertise in a lot of university publications.

Mr. Williamson asked how Mr. Cordi found out about the position. Mr. Coley said Mr. Cordi was working in the Athletics' office when the ASUC Auxiliary was being created. Mr. Cordi was appointed to serve as acting director and then was recruited and selected. This was a tough job. Mr. Williamson said he agreed. Mr. Coley said that Mr. Cordi had an extraordinary set of skills for this job, including an academic piece, a business piece, the piece with the students. So it involved a lot of components. They'll try to fill this, and would let Mr. Cordi know people were still thinking about that.

Ms. Putnam-Smith said that if there were no other issues to discuss, they could have an early adjournment of the meeting. Mr. Miles said that was a tribute to the Chair.

This meeting adjourned at 5:02 p.m.

These minutes respectfully submitted by,

Steven I. Litwak
Recording Secretary

DECISIONS OF THE BOARDProcedures

- December '05 Asked the Finance Committee to discuss with Internal Audit the ASUC's use of the BFS accounting system.
- December '05 Elected Ms. Putnam-Smith as Chair of the Board.
- June '05 Voted to have committees, after the August meeting, agree upon meeting times, during normal business hours, and for the Finance Committee to meet at least quarterly, and for each committee to have representation of faculty, staff, and students.
- June '05 Re-elected Mr. Cohen as SOB Chair and elected Ms. Putnam-Smith as Vice Chair.
- February '05 Mr. Miles and Mr. Williamson joined the Board.
- August '04 Formed an ad hoc committee to study increasing efficiency in information technology.
- July '04 Elected Elliot Cohen as Acting Chair of the SOB, for 2004-5.
- April '04 Considered and amended ASUC Auxiliary Budget Principles.
- January '04 Agreed to send another letter to the ASUC Senate and the GA asking to resolve the question of a GA representation on the Board.
- December '03 Voted to send a letter to the ASUC Senate asking to resolve the question of GA representation.
- October '03 Approved the establishment of ad hoc committees: Commercial Operations, Auxiliary Services, and Finance.
- August '03 Heard a report on the establishment of the Space Assessment Committee for Eshleman and MLK.
- June '03 Elected Ms. Quindel and Mr. Bucklin as Board Chair and Vice Chair, 2003-4.
- June '03 Formed a Subcommittee on Committees to determine a committee structure for the Board.
- June '03 Agreed to hold a Board member orientation by August 30.
- May '03 Agreed on the need for a Board member orientation to be held before the start of the school year.

Procedures

December '02 Enhanced Board minutes by adding "Decisions of the Board"

Vendors

March '06 **Approved a five-year lease option exercised by the Jupiter Pub**

Feb. '06 Authorized pursuit of a judgment against the previous Cal Lodge leaseholder on behalf of the ASUC and the ASUC Auxiliary.

Sept. '05 Authorized the Chair to write a letter to Associate Vice Chancellor LeGrande about the rate and usage of the Cal 1 Card.

Sept. '05 Approved use of an inspector suggested by the Alumni Association to inspect the Cal Lodge, to authorized pursuing an agreement for the Alumni Association to manage the Lodge.

May '05 Approved the further exploration with Darryl Ross of placing a green café at the southeast corner of the Student Union.

March '05 Heard a presentation by Darryl Ross and agreed to investigate the possibility of a "green" restaurant in the southeast corner of the Student Union.

Nov. '04 Approved a two-year lease extension, beginning Jan. 1, '05, to the Taqueria and Healthy Heavenly Foods.

Nov. 04 Approved the transfer of ownership of The Taqueria to the owner's nephew.

August '04 Decided to offer the Pub, after consulting with counsel, a reduction in rent, with conditions.

July '04 Heard a counter proposal from the Pub regarding a contract revision. Authorized the Director to seek legal counsel.

July '04 To advertise the Store, the ASUC worked to give Cal-SO counselors a \$5 gift certificate and RAs a 15% discount card.

June '04 Approved a five-year extension for the STA Travel lease.

June '04 Approved the Resolution In Support of Follett Contract Performance Review.

June '04 Approved changes to the terms of the Pub's lease.

Vendors (cont'd)

- April '04 Authorized negotiations for a 12-month contract with the current Bear's Lair tenant, and to terminate the lease if negotiations fail, and to issue an RFP.
- March '04 Agreed to a four-week pilot project for the New York Times Readership Pilot Project.
- March '04 Rejected contract proposals submitted by Pub management, called upon Commercial Operations to initiate a student survey on use of Pub space, and approved sending out an RFP for the space.
- March '04 Recommended signing the Follett contract, dated Feb. 26, '04.
- January '04 Agreed to publish a letter in the Daily Cal to the general campus community promoting Auxiliary businesses.
- January '04 Voted to send a letter of apology to the Bookstore manager for the content of a flier for the ASUC Bookswap.
- December '03 Heard from John Martin, operator of the Pub.
- November '03 The Daily Cal lease was signed, and printing of the ASUC government page began.
- November '03 Heard a presentation on Coca-Cola business practices in Colombia.
- August '03 Amended the Daily Cal lease to have a code of conduct for the paper discussed by the campus committee at-large.
- July '03 Approved a five-year lease with the Daily Cal.
- July '03 Authorized an engineering study of the Cal Lodge, for use in negotiations with the lessees.
- June '03 Formed a subcommittee to further consider the Daily Cal lease.
- May '03 Heard a presentation by Coca-Cola representatives on the Company's business practices in Colombia.
- December '02 Added a fair-trade coffee option into the lease of the Coffee Spot
- December '02 Authorized a letter to Coca-Cola expressing the Board's concerns with allegations of human rights abuses in Colombian bottling plants, and requested a company representative speak to the Board.

Student Union / Pauley Ballroom

- May '05 Voted to approve the LoSpro lounge proposal for the space in the Student Union occupied by the Bearcade.
- May '05 Voted to explore options for the expansion of the Art Studio.
- April '04 Heard a presentation by Ms. Terman, Manager, Art Studio, on expanding the Art Studio into the area used by the Bearcade.
- October '04 Authorized ASUC President Leybovich, with matching funds from H&D, to spend up to \$2,500 for a Student Union/food service survey.
- May '03 Approved agreement with the Chancellor's proposal on the multicultural lounge; to enter into negotiations on costs and the Auxiliary's role in managing the facility; and to approve a negotiating committee. Current Officers will negotiate, with new Officers to shadow them until current Officers leave.
- May '03 Approved having Mr. Cordi and Mr. Rolle submit a proposal to support student use of Pauley Ballroom by the June meeting.
- April '03 Received a proposal, as part of the 2003-2004 budget, to allocate \$20,000 for the Senate and the GA to use for Pauley Ballroom fee waivers.
- February '03 Approved a subcommittee to look into policies for Pauley Ballroom and for fee waivers.

Budget

- April '05 Approved the 2005-6 Auxiliary budget.
- September '04 Approved a motion to state that the Board alone had authority to shift funding; to determine 03-04 residual profit at \$103,208; and to transfer \$50,000 from residual profit to the Auxiliary Contingency Fund, making up for a transfer of that amount to the ASUC to balance its 04-05 budget.
- May '04 Approved a motion to urge the future SOB, 04-05, to consider as a high priority, fully funding one position for the OSA and a half position OSA position for the GA.

Student Union / Pauley Ballroom (cont'd)

- | | |
|--------------|--|
| April '04 | Approved the ASUC Auxiliary FY2004-2005 Budget, including a transfer to the ASUC of \$50,000 from the Auxiliary Contingency Reserves. |
| February '03 | Received "ASUC Auxiliary Revenue and Expense Report, July -December 2003." |
| June '03 | A committee was formed to balance the Auxiliary budget. The Subcommittee on Committees will determine if this should be an ad hoc committee. |
| May '03 | Unanimously approved the 2003-4 budget, and charged the Auxiliary Services Committee to determine cuts to balance the budget. Absent a recommendation by August 30, agreed to staff the security desk in Eshleman starting at 6 p.m., rather than 8 a.m. |

STORE OPERATIONS BOARD MINUTES

April 11, 2006

Present: (Members and others)

Manny Buenrostro
Ron Coley
Matt Dally

Anil Daryani
Sunny Lu
Ray Miles

Jillian Putnam-Smith
John Rolle
Rob Schechtman
Lina Wang

SUMMARY OF THE MEETING

The meeting was called to order at 4:11 p.m.

Matt Dally joined the Board, the new undergraduate representative.

Report from the Finance Committee

The Auxiliary's FY 2006-7 being was presented, after having been reviewed by the Finance Committee. Unit managers reviewed their first six-month revenues and expenses and made a projection for the coming year. The proposed budget was balanced and the projections were conservative and realistic.

One major variance in the budget resulted from the closing of the Bearcade in December 2005, with a revenue reduction of \$29K, although expenses were reduced the same amount.

A big impact on the budget was the full-costing, "overhead" charge by the University 4.6% of expenditures. The OSA had been exempt from the charge, but assessing the charge for OSA expenditures resulted in an additional \$18K in expenses. The total charge for the Auxiliary was \$120K.

Another big impact was reduced Coca-Cola commission. It had been budgeted at \$275K, but actual commission was \$251K. Sales were down because Coke raised prices in the vending machines and Housing and Dining had a new beverage offer.

Reservation Services was now projecting \$200K revenue for this fiscal year, \$25K higher than budgeted. There was also a revenue increase from new leases for leaseholders, but utilities and custodial costs, increased by \$17,000 offsetting the revenue increase.

Utilities were budgeted for a \$37K increase next year. That includes an increase of \$20K for the three buildings, a conservative guess, and a utility increase of \$17K for the Cal Lodge. The Auxiliary had no utility expenses last year because there was a leaseholder at that time. The entire cost to maintain the Cal Lodge was \$31K, an additional cost for the Auxiliary next year.

A suggestion was made to improve the process by which reimbursements were made to students. Improving process will be a priority of the new Director.

The Finance Committee, particularly Prof. Miles and Ms. Wang, were thanked for their work and the improved quality of reports to the Board.

By unanimous voice-vote, the Board approved the Auxiliary's budget for Fiscal Year 05-06.

Report from the Auxiliary Director

The Board met in executive session to discuss Follett commissions.

The search for a new Director was going well, and 30-45 candidates worthy of review have applied. Their applications were given to search committee members, and they'll choose about eight for phone interviews. The process should be completed before the end of May.

Report from the Operations Manager

Solar panels were installed and came online in late February. They provide 41 kilowatts to the Auxiliary's existing 59 Kw, bringing them to 100 Kw. A serious problem with corrosion and cosmetics was discovered, and PowerLight will correct the situation.

Regarding the Gelateria Naia, March revenue was \$19K. If that amount were doubled, the Auxiliary would get 7% of the revenue. The Auxiliary gets a percentage on a monthly basis, not an annual basis, based on quarterly sales. Naia would like improved signage, lit up at night. With Naia's later hours, there might be a critical mass to have other vendors open at night.

Regarding Cal Lodge, ads were placed in the Tahoe newspaper, and there have been some responses, but nothing positive as yet. A mapping course from UC Santa Barbara will likely rent the Lodge. The Auxiliary will meet with lawyers from the University and the ASUC to clarify the legal status of the Lodge.

Regarding the Cal 1 Card, a reasonable rate, 3%, has been negotiated, along with reasonable rates to install hardware in the Bear's Lair. With these terms, the vendors were eager to sign up. The Cal 1 Card can't be used for alcohol, so the Pub was excluded.

The Board entered into executive session to discuss the Postal Annex.

It was noted that the Bear's Lair was crowded at certain times. The Auxiliary controlled the space above the Pub, and more people might go to Naia and eat there.

A suggestion was made to open the stairs near Naia that go up to the Golden Bear Café. It's been closed 10 or 15 years because of previous problems with the homeless. One possibility was to reopen it and have Naia close it at night. Opening it was a campus decision.

The Board entered into executive session to discuss the Postal Annex.

The meeting adjourned at 5:53 p.m. [End Summary of the Meeting.]

This regular meeting of the Store Operations Board was called to order by Jillian Putnam-Smith at 4:11 p.m. in the ASUC Senate Chamber.

APPROVAL OF THE MINUTES

Ms. Putnam-Smith said she would entertain a motion to adopt the minutes from the March meeting. It was so moved and seconded by Mr. Daryani and Ms. Lu. **THE MOTION TO APPROVE THE MINUTES FROM THE MARCH 14, 2006 BOARD MEETING PASSED WITH NO OBJECTION.**

APPROVAL OF THE AGENDA

Ms. Putnam-Smith that under New Business, they were supposed to hear from someone from the Graduate Assembly regarding recycling paper, nobody has shown up as yet. She called for a motion to approve the agenda. It was so moved and seconded by Mr. Miles and Mr. Daryani. **THE MOTION TO APPROVE THE AGENDA, AS AMENDED, PASSED UNANIMOUSLY BY VOICE-VOTE.**

Ms. Putnam-Smith said she would like to introduce the new undergraduate representative to the Board, Matt Dally. Mr. Dally said he's a first-year, an intended Business major, and was an intern in the ASUC. He wanted to get involved in the ASUC and serve students, and wanted to see that things run in their best interests, and that the ASUC ran successfully. Ms. Putnam-Smith said Mr. Dally has been working in the President's office on the Cal 1 Card, which has been going really well that semester. Mr. Coley asked if he was responsible for the major reduction in the interest rate that 1 Card wanted to charge, and would like to congratulate Mr. Dally. Mr. Rolle said that was a really big deal.

Committee Reports

Report from the Finance Committee

Mr. Miles said the Finance Committee reviewed Lina Wang's figures, including the projected budget variances for that year, and her explanations for all the variances. The Committee believes they understand the budget and believes it's a sound budget, and they understand her projections. Ms. Wang and the Finance Committee were present to answer any questions about the budget and the performances of various units. If people weren't clear on this, Mr. Miles would ask them to please raise questions, because they needed to understand it.

Ms. Putnam-Smith asked if he could go over the basic, big numbers in a brief overview, the profit or loss, or anything that stood out to him. Mr. Miles said there weren't many major variances, but there were a few.

Ms. Wang said she would explain some significant items that had a financial impact in that fiscal year, and would then expand how other significant items will affect next year's budget. For the current fiscal

year, all operation unit managers reviewed their first six-month revenues and expenses and made a projection for the coming year. Mr. Miles said that was in Attachment 2, "ASUC Auxiliary FY05-06 and FY06-07 Budget (By Line Item)," the second column, "Projection FY05-06."

Ms. Wang said Attachment 3 showed current year projections, "ASUC Auxiliary FY05-06 Projection and FY06-07 Budget (By Operation Unit)." They were proposing a balanced budget, and the budget and the projections were conservative and realistic.

For some of the major variances, Ms. Wang said the Bearcade closed in December, 2005, which resulted in reduced revenue, \$29,000 for this year. But the closing also reduced expenses by about the same amount. So it had no net effect. Mr. Miles said Attachment 3 showed Bearcade FY05-06 revenues down by almost \$30,000 because it closed. Ms. Wang said Attachment 2 was the line item budget and Attachment 3 showed each operation unit's financial situation.

Ms. Wang said the big impact was the University's full-costing charge. In the past, the University assessed a charge of 4.6% based on expenditures. Exemptions from this charge had previously been given for student services, and the expenditure in the Office of Student Affairs, \$536,000, was not assessed. "Full costing" was overhead that's paid to the University. As a result of this policy change, the Auxiliary had an additional \$18,000 in expenses. In the original budget, this charge was around \$104K, but after the change of policy, it was approximately \$120K.

Ms. Wang said another big impact was the Coca-Cola commission. In the original budget, revenue from Coca-Cola was budgeted at \$275K. But the actual commission received was only \$251K. The revenue was down by around \$21,000.

Mr. Rolle said the Auxiliary received beverage money from vending machines. Coke went from charging \$1.00 to \$1.25, and that had a really negative effect. Secondly, students rely more and more on the 1 Card. Thirdly, the Auxiliary's competitors in Housing and Dining have been heavily promoting "Fridge Packs," so students can put Coke in a refrigerator and soda around. As a result, the Auxiliary has seen a continual erosion of Coke revenue. That was continuing, and the latest figures were down. They're trying to work against that. Coke volume was way down, and now water was actually the top seller, even in the vending machines.

Mr. Schechtman asked how much control they have over the placement of vending machines in academic buildings. Mr. Rolle said the Auxiliary could propose, but the people within the building, along with the Fire Marshall, were the ones who dispose. The Auxiliary has proposed numerous vending machine locations, but their suggestions have been shot down, either by people in the buildings or by the Fire Marshall.

Mr. Schechtman said he's in Dwinelle, and there were over a dozen departments there, plus a courtyard. It's been commented over and over that either a coffee cart or even vending machines in the basement would be very welcome. Mr. Rolle said the previous building coordinator was completely against vending machines, and with someone new in that position, there now might be more leeway. Mr. Schechtman said it might be worth investigating.

Ms. Wang said there were two positive financial impacts for that current year. Reservation Services projects \$200K revenue for this fiscal year, which is \$25,000 higher than originally budgeted.

Another increase in revenue was in the new leases for the leaseholders. But costs for utilities and custodial services increased by \$17,000. So fortunately, those positive and negative impacts almost offset each other.

Ms. Wang said the budget will be balanced at the end of the year and they're on the right track. She called for any questions for current year projections.

Mr. Miles said the Board will get a quarterly update next month so they can see the actuals for the year. Ms. Wang assured him that she monitors, as she can, all of these items. So if a major calamity emerged, they would know about it.

Mr. Miles said that if the Board were to behave with good governance, the Finance Committee should review these figures with great care. Committee members have tried to make sure they were at least marginally literate with the budget document. Members of the Board were not free from the obligation of understanding the budget, and their understanding of the budget was vital and helpful.

Mr. Schechtman said he noticed utilities were going up quite considerably, while at the same time they were bringing on more solar power. He asked what caused this increase. Ms. Wang said the current year projection for utilities showed no change for what had been budgeted. But for next year's budget, there's a \$37,000 increase. Of that, \$20,000 was utilities for the three buildings. It's still uncertain what the change will be. They have energy conservation and solar panels, but that might not offset the amount that rates go up. So they included a \$20,000 increase in the budget for next year. Mr. Miles said that was a conservative guess. Mr. Rolle said there will be a rate increase for utilities for the next few months, and then rates should go down again.

Ms. Wang said that also included in the utility increase was \$17,000 for the Cal Lodge. Last year the Auxiliary had no utility expenses for the Cal Lodge because they had a leaseholder at that time. Aside from utilities, the entire cost for maintaining the Cal Lodge was \$31,000. That would be an additional cost next year for the Auxiliary.

Mr. Schechtman said he would like to see the Board investigate reimbursements, and perhaps invest in some software. He didn't know how many reimbursements and paychecks were processed every year, but in the Graduate Assembly, that number was very substantial. The GA's current policy was to use petty cash for anything under \$50, and to cut a check for any expense over \$50. They have one and a half staff at the GA pretty much dedicated to processing checks and petty cash disbursements. The Auxiliary runs on a separate accounting system from the University, and that's the way they want things to stay, but the University has moved to the point where all reimbursements were done by direct deposit. It would seem that with an investment in software and some changes in the accounting system, a lot of time and labor could be saved. He thought such a system would pay for itself fairly quickly.

Ms. Wang said the accounting system for the ASUC uses up-to-date technology, Fundware. The ASUC could review its processes to see if it was possible to make contact with a bank to make direct deposits. But for the GA, they still need to verify receipts and code which group was being funded and if the expenses were allowed. Even with software, the ASUC couldn't shortcut all the billing. But she thought direct deposits were a good idea, and they could see about that. Mr. Schechtman said he used to work for American Express and one point they would make was that every time a company cut a check, it costs between \$30-50. Ms. Wang said the ASUC paid reimbursements to over 1,000 students. And these

reimbursements were like with a vendor, not like reimbursements for the University. Employment information and Human Resources can't share the database, but for students, every year they almost have all new students, who also have situations that change and move a lot. Students can have reimbursements mailed or picked up, and 90% of them decide to pick them up. If a request was received by Tuesday, a check would be ready to pick up by Friday.

Mr. Coley said he thought Mr. Schechtman's recommendations were on target. He didn't know if it would make economic sense for the ASUC, given its structure and its population. But of all the things that the ASUC has done extraordinarily well over the last number of years, the one thing the ASUC has missed was in improving processing. For the new ED who is hired, one of their first charges would be to sell process. So he totally concurred with Mr. Schechtman's assessment. They need a fresh look at process and other things. In the time he's spent with staff in a very intimate way over the last month or two, it has been made very, very clear to him that there is a clear readiness for process improvement, which he found very encouraging.

Mr. Miles asked if everyone was satisfied. If people had any questions occur to them that day, or later, they could contact him or Ms. Wang, who would be the best one to contact.

Mr. Coley said before they leave this item, he would be remiss if he didn't take the opportunity, particularly with his dual role, to thank the Finance Committee for their work, particularly Prof. Miles and Ms. Wang. The quality of the Board's reports have improved every year since the Auxiliary was established. Much of that was due to the professors who have been on the Board, and most recently, due to the Fi-Comm Chair that year, who provided the quality guidance. This improvement was also due to Ms. Wang's ability to take that insight and to make it operational. Each year there have been some enhancements that have made the reports more intelligible, so people could more easily understand them. So he wanted to thank them very much for those contributions. Mr. Miles said his predecessor, Jim Carman, was much more diligent than he, and his services were a tribute to Mr. Carman, who worked very hard on this.

Ms. Putnam-Smith said she would entertain a motion to approve next year's budget. It was so moved and seconded by Mr. Daryani and Mr. Miles. **THE MOTION TO APPROVE THE ASUC AUXILIARY'S BUDGET FOR FISCAL YEAR 05-06 PASSED UNANIMOUSLY BY VOICE-VOTE.**

Mr. Schechtman asked about the Student Center Fee, as listed on "ASUC Auxiliary Year-End Fund Balance Projection, FY05-06 and FY06-07." Ms. Wang said it's the student ledger fee. It's per student, \$1.80 for building maintenance. That money was transferred by the University to the Auxiliary to spend on building maintenance. It's a restricted fund, and could only be used for maintenance.

Report from the Auxiliary Director

Ms. Putnam-Smith said the first item was a discussion on Follett commissions, and they'd need to go into executive session. She would therefore request that, without objection, they enter into executive session. This meeting entered into executive session to discuss Follett revenue.

Back in open session, Ms. Putnam-Smith said the next item was the search for the new Auxiliary Director. Mr. Coley said he was more pleased with this search than he has been with most of the other searches

he's been involved in. In a very short period of time, they've had 35-40 candidates worth reviewing their applications, and they've had others apply who were not even close. But 30-45 people were real potentials. Of those, there were about eight applicants or so who have been determined were of the quality the Auxiliary was looking for. These applicants will receive phone interviews that will take place that week. He would expect that next week he'll receive the results of those phone interviews. He'll have an initial meeting with the search committee either that week or early next week to give them an orientation of what they need to be paying attention to. They can expect by the end of next week, or, more realistically, the following week, to have a recommendation.

Mr. Coley asked if Mr. Buenrostro received a schedule of when the meetings will be held. Mr. Buenrostro said he received some proposed dates.

Mr. Coley said they're searching for the right dates for search committee members. To give the Board some sense, applications of all those 35 or 40 candidates were given to all the members of the search committee. So every member of the Committee had an opportunity to review them and to recommend which applicants should go to the next level. They heard back from about 75% of the search committee. This was how they'll choose the eight or so people who will have phone interviews. After the phone interviews, there will be a determination by with the search committee about who will be brought to the campus. He was pretty certain that those meetings will take place within the next three weeks. So Mr. Coley said he was very, very pleased with the trajectory they were on to fill the position.

Mr. Buenrostro asked if they were planning to have this done before the end of May. Mr. Coley said that was correct. That's what he promised, and he was on a glide slope to deliver that. He was very optimistic.

Mr. Buenrostro said he would like to thank Mr. Coley personally. In looking at the search committee, he thought it was one of the most inclusive search committees he's seen on campus, and he just wanted to thank Mr. Coley for being very open minded and for contacting a wide array of people for this. Mr. Coley said he would like to thank Mr. Buenrostro very much. Several members of the Board were on the committee. The position of Auxiliary Director was a very attractive job, with a lot of gristle the person has to be able to deal with, and this will work out fine.

Report from the Operations Manager

Mr. Rolle said he had a few items he just wanted to bring to the Board's attention. None required a vote. He distributed a hand-out dealing with the solar panels that were installed. In late February the new panels came online, and they're seeing the increased production that they expected. The new system provides 41 kilowatts to the Auxiliary's existing 59 Kw, which brings them to 100 Kw.

Mr. Miles said they haven't had any sun since February. Mr. Rolle said the March figures were in, and the system was provided about 5%, which was something considering the lack of sun they've had.

Mr. Coley asked about corrosion. Mr. Rolle said there was a very eagle-eyed quality control person on the roof who pointed out a serious problem. The bottom of the solar panels are masked by other panels, and there was a tremendous amount of corrosion and perforated sheet metal. The Auxiliary met with

PowerLight, on the only day it didn't rain, and the company understood the problem. The Auxiliary requested that it come up with a solution. Mr. Rolle said he thought it would involve taking things apart, re-painting, and putting things back together. He told the company that aside from its contractual obligations, this was primarily a teaching system, and generations of architects and engineers will come up and look at this. If it looked like garbage, as it does now, and has PowerLight's name on it, it wouldn't do the company any good. And the company understood that. When he thought happened was that the panels were painted correctly, but were then stacked, causing the paint to be rubbed off. From the standpoint of electrical production, the panels were doing fine, but cosmetically, they didn't look good.

Mr. Coley said he would like to thank Mr. Rolle, and thought he articulated the concern quite accurately. This was a big deal, because as he saw it, the situation was just beginning, and in 12 months, particularly with all the rain they've had, it would be grossly unsightly and reflect very poorly. Mr. Rolle said PowerLight was also very conscious of its image. Mr. Coley said the Auxiliary should expect the company to make that okay. Mr. Rolle said that was correct, and the company saw there was no weaseling on its part.

Regarding the Gelateria Naia, Mr. Rolle said he distributed a hand-out that Naia provided. March revenue was \$19,000. People asked about a percentage Naia would have if that amount of sales was doubled, and that would put the Auxiliary to the point where it would get 7% of the revenue.

Mr. Schechtman asked about the amount of revenue before a percentage. Mr. Rolle said the amount was \$41K. Mr. Coley said that to the extent Naia exceeded that amount a month, the Auxiliary would get a percentage on a monthly basis, not on an annual basis. Mr. Rolle said it's based on quarterly sales of the previous quarter. He thought Naia was happy. One thing Naia really wanted, which the Auxiliary was working on with them, was to develop some signage that could be lit up at night. The Gelateria would like to get Zellerbach crowds, which was difficult because it's so dark. So they're looking at some proposals at that time.

Mr. Schechtman said he would like to suggest that they look at perhaps advertising something in the hand-out Zellerbach gives for performances, such as playbills. Secondly, perhaps they could get together with the Director of Cal Performances. As with Athletics, he thought there was more opportunity for joint marketing. Mr. Schechtman said the other problem, from the students' standpoint, was that the Gelateria was the only live thing for students on Lower Sproul. He didn't know if the Auxiliary has ever looked at having other vendors stay open past 6:00.

Mr. Coley said they have, and something he, Mr. Cordi, and the vendors talked about all the time. But during those years, there was never enough business to justify staying open later. But that was a dynamic situation that changes. The vendors were very motivated to stay open. Mr. Rolle said that with the Gelateria there might be a critical mass at that point.

Mr. Dally said that if people had to stay on campus and didn't want to go to Durant and back for a burrito, that would be great.

Mr. Rolle said he talked with the vendors and there will be more interest in this.

Mr. Coley asked if the ASUC was still promoting the Gelateria on its Daily Cal page. Mr. Rolle said they were. Mr. Buenrostro said if there's something special going on, the Gelateria could send the ASUC the information to be used in a portion of that page.

Mr. Coley asked if everybody saw the editorial about Naia last week. A student wrote that he would rather have the Bearcade. Mr. Rolle said opposition to removing it never coalesced. Mr. Coley said that's what the student complained about. Mr. Schechtman said that applied to all seven people who used the Bearcade.

Mr. Rolle said he would briefly touch on the Cal Lodge. He put ads in "The Sierra Sun," the newspaper in Tahoe, and some interested parties have applied, but nothing positive has come together. The only positive thing on the horizon was a tentative agreement for a UC Santa Barbara group to go up there, as its done for many years, for a course in mapping. They'll probably end up staying at the Cal Lodge, and that should provide revenue of around \$9,000. But the Auxiliary was really looking forward to getting a manager. They need to clarify the legal status of the Lodge, and Mr. Rolle said he and Mr. Coley were meeting with Mike Smith and Mark Himelstein to clarify that. So when the Auxiliary proceeds and they have a lease, they'll be on firmer footing.

For something really positive, for the Cal 1 Card, Mr. Rolle said that Mr. Dally and Alex have negotiated a reasonable rate for the Cal 1 Card, 3%, and some reasonable rates for the installation of the hardware. They've been working with Reggie Nance, who works with the Cal 1 program, and he'll put in a pilot Cal 1 reader in the Bearcade. All the vendors were eager to sign up with these terms. So it looked like they'll have Cal 1 at Gelateria Naia and the other four food vendors. There's a problem with the Pub because the Cal 1 Card can't be used for alcohol, and that may cause some problems. But Mr. Rolle said having the 1 Card in the Bear's Lair was a big deal, as vendors see sales being lost to other venues because they can't use the Card.

As for the discussion on the Postal Annex, Mr. Rolle said he thought it should be in executive session.

Mr. Schechtman asked how much control the Auxiliary had over the physical space in the Bear's Lair and the amount of seating. He's had two students come to him about that, and asked if there could be more seating for the Auxiliary's food vendors. Mr. Rolle said the Auxiliary had total control. Mr. Schechtman asked if they could move out onto Sproul Plaza, particularly if they start to offer the Cal 1 Card and draw more students. He thought the area could support more diners if there was more seating.

Mr. Coley asked if he was saying that the area was oversubscribed at certain times of the day. Mr. Schechtman said that was the case, particularly at midday. Ms. Putnam-Smith said she agreed. Mr. Dally said it's always crowded, especially if it's raining. People end up not wanting to go there.

Mr. Rolle said that one problem the vendors complained to him about was that people would buy their food elsewhere, maybe at the Convenience Store, and just sit in the Bearcade. The Auxiliary put up signs about not bringing in food, but it was pretty hard to enforce.

Mr. Dally said there were never empty seats. Mr. Rolle said it does get crowded, and the vendors themselves were super busy. The Auxiliary controlled the space above the Pub, but that was a little bit of a walk. Mr. Schechtman said this was something the Auxiliary should look at, because he thought they could drive more business through there, especially with Cal 1. Mr. Rolle said the Auxiliary had total control over the area, and as far as expanding, that was something to look at.

Mr. Buenrostro said he wanted to make sure the Auxiliary didn't get too aggressive in discouraging students from getting food from elsewhere and sitting in the Bear's Lair, because it was convenient, as well as being a business at the same time. The Auxiliary had to find a happy medium there. Mr. Rolle said the vendors don't mind if students get a drink, or something. He wasn't personally kicking people out.

Ms. Putnam-Smith said that when more people find out about Naia, they'll realize there's a great deal more seating there. Hopefully that could help offset things. Mr. Rolle said he's noticed people without gelatos just studying, and the manager said that was fine.

Mr. Buenrostro said that related to Naia, he recalled that in a walk-through of the Student Union last semester, people noticed the stairway connecting that area with the Golden Bear Café. He asked why that was closed. Mr. Rolle said it's been closed 10 or 15 years. It became kind of a homeless outpost and caused real problems, all sorts of things. Ms. Putnam-Smith said they know have increased traffic there. Mr. Rolle said he, Fernando Cazares, and Chris Tan looked at this. The stairway could be opened up, and was something they might want to take a second look at. It looked very trashy because it's been abandoned. Mr. Schechtman said they could paint "Naia" with a big arrow and perhaps get more traffic. Mr. Rolle said they could also have Naia close it up when the Gelateria closed. It's something people were thinking about.

Mr. Miles said that whole area were lighted a lot more effectively, they wouldn't have the same problem they had before. Mr. Rolle said that was correct. Ms. Putnam-Smith said this has been a constant question of hers. Mr. Rolle said the stairway was not the Auxiliary's, but the campus', and the passway wasn't the Auxiliary's either. So this was something that concerned the campus as a whole.

Ms. Putnam-Smith called for any other questions, and said that without objection, the Board would move into executive session to discuss the Postal Annex. This meeting entered into executive session.

Recycling

Back in open session, Ms. Putnam-Smith said there was addition they made to the agenda, about recycling paper. People didn't show up that evening, but Students for a Greener Berkeley would like to talk to the Board, perhaps next month, about how the campus could increase sales of recycled paper at the Bookstore and decrease sales of virgin paper.

Mr. Coley asked if Mr. Schechtman was a member of the group. Mr. Schechtman said he wasn't a member of the group, but he's talked to them. Mr. Coley said a woman who works with him was in charge of purchasing at the University, Lena Morrow, and they're working at trying to finally get the campus to use much more recycled paper, and not just at the Bookstore. Mr. Rolle said there was also a Sustainability Committee on the campus. Mr. Schechtman said members of the group that will make the presentation were also members of that Committee. Ms. Putnam-Smith said they would discuss this next month.

Ms. Putnam-Smith said that with no further business, the meeting was adjourned.

This meeting adjourned at 5:53 p.m.

These minutes respectfully submitted by,
Steven I. Litwak, Recording Secretary

DECISIONS OF THE BOARDProcedures

- April '05** **Mr. Dally joined the Board as undergrad representative.**
- December '05 Asked the Finance Committee to discuss with Internal Audit the ASUC's use of the BFS accounting system.
- December '05 Elected Ms. Putnam-Smith as Chair of the Board.
- June '05 Voted to have committees, after the August meeting, agree upon meeting times, during normal business hours, and for the Finance Committee to meet at least quarterly, and for each committee to have representation of faculty, staff, and students.
- June '05 Re-elected Mr. Cohen as SOB Chair and elected Ms. Putnam-Smith as Vice Chair.
- February '05 Mr. Miles and Mr. Williamson joined the Board.
- August '04 Formed an ad hoc committee to study increasing efficiency in information technology.
- July '04 Elected Elliot Cohen as Acting Chair of the SOB, for 2004-5.
- April '04 Considered and amended ASUC Auxiliary Budget Principles.
- January '04 Agreed to send another letter to the ASUC Senate and the GA asking to resolve the question of a GA representation on the Board.
- December '03 Voted to send a letter to the ASUC Senate asking to resolve the question of GA representation.
- October '03 Approved the establishment of ad hoc committees: Commercial Operations, Auxiliary Services, and Finance.
- August '03 Heard a report on the establishment of the Space Assessment Committee for Eshleman and MLK.
- June '03 Elected Ms. Quindel and Mr. Bucklin as Board Chair and Vice Chair, 2003-4.
- June '03 Formed a Subcommittee on Committees to determine a committee structure for the Board.
- June '03 Agreed to hold a Board member orientation by August 30.

Procedures

- May '03 Agreed on the need for a Board member orientation to be held before the start of the school year.
- December '02 Enhanced Board minutes by adding "Decisions of the Board"

Vendors

- March '06 Approved a five-year lease option exercised by the Jupiter Pub
- Feb. '06 Authorized pursuit of a judgment against the previous Cal Lodge leaseholder on behalf of the ASUC and the ASUC Auxiliary.
- Sept. '05 Authorized the Chair to write a letter to Associate Vice Chancellor LeGrande about the rate and usage of the Cal 1 Card.
- Sept. '05 Approved use of an inspector suggested by the Alumni Association to inspect the Cal Lodge, to authorized pursuing an agreement for the Alumni Association to manage the Lodge.
- May '05 Approved the further exploration with Darryl Ross of placing a green café at the southeast corner of the Student Union.
- March '05 Heard a presentation by Darryl Ross and agreed to investigate the possibility of a "green" restaurant in the southeast corner of the Student Union.
- Nov. '04 Approved a two-year lease extension, beginning Jan. 1, '05, to the Taqueria and Healthy Heavenly Foods.
- Nov. 04 Approved the transfer of ownership of The Taqueria to the owner's nephew.
- August '04 Decided to offer the Pub, after consulting with counsel, a reduction in rent, with conditions.
- July '04 Heard a counter proposal from the Pub regarding a contract revision. Authorized the Director to seek legal counsel.
- July '04 To advertise the Store, the ASUC worked to give Cal-SO counselors a \$5 gift certificate and RAs a 15% discount card.
- June '04 Approved a five-year extension for the STA Travel lease.
- June '04 Approved the Resolution In Support of Follett Contract Performance Review.

Vendors (cont'd)

June '04	Approved changes to the terms of the Pub's lease.
April '04	Authorized negotiations for a 12-month contract with the current Bear's Lair tenant, and to terminate the lease if negotiations fail, and to issue an RFP.
March '04	Agreed to a four-week pilot project for the New York Times Readership Pilot Project.
March '04	Rejected contract proposals submitted by Pub management, called upon Commercial Operations to initiate a student survey on use of Pub space, and approved sending out an RFP for the space.
March '04	Recommended signing the Follett contract, dated Feb. 26, '04.
January '04	Agreed to publish a letter in the Daily Cal to the general campus community promoting Auxiliary businesses.
January '04	Voted to send a letter of apology to the Bookstore manager for the content of a flier for the ASUC Bookswap.
December '03	Heard from John Martin, operator of the Pub.
November '03	The Daily Cal lease was signed, and printing of the ASUC government page began.
November '03	Heard a presentation on Coca-Cola business practices in Colombia.
August '03	Amended the Daily Cal lease to have a code of conduct for the paper discussed by the campus committee at-large.
July '03	Approved a five-year lease with the Daily Cal.
July '03	Authorized an engineering study of the Cal Lodge, for use in negotiations with the lessees.
June '03	Formed a subcommittee to further consider the Daily Cal lease.
May '03	Heard a presentation by Coca-Cola representatives on the Company's business practices in Colombia.
December '02	Added a fair-trade coffee option into the lease of the Coffee Spot

Student Union / Pauley Ballroom

- December '02 Authorized a letter to Coca-Cola expressing the Board's concerns with allegations of human rights abuses in Colombian bottling plants, and requested a company representative speak to the Board.
- May '05 Voted to approve the LoSpro lounge proposal for the space in the Student Union occupied by the Bearcade.
- May '05 Voted to explore options for the expansion of the Art Studio.
- April '04 Heard a presentation by Ms. Terman, Manager, Art Studio, on expanding the Art Studio into the area used by the Bearcade.
- October '04 Authorized ASUC President Leybovich, with matching funds from H&D, to spend up to \$2,500 for a Student Union/food service survey.
- May '03 Approved agreement with the Chancellor's proposal on the multicultural lounge; to enter into negotiations on costs and the Auxiliary's role in managing the facility; and to approve a negotiating committee. Current Officers will negotiate, with new Officers to shadow them until current Officers leave.
- May '03 Approved having Mr. Cordi and Mr. Rolle submit a proposal to support student use of Pauley Ballroom by the June meeting.
- April '03 Received a proposal, as part of the 2003-2004 budget, to allocate \$20,000 for the Senate and the GA to use for Pauley Ballroom fee waivers.
- February '03 Approved a subcommittee to look into policies for Pauley Ballroom and for fee waivers.

Budget

- April '06** **Approved the 2006-7 Auxiliary budget.**
- April '05 Approved the 2005-6 Auxiliary budget.
- September '04 Approved a motion to state that the Board alone had authority to shift funding; to determine 03-04 residual profit at \$103,208; and to transfer \$50,000 from residual profit to the Auxiliary Contingency Fund, making up for a transfer of that amount to the ASUC to balance its 04-05 budget.

Budget (cont'd)

May '04 Approved a motion to urge the future SOB, 04-05, to consider as a high priority, fully funding one position for the OSA and a half position OSA position for the GA.

Student Union / Pauley Ballroom (cont'd)

April '04 Approved the ASUC Auxiliary FY2004-2005 Budget, including a transfer to the ASUC of \$50,000 from the Auxiliary Contingency Reserves.

February '03 Received "ASUC Auxiliary Revenue and Expense Report, July -December 2003."

June '03 A committee was formed to balance the Auxiliary budget. The Subcommittee on Committees will determine if this should be an ad hoc committee.

May '03 Unanimously approved the 2003-4 budget, and charged the Auxiliary Services Committee to determine cuts to balance the budget. Absent a recommendation by August 30, agreed to staff the security desk in Eshleman starting at 6 p.m., rather than 8 a.m.

STORE OPERATIONS BOARD MINUTES

May 9, 2006

Present: (Members and others)

Manny Buenrostro
Ron Coley
Matt Dally

Anil Daryani
Barbara Davis
Ray Miles

Jillian Putnam-Smith
John Rolle
Rob Schechtman
Lena Wang

SUMMARY OF THE MEETING

This meeting concluded the Spring Semester. It was called to order at 4:10 p.m.

COMMITTEE REPORTS

Report from the Finance Committee

Ms. Wang provided the Auxiliary's quarterly revenue and expense report, July '05 to March 06. The Finance Committee has reviewed the major variances. Most were anticipated, such as electricity costs going up. The Board heard explanations in approving the budget. In the future, there will be additional costs incurred for employee benefits, something that was still under discussion at UCOP.

Report from the Commercial Activities Committee

The Committee met with April Roy, Manager of The Scholar's Workstation, the campus' computer store. The TSW wanted to work with the ASUC more and increase awareness of its services. It might help the Auxiliary get more sponsorship for events. Also discussed was the possibility of an extension store at the ASUC, possibly in the Postal Annex space.

Such a move has been discussed at least previously by the Board. One possible location for the TSW belonged to Follett, used by Follett's marketing department. Follett had been willing to allow the TSW sell any items, but wanted the right to sell the same things itself. The TSW decided not to go forward. Mr. Coley asked to be informed of any discussions held about this.

REPORT FROM THE DIRECTOR

Interviews for the Auxiliary Director will start in a week, with seven candidates to be interviewed. The applicant pool was particularly deep. In the following week the remaining candidates will come to

campus for interviews with stakeholders and interested parties. Requests were made to include SOB members and new ASUC Executives in the interviews.

Regarding the issue of commissions, dealing with Follett, the Auxiliary, and Intercollegiate Athletics, Mr. Coley met with Mr. Cummins, who has administrative responsibility for Intercollegiate Athletics. Another meeting was scheduled to talk about the fine print, especially things the students wanted for consideration of the offer the Auxiliary made.

NEW BUSINESS

Discussion on the Cal Lodge

A meeting was held with Mike Smith to discuss the Cal Lodge, which was owned by the ASUC, not the Regents. The Lodge does not meet ADA or University fire regulations. The ASUC has liability. One possibility was to transfer ownership to the ASUC's Berkeley Student Foundation, which gives out scholarships. The Lodge was part of the Commercial Activities Agreement, noted as a commercial activity of the SOB, despite not being owned by the University.

The ASUC did not want to sell the Lodge, and if it was sold, the belief was that the ASUC would need a plan for that money. It was very important for the Lodge to remain under the ASUC. Putting the Lodge under the BSF might solve the liability issue, but not the management issue. No transfer should be made until there was a management plan.

Mr. Rolle has tried to find leaseholders under the previous arrangement the Auxiliary has had with caretakers. But direction was needed from the Board.

It was believed that part of the problem was that stakeholders weren't bearing any of the costs.

To do nothing with the Lodge and have it remain unoccupied was also a problem.

Next year the University might have to force the issue more, and the Board had to do something. The University was concerned about the exposure it had.

The students have asked the ASUC's lawyer, Mark Himmelstein to look into finding someone to run the Lodge, where the Lodge would be under the BSF.

The Lodge had no viable business plan. The only people to manage it lived there, and it would need to be subsidized. And it would be very expensive to get the facility into shape. It currently costs the Auxiliary about \$3,000 a month. It meets local building and fire ordinances.

It was suggested that Senate might address this by a student referendum, to \$1.50, e.g., a semester to cover costs, with the understanding that if such a referendum didn't pass, the Lodge would be sold.

It was noted that transferring ownership to the BSF would still not provide a revenue stream or reduce liability. Concerns were also expressed about the ASUC operating a commercial activity, given its past experience doing that, and about the need to totally separate the University from any responsibility for facility.

Getting someone to run the space before next semester might be possible, and having the Auxiliary pick up some of the costs might make this more attractive to a potential leaseholder.

Expenses for the Cal Lodge were included in the Auxiliary's 06-07 budget.

A suggestion was made to establish two timelines to resolve this issue. One timeline would be to get somebody to run the Lodge. If they couldn't, then they'd start looking at other options, such as a sale, and perhaps purchasing something else, or using the money to provide some highly needed service.

It was suggested that the preferences of the current student Administrations be documented, for incoming students, to carry this discussion over to September and to get something happening next year.

A suggestion was made to make a deal for some management operation, at whatever price. That would probably take a multi-year lease, but at least the Lodge would be occupied for next winter's ski season. Another suggestion was to put the question before the students in next year's ASUC election if no leaseholder was found.

It was suggested that the Lodge wouldn't be successful if it was not run under the expertise of the Board.

Any leaseholder would have to carry insurance independent from the Auxiliary's insurance, which was \$1 million.

It was suggested that if there was no leaseholder by October, that incoming student Administrations should start to talk to the ASUC Senate or the GA Executive Board about what they wanted to do.

By unanimous voice-vote, the Board approved having Mr. Rolle look for someone to manage the Lodge, with the same relationship as they had previously, removing restrictions for a leaseholder.

It was suggested that the Board give the Senate a task, to come up with a proposal by the 12th week, or to come up with a subsidy model for the ASUC to keep the property, assuming the Lodge would not be economically self-sufficient.

It was noted that the Sugar Bowl lodge would like to swap out with the Cal Lodge in order to have a dormitory for its employees, or a condo.

By the end of next semester, the Senate should have options for either a subsidy or sale.

Discussion of Sweatshop Initiative

The Chancellor last week endorsed the sweatshop initiative, which involves a Designated Suppliers Program. The question was whether the Board would like to support the spirit of this initiative. This item was on the agenda for the Board to make a statement on where it stood.

The Designated Suppliers Program would go into effect gradually. In the first year, 25% of UC apparel would be purchased through this Program, through companies that fit the guidelines. One concern the University had was not knowing what unintended consequences might result. The Chancellor didn't have the authority to sign on to this, and UCOP's Committee on the Code of Conduct would make this decision.

By unanimous voice-vote, Board endorsed the efforts of the Chancellor and the President of the University to utilize programs such as the Designated Suppliers Program, or other means of preventing the use of sweatshops in the production of University apparel and goods.

Ms. Putnam-Smith will send out an e-mail to find out people's availability for the summer months. The Board will only have to meet one time over the summer.

This meeting, concluding the Spring Semester, adjourned at 5:38 p.m.

End summary of the meeting

This regular meeting of the Store Operations Board, concluding the Spring Semester, was called to order by Jillian Putnam-Smith at 4:10 p.m. in the ASUC Senate Chamber.

APPROVAL OF THE MINUTES

Ms. Putnam-Smith called for a motion to adopt the minutes from the April meeting. It was so moved and seconded by Mr. Miles and Mr. Dally. THE MOTION TO APPROVE THE MINUTES OF THE APRIL 11, 2006 BOARD MEETING PASSED UNANIMOUSLY BY VOICE-VOTE.

APPROVAL OF THE AGENDA

Ms. Putnam-Smith said they should add a report from the Commercial Activities Committee to the agenda, under Committee Reports. She called for a motion to adopt the agenda for the meeting. It was so moved and seconded by Mr. Schechtman and Mr. Daryani. THE MOTION TO APPROVE THE AGENDA, AS AMENDED, PASSED UNANIMOUSLY BY VOICE-VOTE.

COMMITTEE REPORTS

Report from the Finance Committee

Mr. Miles said that Ms. Wang has supplied the quarterly report, "ASUC Auxiliary Revenue and Expense Report, July 1, 2005 to March 31, 2006." It showed all the accounts and had an explanation for each major variance. He has reviewed those variances with her. He called for any questions people might have. Some expenses have increased and some have diminished, and those explanations were footnoted. Most of these changes were anticipated, such as electricity costs, which they knew would go up. Cal Lodge revenues and expenses were also anticipated. Coca-Cola revenue decreased.

Ms. Wang said the Board heard explanations of the significant circumstances during the last budget process, and the Board was informed of the anticipated increases in expenses. Mr. Miles said the Board received explanations for most of these before.

Mr. Buenrostro asked how much of an impact the change in University overhead costs will have. Ms. Wang said overhead was an annual cost charged by the University. It will be \$120,000, 4% of revenue earned.

Mr. Rolle said it was mentioned at budget meetings that they would have additional costs for benefits, and asked if that was still an unknown at that point. Ms. Wang said that was correct, and it was still being discussed by UCOP. They don't know how much it will cost per department. That wasn't budgeted for next year, and when the actual rate comes out, it will be next January, when the Auxiliary's next budget is re-projected. Mr. Rolle said people don't realize the Auxiliary pays full freight.

Mr. Miles said Ms. Wang did a good job with the report.

Report from the Commercial Activities Committee

Mr. Dally said that last week he and Mr. Buenrostro met with April Roy, Manager of The Scholar's Workstation, the campus' computer store for students, staff, and faculty. Ms. Roy wants to work with the ASUC more, and with student groups, and increase awareness of its services, since The Scholar's Workstation was somewhat detached from the rest of the of the campus. Ms. Roy also felt there was a lot that the Auxiliary could benefit from. The TSW works with Dell, Novell, and other active companies, and it was her view that the Auxiliary could use the TSW to get more sponsorship for events. Mr. Dally said this was just a preliminary meeting.

Mr. Dally said that Ms. Roy also brought up the idea that The Scholar's Workstation would like to have an extension store on campus, and sell at least some of the smaller units people want to see hands-on, like iPods, accessories, printers, etc. She was just bringing up that idea.

Ms. Putnam-Smith asked what size space they'd need for a satellite location, because the Auxiliary had some options. One option was the really tiny kiosk, which used to be the photo kiosk. Mr. Dally said one space that was brought up as the only space that looked like The Workstation could possibly use was the Postal Annex space. Ms. Roy seemed to be receptive to that.

Mr. Rolle said that issue was discussed at length previous by his former boss, Mr. Cordi. One area of discussion was that the proposed space actually technically belonged to Follett. He asked if they talked about that space. Mr. Dally said Ms. Roy did bring that up. The Scholar's Workstation was going to

move into the space across from Follett's marketing department, but that fell apart because Follett didn't want TSW to sell items under \$500, because Follett felt it might move into that market. But apparently, it hasn't.

Mr. Rolle asked about the explanation as to why that idea fell apart. Mr. Dally said the TSW makes its biggest profits on the lower-cost items, under \$500, such as printers, iPods, software, and other accessories. But in the contract it proposed, Follett didn't want the TSW to sell such items because it might compete with Follett.

Mr. Coley said he would correct the record. Follett was willing to allow the TSW sell anything it wanted to, and Follett just wanted the right to sell those items as well, and wanted the right to compete. That was a slightly different version, but was what actually happened. Follett was ready to have The Workstation move into that space at any time. It's space that Follett controls. But Follett reserved the right to offer more options to the students. The TSW was the party that decided not to go forward with the agreement, under that arrangement, because, he thought, TSW was uncomfortable with its ability to compete with Follett if Follett was able to sell those items.

Mr. Rolle said he understood that the TSW doesn't pay rent for the space it uses at University Hall. Mr. Coley said that was correct. Mr. Rolle said that if they moved into MLK, hopefully there would be some sort of agreement about rent.

Mr. Miles asked if the TSW mostly sold Apples. Mr. Coley said they sell several million dollars worth of Dells and PCs. Mr. Dally said they also sell Microsoft Office and other software. Mr. Miles said that when it started several years ago, it sold mostly Apples. Mr. Rolle said he didn't know if that related to the Lenovo contract that Mr. Coley had going.

Mr. Coley said that for any conversations held with The Scholar's Workstation, he would just ask to be informed about what was discussed in those talks, because there were other components associated with this.

Mr. Dally said he also wasn't sure the TSW entirely liked the location in MLK. It seemed as though it might be too much on the office side, without a lot of traffic, located across from Follett's marketing area. The Manager seemed to like the idea of having more public space. Mr. Rolle said they didn't have much space in the basement of University Hall. Mr. Dally said the Manager just wanted to sell more popular items, and not just laptops.

REPORT FROM THE DIRECTOR

Ms. Putnam-Smith asked if Mr. Coley had any update on the search for a new Auxiliary Director. Mr. Coley said they have moved at the pace he reported that they'd be moving. Interviews will start on Wednesday. Seven people will be interviewed, as he believed he reported last time. Mr. Coley said he's recruited a lot of positions since he's been there, and without engaging in hyperbole, this might be the richest pool for a particular position of any that he's recruited. The seven people were all qualified, and he thought the Search Committee will have a pretty significant challenge in recommending the three or four candidates to be interviewed on campus. The other three will be interviewed by videoconference.

Those will occur Wednesday and Thursday, and by Friday, the Search Committee will have recommendations to him. And then probably the following week they'll set up meetings for the last two, three, or four candidates to come back to campus for a series of interviews with other stakeholders and interested parties.

Other stakeholders that will participate in interviews include the ASUC and ASUC staff. Other groups on campus have also expressed an interest, such as Undergraduate Affairs, which would like to have an opportunity to meet these folks. So the candidates will have a full day of interviews. After that, Mr. Coley said he'll get all the feedback. At that point he'll be either close to making a decision, or he may end up inviting one or two of them back again, a third time.

Mr. Miles asked if there will be an opportunity for Store Operations Board members to participate in the interviews. Mr. Coley said he would send out calls, and if people were interested, they could set up a time for the SOB to meet with the candidates as well. That would be off-cycle of the Board's normal meeting since it would occur in two weeks.

Ms. Davis asked if the names would be made public for the second round, when the three or four candidates were brought back. Mr. Coley said he wasn't keeping them a secret at this time. He hasn't sent out any mass mailing around campus, but they names were not confidential at that point. If people were interested, they could contact his office or Mark Freiberg, the Chair of the Search Committee. They haven't treated this in the way they've treated a lot of other Vice Chancellor-kinds of searches. He didn't promise confidentiality at that point to the people when they applied, so that wasn't an issue. Ms. Davis asked how many candidates have been contacted. Mr. Coley said there were seven. Ms. Davis asked if it was a diverse group and if there were any women. Mr. Coley said he didn't know at that time about the group remaining. They actually went out a second and third time to make sure the group they had was diverse. The Human Resources representative working with them assured him that it was diverse. She did phone interviews of probably 10 or 11 people to narrow it down to the seven people who would actually be invited to campus. Mr. Coley said he was actually interested in any feedback or anything people wanted him to consider, because this process was moving, as they have discussed. His commitment was to do everything he could before the student Administrations were over, before the end of May, to narrow down who the person will be. He wasn't absolutely certain that they'll have finished all the negotiations, with salary and all the other things, but at least he thought they'd be able to declare who the frontrunner was.

Mr. Buenrostro said he would request that when the candidates do come to campus, that they also meet with ASUC Executives. At that point, Officers might be new. But that would be a completely different perspective than meeting the entire Senate. Mr. Coley said that would be okay. What he was hearing was that they want to make sure the Executives have an opportunity to interact with candidates, along with the SOB, the Senate, and the ASUC staff, and wanted to be invited to interact with the candidates. He asked if there were any other stakeholder groups people think would be relevant.

Mr. Schechtman said he would assume the Executives would include the GA. Mr. Buenrostro said that was correct.

Mr. Daryani said that at the last Senate meeting, the new Dean of Students was present, and he said he would like to be involved in this process. Mr. Coley said he was going to allow some time for Undergraduate Affairs to have a meeting.

Ms. Davis asked if all these will be separate meetings, or if there will be one big meeting. Mr. Coley said he would try to make them as discrete as possible, but at that point, there were half-a-dozen. After getting a list of all the stakeholders, he'd do whatever he could.

Ms. Davis asked if they could add the Division of Undergraduate Education, who could be in the same room with Undergraduate Affairs. They deal directly with students. Mr. Coley said he would do that. As everybody understood, this was a critical position. The person had to have a lot of business acumen, leadership, and a lot of political acumen. He called for any other questions.

Mr. Coley said the other item he'd report on was an item the Board discussed two or three meetings ago, about the impending train wreck they could have in about two years with Follett, the ASUC, and Intercollegiate Athletics. Mr. Coley said the Board gave him guidance and recommended that he meet with John Cummins, the person who was administratively responsible for Intercollegiate Athletics. They were on the same page, and what they're setting up has already been established. Mr. Coley said he and Mr. Buenrostro and whoever else Mr. Buenrostro wanted to accompany him will have a meeting next Wednesday with John Cummins and Sandy Barber. They'll talk about some of the fine print, those things that the SOB or the students, in particular, want to be offered up for consideration for the offer the Auxiliary was making available. He thought Mr. Cummins was very appreciative of the way this was being handled. Mr. Cummins understood what's happened, and Mr. Coley said he made it very clear to him that the students expected some appropriate consideration for this generosity.

Mr. Coley said those were the items he wanted to report on. He asked if Mr. Rolle had anything else. Mr. Rolle said he thought the significant thing they want to leave time for was the Cal Lodge. Ms. Putnam-Smith said they could move right into that.

NEW BUSINESS

Discussion on the Cal Lodge

Mr. Rolle said that at Mr. Coley's instigation, he and Mr. Buenrostro had a meeting with Mike Smith to discuss the status of the Cal Lodge. To refresh everybody's memory, the Cal Lodge was owned by the ASUC, not the Regents. He distributed some material. The Auxiliary had a University Regents lease with the previous manager of the Lodge, and what brought the genie out of the bottle was the fact that there was a fire. As a provision of the lease, the University took responsibility for the fire and for the damages. At that point, the University questioned why it was paying for this since UC didn't own the Lodge. There was a long discussion, and in the hand out he included were some of the lengthy e-mails that went back and forth. Ultimately, the University did cover the fire damage under its self-insurance program. However, the UC made it clear that since the Lodge was not a University building, such coverage would not happen in the future. Mr. Coley has always been concerned about this property and to what degree it was appropriate for the University to be involved in managing the property. Mr. Rolle said he didn't know how many people have been up there, as he has, and as have Mr. Buenrostro, and Mr. Coley. It was a decent building for a mountain lodge, but it didn't meet the sort of requirements that the University normally requires of its buildings, in terms of requirements of the Americans with Disabilities Act and with fire regulations. So one had to wonder at what point University liability would kick in. Mr.

Smith, the General Council for Berkeley, raised the whole issue of ADA compliance, which Mr. Rolle said he frankly hadn't thought of, because the building was so far out of compliance he hadn't even thought about it. But if somebody was to be invited up there for some sort of conference and had an accessibility issue, the University would be on the hook for ADA requirements. And meeting those requirements would cost hundreds and hundreds of thousands of dollars. So that was a can of worms.

As for what to do about the Cal Lodge, Mr. Rolle said he and Mr. Coley have talked about what would be appropriate for the SOB. There was a liability present, and the question was where that liability should lie, and if it should lie with the ASUC solely. Liability could also lie with the Berkeley Student Foundation, if it took over ownership of the Lodge, although that wouldn't resolve the problem either, because students would still have liability. So that was the issue. He asked if Mr. Coley had any answers. Mr. Coley said he didn't, and hadn't heard any. Mr. Rolle said he didn't have the answer either. This was important because it was covered in the SOB's Commercial Activities Agreement and was on the Board's plate. As shown in the material in the agenda packet, the Lodge was specifically mentioned in the Commercial Activities Agreement as a commercial activity of the SOB, despite the fact that it's not owned by the University.

Mr. Buenrostro said options were proposed, and he wanted to clarify the position that student leaders have, at least for this year. The ASUC does not want to sell the Lodge, and it was his perception that if they did choose to sell it in the future, the ASUC would need a plan as to where to move that money. They couldn't just take money from a sale and put it in a bank account. Rather, the ASUC would need to agree what to do with those funds. Secondly, he didn't get a sense that the ASUC would, at any time soon, be willing to give a lease to the University. He thought it was very, very important to solve this issue, and for the Lodge to remain under the ASUC. That was very important to the Association.

Mr. Buenrostro said that taking these two points into consideration, one potential solution he'd propose was to put the Lodge under the Berkeley Student Foundation. Doing that, however, was not as simple as it might seem. They would obviously still have the issue of who would run and manage the Lodge, although such an action might solve the issue of liability. The liability would be under the Foundation, and not directly under the University, although that could still be debatable. Mr. Buenrostro said that from his perception of the situation, it was his sense that the best option would be to have the Lodge run under the BSF, but to not have that occur until there was a concrete plan on how the Foundation would run the Lodge and put it to effective use. Mr. Buenrostro said he's been there for four years, and it was his understanding that the Lodge should be for students, and it might even be possible to purchase another lodge somewhere else that students might want to use. It could be very beneficial. He didn't think they ever expect to make a lot of money out of this, but at least they should break even in providing this service. It was very unfortunate the Auxiliary was losing a lot of money. But people were willing to suck it up for a couple of years while they find a solution.

Mr. Rolle said he has proceeded to try to find leaseholders, under the previous scheme. But he wasn't sure that was appropriate at this point just because he thought that getting a leaseholder on board would require a lease of at least a couple of years. The Auxiliary would then be proceeding on the force of momentum rather than under a particular direction, or a well thought-out direction. It's not as though he's had a huge amount of success finding a leaseholder, but he was even kind of not eager to go out and beat the bushes just because he didn't have a sense of a good direction. For example, Mr. Buenrostro mentioned selling the Lodge to the University, and Mr. Rolle said he was sure that if was offered, the University would not buy it, not even for \$1, without requiring some significant upgrades, because it would then

be a Regents' property. He wasn't sure, but he thought the University would want to see some upgrades. One option that was mentioned in e-mails was for the ASUC to lease the Lodge to the University, and for the University to then lease it to another person. In that way, the University would have a sort of umbrella coverage. He wasn't sure that when push came to shove that the University wouldn't want to see an upgrade, specifically for ADA and fire regulations; and that would be a huge cost. Those were the kinds of things that were kicked around at the meeting with Mike Smith. As Mr. Coley said, they didn't have an answer. Certainly, this was one of the items on the Board's plate, and it was really problematic.

Mr. Schechtman said the Graduate Assembly just worked with the Graduate Division on having a graduate lounge in Stephen's Hall. The GA put a lot of money into that, and there was a sort of a strange, parallel situation with the Cal Lodge. The lounge was a beautiful facility that was very old and had been under-used. The idea was that having the GA operate it would make it more useful for students. But now that the lounge was operating, the GA ran into the problem of the lounge not being ADA accessible. The first three grad events planned to be there were declined because these public events would not be accessible. So now the GA was in the worst of all possible situations, having spent the money to upgrade the lounge but not being able to fully use it.

Mr. Schechtman said that part of the problem was that while there were a fair number of stakeholders who would like to see something done with the Cal Lodge, or who would at least not like to sell it, they weren't bearing any of the costs. As long as the Auxiliary continued to bear the costs, while other stakeholders got a vote in what happened, he didn't see a resolution to this anytime soon. So one thing the Board might want to consider was to assess costs to the Senate and the GA for the Lodge. As much as he hated to propose that, he frankly thought that if those two bodies started to see an annual cost, they suddenly might be interested in coming together for some conclusion.

Mr. Buenrostro said that regarding the option of selling the Lodge to the Berkeley Student Foundation, the BSF was a private entity run by students. It currently gives out ten scholarships every year to under-represented students, but its scope could be larger, if it was decided to have it take this on. The idea he had behind this was that no money from the Auxiliary would go into the Lodge at that point, and any losses would have to be sucked up by that entity. He thought that would be very important to look at this in the future, and to make sure they figure out who will pay the costs. That was definitely a problem. Right now the Auxiliary was sucking up those costs, and the ASUC ultimately doesn't see those costs, which were sucked up by the Auxiliary.

Mr. Rolle said another issue, unfortunately, was with doing nothing. It wasn't as though the Lodge could be put in a deep freeze, have simply have \$30,000 paid for it every year, while having it stay remain in the freezer, and to then take it out in two years and have it be the same. Just the fact that it would exist there as an abandoned building was problematic. That winter he had a caretaker from one of the other lodges look in on it, but at some point word will get around that this place was basically an abandoned building. So even doing nothing was not a particularly attractive option.

Mr. Miles said they were liable even if the Lodge was an abandoned building. Mr. Rolle said that was correct, although they still have insurance on it. But this was a really tough question, and something the Board needed to grapple with and get their heads around. If the Berkeley Student Foundation were to take it over, he'd think it would be important to have some fairly immediate plans to get it occupied over the summer, and then use it for the coming ski season, because otherwise, if it was vacant for over a year, who knew what would occur.

Mr. Coley said he didn't know if there was anything that this Administration of students could do while they were still in office. Getting a little bit of momentum in one direction, whatever their preference was, would be very much appreciated. For the last five, six, or seven years this has been on a slow simmer. He felt he was responsible to the Board, and was also responsible to the larger University. At that point, he was a little concerned about that other half of the equation. Every year he's brought this conversation up, and he thought that next year he was going to end up having to force the hand on this probably a little bit more assertively. So the Board will have to do something about this. And as he said, the University was concerned about the exposure that it had with this.

Mr. Buenrostro said that what he forget to mention was that in conversations he's had with Mark Himmelstein and with other students about the Lodge, they instructed Mr. Himmelstein to see if there could be a potential to find somebody to run the Lodge; and the Lodge would be under the BSF. Some e-mails were sent out. Mr. Buenrostro said he wasn't working under the assumption that this would be the solution, but at the very least, somebody might be found to run it. Right now, the problem was that nobody was there to run it. He kind of saw the issue of not having anybody to run the Lodge and the question of who would manage the Lodge as two separate issues.

Ms. Wang said she didn't know a lot of about the BSF. They could transfer the Cal Lodge to the Foundation, but there'd be no full-time staff. Not many people see it from year to year, and to continue the business, they'd need accounting. She also felt that Mr. Himmelstein was an attorney and was not a professional in business. The one time he filed a tax return on this he had an outside CPA firm do the return. But he couldn't provide any levels to them and handed over a checkbook. In running the Cal Lodge, the Auxiliary would need professional accounting.

Mr. Buenrostro said he wanted to make it very clear that he was not saying that the BSF was the best option. Right now, from what he knew, it was not a good option, because there was no plan for it. In talking with Mr. Himmelstein, what he was trying to do was to have this as a potential option and see if they could get some structure. Mr. Himmelstein said they could make contact with people, and Mr. Buenrostro told Mr. Himmelstein to talk to them and see if they were interested; and if there was interest, they could take a look at it further. But as of now, that was not an option. But having the Lodge under the BSF was a possibility. He thought things would depend on a lot of the responses they get, including the response from Mike Smith.

Mr. Rolle said adding to what Ms. Wang said, he had been under the assumption that the Auxiliary wasn't really running the Lodge any more, and he kind of left it to Mr. Himmelstein to find another leaseholder. Mr. Rolle said he wished that was the case, but it turned out to not be, and basically nothing happened. Mr. Rolle said he then realized that if anything were to happen, the Auxiliary would need to do it. But he didn't have direction on this, and that was the problem.

Mr. Miles said one thing that was troublesome to him was had the feeling that a business plan for the Lodge simply wasn't viable. The only people who have managed it for the Auxiliary wanted to live there, with the Lodge being their residence. That was a unique situation. This property simply didn't have a business possibility and would have to be subsidized. So the Board would have to figure out who would subsidize it. Right now the initial subsidy would be very expensive in getting the facility into shape.

Mr. Schechtman said that before making a suggestion, he wanted to see if he understood correctly that right now the Lodge was costing the Auxiliary about \$3,000 a month. Mr. Rolle said that was correct.

Mr. Schechtman said that even if an income stream were found to cover those costs, there would still be a problem of legal liability. He asked if that was correct. Mr. Coley said it was. Mr. Schechtman said there was a problem with capital maintenance and bringing the building up to code. Mr. Rolle said the building has been inspected by the local County building and fire authorities. So the Lodge met local ordinances. Mr. Schechtman said that it didn't, however, necessarily meet UC standards.

Mr. Schechtman said his first thought was that this was potentially the kind of thing that a student referendum might address. This was a student property, and there could be a choice, such as paying \$1.50 a semester, to basically cover costs and provide an income stream. Anything the Board might allocate above that could go into capital improvements, e.g., but at least a referendum would make sure the Lodge wasn't a drain on the Auxiliary. That also might make a business plan more viable. The other option was that if they were to sell the property, one thing that struck him was that geographically, Davis was also a stakeholder. The Board may or may not want to do that. He could understand from the student perspective why the Lodge was really appealing. But he also understood from the business perspective that "appealing" didn't make a business case. So he would almost suggest that the Board aim to have one or more options in next year's ASUC election.

Ms. Davis asked what would happen if a referendum failed. Mr. Schechtman said the Lodge would then be sold; and that would be part of the referendum. They could present a number of cases to the students and ask them what they'd like to do, with the understanding that if they didn't do something, the property would be sold.

Mr. Schechtman said the other thought he had was that besides Davis as a possible stakeholder, he read that Cal's Forestry Department built the Lodge. The College of Natural Resources was evidently experiencing a lot of growth, and he was wondering if the Auxiliary could approach that Department as a potential partner, such as for educational programs, e.g. The Department may have a more active interest in the property. Mr. Rolle said that Berkeley has two field stations.

Ms. Wang said that one problem with a sale to the BSF was that there was no revenue source. The Foundation was funded by the ASUC, so transferring ownership to the BSF would still cost the ASUC. And that wouldn't reduce ASUC liability. The BSF gives scholarships to students and doesn't generate revenue.

Mr. Schechtman said he was a little concerned about the option of selling the Lodge to the BSF based on the ASUC's experience with commercial activities before the Auxiliary and the Board were in place. Over the long run, that was probably not a viable option.

Mr. Coley said he should be very concerned about that. If the Board were to do anything like transfer the Lodge to the BSF, regarding the points Ms. Wang made just about its management and oversight of the Lodge, it would only make sense to not make the transfer just for management, but to do it in a way such that any University responsibility was totally separate. So they would not have that safety net that now exists for all their other activities. That's the type of thing that created the problems that caused the Auxiliary to be established in the first place.

Mr. Rolle said it wasn't as though a transfer would solve the liability problem, as Mr. Coley pointed out. If something happened, and the Berkeley Student Foundation was giving endowments, that could theoretically be wiped out. So it didn't really solve the liability problem completely.

Ms. Davis asked Mr. Buenrostro if the issue was that the students wanted to be in control, or if it was more important that the Lodge be usable for students. Mr. Buenrostro said he thought the issue was to have it useful for students. Ms. Davis said she thought, then, that students, would be willing to sacrifice the control issue. Mr. Buenrostro said that was correct. He thought the lease would still have to be under the ASUC. The ideal scenario would be for the Senate to still have ownership of the Lodge, but for the SOB to manage it. Maybe an MOU or agreement could be written where any losses accrued by the Lodge could be taken out of the ASUC budget, or someplace else that wouldn't hurt. The ideal scenario was for the ASUC to have the expertise it needed to run the Lodge. That's a problem they had this year. When he began his term, he was under the impression that this was going to be run entirely by the ASUC. That was the impression he initially got from Mr. Himmelstein and Mr. Cordi. And then, as it turned out last semester, it ended up that it was still under the SOB. He was completely fine with that, and he thought that would be the perfect scenario. But unfortunately, they have the liability issue they have to deal with.

Mr. Buenrostro asked if Mr. Rolle felt it was feasible to get someone to run the space before the beginning of next semester. Mr. Rolle said it might be. In talking to potential leaseholders, when they saw the place and were apprised of the cost, two or three people seemed quite interested, but then when they talked further, they seemed less interested. So it might make sense to not expect this to even be self-supporting. In other words, if they get somebody to run it, the Auxiliary, for instance, could pick up some of the costs. The building needed to be occupied, and if some of the costs were to be picked up, that would be better than having nobody there picking up none of the costs. Maybe having some of the cost picked up would make it more attractive to a potential leaseholder.

Ms. Wang said that Mr. Buenrostro just mentioned something starting at the beginning of the year, and she didn't know the details of what started and didn't see an MOU. It was her impression that any costs for the Cal Lodge would not be paid for by the ASUC, in this budget cycle. To be conservative, she included Cal Lodge expenses in the Auxiliary's 2006-7 budget, and didn't see any MOU that would have costs paid for by the ASUC, and she didn't see any intention of the ASUC having these costs included in the ASUC's budget. She was certain this would be an issue for next year, but thought an MOU was needed to clarify who was willing to pay these costs.

Mr. Buenrostro said that if he recalled correctly, the insurance at least was paid for by ASUC funds. That might have been taken from Auxiliary Commercial Revenue, but that was money that would have gone to the ASUC that just wasn't transferred to the ASUC yet.

Ms. Wang said it made a difference paying from residual. "Profit" was any money remaining after the fiscal year ends. And if the money was paid from the Auxiliary's budget, it needed to be in the budget. They had residual profit last year, but they might not have that in the future. They needed to have revenue to pay for utility costs and insurance.

Mr. Buenrostro said he would like to propose that they establish some type of timeline on what to do with the Lodge. He felt they've talked about it a lot. They always felt they'd have somebody running it, so he was thinking about providing two different timelines. One would be to really push as hard as possible to get somebody to run the Lodge, and to have a timeline for that. After that deadline, if nothing happened, then they could start looking at other options. And one option he would not include would be to sell the Lodge and send the money to Accounting. However, one option he did see would be to sell the Lodge and perhaps purchase something else, or to sell it and provide an Auxiliary service that was highly needed.

Mr. Rolle said the question would be what arrangement they'd have if he was directed to find somebody to run it, such as whether it would be a lease, employment, a business deal, month-to-month, etc. He didn't know what direction they'd take, but those were the things he was thinking of.

Mr. Daryani said Kathy Wegner lived in the Lodge, and it was her home. He asked if Mr. Rolle was specifically targeting that type of individual. Mr. Rolle said he was. His direction at that time was to replace Kathy Wegner with somebody else. Mr. Daryani asked if it was necessary for someone to live there. Mr. Rolle said it wasn't an absolute necessity, but as a practical matter, it was pretty much a requirement. It's actually a rather nice apartment, especially after it was redone after the fire. Mr. Daryani asked if he thought it would be more appealing to a leaseholder if they didn't have live there. Mr. Rolle said they were in some fairly tense negotiations with a woman who wanted to run it as a business, and she wanted to hire a caretaker to be there. She had a business plan and had some ideas about doing that, but they couldn't strike a deal and the negotiations fell apart. Mr. Himmelstein felt that even if they had struck a deal, that was a model. But given the fact that they have students in there, they really need somebody to be there, just like a hotel. A hotel would not want to have nobody there.

Mr. Coley said the year was ending and current students will be out of office. He mentioned to Mr. Buenrostro at the meeting they had last week that it would be very, very helpful if students' preferences were documented, so at least they'd know the preferences of the current group of students. Mr. Coley said he could carry that forward to the next Administration, and this conversation early, in August and September, and perhaps get some traction and movement. For the kinds of things they've talked about, it took a whole year for someone to get a full understanding and appreciation of the scope of this matter. Every year he'd had this conversation around April or May, and they need a means by which to carry this conversation over to September and get something finally happening next year.

Mr. Miles said that given that the Auxiliary couldn't even talk to people and that no decision could be made until September or October, he would argue that what they ought to do was to ask Mr. Rolle to make a deal for some operation, at whatever price he could negotiate. Mr. Rolle asked for how long a deal should be. Mr. Miles said it should probably be for two years, which would still leave them better off. Otherwise they would simply spend \$30,000 and not have the facility kept up.

Mr. Dally said that if there needed to be significant upgrades to the Lodge, they might look at a longer lease. Mr. Rolle said that if they want somebody to come in and run it, and basically pay all the costs and do everything, they'd need to offer them at least five years, some kind of a business deal, where the leaseholder could make a go of it. That may not be possible.

Mr. Coley said all of these were really wonderful ideas, but he hasn't heard a new thought yet. The only thing of true merit he's heard that was that they need to have a go/no go plan. They could do all these kinds of things, but there was no doubt in his mind, as many times as he's seen this, that in six months, things would look very much the same. What he needed was something like, "in the event that if this happens, then that will happen."

Mr. Rolle said he thought Prof. Miles' proposal was viable, having something short-term, one year to three years, at whatever cost. It didn't have to be at zero cost to make a profit, but at whatever cost. They just want somebody there for a year to two years to run the Lodge in some way or another, so it wasn't unoccupied during next December's ski season, with the pipes freezing, and nobody there to think about it. He asked if that was what he was hearing. Mr. Miles said that was his thought. Mr. Rolle said he

would like to confer with the Board about that. Mr. Miles said he didn't see a decision being made to either get rid of the Lodge or to upgrade it. Those alternatives would require substantial investment to get it into shape, where it could be operated as a successful business. His guess was that they'd end up selling it, or end up with a pretty heavy subsidy plan. He didn't see a viable business plan from this. Add if they want it to be affordable to students on a price basis, it wouldn't be a commercial enterprise. So then they have to think about a subsidy. And in the meantime, they lose money and the facility deteriorates without someone there.

Mr. Schechtman said he would like to perhaps merge these discussions and say that they should look for a leaseholder at any reasonable cost, and if they haven't found one by the end of October of this year, as they head into another winter, then they have until the ASUC elections to put forth a subsidy proposal to the students; and if that fails, then they'd put the property up for sale. And they would also need to have a plan of what to do with that money. That would give the Board two firm deadlines.

Mr. Rolle said this was the last SOB meeting with this student Administration. He would like some marching orders, and he was hearing some marching orders that he could work with. Basically, the idea would be to have a short-term deal to just get the facility up and running irrespective of whatever liability issues that may or may not exist, and to just get somebody up there for the short-term. He asked if that was something people were thinking about.

Mr. Buenrostro said that if a long-term deal came about, obviously that would be good, but if the best they could do was a short-term deal, it would still be good to have the Lodge run under the expertise of the Board. He didn't think it would be successful without that.

Mr. Rolle said that would perpetuate a situation, and would be a short-term deal to mitigate a problem they have at that time. A long-term deal in a sense would perpetuate the status quo, even if they got a good deal; and Mr. Coley would still have sleepless nights worrying about what was happening up there. So Mr. Rolle said he was a little reluctant to want to go in that direction.

Mr. Schechtman said that given that a short-term deal would not solve the long-term problem, even if they get a short-term leaseholder, they should then look at the end of the lease as the deadline for putting together a subsidy proposal that would either go through the ASUC Senate or to students directly. He would guess that it would have to go through the students because everything they've heard said there's no magic wand that would make this stop being a liability problem, an accessibility problem, and a financial problem. So if they want to keep it for students, then next spring, or maybe in two or three years, they should ask students to start paying up.

Mr. Coley said he would really appreciate a non-binding blueprint that would lay out the types of things they've talked about. The current Administrations, undergrad and graduate, were leaving with as much knowledge as any of their predecessors have had about this, and he would like something that said, "this is what we would recommend as a roadmap to try and find a better way to deal with this."

Mr. Buenrostro said they have, then, two paths to follow. One would be to have Mr. Rolle, over the summer, until to October, hopefully find someone to offer short-term management.

Mr. Miles said they would recognize that any deal Mr. Rolle may have to strike would probably not produce any revenue, but would probably cut some losses and would keep the Lodge open with sufficient

insurance to protect it. Mr. Rolle said anybody who rented it would have to carry insurance independent from the Auxiliary's insurance. It was insured for \$1 million. That sounded like a lot, but wasn't.

Mr. Buenrostro said it was important to get a short-term deal, and to add to that a one-year period in which to solve the larger problem. Mr. Rolle said he would do the short-term deal and the Board would deal with the policy issues.

Mr. Miles said they might have to go slightly longer than one year. He thought a two-year range would be appropriate because otherwise it wouldn't be effective.

Mr. Buenrostro said that would be one branch of the proposal. The other branch would be if they didn't get anybody to run the Lodge.

Mr. Rolle said he thought they should get somebody. If the Lodge was unoccupied for many more months, he would be unhappy. He really thought they needed to get somebody in, with whatever deal they'd have.

Mr. Buenrostro said he agreed. If they have nobody by October, he would recommend that the next President or Administration start talking to the Senate or the Executive Board about what they want to do with the Lodge, and what other options they had, and maybe by the end of Fall Semester, have something to bring back to be passed by the Board or the Senate. He didn't know if there should be a vote of the student body and thought the Senate could make this decision.

Mr. Schechtman said his problem with that was that if the Senate was encumbering ASUC funds with this, that would be one thing. But this was a significant drain of resources from either the Auxiliary or the Senate, and he thought it made sense to spread the cost out to the student bodies.

Ms. Putnam-Smith said a lot of discussion would be needed regarding long-term planning for the Lodge. She asked if they needed some sort of Board approval to show they were in support of Mr. Rolle finding a short-term alleviation of the problem while they work on this long-term solution, or if they could just conclude from the discussion they've had that afternoon that would move in that direction.

Mr. Coley said this was the status quo. It was the Auxiliary's responsibility as it stood at that time to continue to try to manage this in the best way. What he would insist on was trying to get a document that would provide an understanding of what this Administration's preference was, and then carry that into June, and going forward, to make it actually viable. This was not about what the SOB wanted, because quite frankly, the SOB was not the driver. This property belonged to the ASUC.

Mr. Miles said the Board was, de facto, the operator. As the operator, it seemed to him that they had a responsibility to not let the facility deteriorate further. So he would suggest doing something in the short run.

Mr. Miles moved that the Board do what they did before with Lodge management, and encourage Mr. Rolle to look for someone to replace the management, with the same relationship they Auxiliary had previously, covering the costs. Mr. Miles said he would suggest finding an operator that Mr. Rolle felt was appropriate and to remove restrictions for them. Mr. Coley seconded the motion. Mr. Miles said that wasn't a well-worded motion. Mr. Coley said it would reduce their economic exposure.

THE MOTION TO ASK MR. ROLLE TO FIND AN OPERATOR FOR THE LODGE, WITH THE SAME RELATIONSHIP AS THE PREVIOUS OPERATOR, PASSED UNANIMOUSLY BY VOICE-VOTE.

Ms. Davis asked about the other piece of this question. This has come up every year. Mr. Miles said his motion had nothing to do with the long-term plan for the Lodge. Ms. Davis asked what, then, the companion piece was for the long term.

Mr. Buenrostro said he thought the companion piece that he would suggest was a timeline for a bigger solution. If they had a short-term lease, the bigger solution would come at the end of that lease period, which they hope will be by next year.

Mr. Miles said the process ought to begin next year, because it will take them two years, and anything they did, such as deciding to sell it, could occur as of the end of the lease. Or, they could even buy out the lease. But he would not wait, and thought that next year they ought to find a solution.

Ms. Putnam-Smith said she thought Mr. Buenrostro was saying that next year they'd start to work on this, and things would go into action. Mr. Buenrostro said he wanted to see somebody running the Lodge. There would still be a Lodge, and the solution would be how the Lodge was managed. That would be the end of the year. If they didn't find somebody, then the next solution would be what to do with the Lodge, and whether they'd sell it. If they sell it or something else was done with it, then this problem would be solved. His guess would be that that would only come about if they didn't find a use for it over the summer.

Mr. Schechtman said he didn't know if they could task the Senate, but perhaps they could ask the Senate to come up with a proposal by the end of the 12th week. He'd guess that a business model might take a little bit longer. But maybe they could come up with one by the end of February, '07, or come up with a subsidy model that would allow the ASUC to keep the property.

Mr. Buenrostro said he'd guess they were working with the assumption that there was no one running the Lodge. Mr. Schechtman said that even if they had someone to do that, the Board's assumption was that the Lodge would not be economically self-sufficient, so they need to start pumping money into it from somewhere. Mr. Miles said another option was to sell it. Mr. Schechtman said he would think a decision to sell would be easier to deal with, and something they would deal with sooner. That's why he was suggesting they figure out what a sale would look like in the fall, and figure out in the spring what an ongoing business model would look like. He'd think they'd need some help to do that, because they don't have a lot of experience. Mr. Coley said that would not be a problem. But it was important to get a blueprint of what they would execute.

Ms. Davis said the main thing was to have a place where students could go to ski. The other thing was the amount of money they're losing on this. She asked if they could buy-out some other local lodge, such as for just one month, for UC Berkeley only, and use the money they get from the sale of the Lodge for buying out something else up there once a year, or two months a year. Mr. Rolle said it was possible that the Sugar Bowl lodge would like to swap out with the Cal Lodge, which would be a good dormitory for Sugar Bowl employees, or a condo. Mr. Rolle said they'll continue to explore that option. Ms. Davis asked if that was a viable option. Mr. Rolle said he thought it was. He said the previous manager, Kathy Wegner, without his knowledge, rented out the Lodge to bored ski resort employees, and that deal fell

through. There were a whole bunch Chilean ski employees who were going to go up there, and that's the kind of use that wouldn't be economically viable as a dormitory for ski employees. Ms. Davis said that Berkeley students, then, wouldn't be able to use it. So they'd need some other replacement.

Mr. Miles said that Mr. Rolle, though, had his structure. Mr. Rolle said that was correct.

Mr. Buenrostro said that by the end of next semester, the Senate should have options of either a subsidy or sale. Mr. Schechtman said he thought they really need to not just have either/or, but to have both documented, and to make a choice.

Discussion of the Sweatshop Initiative

Mr. Buenrostro said initially, when he brought the sweatshop issue up to Mr. Rolle and to the Board, there were a couple of students involving the Chancellor, and protests. There was a meeting with the Chancellor last week to endorse the sweatshop initiative, which involved a Designated Suppliers Program. And what has happened since last week was pretty amazing. Mr. Buenrostro said the Chancellor brought this up at the Chancellor's meeting on May 3, he believed, and they adopted it. It wasn't exactly what was in the document in the agenda packet, but was similar to it.

Mr. Buenrostro said that initially, when they brought this up to the Board, it was to make a statement of where the SOB stood on this issue, and whether they supported the Designated Suppliers Program, or felt that it was good in spirit but that maybe the Board had some concerns about it. They might support its spirit, but maybe the Board would like UCOP to take a closer look at it. That was something the Board could still do. But at this point, the issue didn't seem to be as urgent as it was two weeks ago. But it was still something very important for the Board to consider. At that point, students don't sell sweatshop clothing, and that wasn't due to the Board, and perhaps wasn't under its control, but came as a result of UC licenses. He could answer any questions about the specifics of the Designated Suppliers Program. The best way to look at it was as a document that was still in flux and would probably change as the Chancellors and the OP took a look at it. There were faculty members on campus who support this initiative.

Mr. Schechtman said that given that the Board didn't have decision-making authority, he asked if the Board would just give its backing for this. Mr. Buenrostro said he thought it was very important for every governing body to make it clear where it stood on certain issues. What he hoped to get from this discussion was a statement from the Board on where it stood on this issue. He thought this was a lot more important to a lot more students two weeks ago, and since the meeting met with the Chancellor, things have been moving along. But at some point in the future, students have to discuss where they stand on this and where the SOB stood; and the Board could draft a statement.

Ms. Putnam-Smith asked if he could go over a summary of what they're asking for, the main points. Mr. Buenrostro said the Designated Suppliers Program would go into effect gradually. The wording in the proposal that was provided would have, for the first year, 25% of UC apparel purchased through this Program. They have a list of companies that fit their guidelines. The incentive for these companies is that they would have a market and have the University sign on to it. Once the University signs on to these programs, these companies will have an incentive to abide by the guidelines because they'll have a market

to provide their products. If he could summarize the concerns that the Chancellor and other University officials had with this program, one concern was the fact that they really don't know what consequences might result from it. There were always unexpected consequences to changes in policy, and that's something the Chancellor addressed to him, the fact that it might not be a good idea for the campus to say it supports the Designated Suppliers Program in this document, although they could say that they support the spirit of this program and what it was trying to accomplish, and that they want make sure that people in the ASUC system were looking at it and trying to address some issues.

Mr. Rolle said that to the extent that Berkeley managed its own copyright materials, each campus needed to sign on. He asked if that was correct. Mr. Buenrostro said each campus would sign on. Mr. Rolle said that in his meeting with the Chancellor, it didn't sound like the Chancellor was committed to the Berkeley campus signing on. Mr. Buenrostro said the meeting with the Chancellor was to see if the Chancellor would encourage the ASUC to take a quick look at it. The Chancellor doesn't have the authority to decide to sign on to this. He believed it was UCOP that had that authority. And it had to go through committee. The ultimate decision would be made by the Committee on the Code of Conduct, which makes this decision, which was directly related to the UC Office of the President.

Mr. Rolle asked if the Berkeley campus owned the copyright to "Cal" and "Go Bears!" and all the rest of that stuff. Mr. Coley said it did. Mr. Rolle said that it would be up to the campus, then, to decide on the conditions under which its material was manufactured. Mr. Coley said it was up to the campus to determine who got to use the logo. Mr. Rolle asked if the campus, then, would decide that people couldn't use the logo unless they were one of the designated suppliers. Or maybe this was something over which UC had general oversight. Mr. Buenrostro said it was his understanding that there was general UC oversight for copyrights for the UC campus and that this wasn't a decision the Chancellor would make. Rather, it was a decision that would be made by the larger body. Mr. Coley said the President of the University of California System has reserved the right to make a decision about this overall program. The individual campuses have always, seemingly, had the right to make decisions as, e.g., how logos would be used. These were two separate matters, but in these instances, they may be working in concert, and lots of things had to be rationalized to move things forward. There was a lot of devil in these details. It was his understanding that the President and the Chancellor have agreed on this concept, although this was not something they have given their critical and unqualified support.

Mr. Miles said it would be his guess that the Board would be willing to endorse the efforts of the President and the Chancellor to do what they may be able to do to ensure that University-licensed products were not produced in sweatshops.

Mr. Daryani said that from the perspective just heard, it would be important for the Board to find out where material in the Cal Student Store was being produced.

Mr. Miles said he didn't think they could do that. They simply sell a wholesale license and that material was produced in a variety of places. He wasn't sure, but that was his guess.

Mr. Daryani asked if anyone knew if the Cal Student Store had a say as to where it purchased products, or if it worked through the University to get its products. Mr. Miles said the same sweatshirt could have been made in five different countries. There were tons of companies represented. Mr. Coley said local products were sold across the street and in other venues, so if they wanted to have effective suppliers, that

would have to occur at the copyright level. Mr. Miles said he didn't think the Store had anything to do with that. Mr. Coley said the campus authorizes people to use its logo and examines the quality of the products that its logo was placed on. They also would reserve the right, based on these criteria, to examine the manufacturing process and the conditions under which material was being manufactured.

Mr. Buenrostro said that as for the campus making the decision, on any one campus the Chancellor can make the decision. But the Designated Suppliers Program wouldn't be effective if it was just one campus.

Mr. Schechtman said it sounded like they basically had a motion, taking what Mr. Miles said as a motion. Ms. Putnam-Smith said that was a direction they should go in. Mr. Schechtman said that perhaps the Board could communicate its stance to the Vice Chancellor of Administration and to the Chancellor.

Ms. Putnam-Smith asked if he could restate the motion. Mr. Miles moved to have the SOB endorse the efforts of the Chancellor and the University President to arrive at a policy regarding sale of University-labeled goods and preventing the use of sweatshops in the production of University-licensed goods and apparel. The motion was seconded by Mr. Coley.

Mr. Buenrostro said he would like to make a quick amendment, which was his personal stance, but that they do endorse the spirit of the Designated Suppliers Program, and that they would recognize the fact that changes to the specifics would have to be made as the UC System looked at it. Mr. Miles said that was getting more complicated, but that was usually the way to do it. He had no objection to including that. The motion to amend was seconded by Mr. Daryani.

Ms. Putnam-Smith asked if he could reword the motion. Mr. Miles said he would start again. The motion would be for the Board to endorse the efforts of the Chancellor and the President of the University to utilize programs such as the Designated Suppliers Program, or other means of preventing the use of sweatshops in the production of University apparel and goods. The motion was seconded by Mr. Coley. **THE MOTION WAS APPROVED UNANIMOUSLY BY VOICE-VOTE.**

Mr. Miles said he thought the Chair should communicate this stance. Mr. Buenrostro said it was important that get this in writing because every meeting they've had with University officials, and even the Chancellor, when this issue was brought up, in response says that it was the students' Store.

Mr. Schechtman said that as an aside, he would like to mention the grad perspective of getting rid of "Cal" as a logo and going to "Berkeley," which was actually their worldwide brand, since "Cal" detracts from their efforts to identify themselves. But he would leave that for next year.

Mr. Miles said this policy was one step the Board could take. It was a small step in a very, very large program, one in which the Board didn't have much leverage.

Ms. Putnam-Smith said she would send out an e-mail to find out people's availability for the summer months. They only had to meet for one month that summer, and she'd ask members to respond as quickly as they could, and she'd let them know when their next meeting would occur. She wanted to thank everybody to attending.

This meeting adjourned at 5:38 p.m.

These minutes respectfully submitted by Steven I. Litwak, Recording Secretary

DECISIONS OF THE BOARDProcedures

- June '06** **Unanimously endorsed the efforts of the Chancellor and the UC President to utilize programs such as the Designated Suppliers Program, or other means of preventing the use of sweatshops in the production of University apparel and goods.**
- April '05 Mr. Dally joined the Board as undergrad representative.
- December '05 Asked the Finance Committee to discuss with Internal Audit the ASUC's use of the BFS accounting system.
- December '05 Elected Ms. Putnam-Smith as Chair of the Board.
- June '05 Voted to have committees, after the August meeting, agree upon meeting times, during normal business hours, and for the Finance Committee to meet at least quarterly, and for each committee to have representation of faculty, staff, and students.
- June '05 Re-elected Mr. Cohen as SOB Chair and elected Ms. Putnam-Smith as Vice Chair.
- February '05 Mr. Miles and Mr. Williamson joined the Board.
- August '04 Formed an ad hoc committee to study increasing efficiency in information technology.
- July '04 Elected Elliot Cohen as Acting Chair of the SOB, for 2004-5.
- April '04 Considered and amended ASUC Auxiliary Budget Principles.
- January '04 Agreed to send another letter to the ASUC Senate and the GA asking to resolve the question of a GA representation on the Board.
- December '03 Voted to send a letter to the ASUC Senate asking to resolve the question of GA representation.
- October '03 Approved the establishment of ad hoc committees: Commercial Operations, Auxiliary Services, and Finance.
- August '03 Heard a report on the establishment of the Space Assessment Committee for Eshleman and MLK.
- June '03 Elected Ms. Quindel and Mr. Bucklin as Board Chair and Vice Chair, 2003-4.

Procedures (cont'd)

- June '03 Formed a Subcommittee on Committees to determine a committee structure for the Board.
- June '03 Agreed to hold a Board member orientation by August 30.
- May '03 Agreed on the need for a Board member orientation to be held before the start of the school year.
- December '02 Enhanced Board minutes by adding "Decisions of the Board"

Vendors

- June '06 Unanimously approved having Mr. Rolle look for someone to manage the Lodge, with the same relationship as with the previous manager, removing restrictions for a leaseholder.**
- March '06 Approved a five-year lease option exercised by the Jupiter Pub
- Feb. '06 Authorized pursuit of a judgment against the previous Cal Lodge leaseholder on behalf of the ASUC and the ASUC Auxiliary.
- Sept. '05 Authorized the Chair to write a letter to Associate Vice Chancellor LeGrande about the rate and usage of the Cal 1 Card.
- Sept. '05 Approved use of an inspector suggested by the Alumni Association to inspect the Cal Lodge, to authorized pursuing an agreement for the Alumni Association to manage the Lodge.
- May '05 Approved the further exploration with Darryl Ross of placing a green café at the southeast corner of the Student Union.
- March '05 Heard a presentation by Darryl Ross and agreed to investigate the possibility of a "green" restaurant in the southeast corner of the Student Union.
- Nov. '04 Approved a two-year lease extension, beginning Jan. 1, '05, to the Taqueria and Healthy Heavenly Foods.
- Nov. 04 Approved the transfer of ownership of The Taqueria to the owner's nephew.
- August '04 Decided to offer the Pub, after consulting with counsel, a reduction in rent, with conditions.
- July '04 Heard a counter proposal from the Pub regarding a contract revision. Authorized the Director to seek legal counsel.

Vendors (cont'd)

July '04	To advertise the Store, the ASUC worked to give Cal-SO counselors a \$5 gift certificate and RAs a 15% discount card.
June '04	Approved a five-year extension for the STA Travel lease.
June '04	Approved the Resolution In Support of Follett Contract Performance Review.
June '04	Approved changes to the terms of the Pub's lease.
April '04	Authorized negotiations for a 12-month contract with the current Bear's Lair tenant, and to terminate the lease if negotiations fail, and to issue an RFP.
March '04	Agreed to a four-week pilot project for the New York Times Readership Pilot Project.
March '04	Rejected contract proposals submitted by Pub management, called upon Commercial Operations to initiate a student survey on use of Pub space, and approved sending out an RFP for the space.
March '04	Recommended signing the Follett contract, dated Feb. 26, '04.
January '04	Agreed to publish a letter in the Daily Cal to the general campus community promoting Auxiliary businesses.
January '04	Voted to send a letter of apology to the Bookstore manager for the content of a flier for the ASUC Bookswap.
December '03	Heard from John Martin, operator of the Pub.
November '03	The Daily Cal lease was signed, and printing of the ASUC government page began.
November '03	Heard a presentation on Coca-Cola business practices in Colombia.
August '03	Amended the Daily Cal lease to have a code of conduct for the paper discussed by the campus committee at-large.
July '03	Approved a five-year lease with the Daily Cal.
July '03	Authorized an engineering study of the Cal Lodge, for use in negotiations with the lessees.
June '03	Formed a subcommittee to further consider the Daily Cal lease.

Vendors (cont'd)

- May '03 Heard a presentation by Coca-Cola representatives on the Company's business practices in Colombia.
- December '02 Added a fair-trade coffee option into the lease of the Coffee Spot

Student Union / Pauley Ballroom

- December '02 Authorized a letter to Coca-Cola expressing the Board's concerns with allegations of human rights abuses in Colombian bottling plants, and requested a company representative speak to the Board.
- May '05 Voted to approve the LoSpro lounge proposal for the space in the Student Union occupied by the Bearcade.
- May '05 Voted to explore options for the expansion of the Art Studio.
- April '04 Heard a presentation by Ms. Terman, Manager, Art Studio, on expanding the Art Studio into the area used by the Bearcade.
- October '04 Authorized ASUC President Leybovich, with matching funds from H&D, to spend up to \$2,500 for a Student Union/food service survey.
- May '03 Approved agreement with the Chancellor's proposal on the multicultural lounge; to enter into negotiations on costs and the Auxiliary's role in managing the facility; and to approve a negotiating committee. Current Officers will negotiate, with new Officers to shadow them until current Officers leave.
- May '03 Approved having Mr. Cordi and Mr. Rolle submit a proposal to support student use of Pauley Ballroom by the June meeting.
- April '03 Received a proposal, as part of the 2003-2004 budget, to allocate \$20,000 for the Senate and the GA to use for Pauley Ballroom fee waivers.
- February '03 Approved a subcommittee to look into policies for Pauley Ballroom and for fee waivers.

Budget

- April '06 Approved the 2006-7 Auxiliary budget.
- April '05 Approved the 2005-6 Auxiliary budget.

Budget (cont'd)

- September '04 Approved a motion to state that the Board alone had authority to shift funding; to determine 03-04 residual profit at \$103,208; and to transfer \$50,000 from residual profit to the Auxiliary Contingency Fund, making up for a transfer of that amount to the ASUC to balance its 04-05 budget.
- May '04 Approved a motion to urge the future SOB, 04-05, to consider as a high priority, fully funding one position for the OSA and a half position OSA position for the GA.
- April '04 Approved the ASUC Auxiliary FY2004-2005 Budget, including a transfer to the ASUC of \$50,000 from the Auxiliary Contingency Reserves.
- February '03 Received "ASUC Auxiliary Revenue and Expense Report, July -December 2003."
- June '03 A committee was formed to balance the Auxiliary budget. The Subcommittee on Committees will determine if this should be an ad hoc committee.
- May '03 Unanimously approved the 2003-4 budget, and charged the Auxiliary Services Committee to determine cuts to balance the budget. Absent a recommendation by August 30, agreed to staff the security desk in Eshleman starting at 6 p.m., rather than 8 a.m.

STORE OPERATIONS BOARD MINUTES

July 11, 2006

Present: (Members and others)

Matt Dally
Anil Daryani
Barbara Davis

Oren Gabriel
Vishal Gupta
Nad Permaul

Jillian Putnam-Smith
John Rolle

SUMMARY OF THE MEETING

The meeting was called to order at 4:11 p.m. There was no quorum.

Report from the Auxiliary Director

This was Mr. Permaul's first Board meeting as ASUC Auxiliary Director. One of his goals was to generate new revenue. His predecessor did a great job to eliminate their debt, and the Auxiliary had adequate reserves to respond to a major facility or financial problem. But there were no net funds or reserves for improving the ASUC's physical facilities.

It was very important to be a part of the Lower Sproul renovation project. Mr. Permaul will meet with the Dean of Students and a representative from Ms. Koshland's office responsible for the Lower Sproul project on how to include the Lower Sproul project in the capital campaign. That also had to be a dialogue with student leadership. The Chancellor apparently told student government that there was a role for Lower Sproul in a capital campaign, but has not identified what that role would be.

Regarding the condition of the stores downstairs, there will be some changes in their status. Details couldn't be given in open session, but there will be an opportunity to look at new businesses. Mr. Permaul expressed concern about the two vacant locations that Follett had. The ASUC also had a small, vacant space. Another concern was the lack of foot traffic between the Store and Naia. Improving that would involve improvements to the physical, cosmetic character of the facilities. Cosmetic changes will be made to the lobby of Eshleman, some floors in MLK, and the MLK Union. The RSF was a model, where an investment was made to maintain it.

Regarding the Art Studio and Black Lightning, both were on the edge financially, on a year-to-year basis, and Mr. Permaul said he wanted to break that cycle. That would include ways of informing students and the local community about the services the ASUC offered, such as through signage. He'll talk with administrators about ways to get information to students other than using bulletin boards. This will be brought bring to the Board since these changes had a business element.

There were vacancies in Auxiliary positions. Ms. Wang, the Budget Officer, will go to work for the central campus Budget Office, and Mr. Rolle was going to the OP. Both were leaving that month. The Events Coordinator position was also vacant. Offers were made and resubmitted, but the Auxiliary lost every candidate, partly because their salary was low. The Art Studio Director left in June, and no suitable candidate has been found, after two searches. Again, it's believed that salary was the basic obstacle. So

within existing Auxiliary resources, funds might be found to put toward salaries, such as with salary savings from the Program Coordinator position that was eliminated.

Student supervisors have been doing the job of the Events Coordinator, in an experiment, but it was believed that the Auxiliary needed to hire a full-time person service all events and provide for staffing.

Regarding the status of the ASUC election, due to a Judicial Council decision, Executive candidates who won the election were dismissed. The J-Council will hear an appeal of that decision. Under Executive Order #8, by the previous ASUC President, Mr. Gabriel was named as Acting President, during the appeals process. The Executive Order was for the President only, and other Officers who received the most votes were not currently holding office. Executive Order #8 put Mr. Daryani in the position of acting on behalf of the government until such time as an election was certified and officers were identified.

Because Mr. Permaul teaches on Tuesdays and Thursdays from 3:30 to 5:30, a request was made for the Board to meet on another afternoon, either Monday or Friday. New GA and ASUC reps will be appointed that fall, and people could apply if they could attend when the meetings were scheduled. Concern was expressed about the schedules of Mr. Miles and Mr. Williamson.

Regarding the Lower Sproul project, Hearst Gym, a Julia Morgan building, was being renovated. The main architect was Cathy Simon, who was also did rehabs of the Ferry Building in San Francisco and the S.F. Library. Ms. Simon was hired by Ms. Koshland to consider ideas for Lower Sproul, and the campus was looking for cost sharing on this. Units around Sproul Plaza have been or will be approached, and all stakeholders will be asked to contribute. This was process was just starting.

It was suggested that when students meet with the Chancellor, they give him a tour of all the floors in of Eshleman and MLK. Tours could also be given to Ms. Koshland, George Breslauer, Nathan Rostrum, and Emily Marthinsen, the new Assistant Vice Chancellor for Capital Projects. Ms. Koshland and Mr. Padilla have had such a tour. It was also important for the Board to weigh in with its point of view on Lower Sproul renovation.

A concern was expressed about having an effort to inform students that fall that when they shop at the ASUC, their money goes back to students. A lot of people don't know that money spent at the Lair, e.g., was returned to students. In the past, the ASUC President had interns work on this. It was also suggested that administrators meet at Naia's. It opens at 10 a.m. and was pretty quiet from 10:00 to 12:00, and it was interested in getting such business. Another suggestion was for units to hold ice cream socials there.

Regarding the staircase going from Cesar Chavez to the breezeway, by Naia's, it's been blocked off for many years, due to problems with street people. Mr. Permaul will approach Chief Harrison about opening them. Naia's could lock them at night. With the Studio booming and with Naia's there, it was an opportunity to get more foot traffic and better lighting to the area.

This was Mr. Rolle's last Board meeting, and he was thanked for his service.

The meeting adjourned at 5:09 p.m.

End Summary of the Meeting

This regular meeting of the Store Operations Board was called to order by Jillian Putnam-Smith at 4:11 p.m. in the ASUC Senate Chamber. Ms. Putnam-Smith said that since they didn't have a quorum, they would hold off on voting to approve the minutes from the May meeting.

Report from the Auxiliary Director

Mr. Permaul said it was a pleasure and a privilege to be there for his first Board meeting as ASUC Auxiliary Director. He would talk conceptually about where he'd like to see the ASUC move, particularly its business operations, over the next two to three years. He would like to solicit people's thoughts on his ideas and to share them with the acting ASUC President and with student leadership.

As Board members knew, the Auxiliary's net revenue and the revenue going to students were tied to each other. If the Auxiliary had increasing expenses, that would take away from the net revenue students have. It was a zero-sum game, and he didn't want to see the Auxiliary or the students in that position. So one of his goals was to generate new revenue for the Auxiliary. Mr. Permaul said he was working on a number of ideas to do that, but needed to have student leadership in place so he could work with and through them to ensure that they were on the same page. He wanted to ensure that students were in support of any changes that were to be made. But he definitely had ideas on generating new revenue for the ASUC Auxiliary, and therefore, student government as well.

Mr. Permaul said he thought his predecessor did a great job in eliminating the debt of the ASUC. The Auxiliary also had adequate reserves if a major facility or financial problem arose. But there were no net funds or reserves that could be used to improve the physical facilities of the ASUC. He thought it was very important to be a part of the Lower Sproul renovation project, And after talking with Mr. Gabriel and other student leaders, he thought they shared that notion. But the question was in what manner to participate, and how.

Mr. Permaul said he'll meet on Thursday with the Dean of Students and a representative from Cathy Koshland's office, who was responsible for the Lower Sproul project. Mr. Permaul said that on behalf of the students and the Auxiliary, he would like to begin a dialogue with this person about the role of the Lower Sproul project in the capital campaign, how to have it included, and what terms needed to be in place to ensure that either generally or specifically, funds could be raised for this project, as well as what role, if any, students would be interested in playing and funding a portion of the project. That was a dialogue he needed to open up with student leadership, and hopefully, they will work together on it. He hoped that meant their support. He'll work with the Vice Provost and the ASUC President and the Senate to make sure they're all on the same page with regard to what role students play in this project.

Ms. Davis asked if he was meeting with Jay Stowsky. Mr. Permaul said he was. As he explained to Dean Poullard, there's no major gift officer for the student project that, from the outset, was a disadvantage for any project that would be considered part of a capital campaign. The Chancellor has apparently already told student government that he believed there was a role for Lower Sproul in a capital campaign. However, the Chancellor has not identified what that role would be, and he makes reference to Ms. Koshland, who refers everything to Mr. Stowsky. Ms. Davis asked why he talked with Mr. Poullard. Mr. Permaul said he and Mr. Poullard have lunch together, and Mr. Poullard has invited Mr. Stowsky. Mr. Permaul said this was his first opportunity to meet Mr. Stowsky.

Mr. Permaul said he wanted to talk about the current condition of the stores downstairs. They couldn't go into executive session, since that would need a vote, and he therefore couldn't go into details. But he could say there would be some forthcoming changes in the status of businesses in the ASUC mall and Bear's Lair area. As a consequence, this was an opportunity to look at new businesses. He's already talked to the Manager of the Bookstore. Mr. Permaul said he was concerned about the two locations Follett had that were vacant. The ASUC also had vacant space there, although it was very small.

He was concerned that the area between the Store and Naia generally did not have enough foot traffic, and he was determined to see that improve. He's talked with student leadership and offered some thoughts about that, and they might want to share their thoughts about what they'd like to see. At some point they'll come back to the Board with a proposal on how to enhance the area and improve foot traffic. He believed that part of the effort to improve foot traffic would be to improve the physical character of the facilities. That couldn't go into great expense, particularly for infrastructure, because there weren't enough resources available for that. But cosmetically, the buildings could use some changes.

Mr. Permaul said he's talked with Mr. Rolle about the condition of the facilities. They'll do some things cosmetically, starting with the lobby of Eshleman and some of the floors in MLK, and also try to improve the look and feel of the MLK Union, for when students come back in the fall. Mr. Permaul said he uses the Rec Sports facility as a model. When it opened, they put in place a kind of daily operation to keep it looking pristine. And 22 years later, it still looked good. That was because they invested in maintaining it, and the students have respected that. Mr. Permaul said they've talked about trying to bring some of these principles to the ASUC complex, or at least the student portion. So he'll work on some efforts to do that.

Mr. Permaul said he was concerned about the Art Studio and about Black Lightning. Both were financially on the edge. While the Auxiliary has done a good job in ending the deficit in the Art Studio, and Black Lightning was above break even, there were also some structural elements that put them on the edge of the precipice on a year-to-year basis. He was very interested in looking at ways of breaking that cycle.

Mr. Permaul said this included ways to get information to the students and the local community about the services the ASUC offered. This was something he's also talked about with student leadership. He was looking at a potential way to change the way they communicate with students through signage. He talked to the Director of Recreational Sports and will talk to the Associate Vice Chancellor for Residential Life, the University's undergraduate librarian, and others, about ways in which they can get information to students about programs, activities, and services offered by the ASUC in locations other than pieces of paper stuck on bulletin boards around campus. He was getting information about this, to study, and he and Mr. Coley will work with students to ensure they have means and expectations for changes. Mr. Permaul said he'd like to bring this back to the Board, since such changes had a business element to them.

Mr. Permaul said he needed to talk about vacancies in the Auxiliary. Lina Wang, the Auxiliary's Budget Officer, received a wonderful promotion and will go to work for the central campus Budget Office. And John Rolle has just taken a new position with the Office of the President and will be leaving. The Auxiliary also had an Events Coordinator position that was vacant. Even though offers have been resubmitted, the Auxiliary lost every candidate, partly because the salary, they believe, was too low. In addition, they have not been able to find a suitable candidate for the Art Studio, from two searches. Once again, they

believe salary was the basic obstacle. So he might look, within the existing resources of the Auxiliary, for more funds to put toward salaries. They need to get people into key roles and wouldn't be able to do that if they run searches and have candidates take other jobs because other offers were higher than the Auxiliary's offers.

Ms. Davis asked when the Art Studio Director left. Mr. Rolle said it was in June. Mr. Permaul said she would have stayed if they could have boosted her salary. Mr. Rolle said the big problem for her was housing. She wanted a house and moved to Portland, which was much more affordable. Mr. Permaul said she also received an increase in salary. But no matter whom they search for, those were the conditions for mature people or people with families. So they just have to figure out how to do this.

Mr. Rolle said one thing they did in the Art Studio when the manager left was to eliminate a position there, the Program Coordinator, which freed up some funds. The thinking was that those funds would basically take care of the deficit they've had in that area. But they could be used if they need to add to the position's salary to get a director. The Auxiliary needs somebody there of the caliber of the previous manager, who was superb. The Auxiliary needed to keep that momentum going.

Mr. Permaul said he and Mr. Rolle were looking at candidates at that point. They were going back to the search for the Events Coordinator.

Ms. Davis asked about the Events Coordinator. They talked about it and did a search. Mr. Rolle said that what he did was to create a different look to the organization and separate events from management from facilities. Previously, Tom Baker, who people might remember, kind of handled that as a big mish-mash. Mr. Rolle said he used temporary student supervisors for this position and to kind of experiment how the position might work. But the Auxiliary really did need to hire a regular, full-time person to handle and service all events and provide for staffing.

Ms. Davis asked Mr. Rolle when he was leaving. Mr. Rolle said his last day with the 25th. He'll be working at Facilities at the OP.

Ms. Davis asked when Ms. Wang was leaving. Mr. Permaul said she'll leave on Friday. Ms. Davis asked if there were acting people in these positions. Mr. Permaul said that would be him. The positions will be filled. It's always difficult to lose good people, but it's also an opportunity to bring on new people. He was determined to make sure they get a good budget officer and he's already put some feelers out. Mr. Rolle will be very difficult to replace, but Mr. Permaul said he was determined to find someone to fill that position. He was also really looking forward to having an Events Coordinator. This position also trains and supervises building managers, who actually put on events for students. He had ideas, and had an appointment with the Registrar's Office to talk about collaborating, looking at rooms at the MLK Union and ways those rooms can be enhanced and improved so they're even more marketable than they currently were. So he was looking forward to doing some things.

Mr. Rolle said that people should keep in mind that the Auxiliary's events revenue has been going up steadily, from \$150K last year to \$200K-plus this year. But these facilities had to be serviced.

Mr. Permaul said the last thing he wanted to talk about briefly was the status of the ASUC election. At the time of the election, one of the parties, Student Action, was challenged based on conduct associated

with promoting and supporting the Party's candidates. After the Judicial Council met, censures were issued to the Party that the J-Council felt were an appropriate remedy for the infractions; and the election went on and was completed. The results of the election were not certified until a month later. At that time, the Judicial Council, now a different subset of individuals than those who participated in the first ruling, considered an appeal. The J-Council ruled that the censures were inadequate, increased the number of censures, and dismissed the candidates who won the election. By June 30, they were approaching a period where they might not have someone in office who would handle the day-to-day business of the ASUC. As a result, the previous ASUC President issued an Executive Order aimed at not only providing temporary leadership, but also dismissing the position taken by the Judicial Council. Legal counsel for the ASUC said that was inappropriate and worked with last year's still-sitting ASUC President, and a new Executive Order was issued that temporarily provided leadership for the ASUC while an appeal of the first appeal was taking place. That's where they current stood.

That coming Saturday there will be a hearing on an appeal of the appeal that reversed the J-Council's first decision. At that point the ASUC will find out whether the Judicial Council will restore the results of the election or whether they will persist in its position that those who won the election could not take office.

Under Executive Order #8, put in place by the previous ASUC President, Oren Gabriel was named the Acting President through the appeals process. Mr. Permaul said he fully believed that if the J-Council does not dismiss the original appeal and reverse itself, then it was likely there would be some type of court action over this election. That's because the ASUC's general Council has already given very clear advice to the Judicial Council that it was in violation of its own rules in terms of the decision it made in the appeal that took place in June. And that one reason they potentially could have a situation where legal counsel would have to recuse himself, meaning other legal counsel would have to be found.

Mr. Rolle asked if their legal counsel was saying that the Judicial Council did not have the authority to overthrow the election. Mr. Permaul said counsel had two points. First, counsel said the J-Council's ruling was in violation of the due process clause of the ASUC Constitution and secondly, felt that procedures themselves were not followed appropriately. Those were both problematic issues.

Ms. Davis asked how the Judicial Council was appointed and how many members it had. Mr. Permaul said six members were appointed by the ASUC President and three by the GA President. Mr. Gabriel said all were confirmed by the Senate. It's a nine-member body, with two-year terms. The members who met in the original case that resulted in Student Action receiving three censures met again, four of them, and reversed the decision. Ms. Davis asked if there was a quorum issue. Mr. Gabriel said one person graduated and another person wasn't going to be around for the summer. So they had to drop out. They could meet with four out of seven members, even though one of them was supposed to have been there for the original hearing. Mr. Gabriel said people have typed up every different provision in the Constitution and By-laws that the J-Council has broken, along with the J-Council's own Judicial Rules of Procedure. That could be provided to the Board, if people were interested. Ms. Davis asked if the J-Council had a Chair. Mr. Gabriel said it does.

Mr. Permaul said one difficulty with student government was not having a court of appeal outside student government other than the courts themselves. That creates problems in and of itself. Also, the By-laws and the Judicial Council's own rules will probably need close review, and hopefully there will be an opportunity to do that.

Ms. Davis asked what was happening on Saturday. Mr. Permaul said there will be a J-Council hearing, with seven members this time, since they were flying in some members who have been away. The Council will meet on Saturday to hear an appeal of the Ratto v. Vakil decision. Ms. Davis asked the options the J-Council had in making a decision. Mr. Permaul said sustaining the original ruling would mean the winners of the last election would be dismissed, after which the Council would move to certify the results of the election and put the second-place finishes in office. If the Council overturns its previous decision, it could come up with a new ruling. But one would assume that the Council would certify the results of the election.

Ms. Davis asked if J-Council hearings were public or private. Mr. Permaul said hearings were open, and the Daily Cal was at the last one. He hasn't attended these events because he didn't think the University had a role to broker at that point, and the ASUC has its own counsel. There were procedures to follow. He's been in contact with campus general counsel and with the ASUC's counsel, and he's been following this very closely. Ms. Davis asked if ASUC counsel will be present at the J-Council hearing. Mr. Permaul said he would not be. This was a regular J-Council procedure. Ms. Davis asked how people will know what happens. Mr. Permaul said a ruling will be issued by the Judicial Council, and hopefully come out in an expeditious manner. The election can't be certified one way or another until the ruling. He believed court action would result if the J-Council sustains the ruling it made in June because they're own counsel suggested that they were in violation of both the ASUC Constitution and the J-Council's own procedures. Ms. Davis said this would not be the only student government to take matters to outside courts, if it came to that.

Ms. Davis asked if, in the interim, until Saturday, the people who got the most votes were currently in office. Mr. Permaul said that was not the case, as they have been dismissed. The results of the election have not been certified because there was an appeal of that decision. So things were still pending. Ms. Davis asked if the Executive Order was just for the President, and that the other Officers who got the most votes were not currently holding office. Mr. Permaul said that was correct, and it was problematic. But fortunately, at least they had a President in office and could begin to make headway in some issues. Ms. Davis asked if the original ruling is sustained on Saturday, if Mr. Gabriel's term would end, and asked if Mr. Buenrostro was in town. Mr. Gabriel said Mr. Buenrostro was in Teach for America and had his own class at that time. He graduated and has already started teaching. Mr. Permaul said sustaining the ruling would mean they'd revert to Executive Order #8, which put Mr. Daryani in the position of acting on behalf of the government until such time as an election was certified and officers were identified. So it would seem that Mr. Daryani could run, but couldn't hide.

Mr. Gabriel said that if he and the other officers were disqualified, the election would be recalculated without the people who got the most votes, and those results would be certified. Mr. Permaul said that would be the case, unless there was legal action taken to prevent that. He was going away next week for a couple of weeks, and hopefully, by the time he returned, it will all be resolved.

Mr. Permaul said the only thing he would like the Board to consider was the time they meet. He teaches Tuesdays and Thursdays from 3:30 to 5:30, so he'd be grateful if they could find another afternoon in which to hold SOB meetings. The Senate met on Wednesdays, so that wouldn't be a good time. Ms. Putnam-Smith said she would send out an e-mail asking for available times, for either Monday or Friday.

Ms. Davis asked if they had a full Board and if all Senate and GA appointments have occurred. Mr. Daryani said those would be up next year. Ms. Davis said if they set a schedule, people could only apply

if they knew they could attend when the meetings were scheduled. She was concerned about the schedules of Mr. Miles and Mr. Williamson.

Ms. Davis said she would like to add a little more about the Lower Sproul project, since that has surfaced. Ms. Koshland appointed Jay Stowsky, and Ms. Davis said she had a wonderful meeting with him to find out what was going on. The campus was moving forward on planning for renovating and improving Hearst Gym. It's a Julia Morgan building, so it's on the historic register. An architect has been hired and there was a Web site about developments. They've had envisioning workshops, and the ASUC and GA had representatives present. The main architect was Cathy Simon, who did rehabs of the Ferry Building in San Francisco and the S.F. Library. Ms. Simon was very much interested in Julia Morgan, so a lot of historical investigation has been done. They've come up with some options that have been discussed by a group of people. Of course, there's no money for a renovation at that time, but there were some wonderful ideas. Ms. Koshland was very happy with the process that occurred, so she hired Ms. Simon to do something similar for Lower Sproul. Ms. Davis said she didn't know if the ASUC, the Auxiliary, or the Senate have been approached yet, but the campus was looking for cost sharing on this. Units around Sproul Plaza have been approached, such as her unit, Undergrad Affairs, OSL, and Mr. Padilla, and they're trying to get all the stakeholders to contribute so this process could go forward for Ms. Simon. She was really impressed with the meetings she attended that were part of this process. Ms. Simon is a grad of Berkeley and was very student oriented. Mr. Permaul said no one has approached him to participate. Mr. Gabriel said no one has approached the Senate. Ms. Davis said she was guardedly optimistic about going forward with Lower Sproul renovation.

Mr. Rolle asked about the people involved. Ms. Davis said the Chancellor appointed Ms. Koshland, in her role as Vice Provost, Academic Planning and Facilities, to be the point on Lower Sproul renovation. Ms. Koshland has hired two people, from the Business School, Dan Himmelstein, and Jay Stowsky, to work on this.

Mr. Permaul said he was a little surprised Ms. Harrison hasn't been asked to participate, since one of the biggest elements of a renovation project would be the roof of the garage, which makes up Lower Sproul. The Parking Department had a huge vested interest in that and would potentially be a large contributor. Ms. Davis said not all the stakeholders were involved yet, such as Cal Performances. This was just the very beginning, and people were just trying to get this project on the radar. She was encouraged that Mr. Permaul heard there might be a role for Lower Sproul renovation in the capital campaign. Mr. Permaul said that came out direct conversations between the ASUC and the Chancellor. The students expressed that they only heard platitudes, and not anything substantive, and now wanted something substantive. Ms. Davis said a lot of people were on the same page. The problem, of course, was that the campus had so many facilities needs.

Mr. Permaul said that in the last capital campaign, 60% of the funds earmarked for student services were associated with the construction of Haas Pavilion, which really had very little to do with direct student services. It would be very unfortunate if, after this campaign, there was substantive to improve the quality of life of students on campus. Ms. Davis said it was a question of competing priorities that senior administrators had to tackle. This hasn't necessarily risen to the highest priority for any of the senior administrators. Mr. Permaul said he's raised the question to Nathan Rostrum as to what the philosophy was with regard to student services, since it wasn't clear to him that the Administration had a clear philosophy on its role in supporting student programs. He was hoping to have more substantive discussions on that.

Ms. Davis said that so many senior administrators were responsible for the project that it ended up not being one single person going forward. It's different than with academic buildings, where deans were engaged in such projects. They need the Chancellor's support and engagement. She wasn't even sure if the Chancellor has had a tour of the area. Mr. Permaul said he wasn't aware if that has occurred. Ms. Davis said that when the students meet with the Chancellor, it might be good to have a walking tour, instead of meeting at his office, so he went through every single floor of Eshleman and MLK, before any cosmetic work was done. She didn't know if Ms. Koshland has had such a tour, or if George Breslauer has. Ms. Koshland and Mr. Padilla have had tours. Mr. Rolle said he was sure Mr. Rostrum has also not seen everything. Perhaps Mr. Permaul could take them through.

Mr. Rolle said there was a study of King Union going on. He didn't know if there were any results yet. Ms. Davis said money has been allocated to do seismic work for the Tilden Room and for Pauley Ballroom windows. The Life Safety Committee just met and gave its approval, although she didn't know the details. The other person type could be taken on a tour was Emily Marthinsen, the new Assistant Vice Chancellor for Capital Projects. She replaced Tom Lollini. Ms. Davis said she thought it would be good to have students do the tours. Mr. Rolle asked if Ms. Koshland had her own facilities planning group. Ms. Davis said she chairs committees and was taking the lead on planning for the Warren Hall replacement, e.g., the Public Health building on Oxford, and on Stanley Hall replacement. She thought it was important for the Board to weigh in on this with its point of view on Lower Sproul renovation.

Ms. Davis said one other thing she wanted to raise besides Lower Sproul was the longstanding issue of trying to have some kind of campaign or strategic effort, especially with a new crop of students coming in, to let them know that if they shop at the ASUC, their money would go back to students. She asked if anything has taken that on. Mr. Permaul said he's been speaking to Mr. Gabriel about a campaign to make sure Ned's didn't get away with what it tried to do in the past. Ms. Davis said Cal-SO has used Ned's in the past. Mr. Permaul said he and Mr. Gabriel need to meet and find out if there's an agreement between Ned's and Cal-SO that encourages students to buy their books from Ned's. Ms. Davis said she thought Cal-SO got money from Ned's for advertising. Mr. Gabriel said Cal-SO had a flier in the freshman handbook. Mr. Rolle asked if they'll have that this year. Mr. Gabriel said he didn't know.

Ms. Davis said that when she meets people on campus and suggests having lunch at the Lair, because it returns money to students, they have no idea about that. Mr. Permaul said one idea he had was for Mr. Gabriel to assign interns to work specifically with students on the street, as occurred two years ago, to encourage them to come to the ASUC's Bookstore. One thing administrators could do is to meet at Naia's. It opens every morning at 10 a.m. and was pretty quiet from 10:00 to 12:00, and was interested in getting such business. Mr. Rolle said that was the whole point of making that space.

Ms. Davis said she's let her units and Chavez know about Naia's, and was suggesting ice cream socials. She also suggested to Naia's that they consider catering for events that were larger than could be accommodated there. The manager at Naia's hadn't considered that. Mr. Gabriel said they've also talked to res hall people about having ice cream socials with Naia doing the catering. Mr. Permaul said another idea was to give people discounts when they held meetings for Naia's. An example would be Conference Services, which doesn't always hold events at Clark Kerr.

Mr. Permaul said the staircase going from Cesar Chavez to the breezeway, right by Naia's, was blocked off with a gate. The area behind it was filthy, and people didn't even know the stairs were there. Ms.

Davis said that's where street people used to sleep. Mr. Permaul said the stairs could close the stairs at night, but there was nothing wrong with this being open during the day. So he would like to approach Chief Harrison about that. Ms. Davis said she believed the police were the ones who closed it. Mr. Permaul said the problem was at night. Mr. Rolle said that since Naia's closes late, it would be willing to lock the gate to the stairs at night. Ms. Davis said she would have to talk to people at Chavez, because they were in favor of closing it, since the stairs really became a problem for students going through the breezeway. It was uncontrolled. Mr. Permaul said they need to find a way to make it work.

Mr. Rolle said they also want to increase traffic and light up that area, have signage, and have people attending Cal Performances come over.

Mr. Permaul said that if Ms. Davis could speak to her folks, they could find a better way to deal with the stairs; and he would approach Chief Harrison about this and see if they could get them back open again.

Ms. Davis asked where the stairs lead to. Mr. Permaul said they go to the top of Cesar Chavez, close to the entrance to the Disabled Students Program. Ms. Davis said they also closed an entrance to the Golden Bears, by the DSP. Mr. Permaul said no one was taking care of the stairs, and it added to the sense of blight. Ms. Davis said she was the one who would have light bulbs replaced when they go out. They also put in new display cases. And at one time they talked to the Studio about placing artwork there. Mr. Permaul said he definitely wanted to improve this area.

Mr. Rolle said they've also talked about having permanent signage in the area. At one point the Art Studio wasn't doing much, and the Bearcade also wasn't doing much. But with the Studio booming, and with Naia's there, it's a great opportunity to really get high traffic and better lighting to that area. Mr. Permaul said he and Ms. Davis should talk about this.

Ms. Davis asked if Naia's was happy and doing well. Mr. Rolle said a few meetings back, Naia's gave the Board a report, and his sense was that it was doing okay. Mr. Permaul said he would like to thank Ms. Davis for all the information.

Ms. Putnam-Smith said she wanted to thank Mr. Rolle for his service, as this was his last Board meeting. (Applause) Ms. Davis asked what he'll be doing. Mr. Rolle said he'll be working with the Assistant to the Vice President and working primarily on sustainability issues and University policies and procedures with regard to the ten campuses, which was really outmoded and needed to be revamped. Ms. Davis said he would be their man at OP. Ms. Putnam-Smith said they would miss him. Mr. Rolle said he'd miss Board meetings, which have been a fountain of good sense.

Ms. Putnam-Smith said that if there was nothing else to discuss, the meeting was adjourned. She would like to thank people for attending.

This meeting adjourned at 5:09 p.m.

These minutes respectfully submitted by,

Steven I. Litwak
Recording Secretary

DECISIONS OF THE BOARD

Procedures

- July '06** **This was Mr. Permaul's first Board meeting as Auxiliary Director.**
- June '06 Unanimously endorsed the efforts of the Chancellor and the UC President to utilize programs such as the Designated Suppliers Program, or other means of preventing the use of sweatshops in the production of University apparel and goods.
- April '05 Mr. Dally joined the Board as undergrad representative.
- December '05 Asked the Finance Committee to discuss with Internal Audit the ASUC's use of the BFS accounting system.
- December '05 Elected Ms. Putnam-Smith as Chair of the Board.
- June '05 Voted to have committees, after the August meeting, agree upon meeting times, during normal business hours, and for the Finance Committee to meet at least quarterly, and for each committee to have representation of faculty, staff, and students.
- June '05 Re-elected Mr. Cohen as SOB Chair and elected Ms. Putnam-Smith as Vice Chair.
- February '05 Mr. Miles and Mr. Williamson joined the Board.
- August '04 Formed an ad hoc committee to study increasing efficiency in information technology.
- July '04 Elected Elliot Cohen as Acting Chair of the SOB, for 2004-5.
- April '04 Considered and amended ASUC Auxiliary Budget Principles.
- January '04 Agreed to send another letter to the ASUC Senate and the GA asking to resolve the question of a GA representation on the Board.
- December '03 Voted to send a letter to the ASUC Senate asking to resolve the question of GA representation.
- October '03 Approved the establishment of ad hoc committees: Commercial Operations, Auxiliary Services, and Finance.
- August '03 Heard a report on the establishment of the Space Assessment Committee for Eshleman and MLK.
- June '03 Elected Ms. Quindel and Mr. Bucklin as Board Chair and Vice Chair, 2003-4.

Procedures (cont'd)

- June '03 Formed a Subcommittee on Committees to determine a committee structure for the Board.
- June '03 Agreed to hold a Board member orientation by August 30.
- May '03 Agreed on the need for a Board member orientation to be held before the start of the school year.
- December '02 Enhanced Board minutes by adding "Decisions of the Board"

Vendors

- June '06 Unanimously approved having Mr. Rolle look for someone to manage the Lodge, with the same relationship as with the previous manager, removing restrictions for a leaseholder.
- March '06 Approved a five-year lease option exercised by the Jupiter Pub
- Feb. '06 Authorized pursuit of a judgment against the previous Cal Lodge leaseholder on behalf of the ASUC and the ASUC Auxiliary.
- Sept. '05 Authorized the Chair to write a letter to Associate Vice Chancellor LeGrande about the rate and usage of the Cal 1 Card.
- Sept. '05 Approved use of an inspector suggested by the Alumni Association to inspect the Cal Lodge, to authorized pursuing an agreement for the Alumni Association to manage the Lodge.
- May '05 Approved the further exploration with Darryl Ross of placing a green café at the southeast corner of the Student Union.
- March '05 Heard a presentation by Darryl Ross and agreed to investigate the possibility of a "green" restaurant in the southeast corner of the Student Union.
- Nov. '04 Approved a two-year lease extension, beginning Jan. 1, '05, to the Taqueria and Healthy Heavenly Foods.
- Nov. 04 Approved the transfer of ownership of The Taqueria to the owner's nephew.
- August '04 Decided to offer the Pub, after consulting with counsel, a reduction in rent, with conditions.
- July '04 Heard a counter proposal from the Pub regarding a contract revision. Authorized the Director to seek legal counsel.

Vendors (cont'd)

July '04	To advertise the Store, the ASUC worked to give Cal-SO counselors a \$5 gift certificate and RAs a 15% discount card.
June '04	Approved a five-year extension for the STA Travel lease.
June '04	Approved the Resolution In Support of Follett Contract Performance Review.
June '04	Approved changes to the terms of the Pub's lease.
April '04	Authorized negotiations for a 12-month contract with the current Bear's Lair tenant, and to terminate the lease if negotiations fail, and to issue an RFP.
March '04	Agreed to a four-week pilot project for the New York Times Readership Pilot Project.
March '04	Rejected contract proposals submitted by Pub management, called upon Commercial Operations to initiate a student survey on use of Pub space, and approved sending out an RFP for the space.
March '04	Recommended signing the Follett contract, dated Feb. 26, '04.
January '04	Agreed to publish a letter in the Daily Cal to the general campus community promoting Auxiliary businesses.
January '04	Voted to send a letter of apology to the Bookstore manager for the content of a flier for the ASUC Bookswap.
December '03	Heard from John Martin, operator of the Pub.
November '03	The Daily Cal lease was signed, and printing of the ASUC government page began.
November '03	Heard a presentation on Coca-Cola business practices in Colombia.
August '03	Amended the Daily Cal lease to have a code of conduct for the paper discussed by the campus committee at-large.
July '03	Approved a five-year lease with the Daily Cal.
July '03	Authorized an engineering study of the Cal Lodge, for use in negotiations with the lessees.
June '03	Formed a subcommittee to further consider the Daily Cal lease.

Vendors (cont'd)

- May '03 Heard a presentation by Coca-Cola representatives on the Company's business practices in Colombia.
- December '02 Added a fair-trade coffee option into the lease of the Coffee Spot

Student Union / Pauley Ballroom

- December '02 Authorized a letter to Coca-Cola expressing the Board's concerns with allegations of human rights abuses in Colombian bottling plants, and requested a company representative speak to the Board.
- May '05 Voted to approve the LoSpro lounge proposal for the space in the Student Union occupied by the Bearcade.
- May '05 Voted to explore options for the expansion of the Art Studio.
- April '04 Heard a presentation by Ms. Terman, Manager, Art Studio, on expanding the Art Studio into the area used by the Bearcade.
- October '04 Authorized ASUC President Leybovich, with matching funds from H&D, to spend up to \$2,500 for a Student Union/food service survey.
- May '03 Approved agreement with the Chancellor's proposal on the multicultural lounge; to enter into negotiations on costs and the Auxiliary's role in managing the facility; and to approve a negotiating committee. Current Officers will negotiate, with new Officers to shadow them until current Officers leave.
- May '03 Approved having Mr. Cordi and Mr. Rolle submit a proposal to support student use of Pauley Ballroom by the June meeting.
- April '03 Received a proposal, as part of the 2003-2004 budget, to allocate \$20,000 for the Senate and the GA to use for Pauley Ballroom fee waivers.
- February '03 Approved a subcommittee to look into policies for Pauley Ballroom and for fee waivers.

Budget

- April '06 Approved the 2006-7 Auxiliary budget.
- April '05 Approved the 2005-6 Auxiliary budget.

Budget (cont'd)

- September '04 Approved a motion to state that the Board alone had authority to shift funding; to determine 03-04 residual profit at \$103,208; and to transfer \$50,000 from residual profit to the Auxiliary Contingency Fund, making up for a transfer of that amount to the ASUC to balance its 04-05 budget.
- May '04 Approved a motion to urge the future SOB, 04-05, to consider as a high priority, fully funding one position for the OSA and a half position OSA position for the GA.
- April '04 Approved the ASUC Auxiliary FY2004-2005 Budget, including a transfer to the ASUC of \$50,000 from the Auxiliary Contingency Reserves.
- February '03 Received "ASUC Auxiliary Revenue and Expense Report, July -December 2003."
- June '03 A committee was formed to balance the Auxiliary budget. The Subcommittee on Committees will determine if this should be an ad hoc committee.
- May '03 Unanimously approved the 2003-4 budget, and charged the Auxiliary Services Committee to determine cuts to balance the budget. Absent a recommendation by August 30, agreed to staff the security desk in Eshleman starting at 6 p.m., rather than 8 a.m.

STORE OPERATIONS BOARD MINUTES

August 8, 2006

Present: (Members and others)

Ron Coley
Josh Daniels
Matt Dally

Barbara Davis
Vishal Gupta
Victoria Harrison

Trevor Norris
Jillian Putnam-Smith
Stacey Thomas
Chris Tan

SUMMARY OF THE MEETING

The meeting concluded the summer session. It was called to order at 4:32 p.m. There was no quorum.

Presentation by Gelateria Naia

Present were Mr. Tan, a founder of Gelateria Naia; Mr. Norris, general manager; and Ms. Thomas, site manager.

The Gelateria Naia opened on campus February, 2006. Two-thirds of their space was for a non-alcoholic lounge with a stage area and audio-visual capabilities for SUPERB events. So there were many functions that could be held there.

Past a certain break point, a percentage of the rent was based on sales. So Naia will become little more involved in the campus community. The break-point for percentage rent was around \$40,000 in sales per month. It's been difficult to get much momentum, but Naia hoped to rectify that at Welcome Week. So they wanted to be more in touch with the SOB and with the campus. Summer has been really very slow. Naia's downtown store has some of its best months in the summer.

One big problem was that the campus store had no visibility.

Naia will have an ad in the "Guide to the Good Life in Berkeley" and will advertise in a coupon booklet with the Bookstore. Naia will talk to the ASUC about having a notice on the ASUC's page in the Daily Cal.

Naia was less interested in Caltopia, which former Auxiliary staff were a little ambivalent about, feeling it was a big warehouse atmosphere with big companies, and Naia was a small, local company that would get swallowed up.

With 10-15,000 students expected at Caltopia, and most of the vendors there not on campus, Naia was encouraged to participate. It was also suggested that Naia contact the RSF Director. The ASUC could help with publicity. It was also suggested that Naia participate in Calpalooza and setting up periodically by residence halls.

Naia has a cart to give out samples, but a power source was needed to keep the gelato frozen. Naia was thinking about using the cart, but keeping it close to the store in order to let people know its location. Providing maps of Naia's location when giving out samples was suggested.

As for catering, they had limited capacity to transport gelato. The cart didn't climb stairs or fit in elevators, and the product had to be frozen.

It was noted that Naia had to get out to people to introduce its product.

For a number of Welcome Week events, Naia could bring the cart out. They could participate in Caltopia. For one event, people were going to Fenton's to purchase ice cream, and this was something Naia would like to be involved in. It was noted that vendors like Fenton's and Top Dog have been invited by Cal Dining to go to Crossroads or the Dining Commons, big events that were really exciting for students. Mr. Gupta would send Naia contact information for Cal Dining. Cal Dining has inexpensive, watery, frozen yogurt.

Naia will have a "halo" sign installed, a distinctive metal sign backlit by neon. It will be outside the store, next to the Credit Union. Campus approval has been granted. They'll also have a display cabinet on Lower Sproul, facing the Credit Union. And next week electricians will put in spotlights, since the space was very dark at night. People will be able to see Naia's sign when leaving Zellerbach. Advertising in Zellerbach was a possibility.

Another marketing idea they were considering was the Cal 1 Card. It had been cost prohibitive for Auxiliary vendors, but its cost structure recently changed. Naia was also talking to the Faculty Club.

Suggestions were made to contact the Women's Faculty Club and talk to Cal Dining.

Naia was having a problem describing where it was located and hasn't come up with a good way to describe its location. They also hoped to be included in the campus Directory and to improve signage on Bancroft. They don't have an address and even have trouble getting mail. One suggestion was to name the area. Naia also needed Lower Sproul coordination. Food vendors at the Special Olympics that summer barricaded Naia's entrance and a carnival on Lower Sproul will be fenced in. It was noted that a master calendar for Lower Sproul use was kept by the OSL.

Naia would like benefit from Cal athletics, Cal Performances, and Alumni events.

Naia's portable ice cream cart was to give out free samples and for the odd event and didn't have a way to exchange money.

It was noted that Naia had a huge opportunity when 25,000 students will be going to the Cal 1 store, right outside Naia.

Meetings could be held at the lounge, since it had a fairly large space for that. People could send in an e-mail and staff would find out if anybody else booked the space. Naia was also trying to have SUPERB book light music, which would have to be balanced with meetings. People have also come in to celebrate birthdays. They could comfortably seat just under 100, and for meetings, about 50.

Discount cards were distributed.

New Meeting Time

It's been difficult getting everybody's availability for a new meeting time in September. It was unknown if the change would just be for the fall.

The meeting adjourned at 5:14 p.m.

End Summary of the Meeting



This regular meeting of the Store Operations Board, concluding the summer session, was called to order by Jillian Putnam-Smith at 4:32 p.m. in the ASUC Senate Chamber.

Ms. Putnam-Smith said that since there was no quorum they couldn't adopt the agenda or approve the minutes from the previous two meetings. But with no objection, they could continue the meeting and hear a presentation from Gelateria Naia.

PRESENTATION BY GELATERIA NAIA

Mr. Tan said introduced himself and said he was one of the founders of the company. He introduced Mr. Norris, the General Manager, and Ms. Thomas, their manager on the ground, who was usually at the Lounge five days a week. They had a few hand-outs to distribute.

Mr. Tan said this was an interesting situation for the company because a lot of the people in the ASUC Auxiliary that they had been in contact with have moved on. They've met Mr. Permaul once. He saw a few familiar faces from last year's SOB meetings, and was sure there'd be some new faces as well.

To give a quick rehash, Mr. Tan said the Gelateria Naia was invited onto the campus last year and opened their doors in February, 2006. They serve the gelato that's made fresh every day, as well fresh espresso. Part of the vision from Naia and from Mr. Cordi and Manny Buenrostro was to use about one-third of the space to serve up the gelato and espresso and to use the other two-thirds of the space for a non-alcoholic lounge, for which they've completed ten-year permits. It has a stage area and audio-visual capabilities for SUPERB events. There's also an LCD projector for presentations and many functions could be held there.

Mr. Coley asked if the World Wide Web was available at the Lounge. Mr. Tan said there was wireless AirBears access.

Mr. Tan said one exciting aspect for Naia was that past a certain break point, a percentage of the rent was based on sales. So they'll become a little more involved in the campus community.

The next page of the hand-out showed a break-point for percentage rent, around \$40,000 per month in sales. That was the benchmark, or target, that Mr. Cordi and Naia set, based on how well Naia has done at its downtown Berkeley store, around \$40K. As they could see from the hand-out, Naia was still finding its feet and had a bit of work to do. That wasn't surprising as they just started on campus, in mid-winter. That's made it difficult to catch much momentum. But they hope to rectify that with Welcome Week this year. And that was part of the reason why Naia wanted to be more in touch with the SOB in particular, as its sponsor, and more involved with the campus in general, and to get a good sense of what was happening on the campus. Summer has been really very slow for them.

Mr. Coley asked if business was also slow at Naia's downtown store. Mr. Tan said the downtown store wasn't as slow, and some of their best months there were in the summer.

Mr. Coley asked how this situation will change for next summer, since the downtown store was five blocks away, and the customers were from the same location. Mr. Norris said they noticed that they draw from a much different pool of people at the downtown store, even though the locations were so close. When they opened the lounge, one consideration they had was whether it would impact their other store, and they've seen that sales from the campus have not impacted the downtown store. In looking at sales over the summer, one big problem was that the campus store had no visibility, and no visibility to the outside world at all. When there were no students on campus, and fewer faculty also, they just don't have the same pool of people.

Mr. Coley asked if they had a strategy to increase visibility. Mr. Norris said they did have a few ideas. Mr. Coley asked if they'd expect the same kind of experience as the downtown store, a few blocks away, if the store were more visible, such as being on the corner of Bancroft and Telegraph. Mr. Norris said there were quite a few people on Telegraph in the summer, and the campus store was seeing sales jive exactly with the number of students on campus. So they need to get the word around.

Mr. Tan said they still have some work to do in order to get to the percentage rent target. They were basically focusing on Welcome Week, starting August 21. And Naia was also open to rethinking things. When they first went into the summer, Naia kept the same operating hours as they had during the normal school term, 11 a.m. to midnight. But that was simply not necessary. They also heard that enrollment was down for the summer, all the he wasn't sure if that was true or not. They've also heard complaints from the other ASUC vendors about also having a very slow summer that year.

Mr. Tan said the next page outlined a couple of things Naia has invested in with regard to marketing. The first was paid advertising. As a company, they're not a big believer of paid advertising. But in this particular case, with such a big influx of freshmen and others who have probably never heard of the store before, they'll try a couple of things. One ad they'll have will be in the "Guide to the Good Life in Berkeley," which Naia on Shattuck has used in the past. They'll extend that to the Naia Lounge in Lower Sproul. The second thing they'll try was to advertise in a coupon booklet that apparently had an exclusive with the Bookstore. With coupons it's easy to see the impact the advertising has, and to see if it's effective or not, with this being Naia's first Welcome Week.

Naia has also heard of other ways to advertise, such as Cal Toons, apparently a map of the campus with coupons around the edge. Naia hasn't been contacted by the company that does that, but has been

contacted by other advertising. If the Board had any ideas of what paid advertising worked for students, Naia was open to suggestions.

Mr. Coley asked if Naia has considered advertising in the student newspaper. Mr. Tan said the only thing they knew about the Daily Cal was that the ASUC had a page in it. Ms. Putnam-Smith said they'll have to make sure the ASUC President and Mr. Gupta know about this, and she was sure that they'd be willing to put something in. Mr. Tan said that would be great. Mr. Gupta said they have a full page once a week and usually post things like events, and they could talk more about this.

Mr. Tan said that in terms of Welcome Week, Naia was starting a dialogue with the Dean of Students, Jonathan Poullard, a connection they made through Jan Crowder, who's in charge of student groups in the Auxiliary. Naia has also been approached by Recreational Sports and Caltopia. As for Caltopia, Naia was basically less interested in that basically because some former staff were a little ambivalent about the event. Mr. Cordi and Mr. Rolle both felt Caltopia was a big warehouse that wouldn't really be a good source of advertising since Naia would be in a food court section amidst a lot of Berkeley vendors, and he wasn't sure they'd really advertise where they were located very well.

Mr. Coley asked if they've attended Caltopia. Mr. Tan said they haven't. Mr. Coley asked if they had a pretty good feel of what it was like. Mr. Tan said they did, through Mr. Rolle and Mr. Cordi.

Ms. Putnam-Smith said she'd agree with what Mr. Rolle and Mr. Cordi reported, and Caltopia was basically a place for students to get free pens and whatever else they could get for free without actually learning anything about where to go back to.

Mr. Gupta asked if they knew what food vendors usually go through Caltopia. Ms. Thomas said they have a list. Ms. Putnam-Smith said it's attended by big companies, such as for juice or energy bars. Mr. Coley asked if the price of admission was expensive. Mr. Gupta said it's free to students, who just walk through. It goes on for two days, from 10 a.m. to 6 p.m. A lot of students just go and get free water.

Mr. Dally asked if most students know Naia exists. Ms. Putnam-Smith said they opened in February, but this was their big chance to get known.

Mr. Coley said that with Caltopia and the visibility that went with it, he believed 10-15,000 students attend. Ms. Thomas said one concern was that Naia would be swallowed up because of their small presence. They're a small, local company with a small local store, and they'd be using a small ice cream cart to give away samples, and would get swallowed up.

Mr. Coley said he appreciated that, but given the size of the audience there, and the fact that most products don't taste like Naia's, and gelato would stick in people's memory, it seemed like this would increase awareness. Naia was underground and wasn't visible, and while he appreciated Naia possibly finding itself swallowed up at Caltopia, they might want to think of a creative way to siphon off some of that attention so people know it's on Lower Sproul. He wasn't persuaded that the guidance that Mr. Cordi or Mr. Rolle gave was the real deal.

Mr. Coley said the other thing he would recommend was to talk to Mike Weinberger, the Director of RSF, and perhaps talk to some of the students who have been around. He thought there had to be a way to get some visibility for Naia and to get people to taste their product, who haven't done so before. Gelato

wasn't the same as people coming around and just picking things up. People have to consume the product, and that experience would stick with people. Those were just thoughts for consideration. Mr. Tan said he would like to thank Mr. Coley.

Mr. Gupta said a lot of students at Caltopia just grab a bunch of samples of GaterAde, Odwalla Juice, or PowerBars. Naia's opportunity might be to show that they were on campus and had something unique students could recognize and go to. He didn't know how expensive it was to be a vendor at Caltopia, but it wasn't as if they'd be advertising for students to go to Safeway and get a PowerBar there. Naia was right on campus, and most Caltopia vendors weren't, so this might be a really unique opportunity. Mr. Tan said he would like to thank them for the suggestions, and said that Naia was certainly open to things. Mr. Gupta said people in the ASUC and the Executive Cabinet meet all the time and work on publicity, and they'd love to help.

Mr. Tan asked what people expected in terms of the reception at Calapalooza. Mr. Gupta said that involves the residence halls and was mainly for freshmen, who were all encouraged to attend. It will occur on Thursday of Welcome Week from 11 a.m. to 2 p.m. So it's just three hours, basically. Every major student group will table on Memorial Glade, including a lot of bigger organizations such as Cal Dining, the Alumni Association, the ASUC, and the Rally Committee. There will also be a lot of food available.

Ms. Putnam-Smith asked if Naia could have a cart there. Mr. Gupta said he didn't think it would be a problem at all, and thought it would actually be very attractive. At this event freshmen come with bags and take publicity from all the groups, and learn how to get involved.

Mr. Coley said these kinds of events were really important. He thought they should also consider setting up periodically at residence halls, or right outside, particularly during August and September, when it's hot. Ms. Putnam-Smith said that could also occur during move-in days.

Ms. Thomas said Naia had a cart that could be brought out for samples, but they need a power source. Sometimes it's easy to find, and sometimes it's very difficult. They need power because otherwise the gelato would melt. Another major consideration was to have the cart in a place that would also make it easy for people to find Naia's location. Naia was definitely thinking about using the cart, but at that time they were thinking about keeping it close to the store, so they could let people know where it was located. They're definitely able to get out and about a little bit, but at the same time, they still need to help people learn where the store was located.

Mr. Coley said he'd keep going back to the point that people wouldn't have much problem finding that which they like. Naia actually had a convenient location, and it's just that it wasn't conspicuous. He thought they need to make sure people had a really clear sense of their gelato, because he didn't believe most freshmen have tasted gelato. He asked if that was a fair statement. Mr. Tan said he believed it was. Mr. Coley said that when people taste it, they'll want to know where it was located. So they should make sure to provide a map of Naia's location when they give out samples.

Ms. Putnam-Smith said that for freshmen, she believed it was important for branding to take place, and for them to get Gelateria Naia and the logo stuck in their heads. Freshmen will be exploring campus and would be really impressionable. So being out, even if it's right by the store, would be really helpful.

Ms. Davis said the idea of having ice cream socials has been an idea that's come up in her units. She didn't believe Naia did catering, but perhaps they could figure out a way to get ice cream to people. Ms. Thomas said they have a limited capacity to bring gelato around, a cart they could fill with about six flavors. Mr. Norris said the problem with the cart was that it didn't climb stairs and didn't fit into elevators. So there were some issues regarding accessibility. For catering, they'd have a problem keeping the product frozen, and it wasn't good if it's not served correctly. And if they can't serve it correctly, they wouldn't. Ms. Davis asked if they could entertain that position on a case-by-case basis, since some events might be in Chavez, which was pretty close. Mr. Norris said that for some events, the store would be so close that they could ask people to come down as well.

Mr. Coley said it might be difficult to show up at events, but Naia might want to rethink that. There's a large population there and a new product that people need to experience, and Naia had to get to people.

Mr. Tan said they only recently found out about the Welcome Week committee. It included a lot of groups, and he wasn't sure if the SOB was involved. Ms. Putnam-Smith said they weren't. Mr. Tan said the Auxiliary's involvement was mentioned, but he wasn't sure what the capacity was. Naia just learned from the Dean of Students about five or six events that were coming up that were basically designed to provide late-night events for Welcome Week in non-alcoholic settings, and Naia was pretty excited about them. For four or five of them, they could at least bring the cart out, if not be pretty close.

Ms. Thomas said an event will be held in Lower Sproul itself, with two or three held in MLK, which was also very close, and it would be easy for Naia to get involved. A few of the events seemed to be across campus, which might be harder to get to. But many of them sound like it would be a fantastic opportunity for Naia to be out and to be a presence, letting people know who they are and where they're located.

Mr. Tan said they could at least be part of Caltopia. They just received a package from the Dean of Students that included the budgets for each event, and they noticed that for one of them, people would actually have to go out and purchase Fenton's Ice Cream. This was definitely something Naia would like to be involved in, for next year as well. Naia was willing to provide ice cream. He asked if that went through the ASUC. Mr. Gupta said it might go through Cal Dining. Cal Dining had Fenton's come to Crossroads in the spring for a big ice cream night. Cal Dining also has nights open to vendors, so Top Dog went to one Dining Commons and Fenton's went to Crossroads. These were really big events and were really exciting for students. He could send Naia an e-mail with contact information for Cal Dining. Ms. Thomas said that would be great.

Ms. Davis asked where Cal Dining generally got ice cream. Mr. Gupta said he didn't know. Ms. Putnam-Smith said that Cal Dining had inexpensive, watery, frozen yogurt.

Mr. Tan said the next page of the hand-out showed some of the improvements Naia has already made to the space. On Friday they should actually have what's known as "halo" signage, a distinctive, solid metal sign that's backlit by neon. It will be right above Naia's space, above the foyer, outside the store, next to the Credit Union. Mr. Coley asked if the sign has been approved. Mr. Tan said it has been, and has gone through and been approved by the campus architect. It went through Capital Projects as well. So after opening in February, by August they have a sign. Mr. Coley said he would like to congratulate him.

Mr. Tan said the other thing they're going to have in the exterior will be a display cabinet similar to what SUPERB uses for posters on Lower Sproul. It will face the Credit Union, sort of on the inside of that

cubbyhole. Mr. Coley asked if they'll keep it free of graffiti. Mr. Tan said they would, as much as any other display cabinet on Lower Sproul. Also, electricians will put in spotlights next week. They've found their space to be very dark at night. There wasn't a lot of light, which was a shame, given that Zellerbach was right across the way. Naia did not physically stand out, and they hope the spotlights will help.

Mr. Coley asked if people will be able to see Naia's sign when leaving Zellerbach. Mr. Tan said they would. Mr. Coley asked if Naia has thought about advertising with Zellerbach. Mr. Tan said they have thought about it, and were just trying to figure out the best way to do it. Mr. Coley asked if Naia had made contact with them yet. Mr. Norris said they haven't, not yet. Mr. Coley said he had a suggestion for who to talk to who could make it happen. That could be a really big payoff. Ms. Davis said Zellerbach also sold food during intermissions. Mr. Norris said Naia wasn't sure how Zellerbach would feel about patrons spending money somewhere else.

Mr. Tan said they had a couple of other miscellaneous ideas about marketing. The first dealt with the Cal 1 Card. He still wasn't quite sure what it did or how effective it was. It's basically a debit card for students. Mr. Coley said Naia should really think that, because it made it easy for students when they didn't have money in their pockets.

Ms. Putnam-Smith asked if Naia was unable to access the Cal 1 Card. Mr. Tan said they were considering it. For a long time, Cal 1 was cost prohibitive for not just Naia, but all the ASUC Auxiliary vendors. Its cost structure recently changed to make it effective even for Naia, and it was something they were thinking about. Mr. Norris said Naia's stores don't accept credit cards since the fees involved essentially wipe out all the profit. Cal 1 just changed its policy, so Naia was going to consider it. It would still mean giving away quite a bit of profit.

Mr. Tan said another thing Naia has been doing was to talk to the Faculty Club. They did a wedding in June and the married couple wanted Naia's gelato, and since they're close by they've been trying to pitch the Faculty Club and get a little more involved with them. They've already talked to the Sales Director and the chef.

Mr. Coley asked if they've been response. Mr. Tan said they just sent an e-mail a couple of days ago.

Ms. Davis asked if Naia would just be in the Faculty Club for special events or if gelato would be on the menu. Mr. Tan said it could be either.

Mr. Tan said the brochure they distributed was something Naia came up with to showcase some of their abilities at the lounge.

Ms. Davis said there was another faculty club, and asked if Naia has also made contact with the Women's Faculty Club. Mr. Tan they haven't. Ms. Davis said it's smaller, but it also does special events and has lunch every day. Mr. Tan said Naia would approach them as well.

Mr. Gupta said he didn't know if this would overstep boundaries, but Peet's Coffee partnered with Cal Dining, allowing freshmen to swipe meal points at the Peet's next to Crossroads. Freshmen always ask if they could use meal points to get gelato or get food in the Bear's Lair. He didn't know how that would work, or if it would be profitable. Ms. Putnam-Smith said she recalled that being kind of a touchy area,

and she wasn't sure what the profit-sharing situation would be. Mr. Dally said he'd guess it could be a franchise location run by Cal Dining. Mr. Tan said the interests of Cal Dining were not necessarily the interests of Naia. But they could check that out. Ms. Putnam-Smith said Naia might want to talk to them, as they have a lot of interesting ideas, and it was worth a meeting.

Mr. Tan said the next page of the hand-out, they could see that the last paragraph states that Naia was located on Lower Sproul. Sometimes they say "under the fountain." They don't really have a good sense to describe the physical location of the store. And there were a number of factors that didn't help. For instance, campus maps haven't been updated in a while and don't include the Naia lounge. Naia also hoped to get included in the campus Directory, like the other Auxiliary vendors, but wasn't sure where to go. He left a message about that with the Auxiliary. Mr. Coley said he should take everything to Mr. Permaul, and it would be no problem.

Mr. Tan said they were interested in signage out on Bancroft, a situation that was pretty old for a lot of the vendors in the Bear's Lair. But they hoped to somehow find the right person to figure out how to update a lot of these things. Mr. Coley said he should talk to Mr. Permaul. Mr. Gupta said Mr. Permaul was also thinking about some new ways to do advertising, such as electronic signs facing MLK and Bancroft.

Mr. Tan said that in terms of a physical map, their location was somewhat difficult. Mr. Norris said they don't have a physical address, and they even have trouble getting mail. They're also not in a building that was recognized. Technically, they're in the ASUC mall, but even the mall was not depicted on any campus maps. Naia could say it's in the MLK building, but they're really not. So they face some challenges such as having ads for the store. It's even difficult to tell people how to apply for a job there. That was probably one of Naia's biggest challenges.

Mr. Gupta asked if the Postal Annex has done anything about describing where it was located. Mr. Norris said he believed it suffered some of the same problems.

Ms. Davis said that perhaps they should name this area. Ms. Thomas said that naming the building and recognizing that space would benefit all the businesses there. Mr. Norris said the Travel Agency told him that they just tell everybody they're under the Golden Bear.

Mr. Tan said the second issue on the sheet was something that's already started, Lower Sproul and its general condition and revitalization. They've only met Mr. Permaul once, but it seemed he was working on this as well. Hopefully, this could be something Naia was a part of. Mr. Dally said Lower Sproul development has been pending for a long time. Ms. Davis said she was hoping the idea would be resurrected, and thought there seemed to be more interest in it.

Mr. Tan said the last page indicated that Naia basically felt they most need Lower Sproul coordination. The Special Olympics had an event in Lower Sproul that summer, something that Naia would normally be excited about. But the food vendors actually barricaded the entrance to Naia, so none of those potential customers could get in.

Mr. Coley said that probably wasn't intentional, and they probably didn't know Naia was there. Mr. Tan said that was probably the case. Naia had no advance warning. Mr. Norris said those vendors told them

the space they had was theirs for the weekend, and they had no intention of moving. And that point was understandable as well. On the morning this occurred, Ms. Thomas called him and said he wouldn't believe what was going on outside.

Mr. Tan said there may not be a Lower Sproul committee, but Naia would like to be aware of these kinds of things. Mr. Coley said they should talk to Mr. Permaul.

Mr. Norris said they just found out about a carnival taking place in Lower Sproul, and students came to him begging for a donation. He thought a carnival would be great, with a lot of people there. But then he learned there would actually be a fence around the area, so nobody could leave, and that the fence would be in front of the store. These are challenges they don't face at other stores. Mr. Coley said they should get used to it, and said they need to condition themselves.

Ms. Davis said she thought there was a master calendar for requests to use Lower Sproul, which was kept by Mr. Poullard's office, since approval was needed to use Lower Sproul, and there were conditions as to when it could and couldn't be used.

Mr. Coley said he'd be surprised if they're talking about these kinds of things that coming semester. Naia came at a brand new time, and the person who should have been their agent left as soon as they arrived. So Naia should keep a list of these types of things and talk to Mr. Permaul. He thought all these things could be addressed. Mr. Tan said they just want to raise these points because they were issues they face, and Naia didn't think they were unsolvable.

Mr. Tan said the three types of events that Naia would love to be a part of, or at least profit from, would be Cal Athletics, Cal Performances, and Cal Alumni events. For athletic events in Haas Pavilion, people pass by Lower Sproul, and most people haven't noticed Naia there. Mr. Coley said there haven't been many games since Naia has been there. Naia opened at the end of February, so the basketball team had only two more games or so. Mr. Tan said they opened at the end of the season, and next season they want to be ready for it.

Ms. Davis asked if they have a portable ice cream cart. Mr. Tan said they did. Mr. Norris said it was mostly to give out free samples. They didn't have a secure way to exchange money at that time, which was a major concern. One suggestion was to bolt a cash register onto the cart, or some other way to secure it. But the cart was not a good way to sell gelato at that time. It was mostly for marketing and the odd event. Ms. Davis said that if they figure out how to use something like it, people would see it, and they could then be shown where the store was located. Ms. Thomas said that was something Naia was thinking about. Mr. Coley said people come to games early and get dinner, and Naia had to find a way to intercept them. Mr. Tan said that's exactly what Naia was thinking.

Ms. Harrison asked if Naia will be open on football Saturdays. Ms. Thomas said they're open every day. Mr. Coley said Naia hasn't been on campus through a football season, but he was sure that Naia's downtown store benefited from football games.

Mr. Dally said Naia had an orange sign on Upper Sproul, and perhaps that could be put closer to the street in order to pull people onto the campus. Ms. Thomas said she didn't want to have a trail of signs leading the way to the store. Mr. Dally said that during the summer, when there aren't as many people on campus, Naia needed to get them from somewhere else, presumably from Telegraph.

Ms. Harrison said there was a huge opportunity when students stand on line for the Cal 1 Card. It will be primary line on campus, and perhaps Naia could give out free samples at that time. The issue of exposure would be dramatically impacted after that week. Mr. Tan asked if that was just for freshmen. Ms. Harrison said every student who wants to get a Class Pass had to go through that line, and about 25,000 students will physically come to the Cal 1 store. That will take about two weeks, Welcome Week and then the first week of classes. Every single student who picks up a Class Pass will go there.

Ms. Davis said there's a Welcome Week Web site that has all the events that will occur. Ms. Thomas said the last time she looked, it hadn't been updated. Ms. Davis said it will be, so if Naia wanted to go to events and give out samples and fliers, they could use that source. Mr. Tan said that's what they were aiming for.

Ms. Davis said that in terms of the staff side, she asked if people could hold meetings at the lounge. Ms. Thomas said they definitely could. There's a fairly large space available. Ms. Davis said she's seen the space and it didn't look heavily used. She's seen students there doing work, but it seemed it would be suitable for meetings that didn't necessarily have to be confidential. Ms. Thomas said at that point they basically have a loose structure, where people send them an e-mail about meeting there and staff finds out if anybody else booked the space for the same time. They could have 20 people meet there.

Ms. Davis asked if meetings were a very active part of the lounge. Ms. Thomas said that in the summer, it's been a little slow. They're also trying to have a lot of light music booked by SUPERB, so there was also a question of not having music if there's a meeting. So some balancing was involved. This was still something Naia was trying to set up. They've gotten a lot of informal student group meetings to meet there. They either book through Naia or just come in.

Mr. Coley said that several years ago the ASUC Executive VP was responsible for booking that space and allocating meeting space. He asked if that was still the position's responsibility. Mr. Gupta said it was. Mr. Coley said that was a person Naia would want to be in touch with, and to have Naia included on the list of spaces to meet, as another option for people who feel the space would be appropriate to meet in. Mr. Tan asked if that was the same coordination done for Pauley Ballroom. Mr. Coley said Pauley was different. Ms. Davis said people have to pay to use Pauley. Mr. Gupta said he was the Executive Vice President, and he was working on space allocations at that time. So he'd definitely be in touch.

Ms. Davis asked about having birthday parties at Naia. Ms. Thomas said that over the summer they've had half a dozen people bring in a cake.

Ms. Davis asked about the maximum size capacity for the lounge. Ms. Norris said they could comfortably seat just under 100, and the capacity for meetings was about 50.

Ms. Putnam-Smith said she would like to thank Naia representatives very much for attending the meeting.

Ms. Thomas said she had discount cards to give out.

Ms. Davis said that if she had extra fliers, she could give them to her directors, which include units in Chavez. She's talked to some of them about having ice cream socials at Naia.

Ms. Harrison said she would like to thank them for attending. Mr. Tan said he would like to thank the Board.

APPROVAL OF THE MINUTES

Ms. Putnam-Smith said they had a quorum and she would entertain a motion at that time to adopt the minutes from the meetings in May and July. It was so moved and seconded by Mr. Gupta and Ms. Harrison. The motion to adopt the minutes from the May 9 and July 11, 2006 meetings passed unanimously by voice-vote.

APPROVAL OF THE AGENDA

Ms. Putnam-Smith said they should cross out the Director's report from the agenda. She called for a motion to adopt the agenda for the meeting that afternoon. It was so moved and seconded and passed unanimously by voice-vote.

NEW MEETING TIME

Ms. Putnam-Smith said she's had a hard time getting everybody's availability, and having Board meetings on Tuesdays from 4:00 to 6:00 has been set in stone for a while. She made a document showing the availabilities she had so far. When she sent it out, she would ask people to add in more times they had available. She had originally asked for times on Monday and Friday, but those weren't working so well. They'd start the new meeting time for the September meeting.

Ms. Davis asked if the change would just be for the fall, after which Mr. Permaul could switch class times for the spring, or if the change would be in perpetuity. Ms. Putnam-Smith said they'd have to talk to Mr. Permaul, and said it would be nice to be able to switch back to Tuesdays. She needed Mr. Permaul's availability. Finding a meeting time would be difficult, but they'd work it out.

Ms. Putnam-Smith said that if there was nothing else to discuss, they would adjourn the meeting.

This meeting adjourned at 5:14 p.m.

These minutes respectfully submitted by,

Steven I. Litwak
Recording Secretary

DECISIONS OF THE BOARD

Procedures

- | | |
|--------------|--|
| July '06 | Mr. Permaul's first Board meeting as Auxiliary Director. |
| June '06 | Unanimously endorsed the efforts of the Chancellor and the UC President to utilize programs such as the Designated Suppliers Program, or other means of preventing the use of sweatshops in the production of University apparel and goods. |
| April '05 | Mr. Dally joined the Board as undergrad representative. |
| December '05 | Asked the Finance Committee to discuss with Internal Audit the ASUC's use of the BFS accounting system. |
| December '05 | Elected Ms. Putnam-Smith as Chair of the Board. |
| June '05 | Voted to have committees, after the August meeting, agree upon meeting times, during normal business hours, and for the Finance Committee to meet at least quarterly, and for each committee to have representation of faculty, staff, and students. |
| June '05 | Re-elected Mr. Cohen as SOB Chair and elected Ms. Putnam-Smith as Vice Chair. |
| February '05 | Mr. Miles and Mr. Williamson joined the Board. |
| August '04 | Formed an ad hoc committee to study increasing efficiency in information technology. |
| July '04 | Elected Elliot Cohen as Acting Chair of the SOB, for 2004-5. |
| April '04 | Considered and amended ASUC Auxiliary Budget Principles. |
| January '04 | Agreed to send another letter to the ASUC Senate and the GA asking to resolve the question of a GA representation on the Board. |
| December '03 | Voted to send a letter to the ASUC Senate asking to resolve the question of GA representation. |
| October '03 | Approved the establishment of ad hoc committees: Commercial Operations, Auxiliary Services, and Finance. |
| August '03 | Heard a report on the establishment of the Space Assessment Committee for Eshleman and MLK. |
| June '03 | Elected Ms. Quindel and Mr. Bucklin as Board Chair and Vice Chair, 2003-4. |

Procedures (cont'd)

- | | |
|--------------|---|
| June '03 | Formed a Subcommittee on Committees to determine a committee structure for the Board. |
| June '03 | Agreed to hold a Board member orientation by August 30. |
| May '03 | Agreed on the need for a Board member orientation to be held before the start of the school year. |
| December '02 | Enhanced Board minutes by adding "Decisions of the Board" |

Vendors

- | | |
|------------|--|
| June '06 | Unanimously approved having Mr. Rolle look for someone to manage the Lodge, with the same relationship as with the previous manager, removing restrictions for a leaseholder. |
| March '06 | Approved a five-year lease option exercised by the Jupiter Pub |
| Feb. '06 | Authorized pursuit of a judgment against the previous Cal Lodge leaseholder on behalf of the ASUC and the ASUC Auxiliary. |
| Sept. '05 | Authorized the Chair to write a letter to Associate Vice Chancellor LeGrande about the rate and usage of the Cal 1 Card. |
| Sept. '05 | Approved use of an inspector suggested by the Alumni Association to inspect the Cal Lodge, to authorized pursuing an agreement for the Alumni Association to manage the Lodge. |
| May '05 | Approved the further exploration with Darryl Ross of placing a green café at the southeast corner of the Student Union. |
| March '05 | Heard a presentation by Darryl Ross and agreed to investigate the possibility of a "green" restaurant in the southeast corner of the Student Union. |
| Nov. '04 | Approved a two-year lease extension, beginning Jan. 1, '05, to the Taqueria and Healthy Heavenly Foods. |
| Nov. '04 | Approved the transfer of ownership of The Taqueria to the owner's nephew. |
| August '04 | Decided to offer the Pub, after consulting with counsel, a reduction in rent, with conditions. |
| July '04 | Heard a counter proposal from the Pub regarding a contract revision. Authorized the Director to seek legal counsel. |

Vendors (cont'd)

July '04	To advertise the Store, the ASUC worked to give Cal-SO counselors a \$5 gift certificate and RAs a 15% discount card.
June '04	Approved a five-year extension for the STA Travel lease.
June '04	Approved the Resolution In Support of Follett Contract Performance Review.
June '04	Approved changes to the terms of the Pub's lease.
April '04	Authorized negotiations for a 12-month contract with the current Bear's Lair tenant, and to terminate the lease if negotiations fail, and to issue an RFP.
March '04	Agreed to a four-week pilot project for the New York Times Readership Pilot Project.
March '04	Rejected contract proposals submitted by Pub management, called upon Commercial Operations to initiate a student survey on use of Pub space, and approved sending out an RFP for the space.
March '04	Recommended signing the Follett contract, dated Feb. 26, '04.
January '04	Agreed to publish a letter in the Daily Cal to the general campus community promoting Auxiliary businesses.
January '04	Voted to send a letter of apology to the Bookstore manager for the content of a flier for the ASUC Bookswap.
December '03	Heard from John Martin, operator of the Pub.
November '03	The Daily Cal lease was signed, and printing of the ASUC government page began.
November '03	Heard a presentation on Coca-Cola business practices in Colombia.
August '03	Amended the Daily Cal lease to have a code of conduct for the paper discussed by the campus committee at-large.
July '03	Approved a five-year lease with the Daily Cal.
July '03	Authorized an engineering study of the Cal Lodge, for use in negotiations with the lessees.
June '03	Formed a subcommittee to further consider the Daily Cal lease.

Vendors (cont'd)

- May '03 Heard a presentation by Coca-Cola representatives on the Company's business practices in Colombia.
- December '02 Added a fair-trade coffee option into the lease of the Coffee Spot

Student Union / Pauley Ballroom

- December '02 Authorized a letter to Coca-Cola expressing the Board's concerns with allegations of human rights abuses in Colombian bottling plants, and requested a company representative speak to the Board.
- May '05 Voted to approve the LoSpro lounge proposal for the space in the Student Union occupied by the Bearcade.
- May '05 Voted to explore options for the expansion of the Art Studio.
- April '04 Heard a presentation by Ms. Terman, Manager, Art Studio, on expanding the Art Studio into the area used by the Bearcade.
- October '04 Authorized ASUC President Leybovich, with matching funds from H&D, to spend up to \$2,500 for a Student Union/food service survey.
- May '03 Approved agreement with the Chancellor's proposal on the multicultural lounge; to enter into negotiations on costs and the Auxiliary's role in managing the facility; and to approve a negotiating committee. Current Officers will negotiate, with new Officers to shadow them until current Officers leave.
- May '03 Approved having Mr. Cordi and Mr. Rolle submit a proposal to support student use of Pauley Ballroom by the June meeting.
- April '03 Received a proposal, as part of the 2003-2004 budget, to allocate \$20,000 for the Senate and the GA to use for Pauley Ballroom fee waivers.
- February '03 Approved a subcommittee to look into policies for Pauley Ballroom and for fee waivers.

Budget

- April '06 Approved the 2006-7 Auxiliary budget.
- April '05 Approved the 2005-6 Auxiliary budget.

Budget (cont'd)

- September '04 Approved a motion to state that the Board alone had authority to shift funding; to determine 03-04 residual profit at \$103,208; and to transfer \$50,000 from residual profit to the Auxiliary Contingency Fund, making up for a transfer of that amount to the ASUC to balance its 04-05 budget.
- May '04 Approved a motion to urge the future SOB, 04-05, to consider as a high priority, fully funding one position for the OSA and a half position OSA position for the GA.
- April '04 Approved the ASUC Auxiliary FY2004-2005 Budget, including a transfer to the ASUC of \$50,000 from the Auxiliary Contingency Reserves.
- February '03 Received "ASUC Auxiliary Revenue and Expense Report, July -December 2003."
- June '03 A committee was formed to balance the Auxiliary budget. The Subcommittee on Committees will determine if this should be an ad hoc committee.
- May '03 Unanimously approved the 2003-4 budget, and charged the Auxiliary Services Committee to determine cuts to balance the budget. Absent a recommendation by August 30, agreed to staff the security desk in Eshleman starting at 6 p.m., rather than 8 a.m.

STORE OPERATIONS BOARD MINUTES

September 11, 2006

Present: (Members and others)

Mariyam Cementwala
Ron Coley
Barbara Davis

Vishal Gupta
Victoria Harrison
Nadesan Permaul

Jillian Putnam-Smith
Anum Tariq

SUMMARY OF THE MEETING

This meeting commenced the Fall Semester. It was called to order at 4:16 p.m. There was no quorum at the time.

Report from the Director

ASUC student government had 501(c)(3) status and therefore had to comply with State requirements. ASUC legal counsel will investigate what that would require. One issue that was looming for the campus to finally make a determination about the ASUC, its independence, and whether it ASUC met the requirements of a 501(c)(3) organization.

There was a possibility that Follett could have a remote cite at the University Library. The Library approached them and was discussing this with the Auxiliary and with Follett.

Regarding electronic signage, according to the campus landscape architect's assistant, all interior signs were under the purview of the ASUC, and the ASUC could use electronic signs that flash through windows, as well as portable electronic sign boards. So the Auxiliary will pursue getting two portable electronic signboards, to give information to the campus about businesses, services, and events. An electronic sign facing Bancroft, by the current Follett sign, did not have much support, but will be pursued.

The Scholar's Work Station approached the Auxiliary about retail space. The campus decided to relocate TSW out of University Hall, due to construction. TSW was hopeful an agreement could be reached to allow the sale of computers at the ASUC, something the ASUC has wanted for years. So there was hope that completely underutilized space in the ASUC would will finally get some life.

A quorum was present at that time.

The Postal Annex terminated its agreement with the Auxiliary on August 31. But there was a lot of interest in that space, and the Auxiliary will probably go out to an RFP. Copy companies were particularly

interested. The RFP will be made available for people to review. It was noted that student government might prefer other options for the space. This would be discussed by the ASUC's and reported to the Senate.

Loss of the Postal Annex could affect revenues, depending on how long the space remained vacant. But they'd expect to have a revenue-producing entity there by the time next year's budget was considered.

It was suggested placing a stamp machine somewhere in the mall.

Rent for this vacant space would be part of the RFP process. It was noted that the ASUC needed to look more entrepreneurially at the space that's rented, given that overall ASUC revenues have not increased dramatically while demand on those revenues has significantly increased. Mr. Permaul has invited Dean Campbell, of Haas, to speak to Execs and the Senate about trade-offs. Some students were concerned about moving to a bigger business model.

CUBS was in technical default of its lease. There was a change in management and CUBS missed the deadline to renew. CUBS has been offered a month-to-month lease at its current rent, and it would love another long-term lease. But there was a proposal from Cal 1 Card.

Campus Visitor Services was interested in using Naia to provide space for a visitors center between September and February, when there were fewer tourists. Visitor Services needed to accommodate about 30 people a day, near Sproul Plaza. Naia doesn't open until 11:00, and tours and briefings occur between 9:00 and 11:00. The Manager of Naia was interested. Summer use of Naia by Conference Services will also be pursued.

Campus Link, by the entrance to Heller Lounge, has been sold. The new corporate owner was from the plasma TV world. There will probably be a new sponsor, and US Bank was interested. The new owner of Campus Link suggested bringing in a number of plasma TVs for the ASUC provide information in a variety of locations.

On the seismic retrofit of Pauley Ballroom and the Tilden Room, work will occur next summer, which will cause a loss in Auxiliary reservations revenue between mid-May and the end of September of over \$60,000. There will be a proposal for the Auxiliary to set aside \$75,000 in residual to cover this loss so the ASUC wasn't impacted.

Students have also been approached about using residual for the Cal Lodge, and having a reserve for that of \$31,000, if needed. Money in part would come from a number of vacant positions and expenses that didn't materialize that had been budgeted.

Regarding Cal Lodge, interviews have been held of two potential managers. Both have potential to be a vendors/managers. One of them was living at the Lodge on a one-month temporary contract and did a great job of fixing things up. The Lodge was in remarkably good condition, although some work was needed.

A business model that had some potential will be explored, and hopefully the Lodge could once again be a successful business.

The students that summer got beyond what could have been a very contentious and problematic confrontation between the Judicial Council and ASUC elected officials. But that still left problems unresolved, dealing with ASUC By-laws and the J-Council's Judicial Rules of Procedure. He was hoping a process during that year would result in changes that would avoid the kinds of constitutional crises they've had for two of the last three years.

Regarding the Lower Sproul project, the RSF and the ASUC have six points to focus on when they deal with administrators on this project. Included in these points was the need to look at the sources of funding for any renovation beyond simply mandatory student fees. Students believe Lower Sproul development should be part of the campus' capital campaign. Another issue was space. Students would like to see businesses, activities, and events at Lower Sproul, to make it a key destination. The ASUC would also like to see more space to develop business. Finally, sustainability was a key issue, and students wanted a model green facility.

The ASUC Executive Cabinet created a six-point plan: 1) Lower Sproul redevelopment; 2) improving student information and technology; 3) creating a RSF tradition in the spring for the entire campus, a big event like UCSD's Sun God Festival; 4) environmental sustainability; 5) campus safety; and 6) diversity and inclusion. Hopefully, these will be passed on to future student government Administrations. Two or three Executives were assigned to these issues.

Regarding carry forward, the ASUC had to determine how they want that handled.

A question was raised about the Life Safety Fee. This was a mandatory fee students that was imposed by the Chancellor for projects relating to safety. A committee reviews eligible buildings, what projects to fund, what criteria to use, etc. The Fee was \$31.50 a semester, but recently was increased. This money was tapped out by the RSF renovation. It was noted that the ASUC has led the way with solar cells, and the best place for solar cells was the Rec Center. It was suggested that the Auxiliary be attuned to possible opportunities to expand this in some way.

It was possible that a faculty member of the Board will step down after that semester, and a new chair will be needed next semester, since the position was for one year.

The meeting adjourned at 4:58 p.m.

[End summary of the meeting.]



This regular meeting of the Store Operations Board, commencing the Fall Semester, was called to order by Jillian Putnam-Smith at 4:16 p.m. in the ASUC Senate Chamber.

Ms. Putnam-Smith said they didn't have a quorum at that time, so while they couldn't take a vote on anything, they could start the meeting and hear reports.

REPORT FROM THE DIRECTOR

Mr. Permaul said he could give brief updates on some issues that weren't on the agenda and save the other items for when they had a quorum.

Mr. Permaul said that when he arrived at the ASUC, he learned that ASUC student government had 501(c)(3) status. As a result, in theory, student government had to comply with the requirements of the California State Non-profit Integrity Act of 2004. He shared that with Mr. Coley. Mr. Permaul said he was having legal counsel investigate what that would require. There were clearly some things the ASUC would have to do in order to be in line with State law, if the ASUC was going to be a non-profit organization. As soon as Mr. Himmelstein was able, he'll report back, and Mr. Permaul said he'd share that with student government and let them know what those conditions were. Mr. Permaul said he was surprised to find that this was something that no one had actually done.

Mr. Coley asked what the implications were for this with the Alumni Association. Mr. Permaul said the Alumni Association had to make some dramatic changes, and had to separate its financial committee from its audit committee. They used to be one and the same. And it had to do an annual audit, of course, which was reviewed every year by the governing board of the Alumni Association a board such as the SOB. It also had to meet other in terms of the salary of the Executive Director and several other things it was required to do. Mr. Permaul said he was letting Mr. Himmelstein review this matter and bring to the Board the issues that were pertinent.

Mr. Permaul said there was one issue that was looming out there that could be substantive. The campus has shied away from certain determinations about the ASUC, but the law may require the campus to fish or cut bait on the designation of the ASUC, in fact, the ASUC meets the requirements of a 501(c)(3) organization. That would set up a series of legal analyses, and once he received a reading from their lawyer, Mr. Permaul said he'd bring that back to the appropriate parties.

Mr. Coley asked what the campus has shied away from. Mr. Permaul said it's the same issue it shied away from during the summer, during the crisis with the Judicial Council, and that was to make a determination with regard to the independence of the ASUC. The ASUC's 501(c)(3) status may trigger a certain kind of requirement that would not allow the campus to avoid that issue.

Mr. Permaul said there was also some news about a possible extension of Follett to the University Library. The University Library has approached them and was discussing with the Auxiliary and with Follett the prospect of extending a remote site for the student Bookstore at the University Library. As they get more information, Mr. Permaul said he'd bring that back to the SOB and to student government.

Mr. Permaul said he mentioned to the Board the last time he was able to meet with them that the Auxiliary was very interested in moving forward with electronic signage that would allow the ASUC to finally not only allow student groups to provide information about activities, but also advertise the Auxiliary's businesses. He met with the campus landscape architect's assistant and they walked through it. There was some good news and also some things that were unclear. All interior signs were under the purview of the ASUC. So for electronic signs that flash through the windows, the Auxiliary was at liberty to put them up. Portable electronic signboards were not within the purview of the campus, so the Auxiliary was at liberty to pursue those as well. As a result, the Auxiliary could pursue the notion of having two

portable electronic signboards that could be moved from location to location, giving information out to the campus about businesses, services, and events. The notion of putting up an electronic sign facing Bancroft, where their current Follett sign was, seemed less appealing to the campus, and the people he talked to didn't seem very supportive of that. Mr. Permaul said he's turned that matter over to the Associate Vice Chancellor, and he will pursue this through channels. But with regard to the other items, the Auxiliary will be move forward on them, and he'll be sure to bring information back about that.

Mr. Coley said to make sure he understood, the campus was comfortable with interior signage that shined through the window. Mr. Permaul said that was correct. He thought that was very interesting. As long as it was inside the building, it wasn't an issue, and as long as it was portable it wasn't an issue. But fixed to a structure, such signage was problematic. Mr. Permaul said he then raised the point of Parking and Transportation's electronic sign that wasn't designed by professionals and did not go through either design review or any other campus review. But they didn't mention that. It's just 100 feet down the road from the other sign. As he mentioned to Mr. Coley that morning, the previous Chancellor indicated that when they put the bus stops in, putting commercial signs that faced out to commercial streets was not an issue. So they'd see.

Mr. Permaul said the three items he just mentioned were not on the agenda he sent out. One other item he'd just mention in passing was that he met with April Roy, the Manager of the Scholar's Work Station that day. Ms. Roy approached him about three weeks ago to indicate that the campus has made a decision on the relocation of the Scholar's Work Station out of University Hall, due to construction that will take place at Warren Hall. The Scholar's Workstation was therefore looking for suitable space to have a retail store for. And that day Ms. Roy brought him a proposal for space at the Auxiliary, and they talked very nebulously about terms. Mr. Permaul said he could say positively that there was nothing that stopped the discussion. In fact, Ms. Roy was extremely hopeful that they'd be able to come to an agreement that would allow the sale of computers at the ASUC, which was something the Associated Students has wanted for years. So he was hoping they could work something out. He was there with the Regional Manager of Follett, and Mr. Permaul said he took them through the space Follett would be interested in for use by The Workstation. Mr. Permaul said he needed to sit down with Follett, work with Mr. Coley, and make sure the terms and conditions were acceptable. But there may be some hope on the horizon that space that was completely underutilized in the ASUC will finally get some life to it.

Mr. Permaul said those were the only things he had to bring up. Other than that, he just had the agenda items that were listed on the agenda. He asked if they should move ahead. Ms. Putnam-Smith said that as long as his agenda items didn't need votes, they could proceed, and he should feel free to move forward.

Ms. Putnam-Smith said that since they just got quorum, she would suggest that the Board go through the agenda.

APPROVAL OF THE MINUTES

Ms. Putnam-Smith called for a motion to approve the minutes from the August Board meeting. It was so moved and seconded by Mr. Gupta and Mr. Permaul. **THE MOTION TO APPROVE THE MINUTES FROM THE AUGUST 8, 2006 BOARD MEETING PASSED UNANIMOUSLY BY VOICE-VOTE.**

APPROVAL OF THE AGENDA

Ms. Putnam-Smith said called for a motion to approve the agenda for the meeting. It was so moved by Mr. Gupta and was seconded . THE MOTION TO APPROVE THE AGENDA PASSED UNANIMOUSLY BY VOICE-VOTE.

REPORT FROM THE DIRECTOR (cont'd)

Mr. Permaul said the Postal Annex terminated its agreement with the Auxiliary on August 31. But while that was sad, the good news was that were people who were pounding on the door to get into that space. The Postal Annex still had its original store across the street, so it hasn't gone completely, and they would just not be at the ASUC. But there was definite interest in the space, and Mr. Permaul said he and Mr. Coley will work on strategy and probably go out to a Request for Proposal for that space. Copy companies were particularly interested in the space. Copy Central approached him right off the bat. And he understood that Kinko's has been interested in being there for sometime. And of course, they have Campus Copy as well. So the Auxiliary will try to put together an RFP and make it available for people to review.

Mr. Coley said they also had to make sure that the SOB, student government, and the Senate, didn't have other options they would prefer to be considered for that space. Mr. Permaul said he would like to thank Mr. Coley for that, and said that was correct. He said that Mr. Gupta should put that on the agenda, or perhaps they could discuss it among members of the Cabinet. He didn't know how they'd discuss it. Mr. Gupta said Mr. Permaul could probably mention it when giving a report to the Senate, and Mr. Gupta said he would talk to the Execs about it on Tuesday night.

Mr. Gupta said that if the Postal Annex terminated its agreement, that meant it would no longer be using the space, and he asked if the space was currently empty. Mr. Permaul said it was. Mr. Gupta asked if that would affect revenues that year that would come in for next year's budget. Mr. Permaul said it could affect revenues, depending on how long the space remained vacant. Mr. Coley said they would hope it wouldn't have any impact on next year's budget because they would expect to have a revenue-producing entity in that space by the time that next year's budget came along.

Ms. Davis asked if there were any other ASUC businesses that sell postage stamps, or if a stamp machine could be put in somewhere for people's convenience. Mr. Coley said he thought a stamp machine was a good idea. Ms. Putnam-Smith said that some ATMs provide an option to get stamps when people make a withdrawal. Ms. Davis asked if there was such an ATM machine in the ASUC. Ms. Putnam-Smith said it was at Wells Fargo Bank, and she didn't know of any others. Mr. Permaul said he would follow-up on that.

Ms. Putnam-Smith asked about the rent for the space the Postal Annex occupied, and if it followed the same kind of plan as Bear's Lair restaurants, or if it was more like Naia. Mr. Permaul said they have not determined the rent. He asked if she was asking about the rent that had been charged there. Ms. Putnam-Smith asked what they'd do in the future, and how the rent would be structured. Mr. Permaul said that would be part of the RFP process, and they'd explore what the Auxiliary could obtain. He's tried to

suggest to the Executives over the summer that they need to look a little more entrepreneurially at the space they rent and provide, particularly because the overall revenues of the ASUC have not increased dramatically, while the demand on those revenues from student groups has increased significantly. So the ASUC was currently in a quandary now. The question was whether they generate more revenue and therefore have funds more to distribute, or if they continue to approach things the way they have, which was relatively low-key in terms of some of the spaces. One idea he's floated to the Execs was to invite Tom Campbell to come and speak to the Executives and to the Senate about the trade-offs that would be associated with choices they might have to make in terms of businesses. He knew that philosophically, some students were very concerned about moving to a bigger business model. But if the ASUC wanted to be like ASUC-LA, they had to look at a model like that. If they didn't want to be ASUC-LA, then they other choices they could make. So he thought it would be good to bring in someone who could articulate those choices for the students, and Dean Campbell said he would be delighted to do this.

Mr. Permaul said that regarding the technical default of CUBS, CUBS had been under one form of management and made a change of management over the summer and missed the deadline to renew its option for its space. Mr. Permaul said he notified CUBS three days before the end of the termination of its lease, and CUBS was shocked it hadn't done that. The Auxiliary has offered CUBS a month-to-month lease at its current rent. He will meet with the CEO of CUBS in the near future. He knew the CEO would love to have another long-term agreement for that space. Mr. Permaul said his counsel to the students was that they think very hard about that in terms of the proposal from the Cal 1 Card, which he would talk about later. It might not make good sense to lose that space, and that space might be a very important bargaining chip in something they might want to look at later on. Mr. Permaul said he needed some guidance and direction from the Cabinet. Mr. Permaul said he'll meet with CUBS' CEO and would let the Board know what the CEO presented.

Mr. Gupta asked where CUBS was currently located. Mr. Permaul said they're in the space right across from the Cal 1 Card office. That space was actually very coveted, particularly by banking institutions.

Mr. Permaul said there was a possible interest by Visitor Services for the use of Naia, and he was approached by Walter Robinson, who was interested in trying to provide space for a visitors center that was near Sproul Plaza during the months of the year when they don't have the greatest number of tourists, between September and February. Visitor Services needed to accommodate about 30 people each day, in a location near Sproul Plaza. They didn't have a space that was consistent. Mr. Permaul said he spoke about this with Chris Tan, the Manager of Naia. Naia doesn't open until 11:00, and the Visitors Center would be doing tours and briefings somewhere between 9:00 and 11:00. So this seemed like a nice match; and there could be 30 people in Naia's when it opened at 11:00. This idea has been presented, and the Auxiliary was waiting to hear back. Mr. Tan was very interested. Mr. Permaul said the Auxiliary will try to pursue this and try to find some synergy. Mr. Permaul said he also wanted to talk to Mr. Tan about some other options for the campus using that space. It's a wonderful space for certain kinds of meetings and events, and they need to get that information out.

Mr. Coley asked if the space could be available when the store wasn't open. Mr. Permaul said it could be, and Naia was willing to talk about that. The other idea would be to try and work something out with Conference Services for the summer, when it has people come onto the campus for various activities. Every once in a while they need a place to meet, and sometimes just a place to go and relax. So Mr. Permaul said he'd try and see if the Auxiliary could can pursue that. He was hoping his former life wouldn't do him in with Conference Services.

Ms. Davis asked if this use of Naia that was being considered would be for free. Mr. Permaul said it wasn't clear. Ms. Davis asked if Visitors Services asked to have this just the people who come to campus for a tour. Mr. Permaul said that was correct. Ms. Davis asked if visitors pay for the tour, or if it's given for free, just as something the campus did. Mr. Permaul said he didn't know whether or not Visitors Services charged for the tours. It may be that they were looking for free space, and they were just talking about space conceptually. But they liked Naia's space very much. They looked at it and thought it might be very helpful. They have not responded, and that was about three weeks ago, so he would follow-up with them.

Regarding Campus Link, Mr. Permaul said it's located by the entrance to Heller Lounge, by the Multi-cultural Center. Campus Link has been sold. The new corporate owner comes from the plasma TV world, and they're probably going to bring in a new sponsor. "The Chronicle" will step back, and US Bank was interested in taking over the sponsorship. The new owner of Campus Link has approached him with a very intriguing concept, to bring a number of plasma TVs to locations where students were, with the ASUC to have the ability to not only have commercial information available on them, but with the ability to control and disseminate campus information on the TVs to students in a variety of locations. He was waiting to get back a proposal of how many plasma TVs would be made available, and then he'll probably go out to talk to campus partners outside the ASUC to see what they would be interested in having. The plasma TVs could also give out student information, such as "ASUC Senate meeting tonight in Eshleman Hall." Or they could show information on student group meetings. A variety of information could be presented about services that were important to students during the course of the year, and they could be flashed as commercials, basically, any time the ASUC or Auxiliary would like them to be on. So he was waiting to get back information on that.

On the seismic retrofit of Pauley Ballroom and the Tilden Room, Mr. Permaul said he would like to thank Ms. Davis. The campus and the Life Safety Committee decided to fund the seismic retrofit of Pauley Ballroom and the Tilden Room, and that will occur next summer. As a consequence, Mr. Permaul said he had the budget officer show him the impact that would have to the Auxiliary's reservations between the middle of May and the end of September next year. These renovations would cause the Auxiliary to lose over \$60,000 worth of revenue. They still have residual funds from the current year and he would propose that the Auxiliary set aside \$75,000 of those residual funds to cover the potential loss of revenue for the ASUC. In that way they would feel no impact.

Mr. Permaul said that in the same vein, there were two other potential reserves that he's approached the students about to use residual funds. One was the Cal Lodge. Last year the Auxiliary spent \$31,000 out of operating expenses to recover the costs of the Cal Lodge, and they were currently pursuing a business strategy that he'd discuss later. But in case that strategy doesn't work, Mr. Permaul said he was suggesting that they have a reserve of \$31,000 for the Lodge. The other used of residual was to put aside an additional \$25,000, possibly, for the dance/police fund for Pauley. They may have \$25,000 already set aside, and that may be adequate. He had to check with Chief Harrison. Chief Harrison indicated that amount was adequate, so the Auxiliary would not ask for additional funds for that purpose.

Ms. Davis asked where this residual money was coming from. Mr. Permaul said it came from the ASUC Auxiliary, funds that were residual. Ms. Davis said they had a good year, then. Mr. Permaul said they had a tremendous number of vacancies in positions, and they also budgeted for some expenses that didn't materialize.

Regarding Cal Lodge and its status, Mr. Permaul said that he and John Rolle, before he left, interviewed a potential manager for the Cal Lodge and had another person, who he hasn't interviewed, except by telephone, but Mark Himmelstein, their lawyer. They feel that both of these parties have potential to be vendors/managers of the Cal Lodge. In fact, one of them has been living there under a one-month temporary contract and has done a fabulous job of fixing up the place. When ASUC officers held their weekend retreat, which was fun, they went up to Mark Himmelstein's cabin in Truckee, and then went to breakfast at the Cal Lodge. Mr. Permaul was impressed that their vendor cooked a pancake breakfast for them. The students, however, not to be outdone, cooked eggs, bacon, sausages, and brought cereal, fruit, and bread. So they had a feast there that morning. And then they heard a presentation on the Lodge and its business affairs and took a tour. The Lodge was in remarkably good condition, although it did need some work. Both of the potential vendors have shown great interest in taking on this responsibility.

Mr. Permaul said he and Mr. Himmelstein had a model that they thought had potential. Mr. Permaul said he would share the details with the Board before they go to contract. They'll have the campus contract officer look at the agreement because technically, the ASUC still owned the Lodge, even though the Auxiliary was assisting with that. They were hopeful that they will have a viable business model and that the Lodge could once again be a successful business.

Mr. Permaul said he already gave the Board an update the next item on the agenda, electronic signage, and he thought the news was very positive.

Mr. Permaul said he had a brief comment on the resolution of the dispute ASUC student government had recently and what the next steps would be. He was extremely proud of the students that summer in that they were able to get beyond what looked to be a very contentious and problematic confrontation between the Judicial Council and the elected officials of ASUC government. But that still left an unresolved set of issues. People having been focusing on resolving and improving ASUC By-laws, and that's something that needed to take place. But equally as important will be, hopefully, an upgrade and revision of the Judicial Rules of Procedure. He was hoping ASUC government and the Judicial Council can get together and put together a process during the course of that year that would result in changes to both the By-laws, which was long overdue, but in particular, changes to the Judicial Council's Judicial Rules of Procedure, so they don't end up with the kind of constitutional crisis they've had for two of the last three years because of how the JRPs were allowed to play out. So they'd see what happens with this. It could be a confrontation and a crisis in and of itself.

Regarding the Lower Sproul project, Mr. Permaul said he was meeting with Prof. Jay Stowsky, who appointed by Cathy Koshland, as her representative. As Vice Provost for Academic Facilities, Ms. Koshland had responsibility for the Lower Sproul project, to ensure, as Prof. Stowsky presented it, that this project gets off the ground. Mr. Permaul said he also met with the Dean of Students and Prof. Stowsky for lunch, and they agreed that this was a very important project. The students presented 11 issues to Prof. Stowsky, with Mr. Permaul's assistance that needed to be on the table with regard to the development of Lower Sproul. Since that time, the students have asked for some talking points, and both the GA and the ASUC now have six talking points, which he thought would be part of the students government's six-point plan, which they'll focus on when they deal with administrators on the Lower Sproul project.

Mr. Permaul said he could briefly summarize them the some of the students' issues; and Mr. Gupta should feel free to jump in at any time. The campus needed to look at the sources of funding for any

renovation of Lower Sproul, and to go beyond simply student mandatory fees. The spaces were occupied by the campus and need to be reviewed in terms of campus funds. The campus has indicated that all fees were University fees, and that Reg Fees and campus funds should be interchangeable with regard to the capital development of Lower Sproul. So fundraising should be a critical element of the project. The students firmly believe that Lower Sproul development should be part of the campus' capital campaign. Mr. Permaul said that was one set of issues on funding.

Mr. Permaul said another set of issues was on space itself. There has been some question as to whether or not Lower Sproul was a destination. The students feel it was, and if it hasn't been, that's because the campus, in some sense, has chosen to neglect it in its capital development across time. So rather than abandon it, students would like to see businesses, activities, and events located in this environment that would make this like the Business School, Crossroads, or the RSF, as one of the key destinations on the campus. Students feel that there is more than an aggregation of critical mass that could come through this location, for use by a variety of purposes. So the students would like to see the criteria that the campus uses to locate services in this area. They also want to see businesses expand. The ASUC would like to see more space for the development of business so its revenue potential was increased. If the campus wanted to tear down Eshleman Hall to open up the vista to the campus, or make space more accessible, then the campus needed to have a proposal on how it would recover that space, either across the street, in other locations nearby, or even within the dimensions of the Lower Sproul area.

And then finally, sustainability was a key issue. Students want a sustainable facility that would be viewed as a model green facility.

Mr. Permaul said these were the talking points that the students presented, and they're part of the 11 issues that they gave to Prof. Stowsky. Mr. Permaul said he knew that Ms. Liou and Mr. Gabriel met with Prof. Stowsky that week and there will be further news. Their goal was to get this project going.

Mr. Coley asked Mr. Gupta if there was any progress on that. Mr. Gupta said that was something that Mr. Gabriel was definitely working towards. What they did as an Executive Cabinet was to create a six-point plan that they'd work towards, and hopefully pass on to every student Administration after them. The top one was Lower Sproul redevelopment. Obviously it's a long-term project and something that they constantly have to push for. Mr. Gabriel and Ms. Liou will work more specifically on those issues. Just so people have this information, he'd go over the other five issues. One issue was to improve student information and technology, so that things like Tele-BEARS and Bear Facts and Info-Bears were more user friendly and accessible, and so glitches in those systems don't affect students in ways they have previously.

Mr. Gupta said students' their third issue was to create some sort of Cal tradition that applied to the entire campus. As an example, they always use the Sun God Festival at UC San Diego. It's a huge event every year that the student body puts on. They bring a big artist to the campus and have a huge festival. The students would like some big event, some tradition, that the campus could look forward to every year. Hopefully, they'll introduce that this year, with the Spring Concert. So that's something people could look forward to. Their first planning meeting for that was on Tuesday.

Mr. Gupta said the last three issues the students had were things the Senate was also addressing in its Advocacy Agenda: environmental sustainability, campus safety, and diversity and inclusion. They have a Director for Environmental Sustainability who will work on things like over-flieration on the campus, and

more importantly, receptacles and how the trash system worked, and how they could make it more user friendly for people to recycle. They also want to get into the dorms to do recycling. The idea was to work towards a greener campus as a whole. Another issue was improving campus safety. That included the Neighborhood Watch Program, improving lighting in the Willard Neighborhood and on Dwight, and using the UCPD as a strong resource to improve the prevention of crime and theft, and to improve student safety both on campus and in campus neighborhoods, in the range that Mr. Permaul has talked about. And then the final issue was diversity and inclusion. As they know, the Chancellor created a Vice Chancellor position for equity and inclusion, and it was important for students to respond to that with as much feedback as they could, and that they get into the Recruitment and Retention Centers and talk to the Admission and Enrollment Office to find out how they could not only push for more numbers on the campus, but for more inclusion of communities on the campus. Mr. Gupta said they'll also work through their projects to do that. Mr. Gupta said those were their six points. He could bring to the Board all the details that went along with these issues. If people had any criticism about this, he could talk to them, or if they had anything to add, he would ask them to please let him know. It was all very, very early for them, and the actual proposal will come more towards the end of the month.

Ms. Davis asked how they were dividing up each of those areas, and if one Officer was working on each. Mr. Gupta said there were two or three Officers. Ms. Davis asked if those were Senators or Executives. Mr. Gupta said the Senators decided they wanted to make their Advocacy Agenda on the last three items he mentioned, sustainability, diversity, and campus safety. But there were two or three Executives assigned to each issue. And they're kind of specializing in those issues.

Ms. Putnam-Smith asked if that was all Mr. Permaul had for his report. Mr. Permaul said it was. Ms. Putnam-Smith asked if there were any other issues to be discussed.

Mr. Gupta said he had a question, and asked when the carry forward money will be presented to the Senate. Mr. Permaul said they had two different funds. Residual, which came from the Auxiliary, and carry forward. He thought the Cabinet wanted to strategize before people went forward to the Senate. He was prepared to go forward to the Senate whenever they wished. People haven't sat down with him to discuss how they want it to be handled.

Mr. Gupta said he had a question for administrators in the room. He had a chance to meet with the Director of the RSF and talked about some of the campus fees that students pay. One was the Life Safety Fee, and Mr. Gupta said he was curious to know more information about that, and where it was at that time. He would guess this was revisiting the retrofit of Pauley Ballroom and the Tilden Room. He asked how much the Life Safety Fee was, where it was going, and where it's been in recent years. Ms. Davis said it just went up that summer. The Life Safety Fee was a mandatory fee that all students pay, which the Chancellor could impose. It's for projects that relate to safety. There's a committee that actually reviews in excruciating detail the Life Safety Fee, and what buildings were eligible, what projects to fund, what criteria should be used to determine life safety, and so forth. She would be happy to send people the report. The Life Safety Committee made recommendations, which were accepted by the Chancellor, and were therefore now in effect. She believed the current Life Safety Fee would run for four years, and at that point a decision would be made by the Chancellor on whether to continue the Fee, and given the seismic problems on Lower Sproul and elsewhere, whether the amount should go up or not. As for projects that have been funded by Life Safety, the biggest was the RSF structural failure problems. The current Life Safety Committee, which she was no longer on, included that Barbara Wezelman, Mike Kupkowski, Norma Partridge, Wallace, from Ms. Davis' office, Jodie, and students from the Committee

on Student Fees. She didn't know if there were any ASUC or GA students on it. This group looks at the requests for Life Safety funds, looks at criteria established by the previous Committee, and then makes decisions on what projects could be funded, and in what priority order.

Mr. Permaul asked about the representatives on the Committee. Ms. Davis said it included administration, including Mike Decowski, and somebody from Physical Plant as well, she believed; and there might be other people from Capital Projects on it as well. The Fee used to be \$62 a year, but it went up, and she forgot the amount it was increased. It had been \$31.50 a semester, and the increase was not huge, some percentage, she believed. But the money pretty much was tapped out in doing the RSF, which was a huge, multi-million dollar project, to shore the building. She asked if Mr. Weinberger was happy with the outcome. Mr. Gupta said he was. He had all good news, especially after last year. Mr. Coley said Mr. Weinberger was happy.

Mr. Coley said he would also mention that such a good job was done with Life Safety Fee money on the exterior wall, that it looked like they were closing in on doing the roof of the RSF as well. The reason he was bringing that up at the SOB meeting was because the ASUC has been leading the way with respect to solar cells, and the absolute best place in the UC System for solar cells, much better than Martin Luther King, was the Rec Center. So that was something that Mr. Permaul would want to keep his ear to the ground about, for any opportunity to expanding that project in some way.

Ms. Putnam-Smith called for any other issues.

Ms. Davis asked if they had a full complement of members of the Board, and if people got approved by the Senate and the GA. Ms. Putnam-Smith said they had the 11 members, but she believed students will have to look for a new faculty member. She believed one of their current faculty members will step down after that semester, so they'd have to recruit for that opening. Also, a new chair will start next semester. She believed people were allowed to serve as chair for one year, and so this would be her last semester as Chair.

Ms. Davis asked who the Vice Chair was. Ms. Putnam-Smith said she wasn't sure, and they should figure that out. She was reading the Commercial Activities Agreement, which laid out the rules for the Board, and traditionally, holding the chair has gone back and forth between students and faculty or administrators. Mr. Coley said that tradition was abandoned about three or four years ago. Ms. Putnam-Smith said she knew the Board has been most often chaired by students.

Ms. Putnam-Smith said if that was all, they would adjourn the meeting.

This meeting adjourned at 4:58 p.m.

These minutes respectfully submitted by,

Steven I. Litwak
Recording Secretary

DECISIONS OF THE BOARD

Procedures

- | | |
|--------------|--|
| July '06 | Mr. Permaul's first Board meeting as Auxiliary Director. |
| June '06 | Unanimously endorsed the efforts of the Chancellor and the UC President to utilize programs such as the Designated Suppliers Program, or other means of preventing the use of sweatshops in the production of University apparel and goods. |
| April '05 | Mr. Dally joined the Board as undergrad representative. |
| December '05 | Asked the Finance Committee to discuss with Internal Audit the ASUC's use of the BFS accounting system. |
| December '05 | Elected Ms. Putnam-Smith as Chair of the Board. |
| June '05 | Voted to have committees, after the August meeting, agree upon meeting times, during normal business hours, and for the Finance Committee to meet at least quarterly, and for each committee to have representation of faculty, staff, and students. |
| June '05 | Re-elected Mr. Cohen as SOB Chair and elected Ms. Putnam-Smith as Vice Chair. |
| February '05 | Mr. Miles and Mr. Williamson joined the Board. |
| August '04 | Formed an ad hoc committee to study increasing efficiency in information technology. |
| July '04 | Elected Elliot Cohen as Acting Chair of the SOB, for 2004-5. |
| April '04 | Considered and amended ASUC Auxiliary Budget Principles. |
| January '04 | Agreed to send another letter to the ASUC Senate and the GA asking to resolve the question of a GA representation on the Board. |
| December '03 | Voted to send a letter to the ASUC Senate asking to resolve the question of GA representation. |
| October '03 | Approved the establishment of ad hoc committees: Commercial Operations, Auxiliary Services, and Finance. |
| August '03 | Heard a report on the establishment of the Space Assessment Committee for Eshleman and MLK. |
| June '03 | Elected Ms. Quindel and Mr. Bucklin as Board Chair and Vice Chair, 2003-4. |

Procedures (cont'd)

- June '03 Formed a Subcommittee on Committees to determine a committee structure for the Board.
- June '03 Agreed to hold a Board member orientation by August 30.
- May '03 Agreed on the need for a Board member orientation to be held before the start of the school year.
- December '02 Enhanced Board minutes by adding "Decisions of the Board"

Vendors

- June '06 Unanimously approved having Mr. Rolle look for someone to manage the Lodge, with the same relationship as with the previous manager, removing restrictions for a leaseholder.
- March '06 Approved a five-year lease option exercised by the Jupiter Pub
- Feb. '06 Authorized pursuit of a judgment against the previous Cal Lodge leaseholder on behalf of the ASUC and the ASUC Auxiliary.
- Sept. '05 Authorized the Chair to write a letter to Associate Vice Chancellor LeGrande about the rate and usage of the Cal 1 Card.
- Sept. '05 Approved use of an inspector suggested by the Alumni Association to inspect the Cal Lodge, to authorized pursuing an agreement for the Alumni Association to manage the Lodge.
- May '05 Approved the further exploration with Darryl Ross of placing a green café at the southeast corner of the Student Union.
- March '05 Heard a presentation by Darryl Ross and agreed to investigate the possibility of a "green" restaurant in the southeast corner of the Student Union.
- Nov. '04 Approved a two-year lease extension, beginning Jan. 1, '05, to the Taqueria and Healthy Heavenly Foods.
- Nov. 04 Approved the transfer of ownership of The Taqueria to the owner's nephew.
- August '04 Decided to offer the Pub, after consulting with counsel, a reduction in rent, with conditions.
- July '04 Heard a counter proposal from the Pub regarding a contract revision. Authorized the Director to seek legal counsel.

Vendors (cont'd)

July '04	To advertise the Store, the ASUC worked to give Cal-SO counselors a \$5 gift certificate and RAs a 15% discount card.
June '04	Approved a five-year extension for the STA Travel lease.
June '04	Approved the Resolution In Support of Follett Contract Performance Review.
June '04	Approved changes to the terms of the Pub's lease.
April '04	Authorized negotiations for a 12-month contract with the current Bear's Lair tenant, and to terminate the lease if negotiations fail, and to issue an RFP.
March '04	Agreed to a four-week pilot project for the New York Times Readership Pilot Project.
March '04	Rejected contract proposals submitted by Pub management, called upon Commercial Operations to initiate a student survey on use of Pub space, and approved sending out an RFP for the space.
March '04	Recommended signing the Follett contract, dated Feb. 26, '04.
January '04	Agreed to publish a letter in the Daily Cal to the general campus community promoting Auxiliary businesses.
January '04	Voted to send a letter of apology to the Bookstore manager for the content of a flier for the ASUC Bookswap.
December '03	Heard from John Martin, operator of the Pub.
November '03	The Daily Cal lease was signed, and printing of the ASUC government page began.
November '03	Heard a presentation on Coca-Cola business practices in Colombia.
August '03	Amended the Daily Cal lease to have a code of conduct for the paper discussed by the campus committee at-large.
July '03	Approved a five-year lease with the Daily Cal.
July '03	Authorized an engineering study of the Cal Lodge, for use in negotiations with the lessees.
June '03	Formed a subcommittee to further consider the Daily Cal lease.

Vendors (cont'd)

- May '03 Heard a presentation by Coca-Cola representatives on the Company's business practices in Colombia.
- December '02 Added a fair-trade coffee option into the lease of the Coffee Spot

Student Union / Pauley Ballroom

- December '02 Authorized a letter to Coca-Cola expressing the Board's concerns with allegations of human rights abuses in Colombian bottling plants, and requested a company representative speak to the Board.
- May '05 Voted to approve the LoSpro lounge proposal for the space in the Student Union occupied by the Bearcade.
- May '05 Voted to explore options for the expansion of the Art Studio.
- April '04 Heard a presentation by Ms. Terman, Manager, Art Studio, on expanding the Art Studio into the area used by the Bearcade.
- October '04 Authorized ASUC President Leybovich, with matching funds from H&D, to spend up to \$2,500 for a Student Union/food service survey.
- May '03 Approved agreement with the Chancellor's proposal on the multicultural lounge; to enter into negotiations on costs and the Auxiliary's role in managing the facility; and to approve a negotiating committee. Current Officers will negotiate, with new Officers to shadow them until current Officers leave.
- May '03 Approved having Mr. Cordi and Mr. Rolle submit a proposal to support student use of Pauley Ballroom by the June meeting.
- April '03 Received a proposal, as part of the 2003-2004 budget, to allocate \$20,000 for the Senate and the GA to use for Pauley Ballroom fee waivers.
- February '03 Approved a subcommittee to look into policies for Pauley Ballroom and for fee waivers.

Budget

- April '06 Approved the 2006-7 Auxiliary budget.
- April '05 Approved the 2005-6 Auxiliary budget.

Budget (cont'd)

- September '04 Approved a motion to state that the Board alone had authority to shift funding; to determine 03-04 residual profit at \$103,208; and to transfer \$50,000 from residual profit to the Auxiliary Contingency Fund, making up for a transfer of that amount to the ASUC to balance its 04-05 budget.
- May '04 Approved a motion to urge the future SOB, 04-05, to consider as a high priority, fully funding one position for the OSA and a half position OSA position for the GA.
- April '04 Approved the ASUC Auxiliary FY2004-2005 Budget, including a transfer to the ASUC of \$50,000 from the Auxiliary Contingency Reserves.
- February '03 Received "ASUC Auxiliary Revenue and Expense Report, July -December 2003."
- June '03 A committee was formed to balance the Auxiliary budget. The Subcommittee on Committees will determine if this should be an ad hoc committee.
- May '03 Unanimously approved the 2003-4 budget, and charged the Auxiliary Services Committee to determine cuts to balance the budget. Absent a recommendation by August 30, agreed to staff the security desk in Eshleman starting at 6 p.m., rather than 8 a.m.

STORE OPERATIONS BOARD MINUTES

October 9, 2006

Present: (Members and others)

Ron Coley
Matt Dally
Josh Daniels

Barbara Davis
Oren Gabriel
Vishal Gupta

Ray Miles
Nadesan Permaul
Jillian Putnam-Smith
Oliver Williamson

SUMMARY OF THE MEETING

The meeting was called to order at 5:07 p.m.

Report from the Director

The Scholar's Workstation has proposed to relocate to the ASUC mall in space currently occupied by Follett. Follett has agreed in concept to the relocation. One question was if the best use of that space for computer sales would be by the Workstation or by another entity. An assessment was taking place at IS&T.

TSW needs to look at its business model. TSW no longer had to vacate University Hall by December. There should be a decision by the spring regarding its future. The Auxiliary was encouraged not to assign the space in the meantime that TSW had been thinking.

Follett would have given up the space to drive traffic to the Store, and was very cooperative. Follett's benchmarks indicate there would be a dramatic increase in foot traffic and sales. The space under consideration was just beyond the Follett Manager's office, on the east side of the mall.

Regarding Lower Sproul, they apparently have a commitment from the Chancellor to include this project in the capital campaign. That would require a conceptual plan and a drawing by next spring. The allocated almost \$100,000 for that, and it was suggested by the Auxiliary that the two student body Presidents should add another \$15,000, to actually make it \$100,000 for planning. Meetings were scheduled with Assistant Vice Chancellor Marthinsen and Vice Chancellor Brostrom. There was also someone who will hopefully help to raise money for the project. A national consultant on student unions and facilities might be used.

Regarding electronic signage, the Capital Program approved the use of portable electronic signage for the Student Union to advertise student groups, activities, ASUC businesses, events, etc. A request for an electronic sign on the south face of the Union, towards Bancroft, was not approved, and there will be follow-up on that.

Regarding the Cal 1 Card concept, a campus committee was looking at this. RSSP was operating this program, with a deficit of about \$170K yearly. Students have requested a 1-card program with a private bank. It would serve as an ID card for faculty and staff; would be a security/access card to facilities and to get on buses; a debit card; and an affinity credit card.

The Cubs Credit Union currently had a month-to-month lease, and any 1-card program would be interested in having banking services on the campus. Such a program was operating at other universities. The Auxiliary might do an RFP to assess this. The Credit Union could not operate such a program and was much too small. Cubs was struggling to keep the business operating.

Regarding the business case assessment of ASUC space, Walgreen's will open across the street, which will likely impact Follett's sundries operation. It was a marginal business for Follett, but brought in traffic. Follett has been asked to consider other plans for that space.

The ASUC President appointed an intern and a group of students to look at marketable ASUC space and think about the kinds of businesses that would be successful. Peet's Coffee, e.g., would like to come on campus.

Regarding the Cal Lodge, which was the students' business, potential managers have been interviewed, and the candidate was interested in making it a sort of youth hostel. The Auxiliary had budgeted funds for upkeep. The possible manager felt it could generate revenue. Mr. Himmelstein has prepared a management agreement. A proposal will be made to the ASUC Senate on Wednesday. There hasn't really been a business approach to the Lodge. They hope to have it operating by Thanksgiving.

SUPERB would like to stabilize funding for student musical activities, and an ASUC referendum in the spring was possible, which would include other independent student musical groups, such as for the Cal Marching Band, the Jazz Ensemble, and the Men's Women's Chorales. The ASUC President got the campus to deal with a problem with the Cal Band, to help it out so it wouldn't miss an away game for the first time in 36 years. The Vice Chancellor and Provost has now asked the ASUC to work with Cal Performances to come up with a long-term, stable solution for those projects.

As for contract terminations, that past summer, one vendor decided not to exercise an option to renew their lease, the Postal Annex, and another never approached the Auxiliary, Cubs, and was now on a month-to-month lease. The vending machine contract was coming up, and if the students wished, there could be an RFP that spring. The small businesses in the Bear's Lair were on month-to-month contracts since they did not exercise their options. The Coca-Cola contract runs into the future.

It was suggested that turnover of the Board's chair should occur at the end of the fiscal year, not in the Spring Semester. Ms. Putnam-Smith said will have been Chair for a year at the end of that semester, but her term on the Board went through the spring. She'll check the agreement establishing the Board regarding terms.

New Business

A question was raised about wages the ASUC paid to custodians. All custodians were AFSCME employees. The Auxiliary has asked for an assessment of what the Auxiliary pays custodians. The Board entered into closed session to discuss contract compensation.

The meeting adjourned at 5:58 p.m.

[End summary of the meeting.]



This regular meeting of the Store Operations Board was called to order by Jillian Putnam-Smith at 5:07 p.m. in the ASUC Senate Chamber.

APPROVAL OF THE MINUTES

Ms. Putnam-Smith said she would entertain a motion to adopt the minutes from the September meeting. It was so moved and seconded by Mr. Gabriel and Mr. Daniels. THE MOTION TO APPROVE THE MINUTES FROM THE SEPTEMBER 11, 2006 BOARD MEETING PASSED WITH NO OBJECTION.

APPROVAL OF THE AGENDA

A motion to adopt the agenda for the meeting was made and seconded by Mr. Gabriel and Mr. Daniels. THE MOTION TO ADOPT THE AGENDA PASSED WITH NO OBJECTION.

Report from the Director

Mr. Permaul said he had several updates. Regarding The Scholar's Workstation relocation, TSW has proposed to relocate to the ASUC mall in space that was currently occupied by Follett's. Follett has agreed in concept to the relocation. But the question that remained outstanding was whether or not the best use of that space in Follett's for the sale of computers would be by the Workstation or by some other entity. That dealt with a business case assessment of the financial or business plan of The Workstation. That was taking place internally at IS&T. He believed Mr. Coley might have more information to share.

Mr. Coley said TSW needed to look at its business model. It had been expected it would have to leave University Hall by the end of December, but that has changed. TSW didn't need to vacate by December, so it will rethink its whole business plan. He would expect a decision from The Workstation sometime by next spring as to what their best interests were. And the Auxiliary was available to help them with that analysis. He would encourage the Auxiliary not to assign the space TSW was thinking about relocating to without first considering whether or not TSW will go there.

Ms. Davis asked if TSW would pay rent. Mr. Permaul said they wouldn't, but they'd pay the Auxiliary a monthly fee for relocating. It wouldn't be rent, since they were already receiving rent for that space.

Ms. Davis asked why Follett was willing to give up the space. Mr. Permaul said he thought they recognize that driving traffic to the Store was to everybody's advantage.

Mr. Coley said Follett was being very cooperative. It was a completely different Follett than they had several years ago. They see that the space wasn't generating revenue. He'd assume Follett could do something to generate revenue in that space, but they haven't done anything for the last several years. This was an opportunity for good will and additional traffic. If the move occurs, the Auxiliary would expect that the students would receive some direct benefit from The Scholar's Workstation. But it wouldn't be appropriate for that to be on a rental basis.

Mr. Miles said balancing those ideas would be good, since the original idea was to keep prices low for computers, but he would think selling them would increase the possibility of traffic. Mr. Permaul said that according to Follett's own benchmarks, there would be a dramatic increase in foot traffic and sales.

Ms. Davis asked about the location of the space. Mr. Permaul said the space currently would be just beyond the Follett Manager's office, on the east side of the mall, going towards the double doors that lead to Naia. The space there was unused and was boarded up.

Mr. Gabriel asked if The Scholar's Workstation will be out of University Hall by a certain time, or if they'll be there indefinitely. Mr. Coley said it won't be indefinite, but they don't know what the ultimate date was. They had been expecting to vacate by December because the School of Public Health was consuming a lot of space. The School needed space in the basement, where TSW is, and crowded out other groups there. But The Workstation was able to stay. But everybody recognizes that the Workstation will have to vacate from an academic building. They also had warehouse space in the basement and had to find another place to store equipment. He wouldn't expect the University to evict them before next year. He and AVC Wager, the CIO for the University, have already started talking, and Mr. Coley said he would expect they'll come up with something. But there were other kinds of questions that need to be addressed. The question wasn't just about taking this business and relocating it. There were other fundamental questions that had to be considered, including the basic business model.

Regarding the status of the Lower Sproul project, Mr. Permaul said they believe they have a commitment from the Chancellor to include the Lower Sproul project in the capital campaign, based on the ability to deliver a conceptual plan, with a drawing, by next spring. They were determined to do so. The campus has allocated close to \$100,000 for this. Mr. Permaul said he has mentioned to the two student body Presidents that he thought they should add another \$15,000, to actually make it \$100,000 to be spent on planning. Mr. Permaul said they're going to meet very shortly with Assistant Vice Chancellor Marthinsen and talk about how the conceptual plan will be played out, its parameters, etc. They're meeting with Vice Chancellor Brostrom for breakfast on Thursday, and he's become a champion of this project, for which they're very grateful. Mr. Permaul said they also have a phone call with someone they hope will be a potential person of interest to help the capital campaign raise money for the project. Hopefully, all these things together will help.

Ms. Davis asked if Cathy Koshland supported this and was involved. Mr. Permaul said she has met with both Presidents and she's the one pulling the plans together, with Ms. Marthinsen. Mr. Permaul said he was directed to go to Ms. Marthinsen, and she seemed on board. He was assuming she was acting as Ms. Koshland's proxy in the planning process. So they're moving along. If there was any conflict they'd certainly sit down and talk to the Vice Provost, since she's the point person for the project.

Ms. Davis said it was a huge undertaking to do a conceptualization and a drawing, and they had to know what they were going to do. Mr. Permaul said he's talked to Ms. Marthinsen at length about this over the phone; and she felt it was crucial. He was also talking with Mike Weinberger. There's a national consultant who works with student unions and facilities that do assessments of projects and pulls together information, and was also a repository of tremendous amounts of information about the development of student unions and other student facilities around the country. Mr. Weinberger will use them to develop a plan for Recreational Sports. The Auxiliary may partner with RSF and get the consultant to provide another view, either independent or in conjunction with a consultant they were looking at through the capital program. They want to make sure they get people with tremendous experience and knowledge in

developing student facilities and student unions. These consultants have also worked with a number of campuses around the country in advancing referenda in conjunction with their planning process. So the Auxiliary was looking at a variety of ways to do this. And Ms. Marthinsen has assured him that this was a doable project and that they could get the conceptual plan out by next spring.

Ms. Davis asked if this would just be for Eshleman, and asked what would be done with MLK and Chavez. Mr. Permaul said he thought this would be a broad-based look at the complex and its environs, and what other facilities would be affected. For example, let's say the best location for student musical activities was not at Cesar Chavez. So they'd have to be relocated, and space would have to be found for them. It might be true that when they look at hierarchy of concept space, there may be other places. They have Anthony Hall, which wasn't located in the complex, where the GA currently resides. It wasn't clear that's where the GA would be in the future. If the campus wanted to tear down Eshleman, which they've mentioned, and that would end up not providing enough space to provide retail space for student businesses, then the campus had to think about how it would provide all of that. If the roof for Cesar Chavez was the most historic monument on the campus, and needed to be protected, then they couldn't expand that building's footprint and there had to be other options. So at least from his conceptual point of view, and as someone who has built facilities before, this was a matrix that involved a broader set of looks than just this or that building or space. One thing the students have made clear is that they like the Plaza, and the other issue was that the Plaza was the roof to a garage, and the garage may need, at some point, to be part of the discussion, and would involve University funds. So there were a number of things they need to look at in the planning process.

Ms. Davis said she would be happy to be of assistance in any way she could be, and was delighted to hear this news. She was thrilled to hear that the Chancellor said it would be in the capital campaign. Mr. Permaul said that was their understanding. He thought Ms. Davis would be instrumental. Ms. Davis said she has discussions with Cesar Chavez and seeing what they might be able to do with that building. Mr. Permaul said they think of this as a sort of matrix, a package of student facilities.

Mr. Gabriel said the capital campaign was great, but they're doing a whole new format of the capital campaign. Scott Bidy explained it to him. They're not going after donors to fund the projects they already have, but instead, they're trying to find out what donors were interested in, and then telling them what projects relate to those interests. So they're making the donors become interested in something. They think this will help raise more money. Mr. Gabriel said that they want to make sure that whoever went after these donors, perhaps he, Mr. Daniels, and other students, would ask the donors if they remembered what college was like, and if it was really the classes that they remember as the great thing about Cal, or the outside learning, and really pushing that.

Mr. Coley said he thought it would be easier for students to help raise those monies than all the other efforts, because they would have direct access to these folks. Donors would remember when they walked in students' shoes. He thought the timing was right. This was almost the middle of October already, and the clock was ticking. So they need to be as active as they possibly could be about this.

Regarding electronic signage, Mr. Permaul said the Capital Program has given them the go-ahead to work on portable electronic signage for the Student Union complex. These would be movable electronic signs that would advertise information about student groups, activities, businesses of the ASUC, events, etc. They're working with a consultant to develop these signs. The Auxiliary has also made a request to put an electronic sign on the south face of the Union, towards Bancroft. That request has not been approved,

and he was following up on that. He has already raised some questions about why the sign wouldn't be approved since they had such an electronic sign 100 feet away at the parking garage. But failing an answer to that, they'll follow through the process to talk to the right people to get an answer. But he was moving forward to develop the portable signs. He thought they would be very helpful to the ASUC and to activities and events on the campus.

Ms. Davis said who would decide on the sign. Mr. Permaul said that Parking and Transportation does the parking lot in conjunction with the garage. So if a group has an event in the Union, and the group reserved parking, they advertise on the sign, which he thought was very good. They're being much more expansive with it. People may have noticed that weekend they had the Cal football game up and had a flashing "Go Bears!" They were getting much better at using the technology. And the ASUC's sign would be very similar.

Regarding the Cal 1 Card concept, Mr. Permaul said a committee on the campus was looking at the Cal 1 Card. This program was kind of foisted onto RSSP, Residential and Student Service Programs, because there was no other home on the campus for an ID card for students, and because they needed such a card to give students access to residence halls.

So by de facto, RSSP became the department that sort of took over when the old paper Reg Cards were replaced. And now RSSP was running a sizeable deficit annually in operating that program, somewhere in the neighborhood of \$170,000 a year. RSSP was seeking relief from the campus from some of the costs that went into this. Mr. Permaul said he was on a committee that's been working on this, and a subset of a committee he was on was trying to come up with a model to make it possible for RSSP to recover its losses. As a part of that, the students were considering a 1 Card program, a program they actually requested. It would be associated with a private bank. This wasn't something new, and the proposal was raised three years ago by Wells Fargo. The campus did not accept that proposal. But Mr. Permaul said he thought that proposal was misguided and that the world has changed since Wells Fargo made it. There were a number of banking institutions which provide one card services around the country, and they're much more sophisticated than what Wells Fargo was proposing.

The 1 card idea would work in the range of five options. The first was as an ID card for all faculty and staff on campus, and it would look like a Berkeley ID card. Two, it would be a security card to allow for access to specific types of facilities, monitored by the Police Department, and for things like the Class Pass, to get on buses, and it would be an access card. Three, it would be a debit card. Right now, the 1 Card was a debit card and was currently a very small program. If it was done through a banking program, the bank would do all the marketing for the campus and the bank could carry it much farther than the current program. Four, it could be an affinity card in an opt-in program, for faculty, staff, and students. Under the terms of an educational and information program that the campus would insist on, there would be "Debt 101," "Credit 101," a series of things students would have to do before they could sign up for a credit card, which would be educational in nature. Some other possible features of a 1 Card with a bank might be instant credit card access on the Web, so people would know exactly what they were spending and how much they owed. Lastly, there would be mutual access for parents, if students wanted their parents to have access, either to pay their bills or to be knowledgeable about the circumstances of card use. So there were a variety of services that could be associated with an affinity card.

Mr. Permaul said there was space on the campus, and they have a month-to-month lease with the Cubs Credit Union. Certainly, a 1-card program would be interested in having banking services on the campus.

As for what the Auxiliary would they get from this, they would potentially relieve a \$170,000-per-year debt that the campus was incurring by putting this program on. And above and beyond that, he would hope that this program would generate direct revenue because of the access they'd provide for this program on the service side. Nothing was easy at Berkeley and they were always concerned, and should be, about selling the University. But they also believe that the students have the capacity to do this in a thoughtful way, as these were services for students as well as for faculty and staff. The capacity was there, and they have the experience from other colleges and universities throughout the country where such a program was run. So they're looking at doing an RFP for perhaps '07-08, where it might be possible for the campus to at least assess whether this made sense to do or not.

Mr. Williamson asked if other UC campuses have this. Mr. Permaul said they didn't, but several State University campuses have it, most notably San Diego State. And a number of larger colleges and universities around the country have such a program as well.

Mr. Miles asked if there was no way the Credit Union could operate such a program. Mr. Permaul said they couldn't, and they were much too small. It would be wonderful if they could, but they're very small. By the way, this year Cubs normally gets 600 applications every fall for the Credit Union, but this year they got 90. So they're truly struggling to keep the business operating. They have a new business Manager and he's trying very hard, but it was a struggle.

Regarding the business case assessment for ASUC space, Mr. Permaul said he thought they were all aware that Walgreen's was going in across the street from the campus, in what used to be the space owned by the Gap. That will have a significant impact on Telegraph Ave., particularly to the Rexall Drugstore next to it, and very likely to the sundries operation at the ASUC. Follett runs that operation, and it was currently break-even. He has approached Follett's to have them start thinking about what they'll do in the future there. Follett uses its sundries department to bring in a certain amount of foot traffic to the Store, but it's a marginal business.

Mr. Permaul said the ASUC President appointed Jordan Smith, an intern, and a group of students, to start looking at business cases for the ASUC. Mr. Permaul said he wanted to work closely with them to look at an assessment of the marketable ASUC space that was available for businesses, and to see what kinds of businesses would be successful there, and what options they might have. He was proposing to take this group on a field trip to Tresidder Union at Stanford, which recently opened a Peet's Coffee. Peet's wants to become the coffee shop of college campuses, and there was a very successful Peet's Coffee at Stanford. They'd go to Stanford to just look at it as a concept, a model, of how those kinds of programs could work. The students will work with him to put together a business case. Mr. Permaul said he had some direction from Associate Vice Chancellor Coley, and they'll work to see what the Auxiliary's options could be. But, for example, Mr. Permaul said he would ask what if the space currently occupied by the sundries operation was occupied by a major food vendor that students liked, which faced Bancroft Way, so on weekends it would bring in traffic. He thought there were potential options and it really ultimately depended on the interest of the students. But that's why they were going to do the business case assessment and then go through it step-by-step. At some point, with the approval of all the right parties, a proposal would come to the Board.

Mr. Coley said someone who used to report to him, David Mann, was a VP or Director at Peet's, the position he took when he left the University. He's accessible through normal channels, or Meg may have his phone number. People might want to talk to him for some other type of information, and might want to talk to him any way. And he might possibly be able to attract Berkeley as a potential customer.

Ms. Davis said Peet's was opening on Telegraph. Mr. Permaul said that was six blocks down. They have a captive audience that would enjoy this service. The Auxiliary could do an assessment to see whether or not it would make sense.

Mr. Gabriel said there's a Peet's at Channing and Bowditch, inside the Crossroads. Ms. Putnam-Smith said that when Cal Dining came up with the plans for that, they looked at MLK as a possible location for that Peet's. But the Auxiliary would have had to go through Cal Dining, and things didn't seem to be working out. But perhaps now it might work out. Mr. Permaul said the Auxiliary would do its own assessment.

Regarding the Cal Lodge management agreement, Mr. Permaul said the students have continued to work with the Auxiliary cooperatively to help assist in the running of the Cal Lodge. It's the students' business, but the Auxiliary was assisting with it. Mr. Permaul said he and Mark Himmelstein, the general counsel of the ASUC, have interviewed a couple of candidates. The students have interviewed the candidates and met with them. It turns out that the Auxiliary was going where it hasn't gone before. They're proposing to put together a management agreement with someone who was interested in turning the Lodge into a sort of youth hostel for skiers. That's really the concept it should be, since that's what the Lodge was: a big dormitory for people to stay overnight. A very interesting business case was presented to the Auxiliary for the development and the opening of the Cal Lodge. An amount of money had to be spent just to keep the facility physically in condition after a winter, so the Auxiliary already had funds put aside for that purpose. But the proposed Manager was willing to take on the burden of putting together a marketing plan, doing things online for the first time, and doing a variety of things that would attract students from Davis, UOP, Sacramento State, and a variety of other schools, to get interested in using the Cal Lodge and approaching them where no one has approached them before. The possible Manager genuinely felt they could generate revenue and had experience with youth hostels in Europe and was interested in trying to bring that model to the Lodge. If that was successful, any net revenue generated would be sunk back into the development and protection of the asset. The business plan was currently being reviewed by the campus contracts manager as a courtesy. Mr. Himmelstein put together a management agreement for the students, but as a courtesy, the campus was looking at it to make sure there were no liability issues for the campus. And then they hope to present a proposal to the ASUC Senate on Wednesday night.

Mr. Miles said that if they could provide a student service without expense, they really wouldn't be concerned with revenue because there's never been real revenue from the Lodge. He asked if anybody has anticipated revenue from the Lodge. Mr. Permaul said he didn't think anybody has, not in the last 25 years. They haven't had a business approach to this. Mr. Miles said this was a great business problem, and all they had to do was to cut the expense model and provide a service. Mr. Permaul said it would provide a service to students and generate a revenue. They want to get it up and running by Thanksgiving.

Mr. Williamson asked if there were uses to the Lodge other than during the ski period. Mr. Permaul said that when he was President of the Alumni Association, one innovation the Alumni Association Cap Manager brought to the Lair of the Bear was summer programs. A tremendous number of summer programs, religious camps, youth groups, all kinds of groups, need a place to stay. The Lodge was very close to Truckee and river rafting. There are people who like to come up for overnight stays, or go rafting on the river. There were also research groups from Davis and Santa Barbara that go up there every summer. Mr. Williamson said that wasn't mentioned as part of the business plan, and asked if that would be folded

into the business plan. Mr. Permaul said the Manager's focus at that time was to get winter revenue. The Manager spoke about potential, but just hasn't developed things yet. The Auxiliary will actually help him develop a plan because they think the Lodge had potential.

Mr. Williamson said the only danger was a short-term success, which would put them in a position of making it harder to get rid of. Mr. Permaul said one thing Mr. Himmelstein recommended to the students was that this was a good test. It was a real business case, and if things didn't work out, then maybe the students would have to think about a different way of looking at this asset. Mr. Williamson said he was being facetious, but not really.

Mr. Permaul said he wanted to mention something about student musical activities and ASUC SUPERB. He met with SUPERB students the other night and they were remarkable. They put on 60 musical events a year, and do another 30 to support campus groups. They do it all on volunteer time. Half of them were on 24-hour notice, available 24-hours a day, and they do this while being Physics majors, Engineering majors, Business majors, and graduating and going on to other, great things. SUPERB was interested in finding a way to stabilize funding for student musical activities, in order to provide for the souls as well as the heads of students. Undergraduate student government was interested creating such stability as well. Mr. Permaul said they've sat down and talked about a number of things that might possibly come to pass, one of which was possibly an ASUC referendum in the spring, on the ASUC ballot. At the same time, there were other independent student musical groups on the campus that have not be able to get adequate funding. The University has sort of sent them from house to house, and they haven't be able to find a stable location. These groups include the Cal Marching Band, the Jazz Ensemble, the Men's Women's Chorales, and a number of groups that were student-funded and student-run, for the most part. But they simply don't have the kind of resources they need to be active.

Mr. Permaul said the idea the Auxiliary presented to SUPERB was to bring these groups together and run one referendum that would bring in a variety of student interests and which would take care of all independent student musical groups on the campus. SUPERB was very intrigued with that idea. The next step was to try to get SUPERB together with student musical activities and the ASUC officers. They also have to see if grads were interested in this concept. The students and Auxiliary would have to go through this step-by-step, as they did last year, with the RSF referendum, to determine whether it made sense to do this. Mr. Permaul said he just wanted to let the Board know that the ASUC was working on this.

The ASUC President very successfully managed to get the campus to deal with a problem that had been festering. The Cal Band, because of requirements that the University imposed upon them due to issues of liability, the Cal Band's budget has been shrinking. The campus, in the last four years, has cut its actual funding by almost \$140,000 while, at the same time, it has increased demands on the group, such as by requiring chaperones, adults, go with them; changing the way they go to away games, so they have to fly, and not drive, a variety of things. So the cost of going to these events has increased. As an example, for the Tennessee game, the Cal Band arrived at Nashville at 10 o'clock and had to bus an hour and a half because that was the cheapest flight they could get, and then began performing for Cal alumni and fans at 11:30. That's the kind of conditions they've been working under. The ASUC President challenged the campus Administration to help them out, because for the first time in 36 years, they were not going to be able to go to an away game because there wasn't enough money in their budget. The ASUC put up funds for that purpose to help the campus, and match it, and the Vice Chancellor of Administration found the rest of the funds from the campus and from Athletics. They matched it and the Band will go to Arizona. The Vice Chancellor and Provost, who oversees Cal Performances, where the Band resides, has now

asked the ASUC to work with Cal Performances to come up with a long-term, stable solution for those projects. Mr. Permaul said he thought it was a credit to ASUC government that they have done this. Mr. Permaul said that concluded his report, and he called for any questions.

Mr. Williamson said he had a question relating to a couple of items they went over last time. He asked if there was any kind of calendar to track contracts and contract terminations, with three- or six-month notice prior to termination. Mr. Permaul said he reviewed the contracts when he arrived, and they had two contracts come to a head that past summer. One vendor had the responsibility to exercise the option and one vendor, the Postal Annex, decided to withdraw. The other vendor, Cubs, never came to the Auxiliary, and the Auxiliary notified that it missed the renewal option, and Cubs was now on a month-to-month agreement for at least this year, until the end of the year. There were other contracts that were coming up, the most notable being the vending machine contract. He'll need to put together an RFP that coming spring and see if the students wish to continue the agreement they have, or if they want to out to an RFP again. All the rest of the contracts, including the small businesses in the Bear's Lair, were on month-to-month contracts at that point when they did not exercise their options. That gave the Auxiliary a certain amount of flexibility if they want to change what's in the Bear's Lair. The other contract was the Coca-Cola contract, which runs a long time into the future.

Mr. Williamson said month-to-month gave flexibility, but didn't give assurance of foreseeable payment and foreseeable changes of plans. Mr. Permaul said that was correct, and that's one reason he would implore the students to take a look at the marketability of their space. He thought they'd like to see long-term agreements that were viable and generated revenue. The number of student groups has increased by over 100 in the past two years, but the base of revenue that supports them has not grown. So one thing they're looking at in a very pragmatic way was how to generate revenue to support student groups.

Mr. Williamson said his second question was the about the funding to fill in the deficit for renovation work to be done, approximately \$70,000. Mr. Permaul said for work that will be done to renovate Pauley Ballroom and the Tilden Room, there were residual funds in the Auxiliary's budget at the end of the fiscal year. Those funds normally get transferred to the students. The students laid out a program of how they would like to cover expenses. One expense that was prudent to cover was the loss of revenue from the rent. That's where the \$75,000 comes from. Mr. Williamson said it was good to have those resources, but if there were also problems with adequate funding for the whole program, that was all the more reason to be concerned with contract terminations. Mr. Permaul said that when they lost the Postal Annex, they were looking to go to an RFP for copy shops. A number of them have expressed an interest in coming to the ASUC, if the students felt that was an appropriate use of that space. The Auxiliary has talked to Follett about trading the Postal Annex space for a larger space that Follett was using for marketing. Follett has agreed to that. One goal was to bring more life to the Student Union complex and generate more traffic and revenue.

Mr. Williamson said his last question had to do with turning over the Board chair at the semester level as opposed to doing it at the fiscal year level. Obviously, student preference would prevail, but it didn't strike him as an ideal an organizational practice to change Board chairs based on semesters rather than at the end of the fiscal year. He might be stuck in an old mode, but he thought they inherited their current timing from the previous Chair. He thought it should be regularized on a fiscal year basis. Mr. Permaul said he wasn't sure how they'd proceed, and thought that would be up to the will of the Board.

Ms. Putnam-Smith said she'd have to look into what the agreement said exactly. This would be her last semester as Chair, since it's been a year, although she had another semester as an undergraduate

representative on the Board. She'd be more than willing to serve out the rest of her time on the Board as Chair, which would get them back to the fiscal calendar. She'd have to check the agreement. She'll look into that and it would be on their next agenda.

A motion to move to New Business was made and seconded by Mr. Gabriel and Mr. Daniels and passed with no objection.

NEW BUSINESS

Mr. Gupta said he didn't have that much information about custodial wages the ASUC paid to custodians. He understood, there was an AFSCME Union strike. When they had lunch with him, the Chancellor made it clear that the campus was paying at appropriate level of wages to its custodians on campus and that it was the student services buildings that were not. Mr. Gupta said he wanted clarification if that was the case, and if the ASUC was not paying custodians as much as other buildings on campus were. He'd like to understand from where that idea evolved, and see if they could fix that in the future.

Mr. Gabriel said the custodian that worked at the ASUC was one of the nicest guys, and he took an Officer aside and said he didn't want to cause an issue or complain, but said his colleagues who work one building over got paid more, and asked if the ASUC might look into that. Mr. Gabriel said he thought the students should set an example.

Mr. Coley said he appreciated this being brought up. He and Mr. Permaul could get together. Mr. Permaul said he spoke to Debra Harrington that weekend and told her they need to do an analysis. She confirmed that these were all AFSCME employees. Mr. Permaul said he asked for an assessment of what the Auxiliary paid its custodians versus what was going on elsewhere on campus.

Ms. Davis asked how they could have differential rates if custodians were unionized. Mr. Permaul said he didn't understand, and said they'd find out. Mr. Coley said that what might have possibly happened was that when the Chancellor made an adjustment six months ago, everyone below a living wage was raised to that level. A few of their people fell below that and the assumption was that everybody was swept up in that, and that may not have been. He and Mr. Permaul could look at this. As he understood it, the students wanted those salaries raised to at least the level of their peers throughout the campus. Mr. Gabriel said that was correct, if not higher.

Mr. Coley said that since this related to contract compensation, the Board might want to move into closed session. Ms. Putnam-Smith said she would entertain that motion. It was so moved and seconded by Mr. Gabriel and Mr. Daniels and passed unanimously by voice-vote. This meeting entered into closed session.

Back in open session, Ms. Putnam-Smith said if there were no other questions, without objection she would call the meeting adjourned.

This meeting adjourned at 5:58 p.m.

These minutes respectfully submitted by,

Steven I. Litwak, Recording Secretary

DECISIONS OF THE BOARD

Procedures

- | | |
|--------------|--|
| July '06 | Mr. Permaul's first Board meeting as Auxiliary Director. |
| June '06 | Unanimously endorsed the efforts of the Chancellor and the UC President to utilize programs such as the Designated Suppliers Program, or other means of preventing the use of sweatshops in the production of University apparel and goods. |
| April '05 | Mr. Dally joined the Board as undergrad representative. |
| December '05 | Asked the Finance Committee to discuss with Internal Audit the ASUC's use of the BFS accounting system. |
| December '05 | Elected Ms. Putnam-Smith as Chair of the Board. |
| June '05 | Voted to have committees, after the August meeting, agree upon meeting times, during normal business hours, and for the Finance Committee to meet at least quarterly, and for each committee to have representation of faculty, staff, and students. |
| June '05 | Re-elected Mr. Cohen as SOB Chair and elected Ms. Putnam-Smith as Vice Chair. |
| February '05 | Mr. Miles and Mr. Williamson joined the Board. |
| August '04 | Formed an ad hoc committee to study increasing efficiency in information technology. |
| July '04 | Elected Elliot Cohen as Acting Chair of the SOB, for 2004-5. |
| April '04 | Considered and amended ASUC Auxiliary Budget Principles. |
| January '04 | Agreed to send another letter to the ASUC Senate and the GA asking to resolve the question of a GA representation on the Board. |
| December '03 | Voted to send a letter to the ASUC Senate asking to resolve the question of GA representation. |
| October '03 | Approved the establishment of ad hoc committees: Commercial Operations, Auxiliary Services, and Finance. |
| August '03 | Heard a report on the establishment of the Space Assessment Committee for Eshleman and MLK. |
| June '03 | Elected Ms. Quindel and Mr. Bucklin as Board Chair and Vice Chair, 2003-4. |

Procedures (cont'd)

- June '03 Formed a Subcommittee on Committees to determine a committee structure for the Board.
- June '03 Agreed to hold a Board member orientation by August 30.
- May '03 Agreed on the need for a Board member orientation to be held before the start of the school year.
- December '02 Enhanced Board minutes by adding "Decisions of the Board"

Vendors

- June '06 Unanimously approved having Mr. Rolle look for someone to manage the Lodge, with the same relationship as with the previous manager, removing restrictions for a leaseholder.
- March '06 Approved a five-year lease option exercised by the Jupiter Pub
- Feb. '06 Authorized pursuit of a judgment against the previous Cal Lodge leaseholder on behalf of the ASUC and the ASUC Auxiliary.
- Sept. '05 Authorized the Chair to write a letter to Associate Vice Chancellor LeGrande about the rate and usage of the Cal 1 Card.
- Sept. '05 Approved use of an inspector suggested by the Alumni Association to inspect the Cal Lodge, to authorized pursuing an agreement for the Alumni Association to manage the Lodge.
- May '05 Approved the further exploration with Darryl Ross of placing a green café at the southeast corner of the Student Union.
- March '05 Heard a presentation by Darryl Ross and agreed to investigate the possibility of a "green" restaurant in the southeast corner of the Student Union.
- Nov. '04 Approved a two-year lease extension, beginning Jan. 1, '05, to the Taqueria and Healthy Heavenly Foods.
- Nov. 04 Approved the transfer of ownership of The Taqueria to the owner's nephew.
- August '04 Decided to offer the Pub, after consulting with counsel, a reduction in rent, with conditions.
- July '04 Heard a counter proposal from the Pub regarding a contract revision. Authorized the Director to seek legal counsel.

Vendors (cont'd)

July '04	To advertise the Store, the ASUC worked to give Cal-SO counselors a \$5 gift certificate and RAs a 15% discount card.
June '04	Approved a five-year extension for the STA Travel lease.
June '04	Approved the Resolution In Support of Follett Contract Performance Review.
June '04	Approved changes to the terms of the Pub's lease.
April '04	Authorized negotiations for a 12-month contract with the current Bear's Lair tenant, and to terminate the lease if negotiations fail, and to issue an RFP.
March '04	Agreed to a four-week pilot project for the New York Times Readership Pilot Project.
March '04	Rejected contract proposals submitted by Pub management, called upon Commercial Operations to initiate a student survey on use of Pub space, and approved sending out an RFP for the space.
March '04	Recommended signing the Follett contract, dated Feb. 26, '04.
January '04	Agreed to publish a letter in the Daily Cal to the general campus community promoting Auxiliary businesses.
January '04	Voted to send a letter of apology to the Bookstore manager for the content of a flier for the ASUC Bookswap.
December '03	Heard from John Martin, operator of the Pub.
November '03	The Daily Cal lease was signed, and printing of the ASUC government page began.
November '03	Heard a presentation on Coca-Cola business practices in Colombia.
August '03	Amended the Daily Cal lease to have a code of conduct for the paper discussed by the campus committee at-large.
July '03	Approved a five-year lease with the Daily Cal.
July '03	Authorized an engineering study of the Cal Lodge, for use in negotiations with the lessees.
June '03	Formed a subcommittee to further consider the Daily Cal lease.

Vendors (cont'd)

- May '03 Heard a presentation by Coca-Cola representatives on the Company's business practices in Colombia.
- December '02 Added a fair-trade coffee option into the lease of the Coffee Spot

Student Union / Pauley Ballroom

- December '02 Authorized a letter to Coca-Cola expressing the Board's concerns with allegations of human rights abuses in Colombian bottling plants, and requested a company representative speak to the Board.
- May '05 Voted to approve the LoSpro lounge proposal for the space in the Student Union occupied by the Bearcade.
- May '05 Voted to explore options for the expansion of the Art Studio.
- April '04 Heard a presentation by Ms. Terman, Manager, Art Studio, on expanding the Art Studio into the area used by the Bearcade.
- October '04 Authorized ASUC President Leybovich, with matching funds from H&D, to spend up to \$2,500 for a Student Union/food service survey.
- May '03 Approved agreement with the Chancellor's proposal on the multicultural lounge; to enter into negotiations on costs and the Auxiliary's role in managing the facility; and to approve a negotiating committee. Current Officers will negotiate, with new Officers to shadow them until current Officers leave.
- May '03 Approved having Mr. Cordi and Mr. Rolle submit a proposal to support student use of Pauley Ballroom by the June meeting.
- April '03 Received a proposal, as part of the 2003-2004 budget, to allocate \$20,000 for the Senate and the GA to use for Pauley Ballroom fee waivers.
- February '03 Approved a subcommittee to look into policies for Pauley Ballroom and for fee waivers.

Budget

- April '06 Approved the 2006-7 Auxiliary budget.
- April '05 Approved the 2005-6 Auxiliary budget.

Budget (cont'd)

- September '04 Approved a motion to state that the Board alone had authority to shift funding; to determine 03-04 residual profit at \$103,208; and to transfer \$50,000 from residual profit to the Auxiliary Contingency Fund, making up for a transfer of that amount to the ASUC to balance its 04-05 budget.
- May '04 Approved a motion to urge the future SOB, 04-05, to consider as a high priority, fully funding one position for the OSA and a half position OSA position for the GA.
- April '04 Approved the ASUC Auxiliary FY2004-2005 Budget, including a transfer to the ASUC of \$50,000 from the Auxiliary Contingency Reserves.
- February '03 Received "ASUC Auxiliary Revenue and Expense Report, July -December 2003."
- June '03 A committee was formed to balance the Auxiliary budget. The Subcommittee on Committees will determine if this should be an ad hoc committee.
- May '03 Unanimously approved the 2003-4 budget, and charged the Auxiliary Services Committee to determine cuts to balance the budget. Absent a recommendation by August 30, agreed to staff the security desk in Eshleman starting at 6 p.m., rather than 8 a.m.

STORE OPERATIONS BOARD MINUTES

November 13, 2006

Present: (Members and others)

Ron Coley
Matt Dally
Josh Daniels
Barbara Davis

Oren Gabriel
Vishal Gupta
Ray Miles

Nadesan Permaul
Jillian Putnam-Smith
Oliver Williamson

SUMMARY OF THE MEETING

The meeting was called to order at 5:11 p.m.

Report from the Auxiliary Director

Mr. Permaul gave an update on the Cal Lodge. Reports were received from Mr. Borge, the vendor at the Lodge, and Mr. Himelstein, the ASUC's lawyer, who went up there to see how things were going. The Lodge was well organized and was up and running. Someone was living at the Lodge and would be the host for guests. The online reservation system and the Web page will be available next week. At the next meeting, Mr. Permaul will bring the report that Mr. Borge's sends, for people to look at.

The Board has not seen the agreement with Mr. Borge. The agreement actually fell under the ASUC, which owned the Lodge. The ASUC put together the contract, which was reviewed by campus counsel. Mr. Permaul will bring the agreement to the next meeting.

The ASUC has talked to the Registrar about getting students' addresses to market the Blue & Gold Yearbook, as is done at every other major school. But yearbooks at those other schools were run by the colleges. The Registrar's Office agreed to provide this information, which would make the Blue & Gold a viable business operation, if the Auxiliary agreed to receive and transmit the information. But the Store Operations Agreement had to be amended to make the Blue & Gold a creature of both the ASUC and the ASUC Auxiliary. The Senate has agreed to this change. The Commercial Activities Agreement, Section P, states the third parties the Auxiliary had operating agreements with, and adding the Yearbook would give the Publications Center Advisor the ability to get this information from the University. The campus didn't want to provide it to students in student government.

It was noted that such a change would have to follow protocol, and while it wasn't a big change, would need to be approved by University's counsel and possibly the OP. The Board had to be very careful about not doing something to unravel the Agreement.

Regarding the review of commercial space and perspective vendors, Housing and Dining, as a representative of Peet's Coffee on campus, approached the Auxiliary about space. The Coffee Bean and Tea House also visited the Auxiliary a family-owned business in the UCLA Student Union. Two representatives from Starbucks also reviewed space. The Brazil Café, a small, popular food cart on University Avenue, also expressed interest in coming to the campus and in the past, has submitted a proposal. All

this a study by the ASUC OP of the viability and development of ASUC commercial space. Two existing vendors in the space met with Mr. Permaul to make sure their concerns were on the table. No decisions have been made.

It was noted that a 2004 survey of almost 700 students and faculty found a strong majority to be very much against having chains on campus. But students would be educated about the options. There were over 230 new student groups on campus since the survey, and they want funds. There was another conversation about bringing

It was noted that a similar conversation about chains occurred with Follett. The UCLA Student Union generates \$50 million a year, and the ASUC was leaving an awful lot of revenue and opportunity on the table. But it was appreciated that at some point, students could say "Enough."

The Director of the Career Center was very interested in Lower Sproul development and would like to partner and contribute towards the cost of doing a referendum analysis for the students.

Regarding electric signs, the Auxiliary was considering a portable, 5-foot by 10-foot sign with the capacity for full electronic presentation, including video. The Auxiliary was working with a consultant on this, who would also develop protocols for use. Advertising by area businesses would pay for the sign and eventually produce net revenue. The campus was interested in being able to provide information to students in this format.

A proposal for the campus will submitted at the beginning of next year. The Auxiliary had approval for the sign, although the campus didn't fully understand everything about having such a sign. One idea was to form an advisory committee to look at rules and protocols to use the sign. It was noted that while there was a lot of positive potential, there were also risks, with potential to be gaudy and offensive.

Regarding the seismic renovation in the Student Union, the campus was considering postponing work on Pauley until the summer of 2008, and not doing that work next summer. Tilden would be done the summer of '07. The postponement was because there were major campus activities scheduled for Pauley next summer. It was noted that the Auxiliary should look at this in terms of what was in the best interests of the ASUC and the Auxiliary, and not unduly sacrifice the needs of the students.

NEW BUSINESS

Eshleman Custodians

All custodians were under a Union contract, through AFSCME. The students wanted to offer some kind of increase to custodians who work in Student Union buildings. It was suggested that Debbie Harrington be invited to work with the students on this. A meeting with her, Mr. Permaul, and Mr. Coley would be scheduled. This dealt with a Systemwide agreement and UCOP, and not just Berkeley.

Eshleman Safety

Ms. Ang, an ASUC Senator, was interested in having better safety precautions in Eshleman, possibly using carryforward to do that. A 24-hour schedule for Eshleman started after Halloween. Building security involved security guards provided to the Auxiliary by the UCPD. The building had key-card

capability, and had a television monitor, but providing security to Eshleman was complicated. One concern was with doors being propped open. It was recommended that people talk to Crime Prevention.

OLD BUSINESS

Election of Board Chair and Vice Chair

By unanimous voice-vote, the Board elected Mr. Dally as SOB Vice Chair.

At its first meeting of the year, the Board should have voted at that time to extend Ms. Putnam-Smith's term as Chair for the remainder of that year, had they followed protocol. By unanimous voice-vote, the Board elected Ms. Putnam-Smith to serve as Chair for the remainder of her term, through the spring.

The meeting adjourned at 5:57 p.m.

[End summary of the meeting.]



This regular meeting of the Store Operations Board was called to order by Jillian Putnam-Smith at 5:11 p.m. in the ASUC Senate Chamber.

APPROVAL OF THE MINUTES

Ms. Putnam-Smith said she would entertain a motion to adopt the minutes from the October meeting. It was so moved and seconded by Mr. Gabriel and Mr. Gupta. THE MOTION TO APPROVE THE MINUTES FROM THE OCTOBER 9, 2006 BOARD MEETING PASSED WITH NO OBJECTION.

APPROVAL OF THE AGENDA

Mr. Gupta said he would like to amend the agenda to hear a presentation from Sen. Ang regarding safety in Eshleman Hall. They could add that to the item on Eshleman Library hours. Secondly, Mr. Gupta said he would also like to discuss the Blue & Gold. The agenda was amended with no objection. A motion to approve the agenda was made and seconded by Mr. Gupta and Mr. Dally. THE MOTION TO APPROVE THE AGENDA, AS AMENDED, PASSED WITH NO OBJECTION.

REPORT FROM THE AUXILIARY DIRECTOR

Mr. Permaul said he wanted to give an update on the Cal Lodge. He received his first report by e-mail from Daniel Borge, their vendor at the Lodge. Mr. Permaul said he also received a call from Mark Himmelstein, the lawyer for the ASUC, who went up there that past weekend to investigate how things were going. Both reports suggested that the Lodge was well organized and was up and running. They had a person who will live at the Lodge and will be the host for any guests who come up. Next week they expect the online reservation system and the Web page to be available, so people could actually start to make reservations. Some of the maintenance issues, which were still outstanding, have been addressed by Mr. Borge. So Mr. Permaul said that all their hopes and expectations regarding the agreement they signed and what they hoped to be Mr. Borge's approach to the management of the site seem to be bearing out, at least in the initial stages. So he was happy. At the next meeting, if the Board would like, Mr. Permaul said he could bring a copy of one of the weekly reports Mr. Borge sends, so the Board could see them. Mr. Permaul said he would do that, and bring a report to the next meeting.

Mr. Williamson asked if the Board has seen the agreement with Mr. Borge. Mr. Permaul said the agreement actually fell under the purview of the ASUC since the Lodge, according to the Store Operations agreement, was one of the businesses that still fell under the ASUC. So it was the ASUC that put together the contract. The Auxiliary had it reviewed by campus counsel, which agreed to the terms and the language. And the contract has been executed. The agreement was not brought to the Board, and if they'd like, he could provide them a copy. Mr. Williamson said if it was history, he didn't know if that was necessary. He thought out of interest it would be something to distribute. Mr. Coley said he thought that would be a good idea. Mr. Permaul said he'd do that, and would bring the agreement to their next meeting.

Mr. Permaul said the ASUC has been in discussions with the Office of the Registrar about the ability to gain access to students' addresses in order to market the Blue & Gold Yearbook. Every other major college and university in the country provides that access, but the difference was that the yearbooks at those other schools were run by the college, and not by an independent business organization like the ASUC. After meeting with the Acting Registrar, Mr. Permaul said they came to a modest modus operandi on this issue. The Acting Registrar agreed to provide the addresses, which would make the Blue & Gold a viable business operation, if the ASUC Auxiliary would agree to be the recipient and transmitter of that information. They have obtained an agreement that was signed at UC San Diego between a vendor and the campus that outlines obligations for use of that material. That agreement has been made a little more rigorous for the Berkeley campus, and the vendor has agreed to sign the agreement. But there's one piece that remained in order for the ASUC Auxiliary to be the recipient of this information, and they had to go back to the Store Operations agreement and make the Blue & Gold a creature of both the ASUC and the ASUC Auxiliary. Mr. Permaul said he went to the ASUC Senate and asked for permission to make that change. The Senate agreed and thought this was a good idea, and Vice President Gupta has come up with a proposal for the SOB to consider.

Mr. Gupta said Exhibit A of the Commercial Activities Agreement, Section P, states that that as of the effective date, the ASUC would operate agreements with third parties for the following commercial services. They would simply add an 11th line that says "Blue & Gold Yearbook." This will give Lymon Mower, the Advisor of the Publications Center, the ability to get that information from the University. The campus did not want to give that kind of access to any students serving on student government,

which made sense. He spoke to Mr. Mower about this, and there would be no change to the structure of the Blue & Gold, and it would still be a student program. This would make the Auxiliary accountable for the security of the information. Basically, this was just one caveat to allow the Auxiliary to get this information, and the rest of the Blue & Gold would stay the same. At that time, Mr. Permaul said he would like to move that to approve that, and asked if that would need to be in writing.

Mr. Coley said it would have to be in writing. He asked if this would change the agreement between the University and the ASUC. Mr. Gupta said it would. They're simply asking to add the Blue & Gold Yearbook on to the Commercial Activities Agreement. Mr. Coley said this was a very small thing, and it wouldn't be a big deal, but it would require considerably more formality. Mr. Permaul would need a very clear proposal, which they could hopefully get on two or two pages, and send it to the University's attorney and possibly to the Office of the President. This was probably not an issue, but they need to treat it the way they'd treat any potential change to the agreement, because many changes to the agreement could be contentious. So the Board needed to be very, very careful about this, and they'd never want to do anything that began to unravel it. There were some unintended consequences that people might not be aware of, so they could expedite this, and he didn't think they'd have much problems getting it through, but they'd need to make sure they follow very strictly the protocol to make the change, regardless of what the change was.

Mr. Permaul said they would do that. The matter has been brought to the Board and at least the Board was aware of it. The Auxiliary would take the next step and put this proposal together formally.

The next item dealt with an update of the review of commercial space at the ASUC and perspective vendors. Mr. Permaul said he thought the last time he came, he told the Board that the Auxiliary was considering a field trip to Stanford to look at Peet's Coffee. Actually, they didn't need to go to Palo Alto, since it turns out the representative of Peet's Coffee on the Berkeley campus was Housing and Dining. And Housing and Dining approached the Auxiliary with regard to interest in space in the ASUC. In addition, the Coffee Bean and Tea House visited the Auxiliary. This was a family-owned business that was on the UCLA campus, in its Student Union. And last week two representatives from Starbucks, the real estate manager and the business manager, came on to the campus and did a review of the space. All of this was part and parcel of the students at the ASUC, under the auspices of the OP, looking at the viability and development of its commercial space. He believed they have contacted one or both faculty members of the Board with regard to developing a systematic approach to their analysis, to get information from them, or be directed to someone who could help them. Mr. Permaul said he has also provided the students with information that was done in 2000 by the campus on the commercial viability of the space in the ASUC. That said, they have existing vendors who were in the space, two of which came to see him that afternoon. Mr. Permaul said the Auxiliary would need to work with them very closely, and he made it very clear to them that no decisions have been made. The Auxiliary was not going to go out for an RFP. This was an assessment process that might lead to such a decision. The two vendors said they wanted to make sure their concerns and considerations were on the table and that they could make their case to the students. Mr. Permaul said that he told them that of course they would entertain that notion, and that nothing they did was easy, and that all of it was fraught with complexity. But they're going to try and be systematic and go through this.

So they're doing the assessment at that time. Interestingly enough, Starbucks made a very formal and clear presentation on what they would do. People from Starbucks talked about bringing \$400,000 worth of investment into the site. That's what they do at each site. They request at least \$43,000 from the

owner, and that was a fixed number, no matter where they go, they ask for the same dollar amount. Starbucks also had technical specifications which they ask the potential site to review. Mr. Permaul said he has sent those, along with a formal request to the capital program, to assess whether or not Auxiliary facilities would be able to accommodate that type of development, since Starbucks had a very formal and very clear set of requirements for what their operation would need. It was a model that could almost be used for most any business operation. So the Auxiliary was simply doing this as all part of the assessment of the commercial viability of the space.

Mr. Permaul said he wanted to make it very clear that no decisions have been made by the students or by the Auxiliary, and they're just looking at things. He made it very clear to the vendors that since they were so concerned about this, and had heard this through the grapevine, that Mr. Permaul would now go back to them, sit with them, and with the students, and would apprise them of exactly what the Auxiliary was doing so that this would be very transparent and not be something that appeared to be clandestine in any way, shape, or form. Mr. Permaul said he just wanted people to know that and to put that on the table.

Mr. Miles said it would be hard to imagine that Berkeley would end up with a Starbucks.

Ms. Putnam-Smith said that thinking back to Follett 2004, they did a survey of almost 700 students and faculty, and a strong majority was very against having chains on campus. And Peet's had a Berkeley center, and was started here. But she knew there would be a tremendous amount of protest if Starbucks were to come to campus. Mr. Permaul said that part of it was that students would be educated. There were over 230 student groups on campus now than there were then, and their revenue was directly tied to the surplus the Auxiliary had each year. Student groups want more funds. So this was all part of the assessment. Ms. Putnam-Smith said she agreed, but they know the Berkeley campus and there could be naked protesters, e.g.

Mr. Gabriel said the ASUC was doing a lot to try and consider what students want. They need to figure out if the minority or majority of students were really against chains, when there would be extra funding for student groups, but especially if they're considering down the line building a bigger Lower Sproul and getting bigger businesses that could afford to put \$400,000 into the site.

Mr. Permaul said that students also brought him the proposal that Misha Leybovich obtained from the Brazil Café. This was a small cart that exists on University Avenue. The Brazil Café expressed interest in coming to the campus, and the ASUC Senate expressed interest in seeing them come to the campus. So this was another commercial vendor. And the Auxiliary still, of course, had outstanding issues with the sale of computers at the Student Union complex and who would be doing that. They do know that Walgreen's was coming in across the street and that will have an impact on the sundries operation of the Cal Student Store. So there were a number of spaces that were floating out there in terms of commercial viability, and he thought the students were trying to do their due diligence and preparing in advance for any possible changes that could be advanced. But nothing was being proposed at this time.

Mr. Williamson said that in terms of observing things over the last year and a half, one thing that struck him as an extraordinary quality of student leadership and energy was getting into so many things in a piecemeal way. If they had more resources, they could support more student groups, and that had to be a big consideration. It's not as though money was a bad thing, and there were lots of worthy causes, including things that were beyond the reach of students currently, but were of interest to them. But somehow or other, they need to try to get people oriented towards the idea that they've got a really

valuable resource, but not if they put a lot of constraints on it, or do it piecemeal. That was fine, but that could look at it in a more open-minded way and look at larger programs. He certainly agreed with that. But keeping that in mind, acquiring resources was a way to keep them in touch with the needs of the campus. But with reference to the longer run, a larger pie could do wonderful things for lots of people, and should be encouraged.

Mr. Permaul said that every Wednesday he comes to ASUC Senate meetings and there's a different student group or issue that comes before the Finance Committee, which doesn't have adequate resources to provide to student groups. Those are contentious issues because they have a number of established student groups that receive a certain amount of funding, and then they have new student groups coming along that are deserving, but don't have the same cachet; and really, it was not the cachet, it was the cash. The ASUC was so limited and restricted in what it could distribute. He thought at some point that was an analysis that the student leadership had to take to the students. And they had to sit down and decide what it was that they want to be. He could tell the Board that the UCLA Student Union generated about \$50 million a year in revenue, a pretty remarkable business operation.

Mr. Coley said that before moving to the next item, he wanted to weigh in on this and remind everyone that they had a similar conversation about nine or ten years ago. However, it was much more stressful, since it had to do with a major deficit the ASUC was operating under. If they had maintained the posture that they have now, on commercial activities, they would still be in that situation. They were able to bring in an organization such as Follett's, which had deep pockets and was able to give the students money to take care of cumulative debt that it was suffering under, as well as to produce the lion's share of the money that now went to support all of these student groups. To the extent that there were other needs, that may be another reason to go down that same path. But he appreciated that at some point some students will say "Enough is enough, we need to be able to balance and compromise what's happening here." He was glad Mr. Permaul reported on the amount that the UCLA Student Union generated, and \$50 million was a big number. The ASUC was leaving an awful lot of revenue and opportunity for students to participate on the table. There's a calculus that one needs to weigh in the balance.

Mr. Permaul said he was always impressed that the students were the ones who meticulously carried this analysis through, and he was advising them that they were being very structured in the way they go about it. He hoped it will bear fruit. They'd see.

Moving on to his next item, Mr. Permaul said that last Thursday he met with the Director of the Career Center, who was very interested in the Lower Sproul development and would like to be a partner and has offered to contribute towards the cost of doing a referendum analysis for the students. He mentioned this to the ASUC President that morning, the possibility of him and perhaps one other student leader, perhaps the President of the GA, going on a field trip to the University of Arizona and to UCLA, to see two different models of Student Unions, one where the Career Center was a part of the Union, at Arizona, and one where it was not, UCLA. But Mr. Permaul said he was just interested in trying to show students what a vibrant Student Union complex could look like. He also was interested in going to UC San Diego, but he agreed that maybe two would be enough, just to see the options. And the Career Center Director wanted the Auxiliary to make a formal proposal to him about that. So Mr. Permaul said he would draft that up and have it reviewed by the Associate Vice Chancellor and then the student officers, and then they would move forward.

Mr. Coley asked whom the person was who was providing this. Mr. Permaul said it was Tom Devlin. Mr. Devlin had to go and take this up on his side, and that was why he needed to have a proposal

submitted to him. But Mr. Devlin was willing to put some money into the cost of doing the referendum analysis by Bradstreet and Dunleavy, to bring another partner, a major player, into the analysis. So that was a go thing. It seemed that everywhere he went people tell him this current situation was not the model the ASUC should be looking at, and Mr. Devlin was very strong about that. And he wanted to stress that in no uncertain terms. Mr. Devlin had a considerable number of ideas and was very grateful that students were interested in seeing the Career Center come closer to the Student Union complex, because so many students should use that service. So it was a very fruitful discussion.

Mr. Williamson asked if Mr. Devlin was head of the Career Center. Mr. Permaul said he's the Director, and he's done a remarkable job with very few resources. Mr. Permaul said that Mr. Devlin indicated that he was not interested in any more square footage than he had now, and said the mere presence of having the Career Center there would dramatically increase the volume of business, not only for the Auxiliary, but for the Career Center. Mr. Permaul said he knew that students, undergraduates in particular, were very interested in having the Center there, even though they didn't agree with the model that was proposed in the referendum last spring. However, they have never disagreed with the notion that the Career Center should be closer to the campus.

Regarding electric signs, Mr. Permaul said that J.M. Stewart, the kingpin of electronic signs, was working with the Auxiliary's consultant, Jay Blake Designs, and with Diane Shoemaker, in developing a proposal for the Auxiliary for electronic signage. The sign they're considering at that time was 5-feet by 10-feet and had the capacity for full electronic presentation, including video. It would be portable and could be moved to any location the Auxiliary thought was appropriate. Mr. Permaul said he has also asked Ms. Shoemaker for models or protocols for the management of the signage in terms of how people make requests to use them, what requirements there would be to have electronic signage approved and accepted for presentation, etc. That was certainly an issue they would have to look at very closely on this campus. Ms. Shoemaker was going forward and had a concept. People have met with her, including the students who were helping them with commercial activity, and Mr. Permaul said they even have an intern from the ASUC who will work with him on the business side and on the protocols for the signage. The financial model would be such that they could have partners who underwrite the cost for the development of the sign, and then they would have the opportunity to advertise tastefully. So, e.g., Follett's could bring student group meeting information to people. Coca-Cola, e.g., could bring them Intercollegiate Athletic events on the campus. Larry Blake's might advertise about events at its facility, and downtown merchants who want to get students to come down to see movies and go to their restaurants might advertise. And that would be part of the commercial model that would underwrite the cost of paying for the sign. And then, eventually, it would produce net revenue that would come to the students. The Associate Vice Chancellor has given him clear direction on how he wanted to see this brought forward. So the Auxiliary was moving forward with this. Mr. Permaul said he's been told by a number of administrators on the campus that it would be a huge boon to the campus to be able to actually provide information to the students in a signed format, because right now, there was no such thing on campus.

Mr. Dally asked about the rough timeline for this. Mr. Permaul said he thought they'd get the proposal a lot faster than they get the approval. The proposal will be to them no later, he believed, than the beginning of next year. As for the approval process, internally they've been given permission to deal with portable electronic signs by the capital program, but that didn't mean that the campus fully understood what that meant. So in order to be sure that they've crossed every "t" and dotted each "i," they're also looking to put together an advisory committee. He was thinking of putting together a group, perhaps with people like the Dean of Students, the Director of KALX, faculty members, maybe from the Business School, that

would look at their rules, their protocols, and make sure that they would be able to stand behind whatever they do, along with the students, so they have left no stone unturned in terms of making this a viable project.

Mr. Dally asked about Student Union vendors. Mr. Permaul said the Auxiliary would certainly approach them as part of the commercial activity. They're very excited about the prospect. The timeframe on getting signs up depends on when the students finish their commercial analysis and what comes out of the conversations about where to go next.

Mr. Dally said he thought Walgreen's was opening up that summer, so it would be nice to have something up early. Mr. Permaul said there certainly were milestones that were approaching them.

Mr. Coley said he wanted to encourage everybody to think very seriously about this portable sign proposal. It had a lot of very positive potential, but there was extraordinary risk and downside to it as well. He has seen too many electronic signs that have had the potential of being gaudy and offensive, and this was not something any of them would want there at Berkeley. That's why he talked with Mr. Permaul about having very, very strict guidelines about how it could be used. It's the kind of thing that's not like a billboard, where it's painted and there's a lot of effort to change it once it's up. Something on an electronic sign could look wonderful 364 days out of the year and then the wrong button could be pushed, or the wrong thing was authorized, and there's something up there that has them on the front page of the newspapers in ways that did not represent them well. So this was very serious. And when they say the bureaucracy of the campus seems to be moving slowly on this, know that it's for a good cause.

Regarding the seismic renovation project, Mr. Permaul said they're having a meeting on Tuesday. Norma Partridge, representing Undergraduate Education, himself, and a student representative, will talk about what the next steps were. The campus, he thought, was considering postponing the seismic work on Pauley until the summer of 2008, he thought, rather than doing the work in the summer of 2007. Tilden had to go forward during the summer of 2007. The reason for postponing it was that there were already enough major campus activities scheduled for Pauley in the summer of next year. Sending those activities elsewhere wouldn't be a financial hardship for the ASUC, because they've already earmarked funds to cover the financial losses, but the fact was that major campus activities would be displaced. So the campus was thinking about that. They'll get back to the Auxiliary on Tuesday about how they want to move forward.

Mr. Permaul said that was all he had to report, and he'd be happy to answer any questions.

Mr. Coley asked if he should assume that in the Auxiliary's review of the major campus activities that could be displaced, if the Auxiliary concurred that it was in the ASUC's best interests that these events should not be displaced, and they should not do the seismic renovation. Mr. Permaul said that was a good question. He hasn't looked at the events scheduled, and this was presented to him by Planning, Design, and Construction. He'll look at that as part of his analysis and assessment. Mr. Coley said he would appreciate that because they need to look at this from the Auxiliary's perspective and what was in the best interests of the ASUC and the Auxiliary. While they want to accommodate the needs of the rest of the campus, they can't unduly sacrifice the needs of the students in order to do that and move forward. Mr. Permaul said he would like to thank Mr. Coley.

Ms. Putnam-Smith said that seeing no other questions, she said there was no New Business, and they would move into Old Business.

NEW BUSINESSEshleman Custodians

Mr. Gupta said that at the last meeting, they talked about the raising the wages of custodians in this building. Mr. Permaul followed up with them and the Senate, and he wanted to thank Mr. Permaul for that. From what he got, Mr. Gupta said that all the custodians were contracted through AFSCME. Mr. Permaul said that was correct. Mr. Coley said they weren't contracted, and were understand an AFSCME Union contract. Mr. Gupta said the Union negotiated with the campus on their wages. So his question, then, was that aside from negotiations, what they could do. He asked if they had any options at all in terms of how specifically they can offer some kind of increase to what those custodians earn who work in Student Union buildings. If they're all part of the Union, and the Union included custodians in other buildings on campus, then he understood the Union had to work with the Office of the President.

Mr. Coley said he didn't think there was anything they could do directly for the custodial workers who were just assigned to their buildings. One thing that could take place, which he thought would be a good, was an information session for those who were very interested in this. He asked if Mr. Permaul knew Debbie Harrington, and he thought it would be good to invite Ms. Harrington to make sure she understood very clearly what the students would like to effect in this action. She was the expert who could say what could or couldn't happen. Mr. Coley said that what he would really like was if Mr. Permaul could work with Meg and see if he could schedule a meeting with Ms. Harrington in Mr. Coley's office, because Mr. Coley said he would like to participate in this. If he could see through Ms. Harrington's explanation that there was some crack of opportunity for them to do some of the kinds of things the students want, then maybe with their minds together, they could possible effect something. But Mr. Coley said he did not want people to be optimistic about this, however, because of a big problem that they have within the University, not just Berkeley, but the University System as a whole. With all of the Union negotiations that they had to deal with, the proposal would separate out a population, as a sub-population from a larger unit, which was not just a Berkeley Union, but part of the entire System. This was a big deal, but there may be some things that could possibly happen that would allow people to show their appreciation.

Mr. Gabriel said that's what he was asking. He asked if there was a bonus, say, given to career staff. Mr. Coley said he would assume that such an action would probably be a pretty serious violation of Union rules, and that the OP would be up in arms. But he thought they should have this discussion, and Mr. Coley said he was prepared to participate. Mr. Gabriel said that was great, and said he would like to thank Mr. Coley. Mr. Permaul said he would set that up, and make sure Mr. Gabriel participated.

Eshleman Safety

Lisa Ang introduced herself and said she was an ASUC Senator. She's been meaning to come to a Board meeting because she and Sen. Averbach were on the Selection Committee to find a new member of the SOB in the spring. Ms. Ang said that in thinking about what they wanted to do with carryforward, which just came in, she had a priority she wanted to implement, having better safety precautions within

Eshleman. She has worked there at 2 a.m., and even though someone monitored IDs at the booth, she thought they could do more to do things that were really helpful and would make students feel a lot safer. When they're in Eshleman late, some students don't feel safe. And in the past, she knew that Eshleman has been unsafe. She was talking to Mr. Gupta about this, and he wanted her to come to the Board and maybe talk about where this funding would come from if they were to implement program to increase safety. Ms. Ang said she knew that funding was kind of tight, so if something temporary was done, it would probably have to come from carryforward. Ms. Ang said she just wanted to present this as something she wanted to implement and, hopefully, sustain throughout the future of the ASUC and Eshleman.

Mr. Gupta said that last year the Senate worked on this a little bit, increasing Eshleman Library hours to a 24-hour system. From what he understood, it wasn't just a financial issue, but one of also getting security into the building on a 24-hour basis. He could speak to Mr. Permaul more about this, and then maybe they could readdress it.

Mr. Permaul said they started a 24-hour schedule immediately after Halloween. Building security wasn't CSOs, but security guards provided to the Auxiliary by the UCPD. There was a complaint last weekend that security guards locked the doors and were not admitting people unless they showed their ID card. That was not an appropriate demeanor in dealing with students, making them have to show their cards through the door to let them in. So he made sure staff went to the UCPD to make that clear. He thought the issue was having card key access, and they already have that ability. But anybody could walk into the building. The real issue he thought was who went up and down the elevators and the stairwells. He wasn't sure how they deal with that issue. With a television monitor, which they have, somebody had to monitor it. So there would be a body there. They actually have someone sitting in the booth to provide security. But if anything happened, that person was called away. So how to secure the building effectively and still have it open for student groups and visitors to the Library was a complex problem. One thing he was always concerned about was having doors propped open, which happened a lot. He has also asked staff to give him an estimate for the replacement of the two front doors facing Bancroft Way. They're so heavy, they're constantly damaged, and don't close and lock properly. Apparently, that's been an ongoing problem for years. Mr. Gabriel said the doors facing Sproul were also open.

Mr. Permaul said one decision they had to make was whether they want to secure certain doors when the building was open and they didn't have somebody watching. Doors were propped open, and that happens at Senate meetings. People prop doors open because they're not keyed open.

Mr. Miles said there were keys that one puts up to an electronic sensor, and he asked if that was possible. Mr. Permaul said they had that capacity, but often times, groups in the building may invite someone who didn't have a card or who they were working with, and didn't follow protocol and simply propped the door open. That would thwart all their efforts to use a key card, unless they had every single person recorded so they knew who went in, and when. The system currently does not do that.

Mr. Coley asked Ms. Ang if she had an outline of the speculations of what safety and security would look like. Ms. Ang said she didn't, and this was an idea she just wanted to bring forth. Mr. Coley said the reason he was wondering was because if she did, he would recommend talking to Crime Prevention and making sure she dealt with the Senate to find out the options it wanted to accommodate. There were many ways to deal with this. None of them might be considered perfect, but they might be able to find an optimal solution based on what the students need and what they can provide and afford for security, and

what Crime Prevention would recommend. There were a lot of different choices that could be made. And there were experts in this area. Mr. Permaul said he would do that.

OLD BUSINESS

Election of Board Chair and Vice Chair

Ms. Putnam-Smith said the last topic of discussion came up at the last meeting, about the Chair's position, and whether or not turnover should be continued somewhat off-schedule, since the last Chair, Elliott Cohen, graduated in the fall. She looked through the Charter, and according to the Agreement, the Chair was supposed to start in July, for the summer meetings, and their term was for one year. The Chair graduated, there was a vacancy, and as Vice Chair at the time, Ms. Putnam-Smith said she took the position. The way it was worded was a bit strange in that she was elected Vice Chair with the understanding that she would become Chair when Mr. Cohen left. So there's been some confusion, and Ms. Putnam-Smith said it was her mistake because she didn't check up on the protocol. So it seemed like they never elected a new Vice Chair. If they consider her as having filled Mr. Cohen's position for spring, 2005, and continuing in the position, she had a year-term, she thought they should attempt to elect a Vice Chair and then have some sort of vote to clarify her position as Chair.

Ms. Putnam-Smith called for any nominations for Vice Chair, and said she would like to nominate Mr. Dally. She spoke to him about this briefly by e-mail. He's a semester into his two-year term on the Board as undergrad rep. The nomination was second by Mr. Coley. **THE MOTION TO APPROVE MR. DALLY AS VICE CHAIR PASSED UNANIMOUSLY BY VOICE-VOTE.** Ms. Putnam-Smith said she would like to congratulate him. (Applause)

Mr. Permaul said he wanted to clarify one thing. They should have, at the first meeting of the year, voted to extend Ms. Putnam-Smith's term for the remainder of that year, if they were following protocol. So they would need a motion from the floor that would allow her to be Chair for the remainder of the year. It was so moved and seconded by Mr. Miles and Mr. Coley. **THE MOTION TO HAVE MS. PUTNAM-SMITH SERVE AS CHAIR FOR THE REMAINDER OF THE YEAR PASSED UNANIMOUSLY BY VOICE-VOTE.** (Applause) Ms. Putnam-Smith said she was now legal.

Ms. Putnam-Smith said that concluded the meeting.

This meeting adjourned at 5:57 p.m.

These minutes respectfully submitted by,

Steven I. Litwak
Recording Secretary

DECISIONS OF THE BOARD

Procedures

- November '06** Elected Mr. Dally as Vice Chair of the Board and elected to have Ms. Putnam-Smith serve as Chair for the remainder of her term, ending at the conclusion of Spring Semester, '06-7
- July '06 Mr. Permaul's first Board meeting as Auxiliary Director.
- June '06 Unanimously endorsed the efforts of the Chancellor and the UC President to utilize programs such as the Designated Suppliers Program, or other means of preventing the use of sweatshops in the production of University apparel and goods.
- April '05 Mr. Dally joined the Board as undergrad representative.
- December '05 Asked the Finance Committee to discuss with Internal Audit the ASUC's use of the BFS accounting system.
- December '05 Elected Ms. Putnam-Smith as Chair of the Board.
- June '05 Voted to have committees, after the August meeting, agree upon meeting times, during normal business hours, and for the Finance Committee to meet at least quarterly, and for each committee to have representation of faculty, staff, and students.
- June '05 Re-elected Mr. Cohen as SOB Chair and elected Ms. Putnam-Smith as Vice Chair.
- February '05 Mr. Miles and Mr. Williamson joined the Board.
- August '04 Formed an ad hoc committee to study increasing efficiency in information technology.
- July '04 Elected Elliot Cohen as Acting Chair of the SOB, for 2004-5.
- April '04 Considered and amended ASUC Auxiliary Budget Principles.
- January '04 Agreed to send another letter to the ASUC Senate and the GA asking to resolve the question of a GA representation on the Board.
- December '03 Voted to send a letter to the ASUC Senate asking to resolve the question of GA representation.
- October '03 Approved the establishment of ad hoc committees: Commercial Operations, Auxiliary Services, and Finance.

Procedures (cont'd)

- August '03 Heard a report on the establishment of the Space Assessment Committee for Eshleman and MLK.
- June '03 Elected Ms. Quindel and Mr. Bucklin as Board Chair and Vice Chair, 2003-4.
- June '03 Formed a Subcommittee on Committees to determine a committee structure for the Board.
- June '03 Agreed to hold a Board member orientation by August 30.
- May '03 Agreed on the need for a Board member orientation to be held before the start of the school year.
- December '02 Enhanced Board minutes by adding "Decisions of the Board"

Vendors

- June '06 Unanimously approved having Mr. Rolle look for someone to manage the Lodge, with the same relationship as with the previous manager, removing restrictions for a leaseholder.
- March '06 Approved a five-year lease option exercised by the Jupiter Pub
- Feb. '06 Authorized pursuit of a judgment against the previous Cal Lodge leaseholder on behalf of the ASUC and the ASUC Auxiliary.
- Sept. '05 Authorized the Chair to write a letter to Associate Vice Chancellor LeGrande about the rate and usage of the Cal 1 Card.
- Sept. '05 Approved use of an inspector suggested by the Alumni Association to inspect the Cal Lodge, to authorized pursuing an agreement for the Alumni Association to manage the Lodge.
- May '05 Approved the further exploration with Darryl Ross of placing a green café at the southeast corner of the Student Union.
- March '05 Heard a presentation by Darryl Ross and agreed to investigate the possibility of a "green" restaurant in the southeast corner of the Student Union.
- Nov. '04 Approved a two-year lease extension, beginning Jan. 1, '05, to the Taqueria and Healthy Heavenly Foods.
- Nov. 04 Approved the transfer of ownership of The Taqueria to the owner's nephew.

Vendors (cont'd)

July '04	To advertise the Store, the ASUC worked to give Cal-SO counselors a \$5 gift certificate and RAs a 15% discount card.
June '04	Approved a five-year extension for the STA Travel lease.
June '04	Approved the Resolution In Support of Follett Contract Performance Review.
June '04	Approved changes to the terms of the Pub's lease.
April '04	Authorized negotiations for a 12-month contract with the current Bear's Lair tenant, and to terminate the lease if negotiations fail, and to issue an RFP.
March '04	Agreed to a four-week pilot project for the New York Times Readership Pilot Project.
March '04	Rejected contract proposals submitted by Pub management, called upon Commercial Operations to initiate a student survey on use of Pub space, and approved sending out an RFP for the space.
March '04	Recommended signing the Follett contract, dated Feb. 26, '04.
January '04	Agreed to publish a letter in the Daily Cal to the general campus community promoting Auxiliary businesses.
January '04	Voted to send a letter of apology to the Bookstore manager for the content of a flier for the ASUC Bookswap.
December '03	Heard from John Martin, operator of the Pub.
November '03	The Daily Cal lease was signed, and printing of the ASUC government page began.
November '03	Heard a presentation on Coca-Cola business practices in Colombia.
August '03	Amended the Daily Cal lease to have a code of conduct for the paper discussed by the campus committee at-large.
July '03	Approved a five-year lease with the Daily Cal.
July '03	Authorized an engineering study of the Cal Lodge, for use in negotiations with the lessees.
June '03	Formed a subcommittee to further consider the Daily Cal lease.

Vendors (cont'd)

- August '04 Decided to offer the Pub, after consulting with counsel, a reduction in rent, with conditions.
- July '04 Heard a counter proposal from the Pub regarding a contract revision. Authorized the Director to seek legal counsel.
- May '03 Heard a presentation by Coca-Cola representatives on the Company's business practices in Colombia.
- December '02 Added a fair-trade coffee option into the lease of the Coffee Spot

Student Union / Pauley Ballroom

- December '02 Authorized a letter to Coca-Cola expressing the Board's concerns with allegations of human rights abuses in Colombian bottling plants, and requested a company representative speak to the Board.
- May '05 Voted to approve the LoSpro lounge proposal for the space in the Student Union occupied by the Bearcade.
- May '05 Voted to explore options for the expansion of the Art Studio.
- April '04 Heard a presentation by Ms. Terman, Manager, Art Studio, on expanding the Art Studio into the area used by the Bearcade.
- October '04 Authorized ASUC President Leybovich, with matching funds from H&D, to spend up to \$2,500 for a Student Union/food service survey.
- May '03 Approved agreement with the Chancellor's proposal on the multicultural lounge; to enter into negotiations on costs and the Auxiliary's role in managing the facility; and to approve a negotiating committee. Current Officers will negotiate, with new Officers to shadow them until current Officers leave.
- May '03 Approved having Mr. Cordi and Mr. Rolle submit a proposal to support student use of Pauley Ballroom by the June meeting.
- April '03 Received a proposal, as part of the 2003-2004 budget, to allocate \$20,000 for the Senate and the GA to use for Pauley Ballroom fee waivers.

Budget (cont'd)

- February '03 Approved a subcommittee to look into policies for Pauley Ballroom and for fee waivers.
- Budget
- April '06 Approved the 2006-7 Auxiliary budget.
- April '05 Approved the 2005-6 Auxiliary budget.
- September '04 Approved a motion to state that the Board alone had authority to shift funding; to determine 03-04 residual profit at \$103,208; and to transfer \$50,000 from residual profit to the Auxiliary Contingency Fund, making up for a transfer of that amount to the ASUC to balance its 04-05 budget.
- May '04 Approved a motion to urge the future SOB, 04-05, to consider as a high priority, fully funding one position for the OSA and a half position OSA position for the GA.
- April '04 Approved the ASUC Auxiliary FY2004-2005 Budget, including a transfer to the ASUC of \$50,000 from the Auxiliary Contingency Reserves.
- February '03 Received "ASUC Auxiliary Revenue and Expense Report, July -December 2003."
- June '03 A committee was formed to balance the Auxiliary budget. The Subcommittee on Committees will determine if this should be an ad hoc committee.
- May '03 Unanimously approved the 2003-4 budget, and charged the Auxiliary Services Committee to determine cuts to balance the budget. Absent a recommendation by August 30, agreed to staff the security desk in Eshleman starting at 6 p.m., rather than 8 a.m.

STORE OPERATIONS BOARD MINUTES

December 11, 2006

Present: (Members and others)

Matt Dally
Josh Daniels
Barbara Davis

Vishal Gupta
Ray Miles
Nadesan Permaul

Jillian Putnam-Smith
Oliver Williamson

SUMMARY OF THE MEETING

This meeting concluded the Fall Semester. It was called to order at 5:13 p.m.

Report from the Director

Regarding The Scholar's Workstation, it would like to relocate to the ASUC. But Information Systems and Technology was reviewing TSW's financial viability. If there was no progress by March 1, the Auxiliary and the Store would begin to develop a plan to sell computers as soon as possible. IST was questioning TSW's financial model. Follett's has a proven track record computer and equipment sales and this would be a substantial boost in revenue students got from Follett's.

Regarding the Lower Sproul project, a Lower Sproul work group now meets regularly, with members from the ASUC Auxiliary, Capital Program, Capital Planning, Physical and Environmental Planning, Academic Planning, Office of Student Life, Presidents of the Graduate Assembly and the ASUC, and ASUC Academic Affairs VP.

Student focus groups will be held at the end of January, seven undergrad and approximately five grad groups, of, ideally, eight to ten students. Graduate students divided groups from among students on the north and south of campus, international students, student families, and commuter students. There will also be a focus group for student government and other student leaders. The GA was also conducting a graduate student survey, which just ended. It had over 1,000 responses, a 50%-plus response from their target. The main question asked for 5 of 18 possible choices for what would be at a new student center. Another question talked about fees for new student unions at other UCs of \$100 and \$200, and asking what they'd like to see in a new Union. The undergrads will have a survey in February.

Regarding the Cal 1 Card concept, a committee was formed by RSSP. The campus spends about \$220K a year on student ID cards and was losing about \$170K a year. That's because no one took responsibility for student registration cards and faculty/staff ID cards when the Registrar's Office stopped issuing paper ID cards. Housing, student rent, was subsidizing ID cards. The ASUC originally requested a 1 Card program and was looking at a vendor-run, full-service ID card program.

A vendor-run, full-service ID card program would include a number of features. All students, faculty, and staff would receive Berkeley campus ID card. It would also be a security card, allowing departments to allow access to certain buildings. It would also be a debit card for students, for points and dollars, and for faculty, and staff, usable at various businesses the campus had arrangements with. The 1 Card would also be an opt-in credit card program, with very stiff requirements for students. The vendor would provide banking, and pay rent to have a bank on ASUC property. The 1 Card program would be fully run by

And subsidized by the vendor, which would pay the ASUC for access to the campus.

This is something that's been implemented at a number of other campuses. The majority of the programs were done by US Bank, and also by Wells Fargo. The ASUC and the Vice Chancellor's budget officer will meet with vendors to look at their programs, and then make a proposal to the Vice Chancellor of Administration.

A question was raised about the impact on student debt this has had on other campuses. Extremely favorable terms on credit cards would be negotiated.

Regarding the business case assessment for ASUC space, the Director and three Senators and the intern working on commercial space went to Stanford's Tresidder Union to tour the commercial space there, including its Follett's Bookstore.

A Daily Cal editorial was distributed stating that the ASUC Senate would be remiss if it did not look at commercial space and decide if students were getting the best deal for it to fund student group activities.

Regarding the Pub, it was interested in running a full-service restaurant/pub operation, although it didn't have the space to do that. It would also like to enlarge its outdoor space on Lower Sproul.

Regarding student musical activities, there will be an ASUC SUPERB fee referendum in the spring. It would fund independent student musical activities on the campus, including the California Marching Band, the Cal Chorale Ensemble, the Cal Jazz Ensemble, and SUPERB, bringing them up to optimal operation, and would free up to \$120K for the ASUC to distribute. It would fully fund SUPERB, but just be an increase to musical groups' current funding. SUPERB's being has gone from almost \$300,000 a year \$119,000, much less than at other UCs. It seemed such a fee would be under \$10 a semester. There was a question of whether graduate students would participate in the referendum. The musical groups were identified were housed under Cal Performances.

It was suggested that other student musical groups be inventoried, and that a meeting be held about this with Ms. Wade, Music Department Chair. It was noted that student musical activities under Cal Performances were all once part of the ASUC. The groups were those students were interested in.

Amendment to the Commercial Activities Agreement

The meeting entered into closed session to discuss an amendment to the Commercial Activities Agreement.

By voice-vote, the Board voted to amend the Commercial Activities Agreement, to add the Blue & Gold Yearbook under Exhibit A, Part B, Number 11. The amendment would add the Blue & Gold Yearbook to the Auxiliary, allowing it to get student addresses from the Registrar's Office.

The next meeting would be in February. The meeting adjourned at 6:02 p.m.

[End summary of the meeting.]

This regular meeting of the Store Operations Board, concluding the Fall Semester, was called to order by Jillian Putnam-Smith at 5:13 p.m. in the ASUC Senate Chamber.

APPROVAL OF THE MINUTES

Ms. Putnam-Smith said she would entertain a motion to adopt the minutes from the November meeting. It was so moved and seconded by Mr. Gupta and Mr. Daniels. **THE MOTION TO APPROVE THE MINUTES FROM THE NOVEMBER 13, 2006 BOARD MEETING PASSED UNANIMOUSLY BY VOICE-VOTE.**

APPROVAL OF THE AGENDA

Ms. Putnam-Smith said called for any changes to the agenda. A motion to approve the agenda was made and seconded by Mr. Miles and Mr. Gupta. **THE MOTION TO APPROVE THE AGENDA PASSED UNANIMOUSLY BY VOICE-VOTE.**

REPORT FROM THE DIRECTOR

Regarding the status of The Scholar's Workstation relocation, Mr. Permaul said he followed up with Associate Vice Chancellor Coley, who contacted Shel Waggener, the Associate Vice Chancellor for Information Systems and Technology, to ask about the status of the relocation of The Scholar's Workstation. Mr. Permaul said he's talked with the Director of TSW and there was a desire on her part to relocate to the ASUC. But Information Systems and Technology was doing an internal review of TSW's financial viability. Mr. Permaul said he has asked for a response by March 1, 2007. If there was no action on this by that time, he'd like to see the Auxiliary and the Store begin to develop a plan to bring computer sales to the Cal Student Store as soon as possible. He has already approached the Store about this. Mr. Permaul said it would be his preference to have The Scholar's Workstation there as soon as the fall of 2007. The Auxiliary was waiting to hear back from them.

Mr. Williamson asked what the reluctance was. Mr. Permaul said it might be that IST had many competing priorities. The question was whether or not the current financial model of The Scholar's Workstation was viable long term and was the best way to sell computers and computer accessories to students and departments on the campus. Follett's clearly has a proven track record for the sale of computer equipment, and would be a substantial boost in student revenue from Follett's. So the Auxiliary would be very happy to see that change, and he was going to press on this.

Regarding the status of the Lower Sproul project, Mr. Permaul said the students have been carrying forward with this, and in his presentation, he will defer to the President of the Graduate Assembly. There were now regular meetings of a Lower Sproul work group, which includes a member of the Capital Program, Beth Piatnitzka, who was responsible for pulling together the consultants who were looking at the

conceptual plan for Lower Sproul. Members of this work group include himself, Emily Marthinsen, the Assistant Vice Chancellor for Capital Planning on the campus; from Physical and Environmental Planning, Prof. Jay Stowsky; a representative of the Vice Provost for Academic Planning; the Dean of Students, Jonathan Poullard; the President of the Graduate Assembly; the President of the ASUC; and the Vice President for Academic Affairs for the ASUC.

Mr. Permaul said the working group has been meeting on a regular basis and will meet on Tuesday from 11:00 to 11:30, and the students will convene with the Vice Provost herself and Prof. Stowsky to look at the next round of capital planning, which will involve the student program phase and for the design of Lower Sproul.

Mr. Permaul said he would ask the President of the Graduate Assembly to comment. Mr. Daniels said work on Lower Sproul has been going fairly well, he'd guess. There was a lot he could talk about. One thing they'll do at their meeting on Tuesday was to work on the details of the focus groups. An architect puts the focus groups together and actually contracted that out, and a sub-consultant will run the focus groups. They currently have about seven undergrad and approximately five grad focus groups, with each group to have eight to ten students, ideally. The graduate students will divide their groups from among students from the north and south of campus, international students, student families, and commuter students, as sub-groups to learn what they'd like in a new Plaza. The GA thought this was the best way to divide their groups. The undergraduates still probably have groups comprised of first-, second-, and third-years and above. It was his understanding there will be a focus group for student government, including the ASUC Senate, ASUC Administration, GA Officers, and possibly some other student leaders, although he didn't know how large it was. Mr. Poullard has a Dean's Advisory Group that consists of both grads and undergrads and the thought was to also have this as a focus group. Joyce Liou, the Academic Affairs Vice President for the ASUC, was in charge of the undergrad focus groups.

Mr. Daniels said that in addition to focus groups, the GA also had a graduate student survey, which was closing in about six hours. They sampled about 20% of the grad student population, about 2,000 students, and at last check, they had over 1,000 responses. So they definitely have a 50%-plus response, which was amazing. Responses have been expected and unexpected. He didn't want to jinx anything by saying anything more before it was over, but certainly the feedback has been really good from the GA perspective in terms of developing a list of the sorts of things graduate students would want.

Ms. Davis asked if there were any financial questions on the survey. Mr. Daniels said there was financial notification, but not a question. The main question on the survey asked students to pick 5 of 18 possible choices that could be at a new student center. And one stated that at other UCs, fees for new student centers have been \$100 to \$200. Given such a fee, they were asked what they thought ought to be in the student center. The reason for that was simply because if they were to simply ask how much they'd want to pay, they'd get nothing. So it was more of an education tool rather than asking how much they'd pay.

Ms. Davis asked when the focus groups will take place. Mr. Daniels said they'll occur January 29-31. They'll be all around campus. Ideally, they will form the basis for the programming groupings that will go into the space that is the new Lower Sproul area. One possibility on the graduate student list was childcare services. So there may be 10,000 feet for childcare services; there may be 20,000 feet for student groups, or 200,000. Given the size of whatever this new place will be, they will then divvy that up into various categories. So there will be a sense of what they want. And then planning for programming will further specify that.

Ms. Davis asked if there was also a survey of undergrads. Mr. Daniels said there wasn't, as far as he knew. Mr. Gupta said the undergrads will have a survey through the President's office in February. Ms. Davis asked if there will be parallel questions to the grad survey. Mr. Gupta said they wouldn't be exactly the same, but they would be of a similar nature.

Mr. Daniels said asked if the survey would focus just on Lower Sproul. Mr. Gupta said that was correct, although it would be broader.

Regarding the Cal 1 Card concept, Mr. Permaul said he definitely wanted to put this on the table in more detail. The Cal 1 Card Committee was formed by the Assistant Vice Chancellor for Residential and Student Service Programs and was Co-Chaired by the Registrar, and resulted in a working group to propose a mechanism to stop the bleeding the campus had with its investment in ID cards. The campus spent a little over \$220,000 a year on student ID cards, and was losing approximately \$170,000 a year on that agreement. The reason was because no one took responsibility for the distribution of student registration cards and faculty and staff ID cards when they became mandatory. This was after the Registrar's Office stopped issuing paper ID cards. Housing has been concerned that ID cards were being subsidized by rent students in the res halls pay, and res halls have been covering this cost. The working group put together a financial model that would allow Housing, the Residential and Student Service Program, to recharge in various ways in order to recover the costs of that program. But ID cards still took resources out of the campus, whether from students, faculty, or staff, in various ways, to cover the costs of this program. Mr. Daniels could speak to this as well since he sat on the Committee. Since it was the ASUC that originally requested a 1 Card program, which would include a debit card program, and the ASUC was now looking at an independent vendor-run student ID program. This would be a full-service ID card program.

Mr. Permaul said a full-service ID card program would include a number of features. The vendor would first of all provide all students, faculty, and staff with a Berkeley campus ID card. It would also serve the function of a security card, which would allow departments on campus, from the Recreational Sports Facility, to the Library, to Wurster Hall, to allow access to those buildings. The function of assigning access through the ID card was currently under the aegis of the campus Police Department.

The ID card would also be a student debit card, and students could, as they currently do, put points on it, and also dollars, and would be able to use it at various businesses the campus had arrangements with. And faculty would also be allowed to do that under this game plan.

The card program would also be an opt-in credit card program. Students, faculty, and staff who would like to have a credit card that was on their 1 Card would be able to do so. But it would come with very stiff requirements, as it was supplied by vendors at other campuses. Those requirements would include having students participate in an educational program to understand what a debit and a credit card were, how they're utilized, and what the pitfalls and problems were of using them. It would allow students real-time access to information on their credit and it would also allow their parents, if they opted for it, to have access. Parents could also pay for credit card bills and be able to see them, if students opt for that. So this proposal would be for a full-service ID card program.

Finally, it would be a banking program, where the ASUC would provide a bank on campus, as other campuses do. It would service both students and faculty, and would be housed on ASUC property. This 1 Card program would be full subsidized by the vendor, which would pay for all of it. And on top of that,

the vendor would pay the ASUC for access to banking services on the campus. They would also run the debit card program, which was now being run inexpertly by the campus.

Mr. Williamson asked if the vendor would be the bank. Mr. Permaul said that was correct. Many colleges, both in California and throughout the nation, currently use vendor programs. These have been established in at least three or four Cal State University campuses, and a number of private schools, including USC. A number of major colleges around the country also use these programs. The majority of these program were done by US Bank, a number were also done by Wells Fargo. Next week the ASUC will meet with these vendors to look at those programs and will then make a proposal to the Vice Chancellor of Administration to formally review such programming. Mr. Permaul said they have invited the Vice Chancellor's budget officer to join them when they meet with the vendors, to look at the options and lay out a template for them.

Mr. Permaul said he just wanted to let the Board know that they were moving forward with an assessment of such a 1 Card program. The reason was because the students feel that this would be much more expertly run than the current program. It would not be subsidized by students and faculty on the campus, or by any department, and would generate revenue for the ASUC.

Ms. Davis asked if Housing was okay with this. Mr. Permaul said the Auxiliary has promised RSSP that they would bring back a formal proposal for them, through the 1 Card Committee, and they agreed on that. Ms. Davis asked who was on the 1 Card Committee. Mr. Permaul said there was a cast of thousands, campus wide.

Mr. Miles said he was assuming the Committee will interact with the two vendors and thoroughly briefed on what other campuses have been doing, and have a business plan. Mr. Permaul said that was correct. They have business plans and RFPs, and they're using a consultant who worked for the campus to create affinity card programs for both the Alumni Association and Intercollegiate Athletics. Mr. Miles said they sort of blundered into the ID card program the first time, and it seemed to him they'd want to be very careful not to blunder into something again. Mr. Permaul said that was correct. They also know there's a lot of skepticism on the campus regarding private vendors, so they want to do this in the right way.

Mr. Daniels asked if the profit the ASUC would get would only come from rent, or if the vendor would pay an additional fee to be able to have access to the students. Mr. Permaul said they would pay for that. However, the Auxiliary did not want the vendor to pay the Auxiliary for the number of credit cards the vendor would obtain. They don't want to have incentive to try to have the vendor lure people in. There would be a flat fee for access to the campus. Mr. Daniels asked if that would be in addition to the rent the vendor would pay for the banking space. Mr. Permaul said that was correct.

Mr. Daniels asked if there's been any analysis on the impact this has had on student debt on campuses where it's been tried. Mr. Permaul said there hasn't been, but that's a question they'd ask. Mr. Daniels asked if, on other campuses, interest limits have been set, and all the other ways credit card companies get people. Mr. Permaul said they would be remiss if they did not negotiate extremely favorable terms for the campus.

Mr. Miles asked how much money they've been losing at this. Mr. Permaul said the sunk costs over the last ten years were \$1 million that the campus has invested in this. And it was only this year that finally, the 1 Card Committee was able to bring up to the level of campus Administration a program to try to stem the hemorrhaging. Mr. Miles said it wasn't a record loss, but it was impressive.

Regarding the business case assessment for ASUC space, Mr. Permaul said three Senators and the intern who was responsible for the commercial assessment of ASUC space went to Stanford's Tresidder Union on Friday and were graciously hosted by the ASSU. They toured their facilities and looked at their Follett's Bookstore and at all of their commercial space. The school was renovating the old Stanford Union with a new, 90,000 square foot addition, adding that to Tresidder Union's current 70,000 square feet. He thought the trip was a very worthwhile trip and engaged their Senators in the reality that they now had to take responsibility for a thoughtful discussion.

Mr. Permaul said he wanted to pass out an editorial from the Daily Californian that was published last week and was an absolutely wonderful breath of fresh air from the Daily Cal. It suggested that the student Senate would be remiss, and would not be conducting its fiduciary responsibility, if it did not look at their commercial space and decide whether or not students were getting the best deal for it in order to fund student group activities on this campus. So he was very heartened by the Daily Cal's editorial, as were the students who went down to Palo Alto. So they were going to take on a greater responsibility in the spring and Mr. Permaul said they're looking, and continue to look, at ASUC commercial space, its market value, what options may or may not be available, and that students were willing to take. The opening of the new Chipotle on Telegraph has been very instructive and enlightening. At noon on any day, the building was full, in spite of the fact that it had high prices. Students enjoy the facility tremendously. The two times he went there, Mr. Permaul said there were lines out the door at the noon hour. So that led one to believe that private vendors, even chains, could be successful on this campus if the campus was willing to make the political decision to move forward. And now it was a question of the Senate and the students advising the Auxiliary and the SOB on how they would like to proceed.

Regarding the Pub, Mr. Permaul said they've met with John Martin, of the Bear's Lair Pub. As they know, he also runs Jupiter, at downtown Berkeley and the micro-brewery down at 4th St. Mr. Martin was interested in running a full-service restaurant/pub operation on campus. But he has not had the space to do so. So the students need to look at that, because what the Pub would be willing to do was to not only serve a full range of food, but then open up a more restaurant-like activity on the roof of the Pub, with tables, chairs, umbrellas, tablecloths, and regular, seated dining. Also, if the students were interested in doing that, and they're also interested, as he was, in working with the Pub to enlarge their outdoor space in Lower Sproul.

Mr. Permaul said he just wanted to let the Board know that there certainly was interest out there for these ideas, and it was a question of what the political will of the students and of the Store Operations Board will be, sometime that coming spring.

Mr. Williamson said that even if they have a sympathetic student group, they had to be concerned with others down the line who had different preferences. And businesses certainly would have preferences. The idea that the Auxiliary was trying to deliver to businesses some kind of credible contractual relationship was really crucial. Mr. Permaul said that was correct.

Ms. Davis asked who was paying for the Tresidder Union expansion. Mr. Permaul said it was paid for by Stanford. Ms. Davis asked if it was the University itself. Mr. Permaul said it was. At Stanford, they pay for everything, parking, lighting, everything. The students pay a lot and the school also raised money through its capital program. Ms. Davis asked if there was no donor involved. Mr. Permaul said there wasn't.

Regarding student musical activities, Mr. Permaul said there will be an ASUC SUPERB referendum. The Executive VP has been meeting with him, Cal Performances, and SUPERB, to look at seriously running a student referendum in the spring that would do two major things. First, it would fund independent student musical activities on the campus. That would include the California Marching Band, the Cal Chorale Ensemble, the Cal Jazz Ensemble, and SUPERB. For student musical activities, the funding would strictly be to bring them up to optimal operation. It would not be full funding and would simply be an increment of their current funding, in order to resolve longstanding issues of unmet need that existed on the campus for over a quarter of century, 30 years. For SUPERB, it would be full funding, and would provide SUPERB with almost \$300,000 a year. SUPERB was currently down to a budget of \$119,000. That compares, e.g., with UC San Diego, which spends a quarter of a million dollars; or UCSB, which spends \$400,000; Davis spends half a million; and even UC Riverside spends \$300,000 on student musical activities for students on campus. So the ASUC was simply trying to bring them to a functional mode. This would also free almost \$120,000 for the ASUC Senate to then distribute to current student groups on the campus. And because these student groups have been hurting and have been growing in number, the Senate has been cutting SUPERB's budget, which was the biggest single budgetary element the Senate had at its discretion. So such a referendum had a potential to be win-win for a lot of people. The first financial calculations seem to suggest that they could do all this for under \$10 a semester. At the last meeting, the students suggested that it be a ten-year model, with appropriate indexing every two years during that ten years. So they were moving forward with that.

Mr. Permaul said the campus suggested that at least in terms of the Cal Band, they might be willing to look at a match of some of the funds that were raised. Part of that was because in the early part of this decade, the campus cut almost \$80,000 in Reg Fees out of student musical activities, in the normal Reg Fee cuts they were making to everybody. So the campus was willing to look at this. As a result, the Vice Chancellor has sent his budget officer to work with the Auxiliary, and Mr. Permaul said that next week he'll put together a template that will be used by all these groups to present financial information in early January, and he will make sure the students have the template and fill it out properly. And by the end of January, they'll present it once again before the ASUC potentially takes it to the Senate as a recommendation.

There were still outstanding issues around the musical activities referendum. One was whether graduate students would participate in the referendum. That was unclear. They will have negotiations, which need to occur with the ASUC before any decision was made. That was still an outstanding question, and it could change the financial model for the referendum if graduate students didn't participate. Mr. Permaul said he just wanted to let the Board know that this was formally in the process. It would generate another \$120,000 for students and student groups on the campus. And that was one of the goals they had at the beginning, when they started to look at this.

Ms. Davis asked if there was a definition of "student musical activities," and asked if it included the student symphony and the student Jazz Ensemble. Mr. Permaul said it did include the student Jazz Ensemble, the chorale ensemble, and the Cal Band. The groups that were identified were those that were currently student musical activities, housed under Cal Performances, as well as ASUC SUPERB. That's the range that the students wanted to look at.

Ms. Davis asked if they were leaving any groups out, such as the Men's Octet. Mr. Permaul said they're part of the chorale. The Men's Octet and the women's Golden Overtones were groups that were part of the chorale. There was also a jazz choir. Ms. Davis asked about the symphony. Mr. Permaul said the orchestra was located elsewhere. Mr. Gupta said it fell under one of the academic departments.

Mr. Permaul said that one problem was that at every other UC campus, the band and the musical groups were part of the schools' music departments. That was not the case at Berkeley, and the Music Department has absolutely and flatly rejected bringing these performing arts groups under the Department. That was unlike Davis or UCLA, and unlike any of the other UC campuses, where students participating in these groups actually received academic credit. At Berkeley, these groups have been orphaned since the ASUC let them go in the 1960s, and now they're trying to weave together a combination of resources that would include the campus, their own private fundraising, and the students. All those resources would be pulled together to make it work.

Ms. Davis asked if this would be an organizational change, and they would no longer be part of Cal Performances. Mr. Permaul said that no one was suggesting a change in organization. But there would be an MOU and an understanding that the money would pass through the ASUC to these groups, to ensure that student money from this student referendum was being used in ways that were outlined in the referendum.

Ms. Davis asked if Cal Performances was happy with having student musical activities part of this, and asked if he's had discussions about that. Mr. Permaul said he hasn't. Since he was the person doing the negotiations for everybody, he didn't feel it was his position to talk about organizational changes, because as she knew, on this campus that was a threatening conversation. He wanted this to be successful, so he was only interested in the financial arrangements. But there was a separate oversight board for the Cal Band, which has raised a question about oversight. But that will be held, and taken care of, he would assume, somewhere else, since they still answer to Vice Chancellor Provost through Cal Performances.

Ms. Davis said she didn't know anything about musical activities, but she worried that if the definition was so narrow and that they might create hybrid funding, with money coming to some musical groups but not others, just because of their organizational placement, or for historic reasons. It might be helpful to spend a little bit of time inventorying all of them and checking in with other groups to see what their situations were. She didn't know if they were in the Music Department, or if the Department funded the orchestra. Mr. Permaul said he would assume that was the case. Those groups had nothing to do with independent student musical activities. Ms. Wade was the Chair of Music, and will be the Dean of Letters & Science Advising, and was very student oriented. So it might be worthwhile for somebody to meet with her to kind of sound her out about the Music Department's efforts around student musical activities and see what connections there were, and get a fuller understanding. At least Ms. Davis said she would feel that way. Rather than having a fee for a narrow set of groups, if they stepped back and looked, it might be a little more helpful to have it apply to all musical groups. Mr. Permaul said he thought the only problem with that was whether the students were interested in funding those other student groups. Part of the elements there was that there was definite interest by the ASUC in supporting the Cal Band and SUPERB. The other two groups were very small. The SMA was the chorale and the Jazz Ensemble, and their budgets were very small. So to bring them as part of this, so they're all part of student musical activities, under Cal Performances, sort of made sense, because all of those groups were once part of the ASUC. The others were not. The other student musical activities on campus have not been part of the ASUC. Mr. Permaul said he thought the students were interested in looking at these groups he named.

Mr. Miles said that even though the Music Department has strongly been unwilling, it still might be valuable to talk with them, without negotiating, and just simply inform them and build any linkages that might be there. It was an odd separation, and there was no reason to make it worse. Mr. Permaul said he would follow-up with that direction. Mr. Miles said he could explain where they started, where they stood, and what they were thinking about, and ask what the Department thought about that. Mr. Permaul said he wanted to thank him.

Ms. Davis asked if this included the people who drum on Sproul Plaza after 5 o'clock. She asked if that was a student group. Mr. Gupta said that was a cultural student organization. Ms. Davis asked if that was a student musical activity. Mr. Gupta said they're not an independent musical activity and would fall under a student activity group in the ASUC, and were funded by the ASUC.

Ms. Davis said it would be helpful to have clarity on just what was and wasn't a student musical activity, and how they were defined. She didn't know the composition of all these musical groups, but the Chancellor's big thing was inclusion. So to the extent that music covered all cultures, they wouldn't want the fee referendum to look so narrowly defined as to maybe not have the most broad-based student support and increase its chance of success. Mr. Permaul said he would like to thank them.

AMENDMENT TO THE COMMERCIAL ACTIVITIES AGREEMENT

Ms. Putnam-Smith said that in order to consider their next order of business they needed to move into closed session, and she'd entertain a motion to do so. It was so moved and seconded by Mr. Gupta and Ms. Davis and passed unanimously by voice-vote.

This meeting entered into closed session to discuss an amendment to the Commercial Activities Agreement.

Back in open session, Ms. Putnam-Smith said they would vote on the following amendment to the Commercial Activities Agreement, submitted by Mr. Gupta and Mr. Permaul:

That the Commercial Activities Agreement be revised to list the Blue & Gold Yearbook under Exhibit A, Part B, Number 11.

The amendment would allow a contractual agreement between the Registrar's Office and the Auxiliary to provide students' addresses to the Blue & Gold Yearbook.

A motion to approve was made and seconded by Mr. Gupta and Mr. Miles. **THE MOTION TO APPROVE THE AMENDMENT PASSED BY VOICE-VOTE.**

Ms. Putnam-Smith said there were no other items on the agenda and their business was concluded. She hoped they enjoy their Winter Break. There would be no meeting in January due to the Winter Break. The next meeting would be in February.

This meeting adjourned at 6:02 p.m.

These minutes respectfully submitted by,

Steven I. Litwak
Recording Secretary

DECISIONS OF THE BOARD

Procedures

- December '06** Amended the Commercial Activities Agreement, to list the Blue & Gold Yearbook under Exhibit A, Part B, Number 11, to allow the Yearbook to receive student addresses from the Registrar's Office.
- November '06 Elected Mr. Dally as Vice Chair of the Board and elected to have Ms. Putnam-Smith serve as Chair for the remainder of her term, ending at the conclusion of Spring Semester, '06-7
- July '06 Mr. Permaul's first Board meeting as Auxiliary Director.
- June '06 Unanimously endorsed the efforts of the Chancellor and the UC President to utilize programs such as the Designated Suppliers Program, or other means of preventing the use of sweatshops in the production of University apparel and goods.
- April '05 Mr. Dally joined the Board as undergrad representative.
- December '05 Asked the Finance Committee to discuss with Internal Audit the ASUC's use of the BFS accounting system.
- December '05 Elected Ms. Putnam-Smith as Chair of the Board.
- June '05 Voted to have committees, after the August meeting, agree upon meeting times, during normal business hours, and for the Finance Committee to meet at least quarterly, and for each committee to have representation of faculty, staff, and students.
- June '05 Re-elected Mr. Cohen as SOB Chair and elected Ms. Putnam-Smith as Vice Chair.
- February '05 Mr. Miles and Mr. Williamson joined the Board.
- August '04 Formed an ad hoc committee to study increasing efficiency in information technology.
- July '04 Elected Elliot Cohen as Acting Chair of the SOB, for 2004-5.
- April '04 Considered and amended ASUC Auxiliary Budget Principles.
- January '04 Agreed to send another letter to the ASUC Senate and the GA asking to resolve the question of a GA representation on the Board.
- December '03 Voted to send a letter to the ASUC Senate asking to resolve the question of GA representation.

Procedures (cont'd)

October '03	Approved the establishment of ad hoc committees: Commercial Operations, Auxiliary Services, and Finance.
August '03	Heard a report on the establishment of the Space Assessment Committee for Eshleman and MLK.
June '03	Elected Ms. Quindel and Mr. Bucklin as Board Chair and Vice Chair, 2003-4.
June '03	Formed a Subcommittee on Committees to determine a committee structure for the Board.
June '03	Agreed to hold a Board member orientation by August 30.
May '03	Agreed on the need for a Board member orientation to be held before the start of the school year.
December '02	Enhanced Board minutes by adding "Decisions of the Board"

Vendors

June '06	Unanimously approved having Mr. Rolle look for someone to manage the Lodge, with the same relationship as with the previous manager, removing restrictions for a leaseholder.
March '06	Approved a five-year lease option exercised by the Jupiter Pub
Feb. '06	Authorized pursuit of a judgment against the previous Cal Lodge leaseholder on behalf of the ASUC and the ASUC Auxiliary.
Sept. '05	Authorized the Chair to write a letter to Associate Vice Chancellor LeGrande about the rate and usage of the Cal 1 Card.
Sept. '05	Approved use of an inspector suggested by the Alumni Association to inspect the Cal Lodge, to authorized pursuing an agreement for the Alumni Association to manage the Lodge.
May '05	Approved the further exploration with Darryl Ross of placing a green café at the southeast corner of the Student Union.
March '05	Heard a presentation by Darryl Ross and agreed to investigate the possibility of a "green" restaurant in the southeast corner of the Student Union.
Nov. '04	Approved a two-year lease extension, beginning Jan. 1, '05, to the Taqueria and Healthy Heavenly Foods.

Vendors (cont'd)

Nov. '04	Approved the transfer of ownership of The Taqueria to the owner's nephew.
July '04	To advertise the Store, the ASUC worked to give Cal-SO counselors a \$5 gift certificate and RAs a 15% discount card.
June '04	Approved a five-year extension for the STA Travel lease.
June '04	Approved the Resolution In Support of Follett Contract Performance Review.
June '04	Approved changes to the terms of the Pub's lease.
April '04	Authorized negotiations for a 12-month contract with the current Bear's Lair tenant, and to terminate the lease if negotiations fail, and to issue an RFP.
March '04	Agreed to a four-week pilot project for the New York Times Readership Pilot Project.
March '04	Rejected contract proposals submitted by Pub management, called upon Commercial Operations to initiate a student survey on use of Pub space, and approved sending out an RFP for the space.
March '04	Recommended signing the Follett contract, dated Feb. 26, '04.
January '04	Agreed to publish a letter in the Daily Cal to the general campus community promoting Auxiliary businesses.
January '04	Voted to send a letter of apology to the Bookstore manager for the content of a flier for the ASUC Bookswap.
December '03	Heard from John Martin, operator of the Pub.
November '03	The Daily Cal lease was signed, and printing of the ASUC government page began.
November '03	Heard a presentation on Coca-Cola business practices in Colombia.
August '03	Amended the Daily Cal lease to have a code of conduct for the paper discussed by the campus committee at-large.
July '03	Approved a five-year lease with the Daily Cal.
July '03	Authorized an engineering study of the Cal Lodge, for use in negotiations with the lessees.

Vendors (cont'd)

- June '03 Formed a subcommittee to further consider the Daily Cal lease.
- August '04 Decided to offer the Pub, after consulting with counsel, a reduction in rent, with conditions.
- July '04 Heard a counter proposal from the Pub regarding a contract revision. Authorized the Director to seek legal counsel.
- May '03 Heard a presentation by Coca-Cola representatives on the Company's business practices in Colombia.
- December '02 Added a fair-trade coffee option into the lease of the Coffee Spot

Student Union / Pauley Ballroom

- December '02 Authorized a letter to Coca-Cola expressing the Board's concerns with allegations of human rights abuses in Colombian bottling plants, and requested a company representative speak to the Board.
- May '05 Voted to approve the LoSpro lounge proposal for the space in the Student Union occupied by the Bearcade.
- May '05 Voted to explore options for the expansion of the Art Studio.
- April '04 Heard a presentation by Ms. Terman, Manager, Art Studio, on expanding the Art Studio into the area used by the Bearcade.
- October '04 Authorized ASUC President Leybovich, with matching funds from H&D, to spend up to \$2,500 for a Student Union/food service survey.
- May '03 Approved agreement with the Chancellor's proposal on the multicultural lounge; to enter into negotiations on costs and the Auxiliary's role in managing the facility; and to approve a negotiating committee. Current Officers will negotiate, with new Officers to shadow them until current Officers leave.
- May '03 Approved having Mr. Cordi and Mr. Rolle submit a proposal to support student use of Pauley Ballroom by the June meeting.
- April '03 Received a proposal, as part of the 2003-2004 budget, to allocate \$20,000 for the Senate and the GA to use for Pauley Ballroom fee waivers.

Budget (cont'd)

- February '03 Approved a subcommittee to look into policies for Pauley Ballroom and for fee waivers.
- Budget
- April '06 Approved the 2006-7 Auxiliary budget.
- April '05 Approved the 2005-6 Auxiliary budget.
- September '04 Approved a motion to state that the Board alone had authority to shift funding; to determine 03-04 residual profit at \$103,208; and to transfer \$50,000 from residual profit to the Auxiliary Contingency Fund, making up for a transfer of that amount to the ASUC to balance its 04-05 budget.
- May '04 Approved a motion to urge the future SOB, 04-05, to consider as a high priority, fully funding one position for the OSA and a half position OSA position for the GA.
- April '04 Approved the ASUC Auxiliary FY2004-2005 Budget, including a transfer to the ASUC of \$50,000 from the Auxiliary Contingency Reserves.
- February '03 Received "ASUC Auxiliary Revenue and Expense Report, July -December 2003."
- June '03 A committee was formed to balance the Auxiliary budget. The Subcommittee on Committees will determine if this should be an ad hoc committee.
- May '03 Unanimously approved the 2003-4 budget, and charged the Auxiliary Services Committee to determine cuts to balance the budget. Absent a recommendation by August 30, agreed to staff the security desk in Eshleman starting at 6 p.m., rather than 8 a.m.