

June 25, 2008

Meeting was done by phone

Brought to order 10AM Pacific time

Present: John Wagstaff, Dianne Rosner, Charles Severance, Vivie Sinou

John Wagstaff was elected as board chair

Dianne Rosner was elected board vice-chair

Charles Severance was elected board secretary

Vivie Sinou presented an update on progress toward starting business as Etudes on July 1.

Discussion topics: Bank selection, liability insurance is in place, CPA has been tentatively selected, retirement is being worked on - the hope is to have a 401K - but this may not be affordable, medical/dental/vision package from United Health Care looks like it will be the solution - working on timing of the transition to lock in health care rates.

Discussion of staff transitions - making job offers of August 15 with start date of September 1. Looking at six employees, with Kathy Fransham, trainer, staying at FH with a contractual arrangement.

Item going to FH board to give layoff notices for everyone August 25 - this will mean that folks have until October 14 to leave. We would like to pull this forward to lock in health insurance rates.

Board discussion/review of benefit detail.

Discussion of location of headquarters at FH - during the transition - the hope is to get free rent until December 31 of this year. There will be a further meeting today to discuss this further with FH.

Discussion of the relationship between the CVC/ CCCCCO and Etudes, Inc. This is going well - they are reviewing deliverables - and the path forward is looking good.

Discussion of on-campus issues on the Foothill campus. Nice letter from the FH president to the faculty and staff regarding on-going commitment to continue with Etudes.

Vivie - no problem with renewals - everyone seems very happy with the transition.

John - suggested that we have a briefing from our lawyer as to what we should be considering. Vivie - this is a good idea and we should do it at our face-to-face.

Working on the 5013C application and related materials - target is July 11. Working with Ralph Rumsey our lawyer. We have 24 months to submit the application, but the sooner we get it turned in to IRS, the better. Approval is 6-10 months.

Discussion of intellectual property.

Discussion of the money in the Foothill Etudes account. The FH money will be naturally spent down by October 15.

Discussion of when Vivie resigns from FH.

Consideration of the appointment of Vivie Sinou as CEO of Etudes, Inc.
Vivie was approved by the board unanimously.

Consideration of the three documents: Employee Orientation Handbook and employee and Board conflict of interest policies. This is mostly boilerplate from the National Council of Nonprofit Associations, with a focus on California non-profit law.

The Board Conflict of Interest Policy is based on the Sakai Board's Policy (word for word) that was provided to the Sakai Board of Directors by our attorney, Ralph Rumsey.

Motion: Accepting documents pending additional review.

Motion - withdrawn.

Motion: Accept the documents as written. Second.

Motion passed.

Suggestion for further review of the documents and bring any modifications to the board.

Vivie will send us all conflict of interest forms to sign and fax back.

Discussion of the date of the Face to Face.

Discussion of reimbursing Vivie personal expenses for corporate formation about \$3600.

Motion: Reimburse Vivie Sinou for expenses she incurred in the formation of the Etudes Corporation, up to \$7500. Seconded.

Motion passes unanimously.

Discussion of getting payroll records started for two people 20 hours per week for July and August - and Vivie for 20 hours per week and then resign September 1 - and have medical benefits on day 1.

Motion: Approve hiring of two Foothill employees July 1 on a part-time basis if it is not prohibited by Foothill policies.

Motion passed.

Meeting Adjourned - 12:06 PM Pacific time