I. Call to Order by the Chair, Trevor Getz

There being a quorum present, the University Corporation, San Francisco State (UCorp) Board of Directors was called to order by the chair, Trevor Getz, at 3:04pm at San Francisco State University, Administration Building, room 460, San Francisco, CA.

**Board Members Present**

- Rob Strong, Lecturer, Marketing Dept.  
  *Faculty Rep, Chair of the Audit Committee*
- Nancy Gerber, Chair of the Academic Senate, Professor, Dept. of Chemistry and Biochemistry,  
  *Faculty Rep*
- Jason Porth, Executive Director, UCorp & Vice President, University Enterprises  
  *Admin Rep*
- Anoshua Chaudhuri, Professor and Chair of the Economics Dept.  
  *Faculty Rep*
- Trevor Getz, Professor, Dept. of History  
  *Faculty Rep, Chair of the Board, Chair of the Executive Committee*
- Gene Chelberg, Associate Vice President for Student Affairs, SAEM  
  *Admin Rep*
- Noriko Lim-Tepper, Interim Chief of Staff, President’s Office  
  *Admin Rep, President’s Designee, Chair of the Nominating Committee*
- Yvonne Bui, Professor and Chair of Special Education  
  *Faculty Rep*
- Michaela Byrd, Vice President of Facilities & Services, Associated Students, Political Science major  
  *Student Rep*
- Yasmin Aly, MBA student, Finance & Marketing  
  *Student Rep*
- Brian Yoo, Finance major, VP of FAME  
  *Student Rep*

**Board Members Absent**

- Bonnie Li Victorino, Director of Finance & Operations, College of Business  
  *Admin Rep*
- Kal Salama, Chief Investment Officer, The Headlands Group  
  *Community Rep, Chair of the Finance Committee*
- Neil Cohen, Lecturer, Marketing Dept.  
  *Faculty Rep, Chair of the Retail & Commercial Services Committee*

**Others Present**

- Andrew Lok, Retail & Commercial Services Manager, UCorp
- Tammie Ridgell, Associate Vice President, Auxiliary Business Services, and Director of Finance & Administration, UCorp
- Mary Bagazinski, Board Clerk & Project Manager, UCorp
1. Round table introductions
2. Approval of the Agenda
   a. Agenda approved
3. Approval of the Board of Directors Meeting Minutes for September 16.................................Action
   a. One amendment noted: Anoshua was not present at the last meeting.

II. Public Comment
   1. Guidelines: Public comment time is limited to fifteen minutes total, with three minutes per speaker, and is limited to UCorp business.

III. Resolution: Approval of Student Board Directors for The University Corporation, San Francisco State, Fiscal Year 2019/20
   1. Yasmin Aly
   2. Michaela Byrd
   3. Brian Yoo....................................................................................................................................................................................Action

Rob asked each of the students to share their interest in becoming a board member.

- Brian - Worked with UCorp as a treasurer with the student organization, FAME. Wanted to gain more experience and learn more about UCorp.
- Yasmin – Grad student located at downtown campus. There’s not many reasons for her to come to the main campus. Sees this as an opportunity to make an impact and be connected to the main campus.
- Michaela – Vice President for Facilities Services for Associated Students, which works a lot with UCorp. It helps to be here.

Eugene moved, Rob seconded. Approved unanimously. No abstentions.

IV. Resolution: Approval of Board Committee Members for FY19-20.................................................................Action
   • Brian – will stay on the committee and as chair
   • Note – Correct Johnathan’s name. Correct spelling: Jonathan

Moved, seconded. No abstentions; unanimously approved.

V. Resolution: Approval of funds to support Sierra Nevada Field Campus.........................................................Action

Jason described his visit, the state of the field campus, and additional historical, geographical, and cultural context. Displayed a powerpoint presentation with pictures, maps, etc.

- Location: north of Tahoe
  o Site created during gold rush
  o Monument dedicated to Chinese workers from the Gold Rush era.
  o Field Campus is associated with College of Science and Engineering.
  o Classes are workshops some are for credit.
- Facility – very rustic
  o Mess hall, restrooms, used to be a 3 story, but there was a fire.
  o Built 70 years ago by SF State Member
  o Any construction needs to be vetted by Dept. of Agriculture, Forest Service
  o Jim Steele – worked in COS for years.
• Brand new roof – Friends of Sierra Nevada Field campus – raised funds. Group of locals who want to see the place succeed.
  o Director’s cabin, kitchen, restroom facilities.

• Accommodations
  o Concrete platforms for tents – each hold about 4 people
  o 3 meals per day
  o UCorp hires staff that work there all summer long. A Cook, staff, and a director,
  o Open from Memorial day to mid-October

• Winter – no activities, needs weatherization
  o Road does get plowed, some discussion has been had around this
  o We’ve had very little investment in them
  o Per the Parks Service says, UCorp is responsible for any work that needs to be done on this.

• Concern over safety
  o Spent a weekend with head architect. Instructed to send a structural engineer. Good news: it’s not in a seismic zone.
  o Upgrades should cost no more 100K total
  o Identified structural engineer – worked for CalOsha (safety) – Registered and licensed. Advising and then working with a local construction company.

• Resolution
  o Funds – ½ million dollars was set aside for Station Café renovation.
  o Take part of this – put towards this project.

• Video
  o Jason described some of the outdoor, class and research activities that take place on the campus.

• Discussion
  o Jay – Thanks for the update. Defensible perimeters for fires? Insurance for those buildings – are they on the property schedule?
    ▪ Covered by AORMA insurance. We self-insure through that. We pool resources through Alliant. Buy the best possible insurance through AORMA. 2016 risk assessment report required some action. Some was easy - securing propane tanks. Others are bigger.
    ▪ Re: fires – significant issue. There are strong ties between the local fire fighters and our project director, JR Blair. They use it as a training site. There was a fire across the street. They used our site to camp.
      ▪ Tree trimming is an ongoing cost – about 20k. Via sole source agreements.
    ▪ Have we looked at chargebacks? Does it generate revenue? J - Goal has been to try to break even. When facility teach up there, it’s a good way to get paid. There are a couple groups that come back every year. Audio Recordings of nature group – one of the largest libraries. Alumni association has events there. The window to be up there is very short. They’ve already had their first snow. Unless we winterize the property, there’s no access in the winter.
  o Gene – What is the budget for the campus? What’s the revenue? We’re floating it? Yes, if there’s a shortfall UCorp handles it. There have been some deficits especially with regards to tree trimming. It was very dusty. The tree cutting lead to woodchips which reduced dust. Financial model is questionable. The Friends has been meaningful. They updated the bathrooms. Enrollment has gotten high, mostly because of the friends. We’re
charging more now than what we used to. We implemented a scholarship program. $100 – less than that per person per week to stay there.

  o Rob – It’s an ad hoc approach to capital planning. What’s the long term marketing plan? The programming is phenomenal! It has so much potential. Is there a bigger strategic vision? It’s something that we as a Board should be looking at. We were nervous about this other group – with programming. They are deeply invested in this place. Enrollment was in part to them. The website was reworked by UCorp Operations team. There’s no capital plan, per se, but the next biggest challenge is that bridge. It’s currently a railroad car. Est. 300-500k to replace. We haven’t done must past that.

Rob – move to approve as long as we’re sure it’s not taking too much out of Station Café. J - They dramatically scaled back the operation. Originally have a sit down, food preparing site. CP didn’t think that made sense.

Rob move to approve, Michaela second. Trevor move to vote –
  ▪ Aye – 13
  ▪ Opposed – none
  ▪ Abstentions – none

Approved unanimously. Trevor – we will bring the capital plan back to discussion.

VI. Clerk of the Board Announcements
   1. Website Bio updates

VII. Constituent Reports: Roundtable

VIII. Report from the Audit Committee Chair, Rob Strong

Trevor – The Audit is an immense amount of work, we’re very thankful for UCorp and especially Tammie.

Rob gave the following update:
- We completed our 5th year with Grant Thornton. We went over the management letters from those years.
- Last year due to staffing, what was considered a finding on the audit report was a large number of journal entries that were still open after close. This year it has vastly improved.
- This year, there was a different tone with auditors – over the past five years the relationship with the Auditors has gone from ecstasy to agony.
- The Audit Committee had a closed session with them – they presented their frustrations.
- We think we’ve had a good run.
- An action we may consider is refreshing our audit firm, which is pretty normal with business. I think it may be a good opportunity to give Tammie an opportunity for a new audit partner
  o Jason – Because the audit is from the same firm, an agreement from all three auxiliaries would have to be made for that. We are the back of house for the other auxiliaries. If there’s any lemonade to be made here – it’s a sign of our growth. There’s an enormous amount of complexity. There’s more money to invest, there’s more to audit, especially with the housing projects. Even our colleagues at the CO didn’t know what treatments to use.
IX. Report from the Associate Vice President, Tammie Ridgell

- Walk through Audit on pgs. 19-20 of report
- Starting with pg. 19 – Statement of Net Position. Tammie highlighted the following:
  - Current Assets
    - Allocation, based on maturities, current and non-current
      - Current investments decreased
      - Non-current investments increased based on where they were in the prior year
      - Investments – majority are around equities. Very little in fixed income (9 million). We do have pledge receivables, which is revenue that has been verified from donors that has been pledged to the University via UCorp, over the course of a number of years. They have to be verified. It becomes recordable in the year it was given. If it extends over the years, then you would recognize a portion of that in each year.
      - Pledges have gone down. We haven’t received any new large, multi-year gifts. UCorp does not control those. UCorp is receiving and accounting for the revenue that comes in. All small gifts (under 25k that have not been designated as an endowment) would come to UCorp. How scholarships are awarded are different.
    - Accounts Receivables
      - Decreased in FY18-19 – This means we have less people owing us money (i.e. San Francisco State has been invoicing UCorp sooner. Made tracking funds and receiving funds better; process is working).
    - Non-Current
      - Holloway project – Lots of questions to answer to figure out the accounting treatment for housing project. UCorp maintains lease. Sublease with developer, who is building the property. How do we treat it? What does that look like? Is it a concessionary relationship? The intent was not for the University or Aux not to report anything on their books. What was determined via CO and GT consultation. This actually is a lease. For it to be a lease, one of the tenants, it requires us to record revenue and expense on a straight line basis. During the construction phase, UCorp is receiving construction rent, which is a little more than half what full rent would be. During that time, instead of construction rent, we have to do straight line over 60 year period. Even though you’re only collecting 250k, that means the other part has to be under straight line. We created a new line on financials.
      - We take these financial statements and on the last couple pages, we reinterpret them in CSU format for the CO.
      - They’re not unrestricted for that purpose.
  - Liabilities
    - Payables – Which is primarily to University
    - Lease rent – When UCorp receives rent, we receive 10% of what would be owed to the campus. This amount will stay on our balance sheet for over the next
65yrs. Next FY, it will increase, because we won't be receiving full rent. Once we do, it will start decreasing.

- Rob – Rent will generate commission on that. T – More than 60K a year.

  - Overall Net position – Increased a million eight.

- Program Revenue
  - Programs funded by related parties – i.e. endowment to UCorp, scholarships given out, other programs where endowment funds cover.
  - Rental income – All our vending locations on campus.
  - Other revenue – One-time revenue.
  - Under income – Rent that we're recognizing in full is showing in rental income: Holloway + 700K.
  - 574 rental expenses – That's going back to campus over 65 years – for Holloway project.

- Non-Operating Revenue
  - There's the new, related to large grant from PG&E – for RTC for study of eel Grass.
  - Q – RE rental expenses: Did we pay University for rental of ADM? That's shown under management fees.
  - Q – Negative number endowment: We charge fees to the endowment. If the revenue coming in from investments wasn't enough to cover fees.
  - Investment income held steady 1% - increase.

- RE: Notes 13 – Lease amortization context. Re: rent and expense
  - Note 14 – Detail on Holloway project. What plans were, and the expenses
    - One item that doesn't show up on our statement of net position. UCorp has incurred expenses 466k spent that we need to be reimbursed for once revenue starts to come in. It would be a receivable from the campus. In consultation with campus, CO, it wasn't appropriate to record that. We will be reimbursed for that. It wasn't easy for campus to report an expense. To date, they don't have a place where they can record that payable with state funds. Therein lies our issue and with the technicality that if the project were to be sold or if something would happen, how would the UCorp be reimbursed?
    - Rob – It’s off the books? No, it’s on our P&L – We’re fund based in terms of our accounting.
    - R – We did expense it, it has been recognized. Yes. We have incurred these expenses over the last couple years.
    - I encourage you to go over the notes that give more insight as to what the numbers mean, investments, alternatives we have, etc.
    - Maturity schedule on Note 3, ties back to statements on net position.
    - Gives more background on activity that has been taken place during the year – Management discussion and analysis.

- Audit finding related to Holloway Project – there were a series of things that are all related. The continuation of timeliness of post-closing entries.
  - Post closed – from other parties, but we have an accruals process. That’s between us and the campus for invoices and other things coming in.
  - 3 related to Holloway projects. Remaining are adjustments we made to accounts that weren’t significant to amount number.
Next time, making sure when we present draft to audit firm, that we’re presenting something that doesn’t need so many revisions. We’ve already starting taking steps to make sure we can cut that time down.

When it comes to new treatments. Regarding Gasby – there are things you have to do such as info that you have to provide, what has taken place. With the Holloway project, we did get consultation from CO. However there were some things that GT had to provide consultation on. From them, if we have new things that we’re doing, they prefer that we figure it out before they come in, even though everyone was aware this was coming.

For next time: identify appropriate accounting treatment, making sure notes were complete.

Packet has our response as to how we will be handling these things in the future. Not only consulting with CO, but also seeking additional assistance, and not counting on our Audit firm to provide that.

Trevor – will pick this back up at our next meeting.

X. Report from the Director of Operations, Chris Farmer

Andrew gave the following highlights

- Self Ops
  - Ctrl+P – doing well. Added extra staff support. Seen growth. Strong through Sept. Oct will give us a better idea.
  - Lobby, Healthy U – Over budget, great to see.
    - Healthy U – Enhanced – added 2 new units, one cold, one hot.
    - Open24 – First 12k month. Average was under 8k per month. That’s nice to see
      - Installed the sign, custom design. Rust, but working with Facilities.
  - Single use plastic policy
  - Projects & Vendors
    - Collaborate with CPDC on projects on student center. Roof improvements important.
    - One card system – have swipe systems to accept one card dollars. Hopefully meal plan writes, soon.
    - Tour of Holloway retail.

XI. Report from the Executive Director, Jason Porth

- University Club Update
  - Construction is complete. Next steps are equipment, furniture, dishwashing service, POS, lighting training, food and beverage offerings. We’ve also been working on community relations with Associated Students and making sure that we are being effective neighbors and honoring the MOU.

- University Corporation – Delighted to join campus for 50th and also joined by students from Aspire. Wonderful celebration. Echo Rob’s and Trevor’s gratitude to Tammie for her work on the audit process.

XII. FY19/20 Calendar & Committees
### October 2019

<table>
<thead>
<tr>
<th>Date/Time</th>
<th>Meeting</th>
<th>Agenda *subject to change</th>
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<tbody>
<tr>
<td>Monday, Oct. 14 3:00pm, ADM 460</td>
<td>Board of Directors</td>
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<tr>
<td>Tuesday, Oct. 15 1:00pm, ADM 361A</td>
<td>Audit Committee</td>
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<tr>
<td>Tuesday, Oct. 22 11:00am, ADM 361A</td>
<td>Finance Committee</td>
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### November 2019

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<tbody>
<tr>
<td>Wednesday, TBA 11:00am, ADM 361A</td>
<td>Retail &amp; Commercial Services Committee *Tentative</td>
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<tr>
<td>Tuesday, Nov. 19 11:00am, ADM 361A</td>
<td>Finance Committee</td>
<td></td>
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<tr>
<td>Thursday, TBA 11:00am, ADM 460</td>
<td>Bookstore Advisory *Tentative</td>
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### December 2019

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<tbody>
<tr>
<td>Monday, December 9 3:00pm, ADM 460</td>
<td>Board of Directors</td>
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<tr>
<td>Tuesday, Dec. 17 11:00am, ADM 361A</td>
<td>Finance Committee</td>
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### January 2020

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<tr>
<td>Tuesday, Jan 28 11:00am, ADM 361A</td>
<td>Finance Committee</td>
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### February 2020

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<tr>
<td>Monday, Feb. 17 3:00pm, ADM 460</td>
<td>Board of Directors</td>
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<tr>
<td>Tuesday, Feb. 25 11:00am, ADM 361A</td>
<td>Finance Committee</td>
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<tr>
<td>Thursday, TBA 11:00am, ADM 460</td>
<td>Bookstore Advisory *Tentative</td>
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**March 2020**

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<tbody>
<tr>
<td>Thursday, March 12 3:00pm, ADM 460</td>
<td>Nominating Committee</td>
<td>Board &amp; Committee Members for FY20-21</td>
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<tr>
<td>Tuesday, March 24 11:00am, ADM 361A</td>
<td>Finance Committee</td>
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<tr>
<td>Wednesday, TBA 11:00am, ADM 460</td>
<td>Retail &amp; Commercial Services Committee *Tentative</td>
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**April 2020**

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<td>Monday, April 6 3:00pm, ADM 460</td>
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<td>Tuesday, April 28 11:00am, ADM 361A</td>
<td>Finance Committee</td>
<td>Operating Budget FY20-21</td>
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**May 2020**

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<tr>
<td>Monday, May 4 3:00pm, ADM 460</td>
<td>Board of Directors</td>
<td>Operating Budget FY20-21</td>
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<tr>
<td>Thursday, May 14 11:00am, ADM 460</td>
<td>Nominating Committee</td>
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<tr>
<td>Tuesday, May 26 11:00am, ADM 361A</td>
<td>Finance Committee</td>
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**June 2020**

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Tuesday, June 2
11:00am, ADM 361A | Audit Committee | Audit Plan for FY19-20

Tuesday, June 16
11:00am, ADM 460 | Finance Committee |

Monday, June 22
3:00pm, ADM 460 | Board of Directors | Annual Meeting FY19-20

List of Committees

Board of Directors  Meetings held at least bi-annually
Audit Committee  Meetings held bi-annually
Bookstore Advisory Committee  Meetings held bi-annually or as needed
Executive Committee  Meetings held as needed
Finance Committee  Meetings held at least quarterly
Nominating Committee  Meetings held annually
Retail and Commercial Serv. Comm.  Meetings held bi-annually or as needed

XIII. Call for Adjournment

With no further business to discuss, the meeting was adjourned at 4:34pm.