

BOARD OF DIRECTORS ORIENTATION

The University Corporation, San Francisco State

Updated September 2024

Agenda

- What is an Auxiliary?
- $\circ~$ What does UCorp do? (An overview)
- \circ What is your role?
- What does UCorp do? (The details)
 Finance and Administration
 - Operations
 - Public Private Partnerships



What is an Auxiliary?

What is an Auxiliary? Auxiliaries at SF State



- Business Partner
- Commercial Services
- Supporter



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- Student Government
- Student Services



- Philanthropy
- Endowments

Gifts



CORP

What is an Auxiliary?

Auxiliaries of the CSU

















What Does UCorp Do?

An Overview

What Does UCorp Do? Mission Statement

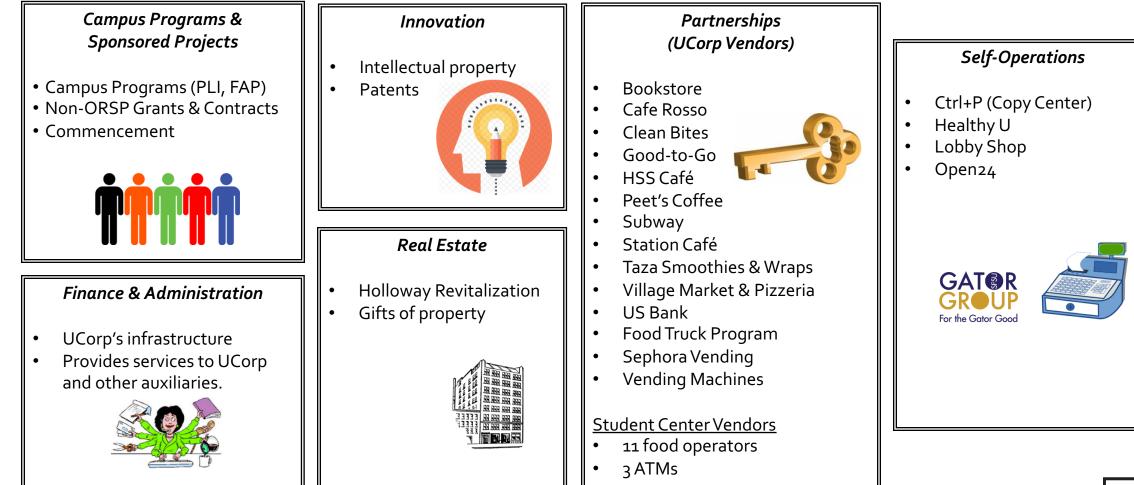
A not-for-profit public benefit corporation working to further SF State's mission by helping to create a thriving community that meets the needs and aspirations the university's students, faculty and staff.

UCorp Employee Directory: <u>https://ucorp.sfsu.edu/employees</u>



What Does UCorp Do?

An Overview





What Does UCorp Do? Operating Agreements and Leases

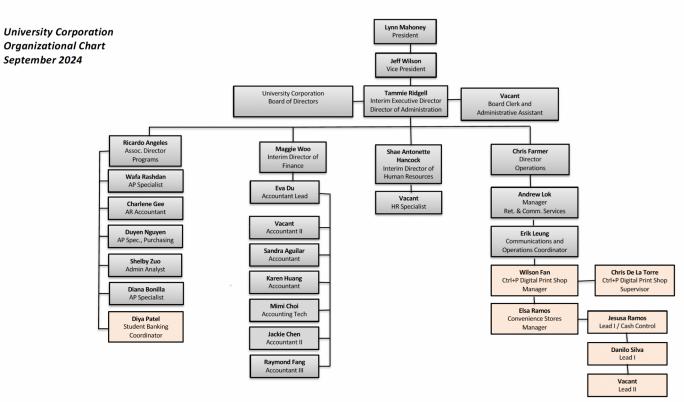
- o Master Lease
 - Operating Agreement
 - Cesar Chavez Student Center
 (CCSC) Lease
- Ground Lease





What Does UCorp Do?

Our Structure







What is Your Role? Board Governance

Fiduciary Responsibility

"The management of the affairs, property, and business of the Corporation shall be vested in a Board of Directors..."

"A director shall perform [their] duties... in good faith, in a manner such director believes to be in the best interest of the Corporation..."

Conflict of Interest

"No member of the BOD shall be financially interested in any contract or other transaction entered into by the BOD"

Voluntary Service

"No director shall receive any salary or other similar compensation"

Indemnification of Directors

"To the fullest extent permitted by law, the Corporation shall indemnify its directors..."



Board Governance

Article II- Board of Directors

• UCorp Board comprised of 11-17 directors

Inclusive Composition: Faculty (4) Students (3) Community Members (4) Administration (6)

- Board Term Fiscal Year: July 1 June 30
 1 year: student
 - 3 years: faculty/ community/ administrator

Ex Offico: Executive Director, President/designee, VP of Administration & Finance/designee, Academic Senate Chair

Qualifications

Willingness to assume and bear legal and fiscal responsibility.

Familiarity with project activities/ understanding of educational mission of SF State.

Experience/skill/ knowledge in fiscal, personnel, fundraising, related administrative matters, community ties.



Board Governance

Article IV- Standing Committees

Executive Committee

Comprised of five officers.

Act in capacity of full board except:

- Filling vacancies on board
- Alter by laws
- Fixing compensations
- Approve conflict of interest transaction
- Alter expressly non amendable/repealable resolution

\circ Nominating Committee

Recommend board and committee composition for Presidential and full board approval.

• Finance Committee

- Review financial statements, provide financial guidance.
- Monitor investment performance.
- Review and recommend proposed budget.
- Annual approval of insurance coverage.
- Review service contracts with the campus.

Audit Committee

- Negotiate proposed terms of engagement.
- Review and determine whether to accept audit.
 - Review annual financial statements. Recommend retention/termination of independent auditor firm.



Board Governance

Additional Committees

Bookstore Advisory Committee

- Maintain communication between bookstore management and campus community.
- Solicit and evaluate suggestions for improving the bookstore services and partnership opportunities.
- Serve as advisory committee for matters on which the bookstore seeks input.
- Monitor evolution of course material industry to devise a long-term vision for our campus store.

• Retail and Commercial Services Committee

- Assess campus needs and preferences.
- Ensure inclusion of community voices and act as a liaison between UCorp and campus where ideas can be filtered.
- Consultative body in consideration for issues related to vendor services/requests.
- Provide guidance for self-operation performance.



Board Governance

Article III- Meetings

$\circ~$ FY Calendar approved by Board at Annual Meeting in June

- Calendar on website, Outlook
- Agenda sent 7 days prior to meeting, documentation "packet" sent prior to meeting

• Board meetings are held on Mondays, 3:00- 4:30 p.m.

- Sept., Oct., Dec., Feb., April, May, June (Annual Meeting)
- Quorum: 5
- Open meetings
- Constituent Reports
- \circ $\,$ Committee meetings time and frequency vary by committee $\,$



What Does UCorp Do?

Finance and Administration

- Auxiliary Business Services
- Types of Programs
- Business Partnerships

- Financial Statement Review
- Investments

Auxiliary Business Services

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- UCorp provides accounting and custodial functions to SF State auxiliaries.
- The services provided must comply with policies and procedures for the campus, CSU, GAAP, state, and federal regulations.

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Services Include:

- ✓ Account Payable
- ✓ Account Receivable
- ✓ Banking
- ✓ Cash Handling
- ✓ Financial Statements
- ✓ General Ledger Maintenance
- ✓ Payroll Processing
- ✓ Record Retention
- ✓ Special Projects
- ✓ System Management



What Does UCorp Do? **Finance and Administration** *Programs, Business Partners, and Services*



Guardian Scholars Program



Labor Archives 30th Anniversary



Sierra Nevada Field Campus



Pacific Leadership Institute



Family Acceptance Program

Program Accounts and Activities

- Grants & Contracts
 - s Special Events
- Scholarships

Spending Accounts



Business Partnerships



Commencement at AT&T Park



Management of Commercial Leases

UCorp provides administrative expertise to:

- reduce risk to the campus
- streamline/efficiently manage contracts and related expenses

Thereby allowing campus or auxiliary to focus on <u>programing</u> goals.



Financial Statement Review

Schedule of Net Assets

- Provides an overview of UCorp's balance sheet at given period of time
- Comprised of total assets, total liabilities, and net assets
- Key components:
 - Investment Total
 - Accounts Receivable
 - Accounts Payables
 - Change in Net Assets: flows from the statement of revenue, expenses and change in net assets

	тн	E UNIVERSITY CORPORATION, SAN FRANCIS	CO STATE			
		Schedule of Net Assets				
		May 31, 2017				
		(for inclusion in the California State Unive	ersity)		Increase/(Decrease)	
Assets	Current Asset		May-17	May-16	Amount	,
	Current Asset	Cash and Cash Equivalents	1,062,468.40	418,549.49	643,918.91	15
		Short Term Investments	31,590,108.56	26,556,126.74	5,033,981.82	1
		Accounts Receivable Net	707,871.64	395,723.40	312,148.24	
		Pledges Receivable net	0.00	0.00	0.00	
		Prepaid Exp & Oth Assets	24,451.56	13,788.85	10,662.71	7
		Inventory	45,349.73	(21,179.44)	66,529.17	-31
		Total Current Assets	33,430,249.89	27,363,009.04	6,067,240.85	2
	Non-Current A					
		Accounts Receivable				
		Pledge Receivable Net				
		Capital Assets Net	1,127,206.89	1,166,495.31	(39,288.42)	
		Chargeback Receivable	152,551.55	152,551.55	0.00	
		Total Non-Current Assets	1,279,758.44	1,319,046.86	(39,288.42)	
	Total ASSETS		34,710,008.33	28,682,055.90	6,027,952.43	1
Liabilities						
	Current Liabili	ties				
		Accounts Payable	(398,903.40)	(952,380.12)	553,476.72	-5
		Accrued Sal and Benefits Payab	(48,543.97)	(30,305.92)	(18,238.05)	
		Accr Compensated Absences	(40,565.70)	(36,029.83)	(4,535.87)	1
		Gift Cards Issued	(184,432.92)	(185,769.19)	1,336.27	
		Other Liabilities	(186,158.21)	(211,881.56)	25,723.35	-
		Total Current Liabilities	(858,604.20)	(1,416,366.61)	557,762.41	-
	Non-Current L	iabilities				
		Deferred chargebacks payable				
		Deferred Revenue NC	(219,480.14)	(228,385.01)	8,904.87	
		Debt LT Obligations NC				
		Capitalized Lease Oblig NC Total Non-Current Liabilities	(42,600.21) (262,080.35)	(228,385.01)	(42,600.21) (33,695.34)	1
	Total LIABILIT	are .	(1,120,684.55)	(1,644,751.62)	524,067.07	-3
	Total Explicit		(4,220,004.33)	(2,000,732.02)	324,001.01	
Net Assets						
	Net Assets					
		Investment Capital Assets	(994,157.18)	(1,267,630.16)	273,472.98	-2
		Restrict Nonexpd - Endowments	(583,335.66)	(600,730.94)	17,395.28	
		Restrict Expend - Schol & Fell,cap projects	(15,548,008.19)	(14,568,250.68)	(979,757.51)	
		Unrestricted Net Assets	(8,597,377.40)	(9,306,889.02)	709,511.62	
		Total Net Assets	(25,722,878.43)	(25,743,500.80)	20,622.37	
	* Chg in N		17 855 445 251	(1 202 202 40)		
	 Chg in N 		(7,866,445.36)	(1,293,803.48)		
		Total Net Assets	(33,589,323.79)	(27,037,304.28)		
Total LIABI	LITY AND NET A	SSETS	(34,710,008.34)	(28,682,055.90)		



Financial Statement Review

NOTES:

Income Statement

- The Statement of Revenue, Expense and Changes in Net Assets shows the **total revenue and expenses** for UCorp.
- Revenue is all of the type of revenue flowing through the organization.
- Expenses is all the expenditures related to all of UCorp's type of funds.
- Non-operating section is where activity outside of normal business activity is recorded.

	Statement of Revenue, Expense and Changes in Net Assets				
	For the 11 months ending May 31, 2017 and 2016				
	For the 11 months ending May 51, 2017 and 2016			(Increase)/Decrease	
Revenue		May-17	May-16	Amount	%
	Program Revenue	(5,064,653.82)	(5,242,153.38)	177,499.56	-3%
	Retail Revenue	(1,610,650.01)	(1,594,027.87)	(16,622.14)	1%
	Rental Income	(2,126,661.89)	(1,997,334.34)	(129,327.55)	6%
	Other Revenue	(727,301.24)	(71,023.09)	(656,278.15)	924%
	Total Revenue	(9,529,266.96)	(8,904,538.68)	(624,728.28)	7%
Expenditures					
	Grants and Contracts	1,010,587.81	667,140.65	343,447.16	51%
	Campus Programs	3,381,159.07	3,033,701.72	347,457.35	11%
	Retail Expense	1,104,165.17	970,994.50	133,170.67	14%
	Student Scholarships	729,395.51	272,478.97	456,916.54	168%
	Management and General	2,724,129.85	3,223,399.07	(499,269.22)	-15%
	Depreciation	124,699.66	148,496.59	(23,796.93)	
	Total Expenditures	9,074,137.07	8,316,211.50	757,925.57	9%
	Operating (Gain)/Loss	(455,129.89)	(588,327.18)	133,197.29	-23%
Nonoperating (Revenue	es)Expense				
	Contributions	(5,649,012.71)	(1,791,835.36)	(3,857,177.35)	215%
	Investment Income	(1,869,651.94)	186,939.26	(2,056,591.20)	-1100%
	Investment Fee	98,578.61	34,430.51		
	Total Nonoperating (Revenues)Expense	(7,420,086.04)	(1,570,465.59)	(5,913,768.55)	377%
	Income before Additions	(7,875,215.93)	(2,158,792.77)	(5,780,571.26)	268%
Other Additions					
	Capital Contributions				
	Additions to Permanent Endow	8,770.57	8,819.81	(49.24)	
	Transfer to San Francisco State University				
	Transfer to Ucorp				
	Transfer from Franciscan Shop				
Change In Net Position		(7,866,445.36)	(2,149,972.96)	(5,716,472.40)	266%
	Net Assets, Beginning of the year, as previously reported	(25,722,878.43)	(25,743,500.80)	20,622.37	
	Prior Period Adjustment				
	Net Assets, beginning of the year, as restated	(25,722,878.43)	(25,743,500.80)	20,622.37	
	Net Assets, end of year	(33,589,323,79)	(27,893,473.76)	(5,695,850.03)	



Financial Statement Review

Note/s

FSR

- The FSR is a custom report to show the income statement for the <u>unrestricted fund</u>.
- Revenues (Source of Funds):
 IDC
 - Program Revenue
 - Business Service Income
- Expenses (Uses of Funds):
 Operating expenses that belong to UCorp's general funds.
- Non Operating Sources and Uses:
 - Non regular business activity such as University support, investment net, transfers.

The University Corporation San Francisco State (FSR) July 1, 2016 through May 31, 2017 With Proposed Provisional Budget for FY 2016-2017

	FY 2016-2017 Proposed	July 1, 2016 through May 31, 2017	June 30, 2017	July 1, 2016 through June 30, 2017	Percentag
	Budget	Actual	Projected	Projected Total	of Budge
Source of Funds (Revenue)					
Grants and Contract revenue - Indirect Cost	257.000	105.481	21,416.67	126.898	49.38
Program Revenue - Campus Programs Admin Fee	320.000	320,761	26,666,67	347,428	108.57
Business Service Income:					
Food Vendors/Other Bus Revenue	532,896	619,647	5,445	625,092	117.30
Administration Revenue - Vendors Student Center	238,112	218,269	19,842.67	238,112	100.00
Follett Commission/Donation	934,315	837,837	77,859.58	915,696	98.01
Copy Center	227,250	203,972	39,500	243,472	107.14
LobbyShops/Shop 24	1,580,465	1,480,511	30,050	1,510,561	95.58
Cost of Goods Sold	(903,870)	(847,736)	(16,640)	(864,376)	95.63
Other Revenue		32,110		32,110	
Total Funds Available from Operations:	3,186,168	2,970,853	204,141	3,174,994	99.65
Uses of Funds (Expenses) / Management and General					
Personnel Expenses					
Salaries and Wages	387,967	368,563	26,270	394,833	101.77
Benefits	126,373	128,773	9,850	138,623	109.69
Operating Expense	356,245	258,032	47,542	305,574	85.78
Travel/Staff Development	7,671	9,931	639	10,570	137.79
Depreciated Expense	43,780	41,765	2,015	43,780	100.00
Contractor Expenses					
Auditor	68,000	56,573	11,427	68,000	100.00
Legal	5,000	4,809	416.67	5,226	104.51
ADP	19,320	15,230	1,610	16,840	87.16
Insurance	33,000	21,398	11,602	33,000	100.00
Support Services - Salaries and Benefits	1,660,241	1,521,069	138,353	1,659,422	99.95
Consultants	62,000	12,188	200	12,450	20.08
Other - Campus	15,747	15,364	1,312	16,677	105.90
Rent - Campus	42,111	38,599	3,512	42,111	
Board Appropriation	3,000		3,000	3,000	100.00
Total Management and General/Operating Expenses	2,830,455	2,492,294	257,812	2,750,106	97.16
Business Service Expenses	694,900	676,064	57,908.33	733,973	105.62
Total Funds Available from Operations (Loss)	(339,187)	(197,505)	(111,580)	(309,085)	91.13
Non Operating Sources and Uses					
University Support - Board Appropriations Cost Allocation Expense - Campus	(100,000) (287,000)	(93,667)	(8,333.33) (154,000)	(102,000) (154,000)	102.00
Net Investment Income: Interest, Dividiends, Realized/Unrealized Gains	945,112	1,837,211	78,759.33	1,915,971	202.72
Investmement Fees	(128,730)	(98,579)	(10,727.50)	(109,306)	84.91
Transfer - Holloway Project reimbursable expenses	-	(67,995)	-	(67,995)	
Plant Fund Allocation	-	(150,000)		(150,000)	
Miscellaneous Transfers- Balancing General Fund	-	619,210		619,210	
Total Non-Operating Revenue (expense)	429,382	2,046,181	(94,302)	1,951,880	454.58
Net Income(Loss)	90,195	1.848.676	(205,881)	1.642.795	1821.38



What Does UCorp Do? **Finance and Administration** *Financial Statement Review*

All Stores Report

- Summary of UCorp self-operations activity compared to the budget for the operations.
- Reports shows the overall profit or loss at particular period.

Lobby Shop/Healthy U/Copy Center/Shop 24 Actuals vs Budget vs Last Year July 1, 2016 - May 31, 2017

							YTD + Remaining		
Account	Account Desc	YTD	Budget YTD		Last YTD		Budget	Budget Annual	
	Misc Revenue	-	-		443.75		-	-	
	Project Revenue	1,684,483.46	1,738,165.14	-3%	1,753,320.32	-4%	1,754,033.46	1,807,715.14	-3%
580935	Commission Revenue	232.00	-		-		232.00	-	
	Revenue	1,684,715.46	1,738,165.14	-3%	1,753,764.07	-4%	1,754,265.46	1,807,715.14	-3%
660050	Cost of Goods Sold	847.735.53	887.230.02	-4%	905.849.00	-6%	864.375.53	903.870.02	-4%
		,							
	Gross Profit	836,979.93	850,935.12	-2%	847,915.07	-1%	889,889.93	903,845.12	-2%
601901	Adminis - Salaried Aux Only	228,060.00	226,854.68	1%	224,783.21	1%	245,210.00	244,004.68	0%
601931	MANAGER	64,598.74	68,340.00	-5%	63,133.93	2%	73,718.74	77,460.00	-5%
603935	Benefit Expense	93,584.03	82,300.00	14%	86,039.82	9%	103,434.03	92,150.00	12%
604001	Telephone	2,990.18	3,795.00	-21%	3,213.14	-7%	3,335.18	4,140.00	-19%
605900	Utilities	4,731.98	4,785.00	-1%	4,731.98	0%	5,166.98	5,220.00	-1%
613001	Contractual Services	-	-		8,299.00	-100%	8,300.00	8,300.00	0%
619906	Depreciation	41,765.30	32,835.00	27%	32,813.13	27%	52,710.30	43,780.00	20%
660001	Postage and Freight	115.78	550.00	-79%	326.72	-65%	165.78	600.00	-72%
660002	Printing	10,891.91	13,220.00	-18%	14,675.82	-26%	10,911.91	13,240.00	-18%
660003	Supplies And Service	48,102.76	62,150.00	-23%	51,342.19	-6%	53,752.76	67,800.00	-21%
660020	Interest Expense	3,230.32	-		-		3,230.32	-	
660021	Repair & Maintenance	23,141.72	44,785.00	-48%	48,004.65	-52%	26,841.72	48,485.00	-45%
	Space Rental	56,613.26	66,550.00	-15%	56,613.26	0%	62,663.26	72,600.00	-14%
660817	Other Cost	(11.39)	-		2,653.07	-100%	(11.39)) -	
660825	Taxes/Assessments	1,648.00	1,575.00	5%	1,552.00	6%	1,648.00	1,575.00	5%
	Loss &Damaged Goods	-	-		-		15,817.50		0%
	Fingerprinting Fees	-	705.00		690.00	-100%	30.00	735.00	-96%
	Armored Services	2,551.75	2,585.00	-1%	2,197.54	16%	2,786.75	2,820.00	-1%
	Trash/Recycling	955.79	990.00	-3%	955.79	0%	1,045.79		-3%
	Custodial Service	672.76	715.00	-6%	672.76	0%	737.76	780.00	-5%
	Hospitality	40.00	-		529.70	-92%	40.00		
	Shop 24 Credit Card Fees	8,582.19	10,980.23	-22%	12,150.77	-29%	9,102.19		-21%
660963	Credit Card Fees	39,799.77	41,491.25	-4%	42,845.69	-7%	41,141.02	42,832.50	-4%
	Net Profit	204,915.08	185,728.96	10%	189,690.90	8%	168,111.33	148,925.21	13%

	Revenue	Change to Budget
Lobby Shop	755,005.84	2%
Healthy U	613,616.04	-4%
Ctrl-P	203,972.28	9%
Shop 24	112,121.30	-34%

What Does UCorp Do? **Finance and Administration** *Investments*

- Board has a Fiduciary Responsibility
- Independent Investment Consultant: Beacon Pointe
- Investment Policy Statement
- Investment Approval Process: Finance Committee → Board





ADVISORS



What Does UCorp Do?

Operations

- Self Operations
- Partnerships
- Gator Group

What Does UCorp Do? Operations Self-operations



















What Does UCorp Do? **Operations** Partnerships

Healthy U

beverage options

HSS 121 Cafe

Location: HSS Building 121

Natural Sensations

bagel-sandwiches

Nizario's Pizza

Peet's Coffee & Tea

bagels, and sandwiches

Boba teas and snacks

Quickly

Location: J. Paul Leonard Library

espresso

Providing fresh, healthy, and organic food and

Bagels, sandwiches, soups, snacks, coffee, and

Fresh smoothies and juices, salads, wraps, soups,

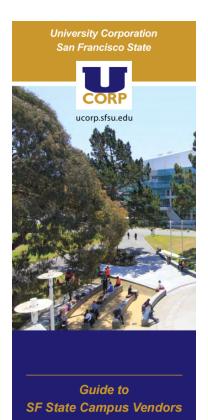
Location: Cesar Chavez Student Center

Get your pizza fix here; baked fresh daily

Serving hand-crafted beverages, premium salads,

Location: Cesar Chavez Student Center

Location: Cesar Chavez Student Center



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C BRICKS Bricks Bricks has tasty Pizza, sandwiches, and Salads plus we brew Starbucks Coffee. Location: Mary Ward Hall Cafe 101

Cafe 101

Featuring tasty pastries and donuts, and 100% organic coffee, espresso, and tea beverages Location: Cesar Chavez Student Center

Cafe Rosso

Serving variety of house-made specialties including rice dishes, curry, fresh salads, premium sandwiches, coffee, and espresso Location: Centennial Walkway

City Cafe Vietnamese-style cuisine featuring pho noodle soups and banh mi sandwiches

City Eats city Seats City Eats is the hub of SFSU dining for students living on and off campus. Location: City Eats

Location: Cesar Chavez Student Center

Clean Bites Clean Bites features nutritious and energy-boosting juices, smoothies, beverages, bowls, and wraps Location: Mashouf Wellness Center

100 Farm Fresh Underground Fresh-baked pastries, granola bowls, parfaits, soups, panini, and fresh made-to-order salads

Location: Cesar Chavez Student Center

Gold Coast Grill & Catering

self-serve salad bar

Open24 Automated convenience store open 24 hours per day, 7 days per week. Location: Btw Library and Administration Bldg

Location: Cesar Chavez Student Center

Station Cafe Great for students and faculty on-the-go; Delicious breakfast, burgers, sandwiches, and offering sandwiches, salads, snacks, coffee, and espresso Location: Cesar Chavez Student Center Location: 19th Avenue

Subway Providing fast, healthy food, including madeto-order sandwiches using freshly baked breads, select sauces, and a variety of delicious sandwich fillings Location: Village at Centennial Square

Taqueria Girasol

HealthyU

natural

Nizario's Pizza

Quickly

Burritos, tacos, and a self-serve tostada bar Location: Cesar Chavez Student Center

Taza Smoothies & Wraps Mediterranean and Mexican favorites, Pan-Asian wraps, smoothies, fresh juice, and full espresso bar

Location: Village at Centennial Square

The Lobby Shop

One-stop-shop for a quick snack, drink, sundries, and testing supplies Location: Cesar Chavez Student Center

The Pub at SFSU Your campus spot for a cool beverage Location: Cesar Chavez Student Center

Village Market & Pizza Creating specialty pizzas, signature sandwiches and pasta; offering groceries, sundries, and a full espresso bar Location: Village at Centennial Square

Accessible 24 hours

SPED







Ctrl+P Digital Print Shop Serve as your one-stop-shop for last-minute printing needs, high-volume orders, large format print projects, and much more. Affordable same-day and next-day pricing.

Services

Location: Cesar Chavez Student Center

ST STATE SF State Campus Store Get your official "SF State Gator" apparel and merchandise, books, electronics, and school necessities. Visit the SF State Campus Store website for more information: www.sfsu.bkstr.com Location: Cesar Chavez Student Center

Banking

Bank of America (ATM) Accessible 24 hours

Bank of Americ

Location: Cesar Chavez Student Center

US Bank (Branch & ATM) USbank Full sevice financial center. Link your SF State OneCard to your US Bank checking account.

Location: Village Bulding C.



What Does UCorp Do? Operations Gator Group





SFSU Gator Group @SFSUGatorGroup · Apr 1 -New Promotion of the Month-A Special Coupon from iNoodles *Free Drink with any purchase of Poke Bowl (4/4 - 4/15)*



46 12 1 🖤 4 ····

With Purchase of Any "Happy Cow" Sandwich HealthyU

May 18th-25

GAT®R

sfsugatorgroup Cesar Chavez Student Center - SF...

16 likes

sfsugatorgroup Hi Gators, HealthyU is having a promotion from May 18th to 25th. Free Water with purchase of any "Happy Cow" Sandwich. Good Luck with Finals. Go Gators!

#SFSU #SFState #HealthyU #Sandwich #EREFWATER





What Does UCorp Do?

Public Private Partnerships

What Does UCorp Do? **Public Private Partnerships** *P*3s



Holloway Revitalization Project





ucorp.sfsu.edu

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