Board of Directors Meeting
Monday, April 11, 2022
Via Zoom

Teddy Albinak
Brian Beatty (@ 3:45p)
Jason Bell
Ly Chau
Anoshua Chaudhuri
Trevor Getz
Thao Ma
Joshua Ochoa
Tatiana Orellana
Jay Orendorff
Jason Porth
Kal Salama
Christy Stevens
Rob Strong

UCorp Staff:
Tammie Ridgell
Chris Farmer
Maggie Woo
Andrew Lok
Rosa Barragan
Anthony Victoria

Meeting called to order at 3:02pm by Trevor

- Agenda unanimously approved

Public Comment – none

Constituent Reports
  Academic Senate by Teddy
    o Senate elections still open
  ASI by Joshua
    o ASI elections commenced, today, Monday, April 11, 2022
    o asked all to encourage students to vote
    o $1 donated to student organization with each completed ballot
Finance Committee Report by Kal
Presented Total Composite of Investment Portfolio at 3/31/2022
  • $1.8 million loss in the first quarter of 2022 down $300K for fiscal year
Total Asset Allocation graph
  • overall good returns
  • everything with exception of real estate is down, caused by
    o inflation
    o higher interest rates
      ▪ expecting seven more rate hikes this year
      ▪ worst seen this quarter
Return Summary graph shows 7.65% annual performance over the past 5 years.
  o but Portfolio remains reflective of what is currently occurring in the market

Teddy asked about the current political environment (Russia vs Ukraine) effect on the market
Kal responded that Russia’s impact has been mitigated as having:
  • been removed from equity and bond indexes and portfolios
  • access to banking being eliminated
  • access to stock market being eliminated
  … but, OPEC says it cannot replace Russia’s oil supply anytime soon
Rob asked if current situation is indicative of long-term affect or is it just a “cleaning-out”
Kal responded that this is more a response to inflation and the increase of interest rates, and
  • does not look like a recession
  • currently, there is no hard evidence of much economic slowdown

UCorp’s Financial Status & Performance by Tammie
Focusing on unrestricted funds through February 2022
Revenues:
  • though Grants & Contracts IDC are budgeted using prior years, through February over budget
  • Campus Programs is looking to be a little under budget at year-end, as 15% down over past eight (8) months
  • Business Services
    o parking revenues higher due to unexpected rent for use of Sutro space
    o Shops revenue down due to direct effect of lower rates in repopulation of campus;
      budget based on 50% occupancy
      ▪ Lobby Shop down 58%
      ▪ CtrlP down 29%
Open24 down 4%
HealthyU reopened at beginning of February
  a $347K projected loss for fiscal year for retail operations

Expenses
  • consulting costs paid on behalf of University will be reimbursed via cost allocation
Investments - $700K loss on investment as of February 2022
  • $1.8M loss on March report as discussed earlier by Kal
  • unsure if any recovery from investment losses by fiscal-year-end
  • cash-flow continues to be sufficient so no consideration given to any liquidation of investments (has not occurred in the past 20 years)

Discussed pie chart and going forward, UCorp revenue sources will be presented and compared to pre-pandemic

$2.6 million loss projected for fiscal-year-end

ACTION/RESOLUTION: Signature Authorization
To facilitate the transition of signature authority for vacant positions for accounts in Wells Fargo Bank, LAIF (facilitates cash-flow needs), Schwab Brokerage (used to liquidate gifts of stock and does not deal with investment pool)
  • Anoshua/Rob motioned/2nd resolution, unanimously passed

ACTION/RESOLUTION: LAIF signature Authorization (separate requirement)
  • Anoshua/Rob motioned/2nd resolution, unanimously passed

Anoshua asked if the line Line of Credit (LOC) included in the Signature Authorization
Tammi noted that Jason is the only Signature Authority to request and no additional signatures were added to the LOC
Kal clarified that the LOC has a separate protocol
Jason added that to address Anoshua’s question, language could be added to existing document as an amendment to reaffirm approval
Jay reiterated that in accordance with best business practices and internal controls that Delegation of Authority does not allow transactions to be changed
Rob asked what the LOC is used-for and the amount
Tammi responded that the LOC was obtained in the event that immediate cash is needed and the amount is $3M

Jason drafted an amendment to add to Resolution “Signature Authority” for LOC
  • Anoshua/Rob motioned/2nd resolution; unanimously passed

Kal clarified that this does not include the investment accounts, only those to be considered as operational
Tatiana asked for further clarification about the LOC
Teddy noted the inclusivity of the LOC

Operations Report by Chris
Vendors seeing consistent 50% repopulation and revenue being at 30%
  • Lobby Shop continues to get closer to being fully stocked
  • though HealthyU is not similar as there are more expiration/spoilage concerns
    o to be closed this Summer
  • EBT launch planned for Fall 2022
  • CtrlP seeing more activity this semester
    o new equipment expected during the summer
      ▪ expanded services to be offered & hoping to take on more jobs with campus community
  • determining current 30% rent structure for those vendors who remain open
  • past weekend event with 10K attendees had our vendors providing the food
  • INoodles space still in flux with upcoming discussion to assess buy-out
    o will report on next board meeting

Bookstore
  • Cameron Casey, who was the manager & oversaw operations has resigned
  • the lighting project has been completed
  • reduced footprint with their vacating bottom floor, but in enclosing the stair case a little more retail space is gained
  • Bookstore Committee will meet on Monday, April 18 with the goal of formulating a recommendation to move forward
    o this is subsequent to demonstrations, discussions and research on other university bookstores

Trevor asked about increased access of course-materials and lower costs in the new proposal
Chris replied that it is the hope for the overall objective in this industry to move towards both access of course-materials and lower costs; and there is continuous research for such models
Rob commented that providing course materials is transitioning from a profit center model to a service center model and retail sales would be key to generate revenues

Brian asked about a 75% projection regarding Fall campus population and the impact on planned revenues
Chris responded that the hope is really to achieve 50%, noting that what is critical is maintaining a consistent level and the need to return to a more normal pre-pandemic pattern

Report from the Executive Director by Jason
• met with City Tax Assessor’s Office & discussed ongoing challenge to determine expected lease revenues, as adjustments are continually made
• R.E.T project transition being put on-hold until Fall
• Sierra Nevada Field Campus
  o program for Summer 2022 anticipated & being planned
  o repairs continue on dining hall and Director’s cabin
    ▪ budgeted amount of $150K may be exceeded; board will be kept informed
  o ongoing concern about impending fire season
• Manzanita Square is anticipating a Summer opening re: HotPot and working cooperatively with University on related signage
• Nominating Committee to meet as their terms of some BOD members expiring
• acknowledged the passing of Nina Roberts and her past work with UCorp
• noted 290 plus employees hired through UCorp

Tammie announced that Ricardo Angeles is now ‘permanent’ in his position, Raymond Fang has been hired as a new accountant, and Divy Ramani has been hired to work in Student Organization Banking

Meeting adjourned by Trevor at 4:30pm