Board of Directors Meeting
Monday, March 25, 2024
3:00pm to 4:30pm
via Zoom

Rob Strong       Yessica Gonzalez Gudino       UCorp Staff:
Jason Bell       Christy Stevens            Rosa Barragan
Anoshua Chaudhuri Tammie Ridgell           Chris Farmer
Ly Chau          Kal Salama                 Andrew Lok
Janey Wang       Trevor Getz                Maggie Woo
Michael Goldman  Trevor Getz
Jamillah Moore

Meeting called to order by Trevor Getz @ 3:03pm
o agenda reviewed; approved unanimously.

**ACTION:** Board of Directors Meeting Minutes for February 26, 2024; approved unanimously with correction: “under legal costs: should be “higher than budgeted” instead of “a bit high of budgeted”

No Public Comment

Constituent Reports –
Academic Senate will be forwarding a resolution also honoring Jason Porth’s service to campus. Will be seeking anyone who has worked for Jason and want to address other aspects of Jason’s work on campus.
**Trevor:** asked if anyone knows people that worked for Jason?
**Tammie:** responded that she would reach-out to the group
**Mike:** stated that there is an executive committee meeting next week and a plenary one after that. There will be two weeks to get this information.

Nothing from Associated Students

**ACTION:** Resolution Honoring Jason Porth For His Service To The Campus Community
Rob/Jamillah motioned and second; approved unanimously with added language—11 yes, 0 no, 0 abstain, 0 absent

**Trevor:** moving on to the next action item

**ACTION:** Resolution Approving Opening A Depository Account With Amalgamated Bank
Discussion: was conducted around the subject of Amalgamated Bank and Opening a Depository Account: UCorp’s aim is to improve interest income on idle cash. Finance Committee reviewed and approved, establishing a depository account with Amalgamated Bank with an initial allocation of approximately $5 million. UCorp Finance Committee at it’s March 19, 2024, meeting voted to recommend to move forward with requesting the full Board acceptance, allowing management to open a depository account with Amalgamated Bank. Discussion concluded not to approve the recommendation from the Finance Committee. Instead the board asked to clarify more information and to meet with Amalgamated Bank for further review and approval, in order to consider moving forward with an amount of $5 million for a 5% rate of return depository.

Questions to answer are for next month’s meeting: How Amalgamated Bank came to us? Pursue other potential partners via Beacon Pointe Investments and Should the investment be more than the initial $5 million?

- Report from Finance Committee Chair, Kal Salama
  February, 2024 report
  o Quick overview—looking at the fiscal-year-to-date of about $1.7 million income from investments as Tammie points-out essentially above budgeted in terms of what we assume for the year but it can change before the end of fiscal year.
  o Markets have been quiet, for the quarter markets have been drifting higher so fiscal year has been improving since calendar year ended, mostly coming from equities. Bonds are down.
  Fiscal Year to date Portfolio:
  o Teachable moment to look at 2022 from the Beacon Pointe Report
  o There have been negative returns as equities were down and interest rates were going up. Looking at the bonds, there were also losses due to higher interest rates.
  o Real Estate is not immune to rising interest rates and it looked like it was at the time. In looking at 2023 numbers are negative in real estate. There has been conversations in past board meetings, regarding private versus public assets. They do not adjust at the same time however they ultimately do make adjustments and what you are seeing this year is private real estate adjusting to higher interest rates. This a delayed affect in 2023.
  o Overall the portfolio is doing well above budget and above expectations, but still there are a few more months to the end of the fiscal year.

Trevor: moving forward to UCorp’s Financial status report by Tammie

- Report from the Associate Vice President, Tammie Ridgell
Referring to the month of February, 2024

- **FSR (Financial Statement Report)** begin with a few variances not discussed before and will move onto investments
  - There are more grants and contract revenue coming into UCorp
  - Projecting to the end of fiscal year, anticipating increased staff/travel development costs
  - Training and supplies costs for two new Notaries, which was not part of budget. This is a service provided to campus. Two Notaries were added for efficiency as not have to burden one individual. Previously the service was done by one individual
  - Increase legal cost is related to UCorp covering cost for patent
  - Insurance costs have come in higher than budgeted

- **Investments through February, 2024**
  - First eight months of the year, as Kal talked about, UCorp is running ahead of budget. UCorp is projecting that the remainder of the year, using actuals, plus the remaining percentage of the remaining budget, there would be 59% higher than what was budgeted for UCorp’s investment income, which includes interest from LAIF as well as dividends from the portfolio.

- **Gross Profit:**
  - **CTRL-P** – revenue is up 16.6% from budget
  - **Healthy-U** – revenue slightly down, about 14% from budget
  - **Lobby Shops** – revenue slightly down, about 4% down from budget
  - **Open24** – revenue trending downward

- **Report from the Director of Operations, Chris Farmer**
  - **Progress in Business Activity for February, 2024**
    - **Self-Ops**
      - **Healthy-U** ahead of budget and it is up from last year
      - **Lobby Shops** ahead of budget
      - **CTRL-P** ahead of budget
      - **OPEN 24** – trend downward

  **Chris:** overall trend is continuing in the right direction in comparison to when campus re-opened after pandemic. This year on track for losses of just over $100k in comparison to last year’s loss of $200K and definitely reflects continuing on the right direction in cutting into the losses and returning to the break-even point.

**Food Vendors:**

- **Gold Coast Grill**
  Now, as of February, 2024 UCorp has new owners operating that space and the loss of revenue has been minimal.
- **Science Café**: continue with the and will have a walk-through tomorrow with the partners and getting into the design planning stage.

- **Bookstore**: continue to meet every two weeks, with Rob as a guest for the last meeting. Rob’s feedback was positive regarding his experience and immediate access which has been discussed. There seems to be an intersection between auto adopt and immediate access and this is where Follett had not really thought-it-through as much as they should have. SFSU is a unique campus with auto adopt and Follett is trying this with other campuses as SFSU is the first one to work on auto adopt with Follett. Colleges have sent surveys to faculty/students regarding the immediate access program. Any type of feedback, positive or negative, helps to improve the program. Working on a banner for the bookstore that will make it visible on the SF State website.

**Rob**: asked about the presentation Chris made to ExCom or Full Senate and what is the status? **Chris**: responded that the meeting took place with ExCom just before our last meeting and the meeting went well. Thanking Mike for making it possible. The subject was to discuss how to get information out to all faculty in the best way possible. There is more work with the Dean’s Council and possibly meet with Chairs on this subject. Working on slides to make the presentation on how immediate access works and will share with Mike and the team.

**Report from the Executive Director – Tammie Ridgell**

- **Manzanita Square**: met with ACC regarding the retail space. Since it is an interest to the campus wanted to discuss activation of the empty space. There are three spaces, but two that you can see from the street that are not occupied and wanted to hear from them on the status, their direction in terms of their plan. They are also concerned about the empty space and would like feedback for new ideas for the spaces as this is not what they envisioned when Manzanita Square was built. The pandemic changed the landscape of the campus in terms of having less population coming to campus and the impact. They are concerned also on occupancy being at 95% instead of 100%. Continuing conversation with criteria and being open to new vendors. Everything is on the table for consideration. Consultation will take place with campus and housing as to what students really want as well as what is the appetite for the type of vendor space use.

- **Sierra Nevada Field Campus**: update – with cooperation from Risk Management, starting Mid-May, beginning of June a Life Safety training will take place for staff. Risk has come-up with some trainings that fall under life and safety,

- **Signature Authorization**: update – all documents that relate to signature authority are moving through the process. LAIF will be the last to change due to the way their system works.

- **UCorp Staff** – moving forward with appointments including for my previous position with the Controller of UCorp. Hiring a for a couple of open positions and one for the HR Director. The other two positions are for accounting.
Audit Season - will begin soon and will be reaching-out to the Audit Committee to establish dates for meeting with our auditors before actual audit. Will start in August, 2024

Jason Bell: asked if Manzanita Square is a third party set-up?
Tammie: replied that it is a third-party set-up with public/private partnership and UCorp holds the contract with ACC as the Developer

Jason Bell: concerning the vacant spaces, what are the zoning restrictions for those spaces?
Tammie: responded that one space is commercially zoned and the larger space is not. There are restrictions on restaurants as there has to be ventilation and hooding that need special set-up. The larger space is about 5,000 square feet and some discussion on this is to subdivide the space. Due to the restrictions, this might be a part of the reason the space remains empty.

Mike: requesting that maybe there should be rethinking/re-evaluation of the restrictions that have been set-up for vendors by UCorp. This is prompted by the deficit the campus is experiencing.

Tammie: responded that restrictions can be rethought and re-evaluated regarding the Manzanita Square. This brings openness to different parameters such as has been done with housing. Campus needs are changing. There is a fine line and think of regional and international players that can have a local feel and can do good will in a neighborhood that could be acceptable to this community. Cooperation with housing, who have created student surveys, for what students want, could be something to explore and it wont be a decision that UCorp is making but will be a campus-wide-partnership decision.

Trevor: called for adjournment at 4:23pm