



The University Corporation  
San Francisco State

Room ADM 361  
1600 Holloway Ave  
San Francisco, CA 94132

[ucorp.sfsu.edu](http://ucorp.sfsu.edu)

## Board of Directors Meeting

Monday, May 20, 2024

3:00pm to 4:30pm

via Zoom

Brian Beatty  
Neil Cohen  
Anoshua Chaudhuri (3:19pm)  
Ly Chau  
Janey Wang  
Michael Goldman (3:47pm)  
Jamillah Moore

Yessica Gonzalez Gudino  
Tammie Ridgell  
Kal Salama  
Trevor Getz  
Jason Bell  
Rob Strong  
Christy Stevens

UCorp Staff:  
Rosa Barragan  
Chris Farmer  
Andrew Lok (3:21pm)  
Maggie Woo  
Shae Hancock(3:47pm)

Meeting called to order by **Trevor Getz @ 3:05pm**

- o agenda reviewed; approved unanimously.

**ACTION:** Board of Directors Meeting Minutes-April 29, 2024; approved unanimously with correction's: Sarah to Sara and Hussam to Husam.

No Public Comment – Trevor reviewed the public comment policy with the board.

Constituent Reports – Mike noted that there were elections held in the Senate for next year. The new Senate takes over on June 1, 2024. New Senate Chair will be Jackson Wilson. Mike will remain as past Chair on the Executive Committee and will be taking a FERP this year and will return half-time both semesters.

- Report from Finance Committee Chair, **Kal Salama**

April, 2024 report

- o Issue on April's report:

- Activity on April reversed in May's report. UCorp was down \$700,000 approximately quarter-to-date and put UCorp up \$1.2 million for the fiscal year-to-date. May should have reversed that amount entirely and the portfolio should be at new highs for the fiscal year. Sometimes despite what happens at month end, the market reverses by the time this board meets. This is the case now.

Portfolio:

- o April, 2024 was a choppy month and we have two more months left in the fiscal year, however, we are on a good track. Based on May.
- o Real Estate is in the alternatives line primarily, including a credit piece that is mostly real estate, and has not reported performance yet. Looking at the indexes, they have been down(real estate indexes) year-to-date. Expecting more declines in those portions, but do



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not know how much more. It is impossible to tell right now and no indications from Beacon Pointe. There is still adjustment for increase in interest rates and this is an unknown. Otherwise the portfolio is doing well and should be above budget, even without the not reported real estate section report.

**Rob:** asked about the recommendation from our president in the issue to divest.

**Tammie:** responded- regarding companies that specialize in military weapons and not targeting specific companies that are dealing with Israel are what we are looking to divest. Negotiations are ongoing with the president. Consultation with UCorp and the Foundation board has been taking place and what the divesting would look like since most of the divesting would be coming from Auxiliaries and not the campus. Campus does not invest in such companies, because they can't. This will be easy for the campus side. President has agreed to create a working group that will be coming together soon that includes UCorp, the Foundation Board, the president and the students from the protests and their advisors. This group will be working on transparency in terms of how our investments are reported and shared, but there is no direct investment for doing business with a particular country and the focus will be on humanitarian efforts around what we already have.

**Rob:** stated that in speaking to student protesters they were adamant about focusing not on classes of products, but any company doing business with Israel.

**Tammie:** responded the need to focus on the shared parameters, just discussed and not a specific country, as things are still developing on what was agreed.

**Jamillah:** shared the presidents' message and the link to the message, with the group. The president has already committed to specific items. There are four bullet points so that individuals know the negotiations and the work in progress with the students. Because there is a governance and a democratic process they must work through the Foundation and the Foundation investment board. The four things agreed on are: a) forming of a work group by May 30, 2024, b) call emergency meetings of the investment committee as needed, c) draft a policy by August 30, 2024 d) submit investment committee, approved revisions to the full San Francisco Foundation Board for discussion at it's September Board meeting for approval and lastly to launch a disclosure website, including making immediate changes to align with the current CSU practice and subsequent changes needed to comply with revised investment policy. What students have requested is in process and has to go through our structured process in the Foundation and its investment committee, because that is where the changes the students have asked for, sit.

**Trevor:** added that there has been a conversation with Jeff Wilson, VP for Fiscal Affairs, about UCorp's representation on the working group.

**Kal:** clarified that what UCorp has looked at has been divesting from manufacturers of weapons in the United States and Beacon Pointe has been tasked to review our direct holdings of companies on the equity side and on the bond side. They are checking to see if UCorp owns any weapons manufacturers only.

**Tammie:** added to Kal's statement that it's the request of the university just in terms of preparation for the upcoming meetings and not something that was final.



**Kal:** Stated this was initial view and it is still in the works

- **ACTION:** Proposed 2024-2025 Budget Report by Tammie
  - The all-funds page is a projection of revenue and expenses for all UCorp funds. Typically, this is done based on past years' experience and actual results.
    - This includes grants and contracts and other campus programs that are not directly affected or approved by this board.
    - Noting-- net income as a deficit, this does not mean a deficit this is related to revenue and expenses that come in during the year, but many restricted funds that UCorp house like grants and contracts as well as campus programs. These carry ongoing balances in terms of revenue and would not be reflective. Expenses are often shown and often can be higher than revenue.
  - Food vending – there is more stability as UCorp has entered into new agreements during 2023-2024 that sets the pathway forward for what we are expecting. Receiving roughly 50% to 60% of pre-pandemic revenue.
  - Increase in our rental activity with Lot 25 as well as the administrative fee earned for administering vendors, construction vendors and vendors for Lot 25. Currently projecting \$136,000. This remains soft as we continue to modify the relationships. Building partnership with Associated Students, the campus and ourselves. There could be some changes as we look for profitability, the arrangement has been that UCorp manages all vending in the building and UCorp receives an administration fee. Our allocation in the building is also changing based on the revenue UCorp charges to the vendors.
  - Follett is unchanged in terms of the arranged revenue, after they gave back space. The amount is \$300,000 and this nets to “0” as the rent is around \$300,000
  - CTRL-P , Lobby Shop, Healthy-U and Open 24 increase of revenue projected for next fiscal year, based on the activity level using this year's activity level in terms of individuals on campus and utilization of the stores.
  - Expenses
    - Salaries and wages: reflective of what is happening to our shops. Personnel handling the administrative part of University Corporation such as myself(Tammie), Maggie Woo and Chris Farmer's salaries sit under support services which are salary and benefits reimbursement to the campus as university employees UCorp is providing reimbursement of salaries and this is the bulk of the expenses.
    - Insurance has had a substantial increase of about 40% on campus and reflective of what is going on in the state of California.
    - Bottom line in the source of revenue, is to look at our food vending and self ops which are the largest contributors to revenue. Next grants and contracts and then program revenue



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- Projecting a continued deficit of \$121,000. This has been greatly reduced but it will be a least another year or so before we can see a net of zero. Making great strides as we see that Healthy-U is contributing positively. Most of the expenses show up in our Lobby Shop and combining these two stores we are looking at a deficit of \$50,000. CTRL-P deficit of \$50,000
- Continue to use the “smoothing method” (explained in graph) to come-up with a projection in our investments which is around \$1.7 million as net amount. Using the smoothing method, it is roughly 5.5% value of the portfolio investment.

**Jason B** asked: Manzanita square and the vendor rental contracts

**Tammie** responded: empty vending spaces need to be filled, however, UCorp does not reap revenue from them. ACC gets the direct revenue. Where UCorp receives a benefit is from housing. 10% of the housing revenue goes to UCorp. If there are any changes ACC will have to consult with UCorp and review what was agreed and outlined.

Continuing with the Proposed Budget presentation:

CSU Reserve Policy – this is required by the CSU and noted that we have a six-month operations reserve. This is based on six months of our budget from the operating side and not the non-operating. When it has been projected a deficit, it has been recommended not transfer the required reserve adjustment. Current balance and our reserve is \$1.9 million and per policy the recommendations of adjustment should be \$150,000. Bringing to the committee is whether or not to fund the reserves. In particular this year as the budget projected with a deficit and because of investments we have, we are not ending nor projecting a deficit. It is recommended to fund what was recommended last year for reserve, should be funded. There is also a need to reassess at the end of the year whether or not to see if we have a deficit or whether or not we actually have a positive return and generally what would change. That would be our investments because of how they impact our overall bottom line.

**Trevor** asked: if the \$121,000 deficit is real?

**Tammie** responded the deficit is real and that contributes negatively to our bottom line in terms of our net assets.

- **Motioned to approve** proposed 2024-2025 UCorp Budget. Rob/Kal motioned to approve and 2<sup>nd</sup> the motion. Yes 14, No 0, Abstain 0, Absent 0--Approved unanimously.
- Insurance -- Additional item to add to the proposed budget cost of \$91,000. This amount includes an additional cost not included in the proposed budget report from the CSU. Will be referring to the base policy which is our liability insurance increased from \$50,000 to \$67,000. This is based on our estimated payroll for the fiscal year, square footage of premises owned/operated and average annual total expenditures for a five-year period. It includes our errors, admissions directors' and officers' liability with the \$40 million dollar limit. It is important for the board to know as this is what covers you as officers, and any of us. The deductible is \$0 for cause of loss except for \$25,000 for employees, practice,



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liability. It also includes crime insurance, which is about \$6,900 of that which is inclusive of cyber liability and identity fraud, insurance based on the organization exposure.

Regarding the payroll, the limit is \$5million per occurrence and it has a \$5,000 deductible.

- Report from the Director of Operations, **Chris Farmer**
  - o Progress in Business Activity – Continue to do well
  - o **Lobby Shop** -. continues to do extremely well. Strong April, about 20% ahead of budget and expect to continue the progress for next year. Lobby Shops as a reminder has a correlation/gage with the enrollment and campus population. Will continue to monitor enrollment numbers and such. Prices will increase slightly over the Summer. As suppliers increase prices our shops increase as well.
  - o **HealthyU**- there is more potential in growth for the future than some other areas. Maily because we can impact some of the sales there by adding more healthy products. This year a new cooler will be added over the Winter break and hoping this will boost the second half of this coming year.
  - o **CTRL-P** is continuing to do really well and have seen the strongest months
  - o **Open-24** seeing some growth potential after seeing the change in our improvement with the credit card connectivity. Have seen a boost in just these last few weeks and have been able to incorporate a bit into our budget.
  - o **Summary:** with the budget that Tammie presented, we are optimistic that we will com in ahead of those conservative numbers.
  - o **Gator Dollars:** this is a component to the one-card. Gator dollars have been activated over this last year and on the housing side, this has included the meal plan, one meal plan, was automatically included for this coming year. All meal plans will have Gator Dollars included. This should be an injection of funds onto the campus, that benefit both our vendors and our shops.
  - o **Bookstore** – we have addressed the Professor and student’s concerns around immediate access. Mostly student ‘s removed access was due to nonpayment, Husam and Sara met with the professor just a week ago and concerns were addressed.
    - Planning to activate the Bookstore Committee this coming year and will ask Brian to continue with his leadership for this committee as we are in our last year of our contract with the bookstore. We feel there is a lot of momentum and will have the committee address the current contract as we in the last year of the contract. Rethinking and integrating new tools like I.T.

Report from the Executive Director – **Tammie Ridgell**  
Two main items to bring-up:

### **Encampment:**

In relationship to the encampment, we will be reviewing the divestment issues with the committee and that we will meet and report back to you.



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**Public Comment** rules and policy: something that was brought up to the chair and to the Finance Committee you should consider and looking forward to bring-up at our next board meeting. There should be a more formal way to deal with our rules for public comment. Currently you can find this information on our website. It does lay out what is required and what it is based on. Since we do have public comment and since our meetings are closed sessions you need to state the rules and where they come from. It also points out how close sessions can be handled as it relates to litigation and collective bargaining or appointment, employment, evaluation of performance or dismissal of an employee to hear complaints or charges brought against an employee by another person. It also covers our investments where public discussion could have a negative impact of the auxiliary organization or financial situation. Right now we just have that someone we have and what their time limit is and that if they are interested in making a public comment, they notify us in advance. What advance notice looks like is if five days, one day or ten minutes should be rethought. Providing a bit more clarification in terms of how public comments are to be done.

**Trevor:** called for adjournment at 4:19pm