



The University Corporation
San Francisco State

Room ADM 361
1600 Holloway Ave
San Francisco, CA 94132

ucorp.sfsu.edu

Board of Directors Meeting

Monday, October 28, 2024

3:00pm to 4:30pm

via Zoom

Anoshua Chaudhuri
Janey Wang
Kal Salama
Ly Chau
Jordan Calley
Brian Beatty

Yessica Gonzalez Gudino
Tammie Ridgell
Trevor Getz
Christie Stevens

UCorp Staff:
Chris Farmer
Andrew Lok
Maggie Woo

Guest
Jeff Wilson

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

- Introduction
 - Vice President Jeff Wilson, will join the closed session
- agenda reviewed; Anoshua moved and Yessica Gudino seconded, motion approved unanimously.

ACTION: Board of Directors Meeting Minutes for September 16,2024

- Anoshua noted 2 corrections
- Anoshua moved and Janey seconded the motion. Minutes approved with noted correction.

No Public Comment

Constituent Reports:

Jordan Calley, AS has started a new shared governance program called Governing Gator which is designed to increase student at large representation on university committees. Through this internship we are looking for someone to fill the third seat on the UCorp Board.

Gator Groceries is a food insecurities initiative run by AS which provides no cost groceries to 100's of food insecure students per week. AS is trying to raise \$100k to support the program thru 2027 as current funding is running out next year in culmination with the of CSU graduation initiatives for 2025 and its grants for basic need programs.



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Trevor responded: that this board has supported initiatives like Gator groceries and there maybe ways for us to do so in the future.

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

- Reviewed the 3rd Quarter report ending September 30, 2024. This is the 1st 3 months of the fiscal year and does not have the real estate reporting yet.
- Summary of Cash Flows- the Net Investment Change Fiscal YTD column is \$1.6 million approximately a little under 5% but we have not had a full report of all components. We are assuming \$1.8 million for the year so we are off to a good start and hopefully in the next 9 months hopefully we can hold on to it.
- Investment Program governance
 - Steps taken by the finance committee
 - Improve governance
 - Conduct Consultant Search – RFP – Select Beacon Pointe
 - Revise Investment Policy
 - Assess risk tolerance
 - Develop asset allocation
 - Select investment managers
 - Liquidate old portfolio/invest new portfolio
 - Went through governance structure that has been put in place. Looking at roles and responsibilities and separation roles of board from investment professionals. Discussed the Conflict-of-Interest Guidelines
- Discussed the IPS – Short-term cash which consist of Operating Cash for day- to-day needs and Reserve Cash for medium term needs. Discussed what makes up the Reserve Cash (Operating Reserve, Plant Fund Reserve and Excess Idle Cash).
 - We are looking for a higher return with a little more risk than for the Operating Cash.
 - We are proposing that Beacon Pointe oversee the Reserve Cash in addition to the Investment Program. This is another fiduciary layer for UCorp. If another Amalgamated Bank approaches us about making a deposit, we would refer them to Beacon Pointe who would be able to do any due diligence required and make a recommendation.

Trevor Getz asked: If there are no questions we can move over to the resolution

Kal Salama responded: we would be setting aside \$5 million today for Reserve Cash, which would be evaluated annually.



ACTION: Resolution Expanding Investment Consultant Beacon Pointe services to manage Reserve Cash in-line with UCorp's IPS; Anoshua moved the motion and Yessica seconded, approved unanimously

- **Report from the Interim Director of Finance, Maggie Woo**

Presenting the quarter ended September 30, 2024. We will focus on the FSR which shows the budget vs actual for unrestricted funds.

- Thru the 1st quarter of the fiscal year the campus program admin fee is 14% ahead of budget. Business Services Income from food vendors and other business revenue is 8% ahead of budget which is mainly due to the fee for Sephora vending machine which is \$7500 over 4 months.
- Shops Operations – self op (Lobby Shops, Health U, Ctrl P, and Open 24)
 - Lobby Shop the revenue is down 10% from budget and 9% from a year ago; \$19k of added maintenance in Lobby for the roll-up door repair which was not budgeted so repairs and maintenance look very high. We hope to recover some of this back through an insurance claim
 - Healthy U revenue is down 17% from budget and 16% from a year ago
 - Ctrl P revenue is 19% ahead of budget and
 - Open 24 revenue is down approximately 35% from budget and 32% from last year. Open 24 when referring to the pie chart you can see that Open 24 is 3% of the total revenue stream and is not that significant of shops overall revenue
- Operating expenses an item highlighted through the first quarter of the year legal fees is projected to higher by 26% due to legal consultation on HR and the credit union agreement.
- Non-operating
 - Investment have performed well through the 1st quarter of the fiscal year and is 65% ahead of budget but is not necessarily an indication of where the year will end

Anoshua asked if it was going according to plan that the shops revenue is down
Tammie responded: Chris address in his report

- **Report from the Director of Operations, Chris Farmer**

- We are experiencing a significant timing difference as the semester started a week later than last year which is significant in the shops. These early months are our busiest months when comparing year over year we are a week behind. The budget is based so much on prior year which is why you see this difference. Expecting to pick those days up at the end of the semester in December as the semester has just shifted. Continue to monitor the financials regarding how they looked in 2019 prior to the pandemic. The first 8 weeks of the semester we are about 74% off 2029 and last year we were at 72% so we



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are up. We are starting to see things level off, so this is the new norm. Health U as an example is about 50% of 2019 revenue and looks like this is where we are going to be landing where we can hopefully grow from here. We won't be jumping back automatically to pre-pandemic levels.

- Ctrl P as noted by Maggie is doing well as it is not so dependent on the number of days but more by events, so the same events we see every September we have seen and so Ctrl P is ahead of budget which is nice to see.

We typically have a quiet summer. It's nice to have our community back on campus, our shops and vendors are busy which and last year is nice to see. Will continue to monitor through the months but confident we will catch up.

Trevor commented: Noted that it is remarkable to see the recovery of Ctrl P

Chris responded: Agreed, as Ctrl P really was a focus for us as the sales dipped so far and improving campus relationships, new equipment and turning the business around. It was a business where we our decision made an impact on the business unlike the other shops which is reliant on foot traffic.

- Vendors – As mentioned last time seem to be doing well. There have been some facility changes on the campus side due to retirements. Big thanks to Andrew as he has had to more closely monitor than usual to make sure the support, we need to keep our vendor partners operating smoothly is happening which he has been doing a great job.
- We had a kickoff meeting last week with our capital planning colleagues for the Science Building Café with our vending partner, their architect and capital planning to go over some last questions that they had before they submit their plans. Request that pertains to the building for things they need for submissions to the health department and other agencies. It was a good meeting. We are excited to see that café open for the spring semester even a soft opening in January. It is not expected to be a long buildout.
- Sephora – reporting for September showed it did \$3700 in sales and Sephora was happy to see. Sephora was thrilled with how things are going. There has been no talk about bringing the machine back to in spring as this was only a pilot and to remove the machine in December. We hopeful to continue with Sephora or some other vending opportunity. We have added Sephora logo to our website under vending service. Sephora with our vending partner has some young influencers do a TikTok on our machine which was shared with us show them filming going into the building using the machine.
- Our food truck program has resumed. Started at the beginning of October, our new location is between the old gym and Cox stadium the road back there. We have food trucks every week on Tuesday and Wednesday 11-2. We have it on our UCorp social media the schedule.
- Bookstore – Tammie and I met with Follett's regional manager and regional Vice President a couple weeks ago to discuss our agreement which expires this coming summer, so we only have about 8 months left. They are adamant that they want to stay on campus but was also transparent about that they are still facing challenges which all



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course material companies are. They were clear that in order to continue the relationship they would need to lower their commission that they pay to us. They noted things that the campus could do to help with this growing our immediate access program by doubling. Currently, at about 96 sections so if we could get that up closer to 200 it would still be only a fraction of all our sections, but it would be a big help to students in terms of affordability and convenience. It would ultimately help our bookstore which would then help UCorp with finance and what's possible there. We have asked them for them to provide some financial scenarios to us what and arrangement might look like if we were to move into certain programs. In the meantime, has asked Barnes and Noble to provide something similar. I have given them stats on the enrollment and average course load so they could a sense of what might be possible if they were able to partner with the campus. Has been waiting for this kind of information to pull our committee together so we can discuss as a committee so we can discuss what is before us, probably in November.

Our small group continues to meet every two weeks to talk about ways to help Follett while they are there. We have a new Immediate Access website that we have already put together we just need to work with ITs and our webmaster to replace what is currently up there. Currently, there is just testimonials about the program, but the new website will have information, FAQ's and ways you can email the store to ask questions. Follett also has reporting to identify faculty who would be good candidates for the program in terms of the course materials they have been adopting and the potential savings they could be saving students if they moved to immediate access. Follett will be sending out a mass email in early November to all those faculty that is slightly customized to what their course material and what they could be saving. This could really help move the needle of growing the program which has really been organic to this point without a lot of push like this. Follett is also going to be offering what they are calling Office hours where in November they are going to offer a 1 hour zoom for any faculty who what to jump on and ask questions regarding the immediate access program. Going forward the plan is to do this twice a semester before the adoption deadline.

Yessica asked: Are the other campus using Follett or are they using Barnes and Noble

Chris Farmer responded: Follett is on 14 campuses, and we are part of a group called the Follett 14 which meet every month or two. Follett usually attends those meetings, and they share how they are doing and what they are working on. We also share information about challenges and good things that are happening. We also talk offline and can reach out to see if they are in similar situations or questions that we might have. There are still some independent operators within the CSU along with Follett and Barnes and Noble.

Report from the Executive Director – Tammie Ridgell



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- The ESG committee update – the transparency website is live, and it will be updated quarterly this was an initiative that came out of the ESG meetings.
- What to congratulate the team for completing all three audits and UCorp will have its audit committee meeting at the end of this week. Will get a chance to discuss in depth with this group at our next meeting. Wanted to acknowledge the hard efforts of the accounting team which Maggie leads. We are not heading into tax and additional audit under Associated Students.
- What to also acknowledge the Retail Operations team Chris and Andrew for a successful start to the beginning of the year. Planning and taking the data semester the data from the year and using that help inform decision making. Also, different partnerships entering and ways to try to reduce cost and increase revenue when margins are small which is not always easy. We are moving in a positive direction though things have leveled off, but Chris has done a great job to keep things moving forward as we try to inch closer back to revenue prior to covid and with a smaller population it is not an easy task as our vendors are finding and we ourselves are finding. Just wanted to acknowledge those two groups.
- Sierra Nevada – been speaking about SNFC because we have been doing a lot of work there. Aside from it being one of our programs we have also invested in the site which is one of the reasons to provide and update to the board. We have started the work of doing some long-range planning around the replacement bridge which is not a traditional bridge. Actually, a rail car was used but can't get certain large vehicle access on the bridge. This is not something that UCorp would be undertaking solely as that would be the College of Science as one of its programs. I might come to the board at some point ask to cover certain things but not at this time. I would be work with the Dean Domingo on this project. We are also looking at major renovations as there is a time clock on when some of those building might need to be replaced for safety measures which is a tough in our current climate economically. Will be looking at all sources and what will be possible as we make decisions about the site down the road. I have had a initial meeting with my colleagues in capital planning to try to get real estimates for the project for development and the college.

Trevor Getz: Moved into the closed session

Meeting adjourned at 4:29.