



Finance Committee Meeting Agenda

Tuesday, April 28, 2020 (11:00 a.m. to 12:30 p.m.)

Zoom Meeting

I. Call to Order by the Chair, Kal Salama,

The University Corporation, San Francisco State (UCorp) Finance Committee was called to order by the Chair Kal Salama via Zoom, at 11:03am with the following members present:

Finance Committee Members Present

Kal Salama, Committee Chair
Jason Porth
Bonnie Li Victorino
Yasmin Aly
Yvonne Bui

Finance Committee Members Absent

Brian Yoo
Neil Cohen
Gene Chelberg
Jay Orendorff
Bonnie Li Victorino

Others Present

Felix Lin, Beacon Pointe
Diana Bonilla, Board Clerk
Tammie Ridgell, AVP of Finance and Administration
Maggie Woo, Controller
Anthony Victoria, Associate Director, Finance and Administration

- II. Review and Approval of Minutes: March 24, 2020 – Due to no quorum present, approval of minutes postponed to next Finance Committee meeting, May 26, 2020.
- III. Report from Beacon Pointe, Felix Lin, President, Institutional Consulting Service
- Market volatility has subsided, still at a higher level than normal but equity markets are up 12% in the month of April, so far.
 - Portfolio; Year-to-date net of fees down 10.8% through March 31st. This number will change significantly due to equity markets being up in April.
 - Fossil Fuel Free has helped the portfolio because of what has happened to oil prices.
 - TIAA has historically outperformed Segall Bryant because it has taken on greater duration risk and is focused on greater sector diversification than Segall Bryant. However, TIAA currently has 20% of their portfolio in treasuries and 43% in corporates. This hurt TIAA returns in the first quarter. Segall Bryant offers a good balance to TIAA.
 - Alternatives are still a work in progress.
 - Kairos team have been very active renegotiating and refinancing all of their lines of credit at much lower costs which will create a distribution for some of the funds that are older. For newer funds, like fund 6, they may cut their distribution, but they are keeping the cash from the refinancing proceeds to make sure the properties are well capitalized. For the month of April, they have collected 90% of their rent.
 - Beacon Pointe clients were worried about Cares Act and PPP. Recommendation is to work with smaller banks, as they are processing applications manually.



- Q: Is the real estate number expected to come out negative so that the portfolio will be lower than 10% in the first quarter? No, not yet.

IV. Discussion of Beacon Pointe's Recommendation

- No change/action needs to be taken at this time. Forego adding real estate to the portfolio for now.

V. Report from the AVP of Finance and Administration, Tammie Ridgell

- Report reflects the removal of vending revenue, down 34%, which includes rent deferral Mar-June.
- Program revenue: down 21% which may go down a little lower if we are unable to gain additional revenue.
- Grants and contracts; There are some funds where we have received the revenue but have not earned it from the expenditure.
- Administrative revenue has been adjusted. An admin fee for managing the vendors in the student center, as there will be no rent paid Mar-June. If no rent is paid, it will most likely be a write-off.
- Follett has a decrease of 46%. Follett does not pay rent. Instead they pay UCORP by commission on sales. Contract states. Payment will not be lower than 10% of the previous year. However, Follett has informed UCORP that they will not be paying for the closed period.
- Shops: April-June has zero revenue, but staff will continued to be paid.
- Investments: down 13%. Overall loss of \$3.3M for fiscal year.
- Unrestricted funds: \$6.1M
- Shops were performing really well in February and beginning of March. Currently down 20% of budget whereas it would have been 5% over had the shops not needed to close due to pandemic.
 - Ctrl+P was outperforming the budget before closure.
- UCORP applied for PPP loan which would be used to offset salaries for shops employees + Aux programs that UCORP is managing.
- Q: Any cashflow related issues? No concerns at the moment. The outcome of what fall semester will look like may change this.
- Q: Issues with vendors going out of business? Small businesses are struggling. The vendors that have a partnership with large corporations/chains, seem to be ok so far but the fall semester will determine if any of the vendors stay open.

VI. Schedule of Meetings

Finance Committee Meetings

Meetings held at least quarterly

Tuesday, May 26, 2020	11:00 a.m. to 12:30 p.m.	3rd Floor, ADM 361
Tuesday, June 16, 2020	11:00 a.m. to 12:30 p.m.	3rd Floor, ADM 354

Board of Directors

Meetings held at least bi-annually

Monday June 22, 2020	3:00 p.m. to 4:30 p.m.	ADM 460
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VII. Call for Adjournment

With no further business to discuss, the meeting was adjourned at 12:10 pm.