



The University Corporation
San Francisco State

Room ADM 361
1600 Holloway Ave.
San Francisco, CA 94132
ucorp.sfsu.edu

Finance Committee Meeting

Tuesday, November 9, 2021

Yvonne Bui

Neil Cohen joined at 11:32a

Gene Chelberg

Bonnie Li Victorino

Jay Orendorff

Jason Porth

Kal Salama

Guests:

Felix Lin/Beacon Pointe Advisors

UCorp Staff:

Tammie Ridgell

Maggie Woo

Anthony Victoria

Meeting called to order at 11:06a by Kal

- minutes reviewed, corrections made – approved unanimously

Investment Portfolio Update & Review by Felix

- opening remark of ‘interesting times’...
- stagnant container ships in port of Los Angeles are impacting economy
- challenges remain in maintaining a workforce with so much resignation activity
- inflation is a recognized issue by the Fed
 - believed to be transitory
 - though continuing discussion if it will be long term
 - interest rates to creep-up little by little
 - hurting prices on bonds
- portfolio at October 31 2021
 - up 20% compared to last year, at October 2020
 - \$17M change in net investment (net of fees), due to investment gains
 - 5.8% annualized return
- presented portfolio composite worksheet
 - top blue line is a summary/’snapshot’ of results
 - below data illustrates equity, fixed income & alternative components of portfolio
 - equities
 - Aperio large cap tilts towards fossil free & ESG investments
 - Aperio mid & small cap same tilts, but relatively new
 - Boston Common, although ‘off’ a little & underperforming in this short term, it has outperformed since inception
 - also tends towards fossil free & ESG
 - fixed income
 - continues to perform well



The University Corporation
San Francisco State

Room ADM 361
1600 Holloway Ave.
San Francisco, CA 94132
ucorp.sfsu.edu

- Segal & TIAA okay
- TIPS, being relatively new, increases as CPI increases
 - keeping us up to par with real purchasing power
- alternatives
 - new money in Redwood Fund VIII & projected to be longer lasting
 - expecting capital from sale of Redwood VI in current & next quarter
 - IRR's doing well
 - gold position removed
 - inflation protection thesis is broken, so prudent to move away

Jason: asked how to address 'lightness' in real estate

Felix: responded that we need to determine best method to achieve allocation, but 'wait & see' may be best approach

Jason: brought-up ongoing discussion with CSU relative to direct investments in real estate => leading to possibility of ultimately renting to faculty & staff

Felix: remarked that this was a philosophical issue; but too concentrated from an overall portfolio perspective ...continued that relative to UCorp portfolio, consideration may be given to Kimpact

Kal: confirmed that \$1M committed to Fund VI will be coming back to us in the next 6-9 months

Felix: confirmed Kal's understanding, and proceeds will be moved-out based upon market trends

UCorp's Financial Status as of September 30, 2021, by Tammie

- at this time, nothing significant to report at close of first quarter of 2021 FY
 - the Board has already been informed of the change in rent structure for this first semester, due to repopulation of campus not meeting expectation
- first three months remain in-line with budget expectations
 - though, Lobby Shop and Ctrl_P are performing a little lower, 10% and 15%, respectively
- overall projected expectations through the end of the fiscal year, still really unknown at this time, as there are a lot of "what-if's" still surrounding the upcoming Spring semester
- as previously reported, investments remain flat

Neil: asked about numbers relative to campus population

Jason: responded lower than anticipated

Tammie: mentioned that two more food vendors that opened at beginning of Fall semester, are now closed



**The University Corporation
San Francisco State**

Room ADM 361
1600 Holloway Ave.
San Francisco, CA 94132
ucorp.sfsu.edu

- worksheet & graph presented, illustrating financial status of Shops

Kal: reiterated Felix' prior observation of October 2021 investment results being better than what is reported through end of this first quarter

- appending financial status report Jason informed committee of PLI/ROPES Course closure
 - he will be meeting with National Parks later today to discuss steps to relinquish site
 - consideration may be needed of costs if required to restore area to original state
 - continuing concerns of safety & mitigating risk relative to area, as we exit space
 - Jason also reported that findings have been announced relative to the space assessment of the Student Center conducted by ASI
 - Although proposed plans are still forthcoming, there may be a request made of UCorp to relocate Ctrl_P

Meeting adjourned at 11:54a by Kal