Finance Committee Meeting  
Tuesday, February 8, 2022  
Via Zoom

Yvonne Bui  Guests:  
Rob Strong  Felix Lin / Beacon Pointe  
Jason Porth  Mitch Hughes / Beacon Pointe  
Kal Salama  Brian Huang (joined @ 12:11pm)

UCorp Staff:  
Tammie Ridgell  
Maggie Woo  
Anthony Victoria  
Rosa Barragan

Meeting called to order at 11:03am by Kal
- December 7, 2021 minutes reviewed; Jason/Yvonne motioned/seconded & approved unanimously

Investment Portfolio Update - Felix
- portfolio as of 4th quarter is doing well
- noted that calendar years of 2019, 2020, 2021 had solid performance even with approximately 40% allocated in bonds
- January 2022- net investment changes
  - negative 3% for 1 month
  - more volatility in market
  - market again realizing risk
  - inflation is the biggest factor
    - fed considering this to be transitory not permanent
- inflation needs to run-off a little sooner to keep interest rates low
  - as it is hitting upwards of 5%, liquidity is taken out of markets by the fed
  - looking at interest rates possibly increasing 5 times during this current year
- economy growing and GPD slowing
  - more volatility moving forward
  - fed will step-in more if needed
- noted that returns experienced in 2019 through 2021 not expected to continue
- bonds may not be attractive, but still remain a good anchor
• TIPS/fixed income doing well to protect against inflation
  o moving forward may not continue to be advantageous and may not need to hold on to them in this investment
  o total portfolio results discussed relative to Total Composite performance
    o equity
      • fossil free fuel & ESG components are critical
      • Boston Common doing well long-term
    o fixed income
      • some real yield coming from this component
      • inflation effects very impactful
    o alternatives
      • real estate used to hedge inflation
      • large distribution regarding Redwood selling-off properties at 2021 year-end
      • reinvested in Redwood Kairos and noted that it will take time for return
    o portfolio overall doing well
    o market is not in good shape; lower returns to be expected

Kal: looking at January report, important to note investment change of $145K fiscal YTD

UCorp’s Financial Status Report - Tammie
• FSR highlights actual performance as it differs from projected budget
  o G&C appears to be over budget
    • budget based on prior year, but there are always unknown activity that occurs; still expected to be closer to budget by year-end
  o business services a little over budget
    • unexpected parking revenues (in old Sutro Space)
    • still sorting-out between indirect and direct revenue
    • campus re-population continues to have direct effect on budget results of Shops
      o Lobby Shop down by $80k plus
      o Ctrl-P down by $6k
      o Open24 down by $4k
  o expenses of note
    • consulting 250% over budget
      o Blue Beyond paid on behalf of University; but costs to reduce university costs allocation
    o through December, had positive balance of revenue over expenditures
    o overall given losses on investments and performance through end of the year, still currently projecting a fiscal year end loss
Crypto currency - Tammie
- an academic course being taught wishes to incorporate experiential investing in crypto currency
  - faculty asking for possible partnership with UCorp as conduit to establish/use crypto funds
  - it is understood that origin of funding is not from UCorp (a donation, not UCorp $)
    - still may raise audit concerns in ensuring appropriate checks and balances
  - considerations…
    - professor would like use of hot wallet, coin base model
      - though more interactive, also higher risk
    - UCorp prefers interactive broker model and also paper portfolio simulations
    - this is not part of UCorp’s investment, so no consideration/inclusion in investment policy

Executive Director report – Jason
- R.E.T project will be winding-down
  - Ray Grott, project director, to retire this summer
  - a non-profit in East bay has been identified that could assume this work
    - proposal to transfer project, including assets, to be forthcoming
  - future resolution to be brought to the BOD

Meeting adjourned at 12:28pm by Kal