



The University Corporation
San Francisco State

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

Finance Committee Meeting

Tuesday, April 18, 2023

Via Zoom

Yvonne Bui (11:07a)

Ly Chau

Neil Cohen

Jamillah Moore(11:05am)

Sylvia Piao(11:35am)

Jason Porth

Kal Salama

Guests:

Mitch Hughes / Beacon Pointe

Bill Thompson / Beacon Pointe

Michael Scott

UCorp Staff:

Maggie Woo

Rosa Barragan

Tammie Ridgell

Anthony Victoria

Meeting called to order at 11:01am by Kal

- agenda reviewed & approved unanimously
- minutes for March 21, 2023, reviewed; Jason/Kal motioned and seconded, passed unanimously

Patent Discussion - Michael, AVP of ORSP

- ORSP pays for start-up/initial costs relative to patents originating from SFSU faculty
 - licensing also coordinated
- requesting a \$10K subsidy from UCorp for additional support
 - noted that there is a 50/50 split of proceeds from patent between University & originator
 - with proceeds to SFSU split 75/25 between SFSU & UCorp

Kal noted that there was a BOD approved resolution, allocating up to \$100K, available for the Patent Evaluation Committee to review/approve proposals such as these

Jason reminded everyone that a prior request had been approved with subsequent funding given

Neil asked if there was a marketing plan in place for this new particular item being developed

Michael responded that none exists at this time

Ly asked if investment is paid back to UCorp



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Michael stated that UCorp would be first in return of investment

Kal moved to vote for the \$10K requested

- unanimous approval to move this proposal to BOD

Neil recommended that going forward, a business plan should be in place/required

Jason suggested having two resolutions for BOD consideration, one to approve this current request and a second to include some type of plan/marketing requirement added to revise existing policy

Kal recommended to possibly reach-out to Stanford to see what they have in terms of process for patents

Jason concluded that it may be best to wait for the next BOD meeting to fully discuss any update of policy

Investment Portfolio Update/Review - Mitch/Bill

- began with Mitch reintroducing Bill & reassuring the committee that they both will continue to represent Beacon Pointe
 - o Bill reintroduced his background to the committee
- portfolio overview given
 - o first quarter was volatile with inflation anticipation & interest rate hikes
 - o expecting interest rates to be adjusted in the next meeting of Federal Reserve in May
 - o noted the heightened volatility in capital markets
 - o market value at 3/31/2023 approx. \$30M
 - overall portfolio up 4.4% year-to-date and 5.4% fiscal-year-to-date
 - o equity
 - Aperio large-cap up 7.5% aligning with S&P
 - Aperio mid-cap out-performed
 - Boston Common out-performed for quarter
 - o fixed income
 - Seagal Bryant is a high-quality manager picking high-credit quality securities
 - TIAA with an ESG mind-set, though underperforming, is beginning to rally-back
 - o alternatives
 - funds doing well, still waiting for results and not anticipating any markdowns

Kal asked how 3.5% decline affects the real estate market

Mitch responded that across the board it is due to movement in interest rates

Neil asked what is the overall exposure in commercial real estate market

Mitch stated that funds are largely midsize multi-family (though, industrial has been performing well), and with multi-family medium, exposure is not a concern at this time

Kal asked whether to expect negative or positive results under alternatives chart



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Mitch replied that he is expecting it to be slightly negative due to valuation crunch

UCorp's Financial Status - Tammie

- interim audit to begin at end of April
- year-end Project Director Training coming-up, shortly
- March performance
 - o revenues are 40% down compared to budget
 - administrative fees, inclusive of those from donations, are down
 - indirect costs relative to G&C are on track
 - o expenditures
 - salaries/benefits unexpected increase, due to matching campus salary increase and one-time bonus
 - bookstore staircase enclosure costs impacts expenditures
 - o investments
 - current over-performance from budget, but still not sure of how fiscal year will end
 - o discussion of pie chart relative to UCorp revenue sources
 - investment remains a major allocation
 - o discussion of revenue from Campus Shops
 - Lobby Shops reflects an increase of 18% over budget
 - HealthyU is still overall below budget by 36%
 - CTRL-P is 43% over budget
 - Open24 is 25% over budget

Tammie added that relatively good results are causing the budget deficit to not be as severe

Executive Director's Update – Jason

- Sierra Nevada Field Campus
 - o reported building damage due to pressure from heavy snowfall
 - structural engineer will assess damage and determine what repairs are needed
 - damage has been reported to insurance brokers, claim has been made, & a visit by the adjuster is planned to occur very soon
- Vendors update
 - o iNoodles exit completed
 - student pantry to expand in this now empty space
 - o new Science building will have space for vending
 - how do we generate interest from current vendors on campus about this opportunity

Kal adjourned at 12:04pm