



The University Corporation
San Francisco State

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

ucorp.sfsu.edu

Finance Committee Meeting

Tuesday, October 24, 2023

via Zoom

Jamillah Moore
Ly Chau
Jason Porth
Kal Salama
Yessica Gudino
Janey Wang

Guests
Bill Thompson, Beacon Pointe

UCorp Staff
Tammie Ridgell
Maggie Woo
Rosa Barragan

Called to order by Kal at 11:06am

- reviewed & approved agenda
- September 12, 2023 minutes reviewed; Jason/Ly motioned/seconded; approved unanimously

Investment Portfolio Update report by Bill – October, 2023

Highlights

- S&P 500 down 4.8% in September and down -3.3% in the third quarter
- the Russell 2000 Small Cap index underperformed, down 5.1% in 3rd quarter
- energy stocks maintained their spot at the top of the leaderboard, propelled by rising oil prices
- the U.S dollar reaches fresh 2023 highs against most major currencies
- 10-year Treasury yields rose to a 16-year high as Federal Reserve reiterated higher-for-longer rates
- Markets are currently pricing less than a 50% chance of one or more rate hikes this cycle
- latest macro data that includes GDP, employment and inflation data, raise the odds of a “soft-landing”
- Government shutdown was averted for now

UCorp YTD Performance

- portfolio value was approximately \$30.4 million as of September 30
- portfolio returned – minus 3.0% in the 3rd quarter, largely in line with the policy index and 3.7% YTD, outperforming the policy index’s return of 3.3%
- over the trailing 5-year, and since inception, the portfolio returned 4.8% annualized

Action Items:

- no action items



UCorp's Report by Tammie: July to September 2023

First two reports(July & August) are combined

- Concentrating on September, 2023 report
- Income Statement
 - o 1st quarter -nothing stands out
 - o Revenue is in alignment
 - o Campus programs – close to budget
 - o Food vendors – in alignment
 - New rental agreements – 50% to 60% rent from pre-covid
 - o Banks stay the same
 - o Retails stays the same
 - o Administrative fee:
 - Soft impact -Student Center food vendors rent
 - o Expenses have increased
 - Insurance had a slight increase higher than budgeted
 - ADP expense increased
 - Other costs are in alignment with budgeted amounts
 - Support for University could exceed \$75K
 - o Revenue has decreased
 - o Investment loss 1st quarter \$841K
- Retail Operations
 - Expecting shops to perform well
 - o Healthy U – above budgeted at 29%
 - o Lobby Shops – in alignment with budget at 50%
 - o CTRL-P – in alignment with budget at 17%
 - o Open 24 – at 4%

Kal: referring to the pie chart: using budgeted for investment

Tammie: responded that using the actuals year-end positive projected

Janey: asked about the auditing process

Tammie: responded that there is an audit in place and it is done yearly by a private company and this year there is an additional one done by the CSU and it occurs every three to four years

Janey: audit report for next meeting?

Tammie: not for next meeting but for the following

Jason: asked about the Lot 25 revenue stream

Tammie: revenue for Lot 25 will show with our leases

Kal: are we approaching the 60% rent revenue?

Tammie: responded that it would be 50% to 60% as it is still in negotiations

Kal adjourned meeting at 12:10pm