



University Corporation at Monterey Bay Board of Directors Meeting

Thursday, December 8, 2022
8:33 a.m. – 10:30 a.m.

Alumni and Visitors Center
With Zoom option

Minutes

<p style="text-align: center;"><u>Board Members Present:</u></p> <p>Vanya Quiñones, President Barbara Zappas, Director John Jimenez, Director Maria Bellumori, Director</p>	<p style="text-align: center;"><u>Board Members Absent:</u></p> <p>Robert Taylor, Esq. Director</p>
<p style="text-align: center;"><u>Presenters:</u></p> <p>Cindy Lopez, Sponsored Programs Director Maddison Burton, Director of Human Resources Starr Lee, Senior Associate Executive Director Stephen Mackey, Associate VP of Finance Gifford Lehman, Investment Committee Chair Sherry Baggett, Controller Clarisa Avila, Corporate and Foundation Relations Officer</p>	<p style="text-align: center;"><u>Staff Present:</u></p> <p>Nancy Ayala, Gov. & Compl. Mgr.</p>

Regular Meeting

- I. **Call to Order:** A quorum being established; President Vanya Quiñones called the meeting to order at 8:33 a.m.
President Quiñones announced the restructuring of divisions across campus, effective December 1. Lawrence Samuels is no longer the Executive Director of the Corporation due to the restructuring. Glen Nelson, Vice President for Administration and Finance, was appointed the Executive Director of the Corporation. Starr Lee’s new title is Senior Associate Executive Director.

- II. **Approval of Minutes:** Moved by Director Barbara Zappas and seconded to approve the September 22, 2022 meeting minutes as presented, the motion carried.

- III. **Public Comment:** There were no requests for public comment.

- IV. **President’s Remarks:** President Quiñones thanked the Board for their work and announced a new communications person was hired to handle communications to campus, including the Corporation. President Quiñones reported on her 100-days listening tour noting that improvements need to be made to processes, communication, and grant processing. Each division will get a document with concerns to address within their respective division. The goal is to move to improve the perception of the Corporation.

- V. **Business:**
 - A. **Resolution: Grant funds from the Ocean Protection Council:** Sponsored Programs Director Cindy Lopez presented the resolution to the board, which is needed to apply for grant funds from the Ocean Protection Council. The project builds on Principal Investigator James Lindholm's current and past activities studying the northward movement of traditionally southern California fishes, fish interactions with seafloor habitat, and the distribution of high- quality seafloor habitat. The resolution confirms Corporation has the funding to operate and maintain the project(s) consistent with requirements and will comply with all laws and regulations. Second, it designates Director of Sponsored Programs Cynthia E. Lopez or designees to represent the Corporation on all matters regarding the application and grant activities. Moved by Director Zappas and seconded to approve the Grant funds from the Ocean Protection Council resolution, as presented. With no further discussion, the motion carried.

- B. Resolution: 403(b) DC Plan Amendment: Director of Human Resources Maddison Burton presented the resolution to amend the Plan Adoption Agreement with the Teachers Insurance and Annuity Association and College Retirement Equities Fund (TIAA/CREF) to conform with current department practices. The changes to the plan would be retroactive to July 1, 2022. Moved by Director Zappas and seconded to approve the 403(b) DC Plan Amendment Resolution, as presented. With no further discussion, the motion carried.

VI. Reports:

- A. Faculty-Staff Housing Update: Associate Executive Director Starr Lee provided an update on faculty-staff housing. Ms. Lee provided an overview of Schoonover Park rentals, including eligibility requirements, rates, and fees. It was noted that part-time employees' criteria are being finalized to provide predictable handling of gaps in employment conditions. The faculty-staff housing Committee is reviewing these criteria. Establishing standards for part-time employees is the last major issue to address in Schoonover Park. It was noted the Corporation provides internet and cable at no cost to residents and campus. The Corporation also pays water usage fees. Ms. Lee provided a Student Housing update noting that as of October 30, Student Housing reached out to the 176 students at East campus that reside in the two-person configuration units multiple times. As of yesterday, Student Housing reached 173 students to select or confirm their unit preferences. Student Housing will continue to try to get the three remaining students.
- B. Auxiliary Audit Committee Report: Auxiliary Audit Committee Report: Auxiliary Audit Committee Chair Stephen Mackey report on the Committee's activities. The Committee met on November 9, 2022, to review the Auxiliaries' 2022/21 Audit Reports. The auditors issued a clean opinion. The Committee will meet at a later date to review Form 990.
- C. 1st Quarter 22/23 Financial Report: Ms. Baggett presented the 1st Quarter Financial Report. Total Current Assets increased \$13.4M, as seen primarily on Cash, as we received the fall semester's housing and dining monies and also liquidated some investments to help pay for the costs of the sewer project in the residence halls. Total Current Liabilities decreased by \$1.8M due mainly to Accounts Payable, Payable to University, and Unearned revenue, Other. In the Payables balances, we have a significant volume of invoices and a significant dollar amount (with one invoice alone being almost \$9M for the Otter Student Union building), but payments are being made steadily to reduce these balances. As for the Unearned revenue balance, we received \$4.6M from Chartwells in July 2021 for improvements to the dining venues, which will be amortized monthly over the 10-year lease. As of June 30, 2022, the Corporation implemented GASB Statement 87 Leases which shifted lease accounting from the income statement onto the balance sheet. As a result, new line items appear in the balance sheet, such as Leases receivable, Lease liability, and Deferred inflows of resources. Additionally, in the two income statements, you will see significant variances in certain lease-related line items compared to both the budgeted and prior year amounts, as GASB 87 was not in place during those times. University support, capital this quarter represents continued contributions for the Monterey Bay Football Club stadium project, such as purchasing flooring in time for the commencement celebration. President Quiñones noted that the University, including the Corporation, would not incur any costs according to the agreement between the University and the Monterey Bay Football Club. The flooring expense was a separate business transaction outside of this agreement that will have a payback.
- D. Investment Committee Report: Investment Committee Chair Gifford Lehman reported on the Committee's activities. As of September 30, 2022, the Operating Total Fund holds approximately \$42M. The Corporation portfolio had a 5.7% loss, underperforming the policy

index by 0.5%. Over five years, the Corporation portfolio returned 2.6% annualized, underperforming the policy index by 0.2%. Director Zappas reported that University staff and Investment Consultant Verus presented environmental sustainability presentations in CSUMB Investments to various campus stakeholders, i.e., Associated Students, the Sustainability Committee, and the Corporation and Foundation governing Boards. The information and direction of the Committee were well received by all groups. Before the Committee can move forward, the same presentation must be made to the Academic Senate in spring 2023.

- E. External Funding Update – Sponsored Programs: Director of Sponsored Programs Cindy Lopez presented the 1st quarter report. Through September 30, 2022, \$6.2M in awards were received.
- F. Corporate Relations – University Advancement: Corporate and Foundation Relations Officer Clarisa Avila provided an update to the Board. Total private grants year to date are approximately \$292K.

VII. Closed Session: The board did not enter into closed session.

VIII. Open Communication/Announcements: There were no announcements.

IX. Adjournment: With no further business to conduct and no objection, the meeting was adjourned at 10:30 a.m.

Katherine Kantardjieff

Katherine Kantardjieff, Secretary/Treasurer

03/28/2023

Date