



University Corporation at Monterey Bay Board of Directors Meeting

Thursday, September 22, 2022
8:43 a.m. – 10:44 a.m.

Alumni and Visitors Center
With Zoom option

Minutes

<p style="text-align: center;"><u>Board Members Present:</u></p> <p>Lawrence Samuels, Director Barbara Zappas, Director John Jimenez, Director Maria Bellumori, Director</p>	<p style="text-align: center;"><u>Board Members Absent:</u></p> <p>Vanya Quiñones, President</p>
<p style="text-align: center;"><u>Presenters:</u></p> <p>Gifford Lehman, Investment Committee Chair Starr Lee, Associate Executive Director Sherry Baggett, Controller Cindy Lopez, Sponsored Programs Director 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; Acting President Lawrence Samuels called the meeting to order at 8:43 a.m. Director Samuels announced that President Vanya Quiñones was unexpectedly detained at another engagement and would not be joining the board meeting.
- II. **Approval of Minutes:** Moved by Director Mary Jo Zenk and seconded to approve the June 17, 2022 meeting minutes as presented, the motion carried.
- III. **Public Comment:** There was no public comment.
- IV. **Business:** None
- V. **Reports:**
 - A. **Investment Committee Report:** Investment Committee Chair Gifford Lehman reported on the Committee’s activities. Mr. Lehman reported that the Committee had been charged with the need to divest from fossil fuel investments or to more environmentally sustainable investments. The Investment Committee has discussed the consideration of sustainable investing at the last three meetings. The Committee has heard input from students, staff, and faculty regarding sustainable ways to invest assets. Mr. Lehman disclosed that investing in more sustainable assets would cost more. Mr. Lehman requested Board input on how to move forward with investments. The Board is supportive of moving towards a more environmentally sustainable portfolio. The Committee will bring back a recommendation to a future board meeting.
 - B. **Faculty-Staff Housing Update:** Associate Executive Director Starr Lee provided an update on faculty-staff housing. Ms. Lee noted that last spring, the Academic Senate raised several concerns to the President, one of which is that faculty needs to be fully aware of the housing process and availability. The Corporation assembled a faculty staff housing advisory committee to address the Academic Senates concerns. Ms. Lee reviewed the housing history and process. It was noted that new housing practices would be documented and accessible to the community.
 - C. **Pay It Forward Update:** Executives in Residence Director Jessica Carter provided an update on the Pay It Forward Scholarship and Mentoring Program.
 - D. **4th Quarter 21/22 Financial Report:** Ms. Baggett presented the 4th Quarter Financial Report. Total Net Position decreased \$17M this fiscal year due primarily to over \$11M in

contributions to the University for the Otter Student Union and former Golden Gate buildings and the Monterey Bay Football Club, as well as millions of dollars spent on repairs and maintenance mainly in the housing facilities. Grants and contracts revenues increased significantly by \$3M over last year, demonstrating that the pandemic did not slow down the overall sponsored programs activities. These revenues are recorded as the expenditures occur. The Corporation implemented GASB 84 Fiduciary Activities which changes how revenues and expenses are recorded that are passed through from the campus, such as housing and meal plans. As a result, line items for dining services revenues and expenses will see significant variances versus the budgeted amounts. Total Net Position of \$51.7M is derived from Total Assets of \$205.5M and Deferred outflows of resources of \$1.1M, minus Total Liabilities of \$154.9M. The Unrestricted Net Position portion of \$31.0M represents the portion that can be used to finance day-to-day operations. University support, capital this year represents the purchase of the Golden Gate buildings for \$2M, contributions for the Monterey Bay Football Club stadium project, and an almost \$9M payment for the Otter Student Union building.

- E. External Funding Update – Sponsored Programs: Director of Sponsored Programs Cindy Lopez presented the 4th quarter report. Through June 30, 2022, \$23M in awards were received, exceeding this year’s goal of \$15M. The majority of funding is federal 82%, state 10%, private 6%, 1% local, and 1% other. Indirect averaged 9.8% for the fiscal year.
- 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 \$295K.
- G. Executive Director’s Report: Executive Director Lawrence Samuels reported on Corporation activities. Mr. Samuels reported on the plan to pass on water sewer fees to residents at Schoonover Park I. Mr. Samuels also reported that there continue to be maintenance issues in the main quad dormitories. The State Fire Marshall has paused the maintenance work there for now. These repairs will resume over the following summer. It was also noted that processes are in place for residents in east campus that are no longer employees or no longer qualified to live there to vacate. There is one pending electrification project in East Campus. This would provide PG&E to electrify at least half of the units in east campus housing. That can move the campus dramatically towards our sustainability and carbon-neutral goals. So we're enthusiastic about the opportunity, but it will require some state funding, and at this point, it would best be characterized as speculative.

H. President’s Remarks: None

- VI. **Closed Session**: The board entered into closed session at 10:34 a.m. The board exited closed session at 10:44 a.m.
- VII. **Open Communication/Announcements**: There were no announcements.
- VIII. **Adjournment**: With no further business to conduct and no objection, the meeting was adjourned at 10:44 a.m.

Katherine Kantardjievff

Katherine Kantardjievff, Secretary/Treasurer

12/12/2022

Date