

STUDENT UNION BOARD OF DIRECTORS

Finance Committee Meeting Minutes

March 24, 2020 at 4:00 pm
Video Conference Meeting

Voting Members Present: Sonja Daniels, Charlie Faas, Cynthia Fernandez-Rios, James Naung
Voting Members Absent: Yissel Reyna
Non-Voting Members Present: Tamsen Burke, David Alves
Guests: Larry Van Steenhuyse, Amy Guerra-Smith

I. CALL TO ORDER

James Naung facilitated the meeting in the absence of the Finance Committee Chair. James Naung called the March 24, 2020 Finance Committee Meeting to order at 4:04pm.

II. ROLL CALL

James Naung asked Amy Guerra-Smith to do roll call. Amy Guerra-Smith noted that she completed a visual roll call.

III. APPROVAL OF AGENDA FOR MARCH 24, 2020

James Naung asked for any changes to the MARCH 24, 2020 FINANCE COMMITTEE MEETING AGENDA. Seeing no changes, Mr. Naung asked for any objections to approve the agenda as presented. Seeing no objections, Mr. Naung noted that the **March 24, 2020 Finance Committee Meeting Agenda was approved as presented by unanimous consensus.**

IV. APPROVAL OF THE FEBRUARY 25, 2020 MEETING MINUTES

James Naung asked for any changes to the FEBRUARY 25, 2020 FINANCE COMMITTEE MEETING MINUTES. Seeing no changes, Mr. Naung asked for any objections to approve the meeting minutes as presented. Seeing no objections, Mr. Naung noted that the **February 25, 2020 Finance Committee Meeting Minutes were approved as presented by unanimous consensus.**

V. AGENDA ITEMS:

a. Investments Volatility Presentation – Larry Van Steenhuyse, UBS

Larry Van Steenhuyse of UBS presented the Finance Committee with a brief overview of the market volatility on the Student Union Investment portfolio, noting from a performance standpoint, the long-term account is down about 20% versus the market being down 37% and that's where the equities are positioned in that portfolio. Mr. Van Steenhuyse noted that UBS had already started to position for potential recession but we didn't think it would happen this fast and that they were projecting at least 12 months out so we focused on higher quality equities dividend paying equities, in particular, which helped a bit. Mr. Van Steenhuyse went into details about the asset allocations noting that the asset allocation is at about 42% on the equity side and about 12% in what we call alternatives and then the balances in fixed income. Mr. Van Steenhuyse went into details about three possible recovery scenarios for the next 12 months noting the impact on the Student Union investment portfolio for each scenario.

b. 2020-2021 Budget Schedule

Tamsen Burke informed the Finance Committee Members that the staff are currently working on their budgets which are due at the end of this month. Ms. Burke noted that after the budgets are done, each department will have a budget hearing with herself, the director of Accounting and Finance. Ms. Burke noted that the Student Union will present the budget to the Board on April 21, 2020 and again on April 28, 2020 for final Board approval on May 5, 2020. Charlie Faas made a recommendation to provide the Finance Committee Members the basic assumptions prior to the budget presentation so that the Committee Members have some time to review and digest the information. Ms. Burke asked Mr. Faas to let her know if there were specific metrics, he was looking for so that she can make sure those items are included.

c. 2020-2021 Budgets - Strategic Priorities

i. Mission, Business, and Operational Practices

ii. Student Employment Success

Tamsen Burke informed the Finance Committee Members that she asked the staff to prioritize their requested budget items by being mission driven, operational effectiveness, and how does the expenditure relate and contribute to student success.

d. Financial Implications Due to COVID-19

Tamsen Burke and Charlie Faas informed the Finance Committee Members of the current state of the University and the Student Union noting that as a result of the current situation with COVID 19 the University as well as the Student Union are planning for losses of revenue which are not considered eligible for reimbursement from FEMA. The allowed FEMA reimbursements are limited and missed revenue is not considered reimbursable. Mr. Faas continued to explain that the fees paid for by students help to support a lot of the fixed expenses.

Tamsen Burke asked David Alves, Accounting and Finance Director, to speak about the meeting with the Auxiliary finance leaders. Mr. Alves noted that the auxiliaries learned that they are not allowed to be included in their university's FEMA claim and must submit their own claim. Mr. Alves noted that there is a specific process that is required and that the Student Union is learning as we go and recognizes that the Student Union may not see some of the recoverable which is why it was important to bring Larry Van Steenhuyse into the conversation so that the Student Union knew where the assets were and if we need to make some adjustments to be able to utilize the reserves in order to balance at the end of the year.

VI. MEETING ADJOURNMENT

James Naung asked for any other business to discuss. Seeing no other business to discuss, James Naung asked for any objections to adjourn the meeting. Seeing no objections, James Naung noted that the **March 24, 2020 Finance Committee Meeting adjourned at 4:50pm by unanimous consensus.**