

**STUDENT UNION, INC. BOARD OF DIRECTORS  
Finance Committee**

**Meeting Minutes  
October 20, 2020 at 4:15 pm**

**This was a telecommute meeting by Zoom Video Conference.**

*This meeting was facilitated through an online Zoom format, consistent with the Governor's Executive Order N25-20, suspending certain open meeting law restrictions.*

**Voting Members Present:** Cynthia Fernandez-Rios, Charlie Faas, Ishan Gupta, Zachary Birrer  
**Voting Members Absent:** Sonja Daniels  
**Staff Present:** Tamsen Burke, David Alves  
**Guests:** Larry Van Steenhuyse, Keith Siebert

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**I. CALL TO ORDER**

Cynthia Fernandez-Rios called the October 20, 2020 Finance Committee Meeting to order at 4:19 pm.

**II. ROLL CALL**

Tamsen Burke took a verbal roll call and noted there were 4 voting members present.

**III. APPROVAL OF OCTOBER 20, 2020 AGENDA**

Cynthia Fernandez-Rios asked for any changes to the OCTOBER 20, 2020 FINANCE COMMITTEE MEETING AGENDA. Cynthia Fernandez-Rios requested to move discussion item V. a. to V. e.

**Cynthia Fernandez-Rios motioned to approve the October 20, 2020 Finance Committee Meeting Agenda with the requested changes; Zachary Birrer seconded.**  
**Vote on the Motion: 4-0-0 Motion Passed.**

**IV. APPROVAL OF SEPTEMBER 4, 2020 MEETING MINUTES**

Cynthia Fernandez-Rios asked for any changes needed to the SEPTEMBER 4, 2020 FINANCE COMMITTEE MEETING MINUTES. Seeing no changes, Ms. Fernandez-Rios asked for a motion to approve the September 4, 2020 Finance Committee Meeting Minutes as presented.

**Charlie Faas motioned to approve; Ishan Gupta seconded the motion.**  
**Vote on the Motion: 2-1-1 Motion Passed.**

**V. DISCUSSION ITEMS**

**a. Investment Policy Review**

Larry Van Steenhuyse of Encompass Wealth Group noted that in light of the potential cash needs for the organization, is there a need to adjust the investment policy statement related to the long term funds? Mr. Van Steenhuyse noted this investment policy statement was last amended in 2013. Mr. Van Steenhuyse noted that the investment policy was written with the intention of it being flexible to accommodate times of crisis.

Tamsen Burke responded that from the SUI perspective right now there isn't a projected need to use for long-term investment funds. Ms. Burke noted that the SUI is still waiting on final approvals and signatures for the current student fee allocation and feel that that would be sufficient for operational needs FY 20/21.

Larry Van Steenhuyse noted that the investment policy document does not need to be amended, however, Mr. Van Steenhuyse noted if the situation got to be quite dire, and you're going to have to exhaust your long term funds, then the SUI would probably simply take it out of the long term account and move it into the separate cash management account and then that wouldn't even be governed by this investment policy.

Tamsen Burke stated, based on the direction where we see the next three years of finances for the university we may need for the SUI to evaluate year end financials. Larry Van Steenhuyse and Keith Seibert gave the Finance Committee members a quick overview of the current performance of the investment portfolio noting that the long-term funds have a 2% return and there is a 48% exposure in equities and a 48% exposure to fixed assets. Larry Van Steenhuyse also noted that there is a small amount, about 5%, allocated to alternative investments. Mr. Van Steenhuyse went on to talk about the possible effects of the election on the markets and then opened the session to the Finance Committee Members for questions. No committee members had any additional questions.

**b. Continued Alignment of Business Practices and Procedures with University**

Tamsen Burke noted that one of the priorities since arriving at SJSU has been to examine the organization's current business practices and review the corporation functions and financial decisions. Tamsen noted that she will share the letter that was received from the President to all its auxiliaries, which is a clarification of our operating agreements and the expectations as an integral part of the campus community based on the California Education Code Title IV. The SUI is an essential function and integral part of the educational mission and that we are expected to operate in conformity with the university policy. Ms. Burke noted that as we think about our businesses, we will continue to align our practices and compliance with the memorandum from the President.

**c. Update on PPP Forgiveness**

David Alves indicated that the Student Union has reached the 24<sup>th</sup> week of the Cares Act and he has started preparations for the loan forgiveness packet and hopes to have the completed packet to the lender by the end of October. David Alves noted that he is pretty confident about getting full loan forgiveness but cannot guarantee this right now.

- d. **Update on FY 20/21 SUBOD Budget Approved presented for signatures to the CFO and President; and a request for \$11,564,085 in Student Fees to be returned for operations.**

Tamsen Burke noted that the SUI submitted the budget request for signatures from the CFO and President. Ms. Burke noted that when the Board discussed and approved the budget request, the Student Union made clear the timing concerns of receipt of student union fees noting that the SUI reserve cash to cover up to November 1st payroll.

Tamsen Burke, reiterated this timing deadline needed to ensure SU employee payroll was timely. While \$4M is in a dedicated reserve account to support the university, these funds will not be used for operational expenses, unless needed.

- e. **Selection of Finance Committee Chair and Vice-Chair for AY 2020-2021**

Cynthia Fernandez-Rios asked for any nominations for the Finance Committee Chair and Vice-Chair positions for the AY 2020-2021.

Ishan Gupta nominated Zachary Birrer for Finance Committee Chair. Zachary Birrer accepted the nomination.

Zachary Birrer nominated Ishan Gupta for Finance Committee Vice-Chair. Ishan Gupta accepted the nomination.

VI. **ACTION ITEMS**

- a. **Approval of Finance Committee Chair and Vice-Chair for AY 2020-2021**

Cynthia Fernandez-Rios asked for a motion to approve Zachary Birrer as Finance Committee Chair, and Ishan Gupta as Finance Committee Vice-Chair.

**Charlie Faas motioned to approve Zachary Birrer as Finance Committee Chair and Ishan Gupta as Finance Committee Vice-Chair; Zachary Birrer seconded the motion.**

**Vote on the Motion:                      4-0-0                      Motion Passed.**

VII. **MEETING ADJOURNMENT**

Cynthia Fernandez-Rios asked for any other business to conduct. Seeing none, Ms.

Fernandez-Rios **motioned to adjourn the meeting at 4:50 pm; Zachary Birrer seconded.**

**Vote on the Motion                      4-0-0                      Motion Passed.**