

MINUTES

FORTY-NINER SHOPS, INC.

BOARD OF DIRECTORS MEETING

Friday, February 25, 2022 Zoom Conference Meeting

(Exception Made Due to Covid-19 Issues & Campus Safety Precautions)

Members Present:

Dr. Beth Lesen

Ms. Genesis Jara

Dr. Praveen Soni

Mr. Jesus Gonzalez

Mr. Jeremy Harris

Mr. John Barcelona

D. Public Comment:

The campus will continue to respond to these shifts and communicate any updates to our community as quickly as possible.

- Spring Board Retreat:
 - This retreat is schedule for Friday and Saturday, April 8 and 9th and will be held at the Terranea Resort in Rancho Palos Verdes.

G. F & I Committee Report

- 2nd Quarter 2021-2022 Financial Review Operating results are ahead of Plan.
 - Sales

contribution rates, revisions to the Injury and Illness Prevention Program, and the recent updates for the COVID-19 Preparation Plan.

Motion to approve the review and updates to the Human Resources Policy as recommended by the Personnel Committee

M/S Dr. Soni / Mr. Gonzalez

By acclamation the Human Resources Policy review was hereby approved.

I. Nominating Committee Report

- Dr. Lesen reported that this committee met on Friday, February 11th, to review four Board vacancies that were coming up for review:
 1. Faculty Member position
 2. Staff Member position
 3. Community Member position
 4. Student at Large position
- For the positions of Faculty member and Community member, Dr. Praveen Soni and Mr. Jeremy Harris have both expressed interest in continuing for a 3rd term with the Board of Directors respectively.
- Mr. de Wit discussed that an application and resume had been forwarded to him from Mr. Apel recommending that the Staff member position be filled by Mr. Milton Ordonez who had recently been appointed to the Associate VP of Financial Management position left by former Board member, Ms. Tracey Richardson.
- Additionally, the committee approved to move forward with the recommendation of Ms. Jeana Young to the Board as the new ASI Vice-President of Finance since Ms. Lindsay Apaza had recently

- The recent Paycheck Protection Program Loan forgiveness of \$2 million was recorded as income on the January financial statements.
- When it comes to Human Resources, the following updates were discussed:
 - The State of California recently re-instated the California Supplemental Pay Leave retroactive to January 1st, 2022.
 - Under this new order, an employee would be entitled to 40 hours of sick pay if they are diagnosed with COVID and an additional 40 hours if someone in their household has a positive diagnosis or is exposed to the virus.
 - There is some concern that this would impose an additional expense for the Shops that planned for accordingly.
 - California Minimum Wage increased again this past January to now \$15.00 per hour which has not only impacted our minimum wage staff but also has a trickle-down impact to the supervisors and management staff with their salaries.
 - The Shops recently participated in the AOA Compensation Study.
 - As part of this study, some pay shortcomings were noticed that could be impacting key staff vacancies in our Retail and Residential Dining Services divisions which have been addressed accordingly.
- We are currently working with the campus on the CSU Audit of the ID Card Program and have been submitting documentation in support of that process.
- The Residential Dining Agreement has been extended for an additional year.
 - The Shops participated in a CSU Residential Dining Increase Trends Survey which showed that out of 23 California State Universities, the 49er Shops were the 19th lowest in terms of meal plan rates.
- In looking forward at current and future activities, the following items were presented:
 - Mr. de Wit has initiated the FAS106 Actuarial Study that would provide an assessment of our accrued post-retirement benefit obligation in conjunction with the VEBA trust balance moving forward.
 - The Shops have kicked off the Employee Review process starting the week of February 21st which is planned to go through April in time for the budget process.
 - The CSU Operating Agreement was set to expire this May 2022 so Mr. de Wit is currently working on putting that together to be submitted to the Chancellor's Office for approval.
 - As part of this documentation, he would be including the updated Board Bylaws that were approved in February 2020.
 - When the Board had made these Bylaw updates, they also approved updates to the Articles of Incorporation, however, the Shops attorney did provide feedback on these changes that would need to be considered by the Board at future meetings.
 - The CalPERS paydown of previously Board approved funding is scheduled for the end of March once we can verify that the spring semester budget will align with what was projected through the rest of the fiscal year
 - The annual budget process will be starting up soon and Mr. de Wit shared the Budget Schedule timeline that would extend over the next few months.

K. Adjournment

There being no further business, the meeting was adjourned at 12:03 PM