

**STUDENT UNION BOARD OF DIRECTORS
FINANCE COMMITTEE**

**Meeting Minutes
November 29, 2023
9:15 AM - 10:15 AM**

In-person: Student Union Building, Conference Room 6

Voting Members Present: Diego Alvarez, Kathryn Blackmer Reyes, Sara Bonakdar (BOD Designee), Andrea Cabrera-Sanchez, Dr. Sonja G. Daniels (BOD Designee)
Non-Voting Member Present: Tamsen Burke, David Alves, Aditya Vishwakarma (Board Member Trainee)
Guests: Jeff Hill, CFP®, AWMA®, Senior Vice President – Wealth Management, UBS Financial Services, Inc.

I. CALL TO ORDER

Director Cabrera-Sanchez called the meeting to order at 9:20 a.m.

II. ROLL CALL

Director Cabrera-Sanchez asked Kelly Goldsmith to take roll calls. Kelly Goldsmith completed a verbal roll call.

III. APPROVAL OF NOVEMBER 29, 2023 MEETING AGENDA

Director Cabrera-Sanchez asked for any changes to the agenda.

Director Cabrera-Sanchez asked for a motion to approve the agenda.

Director Alvarez motioned to approve the agenda; Director Daniels seconded the motion.

Vote on the Motion: 5-0-0 Motion Passed

IV. APPROVAL OF OCTOBER 25, 2023 MEETING MINUTES

Director Cabrera-Sanchez asked for any changes to the minutes

Ms. Burke explained that it's not a normal finance practice to use reserves if operating cash is exceeded. If this is a policy on the University side then the policy needs to be forward so the Committee and SU Accounting/Finance understand and can implement. Ms. Bonakdar will follow up with policy in writing for the Committee.

Director Cabrera-Sanchez asked for a motion.

Director Alvarez motioned to approve the minutes as presented; Ms. Bonakdar seconded the motion.

**Vote on the Motion: 4-0-1 Motion Passed
Abstain: Director Daniels**

V. DISCUSSION**A. Update of FY 2024-2025 Budget Process**

Student Union staff met with campus VP of Finance to discuss the 2024-2025 budget assumptions. Mr. Alves will be meeting with Ms. Burke to discuss the meeting and any modifications needed to the assumptions.

B. Review of Student Union Investment Policy Statement

Ms. Burke explained that there was a change in the Investment Policy in 2022 to the fixed income asset class and equities asset class, based on the volatility of the market at the time. A board special committee (SJSU CFO, SU BOD Chair, SU Finance Committee Chair, SU Director Accounting/Finance, and Executive Director) was created to review the UBS account and to see where there might be some volatility. UBS made a presentation to the Finance Committee about the rates and other options that would balance the portfolio. Based on those discussions is how the process was determined in 2022. The Special Committee also reviewed who would be the policy holder. Two investment firms provided presentations, which included UBS as a long standing provider for the Student Union investments. Based on the information provided in the presentations, no changes were made. UBS continues to be the Student Union's policy holder.

Jeff Hill, UBS Financial Services, Inc., provided a breakdown of how the accounts are structured as of today and how that aligns with the Student Union's Investment Policy. The Student Union has two accounts, a short term or cash account, and a long term reserve account. The Investment Policy applies to both accounts. The cash management account for the Student Union is a non managed account so there are no costs and no transaction costs as of today. The long term account has \$500,000 in a money market which is also a non managed account.

Mr. Hill reviewed the investment percentage limits in each asset class which included the changes to the fixed income asset class and equities asset class. UBS is trying to manage the long term reserve account based on the Investment Policy while also trying to manage liquidity and safety of principle at the same time. UBS is aware of the cash movement and how it's looked historically so they try to manage the cash and the liquidity between the short term cash management account and the long term account within the Investment Policy guidelines. Mr. Hill cautioned the Committee against making year to year changes to the Investment Policy just based on market conditions. Mr. Hill stated that the Student Union's Investment Policy is one of the better policies that they work with in how it reads.

VI. MEETING ADJOURNMENT

Director Cabrera-Sanchez asked if there were any objections to adjourning the meeting. Hearing no objections, the meeting was adjourned at 10:05 a.m.