

**AZTEC SHOPS, Ltd.**  
**Minutes of the Meeting of the**  
**Board of Directors**  
**February 21, 2014**

Members present: Jordan Harrison, Matt Keipper, Mariah Kelly, Dr. Seth Mallios, Tom McCarron, Josh Morse, Kyle Murphy, Dr. Andrea Rollins, Erika Tischofer and Carl Winston

Members Absent: Bill Earley and Eric Rivera

Others present: Donna Tusack, Lisa Albers, Gayle Fernandez, Jahan Jamshidi, Paul Melchior, Todd Summer, and R.D. Williams

**I. Call to Order**

Andrea Rollins, Chair, called the meeting to order at 12:11 p.m.

**II. Approval of the November 22, 2013, Board Meeting Minutes**

Andrea Rollins asked for approval of the minutes of the November 22, 2013, Board meeting. Carl Winston moved to approve the minutes of the November 22, 2013, Board meeting. Kyle Murphy seconded the motion. Motion was approved 10-0-0. Andrea announced and on behalf of the Board congratulated R.D. Williams on being this year's recipient of the Distinguished University Service Award which will be presented at The Montys on April 26, 2014 in Montezuma Hall.

**III. Conflict of Interest Report**

Donna Tusack explained that, in accordance with the Aztec Shops Conflict of Interest Policy, the Board is required to report any conflicts of interest for Aztec Shops employees and members of the Board of Directors. An annual memorandum to the Vice President of Business and Financial Affairs from Donna Tusack confirmed that for the calendar year ended December 31, 2013, Aztec Shops had no incidents of conflict of interest reported to Aztec Shops management.

**IV. Management Discussion**

**A. Introduction of Ed Glebus, Executive Chef**

Paul Melchior introduced Ed Glebus, a American Culinary Federation Certified Chef with experience in all aspects of kitchen and staff management, as Aztec Shops new Executive Chef. In addition to Ed's wealth of experience and his passion for farm to fork, he will be training seven of Aztec Shops chefs in preparation for their ACF certification.

## **B. Financial Report**

Donna Tusack summarized the financial report through Period 8 (ending February 9, 2014). The purchase of Sanctuary Suites was completed on January 31, 2013. Overall results are tracking in line with an aggressive budget. A number of new programs were added to the 2013-2014 budget that had limited historical information to help with budget assumptions. Preparation of the 2014-2015 budget has begun with a final draft to be sent to the President's Office for review by the first week in May.

## **C. Campus Stores Update**

Todd Summer, Campus Stores Director, summarized the Campus Stores financial report through Period 8 (ending February 9, 2014). Sales for spring rush were weaker than expected; the decline was mainly in text rental with some in text sales. Staff reductions have been implemented to reduce expenses. Web sales are up 20% in sales for apparel and gifts.

## **D. SDSU Dining Update**

Paul Melchior, Director, SDSU Dining, summarized the SDSU Dining financial report through Period 8 (February 9, 2014). Sales continue to be favorable to budget and stronger than last year. Early sales at Starbucks and Aztec Market in the new Student Union are strong. Margin is favorable to budget by 1% of sales. The Annual National Association of College & University Food Service survey showed improved customer satisfaction for the seventh straight year. Overall satisfaction with SDSU Dining is above the region and national average.

## **E. Business Development and Housing Update**

R.D. Williams, Director of Business Development and Contract Housing, reported that despite variances to budget by property, especially at Fraternity Row, financial performance of new properties continues to aggregate at or above budget with better ability to forecast costs going forward. Depreciation expense through Period 8 totaled \$1,477,970. The medium term future of the College Square shopping center is a focus of current planning.

## **V. Resolution for Authority and Signatories for Selected Real Estate Transactions**

Donna Tusack explained that in order to maintain adequate internal controls due to the increase in recent acquisitions, management requires certain officers and staff to execute transactions related to the acquisition and management of real estate holdings. David Bagley, Aztec Shops corporate attorney, drafted the Resolution for Authority and Signatories for Selected Real Estate Transactions. R.D. Williams reviewed the resolution with the Board.

Matt Keipper moved to approve the Resolution for Authority and Signatories for Selected Real Estate Transactions. Mariah Kelly seconded the motion. Motion was approved 10-0-0.

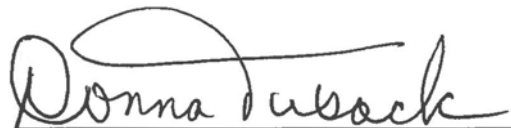
**VI. Executive Session: C.E.O. Performance Evaluation**

Andrea Rollins asked for a motion to move into closed session at 12:55 p.m. to discuss the Chief Executive Officer's performance evaluation. Josh Morse motioned to move into closed session. Mariah Kelly seconded the motion. Motion carried 10-0-0. The Board reconvened in open session at 1:13 p.m.

Tom McCarron announced that in Executive Session, the Board of Directors unanimously approved that the CEO receive a merit increase for the 2013/2014 fiscal year. Motion was approved 10-0-0.

**VII. Adjournment**

Andrea Rollins moved to adjourn the meeting at 1:15 p.m. Mariah Kelly seconded the motion. Motion was approved. 10-0-0

A handwritten signature in black ink that reads "Donna Tusack". The signature is written in a cursive style with a large loop at the beginning of the first name.

Donna Tusack  
Chief Executive Officer