

AZTEC SHOPS, Ltd.
Minutes of the Meeting of the
Board of Directors
December 11, 2015

Members present: Bill Earley, Anthony Lee, Tom McCarron, Andrew Meadows, Eric Rivera, Okaro Shinn and Blaire Ward

Members Absent: Megan Collins, Dr. Seth Mallios, Tyler Morgan, Kyle Murphy, and Carl Winston

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

I. Call to Order

Tom McCarron, Secretary/Treasurer, called the meeting to order at 12:20 p.m.

II. Approval of the September 18, 2015, Board Meeting Minutes

Tom McCarron asked for approval of the minutes of the September 18, 2015, Board meeting. Blaire Ward moved to approve the minutes of the September 18, 2015, Board meeting. Anthony Meadows seconded the motion. Motion was approved 7-0-0.

III. Public Comment

Tom McCarron initiated the public comment portion of the meeting and explained the public comment process. Brook Peterson, a SDSU graduate student, stated her reason for attending was to gain a greater insight into the function of the auxiliary. Natalie Martinez and John Shorack, both undergraduates, had no public comments.

IV. Management Discussion

A. Tom McCarron thanked Martha Speck, Senior Director of Management Services, for her service to Aztec Shops. Martha will be retiring in. February 2016.

B. Conflict of Interest

Donna Tusack explained that in accordance with the Aztec Shops Conflict of Interest Policy, Board members are required to report any conflicts of interest for the calendar year ending December 31, 2015. If there are no incidents of conflict of interest to report to management, each member of the Board of Directors is to sign and return an acknowledgement by January 31, 2016. An annual report memorandum for the calendar year ending December 31, 2015, will be submitted

to the Vice President of Business and Financial Affairs by January 31, 2016. The annual report will be discussed at the February 26, 2016, Board meeting.

C. Financial Report

Lisa Albers, Financial Services Director, summarized the financial report through Period 5 (ending November 15, 2015). Net from Operations is tracking ahead of budget due to strong results in Business Development and Housing. Corporate Administration is tracking 0.7% under budget through Period 5 and there were no unusual items to report.

D. Campus Stores Update

Todd Summer, Campus Stores Director, summarized the Campus Stores financial report through Period 5 (ending November 15, 2015). Todd reported soft sales in course materials. Although market share and sales were off slightly in the category, they seemed to have leveled off from the prior two years. A new program, Immediate Access, was approved by the course fee advisory committee on a pilot basis and will be implemented in the spring semester. There is an information page and opt-out page on the shopaztecs.com website. The ninth annual Faculty/Staff Holiday night was a success with 2,500 units of merchandise being sold. Additionally, the store hosted, in conjunction with the Alumni Association, a special event on National Giving Day. Over 100 students donated funds to student scholarships during the event.

E. Dining Services Update

Paul Melchior, Dining Director, summarized the Dining financial report through Period 5 (ending November 15, 2015). Catering Sales were soft to the budget. Total Expenses were higher than last year due to Aztec Shops Terrace opening and the implementation of part time sick pay. Net from Operations is expected to catch up to budget by year end. Dining collected 261,000 pounds in food donations as part of the annual SDSU Rocks Hunger campaign. Ten percent of the entire Aztec Rock Hunger collections went into the Economic Crisis Response Team (ECRT) bank for a total of \$6,800. The ECRT has served 18 students so far with either housing or food.

F. Business Development and Housing Update

R.D. Williams, Director of Business Development and Contract Housing, reported the depreciation expense recorded year-to-date is \$1,162,363. Strong occupancy at Fraternity Row and Albert's College Apartments continues to increase Revenue over budget. "Break even" occurred earlier than anticipated for the division. Construction and leasing at College Square and South Campus Plaza continues.

V. Executive Session

Tom McCarron asked for a motion to move into closed session at 12:55 p.m. to discuss the Chief Executive Officer's performance and compensation. Bill Earley motioned to move into closed session. Eric Rivera seconded the motion. Motion carried 7-0-0. 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 Donna Tusack receive a 2% merit increase effective January 1, 2016. Bill Earley motioned to approve the 2% merit increase. Okara Shinn seconded the motion. Motion was approved 7-0-0.

VI. Adjournment

Andrew Meadows moved to adjourn the meeting at 1:15 **p.m.** Bill Earley seconded the motion. Motion was approved. 7-0-0



Donna Tusack
Chief Executive Officer