

**AZTEC SHOPS, Ltd.**  
**Minutes of the Board of Directors**  
**June 13, 2014**  
**Board Meeting**

Members present: J. Cole, Matt Keipper, Seth Mallios, Tom McCarron, Kyle Murphy, Eric Rivera and Erika Tischofer

Members absent: Dr. Andrea Dooley, Bill Earley, Mariah Kelly and Carl Winston

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

**I. Call to Order**

Tom McCarron, Secretary/Treasurer, called the meeting to order at 12:22 p.m.

**II. Approval of the minutes of the Board of Directors Meeting of April 25, 2014**

Seth Mallios moved to approve the April 24, 2014, Board Meeting minutes. Erika seconded the motion. Motion was approved 7-0-0.

**III. Audit Committee Meeting Report**

Lisa Albers reported that the Audit Committee (Jordan Harrison, Valerie Carter and John Penrose, plus management representatives, Donna Tusack and Lisa Albers and university representative, Lia Cardoni) met with Jerry Varga, Nikki Ringnes, Luis Rosete, and Kristina Salvati, McGladrey & Pullen audit firm representatives, on May 2, 2014. The committee approved filing the IRS Form 990. The specifics of the audit were discussed. The audit will be conducted in accordance with generally accepted auditing standards in the United States (GAAS) and Generally Accepted Government Auditing Standards (GAGAS) which includes a risk based approach. The timeline to meet required deadlines for completion of the audit was discussed. Matt Keipper, chair of the Audit Committee, signed the engagement letter. The engagement letter, meeting minutes and the attachments from the May 2nd meeting were distributed. J. Cole and Andrea Dooley have been appointed to the Audit Committee replacing Jordan Harrison and Dr. James Kitchen.

**IV. Approval of the 2014/2015 Operating Budget**

Donna Tusack reported that a budget workshop was conducted on June 10, 2014, to review the proposed operating budget for fiscal year 2014/2015. She explained that President Hirshman reviewed and approved the budget prior to the budget workshop. The Board had an opportunity to discuss the budget in detail at the workshop. Donna presented the key financial points in the Aztec Shops overall budget. Mandated increases such as the minimum wage increase in California and the implementation of the national Affordable Care Act attributed to increased expenses. Kyle Murphy moved to approve the 2014/2015 operating budget. J. Cole seconded the motion. Motion carried 7-0-0.

**V. Allocation of Earnings**

Donna Tusack reported that management recommends an earnings allocation for 2014/2015 in the amount of \$310,000 to the University's Auxiliary Discretionary Fund and an allocation to the Associated Students Campus Community Relations fund of \$55,000. In addition, \$400,000 will be allocated this fiscal year toward San Diego State University's Strategic Plan goal as outlined by the President and San Diego State University's Scope of Authority.

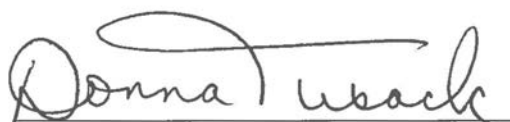
Matt Keipper moved to approve the allocations as outlined in the board attachment. Kyle Murphy seconded the motion. Motion carried 7-0-0.

**VI. Resolution Establishing Board of Directors Schedule of Meetings for Academic Year 2014/2015**

Donna Tusack presented a resolution to establish a Board meeting schedule for the 2014/2015 academic year. Erika Tischofer moved that the Board of Directors approve the resolution establishing a Board of Directors meeting schedule for the 2014/2015 academic year. Kyle Murphy seconded the motion. Motion carried 7-0-0.

**VII. Adjournment**

Erika Tischofer moved to adjourn the meeting at 12:48 p.m. Kyle Murphy seconded the motion. Motion carried 7-0-0.



Donna Tusack  
Chief Executive Officer