

**AZTEC SHOPS, Ltd.**  
**Minutes of the Board of Directors**  
**June 12, 2015**  
**Board Meeting**

Members present: Megan Collins, Mariah Kelly, Seth Mallios, Tom McCarron, Kyle Murphy, Tyler Morgan, Eric Rivera, Okaro Shinn and Carl Winston

Members absent: Bill Earley, Anthony Meadows and Blair Ward

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

**I. Call to Order**

Mariah Kelly, Chair, called the meeting to order at 12:13 p.m.

**II. Approval of the minutes of the Board of Directors Meeting of April 24, 2015**

Carl Winston moved to approve the April 24, 2015, Board Meeting minutes. Tom McCarron seconded the motion. Motion was approved 9-0-0.

**III. Management Discussion**

1. Donna Tusack thanked Mariah Kelly for her service and contributions to the Board.
2. Lisa Albers presented the Statement of Financial Position (Balance Sheet) as of May 3, 2015 and May 5, 2014 and Statement of Activities (Income Statement) year-to-date through the end of Period 11. These are new financial reports that she prepared as requested by the Board of Directors. She explained that the Statement of Financial Position shows total assets (what is owned), total liabilities (what is owed), and net assets (the difference between owned and owed). She walked the board through the report details and answered various questions.
3. Donna Tusack shared an article with the Board that was published in the May 15, 2015, issue of Foodservice Director. This fall, San Diego State will become the first U.S. Campus to 'Certify Green' all campus-owned dining locations.

**IV. Audit Committee Meeting Report**

Lisa Albers reported that the Audit Committee (Kyle Murphy, Chair, Megan Collins, Valerie Peterson and John Penrose, plus management representatives, Donna Tusack, Lisa Albers and Donna Martens and university representative, Lia Pierce) met with Rick Wentzel and Rachel Clark, Grant Thornton audit firm representatives, on May 1, 2015. The committee approved filing the IRS Form 990, unrelated business income tax 990T and applicable California returns and these

returns were sent to the full board prior to filing. The specifics of the upcoming audit were discussed. The audit will be conducted in accordance with generally accepted auditing standards in the United States (GAAS) which includes a risk based approach. Rick described the audit methodology and that materiality will be based on total revenues. Kyle Murphy, chair of the Audit Committee, signed the engagement letter. The meeting minutes and the attachments from the May 1, 2015, meeting were distributed.

**V. Approval of the 2015/2016 Operating and Capital Budget**

Donna Tusack reported that a budget workshop was conducted on June 5, 2015, to review the proposed operating and capital budgets for fiscal year 2015/2016. She explained that President Hirshman reviewed and approved the budget prior to the budget workshop. The Board had an opportunity to discuss the budgets in detail at the workshop. Donna presented the key financial points in the Aztec Shops overall budget including the 2% merit pool effective January 2016, financial goals for compensation/incentives, increase in CalPERS contribution, minimum wage increase and major capital projects.

Kyle Murphy moved to approve the 2015/2016 operating and capital budgets. Carl Winston seconded the motion. Motion carried 9-0-0.

**VI. Allocation of Earnings**

Donna Tusack reported that for the 2015/2016 fiscal year management recommends an earnings allocation in the amount of \$310,000 to the University's Auxiliary Discretionary Fund and an allocation in the amount of \$55,000 to the Associated Students Campus Community Relations.

Seth Mallios moved to approve the allocations as outlined in the board attachment. Tyler Morgan seconded the motion. Motion carried 9-0-0.

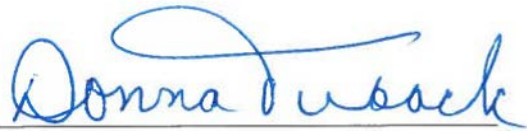
Donna Tusack reported that an additional \$400,000 will be allocated for the 2014/2015 fiscal year toward San Diego State University's Strategic Plan goal as outlined by the President and Scope of Authority.

**VII. Resolution Establishing Board of Directors Schedule of Meetings for Academic Year 2015/2016**

Donna Tusack presented a resolution to establish a Board meeting schedule for the 2015/2016 academic year. Kyle Murphy moved that the Board of Directors approve the resolution establishing a Board of Directors meeting schedule for the 2015/2016 academic year. Seth Mallios seconded the motion. Motion carried 9-0-0.

**VIII. Adjournment**

Seth Mallios moved to adjourn the meeting at 12:46 p.m. Kyle Murphy seconded the motion. Motion carried 9-0-0.

A handwritten signature in blue ink that reads "Donna Tusack". The signature is fluid and cursive, with a large loop at the top of the first letter 'D'.

Donna Tusack  
Chief Executive Officer