

## MINUTES

FORTY-NINER SHOPS, INC.

### BOARD OF DIRECTORS MEETING

**Friday, December 4, 2020 – Zoom Conference Meeting**

(Exception Made Due to Covid-19 Issues & Campus Safety Precautions)

**Members Present:**

Dr. Beth Lesen

Dr. Wendy Reiboldt

Ms. Tracey Richardson

Ms. Genesis Jara

Mr. Omar Prudencio Gonzalez

Ms. Maythe Alderete Gonzalez

Ms. Adriana Andrade Rodriguez

**Absent:**

Mr. Scott Apel

Dr. Praveen Soni

Mr. Jeremy Harris

**Staff Present:**

Mr. Robert de Wit, Interim General Manager/Controller

Ms. Marianne Russo, Executive Secretary

Ms. Rosa Hernandez-Henderson, Director of Human Resources

Mr. Clint Campbell, Director of Contracts & Facilities Management

Mr. Alfredo Macias, Director of Residential Dining Services

Ms. Cyndi Farrington, Interim Bookstore Services Director

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**A. Call to Order:**

The meeting was called to order at 10:31 a.m. by Dr. Beth Lesen, Vice-Chair.

**B. Approval of the Agenda:** December 4, 2020

Motion to accept the Agenda as presented.

By acclamation the Agenda for the meeting of December 4, 2020 was approved.

**C. Approval of Minutes:** October 30, 2020

Motion to accept the Minutes as presented

By acclamation the minutes of October 30, 2020 were approved as presented.

**D. Board Chair's Report:**

- Risk Management & Business Continuity:
  - As part of our Board policy, the Shops needs to annually provide a risk management overview to the Board members, however, in our last CSU Audit we were found to be out of compliance with this report out. Therefore, this has now been slated to occur during our December meeting.
  - Ms. Hernandez and Mr. de Wit will be reviewing our current risk management efforts and general insurance information along with the business continuity plan.
    - Due to our unique work environment including retail and food services, catering, cash handling, alcohol licenses and various satellite operations along with our equally unique employee pool of sometimes inexperienced student staff, makes risk management all the more critical to our organization.

- Historically when it comes to our accidents and injuries, Ms. Hernandez reported that most of these incidents have occurred in our dining service departments, although with the Covid-19 pandemic crisis, we have closed most of our retail dining locations and Beach Catering this past March.
  - Additionally, the Shops had to lay off a significant amount of our staff due to the campus closure and some of our staff are telecommuting which has resulted in a lower accident rate for this year.
- Ms. Hernandez explained that formerly the Shops had a Safety Committee whose main focus was on safety and reviewing employee accidents.
  - In 2019, we changed this approach and put together a Risk Management Committee working group that actively helps to mitigate risk by ensuring that we are conducting the necessary company-wide safety training, are in compliance with regulatory requirements and committee members act as liaisons back to their respective divisions and departments in support of these efforts.
  - Highlights from this committee over the past year include:
    - a. Introduced department location audits with a corrective action process.
    - b. Formalized in-person Cart and Vehicle Driver Training instruction.
    - c. Implemented a centralized website for all Risk Management information that includes agendas and minutes for all meetings.
    - d. Organized and maintain departmental Sanitation, Cleaning & Disinfecting Plans that constantly are being adjusted and updated to meet staff needs.
- This year with the pandemic crisis, the 49er Shops developed the following mitigations efforts:
  - Developed a COVID Response Plan and City of LB Social Distancing Protocol.
  - Contracted with INX for increased cleaning and sanitation of all open Shops locations.
  - Introduced companywide COVID Mitigation Training for not only management but hourly and incoming staff.
  - Updated the Injury Illness and Prevention Plan to include not only the city and state mandates and guidelines for COVID-19 but also aligned them with the campus policies and procedures.
  - Increased Employee Communication through Shops-At-A-Glance employee newsletters which she reviewed with the board on our Risk Management website.
- When it comes to our risk management efforts, the Shops strives to maximize resources available through the campus as well as in our Long Beach community such as our CSURMA/AORMA insurance, the Fire Marshall, LA County Weights & Measures, LB Health Department and the CSULB Environmental Health & Safety department.
- Mr. de Wit reviewed the Shops current insurance coverage through CSURMA & AORMA which covers liability, property, workers compensation, unemployment insurance and participant accident insurance.

- He also reviewed the full year 2020-2021 coverage premium and rates for each different type that the 49er Shops carry.
- The Business Continuity Plan was put into place last year and captured the critical operation documents along with the IT component satisfying the CSU audit requirements for Disaster Recovery. Plan maintenance is currently overseen by our Risk Management Committee.

Motion that the Board has reviewed and approved the updates to the current Risk Management program

M/S Dr. Reiboldt / Ms. Richardson

By acclamation the board approved the Risk Management program as presented

- Articles & Bylaws:
  - Mr. de Wit discussed that a recent revision to our 49er Shops Articles & Bylaws had been discussed and approved at the February 21<sup>st</sup> Board meeting earlier this year.
    - From there, he had submitted these documents to 49er Shops legal counsel, Mr. Allen Thomas, before submitting the Articles to the state of California.
    - Mr. Thomas provided feedback about the revisions made to both the Articles & Bylaws and included suggestions that the Board may want to consider before moving forward with these documents.
  - The revised versions of these along with Mr. Thomas' feedback have been sent to the board for their review and for further discussion at our next meeting.

## **E. General Manager's Report**

- Mr. de Wit gave an update on the CalPERS audit which had taken exception to our Incentive compensation plan qualifying for retroactive special compensation adjustments.
  - This past week, we have formally appealed this exception finding due to the fact that we believe we had a solid plan in place for our incentive program and within the last 10 years, the Shops have consulted with 3 separate third-party compensation consultants who have not seen any issues with this program.
  - This will lead to more discussions with CalPERS representatives within the next 60 days and Mr. de Wit will update the Board as to their response moving forward.
- We recently withdrew over \$3,000,000 from our MorganStanley investment funds to help with financing our current and future operating expenses through the spring semester.
  - Fortunately, we have seen investment gains in the last few months and in November reported a gain of over \$1,000,000.
- Our Residential Dining department is still participating in the Great Plates program which is helping to bring in additional funds for the Shops.
- Mr. de Wit is currently working on the Paycheck Protection Program loan forgiveness and should be submitting that documentation in January 2021.

## **F. Adjournment**

There being no further business, the meeting was adjourned at 11:34 AM