

CAL MARITIME CORPORATION
Board of Directors' Meeting Minutes
Tuesday, June 3, 2025 | 9:00 a.m.
Virtual via Zoom

I. CALL TO ORDER AND INTRODUCTIONS

Chair Angie Kraetsch called the meeting to order at 9:01 a.m.

Present: Nikhil Hunter, Angie Kraetsch, Alex Parker, Joy Pedersen, Dinesh Pinisetty, Michael Rodgers, William Tsai

Staff Present: Dan Banfield, Andrea Burns, Holly Clark, Jess Dozier, Allison Baird-James, Russell Monteath, Erin Scherer, Cody VanDorn

Absent: Graham Burton, Chelsea McClain, Marie Hernandez

II. PUBLIC COMMENT

No public comments were received.

III. APPROVAL OF MINUTES

Approval of July 29, 2021 Minutes

Motion: Michael Rodgers

Second: William Tsai

Result: Unanimously approved.

IV. CHAIR REPORT

A. Chair (Angie Kraetsch)

Angie Kraetsch introduced this as the first meeting of FY 2024-25. She noted operational savings resulting from integration with Cal Poly Partners:

- \$200,000 saved via the new campus dining vendor, Chartwells' management of campus dining on the Golden Bear ship
- \$200,000 saved from settling past invoices with Sodexo

She also noted financial outcomes:

- FY 2022-23 ended with a \$700K deficit, covered by general funds
- FY 2023-24 ended with a \$864K deficit, covered by general funds
- FY 2024-25 is projected to break even

She announced the housing function is staying with the University, while Campus Dining, Conference & Event Planning, and the Bookstore will remain under the Corporation.

B. Chief Executive Officer – Cal Poly Partners (Cody VanDorn)

VanDorn introduced legal counsel, Z. Naccasha and provided context on Cal Poly Partners, highlighting:

- 85-year history as an auxiliary to Cal Poly SLO
- Over 1,700 employees and the largest student employer on campus

He outlined a 6-month engagement with Cal Maritime stakeholders and noted achievements including:

- Forming the Board of Directors
- Creating a compliant structure/governance for the Corporation
- Drafting a budget
- Planning long-term alignment and strategy

He acknowledged the decision to maintain Cal Maritime Corporation as a separate auxiliary for now.

V. STAFF PRESENTATIONS

A. Chief Financial Officer Report – Cal Poly Partners (Dan Banfield)

Banfield reviewed the board's fiduciary duties and financial systems:

- Books and Records are currently maintained on PeopleSoft; migration to Cal Poly's platform expected post-FY 2026. Cal Poly Partners will assist Cal Maritime with maintaining records.
- Budgets require board approval
- Annual external audits are conducted (CliftonLarsonAllen); will be reviewed in fall
- CSU Policy as well as establishing their own policies

He detailed the shift to a traditional university auxiliary relationship from the previous management service agreement that was in place. Program expenses and revenues will be seen in the new financial statements. There may also be changes from FASB to GASB reporting. Banfield emphasized the need for collaborative internal controls and accurate transaction records.

Board discussion included reflections on past audit processes and structural differences in financial operations.

The past relationship between the auxiliary and the university was a services relationship, past vendor agreements were held with the University while the auxiliary managed the contracts. Management fees were received by the auxiliary. Detailed allocations were not on the auxiliary financial statements.

VI. BUSINESS

A. Commercial Services Update and Budget

Presenters: Andrea Burns, Jess Dozier, Russell Monteath

Campus Dining:

- Transition of campus dining vendor from Sodexo to Chartwells, effective FY 2025-26 with a management agreement
- Retained 29 of 33 dining employees
- Improvements include food quality, service hours, and infrastructure (e.g., HVAC, refrigeration, kitchen systems)
- Student survey results with 55% response:
 - 80% dissatisfied with food quality

- 85% dissatisfied with pricing
- 90% satisfied with customer service

Projected loss of \$145K, with break-even potential through increased enrollment.

Bookstore:

- Keelhauler Shops transitioning to Follett in Fall 2025
- Enhanced merchandise, courseware access, and event staffing
- FY 2024-25 to end at break-even (\$17K profit)
- FY 2025-26 expected to break even with reduced expenses and commission-based revenue

The board discussed the bookstore impact on employees due to new management. These people are being evaluated for other roles.

Conference & Event Planning (CEP):

- Erin Scherer outlined new CEP management under Cal Poly Partners
- Events will be vetted for profitability and coordinated with support services
- Potential for revenue growth through full-campus utilization

Housing:

- Transitioned to University management, aligning with Cal Poly's model
- Cost efficiencies anticipated; custodial services no longer managed by Sodexo

The decision to move housing out of the corporation was made by Allison Baird-James to manage housing in the same way to Cal Poly, creating synergies in management cost and consistent processes between the two campuses.

Note: Chair will follow up via email for motion, second, and vote on the Commercial Services budget approval. The motion was made by Joy Pedersen and seconded by Dinesh Pinisetty. All board attendees replied via email and approved of the budgets as presented. None opposed.

B. Proposed Meeting Dates for FY 2025-26

FY 2025-26 board member appointments to be issued in upcoming months. Meeting dates to align

with academic calendar. Announcements of new members to take place at the November 2025 meeting.

Proposed dates:

November 21, 2025

March 13, 2026

April 17, 2026

C. Appointment of Student Board Members

Student terms are one year but it is preferred to have them for more than one year to allow mentoring between outgoing and incoming members.

VII. ANNOUNCEMENTS

Next Meeting: Friday, November 21, 2025

VIII. ADJOURNMENT

Meeting adjourned at approximately 10:05 a.m.