

CSUSB FOUNDATION

Building a Culture of Philanthropy

EXECUTIVE COMMITTEE MEETING MINUTES

Thursday, September 13, 2018, 3:00 p.m.

University Enterprises Corporation, Conference Room: UE-102

Pursuant to notice given, the Executive Committee of the CSUSB Philanthropic Foundation convened for a regular meeting at California State University, San Bernardino 5500 University Parkway, San Bernardino, CA 92407 on Thursday, September 13, 2018.

Minutes

Members Present:

Mark Edwards
Ron Fremont
Shari McMahan
Sam Sudhakar
Ellen Weisser

Guests Present:

Monica Alejandre
Michelle Cazares
Davina Lindsey
Kim Shiner
Crystal Wymer-Lucero

Members Absent:

Douglas Freer
Cole Jackson
Tomás Morales
Neale Perkins
William Stevenson
Edward Teyber

Welcome

Ellen Weisser called the meeting to order at 3:06 p.m.

Approval of Minutes for Executive Committee Meeting – May 10, 2018

Motion: The minutes of the May 10, 2018 Executive Committee meeting were reviewed and approved (Edwards/Sudhakar/Unanimous).

Executive Director Report

Fremont welcomed everyone to the meeting. He highlighted that since January, along with San Manuel Band of Mission Indians, it has been a joint goal to elevate the college-going rate for Native American Students. The 'Native American Task Force for Student Recruitment and Retention' launched last spring which drew tribal voices and academic leaders to discuss issues that impact college going rates of Native students. Fremont shared that the end product will be the announcement of a \$960,000 gift to CSUSB

from San Manuel to help hire two Admissions and Outreach positions over a three year period with a state-wide approach; year one will focus on Southern California, year two will focus on Central California, and year three will focus on Northern California. Fremont added that CSUSB has announced plans to hire a Director of Tribal Relations under Pam Langford's leadership out of the Office of the President. Fremont noted that CSUSB may be the best access point to a college education in Southern California as we can address financial support and scholarship opportunities. Fremont states that he is confident it will elevate CSUSB's brand as campus that cares.

Corporate Foundation Relations and CSUSB's Center for Undocumented Students received \$125,000 from the California Campus Catalyst Fund to develop ways to respond to needs of undocumented students. Shiner noted that the gift significance is not just the amount but the informal commitment to renew funding for the next three years. Additionally, there is a consortium of funders including foundations that CSUSB can work to build relationships with. Fremont reported that we are \$1.3 million shy of the \$50 million campaign goal line and the focus is to exceed that; there are \$730,000 that our Corporate Foundation Relations are focused on. Fremont added that CSUSB will disperse \$2.9 million this year between endowment earnings and scholarship expendable funds, an unprecedented number in CSUSB history. The \$1.4 million in endowments is more than double from six ago. Fremont reiterated that the focus is that no student in need graduates with a high level of dept.

The Chancellors Office completes a comprehensive audit on different auxiliaries every 3 to 4 years and the outcomes are shared with the Board of Trustees and Presidents. An audit four years ago identified items to correct. This year, CSUSB underwent a 'soft audit' where The Chancellor's Office only reports back to us. They identified a few items including the need for the establishment of policies on hospitality, travel, and conferences. Fremont shared his confidence in our ability to address the issues by our December Board Meeting and introduce those policies for a full board vote on them.

Fremont invited Sudhakar and Shiner to update the committee on the search for Vice President for University Advancement who will serve as his successor. Sudhakar shared that a pool of six candidates were invited for Zoom interviews. He adds that early next week, the pool will be narrowed to three candidates to be invited to campus by the second week of October and the decision will be made near the third week in October. Shiner contributed that we are on track to allow for overlap and transition.

Fremont shared that it was the will of the Foundation to develop policy language for a carry forward fund and what to cap that fund at. Fremont stated that the target is \$1.5 million because \$1.4 million is being awarded this year, the most we have ever awarded. Fremont stated that we want to ensure our assets are protected to serve our students the best way we can.

Our Office of Strategic Communication won an international CASE Gold award for CSUSB's branding campaign in the 2018 Circle of Excellence Awards from CASE (Council for Advancement and Support of Education), the governing association for advancement. The awards program recognizes outstanding work in advancement services, alumni relations, communications, fundraising and marketing among CASE member institutions worldwide. They are judged by peer professionals at schools, colleges and universities as well as by professionals from outside education.

Fremont announced recent additions to campus. Harry Le Grande joined as Interim Vice President for Student Affairs, Jake Zhu is the new Interim Dean of the College of Education, Bruce Shepard is our Interim Dean at Palm Desert Campus, Rueyling Chuang is our Interim Dean for the College of Arts and

Letters, Sastry Pantula is our new Dean for the College of Natural Sciences, and Prince Ogidikpe is our new Associated Students Incorporated President.

Shiner noted that Monica Alejandre and Erika Quiñonez were invited to present at the Association for Advancement Services Professionals, an international conference. They will present on the change management and endowment reporting process. Through the use of technology, areas in the donor database were identified and with help from Information Technology's team, and Auxiliary Financial Services, they were able to decrease the time spend on donor impact reports from two weeks to about a day. Fremont added that the reports have had a direct impact on the quality of our relationships with our donors that demonstrate the outcome of their giving with the faces of their students, the bios, how much is in their fund.

Financial Review

Lindsey directed the committee to the Philanthropic Foundation Financial Statements. She highlighted the final balance as of August 2018 and the fund balance for the Philanthropic Foundation Operating Fund. Items to note on the Statement of Financial Position include long-term investments with pending items from Beacon Point where June figures have not been updated. Auxiliary Accounting is working with the auditors and Beacon Point to finalize the figures.

Investment Committee Report

Fremont reported that the Investment Committee met with Beacon Point to see earning numbers as of June 30 as well as funds as of August. The fund earnings hovered around zero for the quarter and earnings that will be turned into the Chancellor's Office based on the fiscal year is about 5.4%.

In July, the Investment Committee launched an RFP to evaluate our current endowment management firm as a good business practice. Five firms will be invited to campus for presentations in October; Beacon Point, our current management firm, is one of the five. The Investment Committee will make a recommendation to the full board moving forward. Fremont shared that the RFP process demonstrates we are doing our due diligence with one of the largest assets we have on campus.

Freer contributed that the Investment Committee discussed lower performing and will continue to evaluate their performance before deciding on reallocating them within the class or moving them out of the class. Fremont added that the relationship with St. James was severed this summer but investment in private real estate has been very strong.

Alumni Report

Wymer-Lucero directed the committee to the Alumni Report. She highlighted the first CSUSB Alumni Night at Dodgers Stadium, the largest gathering of Alumni outside of CSUSB in over 50 years; Alumni is hoping to turn this into an annual event. Similar options are being explored, including an Ontario Reign Hockey game in the Winter. About 100 unique alumni were engaged through a variety of mixers and noted that many alumni came to multiple events. On Sunday, the class of '68 will convene for their 50th anniversary of their graduation, a tradition started last year. A plaque with the names of our first graduates will be installed outside of Sierra Hall commemorating the first location of the first commencement. Homecoming is October 27 and thanks to the support of the President's cabinet, alumni is anticipating seeing about 2000 people. Wymer-Lucero directed the committee to the last page of the report showing the Alumni Board of Directors. William (Bill) Stevenson is our president followed by Jua-Nita R. Williams Houston, as our Vice President. Three fully formed alumni chapters were developed over the summer – Latino, EOP, and the Faculty/Staff Alumni Chapter. There is work being

done to launch chapters for the Dreamer's Center, Athletics, and the Honors Program. Finally, a dinner with African American Alumni on Monday night encouraged community leaders to get invested in helping increase the African American student; the next initiative will be to connect them with the campus community to leverage their relationships and knowledge to help support our students.

Advocacy Report

Edwards highlighted that Governor and Legislature reached a final budget agreement for the California State University which provided a one-time increase of \$169 million. While the CSU was well supported, the system's budget request was not fully funded. Lt. Governor Gavin Newsom, who serves on the CSU Board of Trustees is favored to win the California gubernatorial race and has stated the CSU ought to be bolder in its budget requests; investment in CSU could improve next year.

The Federal Budget - Congressional leaders will attempt to pass nine of the 12 funding bills by October 1. A key concern is whether the president will force a government shutdown if Congress does not address border security in the new budget.

Hundreds of bills passed out of both legislative houses before the 2018 session adjourned on August 31. Governor Brown has until September 30 to act on these bills. While the CSU Board of Trustees did not sponsor any legislation this session, there are a number of bills with implications to the system.

Freer added his appreciation for the response from Chancellor's Office to one-time funding of enrollment growth which indicated that there is no increase in FTE targets for campuses, instead money will be used to better support students enrolled.

Update on Investment Consultant RFP

Fremont provided updates on the Investment Consultant RFP.


Events of Note

Golden Grads Luncheon (September 16 - CSUSB); Convocation (September 17 - CSUSB); Housing and Coyote Commons Grand Opening (September 17 - CSUSB); CSUSB Homecoming (October 27 - CSUSB); and December Board Meeting (December 6 – Red Hill Country Club)

Meeting adjourned at 3:47 p.m.

Signature of Minutes Approval
Executive Committee Meeting

Thursday, September 13, 2018, 3:00 p.m.
University Enterprises Corporation, Conference Room: UE-102

Signature:  Date: 9/27/19

Print Name: William Stevenson Board Position: Secretary