

# CSUSB FOUNDATION

*Building a Culture of Philanthropy*

## CSUSB PHILANTHROPIC FOUNDATION BOARD OF DIRECTORS MEETING MINUTES

Thursday, June 2, 2016, 6:00 p.m.

Pursuant to notice given, the Board of Directors of the CSUSB Philanthropic Foundation convened for a regular meeting at the Arrowhead Country Club- 3433 Parkside Dr., San Bernardino, CA 92404 on Thursday, June 2, 2016.

### **Members Present:**

Dr. Donald Averill  
Dr. Dorothy Chen-Maynard  
Mr. Bryce Davis  
Mr. Juan Delgado  
Mr. Mark Edwards, Esq.  
Mr. James Ferguson  
Mr. Douglas Freer

Dr. Ronald Fremont  
Dr. Brian Haynes  
Mr. James Imbiorski  
Mr. Cole R. Jackson  
Mr. Wilfrid Lemann, Esq.  
Dr. Tomás Morales  
Mr. Richard R. Oliphant  
Mr. Neale A. Perkins

Mr. Alexandru Roman  
Mr. Paul M. Shimoff, Esq.  
Mr. William M. Stevenson '84  
Dr. Samuel Sudhakar  
Dr. Edward C. Teyber

### **Members Absent:**

Mr. Amro A. Albanna '91  
Mr. Bob Burlingame  
Mrs. Lois J. Carson '67  
Mr. Al Cayir  
Mr. Greg K. Christian  
Mr. Henry W. Coil, Jr.  
Mr. Benjamin P. Cook  
Mr. Jim Cuevas  
Mr. Sundip R. Doshi '90

Mr. Gerald Fawcett '74  
Mr. Paul Granillo '91  
Mr. Sung-Kyoo Huh  
Mr. Mark A. Kaenel '84 & '89  
Mr. Dobbin Lo  
Ms. Barbara McGee  
Dr. Yolanda T. Moses '68  
Ms. Margaret Perry  
Ms. Madelaine Pfau  
Mr. Steve PonTell

Mr. James C. Ramos, Jr. '02  
Mr. Donovan Rinker-Morris '00  
Mr. Phillip M. Savage, IV, Esq.  
Mr. Jeffrey S. Shockey '88 & '94  
Dr. Ernest H. Siva  
Ms. Jean M. Stephens '91  
Mr. Bruce D. Varner  
Mrs. Ellen G. Weisser '68

### **Guests Present**

Terry Ballman  
Beth Brenner  
Michelle Cazares  
Kirsty Fleming  
Pam Langford  
Erika Quinonez  
Larry Rose  
Davina Walls

## **A. Call to Order**

Mark Edwards called the meeting to order at 6:57 p.m.

## **B. Approval of Minutes**

**Motion Accepted:** The minutes of the March 24, 2016 Board of Directors meeting were reviewed and approved as written (Chen-Maynard/Imbierski/Unanimous).

## **C. Committee and Other Reports**

**1. Executive Director Report:** Fremont welcomed everyone to the Arrowhead Country Club and also introduced Michelle Cazares, his new Executive Assistant. He invited everyone to look at the Dashboard Indicators report, which reflected about \$5.1 million for the year. He also shared that the fiscal year would end June 30<sup>th</sup>, and that the Development Team was working hard to close various gifts – about a million dollars in the pipeline. Alumni Giving was also triple from what it was in the previous year, at 1.2 million dollars, Foundation Giving was up 50% at 1.1 million, and Corporate Giving exceeded the previous year's total at \$1.4 million.

Fremont mentioned that the University Advancement division had been undergoing a campaign readiness assessment, and was preparing to enter a comprehensive campaign – he will share that information once the plans are detailed out.

Fremont shared some new information that was not included in the Board packet. The following evening – June 3<sup>rd</sup> – at 6 o'clock, the presumptive Democratic nominee, Hillary Clinton, was to be on campus in a rally. Fremont noted that it was an exciting time for CSUSB to be hosting the presumptive democratic nominee in our 50<sup>th</sup> anniversary year.

**2. Investment Committee Report:** Stevenson stated that the packet contained breakdowns and summaries of the Foundation's investments, which were \$23.3 million at the end of April. The May deposit index showed a return for year-to-date of 2.8%. The Investment Committee recently met and discussed what the investment philosophy should be, and for the Foundation's purpose, the main focus was preservation of capital – not so much to obtain an upside, but to protect from a downside movement in the market. Stevenson concluded that the Investment Committee was very satisfied with the current investment portfolio.

**3. Alumni Committee Report:** Edwards reminded the Board that Stevenson will serve as chair of the Alumni Committee in the coming year, and motioned to Stevenson to provide the report.

Stevenson remarked that this had been a great year for the Alumni Association, and that they will use this year's activities as a springboard for the upcoming year. There was page in the packet titled CSUSB Alumni Engagement Progress, which listed some, but not all, of the activities held. Stevenson highlighted the "Professor for a Day" program, where an Alumni can

connect with a professor and teach a class for that professor. He encouraged everyone to participate in the program, noting that the students are really interested in hearing from professionals and alumni. Stevenson also mentioned a few upcoming events, such as: the unveiling of "Wild Song", a new coyote statue in front of the student union; the Senior Send-Off Party for graduating seniors; Commencement at PDC on the 16<sup>th</sup>, and at Citizens Business Bank Arena on the 18<sup>th</sup> for the main campus.

**4. Advocacy Report:** Edwards provided the advocacy report, starting off by mentioning that we were within two weeks of the Constitutional deadline for budget in California. The governor's initial budget for proposed funding for the CSU system was \$101 million dollars short of the Trustees Budget. There have been a number of visits to push for the system to advocate for full funding for the system. President Morales and Pam Langford were up in Sacramento two weeks prior to the meeting, two days earlier the mascots from all the CSU campuses were there, and Edwards himself had been up to Sacramento on this issue twice this year. One of the most influential documents was a chart prepared by the Chancellor's office on the current state of funding within California since the great recession in 2007-2008. That chart showed community colleges were up 30% from the funding before the great recession; K-12 education was up 17.4%, corrections was up 13.5%, health and human services was up 7.9%, CSU was still 4.5% below its funding before the great recession, and UC was 6.2% below. Edwards pointed out that the latest development on the budget was that the Assembly Budget Committee had proposed a budget that included full funding – \$101 million dollars over the governor's proposal plus the \$25 million additional funding from the governor. The state senate's budget included the \$25 million one-time funding but did not include the \$101 million dollars additional funding over the governor's budget. Because the two houses disagreed, it became a matter of having a conference committee, but Edwards stated that in the coming 13 days, we should know where the state budget would be.

Edwards reported on the effort to amend the charter in the City of San Bernardino and stated that there was a draft that was being circulated in which the charter would reduce the number of wards by one in order to obtain an odd number of voting members. The city clerk, the city treasurer, and the city attorney would all be appointed positions. The charter also suggested having professional full time city managers appointed by the mayor and council. Those changes would make a huge difference in streamlining and giving some effective governing. The charter also seemed to remove Provision 186, which in essence said that salaries of police and firefighters were based upon an average salary of five other cities. It was ambiguously stated that they were supposed to be comparable cities. However, part of the dysfunction was that over 70% of the city's budget was dedicated to police and fire, and so police and fire were controlling the elections in San Bernardino.

President Morales added that they had been working to educate the residents of the city of San Bernardino about the charter, and disclosed that because he is a public official, he could not take a position publically for or against the charter reform, but was aware that the

newly revised charter was clearly more aligned to charters across California for a city of about 200,000 people. Morales also commented that he believed the most significant change was the outsourcing of the fire department, which was consistent with every other municipality in this region, and would allow the city to invest in the police department. He believed the police department was grossly underfunded and understaffed, and by providing a significant investment into the police department, the violence in the city could be addressed. He added that CSUSB is a regional institution housed in the City of San Bernardino and that the crime situation in this city adversely impacts our institution in so many different ways.

**Motion Accepted:** Edwards invited a motion from the floor to support an amendment of the charter of San Bernardino without specific details. (Imbierski/Averill/Unanimous).

#### **D. Presentations**

##### **1. President's Message:**

President Morales gave his presentation to the board, noting that there were over 150 events this past year due to CSUSB's 50<sup>th</sup> Anniversary. This year's President's Showcase featured 300 alumni, friends, donors and faculty. The fourth annual Coyote Cares Day was the largest in its history, with more than 600 students, faculty, and staff serving on various projects. The Provost search has been completed and Dr. Shari McMahan will be starting on September.

President Morales thanked each and every member of the board, noting that they work really hard to advance this University, and thanked everyone for their willingness to be at these meetings and for being partners as we move forward with the spirit of philanthropy here at CSUSB.

He then introduced Brian Janiskee, who was named the 2015-2016 CSUSB Outstanding Professor, which is the university's highest honor in recognizing faculty.

Janiskee thanked everyone and proceeded to give an overview on the state of California politics, quoting that "California is extremism and moderation at the same time."

#### **F. New Business**

##### **1. Executive Committee Nomination Approval:**

Fremont shared that while there was an open call for nominees, all previous executive committee members have noted that they would be open to serving another two-year term. Fremont proposed the following executive officer slate: Ellen Weisser as Chair; Mark Edwards as the Vice-Chair; Jim Ferguson as the Secretary; Doug Freer – by virtue of his position – as Treasurer and Assistant Secretary; Mark Edwards as the Advocacy Committee Chair; Cole Jackson as the Audit Committee Chair; and Bill Stevenson as the Investment Committee Chair and the Alumni Committee Chair.

**Motion Accepted:** Fremont invited a motion from the floor to support new Executive Committee appointments for a two-year term. (Oliphant/Imbierski/Unanimous).

**2. 2016-2017 Annual Budget:**

Alejandro walked everyone through the budget for the Philanthropic Foundation for fiscal year 2016-17. The operating revenue projection was estimated to be about \$264,000, the bulk of it coming from the endowment management fee, which was based on the quarterly endowment market value. Due to possible market dips, the Foundation was being very conservative in estimating the endowment management fee revenue and the interest earnings that would be received. The Foundation expects new board members, so there could also be an increase with those new membership fees. The other revenue was based off of development cost recovery fees and small insurance dividends. In terms of operating expenses: contract services needed to be paid for state support, human resources, ITS and finance. This was increased due to the general salary increases as well as benefit increases. Insurance and audit fees were estimated with a 3% increase. The reserves need to include at least three months in operating expenses, which was covered in this plan.

**Motion Accepted:** Fremont invited a motion from the floor to approve the proposed 2016-2017 Budget (Stevenson/Freer/Unanimous).

**3. 2016-2017 Board of Directors Meeting Dates:**

**Motion Accepted:** Fremont invited a motion from the floor to approve proposed 2016-2017 Board of Directors and Committee Meeting Dates (Averill/Chen-Maynard/Unanimous).

**4. Procurement Policy:**

Alejandro stated that the procurement policy would help the Foundation with how it spends its funds, that the Foundation is held accountable for what it is spending, and that it is really maximizing the value of the foundation funds. This policy mirrored the UEC policy and the state policy for their procurement.

**Motion Accepted:** Fremont invited a motion from the floor to approve the Procurement Policy for the CSUSB Foundation (Chen-Maynard/Ferguson/Unanimous).

**F. Events of Note:**

Fremont shared upcoming events, including the coyote statue unveiling on Friday, June 3 at 2pm; the Dave Stockton Golf Tournament on Monday, June 6; the Edwards Honorary Doctorate reception on Friday, June 17; and the Pinecones and Pineapples Forever event on Saturday, July 30.

Meeting adjourned at 8:04 p.m.

**Signature of Minutes Approval**

**Board of Directors Meeting**

Tuesday, June 2, 2016, 6:00 p.m.

Arrowhead Country Club

Signature:  Date: 9/29/16

Print Name: James A. Ferguson

Board Position: Secretary