

CSUSB FOUNDATION

Building a Culture of Philanthropy

CSUSB PHILANTHROPIC FOUNDATION BOARD OF DIRECTORS MEETING MINUTES

Thursday, September 17, 2015

Pursuant to notice given, the Board of Directors of the CSUSB Philanthropic Foundation convened for a regular meeting at the Physical Education Building Courtyard at CSU, San Bernardino-5500 University Parkway, San Bernardino, CA 92407 on Thursday, September 17, 2015.

Members Present:

Dr. Donald Averill
Mrs. Lois J. Carson '67
Dr. Dorothy Chen-Maynard
Mr. Bryce Davis
Mr. Juan Delgado
Mr. Mark Edwards, Esq.

Mr. James Ferguson
Mr. Douglas Freer
Dr. Ronald Fremont
Mr. Paul Granillo '91
Mr. Cole R. Jackson
Dr. Tomás Morales
Mr. Richard R. Oliphant

Mr. Neale A. Perkins
Mr. Paul M. Shimoff, Esq.
Mr. William M. Stevenson '84
Dr. Edward C. Teyber
Mrs. Ellen G. Weisser '68

Members Absent:

Mr. Amro A. Albanna '91
Mr. Bob Burlingame
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

Dr. Brian Haynes
Mr. Sung-Kyoo Huh
Mr. James Imborski
Mr. Mark A. Kaenel '84 & '89
Mr. Wilfrid Lemann, Esq.
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. Alexandru Roman
Mr. Phillip M. Savage, IV, Esq.
Mr. Jeffrey S. Shockey '88 & '94
Dr. Ernest H. Siva
Ms. Jean M. Stephens '91
Dr. Samuel Sudhakar
Mr. Bruce D. Varner

Guests Present:

Terry Ballman
Beth Brenner
Jay Fiene
Kirsty Fleming
Mrs. Doreen Hatcher
Dave Johnson

Erik Johnson
Pam Langford
Rafik Mohamed
Julie Nichols
Sarah Powell
Erika Quinonez

Larry Rose
Shawn Shepherd
Kim Shiner
Crystal Vickery
Davina Walls

Actions taken by the board on the agenda items are attached. The meeting adjourned at 7:58 P.M.

Call to Order

Weisser welcomed everyone and called the meeting to order at 6:45 P.M.

Approval of the Minutes

Motion: The minutes of the Board of Directors Meeting on June 4, 2015 were approved as written (Averill/Chen-Maynard/Unanimous).

Fundraising Report

Fremont relayed to the group that over \$100 thousand was raised for the Mountain Communities Scholarship at the Mountain Communities Event, on August 8, 2015.

He pointed to the summary page that outlines the fundraising progress made in the fiscal year 2014-2015, and pronounced that about \$14.5 million dollars were raised. In this fiscal year to date, over \$200

thousand were raised, \$100 thousand of it was donated to the College of Education by Schools First Credit Union.

He shared that the 2014-15 Chancellor's audit brought to the surface that the Foundation holds several non-cash gifts, including art. After doing research, Fremont believes that the Foundation should not hold these items and they should be held by the state. Fremont stated that he has started the process to develop procedures that would outline the Foundation's divesting of these assets to the state, a practice that would keep in line with that of CSUSB's sister campuses.

Board Membership Update

Fremont shared the changes to the 2015-16 board membership. Three members have resigned: Paul Mata, Michael Bracken and Marie Alonzo. They received a letter from Fremont, on behalf of the board, thanking them for their service and offering them well-wishes on their future pursuits. He introduced three new members to the board: Interim Provost, Juan Delgado; ASI President, Bryce Davis and the new Dean from the College of Social and Behavioral Science, Rafik Mohamed.

Brenner took a moment to introduce Shawn Sheperd, the new Director of Development at the Palm Desert Campus and shared that she has over 30 years of experience in education. She holds two master's degrees and a doctorate degree.

Investment Committee Report

Stevenson presented the portfolio summary page that shows the foundation's manager performance as of June 30, 2015, which ended with a \$24.5 million total portfolio. He conceded that August had been a challenging time for the whole market and may reflect in the next report. He pointed to Vaughan Nelson, a small-cap manager that had an unusually good period. Beacon Pointe met with them to verify that they are adhering to the market approach for which they were originally retained, and it was confirmed that they were staying true to their philosophies. The foundation ended the second quarter with an index of 1.9% beating the allocation index at 1.7%, but barely below the policy index of 2.0%. He thanked the members of the investment committee who continually attend the meetings.

Advocacy Committee Report

Edwards pointed to the comprehensive list, comprised by Langford that shows every piece of legislation that has any bearing on the CSU system. He informed the group that legislation AB1000 is the highest priority piece of legislation with a veto recommendation from the CSU system. It would take the current authority of the trustees to designate student fees and give that to the Legislature. The bill has passed the Legislature and now resides on the Governor's desk. There is no word on whether the Governor has acted upon it or not.

Edwards provided an update on his application status as an appointment to the Board of Trustees. He has removed his name as an applicant due to an opposing viewpoint with the Governor in regards to enhancement of foundation money for presidential salaries. He informed the group that the Governor would not consider him as Trustee due his position on that subject. Furthermore, now that Lou Monville, the only trustee from the Inland Empire, plans on leaving his post next year, the Inland Empire will have no representative on the board. Edwards encouraged the group to consider Jane Carney from Riverside, who is a retiree from the practice of law. She is a board member on the Irvine Foundation and Edwards stated that she is a huge supporter of education. He offered his willingness to host a cocktail gathering for CSUSB Philanthropic Board members to meet Jane Carney.

Edwards said at the next Board of Trustees meeting, the issue of removing the freeze on presidential salaries will be discussed, but at the cost to disempower foundations from enhancing salaries

Alumni Committee Report

Hatcher gave the alumni report since Kaenel was absent. She highlighted a few of the alumni events that are planned for this year. At Convocation, the coming Monday, there will be a ceremony, a photo viewing party, reception, and campus tours, offered to alumni.

The Alumni Professor for a Day program, will kick off at a luncheon, on October 14, 2015. This program invites alumni to teach and be welcomed as guest speakers throughout the school year. They will be honored at another luncheon in the Spring.

On February 20, Homecoming will take place. According to Hatcher, it will be a multi-generational event. From 4:00 P.M. to 7:00 P.M., it will be a family event, where retirees and Golden grads will be able to enjoy food booths, entertainment and fashion shows. Beginning at 7:00 P.M., the atmosphere will change to accommodate the college students and become a dance club scene.

Audit Committee Report

Jackson reported on the foundation's yearly audit conducted by Rogers, Anderson, Malody & Scott, LLP. He informed the group that there were no findings and that it showed that the staff has done a great job of maintaining books and records. Copies of the audit report will be made available in about two weeks on the Philanthropic website.

President's Message

President Morales gave his presentation to the board. He spoke to the increasing number of faculty that have been hired at CSUSB and is impressed by their curricula vitae. As of 2012, 97 new faculty have been brought to CSUSB. He stated that this past year, over \$470 thousand was spent in salary equity for faculty and staff.

He mentioned that last Friday, Davis and he hosted the ASI presidents of all 23 CSU campuses. He thanked Bryce for doing a great job.

President Morales thanked Neal and Patricia Perkins for hosting the Mountain Communities event at their home and acknowledged the fundraising success of the evening. He thanked college deans and development staff for their efforts in the 150% increase of gifts for the 2014-15 school year. He shared that there has also been a 30% increase in sponsored research dollars and 16% of CSUSB's faculty are engaged as principal investigators for grants and contracts. He also shared that the Student Affairs division generated a \$14.5 million Gear Up grant, which is targeted to aid middle school children. The cohort of students affected by the grant dollars, will be followed and analyzed.

He informed the group that 20,000 students are enrolled for the Fall quarter at CSUSB, which is the highest number of enrollees in campus history. There are 1,300 students enrolled for Fall classes, at the Palm Desert campus. Metrics related to student success are showing improvement as well. The six-year graduation rate has reached 50%.

He reported that Coyote First Step proved to be successful. As a summer bridge program, it readied over 1,000 students for college math and another 1,000 students moved up a level. Math readiness, he

stated, is a major determinant for graduation success. The pilot program was supported by school districts and the Chancellor's office.

President Morales thanked Langford and Edwards for their continued advocacy efforts. He went on to thank all the members of the board for their involvement in moving the university forward.

CSUSB Strategic Plan

Fremont presented the strategic plan and each member received a spiral-bound copy. Developing the strategic plan was a campus-wide event, led by Terry Rizzo and Sam Sudhakar. The process began 11 months ago and is a document that lays out the road map for the next 5 years. There are five priorities: student success, faculty and staff success, resources sustainability and expansion, community engagement and partnerships, and identity. For each priority, there are objectives and strategies to fulfill those goals. President Morales commented that it was an organic process, coming from the bottom-up and that it is a living document.

CSUSB 50th Anniversary

Fremont shared that 150 events are scheduled throughout the year to celebrate the 50th anniversary of the university. There are several marketing endeavors to promote the anniversary, including an announcement on the National Public Radio, billboards near freeways and banners displayed throughout the campus. He then shared the dvd that will be showed at Convocation, that exhibits short interviews of past CSUSB leaders and notable alumni who relayed their experiences with the school. The board members applauded the video.

50th Anniversary Testamentary Board Gift

Edwards discussed the 50th anniversary testamentary gift. He said it is important that 100% of the board commits to a gift, so they may set an example when members of the larger community are solicited for donations. He reiterated that no specific amount has been requested, but just that a testamentary gift or a donation be made.

Annual Board Gift

Weisser informed the group that letters have been sent to the board to make their annual obligatory board gift of \$1,000, which is earmarked specifically for Philanthropic Foundation operations.

Notice of Events

Fremont pointed out the events of note, which are Legacy of Leadership, held on September 20th; Convocation, held on September 21st and finally, the President's Showcase, held on March 5th. He announced that the fountain adjacent to where this board meeting took place, will be dedicated as the "Legacy Fountain," at the Legacy of Leadership Event.

Adjourn

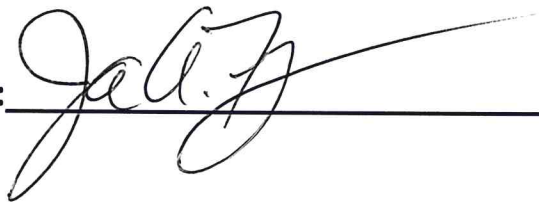
Motion: To Adjourn (Chen-Maynard/ Ferguson/Unanimous).

CSUSB Philanthropic Foundation Board of Directors Meeting

Minutes Approval

Meeting Date: September 17, 2015

Location: Physical Education Building Courtyard

Signature:  Date: 01/19/16

Print Name: Jim Ferguson

Board Position: Secretary