

CSUSB FOUNDATION

Building a Culture of Philanthropy

CSUSB PHILANTHROPIC FOUNDATION BOARD OF DIRECTORS MEETING MINUTES

Tuesday, June 3, 2014 from 6:00-8:00 p.m.

Pursuant to notice given, the Board of Directors of the CSUSB Philanthropic Foundation convened for a regular meeting in the Arrowhead Country Club located at 3433 Parkside Dr., San Bernardino, CA 92404, on Tuesday, June 3, 2014.

Members Present:

Dr. Andrew Bodman
Dr. Haakon Brown
Mrs. Lois J. Carson '67
Dr. Dorothy Chen-Maynard
Mr. Jim Cuevas
Mr. Carl Dameron
Mr. William F. Easley
Mr. Mark C. Edwards, Esq.

Mr. James A. Ferguson
Dr. Ronald H. Fremont
Mr. Jim Imbierski
Mr. Cole R. Jackson
Mr. Mark A. Kaenel '84 & '89
Mr. Wilfrid Lemann, Esq.
Dr. Michael R. Miller
Dr. Tomás D. Morales

Mr. Donovan Rinker-Morris '00
Mr. Larry R. Sharp '03
Mr. Paul M. Shimoff, Esq.
Dr. Samuel Sudhakar
Dr. Edward C. Teyber
Mr. James R. Watson
Mrs. Ellen G. Weisser '68

Members Absent:

Mr. Ronald M. Auen
Mrs. Sherrie Auen
Mr. Amro A. Albanna '91
Ms. Marie A. Alonzo
Mr. William J. Anthony
Dr. Donald F. Averill
Mr. Richard H. Barker
Mrs. Glenda Bayless
Ms. Virginia M. Blumenthal, Esq.
Mr. Michael J. Bracken '92 & '99
Mr. Jack H. Brown
Mr. Bob Burlingame
Mr. Arthur M. Butler '77
Ms. Toni A. Callicott '89
Mr. Ali Cayir
Mr. Steve C. Chiang '88
Mr. Greg K. Christian
Mr. Henry W. Coil, Jr.
Mr. Benjamin P. Cook
Mr. Nicholas J. Coussoulis '75

Mr. Jamil Dada
Mr. Sundip R. Doshi '90
Dr. James Egan
Mr. Gerald A. Fawcett '74
Mr. Michael J. Gallo
Mr. Robert Gardner
Mr. Paul C. Granillo '91
Dr. Appannagari GnanaDev '01
Mr. Fred Hamilton
Dr. W. Benson Harer, Jr.
Dr. Brian Haynes
Mr. Aaron Knox
Mr. Dobbin Lo
Mr. Paul R. Mata '87
Ms. Barbara McGee
Mr. Charles E. McNeely
Mr. Louis G. Monville, III '94
Dr. Yolanda T. Moses '68
Mr. John C. Nolan, Esq.
Mr. Anthony Ochoa

Mr. Richard R. Oliphant
Mr. Patrick O'Reilly
Mr. Neale A. Perkins
Ms. Madelaine Pfau
Ms. Margaret A. Perry
Mr. Steve PonTell
Mr. Ray R. Quinto
James C. Ramos, Jr. '02
Mr. Ali C. Razi
Mr. George M. Reyes, Esq.
Mr. Donald L. Rogers
Mr. Ali Sahabi
Mr. Phillip M. Savage, IV, Esq.
Mr. Jeffrey S. Shockey '88 & '94
Dr. Ernest H. Siva
Ms. Jean M. Stephens '91
Mr. William M. Stevenson '84
Mr. Dave Stockton
Mr. Bruce D. Varner

Guests Present:

Angel Padilla
Brent Hunter
Crystal Vickery
Dr. Jamal Nassar
Dr. Lawrence Rose
Dr. Terry Ballman

Evelyn Marquez
Garett Trask
Jaime Espinoza
Judy Watson
Julie Nichols
Kim Alexander

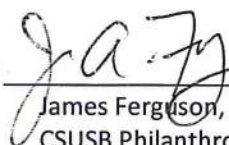
Kyoung Kong
Marcí Daniels
Monica Alejandre
Rick McManuis

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Building a Culture of Philanthropy

Actions taken by the Board on the agenda items are attached. The meeting adjourned at 8:10 p.m.

Approved: _____



James Ferguson, Secretary
CSUSB Philanthropic Foundation

Date: _____

12/4/14

Welcome

Philanthropic Foundation Chairman Jim Watson called the meeting to order at 6:56pm and welcomed the board members.

Mr. Watson asked for approval of the minutes from the March 20, 2014 meeting that were provided in the packets for the evening.

Motion – Approval of the Minutes from the Foundation Board Meeting of March 20, 2014 (Easley/Kaenel/Unanimous)

Executive Director's Report

Dr. Ron Fremont presented the fundraising report for 5/30/2014. We are just under 4.7 million. He added that fundraising has an upward trajectory objective and we should expect to be at 5 million next year. Ron thanked the development directors present and the AVP of Development Beth Brenner for their efforts.

Jim Watson announced that he will be stepping down from chairman of the foundation due to his current development project of the shops at North Park. He is appreciative and thankful of the members of the foundation, the executive committee, Dr. Tomas Morales and Dr. Ron Fremont for their support. Jim also added his appreciation and honor of being chair for the Philanthropic Foundation over the years. Dr. Fremont added his appreciation to Judy and Jim Watson for their friendship to Cal State San Bernardino over the years.

Nominating Committee Report

Board of Directors – Approval of additions/resignations

Dr. Fremont reported that Lou Monville has been a member since inception of the Philanthropic Foundation. Mr. Monville recently gave us the news that he has been appointed chair of the CSUSB Board of Trustees. Lou Monville will be taking a leave of absence from the board due to his new appointment and will consider returning once his term on the board of trustees has expired.

Motion- Approval of resignation of Lou Monville (Chen-Maynard/Teyber/Unanimous)

Dr. Fremont added that we have reached out to the members whose terms expire in June; those on the list that Dr. Fremont provided will be removed from the board.

Motion- Approval of board member removals (Weisser/Teyber/Unanimous)

Ellen Weisser has accepted the new appointment as Chair for the Philanthropic Foundation for the next two years and Mark Edwards has accepted the appointment as Vice Chair.

Motion- Approval of Chair and Vice Chair Appointments (Sharp/Teyber/Unanimous)

Investment Committee Report

Ellen provided the investment report. As of March 31, 2014 the investment was good based on our goals. Preservation of capital and Relative Performance are the two most important things we must think about. Our portfolio size is smaller than other CSUSB's, the total return for the fiscal year was 11.7% and for year ending March 31 it is at 11.3%. Our international equity portfolio is where we shine; they consistently

rank in the top percentiles and have the highest of our allocations in the international space, 25.2%. Fixed income performed well and the committee had a discussion on the effective spending rate. The investment committee recommended a 4% spending rate, down from a 4.5%. Compared to the other Cal States, we are the 6th highest out of 24, and we do keep in mind our need may be different, but we want our portfolio to grow. Dr. Morales added that we need to measure the effect of a decreased spending rate will take on our students and programs that depend on that income.

Advocacy Committee Report

Pam Langford presented the committee with an update on the CSU Budget Request. The CSU Board of Trustees approves a \$237 million support budget increase request. The request is \$95 million more than the \$142 million increase the Governor proposed for the CSU in the second year of his four-year budget plan. If the Trustees' full support budget increase request is funded, the CSU General Fund budget would be \$2.6 billion. The additional \$95 million will enable the CSU to maintain tuition fees at their current level, increase access to an additional 20,000 students, and increase course offerings and support services for students. In January 2014, Governor Brown released his proposed 2014-15 budget which includes a \$142 million General Fund increase for the CSU. In March, President Morales joined Chancellor White and CSU representatives in Sacramento to meet with legislators and encourage their support of the system's request for an additional \$95 million. In May, the Assembly approved an additional \$100 million for the CSU, and the Senate approved an additional \$95 million. The Governor's \$50 million for Innovation in Higher Education Awards is rejected by both houses. The Assembly proposes redirecting a portion of these funds to the CSU and UC for deferred maintenance projects.

A Budget Conference Committee is appointed to resolve differences between the Senate and Assembly versions of the budget. The CSU's additional budget increase item will go before the Conference Committee because the Senate and Assembly proposals differ. Of the eight appointees to the Conference Committee (four from the Senate and four from the Assembly), only three signed on to the *I Stand with the CSU* letter campaign – two Democrats and one Republican. No members of CSUSB's legislative delegation were appointed to this committee.

This month, CSU will reach out to members of the Conference Committee to encourage support for the additional \$95 million request. The "Big Five" (four legislative leaders and Governor Brown) will deliberate. Of these five, only the two Republican members have signed letters in support of the CSU's \$95 million request. The Legislature has until midnight June 15 to pass a budget bill. The Governor has line item veto authority and may eliminate or reduce any item in the budget that is passed by the Legislature.

Alumni Committee Report

Mark Kaenel presented the Alumni Committee report. The Alumni Committee had its first meeting on May 22, 2014. The alumni steering committee is a cohesive direction for alumni affairs with attempts to go live on July 1, 2014. Additionally, the committee has plans for an online community platform to manage their membership and have a list of benefits. The foundation alumni committee plays the role as advisor in order to provide guidance and support to Doreen and her staff in the Alumni Affairs office.

President's Message

President Morales expressed his concern to decrease the current spending rate as proposed by the Investment Committee. His concern to decrease the spending rate to 4% is based on how it may impact programs, services, scholarships, and PAES. He has asked Dr. Fremont to create an analysis on how we can make that up with one-time dollars.

Dr. Morales thanked all for being present at the meeting, he also thanked those who have gone out to the community for development and those who chair committees. Dr. Morales announced that we will be having six commencement ceremonies: June 12 at Agua Caliente where we will be graduating students from our Palm Desert Campus, we will have our graduate commencement ceremony on June 13 in the evening, and we will have four commencement ceremonies on June 14 starting at 7:45am with the College of Social and Behavioral Sciences and ending with the College of Natural Sciences. President Morales added that we have outgrown the Coussoulis Arena; currently we are only giving 3 passes per student. 85% of the students said they agree to change venues as long as it meant to receive more tickets for family. Therefore, we have decided to move commencement to the Citizens Business Bank Arena in Ontario beginning June 2015.

As we look to develop our budget, there are four pillars that we are considering: 1) student success 2) faculty success 3) external funding 4) investment and infrastructure, both on the CSUSB campus and our PDC, and our ability to build bridges for both. We are working on getting a daily shuttle which would commute students from PDC and CSUSB. Our vice presidents and our deans will play an important role in this development. Dr. Morales shared that we have recently named Sharon Wetly as Dean of PDC and added that we are fortunate to have senior leadership here in the institution; we have brought together some outstanding directors of development and are moving our development efforts in the right direction.

Hardy Brown honorary doctorate will be conferred at the College of Arts and Letters. Our second honorary degree recipient is the Cardenas Market chain founders- Jesus and Luz Cardenas. Luz Cardenas is such a powerful partner and will also receive an honorary doctorate.

We are a public institution that supports the public good; part of that mission is to impact the k-12 arena. We will sign our 7th MOU which will state that students will take four years of math. Additionally, the district will consider running a summer program for 8th graders transitioning into 9th grade. CSUSB will pilot a summer program for all students entering the university this summer.

Presentations

Ron presented and thanked Marci Daniels, Director of CSUSB Veteran's Success Center for being present. He added that CSUSB is one of the premier universities in the nation in supporting veterans.

Marci Daniels presented CSUSB's Veteran's Success Center to the board. The CSUSB Veterans Success Center provides support services focused on the special needs and requirements of today's military veterans, service members and dependents to assist students in transitioning to the university environment and in achieving their academic and personal development goals. She also provided us with the Veteran gender breakdown, the persistence rates for veterans, and the number of visits by year to the center. CSUSB was recognized by Victory Media Group as a Military Friend School in 2014 and by MAE's as the top military friendly colleges and universities of 2014. Angel Padilla, a U.S. Army Combat Veteran presented to the board his experience in combat and how the veteran's center has helped him achieve his student learning goals.

Old business

None

New business

Jim Watson announced that earlier this month we sent out letters to board members regarding the Philanthropic Board assessment fee, we ask that for those who have not paid their membership dues please do so this month.

The Cardenas Honorary doctorate celebration will be held on Wednesday, June 11, 2014 at their home. Pinecones en Provence event will be hosted by Neale Perkins on Saturday, August 9, 2014 at 4pm at the Perkins home in Lake Arrowhead. Board members are encouraged to attend; everything will go towards scholarship dollars. Michael Miller also extended the invitation to all on behalf of Neale Perkins.

Jim Watson reiterated his appreciation and support to all those on the board and thanked everyone.

Meeting Adjourned at 8:10 p.m.
