

CSUSB FOUNDATION

Building a Culture of Philanthropy

EXECUTIVE COMMITTEE

Thursday, May 26, 2016, 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, May 26, 2016.

Minutes

Members Present:

Juan Delgado
Mark Edwards, Esq.
Douglas Freer
Ronald Fremont
Brian Haynes
Cole R. Jackson
Paul M. Shimoff, Esq.
William M. Stevenson '84
Samuel Sudhakar
Edward C. Teyber
Ellen G. Weisser '68

Guests Present

Monica Alejandre
Beth Brenner
Michelle Cazares
Juan Herrera
Lisa Iannolo
Pam Langford
Amanda Monroy
Robert Tenczar

Welcome

Ellen Weisser called the meeting to order at 3:03 p.m.

Approval of the Minutes for Executive Committee Meeting- March 10, 2016

Motion: The minutes of the March 10, 2016 Executive Committee meeting were reviewed and approved as written (Delgado/Freer/Unanimous).

Executive Director Report

Fremont welcomed everyone to the Executive Committee Meeting, and also introduced Michelle Cazares, his new Executive Assistant. He invites everyone to look at the Dashboard Indicators report, which reflect about \$5.1 million for the year. He also shares that the fiscal year ends June 30th, and the Development Team is working hard to close various gifts in the pipeline.

Fremont shares that a firm was selected to help the university strengthen its identity and brand- Creative Brand IQ, based out of Denver. They will begin their discovery process in during the fall, in which they will be meeting with a number of representatives from the Philanthropic Foundation, as well as faculty, staff and students, and will include focus groups and in-depth conversations that will help with the university's identity.

Fremont reminds everyone that the senior leadership at CSUSB-deans, vice presidents, and associate vice presidents-are undergoing a 360-degree evaluation process. The Executive Committee has been identified to provide an evaluation for Ron Fremont, as well as Beth Brenner, and that the evaluation email should be in the committee's inboxes.

Nomination/Membership Committee

The nomination committee recently came together to review the upcoming two-year appointments for the Executive Board. There was solicitation across the entire board for nominations, and the current slate of officers volunteered to serve for another term of two years. One change would be that the current chair for the Alumni Committee, Mark Kaenel, would be stepping down, and Bill Stevenson would be chairing the Alumni Committee, and would remain as the Chair of the Investment Committee.

Fremont also shares information about two more individuals: Jim Estes, a finance professor in the College of Business and Public Administration, has expressed interest in joining the Investment Committee in an advisory role. Gary McBride, Chief Financial Officer for San Bernardino County, has also expressed interest in the Investment Committee, as well as the full Board. Prior to them joining the Board, they will sit down and meet with the chair and a few other members to help with familiarization.

Motion Accepted: The Executive Board is renewed for another two-year term (Freer/Stevenson/Unanimous).

Financial Review

Iannolo provides an overview for the current financial statements. \$153,000 worth of new gifts were invested into the endowment, and the net assets have also improved from the last statements. For the statement of activities, the scholarships are the highest they have ever been, already having exceeded last year's totals by \$126,000.

Fremont and Iannolo also reminds the committee members that after July 1, there will be a transition in terms of the Foundation's financial position, since the art collections under RAFFMA, as well as the CRTs, will come off the foundation's books.

Review 2016-17 Annual Budget

Alejandro comments that, due to the market, the foundation is taking a more conservative approach in next year's projections, since the endowment fees were a bit lower than expected this year. Reserves are set for economic uncertainties, and all other costs are estimated at a 3% increase.

Motion Accepted: Fremont invites a motion from the floor to approve the budget for next year, and to present as an agenda item for the Board of Directors. (Teyber/Freer/Unanimous).

Investment Committee Report

Stevenson remarks that for the period ending in April 30, the market's financial assets are currently at about \$23 million. Since the market did an upturn towards the end of April, the portfolio reflects better numbers, and that the Investment Committee is satisfied with the portfolio's performance so far. Freer comments that the committee has selected a strategy that first and foremost, protects the principle but not necessarily looks for the best return, which falls in line with the conservative investment.

Alumni Report

Hatcher reports that there are now five new lifetime memberships and that alumni volunteers are growing. The Professor for a Day has also increased in alumni engagement, which has led to an increased number of connections through social media. There are currently 3,251 users on Portfolium as well, and there is increased interaction with student ambassadors and the Alumni network will continue to work throughout the summer to roll out events for the fall. Haynes also mentions the unveiling of Wild Song, the new coyote statue, which is a gift from the Student Union and the ASI to the university.

Advocacy Report

Langford reminds every one of the June 15th deadline for the legislature to approve the budget, which includes the CSU budget request. In November, the Board of Trustees approved their 2016-17 budget of \$241 million, which is \$101 million over the budget proposed by the governor. The \$241 million would allow for a 3% enrollment growth across the system, or over 12,000 students, and for the CSUSB campus, would be an additional 770 students. CSUSB's freshman applications are over 15% over the last year, as compared to the CSU average of 4%, which demonstrated the high demand in this region.

Langford discusses the City of San Bernardino charter, in which the city is looking to overhaul their charter as a strategy to resolve the bankruptcy. The proposed changes to the charter include: The Mayor would continue to be elected for the position, but he would have a vote on the council; the number of wards would be reduced, from 7 to 6; the city attorney, city treasurer, and clerk would be appointed positions and no longer elected positions. These changes would allow the council to be more about policy making.

Motion Accepted: Fremont invites a motion to add the City of San Bernardino charter reform item to the Board of Directors agenda. (Weisser/Iannolo/Unanimous).

New Business

1. Executive Committee Nomination Approval:

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

2. Procurement Policy:

Alejandre states that the procurement policy will help the Foundation with how it spends the funds, and make sure 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 mirrors what the UEC policy and what the state policy is for their procurement.

Motion Accepted: Fremont invites a motion from the floor to approve the Procurement Policy for the CSUSB Foundation (Jackson/Stevenson /Unanimous).

Events of Note

Fremont shares upcoming events, including 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 4:15 p.m.

Signature of Minutes Approval

Executive Committee Meeting

Meeting Date: May 26, 2016 at 3:00 P.M.

University Enterprises Corporation, Conference Room: UE-102

Signature:  Date: 9/8/16

Print Name: James A. Ferguson

Board Position: Secretary