

**SAN FRANCISCO STATE UNIVERSITY FOUNDATION
EXECUTIVE COMMITTEE MEETING
San Francisco State University Downtown Campus
835 Market Street, Room 597, San Francisco, CA
Thursday, August 30, 2018**

Chair Safford started the Executive Committee meeting at 11:38 AM.

Committee Members Present

Taylor Safford, Chair
Robert Nava, President
David Serrano Sewell, Immediate Past Chair
John Gumas, Chair, BOLD. Thinking. Campaign
Don Nasser, Audit Committee Chair
Neda Nobari, Investment Committee Chair
Wade Rose, Advocacy Committee Co-Chair
Camilla Smith, Development Committee Chair (via phone)

Committee Members Absent and Excused

Dennis O'Donnell, Committee on Athletics Co-Chair
Kimberly Brandon, Vice Chair
Mary Huss, Committee on Directors Chair
Ted Griggs, Committee on Athletics Co-Chair

Others Present

Venesia Thompson-Ramsay, Secretary and Treasurer
Les Wong, President, SF State University
Leshia Claudio, Deputy Chief of Staff to the President, SF State University
Christina Sutherland, consultant

- I. **Review of Agenda:** The committee reviewed the agenda.
- II. **Approval of Meeting Minutes:** The committee reviewed the minutes from the June 1, 2018 meeting. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: that the committee approves the minutes, as prepared.

Motion by: Wade Rose Seconded by: John Gumas Motion: Passed

III. **Operating Business:**

Foundation Strategic Planning: Nava mentioned that he had met with Christina Sutherland to discuss developing a strategic plan for the Foundation. Sutherland introduced her firm highlighting its focus on strategic planning, vision and goal-setting; planning and organizational development issues; operational assessments and organization re-designs; asset development and endowment planning; and board governance. She walked through the proposed scope of work for developing the Foundation's first strategic plan, which would include three main phases: 1) project planning, 2)

research and data collection and 3) plan implementation. The Committee engaged in a discussion about what staff and the board were hoping to get out of the process as well as key questions/issues to be addressed by the strategic plan. Sutherland said she wanted to form a working group, a subset of the Board, to act as the Strategic Planning Committee (SPC). She said the SPC would meet about five times throughout the year. Sutherland said the strategic planning process should wrap up by the spring of 2019.

Strategic Planning Committee and Consulting Contract: The Committee discussed who should serve on the SPC and decided that the SPC should include the members of the Executive Committee since said Committee includes the policy committee chairs and Foundation officers. The Committee then reviewed the consulting contract between the Foundation and Sutherland-Edwards. On motion duly made, seconded, and carried, the following Minute Action was taken:

MINUTE ACTION: that the Executive Committee approves the consulting contract between the San Francisco State University Foundation and Sutherland-Edwards.

Motion by: Wade Rose Seconded by: David Serrano Sewell Motion: Passed

Bylaws Amendment: Nava mentioned that he had been having conversations with members of the Advocacy Committee who felt the focus of the committee should be on local issues. According to Nava, Advocacy Committee members felt that “advocacy” did not adequately capture what they were trying to accomplish and that “Public Affairs” was a better definition/description, especially with the new Mayor of San Francisco. Nava said the Advocacy Committee members felt that the kind of impact that the Advocacy Committee could have would be achieved by building community relationships. As such, Nava said the Bylaws were being amended to change the name of the Advocacy Committee to the Public Affairs Committee. On motion duly made, seconded, and carried, the following Minute Action was taken:

MINUTE ACTION: that the Committee recommends board amendment of the Foundation Bylaws to change the name of the Advocacy Committee to the Public Affairs Committee.

Motion by: David Serrano Sewell Seconded by: John Gumas Motion: Passed

University Scholarship Endowment: Thompson-Ramsay reported that staff was working to properly classify “interest-bearing endowments”. She said this was a legacy classification that did not align with the way endowments were formally set up (i.e. permanent, temporary and quasi). She said she was working with the Office of Financial Aid to reclassify the university-wide scholarship endowment as a quasi-endowment and that over time she would bring forward similar funds to also be reclassified. On motion duly made, seconded, and carried, the following Minute Action was taken:

MINUTE ACTION: that the Foundation reclassifies University Scholarship Endowment, fund #64049, to a quasi-endowment.

Motion by: John Gumas Seconded by: Don Nasser Motion: Passed

Bequest from Joy Trust: Thompson-Ramsay mentioned that the Foundation has a policy to quasi-endow bequests over \$25,000 when they do not specify whether they are to be endowed or to be used for current purposes. Thompson-Ramsay said the Board had the authority to make an exception to the policy from time to time and as such, was asking the Board to make an exception and allocate the proceeds of the Diana L. Joy Trust in the amount of \$34,763 to the University Scholarship Endowment Fund. Thompson-Ramsay said the only restriction on the bequest is that the proceeds be used exclusively for scholarships. She said placing the funds in the existing scholarship endowment

would promote work efficiency and avoid the unnecessary duplication of work associated with the establishment of a new scholarship fund. On motion duly made, seconded, and carried, the following Minute Action was taken:

MINUTE ACTION: that the Committee makes an exception to the policy where bequests of \$25,000 or more are quasi-endowed and directs the proceeds of the Diana L. Joy Trust in the amount of \$34,763 to the University Scholarship Endowment Fund.

Motion by: Wade Rose

Seconded by: Camilla Smith

Motion: Passed

Ad-Hoc Committee Member: Nava reported that he, directors John Gumas and Russ Stanley, along with Athletics Director, Stephanie Shrieve-Hawkins met with Steve Humphrey, an SF State alumnus who expressed interest in supporting the Committee on Athletics in an advisory capacity. Nava said the Foundation Bylaws allow for individuals to serve as non-voting ad-hoc committee members with the approval of the Executive Committee. On motion duly made, seconded, and carried, the following Minute Action was taken:

MINUTE ACTION: that the Committee approves the addition of Steve Humphrey as an ad-hoc member of the Committee on Athletics.

Motion by: Don Nasser

Seconded by: David Serrano Sewell

Motion: Passed

Board Member Leave of Absence: Nava said that director Dottie Simmons requested a one-year leave of absence for health reasons. The Committee approved the request, without objection.

Campus Update: President Wong informed the Committee that demolition and land preparation for the Holloway Project would begin on October 1st. He said the building would house over 400 when it opened in 2020. Wong also mentioned that University Enterprises hired a professional commercial realtor to assist in monetizing a number of projects.

Wong said enrollment for the fall was within target. He said the Academic Master Planning process kicked off earlier that week with 150 faculty members participating. Wong said the yearlong project would address issues like the decrease in international enrollment, becoming a residential campus, remodeling the academic plan and revamping the 10-year retention policy, online education, and graduation rates/retention.

Wong said the campus was building a relationship with Sony. He said he and the Chancellor were to be entertained in Tokyo by Sony at their headquarters.

September 28 Board Meeting Agenda: The Committee reviewed the draft agenda.

IV. Committee on Directors Report: No report.

- V. Investment Committee Report:** Nobari reported that the Investment Committee last met on May 15, 2018 and continued to build out the Foundation's portfolio to align with our policy targets. Nobari said additional actions would be made once a new custodian was onboard. Nobari said the search for a new custodian yielded proposals from US Bank, Northern Trust, Comerica and Charles Schwab. Additionally, Nobari mentioned that our investments continued to perform well in the current market, beating the policy benchmark. She said the one-year trailing return for the period ending June 30, 2018 was 6.4% and 8.9% on our main and Green Fund, respectively. Nobari said Cambridge Associates conducted manager meetings with two

alternative funds: ViaWest Properties and March Capital. Nobari said the Investment Committee voted not to participate in March Capital's third fund. Finally, Nobari said that a clerical error by Deer Park delayed the redemption of the Ski Times Square (STS) hedge fund back in March. She said Deer Park had offered to redeem the investment at the next earliest date (end of August 2018) and that, as a goodwill, the manager would award the Foundation the higher of the March or August net asset value (NAV).

- VI. **Audit Committee Report:** Nasser reported that the Audit Committee last met on May 23rd to officially kick off the audit for FY 17-18. He said the auditors outlined the audit plan and timeline for completing the audit. Nasser said the auditors conducted an IT audit on our accounting systems specific to access, system maintenance and security. Nasser said the audit would be completed by mid-September and submitted to the Chancellor's Office. The post-audit meeting was scheduled for October 4th.
- VII. **Advocacy Committee Report:** Rose reported that the Governor's Department of Finance had a campus visit scheduled for September 6th. Rose said the campus submitted a state legislative proposal to CSU Headquarters requesting \$5 million in permanent funding from the State to expand the Project Rebound program. Finally, Rose mentioned that President Wong and the Planning & Design team presented before the City Planning Commission on June 14, with an additional meeting with Supervisor Yee tentatively scheduled for September 14, to cover the Master Plan, Holloway Revitalization and Campus Housing.
- VIII. **Campaign Cabinet/Development Committee Report:** Gumas reported that \$87.4 million (58%) had been raised toward the \$150 million campaign goal. Gumas said that 77% was for current use and 23% in planned gifts coming from alumni (\$33M), foundations and other organizations (\$25M), corporations (\$9M) and friends of the university (\$13M). Gumas said the Development Office met its goal for the past fiscal year, raising \$18.6M (103% of goal). Gumas said the fundraising goal for the current fiscal year 2018-19 was \$20M with a solicitation pipeline of over \$110M, including two active solicitations of over \$25M.
- IX. **Committee on Athletics Report:** No report.
- X. **Adjournment:** No further items were discussed. The meeting was adjourned at 1:32 pm, without objection.

Respectfully submitted,


Taylor Safford, Chair

2/21/19
Date