

SAN FRANCISCO STATE UNIVERSITY FOUNDATION
 EXECUTIVE COMMITTEE MEETING
 San Francisco City Club, 12th FL (Deco 3 Meeting Room)
 155 Sansome Street, San Francisco, CA
 Friday, June 1, 2018, 11:30 am - 1:30 pm
 Conference Dial-in Number: (641) 715-3850
 Participant Access Code: 549217#

Time	Description	Presenter	Action
11:30	Call to Order - Introductions	David Serrano Sewell	
11:30	Review of Agenda - Additions/Deletions	David Serrano Sewell	Approve
11:32	Approval of Minutes - May 8, 2018	David Serrano Sewell	Approve
11:35	Operating Business		
	A. <i>Provisional Operating Budget for FY 18-19</i> <u>Recommended Action:</u> Approve provisional operating budget for FY 18-19.	Venesia T Ramsay	Approve
	B. <i>Endowment Distribution for FY 18-19</i> <u>Recommended Action:</u> Approve the proposed endowment distribution for FY 18-19.	Venesia T Ramsay	Approve
	C. <i>Operating Agreement between SF State and Foundation</i> <u>Recommended Action:</u> Approve renewal of agreement	Venesia T Ramsay	Approve
	D. <i>Board Matching Gift – Hatami Endowment</i> <u>Recommended Action:</u> Approve matching gift	Robert Nava	Approve
	E. <i>Estate of Krishnan Bequest</i> <u>Recommended Action:</u> Add funds to existing endowment	Venesia T Ramsay	Approve
	F. <i>FY18-19 Committee Meeting Schedule</i>	Robert Nava	Review & Approve
	G. <i>June 21st Board Meeting Agenda</i>	Robert Nava	Review & Discuss

1:00	Committee on Directors <ul style="list-style-type: none"> - Election & Appointments - Board succession plan - Board Assessment Survey 	Mary Huss	Report
1:20	Investment Committee	Kimberly Brandon	Report
1:22	Audit Committee	Don Nasser	Report
1:24	Advocacy Committee	Wade Rose	Report
1:26	Campaign Cabinet/Development Committee	John Gumas	Report
1:28	Committee on Athletics	O'Donnell	Report
1:30	Adjournment	David Serrano Sewell	

MINUTES

DRAFT
SAN FRANCISCO STATE UNIVERSITY FOUNDATION
EXECUTIVE COMMITTEE MEETING

San Francisco City Club, 12th FL,
155 Sansome Street, San Francisco, CA
Tuesday, May 8, 2018, 11:30 am - 1:30 pm

Chair Serrano Sewell started the Executive Committee (Committee) meeting at 11:44 am.

Committee Members Present

Robert Nava, President
David Serrano Sewell, Chair
Taylor Safford, Vice Chair
Mary Huss, Committee on Directors Chair
Don Nasser, Audit Committee Chair
Ted Griggs, Committee on Athletics Co-Chair (via phone)
Dennis O'Donnell, Committee on Athletics Co-Chair

Committee Members Absent and Excused

Kimberly Brandon, Investment Committee Chair
John Gumas, Immediate Past Chair/Campaign Cabinet & Development Committee Co-Chair
Wade Rose, Advocacy Committee Chair
Camilla Smith, Campaign Cabinet & Development Committee Co-Chair

Others Present

Venesia Thompson-Ramsay, Secretary & Treasurer

- I. Review of Agenda:** The Committee reviewed the agenda. The agenda was approved without objectives.
- II. Approval of Meeting Minutes:** The Committee reviewed the minutes from the February 27, 2018 and March 23, 2018 committee meetings. The minutes were adopted, as prepared, without objection.
- III. Operating Business:**

Foundation Staffing Plan Presentation: Thompson-Ramsay presented a plan to the committee to provide additional staff support for the Foundation, effective July 1, 2018. She reviewed some of the Foundation's accomplishments over the past 10 years and presented a number of goals for the next two to five years. She said these goals would be attainable with additional staff support. Thompson-Ramsay said that given the lack of space and the timeframe for onboarding new staff, she was recommending a model of buying out a portion of University employees' time, employees who were familiar with the Foundation and could "hit the ground running". Thompson-Ramsay identified the potential University employees and mentioned that the cost to the Foundation would be about an additional \$88,000 per year. After much discussion, the Committee agreed to move the proposal forward for Board discussion and budget approval at the June 21st board meeting.

Bylaws Amendment: Thompson-Ramsay presented Bylaws amendment language to clarify the process for appointing students to the Board. She said the language specified that Associated Students (AS) would nominate at least two (2) students and the University President would make the appointment. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: That the Committee recommends board adoption of the amended language to the Bylaws at the upcoming June 21st board meeting.

Motion by: Taylor Safford Seconded by: Mary Huss Motion: Passed

Volunteer Descriptions for Student Representative and Directors: Thompson-Ramsay presented the Committee with two descriptions for recruiting students and directors for the Foundation Board. She asked the Committee to review the descriptions, especially the skills and qualifications section. The Committee provided its feedback and edits. The student and director volunteer descriptions were approved, without objection.

Commitment to Genomics Project: Nava reminded the Committee that last fall it had committed \$400,000 over a five-year period toward the Institute for Biotechnology and Integrative Genomics South San Francisco project. Nava said that the partnership between San Francisco State University and the City of South San Francisco was spearheaded by the former Dean of the College of Science and Engineering. Nava said that the project was on hold until a permanent Dean was in place. As a result, he asked the Committee to delay the commitment until the project had resumed. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: That the Committee delays the \$400,000 commitment to the Institute for Biotechnology and Integrative Genomics South San Francisco project, until further notice.

Motion by: Don Nasser Seconded by: Mary Huss Motion: Passed

Committee on Directors: The Committee went into closed session to discuss a governance matter.

IV. Adjournment: No further items were discussed. With Taylor Safford having made a motion to adjourn the meeting and Don Nasser second, the meeting was adjourned at 1:20 pm.

Respectfully submitted,

David Serrano Sewell, Chair

Date

OPERATING BUSINESS

PART A

**SAN FRANCISCO STATE UNIVERSITY FOUNDATION
END OF YEAR PROJECTIONS FOR FISCAL YEAR 2017-2018**

	FY 2017/2018 Approved Budget	FY 2017/2018 EOY Outlook	FY 2017/2018 Change over/(under)
Revenue:			
Endowment Administration Fees	\$981,679	1,029,909	48,230
Revenue for Investment Mgmt Fees	\$586,167	689,898	103,731
Miscellaneous Revenue	-	321	321
Total Revenue	\$1,567,846	\$1,720,129	152,283
Operating Expenses:			
Auxiliary Business Services	\$290,135	289,041	(1,094)
Legal	28,000	48,874	20,874
Auditing and Tax Preparation	46,000	62,799	16,799
Insurance	3,100	3,046	(54)
Membership Fees	16,000	14,507	(1,493)
Postage & Freight	500	180	(320)
Printing	8,500	7,400	(1,100)
Professional Services/Consultants	120,000	68,459	(51,541)
Advertising	5,000	5,000	-
Honoraria	5,000	125	(4,875)
Reimburse Release Time	21,000	21,000	-
Out of State Travel	10,000	5,500	(4,500)
In State Travel	10,000	21,684	11,684
Professional Development (conferences, training, registration, etc)	15,000	12,780	(2,220)
Supplies & Services	5,000	9,152	4,152
Space & Equipment Rental (meetings, events)	40,000	7,388	(32,612)
Hospitality	75,000	76,093	1,093
Miscellaneous	35,000	19,331	(15,669)
Total Operating Expenses	\$733,235	\$672,358	(60,877)
Non-Operating Expenses			
Investment Management Fees, incl OCIO	\$586,167	689,898	103,731
Funds to University	\$88,000	114,672	26,672
Cost Allocation/Recovery	40,000	10,767	(29,233)
Operating Reserve	\$0	15,199	15,199
Unrelated Business Taxes	91,536	102,904	11,368
Total Non-Operating Expenses	\$805,703	933,440	127,737
Total Operating & Non-Operating Expenses	\$1,538,938	1,605,799	66,861
Net Income (surplus) at June 30, 2018	28,908	114,330	85,422
Unrestricted Net Assets (Reserves) at June 30, 2017	755,588	752,391	(3,197)
Unrestricted Net Assets (Reserves) at June 30, 2018	784,496	866,721	82,225

**SAN FRANCISCO STATE UNIVERSITY FOUNDATION
PROVISIONAL BUDGET FOR FISCAL YEAR 2018-2019
AS OF MAY 22, 2017**

		Amount
Revenue:	Endowment Administration Fees	\$1,114,894
	Revenue for Investment Management Fees	\$695,000
	Misc Revenue	-
Total Revenue		\$1,809,894
Operating Expenses:		
	Auxiliary Business Svcs (fiscal affairs support incl. bookkeeping, financial, cash mgmt, technology)	\$256,491
	Staff Support	\$108,000
	Legal	\$50,000
	Auditing and Tax Preparation	\$60,000
	Insurance	\$3,543
	Membership Fees	\$15,000
	Postage & Freight	\$500
	Printing	\$8,500
	Professional Services/Consultants	\$45,000
	Advertising	\$5,000
	Honoraria	\$5,000
	Out-of-State Travel	\$20,000
	In State Travel	\$10,000
	Professional Development (conferences, registration, etc)	\$15,000
	Supplies & Services	\$10,000
	Space & Equipment Rental (meetings, events)	\$6,500
	Hospitality	\$75,000
	Banking Fees	\$3,600
	Miscellaneous	\$35,000
Total Operating Expenses		\$732,134
Non-Operating Expenses:		
	Investment Management Fees, including OCIO	695,000
	Funds To University	\$207,500
	Cost Allocation/Recovery	\$15,000
	Operating Reserves	\$0
	Taxes	100,000
Total Non-Operating Expenses		\$1,017,500
Total Operating & Non-Operating Expenses:		\$1,749,634
Net Income at June 30, 2018 (Projected):		\$60,260
Unrestricted Net Assets (Reserves) at June 30, 2018		\$866,721
Unrestricted Net Assets (Reserves) at June 30, 2018		\$926,981

**SAN FRANCISCO STATE UNIVERSITY FOUNDATION
PROVISIONAL BUDGET FOR FISCAL YEAR 2018-2019
Comparison of FY 2017-2018 and FY 2018-2019**

		FY 2017/2018 EOY Outlook	FY 2018/2019 Proposed Budget	Increase (Decrease)	% change
Revenue:					
	Endowment Administration Fees	1,029,909	1,114,894	84,985	8%
	Revenue for Investment Mgmt Fees	689,898	695,000	5,102	1%
	Total Revenue	1,720,129	1,809,894	89,765	5%
Expenses:					
	Auxiliary Business Services	289,041	256,491	(32,550)	-13%
	Staff Support	21,000	108,000	87,000	81%
	Legal	48,874	50,000	1,127	2%
	Auditing and Tax Preparation	62,799	60,000	(2,799)	-5%
	Insurance	3,046	3,543	497	14%
	Membership Fees	14,507	15,000	493	3%
	Postage & Freight	180	500	320	64%
	Printing	7,400	8,500	1,100	13%
	Professional Services/Consultants	68,459	45,000	(23,459)	-52%
	Advertising	5,000	5,000	0	0%
	Honoraria	125	5,000	4,875	98%
	Out-of-State Travel	5,500	20,000	14,500	73%
	In State Travel	21,684	10,000	(11,684)	-117%
	Professional Development (conferences, registration, etc)	12,780	15,000	2,220	15%
	Supplies & Services	9,152	10,000	848	8%
	Space & Equipment Rental (meetings, events)	7,388	6,500	(888)	-14%
	Hospitality	76,093	75,000	(1,093)	-1%
	Miscellaneous	19,331	38,600	19,269	50%
	Total Operating Expenses	672,358	732,134	59,776	8%
Non-Operating Expenses:					
	Investment Management Fees, incl OCIO	689,898	695,000	5,102	1%
	Funds to University	114,672	207,500	92,828	45%
	Cost Allocation/Recovery	10,767	15,000	4,233	28%
	Operating Reserve	15,199	0	(15,199)	0%
	Taxes	102,904	100,000	(2,904)	-3%
	Total Allocations	933,440	1,017,500	84,060	8%
	Total Expenses & Allocations	1,605,799	1,749,634	143,835	8%
	Net Income	114,330	60,260	(54,070)	-90%

San Francisco State University Foundation
Reserve Analysis
Fiscal Year 2018 - 2019

Operating Reserve Requirements:

	2018 -2019 Budget
Foundation Operations	732,134
Six-month Operations	<u>366,067</u>

Current Reserve Levels:

Operating Reserve	366,618
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Recommended Adjustment:

Increase	(551)
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PART B



SAN FRANCISCO STATE UNIVERSITY FOUNDATION

1600 Holloway Avenue
San Francisco, CA 94132

Tel: 415/405-4061
Fax: 415/338-7020

May 25, 2018

To: Executive Committee
From: Venesia Thompson-Ramsay, Secretary and Treasurer
Re: Endowment Payouts for FY 18/19 – Permanent Endowments ONLY

The Foundation approved an endowment payout policy on April 25, 2011, where endowment balances as of March 31st of the current fiscal year would be used to determine a permanent endowment's above/below water status for purposes of making distributions in the upcoming fiscal year.

Per this policy, the following endowment payouts will be made on eligible accounts for FY 2018-2019, pending approval by the Executive Committee:

- FOR PROJECTS WITH BALANCES MORE THAN 4% ABOVE CONTRIBUTIONS, distribute 4% to projects spending account on or near July 1 of every year.
- FOR PROJECTS WITH BALANCES ABOVE WATER BUT LESS THAN 4% ABOVE CONTRIBUTIONS, distribute 2% to projects spending account on or near July 1 of every year.
- FOR PROJECTS WITH BALANCES BELOW CONTRIBUTIONS (BELOW WATER), no distribution is allowed (there are 5 endowments with balances below water (not market-related), compared to FY 17-18 when there were about 4).

NOTE: A 4% distribution is made for the temporary endowments.

Based on the above policy, the total distribution from all eligible endowments (permanent, temporary and quasi) for FY 2018-2019 is **\$2,703,006** compared to \$2,445,715 approved for distribution in FY 17-18 (a difference of \$257,291).

PART C

**OPERATING AGREEMENT
BETWEEN
SAN FRANCISCO STATE UNIVERSITY
AND
SAN FRANCISCO STATE UNIVERSITY FOUNDATION**

This Operating Agreement (“Agreement”) is made and entered into and between San Francisco State University (“University”) and the San Francisco State University Foundation (“Foundation”). The term of this agreement shall be from July 1, 2018 to June 30, 2023 unless sooner terminated as herein provided.

I. Purpose

The purpose of this Operating Agreement is to set forth the terms and conditions under which the Foundation may reimburse University for expenditures incurred by University as a result of the Foundation’s activities under the terms of the Master Operating Agreement renewed on *July 1, 2018* between the University, Foundation and Trustees of the California State University (CSU.)

II. Services and Facilities

Foundation and University acknowledge that some of the functions performed by University Advancement employees in respect to fundraising, donor relations, and overseeing the Foundation are required to support the Foundation’s purpose to foster private financial support for the University. Additionally, Foundation may have a need to use campus assets (e.g., office space and equipment) when such employees are engaged in correlated and overlapping activities between Foundation and University.

Both University and Foundation understand and agree that even though activities performed Foundation create goodwill and support solely for the benefit of University, the University is entitled to reimbursements by the Foundation for the use of these resources.

III. Fees

In consideration of the mutual promises contained herein, University and Foundation agree as follows:

- A. Foundation will reimburse Administration and Finance for cost determined through the annual cost allocation plan. This cost will be determined on a yearly basis based on Foundation’s use of University resources to include accounts payable, procurement & support services, business operations & safety, accounting & finance, budget & risk management, information technology, HR

and capital planning administration. The University and Foundation will agree on the amount due each year.

- B. Foundation will reimburse University Advancement each year to cover a percentage of the salaries of university advancement employees supporting the Foundation, as follows:
 - a. Vice President of Advancement – 4%
 - b. Chief of Operations – 20%
 - c. Director of Advancement Services – 20%
 - d. Director of Finance and Operations – 25%
 - e. Donor Relations & Scholarship Coordinator – 25%

- C. Foundation will provide an annual allocation of \$20,000 to University Advancement to support fundraising, donor relations and advancement activities. An increase to this amount must be approved by the Foundation's board of directors.

- D. Foundation will reimburse University Advancement for any Foundation-only or Foundation special projects that are supported by university advancement personnel. Costs and allocations between Foundation and University will be on a project-by-project basis.

IV. Invoices and Payments

The University will, on an annual basis, submit an invoice to the Foundation for the agreed-upon amounts for items A and B above for the then current fiscal year. Invoices received from the University pursuant to this Agreement will be reviewed, approved and processed for payment by the Foundation within thirty (30) days following receipt.

Foundation will distribute the annual allocation for item C to the University Advancement campus program account held at the University Corporation, San Francisco State.

V. Indemnification

University shall indemnify and save harmless and defend Foundation, its agents, servants, and employees from and against any and all claims, liability, losses, and/or cause of action which may arise from any negligent act or omission of University, its agents, servants or employees in the performance of services under this Agreement. Foundation shall indemnify and save harmless and defend University its agents, servants, and employees from and against any and all claims, liability, losses, and/or cause of action which may arise from any negligent act or omission of Foundation, its agents, servants or employees in the performance of services under this Agreement.

VII. Successors and Assigns

University and Foundation each binds itself and its partners, successors, executors, administrators, and assigns to the other party of this Agreement and to the partners, successors, executors, administrators, and assigns of such other party, in respect to all covenants of this Agreement. Except as above, neither University nor Foundation shall assign, sublet convey, or transfer its interest in this Agreement without the written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of Foundation which may be a party hereto, nor shall it be construed as giving any rights or benefits hereunder to anyone other than University and Foundation.

VIII. Remedies

This Agreement shall be governed by the laws of the State of California. Any and all legal action necessary to enforce the Agreement will be held in San Francisco County and the Agreement will be interpreted according to the laws of California. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

IX. Severability

If any term or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, to remainder of this Agreement, or the application of such terms or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.

X. Amendment Clause

This Agreement may not be amended, changed, modified, or altered without the written consent of the University and Foundation.

XI. Notices

All notices required in this Agreement shall be hand delivered or if sent to Foundation shall be mailed interoffice to:

Venesia M. Thompson-Ramsay
Secretary & Treasurer
San Francisco State University Foundation
Admin 154D

And if sent to University shall be mailed interoffice to:

Megan Dobbyn
Director of Procurement
Corp Yard Bldg C

IN WITNESS OF WHEREOF, on the ____ of _____, 2018, the President of SF State Foundation, has made and executed this Contract on behalf of Foundation and University has hereunto set its hand the day and year above written.

UNIVERSITY:

FOUNDATION:

By: _____
Megan Dobbyn
Director of Procurement

By: _____
Robert J. Nava
Foundation President

PART D

May 25, 2018

TO: Executive Committee
FROM: Robert Nava, Foundation President
RE: Hatami Scholarship Matching Gift

The Ariana Mae Hatami Foundation has partnered with San Francisco State University Foundation to establish the Ariana Mae Hatami Scholarship on campus for victims of domestic violence.

Ariana Mae Hatami (1993 - 2016) was a student in the College of Business at San Francisco State University, until she died tragically on December 16, 2016. Ariana's parents, Julie and Farzin Hatami, have established the Ariana Mae Hatami Foundation in their daughter's memory. The Hatami Foundation is envisioned as a resource for victims of domestic violence, and will provide financial and/or emotional support to anyone who is or has been a victim of domestic violence. The foundation also works with local support agencies to connect victims to a wider network of support.

The Hatami Foundation has provided \$12,500 to establish the scholarship.

Request

We are requesting a matching gift of \$12,500 from the San Francisco State University Foundation to establish a permanent endowment in honor of our former student, Ariana Mae Hatami.

PART E

May 25, 2018

TO: Executive Committee
FROM: Robert Nava, Foundation President
RE: Estate of Krishnan Bequest

Judy Stamps is the wife of Professor V.V. Krishnan. She established the Krishnan Scholarship in Engineering Fund (#60225) with \$150,000 of her own money. We recently received an additional \$150,000 from V.V. Krishnan's Separate Property Trust.

Mr. Krishnan's estate does not specify whether the funds are to be endowed or not. Per our Endowment Administration Policy, funds of \$25,000 or more will be quasi-endowed by the Board, unless there is language to the contrary or unless the Board makes an exception to the policy.

Request

As the purpose of the bequest from Professor V.V. Krishnan's estate aligns with the purpose of the Krishnan Scholarship in Engineering Fund, we are asking the Executive Committee to make an exception to the quasi-endowment policy and direct the \$150,000 from V.V. Krishnan's Separate Property Trust to the existing Krishnan Scholarship in Engineering Fund. This will allow the funds to be managed more efficiently.

LAW OFFICES OF
J. FREDERICK CLARKE, JR.
ATTORNEY & COUNSELOR-AT-LAW
2607 GRANT STREET, SUITE 200
BERKELEY, CALIFORNIA 94703

510/649-7948
FAX 510/649-1017
February 25, 2017

To the Charitable Beneficiaries of the V. V. Krishnan
Separate Property Trust under the Krishnan-Stamps
Living Trust, dated May 16, 2009

**Re: The V. V. Krishnan Separate Property Trust under the Krishnan-Stamps Living
Trust, dated May 16, 2009, and restated March 29, 2016**

Dear Trust Beneficiaries,

This office represents Dr. Judy A. Stamps, the successor trustee of the V. V. Krishnan Separate Property Trust under the Krishnan-Stamps Living Trust, dated May 16, 2009 (the "V.V. Krishnan Separate Property Trust" or "Separate Property Trust"). The Krishnan-Stamps Living Trust dated May 16, 2009, was restated and fully amended on March 29, 2016.

This letter is directed to the charitable beneficiaries of the V.V. Krishnan Separate Property Trust. The Separate Property Trust has some charitable beneficiaries that are given specific pecuniary bequests, as well as other charitable beneficiaries that are given shares of the residue.

A. Purpose of Letter

Dr. Krishnan, along with his wife, Dr. Judy A. Stamps, established a living trust called the Krishnan-Stamps Living Trust, dated May 16, 2009, as restated and amended on March 29, 2016 (the "Trust"). Under the Trust, they agreed on the establishment of a sub-trust, called the V.V. Krishnan Separate Property Trust, which held specific separate property owned by Dr. Krishnan that he wished to be part of the Trust.

The purpose of this letter is to make you aware of the existence of the V.V. Krishnan Separate Property Trust and briefly explain the process of trust administration.

Enclosed with this letter is the formal notice required under Probate Code 16061.7. This notice is required because Dr. Krishnan died on November 17, 2016, and the Separate Property Trust became irrevocable. Although it is not required, we are also enclosing a copy of those pages of the Trust that constitute the V.V. Krishnan Separate Property Trust.

The Separate Property Trust at section 3.7(2)(f) mentions that Dr. Krishnan retained unilateral authority "to revise his charitable gifting under this subsection using a form substantially similar to that model form attached as Exhibit A of this Trust Agreement." To the trustee's knowledge, Dr. Krishnan never exercised that revision authority. Consequently, Dr. Krishnan's charitable beneficiaries under section 3.7(2)(f) remain as he set forth in the March 29, 2016 restatement of the Trust.

B. About the Trust Administrative Process in General

In addition to facilitating the protection and management of Dr. Krishnan's separate property estate while he was alive, a major purpose of the Separate Property Trust was to avoid probate. Probate is a court-supervised procedure for administering a person's property and affairs after death. Probate tends to be slow and expensive. Although trust administration is not without expenses, usually significant savings in time and money can be achieved.

Letter to the Charitable Beneficiaries
of V. V. Krishnan Separate Property Trust
February 25, 2017
Page 2 of 3

As the successor trustee of the V.V. Krishnan Separate Property Trust, Dr. Stamps has the authority to manage the Separate Property Trust, make investment decisions, liquidate trust property, distribute property from the Separate Property Trust, or otherwise deal with the trust's property. The trustee is also responsible for keeping financial records and filing income tax returns for the Separate Property Trust.

The residuary beneficiaries of the Separate Property Trust are entitled to information concerning the Trust and its administration. The trustee will be providing them with an annual accounting and report of the trust administration. We expect that there will be one annual accounting presented for your approval, after which the residuary beneficiaries will receive their distributions.

However, named beneficiaries that are receiving specific bequests are not entitled to information and accountings, if their specific bequests are fulfilled. Specific bequests have priority over residuary gifts, but the trustee is confident that Separate Property Trust assets are more than sufficient to satisfy all the specific bequests, with the residuary beneficiaries also receiving substantial amounts.

If Dr. Krishnan's assets outside the Trust exceeded \$150,000, a probate might be required. However, the successor trustee believes that all significant assets are titled under the Trust. Therefore, it appears that a formal court-supervised probate will not be necessary.

Under the Separate Property Trust, the trustee is responsible for appraising all Dr. Krishnan's assets, whether inside or outside the Trust. The trustee is also responsible for ensuring that all Dr. Krishnan's valid creditors are paid.

C. Request for Your Tax Identification Number

When a trustee prepares income tax returns for a trust, the trustee must provide the IRS with the trust beneficiaries' U.S. federal tax identification numbers.

Keep in mind that no U.S. federal or California income tax will be due by the trust beneficiaries on the gift to them of their respective portions of the Separate Property Trust estate as an inheritance from Dr. Krishnan. In other words, there is no federal or state inheritance tax. However, income and deductions that the Separate Property Trust receives on its assets following the settlor's death flows through to the trust's residuary beneficiaries and, therefore, is included on the residuary beneficiaries' own income tax returns. Consequently, the trustee will be sending each of the Separate Property Trust residuary beneficiaries an IRS Form K-1, which will inform each residuary beneficiary of his, her, or its share of the Trust's income.

Therefore, the trustee needs to know the beneficiaries' tax identification numbers as part of the Trust's own tax reporting and compliance.

Therefore, enclosed is the IRS Form W-9 (Request for Taxpayer Identification Number and Certification) for you to use to provide us with that number. Please complete the enclosed IRS Form W-9 and return it to our office in the envelope provided.

Non-U.S. entities that do not already have a U.S. federal tax identification number should secure one from the U.S Internal Revenue Service (IRS), so that they can complete the W-9 form.

The Separate Property Trust will have 2016 tax returns. However, since no beneficiary received a distribution from the trust in 2016, all income taxes will be paid at the trust level and there will be no K-1 forms sent out for the year 2016.


Letter to the Charitable Beneficiaries
of V. V. Krishnan Separate Property Trust
February 25, 2017
Page 3 of 3

D. Conclusion

Please remember that we represent only the successor trustee, Dr. Judy A. Stamps, and not any of you individually. Thus, we cannot give you legal advice concerning your interests as the beneficiaries of the Separate Property Trust. If you have any questions generally concerning your rights and interests as beneficiaries with respect to the Separate Property Trust, please consult your own attorney

Thank you for your attention.

Sincerely,


J. Frederick Clarke, Jr. *by nB*

Enclosures: 1. Copy of Notification by Trustee.
 2. Copy of those pages of the Trust that constitute the Separate Property Trust
 3. Form W-9
 4. SASE

cc: Dr. Judy A. Stamps

~~The above gifts fail because of the death of all the members of the natural person gift class or (b) the disposition of any remaining portion of the estate is not clearly directed by this instrument, the remaining portion of the trust shall be distributed in equal shares to the charities identified in subsection (a) above, which are still legal charitable entities at the date of distribution.~~

~~XXXXXX To assist the trustee in identifying and locating beneficiary relatives and the precise educational institution beneficiaries, their present addresses and other contact information are set forth in Schedule F.~~

(2) *If V.V. Krishnan is the deceased spouse*, then his separate property shall be distributed as follows:

(a) The following pecuniary charitable gifts shall first be made: (i) Indian Institute of Technology Bombay, c/o IIT Bombay Heritage Fund, 21710 Stevens Creek Boulevard, Suite 115, Cupertino, CA 95014 – \$170,000; (ii) University of California, College of Engineering, Berkeley, CA 94720-1234 – \$50,000; (iii) Mahab College High School, R.P. Road, Secunderabad, Andhra Pradesh, India – \$30,000; and (iv) **San Francisco State University, School of Engineering, 1900 Holloway Ave, San Francisco, CA 94132 – \$150,000.**

(b) From the remainder of the deceased spouse's separate property, twenty-seven percent (27%) shall be distributed in equal shares among V.V. Krishnan's sisters – Vatsala Venketraman, Lalitha Gopal, and Saroja Subramanian. If any of them are deceased, the decedent's share shall be distributed among her descendants by right of representation.

(c) From the remainder of the deceased spouse's separate property, fifteen percent (15%) shall be distributed in equal shares among V.V. Krishnan's nephews and nieces – Sandhya Subramanian, Savita Subramanian, Mahesh Venkatraman, Sridar Venkatraman, G.S. Shankar, and G.S. Krishna. If any of them are deceased, the decedent's share shall be distributed among his or her descendants by right of representation.

(d) From the remainder of the deceased spouse's separate property, eighteen percent (18%) shall be distributed in equal shares among V.V. Krishnan's grandnephews and grandnieces, who have been born at the time of the deceased spouse's death and who are the children of V.V. Krishnan's nephews and nieces who have been named in subsection (c), above.

(e) To assist the trustee in identifying and locating beneficiary relatives and the precise educational institution beneficiaries, their present addresses and other contact information are set forth in Schedule F.

(f) From the remainder of the deceased spouse's separate property, forty percent (40%) shall be distributed in the specified shares among the following charities who continue to be legal charitable entities at the time of distribution:

PART F

SAN FRANCISCO STATE UNIVERSITY FOUNDATION
EXECUTIVE COMMITTEE
June 1, 2018

**2018/2019 EXECUTIVE COMMITTEE
PROPOSED MEETING SCHEDULE***

- Thursday, August 30, 2018 11:30 AM – 1:00 PM
- Thursday, November 8, 2018..... 11:30 AM – 1:00 PM
- Thursday, February 21, 2019 11:30 AM – 1:00 PM
- Friday, March 29, 2019 (day before Board Retreat)..... 4:00 PM – 5:00 PM
- Friday, May 31, 2019 11:00 AM -1:30 PM

*Meetings will be held at San Francisco City Club except for the March meeting, which will be held at the Board Retreat site.

PART G

**SAN FRANCISCO STATE UNIVERSITY FOUNDATION
ANNUAL MEETING
SAN FRANCISCO STATE UNIVERSITY
FINE ARTS GALLERY, ROOM 236**

JUNE 21, 2018 – 3:00 P.M.

Time	Description	Presenter	Action
3:00	Call to Order <ul style="list-style-type: none">• Chair Remarks	David Serrano Sewell	
3:02	Approval of Agenda <ul style="list-style-type: none">• Additions/Deletions	David Serrano Sewell	Approve
3:03	Approval of Minutes June 22, 2017 Meeting Minutes	David Serrano Sewell	Approve
3:05	Election/Re-election of Directors	Mary Huss	Approve
3:10	Resolution to Thank Phil King	Mary Huss	Approve
3:15	Election of Officers	Mary Huss	Approve
3:20	Board Committee Assignments	Mary Huss	Approve
3:25	New Business	David Serrano Sewell	Discussion
3:30	Adjournment	David Serrano Sewell	

**SAN FRANCISCO STATE UNIVERSITY FOUNDATION
BOARD MEETING
SAN FRANCISCO STATE UNIVERSITY
FINE ARTS GALLERY, ROOM 236**

JUNE 21, 2018 – 3:30 P.M.

Time	Description	Presenter	Action
3:30	Call to Order <ul style="list-style-type: none"> • Chair Remarks 	David Serrano Sewell	
3:35	Approval of Agenda <ul style="list-style-type: none"> • Additions/Deletions 	David Serrano Sewell	Approve
3:40	Consent Agenda <ul style="list-style-type: none"> • March 24, 2018 Meeting Minutes • Dates for FY 2018-2019 Board Meetings • Master Operating Agreement between Foundation and <u>CSU</u> • Master Operating Agreement between Foundation and <u>SF State University</u> 	David Serrano Sewell	Approve
3:45	Purple & Gold Nuggets	Taylor Safford	Update
3:50	San Francisco State University Report	Les Wong	Update
4:00	Executive Committee Report <ul style="list-style-type: none"> • Bylaws Amendment (student apt & SRI/Inv merger) • Conflict of Interest Form • Campaign Update • Faculty Awards • Strategic Planning, 2018-2019 • Board Survey • Foundation Staffing Plan 	Robert Nava	Approve Complete Updates
4:30	FY 18-19 Operating Budget	Caroline Johansson	Review
4:35	Written Committee Reports	David Serrano Sewell	Update

4:36	Director's Open Forum	Phyllis Carter Stephanie Shrieve-Hawkins Faculty Awards Recipients	Discussion
5:00	Adjournment	David Serrano Sewell	

COMMITTEE ON DIRECTORS

SAN FRANCISCO STATE UNIVERSITY FOUNDATION
ANNUAL BOARD OF DIRECTORS MEETING
JUNE 21, 2018

PROPOSED SLATE OF BOARD OF DIRECTORS

**Appointed by the President of San Francisco State University and To Be
Approved by the Board of Directors:**

3-Year Term – (July 1, 2018 – June 30, 2021)

Sheldon Gen, Faculty Representative

2018 – 2021

Sheldon Gen, Associate Professor of Public Administration, School of Public Affairs and Civic Engagement. Dr. Gen primarily teaches in the Public Administration Program, though his academic focus on public policy and applied research have also had him teach in seven other degree programs at SF State and Aarhus University in Denmark. He studies public engagement in policy making processes, and focuses on environmental and education policy issues. These interests stem from his prior employment and consultancies with many public and nonprofit organizations in the areas of education, environment, transportation, and development. At SF State, he has served in several leadership roles including director of the MPA program, Academic Senate, and Graduate Council. He holds a BS (Cal Poly) and license in civil engineering, a MPA (USC, with honors), and a PhD (Georgia Tech, with honors) in public policy. He is also an alumnus of the Presidential Management Fellowship (US Environmental Protection Agency) and the Peace Corps (Kenya).

To Be Approved by the Board of Directors:

3-Year Term – Re-elected to a Second Term (July 1, 2018 – June 30, 2021)

Neda Nobari	2015 – 2021 (2 nd)
Brent Stranathan	2014 – 2021 (2 nd)

3-Year Term – Re-elected to a Third Term (July 1, 2018 – June 30, 2021)

Greg Cosko	2013 – 2021 (3 rd)
Val Dolcini	2012 – 2021 (3 rd)
Ted Griggs	2012 – 2021 (3 rd)
Dennis O'Donnell	2012 – 2021 (3 rd)
Marsha Rosenbaum	2012 – 2021 (3 rd)

3-Year Term – Re-elected to a Fourth Term (July 1, 2018 – June 30, 2021)

David Serrano Sewell	2009 – 2021 (4 th)
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SAN FRANCISCO STATE UNIVERSITY FOUNDATION
ANNUAL BOARD OF DIRECTORS MEETING
JUNE 21, 2018

**PROPOSED SLATE OF OFFICERS
EFFECTIVE JULY 1, 2018 – JUNE 30, 2019**

President:	Robert J. Nava, Vice President of University Advancement (thru University term)
Chair:	Taylor Safford
Immediate Past Chair:	David Serrano Sewell
Vice Chair:	Kimberly Brandon
Secretary:	Venesia Thompson-Ramsay, Chief of Operations – University Advancement
Treasurer:	Venesia Thompson-Ramsay, Chief of Operations – University Advancement

**PROPOSED SLATE OF CHAIRS
EFFECTIVE JULY 1, 2018 – JUNE 30, 2019**

Wade Rose, Chair, Advocacy Committee

Don Nasser, Chair, Audit Committee

Dennis O'Donnell, Chair, Committee on Athletics

Mary Huss, Chair, Committee on Directors

John Gumas & Camilla Smith, co-Chairs, Campaign Cabinet & Development Committee

Kimberly Brandon, Chair, Investment Committee

DRAFT - PROPOSED SF STATE FOUNDATION BOARD LEADERSHIP SUCCESSION PLAN



DRAFT

Discussion points: assign/interest, nominations/list/vote/elect, terms

DRAFT