

# SAN FRANCISCO STATE UNIVERSITY FOUNDATION

Board Meeting Minutes

Thursday, June 25, 2015

Downtown Campus, San Francisco State University

## Board Meeting Minutes

### IN ATTENDANCE

L. Bridges	Director
R. Cortez	Director/VP, Admin & Finance, SF State
D. Corvin	Director
N. Fudem	Director
D.M. Guerrero	Incoming Dir./Student
J. Gumas	Chair
M. Huss	Director
R. Manaos	Director/Staff Rep.
J. Marcus	Director
H. Myers	Vice-Chair
D. Nasser	Director
R. Nava	President/VP, University Advancement, SF State
N. Nobari	Incoming Director
W. Rose	Director
S. Rosser	Director/Provost, SF State
T. Safford	Incoming Director
D. Serrano-Sewell	Director
D. Simon	Director

C. Smith	Director
V. Thompson-Ramsay	Secretary & Treasurer
L. Wong	Director/President, SF State

### ABSENT AND EXCUSED

V. Anicetti	Director
K. Brandon	Director
G. Cosko	Director
V. Dolcini	Director
T. Driscoll	Director
T. Griggs	Director
P. King	Director
D. O'Donnell	Director
L. Pitman	Director
M. Rosenbaum	Director
D. Simmons	Director
J. Simmons	Director
R. Stanley	Director
W. Weinstein	Director

### OTHERS PRESENT

J. Aba	University Advancement Support Coordinator, SF State University
I. Bomar	Executive Assistant to the Vice President, University Advancement, SF State University
L. Claudio	Executive Assistant to the President, SF State University
J. Dunn	Director of Development & Campaign Communications
A. Harris	Associate Vice President, University Development, SF State University
C. Johansson	Director of Advancement Services, University Advancement, SF State University
M. Kelleher	Executive Director of Development and Campaign Operations
B. Rojo	Administrative Assistant, University Advancement

### MEETING CALL TO ORDER

Chair Gumas called the meeting to order at 3:33 pm. He welcomed everyone to the meeting. He invited newly-elected board member, Neda Nobari to come forward and presented her with her name plate. Gumas also acknowledged outgoing board member and student representative, D. Miguel Guerrero. Gumas asked Miguel to share his future plans and he mentioned that he had an interview lined up with the San Francisco Municipal Transportation Agency (SFMTA).

### APPROVAL OF AGENDA

Chair Gumas asked that the agenda be approved. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: that the board approves the agenda for the June 25, 2015 board meeting.

Motioned by: Rogelio Manaos

Seconded by: Taylor Safford

Motion: Passed

## **APPROVAL OF CONSENT AGENDA**

The board reviewed the consent agenda, which included the April 11, 2015 board meeting minutes and the proposed board meeting schedule for FY 2015-2016. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: that the board approves the consent agenda.

Motioned by: Wade Rose

Seconded by: Herb Myers

Motion: Passed

## **SAN FRANCISCO STATE UNIVERSITY REPORT**

SF State President Leslie Wong welcomed Neda Nobari and Brent Stranathan to the board and thanked them for their commitment to SF State. He mentioned that Brent had been wonderful to him and Mrs. Wong during their recent trip to New York.

President Wong shared some good news about the California State University (CSU) system budget. He mentioned that the CSU had received an additional \$216 million for the system above last year's budget allocation because of the good work of so many people. He thanked David Serrano-Sewell, Kimberly Brandon and members of the Foundation's Advocacy committee who lobbied Sacramento. He also thanked Lisbet Sunshine and the Government Relations staff. President Wong mentioned that there was quite a demand to get into SF State so the additional funding would go a long way. President Wong said he wanted to publicly thank Chancellor Tim White for making sure the voice of the CSU was heard. He said Chancellor White deserved a lot of credit for his hard work.

President Wong mentioned that the groundbreaking for Mashouf Wellness Center took place earlier that morning. He said Mr. Mashouf and family were on hand for the groundbreaking and were very pleased with the event. He walked board members through a slide show of renderings of the facility, which was targeted for a February 2017 grand opening. President Wong also shared some of the amenities of the facility, including an indoor jogging track, fitness and weight areas, pools, a sauna, a climbing wall, racquetball courts, fitness studios and a large multi-use space.

President Wong ended his report with an update on the San Francisco Giants' Community Fund partnership with SF State. He mentioned that the partnership was announced by President Barack Obama at the White House the prior week and that Foundation President, Robert Nava represented the university. The video of President Obama making the announcement was shown. President Wong thanked Chair John Gumas for his role on the Community Fund and for bringing this partnership to the university. He said this partnership would put SF State on the radar. President Wong said there was a new kind of energy on campus. He said we had big dreams and a big vision, but achieving them was possible because of the team he had around him, including people like our board members. Foundation President Nava mentioned that the Giants Urban Academy was the first of its kind on a university campus (the others were in Washington, DC, Baltimore and Detroit). He also thanked John for his vision and hard work in making it all happen.

## **FOUNDATION PRESIDENT'S REPORT**

Foundation President Nava thanked Neda for agreeing to rejoin the board and for her contributions to the university. He mentioned that the hall on the first floor of the J. Paul Leonard Library was named in her honor. Robert then gave an update on the Campaign Cabinet. He mentioned that the committee was formed to oversee the campaign and listed a few of the members, including David Simon, Charlotte Ferretti, Trevor Getz, Mark Johnson, Alex MacBride, Sheldon Axler and John Gumas who would be stepping down as Board Chair to serve as Cabinet Chair. Finally, Robert introduced James Dunn, the newest member to join University Development staff. He said Dunn was the Director of Development and Campaign Communications and came to the university from Marymount International School in Rome, Italy where he served as the Director of Development, Marketing and Alumni Relations. Prior to that, Dunn worked with the New York City Ballet and the Smithsonian.

## **EXECUTIVE COMMITTEE REPORT**

- a) President Nava mentioned that the Foundation had an endowment for over \$400,000 that had not been awarded for several years because the donor's trust stipulated that the gift should be directed to students training in Cardiology, Cardiovascular, or Radiation Oncology. He stated that because the School of Nursing did not have

specializations in these fields but, instead, incorporated these fields in the whole nursing program, the Foundation sought legal advice on how to proceed. Nava mentioned that, upon review of the trust agreement, Foundation legal counsel believed that since the trust did not say "training only, specifically, or specializing in those fields of study" and because each student did receive training in these fields, then all the students were eligible for endowment funds. Nava further explained that, in order to demonstrate a good faith effort to comply, to the greatest extent possible, with the terms of the bequest, our attorneys recommended that we came up with program guidelines (to be ratified by board resolution) that required students to submit an essay expressing interest in these fields. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: that the Board ratifies Resolution No. BOD 062515-1 to approve and adopt program guidelines for the William Ray Tobias and Jacquelyn Hawkins Tobias Endowed Scholarship.

Motion by: Taylor Safford

Seconded by: Mary Huss

Motion: Passed

- b) Nava then discussed the materials presented to amend the Bylaws. He informed the board that the amendment was necessary for two reasons: 1) To expand the number of officer positions on the board to include an Immediate Past Chair and 2) to create the Socially Responsible Investing (SRI) committee, which was a subcommittee of the Finance and Investment Committee. Nava mentioned that the Immediate Past Chair would assist with the transition of the Chair-Elect. He said this was an advisory role with a one-year term. With regards to the SRI subcommittee, Nava mentioned that its role, among other things, would be to interface with investment managers as well as divestment advocates to identify best practices that balance the Foundation's sustainable and socially responsible investing goals with its goals to build the endowment. He said the Foundation's divestment work would be handled by this subcommittee.
- c) Chair Gumas informed the board that he had received the results of the board assessment/survey and that about 50% of the board members had responded. He said that, overall, the results were pretty positive and there was a slight improvement over last year's general satisfaction of board members. Chair Gumas provided information on the areas board members highlighted as key, including: 1) having clearer policies regarding their responsibilities for fundraising; 2) receiving more frequent communication from the university; 3) serving on additional committees or committees that aligned well with their skills, experience or interests; and 4) hearing a student or faculty presentation at board meetings. Chair Gumas said to address some of these concerns, the Foundation would draft a document to define board members' role with respect to fundraising. He also mentioned that the Foundation would begin disseminating a monthly newsletter and work to identify students/faculty to present at board meetings. Nava asked board members to send him their preferred committee assignments and he would try to accommodate their requests. Finally, John reminded board members that it was that time of year when they needed to complete their annual conflict of interest form. He said the Foundation would like a 100% completion rate so he encouraged board members to complete their forms and turn them in to staff at the end of the meeting.

#### **FINANCE AND INVESTMENT COMMITTEE REPORT**

Vice Chair Herb Myers provided the report. He mentioned that the Finance and Investment Committee had met on May 14<sup>th</sup>. He stated that UBS presented the March 31<sup>st</sup> investment performance as follows: US equity (31.7% of the portfolio) had 1-year return of 12.45%; international equity (12.6% of portfolio) had negative return of -5.16%; fixed income (14.7% of portfolio) had 1-year return of 3.65% and alternative investments (35.6% of the portfolio) had a 1-year return of 5.27%. He mentioned that the Foundation also terminated three alternative investments (Visium Catalyst, Pacific Madrone and Kayak) and reduced one (STS) with the total redemption amount valued at about \$5.8M. He said about \$2M of that amount would be paid to the University Corporation to buy out their 10% of the alternative investments currently on the Foundation's books. In addition, Myers informed the board that the Finance and Investment Committee was looking to obtain an independent analysis of our investments and an assessment of our policies and operations, including investment oversight and management. He said the Committee reviewed and approved an RFP for circulation and had received three (3) responses. He said the Committee would meet on July 9<sup>th</sup> to review the proposals and decide if it should move forward with a consultant or not. Myers also mentioned that at its May 14<sup>th</sup> meeting, the Committee approved over \$2 million in distribution from the endowments for

scholarships, fellowships, and campus programs for FY 2015-2016. Finally, Myers mentioned that two students from Fossil Free SFSU attended the May 14<sup>th</sup> meeting to present their resolution regarding full divestment from the fossil fuel industry. He said the students were thanked for their time and told that the Foundation did not adopt outside resolutions and that a subcommittee on Socially Responsible Investing would be established to oversee the divestment work and would work with students and others on these issues moving forward.

Treasurer Thompson-Ramsay presented the proposed operating budget for FY 2015-2016. She mentioned that the budget was developed over a period of 6 weeks using data from on campus and off campus sources. She said the budget was reviewed and approved by both the Finance and Investment and Executive committees. She said the proposed budget had \$1.4M in revenue and about \$1.5M in expenses. She discussed the Foundations largest expenses, which include investment management fees, accounting and financial support, professional services costs, and audit and legal costs. She stated that as a result, the Foundation would end FY 2015-2016 with an \$85K deficit, which would be absorbed by its reserves. Finally, she mentioned that the Foundation would have sufficient funds to meet the CSU-required six (6) months of operating reserve policy. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: that the board approves the Foundation's proposed operating budget for FY 2015-2016.  
Moted by: Taylor Safford                      Seconded by: Wade Rose                      Motion: Passed

### **AUDIT COMMITTEE REPORT**

Don Nasser mentioned that the Foundation staff had been engaged in two separate audits during FY 2014-2015. He said the first was the CSU Audit of Auxiliaries that took place every 3 years. He said the final audit report, along with management response, would be provided to the Foundation's Audit Committee. Nasser mentioned that the second audit was the Foundation's independent audit for FY 2014-2015. He said that the Foundation had engaged Hood & Strong and met with the Audit Committee on June 3<sup>rd</sup> to officially kick off the audit. He said the auditors expected to complete their year-end fieldwork from August 10-28<sup>th</sup> and have the final drafts to the internal auditors sometime in September before submitting to the Chancellor's Office. He said the Audit Committee would meet again post-audit (around late October to early November) to accept the audit.

### **COMMITTEE ON DIRECTORS**

Mary Huss mentioned that the Committee on Directors met on May 20<sup>th</sup> to review and approve the proposed slate of new officers as follows: David Serrano-Sewell as Chair, John Gumas as Immediate Past Chair, and Taylor Safford as Vice Chair. She said, per the Bylaws, Robert Nava would serve as Foundation President and Venesia Thompson-Ramsay would serve as Secretary and Treasurer. Huss also mentioned that the committee chair assignments were also discussed and approved. She said that effective July 1, 2015, Herb Myers and Wade Rose would serve as co-chairs of the Advocacy Committee and John Gumas as Chair of the Campaign Cabinet. She said the other committee chairs would remain the same: Don Nasser (Audit Committee); Ted Griggs and Dennis O'Donnell (Committee on Athletics); Mary Huss (Committee on Directors); Camilla Smith (Development Committee); and Kimberly Brandon (Finance and Investment Committee).

### **COMMITTEE ON ATHLETICS REPORT**

Leona Bridges presented the report. She mentioned that the Committee for Athletics met on June 17<sup>th</sup>. She said the Committee discussed the White House announcement of the partnership between the SF Giants Community Foundation, Major League Baseball Urban Academy and San Francisco State University to build an Urban Academy on the campus serving youth ages 5-17. With regards to fundraising, she said that Athletics' had raised \$275,000 of its \$350,000 goal (79%). For FY 2015-2016, the goal was to raise \$300,000, which was separate from its campaign goals of nearly \$2 million. Bridges also mentioned that the Student-Athlete Weight Room was being renovated, thanks to the generosity of board member Judy Marcus, and was scheduled to be opened September 1, 2015 for over 250 student-athletes. Finally, Bridges provided some update on student academic performance: Gator student-athletes had a GPA of 3.0; 50% of student-athletes were on the Athletics Department Honor Role; and 74% of student-athletes graduate compared to 54% for the general student population.

**ADVOCACY COMMITTEE REPORT**

David Serrano-Sewell presented the report. He mentioned that on June 24th, Governor Brown signed the \$115.4 billion general fund budget lawmakers passed the previous week, which included an additional \$216 million for the CSU system above last year's budget allocation. He stated that this represented a total of \$97 million above the Governor's January budget and the largest increase to the Governor's initial proposal since Proposition 30. He said that SF State's share was generally 7% of the CSU total. Serrano-Sewell said that advocates believed that the increase was due to several factors, including an improving state economy, the value proposition to the state of California of investing in higher education, and a coordinated advocacy effort by every campus in the CSU. He said that since January, hundreds of SF State alumni and students had sent messages to their legislators supporting the funding increase, and our students, President Wong, faculty, staff, board members and supporters made six visits to Sacramento. He gave special thanks to Foundation board members Kimberly Brandon and Taylor Safford for effectively lobbying our legislators in Sacramento this past spring.

**DEVELOPMENT COMMITTEE REPORT**

Camilla reported that the Development Committee held its most recent meeting on April 2nd. She said she was pleased to report that the Development Office had raised \$14.6 million as of June 24, which was 91% of its \$16 million goal. She said during the past year, the university received 6,392 gifts (48 gifts were of \$25,000 or more, 12 gifts of \$250,000 or more, and 2 gifts of \$1million or more). She said some of the most recent gifts received included a planned gift from an anonymous staff member for \$2 million; \$3 million gift from the Giants Community Foundation to establish an Urban Youth Academy on the campus; and a \$250,000 grant from the Tipping Point Foundation for the Guardian Scholars program. Finally, Smith mentioned that a new development officer was hired for the College of Liberal and Creative Arts with a start date of July 6th. There were still two positions vacant for the colleges of Business and Science & Engineering.

**GAVEL TRANSFER**

Nava mentioned that the meeting was Gumas' and Myers' last board meeting as Chair and Vice Chair, respectively. He talked about their contributions to the Foundation and to the University and thanked them for their service. Nava presented Gumas and Myers with name plaques that had their officer positions engraved on them. He then presented Myers with an office lamp engraved with the University logo. Nava and President Wong then presented Gumas with a chair engraved with the University logo. Gumas and Myers thanked everyone and said they had really enjoyed their tenure in their positions and were sad to go. Incoming Chair David Serrano-Sewell was invited forward to accept the Chair's gavel. Gumas wished Serrano-Sewell and Taylor Safford all the best as the new Chair and Vice-Chair.

**ANNOUNCEMENTS**

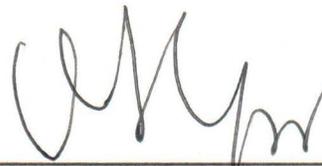
John reminded board members that the first board meeting for FY 2015-2016 was scheduled for October 2, 2015 at AT&T Park.

**ADJOURNMENT**

There being no further business and with Taylor Safford making the motion and Wade Rose seconding, Chair Gumas adjourned the meeting at 5:05 pm.

Dated: June 25, 2015

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Venesia Thompson-Ramsay, Secretary