

SAN FRANCISCO STATE UNIVERSITY FOUNDATION

Board of Directors Meeting
 Seven Hills Conference Center, SF State Campus
 Tuesday, September 17, 2024

Board Meeting Minutes

IN ATTENDANCE

V. Anicetti Director (virtual)
 C. Bengier Director
 L. Bridges Director (v)
 W. Brown, Jr. Director Emeritus
 A. Chan Director (v)
 D. Corvin Director
 G. Cosko Director
 D. Endo Vice Chair (v)

I. Esera Student Director
 B. Foley Student Director
 S. Gen Director
 J. Gumas Director (v)
 T. Herrera Director
 M. Huss Chair
 J. Jackanicz Foundation President,
 VP/Univ. Advancement,
 SF State

T. L. Jackson Director (v)
 F. Levin Director (v)
 D. Lindo Director
 L. Mahoney Director/President, SF State

J. Marcus Director (v)
 D. Nasser Director
 D. Plousha Moore Director
 M. Rosenbaum Director
 P. Siguenza Director
 Co. Smith Director (v)
 R. Stanley Director
 V. Thompson-Ramsay Secretary & Treasurer
 C. Wachira Director (v)
 L. White Director (v)
 J. Wilson Director/CFO & VP,
 Admin & Fin, SF State

ABSENT AND EXCUSED

K. Brandon Director
 G. Kumar Director
 D. Neumann Director
 N. Nobari Immediate Past Chair
 K. Salgado Director
 A. Sueyoshi Director/Provost, SF State
 J. Wunderman Director

OTHERS PRESENT

A. Billa Associate Vice President, Development, SF State University
 A. Clay Dean (interim), College of Health and Social Sciences, SF State University
 M. Campbell Executive Assistant to the Vice President of Advancement, SF State University
 C. Grutzik Dean, Undergraduate College of Education, SF State University
 C. Johansson Senior Director, Advancement Services, SF State University and Director of Programs
 and Technology, SF State Foundation

H. Jahani Events Services Coordinator, Conference & Event Services, SF State University
 N. Lange Associate Vice President, Alumni Relations & University Engagement, SF State
 University

V. Lee Senior Director, Finance and Operations, SF State University and Director of Finance, SF
 State University Foundation

K. Lynch Senior Associate Vice President, Enrollment Management, SF State University
 S. McLaughlin (v) Foundation Legal Counsel, Adler & Colvin
 G. Nunez Associate Vice President, Strategic Marketing & Communications, SF State University
 I. K. Nwankwo (v) Dean, College of Liberal & Creative Arts, SF State University

J. Oppenheim (v) Director of Communications, Foundation & Alumni Engagement, SF State University
E. Sivadas Dean, Lam Family College of Business, SF State University
E. Stoian Executive Director, Budget Administration & Operations, SF State University

MEETING CALLED TO ORDER

Chair Mary Huss called the September 17, 2024 meeting of the Board of Directors, the first of the academic year, to order at 3:12 PM. She expressed excitement about her new role as board chair and thanked outgoing chair, Neda Nobari for her exemplary leadership. Huss noted several major accomplishments by the board and committees over the summer, including selecting CCS Fundraising to lead the campaign feasibility and planning study; completing a thorough evaluation of investment management options and deciding to continue partnering with Cambridge Associates; and collaborating with students to enhance the Investment Policy Statement (IPS), a pivotal step for future alignment with environmental, social, and governance goals. She also congratulated directors and staff on record-breaking fundraising efforts in the last fiscal year as well as the official launch of the Braven Project, a program to support first-generation students and students of color.

PUBLIC COMMENTS

There were no public comments.

STUDENT APPOINTMENT

Director Plousha-Moore, chair of the Committee on Directors presented the candidacy of Brandon Foley to the Foundation board. Plousha-Moore said Foley was appointed by President Mahoney to serve on the Foundation Board alongside current student director Iese Esera, with their terms running through June 30, 2025. She introduced Foley as a Bay Area native who earned a Bachelor of Science in Computer Engineering in Fall 2023 and was now pursuing a Master of Science in Electrical and Computer Engineering at San Francisco State. She said Foley was the current president of the Associated Students at San Francisco State for the 2024–2025 term and had previously served on the university’s Associated Students Board of Directors. Plousha-Moore said Foley was committed to students’ basic needs and was focused on expanding funding for the Gator Groceries program, which had supported over 800 food-insecure students weekly at its peak. Plousha-Moore said Foley was passionate about cloud-based software, product engineering, and micro-learning and enjoyed the gym, rock climbing, and exploring the city in his free time. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: that the board ratifies the appointment of Brandon Foley to the San Francisco State University Foundation’s Board of Directors for FY 2024-2025.

Motioned by: Cynthia Bengier Seconded by: Patricia Siguenza Motion: Passed

MEETING AGENDA

Huss asked for a motion to approve the agenda for the board meeting of September 17, 2024, which was included in the board packet and distributed in advance of the meeting. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: that the board adopts the agenda for the September 17, 2024 board meeting.

Motioned by: Iese Esera Seconded by: Debra Plousha-Moore Motion: Passed

CONSENT AGENDA

The Board reviewed the consent agenda, which included the minutes from the June 12, 2024 board meeting. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: that the board approves the consent agenda, as prepared.

Motioned by: Dana Corvin

Seconded by: Patricia Siguenza

Motion: Passed

PURPLE AND GOLD NUGGETS

Vice Chair Don Endo provided updates on the work and accomplishments of members of the SF State community, as follows:

1. Engineering Associate Professor Yiyi Wang, Engineering Assistant Professor Zhuwei Qin and Special Education Associate Professor Mary Requa were awarded a National Science Foundation grant for supporting neurodiverse students in engineering teamwork through an AI- driven platform. The 3-year, \$399,979 grant uses a two-pronged approach to ameliorate the social-emotional and sensory challenges for neurodiverse students participating in classroom teamwork.
2. SF State received a \$100,000 grant from the National Park Service to assist in the consultation and documentation of ancestral remains and cultural items as part of the Native American Graves Protection and Repatriation Act (NAGPRA). SF State is one of two California universities to receive one of the grants, which also went to 13 tribes and 21 museums nationwide.
3. For the past several years, Goodwill San Francisco Bay has partnered with the Apparel Design and Merchandising program on projects about circular fashion and textile reuse. For their recent collaboration, Goodwill mentored six students and provided them with unsold clothing items from its retail channels. The students took these items and reimagined them, giving them a second life as a festival-wear collection. The full collection of student garments was showcased on mannequins at the Goodwill store on Haight Street in San Francisco from July 31 to Aug. 12.
4. The Office of Strategic Marketing and Communications (SMC) won a silver medal in the Council for the Advancement and Support of Education's *2024 Circle of Excellence Awards*. A video produced for the CSU Board of Trustees, "The Culture of Possibility," won in the category for long promotional videos. Videographer Juan Montes directed the video, while Marketing and Brand Strategy Director Barbara Stein led members of SMC staff to help Montes identify an approach to the video and tackle the logistical challenges of producing it.
5. A pilot program in Art Handling launched last year and teaches students the proper ways to handle art as well as prepares them for careers in museums, galleries, auction houses and beyond. The 12-unit program is among the first of its kind at a public university, training students in a field where no academic degree program exists, anywhere.
6. SF State's Kimberly DeBoer has been selected to represent the California Collegiate Athletic Association (CCAA) on the national stage as a nominee for the 2023 – 2024 National Collegiate Athletic Association's (NCAA) *Woman of the Year Award*. DeBoer will be listed among the most elite student-athletes in each of the three divisions of the NCAA, as the Woman of the Year Selection Committee will choose the Top 30 honorees — 10 from each division — from the conference-level nominees. The top 30 honorees will be announced in the fall.
7. Assistant Professor of Journalism Josh Davis won the *Educator of the Year Award* from the National Press Photographers Association (NPPA). This award recognizes an individual for their outstanding work as a visual journalism educator, helping their students reach their full potential. The NPPA noted that Davis received the award for his ongoing mentorship as the visuals adviser to student publications Golden Gate Xpress and Xpress Magazine.

SAN FRANCISCO STATE UNIVERSITY REPORT

President Lynn Mahoney provided important updates during the meeting, emphasizing SFSU's commitment to a values-driven approach to investment decisions, rather than engaging in region-specific or politically driven debates, such as the student demands regarding Israel. She said the process was collaborative, transparent, and lauded by various groups, including the Jewish community. Mahoney noted that contrary to public perceptions, free speech thrives at SFSU and highlighted peaceful co-existence among diverse student groups, including Students for Gaza, San Francisco Hillel, and Turning Point USA, who shared campus spaces respectfully. She said Jewish and activist students felt safe and supported, despite ongoing global conflicts.

Mahoney pivoted to the university's enrollment and budget challenges. She said SFSU, like many other CSUs in Northern California, faced declining enrollment due to increased competition from UC schools and other CSUs. She said the current environment was highly competitive and volatile. Mahoney said, compounding the problem was state cuts, specifically the proposed 8% cut to the CSU budget and warned that these cuts would lead to reduced services and fewer classes, directly impacting students. She said advocacy efforts were underway to address the issue.

Mahoney also talked about equity and faculty representation. She said the university hired 29 new faculty in the fall. She said 86% identified as BIPOC, reflecting the diversity of SFSU's student body. She attributed the successful diverse hiring to a cohort hiring strategy targeting faculty with a demonstrated commitment to serving Black and Latinx communities.

Mahoney closed with a few updates on two new facilities: 1) the Science & Engineering Innovation Center, a new hub for cutting-edge research and learning and 2) the Grove Residence Hall, built with a \$116 million state grant that will offer affordable housing to 750 first-year students with significant discounts. She also mentioned that SFSU earned a 4.5 out of 5 rating from *Money Magazine*, ranking among the best public colleges, colleges in the West, and colleges with high acceptance rates; and was also recognized as a leader in academic excellence and upward mobility. Mahoney closed by commending the university community for achieving these successes despite limited resources and encouraged continued advocacy and collaboration to overcome these challenges.

SAN FRANCISCO STATE STUDENT REPORT

Brandon Foley provided the report. He said food insecurity was his top priority as the new president of Associated Students (AS) at SF State. He cited an April 2021 study where 73% of SF State students who responded to a survey self-identified as food insecure. He talked a bit about Gator Groceries, which served about 800 students weekly but struggled to meet demand. He said the food security program included a Food Pantry with walk-in access and Gator Groceries with pre-packaged food boxes. Foley said there was no financial or eligibility screening and that the program operated on an honor system, setting it apart from programs at other CSU campuses. He said the program cost about \$95,000 per year to operate with about \$85,000 annually coming primarily from the Graduation Initiative 2025 (GI 2025). He said this left a \$10,000 shortfall and with Associated Students' projected deficit of \$1.3 million as well as GI 2025 funding set to expire, the program's sustainability was in jeopardy.

After much discussion, foundation directors encouraged AS to explore additional partnerships, beyond the SF-Marin County Food Bank, such as neighborhood restaurants for surplus food (similar to the Food Runners program). Directors also requested comprehensive campus-wide food insecurity data to identify overlaps or gaps in resources as well as data quantifying the total cost of adequately meeting student demand for food. Foley said he would bring the information back to the December board meeting.

FOUNDATION PRESIDENT’S REPORT

Jackanicz report that the university had achieved 45% of its \$20 million annual fundraising goal. He said the strong start might lead the team to reevaluate the goal and consider raising it, pending further discussions with our campaign planning consultant. He said that building on the success of the last comprehensive fundraising campaign, *Bold Thinking*, which exceeded its \$150 million goal by 2020, the time had come to begin planning the next comprehensive fundraising effort. Jackanicz said that over the spring and summer, staff conducted a rigorous Request for Proposals (RFP) process to identify the right partner for this critical undertaking. He said after reviewing 14 proposals, conducting finalist interviews, and receiving invaluable input from the Development Committee, the team had selected CCS Fundraising as its campaign planning and readiness assessment consultant. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: that the board ratifies the selection of CCS Fundraising to conduct a campaign feasibility and planning study for the next fundraising campaign.
 Motioned by: Debra Plousha-Moore Seconded by: Patricia Siguenza Motion: Passed

Jackanicz said another significant RFP process conducted during the spring and summer involved reevaluating the Foundation’s relationship with its investment advisor. He said that for the past five years, the Foundation had partnered with Cambridge Associates, who had served exceptionally well. Jackanicz said that best practices dictated that we revisit these partnerships every five years or so to ensure we remain aligned with the best possible advisors (i.e. those who met our needs, shared our values, and were equipped to manage our growing portfolio). Jackanicz said the RFP process attracted responses from 11 top-tier institutional investment management firms, which the Investment Committee, in coordination with North Pier, an investment management evaluation firm that the Foundation hired, narrowed the pool down to three finalists. Jackanicz said that after careful consideration, the Investment Committee decided to continue its relationship with Cambridge Associates, mentioning that their track record of outstanding service, along with their deep understanding of the Foundation’s goals, made them an invaluable partner. Jackanicz said, in addition, the Investment Committee voted to take its relationship with Cambridge Associates to the next level by transitioning from a traditional investment advisory model to an OCIO (Outsourced Chief Investment Officer) arrangement. He said as the Foundation’s endowment grew and matured, this model would allow Cambridge to act with greater agility (i.e. making timely trades, investments, and redemptions), while still providing meticulous reporting at each Investment Committee meeting. Finally, Jackanicz said the Investment Committee was in the final stages of negotiations, working with a consultant to ensure favorable terms, including a reduction in fees. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: that the board accepts the Investment Committee’s recommendation to continue the relationship with Cambridge Associates, moving to an Outsourced Chief Investment Officer (OCIO) mandate, pending a successful negotiation of the fee structure.
 Motioned by: Iese Esera Seconded by: Greg Cosko Motion: Passed

Jackanicz continued his report with updates on three key partnerships.

1. *San Francisco Federal Credit Union Partnership (SFFCU)* - the University’s first-ever comprehensive corporate partnership with SFFCU. The 5-year partnership will provide between \$1 and \$2 million to support Gator Athletics, the Presidential Scholars Program and the Braven Project. The partnership also included a naming opportunity for the gym (to be named the San Francisco Federal Credit Union Gymnasium) for the duration of the partnership.

2. *San Francisco Foundation* – The Community Foundation established the Black Excellence Scholarship Fund, targeting Black students at San Francisco State. In its inaugural year, 35 students received will receive \$2,500 scholarships to help reduce the cost of attendance.
3. *Braven* – the SFSU-Braven partnership was officially launched on September 16 and hosted by Atlassian in the Financial District. This collaboration continues to gain momentum, with a focus on fundraising and expanding corporate partnerships.

Jackanicz closed with a number of upcoming events, including a campus visit by BECA Alumnus Whit Johnson, anchor of *Good Morning America*; two Los Angeles alumni gatherings (a dinner hosted by Peter and Rosemary Casey and a larger gathering with 70 LA-area alumni); a trip to New York to meet with key partners and host an alumni event; campus visit by Climate Change Author, Kim Stanley Robinson; and the Annual Alumni Hall of Fame celebration honoring Steven Gillette (CEO of Verily, an Alphabet company), Evan Kidera (CEO of Señor Sisig, a Filipino fusion restaurant); Genny Lim (Poet Laureate of San Francisco) and Patrick Makuakane (Director of a Hawaiian cultural dance company).

BUDGET & ENROLLMENT MANAGEMENT UPDATE

Katie Lynch, Senior Associate Vice President for Enrollment Management and Jeff Wilson, Vice President for Administration and Finance and CFO made the presentation. Lynch started out by discussing the Enrollment Landscape. She said that national trends showed that undergraduate enrollment was declining nationwide due to a demographic shift ("demographic cliff") projected to last until 2035 with only elite four-year institutions seeing growth. In California, Lynch said about 60% of the state's population resided in Southern California, intensifying competition among CSUs for students with campuses like San Francisco State (SF State), Sonoma State, East Bay, Humboldt, and CSU Los Angeles facing significant enrollment declines. Lynch said, in response to this decline, the CSU implemented a reallocation plan where funds were being shifted from shrinking campuses to growing ones, limiting resources for struggling institutions like SF State. Lynch said SF State's enrollment was 24% below the Chancellor's Office enrollment target with a 6% overall decline in headcount for the 24-25 academic year (first-time freshmen showing the steepest drop). Lynch provided a number of factors impacting enrollment, including:

1. *Cost of Attendance*: The cost of living in San Francisco (including on-campus housing) is a primary deterrent. Financial aid complications, exacerbated by federal FAFSA application issues, disproportionately impact SF State's student demographics.
2. *Location Perception*: San Francisco's reputation as a city is polarizing in that it is appealing in some markets but concerning in others due to safety and affordability.
3. *Program Reputation*: Students prioritize program reputation when choosing among competitive institutions like Cal Poly, UC campuses, and San Jose State.
4. *Southern California Students*: the cost and location concerns dominate for students from this region.

Lynch said a number of recruitment strategies had been employed with some success, including transitioning from passive "outreach" to strategic, goal-driven recruitment with individual performance targets; hiring a SoCal-based recruiter to establish relationships with districts like LA Unified; participating in the Western Undergraduate Exchange, which offered in-state tuition rates to out-of-state students; and implementing an International Strategic Enrollment Plan to attract global students. Lynch also discussed process improvements strategies deployed such as accelerating admissions, housing, and financial aid processes for timely decision-making and enhancing accessibility by removing impaction

(higher admissions thresholds) for all programs except nursing. Additionally, Lynch shared retention strategies that now targeted sophomore students and higher. She said with funding from the Stupski Foundation, they could now focus on sophomore belonging and persistence that included allocating retention grants to help students reduce balances and re-enroll as well as increasing balance thresholds to allow more students to remain enrolled. Lynch said her office was also using AI ChatBot to nudge students through administrative barriers, build community, and gather real-time feedback on issues like food insecurity, to name a few. She concluded by stating that growth in out-of-state and international enrollment would not offset domestic declines so recruitment and retention must go hand-in-hand to address declining enrollment effectively.

Wilson then discussed how enrollment decline as well as decreased state funding and increasing operational costs impacted the university's budget. He said, unlike the University of California system, the CSU relied entirely on state funding, which was earmarked and restrictively allocated (supported 96% of instructional activities). He said other auxiliary funds, such as housing, parking, and capital funds, could not be redirected to cover operational deficits. Wilson said that over the past six years, total resources increased by only 2.8%, while costs rose by 6.8% with reserves and one-time funds being used to bridge this gap, but those were depleting. Wilson said tuition and fees revenue decreased by \$30 million due to declining enrollments, while a dependency on state appropriations had risen from 56% to 66%, increasing vulnerability to funding fluctuations. He said the main cost drivers for the university were:

- 1) Salaries and benefits (90% of the budget was spent on personnel). Despite workforce reductions saving \$40 million, compensation costs still grew by \$11.6 million due to benefits and negotiated salary increases (the CSU provides robust employee benefits, including pensions and lifetime healthcare, adding significant costs).
- 2) Operational Costs: Utility costs and insurance premiums have risen sharply due to inflation, climate events, and settlements requiring insurance payouts.

Wilson discussed university mitigation and strategic actions to address the budget challenges that included: 1) advocacy for state support (efforts led to the preservation of funding under the CSU compact, despite initial deferral proposals); 2) tuition adjustments (a 6% annual tuition increase was implemented, to be revisited in 2029-30); 3) strategic investments (increased funding in marketing, enrollment management, and growth programs like Braven); and 4) cost reductions (a multi-year reduction plan aimed at aligning resources with costs by FY 27-28, restrictions on discretionary expenses like travel and seeking grants and adopting energy-saving initiatives).

Wilson said, looking ahead, the primary challenges would remain enrollment declines, state funding volatility and rising operational costs (uncontrolled factors such as inflation, climate-related insurance increases, and system-level compensation decisions remain significant pressures). He said SF State will face difficult trade-offs in navigating these issues while maintaining its mission of accessibility, equity, and student success.

ESG WORKING GROUP & DRAFT IPS REVIEW

Jackanicz said the Foundation representatives, campus leadership and students met several times during the summer to integrate human rights principles into it's the Foundation's Investment Policy Statement (IPS). He said the new human rights addition complemented existing commitments to carbon neutrality, racial equity, and social justice. He said the principles were broad and not tied to specific regions or conflicts, reflecting universal values. In response to questions about fiduciary responsibility and returns, Jackanicz said that as part of their fiduciary responsibility, a gap analysis was performed by fund managers to ensure that changes in investment policy aligned with the goal of preserving or enhancing returns (with current

analyses confirming no adverse impact on financial performance). Jackanicz also mentioned that investment screenings would identify and replace any holdings inconsistent with the new human rights language with comparable alternatives, maintaining portfolio balance and performance.

Jackanicz said SF State Foundation was a leader in values-driven investing and among the pioneers adopting such comprehensive principles in its IPS. He said other CSU campuses and universities have expressed interest in learning from this initiative and organizations like the Association of Governing Boards (AGB) have acknowledged the effort, inviting the university to share its experience in broader forums. Board members expressed pride in being part of this forward-thinking initiative and highlighted its collaborative, inclusive process. Jackanicz said the proposed revisions would be brought back for a formal vote in December, offering additional opportunities for input and refinement.

DIRECTORS' OPEN FORUM

None.

COMMITTEE REPORTS

Huss reminded directors that written committee reports were included in their board packet and encouraged them to direct their questions to staff.

ADJOURNMENT

Huss reminded directors that the next Board meeting would be held on December 12, 2024 on campus. Debra Plousha-Moore made the motion to adjourn the meeting; Cynthia Bengier seconded the motion. There being no further business, the meeting was adjourned at 5:00 PM.

Dated: September 17, 2024

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DocuSigned by:
Venesia Thompson-Ramsay
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Venesia Thompson-Ramsay, Secretary