SAN FRANCISCO STATE UNIVERSITY FOUNDATION
EXECUTIVE COMMITTEE MEETING
Wednesday, August 21, 2024

Chair Huss called the Executive Committee meeting of August 21, 2024 to order at 11:02 AM.

Committee Members Present
Vince Anicetti, Chair, Public Affairs Committee
Amy Chan, Chair, Audit Committee
Don Endo, Vice Chair
Mary Huss, Chair
Jeff Jackanicz, Foundation President
Don Nasser, Chair, Athletics Committee
Dan Neumann, Chair, Investment Committee

Committee Members Absent and Excused
John Gumas, Chair, Development Committee
Neda Nobari, Immediate Past Chair
Debra Plousha-Moore, Chair, Committee on Directors

Others Present
Venesia Thompson-Ramsay, Foundation Corporate Secretary & Treasurer

I. **Public Comments**: None.

II. **Approval of Agenda:** The committee reviewed the agenda for the meeting of August 21, 2024. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: that the committee approves the agenda, as prepared.
Motion by: Dan Neumann Seconded by: Vince Anicetti Motion: Passed

III. **Approval of Meeting Minutes:** The committee reviewed the minutes from the May 22, 2024 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: Amy Chan Seconded by: Don Nasser Motion: Passed

IV. **Operating Business**:

A. Campus Update: Jackanicz provided the campus update. He thanked committee members for all their work over the past fiscal year with special thanks to Mary Huss as incoming chair and Neda Nobari as the new Immediate Past Chair. He shared the excitement on campus that week, also known as move-in week, with President Mahoney also volunteering her time to be with incoming and returning students and their parents. Jackanicz said students were moving into the two new residential facilities at West Campus Green. Also, he said the new Science & Engineering Innovation Center (SECI) was technically open and that both the SEIC and West Campus Green facilities would have their dedication ceremonies in January 2025.

Jackanicz announced the University's first ever campus corporate partnership with the San Francisco Federal Credit Union (SFFCU). He said the partnership would provide annual financial resources to the campus as well as banking benefits for students, faculty and staff. Jackanicz then thanked AVP Thompson-Ramsay for managing two complicated and labor-intensive RFP processes over the past several months. He said the board had selected CCS Fundraising to lead the next campaign planning work and was working on some final information to select an investment advisor for the Foundation.

Jackanicz listed a number of upcoming events, including a dinner at the home of SF State alumni Peter and Rosemary Casey in Los Angeles and a broad alumni event in West Hollywood during the second week of September. He said on September 16, the launch of the SF State University and Braven partnership would take place in downtown San Francisco with Mary Huss facilitating a conversation on economic development with Tim Cobbs and what the Braven partnership would mean for the city of San Francisco. Jackanicz also shared a couple of systemwide meetings in late September – one with all the VP for Advancements and the other at the Chancellor's Office in Long Beach to talk about endowment and investing. Additionally, Jackanicz said he, President Mahoney and Nicole Lange were heading to the East Coast in October to meet with donors, alumni and philanthropic corporations. Finally, he mentioned two events in November – the annual Alumni Hall of Fame on November 1 at the San Francisco Ritz Carlton Hotel and a campus visit by respected author Kim Stanley Robinson.

B. <u>ESG Working Group with Students</u>: Jackanicz provided an update on the extensive work that the ESG working group had accomplished over the summer. He said the committee met about five times to align the SF State Foundation's investment approach with ethical and human rights considerations. Jackanicz said the key accomplishments included: 1) Enhanced Screening (an emergency email vote approved enhanced screens for the Foundation's investment portfolio to exclude companies involved in weapons manufacturing, private prisons, and fossil fuels) with which adjustments were made to the portfolio; 2) Transparency Efforts (Cambridge Associates worked with fund managers to determine what portfolio information could be shared without compromising competitive advantage), which led to the creation of a disclosure page on the foundation's website for ongoing updates and holdings information; and 3) Investment Policy Statement Revisions to reinforce a commitment to values-driven investing. Jackanicz said the Investment Committee had already voted to recommend these revisions to the Executive Committee with the hope that the Executive Committee would also recommend said revisions to full board. Jackanicz said the work over the summer exemplified both the university and the foundation's commitment to ethical investments and increased transparency. On motion duly made, seconded and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: that the Committee moves the proposed revisions to the Investment Policy Statement to the full board meeting for a first reading and discussion at its September 17, 2024 meeting.
Motioned by: Amy Chan Seconded by: Don Nasser Motion: Passed

C. September 17, 2024 Board Meeting Agenda: Jackanicz reviewed the draft agenda for the September 17 board meeting. He said the highlights of the meeting included the appointment of a student director, ratifications of the campaign planning consultant and the Outsourced Chief Investment Officer (OCIO), a presentation on campus enrollment and budget and the first reading and discussion of the revisions to the Foundation's Investment Policy Statement (IPS).

V. **Committee on Directors:** Thompson-Ramsay provided the report on behalf of Plousha-Moore. She said the committee had been busy over the past few months, including an initial meeting with prospective board candidate Okorie Ramsey earlier that August. Thompson-Ramsay said Okorie Ramsey was passionate about the mission of the University, having long supported his college (the Lam Family College of Business) with both his scholarship and engagement opportunities for the students at Kaiser Permanente where he works. Thompson-Ramsay said a meeting with some additional committee members was set for early October and the hope was to elect Ramsey to the board at the December Board meeting. Lastly, Thompson-Ramsay asked the Executive Committee to recommend approval of Brandon Foley to the Foundation Board. She said President Mahoney had appointed Foley to serve as a student director on the Foundation Board along with current student director, Iese Esera. She said Foley was the president of Associated Students at San Francisco State University for the 2024-25 term. He earned his Bachelor of Science in Computer Engineering from SF State in Fall 2023 and was currently pursuing a Master of Science in Electrical and Computer Engineering as an SF State Scholars student. Thompson-Ramsay shared that Foley was deeply committed to addressing issues surrounding basic needs and affordability and was particularly focused on securing additional funding to expand and support the Gator Groceries program. Thompson-Ramsay said Foley would serve a one-year term through June 30, 2025. On motion duly made, seconded, and carried, the following Minute Action was taken:

MINUTE ACTION: that the Executive Committee recommends board approval of the appointment of Brandon Foley to the board of directors of the San Francisco State University Foundation through June 30, 2025.
Motion by: Dan Neumann Seconded by: Amy Chan Motion: Passed

VI. **Audit Committee Report**: Chan mentioned that the Audit Committee last met on July 22, 2024 to kick off the preparation of the 2023-2024 audit. She said Windes reviewed the audit plan and timeline, noting that the audit fieldwork would run for the month of August, with draft financials review expected in early September and final drafts to the Chancellor's Office expected by mid-September. Chan shared the areas of focus for the audit, including:

1. Where there's significant risk of information being misstated (audit procedures will include journal entry testing, conducting fraud inquiries with individuals in the Foundation, as well as understanding the financial statement review process);

2. Where there's errors in revenue recognition (procedures will include checking for fraudulent revenue recognition, documentation of the Foundation's revenue process and testing of significant contributions for proper recognition and classification);
3. Accounting for and disclosure of investment and endowment activities, especially as it relates to alternative investments;
4. Collectability on receivables and pledges; and
5. Revenue recognition for contributions and administrative fees.

Chan said the next audit committee meeting would take place in the fall when the Committee would review and accept the final drafts of the audited financials.

VII. **Committee on Athletics Report**: Nasser reported that the work with PIVOT – the company the Foundation retained to assess corporate sponsorship opportunities at SF State – had secured the university's first-ever campus-wide corporate sponsor partnership with the San Francisco Federal Credit Union. Nasser said the five-year partnership would bring between $500k - $1m of funding for the campus, provide financial literacy training to students, offer paid internship placements for students, and offer alumni, students, faculty, and staff tailored accounts and services with special incentives. He said about $250,000 of these funds would go toward Gator Athletics and the gym, pending approval of the CSU Board of Trustees, would be named the SF Federal Credit Union gymnasium for the duration of the partnership.

Nasser also reported that on August 7, the Division 2 Athletics Directors Association (D2 ADA) announced the 2023-24 recipients of the D2 ADA Academic Achievement Awards. The Academic Achievement Awards, in its 17th year, is a program that recognizes the academic accomplishments of student-athletes at the Division II level. Nasser said the prestigious awards went to 82 SF State Gators. Additionally, Nasser mentioned that individual winter/spring sport athletes were recognized this summer for their academic success.

VIII. **Development Committee Report**: Jackanicz provided the report on behalf of Gumas, Chair of the Development Committee. He provided updates on fundraising, the Science & Engineering Innovation Center and campaign planning:

- Jackanicz reported that the 2023-2024 fiscal year ended on a high note with the university raising $21,695,665.71 (108% of the $20 million goal) from a healthy mix of individual current major gifts, estate gifts, and corporate and foundation support.
- He also reported that the university made significant progress towards wrapping up the campaign to raise $25 million for the Science and Engineering Innovation Center with just $700,000 more to raise to unlock a $5 million match gift. He said the Development Office was in conversations with multiple corporations and a few individual donors to close this gap in the coming months.
- Jackanicz said the Advancement leadership team and the Development committee spent the spring and summer months releasing an RFP, reviewing the responses and listening to the presentations from the finalists in order to identify a consultant to undertake a campaign feasibility and planning study for SF State. He said the team had landed on CCS Fundraising.

On motion duly made, seconded, and carried, the following Minute Action was taken:

MINUTE ACTION: that the Executive Committee engages CCS Fundraising to prepare a campaign feasibility and planning study for SF State's next fundraising campaign.
Motion by: Amy Chan Seconded by: Don Nasser Motion: Passed

IX. **Investment Committee Report**: Neumann provided the report. He mentioned that the Investment Committee last met on August 13, 2024. He said the Foundation's portfolio continued to record positive returns of 3.3% (lagging the 7.2% return of the Policy Benchmark) for the calendar year to date through June 30, 2024 and a return of 8% (lagging the Policy Benchmark's 14.5%) for the fiscal year 2024. He said total net asset values stood at $162.9 million as of June 30, 2024.

Neumann also mentioned that the Foundation was in the final stages of its investment advisor/OCIO search with presentations from Mercer, Cambridge Associates and Prime Buchholz over the past two days. He said that while all three firms were outstanding and equipped to handle the Foundation's values-driven investment goals, the Investment Committee was requesting some additional information to help it make a final decision before the September board meeting. He said, in the meantime, he would like to ask the Executive Committee's approval to move forward to the contract phase with the firm the Investment Committee ultimately decide on, since the next committee meeting would not be until November. He said the finalist would be presented to the full board for ratification at the September board meeting. On motion duly made, seconded, and carried, the following Minute Action was taken:

MINUTE ACTION: that the Executive Committee approves an investment management contract with either Mercer, Cambridge Associates or Prime Buchholz, pending a final firm selection.
Motion by: Vince Anicetti Seconded by: Amy Chan Motion: Passed

X. **Public Affairs Committee Report**: Anicetti provided the report. He mentioned that the SF State-Braven launch event was scheduled for September 16 with Mayor London Breed and Speaker Emerita Nancy Pelosi attending as opening speakers. Anicetti shared SF State's advocacy plan for the coming year, with the following legislative priorities outlined by the Chancellor's Office:

a. Improve College Access and Timely Completion through Aid to Students
Increase support for low-income students by enhancing Pell Grants, simplifying FAFSA, investing in SEOG and Work-Study programs, and supporting policies that reduce college debt.
b. Prepare Students for College Success
Strengthen federal support for pipeline programs like GEAR UP and TRIO and enhance teacher preparation programs for high-need schools.
c. Foster Degree Completion for California's Diverse Population
Support policies for Dreamers, veterans, and minority-serving institutions, while promoting community college transitions to CSU.
d. Educate Students for Tomorrow's Workforce
Boost funding for STEM education, the arts, international student programs, and co-curricular activities to prepare students for diverse industries.

e. <u>Enhance Campus Health, Safety, and Infrastructure</u>
Secure funding for student well-being, campus safety, and infrastructure improvements that foster community partnerships and economic growth.

Lastly, Anicetti said the SF State NAGPRA Program had been actively repatriating remains, artefacts and sacred objects to Native American Indian tribes since 2000 and had recently passed university policy to support the program's efforts (i.e. Closed Repository Policy and Contamination Testing Policy). In addition to the policy, the university also supports a Tribal Travel Reimbursement program for tribes wishing to travel come to campus and consult. The NAGPRA program had also digitized records to share with tribes and had been able to accurately determine cultural affiliation through consultation. He said currently SF State was consulting with 22 tribes.

XI. **Other Business**: None.

XII. **Adjournment:** No further items were discussed. With Amy Chan making the motion to adjourn the meeting and Dan Neumann seconding the motion, the Executive Committee meeting of August 21, 2024, was adjourned at 12:36 PM.

Respectfully submitted,

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Mary Huss, Chair Date