

**SAN FRANCISCO STATE UNIVERSITY FOUNDATION
EXECUTIVE COMMITTEE MEETING
San Francisco City Club
155 Sansome Street, 12th Floor, Deco III
San Francisco, CA
Friday, May 31, 2019**

Chair Safford started the Executive Committee meeting at 11:10 AM.

Committee Members Present

Venesia Thompson-Ramsay, President
Taylor Safford, Chair
David Serrano Sewell, Immediate Past Chair
Mary Huss, Committee on Directors Chair
Neda Nobari, Investment Committee Chair

Committee Members Absent and Excused

Kimberly Brandon, Vice Chair
John Gumas, Chair, BOLD. Thinking. Campaign
Ted Griggs, Committee on Athletics Co-Chair
Don Nasser, Audit Committee Chair
Dennis O'Donnell, Committee on Athletics Co-Chair
Wade Rose, Advocacy Committee Co-Chair
Camilla Smith, Development Committee Chair

Others Present

Les Wong, President, SF State University
Alison Sanders, Chief of Staff to the President, SF State University
Leshia Claudio, Deputy Chief of Staff to the President, SF State University
Caroline Johansson, Secretary and Treasurer, San Francisco State University Foundation

- I. **Waiver of Quorum:** Chair Safford noted that the meeting did not have quorum and suggested the committee make a motion to waive the quorum requirement and conduct business/approve action items with the number of directors present. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: that the committee waives the quorum requirement and conducts business/approve action items with the number of directors present at the May 31, 2019 meeting.

Motion by: Taylor Safford Seconded by: David Serrano-Sewell Motion: Passed

- II. **Review of Agenda:** The committee reviewed the agenda with no objections.
- III. **Approval of Meeting Minutes:** The committee reviewed the minutes from the February 21, 2019 and March 1, 2019 meetings. 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: Mary Huss Seconded by: Neda Nobari Motion: Passed

IV. Operating Business:

A. Resolution of Appreciation for President Wong: Committee members voted electronically to adopt BOD #053119-1, Resolution of Appreciation, which would be presented to Dr. Leslie E. Wong at his farewell luncheon following the committee meeting. On motion duly made, seconded, and unanimously carried via email, the following Minute Action was taken:

MINUTE ACTION: that the committee adopts BOD #053119-1, Resolution of Appreciation to Dr. Leslie E. Wong.

Motion by: Venesia Thompson-Ramsay Seconded by: Taylor Safford Motion: Passed

B. Provisional Operating Budget for FY 19-20: Secretary and Treasurer Johansson presented slides on the FY 19-20 operating budget for the committee's review. The annual budget process was reviewed highlighting how revenue and expenses were calculated. Chair Safford commented that it would be good to drill down with more detail on the \$201,636 variance for the "Revenue for Investment Management Fees" for the FY2018/2019 budget versus actual.

Johansson reviewed the year-end projections through June 30, 2019, highlighting significant budget versus actual variances. For example, out-of-state travel was lower than budgeted because fewer board members travelled to the 2019 AGB¹ Forum in Florida. Chair Safford mentioned that the 2020 AGB Forum would be in San Diego so hopefully more directors could attend. Nobari commented that the board should consider attending the Intentional Endowment Network (IEN) conferences on alternate years. She said the IEN conferences focus on alternative investing, green funds and cryptocurrency.

While reviewing the slide on key budget items for FY2019-2020, Serrano Sewell asked what type of events the \$40,000 for presidential onboarding would cover. Thompson-Ramsay mentioned events like investiture, foundation event(s) on campus and at board members' homes. President Wong mentioned that the University and the Chancellor's Office were also supplementing the onboarding fund. Thompson-Ramsay also explained the Unrelated Business Income Tax (UBIT), how it applied to the Foundation and how it was calculated. Nobari asked if the Foundation's investment advisor could help control UBIT through investment choices. Thompson-Ramsay said she would talk with him about whether that was currently being done.

Staff explained the large increase in the reserves line as a reclassification of board-designated funds by the auditors to the unrestricted pool. Thompson-Ramsay mentioned that board-designated funds were held in the restricted pool prior to 2018. Board-designated funds accounted for \$5 million of the \$6 million reserve. Another \$500,000 was restricted for operating reserves, per the CSU. Staff agreed to modify the slide before presenting to the full board in June.

MINUTE ACTION: that the Executive Committee approves the proposed operating budget for

¹ Association of Governing Boards of Colleges and Universities

FY 19-20.

Motion by: David Serrano-Sewell Seconded by: Mary Huss Motion: Passed

C. Endowment Distribution for FY 19-20: Thompson-Ramsay mentioned that the Investment Committee approved a new spending policy for endowment distributions at its May 7, 2019 meeting. She said the new spending policy was consistent with what was used at the vast majority of educational institutions and would result in a more smoothed payout over time, which, in essence, would preserve the endowment principal. She said the spending rate of 4% payout would remain the same but that the methodology was based on a 12-quarter moving average of the endowment market value as of December 31st. Additionally, permanent and quasi-endowments would continue to wait one year before allowing a distribution, unless approved by the Board. Thompson-Ramsay said that based on the above policy, the total distribution from all eligible endowments (permanent, temporary and quasi) for FY 2019-2020 was **\$3,162,840** compared to \$2,703,006 approved for distribution in FY 18-19 (a difference of \$459,834). On motion duly made, seconded, and carried, the following Minute Action was taken:

MINUTE ACTION: that the Executive Committee approves the proposed endowment distribution of \$3,162,840 for FY 19-20.

Motion by: Taylor Safford Seconded by: Neda Nobari Motion: Passed

D. FY19-20 Committee Meeting Schedule: Johansson reviewed the proposed Executive Committee meeting schedule for FY 2019/2020. Chair Safford mentioned that board members need to respond to meeting invites so we can confirm quorum ahead of time. On motion duly made, seconded, and carried, the following Minute Action was taken:

MINUTE ACTION: that the Executive Committee approves the proposed meeting schedule for FY 2019/2020 - August 22, 2019; November 7, 2019; February 20, 2020 and May 28, 2020.

Motion by: Neda Nobari Seconded by: Taylor Safford Motion: Passed

E. June 20th Board Meeting Agenda: Thompson-Ramsay reviewed the draft June 20th board meeting agenda with the committee.

V. **Written Committee Reports:** Safford asked the Committee to please review the written committee reports in the interest of time due to the lunch reception for President Wong immediately following the meeting.

VI. **Committee on Directors:** Huss reported that the committee last met on May 17 and reviewed the proposed slate of directors whose terms were expiring on June 30, 2019 and up for re-election, as follows:

3-Year Term – Re-elected to a Second Term (July 1, 2019 – June 30, 2022)

Willie L. Brown, Jr. 2016 – 2022 (2nd)

Don Endo 2016 – 2022 (2nd)

3-Year Term – Re-elected to a Third Term (July 1, 2019 – June 30, 2022)

David Simon 2013 – 2022 (3rd)

Russ Stanley 2013 – 2022 (3rd)

3-Year Term – Re-elected to a Fifth Term (July 1, 2019 – June 30, 2022)
Leona Bridges 2009 – 2022 (5th)
Dana Corvin 2008 – 2022 (5th)

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

MINUTE ACTION: that the Executive Committee recommends board approval of the proposed slate of re-elected directors for FY 2019-2020.

Motion by: Taylor Safford Seconded by: Neda Nobari Motion: Passed

Chair Huss then reviewed with the Committee the proposed slate of officers, effective July 1, 2019 – June 30, 2020:

President: Venesia Thompson-Ramsay, Interim Vice President of University Advancement
Chair: Taylor Safford
Immediate Past Chair: David Serrano Sewell
Vice Chair: Kimberly Brandon
Secretary & Treasurer: Caroline Johansson, Interim Associate Vice President University Advancement

Chair Huss also reviewed the proposed slate of committee chairs, effective July 1, 2019 – June 30, 2020:

Don Nasser, Chair, Audit Committee
Dennis O'Donnell & Ted Griggs, co-Chairs, Committee on Athletics
Mary Huss, Chair, Committee on Directors
John Gumas, Chair, Campaign Cabinet
Camilla Smith, Chair, Development Committee
Neda Nobari, Chair, Investment Committee
Wade Rose, Chair, Public Affairs Committee

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

MINUTE ACTION: that the Executive Committee recommends board approval of the proposed slate of officers and chairs for FY 2019-2020.

Motion by: David Serrano Sewell Seconded by: Taylor Safford Motion: Passed

Chair Huss reviewed the roster of committee assignments, effective July 1, 2019 – June 30, 2020. She mentioned that the Committee on Directors would be surveying directors to assess

engagement. Nobari said she would want to know how we could increase the engagement of Directors who live remotely. Safford suggested Zoom meetings or remote video conferencing.

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

MINUTE ACTION: that the Executive Committee recommends board approval of the proposed committee assignments for FY 2019-2020.

Motion by: Taylor Safford Seconded by: Neda Nobari Motion: Passed

VII. **Adjournment:** No further items were discussed. The meeting was adjourned at 12:04 pm, without objection.

Respectfully submitted,



Taylor Safford, Chair

9-11-19
Date